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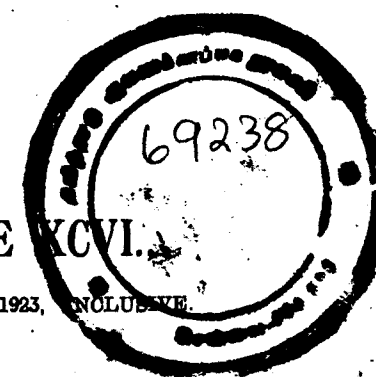
A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

"Were all nations to follow the liberal system of free exportation and free importation, the different States into which a great continent was divided would so far resemble the different provinces of a great Empire. As among the different provinces of a great Empire the freedom of the inland trade appears, both from reason and experience, not only the best palliative of a dearth, but the most effectual preventative of a famine, so would the freedom of the exportation and importation trade be among the different States into which a great continent was divided."—ADAM SMITH.

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INDEX TO VOLUME KCVI.

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INDEX TO THE ECONOMIST

FOR THE HALF-YEAR ENDING JUNE, 1923.

(L) = LETTERS TO THE EDITOR.

(R) = REVIEWS OF BOOKS.

Steamers and General Insurance, 517
 accounts of the Corp. of London, 549 (R)
 Worth, Sir Wm., 645 (L)
 Iriatic Bank, 814, 1211
 Ivertiser's A.B.C., 443 (R)
 gricultural year, 324

griculture:—

And banks, 204
 Conditions, 56, 261, 785, 989, 1335
 Credit, 630, 724
 Crops in 1922, 1048
 Norfolk strike, 678
 Policy, 876
 Rates on farms, 1429
 Rural credit in U.S.A., 593, 682, 783
 Superficial economics, 772
 World's maize crop, 1234
 World's production of cereals, 1375

ir policy, 634, 1423

lien, J. E., 216 (L), 1242 (L)

liance Assurance, 942

liance Bank of Simla, 937

malgamated Anthracite Collieries, 1393

merica:—

Anaconda-Chile Copper Merger, 209
 Armour-Holding Corporation, 57
 Austrian loan, 1297
 Bank clearings, 306
 Banking, 1064
 Bonds, 100, 209, 733, 889
 British banks, 942
 British debt, 51, 94, 196, 251, 257, 529
 Building operations, 144
 Business expansion, 639
 Central Pacific, 493
 Chamber of Commerce Convention, 1191
 Coal wage agreement, 262
 Commodity prices, 144, 435, 541, 598
 841, 1386
 Conditions in 1922, 335
 Cotton consumption, 493, 1236
 Cotton crop, 639, 733, 1338
 Cotton ginning, 16
 Cotton standards, 1336
 Crops, 16, 1191, 1386
 Crude oil price, 1048
 Cuban loan floated, 209
 Discount Corporation of N.Y., 209
 Export trade in 1922, 209
 Farm Loan Bond Redemption, 841
 Federal Reserve banking position, 57
 Federal Reserve bank rate, 541
 Finance, 639, 733
 Financial and economic outlook, 786
 Fire insurance, 883
 Foreign trade, 682, 841, 1048
 Government Crop Report, 1191
 Government financing, 1048, 1236, 1437
 Government's railway losses, 435
 Gold exports, 1191

America (continued):—

Halibut Fisheries Treaty, 929
 Imports, 209, 1236, 1297
 Industrial conditions, 57, 100
 International Mercantile Marine, 1386
 Iron and steel, 889
 Japanese and Chinese Bonds, 786
 Kansas Industrial Court, 1437
 Labour situation, 144
 Liquor regulations, 1048, 1336
 Minimum Wage Law, 889
 Money and stocks, 1297
 Money situation and outlook, 57
 New York Central dividend, 1437
 November exports, 16
 Oil report, 682
 Outlook for 1923, 16
 Pennsylvania Railroad, 1297
 Petroleum industry, 994
 President Harding and the Permanent
 Court of International Justice, 481
 Price maintenance agreements, 681
 Prices, 639
 Prohibition, 1048, 1336
 Railroad earnings, 100, 493, 639, 841,
 1191
 Railway amalgamation, 56
 Railway equipment expenditure, 841
 Rural credits, 593, 682, 783
 Shipping Board policy, 942, 994, 1386
 Shipping sale, 1234, 1338
 Ship Subsidy Bill, 593
 Silk firm in receivership, 786
 Smelting dividend, 1437
 Southern Pacific, 493
 Steel Corporation, 306, 493, 994
 Steel orders, 1191
 Stocks and bonds, 733, 841
 Sugar speculation, 942
 Supreme Court decision, 1297
 Tax-exempt securities, 262
 Textile amalgamation, 98
 Textile strike threat, 682
 Textile wage increases, 733
 Trade activity, 16, 100, 306
 Wages, 889
 Wheat, 889
 Wheat exports, 435
 Wool imports, 489
 American-Foreign Oil Corporation, 551
 American motor industry, 12
 American Telephone (Bell System), 540
 American view of the rubber position, 298
 America's balance of payments, 609 (L)
 Andhra Valley Power Supply, 951
 Anglo-American, Brazilian, 1446
 Anglo-American Mining, 993
 Anglo-American Oil, 917
 Anglo-Argentine Trams, 1336
 Anglo-Eastern Finance Corporation, 1346
 Anglo-French problem, 1327

Anglo-Italian relations, 88

Anglo-Nigerian Tin Mines, 603
 Anglo-Persian Oil Co., 67
 Angola Diamond Co., 794
 Angus, L. L. B., 550 (R)
 Antofagasta (Chili) and Bolivia Rly., 1363
 Antonopolo, G., 150 (R)
 Approach of a free gold market, 600 (L),
 740 (L), 791 (L)

Argentine:—

And the League of Nations, 538
 Banking conditions, 148
 British bank activities, 546
 Budget, 546
 Buenos Ayres Loan, 1243
 Bumper crop, 148
 Business conditions, 686
 Cattle and frozen meat, 546
 Conditions in 1922, 337
 Debt consolidation plans, 148
 Exchange, 148, 1301
 Financial policy, 1301
 Financial position, 1197
 Government loan, 435
 Government's financial plan, 686
 Internal and external loans, 846
 Investments and speculations, 1431
 Markets, 148, 546
 Meat companies, 489
 Money and exchange, 1301
 National and foreign banks, 686
 National finance, 846
 President's message, 1301
 Protection and its effects, 1301
 Railway affairs, 686
 Trade conditions, 846, 1197

Armstrong, Whitworth, and Co., 1294

Army and Navy Co-operative, 1023

Ashanti Goldfields, 306

Assam-Bengal Railway, 1473

Associated London Flour Millers, 1346

Associated Portland Cement, 730

Atkin, Edward, 1198 (L)

Atlas Assurance, 840

Austin, H. H., 690 (R)

Austin Motors, 539

Australia:—

Agricultural conditions, 1051
 Banking figures, 105, 845
 Borrowings, 988
 Brisbane Water, 1005
 British trade, 99
 Commonwealth and State accounts
 268
 Conditions in 1922, 333
 Conversion, 1051
 Exchange, 643
 Exports, 643
 Land companies, 92

Australia (continued):—

N.S.W. Government loan, 151, 899
 Population, 1051
 Public finance, 268
 Railway results, 643
 Shipping freights, 140, 205, 302
 South Australian Government loan, 270
 Trade balance, 845
 Victorian Government loan, 445
 Western Australia loan, 1305

Austria:—

Anstro-Hungarian relations, 206
 Budget, 597
 Conditions in 1922, 330, 597
 Credit policy, 597
 Currency depreciation, 938
 Exchange, 597
 Expenditure problems, 737
 Financial reconstruction, 103, 310
 Foreign capital, 997
 Foreign control, 1341
 Foreign trade in 1922, 539
 Freights, 103
 Industrial conditions, 310, 997, 1341
 Internal loan, 1341
 Loan in London, 1293, 1335, 1346
 Mark speculation, 597
 Money and stocks, 737, 997
 National Bank, 737
 Need for credits, 258, 310
 New bank, 310
 New capital, 737
 Note bank issue, 103
 Politics, 103, 597, 737, 997
 Pre-War debts, 306
 Prices, 103, 737, 938, 997, 1341
 Process of reconstruction, 95
 Progress of League scheme, 673
 State finances, 997, 1341
 Unemployment, 103, 737, 1341
 Vienna banks, 1341
 Yearling Treasury bills, 487

Babcock and Wilcox, 888

Bagracote Tea Company, 551

Bailey, G. L., 23 (L)

Baker (Albert) and Co., 1319

Balance-sheets of holding companies, 1286

Baldwin, Rt. Hon. Stanley, 1179

Balfour note, 529

Bank accounts of the U.K., 1059

Bankers' clearings in 1922, 9

Bankers on trade outlook, 139

Bank Holdings, Limited, 1156

Banking number, 1055

Banking profits, 52, 1061

Bank shares, 1063

Banks:—

Adriatic, 814, 1211
 Alliance Bank of Simla, 937
 Amalgamation, 303, 887
 And agriculture, 204
 And stockbrokers, 538, 548 (L)
 Balance-sheets, 133
 Banca Commerciale Italiana, 1211
 Banco Italo-Britannica, 662
 Banco Nacional Ultramarino, 917
 Bank of Adelaide, 1411
 Bank of Australasia, 615
 Bank of Montreal, 1319
 Bank of New South Wales, 79
 Bank of Nova Scotia, 410
 Bank of Scotland, 760
 Bank of Taiwan, 1473
 Bank voor Indie, 1170
 British banks in America, 942
 British Linen, 516
 British of South America, 917
 British Overseas, 141
 Canadian Bank Act, 215, 311, 498, 685,
 777
 Chartered of India, 662
 Colonial, 866
 Commercial of the Near East, 122, 742
 Commonwealth of Australia, 711
 Comptoir Nat. D'Escompte, 1319
 Continental and National of Chicago, 182
 Cox and Co., 259
 Credit Lyonnais, 1363

Banks (continued):—

Credito Italiano, 760, 968, 1274
 Dai-Ichi Ginko, 866
 Discount Corporation of N.Y., 209
 Dividends, 12
 Dominion of Canada, 182, 286
 Drummond's, 141
 Dutch Bank for the Mediterranean, 968
 Eastern, 570
 Federal reserve position, 57
 Glyn, Mills, 303
 Goodenough, F. C., 139
 Hambros, 1023
 Henry S. King and Co., 259
 Holt and Co., 303
 Hongkong and Shanghai, 711
 International Banking Corp., 815
 Ionian, 242
 Lloyds, 259, 303
 London and Brazilian, 866
 London and Liverpool of Commerce,
 141, 242
 London Joint City, 122, 443 (L)
 London Merchant Bank, 539
 McKenna, R., 139
 Mercantile of India, 616
 Mitsubishi, 1211
 National of Australasia, 1156, 1411
 National of Egypt, 662
 National of India, 662
 National of New Zealand, 1473
 Rotterdamsche, 1211
 Royal of Canada, 35
 Société Générale de Belgique, 410
 South African Reserve, 1434
 Soviet State Bank, 633
 Standard of S. Africa, 122
 Stilwell and Sons, 887
 Sumitomo, 1211
 Swiss Bank Corporation, 517, 591
 Tata Industrial, 1211
 Union of Canada, 122
 Union of Scotland, 917
 Union of Switzerland, 517
 Western Australian, 182, 1411
 "Westminster," 141, 887
 Yokohama Specie, 1170
 Barker (John) and Co., 815
 Barlow, Taylor, and Co., Limited, 900
 Batten, E., 1344 (R)
 Batura Monguna Tin, 1157
 Belgian franc, 1381

Belgium:—

Bank reports, 309
 Bourse, 1300
 Conditions in 1922, 328
 Exchange, 302, 736
 Financial policy, 309
 German payments, 736
 Index numbers, 1300
 Industrial creditors, 309
 Labour settlement, 1300
 Lloyd Royal Belge and the Mercantile
 Marine, 736
 New loan, 1300
 Reparations and the Ruhr, 309, 419
 Trade recovery, 679
 Bengal Iron Co., 866
 Bengal-Nagpur Railway, 182
 Benson and Hedges, 1319
 Bent's Brewery Co., 517
 Benzol and by-products, 1473
 Betting tax, 836, 1186, 1242 (L), 1373
 Beyer, Peacock and Co., 570
 Birmingham Small Arms, 785
 Risgood, J. J., 499 (L)
 Bleachers' Association, 1336
 Boggs, T. H., 691 (R)
 Bolckow, Vaughan, and Co., 220
 Bolivia, 534
 Bombay, Baroda, and C.I. Rly., 1411
 Booth's Distillery, Limited, 850
 Boots Pure Drug Co., 992, 1243
 Borax Consolidated, 260
 Borhat Tea Co., 1446
 Bovine bungle, 1225
 Bovril, Limited, 304
 Bowlana Tea Estates, 952
 Bradford Dyers' Association, 434
 Brazil, 256, 337
 Brazil Coffee, 1294
 Brazilian Warrant Co., 918
 Break-up of the Conference, 3
 Brentwood Gas Co., 108

Bridges and Co., 900
 Bright (John) and Brothers, 1155
 Britannic Assurance Co., 570, 616
 British-American Mining, 98
 British and Foreign Marine, 492
 British Australian Wool Realisation, 938
 British Bank of South America, 917
 British Cotton and Wool Dyers, 992
 British Cotton-Growing Association, 1188
 British debt to America, 51, 94, 196, 251,
 257, 529
 British Electric Traction, 1295
 British Empire Producers' Assn., 488
 British Empire Steel Corporation, 761
 British industry, 779
 British Investment Trust, 242
 British Italian Corporation, 637
 British Linen Bank, 516
 British Oak Insurance, 761
 British Oil and Cake Mills, 991
 British Overseas Bank, 141
 British Portland Cement, 638
 British proposals for reparation, 7
 British railways—new chapter, 4
 British South Africa Co., 433
 British tariffs, 1334
 British Trade Corporation, 730
 Brown (John) and Co., 1383
 Brunet, René, 1344 (R)
 Brunner, Mond, and Co., 1046
 Brunton, John, 1053 (R)
 Brussels Financial Conference, 949 (R)
 Brussels Maritime Conventions, 14
 Bryant and May, 941
 Budget, 527, 719, 771, 827, 835, 837
 Buenos Ayres Central, 67
 Buffet, André J., 24 (R)
 Building timber market, 1331
 Building trade, 729, 836
 Bulgaria:—
 Agriculture, 440
 Conditions in 1922, 330
 Currency shortage, 440
 National debt, 440
 Outlook, 440
 Reparations, 880
 Revolution, 1329
 Bund, Eister, 64 (R)
 Burmah Oil, 1295
 Burt, Boulton, and Haywood, 952
 Business and safeguarding industries, 258
 Butson, H. E., 600 (L)
 Butter and margarine, 940
 By-elections and the parties, 535

Caillaux, Joseph, 897 (R)
 Calcutta Corporation loan, 151
 Calcutta Improvement Trust, 648
 Calcutta, Port of, 1346
 Caledonian Railway, 990
 Callendar's Cable Construction Co., 1025
 Cammell, Laird, 730
 Canada:—
 Acreage figures, 1441
 Agricultural conditions, 1195
 Agricultural inquiry, 844, 894
 Asquith award, 685
 Atlantic shipping combine, 894
 Bank Act revision, 215, 311, 498, 685,
 777, 894, 1001, 1195, 1389, 1441
 Basis of credit, 685
 Bovine bungle, 1225
 British fiscal changes, 1001
 British manufacturers and branch fac-
 tories, 215
 British preference, 1239
 Budget, 311, 642, 1239, 1343, 1389, 1441
 Business conditions, 215, 498, 642, 844,
 894, 1441
 Cattle exporters, 894
 Coal and steel, 425, 642
 Conditions in 1922, 333
 Crop prospects, 1001, 1343, 1441
 Crop value in 1922, 61
 Debt and population problems, 685
 Demand for State bank, 685

Germany and her debts, 550 (R)
 Gide, Prof., 792 (R)
 Gilt-edged stock and industrial shares, 989
 Glanfield, G., and Son, 1305
 Glyn, Mills, Currie, and Co., 303
 Gold Coast Amalgamated, 942
 Gold, free market, 600 (L), 740 (L), 791 (L), 948 (L)
 Gold mining on the Witwatersrand, 93, 138, 202
 Gold production, 323
 Gold realisation costs, 441
 Gold standard and price stability, 44
 Gold, Transvaal output, 57, 306, 592, 785
 Goodson's Mantle and Costume Co., 570
 Gopeng Consolidated, 540
 Gordon Hotels, Limited, 761
 Gordon (Malaya) Rubber, 649
 Gorgolini, D. P., 1303 (R)
 Government change, 1179
 Government defeat, 779
 Government, New, 1223
 Government Stock and Other Securities Investment Co., 185
 Governments, solvent and insolvent, 637
 Graham, Wm., 897 (L)
 Grand Trunk Pacific, 857, 1232
 Great Britain and Iraq, 442 (L)
 Great Britain and Mexico, 589
 Great Britain and the East, 1180
 Great Eastern Train Ferries, 603
 Great Gamble, The, 43
 Great Indian Peninsular Railway, 1411
 Great Nineteenth Century Liberal, 672
 Great Western of Brazil, 1363
 Greece :—
 Agricultural production, 1052
 Circulation, 267, 644
 Cost of living, 644, 1052
 Drachma rise, 1342
 Economic situation, 893
 Exchange regulations, 1052
 Exchanges, 267
 External debt, 590, 1434
 Foreign trade, 1052
 Levy on capital, 644
 Losses, 1342
 National Bank loan to State, 644
 National Bank meeting, 893
 Obligatory cession of gold, 267
 Panic, 1342
 Public finances, 267
 Refugees, 23 (L), 267
 Salonica Port free zone, 267
 Greek loans and companies, 150 (R)
 Gregory, L. F., 740 (L)
 Gravesend Steel and Tinplate Co., 951
 Guardian Assurance, 1191
 Guatemala, 589
 Guayaquil and Quito Railway, 35
 Guest, Keen and Nettelfolds, 1384
 Guinness, Son and Co., 1170
 Gula-Kalumpang Rubber, 662

Hadfields, 866
 Hague rules, legislation, 679
 Hambros Bank, 1023
 Harcourt, Sir Wm., 672
 Harley, J. H., 149 (L)
 Harrods, Limited, 492
 Hawtrey, R. G., 847 (R), 896 (L)
 Henley's (W. T.) Telegraph Works, 472
 Hewitt, C., 64 (L)
 Highlands and Lowlands Rubber, 1170
 Hispano America and U.S., 1377
 Hofmann, R., 150 (R)
 Holland :—
 Austrian Reconstruction Loan, 1195
 Banking affairs, 1195
 Conditions in 1922, 328
 Javasche, 543
 Life insurance, 545
 Postal Giro Service, 1195
 Value of Guilder, 545
 Hollinger, 593
 Hollins, Wm., and Co., 616
 Holt and Co., 303
 Home and Colonial Stores, 287
 Home railway market, 1333
 Home wool clip, 1335

Honduras, 589
 Honduras External Debt, 491, 590, 990
 Hongkong and Shanghai Bank, 711
 Honours List, 11
 Horne Bros., Ltd., 849
 Hotel and restaurant companies, 631
 Houlder Brothers and Co., 1170
 House property reassessment, 1379
 Housing, 535, 831
 Housing and rent control, 422, 487
 Housing Bill, 884
 Howard and Bullough, 1384
 Hudson's Bay Report, 1383
 Hungary :—
 Condition in 1922, 330, 1037
 Position, 1382
 Reparations, 1186
 Hungary and democracy, 898 (R)
 Idris Hydraulic Tin, 1296
 Illingworth, Morris and Co., 648
 Imperial Paper Mills, 35
 Imperial preference, 1424
 Imperial Tobacco Co., 305
 Income tax and prices, 879, 949 (L), 1052 (L)
 Income-tax assessments, 1002 (L)
 Indemnity Bill, 1042
 Indemnity-Mutual Marine Insurance, 143
 Index number, 8, 198, 483, 723, 932, 1228
 Index numbers and labour, 141
 Index numbers. The making of, 217 (R)
 India :—
 Alliance Bank of Simla, 937
 Budget, 536, 635, 678
 Calcutta Corporation loan, 151
 Calcutta Improvement Trust, 648
 Calcutta Port, 1346
 Campaign for protection, 599
 Conditions in 1922, 334
 Cotton Crop, 489, 680
 Debate in House, 1334
 Debate in Legislative Assembly, 599
 Foreign trade, 839
 Gold mining results, 1183
 Government loan, 115
 Next phase, 1284
 Overseas trade, 431
 Port of Madras loan, 899
 Rupee loan, 1382
 Viceroy and the Salt Tax, 635, 1241 (L), 1334
 India Rubber, Gutta Percha, 1411
 Industrial art, 939
 Industrial life assurance, 531, 689
 Industrial profits, 46, 830
 Industry, 779
 Industry and public expenditure, 585

Insurance :—
 Abstiners and General, 517
 Alliance, 942
 Atlas, 840
 Britannic, 570, 616
 British and Foreign Marine, 492
 British Fire, 638
 British fire offices in U.S., 883
 British Oak, 760
 Canada Life, 638
 Capital appreciation, 583
 Certificates of insurance, 97, 208
 City Fire, 1023
 Commercial Union, 992
 Consolidated, 1212
 Eagle, Star and B.D., 1023
 Edinburgh Life, 815
 Employers' liability, 592
 English, 14
 Equitable Life, 1191
 Equity and Law Life, 616
 Excess, 968
 General Accident, 866
 Guardian, 1191
 Indemnity-Mutual Marine, 143
 Industrial Life, 531, 689 (L)
 Lancashire and General, 649
 Legal and General, 815
 Life policies payable in war stock, 1336
 Liverpool and London and Globe, 1047
 London, 866
 London and Lancashire, 638, 840
 London and Scottish, 993

Insurance (continued) :—
 London Life, 840
 Marine and General, 517
 Maritime, 616
 Merchants' Marine, 540
 National Mutual Life, 122, 208
 National Mutual of Australasia, 286, 663
 National of Great Britain, 815
 National Provident, 260
 North British and Mercantile, 993
 Norwich Union, 866
 Ocean Accident and Guarantee, 866
 Pearl, 517
 Phoenix, 784
 Provident Association, 616
 Provident Mutual, 472
 Prudential, 517, 1336
 Public and private enterprise, 682, 792 (L)
 Refuge, 570
 Road Transport and General, 410
 Royal, 1047
 Royal Exchange, 888
 Scottish Life, 286, 517
 Scottish Provident, 784
 Scottish Union and National, 888
 Scottish Widows, 616, 784
 Sea, 208
 Standard Life, 968
 State, 917
 Sun, 1047
 Sun Life, 286
 Sun Life of Canada, 410
 Treaty reinsurances, 143
 Unemployment, 433, 499 (L), 537, 586
 Unemployment Bill, 537
 United General Commercial, 13
 United Insurance (Australia), 122
 United Kingdom Provident, 492, 583
 Universal Automobile, 760
 Wesleyan and General, 760
 Western Alliance Reinsurance, 1212
 World Auxiliary, 760
 World Marine, 968
 Yorkshire, 942
 Insurance companies' profits, 847 (L)
 Insurance publications, 24 (R)
 International aspects of unemployment, 601 (R)
 International Banking Corporation, 815
 International Debt, 537, 875
 Internationalisation of the Ruhr coalfield, 429, 499 (L), 549 (L)
 International trade balance in theory and practice, 691 (R)
 Interpretations of legal history, 690 (R)
 Investments. Trustees' choice, 485
 Investment trust companies, 675
 Investment Trust Corporation, 1274
 Investor's dilemma, An, 878, 989
 Ionian Bank, 242
 Iraq problems, 428, 442 (L)
 Iraq Treaty, 936
 Irish deportations, 587
 Irish Free State :—
 Banking, 260
 Bank returns, 99
 Borrowing problems, 1050
 Cheque stamps, 434
 Compensation for military damage, 99
 Conditions, 988, 1432
 Credit position, 1051
 Customs' frontier, 487, 593
 Danger of haste, 16
 Deficit, 678
 Deportations, 593
 Finance, 728, 780
 Government borrowing plan, 593
 Great Southern and Western, 16, 54
 Legislation, 140
 National credit, 1227
 Peace, 16, 204, 257, 428, 780
 Progress, 884
 Revenue, 99, 487
 Slump in stocks, 16
 Stocks and investors, 937, 994
 Iron and steel industry in 1922, 201
 Iron and steel output, 302, 589, 837, 1293, 1335
 Iron and steel. World's markets, 1187
 Iron ore. Home output, 1381
 Irvin and Johnson (S. Africa), 220
 Is capital appreciation profit? 583
 Issues under the Trade Facilities Act, 53

Italy :—
 Anglo-Italian relations, 88
 Bank of Italy, 999
 Conditions in 1922, 326
 Cost of Living, 62, 789
 Deficit for 1923-24, 1194
 De Stefani's speech, 1194
 Economic Committee, 1194
 Fascist creed, 1303 (R)
 Financial assistance to shipyards, 544
 Flour duty, 62
 Fluctuations of note issues and discounts, 999
 Foreign trade balance, 999
 Foreign trade : Great Britain's share, 211
 Gold reserves, 999
 Hotel and restaurant taxes, 789
 Public economies, 62
 Public revenue, 544
 Railways, extraordinary commissioner, 62
 Rent restriction to end, 211
 Shipping subsidies, 544
 Stabilisation of the lira, 789
 Taxation, 789
 Wholesale prices, 789
 Italy's economic condition, 848 (R)

Jamaican Government Loan, 648
 Japan :—
 Adverse balance lower, 312
 Conditions in 1922, 336
 Direction figures, 312
 Finance, 14, 99, 639, 733, 840, 1297
 Foreign trade, 312, 1198
 New debt after 1914, 1194
 Tokyo Electric Light Company, 1446
 Trade, 14, 99, 639, 733, 1297
 Treasury control, 1194
 Japanese wars and their costs, 1303 (R)
 Jhanzie Tea, 1319
 Jones, R. E., 143
 J. P. Restaurants, Limited, 445

Jugo-Slavia :—
 Dinar exchange, 432
 Exchange movements, 1233
 Jute industries, 261
 Juvenile unemployment, 1181

Kaffir outlook, 56
 Kassala Cotton Co., 502
 Kassala Railway, 66
 Kelly's Directories, 648
 Kepong Dredging Co., 1393
 King, Henry S., and Co., 259
 Kirkconnell, W., 601 (R)
 Koebel, W. H., 1377

Labour :—
 And capital, 897 (L)
 And index numbers, 141
 Building trade, 729, 836
 Coal dispute, 728
 Conditions in South Wales, 636
 Lyons, Leverett S., 65 (R)
 Co-operative policy for labour and capital, 928, 1002 (L)
 Cost of living, 95
 Disputes, 324
 Employment, 95, 324
 Employment in January, 430; in February, 636; in March, 886; in April, 1187; in May, 1380
 German wages in December, 55
 Improvement in British industry, 779
 In 1922, 135
 Juvenile unemployment, 1181
 Length of working day, 633
 Miners' wages, 1378
 Norfolk strike, 678
 Outlook, 836
 Trade unions and hours of work, 140
 Unemployment, 95, 135, 549 (R), 779
 Unemployment insurance, 433, 499 (L), 537
 Wages, 324
 Workmen's compensation, 1224

Labour party and Socialism, 627
 Labour Party Conference, 1380, 1433
 Labour Research Department, 1391 (R)
 Lake View Investment Trust, 1436
 Lambak Rubber, 850
 Lamport and Holt, 663
 Lamson Paragon Supply, 815
 Lancashire and General Assurance, 649
 Lancashire Electric Light, 220
 Land and property in 1922, 137
 Land-holding by foreign corporations in France, 199
 Latin-America and the Monroe doctrine, 1377
 Latin-American notes, 50, 256, 534, 778, 1041
 Latvian conditions in 1922, 332
 Lausanne Conference, 51, 94, 134, 195, 251, 252, 635, 1378
 Lausanne Second Conference, 936
 Lautario Nitrate, 968
 Law, Rt. Hon. A. Bonar, 1179
 Lawas (Sarawak) Rubber, 603
 Lead market prospects, 1184
 League of American Nations, 781
 League of Nations, 998, 1199 (R)
 League of Nations and Argentine, 538
 League of Nations and Mosul, 134
 League of Nations Council, 1385
 Leake, P. D., 949 (L)
 Leather trade outlook, 1376
 Legal and General, 815
 Legal aspect of the Ruhr occupation, 89, 299, 427, 587
 Length of working day, 633
 Lennards, Limited, 242
 Leopoldina Railway, 900, 1274
 Letters on practical banking, 1053 (R)
 Lever Bros., 681
 Levy on capital, 64 (L), 216 (L)
 Liberal unity, 535, 587
 Liebig's Extract of Meat, 410
 "Limantour," 691 (R)
 Lima Light, Power and Tramways, 445
 Linggi Plantations, 1023
 Linoleum manufacturing, 570
 Lipton's, Limited, 1437
 Lister and Co., 185
 Lithuania :—
 Conditions in 1922, 332
 Memel rising, 96
 Liverpool Corporation Bills, 445
 Liverpool and London and Globe, 1047
 Lloyd (Edward), Limited, 941
 Lloyds Bank, 259, 303
 Lloyd's shipbuilding returns, 53
 Loa Nitrate Co., 899
 Lobitos Oilfields, 1275
 Lomas, Robt. (Proprietors), Limited, 445
 London and Brazilian Bank, 867
 London and Cambridge Economic Service, 57
 London and Lancashire and British Fire, 638, 840
 London and Liverpool Bank of Commerce, 141, 242
 London and Scottish Assurance, 993
 London Assurance, 866
 London electricity supply, 303
 London General Omnibus, 304
 London Joint City and Midland Bank, 122, 443 (L)
 London Life Association, 840
 London Merchant Bank, 539
 Lonely Reef, 1047
 Lyons, Leverett S., 65 (R)
 Lyons' profits, 1337

MacDiarmid, J. M., 792 (L)
 Madras (Port of) loan, 899
 Maize—world's crop, 1234
 Major, Mark B. F., 847 (L)
 Malacca Rubber Plantations, 502, 603, 649, 1384
 Malaya, 741 (R)
 Manchester and protection, 11, 52
 Manchester Ship Canal, 304
 Mandleberg (J.) and Co., 761
 Manila Electric Corporation, 1275
 Manila Railway, 917
 Maple and Co., 472
 Marine and General Insurance, 517
 Maritime Insurance, 616
 Mason, D. M., 64 (L), 791 (L), 948 (L)

Mather and Platt, 472
 Mathieson, F. F., 549
 Maypole Dairy Co., 918
 McKenna (R.) on deflation, 197, 216 (L)
 M.C. Mining Co. of B. Columbia, 952
 Mechanical sorting of statistics, 268 (L)
 Mechanism of commercial credit, 24 (R)
 Memel rising, 96, 149 (L), 216 (L)
 Mercantile Bank of India, 616
 Mercantile Marine Finance Corp., 866
 Merchants' Marine Insurance, 540
 Merchants' Trust, 472
 Mesopotamia, 428, 442 (L), 936
 Metropolitan water supply, &c., Queens-land, 1005
 Mexican Eagle Oil, 1436
 Mexican Railway, 1384
 Mexico :—
 And Great Britain, 589
 And Washington, 96
 Conditions, 1041
 Debt and foreign investors, 1187
 Finance, 490
 Financial year, 534
 Industrial insurance, 778
 Mines of El Oro, 13
 Outlook, 1433
 Recovery, 730
 Trade, 490
 Michael Nairn and Greenwich, 122
 Middleton, Sir Thomas, 645 (R)
 Midland Counties Electric Supply, 649
 Milk supply and prices, 982
 Millington, Fred, W. (1920), 850
 Miners' Unions of Northumberland and Durham, 690 (R)

Mining :—
 Anaconda-Chile Copper Meyer, 209
 Anglo-American Mining Group, 993
 Anglo-Nigerian tin, 603
 Ashanti Goldfields, 305
 British-American, 98
 British-South Africa Co., 433
 Central Mining and C.M.S., 1047
 Conditions in South Wales, 636
 Copper and copper companies, 261
 Copper outlook, 775
 Cornish finance, 733
 Esperanza, 1191
 Fairbanks Gold Dredging, 1446
 General Mining Group, 888
 Gold Coast Amalgamated, 942
 Gold mining on the Witwatersrand, 93, 138, 202
 Gopeng Consolidated, 540
 Hollinger, 592
 Indian gold mining results, 1183
 Kaffir outlook, 56
 Kepong dredging, 1393
 Lake View Investment, 1436
 M.C. Mining of B.C., 952
 Mexico of El Oro, 13
 Modderfontein B., 682
 New State Areas, 603
 Non-ferrous metals, 1045, 1436
 Oroville dredging, 1338
 Porcupine Goldfields development, 850
 Premier Diamond, 209
 Prince John Mining, 1393
 Rand gold realisation costs, 441
 Rand Midsummer dividends, 1436
 Rand Mines, 889
 Rand results, 778, 834
 Rand valuations, 739
 Report on the Rand, 22
 Return of Rand capital, 532
 Rezende, 994
 Robinson Deep, 56, 1338
 San Francisco, 434, 592
 Shamva, 1296
 Speculation, 142
 Statistical position of Tin, 584
 St. John Del Rey, 1385
 Tin prices and the producers, 591
 Tin trio, 1296
 Tolgas, 850
 Transvaal output in 1922, 57
 Transvaal output in January, 306
 Transvaal output in February, 592
 Transvaal output in March, 785
 Transvaal output in April, 994
 Transvaal output in May, 1338
 Transvaal silver and base metals, 1244
 Wages, 1379
 Waihi Gold, 993
 Zinc Corporation, 1385

Minerva (Roumania) Oil Co., 694
 Mitsubishi Bank, 1211
 Modderfontein B, 682
 Modern Commonwealth 1763 to 1919, 740
 (R)
 Mohair outlook, 939
 Monetary half-year, 1425
 Monetary policy, 740 (L)
 Monetary puzzle, 1058
 Monetary reconstruction, 847 (R), 896 (L)
 Money market, 320
 Montevideo Gas and Dry Dock, 1170
 Moss' Empires, Limited, 517
 Mosul question and the League, 134
 Motor manufacturing companies, 1230
 Mozambique Portland Cement, 951
 Muar Itam Estates, Limited, 694
 Muir, R., 740 (R)
 Murray (D. and W.), Limited, 602

Nathan (Joseph) and Co., 918
 National accounts, 10
 National Bank of Australasia, 1156, 1411
 National Bank of Egypt, 662
 National Bank of India, 662
 National Bank of New Zealand, 1473
 National defence cost, 588
 National Mutual Life Assurance, 122, 208
 National Mutual of Australasia, 286, 663
 National of Great Britain, 815
 National Provident Institution, 260
 National War Bond conversion, 431
 Naval base at Singapore, 937
 Navies, World's, 1232
 Navy and air estimates, 537
 Near East problems, 51, 94, 134, 195, 251,
 252

Nestlé and Anglo-Swiss Milk, 733
 New Argentina, 1377
 New Rhos Anthracite Collieries, 108
 New session and the outlook, 295
 New South Wales Government Loan, 151,
 899

Newspaper Press Directory, 443 (R)
 New State areas, 603
 New team and the alignment of parties,
 1223

New Zealand :—
 Conditions in 1922, 334
 Economic conditions, 1302
 Exchange, 547
 Government Loan, 1005
 Industries, 1435
 Outlook, 547
 Political situation, 1302
 Public finances, 547, 1302
 Wellington City Antecedent Liability
 Loan, 220

Nicaragua, 534, 589, 1041
 Nippold, O., 1391 (R)
 Nitrate companies results, 426
 Nobel Industries, 270, 603
 Non-ferrous metals, 1045, 1436
 Norfolk strike, 678
 North British and Mercantile Insurance,
 993

North British Locomotive, 570
 North Metropolitan Electric Power, 900
 Norway :—

Bank affairs, 1189
 Arbitration Courts, 440
 Banking crisis, 946, 1343
 Banking in 1922, 440
 Bank reports, 892
 Budget, 440
 Centralbanken, 688
 Conditions in 1922, 331
 Customs duties, 440
 Exchanges, 440, 688, 892, 1343
 Industry, 440, 892, 1343
 Industry in 1922, 104
 New loan proposed, 1390
 Outlook for new year, 104
 Paper strike, 1390
 Prime Minister, 1343
 Printing strike, 892
 Stock markets, 440
 Tariff increases, 1390
 Trade recovery, 1233
 Treaty with Portugal, 892
 Wage problem, 688
 Wine imports, 688
 Norwich Union Life Assurance, 866
 Novorossiysk, 49

Oakley, H. S., 548 (L)
 O'Brien, Art, 987
 Ocean Accident and Guarantee, 866
 Oceanic Steam Navigation, 941
 O'Farrell, H. H., 216 (L)
 Ohlsson's Cape Breweries, 1473

Oil :—
 American-Foreign Corporation, 551
 Anglo-Persian, 67
 Burmah Oil, 1294
 Chester concession, 885
 Consolidated Oilfields of India, 552
 Development of production and con-
 sumption, 930
 Eagle Oil Transport, 991
 Lobitos Oilfields, 1275
 Mexican Eagle Oil, 1436
 Minerva (Roumania), 694
 Oil Trust and the "Independents,"
 1427

Supplementary sources of supply, 1288
 Trend of demand, 1182
 Union Oil Trust, 1156
 World's resources, 984

Ono, G., 1303 (R)
 Oroville Dredging, 1338
 Ottoman railway claims, 1382
 Our index number, 8, 198, 483, 723, 932,
 1228

Out of work, 1391 (R)

Overseas trade (see also Trade) :—
 Direction of 420, 1036
 In 1922, 318
 In January, 301; in February, 588; in
 March, 780; in April, 987, 1042; in
 May, 1330
 Quarter, 886
 Volume of, 255
 Year's figures, 48

Palestine, Government of, 1231
 Panama, 490
 Pan-American Congress, 1043
 Pan-Americanism, 778
 Pandan Tea Co., 220
 Paraguay, 490
 Paraguay Central Railway, 616
 Parent Tyre Co., 143
 Paris Conference, 3, 17
 Parliament and the Ruhr, 429
 Parliamentary session, 251, 254, 295
 Passive resistance, 87
 Past quarter, 671
 Past year, 317
 Patani Para Plantations, 850
 Patent Wear-proof Motor Tyres, 152
 Paton and Baldwins, Limited, 1473
 Pawle, G. S., 948 (L)
 Peachey Leather Products, 1244
 Pearl Assurance, 517
 Pease and Partners, 991
 Peek, Fren and Co., 517
 Pegging the mark, 722, 775
 Pekin Syndicate, 305
 Pell, C. E., 1443 (L)
 Pennsylvania Railroad, 1296
 Pensions cost and administration, 143, 430
 Permanent court of international justice,
 481
 Peru, 260, 778, 1435
 Phases of Co-operation, 64 (R)
 Phoenix Assurance, 784
 Pinchin, Johnson, and Co., 663
 Pirelli-General Cable Works, 395
 Plans for increasing incomes, 1294
 Platt Brothers and Co., 1473

Poland :—
 Balance of trade, 1442
 Budget, 688, 1240
 Cabinet crisis, 1240
 Conditions in 1922, 333
 Danzig, 1189
 Exchanges, 598, 947, 1240, 1442
 Financial reform programme, 598, 688
 Inflation, 598
 National wealth, 688
 New Cabinet, 598, 1442
 New capital, 947
 New measure of value, 598
 Politics, 20, 688, 947
 Population, 20
 President's murder, 20

Poland (continued) :—

Production in 1921, 1241
 Stinnes' activities, 1442
 Stock Market boom, 947
 Sugar export, 1442
 Textile industry, 20
 Treasury bonds, 947
 Politics, 251, 254, 295, 1179, 1223, 1424
 Porcupine Goldfields development, 850
 Post Office Directory, 313 (R)
 Poultry industry, 1289
 Pound, Dr Roscoe, 690 (R)
 Powell-Duffryn steam coal, 616
 Precept and practice, 949 (R)
 Premier and Germany, 64 (L)
 Premier Diamond, 209
 Press Caps, Limited, 152
 Price stability and the gold standard, 44
 Price stability and the trade cycle, 90

Prices :—
 And income-tax, 879, 949 (L), 1052 (L)
 Food supplies, 533, 932
 Index number, 8, 198, 483, 723, 932,
 1228
 Year's prices, 8

Prince John Mining, 1393
 Principles of public finance, 216 (R)
 Protection, 1424
 Provident Association of London, 616
 Provident Mutual Insurance, 472
 Prudential Assurance, 517, 1336
 Public and private insurance enterprise,
 682, 792 (L)
 Public contracts and British industries,
 488
 Public expenditure and industry, 585
 Public trustee, 12
 Public trustee's report, 1043
 Pullman Car Co., 794
 Pyne Bros., 1346

Quigley, Hugh, 409 (L), 549 (L.)

Radiation, Limited, 616

Railways :—

American amalgamation, 56
 Analysis of receipts, 582
 Analysis of working costs, 530
 Antofagasta (Chili), 1363
 Argentine, 1431
 Assam-Bengal, 1473
 Bengal-Nagpur, 182
 Bombay-Baroda, 1411
 British, 4, 629, 644 (L)
 Buenos Ayres Central, 67
 Caledonian Amalgamation, 990
 Canadian National, 311, 498, 677
 Canadian Pacific, 591, 1023
 Canadian Policy, 1433
 Chilian Transandin, 67
 Dividends, 205, 259
 Grand Trunk Pacific, 887, 1232
 Great Indian Peninsula, 1411
 Great Southern and Western, 16, 54
 Great Western of Brazil, 1363
 Guayaquil and Quito, 35
 Home market, 1333
 Kassala, 66
 Leopoldina, 900, 1274
 Manila, 917
 Mexican, 1384
 Net receipts. British, 629, 644 (L)
 New home stocks, 9
 New York Central, 1437
 Ottoman, 1382
 Paraguay Central, 616
 Pennsylvania, 1296
 Rates, 773, 835
 Results for 1922, 424
 San Paulo (Brazilian), 865
 Stocks, 9
 Underground dividends, 260
 Underground Electric, 300, 491
 Railway Share Trust and Agency Co., 551
 Rand gold. Realisation costs, 441
 Rand midsummer dividends, 1436
 Rand Mines, 93, 138, 202, 532, 739, 778,
 834, 889
 Rangalla Consolidated, Limited, 445
 Rapson Tyre Co., 1393
 Rasin, Dr Alois, 269 (R), 429
 Rates on farms, 1429
 Refuge Assurance Co. ---

Refunding commission, 94
 Rent control and housing, 422
 Rent restriction, 1292
 Reparation account, 1226
 Reparation payments in 1922, 886
 Reparations, 3, 7, 17, 19, 43, 60, 64 (L),
 87, 89, 102, 131, 442 (L), 875, 886,
 927, 943, 979, 995, 996, 1035, 1050,
 1193, 1238, 1283, 1298, 1327, 1340
 Return of Rand capital, 532
 Revaluation of property, 987, 1053 (L)
 Revenue accounts, 828
 Rezende, 994
 Rhodesian Congo Border Concessions, 446
 Ricardo, David, 1242 (R)
 Richardson, Westgarth and Co., 1025
 Riga Bonds, 1337
 Rio Tinto, 731
 Road Transport and General, 410
 Robertson, W. S., 1377
 Robinson Deep, 56, 1338
 Robinson, H. James, 313 (L)
 Rock Permanent Benefit Building Society,
 761
 Rolls-Royce, 663
 Rosehaugh (Ceylon) Rubber Co., 502
 Rotterdamse Bankvereeniging, 1211

Roumania :—

Bourse, 1241
 Budget, 782, 946
 Conditions in 1922, 330
 Cost of living, 266, 1241
 Exchanges, 63, 546, 790, 1241
 Export taxes, 63
 External loans, 63, 899
 French Loan, 790
 Funding of commercial debts, 790
 Grain exports, 790
 Imports from Great Britain, 790
 Industrial Bank, 946
 Internal Floating Debt, 546
 National Bank report, 546
 New constitution, 946, 1044
 Proposed British loan, 946
 Renting Law, 946
 Tariff changes, 266
 Taxation, 266
 Trade with Russia, 1241
 Royal Bank of Canada, 35
 Royal Exchange Assurance, 888
 Royal Insurance, 1047
 Royal Mail Steam Packet, 1189

Rubber :—

American view of the position, 298
 And international politics, 983
 East Asiatic, 603
 Gadiah, 108
 General Ceylon, 761
 Gordon (Malaya), 649
 Gula-Kalumpang Estates, 662
 Highlands and Lowlands, 1170
 Larnbak, 850
 Lawas (Sarawak), 603
 Linggi, 1023
 Malacca Plantations, 502, 603, 649,
 1384
 Market problems, 1044
 Muar Itam Estates, 694
 New process, 1048
 Patani Para, 850
 Position, 500 (L)
 Revival and reaction, 96
 Rosehaugh (Ceylon), 502
 Savoy, 396
 Selama (Kedah), 271
 Sennah, 815
 Sepang Selangor, 603, 649
 Standardised Rubber Company
 accounts, 591
 Sungei-Timak, 603
 United Sumatra, 1023
 Rubber Plantations Investment, 1190
 Ruhr occupation, 60, 87, 89, 102, 131, 144,
 146, 195, 204, 210, 264, 299, 301, 308,
 427, 429, 436, 438, 479, 495, 499 (L),
 535, 543, 549 (L), 579, 587, 596, 640,
 684, 727, 735, 788, 835, 842, 843, 875,
 890, 891, 944, 995, 1192, 1236
 Runciman, W., 583

Russia :—

Agriculture, 495, 1234, 1299
 Banks, 212, 496
 Budget, 212
 Conditions in 1922, 327
 Crisis passed, 1334
 Exports and imports, 496
 Finance, 1299

Russia (continued) :—

Industry, 1299
 Lottery Loan, 212
 New currency, 676
 Novorossiysk, 49
 Pan-Russian Congress, 212
 Production, 590
 Soviet Russia's foreign trade, 985
 Soviet Russia's public finances, 422
 Soviet State Bank, 633, 676
 Taxation, 1234
 Transport, 212, 496
 Ultimatum from Gt. Britain, 986, 1042,
 1186
 Ruston and Hornsby, 1320

Sablas (North Borneo) Rubber, 551
 Safeguarding of Industries Act, 11, 52,
 258
 Salts (Saltaire), Limited, 1393
 Salt Union, 637
 Salvador, 589, 1294
 San Francisco Mines, 434, 592
 San Paulo (Brazilian), 865
 Santo Domingo finances, 1235
 Satterthwaite, E., 313 (L)
 Savings movement, 980
 Schill Brothers, Limited, 761
 Scotch whisky trade, 1188
 Scottish Automobile and General, 122
 Scottish Life Assurance, 286, 517
 Scottish Provident, 784
 Scottish Union of National Insurance,
 888
 Scottish Widows' Fund, 616, 784
 Seaborne trade, 601 (R)
 Sea Carriage Bill, 1229, 1374
 Sea Insurance, 208
 Sears (J.) and Co., 122
 Second Mercantile Trust, 648
 Second Scottish Western Investment, 1346
 Selama (Kedah) Rubber, 271
 Selby, W. L., 1053 (L)
 Selfridge's profits, 433
 Selling expenses and their control,
 1198 (R)
 Sennah Rubber, 815
 Sepang Selangor Rubber, 603, 649
 Shakomato Tea, 502
 Shamva Mines, 1296
 "Shell" Transport and Trading, 1383
 Sheringham Gas and Water Company, 67
 Shifting balance, 480

Shipping :—

Australian freights, 140, 205, 302
 British and American, 838
 Brussels Maritime Conventions, 14
 Chamber of Shipping Report, 432
 Cunard Steamship, 839
 Dry ship controversy, 1432
 Elder Dempster, 1295
 Freights, 47
 Lloyds shipbuilding returns, 53
 Outlook, 989
 Quarter's shipbuilding, 780
 Royal Mail Steam Packet, 1189
 State-owned, 1430
 Town Line, 35
 Year's shipbuilding, 435
 Should we reduce taxation? 132
 Siemens Brothers and Co., 1170
 Silberman, H. A., 150 (R)
 Silver outlook, 838, 1290
 Sinking fund policy, 827, 1329
 Sinking funds v. taxation, 719, 791 (L)
 Skoda Works, 1446
 Slubbers' good year, 992
 Smale (Josiah) and Son, 1244
 Smith, Adam, 1291
 Smith, Bulmer, and Co., Limited, 1156
 Société Générale de Belgique, 410

South Africa :—

Area under cultivation, 739
 Axe and Civil Service, 895
 Banks and credit, 22
 Bank's policy, 265
 Budget, 895
 Capital revenues, 895
 Central Reserve Bank, 22
 Conditions in 1922, 335
 Deposit and overdraft rates, 265
 Gold basis, 1196
 Heavy fire claims, 22

South Africa (continued) :—

Protective policy, 895
 Railways, 265, 739
 Rand gold realisation costs, 441
 Rand results, 778
 Rand valuations, 739
 Report on the Rand, 22, 93, 138, 202
 Trade conditions, 265
 Union Railway, 895
 Union's Budget of expenditure, 599
 South African Reserve Bank, 1434
 Southdown Motor Services, 271
 Southend Gas Company, 850
 Southend Waterworks, 1244
 Southern Pacific Company, 1190
 South Metropolitan Gas, 287
 South Suburban Gas, 287
 South Wales Power Company, 1156
 Soviet Russia, 422, 985, 986, 1042, 1186
 Soviet State Bank, 633, 676

Spain :—

Bank legislation, 213
 Bank of Spain, 213
 Cheaper money, 790
 Conditions in 1922, 329
 Deficit and economy, 947
 Exchanges, 213
 Food prices, 1045
 Government stocks, 213
 In 1922, 1434
 Labour troubles, 790
 Money, 497
 New loan, 790
 Public debt, 213
 Public expenditure, 790
 Public finance, 497
 Stock markets, 790
 Stocks, 497
 Trade Congress, 497, 947
 Treasury Bond Issue, 947
 Speculation and sweepstakes, 1232
 Spencer (Melksham), Limited, 551
 Spillers Milling and Associated In-
 dustries, 918

Stableford and Co., 1156
 Standard Bank of S. Africa, 122
 Standardised Rubber Company, 591
 Standard Life Assurance, 968
 Standard Screw Company, 649
 State assurance, 917
 State action in industry, 65 (R)
 Statistical position of tin, 584
 S.T.D. Motors, 305
 Staffordshire Potteries, 1446
 Steiner, W. H., 24 (R)
 Sterling Trust, 242
 Stewarts and Lloyds, 663
 St John del Rey, 1385
 St Maurice Power Co., 395

Stock Exchange :—

And Budget, 837
 Boom in industrial, 935
 Committee election, 590, 636
 Dividend difficulties, 205
 Gilt-edged stocks, 989
 Growth of gambling, 142
 In 1922, 323
 Industrial shares, 989
 Investors' dilemma, 878, 989
 Money, 259, 313 (L)
 Non-ferrous metals, 1045
 Official list markings, 390
 Reflections, 1185
 Report, 783
 Rubber revival and reaction, 96
 Speculation in mines, 142
 Stockbrokers and banks, 538, 548 (L)
 Transactions, 54
 Yield on investment stocks, 727
 Yield on securities, 680

Stock Exchange Official Intelligence,
 690 (R)

Stock Exchange Year Book, 690 (R)
 Stoke-on-Trent Corporation, 794
 Street, C. J. C., 898 (R)
 Substance of economics, 150 (R)
 Sudan cotton growing, 55
 Sudan Government Guaranteed Stock, 66
 Sugar position, 484, 881
 Sumitomo Bank, 1211
 Sungei Beai, 1296
 Sungei-Timah Estate (Perak), 603
 Sun Insurance, 1047
 Sun Life of Canada, 410
 Sun Life Office, 286
 Superficial economics, 772
 "Support" for rent, 24 (R)

Swan, Hunter, and Wigham Richardson, 570

Sweden:—

Banking developments, 782
Bank profits, 266
Bond market, 1240
Budget, 266
Commodity prices, 738
Conditions in 1922, 331
Effect of Ruhr occupation, 738
Gothenburg Exhibition, 1240
Industrial conditions, 1240
Labour conditions, 266, 738
New issues, 738
New Year outlook, 22
Prices and wages, 22, 266
Railway rates, 1240
Rise in sterling, 22
Tobacco tax, 738
Trade balance, 22, 738

Sweepstakes and speculation, 1232
Swiss Bank Corporation, 517, 591

Switzerland:—

Alcohol monopoly, 1441
Capital issues, 213
Commercial banks, 1441
Conditions in 1922, 329
Customs tariff, 839, 1000
Economic and financial situation in 1922, 726
Federal and cantonal finances, 213
Federal railways, 1000
Federal Railway Electrification Loan, 1000
Finance and trade, 1045
Finances, 11
Marconi Co., 1441
Stocks and shares, 55

Tactics of infiltration, 1424

Tariffs, British, 1334

Tata Industrial Bank, 1211

Tavoy Rubber Co., 396

Taxation:—

Betting, 836, 1186, 1242 (L), 1373
Budget, 527, 719
Capital Levy, 64 (L), 216 (L)
Colonial income-tax, 56
Double taxation report, 1372
Income-tax assessments, 1002
Income-tax and prices, 879, 949 (L), 1052 (L)
Problem of double taxation, 781
Should we reduce taxation? 132
Sinking funds v. taxation, 719, 791 (L)
Temperance Permanent Building Society, 410
Textile shares activity, 432
Third winter of unemployment, 549 (R)
Tillyard, F., 65 (R)
Timber market, 1331
Tinplate trade, 91
Tin prices and the producers, 591
Tin, statistical position, 584
Tokyo Electric Light Co., 1446
Tolgu Mines, 850
Tottenham District Light, 1244
Town Line (London), Limited, 35

Trade (see also Overseas Trade):—

Australia's foreign trade, 99
Foreign statistics, 200, 313 (L)
Home, 319
Outlook, 139
Tinplate position, 91
Trade balance and capital issues, 488
Trade balance, 296, 729
Trade Boards Bill, 1043
Trade cycle and price stability, 90
Trade depression in Spanish America, 490
Trade Facilities Act, 53, 431
Trade reports, 338
Trade union organisation, 488
Trade unions and hours of work, 140
Transvaal output in 1922, 57; January, 306; February, 592; March, 785; April, 994; May, 1338
Transvaal silver and base metals, 1244
Travers (Joseph) and Sons, Limited, 815
Treasury bonds, 648
Treaty re-insurances, 143
Tredegar Iron and Coal Co., 968
Trinidad Sugar Estates, 445
Tronoh Mines, 1296
Trust companies, 675
Trustee's choice of investment, 485, 548 (L)
Tully Gas Plants, Limited, 1305

Turkey:—

Attitude, 486
Better news, 536
British interests, 94
Chester Concession, 885
Lausanne Conference, 51, 94, 134, 195, 251, 252, 635, 1378
Lausanne second Conference, 936
Mosul question and the League, 134
Outlook, 981, 1198 (L)
Turkish Empire, 268 (R)

Underground railways, 260, 300, 491
Unemployment, 95, 135, 549 (R), 779
Unemployment and credit control, 1443 (L)
Unemployment and its remedies, 601 (R)
Unemployment insurance, 433, 499 (L), 537, 586
Unemployment. Juvenile, 1181
Union Bank of Canada, 122
Union Bank of Scotland, 917
Union Bank of Switzerland, 517
Union Corporation, 638
Union Oil Trust, 1156
United Alkali Company, 793 (R), 815
United General Commercial Insurance, 13
United Insurance Co. (Australia), 122
United Kingdom Provident Institution, 492, 583
United States Steel Corporation, 731
United Sumatra Rubber, 1023
Universal Automobile Insurance, 760
Urban Electric Supply, 1305

Uruguay, 50, 1293
U.S. Courts and price maintenance agreements, 681
Uxbridge, Wycombe and District Gas,

Vickers, Limited, 991
Victorian Government Loan, 445
Virol, Limited, 1275

Waihi gold, 993
Walford Lines, Limited, 570
Walker, John, and Sons, Limited, 648
Walker, Peter (Warrington), and Robert Cain and Co., 13
Wallpaper manufacturers, 592
Wandsworth, Wimbledon and Epsom Gas Company, 551, 649

Waxed-Papers, Limited, 1346
Welbourne, E., 690 (R)
Wellington City Antecedent Liability Loan, 220

Wesleyan and General Assurance, 760
West End Diamonds, 1005
Western Alliance Reinsurance, 1212
Western Australian Bank, 182, 1411
Western Electric Distributing Corporation, 1446

West Hampshire Water, 1393
"Westminster" Bank, 141
When the dollar goes to par, 580, 600 (L), 740 (L)

Whitaker and Sons (1923), Limited, 794
Whiteaway, Laidlaw and Co., 1025
Whitehall Electric Investments, 867, 1170, 1212

Whiteley, Wm., 638
White Star Line, 941
Whither France? Whither Europe? 897 (R)

Wigglesworth, F., 1052 (L)
Winstedt, R. O., 741 (R)
Witwatersrand Gold Mining, 93
Wool imports, U.S.A., 489
Wool trade, 1038, 1335
Worker and the State, 65 (R)
Workers' Register of Labour and Capital, 1391 (R)

Workmen's compensation, 1224
World Auxiliary Insurance, 760
World crisis, 1911-14. The, 829
World Marine Assurance, 968
World's chief navies, 1232
World's production of cereals, 1375

Year's accounts, 828
Yield on investment stocks, 727
Yield on securities, 680
Yokohama Specie Bank, 1170
Yorkshire Insurance, 942
Yorkshire Electric Power, 287

Zinc Corporation, 1385

COMPANY MEETINGS, &c.

(A) — INCLUDING DIRECTORS' REPORT.

(B) — INCLUDING DIRECTORS' REPORT AND STATEMENT OF ACCOUNTS.

African Steamship, 1012
Agwi Oil Marketing, 174
Alexanders Discount Company, 110
Alliance Assurance, 1007
American Telephone and Telegraph, 553
Anglo-American Debenture, 1162
Anglo-American Oil, 908
Anglo-Argentine Tramways, 1398
Antofagasta (Chili) and Bolivia Railway, 1397
Apex (Trinidad) Oilfields, 113
Apollinaris and Johannis, 751, 855
Argentina, Republic of, 1447
Army and Navy Co-operative Society, 1013
Ashanti Goldfields Corporation, 462
Associated Newspapers, 1312
Atlas Assurance, 905
Australian Pastoral, 157

Bahia Blanca and North-Western Railway, 456
Bah Lias Tobacco and Rubber Estates, 653
Balaghat Gold Mines, 1205
Baldwins, 27
Bambrakelly (Ceylon) Tea and Rubber, 1260

Bank of Adelaide, 1455
Bank of Liverpool and Martins, 163
Bank of New South Wales, 68
Bank of Scotland, 743
Barclays Bank, 153
Barker (John) and Co., 855
Bell's United Asbestos, 1010
Birmingham District Power and Traction, 908

Birmingham Small Arms, 855
Bleachers' Association, 1453
B. Morris and Sons, 561
Booth's Distillery, 804
Boots Pure Drug, 1204
Borax Consolidated, 400
Bovril, 461
Brazilian Warrant, 958
Britannic Assurance, 555
British Aluminium, 706
British American Tobacco, 70
British Automobile Traction, 746
British Columbia Electric Railway, 172
British Electric Traction, 1353
British Electric Transformer, 961
British General Insurance, 745
British Investment Trust, 398
British Italian Corporation, 695
British Thomson-Houston, 959
British Trade Corporation, 805
Brown, John, and Co., 1459
Brunner, Mond, and Co., 1261
Bryant and May, 1015
Buenos Ayres and Pacific Railway, 455
Buenos Ayres Great Southern Railway, 455
Burmah Oil, 1348

Calcutta Tramways, 1462
Callender's Cable and Construction, 1162
Canadian Bank of Commerce (A), 275

Cawnpore Electric Supply Corporation, 1205
Central London Railway, 454
Central Mining and Investment, 1257
Ceylon Consolidated Estates (1920), 961
Chamber of Shipping of the United Kingdom, 457
Champion Reef Gold Mining of India, 1016
Channel Tunnel, 1398
Chargeurs Reunis, 69
Chartered Bank of India, Australia and China, 749
City and South London Railway, 454
City Deep, 1402
Coliseum Syndicate, 703
Commercial Bank of the Near East, 226
Consolidated Assurance, 1254
Consolidated London Properties, 1456
Consolidated Mines Selection, 1269
Consolidated Water Works of Rosario, 907
Cook (James W.) and Co., 806
Cordoba Copper, 805
Cory, Wm., and Son, 1356
County of London Electric Supply, 651
Crosses and Winkworth Consolidated Mills, 1266
Crown Mines, 1401

D. H. Evans and Co., 752
Dickins and Jones, 560
Dimbula Valley (Ceylon) Tea, 705
Dinnington Main Coal, 1458
Dwa Plantations, 463

Eagle Oil Transport, 1162
Eagle, Star and British Dominions Insurance, 1158
Eastern Bank, 650
Edison Swan Electric, 1460
Edward Lloyd (A), 1012
Electric Supply Corporation, 960
Elder Dempster and Co., 1352
Employers' Liability Assurance, 651
English Electric Company, 908
Equitable Life Assurance, 1262
Evans (D. H.) and Co., 752
External Debt of Honduras, 1010

Fairbairn Lawson Combe Barbour, 806
Fanti Consolidated Mines, 1468
Fine Cotton Spinners' and Doublers' Association (A), 1245
Forestal Land, Timber and Railways, 1353
Friends' Provident and Century Life Office, 957

Gas Light and Coke Company, 272
Geduld Proprietary Mines, 1355
General Investors and Trustees, 561
Godfrey Phillips, 802
Great Boulder Proprietary Gold Mines, 1462

Great Indian Peninsula Railway, 111,
Great Western Railway, 450
1456
Gresham Fire and Accident Insurance, 1202
Gresham Life Assurance Society, 1253
Guardian Assurance, 1250
Guest, Keen and Nettlefolds, 1460

Hambros Bank, 1203
Harrods, 559
Henley's (W. T.) Telegraph Works, 507
Home and Colonial Stores, 401
Honduras. External debt of, 1010
Hongkong and Shanghai Banking, 796
Hope Brothers, 907
Hudson's Bay, 1459

Imperial Tobacco (of Great Britain and Ireland), 460
Incorporated Accountants, 1009
India General Navigation and Railway, 1266
Indo-European Telegraph Company, 906
Industrial and Agricultural Bank of Bohemia, 956
Investment Trust Corporation, 1312
Ionian Bank, 397
Isaac Walton and Co., 561

James W. Cook and Co., 806
Jeremiah Rotherham, 508
J. Lyons and Co. (A), 1395
John Barker and Co., 855
John Brown and Co., 1459
Joseph Travers and Sons, 901
Jugra Land and Carey, 1160

Kapar Para Rubber Estates, 1161
Kepong (Malay) Rubber Estates, 1015

La Guaira Harbour Corporation, 1014
Lake View Investment Trust, 1461
Law Union and Rock Insurance, 854
Legal and General Assurance, 802
Leopoldina Railway, 1313
Lever Brothers, 799
Licences and General Insurance, 1008
Liebig's Extract of Meat, 462
Liverpool and London and Globe Insurance, 1158
Lloyd, Edward (A), 1012
Lloyds Bank, 230
Lobitos Oilfields, 1356
London and Brazilian Bank, 956
London and Edinburgh Reinsurance, 1455
London and Lancashire Insurance, 954
London and Liverpool Bank of Commerce, 274
London and North-Western Railway, 447
London and Scottish Assurance Corporation, 1009

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THE MONEY MARKET.

As usual at this season, the market was saturated with funds that had been borrowed before the end of December chiefly in order to appear in balance-sheets drawn up to the end of the month. Large repayments to the Bank of England were effected on Tuesday and Wednesday, but nevertheless, the Bank return still showed an addition of about 24 millions to the Government and Other securities.

crisis, but in America, as in England, there is a lack of balance in the situation, owing to the relatively low prices which for months past the farming community have received for their crops. The prices of these farm products have, indeed, been rising latterly, but not nearly so much as the prices of metals, building materials, clothing, &c. Canada has, of course, shared in America's prosperity, but here, again, there are signs of nervousness, though as yet there has been no definite check in the situation. Swinging across from West to East, we gather that

ANALYSIS OF BRITISH WHOLESALE PRICES.

In discussing price movement, it is a great convenience to be able to generalise as to the average level, but, in fact, the movements of recent years have been so extreme that it is equally important to consider the changes in trade prices and to form, if possible, an impression as to what abnormalities exist and what adjustments may be necessary in the price schedule. We have therefore taken the commodities in our index number and set them out in order according to the proportion in which they have risen as compared with pre-war prices, taking the year 1913 for comparison. The figures, however, for this single year cannot be taken as an entirely safe basis, and we have therefore, in addition, shown the proportion in which the figures for that year had varied from the basis on which our index number is calculated—namely, the average prices of the quinquennium from 1901-05. In 1913 our index number was 22 per cent. above the base level, at the present moment it is 63 per cent. above the 1913 level. In the following tables the various commodities are grouped according to whether in the period between 1913 and the present day they have risen more or less than the average.

Primary Food Stuffs.—On the whole, the articles in this group rose less, both before and since the war, than other materials, and it is also noteworthy that since the war it is animal products which have risen most. The figures explain why, in this country, the old tendency has been resumed to produce meat rather than cereals; it is much easier to bring the latter from the distant corners of the earth than the former.

PRIMARY FOODSTUFFS.

	Increase or Decrease since 1913.	Comparison of Prices in 1913 with 1901-5.
More than average increase—	%	%
Mutton	+ 92	+ 10
Pork	+ 86	+ 24
Rice	+ 64	+ 28
Less than average increase—	%	%
Beef	+ 53	+ 18
Oats	+ 51	+ 9
English wheat	+ 49	+ 13
Flour	+ 36	+ 18
Foreign wheat	+ 35	+ 28
Barley	+ 16	+ 20
Potatoes	— 7	+ 8

Other Food Stuffs.—The tropical products, tea, tobacco, and sugar, show an abnormally large increase. The large expansion in the world output of sugar before the war had kept prices down below the average, but the great check to beet production has made sugar one of the scarcer products, and until beet production is resumed sugar prices can hardly be expected to fall into line.

OTHER FOOD STUFFS.

	Increase or Decrease since 1913.	Comparison of Prices in 1913 with 1901-5.
More than average increase—	%	%
Cane sugar	+ 381	— 7
Beet sugar	+ 162	+ 3
Tea	+ 111	+ 26
Tobacco	+ 91	+ 22
Less than average increase—	%	%
Coffee	+ 23	+ 54
Butter	+ 21	+ 17

Textiles.—Textiles, as a whole, are also above the average. This is undoubtedly the case with silk from the East and the flax of Russia; American cotton prices, though not Egyptian cotton, are also high. The competition of wheat and other cereals, and the ravages of

in China, after a setback of some months, signs are detected of a slight improvement in trade, notably in silk. In India, on the other hand, which also has experienced a check for the last month or two, there is no sign at the moment of improvement. Goods have for a long time past been absorbed fairly freely up-country, but they have been taken in the main from stocks. Export trade is still being hampered by the high level of prices of India's products, on the one hand, and the lack of buying in Europe.

the boll weevil, account for American cotton figures, and it is to be noted that English wool and Egyptian cotton would be on nearly the same level if we take the long view, for the prices of both these products were exceptionally high in 1913; the same observation applies to jute, the quotation for which was quite abnormal in 1913.

TEXTILES.

	Increase or Decrease since 1913.	Comparison of Prices in 1913 with 1901-5.
More than average increase—	%	%
Silk	+ 215	— 3
Flax	+ 137	+ 1
Cotton yarn	+ 125	+ 24
American cotton	+ 118	+ 28
Australian wool	+ 114	+ 13
Cotton cloth	+ 98	+ 28
Egyptian cotton	+ 66	+ 33
Less than average increase—	%	%
English wool	+ 51	+ 62
Hemp	— 20	— 6
Jute	— 12	+ 101

Metals and Minerals.—In this group the industrial price of coal is high, though the particular quotation given in the table overstates the rise, as it is an export figure, and for the moment South Wales quotations are at a famine level. The high industrial price of coal is, however, reflected in pig-iron, in which coal is a very large element of cost. Steel rails, on the other hand, which represent a very large number of steel products, stand relatively low under the pressure of the acute competition which has prevailed in international markets for the past two years. Tin and copper are weather-cocks which show the direction of the trade wind. Their basis of supply is, however, rather narrow, and their movements are particularly liable to be influenced by speculation and the condition of the stocks.

METALS AND MINERALS.

	Increase or Decrease since 1913.	Comparison of Prices in 1913 with 1901-5.
More than average increase—	%	%
Steam coal	+ 146	+ 40
Pig-iron	+ 105	+ 28
Iron bars	+ 67	+ 10
Less than average increase—	%	%
House coal	+ 49	+ 26
Steel rails	+ 43	+ 55
Lead	+ 43	+ 53
Tin	— 2	+ 59
Copper	— 3	+ 14

Miscellaneous.—This group shows an exceptional range; oils, chemicals, and dyes head the list with large increases, but all of them were very cheap in 1913. Our timber quotations show very little rise since 1913, but both were rather dear in that year. Rubber is, of course, the one product which has shown a steady continuous fall for the last decade.

MISCELLANEOUS.

	Increase or Decrease since 1913.	Comparison of Prices in 1913 with 1901-5.
More than average increase—	%	%
Indigo	+ 120	— 21
Crystals	+ 116	— 21
Oilseeds	+ 67	+ 4
Less than average increase—	%	%
Petroleum	+ 53	+ 41
Vegetable oils	+ 36	+ 17
British timber	+ 29	+ 57
Leather	+ 28	+ 7
Tallow	+ 7	+ 22
Canadian timber	— 10	+ 85
Rubber	— 68	— 7

THE DURATION OF AMERICAN PROSPERITY.

By R. G. SWING, London Manager of the Wall Street Journal.

THE arrest of the American boom cannot be submitted to the smooth analysis by which a downward phase of the business cycle is usually to be understood. Credit inflation, which traditionally precedes the downward phase, is conspicuously absent in America; in fact, the expansion of credit has been safely within the compass of the regular net influx of gold. Production is not in advance of consumption. There has been little or no buying on a rising market for future sale. Even the signs of extravagance, peculiar to the post-war boom, are not prominent. So it may be lax to speak of America's prosperity as having been a boom at all, or of its arrest as being more than cautious policy to keep it out of deep waters.

Herbert Hoover recently estimated (the number of labour vacancies in America at half-a-million. It is small wonder that labour has been utilising this formidable situation to increase wages. The average annual income of the employees of the Steel Corporation is now \$2,000, and their unskilled labour earns \$4 a day. In the New England textile industries, where wages were advanced by about 150 per cent. during the war boom, a cut of 22½ per cent. was made in December, 1920. From that level an increase of 12½ per cent. has now been agreed to. In the clothing industry increases have been granted restoring wages approximately to the war scale. Such increases have been added to a basic gain over pre-war wages, which held through, even during the depression. The average employed worker received in purchasing power 11 per cent. more in December, 1921, than in July, 1914.

In the building trades the upward wage surge was most pronounced, and it was here that it finally awakened the greatest alarm. Here, too, the immigration policy accentuated the shortage of workers by curtailing the supply of skilled craftsmen from Europe who formerly filled the ranks of recruits. The apprentice system had been weakening for several years in the face of union resistance and through the acceptance of low standards during the war. And contractors themselves discouraged it, wishing to build quickly rather than delay work by the employment of half-skilled mechanics. Union wages in the building trades now vary from \$9 to \$10 a day, but in New York the actual minimum is \$12, and the ruling rate is from \$14 to \$16. Plasterers on Long Island recently struck for \$27 a day, and bricklayers demanded a two-years' agreement on the present scale, plus a bonus for every man employed.

The experience of the building trades is not general for America, but it serves to magnify a general tendency. Increased wages up to the present may not have represented dangerous inflation, inasmuch as consumption has kept pace with production, and wage increases have added to the purchasing power of the most generous spending public in America. But they were swiftly heading toward the perilous moment when prices and wages both increased without creating any additional production and consumption.

To a degree business leadership is able to guide, and to a certain extent to control, such a movement, as it undoubtedly has done in co-operating for the arrest of the so-called boom. For the policy of caution which was emphasised in the case of the Construction Council was quietly promulgated in many branches of business throughout the country. Bankers sent out warning messages, which apparently were both needed and heeded. The wholesale price index finally dropped, and the Federal Reserve Board could announce that no increase of the discount rate would be required. Whether the influence of leadership will be stronger than the intrinsic position of labour, the summer and autumn have yet to show. But the indications point to only a slow decline of business which should maintain a prosperous volume of trade for many more months. The discrepancy between industrial wages and farm prices in itself implies an ultimate decline of business unless labour, as is improbable, accepts a considerable reduction. The farmer

America is a fundamental factor of steady prosperity,

and the prices he is receiving have not kept pace with industrial wages. Relatively more purchasing power has been added to the urban population, which is another way of saying that the farmer, in the face of higher costs, must reduce his purchases. A labour movement strongly centralised and intelligently led might read the signs and throw its influence into the scale of moderation. But the circumstances have prevented the rise of such a movement in the United States. Most of the headway made by unions during the war had to be relinquished during the post-war depression, and the open-shop campaign of manufacturers in that period found much more public encouragement than European countries, with their entrenched trade unionism, perhaps could understand.

Some predictions are that good business will continue through this year, some that it will survive on through 1924. The more optimistic of these presages is tantamount to saying that next year's presidential campaign will not, as usual, exert a retarding influence, a hope for which there does not appear to be substantiation beyond wild conjecture. Credit may harden during this autumn harvest-movement season, but comfortable conditions are anticipated for the remainder of the year, especially during the summer. Gold continues to flow into the country, April imports being \$8,533,235, compared with \$10,664,688 in April, 1922. If the rate of gold imports and exports for the first quarter, 1923, were maintained for the other nine months, the net gain would still be \$138,000,000. The Steel Corporation is operating nearly to full capacity, and stocks at mills and in warehouses are "very low," according to Judge Gary, who goes on to say:—"There is nothing in sight to indicate that there will be a substantial diminution of the demand for finished steel in this country during the next six months, to say the least." Even taking account of decreased building, and a complete failure in orders for structural steel during the next six months, he declared that apparently the steel business as a whole would be satisfactory. The Corporation booked nearly a million tons of new business in May. Car loadings continue close to the peak, mail-order business and railroad and railroad equipment work, all reliable as indices, still show no marked contrast to the best months of the winter. The decline of industrials in the stock market may be barometric, but long sweeps of stock movements are prophetic, not immediate, in significance. And, even judged by this guide, the vitality of American business, although jaded, is by no means spent.

Much has been made of America's sudden accumulation of an adverse balance on the visible trade account. It has been described both as a proof that America must quickly relinquish her hoarded gold, and that she was merely showing the normal symptoms of a creditor nation. Some of this comment ignores the fact that of the increased imports much the greater part is raw materials and semi-finished goods. In February raw materials accounted for \$46,587,000 of \$87,864,000 of increased imports, raw and manufactured foodstuffs for \$17,043,000, semi-finished manufactured goods for \$21,292,000, and finished goods for only \$2,942,000. Eighty per cent. of the import gain in that month was outside Europe, the greater part from North America.

The United States had last year, according to the Department of Commerce, a favourable merchandise balance of \$372,000,000, which was wiped out by invisible debits of \$400,000,000. And America exported \$550,000,000 of capital, against net capital imports \$246,000,000. True, on paper America is a creditor nation on a commanding scale. But interest on her foreign investments and credits, and her services to the world, are still not large enough to bring her into the position of England, whose invisible items handsomely reverse her unfavourable visible balance. Sterling is still the pivot of exchanges, and with sterling at par gold undoubtedly will begin flowing back to London. But to assert this is not to say it must begin at once, merely because the trade balance has recently gone against America on the visible account. American Government officials recently voiced the view that exports of gold throughout this year will be of small proportions, and more than offset by total receipts.

the French figure, in view of the remissions in the early years and the low rate of interest; but it is certainly the case that if there had been no other question at issue it would be possible to arrive at an agreed figure after an inquiry by economic experts; for it must not be forgotten that there has been no systematic inquiry into the German capacity to pay, nor have the figures of either party been justified in detail to the public. The French argue that while currency depreciation makes immediate payment impossible, Germany's capacity would recover at once if stabilisation were carried out. The view of the British Government appears to be that this would take rather a longer time; but this question, like the total amount, is obviously a point for expert discussion. The British delegates practically implied as much in suggesting that their figure of four years was open to modification.

The second point which has created very vigorous discussion arises out of the British suggestion as to the division of the proceeds. On this point the last word of the British delegation was to put right certain misconstructions of the British scheme, and particularly to counter the argument that its effect would be to leave France very much worse off than Great Britain, and, indeed, with less than the amount of her debts to the United States, whereas we should cover our American debt. The latest British statement, however, shows, as we think, correctly, that under the most favourable conditions to this country France would secure the cancellation of the debt to Great Britain and receive from Germany a sum whose present value would be 1,080 millions sterling, or 380 millions sterling in excess of the amount owed to America. If Germany proved unable to pay the supplementary total, the position would be relatively more favourable to France, though the margin over her American debt would, of course, be less. But again, this statement does not represent really the last word in the matter. We have always advocated in these columns that we should be prepared to forgo our share of reparations, and though Mr Bonar Law has repeatedly said that we could not surrender all claim to reparations, there is no doubt that if his plan had been accepted as a basis for discussion, he would have been willing to offer very much more liberal terms in regard to distribution than the full 22 per cent. which was arrived at several years ago. Secondly, this way of stating the case puts the American debt at full face value, and if America were willing to make easier the terms of repayment, the present value of the American debts would be very much reduced. It is, for example, being suggested in the United States that the discussions of our Debt Funding Commission on the basis of our ability to pay and America's ability to receive may well lead to an annual payment of between 25 and 30 millions. We do not know whether such a solution may commend itself to Congress; but if a similar arrangement were made with France, her margin of net receipts from Germany would be immensely increased, and a further concession by Great Britain on the percentage could easily be made that would raise her net figure to 1,000 millions sterling. This is substantially more at the present rate of exchange than France has spent in the devastated regions, but it is not more than the world's sense of equity would agree should be assigned to her, and we are confident it could have been reached by negotiation. Our criticism of the presentation of the British case is that it did not recognise the necessity from the outset of endeavouring to enlarge the net receipts of France to a figure more in proportion to her necessary expenditure on reconstruction.

The Conference, however, did not break down either on the question of the total German payment or on its distribution. The real difference was on the method of treating Germany. It is true that France has very greatly modified her attitude towards military action in the Ruhr, but her proposals did involve the taking over of certain areas of German wealth. Indeed, her scheme meant that there would be no moratorium at all, for the amount demanded for 1923 is more than Germany has paid during 1922, and as it could only be obtained by tapping certain sources of revenue which are needed for the German Budget, it would, in British opinion, make it impossible to restore German credit. It is unfortunate that the discussion has been prejudiced by side issues

such as the use by Great Britain of the gold transferred from the Bank of France to assist the Allied exchanges during the war—a point which should have had no bearing on the discussion, since the French Government was kept fully cognisant, not in general terms merely, but in detail, with the steps taken during these operations. But these points are very subsidiary to the main issue—namely, that France is still mixing up politics and economics, and is not yet ready to grant the real moratorium which is essential for the restoration of German credit and European stability. In these circumstances, it is important that the British Government should speak not merely fair words, but should say quite clearly, on the one hand what steps we are prepared to take in helping to lift from France the nightmare of insecurity, but, on the other, that we can have no part or lot, even to the extent of benevolent spectator, in a course of action which is likely to plunge Europe into deeper economic chaos.

BRITISH RAILWAYS: A NEW CHAPTER.

THE ordinary traveller on the railways noticed nothing new last Monday except that he was asked to pay a little less for his ticket than he has recently been asked, and season-ticket holders did not experience even this symptom of change. Yet January 1, 1923, marked the consummation of the greatest revolution in British railway history, and the opening of a new chapter fraught with issues of the highest importance, not merely to the huge body of stockholders or to the larger body of travellers, but to the wider interests of British economic life. On various occasions since the Railways Act was passed we have endeavoured to explain what the new system means in facts and figures, and to review the new railway position in a spirit of fair criticism. We do not propose to cover the ground again. But at the moment, when the railways are starting on a new era, it is appropriate to recall a few of the essential points about the new régime and their bearing upon the interests of the nation at large and of the stockholders.

From the physical aspect the immensity of the change in our railway system is illustrated by the following figures. About six score of companies have been turned into four companies, with mileage and capital approximately as follows:—

	Mileage.	Capital.
Great Western	3,753 ..	136,500,000
Southern	2,200 ..	145,000,000
London and North-Eastern ..	6,464 ..	348,000,000
London, Midland, and Scottish ..	7,464 ..	430,000,000

Obviously, the first essential fact is that by the creation of these four great concerns the railway monopoly is strengthened. The Railways Act provides safeguards designed to prevent the strengthening of monopoly from working to the disadvantage of the public. But in practice the public will depend for the observance of their interests more upon the attitude and policy of the four general managers than upon anything else. If these gentlemen can convince the public that their policy is aimed, not merely at furthering the interests of stockholders, but at serving the interests of industry, commerce, and the traveller, then they will vindicate the new system and it will endure. If their policy fails to create that impression, then nationalisation will quickly become a burning topic of public controversy. Obviously, the technical difficulties of transfer to the State have been very greatly lessened by the establishment of the new régime. It is on paper so much easier to arrange the transfer of four than of one hundred and twenty concerns, and we understand that Socialists are gleefully hailing the new system as a great preparatory step towards nationalisation. That is an aspect of the position that the "big four" will do well to bear always in mind.

We have just emerged from the first post-control period of 17 months, the lines having been handed back to the companies in August, 1921. During that period the Rates Tribunal, though technically in existence, has not in effect been functioning according to plan. The circumstances of the position have placed it at the mercy of the railway companies, and traders, through lack of detailed information as to the current progress of railway fortunes,

have found it impossible to work up a cohesive case for presentation to the Tribunal. Rates reductions have, in the eyes of traders, been unwarrantably slow, and one reason for their slowness is that agreement was difficult between a multiplicity of railway interests and railway managers. Now, under the new conditions, the four general managers should find themselves able to agree and act with much more speed. In any case, the public in general and the business community in particular, realising that obstacles to quick action have been eliminated, will watch their work with keen expectancy. We have referred above to urgent reasons why the general managers should strive to win the public's confidence. In our opinion they could best approach this task by yielding at once to the demand for greater publicity. Gross figures of railway receipts, as hitherto published, are practically useless as a basis on which to judge whether or not the railways are faring well enough to justify further reductions in fares and rates. No step that they could take would be more conducive to public confidence than the decision to publish regularly working costs as well as gross receipts. The trading community and the general public would then at last begin to feel that the cards were on the table; and as they would then be in possession of essential data as to current railway fortunes, and therefore able to state a considered case, the Rates Tribunal would become more of a reality and more of a safeguard. Under the present system by which detailed information is only vouchsafed once a year, and then in reference to so long a period as a year, the public are very largely in the dark and the Tribunal remains at the mercy of the companies. We trust that the urgent need for prompt and adequate publicity will engage the early attention of Sir Herbert Walker, Mr Felix Pole, Mr Arthur Watson, and Mr R. L. Wedgwood.

In connection with the publicity question, attention is deserved by an apologia put out this week by the Railway Companies' Association, defending the companies against criticism that fare reductions have not gone far enough. We quote the following from Wednesday's *Evening Standard*:—"In August, 1922, the tonnage carried was over five millions more than in August, 1921, while the receipts were one and a quarter millions less for the same month. To earn this lesser sum the railway companies had to run 1,065,000 more miles. The same process was repeated in September, 1922. The companies carried 5,176,498 tons more than in September, 1921. The receipts were £1,139,636 less, and in order to earn that the companies had run 1,675,376 more miles." On the basis of such figures as these, it is claimed that the companies have done all they could afford in the matter of reductions. They may have; but such figures do not prove it. The statistics quoted above are useless without a comparison of operating costs in the two periods. The attempt to convince the public by means of arguments based on insufficient figures conduces not to confidence, but to suspicion, and evokes the obvious question why, if the companies are doing for the public all they can afford, they do not publish the figures that would prove it. We lay no particular stress upon this statement of the Railway Companies' Association, nor do we lay the blame for its inadequacy at the doors of the "big four" whose names we have given above. But it is, perhaps, worth quoting as an illustration of the insufficiency of the information vouchsafed to the outside world.

Whether or not the strengthening of the railway monopoly furthers the public interest, it may be said, on the whole, to benefit stockholders. Here and there grumblings and grievances have been heard over some of the amalgamation terms. That was inevitable in the case of such huge and involved transactions. But although individual grievances may exist, stockholders in general have much reason to contemplate the new régime with satisfaction. Their security has been fortified—in the case of the stockholders of the lesser lines, tremendously fortified. They are assured of comparative stability of prices, when the initial excitement has died away, and of a readier marketability. They have been given what Sir Sam Fay, in the *Financial Times*, describes as a "dividend-earning charter." Receipts, being averaged out over large groups, will be steadier, and

deferred stocks less speculative. Of the initiation of the new Home Railway market we leave a Stock Exchange correspondent to write in a subsequent column, and conclude by expressing the hope that a system which appears in the main to be favourable to stockholders, will also prove capable of being worked to the public advantage under the wise guidance of the "big four." If this result is to be achieved, broad views must prevail. Many difficult problems will call for early attention, one of which, as the map clearly shows, is the tidying up of the considerable amount of overlapping between the four main groups that even now remains. But in our considered opinion, the provision of adequate publicity is the most urgent of all.

FOREIGN EXCHANGES IN 1922.

For the foreign exchange market the last 12 months have formed a period of many exciting movements, but of more restricted business than that to which dealers have been accustomed in the past few years. In part this decrease in activity is the natural consequence of a restriction in international trade, but to a larger extent it is due to a marked falling off in speculative operations. The mania for dealing in kronen, marks, and other speculative currencies with which masses of people, unaccustomed to such business, had become infected, has died away in the cold atmosphere of continual disappointment, and the markets, apart from normal trade demand, have been left largely to the activities of the professional operator. The exception to this has been the steady demand for foreign currencies by all classes in countries such as Germany, where belief in the national currency has been completely shattered at least for the time being, but it is difficult to say whether this is to be called speculation or a desperate attempt to obtain some firm footing in the business of daily life.

As is seen in the table below, the exchange movements during the year, measured by gold or dollar parity, fall

FOREIGN EXCHANGES, 1922.

Country.	Beginning.	Lowest.	Date.	Highest.	Date.	End.
New York	4.21 1/2	4.18 1/2	Jan. 5, 22	4.66	Dec. 13, 22	4.62 1/2
Montreal	4.41 1/2	4.37	Sept. 29, 22	4.70 1/2	Dec. 29, 22	4.68 1/2
Paris	52.37 1/2	47.40	April 24, 22	72.30	Nov. 8, 22	63.90
Brussels	54.95	50.57 1/2	Feb. 22, 22	79.20	Nov. 8, 22	63.90
Amsterdam	11.13 1/2	11.20	Sept. 29, 22	11.70	Dec. 30, 22	11.70
Italy	98.24 1/2	80.12 1/2	April 19, 22	114.12 1/2	Oct. 26, 22	101.24 1/2
Madrid	28.20	27.54	Feb. 22, 22	29.62	Dec. 14, 22	29.60
Switzerland	21.68	21.66 1/2	Jan. 5, 22	24.72 1/2	Sept. 29, 22	24.68 1/2
Lisbon	41.2	24	Oct. 2, 22	44	March 29, 23	44
Helsingfors	22.2	15 1/2	Nov. 4, 22	24 1/2	April 15, 23	24 1/2
Christiania	26.75 1/2	23.16	April 19, 22	27.31 1/2	May 17, 22	17.12 1/2
Stockholm	16.47 1/2	16.36 1/2	Feb. 17, 22	17.32	May 17, 22	17.12 1/2
Copenhagen	21.0	20.12 1/2	May 30, 22	22.47 1/2	Dec. 20, 22	22.40
Estonia	1.530	1.463	May 9, 22	1.594	Dec. 22, 22	1.594
Latvia	1.010	1.010	Jan. 31, 22	1.232 1/2	Dec. 13, 22	1.232 1/2
Berlin	79.5 1/2	715	Jan. 9, 22	3,500	Nov. 7, 22	2,420
Vienna	11,500	11,500	Jan. 2, 22	426,000	Aug. 25, 22	262,500
Budapest	2,650	2,450	Jan. 6, 22	13,750	Sept. 23, 22	11,750
Warsaw	12,500	11,500	Jan. 9, 22	81,450	Dec. 18, 22	62,300
Prague	117 1/2	117 1/2	Aug. 26, 22	277 1/2	Jan. 5, 23	180
Belgrade	275	237 1/2	Oct. 21, 22	435	Dec. 18, 22	430
Bucharest	555	452 1/2	Aug. 7, 22	685	July 12, 23	685
Sofia	602.50	575	Nov. 26, 22	610	Aug. 29, 23	625
Thess	58.25	58.50	Jan. 6, 22	425	Dec. 7, 22	400
Constantinople	625	615	Jan. 31, 22	950	Nov. 7, 22	805
Bombay	1.4	1.5 1/2	April 15, 22	1.4 1/2	Dec. 26, 22	1.44
Hong-Kong	2.8	2.3	Dec. 20, 22	2.2 1/2	Jan. 11, 23	2.3
Shanghai	3.6	3.0 1/2	Dec. 20, 22	3.9 1/2	May 22, 23	3.6 1/2
Singapore	2.3 1/2	2.3 1/2	April 24, 22	2.4 1/2	Nov. 11, 22	2.4 1/2
Yokohama	2.3 1/2	2.3 1/2	Feb. 21, 22	2.3 1/2	May 1, 23	2.3 1/2
Buenos Aires	43.4	42 1/2	Jan. 17, 22	46 1/2	Jan. 30, 22	44 1/2
Monte Video	41.4	40 1/2	Jan. 9, 22	46	Feb. 14, 22	44 1/2
Rio	7.44	6.4 1/2	Dec. 22, 22	7 1/2	Jan. 4, 23	6 1/2
Valparaiso	40.40	30.80	Aug. 22, 22	46.70	Jan. 24, 23	33.30
Lima	16 1/2 pm.	34 1/2 pm.	June 14, 22	32 1/2 pm.	March 25, 23	32 1/2
Mexico	24 1/2	25	Dec. 19, 22	24 1/2	Jan. 3, 23	25

broadly into four classes. On the one hand, we have the more stable rates which have changed little throughout the year. One group of these, Switzerland, Holland, Sweden, and Japan, have remained close to dollar parity, while Spain has remained pretty steady at about 80 per cent. of parity. In the case of Switzerland, a sharp fall, the greater part of which has now been recovered, was occasioned in the third quarter of the year by fears of a capital levy. Two other currencies, which during the whole year have remained almost constant in relation to the dollar, are those of Estonia and Latvia; and there is good reason to believe that the new Lithuanian currency introduced a few months ago will also be maintained at a steady level with gold. A second group, in which fluctuations have been greater and more irregular, includes France, Belgium, Italy, and the

Argentina, together with Norway, while Denmark, which has varied between 75 per cent. and 80 per cent. of gold parity, might have been classed with the first group had it not been for the collapse during the latter part of the year as the result of the general economic strain accentuated by the difficulties of the Landsmann Bank. In the third and fourth group are currencies which show a radical change in position either in the direction of improvement, or the reverse. Among these first may be taken the Czech krone, which has improved from 277½ to 180. This appreciation has involved a period of intense industrial depression, which could perhaps have been avoided had the change been carried out more slowly and judiciously. But the change, at least, has been in the right direction, and as far as can be seen may be taken as marking a permanent improvement. Another currency, the value of which has been definitely raised to a new level, with a promise of permanency, is the Finnish mark, which at the end of the year stood at 186, as compared with 222½ at the beginning, after having reached 243 in the spring. In the fourth and larger group are those unfortunate currencies for which the year has only meant further depreciation. Among these we find a gradually descending scale from Belgrade and Bucharest down through Lisbon, all currencies which have nearly halved in value through the year, to Budapest and Athens, which are about one-quarter of their value at the end of 1922, Warsaw, which is about one-seventh, down to Austria, which is about one-thirtieth, and Berlin which is worth 40 times less than at the beginning of the year. In one case only—that of Austria—has stability been maintained at this new level. In others, for instance Bucharest, Belgrade, and Athens, the present level is hardly likely to be permanent, and an improvement may be expected with an anticipated change in local conditions. In the case of Poland, real progress has been made in economic recovery, but a corresponding movement in the exchange has been prevented, partly by fears of political instability and partly by the failure of the Government, up to the present, to introduce any effective system of State finance.

Among the exchanges on which the main interest of the market is concentrated, the course of the sterling rate in New York is, of course, by far the most important, and the developments throughout the year have been thoroughly satisfactory.

EXCHANGES, 1922 (Monthly Figures).

	January.		February.		March.		April.	
	Highest	Lowest	Highest	Lowest	Highest	Lowest	Highest	Lowest
New York	4-77½ (31)	4-24½ (1)	4-43½ (27)	4-28½ (1)	4-44½ (1)	4-29½ (1)	4-42½ (29)	4-37½ (1)
Paris	58-36½ (1)	50-36 (1)	51-64½ (2)	48-10½ (1)	49-05 (1)	48-17½ (1)	48-48½ (1)	47-40 (24)
Berlin	894 (24)	715 (9)	1,012½ (28)	840 (9)	1,475½ (27)	1,014½ (1)	1,429½ (4)	1,176½ (25)

	May.		June.		July.		August.	
	Highest	Lowest	Highest	Lowest	Highest	Lowest	Highest	Lowest
New York	4-45½ (30)	4-42½ (1)	4-50½ (29)	4-40½ (6)	4-49½ (22)	4-42½ (27)	4-48½ (31)	4-44½ (1)
Paris	49-61 (1)	48-10½ (1)	52-75 (2)	48-48 (1)	56-27½ (7)	51-25 (18)	58-32½ (26)	54-15 (3)
Berlin	1,402½ (22)	1,200½ (31)	1,636 (30)	1,187½ (1)	2,940 (31)	1,800 (1)	9,050 (25)	3,010 (1)

	September.		October.		November.		December.	
	Highest	Lowest	Highest	Lowest	Highest	Lowest	Highest	Lowest
New York	4-77½ (5)	4-30½ (18)	4-47½ (13)	4-38½ (2)	4-52½ (28)	4-44½ (6)	4-66 (13)	4-52 (1)
Paris	58-20 (18)	57-05½ (3)	64-22 (30)	57-97½ (2)	72-20 (8)	62-10 (22)	65-50 (13)	61-80 (19)
Berlin	7,300 (28)	5,700 (6)	20,200 (24)	7,875 (2)	38,500 (7)	20,900 (1)	36,000 (11)	29,750 (16)

As will be seen from the monthly table, there has been, on the whole, a steady appreciation in value, with some pause after the turn of the half-year and again in September, culminating in a surprising rise at the end of the year, followed by another slight relapse, which, however, has left sterling some 40 cents higher than at the beginning of 1922. One of the most striking features of this movement is that in the course of appreciation the usual autumn adverse swing has been almost entirely obliterated, and in this way the expectations of many experienced observers have been badly upset. In part this recovery has been due to a relative improvement in

British foreign trade, but to a greater extent it is the result, on the one hand, of the financial policy in this country, with its consequent arrest of inflation and fall in prices, and the expansion of credit and rise in prices in the United States. Added to this has been the important sentimental effect of the growing belief in the United States and other countries in the strength of the British financial position and, in spite of unemployment, in its capacity for industrial recovery. Two more temporary influences may also be suggested—the first, the falling off in demand this autumn for American raw materials, as illustrated by the scarcity of cotton bolls; and, secondly, the beginning, towards the close of the year, of the movement of some large balances, formerly held in London, back to this country. This last movement has stopped for the time, but it may be expected that any further approach towards parity for other reasons would almost at once be accentuated by its renewal. The future, however, depends largely upon a satisfactory settlement of the reparation problem, for with an accentuation of the difficulties of Europe, it is almost impossible to hope for a further recovery in sterling.

Throughout this year, as, indeed, since the signature of the Versailles Treaty, reparations have hung like a cloud over the chief European exchanges, and the effect of this threat has been even more marked than before. It is hardly necessary here to recount the various stages in the demoralisation of the mark, culminating in the complete collapse which began in August. It may, however, be useful again to insist that, wrong-headed as has been much of Germany's financial policy during and since the war, the direct and immediate cause of this collapse has been a series of reparation demands impossible of fulfilment even had the best will been shown. The rate as it now stands is little more than a panic quotation, and the mark is ceasing to be even a speculative counter of any importance. Unfortunately, however, internal prices have become increasingly sensitive, and follow up the external value of the mark much more rapidly than before, so that any serious recovery in exchange quotation is rendered increasingly difficult.

The course of the franc has depended, as was to be expected, to a very large extent upon that of the mark. In the early part of the year, when the mark was relatively stable, and when the French trade balance showed signs of improvement, and no heavy payments were being made abroad, a carefully-nurtured optimism in France itself, coupled with the belief abroad in the recovery of the franc which has persisted since the war in spite of so many warning signs, and with the usual spring influx of visitors, brought down the quotation of the franc to 47.40 in April, and maintained it for a month or so not far above this level. But the collapse of the mark in the summer forced the French people finally to begin to realise that the hope of securing satisfactory reparations from Germany was an illusion, and directed increasing attention to the financial position of the French Government if deprived of the expected aid from Germany. Put crudely, the position of French finances is this, that together with expenditure which it is hoped may ultimately be recovered from Germany, the State is now spending about twice as much as it obtains from taxation and other revenue, and this apart from any provision for interest or amortisation on an enormous foreign debt. The balance has been made up by an increase in floating and other indebtedness, as up to now the Government has been able to rely on the remarkable investing power of the French people. But the confidence of the investor is becoming shaken, and if he holds back it is difficult to know to what the Government can turn. From this it is not far to a flight from the franc on the near analogy of the flight from the mark. With this prospect before them, it is not difficult to understand the reluctance both of the French Government and of the French people to face the hard facts of the reparation problem. It is, however, unfortunate both for Europe and themselves that they are unable to see that the one way of escape lies in a reasonable treatment of this question, by which would be gained the sympathy and assistance of America and of ourselves, without which the outlook is indeed a dark one.

On the solution of the reparation problem depends, then, not only the stabilisation of the mark itself, but the finding of its true level by the franc, and almost as much, as has been already suggested, the recovery of sterling itself.

THE BRITISH PROPOSALS FOR GERMAN REPARATION.

ALTHOUGH the Paris meeting has proved a failure—one more in the long list of Inter-Allied Conferences—we give for purposes of record a short *résumé* of the principal terms of the British proposals.

I. REPARATION.

The existing German bonds of Series 'A,' 'B,' and 'C' to be cancelled, and the schedule of payments annuities to be reduced to the amounts required year by year to provide the interest payable on the new bonds to be issued in accordance with these new proposals.

Germany to issue to the Reparation Commission new bonds, to be divided into two series:—

(a) First Series bonds to the amount of 50 milliard gold marks to be issued forthwith, repayable at par on December 31, 1954, and bearing interest at the rate of 5 per cent. per annum, payable half-yearly; the interest to be suspended in its entirety for the first four years (until January 1, 1927), and to the extent of 1 per cent. per annum for the next four years (until January 1, 1931).

This means an annual payment from 1927 to 1930 of 2 milliard, and subsequently of 2½ milliard marks.

"If at any time before January 1, 1927, the supervising authority provided for below decides unanimously that the condition of German finances is such that cash payments for reparation can be commenced, Germany to pay in cash such sums as the authority may prescribe in each of the calendar years, 1925 and 1926, not exceeding 2 milliard gold marks in either year.

"Any such payments to be applied to the cancellation of first series bonds at redemption price or otherwise in reduction of the aggregate liability under the preceding paragraph as the supervising authority may direct."

(b) Second Series bonds to the amount of 17.31 milliard gold marks (being the amount of the deferred interest on the bonds of the First Series compounded at 5 per cent. to April 1, 1933), or such lesser amount (if any) as the Arbitral Tribunal provided for in the next paragraph may determine, to be issued on April 1, 1933, repayable at par on March 31, 1965, and bearing interest at 5 per cent. per annum, payable half-yearly.

II. ARBITRAL TRIBUNAL.

"If before April 1, 1933, Germany proves to the satisfaction of an Arbitral Tribunal that the payments required to meet the interest upon the Second Series of bonds exceed her capacity, her obligation to issue such bonds to be cancelled in whole or in part as the Tribunal may decide.

"The Arbitral Tribunal to be appointed upon application by the German Government, to be made not later than October 1, 1932, and to consist of one person nominated by the Reparation Commission, one person nominated by the German Government, and a third by agreement between the other two, or, in default of agreement, by the President of the United States of America."

III. DELIVERIES IN KIND.

Treaty obligations to make deliveries of coal, dyestuffs, timber, &c., to continue, subject to the various conditions in regard to quantities and prices laid down in the treaty, but to an amount not exceeding the payments prescribed above.

IV. NEGOTIATION OF THE BONDS.

Germany to have the right to redeem bonds of the First Series as on any interest date after June 30, 1923, at the following prices:—

REDEMPTION PRICES OF FIRST SERIES BONDS.

Interest Date.	Price.
December 31, 1923	50
June 30, 1924	53
December 31, 1924	56
June 30, 1925	59
December 31, 1925	62
June 30, 1926	65
December 31, 1926	68
June 30, 1927, to December 31, 1930	69
Rising by 1 point per half-year to 76.	
June 30, 1931, to maturity (December 31, 1954)	76½
Rising by ¼ per half-year to par at maturity.	

The scale thus allows redemption on an 8 per cent. basis at the start, gradually falling to a 5 per cent. basis at the end of the 32-year period.

"As soon as, but not before, the First Series of bonds has been redeemed, Germany to have the right to redeem bonds of the Second Series as on any interest date at a discount of ⅓ per cent. for each unexpired half-year."

V. SUPERVISION OF GERMANY.

In return for these concessions Germany shall agree:—

(1) To stabilise the mark in accordance with the recommendations contained in the majority report of the Foreign Experts consulted by the German Government in November last, and to restore Budget equilibrium with limits of time to be prescribed (say, six months for the stabilisation and two years for the Budget reform).

(2) To accept such financial supervision as may be deemed by the Allied Powers to be necessary to see to the punctual carrying out of these reforms. The chief provisions for this supervision are that a Foreign Finance Council should be set up with its seat in Berlin. The Council will consist of persons appointed by Great Britain, France, Belgium, and Italy, with two other members of American and neutral European nationality respectively. The German Finance Minister will be ex-officio chairman (without a vote except in the case of equality of votes), and will be required by law to act on the Council's advice in regard to all matters affecting:—

1. Currency legislation.
2. The Budget, fiscal legislation, and public expenditure.
3. General Treasury administration.
4. Financial prohibitions, control of foreign remittances, &c.

"As regards the powers of the Council, the main object to be aimed at is to leave German administration as far as possible in German hands, and avoid direct responsibility for initiative in regard to details in the matter of legislation.

"It is desirable to give the Council very wide powers, but also wide discretion as to both the manner in which, and the extent to which, they are to be used."

Germany further shall agree—

(3) To submit, in the event of her failing to satisfy the supervising authority that the prescribed conditions are being observed, or failing to discharge her obligations as now revised, to any measures which Allied Powers, upon a report of such failure from the supervising authority, may unanimously decide to be necessary. Such measures may include the forcible seizure of German revenues and assets and the taking over of German fiscal machinery and the military occupation of German territories outside the treaty occupation area.

VI. ALLOTMENT OF THE BONDS.

Eighty per cent. of the bonds of the First Series to be distributed forthwith to the Powers entitled to reparations in the Spa Agreement percentages.

The remaining 20 per cent. to be retained by the Reparation Commission as a reserve for adjustment of accounts between Powers, and for the payment of miscellaneous treaty charges as provided below.

VII. EUROPEAN INTER-ALLIED DEBTS.

"The deposits of gold which are held by Great Britain as security for loans made to France and Italy for the purpose of carrying on the war to be applied forthwith towards the repayment of these loans.

"The French share of the German bonds applicable to the repayment of Belgian war debt to be transferred to Great Britain, and accepted by her as satisfaction of an equal amount of the French debt to Great Britain.

"One-and-a-half milliards of First Series German bonds to be transferred by Italy to Great Britain, and accepted by Great Britain in discharge of an amount of the Italian debt to Great Britain equal to the face value of the bonds.

"The balance of the French and Italian war debts to Great Britain to be written off; all counterclaims by France and Italy at the same time being abandoned.

"The Italian debt to France to be written off.

"Great Britain and France to transfer to the Reparation Commission as trustees the net war debts owing to

them by Serbia, Rumania, Greece, and Portugal, to be dealt with as provided below.

"On April 1, 1933, the bonds of the Second Series to be distributed as follows:—

Great Britain.....	The aggregate Spa Agreement percentages of these Powers.
France	
Italy	
Any other Powers which may accept the arrangements referred to below	
Belgium	Their respective Spa Agreement percentages.
Japan	
Any other Powers which may not accept those arrangements	

"The aggregate share assigned to the first-mentioned group of Powers to be divided in proportion to the respective debts of these Powers to the United States in respect of war advances, as on April 1, 1922."

The text of the British plan makes it quite clear, however, that "these proposals for dealing with Inter-Allied debts are put forward upon the understanding that the above repatriation plan is accepted, and all proposals for the taking of pledges ('gages') and application of sanctions (otherwise than as provided for in the above plan) are abandoned."

OUR INDEX NUMBER.—A YEAR'S PRICES.

In December our Index Number of commodity wholesale prices declined by 19 points, thus practically wiping out the increase of 23 points recorded in November, and the year closes with the total at 4264. A year ago it was 4357, so that on balance there has been a decline of 93 points. The highest point, 4396, was reached at the end of July, and the lowest, 4189, at the end of August, so that the widest fluctuation has been 207 points. This is in striking contrast to the movements of the three preceding post-war years. In 1921 the highest point was 5617 in January, and the lowest 4357 in December, a difference of 1260 points; in 1920 the highest was 8352 in March (the highest point ever touched), and the lowest 5924 in December, a difference of 2428 points; and in 1919, when prices were on the up grade, the highest was 7364 in December, and the lowest 5708 in March, a difference of 1656 points. It may therefore be said that a period of comparative general stability was reached in 1922. The table below shows the year's movements in each of the five groups:—

Date.	Cereals and Meat.	Other Food Products (Tea, Sugar, &c.).	Textiles.	Minerals.	Miscellaneous (Rubber, Tin, Ber, Oils, &c.).	Total.	Percentage Change.
Base (avg. 1901-5)...	500	300	500	400	500	2200	100.0
End July, 1914....	879	382	616	484	553	2855	116.6
Dec., 1915.....	897	446	731	711	848	3634	165.2
Dec., 1917.....	1286	686	1684	839	1348	5893	268.2
Nov., 1918....	1289	782	1848	908	1389	6212	282.6
Dec., 1918....	1303	782	1805	866	1337	6094	277.0
Dec., 1919....	1441	881	2442	1145	1453	7364	334.7
Dec., 1919....	1441	881	2442	1145	1453	7364	334.7
Mar., 1920....	1808	914	2974	1246	1709	8352	379.6
Dec., 1920....	1344	805	1284	1216	1275	5924	269.3
Dec., 1921....	921	636	1106	762	931	4357	198.0
Jan., 1922....	907	654	1066	730	925	4284	194.7
Feb., 1922....	948	640	1037	696	936	4259	193.6
Mar., 1922....	980	687	1038	700	892	4297	195.3
Apr., 1922....	1008	687	1010	709	890	4285	194.8
May, 1922....	1040	657	1079	710	885	4372	198.7
June, 1922....	1000	676	1135	690	887	4389	199.5
July, 1922....	994	669	1120	712	900	4396	199.8
Aug., 1922....	880	674	1123	691	887	4257	193.5
Sept., 1922....	873	682	1116	699	818	4189	190.4
Oct., 1922....	885	700	1150	712	813	4260	193.6
Nov., 1922....	864	703	1200	704	811	4283	194.7
Dec., 1922....	861	706	1184	705	807	4264	193.8

So far as the past month is concerned there have been no outstanding changes. In primary foodstuffs cereals have fallen, except foreign wheat, while meat is a little higher. Sugar and butter account for a rise in subsidiary foods. In the textile group American cotton and Australian wool are higher, but otherwise movements are in a downward direction. Iron and coal prices are practically unchanged, but steel rails were lower, and there was a slight rise in tin and copper. In the Miscellaneous

section a small decline in soda crystals was the only feature.

Turning to the year's comparison we find that the net decline of 93 points in the total has been produced by divergent movements in the individual groups. In the next table are set out the changes in the index for each commodity as compared with the end of December, 1921, the figure 50 representing in each case the average price during the basic period 1901-5:—

	Index Number.	Inc. or Dec.		Index Number.	Inc. or Dec.		Index Number.	Inc. or Dec.
Wheat—For.	89	- 3	Cotton, A	139	+ 32	Copper	54	- 1
English	72	- 7	Cotton, E	123	- 24			
Flour	83	- 9	Yarn	129	+ 17	Minerals	705	- 57
Barley	74	- 25	Cloth	128	- 9			
Oats	75	- 5	Wool, Eng.	123	+ 36	Baltic timber	100	- 14
Potatoes	45	- 42	Aus. Wool	118	- 41	Amer. timber	87	- 12
Rice	104	- 4	Silk	127	- 6	Leather	76	- 1
Beef	94	- 4	Flax	127	- 36	Petroleum	108	- 29
Mutton	105	+ 25	Hemp	47	- 8	Oils	77	- 1
Pork	117	+ 9	Jute	121	+ 37	Oilseed	78	+ 5
Cereals & Meat	861	- 60	Textiles	1,184	+ 78	Indigo	113	- 37
Tea	133	+ 23	Pig-iron	98	- 9	Rubber	14	- 35
Coffee	89	- 2	Steel rails	75	- 4			
Sugar cane	161	+ 21	Iron bars	81	- 15	Miscellaneous	807	- 124
Sugar beet	106	- 2	Coal, steam	123	- 13			
Butter	99	+ 27	House coal	93	- 24	Total	4,264	- 93
Tobacco	116	- 1	Lead	110	+ 6			
			Tin	71	+ 4			
Other foods	706	+ 70						

A year ago other foods and textiles stood furthest from the pre-war normal, and during the year this position has been exaggerated, these two groups rising by 70 and 78½ points respectively, while primary foods have fallen by 60½, minerals by 57, and miscellaneous commodities by 124 points. In the last-named group the decline has been fairly evenly spread over the year, apart from sharp decreases in September in petroleum, indigo, and soda, three commodities which are responsible for the greater part of the total fall in the group. Petroleum and indigo, however, are still at a figure very much above the average. Oils, oilseeds, and tallow show little change on balance, but timber is lower, the bulk of the fall having taken place in the first half of the year.

In the minerals group fluctuations in the minor metals have been small in comparison with those of the preceding years. Lead and tin are a little higher on balance, while copper is a shade lower. The bulk of the decline in coal occurred in the first half of the year. There was a very heavy cut in iron and steel in the second half of 1921, and movements in 1922 were much smaller. Pig-iron was reduced in January, and remained unchanged for the next six months. Steel rails moved for the first time in August, but the slight reduction then made was wiped out in the following month, and a reduction of 10s per ton in December accounts for the year's decline of four points. Iron bars were steady in the first half of the year, but there were two reductions in the second half.

In the textile group the most noticeable movements have been the recovery in wool prices after their abnormal drop in 1921, the fall in flax and the rise in jute. American cotton is considerably higher on balance, there having been a steady upward movement since the spring. The whole of the decline in Egyptian cotton, on the other hand, occurred in January, and since then the quotation has moved on similar lines to that for American, except that the latter rose in December, while Egyptian fell back. The monthly changes in yarn and cloth have been in the same direction, but yarn has shown larger movements when prices have been rising, and closes higher on balance, while cloth is lower.

In the subsidiary food group the changes principally represent reaction from the heavy declines recorded in 1921, though coffee is exceptional, with a slight drop. The history of wheat prices during the year was a steady rise until the end of the spring, and then an almost unbroken decline until the end of the year, on favourable crop reports, especially from America and Canada. Quotations for flour and other cereals have more or less followed the same curve. Potatoes have dropped by almost one-half, thanks to a record crop, the bulk of the decline occurring in August and September. Meat prices also rose in the first half, and declined in the second, but the upward movement was much more pronounced in mutton and pork than in beef.

The final table shows how each group stands in rela-

tion to the pre-war level, the figure for July, 1914, being taken as 100:—

End of—	Cereals & Meat.	Other Food.	Textiles.	Minerals.	Miscellaneous.	Total.
July, 1914	100	100	100	100	100	100.0
Dec., 1918	226	222	293	186	241	237.5
Dec., 1919	249	250	396	247	263	287.1
March, 1920	261	260	484	269	309	325.6
June, 1920	261	263	415	278	281	305.9
Dec., 1921	233	229	209	261	230	230.9
June, 1922	203	188	158	210	185	187.5
Dec., 1922	159	180	180	164	168	169.6
March, 1922	169	195	168	151	161	167.5
June, 1922	174	192	184	149	160	171.1
July, 1922	172	190	181	153	163	171.4
Aug., 1922	153	192	183	149	160	165.9
Sept., 1922	151	194	181	150	148	163.5
Oct., 1922	153	199	187	154	147	166.1
Nov., 1922	150	200	195	152	148	167.0
Dec., 1922	149	200	193	152	146	166.2

The increase of 66.2 per cent. over the July, 1914, figure, recorded for December, thus compares with one of 69.6 a year ago, the highest point of the year being 71.4 per cent. and the lowest 63.5 per cent., the latter being the lowest point reached since the Armistice. In March, 1920, when the highest point was reached, the increase over the pre-war level was 225.6 per cent.

THE NEW HOME RAILWAY STOCKS.

(BY A STOCK EXCHANGE CORRESPONDENT.)

THE Home Railway market has benefited, not suffered, from the fact of having the number of its securities so drastically cut down this week through the formal advent of the grouping system as applied to the securities dealt in by the Stock Exchange markets. The list of preference stocks, for instance, has dwindled from 104 different securities to a modest 36, out of which a dozen are connected with the Tube railways not in any amalgamation, and another eight belong to the Caledonian Railway Company, because that undertaking has not yet completed its grouping arrangements. The ordinary and other stocks of the leading railway companies have been reduced in a similar manner, but in spite of this the market is one of the most active in the House, and all through the week has formed the focus of favourable attention from investor and speculator alike. An eager crowd assembled at half-past ten last Tuesday morning, when the Stock Exchange returned to work, brokers and jobbers being on the *qui vive* of expectation to see how prices would develop. North-Eastern deferred held most of the attention. The general expectation that dealings would begin in this stock on the basis of about 26 went by the board, as orders poured in to buy the stock at anything up to 30, which, in point of fact, proved the opening price, and which was left behind to the extent of about a point even before the end of the first day. Proprietors of railway stocks who make up their books in the ordinary way to the end of December are working out, for the New Year, the precise amount of their present holdings, and are endeavouring to compare these with the values at which they entered their investments a week ago. With so many different stocks to be dealt with, it was inevitable that wide divergencies of the prices should prevail as the market opened. This was peculiarly the case with some of the preference and preferred stocks. Some people think they gave too much, while the sellers in the market, with Stock Exchange philosophy, shrugged their shoulders, and said it could not be helped if they had sold at prices below those marked in the official lists, simultaneously, or immediately afterwards. No little confusion was created by the quotation ex dividend of all the stocks that were absorbed into others. Great Western is, of course, the principal exception, for Great Western ordinary remains untouched, and therefore the market rule remains the same as usual. Nearly all the others, however, which are concerned in the grouping are now ex dividend, and until this was explained the comparatively low prices of the London, Midland, and Scottish and other stocks were considered somewhat disappointing, though, when the dividends are allowed for, the actual movements on the week show advances.

The quotations of the ordinary stocks are given in our tables elsewhere in this issue, but, for the benefit of the large numbers of investors who hold the fixed-interest issues, it will be useful to set out in detail the prices at which stocks are now standing. Leaving out the Electric and Tube stocks, these are the current quotations for debenture, guaranteed, and preference stocks actually on offer in the market at the moment, together with the yields obtainable at the present prices:—

	Divs. Paid.	Price.	Yield.
DEBENTURES.			
London, Midland, and Scottish.....	4 J. & J.	84½xd	4 14 6
Great Western	5 J. & J.	106½d	4 15 6
London and North-Eastern	3 J. & J.	62½xd	4 16 0
Do.....	4 J. & J.	82½xd	4 17 0
Southern	4 J. & J.	83xd	4 16 6
GUARANTEED STOCKS.			
Great Western Rent Charge	5 J. & J.	102½d	4 19 0
Do Guaranteed	5 F. & A.	102½d	4 19 6
London, Midland, and Scottish	4 F. & A.	81xd	4 19 0
London and North-Eastern, 1st	4 F. & A.	80½xd	5 0 0
Do 2nd	4 F. & A.	79½xd	5 1 0
Southern	5 F. & A.	100xd	5 0 0
PREFERENCE STOCKS.			
Great Western	5 F. & A.	101d	5 1 0
London, Midland, and Scottish	4 F. & A.	79xd	5 2 0
Do 1923	4 F. & A.	77½xd	5 4 0
London and North-Eastern, 1st	4 F. & A.	78½xd	5 3 0
Do 2nd.....	4 F. & A.	75½xd	5 6 6
Southern	5 F. & A.	97xd	5 3 6

Among the leased lines and joint issues there are small amounts of East Lincoln, Great Western Bristol and Exeter, and Humber Dock ordinary shares on offer at prices which yield from 5 per cent. to a shade over on the money.

From the purely mechanical point of view, holders of railway stocks who wish to dispose of their securities can send orders to their brokers telling them exactly what they, the clients, hold at present, and the brokers will work out the equivalents, selling those in each case. Transfer work is being facilitated as much as possible by the companies concerned. The Stock Exchange Share and Loan Department has lent its powerful aid to the smooth working of a change-over, which brings, of course, a host of complexities and knotty points. However, present indication points to the fact that within the course of a week or two at latest the market will have settled down into something like normal condition. To those, meanwhile, who are in some doubt as to whether they should send in their certificates or not to be altered by the companies into the new descriptions of stock, it may be suggested that they should wait until the first rush of buying and selling business is over. There is no immediate necessity for exchanging their certificates into new stocks which become theirs automatically, and the companies, already breast-high in detail work, will probably appreciate consideration shown to them, during the first part of the rush, by their stockholders.

BANKERS' CLEARINGS IN 1922.

THE grand total of the Bankers' clearings for the year 1922 shows an increase as compared with 1921 of £2,231 millions, which follows a decline in 1921 of £4,088 millions. As will be seen from the following table, there was a decline in both metropolitan and country clearing totals:—

	1921.	1922.	Increase or Decrease.
	£	£	£
Town clearing ..	30,268,214,000	32,780,635,000	+ 2,512,421,000
Metropolitan clearing	1,660,166,000	1,574,661,000	- 85,505,000
Country cheque clearing	3,002,179,000	2,806,165,000	- 196,014,000
Grand total..	34,930,559,000	37,161,461,000	+ 2,230,902,000

The town clearing figures indicate an increase in financial and commercial activity. Among the factors working in this direction may be mentioned the greater activity in the stock markets and the rise in security values, larger totals of capital issues, and considerable foreign exchange transactions. It is pointed out by the secretary in his report that it is impossible to obtain any clear

guidance as to the trade of the country from the town clearing figures, as the genuine trade transactions included therein are quite swamped by the enormous turnover of the money market and other purely financial operations. In the figures relating to the metropolitan clearing, the trade of the metropolis is reflected fairly clearly, and they show that, although the decrease for the year is £85,505,000, this decrease, when distributed among the quarters, shows a diminishing ratio, although the last quarter is not so satisfactory as the third. Of the year's total decrease, 59.4 per cent. occurred in the first quarter, 19 per cent. in the second, and 78.5 per cent. in the first six months. The figures of the country cheque clearing, where the movements of the general trade of the country are clearly seen, follow the same course, quarter by quarter, as the metropolitan clearing. Of the total decrease of £196,014,000, £137,594,000, or 70.1 per cent., is recorded in the first quarter, and £31,784,000, or 16.2 per cent., in the second quarter, while by far the larger portion of it, or 86.4 per cent., occurred in the first half of the year. The increases in the town clearing quarter by quarter show a progressive decline, having been 14.8 per cent. in the first, 14.3 per cent. in the second, 5.7 per cent. in the third, and 1.3 per cent. in the fourth quarters. Of the ten provincial clearings, four show increases and six decreases as compared with 1921. Increases are shown by Hull, 10 per cent.; Leicester, 2.3 per cent.; Manchester, 4.4 per cent.; and Newcastle, 3.4 per cent.; while the decreases are Birmingham, 6.2 per cent.; Bristol, 10.5 per cent.; Leeds, 5.4 per cent.; Liverpool, 4.8 per cent.; Nottingham, 5.6 per cent.; and Sheffield, 13.2 per cent.

The astonishing growth in the total of the clearings in recent years may be seen from the following table:—

ANNUAL TOTALS.			
	(Million £.)		
1868	3,425	1914	14,665
1873	6,071	1915	13,408
1880	5,794	1916	15,275
1890	7,801	1917	19,121
1900	8,960	1918	21,198
1905	12,288	1919	28,415
1910	14,659	1920	39,019
1911	14,614	1921	34,931
1912	15,962	1922	37,161
1913	16,436		

A census of the drafts passing through each clearing was taken on Wednesday, January 4th, and on Friday, November 24th, the number arrived at on January 4th was 1,305,000 articles (without much doubt a record), distributed between the three clearings as follows:—Town, 352,000; metropolitan, 341,000; country, 612,000; the average amount of each draft being—town, £335; metropolitan, £30; country, £29. January 4th was an exceptionally heavy day in consequence of the banks having been closed to the public on Monday, January 2nd, but November 24th may be regarded as a light day, and the number of articles then passing was found to be 478,000, divided between the three clearings, viz.:—Town, 91,000; metropolitan, 125,000; country, 262,000, giving the average amount of each draft in the town £1,152, metropolitan £31, country £28. It will be seen that the average amount of a town draft in November was more than three times that of January, but this is accounted for by the fact that on January 4th the average amount was greatly reduced by the large number of dividend warrants and subscription payments then passing through the town clearing. The almost identical average value of drafts, both in the metropolitan and country clearings, on the two dates is remarkable. The average daily number of drafts passing through all clearings may be taken to be not less than 550,000. These figures indicate the greatly the use of the cheque has supplanted the legal currency of the country, and this fact is further emphasised by other statistics which have been obtained bearing on the same point. The late Lord Avebury (then Sir John Lubbock, Bart.) stated in the *Journal of the Statistical Society*, in September, 1865, that out of £1,000,000 paid into his bank, only £21,500 consisted of banknotes and £6,210 of coin, notes and coin thus being only 2.7 per cent. of the total. Statistics taken recently at banks in the City show that the 2.7 per cent.

of 1865 has sunk to less than .7 per cent. in 1922, or, to express the ratio in the same terms as those used by Lord Avebury, out of a million paid into a bank only £4,260 consisted of banknotes and £2,640 of Treasury notes and coin; indeed, it may be stated that, except for the purchase of property, payment of wages, household and pocket expenses, legal currency has been almost entirely superseded by the cheque based on credit, a fact which cannot have been without its effect on the stability of the exchange value of the £1 sterling. The cheque system which has developed so remarkably in Great Britain has not been adopted to any appreciable extent by any other European country, and it is only in America that we find a corresponding evolution in the use of currency based on credit.

Notes of the Week.

The National Accounts.—It is unreasonable to attempt to draw any very definite conclusions from a comparison of the nine months' figures of revenue and expenditure with Budget estimates for the financial year, since the last quarter always contains the most surprises. It is, however, gratifying to find that, in spite of trade depression, the shrinkage in revenue is very much smaller than three-fourths of the total decline budgeted for, and that the reduction in expenditure for the same period is only £2 millions short of that anticipated in the whole 12 months. Below we set out the revenue figures for the past nine months, with the actual increase or decrease compared with the corresponding period of 1921-22, together with the Chancellor's original estimate of the changes in each item in the full year:—

	(000's omitted.)			
	Revenue April 1, to Dec. 31, 1922.	Actual Inc. or Dec. in Nine Months.	Budget Estimate of Inc. or Dec. in Full Year.	
	£	£	£	
Customs.....	95,199	— 3,286	— 17,802	
Excise.....	121,308	— 28,582	— 33,541	
Motor Duties	3,599	+ 317	— 496	
Estate Duties	43,821	+ 7,073	— 4,191	
Stamps	14,762	+ 2,873	— 1,338	
Land Tax and House Duty	650	+ 140	+ 410	
Income Tax	187,551	+ 12,891	— 69,887	
E. P. D.	954	— 28,760	— 2,652	
Corporation Tax	13,297	+ 3,007	+ 2,234	
Post Office	39,400	+ 400	— 1,775	
Crown Lands	710	+ 140	— 70	
Int. on Loans	8,308	— 516	+ 193	
Miscellaneous—				
Ordinary	18,912	+ 1,331	— 4,334	
Special	37,092	— 58,297	— 80,806	
	585,563	— 91,269	— 214,105	

Practically the whole of the actual decline is accounted for by the drop in miscellaneous special receipts, and in excess profits duty, the decline in the latter being so far much larger than was estimated. Income-tax, on the other hand, makes a very good showing, but it has to be remembered that the collections in the final three months will be at the lowered rate of 5s in the £. Customs receipts appear to have been better than anticipations, and estate duties, thanks, perhaps, partly to the rise in security values show up-to-date a substantial increase. Expenditure for the first nine months shows a reduction of over £167 millions, of which it may be mentioned £150 millions took place in the first six months. Debt service is over £12 millions lower, and supply services have fallen by £155 millions. The Budget estimate was for a total reduction in the full year of £169 millions. How far supplementary estimates for unemployment relief, naval and military expenditure in the Near-East, and other items will nullify the gain on the estimate so far achieved remains to be seen. At the best the most that can be hoped for is a balance at the end of March. As far as 1923-24 is concerned, it must not be forgotten that a full year's interest on the American debt will have to be faced, that the effect of trade depression on the yield of income-tax will become more marked, and that "miscellaneous" receipts which in recent years have provided the Chancellor with so useful a means of balancing his

figures must soon dwindle to nothing. The Treasury has this year helped to elucidate the State accounts by separating military from supply expenditure. For this concession we would show our gratitude by asking for another, viz., the separation of postal expenditure from that of the revenue departments. This is essential if the position of the Post Office is to be followed intelligently.

Cleansing the Honours List.—The report of the Royal Commission on Honours consists of a majority report signed by six members and a "note of dissent" signed by the remaining member, Mr. Arthur Henderson. The latter complains that the Commission, while acknowledging the existence of "touts," decided not to examine either these undesirable folk or the people whom they are known to have approached. The sensation-loving public will agree with Mr. Henderson's complaint, and will regard the report as a disappointing document. It deliberately refrains from digging into the murky past, and contents itself with explaining the way in which Honours lists are compiled, and with suggesting a checking system that might prevent future abuses. Whether it is a good or bad thing that the scandals of the past are not exposed to the public gaze, is a matter of opinion; but the Commission's decision not to undertake this task seems to be clearly defensible on the ground that their terms of reference directed their attention to the future. They were not appointed to unearth scandals, but to suggest safeguards against the repetition of scandals. But Mr Henderson has logic on his side when he writes:—"Had the investigation been pursued more thoroughly, I have no doubt that the evidence forthcoming would have led the Commission to realise the inadequacy of their recommendations." Had the Commission broken the fetters imposed upon them by their terms of reference, their report might have been sensational. Instead, they have hugged their fetters, perhaps unnecessarily tight. The class of Honours most open to abuse and scandal are what are commonly known as political Honours, and it is this class that the Commission has chiefly in mind in making its recommendations. These may be briefly summarised as follows:—(1) That a Committee of the Privy Council, of not more than three members (not being members of the Government) be appointed for the duration of the Government, with a secretary drawn from the Civil Service. (2) That before Honours lists are submitted to the King, they should be sent to this committee for scrutiny. (3) That the lists to be scrutinised by the committee should contain in respect of each name (a) a statement of services and reasons for honour; (b) a statement by the patronage secretary or Party manager that subscriptions to Party Funds, actual or in prospect, are in no way connected with the recommendation; and (c) the name and address of the original suggestor of the name. (4) That the committee should report on the desirability, or otherwise, of each name, and that if the committee reports unfavourably on any name and the Prime Minister still includes that name in his list, the King should be informed of the report of the committee. (5) That an Act be passed imposing penalties on anyone trafficking in Honours. The ostensible advantage of the proposed committee would be that it would remove the responsibility for scrutiny from the shoulders of the Prime Minister; its obvious disadvantage that it would presumably consist of members of the Government party. The recommendation that penalties be imposed for "trafficking" in Honours earns universal approval; but the recommendation under heading (4) above might place his Majesty on occasions in an extremely awkward position. On the whole, we suppose that the committee's recommendations must be accepted as a rather feeble attempt to make it a little less easy for abuses to occur. There are many who, like Mr Henderson, would like to see political Honours altogether discontinued. There are many more who, if they are to be continued, regard the publication of the Party Fund subscription lists as urgently desirable. The most unfortunate impression conveyed by the Commission's appointment and report is that while the penalty recommendation is a tacit recognition of past scandals, these scandals (rightly or wrongly) are not examined, and the safeguards suggested against their

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repetition are scarcely cast-iron. We doubt whether anyone will be really pleased with the report, except those who had personal reason to fear an investigation into the past.

Manchester and Protection.—The members of the Manchester Chamber of Commerce have decided by an overwhelming majority in favour of the repeal of the Safeguarding of Industries and Dyestuffs Acts. The result of the referendum of this question was announced at the beginning of this week. On the voting papers the members were asked: (1) Are you in favour of the repeal of the Safeguarding of Industries Act? (2) Are you in favour of the repeal of the Dyestuffs Act? The ballot shows that 1,306 members voted in favour of the repeal of the Safeguarding of Industries Act, and 330 against, making the majority for the repeal 976. With regard to the Dyestuffs Act, 1,311 voted in favour of the repeal and 304 against the repeal, leaving a majority for the repeal of 1,007. The number of voting papers sent out was 3,787. It is not known at the moment what action will be taken by the directors in view of this decisive vote of the members, but it is understood that pressure will be brought to bear upon Lancashire members of Parliament and the Government to obtain the repeal of these two Acts at the earliest opportunity.

Switzerland's Finances.—A correspondent writes:—The Swiss franc showed great firmness during the war and after. A year ago it even established a premium over the U.S. dollar. The question is whether it will be able to maintain its high level. According to an article published by Professor Steiger, of Bern, the total debt of the Swiss Confederation amounted at the end of 1913 to £6,512,800, and at the end of 1921 to £16,910,400. There will be a considerable increase at the end of 1922, when the total will reach £180,000,000. The interest charge on the debt at the end of 1913 was £169,000, and at the end of 1921 £7,236,800. The important increase of the debt is largely due to the unsatisfactory working of the Government railroads, as shown in the following table:—

	1913.	1921.
£	£	£
Surplus of gross receipts	2,812,640	482,160
Interest charges	2,198,920	3,598,720
	+ 613,720	— 3,116,560

Of course, a gradual improvement of the situation could be expected if the railroadmen would be willing to accept a very important reduction of wages, and to work more than eight hours. The question is whether they will do it, being strongly organised. Prof. Steiger does not expect this possible railway improvement to occur, and believes that the debt of the Confederacy will increase within two years to the sum of £200,000,000. The customs policy of the Government of taxing foodstuffs and all other necessities of life has created a vicious circle. Whilst speaking of the debt of Switzerland, one should not forget that each of the 22 cantons has its own government, its own functionaries, and, naturally, its own debts. In approximate figures the debts of the cantons and the towns at the end of 1921 were as follows:—Cantons, £52,000,000; towns, £52,000,000; total, £104,000,000.

* "Bulletin Commercial et Industriel Suisse." Geneva.
December 15, 1922.

The total debt of Switzerland amounted, therefore, at the end of 1921 to £268,910,400, made up as follows:—

Confederacy	£ 164,910,400
Cantons	52,000,000
Towns	52,000,000
Total	268,910,400

This total is by no means a small matter for a population which is numbering less than four million souls, and for a country which is producing no more breadstuffs than are sufficient to supply home needs for one month in the year.

The American Motor Industry.—A correspondent writes:—The development of the American motor industry during the last twenty years has been astonishing. Five out of every six motor-cars in the world to-day belong to Americans; the taxes paid by American motorists in 1921 amounted very nearly to £70,000,000, or one-tenth of the Budget; in California one citizen out of every five possesses a car; while in the whole of the United States there is one car in use for every ten inhabitants. The annual output of cars in 1899 was 3,700; in 1914 it was 569,000; in 1920 it was 2,205,000, and during the first six months of 1922 it was over a million. There were nearly 11,000,000 cars in actual use on July 1st last. There are over 250,000 workmen employed in making cars (the Ford works alone employ 100,000 men); 400,000 men are engaged in contributive industries; 230,000 garage hands and nearly 1,250,000 professional chauffeurs and mechanics are employed. Thus there are well over 2,000,000 men engaged in the American motor industry. From statistics lately issued by the National Automobile Chamber of Commerce, it appears that 100 per cent. of the lorries and about 80 per cent. of the passenger cars are used for business purposes. The vast importance of the American motor industry is shown by the fact that the wholesale value of motor vehicles produced in 1921, including accessories and tyres, amounted to over £440,000,000, while the aggregate costs of running the cars amounted approximately to £1,000,000,000. It is estimated that the passenger mileage is about double that of the railways. The factories engaged in the actual work of manufacturing cars are 123, of which 90 per cent. are in the State of Michigan and 5 per cent. in Ohio. The remaining 5 per cent. are in Wisconsin, Indiana, New York, Illinois and Missouri. Nearly all the cars made in America are for home use, and in 1921 only about 5 per cent. of the total value was exported. Yet this export item was easily the largest among American exports of finished goods. The average value of the cars exported was £400, which shows that many high-grade cars were included to balance the large number of Fords which were sent to Europe and elsewhere. Of the total exports approximately one-sixth came to Europe, one-third to Canada and Central America, one-tenth to South America, and one-twelfth to the West Indies. America imports hardly any cars. The import duty of 45 per cent. for cars over £400 in value and 30 per cent. for cars costing less than this sum, destroys foreign competition. In 1911 the value of the cars imported was £400,000; in 1921 it was £175,000. In 1921 America imported 522 cars, while she exported to Europe alone 5,438. There are many reasons which account for the popularity of the motor-car in America. For one thing, the railway system is totally inadequate for so vast an area, and in the West especially practically everyone owns a car. Among the farmers, too, the car is regarded as indispensable—and there are over 8,000,000 farmers in the United States. Owing to cheap iron and coal, American cars can be produced for a much lower cost than is possible in this country. The Ford can there be bought for less than £60, the Chevrolet for £100, and the Overland for £120. More than 50 per cent. of the total output of cars in America are Fords, while 25 per cent. are Chevrolets and Overlands. Petrol and rubber are both cheap, and thus in addition to the small initial cost of a car the running costs are also low. It is estimated that the mileage cost of a Ford car in the United States is approximately a penny a mile. It may be mentioned that, efficient though the average American may be, he cannot claim great efficiency

as a motor driver, since during 1921 there were no fewer than 12,500 fatal motoring accidents.

The Public Trustee.—We are officially informed that the Public Trustee Office is now beginning to feel the full benefit of the economies effected by reorganisation during the last three years, and these economies, coupled with the drop in the Civil Service bonus, are rendering the financial position of the office considerably better than was anticipated. In his last annual report, issued in May, 1922, the Public Trustee stated that the present financial year ought to witness the disappearance of the deficit; but this proved to be a modest estimate, and shortly after the commencement of the financial year (April, 1922) it appeared likely not only that the deficit would disappear, but also that a surplus would result. Now that nine months of the year have elapsed, a substantial surplus is morally certain, and accordingly, although the cost of administration necessarily remains higher than it was before the war, some measure of fee-reduction becomes practicable. In order to avoid any misunderstanding, it should be stated that the deficits of the past few years on the Public Trustee work have been met entirely out of the surplus revenue earned by the Public Trustee as Custodian of Enemy Property. The fees selected for immediate reduction are the capital fees on the acceptance of new cases. These were the fees subjected to by far the heaviest increase in 1920 under the recommendations of Sir George Murray's Committee, and it has been obvious for some time, apart from all outside criticism, that they constituted a heavy burden upon the trusts. Reductions have now been effected varying from one-quarter to one-half at different points on the scales, the all-round reduction being about one-third. These reductions came into force on January 1, 1923, and they will extend, of course, to wills under which the Public Trustee is already appointed but which have not yet come into operation. The Public Trustee is now administering nearly 17,000 trusts, the total value of the trust funds being about £150,000,000.

First Bank Dividends.—The first of the bank dividends fulfil the expectation that no important changes would be made. Those of the discount houses, however, are raised in two cases, as may be seen from our table below:—

Name of Bank.	Amount of Share.	Paid Up.	Final Divs. Rate % per Annum.	Whole Year.	Price, Jan. 5, 1922.	Price, Jan. 4, 1923.	Present Yield.
Barclays, "A"	4	4	10	10	10	10	6 1/2
Do "B"	1	1	14	14	14	14	2 1/2
London Joint City and Midland	12	2 1/2	18	18	18	18	7 1/2
Do	2 1/2	2 1/2	18	18	18	18	7 1/2
Manchester & Liverpool	15	3	18 1/2	18 1/2	18 1/2	18 1/2	8 1/2
Williams Deacon's, "A"	5	1	12 1/2	12 1/2	12 1/2	12 1/2	2 1/2
Do "B"	1	1	12 1/2	12 1/2	12 1/2	12 1/2	2 1/2
Discounts Guaranties	10	5	19 1/2	19 1/2	19 1/2	19 1/2	11 1/2
Alexanders Discount	2 1/2	2 1/2	20 1/2	20 1/2	20 1/2	20 1/2	14 1/2
National Discount, "A"	7 1/2	2 1/2	13 1/2	13 1/2	13 1/2	13 1/2	9 1/2
Do "B"	7 1/2	2 1/2	13 1/2	13 1/2	13 1/2	13 1/2	9 1/2
Union Discount	10	5	22 1/2	22 1/2	22 1/2	22 1/2	16 1/2

a Includes bonus of 2 per cent., free of tax. b Includes bonus of 5 per cent., free of tax. c On old shares of £20, with £5 paid. d Includes bonus of 3 per cent., free of tax.

Barclays' profits show a drop of nearly £330,000, and the allocation to contingency account is reduced from £600,000 to £250,000, the dividend on the "A" and "B" shares being maintained at last year's rate. The City and Midland shows a drop of £200,000 in profits, and reduces the reserve allocation from £750,000 to £500,000, but £300,000 again goes to premises account, and the carry forward is increased by £11,000. The profits of the Manchester and Liverpool show a decline of £74,000, but the transfer of £100,000 to reserve made a year ago is not repeated, and after payment of a dividend at the same rate the carry forward is increased by over £31,000. The profits of Williams, Deacon's are £28,000 lower, and the reserve appropriation is reduced from £100,000 to £50,000. A final distribution of 13 1/2 per cent. on the "A" shares increases the dividend for the full year by 1/2 per cent. to 13 1/2 per cent. The profits of the discount companies have not yet been disclosed, but that they have risen seems evident from the figures so far published. Alexanders place £80,000 to reserve, against £55,000 a year ago, and slightly increase the balance forward, after raising the

free-of-tax bonus from 2 to 5 per cent. The Union Discount, after setting aside £138,000, or £23,000 more than in the previous year, increases the bonus from 3 to 5 per cent. free of tax, and carries forward over £15,000 more. The National Discount has had a rearrangement of capital, and it is not possible to compare the rates of dividend. The dividend for the first half-year was paid on the old capital, and it would appear that the dividend for the final half-year is the same as for the corresponding period of 1921, making the same total dividend for the full year. The pension fund gets £15,000, as against £10,000, and £52,000 more is carried forward.

Peter Walker and Robert Cain.—The company of Peter Walker (Warrington) and Robert Cain and Sons, Limited, was formed in September, 1921, to acquire, firstly, the brewery business of Robert Cain and Sons, Limited, which included the share capital of Harding and Parrington, Limited, and, secondly, the ordinary share capital of a brewery company known as Peter Walker and Son (Warrington and Burton), Limited. A prospectus was issued just after the formation of the company, when £2,000,000 7 per cent. first mortgage debentures were offered at 92 1/2 per cent., and 1,500,000 £1 ordinary shares at par. During the week the report and accounts of this fusion for the year ended September 30, 1922, have been issued, and a profit of £540,035 is recorded. From this sum, however, falls to be deducted for debenture services £134,490, and £160,000 for the 8 per cent. preference dividend. A final distribution is made on the ordinary capital, which brings the total ordinary dividend for the year up to 10 per cent. and a balance of £20,545 is carried forward. The directors, we are informed, propose to carry to a reserve account undistributed profits brought forward at September 30, 1921, amounting to £80,304. On the debit side of the balance-sheet a total of £7,009,770 is shown, of which £6,028,643 represents freehold brewery premises, investments, and goodwill. Formation expenses figure at £328,481, and an item of £150,000 appears as "discount on issue of debentures." A consolidated balance-sheet incorporating the balance-sheets of allied concerns is attached to the report. This is a step in the right direction, but it would be better perhaps if the directors could see their way clear to separate the main item in assets into (a) properties, (b) investments, and (c) goodwill. Recent quotations show that the debentures are marketable at round about par, while the £1 ordinary shares change hands at close to 18s 3d.

Mexico Mines of El Oro.—The procedure adopted by the directors of this Franco-British enterprise in regard to the presentation of information is certainly not such as will commend itself to the shareholders in England. Now the salient point in the position at the moment consists in the decision of the management to use up each month a high proportion of the rich ore recently discovered—this policy being rightly considered preferable to the employment of armed guards in order to prevent robbery. The natural result has been the inflation of the monthly profits, which have grown from \$113,000 for June to \$169,300 in November. This expansion in earnings has been reflected in a dividend of 4s per share in July, and another of 5s supplemented by a bonus of 2s 6d in November. Not the slightest reference to these circumstances is made in the report for 1921-22, just issued. The document in question shows a profit of £129,100, as against £91,750 for the year ended June 30, 1921. Yet the dividends are set out as three of 2s 6d each, absorbing £78,750; whereas for 1920-21 the total was 12s per share, or £126,000. Probably the dividend of 4s per share declared in July represented a final distribution on account of the 12 months then concluded; but the reader is left to guess. The manager reports that the rich ore is continuing from the eleventh to below the twelfth level in the Mexico mine, and that a rich but narrow vein was found to extend for a distance of 170 feet in an adjoining pro-

perty which is being worked under option. The ore reserves as a whole show a decrease of 37,100 tons—largely explained by the hindrance to development caused by a serious break in the north shaft. The total of 274,300 tons is equivalent to somewhat more than two years' supply for the mill. At about 4 1/2 the shares give a high yield, but the abnormal nature of the conditions requires to be taken into account.

The United General.—The United General Commercial Insurance Corporation has presented its shareholders with the worst figures ever issued by the directors of a London insurance company. With a paid-up capital of £282,628 it has succeeded in making in fifteen months a published loss of £112,747, to which every branch of the business has handsomely contributed. The premium income shown in the accounts is as follows:—

Fire	£ 68,886
Accident	67,427
Marine	13,375
Total	149,688

Against these premium figures the claims, losses, and expenses are:—

FIRE.		Per Cent. of Premiums.	
Claims	£ 47,706	.....	69
Expenses	30,986	.....	46
Commission	24,764	.....	35
Total	103,456	.....	150
ACCIDENT.		Per Cent. of Premiums.	
Claims	£ 49,676	.....	73
Expenses	26,037	.....	39
Commission	14,803	.....	22
Total	90,516	.....	134
MARINE.		Per Cent. of Premiums.	
Claims	£ 43,803	.....	327
Expenses	15,565	.....	116
Total	59,368	.....	443

Altogether the ratio of claims, expenses, and commission to premium income is about 170 per cent. There is no need to comment on the disastrous character of these figures, or on the explanations given of them in the directors' report. What does require comment is the outrageously high level of working expenses and commission, which work out over all at about 75 per cent. of the premium income. In view of the management of the company, and the close relations existing between it and one firm of brokers, this feature of the accounts ought to be closely investigated. The balance-sheet is about as weak as any balance-sheet could be, the amounts being, for the most part, either worthless or extremely doubtful. There is £125,000 for the purchase of contracts from another insurance company, £109,506 for shares of the City Life, which are unquoted, and, presumably, unsaleable, £27,284 for preliminary expenses, £55,198 for brokers' balances. Deposits with the High Court are £20,000, and cash, £1,725, and these are the only amounts of which one can be certain. On the other side, there is a loan of £63,459 from the City Life, and another of £24,000 from the bank. The auditors' certificate is an anthology of qualifications:—"Certain of the contracts, the benefit of which was purchased, have not been fulfilled. The figures relating to the Paris agency are only approximate, consequent on the involved manner in which the accounts of the agency have been kept. A substantial proportion of the Corporation's business has been received through a firm of brokers of which a late director of the Corporation is a director. The item of agents' balances includes a considerable sum due from this firm, which, however, has since been materially reduced. Subject to the matters above referred to, and to the shares in the City Life Company being of the value stated, and also to the Fire and Accident funds being sufficient to cover claims and expenses, &c. . . ." This extraordinary certificate is a fitting conclusion to an extraordinary report. The outlook appears to be as bad as possible, and, unhappily, the City Life Company, which has a big liability on small life policies, is the largest

shareholder in this Corporation. It is a deplorable position, and it is difficult to see what there is to be gained by the continued life of the Corporation.

The English Insurance Company.—Founded in 1919, this company after an unfortunate career has escaped the last humiliation of being liquidated, but suffers a scarcely less humiliating end in recommending its shareholders to accept one share in the General Accident Insurance Company for every 100 shares in the English. The nominal capital of the company is £1,000,000, of which £589,396 has been issued and subscribed. Originally each of the shares had 10s paid on it, but last year the directors made a call of 2s 6d a share to supply the company with badly needed liquid capital, and at present there is 7s 6d per share uncalled. Before this call of 2s 6d the shares stood at a discount in the market, but at the end of the year they had a value of a few pence. The loss involved on the shareholders is over £300,000 if the purchase by the General Accident goes through, but they may think themselves lucky at having got out without losing £1 per share. The directors seem to throw the blame for the bad results on to their marine business, but this is probably unfair. What the company has suffered from is the mentality of its management, which started off with the impression that insurance was a Tom Tiddler's ground on which any one who splashed his money about freely enough could pick up a fortune. That notion is incorrect, and the shareholders have paid for it. An insurance connection worth having has to be worked up carefully, economically, and a young company cannot stand the expense of enormous premises and unwieldy boards. The General Accident, if the deal goes through, and assuming that all the English shares have been paid up to 12s 6d, will have to issue nearly 6,000 new shares, of which the present market value is between £36,000 and £39,000.

The Brussels Maritime Conventions.—So many business transactions are international that less divergence than in fact exists between the commercial laws of countries whose subjects trade with each other might have been expected. In some measure the "law merchant" is the same everywhere, but on many matters of detail, which are nevertheless often of importance, much harmonising remains to be done. The mortgage of a ship is an example of the kind of transaction in regard to which clearly it is desirable that national laws should be harmonised. Most people would agree on the desirability of reaching the position that mortgages of ships properly executed in the country of their origin should be accepted and recognised as valid all over the world. That, at all events, was the view put forward on behalf of the English banks at a conference of the Comité Maritime International held at Venice so long ago as 1907. The Comité has been working at questions of this kind for a considerable number of years, and, although the process of unifying commercial law has been slow, several notable results stand to the credit of the movement. Last October an official diplomatic conference, which met at Brussels, took up some of the preparatory work of the Comité, including the matter of mortgages of ships, and carried it a stage further. Presumably the Board of Trade will one day issue a report of this conference. A long series of shipping Acts have enabled shipowners to limit their liability, and the laws of most other countries contain rules similar in general purpose, but differing considerably in the consequences which flow from them. Under English law, a shipowner's liability for damage happening without his actual fault or privity is limited to £8 per ton of the ship, or £15 per ton in respect of claims against him for personal injury. This is a fixed limit not depending on the value of the particular ship. The laws of Continental countries, on the other hand, take the value of the ship and freight as the figure, and allow for damage, so that, if the ship is lost or abandoned, claimants may be unable to recover anything. The proposal considered and adopted at Brussels was that each country finally ratifying the convention should alter its law into conformity with the rules for limitation of liability set out in the convention, which were arrived at by a process of give

and take between the varying national laws. The English law may be regarded to some extent as the basis of the proposed new international law, inasmuch as the figure of £8 per ton would be maintained, the additional £7 per ton for personal injury claims being altered to £8. This last amount would be a figure not subject to diminution, but the limit for other claims would be on the Continental principle. That is, it would be the value of the ship, freight and accessories, with £8 per ton as a maximum merely. Freight would, however, not be the actual amount, but a fixed sum of 10 per cent. of the value of the ship at the commencement of the voyage. There would, therefore, be liability for at least that amount, whatever happened to the ship. The next convention lays down first of all a rule that mortgages and charges on ships duly effected in accordance with the law of the State to which the ship belongs, and publicly registered, shall be valid in all other countries. It then deals with liens, and its proposals on this head, which differ materially from those embodied in the draft convention brought forward from 1913, are open to the criticism that they abandon the objective of strictly limiting the kinds of claims in respect of which liens may attach to a ship. Our law recognises comparatively few maritime liens, but gives those which do attach special privileges in the way of priority. Both Continental and American laws recognise very many liens. The compromise adopted in the convention is based on the American system of preferred mortgages. It would allow only liens for certain official charges, for wages for salvage, and for damage to take precedence of duly registered mortgages, postponing to these last the shipmaster's lien for disbursements and contracts for necessities, and also other liens which national laws might allow without limit as to their number. Mortgagees would probably, under the convention, be less liable to find themselves postponed to other claimants holding liens, but the admission of a multiplicity of deferred liens has nothing to commend it from the point of view of ordinary creditors, who would suffer when anything went wrong, though on equitable grounds deserving of as much consideration as others protected by liens. Moreover, shipmasters are disposed, it would appear, to object strongly to being given a more deferred position. The third convention embodies a revision of the much-discussed Hague Rules. Substantially, it is that adopted at the Conference of the Comité Maritime International in London last October, just before the meeting of the official Brussels conference, as noted in the *Economist* of October 14th. This final version of the rules is expected to be made compulsory by legislation in this country as well as abroad.

Japanese Trade and Finance.—Cabled advices from Tokio state that the uneasiness caused by the run on several small banks in the districts of Osaka and Kyoto has nearly disappeared. Although the general conditions of all districts had greatly improved, the Tokio market had, as the end of the year approached, to face an unexpected monetary stringency. This condition was evidently due to the fact that, in order to strengthen their reserves and to meet the end of the year requirements, the banks in the West were not inclined to return the money which they had called from the Tokio market for the sake of emergency. The rate of short loans rose to 11 per cent., and accordingly the advances and discount of the Bank of Japan increased gradually. At the very end of the month, however, the market became rather comfortable, owing to the ample funds accumulated for the past few days in the vaults of banks throughout the country, and also in the anticipation of the more settled situation in the near future, day-to-day money being quoted at under 10 per cent., time money at 9½-10 per cent., and thus the market passed the end of the year quietly. While trade at the end of the year was exceptionally dull, reflecting the general depression, the tendency of the stock market was steady on New Year hopes, Government loans being in especially good demand. The rice and cotton yarn markets also had a favourable tendency. There being signs of some orders forthcoming, the raw silk market was firm. The note issue of the Bank of Japan at December 30th was 1,590 million yen, against 1,559 million yen a year earlier,

THE REVENUE.

I.—An ACCOUNT of the TOTAL REVENUE of the UNITED KINGDOM in the undermentioned periods of the Year ending March 31, 1923, as compared with the corresponding periods of the preceding Year.

	Quarter from October 1 to December 31, 1922, compared with the corresponding Quarter of the preceding Year.				Period from April 1 to December 31, 1922, compared with the corresponding Period of the preceding Year.			
	Quarter ending Dec. 31, 1922.	Quarter ending Dec. 31, 1921.	Increase.	Decrease.	Period ending Dec. 31, 1922.	Period ending Dec. 31, 1921.	Increase.	Decrease.
	£	£	£	£	£	£	£	£
Customs	32,549,000	35,167,000	..	2,618,000	95,199,000	98,485,000	..	3,286,000
Excise	44,092,000	56,465,000	..	12,373,000	121,508,000	149,890,000	..	28,382,000
Motor Vehicle Duties	715,000	794,000	..	79,000	3,599,000	3,282,000	317,000	..
Postage, &c., Duties	11,750,000	14,358,000	..	2,608,000	43,821,000	36,748,000	7,073,000	..
Stamps	6,260,000	4,503,000	1,757,000	..	14,762,000	11,889,000	2,873,000	..
Land Tax, House Duty, and Mineral Rights Duty	80,000	90,000	..	10,000	650,000	510,000	140,000	..
Property and Income Tax (including Super-tax)	49,187,000	34,603,000	14,584,000	..	187,551,000	174,660,000	12,891,000	..
Excess Profits Duties, &c.	..	2,650,000	..	2,650,000	954,000	29,714,000	..	28,760,000
Corporation Profits Tax	5,020,000	4,700,000	320,000	..	13,297,000	10,290,000	3,007,000	..
Postal Service	8,730,000	10,500,000	..	1,770,000	25,330,000	28,250,000	..	2,920,000
Telegraph Service	1,300,000	1,450,000	..	150,000	3,800,000	3,950,000	..	150,000
Telephone Service	3,370,000	3,800,000	..	430,000	10,200,000	6,800,000	3,400,000	..
Crown Lands	330,000	280,000	50,000	..	710,000	140,000	..	570,000
Interest on Sundry Loans	4,471,039	2,195,467	2,275,572	..	8,307,719	8,824,127	..	516,408
Miscellaneous—								
Ordinary Receipts	2,521,006	5,910,968	..	3,419,962	18,912,193	17,580,373	1,331,820	..
Special Receipts	11,294,273	43,171,723	..	31,877,450	37,091,813	95,388,818	..	58,297,000
	181,669,318	220,668,158	18,986,572	57,985,412	585,562,730	676,831,318	31,242,820	122,511,408
			Net Decrease, £38,998,840.				Net Decrease, £91,368,588.	

II.—An ACCOUNT showing the RECEIPTS into and ISSUES out of the EXCHEQUER in the Period ending December 31, 1922, as compared with the corresponding period of the preceding Year.

RECEIPTS.	Period ending Dec. 31, 1922.		Period ending Dec. 31, 1921.		ISSUES.	Period ending Dec. 31, 1922.		Period ending Dec. 31, 1921.	
	£	£	£	£		£	£	£	£
Balances in Exchequer on April 1—					Expenditure—				
Bank of England	9,953,424	2,591,051	483,455	..	Permanent Charge of Debt	10,458,464	12,005,274	..	..
Bank of Ireland	1,210,106	483,455	..	..	Interest, &c., on War Debt	252,089,050	268,772,387	..	..
	11,173,530	3,074,506	..	..	Road Fund	3,043,999	2,981,000	..	..
Revenue, as shown in Account I.	585,562,730	676,831,318	..	..	Payments to Local Taxation Accounts, &c.	6,075,518	6,902,486	..	..
Temporary Advances Repaid—					Payments to Northern Irish Exchequer ..	1,548,995	1,000,000	..	..
Bullion	800,000	7,180,000	..	..	Land Settlement	820,804	2,329,906	..	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904..	169,818	169,818	..	..	Other Consolidated Fund Services	2,256,621	1,430,370	..	..
Under the Unemployment Insurance Acts, 1921	2,910,000	520,000	..	..	Supply Services—				
Money Raised by Creation of Debt—					Army, Navy and Air Force	79,000,000	121,860,000	..	..
(a) For Capital Expenditure Issues—					Civil Services	174,684,930	276,681,288	..	..
Under the Telegraph (Money) Acts, 1920 to 1922	5,310,000	5,561,474	..	..	Revenue Departments and Post Office ..	42,650,069	57,149,563	..	..
Under the Post Office (London) Railway Act, 1913	27,000	27,500	..	..	Total Expenditure chargeable against Revenue	572,634,460	739,990,604	..	..
Under the Housing Act, 1914	27,000	50,000	..	..	Temporary Advances—				
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922	950,000	..	..	..	Bullion	..	7,200,000	..	..
By Exchequer Bonds, under the Capital Expenditure (Money) Act, 1904	1,553,300	7,600,000	..	..	Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904..	169,818	169,818	..	..
(b) Under the Unemployment Insurance Acts, 1921	4,050,000	..	..	..	Under the Unemployment Insurance Acts, 1921	4,850,000	8,120,000	..	..
(c) For other Issues—					Issues to meet Capital Expenditure—				
By Treasury Bills for Supply	2,214,525,000	3,004,864,000	..	..	Under the Telegraph (Money) Acts, 1920 to 1922 ..	5,310,000	5,561,474	..	..
By National Savings Certificates	47,808,000	30,780,000	..	..	Under the Post Office (London) Railway Act, 1913	27,000	27,500	..	..
By Exchequer and National War Bonds ..	20	5	..	..	Under the Housing Act, 1914	27,000	50,000	..	..
By Treasury Bonds—					Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922	950,000	..	..	..
5-15 Year, 1925-35	61,655,154	176,427,516	..	..	Under Capital Expenditure (Money) Act, 1904 ..	..	..	..	..
5 per Cent., 1927	70,907,535	..	..	..	Exchequer Bonds paid off—				
4 per Cent., 1932	25,259	10,961,454	..	..	£1,000,000	1,553,300	..	..	..
By Other Debt created under the War Loan Acts, 1914 to 1919	740,975,500	1,075,946,000	..	..	£1,000,000	1,553,300	..	..	..
(d) Ways and Means Advances	243,012	5,010	..	..	Unemployment Insurance Acts, 1921—				
Anglo-Persian Oil Company—					Repayment of Amounts borrowed	2,110,000	..	..	..
Dividends on Shares Acquired	130,000	130,000	..	..	Redemption of Debt—				
In respect of Cunard Loan	..	7,250,000	..	..	Treasury Bills for Supply	2,377,589,000	3,064,821,000	..	..
Do Issues under Civil Contingencies Fund Act, 1919	270,252	43,938	..	..	Securities surrendered under Section 34 of the Finance Act, 1917, and Section 3 (3) of the War Loan Act, 1919	7,465,703	27,133,065	..	..
Do Issues under Land Settlement (Facilities) Acts, 1919 and 1921	6,827,960	12,225,325	..	..	Funding Loan, Victory Bonds and Conversion Loan Sinking Funds	7,776,211	..	..	..
Do Issues under Section 59 (4) of the Finance Act, 1920	162,425	321,533	..	..	Principal of National Savings Certificates—				
Interest—					(a) Repaid by issues under Sec. 59 (b) of the Finance Act, 1920	19,450,000	14,980,000	..	..
Received under Section 59 (5) of the Finance Act, 1920	..	..	..	..	(b) Repaid otherwise—	..	..	..	..
	3,756,036,495	5,019,969,397	..	..	Principal of Exchequer Bonds paid off—				
					5 per Cent., 1922, £2,612,208; less paid off by the National Debt Commissioners, £1,000,000 ..	19,512,908	18,569,800	..	..
					£1,000,000	44,864,182	..	..	..
					Principal of National War Bonds paid off ..	15,825,238	51,494,038	..	..
					Other Debt under the War Loan Acts, 1914 to 1919	666,265,500	1,010,401,000	..	..
					Ways and Means Advances Repaid	1,196,875	22,286,179	..	..
					Depreciation Fund, under the Finance Act, 1917	130,000	130,000	..	..
					Anglo-Persian Oil Company—				
					Issued under the Anglo-Persian Oil Company (Acquisition of Capital) Amendment Act, 1919	243,012	..	..	..
					Issues to National Debt Commissioners to Reduce Debt—				
					Cunard Loan Repayments	130,000	130,000	..	..
					Proceeds of National Savings Certificates—				
					Issued under Section 59 (4) of the Finance Act, 1920	5,000,000	15,390,000	..	..
					Old Sinking Fund, 1910-11	88,365	212,460	..	..
					Issued under Section 16 (1) (b) of the Finance Act, 1911	3,752,332,050	5,016,113,946	..	..
					Balances in Exchequer—				
					Bank of England	1,960,878	2,108,057	..	..
					Bank of Ireland	1,143,759	1,547,384	..	..
						3,104,635	3,655,451	..	..
						3,756,036,495	5,019,969,397	..	..

MEM.—

	£	£
Floating Debt outstanding March 31, 1922	1,029,515,500	..
	Dec. 31, 1922.	Dec. 31, 1921.
Ways and Means Advances outstanding—	16,500,000	20,000,000
Advances by Bank of England	205,511,500	180,034,000
Advances by Public Departments	*719,040,000	1,059,806,000
Treasury Bills outstanding	941,051,500	1,259,840,000
Total Floating Debt outstanding	88,464,000	..
Net Decrease	88,464,000	..

* Includes £47,000, the proceeds of which were not carried to the Exchequer within the period of the account. Treasury, December 30, 1922.

while discounts and advances at 580 million yen compared with 393 million yen at the close of 1921. A summary of Japan's foreign trade in 1922 reads as follows:—

	1921. Yen.	1922. Yen.
Imports	1,614,000,000	1,859,170,000
Exports	1,252,000,000	1,594,780,000
Excess of imports	362,000,000	264,390,000

The decrease in the import excess is 26.8 per cent.

THE University of London announces that Professor H. S. Foxwell will deliver a course of ten lectures on "The London Money Market," with special reference to its international position, and to the general causes of movements in the prices of securities, on Thursdays at 6.15 p.m., beginning January 18th. The lectures will be held, by consent of the governing body, at the School of Oriental Studies, Finsbury Circus, E.C. 3.

Oversea Correspondence.

IRISH FREE STATE.—HOPES OF PEACE—DANGER OF HASTE—GREAT SOUTHERN AND WESTERN RAILWAY CRISIS—GOVERNMENT ATTITUDE—SLUMP IN STOCKS.

(FROM OUR CORRESPONDENT.)

DUBLIN, January 5.

THE general situation is somewhat improved. The principal danger is that the country is so anxious for peace that the chances of a real and really durable peace may be jeopardised by precipitancy. There are many selfish and short-sighted people who are so anxious to get back to business, to tranquillity, and to profit-taking that they refuse to realise that if order is temporarily restored by a quasi surrender on the part of the Free State Government the whole contest will have to be fought out all over again later on. Political science abhors the dominance of an intemperate and unstable minority as much as nature abhors a vacuum.

Railway policy in Ireland, like that in many other spheres, is in a difficult state of transition. Complicated difficulties arise from the isolation of North-East Ulster, and the provisions of the Government of Ireland Act, 1920, for a unified railway administration under the Council of Ireland. That Council, which can, since the Treaty, only control the railways of North-East Ulster—though the Free State will appoint half its membership—will not come into existence for five years except by consent of the Oireachtas and of the Northern Parliament. Again British railway control during the great war saddled Ireland with the highest rates of British wages for all her railways, and thereby most gravely unsettled labour and wages conditions. The railway managements declare that unless reductions are made they cannot balance their budgets. Upon these difficulties have supervened the wanton destruction of permanent-way, rolling-stock and buildings. The Great Southern and Western Railway Company, by far the largest company in Ireland, with a total mileage of 1,130 miles, has been one of the hardest hit. It has been capably managed, and is enterprising, as Irish concerns of that type go. Its loss of revenue during the year 1922 has been most serious. Recently it gave notice to practically all its employees that, in view of its losses due to public disorder, high wages, and the like it was about to close down unless the Government, which was alleged to be considering its financial plight, straightway came to its rescue. It shows a loss of upwards of £10,000 per week on revenue account, without making provisions for debenture interest and dividends on preference and ordinary shares. Of these figures no more than 10 per cent. represented the amount of wages alleged to be excessive. Unquestionably, the situation is one of extreme hardship for all concerned, especially the small investors, who will lose their income, and the employees, who might lose their means of livelihood. The case of the investor is often, indeed, the harder of the two—the widow, the orphan, and the invalid, whose trustees

selected a justly appreciated Irish investment. For them, in many cases, wage-earning work is impossible, and no unemployment dole provided. The Government undertook on Wednesday to keep the service alive in the public interest—the company to carry on under Government direction, and the Government to pay the weekly deficit, the arrangement to be from week to week during the crisis. It also intimated that it might do the same for other companies similarly circumstanced. This was merely the preservation of essential public services, and the Government was not justified in its one-sided view in providing dividends for the shareholders of a company which could not pay its working expenses. Round the latter part of this proposition a storm raged; Labour welcomed the proposition as leading inevitably to nationalisation, and as involving but little, if any, unemployment it was able to bear the sufferings of the shareholders with equanimity. Other sections with facile sympathy clamoured for Government aid for the shareholders, and in a debate of a low level of deliberative efficiency, financial propriety, and economic orthodoxy were overlooked, and members talked of loss of national credit and of repudiation of debt and confiscation of property in terms wildly inappropriate to the occasion. The company is entitled to and will receive compensation for the damage to its property. It proposes to close down because of its weekly deficit on revenue account. The Government, to prevent that closing down, in the interests of the public and of the public alone, thereupon undertakes to meet its deficit with a weekly cheque. How can it do more, unless it proposes to shoulder the impossible burden of giving full consequential compensation to everyone? If it did shoulder this burden, who would compensate the taxpayers for the resulting load of inflated taxation of the community, or the stagnation of business which that inflated taxation would inevitably produce? The clamour has overflowed into the Press to-day, and on the Stock Exchange the 4 per cent. guaranteed stock of the company fell from 60 to 52, and the ordinary from 44 to 35. Prophecy is ripe as to a glut of selling orders to-morrow. The small investors may suffer indeed if they are rushed into realisation at slump values by the outcry which has been raised in the hope of forcing the hand of the Government, which has thus far been commendably firm in most distressing circumstances.

But they will be the victims, not so much of the genuine loss of value in their property, for that will recover later on, as of an attempt to unload the company's total losses on to the taxpayer. It will be interesting to see, now that the Government has stood firm for financial propriety, whether the company will accept its weekly cheque together with Government direction and scrutiny of its financial methods.

[Our correspondent, telegraphing yesterday, adds:—This morning's papers announce that the company has decided to carry on its service without Government financial aid as offered. This sequel justifies the previous firmness of the Government's attitude, and puts the company on its defence as regards the *bona fides* of its previous decision to close down.]

UNITED STATES.—NOVEMBER EXPORTS—COTTON GINNING—CROP RESULTS—TRADE ACTIVITY—OUTLOOK FOR 1923.

(FROM OUR CORRESPONDENT.)

NEW YORK, December 22.

EXPORT trade of this country in November, valued at \$383,000,000, according to Department of Commerce figures, surpassed the total of any month since March, 1921. It showed an increase of \$89,000,000, or 30 per cent., over November a year ago, and was more than \$100,000,000 above the total for any November before the war. So far as can be determined from statistics now available, about one-half of the increase last month was due to the larger shipments, at higher prices, of raw cotton, while heavy grain shipments were a contributory factor. Exports of cotton were about 30 per cent. greater than in November of last year, and prices of the staple were from 30 to 40 per cent. higher. Approximately 50 per cent. more wheat went abroad at prices some 10

per cent. above last year's. No official information has yet been published regarding the volume or value of imports under the new tariff. It is therefore impossible to state how the new duties have affected American foreign trade, or the trade balance. In its latest announcement the department calls attention to the great number of "defective entries" filed with collectors of customs since September 22nd, which have failed to give the information required by the new Tariff Act, and the revised statistical schedule. It is quite evident that many provisions of the law are as puzzling to customs authorities as they are to merchants.

The Census Bureau's cotton ginning report this week is interesting because it does not indicate any increase in this year's crop over the Agricultural Department's final estimate. During the two weeks ending December 13th the amount ginned was 175,000 bales, as against 150,000 bales in the same period a year ago, making the total for this season up to that date 9,493,296 bales. More than 400,000 bales must therefore be ginned to bring the total up to the Government's crop estimate. Last year only 123,000 bales were ginned after December 13th. The latest Census Bureau figures have strengthened the belief that the actual yield will be under rather than over the Government's forecast. Reflecting the continued high prices of the staple, cotton cloths and yarns have registered further sharp advances this week, and the upward tendency is still in evidence; printcloths and sheetings have been purchased extensively in the past few days—a development unusual at the end of the year, and due apparently to the belief that still higher prices will come.

The final Government crop report, recently issued, shows that seven out of 30 crops were smaller than those of last year, but that the main crops which showed decreases, namely, corn and winter wheat, were only slightly less, while sugar decreased heavily. Prices, however, were better than a year ago. The total December 1st value of all crops was 32 per cent. above that of a year ago. These figures are based on farm values at the date mentioned, and indicate that growers have fared much better than they did last year, but there is widespread complaint in agricultural communities outside of the cotton belt that the prices they are able to get for their products have not advanced sufficiently to affect the high costs of things they buy.

In this connection it is noteworthy that the Federal Reserve Board in Washington has rendered a decision making eligible for rediscount or purchase in the market by Federal Reserve banks acceptances with maturities up to six months (instead of three months as heretofore) drawn by growers or by co-operative marketing associations, for the orderly marketing of agricultural products. The new ruling is designed to give farmers longer term credits, and will be a material aid to crop financing.

Trade and industry generally have continued active in the closing weeks of the year. Retail trade, especially holiday distribution, has been better than in 1921, or 1920; in fact, the best since 1909. December mail order business has surpassed all records. Merchandise to fill depleted retail stocks has been re-ordered in large volume by jobbers, while seasonal purchasing for spring delivery has been fully up to normal. Exceptional activity is noted in most industrial and manufacturing centres, with unemployment in cities further reduced. Owing to greater shipments of merchandise and coal, car loadings have lately shown heavy increases.

Bradstreet's annual forecast, to be published here on January 6th, in commenting on the constructive side of the future, will say that "the big feature is naturally the notable degree of betterment shown, and the optimism generated thereby in the past year and a-half. Satisfaction arising from the surge forward in domestic trade and industry in 1922—perhaps best evidenced in the wonderful year's operations in building and allied lines—has strengthened the feeling that this activity will continue well into 1923. How much more might have been accomplished if the country had not had to shoulder the terribly expensive coal and railroad strikes is, of course, not a subject to dilate upon now. The rally in prices during the autumn, especially in leading farm products,

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unquestionably served to hearten the agricultural interest, which had theretofore apparently profited little from the year's improvement. There is visible now a great deal less worry than a year ago as to all costs of operation in view of the apparently slight visible effect of these on business in the past year, this despite the feeling that labour will ask a great deal if present prices hold." Regarding export trade, the same authority remarks: "How much effect the general increase in all costs has had in further reducing the admittedly discouraging volume of export trade does not seem to attract the attention it deserves. There is, in fact, a disposition to charge the unsettled conditions in European politics, and consequently in exchange, with most of the responsibility for this unsatisfactory buying from abroad. In this respect the gains shown in trade with other parts of the world fail to satisfy entirely. Unquestionably, feeling as regards foreign markets for American products has been favourably influenced by the rise in British exchange, and the rumours that this country is going to abandon its much trumpeted, but apparently untenable, position of political and economic isolation.

"On the other hand," Bradstreet's remarks, "there is no shutting the eyes to the fact that organised labour, buttressed by existing immigration laws, and its successes of 1922, is inclined to press demands which can only result in much industrial friction in the year to come. The most direct threat of this kind," it adds, "is that the nation's fuel supply will be reduced by strikes again in April next. The agricultural interest, with the feeling that it has been most hurt owing to the low prices secured for most of its products, and with hopes of success from bloc movements, is reported aggressive in demanding special legislation. The prospects of a radical bloc in Congress which may possibly throw the country into politico-economic turmoil, are not reassuring." In conclusion, the authority quoted says: "With the most serious economic crisis that ever faced this country, apparently satisfactorily tided over, with the evidences of the excellent progress made since mid-year of 1921 in mind, and with three to six months of the new year's trade and industry fairly secure, the business world, imbued with a degree of optimism that verges upon confidence, faces hopefully the admittedly numerous uncertainties of 1923."

FRANCE.—THE PARIS CONFERENCE—THE FRENCH GOLD—M. LOUCHEUR AND EUROPEAN CURRENCY.

(FROM OUR CORRESPONDENT.)

PARIS, January 3.

No greater bombshell has fallen during any of the numerous Allied Conferences since the war began, from the French point of view, than that which burst yesterday, when Mr Bonar Law made known to the French, Belgian, and Italian delegates the British proposals for dealing with the Reparations and inter-Allied debt problems. The surprise that was manifested by the representatives of the three Continental Allies was experienced in an intensified form by their official experts, and this morning, when the details became known to French opinion as a whole, the effect was one that can only be described as stupefaction and consternation. Mr Bonar Law's statement was as unexpected as it was startling. When the first outburst

of incredulosity had passed, however, satisfaction was generally expressed that at last the worst was known, and that the Reparations problem has now been reduced to a clear-cut issue. It is now realised here that Great Britain, as Mr Bonar Law has frankly stated, looks upon the Reparations question purely from a British, and not from an Allied or European point of view, and that those Frenchmen who cherished the idea that the change of Government in England meant that what was always regarded here as the personal, dictatorial, and purely selfish policy of Mr Lloyd George had been abandoned, were labouring under an illusion.

It is also realised that, while France is convinced beyond all doubt of Germany's inherent bad faith and of her deliberate intention not to make reparation, unless compelled by brute force, British Reparation policy is based on the belief that, if Germany is only given breathing-space and does not have too heavy a burden imposed upon her, she will eventually honourably fulfil her obligations. This thesis is so utterly remote from the French conception of German ethics that it is not surprising, perhaps, that the British proposals were no sooner announced than they were condemned as impossible by everybody in this country, from Cabinet Ministers in Council assembled under the presidency of M. Millerand, down to the man in the street. As far as can be seen 24 hours after their announcement, there is not the slightest chance of the British scheme being accepted by either France, Belgium, or Italy. M. Poincaré himself, reticent as he invariably is in similar circumstances, took the unusual step this morning of announcing publicly that he would refuse even to discuss the British scheme in the Conference, and would insist that the Allied delegates should either accept his own proposals or break off the Conference. As matters stand to-night, it appears likely that the latter alternative will be adopted, as there seem to be equally fundamental objections on the part of the British against accepting the French plan, in spite of its support by the Belgians and Italians. The only probable species of compromise, apparently, is that Mr Bonar Law may be induced to consent to observe a policy of benevolent neutrality in the event of the French deciding, as they appear almost certain to do, to take independent action against Germany, with the tacit, or possibly active, support of their other Allies, on the lines of the proposals they have put forward.

The fatal defects of the British plan, from the French point of view, are manifold. In the first place, it not only premises that it is impossible to extract any kind of payment from Germany for four years, but it stipulates that France, Belgium, and Italy shall all hand over certain of their own tangible assets to Great Britain. Secondly, it provides no guarantee—except in the form of what is regarded here as a very doubtfully efficacious organism, in which the Allied Powers would control only 50 per cent. of the voting strength—to ensure that Germany, even at the expiration of her four years' respite, would make any attempt either to pay her creditors or effectively to reform her finances. Thirdly, there is the fear that France, in four years' time, ruined through having exhausted her borrowing power for the restoration of the devastated area, may find herself faced with a once more prosperous and aggressive Germany, who would be less inclined to pay than ever. In this connection, further, the suspicion is already publicly voiced in responsible quarters that, in the event of Germany, in such circumstances, provoking an armed conflict with her principal creditor, British naval and military power, for purely interested reasons, might possibly be found on the side against France. To sum up, French opinion regards the British proposals as primarily for the benefit of Great Britain, and secondarily, for that of Germany, and entirely to the detriment of this country, both in the present and the future.

The French plan, as the published details show, is based on the principle of extracting as much immediate payment from Germany as is possible, of compelling Germany to take such steps as will enable her to pay more in the future, and of placing such tangible and material guarantees under the control of the Allies that Germany will find it to her interest to carry out her engagements, or, in the alternative, that the Allies will be in a position to pay themselves, at least to a substantial extent, from

the bankrupt's assets. France, in a word, is in no way interested in any abstract proposition based on the alleged necessity for putting a guilty Germany on her feet again, but of securing reparation for herself and her Allies. If the obligation to make reparation results in Germany being made a hewer of wood and a drawer of water for the Allies for the next half-century, so much the worse for Germany. In French opinion, she has only herself to blame. Mr Bonar Law himself admits that, if Germany were swept off the earth, her disappearance would be a benefit to Great Britain and not a loss, as she is likely to be much more of a competitor with England than a customer. How much more reason, then, has France to take a similar view when, in addition to her economic and commercial aggressiveness, Germany is inherently inclined to trouble the peace of Europe by military onslaughts against her neighbours?

To the British plea that Germany must be allowed to get on her feet again, the French man in the street retorts with the argument that there is no reason why she should be allowed to do so, when there is every ground for believing that she will make use of her recovered strength only to make herself a military and economic nuisance to the rest of the world. The suggestion is, perhaps, not one the bishops would generally support; but French opinion, recalling the historic protests of the British trading classes between 1890 and 1914, and the anti-German legislation enacted during those years, in the then universally held belief that unemployment in England was largely due to successful German competition against British industries, is painfully surprised to realise that so little sympathy for the French Reparation plan is felt by Great Britain. To put Germany on her feet again, it is argued, means that she will flood the British market with her goods again to an extent that will be far more of a detriment to England than the amount of benefit a section of British traders will derive from selling their products to German consumers. Do British manufacturers and British working men wish to repeat their unfortunate experiences of the opening years of the century? It is sincerely believed here that, quite apart from any direct benefit France expects to obtain, the adoption of the French plan would in this particular direction prove of distinctively more advantage to Great Britain than would the proposals put forward yesterday by Mr Bonar Law from what, as he admitted, was a purely self-interested point of view.

These are, of course, entirely French arguments, in support of the French plan for dealing with the Reparation problem, and I give them for what they are worth, because it is necessary the English reader should be made aware of the French line of thought in regard to a situation which, it is feared here, may lead, if it is not now handled wisely, to endless difficulties for both France and Great Britain, and possibly to another war. From the purely French point of view, the most objectionable individual point in the British plan is perhaps Mr Bonar Law's proposal to seize, in part payment of the French debt to Great Britain, that part of the French gold reserve, amounting to some 1,864,000,000 frs., that was deposited in the Bank of England during the war as partial security for the advances of cash made to this country. Mr Bonar Law has since explained that the suggested seizure would be more apparent than real, as the actual gold was long ago shipped to the United States, in connection with other Allied indebtedness. The fact remains that the gold in question figures to-day in the weekly statements of the Bank of France as part of the assets of that institution. The French gold reserve appeared in the statement for December 28th as follows:—

	Fr.
Gold in hand	3,607,484,267
Do in foreign hands	1,864,344,927
Total	5,471,829,194

Whether the fears are well founded that are entertained here as to the effect the disappearance of such a substantial proportion of the French gold reserve would have on the situation of the franc is an open question, in view of the peculiar circumstances. It is argued, on the one hand, that such a substantial reduction would have a disastrous effect on the exchange. On the other hand, it is insisted that it has long been recognised that this part

of the reserve no longer exists except on paper, and that the reduction has long ago been effectively discounted so far as its relation to the exchange value of the franc is concerned. In this connection it may be noted that the official quotation of the franc, which stood at 62.86 yesterday before the British plan was disclosed, dropped to 64.27 to-day, and it was announced that a fresh attack on the franc had begun.

In an article contributed to the Paris edition of the *New York Herald*, Mr Loucheur, the former Minister for the Liberated Regions, makes the interesting suggestion that, as a first step towards the restoration of the Central European currencies, "a central institution of control and guarantee of the issue of paper money should be founded, with headquarters at, say, Berne, for the purpose of obtaining the foreign currencies and securities necessary for the purchase of the present depreciated currencies, and for putting into circulation in each country concerned a new currency with a gold standard. The national banks of issue would be continued, but these banks would not issue paper money except under the special control and with the specific authority of the central institution." Taking Germany as an example, M. Loucheur cites the fact that, in addition to the country's own resources, "the bankers recently called into consultation by the German Government estimated at 500,000,000 gold marks the sum necessary to realise this operation in its entirety. With double this amount, or, at any rate, with 1,500,000,000 gold marks, M. Loucheur estimates that the suggested central institution would be furnished with sufficient resources to enable it to carry out the consolidation of all the currencies of Central Europe. The total would represent only about \$375,000,000, he states. M. Loucheur recognises, however, that such an effort would be useless if the various countries did not at the same time balance their Budgets, and also secure a trade balance in their favour. In the same article M. Loucheur predicts that, with the increased area now under wheat, and the great fertiliser factories that are now under construction in operation, France will be able, in 1924 and 1925, "even in the worst years," to produce all the cereals she requires.

GERMANY.—REPARATIONS—FINANCE—EXCHANGE AND BOURSE—INDUSTRY—LABOUR—CROPS.

(FROM OUR CORRESPONDENT.)

BERLIN, January 2.

THE Reparations question suffers from the assumption that if statesmen cannot find a practicable settlement by purely economic means, matters will be bettered by assuming a German default, and by threatening political reprisals in advance. A good many Germans, whose opinions do not appear in the Press, think that were the currency trouble stayed by the redemption of the international mark holdings at around their present low gold value, and were a small international loan obtained for the correction of the present passive trade balance, considerable Reparations payments would be practicable within a very short time. The Finance Minister, Herr Hermes, lately committed himself to the theory that the Budget would produce a surplus if the mark exchange depreciation were stayed; and in view of the practical extinction of the Debt service and the small cost of army and navy, this view seems reasonable. The whole German gold liability for administration, including army and navy, and debt, has decreased, as compared with before the war, considerably more than (as far as can be judged) the taxable national income, even if from the taxable income is (as should be) deducted the greater part of the State gold debt, which has been transferred to citizens' shoulders. As long as production is as active as it has been in the last three years, a case for increasing national impoverishment cannot be made out; and even the whole annual liability, estimated at £150,000,000, of the London Ultimatum of May, 1921, is much smaller than the interest on war debt paid by other leading countries. Further, the present passive trade balance is in part a delusion, because the import excess has certainly been paid for to a great extent, if not altogether by the progressive expropriation of foreign mark-currency and mark-security holders. Whether

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an export surplus could be created by taxation is a point on which different opinions are expressed. A great deal is made of the measures taken against German export by Ally and former neutral countries; and Herr Cuno, like his predecessors, considers that trade reciprocity is a condition precedent of Reparations; but, so far, German export has been checked not so much by foreign measures as by the enormous home demand, which is largely an outcome of distrust in the paper mark. At present German citizens are overstocked with goods, and were the mark stabilised, the home demand (as industrial leaders admit with fear) would, at least for a time, decline; so that export, despite foreign restrictions, would probably increase. Further, the declining mark does not tend to check the import of unnecessary goods. Certain foreign goods, of kinds which Germany herself produces, e.g., pottery, are bought in increasing quantities. The citizen who desires to get rid of his paper marks buys goods without asking whether they are native or imported. For these reasons the decline in home trade, which is expected from mark stabilisation, might easily lead to an improvement of the foreign trade, and therewith the foreign payment balance. In general, the Reparations question appears to be rather a question of the technical impossibility of making large gold payments to abroad as long as the mark is subject to erratic declines than a question of the impossibility of Germany making a sacrifice of a certain proportion of her production.

The Floating Debt on December 20th reached 1,445 milliards, against 1,289 milliards in the last report, and 311½ milliards on June 30th, when the new mark exchange decline began. The whole debt is 1,507,376,000,000 marks. Receipts from taxation during the financial year up to December 20th were 324,310,890,000 marks. The Forced Loan law, as amended, levies 1 per cent. on the first 200,000 marks of wealth, 2 per cent. on the next 300,000 marks, and so on progressively, the rate on wealth exceeding 2,000,000 marks being 10 per cent. The system of assessment is very unsatisfactory. The official rates for valuation of some kinds of property are far below the real values. A holder of stocks is sometimes assessed at a mere fraction of the Bourse value, and as he can borrow from his bank up to a considerable proportion of the Bourse value, and enter the borrowed money as a debt deductible from his assessable wealth, he may return himself as possessed of nothing and escape the levy altogether. The income-tax system contains a similar injustice, which, however, is to be remedied. From manual workmen's wages is deducted 10 per cent. upon payment, but other classes pay their nominally much higher percentages months later in very much worse money. The law against capital flight has been amended. For transfer of money abroad, except in case of persons with a Chamber of Commerce certificate, permission of the local office of the Finance Ministry is necessary. The sum which may be taken over the frontier by travellers is raised from 20,000 to 200,000 marks. The Government is stated to be considering repayment of the smaller parcels—up to 5,000 marks—of Federal loans, the ground being that the administration and payment of interest on these costs proportionately too much. The Customs gold surcharge has been reduced to 178,400 per cent., or 1,785-fold the nominal. The Communications

Ministry announces the discharge of 25,000 officials and workmen. In 1913 the railways employed 740,000 persons; last year, with a reduced area and service, the number was a million. A large number of important industrial concerns have given notice to repay their debentures. This measure frees the concerns from heavy debts contracted either in gold or in relatively good paper marks. The motive for repayment seems to have been the fear that either the mark will be stabilised at a higher gold value than the present, or that a special law (as has been reported) will be passed in favour of debenture holders and mortgagees.

The Reichsbank President has issued another warning against the increasing practice of using the Reichsbank as an instrument for creating artificial private credit. No new increase of the Bank rate was foreshadowed, and a new increase would have little effect. The Bank's return for December 23rd shows commercial bills totalling 393,448 millions, as against only 1,061 millions at the close of 1921. The Bank's holding of Darlehns notes rose during the week by 63,469 millions to 241,076 millions, as against 6,963 millions at end of 1921. Treasury bills increased by 142,829 millions to 971,571 millions, and note circulation by 166,707 millions to 1,136,909 millions. The Bank's deposit in the Bank of England is 50,032,000 marks (gold). This sum has remained unchanged since April, and it has no charge against it. The Stock Exchange and produce markets during the past week were inactive, owing to the holidays and the uncertainty as regards Paris. The Bourse year 1922 will be remembered for the extraordinary rise in stock quotations, and for the fact that certain, but not all, Home bonds underwent very great rises.

Business continues to be dull. The Ruhr coal production in 1922 is reported at 97,450,000 tons, against 94,100,000 tons in 1921. The Socialist Trade Unions have given notice to terminate the agreement for extra shift work in the mines. A report of the Trade Unions Association states that of 1,389,413 employees in different industries, 601,594 work the full legal eight hours, and 787,819 work from 42 to 47½ hours weekly.

Crops in 1922, 1921, and on the same area, 1913, are returned as:—

	Wheat. Tons.	Rye. Tons.	Potatoes. Tons.
1913	4,043,000	10,132,000	44,023,000
1921	2,934,000	6,799,000	26,157,000
1922	1,957,000	5,283,000	40,655,000

The total sales of potash in 1921 are estimated at 13 million double-centners of pure potash, the highest figure ever reached, against nine million double-centners in 1921. The total Central European production, including Alsace-Lorraine, in 1913 was 11 million double-centners. Sugar production in the season 1922-23 is estimated at 14,829,700 double-centners, against 13,346,730 double-centners in 1921-22, and the area under sugar-beet has increased from 338,289 to 364,714 hectares. The import of cotton cloth has been prohibited provisionally, owing to the fact that home mills can now meet the demand.

POLAND.—POLITICS—MURDER OF THE PRESIDENT —POPULATION—TEXTILE INDUSTRY.

(FROM OUR CORRESPONDENT.)

WARSAW, December 18.

In my last letter (*Economist*, November 25th, p. 988) I drew attention to the fact that one of the greatest political evils from which Poland is suffering is the equilibrium of forces in the Diet and in the Senate. Neither the Right nor the Left is strong enough to form a parliamentary Government, and experience has shown that a coalition of all Polish parties has equally very small chances of success. Under such conditions it is easy for the strong bloc of national minorities to play a decisive rôle in Parliament. The first meeting of both Houses seemed to prove that, contrary to all expectations, an agreement between the two strongest Polish parties had been reached. The Speaker of the Senate, Mr Trompczynski, belonging to the Christian National Union, was elected with the votes of the Peasant party of Witos. In the Diet the Christian National Union voted for the

candidate of the peasants, Mr Rataj. The understanding, however, was of brief duration. When on December 9th the National Assembly, composed of the members of the Senate and the Diet, was convoked for the election of the first President of the new Polish Republic every party put forward its own candidate. It was only after 8½ hours and five different votes that Mr Narutowich secured an absolute majority. Mr Narutowich was a no-party man. When Mr Grabski, belonging to the National Democratic party, was at the head of the Cabinet he offered to Mr Narutowich, who was at this time professor of the Polytechnic in Zurich, the portfolio of the Ministry of Public Works. Mr Narutowich accepted this office, and for years he remained at the head of this department. He was one of the Polish delegates at the Genoa Conference, and, when after his return Mr Ponikowski's Cabinet resigned, he replaced Mr Skirmunt as Minister of Foreign Affairs.

Mr Narutowich could have been candidate of the Right as well of the Left. He belonged to neither of them. The fact, however, that he had secured only a minority of Polish votes (186 out of 545), and that his victory was due to the national minorities, was exploited as a weapon against him by the Right. Hostile demonstrations were organised by the leaders of the National Christian Union with the purpose of influencing Mr Narutowich not to accept the Presidency of the Republic from the hands of the Jews, Germans, and Ruthenians. When the new President remained firm in his decision to respect the will of the National Assembly, a crowd of several thousands tried to prevent him on Tuesday (December 12th) from reaching the Parliament to take the oath. The neighbourhood of the Diet was the scene of wild disturbances. Socialist and Jewish Deputies were assaulted by the crowd. The leaders of the Socialist party were obliged to take refuge in a house. Shots were fired, and there were several casualties.

Order was quickly restored, and an appeal, signed by all parties, invited the population to abstain from all excesses. It then seemed that the political life of the country had entered again on a normal path, but the murder of the President of the Republic proved that there is still much explosive material in the minds of politicians. The murder has not been countenanced by any party, but the atmosphere of hatred created by members of the National Christian Union against the newly-elected President is responsible for the deplorable events of the last week.

According to the statistics of the census which was taken on October 30, 1921, Poland has a population of 27 millions, distributed as follows:—

	Population.	Density per Square Kilometre.	% of Poles.
Former Prussian Poland	2,913,500	67.77	81.8
" Russian Poland	11,216,400	81.35	84.8
" Austrian Poland	7,487,400	94.68	57.5
Eastern districts	3,609,900	33.24	29.0
Vilna	488,900	36.25	68.8
Principality of Teschen	145,200	143.94	76.3
Upper Silesia	980,300	303.97	69.1
Military persons	318,500	..	89.8
Total	27,160,100	70.31	68.7

In comparison with 1910 the population has decreased by about 1½ millions. The greatest loss is in the former Congress Poland, which in 1921 had a population of 11,200,000, compared with 12,700,000 in 1910. Only two-thirds of all inhabitants are Poles. The percentage of inhabitants belonging to other nationalities is especially great in the Eastern districts. The numbers of workmen occupied in the cotton industry is slowly approaching the pre-war level. Actually the percentage amounts to 90 per cent. The situation of the wool industry is less favourable. Here only 45 per cent. of the pre-war number of workers are employed. The Polish textile industry is producing, in the first instance, for the home market. Russia, which before the war was the best customer of the Lodz factories, is practically out of business. Polish textile goods have found another outlet in Roumania. From this country Polish fabrics are re-exported to Greece, Bulgaria, Turkey, and partly to the Russian ports of the Black Sea. Polish textile manu-

facturers have formed a special Export Syndicate for the purpose of obtaining a firm footing in the West and in the Baltic States. Special offices of this Syndicate have been opened in Hamburg, Danzig, and Rotterdam.

CZECHO-SLOVAKIA.—DECLINE IN EXPORTS— EXCHANGE AND SPECULATION—PUBLIC ECONOMY —NEW YEAR OUTLOOK.

(FROM OUR CORRESPONDENT.)

PRAGUE, December 22.

THE trade statistics for the month of October and for the first ten months of the present year for Czecho-Slovakia are worth careful study. The reports for October show a decline of some two million quintals, being 5,702 against 7,380 for 1921. The October figures show that wood and coal have gone back by 1,892 thousand quintals, sugar by 105, glass and glasswares by 47, chemicals by 36, minerals by 41, iron and machinery by 80 together. Grain and malt, fruits and plant show great increases, viz., 268 and 375 respectively. The most significant features of the October figures concern the amounts exported to the neighbouring countries, as compared with the year 1921, for the neighbouring countries are the natural markets for Czecho-Slovakia. Germany in October, 1921, took 3.3 millions against 2.40 in 1922, Austria 2.10 and 2.04 respectively, Hungary 1 and .40, Poland 218,000 quintals against 145,000 quintals in 1922, Jugo-Slavia 108,000 against 36,000, and Roumania 94,000 against 22,000. From this it appears that Austria is the only one of these natural markets that keeps up her demand. Some of the artificial markets in the West, such as France and Switzerland, have taken more. But the sinister fact remains that the natural markets appear to be disappearing. Germany began to cease buying coal in August, and has evidently not increased her import since; Hungary takes only 40 per cent. of her last year's requirements, and Poland not much more than half, Jugo-Slavia one-third, and Roumania less than one-fourth. The drop in the exports of iron and iron manufactures and machinery are probably connected with the rise of the production of agricultural machinery in Hungary, where important munition works have been transformed into manufactories of such things. It has been pointed out that Roumania and Jugo-Slavia and Poland had been buying large quantities of these machines of late from Hungary instead of from Czecho-Slovakia, and these figures appear to bear out this statement. It has been pointed out recently by a high financial authority that the sale of her surplus produce is a vital necessity for the Republic, and that, if she failed to do this, Czecho-Slovakia would have to export her men and her machinery, a state of things which would assuredly lead to catastrophe. These signs, therefore, of declining demand in natural markets are a very serious matter, and statesmen should lose no time in taking steps to counteract the movement. It is all the more necessary in that the returns for the ten months of 1922 show also reductions of sales to Austria, Hungary, Jugo-Slavia, Roumania, Italy, and Great Britain, i.e., in all the neighbouring countries with the exception of Germany, who, according to statements made, has even increased her imports from the Republic, in spite of having given up her demand for coal. The figures further suggest that the falling off in exports has been increasing monthly since August.

The imports show a falling off of something like seven million quintals in the ten months and about two millions in the month of October. For the latter month the chief fall is in grains, 437,000 quintals, fruits and plants 111,000, wood and coal 682,000, cotton 78,000, chemicals 42,500, liquors 31,800. Wool and cotton imports are less by 100,000 quintals, which was unexpected, as it is known that a good deal of "finishing" has been done for Great Britain in recent months. It is noteworthy that raw material has not been purchased to any considerable extent, in spite of the height of the crown, and from this it may be inferred that warehouses are full, but it does not bode well for the future. Great Britain in the ten months has taken 899,377 quintals, while her exports to Czecho-Slovakia are not more than 399,435 quintals.

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position has expressed an opinion that, as long as the system of importing by license continues, there will never be much import from Great Britain, for the reason that the British merchant objects to methods of trading which are tolerated by other countries. The same authority suggests that no imports from England should be permitted until the license rules are modified to some extent in favour of Britain, or entirely abolished. It would be a strong measure to take, but would undoubtedly work to the benefit of both countries in the long run.

That the present Finance Minister is determined in applying the "economy axe" is proved by the fact that the law with reference to reduction of the salaries of Government officials has been carried through in the teeth of violent opposition, and after a twenty-three hours sitting of the Legislative Assembly. Dr Rasini will gain in respect what he loses in popularity. His last speech on the financial position was more optimistic than are the views commonly expressed by business men. The crisis is generally reputed to have nearly reached its zenith, and not to be near the end. The Finance Minister in certain quarters is blamed for not reducing the coal tax, and, above all, the height of railway freights is condemned as making an improvement in exports well nigh impossible. On the other hand, if the crown breaks, as it appears to be doing, the pressure may be eased that way. This, however, is quite uncertain, as exchange fluctuates still, and the crown has again reached 15.90 Swiss centimes. The Government are taking very strict measures to stop speculation, and this may have caused the exchange fall. It does not appear to be recognised that possibly the same speculators who caused the rise have now brought about the fall by unloading crowns at what seemed a propitious moment. It is now confidently predicted that the position of the crown at 15 or thereabouts in the Swiss market will be maintained.

When Mr Bruce Lockhart, then British Commercial Attaché here, published his rather belated report in May, the statement then made that Czecho-Slovakia was one of the most stable States in Central Europe, probably encouraged the purchase of crowns for a rise, and speculators thought it a good time to buy. Meantime, much satisfaction is expressed at the trade balance continuing to show an excess of exports. On the whole, the prospects for the New Year are not bright. Prices must come down with a run if the officials (whose salaries have been reduced) are to be appeased, while the expected loan seems no nearer. The oil contract with the Standard Oil Company has been annulled, which may or may not be a good thing for the country; at the present time, probably, a bad thing, and the prospects of general improvement are dark. There are hopeful signs, however. The Government has paid off the Liberty Loan, and the reduction of salaries and pensions of officials will cause a saving of 750 millions for the year 1923, and should reach a milliard in 1924. This should have a very beneficial effect on next year's budget.

SWEDEN.—RISE IN STERLING—PRICES AND WAGES —TRADE BALANCE—NEW YEAR OUTLOOK.

(FROM OUR CORRESPONDENT.)

STOCKHOLM, December 23.

THE chief of recent financial events has been the material appreciation in sterling. On November 3rd the pound was quoted here 16.60 and on the 19th inst. 17.20, a rise of about 4 per cent. This improvement is, in the first place, ascribed to the purchases made by the State bank of foreign values, the main object of which is said to be to maintain the dollar quotation at par. So far the State Bank has succeeded well, but at the same time this policy has had the effect of increasing the circulation of notes. The opportunity has naturally been seized by many Swedish holders of sterling funds to convert them into Swedish money, and it is to be assumed that these transactions have reached large dimensions. A further rise in sterling would naturally be hailed with satisfaction by Swedish exporters, who have suffered severely from the unfavourable position of the krone.

While there are signs here of an improvement in conditions, it cannot be expected that all trouble is over. On the contrary, it is feared that certain sections of industry, particularly shipping, still face a prolonged depression. There are many important factors which support this view. One reason is that Sweden is surrounded by countries with low exchanges, producing and manufacturing on the same lines and putting up a devastating competition. This state of affairs is liable to continue until a stabilisation of exchanges on a more normal footing has taken place. As to internal conditions, wages and costs of transport are still too high. In the State Departments the "axe" is working, and has lately resulted in the dismissal of a great number of committees. It is significant that amongst the committees which will be spared is the Socialisation Committee.

An obstacle which will help to retard progress towards brighter times in this country is the serious position of the farming industry. Although the crops this year have been satisfactory, the general fall in prices for grain have materially curtailed the prospects for the farmers of making both ends meet. In the farming industry the wages are still very high—even higher than in the manufacturing industries. Last November showed a further decline of 6 points in wholesale prices, this being due in the first place to the drop in prices for sugar and building materials, particularly cement, glass, bricks, and chalk. The price of sugar has been for a long time, and still is, controlled by the State in Sweden. A slight rise in prices was recorded for wood pulp and paper, also for textiles, raw materials and ready-made goods. As a consequence of the prospects of easier conditions, the Stock Exchange has shown greater activity, the turnover for November exceeding slightly that of the preceding month, and for the first eleven months there is a turnover of 182 million kr, as against 152 million kr in 1921, to be recorded.

An interesting report has been issued by the Swedish Manufacturing Association making a comparison of wages in different countries. Taking the price level of the different countries into consideration, the author of this report arrives at the conclusion that the labourer at Brussels must work 1,168 hours, and the London working man 1,187 hours (after the last reduction the London worker would have to work 1,415 hours), to earn the same as the Stockholm workman earns in 1,131 hours.

It is a little too early yet to take stock of the results of the past year, but it is an important fact to record that the Swedish trade balance has improved beyond expectation. During the whole of last year, except for two months, August and November, the visible trade balance was unfavourable. During 1922, up to and including October, the last five months have shown a material export surplus, and for the 10 months January-October, inclusive, there is an export surplus of only 37.5 million kr, as against an export surplus during the same period last year of 173 million kr. Amongst the export industries, timber, wood-pulp, paper, and match manufacturers can boast almost pre-war figures of quantities exported, and this is the case also with iron ore exporters, but prices have left much to be desired, and the net profits will consequently not show

proportional increase. In the banking world there is the reconstruction of the Wermlands Enskilda Bank to report. This bank has suffered losses to the tune of 44 million kr. The shareholders have been asked to subscribe 19 million kr fresh capital, and 7 million kr debenture bonds have been issued. In connection with the consolidation of the A.B. Svenska Handelsbanken, reported in my last letter, the issue of the 7 per cent. bonds, amounting to 40 million kr, which has been fully subscribed, was guaranteed by the Stockholms Enskilda Bank and the Skandinaviska Kreditaktiebolaget. Sweden's largest mining concern, the Trafikaktiebolaget Grängesberg Axelosind, has declared an unchanged dividend of 15 per cent., and the leading shipyard, the Götaverken, is able to distribute the old rate of 8 per cent., whereas the Stockholm Breweries only give 15 per cent., as against 18 per cent. last year. The year closes with better conditions in the labour market, and unemployment is on the decrease. A special committee appointed to combat this evil proposes to ask no further grants, and is even optimistic enough to put in view a surplus of 7 million kr from old grants after winding up.

SOUTH AFRICA.—BANKS AND CREDIT—THE CENTRAL RESERVE BANK—A REPORT ON THE RAND—HEAVY FIRE CLAIMS.

(FROM OUR CORRESPONDENT.)

JOHANNESBURG, December 6.

THERE has been a good deal of criticism in Johannesburg of the banks curtailing facilities to their clients, more especially in respect of overdrafts on gold mining shares. A local finance article recently reported that a man who holds £10,000 worth of the very best mining stocks being refused an advance of £700, and one hears of other similar instances. As a private individual there is no business I would like better than to advance 60 per cent. of the market value of such shares as Government Areas, New Modders, and Modder Deeps. For they constitute a security which can be turned into cash at an hour's notice, and, in the remote event of not being saleable in Johannesburg, the business could be put through in London in the course of a day, and at trifling expense. This appears to be much better business than lending money on stocks of merchants affected by instability of commercial values, or on property. But apparently the banks do not think so, as the mining rate to brokers (inasmuch as the general public can obtain little or nothing) is 8 per cent., and the commercial rate only 7½ per cent.

Some think that it is unfair to blame the banks, as the stringency is due to conditions over which they have little or no control. It is pointed out that it is part of the policy of deflation pursued by the Union Government, but taking place at far too rapid a rate, and artificially intensified. It is asked how long deflation is to be tolerated, and it is said that the Government is beginning to realise that the economic medicine is too drastic.

Mr W. H. Clegg, now the Governor of the Central Reserve Bank, and who will be known to many of your readers from his association with the Bank of England, in a letter to the *Rand Daily Mail*, controverts the opinion expressed by a correspondent of that journal that "a further cause of the existing depression is the curtailment of facilities by the banks consequent on the commencement of operations by the Central Reserve Bank," a fallacy he had thought was dead and done for. On the contrary, Mr Clegg urges that its establishment has formed "an additional reservoir of credit, which can at any time be used for the expansion of credit should circumstances justify expansion." With no Central Reserve bank, the necessary reserves of the commercial banks lie unused and unfruitful in their strong rooms. But if these are deposited with the Reserve Bank, it can make new loans on the basis of such deposits. That more advantage has not been taken of this facility must be attributed to other causes of depression, chiefly the overbuying of commodities during the period of the boom. Overbuying with borrowed money means that part of the resources of the banks are locked up, the circulation of credit slackens in pace, becomes weak and languid, instead of strong and active. A slump in prices of primary

products always follows a boom, preventing producers from buying manufactured articles turned out at high prices.

Mr Clegg says it is easy to blame the banks, and makes the rather curious remark, "In blaming them for being too free lenders in a time of boom, one must not exempt those who were too free borrowers." Surely one could hardly expect merchants to decline the liberal facilities offered by the banks when they could make handsome profits on everything they bought. As a bank man put it to me, Mr Clegg's argument was rather like blaming a child for eating too many chocolates given him by an indulgent uncle. Surely the mother would blame her brother rather than her son! Developing this view, the Governor continues, "After all, the banks don't force people to borrow from them, and if the business..... proves unremunerative, it is hardly fair for the borrower to lay all the blame on the bank." In short, if borrowers had not lost their heads in the boom, and banks had adopted an attitude of restriction, the present position of commerce would have been easier.

The commercial banks owe a duty to the community not to create credit unduly, and one of the objects of the institution of the South African Reserve Bank was that the creation of credit should be scientifically studied, and controlled according to experience gained in older and more widely developed countries. Any suggestion that periods of inflation and depression are deliberately manufactured by those who control credit is mischievous and grotesquely untrue. No banker enjoys slumps, his interests are centred on having good sound loans, about which he need have no sleepless nights.

Mr Clegg's letter has a useful educational bearing on a matter which is but little understood by the public. In other correspondence which followed it was remarked by one writer that the "reservoir of credit" had little in it! The question arises whether the commercial banks are availing themselves to the fullest desirable extent of the facilities offered by the Reserve Bank to discount first-class bills endorsed by the commercial banks, or are they conducting such discounting almost exclusively from their own internal resources? According to the statement of the South African Reserve Bank, as at December 2nd, bankers' deposits amounted to £5,308,800. Domestic bills discounted figured at only just over £2,000,000, while £1,300,000 had been loaned to the Government, and £1,350,000 to other persons. It may be urged that the commercial position would be relieved by more extensive use of funds in hand for discounting of bills.

The report of the "Brace" Commission of Inquiry is regarded as a complete vindication of the policy of the Transvaal Chamber of Mines. The Mining Industry Board, to give the official title, finds that the proposals of the Chamber in November, 1921, were fully justified. A summary prepared and issued by the Chamber states:—"That the abolition of the status quo was justified. That the 'white labour' policy advocated by Colonel Creswell is an impracticable policy. That there were many redundant and inefficient men employed on the mines whom the industry was justified in retrenching. That the present contract system is an improvement on the old. That trade union officials, and more particularly shaft and shop stewards, interfered with the management of the mines to a deplorable extent. That it was essential for the proper working of the mines that these abuses should be ended, and the authority of the management restored. That no good reason exists for maintaining the embargo on the entry of tropical natives to the Union. That the colliery wage reduction was justified, and should have been accepted, and the Victoria Falls Power Company was right in refusing the demand for higher wages. (Note.—The Commission makes no recommendations whatever for any increases in wages on the Witwatersrand.) These conclusions endorse in every respect the contentions of the Chamber of Mines, which are therefore proved beyond any shadow of doubt to have been reasonable and right."

So serious have been the fire claims in the Orange Free State recently, a by no means insignificant portion of them, it is regretted to say, due to arson and incendiarism, that the fire insurance offices are refusing applications right and left, and in some cases relieving themselves of existing risks by refunding a proportion of premiums paid.

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Letters to the Editor.

THE GREEK REFUGEES.

TO THE EDITOR OF THE ECONOMIST.

SIR,—As a resident in Greece for close on ten years, with some knowledge of the country and of the present deplorable position of the refugees, may I be permitted to express an opinion with regard to the appeal made by His Majesty's Government, published in the *Times* of the 8th Dec., for support by private contributions for the relief of refugees in Greece, and so to avert what might otherwise prove to be, in the words of the appeal, "a disaster of unparalleled magnitude." It is stated that the British Government, which received invaluable help from the American Navy, expended £52,000 in the removal of refugees from Asia Minor; that it has given stores valued at £10,000 to the British relief societies, and has paid over £10,000 to the League of Nations for its relief work. Other Governments, particularly the American, have no doubt been just as munificent, possibly more so, in rendering relief. Many private individuals, too, have given generous donations. All very excellent in its way, and most gratefully received. But surely it is evident that, in dealing with a matter of such urgency and magnitude as the settlement of over 1,000,000 destitute persons in a country sorely impoverished by ten years of war, something more tangible should be forthcoming than mere charitable support. Welcome as it is, it can only be regarded as a temporary expedient. Simply to feed 1,000,000 people with the barest necessities of life must cost not less than £50,000 per day. It is obvious, therefore, that relief of a more permanent and comprehensive nature must be conceived to enable these refugees to become self-supporting as soon as possible.

The untapped resources of Greece are immense—agricultural, mineral, and water power. I refer particularly to Macedonia, Western Thrace, and the rich plain of Thessaly. The difficulty in the development of these resources in the past has been due largely to the lack of labour, coupled, no doubt, with the misgovernment of these districts when under the rule of the Turk. By the influx of these refugees into Greece an excellent opportunity now occurs of providing them with profitable employment for the development of these rich resources, the one lack being funds. I submit that, in the interests of humanity and for the peace and progress of this unhappy country, immediate measures be taken in consort with the Greek Government with a view to the raising of a loan to Greece, guaranteed by the British Government, for the above specific purpose of developing her resources, the expenditure of the loan and of the revenues arising therefrom to be controlled by a duly constituted Loan Commission. Unless some such steps are taken, and taken quickly, it is to be feared that the disaster portrayed in the appeal of His Majesty's Government must be inevitable.—I am, Sir, your obedient servant,

G. L. BAILEY.

Lake Copais Company, Limited, Aliartos, Greece,
December 18th, 1922.

Books and Publications.

THE MECHANISM OF COMMERCIAL CREDIT.

THE purpose of this book is to give a survey of credit practices in leading industries in the U.S.A., with special reference to the terms on which goods are sold and also to analyse the principles which govern these terms of sale. The author, Dr Steiner, has had the advantage as an official in the Division of Analysis and Research of the U.S. Federal Reserve Board of studying much of the material with which he deals, and the sections describing conditions in particular industries have been checked by authorities in these industries; it may therefore be taken that the description of business practice at the present time is of very definite value. The treatment of the subject, which is "addressed to the business man, the credit man, the banker, and the student," is in three parts. The first deals with the factors governing the length of the credit terms granted by business houses to their customers, as well as with the relation between net terms and cash discounts. The second deals with a question which has been widely discussed in the U.S.A. within the last seven years—namely, the use of the trade acceptance, which, in its economic characteristics at least, resembles the home bill of exchange. Dr Steiner subjects to a careful examination the arguments of the American business men who have tried to make a controversial issue of the question whether the cash discount and open account system is or is not to be preferred to the use of the trade acceptance. The third section consists of a survey of the actual credit terms in certain industries; it is the domestic, and not the foreign trade, which is considered, but a wide field is covered—foodstuffs, the metal industries, automotive, agricultural implements, electrical and fuel industries, textile manufacturing, and so on. The chief omissions are agricultural produce, raw materials, and the retail trade, which require special studies. There is at the end of the book a summary tabular statement of trade terms of sale which is useful for reference and for comparison.

From this brief outline it can be seen that Dr Steiner has analysed a side of business finance which is of great importance to all buyers and sellers of merchandise, and his investigation represents a type of study which has become usual in America, but which is almost entirely lacking in Britain, where the research method, as applied to the more detailed problems of commerce, is very slightly represented or appreciated. The main problem of the book is to explain how it comes about that goods are sold in one trade, say, at 2 per cent. discount for cash in 10 days and at 60 days net, in another trade at 2 per cent. 30 days, net 90 days, and so on. This involves two separate questions: (1) What determines the length of the net terms—why is it usual in some trades to give 60 days, in others 90 days? (2) What determines the amount of discount for cash within shorter periods? Dr Steiner argues that "net" terms depend chiefly upon three factors—the rapidity of the turnover reflecting the buyer's selling period and the rate of consumption of the goods, the length of the marketing period for each class of goods, and the general conditions of competition between buyer and seller; the cash discount is to be clearly distinguished from trade discounts, which are really price adjustments; it is a premium for prompt payment of accounts and a discount in lieu of time, and from the seller's point of view it depends upon the bank rate of discount, the cost of keeping the accounts which are not discounted, and the danger of bad debts. The cash discount period is meant to cover the time of transport and the buyer's examination of the goods. Coming to the trade acceptance, it is defined as "a time draft drawn by the seller of merchandise on the buyer for the purchase price of the goods, and accepted by the buyer, payable on a certain date, at a certain place designated on its face." The "trade acceptance" campaign of the last few years in the U.S.A. was to persuade business in-

terests to adopt this form of credit in place of the cash discount and open account system. The extent of its use is, however, very limited; it acts as a prompt collector of poor accounts than the open accounts system, it substitutes embodied for unembodied credit, and it gives a specific instrument to the seller; but these points do not get over the cash discount issue, which offers a useful option to good payers, and, as Dr Steiner points out, the fundamental factor is the credit worthiness of the recipient, not the form in which the credit is extended or the agency by which it is measured. The "trade acceptance" may therefore, from this point of view, be looked upon as supplementary to the other methods, and customers could be classed as (1) cash discounters, (2) open accounts, (3) trade acceptances.

There is a great deal of sound commonsense in this serviceable book, and it is to be recommended to British readers who wish to know American terms of sale or who are interested in sales-credit policy; there are many ideas which might be kept in mind in considering the terms of sale in industry in this country, of which no systematic account exists. The study could, however, be shortened in Parts I. and II. without any loss of clearness, and the bibliography would be more useful if put separately at the end instead of in the text; also one cannot help but feel that Part III., the basis of the study, has become rather disjointed from the earlier portion. It seems open to question whether it would not have improved Dr Steiner's argument to have used part of the data in Part III. to illustrate the arguments of Parts I. and II., and to have put the remainder into an appendix.

"SUPPORT" FOR RENTES.

FOR political even more than for economic reasons, it is desirable that the Government stocks of any State should stand virtually at par, or not much under it; and M. Buffet describes the methods by which French Governments have tried to keep up the price of Rentes, from the Ancien Régime to the post-war Ministries of the Third Republic. Rentes have been exempted from taxation—which was natural enough when real property preponderated greatly over personal, and the Physiocrats were maintaining that all wealth came from land; but the exemption now hampers Finance Ministers in raising revenue, and offers a bad example to public companies, who of late years have issued bonds free of present and future taxes, and so have imposed indefinite burdens on their shareholders. Rentes have also been exempted by legislation from seizure for debts due; and thus, by having invested in them, a bankrupt can escape his creditors, and a trustee can evade giving account of his stewardship. The law, indeed, has been modified by judicial decisions, but the modifications are illogical and the actual position is obscure. Then, of course, Rentes are the first—and in some cases the only lawful—"trustee stocks," though that method of favouring them is, we presume, legitimate. But French Governments, besides giving the holders these privileges, have interfered to keep up the price by purchases during a crisis in foreign affairs either secretly—as Napoleon did in 1804 and 1808—or openly, by providing facilities for sales by holders, as the other chief belligerents also did during the late war in various ways; or even by arranging for fictitious quotations during the same period. M. Buffet elaborately describes these various devices and shows effectively their futility and danger.

INSURANCE PUBLICATIONS.

ALL those who are engaged in insurance work, and in attempting to explain the principles and practice of insurance to the public, owe a great deal to Messrs Stone and Cox, Limited, of 188-189, Strand, London. As enterprising compilers and publishers of elaborate insurance year books and directories they stand in a class by themselves. To the "Bourne" series, which they took over some 20 years ago, they have added year books on fire and marine, accident, and other branches of insurance. Bourne's Insurance Directory, 1922-23 (price £1 1s net),

"Le Cours de la Rente Française et son Soutien par l'Etat." Par André J. Buffet, Docteur en Droit. (Paris) Librairie Générale de Droit et de Jurisprudence, 20 Rue Soufflet. 1922.

and Bourne's Handy Assurance Manual, 1922 (price, in cloth, 3s 3d, post free), deal with life assurance. They give analyses of the accounts of all the offices, valuation reports, bonuses distributed, and premium and annuity rates. In the larger volume, the Directory, are to be found many statistical details which could not be included within the scope of the smaller volume, especially in regard to surrender values and annuities. There is also, as the name implies, a directory of insurance officers and officials.

In the Fire and Marine Year Book, 1922-23 (price 21s net), analyses are given of the accounts of fire and marine companies and a directory of offices and officials. The larger part of the space is, however, devoted to the principles governing the valuation of buildings, fire prevention and extinguishing appliances, the classification of trades and their normal rates of premium, forms of policies, reinsurance, and so on. A useful feature is a list of underwriting members of Lloyd's divided into groups or "syndicates."

BOOKS RECEIVED.

- The Decadence of Europe.* By Francesco Nitti. (London) T. Fisher Unwin, Limited. 10s net.
The Worker and the State. Wages, Hours, Safety, and Health. By Frank Tillyard. (London) George Routledge and Sons, Limited. 10s 6d net.
The Official Year-Book of New South Wales, 1921. (Sydney) Government Printer.
La Dette Publique Hellénique. Les Sociétés Anonymes en Grèce. Par D. G. Antonopoulou. (Athens) Banque d'Athènes.
The Doncaster Regional Planning Scheme. (London) Hodder and Stoughton, Limited. 10s net.
Education in Africa. A Study of West, South, and Equatorial Africa by the African Education Commission. (New York) Independence Avenue.
Trafford Park. Britain's Workshop and Storehouse, 1923. (Manchester) Estate Office, Trafford Park.
This is an interesting book, descriptive of the facilities offered by Trafford Park as an industrial location, by the Port of Manchester warehouses for storage of merchandise, by the Trafford Park Cold Storage for storage of meat and perishable produce, and by the Port of Manchester Road Service for the movement of traffic by road.
The World's Work, January, 1923. (London) The World's Work (1913), Limited. 1s.
Clubs, 1923. (London) Spottiswoode, Ballantyne and Co., Limited. 7s 6d.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET.	ACCOUNT.
January 10.	January 11.

THE first week of the New Year has brought liveliness to a good many markets round the House. The political crisis that has arisen in regard to France over the Reparations question is counteracted by very substantial sums of money that have come forward for investment on the turn of the old year. Only such bonds and stocks are affected as are most closely connected with the countries involved in this crisis. The War Loan has spurred, and a good many other stocks in the Consol market have strengthened in sympathy. The large quantities of new Trustee securities in the Home Railway market which arise out of the grouping arrangements of the companies have the effect of keeping prices down to some extent in this department, though it is expected that when these issues become more familiar their absorption by the investor will be a matter of short time only. Talk is in the air of early loans from two, or, perhaps, three, of the colonies, and the Consol market still bears in mind the possibility of a new Local Loans, or of some other Government guaranteed security, that shall be offered to finance the various unemployment schemes in connection with transport work.

Chinese bonds are heavy, both the 8 per cent. issues giving way on sales by holders disappointed at the protracted character of the negotiations for payment of the coupons. French bonds went back by reason of the fall in the franc, but Germans have not been much affected one way or the other. South Americans are quiet, and the activity in Peruvian Corporations has sustained something of a check.

The Home Railway market is one of the most active in the Stock Exchange. Prices went ahead with a rush after the opening of business last Tuesday morning. The new North-Eastern deferred stock, which could have been bought at 30,

rose to 34 within a couple of days. A jump in Great Western is the feature amongst the Heavy issues. North-Westerns are ex the dividend yet to be declared, a fact which will explain to a good many investors the apparent discrepancy between the New Year and the Old Year prices. Undergrounds went ahead with the rest, and the reaction at the end of the week was comparatively light.

Mexican issues have improved, though the movement has so far failed to attract any particular public attention. Argentine Railway stocks threw off their recent attitude of caution, prices improving all round. Cordoba Second Debentures have gained several points, on the hope that some kind of cash payment will be resumed in July. A new issue of Buenos Ayres Central debenture stocks is due to be published to-day. Nitrate shares are all better, some of the rises being substantial, though, having regard to the scarcity of supply, it requires little demand to bring about a complete change of complexion in this department.

Rubber shares keep good, with the newly-issues Tamboras the most prominent feature. Lumuts have also risen sharply on a capital report, showing that costs have been reduced to a shade under 7d per lb. The market as a whole is infected with hopefulness, but the usual difficulty of dealing presents itself, in that holders are unwilling to sell at a time when the outlook is brighter. In the oil market, the forthcoming issue of Anglo-Persian new ordinary shares at 3½ led to a rise in the price of the old shares, and the market as a whole, buoyed by the expectations of better trade voiced by Mr Bonar Law, has rallied from its recent flatness.

Long strings of rises have occurred in various industrial groups, amongst which may be mentioned textile, iron, coal, steel, shipping, armament, and electric supply. Motor Unions advanced with a run in the insurance market. General Accidents remain unchanged on the proposal that the company should take over the English Insurance Company. Amongst land shares Sudan Plantations hold their recent big rise, and curiosity awaits the issue within the next week or so of the company's Kassala subsidiary. Hudson's Bays have reacted a little after their recent burst of strength. Various Argentine land shares are better. The banking market is steady, the first dividends from the Discount companies being regarded with satisfaction. Breweries are idle. Of the popular industrial favourites, Courtaulds stand out with another sharp advance. Tobacco shares are more or less marking time. Trust companies' stocks have further advanced. Good debenture stocks and preference shares in any of the industrial sections have become increasingly difficult to obtain. The New Year has brought in an obviously greater readiness on the part of investors to consider the claims to attention of the various industrial branches likely to benefit by the expansion of trade, to which reference was made above.

Kaffirs are a dry and dull market, most of the leading shares being lower. In Rhodesians, a pyrotechnical jump in Cam and Motors has started the market, and caught the bears. Paris supported diamond shares and Rio Tintos; the movements in the latter were violent and erratic. A few Mexican mining shares are stronger. Russians weakened on the developments at Lausanne. The three tin groups are very idle.

The price of Stock Exchange nominations is harder at £40, on the approach of the financial New Year in the House, which leads to the supposition that there may be a demand for membership on the part of more candidates than recent years have produced.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
ISSUES OF THE WEEK—				
4½ % Treasury Bonds (by Tender December 29, 1922).....	..	Nil	..	..
NATIONAL SAVINGS CERTIFICATES.				
NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED DECEMBER 31, 1922.				
April 1 to Dec. 31, 1922, £28,358,000	£	190,000	£	190,000
To the Public—				
Long Eaton Gas, £30,000 Class A's Ord. Stock, at par	30,000	..	30,000	.. 3,000 .. 27,000
Smithfield Cold Storage and Ex- port of South Africa, £200,000 7½ % 1st Mort. Deb. Ssk., at 95, Red. at 105 by Dec. 1, 1947 ..	200,000	..	190,000	.. 20,000 .. 170,000
Total offered to the public	..	..	220,000	.. 23,000 .. 197,000
To Shareholders only.				
Uroz Oilfields, 100,000 New Shares, 10s, at par	50,000	..	50,000	.. 5,000 .. 45,000
Total offered to shareholders	..	..	50,000	.. 5,000 .. 45,000
Total offered for subscription to date				
1923	£460,000	1922	£73,675,650	
1922	13,963,953	1921	388,978,203	
1921	7,938,718	1920	367,549,656	
1920	9,150,410	1919	1,036,059,951	
1919	26,985,112	1918	1,393,381,441	
1918	38,046,384	1917	1,318,586,010	
1917	12,217,806	1916	585,438,853	

* "The Mechanism of Commercial Credit: Terms of Sale and Trade Acceptances." By W. H. Steiner, Ph.D., Acting Chief, Division of Analysis and Research, Federal Reserve Board. (New York and London) J. Appleton and Co. 1922. Pp. xv. and 375. 3s.

ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Price Last Week.	Latest Price.	Rise or Fall.		Price Last Week.	Latest Price.	Rise or Fall.
War 34%, 1925-28 .. 95 1/2	95 1/2	95 1/2	0	Aust. 6%, 1931-41 .. 106	106	0	0
Loans 5%, 1925-45 .. 95	95	95	0	Canada 4 1/2%, 1920-25 .. 100 1/2	100 1/2	0	0
4%, 1925-47 .. 100 1/2	100 1/2	100 1/2	0	India 3 1/2% Stock .. 63 1/2	63 1/2	0	0
4%, 1925-47 .. 100 1/2	100 1/2	100 1/2	0	Do 7%, 1926-31 .. 110 1/2	110 1/2	0	0
Funding Loan 4% .. 85 1/2	85 1/2	85 1/2	0	Do 5 1/2%, 1932 .. 99 1/2	99 1/2	0	0
Victory Bonds 4% .. 85 1/2	85 1/2	85 1/2	0	N.S.W. 5 1/2%, 1922-32 .. 101	101	0	0
Conversion Loan 3 1/2% .. 75 1/2	75 1/2	75 1/2	0	Nigeria 6%, 1949-79 .. 110 1/2	110 1/2	0	0
Consols 2 1/2% .. 55 1/2	55 1/2	55 1/2	0	U. of S.A. 6%, 1930-40 .. 106	106	0	0
Irish Land Stock 2 1/2% .. 57 1/2	57 1/2	57 1/2	0	Victoria 5 1/2%, 1924-34 .. 102 1/2	102 1/2	0	0
Local Loans 3% .. 64 1/2	64 1/2	64 1/2	0	W. Aust. 6%, 1930-40 .. 103	103	0	0

Banks.

Barclays B. (Ld.) (p.d.) .. 28 1/2	28 1/2	28 1/2	0	Nat. Bank of Egypt .. 21 1/2	21 1/2	0	0
Chartered Bk. of India .. 18 1/2	18 1/2	18 1/2	0	Nat. Bank of S. Africa .. 92	92	0	0
Lloyds (Ld.) (p.d.) .. 23 1/2	23 1/2	23 1/2	0	Nat. Prov. & Union of .. 104	104	0	0
London Joint City & .. 17 1/2	17 1/2	17 1/2	0	Standard of S. Africa .. 12	12	0	0
Midland (Ld.) (p.d.) .. 17 1/2	17 1/2	17 1/2	0	Union of S. Africa .. 12	12	0	0
London County West- .. 17 1/2	17 1/2	17 1/2	0				
minster and Paris .. 17 1/2	17 1/2	17 1/2	0				
(Ld.) (p.d.) (Ld.) (p.d.) .. 17 1/2	17 1/2	17 1/2	0				

Colonial and Foreign Railways.

Antofagasta Cons. .. 73 1/2	73 1/2	73 1/2	0	Leopoldina .. 36	36	0	0
B.A. and Pacific .. 82 1/2	82 1/2	82 1/2	0	Mexican Railway .. 12 1/2	12 1/2	0	0
B.A. (Ld.) Southern .. 84 1/2	84 1/2	84 1/2	0	Do 1st Pref. .. 39	39	0	0
Buenos Ayres West. .. 80 1/2	80 1/2	80 1/2	0	Do 2nd Pref. .. 42	42	0	0
Canadian Pacific .. 155	155	155	0	San Paulo .. 113 1/2	113 1/2	0	0
Central Argentine .. 74 1/2	74 1/2	74 1/2	0	United Havana .. 71	71	0	0

Foreign Government Securities.

Argentina 5%, 1886-7 .. 100	100	100	0	Japanese 4 1/2% .. 102	102	0	0
Belgian 3 1/2% .. 68	68	68	0	Do 4 1/2%, 1910 .. 70	70	0	0
Brazil 5% Fund, 1914 .. 68	68	68	0	Mexican Cons. 1899 .. 56 1/2	56 1/2	0	0
Chilian 4%, 1895 .. 81	81	81	0	Peruvian Corp. Pref. .. 29 1/2	29 1/2	0	0
Do 7 1/2% .. 107 1/2	107 1/2	107 1/2	0	P.L.M. 6% .. 83	83	0	0
Chinese 5%, 1912 .. 73	73	73	0	Portuguese (New) .. 28	28	0	0
Egyptian 4% .. 63	63	63	0	Russian 5%, 1906 .. 83	83	0	0
French 5% .. 31 1/2	31 1/2	31 1/2	0	Spanish 4% .. 77	77	0	0
Do 4% .. 25 1/2	25 1/2	25 1/2	0	Sino (Dept.) 7% .. 97 1/2	97 1/2	0	0
Greek 4%, 1884 .. 26 1/2	26 1/2	26 1/2	0	Siam 7% .. 108	108	0	0

Telegraphs.

Anglo-American "A" .. 24 1/2	24 1/2	24 1/2	0	Marconi Wireless .. 1 1/2	1 1/2	0	0
Marconi Wireless .. 2 1/2	2 1/2	2 1/2	0	Marconi Marine .. 1 1/2	1 1/2	0	0

British Railways.

Great Western, Ord. .. 108 1/2	108 1/2	108 1/2	0	Southern, Ord. "A" .. 33 1/2	33 1/2	0	0
London & North-Eastern .. 76 1/2	76 1/2	76 1/2	0	Do "B" .. 13 1/2	13 1/2	0	0
5% Pref. Ord. .. 76 1/2	76 1/2	76 1/2	0	Do Pref. Ord. .. 78	78	0	0
Do Def. Ord. .. 30 1/2	30 1/2	30 1/2	0	Do Def. Ord. .. 35 1/2	35 1/2	0	0
London, Mid., and .. 104 1/2	104 1/2	104 1/2	0	Underground Electric .. 27	27	0	0
Metropolitan, Ord. .. 104 1/2	104 1/2	104 1/2	0	Do "A" (Ld.) .. 87	87	0	0
Metropolitan District .. 46 1/2	46 1/2	46 1/2	0	Do Inc. Bds. (Ld.) .. 87 1/2	87 1/2	0	0

American Railroads.

Chesapeake & Ohio .. 76 1/2	76 1/2	76 1/2	0	Southern .. 26	26	0	0
Erie .. 11 1/2	11 1/2	11 1/2	0	Do Non-cum Pref. .. 70	70	0	0
Do 4% 1st Pref. .. 15	15	15	0				

Miscellaneous.

Aerated Bread (Ld.) .. 14 1/2	14 1/2	14 1/2	0	Hud-on's Bay (Ld.) .. 7 1/2	7 1/2	0	0
Amal. Cottons (Ld.) .. 4 1/2	4 1/2	4 1/2	0	Imperial Tobacco (Ld.) .. 3 1/2	3 1/2	0	0
Anglo-Persian Oil (Ld.) .. 4 1/2	4 1/2	4 1/2	0	Longley Plants (Ld.) .. 1 1/2	1 1/2	0	0
Armstrong (Sir W.G.) .. 1	1	1	0	Lipton (Ld.) .. 1 1/2	1 1/2	0	0
and Co. (Ld.) .. 1	1	1	0	Liverpool & N.W. (Ld.) .. 1 1/2	1 1/2	0	0
Ass. Fund. Cement (Ld.) .. 2 1/2	2 1/2	2 1/2	0	Do 1st Pref. (Ld.) .. 1 1/2	1 1/2	0	0
Baker, John (Ld.) .. 2 1/2	2 1/2	2 1/2	0	Do 2nd Pref. (Ld.) .. 1 1/2	1 1/2	0	0
Birmingham Arms (Ld.) .. 2 1/2	2 1/2	2 1/2	0	Do 3rd Pref. (Ld.) .. 1 1/2	1 1/2	0	0
Brazil Traction (Ld.) .. 4 1/2	4 1/2	4 1/2	0	Do 4th Pref. (Ld.) .. 1 1/2	1 1/2	0	0
British-American .. 4 1/2	4 1/2	4 1/2	0	Do 5th Pref. (Ld.) .. 1 1/2	1 1/2	0	0
Tobacco (Ld.) .. 4 1/2	4 1/2	4 1/2	0	Do 6th Pref. (Ld.) .. 1 1/2	1 1/2	0	0
Burmah Oil (Ld.) .. 4 1/2	4 1/2	4 1/2	0	Do 7th Pref. (Ld.) .. 1 1/2	1 1/2	0	0
Costa (Ld.) .. 4 1/2	4 1/2	4 1/2	0	Do 8th Pref. (Ld.) .. 1 1/2	1 1/2	0	0
Courtauld (Ld.) .. 4 1/2	4 1/2	4 1/2	0	Do 9th Pref. (Ld.) .. 1 1/2	1 1/2	0	0
Cunard (Ld.) .. 4 1/2	4 1/2	4 1/2	0	Do 10th Pref. (Ld.) .. 1 1/2	1 1/2	0	0
Dorman, Long (Ld.) .. 4 1/2	4 1/2	4 1/2	0	Do 11th Pref. (Ld.) .. 1 1/2	1 1/2	0	0
Dunlop Rubber (Ld.) .. 4 1/2	4 1/2	4 1/2	0	Do 12th Pref. (Ld.) .. 1 1/2	1 1/2	0	0
Fine Cotton Spinners .. 4 1/2	4 1/2	4 1/2	0	Do 13th Pref. (Ld.) .. 1 1/2	1 1/2	0	0
(Ld.) .. 4 1/2	4 1/2	4 1/2	0	Do 14th Pref. (Ld.) .. 1 1/2	1 1/2	0	0
Forestral Land (Ld.) .. 4 1/2	4 1/2	4 1/2	0	Do 15th Pref. (Ld.) .. 1 1/2	1 1/2	0	0
Furze, Withy (Ld.) .. 4 1/2	4 1/2	4 1/2	0	Do 16th Pref. (Ld.) .. 1 1/2	1 1/2	0	0
Hutchinson and Low .. 4 1/2	4 1/2	4 1/2	0	Do 17th Pref. (Ld.) .. 1 1/2	1 1/2	0	0
Indus Rubber (Ld.) .. 4 1/2	4 1/2	4 1/2	0	Do 18th Pref. (Ld.) .. 1 1/2	1 1/2	0	0

RHODESIAN GOLD OUTPUT.

Month.	1919.	1920.	1921.	1922.
January ..	211,917	211,851	293,794	210,956
February ..	220,885	220,820	288,225	304,408
March ..	225,008	199,881	134,932	257,356
April ..	213,159	208,934	282,396	265,391
May ..	219,057	403,255	225,841	273,562
June ..	214,215	194,194	238,200	247,161
July ..	214,918	313,126	279,469	263,918
August ..	207,339	241,270	265,151	271,119
September ..	223,719	251,236	271,452	240,846
October ..	204,184	248,085	363,374	255,619
November ..	186,462	282,237	306,636	251,646
December ..	158,835	272,470	267,005	
Total Gold ..	2,499,492	3,066,549	3,217,275	2,871,385

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

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.		Method of Payment.	Dividend for Whole Year.	
	Interim Final.	Date of Payment.		Lat'est Year.	Pre-vious Year.
Banks.					
Alexanders Discount Co.	15 1/2	..	Less tax	20	17
Do (bonts) ..	5 1/2 p.s.	..	Tax free	..	..
Bank of Nova Scotia ..	4 %	Jan. 2	Quarterly	..	..
Banque Nationale de Credit, Paris ..	6 1/2 %	Jan. 11	Less tax	10	10
Barclays "A" ..	10	..	Less tax	14	16
Do "B" and "C" ..	14	..	Less tax	16	16
Equitable ..	1 1/2 p.s.	..	..	18 1/2	18 1/2
Manchester and Liverpool ..	18 1/2	..	Less tax	..	..
National Discount Co., "A" ..	2 1/2 p.s.	..	Less tax	..	..
Do "B" ..	5 1/2 p.s.	..	Less tax	..	..
Queensland National ..	10	Feb. 15	..	..	..
Union Discount ..	15	..	Less tax	20	18
Do Bonus ..	5 %	..	Tax free	..	..
Williams, Deacons, "A" ..	13 1/2	Jan. 17	Less tax	124	124
Do "B" ..	12 1/2	Jan. 17	Less tax	124	124
Railways.					
Illinois Central ..	13 1/2	..	..	..	..
Pittsburg, Fort Wayne, and ..	13 1/2	..	..	..	..
Chicago ..	13 1/2	Jan. 2	Quarterly	..	..
Royal Sardinian ..	1 1/4 p.s.	Jan. 1	Less tax	..	..
Insurance.					
General Life ..	10	Jan. 1	..	..	..
Tea and Rubber.					
British Dairymilk Tea ..	5 1/2 %	Jan. 5	..	..	..
Devon Estate ..	..	Jan. 31	Less tax	..	..
Lanark Tea and Rubber ..	..	..	..	5	..
Tanjong Malim Rubber ..	5 %	Jan. 19	Tax free	..	..
Mining.					
Geduld Proprietary ..	10 %	Feb. 6	..	..	..
Other Companies.					
Albert Acre Spinning ..	4 1/2 p.s.	..	..	..	..
Angostura Bitters, Pref. ..	4 1/2	..	Less tax	..	..
Do Ord. ..	3 1/2	..	Free Trinidad tax	..	..
Asia Spinning ..	3 1/2 p.s.	..	..	..	..
Associated Newspapers, Def. ..	2 1/2 p.s.	..	Less tax	..	..
Belgravia Dairy ..	4 1/2 %	Jan. 27	Less tax	..	..
Bell Telephone of Canada ..	2 %	Jan. 15	..	..	..
Bulwer's Main Collieries ..	1 1/2 p.s.	..	Tax free	..	..
Burns, King (Heywood) ..	..	..	..	10	..
Canadair Northern Lands ..	5 1/2	Jan. 15	..	10	10
Central Canada Loan & Savings ..	2 1/2	..	..	10	..
Cockshutt Plow, Pref. ..	1 1/2	Feb. 1	..	..	..
Cowley Spinning ..	3 1/2 p.s.	..	..	..	..
Crown (Ashton road, Oldham) ..	3 1/2 p.s.	..	..	10	..
Drakes, Limited ..	..	..	Tax free	10	..
Egyptian Salt and Soda ..	..	Jan. 8	Less tax	17 1/2	22 1/2
Enso Spinning ..	6 p.s.	..	..	..	..
Era (Rochdale) Spinning ..	3 1/2 p.s.	..	..	10	5
Fore Street Warehouse ..	7 1/2	..	..	..	nil
Frost Brothers ..	..	..	..	..	..
Geo. O. Bussey and Co., Pref. ..	2 1/2 %	Jan. 1	Less tax	..	..
Glasgow Alhambra ..	..	..	Less tax	7 1/2	10
Goodwin, Foster, Brown, Pref. ..	5 1/2	..	..	..	..
Granger and Smith, Pref. ..	1 1/2 p.s.	Jan. 1	Less tax	..	..
Granville (Oldham) Spinning ..	20 p.s.	..	..	..	..
Hamilton Provident and Loan ..	5 %	Jan. 2	..	..	..
Haugh (New Hevi Spinning) ..	16 p.s.	..	..	..	..
Heywood and Roscoe Spinning ..	13 p.s.	..	..	..	..
Hope (Fairbairn) Spinning ..	13 p.s.	..	..	..	..
Hunters, the Teamen ..	1 1/2 p.s.	..	Tax free	..	..
Imperial Tobacco of Canada ..	1 1/2	Dec. 28	..	..	..
Do ..	1 1/2	Dec. 28	..	..	..
John Barran and Sons ..	..	..	Less tax	5	nil
John Clegg (Spinning) ..	3 1/2 p.s.	..	..	..	..
Kamistiquia Power ..	32 p.s.	Feb. 15	..	..	..
Liverpool District Lighting ..	5 1/2	..	..	..	..
Liverpool & N.W. ..	2 1/2	..	..	..	..
Lovell and Christmas ..	6	..	..	..	..
Midland Trust ..	2 1/2 %	Jan. 1	Less tax	..	..
Montreal Cottons ..	1 1/2	..	Quarterly	..	..
Moss Lane (Spinning) ..	5 1/2 p.s.	..	..	..	..
New Hey Ring Spinning ..	6 p.s.	..	..	..	..
New Ladyhouse Ring (Spinning ..	6 p.s.	..	..	..	..
Oldham Athlon (Spinning) ..	1 1/2 p.s.	..	..	..	..
Ontario Loan and Debenture ..	2 1/2	..	..	11	..
.. .. (& bonus 1 %)	..	..	..	..	..
Packinson and W. and B. Cowan ..	2 1/2	..	Less tax	..	..
Perman's ..	2 1/2	Feb. 15	Quarterly	..	..
Ploverman Barrett Pref. ..	..	..	Less tax	5	..
Portfield Steamship ..	3 p.s.	..	..	..	..
Prince of Wales Dry Dock ..	7 1/2	..	..	..	..
Reckitt and Sons ..	8 p.s.	Jan. 1	Less tax	..	..
Rio de la Platte (Spinning) ..	19 p.s.	..	..	..	..
River Plate & General Trust, Def'd ..	7 1/2 %	Feb. 1	Less tax	11	10
Rochdale Co-operative Spinning ..	6 p.s.	..	..	..	..
Rose (Oldham) (Spinning), "A" ..	50 p.s.	..	..	..	..
Do "B" ..	40 p.s.	..	..	..	..
Do "C" ..	40 p.s.	..	..	..	..
Royal Dutch Petroleum ..	30 p.s.	..	..	..	..
Royton (New Oldham) Spinning ..	10 %	Jan. 16	..	..	..
Rumworth Spinning ..	3 p.s.	..	..	..	..
Sundon (Middleton) ..	4 p.s.	..	..	..	..
Strand Brewery ..	0 1/2 (& bonus 2 1/2 %)	..	Tax free	12 1/2	12 1/2
Sun Mill Spinning ..	1 p.s.	..	..	..	..
Thos. Staveley (Confectioner) ..	5 %	Jan. 19	Tax free	..	..
Trustees Corporation ..	..	..	Less tax	..	..
Union Cold Storage, "A" Pref ..	10 %	Feb. 1	..	..	..
W. Abbott and Sons ..	..	..	..	12 1/2	12 1/2
Wath Main Colliery ..	6 p.s.	..	Tax free	..	..

of countries which had been greatly helped by lower wages and rates of exchange, necessitating the acceptance for some of the company's products of prices below the cost of production. Their subsidiary companies, Port Talbot Steel Company, Limited, British Mannesman Tube Company, Limited, Brymbo Steel Company, Limited, and Associated Collieries, had contributed nothing to the year's results. Their Canadian works, among the best equipped of their kind on the American Continent, had been unable to obtain orders at prices which would justify the cost, and were at a standstill. At their new works at Margam, where they had one of the most modern plants for the production of coke and by-products, pig-iron, and finished steel, they had been only partially and intermittently employed. The plant had never had an opportunity of demonstrating to the full its many advantages, but even under the most unfavourable conditions it had borne out all their anticipations as to efficiency and economical working. Their other works, Landore Gowerston, King's Dock, Pantog, Midlands, and Blackwall, had enjoyed greater regularity of work than Margam, operating at rather less than 60 per cent. of their capacity.

NECESSITY FOR LOWER RAILWAY CHARGES.

Urging the need for further relief in railway rates and dock charges, the Chairman said that the charges on iron ore from ship to works were 130 per cent. above pre-war rate at Port Talbot, and practically 140 per cent. over at Swansea. Railway rates were still about 70 to 90 per cent. above pre-war level. The company had collieries capable of producing over a million and a quarter tons per annum of steam, coking, bituminous, and gas coal, and giving employment to approximately five thousand men. The period under review had been, from a trading point of view, one of the worst—he thought he might safely say the worst—ever known in the history of the coal trade. Outputs had increased since the miners' strike, but the increased quantities of coal placed upon the market through reduced steel production had intensified competition, and very few collieries in South Wales had been able to work at anything like full time, thus preventing the price reductions that alone could stimulate demand. For some time, miners' wages in South Wales had been at the minimum provided for in the settlement terms, and it had only been possible to maintain that level by the owners sacrificing the standard of profits to which, under the agreement, they were entitled. It was computed that a sum greater by £3,057,000 than the amount justified by the working results had been spent by the owners to make up the wage minimum.

PLEA FOR EIGHT-HOUR SHIFTS.

If the collieries, instead of the present seven-hours shift, worked the eight-hours shift as of old, the benefit to working costs might put the collieries in a position of holding their own. Was it too much to ask that the miners' leaders should, in the interests of the men and the country generally, command and support that proposal? Although great strides had been made since decontrol in the output per man, it was still far below the pre-war standard. Looking forward, there were, he said, certainly signs of some improvement in trade. It would, however, be absurd to suggest that anything like a boom was in prospect. All that could be said was that there were indications of a reviving flow of trade into normal channels. The situation, however, would have to be very carefully handled, and no efforts spared to create that settled atmosphere in which trade would thrive. He was glad to see that the new Government was anxious to assist industry, and he hoped it would not only relieve taxation, but avoid measures adding to the traders' burdens in other directions.

The report was adopted, and the election of Sir Robert Horne, M.P., as a director and vice-chairman of the board was confirmed.

GOVERNMENT RETURNS.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £50,000,000 in three months' Treasury Bills dated from Monday to Saturday, January 7-January 13, were opened on January 5, 1923, and the total amount applied for was £63,995,000. Tenders for Monday bills at £99 9s 4d and above in full, and Tuesday to Saturday bills at £99 9s 3d, and above in full. The average rate of discount for Treasury bills was £2 2s 7½d. The amounts allotted were as follows:—In bonds, £500,000; in bills at 3 months, £43,720,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills, Average Rate.	4½% Treasury Bonds, Average Price.
Oct. 13, 1922.	(a) 45,000,000	(a) 72,560,000	2 5 5-03	99 1 4-15
Oct. 20,	(a) 40,000,000	(a) 61,905,000	2 5 11-06	99 3 1-75
Oct. 27,	(a) 40,000,000	(a) 56,905,000	2 5 2-94	99 4 6-3
Nov. 3,	(a) 45,000,000	(a) 57,130,000	2 9 1-02	99 4 8-7
Nov. 10,	(a) 45,000,000	(a) 56,885,000	2 11 3-41	99 4 8-6
Nov. 17,	(a) 40,000,000	(a) 62,445,000	2 8 6-06	99 3 0-46
Nov. 24,	(a) 50,000,000	(a) 62,440,000	2 9 7-79	99 5 0-8
Dec. 1,	(a) 55,000,000	(a) 69,265,000	2 7 1-77	99 5 0-8
Dec. 8,	(a) 55,000,000	(a) 70,895,000	2 11 1-09	None allotted
Dec. 15,	(a) 50,000,000	(a) 67,355,000	2 11 0-63	None allotted
Dec. 22,	(a) 50,000,000	(a) 67,725,000	2 11 7-53	None allotted
Dec. 29,	(a) 55,000,000	(a) 76,225,000	2 6 11-35	None allotted
Jan. 5, 1923.	(a) 50,000,000	(a) 63,995,000	2 2 7-57	99 3 9-6

(a) including Treasury Bonds.

Tenders will be received on Friday, January 12, 1923, for Treasury Bonds and Treasury Bills to be issued to the maximum amount of £50,000,000. The amount of Treasury Bonds issued will not exceed £5,000,000, but subject to that limit the total amount issued will be divided between Bills and Bonds in such proportions as the Lords Commissioners of His Majesty's Treasury may determine.

CURRENCY NOTES ACCOUNT.

(000's omitted.)

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Advances to		Redemption Account.					
			Bankers.	Savings Banks.	Gold and Bullion.	Bank of England Notes.	Ratio to Notes.	Govt. Debt.	Govt. Securities.	Balance at Bank of England.
1914.	£ 21,535	£ ..	£ 6,302	£ 3,810	£ 18,500	£ ..	40.1	£ 9,924	£ 11,423	£ 9,286
Dec. 30, 1915.	38,478	..	169	600	28,500	..	27.6	54,621	30,536	..
Dec. 31, 1916.	103,125	729	159	249	28,500	..	19.0	118,102	6,869	..
Dec. 31, 1917.	150,144	8,430	64	40	28,500	..	13.4	186,637	5,486	..
Dec. 31, 1918.	212,782	8,554	39	675	28,500	..	8.9	305,133	4,566	..
Dec. 31, 1919.	323,241	15,529	..	270	28,500	..	9.1	337,537	2,802	..
Dec. 31, 1920.	356,152	17,182	250	245	28,500	4,000	13.0	336,504	134	..
Dec. 31, 1921.	367,626	16,962	..	..	28,500	19,450	13.9	311,334	141	..
Mar. 30, 1922.	343,826	15,599	Silver Coin.	..	28,500	19,450	14.8	287,750	150	..
June 29,	323,384	14,455	3,000	..	28,500	19,450	15.2	278,119	143	..
Sept. 28,	314,382	14,830	3,000	..	28,500	19,450	14.7	289,131	161	..
Dec. 28,	325,584	14,658	3,000	..	28,500	19,450	15.9	261,479	177	..
Mar. 29,	300,351	14,255	5,000	..	28,500	19,450	16.3	254,312	250	..
June 28,	295,374	13,338	6,000	..	28,500	19,450	16.6	248,456	189	..
Sept. 27,	289,127	12,649	7,000	..	27,000	21,150	15.9	255,782	177	..
Dec. 13,	292,468	12,430	7,000	..	27,000	21,150	15.9	258,922	137	..
20,	298,630	12,479	7,000	..	27,000	21,150	15.9	253,013	186	..
27,	301,337	12,872	7,000	..	27,000	21,150	16.3	253,013	186	..
1923.	295,414	12,915	7,000	..	27,000	21,150	16.3	253,013	186	..

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £380,600,000, for 1921 at £317,555,200, for 1922 at £309,388,400, and for 1923 at £270,183,800.

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Head Office: 38-44 MOORGATE, LONDON, E.C.2.

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, January 3, 1923.

ISSUE DEPARTMENT.

Notes issued	£	Government debt	£
144,105,985	11,015,100	Other securities	7,434,900
	125,655,985	Gold coin and bullion	125,655,985
144,105,985			144,105,985

BANKING DEPARTMENT.

Capital	£	Government securities	£
14,553,000	3,398,375	Other securities	59,658,031
14,553,000	3,398,375	Notes	94,203,674
14,553,000	3,398,375	Gold and silver coin	20,052,525
14,553,000	3,398,375	Other deposits	1,837,205
14,553,000	3,398,375	Seven-day & other bills	21,388
14,553,000	3,398,375		175,751,435

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

COMPARISON WITH PREVIOUS WEEK AND A YEAR AGO.

	Amount, Jan. 3, 1923.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Rest	3,398,375	+ 53,302	+ 23,666
Public deposits	12,916,351	+ 406,848	+ 4,201,348
Other deposits	144,861,721	+ 24,958,289	+ 30,041,807
Government securities	59,658,031	+ 7,690,131	+ 9,093,966
Other securities	94,203,674	+ 16,045,543	+ 25,816,562
Reserve	21,889,730	+ 874,393	+ 694,240
Note circulation	124,053,460	+ 824,210	+ 1,640,990
Coin and bullion	127,493,190	+ 50,183	+ 946,750
% of reserve to liabilities	15.8%	+ 18%	+ 28%

THREE MONTHS' RECORD.

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve.	% of Reserve to Liabilities.
1922.	£	£	£	£	£	%
Oct. 11,	127,426,688	122,569,890	127,211,971	121,596,282	23,306,798	18.5
18,	127,435,454	121,689,530	121,385,106	114,894,104	24,195,924	19.1
25,	127,432,534	121,886,450	125,581,614	119,089,011	23,996,084	19.4
Nov. 1,	127,435,322	123,158,840	123,879,002	118,854,444	22,726,482	18.8
8,	127,437,711	122,519,305	122,617,564	116,974,245	23,368,406	19.1
15,	127,441,016	121,901,960	122,360,827	116,110,795	23,989,056	19.8
22,	127,445,261	121,407,130	123,414,918	116,705,543	24,488,131	19.4
29,	127,440,455	122,884,525	121,463,985	116,240,653	23,005,930	19.1
Dec. 6,	127,446,768	123,063,855	124,885,243	120,050,341	22,735,137	18.2
13,	127,444,219	124,890,400	123,595,554	120,319,616	21,003,819	17.1
20,	127,443,007	124,877,670	133,227,231	130,126,031	21,015,337	15.8
1923.	127,493,190	124,053,460	157,778,672	153,861,705	21,889,730	13.8

TEN YEARS' RECORD.

At corresponding date with the present week.	Jan. 1, 1913.	May 27, 1914.	Jan. 5, 1921.	Jan. 4, 1922.	Jan. 3, 1923.
Circulation (excluding Bank post bills)	29,200,255	28,933,380	131,569,260	125,594,450	124,053,460
Public deposits	14,164,961	19,014,809	16,719,245	17,118,299	12,916,351
Other deposits	52,954,726	41,248,964	154,987,508	174,903,528	144,861,721
Government securities	14,835,422	11,046,570	89,760,831	68,751,987	59,658,031
Other securities	99,629,901	41,461,280	84,729,122	120,082,236	94,203,674
Reserve of notes and coin	20,560,232	25,453,980	15,165,800	21,195,490	21,889,730
Coin and bullion	31,300,487	35,947,360	128,285,060	128,439,940	127,493,190
Proportion of reserve to liabilities	30.8%	42.1%	8.3%	11%	13.8%
Bank rate of discount	5%	3%	7%	5%	3%
Market rate, 3 months' bills	4 1/2	2 1/2	6 1/2	4 1/2	3 1/2
Price of Consols	75 1/2	74 1/2	46 1/2	50 1/2	55 1/2
Price of silver per ounce	29 1/2	26 1/2	42 1/2	34 1/2	31 1/2
Average price of wheat	29s 10d	35s 0d	84s 11d	44s 7d	40s 7d
Exchange on Paris	25 1/2-26	25 1/2-26	60-60-61-30	52-00-60	62-35-95
on New York	84-84 1/2	84-79	83-56-60	84-20-21 1/2	84-63-65 1/2
on Amsterdam	12 1/2-13	12-13	11-13-36	11-38-43	11-72-77
on Berlin	20-41	20-41	26-27 1/2	77-80 1/2	32-25-34-50
Clearing house return	366,539,000	199,913,000	877,193,000	732,293,000	791,662,000

BANKERS' CLEARING RETURNS.

Week Ending—	Town Clearing.	Country Clearing.	Total.
1923.	£	£	£
January 1-January 3	356,571,000	31,953,000	388,524,000
Total to date 1923.	356,571,000	31,953,000	388,524,000
Do 1922	309,448,000	18,381,000	327,829,000
Increase or decrease in 1923.	+ 47,123,000	+ 13,572,000	+ 60,695,000
	15.2%	73.7%	18.5%
Total for 1922.	34,355,296,000	2,806,165,000	37,161,461,000
Do 1921	31,928,380,000	3,002,179,000	34,930,559,000
Increase or decrease in 1922.	+ 2,426,916,000	- 196,014,000	+ 2,230,902,000
	7.6%	6.5%	6.3%

PROVINCIAL CLEARING RETURNS.

	1921.	1922.	Inc. or Dec.
Aggregate Totals to December 30.	£	£	£
BIRMINGHAM	121,747,000	112,357,800	- 9,389,200
Bristol	76,305,000	68,285,000	- 8,020,000
DUBLIN	362,903,500	320,390,600	- 42,512,900
LIVERPOOL	55,795,600	55,795,600	..
LEEDS	57,123,700	54,493,100	- 2,630,600
LIVERPOOL	29,158,300	40,467,000	+ 11,308,700
LIVERPOOL	454,899,200	432,901,300	- 21,997,900
MANCHESTER	774,612,400	774,612,400	..
NEWCASTLE-ON-TYNE	94,669,500	94,669,500	..
NOTTINGHAM	35,551,300	35,551,300	..
SHREFFIELD	55,794,900	48,434,200	- 7,360,700

OVERSEAS BANK RETURNS.

UNITED STATES FEDERAL RESERVE BANKS.

(000's omitted.)

	Dec. 29, 19
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IMPERIAL BANK OF GERMANY.
(000's omitted.)

Assets.	Dec. 23, 1922.	Dec. 15, 1922.	Dec. 7, 1922.	Dec. 23, 1921.	Position May 31, 1914.
Gold	1,004,845	1,004,846	1,004,847	993,695	1,313,240
Of which deposited in Bank of England	50,032	50,032	50,032	10,447	321,920
Silver	67,839	66,337	65,057	65,057	943,460
Treasury notes	241,076,277	177,007,102	139,298,090	6,208,644	943,460
Food credits	1,365,019,631	1,180,629,488	1,007,886,030	118,445,263	60,780
LIABILITIES.					
Notes in circulation	1,369,909,782	970,202,013	846,894,285	108,995,550	2,013,860
Deposits	435,121,750	334,981,233	257,328,787	21,789,203	842,340

RUSSIAN STATE BANK.
(000's omitted.)

Assets.	Aug. 1, 1922.	July 1, 1922.
Cash	2,353,799	850,329
Loans	5,884,164	2,919,353
Special credits on merchandise	765,063	458,973
Food credits	2,020,310	897,623
Debtors	234,242	234,416
Merchandise	465,300	594,354
Discounts	512,166	127,785
Advances on securities	162,078	148,172
Foreign coin and bonds	512,839	409,895
Precious metals	478,194	311,517
LIABILITIES.		
Subscribed capital	575,000	575,000
Loan account	6,772,649	3,246,143
Deposits bearing interest	2,376,766	1,377,471
Deposits in foreign currencies	121,637	121,118
Public deposits	7,400,995	2,690,677

BANK OF ITALY.
(000's omitted.)

Assets.	Nov. 30, 1922.	Nov. 20, 1922.	Nov. 10, 1922.	Nov. 30, 1921.	Position May 31, 1914.
Total cash	1,368,086	1,340,619	1,333,469	1,332,474	1,221,875
Inland bills	4,596,211	4,502,025	4,521,749	4,489,149	4,480,400
Foreign bills	9,550	9,534	9,529	9,579	81,300
Advances to the Treasury	6,108,202	6,111,994	6,111,451	6,105,441	nll
Other advances	1,965,216	2,034,570	2,263,728	2,488,584	79,175
Securities	395,515	395,056	395,067	395,664	419,925
LIABILITIES.					
Note circulation	13,958,195	13,940,734	14,228,437	14,231,328	15,562,237
Deposits & drafts	1,734,104	1,647,294	1,636,202	1,701,527	193,975

NETHERLANDS BANK.
(000's omitted.)

Assets.	Dec. 27, 1922.	Dec. 18, 1922.	Dec. 11, 1922.	Dec. 4, 1922.	Dec. 27, 1921.	Position May 31, 1914.
Gold	581,792	581,792	581,789	581,789	605,969	163,092
Silver	8,990	8,974	8,951	8,663	8,241	8,436
Depts. & advances	419,369	393,362	396,162	406,450	428,533	163,504
LIABILITIES.						
Notes in circulation	974,963	369,251	976,289	990,726	1,012,878	316,632
Deposits	48,965	31,115	28,989	28,989	30,573	6,016

SWISS NATIONAL BANK.
(000's omitted.)

Assets.	Dec. 23, 1922.	Dec. 15, 1922.	Dec. 7, 1922.	Nov. 30, 1922.	Dec. 23, 1921.	Position May 31, 1914.
Gold	534,385	533,965	533,012	533,915	548,137	171,175
Silver	108,640	108,742	108,946	113,911	115,006	18,360
Darlehens-Kassen.	11,712	11,712	11,688	11,688	18,107	
Assets & advances	392,859	369,789	367,304	357,569	336,426	103,000
LIABILITIES.						
Notes in circulation	938,785	916,618	955,079	987,985	959,616	875,925
Deposits	147,676	153,024	110,631	79,117	104,638	33,750

The Monthly Statement of the Swiss Federal Loan Bank (Darlehenskasse) shows that up to November 30, 1922, total issues were Fr.19,354,015, of which Fr.11,667,875 was held by the Swiss National Bank.

NATIONAL BANK OF ROMANIA.
(000's omitted.)

Assets.	Dec. 16, 1922.	Dec. 9, 1922.	Nov. 25, 1922.	Nov. 18, 1922.	Dec. 17, 1921.
Gold	535,154	533,054	533,053	533,050	496,459
Silver, &c.	604	508	508	508	313
Government loan	12,550,329	12,535,195	12,535,333	12,571,956	12,545,938
Other advances	4,201,641	4,230,170	4,218,119	4,148,259	2,335,522
LIABILITIES.					
Notes in circulation	15,184,171	15,304,988	15,361,486	15,385,993	13,769,378
Deposits	6,758,384	6,651,281	6,597,792	6,545,561	5,659,691

BANK OF SWEDEN.
(000's omitted.)

Assets.	Dec. 23, 1922.	Dec. 16, 1922.	Dec. 9, 1922.	Dec. 2, 1922.	Dec. 27, 1921.	May 31, 1914.
Gold	273,987	273,963	273,978	273,937	274,769	104,918
Balance abt. and foreign bills	147,566	119,448	90,213	77,029	123,447	112,178
Swedish and for. Gov. securities	95,394	96,392	94,420	93,918	130,424	33,465
Discounted loans	480,842	503,157	464,940	401,507	556,536	118,668
LIABILITIES.						
Notes in circulation	547,157	529,574	521,776	582,404	591,078	226,556
Deposits at notice	386,022	401,733	353,531	206,936	308,932	89,660

NATIONAL BANK OF BELGIUM.
(000's omitted.)

Assets.	Dec. 23, 1922.	Dec. 21, 1922.	Dec. 14, 1922.	Dec. 7, 1922.	Dec. 29, 1921.	Position May 28, 1914.
Coin (gold & silver and bullion)	341,972	341,651	340,691	338,620	327,758	309,650
Securities	634,546	639,565	639,409	639,185	629,972	637,600
LIABILITIES.						
Notes in circulation	6,700,836	6,641,656	6,660,245	6,661,322	6,293,576	934,150
Current accounts	498,381	508,299	487,715	509,508	675,918	112,125

AUSTRIAN BANK.
(000's omitted.)

Assets.	Dec. 23, 1922.	Dec. 15, 1922.	Dec. 7, 1922.	Nov. 30, 1922.
Gold coin and bullion, bills.	669	597	442	465
Silver coin	8	8	8	8
Bills discounted, warrants and drafts	671,990,633	640,148,622	679,194,580	721,244,516
Loans	620,662	535,699	720,725	702,346
LIABILITIES.				
Notes in circulation	3,858,081,366	3,711,593,439	3,478,444,060	3,417,786,498
Deposits	318,878,473	227,224,050	242,436,806	207,846,951

HUNGARIAN BANK.
(000's omitted.)

Assets.	Dec. 23, 1922.	Dec. 15, 1922.	Dec. 7, 1922.	Nov. 30, 1922.
Gold coin and bullion, bills.	15,727	15,653	15,342	14,916
Silver coin, &c.	596	596	596	596
Bills, warrants, drafts, &c.	49,869,292	48,490,454	48,897,939	49,245,537
Loans	1,970,346	2,004,303	1,893,808	1,860,987
LIABILITIES.				
Notes in circulation	73,931,997	72,845,283	72,007,176	72,016,112
Deposits	5,972,231	5,010,516	5,534,573	6,407,920

NATIONAL BANK OF DENMARK.
(000's omitted.)

Assets.	Nov. 30, 1922.	Oct. 31, 1922.	Sept. 30, 1922.	Aug. 31, 1922.	Nov. 30, 1921.	Position May 30, 1914.
Coin and bullion	228,350	228,301	228,299	228,304	228,335	76,644
Loans & discounts	462,035	500,693	516,854	421,515	379,791	88,470
Debtors abroad	10,893	9,115	15,745	18,018	13,226	24,102
Securities	15,562	16,066	15,910	16,499	40,411	11,988
LIABILITIES.						
Circulation	459,310	478,134	466,555	423,751	465,041	157,266
Deposits	169,211	181,481	211,064	147,015	136,998	6,696

BANK OF NORWAY.
(000's omitted.)

Assets.	Dec. 22, 1922.	Dec. 15, 1922.	Dec. 7, 1922.	Dec. 2, 1922.	Position May 31, 1914.
Coin and bullion—Gold	147,291	147,291	147,291	147,293	44,224
Balance abroad and foreign bills	39,770	39,988	39,883	39,177	28,533
Norwegian & Foreign Government securities	9,415	9,415	9,415	8,792	8,816
Discounts and loans	455,350	450,140	435,508	419,653	76,911
LIABILITIES.					
Notes in circulation	392,839	377,313	368,024	422,103	113,484
Deposits at notice	129,627	139,662	134,022	102,250	7,188

Through Royal resolution of February 3, 1922, it has been resolved that the extraordinary right of issuing bank notes has been reduced from 50 millions to 25 millions from February 4, 1922 (this day included).

IMPERIAL BANK OF INDIA.
(000's omitted.)

Assets.	Dec. 8, 1922.	Dec. 1, 1922.	Nov. 24, 1922.	Nov. 17, 1922.	Nov. 10, 1922.	Dec. 9, 1921.
Govt. securities	8,527.70	8,558.58	8,563.35	8,564.64	8,235.57	11,405.57
Other securities	1,258.87	1,265.09	1,265.09	1,265.09	1,265.09	1,334.44
Loans	16,011.38	16,041.60	16,244.22	16,605.51	16,763.32	25,450.03
Cash credits	25,934.43	26,564.44	25,924.02	25,918.18	25,678.32	23,214.35
Inland bills	5,191.17	4,412.20	4,293.96	5,000.45	4,392.27	9,684.44
Foreign bills	11.93	14.38	16.73	16.71	12.85	4.00
Dead stock	2,490.01	2,484.74	2,488.89	2,488.26	2,477.75	2,229.81
Stores	64.56	63.65	53.36	52.92	56.63	52.61
Real estate	7.85	6.29	3.79	5.09	6.17	13.78
Cash	21,208.86	25,671.15	27,024.58	27,956.92	30,873.36	16,684.19
LIABILITIES.						
Subscribed capital	11,244.96	11,244.96	11,244.96	11,244.96	11,244.96	11,238.88
Capital paid up	5,624.49	5,624.49	5,624.49	5,624.49	5,624.49	5,622.22
Reserve	4,118.89	4,118.89	4,118.89	4,118.89	4,118.89	3,917.79
Public deposits	11,529.34	11,863.97	10,844.06	9,071.04	8,225.54	9,067.71
Other deposits	57,645.56	61,700.91	63,545.45	67,215.58	70,055.57	70,610.07
Loans against securities	1,096.0	1,166.69	1,171.15	1,163.92	1,218.84	40.38
Stores	1.38	1.38	1.38	1.38	1.38	1.38
The above includes—						
Deposits in Lond'n	201	172	184	187	202	40
Adv'ces in Lond'n	905	955	999	969	979	335
Cash, &c., at other banks in Lond'n	46	30	20	28	36	88

NATIONAL BANK OF EGYPT.
(000's omitted.)

Assets.	Oct. 31, 1922.	Sept. 30, 1922.	Aug. 31, 1922.	Oct. 31, 1921.	Position May 31, 1914.
Gold	3,359	3,358	3,359	3,364	1,571
Government securities	41,389	36,058	34,975	41,575	1,084
LIABILITIES.					
Notes in circulation	32,781	27,615	25,360	35,875	1,400
Government deposits	6,088	4,218	4,106	2,276	2,315
Other deposits	12,313	11,064	12,346	13,847	2,660

By authority of the Egyptian Government British Treasury Bills were deposited in lieu of gold.

BANK OF FINLAND.
(000's omitted.)

Assets.	Dec. 15, 1922.	Dec. 8, 1922.	Nov. 2, 1922.	Dec. 15, 1921.	Position May 30, 1914.
Gold	43,373	43,373	43,373	43,373	35,091
Balance abroad and foreign bills	887,200	921,479	939,431	391,350	90,379
Swedish and for. Gov. securities	609,955	612,424	613,897	889,840	21,826
Discounts and loans	530,775	508,838	478,060	485,990	106,151
LIABILITIES.					
Notes in circulation	1,355,872	1,358,882	1,343,333	1,333,563	123,941
Deposits at notice	501,158	513,958	516,860	133,091	21,225

BANK OF PORTUGAL.
(000's omitted.)

	Nov. 1, 1922.	Oct. 25, 1922	Oct. 18, 1922	Oct. 11, 1922.	Nov. 2, 1921.
Assets.	Escudos.	Escudos.	Escudos.	Escudos.	Escudos.
Coin and bullion ..	26,866	26,843	26,829	26,791	27,755
Of which gold	8,577	8,577	8,577	8,577	8,577
Balance abroad	30,935	34,977	37,734	22,463	3,214
Government loans...	167,135	166,554	166,097	166,725	112,534
Government bonds...	860,097	860,097	820,097	800,097	620,109
LIABILITIES.					
Notes in circulation	987,507	971,143	965,700	945,945	685,629
Deposits	45,104	45,764	44,134	42,785	50,423

RATES OF EXCHANGE.

New York on—	Par Level	Jan. 5, 1922.	Dec. 21, 1922.	Dec. 28, 1922.	Jan. 4, 1923.
London—					
60 days		414625	46212	46175	46113
Cable		41925	46462	464	4649
Cheques		418875	46437	46375	4645
Paris	Dollars for £1	48666			
Brussels	Cents for 1 franc	19.30	7.96	7.95	7.94
Switzerland	Cents for 1 franc	19.30	7.60	6.825	6.56
Italy	Cents for 1 lire	19.30	4.28	5.09	5.095
Berlin	Cents for 1 mark	23.83	0.5075	0.0156	0.0133
Vienna	Cents for 1 krone	20.26	14.88	15.73	15.75
Madrid	Cents for 1 peseta	19.30	14.88	15.73	15.75
Amsterdam	Cents for 1 guilder	40.195	36.60	39.34	39.60
Copenhagen	Cents for 1 kroner	26.80	19.88	20.67	20.51
Christiania	Cents for 1 kroner	26.80	19.88	20.67	20.51
Stockholm	Cents for 1 krona	26.80	19.88	20.67	20.51
Algeria	Cents for 1 drachma	19.30	4.45	1.3	1.25
Antwerp	Cents for 1 franc	100	44.75	49.125	48.75
Yokohama	Cents for 1 yen	49.85	47.55	48.85	48.9
Hong Kong	Cents for H. Kong \$	..	55.45	52.75	52.9
Shanghai	Cents for 1 shang. tael	..	74.30	70.5	71.95
Calcutta	Cents for 1 rupee	..	27.85	30.85	31.2
Buenos Aires	Gold pesos for \$100	103.65	133.25	116.75	116.5
Rio de Janeiro	Cents for 1 milreis	32.42	12.55	12.00	11.70
Valparaiso	Cents for 1 peso	20.60	11.20	12.0	12.40

CONTINENTAL RATES OF EXCHANGE ON GERMANY.

	Par Level	Jan. 5, 1922.	Dec. 20, 1922.	Dec. 28, 1922.	Jan. 4, 1923.
Amsterdam	Florins to 100 marks	59.26	1.365	0.037	0.031
Switzerland	Francs to 100 marks	123.45	2.60	0.0775	0.066
Openhagen	Kroner to 100 marks	88.88	2.50	0.072	0.061
Stockholm	Kroner to 100 marks	88.88	2.03	0.055	0.047
Christiania	Kroner to 100 marks	88.88	2.75	0.078	0.066

CENTRAL AMERICAN EXCHANGE RATES.

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

Country.	Par Value.	Usance.	Year, 1922.	Rate.
Buenos Aires	1000	Sight London	Dec. 30	16.92
Venezuela	1000	"	Dec. 28	24.35
Colombia (Bogota)	100	"	Jan. 20	97
Managua	100	"	Dec. 15	97
San Salvador	100	"	Nov. 24	9.20
Guatemala	100	"	Dec. 30	272
Costa Rica	100	"	Dec. 7	19.95
Bolivia	100	"	Dec. 2	178

ESTHONIAN EXCHANGE RATES.

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

Reval on	Dec. 13, 1922.	Dec. 15, 1922.	Dec. 18, 1922.	Dec. 20, 1922.	Dec. 22, 1922.
London (cheque)	Selling. 1.53	Selling. 1.53	Selling. 1.53	Selling. 1.53	Selling. 1.53
New York	342.75	342.75	342.75	342.75	342.75
Berlin	4.25	4.70	5.25	5.25	5.30
Helsingfors	850	859	855	855	855
Stockholm	9.225	9.230	9.220	9.220	9.220
Copenhagen	7.125	7.175	7.150	7.150	7.075
Paris	2.440	2.475	2.530	2.530	2.550
Amsterdam	13.700	13.750	13.725	13.680	13.700
Riga	138	136.50	137.50	135.50	136
Prague	1.095	1.070	1.025	990	1.030
Rome	1.705	1.730	1.740	1.760	1.755

LATVIAN EXCHANGE RATES.

Riga on—	Lats for	Nov. 22, 1922.	Nov. 29, 1922.	Dec. 6, 1922.	Dec. 13, 1922.	Dec. 20, 1922.
London	£1	23.42	23.54	23.59	23.92	23.90
New York	\$1	5.21	5.21	5.19	5.18	5.16
Paris	100 frs.	37.50	36.13	36.26	36.74	38.70
Brussels	100 frs.	35.24	33.15	33.46	33.86	35.54
Switzerland	100 frs.	97.64	96.83	97.96	98.13	97.81
Italy	100 lire	24.22	24.81	25.71	25.79	26.54
Stockholm	100 kr.	139.90	140.54	140.12	139	138.71
Christiania	100 kr.	95.11	95.98	96.78	98.54	98.25
Copenhagen	100 kr.	105.66	106.35	106.36	107.92	106.79
Prague	100 kr.	16.38	16.38	16.47	16.27	15.17
Amsterdam	100 fl.	206.04	206.04	206.53	207.19	206.95
Berlin	10,000 mk.	8.22	6.04	6.25	6.21	7.84
Helsingfors	100 mk.	13.15	13.15	13.11	13.04	12.88
Reval	100 mk.	1.52	1.52	1.52	1.52	1.50
Warsaw	10,000 mk.	4.00	3.5	4.00	3.5	3.25

Note.—The unit of Latvian money is the Lat, equal to one gold franc.

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates:—

	Union of South Africa.	Union of South Africa.
	From Dec. 9, 1922.	From Dec. 9, 1922.
	London on South Africa.	South Africa on London.
	Buying.	Selling.
T.T.	3% prem.	3% dis.
60 days	3% prem.	3% dis.
90 days	3% prem.	3% dis.
120 days	3% prem.	3% dis.

* No premium allowed on amounts under £100.

(a) No discount allowed on sales of T.T. or demand drafts under £50.

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

	London on Australia and New Zealand.	Australia and New Zealand on London.
	Buying.	Selling.
	Aus. Zeal'nd.	Aus. Zeal'nd.
T.T.	..	..
Sight	..	..
Cable	..	..
On demand	..	..
30 days	..	..
60 days	..	..
90 days	..	..
120 days	..	..

INDIAN TREASURY BILLS.

	March 31, 1922.	Dec. 23, 1922.
Outstanding with public	53,96,70,000	28,40,05,000
In paper currency reserve	57,89,00,000	49,65,00,000
Total	111,85,70,000	78,05,05,000

India Office, December 30, 1922.

The Secretary of State for India in Council has decided, after consultation with the Government of India, to offer for sale by competitive tender a limited amount of Council bills and telegraphic transfers (deferred and immediate). The first sale will be held on Tuesday, January 9, 1923, and the amount offered will be 50 lakhs of rupees. The holding of further sales at the present time, and the amounts to be offered, will be dependent on conditions of exchange. This resumption of the sale of Council drafts has been decided upon with a view to strengthening the Secretary of State's sterling resources against his requirements in 1923-4.

BULLION.

The gold movements to or from the Bank of England are no longer announced. For the week ended January 3, 1923, the stock of coin and bullion shows an increase of £50,183 compared with the previous return.

IMPORTS AND EXPORTS OF GOLD.

Gold Imported into the United Kingdom.	Week Ended Jan. 3, 1923.	Gold Exported from the United Kingdom.	Week Ended Jan. 3, 1923.
Countries from which Consigned.		Countries to which Exported.	
Germany	£ 191	Netherlands	£ 14,300
Belgium	17,500	U.S.A.	1,562,452
France	25	British India	747,695
U.S.A.	97	Straits Settlements	10,000
British South Africa	1,017,512	Other Countries	500
Other Countries	225		
Total value of imports of gold	1,035,550	Total declared value of exports registered in the week	2,334,947

Messrs Samuel Montagu and Co. write as follows on January 3rd:—

GOLD.

The Indian demand this week has been good, and the bulk of the available supplies has been taken for that quarter. Gold valued at \$7,784,000 has arrived in New York—\$7,427,000 from London and \$357,000 from France. Details regarding Indian imports and exports of gold during the financial year 1921-22 are shown below. The figures are in lakhs of rupees:—Total imports, 13.82; exports, 10.68. The following figures show the imports and exports of gold to and from New York during the month of November:—Imports, \$15,554,118; exports, \$550,796.

SILVER.

The market has been still to a large extent under the influence of holidays and business has not been active. The Indian bazaars have bought small amounts daily, whilst China and the Continent have contributed most of the supplies. The immediate tendency seems fairly good, but confidence in the more distant future is lacking. Advice from Washington under date of December 22nd last gave the total amount of silver purchased under the Pittman Act as 147,800,075 ounces. Unusual sources of silver are by no means exhausted, for we learn from the Soviet Press that, by persistent search, the authorities are obtaining from the churches considerable quantities in the form of vessels and ornaments. One church alone in the town of Volsk is said to have yielded to cwts of silver. The Times of June 7th last stated that a bell of solid silver, weighing 6 cwts, or 10,000 ounces, had been confiscated by the Soviet authorities from the Cathedral of Kharkoff, in Russia. Much of the church treasure has undoubtedly been secreted, and there is a likelihood of many private individuals having caches of their own, which will not be unearthed until

the advent of happier days. Statistics for the month of December are appended:—

	Bar Silver per Ounce Standard.	Bar Gold.
	Cash Delivery.	Per Fine Ounce.
Highest price	32 1/2	91 4
Lowest	30 3/4	88 5
Average price	31.383	89 6

INDIAN CURRENCY RETURNS.

	Dec. 7, 1922.	Dec. 15, 1922.	Dec. 22, 1922.
Notes in circulation	17,647	17,357	17,483
Silver coin and bullion in India	8,889	8,799	8,725
Silver coin and bullion out of India	..	..	..
Gold coin and bullion in India	2,432	2,432	2,432
Gold coin and bullion out of India	..	..	..
Securities (Indian Government)	5,742	5,742	5,742
Securities (British Government)	584	584	584

No silver coinage was reported during the week ending 22nd ult. The stock in Shanghai on the 30th ult. consisted of about 27,000,000 ounces in sycee, 29,000,000 dollars, and 1,530 silver bars, as compared with about 28,300,000 ounces in sycee, 26,000,000 dollars, and 10 silver bars on the 23rd ult. The Shanghai exchange is quoted at 3s the tael.

GOLD AND SILVER PRICES.

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

1923.	Gold.	Silver.	Date.	Silver.
	Per Ounce.	Cash, Per Ounce.		Cash, Per Ounce.
Dec. 30 ('22) ..	88 11	31 1/2	Jan. 12, 1917	36
Jan. 1 ..	88 11	31 1/2	11, 1918	45 1/2
2 ..	89 3	31 1/2	11, 1919	48 1/2
3 ..	89 1	31 1/2	9, 1920	78 1/2
4 ..	83 10	32 1/2	7, 1921	41 1/2
5 ..	89 0 nom	31 1/2	6, 1922	34 1/2

NOTICES.

Barclays Bank, Limited, announce that they have opened a new branch at 92 South Ealing road, W. 5, under the control of Mr G. A. T. Evans, also manager Ealing (Broadway) branch. Their office at 179 Wood street, Walthamstow, has been converted into a full branch, under the management of Mr J. L. W. Duffield. They also announce the opening of a new branch at 401 Mile-End road, E. 3 (temporary premises), under the management of Mr C. F. Donovan, and a new branch at 44 Fore street, Tiverton, Devon, under the management of Mr E. V. Harris.

The National Provincial and Union Bank of England, Limited, announce that a branch of the bank is now open at Boston Spa, Yorkshire (resident officer, Mr A. B. Mackenzie), and a branch is also now open at 128 Edgware road, W. 2, under the management of Mr E. H. Symes.

Lloyds Bank, Limited, announce that branches of the bank are now open at Station road, Harrow-on-the-Hill, under the management of Mr H. S. Gill; at High street, Dunmow, under the management of Mr C. G. A. Brooks, of the Braintree branch; and that the sub-branch at Ripponden is now made a full branch, under the management of Mr F. H. Whiteley, of the Sowerby Bridge branch. The branch at Winchcombe has been transferred to larger premises at The Cross, Winchcombe, under the management of Mr J. W. Buve.

Bernhard, Scholle and Co., Limited, announce their incorporation as a private company, with a capital of £400,000, fully paid, to transact the business of bankers at Warfield court, Throgmorton street, E.C. 2, and 15 Boulevard des Italiens, Paris.

We are authorised to state that an amalgamation has been arranged between the well-known banking firms, Messrs Frederick Huth and Co., of 12 Tokenhouse yard, E.C., and Messrs Konig Brothers, of 1 St Michael's alley, E.C., as from January 1, 1923, and that the partners in the new firm will be Mr F. A. Konig, Mr Edward Huth, Mr L. Huth Walters, Mr L. E. Meinertzhagen, and Mr H. H. Konig. The business of the above firms will be carried on by the new firm under the name of Frederick Huth and Co., at 12 Tokenhouse yard.

The British Trade Corporation announces that it has opened a branch at Zagreb (Ygram), Yugo-Slavia. A branch of the corporation has already been in existence for some years at Belgrade.

The Swiss Bank Corporation, London, announce that Mr G. F. Blake has retired from the management, and, with their approval, is taking up other work in the city.

The National Bank of South Africa, Limited, announces with regret the resignation as at December 31, 1922, of Mr Douglas Cunningham, the manager of the bank's London office. Pending completion of arrangements for filling the vacancy, Mr H. Judson and Mr R. B. Edwards, at present assistant managers in the bank's London office, have been appointed to act as joint managers, with effect from January 1, 1923.

The London Joint City and Midland Bank, Limited,

announce the opening of new branches as follows:—6 West street, Horsham, Sussex, Mr F. Warren Dillow, manager; 5-7, Great Underbank, Stockport, Cheshire, Mr W. M. Douglas, manager; 7 High street, Whitechurch, Salop, Mr B. Thomas, manager. A new office is also now open daily at Beacon Hill, Hindhead, Surrey, under the supervision of Mr F. W. Lewis, manager of the Haslemere branch.

Brigadier-General Arthur Maxwell, C.M.G., D.S.O., and Mr Eric Gore Browne, D.S.O., have been appointed managing partners of Messrs Glyn, Mills, Currie and Co.

MINING OUTPUT STATISTICS FOR DECEMBER, 1922.

	Tons Crushed.	Gold Recovered.	Value.	Profit.
	Mill.	Crude Works.	Mill.	Crude Works.
Gold.				
Cam and Motor	15,600	6,487	27,510	9,088
Frontino and Bolivia	2,190	..	9,355	..
Mexican Corporatn. (Nov.)	85,013	..	..	\$96,350
Oroville Dredging (28 days to Dec. 23)	..	..	..	..
Reverde	6,100	1,407	15,193	14,161

	Output.	Other Notes in Return.
Tin.	Tons.	
Deebook Dredging	25	Estimated value, £6,415; est. costs, £1,695.
Gopeng	624	..
Janter	25	..
Kafti Cons.	25	..
Lehat	343	Value, £3,819; tribute profit £109.
Malayan	834	Value, £8,969.
Pahang	170 tons; alluvial, 20 tons.	..
Rayfield	45	Shipped 42 tons.
Ropp	113	..
Siamese	..	104 tons 104 cwt.
Southern Perak	333	Value, £3,500; cost, £1,808.
Tekka-Taiing	41	Estimated value, £4,200; est. costs, £250.
Coal.		
Chislet	1,812	Week ended Dec. 30th.
East Kent	1,540	Week ended Dec. 30th; total of 169,673 tons for year.
Middleburg Steam	18,770	..
Wankie	20,065	Coke sales, 9,013 tons.
Miscellaneous.		
Freemantle Trading	125	Soft lead.
New Vial River	..	Diamonds, 530 carats; valued at £3,594.

ELECTROLYTIC ZINC CO. OF AUSTRALASIA.—Production during four-weekly period ended Dec. 13th, 2,027 tons zinc; silver lead product for shipment to Port Pirie for realisation, containing 249 tons lead, 37,758 ozs silver.

MOUNT MOROGA Gold Mining.—For the six weeks ending December 26th treated 7,431 tons Mount Morgan ore, 54 tons Many Peaks ore, 7,571 tons concentrates, and 41 tons of purchased ore and secondary products; produced 657 tons blister copper, containing 650 tons copper and 7,983 ozs gold, including 1 ton copper and nil ozs gold from Many Peaks; also 20 tons copper and nil ozs gold from purchased ore and secondary products. Concentrator treated 23,357 tons ore for a production of 8,918 tons of concentrates, containing 456 tons copper and 5,663 ozs gold. In addition to above production, have matte on hand containing 21 tons copper and 210 ozs gold.

OIL OUTPUTS.

APEX (TRINIDAD) OILFIELDS, LIMITED.—The estimated gross production of crude oil for the month of December was 49,481 barrels, equal to approximately 7,000 tons, and the oil delivered to Trinidad Leaseholds, Limited, amounted to about 5,000 tons. The output has been regulated by the capacity of Trinidad Leaseholds, Limited, to take delivery of oil, but it is anticipated that increased deliveries will be accepted from now onwards.

COMMONWEALTH OIL CORPORATION, LIMITED.—Cable advice from Sydney reports for the four weeks ended December 29, 1922:—Shale mined, 1,279 tons; shale retorted, 1,696 tons; crude oil and naphtha produced, 167,362 gallons (equal to 68.6 gallons per ton of shale).

UNITED BRITISH OILFIELDS OF TRIN

IMPERIAL BANK OF GERMANY.

(000's omitted.)

Assets.	Dec. 23, 1922.	Dec. 15, 1922.	Dec. 7, 1922.	Dec. 23, 1921.	Position May 30, 1914.
Gold	1,004,845	1,004,846	1,004,847	993,695	1,315,240
Of which deposited in Bank of England	50,032	50,032	50,032	50,032	321,920
Silver	67,839	66,337	65,057	10,447	943,460
Treasury notes	241,076,277	177,607,102	139,238,090	6,208,644	60,780
Bills discounted	1,365,019,631	1,180,629,488	1,007,886,030	118,445,263	2,013,860
Notes in circulation	1,369,909,782	970,202,013	846,894,285	108,995,550	842,340
Deposits	435,121,750	334,981,233	257,328,787	21,789,203	

RUSSIAN STATE BANK.

(000's omitted.)

Assets.	Aug. 1, 1922.	July 1, 1922.
Cash	2,353,799	2,353,799
Loans	5,884,164	5,884,164
Special credits on merchandise	765,663	765,663
Food credits	2,050,310	2,050,310
Debtors	294,242	294,242
Merchandise	465,300	465,300
Discounts	152,166	152,166
Advances on securities	162,078	162,078
Foreign coin and bonds	512,639	512,639
Precious metals	478,194	478,194
LIABILITIES.		
Subscribed capital	575,000	575,000
Loan account	6,772,649	6,772,649
Deposits bearing interest	2,376,766	2,376,766
Deposits in foreign currencies	121,637	121,637
Public deposits	7,400,995	7,400,995

BANK OF ITALY.

(000's omitted.)

Assets.	Nov. 30, 1922.	Nov. 20, 1922.	Nov. 10, 1922.	Oct. 31, 1921.	Nov. 30, 1921.	Position May 30, 1914.
Total cash	1,368,086	1,340,619	1,333,469	1,332,474	1,403,684	1,221,875
Inland bills	4,596,211	4,509,025	4,521,749	4,489,149	3,425,952	418,400
Foreign bills	9,550	9,534	9,529	9,529	19,489	81,300
Advances to the Treasury	6,108,202	6,111,994	6,111,451	6,105,441	6,580,070	791
Other advances	1,955,216	2,034,570	2,263,728	2,488,584	2,693,661	19,175
Securities	395,515	395,056	395,067	395,664	419,925	205,700
LIABILITIES.						
Notes in circulation	13,958,195	13,940,734	14,228,437	14,231,328	13,692,237	1,556,925
Deposits & drafts	1,734,104	1,647,294	1,636,202	1,701,527	1,752,900	193,975

NETHERLANDS BANK.

(000's omitted.)

Assets.	Dec. 27, 1922.	Dec. 18, 1922.	Dec. 11, 1922.	Dec. 4, 1922.	Dec. 27, 1921.	Position May 30, 1914.
Gold	581,790	581,790	581,789	581,789	606,969	183,092
Silver	8,990	8,990	8,990	8,990	8,241	8,436
Notes in circulation	419,369	393,362	396,162	405,460	428,533	153,504
Deposits	974,963	369,251	976,289	990,726	1,012,878	316,632
Deposits & drafts	48,965	31,115	28,989	25,947	30,573	5,016

SWISS NATIONAL BANK.

(000's omitted.)

Assets.	Dec. 23, 1922.	Dec. 15, 1922.	Dec. 7, 1922.	Nov. 30, 1921.	Dec. 23, 1921.	Position May 30, 1914.
Gold	533,154	533,054	533,012	531,915	548,137	171,175
Silver	108,640	108,744	108,946	113,391	115,005	18,360
Deutsche-Markens	11,712	11,712	11,688	11,688	11,712	103,000
Assets & advances	392,859	396,718	367,304	357,569	335,426	
LIABILITIES.						
Notes in circulation	938,785	916,618	955,079	987,985	959,616	775,925
Deposits	147,676	153,024	110,631	79,117	104,638	33,750

The Monthly Statement of the Swiss Federal Loan Bank (Darlehenskasse) shows that up to November 30, 1922, total issues were Fr.19,354,013, of which Fr.11,687,475 was held by the Swiss National Bank.

NATIONAL BANK OF ROUMANIA.

(000's omitted.)

Assets.	Dec. 16, 1922.	Dec. 9, 1922.	Nov. 25, 1922.	Nov. 18, 1922.	Dec. 17, 1921.
Gold	533,154	533,054	533,012	531,915	548,137
Silver	108,640	108,744	108,946	113,391	115,005
Deutsche-Markens	11,712	11,712	11,688	11,688	11,712
Assets & advances	392,859	396,718	367,304	357,569	335,426
LIABILITIES.					
Notes in circulation	938,785	916,618	955,079	987,985	959,616
Deposits	147,676	153,024	110,631	79,117	104,638

BANK OF SWEDEN.

(000's omitted.)

Assets.	Dec. 23, 1922.	Dec. 16, 1922.	Dec. 9, 1922.	Dec. 2, 1922.	Dec. 27, 1921.	May 24, 1914.
Gold	273,987	273,987	273,987	273,987	273,987	104,918
Silver	147,566	119,448	90,213	77,029	123,247	112,179
Deutsche-Markens	95,394	95,392	94,420	93,918	19,042	38,465
Discontinued loans	480,842	503,157	464,614	401,307	556,535	112,668
LIABILITIES.						
Notes in circulation	547,157	529,574	581,776	582,404	592,556	226,556
Deposits & drafts	386,022	401,733	353,531	206,936	308,932	69,660

NATIONAL BANK OF BELGIUM.

(000's omitted.)

Assets.	Dec. 28, 1922.	Dec. 21, 1922.	Dec. 14, 1922.	Dec. 7, 1922.	Dec. 29, 1921.	Position May 24, 1914.
Gold	341,972	341,651	340,691	338,620	327,758	322,650
Other coin and bullion	634,546	699,565	599,049	591,185	425,912	697,600
LIABILITIES.						
Notes in circulation	6,700,886	6,641,656	6,660,245	6,661,322	6,289,576	934,150
Current accounts	498,381	508,929	487,715	509,508	675,918	112,126

AUSTRIAN BANK.

(000's omitted.)

Assets.	Dec. 23, 1922.	Dec. 15, 1922.	Dec. 7, 1922.	Nov. 30, 1921.
Gold coin and bullion, bills	669	597	442	465
Silver coin, bills, warrants and drafts	671,990,633	640,148,622	679,194,580	721,244,516
LIABILITIES.				
Notes in circulation	3,858,081,366	3,711,593,439	3,478,444,060	3,117,786,498
Deposits	318,878,473	227,244,050	242,436,806	207,846,951

HUNGARIAN BANK.

(000's omitted.)

Assets.	Dec. 23, 1922.	Dec. 15, 1922.	Dec. 7, 1922.	Nov. 30, 1921.
Gold coin and bullion, bills	15,727	15,653	15,342	14,916
Silver coin, bills, warrants and drafts	49,869,292	48,490,454	48,897,969	49,245,537
LIABILITIES.				
Notes in circulation	73,931,297	72,845,283	72,007,176	72,016,112
Deposits	5,972,231	5,010,516	5,934,573	6,407,920

NATIONAL BANK OF DENMARK.

(000's omitted.)

Assets.	Nov. 30, 1922.	Oct. 31, 1922.	Sept. 30, 1922.	Aug. 31, 1922.	Nov. 30, 1921.	Position May 30, 1914.
Coin and bullion	228,301	228,301	228,299	228,304	228,335	76,644
Loans & discounts	462,035	500,693	516,854	421,515	379,791	88,470
Debtors abroad	10,893	9,113	13,795	18,018	13,226	24,102
Securities	15,562	16,066	15,510	16,499	40,411	11,988
LIABILITIES.						
Circulation	459,310	478,134	466,555	423,751	465,041	157,266
Deposits	169,211	181,481	211,064	147,015	136,998	6,696

BANK OF NORWAY.

(000's omitted.)

Assets.	Dec. 22, 1922.	Dec. 15, 1922.	Dec. 7, 1922.	Dec. 22, 1921.	Position May 30, 1914.
Coin and bullion—Gold	147,291	147,291	147,291	147,293	44,224
Balance abroad and foreign bills	39,770	39,988	39,883	39,177	28,533
Norwegian & Foreign Government securities	9,415	9,415	9,415	8,792	8,816
Discounts and loans	455,350	450,140	435,308	419,653	76,911
LIABILITIES.					
Notes in circulation	392,839	377,313	368,024	422,103	113,484
Deposits at notice	129,627	139,662	134,022	102,250	7,188

Through Royal resolution of February 3, 1922, it has been resolved that the extraordinary right of issuing bank notes has been reduced from 50 millions to 25 millions from February 4, 1922 (this day included).

IMPERIAL BANK OF INDIA.

(000's omitted.)

Assets.	Dec. 8, 1922.	Dec. 1, 1922.	Nov. 24, 1922.	Nov. 17, 1922.	Nov. 10, 1922.	Dec. 9, 1921.
Govt. securities	8,52,70	8,55,58	8,56,35	8,36,64	8,23,57	11,40,57
Other securities	1,25,87	1,25,87	1,25,87	1,25,87	1,25,87	1,33,44
Loans	16,01,38	16,01,38	16,01,38	16,01,38	16,01,38	25,45,03
Cash credits	25,93,43	26,56,44	25,92,02	25,99,18	25,68,78	23,21,35
Inland bills	5,19,17	4,41,20	4,29,96	5,00,05	4,39,27	9,68,44
Foreign bills	11,93	14,38	16,73	16,71	12,85	4,00
Dead stock	2,49,01	2,48,74	2,48,89	2,48,26	2,47,75	2,29,81
Sundries	64,54	63,63	53,36	52,92	52,61	56,44
Balance with other banks	7,85	5,29	5,79	5,09	6,17	13,78
Cash	21,20,85	25,67,15	27,02,58	27,95,94	30,87,36	16,68,19
LIABILITIES.						
Subscribed capital	11,24,96	11,24,96	11,24,96	11,24,96	11,24,96	11,23,88
Capital paid up	5,62,49	5,62,49	5,62,49	5,62,49	5,62,49	5,62,22
Reserve	4,11,89	4,11,89	4,11,89	4,11,89	4,11,89	3,91,79
Public deposits	11,59,34	11,86,97	10,84,05	9,07,74	8,22,54	9,05,71
Other deposits	57,64,56	61,70,91	63,53,45	67,21,58	70,05,37	70,61,07
Loans against securities	1,26,66	1,16,69	1,17,15	1,16,32	1,21,84	40,38
Sundries	1,38,66	1,33,96	1,24,99	1,20,78	1,16,67	1,20,17
The above includes—						
Deposits in London	2	172	184	187	2	2
Advances in London	905	955	999	959	979	330
Cash, &c., at other banks in London	46	30	20	28	36	88

NATIONAL BANK OF EGYPT.

(000's omitted.)

Assets.	Oct. 31, 1922.	Sept. 30, 1922.	Aug. 31, 1922.	Oct. 31, 1921.	Position May 30, 1914.
Gold	3,359	3,358	3,359	3,364	1,571
Government securities	41,389	36,058	34,975	41,575	1,084
LIABILITIES.					
Notes in circulation	32,781	27,615	25,760	35,875	2,400
Government deposits	6,088	4,218	4,106	2,276	2,315
Other deposits	12,313	11,064	12,346	13,847	2,660

By authority of the Egyptian Government British Treasury Bills were deposited in lieu of gold.

BANK OF FINLAND.

(000's omitted.)

Assets.	Dec. 15, 1922.	Dec. 8, 1922.	Nov. 30, 1922.	Dec. 15, 1921.	Position May 30, 1914.
Gold	43,373	43,373	43,373	42,625	35,091
Balance abroad and foreign bills	887,200	921,479	939,431	291,350	90,379
Finland and Foreign Government securities	609,955	612,494	613,897	889,840	21,826
Discounts and loans	530,775	508,838	478,060	485,990	106,151
LIABILITIES.					
Notes in circulation	1,355,872	1,358,882	1,343,333	1,333,563	123,941
Deposits at notice	501,158	513,958	516,860	133,091	21,225

BANK OF PORTUGAL.

(000's omitted.)

	Nov. 1, 1922.	Oct. 25, 1922.	Oct. 18, 1922.	Oct. 11, 1922.	Nov. 2, 1921.
ASSETS.	Escudos.	Escudos.	Escudos.	Escudos.	Escudos.
Coin and bullion ..	26,866	26,843	26,829	26,791	27,755
Of which gold	8,577	8,577	8,577	8,577	8,577
Balance abroad	30,985	34,977	27,734	22,463	3,274
Discounts	167,195	166,654	166,997	166,725	112,534
Government loans...	860,097	860,097	820,097	800,097	860,109
LIABILITIES.					
Notes in circulation ..	987,507	971,143	965,700	945,745	685,629
Deposits	45,104	45,764	44,134	44,134	45,764

RATES OF EXCHANGE.

New York on—	Par Level	Jan. 5, 1922	Dec. 21, 1922	Dec. 28, 1922	Jan. 4, 1923
London—					
60 days		4.14625	4.6212	4.6175	4.6113
Cable		4.1925	4.6462	4.64	4.649
Paris	Dollars for £1	4.18875	4.6437	4.6375	4.645
Brussels	Cents for 1 franc	19.30	7.96	7.45	7.04
Amsterdam	Cents for 1 franc	19.30	7.60	6.825	6.66
Switzerland	Cents for 1 franc	19.30	19.32	18.92	18.96
Italy	Cents for 1 lire	19.30	4.28	5.09	5.05
Berlin	Cents for 1 mark	23.83	0.5075	0.0156	0.0133
Vienna	Cents for 1 krone	30.26	3.375	0.00145	0.00145
Madrid	Cents for 1 peseta	19.30	14.88	15.73	15.75
Amsterdam	Cents for 1 guilder	40.195	36.60	39.84	39.73
Copenhagen	Cents for 1 kroner	26.80	19.88	20.67	20.51
Christiania	Cents for 1 kroner	26.80	15.50	19.03	18.81
Stockholm	Cents for 1 krona	26.80	24.72	26.93	26.95
Athens	Cents for 1 drachma	19.30	4.45	1.3	1.25
Manila	Cents for Can. \$1	100	94.75	99.125	99.25
Yokohama	Cents for 1 yen	100	47.55	48.85	48.9
Hong Kong	Cents for H. Kong \$	100	55.45	52.75	52.9
Shanghai	Cents for 1 Shing. tael	100	74.30	70.5	70.8
Calcutta	Cents for 1 rupee	100	27.85	30.85	31.2
Bombay	Cents for 1 rupee	100	27.85	30.85	31.2
Sumatra	Gold pesos for \$100	103.65	133.25	116.75	116.00
Sao Paulo	Cents for 1 milreis	32.48	12.55	12.00	11.40
Valparaiso	Cents for 1 peso	20.50	11.20	12.0	12.40

CONTINENTAL RATES OF EXCHANGE ON GERMANY.

	Par Level	Jan. 5, 1922	Dec. 20, 1922	Dec. 28, 1922	Jan. 4, 1923
Amsterdam	Florins to 100 marks	59.26	1.365	0.037	0.031
Switzerland	Francs to 100 marks	123.45	2.60	0.0775	0.066
Copenhagen	Cents for 1 mark	2.50	0.072	0.061	0.063
Stockholm	Kroner to 100 marks	88.88	2.03	0.065	0.047
Christiania	Cents for 1 mark	2.50	0.072	0.061	0.063

CENTRAL AMERICAN EXCHANGE RATES.

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

Country.	Par Value.	Usance.	Year, 1922.	Rate.
Buenos Aires	Escudos to £1	10.00	Sight London	Dec. 30, 16.92
Montevideo	Bolivares to £1	35.25	"	Dec. 28, 24.35
Colon (Panama)	Dollars to £20	100	"	Jan. 20, 97
San Salvador	Colonos to £1	100	"	Dec. 15, 4.80
Guatemala	Colonos to £1	9.75	"	Nov. 24, 9.20
Costa Rica	Pesos to £1	90.23	"	Dec. 30, 27.2
El Salvador	Colonos to £1	10.45	"	Dec. 7, 19.95
Bolivia	Pesos to Boliviano	19.20	"	Dec. 2, 1.78

ESTHONIAN EXCHANGE RATES.

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

Reval on	Dec. 13, 1922	Dec. 15, 1922	Dec. 18, 1922	Dec. 20, 1922	Dec. 22, 1922
London (cheque)	Selling. 1.590	Selling. 1.593	Selling. 1.593	Selling. 1.594	Selling. 1.594
New York	342.75	342.75	342.75	342.75	342.75
Berlin	4.25	4.70	5.25	5.30	5.30
Helsingfors	860	869	857	855	855
Stockholm	100 Kr. 9,225	9,230	9,220	9,240	9,240
Copenhagen	100 Kr. 7,125	7,175	7,150	7,050	7,075
Paris	100 Fr. 2,440	2,475	2,530	2,550	2,550
Amsterdam	100 ffl. 13,700	13,750	13,725	13,680	13,700
Brussels	100 Lrb. 138	136.50	137.50	135.50	136
Prague	1,095	1,070	1,025	990	1,030
Rome	1,705	1,730	1,740	1,760	1,755

LATVIAN EXCHANGE RATES.

Riga on—	Lats for	Nov. 22, 1922	Nov. 29, 1922	Dec. 6, 1922	Dec. 13, 1922	Dec. 20, 1922
London	£1	23.42	23.54	23.59	23.92	23.90
New York	\$1	5.21	5.21	5.19	5.18	5.16
Paris	100 frs.	37.50	36.13	36.26	36.74	36.70
Brussels	100 frs.	35.24	33.15	33.46	33.86	35.54
Amsterdam	100 frs.	97.64	96.83	97.86	98.13	97.81
Stockholm	100 lre.	24.22	24.81	25.71	25.79	26.34
Copenhagen	100 kr.	139.90	140.54	140.12	139	138.71
Christiania	100 kr.	95.11	95.98	96.78	98.54	98.25
Oslo	100 kr.	105.66	106.35	106.36	107.92	106.79
Prague	100 kr.	16.38	16.38	16.47	16.27	15.17
Warsaw	100 fl.	205.04	205.04	206.53	207.19	205.95
Berlin	10,000 mk.	8.32	6.04	6.25	6.21	7.84
Helsingfors	100 fm.	13.16	13.15	13.11	13.04	12.88
Stockholm	100 emk.	1.52	1.52	1.52	1.52	1.50
Warsaw	10,000 pmk.	4.00	3.5	4.00	3.5	3.25

Note.—The unit of Latvian money is the Lat, equal to one gold franc.

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates:—

	Union of South Africa.	Union of South Africa.
	From Dec. 9, 1922.	From Dec. 9, 1922.
	London on South Africa.	South Africa on London.
	Buying.	Selling.
	Buying.	Selling.
£1	11% prem.	3% dis.
50 days	11% prem.	3% dis.
60 days	11% prem.	3% dis.
90 days	11% prem.	3% dis.
120 days	11% prem.	3% dis.

* No premium allowed on amounts under £100.

(a) No discount allowed on sales of T.T. or demand drafts under £50.

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

	London on Australia and New Zealand.	Australia and New Zealand on London.
	Buying.	Selling.
	Aus. tralia.	New Zealand.
	Aus. tralia.	New Zealand.
T.T.	..	..
Sight	..	..
Cable	..	..
On demand	98	98
30 days	97	97
60 days	97	97
90 days	97	97
120 days	97	97

INDIAN TREASURY BILLS.

	March 31, 1922.	Dec. 23, 1922.
Outstanding with public	53,96,70,000	28,40,05,000
In paper currency reserve	57,89,00,000	49,65,00,000
Total	111,85,70,000	78,05,05,000

The Secretary of State for India in Council has decided, after consultation with the Government of India, to offer for sale by competitive tender a limited amount of Council bills and telegraphic transfers (deferred and immediate). The first sale will be held on Tuesday, January 9, 1923, and the amount offered will be 50 lakhs of rupees. The holding of further sales at the present time, and the amounts to be offered, will be dependent on conditions of exchange. This resumption of the sale of Council drafts has been decided upon with a view to strengthening the Secretary of State's sterling resources against his requirements in 1923-4.

BULLION.

The gold movements to or from the Bank of England are no longer announced. For the week ended January 3, 1923, the stock of coin and bullion shows an increase of £50,183 compared with the previous return.

IMPORTS AND EXPORTS OF GOLD.

Gold Imported into the United Kingdom.	Gold Exported from the United Kingdom.
Countries from which Consigned.	Countries to which Exported.
Week Ended Jan. 3, 1923.	Week Ended Jan. 3, 1923.
Germany	Netherlands
Belgium	U.S.A.
France	British India
U.S.A.	Straits Settlements
British South Africa	Other Countries
Other Countries	
Total value of imports of gold	Total declared value of exports registered in the week

Messrs Samuel Montagu and Co. write as follows on January 3rd:—

GOLD.

The Indian demand this week has been good, and the bulk of the available supplies has been taken for that quarter. Gold valued at \$7,784,000 has arrived in New York—\$7,427,000 from London and \$357,000 from France. Details regarding Indian imports and exports of gold during the financial year 1921-22 are shown below. The figures are in lacs of rupees:—Total imports, 13,82; exports, 10,68. The following figures show the imports and exports of gold to and from New York during the month of November:—Imports, \$15,554,118; exports, \$550,796.

SILVER.

The market has been still to a large extent under the influence of holidays and business has not been active. The Indian bazaars have bought small amounts daily, whilst China and the Continent have contributed most of the supplies. The immediate tendency seems fairly good, but confidence in the more distant future is lacking. Advice from Washington under date of December 22nd last gave the total amount of silver purchased under the Pittman Act as 147,890,975 ounces. Unusual sources of silver are by no means exhausted, for we learn from the Soviet Press that, by persistent search, the authorities are obtaining from the churches considerable quantities in the form of vessels and ornaments. One church alone in the town of Volsk is said to have yielded 10 cwts of silver. The Times of June 7th last stated that a bell of solid silver, weighing 6 cwts, or 10,000 ounces, had been confiscated by the Soviet authorities from the Cathedral of Kharkoff, in Russia. Much of the church treasure has undoubtedly been secreted, and there is a likelihood of many private individuals having caches of their own, which will not be unearthed until

the advent of happier days. Statistics for the month of December are appended:—

	Bar Silver per Ounce Standard.	Bar Gold.
	Cash Delivery.	Per Fine Ounce.
Highest price	32 1/2	91 4
Lowest	30 1/2	88 5
Average price	31.383	30.902

INDIAN CURRENCY RETURNS.

(In Lacs of Rupees.)
Dec. 7, 1922. Dec. 15, 1922. Dec. 22, 1922.
Notes in circulation

GOLD AND SILVER PRICES.

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

1923.	Gold.	Silver.	Date.	Silver.
	Per Ounce.	Cash Per Ounce.		Cash Per Ounce.
Dec. 30 ('22) ..	88 11	31 1/2	Jan. 12, 1917	36
Jan. 1 ..	88 11	31 1/2	11, 1918	45 1/2
2 ..	89 3	31 1/2	11, 1919	48 1/2
3 ..	89 1	31 1/2	9, 1920	78 1/2
4 ..	88 10	32 1/2	7, 1921	41 1/2
5 ..	89 0 nom	31 1/2	6, 1922	34 1/2

NOTICES.

Barclays Bank, Limited, announce that they have opened a new branch at 92 South Ealing road, W. 5, under the control of Mr G. A. T. Evans, also manager Ealing (Broadway) branch. Their office at 179 Wood street, Walthamstow, has been converted into a full branch, under the management of Mr J. L. W. Duffield. They also announce the opening of a new branch at 401 Mile-End road, E. 3 (temporary premises), under the management of Mr C. F. Donovan, and a new branch at 44 Fore street, Tiverton, Devon, under the management of Mr E. V. Harris.

The National Provincial and Union Bank of England, Limited, announce that a branch of the bank is now open at Boston Spa, Yorkshire (resident officer, Mr A. B. Mackenzie), and a branch is also now open at 128 Edgware road, W. 2, under the management of Mr E. H. Symes.

Lloyds Bank, Limited, announce that branches of the bank are now open at Station road, Harrow-on-the-Hill, under the management of Mr H. S. Gill; at High street, Dunmow, under the management of Mr C. G. A. Brooks, of the Braintree branch; and that the sub-branch at Ripponden is now made a full branch, under the management of Mr F. H. Whiteley, of the Sowerby Bridge branch. The branch at Winchcombe has been transferred to larger premises at The Cross, Winchcombe, under the management of Mr J. W. Buys.

Bernhard, Scholle and Co., Limited, announce their incorporation as a private company, with a capital of £400,000, fully paid, to transact the business of bankers at Warfield court, Throgmorton street, E.C. 2, and 15 Boulevard des Italiens, Paris.

We are authorised to state that an amalgamation has been arranged between the well-known banking firms, Messrs Frederick Huth and Co., of 12 Tokenhouse yard, E.C., and Messrs Konig Brothers, of 1 St Michael's alley, E.C., as from January 1, 1923, and that the partners in the new firm will be Mr F. A. Konig, Mr Edward Huth, Mr L. Huth Walters, Mr L. E. Meinertzhagen, and Mr H. H. Konig. The business of the above firms will be carried on by the new firm under the name of Frederick Huth and Co., at 12 Tokenhouse yard.

The British Trade Corporation announces that it has opened a branch at Zagreb (Agram), Yugo-Slavia. A branch of the corporation has already been in existence for some years at Belgrade.

The Swiss Bank Corporation, London, announce that Mr G. F. Blake has retired from the management, and, with their approval, is taking up other work in the city.

The National Bank of South Africa, Limited, announces with regret the resignation as at December 31, 1922, of Mr Douglas Cunningham, the manager of the bank's London office. Pending completion of arrangements for filling the vacancy, Mr H. Judson and Mr R. B. Edwards, at present assistant managers in the bank's London office, have been appointed to act as joint managers, with effect from January 1, 1923.

The London Joint City and Midland Bank, Limited,

announce the opening of new branches as follows:—6 West street, Horsham, Sussex, Mr F. Warren Dillow, manager; 5-7, Great Underbank, Stockport, Cheshire, Mr W. M. Douglas, manager; 7 High street, Whitchurch, Salop, Mr B. Thomas, manager. A new office is also now open daily at Beacon Hill, Hindhead, Surrey, under the supervision of Mr F. W. Lewis, manager of the Haslemere branch.

Brigadier-General Arthur Maxwell, C.M.G., D.S.O., and Mr Eric Gore Browne, D.S.O., have been appointed managing partners of Messrs Glyn, Mills, Currie and Co.

MINING OUTPUT STATISTICS FOR DECEMBER, 1922.

	Tons Crushed.	Gold Recovered.	Value.	Profit.
	Mill.	Crude.	Mill.	Crude.
Cam and Motor	15,600	6,487	27,518	9,088
Frontino and Bolivia	2,190	..	9,355	..
Mexican Corporatn. (Nov.)	85,013	..	..	896,350
Oroville Dredging (28 days to Dec. 23)	6,100	3,407	96,588	14,161
Rezende	..	..	15,193	..

	Output.	Other Notes in Return.
Tin.	Tons.	
Deebok Dredging	25	Estimated value, £6,415 est. costs, £1,605.
Gopang	624	..
Jantar	24	..
Keff Cons.	25	Value, £3,819; tribute profit £109.
Lahat	349	Value, £8,969.
Malayan	854	170 tons; alluvial, 20 tons.
Pahang	45	Shipped 42 tons.
Rayfield	113	..
Ropp	..	104 tons 10½ cwt.
Siamese	334	Value, £3,500; cost, £1,808.
Southern Perak	41	Estimated value, £4,200; est. costs, £250.
Tekka-Taipung	..	..
Coal.		
Chislet	1,812	Week ended Dec. 30th.
East Kent	1,540	Week ended Dec. 30th; total of 169,673 tons for year.
Middleburg Steam	18,770	..
Wankie	20,065	Coke sales, 9,013 tons.
Miscellaneous.		
Freemantle Trading	125	Soft lead.
New Vaal River	..	Diamonds, 530 carats; valued at £3,594.

ELECTROLYTIC ZINC CO. OF AUSTRALASIA.—Production during four-weekly period ended Dec. 13th, 2,027 tons zinc; silver lead product for shipment to Port Pirie for realisation, containing 249 tons lead, 37,758 ozs silver.
MOUNT MORGAN GOLD MINING.—For the six weeks ending December 26th treated 7,431 tons Mount Morgan ore, 54 tons Many Peaks ore, 7,571 tons concentrates, and 41 tons of purchased ore and secondary products; produced 667 tons blister copper, containing 650 tons copper and 7,983 ozs gold, including 1 ton copper and nil ozs gold from Many Peaks; also 20 tons copper and nil ozs gold from purchased ore and secondary products. Concentrator treated 23,357 tons ore for a production of 8,918 tons of concentrates, containing 456 tons copper and 8,622 ozs gold. In addition to above production, have matte on hand containing 21 tons copper and 210 ozs gold.

OIL OUTPUTS.

APEX (TRINIDAD) OILFIELDS, LIMITED.—The estimated gross production of crude oil for the month of December was 49,481 barrels, equal to approximately 7,000 tons, and the oil delivered to Trinidad Leaseholds, Limited, amounted to about 5,000 tons. The output has been regulated by the capacity of Trinidad Leaseholds, Limited, to take delivery of oil, but it is anticipated that increased deliveries will be accepted from now onwards.

COMMONWEALTH OIL CORPORATION, LIMITED.—Cable advice from Sydney reports for the four weeks ended December 29, 1922:—Shale mined, 1,279 tons; shale retorted, 1,666 tons; crude oil and naphtha produced, 167,362 gallons (equal to 98.6 gallons per ton of shale).

UNITED BRITISH OILFIELDS OF TRINIDAD, LIMITED.—Combined production for the week ending Wednesday, December 27, 1922, amounted to 723 tons.

VENEZUELAN OIL CONCESSIONS.—The London management of the Venezuelan Oil Concessions, Limited, announce that the specific gravity of the oil produced from Los Barrosos No. 2 is .926; that of Las Flores No. 1, from 752 feet level, is .901.

BARCLAYS BANK

LIMITED.

Head Office: 54, LOMBARD STREET,
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And over 1,650 Branches in England and Wales

BARCLAYS BANK (OVERSEAS) LIMITED.

PARIS: 33, Rue du IV. Septembre.

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Dividend Interest.	Amount Available for Distribution.	Appropriation.				Corresponding Period Last Year.	
					Dividend.			Balance Forward.	Net Profit.	Dividend.
					Prefce.	Ordinary.	Carried to Reserve, Depreciation, &c.			
		£	£	£	Amount.	Amount.	Rate.	£	£	%
Breweries.										
Peter Walker (Warrington) and Robert Cain and Sons	Sept. 30	..	417,545	417,545	160,000	227,000	10	10,000	20,545	12½
Stroud Brewery	Nov. 17	8,805	27,821	36,626	4,020	14,070	12½	11,000	7,535	12½
Iron, Coal, and Steel.										
Drakes	Dec. 31, 21	10,567	10,540	21,107	2,400	5,000	10½	10,000	3,707	..
Motor and Cycle.										
Bluemel Bros.	Sept. 30	6,919	22,439	29,358	4,200	9,000	15	10,000	6,158	15
Oil.										
Apex (Trinidad)	Sept. 30	34,923	98,292	133,215	..	40,000	10	20,000	73,215	..
Rubber, &c.										
Lumut	Sept. 30	42,103	17,608	59,711	..	15,332	10	4,000	40,379	7½
Textiles.										
John Barran and Sons	Oct. 31	6,141	21,827	27,968	17,550	8,163	5	..	2,255	16,343
Tramways.										
Provincial	Sept. 30	2,674	6,326	9,000	6,000	..	..	..	3,000	5,667
Other Companies.										
Rio de Janeiro Flour Mills	Sept. 30	51,451	217,488	268,939	..	193,607	20½	15,000	60,332	20½

† Free of tax.

secured, and shows good quality, so that shipments should be on an increased scale in the near future. Flour in quiet demand, and prices reduced 6d per sack for home milled. London standard straight run quoted 42s, patents 44s to 45s, town households 40s per sack, delivered London area. Country straights from all English wheat 32s to 34s delivered. Imported remains steady, but slow of sale. Manitoba export patents quoted 40s to 43s as to sample, and Minneapolis good patents 42s to 42s 6d per 280 lbs ex store. Maize firmly held. Yellow La Plata, ex ship, quoted 36s 6d to 36s 9d as to position, ditto landed 37s 9d, American mixed, ex ship, 36s 6d, ditto landed 37s 9d. Cargo section firm but quiet. Steamers of La Plata on passage, sold at 35s 9d, and ditto 15th January-February at 37s per 480 lbs. Barley: English steady at 7s 6d to 14s 6d per cwt, according to quality, free on rail. Of imported, Californian quoted 41s to 43s, Australian Chevalier 49s to 53s, both ex ship per 448 lbs. Persian 28s 6d, American malting, 48 lbs, 30s 9d, No. 4 Canada Western 30s 9d, Danubian 30s 6d to 31s, all landed, per 400 lbs. Oats quietly steady. English whites quoted 8s 8d to 10s, grey and black 8s to 9s 8d per cwt, free on rail. Imported weak. La Plata quoted 27s 6d, No. 2 Canada Western 31s. No. 2 white clipped American, 36 lbs, 27s, all landed, per 320 lbs. Oatmeal steady, with a fair business passing. London made, all cuts, quoted 18s, rolled oats 17s 9d, whole groats 18s, flakes 21s, ex mill. Ordinary Scottish oatmeal 19s 6d, and American, all cuts, 17s 9d to 18s per cwt. Millers' offers steady, but quiet.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1922-23, contrasted with 1921-22, 1920-21, and 1919-20.

	1922-1923.	1921-1922.	1920-1921.	1919-1920
Estimated sales of home-grown wheat—				
1 week to December 30	Cwts. 272,352	Cwts. 159,413	Cwts. 79,526	Cwts. 121,211
16 weeks to December 30	7,994,828	7,295,948	6,266,337	4,609,308
Average price of English wheat per				
quarter	s d 40 7	s d 44 7	s d 84 11	s d 72 7
per cwt	9 5½	10 4½	19 10	16 11

The following is a statement showing the Quantities Sold and the Average Price of British Corn (Imperial Measure) in the past week, and for the corresponding week in each of the years from 1918 to 1921:—

	QUANTITIES SOLD.			AVERAGE PRICES.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1922.						
Dec. 23	qrs bsh 125,962 6	qrs bsh 103,364 0	qrs bsh 21,128 2	s d 40 10	s d 33 3	s d 26 5
30	63,548 7	60,945 1	13,324 2	40 7	33 11	26 5
1921.						
Dec. 23	16,930 3	28,294 1	6,036 3	72 2	62 3	48 8
30	24,282 5	26,326 3	5,377 0	72 7	107 1	57 8
1920.						
Dec. 23	18,555 1	45,781 6	6,065 7	84 11	73 5	41 5
30	37,196 2	19,458 6	10,621 7	44 7	45 7	28 1

IRON, STEEL, AND COAL.

Our Middlesbrough correspondent's report, dated January 4th, is as follows:—Pig-iron: Business quiet. No pig-iron market held here this week. The price of No. 3 Cleveland G.M.B. is firmer at 92s per ton, whilst East Coast mixed numbers hematite remains at 93s per ton. Manufactured Iron and Steel: Steel makers regard the future hopefully, and have a fair number of moderate orders. No change in quotations. Steel ship plates, £9 to £9 10s; steel ship angles, £8 15s; iron bars, £10 10s; steel rails, £9 net. Iron ore: The inquiry is not large, but there seems to be no disposition on the part of sellers to anticipate any lower prices in the near

future. On the contrary, rather better prices are regarded as probable. Best Bilbao rubio is 22s 6d per ton, c.i.f. Tees.

Our Sheffield correspondent writes:—Business in Sheffield has scarcely been resumed after the holidays, and a large number of firms have been taking stock. There is, however, ample evidence that the recent revival in the steel trade is being maintained. A scarcity in basic and foundry pig-iron is developing, so that to meet the demand it will be necessary to put into blast some of the idle furnaces. Makers of basic steel are fully employed, to a considerable extent on export account. There is a rapidly expanding demand for acid steel in various forms. A large part of the idle plant for making railway axles, tyres, and springs has been absorbed by recent orders, and there are indications that the Indian and South American railways, which have been buying heavily in Germany and Belgium, are about to resume business with British makers. The market for heavy steel scrap is running strongly owing to consumption having overtaken the supply, and prices are rising gradually. No further advances in raw and semi-steel are announced, and there is a general desire not to check the improvement in trade by putting up quotations unduly. Business in files and various small tools is unremunerative, owing to the existence of much idle plant and severe competition. American makers have secured a considerable share of the file trade in the Colonial market. Business in expensive tool steels and engineers' small tools is almost at a standstill in the principal European markets owing to the state of the exchanges. Business is moving in garden and farm tools, but agricultural engineers are doing next to nothing, either at home or abroad. The outlook for the coal trade continues bright, although little business has been done during the past week or two. Consumption in the manufacturing industries is steadily expanding, and there is an increasing demand for coke.

Our Cardiff correspondent writes:—The South Wales coal market this week has not shown the firmness that characterised it before the holidays. The collieries are extremely well stemmed on paper, but bad weather has impeded the movements of shipping, and arrivals of tonnage have consequently been very considerably delayed. The result has been not only a complete disappearance of the congestion which was so serious an evil in December, but an actual scarcity of vessels for prompt positions. For spot loading, therefore, prices have been generally easier; exporters have been able to obtain parcels, and even cargoes, at from 6d to 1s 6d per ton less than the prices which the collieries are quoting for shipment a week or so ahead. Moreover, shipowners have

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been holding out for higher freights, and they have been able to jump rates for United States, the Argentine, and the Mediterranean from 6d to 1s per ton. The United States is still the most spectacular buyer on the market. Orders have been placed from day to day, and certain heavy contracts have been arranged over the next three months; but the business has been so cleverly camouflaged by the diffusion of inquiries through so many different firms that it is impossible to form any estimate as to the actual quantity of coal that has been bought, and that there is a speculative element involved is proved by the fact that some of the tonnage chartered provides for optional discharge at the River Plate. Negotiations have been opened with the coal trimmers and trippers on the question of the introduction of a third shift. The workmen are still resisting the proposal of the employers, but they have at last agreed to the appointment of a sub-committee to inquire into the merits of the case of the employers for an extension of working hours. There is no improvement in the position of the patent fuel industry. The high price of pitch is rendering remunerative production impossible, and, pending the result of representations to the Roads Commissioners urging a less consumption of tar for road making, manufacturers have withdrawn quotations.

The following are the approximate current quotations:—Best Admiralties, 28s to 28s 6d; second Admiralties, 27s 6d to 28s; best drys, 27s 6d to 28s; Black Veins, 27s 6d to 28s; Eastern Valleys, 26s to 26s 6d; Western Valleys, 26s 6d to 27s; best bunker smalls, 17s 6d to 18s; ordinary cargo smalls, 15s to 17s; anthracite big vein, 35s to 40s; anthracite machine-made cobbles, 42s 6d to 47s 6d; French nuts, 17s 6d to 62s 6d; stove nuts, 55s to 62s 6d; rubbly culm, 14s 6d to 15s; coke for export, 37s 6d to 45s; inland blast furnace coke at ovens, 26s 6d to 27s 6d; patent fuel, 32s 6d to 35s; pitwood ex-ship, 30s 6d to 31s 6d.

In the tinplate trade the recent improvement is fully maintained. The high price of scrap iron is increasing costs of production, but the demand is active, and prices are very firm at from 20s to 20s 6d per basis box. There are also prospects of increased pig-iron production, for there have been large imports of iron ore during the past few weeks, and preparations are in progress at Blaenavon, as well as at Cardiff and Ebbw Vale, for the blowing in of blast furnaces.

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—December 28, 1922.

Description.	Com.	Med.	Good Med.	Med. Fine.	Fine.	Extra Fine.	Same Period 1921.			Same Period 1920.		
							Med.	Good Med.	Fine.	Med.	Good Med.	Fine.
Sea Island	d	d	d	d	d	d	d	d	d	d	d	d
Florida do	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Georgia do	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
American	Or G	Or G	Or G	Or G	Or G	Or G	Or G	Or G	Or G	Or G	Or G	Or G
Brazilian	Mid M	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G
Pernam	1409	1509	1629	..	..	..	941	1191	..	640	990	..
Parahyba, Rio Grande, &c.	1409	1509	1629	..	..	..	941	1191	..	640	990	..
Maceio, &c.	1409	1509	1629	..	..	..	941	1191	..	640	990	..
Mossoro, &c.	1409	1509	1629	..	..	..	941	1191	..	640	990	..
Ceara	1409	1509	1629	..	..	..	941	1191	..	640	990	..
Maranhao, &c.	1409	1509	1629	..	..	..	941	1191	..	640	990	..
São Paulo	1434	1509	1534	..	..	..	..	..	..	..	..	..
Egyptian	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G
Upper	1450	1550	1590	1640	1630	..	1500	1800	..	1110	1500	..
Sakellaridis	1540	1715	1790	1940	2090	..	1525	1925	..	1350	1950	..
Brown	1450	1575	1675	1750	1875	..	..	..	..	..	..	..
Peruvian	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G
Rough	1500	1600	1725	1800	..	..	1375	..	..	1600	..	..
Moderately Rough	1534	1659	1734	1759	1834	..	966	1291	1466	590	1090	1540
Smooth	1534	1659	1734	1759	1834	..	..	..	..	..	..	..
Tanguis	1350	1475	1575	1625	..	..	..	..	..	..	..	..
Mitani	2100	2400	2700	2800	..	..	2500	3200	..	3530	4500	..
West Indian, &c.	1100	1200	1375	1475	1575	1675	975	1175	1375	850	1150	1750
Do	1384	1434	1459	1489	1519	..	..	..	..	..	..	..
African, East, &c.	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G
Do	1180	1220	1260	1300	1340	..	905	955	1055	800	825	875
Machine Ginned Surtee	935	1035	1075	1115	1155	..	780	855	955	619	669	744
Machine Ginned Broad	945	995	1045	1085	1125	1165	790	865	965	625	675	750
Machine Ginned Comra. No. 1	1020	1060	1100	1140	..	..	..	..	..	..	..	..
Machine Ginned Comra. No. 2	945	995	1035	1075	1115	..	715	790	890	475	525	600
Machine Ginned Khandesh	1155	1195	1235	1275	1315	..	975	..	..	825	..	..
Machine Ginned Comptah	760	800	840	880	920	960	700	750	850	500	550	625
Machine Ginned Bengal	750	790	830	870	910	950	690	740	840	488	538	613
Machine Ginned Soinde	1300	1400	1440	..	..	..	1105	1155	..	900	925	..
Tinnivelly	1025	1130	1170	1210	..	..	900	950	..	825	850	..
Madras, Western	1195	..	..	..	..	..	..	..	..	..	..	..
Madras, Northern	1140	..	..	..	..	..	935	..	..	825	..	..
M.G. Coconada, Red	..	..	..	..	..	..	..	..	..	..	..	..
China, Smyrna, &c.	..	..	..	..	..	..	..	..	..	..	..	..

MANCHESTER, January 4.

Most traders in the market have begun the New Year in an optimistic frame of mind, and the opinion prevails that business in Lancashire will be better in the near future. An increased demand has been experienced in piece goods for several outlets abroad. Freer operations have occurred in descriptions suitable for India, a feature of interest being the bigger turnover for Calcutta in light fabrics and shirtings. Advances from Bombay remain rather poor. Standard grey makes for China have been slow, but more contracts have been arranged in fancies for Shanghai. An irregular business has been done for Singapore, the Philippines, Egypt, and South America. The prices ruling at the moment are very unsatisfactory, and immediately manufacturers obtain a little relief quotations are advanced. A slight improvement has been reported

in the turnover in American and Egyptian yarns for home consumption, and demand in shipping yarns, chiefly for India, has shown some expansion.

(I.) Comparative Statement of the Cotton Trade.

	Price, Jan. 4, 1923.	Previous Weeks in 1922.					
		Price, Dec. 28.	Price, Dec. 20.	Price, Dec. 14.	Price, Dec. 7.	Price, Nov. 30.	
Raw Cotton—Fully Mid. American .. per lb	d 15-24	d 15-34	d 15-08	d 14-60	d 14-22	d 14-79	
— Sakellaridis Fully Good Fair	21½	21½	21	20½	20½	21½	
— Egyptian .. per lb	17-65	17-90	17-80	17-65	17-50	18-25	
Yarns—32's twist .. per lb	21½	21½	21	20½	20½	21½	
— 40's twist .. per lb	20½	20½	20	19½	19½	20½	
— 60's twist (Egyptian) .. per lb	28	28	28	28	28	28	
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	s d 30 6	s d 30 6	s d 30 6	s d 30 6	s d 30 6	s d 31 0	
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	33 0	32 9	32 3	32 0	32 0	33 0	
38-in. ditto, 38 yds, 18 by 18, 10 lbs	18 3	18 3	18 3	18 0	18 0	18 6	
39-in. ditto, 37½ yds, 16 by 16, 8½ lbs	16 9	16 9	16 9	16 6	16 6	17 0	

(II.) Compared with Previous Years.

	Price, Jan. 4, 1923.
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the present scale that market will be cleared of good combing wool in less than three months. In sympathy with the advance in raw material values, topmakers are advancing their quotations for Capes. It is known that 5s 6d has been made by one firm for a full 12 months' top, and present indications are that this price will be exceeded. Australian merinos show a harder tendency, and many believe that values will steadily advance during the next few weeks. Apparently many spinners who had been holding off have recently been doing some quiet buying, for topmakers are again much more independent. Some firms are reported to have sold the whole of their output five months ahead, though probably the bulk of this business has been on speculative account. Crossbreds are still being favoured, and the recent advances are well maintained; indeed, medium and fine qualities are mostly quoted slightly higher on the week. Spinners are doing a very good miscellaneous business, demand for both botanics and crossbreds in all counts and qualities being good. Prices in this section of the industry are somewhat irregular, due, apparently, to the difference in the position of spinners with regard to commitments, but the general tendency is towards a higher level. Manufacturers report very little change in the demand for piece goods.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

The new year opens under very favourable conditions, and quite a good tone characterises wool markets everywhere. Interest is very largely centred round Colonial wools; in fact, the probable course of merinos is still of paramount importance. Some very considerable sales were effected immediately after the Christmas holidays in Bradford of South African wools, one firm of spinners taking 1,800 bales in one purchase. This has had an immediate effect upon markets at the Cape, cables last Monday received in Bradford reporting a sudden advance, and whereas good 10-12 months' combing wools were offered last week at 50d and a fraction under, many firms to-day are quoting 53d to 54d, with full 12 months from 57d to 58d. This simply means that South African merinos are to-day above a parity with Australian merinos of similar quality and character, and the insatiable demand for South African wools is one of the most significant items in connection with the raw material market. About the middle of this month there is to be catalogued at the Cape a few thousand bales from the famous Graaf Reinet district, and advance samples that we have seen show that a splendid lot of wool will be offered, all the parcels being at least 4 inches staple. Among the samples received was the one that made 27½d in the grease at Port Elizabeth three weeks ago. This shows that the trade is prepared to pay fully equal to Australian prices for anything showing decent length and quality. The wools to be offered at Port Elizabeth will constitute a record, and, apart from the boom year, when prices were carried beyond reason, the figures that will be made will be among the best ever realised.

There is to be a sale of Tasmanian wool at Hobart and Launceston next week, when the bulk of the Tasmanian clip will be catalogued. No doubt excellent competition will be forthcoming for merinos, come-backs, and fine crossbreds, and in all probability the home and Continental trades will secure the bulk. This will mark the opening of the second half of the Australian selling season, and we fully expect that the competition will be of such a nature that prices will be fully maintained at the level seen before the holidays. Tasmania turns out some of the best come-back wools in the world, and anyone wanting 58-60's cannot do better than cable a buying order. At the same time one regrets very much that Tasmanian pastoralists have gone in so much for breeding crossbreds, for that part of Australia can produce excellent type merinos. For real fine spinning and producing fabrics of superior merit, Tasmanian wools will need a good deal of beating.

Very favourable news is to hand from across the Atlantic, and strong feelings of optimism are expressed regarding the trade for the coming year. American mills appear to be fairly well off for orders, and if prices keep reasonable, we think the year's trade will be one of the best ever known. Some very considerable sales of crossbred matchings to Boston houses were put through last week, and further sales have been made this week, and, as far as one can see, there is every likelihood of a keen demand for these wools at Hull all next week. Stocktaking results have been creditable as far as the spinning end of the trade is concerned, but manufacturers still complain bitterly. Wool is still paramount, and is likely to remain so.

VEGETABLE OILS AND OILSEEDS.

Trade is recovering quietly after the holiday, although, as usual, the turn of the year is a slack period, and too early for the consuming industries to make any considerable impression on the market. Notwithstanding high values and scarcity in new positions, a fairly good business is reported in linseed oil on home account, and about £39 per ton naked, ex Hull mill, is still current price for prompt, with £35 for January, April. Trade in cotton oils is on only moderate lines, and demand, on the whole, not so large as might be anticipated. Crude Egyptian is held for £38, but ordinary refined (soapmakers' grade) is inclined easier, and can be bought below this figure. Crude soya bean oil is in good request, and prices somewhat higher. Rape oil is scarce on spot, and fully late values are sustained; nut oils are steady but quiet.

In the oilseed section, linseed has, under the influence of a small consumptive demand, and lower Argentine options, been not so

firm, £18 being the value of Plate now loading, and £17 for December-January. Very little interest has been manifested in the January-February position, in which recent business was done round £16 5s, whereas still sellers. A fair trade has been done in Egyptian cottonseed to Hull at a decline of 5s per ton, Sakel larides commanding £11 7s 6d.

HIDE, LEATHER, AND ALLIED TRADES.

(BY OUR OWN CORRESPONDENT.)

Hide auctions have been resumed after the holidays, and generally the position is steady in view of the improved outlook. Best ox sold from 7½d to 8½d at Thursday's Bermondsey auctions, cows, best, making from 6½d to 7d. Kips, from 2d to 4d, were a shade down, but best calf at 7½d to 11½d showed a fractional weakness in two classes. Wools sold from 5s 6d to 10s 9d, the demand having the effect of again hardening values. The demand for imported hides is moderate, and values are again firmer in the River Plate. Full prices are also asked for dry and dry salted, but tanners are still conservative, and are only buying for actual requirements. The Tanners' Federation are drawing attention to the prevalence of "tick" in hides of domestic origin, and the Board of Agriculture are being urged to take steps to eradicate this pest. Cables from Chicago report the American position as steady, with best heavy packers quoted at 20 cents.

The outlook for the leather trade is decidedly better, and as sellers have received many inquiries this week it seems that shoe manufacturers are short of stock. The demand is, however, for a low-grade bend, although the spell of wet weather has improved the trade in English bends suitable for repairs. Much is expected of the probable despatch of a further 750 tons of English bends to Russia, and at time of writing it appears the business will soon mature.

Optimism is also a feature in the upper-leather section, as a large parcel of glucé kid has been sold on Russian account, the business being done through an agency in London. This has firmed up the market for glucé and cleared stocks of certain grades which wanted moving off. Carriers are rather busier, but few of them are working full time. I hear application has now been made to the Board of Trade for inclusion of calf upper leathers under the Safeguarding of Industries Act, as tanners take the view that competition is impossible with German tanners in view of the low rates of wages paid.

The boot trade is improving, as orders have come in fair volume of late from overseas customers, and home retailers are again replenishing stocks.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, January 5.

SUGAR.—General steadiness characterised this market, and a moderate business transpired, chiefly in British descriptions of refined, while no weight of supplies is felt at the moment. Messrs Tate and Lyle's cubes sold, 55s 3d to 56s 3d; crushed, 52s 3d; granulated, 50s 1½d; yellow crystals, 44s 1½d. Granulated, February-March, 50s 6d; April-May, 50s 9d; and June-August, 51s. Crystallised West India sold from 44s 6d to 46s, according to sample. American granulated, spot, sold, 49s 4½d; ditto February-March held for 23s 6d, c.f. and i., London. White Java, spot, 47s 9d to 48s 6d, as to quality; ditto May-June, 21s 4½d; June-July, 21s 1½d, c.f. and i., London. White Mauritius, spot, 47s 6d to 47s 9d. English-grown granulated, 48s 10½d, ex works Cantley. Dutch and also Czechoslovakian sugars steadily held for shipment, and offers reservedly made. Cuban basis 96 per cent., February, quoted 17s 6d; Brazilian basis 80 per cent., January-February, 12s 6d, c.f. and i., United Kingdom. Terminal market steady. White, 22s 9d; August, 23s. Cuban stocks stand at 45,350 tons, against 901,760 tons last year. Liquid glucose, spot, 28s 6d.

COFFEE.—Spot market quite steady, though business proceeded quietly while largely under holiday influence. Future delivery market dull.

COCOA.—There was no new feature to record, business on spot being confined to a narrow compass at previous prices. Accra, January-March shipment, sold, 34s 6d to 35s, f.o.b. terms.

TEA.—Private contract market quiet, but very steady, with the lower qualities quoted at a comparatively high level.

RICE.—The market proved very featureless this week, actual dealings being more or less retail in extent, with quotations somewhat nominal. Two stars, spot, quoted 15s 6d to 15s 9d; new crop, February shipment, 13s 6d. Broken kinds dearer, with few sellers. Rangoon beans, spot, quoted 8s. Japanese peas, afloat, London, 27s.

THE "ALL-IN" LIFE POLICY.

Every married man should send for particulars of this new and advantageous form of Life Insurance, which provides for:

- (1) Educational benefits (cash payments);
- (2) Financial protection for family;
- (3) Income for life on retirement or at an agreed date;
- (4) The remission of premiums in case of total disability through accident or illness;
- (5) Rebate of Income Tax in respect of premiums paid.

Send a post-card to day. Address:—Life Dept.

EAGLE STAR & BRITISH DOMINIONS INSURANCE Co., Ltd.,
32, MOORGATE, LONDON, E.C.2.
ASSETS EXCEED £20,000,000.

SPICE.—Pepper, after showing a steady tone, became a shade easier, with regard to forward positions. Fair black Singapore, spot, sold, 4½d; January-March, steamer, 4½d; Aleppy, spot, quoted 4½d; Tellicherry, 4½d; Ceylon, 4½d; white Singapore, 6d; Muntok, 6½d; ditto, January-March, sold, 6½d to 6½d. Zanzibar cloves quiet. Fair quality, spot, sold, 8½d; October-December, 7½d-7½d; January-March, 7½d-7½d. Flake tapioca, spot, sold, 3d per lb; fair Penang, seed, spot, 23s 6d per cwt. Sago flour, January-March, done, 12s 9d to 13s and 12s 10½d. Desiccated coconut firmer, and fine cut, spot, sold, 37s; medium, 37s 6d to 37s 9d; halves, January-February, 37s to 37s 6d; February-April, 37s 9d. Ginger quietly steady.

FRUIT.—The market for currants ruled very steady, with a moderate demand. Pyrgos, spot, sold, 55s; Patras, 58s; Vostizza quoted 66s to 72s. Valencia raisins in half-boxes quoted 38s to 45s; quarters, 50s to 75s. Sultanias steadily held, but quiet.

JUTE.—Business moved quietly while under the influence of the holidays, and prices favoured buyers. First grade, afloat, continent, sold, £35 5s to £34 15s; January-February, £36 5s to £36; February-March, £36 15s to £36 10s. Lightning grade, January-February, done, £34 15s; and February-March, £35. Hessians, 10 oz, spot, 36s; 8 oz, 28s. A twills, spot, 8s 6d; B, sold, 7s.

HEMP.—Manila grades springly offered, and a fair inquiry predominated. G grade, December-February, sold, £36; J, £34 to £33 15s and £34; K, £33; L, £32 10s; and M, £31 10s. New Zealand slow, H.P.F., January-March, quoted £32; and fair, £31. African sisal, afloat, held for £35 ton.

SHELLAC.—Market generally steady. Fair T.N., spot, 37s 5d; A.C., garnet, 330s; G.A.L., 300s; T.N., March, sold, 355s to 347s 6d and 345s; May, 350s to 335s.

COPRA.—After ruling firmer, became quieter. F.M.S. Straits, November-January, Rotterdam, sold, £26 to £25 12s 6d; January-March, £26 5s to £25 12s 6d and £25 16s 3d; Ceylon, Jan.-Feb. quoted, £27 10s; Java, £26 2s 6d; Dutch East Indies, £25 15s; South Sea Islands, £25 7s 6d; Cebu sold, £26 to £25 12s 6d; miced, £24 12s 6d. Palm kernels, January-March, Liverpool, sold, £18 2s 6d to £17 16s 3d.

RUBBER.—Market, after showing firmer features, disclosed irregular movements, and slight weakness ensued. Standard crepe and sheet spot, also January delivery, sold, 1s 3d to 1s 2½d and 1s 3d; February, 1s 3½d to 1s 2½d and 1s 3½d; March, 1s 3½d to 1s 3½d and 1s 3½d; April-June, 1s 4½d to 1s 3½d and 1s 4d; July-September, 1s 4½d to 1s 4½d and 1s 4½d; October-December, 1s 4½d to 1s 4½d and 1s 5d. To New York, standard sheet, January-February, sold, 1s 2½d to 1s 3d; February-March, 1s 3½d to 1s 3½d; March-April, 1s 3½d, c.f. and i. terms. Fine hard Para, spot, 1s 1½d; soft fine, 1½d. Caucho ball, 1½d per lb.

EGG PRODUCTS.—Markets steady, but, at the same time, quiet. Prime liquid yolk, spot, 105s per cwt. Albumen, spot, 3s per lb.

OILS.—Linseed market quiet. Spot, net, naked, 39s; January, 37s; January-April, 35s; May-August, 32s. Rape steady. Crude, spot, 42s 6d; refined, 45s 6d. Cotton firmer. Crude Egyptian, spot, 38s; common edible, 43s 6d; deodorised (in barrels), 45s 6d. China-wood steady. Hankow, spot (barrels), 72s; shipment, 66s. Coconut firm. Ceylon, spot, 42s; January-February, 41s; Cochin, ditto, quoted 45s. Soya firm. Oriental, barrels, December-January, 37s. Japan fish steady. November-December, cases, 25s 9d. Cod inactive. English, spot, 29s 6d to 30s. Ground nuts steady. English crushed, naked, spot, 45s; deodorised, barrels, 55s. Turpentine firmer. American, spot, 107s; January-April, 108s 9d. Rosin quiet. American, grade B, 14s 6d; F, 14s 6d; G, 14s 6d; H to I, 14s 6d; W, 18s 6d; WW, 19s 6d. French, F/G, 13s 6d; W, 16s per cwt. Petroleum steady. American standard white, spot, 1s 1d; and water white, 1s 2d per gallon.

OILSEEDS.—Market quiet, and prices easier. Bold Bombay, afloat, sellers, £21. Small Bombay, December, £20. Calcutta, afloat, £20; December-January, £19 7s 6d. Plate, loading, £18 5s; December-January, £17; January-February, new crop, sold, £16 5s to £16. Rapeseed quiet. Toria, afloat, £18 10s; January-February, £16 10s; real bold Ferozepore, December-January, £17 5s. Cottonseed firm. Egyptian black, January, £11 16s 3d, and white, £11 7s 6d paid. Bombay, December-January, £9. Gingelly steady. Chinese, new,

(Continued on page 40.)

THE BANK OF TAIWAN, LIMITED.

(Registered in Japan, 1896.)

Capital Subscribed Y60,000,000
Capital Paid Up Y52,500,000
Reserve Y12,180,000

Head Office TAIPEH, FORMOSA.
London Office 25 OLD BROAD STREET, E.C.2

BRANCHES: Amoy, Batavia, Bangkok, Bombay, Canton, Fookchow, Hankow, Hongkong, Kluang, Kobe, Moit, New York, Osaka, Semarang, Shanghai, Singapore, Soerabaya, Swatow, Tainan, Tokyo, Yokohama, &c., &c., and Correspondents in every principal town in the World.

The Bank is incorporated by a Charter and is under special supervision of the Imperial Japanese Government, issues its own notes in Formosa, conducts general Banking, and acts as Agents for other Banking Institutions. Deposits are received for fixed periods on terms which may be ascertained on application.

Commercial Times.—Weekly Price Current.

The prices in the following list are revised with the assistance of an eminent firm in each department.

LONDON, FRIDAY.				DRUGS—				INDIA RUBBER—				PROVISIONS—				SPOICES—			
0000A—Foreign 28s. British grown				Alces, fine E.T., p. cwt. 120				Alces, fine, hard spot 1 11				Butter—per cwt.				Singapore, fair white 0 6			
28s. 4d. foreign 28s. cwt. 60				Cape, good to fine, 20				Plantation crepe 1 3				Irish creamery				Black Singapore			
Trinidad, per cwt. 60				Balaam Peru . . per lb								Do factory				White Siam			
Prasanna, per cwt. 60				Capivi								Do factory				Pimento			
Ceylon, plantation . 70 8 90				Camphor								Do factory				Olinamom—lat. sort.			
Guayaguay				Cinnamon, refined								Do factory				Do End			
Guayaguay				Cardamom, Ceylon								Do factory				Do 3rd			
0000FF—British grown				Cassia, China, per lb								Do factory				Do 4th			
23s. 4d. foreign 28s. cwt. 60				Castor-oil								Do factory				Do 5th			
E. India speard good 81				Gum Benjain, Sum. cwt. 60/0								Do factory				Do 6th			
Good to fine				Opium, drops								Do factory				Do 7th			
Costa Rica, ord. to mid 65				Ipecacuanha								Do factory				Do 8th			
Good to fine				Jalap								Do factory				Do 9th			
Central American, gd.				Kassia, China, per lb								Do factory				Do 10th			
ord. to mid 65				N. Z. spot, high fair								Do factory				Do 11th			
Mid. to fine												Do factory				Do 12th			
Columbian, ordinary, 64												Do factory				Do 13th			
Do. gd. ord. to low mid 62												Do factory				Do 14th			
Do. low to fine												Do factory				Do 15th			
0000H—												Do factory				Do 16th			
CHEMICALS—												Do factory				Do 17th			
Acid, citric												Do factory				Do 18th			
Nitric												Do factory				Do 19th			
Oxalic												Do factory				Do 20th			
Tartaric, English												Do factory				Do 21st			
Foreign												Do factory				Do 22nd			
Alum lump												Do factory				Do 23rd			
Ammonia, carb. p. lb 0 4 0 4												Do factory				Do 24th			
Muriate, white, 30 0 35 0												Do factory				Do 25th			
Sulphate												Do factory				Do 26th			
Ames. powder												Do factory				Do 27th			
Ashes, pot., per cwt 70 80 0												Do factory				Do 28th			
Bleaching p.wdr. p. tin 13/10 14/0												Do factory				Do 29th			
Borax, crystals												Do factory				Do 30th			
Do powder												Do factory				Do 31st			
987 powder												Do factory				Do 32nd			
Onalmet												Do factory				Do 33rd			
Indine, dry												Do factory				Do 34th			
Nitric acid, Soda, p. tin 13/10 14/0												Do factory				Do 35th			
Potash—												Do factory				Do 36th			
Chlorate, net												Do factory				Do 37th			
Fusate												Do factory				Do 38th			
Do Foreign												Do factory				Do 39th			
Sulphate												Do factory				Do 40th			
Sul-Acetone												Do factory				Do 41st			
Sulphate												Do factory				Do 42nd			
Soda Bicarb. per ton . 49/0 10/10												Do factory				Do 43rd			
Crystals, per ton . 5/6 0 10/10												Do factory				Do 44th			
Alkali												Do factory				Do 45th			
Zinc												Do factory				Do 46th			
Sugar of lead white 0/0 6/0												Do factory				Do 47th			
Foreign white												Do factory				Do 48th			
Sulphate Quinine—												Do factory				Do 49th			
English Brand												Do factory				Do 50th			
Foreign do												Do factory				Do 51st			
Sulphate Copper, p. tin 27/0 28/0												Do factory				Do 52nd			
Zinc												Do factory				Do 53rd			
Sulphate Fluor												Do factory				Do 54th			
Do Roll												Do factory				Do 55th			
Vermillion, Chinese, p. lb 1 4												Do factory				Do 56th			
English												Do factory				Do 57th			
Oil Peppermint, H.G.H. 32 6 23 0												Do factory				Do 58th			
0000K—												Do factory				Do 59th			
Malabar, Dec./Feb.												Do factory				Do 60th			
0000L—												Do factory				Do 61st			
Ceylon												Do factory				Do 62nd			
FMS Singapore												Do factory				Do 63rd			
FM Straits												Do factory				Do 64th			
0000M—												Do factory				Do 65th			
Ceylon												Do factory				Do 66th			
0000N—												Do factory				Do 67th			
Ceylon												Do factory				Do 68th			
0000O—												Do factory				Do 69th			
Ceylon												Do factory				Do 70th			
0000P—												Do factory				Do 71st			
Ceylon												Do factory				Do 72nd			
0000Q—												Do factory				Do 73rd			
Ceylon												Do factory				Do 74th			
0000R—												Do factory				Do 75th			
Ceylon												Do factory				Do 76th			
0000S—												Do factory				Do 77th			
Ceylon												Do factory				Do 78th			
0000T—												Do factory				Do 79th			
Ceylon												Do factory				Do 80th			
0000U—												Do factory				Do 81st			
Ceylon												Do factory				Do 82nd			
0000V—												Do factory				Do 83rd			
Ceylon												Do factory				Do 84th			
0000W—												Do factory				Do 85th			
Ceylon												Do factory				Do 86th			
0000X—												Do factory				Do 87th			
Ceylon												Do factory				Do 88th			
0000Y—												Do factory				Do 89th			
Ceylon												Do factory				Do 90th			
0000Z—												Do factory				Do 91st			
Ceylon												Do factory				Do 92nd			
0000A—												Do factory				Do 93rd			
Ceylon												Do factory				Do 94th			
0000B—												Do factory				Do 95th			
Ceylon												Do factory				Do 96th			
0000C—												Do factory				Do 97th			
Ceylon												Do factory				Do 98th			
0000D—												Do factory				Do 99th			
Ceylon												Do factory				Do 100th			

ABRIDGED PROSPECTUS.

The List of Applications will be Closed on or before Wednesday, the 10th January, 1923.
A Copy of this Prospectus has been filed with the Registrar of Joint Stock Companies.

THE KASSALA RAILWAY COMPANY, LTD.

(Incorporated under the Companies' Acts, 1908 to 1917.)

SHARE CAPITAL.

Shares of £1 each, fully paid: Authorised, £300,000; Issued, £300,000.
ISSUE OF £1,200,000 4½ per Cent. GUARANTEED DEBENTURE STOCK, 1924-1925, being part of a total authorised issue limited to £1,500,000.
Guaranteed as to Principal and Interest by His Majesty's Government under the Provisions of the Trade Facilities Act, 1921.
Interest payable half-yearly on the 1st February and 1st August. A first payment of £1 12s 6d per £100 will be made on the 1st August, 1923.

PRICE OF ISSUE £93 PER CENT.

Payable as follows:—

On Application	£	5 per Cent.
On Tuesday, the 23rd January, 1923	8	"
On Wednesday, the 21st February, 1923	15	"
On Wednesday, the 21st March, 1923	25	"
On Tuesday, the 24th April, 1923	40	"

£93 per Cent.

The Stock is an investment authorised by "The Trustee Act, 1893," for the investment of Trust Funds.

The Governor and Company of the Bank of England are authorised to receive applications for the above Stock.

The Stock will be repayable over the years 1934 to 1953 by the operation of a Cumulative Sinking Fund to be applied in purchasing Stock at or under par, or redeeming at par Stock selected in sums of £100 by drawings. For the purpose of facilitating drawings, each £100 of Stock will be given a distinctive number, and such numbers will be stated on the back of the relative Stock Certificates. In any year in which a drawing of Stock for redemption is necessary such drawing will be made in the month of October, and the Stock drawn will be repayable on the following 1st February from which date interest thereon will cease. Holders of Stock drawn for redemption will be advised by notices posted to their respective registered addresses not less than three months prior to the date of redemption. Stock not previously redeemed will be repayable on the 1st January, 1953.

The Stock is secured by a Trust Deed, dated 22nd December, 1922, in favour of the Whitehall Trust, Limited, as Trustees, constituting a first specific charge on the Company's railway concession and railway when constructed, and on the benefit of the construction and operating contract with the Sudan Government Railways below-mentioned, and a first floating charge on all the Company's other property and assets, present and future, including uncollected capital, the Company being prohibited from creating any mortgages or charges ranking in priority to or pari passu with the Stock. The Register of the Stock will be kept at the Bank of England.

The Stock will be transferable by ordinary transfer deed in sums of £100 or multiples thereof.

Interest until the 1st August, 1923, will be payable half-yearly on the 1st February and the 1st August. The final dividend will be payable 1st January, 1953, and will represent five months' interest. Dividend warrants will be transmitted by post.

Applications must be accompanied by a deposit of £5 per cent., will be received at the Bank of England Loans Office, 5 and 6, Lombard Street, E.C. 3. In case of partial allotment, the balance of the amount paid as deposit will be applied towards payment of the first instalment; should there be a surplus after making that payment, such surplus will be refunded by cheque.

Applications must be for sums of £100 or multiples thereof.

Installments may be paid in full after allotment under discount at the rate of 4½ per cent. per annum. In the case of full payments made before the 23rd January, 1923, discount will only be allowed from the later date.

Default in the payment of any instalment by its proper date will render the deposit and any instalments previously paid liable to forfeiture and the allotment to cancellation.

Script Certificates to Bearer with Coupon attached for the interest payable 1st August, 1923, will be issued in exchange for the Allotment Letters. Fully-paid Script Certificates may be registered on and after the 23rd January, 1923.

A commission of 5s. per £100 will be paid to Bankers and Stockbrokers on allotments made in respect of applications bearing their stamp.

Prospectuses and Application Forms may be obtained at the Bank of England Loans Office, 5 and 6, Lombard Street, E.C. 3, and at any of the Branches of the Bank; at the Office of the Company, 1, London Wall Building, E.C. 4; at the National Bank of Egypt, 6 and 7, King William Street, E.C. 4; and of Messrs. Mullens, Marshall, Street, Lawford and Co., 13, George Street, Mansion House, E.C. 4.

BANK OF ENGLAND.
London, E.C. 2.

5th, January 1923.

The following additional information is given to comply with the provisions of the Companies Acts:—

The Company has acquired a concession from the Sudan Government authorising the Company to construct and operate an extension line of railway from a junction with the main lines of the Sudan Government Railways at or near Thaniam, in the Sudan, to Kassala, a distance of approximately 217 miles.

The Auditors of the Company are Messrs. Deloitte, Plender, Griffiths and Co., 5, London Wall Buildings, E.C. 2.

A Copy of the Memorandum of Association of the Company is printed hereunder, and forms part of this Prospectus.

The Articles contain the following provisions as to Directors' remuneration:—

The remuneration of the Directors shall from time to time be determined by the Company in General Meeting.

The Directors shall be paid all their travelling and other expenses, properly and necessarily expended by them in and about the business of the Company, including their travelling and other expenses incurred in attending the Board Meetings of the Company, and if any Director shall be required to perform extra services, or go or reside abroad, or shall otherwise be specially occupied about the Company's business, he shall be entitled to receive remuneration to be fixed by the Board, or at the option of such Director by the Company in General Meeting.

The Directors may from time to time appoint one or more of their body to the office of Managing Director or Manager for such term and at such remuneration (whether by way of salary or commission or participation in profits or partly in one way and partly in another) as they may think fit.

The preliminary expenses of the company are estimated at £10,000, exclusive of the commissions and brokerage payable on the present issue.

The following contracts which are or may be material have been entered into:—

(i.) Dated the 27th November, 1922, between the Sudan Plantations Syndicate, Limited, and the Sudan Government.

(ii.) Dated the 16th day of November, 1922, between the same parties.

(iii.) Dated the 8th November, 1922, between the Sudan Government, the Sudan Plantations Syndicate Limited, this Company and the Lords Commissioners of His Majesty's Treasury, being the agreement for the guarantee of the present issue of Stock by His Majesty's Treasury.

(iv.) Dated the 5th December, 1922, between the Sudan Government and this Company, being the concession above referred to, which runs for a period of 31 years from 31st December, 1922. At the expiration of this period, the Railway and Works become the property of the Sudan Government without payment.

(v.) Dated the 7th December, 1922, between the Sudan Government Railways and this Company, being a contract for the construction and operation of the railway by the Sudan Government Railways. The consideration payable under this contract by the Company to the Sudan Government Railways for the construction of the railway (including provision of rolling stock and equipment) and payment of interest and expenses during the construction period is £1,550,000, payable in cash, plus any revenue earned by the operation of the railway up to the 31st December, 1925.

(vi.) Dated the 22nd December, 1922, between the Company and the Whitehall Trust, Limited, being the Trust Deed securing the Stock.

(vii.) Dated the 3rd January, 1923, between the Company and Messrs. Mullens, Marshall, Street, Lawford and Company providing for the underwriting of the present issue for commissions aggregating 8ths per cent. on the nominal amount of Stock now offered.

Copies of the above-mentioned Contracts, of the Treasury Minute dated the 9th November, 1922, guaranteeing the principal and interest of the Stock, of the Memorandum and Articles of Association of the Company, of the Trust Deed securing the Stock, and of the proposed form of Stock Certificate, may be seen by intending subscribers at the Offices of Messrs. Holmes, Son and Pott, Canal House, New Broad Street, E.C. 2, and Messrs. Linklaters and Paines, 2, Bond Court, Walbrook, E.C. 4, on any day whilst the list is open.

DIRECTORS

BRIGADIER-GENERAL ARTHUR MELAND ASPETH, D.S.O., 1, London Wall Buildings, E.C. 2.

BRIGADIER-GENERAL GUY LUBBOCK, C.M.G., D.S.O., Friar Hill, Margate, Kent.

CLEMENT GAUKROGER HODGSON, 5, Northumberland Avenue, W.C. 2, Consulting Engineer.

SECRETARY AND REGISTERED OFFICE.

W. O. SIMMS, 1, LONDON WALL BUILDINGS, E.C. 2.

(Continued from page 39.)

January-February, quoted £21 15s. Continent: large Bombay ditto, £21 7s 6d. Castor, Bombay, December-January, £17 15s, sellers, to Hull; February-March, £17. Ground nuts steady. Coromandel, machine-dried, December-January, £21; ordinary, £20; Nigerian, £20 15s; bold Bombay, December-January, £20 5s. Chinese, December-January, £20 10s. Soya beans, Manchurian: new crop, December-January, £11 10s; January-February, £11 5s per ton.

METALS.—Tin: The market commenced the week with a steady tone, quotations being occasionally the turn dealer, while a fair business transpired. Standard cash sold at £182 7s 6d; January, £182 10s to £182 12s 6d, and three months, £184 5s to £183 15s. Cables report sales in the East on the basis of £187 5s, c.i.f. Later, an easier movement set in, but at the lower range of prices a good business occurred. By the middle of the week standard cash sold down to £180 10s; January, £180 10s, and three months at £181 12s 6d. The downward tendency continued at Thursday's session, business being on a large scale. Standard cash sold at £179, and three months at £180 to £180 12s 6d to £180 7s 6d. No material alteration took place at the final market. Standard cash sold at £179, and three months £180 to £180 10s to £180 7s 6d. English ingots, £178 to £178 10s. Copper opened a shade firmer, though some irregularity was noticeable at times. Business was on a liberal scale, comprising standard cash at £64 13s 9d; January, £64 15s; and three months, £65 10s. Later prices gave way on liberal offering, which, however, were well absorbed. Standard, cash, sold at £64 10s; January, £64 12s 6d; and three months, £65 3s 9d. Values were about steady at Thursday's meeting, with liberal trading. Standard, cash, sold at £64 10s, and three months at £65 to £65 5s to £65 2s 6d. At Friday's session an easier tone prevailed, with business on a fairly large scale. Standard cash sold at £64 5s to £64 2s 6d; and three months, £65 to £64 17s 6d to £65 2s 6d. Electros, £71 10s to £71 15s; best selected, £68 to £70. Strong sheets, £96. Wire bars, £71 15s. Antimony quiet. Ordinary brands, £27 to £29 10s. Aluminium, home trade, £95. Lead irregular, but firmer on balance. Quotations ranging from £26 12s 6d to £26 2s 6d, as to position. Spelter lower, at £35 5s to £33 10s, according to position.

TALLOW.—Messrs Colchesters and Woolner write on January 3rd, 1923, as follows:—The tallow market was firm during the week, and prices were mostly 6d dearer to-day. Operations in shipment parcels were checked by the colonial markets being practically closed for the holidays. The stock in London on December 31st, as returned by the wharves, amounted to 13,189 packages, showing an increase during the month of 3,580 packages. At auction to-day 1,687 casks tallow were offered, and 967 were sold. Quotations are:—Australian mutton: Fine, 43s 9d; good to fair, 42s to 40s; dull to dark, 37s to 36s; hard, 42s. Australian beef: Fine, 43s; good to fair, 42s to 38s; dull to dark, 36s 9d to 35s; sweet, 43s. Present shipment from Australasia: Mutton, fair coloured, 45 degs., 40s; and mixed, 43½, c.i.f. London, 38s 6d. The market letter is unchanged. Town tallow, 35s 6d per cwt. Rough fat, per 8 lbs, 14½; melted stuff, 26s 6d per cwt. Quotations are:—Town, 35s 6d net cash, naked, ex works. Country: Frial casks, 35s; home melted, shipping casks, net, f.o.b., good coloured, —; fair to dull, 36s 6d to 35s 6d. Bone fat: White, none; pale, none; benzine, 32s; melted stuff, 32s 6d, f.o.b.

METROPOLITAN CATTLE.—JANUARY 4.

British Beasts, per stone of 8 lbs to sink the offal. Sheep, per stone.

Beasts—Herefords	5 d 8 d	Sheep—Downs	11 0 to 12 0
Shorthorns	7 0 to 7 6	Ewes	7 0 to 7 4
Devons	nominal	Crossbred	11 4 to 11 6
Norfolks	7 10	Scottish	12 0
Scottish	nominal	Lamb—Downs	12 4
Irish	nominal		
Fat Cows	5 0 to 5 6		

LONDON POTATO MARKETS.—JANUARY 4.

English British Queens	3 0 to 3 3	Majestic	3 0 to 3 0
Eclipse	2 6 to 3 0	King Edwards	3 6 to 4 3

The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor:

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

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SATURDAY, JANUARY 13, 1923.

No. 4142.

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TABLE OF CONTENTS.

The Money Market	41	Books and Publications—	
Leading Articles—		Phases of Co-operation	64
The Great Gamble.....	43	Education for Business ..	65
Price Stability and the		State Action in Industry ..	65
Gold Standard.....	44	Books Received	65
Industrial Profits	46	Stock Exchange News—	
Freights & Shipping in 1922	47	The Stock Markets	66
A Year's Overseas Trade ..	48	New Issues	66
Novorossisk	49	Active Securities.....	67
Latin-American Notes	50	Company Meetings	68
Notes of the Week—		Government Returns—	
The British Debt to America	51	Currency Notes Account ..	71
Near East Problems	51	Public Income and Expen-	
Banking Profits	52	diture	71
Manchester and Protection	54	Treasury Bills and Bonds	
Lloyd's Shipbuilding Re-		by Public Tender	72
turns	53	Bankers' Gazette—	
Coal and Iron and Steel		Bank of England	72
Output	53	Clearing Returns	73
Issues Under the Trade		Overseas Bank Returns ..	73
Facilities Act	53	Loan and Discount Rates..	75
Irish Free State and the		Overseas Bank Rates.....	75
G.S.W. Railway.....	54	Rates of Exchange.....	75
Stock Exchange Trans-		Indian Treasury Bills	76
actions	54	Bullion	76
Swiss Stocks and Shares ..	55	Imports and Exports of Gold	
German Wages in December	55	Gold and Silver Prices	76
Cotton Growing in Sudan..	55	Company News—	
Colonial Income-Tax.....	56	Transvaal Gold Output	
American Railway Amalga-		Statistics	68
mation	56	Oil Outputs	68
The Outlook for Kaffirs....	56	Railway & Tramway Traffic	
Robinson Deep	56	Mining Output Statistics..	78
Agricultural Conditions ..	56	Dividend Announcements..	78
Cotton Growing in 1922..	57	Analysis of Balance-Sheets	
The London and Cambridge		Reports and Notices	79
Economic Service	57	Profit and Loss Accounts..	80
Overseas Correspondence—		Commercial Reports—	
United States	57	Corn Trade	79
France	58	Overseas Trade Returns ..	80
Germany	60	Iron and Coal Trade	81
Canada	61	Cotton Trade	81
Italy	62	Wool Trade	82
Roumania	63	Vegetable Oils and Oilseeds	
Letters to the Editor—		Hide and Leather Trades..	83
The Capital Levy	64	Overseas Produce Markets	
The Premier and Germany	64	Price Current	84

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Paris: Galignani Library, 224, Rue de Rivoli; Messrs Brentano's, 37, Avenue de l'Opera. New York: Economist Office, 20, Broad

street (Room 1,709).

THE MONEY MARKET.

REPAYMENTS by the market to the Bank of England have proceeded steadily, and were concluded on Thursday without making much, if any, impression on the abundance of credit. This was partly because the banks were extensive buyers of February and March Treasury bills, and also because, as appeared from the Bank return, the Government has had to increase its indebtedness to the

Bank of England, presumably in order to meet Treasury bills maturing in excess of sales. Discount rates remained easy, three months' bank bills being taken at 2½ per cent.

	Jan. 12, 1923.	Jan. 5, 1923.	Dec. 29, 1922.	Dec. 21, 1922.	Previous Rate and Date Changed.
Bank Rate	3%	3%	3%	3%	3½ (Jly. 13, '22)
Banks Deposit Rate	1	1	1	1	1½ (Jly. 13, '22)
Discount/Call	1	1	1	1	1½ (Jly. 13, '22)
Houses (Notice	1½	1½	1½	1½	1½ (Jly. 13, '22)
Market rate (3 months' bills)	2½	2½	2½	2½	2½

The Bank return showed decreases of £7,000 in the stock of gold and £1,598,000 in the circulation, and a consequent increase of £1,591,000 in the Reserve. Repayments by the market were indicated by a decrease of 29 millions in the Other securities, but an increase of six millions in Government securities looks like renewed borrowing by the Treasury on Ways and Means advances. Public deposits having risen by half-a-million, there was a net decrease of 22 millions in Other deposits. There was a reduction of £5,677,400 to £289,737,000 in currency notes outstanding, which includes £1,518,100 for notes called in but not yet cancelled. The fiduciary issue is £240,068,800, or £30,115,000 below the maximum.

THE STOCK MARKETS.

Stock Exchange markets have been active and buoyant, the Reparations crisis having been apparently ignored and attention devoted to favourable developments at Lausanne and to the debt funding conference in the United States. President Harding's attitude has engendered considerable optimism. The gilt-edged market has been strong under the lead of Conversion loan, and there has been a steady demand for all the new Home Railway stocks. The slump in the exchanges produced a fall in the foreign bond market, but there was a recovery from the worst. Foreign rails have been fairly steady. A rise in the price of the raw material has turned attention to the rubber share market, and prices have gone up, and oil shares, after a dull opening, improved a little. Industrials have shown irregular movements, and there have been a few good features in the mining markets. Markets are not perturbed by the new issues which have already appeared this week, nor by the larger volume which is anticipated next week.

THE COMMODITY MARKETS.

Reports as to the effect of the Ruhr occupation on the coal trade are mixed. The actual and anticipated exchange movements are causing some hesitation, but on the other hand some sales have been made at higher prices to French buyers threatened with the suspension of Reparation coal deliveries. On the other hand, the United States—fearing a fresh strike—have been actively buying on the Cardiff coal market. Prices of pig-iron shows signs of hardening, while steel and iron undertakings are gradually increasing their activities. Conditions in the Manchester cotton trade are slightly better. In piece-goods for India, the turnover has been on a freer scale, but the demand for China is inclined to lag behind. Business has been rather quiet in the wool trade, but prices keep firm. In the hide market the general opinion is that values will remain steady, the demand for the best-grade hides being, it is thought, in excess of supply the world over. Business in sole leather is steadily improving, and tanners are making sales to Russia. The outlook for shoe manufacturers is reported as brighter on account of better orders being received, both for the home and export trades. Other details of markets and prices from special correspondents will be found on later pages.

FOREIGN EXCHANGES.

In the foreign exchange market, with the exception of the dollar, the movements of the more important currencies have been feverish and dealings restricted. The direct cause, of course, has been the action of France in the Ruhr, and uncertainty as to how far French penetration will be carried, and what its reaction may be in Germany itself makes it quite impossible to infer to what extent exchanges will be further affected. One thing

would appear almost certain, that for some time, at least, there can hardly be any appreciable recovery in the main currencies concerned. It is true that the Paris rate, after reaching nearly 70 in the early part of the week, showed yesterday morning, following on some sharp fluctuations, a tendency towards recovery, and at 66.85 was only some 60 centimes worse than the preceding week. There is, however, little confidence in the permanence of this movement, which may perhaps be interpreted as a reflection of the official determination in Paris to put the best face on a difficult position. At 73 the Brussels rate showed a still further widening of the spread between Paris and itself. In Paris, forward quotations have widened two centimes to 8 centimes per month over spot, while the Brussels rate has again moved up one centime to 4 centimes per month below spot. The lira has followed a similar development, and at 94½ was about 2½ lire above last week's quotation. In Germany the effect of French action was seen in a movement from 39,000 on the 5th to about 50,000 at one time on Monday. Since then there has been a slight recovery, but the rate is not much more than nominal at 48,500, with about 3,500 marks per month above spot for forward quotations. The dependence of Warsaw on Berlin has been shown by the rapid leap up of the Polish mark from 82,500 on the 5th to 95,500. In Warsaw, where the rate was still higher, dealings were prohibited for the time on the 11th. In the same way Vienna, where the rate has been stabilised for so long, was also affected, kronen being quoted yesterday at 330,000, as compared with 320,000 a week ago. On the other hand, the dollar, which has been influenced rather by sympathy with the British attitude over the Ruhr and by expectations of a satisfactory debt settlement than by any more direct trading factors, has shown a steady improvement from 4.65 on the 5th to 4.67½ yesterday, after being at one time on the 11th about 4.68. While undoubtedly an arrangement of our liabilities in America will have a favourable effect on the rate, the outlook in Europe is at present so unsatisfactory that it would be rash to rely too much on the continuance of this movement, at least in the immediate future. The forward rate at 1½ cents per month over spot has narrowed again on the week by ⅛ cent. Neutral currencies, following the dollar, have moved in our favour, and Amsterdam at 11.78½, Switzerland at 24.72½, Madrid at 29.71½ are all considerably higher. In Scandinavia also, Stockholm, which the National Bank by an active exchange policy is keeping at a stable ratio to the dollar, has moved up to 17.35½, while Christiania is higher at 24.97½, and Copenhagen has jumped to 23.12½. At 188½ Helsingfors shows little change. After its recent recovery Prague is moving up again to about 163, while Belgrade and Sofia have also depreciated, and Bucharest, although below the worst, is considerably higher on the week at 850. In the East, the rupee, at 1s 4½d, is about 1-32d dearer than last week, but the yen has depreciated to 2s 1d, following the movement of the dollar. The silver market has been uncertain and irregular, and was kept up for the greater part of the week by Indian spot demand, said to be in fear of a possible reimposition of an import duty on silver. With the dropping off in the Indian demand, prices, however, fell away at once. At 2s 2½d the Hong Kong rate is about 1d lower than last week, as also is the Shanghai rate at 3s 0½d. In South America, Buenos Ayres is ½d dearer at 44d, and Monte Video is also ½d dearer at about 44½d.

THE NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the six days ended January 6th:—

From Revenue	RECEIPTS.	Min. £	EXPENDITURE.	Min. £
.....		15,636	.....	.....
			Interest on Debt	3,472
			Supply Services	8,672
			Sundries	850
			Reduction of Debt	3,272
			Added to Exchequer balances ..	170
		15,636		15,636

Revenue for the six days was £15,636,000, which compares with £19,448,000 for the seven days ended January 7, 1922. Expenditure amounted to £12,193,457, as against £23,751,449 a year ago. Customs yielded £2,581,000, and Property and Income-tax

£7,009,000. The week's operations reduced the National Debt by £3,272,424, and caused the following changes:—

National Savings Certificates ..	+ 200	Min. £	Bank of England Advances ..	— 456
Public Dept. Advances	+ 5,850		Sundries	— 966
			Treasury Bills	— 4,756
		+ 6,050		— 9,322

The floating debt was reduced by £3,395,000 to £937,656,500.

FINANCIAL YEAR, 1922-23 (April 1, 1922, to January 6, 1923).

Total spent	£ 584,827,917	Raised by revenue ..	£ 601,198,653
Dec. in balances	7,899,053	Net repayments	24,269,789

Total	£ 576,928,864	Total	£ 576,928,864
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ESTIMATES for YEAR 1922-23.

Ordinary Expenditure	£ 823,846,000	Ordinary Receipts ..	£ 820,775,000
Special Expenditure	61,223,000	Special Receipts ..	90,000,000
Contingencies	25,000,000		

Total	£ 910,069,000	Total	£ 910,775,000
-------------	---------------	-------------	---------------

Surplus

706,000

NATIONAL DEBT.

(Million £.)

	Aug. 1, 1914.	Mar. 31, 1918.	Mar. 31, 1919.	Dec. 31, 1919.	Mar. 31, 1920.	Mar. 31, 1921.	Mar. 31, 1922.	Dec. 31, 1922.	Jan. 6, 1923.
Funded Debt	588	318	318	315	315	315	315	314	314
Term Annuities	30	22	22	20	19	18	16	15	15
4½% War Stock	16	63	63	63	63	63	63	63	63
4 & 5% War Stock	2,091	2,068	2,047	2,040	1,995	1,953	2,071	2,071	2,071
National War Bonds	649	1,636	1,509	1,476	1,413	1,201	971	971	971
4% Funding Loan	...	...	409	409	405	401	401	401	401
4% Victory Bonds	...	...	360	357	348	335	335	335	335
4% Conversion Loan	...	...	...	...	...	266	690	690	690
5-year Treasury Bonds	...	...	...	...	...	33	24	24	24
5% Treasury Bonds	...	...	...	...	...	381	166	166	166
5% Treasury Bonds	...	...	...	...	...	...	40	40	40
Do by tender 5%	...	...	...	...	...	...	8	69	69
Do by tender 4%	...	...	...	...	...	...	84	84	84
Treasury Bills	15	961	957	1,107	1,107	1,121	878	719	714
Exchequer Bonds	20	392	384	323	319	289	185	150	150
Nat'l. Savings Certs.	...	138	227	267	274	285	342	350	350
War Expend. Certs.	...	23	...	...	...	...	...	...	...
Other Debt	...	944	1,241	1,306	1,181	1,132	1,087	1,071	1,071
American Loan	...	51	51	51	51	...	...	...	...
Temporary Advances	1	204	455	243	205	154	147	222	223
Other Capital Liabilities	654	5,872	7,435	8,033	7,829	7,574	7,655	7,768	7,764
	57	49	46	46	47	49	66	67	67
Total Liabilities	711	5,921	7,481	8,079	7,876	7,623	7,721	7,835	7,831

Corrected in accordance with a return issued December 15, 1922.

POSITION OF THE FLOATING DEBT.

	Temporary Advances Out-stand- ing—	Jan. 7, '22.	Mar. 31, '22.	Jan. 6, '23.	Movement 6 days ended Jan. 6, '23.
Advances by Bank of England	£ 4,500,000	—	—	12,000,000	— 4,500,000
Advances by Public Deposits	174,504,000	147,301,500	211,361,500	— 5,850,000	— 5,850,000
Treasury Bills outstanding	1,068,396,000	882,219,000	714,295,000	— 4,745,000	— 4,745,000
Total Floating Debt	1,247,400,000	1,039,520,500	937,656,500	— 3,395,000	— 3,395,000

THE GREAT GAMBLE.

We cannot recall a situation in which British opinion was so much at a loss to know what to think as it has been since the breakdown of last week's Reparation Conference. As to the financial results of France's action there is practically no difference of opinion; the general view being that of the German trade union leader, who observed to a *Times* correspondent that "We have long said in the Ruhr, you can do nearly everything with the bayonet—except pick coal. Herr Poincaré has yet to learn that the pick wielded by the free German workman anxious to do his share to fulfil his country's obligations is a better producer of Reparation coal than the bayonet." There are people in England, it is true, who think there may be something in the view that the Germans will work reasonably well under military control, and point to the Saar, where the French administration of the mines is producing fairly satisfactory results. But even if the French schemes do not justify the fears of those who look for a severe curtailment of production, we are still not in sight of a situation in which France's urgent budgetary needs would be satisfied; for that requires not merely production on the present lines, but a return to something like normal pre-war output for the whole of Germany, together with monetary stability and machinery for tax collection throughout the country. England is, frankly, sceptical of the ability of France to collect either goods or cash from the Ruhr, and there are very few who think that the German industrialists will be frightened into making a handsome offer.

There is even greater uncertainty mingled with a feeling of disquiet as to the political consequences of the move. Two years ago, when the entirely futile occupation of Dusseldorf, Dinsberg, and Ruhrort occurred, the results of the actual movement of troops was that a tense anxiety and feeling of high nervous strain was succeeded by an amazing calm, and life resumed a normal course as if by magic. It cannot be taken for granted that the same will happen in the mining villages of the Ruhr, but it is on the whole probable that there will be very little immediate and apparent break in the course of existence. At the same time, there is a definite danger which we dare not disregard, that the occupation may start a conflagration that would spread right through Central Europe and the Balkans. This danger is increased by President Harding's announcement of the withdrawal of American troops from Coblenz, which advertises to the world and to Germany the withdrawal of moral support from France and her colleagues. Warning of a less complacent attitude in Berlin is given by the unofficial withdrawal of the German Ambassador from Paris, the announcement that all Reparation payments to the "Treaty-breaking Powers" will cease, and the moonlight flit of the Coal Syndicate with its records and staff from Dusseldorf to Hamburg.

Finally, opinion is undecided as to the reaction upon the trade situation at home. In this respect the predominant feeling is one of profound pessimism, which anticipates that there will be an immediate slackening in demand from the Continent; that the exchanges will experience a new and drastic slump; and that confidence at home will thereby suffer a set-back and plunge us once more into further depths of trade depression and unemployment. This view we believe to be exaggerated so far as it concerns Great Britain. The unsettlement of Europe which French policy undoubtedly involves will certainly delay, perhaps indefinitely, the return of Europe to normal trading conditions; but there are two considerations which should prevent an immediate set-back in British trade. In the first place, further exchange depreciation in Europe, though it will affect trade on the Continent, has now got beyond the stage where it seriously influences extra-European commerce. It is generally recognised to-day that German internal prices follow the exchange rate too quickly to afford a premium on exports for more than a very short period; while, on the other hand, it has eaten up Germany's circulating capital, and made impossible the carrying on of trade in Germany, except for very short periods ahead. Recent experience in Germany, as well as in Austria, shows that beyond a certain point the depreciation of exchanges produces too great a demoralisation inside the country to enable it to be an exporter on a large scale. The other consideration is the corollary of this fact. There is a certain amount of foreign trade which cannot be indefinitely postponed, and the present situation, which is likely to continue if Central Europe gets into a worse state of demoralisation, is that such orders as are going about are coming to this country. This does not mean that it would be a good thing for us if Germany were economically wiped off the map, nor does it mean that employment here may be expected to recover to normal in the near future. But it does imply that there may be some immediate improvement on the recent situation in which the volume of employment has been in the neighbourhood of 20 per cent. below par. On the other hand, it means, on a longer view, that we may have to face a long-drawn-out depression of world trade, since we can hardly expect that extra-European trade can entirely replace our immense commerce with Europe in less than a decade.

But if there is uncertainty on the financial, political, and economic consequences of the Ruhr policy, and therefore on the attitude which Great Britain should adopt towards it, there are, in our opinion, two very important points which should be considered in this country. In the first place, as we pointed out last week, the scheme which Mr Bonar Law put forward in Paris must not be regarded as Britain's last word to France on the subject of Reparations. In particular, it is important that public opinion should be prepared to face the concession to France of a considerably larger proportion of any sums Germany may pay than the amount indicated in the British scheme. According to the final document issued

in Paris, it appears that the division of the Reparation receipts, according to the British plan, would have been as follows:—

	Total to be Received from Germany. Milliard Gold Marks.	Share of France. Milliard Gold Marks.	Share of Great Britain. Milliard Gold Marks.
Present value of 1st series Bonds— 80 % to be divided on Spa per- centages	31.6	16.4	7.0
Balance to be divided on "Armies of Occupation," Clearing House, Belgian War Debts, &c.	7.9	2.1	5.2
Present value of 2nd series Bonds— To be divided so far as France and Great Britain are concerned on basis of debts to U.S.A.	10.5	3.1	4.3
Gold lent to Great Britain during the War	..	..	1.5
Total	..	21.6	18.0
Approximate nominal amount of debts due to America (including accumulated unpaid interest) ..	..	14.	20.

It is quite evident that the receipts assigned to Great Britain on this plan are much larger than the very modest expectations which this country, in fact, now entertains, and the division clearly gives France far less than she must spend in Restoration unless the war debt due to America is entirely remitted. Some months ago France is stated to have spent in these regions 45 milliard francs (14 to 16 milliard gold marks—depending on the rate of exchange), and to be debiting to Germany double this amount on account of pensions, &c. The former figure may be swollen by unwise expenditure, but, on the other hand, the restoration is very far from complete. The proposed division of the Second Series Bonds is an endeavour to recover something for Great Britain out of the wreck of the war debts, and is a very problematical figure, while even the First Series are divided on the Spa percentages, which were agreed upon in days when statesmen—publicly, at all events—pretended to believe that much larger sums could be got from Germany than are now anticipated. If Great Britain is to persuade France to accept what we regard as a practical total based upon Germany's capacity to pay, we are satisfied that opinion in this country would support the principle of admitting, as a prior charge against whatever is received, the cost reasonably estimated of repairing the devastated areas. We ourselves believe that this means in fact that we must be prepared ultimately to surrender all hope of any further share of reparations than is sufficient to cover the cost of our Army of Occupation and the other items in the second line of the table. If, as is probable, the second series bonds do not materialise, but we surrender our claim to the 22 per cent. of the first series bonds, the receipts of France would be increased to 25½ milliard gold marks, and if, as we might hope would be the case, the postponement or easing of payments reduced the present value of her debt to America to say 7 milliards, she would secure a net 18½ milliards. We know of no estimate which makes the cost of restoration less than this. If after last week's breakdown we ever get back to the point of facing the real possibilities, we shall never reach a satisfactory understanding until we admit this claim to priority.

But there remains the possibility that we may not have an opportunity of making this offer, in which case Great Britain has the much more difficult problem of deciding what her attitude is to be towards France's present policy. In our opinion we can only reach clear ideas on this subject if we endeavour to follow France's action through to its logical conclusion. If France fails to collect the funds she requires by placing her officers in the Ruhr mines or collecting Customs duties either at the old frontiers or on some new barriers within Germany itself, we can see no logical reason why she should not extend her occupation to the whole of Germany, and endeavour to collect money either from all industrial undertakings in the country or by levying customs or direct taxes from the nation as a whole. There is little doubt that such extreme action, particularly if taken without the general consent of the

parties to the Treaty of Versailles, would be regarded as unwarranted either by the letter or the spirit of the Treaty, and would constitute an act of "aggression," or, at all events, one "which threatens to disturb international peace." At what stage is the policy of France in danger of overstepping the line? It is this question which is the source of embarrassment to Great Britain. We ask it, not out of any lack of sympathy for France in her failure to secure any substantial contribution from Germany towards repairing the wanton damage done in the war, or because we desire to see Germany escape the appropriate consequences of her militaristic policy; but because Great Britain, with all the other signatory Powers, has deliberately, and with a full sense of responsibility, signed the Covenant of the League of Nations, and in so doing recognised that we are under an obligation to take definite action to check international aggression and to endeavour to forestall and remove complications likely to result in war. The League of Nations Covenant implies a new doctrine of responsibility in international affairs, and unless we repudiate it we cannot return to the pre-war situation, in which it was open to any country to stand aside from international conflict. On the contrary, we are committed to use diplomatic, economic, and in certain cases may even be invited by the Council of the League to use military pressure, to prevent aggression; and, if the pessimists are right, we may soon have seriously to consider what action these undertakings impose upon us. Sweden has already given an indication that she will raise the issue at the forthcoming League Council meeting, and Great Britain must decide whether a position of benevolent neutrality can still be maintained, or whether, in association with other members of the League, she may be led to range herself in definite diplomatic opposition to her late ally.

PRICE STABILITY AND THE GOLD STANDARD.

It has long been recognised that the regulation of a monetary system so as to secure (at any rate, in the long run) a stable price level is in theory both feasible and comparatively simple. All that is required is to agree upon some system of index numbers for the measurement of prices; to take the price level ruling at some particular time as the *par* to be maintained; and then to provide that currency and credit shall be contracted whenever prices rise above this *par* level, and expanded when they fall below it. Various schemes have been suggested by which this might be done, but as none of them has seemed compatible with the maintenance of an orthodox gold standard, they have received little serious backing. It is not merely a question of conservatism or tradition, but of the sacrifice of the solid advantages of stable foreign exchanges. For experience shows that, between currency systems based on gold, an almost perfect exchange stability is secured, and it would not be easy to secure this otherwise. Even under Professor Irving Fisher's scheme, the mint *par* of exchange, though it would exist at any moment, would be liable to frequent alterations. Since the possibilities of exchange stability are a matter of experience, while those of a stable price level are necessarily a matter of speculation, there is a natural and general reluctance to contemplate novel monetary arrangements under which the former would be sacrificed to the latter. But are these two objects really mutually exclusive? In this connection two features of the present world situation deserve attention; first, the monetary programme evolved by the Genoa Conference last year, and, second, the singular monetary position occupied by the United States.

The first aspect of the matter was recently discussed in a remarkable article in the *Economic Journal* by Mr. Hawtrey, of the British Treasury.* The road back to a general régime of gold standards is beset with obstacles. Budget deficits must first be cleared out of the way, and most of the late belligerents must reconcile themselves to devaluation. But, even then, formidable difficulties will remain. A large part of the former gold reserves of Europe is now in the United States. Any attempt to bring them back again might cause a disastrous appreciation in the commodity value of gold. On the other hand,

* "The Genoa Resolutions on Currency." *Economic Journal*, September, 1922.

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a country which resumes gold payments on the basis of a slender gold reserve will run very considerable risks under the unsettled conditions which seem likely to prevail. Accordingly, it was recognised by the Financial Commission of the Genoa Conference that international co-operation will be necessary. There must be a convention under which some countries will become free gold centres, while others have recourse to the devices of a gold exchange standard. But, above all, there must be co-operation between the various central banks, and among the matters on which their mutual co-operation is required is the regulation of credit, "not only with a view to maintaining the currencies at par with one another, but also with a view to preventing undue fluctuations in the purchasing power of gold." Upon this resolution Mr. Hawtrey lays great stress; "the stabilisation of gold," he declares, "is essential to the whole scheme," and he has no doubt at all that it can be done by an appropriate use of the instrument of "bank rate" or "re-discount rate." But the possibilities of a great scheme of co-operation among central banks belong to a problematical future. Let us turn accordingly from the resolutions of Genoa to the drift of events already perceptible in the United States.

The gold reserves of the Federal Reserve Banks amount at present to well over 70 per cent. of their deposit and note liabilities combined. The minimum reserve which the law requires them to maintain is less than 40 per cent., and on ordinary banking principles a figure not much higher than this would be enough to satisfy the most extreme prudence. If, accordingly, the Federal Reserve Board are governed by ordinary banking principles, an immense expansion of credit and increase of prices in the United States is both immediately possible and, sooner or later, inevitable. We in this country expect that such an expansion will, in fact, take place, and we hope for it devoutly. It would make possible our return to the pre-war parity, without further disastrous deflation, consistently even with some recovery of our own price-level and a consequent easing of the Budget problem. It would reduce the real burden of our debt to the United States. But in American eyes the prospect is necessarily less attractive. Unpopular as a period of deflation is, no one can desire that it should be succeeded by a period of equally marked inflation. And the Federal Reserve Board are emphatic that this must not occur. In other words, they declare their intention of preventing any appreciable rise in prices, be the gold reserve at their disposal what it may. Fortunately for us, their declarations on the point are couched in vague and general terms, and the matter is one on which the utmost clarity of conception is required for effective action. The path of every expansion of credit and increase of prices is strewn thick with illusions. There is the illusion that so long as credit is supplied to meet only the "genuine needs of trade," no inflation of prices can result; there is the illusion that the rise in prices, which, in fact, takes place, is due to other causes than credit policy, causes which seem in some way "natural." All credit-controlling authorities contain members who are themselves subject to these illusions, and those members who take a different view seldom hold

it with sufficient confidence to be willing to urge strongly a restrictive policy, calculated, as it seems, to nip in the bud, perhaps unnecessarily, a period of active trade. While they hesitate, the rise in prices is gathering momentum. To these influences, it may be expected, the Federal Reserve Board will prove susceptible; they may issue appeals and warnings, but they are not likely to nerve themselves to use the unpopular weapon of a high re-discount rate before a considerable rise in prices has taken place, enough perhaps to send the sovereign in triumph back home to parity.

But what will happen then? For the story cannot end there. The potentialities of increased credit in the United States are so vast that prices might well rise 50 per cent. or more before ordinary banking principles would call for a curtailment of credit; and long before this the Federal Reserve Board will certainly take action. Probably their action will be severe enough to subject America once again to the evils of falling prices and depression. Then a situation will arise in which three features will be prominent. First, the objective of price stability will assume an urgent importance to a public weary of the round of alternating periods of inflation and deflation. Second, it will be established beyond a doubt that the movement of prices is powerfully affected by the action of the Federal Reserve Board. But, thirdly, it will be established with hardly less certainty that that body must have some more definite policy than a vague determination to prevent excessive increases, if any measure of stability is to be secured. It is not easy to predict the outcome of such a situation. One possibility is a general attack upon, and collapse of, the Federal Reserve system. But it is also possible that the Federal Reserve Board will retain their authority and will pursue their end of price stability with a new precision. They may then seek for some definite criteria for the guidance of their discount policy, and it is possible that they may adopt the devices indicated at the outset of this article; fix on an index number, fix on a *par* price-level, and announce that, whenever prices rise above that level (or fall below it), the re-discount rate will be put up (or down) as a matter of course.

But the point we wish to urge does not depend on events taking this particular turn. It is already the declared policy of the Federal Reserve Board to use their control of credit for the purpose of maintaining as much stability of prices as possible. What does this amount to? To an attempt to fix the purchasing power of gold, and so to stabilise prices not only for the United States but for all other countries, as and when they revert to a gold basis. Thus the possibility of combining the virtues of stable exchanges and stable prices is already the subject of a singular experiment, which a great country is being driven to undertake, not by any taste for academic Utopias, but by the ineluctable pressure of her own necessities. For America must endeavour to control the purchasing power of gold, on pain of the alternative of a huge increase in prices, which it is the general desire of her citizens to avert. If she succeeds she will have done much to prepare the ground for that ultimate inter-

national co-operation postulated by the Genoa Conference. If, further, she makes a good job of it, and gives precision to her policy by calling index-numbers to her aid, new possibilities will be opened out. How far would such a policy promote steadier conditions of trade and employment? This question we shall consider in a later article.

INDUSTRIAL PROFITS.

Our quarterly figures of the profits of industrial companies, compiled from the table of profit and loss accounts published each week in the *Economist*, show a slight increase in the net profits disclosed in company reports appearing in October, November, and December, 1922. These refer, for the most part, to the financial years ended June 30th or September 30th last, though in some cases the period covered is very much earlier. During the past quarter the reports of 319 companies, for which comparative figures were available, were analysed in the weekly table, and these show aggregate net profits, after payment of debenture interest, &c., of £24,228,700, as compared with £23,310,400 earned by the same companies in the previous financial years, an increase of £918,300, or 3.9 per cent. As will be seen from the table below, the net profits disclosed in the three other quarters of the year showed heavy decreases:—

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

	No. of Cos.	Reports Published in		Increase.		Decrease.	
		1921.	1922.				
First quarter	442	47,368,926	26,785,962	..	..	20,582,974	43.4
Second quarter	401	38,044,790	25,195,690	..	..	12,849,100	33.7
Third quarter	209	16,853,920	12,120,153	..	..	3,733,767	23.5
Fourth quarter	319	23,310,452	24,228,719	918,267	3.9	..	..
	1,371	124,578,088	88,330,514	..	..	36,247,574	29.0

The increase shown for the last quarter of the year has to be considered, however, in the light of previous records. The average profit per company for the three months works out at just under £76,000, and although this compares favourably with £73,000 in the corresponding quarter of 1921, the comparison is not so favourable with the same quarter in 1920, when the average profit per company was £82,700. In fact, while the figures seem to indicate that the corner has been turned, the reaction so far recorded is a very slight one, for, as will be seen by the list of quarterly increases or decreases in net profits since the beginning of 1918, a year ago a drop of nearly 53 per cent. was recorded:—

	1918.	1919.	1920.	1921.	1922.
First quarter	-1.0	..	+10.4	..	+26.9
Second quarter	-5.8	..	-5.1	..	+37.8
Third quarter	+12.3	..	-3.4	..	+41.9
Fourth quarter	+4.7	..	+10.5	..	+27.1
					-52.9

Taking the figures in the last line, which refer to the quarter of the year with which we are now most concerned, the changes show that the profits for the final quarter of 1922 are little more than two-thirds of what they were in the same period of 1918.

Analysing the figures for the 319 companies into 16 groups, the changes in net profits in each group are as follows:—

	Number of Companies	Reports Published in Quarter Ended Dec. 31.		Increase.		Decrease.	
		1921.	1922.				
Breweries	48	1,875,609	1,816,693	..	..	58,916	3.1
Hotels, restaurants, &c.	27	417,504	426,518	9,014	2.2	..	..
Iron, coal, and steel	23	3,362,195	1,168,491	..	..	2,193,634	65.1
Land, mortgage, &c.	12	332,643	1,236,195	903,552	27.5	..	..
Motor and cycle	12	639,160	651,705	..	..	12,545	1.9
Nitrates	7	220,831	63,665	..	..	157,166	71.2
Oil	3	3,465,432	3,402,680	..	..	62,752	1.8
Rubber, &c.	76	334,516	90,018	..	..	244,498	73.4
Shipping	6	738,119	786,233	48,114	6.5	..	..
Shops and stores	7	802,482	177,800	..	..	624,682	77.8
Tea	7	16,875	77,477	60,602	359.9	..	..
Telegraphs, &c.	6	2,215,106	3,046,401	831,295	37.4	..	..
Textiles	6	2,088,227	3,483,982	1,395,755	66.7	..	..
Tramways	4	124,111	123,364	..	..	747	0.6
Trust companies	19	404,010	536,544	132,534	32.7	..	..
Miscellaneous	66	6,352,736	7,368,293	1,015,557	16.3	..	..
	319	23,310,452	24,228,719	918,267	3.9	..	..

The most striking change in this table is the decline of over 65 per cent. in the profits of 23 iron, coal, and steel

companies. Only six of these companies, the bulk of whose reports refer to the year ended June 30th last, show better profits than in the previous year. A decline in retail trade is naturally reflected at a later date than the general depression in industry, and the fall of 78 per cent. under the head of shops and stores is therefore not very surprising. Waring and Gillow, Maypole Dairy, and Harrods (Buenos Aires) are chiefly responsible, small increases being shown by Debenhams and International Tea Co.'s Stores. A large increase is shown in the textile group, but this is due principally to the inclusion of the figures of J. and P. Coats, whose profits increased by £1,198,000. Both tea and rubber companies show a substantial recovery in profits, and the twelve investment trust companies have done better, largely, it is to be presumed, as a result of the rise in security values. Satisfactory increases are also shown by the land, mortgage, &c., and telegraph groups.

The next table shows how profits were distributed in each quarterly period of 1922:—

DISTRIBUTION OF PROFITS.

	Net Profits.	Ordinary Dividend.	Preference Dividend.	To Reserve, &c.
1922.	£	£	£	£
First quarter	26,785,962	22,171,510	9,689,030	Dr 5,074,588
Second quarter	25,195,690	20,066,774	6,156,048	Dr 1,077,139
Third quarter	12,120,153	10,010,136	3,328,074	Dr 1,218,057
Fourth quarter	24,228,719	15,698,160	4,720,052	Dr 3,810,507
	88,330,514	67,946,580	23,893,204	Dr 3,509,270

There was a very material improvement in the method of distribution in the last quarter, and reserves and balances brought forward were not drawn upon as in the rest of the year, but were increased by a sum equivalent to nearly 16 per cent. of profits. The figures for the whole year, however, are still unsatisfactory, in that the amount distributed to shareholders exceeds net profits by nearly 4 per cent. In 1921 nearly 19 per cent. of profits was reserved or added to the balances carried forward. The distribution of profits in each group is shown in the next table:—

	Net Profits.	Ordinary Dividend.	% of Profits.	Pref. Dividend.	% of Profits.	Carried to Reserve, &c.	% of Profits.
Breweries	1,816,693	871,380	48.1	430,071	23.6	515,242	28.3
Hotels, restaurants, &c.	426,518	201,569	47.9	118,350	27.6	106,599	24.5
Iron, coal, and steel	1,168,491	607,834	51.8	906,336	77.2	345,679	29.0
Land, mortgage, &c.	1,236,195	752,972	61.0	289,728	23.4	1,334,995	107.9
Motor and cycle	551,705	317,500	57.5	59,705	10.8	174,700	31.7
Nitrates	63,665	37,486	58.9	..	..	26,179	41.1
Oil	3,402,680	1,454,970	42.7	795,000	23.4	1,152,710	33.9
Rubber, &c.	90,018	106,378	118.0	5,418	6.0	21,678	24.0
Shipping	786,233	707,813	90.0	201,602	25.6	Dr 129,192	16.6
Shops and stores	177,800	678,257	381.5	12,665	7.1	Dr 582,122	329.7
Tea	77,477	36,101	45.4	14,176	18.2	28,200	36.4
Telegraphs, &c.	3,046,401	1,238,509	40.6	70,000	2.3	1,737,892	57.1
Textiles	3,483,982	2,656,750	76.3	402,566	11.5	424,666	12.2
Tramways	123,364	72,523	58.9	14,625	11.9	36,216	29.3
Trust companies	536,544	253,634	47.3	221,419	41.3	61,491	11.4
Miscellaneous	7,368,293	5,702,784	77.4	1,166,391	15.8	499,118	6.8
	24,228,719	15,698,160	64.9	4,720,052	19.4	3,810,507	15.7

Five groups show a reduction in reserves or balances brought forward. The shipping group is in this category, largely owing to the figures of the Argentine Navigation Company. The most prominent figures are those of the shops and stores group, four of the companies having made heavy net losses, while the Maypole Dairy, whose net profits were £551,800, distributed £629,600 to ordinary shareholders. In the iron, coal, and steel group nine companies paid no ordinary dividend, and this partly accounts for the high proportion of profits going to preference shareholders. At the other end of the scale the telegraph group pays a comparatively modest proportion of profits to shareholders and reserves over 57 per cent. The tea, tramway, and motor and cycle groups show up fairly well in this respect.

We next show the ratio to total ordinary and preference capital of net profits and of amounts carried to reserve:—

	Total Ord. and Pref. Capital.	Net Profits.	Carried to Reserve, &c.
1922.	£	£	£
First quarter	442,936,400	26,785,962	Dr 5,074,588
Second quarter	350,840,200	25,195,690	Dr 1,077,132
Third quarter	205,481,600	12,120,153	Dr 1,218,057
Fourth quarter	268,105,000	24,228,719	Dr 3,810,507
	1,267,363,200	88,330,514	Dr 3,509,270

Profits in the last quarter show easily the highest ratio, but the ratio of 7 per cent. for the full year is a low one. In 1921 it was 10.3 per cent., and in 1920 15.2 per cent.

The average rates paid on the three classes of capital in the four quarters of each of the past three years are set out below:—

	On Debenture Capital.			On Preference Capital.			On Ordinary Capital.		
	1920.	1921.	1922.	1920.	1921.	1922.	1920.	1921.	1922.
First quarter	4.25	4.45	4.70	5.1	5.0	5.3	12.2	10.3	8.5
Second quarter	4.45	4.61	5.00	5.0	5.6	5.9	13.7	12.6	8.8
Third quarter	4.12	4.45	5.21	4.9	5.0	5.4	14.2	9.7	7.6
Fourth quarter	4.45	4.52	4.83	5.3	5.1	5.6	11.6	7.6	8.6

There is a distinct though somewhat irregular rise in average debenture interest, which is no doubt a reflection of the high rates at which debentures and short-term notes (which are included) were issued during the boom period. Average preference dividend rates have shown a steadier movement. Much wider fluctuations, of course, have occurred in average ordinary dividend rates, the very substantial figure of 14.2 per cent. having been reached in the third quarter of 1920. These percentages, it should be mentioned, do not include the bonus share distributions so popular during the post-war boom.

The final table shows the average rate paid in the last quarter of 1922 in each of the groups, together with the ordinary rates recorded a year ago:—

	Debenture Capital.	Rate of Interest.	Preference Capital.	Rate of Dividend.	Ordinary Capital.	Rate of Dividend.	Rate a Year Ago.
Breweries	£	%	£	%	£	%	%
Hotels, restaurants, &c.	13,395,439	4.2	7,071,614	6.0	8,062,013	10.8	10.7
Iron, coal, and steel	2,987,721	4.5	1,940,000	6.1	2,486,545	8.2	9.5
Land, mortgage, &c.	14,347,515	5.9	15,007,302	6.0	36,529,342	17.3	39.9
Motor and cycle	11,225,375	4.6	6,323,655	4.6	13,478,182	5.6	6.3
Nitrates	50,000	5.6	1,038,929	5.8	3,727,264	8.5	6.0
Oil	383,980	5.4	50,000	6.0	1,328,069	2.8	8.8
Rubber	4,750,000	5.0	10,488,380	7.6	8,873,708	16.4	19.6
Shipping	156,776	7.0	390,000	1.4	10,064,649	1.1	1.3
Shops and Stores	6,644,760	4.8	4,383,380	4.6	7,710,698	9.2	8.3
Tea	2,143,490	5.7	3,802,849	5.7	9,090,978	7.5	1.3
Telegraphs	12,660	5.0	172,300	8.2	325,531	10.8	9.1
Textiles	3,685,575	4.0	2,000,000	3.5	12,817,175	9.6	8.2
Tramways	1,700,000	6.6	6,930,000	5.8	16,230,000	16.4	16.7
Trust companies	587,608	4.8	300,000	4.9	1,286,222	5.6	5.1
Miscellaneous	3,751,041	4.1	5,337,707	4.1	8,549,665	3.0	3.2
	5,067,206	5.3	19,394,114	6.0	42,914,703	13.3	10.0
	70,919,152	4.8	84,630,293	5.6	183,474,744	8.6	7.6

High rates of dividend are still the order of the day in the oil and textile groups, but apart from the miscellaneous section there are only two other groups which paid a higher average than 10 per cent.

FREIGHTS AND SHIPPING IN 1922.

The problem that confronted shipowners during the war period, and for some time after, was how to force a quart of cargo into a pint of carrying space, but conditions throughout 1922 were exactly the reverse, the shipping position being very similar to that witnessed in 1913 and early in 1914. At the beginning of last year over a thousand vessels, with a net tonnage of 1,308,000 tons, were laid up in this country, and, taking the whole world, the year started with something like eight to nine million net tons of merchant shipping unemployed. Of course, a lot of this was old shipping, which could never hope for remunerative, or, indeed, any, employment while trade remained depressed, but the general position was distinctly bad for owners everywhere, and in the circumstances it was not at all surprising that many of the newcomers who had jumped into the business when the post-war "boom" was at its height in 1920 with steamers for which they paid most extravagant prices found themselves in difficulties. Tonnage which had previously changed hands at £25 and more per ton was sold off for absurdly low figures under forced sales, and most of the smaller shipping concerns were weeded out. The older companies, with their tonnage written down to a reasonable figure, say, from £6 to £9 per ton, were able to weather the storm, and it became obvious as the year drew near its close that the leading shipping companies of 1913 were to be the shipping companies of 1923. Low freights, chaotic exchanges, the absence of cargoes, and a supply of mercantile tonnage far in excess of the world's needs

simply played havoc with the smaller shipping companies, with high-cost steamers and no reserves, and there is no doubt that this drastic clearing out of the weaklings has left the British merchant marine stronger than it was before. Certainly the position of the more important British shipping companies at the close of last year was much better than it was earlier in 1922, as can be seen by the confidence shown by the investing public in shipping securities and the all-round rise in the value of good shipping shares.

By the end of the half-year there was a moderate improvement in the general position, and further steady progress in this direction followed, the unemployed shipping by the close of the year having dropped to well below a million tons net. The United States merchant marine, however, found great difficulty in obtaining cargoes for the steamers working from the American ports, and very heavy losses were incurred by the State-owned merchant fleet, while France also had a large percentage of her merchant fleet tied up idle, owing to the dispute with the seamen and the general depression. Taking it all round, the shipping of this country was better employed than any other in the closing months of the year, and the recovery in the outward coal position did much to bring about this desirable state of affairs. Eliminating steamers which are old or obsolete, there is now a very small portion of the British merchant fleet off the active list, and the fact that shipping working from the home ports is now more equally distributed than it has been since 1914, means that British owners are in a very favourable position for supplying the carrying needs of any country at competitive rates, as British vessels of any size or speed can be placed on any loading berth in the world at short notice, or sent out in ballast if the freight tendered warrants such action. Taking the whole year all through, then, British ships were able to secure the bulk of the cargoes offering, but as rates were cut so fine in nearly every instance, the earnings of the merchant fleet were very low. In 1920 British shipping earned something like £275,000,000, but during the following year there was a very sharp falling off to about £80,000,000, while last year the average monthly earnings could not have been more than £5,000,000; this, however, compares very favourably with the results obtained by other countries. The British passenger ships did very well at one period of the year, but this traffic was curtailed by the restrictions in force in certain countries in connection with immigrants, and high fares checked travelling for pleasure, although late in the year all the leading shipping companies working to South Africa, Australia, India, and the East made a fairly big cut in their passage rates. It may be mentioned, however, that this country now owns the finest fleet of passenger liners in the world, and is therefore in a position to hold its own and more in the rate war which will undoubtedly loom large on the shipping horizon sooner or later, especially in the Transatlantic trade. It is known that certain movements are contemplated by foreign shipping interests, but it will be found that British shipowners are well placed and quite ready to meet any competition, whether it comes from countries working with State-aided tonnage or otherwise. In the cargo market, of course, the war never ceases, this being probably the most open market in the world, where knowledge, resource, and a firm grip on the intricate workings of the shipping industry count for much.

The movement in freight rates since the beginning of 1920 is shown below:—

Voyage.	Jan. '20.	Jan. '21.	Jan. '22.	Jan. '23.
Grain, Range/U.K. per qr.	10/	6/6	4/	3/6
Coal, Virginia/Plate per ton	914	85	84	83 1/2
Grain, Plate/U.K.-Cont.	145/	45/	32/6	27/6
Nitrates, Chili/U.K.-Cont.	200/	60/	30/	37/6
Bombay/U.K.-Cont. ...D/W ton	97/6	50/	22/6	28/
Australia/U.K.-Cont. per ton	105/	75/	47/6	43/9
Ore, Bilbao/Middlesbrough ..	27/	15/	7/	8/
Coal, Wales/Plate	40/	22/6	14/	12/

The outlook favours a continuation of an active demand for coal carriers, and should there be another strike among the American miners in the spring, great pressure would be put on the British loading ports. Rates from South Wales to the States have already risen this year from 7s to 9s 6d, and owners are inclined to take a very firm

stand. There is also the possibility of trouble breaking out in certain Continental coalfields, and everything points to active conditions in the coal-steamer market for some time to come. Homeward business will depend a lot on the political and exchange position, but there are many indications that better times are coming. The Argentine crops will call for tonnage, although there are unsold cargoes about at the moment, and there is every sign that nitrates, sugar, and other commodities will begin to move in greater quantity later in the year. The revival in the iron and steel industry and the shortage of scrap material will give the ore trade a useful fillip, and already there is more activity seen in the time charter market, with several steamers booked up for the States/West Indies and Transatlantic trade. Rates are not likely to rise much, but there should be more chartering done, and the first improvement will be seen in the outward coal section.

A YEAR'S OVERSEAS TRADE.

THE total turnover of British merchandise trade in 1920 was about £3,490 millions; in 1921, £1,897 millions. The Board of Trade returns just issued show a further drop in 1922—but this time a small one—to £1,828 millions. The recent comparative stability of prices causes a comparison of 1922 and 1921 value figures to be far less vitiated by price changes than was the comparison between the value figures of 1921 and 1920. Nevertheless, the factor of price changes, as will be seen from statistics presented in this article, has to be borne in mind. The summary of the past year's value figures for imports, exports, and re-exports, as compared with those of 1921, reads as follows:—

CALENDAR YEAR.				
	1921.	1922.	Decrease in 1922.	
	£	£	£	%
Imports	1,085,500,061	1,003,918,124	- 81,581,937	- 7.5
British exports	703,399,542	720,496,426	+ 17,096,884	+ 2.4
Re-exports	106,919,306	103,777,871	- 3,141,435	- 2.9
Total exports	810,318,848	824,274,297	+ 13,955,449	+ 1.7
Excess of imports over total exports	275,182,213	179,643,827	- 95,538,386	- 34.7

A fall of over £81 millions in imports coincides with a rise of £17 millions in exports, while re-exports are £3 millions down. In connection with the rise in the value total of British exports, it must be remembered that the prices of many leading British manufactures were severely cut early in the past year, and the increase in volume must be considerably larger than the increase in value would by itself suggest. To that subject we will return in a moment.

Perhaps the most remarkable feature of British overseas merchandise trade in the past two years is that in that period nearly £200 millions have been knocked off the excess of imports, the reduction in 1921 having been similar to that recorded above for 1922. The 1922 figure of £180 millions, or £15 millions a month, compares with an average of about £11 millions a month just before the war, and should be well within the capacity of our invisible exports to cover. It would, indeed, appear that Great Britain has worked back to a position in which she again enjoys a favourable trade balance of substantial, if not of pre-war, dimensions. How the balance of merchandise trade moved month by month in the past two years will be seen from the following table:—

MOVEMENTS OF MERCHANDISE TRADE BALANCE.				
Month.	Imports in 1922.	Total Exports in 1922.	Excess of Imports in 1922.	Excess of Imports in 1921.
	Million £.	Million £.	Million £.	Million £.
January	76.5	71.6	4.9	14.3
February	69.4	68.5	.9	20.8
March	87.9	74.7	13.2	18.1
April	80.6	64.7	15.9	21.6
May	88.8	67.0	21.8	36.0
June	84.3	60.9	23.4	43.0
First half-year	487.5	407.4	80.1	153.8

MOVEMENTS OF MERCHANDISE TRADE BALANCE.				
Month.	Imports in 1922.	Total Exports in 1922.	Excess of Imports in 1922.	Excess of Imports in 1921.
	Million £.	Million £.	Million £.	Million £.
July	81.8	68.7	13.1	28.0
August	82.6	67.5	15.1	27.3
September	76.9	68.9	8.0	23.1
October	85.0	68.7	16.3	12.1
November	95.6	75.6	20.0	16.6
December	94.9	67.4	27.5	16.8
Second half-year	516.8	416.8	100.0	123.9
Full year	1,004.3	824.2	180.1	277.7

The totals here given do not agree exactly with those given in the first table, the explanation being that the official returns give corrected totals in advance of corrected figures for individual months. The major part of the reduction in the import balance was achieved in the first half of the year, and it will be seen that in the last three months of 1922 the import excess was considerably larger than in the corresponding period of 1921. This feature of the trade of the last part of the year is a reminder that the import excess can hardly be expected to fall substantially in 1923. But the huge reductions of the past two years are an achievement of great financial importance, which has undoubtedly been one of the factors at work in lifting the exchange value of sterling.

In the following table we compare the quantities of a number of leading foodstuffs and raw materials imported in 1921 and 1922 and the average value per unit imported:—

IMPORTS.				
	Quantity.		Value per Unit.	
	1921.	1922.	1921.	1922.
Raw cotton.....centals	11,725,521	14,319,902	6.16	5.96
Sheep & lambs wool.....centals	7,612,897	11,055,764	5.46	5.33
Flax, hemp, and jute.....tons	180,755	267,914	51.6	40.9
Rubber.....centals	1,903,107	1,430,822	4.85	4.39
Beef.....cwt.	12,168,912	11,759,955	3.69	2.49
Mutton and lamb.....cwt.	6,829,906	5,848,763	4.25	3.82
Wheat.....cwt.	80,478,794	96,374,134	0.878	0.610
Sugar.....cwt.	25,660,011	38,597,874	1.375	0.879
Butter.....cwt.	3,523,976	4,268,561	12.02	8.75
Tea.....lbs	447,583,002	418,819,789	0.052	0.062
Tobacco.....lbs	229,112,173	186,001,541	0.0995	0.101

Although the general price level has been much steadier than in 1921, the above figures show that the average prices of many of our leading articles of import were substantially lower in 1921 than 1922. Sugar, butter, and flax, hemp, and jute are the most notable instances, while cotton and wool show comparatively little change.

The next table illustrates the point mentioned above, that 1922 saw a substantial increase in the exports of leading British products. In reading the figures, however, it must be remembered that in 1921 the export trade was severely restricted for many months by the great coal stoppage and its effects:—

EXPORTS.			
	Quantity (000's omitted).		
	1920.	1921.	1922.
Coal	24,932	24,661	64,198
Pig-iron and ferro-alloys	579	136	794
Railway material	311	340	480
Total of iron and steel and manufactures thereof	3,251	1,697	3,401
Textile machinery	63	157	155
Total machinery	462	506	403
Cotton yarns	147,432	145,895	201,221
Cotton piece-goods.....sq yds	4,435,405	2,902,289	4,181,176
Wool tops	238	347	416
Woollen tissues.....sq yds.	187,233	76,556	121,489
Worsted tissues.....sq yds.	77,355	40,814	62,458
Linen piece-goods.....sq yds.	93,045	39,962	77,421
Boots and shoes	819	313	492
Leather	271	228	232
Paper and cardboard.....cwt.	2,350	1,463	2,455
Locomotives	4	7	32
Motor-cars and chassis	8	4	3

Coal is, of course, the feature of the list. The total export last year of 64,198,384 tons, which is nearly 2½ times the figure for 1920, compares with 73,400,118 tons in 1913. The exports increased in the latter part of 1922, and in the last quarter the monthly average coal export was comparable to that of 1913. These figures do not include bunker coal, or, as it is officially described in the returns, "coal shipped for the use of steamers engaged in the foreign trade." Under this head the 1922 figure is 18½ million tons, compared with 21 millions in 1913, and nearly 14 millions in 1920. For a time of trade depression the coal figures of 1922 are remarkably satisfactory, and they prove that this country has regained its hold on its overseas markets, and also its position in the bunker trade. This is an achievement of high national importance, which could not have been recorded but for the drastic reduction in wages to which British miners have submitted. The last remark applies also to the large measure of recovery enjoyed by iron and steel manufactures. It will doubtless come as a surprise to many that exports of iron and steel manufactures in 1922 exceeded those of 1920. The rise here, again, was progressive in the past year, and will, we hope, continue in 1923. Cotton yarns and woollen tissues are other noticeable items in a list which provides ground for encouragement.

The bullion and specie figures for the past three years compare as follows:—

	Gold.		Silver.	
	Imports.	Exports.	Imports.	Exports.
	£	£	£	£
1920	50,678,283	92,565,137	9,923,034	11,493,266
1921	49,676,047	59,348,158	10,264,443	12,045,422
1922	34,543,591	44,851,917	10,100,552	13,235,269

In 1922 the surplus of gold exports over imports at £9.7 millions is similar to that of the previous year. Gold imports last year from the Transvaal were £4.2 millions lower at £30.4 millions, while gold shipped to the United States was only £26.6 millions, as compared with £55.5 millions in 1921. British India, however, took from us £12.9 millions worth of gold, as compared with £1.5 million in 1921. The statistics of shipping tonnage engaged in overseas trade amplify the evidence of the returns themselves that a larger volume of commerce was passing in 1922. The tonnage cleared with cargoes from British ports in 1922 was 59.7 million tons, as compared with 36.4 millions and 36.7 millions in 1921 and 1920 respectively. For this large increase the big rise in exports of coal must be responsible in an important degree. Tables setting out the value figures of imports and exports in December, and the full years 1921 and 1922, will be found in the commercial section at the end of this issue.

NOVOROSSISK.

(FROM OUR MOSCOW CORRESPONDENT.)

In studying the present economic situation in Russia, and especially of the progress made under the new economic policy, attention should be given to the developments which are taking place not only in Moscow and Petrograd, but also in the outlying towns and ports of Russia. During a recent visit to Novorossisk, the only Black Sea port in Russia (excluding the Ukraine), and formerly one of the most important ports on the east of the Black Sea, I spent some time in examining the present state of the port as compared with its condition at the outbreak of war in 1914. Novorossisk, the expansion of a small and insignificant fishing port, came into existence about 40 years ago as the result of the Vladikavkas Railway Company having selected Zemess Bay as a suitable spot for the termination on the Black Sea of their railway system. In 1893 the Russian Government completed the large breakwaters which protect the harbour from the heavy seas caused by southerly winds, and the bay of Novorossisk now forms an excellent harbour with good anchor ground. Following the completion of the breakwaters, the railway company built five wooden jetties or piers for loading and discharging, three of which are fitted with overhead galleries for loading grain in bulk, one with pipe-lines for loading oil in bulk, and one pier fitted for discharging cargoes. These five piers have berths for 30 steamers, the depth at the end of the pier

being 27 feet. In addition, the Government built in the north-eastern part of the harbour stone quays with berths for four or five steamers, and in this part of the harbour there is also a large pier specially fitted for loading cement and discharging coal for cement works. A special pier also exists for coasting trade and passenger steamers. The Royal Dutch Oil Company also possessed their own pier for loading oil in bulk through pipe-lines laid down on the pier. Two new stone piers had been commenced before the war, but were left unfinished.

For the development of the considerable grain export trade the railway company built a large grain elevator on modern lines, with a capacity of 60,000 tons, together with a number of stone warehouses in connection with the elevator, and over 100 wooden warehouses for grain and other merchandise; all are connected with the loading and discharging piers by railway lines. For the storage of oil a number of tanks were installed by the railway company and by a private oil company which had a small refinery outside the town. For the discharge of steamers the railway company possessed several steam cranes running on rails, many of which are capable of lifting five tons each, two of 10 tons each, one of 15 tons, and one of 25 tons; there was also a floating crane capable of lifting 50 tons. Thanks to the favourable position of the port—the bay of Novorossisk never freezes, although the strong north-easterly winds during the winter months often lower the temperature considerably below zero—and the vigorous action of the Government and the railway company, Novorossisk secured the large transit trade from and to the North Caucasus and South of Russia, and became the winter port for the large and growing commercial centre of Rostof-on-Don. The following statistics of exports by sea in 1913 give an idea of the trade of the port before the war:—

	Tons.		Tons.
Grain and seed.....	975,630	Tobacco	2,130
Crude oil, benzine, and kerosene.....	213,075	Asphalt	650
Oilcake	149,780	Flour	530
Oak staves.....	17,540	Galoshes	425
Hay and straw.....	8,860	Coal	415
Carbonate of potash	6,780	Miscellaneous merchandise.....	400
Rails	3,220	Wool	165
Liquorice root	3,180	Sunflower seed oil	90

The pre-war imports consisted chiefly of agricultural machinery from the United States and Great Britain, machinery of all kinds, fire bricks, and fire-clay. The following are the statistics of imports by sea:—

	Tons.		Tons.
1904	27,165	1909	39,922
1905	30,340	1910	45,000
1906	32,575	1911	46,775
1907	30,075	1912	57,470
1908	37,265	1913	91,146

The port was in 1913 visited by 450 steamers, with a tonnage of 828,141 tons. Of these, 166 were British ships, whose tonnage was 355,547 tons.

Before the war the cement industry was highly developed in Novorossisk, and the surrounding districts. The raw materials are taken from the mountains surrounding the port. Novorossisk became the centre of the industry for the whole South-East of Russia, the annual production amounting to 4,550,000 barrels. The cement was exported entirely by rail, or by sea to other Russian ports, very little being shipped abroad.

I come now to the present position. With the outbreak of war in 1914, Novorossisk, dependent almost entirely on transit trade, was left without any business. In October, 1914, the town was bombarded from the sea by the Turks, and several oil storage tanks destroyed by fire. Further destruction followed during the civil war in the fighting between Deniken's troops and the Red Army. Early in 1920 some of the stone warehouses attached to the elevator and numbers of wooden warehouses were burnt. Since 1914 no repairs have been made to the wooden piers, and most of them are now unfit for use. The elevator is intact, but the railways are in bad condition owing to absence of material for repairs, especially for replacement of sleepers. With the famine in the Volga extensive utilisation of the port was made during 1922 by the American Relief Administration and the Nansen Organisation, which imported large quantities of grain and other relief supplies, and the port

resumed in a small measure its former activity. In the spring and summer of 1922 trade was commenced with Constantinople, and flour, sugar, beans, and other food-stuffs were imported; but in November this trade stopped. Recently, however, signs of returning life in the port are evident—materials are being brought forward to repair the piers, and about 5 million poods of grain have been stored in the elevator with a view to export to Transcaucasus and Black Sea ports. Foreign trade instead of being conducted only with Constantinople is now being commenced direct with Hamburg and London. Steamers may be sent with cargo to Novorossisk without any danger, and despatch is good when there are not many boats in the port. Two cranes of 10 tons and 18 tons, and a floating crane of 50 tons, are now in working order. Owing to the difficulty of remitting money and the fluctuating exchange freights should be prepaid. Stevedoring is paid for under the tariff of the Russian Labour Union, which does not always move in proportion to the rising exchange of sterling dollars and Turkish liras.

A cargo of 1,500 tons of oak props and logs, and about 500 tons of carbonate of potash, and 500 tons of unpressed and unwashed wool, were recently shipped to London, and a cargo of 1,000 tons of tobacco to Hamburg. In the middle of November there was also ready for shipment about 300 tons of carbonate of potash, and 2,500 tons of oak props and logs for London, and 1,700 tons of tobacco for Hamburg. Recent evidence of renewed importation is afforded by the arrival of a German steamer from Hamburg with German goods consisting of oil piping, tanning extract, and electric cables, and British steamers are discharging (one steamer every three weeks) tank wagons from Germany and England. The Italian regular lines have ceased to run to Novorossisk, and it is uncertain when they will recommence. Oil export has for the present more or less ceased. During 1922 four large tank steamers loaded cargoes of benzine at Novorossisk, and a further steamer is expected.

Cement works, which existed before the war (*i.e.*, "Zep," manufacturing capacity 1,000,000 barrels per annum, Black Sea Cement Factory, 2,000,000 barrels, "Orel" (Eagle) Cement Works, 300,000 barrels, Gelendjik Cement Works, 600,000 barrels, and four smaller cement works, 650,000 barrels) have been combined, under the new economic policy, into a trust. In fact, the only factory working at present is the first Government Caucasian Cement Works (formerly the Black Sea Cement Factory). A few cargoes of cement have been shipped to Constantinople, and a small quantity sent by sea and rail to other Russian ports and towns. The whole import and export trade is in the hands of "Gostorg" (Government Institution for Foreign Trade). The Vladikavkas railway is now the property of the State, but the commercial agency of the railway, into whose hands the management of warehouses and piers has again been placed, has been revived, and will probably in the future again become the leading commercial body in the port.

LATIN-AMERICAN NOTES.

(BY OUR CORRESPONDENT.)

URUGUAY.—Economic affairs in Uruguay continued unfavourable throughout the past year, except for a partial improvement in general exports towards the close. Late advices, however, suggest that the determination of the Executive to exercise the strictest economy in national expenditure, a policy already put partly into effect, should show beneficial results during the current financial year. The Government had always claimed for Uruguay the most stable currency of the Latin-American Republics. During the war and even later, the *peso* stood well over *par* (as late as July, 1919, marking \$1.0342). Uruguayan currency, notwithstanding its unwieldy and inconvenient form, holding its own throughout the prolonged storm in Europe. The value of the Uruguayan External Debt held in the Republic rose from about \$32,000,000 to \$74,000,000 in the six years 1915 to 1920. Of the State's foreign debt (according to the Uruguayan delegate at the Brussels Conference, held in September, 1920), about 45

per cent. was held in Uruguay, the same amount in Europe, 5 per cent. in the United States, and 5 per cent. in other countries. The subsequent decline in the national currency is attributed to the after-results of the world conflict, and in no way, as may be perhaps urged against Brazil, is it the consequence of lack of thrift or financial imprudence. The national treasury has passed through a period of extreme difficulty, revenue diminishing while expenditure has unavoidably expanded. The result has been an ever-increasing deficit which is now estimated at over 1,700,000 pesos in excess of that provided for in the estimates as passed by the Chamber of Deputies, namely, 2,000,000 pesos. The striking change that has come about in Uruguay's economic prosperity can be gauged from a comparison of the budgetary figures between June, 1918 and 1922. At the close of the fiscal year 1918-19 there was a surplus of revenue over expenditure amounting to 635,848 pesos, while on June 30, 1920, the surplus stood at 772,400 pesos. Then it was that the reverse side of the situation began to assert itself. For the fiscal year 1920-21 there was a deficit of 4,980,780 pesos, a total subsequently reduced by 999,287 pesos, the proceeds of the surplus consolidated debt service held by Messrs Glynn, Mills, Currie and Co. At the end of June, 1922, the deficit amounted to 8,400,000 pesos, to cover which a loan of \$10,000,000 was sought. At the then-current rate of exchange this would have been equivalent to 6,888,000 pesos, and at *par* to 8,652,000 pesos. To raise a loan in the United States, in order to cover this deficiency, was not found so simple a matter as was anticipated. The offer of a group of North American bankers of \$6,000,000 at 8 per cent., redeemable in 30 years, was found unacceptable. But a loan of some kind, and upon some terms, must be arranged speedily in order to relieve the situation which has become considerably aggravated. The disastrous effects of an adverse exchange upon foreign—in this case British—enterprise was recently described by the chairman of the Central Uruguay Railway Company. It seems that while the net profits of that transport system had amounted, in Uruguay, to £400,300, or £332,400 more than for the year 1920-21, a loss of £182,134 was actually incurred in remitting surplus revenue to this side, necessitating the transfer of £50,000 from the general reserve fund merely to meet fixed and other charges. The significance of the decrease in the value of the Uruguayan peso may also be gauged from a comparison of the exchange value in 1913. At that period the value of the peso was 104 cents; by 1920 it had receded to 88 cents, and at the close of 1921 it stood at 72 cents.

CUBA.—Prospects of a greatly improved sugar crop, as regards both quality and quantity, and the fact that the public revenues of the new fiscal year have exceeded estimates, have created a distinctly optimistic feeling in Cuban business circles. For the first time in two years a spirit of hopefulness prevails. Two of the principal sugar concerns, the Cuban Cane Sugar Company and the Cuban-American Sugar Company, have presented satisfactory operating reports, showing, in the first case, a profit of over \$28,000, against a loss of nearly \$10,000 last year; and, in the second, a profit exceeding \$2,000,000, against a loss of nearly \$8,000,000 in 1921. The statistical position of the product has also improved, total stocks on hand being estimated at less than 625,000 tons, compared with 1,900,000 tons at the corresponding period of last year. It is thought that the quantity of Cuban raw sugar to be carried over to 1923 will not exceed 228,000 tons, against a carry-over of 1,381,000 tons in 1921. The island's second most important staple product, tobacco, promises less well with a production of some 50,000 bales below that of last year, which reached 355,000 bales. On the other hand, the present stock is fast diminishing, having been reduced from 450,000 bales, at which it stood twelve months ago, to less than 300,000 bales at present. It is hoped that in the unfortunate tariff war which appears to have again broken out between the United States and Cuba, and which is adversely affecting the island's principal export trade, British interests will not be made to suffer. The adoption of retaliatory measures threatened by the Special Commission of the Cuban House of Representatives would, not improbably, penalise indirectly a number of British goods; this would provide a sad commentary

upon the recently reduced tobacco duties introduced in this country upon the urgent representation of Cuban tobacco interests. The United Kingdom is still Cuba's best cigar market, shipments to this side on occasions exceeding, by as much as 50 per cent., those made to the United States, the island's second-best customer. In the seven months following the disappearance of the *ad valorem* duty, the number of Cuban cigars cleared increased by close upon 16,000,000, compared with the corresponding period of the previous year. During the Christmas season over 5,000,000 cigars are usually received from Habana, and this year, it is thought, has proved no exception.

COSTA RICA.—A notable example of economic organisation has been afforded by the Government of Costa Rica, which, in a decree recently issued, established an office of control of expenditures of Government funds. By the terms of this decree, all members of the Commission and their assistants must be appointed by Congress, while the Chief of the office, besides providing a bond of 20,000 colones (1 colon = 15 rod) to the State for his integrity, can hold no other remunerative office of any sort. Co-operating with the Ministry of the Treasury, especially in regard to the Budget, the Office of Control supervises all Government employees, mainly for the purpose of seeing that positions are filled by none but competent persons. Without the seal of the respective bureau chief, the approval of the Minister of Finance, and that of the Chief of the Office of Control, no cheque on the National Treasury can be honoured. Other duties include the auditing of Government collections and general supervision of the country's financial affairs. The effect of this new arrangement will be seen within the next few months, since Costa Rica seems destined to pass through severe economic trials owing to the comparative failure of the country's crops on account of adverse climatic conditions.

Notes of the Week.

THE BRITISH DEBT TO AMERICA.—At the opening of the Washington discussions on proposals for funding the British war debt to the United States, the Chancellor of the Exchequer made a speech which is endorsed by responsible opinion in the City of London, and has also created a favourable impression on the other side of the Atlantic. Mr Baldwin began by reiterating the statement—which has been made so often that it should scarcely need further repetition—that it is the intention of this country to honour the obligations it has incurred. He then gave a clear exposition of the British financial position, explaining how we had balanced our Budget and imposed heavier taxation per head than any other country. His speech then went on to examine the technical difficulties of repayment of the largest debt "ever contracted between two friendly nations," to explain the impossibility of paying in gold, and the implication of vast payments in goods and by the purchase of dollars. Having thus surveyed the ground, he urged the necessity of a quick and harmonious conclusion of a fair business deal. The right note having been struck, a response was not long in coming. It came in the shape of the announcement that President Harding had instructed the Commission, with which the Chancellor is dealing, not to consider itself bound by terms of the Debt Funding Act recently passed by Congress. This Act included in its provisions the stipulation that the lowest rate of interest to be permitted in any funding scheme for the repayment of foreign debts was 4½ per cent. President Harding, if cabled reports are correct, promises to send the recommendations of the Commission to Congress with a request that such amendments to this Act as may be necessary shall be passed. It is, perhaps, a little dangerous to assume that Congress will necessarily approve of anything and everything that the Commission may recommend. Nevertheless, the attitude of the Executive, revealed by the President's message to the Commission, is the first tangible ground of belief that the United States is now prepared to approach not only the British debt question, but the whole problem of international war debts, with a more open mind than heretofore, and is ready to treat these

problems as purely business matters to be solved on lines of economic expediency and common-sense. We, therefore, are inclined to regard this week's news from Washington as more promising than any that has come across the Atlantic since President Wilson disappeared from the political stage. At the same time, evidence is to hand that the position of Great Britain in regard to international war debts is being more clearly recognised by the American public. The Bankers' Trust Company of New York has just issued some statistics showing how much the United States and Great Britain respectively have been repaid of the huge sums lent to other countries for war purposes. These figures show that repayments (including both capital and interest) to the United States up to November 15, 1921, totalled \$641,607,543, and repayments to Great Britain up to March 31st last, \$447,620,128. Payments to the United States up to the date mentioned include \$358,526,326 from Great Britain alone, who since then has paid a further \$134,312,500. A British White Paper is quoted showing that of total debts owing to Great Britain of over £2,017 millions, less than £92 millions in principal and interest had been received up to March 31st last, and of this more than one-third came from British Dominions. The *New York Globe* remarks that these figures contain "surprising information for many Americans," and proceeds to remark:—"The fact that Great Britain is one of our debtors is . . . a fortunate fact for us. We are the better paid. England, with almost as large a debt and more need for her money, may well sigh for a few billions out on security as good as her own." The article concludes with an appreciation of British financial policy. Welcome evidence accumulates that closer and more sympathetic study is being devoted in America not only to our own financial position, but also to the intricacies of the whole international debt problem.

NEAR EAST PROBLEMS.—The break-up of the Lausanne Conference has again been threatened and again postponed. Each of these jolts and jars seems to have been more violent than its predecessor, and the repeated acrobatic performances by which all parties succeed, each time, in surmounting them indicate that nobody concerned is prepared for the alternative involved in a rupture—the immediate renewal of hostilities. This in itself is something to be thankful for; but, on the other hand, as the Conference creaks along on its uneasy course, it is becoming increasingly evident that its outcome will, at best, be a negative one. War may be avoided; peace and goodwill and the essential conditions for reconstruction hardly look like being achieved. Among the interesting incidents of the past week have been the letters in the *Manchester Guardian* from Sir William Tyrrell and from Mr Arens, the chief of the Press Service of the Russian Delegation. In effect, each side accuses the other of being unendurably provoking, and makes out a good case for its contention. But in this country, certainly, public opinion will hardly let matters rest there. Surely it is just the business of diplomatists to deal with impossible people, and the consequences of Anglo-Russian estrangement under present conditions must be serious for the British Empire. The public will want to know whether Lord Curzon has really tried his hardest to come to an understanding with Russia, not only at Lausanne itself, but during the negotiations preparatory to the Conference. We are threatened with the hitherto unknown combination of Russia and Islam. All through the 19th century the imponderable but powerful factor of Islamic sentiment was on our side against Russia. Now it is undoubtedly on Russia's side against us, and if there is one certain result of the Lausanne Conference, it is the failure of Lord Curzon's attempt to win Islamic sympathies back again by offering the Turks about half of what they ask instead of nothing whatever. In comparison with the developments in Anglo-Russian relations, the concrete events at Lausanne during the past week are of little account. The Allies have wasted their powder and shot over the secondary question of the Ecumenical Patriarchate, and the Turks have on this point, as on the Caliphate, adroitly proclaimed a concession which costs

them nothing, in order to be the more intransigent on points of real importance, like the effective protection of minorities. The Patriarch is to remain as a spiritual pastor at Constantinople, but his flock will, presumably, be limited to the orthodox Greek-speaking inhabitants of that city. The orthodox populations in ex-Ottoman territories definitely incorporated in Greece, Yugoslavia, Bulgaria, and Albania since 1912 will all now, presumably, be transferred to the ecclesiastical jurisdiction of the respective "autocephalous" State churches of these countries. The Turkish-speaking orthodox in Anatolia are also being organised into a separate church of their own. If the Patriarchate loyally accepts an exclusively "spiritual" position, all that has been achieved is the application of a grand old title to a very modest new institution. If it fails to keep its hands off politics it will probably end in the Greeks of Constantinople being driven into exile like their kinsmen of Eastern Thrace and Anatolia. The week has seen two other events of importance in connection with Near East politics. One is the death of ex-King Constantine, which removes a potential element of disturbance; the other the reiteration by the Colonial Office that the British Government adheres to the Balfour Declaration in respect of Palestine. This reiteration was made by the Duke of Devonshire on Thursday to a deputation of Palestine Arabs who interviewed him at the Colonial Office.

Banking Profits.—In recording last week some of the early dividend declarations of the banks we referred to the fact that the profits so far published showed a decline in comparison with those for 1921, while the dividends were maintained at the same rates as before, with the exception of Williams, Deacon's, who slightly increased the dividend on the "A" shares. The majority of the English joint-stock banks have now disclosed their net profits for 1922, and in no instance is an increase recorded. The decreases, however, show some interesting variations, as may be seen from the following three years' comparison:—

	1920.		1921.		1922.	
	Profits.	Div.	Profits.	Div.	Profits.	Div.
Bank of Liverpool and Martin's	£ 745,949	16	£ 548,528	16	£ 504,802	16
Barclays	2,927,523	A 10	2,201,662	A 10	1,873,731	A 10
Lancashire and Yorkshire	231,426	19	241,327	20	236,843	20
Lloyds	3,237,742	16	2,529,124	16	2,068,875	16
London Joint City and Midland	2,831,861	18	2,454,083	18	2,253,492	18
L. C. City and Parr's	2,915,708	20	2,167,845	20	1,888,021	20
Manch. and County	296,077	16	260,953	16	226,108	16
Man. and L'pool	561,783	18	539,275	18	465,245	18
Nat. Prov. and Union	2,762,515	16	2,054,686	16	1,854,190	16
Union of Manchester	341,027	20	293,738	20	337,175	A 13
Williams, Deacon's	463,353	12	365,231	12	337,175	A 13
Alexanders Discount	115,941	16	141,015	17	188,202	20
National Discount	123,005	14	165,505	16	190,682	20
Union Discount	197,019	16	165,505	18	190,682	20

The smallest proportionate decrease is shown by the Lancashire and Yorkshire Bank, whose profits in 1921, it may be mentioned, increased, while others were on the down grade. The movement in the profits of the "Big Five" are worthy of study. Lloyd's, for example, have dropped in two years from £3,237,700 to £2,068,900, while those of the London Joint City and Midland have fallen from £2,831,900 to £2,253,500. A general fall in profits was an almost foregone conclusion, for in a year of acute trade depression there is no room for expansion in the volume of loans and advances, which are the chief source of revenue, and although the banks have made up to some extent for this loss of business in other directions, there can be no doubt that gross as well as net profits were lower; but there can be no confirmation of the surmise, since only one or two banks think fit to publish figures of gross profits. But while profits have diminished for the second year in succession, dividends have again been maintained at the 1920 rates, and the reason is not far to seek. Thanks to the appreciation in security values, the banks have for two years been relieved of the necessity for allocating large slices of profits to meet the fall in the value of investment holdings, and while in 1921 large allocations to general reserves were still considered necessary, the need for

still further strengthening these funds is not regarded as so pressing, for the reason, it seems obvious, that the rise in the market value of investments has automatically made large additions to hidden reserves. The following table shows the appropriation of profits as disclosed by the preliminary statements:—

	Profits.	Investment Depreciation.	Res'erve	Pre-mises.	Staff Funds.	Carried Forward.
Barclays	£ 1,873,731	..	£ 250,000	100,000	50,000	— 34,986
Lloyds	2,068,875	..	250,000	100,000	..	— 47,800
Lon. City, Westminster & Parr's	1,888,021	..	300,000	350,000	..	+ 16,877
London Joint City & Midland	2,253,492	..	500,000	300,000	..	+ 11,714
National Provincial and Union	1,854,190	..	121,969	100,000	100,000	+ 42,725
Bank of Liverpool & Martin's	504,802	..	100,000	50,000	..	+ 21,020
Lancashire and Yorks.	236,843	..	..	..	..	+ 10,532
Manchester and County	226,108	..	50,000	..	..	— 1,549
Manchester and Liverpool	465,245	..	..	..	..	+ 31,427
Union of Manchester	337,175	..	50,000	30,000	..	+ 13,035
Williams, Deacon's	337,175	..	50,000	30,000	..	+ 13,035
Alexanders Discount	188,202	..	80,000	..	..	+ 2,201
National Discount	190,682	..	..	15,000	..	+ 75,352
Union Discount	190,682	..	100,000	18,596	20,000	+ 17,000

The allocations to reserve and contingency funds by the "Big Five" for 1922 amount to nearly £1,200,000, as against £2,470,000 a year ago, while total special appropriations are £2,522,000 against £4,150,000 for the previous year. The discount companies, whose increases in profits reflect great credit upon the management, use the larger earnings to strengthen their balance-sheets, as well as to raise distributions to shareholders. In the final table we show prices and yields on bank and discount company shares:—

Name of Bank.	Am't. of Share.	Paid Up.	Price's of 1922		Price Jan. 10, 1922.	Price Jan. 11, 1923.	Present Yield.
			Highest.	Lowest.			
Bank of Liverpool and Martin's	20	2	64	5	6	6	4 9 d
Barclays "A"	4	4	8	6	6	7	5 3 0
Do "B"	1	1	2	2	2	2	5 6 6
Lloyds	5	1	2	2	2	2	5 13 0
London Joint City and Midland	12	2	2	2	2	2	4 18 6
Do	12	2	2	2	2	2	4 18 6
London County Westminster & Co.	20	5	17	14	15	17	5 17 0
Do Maximum dividend 12 1/2 %	1	1	2	2	2	2	5 2 9
National Prov. and Union	25	3	9	7	8	9	5 18 0
Do	20	4	11	9	9	10	5 2 6
Lancashire and Yorkshire	20	10	35	31	32	35	5 13 9
Manchester and County	20	4	11	9	9	10	5 14 0
Manchester & Liverpool District	15	3	9	7	8	9	5 16 9
Williams, Deacon's	5	1	2	2	2	2	6 0 0
Do	1	1	2	2	2	2	5 6 6
DISCOUNT COMPANIES.							
Alexanders	10	5	13	9	11	14	7 0 0
National	2	2	4	4	..	4	..
Do	7	2	8	7	..	7	..
Union	10	5	16	11	12	16	6 5 0

The bank dividend declarations were entirely in accordance with market anticipations, and prices have remained at the steady level at which they have stood for some while past. Present prices, however, are mostly higher than they were at this time last year. The increases announced by the discount houses, on the other hand, caused a sharp rise in the quotations for the shares, but the yields, as usual, are still much above those obtainable on bank shares. The yield on London Joint City and Midland partly-paid shares was, we regret, given in a table last week as £6 4s per cent. The correct figure is shown in the table above—namely £5 4s 3d per cent.

Manchester and Protection.—At the beginning of this week there was a special meeting of the directors of the Manchester Chamber of Commerce for the purpose of discussing the result of the recent ballot of the members on the Safeguarding of Industries and Dyestuffs Acts when the members decided by an overwhelming majority in favour of the repeal of the Acts mentioned. After a long discussion, the following resolution was carried by 22 votes to 3:—"The Board of the Manchester Chamber of Commerce, realising that the Safeguarding of Industries Act and the Dyestuffs Act are proving both injurious and irritating in their effects, and in view of the declaration of the members of this Chamber, on a referendum vote, in favour of their appeal, calls upon his Majesty's Government to repeal these Acts at the earliest possible moment. They further suggest that in so far as safeguarding of certain industries may be essential for national safety, such end can best be secured by means of subsidy." The resolution has been sent to the Government, together with the referendum figures which were given in our issue of last week. The action of the Board of the Manchester Chamber this week is very significant.

During the war in 1916, the directors, who were Free-traders almost to a man, issued a memorandum giving their views as to trade policy after the war. There was a big controversy, and as a result of a ballot of the members the memorandum was rejected. Practically the whole of the board then resigned, and new directors were elected who were understood to favour a system of protection. The complexion of the board has remained much the same to the present day, and such a resolution as that given above is therefore all the more significant. The decision indicates very clearly that after a trial Manchester traders are sick and tired of Government interference in trade matters, and it is safe to say that commercial Lancashire is stronger on the Free-trade issue to-day than ever before.

Lloyd's Shipbuilding Returns.—The shipbuilding returns compiled by Lloyd's Register show that the mercantile tonnage under construction in Great Britain and Ireland at the close of 1922 was 1,468,599 tons, as compared with tonnage of 2,640,319 building at the end of 1921. The latest total includes about 348,000 tons, on which work has been suspended, so that the work actually in hand is reduced to about 1,120,000. Rather less than half the mercantile tonnage under construction in the world is in the yards of Great Britain and Ireland, as the following figures show:—

	No. of Vessels.	Tonnage.
In Great Britain and Ireland	315	1,468,599
In other countries	500	1,485,719
Total for the world	815	2,954,318

The total of tonnage building abroad includes about 216,000 tons on which work has been suspended, the country most affected being Italy. The figures show that in Great Britain and Ireland the tonnage under construction at the close of the year was about 148,000 tons less than at the close of the September quarter. The returns illustrate clearly the great slump in shipbuilding that lasted on into last year, but they provide two reasons for satisfaction. In the last quarter of 1922 work was commenced in the yards of Great Britain and Ireland on 231,187 tons—a figure which was decidedly better than those for the preceding quarters; moreover, this figure of work begun in the British Isles represents roughly two-thirds of the total begun in the past quarter in the whole world, namely, 344,630. Also the figure of 231,187 tons commenced in the past quarter compares with only 55,290 tons in the last quarter of 1921. It appears, therefore, that the bottom of the depression in shipbuilding orders has been left behind. How far our yards are still away from normal activity is shown by a comparison with pre-war returns. The average tonnage under construction in the British Isles during the 12 months before the war was 1,800,000 tons, or 770,000 tons more than the present figure of work actually in progress. The figures of tonnage under construction in leading foreign countries are as follows:—Germany and Danzig, 463,877 tons; Italy, 211,499 tons; France, 188,523 tons; Holland, 142,969 tons; United States, 139,448 tons; and Japan, 139,448 tons.

Coal and Iron and Steel Output.—The figures of coal production from the mines of Great Britain for the last two weeks of the year were 5,506,200 tons and 3,427,900 tons, and make a total output for the year of 251,850,000 tons—a weekly average of 4,854,000 tons. This compares as follows with the output of the ten preceding years:—

	(000's omitted.)		(000's omitted.)
1912	260,416	1918	227,749
1913	287,412	1919	229,780
1914	265,643	1920	229,532
1915	253,206	1921	164,354
1916	256,375	1922	251,850
1917	248,499		

The 1922 total is the highest since 1916, and compares not unfavourably with the figure for 1912. The highest weekly output in 1922 was 5,741,600 tons for the week ended December 16th, and the lowest 2,681,800 tons for the week ended June 10th. The statistics of the National

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Federation of Iron and Steel Manufacturers show that the December output of pig-iron was 533,700 tons, and of steel 546,100 tons. The pig-iron figure is easily the highest monthly total of the year, and makes the year's total 4,899,500 tons, which compares with 2,616,300 tons in 1921 and 10,260,300 tons in 1913. The steel production for 1922 amounted to 5,831,900 tons, which compares with 3,703,400 tons in 1921 and 7,663,876 tons in 1913.

Issues Under the Trade Facilities Act.—Towards the end of November last it was announced in Parliament that guarantees under the Trade Facilities Act totalled round about £22½ millions. It is now pointed out by the Trade Facilities Act Advisory Committee that the Treasury under the fresh legislation passed in the last session of Parliament have power to guarantee a further sum of approximately £27½ millions, and in order to make it clear who should apply for such guarantees, they have compiled and issued an explanatory statement which is being sent out to applicants in the form of a questionnaire. In the first place it is emphasised that the Treasury can only guarantee loans—they have no power to make a loan of any kind. The advantage of the guarantee is, it is pointed out, that with the aid of the Government credit so given the applicant should be enabled to obtain money on better terms than he otherwise would be able to do, although the Committee and the Treasury indicate the quarter in which the loan is to be raised. It is laid down that the Treasury have no power to guarantee a loan which is to be used in whole or in part for the provision of working capital, and it is stipulated that the whole of the guaranteed loan must be used solely for the purpose of carrying out works of a capital nature. Further, the Treasury have no power to give a guarantee in respect of any loan which will be used for the purpose of extinguishing existing liabilities or commitments; nor will they guarantee ordinary or preference shares. Naturally, searching and pertinent questions are put to applicants, and it is well to find that the Advisory Committee are so much alive to the necessity for requiring a high standard of security. During the week, under the provisions of the Trade Facilities Act, the Kassala Railway Company—a Sudan undertaking—offered £1,290,000 of debenture stock, principal and interest being guaranteed by the British Government. The yield to the investor worked out at but £4 19s 1d per cent., and the public could only be persuaded to take 17 per cent. of the total issue, the remaining 83 per cent. being left on the underwriters' hands. Thus it would appear that slightly more generous terms must be offered to the public when an undertaking is little known.

Irish Free State and the G.S.W. Railway.—Confidence is increasing in Dublin (writes our Dublin correspondent) that the end of Irregularism is rapidly approaching. Readers of the *Economist* will recollect the stages by which this most desirable consummation is being reached. With the declension of the bellicose endeavour to impose the will of the minority upon the majority, there has been a crescendo of peace tentatives which have recently been alluded to by President Cosgrave in trenchant terms. "These peace resolutions are all moonshine. How much peace is there in them? Peace to one section, a small minority, at the expense of the majority. The minority made war, and now when they are beaten they squeal. . . . It is easy for them to try to win the peace now when they have lost the war. . . . We are going to establish a People's Peace, which will last, and which will be a warning to all evil-doers—that Irishmen intend to be masters of their own country." There is but little doubt that the vast majority support the President in this. The mystery surrounding the action of the Great Southern and Western Railway Co., referred to last week, is heightened rather than dissipated by the subsequent statement of the directorate. The company issued notices of discontinuance to practically all its employees upon the grounds that owing to loss of revenue due to civil commotion and to high wages its receipts would not enable it to meet its expenses and debenture interest—its weekly deficit was given at upwards of £10,000. These notices were issued apparently while negotiations were pending as to financial aid sought from the Free State Government, and were perhaps regarded as a trump card. The Government had been asked to guarantee net receipts as the British Government had done when it took over railways for its own war purposes. On its refusal it was asked to guarantee debenture and preference stock dividends. As it was deliberating upon the terms of its compensation policy, soon to be introduced as a Bill, it refused to create precedents which might tie its hands, but it offered to give the company financial aid to the extent of its weekly deficit if the company would, instead of closing down, maintain certain minimum essential services and curtail its maintenance and renewals expenditure so far as it could be reasonably deferred. Thereupon the company refused the Government offer, withdrew its notices to its employees, announced its intention of carrying on in the hope that circumstances might improve, and apologised in advance to the public for any inconvenience which its efforts at economy might entail. But why refuse the Government's weekly cheque for the weekly deficit which had been paraded before the world as its reason for deciding to close down? Why carry on without Government assistance after the formal decision publicly announced to close down if the Government did not help? More mysterious still, why did the quotation of its ordinary stock fall on the Dublin Stock Exchange from £44 to £35 when the Government offer of help was made, and why did it rise again to £40 when the Government offer was refused? Inquiry has established the fact that these falls and rises were unaccompanied by any substantial selling or buying—indeed, it is doubtful whether £5,000 worth of stock out of nearly £14,000,000 changed hands during the operations. The fluctuations probably coincided with the opinions of prominent brokers, certain of whom anonymously gave views for prominent expression in the Press, and threatened the Government with all the unpleasant consequences of the public losing all confidence in its financial methods. It is to be hoped that no stockholders sacrificed their holdings as the result of so artificial a slump, and that some will make it their business to inquire why the Government money was refused. Most stockholders, it is to be presumed, would prefer the half loaf to no bread, and if they cannot get their net receipts on dividends guaranteed would like to see the weekly deficit, even if, and as, scaled down by the Government conditions as to economical working, discharged out of Government money so as to render brighter the prospects of ultimate dividends. The Government, on the other hand, issued a statement roundly accusing its critics in the Press of not having taken the trouble to read the Ministers' statements on the subject in *Dail Eireann*, or of having wilfully perverted them. And in truth certain journalists who should

have known better lent their voices to the clamour, none too accurate where it was articulate, with which the assault on the National Exchequer was conducted. It is certainly justifiable for the company to press the case of its stockholders for compensation on the most generous terms, but an attempt to "bounce" the Government in a time of acute national stress and emergency cannot be regarded as meritorious. And the ambiguous character of the tactics employed have not strengthened its case. It will be a pity indeed if the forces, public and private, which it can bring to bear succeed in driving the Government out of its position that all compensation cases must be considered as a whole and treated in accordance with a policy yet to be formulated in detail. Many shrewd observers hold that, far from injuring the national credit by its prudent attitude of reserve on this question, the Government has increased its prestige and its reputation for a jealous guardianship of the national resources and revenues. And such a reputation is the very foundation upon which alone the edifice of national credit can be erected and maintained.

Stock Exchange Transactions.—With Stock Exchange business broadening out again in all directions, and with the Home Railway market attracting a most unusual amount of speculative interest, writes a Stock Exchange correspondent, it may be of service to mention a few of the points regarding Stock Exchange transactions that are sometimes not entirely understood of the people. To the Stock Exchange mind accustomed to regular fortnightly settlements it may appear inexplicable that many clients are unacquainted with what, to the House man, are the first elements of his business. Nevertheless, brokers are constantly running up against instances of perfectly natural misapprehension and misconception on the part of buyers and sellers, a few points in regard to which may enable the smoother working of business relations between broker and client. In the first place, it may be said that many clients take it as a matter of personal slight when they are told that, having bought stock, their brokers are unable to carry it over if the purchasers are not in business for themselves. The Stock Exchange rule is very strict and very definite on the point. The costermonger who is his own master can buy any quantity of stocks and shares, and contango the lot, if he can find a broker willing to grant him the necessary credit, but the managing director of some powerful corporation is debarred from doing so for the simple reason that, being in a fiduciary position, Stock Exchange rules forbid the transaction of speculative business on his account. There is no question, therefore, of a broker wishing to insult a client if he refuses, under this provision, to carry over stock which the latter has bought, for severe penalties are visited upon any breach of the rule brought before the Committee. Nor is it altogether satisfactory to either party for a speculative transaction to be opened in the name of the wife of a man for whom speculative business cannot be transacted. It has its risks, just as the sale for one account and simultaneous purchases for the next settlement carry to the mind of the Stock Exchange agent. Settlements themselves offer a whole web of complexity to the client. If he buys mining shares which he desires to carry over, he must intimate his wishes on the Friday morning preceding the following Thursday on which the settlement falls. Nominally, each alternate Monday is the mining contango day, but Stock Exchange practice dictates that the mining carry-over shall be effected in the previous Friday. Unless instructions are left with the broker on the morning of that day, it is quite likely to happen that the client will find his broker unable to give on shares on the Monday, which is the actual day upon which such transactions are supposed to be carried out. Every alternate Tuesday is contango day in the general markets, and if a buyer intends to carry over railway stocks, for instance, or rubber shares, oil, or anything else other than mining, he must let his broker know on the Monday morning unless he is prepared to run the risk of not getting his contango done. These contango arrangements naturally control to a large extent the dealings for cash and new account. Unless mining shares are sold on the Friday before the following Thursday pay-day, the would-be seller

is quite likely to find himself at a disadvantage, both as regards price and facilities, upon sending an order to realise shares on Monday, the mining contango day; the same disability attaches to cash dealings on the Tuesday in the general markets at such dates as those which occur in the settlement weeks. Clients frequently fail to realise that, supposing they find themselves unable to carry over stock, or that it is necessary for them to pay for it unexpectedly, through having given instructions late or being unable to sell for cash, their own bankers will usually take up the stock upon provision of a modest margin, the stock going, of course, into the names of the bank's nominees. Brokers, however, will often take up stock in this way for their clients if asked to do so, though the expense of stamp and fee is heavy, and must always be considered in transactions of this nature. The longer notice which a client can give to his broker as to his intentions in regard to carrying over stock, the better is he likely to be served, and the natural corollary follows that, if a man wishes to sell shares for cash on the eve of a settlement, he is likely to deal at a more satisfactory price by sending his instructions well in advance of the actual pay-day.

Swiss Stocks and Shares.—The monthly bulletin of the Swiss Bank Corporation gives an interesting table of index numbers of stocks and shares, from which we have extracted the following particulars:—

Index of Swiss Securities.	45 Stocks.	21 Shares.	Total.
Par value.	1243.03	592.9	1835.9
(In millions of francs.)	= 100 %	= 100 %	= 100 %
End of Month.	(In percent)	(In percent)	(In percent)
1913—December	90.57	183.00	117.56
1914—July	90.85	179.23	116.28
1916—December	81.22	159.51	106.51
1917—December	77.61	160.38	104.34
1918—December	75.49	150.07	99.57
1919—December	67.02	107.10	79.97
1920—December	59.07	76.27	64.63
1921—March	67.02	87.13	73.51
June	68.12	83.75	73.16
December	71.26	69.80	70.79
1922—January	72.86	72.08	72.60
February	77.43	74.47	76.47
March	78.28	74.08	76.92
April	79.36	71.14	76.70
May	82.44	80.39	81.78
June	83.26	83.65	83.39
July	83.41	83.05	83.29
August	87.22	87.70	87.38
September	87.75	90.43	88.61
October	82.05	83.32	82.46
November	85.38	86.68	85.85
December	85.51	88.25	86.39

The year 1922 has been a particularly bad one for Swiss exports, owing chiefly to the depreciation of the currencies of the principal importing countries and to various artificial restrictions imposed by them on trade. Moreover, both the number of bankruptcies and the amounts involved have been unprecedented in the commercial history of Switzerland. The prices of bonds and shares alike, however, show a considerable improvement between January and September, this latter month representing the highest point of the year. Capital levy proposals are responsible for the sharp set-back witnessed in October, but with the referendum safely negotiated, security prices very largely recovered during the last two months of the year.

German Wages in December.—Wages in Germany, though ever rising, still lag a long way behind the falling mark. Month by month wages increase 50, 70, or even 100 per cent. without attaining a level that will provide the workman with anything more than the sheer necessities of life. In the Ruhr, the most important coal district of Germany, the average wages per shift have risen enormously, as will be seen by a glance at the following table of wages in marks per shift for coal-hewers and carriers, other underground workers and surface workers. The figures are for married workers, whose wages are slightly higher than those of single men:—

MINERS' WAGES.

	Hewers and Trimmers.	Other Underground Workers.	Surface Workers.
1922.			
July	277	234	239
August	374	298	302
September	719	571	579
October	897	778	768
November	1,744	1,521	1,501
December	3,053	2,663	2,627

It will be seen that the hewer's wage rose nearly 100 per cent. from October to November, and a further 80 per cent. from November to December, 1922. In 1914 the wage per shift for the three classes of workmen was six marks, four and a-half marks, and four marks 37 pfennigs respectively. In the metal trades there are likewise three classes of workers—skilled, apprentices (or semi-skilled), and unskilled—whose average weekly wages in marks are set out in the following table (the figures being for married workers as before):—

	Skilled.	Semi-skilled.	Unskilled.
1922.			
June	1,154	1,104	1,081
July	1,407	1,353	1,322
August	1,905	1,836	1,795
September	3,392	3,263	3,185
October	4,881	4,669	4,538
November	8,457	8,106	7,870
December	17,256	16,440	15,864

It is clear that wages in all classes of metal-workers have risen over 100 per cent. from November to December, 1922. The December figures relate to Berlin, as the general average has not yet been compiled. In the 14 principal centres of the German spinning and weaving industry the average weekly wage for men rose in November, 1922, to 8,011 marks, and for women workers to 6,143 marks. The pre-war weekly wage for men varied from 20 to 29 marks in different localities, and gave an average of 26 marks for men and 17.54 marks for women. The present wage is, therefore, 306 times the amounts paid to these workers in 1913-14 in the case of men, and 350 times in the case of women. In the cloth industry, of which München-Gladbach is the principal centre, wages at mid-December had attained an even higher level, and are still rapidly rising every fortnight. On November 20th a spinner was receiving a weekly wage of 10,610 marks, and on December 4th the figure had risen to 12,961 marks. The women workers' wages rose in the same period from 9,064 marks to 10,128 marks, and on December 16th further advanced to 11,491 marks. The general percentage increase from October to November, 1922, was 68 per cent.

Cotton Growing in Sudan.—In view of the threatened world scarcity of the cotton supply, a report just issued on the authority of the Sudan Government on the schemes for growing cotton in the Sudan is of considerable interest. Certain experts in this country and in America have stated that within a few years there is a possibility of the textile industry having to face a most serious position on account of the possible falling off in the amount of raw material available to be made into cloth. The British Government has guaranteed a loan to provide funds for the building of an extension of the Sudan railways to Kassala, about 217 miles in length, from a junction with the Red Sea line to Port Sudan. The line will be open for traffic in April, 1925. One of the main objects in building the line is to render possible the expansion of the cotton-growing area in the delta of the Gash, where excellent cotton has been successfully grown for a number of years. An immediate increase in the cotton output may be expected to follow upon the opening of the new railways. A further loan will shortly be raised for the building of the dam now under construction on the Blue Nile, and the area intended to be developed in the first place is 300,000 acres, of which 100,000 acres will be under cotton every year. It is estimated that this area will produce about 70,000 bales of long staple Egyptian cotton annually. In the Gezira district, for the last eleven years, exceptionally good cotton of this class has been successfully grown. The scheme is capable of vast developments, for it is estimated that there are some 3,000,000 acres in the Gezira district suitable for cotton growing.

Colonial Income-Tax.—The report of the Inter-departmental Committee on Income-Tax in the Colonies not possessing responsible Government, appointed a year ago, has lately been issued. Income-tax in the colonies is a comparatively new tax, and the Report contains a model ordinance which is recommended as the basis on which the Colonial Governments would do well to work. Taxes should be confined to income which either has its origin in the colony or, while having its origin outside the colony, is received in the colony. This rule will not only avoid the various difficulties inherent in an income-tax code under which the amount to be charged depends in part upon whether the person is resident or non-resident, but also will reduce the problems arising out of double taxation to comparatively small dimensions. At present few of the colonial ordinances contain any provision for giving relief from double income-tax as between themselves and parts of the Empire other than the United Kingdom, but it is recommended in the Report that Colonial Governments be invited to adopt a system of inter-colonial relief which is incorporated in the model ordinance. The profits of the preceding year—in place of the three years' average—will afford the best basis of assessment for the colonies, and it is proposed that a loss incurred in any year shall be carried forward as a set-off against the profits of the next year. If necessary, the same process will be repeated in each of the four succeeding years, subject to the condition that in no one of those years shall the deduction on account of this loss be allowed to exceed an amount which would reduce the amount of tax payable for any year to less than half the amount of tax which would have been payable if no deduction had been made for such loss. A recommendation is made for the appointment of an official resident in the United Kingdom as the recognised agent of each and every colony which imposes income-tax, and it is thought that the expenses of the London office might be equitably shared between the colonies. Every possible effort has been made to reduce the complexities of the subject to manageable proportions. But those who attempt to master the intricacies of this Report will sigh for the discovery of some new and more simple tax system. There already exists in this country a strong feeling among financial and commercial people in favour of an inquiry into the economic effects upon industry and employment of our whole present tax system. Is there any better practicable system available? Such an inquiry has never yet been held, and there is reason to believe that it might produce unexpectedly useful results.

American Railway Amalgamation.—If present plans are approved by the stockholders, writes our New York correspondent, five western railroads will be consolidated into one system. The merger is to comprise the New York, Chicago, and St. Louis, known as the "Nickel Plate," the Chicago and State Line, the Lake Erie and Western, the Fort Wayne, Cincinnati and Louisville, and the Toledo, St. Louis, and Western, commonly referred to as the "Clover Leaf." The directors of the respective roads have agreed upon a unification of those five companies into a single corporation, which will be known as the New York, Chicago, and St. Louis Railroad Company. The railroads to be merged have a combined authorised capitalisation of \$105,500,000, and operate 1,695 miles of track. Special meetings of stockholders have been called at different dates in March to ratify the proposed consolidation, which is designed to effect economies in operation and general administration, to enable the companies to compete more effectively with larger systems in the same territory, and to give better service to the public.

The Outlook for Kafirs.—Our mining correspondent writes:—The dividends for the past half-year being known, the minds of those interested in Transvaal gold mining enterprises now turn to the outlook for the future. So far as can be gauged there is every probability of a premium of several shillings

per ounce continuing for some time to come. There is also the prospect of a further reduction in working costs under the heading of stores. With regard to labour, the point has now been reached where little further economy can be expected. Stores and materials, however, have not yet fully reflected the process of deflation which has been in progress for some time. Any shareholder desirous of gauging the outlook for a mine will be able to do so much more effectually from an examination of the cost per ounce of gold produced than per ton of ore crushed; the latter, under certain conditions, is apt to be largely in the nature of a fallacy. There is obviously little profit in putting through a big tonnage of ore if it costs 20s for every £'s worth of gold. On the cost-per-ounce method the mines located in the Far Eastern section of the Rand occupy a very favourable position, their ratios per ounce of gold produced ranging from approximately 35s to 50s. This, obviously, leaves a very handsome margin of profit, even with gold at its normal figure of 85s per fine ounce. The companies which figure most disadvantageously are the East Rand Proprietary, Geldenhuis Deep, New Kleinfontein, and Simmer and Jack. On the basis of recent results these have been spending in mine working costs alone substantially over 80s per ounce of gold produced. Taxation and administration expenses have in all cases to be added, plus debenture interest and redemption in some half-dozen instances. The effect of the fall in the price of gold was vividly reflected in many of the outputs for December. By the way, some very extraordinary statements relative to certain mines on the Rand appear in a little pamphlet prepared by a well-known City statistical firm, and issued by brokers, &c. The figures as to yields and costs, taken from official sources, are indubitably correct. But it is amazing to find, for example, the Knight Central and the Roodepoort United each credited with a prospective "life" of 25 years, and the Consolidated Main Reef with 40. The former company is expected to go into liquidation at an early date on account of the unsatisfactory nature of the developments. Work at the Roodepoort was suspended several months ago. The Main Reef Company possesses a large area of undeveloped ground, but in view of the nature of recent results, the assumption of a lengthy life is distinctly venturesome.

Robinson Deep.—Full official particulars with reference to the projected debenture issue are now available. The issue is £250,000 at par, and the rate of interest 8 per cent. The net receipts from this, plus the cash on hand at the end of 1922, will total £462,500. Of this, repayment of the existing loan will require £300,000; the balance will cover the bulk of the contemplated expenditure upon shaft sinking and the increase of the crushing capacity to 75,000 tons per month. Developments during the past year are stated to have been highly satisfactory. Payment of the 4s declared on the "A" shares in December will leave 21s of arrears. Provided adequate labour is available, it is hoped that the dividend programme on these shares—fixed distributions on a diminishing scale—will be overtaken in four years. The market view is that this official expectation is ultra-conservative.

Agricultural Conditions.—The monthly report of the Ministry of Agriculture and Fisheries states that the weather during the first half of December was mild and dry, and very favourable for all field work, but the last two weeks were wet and stormy, with snow on some of the higher lands and flooding in low-lying places. Rain, however, was very badly needed in many parts of the country, and has on the whole been beneficial, though here and there late-sown corn has lost colour through excessive wet. Winter keep has not been drawn on to any extent, and unless very severe weather is experienced in the next few months prospects are that supplies will be adequate. Cattle have done well during the month, the mild, open weather having enabled them to be kept out much later than usual. Ewes are generally in good condition, though the excessive wet at the end of the month

adversely affected them in some places, and there are occasional reports of footrot. Sheep on turnips have mostly done well, and are putting on flesh satisfactorily. Lambing among most Dorset Horn flocks is nearly finished; the fall of lambs is apparently satisfactory, and ewes are maintaining condition. The supply of labour is sufficient for all requirements, though there is still a demand for skilled men in places. Unemployment does not appear to have increased to any marked extent during the month, and is practically confined to casual and unskilled workers.

Transvaal Output in 1922.—The Transvaal gold mining industry opened the year badly, as the output was affected by labour troubles, with the result that the year's total could hardly be expected to reach the level of the preceding years. But a remarkable recovery has been made since April, and one has to go back to October, 1916, to find a better record of monthly output than was secured in December, 1922, when there was a yield of 790,712 ounces of fine gold, as against 764,476 ounces in November, and 681,847 ounces in December, 1921. With output on the up grade, the industry starts the year 1923 under better auspices than it did in 1922. The following table shows the production for a number of years:—

	1916.	1917.	1918.	1919.	1920.	1921.	1922.
	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.
January...	787,467	782,634	714,182	676,069	670,503	651,593	639,728
February...	753,594	781,321	659,759	636,728	626,330	658,137	
March...	796,689	787,094	686,281	712,379	707,036	671,123	
April...	754,672	742,778	717,000	694,944	686,979	681,382	511,338
May...	777,681	779,385	741,317	724,995	699,041	687,776	629,786
June...	761,764	759,724	727,696	702,379	715,957	678,490	675,697
July...	761,087	757,839	736,199	725,497	736,099	629,555	730,635
August...	781,150	756,658	740,210	706,669	702,083	715,526	752,490
September...	771,587	758,231	708,206	696,558	682,173	691,026	707,089
October...	782,339	751,290	679,767	725,722	662,472	707,825	778,159
November...	783,066	722,839	658,701	677,970	633,737	704,236	764,476
December...	774,462	722,419	641,245	650,191	632,215	681,847	790,712
Totals...	9,296,618	9,018,084	8,418,292	8,330,091	8,153,625	8,114,516	7,020,111

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

	May, 1922.	June, 1922.	July, 1922.	Aug., 1922.	Sept., 1922.	Oct., 1922.	Nov., 1922.	Dec., 1922.
Gold mines...	155,425	170,464	172,886	175,054	174,565	175,129	173,173	176,834
Coal mines...	11,525	12,117	12,371	12,270	12,000	11,495	11,089	11,000
Diamond...	1,219	1,211	1,211	1,219	1,234	1,218	1,237	1,253
Total.....	168,169	183,792	186,468	188,543	187,799	187,842	185,499	188,087

The number of natives employed at the gold mines has increased considerably during the past few months.

The London and Cambridge Economic Service.—We are informed that the Barometer of Economic Conditions in Great Britain, which has been published for some months past in the Reconstruction Numbers of the *Manchester Guardian*, is to be issued regularly to subscribers, together with other statistical statements and memoranda under the direction of a committee representing the economic schools of London and Cambridge. In putting forward the prospectus of this new service, which will be run in co-operation with the similar service of Harvard University, the committee observe:—"It appears that the time has come when the Universities, through their Economic Departments, may begin to render to business technical services, in the expert analysis of industrial conditions and the supply of statistics and memoranda, comparable to the services which they have long rendered in the field of chemistry, and other natural sciences." It is explained that the object of the service is two-fold: first, to issue every month a bulletin of carefully chosen statistics with tables and diagrams, showing clearly the movements of all the main elements in the financial and industrial position up to date, with a summary and analysis of the changes, and, so far as possible, a forecast of the near future; second, to issue periodically or occasionally memoranda on special topics, such as the volume and movements of foreign trade, the course of foreign exchanges, stocks of commodities, the condition of the money market, and the position of freights and shipping. The annual subscription has been fixed for the present at £6 for a single copy of all the documents.

Oversea Correspondence.

UNITED STATES.—ARMOUR-HOLDING CORPORATION — INDUSTRIAL CONDITIONS — FEDERAL RESERVE BANKING POSITION—MONEY SITUATION AND OUTLOOK.

(FROM OUR CORRESPONDENT.)

NEW YORK, January 1.

FOLLOWING on much talk of mergers in the meat-packing industry, it now transpires that Armour and Co., of Chicago, have formed a big holding company to take over a large part of their existing properties and investments. A new corporation, known as Armour and Co., of Delaware, has just been organised under the laws of that State. Its authorised capital includes \$100,000,000 of 7 per cent. guaranteed preferred stock (of which only \$60,000,000 will be issued at present), \$60,000,000 of common stock, and \$50,000,000 first mortgage bonds. All of the proceeds of the sale of the preferred stock and the \$50,000,000 bonds to be issued later will go to Armour and Co., of Illinois, which will also hold all of the common stock of the Delaware corporation. The properties to be acquired by the latter (the holding company), either directly or through stock ownership, include the Fowler Packing Co. of Kansas City, the Hammond Packing Co. of St. Louis, the New York Butchers' Dressed Meat Co., the Anglo-American Provision Co. of Chicago, as well as the Armour packing houses at Denver, Col., Fort Worth, Texas, Jacksonville, Fla., Indianapolis, Ind., and Jersey City, N.J. It will also take over the cold storage plant of the North American Provision Co. at Chicago, the East St. Louis Cotton Oil Refinery, and various auxiliary plants. Other properties to be acquired are the Armour Fertilizer Works and subsidiaries, including 21 manufacturing plants and two large warehouses, the Compania Armour de Cuba, with its extensive distribution plant in Havana, and the entire South American properties. An immediate result of the new financing will be the retirement of the Illinois Co.'s outstanding 10-year convertible gold notes, amounting to about \$60,000,000, and its 6 per cent. serial convertible gold debentures, amounting approximately to \$3,720,000. The \$60,000,000 7 per cent. preferred stock of the new Delaware corporation, which is unconditionally guaranteed by Armour and Co., of Illinois, will be offered this week by a nation-wide banking syndicate. The subscription price, it is understood, will be \$99 per share. The \$50,000,000 first mortgage 5½ per cent. bonds of the holding company will be offered later. Mr Samuel McRoberts, president of the Metropolitan Trust Co. of New York, and formerly executive manager of the National City Bank, will become chairman of the finance committee of both the Illinois and Delaware companies.

In its statistical review of business conditions in 1922 the Department of Commerce shows that production of manufactured articles in this country during the past year was about 50 per cent. greater than in 1921. Textile mills were approximately 20 per cent. more active, the iron and steel industry increased its output from 60 to 70 per cent. over 1921, non-ferrous metals from 50 to 95 per cent., petroleum 15 per cent., coke 40 per cent., paper 20 to 30 per cent., rubber 40 per cent., automobiles 50 per cent., building construction 50 per cent., lumber 35 per cent., brick 50 and cement 15 per cent., leather 20 per cent., sugar 45 per cent., and meats about 5 per cent. Agricultural receipts generally were higher than in 1921. The only declines of importance were 7 per cent. in bituminous coal and 47 per cent. in anthracite. The increase in production, together with the decrease in immigration, the department points out, improved the labour situation to such an extent that a shortage now exists, and unemployment has almost been eliminated.

Transport conditions changed from a huge surplus of idle freight cars to a considerable shortage, while car loadings were 11 per cent. greater than in the preceding year. Prices to farmers increased about 17 per cent. during the year; wholesale prices advanced 10 per cent.,

and retail food prices, according to the Department of Commerce, declined 5 per cent. The summary shows that the principal grain crops were larger than those of 1921. Cotton consumption increased nearly 14 per cent. in the first 11 months, including the record month of November, when more cotton was used than in any month since 1917; prices of the staple were 12 per cent. higher on the average than in the previous year, while cotton cloths and yarns were up 20 per cent. The wool manufacturing industry was about 25 per cent. more active in 1922 than in 1921, consumption of wool being greater by 25 per cent. on a ten-months' comparison. Prices of unwashed wool rose nearly 70 per cent. in the Boston market, and finished woollen goods were higher by about 35 per cent. The Department says there are no serious obstacles in sight which should hinder further improvement during the early part of the new year.

Among the more important developments in the Federal Reserve banking position in 1922, it may be mentioned that credit liquidation, which had been under way for more than 18 months, came to an end, and the last three months witnessed increasing loan activity at member banks, as well as at the central Federal Reserve institutions, with the result that the condition of the Federal Reserve banks at the end of 1922 showed relatively little change from that at the beginning of the year, the reserve ratio now standing at 72.1 per cent., as compared with 71.1 per cent. at the beginning of last year. Taking the year as a whole, the Reserve banks show a decrease of \$483,000,000 in discounts, offset by increases of \$227,000,000 in Government securities, and of \$119,000,000 in acceptances. Total reserves increased \$139,000,000; Federal Reserve note circulation, \$59,000,000; and deposits, \$71,000,000. Discounts secured by Government obligations, which declined almost continuously from the last part of 1919 until the end of July, 1922, when they aggregated only \$115,000,000, gained rapidly in succeeding months, and at the end of the year stood at \$316,000,000. In 1922 gold reserves increased by only \$165,000,000, as compared with an increase of \$812,000,000 in the preceding year. During the past few months, gold reserves have shown a decided tendency to decrease. Last week the total was reduced more than \$5,000,000, making a reduction of nearly \$21,000,000 since the middle of December, and of \$50,000,000 approximately since the middle of October. Inasmuch as there was a heavy net gold import movement during that period, it is quite evident that the banks paid out a much larger amount of gold than the foregoing figures indicate. Some time ago reference was made in this correspondence to the fact that the banks were reducing their gold holdings by issuing gold notes, "yellow backs," and depositing the required amount of gold with the United States Treasury as security for such circulation. That practice has been followed to such an extent that gold certificates are now circulating quite freely, and have again become almost commonplace, whereas a few months ago they were seldom in evidence. In some quarters, including high Government circles at Washington, the opinion is expressed that conditions are gradually shaping toward a return flow of gold to various countries. Such a development would be most welcome to bankers here, but prediction is unsafe.

On the Stock Exchange prices of both railroad and industrial shares have lately moved in a very irregular and confusing fashion, but the general tendency in the past few weeks has been downward, so that current quotations for many stocks are well below the highest levels reached in the past year. Bonds, however, have recently shown a firmer tendency in anticipation of the usual January re-investment demand. Call money rates advanced to 6 per cent. last week, which occasioned no surprise in view of year-end requirements. Time money has continued steady at $\frac{1}{4}$ per cent. bid and 5 per cent. asked for all maturities, while business paper is still being discounted at $\frac{1}{4}$ per cent. for choice and $\frac{3}{4}$ per cent. for prime names, with less desirable paper moving at 5 per cent. In most quarters money is expected to be firm in the early part of the new year. There is considerable talk of a possible increase in discount rates of the Federal Reserve banks, but opinion is widely divided as to the advisability of taking such action. At

present, as for some time past, the discount rate in three of the Federal Reserve districts, namely, New York, Boston, and San Francisco, is 4 per cent.; in the remaining nine districts throughout the country it is $\frac{1}{2}$ per cent.

FRANCE.—IRON AND STEEL POSITION—PRICES BOURSE.

(FROM OUR CORRESPONDENT.)

PARIS, January 10.

THE seizure of the German collieries in the Ruhr basin by the French and Belgian troops, with the moral support of their Italian allies, marks not only another stage in the long struggle of the French to secure the payment of their reparation debt, but also in the effort of the leaders of the French iron and steel industry to place their undertakings on a more satisfactory footing, and of their German competitors to prevent them from so doing. Reduced to its simplest expression, the crux of the French metallurgical problem lies in the fact that, before the war, Germany produced a surplus of some 5,000,000 tons of steel for export purposes, which surplus ought, now that Alsace-Lorraine has returned to the Mother Country, to be available every year for the purpose of increasing the wealth of France. Owing to the destruction of her northern collieries during the war, however, France has not only been prevented from reaping the fruits of this important feature of her victory, but has not even been able to bring back her normal metallurgical output to the level at which it stood before the conflict. Not only has she been unable to extract from Germany even the reduced quantity of coal demanded by the Reparation Commission, but she has further suffered from the handicap of being unable, owing to the high rate of exchange, to make up for the shortage in her coal requirements by importing the coal she needs from England. From the French point of view, the situation is aggravated by the facts that the consumption of coal in Germany, in spite of the reduction of her territory owing to the loss of the industrial area of Alsace-Lorraine, has increased since the war by 101 per cent., and that between seven and eight out of every ten German blast furnaces are even now working to capacity, while 50 per cent. of the French furnaces are compulsorily closed down owing to the destruction of the French northern coalpits and the failure of Germany to deliver compensating quantities of coal. These facts largely explain the persistent manner in which the French Government has advocated the application of the policy that is meeting with so much adverse criticism on the British side of the Channel.

The figures that follow set forth the situation in concrete form. The table below gives the tonnage of the iron ore output for both pre-war France and Alsace-Lorraine during 1913, the last complete year before the war, as compared with that of the past three years:—

	Tons.
1913—Pre-war France	21,918,000
Do Alsace-Lorraine	21,136,000
	43,054,000
1920—Post-war France	13,871,200
1921 Do Do	14,106,100
1922 Do Do (first 10 months) ..	16,667,500

The iron ore output, after increasing by 1,400,000 tons by the end of 1920, fell off by 1,000,000 tons six months later, owing to the combined influences of the trade slump at that period and the falling off in the quantities of combustible in sight. The variations in the consumption of combustibles are shown in the following table, which sets forth the comparative pre-war and post-war quantities:—

	Coal and Lignite. Tons.	Metallurgical Coke. Tons.
1913—Pre-war France	59,503,500	..
Do Alsace-Lorraine	11,131,000	.. 6,892,000
	70,634,500	.. 6,892,000
1920—Post-war France	45,075,300	.. 4,755,500
1921 Do	40,800,700	.. 3,491,000
1922 Do (first 10 months) ..	42,935,600	.. 4,586,800

The following table demonstrates clearly that, although the French output of iron and steel has shown large in-

creases during the past three years, it still remains a long way below pre-war figures:—

	Iron. Tons.	Steel. Tons.
1913—Pre-war France	5,208,000	.. 5,093,000
Do Alsace-Lorraine	3,869,000	.. 2,286,000
	9,077,000	.. 7,379,000
1920—Post-war France	3,312,000	.. 2,964,000
1921 Do Do	3,417,000	.. 3,102,000
1922 Do (first 10 months) ..	4,300,000	.. 3,750,000

The number of blast furnaces in operation since 1920 indicates both the revival of the French metallurgical industry since the war and the effect the crisis of 1921 had on the industry. The comparative numbers in operation in the different regions at varying dates was as follows:—

	Jan. 1, 1920.	Jan. 1, 1921.	July 1, 1921.	Dec. 1, 1922.
Lorraine	21	29	22	41
East of France	21	33	27	45
Other parts of France	27	29	23	30
	69	91	72	116

Owing to the shortage of combustible, however, about 50 per cent. of these furnaces are now closed down. The remainder, like those in Germany, are producing more and more for export purposes, owing to the present limited domestic demand, consequent on the continued high selling price of this and all other materials in the highly protected French market.

Important negotiations have been going on for some time for an entire reorganisation of the French metallurgical industry, with a view to the development of a powerful and far-reaching organisation on the lines, more or less, of the American Steel Trust. The proposals, it is understood, provide for the formation of a central committee that would absolutely control French iron and steel production and the distribution of orders for both domestic and export trade, and foreshadow the absorption of many of the smaller firms by amalgamation with the more important undertakings. The threatened withdrawal of the important concern known as the Haute-Fourneaux de la Chiers from the Comptoir Sidérurgique a week or two ago, owing to its dissatisfaction with the circumstance that the latter body occupies itself only with the home market, and is asserted to be unable to help its members in the international market, was regarded as significant of the developments in progress. The formation of an important syndicate for the financing of French metallurgical exports, the constitution of which was spoken of as far back as last June, is also reported to be in course of development. The proposed initial capital is said to be 200,000,000, and the Société Générale, the Banque de Paris et des Pays Bas, the Crédit Lyonnais, and other important institutions are understood to be interested in the scheme. In consequence of the recent heavy purchases of French scrap iron on German account, the export of this material has been prohibited by Presidential decree, except under special permits. Special facilities are given in the case of exports of this material to Italy, in view of the Franco-Italian commercial agreement.

The index figures of wholesale prices in France for December have now been issued by the Statistique Générale, and are as follows (base: 100 in 1901-1910):—

	November, 1922.	December, 1922.
	(Corrected).	(Provisional).
General index figure (45 categories)	407.0	418.4
Foodstuffs (20 categories as a whole)	383.8	404.0
Vegetable foodstuffs (8 categories)	346.2	360.2
Animal foodstuffs (8 categories)	430.3	456.7
Sugar, coffee, cocoa (4 categories)	366.1	386.1
Sugar, coffee, cocoa (4 categories)	425.5	430.0
Raw materials (25 categories as a whole)	365.7	373.4
Minerals and metals (7 categories)	548.0	553.4
Textiles (6 categories)	399.2	401.1
Sundries (12 categories)	...	...

The figures indicate that there has been an appreciable rise in all classifications, without exception. Retail prices in Paris followed the same tendency during December; the index figure for 13 categories of foodstuffs shows that, while the retail prices of these commodities were represented in November by the figure 3191 (or an increase of 197 per cent. on the prices prevailing in 1914), this had risen in December to 3276 (or an increase of 205 per cent. on the 1914 prices). Taking France as a whole, retail

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prices rose from 3135 in August to 3150 in November. Curiously enough, however, while there was a general rise in prices in the North, East, and West of France during the period in question, appreciable falls were recorded in the South and South-East and in Alsace-Lorraine.

The Bourse has started the New Year with a general marking up of prices all along the line and a remarkably firm tone, in spite of what is generally regarded abroad as unfavourable political conditions. Not only is there a generally upward tendency, but the volume of business continues increasingly large, as is shown by the surprisingly large revenue from taxation on securities, which continues greatly to exceed Budget estimates. The most satisfactory feature of the situation is that the volume of genuine investment business is immensely superior to that of speculative transactions. Whatever may be the opinion in England, it is an undoubted fact that French investors as a whole are now imbued with a thoroughly healthy optimism, and refuse to allow themselves any longer to be paralysed by purely political events. The curious fact is that the improvement in business on the Paris Bourse, which especially marked the closing weeks of 1922, and bids fair, from present indications, to continue indefinitely, dates from the failure of the Genoa Conference. Every political factor since then—the fiasco of the international bankers' conference, the Greek collapse, the failure of the London Conference, the recent Anglo-French differences that have resulted in this country resuming her liberty of action against Germany—has either failed to depress the Paris stock and share market or has had a stimulating effect upon it. Experts here incline to the belief that the experiences of the past six or seven months, in spite of the nervousness displayed in England and America, prove that the world has now passed the worst point, and that a general economic revival has already begun, in spite of the condition of Central Europe and Russia.

The amount of money accruing from dividends, &c., and available for investment is larger than it has been since the war began, and some of this, in spite of new issues

by the State and various financial groups, may be expected to reach the Bourse. From the technical point of view, the 60 milliards of short-term National Defence bonds that are in existence form an immense reservoir of easily mobilisable resources, and have placed the market in an enviable position, so far as money is concerned. At the same time, it must not be overlooked that a certain proportion of the improvement in prices, particularly in the case of international and "real" securities, has been due to the latest drop in the value of the franc. The increase of about 1,000,000,000 in the note circulation, which was reported in the Bank of France return for January 4th, is regarded as largely due to immediate and temporary end-of-the-year requirements, which will doubtless be offset in the near future, now that it is possible for money to be obtained from ordinary sources. A new Crédit National issue of 3,000,000,000, in the form of 6,000,000 bonds of 500f each, bearing interest at 6 per cent., was announced as from last Monday (until February 10th), for the purpose of providing further money for the reconstruction of the devastated regions. The issue price is 498f 50c. There will be four quarterly drawings every year, including six lots of 500,000f, 18 of 100,000f, 18 of 50,000f, and 7,158 others of smaller amounts.

GERMANY.—RUHR OCCUPATION—STATE FINANCES —EXCHANGE AND BOURSE—PRICES.

(FROM OUR CORRESPONDENT.)

BERLIN, January 10.

The French measures for occupation of the Ruhr have created a political sensation, and at once had their effect upon the foreign exchanges and upon stocks; but nothing like a panic has so far occurred. It is doubtful whether the occupation will have as disastrous an industrial effect as was feared when it was first mooted, but the political effect has already been very great. Nationalism, which has since the war been very weak, has received a powerful impulse, and there are new signs of national unity. There is a general belief that the French invasion marks the beginning of a new period of unrest, which will ultimately lead to a national uprising; and this uprising, in the public mind, takes the form of a war of liberation. In nationalist and militarist quarters, the French move is publicly resented and denounced, but the suspicion lies that it is by no means unwelcome, the reasoning being that as no material or political advantage will accrue to France from a local occupation, her inevitable remedy will be to proceed farther in the same direction, and so to precipitate a struggle of a kind which, history shows, by no means necessarily ends with the success of the country with overwhelming organised force. This development is all the more likely because the interpretation of the Peace Treaty upon which the Ruhr invasion is based permits of further unlimited invasions, and, indeed, of any inimical act whatsoever. The Berlin official attitude is simply that France has torn up the Peace Treaty. The local Westphalian chambers of commerce proclaim that Germany is thereby freed from all Treaty obligations. Industry on the spot, however, does not seem inclined for the passive resistance of a strike; the Krupp and other concerns announce that they will continue to work, and the trades unions will do their best to keep the Ruhr coal-miners, who are not a very easy class to deal with, quiet. The Westphalian Coal Syndicate has held a meeting to consider whether it should transfer its headquarters from Essen to some centre in unoccupied territory, and whether it should adopt "special selling measures" of a nature so far un-
known.

The Federal finances for the first three quarters of the financial year 1922-23, ending December 31st, show that more than two-thirds of expenditure was covered by floating debt operations. In view of the fact that in May

last only about one-quarter of expenditure was uncovered by revenue, this report is very unsatisfactory; but the missing revenue has been really collected by means of currency depreciation, and the amounts of the real deficit and debt depend upon the rate at which the paper-mark is ultimately stabilised, and cannot, in any case, be great. The statement, in thousands of marks, is:—

	April-Dec. Inclusive. £
REVENUE.	
From Taxes, Customs, Stamp Duties, &c.	344,913,321
" Forced Loan	3,748,323
" Floating debt operations	1,223,009,812
	1,571,701,456
EXPENDITURE.	
Peace Treaty liabilities in foreign currencies	233,622,245
General administration and Peace Treaty liabilities in mark currency	1,011,420,432
Funded Debt floating	3,881,351
Interest on debt	46,982,744
" " Funded Debt	2,055,291
	1,297,962,063
Posts and railways deficit	273,738,350
	1,571,700,413

The deficit entry for Posts and Railways does not show the net loss on the nine months, but only the amount paid over from the general finances. The notable feature is the relatively low cost of service of debt, which in the whole nine months amounted to under 1-30th of the total expenditure, and was naturally relatively even less in the later months. Apart from the price-rise, a main cause of the heavily increased nominal expenditure was an entry of 238½ milliards for payment in advance of salaries and pensions, advance purchase of materials, and other non-recurring items.

A Bill adapting taxation to the new currency depreciation has been presented to the Reichstag. The Bill raises the limits of the progressive rates and also of the supplements of the property tax, the initial rate of the property tax, after an exemption of 200,000 marks, being 1 per cent. on the first 500,000 marks. Alterations in the same direction are made in the succession, capital yield, stamp duties, and other taxes. The State will in turn defend itself against losses from currency depreciation by imposing a 10 per cent. supplement on unpaid income-tax for every additional month of delay, and a similar measure is proposed for the corporation, property, succession, and turnover taxes. Property tax will be payable quarterly in advance. The Bill proposes the reintroduction of banking secrecy by freeing the banks from the present obligation to return lists of their clients, and abolishes the obligation of bondholders to draw their interest through banks. All parties, including the Socialists, agreed that these restrictions failed to attain their aim. The first gold dividend has been announced by a Weser milling company, which declares a dividend of 50 gold pfennigs, to be paid in paper marks at the Reichsbank's gold exchange rate. A semi-public company of Baden has raised a coal loan, taking coal as a commodity with a relatively stable relation to the general price-level. The 5 per cent. bonds have a total value of 125,000 tons of a specified kind of Ruhr coal, and will be issued in denominations of from half a ton to five tons, interest and redemption price being payable in paper marks, according to the future price of the same coal. This is an attempt to create what is called a "wertbeständig," or "value-stable," currency. The obvious course of issuing a gold mark loan, subscribable and redeemable in paper marks at gold exchange, is repudiated on the ground that the movements in the mark's gold exchange and in its home buying power do not coincide, so that a gold loan would really be an exchange speculation, whereas coal, it is held, keeps more or less in accord with the general home price-level. The method seems clumsy, because the value of coal in terms of other goods may easily vary very much in a long term of years. The State Credit Institution of Oldenburg lately raised a rye loan on the same principle.

The Reichsbank's statement for the end of 1922 shows note circulation exceeding 1½ billions, an eleven-fold increase during the year, as compared with less than two-

fold increase in each of the two preceding years. The last four statements (in 1,000 marks) are:—

	1919.	1920.	1921.	1922.
ASSETS.				
Metal Reserve	1,110,019	1,097,469	1,007,004	1,074,038
Thereof Gold	1,089,499	1,091,636	995,392	1,004,843
Treasury and Darlehn Notes	11,025,257	23,416,671	6,963,607	238,481,105
Notes of other Banks	1,974	1,624	2,084	10,393
Bills and Cheques	41,744,534	60,634,023	1,061,754	422,235,266
Treasury Bills	9,940	4,438	8,476	773,974
Advances	163,989	183,590	195,912	469,972
Investments	2,459,592	9,728,125	8,220,979	78,822,505
Other Assets				
LIABILITIES.				
Capital	180,000	180,000	180,000	180,000
Reserves	99,496	104,258	12,413	127,264
Note Circulation	35,698,369	68,805,006	113,639,464	1,280,094,831
Federal and State Deposits	17,071,857	22,327,114	7,591,343	153,190,991
Private Deposits	3,465,583	3,649,503	2,944,172	377,335,296
Other Liabilities				115,403,260

Reichsbank clearings in 1922 totalled 6,367,761 millions, against 1,072,144 millions in 1921, 644,758 millions in 1920, and 66,644 millions in 1914. The money market has of late been somewhat easier, and although the absolute totals of new Treasury bills remaining on the Bank's hands continue to increase, a somewhat larger proportion of the new discounts has of late been placed with private capitalists. In December 145 milliards were so placed, and in the last week of the year 25 milliards. This is partly the result of the high interest rate and partly of the slight depression which has prevailed in business since the mark exchange recovered from its low point of early November. The new mark drop, if it goes further, will probably enliven trade, aggravate the shortage of working capital, and bring new problems to the Reichsbank. At the recent rate of increase, the Bank's portfolio of commercial paper will very soon exceed its holding of Treasury bills.

The new State of Thuringia announces that it will found a central bank, by fusion of the public credit institutions in Gotha, Weimar, and other former State capitals. The Berlin banks have decided to abolish "commission-free accounts," which means that the various fees and commissions now charged on some classes of accounts will be imposed on all accounts, while the current-account interest—at present 4 per cent.—will be continued. This is regarded as a new measure to force out the small depositor, whose account rarely yields profit. The Dresden Bank's plan to double its capital from 550 to 1,100 millions has been sanctioned. The Reichsanleihe A.G., the company which intervenes to maintain the Bourse quotation of 5 per cent. War Loan, reports that, in spite of its propaganda, sales abroad of this loan last year were small. The company complains that the savings banks and co-operatives, whose support was counted on when it was founded, have been selling. Intervention purchases in 1922 totalled 6,939.9 millions nominal, costing 4,901 million marks, and the holding at the close of the year was 9,777.9 million marks nominal. The rise in quotation during the year from 77.50 to 81 was not due, it is stated, to the company's action, and it apparently occurred in sympathy with the general upward movement of Federal loans. The Kloeckner coal and iron concern, which until now has embraced, in loose collaboration, the Lothringen Smelting and Mining Company, the Hasper Iron Company, and four other large companies, announces a closer fusion, under the leadership of the Lothringen Company, whose shares will be issued in exchange for shares of the other companies. The Lothringen Company will increase its capital from 125 to 150 million marks. The total of new capital, including bonds raised in 1922, was 80,613 million marks, against 31,855.6 million marks in 1921, 46,029.8 million marks of the new capital being for increase of capitalisations of existing concerns. The number of share companies (Aktiengesellschaften) at the close of 1922 was 8,607, with nominal capital of 97.2 milliards, against 6,779, capital 54.7 milliards, a year before, and 4,800 companies, capital 16 milliards, at the end of 1916. Before the war the total capital was estimated at 14 milliards. It follows that at an exchange depreciation of 1-2000th, the nominal gold capital of all companies has fallen to about 1-300th.

The price rise in December was greater than was expected after the temporary fall which occurred in the middle of the month. The *Frankfurter Zeitung's* index

shows for January 1st 205,417, or 2,054-fold the last peace figure, against 161,412 on December 1st, 94,492 on November 1st, 4,217 on January 1st, 1922, 2,130 on January 1, 1921, and 1,965 on January 1, 1920. The highest price rise is for the group textiles and leather, which were 320,632, after which follow minerals 262,212, miscellaneous 177,752, food 175,845, and finished goods 151,193. The gold index on January 1st was 204,464, so that gold prices of two classes of commodities were higher than before the war.

CANADA.—ECONOMIC CONDITIONS IN 1922—POSITION OF FARMERS—UNEMPLOYMENT—PRICES—ONTARIO MINING—FRANCO-CANADIAN COMMERCIAL TREATY—PROSPECTS OF LOAN IN NEW YORK—VALUE OF 1922 CROP.

(FROM OUR CORRESPONDENT.)

OTTAWA, December 18.

The closing month of 1922 finds Canada able to report her economic position more healthy and encouraging than at any time since the outbreak of war. Her people are still carrying very heavy burdens and facing many grave problems, but there is general confidence in the country's ability to cope with them, and a widespread belief that the war can now have no permanently deleterious effects upon the future of Canada. Some of the most encouraging features are that people are working harder, that there is greater efficiency in business, and that there has come a cessation of the extravagant expenditure in which all classes indulged during the post-war years. With a public grown careful in its personal buying, both manufacturers and merchants have perforce to show moderation in their price lists. Industrial troubles are comparatively few, and, generally speaking, there is less poverty and more employment than was visible a year ago. The Labour Department reported the ratio of employment for November to be 95.81. Strangely enough, the province which is to-day suffering from the most serious depression is Nova Scotia, which usually enjoys a steady level of prosperity; but its iron and steel and its fishing industries have both been experiencing lean years, and not only is there serious unemployment in the cities and towns, but people are leaving in alarming numbers for the United States.

In no province of Canada is the farming community satisfied with its lot, but its misfortunes are only relative, and in no degree comparable with the fate which has overtaken vast congeries of urban populations in Europe. It is true that over 40,000 farmers in Western Canada have been foolish enough not to keep a single cow, and many have not taken the trouble to provide themselves with gardens; such people may suffer if their grain crop fails, but there is no reason why all the farmers of Canada, save a limited percentage who have been steadily oppressed by misfortune, should not be able this winter to offer their families good shelter and an abundance, at least, of plain fare. Since the farmers comprise almost 50 per cent. of the population, and people who cater for their wants 20 per cent. more, the problem of poverty in Canada is at once reduced to manageable dimensions. There has, moreover, been a very bountiful harvest, and if prices have been disappointing, the abundance has given some compensation. Moreover, it is calculated that the advance in grain prices during the past month has added 40 million dollars to the income of the western grain-growers, and they are now encouraged to hope that the bottom of the agricultural depression has been reached.

During November slight rises have occurred in the index numbers, both of wholesale and retail prices. In wholesale prices the index number was 221.7 for November, as compared with 219.8 for October; 227.3 for November, 1921; 356.6 for May, 1920 (the peak of prices); and 137.5 for November, 1914. The chief increases were in grains and dairy products, with slight increases in flour, sugar, fruits, textiles, metals, and building materials. There were decreases in cattle, poultry, coke gasoline, and raw furs. Calculated by retail prices, the average cost of a weekly family budget of 29 staple foods in 60 cities was \$10.29 for November, as compared with \$10.23 for October, \$11.08 for

November, 1921, \$16.92 for June, 1920, and \$7.96 for November, 1914. If fuel and rent were added, the weekly budget for November would reach \$20.88. Careful buying, however, can keep it well below this figure.

The year 1922 has seen very great activity in the Northern Ontario mining field. Not only have the great gold mines, like the Hollinger, done extremely well, but profitable new properties have been opened up. Again, there has been a very substantial increase in the production of silver. Nipissing, before the end of the year, will probably have produced 3,000,000 ounces of silver, while the returns of the Mining Corporation of Canada, the Coniagas, and the O'Brien are also excellent. One welcome feature of the year has been the steady decline in the cost of mining ore and extracting the silver. In some mines it has been reduced by 25 per cent. to 30 per cent., and thereby the margin of net profit is enormously enhanced.

The question of farm credits is still exercising the West. The Canadian Council of Agriculture has sponsored a scheme "to fund farmers' debts over a period of years at a low rate of interest to help them bear the financial obligations resulting from a considerable measure of crop failure for several years past in various parts of the prairie provinces." Simultaneously the Government of Manitoba, which is controlled by the farmers, has appointed a committee to examine the whole problem of governmental credit assistance to farmers. The agitation for drastic reforms in the Bank Act goes on apace in the West, and important agrarian leaders are openly advocating the establishment of a State bank on the lines of the Commonwealth Bank of Australia.

The new Franco-Canadian Commercial Treaty has been signed in Paris, and a rough outline of its terms is available. French imports will get the benefit of the Canadian intermediate tariff, whose rates are the next best to the British preferential; the benefits will accrue chiefly in connection with luxury goods like laces, silks, feathers, &c. On the other hand, the basis on which Canadian goods will enter France will be materially improved. 120 articles are accorded the French minimum tariff, and 326 are given the intermediate tariff. These latter articles will now enter France on the same terms as similar goods from the United States under the Franco-American trade treaty of 1921. From these reductions the main benefit will accrue to Canadian exporters of grain, pulp and paper, and asbestos. The treaty is to be permanent, but may be renounced by either party on six months' notice. Canada expects to gain profit by developing a trade in foodstuffs with the French colonies.

There is an expectation that the Federal Government may soon have recourse once more to the New York market. Mr Fielding has hinted at a domestic loan in the autumn, but he is still in Europe, and the season has now gone by when it could be floated with success. The money will be needed to cover railway deficits, and provide for contemplated expenditure on equipment for the national railways. During the past year the net debt of the Federal Government has actually increased, but temporary loans have been cut down from \$150,000,000 to \$95,000,000. The portion of the funded debt payable in New York has increased by almost 100 million dollars.

The Dominion Bureau of Statistics has just issued a preliminary estimate of the value of Canada's field crop for 1922 as compared with the values received in 1920 and 1921. The values per unit assigned to each crop represent the averages received locally by the farmers.

For the whole of Canada the total value of the principal field crops of 1922, as now preliminarily estimated, amounts to \$984,139,500, as compared with \$931,863,670 in 1921, \$1,455,244,050 in 1920, and \$1,537,170,100, the highest aggregate for Canada on record. The total for 1922 comprises \$333,966,000 for wheat, as compared with \$242,936,000 in 1921 and \$427,357,300 in 1920; \$197,783,000 for oats, as against \$146,395,300 in 1921 and \$280,115,400 in 1920; \$33,782,000 for barley, as against \$28,254,150 in 1921 and \$52,821,400 in 1920; \$21,235,000 for rye, as against \$15,399,300 in 1921 and \$15,085,650 in 1920; \$59,972,900 for other grains, as against \$48,036,920 in 1921 and \$86,296,700 in 1920; \$54,253,000 for potatoes, as against \$82,147,600 in 1921 and \$29,803,300 in 1920; \$205,075,000 for hay, clover, and alfalfa, as against

\$280,975,200 in 1921 and \$362,053,900 in 1920; and \$78,172,600 for other root and fodder crops, as against \$87,719,200 in 1921 and \$101,710,400 in 1920. With few exceptions, the average prices per unit do not differ greatly from those of last year, the prices being as a rule somewhat more. For wheat, the price for 1922 is 85 cents per bushel, as against 81 cents last year. Oats are 39 cents, against 24 cents; barley is 46 cents, against 47 cents; rye, 59 cents, against 72 cents; peas, \$1.81, against \$1.96; beans, \$2.86, against \$2.90; buckwheat, 80 cents, against 89 cents; flax, \$1.77, against \$1.44; potatoes, 54 cents, against 77 cents; turnips, &c., 27 cents, against 34 cents. The abundance of the hay crop, as compared with last year's scarcity, is reflected in the price, which is for 1922 \$13.45 per ton, as against \$23.56 per ton last year. Similarly alfalfa is \$12.84 per ton, as against \$19.95.

ITALY.—PUBLIC ECONOMIES—THE TASK OF THE EXTRAORDINARY RAILWAY COMMISSIONER—REDUCTION OF THE DUTY ON FLOUR—COST OF LIVING.

(FROM OUR CORRESPONDENT.)

TURIN, December 31.

THE Mussolini Government is working in earnest. The last meeting of the Cabinet produced a wholesale disbandment of committees and consultative councils created from time to time to give counsels to the Ministry of Agriculture; 21 committees with 332 members being abolished at one stroke. At the same meeting the Minister for Public Education reduced the total number of employees in his department from 1898 to 1159.

An experiment which will be watched with the utmost interest is the appointment of Mr Edward Torre, M.P., to the newly created post of Extraordinary Commissioner for State Railways. A medical man and a Fascist, Mr Torre is said to possess the will and the power to restore order in the railway administration, whose official deficit in 1921-1922 was upwards of 1,200 million lire, and whose true deficit, taking into account all expenses and losses borne by other departments, may be calculated to reach 1,600 millions lire. The commissioner will have all the powers of the dissolved Executive Railway Council. It is said that Mr Torre is determined to dismiss 50,000 railwaymen, and truly nothing short of such a drastic measure can save the railway budget. The increase in the number of railwaymen was as follows after the war:—

	1913-14.	1921-22.	Increase.
Clerks	16,713	18,054	8
Stations	39,485	61,531	56
Trains	11,748	22,750	94
Locomotives	11,245	19,278	71
Miscellaneous	68,098	82,812	21
Total	147,289	204,425	39

While the number of men employed increased, the work done diminished. Train-kilometers diminished from 153.7 millions in 1913-14 to 129.5 in 1921-22. The average number of hours worked by a man in the year varied as follows:—

	1913-14.	1920-21.	Decrease.
Stations	3,423	2,192	36
Trains	3,498	2,160	38
Locomotives	3,030	2,112	30
General workshops	3,220	2,040	37
Locomotive workshops	2,790	1,992	29

An application of the policy of the eight hours' day, and of the weekly rest, by which the hours of effective work done were sometimes reduced to two or three hours a day, is largely responsible for this lamentable state of affairs; but lack of discipline contributed no less to it.

The average number of days of sickness increased, per year and per man, as follows:—

	1913-14.	1921-22.	Increase.
Stations	13	19	46
Trains	14	22	57
Locomotives	20	25	25
General workshops	21	43	105
Locomotive workshops	21	43	105

Free-trade ideas are making some progress in Italy. The newly constituted group has published in the *Riforma Sociale* of Turin, which is its provisional organ, a long analysis of the new tariff of July 1, 1921, by Signor Repaci, who calculates the increase in the weight of general duties to be from 100 per cent. to 184 per cent. But the variations are extreme, and many examples are quoted of extraordinary and even ludicrous protection. One of the first acts of Signor De Stefani, the new Minister of Finance, has been the reduction from 11.50 to 4 gold lire per quintal of the duty on flour. The story of this duty provides an interesting example of the by-ways of protection. When foreign wheat was dutiable at 7.50 gold lire per quintal, flour was also dutiable at 11.50 gold lire. The duty on flour gave a protection to milling industry, as 10 gold lire would have sufficed to counterbalance the duty of 7.50 on wheat. During the war both duties were suspended, but it seems that, as from July 1, 1921, the duty on flour was tacitly re-established at the old figure of 11.50, while the duty on wheat remained in suspense. From this odd mistake the protection to the milling industry was raised from 11.50 less 10 (equivalent of the 7.50 duty on wheat) to the whole amount of 11.50 gold lire. Signor De Stefani, while maintaining the free importation of wheat, reduced the duty on flour to 4 lire. It should have been reduced to 1.50, but the tentative step is a good one. Millers are clamouring that they did not avail themselves of the protection, but the possibility was there, and in some cases was exploited.

The cost of living in recent months has been slowly increasing. The index number of the cost of living for a working man's family of five has varied thus:—

	Turin.	Milan.	Florence.	Rome.
First half of 1914	100	100	100	100
January, 1920	318.5	302.6	323.5	263.4
March, 1921	472.2	472.1	517.7	384.5
April, "	470.4	491.8	521.9	410.9
May, "	455.7	507.9	523.1	395.8
July, "	404.7	465.8	450.8	387.3
December, "	470.9	496.4	532	422.5
April, 1922	424.5	450.2	475	420.3
May, "	428.1	450.9	476	426.6
June, "	435.1	454.8	473	425.4
July, "	436.9	460.4	478	428.9
August, "	438.4	464.8	473	430.9
September, "	457.8	469.9	479	437
October, "	462.4	471.9	506	444
November, "	465.3	..	..	..

The maximum was reached between March and May, 1921. Some substantial declines took place in the summer of 1921 and the spring of 1922. But after the middle of the year the tide was again rising. Perhaps the improvement in the foreign exchanges will have a favourable influence on the December and January figures.

ROUMANIA.—EXTERNAL LOANS—EXPORT TAXES—EXCHANGES.

(FROM OUR CORRESPONDENT.)

BUCHAREST, December 28.

THE announcement has just been made in the Bucharest Press that the Roumanian Government is negotiating with French banking interests for a loan of 100,000,000f, and I hear on excellent authority that the negotiations will be successful. It is expected that the loan will run for 15 years; that the coupon rate will be 5 per cent., and that the Roumanian Government will pay a premium of 4 per cent. An important feature of the transaction, however—according to the latest information available—is that Roumania will not receive the 96,000,000f in cash, but that most of it will be represented by military supplies, aeroplanes, &c., with the further provision that the balance shall be used for purchases of merchandise in France. Provision is to be made for amortisation of the loan to begin after three years, the necessary funds both for interest and amortisation to be obtained—it is expected—from export taxes.

It is difficult to tell just how badly Roumania might need 100,000,000 francs' worth of military and other supplies; but 100,000,000f in cash could be most advantageously used in the present credit and currency crisis, which is so seriously hampering the nation's business.

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The situation in this respect shows practically no improvement, and credit—no matter for what purpose it is required—is still almost impossible to obtain; in fact, the National Bank has recently found it necessary to loan substantial sums—so far amounting to close on 100,000,000 lei—to industrial enterprises in Transylvania in an attempt to tide them over the present crisis.

The consolidation of Roumanian short-term Treasury Bonds held by private individuals abroad to the amount of £35,000,000 sterling (at the conversion rates agreed upon) is being carried out on the understanding that the interest (at the rate of 4 per cent.) and principal of the consolidated issue will be provided for from the proceeds of export taxes. The annual interest charge on this loan is, therefore, £1,400,000 sterling, which, at to-day's rate of exchange (805 lei to the £) amounts to 1,127,000,000 lei. The annual interest charge on the new French loan—presumably 5,000,000f—at to-day's rate of exchange (12.80 lei to the franc) would amount to 64,000,000 lei—or a total annual interest charge on both loans totalling 1,191,000,000 lei, without making any provision for amortisation.

The total value of all products exported from Roumania during the present year, calculated on the basis of the latest and most reliable figures available, will not exceed 7,000,000,000 lei, and will yield a total export tax of about 1,300,000,000 lei. Even if all revenue from export taxes, therefore, could be used for the service of the two loans above referred to, they would not provide for much more than the interest. The export tax, however, is at present the Treasury's largest individual source of revenue, and it is difficult to see how the Government could hope to finance its domestic needs if all export taxes were earmarked for the discharge of external obligations. For instance, in order to encourage the farmers to produce more wheat, the Ministry of Agriculture several months ago agreed to pay them, amongst other inducements, a bonus for each hectare sown, and this was to be provided for from export taxes.

Perhaps the new law on which the Ministry of Finance is now hard at work will succeed in making provision for raising more revenue from direct taxation than has so far been obtained, although no system has ever yet been successfully developed in Roumania for raising any considerable proportion of the country's budgetary needs by means of direct taxes. This is due largely to the difficulty of collecting from the farmers, who are by far the largest wealth producers in the country. It may also well be that the yield from export taxes this year is considered below the amount that the Treasury expects to collect in future years, and this possibility is strengthened somewhat by the fact that grain exports from Roumania in 1922 have fallen far short of the expectations raised during the spring months. But export taxes are already so high that they are distinctly harmful to the country's export trade, and are probably largely responsible for the decreasing volume of bread grains available for sale in foreign countries. Any attempt, therefore, to "milk" export taxes further would in time be quite likely to have the effect of completely killing the export trade of Roumania.

This outline of Roumanian indebtedness does not, of course, take into consideration the debts of the Roumanian Government to various foreign Governments for account of purchases and supplies necessary for war-time operations, the nominal value of which—according to an estimate made on April 1, 1921, by the Director General of the Ministry of Finance—amounted to 2,875,284,981 lei (gold). Presumably these would be taken up in any general discussion on inter-Allied indebtedness and war reparations.

Lei exchange continues to depreciate steadily, and is now around its lowest point of the year, against sterling,

at 805 lei to the pound. Until the volume of exports can be substantially increased, a more rigorous system of direct taxation instituted, and the greatest economy effected in Government expenditure, no substantial and lasting improvement in the exchange can be hoped for. In fact, confronted as they now are with such an urgent need for additional circulating currency and credit, and with no "new money" immediately in sight, it seems almost inevitable that the financial authorities will have to look for relief—even if only temporary—to further inflation of the currency, although they will be very reluctant to do so.

Letters to the Editor.

THE CAPITAL LEVY.

TO THE EDITOR OF THE ECONOMIST.

SIR,—May I again ask your favour as an impartial arbiter to allow me to present one further point for elucidation by your correspondent, who spoke disparagingly of the "ignorant electorate," and who is therefore presumably capable of analysis where others are limited to generalities.

In the Labour party leaflet No. 15, issued for the late General Election, the subscribers to War Loans are described as "moneylenders," and mostly very rich people past middle age.

It is well known, on the contrary, that a vast number of officers, non-commissioned officers and men, in the services, were subscribers to the War Loans. These, presumably, under a capital levy, having already given their personal services, would be required to make sacrifice of their savings as well if their total capital exceeded £5,000. Widows and dependents of those killed would apparently be included in the general category of "moneylenders."

The Labour leaflet then goes on to say, "Who shall pay for the war?" Presumably not the "intelligentsia" and professional fighters with the pen, if it is possible to persuade an "ignorant electorate" that it is fair that those who risked their lives should do their part in lightening the burden of taxation for the large number, including a few of the Labour leaders, who risked nothing during the war. Has your correspondent a fellow sympathy with the latter?—Yours faithfully, C. HEWITT.
5 Lothbury, E.C.

THE PREMIER AND GERMANY.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Mr Bonar Law is reported as having stated, with reference to the recuperation of Germany, that this country had nothing to gain by it, "because that country (i.e., Germany) was very much more of a competitor than she was a customer." This statement of the Prime Minister has been widely circulated throughout the Press, and coming from the head of the Government, it is likely to have a far-reaching effect on public opinion throughout the country. Its immediate effect will be to create a feeling of indifference and lethargy with regard to the future of Germany, and, in fact, in some quarters to be welcomed, as indicating that by washing our hands of the whole business we were getting rid of a formidable competitor. I believe the statement of the Prime Minister to be only partially right, and that, on the contrary, the recuperation of Germany would be of immense benefit to this country. It is true that her recovery would certainly mean that she would be a competitor for a share of the world's trade, but the direct and indirect benefits which would accrue to our trade and commerce from the prosperity of a community of over sixty millions of human beings would far outweigh any loss which might be felt through competition in other markets. Mr Bonar Law is not alone in holding his opinion. In fact, it prevailed in many quarters before the war, and certainly helped to lessen the feeling of opposition to what the war would involve when that calamity overtook us. It is not a question of what we sell direct to Germany. If Germany is

prosperous, and is able to purchase a large quantity of wool from Australia, for example, that increases the purchasing power of Australia, and she in turn is enabled to purchase an increased amount of Bradford and Manchester goods from us. The hurt of one nation means the hurt of all, and the good of one nation means the good of all. The recuperation of Germany does mean, therefore, a gain to this country, a gain to France and a gain to the world. The contrary state means a loss to this country, a loss to France, and a loss to the world.

It has taken a great many people a long time to realise that in this country, and we have therefore need to be patient, and not hastily blame France. Time is a great healer, and the scales will fall from all eyes in due time. Meanwhile, I venture to support the suggestion of Mr Hughes, the Secretary of State for the United States Government, that we should proceed by way of an international financial commission. If France declines to take part, I would suggest that her place should be kept open, and that the Commission should proceed without her. There is no time to lose. We have over a million unemployed, and an improvement in trade is the only real remedy for the present distress. Considerations, then, first moral and secondly economic, all point to our giving to the suggestion of America our most enthusiastic support.—I am, &c., D. M. MASON.

34 Queen's Gate gardens, S.W. 7, January 9th, 1923.

Books and Publications.

PHASES OF CO-OPERATION.*

GREAT developments of co-operation in industry and agriculture are probable in many of the States created or transformed by the war, and these books are well timed. The first is a history of the movement in all its forms and in all countries, and of the efforts to make it international, which have been renewed since 1919 with increasing prospects of success. A second volume will examine the questions raised by it, including the conflict between the distributing societies and the retail traders; of the German phase of this conflict some account is given here. Half this volume is devoted to Germany, which gets 133 pages against 18 for the British Isles, five for Denmark, and 20 for Russia, so that outside Germany there is little room for anything beyond a statement of the numbers, objects, and functions of the societies, and the vicissitudes of some of them. Moreover, to begin with Germany somewhat obscures the historical order. But the book contains much well-condensed information, and covers all Europe, Japan, and America—though in America the co-operative movement is still in a rudimentary stage.

The excellent Verein für Sozialpolitik is dealing with co-operation country by country, and this volume on Russia is of peculiar interest at the present time. The movement, we learn, reached Russia some 55 years ago from Germany by way of the Baltic Provinces; a few years later it spread over Russia proper, but the members soon wearied both of meeting and of buying, and only two societies of that period survive. About 1897 there was a fresh start, and in 1912 there were in all some 6,730 societies, of which nearly 5,000 were rural. The railway servants' societies, however, were the largest; most of the rest, both rural and urban, contained members of all classes, until the Bolsheviks interfered with them, and many do so still. The rural societies, apparently, found the strict enforcement of cash payments impracticable, and depended to some extent on credit institutions for support; but the movement brought down retail prices, and the societies multiplied, especially in the early years of the war, when productive co-operative associations were formed to supply the army with clothing and military stores, and in the rural districts with food. Then the breakdown of transport and supplies and political controversies crippled the societies, and the Bolshevik Government abolished or

* "Die Genossenschaftsbewegung." Erster Band. Von W. Kulemann. (Berlin) Otto Liebmann. 1922. "Die Konsumvereine in Russland." Von B. Totomianz. Mit Einem Geleitwort von R. Wilbrandt. (Verein für Sozialpolitik.) (Munich and Leipzig) Duncker und Humblot. 1922.

fused them in its effort to co-ordinate the economic system with the political. But the failure of its militarised Socialism has converted the societies into the backbone of the Russian economic structure; they are now so far favoured by authority that dispossessed capitalists call their undertakings "co-operative" in order to recover them, and the revival of domestic industry enhances the need of co-operative unions. Since the spring of 1921 the Bolshevik Government has become more favourable to the societies, and many "nationalised" factories have been leased to co-operative organisations. Very interesting details are given of the "peasant university," primarily created as a training school for the societies' officials, and of the co-operative publishing and propagandist institution in Moscow, the largest in existence. Professor Totomianz is a veteran co-operator, and his book leaves the reader with renewed hopes for the future of Russia.

EDUCATION FOR BUSINESS.*

THIS book, by an assistant professor of commercial organisation, contains a very thorough "overview" of all that is being said and done with regard to business education in America. It is not a readable book, but the information which it contains will undoubtedly have considerable interest for those who are professionally concerned with commercial training on either side of the Atlantic. The rest of us will probably find it rather too technical for our taste.

Professor Lyon first gives us a comprehensive survey of what is required in commercial education by those who employ its products. He quotes a great variety of evidence as to what business men say they want, and as to what they really do want, as revealed by the relative numbers of employees in different kinds of commercial jobs. The former statements are not very helpful, and are well illustrated by the words of a school principal: "Generally if you can say a boy has pep and a girl is quiet, you have satisfied the business man."

Professor Lyon then compares what business wants with what it gets. The second part of his book is occupied with a detailed review of the facilities for business education in the U.S.A.—business colleges, corporation schools, high school commercial courses, &c. We learn that all is not quite as it should be, for "only a very small number of those who have had the usual type of business training are holding positions, or have ever held positions for which such training is the best preparation."

The author is evidently struggling to introduce a rather wider conception of education into a very narrow world. He hankers for at least a general business training as distinct from purely technical instruction, e.g., stenography. The aim is altogether laudable. His book suffers, however, from one rather serious technical drawback. It consists very largely of lengthy extracts adapted from other works, which are not printed in quotation marks. The result is that it is often difficult to disentangle the author from his material, and the reader inevitably finds himself ascribing to Professor Lyon opinions which he would be the first to disown.

* "Education for Business." By Leverett S. Lyon. University of Chicago Press. 1922.

STATE ACTION IN INDUSTRY.*

ALL interested in Labour problems have reason to thank Professor Frank Tillyard for presenting them within a small compass and in a readable form, with a comprehensive account of the existing law relating to the wages, hours, safety, and health of the worker.

After a short account of the common law rules relating

* "The Worker and the State." By Frank Tillyard, M.A., M.Com. (London) George Routledge and Sons, Limited. Price 10s 6d.

to contracts between employers and workmen, the author gives a useful summary of the evolution of industrial legislation prior to a more detailed consideration of State action as it is at present determined by various statutes. The subject is presented under four main headings. In the first place, State Interference in Regard to Wages is dealt with in an account of Minimum Wage Legislation; of statutory provisions for the ascertainment of wages; of statutory safeguards as to the payment of wages; and, finally, of statutory facilities for recovering wages. Secondly, the time conditions imposed by the State are grouped together, with special reference to recent legislation regulating the hours of labour for children, women and young persons, and adult males respectively. Statutory enactments dealing with the safety and the health of the worker form the two final sections, in which the question of regulations of industrial conditions and of compensation are adequately dealt with.

This bald outline may serve to indicate the scope of this book, which, while not intended as a detailed work of reference, is a successful attempt to summarise the many intricacies of "Industrial Law" in a form at once interesting to the general reader and useful for the student of economic conditions. The inclusion of clear and succinct *résumés* of the historical aspect of the various questions with which he deals is not the least service which the author has performed in this new book of his.

BOOKS RECEIVED.

Principles of Public Finance. By Hugh Dalton. (London) George Routledge and Sons, Limited. 5s net.

Practical Economics. By Henry P. Shearman. (New York) McGraw-Hill Book Company, Inc.

Obtainable from the McGraw-Hill Publishing Company, Limited, 6 and 8 Bouverie street, E.C. 4. 12s 6d net.

Great Britain's Economic Policy. By Henry R. Tennenbaum. (London) William Lea and Co., Limited. 2s 6d.

Handbook of Nyasaland. 1922 Edition. (London) Crown Agents. 5s net.

A Woman's Handbook on Money Matters. By C. H. d'E. Leppington. (London) Effingham Wilson, 2s net.

Canadian Municipal Statistics, 1923. (Toronto) Wood, Gundy and Co.

From the London office of Messrs Wood, Gundy and Co., a copy of the above-mentioned book has been received. This publication includes the financial statement of practically every borrowing municipality in Canada, as well as that of each province. The summary of the laws throughout the provinces dealing with the issue of debentures by municipal corporations and by school districts has also been revised and brought up to date.

Mathiesons' Handbook for Investors for 1923. (London) Fredc. C. Mathieson and Sons, 16, Copthall avenue, E.C. 2. 5s net.

Institute of Chartered Accountants. List of Members, 1923. (London) Gee and Co. (Publishers), Limited.

Willing's Press Guide, 1923. (London) 30 King street, W.C. 2. 2s 6d.

Mesopotamia. The Daily Mail Inquiry at Baghdad. By Sir Percival Phillips. (London) Associated Newspapers, Limited. 1s.

We have received from Messrs George Philip and Son, Limited, two very useful coloured maps. The first is a mercantile map of the world, measuring 48 by 38 inches. Railways are shown in black, with through routes in red. Sea routes are set out, and distinction is made between steamer and sailing routes, distances being given in nautical miles. Telegraphs, wireless and oiling stations, &c., are also depicted. An interesting feature is that time in various parts of the world is shown by clock-dials along the top of the map. The second is a mercantile map of Europe, which shows all the recent changes at a glance. Railways, steamer routes, and other useful information makes it an essential companion to the map of the world. The publication price is £1 1s for each map.

Foreign Branch: 168, Fenchurch Street, E.C.3.

With rubber over 1s 3d per lb, and talked to 1s 6d, it is natural that there should be a good deal of interest taken in the rubber share market. The difficulty is to buy shares. Prices have gone up in some cases by leaps and bounds on a mere modicum of inquiry. Possibly there is too much of the "buy-at-best" business going on now. It certainly forces up prices at a vivid pace. The outlook for the industry, however, is sufficient to encourage holders in keeping their shares. This is why the supply is scarce, and why the new buyers are called upon to pay handsomely if they want shares. The cotton market is better after being dull: Shells had touched £4, cum dividend, at one time. Amongst textiles, Courtaulds and Listers still hold the boards as the most active shares in the list. A drop in Siemens followed the company's announcement that consideration of the payment of the preference dividend due next week, is to be postponed until June. Newspaper stocks and shares are mostly higher. The shipping market remains quiet, and the banking share dividends have had

The Kassala Railway Company, Limited.—Authorised share capital £300,000 in shares of £1 each, all of which are issued. This is an issue of £1,200,000 $\frac{4}{3}$ per cent. guaranteed debenture stock at 93, and is part of a total authorised issue limited to £1,500,000, guaranteed as to principal and interest by his Majesty's Government under the provisions of the Trading Facilities Act, 1921. The company has acquired a concession from the Sudan Government authorising it to build and work

Buenos Ayres Central Railway.—Incorporated under the laws of the Argentine Republic. The authorised share

Great Western, Ord.	116 $\frac{1}{2}$	113 $\frac{1}{2}$	+ 2 $\frac{1}{2}$	Southern, Ord. "A"	32 $\frac{1}{2}$	34	+ 1 $\frac{1}{2}$
Do Def.	76	76	0	Do Ord. "B"	12 $\frac{1}{2}$	12 $\frac{1}{2}$	0
Lois and New Western				Do Pref. Ord.	78	79	+ 1
5% Pref. Ord.	77 $\frac{1}{2}$	78 $\frac{1}{2}$	+ $\frac{1}{2}$	Do Def. Ord.	35 $\frac{1}{2}$	36 $\frac{1}{2}$	+ 1
Do Def. Ord.	33 $\frac{1}{2}$	34 $\frac{1}{2}$	+ $\frac{1}{2}$	Underground Electric			
Lond. Mid. and				Do "A" (110)	2 $\frac{1}{2}$	3 $\frac{1}{2}$	+ 1
Scottish, Ord.	103 $\frac{1}{2}$	108	+ 4 $\frac{1}{2}$	Do "B" (110)	8 $\frac{1}{2}$	9 $\frac{1}{2}$	+ 1
Metropoli. Ord.	59 $\frac{1}{2}$	62	+ 2 $\frac{1}{2}$	Do Inc. Bds. (1100)	87 $\frac{1}{2}$	89	+ 1 $\frac{1}{2}$
Metropolitan District, 4%	48	48	0				

TRANSVAAL GOLD OUTPUT STATISTICS.

q \$4 11s net per fine oz. s \$4 8s 6d net per fine oz. t \$4 8s per fine oz.
 u \$4 4s 9d net per fine oz. v \$4 5s net per fine oz. * Loss.
 \$ Special declaration, £80,750.

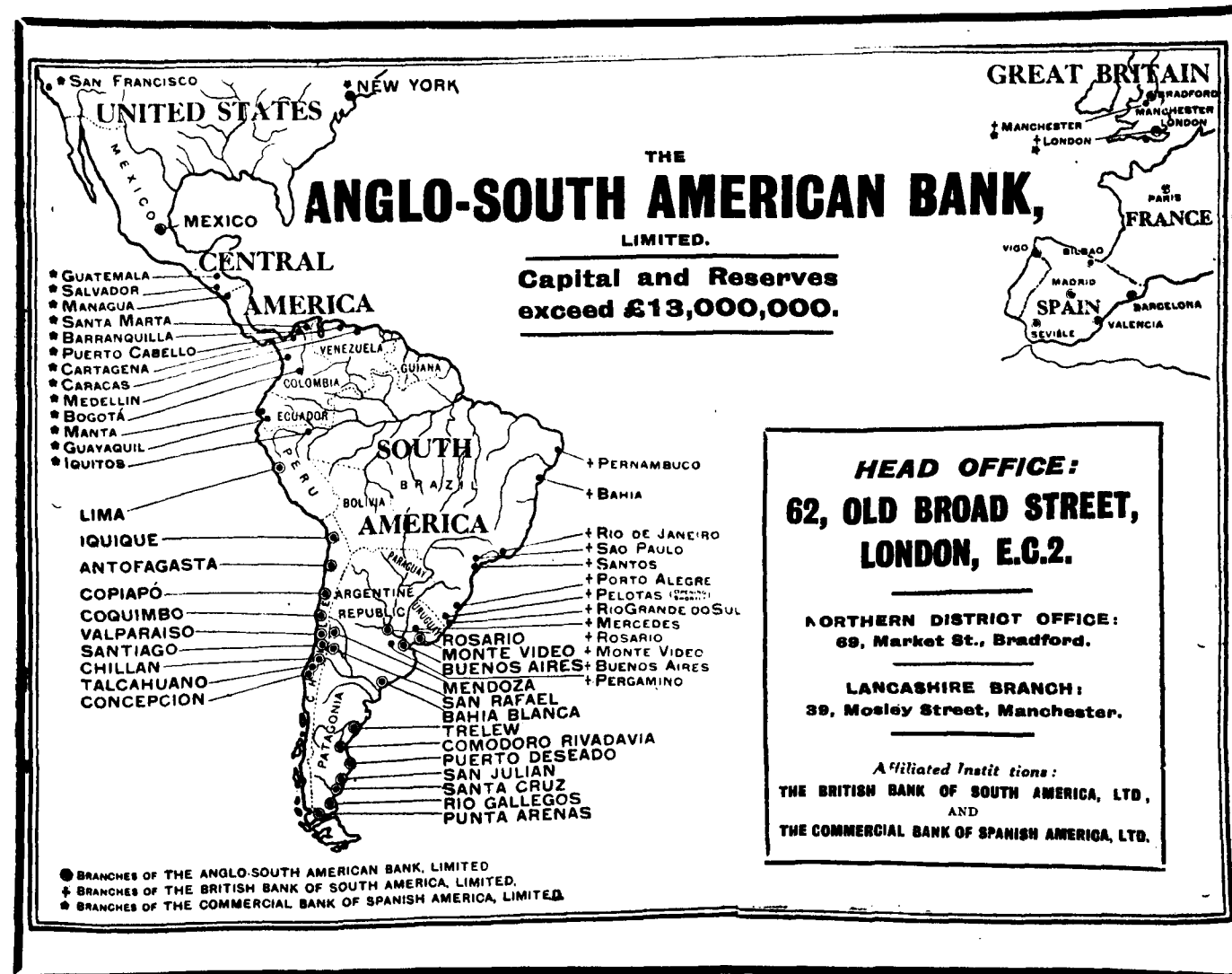
STEUA ROMANA (BRITISH), LIMITED, have received advice that the fields production of the Steaua Romana Company of Bucharest for the month of December, 1922, was 19,830 tons. This brings the production for the year 1922 to 227,798 tons, as compared with 223,430 tons during the year 1921, or an increase of 2,368 tons.

On the other hand, the past good seasons for wool, wheat, and other produce, coupled with excellent prices, especially for our

Inasmuch as more than half the fleet was constructed subsequently to 1914, and that nearly all ships are equipped for passenger or emigrant service, this figure may be regarded as very low.

low, outward journeys also have a tendency to improve.

"Without desiring to commit myself in any way, we may say that we look forward with full confidence to the results of the present year, which we believe will be considerably better than those for the past year. We cannot, of course, tell you what these results will finally be, but the first half-year appears to us encouraging. The position is perceptibly improving, especially with regard to outward sailings from Europe, in consequence of the remarkable manner in which exports are recovering. Freights on outward journeys also have a tendency to improve."



BRITISH-AMERICAN TOBACCO COMPANY, LIMITED. EXPANSION OF COMPANY'S BUSINESS.

"SOUND AND PROMISING FINANCIAL POSITION."

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

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

The Chairman, in moving the adoption of the report and accounts, said: Since our last annual general meeting there has been one change in the directorate, Mr C. T. Hill having resigned to take up the chairmanship of one of our associated companies.

The vacancy caused by the resignation of Mr Hill has been filled by the election of Mr Kenelm Stanley Smith, who will come up for re-election at a later stage of the meeting.

Taking the assets side of the balance-sheet first, you will observe that the item of real estate and buildings at cost, less provision for amortisation of leaseholds, £490,588, shows a decrease of £60,392. This is mainly accounted for by the transfer from real estate and buildings of certain plant and machinery to machinery and fixtures account. We have also disposed of some house property at Liverpool, which it was unnecessary to keep.

Plant, machinery, furniture, and fittings, at cost or under, £529,246, shows an increase of £53,315, almost entirely due to the transfer to which reference has just been made.

Goodwill, trade marks, and patents remains at the same figure as last year—namely, £200,000—and in view of the value of the trade marks alone, the directors consider this figure to be a nominal one.

A number of our associated companies have during the past year materially reduced their indebtedness to us, and consequently loans to and current accounts with associated companies, £4,605,581, show a very substantial decrease of £852,395.

INVESTMENTS AND STOCKS.

Investments in associated companies show a decrease from £15,340,582 to £15,266,302. This is the largest item on the assets side, but shows a decrease this year of £74,280. We have made investments during the past year by increasing our holdings in various associated companies throughout the world. On the other hand, we have realised our holding in one of the associated companies, which represented an investment made for the purpose of ensuring supplies of certain material during the war.

Other investments, which stood last year at £4,058, is now increased to £4,648,53, and consists entirely of British Government securities, under which description they now appear in the balance-sheet.

Stocks of leaf, manufactured goods, and materials at cost or under now stands at £4,849,513, or a decrease of £2,023,552. The stocks of leaf, manufactured goods, and materials have been carried at cost or under, as in previous years. I may say, however, that our supplies on hand are ample for our present requirements.

Sundry debtors, less provision for doubtful debts and debit balances, now stand at £1,659,489, a reduction of £448,651. The amount in respect of assets in enemy countries, which, as you will remember, was included under this head last year, has now, of course, disappeared.

Cash at bankers, in transit, and at call, £4,495,610, shows an increase of £1,974,630, due partly to the receipt of cash in respect of our claim against the German Government.

THE CAPITAL.

Turning to the liabilities side of the balance-sheet, the issued capital of 4,500,000 preference shares remains the same, but the issue of ordinary shares is increased from 16,015,645 to 16,046,070, an addition of 30,425 shares. This is due to issues to shareholders in respect of belated acceptances of the various issues of shares, and to the issue to certain directors of 30,000 shares in pursuance of a resolution passed by the shareholders on January 11, 1922.

Creditors and credit balances, £5,161,822, represents a decrease of £1,078,021 on the figure at which it stood last year. This decrease is mainly accounted for by the fact that we have now no loans from our bankers as we had last year.

The item of reserves for buildings, machinery, and materials has been increased from £489,737 to £500,000.

Premium on ordinary shares issued has increased by £16,275 to £417,314, due to the premiums received on the 30,000 shares issued to the directors previously mentioned, and the sale of certain shares which were surrendered by one of the directors under the terms of the resolution of May 19, 1919, on that director's resignation.

Provision for redemption of coupons now stands at £48,445, or a reduction of £2,100.

Special reserve has increased from £1,254,230 to £1,256,398, a difference of £2,168.

GENERAL RESERVE.

It will be observed that the item general reserve, amounting to £1,500,000, set up to provide against possible losses arising from the war, has disappeared from the balance-sheet. The sum of £1,221,000 14s has been added to the balance brought forward from last year, and £278,000 6s has been charged off. The general reserve of £1,500,000 was set up out of the undivided profits of the company and not out of the profits of any particular year, and, in view of the steady expansion of the company's business, your directors, after careful consideration of what the future capital requirements of the company are likely to be, came to the conclusion that it would be to the best interests of the company that that portion of the general reserve not required to be written off should be brought back into the undivided profits of the company. Your directors were further influenced by the fact that world affairs, and particularly European affairs, are still in a very unsettled state, and in such times it is of vital importance to a company such as yours, whose business is entirely foreign, to conserve its cash reserves.

PROFIT AND LOSS ACCOUNT.

That brings me to the last item—namely, profit and loss account. You will remember that last year we carried forward a balance of £3,171,454 2s 9d, out of which we paid a final dividend of 8 per cent., amounting to £1,281,266 6s 5d, which left us with a disposable balance of £1,890,187 16s 4d. During the year some additional coupons have been deposited with us in respect of the shares issuable in pursuance of the extraordinary resolution of the shareholders of May 10, 1920, and we have allotted to shareholders 310 ordinary shares of £1 each and a sum of £310 is deducted from the balance, leaving £1,889,877 16s 4d. To this sum has been added a portion of the general reserve of £1,500,000, set up in 1914 to provide against possible losses arising from the war, not now required, amounting to £1,221,000 14s. To this must be added the net profits for the year, after deducting all charges and expenses for management, &c., and providing for income-tax and corporation profits tax, amounting to £4,400,783 14s 6d, less the preference dividend of £225,000 and the four interim dividends amounting to £2,566,555 11s 2d, which leaves a disposable balance of £4,721,105 13s 13d, out of which the directors recommend the distribution on January 18th instant of a final dividend (free of British income-tax) on the issued ordinary shares of 9 per cent., amounting to £1,444,153 8s 2d, leaving £3,276,952 5s 6d to be carried forward. This final dividend of 9 per cent. will make a total dividend of 25 per cent. for the year upon the ordinary shares.

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

The company's claim in respect of a refund for excess profits duty against the Government under the Finance Act, 1921, has not yet been settled. The profit for the year under review does not include any amount in respect of this claim.

PROSPECTS.

During the past year we have passed through a period of some difficulty. The conditions in our business, however, have gradually improved, and are still improving, and during the first three months of our current year this improvement has been maintained.

I feel that we are in a very sound and promising financial position; our carry-forward is larger than last year.

KANSALLIS-OSAKE-PANKKI

(National Joint Stock Bank).

ESTABLISHED 1889.

Head Office: HELSINKI (Helsingfors),
FINLAND.

Capital and Reserves - Fmk. 247,000,000.00

Deposits and Cheque Accounts
(30/6/22) - Fmk. 1,255,200,000.00

124 BRANCHES AT ALL IMPORTANT BUSINESS
CENTRES IN FINLAND.

Telegraphic Address: Kansallispankki.

Before moving the resolution, I should like to refer to the fact that during the year the holders of share warrants to bearer were asked to lodge their talons with the secretary at this office, to be exchanged for new sheets of coupons. I may say there are still a few holders of share warrants to bearer who have not done so. This means a certain amount of inconvenience to the registration department, and, of course, the holders of share warrants to bearer who have not exchanged as required are standing out of their dividends, as they have not the coupons to present to entitle them to dividends declared since June 30th last. I would also like to take this opportunity of saying that there are still a certain number of holders of share warrants to bearer who have not deposited coupon No. 79, which entitles them to one bonus share for each four held, and coupon No. 80, which entitles them to one Garland Steamship Corporation share for each 20 ordinary shares held. In this instance, also, it would be very much more convenient to the company, and of financial advantage to the shareholder, that these coupons should be deposited at once.

I now formally beg to move the adoption of the report and balance-sheet for the year ended September 30, 1922, including payment on January 18th instant of a final dividend of 9 per cent. upon the issued ordinary shares, free of British income-tax.

I may also mention that the directors have declared for the year 1922-23 an interim dividend of 4 per cent., free of British income-tax, also payable on January 18th, so that the shareholders will receive on that date 13 per cent.

Mr Albert G. Jeffress seconded the resolution, which was carried unanimously, and the usual formal business terminated the proceedings.

PETER WALKER (WARRINGTON) AND ROBERT GAIN AND SONS, LIMITED.

EFFECTS OF HIGH BEER DUTY AND UNEMPLOYMENT.

The first annual general meeting of this company was held, on the 11th instant, in London, Sir John S. Harwood Banner, M.P. (chairman of the company), presiding.

The Chairman, in moving the adoption of the report and accounts, said that the directors considered the results of the working of the company satisfactory.

The balance of profit brought into the accounts amounted to £541,700, and after deducting debenture interest, one year's preference dividend, and setting aside £10,000 towards redemption of debentures, there remained a balance of £247,544. The directors recommended a final dividend of 5 per cent., making 10 per cent. for the year, carrying forward £20,544.

Turning to the manufacturing or brewing side, after consideration of the whole circumstances, coupled with reports not only from the company's own officers, but from independent experts, it had been decided, in pursuance of the policy of consolidation and concentration, to close the Walker brewery at Burton, to discontinue the manufacture of lager beer, and to withdraw from the London trade. This was one of the steps taken in pursuance of a policy which had for its ultimate object the brewing of the whole of the company's requirements of ales and stouts under one roof. The houses owned by the Walker Company in London had been disposed of by auction at highly satisfactory prices, and above what they stood at in the books. A contract for the sale of the Burton brewery had been entered into. The directors were confident that the net result would inure to the financial benefit of the shareholders.

The result of the maintenance at a high figure of the beer duty was shown in the continuous fall in the output throughout the country. The Excise returns for the quarter ended September 30th last showed the largest reduction seen since the exceptional declines which occurred during the war. For that quarter the total decline was no less than 1,100,000 standard barrels as compared with the corresponding period of 1921, practically 2,000,000 barrels less than for the same quarter of 1920, and 4,000,000 less than for the quarter ending September 30, 1914. Thus it was plain that the duty was ceasing to answer the purpose for which it was imposed—that of revenue production—and was tending towards prohibition by taxation.

In December, 1921, he (the chairman) told the shareholders that unemployment had affected their trade in common with most brewery companies, and unfortunately there was no improvement during 1922. Unemployment, short time, and falling wages in their districts had all tended to reduce consumption. So long as the beer duty remained at its present high rate there was no possibility of lowering the price of beer to the consumer in order partially to meet his decreased spending capacity.

In conclusion, the Chairman said he hoped that some day the directors would be able to complete an amalgamation of all the companies, so that there would be one preference and one debenture issue.

The report and accounts were unanimously adopted.

GOVERNMENT RETURNS.

CURRENCY NOTES ACCOUNT.

(000's omitted.)

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Advances to		Redemption Account.				
			Bankers.	Savings Banks.	Gold and Bullion.	Bank of England Notes.	Ratio to Notes.	Government Securities.	Balance at Bank of England.
Aug. 26.....	21,535	..	6,302	3,810	..	..	..	..	11,423
Dec. 30.....	38,478	..	169	600	18,500	..	48.1	9,924	9,286
1915.									
Dec. 29.....	103,125	729	159	249	28,500	..	27.6	54,621	20,536
1916.									
Dec. 29.....	150,144	2,430	64	40	28,500	..	19.0	118,102	6,868
1917.									
Dec. 26.....	212,782	8,554	39	675	28,500	..	13.4	186,637	5,486
1918.									
Dec. 31.....	323,241	15,529	..	570	28,500	..	8.9	305,133	4,566
1919.									
Dec. 31.....	356,152	17,182	250	245	28,500	4,000	9.1	337,537	2,802
1920.									
Dec. 29.....	367,626	16,962	..	..	28,500	19,450	13.0	336,504	134
1921.									
Mar. 30.....	343,826	15,599	Silver Coin.	..	28,500	19,450	13.9	311,334	141
June 29.....	323,884	14,965	..	..	28,500	19,450	14.8	287,750	150
Sept. 28.....	314,282	14,830	..	..	28,500	19,450	15.2	278,119	143
Dec. 28.....	325,584	14,658	..	..	28,500	19,450	14.7	289,131	161
1922.									
Mar. 29.....	300,351	14,255	..	5,000	28,500	19,450	15.9	261,479	177
June 28.....	295,374	13,338	..	6,000	28,500	19,650	16.3	254,312	250
Sept. 27.....	289,127	12,648	..	7,000	27,000	21,150	16.6	246,456	169
Dec. 20.....	298,630	12,479	..	7,000	27,000	21,150	15.9	255,782	177
27.....	301,337	12,872	..	7,000	27,000	21,150	15.9	258,922	137
1923.									
Jan. 3.....	295,414	12,915	..	7,000	27,000	21,150	16.3	253,013	166
10.....	289,737	12,820	..	7,000	27,000	21,150	16.6	247,201	206

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £320,600,000, for 1921 at £317,555,200, for 1922 at £309,988,400, and for 1923 at £270,183,800.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1922-23. (See Note.)	Total Receipts into the Exchequer from		BRIEFINGS.	
		Apr. 1, 1922, to Jan. 6, 1923.	Apr. 1, 1921, to Jan. 6, 1922.	Jan. 1 to Jan. 6, 1923.	Jan. 1 to Jan. 7, 1922.
Balances in Exchequer on 1st April:—					
Bank of England.....	..	9,963,424	2,591,051	..	..
Bank of Ireland.....	..	1,210,106	483,456	..	..
..	..	11,173,530	3,074,506	..	..
REVENUE.					
Customs.....	112,250,000	97,780,000	101,577,000	2,581,000	3,092,000
Excise.....	160,750,000	122,302,000	151,083,000	994,300	1,193,000
Motor Vehicle Duties.....	10,600,000	4,168,000	4,017,000	569,000	735,000
Stamps.....	48,000,000	45,051,000	37,437,000	1,430,000	689,000
Stamp Duty.....	18,250,000	14,842,000	12,093,000	80,000	204,000
Land Tax, House Duty, & Mineral Rights Duty	3,000,000	700,000	550,000	50,000	40,000
Property & Income Tax (including Super-Tax),	329,000,000	194,560,000	182,796,000	7,009,000	8,136,000
Excise Profits Duties, &c.	87,800,000	954,000	29,714,000	..	..
Corporation Profits Tax	19,750,000	13,777,000	10,879,000	480,000	589,000
Post Office.....	54,625,000	40,400,000	40,250,000	1,000,000	1,250,000
Crown Lands.....	750,000	710,000	570,000	..	..
Interest on Sundry Loans.....	14,000,000	9,428,293	10,700,468	1,121,574	1,876,341
Miscellaneous.....	22,000,000	19,164,937	18,096,114	258,744	515,741
Ordinary Receipts.....	90,000,000	37,360,423	36,516,753	868,606	1,197,936
Revenue.....	910,775,000	601,198,653	696,776,335	15,635,943	16,448,017
Total, Inc. Balance.....	..	612,372,183	699,353,941	..	..
OTHER RECEIPTS.					
Temporary Advances Repaid:—					
Bullion.....	..	800,000	7,480,000	..	300,000
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	..	169,818	169,818	..	..
Under the Unemployment Insurance Acts, 1921.....	..	2,910,000	530,000	..	..
Money Raised by Creation of Debt:—					
(a) For Capital Expenditure Issues: Under the Telegraph (Money) Act, 1920 to 1922.....	..	5,310,000	5,561,474	..	..
Under the Post Office (London) Railway Act, 1913.....	..	..	27,500	..	..
Under the Housing Act, 1914.....	..	27,000	50,000	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922.....	..	960,000	..	..	..
By Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	..	1,553,300	..	..	..
(b) Under the Unemployment Insurance Acts, 1921.....	..	4,050,000	7,600,000	..	..
(c) For other Issues: By Treasury Bills for Supply.....	2,277,605,000	3,102,837,000	63,079,000	97,973,000	
By National Savings Certificates.....	48,708,000	31,880,000	900,000	1,100,000	
By Exchequer and National War Bonds.....	..	20	5	..	..
By Treasury Bonds—5½ year, 1925-30.....	..	61,655,154	192,338,580	..	16,511,064
5½ year, 1927.....	..	70,907,535	..	..	..
4½ year, 1933.....	..	..	..	..	..
By Other Debt created under the War Loan Acts, 1914 to 1919.....	..	25,259	10,961,454	..	..
(d) Ways and Means Advances.....	760,775,500	1,080,446,000	19,800,000	4,500,000	
Anglo-Persian Oil Company—Dividends on Shares acquired.....	..	243,012	5,010	..	..
Repayments: In respect of Cunard Loan.....	..	130,000	..	..	..
Do East Africa Protectorate Loan.....	..	..	127,268	..	127,268
Do Issues under Civil Contingencies Fund Act, 1919.....	..	7,250,000	..	..	..
Do Issues under Land Settlement (Facilities) Acts, 1919 and 1921.....	..	273,914	46,434	3,682	2,496
Do Issues under Section 59 (4) of the Finance Act, 1920.....	..	6,827,960	13,490,950	..	1,265,625
Interest received under Section 59 (5) of the Finance Act, 1920.....	..	162,425	321,533	..	..
Total.....	..	3,855,455,080	5,161,196,867	99,418,586	141,227,470

EXPENDITURE AND OTHER ISSUES.

EXPENDITURE	Estimate for the Year 1922-23, including Supplementary Grants.	Total issues out of the Exchequer to meet Payments from Jan. 1, 1922, to Jan. 7, 1923.	Total issues out of the Exchequer to meet Payments from Jan. 1, 1922, to Jan. 7, 1923.	Total issues out of the Exchequer to meet Payments from Jan. 1, 1922, to Jan. 7, 1923.
Permanent Charge of Debt.....	16,000,000	12,787,601	14,330,156	2,329,137
Interest, &c., on War Debt.....	319,000,000	253,232,027	261,941,998	1,142,967
Road Fund.....	10,000,000	3,019,999	2,981,000	..
Payments to Local Taxation Accounts, &c.....	9,788,000	6,125,518	6,918,863	50,000
Payments to Northern Ireland Exchequer.....	2,500,000	1,548,995	550,000	450,000
Land Settlement.....	3,500,000	820,804	2,329,906	..
Other Consolidated Fund Services.....	2,650,000	2,256,621	1,430,370	..
Supply Services.....	539,253,000	305,006,352	470,239,760	8,671,353
Expenditure.....	902,691,000	584,827,917	763,742,053	12,193,457
OTHER ISSUES.				
Temporary Advances—				
Bullion.....	..	7,500,000	..	300,000
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	169,818	169,818	..	..
Under the Unemployment Insurance Act, 1911.....	4,920,000	8,520,000	70,000	400,000
Issues to meet Capital Expenditure—				
Under the Telegraph (Money) Act, 1920 to 1922.....	5,310,000	5,561,474	..	..
Under the Post Office (London) Railway Act, 1913.....	..	27,500	..	..
Under the Housing Act, 1914.....	27,000	50,000	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922 Under Capital Expenditure (Money) Act, 1904.....	950,000	..	..	..
Exchequer Bonds paid off £3,087,600 less paid off by the National Debt Commissioners, £1,534,300.....	1,553,300	..	..	..
Unemployment Insurance Act, 1911—				
Repayment of amounts borrowed.....	2,110,000	..	..	..
Redemption of Debt—				
Treasury Bills for Supply.....	2,445,424,000	3,154,012,000	67,835,000	89,490,000
Securities surrendered for Duties under Section 34 of the Finance Act, 1917, and Section 3 (3) of the War Loan Act, 1919.....	7,465,785	27,712,761	86	559,696
Funding Loan, Victory Bonds and Conversion Loan Sinking Funds Principal of National Savings Certificates—				
(a) Repaid by Issues under Section 59 (6) of the Finance Act, 1920.....	23,150,000	14,950,000	700,000	..
(b) Repaid otherwise.....	..	10,400,000	..	700,000
Principal of Exchequer Bonds paid off—				
5%, 1922, £20,612,208; less paid off by the National Debt Commissioners, £1,000,000.....	19,612,208	18,962,820	..	..
Principal of National War Bonds paid off.....	44,684,182	..	..	..
Other Debt under the War Loan Act, 1914 to 1919.....	15,825,526	51,494,036	..	..
Ways and Means Advances Repaid.....	684,715,500	1,055,931,000	18,450,000	25,530,000
Depreciation Fund, under the Finance Act, 1917.....	1,198,075	23,280,179	..	1,000,000
Anglo-Persian Oil Company—Issued under the Anglo-Persian Oil Company (Acquisition of Capital) Amendment Act, 1919.....	243,012	..	..	..
Issues to National Debt Commissioners to Reduce Debt—				
Guarantee Loan Repayments.....	130,000	130,000	..	..
Proceeds of National Savings Certificates, issued under the Finance Act, 1920, Section 59 (4).....	5,000,000	15,391,000	..	..
Old Sinking Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911.....	88,065	212,450	..	..
Balances in Exchequer—				
Bank of England.....	3,852,180,603	5,158,045,091	99,348,543	141,731,145
Bank of Ireland.....	1,355,234	2,283,614	5,442	181,547
Bank of Scotland.....	1,131,243	862,162	175,484	685,222
Total.....	3,274,477	3,151,776	170,042	503,675

Note—Budget Estimate as in H.C. No. 77 of 1922.

Treasury, January 8, 1923.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £50,000,000 in three months' Treasury Bills dated from Monday to Saturday, January 14-January 20, were opened on January 12, 1923, and the total amount applied for was £70,575,000. Tenders for Monday bills at £99 9s 6d and above in full, and Tuesday to Saturday bills at £99 9s 2d, about 59 per cent. and above in full. The average rate of discount for Treasury bills was £2 3s 5.68d. The amounts allotted were as follows:—In bonds, £5,000,000; in bills at 3 months, £45,000,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills, Average Rate.	4½% Treasury Bonds, 1922-23, Average Price.
Oct. 20, 1922.....	(a) £40,000,000	(a) £1,905,000	2 5 11.06	99 3 175
Oct. 27.....	(a) 40,000,000	(a) 56,905,000	2 5 9.94	99 4 63
Nov. 3.....	(a) 40,000,000	(a) 57,330,000	2 9 1.02	99 4 87
Nov. 10.....	(a) 40,000,000	(a) 55,585,000	2 11 3.41	99 2 48
Nov. 17.....	(a) 40,000,000	(a) 62,245,000	2 8 6.05	99 4 46
Nov. 24.....	(a) 50,000,000	(a) 62,240,000	2 9 2.79	99 3 046
Dec. 1.....	(a) 50,000,000	(a) 69,465,000	2 7 1.77	99 5 06
Dec. 8.....	(a) 50,000,000	(a) 70,936,000	2 11 1.09	None allotted
Dec. 15.....	(a) 50,000,000	(a) 67,355,000	2 11 0.62	None allotted
Dec. 22.....	(a) 50,000,000	(a) 54,725,000	2 11 7.52	None allotted
Dec. 29.....	(a) 50,000,000	(a) 76,225,000	2 6 11.35	None allotted
Jan. 5, 1923.....	(a) 50,000,000	(a) 63,995,000	2 2 7.57	99 3 96
Jan. 12.....	(a) 50,000,000	(a) 76,575,000	2 3 5.68	99 6 372

(a) Including Treasury Bonds.

Tenders will be received on Friday, January 19, 1923, for Treasury Bonds and Treasury Bills to be issued to the maximum amount of £40,000,000. The amount of Treasury Bonds issued will not exceed £5,000,000, but subject to that limit, the total amount issued will be divided between Bills and Bonds in such proportions as The Lords Commissioners of His Majesty's Treasury may determine.

ROYAL INSURANCE COMPANY, LIMITED

ALL CLASSES OF INSURANCE EFFECTED

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, January 10, 1923.

ISSUE DEPARTMENT.

Notes issued	£	Government debt	£
144,107,635	11,015,100	Other securities	7,434,900
		Gold coin and bullion	125,657,635

144,107,635	144,107,635
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BANKING DEPARTMENT.

Capital	£	Government securities	£
14,553,000	65,671,582	Other securities	65,172,755
Rest.....	3,442,213	Notes	21,652,865
Public deposits.....	13,574,230	Gold and silver coin	1,828,582
Other deposits.....	122,736,910		
Other deposits.....	19,431		

154,325,784	154,325,784
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* Including Exchequer Savings Banks, Commissioners of National Debt and Dividend Accounts.

COMPARISON WITH PREVIOUS WEEK AND A YEAR AGO.

	Amount, Jan. 10, 1923.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Rest.....	3,442,213	+ £8,838	+ £8,418
Public deposits.....	13,574,230	+ 657,279	+ 2,027,850
Other deposits.....	122,736,910	+ 22,124,811	+ 7,149,661
Government securities.....	65,671,582	+ 6,015,551	+ 10,667,896
Other securities.....	65,172,755	+ 29,610,919	+ 19,589,725
Reserve.....	23,481,497	+ 1,591,717	+ 265,704
Note circulation.....	122,454,770	+ 1,598,690	+ 1,172,220
Coin and bullion.....	127,486,217	+ 6,973	+ 966,516
% of reserve to liabilities.....	174%	+ 38%	+ 14%

THREE MONTHS' RECORD.

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve.
1922.					
Oct. 25.....	£127,435,454	£121,689,530	£121,385,106	£114,894,104	£24,195,924
Nov. 1.....	£127,432,534	£121,886,450	£123,381,619	£119,083,011	£23,996,084
Nov. 8.....	£127,435,722	£123,879,002	£118,854,444	£119,083,011	£22,726,482
Nov. 15.....	£127,437,711	£122,519,305	£122,617,554	£116,974,245	£23,588,006
Nov. 22.....	£127,441,016	£121,901,960	£122,360,827	£116,110,795	£23,989,056
Nov. 29.....	£127,445,261	£121,407,130	£123,414,918	£116,705,543	£24,688,131
Dec. 6.....	£127,440,455	£122,884,525	£121,463,985	£116,240,853	£25,005,939
Dec. 13.....	£127,446,768	£123,063,855	£127,695,826	£132,722,938	£22,832,913
Dec. 20.....	£127,446,447	£123,161,310	£124,885,243	£120,050,341	£22,735,137
Dec. 27.....	£127,444,219	£124,890,400	£123,395,554	£120,319,616	£21,603,815
Jan. 3, 1923.....	£127,443,007	£124,877,670	£132,227,231	£130,126,031	£21,053,357
Jan. 10.....	£127,486,217	£124,053,460	£157,778,672	£153,861,706	£21,889,730
		£122,454,770	£136,311,140	£130,844,337	£23,481,447

TEN YEARS' RECORD.

At corresponding date with the present week.	Jan. 8, 1913.	May 27, 1914.	Jan. 12, 1921.	Jan. 11, 1922.	Jan. 10, 1923.
Circulation (excluding Bank post bills).....	£28,633,420	£28,933,380	£129,834,265	£123,626,990	£122,454,770
Public deposits.....	9,813,645	19,014,809	15,883,853	15,602,120	13,574,230
Other deposits.....	41,788,250	41,248,964	123,137,108	129,886,571	122,736,910
Government securities.....	12,585,483	11,046,570	59,240,506	55,003,686	65,671,582
Other securities.....	32,694,654	41,461,380	80,791,567	85,162,490	65,172,755
Reserve of notes and coin.....	23,230,434	25,463,980	16,896,954	23,275,743	23,481,447
Coin and bullion.....	33,413,854	35,947,360	128,280,219	128,452,733	127,486,217
Proportion of reserve to liabilities.....	45%	42%	12%	16%	17%
Liabilities.....	5%	5%	7%	5%	5%
Bank rate of discount.....	5%	5%	5%	5%	5%
Market rate, 3 months' bills.....	7%	7%	4%	5%	5%
Price of Consols.....	75 1/2	74 1/2	47 1/2	50 1/2	52 1/2
Price of silver per oz.....	25 1/2	26 1/2	40 1/2	35 1/2	31 1/2
Average price of wheat.....	30s 5d	33s 0d	94s 5d	44s 7d	41s 5d
Exchange—					
Paris.....	25 1/2	25 1/2	60 1/2	61 1/2	67 1/2
New York.....	84 1/2	84 1/2	83 1/2	83 1/2	84 1/2
Amsterdam.....	12 1/2	12 1/2	11 1/2	11 1/2	11 1/2
Berlin.....	20 1/2	20 1/2	25 1/2	24 1/2	24 1/2
Clearing house returns.....	£326,541,000	£199,913,000	£745,794,000	£754,764,000	£686,019,000

BANKERS' CLEARING RETURNS.

Week Ending—	Town Clearing.	Country Clearing.	Total.
1923.			
January 1—January 3.....	£356,571,000	£31,953,000	£388,524,000
January 10.....	£623,588,000	£62,631,000	£686,019,000
Total to date 1923.....	£979,959,000	£94,584,000	£1,074,543,000
Do 1922.....	£989,128,000	£93,465,000	£1,082,593,000
Increase or decrease in 1923.....	9,169,000	1,119,000	8,050,000
	0.9%	1.1%	0.7%
Total for 1922.....	£34,355,296,000	£2,806,165,000	£37,161,461,000
Do 1921.....	£31,928,380,000	£3,002,179,000	£34,930,559,000
Increase or decrease in 1922.....	2,426,916,000	193,914,000	2,230,902,000
	7.6%	6.5%	6.3%

PROVINCIAL CLEARING RETURNS.

	1922.	1923.	Inc. or Dec.
Aggregate Totals to January 6.	£3,508,800	£3,335,100	+ 94,300
BIRMINGHAM.....	1,574,000	1,417,000	+ 157,000
BRIGHTON.....	7,402,000	6,054,500	+ 347,500
DUBLIN.....	1,195,400	1,277,600	+ 172,200
HULL.....	1,228,000	1,290,000	+ 62,000
LEEDS.....	929,400	958,900	+ 29,500
LIVERPOOL.....	15,073,400	16,150,600	+ 57,200
MANCHESTER.....	18,340,000	16,320,000	+ 50,700
NEWCASTLE-ON-TYNE.....	831,700	869,100	+ 37,400
NOTTINGHAM.....	1,165,300	1,499,100	+ 333,800
SHEFFIELD.....	1,165,300	1,499,100	+ 333,800

OVERSEAS BANK RETURNS.

UNITED STATES FEDERAL RESERVE BANKS.

	Jan. 5, 1923.	Dec. 29, 1922.	Dec. 22, 1922.	Jan. 6, 1923.
RESOURCES.				
Total gold reserve.....	£3,049,450	£3,040,440	£3,045,910	£2,875,300
Legal tender notes and silver reserve.....	113,440	108,400	110,800	154,500
Legal tender notes and silver reserve.....	113,440	108,400	110,800	154,500
Legal tender notes and silver reserve.....	113,440	108,400	110,800	154,500
Legal tender notes and silver reserve.....	113,440	108,400	110,800	154,500
Legal tender notes and silver reserve.....	113,440	108,400	110,800	154,500
Legal tender notes and silver reserve.....	113,440	108,400	110,800	154,500
Legal tender notes and silver reserve.....	113,440	108,400	110,800	154,500
Legal tender notes and silver reserve.....	113,440	108,400	110,800	154,500
Legal tender notes and silver reserve.....	113,440	108,400	110,800	154,500

STATEMENT OF CANADIAN BANKS.

	Oct. 31, 1922.	Sept. 30, 1922.	Aug. 31, 1922.	July 31, 1922.	Oct. 31, 1921.
ASSETS.	\$	\$	\$	\$	\$
Cash and bank balances.....	487,881	441,824	419,981	447,719	509,629
Bank balances abroad.....	104,892	114,894	111,015	126,750	99,886
Call and short loans.....	309,872	279,021	276,778	271,989	277,375
Securities.....	309,872	322,009	330,646	323,471	315,881
Loans in Canada.....	1,217,758	1,222,825	1,192,614	1,196,524	1,345,511
Loans abroad.....	153,088	145,610	145,120	144,072	152,518
Other assets.....	106,444	104,262	99,412	97,315	102,365
LIABILITIES.					
Note circulation.....	178,633	176,919	158,087	161,887	193,546
Deposits.....					
Government.....	132,331	104,988	92,595	87,546	136,968
Public in Canada.....	1,687,933	1,648,648	1,639,485	1,668,224	1,816,974
Foreign.....	331,969	336,747	339,985	347,529	284,254
Bank balances—					
Canadian.....	11,711	9,008	8,348	6,379	11,561
Foreign.....	31,807	33,706	35,073	34,284	39,018
Bills payable, &c.....	26,409	23,321	22,236	21,872	33,530
Other liabilities.....	2,624	2,644	3,756	2,328	3,213
Capital and rest.....	255,274	255,231	255,197	255,068	264,338

NATIONAL BANK OF ROUMANIA.

(000's omitted.)

Assets.	Dec. 16, 1922.	Dec. 9, 1922.	Nov. 25, 1922.	Nov. 18, 1922.	Dec. 17, 1922.
Gold	533,154	533,054	533,053	533,050	496,459
Silver, &c.	604	508	430	636	513
Government loan	12,550,329	12,535,195	12,535,333	12,571,256	12,545,939
Other advances	4,201,641	4,230,170	4,218,119	4,198,259	2,235,522
LIABILITIES.					
Notes in circulation	15,184,171	15,304,988	15,361,486	15,385,993	13,709,378
Deposits	6,758,984	6,651,281	6,597,792	6,543,561	5,659,691

BANK OF SWEDEN.

(000's omitted.)

Assets.	Jan. 5, 1923.	Dec. 30, 1922.	Dec. 23, 1922.	Dec. 16, 1922.	Jan. 7, 1923.	May 24, 1924.
Gold	273,958	273,984	273,987	273,963	274,626	104,918
Balance abrd. and foreign bills	157,840	158,441	147,566	119,448	124,193	112,174
Swedish and for. Gov. securities	92,648	92,648	95,394	95,392	15,498	32,465
Discount and loans	458,663	490,819	480,842	503,157	550,530	112,668
LIABILITIES.						
Notes in circulation	538,195	587,191	547,157	529,574	586,213	226,556
Deposits	379,540	389,460	386,022	401,733	324,350	69,660

NATIONAL BANK OF BELGIUM.

(000's omitted.)

Assets.	Jan. 4, 1923.	Dec. 28, 1922.	Dec. 21, 1922.	Dec. 14, 1922.	Jan. 5, 1923.	Position May 28, 1924.
Coin and bullion	341,687	341,972	341,651	340,691	327,334	322,650
Securities	679,224	634,546	599,565	599,049	449,485	697,600
Notes in circulation	6,782,966	6,700,886	6,641,656	6,660,245	6,335,012	934,150
Current accounts	398,925	498,381	508,929	487,715	675,598	112,125

AUSTRIAN BANK.

(000's omitted.)

Assets.	Dec. 23, 1922.	Dec. 15, 1922.	Dec. 7, 1922.	Nov. 30, 1922.
Gold coin and bullion, bills	669	597	442	465
Silver coin	8	8	8	8
Bills discounted	671,990,633	640,148,622	679,194,580	721,244,616
Loans	620,662	535,699	720,725	702,346
LIABILITIES.				
Notes in circulation	3,858,081,366	3,711,593,439	3,478,444,060	3,417,786,498
Deposits	318,878,473	227,224,050	242,436,806	207,846,951

HUNGARIAN BANK.

(000's omitted.)

Assets.	Dec. 31, 1922.	Dec. 23, 1922.	Dec. 15, 1922.	Dec. 7, 1922.
Gold coin and bullion, bills	15,559	15,727	15,653	15,422
Silver coin, &c.	596	596	596	596
Bills, warrants, drafts, &c.	50,701,961	49,869,292	48,490,454	48,897,969
Loans	2,016,105	1,970,346	48,490,454	1,893,808
LIABILITIES.				
Notes in circulation	75,886,987	73,931,297	72,845,283	72,007,176
Deposits	4,780,741	5,974,231	5,010,516	5,934,573

NATIONAL BANK OF DENMARK.

(000's omitted.)

Assets.	Dec. 31, 1922.	Nov. 30, 1922.	Dec. 23, 1922.	Dec. 15, 1922.	Dec. 7, 1922.	Position May 31, 1924.
Coin and bullion	228,257	228,257	228,301	228,299	228,330	76,644
Loans & discounts	467,599	462,035	500,693	516,854	403,321	88,740
Debitors abroad	5,933	10,893	9,113	13,745	22,684	24,102
Securities	13,593	15,562	16,066	15,910	39,397	11,988
LIABILITIES.						
Circulation	459,354	459,310	478,134	466,555	470,964	157,266
Deposits	163,710	169,211	181,481	211,064	129,078	6,696

BANK OF NORWAY.

(000's omitted.)

Assets.	Dec. 31, 1922.	Dec. 23, 1922.	Dec. 15, 1922.	Dec. 7, 1922.	Position May 31, 1924.
Coin and bullion—Gold	147,291	147,291	147,291	147,291	44,224
Balance abroad and foreign bills	42,408	39,770	39,988	39,064	28,533
Norwegian & Foreign Government securities	9,415	9,415	9,415	8,792	8,816
Discounts and loans	479,354	455,353	450,140	476,236	76,911
LIABILITIES.					
Notes in circulation	384,775	392,839	377,313	409,781	113,484
Deposits	163,429	129,627	139,662	140,838	7,188

Through Royal resolution of February 3, 1924, it has been resolved that the extraordinary right of issuing bank notes has been reduced from 50 millions to 25 millions from February 4, 1924 (this day included).

IMPERIAL BANK OF INDIA.

(000's omitted.)

Assets.	Dec. 15, 1922.	Dec. 8, 1922.	Dec. 1, 1922.	Nov. 24, 1922.	Nov. 17, 1922.	Dec. 16, 1922.
Govt. securities	8,50,223	8,52,770	8,55,558	8,56,335	8,56,64	11,28,99
Other securities	1,25,63	1,25,87	1,25,87	1,26,09	1,26,09	1,33,44
Loans	15,98,18	16,01,38	16,04,60	16,24,22	16,60,51	25,66,47
Cash credits	27,05,78	25,93,43	26,56,44	25,92,02	25,99,18	23,72,76
Inland bills	5,24,88	5,19,17	4,41,20	4,29,96	5,00,05	9,92,97
Foreign bills	12,41	11,93	11,38	16,73	16,71	5,16
Dead stock	2,50,19	2,49,01	2,48,74	2,48,89	2,48,26	2,30,33
Surpluses	66,37	64,54	63,63	53,36	52,92	57,13
Cash	4,13	7,85	5,29	3,79	5,09	13,87
LIABILITIES.						
Subscribed capital	11,24,36	11,24,36	11,24,36	11,24,36	11,24,36	11,23,96
Capital paid up	5,62,49	5,62,49	5,62,46	5,62,46	5,62,46	5,62,24
Reserve	4,11,89	4,11,89	4,11,89	4,11,89	4,11,89	3,91,79
Public deposits	12,11,15	11,59,34	11,86,97	10,84,06	90,774	97,720
Other deposits	56,60,34	57,64,56	61,70,91	63,53,45	67,21,58	67,80,24
Loans against securities	89,02	1,09,60	1,16,69	1,17,15	1,16,92	40,06
Surpluses	1,41,95	1,38,86	1,33,96	1,24,99	1,20,78	1,22,16
The above includes—						
Deposits in Lond'n	188	201	172	184	187	48
Advances in Lond'n	766	905	955	959	959	336
Cash, &c., at other banks in London	22	46	30	20	28	88

NATIONAL BANK OF EGYPT.

(000's omitted.)

Assets.	Oct. 31, 1922.	Sept. 30, 1922.	Aug. 31, 1922.	Oct. 31, 1921.	Position May 31, 1919.
Gold	3,359	3,358	3,359	3,364	1,571
Government securities	41,389	36,058	34,975	41,575	1,084
LIABILITIES.					
Notes in circulation	32,781	27,615	25,360	35,875	2,400
Government deposits	6,088	4,218	4,106	2,276	2,315
Other deposits	12,313	11,054	12,346	13,847	2,660

By authority of the Egyptian Government British Treasury Bills were deposited in lieu of gold.

BANK OF FINLAND.

(000's omitted.)

Assets.	Dec. 23, 1922.	Dec. 15, 1922.	Dec. 8, 1922.	Dec. 23, 1921.	Position May 30, 1914.
Gold	43,373	43,373	43,373	42,625	35,091
Balance abroad and foreign bills	803,439	887,200	921,479	411,460	90,379
Finland and Foreign Government securities	609,955	609,955	612,424	891,168	21,826
Discounts and loans	621,942	530,775	508,838	516,197	105,151
LIABILITIES.					
Notes in circulation	1,409,403	1,355,872	1,358,882	1,346,366	123,941
Deposits at notice	447,090	501,158	513,958	148,667	21,225

BANK OF PORTUGAL.

(000's omitted.)

Assets.	Nov. 1, 1922.	Oct. 25, 1922.	Oct. 18, 1922.	Oct. 11, 1922.	Nov. 2, 1921.
Coin and bullion	26,866	26,843	26,829	26,791	27,753
Of which gold	8,577	8,577	8,577	8,577	8,577
Balance abroad	1,342	2,977	2,734	2,465	3,214
Discounts	167,195	166,654	166,927	166,725	112,534
Government loans	860,097	860,097	860,097	860,097	620,109
LIABILITIES.					
Notes in circulation	987,507	971,143	965,700	945,745	685,629
Deposits	45,104	45,764	44,134	42,786	50,423

NATIONAL BANK OF BULGARIA.

(000's omitted.)

Assets.	Nov. 22, 1922.	June 30, 1922.	May 31, 1922.	April 30, 1922.	Mar. 31, 1922.	Feb. 28, 1922.
Gold and silver	58,216	57,727	57,701	58,031	58,133	58,353
Foreign bank notes	1,342	..	..	..	..	..
Foreign bills	2,083	..	..	..	..	..
Balance abroad	911,672	..	..	..	..	..
LIABILITIES.						
Notes in circulation	3,957,225	3,800,625	3,758,717	3,727,974	3,734,308	3,602,489
Advances to the State	3,817,830	..	..	..	..	..

POLISH NATIONAL BANK.

(000's omitted.)

Assets.	Dec. 20, 1922.	Dec. 10, 1922.	Nov. 30, 1922.	Nov. 20, 1922.	Nov. 10, 1922.
Gold	34,593	33,885	33,810	33,737	33,668
Silver	44,121	44,196	44,193	44,188	44,182
Foreign coin	600,655	165,124	232,476	269,109	280,985
Foreign banks	1,865,337	2,624,686	2,999,416	810,593	812,989
Advances to the Govt.	582,100,000	545,500,000	519,500,000	493,000,000	480,500,000
Private loans and discounts	179,249,469	159,127,894	148,558,225	133,938,910	115,820,624
LIABILITIES.					
Notes in circulation	728,803,138	690,087,289	661,092,353	619,149,692	602,808,955
Deposits	132,886,288	124,164,207	116,320,193	114,012,597	97,949,405

BANK OF LATVIA.

(000's omitted.)

Assets.	Dec. 20, 1922.	Dec. 13, 1922.	Dec. 6, 1922.	Nov. 29, 1922.
Total cash	2,876	3,708	3,981	3,101
Gold coin and bullion	13,016	13,013	13,007	12,998
Foreign banks	29,746	28,032	25,165	23,394
Discounts and loans	11,182	10,154	10,176	9,995
Other assets	1,743	2,499	1,506	2,736
LIABILITIES.				
Notes in circulation	8,930	7,730	6,740	5,000
Capital paid up	8,000	8,000	8,000	8,000
Government deposits	20,077	21,381	15,949	15,466
Other deposits	14,116	14,583	19,060	17,911
Other liabilities	7,380	4,912	4,085	5,837

BANK OF LITHUANIA.

(000's omitted.)

Assets.	Dec. 31, 1922.	Dec. 15, 1922.	Nov. 30, 1922.	Nov. 15, 1922.
Cover for the emitted banknotes—				
Gold	15,190	15,180	15,169	12,347
Silver	2	2	1	..
Dollars, sterling & other stable currency	17,823	14,778	12,696	5,700
Other foreign currency	237	237	237	772
Discount and credit	8,568	5,444	2,590	5,904
Other assets	3,199	1,753	..	605
LIABILITIES.				
Capital	12,000	10,935	10,934	10,921
Banknotes in circulation	30,377	24,630	18,052	14,094
Due to the Government Treasury	243	2,006	..	..
Other liabilities	2,993	1,526	1,049	315

BANK OF CZECHO-SLOVAKIAN REPUBLIC.

(000's omitted.)

(000's omitted).						
ASSETS.	Dec. 15, 1922.	Dec. 7, 1922.	Nov. 30, 1922.	Nov. 23, 1922.	Nov. 15, 1922.	Dec. 15, 1921.
*Liabilities of the Austro-Hungarian Bank to the Bank—	Cz. K.	Cz. K.	Cz. K.	Cz. K.	Cz. K.	Cz. K.
Office	10,096,715	10,096,715	10,096,715	10,096,715	10,096,715	10,084,504
Discounts & advances	2,064,606	2,061,595	2,404,404	1,971,416	1,898,917	4,236,488
Gold & silver holdings	817,361	816,577	820,200	819,232	817,821	1,383,561
Foreign bills and balances abroad.....	1,023,220	1,347,422	1,540,670	1,648,027	1,648,980	1,646,840
Other assets.....	312,515	332,096	534,168	493,686	617,871	1,353,861
LIABILITIES.						
State loans in circulation	9,788,517	9,787,695	9,996,550	9,531,450	9,708,291	11,363,361
Deposits	3,389,934	3,395,671	3,570,501	3,429,760	3,228,412	3,267,881
Other liabilities.....	1,459,913	1,340,326	1,465,106	2,067,865	2,083,601	2,000,852

CONTINENTAL RATES OF EXCHANGE ON GERMANY.

	Par Level.	Jan. 12, 1922.	Dec. 28, 1922.	Jan. 4, 1923.	Jan. 11, 1923.
Amsterdam	Florins to 100 marks	59.26	1.50	0.032	0.031
Switzerland	Francs to 100 marks	125.45	2.85	0.066	0.065
Oslo	Kroner to 100 marks	88.88	2.22	0.047	0.046
Christiania			3.54	0.069	0.051

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates:—

	Union of South Africa.		Union of South Africa.	
	From Dec. 9, 1922.		From Dec. 9, 1922.	
	Buying.	Selling.	Buying.	Selling.
T.T.	11% prem.	3% prem.	3% dis.	2% dis.
On demand	2% " "	2% " "	2% " "	2% " "
30 days	2% " "	2% " "	2% " "	2% " "
60 days	2% " "	2% " "	2% " "	2% " "
90 days	2% " "	2% " "	2% " "	2% " "
120 days	2% " "	2% " "	2% " "	2% " "

* No premium allowed on amounts under £100.

a) No discount allowed on sales of T.T. or demand drafts under £50.

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

	London on Australia and New Zealand.		Australia and New Zealand on London.	
	Buying.	Selling.	Buying.	Selling.
	Ans. tralia.	New Zealand.	Ans. tralia.	New Zealand.
T.T.	11% prem.	3% prem.	3% dis.	2% dis.
On demand	2% " "	2% " "	2% " "	2% " "
30 days	2% " "	2% " "	2% " "	2% " "
60 days	2% " "	2% " "	2% " "	2% " "
90 days	2% " "	2% " "	2% " "	2% " "
120 days	2% " "	2% " "	2% " "	2% " "

INDIAN TREASURY BILLS.

	March 31, 1922.	Jan. 6, 1923.
Outstanding with public	Rs. 53,96,70,000	Rs. 27,60,60,000
In paper currency reserve	57,89,00,000	49,65,00,000
Total	111,85,70,000	77,25,60,000

India Office, January 10, 1923.

INDIA COUNCIL DRAFTS.

Tenders were received on Tuesday for Rs.50,00,000, and the applications amounted to Rs.4,62,50,000. Allotted:—In deferred telegraphic transfers on Bombay, Rs.7,00,000 at 4.062d. In immediate telegraphic transfers on Calcutta, Rs.8,36,000 at 4.081d; on Bombay, Rs.29,64,000 at 4.078d; and on Madras, Rs.5,00,000 at 4.093d. Tenders for bills and deferred telegraphic transfers at 4.7d will receive allotment in full, and for immediate telegraphic transfers at 4.7d about 9 per cent. and above in full.

With reference to paragraph 5 of the Conditions of Sale of Bills and Telegraphic Transfers on India, dated India Office, January 4, 1923, it is notified that at the sale on Tuesday, January 16th, and until further notice, tenders for immediate telegraphic transfers will rank for allotment with tenders at one-sixteenth of a penny per rupee lower for bills and deferred telegraphic transfers.

BULLION.

The gold movements to or from the Bank of England are no longer announced. For the week ended January 10, 1923, the stock of coin and bullion shows a decrease of £6,973 compared with the previous return.

GOLD STANDARD RESERVE.

Statement showing the form in which the balance of the reserve was held on December 31, 1922:—

	£	Nil
In India		
On hand at the Bank of England	1,765	
British Government securities		
Value as on September 30, 1922	3,149,796	
British Government Securities since purchased (cost price)	36,991,059	
		40,142,620

SIDNEY TURNER, Accountant-General.

India Office, January 11, 1923.

IMPORTS AND EXPORTS OF GOLD.

Gold Imported into the United Kingdom.		Gold Exported from the United Kingdom.	
Countries from which Consigned.	Week Ended Jan. 10, 1923.	Countries to which Exported.	Week Ended Jan. 10, 1923.
British Guiana	£ 3,532	Netherlands	£ 1,000
Belgian Congo	26,704	U.S.A.	531,107
British South Africa	641,066	British India	1,130,845
Other Countries	1,103	Norway	519
Total value of imports of gold	672,405	Total declared value of exports registered in the week	1,663,439

Messrs Samuel Montagu and Co. write on January 10th as follows:—

GOLD.

Practically the whole of the gold offered for sale this week with licence for export was sold to India. The demand was so large that more than double the quantity could have been taken for the same quarter had it been available. Gold valued at \$2,024,000 has arrived in New York \$1,354,000 from Alexandria, \$1,075,000 from London, and \$305,000 from France. During the ten months ending October last, the net import of gold into New York was \$109,185,305. The Reichsbank's purchase price for the 20-mark gold piece has been fixed at 26,000 paper marks.

SILVER.

Though the silver market has lately been steady, prices have shown considerable vacillation, and it has been difficult to foresee from day to day the quotations to be expected on a succeeding day. To-day, owing to a lack of Indian support and some speculative sales, there was a heavy fall of 3d in the quotation for cash silver and of 7d in that for forward delivery. Prices have been mainly sustained by the demand for immediate delivery, either for shipment to India or for covering bear operations, and the very wide difference between the prices for cash and forward delivery tended to check speculative sales for forward delivery which otherwise would have been more in evidence. America has been more disposed to sell, and China has placed considerable amounts for offer. A few Continental sales have taken place. The bulk of purchases have been on Indian account. The total amount purchased under the Pittman Act was reported from Washington on the 26th ult. as 149,390,076 ounces. This amount included a purchase of 1,500,000 ounces on that day. The following figures relate to movements of silver during the first ten months of last year:—Net exports from San Francisco to China (not including Hong Kong), 1922, \$16,417,012; to Hong Kong, \$11,320,694. From New York to England, \$7,025,126; to India, \$7,093,023.

INDIAN CURRENCY RETURNS.

(In Lacs of Rupees.)

	Dec. 15, 1922.	Dec. 22, 1922.	Dec. 31, 1922.
Notes in circulation	17,357	17,483	17,412
Silver coin and bullion in India	8,799	8,725	8,660
Silver coin and bullion out of India			
Gold coin and bullion in India	2,432	2,432	2,432
Gold coin and bullion out of India			
Securities (Indian Government)	5,742	5,742	5,742
Securities (British Government)	584	584	584

No silver coinage was reported during the week ending 31st ult. The stock in Shanghai on the 6th inst. consisted of about 25,000,000 ounces in sycee, 20,000,000 dollars, and 180 silver bars, as compared with about 27,000,000 ounces in sycee, 20,000,000 dollars, and 1,530 silver bars on the 30th ult. The Shanghai exchange is quoted at 3s 0½d the tael.

GOLD AND SILVER PRICES.

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

1923	Gold.		Silver.		Date.	Silver.	
	Per Ounce.		Cash, Per Ounce.	Forward, Per Ounce.		Cash, Per Ounce.	
Jan. 6..	89 0	31½	31½	31½	Jan. 19, 1917	36½	
8..	89 0	31½	31½	31½	18, 1918	44½	
9..	89 4	31½	31½	31½	18, 1919	48½	
10..	89 0	31½	31½	31½	16, 1920	77	
11..	88 6	31½	31½	31½	14, 1921	40	
12..	88 9	31½	31½	31½	13, 1922	35½	

RAILWAY AND TRAMWAY TRAFFIC RETURNS.

RAILWAYS OF THE UNITED KINGDOM.

Miles Open.	Week Ended Jan. 7, 1923.			Aggregate 1 Week 1923.		
	Passen- gers, &c.	Goods, &c.	Total for Week.	Passen- gers, &c.	Goods, &c.	Total Re- ceipts.
Great Western	3,665	217,000	312,000	529,000	217,000	312,000
London & North-Eastern	6,661	372,000	559,000	931,000	372,000	559,000
Do same period 1922	6,657	417,000	535,000	950,000	417,000	535,000
London, Mid., & Scottish	6,971	541,000	765,000	1,306,000	541,000	765,000
Southern	2,104	263,800	101,200	365,000	263,800	101,200
Midland & S.W. Junction	63	760	1,369	2,129	760	1,369
Metropolitan (a)	793	32,665	3,218	215,327	32,665	3,218
Underground E.R. (a)	..	..	..	4,230	..	..
Lon. & Sub. Group (a)	..	..	..	38,998	..	..
Belfast & Co. Down (b)	80	4,365	1,120	5,485	4,365	1,120
Dublin and S.-East. (b)	150	6,477	2,638	9,115	6,477	2,638
Do same period 1922	150	6,341	2,924	9,265	6,341	2,924
Midland Gt. West. (b)	538	7,117	8,403	15,520	7,117	8,403
Do same period 1922	538	8,625	9,348	17,973	8,625	9,348

(b) Week ended January 5, 1923.

(c) Week ended January 6, 1923.

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.	Total Gross Receipts.
				1922-23. + or -	1922-23. + or -
INDIAN.					
Assam Bengal	36 weeks	Dec. 9	1,043	2,58,032	+ 23,904
Bairi La. Ry.	18 weeks	16	118	35,000	+ 1,500
Bengal & N. Western	10 weeks	9	87	5,85,192	+ 45,187
Bengal Nagpur	37 weeks	16	2,703	13,72,000	+ 1,76,000
Bombay, Bar. & C.	40 weeks	6	2,994	22,86,000	+ 2,70,000
Burma	40 weeks	9	1,342	6,86,885	+ 81,076
Delhi, Umballa & Kalka	13 weeks	30	239	84,000	+ 12,476
East Indian	14 weeks	6	2,856	30,55,000	+ 9,94,000
G. Indian Peninsula	39 weeks	30	3,721	33,15,800	+ 66,600
Madras & S. Mah.	35 weeks	Jan. 9	1,028	14,00,000	+ 88,545
Robt. & Kumaon	10 weeks	9	259	48,819	+ 1,282
Do Lucknow-Droli	10 weeks	9	302	50,926	+ 5,165
South Indian	36 weeks	9	1,852	7,86,872	+ 62,799
Stn. Punjab (monthly)	6 mths	Sept. 30	717	8,57,125	+ 1,72,979
ARGENTINE (a).					
Argentine N.E.	27 weeks	Jan. 6	752	10,500	+ 2,700
Argentine Trans.	27 weeks	6	1,111	3,060	+ 890
B. A. & Pacific	27 weeks	6	3,428	166,000	+ 32,000
B. A. & Southern	27 weeks	6	3,947	217,000	+ 63,000
B. Western	27 weeks	6	1,332	79,000	+ 15,000
Buenos Ayres Cent.	2 mths	Aug. 31	190	41,145	+ 12,798
Central Argentine	27 weeks	Jan. 6	3,305	195,000	+ 36,000
Cordoba Central	27 weeks	6	1,205	50,100	+ 9,100
Entre Rios	27 weeks	6	411	21,900	+ 5,000
BRAZILIAN (b).					
Brasil Gt. Southern	11 mths	Nov. 30	1,005	89,250	+ 45,850
Gt. West. of Brazil	1 week	Jan. 7	1,005	11,700	+ 500
Leopoldina	1 week	6	1,831	25,383	+ 25,685
San Paulo	1 week	7	1,534	27,441	+ 4,657
State of Bahia, S.W.	8 mths	Dec. 31	52	22,500	+ 145,000
CHILE AND PERU.					
Antofagasta	1 week	Jan. 7	438	22,775	+ 10,100
Nitrate (4-monthly)	52 weeks	Dec. 31	366	27,348	+ 9,501
Peruvian Corp.	6 mths	31	1,059	1,422,385	+ 55,765
Taitai	6 mths	31	172	17,940	+ 8,905
CUBAN.					
Havana Central	27 weeks	Jan. 6	1,210	12,277	+ 2,609
United of Havana	27 weeks	6	1,210	50,948	+ 5,397
URUGUAYAN.					
Central Uruguay	27 weeks	Jan. 6	473	26,745	+ 1,457
C. Urug. (East Ex.)	27 weeks	6	311	5,526	+ 445
C. Urug. (North Ex.)	27 weeks	6	185	2,343	+ 812
C. Urug. (West Ex.)	27 weeks	6	811	2,600	+ 246
Midland Uruguay	6 mths	Dec. 31	319	17,021	+ 1,041
North-West Uruguay	6 mths	31	113	7,659	+ 1,606
Uruguay North	6 mths	31	71	2,765	+ 783
OTHER FOREIGN.					
Altoy and Grandia	1 week	Jan. 6	33	20,000	+ 8,000
Bilbao	12 mths	Dec. 31	15	2,333	+ 1,084
Bolivia	12 mths	31	136	7,400	+ 1,545
Costa Rica	4 mths	Oct. 31	183	18,191	+ 1,481
Dorado Extension	8 mths	31	70	15,000	+ 7,500
Dorado Ropewy. Ext.	8 mths	31	45	4,750	+ 1,250
Egyptian Delta	38 weeks	Dec. 20	559	10,626	+ 1,855
Gt. Southern of Spain	52 weeks	30	104	10,101,127	+ 43,718
International of Central America	11 mths	Nov. 30	308	16,532	+ 7,527
La Guaira & Caracas	18 mths	Oct. 31	232	9,010	+ 930
Mexican Railway	1 week	Jan. 7	403	221,100	+ 102,900
Do	5 mths	Nov. 30	403	112,700	+ 360,300
Namjo Oceanham	10 mths	Oct. 31	133	12,760	+ 781
Oceania Railway	2 weeks	Sept. 2	133	3,617	+ 1,000
Puerto Obello, &c.	8 mths	Aug. 31	35	3,750	+ 908
Salvador	27 weeks	Jan. 7	100	3,617	+ 908
Santa Fe Province	1 man	Nov. 30	..	124,520	+ 5,312
Santiago	12 mths	Dec. 31	..	5,980	+ 463
Zafra and Huaila	11 mths	Nov. 30	118	13,043	+ 645

(a) Converted at par. (b) Converted at the current rate of exchange. (c) 10 days return.

AMERICAN RAILROAD GROSS AND NET RECEIPTS.

This table is extracted from the Commercial and Financial Chronicle of New York.

Date.	Miles of Road.		Gross Earnings.		Net Earnings.	
	1921.	1922.	1922.	Increase or Decrease on 1921.	1922.	Increase or Decrease on 1921.
			\$	\$	\$	\$
Jan.		235,395	393,892,589	+ 75,303,279	57,421,605	+ 29,089,849
Feb.	235,653	235,625	400,430,580	+ 4,772,834	76,706,840	+ 54,823,430
Mar.	234,202	234,986	473,433,886	+ 16,059,426	113,468,843	+ 54,637,190
Apr.	234,338	234,955	416,240,237	+ 15,866,410	80,514,943	+ 23,040,083
May	235,333	234,931	447,299,150	+ 4,069,751	92,931,565	+ 28,064,390
June	235,208	235,510	472,383,903	+ 12,376,822	109,445,113	+ 29,899,677
July	234,556	235,062	447,736,397	+ 19,960,689	102,268,414	+ 1,954,488
Aug.	233,815	235,224	472,251,024	+ 33,111,024	98,370,779	+ 34,079,779
Sept.	235,005	235,880	498,702,275	+ 1,733,772	91,381,593	+ 29,046,952
Oct.	235,228	233,872	545,759,206	+ 13,074,922	120,216,296	+ 17,683,952

NOTICES.

Lord Cullen of Ashbourne has been elected a director and a member of the London committee of the National Bank of Egypt in the place of the late Hon. Algernon Mills.

Barclays Bank, Limited, announce that they have opened a new sub-branch at 53, Whitecross road, Weston-Super-Mare, under the control of Mr C. F. Cuthbert, also manager of Regent street, Weston-Super-Mare branch.

The National Provincial and Union Bank of England, Limited, announce the following changes in the management of their Princes street office:—Mr F. W. Ellis, an assistant general manager, has retired on pension after a long and honourable career. The business will be conducted under the general supervision of Mr H. S. Eltont, an assistant general manager of the bank. Mr W. R. Neve has been appointed manager.

Major-General Sir Philip C. Palin, K.C.M.G., C.B., has been elected a director of the Continental Guaranty Corporation, Limited, bankers, of King's House, King street, E.C. 2.

A branch of the Mercantile Bank of India, Limited, will be opened at Bangkok, Siam, on the 15th inst.

MINING OUTPUT STATISTICS FOR DECEMBER, 1922.

	Tons Crushed.		Gold Recovered.		Value.	Profit.
	Mill.	Cyanide Works.	Mill.	Cyanide Works.		
Gold.	Tons.	Tons.	Ozs.	Ozs.	£	£
Abosso	6,554	..	..	2,650	(e) 11,770	..
Akoko Main Reef	400	..	300	31	331	..
Ashanti	7,727	..	..	6,052	(d) 25,711	..
Associated Group	2,250	..	..	..	3,758	..
Associated Northern	..	..	..	..	..	..
Globe and Phoenix	6,171	..	..	6,285	(c) 13,671	..
Iron Duke	231	..	..	..	1,284	20*
Belaghat	3,950	8,600	2,437	891	3,328	..
Blackwater	2,550	..	..	..	4,938	..
Champion Reef	11,906	27,331	3,787	956	4,743	961
El Oro	32,750	..	..	..	\$ 156,715	\$ 13,948
Golden Horseshoe	5,916	..	..	3,729	15,985	1,465
St. Boulder Prop.	6,762	..	..	..	(f) 21,131	..
Frankoe	14,639	..	..	..	5,631	..
Lake View and Star (Nov. and Dec.)	6,848	..	..	..	(b) 17,516	..
Lonely Reef	5,330	..	..	3,585	(g) 5,884	..
Messias Cons.	800	..	..	..	1,777	..
Mysoor	18,250	49,374	6,379	4,101	10,480	..
North Annapur.	1,600	..	124	37	161	..
Kunduroog	10,505	19,763	5,323	868	6,191	..
Oreogum	13,000	13,600	7,470	1,059	8,529	..
Oriental Cons.	..	..	..	..	\$100,000	..
Oroville Dredging	..	..	..	..	..	..
Pato (14 days to Dec. 29)	..	..	..	..	\$16,159	..
South Kalgurli	3,335	..	..	..	8,242	1,492
St. John del Rey	2,350	..	..	..	35,500	..
Tasqua	1,700	..	..	..	(e) 7,208	..
Tomboy	15,301	..	..	..	875,500	..
Walhi	..	4,970 (Gold)	..	59,109 (Silver)	..	..

* Loss. (a) Par value. (b) Including premium. (c) 84 per oz. fine. (d) 87½ per oz. (e) 88½ per oz. (f) Not including premium. (g) 89 per fine oz.

	Output.	Other Notes in Return.	
		Tons.	Value.
Copper.			
Messina (Transvaal)	712	Three months to Dec. 31st.	
Namaqua	184	Bilister copper.	
Poderosa	550	Metric tons, assaying 28 per cent. copper; est. profit, £3,000.	
Tanganyika.	4,558		
Tin.			
Bisiohi	47		
Chenderiang	344		
Idris	134	Value, £1,400; cost, £1,633.	
Ipo	213		
Jos	143		
Kaduna Prospectors	13		
Kaduna Syndicate	238		
Kamunting	27		
Kinta	362	Value, £3,733; gross profit, £2,450.	
Kramat Pulai	..	Profit, £2,946.	
Lower Bisiohi	104		
Mongu	40		
Naraguta Ext.	12	Despatched, 13 tons.	
Nigerian Cons.	159		
N. Nigeria (Bantoli)	63		
Pengkalen	18	Est. value, £1,865; est. cost, £1,110.	
Peding	..	Profit, £91.	
Rambutan	17	Estimated value, £1,810; est. costs, £790.	
Rensong	90		
Rukuba	3	Despatched, 3½ tons.	
Sungai Besi	76	Estimated value, £3,100; est. costs, £3,300.	
Tekka	45	Estimated value, £4,180; est. costs, £1,435.	
Tin Fields of N. Nigeria	3	Despatched, 2 tons.	
Tongkah Harbour	75		
Tronoh	459	Value, £5,365; cost, £3,961.	
Coal.			
Chinese Engineering	65,661	Week ended Dec. 30th.	
Chialat Oillery	4,478	Week ended Jan. 6th.	
Clydesdale	14,844	Blackhill 13,422 tons.	
Dundee	30,472		
East Kent	4,101	Week ending Jan. 6th.	
Natal Navigation	43,617		
Northern Natal	25,689		
South Africa	42,864		
Tweedmouth United	65,342		
Vryheid	30,206		
Miscellaneous.			
Akim	..	Gold, 251 ozs; diamonds 593 carats.	
Buma Baby	..	Rubies valued at Rs55,000; royalties, Rs13,000; stones produced stones worth Rs5,000.	
Transvaal Silver	..	47,322 ozs fine silver.	

BRITISH BROKEN HILL.—Return for fortnight ended Dec. 30th:—5,979 tons crude ore produced 1,010 tons lead concentrates, containing 617 tons lead and 28,886 ozs silver; also 1,020 tons zinc concentrates, assaying 85 per cent. lead, 10 ozs silver per ton, and 45 per cent. zinc. 150 tons carbonates raised. Three days' stoppages.

BROKEN HILL SOUTH.—For the four weeks ended Dec. 30th, 12,800 tons of crude ore and 10,306 tons of dump slime were treated, and produced 4,558 tons of concentrates, assaying 60 per cent. lead and 28 ozs silver per ton.

BURMA CORPORATION.—During Dec. 17,600 tons of ore were milled in the treatment plant, producing 11,301 tons of lead concentrate. 11,246 tons of lead-bearing material were smelted in the blast furnaces, producing 3,803 tons hard lead for treatment in the refinery. Refinery products were 3,402 tons lead and 369,521 ozs silver.

NORTH BROKEN HILL.—Production for December:—3,100 tons lead concentrates, assaying 64 per cent. lead, 31 ozs of silver per ton, and 8 per cent. zinc; also 2,700 tons zinc concentrates, assaying 47 per cent. zinc, 6 per cent. lead, and 7 ozs silver per ton.

SAN FRANCISCO.—Cable, Dec. (five weeks):—Ore treated, 7,975 tons; lead concentrates produced, 2,075 tons; zinc concentrates produced, 1,400 tons. Estimated net smelter return, \$121,800 U.S. currency. Operating expenses, \$48,440. Estimated operating profit, \$73,360. Capital expenditure (including development), \$13,300. (October profit, \$57,975.)

THE RHODESIA BROKEN HILL.—Dec. output, 1,356 tons of 2,240 lbs lead, making a total of 20,501 tons for the year ended Dec. 31, 1922, as compared with 18,122 tons for the year ended Dec. 31, 1921.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.	Interim Date of Final.	Date of Payment.	Method of Payment.	Dividend for Whole Year.	Lat'st Pre-vius.
Railways						
Chatham and District Light	6½	Jan. 25	..	..	5½	4
Cleveland, Cincinnati, &c.	1½	Jan. 20	..	..	4	..
Egyptian Delta Light, Pref.	..	Feb. 6	Less tax 6/ in £	..	5	..
South Behar	5½	..	..	..	4	5
Banks						
Bank of Ireland	7½	..	..	..	..	..
Bank of New South Wales	10	..	Quarterly	..	..	..
Belfast Discount	7	..	..	Less tax	..	..
Commercial of Australia	15*	Feb. 2	..	..	..	..
Hongkong and Shanghai	£3 p.s. (a bonus) £2 p.s.	..	Sub. to tax	£8 p.s.	£8 p.s.	..
London Joint City and Midland	2½ p.s. (a bonus) 1½ p.s.	..	Tax free	..	..	..
Lancashire and Yorkshire	10½ p.s.	..	..	Less tax	25	20
Do (Jubilee Bonus)	4½ p.s.	..	..	..	16	16
Liverpool and Martin's	4½ p.s.	..	Subject to tax	..	16	16
Lloyds	1½ p.s.	..	..	Less tax	16	16
London County Westminster and Parr's (£20)	10½	..	..	..	20	20
Do £1 Shares	6½	..	..	..	12	12
London Joint City and Midland	1½ p.s. (a bonus) 1½ p.s.	..	Less tax	..	13 p.s.	13 p.s.
Manchester and County	6½ p.s.	..	..	Less tax	..	..
Munster and Limerick	2½ p.s.	..	..	..	..	..
National Discount "A"	2½ p.s.	..	..	..	..	..
Do "B"	5½ p.s. (a bonus) 2½ p.s.	..	..	..	..	..
National Provincial and Union, &c.	8½	..	..	Less tax	16	16
Royal of Australia	1½	..	..	..	..	..
Union of Australia	15*	Jan. 31	Tax free	..	20	20
Union of Manchester	5½ p.s.	..	..	..	..	..
Insurance						
Colonial Mutual Fire	2½	..	..	..	7½	7½
Scottish Automobile and General	7½	Jan. 16	..	Less tax	..	..
United (Australia)	7½	..	..	..	10	10
Tea and Rubber						
Batang Consolidated	5½*	Feb. 1	..	Less tax	..	..
Batu Kawan	..	Jan. 24	..	Less tax 5/6 in £	7½	nil
Braunston (Malay)	..	..	..	..	5	7½
Imperial Tea	2½*	Feb. 1	..	Less tax 5/6 in £	..	..
United Planters of Ceylon	5*	..	..	..	..	..
Mining						
Broken Hill South	1½ p.s.	Feb. 16	..	..	..	..
East Indian Coal	7½	..	..	..	..	..
Other Companies						
A. and S. Henry	6*	..	..	..	10	10
Alabama Traction, Light	4½	..	..	..	..	..
Allen Liversidge	9½	..	..	..	8	10
Anglo-American Telegraph, Ord.	1½*	Feb. 1	..	Less tax	..	..
Do Delf	..	..	..	..	1½	1½
Angostura Bitters	..	..	..	Tax free	6	..
Blackpool Passenger Steamboat	..	..	..	Tax free	..	..
Canadian Explosives, Cum. Pref.	1½	Jan. 15	Quarterly	..	..	..
Clarance Hotel (Dublin)	15½*	..	..	..	8	..
Court Line	15½*	..	..	..	20	20
Dominion Tar and Chemical	2½*	..	..	Tax free	..	..
Edinburgh, Dundee, & Aberdeen Investment	2½*	..	..	..	..	..
English Sewing Cotton	2½*	Feb. 9	..	..	..	..
European Gas	2½*	Feb. 1	..	Tax free	..	..
Freehold and Leasehold Invest.	2½*	Feb. 1	..	..	..	..
Head, Wrightson, and Co.	2½*	..	..	..	..	..
Hoare and Co.	2½*	Jan. 25	..	..	..	..
Houlder Line	..	..	..	Tax free	7½	7½
Maackay Companies	1½	(a extra) 10%	..	..	..	..
Manchester Dock Extension	5½ p.s.	..	..	..	..	..
Manchester Ship Canal	5½ p.s.	..	..	..	..	..
N. of Scotland Canadian Mort.	4½ p.s.	..	..	..	..	..
Do Additional Distribution	1½ p.s.	..	..	..	..	..
Oregon Mortgage	8*	Jan. 10	..	..	..	..
Peel River Land	5½*	Jan. 23	Tax free	..	10	10
Philadelphia Co.	750 p.s.	Jan. 31	Quarterly	..	..	..
Pullman Company	2*	Feb. 15	Quarterly	..	..	..
R. Hay and Brother	5%	..	..	..	..	..
R. H. and S. Rogers	..	..	..	..	..	..
Scottish American Invest.	4½ p.s.	..	..	..	5	nil
S. Hoffmann and Co., Pref.	7½*	Feb. 1	..	..	..	..
Slack Mills (Hyde)	1½ p.s.	..	..	..	..	..
Southampton, I. of W. Steam Packet	2*	..	..	Tax free	5	..
Spillers Milling, Pref.	6	Jan. 31	..	..	..	..
Transvaal and Delagoa Bay Invest.	2½ p.s.	..	..	Free of S.A. tax	20	25
U.S. Mortgage of Scotland, Def.	5*	Jan. 31	..	..	..	..
Do Pref.	5*	Jan. 31	..	..	..	..
United Tobacco (South), Ord.	5*	..	..	..	..	..
and Def.	5½*	(a bonus) 6 p.s.	..	..	..	..
Victoria Palace	9 p.s.	..	..	..	20	25
Walker and Homfrays	..	..	..	..	..	..
Water Softeners	2½*	Jan. 31	..	Tax free	..	..

(a) Also bonus 2s 3d per share, tax free. (b) Also bonus 4s 6d per share, tax free. (c) And special distribution of one new share for every twelve held, each share being credited with £5 paid up.

SIMMONS BROTHERS announce that it is decided to defer decision to pay the dividend for the half-year to December 31st last on the preference shares until the completion and audit of the account for the year and the settlement of liability for E.P.D.

ANALYSIS OF BALANCE-SHEETS.

ALEXANDERS DISCOUNT COMPANY, LIMITED.

LIABILITIES.		ASSETS.	
Amount.	Compared with Dec. 31, 1921.	Amount.	Compared with Dec. 31, 1921.
Ord. shares, £10	500,000 ..	Cash at bankers	471,141 ..
with £5 paid..	50,000 ..	Short-dated securities	2,553,308 ..
6% pref. shares	100,000 ..	Bills discounted	17,412,608 ..
Reserve fund	400,000 ..	Loans on security, &c.	302,220 ..
Loan, deposit, & other acc'ts.	17,756,879 ..		
Bills re-discounted	1,692,619 ..		
Rebate on bills discounted	191,990 ..		
Balance of profit and loss	97,789 ..		
Total	20,739,277 ..	Total	20,739,277 ..

GLYN, MILLS, CURRIE, AND CO.

LIABILITIES.		ASSETS.	
Amount.	Compared with Dec. 31, 1921.	Amount.	Compared with Dec. 31, 1921.
Capital paid up	1,000,000 ..	Cash	6,139,686 ..
Reserve fund	500,000 ..	Money at call and notice	7,741,500 ..
Current acc'ts.	16,654,836 ..	Investments	8,671,873 ..
Deposit acc'ts.	9,780,458 ..	Bills discounted	5,169,622 ..
Reduction of premises acc't.	157,387 ..	Loans, &c.	370,000 ..
Total	28,092,681 ..	Total	28,092,681 ..

MANCHESTER AND COUNTY BANK, LIMITED.

LIABILITIES.		ASSETS.	
Amount.	Compared with Dec. 31, 1921.	Amount.	Compared with Dec. 31, 1921.
£20 shares, £4 paid	1,092,040 ..	Cash	4,841,102 ..
Reserve fund	950,000 ..	Bills of exchange	1,595,902 ..
Reserve for depreciation of investments	125,000 ..	Investments	5,988,112 ..
Unpaid dividends	1,253 ..	Short loans on railway stock, &c.	21,935 ..
Unappropriated profits	233,940 ..	Advances on current acc'ts.	13,191,009 ..
Current deposit, & other acc'ts.	23,760,827 ..	Liability on acceptances	337,784 ..
Acceptances	337,784 ..	Bank property, &c.	400,000 ..
Total	26,375,844 ..	Total	26,375,844 ..

NATIONAL DISCOUNT COMPANY, LIMITED.

LIAB

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Dividend Interest.	Amount Available for Distribution.	Appropriation.				Corresponding Period Last Year.	
					Dividend.			Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.
					Prefere.	Ordinary.	Rate.			
		£	£	£	Amount.	Amount.	%	£	£	%
Banks.										
Alexanders Discount.....	Dec. 31	30,087	188,202	218,289	6,000	100,000	20(1)	£0,000	32,289	17(1)
Bank of New South Wales	Sept. 30	160,133	338,914	499,047	..	271,609	10	75,000	152,438	34,409
Belfast Discount	Dec. 31*	354	188	542	..	266	7	125	151	165
Canadian Bank of Commerce	Nov. 30	400,016	550,158	950,174	..	400,685	13	118,495	430,994	640,302
Lancashire and Yorkshire	Dec. 31	84,501	236,844	321,345	..	201,312	20	25,000	95,033	243,327
Manchester and County	Dec. 30	89,735	226,108	315,843	..	177,457	16½	50,000	88,386	260,953
						36,830	6½ p.s.			
						15,875	2½ p.s.			
						47,625	7½ p.s.			
National Discount.....	Dec. 31	137,760	190,682	328,442	..	..	..	15,000	213,112	165,304
						..	..	..	..	16
Financial, Land, &c.										
Peel River Land and Mineral....	Jan. 30	6,598	63,273	69,871	..	36,000	10½	..	33,871	22,156
Rubber, &c.										
Bila (Sumatra)	Aug. 31	2,762	1,314	4,076	..	..	..	..	Dr 7,959	..
Insulinde (Sumatra)	June 30	Dr 18,125	Dr 1,297	Dr 19,422	..	..	..	Dr 20,000	..	Dr 13,295
Shipping.										
Houlder Line	Dec. 31	30,881	76,326	107,207	12,375	20,625	7½	40,000	34,207	80,598
Other Companies.										
Allen-Liversidge	Oct. 31	3,240	23,835	27,075	..	17,931	8	4,423	4,721	30,468
Angostura Bitters	Sept. 30	..	11,523	11,523	7,367	2,550	3	415	1,191	10
Champion and Slee	Sept. 30	1,542	Dr 6,078	Dr 3,536	4,200	..	..	Dr 10,000	2,264	7,003

* Half-year. † Tax free. (a) Alexanders Discount.—5 % of this is paid free of income-tax. (b) 2 % of this is paid free of income-tax.
 ‡ Lancashire and Yorkshire Bank.—In July, 1922, to mark the occasion of the Jubilee of the bank, a special cash bonus of 10s per share, free of income-tax, was paid to shareholders out of the accumulated funds of the bank.

OVERSEAS TRADE RETURNS.

IMPORTS (Value C.I.F.).

	Month Ended Dec. 31.		Year Ended Dec. 31.	
	1921.	1922.	1921.	1922.
I.—Food, Drink, and Tobacco—				
A. Grain and flour	7,210,727	9,768,155	138,311,887	103,325,326
B. Feeding stuffs for animals	556,887	663,474	6,599,259	5,612,145
C. Meat	7,723,282	8,706,730	132,902,847	103,221,499
D. Animals, living, for food	61,628	25,009	2,804,318	1,580,155
E. Other food and drink, non-dutiable	12,818,673	11,981,121	165,398,479	139,671,201
F. " " dutiable	9,016,632	9,281,087	98,153,906	101,608,433
G. Tobacco	1,723,651	1,866,071	22,835,257	18,609,532
Total, Class I.	39,115,480	42,291,647	567,005,947	472,628,291
II.—Raw Materials and Articles Mainly Unmanufactured—				
A. Coal	251	15	12,139,619	180
B. Other non-metallic mining and quarry products and the like	353,510	476,402	6,337,016	5,323,592
C. Iron ore and scrap	309,187	445,416	5,069,102	4,708,056
D. Non-ferrous metalliferous ores and scrap	452,947	1,207,787	7,777,515	8,616,325
E. Wood and timber	2,967,247	3,295,398	30,021,962	37,318,897
F. Raw cotton and cotton waste	11,037,593	13,484,056	73,309,907	87,219,906
G. Wool, raw and waste, and woollen rags	3,993,448	4,808,610	43,403,357	62,687,987
H. Silk, raw, knubs and noils	172,469	185,607	949,480	2,346,284
I. Other textile materials	1,145,365	1,275,025	9,870,333	11,106,062
J. Oil seeds, nuts, oils, fats, resins, and gums	2,796,515	2,948,581	38,190,881	36,922,341
K. Hides and skins, undressed	1,522,368	1,369,680	10,914,746	14,861,854
L. Paper-making materials	1,369,547	1,109,820	13,843,436	9,609,077
M. Rubber	830,796	809,198	10,504,971	7,295,567
N. Miscellaneous raw materials and articles mainly unmanufactured	841,031	1,082,913	8,461,706	10,224,770
Total, Class II.	27,792,294	32,496,508	270,794,031	298,240,898
III.—Articles Wholly or Mainly Manufactured—				
A. Coke and manufactured fuel	941	1,697	211,218	24,969
B. Earthenware, glass, abrasives, &c.	608,655	643,517	7,014,263	7,045,854
C. Iron and steel and manufactures thereof	1,174,490	1,140,414	22,764,188	10,443,495
D. Non-ferrous metals and manufactures thereof	1,327,451	1,868,384	18,365,125	18,152,347
E. Cutlery, hardware, implements, and instruments	380,458	565,956	6,657,663	6,275,949
F. Electrical goods and apparatus	124,295	204,558	1,930,917	1,553,218
G. Machinery	521,636	792,711	10,761,837	8,166,884
H. Manufactures of wood and timber	345,541	343,636	4,921,864	3,807,024
I. Cotton yarns and manufactures	590,978	590,840	5,887,003	6,838,531
J. Woollen and worsted yarns and manufactures	545,458	875,304	7,673,227	9,308,958
K. Silk and silk manufactures	1,632,927	1,615,702	19,243,894	21,330,421
L. Manufactures of other textile materials	792,217	828,576	8,185,059	10,683,816
M. Apparel	1,043,887	1,052,960	9,420,043	14,175,520
N. Chemicals, drugs, dyes, & colours	973,528	999,543	12,621,572	11,377,485
O. Oils, fats, and resins, manufactured	3,181,342	2,886,382	56,535,190	40,347,800
P. Leather and manufactures thereof	1,286,902	1,254,511	8,664,631	11,416,399
Q. Paper and cardboard	1,035,733	1,114,335	11,601,455	12,374,275
R. Vehicles (including locomotives, ships, and aircraft)	388,460	505,771	6,900,613	6,656,084
S. Rubber manufactures	401,444	316,104	4,919,737	5,419,213
T. Miscellaneous articles, mainly or wholly manufactured	1,935,544	2,217,452	20,168,869	24,523,154
Total, Class III.	18,291,187	19,838,353	244,480,368	229,919,396
IV.—Animals, not for food	33,274	27,740	394,213	362,236
V.—Parcel post, non-dutiable articles	132,146	255,373	2,825,502	2,767,303
Total	85,364,381	94,911,621	1,085,000,661	1,003,918,124

EXPORTS OF PRODUCE AND MANUFACTURES OF THE UNITED KINGDOM

(Value F.O.B.).

	Month Ended Dec. 31.		Year Ended Dec. 31.	
	1921.	1922.	1921.	1922.
I.—Food, Drink, and Tobacco—				
A. Grain and flour	231,194	246,696	3,886,700	2,833,002
B. Feeding stuffs for animals	169,955	70,719	1,523,256	1,715,102
C. Meat	93,648	110,942	840,672	1,059,711
D. Animals living, for food	2,594	1,561	45,176	31,215
E. and F. Other food and drink	2,238,357	1,946,459	26,043,218	24,761,102
G. Tobacco	450,907	419,818	5,060,187	5,919,703
Total, Class I.	3,186,655	2,796,235	37,399,209	36,319,841
II.—Raw Materials and Articles Mainly Unmanufactured—				
A. Coal	5,365,961	6,692,654	42,951,591	72,529,502
B. Other non-metallic mining and quarry products and the like	110,131	141,063	1,149,758	1,764,821
C. Iron ore and scrap	27,076	55,021	228,946	588,261
D. Non-ferrous metalliferous ores and scrap	622,339	258,581	1,622,569	5,183,511
E. Wood and timber	24,700	26,439	366,961	331,942
F. Raw cotton and cotton waste	64,397	198,564	728,052	1,268,178
G. Wool, raw and waste, and woollen rags	335,889	916,817	4,532,842	8,106,305
H. Silk, raw, knubs and noils	6,939	11,951	34,572	64,994
I. Other textile materials	43,843	22,618	631,676	799,846
J. Oil seeds, nuts, oils, fats, resins, and gums	383,582	348,865	6,048,081	5,016,296
K. Hides and skins, undressed	109,654	214,186	1,291,396	1,662,813
L. Paper-making materials	116,955	137,273	818,171	1,316,211
M. Rubber	9,905	6,651	120,160	90,799
N. Miscellaneous raw materials and articles mainly unmanufactured	224,894	462,035	3,072,100	3,091,708
Total, Class II.	7,446,265	9,492,718	63,594,875	102,015,196
III.—Articles Wholly or Mainly Manufactured—				
A. Coke and manufactured fuel	347,236	516,352	3,428,482	5,204,015
B. Earthenware, glass, abrasives, &c.	938,347	798,894	12,044,228	10,927,798
C. Iron and steel and manufactures thereof	5,407,069	5,445,428	66,603,550	60,958,557
D. Non-ferrous metals and manufactures thereof	1,149,680	923,866	11,654,611	11,537,233
E. Cutlery, hardware, implements, and instruments	527,995	486,784	9,002,420	6,429,562
F. Electrical goods and apparatus	750,751	574,360	13,039,388	7,308,571
G. Machinery	5,257,123	4,536,162	74,607,096	51,725,682
H. Manufactures of wood and timber	129,999	99,904	1,803,336	1,374,228
I. Cotton yarns and manufactures	15,684,625	14,772,008	178,665,274	186,882,802
J. Woollen and worsted yarns and manufactures	4,026,634	4,941,441	55,089,768	58,487,555
K. Silk and silk manufactures	153,190	132,027	2,282,394	2,281,582
L. Manufactures of other textile materials	1,601,515	1,966,453	18,518,857	22,407,585
M. Apparel	1,318,449	1,819,715	18,351,174	22,688,177
N. Chemicals, drugs, dyes, & colours	1,507,225	1,625,329	19,105,766	20,348,378
O. Oils, fats, & resins, manufactured	491,881	491,302	5,209,560	6,034,794
P. Leather and manufactures thereof	393,952	498,036	4,727,478	5,136,935
Q. Paper and cardboard	515,078	662,155	7,725,511	6,737,282
R. Vehicles (including locomotives, ships, and aircraft)	4,674,463	1,911,050	58,204,501	49,953,074
S. Rubber manufactures	359,152	375,874	4,652,663	5,017,948
T. Miscellaneous articles, mainly or wholly manufactured	2,129,349	2,354,523	27,172,467	28,080,395
Total, Class III.	47,363,713	44,911,723	588,889,124	569,420,102
IV.—Animals, not for food	135,385	86,544	3,427,072	1,476,736
V.—Parcel Post	1,242,732	1,575,812	10,089,262	11,264,564
Total	59,374,750	56,883,038	703,399,542	700,496,426

(Continued from page 79.)

7s 8d to 9s 6d per 112 lbs, free on rail. Of imported, Plate f.a.q. 27s, No. 2 white clipped American 26s 9d, No. 2 Canada Western 30s 6d, all landed, per 320 lbs. Oatmeal in fair demand at 6d per cwt decline. London made, all cuts, quoted 17s 6d, rolled oats also whole groats 17s 6d, flaked oats 20s 6d, ex mill, ordinary Scottish oatmeal 18s to 18s 6d, and American, all cuts, 17s 6d per cwt. Millers' offers steady, with a fair business in force.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1922-23, contrasted with 1921-22, 1920-21, and 1919-20:—

	1922-1923.	1921-1922.	1920-1921.	1919-1920.
Estimated sales of home-grown wheat—				
1 week to January 6	Cwts. 214,878	Cwts. 104,156	Cwts. 397,250	Cwts. 325,291
17 weeks to January 6	8,209,706	6,370,493	5,006,558	5,590,504
Average price of English wheat per quarter	s d 41 5	s d 84 7	s d 72 6	s d 72 5
= per cwt	9 8	19 9	16 11	16 10

The following is a statement showing the Quantities Sold and the Average Price of British Corn (Imperial Measure) in the past week, and for the corresponding week in each of the years from 1919 to 1922:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
Jan. 6	Cwts. 214,878	Cwts. 177,657	Cwts. 35,301	s d 9 8	s d 9 5	s d 9 9
1919	325,292	271,898	26,741	16 11	17 5	17 10
1920	397,250	316,679	47,655	16 11	30 8	20 8
1921	104,156	218,273	29,530	19 9	20 9	15 5
1922	173,480	115,133	33,207	10 4	12 0	10 2

IRON, STEEL, AND COAL.

Our Middlesbrough correspondent's report, dated January 11th, is as follows:—Pig-iron: A much more hopeful feeling prevails, and prices of pig-iron are inclined to stiffen. Makers are rather troubled at the high price of

(II.) Compared with Previous Years.

	Price, Jan. 11, 1923.	Corresponding dates in				
		1922.	1921.	1920.	1919.	1918.
Raw Cotton—Fully Mid. American .. per lb	15.33	11.06	11.64	29.30	19.60	23.96
— Egyptian .. per lb	17.25	20.50	23.00	68	27.30	30.25
Yarns—32's twist .. per lb	21.4	18.4	25	58	35	39.4
— 40's twist .. per lb	20.4	17.4	24	54	35	39.4
— 50's twist (Egyptian) .. per lb	27.4	31	33	112	36	47
32-in. Primers, 116 yds, 16 by 16, 32's and 50's ..	31	0	0	44	6	8
32-in. Shirts, 75 yds, 19 by 19, 32's and 40's ..	33	6	30	41	0	84
32-in. ditto, 38 yds, 18 by 16, 10 lbs. ..	18	6	18	0	24	0
32-in. ditto, 37 1/2 yds, 16 by 15, 8 1/2 lbs. ..	17	0	17	0	42	0

LIVERPOOL OFFICIAL QUOTATIONS—January 5, 1923.

Description.	Com.	Med.	Good Med.	Med. Fine	Extra Fine	Same Period 1921.			Same Period 1920.		
						Med.	Good Med.	Extra Fine	Med.	Good Med.	Extra Fine
Sea Island ..	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Florida do ..	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Georgia do ..	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
American ..	1396	1426	1486	1506	1516	1576	834	989	1172	692	842
Brazilian ..	Mid	M.F.	Fr.	G.F.	Gd.	Fne	M.F.	F.	Gd.	M.F.	Fr.
Pernam ..	1386	1486	1606	1606	1606	1606	899	1149	767	1117	1117
Parahyba, Rio Grande, &c. ..	1386	1486	1606	1606	1606	1606	899	1149	767	1117	1117
Macao, &c. ..	1386	1486	1606	1606	1606	1606	899	1149	767	1117	1117
Mesoro, &c. ..	1386	1486	1606	1606	1606	1606	899	1149	767	1117	1117
Ceara ..	1386	1486	1606	1606	1606	1606	899	1149	767	1117	1117
Maranhão, &c. ..	1386	1486	1606	1606	1606	1606	899	1149	767	1117	1117
São Paulo ..	1411	1486	1511	1511	1511	1511	899	1149	767	1117	1117
Egyptian ..	Fr.	G.	F.	Gd.	Fne	Fr.	G.	F.	Gd.	Fne	Fr.
Upper ..	1420	1524	1599	1605	1655	1655	1500	1800	1100	1500	1500
Sakelariadis ..	1500	1675	1753	1900	2050	2050	1525	1925	1300	1900	1900
Brown ..	1420	1545	1645	1715	1840	1840	1525	1925	1300	1900	1900
Peruvian ..	M.F.	Fr.	G.F.	Gd.	Fne	M.F.	Fr.	G.F.	Gd.	Fne	M.F.
Rough ..	1500	1665	1765	1800	1800	1800	1375	1775	900	1500	1500
Moderately Rough ..	1501	1626	1701	1726	1776	1776	924	1249	717	1217	1557
Smooth ..	1501	1626	1701	1726	1776	1776	924	1249	717	1217	1557
Tangus ..	1501	1626	1701	1726	1776	1776	924	1249	717	1217	1557
Mitafi ..	1501	1626	1701	1726	1776	1776	924	1249	717	1217	1557
West Indian, &c. ..	1400	1500	1575	1625	1625	1625	2530	3130	3530	4500	4500
Do ..	2100	2400	2700	2800	2800	2800	925	1175	1325	850	1150
African, East, &c. ..	1075	1175	1350	1450	1550	1550	925	1175	1325	850	1150
Do ..	1351	1401	1426	1426	1426	1426	899	1149	767	1117	1117
Machine Ginned Burma ..	G.F.	Fr.	Gd.	F.	Gd.	Fne	Fr.	Gd.	F.	Gd.	Fne
Machine Ginned Brooch ..	1155	1195	1235	1275	1315	1315	900	950	1050	850	975
Machine Ginned Brown ..	935	985	1035	1075	1115	1155	795	870	970	669	719
Machine Ginned Comra. No. 1 ..	945	995	1045	1085	1125	1165	805	880	980	675	725
Machine Ginned Comra. No. 2 ..	1020	1060	1100	1140	1180	1180	730	805	905	525	575
Machine Ginned Khandeah ..	945	995	1045	1085	1125	1165	805	880	980	675	725
Machine Ginned Comra. No. 1 ..	1130	1170	1210	1250	1290	1290	875	950	1050	850	975
Machine Ginned Bengal ..	760	800	840	880	920	960	675	725	825	550	600
Machine Ginned Scinde ..	750	790	830	870	910	950	665	715	815	538	588
Pinnivelly ..	1335	1375	1415	1455	1495	1495	1100	1150	1250	950	975
Madras, Western ..	1070	1105	1145	1185	1225	1225	895	945	1045	875	900
Madras, Northern ..	1115	1155	1195	1235	1275	1275	930	980	1080	875	900
M. G. Cocoonada, Red ..	1115	1155	1195	1235	1275	1275	930	980	1080	875	900
China, Smyrna, &c. ..	1115	1155	1195	1235	1275	1275	930	980	1080	875	900

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—There is no great show of activity, but a nice steady business is passing all the time, and values remain very firm. While merino tops are not quotably dearer on the week, most topmakers are standing out for full quoted rates. Average 64's tops are obtainable at 5s 1d, though some firms want about 1d more, everything depending on the top and the position of the seller in regard to commitments. For a good warp 64's a general quotation is about 5s 3d per lb. Most crossbreds are dearer compared with a week ago, a really good 58's comeback being 1d up at 47d, while the same rise is seen in 50's average at 28d. In order to show how values compare with those ruling before the war and a year ago, the following table has been prepared:—

Description.	d	Jan. 11, 1923.		Jan. 12, 1922.		July 30, 1914.	
		d	c	d	c	d	c
64's warp	63	....	54	....	32	....	30
60's super	54	....	48	....	30	....	24
56's average	36	....	28	....	15	....	16
46's carded	18	....	15	....	15	....	16
40's prepared	16	....	13	....	13	....	16

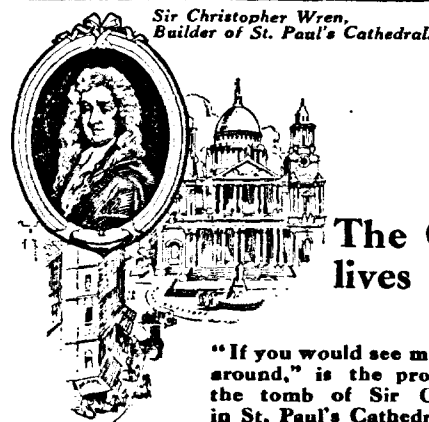
It is an undoubted fact that the good reports from the primary wool markets are contributing in no small degree to the firmness of values in the consuming centres. It seems certain that demand for raw material is going to keep up for some time to come, and there is a growing impression that prices of tops and yarns are more likely to advance than decline. Meanwhile, there is a steady consumption, and although during the last week or so spinners have found less new business, they have plenty of work in hand to keep machinery fully occupied for at least two, and in some cases three, months. Manufacturers are still complaining about the high price of yarns, but spinners' quotations are very firm, with, if anything, a hardening tendency.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

The chief event of the week has been the opening of the second half of the Australian selling season, Sydney cables stating that on the resumption of the auctions last Monday merinos advanced generally 5 per cent. This was known on Bradford Exchange at the noon meeting, and created somewhat of a surprise. Apparently, all sections of the trade are still confident in the future of merinos, notwithstanding that last Monday some of the largest importers were willing to sell their standard 64's top at 5s 2d. The price is very reasonable, and but for the turn of political events on the Continent, would have been exceeded before many days had elapsed. However, there is a quiet confidence throughout the trade which is very significant. England and Japan are reported to be the chief buyers in Sydney, whilst a private cable states that at Wanganui, in New Zealand, Bradford and German buyers were the chief operators in crossbreds. Prices were also considerably higher, thus providing one other evidence of the great confidence which the trade generally has in the wool position. It is to be sincerely hoped that the movement of wool values is a safe indication of the actual state of the manufacturing end of the industry. Whilst the future of wool appears to give no cause for alarm, a larger move in the placing of new orders for piece goods in manufacturing centres would lend a greater air of security than is to be found at present.

A very surprising feature in connection with the Australian wool trade is the active competition of Japanese mills. Their buying has not been confined to Sydney, but has extended on a very large scale to South Africa. Everything points to the Cape season being over by the end of February, which will make it the shortest ever known. The Japanese buying deserves special mention in conjunction with the fact that mills are springing up in the Far East almost like mushrooms. As the years go by Japan will require more merino wool than ever. There are machinery makers in Yorkshire and Lancashire who can run full time for another two years, chiefly on export account, and it looks as if very large weights of wool will be consumed in the Far East, Australia, and New Zealand at no distant date. It is possible to employ Japanese labour at a quarter of what has to be paid in the West'Kiding, in consequence of which wool can be worked up and made into the finished fabric at a price with which no European country can compete. There is no wonder at the British piece trade with Japan not being brisk. Japan ought to have been buying a month ago in Bradford large quantities of heavy-weight goods for the next winter season, but purchases have so far been disappointingly small, and anything taken is almost entirely of a shoddy character. No doubt the bulk of the wool bought by Japan is being made into dress goods, but all the same, heavy coating looms are being exported, and men's wear fabrics are being made in considerable bulk. During the war Japan turned out some most creditable khaki cloths, and any firm who can make these is well equipped for producing good woollen tweeds.



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With regard to manufacturing developments in Australia and New Zealand, these have been slowly proceeding for years, though it is only comparatively recently that any serious attention appears to have been paid to it. There does not appear to be any probability of goods manufactured in Australia competing seriously with others, except in the Australian market itself. This, of course, is striking a blow at the export trade of Great Britain, but home manufacturers of the present generation need not be alarmed. Australia is a tremendous country, with almost unlimited possibilities in the way of increasing population and development in commercial enterprise. Moreover, if Australia ever develops manufacturing areas bearing any correspondence to those in this country, it will be due to a large extent to the emigration of skilled men from England.

VEGETABLE OILS AND OILSEEDS.

Market conditions continue quiet, and there is no great amount of business passing. Near positions of linseed are much easier, there being only a small demand from crushers, while the quantity afloat for Europe has sensibly increased. That on passage to the United Kingdom, and under "orders," is 33,200 tons, and to the Continent 35,200 tons—together 68,400 tons, which is 50 per cent. better than a week ago. Of this a good proportion is Indian, viz., 33,200 tons, and the remainder Argentine. Shipments of the new Plate crop appear to be improving, though only slightly, and it may be some little time before it moves off in anything like really substantial quantities. Meanwhile, transactions in it are limited, buyers evidently waiting until they are satisfied that a reasonable level has been touched. Current value of seed loading is about £17, while for January-February shipment to Hull £16 2s 6d has been accepted, and 2s 6d less quoted for April-May. Bombay linseed loading has commanded round £20 5s. Regarding the oil product values on spot have fluctuated somewhat, and are somewhat lower, though in view of scarcity £39 per ton naked ex-Hull mill is asked for prompt and £38 for month. Forward positions are easier, and up to 20s lower.

After a good business done at reduced levels, Egyptian cottonseed has firmed up again, £11 10s now being required for Sakelariadis on spot. Bombay is, however, about 5s lower on the week. Crude oil from Egyptian seed has been in good demand, and is scarce in near positions, current value being £38 10s naked ex-Hull mill. A good trade in edible refined is reported, and the figure for the common description has moved up to £41. Continental countries have been good buyers of this oil, and also of crude soya bean oil. Palm kernel oil has been in good demand, and higher prices have been paid, but ground nut oil is a quiet market. Rape oil in near positions is still scarce, and late values about maintained.

In view of the small quantity of seed crushed in recent weeks, linseed cakes are getting scarce, and are dearer for prompt delivery. Cotton cakes and meals generally are firm, and a slightly better trade is being done at the mills.

HIDE, LEATHER, AND ALLIED TRADES.

(BY OUR OWN CORRESPONDENT.)

The home hide market is steady with a firm tone; best ox hides sold in Bermondsey on Thursday from 7½d to 8½d, slight advances in some cases being noted. Cows were firm at 6½d to 7d, with kips making 2d to 4½d. Calf sold readily from 7d to 11½d for best, and wools from 5s 6d to 11s each, the hogg class bringing 5s 1½d to 14s 6d per skin. The general opinion is that the hide market will remain steady, as the demand for best grade hides seems in excess of the demand all the world over. The market for salted hides in the River Plate remains very firm, and sales are reported on American account at a parity of 12d. Dry hides are still selling fairly well, as tanners are forced to make a cheap bend from these to meet the shoe manufacturers' demand. Latest cables from New York report the Chicago position as weaker, with best heavy packers now offering at 10½ cents.

The demand for sole leather is steadily improving, as tanners have received a good many orders and inquiries since the holidays. Business on Russian account is still talked of, and it is known that large parcels of bends have been sold by northern tanners to Russia through a London agency. Tanners are firm on prices, and very little in the way of concessions has been heard of since stocktaking. Dressing leather is meeting with a slightly better sale, as there is a fair demand for split hides from the motor and upholstery sections. Strap butts are selling slowly, but there is a fine demand for hide and kip splits for shoe and legging work. Upper leather seems more lively, and there is a report that large contracts for semi-chrome have been placed in the Leeds district for the overseas trade. Glacé kid is selling better, but tanners are handicapped by the high price of raw skins.

The shoe section seems brighter, following on the receipt of orders for both the home and export trade. Some anxiety is, however, felt at one or two failures in the shoe trade, as they show the old game of making and selling under cost is still in existence.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, January 12.

SUGAR.—The market continued generally quiet, and prices on the week are from 3d to 6d per cwt lower. Messrs Tate and Lyle's cubes quoted 54s 9d to 55s 9d; crushed, 51s 9d; granulated, fine and coarse, 50s 1½d; No. 2, also London, 49s 7½d; caster, finest, 53s 4½d; A, 51s 7½d; B, 51s; yellow crystals, 43s 7½d; granulated, second half February-March, 59s; April-May, 50s 6d; June-August, 50s 9d.

Crystallised West India steady at 45s to 46s. American granulated, 49s 3d; February-March, London, 23s. c.f. and i. terms. White Java, spot, 47s 6d to 48s 3d; ditto May-June, 21s; June-July, 20s 9d, c.f. and i., London. Belgian granulated, spot, 48s to 48s 6d. French crystals, 47s 9d to 48s 3d; W.S.R., granulated, prompt, 22s 3d; H.U.M., 22s 3d; J, 21s 9d, f.o.b., Amsterdam. Czechoslovakian granulated, prompt, 21s 9d, f.o.b., Hamburg. Cuban basis 96 per cent., February, sellers, 17s. Brazilian ditto, afloat, 16s 9d; ditto basis 80 per cent., January, 12s, all c.f. and i. terms, United Kingdom. Terminal market dull, and easier. March, sold, 21s 10½d; May, 22s 3d to 22s; August, 22s 3d to 22s. Cuban stocks stand at 49,340 tons new crop, against 21,780 last year. Liquid glucose, spot, 28s 6d per cwt.

COFFEE.—Steady absorption took place on home-trade account, at a full range of prices. Fair to fine bold Nairobi, sold, 95s 6d to 114s 6d; Costa Rica, ditto, 98s 6d to 118s. Future delivery market inactive, and largely nominal. March, sold, 58s 10½d.

COCOA.—At public sale over 6,000 bags were catalogued, and with buyers very reserved only a few unimportant parcels were disposed of. Accra, F/F quality, January-March shipment, quoted 35s 6d, f.o.b. terms.

TEA.—Market opened with a firm tone for Indian, and the bulk of the 46,600 packages offered during the week was disposed of. 24,300 packages Ceylon aroused active support, and prices ruled firm to occasionally dearer.

RICE.—Only a retail amount of business transpired this week, and quotations meantime are somewhat nominal. Two stars, spot, 15s 6d to 15s 9d; new crop, February, 13s 6d. Cable reports from Rangoon point to about three weeks' delay in the crop, with only small shipments anticipated during next month. Broken kinds very firm, and business hampered by lack of offers. Rangoon beans, spot, 8s. Japanese peas, afloat, 27s 6d, c.f. and i., London.

SPICE.—Pepper market quiet, but sellers required steady prices. Fair black Singapore, spot, 4½d; ditto, January-March, 4½d; Aleppo, spot, 4½d; Tellicherry, 4½d; white Singapore, spot, 6d; Muntok, ditto, 6½d; ditto, January-March, 6½d. Zanzibar cloves, spot, sold, 8½d to 9d; October-December, steamer, 7½d to 9d; January-March, 7½d to 8½d. Flake tapioca, spot, fair quality, sold, 3½d per lb. Fair Penang seed, spot, quoted 23s 6d. Sago flour, 3½d per lb. Fair Penang seed, spot, 13s. Desiccated coconut, spot, fine cut, sold, 36s 9d; medium held for 37s 3d. Ginger unaltered.

JUTE.—After a slight spurt in the early part of the week, this market developed a dull and weaker tone, as spinners almost withdrew from the market. First grade, December-January, usual continental ports, sold, £34 15s to £33 10s; January-February, £35 10s to £34 10s; February-March, £36 to £36 10s and £34 10s. Lightning grade, January-February, done £34 10s to £33 10s; and February-March, £35 to £33 10s. Hessians slow, 10-oz, spot, 36s; January-February, 34s 6d; 8-oz, spot, 28s 6d; January-February, 30s; A twills, spot, 89s; B, sold, 74s 6d to 75s.

HEMP.—Steady inquiries led to a fair amount of business regarding Manila descriptions, and prices responded. G grade, January-March, quoted £37; H, £36; J, sold, £34 10s to £34 15s; K, £33 10s; L, £33 to £33 10s; and M, £32 10s to £32 15s. New Zealand nominal. H.P.F., spot, £34; fair, £31 10s. African sisal, No. 1, G.E.A., January-March, £35 10s; B.E.A., £35. Italian, spot, quiet, and P.C. quoted £57 10s to £59 10s, as to quality.

SHELLAC.—Market rather unsettled. Fair T.N., spot, 375s; March sold, 352s 6d to 357s 6d and 350s; May, 347s 6d to 350s and 355s. T.N., January-February, steamer, 335s.

COPRA.—Market very irregular, and actual business confined to moderate limits. F.M.S. Straits, January-March, Rotterdam, sold, £25 12s 6d to £25 6s 3d and £25 10s. Ceylon quoted, £27 10s; Cebu, £25; Java, £25 12s 6d paid; Dutch East Indies, sold, £25 7s 6d; mixed quoted, £24 12s 6d; South Sea Islands, £24 10s. Palm kernels, January-March, Liverpool, sold, £17 13s 9d to £17 15s; February-April, £17 15s.

RUBBER. apart from slight fluctuations at times, presented firm features, and business proceeded with freedom. Standard crepe and sheet, spot, also January, moved up to 1s 4½d; February, 1s 4½d; March, 1s 4½d; April-June, 1s 5d; July-September, 1s 5½d, and October-December, 1s 5½d. To New York, standard sheet, January-February, sold, 1s 3½d to 1s 3½d; March-April, 1s 3½d to 1s 4½d, and crepe, April-May, 1s 4d to 1s 4½d, c.f. and i. Fine hard Para, spot, 1s 1½d;

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SATURDAY, JANUARY 20, 1923.

No. 4,143.

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TABLE OF CONTENTS.

The Money Market	85	Books and Publications—	
Leading Articles—		Recent Economic Litera- ture—A Month's Survey ..	105
Passive Resistance	87	Books Received	106
Anglo-Italian Relations ..	88	Stock Exchange News—	
The Legal Aspect of the Ruhr Occupation	89	The Stock Markets	106
Price Stability and the Trade Cycle	90	New Issues	107
The Position in the Tinplate Trade	91	Active Securities	108
Australasian Land Com- panies	92	Company Meetings	110
Gold Mining on the Wit- watersrand—I.	93	Government Returns—	
		Currency Notes Account ..	114
		Treasury Bills and Bonds by Public Tender	114
		Public Income and Expen- diture	114
Notes of the Week—		Bankers' Gazette—	
The Re-Funding Commis- sion	94	Bank of England	115
Lausanne and British Inter- ests in Turkey	94	Clearing Returns	115
Employment and the Cost of Living	95	Overseas Bank Returns ..	116
The Progress of Austrian Reconstruction	95	Loan and Discount Rates ..	118
The Rising in Memel	96	Overseas Bank Rates	118
Mexico and Washington ..	96	Rates of Exchange	118
The Rubber Revival and Reaction	96	Indian Treasury Bills	119
Certificates of Insurance ..	97	Bullion	119
Debtors Corporation	97	Imports and Exports of Gold and Silver Prices	120
An American Textile Amal- gamation	98	Company News—	
British-American Mining ..	98	Analysis of Balance-Sheets ..	109
Deep Sea Fisheries	98	Oil Outputs	109
Our Trade with Australia ..	99	Mining Output Statistics ..	120
Japanese Trade and Finance ..	99	Dividend Announcements ..	120
		Railway & Tramway Traffic ..	121
		Reports and Notices	122
		Profit and Loss Accounts ..	124
Overseas Correspondence—		Commercial Reports—	
Irish Free State	99	Corn Trade	123
United States	100	Iron and Coal Trade	123
France	101	Cotton Trade	125
Germany	102	Wool Trade	125
Austria	103	Vegetable Oils and Oilseeds ..	126
Norway	104	The Timber Trade	126
Australia	105	Hide and Leather Trades ..	127
		Overseas Produce Markets ..	127
		Price Current	128

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street (Room 1,709).

THE MONEY MARKET.

MONEY has been still more plentiful, owing to the con-
tinued ebb-tide of currency from circulation and further
borrowing from the Bank of England by the Govern-
ment, presumably in connection with the payment of com-
pensation money to the railway companies. As the tax-
gatherer provides funds for the repayment of these
credits, and for the wiping out of outstanding Ways
and Means advances, it seems likely that the margin
between the market and poverty will become narrow

OILS.—Linseed market quiet and easier. Spot, net, naked, 38s
January, 38s; January-April, 38s 6d; May-August, 38s 4d. Rape
steady. Crude, spot, 42s 6d; refined, 45s 6d. Cotton firm. Crude
Egyptian, spot, 38s; common edible, 43s 6d; deodorised (in barrels),
45s 6d. China-wood firm. Hankow, spot (barrels), sold, 85s; January-
February, sellers, 76s. Coconut steady. Ceylon, spot, 42s; January-
February, 41s; Ceylon, ditto, quoted 43s. Soya firm. Oriental,
barrels, January-February, 38s. Japan fish steady. January-
February, cases, 25s 9d. Cod steady. English, spot, 29s 6d to 30s.
Ground nuts steady. English crushed, naked, spot, 45s; deodorised,
barrels, 55s. Turpentine irregular. American, spot, 107s;
January-April, 108s 6d. Russia quiet. American, grade B, 12s 6d;
F, 14s 6d; G, 14s 6d; H to I, 14s 6d; WG, 18s 6d; WW,
19s 6d. French, F/G, 13s 6d; WW, 16s per cwt. Petroleum steady.
American standard white, spot, 1s 1d; and water white, 1s 2d per
gallon. Castor oil firm. First pressure, spot, to June, quoted 49s;
second pressure, 46s, and pharmaceutical, 54s per cwt.

OILSEEDS.—Market quiet, and prices easier, especially for near
positions closing steady. Bold Bombay, afloat, sold, £20 7s 6d;
small Bombay, ditto, £20; Calcutta, afloat, £20 5s; January-
February, £18 2s 6d; and April-June, sold, £17 2s 6d to £17 5s.
Plate, afloat, sold, £17 10s to £17 7s 6d; January, £16 10s
to £16 12s 6d; January-February, new crop, sold, £16 5s.
April-May, £16 to £16 2s 6d. Rapeseed quiet. Toria, afloat,
£18 7s 6d; January-February, sold, £16 7s 6d; Jamba,
December-January, £14 2s 6d. Cotton-seed firm. Egyptian
black, January, £11 18s 9d, and white, £11 7s 6d to £11 10s,
paid. Bombay, February-March, £8 17s 6d. Gingly seed steady.
Large, Bombay, January-February, sellers, £21 7s 6d. Chinese, new,
afloat, £22 7s 6d; January-February, £21 10s 3d. Groundnuts quiet.
Coromandel, machine-dried, January-February, quoted £20 15s.
Chinese decorticated, f.a.q., December-January, £20 10s; Nigerian,
ditto, £20 15s. Soya beans firm. Manchurian, January-February,
quoted, £11 5s per ton.

METALS.—Tin opened with a quiet tone, but in absence of any
undue pressure to sell, rates maintained a steady level. Standard,
January, changed hands at £179 7s 6d; February, £180 5s; and three
months, £181 to £181 5s, while finally registered at £180 15s. Advances
from the East report holders as being very reserved. Subsequent
movements displayed slight irregularity, and prices on balance ruled
firm in sympathy with higher advances from the East, combined with
an improved demand in America. By the middle of the week stand-
ard, cash, sold at £179 7s 6d; February, £180; three months,
£181 10s to £181 15s to £181. Cables from the East report sales on
the basis of £183 15s, c.i.f., being an advance of 10s per
ton. Rates ruled firmer on Thursday, with a good inquiry,
standard, cash, sold at £181 5s to £181 10s to £180 15s;
and three months at £183 to £182 15s to £182 12s 6d.
The tendency was again firmer at the final market, with a liberal

business in force. Standard, cash, sold at £181 12s 6d to £182 5s to
£181 17s 6d, and three months at £183 to £183 10s to
£183 12s 6d. English ingots, £181 to 181 15s. Copper: With
reserved sellers, a steady tone ensued and a fair business transpired,
including standard, January, at £64 10s, and three months at £65 5s.
At Wednesday's session sellers offered with more freedom, but with
buyers well in evidence liberal dealings took place at slightly lower
prices. Standard, cash, sold, at £64 7s 6d to £64 6s 3d, and three
months £64 17s 6d to £64 12s 6d to £64 17s 6d. On Friday
steady trading ensued without material change in prices. Cash sold
at £64 7s 6d, and three months at £65 1s 3d to £64 15s.
Electros, £70 15s to £71; best selected, £67 10s to £69 10s; strong
sheets, £96; wire bars, £71. Antimony, ordinary brands, £27 to
£29 10s. Aluminium steady. Home trade, £95. Lead dealer at
£27 2s 6d to £26 12s 6d, as to position. Spelter quiet at £35 to
£33 10s, according to position.

TALLOW.—Messrs Colchesters and Woolner write on January 10th,
as follows:—The tallow market was steady during the week,
and prices are unchanged to-day. Spot supplies have been scarce,
but several ships have arrived and larger quantities will be available
soon. At auction to-day 1,314 casks tallow were offered, and 599 were
sold. Quotations are:—Australian mutton: Fine, 43s 6d; good to fair,
42s to 40s; dull to dark, 37s to 36s; hard, 42s. Australian beef:
Fine, 43s; good to fair, 41s to 38s; dull to dark, 36s 9d to 35s; sweet,
43s 6d. Present shipment from Australasia: Mutton, fair coloured,
48 degs., 40s; and mixed, 43s, c.i.f., London, 38s 6d. The market
letter is unchanged. Town tallow, 35s 6d per cwt. Rough fat, per
8 lbs, 13d; melted stuff, 25s 6d per cwt. Quotations are:—Town:
35s 6d net cash, naked, ex works. Country: Fair casks, 35s; home
melted, shipping casks, net, f.o.b., good coloured, —; fair to dull,
36s 6d to 35s 6d. Bone fat: White, none; pale, none; benzine,
32s; melted stuff, 32s 6d, f.o.b.

METROPOLITAN CATTLE.—JANUARY 11.

British Beasts, per stone of 8 lbs to sink the offal. Sheep, per stone.

Beasts—Herefords	8 d	8 d	8 d	Sheep—Downs	12 d	12 d	12 d
Shorthorns	8 d	4 to 7 6		Ewes	7 d	7 d	7 d
Devons	8 d			Crossbred	11 d		
Northfords	8 d			Scottish	12 d		
Scottish	nominal			Lamb—Downs	nominal		
Irish	nominal						
Fat Cows	5 d	5 d	5 d				

LONDON POTATO MARKETS.—JANUARY 11.

English British Queens	3 d	3 d	3 d	Per Cwt.	3 d	3 d	3 d
"Eclipse"	2 d	6 d	3 d		Majestic	3 d	3 d
	2 d	6 d	3 d		King Edwards	3 d	3 d

Commercial Times.—Weekly Price Current.

The prices in the following list are revised with the assistance of an eminent firm in each department.

LONDON, FRIDAY.				DRUGS.				INDIA RUBBER.—lb—				RAVILIB.—JNS—				SPICES.—Pepper, per lb—																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																									
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again; but for the moment "money beats the bill," and three months' bank paper has been readily taken at $2\frac{1}{2}$ per cent.

	Jan. 19, 1923.	Jan. 12, 1923.	Jan. 5, 1923.	Dec. 29, 1922.	Previous Rate and Date Changed.
Bank Rate	3%	3%	3%	3%	$3\frac{1}{2}$ (Jly. 13, '22)
Banks Deposit Rate	1	1	1	1	$1\frac{1}{2}$ (Jly. 13, '22)
Discount Call	1	1	1	1	$1\frac{1}{2}$ (Jly. 13, '22)
Houses Notice	$1\frac{1}{2}$	$1\frac{1}{2}$	$1\frac{1}{2}$	$1\frac{1}{2}$	$1\frac{1}{2}$ (Jly. 13, '22)
Market rate (3 months' bills)	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	..

The Bank return showed a decrease of £1,219,000 in the note circulation, which with a small increase in the stock of gold added £1,224,000 to the Reserve. Government securities rose by $6\frac{1}{2}$ millions, and Public deposits declined by 3 millions, and so there was an increase of nearly 11 millions in the Other deposits. Currency notes outstanding were further reduced by £4,809,000 to £284,927,900, which includes £1,515,900 for notes called in, but not yet cancelled. The fiduciary issue is £235,262,100, or £34,921,700 below the maximum.

THE STOCK MARKETS.

The Stock Exchange has passed an active week, and business has been on so large a scale that next week's settlement is expected to prove the heaviest for some time past. Prices have shown a remarkable power of resistance to adverse political influences, and although affected to some extent by the report of a hitch in the debt funding negotiations at Washington, recovered quickly on semi-official reassurance on the point. The gilt-edged market in particular has maintained a firm front. French and German bonds have naturally felt the effects of the exchange movements, and Home Rails appear to be neglected for the moment in favour of the rubber market, which, after quite an old style boom in the earlier days of the week, has settled down to more stable conditions. Industrials have been irregular, but there have been one or two meteoric rises in the mining section. Rapid oversubscription has been the fate of the majority of the week's new issues offered to the public.

THE COMMODITY MARKETS.

Our Cardiff correspondent states that, although no new German business has been placed in South Wales coal market, the representatives of France, United States, and Italy have been very active, and as a result prices have hardened all round, best Admiralties moving up to 30s per ton. In the pig-iron market prices have improved, and No. 3 Cleveland G.M.B. is now quoted at 93s per ton. More demand is noticeable for manufactured iron and steel in shipbuilding circles, and steel prices are slightly firmer. A better market in the Manchester cotton trade is reported, substantial contracts having been arranged; the Indian trade has been good, and prices are well maintained. Values of wool—tops and yarns—are still moving upward, but our correspondent points out that there are "wide discrepancies in quotations, due to the obviously protective policy adopted by some firms." In the timber trade, prices of building woods are stated to be so high that importers are reluctant to buy forward. The demand, however, is not large for furniture woods, though quotations show no signs of weakness. Further details of markets will be found on later pages from our special trade correspondents.

FOREIGN EXCHANGES.

Throughout the week Continental exchanges have been completely overshadowed by the position in the Ruhr. The collapse of the mark had, of course, been anticipated, but even then quotations have run away at an unexpectedly rapid rate, and the mark would appear to have almost lost all value as a currency outside Germany itself. From a quotation of 48.250 on the 12th, rates have jumped up from day to day to 100,000 and over on the 18th, and

although yesterday morning there was rather more steadiness at 98,000, there would seem no reason why the rise should cease. Apart from the more general causes of this collapse, the hasty purchase of British coal was bound to be immediately reflected in exchange quotations. Forward rates have also jumped from 3,500 to 10,000 marks per month above spot. Although most currencies have been affected by this collapse, the one most directly influenced is the Polish mark, which has risen during the week from 94,000 to 145,000, one result of which has been an increase in the uneasy feeling which already exists in Poland as to the dangers of too close a political co-operation with France. The Paris rate has also moved up from 66.60 to about 70.30, and this in spite of determined attempts to steady the rate. The only matter for surprise is that the movement has not been more rapid in view of the disappearance in London and New York of that confidence in French currency which has done so much during the past few years to keep the Paris quotation low in spite of many indications that the franc was overvalued. Brussels has risen from 73.05 to 77.40. Quotations for futures are now five centimes per month above spot in Paris, and five centimes below in Brussels. Italy has also depreciated, although not quite so rapidly, from 94 to 97 $\frac{1}{2}$. Satisfaction over the progress of the Debt Commission in Washington went a long way to prevent any rapid fall in sterling, which from \$4.67 $\frac{1}{2}$ on the 12th had fallen only to \$4.65 $\frac{1}{2}$ on the 17th. The announcement of the adjournment of the debt negotiations brought a further fall on Thursday, but yesterday morning rates had again recovered to \$4.65 $\frac{1}{2}$. Uncertain prospects in Europe, however, are likely to delay the further recovery in sterling, which was expected with some confidence a few weeks ago. In the meantime, forward quotations have narrowed from $1\frac{1}{2}$ cents to $\frac{3}{4}$ cents per month over spot. In neutral countries Switzerland and Spain, at 25 and 29.87 $\frac{1}{2}$ respectively, are well above last week's rates, but Amsterdam is down from 11.79 to 11.75 $\frac{1}{2}$, and Stockholm is also lower. Copenhagen, however, has moved up to 23.75, while Christiania has changed little on balance. Helsingfors at 188 $\frac{1}{2}$ has remained steady, but the resignation of the president of the National Bank, apparently on a question of exchange policy, may perhaps herald a change from the recent plan of preferring relative stability to any too rapid improvement. Vienna at 330,000 has remained very steady, and appears unaffected by the German collapse. Prague is rather higher at 169, but Belgrade, in spite of progressive freedom from exchange restrictions, is again some 50 dinars higher at 520, while Bucharest, where special influences appear to be at work, has reached 900. In the East the rupee shows little change at 15 4 $\frac{1}{2}$ d, while Yokohama, in sympathy with the dollar, is rather more expensive at 25 1 $\frac{1}{2}$ d. Silver, as the result of a strong Indian demand, has shown an upward tendency, but the position may get rather weaker with the turn of the Chinese new year. Hong Kong and Shanghai, at 2s 3 $\frac{1}{2}$ d and 3s 1d, are both rather higher. In South America, Rio at 5 $\frac{1}{2}$ d is about the same as last week, Buenos Ayres at 43 $\frac{1}{2}$ d is 4d cheaper, and Montevideo has also dropped rather sharply, from 44 $\frac{1}{2}$ d to 43 $\frac{1}{2}$ d, while Valparaiso has also depreciated from 34.70 pesos to 36.10 pesos.

LONDON JOINT CITY AND MIDLAND BANK LIMITED

CHAIRMAN: The Right Hon. R. McKENNA
JOINT MANAGING DIRECTORS: FREDERICK HYDE EDGAR W. WOOLLEY.

Subscribed Capital	- £38,117,103
Paid-up Capital	- 10,860,852
Reserve Fund	- 10,860,852
Deposits (Jan. 30th, 1922)	- 388,230,831

HEAD OFFICE: 5, THREADNEEDLE STREET, LONDON, E.C. 2.
OVER 1,000 OFFICES IN ENGLAND AND WALES
OVERSEAS BRANCH: 65 & 66, OLD BROAD STREET, LONDON, E.C. 2

AFFILIATIONS:
BELFAST BANKING CO. LTD. THE CLYDESDALE BANK LTD.
OVER 110 OFFICES IN IRELAND OVER 170 OFFICES IN SCOTLAND
THE LONDON CITY & MIDLAND EXECUTOR & TRUSTEE CO. LTD.

THE NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended January 13th:—

RECEIPTS.	Mln. £	EXPENDITURE.	Mln. £
From Revenue	20,188	Interest on Debt	498
		Supply Services	7,150
		Sundries	901
		Reduction of Debt	12,212
		Added to Exchequer balances ..	327
	20,188		20,188
National Savings Certificates ..	+ 500	Public Dept. Advances	— 850
4½% Treasury Bonds	+ 496	Bank of England Advances ..	— 7,000
		Funding Loan	— 500
		Treasury Bills	— 481
		Unemployment Insurance ..	— 040
	+ 996		— 13,208

The floating debt was reduced by £12,680,000 to £924,976,500.

FINANCIAL YEAR, 1922-23 (April 1, 1922, to January 13, 1923).

Total spent	£ 592,476,983	Raised by revenue ..	£ 621,386,966
Deo. in balances	7,572,294	Net repayments	36,482,277

Total

ESTIMATES for YEAR 1922-23.

Ordinary Expenditure ..	£ 823,846,000	Ordinary Receipts ..	£ 820,775,000
Special Expenditure ..	61,223,000	Special Receipts ..	90,000,000
Contingencies	25,000,000		

Total

NATIONAL DEBT.

	Aug. 1, 1914.	Mar. 31, 1918.	Mar. 31, 1919.	Dec. 31, 1919.	Mar. 31, 1920.	Mar. 31, 1921.	Mar. 31, 1922.	Dec. 31, 1922.	Jan. 13, 1923.
Funded Debt	588	318	318	315	315	315	315	314	314
Term Annuities	30	22	22	20	19	18	16	15	15
3½% War Stock	63	63	63	63	63	63	63	63	63
4½% War Stock	16	14	13	13	13	13	13	13	13
4 & 5% War Stock	2,091	2,068	2,047	2,040	1,996	1,953	2,071	2,071	2,071
National War Bonds ..	649	1,636	1,509	1,476	1,413	1,201	971	971	971
4% Funding Loan	..	..	409	409	405	401	401	401	401
4½% Victory Bonds	..	..	360	357	348	335	335	335	335
3½% Conversion Loan ..	..	..	..	..	..	265	690	690	690
5-15-year Treas. Bonds ..	..	..	..	..	..	23	24	24	24
5% Treasury Bonds	..	..	..	..	..	381	166	166	166
5% Treasury Bonds	..	..	..	..	..	..	40	40	40
Do by tender 5%	..	..	..	..	..	..	8	69	69
Treasury Bills	15	961	957	1,107	1,121	878	719	709	709
Exchequer Bonds	20	392	384	323	319	289	185	150	150
Natnl. Savings Certs.	..	138	227	267	274	285	342	350	351
War Expend. Certs.	..	23	..	..	..	..	..	..	..
Other Debt	..	944	1,241	1,306	1,181	1,132	1,087	1,071	1,071
American Loan	..	51	51	51	51	..	..	..	..
Temporary Advances	1	204	455	243	205	154	147	222	215
Other Capital Liabilities ..	654	5,872	7,435	8,033	7,829	7,574	7,655	7,768	7,752
	57	49	46	46	47	49	66	67	67
Total Liabilities	711	5,921	7,481	8,079	7,876	7,623	7,721	7,835	7,819

Corrected in accordance with a return issued December 15, 1922.

POSITION OF THE FLOATING DEBT.

	Jan. 14, '22.	Mar. 31, '22.	Jan. 13, '23.	Jan. 13, '23.
Temporary Advances Out- standing—	£ 21,500,000	£ 147,301,500	£ 5,000,000	£ 7,000,000
Advances by Bank of England	164,284,000	210,511,500	210,511,500	850,000
Advances by Public Dept.	1,063,661,000	882,213,000	709,465,000	4,830,000
Treasury Bills outstanding	..	..	..	..
Total Floating Debt	1,249,445,000	1,029,520,500	924,976,500	12,680,000

PASSIVE RESISTANCE.

The developments that have taken place in the Ruhr during the past week have made very little impression on the work-a-day world in this country. But this apparent indifference is deceptive, for the deeper sentiments of the nation have been deeply stirred by the situation, which recalls so vividly, because it is almost indistinguishable from, a state of war. Great Britain has far too vivid a recollection of her unhappy experiences in Ireland to make the mistake of supposing that it is necessary to have two formal armies face to face in order to produce the economic paralysis, the negation of law and liberty, and the actual bloodshed associated with a state of war. The Germans

may have little stomach and less opportunity for actual guerilla warfare, and it may well be that their best hope of achieving emancipation from the Treaty of Versailles is by a passive resistance which, though involving hardship, may prove extremely effective. But whatever form it may take, the conflict is definitely joined; and there is hardly anyone in this country who conceives that the policy of France has brought her appreciably nearer to either of her alternative objectives—payment or security.

The outline of the drama can be recalled in few words. On Monday, January 8th, the first French troop train passed through Cologne for the Ruhr. On the following day the Reparation Commission declared Germany in default on coal deliveries, a declaration to which Sir John Bradbury dissented. On January 10th the Germans, in view of the impending French advance, played their first defensive card, the directorate of the Coal Syndicate leaving Essen with technical records and sections of the technical staffs. Next day, January 11th, French troops occupied Essen, where on the following day "a state of siege" was proclaimed. January 12th brought the French up against the economic realities of their task. On this day the German Government issued a note protesting against the French advance, and announcing their refusal to continue reparation deliveries to the occupying Powers. At the same time, the French, following a first conference with the industrialists, realised that they would have to finance Ruhr coal deliveries, and on January 13th offered the mine owners to pay for coal delivered. On the 15th, however, orders were issued from Berlin refusing to permit any deliveries of coal, whether paid for fully or partially. On this day the French occupied Bochum, and on the next day Dortmund. On Wednesday, 17th, the German mine-owners informed the French that they must obey Berlin and refuse to deliver coal. On Thursday, 18th, Herr Thyssen and five other Ruhr magnates were summoned before a French military court at Dusseldorf, and ordered to consider themselves under police supervision and to hold themselves at the disposal of the French authorities, when required, under threat of definite arrest if the conditions imposed were not obeyed. The magnates left the court without reply. The comment of the exchanges on this course of events is a fall in the mark from 39,500 on January 5th to 115,000 yesterday, and in the franc from 66.95 to 70 in the same period.

Even if there is no intervention or negotiation, it is difficult to see to what result these events may lead. France is not only incurring a heavy military expense—the number of troops employed are put officially at 45,000 men—but it is also clear that to run the Ruhr mines under military control will be to run them at an enormous loss, for she must supply food to the miners as well as to the starving population of the district, and a small production of output per head soon turns a profit into a loss. Hitherto she has had the coal for nothing at the expense of Germany as a whole. It is said in Paris that the Government hope when the occupation is running more smoothly to levy by means of a coal export tax £6,000,000 a year, but it is added that the expense of collection will be much greater than this. What result can France hope to achieve from this drain upon her men and money? The issue to some extent turns on whether Germany can face a coal blockade, and in this connection comparisons have been drawn with the situation in Great Britain during the coal strike of 1921. But Germany has access to the coal of Upper Silesia, and it may be that for many months she can raise funds for purchasing in Great Britain and other European coalfields, and if the winter is not a hard one, it would seem probable that, given firm government and national determination, Germany could certainly hold out, though under conditions of some distress, until the summer. But such speculations assume that the Ruhr occupation will not involve "incidents," and that the French will refrain from marching to Berlin—a conclusion which we mentioned last week as the remotest of contingencies, but one which is to-day more freely spoken of among the French troops of occupation.

It is, however, difficult to believe that the situation will be allowed to drift to this stale mate. Intervention by any single Power or by the League will be difficult until France fully realises the futility of her present adventure. But as soon as her frame of mind is changed intervention may be

possible on one of two lines. On the one hand it is suggested that the question of the legality of her present action might be submitted for the judgment of the International Court, on the other, that the intervention of the League might be acceptable to both Germany and France on the merits of the Reparations question itself. The legal question is dealt with by a correspondent in a later column, and we would only add here that the action which is being taken by the French authorities, and in particular the placing under arrest of the Ruhr industrial magnates for obeying the instructions of their own Government, far exceed the carefully defined powers of the Allies exercisable under the Inter-Allied Rhineland High Commission in the original occupied area. The Agreement on this subject signed at Versailles limits the power of issuing ordinances which would override the German Civil Law to steps "necessary for securing the maintenance, safety," and requirements of the Associated Allied forces. This clearly does not include securing supplies for reparation. Further, under this agreement, the jurisdiction of the German courts over its own nationals is only superseded in respect of persons holding a pass from the officers commanding the Army of Occupation, or in the case of Germans who commit an offence against the persons or property of the Allied forces of the Associated Allied Powers. Power to declare a "state of siege" in the case of an emergency is also accorded, but this power rests in the Rhineland only in the hands of the Allied Commission. As against this carefully defined code, France claims that her interpretation of the Treaty authorises any individual Power to take any steps it pleases without any restriction whatever to enforce her claims if Germany defaults—an interpretation which apparently is not only unwarranted by any existing code of International Law, but removes from Germany such protection as would be afforded by the clause which says that interpretations of the Reparations Treaty must be decided by the unanimous decision of the Reparations Commission. The doctrine of France is, in fact, a claim to absolute and complete dictatorship and the negation of any conception of International Law. Our own action in taking part in the occupation of Dusseldorf two years ago was a doubtful concession to expediency, for while it admitted the right of the Allies to use military and not merely economic sanctions for default—which, incidentally, had not then taken place—it was in harmony with the view that the sanctions under the Treaty were exercisable only on the unanimous decision of the Allies concerned.

On the possibility of intervention or arbitration on the merits of the Reparation question, there is nothing new to be said. Everything depends upon the reactions which events in the Ruhr will produce upon French public sentiment. It is, perhaps, significant that the lessons of the past fortnight have been learnt very quickly elsewhere. The *canards* that have been current with regard to Signor Mussolini's activities are dealt with in the next article by an Italian correspondent; but there seems little doubt that the experiences of the past week will tend to bring Italian statesmen back to the position, generally favourable to the British view, which they have occupied since the Armistice. Meanwhile, the position of the British garrison in Cologne is untenable. It is of insufficient strength to exert any pressure on the French, even were such pressure deemed to be desirable; and, as France's military grip on occupied Germany tightens, its position will become increasingly impossible.

ANGLO-ITALIAN RELATIONS.

(BY AN ITALIAN CORRESPONDENT.)

At the Cabinet Council's meeting of yesterday Signor Mussolini gave a formal denial to rumours of a project of a Continental bloc against Anglo-Saxon countries. "The bloc," said the Premier, "simply does not exist. The Italian Government never made such a proposal, and never planned a French-Italian-German coalition against Great Britain. The importance which Great Britain has in the economic life of the European Continent would alone have forbidden this plan, to say nothing of the

special relations between Great Britain and Italy." There is thus an end to the wild talk which had been current for some days in the Italian and foreign Press about a resurrection of the ill-fated Napoleonic plan of a Continental bloc against England.

The interesting point is, however, whether there exist in Italy undercurrents of public opinion which warrant such a plan being spoken of. It would be useless to deny that, if the reception of the plan was far from enthusiastic, it met with a degree of favour in some sections of the Press, which in the common interest of England and Italy should not be ignored.

The first undercurrent is the old pro-German feeling, which was in 1914 and 1915 favourable first to war on the German side and afterwards to neutrality. Even the most obdurate pro-Germans were converted by the spectacular fall of the Austro-Hungarian Monarchy, which would not have been possible without the defeat of Germany. But, now that Italy has reached her natural boundaries to the Northern Alps, a feeling is becoming vocal that Germany was, after all, a great market for several agricultural products of Italian soil, and that this market will never be recovered till Germany herself is once again producing and consuming in full swing.

On the other side, Germany was our greatest supplier of machinery, chemicals, and industrial products, and many consumers are identifying old days of cheapness with the steady flow of cheap German goods. France and England have not taken the place, as buyers and sellers, of Germany. Italian producers are complaining bitterly against British duties on motor-cars, 33 per cent. on key industries products, and similar hindrances to our export. Perhaps British duties are not so bad as is said, especially when their action is wholly or partially suspended in virtue of existing treaties. But they have, nevertheless, done an enormous harm, and have furnished an eagerly seized weapon to the Italian Protectionists. England is said to be preaching Free-trade to other peoples, but practising rampant Protection at home against foreign imports. The Italian ultra-Protectionist tariff of July 1, 1922, was justified, therefore, on the score of British Protection. As in other countries, faith in the economic future of Germany was so strong in those circles which admired German thoroughness, system, strong government, plodding, industry, and inventiveness, that a large volume of marks was bought when the exchange was not unreasonably low. Warnings were in vain. It seemed impossible to people believing in the economic future of Germany that marks should not recover also. When the mark collapsed and got every day worse, it was not ascribed to the feeble financial policy of the German Government, but the responsibility was put on the shoulders of France, England, and the United States. Among some mark speculators the fall of the mark was attributed to a sort of conspiracy among gold countries, and as the franc could not be accused of fattening at the expense of the German mark it was, in some mysterious way, made out to be the fault of sterling and of the dollar.

Pre-war theories on old and new, rich and poor, nations were again in favour. Before the war it was a favourite doctrine with nationalists that new, rising nations, with a high birth rate, with an expanding emigration, with an incipient and growing wealth, such as Germany, Italy, Russia and Japan, were called to high destinies, to conquer territories, to become world-Powers. They would encounter the jealousy and the bitter opposition of old-established nations such as France and Great Britain, with great accumulated wealth, with a low or lowering birth rate, with territories exceeding the possibilities of the native population. The war of new and rising nations against old and stationary was the outcome of this theory, which was, even in pre-war times, erroneous both historically and economically; and events have demonstrated that in the world war so-called new and old countries fought side by side.

The theory is being resuscitated in a new form: countries to whom the war has given a heritage of debts should show a united front against creditor countries. And as the Continental powers, victors and beaten alike,

are groaning under the weight of debts, of Budget deficits, and of devaluated paper money, they should unite themselves against the predominance of the creditor gold countries. These are nebulous conceptions indeed; but, unfortunately, the popular mind is apt to be caught by shibboleths; and it was unfortunate that at the last Paris Conference there crept out suddenly, without previous discussion, the question of the French and Italian gold sent during the war to London, and thence shipped to the United States for the sake of the so-called "pegging of the exchanges" operation. The 420 millions of gold-lire sent from the Italian Banks of Issue to London was seized upon as a proof of a determined British policy of depriving Italy of her last remnants of gold. I do not know what were the exact terms of the transaction, as they have never been officially published in full in Italy; but I do know that the pegging of the exchanges was not an unmixed good as a means of maintaining the price of the pound sterling at about 37 lire. The operation was costly; and no one would begrudge the cost if the results achieved had been good. But the public debt incurred by the Italian Government still remains, and no one can predict at what rate of exchange it will be, if ever, repaid; so that, from the exchequer point of view, the operation is not yet closed. As to private Italian purchases of foreign goods made at 37 or thereabouts, if they were closed with payment at that rate, they were good for the private Italian purchasers who bought exchange at the low artificial price at the expense of the Italian exchequer. But many payments were left in suspense by purchasers who hoped to buy exchange at a still lower price, and many losses were incurred when the peg was removed and exchanges rose to 100 and over.

If you add that in Italy at the present time nationalism is in the ascendant; and nationalism means colonialism and accusations against Allied Powers who made vast colonial acquisitions in Africa, Mesopotamia, Oceania, and left nothing to Italy, you will have an almost complete picture of the causes which are unmistakably swinging the pendulum of Italian public opinion against the Allies.

The movement however is, as yet, superficial, and has an academic tinge. As Mussolini's pronouncements show, responsible statesmen are cautious, and do not favour a fundamental change of our policy. Editors of leading newspapers examined in a very critical spirit the Continental bloc plan, when it was first rumoured. It has been, from 1860 onwards, a fundamental principle of Italian foreign policy to maintain friendly relations with Great Britain. Both nations have the same interest—i.e., not to let Europe become the prey of a paramount Power, be it called Napoleonic Empire or Hohenzollern Germany. A paramount Power is alike distasteful to Great Britain and Italy. Both have to fear much, the first for the continuity of her world power, the second for her national independence from such a European ascendancy. The equilibrium of the various European Powers was destroyed by the world war, and is bound to be re-established by some means or other. Italy will work with England if such an end is in sight. But she needs to be previously freed from economic fetters.

The position of Italy as to reparations is somewhat different from France's position. France needs a certain amount of reparation in addition to a clear slate in the matter of inter-Allied debts. Italy needs, first and foremost, the cancellation of State debts to Great Britain and United States. Once this matter can be righted, Italy will very easily give her assent to a plan which should greatly decrease Germany's obligations. Italians always looked on their share of German reparations with the utmost scepticism. It will not cost much to them to make renunciations in this matter. But they are sorely grieved at the thought of being debtors for 22 or 23 billions of gold lire to peoples who were our allies in a common fight for world liberty. If other grievances are sectional, academic and superficial, this one grievance is strongly felt by all classes. Italians do not appreciate the game of give and take in this matter. The only policy which would disperse the clouds which have been allowed to accumulate on the British-Italian sky is a straightforward cancellation of war debts. Nothing short of this will satisfy average public opinion in Italy. Italians know that they have powerful allies who in England have embraced the cause of the complete cancellation of public debts.

THE LEGAL ASPECT OF THE RUHR OCCUPATION.

(FROM A LEGAL CORRESPONDENT.)

THE legal position of the French movement into Germany now taking place is obscure, and it is not easy for anyone who is not behind the scenes of the working of the Reparation Commission and the British and French Foreign Offices to state the position with clarity and confidence. It is, however, worth reminding ourselves that the situation which has now arisen is governed by the Treaty of Versailles, and that the French action, if it is lawful, must derive its justification from that document. Its expediency is another matter.

The French are taking action on two alleged "voluntary defaults" by Germany in the matter of making reparations in kind, timber and coal, and so we may turn to Part VIII. of the Treaty called "Reparation." Article 233 clothes a body to be called the Reparation Commission with the powers contained in certain Annexes to this part of the Treaty, including Annex II. This Annex contains the following relevant clauses:—

13. As to voting, the Commission will observe the following rules:—When a decision of the Commission is taken, the votes of all the delegates entitled to vote, or in the absence of any of them, of their assistant delegates, shall be recorded. Abstention from voting is to be treated as a vote against the proposal under discussion. Assessors have no vote. On the following questions unanimity is necessary:—(a) (b) (c) (d) (e) (f) questions of the interpretation of the provisions of this part of the present Treaty (i.e., Part VIII. Reparation). All other questions shall be decided by the vote of a majority. In case of any difference of opinion among the delegates, which cannot be solved by reference to their Governments, upon the question whether a given case is one which requires a unanimous vote for its decision or not, such difference shall be referred to the immediate arbitration of some impartial person to be agreed upon by their Governments, whose award the Allied and associated Governments agree to accept.

Sir John Bradbury was in the cases both of timber and coal in a minority of one on the Reparation Commission in regard to the question whether there had been a "voluntary default" by Germany within the meaning of Article 18 (below). But has the British Government insisted that this is a "question of the interpretation of the provisions of this part," and so requires unanimity among the delegates? Upon a difference of opinion on the question whether a given case requires unanimity, the remedy provided by Article 13 is arbitration. Has there been arbitration? If the question whether or not there has been a "voluntary default" is a question of the interpretation of that term (as we submit it to be), then unanimity is essential, and the French action now being taken is unjustified. If there is doubt on the question whether this is a case requiring unanimity, then any coercive action preceding arbitration is premature. It would be interesting to know whether these points were urged by the British delegate, and, if so, what the answer was.

To pass to other points. Articles 17 and 18 read as follows:—

17. In case of default by Germany in the performance of any obligation under this part of the present Treaty, the Commission will forthwith give notice of such default to each of the interested Powers, and may make such recommendations as to the action to be taken in consequence of such default as it may think necessary.

18. The measures which the Allied and Associated Powers shall have the right to take, in case of voluntary default by Germany, and which Germany agrees not to regard as acts of war, may include economic and financial prohibitions and reprisals, and in general such other measures as the respective Governments may determine to be necessary in the circumstances.

Several points arise on the language of these two articles. The French and English texts of the Treaty are expressly stated in the Treaty to be both authentic.

(a) Does the word "include" (*comprendre* in the French text) in Article 18 mean that there are other legitimate measures not covered by its terms? If that is the correct interpretation, the words "and in general such other measures as the respective Governments may determine to be necessary in the circumstances" become almost meaningless.

(b) At any rate, France apparently conceives herself to be enforcing measures provided for by Article 18, as is shown by the French contention that "the respective Governments" means each individual Government acting on its own accord. But is this view right? It is not all the parties to the Treaty whose Governments are in-

interested in the voluntary default by Germany to deliver timber and coal to France. It matters not to Japan, for instance. Does it matter to France, Italy, and Belgium alone, the recipients of the reparations in kind? The official *communiqué* issued by the Reparation Commission (the *Times*, December 28th) in connection with the timber default states that the Commission has in accordance with Article 17 "notified the default thus declared to the Governments concerned," that is, in the language of Article 17, "to each of the interested Powers." Surely the "respective Governments" of Article 18 are the "interested Powers" of Article 17? Are not, then, the Governments so notified (presumably Great Britain, France, Italy, and Belgium)* "the respective Governments" who must determine on the necessary action, and must they not all concur in joint measures? This view is strengthened by the statement in paragraph (3) of the same official *communiqué* that the Commission decided "to remind the Governments concerned that in its letter of March 21st, fixing the payments to be made by Germany in the current year, the Commission stated," &c. Everything points to other Governments in addition to the actual recipients of reparations in kind being "interested Powers" within Article 17, and "respective Governments" within Article 18. If this view is correct, the French contention that they are justified in taking measures determined by themselves and the Italian and Belgian Governments as "the respective Government" to be necessary under Article 18 must fail.

(c) Assume, however, that the view just suggested is wrong, and that these three are "the respective Governments" taking such other measures as they "may determine to be necessary in the circumstances." Must they not apply the *ejusdem generis* rule of construction, and confine these other measures to something of the same character as the "economic and financial prohibitions and reprisals" already mentioned in Article 18? (That is the view taken of this article by Mr Keynes in *Excursus II.* at the end of Chapter II. of "A Revision of the Treaty," published a year ago.) The professed object of the movement into the Ruhr is to impose a Mission of Control upon the mines and works of that district, and France disclaims any intention "at this moment of carrying out an operation of a military kind or an occupation of a political character." But the show of military force which is being made is certainly not *ejusdem generis* with the "economic and financial prohibitions and reprisals" of Article 18.

(d) Finally, it may be necessary to consider the consequences of a violation of the Treaty if such is being committed. The other parties to a Treaty are not compelled to regard themselves as continuing to be bound by it if a party commits a breach of it. "Violation by one of the parties," says Oppenheim (*International Law*, II§278), "does not *ipso facto* cancel the Treaty; but the other party may cancel it on this ground."

These views are put forward upon a complicated subject, not dogmatically, but merely because they seem to require consideration.

PRICE STABILITY AND THE TRADE CYCLE.

In an article last week headed "Price Stability and the Gold Standard," it was suggested that the idea of attempting to use the instrument of "Bank rate" or "rediscount rate" in order to prevent prices from moving far away from a definite general level may before very long come within the range of practical politics, in the United States if not in Europe. In the present article we propose to carry the question one stage further, and consider how far the successful application of this idea, which we previously discussed in regard to long periods of time, would also check short-period business fluctuations. Would it serve to eliminate, or appreciably to

diminish, those cyclical fluctuations of trade and employment, so baleful in their consequences, to which we have hitherto submitted helplessly, as to some inexorable phenomenon of nature? Upon this point the prevailing opinion of economists and business men alike is at present sceptical. In these variations the upward and downward movement of the cycle comprises together only a few years. On the other hand, it is argued, the sort of price stability which it lies within the competence of monetary policy to secure is a long-period stability, stability merely of the mean level about which the cyclical movements occur. The nature of this objection may be made clearer by an historical reference. From 1874-1896, wholesale prices fell by about 40 per cent. From 1896-1914, they rose by about 30 per cent. Both these broad movements were largely due to monetary causes, and could have been counteracted by an appropriate monetary policy. But 1874-1896 was not one unbroken period of severe depression, nor 1896-1914 of halcyon boom. There were years when prices were rising and trade was active in the first period, while the depressions which occurred in the second are still a matter of vivid recollection. If these depressions could occur when the general trend of prices were upwards, how, it is asked, could they be prevented by a policy which would merely eliminate the general trend in either direction? To take the post-war situation, the curtailment of credit in 1920 was one of the factors responsible for the present depression. But, after the depression had once got under way, has Bank rate or credit policy generally had any perceptible effect on its duration or intensity? For nearly a year the banks have been willing to grant credit upon easy terms, but this has not yet sufficed to cause a trade revival. Would the banks have pursued a different policy if it had been the intention of the authorities to stabilise prices at, say, the level ruling at the Armistice? And if not, how could it have made any difference to trade, if such an intention had been both formed and announced? Such are the questions which lead most people to dismiss the idea that any panacea for trade fluctuations is to be found in the adjustment of Bank rate.

But this line of thought leaves out of account one factor of cardinal importance. The movement of prices in a short period is powerfully influenced by *general expectation*. When prices are falling in the early stages of a depression, it is the expectation that they will continue to fall that is one of the principal reasons why the depression spreads and deepens. At a later stage it is insufficient confidence that bottom has been touched that delays a revival, and falsifies the hopes of the more optimistic prophets. Bank rate is one of the factors which affect the general expectation of price movements. For the sequences of a high Bank rate, lower prices; a low Bank rate, higher prices; have become fairly clearly established in the minds of the business community; and it is largely for this reason that, under ordinary conditions, comparatively moderate movements in Bank rate operate with the power they do. But the indications of Bank rate are too vague. No one can state exactly the point at which a rising Bank rate becomes a danger-signal or a falling Bank rate spells recovery. If, however, the movements of Bank rates were accompanied by a clear definition of a normal price-level, which it was the purpose of those movements to maintain; if it was made clear that, so long as actual prices were below that level, reductions of Bank rate would continue, but directly they rose above that level, a dear money policy would be pursued; there is good reason to believe that a new coherence would be given to the general expectation of the future of prices, and that, as the result of this, the actual movement would be powerfully affected in the direction of stability. In the economic, as in most other spheres, coming events (or those believed to be coming) cast their shadows before. If, in the matter of prices, it could be made clear beyond a doubt what was coming in the long run, the vagaries of short period movements might well almost disappear. Of course, such a policy could only work successfully under tolerably settled conditions, such as those which prevailed before the war. An attempt to stabilise prices in 1919 or 1920 would almost certainly have failed, just as the attempt failed to stabilise the rupee at 2s gold. But, given tolerably settled conditions, it is not clear that fluctuations in the general price level might not be con-

* The text of the *communiqué* referred to does not mention the Powers notified. But our correspondent's presumption is confirmed by the *communiqué* of January 16th dealing with the announcement by Germany that she had suspended reparation deliveries to France and Belgium, which concludes: "Notice of these defaults was immediately given to the British, French, Italian, and Belgian Governments." The British delegate took no part in the discussion, and abstained from voting.

finer within the same modest dimensions as those to which the rupee exchange was subject before the war.

Scepticism on this issue is, we have said, the prevailing attitude of both economists and business men. But there are distinguished exceptions; among them Mr. Hawtrey, to whose article in the *Economic Journal* we referred last week. It is Mr. Hawtrey's view that "the trade cycle is a purely monetary phenomenon"; for such alternative explanations as "variations in business confidence" amount really to no more than expectations of price changes. But, assuming the existence of other causes, Mr. Hawtrey's confidence in his solution is not thereby shaken. "Whatever other factors affect the purchasing power of the monetary unit, one, the volume of trade borrowing, is amenable to human control. By its means the agency which exercises control—that is to say, the central bank—can correct the effects of all the others." The same point has been put cogently in a recently published book, called "The Riddle of Unemployment,"* by Mr C. E. Pell. "The rate of discount, although the controlling factor, is only one factor in fixing prices, in much the same way that the rudder of a boat, although undoubtedly the steering instrument, is only one factor involved in the act of steering. Winds, waves, and currents have to be taken into account. To steer a given course diagonally across the Thames at Richmond it would be necessary to hold the rudder in a very different position if the tide was running out from that which would serve if it was coming in. Moreover, the rudder is not less the steering instrument because it can be shown that the boat sometimes fails to answer the helm properly, and that it may even be necessary at times to steer with the oars."

Mr Pell's book, the thesis of which is the possibility of eliminating cyclical unemployment by the scientific manipulation of Bank rate, deserves the open-minded consideration of everyone who is anxious to remedy that evil. It is marred by occasional minor fallacies and sciolisms, which stamp it as the work of a mind which has come fresh to the field of currency and banking policy without systematic training in the subject. But that very fact gives Mr Pell a refreshing vigour and directness; and on all essential principles his grasp is sure. His book contains perhaps the clearest exposure that has been written of the fallacies of the Douglas scheme, *et hoc genus omne*. But he is equally severe on the orthodox economists; and perhaps some of his shafts go home. When he writes that there is nothing in the phenomena of the trade cycle "beyond the mental range of an intelligent schoolboy," and mocks at the economist who will seek an explanation anywhere, even in sun-spots, rather than in what "is staring us in the face and shouting for recognition," it may be that he goes too far. But equally it may be that the economist, fearful of the charge of crudity, has been over-subtle. After all, a stable standard of value is logically an essential requirement of a society based on the division of labour operating through a money economy; and the failure to secure it hitherto is a defect deep-seated enough to account for the trade cycle, and possibly for other social ills.

THE POSITION IN THE TINPLATE TRADE.

(BY A CORRESPONDENT.)

THERE are very few long-established industries in this country which have experienced so many vicissitudes and emerged from them so successfully as that of the manufacture of tinplates. The chief seat of the manufacture of this article is South Wales and Monmouthshire. The industry has been one of the staples of that district for over 70 years, and is almost entirely the product of local enterprise. The main forms of consumption are those of the canning of fruit, meat, and oil, and as the canning processes are chiefly carried on in foreign countries the industry has been in perpetual conflict with the efforts of foreign countries to manufacture their own tinplates. The country where the greatest measure of success has been obtained in the development of native production is the United States. The first great stimulus to the manufacture of tin, terne, and black plates in America

* "The Riddle of Unemployment and its Solution." By Charles Edward Pell. London: Cecil Palmer. 7s 6d net.

was that provided by the MacKinley Tariff of 1891. Up to that year the United States was dependent exclusively on the United Kingdom for its supplies, and in 1891 the total quantity imported from the United Kingdom was 6,503,000 cwts of a value of £5,240,383. By 1912 the United States had not only become entirely independent of this country, but also its most formidable competitor. It had developed a production of 936,000 tons, and an export trade of 1,700,000 cwts. It captured the Canadian as well as its own market, and our own export trade fell from nearly 9 million cwts to 5 millions. Other foreign countries, including Germany, Russia, Spain, Italy, and the Far East followed the example of America by laying down their own plant and machinery, and protecting native production by tariff barriers. But in all these other countries the competition of the British tinplate has remained effective, and just before the outbreak of the war in 1914 the volume of the export trade of the United Kingdom had not only been restored to the pre-MacKinley figures, but had exceeded them. During the war the industry suffered terribly from the loss of foreign markets, and in 1919 the export of tinned plates and tinned sheets fell to 177,383 tons.

In the post-war period the experience of the industry has been very similar to that of the South Wales coal trade. Both were involved in the depression which set in during 1920, and both have since been strenuously engaged in a determination to re-establish business on a sound commercial basis. In the tinplate industry, as in the South Wales mining industry, the wages costs have been severely reduced, economies introduced, and prices adjusted to a level that was calculated to stimulate demand. Neither has been able to bring down costs to anything like the pre-war level. Even to day the wages cost in the tinplate trade is practically 60 per cent. higher than it was in 1913, that of steel bars over 60 per cent., of sulphuric acid 100 per cent., and dock and railway charges approximately 100 per cent. The basis price per box to-day is about 20s compared with 13s in 1913, or an increase of about 54 per cent.; but the price has been slightly lower than it is now, and during the most competitive period last year the production of tinplates was to a considerable extent unremunerative. The policy, however, pursued of cultivating markets by temporary financial sacrifices has been justified by the event, for the volume of the trade has expanded both in the foreign and in the inland market, and at present prices the industry is relatively more remunerative than it was under the low price conditions of 1913. In the eleven months ending last November the foreign export trade amounted to about 406,000 tons, compared with 196,000 tons in 1921 and 332,000 tons in 1920. The total trade for the year will probably amount to 445,000 tons, which will compare with an export trade in 1913 of 494,500 tons. It will thus be seen that the volume of trade last year was practically equivalent to 90 per cent. of the record volume of 1913.

The industry has long held a unique reputation for the perfection of its organisation, and for the success with which it has applied the principle of collective bargaining to the treatment of industrial disputes. The South Wales Tinplate Conference provided the model for the Whitley Councils, and it is a remarkable fact that over a period of more than 25 years there has been only one dispute involving a stoppage of work, and in that case the duration of the strike was only five days, at the end of which the matter in dispute was referred to arbitration. The current business of the industry is pooled. Each works is allowed a quota of the estimated production for a definite fixed period. That pooling system involved no regulation of prices. Prices were reached through the regulation of output. Any manufacturer who exceeded his quota was penalised by the imposition of a levy of a certain amount per box, and out of the fund thus created the manufacturer who produced less than his quota was compensated. In this scheme the whole of the South Wales tinplate industry was included, and it worked well on the whole. Latterly, however, there has been an important departure in policy. Nearly 75 per cent. of the tinplate works in South Wales are either owned or controlled by steel producers. The tinplate manufacturers and the steel producers had their own separate organisations. The Steelmakers' Association has for many years

regulated prices and wages by agreement with their employees' trade union organisations. The steelmakers owning tinplate works were naturally interested in the maintenance of the prices of steel bars at the highest possible levels, but the operation of the price-regulating scheme of the Steelmakers' Association was restricted to a certain radius, and anomalies were created by the competition within that area of steel works situated outside, and by the sale to tinplate manufacturers beyond the geographical radius to which their scheme applied, of bars at a lower price than that charged to manufacturers within the area. These anomalies have now been largely, if not entirely eliminated by an agreement between the tinplate manufacturers and the steel makers imposing conditions similar to those followed by the Shipping Conference Lines. Minimum prices have been fixed both for tinplates and for steel bars. The tinplate manufacturers have pledged themselves to take their supplies solely from the Steelmakers' Association, and the minimum prices are subject to a rebate at the expiration of each six months. The agreement is fixed for an experimental period of six months. It has been accepted by manufacturers representing between 95 per cent. and 97 per cent. of the total output; in fact, only one works has retained its independence and freedom; but in the opinion of Mr Frank Gilbertson, the chairman of the Steelmakers' Association, the agreement has worked so satisfactorily that its renewal is regarded as practically certain.

It is undoubtedly the case that the industry has undergone a substantial improvement since this agreement was entered into. The production of tin, terne, and black-plates, which in the first half of 1922 had a monthly average of 54,700 tons, has been increased to approximately 60,000 tons, and the demand for tinplates for export has been so good that the minimum prices both of tinplates and of steel bars have been increased. It is quite possible that the elimination of inter-competition and underselling has contributed to the improvement in the price of the tinplates, but one factor cannot be isolated from the many others which have been influencing the demand for tinplates during the past few months. Conditions abroad have stimulated the foreign demand for the article. In the United States, particularly, the coal strike, the transportation difficulties, and the enormous increase in the consumption of tinplates in that country have reacted very seriously, although one fears only temporarily, on its export capacity, and the result of that has been not only the recapture of a big share of the Canadian market, but an increased demand from other foreign countries. The improved financial position of the trade is probably due to a combination of commercial and administrative factors, and not entirely to the recent change in the organisation of the industry. One other point may be mentioned. The output capacity of the mills has been greatly increased in recent years. The crew of a mill has been increased by 50 per cent. by the addition of two skilled helpers for every four men employed. It is complained, however, that the improvement in output as the result of this change is not proportionate to the extra labour employed. A maximum estimate places it at an increase of 15 per cent. in production. It is calculated, however, that effective use is obtained out of the rolling mills during less than one full hour out of the eight hours during which a shift is at work. This wastage is now receiving the serious attention of some of the manufacturers, and we must look forward in the not distant future to an extension of the system of automatic manufacture.

AUSTRALASIAN LAND COMPANIES.

As is generally known, the prosperity of Australia is mainly dependent upon its agricultural and pastoral industry, and the progress of this industry in turn is reflected in the reports and accounts of a small group of important London undertakings engaged in developing land in Australia. Although some of these companies extend activities to New Zealand, their main operations are in Australia, and the analysed export figures of the latter country provide us with an index to the magnitude of the industry. Australian exports for the year ended June 30th last were £123,596,000, as against £126,431,000 for the

previous year. Of this total what might be termed agricultural and pastoral produce represented £107,202,000, as against the previous year's figure of £103,157,000. This, however, gives but a slight indication of improvement in agricultural industries. Analysed, the main items comprising exports were wool £47,935,000 as against £33,774,000 for 1920-21, wheat £28,644,000 compared with £34,473,000. Butter figures at £7,988,000, while skins and hides accounted for £3,142,000. Beef exports fell away from £3,820,000 to £1,868,000, a set-back to which reference is made below, while flour exports improved from £4,948,000 to £5,520,000.

Although a considerable improvement on the two previous years, weather conditions in Australia were not altogether satisfactory for agricultural and pastoral companies during the season 1921-22. Here and there, perhaps, districts could be found in which climatic conditions were favourable, but a shortage of rain was reported over extensive areas. New Zealand, on the other hand, had, on the whole, favourable weather, but the Dominion is still suffering from the effects of unremunerative prices for pastoral products, coupled with a serious fall in land values. The demand for wool during the year, contrary to the expectation of some people, has been exceptionally good, and proceeds from sales provided a substantial revenue for most companies, but prices of livestock were on a low level, and in some cases adversely affected results. However, results of operating companies, on the whole, have been very good, and though the proprietors may not have received any substantial increases in dividends, the additional revenue has enabled companies to place themselves in a position from which they are better able to face the future.

In the following table, earnings of 10 of the most important companies interested in land and produce, for the past three years are compared, together with rates per cent. of distribution on ordinary capital. Profits are struck after deducting loan interest:—

Company.	1921-22. Year Ending.	Profits.					
		1919-20.	Ord. Div. Rate.	1920-21.	Ord. Div. Rate.	1921-22.	Ord. Div. Rate.
Australian Agricultural	Dec. 31	£ 55,648	5	£ 41,614	5	£ 46,287	5
Aust. Estates & Mortgage	Dec. 31	£ 49,134	5	£ 48,889	5	£ 71,947	5
Aust. Merc. Land, & Fin.	June 30	£ 19,287	12½	£ 27,725	10	£ 169,855	10
Australian Pastoral	June 30	£ 92,006	8	£ 45,083	16	£ 61,425	10
Dalgity and Co.	June 30	£ 297,577	15	£ 140,606	10	£ 252,790	15
N.B.W. Land and Agency	Jan. 31	£ 7,072	5	£ 5,442	5	£ 3,156	5
N.Z. & Australian Land	Mr. 31/12	£ 176,060	10	£ 88,936	4	£ 69,962	5
N.Z. Loan and Mercantile	June 30	£ 156,746	10	£ 83,813	4	£ 71,143	12
Scottish-Aust. Invest.	June 30	£ 105,308	10	£ 90,700	10	£ 133,118	11½
South Aust. Land Mort.	June 30	£ 11,048	7½	£ 14,763	7½	£ 5,831	7½

* Free of income-tax.

If figures of profits, given above, are compared with our table of capital employed in these companies, it will appear strange, perhaps, that such substantial dividends can be declared, but these profits are usually shown after amounts required for Australian and British taxes are deducted. Dalgity and Co.'s accounts give some idea of the proportion of profits which goes in payment of taxes. This company shows a revenue of £933,870 for the year ended June 30, 1922; working expenses absorbed £362,475, and debenture interest £114,591, while Australian and English taxes swallowed £204,015, leaving £252,790 for net profits. The interim dividend for 1919-20 of the New Zealand Loan and Mercantile was 2½ per cent., less tax, and the final distribution for that year was 2 per cent., together with a bonus free of tax.

In our next table we show the total assets of these companies for the past year, with land interests and cash and investment items shown separately, compared with the figures of the previous year:—

Company.	Assets.					
	1920-21. Land, &c.	1921-22. Land, &c.	1920-21. Cash and Invest- ments.	1921-22. Cash and Invest- ments.	1920-21. Total Assets.	1921-22. Total Assets.
Australian Agricultural	£ 275,784	£ 271,118	£ 370,534	£ 370,884	£ 646,318	£ 642,002
Aust. Est. and Mort.	£ 1,981,126	£ 1,853,039	£ 557,234	£ 633,800	£ 2,538,360	£ 2,486,839
Aust. Merc. Land, & F.	£ 2,339,567	£ 2,481,721	£ 675,359	£ 787,509	£ 3,014,926	£ 3,269,230
Australian Pastoral	£ 1,941,520	£ 1,939,668	£ 387,070	£ 292,366	£ 2,328,590	£ 2,232,034
Dalgity and Co.	£ 4,429,592	£ 3,826,569	£ 1,927,996	£ 3,263,657	£ 6,357,588	£ 7,090,221
N.B.W. Land & Agency	£ 352,907	£ 310,598	£ 101,538	£ 123,564	£ 454,445	£ 434,162
N.Z. & Australian Land	£ 2,631,806	£ 2,693,125	£ 722,338	£ 587,017	£ 3,354,144	£ 3,280,142
N.Z. Loan and Merc.	£ 2,764,189	£ 2,439,511	£ 667,277	£ 1,524,613	£ 3,431,466	£ 3,964,124
Scottish-Aust. Invest.	£ 1,273,295	£ 1,142,110	£ 446,725	£ 466,725	£ 1,719,020	£ 1,608,835
South Aust. Land Mort.	£ 162,237	£ 157,658	£ 101,414	£ 76,988	£ 263,651	£ 234,646

In the assets of the Australian Agricultural Company, shares in Hebburn, Limited, are valued at £265,000, and are placed in the above table under cash and investments. But as has been explained by the Governor on several occasions at the annual meetings, the true value of assets shown in the balance-sheet is not revealed. In the item "Estates and properties account, £271,118," are included estates, the unimproved values of which fixed by the Government for taxation purposes amount to £797,707, and the improved values are stated to be substantially greater. The Australian Agricultural Company had all their original estates given to them for services rendered, and consequently the actual capital in the company does not represent the capital value of the estates. It may further be mentioned that the Australian Agricultural Company, unlike most of the other companies mentioned, is not a finance company. The Australian Mercantile has one rather large composite item, which is placed under "land, &c." This is "loans on land, stations, stock and other securities, fixed deposits with bankers, and properties owned by the company." It is somewhat curious, and it would be interesting to know why "fixed deposits with bankers" are not included at least under investments, although some might be inclined to place it under cash at bankers. Amongst balance-sheets, Dalgity's has many interesting features which are not revealed by our analysis. Firstly, although shown under land, the item of £3,826,569 consists of advances, the property owned by the company being of minor importance. Secondly, the item cash and investments does not adequately convey the liquid state of the assets, for £970,000 of this £3,263,657 represents investments which are earmarked for the reserve fund of £970,000, while the balance is cash at bankers, in hand, and at short notice. This latter item alone amounts to £1,632,648, and compares with £820,437 for the previous year. The balance-sheet of the New Zealand Loan and Australian Land Company still shows bank overdrafts and temporary loans, less cash at bank and in hand, at £38,703. This is a substantial reduction on the figures given a year ago, when overdrafts, &c., were £263,091. The New Zealand Loan and Mercantile Agency, as denoted by its title, is mainly a financial undertaking, and the item shown under "lands, &c.," consists of advances against wool and produce.

In the table given below the issued loan and share capital and reserves of these undertakings are given:—

SHARE AND LOAN CAPITAL AND RESERVES.

	1920-21. Loan Capital.	1921-22. Loan Capital.	1920-21. Pref. and Ordinary Capital.	1921-22. Pref. and Ordinary Capital.	1920-21. Re- servs.	1921-22. Re- servs.
	£	£	£	£	£	£
Australian Agricultural	1,928,949	1,911,390	800,000	800,000	157,248	159,535
Aust. Est. and Mort.	1,898,640	1,898,640	942,954	943,175	154,216	178,909
Aust. Merc. Land, & F.	110,000	110,000	900,000	900,000	534,556	629,411
Australian Pastoral	2,584,345	2,600,352	1,500,000	1,500,000	1,225,111	1,372,901
Dalgity and Co.	150,000	150,000	261,450	261,450	76,177	54,592
N.B.W. Land & Agency	677,400	677,400	3,000,000	3,000,000	520,636	512,564
N.Z. & Australian Land	1,700,000	1,700,000	2,000,000	2,000,000	662,306	563,448
N.Z. Loan and Merc.	306,300	302,400	1,100,000	1,100,000	466,339	516,557
Scottish-Aust. Invest.	30,450	29,150	139,415	139,415	75,706	43,591
South Aust. Land Mort.						

Share capital has not been increased, and it may be observed that debenture capital is being reduced in many cases. Dalgity, the one concern to increase its debenture issue, is a case of no special significance, as the increase is on account of its terminable debentures. As these are merely long-term deposits, it is only reasonable to expect an increase in this direction when conditions in Australia show signs of prosperity. Reserves shown in our table include sums at the credit of profit and loss accounts. In the accounts debentures of the New Zealand Loan and Mercantile show as £2,000,000, but this includes £300,000 held by the company; incidentally reserves of this undertaking have been depleted on account of a transfer of £100,000 to profit and loss account.

As will be seen from our final table, quotations for stocks and shares reflect the happier prevailing conditions. Based on prices current on January 18, 1923, some generous yields are still obtainable, and it must be remembered that these yields are in most cases free of tax:—

Name of Company.	Amount.	Paid Up.	Price July 30, 1914.	Price Mid of 1921.	Price Jan 18, 1923.	Yield.
Australian Agricultural	Stock	5	84	44	54	6 0 0
Aust. Estates & Mortgage, cons. ord.	Stock	100	84	52½	55½	9 0 0
Australian Merc. Land, & Finance	Stock	25	75	5	7	7 2 0
Australian Pastoral, ord.	Stock	100	112½	78	90½	6 12 0
Dalgity and Co.	Stock	20	5	7	10½	7 2 0
New South Wales Land and Agency	Stock	5	5	42	24	6 6 0
N. Zealand and Australian Land	Stock	100	111	136	146	8 8 0
N. Zealand Loan and Merc. Agency	Stock	100	96	82	74½	8 14 0
Scottish Australian Investment, L.	Stock	100	110½	102½	112½	8 18 0

* Price of Old Stock.

† Free of income-tax.

The price of 88½ in July, 1914, shown for the stock of the Australian Estates and Mortgage Company was before the increase of capital in 1919, so that the quotations for the stock in 1921 and 1922 are not comparable with that for 1914. Some competent Australian authorities are inclined to think that wool values will be maintained round about their present level. There are also possibilities of wider markets for meat and other produce. With weather prospects not unfavourable, the outlook for these companies is promising.

GOLD MINING ON THE WITWATERSRAND.—I.

(BY A CORRESPONDENT.)

JOHANNESBURG, December 19.

A PROMINENT feature in connection with the gold mining industry on the Rand in the past was the suspicion that the controlling interests devoted too much attention to the manipulation of the market value of shares. This suspicion was widely held, and, as a consequence, the industry still has a bad name with a large section of the European public. I am certain that the administration to-day of the five mines, details of which I will give in subsequent articles, is absolutely true, and that this remark applies to many other mines on the Rand as well. The shares of the five mines to be examined in succeeding articles, viz., New Modderfontein, Modderfontein Deep Levels, Government Gold Mining Areas, Van Ryn Deep and Crown Mines, in my judgment, well merit, amongst others, the attention of investors, provided they can be got at a suitable price.

The atmosphere of Johannesburg to-day is not one of share gambling. The mines are in charge of earnest and competent men, Britishers, and not foreigners, who keep their minds fixed on the problem of how to recover the gold at the lowest cost and in the quickest possible time. In other words, they act in the real interests of shareholders, and do not concern themselves with market manipulation. It is said—and I believe it to be the case—that financiers at home do not attempt to interfere with these men in their administration of the mines. At any rate, it is a fact that the cash positions of many of these companies, including those above mentioned, is very strong, and that they have reserves of payable ore blocked out for many years ahead, besides being laid out and equipped with a view to the most economical working.

The shares enjoy a free market, and experience wide fluctuations in market value. They may go higher than they are now, and probably will eventually. But I think they are more likely to fall in the next few months, owing to the rapid fall in the premium on gold, or, in other words, owing to the sudden drop in the selling price of their product combined with the fact that some time must elapse before the fall in the price of commodities, which is the necessary accompaniment of the fall in the premium of gold, will enable the mines to reduce their working expenses sufficiently to compensate for the loss of the premium on the selling price of the gold which they turn out. The fluctuations in the market value of the shares may be accounted for by causes over which the financiers in London have no control, such, for instance, as changes in the premium on gold, the price of commodities, with its reflex action on wages, the price of mining stores and materials, taxation, labour strikes, the ebb and flow in the available supply of native labour, railway rates, and the state of the world's money markets.

I was greatly struck with the personality of the leading administrators of the mining industry, whom it was my privilege to meet in Johannesburg. The obvious sincerity of these men, their keenness and ability, could

hardly fail to make a deep impression. The different administrative representatives of the several controlling groups work together in complete harmony, the only rivalry between them being apparently that of which group can work its mines on the soundest economic lines. A pleasant feature, too, is the complete absence of secrecy or of attempt to make things appear different to what they really are. Assay plans are produced for inspection without demur. And the reports issued to shareholders are models of close information and clarity. I saw no signs of redundant officials, whose salaries and expenses would constitute an unnecessary prior charge on shareholders' dividends. Though money is spent very freely on essentials, it is not wasted on non-essentials. And it is clear that expenses of administration on the Rand are kept down, since they are quoted officially as only 6d per ton milled, a very low figure. As regards the operation of these great gold mines on the Rand, the high figure of the percentage of extraction of the gold contents from their ore, and their low working costs, speak for themselves. This satisfactory state of affairs may reasonably be put to the credit of the much-abused group system of control, whereby individual mines in each group get the benefit of the highest class technical and financial advice of the carefully selected experts who are in the employ of the respective groups.

The cheerfulness and contented look of the coloured workers is also noticeable. These Kaffir "boys" are reported to be very competent. They are, in fact, the backbone of the entire industry, and one of the principal troubles on the Rand is that there is so often a shortage of them.

As in South Africa mining is almost the only industry which really pays, it is but human that it should have to bear more than its fair share of taxation, and that it should be most unpopular with the bulk of the population. Particularly is this the case with the gold mining industry. It makes no difference that this industry has always emerged successfully from the cross-examination of all kinds of commissions convened to inquire into its policy and methods. Its unpopularity does not decrease. This unpopularity is especially to be noticed in the Union Parliament, where the gold mines appear to be almost entirely devoid of friends, in spite of the fact that they contribute more in taxes than any other industry in South Africa. It seems to me that the fact that the gold mine owners have for such a long time had so little direct representation in the Union Parliament has something to do with this unfortunate state of affairs. Interests of such magnitude as those of the gold mine owners on the Rand call for adequate Parliamentary representation, and such representation by a competent man, enjoying the respect of all political parties in the Union House of Assembly, would do much to remove the prejudice against the industry, and would act as a clog against further unjust taxation, besides being an assistance and not a hindrance to the Government of the day.

Though the great strike of the white employees on the Rand at the beginning of this year finished with complete vindication of the policy of the mine-owners, the political future is none too bright and there is always a risk of further trouble. For the present, however, the extreme section of the Labour party at the mines has lost all control, with the result that efficiency in the handling of them has improved wonderfully. This is shown clearly by the fall in working costs. These are down 3s per ton since the strike, having been 19s 10d last October, or within 2s of pre-war level. And they are still falling. If the cost of mining stores and materials per ton milled falls 2s, as it probably will in time, in sympathy with the fall in the premium on gold, which will in turn be followed by increased purchasing power of the precious metal, mining costs will be down to pre-war level, even though wages remain higher. The fall of 5s in costs since the strike is due to the fact that the miners now do more work for their pay, and to the increased efficiency of the underground equipment of the mines, which, I am told, is particularly noticeable in the use of smaller rock drills and in the improved handling and lesser consumption of rock-drill steel.

Here I should say that, so far as the mines are concerned, there is no longer any premium on gold. This is

because of the high commission, viz., 3 per cent., charged by the banks for the mining companies' remittances back to South Africa after selling their gold in London. After debiting this commission to their monthly expenses, the mines get practically no premium on the sale of their output in London with gold at 88s per fine ounce, or thereabouts, as it is now. As this is only 3s above the par value of fine gold, the time is clearly at hand when the mines will cease to sell their output in London, but will sell in South Africa, and so save transportation charges and bankers' commissions on back remittances.

Notes of the Week.

The Re-Funding Commission.—The peaceful progress of the negotiations between Mr Baldwin and the American Financial Commission in Washington would seem to have been devised by capricious fortune in order to throw into relief the primitive and disastrous methods that are being adopted at the moment in Europe to secure payment from Germany. The fact that Mr Baldwin is returning without having clinched his bargain is only disappointing to those who have failed to appreciate the complexity and vast importance of the problem, and it does not seem to us at all unreasonable that he should hesitate to conclude a deal which will affect this country's finances for 60 years on behalf of a Government which has only been in office a couple of months without consulting his colleagues. The Americans seem to have admitted the force of the argument that in comparing the rate of interest payable by Great Britain to America with that payable by the American Government to its own citizens who put up the money, account should be taken of the fact that the American Government can, in fact, recover a substantial fraction of the interest it pays to its Nationals in the form of taxation, and this would alone account to a considerable extent for the low figures that are being discussed in Washington. This admission is, however, considerably offset in actual money when account is taken of the accrued interest which raises the original debt of 800 million (reckoning the dollar at par) to nearly 1,000 million. The fact remains, however, that if the debt had been incurred at 5 per cent. at the time the money was expended, we should have been far worse off than under any of the schemes now under discussion, which are equally an improvement upon the terms at present laid down by Congress. The proposals on the American side have not been formally discussed, but whatever they may prove to be, it is quite certain that they amount to an appreciable remission, partly on grounds of equity, but also on grounds of expediency, in the total which America is entitled to ask from Great Britain. The expectation that that very important and delicate matter would be settled to everybody's satisfaction in a few days was never reasonable; and equally unreasonable, it seems to us, is the gloom expressed in some quarters over the temporary adjournment of the discussions.

Lausanne and British Interests in Turkey.—The Lausanne Conference must be drawing to a close, and the consummation of two months' diplomatic labour may be regarded as satisfactory, whatever its nature, so long as it averts a renewal of war in the Near and Middle East. What, indeed, is there left to fight about there? Everywhere, except in the Mosul Vilayet, the Turks have secured their territorial demands, and the Mosul problem is apparently to be taken out of the sphere of the Conference (thus opportunely lightening its burden) and disposed of or not, as the case may be, by direct negotiation between Turkey and Great Britain alone. In return for a cheap concession over the Patriarchate, the Turks have got their way over Minorities, and have every prospect of getting it over Finance and Capitulations. Unless the Great National Assembly is extravagantly more unreasonable than its chosen representatives, agreement, at least in form, is in sight. The programme of the National Pact is substantially realised. Of these various chapters in the forthcoming treaty, the Capitulations are naturally most in the mind of the British community in Turkey—

not, perhaps, of the colony at Smyrna, who have suffered almost as much as they can already, but of the Constantinople community, who may still have some hope of carrying on. An English resident in Constantinople who was in London the other day reports that some time after the Mudania armistice he and some of his friends passed in review the fifty most prominent Western firms in Constantinople that first came into their heads. Of these they found that forty-four were already realising their assets and winding-up their business in Turkey, without waiting to see the outcome of Lausanne. Probably they did not so much expect the Conference to break down as to end in an agreement which would only exist on paper. Another Englishman in business in Constantinople writes that he, for his part, intends to carry on if he possibly can, scrupulously observing whatever laws and regulations the new Turkish régime may impose, never giving a handle against himself, and trusting to his knowledge of the country and people to pull him through. He is acutely aware that he is going to have a difficult time for some, perhaps many, years, and that in the end he may be defeated, but still he considers the hazard worth taking. Probably he will reap the reward he deserves, for the total abolition of the Capitulations will disarm the Turks' hostility far more than the substitution for them of some shadowy statute, ineffective for protecting the foreign resident, while efficacious in wounding the Turk's national pride. Indignation cannot be maintained indefinitely after the removal of the cause, especially indignation on behalf of an abstract idea like sovereignty, while in every act of his daily practical life the Turk will increasingly feel the inconvenience of foregoing the services of the Frankish business-man who used to provide him with the amenities of Western civilisation. Sovereignty is precious, but sewing machines, banking facilities, and fancy waistcoats are hardly to be despised when once one's national sovereignty is assured. All the same, the lot of these British merchants is a cruel one. First they were ruined by the war, between the hammer and anvil of Turkish requisitions and British blockade. And now they have been ruined by the Treaty of Sèvres (against which they loudly protested from beginning to end) and its catastrophic outcome. Their claims for damages during 1914-8 remain unpaid, and now the damages of 1922-3 follow hard upon them. Nominally compensation is payable by Turkey, and the reparations-liability of Turkey, like that of Germany's other ex-Allies, is piled, by the Treaty of Versailles, upon Germany's shoulders. But whatever French activities in the Ruhr may or may not bring to pass, they certainly will not eventuate in payments to British merchants in Constantinople and Smyrna; nor is the actual debtor any more likely to pay than his enforced guarantor. The merchants ask our Government to make them an advance in order to set them on their feet again; the Government reply that they have the slenderest prospects of recovery from Turkey, and no supplies voted by Parliament on which to draw. There is a report (which may or may not be well founded) that the French Government have already compensated the French community in Turkey, thereby smothering the extremely vocal protests of that community in regard to the Capitulations that were audible a few weeks ago.

Employment and the Cost of Living.—The *Labour Gazette* for January shows, as we anticipated, a fall in the volume of unemployment, whether measured by the trade union returns or by the returns of unemployment in insured trades. In the trade union series of figures the percentage is back to the October figure of 14 per cent., while the insurance figure has also dropped 0.2 per cent. to 12.2 per cent. on December 18th. Employment improved slightly in mining, iron and steel, and in engineering, shipbuilding and other metal trades, but in the whole of this metallurgical group it is still too soon to describe the situation as anything but bad. In the building trade the bad weather caused a not unexpected decline, and the cotton trade also was, if anything, a little worse than in the middle of November. The general run of reports in other trades is "employment fair," "slightly better in some districts," "slight seasonal decline," and so forth; and in general it cannot be said that there has been any appreciable change during the last two or three months.

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In these circumstances, it is welcome news that there has been a decline in the cost of living, mainly due to a fall in eggs and butter. The present cost of living is therefore now given by the Board of Trade at 78 per cent., as compared with 80 per cent. a month ago. We shall deal with the Board of Trade's general survey of employment, wages, and prices during 1922 more fully next week.

The Progress of Austrian Reconstruction.—Amid the débâcle of European currencies the Austrian crown has up to the present retained the stability which has been so prominent a feature of the situation since November 18th, when inflation of the Austrian currency definitely came to an end. The task which was undertaken by the League of Nations is naturally giving rise to very many difficulties, which are discussed by our Vienna correspondent at length in a later column. Many of them are sufficiently serious to make it far from certain that the scheme could in any circumstances be carried out without shipwreck. At the same time, the efforts that have been made by the Austrian Government and the response of the people of the country have had such results as to encourage the view of those who have believed that if the country is really prepared to make a serious effort, it can save itself from financial disaster even though the outlook be extremely unpromising. The Budget problem has been tackled with energy, the Government having already dispensed with 27,000 officials—which exceeds by 2,000 the number demanded by the League—and this and other considerations, such as the raising of the railway rates, have already made a great improvement upon the deficit, which last September was at the rate of 460 million gold crowns a year. Austria has already found from her own internal reserves the 25 million gold crowns required as capital for the new bank of issue, while 47 million gold crowns, 30 supplied by the banks and 17 by the public, have also been subscribed against the new Treasury bills. As our correspondent points out, this response will not cover the deficit for very long, and it is essential that before the end of February some provisional advances should be made by foreign countries, since it is evident that the long awaited international loan cannot be negotiated in time to meet the situation by that date. The financial world, has, however, been favourably impressed by the efforts that Austria has made, and not least by the fact that in the last quarter the yield of the Customs and of the tobacco monopoly produced revenue at the rate of 135 million gold crowns a year, which is far in excess of the amount required for the service of the international loan. The return of the new Austrian bank relating to January 7th is printed for the first time in our analysis of Bank Returns. It will be seen that the holding of gold and of stable currencies amounts to 29.4 per cent. of the notes issued, and if this reserve is compared with the total liabilities, excluding the fiduciary issue (amounting to 200 million gold crowns issued against Treasury bills), the proportion is 43.8 per cent. It may even be questioned whether the note circulation is sufficient for the requirements of the country, for the total note issue only amounts to 48½ gold crowns per head of population. These considerations account for the fall in prices and for the stability of the exchange. It is, however, a point for serious consideration whether it will be possible for the situation to be maintained during the headlong collapse of the mark, whose vagaries are for the moment giving a very heavy export premium to all rapidly produced German goods. The mark's collapse also affects

the situation in other ways. For example, we are informed that through traffic from Poland to Western Europe is being routed through Germany in order to benefit by the low freight rates which are lagging behind the exchange, with the result that the Austrian railways are losing the traffic. Still less is it possible to foresee the intangible effects of despair as to the future of Germany upon the returning confidence of Austria. If the present German crisis is prolonged for many months it will put a strain upon the Austrian situation the resisting of which would be little short of miraculous.

The Rising in Memel.—The territory of Memel is a narrow strip of land, some hundred miles in length and on the average ten miles wide, running northward along the coast from the mouth of the Niemen at the extreme north-eastern corner of Germany. The land is agricultural and forest, and the only town of importance is the Port of Memel itself at its northern extremity. So long as it formed part of the German Empire the development of Memel was retarded by the fact that it was cut off from its natural hinterland of Russia by the tariff policies of the two countries concerned, and when the territory was detached from Germany by the Treaty of Versailles and placed under the administration of the Allied Powers, the intention of the Allies themselves is seen from the reply to the protests of Germany against its cession. "The Allied and Associated Powers," runs this official document of June 16, 1919, "reject the suggestion that the cession of the district of Memel conflicts with the principle of nationality. The district in question has always been Lithuanian. The majority of the population is Lithuanian in origin and speech, and the fact that the City of Memel itself is in large part German is no justification for maintaining the district under German sovereignty, particularly in view of the fact that the Port of Memel is the only sea outlet for Lithuania." At the time when Danzig was placed under the administration of British forces Memel was entrusted to French occupation, but whereas the British control of Danzig ended long ago with the establishment of the Free State, a French garrison and a French administrator have remained to this day in Memel. The technical excuse for the continuance of this provisional régime was that Lithuania was still not recognised *de jure* by the chief Allied Powers. The main reason, however, was an agitation, steadily growing in force during the past three years, from two main quarters. On the one side the German element, in the majority in the territory as a whole, have used every means to fight against incorporation in Lithuania and to oppress the Lithuanian element in the Memel territory itself. In this, strangely enough at first sight, they have been vigorously assisted by the French administration, which has openly favoured the German at the expense of the native Lithuanian element in the territory; and has maintained, practically without change, the old German administrative personnel. The explanation of this is the French desire to support the aims of Poland, which, not content with having repeatedly broken its agreements both with Lithuania and the Allies themselves with reference to the Wilna territory, and having obtained possession by trickery of Wilna itself, the old capital of Lithuania, has been using every means to prevent Memel from passing to Lithuania. The reason given is that Memel provides an alternative outlet for Poland to the Baltic, and that Poland could not rely on free access should the port come under Lithuanian control. The failure on the part of the Council of Ambassadors to decide the fate of Memel, particularly in view of the fact that Lithuania, after having long been recognised *de facto*, is now recognised *de jure*, can only be ascribed either to regrettable remissness or to the play of those forces referred to above. The erection of the Memel territory into a Free State has little to recommend it. Its territory is even smaller than that of Danzig, and it can make no pretence to being self-supporting. Again, whereas the population of the Free State of Danzig is almost entirely German, that of Memel is almost entirely Lithuanian, and is surrounded on all its land sides, except where it touches the Niemen, by Lithuania. The movement which has

recently occurred by which the Lithuanian inhabitants of the Memel territory have taken matters in their own hands is regrettable, but should cause no surprise in view of the events of the last few years. Relying on the promises of the Allies and of the League of Nations, the Lithuanian Government displayed an almost unjustifiable patience over the question of Wilna, and on each occasion their interests were sacrificed to those of Poland, who preferred presenting the world with a *fait accompli* to keeping their word. It is hardly surprising that after these experiences a decision on the question of Memel should at last have been precipitated by somewhat similar methods, and it is to be hoped that the justice of the Lithuanian claim will not be prejudiced by this act of violence of the natives of the Memel territory itself.

Mexico and Washington.—A correspondent writes:—Mexico has refused the Chilean invitation to the coming Pan-American Conference on the ground of the continued withholding by the United States of recognition from President Obregon's Government. The refusal, of course, precludes the long-expected loan from American financiers, which was to extricate Mexico from her difficulties, and leaves her to work out her own salvation independently of American diplomatic and official aid. Her reply to the invitation lays stress on her satisfactory relations with all the American peoples, including that of the United States, and on the evidence of her desire to meet her obligations given by the scheme of settlement with her foreign creditors which comes into operation in the spring. Meantime, the deadlock as to British and American recognition continues, but it is not now due to doubt as to the stability of her existing Government so much as to the apprehensions of the American oil companies—and also of the British Foreign Office—as to the rights of foreign landowners in the country under the Carranzist Constitution now in force. The Mexican contention is that they are safeguarded by the Constitution and confirmed by decisions of the Supreme Court. The American, and apparently the British, contention is that these decisions are not sufficiently clear or comprehensive, and there the controversy stands. Meanwhile, in spite of local riots and disorders in Congress, there are no reports of further revolutionary disturbance, and the Government has not hesitated to offend the powerful Catholic party by enforcing the provisions of the Constitution against the Apostolic Delegate. Apparently it expects that the resources of the country will be developed by immigration and the efforts of individual foreign business men and capitalists, and that the development will ultimately bring about British and American recognition.

The Rubber Revival and Reaction.—A Stock Exchange correspondent writes:—Precisely identical conditions prevail in the current excitement over rubber shares as those which have characterised every previous boomlet connected with this market. There has been the same indiscriminate rush to buy shares that were in scanty supply. There were the same orders to buy shares "at best," regardless of values or of the previous prices. The same readiness has been shown to take any wild tip that happened to be circulated from any irresponsible quarter. In the Stock Exchange a similar position prevailed. For several days a seething crowd of men struggled to buy shares at any prices. To get through the market has been a matter requiring patience and physical strength. In the middle of the week the excitement cooled down; the buying orders fell away, owing principally to the development of political trouble on the Ruhr; partly, also, to the obvious fact that it was impossible for the madness of the boomlet to continue indefinitely. Readers of the *Economist* have been kept in close and intimate touch with every step taken in connection with the rubber industry during the past few eventful months. The refusal of the Dutch Government to take action that should compulsorily bring into line of production restriction the Dutch-producing companies in the Netherlands West Indies; the publication of the important Stevenson Committee Report, together with its equally important supplement, have been discussed here at length. Warning

has been raised in regard to the need for caution, while it was pointed out that the complexion of the market might change, in a moment, from being stagnant or depressed into one in which hopefulness pointed the way to higher prices as a result of the proposal to restrict rubber production on the lines suggested by the Stevenson Committee. What has caused the latest bout of excitement is the fact that rubber, the produce, rose sharply to 1s 4d per lb, as against 7½d, the price ruling five months ago. This advance was accompanied by an impression which became widely general that America might be faced, in the quite near future, with a shortage of rubber. The American manufacturers have themselves to thank for this expectation, for some of them are talking of planting rubber estates in the Philippines, in order to guarantee to themselves an ample supply of the product at reasonable prices. Such a suggestion is interesting, if not particularly likely to be carried out, having regard to the fact that several years would be required before estates in the Philippines could be brought to a bearing stage, apart altogether from the possible unsuitability of the islands for this purpose. The stocks of rubber in London are but gradually diminishing, and although the American manufacturers are not taking rubber at the rate which the boomlet in rubber shares might appear to justify, it is evident that the demand, coming at a time when restriction is applied to production, may have the effect of forcing up the price of the commodity to eightpence or more per lb. As the price rises, more rubber is permitted to be exported under the Stevenson Committee recommendations, but the remarkable object lesson in the use of restriction, as shown by the rise in the price of the product, is sufficiently striking to render it unlikely that the bulk of the producing companies will break away from their policy of restriction. Therefore, it must be admitted that the supporter of rubber and the investor in the shares have a certain amount of reason for the faith which is in them, and which encourages them to refrain from selling. Meanwhile, the speculative buyer, anxious to be in the popular market of the moment, purchases at high prices the shares in companies of which he knows the names only. Upon any hint of the buying pressure being relaxed, the natural tendency is for reaction to take place in most of the leading shares. This has already come about, and, with the Stock Exchange settlement so near at hand, it will be interesting to see whether further realisations will have to be made on behalf of the speculator pure and simple, who cannot afford to take up what he has bought. Market considerations apart, there is reasonable justification for the statement that the best-class rubber shares should be worth holding, though a good many of the companies are still far removed from the stage at which dividends can be expected on the shares, a consideration which makes it more than ever essential for discrimination to be applied to selection in this particular market. The cry for removal of the Stevenson restrictions already arises. But the stocks of the produce are as high to-day as they stood a year ago, and any weakening of the attitude on the part of producers would entail grave risk of raw rubber once more swamping the market, and of the price reverting to the neighbourhood of a shilling per lb.

Certificates of Insurance.—"To arrange for an insurance upon the terms current in the trade which will be available for the benefit of the buyer" is one of the steps to be taken by the seller under a c.i.f. contract, writes a correspondent. The question whether a certificate of insurance or a broker's cover note is a sufficient document which a buyer is bound to accept under a c.i.f. contract has been a good deal discussed in commercial circles of late. The use of one or other of these alternative documents instead of a policy of insurance is a common practice, and had not been questioned until a King's Bench judgment in 1919 laid down that tender by the seller under a c.i.f. contract of a broker's cover note or a certificate of insurance is not performance of the seller's obligation under the contract. The judge (Mr Justice Bailhache) recognised that his judgment gave effect to an objection which commercial men might well consider a merely technical one, but he said that he nevertheless felt

bound to give effect to the objection because he thought it was sound in law. A buyer, the judge pointed out, has, under the alternative documents, apparently no right of action against anybody. It was made clear that American certificates of insurance were not referred to. They "stand on a different footing, and are equivalent to policies, being accepted in this country as policies." In 1921, however, Mr Justice McCardie held that a certificate of insurance issued by an American insurance corporation was not good tender in England under an ordinary c.i.f. contract, and that the insurance document must be an actual policy. More recently still, namely, in July last, Mr Justice Sankey in a case where the stipulation was for an "approved insurance policy" held that an American certificate was a policy to which no reasonable mercantile objection could be made on the point of its being a certificate, as distinguished from a policy. This, it should be pointed out, is in line with a note in "Scrutton on Charter parties," to the effect that "a certificate of insurance issued by an insurance company under a floating policy, upon which document the company could be sued, would suffice in any case." Of course, no question will arise if the contract provides, as is sometimes the case, for an insurance policy or certificate of insurance or broker's cover note. This practice of providing in the contract for an alternative, however, is not universal, and buyers would not be content unless satisfied that the document of insurance would give them proper cover. This a certificate of insurance may do, but a broker's cover note apparently does not. The common practice of accepting an alternative has been brought into doubt, and, pending some further judicial decision, the doubt may not be cleared away. The Council of the London Chamber of Commerce last week adopted a recommendation from the Merchants' Committee to the effect that all merchants making contracts which stipulate that the documents must include a "policy of insurance," are recommended to alter the wording of all such contracts to "policy and/or certificate of insurance."

Debenture Corporation.—The report of the Debenture Corporation for the year 1922 shows that an alteration in the form of the accounts has been made, the revenue account having been divided into two sections—A and B—on the lines recently adopted by some of the investment trust companies. The A account is for revenue on which there is a claim for corporation profits tax, and the B account for revenue not liable to the tax. The directors state the alteration has been rendered necessary by the pending claim of the revenue authorities that the Corporation is liable to the tax on a portion of its income. "This claim is not admitted, but the necessary reserves have been made." Revenue for the year, inclusive of arrears of £9,538, amounted to £160,617, as against £193,721 for 1921. There is a claim for corporation profits tax against £42,568 of revenue. The following table compares results for a number of years past:—

	1913.	1917.	1918.	1919.	1920.	1921.	1922.
Net profit....	£ 104,390	£ 101,634	£ 111,946	£ 116,501	£ 127,037	£ 137,101	£ 116,387
Pref. dividend	47,083	37,500	35,625	35,000	35,000	35,000	36,875
Ord. dividend	47,078	33,747	35,496	41,999	42,000	49,000	55,312
	(5%)	(4%)	(5%)	(6%)	(6%)	(7%)	(7%)
Income-tax...	6,697	21,823	31,112	28,439	32,370	38,898	8,969
Foundrs' shrs	3,531	2,160	2,052	..	..	..	..
Reserve	..	..	..	..	..	15,000	15,000
Depreciation ..	..	6,404	7,660	11,064	10,955	..	..

The decline in net revenue is less than £21,000, the amount paid for debenture and other interest having dropped from £51,358 to £37,928. The additional half per cent. paid on the ordinary shares requires £6,312 more, but the provision for income and corporation profits tax is lower by £30,000, and after placing £15,000 to reserve the balance carried forward is £230 higher at £6,246. A profit of £6,217 on realisations of investments has been added to capital reserve, which now amounts to £131,000. The balance-sheet shows an increase of £80,400 in mortgage debentures in various companies, while Foreign Government securities have been increased by £69,300, but share investments have

been reduced by £40,100, advances on mortgage by £16,000, and ordinary advances by £46,200. Cash is £42,800 higher at £88,400. The directors mention that, "although there is still considerable depreciation in the market value of the quoted investments held by the Corporation, in the opinion of the directors their security is not affected." The auditors qualify their report with a remark to the effect that no provision, beyond the reserve and capital reserve (together, £346,000), is made for investment depreciation.

An American Textile Amalgamation.—A correspondent writes:—The first consolidations in American industry were based on a desire to limit destructive competition, reduce overhead and distribution costs, and, in addition to these incentives, there was the opportunity for financial operations which often afforded very attractive profits for promoters and bankers. Such consolidations, labelled trusts, were very unpopular. Legislators and courts sought to destroy them; and in addition to these difficulties, the trusts themselves did not always realise the economies and advantages that were supposed to be inherent in combination. Now we have an example of another kind of combination represented by the "affiliation" just brought about between the Consolidated Textile Corporation, the largest cotton manufacturing and selling organisation in the country, and the American Woollen Company, occupying a similar position in the woollen industry. But in this combination there is no new financing, no element of monopolisation, no exchange of shares or change in stock control. It is a question of management. What the affiliation amounts to is that the two chief officers of American Woollen become the director-general and president of Consolidated Textile, and, with two other American Woollen directors, enter the directorate of the Consolidated. Consolidated Textile is not particularly well known outside the United States. It was chartered in 1919. Its nucleus was the old cotton house of Converse and Co., of which Frederick K. Rupprecht was the head. During the war he began buying Southern cotton mills, acquiring some nine or ten located between the Carolinas and Texas, in the midst of the cotton-raising territory. A little later he bought the 17 Knight mills of Rhode Island and Massachusetts, and the Windsor Print Works of North Adams, Mass.

British-American Mining.—Under this heading, writes our mining correspondent, the position of a number of undertakings was dealt with a couple of months ago. Within the past week or so one sensational incident and several interesting developments have occurred. Some years back the Selukwe Gold Mining Company, after a brief and not very profitable spell in Rhodesia, turned its attention to British Columbia, securing a 60 per cent. interest in an area adjoining the famous Premier gold and silver mine, controlled by the Guggenheim group. Exploratory work prosecuted for the purpose of ascertaining whether or no the property carried the continuation of the Premier lode has been attended with, at any rate, a measure of success. On Tuesday morning last a cable was posted up in the Stock Exchange announcing that the vein had been cut, although low grade at the point; prospects were described as excellent. In the course of the day the price of the shares practically doubled; yesterday it further appreciated to over 20s. Whether the area controlled by the Selukwe company's subsidiary contains ore corresponding to that of the Premier remains to be proved; meantime the possibilities are valued in the market at about £750,000. An advance of even greater extent, although less rapid, has taken place in the shares of the San Francisco mines, whose hopeful prospects were pointed out in our "Note" of November 11th. The operating profit for November was reported as \$58,000, and for December (five weeks) \$73,400. Duplication of the plant is in progress, and when treatment is proceeding on the full scale dividends of 20 to 25 per cent. are expected. The Mexican Corporation has lately declared profits in the neighbourhood of \$100,000 per month, and in March the output is due to be increased from 2,500 to 3,500 tons per day. Market men take a favourable view of the outlook. Then the

shares of the Plymouth Consolidated, whose property is situated in California, spurted sharply on the news of a good development at depth, following a long period of disappointing results. Here, as in the case of the Selukwe, further work should be awaited before optimistic conclusions are drawn. British Platinums have responded to the operation of an additional dredger. On the other hand, the hopes entertained of the discovery of another run of rich ore at the Esperanza have not been confirmed. The report lately issued by the Colombian Mining Corporation showed a deplorable financial position, and the speech of the Chairman at Thursday's meeting was a pitiable record of failures. This concern seems one of those which "never is but always to be blessed."

Deep Sea Fisheries.—The preliminary returns of the Board of Agriculture and Fisheries show that during 1922 there was landed at the ports of Great Britain direct from the fishing grounds by British vessels 17,747,756 cwt. of wet fish, as compared with 16,374,825 cwt. in 1921, an increase of 1,342,931 cwt., or 8 per cent. At the same time, the value or money realised for the fish fell off to the extent of over three million pounds, or nearly 15 per cent. The particulars are as follows:—

	Cwts.		Value.	
	1921.	1922.	1921.	1922.
England and Wales	11,174,596	12,158,558	£ 15,998,068	£ 13,817,857
Scotland	5,200,229	5,589,198	4,910,624	3,959,840

In addition, there were landed in England and Wales shell fish to the value of £472,207, against £558,929. Apart from the foregoing, foreign-owned trawlers, &c., landed in Great Britain direct from the fishing grounds wet fish having a weight of 799,356 cwt., and a value of £824,294, against 496,038 cwt. and £990,202 in 1921. The percentage of the aggregate landings by both British and foreign boats was 4.3, against 3 a year ago. The proportions of the various kinds of fish caught show practically no variation at all. The principal being cod, haddocks, and herrings, which together account for five-eighths of the total. The average realised by wet fish of all kinds landed by British boats at the ports of England and Wales was 22s 8½d per cwt, comparing with 27s 8½d in 1921. That landed in Scotland had, as usual, a much smaller average value, viz., 14s 2d per cwt, against 18s 10½d in 1921. The difference between the English and Scottish averages is probably due, writes a Hull correspondent, not to any great variation in quality, but to the better inland markets available to the English ports. During the past year the fishing industry has worked under steadier conditions. Working costs, prices of bunker coal, &c., have come down, but with lower prices realised for fish, the margin of profit has not been increased. Most of the fishing trawlers are now fitted with wireless installation, and it is therefore possible to regulate supplies in the market to some extent, and within certain limits to stabilise prices. Weather conditions, however, operate to a considerable degree, and when fishing operations are held up or seriously interfered with, vessels fortunate to arrive in time from Iceland or the White Sea are in the position of being able to command long prices. Only recently vessels from the White Sea, with big catches of plaice, have realised as much as £4,000 to £5,000 for a single cargo. These, of course, are exceptional cases, and set off the lean times when supply exceeds demand. Seine net fishing from motor-boats has been again experimented in by British fishermen with fair results. The grievance against foreign-owned vessels landing their catches at English and Scottish ports is heard now and then, but it would not be so acute if these vessels were able to find a market abroad as formerly, but this is denied them by reason of the fallen mark. In addition to the deep sea landings, Great Britain last year imported from Norway and other countries wet fish (mostly herrings) to the extent of 931,396 cwt., against £1,114,929 cwt. in 1921, the value being £1,386,090 and £1,507,050 respectively. The

value of all wet fish landed or imported at English, Welsh, and Scottish ports in 1922 was thus approximately £20,000,000 sterling.

Our Trade with Australia.—The Department of Overseas Trade has issued this week some figures of Australia's foreign trade, which provide encouraging evidence of the recovery of Australian markets by British traders. During the quarter ended September 30, 1922, Australia's imports from all countries were valued at £30,012,409, which compares with £21,043,171 for the quarter ended September 30, 1921. The following table shows the shares of the Australian import trade secured in the two periods by the chief competing countries:—

Country of Origin.	Quarter Ended—	
	Sept. 30, 1921.	Sept. 30, 1922.
United Kingdom	10,050,950	16,180,585
Canada	548,718	970,907
Japan	630,006	1,408,316
United States	4,772,889	5,580,598

The United Kingdom's share in the last September quarter was 53.8 per cent., which is larger than our share of 51.82 per cent. in the Australian import trade of 1913. In 1920-21 this percentage fell to 46.9, and the recovery now is, therefore, of significance. In 1913 the share of the United States was 13.68 per cent, and this figure rose to 22 per cent. in 1920-21, but it fell in the third quarter of last year to 17.7 per cent. The imports into Australia from Germany are now negligible, whereas in 1913 Germany accounted for 8.8 per cent. of Australia's takings. The bare totals of Australian exports and imports for October and November are also available, and are as follows:—October, imports £11,020,021, exports £10,425,002; November, imports £12,603,493, exports £12,394,990.

Japanese Trade and Finance.—Cabled advices from Tokyo report that since the turn of the year money has returned quickly from various districts, and the advances and discounts of the Bank of Japan have been rapidly reduced. Under these circumstances the tone of Government loans and bank shares has been strong, the volume of business in the former class being heavy. The fall in money rates has brought the quotation for day-to-day loans to 3½ per cent. A rise in raw cotton prices has led to a hardening in the market for cotton yarns; while the price of rice remains steady above 28 yen as a result of Government purchases. In the raw silk market buyers are cautious, but quotations are firm, because of a decrease in the arrival of silk from the country to the market. On January 15th the Bank of Japan's index number of wholesale prices in Tokyo was 241, as compared with 276 on the corresponding date of 1921. Japanese imports in December were 143,000,000 yen against 161,000,000 yen in December, 1921, and exports 158,000,000 yen against 146,000,000 yen, the figures revealing a change over from a passive to an active merchandise trade balance.

THE Royal Colonial Institute announces a meeting at the Edward VII. Rooms, Hotel Victoria, W.C. 2, on Tuesday, January 23, 1923, at 4 p.m., when a paper on "The South-East Coast of Africa and Its Development" (with lantern illustrations), will be read by Allister Miller, Esq. Sir Harry Wilson, K.C.M.G., K.B.E., will preside.

THE London Chamber of Commerce announces that arrangements have been made for an address to be delivered to members of the Chamber and others by the Right Hon. Lt.-Col. Sir Samuel J. G. Hoare, Bart., C.M.G., M.A., M.P., Secretary of State for Air, on "Czecho-Slovakia as a Geographical Centre of European Trade," to be followed by Dr V. Mastny, Minister Plenipotentiary for Czecho-Slovakia in London. The meeting will take place at the offices of the Chamber at 97 Cannon street, on Wednesday, January 24th, at 11.45 a.m.

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IRISH FREE STATE.—BANK RETURNS—COMPENSATION FOR MILITARY DAMAGE—THE REVENUE.

(FROM OUR CORRESPONDENT.)

DUBLIN, January 18.

It is important that in the welter of political polemics the essential factors as to the wealth and the revenues of the Irish Free State shall not be overlooked. The deplorable losses inflicted upon the community at large and upon corporate and private owners have bitten deep into fixed capital and into temporary earning power. But once order is finally restored it is self-evident that the process of recuperation will be rapid. The Irish Free State—it is the common case of controversialists of all hues—is most backward as to the development of its resources, agricultural, industrial, mineral, and the like; it has had, therefore, the less volume, and the less complicated type, of machinery of production and distribution for the sabotage of the irregulars to destroy or dislocate. It is a permissible consolation amidst rather dismal happenings. The inhabitants of the Irish Free State also have for long had large savings hoarded away or invested through the Dublin and London Stock Exchanges, or lying on deposit in the banks. The reports and balance-sheets of the banks for 1922, so far issued, once more confirm this in signal fashion. Fuller reference will be made to them next week, when the Bank of Ireland statement will be available to complete the series; of the latter, however, enough has already been made public to show that it has had a good year. The moral to be deduced from these facts, which are as incontestable as they are generally ignored, is that the restoration of order is most urgently desirable, and to that end the Government has just introduced further and most comprehensive measures of repressive severity.

In the *Official Gazette* of January 12th last is published a list of 424 awards by way of compensation for criminal and malicious injuries in the pre-truce period, and the money, in sums varying from £38,000 to a few pounds, is about to be paid over. It will be remembered that the British Government agreed to pay for all such damage done by its troops or other agents, and as the County Court decrees had very largely been the result of undetected cases, a Commission under the presidency of Lord Shaw was appointed to reinvestigate and reassess. Items of £61,000, £12,000, £10,000, &c., to merchants in Patrick street, Cork, of £37,956 and costs to a trader in Ballaghaderreen, of £31,050 and costs to the County Council of Kerry for the destruction of the County Hall at Tralee, and of £29,400 to a Tralee trader are painful reminders of the Anglo-Irish struggle, and of the fact that destruction of property as a political argument and as a method of executive policy owes its origin to non-Irish sources. The slavish following of a precedent which they bitterly condemned at the time shows up the Republicans in their pose of patriotism in a peculiarly imbecile and odious light, for while they are equally engaged in an attempt, foredoomed to failure, to break

the will of the Irish people, they are seeking to destroy, so far as they are able, the wealth of the country which they profess to love and serve.

The Exchequer returns for the period from April 1, 1922, to January 13, 1923, inclusive, shows total revenue as collected at £19,487,259, total expenditure (inclusive of certain advances on capital account) at £18,300,589, and balance in the Exchequer on January 13, 1923, at £1,186,670. Customs and Excise are responsible for nearly fourteen and three-quarter millions of the revenue. It will be remembered that the Minister of Finance anticipated a revenue for the whole year of some £27,000,000. It would appear, *prima facie*, as if this figure would be reached if not exceeded. There are still some two and a-half months before the end of the financial year, and upon the readjustment with the British Exchequer for the purpose of converting "collected" into "true" revenue, the Irish revenue, if things are as they used to be, will receive substantial accretions. It would be rash to attempt to forecast, as to detail matters, how as between the two Exchequers the subject of arrears, recoverable or irrecoverable, due to the country in which it is not collectable will be dealt with. On the broader aspects these Exchequer returns cannot be regarded as otherwise than satisfactory, and as further evidences of the solidity of Ireland's financial resources.

UNITED STATES.—NEW YEAR OUTLOOK FOR TRADE AND INDUSTRY—ACTIVE DEMAND FOR BONDS—NOVEMBER RAILROAD EARNINGS.

(FROM OUR CORRESPONDENT.)

NEW YORK, January 5.

TRADE and industry generally have begun the new year in an auspicious manner, and most interests confidently expect that the next few months at least will be an active period in practically all lines. A significant feature is that stoppages of industrial plants during the holiday season have been of shorter duration than usual. In some primary markets, particularly in textiles, buying for future requirements has not yet developed to any material extent, and probably will not for a week or two, while inventories are under way. But in other directions an increasing demand since the first of the year has been in evidence for merchandise for spring delivery, with retailers, especially, placing a substantial volume of orders to replenish stocks both for current and later needs. Supplies in the hands of jobbers and retailers are evidently not burdensome, for January clearance sales and reduced price sales throughout the country are less numerous than for some time past. Among the more important industries, the iron and steel trades lead in activity, thanks to the continued heavy buying of equipment by the railroads, exceptionally large purchases by automobile manufacturers, and fair orders from implement makers, who appear to be more optimistic than they have been for a long while. Some idea of the extent of railway equipment buying during the past year may be had from the fact that one of the leading railroads expended \$25,000,000 for that purpose, and has just placed an additional order for 5,000 cars, while one of the largest locomotive builders is said to have \$45,000,000 worth of orders on its books. Orders for new cars (mostly freight cars) last year reached nearly 200,000, the largest total for five years, and one which compares with only 23,300, approximately, in 1921. Indications point to further heavy purchases this year, for the rolling stock on many railroads is insufficient to meet requirements. Manufacturers in other lines, notably cotton goods and cotton yarn mills, furniture, stone, brick, and lumber producers, are well sold ahead for periods ranging from one to four or five months. The automobile industry is again very active after a comparatively brief shut-down, while all lines of building materials display a degree of activity unusual at this time of the year. Complaints of car shortage are coming from many sections, and lack of adequate transport facilities is delaying shipments of coal, lumber, and grain, although the recent declines in prices are considered mainly responsible for the slower marketing of grain. Shoe manufacturers are busier, and retailers are buying more freely. Prices in virtually all markets continue high, and some,

particularly for finished and unfinished cotton goods, have shown further advances in the past week.

Money rates have become decidedly easier—a development which was not generally expected so soon after the turn of the year. On the Stock Exchange call loan fund dropped to 3½ per cent., as against 6 per cent. at the close of last year, but moved up to 5 per cent. to-day. Time money is now ¼ of 1 per cent. lower at 4½ per cent. bid and asked for all maturities, although banks are not offering money freely at that rate. Demand for accommodation is light, as usual in the first month of the year. While money may continue easy for a while, most authorities look for a resumption of borrowing, with slightly firmer rates, before long.

The bond market is quite active and strong, reflecting the January reinvestment demand and the easier tendency in money. New issues of both bonds and stocks are being offered in large volume, and thus far have met with a very satisfactory response from investors. In some instances the offerings have been quickly absorbed. The largest single issue this week was \$75,000,000 10-20-year Federal Land Bank bonds bearing a 4½ per cent. coupon; they were offered by a country-wide syndicate of investment institutions at 101 to yield 4½ per cent. to the redeemable date on the 10-year bonds, and 4½ per cent. on the longer maturities; the subscription books were soon closed. Another big offering consisted of \$60,000,000 7 per cent. preferred stock of the recently organised holding corporation, Armour and Co., of Delaware; the new stock was priced to investors at 99 and accrued dividend, and the entire issue was sold within a few hours. The \$13,401,500 30-year 6 per cent. first mortgage gold bonds of the International-Great Northern Railroad Company, offered at 97 to yield 6.20 per cent., were all disposed of in one day. Many smaller bond and stock issues were readily sold, and the bulk of the week's offerings was placed directly with investors. It is expected that early next week an underwriting syndicate will offer \$50,000,000 first mortgage 5½ per cent. bonds of Armour and Co., of Delaware, at 96, to yield 5.75 per cent.

For the month of November the Class I. railroads of the United States showed gross earnings of \$522,631,000, representing an increase of 12.2 per cent. over November of 1921, while operating expenses, amounting to \$409,146,000, were 11.2 per cent. larger. Net operating income totalled \$78,860,000, as against \$66,884,000. According to the Association of Railway Executives, the November net operating income was equivalent to an annual return at the rate of 4.40 per cent. on the tentative valuation of the carriers' property investment. Total net operating income for the eleven months of last year reached \$693,134,700, as compared with \$565,974,000 for the corresponding period of 1921, representing an annual return at the rate of 4.02 per cent. on valuation. At present more traffic is reported to be moving over the railroads than ever before at this season of the year. The Car Service Division of the American Railway Association, in its report for the week ended December 23rd, the latest returns available, says that 834,591 cars were loaded with revenue freight in that week, or nearly 168,000 cars more than were ever handled in the same period of any previous year.

Net earnings of the New York Federal Reserve Bank amounted to only \$1,862,509 last year, as compared with \$20,702,439 in 1921 and \$39,318,510 in 1920. During the past three years the shrinkage in the bank's gross income has been equally striking; the total last year was \$11,341,000, as against \$34,705,000 in 1921 and \$60,525,000 in 1920. In explaining the decreases in the amount of earnings and in the payment made to the Government in 1922 (net earnings are remitted to the Treasury Department in lieu of the franchise tax), an official statement says that the decline was due to the smaller volume of loans which the Reserve Bank was called upon to make, and to the lower discount rates prevailing during 1922. Member banks, it is pointed out, were in a more liquid position than in previous years, and were able to carry on without leaning so heavily on the resources of the Federal Reserve through the rediscounting of paper. The latter operation is the main source of revenue of the Federal Reserve institutions. The

decline in the volume of rediscounts, as shown in the New York Bank's annual report, is generally regarded as conclusive evidence of the improved condition of trade and industry throughout the United States. The fact that banking demands of business were apparently met without such an extensive use of notes and paper drawn on banks as in the two former years is taken to indicate the greatly strengthened credit position of industrial, manufacturing, and other concerns. During the past year the New York Federal Reserve Bank paid out \$1,652,000 in dividends to its stockholders, representing an increase of \$46,000 in such disbursements over the preceding year. The increase was due to the fact that as member banks (the stockholders) have increased their capital and surplus they have been required to subscribe, proportionately, to additional stock in the Federal Reserve Bank.

FRANCE.—BUDGET PROPOSALS—INCREASED TAXATION—INCOME-TAX—RECONSTRUCTION.

(FROM OUR CORRESPONDENT.)

PARIS, January 17.

THE Finance Minister, M. de Lasteyrie, in view of the failure of the Chamber to accept his previous supplementary proposals for getting rid of his estimated deficit of 3,500,000,000 in his 1923 Budget, has now proposed to adopt the heroic remedy of an all-round increase of taxation to the extent of 20 per cent. He suggests that this increase shall apply to practically all existing direct and indirect taxes, including the luxury tax, the tax on turnover and the income-tax (except in so far as concerns incomes derived from salaries, wages, pensions, annuities, or fees). Stamp duty on cheques and certain other minor imposts are also excluded. The price of ordinary tobacco, which was 12f 50c per kilo before the war, and is now 25f, it is proposed to raise to 30f. M. de Lasteyrie, in the preamble to his latest proposals, describes them as "a measure of public safety, which is indispensable for the purpose of fortifying the credit of the country, and which can have only the best effect on the situation of the exchange." His proposals, he states, are merely of a provisional character, and are intended to apply only to the Budget for 1923, it being understood they will be suppressed if Germany makes the payments that are expected from her. The Minister estimates that his proposals will bring an increased revenue of about 3,200,000,000, which, with the 300,000,000 to 400,000,000 which the Treasury expects to receive from the railway companies during 1923 in respect of material handed over to them at the time of the Armistice, will enable him to balance his Budget.

The following return of indirect taxation for 1922 has just been issued by the Treasury:—

	Actual Yield.	Compared With	
		Budget Estimates.	Inc. or Dec. on 1921.
INDIRECT TAXES.	Franks.	Franks.	Franks.
Registration duties	2,960,455,000	+ 7,620,000 +	255,039,000
Stamp duties	615,499,000	+ 88,568,500 +	52,173,000
Bourse operations	26,095,000	+ 7,648,500 +	6,670,000
Tax on securities	1,017,853,000	+ 280,010,500 +	91,428,000
Luxury tax	20,438,000	+ 7,438,000 +	7,324,000
Turnover tax	2,280,266,000	+ 764,734,000 +	382,809,000
Customs	1,610,952,000	+ 851,110,000 +	417,986,000
Wines, beer, spirits, mineral waters, amusements, motor cars, &c.	2,606,545,000	+ 96,638,000 +	202,130,000
Colonial foodstuffs	183,075,000	+ 32,538,000 +	5,941,000
Salt	36,016,000	+ 1,724,000 +	3,640,000
Sugar and saccharine . . .	564,140,000	+ 34,984,000 +	212,095,000
Motor spirit & petroleum	234,617,000	+ 136,017,000 +	67,912,000
Benzol	12,475,000	+ 5,567,000 +	622,000
GOVT. MONOPOLIES.			
Matches	111,621,000	+ 1,245,000 +	10,240,000
Mechanical pipe-lighters	1,634,000	+ 145,000 +	354,000
Tobacco	1,611,192,000	+ 7,920,000 +	56,285,000
Gunpowder	52,791,000	+ 11,646,000 +	6,796,000
Posts	709,191,000	+ 25,161,900 +	38,621,000
Telegraphs	186,535,000	+ 8,151,700 +	12,001,000
Telephones	240,860,000	+ 71,932,200 +	26,575,000
Sundries (Journal Officiel, &c.)	5,696,400	+ 1,332,400 +	1,158,100
Total	15,087,946,400	+ 853,832,900 +	1,854,238,900

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Direct taxes in France are divided into two great categories, the first being the income-tax and the second being what are known as the "old taxes" (including the land tax) and the "assimilated taxes." These "old" and "assimilated" taxes, which are levied together, represent what in England is local taxation, but also include a minor proportion of taxation belonging to the National revenue. The total amount of these taxes levied for in 1922 was 2,450,996,900f (of which 1,794,355,000f was in respect of local taxation and 656,641,900f for the State), as compared with 2,401,523,400f in 1921 and 1,881,554,700f in 1920. The yield from these taxes in 1922 was 1,243,470,000f, as compared with 1,056,657,600f in 1921.

The total of the demand notes for income-tax issued during 1922 (in respect of incomes received during 1921 and previous years) was 2,633,165,900f (including 45,187,300f for Alsace-Lorraine). Of this total 2,075,024,200f was in respect of income-tax payable in 1922, and consequently on incomes received in 1921, 249,797,400f payable in 1921, 161,794,400f in 1920, 46,857,200f in 1919, and 54,205,400f in 1916, 1917, and 1918. Most of these long outstanding amounts represent income-tax due from people who have only recently been assessed for the first time, and from whom the Treasury is seeking to obtain payment for previous years. The amount of income-tax actually recovered, down to December 31st last, in respect of 1922 (that is, on incomes received in 1921) is reported as 772,735,300f, or only about 37 per cent. of the amount due. This must be read, however, in the light of the facts that not only are the majority of the declarations of income not sent in until after March 31st, but none of the demand notes are served before the end of September, with the result that a large number (as I can testify from personal experience) are only now being delivered. Evidence that the revenue authorities are exercising greater energy in following up persons who have hitherto evaded income-tax is seen in the fact that, according to M. de Lasteyrie's own statement, 910,000 persons are now liable to this tax, as compared with 740,000 last year, an increase of no fewer than 170,000, while the amount levied is already 787,678,000f in excess of Budget estimates. In addition to the yield from the general tax on incomes (in respect of which the demand notes for 1922 call for 993,923,000f, and which is of a progressive character), the amounts levied under the various schedules are as follows:—

Agricultural profits	16,904,200
Profits from liberal professions	41,766,200
Incomes from wages, salaries, and fees	273,358,500
Industrial and trading profits	748,879,200

The remarkable discrepancy between the scheduled rates imposed respectively on agriculturists and other traders has been the occasion of repeated protests by the trade associations and Chambers of Commerce, who complain bitterly that the differential treatment they receive is largely due to the composition of the Chamber, in which the agriculturists are normally always in the majority.

According to the official figures, down to the end of the

year, 420,000 out of a total of 500,000 houses that were seriously damaged had been repaired, but out of a total of 290,000 houses that were totally destroyed only 8,000 have been rebuilt, while the balance have been very inadequately replaced by some 160,000 purely temporary buildings. The progress of reconstruction may be further gauged by the following figures. Of the 5,500,000 acres of land under cultivation in 1914 (which had been reduced at the date of the armistice to 750,000), 3,000,000 acres had again been brought under cultivation on December 31, 1922, and the livestock in the ten ravaged departments, which had completely disappeared at the date of the armistice, had been restored to the extent of almost exactly 50 per cent. Means of communication that were destroyed down to the armistice (roads, railways, canals, &c.) amounted to 64,600 kilometres, together with 9,700 bridges, and other structural works. Of these 60,900 kilometres have been restored, and 8,200 of the bridges, &c. Of 22,160 factories of all kinds that were destroyed 19,920 have been reconstructed, and between 85 per cent. and 90 per cent. of those employing more than ten hands have resumed work, with a total personnel amounting to about 55 per cent. of its pre-war strength. Out of a pre-war population of 4,690,000, a total of 4,060,000 (or 85 per cent.) had returned by December 31st last, so that, if the war losses be taken into account, it is probable the whole of the fugitives driven out during the conflict have now returned. The amount expended in the way of direct advances to *sinistrés* amounted down to December 31st to 36,000,000,000f (14,200,000,000f in 1920, 10,800,000,000f in 1921, 11,000,000,000f in 1922), in addition to which the State has expended about 12,000,000,000f in reconstructing ways of communication, public services, and restoring agricultural land, &c., bringing the total amount expended to 48,000,000,000f. The State, during the same three years, has given its guarantee for loans to *sinistrés* (chiefly in the form of grouped industries) to a total of 4,500,000,000f. It is estimated by the Government experts that a further 60,000,000,000f of expenditure will be required, spread over the next five years, before the devastated area will be fully restored. This total, however, is apparently based on the present high prices of labour and materials.

GERMANY.—RUHR CRISIS—EXCHANGES—FINANCES—TRADE AND INDUSTRY.

(FROM OUR CORRESPONDENT.)

BERLIN, January 16.

THE occupation of the Ruhr, if its real aim was to secure better Reparations deliveries, has so far failed, and it seems (apart from its doubtful political wisdom) to have been planned without taking into account the two factors which have caused the failure: the technical impossibility of enforcing a satisfactory delivery, if any delivery at all, without co-operation from the mineowners; and the Nationalistic sentiment which the occupation was bound to arouse. The sentiment was from the first extremely strong, and it has been strengthened by the French threats, by the first bloodshed, and by the suffering which has been entailed on private individuals, which is already felt outside the newly-occupied territory. The technical difficulty is very great; it seems that even if the French go to extremes and succeed in forcing all employers and all miners to co-operate, the compulsion system must prove insufficient. In the last few days, the Federal Ministry of Industry reports, the Ruhr production has declined 15 or 20 per cent. The French, no doubt, considered in advance the possibility of a general strike, and they probably counted, rightly, on its failure, because there are the strongest motives for not stopping all industry; but the strike of the mineowners and their directing employees has so far had the tactical advantages of a general strike without its disadvantages. The measures at present under way promise no result. The representatives of the mineowners, who have themselves mostly left the Ruhr, are threatened with court martial; but the prospect of being shot or thrown into prison is not very dreadful, and it is not likely that the French generals will venture to go further. In refusing to deliver, the representatives are obey-

ing German law, and there is further under the Peace Treaty—even if the occupation were regular—no compulsion upon any private producer to deliver anything. The French negotiations with the miners are also not promising; there is a minority of Communists to whom—for the present—the making of trouble for their own Government is more agreeable than making trouble for foreigners; but, as a whole, the working population is very anti-French. Co-operation by the miners only would help very little; the Ruhr industrial organisation is very elaborate, and is highly specialised; and even consenting workmen, directed by bayonets, would probably prove no more efficient than did the original conduct of Soviet Russia's industries by workmen—who at least wanted the experiment to succeed. That profits can be got from the experiment is hard to believe. At best they would be temporary and local profits, because the injury done to industry in general, and the cost of increased import of English coal, for which industry is preparing, will weaken Germany's position as payer of Reparations. It is not certain, though it seems likely, that the present firm stand of the Ruhr population will be maintained; it is perhaps possible for the French, if they resort to wrecking measures, to produce conditions which may break down even the present solidarity in opposition; but if this happens the losses on the whole undertaking will only be increased.

The mark exchange, which held fairly well in the first days of the occupation—apparently because the occupation was no surprise—has since fallen very badly. Prices are again rapidly rising. While the smooth working of industry in spite of the year's 99 per cent. currency depreciation, again warns against too pessimistic judgments of the effects of the new exchange movement, the mark drop will have unpleasant results for certain interests. During the lull after November, business largely adapted itself to the new standard of values; the speed of the price-rise was declining, wages and salaries were tending to catch up, and the supply of capital and money was approaching the demand. If the new fall goes further, all the difficulties of late 1922 will recur—in particular the shortage of working capital, which last year for the first time checked the productive activity normally caused by the "flight from the mark." Such lulls between two prolonged and headlong mark drops always act restoringly, most of all on the State finances, and it is never safe to predict that the currency depreciation may not some day precipitate really serious trouble.

Federal salaries have been again raised—to rates, however, which illustrate the extreme low gold cost of administration. They vary from 52,635 marks, about 14s a month, for a Reichswehr soldier, to 700,350 marks, or £9 10s, for the Chancellor. Railway fares will be doubled on February 1st. The Customs gold surcharge has been raised to 184,900 per cent., making 1,850-fold the nominal. Steel Syndicate prices are again up: ingots from 257,000 marks to 293,900 marks, bars 355,000 marks to 406,000 marks, thin sheets (under 1 mm.) 553,400 marks to 632,900 marks, other sorts correspondingly. Some of these prices are nearly 5,000-fold those of 1914; consumers continue to complain of them as too high, and there is an increasing tendency to import. Several more "wertbeständig" loans are announced, and the province of Schleswig-Holstein is raising a loan bearing variable interest of 1 per cent. under the Reichsbank discount rate, but not less than 6 per cent., or more than 15. The Reichswirtschaftsrat has recommended that exports of firms with foreign exchange debts to abroad should be freed from export duty. The remitted export duty would mean an increase of profit to the exporter, and help him to clear off the foreign-currency debts. The paying-off of mortgages and bonds proceeds rapidly; but the Government denies the report that it is preparing a Bill protecting mortgagees; no such measure would be reasonable, because other parties than mortgagees suffer equally from payment to them of old debts in bad money. Greater-Berlin Municipal Budget, it is now estimated, will total about 100 milliards, as against 100 millions for the (considerably smaller) pre-war Berlin. The Municipality is preparing to transfer its trams, which bring a heavy loss, to a privately organised company, and the leasing of the municipal harbours and quays is also under debate.

The Reichsbank report for January 6th shows for the first time since July 7, 1922, a decrease in the holding of discounted Treasury bills—from 1,184,464 to 1,096,471 millions. As the Government's Floating Debt borrowings have not ceased, this decrease means a certain relaxation in the private credit strain. Note circulation has increased to 1,336,500 millions; and the Darlehns "Kassenschein" portfolio to 291,225 millions. The "Darlehnskassen" administration has taken steps against abuse of its credit for speculation in stocks and wares. The maximum total of advances by these institutions—until lately 100 milliards—was increased recently by the Reichsrat. Under the new rules not more than 100 million marks may be loaned to any borrower without permission of the central administration; and advances on wares shall in general not be prolonged for more than three months. Stocks are very firm. The Bourse was closed to-day, but the rise of the exchanges yesterday caused active buying of stocks of shipping and textile companies, and of companies which are known to have large stocks of raw materials.

The November foreign trade report has been issued without values. Imports in weight were 4,551,200 metric tons, against 5,551,600 tons in October (monthly average in 1913, 6,069,300 tons); exports, 1,551,200 tons, against 1,539,100 tons (average 1913, 5,551,600 tons). Imports in the eleven months were 41,551,000 tons, and exports 19,800,200 tons. Imports in November, as compared with October, show declines of: Wheat from 187,180 tons to 66,600 tons; coal, 2,146,230 tons to 1,799,970 tons; brown coal, 127,970 tons to 54,690 tons; iron ore, 1,219,950 tons to 786,650 tons. Cotton imports increased from 16,070 tons to 25,360 tons; pulp wood, 92,860 tons to 134,540 tons; mineral oils from 65,080 tons to 108,310 tons; and chemicals from 19,120 tons to 27,830 tons. The staple exports do not show any great change. A curiosity is that while the import of food, raw materials, and half-finished goods is, with some exceptions, smaller than in 1913, there is a considerable increase in the import of finished goods. These in 1913 averaged 104,060 tons monthly, but in October last had risen to 215,820 tons, and in November were 192,340 tons. Of cotton yarn, imports in November were 5,750 tons, against 2,770 tons in 1913; cotton cloth, 2,820 tons, against 850 tons; tubes, &c., 3,010 tons, against 810 tons; railway permanent way material, 24,420 tons, against 40 tons. The imports of pig-iron, bar-iron, construction forms, sheets, and wire also largely exceed those of 1913.

Industry is still dull. The Pirmasens boot branch has discharged workmen, and some textile mills are working short time. On December 1st the unemployed among 6,407,454 trades union members numbered 129,271, against 89,309 a month before, the percentage being 2, against 1.4, and against a best figure for 1922 of 0.6. The number of publicly supported unemployed was 42,593, against 24,738. In November, the worst unemployment was in the tobacco branch, and after that in the textile, building and boot branches. A report of the Trades Union Association shows that of 1,389,413 industrial employees only 601,594 were working the legal maximum 48 hours' week, about half a million were working 46 hours or less, and over 200,000 only 42 hours.

AUSTRIA.—POLITICS—FINANCIAL RECONSTRUCTION—NOTE BANK ISSUE—UNEMPLOYMENT—FREIGHTS—PRICES.

(FROM OUR CORRESPONDENT.)

VIENNA, January 5.

THE Chancellor recently announced that he and his party desire a new General Election as soon as possible. They hope to weaken the Social Democrat party by an early election, since they expect this party to lose many votes on account of their policy in regard to the reconstruction scheme. The Social Democrats, on the other hand, wish to hold off the election as long as possible, as they expect the immediate result of the League of Nations' programme to be a more acute economic crisis in Austria. The German party, although they are allies of the present Government and the Christian Socialist party, do not favour the idea of a new election, since they fear the loss of some of their seats in the Parliament. At any rate,

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this question of a new election will dominate the political situation for the near future.

The calm which, owing to the conclusion of the reconstruction agreement at Geneva, has characterised the political and financial atmosphere for the past few weeks has been succeeded by a slight unrest. The Government and the Parliament have passed a number of laws, in spite of the Social Democrat party's opposition, by which taxation has been heavily increased, and from which great internal economies are expected. All this was done in the hope that foreign assistance and the promises of the delegates of the League of Nations at Geneva would soon be realised. The bourgeois Government stands and falls with the realisation of the foreign credits. The realisation of the credits in the near future is very doubtful at present, even more so in view of the fact that Mr Avenol, a delegate of the League of Nations, has recently returned from London and Paris, where he negotiated in vain for the placing of 80 million gold kronen worth of 8 per cent. gold Treasury bills. He has submitted to the Government a rather unfavourable report of the impressions he received in these cities. This fact has, of course, provided the Social Democrat party with new points of attack.

The Austrian Government is making energetic efforts to carry through the reconstruction plan for cutting down expenses and increasing revenues. The provisional Budget, which was recently brought before Parliament, is based on the principle that the Government's expenditure for the year 1923 must not exceed 300 million gold kronen. This will, of course, only be possible if the number of the State's employees is drastically reduced and State enterprises are made paying concerns. Moreover, the reconstruction programme must not be disturbed by any other such disagreeable occurrences as the Reparation Commission's recent arbitration in regard to Austria's pre-war debts, which threatens to be very hard on the country's public finances. It was expected that in the distribution of the old Monarchy's pre-war debts Austria's share would be 20 per cent., but the Reparations Commission fixed it at 36 per cent. In so far as the pre-war debts in kronen are to be taken over in the depreciated paper currency, this high percentage is of no importance. The debts in gold kronen, however, which must be repaid to foreign creditors, represent a very heavy burden.

In this atmosphere of suspicion there are all kinds of alarming rumours in circulation, which, though exaggerated and unjustified, have a very unfavourable influence on public opinion. There is again talk of stamping the banknotes and of new compulsory loans, and discussion of the difficulties of the financial administration in meeting its demands is ceaseless. Though, no doubt, greatly exaggerated, they have their origin in the following considerations: the Government will have to make large payments during the month of January, 1923, one of which is the compensation for dismissed officials, and it was planned to meet these demands with the large amounts of the 80 million kronen worth of Treasury bills which were expected to be paid in by foreign countries. If the taking over of these Treasury bonds should be delayed, the State will be faced with a shortage of funds, as the Finance Ministry will not be allowed to receive any more uncovered credits from the new Note Bank. The Government, however, is receiving new means from the subscriptions to the internal loan at present, and also has the interim credits granted by

foreign countries at its disposal. It could also use its stock of foreign currencies, which has been greatly increased during the past few weeks by the public subscriptions and the banks' advance payment on the Treasury bills. All these means, however, will help the Government only a short time, and it is very important that the foreign credits be placed at the disposal of the Government as soon as possible.

The period for subscribing to the shares of the new Note Bank has expired, while that for the gold Treasury bills, i.e., short-term Treasury bonds to the amount of 20 million gold kronen (about £800,000), which should have expired on December 31st, has been extended to January 15th. Authentic figures showing the amount of both subscriptions have not yet been published, but it has been officially stated that the National Bank issue was fairly satisfactory and attained considerable success in foreign countries. In view of all these difficulties the success achieved has been considerable. As to the subscription of the gold Treasury bills, the amount of the issue, i.e., 6 million dollars, is so large in relation to Austrian conditions that it was foreseen it could hardly be subscribed in full. Up to the present only 3 million dollars worth of the Treasury bills are said to have been taken up. It is possible, however, that an improvement will be seen in the subscription since the period has been extended; at any rate, a great deal will depend upon the promised foreign credits really being paid in the near future.

The Austrian National Bank began activities on January 1, 1923. A great struggle took place about the presidency of the bank, as some political parties, wishing to impress foreign countries favourably, wanted to have a foreigner for the president. This was energetically opposed by the other parties, and resulted in the vice-president of the Boden Credit Anstalt, Dr Reisch, being elected to the presidency. It was originally intended to make Bank Director Jansen advisory assistant, but he declined this appointment at the last moment. Although his action was the subject of much discussion, both unfavourable and favourable, it was based on purely private reasons. Much comment has also been caused by the fact that Dr Zimmermann, the controller of the League of Nations, who has arrived in Vienna, has declared himself willing to take over this post for three months only. He has reserved himself the right of deciding later whether he will carry on for the two years originally intended. It is certain that the new Issue Bank will have large amounts in foreign currencies at the start, as large amounts have been sold to the State Clearing House by private individuals during the last few weeks.

In all concerns the employees who are being continuously dismissed are constantly swelling the numbers of the unemployed. In industrial circles it is affirmed that the present difficulties are being augmented by the railway freight rates and the State's dues and taxes. The following example shows how great an increase has been effected in the official freight rates: for one car of coal, weighing 10,000 kilograms, the rates below had to be paid from the German frontier to the Austrian industrial territory:—August 31st, K 265,000; September 1st, K 563,000; October 1st, K 2,000,000. All additional rates have been correspondingly increased. The consequence is that many industries, being unable to compete with German and Czecho-Slovakian concerns, have shut down their works and are buying no coal at all. This, of course, frustrates the State's efforts towards increasing the railway revenues.

The price of foodstuffs has again been reduced during the past weeks. The price of bread was reduced from K 6,900 to K 6,650, and will be again reduced shortly. Meat, fat, flour, and sugar are also getting cheaper. The index figure for the period November 15th to December 15th was fixed at 3 per cent. less than during the previous period. In general, one can say that the cost of living for a foreigner who is spending some time in Vienna has become 25-30 per cent. cheaper since October, on account of the considerable reduction in the prices of hotel lodgings.

But against this must be placed the increased cost to the citizen, caused by the law recently passed legalising the raising of house rentals. The present law for protect-

ing the tenants of houses, which was passed during the war, has become ruinous to house proprietors. Since this law prevented house owners from raising their rents, they received only a portion of the pre-war rent in depreciated paper kronen. For example, a house owner of our acquaintance who received 24,000 gold kronen (£1,000) before the war, has received a total rent of 8,000 paper kronen in 1922, for which he can buy just one and one-third loaves of black bread. The consequence of this measure has been a complete dilapidation of all houses in Vienna and Austria. To avoid further damages a new Bill has recently been passed, by which the house owners are entitled to demand 250 times the pre-war rent in paper kronen. Although this Bill will help the house proprietors but little, it will mean a heavy burden for the tenants with the present stagnation of trade and constant increase of unemployment.

The rates for foreign exchange have remained stable during the past fortnight.

NORWAY.—INDUSTRY IN 1922—THE OUTLOOK FOR THE NEW YEAR.

(FROM OUR CORRESPONDENT.)

CHRISTIANIA, January 6.

THE development of European politics is watched with intense interest in this country. So many issues, political, social, and commercial, are bound up with the present crisis that even a country comparatively so much outside the circle as Norway will be seriously involved. The year just ended has been one of anxiety and difficulty in the commercial world, just as its predecessor was, though probably not to the same extent, and certainly in a different manner. Generally, there has been an increase in the buying power of money, and a consequent shrinkage in the volume of business done; for the prosperity of the masses has been less on account of unemployment and drastic wage reductions. However, there has, no doubt, been more confidence in 1922 than in 1921. People have realised that things are going, and for some time must go, badly, and have been trying to adapt themselves to this hard fact.

With regard to the individual trades that make up the economic life of Norway, there have been wide variations in experience. The fisheries, which play so great a part in the life of the country, on the whole have been satisfactory. While potatoes yielded an exceptionally rich crop, cereals were rather poor, on account of cold and rainy weather. Some revival might be discerned in the wood trade, but the net results were not good. Wood pulp and paper and wood-pulp boards suffered greatly under an intense competition from Finland and Sweden. An outlet was found in America for quite large quantities, especially for newsprint, and although the competition was severe, and some specialties of paper no doubt had a very hard time, yet generally speaking 1922 cannot have been so very bad for the paper industry as a whole. Shipping has had a lean year, but better than last year, and comparatively little tonnage has been idle. As to banking, the results have not so far been disclosed; the year has been one of consolidation, and one must not be surprised to find that the banks have had to write off substantial sums for bad debts.

The turnover of the stock and bond exchanges, when finally made out, no doubt will show an amount far below what has been customary. On the whole, the prices of all kinds of shares are lower than those of a year ago.

During the year there have been few very serious labour troubles. A series of differences and disputes were brought before the competent courts. Considerable wage reductions were found necessary, and the workmen acquiesced. The wages here are higher than in Sweden, but so also, though not to the same extent, is the cost of living. The present index number of the Statistical Central Bureau has not yet been published. The municipal index number for foodstuffs for the City of Christiania during the month from November 15th to December 15th dropped only 2 points, from 221 to 219; the index number for the whole country will hardly be as high as this.

The weather hitherto has been very mild this winter; rain has come, and stoppages of factories for lack of water

do not seem imminent. On the whole one would be inclined to hope, as far as Norway is concerned, for improvement in the general economic outlook during 1923, if only the one great condition of peace can be fulfilled.

AUSTRALIA.—BANKING FIGURES FOR THE SEPTEMBER QUARTER.

(FROM OUR CORRESPONDENT.)

MELBOURNE, November 25.

THE quarterly average returns to September 30th of bank liabilities and assets within Australia and New Zealand (exclusive of the Commonwealth Bank of Australia) shows that as compared with the previous quarter deposits have decreased by £1,876,137, and advances by £15,401, this latter movement being the balance between an increase of £3,183,389 in Australia and a decrease of £3,198,790 in New Zealand. The following is a comparison of the principal totals with those for the previous quarter and a year ago:—

	Sept. Quarter, 1921.	June Quarter, 1922.	Sept. Quarter, 1922.
Deposits—			
Australia	£ 212,896,899	£ 219,600,338	£ 218,166,098
New Zealand	47,101,629	47,399,600	46,957,703
Total deposits	259,998,528	266,999,938	265,123,801
Advances—			
Australia	186,934,894	182,758,449	185,941,838
New Zealand	54,234,076	51,977,855	48,779,065
Total advances	241,168,960	234,736,304	234,720,903
Cash items—			
Coin and bullion (Australia and New Zealand)	27,559,664	27,333,068	27,565,466
Australian notes	27,955,160	25,577,119	22,856,735
Legal tender notes of other banks (New Zealand only)	643,773	1,109,907	541,806
Total cash	56,158,597	54,020,094	50,964,007

Deposits show an increase of £5,125,773 as compared with a year ago, Australia showing an increase of £5,269,199, but New Zealand a decrease of £143,926. The whole of this increase has been in fixed deposits, as current accounts are smaller by £3,893,197; and the proportion of fixed to total deposits is now tending in the direction of pre-war standards, which were affected for a time by the competition of war loans as a medium for investments. Advances (which include Government securities) show a decrease of £6,448,067 on the year, of which £993,056 is in Australia and £5,455,011 in New Zealand. In Australia there has been a substantial decrease in advances against war loan subscriptions, but the demand for accommodation from private borrowers has been active.

The decrease in cash is the result of the policy of contraction of the Australian note issue followed by the Commonwealth Bank issue department, by which the Government note issue is now managed, without a compensatory increase in gold. The total note issue has been reduced from £56,540,206 at September 26, 1921, to £52,038,073, and out of the total reduction of £4,502,133 only £235,709½ has been in the amount held by the public, while the amount held by the banks (inclusive of the Commonwealth Bank itself in its banking department) has been reduced by £4,266,423½, these figures being according to the monthly note issue returns, which differ slightly from the banks' quarterly average returns. The effect has been that the proportion of cash (coin and notes together) to banking liabilities has fallen somewhat below the usual standard, and that the total amount of currency in existence in Australia is below the amount that would exist under a freely operating gold currency, assuming that the same amount were held by the public, and that bank deposits were the same as actually exist. With the opening of the active export season, the result of the contraction of the note issue has been to cause some pressure, the position being somewhat anomalous in face of the exceptionally large balances held in London by the Australian banks. If gold were freely obtainable, instead of being at a premium, which for practical purposes is

prohibitive, the total amount of currency would be increased by an enlargement of the stocks of gold held by the banks in proportion to the growth of deposits, as happened regularly in pre-war years, but under existing circumstances this course is not practicable.

These developments have attracted attention afresh to the cumbersome nature of the centralised Government note issue, which was imposed upon Australia by the Socialistic Labour party about 11 years ago, especially when contrasted with the Canadian system, under which banks issue their own notes, in addition to those issued by the Canadian Government, with suitable provision for seasonal fluctuations. There is also a feeling that the Commonwealth Bank is not well adapted to regulate the system, and that if there is to be anything in the nature of a central bank, it should be established something after the model of the South African institution, which has a share capital and a representative board on which the banks as well as other parties are represented.

The principal figures (within Australia) of the Commonwealth Bank of Australia, not included in the table above, compare as follows:—

	Sept. Quarter, 1921.	June Quarter, 1922.	Sept. Quarter, 1922.
Deposits	£ 29,074,339	£ 30,048,727	£ 28,854,556
Savings Bank deposits	35,687,445	36,097,731	37,523,001
Discounts, loans, &c.	13,678,539	14,130,679	13,043,516
Government & municipal securities	33,575,297	34,760,870	35,233,595
Coin and bullion	1,718,611	2,349,869	2,330,619
Australian notes	6,271,218	4,730,492	7,344,568

Stocks of coin and bullion in Australia and New Zealand, including the ordinary banks £27,565,466, Commonwealth Bank £2,330,619, and reserve against Australian note issue £23,500,000 (approximate average), amount to £53,396,085, against £52,978,275 for the September quarter, 1921.

Books and Publications.

RECENT ECONOMIC LITERATURE—A MONTH'S SURVEY.

THE economic publications of the past month do not lend themselves to rigid classification; but there are one or two books of first-rate interest of various kinds.

First, from the point of view of the serious and instructed student, must be put Professor Irving Fisher's *The Making of Index Numbers* (Houghton, Mifflin, Boston, \$7 50c). This is an unique survey and criticism of the whole method of calculating index numbers. A very large number of formulæ are discussed, and expressed both in ordinary language, algebraically, and geometrically; and a formula arrived at as to which Professor Fisher hopes to achieve general agreement. It is not necessary at this time of day to say anything as to the importance of the accurate construction of index numbers, since the whole effort to bring wages into some sort of steady relation with the cost of living, to mention only one of many important fields, is dependent for its success upon the establishment of such a reliable measure. It cannot be pretended that Professor Fisher's book is one for the "general reader." On the other hand, Mr Hugh Dalton's *Principles of Public Finance* (Routledge, 5s) is expressly designed to make accessible to him an understanding of the general principles that underlie the whole subject, and to put him in a position to understand and criticise. Mr Dalton is a profound student of economic theory, and has succeeded in expressing general economic concepts in simple language, without being "tendencious." He does not give judgments; he suggests to the reader the lines upon which they can be correctly formed.

An American survey of economic facts and laws, predominantly from the business point of view, is Mr Henry Shearman's *Practical Economics* (McGraw Hill Publishing Company, 6 Bouverie street, E.C.). In *Business and Investment Forecasting* (Brookmire Economic Service, New York), Mr Ray Vence compares and analyses

the various systematic attempts at "forecasting" business "trends," specially associated with the United States, and endeavours to arrive at an agreed method. Mr Frank Tillyard's *The Worker and the State* (Routledge, 10s 6d) is not, as the title perhaps suggests, a theoretic discussion of social and economic relations and functions, but a very careful and useful survey of the legislative and administrative enactments that have in the last half century been passed for the protection of the worker; particularly of those which attempt to provide for his safety. It is, that is to say, essentially a practical handbook, and as such very valuable.

The tragic circumstances of the hour have caused *Ex-Præmieri Nitti's The Decadence of Europe* (Fisher Unwin, 10s) to be more widely read and discussed even than its predecessor, *Peaceless Europe*. It is a downright and instructed attack upon the whole policy of the Versailles Treaty; and, in particular, a definite attachment of responsibility to Mr Lloyd George for its disastrous consequences. The circumstances of the hour make it extremely topical, but those who have read Signor Nitti's previous volume are in possession of the main facts and arguments upon which he relies.

In *Great Britain's Economic Policy* (William Lea and Co., 2s 6d), Mr Henry R. Tennenbaum, now director of the Trade Department of the Polish Trade Ministry, analyses British pre-war trade, with special, indeed excessive, emphasis on Government activities. There is a good deal of political matter in the book.

The Handbook of Nyasaland, 1922 (London, Crown Agents, 5s), explains itself, as does *Canadian Municipal Statistics* (Toronto, Wood, Grundy and Co.), and Mathieson's well-known *Handbook for Investors, 1923* (16 Copthall Avenue, 5s net).

The *People's Year-Book* for 1923, published by the Co-operative Wholesale, at Manchester, contains, in well-arranged and convenient form, a mass of information on all departments of co-operative activity, as well as on the political side of the movement, and is, further, equipped with a considerable amount of useful statistical matter, as well as a large number of finely produced illustrations. Other year-books include that officially published for New South Wales, by the Government Printing Office, in Sydney, referring to 1921; the official survey of Belgian foreign trade *Tableau Annuel du Commerce de la Belgique avec les Pays Etrangers* (Brussels, Finance Ministry); also referring to 1921, and, of rather a different type, the *International Mercantile Diary and Year-Book* (Syren and Shipping, 7s 6d); a volume containing, in compendious form, most of the information which the export merchant requires. With these one may mention the *Handy Income-Tax Handbook*, prepared by Mr J. L. Ouns-worth, and published by Collins at 2s 6d.

There is much of great interest in M. Olivier's study of the coal industry, *La Politique du Charbon, 1914-21* (Paris, Alcan, 15f net). It contains a great deal of information that it is convenient to have collected together in a compact form. As a study of the politics of coal, however, it is by no means complete. Professor Stanley Jevons, *Money, Banking and Exchange in India* (Government Central Press, Simla, Rs. 2 8a.), primarily intended for Indian students, will be useful outside the country as well.

The *Doncaster Regional Planning Scheme* (Hodder and Stoughton, 10s) describes an experiment of first-class interest to all those who care for the amenities of town life. With it one may perhaps place *Trafford Park, Britain's Workshop and Storehouse*, the attractive book issued by the Trafford Park Estate Office, describing and illustrating the facilities offered by Trafford Park, the Port of Manchester warehouses, &c. Another social experiment of a very different kind is described in *Education in Africa* (African Education Commission, New York, Independence Avenue). The inquiry, whose results are here set out, suggests that the black race is capable of much further progress in education than used to be believed, that the results need not be purely mechanical and superficial.

Some of the most interesting material in the published matter of the month is contained in the reviews. The number of people in this, or any other country, who are sufficiently equipped, technically, to follow and appreciate the controversy going on in the pages of the *Economic*

Journal, under the fascinatingly ambiguous rubric, "Empty Boxes," is probably not enormous. For those, however, who can appreciate it, the article in the January number by Professor Pigou is, with the subsequent discussion, from the pen of Professor Cannan, of Dr Cassel's book on "Money and Exchange," the most important contribution to economic literature that the last few weeks have produced. In both there is a digging down to the essentials of argument that is highly stimulating.

The *Irish Economist*, (Plunkett House, Dublin, 2s) for January has, among other excellent articles, one by Mr Odon Por on "Co-op., the Co-operative Movement in Italy," and an excellent discussion by Mr J. Johnston on "Protection for Irish Industries" summing up against the suggestion. The Chicago University's admirable *Journal of Political Economy* is full of good stuff. Professor Viner continues his discussion of "Dumping," and Professor D. H. Macgregor, of Oxford, writes a survey of the position as to "Unemployment" in Great Britain. The *Empire Review* has, among other features worth looking at; an article by Lord Cowdray, who believes that an "ideal wage" can be found, and should be sought, within the limits of the present industrial system. In the *Edinburgh Review* there is an acute anonymous discussion of *European Finance*, and a very lively contribution from Sir Valentine Chirol on the career of Mr Lloyd George, who may have won the war, but, he says, assuredly "lost the peace."

In a reference in this column last month to *The Restoration of Agriculture in the Famine Area of Russia*—a translation of the interim report of the "State Economic Planning Commission of the Council for Labour and Defence of the Russian Socialist Federal Soviet Republic," published by the Labour Publishing Company, 5s—this book was by an unfortunate slip described by the rather similar title of the League of Nations report on Russian Agriculture and the Famine (Constable, 2s 6d), thus giving the fantastic impression that the latter document, which was fully reviewed in the *Economist* (December 2nd), was written by a Soviet Commission! We apologise for the confusion to our readers.

BOOKS RECEIVED.

The Turkish Empire. By Lord Eversly and Sir Valentine Chirol. Second Edition. (London) T. Fisher Unwin, Limited. 21s net.

The Continental System. An Economic Interpretation. By Eli F. Heckscher. Edited by Harald Westergaard. Carnegie Endowment for International Peace. (Oxford) Clarendon Press. 10s 6d net.

The Edinburgh Review. January, 1923. (London) Longmans, Green, and Co. 7s 6d net.

Farming, Exchange, and Reparations. By T. W. Huskinson. (London) The Land Agents' Record. 6d.

A Critical Analysis of Industrial Pension Systems. By Luther Conant, Jr. (New York) The Macmillan Co. Obtainable from Messrs Macmillan and Co., Limited, London. 8s 6d net.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET.	ACCOUNT.
January 24.	January 25.

THE present settlement to be concluded next Thursday will be one of the heaviest which the Stock Exchange has experienced for several years past, in spite of the alarms and excursions reported from the Ruhr district and from New York. Business has attained enormous dimensions, and, as a direct consequence of this, Stock Exchange shares, which were standing at 97 a little while ago, are now 105. Many stocks in the Consol market were eagerly taken at the beginning of the week, the Funding Loan especially coming in for attention. Nor did the price part with much of its rise when, a little later, the report of a hitch in the debt negotiations between this country and America led to a temporary dullness in the Consol market. This in its turn gave place to a harder tone upon semi-official reassurances on the point. Victory bonds had a dramatic rise.

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Prompt success attended the offering of the Dutch East Indies 6's and the Dunlop Tire debentures, the subscription lists closing very soon after they were opened. Of this week's introductions to the Stock Exchange, the new Chilean Transandine debentures have risen to 3½ premium, Buenos Ayres Central first debenture to 1½ premium (though the seconds, where the underwriters got left rather badly, stand at ¾ discount), and Anglo-Persian new ordinary at ¾ premium. Sudan scrip stands about ¼ discount; underwriters received 75 per cent. of their subscriptions.

French and German bonds have been going up and down in mercurial style, a fresh drop in exchange causing losses in the bonds of both countries. Turkish Unifed went back after a rally, and Peruvian Corporations are better.

Home Railway stocks are less in favour than they were at the beginning of the year. People have been selling these, in order to put the money into the more popular rubber market, with the consequence that the tendency is disposed to be dull, though Great Westerns and North-Westerns were conspicuously firm in the early part of the week. Undergrounds also spurted; the rise in their case also was partially lost.

Argentine Railway stocks have been swayed by the varying tendency of the daily atmosphere in the House. Mexican Rails went back. Brazilians are quiet. Grand Trunk Pacific debentures enjoyed a substantial rise.

The rubber market boiled at high pressure on Monday, gave way on Tuesday, and definitely broke on Wednesday. Then buyers came along again, and a more stable state of affairs intervened. Excitement has run to extreme lengths in this market during the week. Oil shares, after their recovery, inclined to weaken on a few French sales, and Shells have gone back to the neighbourhood of 4. Firmness is noticeable amongst textiles, with speculation in Courtaulds rather less active for the moment, on holders taking profits. Dunlops improved a shade, on the eager subscription to the company's new issue. The tobacco market is receiving but modest attention, and the wireless group, after a show of strength, shaded off from the best. Siemens and other electrical manufacturing shares remained somewhat heavy; the electricity supply group continues to improve. Gas stocks are firm, shipping issues little changed, banking shares, particularly those in the foreign list, advanced, and insurance shares are neglected. The recent buoyancy of iron and steel shares is scarcely so marked as it has been; prices exhibit a certain amount of irregularity. The tendency amongst semi-speculative industrials has been to go better during the earlier part of the week; then, later on, the approach of next week's settlement had the effect of bringing in the profit-takers.

Features in the mining markets have been confined to two or three shares, of which Akims stand out as the main example. The price rose in two days from 20s to 35s, from which latter figure it went back sharply. Rhodesians have given a fairly good account of themselves, although Chartered reacted in sympathy with a general dullness which overspread the Kaffir Circus, in consequence of the dissatisfaction felt with the French political outlook. This caused heaviness in most of the popular South Africans. The list finished the week above the lowest prices reached, but failed to attract any noticeable public buying. Rio Tintos, De Beers, and other inter-Bourse shares came under the same French influence as that which depressed other values. Russians are easier. A few Mexicans made some attempt to go better, but the effort was not very successful. The groups remain uninteresting, and nothing calling for attention has occurred amongst Indian mining shares.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liab.
Amount previously recorded	£ .. 6,242,566	£	£	£
ISSUES OF THE WEEK—				
4½ % Treasury Bonds (by Tender January 12, 1923), £5,000,000 at 99½ %	£ .. 4,965,625	£	£	£

NATIONAL SAVINGS CERTIFICATES.

NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED JANUARY 13, 1923.

April 1 to Jan. 13, 1923, £29,058,000	£ 500,000	£ 500,000
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To the Public—

Sudan Government 4½ % Guaranteed Stock, £3,250,000, at 83 % red. 1919-1975 (Jan. 19)	£ 3,250,000	£ 3,022,500	£ 162,500	£ 2,860,000
Government of Dutch East Indies 6 % Loan, 1933-63, £5,000,000 (of which £1,000,000 is reserved for Holland), at 98 % (Jan. 17)	£ 5,000,000	£ 3,920,000	£ 400,000	£ 3,520,000
Dunlop Fire and Rubber Corp. of America, £1,000,000 First Mortgage and Collateral Trust Sinking Fund 7 % Conv. Gold Bonds (Series "B") to Bearer (red. Dec. 1, 1942, at 105%), issued at 97½ %	£ 1,000,000	£ 975,000	£ 100,000	£ 875,000
Cassell and Co., £50,000 7 % Cum. Pref., £1 at par (Jan. 15)	£ 50,000	£ 350,000	£ 43,750	£ 306,250
New Rhos Anthracite Collieries, £180,000 7 % 1st Mort. Deb., at 97½, red. by 1942 (Jan. 15)	£ 180,000	£ 175,500	£ 18,000	£ 157,500
Brentwood Gas Co., £23,457 6 % Red. Pref. Stk., at par, red. Jan. 1, 1933	£ 23,457	£ 23,457	£ 2,345	£ 21,112
Total offered to the public	£ 8,466,457	£ 786,595	£ 773,862	£

To Shareholders only—

Anglo-Johore Consolidated Rubber Estates, 240,000, 2s, at par	£ 24,000	£ 24,000	£ 6,000	£ 18,000
Hampson Celebration, £25,000, 10 % Deb. Stock, at 90 %	£ 25,000	£ 22,500	£ 12,500	£ 10,000
Robinson Deep, £250,000, 8 % Debts., at par	£ 250,000	£ 250,000	£ 25,000	£ 225,000
Selaba Rubber, 37,500 Shares, £1, at par	£ 37,500	£ 37,500	£ 9,375	£ 28,125
Total offered to shareholders	£ 334,000	£ 52,875	£ 281,125	£

Total offered for subscription to date	Total offered for subscription for whole year—
1922 £20,508,648	1922 £75,675,460
1923 63,222,365	1923 388,978,203
1921 18,843,462	1920 367,500,000
1920 31,955,974	1919 1,036,028,821
1919 173,570,739	1918 1,363,021,441
1918 110,932,073	1917 1,518,586,070
1917 14,817,806	1916 585,438,853
1916 63,024,250	

Government of Dutch East Indies 6 per Cent. Loan, 1933-1963.—£5,000,000, of which £1,000,000 is reserved for Holland. This is an offer in this country of these bonds at £98 per £100. Principal and interest will be paid in London in sterling, free from all taxes of the Netherlands or the Dutch East Indies, and in Amsterdam at the rate of exchange of the day. A sinking fund of 30 equal annual instalments, commencing in 1933, will be established for the redemption of the bonds, to be applied by annual drawings at par or by purchases under par. The Government, however, have the right to repay at par outstanding bonds upon any interest date after February 15, 1933, subject to four months' notice. It is stated that applications have already been received for £2,000,000, which will be allotted in full. A letter is published in the prospectus, which states that "from 1906 to 1916 the ordinary Budget, exclusive of expenditure on capital account, showed a surplus aggregating for that period over £9,000,000," but proceeds to point out that "in the more recent Budgets, owing to an extension in Government activities and to large increases in salaries and wages, there have been deficits in the ordinary Budget." However, we are told that the "Netherlands Parliament has been informed that, as a result of a policy of retrenchment now instituted, the ordinary Budget will balance by the end of 1925." The proceeds of the loan will be used to reduce the unfunded debt. The total debt will then stand at £94,600,000, or under £2 per head of the population. More than two-thirds of the debt is payable in Dutch currency. Out of the surpluses of ordinary revenue up to 1912 and out of proceeds of loans a sum of not less than £108,000,000 has been expended on revenue-producing assets, including railways, tramways, telegraph and telephone systems, tin mines, coal mines, harbour and irrigation works. The estimated net income for 1922 from the revenue-producing assets is in excess of £10,750,000, while the total amount required for interest and amortisation charges on the entire debt (including the present issue) for 1923 amounts to £6,800,000. Conversions of guilders to sterling have been taken at 12 guilders to the £. Allowing for redemption at par in 1903, the yield, including profit on maturity, works out at £6 2s 8d per cent. An excellent foreign investment, regard being paid to all the surrounding circumstances. The issue was promptly oversubscribed.

Dunlop Tire and Rubber Corporation of America.—Incorporated under the laws of the State of New York. This is an offer for sale of £1,000,000 first mortgage and collateral trust sinking fund 7 per cent. convertible gold bonds (series "B") to bearer, on which principal and interest is guaranteed by the British Dunlop Rubber Company. The bonds now offered represent the "B" series of a total authorised issue of \$15,866,700, of which the "A" series, amounting to \$11,000,000, have been sold recently in America. Both series of bonds will be secured, *pari passu*, by trust deed as a first mortgage on the fixed assets of the company. The British Dunlop Rubber Company will also deposit with the trustee £3,000,000 of its own first mortgage 8 per cent. debenture stock as collateral security for the bonds of the company. On April 15th and October 15th in each year, commencing October 15, 1924, a sinking fund at the rate of 2 per cent. per annum for three years, and after at the rate of 4 per cent. per annum, will be provided for the redemption of the bonds by semi-annual drawings. The drawn bonds will be redeemed at 105 per cent. The company reserves the right to redeem the bonds at any time, on giving 30 days' notice, at 105 per cent. The series "B" bonds will be convertible at any time after December 1, 1924, into 8 per cent. cumulative preferred stock (redeemable at 110 per cent. at any time after December 1, 1937) and common stock of the company. Net assets of the American company are valued at £4,724,489, and of the British undertaking £7,543,201. The generous yield offered is a reminder of the strenuous struggle in front of the Dunlop Company to return to normal conditions. The issue, however, was quickly over-subscribed.

Cassell and Co., Limited.—Authorised capital £850,000. The issued capital consists of 350,000 7 per cent. cumulative preference and 397,740 ordinary shares, all of £1 each, leaving 102,260 ordinary shares unissued. This is an offer for sale of 350,000 preference shares at par. The company has debentures outstanding to the amount of £93,000, carrying interest at 4 per cent. per annum, repayable on or before December 31, 1925, or at an earlier date, at the option of the company. Provision for debenture repayment is to be made out of the proceeds of the present issue. No issue of debentures or debenture stock or other issues are to be made constituting a charge on the whole or part of the company's assets (other than to secure bankers' or other loans incurred in the ordinary course of business), without the sanction of holders of the preference shares. We have often asked what is exactly meant by the term "in the ordinary course of business." Further, the company has agreed not to create without similar sanction any further shares ranking in priority to or *pari passu* with the shares now offered. In addition to providing for the repayment of the debentures, the new capital is also required to pay a bank loan, which, in the balance-sheet of the company at December 31, 1921, amounted to £100,000. Net assets, without considering the proceeds of this issue, are valued at £432,406, and profits are given from 1918. The business of publishing as a commercial proposition is uncertain, although, perhaps, in this case a live directorate, combined with the prestige of Cassell and Co., may prove capable of grappling with the ups and downs of the industry.

Gadjah Rubber Estates, Limited.—Authorised capital £35,000, divided into shares of 25 each, of which 150,000 shares have been issued to the vendors, 89,257 have been issued for cash at par, and are fully paid, and 110,743 shares have been issued for cash at par, with 6d per share paid up. The company was incorporated in November, 1922, to acquire, through a holding company, the Gadjah Meuntah Estate, situated in the Langsa district, East Coast of Sumatra. The negotiations for the purchase of this estate were commenced late in 1921 during the worst period of the rubber slump. The holding company above referred to is the Langsa Rubber Undermining, which was registered in Holland in June, 1922, and all the issued shares of which are held by the Gadjah Rubber Estates, Limited. No cash was paid for the estate to the vendors, who accepted £15,000 in fully-paid up shares, but £3,000 was paid in cash to discharge certain liabilities in the Dutch East Indies. The total purchase outlay, therefore, amounted to £18,000 in cash and shares, or equal to £11 4s per planted acre. Of the balance of the capital, namely, £17,000, £3,000 has been paid for the expenses of registration and promotion of the company, leaving £14,000 cash available for the purposes of the company. An independent report is given, and though the prospectus is only published to comply with Stock Exchange regulations, the promoters are to be congratulated upon its frank and informative nature.

The Brentwood Gas Company.—Established in 1836 and incorporated by special Act of Parliament, 1905. The authorised stock capital is £80,000, of which, including the present offer, all is now issued. The authorised loan capital is £40,000, of which £21,000 has been raised on mortgage. This, however, is stated, will be repaid out of the proceeds of the present issue, which consists of £23,457 6 per cent. preference stock,

now offered at par, and repayable at par on January 1, 1933. The net revenue of the company for the year ended December 31, 1921, was £4,534, but it is pointed out that had it not been for the miners' dispute, the net revenue would have been £7,033. As, apparently, all preference stocks rank *pari passu* and the dividends for preference issue, including that now being offered, require but £1,907, the issue is reasonably well covered, from the dividend aspect.

The New Rhos Anthracite Collieries, Limited.—Authorised and issued share capital, £400,000, in ordinary shares of £1 each. First mortgage debentures have been authorised for £200,000, and this is an offer for sale at 97½ of £180,000 of these, bearing interest at the rate of 7 per cent. per annum. The balance, however, can only be issued with the consent of the trustees. These debentures are secured by a deed of trust, which constitutes a first specific charge on fixed assets and a floating charge on other property of the company. Redemption will be by means of a sinking fund, and the whole issue will be paid off by 1942 at 102½ per cent., the company reserving the right to redeem at 102½ on any interest date after December 15, 1929. Fixed assets are independently valued at £413,967, and profits are given from 1911 before making provision for depreciation. No mention, however, is made as to application for a Stock Exchange quotation, nor does the document in front of us disclose the price paid by the present vendors for these debentures.

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

ACTIVE SECURITIES.

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

British and Colonial Government Securities.									
	Price	Change	Price	Change	Price	Change	Price	Change	Price
	1922-23		1922-23		1922-23		1922-23		1922-23
War 4½	105.28	+	105.28	+	105.28	+	105.28	+	105.28
Loans 4½	105.28	+	105.28	+	105.28	+	105.28	+	105.28
Funding Loan 4½	105.28	+	105.28	+	105.28	+	105.28	+	105.28
Victory Bonds 4½	105.28	+	105.28	+	105.28	+	105.28	+	105.28
Conversion Loan 4½	105.28	+	105.28	+	105.28	+	105.28	+	105.28
Consols 2½	105.28	+	105.28	+	105.28	+	105.28	+	105.28
Irish Land Stock 2½	105.28	+	105.28	+	105.28	+	105.28	+	105.28
Local Loans 3½	105.28	+	105.28	+	105.28	+	105.28	+	105.28

Colonial and Foreign Railways.									
	Price	Change	Price	Change	Price	Change	Price	Change	Price
	1922-23		1922-23		1922-23		1922-23		1922-23
Barclays B (£1, f.p.d.)	28.24	+	28.24	+	28.24	+	28.24	+	28.24
Chartered Bk of India	18.24	+	18.24	+	18.24	+	18.24	+	18.24
Lloyds (£5 with f.p.d.)	28.24	+	28.24	+	28.24	+	28.24	+	28.24
London Joint City & Midland (£12 with f.p.d.)	88.24	+	88.24	+	88.24	+	88.24	+	88.24
London County & Westminster (£20 with f.p.d.)	17x	+	17x	+	17x	+	17x	+	17x

Foreign Government Securities.									
	Price	Change	Price	Change	Price	Change	Price	Change	Price
	1922-23		1922-23		1922-23		1922-23		1922-23
Argentine 5%, 1886-7	99.99	+	99.99	+	99.99	+	99.99	+	99.99
Belgian 3%	67.67	+	67.67	+	67.67	+	67.67	+	67.67
Brazil 5% Fund, 1914	68.68	+	68.68	+	68.68	+	68.68	+	68.68
Chilian 4½, 1895	81.81	+	81.81	+	81.81	+	81.81	+	81.81
Do 7½, 1912	105.28	+	105.28	+	105.28	+	105.28	+	105.28
Chinese 5%, 1912	73.73	+	73.73	+	73.73	+	73.73	+	73.73
Egyptian 4%	68.68	+	68.68	+	68.68	+	68.68	+	68.68
French 5%	27.27	+	27.27	+	27.27	+	27.27	+	27.27
Do 4%	22.22	+	22.22	+	22.22	+	22.22	+	22.22
Greek 4%, 1884	27.27	+	27.27	+	27.27	+	27.27	+	27.27

Foreign Government Securities.									
Argentina 5%, 1886-7	99.	99	Japanese 4 1/2%	100x	100x	..	..	..	..
Belgian 3%	67	67	Do 4%, 1910	69	69	..	..	..	..
Brazil 5% Fund, 1914	68	68	Mexican Cons. 1899	55 1/2	55	..	..	..	1/2
Chilian 4 1/2%, 1895	81	81	Peruvian Corp. Pref.	29	31	..	..	..	2
Do 7 1/2%	105	105 1/2	P.L.M. 5%	81	78 1/2	..	..	..	2 1/2
Chinese 5%, 1912	58 1/2	58 1/2	Do (Navy) 5%	81	81	..	..	..	..
Egyptian 4%	58 1/2	58 1/2	Russian 5%, 1906	84	84	..	..	..	..
French 5%	27 1/2	26 1/2	Spanish 4%	75	75	..	..	..	..
Do 4%	22 1/2	21 1/2	Seine (Dept.) 7%	97	95	..	..	..	2
Greek 4%, 1884	27 1/2	29 1/2	Siamese 5%	108	108 1/2	..	..	..	..

COMPANY MEETINGS, &c.

ALEXANDERS DISCOUNT COMPANY, LIMITED.

SATISFACTORY YEAR—RECORD PROFITS.

FAVOURABLE YEAR FOR DISCOUNT HOUSES.

NECESSITY FOR FINANCIAL STABILITY ON CONTINENT.

The fifty-fifth ordinary general meeting of shareholders of the above company was held on January 17, 1923, at the office of the company, 24 Lombard street, London, E.C., Mr Colin Frederick Campbell, the chairman of the company, presiding.

The secretary (Mr A. K. Bruce) having read the notice convening the meeting, and the auditors' report, and the minutes of the last ordinary general meeting of January 19, 1922, and of the extraordinary general meeting of February 9, 1922, having also been read and confirmed,

The Chairman, in moving the adoption of the report and accounts, said, I assume you will take the report as read as usual. I do not propose to attempt to disguise from you the fact that the past year has been a very favourable one for our company, and that the results attained have exceeded our expectations of a year ago. This is largely due to abnormal circumstances, which can hardly be expected to recur, and therefore I do not consider it is out of place to remind the shareholders that our principal business is the discounting and re-discounting of commercial and Treasury bills, and over a period of years it is from this business that we expect to draw our profit. We are also holders of and dealers in short-dated Government securities, and if from time to time we are able to make large profits from a careful selection of these investments, and by taking advantage of the rise and fall in the value of them, such profits must be treated as occasional and not to be looked for very frequently.

It is also significant that though the discount houses form an integral part of the delicate organisation known as the London money market, special prosperity seems to have been confined in 1922 to our section, as from all accounts bankers generally have not enjoyed a particularly favourable year.

CHEAPENING OF MONEY AND ITS EFFECT.

When we last met you, I referred to the gradual cheapening of money and its effect on the values of War Loan, Treasury Bonds, and other similar securities; this condition of things continued during the whole of the first half of 1922, as between January and July the Bank rate fell by 2 per cent., from 5 per cent. to 3 per cent., and it was in consequence of the steady rise in all short-dated Government securities through this cause that we were enabled to derive a considerable part of the profit we have earned.

During the second half of last year the value of money remained more or less stationary, with the result that the conditions so favourable to us ceased any longer to operate; in fact, during the last two months of the year money became less plentiful, and there was, in consequence, a distinct re-action in the value of short-dated securities.

BILL MARKET.

If we now turn to consider the position of the bill market, we find matters were by no means so good. The policy of deflation which commenced in 1920 became more pronounced in 1922, and was reflected in the steady reduction in the deposits held by banks generally. The figures of the deposits held by the clearing banks show this very clearly, as their deposits on December 31, 1920, were £1,892,000,000, on December 31, 1921, £1,853,000,000, while the averages for June, 1922, were £1,800,000,000, and £1,730,000,000 for November, 1922, these being the last figures available.

RESULT OF CONTRACTION IN DEPOSITS.

From these figures you will observe that during the year 1921 the fall was £39,000,000, while during the 11 months of 1922 the fall was no less than £123,000,000. The consequence of this contraction in deposits was that the margin which constitutes our profit between the rates for money and bills was extremely small; in fact, during the first half of the year there was practically none at all, and though it was better during the second half, the average for the whole year was only about 6s, whereas it was 12s in 1921.

At the same time the value of money was becoming steadily cheaper all the year, so that the whole situation was unusual, inasmuch as on the one hand during the second half of the year in particular the value of money was about 1½, while on the other the discount market frequently was unable to get what it required, except by borrowing from the Bank of England.

SIGNS OF TRADE REVIVAL.

What the present year has in store for us is very uncertain, but I am glad to be able to say that we see signs of a revival in trade

in several important directions, and there also seem to be rather more trade bills coming on to the market. Consequently, I think we are justified in hoping that the worst period in the depression of trade has passed, and that, given no political upheaval, we may look for a gradual and steady improvement.

It is, of course, a great disappointment that the recent conference held in Paris failed to produce any settlement of the all-important questions of reparations and of inter-allied debts, as the present state of uncertainty with regard to affairs on the Continent, which is reflected in the violent movements in the exchanges of the various countries, is largely responsible for the prevailing unemployment in this country.

Our manufacturers and merchants are only too anxious and ready to foster and develop trade, but before they can enter into engagements of any magnitude it is essential that some measure of stability should be created on the Continent to justify them in proceeding with any degree of confidence.

BALANCE-SHEET ITEMS.

If you will look now at the accounts in your hands and refer first to the balance-sheet, you will see that the total figures are nearly 10 per cent. less than they were a year ago, and that they are once more at about the level of December, 1920, which was 20½ millions. Our net holding of bills at £15,720,000 is smaller by £712,000, and the total of commercial bills rediscounted has fallen by £831,000 to £1,692,000.

Investments, all of which are short-dated, show practically no change in their total, which continues at £2,553,000.

Loans on security are rather less, and the decrease in the balance-sheet total amounts to £1,850,000.

PROFIT AND LOSS ACCOUNT.

Coming next to the profit and loss account, the gross profits at £429,000 are £52,000 higher than a year ago, and the rebate, which has always been maintained on a conservative basis, stands at £191,000, which is only £4,000 less than a year ago, and this reduction is due entirely to the change in the prevailing conditions.

The dividend of 15 per cent. that we propose to you is at the same rate as last year, though it will absorb £7,500 more in consequence of the £50,000 additional capital, which was issued as a bonus to the shareholders in January last year, and now ranks for dividend. The bonus, on the other hand, which we propose of 5s per share, free of income-tax, compares with 2s a year ago, and will require £16,000 more.

Of the increased profits, therefore, £23,500 will be distributed among the shareholders, and from the balance we propose to still further strengthen the financial position of the company by adding £80,000 to the reserve as against £50,000 a year ago, bringing it up to £400,000 compared with a paid-up capital of £600,000, making £1,000,000 in all.

The amount carried forward is also increased by about £2,000, and stands at £32,200.

INCREASE IN EXPENSES.

I do not know that I need refer to any other of the figures in the accounts, unless it be the expenses, which amount to £49,024, against £41,656 a year ago, when also £5,000 was transferred to the clerks' pension fund.

The increase this year is accounted for principally by the stamp duty paid on the increase of capital, and also by the expense connected with the bonus issue. The normal expenses do not show any material increase, though they again include a generous bonus to the management and staff, of which I am sure every shareholder will approve.

CORPORATION PROFITS TAX.

In addition to the expenses we have also had, in common with the rest of the community, to contend against the still heavy burden of taxation, and in this connection I would like to say a word about the corporation profits tax. This tax, which was imposed for different purposes and under different circumstances from the present, is now simply a tax on ordinary shareholders as such, and might with equal injustice be imposed on any other class of the community.

It is not defended, as a tax, by any independent expert. It clearly discourages initiative such as is now so badly needed, and is a retrograde step in the development of our financial machinery.

I sincerely trust that the Chancellor of the Exchequer will consider this matter seriously before he introduces his first Budget, as if he can see his way to remove the tax there are many who believe that trade and employment may benefit substantially.

YEAR'S PROFITS A RECORD.

To sum up, the profits, as I have already said to you, are very good, but they are more than this, they constitute a record in the history of the company both absolutely and relatively to the capital and reserve employed in the business. The policy of taking advantage of the rise in the value of investments bought when conditions were less favourable is largely responsible for this result, for the margin of profit on the bill business was less than we look for as an average over a period.

TRIBUTE TO MANAGER AND STAFF.

Before moving the resolution I would like to tell you once again how very highly the directors value the services of our manager and those connected with him in the management, to whom the excellent results are due, and also to express appreciation of the excellent work done throughout the year by the staff generally.

The report and accounts were unanimously adopted, the retiring director re-elected, the auditors re-appointed, and the proceedings terminated with a vote of thanks to the chairman.

NATIONAL DISCOUNT COMPANY, LIMITED.
ANOTHER SATISFACTORY YEAR.

The ordinary annual general meeting of the National Discount Company, Limited, was held, on the 19th instant, at the Cannon street Hotel, London, Colonel the Hon. Sidney Peel, D.S.O., chairman of the company, presiding.

The secretary (Mr Charles H. Gough) having read the notice convening the meeting and the report of the auditors,

The Chairman, after referring to the retirement from the chairmanship of Sir Sigismund Mendl, said:—The re-arrangement of our share capital has now been completed in accordance with the resolutions passed last year.

DIVIDENDS AND PROFITS.

We paid an interim dividend of 6s per old undivided share in July last, and to-day you will be asked to approve a distribution for the last half-year of 2s 6d per "A" share, and of a dividend of 5s 6d and a bonus of 2s per "B" share, all subject to deduction of income-tax. We have again had a satisfactory year. Our gross profits are down by £34,500, which is to be accounted for by the lower rates of interest and discount prevailing during the year. On the other hand, it is satisfactory to note that our expenses are £4,000 less. We propose, after paying £15,000 to pension fund, and paying the same dividend as before, to increase our carry forward by £75,000 on the amount carried forward last year.

Our balance-sheet is very good, and augurs well for the future of the company. The totals are the largest we have ever shown, and the amount of bills discounted shows an increase on December 31st of £1,371,000 over this same date last year. I might add that the total amount of bills discounted during the year shows an increase of more than £4,000,000 over the previous year. Our investments show an increase, due to the fact that with a low discount rate it becomes more profitable to hold investments.

I referred just now to the lower rates of interest and discount which have prevailed during the year. We began the year with a 5 per cent. Bank rate. The rate was lowered four times, till it reached 3 per cent. on July 13th. The average discount rate for all bills for the whole year was £2 13s, against £5 3s 3d, and the average rate of interest on deposit was £2 3s 7d, against £4 10s. That is a difference of 9s 5d against last year's difference of 13s 3d. It is interesting to observe that the average rate for fine three-months' bills began at £3 11s 6d in January, fell gradually to £1 19s in July, and has travelled up again, with some fluctuations, to £2 10s 4d in December. This rise in the rate is no doubt due in some degree to a revival in trade.

TRADE REVIVAL.

We are, of course, intensely interested in a revival of trade; we like to see plenty of trade bills offering. We play an important part in the trade machine. It is more important that the financial position of those whose names are on the bills should be sound.

I think it cannot be disputed that the general financial position in this country has improved during the last twelve months. We are, of course, particularly interested in the rise of the pound in terms of American dollars. Every rise in the pound strengthens the position of London as the financial centre of the world, a matter of first rate importance to the discount houses.

GOVERNMENT FINANCE AS A RULING FACTOR.

We are still far from pre-war conditions, but there is, indeed, one outstanding feature of the money market of to-day, as contrasted with pre-war days. I mean the overwhelming preponderance of

Government finance as a ruling factor. It must be long before this factor is reduced to small proportions. A very great reduction on the floating debt has been made, but the total of Treasury bills outstanding at the end of the year was from £710,000,000 to £720,000,000. This does not represent the full total of short-dated Government securities on the market. From time to time various Government bonds approach maturity and take on the character of bills. Clearly all this puts us very much in the hands of the Government and the Bank of England. They can at any time produce ease of money by allowing bills to run off, and they can also, though not quite so simply, produce a condition of tightness. As long as this state of things continues, it is impossible for any useful forecast to be made. You can foretell, if you are wise enough, the action of economic laws working uncontrolled; you cannot foretell the action of Governments and their advisers.

I do not mean to make any complaint of the action of the Government and the Bank of England during the last year; on the contrary, I think it has been very wise and prudent. I have no doubt that the policy of cheapening money, which has been pursued lately by the authorities, has been a great boon to traders, and is a powerful factor in the restoration of trade. I hope it will be continued. I hope, too, that the policy of diminishing the floating debt, whether by funding, conversion, or otherwise, will be actively pursued. The market can carry a far larger amount of Treasury bills than formerly, but when trade revives there will be great competition between commercial bills and Treasury bills, and both trade finance and Government finance will suffer accordingly.

The report and accounts were unanimously adopted.

Sir Albert Wyon, S.C.A., after thanking the meeting for the re-election of himself and his co-auditor, Mr Francis W. Pixley, spoke briefly upon the accounts, which he said showed the company to be in a very strong and prosperous condition.

GREAT INDIAN PENINSULA RAILWAY COMPANY.

DEFICIT GREATLY REDUCED.

BOMBAY SUBURBAN ELECTRIFICATION SANCTIONED.

The one hundred and forty-sixth half-yearly meeting of the stockholders of the Great Indian Peninsula Railway Company was held, on the 19th instant, at the company's offices, 48 Copthall avenue, London Wall, London, Mr J. E. Dallas, managing director, presiding.

The secretary (Mr R. H. Walpole) having read the notice convening the meeting,

The Chairman said:—Gentlemen,—Sir Charles Armstrong, the chairman, having gone out to India on the business of the company, it devolves upon me to address you on the subject of the report for the half-year ended September 30, 1922. You will remember that at the corresponding time in the previous year we had to deal with a heavy deficit of Rs. 144 lakhs.

YEAR'S RESULTS.

At the end of the half-year under review, in spite of an increase of 6.40 per cent. in gross earnings and a decrease of 5.70 per cent. in expenditure, we are still, after bringing interest charges to account, confronted with a deficit, but it is reduced to Rs. 84 lakhs. The ratio of working expenses to gross earnings for this period was 84.63 per cent., as compared with 95.49 per cent. in the corresponding period of the previous year, when conditions were abnormal. We are seen, therefore, to be progressing in the right direction, but not so fast as we anticipated. The long-wished-for revival of export trade did not materialise during 1922. This is all the more disappointing, inasmuch as there were excellent monsoons in 1921 and 1922, and India is ready to respond to a demand from the outside world if only exchanges would right themselves and enable the market for Indian products to revive. Glancing for the moment at the present year, the state of the European exchanges is not such as to encourage an early anticipation of a return to normal trade, but just at the moment news comes from India of excellent traffics, and there are other indications that trade is reviving.

EXPENDITURE.

While we are waiting for a real improvement in trade, we have not been idle in regard to the expenditure side of the account. This has been, and is still being, subjected to rigorous examina-

tion, and no pains are being spared to enforce every economy that can be effected without impairing efficiency.

TRAFFIC RECEIPTS.

The receipts from coaching traffic were 8 per cent., and from goods traffic 4.54 per cent., higher than in the corresponding period of last year. It is too early yet to report the final effect of the recently raised fares and rates on passenger and goods traffics. A return to normal trade will have to occur before the result can be correctly criticised.

BOMBAY SUBURBAN ELECTRIFICATION.

You will be glad to learn that sanction has now been received to proceed with the first 30 miles of the Bombay Suburban Electrification as far as Thana. Steps have been taken to start construction on the first 20 miles of this scheme. Preparations are far advanced, and contracts will shortly be let for the track work and special rolling stock.

As I have already mentioned, Sir Charles Armstrong, the chairman, has proceeded to India, and is now engaged in a series of inspections.

It only remains to add that the guaranteed interest of 1½ per cent. for the half-year, was distributed in December as usual. I now beg to move: "That the report of the directors, together with the accounts now submitted, be received and adopted," and I will ask Mr. Finlay to second that.

Mr. J. F. Finlay, C.S.I., seconded the motion, and, no questions being asked, it was at once put to the meeting, and was carried unanimously.

The proceedings then terminated.

SCOTTISH AUTOMOBILE AND GENERAL INSURANCE COMPANY LIMITED.

SATISFACTORY RESULTS DESPITE YEAR'S DIFFICULTIES. "INCREASED REVENUE AND ADDED PROFIT."

The fourth ordinary general meeting of the Scottish Automobile and General Insurance Company, Limited, was held, on the 15th instant, at the offices of the company, 136-138 Hope street, Glasgow, Mr Robert J. Smith, C.B.E., chairman of the company, presiding.

The secretary having read the notice calling the meeting and the auditors' report, the chairman, in moving the adoption of the report and accounts, said:

Gentlemen,—Your directors have again satisfaction in meeting the shareholders and submitting for your approval the results of our trading for the third year of our existence. We feel sure these will commend themselves to you. I have heard it said that the third year of an insurance company is its most trying period, and if that be so we should be gratified that we have passed through it with increased revenue and added profit.

1922 has been an abnormal year. The depression in trade and industry, and the lack of employment at home and the disturbed economic conditions throughout the world, have combined to make it a period of almost unequalled conditions. The power and the disposition to purchase cars has been restricted, and the motor industry, with which the interests of the company are closely identified, has severely suffered. Following on the artificial booms of 1919 and 1920 the reaction has been the more acutely felt.

It is very gratifying, consequently, to be able to record that our gross revenue for 1922, in spite of all such adverse circumstances,

rose to the substantial total of over £90,000, and the net premiums, as shown by the accounts, to £79,183. The difference between these figures is considerable, but is due to the large reinsurance contracts effected by the board in pursuance of their policy of protecting themselves against all but a comparatively small portion of each risk, and so ensuring that no claim or loss may arise which cannot be viewed with comparative equanimity. Caution and discrimination have also been applied to the selection of risks, and we have rigidly adhered to our policy of accepting only what we believe to be safe and select business, notwithstanding that this has meant the rejection of a large volume of premium income.

RATIO OF PROFIT TO PREMIUM INCOME.

The experience for the past year in the matter of claims, while slightly beyond that of the previous year, is still very satisfactory. The percentage of expenses, due to some special advertising, is also very slightly increased; but, on the other hand, having regard to the adjustment of the reserve for unexpired risks, the ratio of profit to premium income is almost 5 per cent. better than that of the two corresponding years. I think you will agree that the balance of £11,618 at credit of revenue account is a satisfactory result of the year's trading. It is equivalent to 30.9 per cent. of the paid-up share capital, and is substantially equivalent to the accumulated balances of profit which we are carrying forward to next year. That, as will be observed from the report, is £11,409 5s 3d, and has been steadily and almost uniformly accumulated. In 1920 £3,738 11s 2d was carried forward; in 1921, after payment of the dividend applicable to that year and directors' fees, a further £3,608 3s 5d was carried forward; while out of the credit balance of 1922, after providing for the year's dividend of 7½ per cent., and writing off £4,445 of preliminary expenses and the stock of policy forms and stamps, &c., the sum remaining to be added to the carry-forward is £4,062 10s 8d. It is consequently, I think you will agree, satisfactory that the third year has been able to provide for all these preliminary expenses and a satisfactory rate of dividend, and leave this substantial sum for accumulation.

BALANCE-SHEET ITEMS.

The balance-sheet requires little explanation. The net assets at the end of 1922, which are all liquid—that is, assets after deducting the preliminary expenses, stationery, &c., and after deducting all outstanding liabilities—are of an actual value of £87,557 0s 6d, as compared with £68,931 5s 10d at the end of the previous year, while the reserve for unexpired risks and accumulation of revenue balances, including an unrealised appreciation on our investments, but not, of course, including the reserve for outstanding claims, amount in the aggregate to £50,057 0s 6d, as compared with £31,431 5s 10d on the corresponding date in 1921. It will thus be seen that the increase of net assets and of reserves has improved the position of the company during the twelve months to the extent of £18,625 14s 8d. The net assets are now equal to 233 per cent., and the reserves equal to 133 per cent. of the paid-up capital. The income from the investments of the company now exceeds 10 per cent. of the capital, and has been more than sufficient to provide the dividend paid or proposed to be paid to the shareholders.

It is interesting to record, as showing the extent of the company's business and the manner in which the risks are spread, that the total number of policies in force represented by our premium income is 8,219, or an average of approximately £10 per policy, and the number of mechanically propelled vehicles insured has reached a total of 6,443, of a value of £2,228,749.

WORKMEN'S COMPENSATION INSURANCE.

Workmen's compensation insurance, which for some years has been a somewhat profitable department of underwriting, is again becoming, as in pre-war days, a source of worry and concern to

most companies. We are gradually getting back to the conditions which induced malingering, and to the days when the employee considered it was in his interest to keep on the injured list rather than return to his employment, and when many claims necessitate at some point or other a lump-sum payment to effect their final discharge. Coupled with this, there has been recently in some instances an almost insensate competition for business, and while we are reluctant to lose business which has been or is apparently profitable, we are not prepared to make the cuts which some offices and underwriters are presently making in order to retain business at rates which we think are most unlikely to be remunerative.

The prospects for the ensuing year are promising. There are indications on all sides of returning activity in trade and industry. One hesitates in a business meeting to mention a subject which has a taint of political opinion, but I think it will be universally agreed that it only needed the settlement of the vexed question of reparations on sane and reasonable lines to give that fillip to the confidence which is necessary to the restoration of commercial prosperity. Reparations to the extent of ability to pay are only reasonable and proper, but I am convinced that the prosperity of Europe and the peace of the world can only be secured through a rehabilitated Germany.

Notwithstanding all adverse conditions, the motor movement has progressed, and according to official returns the number of motor vehicles in this country at August 31st last amounted to 902,000, or 96,000 in excess of the number at that date in 1921. I have estimated that at the rate of normal increase that number will be 1,120,000 in 1923 and 1,300,000 in 1924, and this and the reduced prices of cars and the lessened running costs all combine to afford our company the promise of a wider field of enterprise and of a more extensive revenue in the year upon which we have entered.

Mr Miller seconded the motion, which was carried unanimously.

Mr Robert J. Smith and Mr W. H. Pryce having been re-elected as directors, and the auditors having been re-elected, the customary votes of thanks concluded the meeting.

APEX (TRINIDAD) OILFIELDS, LIMITED.

"RESULTS IN EVERY WAY SATISFACTORY."

The third ordinary general meeting of the Apex (Trinidad) Oilfields, Limited, was held, on the 15th instant, at Winchester House, Old Broad street, London, Mr Walter MacLachlan, one of the managing directors, presiding.

The Chairman, in moving the adoption of the report and accounts, said:—The profits from the production and sale of oil during the year under review were £131,366, from which £30,243 has been written off in respect of depreciation of the wells, while the net head office expenditure amounted to £830, leaving a profit for the year of £100,292. Adding this amount to the balance of profit from last year—that is, £34,922—and deducting £20,000 reserve for income-tax and corporation profits tax, the balance at the credit of profit and loss account stands at £115,215. Of this, £42,000 has been distributed, leaving £73,215 carried forward. From these figures it is evident that a considerably larger dividend than 10 per cent. could have been paid, but we considered it prudent to pay only that rate of dividend as a start, in the belief and with the intention that we shall be able to pay a further dividend within the next few months. In concluding this review of the accounts, I trust you will agree with us in regarding the results and financial position they disclose as in every way satisfactory, more particularly in view of the early stage of the career of our undertaking within which these have been attained.

These results have been obtained from a production of 64,315 tons during the fiscal year. To this have to be added 6,639 tons in storage at the commencement of the year, a total of 70,954 tons. Of this tonnage, 65,357 tons were delivered to Trinidad Leaseholds and elsewhere and 1,493 tons were used on the property, leaving 4,104 tons in storage. During the year it was necessary to restrict production in order to regulate it to the tonnage with which the purchasers were able to deal, the average monthly deliveries—including advance deliveries—being 5,000 tons for the first nine months and 10,000 tons for the remaining three months of the year. During the first nine months only four wells on average were drawn upon to provide for these deliveries, after which other wells were reopened to meet the increased demand. Early in September, however, it was found necessary to shut down all the wells from which production is obtained by pumping, as the flowing wells alone were easily capable of sufficient production to provide for the delivery of 10,000 tons per month. Since September 30th we were again subjected to restriction, the purchasers being able to take delivery of only 20,000 tons during the last three months of 1922, but we are glad to be able to inform you that they have intimated that they hope to take 10,000 tons per month from now onwards. When it is borne in mind that the satisfactory results I have had the pleasure of submitting were obtained from dealing with some 65,000 tons, it will be

readily understood that even better results may be expected from the much larger output which we hope to deal with during the current year.

During the year eight new wells were drilled and brought into production. Our drilling operations have been attended with most satisfactory results, the method adopted by our management for bringing in wells under control having in every case met with complete success. As you are probably aware, a feature of the oil wells in the Fyzabad district of Trinidad, where our oilfield is located, and from which the main output of Trinidad oil is produced, has been the choking of the wells by sand under heavy gas pressure. So far as our experience has gone—and we hope it will continue to be so—this has been overcome by the use of perforated drill-pipe covered by screening, which permits the ingress of oil, but excludes the sand. It is only right to mention that this method, which was already in use on other oilfields than in Trinidad, was recommended by our consulting engineer, Dr Henderson, who also procured for us the services of Mr Tilbury, our drilling superintendent, who applied his previous experience of the method with great ability and success. In all 18 wells have been drilled on our property, from which approximately 135,000 tons have been produced to date, even under the restricted conditions which have been imposed on our operations.

Our drilling programme has been directed towards obtaining production and also proving the value of various portions of our property. There has been ample evidence of the success which has attended the first of these aims, and I have pleasure in assuring you that in every instance our work to further prove our property has been attended with most satisfactory results. Personally, I feel gratified to be able to confirm my statement, when I last had the pleasure of addressing you, that we possess a very valuable property, the development of which is yielding results up to our best expectations.

As I have already informed you, we have been obliged to restrict our operations so as to regulate our production in accordance with the facilities for its disposal. Of course, if Trinidad Leaseholds are able to accept regular deliveries of 10,000 tons a month, this position will be somewhat relieved, and we shall be able to continue to extend our operations. We are, however, closely engaged in considering means for dealing with the disposal of the entire output which we believe our property is capable of producing, and we have good reason to anticipate a satisfactory result of our efforts in that direction.

Mr George R. Airth seconded the resolution, which was carried unanimously.

RIO DE JANEIRO FLOUR MILLS AND GRANARIES, LIMITED SIGNS OF IMPROVEMENT IN TRADE.

The thirty-seventh ordinary general meeting of the Rio de Janeiro Flour Mills and Granaries, Limited, was held, on the 16th instant, at the Institute of Chartered Accountants, Moorgate, London, Mr Richard Foster (the chairman) presiding.

The secretary (Mr Nigel Charles East) having read the notice convening the meeting,

The Chairman, in moving the adoption of the report, said that at the previous meeting he informed the shareholders that the

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AFFILIATED INSTITUTIONS:

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

company had begun the year now under review with a bad quarter, but that it did not follow that they were in for a bad year. He thought the accounts now presented bore out that statement. Their trade had perhaps been on more normal lines than in any year since 1914. Prices had been more stable at a somewhat lower level on account of the reduced prices of wheat and freights, which had tended to assist the consumption of flour, but had exchange been higher there was no doubt that the demand would have still further increased. The cotton mill had made less profit in sterling on account of the lower rate of exchange, but the production had increased, and they had orders in hand which would keep it at full work for some months to come. With regard to the future, he saw nothing to worry about unduly. Competition was very keen, but both in Brazil and Argentina there were, to his mind, signs of an improvement in trade, and a perhaps more reassuring condition generally.

Mr S. C. Sheppard (managing director), in seconding the motion, said that as far as the wheat supplies were concerned, while they had had at times anxious moments, he did not think there had been a single stoppage of the mill for lack of supply throughout the year. Prices had varied a good deal, but, fortunately, last year's crop in Argentina was abundant and of excellent qualities, so that their annual grist, if only from a percentage of produce point of view, was perhaps one of the best they had had. As to this season's crop, their Buenos Aires managers estimated the total yield at about 5,400,000 tons, indicating an exportable surplus of 3,600,000 tons. They had just received a cablegram from the general manager as follows:—"Factories fully employed; new looms in the cotton mill are daily coming into use, and the steadier rates of exchange are helping business."

The report was unanimously adopted, and the final dividend and bonus recommended were declared.

GOVERNMENT RETURNS.

CURRENCY NOTES ACCOUNT. (000's omitted.)

Date.	Notes and Certificates Outstanding.	Advances to Bankers.	Redemption Account.	Bank of England Notes.	Ratio to Notes.	Government Securities.	Balance at 1st of Month.
1914.							
Jan. 1.	11,423	5,302	3,310	18,500	48.1	9,994	11,423
Dec. 31.	38,478	169	600	39,247	48.1	9,994	38,478
1915.							
Jan. 1.	103,126	729	189	104,044	27.6	54,821	103,126
Dec. 31.	150,144	4,430	84	154,658	19.0	118,103	150,144
1916.							
Jan. 1.	212,729	8,554	39	221,312	13.4	186,637	212,729
Dec. 31.	323,941	15,529	70	339,440	8.9	305,133	323,941
1917.							
Jan. 1.	356,152	17,182	250	373,584	4.00	337,537	356,152
Dec. 31.	367,636	18,982	250	386,868	13.0	336,504	367,636
1918.							
Jan. 1.	343,826	15,599	3,000	362,425	13.9	311,334	343,826
Dec. 31.	323,894	14,955	3,000	341,849	14.8	287,750	323,894
1919.							
Jan. 1.	314,328	14,430	3,000	331,758	15.2	276,119	314,328
Dec. 31.	285,594	14,658	3,000	303,252	14.7	289,131	285,594
1920.							
Jan. 1.	300,351	14,255	5,000	319,606	15.9	261,479	300,351
Dec. 31.	296,374	13,538	5,000	314,912	16.3	254,413	296,374
1921.							
Jan. 1.	295,127	12,948	7,000	315,075	15.9	246,456	295,127
Dec. 31.	301,537	12,978	7,000	321,515	15.9	254,922	301,537
1922.							
Jan. 1.	296,414	12,915	7,000	316,329	16.3	253,013	296,414
Dec. 31.	296,374	12,930	7,000	316,304	16.8	247,201	296,374
1923.							
Jan. 1.	294,938	12,462	7,000	314,400	16.3	242,104	294,938

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £380,000,000, for 1921 at £317,555,200, for 1922 at £308,988,400, and for 1923 at £270,185,800.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £40,000,000 in three months' Treasury Bills dated from Monday to Saturday, January 21-January 27, were opened on January 19, 1923, and the total amount applied for was £55,305,000. Tenders for Monday bills at £99 10s 3d and above in full, and Tuesday to Saturday bills at £99 10s 3d and above in full, and above in full. The average rate of discount for Treasury bills was £1 18s 9d. The amounts allotted were as follows:—In bonds, £4,950,000; in bills at 3 months, £35,050,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills.	4½% Treasury Bonds, 1922.	Average Price.
Oct. 27, 1922.	40,000,000	56,905,000	2 5 9-94	99 4 8-3	
Nov. 3.	45,000,000	57,320,000	2 9 1-02	99 4 8-7	
Nov. 10.	45,000,000	55,585,000	2 11 3-41	99 2 4-8	
Nov. 17.	45,000,000	62,246,000	2 8 6-06	99 4 4-8	
Nov. 24.	50,000,000	62,240,000	2 9 2-79	99 3 0-46	
Dec. 1.	55,000,000	62,265,000	2 7 1-77	99 5 0-6	
Dec. 8.	55,000,000	70,595,000	2 11 1-09	None allotted	
Dec. 15.	60,000,000	67,555,000	2 11 0-62	None allotted	
Dec. 22.	50,000,000	62,726,000	2 11 7-52	None allotted	
Dec. 29.	55,000,000	76,225,000	2 6 11-35	None allotted	
Jan. 5, 1923.	50,000,000	63,995,000	2 2 7-67	99 3 9-6	
Jan. 12.	50,000,000	76,575,000	2 3 5-68	99 6 3-72	
Jan. 19.	40,000,000	65,305,000	1 18 9-91	99 7 1-69	

(a) Including Treasury Bonds.

Tenders will be received on Friday, January 26, 1923, for Treasury Bonds and Treasury Bills to be issued to the maximum amount of £40,000,000. The amount of Treasury Bonds issued will not exceed £5,000,000, but subject to that limit, the total amount issued will be divided between Bills and Bonds in such proportions as the Lords Commissioners of His Majesty's Treasury may determine.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1922-23. (See Note.)	Total Receipts into the Exchequer from	Receipts.	Week Ended Jan. 13, 1923.	Week Ended Jan. 14, 1922.
		Apl. 1, 1922, to Jan. 13, 1923.	Apl. 1, 1921, to Jan. 14, 1922.		
Balances in Exchequer on 1st April:—					
Bank of England	9,963,424	2,591,081	..	..	..
Bank of Ireland	1,210,106	483,455	..	..	..
	11,173,530	3,074,536	..	..	..
REVENUE.					
Customs	112,250,000	99,704,000	1,924,000	1,988,000	
Excise	180,750,000	123,647,000	1,345,000	1,753,000	
Motor Vehicle Duties	10,600,000	5,368,000	2,200,000	1,566,000	
Stamps	48,000,000	45,611,000	560,000	737,000	
Land Tax, House Duty, & Mineral Rights Duty	18,250,000	15,232,000	390,000	808,000	
Property and Income Tax (including Super-Tax)	3,000,000	880,000	180,000	170,000	
Excess Profits Duties, &c.	329,000,000	205,922,000	11,362,000	12,080,000	
Corporation Profits Tax	27,800,000	29,714,000	954,000	424,000	
Post Office	19,750,000	14,087,000	310,000	424,000	
Crown Lands	54,635,000	41,200,000	800,000	1,250,000	
Interest on Sundry Loans	750,000	710,000	570,000	..	
Miscellaneous	14,000,000	9,537,680	10,881,562	108,387	161,09
Ordinary Receipts	32,000,000	19,614,947	18,606,114	450,010	510,00
Special Receipts	90,000,000	37,919,339	99,016,753	558,916	2,500,00
Revenue	910,775,000	621,386,966	720,196,429	20,183,313	23,917,09
Total, Inc. Balance		632,560,496	723,270,935	..	..

OTHER RECEIPTS.					
Temporary Advances Repaid:—					
Bullion	800,000	7,586,000	..	100,00	
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	169,818	169,818	..	..	
Under the Unemployment Insurance Act, 1921	2,910,000	520,800	..	..	
Money Raised by Creation of Debt:—					
(a) For Capital Expenditure:—					
Under the Telegraph (Money) Act, 1920	5,310,000	5,561,474	..	..	
Under the Post Office (London) Railway Act, 1913	27,000	27,500	..	..	
Under the Housing Act, 1914	27,000	50,000	..	..	
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922	950,000	..	..	..	
By Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	1,553,300	..	..	..	
(b) Under the Unemployment Insurance Act, 1921	4,050,000	7,600,000	..	..	
(c) For other issues:—					
By Treasury Bills for Supply	2,334,711,000	3,171,623,000	57,107,000	68,786,00	
By National Savings Certificates	49,808,000	33,230,000	1,100,000	1,350,00	
By Exchequer and National War Bonds	20	5	..	..	
By Treasury Bonds—					
5-15 year, 1925-35	61,655,154	219,307,928	..	26,369,34	
5½, 1927	71,403,485	..	495,950	..	
4½, 1932	..	..	..	..	
By Other Debt created under the War Loan Acts, 1914 to 1919	25,259	10,961,454	..	..	
(d) Ways and Means Advances	771,075,500	1,103,646,000	10,300,000	23,200,00	
Anglo-Persian Oil Company—					
Dividends on Shares acquired	243,012	5,010	..	..	
Do East Africa Protectorate Loan	130,000	130,000	..	..	
Do Issues under Civil Contingencies Fund Act, 1919	..	7,250,000	..	..	
Do Issues under Land Settlement (Facilities) Act, 1919 and 1921	273,914	46,434	..	..	
Do Issues under Section 59 (4) of the Finance Act, 1920	6,827,960	13,490,950	..	..	
Interest received under Section 59 (5) of the Finance Act, 1920	162,425	321,533	..	..	
Total	3,944,646,343	5,304,319,309	89,191,263	143,722,44	

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1922-23, including Supplementary Grants.	Total Issues out of the Exchequer to meet Payments from	Issues.	Week Ended Jan. 13, 1923.	Week Ended Jan. 14, 1922.
		Apl. 1, 1922, to Jan. 13, 1923.	Apl. 1, 1921, to Jan. 14, 1922.		
EXPENDITURE					
Permanent Charge of Debt	16,000,000	12,794,642	14,330,156	7,041	..
Interest, &c., on War Debt	319,000,000	253,722,858	265,837,142	490,831	895,1
Road Fund	10,000,000	3,049,999	5,282,000	..	2,301,0
Payments to Local Taxation Authorities, &c.	9,788,000	6,125,518	6,992,236	..	73,3
Payments to Northern Ireland Exchequer	2,500,000	1,548,995	550,000	..	..
Loans and Advances	3,500,000	821,998	2,388,898	1,194	58,9
Other Consolidated Fund Services	2,256,621	2,256,621	1,660,944	..	230,5
Supply Services	538,253,000	312,166,352	518,819,760	7,150,000	48,560,0
Expenditure	902,691,000	592,476,983	815,861,130	7,649,066	52,119,0

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COMPARISON with PREVIOUS WEEK and a YEAR AGO.

	Amount, Jan. 17, 1923.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Rest	3,465,782	+ 23,569	+ 65,119
Public deposits	10,408,126	+ 3,166,104	+ 9,214,229
Other deposits	133,601,983	+ 10,865,073	+ 15,786,728
Government securities	72,103,811	+ 6,436,228	+ 24,986,125
Reserve	65,232,301	+ 59,546	+ 18,742,346
Note circulation	2,705,207	+ 1,223,760	+ 410,959
Coin and bullion	121,236,150	+ 1,218,620	+ 1,363,800
% of reserve to liabilities	174%	+ 4%	+ 4%

THREE MONTHS' RECORD.

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities Banking Department.	Reserve.	% of Reserve to Liabilities.
Oct. 1922.	127,432,534	121,886,450	125,381,614	119,089,011	23,996,084	194%
Nov. 1922.	127,435,322	123,158,840	123,879,002	118,854,444	23,786,482	188%
Dec. 1922.	127,437,711	122,519,305	122,617,564	116,974,245	23,368,406	181%
1923.	127,441,016	121,901,960	122,360,827	116,110,795	23,989,056	191%
1922.	127,445,261	121,407,130	123,414,918	116,705,643	24,484,131	192%
1921.	127,440,455	122,894,525	121,463,385	115,940,853	23,006,330	181%
1920.	127,446,497	123,163,510	124,885,243	120,050,341	22,735,137	182%
1919.	127,444,219	124,890,400	123,395,554	120,319,616	21,003,819	171%
1918.	127,443,007	133,227,313	130,126,031	121,015,537	17,491,357	152%
1917.	127,493,190	124,053,460	157,778,672	153,861,705	21,889,730	133%
1916.	127,486,217	122,494,770	136,311,140	130,844,537	23,481,447	171%
1915.	127,491,357	121,236,150	144,010,109	137,342,112	24,705,207	177%

TEN YEARS' RECORD.

At corresponding date with the present week.	Jan. 15, 1913.	May 27, 1914.	Jan. 19, 1921.	Jan. 18, 1922.	Jan. 17, 1923.
Circulation (excl. Bank post bills)	28,078,715	28,933,380	128,540,705	122,599,950	121,235,150
Public deposits	10,688,542	19,014,809	16,076,294	19,683,055	10,408,126
Other deposits	41,484,217	41,248,964	120,012,267	117,921,255	133,601,983
Government securities	15,733,433	12,046,570	54,510,256	47,143,686	72,103,811
Other securities	31,577,071	41,461,280	81,324,834	83,974,646	65,232,301
Reserve of notes and coin	25,644,895	25,463,980	18,196,790	24,294,248	24,705,207
Coin and bullion	35,273,610	35,947,360	12,287,495	122,444,198	127,491,357
Proportion of reserve to liabilities	40 1/2%	42 1/2%	13 3/4%	17 1/2%	17 1/2%
Bank rate of discount	5%	3%	6 1/2%	3 1/2%	4 1/2%
Market rate, 3 months' bills	4 1/2%	3 1/2%	6 1/2%	3 1/2%	4 1/2%
Price of Consols	104 1/2	104 1/2	104 1/2	104 1/2	104 1/2
Price of 20 year bond	104 1/2	104 1/2	104 1/2	104 1/2	104 1/2
Average price of wheat.	30s 3d	33s 0d	85s 11d	45s 0d	68s 10d to 70s
Exchanges on Paris	25 17/20	25 17/20	58 30/40	44 23/40	44 64/64
New York	84 1/2	84 1/2	74 1/4 to 74 1/2	11 52/60	11 73/78
London	12 1/2	12 1/2	11 35/40	11 52/60	11 73/78
on Berlin	20 1/2	20 1/2	23 25/40	790 43/40	80 00/00 to 80 00/00
Clearing house return	288,333,000	199,913,000	764,751,000	912,736,000	749,534,000

OVERSEAS BANK RETURNS.

UNITED STATES FEDERAL RESERVE BANKS.

(000's omitted.)					
Assets.	Jan. 12, 1922.	Jan. 5, 1923.	Dec. 29, 1922.	Jan. 13, 1923.	Jan. 1, 1923.
Total gold reserve	3,062,710	3,049,450	3,040,440	2,895,590	2,895,590
Legal tender notes and silver reserves	124,510	113,440	108,400	145,710	145,710
Bills discounted for member banks	512,050	627,650	629,890	987,590	987,590
Bills bought in open market	225,760	255,180	246,290	86,750	86,750
Government obligations owned	508,180	456,550	457,880	219,190	219,190
All other resources	61,330	62,880	64,970	55,770	55,770
LIABILITIES.					
Government deposits	6,190	6,300	7,810	15,290	15,290
Other deposits	2,013,680	2,018,140	1,892,450	1,761,620	1,761,620
Federal Reserve Notes in actual circulation	2,312,670	2,411,060	2,464,120	2,293,800	2,293,800
Notes in circulation	2,870	2,950	10,630	83,980	83,980
All other liabilities	10,340	9,580	29,250	15,730	15,730
Capital and surplus	325,830	325,820	322,650	318,600	318,600
Ratio of total reserves to gross deposits and Federal Reserve note liabilities combined	73.6%	71.3%	72.1%	74.7%	74.7%

STATEMENT OF CANADIAN BANKS.

(000's omitted.)					
Assets.	Oct. 31, 1922.	Sept. 30, 1922.	Aug. 31, 1922.	July 31, 1922.	Oct. 31, 1921.
Cash and bank balances	487,881	441,824	419,981	447,719	509,629
Bank balances abroad	104,892	114,894	111,015	126,750	69,886
Call and short loans	300,833	279,021	276,778	271,989	277,375
Securities	1,864,395	1,864,345	1,864,345	1,948,367	1,948,367
Loans in Canada	1,217,578	1,211,825	1,196,524	1,345,531	1,345,531
Loans abroad	153,088	145,610	145,120	144,072	155,118
Other assets	106,444	104,262	99,412	97,515	102,365
LIABILITIES.					
Notes in circulation	178,633	176,919	158,087	161,887	193,546
Deposits—					
Government	132,331	108,988	92,595	87,546	136,968
Public in Canada	1,687,933	1,648,648	1,639,485	1,668,224	1,616,974
Foreign	331,969	336,747	339,985	347,525	284,254
Bank balances—					
Canadian	11,311	9,008	8,348	6,379	11,561
Foreign	35,807	33,706	35,073	34,284	39,048
Bills payable, &c.	26,409	23,521	22,256	21,872	33,530
Other liabilities	2,624	2,546	2,556	2,328	3,213
Capital and rest.	255,274	255,231	255,197	255,068	264,338

BANK OF FRANCE.

(000's omitted.)					
Assets.	Jan. 18, 1923.	Jan. 11, 1923.	Jan. 4, 1923.	Jan. 19, 1922.	Position May 31, 1914.
Gold coin and bullion	5,535,180	5,535,062	5,534,980	5,524,573	5,524,573
Of which held abroad	1,864,395	1,864,345	1,864,345	1,948,367	1,948,367
Silver coin and bullion	289,901	289,706	289,658	280,235	632,650
Discounts and advances	4,787,549	4,856,807	4,568,008	4,778,652	4,377,775
Advances to the State	23,100,000	23,300,000	23,300,000	..	..
LIABILITIES.					
Notes	37,081,400	37,387,727	37,426,594	36,785,724	5,811,875
Government deposits	2,855	68,657	64,025	33,347	183,700
Private deposits	2,237,976	2,222,044	2,473,646	2,451,742	845,965

SOUTH AFRICAN RESERVE BANK.

(000's omitted.)					
LIABILITIES.	Dec. 23, 1922.	Dec. 15, 1922.	Dec. 9, 1922.	Dec. 2, 1922.	Nov. 25, 1922.
Capital	1,000	1,000	1,000	1,000	1,000
Reserve	2	2	2	2	2
Notes in circulation	9,766	9,220	9,148	9,151	8,811
Bankers' deposits	5,223	5,646	5,304	5,309	5,566
Assets.					
Gold coin and bullion	383	383	383	383	383
Gold certificates	10,052	10,052	10,052	10,052	10,052
Subsidiary coin	250	250	250	250	250
Bills discounted (domestic)	2,608	1,895	1,958	2,091	1,898
Do (foreign)	297	183	182	47	..
Loans and advances to the Government	1,300	2,100	1,300	1,300	1,300
Other loans and advances	1,057	1,015	1,326	1,348	1,314
Ratio of cash reserves to liabilities to public	71.5%	71.8%	73.9%	73.8%	75.2%

NATIONAL BANK OF GREECE.

(000's omitted.)					
Assets.	Nov. 28, 1922.	Nov. 13, 1922.	Oct. 28, 1922.	Oct. 13, 1922.	Nov. 28, 1921.
Gold and balances abroad	1,438,929	1,369,589	1,363,191	1,351,025	1,345,932
Government loans and securities	2,838,106	2,737,537	2,740,668	2,742,279	2,710,859
Discounts and loans	1,277,120	1,243,028	1,196,457	1,169,965	679,345
LIABILITIES.					
Notes in circulation	2,808,968	2,644,687	2,489,703	2,326,996	2,130,134
Government deposits	299,952	335,539	385,470	385,470	141,340
Private sight depts.	938,774	908,571	894,252	865,385	834,984
Private deposits at fixed dates	1,012,265	1,011,986	1,012,124	1,012,654	934,266

RUSSIAN STATE BANK.

(000's omitted.)					
Assets.	Aug. 1, 1922.	July 1, 1922.	June 1, 1922.	May 1, 1922.	April 1, 1922.
Cash	2,353,799	2,353,799	2,353,799	2,353,799	2,353,799
Loans	5,894,164	5,894,164	5,894,164	5,894,164	5,894,164
Special credits on merchandise	765,063	765,063	765,063	765,063	765,063
Food credits	2,050,310	2,050,310	2,050,310	2,050,310	2,050,310
Debtors	294,242	294,242	294,242	294,242	294,242
Merchandise	465,300	465,300	465,300	465,300	465,300
Discounts	512,165	512,165	512,165	512,165	512,165
Advances on securities	162,078	162,078	162,078	162,078	162,078
Foreign coin and bonds	512,839	512,839	512,839	512,839	512,839
Prepaid metals	478,194	478,194	478,194	478,194	478,194
Subscribed capital	575,000	575,000	575,000	575,000	575,000
Loan account	6,772,649	6,772,649	6,772,649	6,772,649	6,772,649
Deposits bearing interest	1,376,768	1,376,768	1,376,768	1,376,768	1,376,768
Deposits in foreign currencies	121,637	121,637	121,637	121,637	121,637
Public deposits	7,400,995	7,400,995	7,400,995	7,400,995	7,400,995

BANK OF SPAIN.

(000's omitted.)					
Assets.	Jan. 13, 1923.	Jan. 5, 1923.	Dec. 23, 1922.	Jan. 14, 1923.	Position May 30, 1914.
Gold	2,525,019	2,524,592	2,524,754	2,524,754	2,524,754
Silver	645,465	644,639	645,594	647,449	623,994
Loans and depts.	2,158,433	2,158,433	2,158,433	2,158,433	2,158,433
Spanish 4% stock	344,475	344,475	344,475	344,475	344,475
Treasury bills	150,000	150,000	150,000	150,000	150,000
LIABILITIES.					
Circulation	4,167,058	4,178,766	4,136,958	4,095,087	4,286,831
Deposits	1,071,167	1,072,376	1,090,365	1,045,537	1,082,160
					477,500

BANK OF JAPAN.

(000's omitted.)					
Assets.	Dec. 9, 1922.	Dec. 2, 1922.	Nov. 25, 1922.	Nov. 18, 1922.	Dec. 10, 1921.
Cash and bullion	1,158,287	1,155,651	1,155,753	1,155,607	1,155,607
Discounts	100,980	122,643	85,807	75,351	75,351
Advances	216,241	221,352	155,898	185,441	198,562
LIABILITIES.					
Notes	1,137,402	1,226,037	1,114,231	1,068,962	1,068,338
Govt. deposits	802,666	810,916	801,639	806,794	818,032
Other deposits	67,346	63,282	46,742	53,783	56,458

IMPERIAL BANK OF GERMANY.

(000's omitted.)					
Assets.	Jan. 6, 1923.	Dec. 30, 1922.	Dec. 23, 1922.	Jan. 7, 1923.	Position May 30, 1914.
Gold	1,004,843	1,004,843	1,004,843	995,395	1,313,240
Of which deposited in Bank of England	50,032	50,032	50,032	..	..
Silver	69,234	69,195	69,195	69,195	321,920
Treasury notes	291,225,018	238,481,105	241,016,277	4,933,052	943,460
Advances	1,532,082,344	1,606,699,665	1,365,019,531	119,683,959	60,780
LIABILITIES.					
Notes in circulation	1,336,500,525	1,280,094,831	1,369,909,782	1,113,139,872	2,013,860
Deposits	459,693,254	550,526,287	435,121,750	16,822,778	842,340

BANK OF ITALY.

(000's omitted.)					
Assets.	Dec. 10, 1922.	Nov. 30, 1922.	Nov. 20, 1922.	Nov. 10, 1922.	Position May 31, 1914.
Total cash	1,332,302	1,368,086	1,340,619	1,333,469	1,403,684
Inland bills	4,515,834	4,596,211	4,502,025	4,521,749	4,423,952
Foreign bills	9,523	9,550	9,534	9,529	19,489
Advances to the Treasury	6,113,058	6,108,202	6,111,994	6,111,451	6,580,070
Other advances	1,824,151	1,955,216	2,034,570	2,263,728	2,693,661
Securities	395,340	395,515	395,066	395,067	419,925
LIABILITIES.					
Notes in circulation	13,824,276	13,958,195	13,940,734	14,228,437	15,892,237
Deposits & drafts	1,629,606	1,734,104	1,647,294	1,636,202	1,752,900

NETHERLANDS BANK.

(000's omitted.)					
Assets.	Jan. 15, 1923.	Jan. 8, 1923.	Jan. 2, 1923.	Dec. 27, 1922.	Position May 30, 1914.
Gold	581,790	581,790	581,790	581,790	581,790
Silver	71,772	8,186	8,751	8,990	9,074
Depts. & advances	422,980	429,855	455,815	419,369	393,562
LIABILITIES.					
Notes in circulation	982,252	995,657	1,013,995	974,963	969,251
Deposits	38,368	30,398	35,587	48,965	31,115

NATIONAL BANK OF ROMANIA.

(000's omitted.)					
Assets.	Dec. 16, 1922.	Dec. 9, 1922.	Nov. 25, 1922.	Nov. 18, 1922.	Dec. 17, 1921.
Gold	533,154	533,054	533,053	533,050	495,459
Silver	604	604	604	604	604
Government loan	12,550,329	12,535,195	12,535,333	12,571,256	12,545,938
Other advances	4,201,641	4,230,770	4,218,119	4,148,529	2,235,522
LIABILITIES.					
Notes in circulation	15,184,171	15,304,988	15,361,486	15,385,993	13,709,378
Deposits	6,758,984	6,651,281	6,597,792	6,543,561	5,659,691

SWISS NATIONAL BANK.

(000's omitted.)						
	Jan. 15, 1923.	Jan. 8, 1923.	Dec. 30, 1922.	Dec. 23, 1922.	Jan. 14, 1923.	Position May 31, 1914.
ASSETS.						
Gold	537,480	536,089	535,146	534,385	550,252	171,715
Silver	103,620	104,111	103,865	108,640	108,240	18,591
Darlehens-Kassen	13,072	13,191	13,246	11,712	11,712	18,591
Assets & advances	370,888	374,818	432,102	392,859	389,656	163,000
LIABILITIES.						
Notes in circulation	863,459	918,277	976,426	938,785	909,149	875,925
Deposits	207,325	155,674	165,031	147,676	207,042	33,750

LONDON RATES.

	Jan. 12, 1923.	Jan. 13, 1923.	Jan. 15, 1923.	Jan. 16, 1923.	Jan. 17, 1923.	Jan. 18, 1923.	Jan. 19, 1923.
Bank rate (reduced from 3½% July 13, 1922)	3%	3%	3%	3%	3%	3%	3%
Market rates of discount—							
30 days' bankers' drafts	2½	2½	2½	2½	2½	2½	2½
3 months' do	2½	2½	2½	2½	2½	2½	2½
6 months' do	2½	2½	2½	2½	2½	2½	2½
Discount (Treasury Bills):—							
3 months'	1½	1½	1½	1½	1½	1½	1½
Loans:—Day to day	1½	1½	1½	1½	1½	1½	1½
Short	1½	1½	1½	1½	1½	1½	1½
Deposit allowances: Banks	1	1	1	1	1	1	1
Discount houses at call	1½	1½	1½	1½	1½	1½	1½
At notice	1½	1½	1½	1½	1½	1½	1½

† Additional to those offered by tender in the preceding week.

Comparison with the previous weeks:—

	Short Loans.	Bank Bills.				Trade Bills.				
		3 Months.		4 Months.		3 Months.		4 Months.		
		5 Months.	6 Months.	5 Months.	6 Months.	5 Months.	6 Months.			
1922.										
Nov. 3.....	1 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	3	3	3 1/2	3 1/2
10.....	1 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	3	3	3 1/2	3 1/2
17.....	1 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	3	3	3 1/2	3 1/2
24.....	1 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	3	3	3 1/2	3 1/2
Dec. 1.....	1 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	3	3	3 1/2	3 1/2
8.....	1 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	3	3	3 1/2	3 1/2
15.....	1 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	3	3	3 1/2	3 1/2
22.....	1 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	3	3	3 1/2	3 1/2
29.....	2 1/2	3 1/2	2 1/2	2 1/2	2 1/2	2 1/2	3	3	3 1/2	3 1/2
1923.										
Jan. 5.....	1 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	3	3	3 1/2	3 1/2
12.....	1 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	3	3	3 1/2	3 1/2
19.....	1 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	3	3	3 1/2	3 1/2
26.....	1 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	3	3	3 1/2	3 1/2

IRISH BANKS' RATE.

	Present Rate.	Date Changed.	Previous Rate.	Date Changed.
Discount	4	July 13, 1922	5	June 15, 1922.
Deposit	1	June 15, 1922	2	Feb. 16, 1922.

OVERSEAS BANK RATES.

	Bank Rate Changed.	Bank Rate Changed.
Amsterdam	July 15, 1922	May 11, 1922
Athens	May 15, 1922	Mar. 11, 1922
Berlin	Jan. 15, 1923	Apr. 27, 1922
Bombay	June 8, 1922	July 11, 1922
Bucharest	Sept. 4, 1920	June 14, 1919
Calcutta	Jan. 11, 1923	July 1, 1922
Christiansburg	Aug. 17, 1922	Aug. 17, 1922
Copenhagen	Apr. 25, 1922	Nov. 18, 1918
Helsingfors	Oct. 15, 1922	Sept. 2, 1922
London	Sept. 5, 1920	Sept. 1, 1921
New York Federal Reserve	June 21, 1922	Sept. 1, 1921

RATES OF EXCHANGE.

London on	Usance	Par.	Jan. 20, 1922.	Jan. 12, 1923.	Jan. 19, 1923.
Paris	francs to £1	T.T.	52 07-12	66 25-35	69-90-70-00
Berlin	marks to £1	T.T.	850-853	48000-49000	90000-95000
Vienna	krone to £1	T.T.	13500-14000	32000-34000	30000-35000
Prague	krone to £1	T.T.	245-255	161-163	166-168
Warsaw	zlotys to £1	T.T.	13500-14000	90000-100000	140000
Bucharest	lei to £1	T.T.	530-570	840-850	880-900
Bombay	rupees to £1	T.T.	3000-3150	12000-14000	11000-13000
Calcutta	rupees to £1	T.T.	665-685	770-810	680-740
Constantinople	piastres to £	T.T.	110	700-750	675-725
Sofia	levas to £1	T.T.	25-223	435-455	500-600
Belgrade	dinas to £1	T.T.	13 10-17	11 784-794	11 76-77
Amsterdam	francs to £1	T.T.	55 23-54	72 80-90	76 70-77
Brussels	francs to £1	T.T.	18 15-19	25 10-15	24 29-32
Christiania	krone to £1	T.T.	18 15-19	21 03-05	21 03-05
Stockholm	krone to £1	T.T.	18 15-19	21 03-05	21 03-05
Copenhagen	krone to £1	T.T.	22 27-29	188-189	187-188
Helsingfors	F. marks to £1	T.T.	96-97	380-385	380-380
Geneva	francs to £1	T.T.	964-974	938-938	977-974
Italy	lire to £1	T.T.	21 67-69	24 70-75	24 88-83
Madrid	pesetas to £1	T.T.	28 26-28	29 71-76	29 85-90
Lisbon	pesos to escu.	T.T.	974	974	974
Alexandria	piastres to £1	Cable	4 20-4	4 57-58	4 66-68
New York	dollars to £1	Cable	4 44-45	4 71-72	4 70-71
Montreal	dollars to £1	Cable	43-45	44-44	45-48
Buenos Aires	pesos to peso	T.T.	47 62-63	54	53-58
Rio de Janeiro	pesos to milis.	30 days	41 41-42	43 44-45	43 42
Montevideo	pesos to peso	30 days	13-33	47 30	36 10
Valparaiso	pesos to £1	30 days	19 97-98	11 70 prem.	13 70 prem.
Edna	king. to Per. £1	10 to	18 32-34	14 44-44	14 44-44
Colombia	ster. to rupees	T.T.	18 32-34	14 44-44	14 44-44
Manila	ster. to rupees	T.T.	18 32-34	14 44-44	14 44-44
Madras	ster. to rupees	T.T.	18 32-34	14 44-44	14 44-44
Hong Kong	ster. to dollar	T.T.	26 72-74	26 72-74	26 72-74
Shanghai	ster. to hael	T.T.	35 34-36	35 34-36	35 34-36
Singapore	ster. to dollar	T.T.	26 72-74	26 72-74	26 72-74
Batavia	ster. to yen	T.T.	22 82-83	25 01-01	25 01-01
Yokohama	ster. to dollar	T.T.	22 82-83	25 01-01	25 01-01
Manila	ster. to dollar	T.T.	22 82-83	25 01-01	25 01-01
Manila	pesos to dola.	T.T.	27 24-29	24 26-24	24 26-24

Reports and Notices.

Mr William Evans has been appointed managing director of Provincial Cinematograph Theatres, Limited, and is now in full charge of the company's theatres.

Sir Walter Roper Lawrence, Bart., G.C.I.E., C.B. (director of the Central London Railway and the Peninsular and Oriental Steam Navigation Company), Sir Reginald MacLeod, K.C.B. (chairman of the Fresham Life Assurance Society, Limited, director of the Shell Transport and Trading Company, Limited), and Mr R. B. Phillips, director of the Manila Railway Company (1905), Limited) have been elected members of the London Advisory Committee of the Canada Steamship Lines, Limited.

Messrs Slaughter and May announce that they have taken into partnership Mr Hugh Pettitt, B.A., LL.B., Cantab, who has been associated with them for many years past.

It is announced that the registered office of Mann, Byars, and Co., Limited, has now been changed to 20 Bucklersbury, London, E.C. 4. All communications should, as heretofore, be sent to the secretary's office at 21 Glassford street, Glasgow.

BANKS.

COMMERCIAL BANK OF THE NEAR EAST, LIMITED.—The company was incorporated on October 17, 1922, and we have received the first balance-sheet for the period ended December 31, 1922. The result for this short period shows an excess of expenditure over income of £396. The report points out that there has been no invitation to be public to subscribe for capital, and the issued and paid-up capital of £106,725 has been privately subscribed. The bank has acquired a branch at Constantinople. The total assets on December 31, 1922, are given as £259,193, of which £33,460 is cash in hand and at bank, while money at call and short notice is £180,740. Investments total £29,905, which are all in British Government securities. Advances amount to £5,727. With regard to liabilities, the subscribed capital is £106,725, deposits amount to £129,501, and drafts payable to £18,290. The first annual general meeting will be held at the offices of the bank, 1 Broad street place, London, on January 31, 1923, at 12.15 in the afternoon.

LONDON JOINT CITY AND MIDLAND BANK, LIMITED.—Average weekly position during December, 1922 :—

LIABILITIES.	£	ASSETS.	£	Ratio to Current Deposit, & Other Accounts %
Capital paid up	10,860,852	Cash, bank and currency notes and balances with the Bank of England ..	53,712,710	15.2
Reserve fund	10,860,852	Balances with, and cheques in course of collection on, other banks in Great Britain and Ireland ..	10,649,957	3.0
Current, deposit, and other accounts (including balance of profit and loss account) ..	354,289,237	Money at call and short notice ..	14,997,072	4.2
Acceptances and engagements on account of customers	25,723,138	Investments	53,818,405	15.2
		Bills discounted	50,846,636	14.3
		Advances to customers and other accounts ..	183,344,393	51.7
		Liabilities of customers for acceptances and engagements ..	25,723,138	
		Bank premises at head office and branches ..	5,062,086	
		Shares of the Belfast Banking Co., Ltd., and the Clydesdale Bank, Ltd.	3,259,682	
		Shares of the London City and Midland Executor and Trustee Co., Ltd. ..	300,000	
	401,714,079		401,714,079	

STANDARD BANK OF SOUTH AFRICA.—The statement of accounts to September 30, 1922, shows total assets of £65,899,504. Cash in hand amounts to £6,893,846, and cash at call and short notice to £3,145,000, making total cash £10,038,846. Remittances in transit stand at £1,290,345, while native gold in hand and in transit amounts to £303,052. Investments amount to £4,830,474. Bills of exchange to £4,688,153. Bills discounted amount to £36,336,515. Customers' bills are at £7,350,083. Bank property is given as £1,028,982, while stamps, stationery, and open policies are at £33,054. The principal liabilities are: Deposits, £50,947,024; capital called up, £2,229,165; reserve fund, £2,893,335; notes in circulation, £1,236,436; and customers' bills, £7,350,083. The directors have declared an interim dividend of 7s per share, subject to income-tax, out of the profits for the half-year ended September 30, 1922, and warrants will be posted on January 26, 1923. Sir William B. Peat, C.V.O., F.C.A., who has been one of the auditors of the bank for over 27 years, has resigned. The directors have in the meantime appointed his son, Roderick M. Peat, F.C.A., who will discharge the duty until the next meeting of shareholders in July next.

UNION BANK OF CANADA.—The fifty-eighth annual financial statement of the Union Bank of Canada for the year ended November 30, 1922, shows net profits for the year—after deducting expenses of management, interest due depositors, reserving for interest and exchange, and making provision for bad and doubtful debts, and for rebate on bills under discount—amounting to \$1,131,060, which, with the amount brought forward of \$541,686, makes an available balance of \$1,672,746. After the payment of the quarterly dividends of 2½ per cent., making 10 per cent. for the year, reserving \$300,000 for contingencies, allocating \$10,000 to officers' pension fund, and providing for war tax on bank note circulation, the sum of \$483,175 is carried forward.

INSURANCE.

NATIONAL MUTUAL LIFE ASSURANCE.—The report for the year 1922 is again the first life office report to appear in the New Year. The net new business, after deduction of re-assurances, is £548,100. The claims, less re-assurances, arising within the year are £162,600 by death, and £65,000 by survivorship. The average rate of interest earned on the funds, excluding reversions, was £4 12s per cent. after deducting income-tax. The balance of profit on securities realised and re-valued amounts to £263,000. The corresponding item in 1921 was £179,000. The Stock Exchange securities have been valued at their selling prices as at December 31, 1922. The society's funds have increased by £367,000 to £3,799,000.

MISCELLANEOUS.

FREEMAN, HARDY, AND WILLIS, LIMITED.—The result of the trading for year 1922, after the payment of all working expenses, debenture interest, &c., depreciation of shop fixtures, leases, and freehold buildings, and making provision for meeting corporation profits tax, is a net profit of £175,197, which, with £77,066 brought forward from last year, leaves an available balance of £252,263. It is proposed to appropriate the balance shown above in the following manner, viz.:—Dividend on 6 per cent. preference shares for the year (already paid), £11,062; dividend on ordinary shares at 12½ per cent. per annum, for half-year ending June 30th, paid in July last, £21,524; dividend on ordinary shares at 12½ per cent. per annum, for half-year ending December 31st, payable January 29th, £22,265; 5 per cent. bonus on ordinary shares, £23,750; amount due to directors and staff, £10,000; income-tax account, £40,000; bonus to employees, £20,000; local and other charities, £3,000; balance forward to next year, £100,662.

MICHAEL NAIRN AND GREENWICH, LIMITED.—The report for the year 1922 shows the amount of net dividends received from investments and interest, &c., for the year, less office expenses, audit, and directors' fees, is £173,315, and the directors have decided to write off from the preliminary expenses account the sum of £17,677, leaving a balance of £155,638. The directors recommend the payment of a final dividend of 5 per cent., less tax, absorbing £74,650, which, with the interim dividend of 5 per cent., less tax, paid on September 15, 1922, £73,598, making 10 per cent. for the year, leaves a sum of £7,390 to be carried forward.

SCOTTISH AUTOMOBILE AND GENERAL.—The report for 1922 shows that the net premiums taken were £79,183. Claims paid and outstanding amounted to £44,683, and expenses to £28,885. Dividends and interest yielded £2,888, and after providing for reserves against unexpired risks (40 per cent. of the premiums), a credit balance of £11,618 was carried down, making the total revenue credit £18,965. The dividend for the year (7½ per cent., less tax) absorbed £2,073.

J. SEARS AND CO. (TRUE-FORM BOOT COMPANY).—The profits for the year 1922 after charging all working expenses, including managing directors' salaries, and after deducting transfers to reserve account (including the sum required by the articles of association), stock, and other reserves, and providing for income-tax and corporation profits tax on the profits of the year, amount to £132,778; the balance brought forward from profit and loss account last year was £34,951, making £167,729, from which have been deducted directors' fees and additional remuneration £6,400—£161,329; less dividends paid on the preference shares to July 31, 1922, £12,250, interim dividend paid on the ordinary shares, £31,500, interim dividend paid on "A" shares £1,523; leaving the amount of £116,055, which the directors recommend should be appropriated as follows:—Provision for dividend accrued on the preference shares to December 31, 1922, £8,750; payment of a final dividend of 2s per share upon the ordinary shares, making a total for the year of 3s 6d per share, free of income-tax, £42,000; payment of a final dividend of 2s per share upon the "A" shares, making a total for the year of 3s 6d per share, free of income-tax, £2,031. Balance to be carried forward to next year, £63,274. The report states that the year's trading has been thoroughly satisfactory, each branch of the business having maintained a steady rate of progress throughout the year. The whole amount of goodwill standing in the books of the company has now been extinguished by the total accumulated reserve. Additions to freehold and leasehold property are chiefly in respect of shop premises. All assets, including buildings, fixtures and fittings, and machinery and plant, have been maintained in a proper state of repair and efficiency. The usual depreciation has been written off. Investments consist entirely of British Government securities, and are valued at or below quoted prices on the London Stock Exchange. There have been issued during the year to members of the staff 20,310 "A" shares of £1 each at par. Provision has been made for dividend upon these shares at the same rate as upon the ordinary shares.

UNITED INSURANCE COMPANY, LIMITED (AUSTRALIA).—The total receipts for the year ended September 30, 1922, were £542,575; less, agency and general expenses, commissions, discounts, and re-insurances, £334,665—£205,910. The expenditure was as follows:—Fire, marine and accident losses (including provision therefor), £99,140; expenses of management, &c., £49,906; balance for the year, £56,863; less, interim dividend paid April 26, 1922, £15,000; leaving an available balance of £43,863, which the directors propose to dispose of as follows: To reserve fund (making £143,000), £3,000; to special distribution, £25,000; to dividend for half-year at 10 per cent. per annum, £15,000, leaving balance, £863, which is transferred to contingent account. The board has decided, subject to confirmation by the shareholders, to issue 5,000 unallotted shares, and to distribute same in the proportion as far as possible of one new share for every 12 shares held, and to appropriate from profit and loss account the sum of £25,000 as a special distribution to be applied in payment of the sum of £5 per share on the above-mentioned 5,000 shares. This distribution will make the paid-up capital £325,000.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

Seasonable weather conditions have prevailed during the past week with further rains, while sharp frosts were experienced at times. Winter wheat continues to make good progress, though in some districts excessive moisture has caused a lack of colour. Trading generally was on a limited scale, and tendency of prices in a downward direction. Native wheat was in moderate request, but rates as a rule were steadily maintained. Suitable milling samples quoted at 9s 8d to 10s, and inferior samples at 8s 10d per 112 lbs free on rail. Imported descriptions move off slowly, and values declined in sympathy with reduced forward offers. No. 1 Northern Manitoba quoted 50s 9d, No. 2 mixed Durum 47s 3d, and Rosafé 62½ lbs 50s 3d, all ex ship to arrive per 496 lbs. The cargo section remained inactive, buyers showing little or no interest in view of the depressed condition of Continental exchange rates, combined with lower American advances, consequently offers of most descriptions were made on easier terms. Steamer 63 lbs Baril afloat sold 46s 6d. Crop reports from most exporting countries continue satisfactory. Floating supplies also shipments are on a larger scale, while port stocks in the United Kingdom are increased by recent large arrivals. Flour remains quiet, and values easy in sympathy with the wheat position. London standard straight run quoted at 41s 6d, patents 43s 6d to 44s 6d, town households 39s 6d per sack delivered London area. All English country straights 32s to 34s delivered. Imported makes are more or less neglected, being unable to compete with home milled at the price. Manitoba export patents range from 39s to 42s 6d, Minneapolis good patents 42s 6d, and Australian 40s 6d, all per 280 lbs ex store. English barleys meet with fair attention respecting the better grades of malting, but inferior sorts neglected. Prices range from 7s 3d to 13s 9d, according to sample per 112 lbs free on rail. Imported steady, but quiet. Californian quoted 41s to 44s, Australian Chevalier 49s to 53s, both ex ship per 448 lbs. Persian 28s 3d, Plate 31s, and Danubian 30s 6d to 31s 6d. On c.i.f. terms a cargo of Dan-Bess-Kustendji f.a.q. loading sold at 28s 6d per 400 lbs. Maize in quiet request, and rates the turn in buyers' favour. Plate ex ship 35s 9d, ditto landed 37s, No. 2 mixed American ex ship 35s 6d to 36s 3d, and ditto landed 37s 3d. The cargo section ruled dull, and with resellers more in evidence prices moved in buyers' favour. Plate steamers January shipment sold 35s 10½d, January-February 36s 3d, 36s 4½d, and 36s, and February-March 37s to 36s 9d, all per 480 lbs c.i.f. terms. Oats in poor request and rates easy. English ranges from 8s to 10s per 112 lbs free on rail according to quality. Of imported, Plate f.a.q. 26s 6d, No. 2 Canada Western 29s 6d, No. 2 white clipped American 26s 6d, all landed per 320 lbs. Oatmeal in better demand on colder weather, and prices tend firmer. London made 17s 6d, coarse pinhead 18s., rolled oats also whole groats 17s 6d, flaked 20s 6d ex mill. Ordinary Scottish oatmeal 18s to 19s, and American all cuts 17s 6d to 17s 9d per cwt. Millers' offers in good request at full prices.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1922-23, contrasted with 1921-22, 1920-21, and 1919-20 :—

	1922-1923.	1921-1922.	1920-1921.	1919-1920.
Estimated sales of home-grown wheat—				
1 week to January 13	Cwts. 404,181	Cwts. 312,381	Cwts. 280,481	Cwts. 494,957
18 weeks to January 13	8,613,887	7,781,809	6,650,974	5,491,515
Average price of English wheat per	s d	s d	s d	s d
quarter	41 5	45 0	85 11	7 7
= per cwt	9 8	10 6	20 0½	16 11

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1919 to 1922 :—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1923.						
Jan. 6	Cwts. 214,878	Cwts. 179,657	Cwts. 35,301	s d 9 8	s d 9 5	s d 9 9
Jan. 13	404,181	482,411	59,612	9 8	9 10	9 8
1919	349,620	321,457	38,563	16 11	17 5	17 11
1920	484,959	392,050	61,885	16 11	30 11	20 7
1921	280,483	454,346	65,985	20 0	20 8	15 9
1922	312,381	286,918	48,647	10 6	12 2	10 1

IRON, STEEL, AND COAL.

Our Middlesbrough correspondent's report, dated January 18th, is as follows:—Pig-iron: The market is firm, and prices have improved. Business is, however, confined to prompt requirements, as with increasing cost of production makers are averse to selling far ahead. No. 3 Cleveland G.M.B. is now quoted 93s per ton, and East Coast mixed numbers hematite is 94s per ton. Manufactured iron and steel: There is more demand for ship-building, and this is reflecting favourably on our steel works. Prices of steel have stiffened. Steel ship plates, £9 10s; steel ship

angles, £9; iron bars, £11; steel rails, £9 net. Iron ore: Prices of imported ore have advanced, but prices are still relatively low. Best Bilbao rubio iron ore, 23s per ton, c.i.f. Tees.

Our Sheffield correspondent writes:—The invasion of the Ruhr has affected the trade position here adversely in some directions, but it is undoubtedly diverting foreign orders for steel from Germany to this country. Confidence in Germany's ability to continue producing and delivering orders has almost disappeared, the result being that buyers are not prepared to place important business in that country. An Indian contract for wheels and axles worth £100,000 has just been given to a Rotherham firm which would have gone to a German house but for the recent developments on the Continent. The trouble has, however, failed to check the expansion of business in the various local branches of the steel trade. There are still a good many instances of slackness and much idle plant, but the quietest of the trades are beginning to book orders. There is a great scarcity of basic pig-iron and crude mild steel of all kinds, and idle furnaces are gradually being brought into requisition. The making of armour plate for the new warships has begun, and is providing a fair amount of employment. The armament firms are also giving out orders to nonfounders and steel founders, and will use large quantities of engineers' tools. The stagnation of the tool-steel branches continues, because of the considerable amount of surplus war stocks still being offered, but there is rather more doing at the crucible furnaces than for several years past. File makers, while experiencing a little improvement, are having the worst time in the history of their trade, as it is doubtful whether more than 20 per cent. of the available plant is occupied. Twist drills are also neglected. There has been a heavy demand for steel strip for over twelve months, and the wire trade is a little better. A moderate amount of business is passing in farm, builders', and engineers' tools. The Colonial markets appear to be recovering slowly from the depression caused by the aftermath of the war, but are not likely to buy considerably this year. The output of stainless cutlery last year exceeded all expectations, and this product is increasing in popularity at such a pace as suggests that the day of the ordinary cutlery is nearly over. French action in Germany has thrown the coal trade into somewhat of a ferment, and those interested are speculating as to what will be the effect of it. The export trade is very brisk with America and France and other places, and if France and Germany want much more home consumers may go short. Developments of new colliery workings are being pushed forward to meet the situation. Consumers of manufacturing coal here are apprehensive of prices going up, but, while quotations are very firm, no actual advances are reported. Coke is scarce and firm.

Our Glasgow correspondent writes:—In the manufacturing and

SOUTH-NORWAY.
FREDRIKSSTAD
PRIVATBANK,
Fredriksstad.

Paid-up Capital
and Reserves:
Kr. 21,000,000.

Banking and Exchange
Business
of every description.

London Bankers:—Hambros Bank of Northern Commerce, Limited;
London County Westminster & Parr's Bank, Limited; London Joint
City & Midland Bank, Limited; Cox & Co.

PITMAN'S **COMMERCIAL LIST**
will be forwarded to you
post free on application to

Member of Federal Reserve System.

LONDON POTATO MARKETS.—JANUARY 18.					
Per Cwt.			Per Cwt.		
	s	d		s	d
English British Queens	3	0	Majestic.....	2	9
" Eclipse	2	6 to 3 0	King Edwards	3	6

The prices in the following list are revised with the assistance of an eminent firm in each department.

LONDON, FRIDAY.

OCCOA—Duty, British grown
25 lb. of ground 22s 6d
Trinidad, per cwt. 58 6 64 0
Grenada 47 8 52 0
Oeyon, plantation 43 6 68 0
Bahia, finest 59 8 62 0

COFFEE—British grown
25 lb. 40s foreign 87 8 103 0
Do good to fine 105 8 120 0
Costa Rica, ord. to mid 65 8 125 0
Costa Rica, fine 86 8 125 0
Central American, ord.
ord. to fine 79 8 85 0
Do to fine 88 8 100 0
Colombia, ordinary 64 8 68 0
Do good to low mid 68 8 80 0
Do mid. to fine 85 8 95 0

ST. MARKS—
Acacia—per lb 1 74 1 8
Nitric 2 04 2 4
Osmic, net 9 8 8 0
Peru, Eng. 1 2 24 0
Foreign 1 2 24 0
Alum lump, per ton 14/0 14 16 0
Do ground 415/0 15 15 0
Alum, calc. per lb 1 10 0
Muriate, White, ton 30 35 8 0
Sulphate 217 0 18 0
Argene, lump, per ton 65 8 70 0
Do 25 lb 65 8 70 0
Aches, pot., per cwt 70 8 70 0
Pearl do nom
Fluoride, per lb 1 10 0
Boric crystals, per cwt 28 0 9 0
Do powder 28 0 9 0
Cream Tartar 95 8 96 0
Osmic, net 9 8 8 0
Iodine, dry, per lb 4 11 5 1
Nitrate of Soda, per ton 15/10 14 0 0

(Chlorate, net 8 44 0 44
Permulate 1 6 1 6 0
Do Foreign 1 6 1 6 0
Sulphate 83 25 6 0
Sal-Acetas, per lb 118 2 0
Sal-Ammoniac, per cwt 60 8 65 0
Soda Board, per ton 65/0 51/0
Oxyd, per ton 5/10 51/0
Alkali 71/26 0/0 0
White 191/8 21/0 0
Sugar of lead 9/08 9 0 8 0
Potash White 840 0 42 0 0
Sulphate Quinina 2 2 2 2 0
English Brandy 2 2 2 2 0
Sulphate Copper, p.m. 27/00 28/6 0
Zinc, net nom
Sulphur Flour 11/00 12/0 0
Do Rods 11/00 12/0 0
Vermilion 1/4 1 4 4
English 1 4 4 4
Oil Peppermint, H.G.H. 22 6 23 0
UOFA—per cwt, c.f. nom
Sulphate Dec. Feb. nom
Oeyon 27 15 0
FMS Singapore 25 12 6
FMS 25 15 0
200H/18 29 3/6

DRUGS—
Gum Arabic E.L.P. cwt 150 8 0
Cape, good to fine, 20 0 29 0
Balsam Peru per lb 8 0 6
Capivi 1 6 0 0
Camphor
Japan, refined 3 9 4 0
Cardamom, Ceylon, 2 6 6 0
Ginseng, China, per lb 4 0 6
Castor-oil 85 85 8 0
Gum Benjin, Sum.cwt 6/0 10/0 0
Olibanum, drops, 10 0 0 0
Gamboge 60 100 0 0
Piceacantha 7 8 0 0
Jalapisco 2 9 0 0
Musk pod, China, 85 8 0 0
Oil Cassia, 4 0 0 0
Aniseed 2 2 2 3 0
Peppermint, H.G.H. 22 6 25 8
Sbho, China, for tea 4 6 5 8
DYE—
Galls, China, per cwt 62 67 6
Turmeric, Bengal, 30 0 0 0
Indigo, Bengal, 34 0 0 0
Gamboge, 42 6 0 0
Do 10 10 12
Utich, ord. to fair, 32 6 37 6
DYEWOODS
Fustic, per ton 18 18 0
Fustic, Jamaica, 18 18 0
Cuba 18 18 0
Lima Wood, 20 20 0
Indigo, Gamp, 20 20 0
Ronduras 11 10 0
Jamaica, 11 10 0
Lima Sanderling 15 15 0
Brazil-Ceylon 15 15 0
FLAX—spot—c.f. 8 8 8 8
Biba ZK 55 87 8 0
Peru H.D. 88 87 8 0
Stained, A Medium 2 28 0
FRUIT—
Oranges, Val. selected 13 41 8
Do 13 41 8
Do Naples, boxes 0 0 0
Lemons, Naples, boxes 0 0 0
Do boxes 0 0 0
Do Sicilian boxes 13 42 8
Do Do boxes 13 42 8
Do Do boxes 0 0 0
Grapes, Lisbon, boxes 0 0 0
Rape, barrels 0 0 0
HIDES—Wet-salted
Australian, per lb 8 5 8 7
West Indian 0 54 6 0
Do 0 54 6 0
Lisbon 0 54 6 0
Oporo 0 54 6 0
Dry & Dressed Cape 0 54 6 0
Central American, 0 54 6 0
Buffaloes, Singapore, 0 54 6 0
Pensang 0 54 6 0
Market Hides, London
Best hy, or sheller 8 8 0 0
Do light do 8 7 8 0
2nd do, heavy 8 7 8 0
Do light 8 6 8 0
Best cow 8 6 8 0
2nd do 8 6 8 0
2nd do 0 9 0 0

INDIA RUBBER—lb
Para, fine, hard spot 1 4 8 8
Plantation crepe 1 51 8 8
INDIGO—per lb—
Bengal, good red vio-
let to fine 6 0 8 0
Mild vio. to good 6 0 8 0
Low to good ord. 5 6 6 6
Madras, dry leaf, good 4 0 6 6
Do low to ord. 1 0 6 6
Known and mid. 3 6 6 6
Low to mid. 3 6 6 6
HEMP—per ton—
Russian Siretz 44 0
M. J. J. Grade, 34 15 0
N. J. Mar. 1st 34 15 0
N. J. spot, high fair 34 15 0
JUTE—
Native first marks,
Jan. Feb. 33 10 8 0
LEATHER—per lb—
Sole Benda 9/9 lb. 1 3 2 0
Do 10 10 12 1 6 2 0
Do 12 12 14 1 6 2 0
Do 14 16 1 10 2 0
Do 16 18 1 10 2 0
Do 18 20 1 10 2 0
Do 20 22 1 10 2 0
Do 22 24 1 10 2 0
Do 24 26 1 10 2 0
Do 26 28 1 10 2 0
Do 28 30 1 10 2 0
Do 30 32 1 10 2 0
Do 32 34 1 10 2 0
Do 34 36 1 10 2 0
Do 36 38 1 10 2 0
Do 38 40 1 10 2 0
Do 40 42 1 10 2 0
Do 42 44 1 10 2 0
Do 44 46 1 10 2 0
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Do 76 78 1 10 2 0
Do 78 80 1 10 2 0
Do 80 82 1 10 2 0
Do 82 84 1 10 2 0
Do 84 86 1 10 2 0
Do 86 88 1 10 2 0
Do 88 90 1 10 2 0
Do 90 92 1 10 2 0
Do 92 94 1 10 2 0
Do 94 96 1 10 2 0
Do 96 98 1 10 2 0
Do 98 100 1 10 2 0

MOVIES—NS—
Butter—per cwt.
Irish creamy nom
Do factory nom
Australian 180 1 02 0
Argentine 180 1 02 0
Dutch 226 2 23 0
New Zealand 176 2 20 0
Do 2nd 0 02 0 0
Bacon, eng.—Irish, lb 1 134 0
Do 4th 0 02 0 0
Danish 108 0 114 0
Canadian 90 1 10 0
Hams—Irisa nom
Canadian 87 0 80 0
American 68 0 84 0
Lat. 27 to 30 64
American boxes, 50lb 67 9 7 9
Pork—per cwt. 7 5 9 9
Do 8 lb 7 5 9 9
Do 10 lb 7 5 9 9
Do 12 lb 7 5 9 9
Do 14 lb 7 5 9 9
Do 16 lb 7 5 9 9
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Every description of Banking business transacted.

TABLE OF CONTENTS.

The Money Market	129	Stock Exchange News—	
Leading Articles—		The Stock Markets	151
Developments in the Ruhr	131	New Issues	151
Should We Reduce Taxation?	132	Active Securities	152
The Bank Balance-Sheets	133	Company Meetings	153
The Mosul Question and		Government Returns—	
the League	134	Public Income and Expen-	
Labour in 1922	135	diture	174
Lancashire Cotton Trade ..	136	Currency Notes Account ..	175
Land and Property in 1922	137	Treasury Bills and Bonds	
Gold Mining on the Wit-		by Public Tender	175
watersrand—II.	138		
Notes of the Week—		Bankers' Gazette—	
Bankers on Trade Outlook	139	Bank of England	175
Irish Free State Legislation	140	Clearing Returns	176
Trade Unions and Hours of		Overseas Bank Returns ..	176
Work	140	Monthly Statement of	
The Fall in Freights	140	London Clearing Banks ..	177
Labour and Index Numbers	141	Loan and Discount Rates ..	178
The "Westminster" Bank	141	Overseas Bank Rates	179
Messrs Drummoud's Bal-		Rates of Exchange	179
ance-Sheet	141	Indian Treasury Bills	179
A Proposed Bank Purchase	141	India Bills and Transfers ..	180
Coal Production and Costs ..	141	Bullion	180
German Coal Balance	142	Imports and Exports of Gold	180
The Growth of Gambling ..	142	Gold and Silver Prices	180
The Speculation in Mines ..	142		
Indemnity-Mutual Marine	143	Company News—	
Treaty Re-Insurances	143	Mining Output Statistics ..	152
Parent Tyre	143	Analysis of Balance-Sheets	180
R. F. Jones	143	Oil Outputs	181
Pensions Cost and Adminis-		Dividend Announcements ..	181
tration	143	Profit and Loss Accounts ..	182
		Reports and Notices	182
Overseas Correspondence—		Rubber Outputs and Divi-	
United States	144	dends	183
France	144	Railway & Tramway Traffic	184
Germany	146		
Canada	147	Commercial Reports—	
Argentina	148	Corn Trade	185
		Iron and Coal Trade	185
Letters to the Editor—		Cotton Trade	187
The Rising in Memel	149	Wool Trade	187
Books and Publications—		Vegetable Oils and Oilseeds	188
An Essay in Reconstruction	150	Hide and Leather Trades ..	188
The Substance of Economics	150	Overseas Produce Markets	188
Greek Loans and Companies	150	Price Current	189
Books Received	150		

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Paris: Galignani Library, 224 Rue de Rivoli; Messrs Brentano's, 37 Avenue de L'Opera. New York: *Economist* Office, 20 Broad street (Room 1,700).

THE MONEY MARKET.

MONEY remained very plentiful, though, as the week went on, borrowers began to find that the funds in the hands of the banks were not quite as superabundant as they had been. This change was fully accounted for by the Bank return, which showed that Other deposits had shrivelled by 19 millions. Discount rates were easy at first, and fine three months' bills were taken at $2\frac{1}{16}$ per cent., but in the latter half of the week there was a slight harden-

ing. Yesterday the high rate at which the Treasury bills were allotted caused a good deal of surprise, and three months' bank paper was quoted, very nominally, at about $2\frac{1}{2}$ per cent.

	Jan. 26, 1923.	Jan. 19, 1923.	Jan. 12, 1923.	Jan. 5, 1923.	Previous Rate and Date Changed.
Bank Rate	3%	3%	3%	3%	(Jly. 13, '22)
Banks Deposit Rate	1	1	1	1	(Jly. 13, '22)
Discount (Call)	1	1	1	1	(Jly. 13, '22)
Houses (Notice)	$1\frac{1}{2}$	$1\frac{1}{2}$	$1\frac{1}{2}$	$1\frac{1}{2}$	(Jly. 13, '22)
Market rate (3 months' bills) ..	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	8

The Bank return showed decreases of £438,000 in the note circulation, and £2,000 in the stock of gold, and a consequent increase of £436,000 in the Reserve. Government securities declined by 18½ millions, and Public deposits rose by one million, leaving Other deposits 19 millions lower. Currency notes outstanding were reduced by £4,094,300 to £280,833,600, which includes £1,513,400 for notes called in but not yet cancelled. The fiduciary issue is £231,170,200, or £39,013,600 below the maximum.

THE STOCK MARKETS.

The Stock Exchange this week has again shown its faculty for ignoring international anxieties. Business has been on a considerable scale, gilt-edged stocks have shown a very firm front, while speculation has been very active in some markets, and the flatness of the foreign bond market did not spread to other sections. A rise in 5 per cent. War Loan was a feature of the week, and Victory Bonds also displayed strength. The New South Wales Loan was oversubscribed, and the Dutch East Indies new scrip has gone to premium. Home Railway prior charge stocks were good, though North-Eastern and Southern ordinaries fell back on realisation. Rubber shares showed animation, but the incidence of the carry-over brought a lull, and some attention was transferred to oil shares. Among industrials, tobacco shares, a few textiles, and cement shares were good features. In Rhodesia mining shares speculation is rife, the spectacular rise in Selukwes stimulating interest. The fortnightly settlement concluded on Thursday disclosed an exceptionally large turnover in some of the markets.

THE COMMODITY MARKETS.

Germany is buying for immediate requirements in the Cardiff coal market, but it is stated that the greater part of her coal orders have been placed in the North Country. France, however, has been a better customer, while the demand for Italy is reported as heavier than it has been at any period since the close of the war. Under these circumstances, prices of all classes of South Wales coals have been firm. An active demand for pig-iron has overtaken the present reduced output, and prices have been advanced 10s per ton. Our Middlesbrough correspondent states that on account of the lessened foreign competition in the steel trade prices have been advanced, and business inquiry is reported as good. In the Manchester cotton trade, the healthy tone noticeable during the past few weeks has been maintained; inquiry for cloth, principally for India, has been in considerable volume, and while bids in many cases are still below Manchester rates, there is a tendency to increase offers. The keen demand for wool, writes our correspondent, at the Liverpool sale last week was a clear indication that users are still in need of raw materials, and further competition at the colonial wool sales in London this week has freely borne out this assumption. For the first time this year signs of weakness were perceptible at the Bermondsey leather auctions. Further details of markets and prices will be found from our special trade correspondents on later pages.

FOREIGN EXCHANGES.

APART from one or two active days in the early part, the week has been a quiet one, and, as before, the shadow of the Ruhr occupation has been the outstanding influence. The movements of the mark, although irregular, have steadied a little, but business in this currency has become almost negligible. After being as low again as

94,000 on Tuesday, it made a rather sharp jump again yesterday morning to about 102,000, on fear of the complete cutting off of the Ruhr from the rest of Germany. Quotations for futures remain about the same at 10,000 per month above spot. The Paris rate, which over the week-end jumped to an average of 73.35 on Monday, has moved irregularly between about 71.30 and 72.30 on varying news from the Ruhr, and yesterday morning was rising again to about 72.50. Brussels, which was up to 81.85 on Monday, moved down to 78.75 on Thursday, as the result of some persistent buying, but broke sharply again yesterday morning to above 80. Forward rates in Paris remain the same at five centimes per month above spot; in Brussels they have narrowed $\frac{1}{2}$ centime to $4\frac{1}{2}$ centimes per month below. Italy, like Belgium, has shown some tendency towards recovery, which was maintained yesterday morning with a rate of 96½, as compared with 98½ on Monday and 97 on the 19th. In the New York rate no new feature has intervened, but the steadily depressing influence of the European situation has brought down the rate to 4.65½ from 4.66½ a week ago. Although, in view of what is happening in Europe, a rise can hardly be expected at present, the power of resistance to these influences is undoubtedly great. The forward rate remains about the same at $\frac{1}{2}$ cent. per month above spot. Among neutral exchanges Amsterdam has moved somewhat in our favour to 11.78, and Switzerland, although it has fallen again from the 25f reached on Monday, is still at 24.92½, rather higher than a week ago. Madrid, on the other hand, moved rather sharply against us on Wednesday. In Scandinavia, Copenhagen, at 23.65, has recovered somewhat from the high rates in the earlier part of the week, and Christiania, after also being higher, shows a similar recovery. Stockholm, however, at 17.40, has gone a little in our favour. In Central Europe, Vienna is unchanged, and Warsaw, after some recovery, is also about the same as last week. Prague has fallen slightly to 165, and Belgrade is also slightly better. The Roumanian rate, however, has shown a further rapid depreciation, and has reached about 1,000, an unfortunate development not justified by the present position and outlook of the country. In the East the rupee, after rising sharply to nearly 1s 5½d on the 24th, has had a set-back to 1s 4½d, but is still well above last week's figure of 1s 4½d, a result of the rapidly improving Indian trade position. At 2s 1½d the yen is very slightly cheaper than a week ago. After some weakness earlier in the week, the silver market firmed up on strong demand from India and a scarcity of immediate supplies. The outlook, however, is by no means clear. At 2s 3½d Hong Kong is unchanged on the week, while Shanghai is ½d cheaper at 3s 1½d. In South America, Buenos Ayres is ½d dearer at 43½d, Monte Video ½d dearer at 43½d, Rio ½d dearer at 51½d, while Valparaiso has depreciated from 36.10 to 36.50 pesos.

THE NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended January 20th:—

RECEIPTS.	Min. £	EXPENDITURE.	Min. £
From Revenue	25,363	Interest on Debt	436
Amount borrowed	16,640	Supply Services	38,435
		Subsidies	2,953
		Added to Exchequer balances ..	179
	42,003		42,003

Revenue for the week ended January 20th last amounted to well over £25½ millions, as against £36 millions for the corresponding period last year. Excise brought in over £8½ millions, as against nearly £10½ millions a year ago, and Property and Income-tax £11½ millions, as compared with £14½ millions. Expenditure totalled nearly £42 millions, as against just over £16½ millions a year ago, the large increase being due to the payment of over £25 millions for railway compensation. The week's operations increased the National Debt by £16,639,775, and caused the following changes:—

	Min. £		Min. £
National Savings Certificates ..	+ 1,000	Public Dept. Advances	- 5,200
4½% Treasury Bonds	+ 4,966	Unemployment Insurance ..	- 100
Bank of England Advances	+ 10,000		
Treasury Bills	+ 5,974		
	+ 21,940		- 5,300

The floating debt was increased by £10,740,000 to £935,716,500.

FINANCIAL YEAR, 1922-23 (April 1, 1922, to January 20, 1923).

Total spent	£ 634,301,040	Raised by revenue ..	£ 646,749,732
Dec. in balances	7,393,810	Net repayments	19,842,502
Total	626,907,230	Total	626,907,230

ESTIMATES for YEAR 1922-23.

Ordinary Expenditure ..	£ 823,846,000	Ordinary Receipts ..	£ 820,775,000
Special Expenditure ..	61,223,000	Special Receipts ..	90,000,000
Contingencies	25,000,000		
Total	910,069,000	Total	910,775,000
		Surplus	706,000

NATIONAL DEBT. (Million £.)

	Aug. 1, 1914.	Mar. 31, 1916.	Mar. 31, 1919.	Dec. 31, 1919.	Mar. 31, 1920.	Mar. 31, 1921.	Dec. 31, 1921.	Jan. 20, 1923.
Funded Debt	588	318	318	315	315	315	314	314
Term. Annuities	30	22	22	20	18	16	15	15
3½% War Stock	63	63	63	63	63	63	63	63
4½% War Stock	16	14	13	13	13	13	13	13
4 & 5% War Stock	2,091	2,068	2,047	2,040	1,995	1,953	2,071	2,071
National War Bonds ..	649	1,636	1,509	1,476	1,413	1,201	971	971
4% Funding Loan	...	...	409	409	405	401	401	401
4% Victory Bonds	...	...	360	357	348	335	335	335
3½% Conversion Loan ..	...	...	...	...	266	690	690	690
5-15 year Treas. Bonds ..	...	...	...	...	23	24	24	24
5% Treasury Bonds	...	...	...	...	381	166	166	166
5% Treasury Bonds	...	...	...	...	...	40	40	40
Do by tender 4½%	...	...	...	...	...	8	8	8
Do by tender 5%	...	...	...	...	...	84	84	84
Treasury Bills	15	961	957	1,107	1,121	878	719	719
Exchequer Bonds	20	392	384	323	319	289	185	150
Natnl. Savings Certs	...	138	227	267	274	285	342	350
War Expend. Certs	23	1,241	1,306	1,181	1,132	1,087	1,071	1,071
Other Debt	944	51	51	51	51	51	51	51
American Loan	1	204	455	243	205	154	147	222
Temporary Advances	...	...	...	...	...	...	...	...
Other Capital Liabilities ..	654	5,872	7,435	8,033	7,829	7,574	7,655	7,768
	57	49	46	46	47	49	66	67
Total Liabilities	711	5,921	7,481	8,079	7,876	7,623	7,721	7,835

Corrected in accordance with a return issued December 15, 1922.

POSITION OF THE FLOATING DEBT.

	Jan. 21, '22.	Mar. 31, '22.	Jan. 20, '23.	Jan. 20, '23.
Temporary Advances Out- standing	£ 1,190,860,000	1,099,520,500	935,716,500	10,740,000
Advances by Bank of England ..	...	...	15,000,000	10,000,000
Advances by Public Deptms	129,744,000	147,301,500	205,311,500	5,000,000
Treasury Bills outstanding	1,061,116,000	882,219,000	715,405,000	5,940,000
Total Floating Debt	1,190,860,000	1,099,520,500	935,716,500	10,740,000

DEVELOPMENTS IN THE RUHR.

The unfolding of the drama that is being enacted on the Ruhr has naturally been less rapid in the last few days. What has actually been occurring is difficult to disentangle with certainty. Nothing like a complete or prolonged general strike has occurred or even been attempted, but local strikes appear to have succeeded in exacting some concessions from the French, such as a promise not to despatch trains into France from certain stations. French pressure has also been relaxed on banks and certain public services. Production has clearly fallen immensely, and the situation has perhaps been best described as one of creeping paralysis. The French army of occupation appears to have acted with as much forbearance as is possible in enforcing a policy which events are apparently showing to be unworkable, and industrial life appears to have received a blow from which it can only recover either by the abandonment of the methods now in force or by the abandonment by the population of their German patriotism.

But while the French plan of campaign has developed but slightly during the week, and, on the whole, has been singularly free up to the present from serious clashes between the occupying troops and the population, there have been three features of special significance. The first is the trial of the industrial magnates at Mainz; the second the apparent preparations of the French for instituting a coal blockade of Germany if no offer is forthcoming; and the third, and from the point of view of Great Britain the most significant, the arrest of an important German finance officer in Cologne. The trial of the industrial magnates is chiefly important because it has had the effect of stimulating the revival of a strongly nationalist feeling, and whereas the French set out with the hope of driving a wedge between the workpeople of the Ruhr and their employers, they have over-reached themselves by this episode, and produced precisely the opposite effect. The coal blockade of Germany, if put into operation, is, in our opinion, most

likely to have a similar result, for it is impossible to believe that a population which is certainly not now hostile to the rest of Germany would look with tolerance on a plan which would make of them a weapon for striking a mortal blow at the rest of the country. The policy is one which is bound to develop into a test of endurance, the result of which no one can foresee.

For Great Britain, however, the arrest in Cologne of Herr von Lawsener, with whom our troops of occupation have found it possible to work for the last few years in a co-operative spirit, has raised the question of our position on the Rhine in a form that calls imperatively for an answer. The French have expressed the desire to avoid such incidents in the future, but the question is bound to arise in this and a hundred other forms before long, and the Cabinet has therefore been forced to meet to decide upon its attitude. Attempts are being made in certain quarters in this country artificially to stimulate public sentiment to force the Government into an attitude more directly in line with the viewpoint of France. But we think this is hardly likely to succeed. This country remains perfectly conscious of the strength of the French case, which we have repeatedly urged in these columns. It is unlikely that Great Britain will forget for many years the memories of the war, and there are very few, moreover, who do not realise that the devastation which it caused has so far been almost entirely repaired by France's unaided efforts. Last week our Paris correspondent quoted some figures in this connection which it may be useful to summarise:—

Houses rebuilt: 8,000, plus 160,000 temporary buildings, out of 290,000 destroyed.

Houses restored: 420,000, out of 500,000 damaged.

Land cultivated: 3,000,000 acres, out of 5,500,000 devastated (of which 750,000 were under cultivation at the armistice).

Livestock: 50 per cent. replaced.

Roads, railways and canals rebuilt: 60,900 kilometres, out of 64,600 kilometres destroyed.

Bridges rebuilt: 8,200, out of 9,700 destroyed.

Factories rebuilt: 19,920, out of 22,160 destroyed or damaged, of which 85 to 90 per cent. are working.

Population repatriated: 4,060,000, out of 4,690,000.

This effort is a striking testimony to French perseverance and the effectiveness of French administration. Opinion in this country is also ready to make full allowance for the fact that Great Britain undoubtedly encouraged France in her illusion as to the possibility of securing a colossal indemnity from Germany. But when every qualification has been made, the fact remains that France, by her insistence on impossible demands, and finally by her endeavour to use the enforcement of her claims as a means for obtaining political security by breaking up Germany economically, has been the main cause of prolonging political unrest and economic depression in Europe and the world as a whole. There is practically general agreement in Great Britain that the present policy cannot hope to attain the end for which alone economic pressure is justified under the Treaty of Versailles, namely, the payment of reparations. The action, however, of France is not only one which is unlikely to attain the end desired; but it also, in our opinion, goes beyond what she is entitled to do under the Treaty of Versailles for reasons which we fully explained last week. While we remain at Cologne we can hardly hope to avoid being dragged into the present adventure. Unless, therefore, France is willing in the next few days to accept a reference of the question to the League of Nations, we can see no alternative for Great Britain but to withdraw our troops from the Rhineland.

In the meantime, it is becoming increasingly clear that the occupation is giving a temporary fillip to the British coal and iron and steel trades, and though some industries may soon be directly affected by losing their markets on the Continent, it looks as though, just for the moment, the net effect may be favourable for British trade. Such momentary advantage is, however, negligible as compensation for the wide and lasting disturbance caused to our foreign trade with all parts of the world; for, as Mr McKenna pointed out in his speech this week, world trade cannot be in a healthy condition while one of its members is sick.

SHOULD WE REDUCE TAXATION?

THE revenue accounts that have been recently issued have awakened a hope that a Budget surplus will be realised in the current financial year, and even that the Chancellor of the Exchequer may see his way to make some further reductions in taxation in the coming fiscal year. The prophets are, indeed, much more hopeful than a month or two ago, for it has been realised that, as we suggested at the time, this year's Budget estimates were framed on conservative lines. Moreover, there is still to come some saving on interest charges through the fall in the rate of interest; the pensions bill will be automatically lower, supply services will also show a little automatic fall, and if the economy campaign continues there may be substantial savings through the fall not merely in the rate of salaries, but in the numbers of persons employed in the Civil Service. There are, however, several flies in the amber. In the first place, the reductions in taxation made a year ago have not yet made their full effect felt on the Exchequer. This is particularly the case with income-tax, of which the first instalment was collected in July, 1922, at the rate of 6s in the £, and the second instalment is now being collected at 5s in the £. Altogether, the Chancellor estimated last May that the loss of revenue accruing from last May's tax remissions would be £20 millions more in a full year than in 1922-23. A still more serious consideration is that the assessments for income-tax on the three years' average basis will show a further fall, as they will now include two years of depression instead of one, as is the case in the assessments on which tax is now being collected. The large receipts from continued sales of war stores are also coming to an end, and, so far as one can see, there are no windfalls still to come to make good this loss. Finally, however successful the eventual arrangements with Washington may be, the payment due to America is not likely to be less than the £25 millions paid in the current year, and may be 10, or even, at worst, 20 millions more. We shall return to these points and discuss the figures more closely on another occasion. But, assuming that after balancing the two sets of considerations there is a prospect of a Budget surplus in the coming year, it is, we think, important to consider at this stage whether such a surplus should be used for the reduction of taxation or for the redemption of debt. The Federation of British Industries is girding on its armour to fight for further tax remissions; but there are cogent arguments, which will weigh heavily at all events in financial circles, for thinking that circumstances even more strongly demand the application of at least a part of any such surplus to debt redemption.

We are aware that there is a general inclination to postpone debt redemption until the general conditions are more favourable; but a policy of postponement, we think, is thoroughly unsound statesmanship. Among the reasons for adopting a clear and bold policy of debt reduction is this consideration:—the strength of the Labour appeal on behalf of a capital levy is based upon the fact that the burden of interest payments for an indefinite period on the present scale is one that weighs very heavily upon the country, and is likely for very many years to be a serious obstacle urged against any proposals for social or economic reform, however remunerative they might be in themselves from the standpoint of national welfare or even of material development; while, in any case, the taxation, both direct and indirect, which the war charge involves is bound to become increasingly irksome as time goes on. A hundred years ago the debt charge due to the French wars was, as we have previously pointed out, approximately the same in relation to the national income of those days as our present debt charge is to-day to our income. But the debt of the Napoleonic wars became a comparatively light burden through the rapid growth in the wealth of the country and in its population, which made the debt per head a very insignificant figure compared to the wealth per head. Such a proportionate increase cannot be expected to-day, and we cannot therefore contemplate that the burden will shrink through the automatic growth of the national income. We do not accept the view of the pessimists who think that Great Britain has passed the zenith, and that we must look to a steady decline of population and of material production in these islands. For the potential increase of the world's

material wealth is incalculable, and though we must inevitably retain a diminishing proportion of its total trade and industry, our geographical position, our history and our physical assets—coal, ports, climate, &c.—warrant us in expecting to play a leading part in the future as in the past. At the same time, we cannot expect ever again to attain the position of practically commercial monopoly which we enjoyed a hundred years ago. We must, therefore, make a very serious effort to disencumber ourselves of a handicap from which many of our competitors will be free. One way of doing this is by the road of inflation, which in effect means writing down the claims of the nation's creditors. But, apart from other considerations, this is a process very difficult to control, and involves a risk which a country dependent as we are on our international credit should be very slow to run. If we reject this solution, there is only one alternative to the Labour party's suggestion to get rid of a large block of the burden now, and that is to adopt a definite sinking fund policy. This is not so despicable a remedy as is sometimes supposed; for a sinking fund of £50 millions a year would at 5 per cent. amortise two-thirds of the National Debt (£5,000 millions) in about 37 years, i.e., about a single generation.

It may, however, be said that it is futile to attempt to maintain taxation if there is not a sufficient surplus of national production over national consumption. There is undoubtedly some force in this argument, but it is important to remember that taxation itself may exercise an important influence on consumption. For example, a graduated income-tax, with exemption for savings, such, for example, as life insurance premiums, is already, and can be made even more than at present, a means of restricting consumption. Moreover, the argument that such taxation limits the funds which keep the wheels of industry going overlooks the fact that money used for the repayment of internal debt is merely the transfer of purchasing power from one set of hands to another. The difference in the economic effect between transferring money from taxpayers to holders of War Loan, as compared with leaving it to be spent by the former, is not precisely calculable; but, generally speaking, it may be presumed that, on the whole, the transfer would tend to take money from people who would spend it on consumable goods forthwith and hand it to those who would re-invest it in industry. We suggest, therefore, to our friends of the Federation of British Industries that a bold policy of debt redemption would tend to increase the funds available for investment in industry, and not to diminish them.

The nature of the burden which such an annual contribution of £50 millions would represent would depend on the future of prices and production. For example, if prices remain as at present about 66 per cent. above the pre-war level, and if we restore our pre-war production, the national income would amount to about £4,000 millions, on which this sinking fund would be about 1¼ per cent. In itself, this would not be an intolerable figure; but it looks at the moment a formidable addition to a debt charge of 300 millions. Nevertheless, if it is decided that a debt redemption policy is preferable to the other two alternative possibilities, it is of the utmost importance that a definite scheme should be deliberately laid down and unwaveringly pursued, and, in particular, that the Chancellor should turn a deaf ear to the voice of the tempters who bless the scheme but whisper that it is not the time to do it now. Our concrete suggestion is that the expenditure side of the Budget should be divided into two categories. One should include interest on the debt and war pensions; the other all remaining items. In the first category all amounts saved through the fall in the rate of interest and the lapsing of pensions should be set aside as a sinking fund until the total reaches £50 millions per annum. Any savings in excess of this together with all economies on items of expenditure in the second category would be available for reducing taxation. This scheme would avoid the difficulty of setting up so large a sinking fund forthwith; but would enable a beginning to be made with debt redemption, and at the same time would leave a wide field for substantial reductions of taxation. It would increase the incentive to economise in expenditure, for that would in the near future be the only course available from which to satisfy the public demand for lower taxes. It would not

call for additional taxation; it would merely restrict the field for immediate reductions, in return for which it would relieve the country progressively of the weight of the debt and assure that large tax remissions will be possible after a number of years.

THE BANK BALANCE-SHEETS.

IN a previous issue we have summarised the net profits and dividends of the English joint-stock banks as shown in their preliminary statements (*Economist*, January 13th, p. 52). It was there shown that there was a substantial drop in net profits, but no reduction in dividends. Little further contribution to the details of profits already given is afforded by the full reports and balance-sheets which have now all appeared. In those cases where figures of gross profits and expenses are still given—and they are now unfortunately very few—a heavy decline in gross profits is accompanied by a small reduction in expenses, and it may be assumed that the unpublished figures of the remainder tell the same story. It is much to be regretted that the great banks do not set a better example in publishing a more detailed profit and loss account; some improvements have been made in the majority of the balance-sheets in the last few years, and we can only hope that better profit and loss accounts will follow in due course. If one of the great banks finds no harm in publishing more than the bare figure of net profits, it is difficult to understand the reticence of others. In the meantime, we must be grateful for the more satisfactory form of balance-sheet now adopted by the leading banks. Below we summarise the main items of the balance-sheets of 13 English joint-stock banks as at December 31, 1921 and 1922:—

	Capital and Reserves.		Acceptances and Endorsements.		Deposits (incl. Undivided Profits, &c.).		Total Liabilities.	
	1921.	1922.	1921.	1922.	1921.	1922.	1921.	1922.
Barclays	23.8	23.8	6.3	5.5	330.9	303.2	361.0	332.5
Lloyds	24.4	24.4	8.2	15.6	348.8	331.9	381.4	371.9
London County West- minster and Parr's ..	18.0	18.0	16.8	9.9	319.2	282.3	354.0	310.2
Lon. Joint City & Mid. Nat. Provincial & Union	21.7	21.7	19.8	25.9	376.6	356.9	418.1	403.5
Coutts	18.2	18.3	2.9	7.9	273.8	264.0	294.9	290.2
Glyn, Mills, Currie ..	1.6	1.6	0.4	0.1	19.3	17.5	21.1	19.2
Bank of L'pool & Martins	1.5	1.5	..	..	25.8	26.6	27.3	28.1
Lancashire and Yorks ..	3.7	3.8	3.7	7.3	79.0	68.6	86.4	79.7
Manchester and County	2.0	2.0	0.3	0.3	30.5	28.8	32.8	31.1
Union of Manchester ..	1.9	2.0	0.3	0.3	26.7	24.0	28.9	26.3
Williams, Deacon's	3.5	3.5	1.5	1.6	62.6	57.0	67.6	62.1
	1.4	1.4	0.7	1.6	24.4	19.2	26.5	22.5
	3.0	3.0	1.2	0.8	40.1	37.8	44.3	41.6
	124.7	125.0	61.9	76.7	1,957.7	1,817.2	2,144.3	2,018.9

	Cash in Hand and at Bank of England.		Investments.		Discounts, Advances, and Money at Call.		Cover for Acceptances, Premises, and Sundries.	
	1921.	1922.	1921.	1922.	1921.	1922.	1921.	1922.
Barclays	58.2	53.6	63.7	78.6	228.3	189.9	10.8	10.4
Lloyds	50.3	47.2	81.0	99.1	237.4	205.1	12.7	20.5
London County Westm. and Parr's ..	44.5	42.5	56.9	58.4	231.9	195.4	20.7	13.9
Lon. Joint City & Mid. Nat. Provincial & Union	72.8	67.8	60.0	59.0	260.5	245.6	24.8	31.1
Coutts	45.1	41.6	48.1	55.3	191.9	181.3	6.8	12.0
Glyn, Mills, Currie ..	2.4	2.8	4.6	4.7	13.5	11.3	0.6	0.4
Bank of L'pool & Martins	5.7	6.1	8.2	8.7	13.0	12.9	0.4	0.4
Lancashire and Yorks ..	9.5	11.3	15.8	12.5	55.0	47.2	5.1	8.7
Manchester and County	*7.4	*6.3	7.6	9.5	17.1	14.5	0.7	0.8
Union of Manchester ..	*6.2	*4.8	5.6	6.0	16.4	14.8	0.7	0.7
Williams, Deacon's	7.9	8.4	12.2	17.5	45.5	34.1	3.0	2.1
	*4.2	*2.4	2.8	2.6	18.4	15.6	1.1	1.9
	7.2	7.0	5.7	7.4	29.5	25.8	1.9	1.4
	321.4	301.8	372.2	419.3	1,362.4	1,193.8	88.3	104.3

* Includes money at call.

Among the improvements referred to are the separation from the cash item of balances with other banks and cheques in course of collection, and the publication of details of shares held in other banks; but the separation of Treasury bills from other bills discounted is not yet a general practice. As a whole, the figures show the movements which have been indicated by the monthly statement of weekly average balances. Capital and reserves show little change. The ratio of these items to deposit liabilities, which shrank to the abnormally low figure of 5.5 per cent. at the end of 1919, and rose in each of the two following years to 6.3 and 6.4 per cent. respectively, is now still higher at 6.9 per cent. Acceptances, which

are higher in the aggregate, do not show a general increase. In the monthly statements of the nine English clearing banks there was a steady decline in this item until September, but since then there has been a perceptible increase in most cases. Deposits, with which in the table we have included undivided profits, show a very appreciable decrease. According to the monthly figures, this reduction has taken place fairly steadily. On the assets side, the outstanding feature is the reduction in bills discounted, with which, in most cases, as already mentioned, are included Treasury bills. A very large part of this reduction took place in the first half of the year—again judging by the monthly figures—when the attractions of Treasury bonds accounted for a transfer of a large amount of the banks' investments from Treasury bills to the longer dated Treasury bonds. Mr McKenna, in his address to the London Joint City and Midland shareholders, to which further reference is made elsewhere in this issue, had much to say on the question of the decline in deposits and in the Treasury bills held by the banks, which he described as "a measure of deflation effected in pursuance of a declared policy, and resulting in a total reduced purchasing power of £200 millions." But we cannot follow Mr McKenna in his endeavour to prove that the Treasury's financial policy in 1922 is to any great extent responsible for the present condition of trade and unemployment. It is quite true, as he says, that a quick return to pre-war prices would be disastrous from a budgetary point of view, and that stability is the present desideratum. But he is on less firm ground when he blames the Treasury for taking advantage of the favourable movement of money rates to convert a substantial portion of the floating debt into longer dated bonds, and ascribes the decline in deposits to these operations. Bankers have not been unwilling to make advances to industry during 1922; but trade has been beset with too many difficulties to take advantage of the comparatively low money rates that have prevailed in 1922, and much of our floating capital has therefore been invested in the stock markets. This might to some extent have been checked by a deliberate policy of inflation; but in the absence of such an artificial stimulus, the openings in industry for profitable employment of purchasing power were very small. The cause of the reduction in the money turnover in trade cannot be found in the reduced supply of Treasury bills, and the consequent fall in deposits, but must be sought elsewhere. As a matter of fact, during the most severe part of the trade slump deposits were still increasing, while during the past year, when deposits have been falling, prices have been relatively steady after the sharp decline of the previous eighteen months.

As a result of the Treasury bill and bond operations, there was a considerable expansion under the heading of investments in the first part of the year, although the last three months saw a falling off in the total. Loans and advances are lower on the year, but the decline is very much smaller than it was in 1921. Indeed, the monthly figures for the last three months of the year showed a very sensible increase in this item. The cash item, which includes cheques in course of collection, shows a slight reduction, but the ratio to deposit liabilities is slightly higher at 16.6 per cent. Money at call is also lower on the year.

We show in the next table how the various items have fluctuated during the year. This gives the aggregate figures of the nine English clearing banks at the end of 1921 and 1922, together with the weekly averages for four separate months:—

	Weekly Averages.					Dec. 31, 1922.
	Dec. 31, 1921.	March, 1921.	June, 1922.	Sept., 1922.	Dec., 1922.	
Capital and reserves	115.9	115.9	115.9	115.9	116.0	116.1
Acceptances	59.1	57.1	55.2	49.9	72.8	73.0
Deposits (incl. undiv. profits, &c.)	1,813.5	1,746.9	1,755.2	1,650.6	1,684.7	1,587.8
Total liabilities	1,988.5	1,919.9	1,926.3	1,836.4	1,873.5	1,876.9
Cash, notes, balance at bank, and cheques in course of collection	295.7	245.8	251.3	233.2	253.0	279.9
Money at call	106.1	102.5	113.0	104.4	106.9	107.5
Investments	344.0	392.7	412.0	405.8	394.5	381.7
Discounts	409.1	350.5	346.1	295.9	298.3	278.9
Loans and advances	750.8	746.2	723.3	711.3	732.7	728.1
Cover for accept., premises, &c.	83.8	82.2	80.5	75.8	99.0	98.8
Total assets	1,988.5	1,919.9	1,926.3	1,836.4	1,873.5	1,876.9

At the end of 1920 the total deposits of these banks were £1,804 millions, and during the year 1921 there was a slight increase. The year 1922 is thus the first since the war period in which there has been a definite reduction in banking deposits. The movement in total bank deposits since 1913 may be seen from the following table, the figures in which are taken from our annual banking numbers, with the exception of those for 1922, which includes an estimate for those banks whose reports have not yet been published:—

DEPOSITS at DECEMBER 31st.
(Million £'s.)

	1913.	1916.	1917.	1918.	1919.	1920.	1921.	1922.
English	809.4	1,154.9	1,365.3	1,583.4	1,874.2	1,961.5	1,977.9	1,834.2*
Scottish	125.9	166.6	196.5	221.1	259.6	279.2	291.1	271.2*
Irish	70.7	83.7	99.3	131.6	166.2	200.4	212.9	203.9*
Private	27.1	39.2	44.7	51.3	56.2	50.9	48.3	42.7*
	1,033.1	1,444.4	1,705.8	1,988.4	2,356.2	2,492.0	2,527.2	2,352.0

* Partly estimated.

The decline in total deposits during the year is 6.9 per cent., the increase from the end of 1913 to the end of 1921 having been 144½ per cent.

In the final table we show the principal items of the balance-sheets of each of the three discount companies for the past two years:—

1921.

	Capital and Reserves.	Loans and Deposits.	Bills Rediscounted.	Cash.	Short Loans, &c.	Investments.	Bills Discounted.
Alexanders	£ 870,000	£ 18,931,991	£ 2,523,491	£ 477,054	£ 651,319	£ 2,511,777	£ 18,955,449
National	1,346,665	22,379,040	14,701,190	5,90,083	2,223,657	1,890,717	34,125,925
Union	2,100,000	33,417,987	12,660,346	1,256,490	2,339,478	4,517,666	40,882,932
	4,316,665	74,728,021	29,887,027	2,264,527	5,214,254	8,920,159	93,964,306

1922.

	Capital and Reserves.	Loans and Deposits.	Bills Rediscounted.	Cash.	Short Loans, &c.	Investments.	Bills Discounted.
Alexanders	£ 1,000,000	£ 17,756,879	£ 1,692,619	£ 471,141	£ 302,219	£ 2,553,308	£ 17,412,608
National	1,316,565	21,852,414	16,911,235	644,115	1,465,113	5,138,436	35,497,409
Union	2,200,000	33,139,416	6,793,272	1,274,377	2,300,940	4,819,914	37,484,422
	4,516,565	72,748,709	25,397,126	2,389,633	4,968,271	12,511,658	80,394,439

The net profits of these companies rose substantially in 1922—Alexanders' from £141,000 to £188,200; the National's from £165,300 to £190,700; and the Union's from £245,600 to £316,600—and this in spite of the lower profit margins in force. The chairman of Alexanders Discount Company, at the annual meeting last week, stated that a margin between the rates for money and bills hardly existed in the first half of the year (it was actually about 1s), and though it was better in the second half, the average for the whole year was only about 6s, as against 12s in 1921. The large increase in profits is, therefore, a very creditable performance. It is attributed by the chairman of Alexanders to "the policy of taking advantage of the rise in the value of investments bought when conditions were less favourable." The movements in the balance-sheet figures are by no means similar. The loans and deposits of the first two are lower, but those of the Union are slightly higher. Alexanders and the Union both show lower totals of bills discounted, and of bills rediscounted, but both these items are higher in the case of the National. The net amount of bills on the books is slightly lower in the case of Alexanders and the National and higher in the case of the Union, there being an increase of one million in the total. The chairman of the National Discount mentioned that the total amount of bills discounted by the company during the year shows an increase of more than £4 millions over the previous year, and added that investments show an increase owing to the fact that "with a low discount rate it becomes more profitable to hold investments." Mr Colin F. Campbell, chairman of Alexanders, professed to see signs of a revival in trade "in several important directions, and there also seem to be rather more trade bills coming on to the market." Colonel Peel, the chairman of the National, refused to make any forecast, but suggested that, while the market can carry a far larger amount of Treasury bills than formerly, when trade revives "there will be great competition between commercial bills and Treasury bills, and both trade finance and Government finance will suffer accordingly."

THE MOSUL QUESTION AND THE LEAGUE.

It is conceivable that, at the last moment, the Turkish Delegation at Lausanne may waive their refusal to refer the Mosul question to the League of Nations. But if they remain obdurate, the British Government will take this step of its own motion, as, under the terms of the Covenant, it is entitled to do, and in that case the efficacy of the League will be put to a more serious test than any that it has undergone hitherto. The relevant clauses of the Covenant are XI., under which any war, or threat of war, under any circumstances, is declared to be a concern of the League, and any member is empowered to bring matters threatening international peace to the attention of the Assembly or the Council; XVI., which binds all members of the League to institute economic sanctions, backed by military force, against any Covenant-breaker; and XVII., which provides for cases in which one party to a dispute is outside the League, like Turkey in the present instance. Such parties "shall be invited to accept the obligations of membership in the League for the purposes of such dispute, upon such conditions as the Council may deem just." Should the invitation be rejected and hostilities opened, then the offending State is to be subject to all the sanctions of Article XVI., just as if it were a permanent or a provisional member. Clearly the dispute over Mosul is precisely the kind of question envisaged in these Articles, and, indeed, in the whole Covenant. There is at present peace on the frontier between Iraq and Turkey; but the Turkish Government and the mandatory of Iraq have put forward conflicting claims in regard to a portion of the Iraq territory, and a danger of war has undoubtedly arisen out of their failure to reach agreement through direct negotiation. Moreover, the League is in this case doubly concerned, for the disputed province forms part of a country mandated by the League itself to Great Britain, and the frontier which the British Government wish to maintain and the Turkish Government to alter was approved by the League when the mandate was granted. Even if Great Britain and Turkey had agreed, no modifications in the *status quo ante* could have been made unless the League had also concurred.

The nearest precedent to the present case is the successful invocation—or, more accurately, threat of invocation—of the League when Albania was invaded by Yugoslavia. In this instance, though aggressive warlike operations (and that by a strong military power against a much weaker one) were already in full swing, the mere announcement by the British Government of its intention to summon a special meeting of the League Council was sufficient to secure the withdrawal of the invading forces. The augury is a good one, but it would be a mistake to be optimistic before thoroughly realising the differences between the two sets of circumstances. Yugoslavia, though militarily far better placed than Turkey, was amenable in a more than proportionate degree to economic sanctions. The mere threat of reference to the League set the dinar falling on the London market, and this was what induced the Yugoslav Government to give way so promptly. It may be doubted whether the economic weapon, even if wielded with its full force, will have the like effect upon the Turks. Of course, the Turks want, like any other nation, to reconstruct their economic life on something like a Western standard, but they may value their territorial aims more, and may elect, rather than abandon them, to see Anatolia sink to the economic level of Afghanistan or Abyssinia. And if they do not fear the economic sanctions of the League, still less do they feel its moral authority. They are already inclined to suspect it, on the double ground that it is an "Entente" and a "Christian" organisation. Certainly neither of these allegations is correct. The League contains one Muslim member, Persia, and several other non-Christian members, including one permanent member of the Council, Japan. It also now includes three "enemy" States and all the European neutrals. Still, it is broadly true that the three West European "Principal Allied Powers" have hitherto been predominant in its counsels, and the Secretary-General happens to be an

Englishman. The danger is that the Turks may regard the reference to the League as a device for restoring Entente solidarity in support of the British claims, and may therefore pin their own hopes on an "anti-League" combination of Powers, including Russia and possibly Germany.

LABOUR IN 1922.

The year 1922 has proved one of the most difficult ever experienced in the recent history of this country. Our index number shows a small decline in wholesale prices for the year (from 69.6 to 66.2 per cent. above the level of July, 1914), and the figure for September last (63.5 per cent.) represents the lowest point in the post-war depression. The adjustment of production costs to these new levels has naturally proved a most painful process, and the shaking down of wages which this necessitated is the outstanding feature of the year. Throughout 1921 wage reductions had been in full swing, and the movement continued on almost as large a scale during the first ten months of 1922. The Ministry of Labour Gazette states that these changes for those industries for which statistics are regularly compiled by the Department in 1922 "resulted in an aggregate decrease of about £4,200,000 in the weekly full-time wage rates of nearly 7,600,000 workpeople. The number of workpeople reported to have obtained net increases in wages during the year was only about 75,000, the aggregate increase being about £11,000. In 1921 the changes reported resulted in net reductions amounting to about £6,000,000 per week in the wage rates of nearly 7,200,000 workpeople, and in net increases amounting to nearly £15,000 per week in the wage rates of 80,000 workpeople. On the basis of the available information, it is estimated that weekly full-time rates of wages at the end of 1922 were lower by about 20 per cent., on average, than at the end of 1921." It should be noted that these statistics are exclusive of changes affecting agricultural labourers, police, Government employees, domestic servants, shop assistants, and clerks, and relate to wage rates for a full week, assuming full employment. In the building trades our official contemporary estimates that the wage rates ruling at the end of 1922 represent a fall of 18 to 23 per cent. of those prevailing in December, 1921; while in the coal trade "the only workpeople whose wage rates at the end of December were higher than at the beginning of the year were the lower-paid men, in receipt of special subsistence wages, in Cumberland, South Wales and Monmouthshire, and Scotland. In the case of the great majority of the men, rates of wages were considerably lower at the end of 1922 than at the end of 1921." This general fall in miners' wages varied in the different districts, but the last two months of the year showed some improvement in Northumberland, Durham, Yorkshire, and Scotland. In fact, this halt in the downward movement of wages in November and December was fairly general in all industries, the reduction in that period being less than in any month since March, 1921, even though the number of increases was small. The reduction in the case of iron and steel workers for the twelve months varied, in the case of blastfurnace workers from 8 per cent. in South Wales to 37 per cent. in Cumberland, process workers' wages falling from 8 per cent. in South Wales to from 16 to 34 per cent. in the other principal districts, while labourers' wages were reduced from about 20 to 30 per cent. on the rates of December, 1921. In the engineering industries the reductions for the year averaged between 24 and 26 per cent. on the rates ruling at the end of 1921 in the case of skilled men and about 32 per cent. in the case of labourers; while shipbuilding shows a fall of between 33 and 35 per cent. The total reductions in the cotton industry represent approximately 20 per cent. and in the wool textile industry from 12 to 16 per cent. calculated on the same basis. Of the total reduction of about £4,200,000 per week, to which reference has already been made, reductions amounting to over £4,000,000 were arranged without strikes or lock-outs.

This general fall was only partly compensated by changes in the cost of living. The Labour Gazette index number of retail prices of commodities entering into work-

ing class consumption shows a percentage increase of 92 per cent. over July, 1914, at the end of December, 1921, falling gradually to 80 per cent. at the beginning of June. Then followed a rise to 84 per cent. on July 1st, with a reaction to 78 per cent. at the end of September. A rise to 80 per cent. in November and December was followed by a return to 78 per cent. on January 1, 1923.

For the whole year the average fall of the wage rates of men in full employment was about 20 per cent., as we have seen, and the fall in the cost of living in the neighbourhood of 7.3 per cent. But against this it is necessary to bear in mind that in 1921 a general average fall of about 20 per cent. in wages was accompanied by a fall of approximately 44.2 per cent. in the cost of living, and when it is remembered that the cost of living somewhat outran the rise of wages in the boom, the figures really mean that to-day the real wages of workpeople in full employment are, on the average, about the same as those ruling early in 1920. Of course, the statement that wages have moved *pari passu* with prices is only approximately true as a general average, and makes no allowance for the fact that movements have varied considerably in the different industries, so that while some workers are better off, others are definitely worse off than before. The statement has also to be qualified by the consideration of the great increase in unemployment—for which allowance must be made in arriving at the total income of the wage-earners of the country.

Employment was bad in nearly all the principal industries in 1922. "There was a gradual improvement from February until the autumn, however, and notwithstanding a seasonal decline in certain industries in November, employment at the end of 1922, though still bad generally, showed an appreciable improvement as compared with the beginning of the year. The proportion of insured workers registered as unemployed had fallen to 12.2 per cent., and there was also a substantial reduction in the numbers working short time. The total number of applicants for employment on the live register of the Employment Exchanges in Great Britain and Northern Ireland at January 1, 1923, was 1,542,000, of whom 1,199,000 were men and 255,000 were women, the remainder being boys and girls. At January 10, 1922, the corresponding total was 1,882,000, of whom 1,440,000 were men and 332,000 were women. As some unemployed persons do not register at the Exchanges, these totals do not fully represent the total numbers unemployed, but they provide an indication of the improvement in employment in 1922."

The Ministry of Labour Gazette gives the following tabular summary of monthly changes during 1922:—

Date (End of Month).	Unemployment in Insured Trades.			Percentage Unemployed in Trade Unions Making Returns.
	Percentage of Unemployment Books Remaining Lodged.			
	Males.	Females.	Total.	
1921.	%	%	%	%
December	18.2	11.2	16.1	16.5
1922.				
January	18.0	11.0	16.0	16.8
February	17.5	10.7	15.5	16.3
March	16.5	9.2	14.4	16.3
April	16.8	8.6	14.4	17.0
May	15.9	7.3	13.5	16.4
June	15.3	6.1	12.7	15.7
July	14.8	6.0	12.3	14.6
August	14.4	6.1	12.0	14.4
September	14.2	6.3	12.0	14.6
October	14.2	6.3	12.0	14.0
November	14.4	6.9	12.4	14.2
December	14.0	7.3	12.2	14.0

The trade union figures include a disproportionately large number of returns for engineering and allied trades, in which employment was much worse in 1922 than in other industries. At the same time, these figures indicate an improvement, which would appear still greater if allowance were made for the reduction in the number of workers working short time.

The number of trade disputes was much smaller in 1922 than in any year since 1918. The total number of disputes in Great Britain and Northern Ireland was 565, as com-

pared with 763 in 1921; the number of workpeople involved approximately 555,000, as against 1,829,000 in 1921; and the loss of working days 19,900,000 (over 13 million being due to a lock-out in the engineering industry), as compared with 86,000,000 working days lost in 1921.

This summary of labour conditions in 1922 amply bears out the statement of Mr McKenna in his speech on Wednesday: "The relations between Capital and Labour," he said, "are on a far better footing than they were two or three years ago. Post-war illusions have been dispelled, and there is a general disposition to face realities."

LANCASHIRE COTTON TRADE.

(BY OUR MANCHESTER CORRESPONDENT.)

THROUGHOUT last year the conditions prevailing in the Lancashire cotton industry were very unsatisfactory. The business done was larger than in the previous year, and the Board of Trade returns show much bigger shipments of yarn and cloth than in 1921. The demand, however, was not sufficient to keep all the spindles and looms at work, and unemployment was on an extensive scale. The year was notable for increased financial stringency, and numerous failures were reported. Trouble of this kind was largely due to the further depreciation in the value of goods, the drop in foreign exchange rates, and the refusal of dealers abroad to accept deliveries against old contracts.

The average price of American cotton in Liverpool last year was 12.5d per lb, against 9.97d per lb in 1921. The lowest quotation for Fully Middling on the spot in Liverpool was 9.51d on February 6th, and the highest price was 15.65d on November 10th. The American crop for 1921-22 was very disappointing, the actual growth being only 8,500,000 bales. The consumption during the twelve months was estimated at 12,800,000 bales, and stocks throughout the world were reduced by over 4,000,000 bales. It was estimated at the end of last July that supplies were about 5,000,000 bales. Last spring there was a hopeful feeling with regard to the prospects for 1922-23. During the summer, however, the plants did not do very well, and there was a tendency to reduce forecasts of the output. The crop will probably be about 10,000,000 bales. It is rather difficult to estimate the probable consumption, but it is not likely to be less than 12,000,000 bales, so that stocks throughout the world will again be reduced at the end of this season, and it is probable that the carry-over next July will be about 3,000,000 bales. The average price of Egyptian cotton in Liverpool during last year was 18.18d per lb, against 18.09d per lb for the previous year. The lowest quotation for Fully Good Fair Sakellaridis on the spot was 15.50d on February 6th, and the highest quotation was 22.25d on January 3rd. The Egyptian crop for last season was larger than expected, and amounted to 5,488,000 cantars. The prospects for 1922-23 are encouraging, and there is every likelihood of a yield of over 5,000,000 cantars.

Owing to the larger trade done in piece goods during the year, the home consumption of yarn increased. Shipments to foreign outlets were also much bigger than in 1921. From month to month, however, the position of spinners was very unsatisfactory. There was not sufficient trade to enable sellers to secure profitable prices for their production. Numerous companies experienced very severe losses. The trade situation was rather better towards the end of June, and in the following month there were indications of business becoming remunerative. The improved position, however, was not maintained, and towards the end of the summer the situation became worse. In September spinners engaged on American cotton decided to organise short time, and since then the mills have worked only 35 hours a week instead of 48. In all kinds of American yarn the demand, except on a few occasions, was of a dragging character. Users only purchased from hand to mouth, and at no period was there any disposition to anticipate future requirements. Speaking generally, spinners of Egyptian yarns did rather better than producers of American qualities. There was not the same amount of curtailment of production in

Bolton as in Oldham. The prices ruling, however, for fine yarns were not at all satisfactory.

The following is a comparative table of yarn exports:—

	Lbs.	£
1913	210,099,000	15,006,291
1920	147,432,400	47,585,814
1921	145,894,900	23,924,879
1922	201,220,800	26,436,489

The record year for yarn shipments was 1884, when 270,904,000 lbs were exported. Last year compared with 1921 we shipped on a freer scale to the Netherlands, Germany, Switzerland, Bombay, China, and the United States, there being small decreases in the takings of Roumania, Turkey, and Bulgaria. The average price paid for yarn by foreign customers last year was 31.53d per lb, against 39.36d per lb in 1921, 77.71d per lb in 1920, and 17.14d per lb in 1913.

On the whole, it may be stated that demand in piece goods last year was rather better than in the previous 12 months. But no buying movement was of long duration, and manufacturers were compelled to accept orders at prices which showed a loss, or only just covered the cost of production. The business done was not sufficient to strengthen the position of makers. On certain occasions a buying movement came to an end when there were indications of sellers getting into a stronger position, and being able to enforce remunerative terms for contracts. It was estimated a year ago that nearly half the looms in Lancashire were standing idle for want of work. In February inquiry broadened, and as producers were booking more orders there was an increase in production, and less unemployment amongst the operatives. The better demand kept up fairly well, and during the summer it looked as though a definite turn in the state of trade had taken place. By the end of July about 90 per cent. of the looms were working, and in certain sections of manufacture employers were booking orders at a profit. A quieter feeling then set in, and the slacker state of affairs was intensified by the political crisis in the Near East. Manufacturers as a body began to lose ground, and towards the end of the year there was a tendency for more machinery to stand idle. Demand for India during the 12 months was very irregular. The most encouraging market in India was Calcutta. Dealers in Bombay were slow to recover from the slump in prices, and much difficulty was experienced by Manchester merchants in effecting satisfactory arrangements relating to the taking up of goods against old contracts. Shipments of piece goods to China during the year were larger than in 1921. A fairly substantial business was done last February, but a little later further purchasing was checked by the unsettled political situation. Trade with Turkey, as can easily be understood, was considerably disturbed by political events. The crisis in September caused consternation to numerous Manchester firms, and many houses suffered severe losses. A fairly encouraging business was done for Egypt, and towards the end of the year there was an improvement in the demand for the outlets of Central and South America. A feature of interest was the export of large quantities of goods to the Continent for finishing processes, charges there being much lower than in England. Most of the home trade houses experienced a moderate year. A better state of affairs prevailed in the spring, but during the summer, owing to the unfavourable weather, clearances in light fancy materials did not come up to expectations. Calico printers, dyers and bleachers, were not able to run all their machinery, but they secured remunerative prices for the work done.

The following is a comparative table of cloth shipments:—

	Yards.	£
1913	7,075,252,000	97,775,855
1920	4,435,405,000	315,717,631
1921	2,902,288,900	137,132,298
1922	4,181,176,300	142,415,686

The average price paid for cloth last year was 8.17d per square yard, against 11.34d in 1921, 17.08d per yard in 1920, and 3.32d per yard in 1913. Last year, compared with 1921, exports were much larger to Switzerland, Bombay, Australia, Bengal, China, Germany, and the Argentine Republic. There was a decrease in

the takings of the Dutch East Indies, Morocco, Syria, and Egypt.

According to an analysis of the stocktaking reports of 270 spinning companies for 1922, the average dividend was 4.01 per cent. on ordinary share capital, compared with 7.83 per cent. for the same concerns in 1921. The total paid-up ordinary share capital of these companies is £38,877,340, and the factories contain 27,120,714 spindles. A very unsettled feeling prevailed throughout the year in the cotton mill share market. There was considerable nervousness with regard to calls. A few companies, owing to financial difficulties, had to go into liquidation or come to some special arrangement with loan holders.

The wages agreement between the employers and the trade unions expired in March, and the masters in both spinning and weaving departments put in a claim for a substantial reduction. The negotiations were of a protracted character. At the end of April a settlement was reached, which provided for an immediate reduction on list rates of 40 per cent., or 3s 3d in the £, on current wages, and a further reduction in six months of 10 per cent. on list rates, or 10d in the £, on current wages. It was agreed that no further change in list rates should take place for twelve months, wages thus being stabilised until next May. When the agreement expires it will be necessary for either side to give one month's notice of any proposed further change. The wages now being paid are 95 per cent. above the lists, and 90 per cent. higher than in 1914.

Since the turn of the year there has been a distinct improvement in the demand and the amount of business passing in cotton yarn and cloth in the Manchester Market. A trade revival has undoubtedly taken place. Owing to the severe depression spinners and manufacturers are rather slow in obtaining relief, and most of the contracts have been arranged at very poor prices. If the present activity is maintained it will not be very long before all the spindles and looms in Lancashire are running at full stretch. The political situation in Europe is a disturbing feature, but in other directions the outlook is promising. With regard to India the trade prospects are bright. The monsoon last season was very good. Food prices are low, and it is believed that the natives this year will have plenty of money for clothes. High prices for goods may prevent a big business, but there is every likelihood of freer buying during the next two or three months. It is difficult to estimate the probable demand for China during 1923. Stocks in the Far East are not heavy, but a very unsettled feeling prevails with regard to the Government. What may happen in the Near East is an unknown quantity, and probably it would be as well not to expect too much from Turkey and the Levant, but, on the other hand, Egypt is fairly prosperous, and should be in a position to absorb considerable quantities of cotton goods. It is reasonable to anticipate that the financial stringency will become less acute before very long. It is possible that the organised short time in the American spinning section will be abandoned at the end of January. In taking a broad view of the situation the year 1923 is not likely to be a period of booming trade, but there are grounds for believing that in less than twelve months the severe depression which now exists will have been relieved, and spinners and manufacturers should be in a position at an early date to secure prices which are profitable.

LAND AND PROPERTY IN 1922.

ALTHOUGH the general prevailing industrial depression had little further adverse effect upon conditions in the property market during the year when compared with the previous year's results, dealings continued to be transacted on a restricted scale mainly owing to the unwillingness of many owners to recognise changing circumstances and accept prices more in accordance with the general fall in values.

According to the official figures compiled by the Estate Exchange, recorded sales of property fell from £10,838,946 for 1921 to £10,436,793 for 1922, thus revealing a decline of £422,243, which, taking all the

existing circumstances into consideration, must be considered as highly satisfactory. In the tables given below these figures are grouped under three headings—(1) Sales of property during the year at the headquarters of the property market; (2) auction sales in other places, which are registered with the Estate Exchange; and (3) sales by private treaty of which the parties interested consent to publish details. As has been pointed out before these figures give but a limited view of the statistical picture, for while some auctioneers are inclined to preserve a discreet silence as to their sales, others, on the other hand, may possibly include in sales properties which were merely submitted to the public, but bought in. In private sales the position is even more uncertain, there being so many interests at work which often prevent the correct sale price from leaking out. In the first table we show a comparative summary of sales from 1912:—

COMPARATIVE SUMMARY OF SALES
(000's omitted.)

	1912.	1913.	1914.	1915.	1916.	1917.	1918.	1919.	1920.	1921.	1922.
Mart	2,554	2,346	1,866	8.4	929	1,546	2,299	6,251	5,655	5,730	3,042
Other sales	4,698	4,039	3,462	1,824	2,917	5,546	7,148	9,234	7,581	5,377	3,322
Private	1,837	2,189	1,357	1,942	1,232	1,435	1,935	6,067	5,040	4,451	4,075
	9,089	8,574	6,685	3,570	5,108	8,527	11,382	21,542	18,276	10,859	10,437

Sales began to decline, it will be noticed, in 1913. This was the year when a pronounced fall in property values took place, which continued until the end of 1915. Agricultural land, however, came into request fairly early in 1916, and the land boom continued until 1920. Figures for 1917 included sales of enemy bank and other property, while house property came into demand early in 1919. The commencement of the depression in agricultural land values is noticeable in the results for 1920; but the acute shortage of housing caused increased demand for residential property, and assisted to maintain the total volume of business at just a few millions under the figures for 1919. The totals for 1921 and 1922 show the aftermath of the artificial conditions prevailing in the more immediate post-war period.

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

1922.	The Mart and Winchester House.	London and Country.	Private Contract.	Monthly Total.	Quarterly Total.
January	143,943	102,501	123,300	369,744	
February	88,658	117,542	200,385	406,585	
March	327,756	86,686	123,275	537,717	
First quarter	560,357	306,729	446,961		1,314,047
April	56,965	199,724	201,225	658,314	
May	427,220	211,000	674,500	1,242,720	
June	337,830	373,444	751,570	1,462,844	
Second quarter	1,222,015	784,168	1,567,695		3,563,878
July	58,438	408,465	511,460	1,501,353	
August	2,000	443,159	239,854	684,833	
September	111,136	383,715	317,845	812,696	
Third quarter	696,574	1,235,339	1,068,969		3,000,882
October	335,507	166,929	241,000	743,436	
November	268,573	671,658	393,310	1,333,541	
December	160,746	157,513	364,600	682,919	
Fourth quarter	764,826	996,160	996,910		2,757,896
Grand total					10,436,793

Compared with results issued a year ago, the first quarter is up by about £50,000, but the second quarter, at £3,363,878, is £883,400 lower. The third quarter is £315,400 less, while the last quarter is about £100,000 higher.

A distinct falling off is noticeable for agricultural land, and buyers are now exercising considerable discrimination in purchasing. Indeed, it is now only possible to effect sales of indifferent farm land at comparatively low prices, but, on the other hand, selected areas in special districts are eagerly sought, and fully maintain their values. A few details of large agricultural estates are worth

recording. Thus, 19,363 acres near Linlithgow and Stirling belonging to the Duke of Hamilton sold for £350,000, while the Sarsden Estate of 9,000 acres in Oxfordshire realised £176,000; 5,900 acres of the Kipley and Ogle Estates, Morpeth, made £120,000, and in Surrey, 1,835 acres, the property of the Duke of Northumberland, brought in £70,000, the tenants securing many lots. The *Estates Gazette* estimates that prices averaging £45 to £50 per acre were paid for farms, and £80 to £100 per acre for accommodation land near Stockport, Cheshire; £500 per acre was obtained for market garden land in Haresfield, Middlesex; £125 per acre for land in Coulsdon, Surrey; £186 per acre in Kingsbury, Middlesex, and £57 10s per acre in Taunton Vale, Somerset.

Property in the City of London within the magic line of the "one square mile" continues to steadily improve in value. The offices of the Guardian Insurance Company, Nos. 10 and 11, Lombard street, were unsold, however, at £350,000, this sum working out at £83 per square foot. A building site in Gresham and Wood Streets made £5 9s per foot, and one in Fenchurch-street £4 6s per foot. A noticeable feature in the demand for City property is the steady improvement of values in Bishopsgate and Houndsditch areas, big banking and insurance institutions no doubt driving less opulent traders into these districts. Shops in leading positions, Messrs Hampton and Sons state, are still greatly in demand, and this firms proceeds to add, "we have but little difficulty in expeditiously placing any, not only in London but the chief suburbs and provincial towns that are placed in our hands for disposal." The large number of new buildings recently erected and in course of erection in the West-End has so increased the supply of offices that for the moment this is rather beyond the demand. It is considered, however, that this is a purely temporary phase; with increased business activity many firms that have, during the last year or two of difficult times, been marking time will launch out into larger and more modern premises, while better business conditions will also encourage the opening up of new branches and the launching of new ventures. A fair demand has been met for factory and warehouse premises, but naturally the general industrial depression has prevented any considerable demand in this direction. The most significant feature in town property has been the continued demand for flats. Messrs. Hampton and Sons, in their annual review of the estate market, state that flats of all descriptions have been greatly sought after, irrespective of rental, although premiums have tended to a more normal level. They point out that they "have had no difficulty in disposing of the few 'super' flats that have come into the market, and state that there is no doubt the demand for really fine suites with 8 to 10 bedrooms is greater than ever," adding that "flats in St. James's, Mayfair and Westminster are never many weeks in the market unless the terms are prohibitive." This firm also refers to many houses, "hitherto the town residences of families bearing old and honoured names having been purchased for offices, clubs, and business premises." The low-built, non-basement and "period" town and country house invariably finds a ready market; sales have been numerous, and prices, generally speaking, have been satisfactory. Large town houses continue to be purchased for the purpose of converting into maisonettes, and this latter class of housing accommodation shows no falling off in popular demand. Complaints, however, continue to be heard of unjust restrictions placed upon leaseholders by freeholders.

From the purely investment standpoint property has experienced a rather better demand during the year, but occupied property of the suburban villa type coming under the Rent Restrictions Acts is exceedingly difficult to sell. Large blocks of flats in the West-End and in the better class suburbs change hands in an increasingly greater volume at prices substantially above 1914 values. What is usually known as "working class property" has found an easier market. Possibly because investors are beginning to find that with the decline in repairing costs and the 40 per cent. rent increase permitted by the Acts, this description of property gives a fairly generous revenue yield.

GOLD MINING ON THE WITWATERSRAND.—II.

(FROM A CORRESPONDENT.)

JOHANNESBURG, December 19, 1922.

I WILL now do my best to set forth in language free of technicalities certain salient features about the five mines as to whose position I made investigations whilst on the Rand, and will state my personal views as to the value of their respective shares from the investor's point of view and on a conservative basis. But it must be clearly understood that the figures and conclusions which follow are in no sense official.

Attention is drawn to the fact that all these five mines except "Crown Mines" are situated in the Far Eastern Rand, where, owing to the flatness of the reef, working conditions are easier than either in the Central or Western Rand, and where, in consequence, there is far less chance of any shortage of native labour.

It should be noted that British income-tax on South African gold-mining shares is now about 2s 10d, and not 5s in the £. This is because the several companies are incorporated in the Transvaal, and pay the South African income-tax of 1s 6d, as also the dividend tax of 1s 6d, direct to the Union Government of South Africa, not deducting it from the actual nett figure declared and paid to shareholders. Holders on the London registers, therefore, have a varying amount, usually about 2s 10d in the £, deducted from the full amount of the dividends declared. And this is all which is deducted, as the balance of the tax due has been already paid direct by the companies in South Africa.

It should be noted, also, that in the calculations which follow as to values of shares, all reinvestments for amortisation are figured as being made in securities yielding only 4 per cent. net per annum, and that, in order to allow for income-tax at 2s 10d in the £, a sixth part of the sums which would have to be set aside annually for reinvestment on account of amortisation if there were no income-tax has been added to such sums. But the addition of this sixth only applies to shareholdings on the London registers. As South African shareholders have no income-tax deducted at the source, they can afford to bid a slightly higher price for shares than European holders, as—

1. Their net dividends are more.
2. They do not have to set aside so large a proportion of their dividends for amortisation, though it may be mentioned that a relatively small income-tax is charged on total incomes over a certain amount on assessment in South Africa.

1. *New Modderfontein*.—This mine of relatively high grade, situated in the favoured Far Eastern Rand district, has over six and a-half years' ore in sight, of about the same average grade as that which, before sorting out 11½ per cent., was treated in the year ending June 30, 1922. It has a probable future life of 19 years, and there are good reasons for believing that its unexplored portions will continue up to the average of the explored part. There has been an increase of the tonnage treated on this mine since June 30, 1922, which will, if continued, probably enable it to pay an average dividend of 10s a year for the rest of its life. But it is necessary for a shareholder on the London register to deduct 3s 7d a year from his dividend for amortisation of the present price of 85s a share, leaving a return of 6s 5d, or about 7½ per cent., on this price, without allowing for income-tax.

As the premium on gold is rapidly disappearing, it is essential to see how this will affect the financial position of the company. The premium on gold for the year ended June 30, 1922, accounted for 7s 7d per ton milled. Costs have already fallen 6s 2d per ton, and it may be assumed that they will fall another 1s 6d in time, owing to a further probable reduction in cost of mining stores and materials. When this happens, therefore, it will be seen that the position will be 1d per ton better, even when the premium on gold disappears altogether, than it was in the last financial year. But in spite of this indication that the average dividend of 10s per share can be maintained with the increased tonnage treated, even when the price of gold falls to normal, it should not be forgotten that all mining investments are risky. So the prudent investor needs a good return on his money to com-

pensate him for the risk run. I do not consider the yield on the present price sufficient, and therefore value the shares for European holders at no more than 70s, to yield about 10 per cent., without allowing for income-tax, but making the necessary allowance for amortisation of the capital invested, and assuming that taxation whether in South Africa or England will not be increased, and that freedom from further labour troubles is assured.

2. *Modderfontein Deep Levels*.—This mine, of relatively high grade, situated in the favoured Far Eastern Rand district, has seven years' ore in sight, of about the same average grade as that which, before sorting out 21½ per cent., was treated in the year ending December 31, 1921. It has a probable future life of 13 years, and it is almost certain that its unexplored parts will continue as good as those which have been exposed. This company paid dividends aggregating 7s 6d for the year 1921. But it is doubtful if it will be able to keep this rate up over the whole of its future life. It is safer to put the average dividend for the rest of its future life of 13 years at 7s only. And it is necessary for a shareholder on the London register to deduct 3s 5d a year from his dividend for amortisation of the present price of 49s a share, leaving a return of 3s 7d a year on this price, or about 7½ per cent., without allowing for income-tax.

The premium on gold for the year 1921 accounted for 11s 4d per ton. As costs have now fallen 4s only, it will be seen that the company will at first have a difficulty in keeping up the 1921 dividend of 7s 6d, if and when gold falls to standard price. It may be assumed that mining costs will in time fall another 1s 6d on further reduction of costs of stores and materials, leaving 5s 10d per ton, or 1s 1½d per share, to be made up before the old rate of dividend can be resumed, if and when the premium on gold vanishes. The present tonnage treated is about normal, and there is no suggestion of increasing it. So that it is probable that, as soon as the price of gold falls to normal, the dividend will be around 6s 4½d for a time, and gradually increase. The 7½ per cent. return on the present price of the shares is, in my opinion, too low for the risk run. So I value the shares for European holders at 41s only, to yield 10 per cent. without allowing for income-tax, but making the necessary allowance for amortisation of the capital invested, and assuming that taxation, whether in South Africa or England, will not be increased, and that there will be freedom from further labour troubles.

3. *Government Gold Mining Areas (Modderfontein) Consolidated*.—This mine, of relatively high grade, situated in the favoured Far Eastern Rand district, has between five and six years' ore in sight, of somewhat higher average grade than that which, before sorting out about 15 per cent., was treated in the year ending December 31, 1921. It has a probable future life of 25 years, though it is clearly speculative whether its unexplored part will continue to be as good as the part already explored. Though the total dividend for 1921 was only 11s, it should be noted that 11s 6d was earned, and that a higher tonnage is now being treated. So it seems right to assume that an average dividend of 12s can be paid over the 25 years of the mine's future life, provided that values keep up and taxation be not increased. But it is necessary for shareholders on the London register to deduct 3s a year from their dividends for amortisation of the present price of 109s a share, leaving a return of about 9s a year on this price, or a little over 8 per cent., without allowing for income-tax.

This is a mine leased by the Government, and, according to the terms of the lease, it is not liable to further taxation. Further, by the terms of the lease, only part of the loss which would be occasioned by a rise in working costs, or a fall in grade of ore milled, would be borne by shareholders, as the Government's percentage of the reduced profits occasioned by such adverse circumstances would be less than that of the shareholders. The latter are thus put in a favoured position in the event of things going badly, though the Government gets the best of it when things are going well, as then it gets a greater percentage of the profits. The favourable terms of the lease from the shareholders' point of view, and particularly the non-liability to further taxation, can be set off as partial compensation for the risk run in having over half of the mine's area unexplored and, even though developments in

adjacent mines indicate a favourable future, yet some stretches of the unexplored ground are certain to prove unpayable.

The premium on gold for the year 1921 amounted to 8s 6d per ton milled. Costs have since fallen 3s 5d. Allowing a further 1s 6d for future reduction in cost of mining stores and materials, it will be seen that there will still be 3s 7d per ton, or 2s per share, to be made up before the company will be able to keep up its past earnings on the basis of those of the year 1921, if and when gold falls to standard price. It is probable, therefore, that, when this happens, and if there is no further increase in the tonnage treated, the dividend will have to be slightly reduced. But it is likewise probable that sooner or later a still greater tonnage will be treated on this mine than that which is already being treated. This naturally means a shorter life, but bigger annual dividends.

I value the shares for European holders at 86s, to yield about 11 per cent., without allowing for income-tax, but making the necessary allowance for amortisation of the capital invested, and assuming that taxation, whether in South Africa or England, will not be increased, and that there will be freedom from further labour troubles.

Notes of the Week.

Bankers on the Trade Outlook.—Two of our leading bankers, Mr McKenna and Mr Goodenough, have this week, in their addresses to the shareholders of the London Joint City and Midland and Barclays respectively, delivered important reviews of the trade position and outlook; and these reviews are none the less interesting because these two authorities do not look through spectacles whose focus is quite identical. Both start from the premiss that the bottom of the trade slump has passed and that some recovery in general trade has set in, and both approach the question of how the recovery can be developed. Both recognise the blow to our trade caused by the chaos in Europe. Mr Goodenough lays stress, too, on the obstacle erected by the Fordney Tariff in the United States, and argues:—"The effect of the Fordney Tariff, however, must be to compel us to seek new sources of supply of foodstuffs and raw materials, and to develop markets in other parts of the world for our trade, especially in India, with its great population, and in the East, and in the Dominions and Colonies of the British Empire, who in their turn can send to America their raw materials and other merchandise which America cannot produce for herself." This leads him to his main theme, namely, the development of Empire trade, and so refreshingly optimistic is he that he can see in this field "a reassuring prospect in the face of what could not otherwise fail to be a paralysing blow." To optimism in this direction Mr McKenna's speech applies a cold douche of economic argument. The keynote of the latter's review is the interdependence of nations in trade. He combats the theory that loss of trade in Europe can be disregarded and recouped elsewhere. "A very brief study of the general course of foreign trade will show that whatever injures it in one part of the world has its reaction elsewhere, and that any confident hopes, based on the comparatively small proportion of our pre-war exports to stricken Europe, are not well founded. We shall find that the commercial breakdown in Central and Eastern Europe is not only destructive of our markets there, but must hamper our export trade more or less all the world over." This cardinal truth the ex-Chancellor proceeds to illustrate with some apposite figures. In 1913 we sold to India goods to the value of £70 millions, and received from her goods to the value of £36 millions, which left an export balance of £34 millions. In the same year our exports to Germany were valued at £41 millions and our imports from Germany at £76 millions, which left an import balance of £35 millions. Taking these two principal customers as one group, our imports and exports nearly balanced. Some approach to a balance was to be expected, for India, in her trade with Germany, had an export surplus of £20 millions, "which provided her with the means of paying for British goods." This illustration of "triangular trade" is capable of wide

application to our external commerce, which, before the war, according to Mr McKenna's estimate, "absorbed one-third of the labour of our people." Mr Goodenough rightly stressed the importance of London's resumption of large lendings abroad, but Mr McKenna pointed out the obvious limitations of trade expansion through lending abroad. The latter sees the best hope of trade improvement in the home market, and here, he remarks, "we may find a wise direction of financial policy of the greatest avail." This remark leads him on to the detailed study of deflation and its effects, to which reference is made in a previous column. Mr McKenna's view of the general disturbance of our external trade caused by Central European chaos is shared by Mr Glazebrook, who, in his chairman's address to the shareholders of the Bank of Liverpool and Martins, said:—"While I welcome such signs as there are of reviving trade, I confess I fail to see how that revival can proceed very far in the present distracted condition of Europe." The speeches of these three bankers, and also those delivered at the meetings of Williams Deacons, the National Bank, the Manchester and Liverpool and District, the Union Discount, and the Provident Bank of Ireland, will be found *in extenso* among the reports of company meetings on later pages of this issue.

Irish Free State Legislation.—The Oireachtas of the Irish Free State has resumed its session. The Seanad, under the chairmanship of Lord Glenavy, has busied itself, writes our Dublin correspondent, with the formulation of Standing Orders for the regulation of its business, and with the appointment of its secretariat and officials generally. After asserting its right to control the appointment and dismissal of its own staff, subject to the admitted constitutional right of the Dail to criticise or otherwise deal with its action in debating and voting on the estimates, it passed to the second reading of an Indemnity (British Military) Bill sent up from the Dail. After some discussion, the debate was adjourned "to give the British Government an opportunity, by a similar gracious act, to release every Irish prisoner under its control for a political offence connected with Ireland, in whatever country the offence may have been committed." Amongst others who supported the adjournment, which was proposed by Colonel Moore, a former colonel of the Connaught Rangers, were General Sir Bryan Mahon and Mr W. B. Yeats. Whether or not the procedure adopted was the most apt for furthering the object of the Seanad, it is clearly desirable that that object should be achieved. Other names that figured in the debate were Guinness and Jameson. Simultaneously the Dail was debating an Enforcement of Law (Occasional Powers) Bill, designed not so much for the repression of disorder as for the establishment of civil remedies and the suppression of abuses. The change of system resulting from the Peace Treaty and the civil and military conflicts which preceded and followed it, the conflicting jurisdictions of competing courts, the dislocations and uncertainty which disorder causes, have led to the withholding of money due, and the non-enforcement in many cases of civil decrees. The Government fully realises that the national credit is in a large measure founded upon its internal credit, and that commercial security is the indispensable condition of internal credit. Internal credit in its turn is of even greater importance to the weakest and humblest classes than to the merchant or the trader, for loss of credit means unemployment. The Minister of Home Affairs explained the various provisions for strengthening the sheriff's arm, and for the creation of special military units to afford "adequate—even impressive protection" to the sheriffs and their agents in the execution of decrees. Illicit distillation, "as a factor making for the degradation of our people," is marked down for ruthless suppression. The military arm was to be braced to deal with irregularism and its campaign of destruction. The Bill was duly read a second time, after criticism from Labour that it is unduly drastic. To-day's newspapers publish Government advertisements calling for recruits for one year's service for a large number of battalions—the highest serial number of the latter that is mentioned is 65—and a request is addressed to employers to facilitate recruiting. Earlier in the week the Dublin

Corporation distinguished itself by voting half-pay to all its employees absent from duty through arrest or otherwise in connection with Republican or Irregular activities. It will be recalled that the ill-starred Rory O'Connor, recently executed, had been a Corporation *employee* so paid. The vote was taken in a thin house, and the majority was due to large abstentions which the public attributes to timidity. Official notice has now been given that such payments, if made, will be illegal. And the Government has announced the suspension, temporarily at least, of certain housing grants due to the Corporation.

Trade Unions and Hours of Work.—Our Labour correspondent writes.—The trade-union movement is expecting a developing attack on the present working week. The post-war period saw substantial reductions effected in the hours of labour in almost all industries. Up to now, these gains remain intact. During last year, so far as the Ministry of Labour's knowledge goes, the number of workpeople whose normal weekly full-time hours of labour were increased was nearly 15,500, the increase amounting on the average to about two and a-half hours per week. The workers principally affected were bakers in Scotland. The present year, however, may witness more than one bitter struggle on the hours question. Rightly or wrongly, the trade-union world believes that there is to be a concerted attempt made by employers to lengthen the working day. Employers in many trades have declared that the railway workers and miners ought to submit to a longer working day, with the object of reducing coal prices and transport charges. The Treasury is already seeking to establish longer hours in the Civil Service, for the purpose, apparently, of reducing expenditure on overtime, whilst the building trade employers have formulated a definite demand for the extension of the working week from 44 to 47 hours. The National Federation of Building Trade Operatives has determined to offer the most stubborn resistance to this demand, and has now enlisted the support of the General Council of the Trade Union Congress. The view of the trade-union movement is that if the building trade workers are defeated, the longer hours campaign will be extended to other industries. It is possible that the employers, in view of the large wages reductions which have been secured without stoppages, believe that working hours may be increased merely by determined negotiation. In this, however, they are likely to be mistaken. The trade unions are unlikely to make concessions as regards the working day without putting up a very strong fight.

The Fall in Freights.—The decision of the Commonwealth Government Line of steamers to reduce cargo freights had been expected, and it will only hasten the general reduction in rates of merchandise from this country to the Australian ports, and also homeward rates as well. This naturally will be followed by lower freights to other destinations, and by stimulating the demand for goods overseas the movement will help the trade revival. There is now plenty of steamer space available from the Continental ports to all parts of the world on very cheap terms, and in many cases this works against British shippers when they are competing for business; thus an adjustment has inevitably to be made. In Australia, German shippers are giving preference to German steamers in respect of wool and other shipments, and this competition has to be faced. In the open market orders for grain and rice cargoes are now being given by firms having German connections on the understanding that French, Belgian, or Italian steamers are not employed; and it is perfectly obvious that an era of very fierce rate-cutting will be ushered in as soon as the German merchant marine is stronger than it is just at present. British shipowners are now well equipped for a campaign of this description, but the effects on a mercantile marine like that owned by the United States Shipping Board are bound to be disastrous. It is quite likely that passenger fares will also come under revision later on. They are still far too high, and with increasing competition from foreign steamship lines the British shipping companies now running to South America, South Africa, India, and the East will have to make further concessions. In con-

nection with the movement of coal from this country to France, Germany, Italy, the various bunkering depots, and South America, tonnage has been actively inquired for this week, but the homeward markets have had a very dismal appearance. All sections are glutted with unfixed tonnage, and rates have simply gone to pieces. For steamers to load heavy grain from the South American ports to the United Kingdom or Continent, rates as low as 21s 3d per ton have been taken from not above San Lorenzo, and steamers have been berthed from the up-river ports at 22s 6d, with 21s 3d down-river. This compares with 27s 6d to 30s paid late in December. Grain from the Northern Range has been very weak, with chartering interest stagnant. A re-let steamer took 10½ cents per 100 lbs from the Northern Range to Antwerp-Hamburg, and February steamers have been glad to fix up at 11½ cents per 100 lbs. Sugar from Cuba has dropped to 19s, U.K., at which a moderate business has been done. The Eastern markets have all been affected, and from Bombay nothing over 25s is offering. Rice from Burmah to the German ports has been closed at 30s, with wheat from South Australia to the U.K.-Continent fixed at 40s, which is a decline of 7s 6d per ton on business done late in 1922. Steamers from Wales to West Italy have been making 11s, and 8s 6d was paid to the States, but the demand for American account has dropped off considerably, the outlook for a settlement of the dispute between the coal-owners and miners being much brighter.

Labour and Index Numbers.—The Association of British Chambers of Commerce has revived the discussion about the Ministry of Labour's cost of living index number, and Sir Josiah Stamp has given expression to the ambitions of the association in his proposal for a "production" index number. The question, writes our Labour correspondent, is one of considerable interest to the Labour movement. It would be glad to see the basis of the Ministry of Labour's index number revised, and would, in all likelihood, welcome a discussion on the subject; but it would certainly oppose very strenuously any suggestion that new budgets as a basis for a new index number should be collected now, owing to the state of employment. Clearly, new budgets should be obtained during a time of normal trade. As regards Sir Josiah Stamp's suggested "production" index number, the general view is that it is impracticable. But whether practicable or not, there is not the remotest chance of the trade unions looking with favour on the proposed new index, and it is hardly likely that any Government would make its use compulsory in wages negotiations. It would, however, be a good thing to take the preliminary steps for the compilation of a revised cost of living index number, and it is anticipated that the subject will not now be allowed entirely to drop, especially as the Ministry of Labour has itself admitted the desirability of collecting new budgets.

The "Westminster" Bank.—Not only the City and the business community, but the public at large will welcome the news that one of the large banks is making a move in the direction of curtailing the cumbersome title which a series of amalgamations has produced. The London County Westminster and Parr's Bank, Limited, announces that after the annual meeting to be held next Thursday a resolution will be submitted that the name of the bank be changed to "Westminster Bank, Limited." Although the London and County Banking Company, with which the London and Westminster Bank was amalgamated in 1909, and Parr's Bank, which joined the combined undertaking in 1918, will lose their identity if the new title is adopted—and we cannot imagine that there will be any serious opposition on the part of shareholders—we consider that the name which has been decided upon is the best choice that could have been made, in that the London and Westminster can claim to be the senior joint-stock bank, having been established in 1834, or two years before the London and County Banking Company, while the alteration is not likely to lead to any mistakes, as might be the case were an entirely new title adopted. We sincerely hope that, now that a beginning has been made, the London Joint City and Midland, and the National Provincial and Union Bank of England will

follow this good example. We ourselves will welcome the day when it will be possible correctly to name the "big five" banks in five words.

Messrs Drummond's Balance-Sheet.—Following the example recently set by some of the hitherto reticent private banks, Messrs Drummond, of Charing Cross, whose business was founded as far back as 1717, have this week for the first time published a balance-sheet, which we reproduce below:—

STATEMENT OF ASSETS AND LIABILITIES ON JANUARY 10, 1923.			
Dr.	£	Cr.	£
Current and deposit accounts	3,657,311	Cash in hand and at bankers	383,860
Capital	400,000	Money at call	680,000
		British Government securities	
		at or under market value	677,296
		Colonial Government, railway, and other trustee securities	
		at or under market value	344,918
		Other securities do.	9,718
		Advances to customers	1,501,519
		Bank and adjoining freehold premises	460,000
	4,057,311		4,057,311

This, in common with those of other private banks recently published for the first time, shows a satisfactory position, the ratio of cash to deposits being 10½ per cent., while that of money at call to deposits is over 18½ per cent.

A Proposed Bank Purchase.—In making their announcement of a final dividend for the year 1922, the directors of the London and Liverpool Bank of Commerce have informed the shareholders that they have received from the British Overseas Bank, Limited, a conditional offer to purchase from the shareholders their shares in the London and Liverpool Bank of Commerce, Limited, at the price of £10 5s per share, ex-dividend, payable in cash. The full terms of the offer, with a recommendation to accept it, will be communicated to the shareholders at an early date. No change is contemplated in the general lines on which the bank's business with its customers has been conducted. This announcement has doubtless come as a welcome surprise to the shareholders of the London and Liverpool Bank of Commerce. The price of the £10 shares as recently as 1921 was as low as £4 15s, but since that time there has been a steady recovery. At the beginning of this week the quotation was 7½, and there was a rise on Wednesday to 8½. The bank was established in 1879, and has a total subscribed capital of £600,000, its business being largely that of an accepting house.

Coal Production and Costs.—The statistics now published of Coal Production and Costs are more complete than any data available for other industries, and the following tables give an interesting picture of the industry in a very critical period of its history:—

Production and Costs (Gross Figures).	1921.	1922.		
	Last Quarter.	First Quarter.	Second Quarter.	Third Quarter.
Tonnage raised tons	55,033,074	57,633,631	53,261,024	58,717,767
Tonnage disposable tons	49,634,464	52,213,331	48,416,513	53,694,293
Proceeds £	57,083,625	54,367,927	45,875,798	48,996,278
Wages £	39,291,872	34,827,153	30,540,289	30,533,993
Total costs £	56,684,826	51,704,431	46,129,768	46,333,723
Net profit (+) or loss (—) £	717,353	+2,963,904	34,685	+2,907,681

It should be pointed out that net profit or loss is not calculated as the difference between proceeds and total costs during the given period, as some of the coal sold was raised in the preceding period, and some of the coal raised will be sold in the ensuing period. The next table gives figures on a tonnage basis for the same period, together with the returns for October last:—

Period.	Proceeds per Ton.	Wages per Ton.	Total Cost per Ton.	Net Profit (+) or Loss (—) per Ton.
1921—1st quarter	33/3 25	29/8	40/3 25	— 7/0
2nd quarter	..	..	..	..
(Strike)				
3rd quarter	29/0 76	18/9 91	26/9 76	+ 2/3
Last quarter	23/0 02	15/9 99	22/10 09	+ 3/47
1922—1st quarter	29/9 90	13/4 08	19/9 66	+ 1/1 62
2nd quarter	18/11 41	12/7 39	19/0 66	— 10/17
3rd quarter	18/3	11/4 48	17/3 10	+ 1/1 00
October	18/4 47	11/3 14	16/10 31	+ 1/7 38

The average prices realised have fallen very considerably, even from the relatively low figure ruling at the end of 1921, and this has necessitated a great reduction in production costs. Wages per ton in October were a little over 71 per cent. of the level of the last quarter of 1921, while other costs had been brought down to about 78.8 per cent. of the earlier figure. This shaking-down has necessarily proved a most unpleasant operation, but the price level moved upwards in the last quarter of 1922 (for which full returns are naturally not yet to hand), and this, combined with a reduction in absenteeism, the elimination of the less efficient workers and the opening up of new mines, with a resultant increase in output, provides ground for hoping that the worst has definitely passed in the coal industry. The labour side of the problem is further illustrated by the following table:—

	Number Employed.	Total of Man-shifts Worked.	Total of Man-shifts Lost.	Output per Man-shift Worked.	Earnings per Man-shift Worked.
1921—Last quarter	1,026,965	62,082,826	4,311,536	Cwts. 17.75	12/7.89
1922—First quarter	1,020,207	63,236,314	6,171,819	18.23	11/0.18
Second quarter	1,027,592	59,831,062	4,677,752	17.80	10/2.51
Third quarter	1,027,853	65,446,658	5,476,180	17.94	9/15.97
On her	1,058,977	24,007,374	1,896,165	18.09	9/3.96

It will be seen that while the number employed has risen by over 4 per cent., the output per manshift worked shows a welcome increase. At the same time, the proportion of manshifts lost which could have been worked to the total number actually worked was less in October than in either the quarter ending September 30th, or in that ending March 31st. While there is still room for further improvement in this respect, the figures we have given show that a welcome step has been taken in the right direction by the workers.

German Coal Balance.—It is not without interest at this present juncture to review the statistics of German imports and exports of coal for the first 11 months of 1922, more particularly as the migration of the Kohlsyndikat has delayed the publication of the figures for December.

(In Thousands of Metric Tons.)

Average Monthly Excess of Imports (—) or Exports (+).	1913.	Jan.-May, 1922.	June-Nov., 1922.
Coal	+ 2,005	.. + 480	.. — 1,332
Coal and briquettes	+ 738	.. + 122	.. — 54
Lignite	— 577	.. — 187	.. — 164

In the second half of June, 1922, Upper Silesia was incorporated in Poland, and this at once changed the German coal position. At the same time the full effect was not felt until July; for whereas an export surplus of 368,200 metric tons of coal in May was turned into an import surplus of 261,000 tons in June, this latter had increased to 1,342,200 tons in July. These figures naturally do not include deliveries of Reparation coal, but are simply those arising from the normal course of trade. It follows that though they give a clear account of the present state of the German coal export and import trade, they cannot be looked on as proof that Germany is permanently condemned to an unfavourable coal balance. The totals for the period January–November are given below:—

(In Thousands of Metric Tons.)

Totals.	Exports.	Imports.	Balance.
Coal	4,938.2	.. 11,126.8	.. — 6,188.6
Coke and briquettes	1,263.8	.. 331.9	.. + 931.9
Lignite	14.4	.. 1,934.6	.. — 1,920.2

The significance of these totals becomes more apparent when it is remembered that during the same period 8,292,000 metric tons of coal, 5,809,800 tons of coke, and 588,000 tons of lignite briquettes were despatched from Germany on Reparations account. This is equivalent to coal deliveries to the extent of 16,583,800 metric tons; and had this been available for the purposes of normal trade, Germany would have had a considerable favourable coal balance to its credit.

The Growth of Gambling.—A Stock Exchange correspondent writes:—One of the periodical waves of speculation that arise from time to time is rapidly spreading over the community. Stock Exchange men know it best of all, as is natural, and the fortnightly settlement, which

ended with last Thursday, attained enormous proportions. The Stock Exchange Clearing House grappled with huge lists in Southern and North-Eastern Railway deferred stocks, in Rubber Trusts, and Imperial Tobacco shares. All of these issues attract the speculator and the speculative investor rather than the investor. The other stocks and shares which come within the scope of the Stock Exchange Clearing House were listed in unusual quantities, plain evidence of speculative revival. Equally tangible testimony to the rise of the gambling spirit can be found in the manner in which, on successive days, one share after another in the mining markets has been galvanised, bid for, and, in House parlance, "given a run." The amazing advances in Selukwes and in Cam and Motors are deemed sufficient excuse for unearthing half-forgotten Rhodesian shares. Ironical market cries of "Bring out your dead!" have greeted the reappearance of shares hitherto all but moribund. A newly introduced florin rubber share, which was supposed to start on Wednesday at 3s 3d, blazed into prominence at 6s, so eagerly had its advent been anticipated by orders given to brokers that they were to buy at best. In this rise of the speculative spirit is to be found the explanation for the apparent anomaly of Stock Exchange markets being strong while Franco-German crises filled the air. The General Election stopped, with a jerk, the rising tide of speculation which stimulated the later-autumn markets. Christmas followed, with window-dressing and seasonable expenditure, to emphasise the check laid upon public willingness to gamble. But this sentiment drew fresh inspiration from the violent rise in rubbers; it fed greedily upon the mad rush-up in Rhodesians; it frets excitedly around every market in the Stock Exchange that holds out a chance for "making a bit." Shipping is neglected, banking and insurance shares are exceedingly quiet, in spite of the investors' hunt for good stocks. It is demanded that there should be a dash of speculation in whatever a man and woman buy. No doubt a good many stocks and shares were unduly depressed in view of the possible trade revival, and much of the rise may be charitably deemed legitimate. But there is an enormous amount of speculation going on, some of it rather dangerous. The day of reckoning is usually heralded by advance hints that people might do well to confine their Stock Exchange transactions within the limits of their own financial capacities. Meanwhile, this word of premonitory caution may not be altogether lost upon those who are tempted to yield to the fatally easy attraction of going out of their depth while markets are, in the Stock Exchange word, "good."

The Speculation in Mines.—Our mining correspondent writes:—Amid the Stock Exchange activity in American and Rhodesian mining shares, West African gold and diamond, and Far-Eastern tin shares, are by no means overlooked. Reference was incidentally made last week to the hopeful prospects of two British-owned concerns operating on the American continent—the San Francisco and the Mexican Corporation. Each of these shares has since experienced a substantial gain, while Selukwes have attained a new high level to the accompaniment of rumours as to rich assays in the B.C. property controlled. The official news, although good, fell short of expectations, and a reaction in the share market followed. Talk of good developments has been responsible for sharp advances in the shares of the Mexico Mines and the El Oro. In the Rhodesian market, Cam and Motor shares continued record-breaking, and their procedure inspired practically the whole list. Shares which a few weeks ago stood in the "rubbish" category at a shilling or two, or even less, have been in strong demand, appreciating to the extent of 50 or 100 per cent. It is a kind of snowball movement, which gathers strength as it rolls. People who have made money out of one share naturally lend a ready ear to any fresh "tip"; certain shares are bid for because the companies hold scrip which has appreciated, and here and there manipulation is apparent. In the present temper of the public, the movement may easily go further, although in various cases quotations have reached a level which discounts a great deal. The surprising feature is that

this strength and activity should have developed under threatening political conditions.

Indemnity-Mutual Marine.—The first marine insurance account for last year to be issued, that of the Indemnity, shows some improvement in comparison with the results a year ago. The account of 1921 was closed by transferring £240,000 to suspense account for future settlements, and then showed a profit of £32,121 on a premium income of £1,206,315. In the account of 1922 there was no profit, and £200,000 was carried from profit and loss to suspense account in order to wind it up. The premiums on the 1922 account were £941,830, against £1,206,315 for 1921, and the first year's settlements £248,605 (26.4 per cent.), against £357,955 (29.7 per cent.). Expenses amounted to £35,119, against £34,440, and the balance carried forward was £658,105, against £813,919. The reserve fund, underwriting balance, and profit and loss account amounted on December 31st to £2,190,247, as compared with £2,313,398 a year before. The net interest receipts for last year were £107,742, and the amount paid in dividends to the shareholders (the Northern Assurance Company) was £107,200. A graph representing the premium income of the Indemnity from 1914 to 1922 would illustrate very well the ascent and decline due to the war and the subsequent peace. From £617,734 in 1914 the premiums rushed up to £3,295,927 in 1917, and have since then dropped to £941,830. The funds, illustrated in the same way, would show a movement from £993,974 up to £3,302,961 in 1918, and then a decline to £2,190,247 on December 31st last. The net result is a gain in the funds of about £1,300,000.

Treaty Re-Insurances.—This company, which was established after the war on the sound basis of ownership by three established insurance offices, has issued its third annual report. Reinsuring companies as subsidiaries of powerful allied offices have almost every advantage. They get skilled direction, they are assured of a steady volume of business, and their security is beyond question. The fire and general net premium income for the year ended June 30th last of Treaty Reinsurances was £374,858, against £377,321, and the claims were £223,573 (59.7 per cent.), against £188,805 (50 per cent.). The expenses were £111,197 (29.7 per cent.), against £115,979 (30.7 per cent.). After providing for unexpired risks on the basis of 40 per cent. of the premium income, £41,072 was transferred to profit and loss. In the marine account the net premiums were £113,520, against £90,786, and the claims on the year's account and previous years were £68,567, against £29,138. After providing for expenses the balance of the marine fund carried forward was £108,632 against £72,402. The position of the company is strong. A general reserve fund has been established of £42,500, and the credit balance carried forward at profit and loss was £11,959. The total funds, exclusive of capital, amount to £343,034, and all the contracts are guaranteed by the three insurance offices which between them own the capital.

Parent Tyre.—The net revenue of the Parent Tyre Company, Limited, for the 16 months ended December 31st last amounted to £53,321, which, when added to £15,960 brought forward, shows £69,281 available for distribution. It is now proposed to pay a dividend of 5 per cent. on the preference shares for the 16 months, which will absorb £48,298, and 8 per cent. on the ordinary capital, which will take £17,500, leaving a balance of £3,483 to be carried forward. The report points out that "no income has been received on the company's investment in Dunlop Rubber preference shares, and dividends have now accrued on those shares for two years, representing a total sum of £231,492, after allowing for the deduction of income-tax." It is added that "no credit is taken in the present balance-sheet for any portion of this outstanding interest," and the report proceeds to point out what it is possible to do with this sum when it "becomes available." It would, however, perhaps have been as well if details as to how

these arrears of dividends would be distributed had been left over until the cash was actually in the exchequer of the Parent Tyre Company. On one very important point shareholders may be well satisfied. Total assets amount to £2,686,650, of which investments represent £2,506,329. This item—investments—comprises securities the market value of which at December 31, 1922, was £2,530,069. The balance-sheet will be found analysed in our usual column.

R. E. Jones.—In the annual report for the year ended October 31, 1922, the directors of R. E. Jones, Limited, show profits of £15,702 for the year, which they propose to allocate to reserves, £10,000 going to a contingencies account and £5,000 for depreciation of leasehold properties, &c. They are constrained to remark that the "results of the year's trading, although not as satisfactory as your directors would wish, show that the corner has been turned, and the business has now been adapted so that it can be carried on at a profit even during a period of industrial depression." It is further stated that the bank overdraft of £31,357 has been converted into a credit balance of £23,113. This is so much to the good, but there are many points in the balance-sheet which call for serious attention. In March, 1921, the directors appealed to the public for fresh capital, and issued 700,000 10 per cent. cumulative £1 preference shares, with participating rights, at par, and those responsible for drawing up the prospectus estimated that the 10 per cent. preference shareholders should receive 14 per cent. per annum on their investment, while ordinary shareholders would have 56 per cent. per annum distributed amongst them. Shareholders who subscribed on the strength of these prospects by this time, perhaps, have had their hopes mellowed, and now possess a riper experience. If this is so, there should follow a not unnatural demand for more information about accounts. It may be interesting to know that a company with £1,647,080 capital can earn £15,702 in a year, but the shareholder is bewildered when he comes to follow the method by which the profits are revealed. Reserve for contingencies, which receives £10,000 of the profits mentioned, has been debited with £15,104, "in writing down stocks and sums written off during year." Meanwhile, on the debtor side of the balance-sheet the profit and loss debit balance, which at October 31, 1921, was £193,704, has now been increased to £194,021. The auditors' report also provides some instructive comment. We are told that "No provision has been made for depreciation of freehold property," and that "Investments stand in the books of the company at cost, a value, in our opinion, considerably in excess of their true value at October 31, 1922." This last item—investments—is by far the biggest asset, amounting to £723,250, and represents presumably holdings in subsidiary undertakings, for the directors' report mentions that, "Again no dividends have been taken from any subsidiary company," adding that "any profits earned" have been "carried forward or used to write down stocks." We would suggest that the directors should publish a consolidated balance-sheet which will show the actual assets and liabilities of the subsidiary companies revalued in the light of the changed industrial position.

Pensions Cost and Administration.—At the end of last week was issued the fifth annual report (No. 18, price 1s net) of the Minister of Pensions. The report covers the year ended March 31, 1922, and it is difficult to see why it should have taken nine and a-half months to compile. Greater promptitude is surely not impossible. Although dealing with ancient history, the report presents points of interest as regards both administration and cost. Adoption of the recommendations of the Departmental Committee appointed in November, 1920, appears to have borne some fruit in both directions. In the year under review the staff of the Ministry of Pensions was reduced by 3,126, and the total cost from £106.6 millions to £95.1 millions. The reduction in cost is attributable mainly to the natural workings of time and medical treatment, which between them reduced the total number of beneficiaries by 465,000 during the year, and the number of awards by 280,000. The pensions and gratuities them-

selves absorbed about £10½ millions less than in the preceding year, the decline taking place mainly under the head of disablement awards, "reflecting the success of the skilled medical and surgical treatment provided by the Ministry." Staff salaries, wages, and medical fees, however, also fell by nearly £650,000.

At a meeting of the Institute of Actuaries, to be held at Staple Inn on the 29th instant, at 5 p.m., Mr W. Palin Elderton will submit a paper entitled "Notes on the treatment of Extra Risk."

THE Corporation of Insurance Brokers announces a lecture by Mr. Walter Jackson on "The Evolution of Workmen's Compensation," which will be given on January 29th, at 5.45 p.m., at 59A, London Wall, London, E.C. 2.

Oversea Correspondence.

UNITED STATES.—LABOUR SITUATION AND OUT-LOOK—COMMODITY PRICES—RECORD BUILDING OPERATIONS.

(FROM OUR CORRESPONDENT.)

NEW YORK, January 12.

DURING the past week there have been some important developments in the labour situation. Many of the largest railroad systems have withdrawn their applications, filed with the Railroad Labour Board a while ago, for a reduction of wages and changes in working rules and conditions, involving some of the big railway brotherhoods. Besides asking for a cut in current wages, the applications sought to eliminate the punitive rate of overtime obtained by the employees during the period of Government control of the railroads, to require trainmen and enginemen to work eight hours within a spread of 12 hours, and to abrogate many working rules that have been in force for several years. About half of the railway companies which began such proceedings before the Labour Board, including the larger systems like the Pennsylvania, the New York Central, the New Haven, the Lackawanna, the Southern Pacific, and the Atchafalaya, Topeka and Santa Fé, have decided to take no further steps in that direction. Instead, they have completed, or are negotiating, individual settlements. Their action, which seems likely to be followed by other roads, seems to promise an era of more amicable relations than heretofore between the carriers and their workers. Some railroad managements, however, may press their applications, which will be opposed by the brotherhoods. Should the board grant the railways' demands, there may be strikes on such lines; but at present there appears to be no likelihood of a nation-wide stoppage of transport. In this connection it is not without interest that the Erie Railroad and its subsidiaries recently signed a new agreement with the federated shop crafts unions, applying to some 20,000 shopmen, which gives to the latter the wage rates authorised by the Labour Board. Among other features, the agreement establishes the eight-hour day, with time and one-half pay for overtime, and the same pay on holidays and Sundays as on weekdays; old employees are to be given preference for new jobs, and the new contract has been made retrospective to cover workers who have been receiving only 65 cents an hour since last October, as compared with the minimum of 70 cents which will prevail hereafter. The agreement is to run until November 1, after that date it will be subject to cancellation by either side on 30 days' notice. The Erie settlement has been made on the basis of the so-called Baltimore agreement, which was accepted last year by a number of railroads after negotiations with the shop crafts unions.

The textile labour situation in New England is causing manufacturers a great deal of concern. The union known as the United Textile Workers has started a movement in Fall River for a 29 per cent. increase in wages, despite the fact that last year's strike was settled

through a restoration of the 20 per cent. reduction announced at the beginning of 1922. The Fall River Cotton Manufacturers' Association immediately published in Fall River newspapers an advertisement announcing that the mills would not grant an increase in wages at this time, but would close if compelled to do so by the refusal of operatives to work. The statement made on behalf of the mill managements gives figures intended to disprove the union's assertion that "increased living costs require a return of wages to the war period rate." The present average wage in Fall River mills, it is pointed out, is approximately 40 per cent. higher than that paid by their southern competitors. The declaration of large stock dividends by New England mills has evidently given labour unions the impression that the "present condition of the industry enables it to make the increase demanded." The manufacturers declare they are not in such a position; increased wages would necessarily raise cloth prices, already abnormally high, and possibly cause a buyers' strike; mills, they add, cannot pay more for labour and materials than they get from the sale of cloth.

It is too early to draw any definite conclusions as to the possibility of another coal strike in this country during the coming spring, especially in view of the fact that conferences are yet to be held. Surface indications would seem to indicate the likelihood of a tie-up, and because of such indications it is understood that there has been considerable activity on your side in chartering vessels to bring English coal here later on. There have been some developments recently, however, of a reassuring nature, and it is by no means certain that there will be a coal strike. Miners are well employed, with every indication that they will continue so for a long time, and they may conclude that little, if anything, would be gained by another strike.

The average of commodity prices on January 1st showed very little change from that of December 1, 1922. Bradstreet's index number at the opening of this year being \$13.7011, which marked a decline of half of 1 per cent. from the preceding month, but disclosed a gain of 20.4 per cent. over January 1, 1922. As compared with June 1, 1921, the low point of the past three years, prices were 29 per cent. higher, while compared with the high point on February 1, 1920, they were 34.3 per cent. lower. The increase over August 1, 1914, was 57.3 per cent. During December, seven groups of commodities advanced, including live stock, fruits, textiles, metals, coal and coke, oils and building materials, while six groups declined, namely, breadstuffs, provisions, hides and leather, oils, chemicals, and miscellaneous products.

Building expenditures at 153 cities during December, according to Bradstreet's, amounted to \$224,850,090, as against \$201,920,201 for November, and \$136,124,811 in December, 1921. The aggregate expenditure for 1922, with only 14 cities missing for the last month of that year, was \$2,499,061,532, which exceeded the total for 1921 by \$885,049,000, or nearly 55 per cent., and was to that extent the greatest expenditure for house, office, factory and store building ever recorded in the history of the United States.

FRANCE.—RUHR DEVELOPMENTS—THE CURRENCY PROBLEM—IRON AND STEEL TRADE DIFFICULTIES — PROTESTS AGAINST INCREASED TAXATION.

(FROM OUR CORRESPONDENT.)

PARIS, January 24.

THE occupation of the Ruhr and the struggle that is going on there is, of course, the dominating subject here, and all others have sunk into insignificance beside it. For a great proportion of the French people the entry of their troops into the Ruhr has been to them for some years past—since long before the war ended, in fact—very much what the entry into the Promised Land was to the ancient Israelites, and this for two reasons: first, because the vast majority of Frenchmen are convinced that, by laying hands on Germany's "jugular vein," Germany can be made to pay; and, secondly, that with the Ruhr in French hands, it will be impossible for Germany to start another war. It is advisable that the foreign observer, in estimating the

present situation, should not overlook the fact that this second reason, quite apart from any question of securing Reparation payments, has been a very important factor in bringing about the *union sacrée* that has placed the whole country unanimously behind M. Poincaré in support of his present policy.

The result of that policy can scarcely yet be judged, although this is the fourteenth day since the French troops entered the Ruhr. There can be no doubt the French plans have been well laid, after extraordinarily careful consideration, and it is significant that every difficulty that has so far been encountered was plainly foreshadowed here, and discounted in advance. It was suggested last week that, although the miners might be induced, from patriotic reasons, to resent at first the intrusion of the Allied brokers' men, this would not be of long duration if the men were given reason to feel that their wages would be as well assured by their new masters as by those they have temporarily lost. So far this has been accomplished. On Saturday the French authorities procured 2,000,000,000 paper marks, and wages were distributed as usual. The political "general strike" proved to be a formal affair, and it is expected, at the time of writing, that the threatened strike of railwaymen, which is believed to be the German Government's last effort at direct action in the Ruhr, will be an equally complete fiasco.

What is not generally known, perhaps, is that one great factor which the French expect to operate in their favour is the fact that the workers in the Ruhr have certain characteristics that strongly differentiate them from their fellows in the rest of Germany. Psychologically, they belong to a different type. This was shown by the fact that the German Government has never dared to maintain great permanent garrisons in the industrial region. In 1920, it will be remembered, when the Berlin authorities sent troops into the district, there were frequent armed conflicts between them and the local workmen, and in the end the soldiers had to be withdrawn. The Ruhr miner, for instance, is much more individualist than the great mass of German workers, and much more given to think for himself, and to be less influenced either by appeals to his class consciousness or by attempts of his employers to dictate to him. Much of this individualism is probably due to the fact that he generally works single-handed, as in the Ruhr pits the team or gang system of labour is unknown. All this, provided the French continue to carry out their original programme of prudently conciliating the workers, as they have done hitherto, and prove that their objective is not militarist, but merely to extract payment from the workmen's reparation-shirking employers, is in the Allies' favour.

As matters stand to-night, it is becoming more and more obvious that the aim of M. Poincaré's policy is not merely to obtain possession of the coal in the Ruhr, but to use the Ruhr as a means to an end, that end being to bring effective pressure on the Berlin Government. That policy has now reached a point where the French Government has to decide whether it will cut off the Ruhr entirely from the rest of non-occupied Germany (by setting up an independent civil administration, erecting a distinct new customs barrier, creating a fresh currency system, &c.), or leave things as they are in the Ruhr for the time being, and complete the work that has been begun by marching on Berlin. The difficulties attending the installation of an autonomous government and administration would be serious, but the probable economic effects of such a step would appear to be much more valuable and much more easy of achievement than the more spectacular policy of a military occupation of the German capital. On the other hand, a march on Berlin would certainly render it possible for the worst of the many defects of the Versailles Treaty to be definitely and finally got rid of. In saying this I am, of course, merely reflecting the opinions that are now being expressed on every hand here.

One subject that is being discussed here with the deepest interest is the proposal that has been several times under consideration by Ministers during the past few days, for the creation of a special currency for the Ruhr area (which might also be utilised in the occupied territory on the left bank of the Rhine). The *Temps*, which often voices the ideas of the Government, put forward the suggestion

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a few days ago that the standard coin might be a new local gold thaler, guaranteed by revenue from the Ruhr, and especially by the yield from coal. The objections that have been raised to this are that it would take a long time for a new currency to become adopted generally, and, above all, that such a form of new money—which would, of course, be legally German—would have a parity with gold, and would quickly become the standard currency in which all trade and financial transactions would be conducted, first in the occupied area and then throughout Germany at large. France would thus have endowed the Reich with sound money that would soon cause the valueless paper mark to disappear, and against which the French franc would stand at a heavy discount. Further, imports into France from the Ruhr would have to be paid for in this sounder money, which would tend still further to depreciate the franc. Users of these arguments insist that the only sound policy, from the French point of view, would be to extend the use of ordinary French bank notes and small change into the whole of the occupied area, including the Ruhr. This, it is held, would soon supersede the mark, and would probably strongly influence the population in favour of a permanent French occupation, in the same way as foreign holders of the depreciated mark, all over the world, are now keenly interested in the salvation of Germany. In this connection, by the way, the French have been given a striking object lesson in the Saar area, the tranquillity of which is alleged to be largely due to the use of the franc in payment of wages, &c. Although the trade returns have for some time past shown that the exports from the Saar are, roughly speaking, twice the volume of the imports, the financial situation of the Commission of Government is such that that body has just sent an appeal to the League of Nations urging that it is imperative a decision should be taken immediately as to whether the franc or the mark shall in future be the recognised legal standard of currency.

There are fears that the coal difficulty in the Ruhr may result in the near future in seriously hampering the French

iron and steel industries, as the available stocks of combustibles have for a long time been considerably below normal quantities. The French metallurgists, as is known, depend almost entirely on imported coke, and absorb, under normal conditions (according to *Usine*, one of the leading journals devoted to the industry), some 700,000 tons per month. The coke plants of the North of France, by working to capacity, are able to furnish not more than from 30,000 to 32,000 tons a month, while certain small plants in the French Midlands may perhaps supply 9,000 tons a month, or a total of about 40,000 tons in all. The deficit, therefore, owing to the failure of the German supply, would amount to some 660,000 tons a month, or over 20,000 tons a day. Heavy orders for coke have been placed in England by the Société du Coke de Hauts-Fourneaux, the distributing organisation which handles the coke supplies from France, Belgium, England, and Germany, delivered to the French metallurgical industry. This concern has already notified a substantial increase in the price of the combustible as from February 1st, from which it appears that the expected shortage will continue for some time. The fact that British coalowners are profiting substantially from the shortage of coke in both France and Germany is the subject of a good deal of bitter comment here. The present situation is regarded as another proof of British determination not to tolerate a powerful metallurgical rival on the Continent. The Germans, it is pointed out, would have been serious rivals to the British iron and steel producers so long as they possessed both the iron mines of Lorraine and the collieries of the Ruhr. The fact that, as a result of the Treaty of Versailles, the iron-ore deposits are now on one side of the Franco-German frontier and the coke on the other, is ascribed here to British astuteness.

M. de Lasteyrie is having no luck with his supplementary proposals for getting rid of the estimated deficit of 3,500,000,000 in his 1923 budget, and his latest suggested solution—an all-round increase of taxation by 20 per cent., as I recently notified—bids fair to share the fate of its predecessors. No sooner did the idea of the Finance Minister's heroic remedy reach the ears of the public than protests began to pour in from all classes of the public, but especially from the trading class, which is the most heavily taxed section of the body politic, as the figures given recently have shown. Many of the protests insist on the necessity for the suppression of fiscal frauds, and on a stricter enforcement of the income-tax law, which it is notorious (in spite of the fact that the number of income-tax payers has recently been increased by 170,000, or over 15 per cent.) is evaded by large numbers of people. Other protests are based on the present inequalities in the incidence of this unpopular tax, on the need for further economy in the public services (especially in the way of a reduction in the number of officials), and on the scandalous failure of Germany to carry out her obligations. The Finance Commission of the Chamber, after hearing the Minister in support of his proposals, were unanimous in their disapproval of the remedy he suggested, and have requested him to make yet another effort to solve the problem. It is now evident that there is no possibility of the Budget Bill getting through the two Houses before Easter, and it is even doubted whether the estimates for the financial year that began on January 1st will now receive approval before the end of June. It is now almost certain that at least six monthly Votes on Account (*douzièmes provisoires*) will be required. The novel suggestion, which has received the cordial approval of the Finance Minister, is made that for the future the country should adopt the method of two-yearly budgets, in order to avoid a repetition every year of the interminable debates and endless delays that characterise the normal French Finance Bill. The suggestion is that the Budget Bill for the current year, for instance, should be treated as that for 1924 also, and be automatically continued as law for the second of the two years. Another interesting proposal, which is backed by M. Dessein, the deputy for the Haute Marne, and a number of other members, is that the estimated deficit should be got rid of by a colossal national lottery. Tickets (at 100f each), it is proposed, should be issued for a total of 5,000,000,000f, of which amount 3,500,000,000f should be devoted to extinguishing

the deficit, and the balance of 1,500,000,000f to prizes, which would include range from 500f to 1,000,000f each. A similar proposal, which was the subject of a Bill some three years ago, was rejected.

GERMANY. — RUHR OCCUPATION — FINANCES — REICHSBANK — EXCHANGE AND BOURSE — TRADE AND PRICES.

(FROM OUR CORRESPONDENT.)

BERLIN, January 24.

THE Ruhr occupation crisis has made no progress towards settlement, and more and more takes the form of a general passive resistance struggle on the German side against a not very emphatic French policy of force. The Cuno Cabinet began tentatively and cautiously by prohibiting only the delivery of coal to France and Belgium; but, apparently encouraged by the success of this policy, it last week went much further, and issued several prohibitions; and the French are now opposed passively by the Reichsbank, railway, post, telephone, and other officials, so that French difficulties have increased. A complete ignoring by German Ruhr officials of the French and Belgian military and engineers is not in force; immediate considerations, such as the prevention of disorder and food supply matters involve negotiations, which on the German side are, however, conducted on an opportunist basis, reservation being always made against the right of the French to be on the spot at all. In these matters the French have so far not come out best, and their failure seems to spring from the half-nature of their enterprise. Numerous seizures of goods, money, and persons have been rescinded on German threats—usually the threat to strike. The court-martial threats have had no effect, except further to inflame national sentiment, while not presenting any real terrors; and apparently the French ignore the consideration that courts-martial cannot have any effect unless they shoot, when they at least have effect against the victims. Instead, there seems on the French side to be an uneasy feeling that they cannot achieve anything against the resistance, that they must nevertheless make a show of fighting the resistance, but that they cannot, owing to the odium involved, really go to extremes against individuals. This inherent weakness in the French position has encouraged the Cuno Cabinet and the Ruhr officials and population; on the German side are all the propagandist advantages of martyrdom, without, so far, any very great sufferings. The communications to the French of local German officials and of workmen's delegations are extraordinarily sharp, and even menacing.

The proposed cutting off of the occupied district from the rest of Germany by means of a Customs frontier will certainly not be successful at first; whether it is successful later depends mainly upon the amount of suffering and disorganisation caused; but the measure would have had more chance of success had it been tried at once. At best it could bring about a formal German surrender, which would be expressed only in a promise to make deliveries, which promise, for the old reasons, would not be fulfilled; but by this French prestige would be saved, and French prestige is at present the real issue. It is suggested that France would have been more successful had she merely occupied the Ruhr as a punitive measure, declaring that she would remain until her conditions were granted and guaranteed. That policy would have been entirely passive. It would have been the normal means, being merely a territorial extension of the Rhineland occupation, the aim of which is to hold a pledge for fulfilment of Peace Treaty conditions, and not to provide machinery for enforcing them. Had France pursued this policy, she could have waited and left the initiative to Germany. By putting in the foreground her compulsion on German officials and private individuals to work for her she made success dependent upon an active policy of repression, which from the first had small chance of effective working.

The result for German industry so far has not been very bad. Ruhr production, however, is declining; there have been several partial and temporary strikes; and the strike proclaimed by the Thyssen and Stinnes miners as a protest

against the arrests would reduce coal production by about one-fifth. The Ruhr coal industry is organised, under the Rhenish-Westphalian Syndicate, into 13 groups, in which the Rhine-Elbe (Stinnes), Harpener, Funke-Lothringen, Haniel, Hoersch, and Hibernia have the largest production; and there are further 36 single mines or small groups outside the largest combines. The stories of preparations for heavy imports of English coal are exaggerated. It is stated that the Government will permit such imports only to concern with only a few days' supply. The imports of English coal, which in 1913 varied between 594,000 tons and 867,000 tons per month, were, according to English statistics, 8,500,000 tons in 1922. The imports (German statistics) rose from 247,313 in January to 1,165,228 tons in August, after which they fell to 735,153 tons in November, the last reported month. The brown coal production is still rapidly increasing, being 136,292,000 tons last year, against 97,189,000 tons in 1913, the brown coal briquet output rising from 21,413,000 tons to 29,457,000 tons. Domestic heating, to which goes 52.7 per cent. of the brown coal briquet production, is fairly well secured. Of brown coal consumed in the raw condition, 22.7 per cent. last year went to electrical generation works, 22.4 per cent. to the chemical industries, 13.3 per cent. to paper and textiles, and 11.5 per cent. to the ore, iron, and metal industries. Germany has so far shown such skill in adapting herself to scarcity that it would be a mistake to expect a sudden collapse, even if the whole Ruhr supply were cut off from unoccupied territory. A crisis would be precipitated on the spot if the French garrison cut the supply to local industry; this, apart from the effect on the consuming industries, would automatically bring a strike in the mines; and both Germans and French show a desire to avoid the social and political complications of a general strike.

The Budget for 1923-4 last week submitted to the Reichstag has a provisional character, being based necessarily upon values at the time of compilation. The realised Budget will in no way resemble it. It shows a deficit of 621,961,944,000 marks. The Ordinary Budget for General Administration balances at 731,955,751,000 marks; the Extraordinary shows expenditure 84,597,763,000 marks and revenue 18,776,637,000 marks, the deficit on the whole Administration Budget being 65,821,126,000 marks, to be covered by borrowing. In the Undertakings Budget the Post shows a deficit of 165,101,328,000 marks and the Federal Printing Office a surplus of 14,284,000 marks. The Railways Ordinary account balances at 1,461,286,000,000 marks, the Extraordinary requires a subsidy of 284,226,587,000 marks. The whole Undertakings Budget shows a deficit of 449,327,915,000 marks. The third Budget—Execution of the Peace Treaty—is presented as a pure formality. After crediting 99,650,000,000 marks, proceeds expected from the Forced Loan, the deficit on this Budget is 106,812,903,000 marks. The Budget Bill authorises the Finance Ministry to raise 500 milliards by discounting Treasury bills. Part or all of the bills may be issued in foreign currencies, or in the mark equivalent of a foreign currency. This legalises the first Federal "Wertbeständig" Loan.

The Ministry of Finance's report for the ten days ending January 10th shows an increase of the floating debt of discounted Treasury bills by 116 milliards, to 1,611,948,557,000 marks. Revenue from taxation is rapidly increasing, being 45,895 millions, which is five times the average revenue in the November decades. Expenditure on general administration (Peace Treaty liabilities and the now very small service of debt omitted) was 51,843 millions. This shows the usual tendency of revenue to catch up on expenditure during times of relative mark stability; but the new mark exchange fall will put an end to the recovery. The Reichstag in Committee has sanctioned the increase of the sick insurance income limit to 2,400,000 marks. The Reichswirtschaftsrat has invited the submission of a Bill for control of cartels, a Cartels Council representing consumers to be created, with the right to advise the Government to veto specific measures of cartel policy. The Cabinet declared itself against such a measure. Berlin Municipality has imposed a head tax of from 600 to 1,000 marks per workman on employers with ten or more workmen.

The Reichsbank has raised its discount rate from 10 to

12 per cent. This measure is intended to check the private demand for credit, in particular in view of the fact that the Ruhr occupation, creating scarcity and raising prices, must accelerate the rise in the bank's holding of commercial bills. The rate was raised on July 28, 1922, from 5 to 6 per cent.; August 28th, to 7 per cent.; September 21st, to 9 per cent.; and November 13th, to 10 per cent. Since November 7th, the date of the last return before the increase to 10 per cent., the bank and the Darlehnskassen granted 1,328 milliards marks new credits. The new increase will probably have little effect. The bank's report for January 15th shows a rise in commercial bill discounts by 35,152 millions, to 470,763 millions, Treasury bill discounts by 81,220 millions, to 1,177,692 millions, and holding of Kassenscheine by 46,228 millions, to 337,453 millions. Note circulation rose by 101,279 millions, to 1,437,779 millions.

The mark exchange, after the last sudden drop of 50 per cent., has, in the last days, shown a new stability. The Bourse is active and rising, and banks and brokers again have difficulty in coping with business. The Reichsbank has placed a new minimum limit on the size of the orders which it will execute. The Deutsche Petroleum A.G. has fused with the Ruetgerswerke A.G., raising the joint capital from 250 to 450 millions. Both concerns have large oil and tar interests, and are actively engaged in distilling from brown coal from their own mines. In the week ending January 19th, the dividend-paying stock index rose from 421,515 to 630,215, and home loans, which were very active, from 3,887 to 4,878. Since October, 1922, the latter index has risen five-fold. Large purchases, reported to be English and American, have been made in Austrian Credit Bank shares. War Loan has had another sharp rise, to 90.50 on the 22nd, when Federal Fours were quoted 800, 3½ per cent. 505, 3 per cent. 2,325, while Colonial Fours rose on this day from 7,100 to 12,000, or over 100-fold the price of a year ago. Prussian Threes are also strong, having reached 495. Municipal bonds, of which in 1920 there was heavy foreign, mostly American, buying, still lag behind. Until lately most of these were between about 80 and a little over par; to-day the highest, Frankfurt-on-Main 4 per cent., is 212, and many are still below par.

The November Foreign Trade report, of which the weight statistics have already been given, shows imports 536.2 million gold marks, against 531.7 million gold marks in October; exports 255.2 millions, against 291.4 millions. After declines in August and September, the values of imports are again sharply upward. The January-November balance is: Imports, 5,610.7 millions; exports, 3,547.0 millions; imports excess, 2,063.7 millions. Prices are rising. Ingots have been put up (in marks per metric ton) from 293,900 to 417,000, blooms 327,200 to 464,200, construction forms 402,400 to 570,900, bars 406,000 to 576,000, thin sheets (under 1 mm.) 632,900 to 848,000. Pig-iron prices, which are due for a new rise, are: Hematite, 196,700; foundry iron I., 194,900; No. III., 194,500; Siegerland steel iron, 230,700; Spiegeleisen (6 to 8 per cent. manganese), 250,600. The Aniline Syndicate has doubled its prices. The Federal commodities prices index for January 15th is 213,100, being for home-produced goods 189,400, and imported goods 331,600. At the exchange rate of the 15th, prices of home-produced goods were still far behind those of high-exchange countries.

CANADA.—NEW YEAR OUTLOOK.—RAILWAY AND IMMIGRATION PROBLEMS.—FEDERAL REVENUES.—RESULTS OF TARIFF REVISION.—MINERAL PRODUCTION.—THE HUDSON BAY RAILWAY.—PULP AND PAPER EXPORTS.—FEDERAL FINANCING.

(FROM OUR CORRESPONDENT.)

OTTAWA, January 1.

CANADA enters the year 1923 in a mood of sober optimism. One of the largest crops in Canada's history was harvested last year, and if the prices were disappointing it still realised a huge sum. Trade figures have shown steady improvement, and in recent months there has been a substantial favourable balance. Tonnage carried by the railways has reached record proportions.

bonds have found a ready market in New York at high prices. Significant proof of Canada's recovery is found in the fact that the Canadian dollar has been the first foreign currency to reach parity and sell at a premium in terms of the American dollar. The two most difficult Canadian problems concern the railway burden and immigration. High officials of the Canadian National system hazard the estimate that it will be found to have just paid operating expenses for the calendar year now ended, and that, when the fixed charges have been met, the deficit will be about 50 million dollars, which would be a welcome abatement of roughly 17 million dollars from last year's load. But the annual drain of the railway deficit would still be very serious, and there can be no real health for the national finances until this annual addition to capital charges is checked. One of the sovereign remedies is more traffic, and this can best be created by more immigration. But the immigration returns for 1922 have been woefully disappointing, and are only a fraction of the pre-war returns, and are over 30 per cent. less than the 1922 figures. The Government declines to develop any clear-cut policy, and any real progress will probably have to await the Imperial Economic Conference. The sad truth is that Canada does not want Britain's unemployed industrialists, and there are few agricultural emigrants available from the Mother Country.

The Federal revenues continue buoyant, and during December increases in every branch over December, 1921, figures gave a total increment of \$3,575,000 for the month. For the nine months ending December 31st there is a revenue increase of roughly 32½ million dollars, the exact figures being as follows:—

	Increase Over 1921.	Nine Months of 1922.
Customs import duties ..	10,563,307.39	99,191,281.73
Excise taxes	21,713,877.92	77,974,172.74
Excise duties	187,188.73	28,752,264.11
Sundry collections	108,350.82	854,512.28
	32,572,724.86	206,772,230.86

The Finance Minister, though finding this increase most acceptable, may expect to face criticism in Parliament on the subject of the Customs returns. Ministers have been going up and down the country claiming that last session they revised the tariff downward in the interests of the plain people. The actual facts do not bear out their contentions. For the eight months ending November 30, 1921, approximately 78½ million dollars were collected in Customs duties on 502½ million dollars' worth of imports. In the parallel period of 1922 the imports only rose by 4 million dollars, but the Customs duties rose 10 million dollars. The average rate of duty levied has risen at least 2 per cent., and the explanation is that while the Government pared down a few schedules, their 50 per cent. increase of the sales tax, which has markedly protectionist features, more than wiped out the benefit of the reductions. The Canadian consumer has, therefore, some right to pray to be saved from another "downward" revision by the King Ministry.

The mineral production for the year just ended has been very high. The preliminary estimate of the Bureau of Statistics places its total value at \$180,622,000, which is an increase of 6 million dollars over last year's figures. The value of metals has risen from \$49,343,222 to \$61,731,000; the total production of gold was 1,200,000 ounces, which is 31 per cent. higher than the 1921 returns, and is the best total since 1902, when the Klondike boom was in full swing. The production of fuels and other non-metallics dropped by 4 million dollars to \$83,891,000.

As the result of the traffic congestion at the head of the Great Lakes which impeded the outflow of western grain last autumn, an agitation has developed in the West for the completion of the Hudson Bay railway. Port Nelson, on the Hudson Bay, is as near Liverpool as Montreal, and it is as near Regina, the central point of the prairie region, as is Fort William, which is 1,000 miles from Montreal. Before the war over 200 miles of track were laid on a projected line from Le Pas on the C.N.R. to Port Nelson, but construction was suspended in 1914, and a gap of over 100 miles still remains to be closed, the estimated cost being at least 10 million dollars. Western Boards of Trade and politicians are arguing that

a new outlet is urgently needed, and that to-day the present expenditure represents so much wasted money. Let the line be completed, and a large proportion of the western wheat crop could be shipped out by it at much cheaper cost than is now involved. But the enemies of the scheme are very numerous, and are likely to prevail. Montreal and Quebec dread any diversion of traffic which would impair their position as ports of transshipment, the advocates of the St Lawrence waterway scheme dislike any rival plan, and Vancouver favours the development of the Pacific-Panama route for grain export from the prairies. The chief argument of the opponents of the Hudson Bay Railway is that the navigation season is too short to make it valuable, and the perils of the route from ice and fog will entail insurance rates which will make low freight rates impossible.

Tariff relations between Canada and the United States are not improving. Washington has announced that a provision in the Fordney tariff will be invoked to raise the level of the United States duties on a number of Canadian commodities to the same level as Canada maintains against similar American imports. Included in the list affected by this announcement are motor bodies and chassis, iron and steel stampings, paper board and leather board, sheathing and roofing paper, calcium acetate, and other chemical products. The suggestion is now being made that the wood pulp embargo, which is now restricted in Canada to Crown lands, should be extended to all forest areas, and all Canadian pulpwood reserved for Canadian mills. To-day, according to Chief Forester Greeley, of the American Service, American paper mills now draw one-third of their supplies from Canada, and such a move would embitter the American Press, and render more distant the prospect of improved commercial relations. However, in spite of the Fordney tariff's obstacles, exports from Canada to the United States are in many lines being maintained at a reasonable level.

The pulp and paper industry continues in a flourishing state, as the following figures will testify:—

	EIGHT MONTHS' EXPORTS.	
	1921. Value. \$	1922. Value. \$
Paper—		
Newsprint	42,127,725	45,435,172
Book paper	177,455	203,082
Other paper and mfrs.	2,675,005	4,128,169
	44,980,185	49,766,423
Pulp—		
Sulphate	4,959,144	6,249,331
Sulphite, bleached ..	4,316,251	8,268,673
Sulphite, unbleached ..	6,088,844	7,602,441
Mechanical	7,235,318	6,184,436
Total	22,599,557	28,304,881

It is commonly anticipated that the Federal Government will, early in the spring, come into the outside market for another loan, which will be needed to meet maturing obligations and provide for expenditure on the national railways. A domestic loan would be impossible till autumn, which would be too late, and the expectation is that, especially if sterling rises to within 10 points of par, the new loan will be split up between New York and London. Since the war the amount of Canadian securities placed in the London market has been negligible, but it is known that Mr Fielding is anxious to restore the old connection, and if Canadian and British funds were to reach an equality he might try to place the whole loan in London. Meanwhile he is still in Europe, and as a result the meeting of Parliament has been delayed till January 31st.

ARGENTINA. — BUMPER CROP — DEBT CONSOLIDATION PLANS — BANKING CONDITIONS — EXCHANGES AND MARKETS.

(FROM OUR CORRESPONDENT.)

BUENOS AIRES, December 20, 1922.

At this time of year the subject of first importance in Argentine business circles, both financial and commercial, is the harvest. Failing some unforeseen cataclysm during the next fortnight, it is now safe to say that both wheat and linseed are likely to show a record exportable

surplus; local estimates, other than those issued by the great grain-dealing houses, putting the former at 4,000,000 tons as a minimum, with at least 1,300,000 tons of linseed available for sale abroad, and quite possibly a couple of hundred thousand tons over this figure. These are heavy totals, far in excess of the average shipments made, say, between 1911 and 1914, when wheat exports fluctuated between 980,000 and 2,800,000 tons, with linseed anywhere between 400,000 and 900,000 tons. Incidentally, comparison with shipments made between 1915 and 1920 are of little practical value to-day, for reasons which are too obvious to need detailed explanation. Government estimates are, unfortunately, very far from reliable, but Dr Le Breton, the new Minister of Agriculture, a man who is thoroughly up-to-date in commercial affairs, has now obtained the services of a leading American cereal statistician, at present in charge of the Division of Crop and Livestock Estimates of the Bureau of Agricultural Economics at Washington, to reorganise Argentina's cereal estimates and crop statistics in general. That such an appointment is of world-wide interest is evident when it is said that the actual Argentine wheat shipments for 1922 have reached in round numbers 4,000,000 tons, or some 1,500,000 tons over the officially calculated exportable surplus, published in January, 1922! Prices for both wheat and linseed tend to be weak; and when it is remembered that Argentina has no method of up-country grain storage, and only sufficient elevator service at the ports to meet the requirements of a few foreseeing private firms, it is safe to predict an unusually heavy strain on the railways, and a corresponding increase in the gross traffic receipts. It has been already said in shipping and grain circles that there is a strong likelihood of congestion in the port of Buenos Aires, and port congestion there is apt to react on the whole system of shipping cereals at present in vogue. There is, however, a possibility that this year will see much heavier movement from Bahia Blanca, the natural outlet for a large proportion of wheat from the South and Centre of the Republic, recent adjustments between the Buenos Aires and Pacific Railway and the Southern system materially aiding this movement. Crops in the areas just named are chance things until the grain is actually bagged, but by now danger is virtually past, and the long-suffering region served by Bahia Blanca promises to surpass all previous records, both as to quality and quantity.

The favourable outlook for the crops, and indeed for all Argentine produce, with the exception of cattle, lends additional interest to the Government plan for the consolidation of its floating indebtedness. Generally speaking, the particulars published agree with the forecasts that I have previously made. A hundred and fifty million dollars gold will be sought abroad, 200,000,000 dollars paper are to be offered for public subscription, and 500,000,000 dollars paper are to be placed with the Argentine banks in the form of a permanent and non-amortisable loan carrying 3 per cent. interest; the relative bonds being encashable at par through the Banco de la Nacion when necessary to reinforce the till money of the banks holding such securities. Pending Congressional discussion, there is little to be said on what is at bottom a highly important innovation. If the proposals are carried, special legislation must be passed, and it is to be presumed that this will include some form of official bank inspection, since the holding of the new bonds would be *pro rata* with the deposits held by the various institutions, and, given their convertibility at par, it is also reasonable to suppose that they will be regarded as being in some sort an official guarantee. It is evident that the scheme has the support of the Argentine, as distinct from the foreign, banking interests working here, and even some of the latter do not seem to be opposed to the innovation, though not in agreement with the low rate of interest suggested. Further discussion may, however, be postponed until the question has been fully dealt with by the Legislature, which is also due to consider the Budget estimates for 1923, the total expenditure being placed at \$604,000,000 Arg. paper, of which \$549,000,000 must be found in ready-money, the balance being met by the use of public credit. Increased Customs dues, particularly affecting articles of luxury, and a new tax of 5 per cent. on all interest or rent derived from stocks or shares, mortgages, bank deposits, &c., will, it is hoped, meet the additional outlay. This too, awaits Congressional sanction, though there is a

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general feeling that the estimates will be passed without much delay, more especially since the Government has stated very plainly that in any case the figures prepared for the coming year's administrative outlay must only be regarded as provisional, pending complete revision of the whole fiscal system of the Republic. In the meantime, renewals of such short-date obligations as fall in are readily effected at 4½ per cent. per annum, and the market rate for first-class commercial discounts is naturally in accordance with this figure. Argentine banks are, indeed, passing through a very trying time; that is to say, those concerns which adhere strictly to the best financial traditions. Having before them the strong likelihood of the Government proposals affecting their available supplies of liquid loanable funds, they do not care to take any steps calculated to diminish deposits; the more so because at this time of the year there is usually a natural drain owing to harvest demands. Hence, for the time being, the margin between what they give and what they receive is very low; indeed, certain banks are actually renewing their holdings of Treasury bills at 4½ per cent., while paying 5 per cent. on fixed deposits for six months, though, needless to say, this is not general. As has been mentioned on previous occasions, demand for money by first-class signatures is so limited that rates are highly competitive. For good commercial paper and current account advances from 6 to 8 per cent. per annum is obtainable, though there is not the all-round demand that bankers would like to see, even in this direction.

Exchange during the past month has been important in volume as regards business done, and though fluctuations in the Continental currencies were marked, and the American dollar distinctly weaker on the appreciation of the pound in New York, sterling rates close almost unaltered when compared with the quotation a month ago, being but 44½, as against 44½. U.S.A. dollars—banks' sight drawing rate—are 116, as against 120, while the French franc is 11.60, as against 11.50. In view of the fact that export bills in sterling are now coming forward more freely, the manner in which the pound sterling maintains its appreciated quotation is worthy of remark. Prices for wheat have moved but little during the month. Export Rosafé is quoted at \$11.55 Argentine paper per 100 kilos, alongside in Buenos Aires for February shipment. Linseed is weaker, save for prompt delivery, which is firm at \$20, there being very little seed now on hand. In the wool market there has been a slight lull, but prices may still be considered firm for all clean good quality staple, coarse cross-breds included. Local stocks in the Central Produce warehouses are but 10,000,000 kilos, or half last year's total at this time of year. Hides are showing a weaker tendency, with a slackening of demand from the States, though in sheepskins there is more inquiry, and prices are steady.

Letters to the Editor.

THE RISING IN MEMEL.

TO THE EDITOR OF THE ECONOMIST.

SIR,—In the article in your last issue on the rising in Memel, you conclude by favouring the claims of Lithuania, but you appear to overlook the fact that the parallel indicated by you between Danzig and Memel rather favours the solution of a free city than that it should be handed over to the Lithuanians. In Danzig there was a German city with a Polish hinterland; in Memel you claim that there is a German town with a Lithuanian hinterland. Why should there be one rule applied to Poland and another to Lithuania? I am sure that you are quite wrong in thinking that Poland desires to oppose the claim of

Lithuania to Memel on its merits. Poland certainly stands for the internationalisation of the Niemen and free access for Polish traffic to the port, and it is because this desirable result has been thwarted by the later policy of the Lithuanian Government of Kowno that Poland has in recent months been obliged to complain of the proceedings of Lithuania.—I am, &c., J. H. HARLEY.

2 Upper Montague street, Russell square,
London, W.C. 1, January 20th, 1923.

Books and Publications.

AN ESSAY IN RECONSTRUCTION.*

THE States of Europe are essentially interdependent, and the more there are of them the greater is the prospect that this fact will be recognised; the "self-sufficing" State is an impossible ideal, and "economic hegemony" an illusion. These are the excellent foundations on which M. Hofmann bases his plan for the economic reconstruction of Western Europe. Briefly, Reparations are to cover only material damage, and not the cost of pensions; international debts are to be converted to pre-war gold parity and expressed in Swiss francs; and the sanctions provided by the Treaty of Versailles to secure the payment of Reparations are to be replaced by a collective guarantee on the part of the former belligerents. This, if we understand him aright, is to be provided by a system of small surtaxes imposed by the League of Nations, and collected by the respective Governments, on railway and postal revenues, imports and exports, certain raw materials, alcoholic beverages, and electric power, the proceeds to be applied to the payment of Reparations and the liquidation of inter-Allied debts. In this way the disturbance of trade and industry produced by payment in goods and services will be averted or minimised, and the various methods—collectively described as "dumping"—adopted by certain States in order to force their goods on one another by differential railway rates and otherwise, in contravention of the provisions of Article 23 of the Covenant of the League of Nations, promising liberty of communications and equitable treatment for the commerce of all its members, will be protected against evasion. Unfortunately, the leading Continental members of the League have taken a different road, so that criticism of M. Hofmann's scheme is no longer practical. But the book contains much interesting and ingenious, if occasionally questionable, economic exposition and discussion, notably on tariffs, on "dumping" in the comprehensive sense here given to it, and on the monetary standard. It is a pity that M. Hofmann translates the Greek word *autarkeia* by "autarchie," and so seems (but only seems) to confuse self-dependence with self-determination, and that, like all Continental publicists, he suspects Great Britain of sinister designs, in this case on the economic independence of other nations, and on the world's supply of gold. But his premises, though not his *obiter dicta* or all his conclusions, may some day be accepted by a saner world.

* "Interdépendance: Contribution d'un neutre à la Reconstruction en Europe." Par R. Hofmann. Paris: G. Oudin. Lausanne: Editions Spes, 1922.

THE SUBSTANCE OF ECONOMICS.*

At first sight this looks a small book, but it covers a lot of ground, and is much condensed; indeed, the chapters are more like lecture notes than essays. Mr Silberman evidently writes for the student, perhaps with too sharp an eye on examination results; the matter, however, is put clearly enough. It is doubtful whether we ought to point out that little essays, or answers to questions, could be written almost straight from Mr Silberman's notes and paragraphs, e.g., on value, Marxian theories, or monopolies.

Our author is particularly good on monopolies, and discusses railway rates most reasonably. He seldom sets out to defend a thesis, being content to tabulate the usual

* By H. A. Silberman, B.A. (Econ.). T. Pitman and Sons. 6s. net.

views on each side of a question, for example, piece-work and time-work. He writes scrappily on "Wages and the Cost of Living," as he fails to explain that the principle will not work just when you want it most, as in time of war, but he does better on the various theories of wages, his own being that wages "fluctuate between the minimum set by the standard of life and the maximum set by the productivity of the worker, according to the bargaining strength of the workers and employers respectively." Rent is one of the simple things often misunderstood; Mr Silberman observes that the annual sum paid for a house is not "rent" in the economic sense, but interest on the owner's capital; this is true of land also, "but over a long period capital improvements become 'absorbed' by the land, and the total charge closely resembles a real rent."

On fiscal questions Mr Silberman shares Mr Sidney Webb's views; thus he praises the system of "Grants-in-aid," without showing that the device is largely a method of bamboozling the ratepayer into paying for things like education, which he would cut down ruthlessly if he realised that he had to pay for them in his capacity of taxpayer. On war finance Mr Silberman might have written more strongly on the bad results of borrowing; we should be interested to know what grounds he has for stating (p. 308): "Thus the wealth of the country measured in money increased by nearly £10,000 millions during the war." He treats the capital levy very casually; the objection is not to its impracticability, but to its unfairness in laying most of the war burden on a single class—owners of property.

GREEK LOANS AND COMPANIES.*

THIS massive volume is at once a company directory and a guide to the labyrinth of the Greek Debt, including the currency and other loans contracted since 1914. To investors and business men it should be useful; and it contains some interesting facts. On July 31, 1921, the total Greek debt exceeded five milliard drachmas, of which nearly half was in gold; almost all the rest had been contracted since 1913. In the latter year over 48 per cent. of the debt was held in England, 27 per cent. in France, nearly 7 per cent. in Germany, and nearly 18 per cent. in Greece; but this estimate is based on the proportion of coupons presented in the respective countries, and the holders are not necessarily domiciled where their coupons are paid. Three companies have been formed to exploit the new territories, two being concerned with Macedonia, and lignite deposits are being worked in Eubœa. And the student of economics may reflect on the defects of an industrial system which copes with a glut of currants by converting the trade in them into a monopoly, and raising a loan to destroy the superfluous plants and compensate the owners of the plantations. Such is the reward of the too efficient cultivation of a product in which there is no foreign competition.

BOOKS RECEIVED.

Money, Credit, and Commerce. By Alfred Marshall. (London) Macmillan and Co., Limited. 10s.

Monetary Reconstruction. By R. G. Hawtrey. (London) Longmans, Green, and Co. 9s. net.

The International Trade Balance in Theory and Practice. By Theodore H. Boggs. (New York) The Macmillan Company. \$2.

Mundy's Earning Power of Railroads, 1922. (New York) Jas. H. Oliphant and Co.

Obtainable from Mathiesons, 16 Copthall avenue, London, E.C.2. 12s. 6d.

Public Welfare in the United States. (Concord, N.H.) Annals of the American Academy of Political and Social Science.

Points in Australasian Company Procedure. (Sydney) Alexander Hamilton Institute.

The "Red" Dragon and Black Shirts. By Sir Percival Phillips. (London) Carmelite House, 1s.

* "La Dette Publique Hellenique. Les Sociétés Anonymes en Grèce." Par G. Antonopolo. Published by the Bank of Athens, 1922.

Company Law and Practice. By Herbert W. Jordan and Stanley Borrie. Fifteenth Edition. (London) Jordan and Sons, Limited. 7s. 6d. net.

Some Popular Errors on Exchanges. By L. G. Roussin. (Cairo) Imprimerie de l'Institut Français.

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ACCOUNT.
February 8.

IN some of the Stock Exchange markets the settlement which concluded on Thursday afternoon proved to be nearly a record so far as volume of business during the past few years is concerned. Boom conditions prevailed here and there, and even in those departments where activity was checked by the foreign difficulties and the drop in exchanges, a good deal of trade went on during the fortnight. The gambling spirit is abroad, but the investor is ready enough to take a hand in supporting good stocks. The rise in the War Loan stands out as one of the features of the week, the more prominently on account of the Franco-German rupture. It becomes patent that the Stock Exchange and its clients no longer bow to the old law of sympathy which, in pre-war days, was considered to bind all the markets more or less loosely together, and to render one dependent upon another for its strength or weakness.

New South Wales easily secured her money for the new 5 per cent. loan, and big applicants received less than 50 per cent. of what they wrote for. The price opened at $\frac{1}{2}$ premium, and quietly improved. Victory bonds are strong, with other stocks in the Consol market presenting a very firm front, the rise in the War Loan being, as already mentioned, the outstanding feature.

French bonds of all kinds—Government, railway, and others—went flat on the further fall in the franc. Germans have been scarcely mentioned. Paris has been buying, curiously enough, a good many Rio Tintos, but other inter-Bourse bonds show little change. The Dutch East Indies scrip started at $\frac{1}{2}$ premium, but soon rose to well over 1 premium.

Home Railway pre-ordinary stocks are the firmest in this department, the deferred stocks of the North-Eastern and Southern lines being weak on stale bull realisations, apparently on behalf of people who wanted to put the money into some of the more active markets. The Undergrounds, however, are better. There is a fair amount of investment going on in the preferred stocks of the new groups. Mexican Rails are heavy. Argentines braced up and went ahead noticeably, with Antofagasta a good spot in the foreign railway market. Recent animation in nitrates has given way to a quieter feeling.

Rubbers are again extremely animated, but the incidence of the carry-over disclosed a fairly extended bull position, and difficulties in giving on shares brought a good deal of stock to market for cash. The absorption of this led to a check in the upward movement, and although rubber—the produce—continues to rise, the share market is hesitant. Oil shares profited by the lull in rubber, and have generally advanced. New Anglo-Persian ordinary keep about 3s. 9d. premium. Anglo-Ecuadorians and Venezuelans have risen substantially. A violent rise in Imperial Tobacco shares followed the declaration of dividend and bonus, making 22½ per cent., free of tax, for the year, an improvement of 5 per cent. above that for the corresponding period. Other tobacco shares improved a trifle. Courtaulds, Listers, British Cellulose, Crosses and Winkworth, and a few other textiles are good, and command increasing public attention. In the banking market, the strength of the colonial and foreign shares is the only feature, and in the shipping groups there is nothing much doing. Iron and steel shares keep hard, as a whole, daily movements being confined within narrow limits. Cement shares have advanced, and Marconis exhibit a robust tone, on the idea that the company must be making increased profits through its interests in the broadcasting and listening-in companies.

Rhodesians have occupied the middle of the stage as regards public interest in South African mining shares. There has been a colossal amount of gambling in a few specialised favourites,

the spectacular rises in Selukwes and in Cam and Motors directing attention to anything and everything which might conceivably be good to buy. Chartered advanced appreciably on the notion that it may not be long before the Imperial Government will grant a loan to Southern Rhodesia, which, if done, will be regarded as a bull point for Chartered shares. Diamonds have been fairly firm, in spite of the drop in the franc. Mexican mining shares suddenly blossomed into favour, and the gambling fever ran through all branches of the mining markets, including West Australians, and, to a lesser extent, West African shares. The Cornish tin group is better. Middle East tin advanced, and various copper shares improved with the rest of the base metal descriptions.

Stock Exchange shares, which were standing at a little under 100 at the end of December, have put on 10 points as the direct result of the increased business that is being done in the markets.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded	£ 20,508,648	..	..	..
ISSUES OF THE WEEK—				
4½ % Treasury Bonds (by Tender January 19, 1923), £4,950,000, at 99½ %	£ 4,914,074	..	..	..

NATIONAL SAVINGS CERTIFICATES.

NET RECEIPTS INTO THE EXCHANGERS WEEK ENDED JANUARY 20, 1923.

April 1 to Jan. 20, 1923, £30,058,000

	£	£	£	£
1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
To the Public—				
New South Wales, £4,000,000 5 % Inscribed Stock (rep. at par 1932-42, issued at 98½ Jan. 22/4,000,000 ..	3,940,000	..	200,000	.. 3,740,000
Corporation of Calcutta, £500,000 6 % Debs., at 101 %, red. at par March 1, 1953 (Jan. 26)	500,000	..	505,000	.. 25,000 .. 480,000
Patent Wear-Proof Motor Tyres, Ltd., £8,000 8 % 1st Mort. Debs. (red. at 105 % in 1927; or at 100 % 1926), issued at 95 % (Jan. 15)	8,000	..	7,600	.. 3,600 .. 4,000
Do 10,000 10 % Pref. Shares, £1, at par	10,000	..	10,000	.. 5,000 .. 5,000
Total offered to the public	4,462,600	..	233,600	.. 4,229,000
To Shareholders only—				
English, Scottish, and Australian Bank, 72 045 Shares, £5, with £24 called up	360,225	..	180,112	.. 90,056 .. 90,056
Indo-Burma Oilfields (1920), 1,650,000 Preference, 2s., at par	165,000	..	165,000	.. 41,250 .. 123,750
United River Plate Telephone, 108,000 Ord. Shares, £5, at par	540,000	..	540,000	.. 270,000 .. 270,000
Total offered to shareholders ..	885,112	..	401,366	.. 483,806
Total offered for subscription to date				
1923	£31,770,434	1922	£75,876,450	
1922	144,188,765	1921	38,974,215	
1921	18,859,474	1920	37,742,669	
1920	37,498,922	1919	1,036,058,561	
1919	227,814,144	1918	1,393,381,441	
1918	138,566,091	1917	1,318,596,029	
1917	16,317,866	1916	585,436,853	
1916	77,029,960			

New South Wales 5 % Inscribed Stock.—Issue of £4,000,000 at £98 10s per cent. Interest is payable in London on March 1st and September 1st of each year. The principal is repayable at par on September 1, 1942, but the Government of New South Wales have the option to redeem the stock at par, on or after September 1, 1932, on giving three months' notice. The Government will, it is stated, comply with the requirements of the Colonial Stock Act, 1900, in order that trustees may invest in this stock subject to the provisions of the Trustee Act, 1893. The proceeds of the loan will be applied to public works, including rolling-stock for railways, railway and tramway construction, Sydney Harbour Trust works, and Metropolitan Board of Water Supply and Sewage works, and other purposes. It is pointed out that New South Wales Government debentures and inscribed stock issued and payable in London, the property of persons not domiciled in New South Wales, are not subject to any of the taxes imposed by that State. Yielding £5 2s 6d per cent., including profit on redemption, this is a stock with some attractive features, although a few of the earlier issues at present appear to be a more profitable investment. The success of the issue, at this comparatively low yield, is significant as reflecting the increased popularity of Australian State borrowings.

Corporation of Calcutta.—Issue of £500,000 6 per cent. debentures at 101 per cent., repayable at par on March 1, 1953. The loan is secured upon the rates, taxes, and dues imposed and levied within the Municipality of Calcutta, and ranks *pari passu* with other loans of the Corporation as a first charge upon their properties. The greater portion of the proceeds of the loan will be utilised for a scheme for the improvement of the water supply of Calcutta, and a substantial amount will be expended on contracts to be placed in England. The unredeemed loans of the Corporation on March 31, 1922,

amounted to £3,571,500, while the sum at credit of sinking funds on the same date was £469,380, the conversion rate being taken at 1s 4d per rupee. The yield, allowing for redemption in 30 years at par, is £5 18s 6d per cent., which is a fairly attractive return for this description of investment.

Press Caps, Limited.—Authorised capital £65,000 in ordinary shares of £1 each, of which 20,000 shares have been allotted to the vendors in part satisfaction of the purchase consideration, 40,000 have been issued for cash at par and are fully paid, and the balance of 5,000 are held under option. The company was incorporated in September, 1922, primarily to acquire the British patent rights of the "Upressit" metal cap. The "Upressit" cap is a patent air-tight closure suitable for sealing all classes of bottles. The considerations payable are £20,000 in cash to one party and £5,000 in cash and £20,000 in ordinary shares to another. This information is given in the daily Press to comply with Stock Exchange regulations, and is mainly of interest to those with some further knowledge of the undertaking.

Patent Wear-Proof Motor Tyres, Limited.—Authorised capital £50,000, divided into 47,500 10 per cent. preference shares of £1 each and 50,000 ordinary shares of 1s each. In all, share capital for £18,803 has been issued. This is an issue of £8,000 8 per cent. first mortgage debentures at the price of £95 per cent., "redeemable" at £105 in 1927, or "under guarantee" at £100 per cent. on January 1, 1926, and 10,000 to 10 per cent. preference shares of £1 each at par. Two points stand out very clearly. Firstly, in the prospectus the value of the assets on which the mortgage debentures are secured is not revealed. This alone should be sufficient to keep the prudent investor from subscribing. Secondly, the value of the guarantee is elusive. The guarantee is one made by the vendors—a limited company concerning which little information is offered in the prospectus. We notice that two directors of Patent Wear-Proof Motor Tyres are, according to the "Directory of Directors, 1922," on the board of the Chalk Fuel, Power, Gas, and By-Products Corporation, Limited. The fact that the debentures show an annual yield of £11 per cent., including profit on redemption, is rather an amusing commentary on a yield of 10 per cent. on the above-mentioned preference issue.

ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Price	Change	Price	Change
War 3½, 1925-28	95½	+	95½	+
Loans 5½, 1923-47	100½	+	100½	+
4½, 1923-42	102½	+	102½	+
Funding Loan 4½	90½	+	90½	+
Victory Bonds 4½	90½	+	90½	+
Conversion Loan 3½	76½	+	76½	+
Consols 2½	56½	+	56½	+
Irish Land Stock 2½	58½	+	58½	+
Local Loans 3½	65½	+	65½	+

Banks.

Barclays B (£1, 1923-28)	248½	+
Chartered Bk of India 19½	19½	+
Lloyds (£5 with 1 p.d.)	288½	+
London Joint City & Midland (£12 with 2 p.d.)	88½	+
London County West- minster and Parr's (£20 with 5 p.d.)	117½	+

Colonial and Foreign Railways.

Antofagasta Cons	77	78½	+
B.A. and Pacific	80½	81½	+
B.A. Gt. Southern	87½	88½	+
Buenos Ayres West	84	85½	+
Canadian Pacific	154	154	+
Central Argentine	74½	75½	+
Leopoldina	34	35½	+
Mexican Railway	12	12	+
Do 1st Pref.	37	37	+
Do 2nd Pref.	20	20	+
San Paulo	125	125	+
United Havana	72½	76	+

Foreign Government Securities.

Argentine 5½, 1886-7	99	99	+
Belgian 3½	67	65	-
Brazil 5½, 1914	58	58	+
Chilian 4½, 1895	81	79	-
Do 7½	105½	105	-
Chinese 5½, 1912	73	73	+
Egyptian 4½	69	69	+
French 5½	261	26	-
Do 4½	21x	20	-
Greek 4½, 1884	29½	29½	+
Japanese 4½	100x	100	+
Do 4½, 1910	69	68	-
Mexican Cons. 1899	55	57	+
Peruvian Corp. Pref.	31	31	+
P.L.M. 6½	78½	76½	-
Portuguese (New)	27	27	+
Russian 5½, 1906	84	84	+
Spanish 4½	75	75	+
Seine (Dept.) 7½	95	95	+
Siamese 7½	108½	108½	+

Telegraphs.

Anglo-American "A" 22½	22½	+
Marconi Wireless	24½	+

British Railways.

Great Western, Ord.	111½	112	+
Do Def.	79	80	+
London & North-Western	79	79	+
Do Def. Ord.	78½	79½	+
Do Def. Ord.	33½	34	+
London, Mid., and Scottish, Ord.	106½	107	+
Metropolitan	61½	61½	+
Metropolitan District	47½	47	-

American Railroads.

Chesapeake & Ohio	77	76	-
Brie	12	12	+
Do 4½ 1st Pref.	16	18	+
Southern	31	32	+
Do Non-um Pref.	73	72	-



**LIVERPOOL
LONDON
AND
GLOBE
INSURANCE COMPANY**

HEAD OFFICE: 1 Dale Street, LIVERPOOL.

LONDON Chief Office, 1 Cornhill, E.C.3.

TOTAL ASSETS exceed - £20,000,000
TOTAL CLAIMS PAID over - £107,000,000

FIRE. LIFE. ACCIDENT. ANNUITIES.

Marine, Leasehold Redemption, Burglary, Fidelity Guarantee, Motor Car, Plate Glass, Personal Accident, Workmen's Compensation, Sickness, Live Stock, Loss of Profits, &c.

OFFICES IN ALL THE CHIEF COMMERCIAL CENTRES
 General Manager and Secretary:—HUGH LEWIS.

Miscellaneous.			
Aerated Bread (1)	14½	14½	+
Amal. Cottons (1)	48	48	+
Anglo Persian Oil (1)	48	48	+
Armstrong (Sir W.G.) and Co. (1)	1	1	+
Asa Plind Cement (1)	3	3	+
Barker, John (1)	24½	24½	+
Bramhall Arms (1)	11	11	+
Brass Traction (100)	46½	45½	-
British-American Tobacco (1)	41½	41½	+
Burmah Oil (1)	52½	52½	+
Costs (J. and P.) (1)	34	34	+
Courtauld's (1)	34	34	+
Cunard (1)	17½	17½	+
Dorman, Long (1)	17½	17½	+
Dunlop Rubber (1)	3	3	+
Fine Cotton Spinners (1)	3	3	+
Forestal Lanes (1)	2½	2½	+
Gordon, Long (1)	17½	17½	+
Highlands and Low-lands Rubber (1)	24½	24	-
Hudon's Bay (1)	7½	7½	+
Imperial Tobacco (1)	34½	34½	+
Langkat Plantations (1)	2½	2½	+
Lipton (1)	18x	18x	+
Liverpool & Lancashire (1)	17½	17½	+
Do 8½, Cn A Pr (1)	17½	17½	+
Do 8½, Cn M Pr (1)	17½	17½	+
Lister (1)	14	14	+
Lobitos Oilfields (1)	5½	5½	+
Lyons (J. & Co.) (1)	4½	4½	+
Masadi Soda (1 Ord.)	17½	17½	+
Mexican Eagle (10)	17½	17½	+
Pekin (2)	17½	17½	+
Rubber Plantations Investment (1)	17½	17½	+
Shell Transport (1)	4x	4x	+
Smithfield & Argentine Meat (1)	48	48	+
United Dairies (1)	17½	17½	+
United Serdang (2)	24	24	+
United Tobacco (1)	24	24	+
Vallambrosa (2)	24	24	+
Vickers (1)	17½	17½	+
Watney Def. Stk.	131½	129	-

Mines.

	Price Last Week.	Latest Price.	Rise or Fall.		Price Last Week.	Latest Price.	Rise or Fall.
Brakpan (£1)	24	24	+	Knights	34	34	+
Broken Hill Prop. (8)	14½	14½	+	Modderfontein (10)	44	44	+
Chartered (1)	14½	14½	+	Modderfont. "B" (5)	14½	14½	+
Cons. Gold Fields (1)	24	24	+	Modderfont. Deep (5)	24	24	+
Crown Mines (10)	24	24	+	Premier Def. (2/6)	6½	6½	+
De Beers Def. (£24)	13	12½	- ½	Rand Mines (5)	24	24	+
East Rand Prop. (1)	3	3	+	Sekelwa	14½	14½	+
Geduld (£1)	3	3	+	Rio Tinto (£5)	51½	51½	+
Gov. Gold Areas (1)	58	58	+	Spring Mines (£1)	24½	24½	+

MINING OUTPUT STATISTICS FOR DECEMBER, 1922.

	Tons Crushed.		Gold Recovered.		Value.	Profit.
	Mill.	Cyanide Works.	Mill.	Cyanide Works.		
Gold.	Tons.	Tons.	Ozs.	Ozs.	£	£
British Platinum (2 weeks to Dec. 16)	1,375	140	140	54	(gold)	650
Jumbo Tip-Top	1,073	..	..	500	5126	
London and Rhodesian	17,680	..	..	..	£91,569	£15,088
Oriental Consolidated, Nov.	..	..	..	..	£22,459	
Orvi le Dredging	..	..	..	..	11,526	
Pato (17 days to Jan. 15)	6,300	..	..	..	..	
Ouro Preto	..	..	..	..	..	

* Net.

	Output.	Other Notes in Return.
Tin.	Tons.	
Berenguela	40	Black tin concentrates average 65 % fine tin
Renong	32	First half January.
Copper.	Tons.	
Chinese Engineering	69,402	Week ended Jan. 13th.
Chislet	4,371	Week ended Jan. 20th.
East Kent	4,534	Week ended Jan. 20th.
Witbank	48,941	

BROKEN HILL PROPRIETARY.—Report for four weeks ended January 3rd.—Steel foundry produced 16 tons castings. Remainder of plant still shut down. Broken Hill—Operations interfered with on account of severe storms on December 10th and also the holidays. Underground position unchanged. Ore-dressing mills produced 219 tons lead concentrates and 3,408 tons zinc. Zinc separation plant produced 1,205 tons of zinc concentrates. Slimes flotation plant produced 1,305 tons lead concentrates and 3,887 tons zinc concentrates.

BURMA CORPORATION.—Cable advices received report:—No. 7 level—West cross-cut 1 027 ft south—From 55 ft to 65 ft: 42 ozs silver, 37 per cent. lead, 18 per cent. zinc; from 65 ft to 78 ft: 62 ozs silver, 52 per cent. lead, 20 per cent. zinc; from 78 to 80 ft: 6 ozs silver, 11 per cent. lead, 1 per cent. zinc; from 80 to 90 ft: 12 ozs silver, 19 per cent. lead, 2 per cent. zinc; from 90 to 105 ft: 6 ozs silver, 10 per cent. lead, 1 per cent. zinc.

ELECTROLYTIC ZINC COMPANY OF AUSTRALASIA.—Production during four-weekly period ended January 10th:—2,009 tons zinc: silver-lead product for shipment to Port Pirie for realisation containing 265 tons lead, 38,471 ozs silver.

COMPANY MEETINGS, &c.

BARCLAYS BANK, LIMITED.

MR F. C. GOODENOUGH'S REVIEW OF FINANCIAL CONDITIONS.

IMPROVED INDUSTRIAL OUTLOOK.

FORDNEY TARIFF ACT AND EMPIRE DEVELOPMENT.

EXTERNAL LOANS AND THEIR ADVANTAGES.

SIR HERBERT HAMBLING ON AGRICULTURE'S CRITICAL POSITION.

The twenty-eighth ordinary general meeting of the shareholders of Barclays Bank, Limited, was held, on the 23rd instant, at the Cannon street Hotel, London, E.C.

Mr Frederick Craufurd Goodenough (chairman of the bank) presided.

The Chairman, in opening the proceedings, said: My Lords, Ladies, and Gentlemen,—I will call upon the secretary to read the notice of meeting, and the certificate of the auditors which appears at the foot of the balance-sheet and profit and loss account that has been submitted to you.

The Secretary (Mr W. N. Seeley) then read the formal notice convening the meeting and the report of Messrs Price, Waterhouse and Co., and Messrs. Kemp, Chatteris, Nichols, Sendell, and Co.

THE CHAIRMAN'S SPEECH.

The Chairman, who was received with cheers, then said: My Lords, Ladies, and Gentlemen,—Is it your pleasure that the report and accounts be taken as read? (Agreed.)

Before I invite you to consider those items in the accounts which deserve your particular attention, I wish to make special reference to the retirement from the board of our late colleague, Mr Seymour Pleydell Bouverie. Mr Bouverie has found it necessary to resign on the ground of ill-health, and the board have accepted his resignation with very great regret. He was formerly a partner in the well-known West-End firm of Ransom, Bouverie, and Co., of Pall Mall, and became a director of this bank at the date of the formation of the limited company in the year 1896. We have been much indebted to him for his services to the bank, and we valued his experience and sound judgment at all times.

I have also to refer with very sincere regret to the death of Mr William John Stokoe, who was an assistant general manager of this bank, having been a joint general manager of the old London and Provincial Bank, and an assistant general manager of the late London Provincial and South-Western Bank. He was a man for whom the directors and his colleagues had a very special regard and esteem.

BALANCE-SHEET ITEMS.

Turning to the balance-sheet, you will see that the current, deposit, and other accounts of the Bank on December 31st last amounted to the sum of £303,185,534, which compares with £321,167,217 on the preceding June 30th, and £339,942,299 on December 31, 1921, so that there has been a contraction of the deposits, which has been continuous throughout the year.

Contraction of deposits has been experienced by all the banks. It reflects the general depression which has prevailed in almost every industry and trade. It is due also to the clearance by traders and others of the accumulated stocks left on their hands after the boom period, with the result that many of the advances from the bank have been repaid, and this, so far as these stocks have been paid for without fresh accommodation being required, has also served to reduce the balances on the other side.

The prices of wholesale commodities have fallen by 28 per cent. during the past two years, and the ability of our customers to stand this fall in prices has been most remarkable, although there have, of course, been cases in which the bank has made a loss, for which in every instance full provision has been made.

SUBSCRIPTIONS FOR TREASURY BONDS.

Another factor which has served to contract banking deposits has been the subscriptions by the public for Treasury bonds, which subscriptions have been used by the Government for the reduction of floating debt. Here it is interesting to note that the total indebtedness of the country to-day is somewhat larger than a year ago. That is due to the conversion of short-dated into longer-dated debt, much of which has passed into the hands of the public. As debt, that of which has passed into the hands of the public, as liability, there has been a reduction of about £900,000 per annum in the interest charges payable by the Government. The total floating debt has been reduced from £1,260 millions to £941 millions—that is to say, whilst Treasury bills outstanding on December 31st

last were £719 millions, as compared with £1,060 millions at the end of December, 1921, Ways and Means advances were somewhat higher, being £222 millions, as compared with £200 millions. The Government debt, other than floating debt, stood at £6,894 millions, as compared with £6,539 millions—so that there has been an increase of 355 millions in that form of debt which is largely held by the investing public as distinguished from the banks and those who make use of bank funds for carrying the debt.

At the present time, advances to customers show a decline, owing to the prevailing inactivity and other causes to which I have already referred.

INVESTMENTS.

The investments of the bank now stand at £78,606,182, which represents an increase of £14,937,572 over the amount held on December 31, 1921. This increase is in the form of Government securities maturing at early dates, so that we shall be in a position to meet any requirements of our customers in the way of loans, which may be needed by them in the event of a return to industrial activity.

The book values of our holdings of shares in the Union Bank of Manchester and the Anglo-Egyptian Bank have been somewhat reduced out of the profits which we have realised from the sale of other investments from time to time. We have thought it to be desirable to write them down, but our actual shareholdings in both of those institutions remain undiminished.

We have lately acquired a controlling interest in the business of Cox and Co. (France), Limited, in which we previously had a substantial shareholding, and we have transferred the business to a new company, under the title of "Barclays Bank (Overseas), Limited." Our interest in this undertaking should appear in the next balance-sheet, when the necessary formalities should have been carried through. The bank, with its chief office in Paris and branches in other important cities in France and elsewhere, will provide banking facilities for many of our customers who have business and other connections with France, and also for French people interested in trade with Great Britain and other parts of the British Empire.

PROFIT AND LOSS ACCOUNT.

I will now turn to the profit and loss account of the bank for the past year. The contraction in deposits and lower rates of interest have resulted in lower profits than those of a year ago.

The Bank of England rate for discount has fallen during the year, and market rates for money and for discounting bills have been correspondingly reduced. The Bank rate was 5 per cent. in January, 1922, and reductions have taken place on different dates, the last having been made on July 13, when it came down to 3 per cent. The London deposit rate has been reduced from 3 per cent. to 1 per cent., and the average rate of discount at which Treasury bills have been allotted has been approximately £2 11s per cent.

With the cheaper conditions of the London money market there has been a great demand for fresh capital from abroad. To this subject I shall refer again later.

It has not been found possible to make any very great reduction in the expenses, which remain at a high level in proportion to gross profits.

STAFF WIDOWS' FUND.

As I have already stated, full provision has been made for all bad and doubtful debts, and out of the net profits, amounting to £2,408,982, which includes the brought forward, the directors recommend the appropriation of a further sum of £50,000 for the benefit of the staff widows' fund. This will be in addition to the sum of £100,000 which was appropriated last year for the same purpose, and these appropriations, together with previous donations, and the annual contributions from the staff, will enable the fund to provide larger pensions for the widows and orphans of those members of the staff who contribute to the fund. I feel sure that the shareholders will adopt this recommendation. With the amount now set aside, we shall have devoted £250,000 in all for this particular object. There is no greater benefit that we can confer upon members of our staff than to help them liberally

in making provision of this kind for their families, and I hope we may be able further to increase the fund from time to time in the future.

We have also made other appropriations, which are set out in the report, and we propose to carry forward a balance of £500,205, which is a little less than the amount brought forward from last year.

THE OUTLOOK.

As regards the outlook, although during the last few days it may have again somewhat altered owing to the political complications which have arisen on the Continent, yet there is a general feeling that we have reached the end of what has been undoubtedly a very bad time, and that we are entering upon a period of slow, but as we may hope, steady improvement.

There has been greater confidence, in consequence of which fresh orders have been placed. As financial conditions in other countries improve, this broadening of markets should continue. For example, the improvement in conditions in Czecho-Slovakia and, as we may hope, Austria should undoubtedly, in due course, have this result.

There has also been a favourable effect produced by the reduction in income-tax during the year, which has helped to revive industry. So long as an individual is required to meet heavy taxation, in one form or another, up to as much as one-half of his annual income or profit, while the cost of living and working expenses cannot be correspondingly reduced, it is clear that there can be nothing left over, either for saving or for betterment, or for the replacement of the capital which has been lost through the fall in values during the last two years.

A further reduction in taxation would help still more towards recovery, and it is to be noted that the revenue returns of the first nine months of the current financial year are encouraging, and that there is every expectation that the final figures will be at least as satisfactory as those anticipated in the Budget estimates.

HOUSING PROBLEM AND INDUSTRIAL POSITION.

The labour position has improved, but the housing problem has not yet been solved, and until some scheme can be devised which will make it possible for house-building to be undertaken upon an economic basis, there seems to be little prospect of improvement in that important industry. In the meantime, the demand for small houses continues to be very great.

In other industries there would appear to be, on the whole, a better outlook.

The output of coal has increased to 252,000,000 tons in 1922, as compared with 163,000,000 tons in 1921, the year of the coal dispute, and 229,000,000 tons in 1920, and prices have been steady and satisfactory.

The prices for iron and steel are now at a level when business can be secured in competition with other countries, and production has expanded. There is a great potential world demand for iron and steel.

Wool has been good, and prices have improved.

The cotton textile industry is still in an unsatisfactory condition, and though the volume of export trade shows considerable improvement, the level of prices and the high cost of raw cotton do not as yet allow of profits.

As the financial conditions of other countries improve, there should be a widening of markets, and international trade should be upon a sounder basis than was the case immediately after the war, when there was a period of great production at high cost, followed by a collapse, because the need for assisting the fallen countries of Europe to reorganise their financial position was neglected or not understood.

FORDNEY TARIFF ACT—AMERICAN DEBT.

The failure up till now to bring about a settlement of the Reparations problem still leaves the greater part of the Continent of Europe in financial and political chaos.

Apart from Reparations, perhaps the most important feature in the outlook for our trade is the Fordney Tariff Act, lately passed by the American Legislature, which came into operation on September 21st last. This Act imposes upon foreign-manufactured goods entering America such duties as seem bound to have a far-reaching effect upon the trade of this country, and may even lead to the diversion of our trade into new channels. It will also serve to raise prices in America and to hamper American trade. The duties amount in several cases to as much as 60 per cent. *ad valorem*.

The Act, if it remains in force, will make it more difficult even than would otherwise be the case, for this country to discharge its debt to America, even though there should ultimately be some reduction in the rate of interest and extension of the period for repayment, as a result of the visit to America of the Chancellor of the Exchequer which has just taken place.

Besides having to provide payment for our imports from America, our debt to her is a great burden, more especially as it consists entirely of unproductive debt, incurred solely for the purposes of the war. Yet, as the Chancellor has definitely stated—and in this he will have the universal approval of the people of this country—we shall discharge the debt in full, even though it was incurred in a common cause, and whatever may be the cost to ourselves.

The effect of the Fordney Tariff, however, must be to compel us to seek new sources of supply of foodstuffs and raw materials and to develop markets in other parts of the world, for our trade, especially in India, with its great population, and in the East, and in the Dominions and Colonies of the British Empire, who in turn can send to America their raw materials and other merchandise which America cannot produce for herself.

DEVELOPMENT OF EMPIRE TRADE.

In this way we shall still use the products of our industry to discharge our obligations to America, even although America will no longer accept our manufactures direct upon reasonable terms, owing to the operation of the Fordney Act. Moreover, in this way we shall reap the fruit of the policy of Empire development, upon which so much of British resource and enterprise has been spent in the past. It is a reassuring prospect in the face of what could not otherwise fail to be a paralysing blow. It is a prospect worthy of our energies and our ambitions, and of the great traditions of our race. It is a policy of consolidation, but coupled with expansion and progress. In the development of this great policy, we shall lighten and relieve the losses that we have suffered in the war and in its aftermath. It will afford great opportunities for employment and for advancement, both for men and for women who are ready to take advantage of them. It will afford our people an outlet to satisfy the natural desire for progress and for betterment, which is perhaps one of the fundamental causes of much of the unrest of the present time.

There are many ways by which such a policy may be encouraged and matured. The Dominions and Colonies of the Empire can invite our would-be settlers there. If they are experiencing a wave of depression to-day, it is partly for want of population, which is the first essential to trade, and we on our part can and should provide the funds for fresh development. The London market can make loans, but, besides this, direct advances might be made by the British Government to promote schemes of development in their initial stages until such a period as they are ripe for the attention of the permanent investor.

Railways can be built, and lands at present unproductive can be opened up for the production of those necessities which are indispensable to a growing population, and to the people of those other parts who cannot themselves provide for their daily needs.

Such a policy, backed by the credit and resources of this country, should serve to remove many of our present difficulties, and build up a strong position for the future.

EXTERNAL LOANS.

The floating of external loans by the British Dominions and by India, as well as by foreign Governments and Corporations, has been an important factor during the year. The total amount of new issues of this description on the London market has exceeded £100,000,000. Whereas foreign loans were discouraged up to a year ago, it is now recognised that all restrictions should be removed. The interest on these loans should materially assist in increasing our invisible exports.

In making these loans, we, of course, hope that they will result in direct orders to this country, but even if this is not always practicable, the loans have the effect of credits being opened in London in favour of the borrowers, and through the opening of these credits this country benefits, directly or indirectly, in many ways. For example, if a loan should be granted to Norway, and Norway should prefer, instead of spending the proceeds of the loan in the purchase of goods from this country, to use the credit for financing her purchase of wheat from the Argentine, it is possible that the latter country, having the credit transferred for her benefit, might use it for the purchase of steel rails from Middlesbrough. Alternatively, she might use it to finance her purchase of goods from America, in which case America would then have the credit in London, and might use it for financing cotton from Egypt to Boston, or in a variety of other ways. It would always remain a credit in London until discharged by the shipment of goods or of gold, or by repayment in some way or another, and meanwhile it brings profit to this country in various ways. The danger of too many credits being opened here is held in check, through the effect upon the foreign exchanges, which, in the event of too many loans being granted, would make credits too expensive for the borrower, and, therefore, of no practical utility.

From this you will see that it is important that there should be no hard and fast conditions that the actual proceeds of the loan must be spent here.

LOANS AND RESTRICTIONS.

The American bankers who investigated this question very closely have convinced their Government of the correctness of this principle, and no conditions or restrictions of the kind are now imposed on this particular ground, in the case of foreign loans granted in America. A condition that the proceeds of a loan granted here must be spent here might drive away our borrowers to another market. There seems to be no doubt that in all matters affecting the London money market the fewer conditions and restrictions imposed, the more will it be able to give assistance to the industry and trade of this country.

The question has also been raised as to whether this country should participate in any loan that may be granted to Austria or to Germany, to enable those countries to rehabilitate their financial position, and, in the case of Germany, to make reparation payments. I think it is clear that London can, and should, take her full share as and when these loans can be made upon a sound basis. Our failure to do so would deprive us of our proper share of the world's trade.

DUTY ON NEW CAPITAL ISSUES.

We are at the present time at a disadvantage in competing with America for foreign loans, because of the duty which is imposed here upon issues of new capital. This duty is fixed at 2 per cent., whilst in America there is no duty on fresh capital raised there, and, as a result, we have lost business owing to the disadvantage we are under as compared with America. I would respectfully invite the attention of the Chancellor of the Exchequer to this important difference, in the hope that he may be able to remedy it, and so help the London market in the competition for foreign loans.

PRICE LEVELS HERE AND IN AMERICA.

The prospect for trade improvement in the immediate future depends not only upon granting financial assistance to others, but it turns also largely upon price levels and exchange, and the approximation which has taken place towards a common level of prices in this country and in America, and the approach towards parity of the sterling-dollar exchange are features of great importance.

There has been contraction here since the boom, and a fall in prices and in wages and in cost of production, whilst sterling has to a considerable extent regained its relative purchasing power. On the other hand, there has been a rise in gold prices: that is to say, in prices as measured in dollars, which are the equivalent of gold.

The index tables of prices here and in America show that whereas during and after the war prices rose to a much higher level in this country than in America, they have subsequently fallen, whilst, on the other hand, prices in America, although lower than they were, have lately risen, so that to-day sterling prices and gold prices are within 5 per cent. of a common level.

Correspondingly, the sterling-dollar exchange has reached the equivalent of \$4.66 to the pound sterling, as compared with \$4.86 representing par of exchange. The difference in exchange is, therefore, about the same figure as the difference in the level of prices, viz., 5 per cent. This shows the close relationship which exists between price levels and exchange, and you can understand why, in order to reach a common level of prices with America, it has been necessary to reduce wages and costs of production here, and it is easy also to understand that it is necessary to reach a common level with America in order to prevent unemployment here.

NECESSITY FOR ECONOMY.

A personal effort of economy on the part of every individual in the country should serve to bridge the gap which still remains in price levels and in exchange, and there would then be a common standard of prices both in this country and in America.

After we have reached a common standard there will be many factors which are bound to affect subsequent price levels in both countries, and which may gradually tend to raise them to a yet higher level; on the other hand, there will be counteracting influences which will have the opposite effect.

It is not possible to forecast with absolute certainty the future of price levels. It is, however, without question that there never has been a war in which, as in the late war, so much of the accumulated production of human energy has been destroyed, and so great a burden of unproductive debt has been left to fall upon the shoulders of future generations. Further than this, there has never been any great war which has not left prices higher and the purchasing power of money lower than before, because of the unproductive debt that has been left upon the shoulders of the people whilst fresh debt was created to carry on future trade. There seems to be no reason to anticipate any other course of events to-day. So far as prices in this country in the immediate future are concerned, we cannot be sure that the downward movement

which has accompanied a period of deflation will not before long come to an end, if it has not done so already. In that case there may be an upward turn—at all events of wholesale prices, and a renewal of activity and expansion.

It would be of great benefit to the community that there should be a rise in wholesale prices, but on the other hand, every effort should be made through personal economy and through better organisation, to keep down retail prices, so as, if possible, to reduce them to even a lower level than that of to-day.

Returning again to the subject of the approximation which has taken place in the sterling-dollar exchange, we should be in a position to take gold from America so soon as sterling has reached a point slightly above the parity of exchange.

FREE GOLD MARKET.

Before, however, it would be safe for us to return to a free gold market, we should have to consider very carefully what would be the effect. So long as we continue to grant foreign loans—and it is, I think, admitted that it is desirable that we should do so—we are in effect in the position of giving long credit, whilst on the other hand, whatever we buy from abroad is more or less paid for in cash.

Exports resulting from such loans would not provide the immediate resources needed to pay for the imports which they necessarily entail. There would therefore be a danger of our favourable trade balance being negated, and if a free gold market had been restored, the tendency would be for gold to leave this country.

Such a position, if it is coupled with that of a free gold market, requires strong reserves, otherwise we might soon lose that which we had gained. It seems to me that not only would it be necessary to strengthen our reserves against currency, but also possibly to create additional gold reserves to be held by the Treasury or by the Bank of England, before it would be safe for us to return to a free gold market. This strengthening of reserves would serve to tide over a time of difficulty, such as might occur, and would help to make it certain that there never should be any question of our having to fall back upon prohibition of the export of gold, once we had resumed a free gold market, but even so, until our trade position is restored, and is again well balanced, there must be a great uncertainty as to our ability to return to free gold. Nevertheless, a return to a free gold market should be consistently before us, as one of our objectives.

AGRICULTURAL SITUATION.

Before leaving the subject of prices, I should be glad to say a word about the agricultural situation, which depends to a greater extent, perhaps, than any other industry upon price levels, because of the great importation of food into this country to meet the needs of an ever-increasing and largely industrial population, and the competition in prices from abroad.

The industry of farming has shown considerable loss through fall in values in the last two years, coupled with the bad seasons in many parts of the country in the years 1921 and 1922. Though in many cases even this leaves the position better than it was before the war, and only a part of the money made through the preceding rise in values has actually been lost, yet those who embarked upon farming at the commencement of or during the period of the boom have been heavily hit, and their capital has been greatly diminished. Capital also, which should have been kept in the industry as working capital, has been withdrawn for the purchase of the land at high prices, as it has been offered for sale, and where purchases have been made with borrowed funds, the debt on the land and the shortage of capital in the farm have, in some instances, left the farmer in a bad position.

If, however, there is now a steadying of prices, and even a tendency to improve, as seems not improbable, those who are not too burdened with borrowed money should have a better prospect, but it will take a long time, great skill, and close attention, for even the experienced farmer to build his position up once more to what he could show in 1919 or 1920.

RATING SYSTEM UNSATISFACTORY.

A committee appointed by the Government has been at work investigating the whole position, and its report will be awaited with interest and hope that some measure of relief will be forthcoming. It certainly seems that the system of rating of agricultural land requires revision. The relief of rating is based to-day upon a system laid down many years ago. Then, the proportionate values of the various classes of property in this country, which derive advantage from the benefits provided out of rates, was very different from what it is to-day. The value of other property has increased to a greater extent than that connected with agriculture, and therefore derives greater proportionate benefit from the rates than agricultural property itself. In other words, sufficient allowance is not made for the large percentage of total capital repre-

sented in agriculture by the land, as compared with the percentage of capital represented by rateable property in other industries. An increase in the relief of rates on agricultural land is therefore called for, and seems to be justified.

WAGES.

A great deal has been gained by freeing the labour market from artificial control, so far as wages are concerned, and the farmer will now be able to regulate the wages that he pays by the level of prices which he obtains for his produce, but there remains the difficulty that whatever prices are obtainable, it is absolutely necessary that the labourer should be sufficiently paid to enable him to live in reasonable comfort, and to bring up his family in accordance with modern standards. No one would wish to cut down the labourer to a low standard of living, nor would it be a sound policy to do so, because the work that is required of him makes health, strength, and intelligence imperative.

TRANSPORT COSTS AND CREDITS.

It seems that relief from high cost of transport would go further than any other thing to help the farmer to pay adequate wages. It must be remembered that railway charges are under Government supervision, through the establishment of the Railway Rates Tribunal. It would be of great benefit to the farming industry and would help agricultural wages if railway charges should be reduced.

So far as credit facilities for farming are concerned, the banks are ready and are able to provide all reasonable accommodation at fair rates and upon sound lines. I have no hesitation in saying that the farming industry has more consideration at the hands of the banks than perhaps any other industry in the country, because of the difficulties inherent to the carrying on of the business.

It has sometimes been suggested that new credit institutions should be formed for the express purpose of giving assistance to farmers, but it is obvious that this plan would not serve to increase the existing volume of credit.

Much must depend upon the case of each individual concerned, but speaking from personal experience, there is a desire amongst bankers and bank managers to acquire the most intimate knowledge of the prevailing conditions in the industry, and to meet the demands of each individual case on its merits as it presents itself.

Referring once more to the ownership of land, everyone will agree that small holdings are of great benefit to the country as a whole, as well as to those individuals who really understand the carrying on of that business. In the case, however, of larger farms there can be no doubt that the old system of landlord and tenant has much to recommend it, as it frees the whole of the resources of the farmer—both of capital, and personal knowledge and skill—for carrying on the business which he understands.

THE RESOLUTION.

My Lords, Ladies, and Gentlemen.—I now beg to move the following resolution:—"That the report of the directors produced, together with the annexed statement of the company's accounts as at December 31, 1922, duly audited, be received, approved, and adopted, and that a final dividend at the rate of 10 per cent. per annum on the 'A' shares and 14 per cent. per annum on the 'B' and 'C' shares, less income-tax, making, with the interim dividend paid on August 1st last, 10 per cent. for the year on the 'A' shares, and 14 per cent. for the year on the 'B' and 'C' shares, be declared, payable on the 1st proximo, to the shareholders registered in the books of the company on December 31st last."

I will ask Sir Herbert Hambling to second the resolution, and I hope we may have the pleasure of hearing a few words from him upon affairs generally.

SIR HERBERT HAMBLING'S SPEECH.

Sir Herbert Hambling (deputy-chairman), who was received with applause, said: My Lords, Ladies, and Gentlemen.—Before I second the resolution I think it would be your wish, as it is ours, that we should congratulate the chairman on his excellent speech. I think you will agree that he has made a very careful and statesmanlike review of the whole position. He has explained to you the figures of the bank, he has demonstrated to you that it is in a very sound and liquid position; he has had to admit that the profits have been lower because the expenses and the cost of administration are very difficult to keep down. The salaries are the great expense in a bank, and I am quite certain that none here—no shareholder—would like the directors to neglect the all-important duty of seeing that the interests of the staff are carefully looked after. Salaries are a huge figure, but the staff deserve it, and that figure will be constantly increasing as the bank progresses. The chairman's reference to what has been done for the widows I am quite sure meets with your entire approval.

CONTINENTAL SITUATION.

He has not touched on politics, because bankers as a rule endeavour to evade them, but unfortunately politics interfere with

business, and there is no question that the very unsatisfactory state of affairs at the present time on the Continent is doing a great deal to stop our business from getting on right lines. I said to you last year that until we had real peace we should not get back to really good business conditions, and I repeat those words to-day. The chairman is not quite convinced that we are going to have a good year. It is a very, very difficult problem, and the state of affairs at the present time causes very great anxiety. Britain made, as you know, certain proposals that were rejected; the French thought differently. We must admit this, that there is another side to the picture; it is possible that we may be wrong and that the French may be right. The future may show, but what I want to say, ladies and gentlemen, is this, that the action we took—I am speaking of the British action—was done in the firm and earnest belief that by that method we should be able to get from Germany a very much larger sum, principally for the benefit of France, than they can get by adopting their present attitude, but we may be wrong, and if we are wrong, and if the method adopted by France results in their getting a great deal more from Germany than we suggested, we shall, as a nation, say "Bravo, France; we are delighted that you have got more." It is our wish that she should get more, but we doubt—personally, I doubt whether the method proposed is a good one. I am sorry, gentlemen, to touch perhaps a little bit on politics, but politics are so mixed up with business that until we can get matters straightened out we can never get back to our pre-war trade.

AGRICULTURE—GOVERNMENT ASSISTANCE NECESSARY.

I wish the chairman had had more time to deal with the question of agriculture. That to-day is a very burning question, and I cannot help thinking that unless the Government can do something there is a very bad future for farmers and the agricultural interests in this country. At the present time, although, as the chairman suggests, some relief in rating, some concession as regards freights, will do something, it will not do enough. The farmer to-day is in this position, that he cannot produce at a profit the corn that he grows. He has not got down to an economical wage at the present time. The wages of the East Anglian farm labourers are now 25s a week—25s a week for a labourer and his wife and perhaps three or four children. Think of that; yet even that wage is more than the farmer can afford to pay. The unfortunate labourer can hardly exist, and I cannot help thinking that the big fall that has taken place in the wholesale article has not been properly reflected in the retail article. I do not think you can buy as much as you should for your money. Something will have to be done for the farming industry, or they will as a body refuse to grow corn. Financially, they will pull through, but they will lay down their fields with permanent pasture, they will get rid of 50 per cent. of their labour and of their horses, and this farm labouring population will go back to the towns and will simply add to the large army of unemployed there.—(A voice: "That is quite right")—and I only wish the chairman had had more time to develop the subject. I earnestly hope the Government Committee now sitting will consider all the circumstances of the case, and will see how the farmer can make a living.

TAXATION OF FOREIGN BARLEY.

I hate to suggest anything like tariffs. Your chairman has told you the effect of the Fordney tariff, but it is quite certain that if the foreign barley that came here was taxed to the extent of £1 per quarter, and if we could get wheat in but not flour; if we could grind our own wheat, and we could get our mills working; if we could get our offal as we should, at half the price, then we could grow corn and live, but at present the farming industry are paying more for their offal than they can get for their wheat. I am sorry, ladies and gentlemen, to take up so much of your time, but my excuse is that I take an intense interest in agriculture, and I do hope something will be done so that we may still be something of a corn-growing country, and that we may still have sufficient corn in hand, so that, in the event of future trouble, we shall not be starved in a few weeks. The principle involved is not that of protection—it is a question of the defence of the realm. With these few words, ladies and gentlemen, I should like to second the motion put forward by your chairman.

SHAREHOLDERS' CONGRATULATIONS.

Mr F. W. Cook congratulated the directors on the excellent balance-sheet which they had presented.

Mr C. Heath Clark said he was sure the shareholders would wish emphatically to express their appreciation of the report and accounts which had been laid before the meeting, and also of the chairman's address and the services which he had rendered throughout the past year. He ventured to think that those services reached very much farther than to the shareholders, because Barclays Bank and the other great joint-stock banks of this country had during the past few years rendered, perhaps, the greatest national service of any of our institutions. We were all

dependent upon the banks being and keeping right, and the service which the chairman of Barclays Bank had rendered from time to time in putting sound and right views with regard to the great questions of economic disturbance before this country and other countries, he felt sure they would all recognise, was a national service, and deserved gratitude far beyond the bounds of the present audience. They could, he thought, congratulate themselves from two points of view. First of all, as shareholders, they undoubtedly looked at their dividends, and they were getting their dividend unimpaired, and, what from a general point of view was more important, they saw the bank in as fine a position as ever, in spite of all the troubles and economic difficulties through which the country was passing. That was achieved, not by chance, but by the work, the foresight, and the brains of those at the head of this great bank, and he felt sure that every shareholder would wish to express his appreciation.

POSITION OF THE STAFF.

He was extremely glad as a shareholder of the bank that the directors had seen their way to make a magnificent contribution of £50,000 towards the staff widows' fund. He had attended these meetings for some years, and he was quite sure that both the directors and the shareholders were one in this: that they wanted the service of the bank to be a great and good service. In his opinion, it was to-day in the position of being—he was going to say, but, perhaps, ought not to say—a second Civil Service; it was, perhaps, in many respects even better than the Civil Service, so far as the position of the employees of the bank was concerned, and this, he felt sure, was the right policy to pursue. On the other hand, it had to be recognised—and he had not the least doubt the staff of the bank would recognise—that during the days of inflation salaries did go to a point at which they probably, as the price of living fell, could not possibly be maintained; but he had not the least doubt that, with the good feeling which had always existed between the directors and shareholders on the one hand, and the staff on the other, any modifications which might be forced upon them would be arranged in as convenient, just, and equitable a form as possible, and be accepted by both parties on those lines.

The Chairman thanked Mr Cook and Mr Heath Clark for their kind expressions of appreciation, which, he said, were very much valued by the directors.

The resolution was carried unanimously.

RE-ELECTION OF DIRECTORS.

Sir Herbert Hambling then proposed the following resolution:—"That Colonel Hugh Gurney Barclay, M.V.O., Mr Robert Leatham Barclay, C.B.E., Lieutenant-Colonel Alfred Gilbey; Messrs Frederic Craufurd Goodenough, Herbert Gosling, and Edmund Henry Parker, J.L.D.; Sir Hallelwell Rogers, Sir James Smith, and Mr Cecil Mercer Woodbridge, the retiring directors, be re-elected directors of the company."

Sir J. Fortescue Flannery, Bt., seconded the motion, which was unanimously agreed to.

Sir G. Rowland Blades, Bt., M.P., proposed the re-election of Messrs Price, Waterhouse, and Co., and Messrs Kemp, Chatteris, Nichols, Sendell, and Co. as auditors of the bank, and the motion was seconded by Mr C. Heath Clark and passed unanimously.

TRIBUTE TO STAFF.

The Chairman, in moving a vote of thanks to the staff for their services during the past year, said that the period had been a very difficult one, and the staff had done exceedingly well under trying circumstances, and had assisted the directors in bringing the bank to its present very satisfactory position. He begged, therefore, to move:—"That the cordial appreciation and thanks of the shareholders be given to the general managers, the assistant general managers, the secretary, and the whole of the staff of the bank for their excellent services during the past year."

Sir Herbert Hambling seconded the vote, which was unanimously accorded.

Sir William Carruthers said that, as a general manager of the bank and one who had risen from the very bottom of the banking ladder, he would like, on behalf of the staff, to thank the chairman for his kind words, and the shareholders for the way in which they had received the proposal. The slump in trade, as had been stated, had caused great difficulties in the carrying on of business, and in consequence the staff had had to be very careful in the execution of their duties. He was glad to think that they had got through all these troubles in such a very satisfactory way.

Sir Stephen Collins proposed a hearty vote of thanks to the chairman and deputy-chairman for their excellent speeches, and to the directors generally for their services during the past year.

The motion was cordially adopted, and a brief acknowledgment having been made by the Chairman, the proceedings terminated.

AUSTRALIAN PASTORAL COMPANY, LIMITED. SEVERE CRITICISM OF LAND ACT AMENDMENT ACT.

The thirty-fourth annual general meeting of the Australian Pastoral Company, Limited, was held, on the 23rd instant, at the Cannon street Hotel, E.C., Mr Francis A. Keating (the chairman) presiding.

The secretary (Mr C. Bright) having read the notice convening the meeting and the auditors' report,

The Chairman, in moving the adoption of the report and accounts, said: The shareholders were to be congratulated on the fact that, in spite of the company having had to contend with some very unfavourable circumstances, which he hoped were only temporary, they were able to show a net profit slightly larger than that of the previous year, and to recommend a dividend which gave, at any rate, a moderately good return upon the capital. He regretted that they were again unable to make any addition to the reserves and that the profit of £57,226 remained much below what it was in the series of years from 1910 to 1920, during which it averaged £107,000. The less satisfactory earnings of the last two years were due to three main causes—namely, the reduction of the revenue from stock sales, the increase of the working expenses due to high wages and high shearing and transport rates, and the large sums they had had to pay to the Queensland Government for rents and arrears of rents under the Land Act Amendment Act of 1920, otherwise known as "the Repudiation Act."

Dealing with the Land Act Amendment Act, 1920, he said that this measure had not only enormously increased the rentals the company had had to pay to the Queensland Government since 1920, but had compelled them to pay arrears on the higher scale for as far back, in some cases, as 1914. There was a provision in the company's leases that at each decennial reappraisal the rents could not be increased to more than 50 per cent. above those of the preceding ten-year period. This was a vital condition, and in reliance upon it sums running in the aggregate to many millions had been expended by the Queensland pastoral lessees upon improvements of their leasehold properties. It had never occurred to anyone until the Ryan and Theodore Governments came into power that a contract of this kind between the Crown and its tenants could be deliberately set aside by an Act of Parliament without compensation, and he did not think that there was any precedent within the British Empire for such an instance of legalised spoliation. The effect of this Act had been to increase the rents of the company's properties greatly above the 50 per cent. which was the previous limit, and owing to this increase having been made retrospective, the company had already had to pay in increased rents and arrears since 1920 a total sum of £49,520 over and above the maximum they could have been called upon to pay if the conditions of their leases had not been violated. The Government which was responsible for this great injustice was still in office, but it had a majority of only one, and all the indications pointed to the probability that after the State elections a new Government would take its place.

Queensland had immense possibilities and should be one of the most prosperous and progressive states in the Commonwealth, offering a magnificent field for the employment of British as well as Australian capital, but if contracts were not honourably observed, and if Acts of Parliament were employed to cover confiscation and injustice, Queensland would never attain the position to which she was entitled. From any Government which might succeed that now in office they would look confidently for redress of the wrong done to them and to the other pastoral lessees by the Repudiation Act. What form this redress should take was, of course, open for discussion and negotiation. They had no desire to embarrass a new Government by extreme or unreasonable demands, but either a return to the *status quo ante*, or adequate compensation in some form, was necessary for the restoration of Queensland's credit and the re-establishment of confidence in the honesty of her Government.

As a set-off against the serious disadvantages of which he had just been speaking, the company had an important benefit from the steady improvement which had taken place in the price of merino wool.

The balance-sheet showed that the financial position was extremely sound. There was a note in the last balance-sheet that the market value of their investments on June 30, 1921, was only £321,421, or £44,591 below their balance-sheet value. This year there was no such note, because on June 30, 1922, the market value of the investments of the company then held was no longer below but was actually £14,000 above their balance-sheet value. This was a very gratifying feature of the present accounts. Altogether, in view of the present good season, the satisfactory state of the wool market, the downward tendency of costs, and the important sum expected to be realised upon the company's Bawra shares, their prospects for the current year were by no means unfavourable.

Mr Andrew Williamson seconded the resolution, which was carried unanimously.

LONDON JOINT CITY AND MIDLAND BANK, LIMITED.

SATISFACTORY RESULTS OF YEAR'S BUSINESS.

RIGHT HON. R. McKENNA ON TRADE POSITION AND PROSPECTS.

FOREIGN TRADE AND NATION'S PROSPERITY.

CRITICISM OF DEFLATION POLICY.

ADVERSE EFFECT ON TRADE AND EMPLOYMENT.

The ordinary general meeting of the shareholders of the London Joint City and Midland Bank, Limited, was held at the Cannon Street Hotel, London, E.C.4, on Wednesday, January 24, 1923, for the purpose of receiving the report and balance-sheet, declaring a dividend, electing directors and auditors, and transacting other ordinary business.

The Chairman (the Right Hon. R. McKenna) said:

My Lords, Ladies, and Gentlemen,—

In presenting the balance-sheet and report of the directors for the past year, I shall in accordance with the usual practice give you the figures necessary to enable you to form an opinion upon the work of the bank, which covers a field wide enough to give a faithful reflection of the country's condition as a whole. Although there is evidence of recovery in general trade, the improvement as yet is only partial, and we are still confronted with a terrible problem in the large amount of unemployment. One of the causes of our trade depression is the political and economic state of Europe; another, but more obscure cause, is the restrictive influence of financial deflation. Before I deal with the particular subject of our own bank I should like with your permission to say something on the general question of foreign trade, and on the effect of financial policy upon trade revival.

VITAL IMPORTANCE OF FOREIGN TRADE.

Our commerce is distinguished from that of any other country by its large proportion of foreign trade, which, it is safe to say, before the war absorbed one-third of the labour of our people, whether in production, transport, or clerical work. Although the proportion may be somewhat less to-day, this trade is still of vital importance to us. It is, indeed, a commonplace that under our existing organisation we cannot keep our industries in full employment unless we sell a very considerable part of our production in foreign markets. In the modern world this is true to some extent of every country, but with us foreign trade has such exceptional importance that anything which restricts it must deeply affect our national prosperity.

THE BREAKDOWN IN EUROPE.

If we begin by comparing our present foreign trade with that of the last pre-war year we find that the values of imports and exports for the 12 months ending September, 1922, the latest date for which we have the figures in detail, show a considerable increase over those of 1913. But if we are to have a true standard of comparison we must make proper allowance for the reduced value of money, and in the few figures I shall quote I have taken the values of 1922 on the basis of commodity prices current in 1913. On this basis retained imports show a decline of 19 per cent., and exports of British production of 34 per cent. Let us now look a little more closely at the drop in our exports and examine where our foreign markets has been curtailed. Dividing the countries which take our goods into three main categories, in the first we have the countries of Central and Eastern Europe, our exports to which have declined 62 per cent. The second group includes all other foreign countries, which took 30 per cent. less of our products in 1922 than in 1913; and the third group consists of the British Empire overseas, to which our exports fell 29 per cent.

DECREASED TRADE WITH EMPIRE.

In the existing state of Europe we may feel little surprise at the great decline of our trade with the Central and Eastern European countries; but the remarkable falling off in our exports to other foreign countries and to British possessions does not admit of so obvious an explanation. It is indeed, sometimes urged that until Europe is restored we should look to a development of our Imperial trade in order to make good our losses in the European markets. But it appears that though our Imperial trade has suffered less than our foreign trade, it has still been gravely impaired, and so far from reducing our loss has itself contributed to it. A very brief study of the general course of foreign trade will show that whatever injures it in one part of the world has its reaction elsewhere, and that any confident hopes, based on the comparatively small proportion of our pre-war exports to stricken Europe, are not well founded. We shall find that the commercial

breakdown in Central and Eastern Europe is not only destructive of our markets there, but must hamper our export trade more or less all the world over

INTERDEPENDENCE OF NATIONS IN TRADE.

Let us consider, for instance, the trade which this country carried on with its two largest customers, India and Germany, in the year 1913. We sold to India goods of the value of £70 millions, and we received from her goods valued at £36 millions. According to the current phrase, in our dealings with India we had a favourable balance of £34 millions. In the same year our exports to Germany were valued at £41 millions, and our imports from that country at £76 millions. Here we had an unfavourable balance of £35 millions. If for the purpose of foreign trade we were to take India and Germany together as one group, then in dealing with this group our imports and exports in 1913 almost balanced. It was only an accident that there was this close approximation, but we were certain to find some approach towards equality. Looking at the figures of trade between India and Germany in that year, we see that India's exports to Germany were £27 millions and her imports from that country only £7 millions. India had an excess of exports to Germany of £20 millions, and the surplus she thus obtained provided her with the means of paying for British goods.

FALSE ARGUMENTS.

I have given here a very simple illustration of triangular trade, but if we follow our external trade through its whole course we shall find everywhere the same conditions of interdependence between nations. We suffer a real and very severe loss by the breakdown in Europe, and I am afraid some of the arguments which have been used to minimise it have little solid foundation. It has been said, for instance, that the figures of our exports of manufactured goods in 1913 show that the proportion of this class of commodity taken by the European countries now in an unsettled condition was even smaller than the proportion they took of our exports of all kinds, and it is argued that as our industry benefits most from our export of manufactured goods, it will be comparatively easy by an extension of our Imperial and South American markets, where our manufactures have been readily imported, to make good the loss we now suffer from the condition of Europe. But this view of our trade leaves a very important consideration out of sight. To what extent should we have to lend the money to our Imperial and South American customers to enable them to pay for our manufactures? If we lent more, we should sell more. But we cannot conduct our export trade entirely on this basis; in large part, at any rate, our exports are needed to furnish us with the means of paying for our imports. We did not lend much to Europe before the war, and our exports to that Continent cannot be replaced by exports which represent the proceeds of our own loans.

DEVELOPMENT OF DOMESTIC TRADE.

The restoration of the European market is indeed of the greatest importance to us, but the condition of Europe is due to causes which in the main are beyond our present control. Wise policy on our part may, and I believe in course of time will, have an ameliorative effect, but it is not in our power to enforce such conditions as are indispensable to the recovery of general European prosperity. When, however, we turn to our home trade we find ourselves masters in our own house. Here we are more fortunate in the fact that the fundamental conditions are not unfavourable. The relations between capital and labour are on a far better footing than they were two or three years ago. Post-war illusions have been dispelled, and there is a general disposition to face realities. The public have a wider recognition of the necessity for national economy, of the crushing effect of excessive taxation on industry, and of the need for greater production. In these circumstances it is not merely possible for us to get back to the pre-war level, but we may perhaps look for a further development of our domestic trade so as to make up for part of the foreign decline. It is in this sphere that our best hope lies, and it is here that we may find a wise direction of financial policy of the greatest avail.

RESTRICTIVE INFLUENCE OF DEFLATION.

In speaking of financial policy, let me say at once that I am not referring to that expressed in the annual Budget. The policy I am discussing now has nothing to do with the imposition or remission of taxes. It deals with such questions as the issue and rate of treasury bills, the funding of floating debt, the issue of Treasury bonds, and other kindred matters. In recent years this policy has been frankly one of gradual deflation. Its responsible authors have defended it upon what they deem grounds of sound Treasury finance, and the opinions which have guided them deserve the greatest respect. If there were no other considerations to bear in mind, if under existing conditions the ends aimed at could, in fact, be achieved, if all we had to suffer from the medicine administered to us was a temporary inconvenience, we might perhaps accept the policy without complaint. But we cannot leave its influence upon trade and employment out of sight. Though not obvious and immediate, it is none the less certain, and if we are to form a sound judgment upon this policy as a whole we must view it in its full consequences.

CONFLICTING OPINIONS.

In discussing the question of deflation, I feel that I must begin with an apology. We are all familiar with the phenomenon of great trade activity arising from a speculative boom, and we have all been taught to understand its fleeting and illusory nature. We realise that great social evils spring from the soaring prices which accompany it; we know that the inevitable reaction sweeps away the swollen profits as rapidly as they were made; we recognise the intimate connection between speculative excitement and credit inflation; and we justly condemn any financial policy which has an inflationary effect. But when we turn our attention to the influence of deflation upon trade and employment we have no familiar body of accepted opinion to guide us. People are apt, indeed, to start with a preconceived idea that deflation must be meritorious since it is the reverse of inflation, and that, even though it be injurious to trade, we may find consolation in its superior virtue. Deflation, however, as a financial policy has no more to recommend it than deflation, the truth being that what we need to ensure healthy and prosperous trade conditions is stability in the value of money. My apology is due to you because any discussion of deflation cannot fail to be highly technical, and I am obliged in consequence to ask you for an exceptional degree of patience in listening to you.

EFFECT OF PURCHASING POWER.

It is necessary for me in the first place to call your attention to certain figures. At the close of 1921 the total deposits in British and Irish banks were £2,530 millions, and the estimated currency in the hands of the public was £370 millions. If we add together these figures we arrive at the purchasing power of the public, a total of £2,900 millions. At the close of last year the estimated deposits stood at £2,350 millions, the estimated currency in the hands of the public at £350 millions, and purchasing power at £2,700 millions, a reduction in purchasing power in the course of the year of just over £200 millions.

REDUCTION IN BANK ASSETS.

Any decline in bank deposits, which stand as liabilities in the balance-sheet, must be set off on the other side by a reduction of assets. What changes have there been in the assets of the banks in the course of the year? The figures for all British and Irish banks are not yet available; but I can give them for the London clearing banks, and these will suffice for the present purpose. There has been a very large reduction in bills, which have dropped by no less than £130 millions. Cash and money at hand are lower by £25 millions, and loans and advances are down by £30 millions; but on the other hand investments have increased by £50 millions. An examination of these figures show us that the fall in deposits, which in the case of the clearing banks was £135 millions, has been due to the great reduction in bills, and in millions, has been due to the great reduction in the year the Government paid off Treasury bills to an amount of over £300 millions, ment paid off Treasury bills to an amount of over £300 millions. Here of which the banks held between £100 and £200 millions. Here we see a decline in deposits related to a reduction in the Treasury bills held by the banks. The operation was in truth a measure of deflation effected in pursuance of a declared policy, and resulting in a total reduced purchasing power of £200 millions.

EFFECT ON TRADE AND EMPLOYMENT.

Now what is the effect of a decline in purchasing power upon trade and employment?

To answer this question we must bear in mind the relation between purchasing power and the price level of commodities. Price varies with three factors—amount of purchasing power, the amount of purchasable commodities, and the rate at which the purchasing power is exercised, which we may call velocity of ex-

penditure. If purchasing power declines, then until there is a change in the amount of purchasable commodities or in the velocity of expenditure, prices will fall. But when prices begin to fall manufacturers and traders who have bought raw materials and stock at the higher level are faced with a loss, and are compelled to restrict their operations. Fewer orders are given, trade declines, and unemployment grows. Thus the immediate effect of a reduced purchasing power is diminished trade and increased unemployment. If at this stage we made no further effort to deflate, trade would soon recover. With a diminished production, purchasable commodities would be reduced in amount; at the lower prices the velocity of expenditure would tend to accelerate; and trade would become active again. But if, whenever there are signs of trade recovery, a fresh dose of deflation is administered, we may prolong the depression for an indefinite period.

THE BURDEN OF THE NATIONAL DEBT.

I have shown here as briefly as I can the direct relation between a policy of deflation and trade depression. With regard to the trade depression from which we are now suffering, I know it is contended that, painful as the consequences may be, we are really only going through a period of unavoidable lassitude after the fever of the preceding years, and that we shall emerge from it in a far healthier condition, with prices definitely established on a lower level. I cannot help thinking, however, that this is a mistaken view of the possible results of deflation. It leaves out of account the budgetary difficulties which must confront the Chancellor of the Exchequer. A drop in prices leads to a decline in profits, and consequently in national revenue. It will be readily appreciated that if prices were to go back to the pre-war level no Chancellor could balance his Budget.

DEFLATION AND THE BUDGET.

An examination of the figures will show this at once. The charge in respect of our National Debt last year amounted to £332 millions, and income-tax at the rate of 5s in the £, together with the proceeds of super-tax, raised sufficient revenue to meet the whole of it. But if we get back to the 1913 prices and value of money, we shall get back also to the 1913 national income and yield of income-tax, on which basis a rate of over 8s in the £ would be required to meet the annual charge for debt alone. Lower prices increase the real burden of the fixed charges on the national revenue, which in interest on debt and war pensions amount to £425 millions this year. If last year's policy of deflation is continued we may find ourselves within measurable distance of being forced into the opposite and dangerous policy of inflation by the inability of the Chancellor of the Exchequer to meet his expenditure without having recourse to borrowing.

DEFLATIONARY POLICY REVIEWED.

In speaking two years ago on financial policy in relation to trade, I felt justified in saying that any attempt to carry through a policy of deflation could only end in the strangulation of business and widespread unemployment. At that time such a policy had already received public official sanction. The Bank rate, which had been raised to 7 per cent. in 1920, remained at that level for a year, and Treasury bills continued on tap at 6½ per cent. during almost the whole period. Already by the autumn of 1920 trade showed such a serious decline that we might have expected a lower Bank and Treasury bill rate, but the exigencies of deflationary policy demand a continuance of dear money. Unhappily, employment decreased month by month as this policy was enforced. In April, 1920, the records of the employment exchanges showed that we had 348,000 unemployed; by March, 1921, the total of unemployed had risen to 1,506,000.

TREASURY BILLS AND TREASURY BONDS.

The deflationary policy pursued in 1922, though far less obvious and far less drastic in its methods than that of 1920 and 1921, was bound to be not less certain in its results. No one has any difficulty in understanding that a high Bank and Treasury bill rate, maintained for a very long period, cannot fail to depress trade, but the task of relating cause and effect is very much harder in the case of the more modest deflationary effort of last year, which consisted in the weekly offer of Treasury bonds. It must, indeed, appear almost fantastic to allege that the conversion of a Treasury bill into a Treasury bond may have an adverse influence upon employment. And yet if we direct our attention to the actual course of events, I believe we shall find the argument to be well founded.

TREASURY BONDS AND THEIR EFFECT.

Let us go back to July, 1921, when the Treasury bills outstanding were over £1,200 millions, and the first issue of 5½ per cent. Treasury bonds was made. At that time Treasury bills were largely held by the public as well as by Government departments, the banks, and the money market. In the course of the ensuing nine months the Treasury bill rate fell from about 5 per cent. to

less than $2\frac{1}{2}$ per cent.; most of the Treasury bills held by the public were allowed to run off, and the proceeds were invested in gilt-edged securities carrying a higher rate of interest. We all remember the consequent great rise which took place in those securities. The Government found the means to pay off the Treasury bills partly by the sale of Treasury bonds and partly out of the surplus of revenue over expenditure. By April, 1922, over £400 millions of Treasury bills had been repaid, and nearly £400 millions of Treasury bonds had been sold. In effect, what had happened was that the public had changed their investments from one form of Government security to another. There had been some payment off of Treasury bills held by the banks, which had used the money to buy the very remunerative Treasury bonds, but the action of the public was the mainspring of the movement.

We come next to a time when the public had ceased to hold any notable amount of Treasury bills, which were then almost all, as they are to-day, in the hands of the public departments and the banks or money market. The problem which now confronts us is, what happens if the Government continue to offer Treasury bonds for the purpose of obtaining funds with which to pay off Treasury bills held by the banks? We shall deal with the problem more easily if we consider it in relation to a particular case.

SALE OF TREASURY BONDS TO PUBLIC.

Let us suppose that a member of the public, who has £10,000 on deposit in his bank ready for investment, applies for that amount of Treasury bonds. He will draw off his deposit of £10,000 and pay the money into the Bank of England to the credit of the Government. In his own bank the accounts will now show £10,000 less on deposit and £10,000 less cash. Next suppose the Government use this money to pay off a Treasury bill, and that the bill is held by the same bank. Clearly the bank's accounts will then show £10,000 increase in cash and £10,000 reduction in bills. If now we put the two transactions together the final result of the double operation will be, first, that the bank's deposits and bills will each be reduced by £10,000, and, secondly, that the Government will owe £10,000 on a Treasury bond instead of £10,000 on a Treasury bill. To the uninitiated it must look as if deposits, and therefore purchasing power, to the amount of £10,000 had been spirited out of existence, but there is no mystery about the proceeding. I have already called your attention to the published figures of the banks, which show a reduction of many millions last year both in deposits and in bills, and we have here a sufficient explanation of the reduced deposits. It is merely an illustration of the axiom that every bank loan creates a deposit and every repayment of a bank loan destroys one.

AN OBJECTION ANSWERED.

Someone may intervene here with an objection which must be answered. In the example I have given the bank would have less deposits than before, but the same amount of cash. It might, therefore, be objected that the bank would have more than its usual proportion of cash, and would be in a position to make fresh loans and so recreate its lost deposits. In reply, let me remind you that in actual practice the immediate use made by a bank of its surplus cash is to lend it to the money market. With additional resources available the discount brokers and other customers of the Bank of England are able to pay off loans borrowed from that Bank, and every such repayment not only cancels a deposit, but also cancels an equal amount of bank cash. Thus, just as when inflation is in process, loans by banks lead to an increase of borrowing from the Bank of England and an increase of bank cash, so when deflation is in action loans from the Bank of England are paid off and bank cash is reduced.

Returning to the subject of Treasury bonds, we will next consider what would happen if no offer were made of them to the public. In that case the intending investor of £10,000 would be obliged to find some other use for his money. He might apply for some new issue of debentures or shares, or he might purchase some existing security, whether a Government or an industrial issue. It is unnecessary to enumerate all the possible forms of investment, but it will be observed that in every case the investor's money would merely change hands. It would pass into the possession of the vendor of the security, who would pay the money into his bank, and there would be no reduction in bank deposits unless it were used to pay off a bank loan. Purchasing power would not be diminished; there would be no less demand for commodities and no fewer orders would be given.

CONTRADICTION POLICIES.

It is obvious that the first movement in trade comes from giving an order. Trade is set going by the expenditure of money, whether it be on goods for immediate consumption or on goods which are to be used in further production, such as plant and machinery. The argument in justification of the Trade Facilities Act, that by its assistance traders can do business which would otherwise have been beyond their present capacity, is a recognition

of the need, when we are suffering gravely from unemployment, to do what we can to promote the giving of orders. But, as we have seen, the issue of Treasury bonds to pay off Treasury bills held by banks reduces purchasing power and tends to restrict orders. Thus, in the course of last year two diametrically opposed policies have been pursued at the same time. In one case the paramount necessity to give a fillip to trade was recognised, and Government credit was used for the purpose; in the other the public were invited to invest their savings in a way which deprives trade of its natural stimulus. We know the defence of the first policy, the need to absorb our vast numbers of unemployed; it remains for me to state the argument advanced in defence of the second.

DIVERGENCE BETWEEN AMERICAN AND BRITISH POLICY.

The primary ground on which a policy of gradual deflation is recommended is that it raises the exchange value of the pound sterling in relation to the dollar, and hastens our return to the gold standard. As every measure of deflation tends to lower prices or, in other words, tends to increase the value of the pound sterling in terms of goods, it must raise the value of our currency in the foreign exchange market. The only exception would arise if other countries pursued the same policy, in which case there would be a fall in prices measured in all currencies. We had a partial illustration of this process in 1920 and 1921, when the United States adopted deflationary methods in concert with our own financial authorities. There were considerable fluctuations in the dollar rate during this period, but in April, 1920, when our Bank rate was raised to 7 per cent., the dollar stood at 3.88, and eighteen months later, after America had broken adrift from this policy, the exchange was nearly the same. Since the late summer of 1921, when British and American policy diverged, bank deposits in the United States have materially increased, prices have gradually risen, and the unemployed, who were then numbered by millions, have been steadily absorbed. During the same period the dollar has depreciated in relation to sterling more or less continuously, until to-day the two currencies stand to each other in a relation not far removed from parity.

DEFLATION AND THE £ STERLING.

It is admitted, then, that deflation in this country tends to improve the value of sterling. But does it in the actual circumstances of to-day do more than accelerate our approach to parity? Would our exchange not rise to par even if there were no deflationary efforts on our part, and we were spared all the evils of trade depression and unemployment which attend such efforts? I think it would, unless financial policy were again reversed in America. I think that in existing conditions the depreciation of the dollar is bound to continue. At present the United States is the only great market for gold. The bulk of the world's annual output is sold to that country, and, as the amount is greatly in excess of the normal currency and credit requirements, the effect of the over-supply is to force down the value of gold. Depreciation of gold means a rise in prices in the United States, and a fall in the value of the dollar measured in sterling. Even if prices rise here, as they will under improving trade, they will not rise as fast as they must in America under the influence of an excessive gold supply, and, if there be no deflation in either country, sterling will slowly appreciate until it finally reaches par.

INCREASED PRODUCTION THE REMEDY.

Let me remind you that just as inflation which causes prices to rise will always be ultimately checked by the refusal or incapacity of the consumer to pay, so deflation will be checked by the restriction of output which follows upon falling prices. Those who advocate the deliberate adoption of a policy of continuous deflation are oppressed by the fear that at any moment an excessive amount of credit may be created in consequence of the Government being compelled to borrow from the Bank of England in order to meet maturing Treasury bills. They regard deflation as a prophylactic against inflation, just as in former days it was the practice to bleed a patient as a precaution against the recurrence of fever. But all that is necessary to meet the danger of the Government being forced to borrow excessively is to raise the rate for Treasury bills to a point high enough to ensure the renewal of an adequate amount. The continuance of a high rate or the adoption of any other method for the purpose of forcing down prices is bound to strangle trade and reduce output, and must operate very unfairly upon the taxpayer, who is saddled with the burden of the National Debt. If we look for a revival of trade, for more abundant revenue and for a reduction in taxation, we must leave prices to take their own course under the normal pressure of supply and demand. We must not interfere with the natural flow of trade by any restriction of existing purchasing power, but must seek a general increase of wealth through a more abundant output.

OUR OWN BANK.

I turn now to our own balance-sheet, and with your permission will briefly explain the figures.

The paid-up capital on December 31st last was £10,860,852, and the reserve fund stood at the same amount. No new shares were issued during the year, and now that the outside reserve is equal to the paid-up capital we prefer when our profits permit of it, as they did last year, to strengthen our internal resources in order to meet future contingencies. There was thus no change in the figures of either capital or reserve.

CURRENT DEPOSITS AND OTHER ACCOUNTS.

But when we come to the amount owing to depositors and compare it with the figure of the previous year we see a considerable decline. I have already shown how the policy of deflation has greatly reduced public purchasing power, and we cannot be surprised that our deposits have fallen with those of the British banking system as a whole. Twelve months ago current, deposit, and other accounts were £375,117,002.

The bank has never shown a higher figure in an audited statement, though on many occasions deposits have been larger. On December 31st last they were £354,406,336. The reduction in the year of £20,710,756 is considerable, but we appear to have suffered less than our proportion. The bank's large connection with industrial enterprises would lead us to expect a greater proportionate reduction in a period of severe trade depression, and the fact that we do not appear to have lost our full share in the general decline in deposits seems to point to the conclusion that we are more than maintaining our relative position.

ACCEPTANCES AND ENGAGEMENTS.

Acceptances and engagements on account of customers at £25,862,341 are £6,014,019 up on the year. Our acceptances, drawn for the most part by or on account of first-class bankers, represent transactions in respect of foreign business, and are quite undoubted. These larger figures, with prices on a lower level, indicate that international trade is increasing in volume.

COIN, BANK AND CURRENCY NOTES, &c.

I have dealt with the four principal items on the liability side of our balance-sheet. Let me now turn to our assets, and show you how the liabilities are secured. The first line of defence is our cash reserve, or, in the accepted phraseology, coin, bank and currency notes and balances with the Bank of England, which stand at £54,254,534. This is 15.3 per cent. of the deposit liabilities, or one-third of 1 per cent. higher than the average figure shown in our monthly statement. In some countries banks are compelled by law to observe certain minimum reserve requirements. In this country they are under no such compulsion, and it is left to the respective managements to determine the necessary proportion with due regard to the nature of the bank's business.

BALANCES WITH AND CHEQUES IN COURSE OF COLLECTION.

Balances with and cheques in course of collection on other banks in Great Britain and Ireland are £13,548,935. These become cash from day to day. Money at call and short notice includes the accommodation we extend to the money market, and stands at £17,187,013, which is £5,535,516 higher than in December, 1921. The greater part of this amount is available as cash within seven days.

INVESTMENTS.

Investments, which are valued at less than market price, are slightly down on the year. Nearly all of these securities, amounting to £55,454,831, are British Government loans. During the first half of the year we temporarily increased our investments to a total of nearly £68 millions, but sold them again as opportunity offered.

BILLS DISCOUNTED.

The next item consists of bills discounted, and stands at £46,066,631. Our discounts for the most part are fine trade bills with less than two months to run; the remainder are Treasury bills with a maximum currency of three months. The decrease of bills with a maximum currency of three months. The decrease of £26,051,403 is accounted for largely by our smaller holding of Treasury bills, which amount to less than £7 millions, as compared with £28½ millions at the end of December, 1921. I have already dealt exhaustively with the effect of the repayment of Treasury bills held by banks, and will be content now to call your attention to a remarkable coincidence: our deposits are down nearly £21 millions on the year, and during the same period our holding of Treasury bills has been reduced by an almost identical amount.

ADVANCES ON CURRENT AND OTHER ACCOUNTS.

I come now to advances to customers and other accounts, which have increased from £176,779,261 to £182,307,521. In this respect our accounts differ from those of most other banks, as advances in the aggregate were lower at the end of the year. The increase in our figures, therefore, is the more remarkable, and is evidence of the bank's exceptional assistance to industry and of a reviving demand by trade for accommodation. Other indications

also show grounds for hope that industry is at length recovering. Prices temporarily seem to have touched their low level, exports are increasing, railway freight traffic is heavier, and bank clearings are greater. There are also distinct signs of an increased willingness on the part of the public to buy, which, if unimpeded, will result in a growing volume of orders between merchant and manufacturer. Such conditions cannot fail to lead to improved trade. I realise that the possibilities of the present movement are strictly limited, and that production cannot approach pre-war dimensions until former foreign customers are again in a position to buy our goods; but I do not think I am unduly optimistic in saying that there are many signs of coming expansion in our domestic trade.

AGRICULTURAL LOANS—BANK'S POLICY.

Before passing on to the next item in our balance-sheet, I should like to make particular reference to the policy of this bank in regard to loans for agricultural purposes. We have a large number of farmers amongst our customers, and I can state without hesitation that it is our invariable rule to treat them with the utmost consideration. We realise the seasonal nature of their business, and finance them freely until they receive payment for their crops and other products. I think I should be right in saying that no section of the community receives more generous consideration from the bank, and, judging from our own experience, I can also say that no class of borrowers observes more faithfully the strict letter of their undertaking.

BANK PREMISES.

Bank premises at £5,270,960 are £328,661 higher. We have now no less than 1,674 offices in England and Wales, and it is hardly necessary for me to assure you that the book value of our premises is below their real worth.

HOLDINGS IN AFFILIATED COMPANIES.

The remaining items in the balance-sheet relate to the bank's holdings in affiliated companies, the Belfast Banking Company, Limited, the Clydesdale Bank, Limited, and the London City and Midland Executor and Trustee Company, Limited. Of the two banks, let me say that you will see from the statements of their accounts, which have been circulated with our own balance-sheet, that their business continues to be well maintained. We are highly satisfied with their progress, and the managements are deserving of your highest commendation for their prudent administration. I am happy to be in a position to assure you that a spirit of mutual helpfulness and co-operation pervades the three institutions in their dealings with each other. During the year we have purchased the 41 shares of the Clydesdale bank which were outstanding a year ago, and we now own the whole of the share capital of the two affiliated banks.

EXECUTOR AND TRUSTEE COMPANY

You may have noticed that the shares of the Executor and Trustee Company are now shown separately in our balance-sheet. Previously we had included our interest in this company in the entry advances to customers and other accounts, but the business is expanding so rapidly that we decided to give it special recognition. You may remember that the company was formed by the bank in 1909 in response to a growing demand by customers and the public for a corporate trustee, which could offer the combined advantages and security, continuity of existence, and expert and inexpensive administration. In consequence of the expansion in its business, it has been considered advisable to increase the company's funds by the issue of new shares. The authorised and subscribed capital is now £1,000,000, the paid-up capital, £200,000, and the reserve fund, £100,000. The whole of the capital is held by this bank. The position of the company as on December 31st last has been set out on the inset statement sent to you last week with our own report and balance-sheet. I do not propose to analyse its condition in detail, or to make comparisons with the position a year ago, because I feel you will be content with my assurance that its business is growing at a rate which exceeds our expectations. The activities of the Executor and Trustee Company are becoming better known, and we are confident that an increasing realisation by shareholders, customers, and the public of the many advantages offered will attract much new business. The scale of fees is exceptionally low, the advantages very great, and the security undoubted.

PROFIT AND LOSS ACCOUNT.

I pass now to the profit and loss account. Full provision having been made for all bad and doubtful debts, the net profits for last year amounted to £2,253,492, which with £777,253 brought forward, gives us for distribution and allocation a total of £3,030,745.

that manufacturers have not generally been able to sell at prices which were remunerative, and if, in individual cases, they have been able to do so, it has often been at the expense of the spinner from whom they have purchased yarn at under the cost of production, and therefore the trade, as a whole, has suffered loss. For many years past, owing to the expansion of cotton spinning and manufacturing in other countries, there has been a tendency for our British producers to specialise in the finer types of yarns and cloths, but in times of financial stress such as we are experiencing, the impoverished consumer abroad has perforce to satisfy his needs to a considerable extent with the cheaper and coarser goods produced in other countries. The result, so far as 1922 is concerned, was that, in spite of an increase in shipments of cloth, any profits made have been small, and most of the business has been done at an actual loss. This is notwithstanding the fact that operatives' wages were substantially reduced during the year, and that short time has been run in almost every section of the spinning and manufacturing industry. Spinners have shared the same adverse fortune as manufacturers, except that mills spinning Egyptian yarn have done more business both for home and export than spinners of American and other types of cotton. The processing trades, such as calico printers, bleachers, and dyers, have had a remunerative year, and have, to some extent, made a welcome reduction in their tariffs. The position of the spinner and manufacturer has not been helped by the shortage in the American cotton crop and the consequent rise in price of raw cotton, but the effect of this shortage, which would have been alarming if the demand for cotton goods had been normal, has been to stimulate schemes for the growing of cotton within the Empire and in Brazil.

WOOLLEN INDUSTRY.

When we turn to the other great textile industry, viz., the woollen industry, I am glad to be able to report a more encouraging position. There has been a strong demand for raw material, and an advance in prices of all grades. While all sections of the trade are in a better position than they were 12 months ago, the improvement has been most pronounced in the case of firms dealing in raw material or engaged in the process of converting it into tops and yarns. Unfortunately, the process of recovery in the cloth section has been slow, and there are still idle looms in the woollen districts. One may congratulate those engaged in this important industry on the very distinct recovery which it has made, and while there is room for improvement, there is every prospect that the steady progress made in 1922 will continue. The unsettled political and economic situation on the Continent still remains the chief disturbing factor.

COAL TRADE.

In our north-eastern district we are brought into close contact with the coal trade. During 1922 the output of coal for the whole country was over 252,000,000 tons. While this is 35,000,000 tons less than the country produced in 1913, it is nearly 90,000,000 tons more than the output of 1921, which was the year of the great coal strike, and showed the lowest production since 1887. Fortunately, the weekly output tends to increase, and it is hoped that by the time the iron and steel industry regains its pre-war activity, the coal production of the country will be enough to supply both export trade and home industries.

SHIPBUILDING INDUSTRY.

In several of our districts we are affected by the prosperity or adversity, as the case may be, of the shipbuilding industry. The year 1922 was a disastrous one for shipbuilders. Probably there have never been so many shipyards in the country simultaneously idle, and the stagnation of this industry has been responsible, directly and indirectly, for much of the prevailing unemployment. Costs, including wages, have been substantially reduced, and towards the end of last year the situation began to be relieved by the placing of orders for a certain number of new merchant steamers and two battleships, one of which was secured by the Tyne and the other by the Mersey. It is probable that much of this new work was accepted at unremunerative rates in order to keep shipbuilders' organisations together, and it is obvious that tendering on that basis cannot continue long; but it is all to the good that the long spell of absence of contracts has at last been broken, especially because activity in shipbuilding entails the placing of a number of orders with other cognate industries.

IRON AND STEEL INDUSTRY.

The iron and steel industry passed through a most trying time in 1922, and many works were entirely idle, with the result that unemployment reached alarming proportions in the iron and steel centres. At the turn of the year, however, a better feeling sprang up, inquiries for business were circulated more freely, a number of contracts were placed, though often on a basis which showed little or no profit, blast furnaces were restarted, and engineering

prospects were brighter than they had been for a long time.

Textile machinists have again had a prosperous year, and their exports compare favourably with those of 1921. Orders for looms and spinning machinery are coming in from all parts of the world. The devastated areas of France and Belgium have had to be supplied, and large orders have been received from America and Australia, in spite of tariff barriers.

The machine tool trade, on the other hand, remains stagnant, and the disturbed state of Europe has also greatly interfered with the business of other sections of the engineering trade.

TIMBER TRADE.

The timber trade is one in which we in Liverpool are specially interested. The trade passed through a difficult time in 1921. Furniture makers, railway wagon builders, ship repairers and builders were doing next to nothing, and there was no demand for timber. While the year 1922 was also difficult, the volume of business, especially during the second half of the year, showed improvement compared with 1921. Fortunately, shippers accepted the position, and the market was not burdened by excessive shipments of timber. Latterly users of timber of all sorts have been getting to work again, and there is quite a healthy feeling in the market in consequence. It is to be hoped that supplies from abroad will continue to be regulated to meet the demand, and that the present year may restore prosperity to this important trade.

WHEAT.

Another trade which touches us pretty closely, especially in this district, and which affects everyone personally, is the wheat trade. The yield of the harvest of 1922 in Europe generally was poor, and of course Russia was entirely out of the market as an exporter. Had there been failures in any of the other great wheat-producing areas of the world the position might have been serious, but providentially the harvests in the United States, the Argentine, India, Canada, and Australia were beyond the average, and the safety of the wheat supply of this country for some time to come is assured.

PROVISION TRADE.

Another leading Liverpool trade is the provision trade. During the past year business, on the whole, has been of a satisfactory character, and movements of prices of bacon and other hog products have not been excessive. The prices of butter and cheese, however, advanced considerably, partly in consequence of the fact that Government stocks held a year ago had been absorbed during the year. It is a sign of trade revival, and of the gradual absorption of the unemployed into active work, that the demand tended to increase as the year closed. The business in canned goods was restricted in consequence of the decreased spending power of the industrial classes during last summer. The activity of these trades is so closely affected by the purchasing power of the working classes that increased turnover may be expected as unemployment diminishes.

RUBBER.

Turning to the rubber trade, one finds an interesting position. In order to prevent disastrous losses to rubber planters, restriction of output was agreed to, and in spite of the fact that the Dutch growers remained outside the agreement, it is anticipated that the present surplus stocks will be absorbed before the end of the year. The prospect of the rubber industry is thus better than it has been for some time past.

SHIPPING.

Closely bound up with the prosperity of all the separate trades of the country is the great industry of shipping. Fortunately the shipping depression, though still existing, appears to have passed the worst and a period of general improvement seems to be approaching. Twelve months ago there were 1,250,000 tons of shipping laid up in the United Kingdom. Of these about 500,000 tons are now running, chiefly in consequence of the revival of the export coal trade. Notwithstanding keen foreign competition, British owners have been able to secure the bulk of cargoes offering, but at freight rates so fine that the earnings of our merchant fleet have been very low. The outlook for shipping, taken all round, is brighter to-day than it has been since the depression began, and as the surplus tonnage of the world is brought into employment and obsolete vessels are scrapped, the prosperity of this leading factor in British commerce will return.

FARMING.

I should like to say a few words about the farming industry in the North of England. 1921 was a poor year, and 1922 not much better. Foot and mouth disease interfered with the cattle trade in the early part of the year, and the wet summer and autumn were bad for arable farming. Fortunately for the raisers of live stock the hay crop, though moderate in quantity and difficult to get in, was fair in quality, and there has been plenty of summer and autumn grass; but where farmers have been more dependent

upon grain crops they have suffered considerable losses. Taken all round the year was a poor one for farmers, and one can only hope that the year 1923 may be more kindly to this important section of the business community.

An impression seems to prevail in certain circles that bankers take narrow views in adjudicating upon advances to farmers. I do not think there is any foundation for this suggestion, and speaking for our own bank, I can say emphatically that we lend very freely to farmers; indeed, we regard farming advances as an important and valuable section of our business.

EXPORTS AND IMPORTS.

From the account I have given of these several leading trades it may be inferred that the country is slowly recovering from the acute depression of 1921, and this is borne out by the recent comparative stability of prices, and by the slight revival of the country's export trade, viz., £720,000,000 in 1922 against £703,000,000 in 1921. The improvement is even more pronounced when we look at the quantity of the exports instead of the value. In 1922 we exported 64,000,000 tons of coal against 24,000,000 in 1921; 3,400,000 tons of iron and steel products, against 1,700,000; 201,000,000 lbs weight of cotton yarns, against 145,000,000; 4,181,000,000 square yards of cotton piece goods, against 2,902,000,000; 184,000,000 square yards of woollen and worsted tissues, against 117,000,000, and so on, and one is glad to be able to draw the conclusion that trade is at last beginning to revive. On the import side of the account the figures have gone in the opposite direction, and show a reduction of £81,000,000 in 1922 as compared with 1921. It follows that the adverse balance of trade which in 1921 was £277,000,000 was in 1922 only £180,000,000, and this has doubtless had a considerable influence in the improved value of the £ sterling as compared with the American dollar. The continued existence of an excess of imports over exports, however, also bears another favourable interpretation, viz., that Great Britain still has substantial claims upon other countries for interest, freights, insurance premiums, and other unseen services.

TRADE PROSPECTS.

While I must disclaim any desire or intention of playing the part of a prophet, you will naturally expect from me on this occasion some expression of view as to the future trend of business. You will gather from the survey I have made of individual trades that any positive indications of the course which those trades are likely to take are in the direction of greater activity, and, it is hoped, greater earning power. Another element of supreme importance pointing in the same direction is that of the fusion, on the first day of this month, of the railways of this country. It is claimed by the authors of the Railways Act that it will lead to large economies, to greater efficiency, and to a reduction of railway charges. If these expectations are realised, and there is every indication that a determined effort will be made to realise them, the fusion of the railways will play an important part in the revival of British trade. A reduction of transport charges within the country will not only reduce the cost of the commodities which we may wish to export, but will also reduce the cost to our customers of commodities which we import from abroad, and the great thing at present is to get costs down in every direction.

WARNING AGAINST UNDUE OPTIMISM.

Thus far, all I have said points to a trade revival, but I should like to utter a word of warning against undue optimism. The close of the year 1922 finds Europe in a plight more desperate than at any previous time since the war. Currency depreciation has during the year been carried to extremes undreamt of when the year opened; the question of war or peace in the Near East is hanging in the balance at the Lausanne Conference; the rivalries of the Balkan States and of the States of Eastern Europe generally give constant rise to war-like rumours, and a flame might easily break out amid the combustible material of that part of Europe; the question of German reparations has reached an acute stage, and if not quickly solved may lead to startling and even calamitous developments; the question of Russia's relations with the rest of the world is still unsettled, and in the meantime any influence which she can exert on the other nations is of a hostile and disquieting order. International trade cannot be carried on with such a background of chaos or of great political and economic unsettlement, and while I welcome such indications as there are of reviving trade, I confess I fail to see how that revival can proceed very far in the present distracted condition of Europe.

AMERICA AND CO-OPERATION.

In these circumstances I welcome the indications, somewhat vague though they may yet be, of a desire by the United States to co-operate in measures for the restoration of the economic condition of Europe. If, for example, the Government of the United States and our own Government can effect a fair and reasonable

settlement in regard to the British debt to America, a distinct step forward will be taken towards the settlement of the still greater question of the cancellation of inter-Ally debts. Again, if the present experiment that France is trying in the Ruhr district were to prove abortive, the moment might be opportune for the convening by America of an economic conference, which might go a long way in reaching a settlement of the German Reparations question.

AUSTRIA AND LEAGUE OF NATIONS.

I also welcome the experiment which is being tried by the League of Nations in the case of Austria. If that experiment were to result in the stabilisation of the currency and of economic conditions in Austria, a similar experiment might be carried out with similar success in the case of other countries whose currencies have depreciated and whose budgets are in a chaotic condition. Thus it is conceivable that step by step a solution may be found for one European problem after another, but not until this has been done can we count upon such a revival of our overseas trade as will bring back normal prosperity to our business men and full employment to our working classes. In the meantime, it seems to me there are some signs that events are moving in the right direction. Military adventures are becoming discredited; the limitations of political action are becoming apparent, and it is gradually being realised that the salvation of Europe lies in the economic sphere and must be worked out by economic authorities. An international financial conference, working on purely economic lines and free from political bias, might find it possible to lay down the main lines of reconstruction and of currency reform. After this the resuscitation of European commerce would depend upon the individual efforts of business men with the co-operation of the banking world. The one vital consideration, however, is that measures of reconstruction shall not be too long deferred. The economic restoration of Europe is still possible, but every day that passes renders it more difficult.

I am sorry that I cannot hold out a more encouraging prospect for the present year than I have done. At the same time, it is one's duty to foster a spirit of courage and optimism wherever there appears any justification, and I therefore wish to conclude these remarks by reverting to the more hopeful signs which are visible to-day.

HOPEFUL SIGNS.

Trade is undoubtedly improving both in regard to volume and profit. The number of unemployed in this country is steadily diminishing, and every working man who exchanges the dole for a full wage swells the rank of consumers and enlarges the demand for commodities. The undigested stocks of goods in various parts of the world are being absorbed, and will have to be replaced by fresh exports from this country. Accordingly, I hope that the new year may be one of growing activity of trade and increasing prosperity, but my most earnest hope of all is that the year 1923 may witness a settlement of those great economic problems which have for so long been the chief obstacle to a revival of international commerce.

Mr R. M. Holland-Martin, C.B., one of the deputy-chairmen, seconded the adoption of the report and accounts, and the resolution was carried unanimously.

The retiring directors—Messrs Charles Booth, James E. Haggas, R. M. Holland-Martin, C.B., and John Rankin—were unanimously re-elected.

MR T. FISHER CALDWELL'S REPLY.

Mr T. Fisher Caldwell (assistant general manager), replying to a vote of thanks to the directors, management, and staff, proposed by Mr F. C. Bowring and seconded by Mr H. M. French, said that so far as it applied to the directors and committee of management, he might say that the year reviewed in the chairman's speech had no doubt been less difficult than the two years which immediately preceded it, but, at the same time, it had been by no means an easy one, and the directors and committee of management had had very many troublesome and difficult questions to consider and adjudicate upon. With regard to the special reference which the mover of the resolution of thanks had made to the General Manager (Sir James Hope Simpson) he might say that those who had been most closely associated with Sir James during the last few strenuous years best appreciated the heavy weight of responsibility and duty he had borne and the successful way in which he had performed his duties.

As to the management and staff, he could only say they had all endeavoured to do their best to further the interests of the bank, and it was very gratifying to them to know their efforts were appreciated by the shareholders. (Hear, hear.) Everyone in his own particular sphere materially assisted in the smooth administration of the bank.

The Chairman, acknowledging a vote of thanks for his conduct in the chair, expressed the hope that when they met next year some of the many difficulties they had had to encounter in the banking and economic world would be satisfactorily settled.

THE MANCHESTER & LIVERPOOL DISTRICT BANKING COMPANY, LIMITED.

EUROPEAN CONDITIONS — DIFFICULTIES TO BE FACED.

REPARATIONS AND INTERNATIONAL INDEBTEDNESS.

CHAIRMAN'S REVIEW OF INDUSTRIAL SITUATION.

The annual meeting of the shareholders of the Manchester and Liverpool District Banking Company, Limited, was held at the head office, Spring Gardens, Manchester, on January 26, 1923. Sir Christopher T. Needham, chairman of the board, presiding.

THE CHAIRMAN'S SPEECH.

In moving the adoption of the report and balance-sheet, the Chairman said:—

WORLD CONDITIONS.

Our meeting to-day must bring back to the mind of all the loss of our late chairman, Sir Edward Tootal Broadhurst. You will remember that illness prevented his presiding over the last annual meeting, and his death, very deeply regretted by all, followed shortly after. He was a citizen of whom Manchester was justly proud. Upright, able, versed in affairs, with wide sympathies, he had, above all, a high sense of the duty of public service which led him to give himself to so many good causes in Manchester. The admiration he inspired in those with whom he worked was touched, one might almost say, with affection. His death was a profound loss not only to the bank but to our city. For my own part, I treasure his memory, and shall ever be glad that during so many years I was privileged to work with him in the several interests we shared in common.

CHANGES ON THE BOARD.

You will have seen from the directors' report that Mr T. D. Barlow, managing director of Barlow and Jones, Limited, and Mr Kenneth Lee, who succeeded Sir Edward Tootal Broadhurst as chairman of Tootal Broadhurst Lee Company, Limited, have been elected members of the board of the bank. We are sure that each of these gentlemen, who are well known in Manchester, will prove of service to the bank, and that their election will be confirmed in due course by the shareholders.

May I now make a personal reference? I was in India when the sad news of the death of our late chairman reached me. On my return to Manchester in March last my colleagues unanimously asked me to take the vacant position, and under these circumstances I could not refuse. I deeply appreciate the confidence of my colleagues and the honour they have done me. I hope that the shareholders approve the action of the board. I feel it to be a special responsibility to have succeeded Sir Edward Tootal Broadhurst.

DIFFICULTIES AHEAD—REPARATIONS.

We look back upon the year 1922 as one fraught with anxiety and marked by trade depression, much unemployment and political confusion. We ask ourselves what the present year has in store for us, and why it is that after four years of peace the political, social, and economic conditions of the world are such as we find them, and in what direction lies the remedy for the chaos in which a great part of the civilised world appears to be involved. Those who are intimately concerned with the affairs of commerce and finance are under no illusions as to the root cause of the trouble. At the outbreak of war the machinery of international commerce, built upon a system of credit finance and exchange of the most delicate and complicated description, was seriously dislocated, and during the years of war was almost destroyed. Further than this, the established course of trade has been rudely disturbed by adjustments of territory, by Customs barriers, by national prejudices, by the existence of large international debts and reparations claims, by the uncertainties due to the political situation generally. After four years of peace it becomes increasingly evident that unless economic sense is brought to bear upon the situation to the exclusion of aggressive nationalism, the end of the fifth year will see Europe advanced yet another step on the road to ruin. It is essential that the problem of German

reparations and indemnities should be solved, and it must be solved on a basis of certainty as to the amount to be paid and the periods of payment by Germany. It is of good augury that responsible American opinion is in favour of a commission of experts to determine what sum Germany could pay; if America can be induced to lend her aid to a consideration of this problem Europe can only be the gainer. How far the independent action of France in entering the Ruhr Valley will help towards the settlement of the reparations difficulty, or what will be the consequences of that action, it is too soon to say, but the situation is excessively grave.

INTERNATIONAL INDEBTEDNESS.

Intermixed with the question of reparations and indemnities is that of international indebtedness, and unless and until arrangements on this head are come to, the course of international trade must be hampered by the uncertainties necessarily incident to obligations of such a nature. The matter is one surrounded by difficulties. International obligations were incurred as the result of goods and services supplied at high prices during the war, which have no earning power, for the simple reason that they are to-day non-existent, and it is difficult to see how, with the best will in the world, the debtor nations can produce and export goods over and above relative imports, by which alone claims can be met. It is, perhaps, too much to hope that the Allies will finally agree that the nations who, banded in a common effort, have made contributions in lives, in money, and material should now agree to waive such claims as they may have against each other. Such a solution would, nevertheless, be, from a material and economic point of view, the best in the interest of the Allied nations, creditor as well as debtor. If all questions of reparations, indemnities, and international obligations can be disposed of, the principal barriers to international trade would be removed, and it would remain to re-establish satisfactory exchange conditions. It appears to be beyond doubt that there must be devaluation of the currencies of certain of the nations of Europe. The first step to be taken with this end in view is to cease the multiplication of the currency, and so to stabilise it, and it is not until the currencies of the principal European nations have been brought into a definite relation to gold, or, perhaps, to a gold exchange standard as contemplated by the Financial Commission of the Genoa Conference, that there can be a sufficient basis of certainty to make possible satisfactory international trading. It goes without saying that all Governments must within a limited time so arrange their finances as to make their Budgets balance without resort to the printing press.

UNEMPLOYMENT.

The most serious domestic problem we have to face is that of unemployment and under-employment. While the figures shown at the unemployment exchanges are an improvement on those of January, 1922, there still remain nearly one million and a-half names on the live register. This state of affairs naturally produces unrest, and the position is one to which every thinking man is bound to give the most earnest consideration—a position that does not appear any less unsatisfactory when one remembers that there is little or no unemployment in America or in France, or, so far as one understands it, in Germany. It must be remembered that during the war there was practically no emigration from these islands, so that there are not less than one million persons seeking employment here who would in the natural course have found homes in British Dominions and foreign countries, and who are now competing with others for employment on a diminished volume of trade. Now that all countries are more dependent on themselves, owing to difficulties of foreign trade, we realise as never before the extent to which we, as a manufacturing nation, rely for our subsistence on foreign demand for the products of our industry. While other nations can support themselves wholly or very largely by agriculture, we are not in a position to support more than a fraction of our population on the land, and it is borne in upon us to-day that it is imperative, if we are to maintain the population of these islands in employment and comfort, that we should do everything humanly possible not only to maintain, but to increase vastly, our markets abroad even beyond the 1913 standard. To this end all must contribute, so that in the matter of technical

excellence and cheapness of the product, and the absence of all trade restrictions, we shall be in a position to outdistance our rivals. If we cannot do this, it is difficult to see how we can continue to maintain the level of subsistence which we now enjoy. And yet all our endeavours will only carry us a part of the way to the desired end until we get a real peace in Europe, bringing with it political and economic settlement and goodwill among the nations.

THE COTTON TRADE.

Since the cotton trade is the most important industry in Lancashire, I would like to make two observations upon recent developments. During recent years the tendency of the United States to absorb a greater percentage of its own growth of cotton has become more and more marked. For many years the British Cotton Growing Association has done fine pioneer work in starting and fostering "outside growths." It is worth recalling that the District Bank has been closely associated financially with its yearly movement of crops. We welcome the founding of the Empire Cotton Growing Corporation as the direct results of the cotton trade's activities and foresight. It is in the early stages yet of its arrangements, and I am satisfied that I am voicing Lancashire's hopes when I say that we trust that its efforts will be entirely successful. The other development to the cotton trade to which I wish to refer is the growth of scientific research. Excellence of production becomes yearly of more importance. The technical study of cotton which is undertaken at the Shirley Institute, with the founding of which Mr Kenneth Lee was prominently concerned, will, we hope, prove of the greatest value to our local trade.

THE TRADE POSITION.

During 1922, though we made some recovery of our trade, as shown in the increase in the number of commodities and a consequent diminution in unemployment, trading was extremely difficult, and in many cases unprofitable, and there were many failures. It was not a good year for the cotton trade, and in spite of an increase in shipments of yarn and cloth to overseas markets there was serious under-employment. Some branches of the trade suffered many difficulties and profound disappointments during the last two years, and I would like to pay a tribute to the courage with which they have been faced. This present year opened with the belief that the cotton trade has better prospects. India had a very good monsoon last year, following a good harvest the year before, compared with a year ago, conditions in India are greatly improved. I was in that country in January, February, and March, at which time food prices were high, and political unrest, as shown in the Gandhi movement, almost at its highest. Now political conditions seem to be more settled, food prices have dropped considerably, and there is reason to believe there will be more buying of our goods. China, unfortunately, is still in a state of political disorder, and the immense possibilities of trade with her cannot be realised until there is a nearer approach to stable conditions. Other markets are buying, and some good judges think that the cotton trade has "seen the worst."

The outlook in the iron and steel trades is more promising. Early in 1922 only 77 blast-furnaces were at work, as compared with 169 at the end of the year. The shipbuilding trade has revived somewhat, and there is less idle tonnage laid up. The coal trade, too, is on a firmer footing. Other important industries are well occupied, and we seem justified in the belief that trade in 1923 will be better than in 1922. The cost of transport enters so largely into the cost of production of manufactured articles that the effect in this regard of the recent amalgamation of our railways into a few groups will be watched with considerable keenness.

TAXATION.

We are still labouring under high taxation, which is a heavy handicap to the growth of savings—i.e., capital, which, in conjunction with labour, is necessary for the extension of trade. As has already been said, it will need all our united efforts to secure that profitable trade from which alone we can find the funds to pay our way. We cannot afford to have avoidable disputes between capital and labour. As to the proper distribution of the results of industry, there is and will be controversy, and undoubtedly it is an outstanding problem. But it must be clear to all that there is only one main source of revenue, and that is the production of the commodities on such conditions that they can be exchanged in the markets of the world with a profitable result both to capital and labour.

THE BALANCE-SHEET.

Turning to the figures of our balance-sheet, you will observe that our current and deposit accounts stand at £56,549,059, as against £62,116,777 a year ago. A similar drop is to be observed in the case of substantially the whole of the banks, and it arises owing to the deflation of currency during the past year. I use the

expression "currency" to include all deposits in the banks—in other words, the "spending power" of the nation. During the war spending power was created by Government borrowings from the banks, the proceeds of which borrowings came back to the banks in the form of deposits, and very largely through this process the deposits of the banks were more than doubled. The reverse process is now going on with the result that a portion of this created credit is disappearing and the total amount of the deposits in the banks is diminishing. To what extent this deflation is the result of a calculated policy on the part of the Government it is difficult to say, but it is clear that any such policy carried out too rapidly must, owing to the relative drop in prices necessarily accompanying it, seriously react upon the tax-paying capacity of the nation. It is at least arguable that deflation should be allowed to take place gradually without any artificial acceleration. You will observe that our bills of exchange, including Treasury bills, stand in our balance-sheet at £5,073,269, as against £12,918,933 a year ago. The British Government securities, on the other hand, amount to £17,138,029, as against £11,725,046 a year ago. The actual commercial bills which we hold show a diminution in amount due to lessened trade requirements. We hold considerably fewer Treasury bills than we did, but our income in British Government securities is due to the extent of our holding of short-dated Government obligations. I may say that we have not added to our long-dated British Government securities since this question was referred to in the chairman's speech of last year. I am glad to say that the British Government securities which we hold stand in the balance-sheet at considerably less than their actual market value. The loans stand at £24,052,740, as against £28,889,379 last year, and reflect the lessened trade demands upon us. The amount is equivalent to 42.5 per cent. of our deposits. Our acceptances for customers are slightly higher, but very much below the level we should like to see. I may add that we have in every case endeavoured to meet trade requirements to the fullest possible extent.

LESSENER DEMANDS FOR MONEY.

The year 1922 showed a set-back all round in banking profits, due in a measure to the lessened demands for money, and the consequent difficulty in finding a profitable use for deposits. Our expenses are still, and likely to remain, upon a high level, and this is the experience of all concerns of a similar nature. Notwithstanding the depression through which the trade of this country has been passing, our bad debts have been relatively small, and they have been provided for in the usual way out of the profits for the year; we have made all the necessary provision for such accounts as are in our view in any way doubtful. I may refer to the item of bank property on the assets side of the balance-sheet. It has stood, as you know, at the same figure for some years, but as you also know it does not in fact represent the real value of our properties, which is very materially higher. We do not see any advantage in writing up the value in the balance-sheet, but it may be desirable to increase this item at some future date by debiting to it important expenditure. In this connection I may mention that we are about to rebuild our property in Cornhill, London. When that property was acquired the ground floor of the old building was adapted to bank purposes, but the property is old, and as it stands has long been insufficient for our growing requirements. Our scheme for rebuilding will give us very convenient bank premises, and we shall also be able to obtain a handsome rental from the upper floors, which we shall not ourselves need.

THE STAFF.

We recently had an inquiry from a shareholder who wished to be assured that our staff were properly looked after in the event of being laid aside through serious illness, and that adequate pensions were afforded on retirement. This inquiry gives me an opportunity of speaking generally on the subject of the staff. I would like to say that there is very close association between the management and the staff of the bank. The managing directors themselves visit the branches, and make themselves acquainted with individual members of the staff of all ranks. In the event of prolonged illness of a member of the staff, leave is granted for so long as may be necessary and assistance is given in serious cases where means are not adequate to meet necessary medical or surgical treatment. The staff pensions scheme, which allows of retirement after a certain term of service, is a generous one, and I can say that the relations between the management and the staff of this bank are of the happiest description.

The Chairman then moved the adoption of the report and balance-sheet.

This was seconded, and carried.

The retiring directors were re-elected, and the auditors, Messrs Halliday, Pearson and Co., re-appointed.

After the usual votes of thanks the meeting terminated.

UNION DISCOUNT COMPANY OF LONDON, LIMITED.

MR. R. HOLLAND-MARTIN'S REVIEW OF AN EXCEPTIONALLY GOOD YEAR.

A SOUND AND LIQUID POSITION.

TRIBUTE TO MR. CHRISTOPHER NUGENT.

TRADE REVIVAL PROSPECTS.

The sixty-fifth ordinary general meeting of the shareholders of the Union Discount Company of London, Limited, was held, on the 25th instant, at the Cannon street Hotel, London.

Mr Robert Holland-Martin, C.B., presided.

The secretary (Mr W. B. Hobbs) having read the notice convening the meeting and the auditors' report,

The Chairman said:—I presume that, as usual, you will wish to take the report as read. Before, however, I proceed to tell you of the results of the past year and our expectations for the future, I should like to say how sorry I am to miss the presence to-day of three very old friends of the company, who have always, up till to-day, been present at our meetings—Mr Fraser, Mr Brand, and Mr Christopher Nugent.

Mr Fraser, as you all know, died in July last. Associated, as he had been, with the company from its earliest years, he may well be considered as one of its chief founders. His thoughts were always wrapped up in it. He watched its growth with pride, and I only wish he could be here to-day to see how well his child did this last year. We on this side of the table, who loved him as a friend and greatly appreciated his wise counsel and advice, know only too well what his loss means to us and to the company.

Mr Brand, I am sorry to say, is laid up with an attack of bronchitis, but hopes to be about again shortly.

TRIBUTE TO MR. NUGENT.

Mr Christopher Nugent, to whose insight and careful management we owe so much of our prosperity, is only absent, I am glad to say, for precautionary reasons. He came up to help us at the end of the year, and I hope that when spring comes he will again be at his old seat on the board and give us the benefit of that unique skill and experience of his in the discount market from which this company derived so much of its position to-day. Mr Nugent's connection with your company, as I think all present know, goes back to its birth in 1885, when the United Discount Corporation and the General Credit Company decided to join forces, an amalgamation for which Mr Nugent and Mr Brand were chiefly responsible.

Mr Nugent was appointed manager, and from that day forward his working hours, or rather his whole life, was spent in building up this company. No company ever had a more devoted manager, and under his skill and care it has grown from its modest beginnings in 1885 to the splendid position which we are so proud of to-day. Your company absorbed Messrs Harwood Knight and Allen, and thereby gained the services of Mr Fraser, so that from its earliest years the company has had the services of the three gentlemen whose absence we deplore to-day. It is, I think, the first time that any of them has missed being present at our meetings.

MR. WYSE A WORTHY SUCCESSOR.

There is one relentless enemy of human action—old age—who pursues us through life, and as the days go on insists that it is no longer possible for us to continue to work as hard as ever, so that gradually we are compelled to realise that man cannot renew his youth. But herein lies the difference between man and his companies. A company need never grow old. It can, if it is wisely managed, always renew its youth by the appointment of a new manager, and happy the company who, like we did in obtaining the services of and appointing Mr Wyse, are able to do so, with the complete unanimity and harmony with which our old manager, Mr Nugent, brought Mr Wyse from the Guaranty Trust and initiated him here as his successor.

After working for nearly two and a-half years with Mr Nugent, that he might absorb all the traditions of the company, Mr Wyse gradually took up the reins, till finally he was formally appointed manager, on Mr Nugent's retirement, in June last.

I would like to say here how greatly your directors appreciated the action of their friends in the discount market, who, on Mr Nugent's retirement, presented him with a magnificent piece of plate, in recognition of his services as chairman of the Discount Houses Committee.

Ever since he joined us Mr Wyse, by his energy, his hard work, his careful and studied calculations of the effect on trade and finance of all the many disturbing elements around us to-day, has

shown himself a worthy successor to Mr Nugent, and one who can be depended on to guide our company still further to success, as you will see from the balance-sheet to-day, which exhibits the result of Mr Wyse's first year of management and records the largest profits and strongest balance-sheet yet shown in the records of the company.

To fill the vacancy caused by Mr Fraser's death we have elected Mr Laurence Currie to your board. Mr Currie is so well known in the City of London that there is no need for me to introduce him to you. I will only say that we feel that in securing Mr Currie we have gained a most valuable colleague.

AN EXCEPTIONALLY GOOD YEAR

From the balance-sheet of this company and from the speeches of the chairmen of the other two discount companies, you will have learnt, which I expect most of you realised before, that the year 1922 has been an exceptionally good one for the discount market.

I use the word "exceptionally" advisedly, for, though the year has undoubtedly been the most prosperous in the history of the discount market, that has been due to most exceptional circumstances, which cannot be expected to occur again.

Before the outbreak of the Great War, which has shattered trade and broken down the financial systems of almost every country, the main business of a discount company lay in the discounting and re-discounting of trade bills, and the volume of business done in Treasury bills, or other short-dated Government securities, was very small. There was no large, regular, and constant issue of Treasury bills, and the class of short-dated Government bond so much in evidence to-day was practically non-existent.

EFFECTS OF WAR RAVAGES.

But as the ravages of war began to be felt, external trade ceased and internal trade was mainly dealt with, the Government being the chief purchaser, on a cash basis, with the result that the Treasury bill and the short-dated War Bond took the place of the almost defunct trade bill.

During the past few years, therefore, when the Bank rate was over 5 per cent., and the margin on which the market worked a fairly profitable one, the Treasury bill became the chief commodity in the bill market, and the discount market had, in trading in these bills, the additional advantage that British Government paper does not produce bad debts. Money, too, was growing cheaper, and with the advent of 1922 a new era began. Bank rate, which had been reduced from 5½ per cent. to 5 per cent. in November, 1921, was reduced on February 16 to 4½ per cent., and on April 13 to 4 per cent., and later by two more ¼ per cent. falls, to 3 per cent. In consequence, there was a rise in the price of all the short-dated Government securities. This enabled your company and others to deal and make large profits outside their ordinary portfolios. Had profits depended solely on the holding of bills, the year would have been a very lean one, for there was only a margin of 1s for the June half-year in favour of the bill against the short-money cost, a margin which in the December half-year was increased to about 13s per cent., so that the margin of profit for the whole year was only about 7s per cent.

BRIGHTER TRADE OUTLOOK.

Such, then, has been the financial history of the past year, as seen from the discount market, and I am not bold enough, in times like these, to take upon myself the rôle of a prophet. I will only say that there seem to be signs of life kindling in the dry bones of trade. Less tonnage is laid up idle; more blast furnaces are being blown in; more coal is being brought to bank; there is more inquiry for Manchester and other goods; the wool trade, on which the trade of England was originally founded, is prosperous.

There is less, but not nearly enough less, unemployment, and there is little doubt that the patient has at last taken a turn for the better. But there is no possibility of real and continued improvement until all the fever of war has died away.

Trade is for the mutual benefit of both producer and consumer, and is, and can only be, active when both are prosperous, contented, and peaceful. How, then, with all Central and Eastern Europe still racked with the fever of war, embittered by national hatred and mistrusts, can trade begin to thrive?

Till the events of the past few days, when France has, unfortunately, allowed her desire for revenge to outrun her discretion, there were hopeful signs of joint action (and it is in joint action that the hopes of the future rest) being taken, to repair the currency position of Austria, but in the present turmoil little can be done, and the Austrian and European exchanges must therefore continue to fluctuate and go from bad to worse.

THE AMERICAN DEBT.

With regard to the settlement of the debt that this country owes to the great English-speaking nation across the water, our hope ran high at the obvious good will that greeted the arrival of our representatives, and though the hoped-for settlement has not been arrived at without the return of the Chancellor, in order to consult his colleagues, yet there may be virtue in that delay when the matter comes up before Congress, and already much has been achieved in making it clear to the States that this country is resolved to pay to the full her debt at the earliest possible moment, and all that is in dispute is as to the fair rate of interest and date of redemption.

ANALYSIS OF ACCOUNTS.

From this short account of the happenings of the past year let us now turn to the audited accounts for the year, that I may give you an account of our stewardship.

At the close of 1921 you entrusted to our care a paid-up capital of £1,000,000, a reserve fund of £1,100,000, a provident fund of £154,600 (earmarked for the proper provision of pensions or grants to those of our staff who leave our service after years well spent in work, but subject to that debt the property of our shareholders), and a carry forward of £149,650, a capital sum, that is, of £2,404,250.

With this you will see, if you turn to the credit side of the profit and loss account, we were able to declare to you gross profits of £784,470, after fully providing for all possible contingencies, including provision for income and corporation profits tax. From this has to be deducted, on the other side of the account, for current expenses, which include salaries, rent, taxes, directors' fees, and all other charges, some £75,000, an increase on the previous year of just over £5,000, and the rebate of interest on the bills discounted, not due, carried to the next account, which amounts to £393,400, as compared with £643,535 in last year's accounts, a decrease of some £250,000. Deducting then this £75,000 and the £393,400 from the gross profits of the year, added to the balance brought forward, you will find that a sum of £465,720 remains, which is no less than £66,000 more than last year.

THE DIVIDEND.

This sum, we suggest to you, should be allocated as follows:—A dividend for the complete year at the same rate—15 per cent.—as paid in January last, which, less income-tax, will absorb £110,625. Next, for the welfare of the company, and as a help to increased earning power, we ask you to place £100,000 to reserve fund, which will then stand at £1,200,000.

PROVIDENT FUND.

Then, the year having been exceptionally good, we suggest the placing of £20,000 to the provident fund, which will bring it to £177,005, an increase on the year of £22,397; for, in addition to any annual grant, this fund is credited with interest at the rate of 5 per cent. before the deductions for the year's pensions and grants are made.

We also ask you to place £18,506 7s 4d to the account hitherto known as "freehold and leasehold premises, fittings, furniture at cost, less depreciation written off," in order that we may eliminate cost, less depreciation written off, in order that we may eliminate in future all reference to fittings and furniture, which, indeed, for some time have only stood at a very nominal figure in our books, but may also write down our freehold and leasehold premises, the latter of which are only a very small portion of our estate, to a figure which I believe to be much under the market value of our premises, if not indeed below the value of the freehold part alone, though I do not wish to suggest that the figure is one that will not continue to be made more and more nominal year by year.

THE BONUS.

Having thus provided largely to the resources of the company, we suggest that a special bonus of 5s per share, free of tax, be paid to the shareholders, and then, after the shareholders have participated in this £50,000, which is £20,000 more than they received last year, we propose to carry forward the balance of £166,499 6s 10d, which is £16,849 more than last year.

THE BALANCE-SHEET.

If you approve of these alterations, the balance-sheet will read as follows:—

On the debit side—			
To capital account	£1,000,000	0	0
Reserve fund	1,200,000	0	0
Provident fund	177,005	5	4
Loans and deposits	£34,139,416		
Bills re-discounted	6,795,271		
	40,934,687	19	3
Rebate	393,404	0	2
Dividend and bonus	106,250	0	0
Carry forward	166,499	6	10
	£43,977,846	11	7

As assets against these you will find on the credit side of the account:—

By cash at bankers (an increase of £17,886)	£1,274,375	1	10
By British Government Securities	4,819,074	2	1
(An increase of £302,208)			

These securities are, I need hardly tell you, taken at a figure well below their market value to-day. Indeed, if realised to-day there would be a very handsome profit to the shareholders.

By loans on securities	230,940	8	2
This item is more than £2,100,000 lower than last year.			
By bills discounted	37,484,421	19	7
Nearly £3,400,000 lower.			
By debtors	18,134	19	11
By freehold and leasehold premises	150,000	0	0
	£43,977,846	11	7

EXTREMELY SOUND AND LIQUID POSITION.

That, gentlemen, is a balance-sheet of which you may, indeed, be proud. It proves your company to be extremely sound and liquid. It has ample cash in hand. Its securities stand in the balance-sheet at a figure well below their market price; moreover, they all fall due in the near future, and will automatically run off in due course, as will also the bills discounted, which item contains a very large amount of Treasury bills and short Government securities, with only a few weeks or months to run.

But more than this, it has very live assets in Mr Wyse, Mr Nevill Jackson, and their assistant managers, Mr Langley, Mr Foucar, Mr Brown, its secretary, Mr Hobbs, and, indeed, its whole staff, to whose energy and work the excellent results of the past year are due.

With such a staff and such resources at its disposal we look forward to this company's continued expansion and prosperity.

The reports and accounts were unanimously adopted.

PROVINCIAL BANK OF IRELAND, LIMITED. IMPROVED PROFIT—DIVIDEND MAINTAINED.

The annual general meeting of the Provincial Bank of Ireland, Limited, was held, on the 24th instant, at 8 Throgmorton avenue, London, Capt. George L. Poë, R.N., presiding.

The Chairman said that the reserve fund had been raised to a total of £500,000 as a result of additions during the year of £35,000. Notes in circulation continued to keep at a high figure, and the total of £1,970,232 was slightly higher than that of a year ago, and showed also an increase on the figures at June last. While deposits had increased during the past six months by about £51,000, they were lower by about £32,000 than at December last. Advances at £8,441,733 were down by about £540,000. Against the smaller holding of cash in hand investments were higher by about £618,000. It was pleasant to point to an improvement in the profits, which for the past half-year showed an increase of about £15,000 in net results as compared with the period ended at December, 1921. The dividend was maintained at 13½ per cent. per annum, and after the addition of £20,000 to reserve and £5,000 applied to writing down bank premises account, with an addition of £10,000 to the contingency account, a slightly larger balance of £42,200 was carried forward.

As evidence of the bank's expansion in recent years, he recalled that in January, 1915, the reserve fund stood at £375,000, against the present total of £500,000, and the deposits were £6,752,422 in comparison with the present figures of £17,570,420. The balance-sheet at that time dealt with an aggregate of £8,870,000, against to-day's total of £20,650,000. Unfortunately, business conditions were still very unsettled and difficult, and the majority of the bank's sub-branches had not yet been reopened. The decrease in land under tillage, 67,000 acres, was a notable feature in the present agricultural position in Ireland, and was specially regrettable in the case of barley and oats. Since 1918 the land under the potato crop had fallen by 132,000 acres, and 110,000 acres of this total were in the six county area. The land under cultivation for flax showed a decrease for the year of about 15,000 acres, but the results as regarded price were sufficiently encouraging to growers to lead to a larger sowing for the coming season. The past year was a disappointing one for the linen industry, and the improvement recorded in the early season proved to be temporary, but prospects were thought to be again brightening.

The report and accounts were unanimously adopted.

WILLIAMS, DEACON'S BANK, LIMITED.

SUCCESSFUL RESULTS OF THE YEAR.

POSITION AND PROSPECTS OF THE INDUSTRIES. INCREASED DIVIDEND.

The annual meeting of the shareholders of Williams, Deacon's Bank, Limited, was held in the board-room, Mosley street, Manchester, on Thursday last, the 25th instant, Captain Gerard Powys Dewhurst (the chairman) presiding.

The notice convening the meeting and the auditors' report were read by the secretary (Mr E. A. Williams).

The Chairman, in moving the adoption of the directors' report and statement of accounts, said:

Ladies and Gentlemen,—From the report in your hands you will have realised that since we last met you here we have to deplore the loss of two of our colleagues. Henry Garwood Seaman only survived his retirement from the board by a few months, though for some time he had taken no active part in the affairs of the bank. With regard to John McConnell, I am afraid that overwork and excessive strain told a tale on the heart, and his sudden collapse last summer came as a great shock to us all—he was a most efficient director, taking the keenest interest in all matters connected with the bank, and, both as a personal friend and colleague, we all miss him very deeply.

NEW DIRECTOR.

To fill his place we have invited Thomas Frederick Tattersall to a seat on the board. Mr Tattersall, as a member of Messrs C. Tattersall and Co., cotton merchants, Manchester, and a director of the English Sewing Cotton Company, Limited, hardly needs any introduction from me, but I am confident that his well-known ability and wide experience in all matters connected with the cotton trade will prove a great asset to the bank. You will be asked presently to confirm his appointment.

THE STAFF.

With reference to our staff, I should like to inform you that while we propose to adhere to our decision, reported to you at our last meeting, of only renewing their bonus on a sliding scale, corresponding to the index figure of prices fixed by the Ministry of Labour, we have made a slight adjustment of the basis of calculation, which should prove a distinct advantage to the members of the staff, and which I may say has been much appreciated. Whilst on this subject I should like to ask the proprietors to associate themselves with the board in a very hearty expression of thanks to the staff of the bank for their loyal and efficient service during the past year, and to assure them that we much appreciate the tangible results of their labour on your behalf.

INCREASED VALUE OF THE INVESTMENTS.

Reading between the lines of our report, you will probably have gathered that the diminution in the figures of our actual trading profit has been much more than offset by the increase in the value of our investments, so that we are now benefiting materially from our policy in recent years, of writing off out of profits investment depreciation as it occurs, and have arrived at a position where we can safely distribute a reasonable increase of dividend to the proprietors. In the period of abnormal profits we made corresponding allocations in this direction, as we did also to our general reserve fund, and we are now reaping the benefit. I need hardly add that the figures we show you to-day have only been arrived at after adequate provision has been made for any position of a weak or doubtful character.

NEW ACCOUNTS.

We are glad to be able to report to you that the number of new accounts opened during the past 12 months has again been encouraging, and shows a most satisfactory increase, especially in view of the hard times and the difficulty which many of our customers amongst the wage-earning classes have had in keeping open their banking accounts; but here our policy of branch extension is bearing fruit, and though expenditure in that direction has been heavy during the year, we feel it has been amply justified. Building costs are, in our opinion, still too high, and we have, therefore, made an increased allocation out of profits to our premises account.

At Mosley street we hope shortly to be in full possession of a portion of our recent purchase, which, when complete, will not only give the accommodation our foreign exchange, shipping, and agency departments require, but incidentally will give us an extremely fine banking hall.

THE BALANCE-SHEET—RESERVE FUND.

And now, if I may take the report in your hands as read, and turn to the balance-sheet, you will see that on the liability side our

capital remains the same, but our reserve fund has been increased to £1,150,000 by the addition out of profits of £50,000. This compares with an allocation of £100,000 last year, but, as I said before, during the abnormal conditions of recent years we made special efforts to strengthen this fund, and, under present circumstances, consider this provision adequate.

DEPOSITS.

Our deposits, at £37,626,000, show a reduction on 1921 figures of over 2½ millions, but you must remember those figures were in themselves a record for the bank, and a fall in Bank rate, and consequent reduction in bankers' deposit rates, has caused a considerable movement of money from deposits to investment in gilt-edged securities. A shrinkage in our figures was, therefore, only to be expected.

Liabilities for acceptances are less this year by nearly half a million, accounted for by the further reduction in our international war credits, and, owing to the stagnation of trade, by a lessened demand for the opening of fresh credits.

ASSETS.

Turning now to the assets side of the sheet, our cash shows a decrease on last year's figures of some £300,000, while balances with other banks are some £60,000 higher.

During the past year we have employed some two million less of our short-term money on the London Money market, which accounts for the decrease in the next item; whilst with regard to bills discounted at £3,587,000 a similar reduction is shown, the result almost entirely of our decreased purchases of Treasury bills.

INVESTMENTS.

Our investments in British Government securities at £6,400,000 show an increase on last year of £1,800,000, which may be regarded as a set-off to the previous item; in fact, the movement from bills discounted to investments has been much in evidence in all banking returns. Other investments show a decrease of nearly £200,000 as a result of realisations in certain directions.

ADVANCES TO CUSTOMERS.

Our advances to customers at over £10,000,000 show an increase on the previous year of over £500,000, the improvement in demand for facilities having been most apparent in the last quarter of the year, which I trust we may take as a sign of the coming improvement in trade.

Bank premises now stand in our books at the figure of £660,000, being an increase of over £13,000. This is after crediting the account with £30,000 out of the year's profits, as compared with £25,000 last year, the prudence of which I am sure you will all recognise.

PROFIT AND DIVIDEND.

Coming now to our statement of profit and loss, you will see our net profit, after making the usual provisions, gives us the total of £337,175, a decrease on the previous year of £28,000. This, after transferring £50,000 to the general reserve fund, and £30,000 to bank premises account, enables us to pay a dividend at the rate of 13½ per cent. on our "A" shares, our usual dividend at the rate of 12½ per cent. on our "B" shares, and increase our carry forward from £30,086 to £43,120.

FAVOURABLE FACTORS.

Before leaving the accounts, I should like to refer to one or two matters in connection with our work of the past year, which should give us cause for satisfaction.

First, if we take the London and Manchester Clearing House returns, we find that in both centres this bank is more than holding its own with regard to the amounts passed through the respective clearings; while in regard to returns of profits given by other banks, we find our decrease in that direction ranks, in proportion, amongst the best of the published figures.

Further, you may be interested to know that our percentage of expenses to gross profits, apart from income-tax, which, of course, this year is a favourable factor, shows a satisfactory decline.

THE COUNTRY'S TRADE.

Looking back at the trade of the country during the past year, I am afraid we can find little cause for satisfaction, though during the past few months there have been distinct signs of revival in some of our principal industries, sufficient perhaps to warrant us in hoping that the worst of the depression is passing. The coal

trade, for instance, has taken a distinct turn for the better, the export figures, in particular, showing an encouraging advance on the previous year, whilst statistics of output show a steady increase.

IRON, STEEL, AND COTTON.

Our reports from Sheffield on the state of the iron and steel trade also tend to show an improvement in demand, though the figures of unemployment in that part of the country are still too high to lay much stress on this. But, gentlemen, I think it is to the cotton trade that we look most anxiously for signs of improvement, and here I think the only help we can get is from our export figures, which show a fair increase on those of 1921, but are still some 40 per cent. in volume below those of 1913. On the other hand, expressed in sterling, our shipments of cotton piece goods for 1922 show an increase in value of some 45 per cent. over 1913. This, to my mind, is the worst feature, as it proves that so long as our costs of production remain at their present level, so long will our customers abroad curtail their purchases to their minimum requirements; and I think it is a matter for careful consideration on the part of employers of labour and Trade Union leaders that, while actual wages paid in the cotton trade are roughly 100 per cent. to-day above pre-war level, the cost of production, owing to idle machinery and lessened hours of running, is more than trebled, with the result that prices on this side are so much too dear for our customers' ability to pay, that not even the stimulus of a regular advance in the price of the raw material has had any effect during the past year of bringing out offers.

AMERICA AND FRANCE.

Looking further afield, it is a matter of keen regret to us all that the funding of our debt to the United States of America and the question of German Reparations still remain unsettled, but now that the points of difference between ourselves and the Americans have been narrowed down so materially, we can surely hope for a speedy settlement there, though I am afraid, while we all feel keen sympathy with France in her difficulties, her recent drastic action can hardly conduce to the stabilisation of exchanges and a restoration of credit on the Continent of Europe, without which there can be no permanent revival of trade in this country.

The Chairman concluded by moving the adoption of the report and accounts.

Mr B. G. Wood seconded the resolution, and it was carried unanimously.

Mr Herbert W. Arnold then proposed "That the appointment of

Mr Thomas Frederick Tattersall to a seat on the board be and is hereby confirmed."

Mr James Fortune seconded the resolution, which was agreed to unanimously.

Mr Lewis A. Orford moved, and Mr Schneider seconded, the re-election of Colonel Sir Robert Williams, Bart., and Mr William Francis Courthope as directors of the company, which was carried.

Mr Thos. Pilling moved, and Mr Ralph Morton seconded, the election of Messrs Ashworth, Mosley and Co., chartered accountants, as auditors of the company for the year 1923.

The resolution was carried.

VOTE OF THANKS TO THE CHAIRMAN.

Mr B. G. Wood then took the chair, when, upon the motion of Major Murray Marsden, O.B.E., seconded by Mr Hamlet Rothwell, the following resolution was put:—"That the best thanks of this meeting be tendered to the chairman for his conduct in the chair."

The resolution was carried with acclamation, and the Chairman having briefly responded, the meeting terminated.

THE NATIONAL BANK, LIMITED.

GENERAL TRADE CONDITIONS IN IRELAND.

The annual general meeting of the National Bank, Limited, was held, on the 25th instant, at the head office, 13 Old Broad street, London, Sir John Purcell, K.C.B. (chairman of the company), presiding.

The secretary (Mr M. J. Cooke) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said:—Following previous and successful half-years, it affords your directors much pleasure to be able again to place before you a set of particulars which, I submit, show a sufficiently satisfactory record for the half-year to December 31st, with which I now propose to deal. During the course of it we, like others, have been faced with no small political and monetary uncertainties. Indeed, in my humble judgment, the times through which we are now passing make it more necessary than ever to walk warily and to act cautiously and conservatively.

I now turn to the balance-sheet, and will, with your permission, proceed to analyse the principal items and compare the figures with those placed before you twelve months ago. The paid-up capital remains at £1,500,000; £200,000 was added to the reserve fund during the past year, bringing that item up to the sum

THE ANGLO-SOUTH AMERICAN BANK, LIMITED.

Capital and Reserves exceed £13,000,000.

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

NORTHERN DISTRICT OFFICE:
69, Market St., Bradford.

LANCASHIRE BRANCH:
39, Mosley Street, Manchester.

Affiliated Institutions:
THE BRITISH BANK OF SOUTH AMERICA, LTD.,
AND
THE COMMERCIAL BANK OF SPANISH AMERICA, LTD.

GREAT BRITAIN
MANCHESTER
LONDON
BRADFORD
PARIS
FRANCE
VIGO
BILBAO
MADRID
BARCELONA
SEVILLE
VALENCIA

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

Telegraphic Address : Kansallispankki.

well known in connection with the transshipment of cargo for ocean liners. Another branch of the company's business was freight contracting. During the past six months over 350,000 tons had been carried by outside vessels under charter to the Walford Lines, and they had secured over 120,000 tons of outside cargo for the current year at an assured profit. Since its inception the company's record had been one of sustained activity and enterprise, which in less adverse circumstances would have ensured profitable results. There should be nothing in the way of a profitable future if the financial position were now put right. The reconstruction scheme described in the documents which the shareholders had received might appear somewhat drastic, but the directors had been greatly exercised to arrive at a solution which would safeguard to the fullest possible extent the interests of the shareholders. The essential factor was to free the company from financial embarrassment and to ensure that, having made a sacrifice, the shareholders would be certain of reaping immediate benefit of a revival of prosperity.

The managers had contributed by agreeing to cancel the whole of the "B" shares, thus leaving only one class of share entitled to full dividend. It was also necessary, thoroughly to clean up the position, to secure new capital to pay off the indebtedness and relieve the company of financial charges. The directors had sought the advice of important financial houses in the City, and had also conferred with most of the large shareholders, who had commended the scheme. The proposed issue of £150,000 new capital had been securely underwritten after full investigation of the company's position. The new shares were to be offered to the shareholders, and the underwriters had agreed to release to those who subscribed a call for two years on half the number of shares subscribed. Application would be made to the Stock Exchange for permission to deal in the call certificates. The company's present unfortunate position had been brought about by the sudden and terrible depreciation in the capital value of ships; trading profit and trading losses practically balanced. Depreciation from the downfall of shipping values was another matter, and to that also must be attributed the big loss in connection with the John Harrison Line. It was impossible to ignore the fact that on the original 15 steamers of the company's fleet there had been a depreciation in value of £378,314. That depreciation was so enormous that even if the company had been making substantial profits it would have been out of the question to pay any dividends until the whole of that loss had been met out of profits. Although all deplored the heavy sacrifice involved, it was better to face the fact boldly and secure the future. On the reconstructed figures it would not require a very large profit to pay dividends, and there was every prospect of a profitable future.

After a brief discussion the report was unanimously adopted, and at subsequent extraordinary general meetings resolutions were approved for the reduction and reorganisation of the company's capital.

AGWI OIL MARKETING COMPANY, LIMITED.

REVENUE EARNING COMMENCED.

The statutory general meeting of Agwi Oil Marketing Company, Limited, was held, on the 17th instant, at Caxton Hall, Westminster, London. Sir Joseph Davies (the chairman of the company) presided.

The secretary (Mr. A. W. S. Douthwaite) having read the notice convening the meeting,

The Chairman said: Gentlemen, you will realise that this meeting is of an entirely formal character, being called to comply with the requirements of the Companies Act, 1908. From the statement of accounts which has been in your possession it will be seen that 250,000 "A" shares and 50,000 "B" shares have been allotted. The company, as you are aware, was formed to work in conjunction with the Agwi Petroleum Corporation, the special department of the Agwi Oil Marketing Company being to act as the distributing section of the joint undertaking. In pursuance of this object the first stage of our work has been to acquire main distributing depots. We are already in possession of and working a large depot at Fawley, Southampton, which we have acquired from the Agwi Corporation. This property includes an area of land with ample space available for developments as the business of our company expands. Sites have also been secured in other parts of England. These have been carefully selected, and are located at points where each site will be a convenient centre for distributing to the great areas of population. Each of these sites has access by water, so that petrol and all descriptions of oil and oil products can be sent by ships from the main importing depot at Southampton, thus obtaining the advantage of sea transport, which is the most economical method of conveying oil. On the land side, each site is served by railway, and has access to good roads.

ARRANGEMENT WITH NATIONAL BENZOLE COMPANY.

In regard to petrol, the Agwi Corporation is associated with

the National Benzole Company, which is dealing with distribution. We have, however, entered into an agreement with the National Benzole Company under which our depots will be utilised as main storage in the respective districts for the National Benzole Mixture. With respect to fuel oil, the Agwi Corporation has an agreement with Messrs. Lambert Brothers, under which that firm acts as sole agent for the sale of fuel oil for ships' bunkers here or abroad. Having regard to the fact that the consumption of fuel oil for inland transport is steadily increasing, it will be left to our company to act as agents for the Agwi Petroleum Corporation for all the products of the refinery at Southampton and for all oils imported by the Agwi Corporation. We have already commenced earning revenue through the operations of the depot acquired at Southampton, and also at a depot on the North-East Coast. The construction of other depots is being pushed forward with the greatest rapidity. It will be seen from this short summary that there is ample work awaiting our other depots immediately they are completed and come into commission.

THE DIRECTORATE.

Under the articles of association half the directors are to be appointed by the Agwi Petroleum Corporation, or, in case the total number of directors is increased to an odd number, the directors appointed by the corporation shall be the nearest number to, but in excess of, one-half of the total number. The corporation, accordingly, has nominated Mr. Harry Davies and myself as members of the board to represent their interests. In addition, Mr. D. P. Barnett and Mr. Newton Dunn, who are also on the board of Agwi Petroleum Corporation, were appointed directors of the Marketing Company by resolution at a meeting of the signatories to the memorandum and articles of association held on November 2nd last. The present constitution of the board, therefore, ensures the closest co-operation between the two companies.

The objects and interests of this company are to work in close association with the Agwi Petroleum Corporation. The work which we can carry out will prove of great public advantage, and will assist in the development of the refining and importing operations of the Agwi Corporation. Your directors, therefore, have every confidence that, in carrying out this work, they can secure a good and consistent revenue which will prove satisfactory to all who have invested their money in the undertaking.

There being no resolution to put before the meeting, and no questions being asked, the proceedings terminated with a vote of thanks to the chairman.

GOVERNMENT RETURNS.

PUBLIC INCOME AND EXPENDITURE

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1922-23. (See Note.)	Total Receipts into the Exchequer from Apr. 1, 1922, to Jan. 20, 1923.	Receipts to Jan. 21, 1923.	Week Ended Jan. 20, 1923.	Week Ended Jan. 21, 1923.
BALANCES IN EXCHEQUER ON 1st April:					
Bank of England....	..	9,963,424	2,591,061	..	..
Bank of Ireland....	..	1,210,106	483,455	..	..
REVENUE.		11,173,530	3,074,506	..	..
Customs.....	112,250,000	101,568,000	106,021,000	1,864,000	2,456,000
Excise.....	160,750,000	131,966,000	163,530,000	8,319,300	10,694,000
Motor Vehicle Duties....	10,800,000	6,519,000	5,787,000	181,000	204,000
Stamp, &c., Duties.....	48,000,000	46,491,000	39,898,000	880,000	1,724,000
Stamps.....	18,250,000	15,882,000	12,955,000	650,000	54,000
Land Tax, House Duty, & Mineral Rights Duty	3,000,000	1,110,000	920,000	230,000	200,000
Property & Income Tax (including Super-Tax)....	329,000,000	217,169,000	209,059,000	11,247,000	14,243,000
Excess Profits Duties, &c.	27,800,000	994,000	29,714,000	430,000	547,000
Corporation Profits Tax	19,750,000	14,517,000	11,860,000	1,000,000	1,250,000
Post Office.....	50,000,000	42,200,000	42,750,000	570,000	..
Crown Lands.....	750,000	710,000	..	..	..
Interest on Sundry Loans.....	14,000,000	9,546,617	10,892,287	8,937	10,725
Miscellaneous.....	22,000,000	20,167,776	19,763,702	..	..
Ordinary Receipts....	90,000,000	37,919,339	102,516,753	552,829	1,157,588
Special Receipts....	..	646,749,732	756,256,742	25,362,766	36,040,313
Revenue.....	910,775,000	657,923,262	759,311,248	25,362,766	36,040,313
OTHER RECEIPTS.					
Temporary Advances Repaid:—					
Bullion.....	..	800,000	7,830,000	..	250,000
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	..	169,818	169,818	..	..
Under the Unemployment Insurance Act, 1921.....	..	2,910,000	520,000	..	..
Money Raised by Creation of Debt:—					
(a) For Capital Expenditure Issues: Under the Telegraph (Money) Act, 1920 to 1922.....	..	5,310,000	5,561,474	..	..
Under the Post Office (London) Railway Act, 1913.....	..	27,000	27,500	..	..
Under the Housing Act, 1914.....	..	950,000	..	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922 By Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	..	1,553,300	..	..	..
(b) Under the Unemployment Insurance Act, 1921.....	..	4,050,000	7,600,000	..	..

NOTE.—Budget Estimate as in H.C. No. 77 of 1922.

CURRENCY NOTES ACCOUNT.

(000's omitted.)

	Total Receipts into the Exchequer from				RECEIPTS.		CURRENCY NOTES ACCOUNT.											
	Apr. 1, 1922, to Jan. 20, 1923.		Apr. 1, 1921, to Jan. 21, 1922.		Week Ended Jan. 20, 1923.	Week Ended Jan. 21, 1922.	(000's omitted.)											
	£		£		£	£	Date.		Notes and Certificates Outstanding.	Investments Reserve Account.	Advances to		Redemption Account.					
											Bankers.	Savings Banks.	Gold and Bullion.	Bank of England Notes.	Ratio to Notes in Circulation.	Government Sec.	Balance at Bank of England.	
(c) For other Issues:																		
By Treasury Bills for Supply	2,395,850,000	3,242,394,000	61,139,000	70,771,000														
By National Savings Certificates	51,158,000	35,980,000	1,350,000	2,750,000														
By Exchequer and National War Bonds	20		5															
By Treasury Bonds—																		
5-15 year, 1925-35	61,655,154	267,267,928		47,960,000														
5½% 1927			4,965,775															
4½% 1932	76,369,260																	
By Other Debt created under the War Loan Acts, 1914 to 1919	25,259	10,961,454																
(d) Ways and Means Advances	800,675,500	1,104,646,000	29,600,000	1,000,000														
Anglo-Persian Oil Company—																		
Dividends on Shares acquired	243,012	5,010																
Repayments—																		
In respect of Canadian Loan	130,000	130,000																
Do East Africa Protectorate Loan		127,268																
Do Issues under Civil Contingencies Fund Act, 1919		7,250,000																
Do Issues under Land Settlement (Facilities) Acts, 1919 and 1921.	273,914	46,434																
Do Issues under Section 59 (4) of the Finance Act, 1920	6,827,960	13,490,500																
Interest received under Section 59 (5) of the Finance Act, 1920.	162,425	321,533																
Total	4,067,063,884	5,463,630,622	122,417,541	158,771,513														
EXPENDITURE AND OTHER ISSUES.																		
Estimate for the Year 1922-23.	Total issues out of the Exchequer to meet Payments from	Issues.																
Jan. 3	295,414	12,915	7,000	27,000	21,150	16-3	253,013	166										
10	285,737	12,820	7,000	27,000	21,150	16-6	247,201	206										
17	284,928	12,462	7,000	27,000	21,150	16-9	242,104	136										
24	280,834	12,150	7,000	27,000	21,150	17-1	237,713	120										

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £320,600,000, for 1921 at £317,555,200, for 1922 at £309,988,400, and for 1923 at £270,183,800.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £40,000,000 in three months' Treasury Bills dated from Monday to Saturday, January 28-February 3, were opened on January 26, 1923, and the total amount applied for was £61,530,000. Tenders for Monday bills at £99 8s 7d, about 83 per cent. and above in full, Tuesday bills at £99 8s 6d, above in full, and Wednesday to Saturday bills at £99 8s 7d, about 83 per cent., and above in full. The average rate of discount for Treasury bills was £2 6s 3/8d. The amounts allotted were as follows:—In bonds, £3,500,000; in bills at 3 months, £35,000,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills. Average Rate.	4½% Treasury Bonds, 1923. Average Price.
	£	£	£ s d	£ s d
Nov. 3.....	(a) 45,000,000	(a) 57,330,000	2 9 1/2	99 4 8/7
Nov. 10.....	(a) 45,000,000	(a) 55,585,000	2 11 3/4	99 2 4/8
Nov. 17.....	(a) 40,000,000	(a) 62,245,000	2 8 6/5	99 4 4/8
Nov. 24.....	(a) 50,000,000	(a) 62,240,000	2 9 2/9	99 3 9/8
Dec. 1.....	(a) 55,000,000	(a) 69,265,000	2 7 1/7	99 5 0/8
Dec. 8.....	(a) 55,000,000	(a) 70,595,000	2 11 1/9	None allotted
Dec. 15.....	(a) 55,000,000	(a) 67,355,000	2 11 0/2	None allotted
Dec. 22.....	(a) 50,000,000	(a) 52,725,000	2 11 7/52	None allotted
Dec. 29.....	(a) 55,000,000	(a) 76,225,000	2 6 11/35	None allotted
1923.				
Jan. 5.....	(a) 50,000,000	(a) 63,995,000	2 2 7/57	99 3 9/6
Jan. 12.....	(a) 50,000,000	(a) 78,575,000	2 3 5/58	99 6 3/72
Jan. 19.....	(a) 40,000,000	(a) 55,305,000	1 18 9/91	99 7 1/69
Jan. 26.....	(a) 40,000,000	(a) 61,530,000	2 6 3/87	99 7 6

(a) Including Treasury Bonds.

Tenders will be received on Friday, February 2, 1923, for Treasury Bonds and Treasury Bills to be issued to the maximum amount of £40,000,000. The amount of Treasury Bonds issued will not exceed £5,000,000, but subject to that limit, the total amount issued will be divided between Bills and Bonds in such proportions as The Lords Commissioners of His Majesty's Treasury may determine.

HEAD OFFICES: LIVERPOOL AND LONDON

ROYAL
INSURANCE COMPANY, LIMITED
ALL CLASSES OF INSURANCE EFFECTED

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, January 24, 1923.

ISSUE DEPARTMENT.

£	£
Notes issued.....	144,111,735
Government debt.....	11,015,100
Other securities.....	7,434,900
Gold coin and bullion	125,661,735
	144,111,735

BANKING DEPARTMENT.

Capital	14,553,000	Government securities	53,444,811
Reserve	3,447,160	Other securities	65,238,047
Public deposits	11,372,032	Notes	23,313,165
Other deposits	114,431,342	Gold and silver coin	1,827,419
Seven-day & other bills	19,908		
	143,823,442		143,823,442

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

COMPARISON WITH PREVIOUS WEEK AND A YEAR AGO.

	Amount, Jan. 24, 1923.	Inc. or Dec. Last Week.	Inc. or Dec. Last Year.
Reserve	£ 3,447,160	£ 18,622	+ 29,932
Public deposits	11,372,032	+ 963,906	+ 3,522,222
Other deposits	114,431,342	+ 19,700,641	+ 6,497,510
Government securities	53,444,811	+ 18,665,000	+ 8,366,125
Other securities	65,238,047	+ 5,746	+ 18,429,441
Notes	25,140,584	+ 435,377	+ 449,307
Gold and silver coin	120,798,570	+ 43,580	+ 1,407,270
Seven-day & other bills	127,489,154	+ 2,203	+ 957,963
% of reserve to liabilities	20%	+ 2%	+ 1%

THREE MONTHS' RECORD.

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Reserve.	% of Reserve to Liabilities.
1922.					
Nov. 1.....	127,435,322	123,158,840	123,879,002	118,854,444	22,726,482
8.....	127,437,711	123,159,305	122,617,564	116,974,245	23,368,406
15.....	127,441,016	123,160,827	122,620,827	116,110,736	23,989,056
22.....	127,445,261	123,167,130	123,414,918	116,705,543	24,488,131
29.....	127,440,455	123,164,525	121,463,985	116,240,853	23,005,930
Dec. 6.....	127,446,768	123,063,855	123,695,826	122,722,938	22,832,913
13.....	127,446,447	123,161,310	124,885,243	120,050,341	22,735,137
20.....	127,444,219	124,890,400	123,395,554	120,319,616	21,003,819
27.....	127,443,007	124,877,570	123,227,231	120,126,031	21,015,337
Jan. 3.....	127,493,190	124,063,460	157,778,672	153,861,705	21,889,730
10.....	127,486,217	122,454,770	136,311,140	130,844,337	23,481,447
17.....	127,491,357	121,236,150	144,010,109	137,342,112	24,705,207
24.....	127,489,154	120,798,570	125,803,374	118,682,858	25,140,584

TEN YEARS' RECORD.

At corresponding date with the present week.	Jan. 22, 1913.	May 27, 1914.	Jan. 26, 1921.	Jan. 25, 1922.	Jan. 24, 1923.
Circulation (excl. Bank post bills)	27,664,105	28,933,380	128,485,100	122,205,840	120,798,570
Public deposits	13,932,729	19,014,809	16,080,802	14,524,254	11,372,032
Other deposits	39,329,264	41,248,964	112,528,149	120,928,852	114,431,342
Government securities	15,035,483	11,046,570	53,211,468	45,078,686	53,444,811
Other securities	31,750,816	41,461,280	75,106,791	83,667,488	65,238,047
Reserve of notes and coin	26,561,767	25,463,980	18,248,508	24,691,277	25,140,584
Coin and bullion	35,775,872	35,947,360	128,283,608	128,447,117	127,489,154
Proportion of reserve to liabilities	49%	42%	14%	18%	20%
Bank rate of discount	5%	3%	7%	5%	3%
Market rate, 3 months' bills	4%	2%	6%	4%	2%
Price of Consols	75	74	88	87	87
Price of silver per oz.	28 1/2	26 1/2	40 1/2	35 1/2	32 1/2
Average price of wheat	30s 5d	33s 0d	85s 4d	45s 8d	42s 1 1/2
Exchanges on					
London	25 1/2	25 1/2	53 1/2	51 1/2	71 50/72
New York	84 1/2	84 1/2	83 1/2	84 1/2	84 1/2
Amsterdam	12 1/2	12 1/2	11 3/4	11 5/8	11 5/8
Berlin	20 1/2	20 1/2	210 1/2	210 1/2	210 1/2
Clearing house return	353,838,000	199,913,000	678,830,000	764,814,000	683,214,000

BANKERS' CLEARING RETURNS.

Week Ending—	Town Clearing.	Country Clearing.	Total.
1923.			
January 1—January 17	£ 1,671,701,000	£ 152,376,000	£ 1,824,077,000
January 24	630,321,000	52,893,000	683,214,000
Total to date 1923	2,302,022,000	205,269,000	2,507,291,000
Do 1922	2,553,028,000	207,115,000	2,760,143,000
Increase or decrease in 1923	251,000,000	1,846,000	252,846,000
	9%	0.8%	9.1%
Total for 1922	34,355,296,000	2,806,165,000	37,161,461,000
Do 1921	31,928,380,000	3,092,179,000	34,930,559,000
Increase or decrease in 1922	+ 2,426,916,000	- 196,014,000	+ 2,230,902,000
	+ 7.6%	- 6.5%	+ 6.3%

PROVINCIAL CLEARING RETURNS.

	1922.	1923.	Inc. or Dec.
Aggregate Totals to January 20.			
BIRMINGHAM	£ 7,364,600	£ 7,475,300	+ 110,700
BIRMINGHAM	4,656,000	3,855,000	- 801,000
BIRMINGHAM	21,396,300	19,765,500	- 1,630,800
BIRMINGHAM	3,065,600	3,540,900	+ 475,300
BIRMINGHAM	3,151,600	3,903,000	+ 751,400
BIRMINGHAM	2,545,500	2,666,900	+ 121,400
BIRMINGHAM	26,892,600	27,228,200	+ 335,600
BIRMINGHAM	43,527,400	44,200,500	+ 673,100
BIRMINGHAM	4,555,800	4,941,700	+ 385,900
BIRMINGHAM	2,239,800	2,220,500	- 19,300
BIRMINGHAM	2,903,000	3,399,600	+ 496,600

OVERSEAS BANK RETURNS.

UNITED STATES FEDERAL RESERVE BANKS.

	Jan. 19, 1923.	Jan. 12, 1923.	Jan. 5, 1923.	Jan. 20, 1922.
RESOURCES.				
Total gold reserve	3,077,490	3,062,710	3,049,450	2,898,690
Legal tender notes and silver reserve	136,650	124,510	113,440	152,810
Bills discounted for member banks	513,350	512,050	627,650	913,820
Bills bought in open market	201,340	225,760	255,180	94,940
Government obligations owned	412,430	508,180	456,550	226,980
All other resources	61,540	61,330	62,880	56,270
LIABILITIES.				
Government deposits	9,340	6,190	6,630	77,730
Other deposits	1,060,110	2,013,680	2,018,140	1,707,160
Federal Reserve Notes in actual circulation	2,256,490	2,312,670	2,411,060	2,229,680
Federal Reserve Bank Notes in actual circulation	3,120	2,870	2,950	84,880
All other liabilities	9,850	10,340	9,580	15,400
Capital and surplus	325,850	325,830	325,820	318,420
Ratio of total reserves to gross deposit and Federal Reserve note liabilities combined	76.1%	73.6%	71.3%	76.0%

STATEMENT OF CANADIAN BANKS.

	Nov. 30, 1922.	Oct. 31, 1922.	Sept. 30, 1922.	Aug. 31, 1922.	Nov. 30, 1921.
ASSETS.					
Cash and bank balances	506,207	487,881	441,824	419,981	529,439
Bank balances abroad	111,609	104,892	114,894	111,015	68,234
Call and short loans	303,421	300,833	279,021	276,778	297,393
Securities	317,260	309,782	322,009	330,646	372,184
Loans in Canada	1,196,338	1,217,578	1,211,825	1,192,614	1,307,272
Loans abroad	149,244	153,088	145,610	144,330	144,330
Other assets	106,293	106,444	104,262	99,412	105,265
LIABILITIES.					
Note circulation	169,626	178,633	176,919	158,087	181,953
Deposits	131,762	132,331	108,968	92,695	172,191
Government	1,712,055	1,687,933	1,648,648	1,639,485	1,808,129
Public in Canada	323,644	331,969	336,747	339,985	285,217
Foreign	10,158	11,311	9,008	8,348	10,487
Bank balances—					
Foreign	40,131	35,807	33,706	35,073	39,905
Bills payable, &c.	27,134	26,409	23,321	22,236	38,535
Other liabilities	4,344	2,624	2,644	1,756	4,189
Capital and rest	255,585	255,274	255,231	255,197	264,540

BANK OF FRANCE.

	Jan. 25, 1923.	Jan. 18, 1923.	Jan. 11, 1923.	Jan. 26, 1922.	Position May 28, 1914.
ASSETS.					
Gold coin and bullion	5,535,298	5,535,180	5,535,062	5,524,723	3,730,625
Of which held abroad	1,864,345	1,864,345	1,864,345	1,948,367	1,948,367
Silver coin and bullion	292,169	289,901	289,706	289,706	632,650
Discount and advances	4,743,931	4,787,549	4,856,807	4,718,001	4,377,776
Advances to the State	23,100,000	23,100,000	23,100,000	23,100,000	23,100,000
LIABILITIES.					
Notes	36,780,408	37,081,400	37,387,727	36,432,843	5,811,875
Government deposits	47,559	23,855	68,657	20,014	183,700
Private deposits	2,160,032	2,237,976	2,222,044	2,371,750	845,960

SOUTH AFRICAN RESERVE BANK.

	Dec. 30, 1922.	Dec. 23, 1922.	Dec. 15, 1922.	Dec. 9, 1922.	Dec. 2, 1922.
LIABILITIES.					
Capital	1,000	1,000	1,000	1,000	1,000
Reserve	2	2	2	2	2
Notes in circulation	10,014	9,776	9,220	9,148	9,151
Bankers' deposits	5,156	5,223	5,646	5,693	5,309
ASSETS.					
Gold coin and bullion	383	383	383	383	383
Gold certificates	10,052	10,052	10,052	10,052	10,052
Subsidiary coin	250	250	250	250	250
Bills discounted (domestic)	1,895	1,895	1,895	1,895	1,895
Do (foreign)	451	297	183	182	47
Loans and advances to the Government	1,300	1,300	1,300	1,300	1,300
Other loans and advances	1,063	1,067	1,015	1,386	1,348
Ratio of cash reserves to liabilities to public	70.4%	71.5%	71.8%	73.9%	73.8%

NATIONAL BANK OF GREECE.

	Nov. 28, 1922.	Nov. 13, 1922.	Oct. 28, 1922.	Oct. 13, 1922.	Nov. 28, 1921.
ASSETS.					
Gold and balances abroad	1,438,929	1,369,589	1,363,191	1,351,025	1,345,832
Government loans and securities	2,838,106	2,737,537	2,740,668	2,742,279	2,170,859
Discounts and loans	1,777,120	1,777,120	1,777,120	1,777,120	1,777,120
LIABILITIES.					
Notes in circulation	2,808,968	2,614,687	2,482,703	2,326,896	2,130,134
Government deposits	242,582	292,952	336,539	385,470	142,340
Private deposits	939,774	908,571	894,252	865,385	834,984
Fixed dates	1,012,265	1,011,986	1,012,124	1,012,654	934,266

RUSSIAN STATE BANK.

	Nov. 1, 1922.	Nov. 1, 1922.	Nov. 1, 1922.	Nov. 1, 1922.	Nov. 1, 1922.
ASSETS.					
Cash	110,700	110,700	110,700	110,700	110,700
Loans	6,985,600	6,985,600	6,985,600	6,985,600	6,985,600
Special credits on merchandise	19,431,000	19,431,000	19,431,000	19,431,000	19,431,000
Precious metals	13,580,000	13,580,000	13,580,000	13,580,000	13,580,000
Discounts	7,375,000	7,375,000	7,375,000	7,375,000	7,375,000
LIABILITIES.					
Capital	13,075,000	13,075,000	13,075,000	13,075,000	13,075,000
Deposits	3,142,000	3,142,000	3,142,000	3,142,000	3,142,000
Current accounts	17,549,000	17,549,000	17,549,000	17,549,000	17,549,000
Loan accounts	11,889,000	11,889,000	11,889,000	11,889,000	11,889,000
Government account	9,908,000	9,908,000	9,908,000	9,908,000	9,908,000

MONTHLY STATEMENT OF LONDON CLEARING BANKS.

(000's omitted.)

	Bank of Liverpool and Martins, Limited.	Barclays Bank, Limited.	Coutts and Co.	Glyn, Mills, Currie, and Co.	Lloyds Bank, Limited.	London Joint City and Midland Bank, Limited.	London County Westm'r and Parr's Bank, Limited.	National Provinci- al and
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HUNGARIAN BANK.

	Jan. 15, 1922.	Jan. 7, 1922.	Dec. 31, 1921.	Jan. 16, 1922.
Assets.				
Gold coin and bullion, bills	15,286	15,649	15,559	13,091
Silver coin, &c.	595	595	595	595
Bills, warrants, drafts, &c.	53,683,692	53,089,075	50,701,861	24,055,405
Loans	1,933,372	2,015,772	2,015,105	1,148,210
Liabilities.				
Notes in circulation	73,687,190	74,128,489	75,886,987	25,470,835
Deposits	5,899,283	5,597,974	4,760,741	2,236,063

NATIONAL BANK OF DENMARK.

	Dec. 31, 1922.	Nov. 30, 1922.	Oct. 31, 1922.	Sept. 30, 1922.	Dec. 31, 1921.	Position May 31, 1921.
Assets.						
Gold and bullion	228,257	228,290	228,301	228,299	228,330	76,644
Loans & discounts	467,559	468,035	500,693	516,854	405,321	88,470
Deposits abroad	5,833	10,893	9,113	13,745	22,684	24,102
Securities	13,593	15,562	16,066	15,910	39,397	11,988
Liabilities.						
Circulation	459,354	459,310	478,134	466,555	470,964	157,266
Deposits	163,710	169,211	181,481	211,064	129,078	6,696

BANK OF NORWAY.

	Jan. 15, 1923.	Jan. 8, 1923.	Dec. 30, 1922.	Jan. 16, 1923.	Position May 31, 1921.
Assets.					
Gold and bullion	147,250	147,290	147,291	147,293	44,224
Balance abroad and foreign bills	40,402	41,182	42,408	37,284	28,533
Norwegian & Foreign Government securities	9,408	9,415	9,415	8,776	8,816
Discounts and loans	447,336	450,159	479,354	429,576	76,911
Liabilities.					
Notes in circulation	356,207	363,023	384,775	382,442	113,484
Deposits at notice	158,000	153,415	163,429	119,534	7,188

Through Royal resolution of February 3, 1922, it has been resolved that the extraordinary right of issuing bank notes has been reduced from 50 millions to 25 millions from February 4, 1922 (this day included).

IMPERIAL BANK OF INDIA.

	Dec. 22, 1922.	Dec. 22, 1922.	Dec. 15, 1922.	Dec. 8, 1922.	Dec. 1, 1922.	Dec. 30, 1921.
Assets.						
Govt. securities	8,53.34	8,58.11	8,50.23	8,52.70	8,55.58	11,12.16
Other securities	1,25.63	1,25.63	1,25.63	1,25.87	1,32.59	1,32.59
Loans	19,13.98	18,65.51	15,98.18	16,01.38	16,04.60	18,67.43
Cash credits	28,77.45	27,64.54	27,05.78	25,93.45	25,55.83	25,55.83
Inland bills	5,26.23	5,22.25	5,24.88	5,19.17	4,41.20	10,28.38
Foreign bills	21.39	20.22	12.41	11.93	14.38	2.01
Dead stock	2,50.96	2,50.66	2,50.19	2,49.01	2,48.74	2,38.93
Sundries	76.70	69.02	65.27	64.54	63.63	80.73
Bel. with other banks	4.28	11.07	4.13	7.85	5.29	10.71
Cash	15,47.85	16,48.85	19,40.14	21,20.86	25,67.15	13,55.81
Liabilities.						
Subscribed capital	11,25.00	11,25.00	11,24.96	11,24.96	11,23.96	11,23.96
Capital paid up	5,69.50	5,69.50	5,62.49	5,62.49	5,62.24	5,62.24
Reserve	4,11.89	4,11.89	4,11.89	4,11.89	3,91.79	3,91.79
Public deposits	14,01.93	13,12.92	12,11.15	11,59.34	11,86.97	6,79.99
Other deposits	55,89.42	54,08.40	56,50.34	57,64.56	61,70.91	64,90.52
Loans against securities	88.50	88.50	89.02	1,09.60	1,16.69	39.91
Sundries	1,46.16	1,45.65	1,41.95	1,38.86	1,33.96	1,89.45
The above includes—						
Deposits in London	189	194	188	201	172	42
Advances in L'nd'n	739	730	766	905	955	344
Cash, &c., at other banks in London	23	68	22	46	30	62

NATIONAL BANK OF EGYPT.

	Nov. 30, 1922.	Oct. 31, 1922.	Sept. 30, 1922.	Nov. 30, 1921.	Position May 31, 1921.
Assets.					
Gold	3,362	3,359	3,358	3,362	1,871
Government securities	42,149	41,389	36,058	39,994	2,084
Liabilities.					
Notes in circulation	33,007	32,781	27,615	34,722	2,400
Government deposits	8,196	6,068	4,218	4,520	2,315
Other deposits	12,043	12,513	11,064	12,707	2,660

By authority of the Egyptian Government British Treasury Bills were deposited in lieu of gold.

BANK OF FINLAND.

	Jan. 8, 1923.	Dec. 30, 1922.	Dec. 23, 1922.	Jan. 8, 1923.	Position May 31, 1921.
Assets.					
Gold	43,373	43,373	43,373	42,625	35,091
Balance abroad and foreign bills	747,618	783,817	803,439	226,314	90,379
Swedish and Foreign Government securities	586,384	590,034	609,955	838,621	21,826
Discounts and loans	649,626	650,247	621,942	663,478	105,151
Liabilities.					
Notes in circulation	1,403,003	1,420,920	1,409,403	1,349,006	123,941
Deposits at notice	355,651	349,862	447,090	196,817	21,225

BANK OF PORTUGAL.

	Nov. 8, 1922.	Nov. 1, 1922.	Oct. 25, 1922.	Oct. 18, 1922.	Nov. 9, 1921.
Assets.					
Gold and bullion	26,829	26,866	26,843	26,829	27,623
Of which gold	8,577	8,577	8,577	8,577	8,577
Balance abroad	24,721	30,985	34,977	27,734	1,145
Discounts	156,043	167,195	166,654	166,587	166,587
Government loans	860,097	860,097	860,097	860,097	820,109
Liabilities.					
Notes in circulation	993,835	987,507	971,143	965,700	689,466
Deposits	48,383	45,104	45,764	44,134	50,901

NATIONAL BANK OF BULGARIA.

	Feb. 28, 1922.	Nov. 22, 1922.	June 30, 1922.	May 31, 1922.	April 30, 1922.	Mar. 31, 1922.
Assets.						
Gold and silver	58,353	58,216	57,727	57,701	58,031	58,133
Government bank notes	1,342	1,342	1,342	1,342	1,342	1,342
Balance abroad	81,678	81,678	81,678	81,678	81,678	81,678
Discounts	3,002,488	3,002,488	3,002,488	3,002,488	3,002,488	3,002,488
Notes in circulation	3,002,488	3,002,488	3,002,488	3,002,488	3,002,488	3,002,488
Advances to the State	3,002,488	3,002,488	3,002,488	3,002,488	3,002,488	3,002,488

POLISH NATIONAL BANK.

	Jan. 10, 1923.	Jan. 3, 1923.	Dec. 20, 1922.	Dec. 10, 1922.	Dec. 31, 1921.
Assets.					
Gold	41,028	41,012	34,593	33,883	24,900
Silver	44,128	44,128	44,121	44,196	42,600
Foreign coin	(a) 47,400	539,236	600,655	165,124	94,500
Foreign banks	6,271,202	1,865,937	2,624,686	13,115,100	13,115,100
Advances to the Govt.	673,000,000	675,600,000	582,100,000	545,500,000	221,000,000
Private loans and discounts	189,311,040	181,304,874	179,249,469	159,127,884	34,624,400
Liabilities.					
Notes in circulation	807,308,320	793,437,499	728,803,138	690,087,269	229,537,600
Deposits	161,813,939	132,504,208	132,886,288	124,164,207	49,014,000

BANK OF LATVIA.

	Jan. 10, 1923.	Jan. 3, 1923.	Dec. 20, 1922.	Dec. 10, 1922.	Dec. 31, 1921.
Assets.					
Total cash	6,120	3,975	2,876	3,708	3,981
Gold coin and bullion	13,023	13,021	13,016	13,013	13,007
Foreign banks	32,041	31,975	29,746	28,032	25,165
Discounts and loans	10,342	10,276	11,182	10,154	10,176
Other assets	1,277	1,410	1,743	2,299	1,505
Liabilities.					
Notes in circulation	11,440	9,800	8,930	7,750	6,740
Capital paid up	8,000	8,000	8,000	8,000	8,000
Government deposits	22,678	22,549	20,077	21,981	15,949
Other deposits	14,274	14,243	14,116	14,583	19,066
Other liabilities	6,611	6,065	7,380	4,912	4,985

BANK OF LITHUANIA.

	Jan. 15, 1923.	Dec. 31, 1922.	Dec. 15, 1922.	Nov. 30, 1922.	Nov. 15, 1922.
Assets.					
Gold	15,249	15,190	15,180	15,169	12,347
Silver	11	2	2	1	1
Dollars & sterling &c.	19,880	17,823	14,478	12,696	5,700
Other foreign currency	16	130	233	237	772
Discount and credit	9,560	8,568	5,444	2,590	5,904
Other assets	5,364	3,199	1,753	..	605
Liabilities.					
Capital	12,000	12,000	10,935	10,934	10,921
Banknotes in circulation	33,503	30,377	24,530	18,952	14,094
Deposits	2,088	..	..	..	..
Other liabilities	489	2,293	1,526	1,049	315

BANK OF ESTHONIA.

	Dec. 31, 1921.	Nov. 30, 1922.	Oct. 31, 1922.	Sept. 30, 1922.
Assets.				
Gold, for coin and notes	81,944	62,809	74,186	89,635
Loans	158,657	158,657	158,657	158,657
Discounts and loans	1,399,347	2,968,347	2,703,073	2,536,474
Foreign banks	307,555	1,445,161	1,402,119	1,412,441
Liabilities.				
Capital paid up	250,000	250,000	250,000	250,000
Reserve	10,674	37,771	37,771	37,771
Notes in circulation	350,000	1,300,000	1,300,000	1,000,000
Deposits	1,103,823	3,336,510	3,040,383	2,940,355

BANK OF CZECHOSLOVAK REPUBLIC.

	Jan. 7, 1923.	Dec. 15, 1922.	Dec. 7, 1922.	Nov. 30, 1922.	Nov. 23, 1922.	Jan. 7, 1922.
Assets.						
Liabilities of the Austro-Hungarian Bank to the Bank of the Czech Republic	10,096,716	10,096,715	10,096,715	10,096,715	10,096,715	10,096,681
Discounts & advances	2,154,028	2,064,605	2,061,595	2,404,404	1,971,416	4,078,390
Gold & silver holdings	820,418	817,361	816,577	820,200	819,232	1,113,525
Foreign bills and balances abroad	503,792	1,029,220	1,347,422	1,540,670	1,648,027	1,168,500
Other assets	317,122	312,515	332,095	534,166	493,686	..
Liabilities.						
State bank in circ'n	9,610,191	9,597,796	9,785,675	9,996,550	9,531,450	11,756,978
Deposits	3,090,732	3,389,934	3,527,803	3,570,501	3,423,760	2,181,905
Other liabilities	1,191,153	1,332,687	1,340,963	1,465,106	2,067,866	2,518,213

* Resulting from bank notes, current accounts, Exchange bills issued by the Austro-Hungarian Bank and taken over by the Banking Office.

NATIONAL BANK OF THE SERBS, CROATES, AND SLOVENE.

	Jan. 15, 1923.	Jan. 8, 1923.	Dec. 31, 1922.	Dec. 22, 1922.	Jan. 15, 1922.
Assets.					
Gold	63,808	65,770	64,013	64,003	74,158
Foreign coin and notes	20,580	17,640	17,701	17,431	19,435
Foreign bills	260,665	267,587	266,729	266,729	303,961
Bills	1,391,176	1,390,991	1,421,215	1,376,398	520,234
Govt. advances	4,517,547	4,517,550	4,517,550	4,454,999	4,418,407
Liabilities.					
Notes in circulation	5,028,783	5,038,486	5,039,883	4,863,895	4,642,665
State credits	312,116	312,119	312,119	315,711	334,273
Deposits	1,025,643	977,672	967,728	1,020,978	387,081

LONDON RATES.

	Jan. 19
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INDIA BILLS AND TRANSFERS

The following is a statement of applications and allotments of India bills and transfers on Tuesday, January 23, 1923:—

	Rate.	Applica- tions.	Allotments.		Allotm'ts	Average Rate.
Bills	1/4 1/2	Rs. 15,000	..	%	Bills.	Rs.
	1/4 1/2	12,00,000	..	..	Calcutta..	..
	1/4 1/2	50,000	..	..	Bombay..	..
	1/4 1/2	12,65,000	..	..	Madras..	..
Def. T.T. ..	1/4 1/2	5,00,000	5,00,000	100	T.T. ..	..
	1/4 1/2	10,00,000	10,00,000	100	Calcutta..	..
	1/4 1/2	5,00,000	3,33,000	66	Bombay..	..
	1/4 1/2	75,00,000	..	..	Madras..	..
	1/4 1/2	6,00,000	..	..	..	..
	1/4 1/2	6,00,000	..	..	..	..
	1/4 1/2	2,00,000	..	..	..	..
Imm. T.T. ..	1/4 1/2	109,00,000	..	..	..	..
	1/4 1/2	5,00,000	5,00,000	100	T.T. ..	..
	1/4 1/2	5,00,000	5,00,000	100	Calcutta..	..
	1/4 1/2	20,00,000	20,00,000	100	Bombay..	..
	1/4 1/2	40,00,000	26,67,000	66	Madras..	..
	1/4 1/2	5,00,000	..	..	..	..
	1/4 1/2	47,00,000	..	..	..	..
	1/4 1/2	65,00,000	..	..	..	..
	1/4 1/2	155,00,000	..	..	..	..
	1/4 1/2	20,00,000	..	..	..	..
	1/4 1/2	145,00,000	..	..	..	..
	1/4 1/2	81,00,000	..	..	..	..
	1/4 1/2	16,00,000	..	..	..	..
	1/4 1/2	11,00,000	..	..	..	..
	1/4 1/2	15,00,000	..	..	..	..
	1/4 1/2	630,00,000	56,67,000	..	..	..
	1/4 1/2	751,65,000	75,00,000	..	..	..

On Tuesday, January 30th, Rs.75,00,000 will be offered by tender.

BULLION.

IMPORTS AND EXPORTS OF GOLD.

Gold Imported into the United Kingdom.		Gold Exported from the United Kingdom.	
Countries from which Consigned.	Week Ended Jan. 24, 1923.	Countries to which Exported.	Week Ended Jan. 24, 1923.
British South Africa	905,913	Belgium	2,700
Tanganyika Territory	10,300	British India	717,656
British West Africa	41,995	Kenya	1,000
Belgium	890	Denmark	300
Germany	25	Netherlands	5,400
Other Countries	855	Straits Settlements	3,416
		Other Countries	14
Total value of imports of gold	959,978	Total declared value of exports registered in the week	754,536

Messrs Samuel Montagu and Co. write as follows on January 24th:—

GOLD.

The whole of the gold on offer this week was taken for India. The tender for India Council allotments yesterday was very keen, especially for telegraphic transfers, which were allotted at 66 per cent.—is 4d for deferred, and is 4 1/2d for immediate (above in full). No allotment of bills was made. The strength of the Indian exchange, notwithstanding the heavy purchases of gold and silver for that country, is worthy of remark. At the time of writing the rupee is quoted at 1s 5 1/2d for T.T., the highest quotation since October, 1921. Gold valued at \$2,500,000 has been received in New York from London.

SILVER.

Owing to the continued pressure of Indian bazar orders for early shipment, supplies of prompt silver remain scanty. The fact has imparted a firm tone to the cash price. China has sent orders to buy forward silver, and sometimes on the same day orders to sell. The former have preponderated. America has not been a free seller; there have been speculative sales when the forward quotation became favourable. The main support of the market is the stringency for immediate delivery; this renders prediction as to future movements injudicious, though, of course, the fact does not give solidity to the distant future. The Times of India, under date of January 6th, thus comments upon the financial situation in India:—"It is highly anomalous that whilst the Bank of England rate is 3 per cent., the Imperial Bank's rate should stand at 7 per cent., with a prospect of its rising to 8 per cent. It is suggested that the Government should take immediate measures to stop a further rise in the Bank rate in India by promptly amending the Currency Act, so that emergency currency against trade bills can be issued to the extent of, say, 10 crores, and not limited to

a sum of 5 crores, as provided by the Act at present, and that such currency should be issued as soon as the Bank rate reaches 6 per cent. Such seasonal expansion of currency would be timely, and justified by trade requirements, and would be only temporary, and the notes would be withdrawn from circulation as soon as the trade pressure for money ceased."

INDIAN CURRENCY RETURNS.
(In Lacs of Rupees.)

	Dec. 31, 1922.	Jan. 7, 1923.	Jan. 15, 1923.
Notes in circulation	17,418	17,374	17,296
Silver coin and bullion in India	8,610	8,614	8,536
Silver coin and bullion out of India	..	..	..
Gold coin and bullion in India	2,432	2,432	2,432
Gold coin and bullion out of India	..	..	..
Securities (Indian Government)	5,742	5,743	5,743
Securities (British Government)	584	585	584

No silver coinage was reported during the week ending 15th instant. The stock in Shanghai on the 20th instant consisted of about 22,500,000 ounces in sycee, 31,500,000 dollars, and 800 silver bars, as compared with about 23,400,000 ounces in sycee, 31,000,000 dollars, and 150 silver bars on the 12th instant. The Shanghai exchange is quoted at 38 1/2d the tael.

GOLD AND SILVER PRICES.

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

1923.	Gold.	Silver.		Silver.
	Per Ounce.	Cash, Per Ounce.	Forward, Per Ounce.	Cash, Per Ounce.
Jan. 20..	89 6	32 1/2	31 1/2	43 1/2
22..	89 3	32 3/4	31 1/2	43 1/2
23..	89 9	32 3/4	31 1/2	48 1/2
24..	89 9	32 3/4	31 1/2	48 1/2
25..	89 9	32 1/2	31 1/2	40
26..	89 10	32 1/2	31 1/2	34 1/2

NOTICES.

The Bank of Montreal have received advice from the head office in Montreal that a branch of this bank has been opened at St. George's Beauce, Quebec.

ANALYSIS OF BALANCE-SHEETS.

LLOYDS BANK, LIMITED.

LIABILITIES.		Compared with Dec. 31, 1921.	ASSETS.		Compared with Dec. 31, 1921.
Amount.	£	£	Amount.	£	£
Current, deposit, and other a/c's, 330,556,815 ..	16,950,595	..	Cash	47,234,842	3,061,528
Profit & loss balance	1,396,652	12,086	Cash at call and short notice	17,310,497	1,357,611
Acceptances, &c.	15,560,149	7,386,035	Bills of exch.	64,405,252	26,214,210
Capital paid up, 14,137,796 ..	..	..	War Loans, &c.	89,684,338	17,914,825
Up, 14,137,796 ..	..	..	Other invests.	1,729,467	144,848
£1 paid	14,372,956	..	National Bank	2,916,342	1,500
Reserve fund 10,000,000 ..	..	..	of Scotland	4,515,122	27,360
			Plate Bank	..	..
			Lloyds and National	..	..
			Provincial	..	..
			Fragn.	240,000	..
			Advances, &c. 123,388,679 ..	7,458,451	..
			Acceptances, &c.	15,760,149	7,386,035
			Premises	4,901,884	349,536
Total	371,886,572	9,552,474	Total	371,886,572	9,552,474

ALEXANDERS DISCOUNT Co., Ltd.,
24, LOMBARD STREET, E.C.3.

Telephones: 1893 & 225 Avenue. Telegrams: "Alexanders, Thread-London."

CAPITAL AUTHORISED £1,250,000 CAPITAL PAID UP £800,000
CAPITAL SUBSCRIBED £1,100,000 RESERVE FUND £400,000

Approved Mercantile Bills discounted. Money received on deposit at call and short notices at current market rates; for longer periods on specially agreed terms. The Company deals in British Treasury Bills of any maturity.

LONDON COUNTY WESTMINSTER AND PARR'S BANK, LIMITED.

LIABILITIES.		Compared with Dec. 31, 1921.	ASSETS.		Compared with Dec. 31, 1921.
Amount.	£	£	Amount.	£	£
1,414,198 shares, £20, 45 paid ..	7,070,990	..	Cash	62,317,180	1,989,009
1,432,728 shares, £1, fully paid ..	1,932,728	..	Bills discounted ..	69,327,505	32,369,336
Reserve	9,003,718	..	Investments	55,394,161	1,454,403
Deposits, &c. ..	280,820,292	36,835,546	London County & Westminster Bank (Part) ..	1,080,000	..
Notes in circulation ..	14,316	4,151	Ulster Bank	1,911,362	..
of Man	9,923,239	6,831,883	Advances, &c. 106,326,009 ..	4,097,986	..
Acceptances, &c. ..	262,325	224,660	Acceptances &c. ..	9,923,238	6,831,862
Rebate on bills ..	1,157,506	58,272	Bank premises ..	3,905,668	4,158
Profit and loss ..	..	..			
Total	310,185,115	45,837,948	Total	310,185,115	45,837,948

NATIONAL PROVINCIAL AND UNION BANK OF ENGLAND, LIMITED.

LIABILITIES.		Compared with Dec. 31, 1921.	ASSETS.		Compared with Dec. 31, 1921.
Amount.	£	£	Amount.	£	£
120,000 shares, £25, with £34 paid ..	420,000	..	Cash and notes ..	33,073,766	3,093,657
1,972,354 shares, £20, with £4 paid ..	7,889,416	..	Balances and cheques ..	8,539,811	343,441
200,000 shares, £5, fully-paid ..	1,000,000	121,959	Money at call and notice ..	13,900,102	1,605,774
Current, deposit, and other a/c's, 263,037,483 ..	9,895,862	..	Bills discounted ..	45,581,858	10,147,317
Acceptances, &c. ..	7,909,222	5,045,361	Investments ..	52,639,155	7,266,510
Profit and loss ..	931,974	42,724	Stock in Courts and Co. ..	2,000,000	..
			Shares in Bank of British West Africa ..	150,000	58,331
			Lloyds and Nat. Provincial ..	240,000	..
			P. & O. Banking ..	101,250	..
			Yorkshire Penny Bank ..	187,500	..
			Advances ..	121,752,908	5,184,086
			Bank premises ..	4,112,543	223,370
			Acceptances ..	7,909,282	5,045,360
Total	290,188,155	4,685,818	Total	290,188,155	4,685,818

BANK OF IRELAND.

LIABILITIES.		Compared with Dec. 31, 1921.	ASSETS.		Compared with Dec. 31, 1921.
Amount.	£	£	Amount.	£	£
Capital paid up ..	2,764,230	..	Cash	6,609,577	1,825,548
Reserve ..	1,406,000	260,000	British Govt. Treasury bills ..	1,700,000	3,750,000
Notes, &c. in circulation ..	7,637,285	1,268,055	British Govt. debt ..	2,630,769	..
Govt. & other accounts ..	5,877,453	1,677,698	Investments ..	27,739,230	5,119,536
Deposits, current, & other accounts ..	35,148,276	670,398	Bills discounted ..	13,724,094	422,802
Profit and loss ..	197,104	17,790	Advances, &c. ..	576,022	50,245
Total	53,029,752	17,035	Total	53,029,752	17,035

THE PARENTYRE COMPANY, LIMITED.

LIABILITIES.		Compared with Aug. 31, 1921.	ASSETS.		Compared with Aug. 31, 1921.
Amount.	£	£	Amount.	£	£
5% pref. shares ..	991,990	..	Investments, &c. ..	2,571,560	28,656
8% ord. shares ..	624,966	..	Cash	1,691	4,105
Def. shares ..	502,846	2,883	Interest and div. accrued to date ..	..	77,322
Unclaimed interest ..	9,391	3	Sundry creditors ..	91,927	88,748
Sundry creditors ..	56,754	51,600	Furniture, &c. ..	7,473	2,709
Bank loan ..	78,553	78,553			
Capital reserve ..	349,860	2,720			
Profit and loss ..	69,281	91,613			
Total	2,686,651	38,686	Total	2,686,651	38,686

LISTER AND CO.

LIABILITIES.		Compared with Nov. 30, 1921.	ASSETS.		Compared with Nov. 30, 1921.
Amount.	£	£	Amount.	£	£
Ord. shares ..	1,425,000	..	Goodwill	1,396,701	5,074
Prof. shares ..	600,000	..	Sundry debtors ..	383,463	31,623
Deb. stock ..	250,000	..	Investment ..	349,800	100,250
Sundry creditors ..	669,215	121,285	Stocks	968,389	184,977
Reserve ..	55,000	..	Cash	302,092	175,381
Special reserve ..	50,000	..			
Interest accrued ..	20,000	..			
Profit and loss ..	261,230	18,110			
Total	3,330,445	139,395	Total	3,330,445	139,395

BARKING BROTHERS AND CO., LIMITED.

LIABILITIES.		Compared with Dec. 31, 1921.	ASSETS.		Compared with Dec. 31, 1921.
Amount.	£	£	Amount.	£	£
Capital	1,025,000	..	Cash	7,046,782	474,732
Reserve fund ..	1,000,000	..	Bills receivable ..	9,793,788	2,325,779
Current & other accounts ..	18,255,810	1,369,045	Government and other securities ..	2,007,210	1,023,131
Acceptances ..	6,642,222	1,459,738	Acceptances, &c. ..	7,962,117	2,001,038
Balance carried forward ..	13,765	71	House property ..	127,000	..
Total	26,936,797	2,828,854	Total	26,936,797	2,828,854

OIL OUTPUTS.

UNITED BRITISH OILFIELDS OF TRINIDAD, LIMITED.—Combined production for the week ending Wednesday, January 17, 1923, amounted to 708 tons.

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Interim or Final.	Date of Payment.	Method of Payment.	Rate % per Annum, except where marked % or stated in Cash. * Interim div. Final div.	Dividend for Whole Years.	Lat'est Pre-vious Year.
Railways.						
Bengal and N. Western	4%	(& bon.)	2%	Less tax 2/9	n 11	11
Central of New Jersey	2%	Jan. 15	Less tax	..	5	5
Great Northern (Ireland)	6%	..	Less tax	..	4	4
Humber Commercial	..	..	..	..	4	4
I of Wight Central, 1st Pref. ..	..	..	..	..	4	3
Midland Gt. Western of Ireland ..	3%	..	..	..	..	..
Banks.						
Australian of Commerce	7%	Jan. 31	..	..	..	..
Banco Espanol del Rio de la Plata ..	3%	Jan. 22	Less tax	..	13	13
Bank of Ireland	6%	Jan. 1	Less tax	1%	..	..
Bank of Montreal	3%	Jan. 1	Less tax 5/3 in £	..	10	10
British Mutual Banking	..	..	..	..	..	..
Canadian Bank of Commerce	3%	Mar. 1	Less tax	..	16	..
Equitable	1/7 p.s.	Jan. 23	Less tax	..	..	..
Farmers' Loan and Trust	6%	Feb. 1	Quarterly	..	..	..
London and Liverpool Bank of Commerce ..	5 p.s.	..	Less tax	..	4	4
Standard of South Africa	7/24 p.	..	Subject to tax	..	..	..
Union of Canada	2%	Mar. 1	..	..	..	..
Insurance.						
Indemnity Mutual Marine	20 p.s.	(& bonus 5 p.s.)	Less tax	..	..	..
Queensland	20 p.s.	(& bonus 5 p.s.)	..	..	..	..
Sea	1/3 p.s.	Feb. 14	Less tax 5/3 in £	3/	p.s. 3 p.s.	p.s.
Tea and Rubber.						
Badek Rubber	..	..	Less tax	..	5	nil
Bernam-Perak Rubber	10%	Jan. 31	Less tax	..	..	..
Gingia Tea	5%	Jan. 19	Less tax	..	..	..
Peimadulla Rubber	16%	..	Less tax	..	..	..
Sampang (Jaya) Rubber	5%	Feb. 1	Less tax	..	..	..
Mining.						
Aramayo	5%	Feb. 1	..	..	..	..
Banties Cons. (Liquidation) ..	2 p.s.	F. b. 20	..	..	..	..
Consolidated Mines Selection ..	12%	..	Less tax	..	..	..
Ivanhoe Gold	13 p.s.	Mar. 7	Less tax	..	..	..
Jupiter Gold (Liquidation) ..	13 p.s.	Mar. 7	..	..	..	..
Knight's Dees (Liquidation) ..	9 p.s.	Mar. 8	..	..	..	..
Miami Copper	50c p.s.	Feb. 15	Quarter	..	..	..
Siamese Tin	10%	Feb. 7	Less tax 5/3 in £	..	..	..
Other Companies.						
A. Millar and Co.	..	..	..	..	7	..
Ashton Bros.	1/6 p.s.	..	Tax free	..	5	5
Australian Pastoral	3%	Jan. 24	Tax free	..	6	6
Bradbury, Goreux, & Co.	61 (a bonus)	..	5%	..	12	12
Britol and S. W. Rly. Wagon ..	..	..	Less tax	..	10	10
British Investment Trust, Def. ..	18%	Feb. 1	Less tax	..	16	15
British Oil and Cake	5%	Mar. 1	Less tax	..	4	3
Charter Trust and Agency	..	..	Less tax	..	24	24
City of Carlisle Trams.	..	..	..	..	20	20
City of London Brewery	15%	..	Less tax 5/ in £	..	20	10
Edinburgh, Glasgow, & London ..	6%	..	Tax free	..	10	10
Cambrook Brewery	10%	..	Tax free	..	12	12
D. and J. Fowler	8%	Feb. 1	Less tax	..	..	..
Dublin Distillers, Pref.	5%	..	Less tax	..	5	5
Dublin United Tramways	38%	..	..	..	..	..
E. Rich and Co.	21%	Jan. 31	..	..	nil	5
E. W. Tarry and Co.	..	..	..	..	10	10
East India Distillers	..	..	..	..	..	..
Fast Indian Coal	7%	..	Less tax	..	..	..
General Guarantee Corp'n., Pref. ..	5%	..	Less tax	..	..	..
George Angus & Co.	1/6 p.s.	..	..	..	1 p.s.	1 p.s.
Government Stock Investment ..	..	..	..	..	..	..
Def.	4%	..	..	..	7	7
Greenwood and Batley	24%	Feb. 2	Less tax	..	8	7
Guardian Investment Trust, Def. ..	54%	..	Tax free	..	20	..
Harrogate Hydrostatic	..	..	..	..	..	..
Herbert Morris, Lim., Cum. Pri. ..	6	Jan. 31	Less tax 5/ in £	..	..	..
Do.	5	Jan. 31	Tax free 6/ in £	..	9	..
Holborn Viaduct Land	10%	..	..	..	22	7
Imperial Tobacco Co. G. B. & I.) ..	..	..	Tax free	..	17	17
International Nickel, Prefd.	1%	Feb. 1	..	..	15	7
J. Cawthra and Co.	3%	..	..	..	..	..
Jon's Sewing Machine	10%	..	Tax free	..	15	15
L. and J. Wells and Phillips	10%	..	Less tax	..	..	..
Lancashire & Yorkshire Wagon ..	8 p.s.	..	Less tax	..	..	..
Lister and Co.	5%	..	Less tax	..	7	6
Liverpool Grain Storage	4%	..	Tax free	..	6	7
Louthouse Colliery	4%	..	Tax free	..	..	..
London and Edinburgh Shipping ..	5%	..	Less tax	..	..	..
London Pavilion	3%	..	Less tax	..	..	..
Do Bonus	1 p.s.	..	Tax free	..	10	6
Loons, Limited	8%	(& bonus 2%)	Less tax	..	6	..
Madame Val Smith	7%	Feb. 26	..	..	10	7
Maple and Co.	7%	..	..	..	..	..
Metropole Dairy, Defd.	13 p.s.	Feb. 19	Less tax	..	4	2
Metropole Theatre of Varieties ..	..	..	Less tax	..	..	..
Mond Nickel	6d p.s.	Mar. 3	Tax free	..	15	15
Mortgage Co. of the River Plate ..	9%	..	Less tax	..	15	15
Northern Corporation	15%	..	..	..	..	..
North Trust, Ord.	2%	(& bonus 2 p.s.)	..	..	..	..
Parent Tyre	..	..	Less tax	..	..	..
Parker's Burslem Brewery	8 p.s.	Jan. 29	Less tax	..	..	..
Park Hall and Hotel	..	..	Tax free	..	9	4
Pawsons and Leafs	5%	..	..	..	10	7
Richard Lunt and Co.	12%	..	..	..	10	10
Richard Seed	5%	..	..	..	10	10
River Plate and General Invest- ment, Defd.	7%	..	..	..	11	10
C. Larkins and Sons	5%	(& bonus 5%)	Tax free	..	15	10
Scott and Co.	7%	(& bonus 1 p.s.)	Tax free	..	10	5
Shinners and Sons	..	..	..	..	..	..
Smith, Garrett, and Co.	7%	Feb. 1	Less tax	..	10	10
Head & Simpson	..	..	..	..	10	10
South American Cattle Farms ..	..	..	Less tax	..	8	8
South African Brewery	10%	Jan. 31	Less tax	..	..	..
South African District Light, "A" ..	8%	..	Less tax	..	..	..
South African District Light, "B" ..	6%	..	Less tax	..	..	..
S. and General Trust	13%	..	Less tax	..	10	10
Wagon Finance	10%	..	Less tax	..	15	13
Warner and Co.	2%	Feb. 1	..	..	..	..
Waver-hire Railway Wagon	2%	..	..	..	15	10

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Pay- ment of Deben- ture Interest.	Amount Avail- able for Distri- bution.	Appropriation.				Corresponding Period Last Year.		
					Dividend.			Carried to Reserve, Deprecia- tion, &c.	Balance Forward.	Net Profit.	Divi- dend.
					Prefce.	Ordinary.	Rate.				
					Amount.	Amount.	Rate.		£	£	%
Banks.											
Bank of Ireland	Dec. 31	43,626	533,943	577,569	£	265,846	13	260,000	51,723	£	%
British Mutual	Dec. 31	1,639	9,317	10,956	..	6,000	10	3,000	1,956	8,141	10
Hibernian	Dec. 31*	11,427	56,774	68,201	..	25,000	10	28,972	14,229	47,515	9
Lloyds	Dec. 31	546,143	2,068,875	2,615,018	..	1,766,676	16½	350,000	498,342	2,529,124	16½
London County Westminster and Parr's	Dec. 31	519,708	1,888,021	2,407,729	..	1,221,144	12½	650,000	536,585	2,167,846	20
National Provincial and Union	Dec. 31	889,250	1,854,150	2,743,440	..	1,489,507	16	321,959	931,971	2,054,686	16
Breweries.											
City of London	Dec. 31	34,374	168,815	203,189	27,500	117,935	20	20,000	37,754	172,326	20
Financial, Land, &c.											
Alto Parana Development	June 30	Dr 2,500	3,731	Dr 13,231	12,500	45,000	15	..	Dr 13,231	Dr 6,815	..
Mortgage Co. of River Plate	Dec. 31	61,343	71,367	132,710	..	75,210	..	75,210	66,130	..	15
North of Scotland Canadian Mortgage	Nov. 11	20,829	79,187	100,016	..	58,023	18½	5,000	36,993	52,697	18½
South American Cattle Farms	Sept. 30	8,294	38,206	46,500	..	17,392	8	18,900	10,208	37,283	8
Hotels, Restaurants, &c.											
Harrogate Hydropathic	Dec. 31	3,876	10,353	14,229	..	8,000	20½	2,000	4,229	5,925	12½
R. E. Jones	Oct. 31	Dr 194,723	15,702	Dr 179,921	..	..	..	15,000	Dr 194,021	Dr 133,118	10
Iron, Coal, and Steel.											
East Indian Coal	Oct. 31	3,976	19,950	23,926	..	9,000	7½	10,000	4,926	..	..
Rubber, &c.											
Culloden Consolidated	Dec. 31	20,822	Dr 393	20,429	..	..	..	20,429	Dr 5,266	..	..
Tangkah	Sept. 30	2,366	Dr 2,644	Dr 278	..	..	..	Dr 574	296	Dr 7,987	..
Shops and Stores.											
Lotus, Limited	Dec. 31	10,560	142,622	153,182	18,375	49,913	10	70,000	14,894	65,753	6
Textiles.											
Lister and Co.	Nov. 30	171,870	154,985	326,855	30,000	106,875	7½	..	189,980	134,362	7½
Stapley and Smith	Nov. 19	Dr 69,729	63,381	Dr 6,348	..	..	..	..	Dr 6,348	..	..
Trust.											
Governments Stock and Other Securities	Dec. 31	19,140	44,360	63,500	17,054	23,877	7	..	22,569	44,465	7
Northern Trust	Dec. 31	319	3,603	3,922	900	2,330	12	..	692	2,287	10
River Plate and General Investment	Dec. 31	32,835	50,807	83,642	12,375	30,250	11	5,000	36,017	47,441	10
United States and General	Dec. 31	22,730	36,447	59,177	14,994	14,759	10	5,000	24,424	31,514	8
Other Companies.											
Bradbury, Greatorex	Jan. 5	35,416	92,597	120,013	13,000	43,560	12	37,182	34,271	57,962	12
Craigton Cemetery	Dec. 31	477	2,239	2,716	..	1,842	5	500	374	2,439	5
East India Distilleries and Sugar Factories	Sept. 30	4,269	16,173	20,442	7,000	8,000	10	..	5,442	..	..
E. W. Tarry and Co.	Aug. 31	4,399	Dr 18,098	Dr 14,699	9,000	..	..	Dr 26,000	3,301	531	5
George Angus and Co.	Dec. 31	58,212	20,769	78,981	6,000	21,500	5	..	51,481	19,636	5
L. and J. Weber and Phillips	Dec. 31	9,438	49,466	58,904	..	27,900	15	10,000	21,004	..	..
Parent Tyre	Dec. 31	15,960 (k)	53,321	69,281	48,298	17,500	8	..	3,483	..	..
Pawsons and Leafs	Dec. 27	63,047	12,332	75,379	..	13,800	5	..	61,579	23,002	7½
Richard Lunt and Co.	Dec. 31	12,841	20,362	33,203	800	13,400	10	5,000	14,003	14,845	10
Selincourt and Sons	Dec. 16	19,247	61,555	80,802	..	56,250	10	..	24,552	37,935	5
United Tobacco Cos. (South)	Sept. 30	..	488,751	488,751	21,090	381,675	17½ (O.) 17½ (D.)	..	85,986	..	..
Yorkshire Railway Wagon	Dec. 31	4,801	39,547	44,348	..	28,125	15	10,144	6,079	27,288	10

* Half-year.

† Free of tax.

(k) Sixteen weeks.

(m) Also additional distribution, being equivalent amount per share for relief from Dominion Tax.

Reports and Notices.

Mr W. J. Thomas, director-general of the American Express Company's organisation in Europe and the Near East, has been elected a vice-president of that company.

Mr Walter Burt has accepted a seat on the board of the Timber Wireproofing Company, Limited, and the directors have elected him chairman of the company, in place of the late Sir Richard V. Vassar-Smith, Bart.

At a general meeting of the Life Offices' Association, held on the 22nd inst., Mr A. Digby Besant, B.A., general manager and actuary of the Clerical, Medical, and General Life Assurance Society, was elected chairman, and Mr H. H. Trouncer, M.A., actuary and manager of the London Life Association, Limited, was elected deputy-chairman.

It is announced that the Imperial Continental Gas Association has received from the Clearing Office (Enemy Debts) a sum of £188,948 18s 1d, being a first payment (less commission) on account, in respect of the compromise award of £1,550,000 in settlement of the outstanding balance of the association's German claims under the Peace Treaty.

RAILWAYS.

BENGAL-NAGPUR RAILWAY COMPANY, LIMITED.—Holders of debentures, bonds to bearer, of this company, amounting to £500,000, and falling due on February 2, 1923, are notified that the directors, with the sanction of the Secretary of State for India in Council are prepared to renew such debentures at £99 2s 6d per £100 (17s 6d per cent. discount), for a further period of three years at the rate of 4½ per cent. per annum interest, provided the holders of the said debentures intimate their acceptance of this offer, and send their bonds to the office of the company, 132 Gresham House, Old Broad Street,

London, E.C. 2, for endorsement before noon, on Thursday, February 1, 1923. A commission of 5s per £100 will be allowed to brokers and other recognised agents.

BANKS.

CONTINENTAL AND COMMERCIAL NATIONAL BANK OF CHICAGO.—Balance-sheet, December 29, 1922:—

LIABILITIES.	\$	ASSETS.	\$
Capital	25,000,000	Time loans	141,526,367
Surplus	15,000,000	Demand loans	103,506,011
Undivided profits	5,440,933	Acceptances	111,638
Reserve for taxes	2,115,475	Bonds, securities, &c.	20,421,584
Circulation	50,000	Certificates of indebtedness	36,546,385
Letters of credit	4,966,242	Stock of Federal Reserve Bank	1,200,000
Acceptances	5,094,315	Bank premises (Equity)	7,250,000
Deposits	379,544,231	Letters of credit	4,511,752
		Acceptances (as per contra)	4,860,488
		Overdrafts	18,065
		Cash	117,238,906
			437,211,196

DOMINION BANK (CANADA).—We are informed that the annual statement of the Dominion Bank, published on the 19th instant at Toronto, for the year ending December 31, 1922, shows profits of \$1,175,478, an increase of \$50,206 over the year 1921.

WESTERN AUSTRALIAN BANK.—It is announced by cable that at a special general meeting of shareholders held on 24th instant the following proposals, agreed to at a special general meeting on September 28th last, were confirmed:—1. That each of the existing £10 shares be divided into ten £1 shares. 2. That each shareholder for every £10 share held by him will receive two additional £1 shares. 3. That £50,000 be taken from the reserve fund to pay for such £1 shares. The necessary resolutions to amend the bank's deed of settlement, and also to authorise an increase of capital by the issue of an additional 200,000 £1 shares were carried unanimously. The directors propose to issue a first instalment of 50,000 £1 shares to shareholders and public at a premium of £1 10s, payable £1 5s

(Continued on page 185.)

RUBBER OUTPUTS AND DIVIDENDS

In the table below we give the December and past three years outputs, and dividends for four complete years of a number of Rubber Companies, while the latest reports of Rubber Companies are analysed under our Summary of Profit and Loss Accounts each week. The latest dividends declared appear under Dividend Announcements, and the Rubber Share Market is dealt with in our Stock Market section. Particulars as to the Market Price of the Commodity and other information will be found in our Produce Market Section.

Other information will be found in our Reports											
Name. Year ends December 31, Except where Stated.	Outputs.			Output Month Dec., 1922.	Increase or Decrease on 1921.	12 Months 1922, Except Where Otherwise Stated in Brackets.	Increase or Decrease on 1921.	Dividends paid in Past 4 Complete Years.			
	Year 1919.	Year 1920.	Year 1921.					1918. % nil	1919. % nil	1920. % nil	1921. % nil
	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.				
Allagar	359,250	354,250	329,300	129,400	..	1,781,000	..	1918.	1919.	1920.	1921.
Anglo-Java	2,416,470	2,101,447	1,746,500	86,714	+ 27,555	1,194,955	+ 384,002	45	60	17½	..
Anglo-Malay	1,662,991	1,430,807	814,209	70,370	+ 10,039	460,835 (7)	+ 95,611	20 (18-19)	30 (19-20)	nil (20-21)	5 (21-22)
Anglo-Sumatra (May 31)	771,865	1,058,736	920,074	63,000	+ 20,000	856,000	+ 38,581	10 (18-19)	10 (19-20)	nil (20-21)	..
Ayer Kuning	960,175	943,803	812,127	63,000	+ 10,039	224,678 (2)	+ 35,851	10 (18-19)	10 (19-20)	nil (20-21)	..
Bah Lias (Oct. 31)	974,520	1,561,555	1,233,341	119,848	+ 13,558	587,044 (9)	+ 115,371	25 (18-19)	20 (19-20)	nil (20-21)	5 (21-22)
Bakap (June 30)	941,776	1,029,608	729,518	111,864	+ 14,610	144,850 (8)	+ 35,800	5 (18-19)	nil (19-20)	nil (20-21)	nil (21-22)
Bandar Sumatra (July 31)	225,800	230,500	164,080	32,100	— 8,900	162,700 (7)	— 35,800	12 (18-19)	nil (19-20)	nil (20-21)	nil (21-22)
Bantam (Java) (June 30)	474,148	615,367	523,967	47,350	+ 5,030	76,125 (2)	+ 27,270	15 (18-19)	15 (19-20)	5 (20-21)	..
Banteng (Selangor) (April 30)	799,446	913,616	713,192	47,350	+ 5,030	303,819	+ 2,723	110	150	5	..
Batang Consolidated	348,145	571,712	467,809	24,158	+ 7,873	303,819	+ 2,723	110	150	5	..
Batu Caves	321,271	390,686	296,140	24,158	+ 7,873	323,039 (20)	+ 99,267	35	30	10	..
Batu Tiga	675,534	647,153	534,889	48,769	+ 5,353	537,616	+ 2,723	110	150	5	..
Bekoh Consolidated (June 30)	784,000	765,100	418,745	28,337	— 1,276	205,919 (6)	..	..	..	..	..
Bertam Consolidated (March 31)	1,534,416	1,269,877	1,351,255	..	..	185,500 (6)	..	..	..	..	..
Bukit Cich	375,743	342,250	277,730	53,885	— 8,545	339,643 (6)	— 2,199	25 (18-19)	10 (19-20)	5 (20-21)	..
Bukit Kajang (June 30)	697,900	881,671	796,638	80,359	+ 16,990	537,807 (9)	+ 63,219	12 (18-19)	20 (19-20)	nil (20-21)	..
Bukit Mertajam (March 31)	900,681	842,362	669,000	..	..	668,148 (8)	..	..	..	..	..
Bukit Sembawang	1,060,000	1,636,220	944,540	..	..	531,307 (6)	..	..	..	..	..
Ceylon (Para)	1,118,002	1,214,645	975,540	..	..	376,616 (9)	+ 35,869	12½	21	5	..
Chempoo	665,165	653,267	504,891	57,600	— 13,810	755,989	— 128,151	75 (18-19)	60 (19-20)	nil (20-21)	..
Cheroh	815,285	875,814	867,033	..	..	168,000 (3)	..	..	..	..	..
Cheong	705,765	636,372	835,118	82,650	— 1,854	903,300	+ 60,495	25	37½	12½	..
Cheong Ordinary (March 31)	1,002,435	1,070,989	851,798	..	..	397,000	+ 73,112	78	78	5	..
Consolidated Malay	748,935	801,897	591,289	32,006	— 19,044	464,401	+ 68,300	..	..	..	..
Damanah	565,621	436,210	698,008	..	..	394,607 (5)	+ 68,300	..	..	..	..
Dennistown	752,228	1,053,163	698,008	..	..	246,500 (6)	+ 6,700	5	25	10	..
Dusun Durian	338,504	454,740	443,900	47,000	+ 11,300	325,500	+ 89,358	15	30	..	..
Eastern Sumatra (June 30)	933,000	930,000	900,300	61,000	— 35,598	1,151,000	+ 113,032	10	25	..	..
F. M. S. Planters	1,252,782	1,247,524	1,063,642	85,102	..	45,120 (1)	..	..	..	..	..
General Ceylon	535,932	612,403	473,941	30,029	+ 9,969	341,070	+ 113,032	10	15	2½	..
Golconda Malay	376,849	461,824	233,446	30,029	+ 9,969	3,527,251 (9)	..	..	..	..	..
Golden Hope	516,427	5,217,447	4,379,972	..	..	..	..	..	..	..	..
Grand Central (Ceylon)	1,549,500	1,618,387	1,023,600	..	..	..	..	..	..	..	..
Gula-Kalumpung	423,423	454,966	320,861	..	..	..	..	..	..	..	..
Harpender	1,504,374	1,533,919	1,215,779	27,200	— 5,810	198,810 (6)	+ 21,880	40 (18-19)	45 (19-20)	20 (20-21)	..
Hidellands and Lowlands	561,160	1,022,321	524,688	82,311	+ 200	384,564	+ 47,767	10	20	..	..
Inch Kenneth (May 31)	937,688	929,212	882,311	81,200	+ 200	454,500	+ 84,400	10	20	..	..
Java Amalgamated	317,581	380,504	375,635	47,400	— 5,300	213,500 (9)	+ 41,568	10 (18-19)	15 (19-20)	nil (20-21)	..
Java Rubber Plantations	319,103	298,821	233,639	24,344	— 5,457	473,667 (8)	..	20 (18-19)	15 (19-20)	nil (20-21)	..
Jeram (March 31)	564,325	663,950	570,879	..	..	1,762,281 (9)	+ 122,490	12½ (18-19)	12½ (19-20)	nil (20-21)	..
Jong Iskander (June 30)	705,772	1,002,605	707,719	61,590	— 15,910	448,860 (6)	+ 34,236	20 (18-19)	20 (19-20)	nil (20-21)	..
Jong Iskander and Carey (Nov. 30)	1,036,566	990,219	851,775	45,500	..	665,733 (9)	+ 34,236	20 (18-19)	20 (19-20)	nil (20-21)	..
Kanunin (Perak) (June 30)	705,772	1,002,605	707,719	61,590	— 15,910	448,860 (6)	+ 34,236	20 (18-19)	20 (19-20)	nil (20-21)	..
Kapar Para	503,217	536,311	421,596	..	..	437,634 (8)	+ 206,959	40	65	10	..
Kawie (Java) (March 31)	412,320	750,704	483,360	50,496	— 12,255	154,104 (9)	+ 79,754	10 (18-19)	20 (19-20)	12½ (20-21)	..
Kepong (June 30)	700,023	693,685	662,000	98,000	+ 16,000	615,000 (6)	+ 91,000	20 (18-19)	15 (19-20)	nil (20-21)	..
Kuala Kelang (March 31)	1,579,662	1,709,537	1,503,385	98,000	+ 16,000	642,436	— 22,276	68½	68½	25	..
Kuala Lumpur (June 30)	540,607	664,712	41,606	19,633	— 2,740	896,570	— 21,960	28	25	5	..
Kuala Selangor	1,118,792	1,120,230	83,830	2,429	..	1,206,016	+ 180,664	6	20	..	..
Labu (F. M. S.)	1,245,745	1,453,209	1,097,352	110,956	+ 17,400	230,520 (4)	+ 82,771	15 (18-19)	7½ (19-20)	nil (20-21)	..
Landron	700,222	412,728	455,034	65,100	— 5,000	353,000	— 17,000	12½	20	..	..
Langkat (Aug. 31)	467,900	451,120	370,000	32,560	— 9,600	473,667	+ 38,691	15	25	..	..
Langkat Sumatra	703,929	685,259	434,276	47,117	+ 5,000	473,667	+ 38,691	15	25	..	..
Ledbury	2,032,900	2,804,217	2,175,728	202,060	— 18,860	2,247,077	+ 33,877	25	35	..	..
Linggi Plantation, Ord.	615,566	605,830	1,419,741	132,000	+ 13,471	1,854,939	+ 23,340	17½ (18-19)	12½ (19-20)	7½ (20-21)	10
London Asiatic	1,108,000	1,431,500	1,076,700	79,000	— 12,800	246,825 (3)	+ 23,340	17½ (18-19)	12½ (19-20)	7½ (20-21)	10
Lumut (Sept. 30)	4,122,975	3,508,540	3,457,725	29,150	— 3,567,090	874,788 (9)	+ 45,703	10	30	..	..
Malacca Ordinary	1,020,746	1,422,975	3,508,540	29,150	— 3,567,090	874,788 (9)	+ 45,703	10	30	..	..
Malayasia	1,752,709	1,416,558	1,141,285	117,102	— 18,894	1,299,930	+ 111,570	14½	19	..	..
Mendari	1,509,000	1,646,237	1,434,556	..	..	590,340 (7)	+ 133,415	10	17½	..	..
Merriman	625,790	782,070	516,550	53,628	— 6,086	690,114	+ 172,824	15 (18-19)	25 (19-20)	nil (20-21)	..
New Crocodile	608,753	743,464	510,286	..	..	346,122 (6)	+ 85,132	10 (18-19)	20 (19-20)	nil (20-21)	..
North (June 30)	549,392	587,889	592,381	21,992	— 4,866	196,700 (9)	+ 2,632	12½	20	..	..
North Hummock (March 31)	339,188	603,089	264,375	101,339	+ 15,026	827,390	+ 32,007	150	250	5	..
Padang Java (March 31)	766,583	751,379	736,381	101,339	+ 15,026	827,390	+ 32,007	150	250	5	..
Panawate	725,278	761,538	539,770	53,214	+ 10,107	232,975 (3)	+ 65,735	35 (18-19)	10 (19-20)	nil (20-21)	..
Pataling	789,308	1,067,328	527,110	75,129	— 13,069	400,824 (9)	+ 5,657	6 (18-19)	10 (19-20)	nil (20-21)	..
Pegoh (Sept. 30)	578,480	581,520	547,718	8,898	— 10,730	599,880 (9)	+ 127,660	6 (18-19)	10 (19-20)	nil (20-21)	..
Pegoh (March 31)	581,318	532,365	476,893	78,476	+ 7,889	521,150	+ 71,912	6	15	24	..
Port Dickson-Lukut (March 31)	511,142	792,782	656,030	64,940	+ 10,730	599,880 (9)	+ 127,660	6 (18-19)	10 (19-20)	nil (20-21)	..
Rangoon Para	885,806	793,597	701,347	93,630	+ 7,336	595,419	+ 15,450	12½	25	..	..
Rani (Travancore)	677,544	722,240	514,020	39,133	— 2,003	365,580	+ 67,765	10	15	..	..
Rubber Estates of Johore	415,000	352,770	229,000	..	..	398,000 (12)	+ 48,900	5	12½	..	..
Rubber Estates of Krian	280,900	303,130	229,000	..	..	398,000 (12)	+ 48,900	5	12½	..	..
Sampang Para	677,544	722,240	514,020	39,133	— 2,003	365,580	+ 67,765	10	15	..	..
Sapumakand	701,873	691,722	499,814	45,144	+ 6,865	574,437	+ 37,623	30	65	..	..
Scottish Malay	1,147,553	1,116,012	953,967	71,447	— 21,503	1,081,782	+ 227,813	35	13 (19-20)	nil (20-21)	..
Seafeld	397,500	506,000	499,814	38,000	— 15,000	279,000 (6)	+ 11,000	10 (18-19)	50	10½	..
Seaport (June 30)	888,830	630,352	496,123	53,035	— 14,956	678,950	+ 25,996	20 (18-19)	10 (19-20)	nil (20-21)	..
Selamoor	465,171	404,731	335,000	37,500	+ 4,300	338,000 (12)	+ 48,900	5	12½	..	..
Sembilan (July 31)	677,544	1,022,921	695,648	74,610	+ 23,379	778,510	+ 127,862	22½	42	..	..
Serdang Central	1,075,723	1,022,921	695,648	74,610	+ 23,379	778,510	+ 127,862	22½	42	..	..
Seremban	343,279	360,915	288,472	..	..	157,331 (5)	..	5	15	..	..
Shelford	274,247	360,915	288,472	..	..	202,327 (9)	..	..	..	..	..
Slak (Sumatra)	1,795,723	2,151,912	1,505,452	160,533	+ 25,397	1,535,100 (11)	+ 175,689	12½ (18-19)	25 (19-20)	nil (20-21)	..
Slak (Jan. 31)	1,795,723	2,151,912	1,505,452	160,533	+ 25,397	1,535,100 (11)	+ 175,689	12½ (18-19)	25 (19-20)	nil (20-21)	..
Singapore Para (June 30)	461,693	525,113	414,958	199,000	— 62,990	2,502,889	+ 154,449	30	17½ (19-20)	nil (20-21)	..
Singapore United (June 30)	2,805,078	2,799,496	2,248,446	55,000	..	427,000 (8)	+ 136,740	20 (18-19)	16 (19-20)	nil (20-21)	..
Straits Rubber	544,240	672,000	1,072,539	135,000	..	700,000 (6)	+ 75,425	30	85	..	..
Sumatra Consolidated (April 30)	821,326	765,489	576,119	42,272	— 16,128	521,900 (9)	+ 15,800	22½	40	..	..
Sumatra Para (June 30)	942,556	905,883	723,400	32,666	..	374,736	+ 32,335	10	25	..	..
Sungei Choh	535,951	491,802	410,567								

French exchange. Developments are on hand in South Yorkshire and Nottinghamshire which, when completed, will add something like 10 million tons per annum to the output of coal. Local prices are firm, but not quotably higher. Durham foundry coke is still quoted 21s at ovens, but makers can get 30s for export. South Yorkshire steam coal is still 21s at pits.

Our Glasgow correspondent writes:—The industrial position in manufactured iron and steel is given this week by leading producing managements as more satisfactory than has been the experience since the year came in. But at the same time it is added that conditions are a good bit off what could be desired, and behind what was looked for a couple of months ago. Shipbuilders report a pronounced pause in the placing of contracts for new boats, and are disappointed, as the trade promise only quite recently, they say, was for a much heavier looking than has so far been realised. Official figures show that down to date (from last back-end) orders have been given out over the U.K. (say, since mid-October) for 283 new vessels, or 125 fewer than in the corresponding period 1922, a deficit that was not anticipated. Glasgow structural firms report a strong measure of inquiry for rails, bridge, and boiler plates, and for nearly everything that enters into engineering. In a normal state, they say (such as ruled pre-war) conditions would be regarded as really prosperous, but with productive and constructive capacities as they are, even good tonnage lines reckon for little, and capacities are still on the up grade. Several of the larger steel works in the West are still closed, while one or two (concerned mainly in the rolling of sections) are managing to run the larger part of their plant for two out of each three weeks, which is accepted as satisfactory in the circumstances. According to certain reports, an improved inquiry is noticeable for textile, agricultural, and other light and seasonal machinery. The turn-over in Scotch pig-iron is well sustained, thanks to the expansion in force in foundry departments. The important factor realised is the continued demand for the various brands for despatch to the United States. Last week total shipments from Glasgow to the States reached 4,742 tons, comparing with 300 tons in the corresponding week a year ago. Scotch hematite is called 5s 7s 6d, with an indifferent demand. Scotch crown bars stand again at 5s 10s, delivered Glasgow. The coal markets were excited in the first part of the week over extravagant talk of large orders and inquiries for fuel from France, but these have not materialised, and prices have slumped back to last week's level.

Our Cardiff correspondent writes:—The conditions on the Cardiff coal market have been more settled this week. The position created by the French occupation of the Ruhr still remains somewhat obscure, but the market has now had time to investigate the wild rumours of enormous orders that were current a week ago, and to form a better opinion of future possibilities of demand. Inquiries have been very active throughout the week, and these have been followed by the placing of a considerable volume of business. Germany is certainly buying, but only for her immediate requirements, and the greater part of the business placed has been for Yorkshire and North County coals. The orders secured by South Wales amount approximately to between 40,000 and 50,000 tons, and we are in a position to state that the whole of this, as well as of the recent business in Yorkshire, Northumberland, and Durham, has been fully covered. The terms are cash, and there has been little difficulty in arranging conditions of sale. France, however, has been a much greater buyer than Germany, and Italy is buying more than she has done at any period since the war. The demands of the French railways have been exceptionally heavy, probably the result of the movement of troops and of materials incidental to the occupation of the Rhensish-Westphalia coalfield. Italy has been compelled to buy more British coal in consequence of the cessation of overland deliveries by Germany, but she is still shipping German coal from Antwerp. The South American trade is also extending, and the new business secured in the North Sea markets is maintained. Under these conditions prices of all classes of South Wales coals have been very firm, and in the majority of cases have closed at higher levels than those of last week. The supply of shipping is as abundant as ever. All the docks are congested, and a considerable number of vessels are from day to day being detained in the Roads waiting their turn for loading stems. Patent fuel is the only weak spot in the market, and the situation of the local factories is more perilous than ever. The delivered price of pitch is now over 150s per ton, and at that price, and at the current value of small coal, fuel cannot be manufactured in the Cardiff district under a cost price of between 35s and 37s per ton, which is prohibitive with large coal selling at less than 30s per ton. The following are current approximate quotations:—Best Admiralties, 20s to 30s; second Admiralties, 28s 6d to 20s; best drys, 27s 6d to 28s; black veins, 28s 6d to 20s; Western Valleys, 28s 6d to 20s; Eastern Valleys, 27s 6d to 28s; best bunker smalls, 20s to 21s; ordinary cargo smalls, 18s to 10s; anthracite big veins, 35s to 37s 6d; machine-made cobbles, 45s to 47s 6d; French nuts, 52s 6d to 55s; stove nuts, 40s to 42s 6d; rubbly culm, 14s to 14s 6d; coke for export, 40s to 40s; inland blast furnace coke at ovens, 26s 6d to 27s 6d; patent fuel, nominal; pitwood, ex-ship, 27s 6d. The position in the iron and steel trade continues to improve. In-ports of iron ore have been exceptionally heavy during the past few weeks, and this is a precursor to a big increase in the output of pig-iron. There is a strong market for steel bars and tinplates at the recently increased minimum prices, and the orders placed recently have been so heavy as to ensure full employment for many weeks ahead.

CUMBERLAND IRON.

(FROM OUR WORKINGTON CORRESPONDENT.)

Business in the Cumberland and North Lancashire hematite pig-iron trade has been slower since the French entered the Ruhr valley, the uncertainty that has been created having had the effect, of course, of checking the extension of commitments, and until the international situation is clarified, it looks as though everybody will be content to mark time. Makers, however, were already sold three months ahead, and as there is still a fair volume of business dribbling in, the maintenance of the present activity until mid-April is apparently assured. The Continental and American buying is now on a smaller scale, though shipments on old contracts are quite substantial. Home requirements absorb the greater part of the output, most of the ordinary iron going to Scotland, the Midlands, and South Wales. Fuel prices, fortunately, have not risen, and makers, therefore, are unable to quote Bessemer mixed numbers at the old figure of 5s 10s per ton delivered at Glasgow and Sheffield, and for export at the same price. Values are not such as to make the smelting of iron a profitable proposition. On the other hand, the recovery that has gradually been taking place would be hindered by an advance in prices, and makers are content, in the circumstances, to let well alone. There is a sharper demand being experienced for low phosphorus iron by high-class steel manufacturers in the Midlands, but ferro-manganese at 15s 10s per ton, f.o.b., and spiegel at 17s per ton are both a dull trade. Things are just a little better in the steel trade, and there is a sufficiency of small orders to justify the rolling mills at Moss Bay at Workington in being maintained in operation for a few weeks longer. The outlook, however, is not very cheerful, and it may be late spring or early summer before the rail mills go on permanently. The iron ore industry in the west and south of Cumberland is better employed. Many of the pits, indeed, are raising normal outputs, though the demand is almost entirely local. Special ores command from 23s per ton to 24s 6d per ton, and ordinary sorts from 19s 6d to 22s 6d per ton. There is great briskness in the coal trade, needs on all sides being so large that they can scarcely be satisfied, in spite of the fact that the collieries are working at their fullest capacity and that production is increasing. Irish requirements are heavy, and best house coal for cross-Channel shipment is quoted at 27s 6d per ton, f.o.b. Horse coal for local consumption is 38s 2d per ton at pit. Best steam is 30s per ton and washer steam 20s per ton delivered. Gas-producing coal is 20s per ton. All the by-product coke ovens are at last working at top pressure to supply the local furnaces on ordinary iron, furnace coke being 22s 2d per ton. East Coast coke supplies for the furnaces on special iron are over 13,000 tons per week. By-products are in keen request.



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THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—January 19, 1923.

Description.	Com.	Med.	Good Med.	Med. Fine.	Fine.	Extra Fine.	Same Period 1921			Same Period 1920.		
							Med.	Good Med.	Fine.	Med.	Good Med.	Fine.
Sea Island.....	d	d	d	d	d	d	d	d	d	d	d	d
Florida do.....	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Georgia do.....	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
American.....	1515	1545	1536	1620	1635	1635	1515	1545	1536	1620	1635	1635
Peruvian.....	1530	1611	1735	...	...	...	1530	1611	1735	...	...	...
Parahyba, Rio Grande, &c.....	1530	1615	1735	...	...	...	1530	1615	1735	...	...	...
Macao, &c.....	1530	1615	1735	...	...	...	1530	1615	1735	...	...	...
Mossoro, &c.....	1530	1615	1735	...	...	...	1530	1615	1735	...	...	...
Ceara.....	1530	1615	1735	...	...	...	1530	1615	1735	...	...	...
Maranhão, &c.....	1530	1615	1735	...	...	...	1530	1615	1735	...	...	...
São Paulo.....	1530	1615	1735	...	...	...	1530	1615	1735	...	...	...
Egyptian.....	1485	1585	1625	1670	1725	...	1485	1585	1625	1670	1725	...
Upper.....	1485	1585	1625	1670	1725	...	1485	1585	1625	1670	1725	...
Sakellaridis.....	1485	1585	1625	1670	1725	...	1485	1585	1625	1670	1725	...
Brown.....	1485	1585	1625	1670	1725	...	1485	1585	1625	1670	1725	...
Peruvian.....	1485	1585	1625	1670	1725	...	1485	1585	1625	1670	1725	...
Rough.....	1485	1585	1625	1670	1725	...	1485	1585	1625	1670	1725	...
Moderately Rough.....	1485	1585	1625	1670	1725	...	1485	1585	1625	1670	1725	...
Smooth.....	1485	1585	1625	1670	1725	...	1485	1585	1625	1670	1725	...
Tanganyika.....	1485	1585	1625	1670	1725	...	1485	1585	1625	1670	1725	...
Mitani.....	1485	1585	1625	1670	1725	...	1485	1585	1625	1670	1725	...
West Indian, &c.....	1485	1585	1625	1670	1725	...	1485	1585	1625	1670	1725	...
Do Sea Island.....	1485	1585	1625	1670	1725	...	1485	1585	1625	1670	1725	...
African, East, &c.....	1485	1585	1625	1670	1725	...	1485	1585	1625	1670	1725	...
Do West.....	1485	1585	1625	1670	1725	...	1485	1585	1625	1670	1725	...
Machine Ginned Burles.....	1485	1585	1625	1670	1725	...	1485	1585	1625	1670	1725	...
Machine Ginned Brooch.....	1485	1585	1625	1670	1725	...	1485	1585	1625	1670	1725	...
Machine Ginned Brown.....	1485	1585	1625	1670	1725	...	1485	1585	1625	1670	1725	...
Machine Ginned Comra. No. 1.....	1485	1585	1625	1670	1725	...	1485	1585	1625	1670	1725	...
Machine Ginned Comra. No. 2.....	1485	1585	1625	1670	1725	...	1485	1585	1625	1670	1725	...
Machine Ginned Khandish.....	1485	1585	1625	1670	1725	...	1485	1585	1625	1670	1725	...
Machine Ginned Comptah.....	1485	1585	1625	1670	1725	...	1485	1585	1625	1670	1725	...
Machine Ginned Bengali.....	1485	1585	1625	1670	1725	...	1485	1585	1625	1670	1725	...
Machine Ginned Seinde.....	1485	1585	1625	1670	1725	...	1485	1585	1625	1670	1725	...
Tinnivelly.....	1485	1585	1625	1670	1725	...	1485	1585	1625	1670	1725	...
Madras, Western.....	1485	1585	1625	1670	1725	...	1485	1585	1625	1670	1725	...
Madras, Northern.....	1485	1585	1625	1670	1725	...	1485	1585	1625	1670	1725	...
M.G. Coconada, Red.....	1485	1585	1625	1670	1725	...	1485	1585	1625	1670	1725	...
China, Smyrna, &c.....	1485	1585	1625	1670	1725	...	1485	1585	1625	1670	1725	...

MANCHESTER, January 25.

The healthy tone has been maintained in the market during the past week, and traders generally have been in a better frame of mind than has been the case for many months back. Much-needed relief has been obtained by manufacturers, and more work is now available for the operatives round Blackburn, Preston, and Burnley way. The cloth inquiry, principally for India, has been of considerable dimensions, and encouraging sales have taken place in a wide range of fabrics. Of course, many of the offers are still below Manchester rates, but there is a tendency for the bids to improve. A feature of importance has been the rise in the Indian rate of exchange. China has been very disappointing, although recent mail advices have read rather better. Shippers to that outlet have been quite content to pick up small lines, chiefly in fancy materials. Staple makes have been in special request for Egypt and South America. The demand for the home trade has been easily satisfied. A larger inquiry has been about in American and Egyptian spinnings, and sales have been rather larger.

(I.) Comparative Statement of the Cotton Trade.

Description.	Price, Jan. 25, 1923.	Previous Weeks in 1922-23.					
		Jan. 18.	Jan. 11.	Jan. 4.	Dec. 28.	Dec. 20.	Dec. 13.
Raw Cotton—Fully Mid. American.....per lb	16.63	16.06	15.33	15.24	15.34	15.08	15.08
— Sakellaridis Fully Good Fair.....per lb	18.25	18.25	17.25	17.65	17.90	17.80	17.80
Yarns—32's twist.....per lb	22.1	21.1	20.1	20.4	20.4	20.1	20.1
— 40's twist.....per lb	28.1	28.1	27.1	28	28	28	28
— 60's twist (Egyptian).....per lb	32.1	32.1	31.1	30.6	30.6	30.6	30.6
32-in. Printers, 116 yds, 16 by 16, 32's and 50's.....	32.6	32.6	31.6	30.6	30.6	30.6	30.6
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's.....	35.6	35.6	34.6	33.6	33.6	33.6	33.6
32-in. ditto, 38 yds, 18 by 16, 10 lbs.....	19.6	19.6	18.6	18.6	18.6	18.6	18.6
32-in. ditto, 37 yds, 16 by 15, 8 1/2 lbs.....	18.6	17.6	17.6	16.6	16.6	16.6	16.6

(II.) Compared with Previous Years.

Description.	Price, Jan. 25, 1923.	Corresponding dates in				
		1922.	1921.	1920.	1919.	1918.
Raw Cotton—Fully Mid. American.....per lb	16.63	10.07	9.82	10.91	18.25	23.68
— Sakellaridis Fully Good Fair.....per lb	18.25	17.00	21.0	20.0	27.30	28.55
Yarns—32's twist.....per lb	22.1	17.1	23	25.1	29.1	39.1
— 40's twist.....per lb	28.1	24.1	29.1	31.1	34.1	46.1
— 60's twist (Egyptian).....per lb	32.1	28.1	31.1	32.1	34.1	46.1
32-in. Printers, 116 yds, 16 by 16, 32's and 50's.....	32.6	28.6	31.6	30.6	30.6	30.6
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's.....	35.6	28.6	31.6	30.6	30.6	30.6
32-in. ditto, 38 yds, 18 by 16, 10 lbs.....	19.6	17.6	21.6	20.6	20.6	20.6
32-in. ditto, 37 yds, 16 by 15, 8 1/2 lbs.....	18.6	17.6	21.6	20.6	20.6	20.6

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—The very keen demand for wool at the Liverpool sale last week was a clear indication that users are still in need of raw material, and competition at the colonial wool sales in London this week has fully borne out this assumption. All wools are selling on a higher level than that ruling at the November-December series of auctions, but there is no further advance on Liverpool rates. Indeed, some members of the trade are inclined to think that full Liverpool rates are hardly being made in some cases. However, the wool position is sound, and in spite of the upheaval in Germany and the great uncertainty as to what may happen, buying proceeds steadily the whole time. Reports from the colonies indicate a general demand, America, the Continent, and Japan all participating. In this centre topmakers have been advancing their quotations in anticipation of dearer wool, and for the time being the limit has been reached; that is to say, users simply will not buy any weight of tops or yarns at to-day's level. Some topmakers are still quoting protective prices, and it is difficult to say what is the actual buying price of certain qualities. For instance, 64's tops can be bought at anything from 5s 4d to 5s 6d, and in fine crossbreds a difference of 3d per lb in quotations is no uncommon thing. It is obvious that both buyers and sellers need time in order to adjust their ideas, but if wool remains firm tops will undoubtedly have to come into line. Spinners assert that they cannot sell yarn on to-day's basis, but some big weights have been sold recently, and machinery is very well employed. It is reported that some spinners are not taking up deliveries of tops as they should do, which is rather significant. There is no material change in the piece goods trade. To-day's prices are too high for wholesale fabric buyers, but business is being done where manufacturers can give the benefit of cheap yarn purchases.

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COLONIAL WOOL.

(FROM A CORRESPONDENT.)

The first series of sales of Colonial wool for this year commenced in London on Tuesday. There was a large attendance of buyers, all countries, including America, being represented. The selection of offerings was not in any way superior, but there was an active sale, Continental representatives doing far more buying than might have been expected. The prices paid just about harmonised with recent sales in Hull and Liverpool, and we are glad to think that they were not carried beyond the level then paid; indeed, we think that merinos were scarcely up to that point, though compared with London there was an appreciation of about 5 per cent. The competition of Continental buyers was rather less marked, with the result that shabbier merinos showed considerable irregularity, and on an average were no dearer than at the close of the last London auctions. Good combing, greasy, and scoured wools were, however, dearer to the extent already named. The selection of crossbreds was fairly good, 56-58's appreciating 5 per cent., whilst medium descriptions were 15, and coarse qualities 10 to 15 per cent. above the rates current at the London sales in December. Scoureds were 5 to 7½ per cent., and slipes 7½ to 10 per cent. dearer. These opening results clearly indicate a very healthy situation, and harmonise fully with what we have been saying for weeks past. In view of the depreciation of the mark, franc, and lire, it is surprising that the Continent should be buying so freely, but French buyers say they have great faith in the future of wool. This section may be expected to buy liberally throughout the whole series, although taking less than they would have done if the rate of exchange had been more favourable.

One cannot fail to observe among buyers attending the auctions a somewhat more sober and subdued spirit compared with the last time they met in the same centre. This is due entirely to the gravity of the Continental situation. The Franco-German crisis is being watched with intense interest, as great issues depend upon it even from a purely wool trade standpoint. Besides this, impartial and unprejudiced observers of the recent course of trade are of the opinion that the recent advance, particularly in crossbreds, has been too quick. The present level of merino values is also well above an economic level. When 64's warp tops have got to 55 4d per lb and 2-48's yarn around 7s, it is obvious that, in view of the present purchasing power of the public, high-water mark has been reached. In the interests of the entire trade it will be well if no further advance takes place in any class of raw material during the next three months. Topmakers have not yet been able to command such an advance in prices as adequately recompenses them for the high figures they have had to pay for wool, whilst spinners and manufacturers are in practically the same position with regard to prices for their yarns and pieces. The bald fact is that the purchasing power of the retailer is so limited, in comparison with the amount of money required, that there is no justification at the present time for any further advance in either merinos or crossbreds. There are undoubtedly certain aspects to be recognised in connection with merino wool. The supply of good combing is none too large, and manufactured goods of fine quality still enjoy no little popularity in every country. These two facts point to higher prices being paid before the middle of the year, but for the time being we are satisfied that values are quite high enough. Before there is any further advance in any class of wool it is essential that the position among manufacturers should improve, and that they through the piece merchants shall be able to find wider outlets and command prices more in harmony with the level to which the raw material has already attained. It is also important for American buyers to cease forcing the pace, for they have done too much of this since last October.

HIDE, LEATHER, AND ALLIED TRADES.

(BY OUR OWN CORRESPONDENT.)

Market hides showed signs of weakness for the first time this year at Thursday's Bermondsey auctions, as all the principal classes of ox hides remained unsold. One class only found a buyer, viz., the 59 lbs and under, and these made 7½d, a drop of ½d on last prices. Seconds were also weak, and when sold showed reductions of ½d to ¾d on last prices. Cows at 5½d to 5½d were ½d down, whilst calf showed reductions of from ¾d to ¾d down, best lights selling from 10d to 11d. Wools were firmer and made from 5s 6d to 15s per skin, fellmongers being eager to secure the limited supply. The price of foreign hides remains steady and firm, Liebig's having been sold at 11d, c.i.f., and Fray Bentons at 11½d. Dry hides are also selling at firm prices, the home trade being keen on picking up odd lots at a lower price than quoted by holders. Latest cables from New York report the Chicago hide market as steady, with best heavy packers making now 40¢ cents.

The demand for sole leather remains quiet, and shoe trade con-

sumers are determined to put off ordering for as long as possible. The demand runs on low-grade sole leather from shoe manufacturers, although merchants seem to have got tired of handling this rubbish, and are now stocking a better class of tannage. Tanners are firm so far in their quotations, although offers for large parcels at less money are often accepted. Repairers have again gone slow owing to the spell of wet weather, and few orders have come to hand of late.

The demand for upper stock is a shade better, although calf leather tanners are still unable to compete with the German box and willow calf. Curriers are better off for orders, but have to work for very little in view of the price they take for kip upper leathers. Fancy leather makers are much better employed, and I hear of good orders being placed for suede leathers for shoe and other purposes.

The boot trade is fairly busy in towns specialising on women's work, and orders are again coming in from abroad in moderate volume.

VEGETABLE OILS AND OILSEEDS.

Trade conditions on the whole are about unchanged, and in common with the consuming industries are influenced by the unsettled situation in Europe and the uncertain exchanges. In addition, high prices of the leading raw materials are a factor restricting business. On shortage on spot and in near positions, raw linseed oil has continued generally a firm market, though this week there has been some weakening, but not to any great extent. Owing to the very small crushing of linseed of late, supplies of oil are small, and prices are still round £30 to £30 10s for "spot" and "month" ex Hull mill, while London reports spot value down to £38 10s. A rather better demand from consumers and indications of a short account for January oil have assisted the market to maintain its firmness. Prospects for increased production in the rear future are good, and for February-April delivery £35 is quoted. Shipments from Argentina continue to improve, the quantity of seed on passage to the United Kingdom (Plate and Indian) having increased to 60,000 tons, and to the Continent 48,200 tons—together 108,200 tons, against 90,500 tons a week ago. For Plate on passage to Hull, £18 5s has been paid, and for January shipment £18, and January-February £17 5s. These about represent current value, but crushers are not buyers to any great extent, holding that shippers' ideas, which involve an increase of about 20s per ton over the price ruling in December, are too high. Cottonseed has again been a strong market, up to £11 15s having been paid for Sakellaridis on passage and January and February loading. A good business in Bombay is also reported round £9 5s for shipment. This has been followed by an easier tone and slower business. The oil product has been in only quiet demand, crude Egyptian quoting £38, and technical refined £37, ex Hull mill. For edible quality there is rather more request, and is dearer at £42. A fair trade in crude soya bean oil for forward delivery has been done. Rape oil continues in only poor supply. Demand for ground nut and palm kernel oils is limited, but prices not much affected.

Linseed cakes for prompt delivery are scarce and firm. Cottons are in fair demand, as are also meals, late prices being fully sustained.

OVERSEAS PRODUCE MARKETS.

Mincing lane, Friday, January 26.

SUGAR.—The market opened the week very quietly, but later a moderate amount of business was effected, chiefly in British refined at a general decline of 1s per cwt. Messrs Tate and Lyle's cubes, 53s 6d to 54s 6d, as to quality; granulated, 48s 4½d to 48s 10½d; caster, 49s 6d to 50s 4½d; finest, 52s 1½d; yellow crystals, 42s 4½d; granulated, March, 48s 9d; June-August, 49s 3d. Crystallised West India in small supply, and quoted 45s to 46s. American granulated, spot, sold, 48s; February-March, sellers, 22s 6d, c.f. and i., London. White Java, spot, 47s 1½d to 47s 4½d; May-June, 21s 1½d, c.f. and i., London. White Mauritius, spot, 40s 6d to 40s 9d. Cuban basis 96 per cent., February-March, sellers, 16s 9d; Peruvian, ditto, January-February, 16s 3d; and Brazilian basis 80 per cent., 12s 6d, c.f. and i. terms, U.K. Cuban stocks stand at 97,100 tons, against 73,400 same

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time last year. Terminal market steady. White, March, sold, 21s 1½d to 21s 9d; May, 21s 4½d to 22s 3d; and August, 21s 3d to 22s 3d. Liquid glucose, spot, 28s 6d.

COFFEE.—The market remained steady, but general course of trade moved slowly, while almost entirely confined to home-trade requirements. Nairobi, good to fine bold, sold 106s to 119s; Kilimanjaro, 105s; Costa Rica, 115s 6d. Future delivery market dull, and mostly nominal.

COCOA.—Market quiet, and with regard to the spot position business is quite retail on about former terms. Accra, F/F quality, February-April, quoted 34s, f.o.b. terms.

TEA.—Indian auctions this week produced some 47,125 packages, and very strong support was accorded all grades up to 1s 6d per lb and full to dearer rates. Finest tippy teas also sold well at higher prices than a week ago. Ceylon sales of 25,240 packages attracted active competition at full to occasionally higher values. Java and Sumatra sold readily at a full range.

RICE.—Spot market remained generally quiet; forward dearer. Two Stars, spot, quoted 15s 3d; February-March, 14s 1½d paid, c.f. and i., Holland. Broken kinds in small supply and firmly held. Rangoon beans, spot, 8s. Japanese peas, on spot, sold, 31s 6d to 30s 6d; January-February, 32s to 29s 6d.

SPICE.—Pepper market presented quiet features. Fair black Singapore, spot, sellers, 4½d; February-April, 4d; Aleppo, spot, 4d; Tellicherry, 4½d; white Singapore, spot, 5½d; Muntok, 6½d; February-April, 5½d; and March-May, 6d. Zanzibar cloves, spot, sold, 11d; January-March, steamer, 11½d to 10½d and 10½d. Flake tapioca, on spot, 3½d per lb for fair Singapore; fair Penang, seed tapioca, spot, 23s 6d; sago flour, February-April, 13s 9d; desiccated coconut, fine cut, spot, sold, 37s 3d to 38s 6d, and medium, 38s 6d to 39s. Ginger much quieter this week, but sellers required steady prices.

FRUIT.—Market quiet for all descriptions of dried fruit, but price changes were not of any importance.

JUTE.—Market hardened under reserved offers, and more disposition shown to purchase, though closing with a subdued tone. First grade, February-March, usual continental ports, sold, £34 15s to £35 10s, £34 and £34 10s; March-April, £35 10s, £36 5s, £35, and £35 10s; lightning grade, February-March, £33 15s value. 10 oz hessians, spot, 40s; January-February, 34s 6d; 8 oz, spot, 28s 6d; January-February, 29s 6d. A twills, spot, 89s; B, 74s 6d.

HEMP.—The market for Manila descriptions displayed a quiet but steady state of affairs. G grade, February-April value, £37; H, £36; J, £34 15s; K, £33 15s; L, £33 10s; M, £32 15s. New Zealand idles, at nominally unaltered rates. African sisal, No. 1 G.E.A., January-March, quoted, £35 10s; Kenya, £35.

SHELLAC.—Market steady on spot, but rather unsettled forward. T.N., spot, 37s 5d; March sold, 347s 6d to 352s 6d; May, 330s to 325s and 337s 6d.

COPRA.—Market steady at first, but some irregularity prevailed

later. F.M.S. Straits, February-April, Rotterdam, sold, £25 12s 6d to £25 8s 9d, and £25 17s 6d; Ceylon, ditto, quoted, £27 10s; Dutch East Indies, sold, £25 12s 6d to £25 10s 3d; Java, quoted, £26; South Sea Islands, £24 17s 6d; Cebu £25 10s. Palm kernels, January-March, Liverpool, quoted, £17 12s 6d.

RUBBER.—Market moved upward on sustained buying orders, and reserve shown by sellers, but eased. Standard plantation crepe and sheet spot, also January reached 1s 6½d, then 1s 5½d; February, 1s 6½d to 1s 5½d; March, 1s 7d, then 1s 5½d; April-June, 1s 7½d, 1s 6½d, to 1s 6½d, and 1s 6d; July-September, 1s 7½d to 1s 6½d, 1s 6½d and 1s 6½d; October-December, 1s 7½d to 1s 7d, 1s 7½d and 1s 6½d. To New York, standard sheet, February-March, sold, 1s 7d to 1s 7½d and 1s 6½d; March-April, 1s 7½d to 1s 6½d, c.f. and i. terms. Fine hard Para, spot, 1s 5d; soft fine, 1s 3½d; ball, 1s 2½d.

MENTHOL.—Spot, 40s. Japanese peppermint oil, spot, 7s 3d. Aniseed, 2s.

EGG PRODUCTS.—Market slow at recent prices. Prime liquid yolk, spot, 100s; albumen, spot, 3s; dried yolk, spot, 9½d.

OILS.—Lined market, after being firm, became quiet and irregular. Spot, net, naked, 39s 3d; January, 38s 3d; February-April, 35s 3d; May-August, 32s 10½d. Rape steady. Crude, spot, 42s 6d; refined, 45s 6d. Cotton firm. Crude Egyptian, spot, 39s; common edible, 44s; deodorised (in barrels), 46s. China-wood strong. Hankow, spot, (barrels), 100s paid; January-February, sellers, 79s. Coconut steady. Ceylon, spot, 42s; January-February, 40s 9d; Cochin, ditto, quoted 43s 3d. Soya steady. Oriental, barrels, January-February, 38s 6d. Japan fish steady. January-February, cases, 26s. Cod firm. English, spot, 31s. Ground nuts steady. English crushed, naked, spot, 47s 6d; deodorised, barrels, 55s. Turpentine irregular. American, spot, 105s; January-April, 106s 6d. Rosin steady for common and medium grades. American, grade B, 14s 3d; F, 14s 3d; G, 14s 3d; H to I, 14s 3d; W, 18s; WW, 19s 6d. French, 14s 3d; WW, 16s per cwt. Petroleum steady. American standard white, spot, 1s 1d; and water white, 1s 2d per gallon. Castor oil firm. First pressure, spot, to June, quoted 49s; second pressure, 46s, and pharmaceutical, 54s per cwt.

OILSEEDS.—Market quiet, and flat descriptions tend easier, but Indian shippers reserved and hold for full prices in view of the improvement in the rupee rate of exchange. Bold Bombay, afloat, quoted, £21; small Bombay, ditto, £20 10s; Calcutta, afloat, £20 10s; January, £19 15s; and April-June, £18 10s. Plate, £20 10s; January, sold, £18 5s to £17 17s 6d; January-February, new crop, sold, £17 5s; April-May, £17. Kapseed February, new crop, sold, £17 5s; January-February, quoted £17 7s 6d; firmer. Toria, afloat, £18; January-February, quoted £17 7s 6d; Jamba, January-February, £14 5s. Cottonseed firm for Indian. Egyptian black, January, £12 5s, and white, sold, £11 15s to £11 10s 3d. Bombay, February-March, sold, £9 5s to £9 6s 3d. Gingly seed firm. Large, Bombay, January-February, sellers, £21 15s. Chinese, new, afloat, sold, £22 17s 6d; January, £22 15s. Groundnuts firmer. Coromandel, machine-dried, Jan-Feb. quoted

Commercial Times.—Weekly Price Current.

The prices in the following list are revised with the assistance of an eminent firm in each department.

LONDON, FRIDAY.				PRICES—In the following has been revised.				RUSSIA.—lb.				SPOICES—Pepper, per lb.							
0000A—Duty, British grown	23s 4d	Foreign 22s 4d	23s 4d	Alcoa, fine E.L., c.wt.	15s 10d	Plantation	15s 10d	Paria, fine, hard spot	1 5/8	0	0	Butter, per lb.	nom	0	0	Singapore, fair white	0 44	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Cape, good to fine	20 1/2	0	0	Plantation crepe	1 5/8	0	0	Irish creamery	nom	0	0	White Siam	0 44	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Balsam Peru, per lb	8s 0d	0	0	INDIGO—per lb	0	0	0	Amstrut	175	196	6	Pimento	0 112	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Capivi, per lb	1s 0d	0	0	Bengal, good red vilo	0	0	0	Amstrut	182	184	6	Olomana—lat. soft	0 112	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	lat to fine	0	0	0	Dutch	220	230	0	Do 2nd	0 094	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Mid. ord. vilo to good	0	0	0	New Zealand	206	0	0	Do 3rd	0 094	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Do to small ord.	0	0	0	Beacon	105	134	0	Do 4th	0 094	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Madras, dry leaf, good	0	0	0	85c, negro—Lrish	105	134	0	Do 5th	0 094	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Do low to ord.	1	0	3	Danish	102	134	0	Chips	0 094	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Kurpah, gd. mid. to gd.	1	0	3	Canst	87	88	0	Onions	45	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Low to ord.	3	0	0	Hams—Lrish	81	88	0	Gloves—Lamb.	0 102	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	HAMP—per ton	40	0	0	Canadian	nom	0	0	Penang	3	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Russian Siretz	40	0	0	Do	nom	0	0	Ginger—per cwt.	105	0	120
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Manila „J“ Grade	35	0	0	Do small rough	65	0	0	Do washed	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Jan. Mar.	35	0	0	Do	65	0	0	Do	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Black spot, high fair	34	0	0	Do	65	0	0	Do	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	JUTE—	33	0	0	Do	65	0	0	Do	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Native first marks	33	0	0	Do	65	0	0	Do	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Jan. Feb.	33	0	0	Do	65	0	0	Do	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	LEATHER—per lb.	33	0	0	Do	65	0	0	Do	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Sole Benda 5/9 lb.	1 1 1/11	0	0	Do	65	0	0	Do	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Do 12 1/2	1 1 1/11	0	0	Do	65	0	0	Do	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Do 12 1/2	1 1 1/11	0	0	Do	65	0	0	Do	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Do 12 1/2	1 1 1/11	0	0	Do	65	0	0	Do	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Do 12 1/2	1 1 1/11	0	0	Do	65	0	0	Do	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Do 12 1/2	1 1 1/11	0	0	Do	65	0	0	Do	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Do 12 1/2	1 1 1/11	0	0	Do	65	0	0	Do	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Do 12 1/2	1 1 1/11	0	0	Do	65	0	0	Do	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Do 12 1/2	1 1 1/11	0	0	Do	65	0	0	Do	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Do 12 1/2	1 1 1/11	0	0	Do	65	0	0	Do	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Do 12 1/2	1 1 1/11	0	0	Do	65	0	0	Do	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Do 12 1/2	1 1 1/11	0	0	Do	65	0	0	Do	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Do 12 1/2	1 1 1/11	0	0	Do	65	0	0	Do	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Do 12 1/2	1 1 1/11	0	0	Do	65	0	0	Do	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Do 12 1/2	1 1 1/11	0	0	Do	65	0	0	Do	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Do 12 1/2	1 1 1/11	0	0	Do	65	0	0	Do	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Do 12 1/2	1 1 1/11	0	0	Do	65	0	0	Do	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Do 12 1/2	1 1 1/11	0	0	Do	65	0	0	Do	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Do 12 1/2	1 1 1/11	0	0	Do	65	0	0	Do	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Do 12 1/2	1 1 1/11	0	0	Do	65	0	0	Do	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Do 12 1/2	1 1 1/11	0	0	Do	65	0	0	Do	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Do 12 1/2	1 1 1/11	0	0	Do	65	0	0	Do	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Do 12 1/2	1 1 1/11	0	0	Do	65	0	0	Do	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Do 12 1/2	1 1 1/11	0	0	Do	65	0	0	Do	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Do 12 1/2	1 1 1/11	0	0	Do	65	0	0	Do	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Do 12 1/2	1 1 1/11	0	0	Do	65	0	0	Do	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Do 12 1/2	1 1 1/11	0	0	Do	65	0	0	Do	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Do 12 1/2	1 1 1/11	0	0	Do	65	0	0	Do	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Do 12 1/2	1 1 1/11	0	0	Do	65	0	0	Do	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Do 12 1/2	1 1 1/11	0	0	Do	65	0	0	Do	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Do 12 1/2	1 1 1/11	0	0	Do	65	0	0	Do	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Do 12 1/2	1 1 1/11	0	0	Do	65	0	0	Do	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Do 12 1/2	1 1 1/11	0	0	Do	65	0	0	Do	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Do 12 1/2	1 1 1/11	0	0	Do	65	0	0	Do	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Do 12 1/2	1 1 1/11	0	0	Do	65	0	0	Do	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Do 12 1/2	1 1 1/11	0	0	Do	65	0	0	Do	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Do 12 1/2	1 1 1/11	0	0	Do	65	0	0	Do	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Do 12 1/2	1 1 1/11	0	0	Do	65	0	0	Do	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Do 12 1/2	1 1 1/11	0	0	Do	65	0	0	Do	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Do 12 1/2	1 1 1/11	0	0	Do	65	0	0	Do	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Do 12 1/2	1 1 1/11	0	0	Do	65	0	0	Do	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Do 12 1/2	1 1 1/11	0	0	Do	65	0	0	Do	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Do 12 1/2	1 1 1/11	0	0	Do	65	0	0	Do	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Do 12 1/2	1 1 1/11	0	0	Do	65	0	0	Do	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Do 12 1/2	1 1 1/11	0	0	Do	65	0	0	Do	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Do 12 1/2	1 1 1/11	0	0	Do	65	0	0	Do	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Do 12 1/2	1 1 1/11	0	0	Do	65	0	0	Do	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Do 12 1/2	1 1 1/11	0	0	Do	65	0	0	Do	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Do 12 1/2	1 1 1/11	0	0	Do	65	0	0	Do	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Do 12 1/2	1 1 1/11	0	0	Do	65	0	0	Do	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Do 12 1/2	1 1 1/11	0	0	Do	65	0	0	Do	65	0	0
23s 4d	Foreign 22s 4d	23s 4d	23s 4d	Guayacil, per lb	1s 0d	0	0	Do 12 1/2	1 1 1/11	0	0	Do	65	0	0	Do	65	0	0

£21 10s. Chinese decorticated, f.a.q., January-February, £21; Nigerian, ditto, £21 10s. Soya beans firm. Manchurian, January-February, quoted, £11 17s 6d. Castorseed firmer, Bombay, February-March, £18 10s 10d.

METALS.—Tin opened firm on higher Eastern cables and reserved sellers, while only a moderate business transpired at about 10s per ton advance. Sales included standard, cash, at £181 17s 6d to £182 2s 6d; February, £182 5s to £183; and three months, £183 15s. Sales in the East were reported at £186 15s, c.i.f., being a rise of 45s per ton. Subsequent movements displayed slight irregularity, but with stimulating advices from America and the East the upward tendency was maintained. By the middle of the week values improved to £184 5s for cash, £185 February, and £185 17s 6d for three months. Further sales occurred in the East at £180 5s, c.i.f. No material alteration took place on Thursday, though fair trading ensued. Standard, cash, sold at £183 15s to £184 5s; and three months, £183 10s to £185 5s, while finally at £185 17s 6d. At the final session the tendency was dearer. Standard cash sold at £184 15s to £185 2s 6d, and three months at £186 10s, £186 5s to £186 15s to £186 10s, while finally registered at £186 12s 6d. English ingots, £184 5s to £184 15s. Copper commenced with a strong demand, and a large turnover resulted at 10s to 12s 6d advance. Standard, cash, sold at £64 2s 6d, and three months £64 7s 6d to £64 12s 6d. Values further improved, due to a good demand from manufacturers and covering orders. Cash on Wednesday stood at £64 17s 6d, and three months £65 10s. On Thursday rates were again dearer, and a large business transpired. Cash sold at £65 2s 6d to £65 8s 9d, and three months £65 15s to £65 17s 6d; was actively supported at the final session, and rates ruled firmer. Cash sold at £65 12s 6d, and three months £66 to £66 5s to £66 2s 6d to £66 7s 6d, while finally at £66 5s 3d. Electro, £72 5s to £72 15s; best selected, £69 to £71; strong sheets, £96; wire bars, £72 15s. Antimony, ordinary, £27 to £29 10s. Aluminium quiet. Home trade, £100; export, £105. Lead

steadier at £28 5s to £27 17s 6d, as to position. Spelter dearer at £35 15s to £34 8s 9d, according to position.

TALLOW.—Messrs Colchesters and Woolner write on January 24th, as follows:—The tallow market was easier during the week, and prices are sixpence lower to-day. The general position is such that buyers find little to encourage them in operating. Shipments of tallow from Australasia during December amounted to 5,000 tons. At auction to-day 832 casks tallow were offered, and 503 were sold. Quotations are:—Australian mutton: Fine, 43s; good to fair, 42s to 40s; dull to dark, 36s 6d to 35s 6d; hard, 42s. Australian beef: Fine, 42s; good to fair, 40s to 38s; dull to dark, 36s 3d to 35s; sweet, 43s. Present shipment from Australasia: Mutton, fair coloured, 48 degs., 39s; and mixed, 43s, c.i.f., London, 37s 6d. The market letter is unchanged. Town tallow, 35s 6d per cwt. Rough fat, per 8 lbs, 14d; melted stuff, 25s 6d per cwt. Quotations are:—Town: 34s 9d net cash, naked, ex works. Country: Frail casks, 34s 3d; home melted, shipping casks, net, f.o.b., good coloured, —; fair to dull, 35s 6d to 34s 6d. Bone fat: White, none; pale, none; benzine, 31s 6d; melted stuff, 32s, f.o.b.

METROPOLITAN CATTLE.—JANUARY 25.

British Beasts, per stone of 8 lbs to sink the offal. Sheep, per stone.

	s	d	s	d		s	d	s	d
Beasts—Herefords	8	0	7	4	Sheep—Downs	12	0	7	4
Shorthorns	7	4	7	8	Ewes	7	0	7	4
Devons	8	0	..	..	Crossbred	11	4	..	..
Norfolks	8	0	..	..	Scottish	12	0	..	..
Scottish	8	0	..	..	Lamb—Downs	..	..	..	..
Irish	..	..	..	..		..	..	..	..
Fat Cows	5	8	to	6		..	..	..	..

LONDON POTATO MARKETS.—JANUARY 25.

	Per Cwt.		Per Cwt.
English British Queens	3	d	s
" Eclipse	2	6	to 3
"	2	6	to 3
"	2	6	to 3

Insurance.

PARTNERSHIP ASSURANCE.

Life Assurance furnishes the ideal method of protecting a partnership against the death of a partner.

PRUDENTIAL ASSURANCE CO., LTD.,
HOLBORN BARS, LONDON, E.C.1.

REFUGE ASSURANCE COMPANY LIMITED.

Chief Office: OXFORD ST., MANCHESTER.

(For the year ending December 31st, 1921)
ANNUAL INCOME EXCEEDS £6,600,000
ASSETS EXCEED £21,600,000.
CLAIMS PAID EXCEED £34,900,000.

LONDON AND MANCHESTER
ASSURANCE CO., LTD., 50 Finsbury Square,
London, E.C.2. Premium Income exceeds £1,350,000.
Funds exceed £3,000,000. Claims paid exceed
£6,000,000. Annual Reports and Prospectuses can
be obtained on application.

Banks, &c.—Continued.

BANK OF NEW SOUTH WALES

Established 1817.
LONDON OFFICE—29 Threadneedle-street, E.C.2.
Paid-up Capital.....£5,864,360
Reserve Fund.....£8,675,000
Reserve Liability of Proprietors.....£8,664,360

Aggregate Assets to 30th Sept., 1922, £73,125,747 14 0
The London Office issues drafts on demand on its Head Office (Sydney, N.S.W.) and Branches in all the Australian States, New Zealand, Fiji, and Papua. Makes Mail and Cable Transfers, Negotiates and Collects Bills of Exchange. Arranges Wool and other Produce Credits. Receives Deposits for fixed periods on terms which may be known on application; and conducts every description of Australasian Banking Business.
J. S. CAMPBELL, Asst. Manager.

HONGKONG & SHANGHAI BANKING CORPORATION.

Notice is hereby given that the Share TRANSFER BOOKS of this Corporation will be CLOSED from the 12th February to the 24th February, 1923, both days inclusive, for the purpose of preparing payment of final dividend for 1922.

Third Impression with additional Chapter and Statistics.

AN INTRODUCTION TO THE STUDY OF PRICES

with special reference to the History of the Nineteenth Century.

By WALTER T. LAYTON, M.A. 7/6 net

The Economic Review: "His excellent and clear little book ought to be in the hands of every student of social conditions."

The Practical Engineer: "This book should be valuable to the student of monetary values and prices, especially of the nineteenth century."

The Westminster Gazette: "Mr. Layton, who is one of the ablest of the younger Cambridge economists, has refrained deliberately from a long exposition of the theory of the relation between price levels and the quantity of circulating currency. He has adopted that historical method which appeals to the instinctive empiricism of the practical man. His tracing of the price fluctuations of the past ninety years in England, and his analysis of their causes and results are admirably lucid. And if the book secures the wide circulation which its merits deserve, it should do much to draw public attention to the vital importance of a neglected question."

MACMILLAN & Co., Ltd., London, W.C.2

BANK OF LIVERPOOL & MARTINS LIMITED,

HEAD OFFICE: 7, WATER STREET, LIVERPOOL.

LONDON OFFICE: 68, LOMBARD STREET, LONDON, E.C.3.

Capital Subscribed	-	-	-	-	£18,791,120
Capital Paid Up	-	-	-	-	2,348,890
Reserve Fund and Surplus Profits	-	-	-	-	1,626,099
Deposits, etc., at 31st December, 1922	-	-	-	-	68,301,352

335 BRANCHES AND SUB-BRANCHES.

All descriptions of Banking, Trustee and Foreign Exchange Business Transacted.

THE BANK IS PREPARED TO ACT AS AGENTS FOR FOREIGN BANKS ON USUAL TERMS.

Banks, &c.

THE ROYAL BANK OF CANADA

Established 1869.

Paid-up Capital and Reserve ... \$40,800,000
Total Resources ... \$471,000,000

Head Office: MONTREAL.
SIR HERBERT S. HOLT, President.
E. L. PEASE, Vice-President & Managing Director.
C. E. NEILL, General Manager.

LONDON OFFICE:

BANK BUILDINGS, PRINCES STREET, E.C.2.
T. R. WHITLEY, Manager. J. MACKIE, Joint Manager.
700 Branches in Canada and Newfoundland; Cuba, Porto Rico, Dominican Republic, Haiti, Costa Rica, Venezuela and Colombia; British West Indies, French West Indies; British Honduras, British Guiana, Buenos Aires, Argentine; Montevideo, Uruguay; Rio de Janeiro, Santos and Sao Paulo, Brazil, Spain, Barcelona; New York Agency, 68, William Street.

FRENCH AUXILIARY:
THE ROYAL BANK OF CANADA (FRANCE).
PARIS, 28, Rue du Quatre-Septembre.

HONG KONG AND SHANGHAI BANKING CORPORATION.

CAPITAL ALL PAID UP ... \$20,000,000
SILVER RESERVE ... \$24,500,000
STERLING RESERVE held in London ... \$4,500,000
RESERVE LIABILITY OF PROPRIETORS ... \$20,000,000

Head Office—HONG KONG.
Chief Manager—Hon. Mr. A. G. STEPHEN.

BRANCHES AND AGENCIES:
Amoy, Bangkok, Batavia, Bombay, Calcutta, Canton, Chefoo, Colombo, Dairen (Daini), Poochow, Haiphong, Hamburg, Hankow, Harbin, Hongkew (Shanghai), Ipoh, Johore, Kobe (Hiogo), Kuala Lumpur, London, Lyons, Malacca, Manila, Nagasaki, New York, Peking, Penang, Rangoon, Saigon, San Francisco, Shanghai, Singapore, Sourabaya, Sungei Patani, Tientsin, Tsingtao, Vladivostok, Yioio, Yokohama.

COMMITTEE IN LONDON:
SIR CHARLES ADDIS, K.C.M.G., Chairman.
Hon. Cecil Baring. C. A. Campbell.
David Laidlaw. Sir George Sutherland.
A. M. Townsend. C. F. Whigham.

MANAGERS IN LONDON:
SIR NEWTON J. STAIR, H. D. C. JONES.
Sub-Manager, E. W. Townsend.
Accountant, A. Moncur.
GRACECHURCH STREET, LONDON, E.C.3.

COMMONWEALTH BANK OF AUSTRALIA

Guaranteed by the Australian Government.)

Sir DENISON MILLER, K.C.M.G., Governor. JAMES KELL, Deputy-Governor.

Branches and Agencies throughout Australasia.
Banking and Exchange Business of every description transacted. Bankers to the Government of the Commonwealth of Australia, the Government of the State of Queensland, the Government of the State of South Australia, the Government of the State of Tasmania.

3,167 Savings Bank Branches and Agencies at Post Offices in Australia. At 30th June, 1922.
Savings Bank Balances ... £38,056,980
General Bank Balances ... £3,556,698
Note Issue Department ... £4,388,637
Other Items ... £140,552,478

London Office: 36-41 NEW BROAD ST., E.C.6.
C. A. B. CAMPION, London Manager.
Also at Australia House, Strand, W.C.

THE YOKOHAMA SPECIE BANK, LTD.

(Registered in Japan.)

Established 1880.

Capital Subscribed & Fully Paid ... Yen 100,000,000

Reserve Fund ... 65,000,000

Head Office ... YOKOHAMA.

Branches at—Batavia, Bombay, Buenos Ayres, Calcutta, Chang-chun, Dairen (Daini), Fengtien (Mukden), Hamburg, Hankow, Harbin, Honolulu, Hong-Kong, Kai Yuan, Kobe, London, Los Angeles, Lyons, Manila, Nagasaki, Nagoya, Newchwang, New York, Osaka, Peking, Rangoon, Rio de Janeiro, Saigon, San Francisco, Seattle, Shanghai, Shimonoeki, Singapore, Sourabaya, Sydney, Tientsin, Tokyo, Tsinanfu, Tsingtao, Vladivostok.

The Bank buys and receives for collection Bills of Exchange, issues Drafts and Telegraphic Transfers and Letters of Credit on above places and elsewhere, and transacts General Banking Business. Deposits accepted for fixed periods at rates to be obtained on application.
London Office: 7 Bishopsgate, E.C.2.
K. YANO, Manager.

BANCO DE CHILE.

London Agency—

94 GRACECHURCH STREET, E.C.3.

Chilian Dollars

Paid-up Capital ... 100,000,000

Reserve Fund ... 100,000,000

Reserve Liability of Shareholders ... 100,000,000

Reserve Fund in Gold of 184. = £1,000,000 13,333,333

Head Office: Santiago and Valparaiso.

Branches in all parts of Chile.

The London Agency transacts every class of Banking Business with Chile. Current accounts also opened and deposits received.

THE NATIONAL BANK OF SCOTLAND, LIMITED.

Incorporated by Royal Charter and Act of Parliament.

Established 1825.

Affiliated with Lloyds Bank, Limited.

Capital Subscribed, £25,000,000. Paid-up, £1,100,000. Uncalled, £2,900,000.
RESERVE FUND ... £1,200,000.

HEAD OFFICE—EDINBURGH.

WILLIAM CARNEGIE, General Manager. GEORGE A. HUNTER, Secretary.

LONDON OFFICE—37 Nicholas lane, Lombard street, E.C.4.

T. C. RIDDELL, Manager. DUGALD SMITH, Assistant Manager.

Branches in all the principal cities and places in Scotland.

Every description of Banking Business transacted.

There is a specially equipped Foreign Department at the principal Glasgow Office.

BANK OF NEW ZEALAND.

Bankers to the New Zealand Government.

Authorised Capital ... £6,154,988

Paid up Capital—Ordinary Shares ... £2,250,000

Do. Preference Shares issued to N.Z. Government ... 1,125,000

Do. Four per cent. Guaranteed Stock ... 529,988

Reserved and Undivided Profits ... 2,105,818

£6,010,806

London Office: 1 Queen Victoria Street, E.C.4.

Issues Drafts and Letters of Credit, makes Telegraphic

Transfers, Negotiates and Collects Bills of Exchange.

ROBERT MILL, Manager.

NEDERLANDSCH-INDISCHE ESCOMPTO MAATSCHAPPIJ

Established 1857

Capital ... Fls. 60,000,000.-
Issued and fully paid up ... Fls. 47,000,000.-
Reserves ... Fls. 12,000,000.-

Head Office: BATAVIA (Java)

Branches in the Dutch East Indies:

Bandoeng Medan Sourabaya
Cheribon Menado Sourabaya
Djocjaccarta Padang
Kediri Palembang Tegal
Macassar Samarang Weltevreden

Branches in Europe: Amsterdam, The Hague.

Banking business of every description transacted, especially with the Dutch East Indies.

UNION BANK OF CANADA.

Incorporated 1865. Head Office: WINNIPEG.

Paid-Up Capital (30th Nov., 1922) ... \$8,000,000

Rest and Undivided Profits (ditto) ... \$6,698,975

TOTAL ASSETS (ditto) ... \$143,218,484

The Bank has over 350 Branches in Canada, and Agents in the Principal Cities in America.

DEPOSITS RECEIVED at favourable rates, which may be ascertained on application to

LONDON OFFICE: 6 PRINCES STREET, E.C.3.

36 HAYMARKET, S.W.1.

New York Agency: 49 WALL STREET

THE BANK OF AUSTRALASIA

(Incorporated by Royal Charter, 1835).

Head Office (temporary address)

13 LEADENHALL STREET, E.C.3.

Paid-up Capital ... £4,000,000

Reserve Fund ... £3,425,000

Reserve Liability of Proprietors ... £4,000,000

Under the Charter

Letters of Credit and Drafts are issued and banking business of every description is transacted through the numerous branches of the bank throughout Australia and New Zealand.

Deposits for fixed periods received.

London Office: 7 Bishopsgate, E.C.2.

K. YANO, Manager.

CRÉDIT SUISSE

Established 1856.

Capital and Reserves ... Francs 130,000,000

Head Office: ZURICH, SWITZERLAND.

Basle, Bern, Frauenfeld, Geneva, Glaris, Kreuzlingen, Lausanne, Lugano, Lucerne, Neuchâtel, St. Gall.

General Banking Business.

Ernesto TORNQUIST & Co.

Limited, BUENOS AIRES.

Established 1880.

Oldest Business Establishment in the River Plate. Fully Paid Up Capital, Reserves and Surplus \$16,031,981. Argentine Gold equal to £3,180,945 Sterling.

GENERAL FINANCIAL, BANKING AND COMMERCIAL BUSINESS. ADMINISTRATION OF REAL AND PERSONAL PROPERTY.

THE MAURITIUS COMMERCIAL BANK,

PORT LOUIS, MAURITIUS.

(Incorporated by Royal Charter and continued under Local Authority.)

ESTABLISHED 1888.

Capital ... Rps. 2,000,000

Reserve Fund ... 1,500,000

Undivided Profits ... 611,153

London Agents—LLOYDS BANK LTD., 20 King William street, E.C.4.

Paris " LLOYDS and NATIONAL PROVINCIAL FOREIGN BANK LTD.

Agents in India—NATIONAL BANK OF INDIA LTD.

Agents in South Africa and New York—THE STANDARD BANK OF SOUTH AFRICA LTD.

Also agencies in The Straits Settlements, Japan, Australia, Madagascar, Reunion.

Telegraphic Address, "E G O."

THE BANK OF ADELAIDE.

(Incorporated by Act of Parliament, 1865.)

Authorised Capital ... £2,000,000

Subscribed Capital ... 625,000

Paid-up Capital ... 225,000

Reserve Fund ... 1,375,000

Reserve Liability of Shareholders ... £1,900,000

Head Office: ADELAIDE, SOUTH AUSTRALIA.

Sydney Office: 105, PITT STREET.

Melbourne Office: 267, COLLINS STREET.

Perth (W.A.) Office: SURREY CHAMBERS, ST. GEORGE'S TERRACE.

Bills on Australasia purchased or collected, Drafts issued and Remittances cable.

Deposits received for fixed periods at rates to be ascertained on application.

LONDON OFFICE—11 LEADENHALL ST., E.C.3.

PERCY ARNOLD, O.B.E., Manager.

LONDON JOINT CITY & MIDLAND BANK

LIMITED

ESTABLISHED 1836

Authorised Capital - - £45,200,000 Paid-up Capital - - £10,860,852
Subscribed Capital - - 38,117,103 Reserve Fund - - 10,860,852

DIRECTORS

THE RIGHT HON. REGINALD MCKENNA, *Chairman*.
WILLIAM GRAHAM BRADSHAW, Esq., C.B.E., STANLEY CHRISTOPHERSON, Esq., *Deputy-Chairmen*.
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WALTER S. M. BURNS, Esq., London.
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FREDERICK WILLIAM NASH, Esq., Birmingham.
FREDERICK HYDE, Esq., EDGAR W. WOOLLEY, Esq., *Joint Managing Directors*.
HEAD OFFICE: 5, THREADNEEDLE STREET, LONDON, E.C.2.
OVER 1,670 OFFICES IN ENGLAND AND WALES.
Joint General Managers: R. RICHARDS, H. MARE, J. G. BUCHANAN, E. T. PARKES.

BALANCE SHEET, 31st December, 1922.

LIABILITIES		ASSETS	
£	s. d.	£	s. d.
Capital Paid up, viz.:-		Coin, Bank and Currency Notes and Balances with the Bank of England	54,254,534 4 3
2,869,079 Shares of £12 each.		Balances with, and Cheques in course of Collection on other Banks in Great Britain and Ireland	13,548,935 4 4
£2 10s. 0d. paid	7,172,697 10 0	Money at Call and Short Notice	17,187,013 9 8
1,478,262 Shares of £2 10s. 0d. each, Fully paid	3,688,155 0 0	Investments:-	
	10,860,852 10 0	War Loans (of which £428,067 10s. is lodged for Public and other Accounts) and other British Government Securities	53,479,983 13 1
Reserve Fund	10,860,852 10 0	Stocks Guaranteed by the British Government, and Indian Railway Guaranteed Debentures	1,012,823 11 8
Dividend payable on 1st February, 1923...	733,107 10 10	British Corporation Stocks	335,287 11 4
Balance of Profit and Loss Account, as below	788,967 4 6	Colonial and Foreign Government Stocks and Bonds	510,393 0 8
	23,243,779 15 4	Sundry Investments	116,343 2 10
Current, Deposit and other Accounts...	354,406,335 17 11	Bills Discounted	46,066,631 0 6
Acceptances and Engagements on account of Customers	25,862,340 18 8	Advances to Customers and other Accounts	186,511,944 18 4
		Liabilities of Customers for Acceptances and Engagements	182,307,520 18 1
		Bank Premises at Head Office and Branches	25,862,340 18 8
		Belfast Banking Co. Ltd. Shares:- 200,000 of £12 10s. each, £2 10s. paid	5,270,959 16 10
		The Clydesdale Bank Ltd. Shares:- 100,000 of £50 each, £10 paid	
		Less part Premium on Shares in this Bank issued in exchange	2,227,810 0 0
		The London City & Midland Executor and Trustee Co., Ltd. Shares:- 200,000 of £5 each, £1 paid, plus 10s. premium	3,259,690 0 0
			300,000 0 0
			£403,512,456 11 11

PROFIT AND LOSS ACCOUNT for the year ended 31st December, 1922.

Dr.	£	s. d.	Cr.	£	s. d.
To Interim Dividend at the rate of 18 per cent. per annum, less Income Tax, paid 15th July, 1922	708,670	12 6	By Balance from last Account	777,253	7 8
" Dividend at the rate of 18 per cent. per annum, less Income Tax, payable 1st February, 1923	733,107	10 10	" Net profits for the year ended 31st December, 1922, full provision having been made for Rebate, Expenses and all Bad and Doubtful Debts	2,253,492	0 2
" Reserve for Future Contingencies	500,000	0 0			
" Bank Premises Redemption Fund	300,000	0 0			
" Balance carried forward to next account	788,967	4 6			
	£3,030,745	7 10		£3,030,745	7 10

R. McKENNA, *Chairman*.W. G. BRADSHAW, S. CHRISTOPHERSON, LEWIS H. WALTERS, *Deputy-Chairmen*.F. HYDE, E. W. WOOLLEY, *Joint Managing Directors*.

REPORT OF THE AUDITORS TO THE SHAREHOLDERS OF THE LONDON JOINT CITY AND MIDLAND BANK LIMITED.
In accordance with the provisions of Sub-section 2 of Section 113 of the Companies (Consolidation) Act, 1908, we report as follows:-
We have examined the above Balance Sheet in detail with the Books at Head Office and with the certified Returns from the Branches. We have satisfied ourselves as to the correctness of the Coin, Bank and Currency Notes and Balances with, and Cheques in course of Collection on other Banks in Great Britain and Ireland, and Bills Discounted, and have verified the correctness of the Money at Call and Short Notice. We have also verified the Securities representing the Investments of the Bank, and having obtained all the information and explanations we have required, we are of opinion that such Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs according to the best of our information and the explanations given to us and as shown by the books of the Company.
LONDON, 18th January, 1923.

WHINNEY, SMITH & WHINNEY, CHARTERED ACCOUNTANTS, *Auditors*.

AFFILIATIONS:

BELFAST BANKING COMPANY LIMITED
OVER 110 OFFICES IN IRELANDTHE CLYDESDALE BANK LIMITED
OVER 180 OFFICES IN SCOTLAND

THE LONDON CITY & MIDLAND EXECUTOR & TRUSTEE CO. LTD.

FEBRUARY 3, 1923.

The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor:

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. XCVI

SATURDAY, FEBRUARY 3, 1923.

No. 4,145.

ALLIANCE

ASSURANCE COMPANY, LIMITED.

HEAD OFFICE: BARTHOLOMEW LANE, LONDON, E.C.2
ASSETS EXCEED £25,000,000.The Hon. N. CHARLES ROTHSCHILD, *President*

The Alliance grants Insurances of all kinds.

LIFE DEPARTMENT.

Full information respecting
ESTATE DUTYand
CHILDREN'S EDUCATIONAL
POLICIESIssued by the Company may
be obtained on application
from the Head Office or any
of the Offices or Agencies
of the Company.O. MORGAN OWEN, *General Manager*.

Centralbanken for Norge

Christiania, Norway.

Founded by 50 Norwegian and Foreign Banks and
amalgamated with the Christiania Banking Houses.

Tho. Joh. Heftye & Søn

(Established 1769).

and

Sev. Chr. Andersen.

(Established 1845).

Transacts all kinds of Banking business.

Correspondents in all Norwegian places of any importance.

TABLE OF CONTENTS.

The Money Market	193	Letters to the Editor—	
Leading Articles—		Mr McKenna and Currency	216
The European Tangle	195	Policy	216
Funding the American Debt	196	The Capital Levy	216
Mr McKenna on Deflation	197	The Rising in Memel	216
Our Index Number	198	Stock Exchange News—	
Land-Holding by Foreign		The Stock Markets	218
Corporations in France	199	New Issues	218
Foreign Trade Statistics	200	Active Securities	220
The Iron and Steel Industry		Company Meetings	222
in 1922	201	Government Returns—	
Gold Mining on the Wit-		Currency Notes Account	235
watersrand—III.	202	Treasury Bills and Bonds	
Notes of the Week—		by Public Tender	235
Peace Hopes in Ireland	204	Public Income and Expen-	
The Coal Blockade of Ger-		diture	235
many	204	Bankers' Gazette—	
Banks and Agriculture	204	Bank of England	236
Austral'n Shipping Freights	205	Clearing Returns	237
First Home Railway Divi-		Overseas Bank Returns	237
dends	205	Loan and Discount Rates	239
Cotton Trade Short Time	205	Overseas Bank Rates	239
Dividend Difficulties	205	Rates of Exchange	239
German House Property	206	Indian Treasury Bills	240
Electricity Commissioners'		India Bills and Transfers	240
Report	206	Bullion	240
Austro-Hungarian Relat'ns	206	Imports and Exports of Gold	240
Financial Position in Chile	207	Gold and Silver Prices	240
The Finances of Ecuador	207	Company News—	
Certificates of Insurance	208	Rhodesian Gold Output	221
National Mutual Life As-		Oil Outputs	221
surance	208	Dividend Announcements	221
Sea Insurance Company	208	Railway and Tramway	
Gas Light & Coke Results	208	Traffic	241
Discount Corporation of		Mining Output Statistics	242
New York	209	Reports and Notices	242
Premier Diamond	209	Summary of Company Profit	
Overseas Correspondence—		and Loss Accounts	243
United States	209	Commercial Reports—	
France	210	Corn Trade	242
Italy	211	Iron and Coal Trade	244
Russia	212	Cotton Trade	244
Spain	213	Wool Trade	245
Switzerland	213	Vegetable Oils and Oilseeds	246
Denmark	214	Hides and Leather Trades	246
Canada	215	Overseas Produce Markets	246
Books and Publications—		Price Current	247
Public Finance	216		
Index Numbers	217		
Books Received	218		

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Proprietors of the "Economist."
Office: Granville House, Arundel street, Strand, London, W.C. 2.

THE MONEY MARKET.

REVENUE payments and the demands incidental to the end of a month hauled in the end of the slack in the money market, and on Wednesday there was quite a keen demand for loans. On Thursday there was no reaction, interest payments being offset by revenue transfers, and 2 per cent. was occasionally paid for loans over the night. Discount rates hardened appreciably, three months' Treasuries changing hands at $2\frac{3}{4}$ per cent., while bank bills were quoted between that rate and $2\frac{1}{2}$ per cent. Yesterday the allotment of Treasury bills hardened the market still further, and $2\frac{1}{2}$ per cent. was the lowest rate quoted for three months' bills.

CREDITO ITALIANO.

Capital Fully Paid ... Lire 300,000,000
Reserve ... Lire 90,000,000

Head Office of the Bank: MILAN.

THE BANK HAS BRANCHES THROUGHOUT ITALY

London Branch: 22 ABCHURCH LANE, E.C.4.

Managers { D. A. HORNER,
F. N. SCHILLER.Transacts a general Foreign Banking Business, having
correspondents in all Countries, and is specially pre-
pared to grant facilities for the development of trade
between the British Empire and Italy.

Correspondent of the Royal Italian Treasury.

Telegrams: "Italocredi, Cannon, London."
Telephone: 7802-7803 City.

	Feb. 2, 1923.	Jan. 26, 1923.	Jan. 19, 1923.	Jan. 12, 1923.	Previous Rate and Date Changed.
Bank Rate	3%	3%	3%	3%	3% (Jly. 13, '22)
Banks Deposit Rate	1	1	1	1	1% (Jly. 13, '22)
Discount/Call	1	1	1	1	1% (Jly. 13, '22)
Houses (Notice	1½	1½	1½	1½	1½ (Jly. 13, '22)
Market rate (3 months' bills)	2½	2½	2½	2½	2½

The Bank return showed an expansion of £1,219,000 in the note circulation and a small increase in the stock of gold, leaving the Reserve £1,217,000 lower. Government securities had declined by four millions and three millions had been added to the Public deposits. Other deposits thus being eight millions lower. Currency notes outstanding were reduced this week by £560,700 to £280,272,900, which includes £1,511,100 for notes called in but not yet cancelled. The fiduciary issue is £230,611,800, or £39,572,000 below the maximum.

THE STOCK MARKETS.

The volume of business in the Stock Exchange this week has been distinctly small in comparison with the rush in the three previous weeks, the influence of events abroad having at length produced a spirit of caution in both investor and speculator. The Cabinet's acceptance of the American debt terms was received on Thursday with no great enthusiasm, rumours from Lausanne being received with more gratification. Gilt-edged stocks recovered a little, but there was no expansion in the volume of business. The foreign market has been weak, French bonds being particularly flat, and Home and Foreign Rails suffered with the rest of the markets. Rubber and oil shares have been heavy. In the miscellaneous section, electric lighting shares were prominent, with a rise, but most of the speculative and semi-speculative issues are lower. The excitement in certain sections of the mining market has been maintained.

THE COMMODITY MARKETS.

Considerable activity continues at the various coal centres. Our South Wales correspondent reports that the Cardiff coal market has been inundated this week with new orders from the United States, France, Spain, Belgium, and Germany, and that in consequence prices are stronger. Our Glasgow trade correspondent also refers to a big continental demand for coal, and states that prices are from 3d to 1s per ton higher. Our Sheffield correspondent, however, points out that amongst South Yorkshire collieries there is nothing as yet in the nature of a boom, although steam coals are approximately 1s per ton higher, and he proceeds to add that "an endeavour will be made to prevent prices of manufacturing fuel rising unduly, lest such a movement should check the expansion in iron and steel." Makers of pig-iron have been obliged to raise prices, owing to advances of fuel costs, and a good demand is reported for iron. The best outlet for steel at the moment is for shipbuilding, orders being better. A distinct change is reported in conditions in the Manchester cotton trade. It is stated that there has been a decided falling off in the volume of business owing to the weakness of raw cotton rates, the fall in the value of the Indian exchange, and to the political situation on the Continent. A quietness is noticeable in the wool trade, while the hide position at the Bermondsey auctions was inclined to weakness. A sharp advance in linseed oil has taken place. Further particulars of markets will be found from our special correspondents on later pages.

FOREIGN EXCHANGES.

During the past week the effect of the Ruhr crisis and of the Turkish threat has been one of something very near demoralisation on the Foreign Exchange markets, and although there was a little more steadiness yesterday morning, the outlook is still threatening and obscure. The only cheering feature of the week is the decision of the British Government to accept the conditional American offer for the settlement of war debts, which has had the effect of bringing up sterling from below \$4.63, to which it fell at one time on Monday, to \$4.66½ yesterday, as compared with \$4.64½ a week ago. The forward rate remains about the same, at about ½ cent per month above spot. From 96,000 on the 26th the mark has plunged to a level not far short of the krone, and has already well out-distanced Polish

currency in the race of depreciation. On Monday it closed at about 155,000, on Tuesday at 220,000. From this point it has shown a slight tendency to recover, but more from complete lack of dealing than anything else, and yesterday morning's figure of 180,000 again suggested a reaction. The Paris and Brussels rates have moved in a similar way, the French franc rising from 72.85 to well over 80 at one time on Wednesday, and recovering a little to 78.80 on Thursday, while Brussels moved from 80.85 to 91.40. Yesterday there was a recovery to 76.80 for Paris and 80.65 for Brussels. It is, however, impossible to have any confidence in this recovery, especially as there are growing indications in both countries of an eagerness to get out of the franc into more stable currencies. The failure of the French Finance Minister's proposal for a 20 per cent. increase in taxation is also an unsatisfactory feature in the situation. Forward rates in Paris widened to 14 to 17 centimes per month above spot, while Brussels for one month ahead was about on a parity with spot. In this general collapse Italy has for the moment shown a relatively strong power of resistance, the movement on the week having been only from 96.90 to 97½. It is doubtful, however, whether the pressure of events will not cause a break in the near future. Among neutral countries, Holland jumped suddenly in our favour on Thursday from 11.79 to 11.91, and although yesterday there was a reaction to 11.87½, the rate was still very much higher than the 11.76½ of a week ago. Geneva at about 24.90 was much the same as last week, Madrid at 29.84 showed a move of about 20 points in our favour. Copenhagen moved sharply in our favour, and both Christiania and Stockholm were higher. Helsingfors at 180 was steady, with a fall of one point on the week. In Central Europe, Austria remained steady, and Warsaw also at 150,000 showed little depreciation. Prague moved down a little to 162, and Bucharest, after rising wildly to about 1,225, was considerably better at about 1,110. In the East the rupee reacted again after its recent high levels to 1s 4½d, and Yokohama was ½d cheaper at 2s 0½d. The slackening of Indian demand for silver coincident with the fall in exchange, brought down the price of silver below last week's levels, and the Hong Kong and Shanghai rates are also lower, at 2s 3d and 3s respectively. In South America, Buenos Ayres is ½d cheaper at 43½d, and Rio 1-32d cheaper at 51½d, while Montevideo has fallen from 43½d to 42½d. Over the same period Valparaiso has depreciated from 36.50 pesos to 38 pesos.

THE NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended January 27th:—

RECEIPTS.	Min. £	EXPENDITURE.	Min. £
From Revenue	19,462	Interest on Debt	685
		Supply Services	7,698
		Sundries	300
		Added to Exchequer balances ..	104
		Reduction of debt	10,675
	19,462		19,462

Revenue during the week ended January 27th totalled about £19½ millions, as against about £27½ millions a year ago, the decline being due to special receipts, which amounted to but £388,103, as against £8½ millions last year. Estate duties yielded £1,730,000, as compared with £1,029,000, but receipts from Property and Income-tax, at £10,174,000, are slightly lower. Expenditure was £8,683,565, being well over £4½ millions under the corresponding figures a year ago. The week's operations reduced the National Debt by £10,674,825, and caused the following changes:—

	Min. £		Min. £
National Savings Certificates ..	+ 650	Bank of England Advances ..	8,750
4½% Treasury Bonds	+ 4,918	Public Dept. Advances	4,950
		Treasury Bills	652
		Unemployment Insurance	280
		Securities Surrendered	861
		Funded Loan, &c.	750
	+ 5,568		16,243

The floating debt was reduced by £14,345,000 to £921,371,500.

FINANCIAL YEAR, 1922-23 (April 1, 1922, to January 27, 1923).

Total spent	642,984,605	Raised by revenue ..	666,211,717
Dec. in balances	7,290,215	Net repayments	30,517,327
Total	635,694,390	Total	635,694,390

ESTIMATES for YEAR 1922-23.

Ordinary Expenditure	£ 823,846,000	Ordinary Receipts ..	£ 820,775,000
Special Expenditure	61,223,000	Special Receipts ..	90,000,000
Contingencies	25,000,000		
Total	910,069,000	Total	910,775,000
		Surplus	706,000

NATIONAL DEBT. (Million £.)

	AUG. 1, 1914.	MAR. 31, 1916.	MAR. 31, 1918.	DEC. 31, 1919.	MAR. 31, 1920.	MAR. 31, 1921.	MAR. 31, 1922.	DEC. 31, 1922.	JAN. 27, 1923.
Funded Debt	588	318	318	315	315	315	315	314	314
Term. Annuities	30	22	22	20	19	18	16	15	15
4½% War Stock	..	63	63	63	63	63	63	63	63
4% War Stock	..	16	14	13	13	13	13	13	13
4 & 5% War Stock	..	2,091	2,068	2,047	2,040	1,995	1,953	2,071	2,071
National War Bonds	..	649	1,636	1,509	1,476	1,413	1,201	971	971
4% Funding Loan	..	..	..	409	409	405	401	401	400
4% Victory Bonds	..	..	..	360	357	348	335	335	335
3½% Conversion Loan	..	..	..	..	..	..	266	690	689
5-15 year Treas. Bonds	..	..	..	..	..	23	24	24	24
5% Treasury Bonds	..	..	..	..	..	..	381	166	166
Do by tender 5%	..	..	..	..	..	..	40	40	40
Do by tender 4½%	..	..	..	..	..	..	8	69	69
Treasury Bills	15	961	957	1,107	1,107	1,121	878	719	714
Exchequer Bonds	20	392	384	323	319	289	185	150	150
Natnl. Savings Certs.	..	138	227	267	274	285	342	350	353
War Expnd. Certs.	..	23	..	..	..	..	..	..	..
Other Debt	..	944	1,241	1,306	1,181	1,132	1,087	1,071	1,071
American Loan	..	51	51	51	51	..	..	..	..
Temporary Advances	..	204	455	243	205	154	147	222	207
Other Capital Liabilities ..	57	5,872	7,435	8,033	7,829	7,574	7,655	7,768	7,759
Total Liabilities	711	5,921	7,481	8,079	7,876	7,623	7,721	7,835	7,826

Corrected in accordance with a return issued December 15, 1922.

POSITION OF THE FLOATING DEBT.

	Out- standing.	Jan. 28, '22.	Mar. 31, '22.	Jan. 27, '23.	Movement week ended Jan. 27, '23.
Temporary Advances	£	£	£	£	£
Advances by Bank of England ..	..	..	..	6,250,000	8,750,000
Advances by Public Deposits ..	115,855,000	147,301,500	200,361,500	4,950,000	..
Treasury Bills outstanding	1,038,571,000	882,219,000	714,760,000	645,000	..
Total Floating Debt	1,154,426,000	1,029,520,500	921,371,500	14,345,000	..

THE EUROPEAN TANGLE.

UNDER any circumstances the acceptance by the British Cabinet of the American offer of the debt-funding plan, which we discuss elsewhere, would be an event of outstanding significance. But in the present deplorable position in Europe, in respect of which the outlook has unfortunately darkened this week, any event likely to enhance the prospects of Anglo-Saxon co-operation assumes a ten-fold importance. In the Ruhr events this week have developed slowly along expected lines, and it is no more possible than it was a week ago to weigh up the chances of intervention or arbitration. The régime of French military control has been tightened day by day, preparations have been perfected for drawing a cordon round the new area of occupation and cutting it off from the rest of Germany. Meanwhile, as we predicted, incidents have occurred which show the more clearly how untenable the position of the British garrison at Cologne has become. As regards the economic prospects of the French policy, Mr J. M. Keynes was only stating the obvious view when he expressed on Wednesday, at the annual meeting of the National Mutual Society, his grave doubts whether any substantial reparation payment will now ever be made. So far, it appears, France has in a fortnight of occupation actually received about half a day's output of coal from the Ruhr. The exiguous nature of these receipts is, of course, largely due to the railway stoppage, which will be resolved as time goes on. It is probable that when a succession of coal trains at last begins to run from the Ruhr into France, the spectacle will be hailed as a victory of the French policy. We would, therefore, remind our readers of a few simple economic facts in this connection. Before the advance into the Ruhr France was receiving free deliveries of coal from Germany. The coal which she now receives from the Ruhr mines she has to pay for, and the extraction of it can only be profitable to France if the Ruhr miners can be induced to produce more than they consume. In other words, France can only gain to the extent to which she can work the Ruhr mines at a profit. Even then from any profits there will have to be deducted the costs of military occupation and supervision. In so far as France breaks the German strikes and passive resistance she may claim a success; and this degree of

success is probable, because the population of the Ruhr cannot go on for long without working for wages and food. But it is almost inconceivable that, with unwilling workers and with the immensely wasteful overhead charges represented by military occupation, she can have any hope of making a real profit on the operation of the mines. There is in this country, as we have frequently said, a profound understanding of and sympathy with French disappointment and disgust over the whole story of the reparation question. Nor is there much disposition to apportion the responsibility for that disappointment. But equally profound is the conviction entertained here that the new French policy is economically impracticable and politically disastrous.

The anxieties aroused by French action in the Ruhr have been intensified this week by occurrences at Lausanne. After prolonged and persistent effort it began recently to appear that, thanks to Allied solidarity, so laboriously rebuilt since the Mudania Conference, Lausanne would produce the first agreed and practicable Treaty that has been signed since the war. We use the word practicable for two reasons; first, because it is the only Treaty which has been hammered out at a round table by representatives of all the parties concerned; secondly, because it contains no inherently impossible provisions. This moment the Quai D'Orsay apparently chose to make it known to the Turks (though in what terms is not exactly known) that, if agreement failed at Lausanne, France would be prepared to negotiate a separate agreement with Turkey. Fortunately, there is still hope that even in the face of this deliberate and powerful temptation the Turks will draw back from the disastrous decision not to sign the Treaty which has been so laboriously prepared. The proposed settlement is not perfect, and we have discussed from time to time its more obvious imperfections. But that the alternative to its signature is fraught with such incalculable possibilities of trouble for all parties concerned is surely a ground for hoping that at the eleventh hour wiser attitudes will be adopted, both in Paris and in Angora. Nevertheless, at the moment of writing we cannot rule out the possibility of a resumption of war and disturbance in the Near East; and it must be remembered that even after signature the progress of peace and reconstruction in that part of the world will still depend to no small extent upon the existence of a common attitude and policy by Great Britain and France. Naturally, through this deepening European gloom the better hope of Anglo-American harmony and co-operation looms up as a rock of salvation.

Under these circumstances it is a coincidence possessing both irony and political importance that Paris is the venue of the meeting of the Council of the League of Nations, which opened on Monday. It was originally the intention of M. Branting, on behalf of Sweden, to raise before the Council the question of the French occupation of the Ruhr; but he has postponed action, hoping, presumably, that in due course a more favourable atmosphere for his proposal may be created. It seems a distant hope at the moment, but it is all to the good that the meeting is taking place in the centre where M. Branting can quickly sense every reaction of French feeling to events in the Ruhr area. Meanwhile, the Council has been engaged on highly

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important business. On Tuesday Lord Balfour gave notice to the Council that the British Government would, in the event of Turkey not agreeing to a joint appeal, herself lodge a request that the League of Nations should shoulder the task of determining the frontiers of the mandated territory of Iraq, and should invite Turkey to send delegates to discuss the question on terms of complete equality. This request is, of course, conditional upon a fair arrangement with Turkey on the Mosul question failing to be achieved at Lausanne. The proposal to refer the matter to the League, Lord Balfour pointed out, was supported by the delegates of France, Italy, and Japan, but was not, so far, accepted by the Turks. For the rest, Lord Balfour's speech was a clear exposition of the way in which the machinery of the League would secure perfect equality of treatment in a dispute of this kind for a nation which, like Turkey, is not actually a member of the League.

Whether the Mosul dispute will eventually provide the League with another opportunity of displaying its peace-giving ability remains to be seen. The other leading discussion in the Council this week referred to the great service which the League has already performed in respect of Austria. In reviewing Austrian progress with the task of carrying out her obligations under the Geneva protocol, both Lord Balfour and Dr Seipel, the Austrian Chancellor, struck a hopeful note. Difficulties, said the former, had been overcome which four months ago seemed insurmountable. Dr Seipel showed that in her programme for domestic reforms Austria was ahead of her promises. Our Vienna correspondent has recently described Austria's brave struggle. But, as Lord Balfour pointed out, Austria cannot extricate herself from her difficulties without external assistance. It was stated at the Council that, of the necessary guarantees for the promised external loan, 93 per cent. had already been given. It is to be hoped that no unavoidable delay will be allowed in the difficult task of its flotation. The progress of the League's Austrian experiment will be watched with the closer interest in view of the possibility that even more vital and complicated questions may eventually be brought under its purview.

FUNDING THE AMERICAN DEBT.

THE decision of the Cabinet on Wednesday to accept the terms for payment of our debt to America suggested by the American Commissioners is one which the City has celebrated not with sighs or gloomy forebodings of disaster, but by marking up the prices of British Funds. Sir Harry Goschen, at the meeting of the National Provincial and Union Bank on Thursday, voiced City feelings when he congratulated the Cabinet on their decision, which he described as "a landmark in our financial progress." It may seem a paradox that a decision binding Great Britain for 62 years to pay something over £32 millions a year should be so received; but the fact is that the American offer is an appreciable reduction in what the United States Government is entitled to ask us to pay—is, indeed, a writing down of our obligation, and as the London financial community had long ago made up its mind that it would and could pay the debt in full, any hesitation in accepting the American terms would have been regarded as a confession of weakness which for the sake of British credit it would be very undesirable to make. From the purely business standpoint it would be worth a considerable sacrifice to avoid having to make any such confession; but seeing that the American offer is something less than anything we had any claim to expect, opinion was practically unanimous that the offer should be accepted not merely with a good grace but with gratitude. It has been argued that more favourable terms might have been offered later when the difficulty of paying international debts has become more fully realised in all countries. But the arguments against such delay are, in our opinion, conclusive. In the first place, we doubt very much whether opinion would change in the way suggested so long as a settlement was postponed and the debt question the subject of constant political dispute and bickering. Indeed, we are sure that if a change is to come in American sentiment, it is much more likely to emerge when we have tested the results of

a settlement such as that now being negotiated. In the second place, the question whether the payment now proposed is as serious a burden as is sometimes represented depends very much on the future of dollar prices. If these rise and remain fluctuating about a high level, the burden will be much diminished. Finally, there is nothing to prevent a future revision of the present terms if the situation warrants it.

The Prime Minister and his colleagues, however, seem to have been misled into relying upon the opinions expressed by highly placed Americans visiting this country, that America would be willing to reduce the rate of interest on the British debt to 2½ per cent.—which would in effect have halved the annual charge; and having accepted these expressions of opinion have been disappointed to find the Administration at Washington bound rather by the decisions of Congress than those of unofficial persons in London. Indeed, the real outstanding question is not whether the American Commissioners failed to go as far as Mr Baldwin had a right to expect, but whether they went farther than Congress can be persuaded to accept.

There are, however, certain considerations which the Administration will doubtless impress as forcefully as possible when its proposals are put to Congress. In the first place, Great Britain has already set an example of a liberal attitude rather than of insisting upon her strict legal rights in the question of these debts in the case of her European Allies, for although this country has not gone nearly as far as we should have liked to see it go in this direction, the offer made last month in Paris by Mr Bonar Law did definitely write down to a very negligible figure the debts owed to us by various countries, and for the most part made them contingent upon the payment by Germany. This was done for the sake of a settlement in which Great Britain and the whole world is interested. The offer was quite properly made entirely irrespective of action by America; but it must be evident that it will be easier for Great Britain to offer still more liberal terms in any future negotiations on reparations, if such ever occur, if America has been moderate in her demands upon us. But this is an argument upon which we cannot insist. There are, however, two arguments which we may reasonably urge. In the first place, there is the point that our original loan was one payable on demand, and in funding such a loan, which quite clearly cannot be paid off in one single payment, the advantage may reasonably be claimed of the fall in the world rate of interest as compared with the rate at which our debt was originally incurred. Congress has recognised this argument so far as to authorise funding of the loan at 4½ per cent., which is the rate at which America borrowed from her own nationals the bulk of the amount raised by means of the Liberty Loans. (The first Liberty Loan of \$1,400 millions was raised at 3½ per cent., but this was convertible at the holders' option into 4½ per cent. Liberty Loan, the issues of which ultimately amounted to approximately \$13,000 millions.) These loans, however, are redeemable at par at various dates between 1927 and 1947, and in the event of the rate of interest falling, it is clear that the American Government, if the loan is not repaid out of revenue, would be able to convert into a lower rate of interest loan at these redemption dates. By funding to-day the British Government surrenders the right to take advantage of any further fall in the rate of interest.

Again, the borrowings of a Government from its own nationals are at a higher nominal interest figure than the net amount actually paid, since its interest payments are liable to taxation. Thus, when Great Britain pays 5 per cent. interest in this country, it recovers from most holders 5s income-tax, the net charge upon other sources of taxation therefore amounting only to 3½ per cent. When Great Britain pays interest to the American Government she has no such power of taxation, and the payment therefore of 3 per cent. is the equivalent burden upon our national resources as 4 per cent. in Great Britain. It is true, that this argument applies only in a modified form to the position of the American Government, for the Liberty Loans were issued at 4½ per cent., "exempt from all Federal State and local taxes except estate or inheritance taxes and Federal income sur-tax and profits tax." The taxation recovered is therefore only a small proportion of

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the interest. But these considerations would make it reasonable that unless Congress wishes to see some profit to America from the loan, some concession at least should be made on the 4½ per cent. previously fixed.

The negotiations thus contain a number of points which may be urged in mitigation of the original charge payable by Great Britain. In this respect it is like the great majority of financial settlements between the two countries arising out of the war in which a strict adherence to the letter of the contract has not been enforced by either side, but has been replaced by general considerations of equity. We have never imagined that the United States would ever attempt to make a profit out of the British debt, and this principle inspired the Funding Act of 1922. As regards the proposed improvement upon these terms, we may perhaps regard the extension of the repayment period to 62 years (which means a reduction of one-half in the rate of amortisation) as being the off-set to the possibility that the United States may be able to convert its loans to a lower interest level in the next decade; and that the consideration that our payments will be tax free would justify some reduction in the rate of interest below perhaps 4 per cent. In offering 3 per cent. for 10 years and 3½ per cent. thereafter, with a ½ per cent. amortisation, the United States Government is offering us terms something below the net cost to itself, and this difference represents the contribution which America is making to ease the international situation. We are of opinion that when America comes to deal with the debt of the European Allies, and more particularly if this should happen in connection with any possible settlement of the reparation problem, Congress might be ready to offer more liberal terms to France and Italy. But so far as the present proposed arrangement is substantially less than the full 5 per cent. which America has been entitled to ask, and which accordingly we have hitherto presumed that we should pay, the arrangement will make it easier for us to offer better terms to Europe.

MR. McKENNA ON DEFLATION.

In his speech last week to the shareholders of the London Joint City and Midland Bank, Mr McKenna reviewed and criticised the financial policy of the Government, not with regard to the question of the imposition or remission of taxes, but as to "the issue and rate of Treasury bills, the funding of floating debt, the issue of Treasury bonds, and other kindred matters." In recent years, he said, "this policy has been frankly one of gradual deflation," by which he seemed to mean that the Government has been deliberately working to reduce the volume of purchasing power in the hands of the public, with the object of establishing a lower level of prices and so increasing the value of our currency and bringing it back to par with gold, and with the currencies of those countries that still have a gold standard, especially with the United States dollar. This policy Mr McKenna condemned as harmful in its effects on our trade, and unnecessary for securing

the objects aimed at. He dwelt on the evils of inflation, and then observed that "people are apt to start with a preconceived idea that deflation must be meritorious, since it is the reverse of inflation, and that even though it be injurious to trade we may find consolation in its superior virtue." In Mr McKenna's view, however, deflation as a financial policy has no more to recommend it than inflation, the truth being that "what we need to ensure healthy and prosperous trade conditions is stability in the value of money."

With this ideal most of our readers will probably be ready to agree, though in view of the great importance that used to be attached to the gold standard by our bankers it is possible that City opinion, on the whole, might be more inclined to consider that stability is certainly the end to be aimed at finally, but only after first having squeezed the water out of our currency and restored to it its old convertibility into gold, and parity with other currencies that are on a gold basis; and when we bear in mind the great though elusive value of financial prestige and the tremendous strain to which our financial prestige has been subjected during and since the war by official use of the printing press, this aspiration for a quick return to gold is not entirely theoretical and academic. But whatever ideal be most desirable, there seems to be some reason to doubt whether the Government has really been deliberately working with the ultimate objects in view that are credited to it by Mr McKenna, and still more whether the results of its policy in producing trade depression are as clearly traceable as he implied in his analysis. His speech has been widely applauded for its lucidity, and with good reason; but it is just possible that some of that lucidity was secured by omission to consider complicating factors, and also by the quiet assumption that of two simultaneous facts one was cause and the other was effect, whereas in truth they may both have been caused by something bigger. He showed that at the end of 1921 total deposits in British and Irish banks were 2,530 millions, and estimated currency in the hands of the public was 370 millions, making a total purchasing power of 2,900 millions; by the end of 1922 the estimated deposits were 2,350 millions, the estimated currency in the hands of the public 350 millions, and the total 2,700 millions, a reduction of just over 200 millions. Total bank figures not yet being available, Mr McKenna proceeded to analyse those of the London Clearing banks, in the case of which he found a decline in deposits of 135 millions, and a roughly corresponding decline of 130 millions in bills discounted, falls in cash money at call and loans and advances having been offset by an increase in investments. "In the course of the year the Government paid off Treasury bills to an amount of over 300 millions, of which the banks held between 100 and 200 millions. Here we see a decline in deposits related to a reduction in the Treasury bills held by the banks. The operation was in truth a measure of deflation effected in pursuance of a declared policy, and resulting in a total reduced purchasing power of 200 millions." The effect

of a decline in purchasing power is, as Mr McKenna proceeded to show, a fall in prices—until there is a change in the amount of purchasable commodities or in the velocity of expenditure; and when prices fall fewer orders are given, trade declines, and unemployment grows. "Thus the immediate effect of a reduced purchasing power is diminished trade and increased unemployment." And so we are led up to the conclusion, though Mr McKenna did not definitely state it, that at least a considerable part of the present depression in trade has been due to the policy of deflation deliberately pursued by the Government, which at the same time, with an inconsistency duly noted by its critic, has been trying to give a fillip to trade by putting purchasing power at the disposal of traders and by means of the Trade Facilities Act.

It is an interesting case, very effectively argued. But one would like to be quite sure before impaling the Government on the horns of Mr McKenna's dilemma, that it was really meaning to deflate. It may be noted that Mr Walter Leaf, in addressing the Westminster Bank shareholders on Thursday, roundly maintained that there has been no deflation. "Fiscally," he said, "we have been engaged in stabilising the pound. This has been effected by just balancing the Budget and leaving nothing over for the payment of debt. We have thus avoided adding to the suffering involved in deflation," &c. Mr Leaf seems to mean by deflation a fall in prices, while to Mr McKenna it signifies a reduction in the volume of money in our pockets and our bank balances. But, in any case, it is surely quite possible that all that the Treasury meant to do was to reduce the volume of outstanding Treasury bills, the huge figure of which was at one time a cause of some anxiety, which produced the abortive attempt at "funding" by the issue of Funding loan and Victory bonds. The effect of the Government's anxiety to reduce Treasury bills was the issue of Treasury bonds, and the subscription to the latter by the public led to the redemption of Treasury bills held by the banks and the consequent cancellation in the banks' balance-sheets of deposits on the liabilities side and bills discounted amongst assets. And so the object that was aimed at by the Funding loan was at last to some extent achieved, and the banks were freed from part of the burden, imposed on them by the war, of carrying advances to Government, and so were enabled, to that extent to increase their advances to traders, if traders had wanted them. As Mr McKenna admitted, after the repayment of Treasury bills held by a bank out of money subscribed to Treasury bonds by its customers, the bank would have less deposits than before but the same amount of cash; "it might therefore be objected that the bank would have more than its usual proportion of cash, and would be in a position to make fresh loans and so recreate its lost deposits." He answered this objection by pointing out that in actual practice the immediate use made by a bank of its surplus cash is to lend it in the money market, and that the discount brokers and other customers of the Bank of England are able to pay off loans borrowed from it, "and every such repayment not only cancels a deposit, but also cancels an equal amount of bank cash." But the market is not always in the Bank of England's debt, as Mr McKenna seems to assume, and he did not explain why the banks are obliged to adhere, in unusual times such as the present, to their usual practice of lending surplus cash in the money market. Some of it, at least, they seem to have invested, and hence the increase in their investments. Some of it, surely, might have been available for trade if trade had wanted it.

Trade did not want advances, and Mr McKenna shows us why. Analysing the trade figures of 1922, taking 1922 values on the basis of commodity prices current in 1913, he showed that our exports to Central and Eastern Europe had declined by 62 per cent., those to all other foreign countries by 30 per cent., and those to the British Empire overseas by 29 per cent.; "the commercial breakdown in Central and Eastern Europe," he added, "is not only destructive of our markets there, but must hamper our export trade more or less all the world over." But this breakdown can hardly be attributed to our Government's monetary policy, and it surely was the real cause of trade depression, and so of the diminished demand for currency for trade purposes which has diverted money into

longer dated investments, and so has assisted the Government in its eagerness to reduce Treasury bills, and has produced, not from definite intention, but by a side wind, the reduction in purchasing power which was implied by Mr McKenna to have been the cause of the depression. Surely, the declared policy of the late Government was best expressed by Sir Robert Horne's Budget, which deliberately faced the charge of unsound finance, with which it was plentifully pelted, by trying to encourage trade, and catch votes, by remitting taxation at the expense of debt redemption.

But if Mr McKenna invented, or overstated, a case against the Government by attributing to its deliberate act a process which was due to deeper causes, he was on surer ground when he called attention to the drawbacks of a lower level of prices because of its effect in increasing the burden of the debt charge, and he was interesting, if not altogether convincing, in his certainty that without any attempt at deflation on our part sterling will slowly rise to par in America owing to her excessive holding of gold. And all must agree with his last statement that we "must seek a general increase of wealth through a more abundant output," though the breakdown in our overseas markets, which his own figures illustrated, raises some doubt of our ability to dispose of it until there is once more peace.

OUR INDEX NUMBER.

THE year 1923 has opened with an advance in prices, our Index Number of commodity wholesale prices having risen in January by 60 points. The larger part of this increase is due to a sudden spurt in demand for iron and coal as a result of the Ruhr developments. The recent export demand has depleted the stocks which had accumulated in British coalfields last summer, and the present demand has therefore found the market bare. The minerals group, in fact, shows a rise of 34 points, the largest advance recorded in this section for many months. An immediate movement of this sort was only to be expected, but other influences, which do not operate at once, will undoubtedly begin soon to move prices downward. The collapse of the mark will reduce Germany's capacity to purchase abroad, and this is bound to have some influence on the price here of certain commodities. As will be seen from the table below, textiles have also assisted in the upward movement, but changes in the other three groups have been small:—

Date.	Cereals and Meat.	Other Food Products (Tea, Sugar, &c.).	Textiles.	Minerals.	Miscellaneous (Rubber, Timber, Oils, &c.).	Total.	Percentage Change.
Basis (avg. 1901-5)...	500	300	500	400	500	2200	100.0
End July, 1914....	579	362	616½	564½	558	2568	116.6
" Dec., 1915....	897	446	731	711½	848½	3634	165.1
" Dec., 1917....	1286½	686	1684½	839½	1348½	5845	263.2
" Nov., 1918....	1289	782½	1848	903	1389½	6212	282.6
" Dec., 1918....	1303	782½	1805½	866	1337	6094	277.0
" Dec., 1919....	1441½	881½	2442½	1145	1453½	7364	334.7
" Mar., 1920....	1508	914	2974½	1246	1709½	8352	379.6
" Dec., 1920....	1344	805	1284	1216	1275	5924	269.3
" Dec., 1921....	921½	636	1106	762	931½	4357	198.0
" June, 1922....	1000	676½	1135	690	887	4396	199.5
" July "....	994	669	1120	712½	900	4396	199.8
" Aug. "....	880½	674	1123½	691½	887½	4257	193.5
" Sept. "....	873½	682½	1116	699	818	4189	190.4
" Oct. "....	885	700	1150	712	813	4260	193.6
" Nov. "....	864	703	1200½	704½	811	4283	194.7
" Dec. "....	861	706	1184½	705	807½	4264	193.8
" Jan., 1923....	860	711½	1205½	73 9	808	4324	196.5

The total for cereals and meat is practically unchanged, though there have been several small movements in individual commodities. Flour and foreign wheat have fallen, but home-grown wheat and other cereals are higher. Since the beginning of the year, the *Gazette* average prices of British corn have been quoted in cwts instead of quarters, a welcome improvement. In subsidiary food-stuffs tea is again substantially higher, but sugar has fallen. In the textiles group there was a sharp fall in jute and a small decline in flax, but all other movements were in an upward direction. There has been keen competition at the wool sales, and buying has proceeded steadily in spite of international complications. American cotton is

higher on the month, though it closes below the top figure, but the advance in yarn and cloth is more pronounced. The inquiry for cloth, principally for India, has broadened considerably.

While pig-iron has advanced substantially, iron bars have as yet only increased slightly and steel rails are unchanged on the month. The difficulty with pig-iron appears to be that owing to the strong demand for fuel, it is not possible to start furnaces to cope with requirements. The coal quotations so far show no very great advance. Tin prices have been put up during the month principally as a result of the statistical position. The principal feature in the miscellaneous section has been the advance in the price of rubber from 1s 1d to 1s 5d per lb. In the next table are set out the changes in the index for each commodity as compared with the end of December, 1922, the figure 50 representing in each case the average price during the basic period 1901-5:—

	Index Number.	Inc. or Dec.		Index Number.	Inc. or Dec.		Index Number.	Inc. or Dec.
Wheat—For...	82	- 7	Cotton, A	144½	+ 5	Copper	54½	+ ½
English	76	+ 3	Cotton, B	123½	+ 6	Minerals ...	739	+ 34
Flour	78	+ 5	Yarn	135	+ 6			
Barley	75	+ 1	Cloth	138	+ 9½			
Oats	78½	+ 3	Wool, Eng.	125½	+ 2½	Baltic timber	100	..
Potatoes	47	+ 1½	Aus. Wool	120½	+ 2½	Amer. timber	87½	..
Rice	108½	+ 4½	Silk	135½	+ 8	Leather	73½	- 2½
Beef	96	+ 2	Flax	45	+ 3	Petroleum ...	108	..
Mutton	106	- 4½	Hemp	110	- 11½	Oil	77½	..
Pork	113	- 4½	Jute	110	- 11½	Olseep	78	..
						Tallow	63½	- ½
Cereals & Meat	860	- 1	Textiles	1,205½	+ 21	Indigo	113	..
Tea	142	+ 9	Pig-iron	113	+ 15	Crystals	89½	+ 3½
Coffee	89½	- 1	Steel rails	75	+ 3½	Rubber	17½	+ 3½
Sugar cane	162½	+ 1	Iron bars	84½	+ 3½	Miscellaneous	808	+ ½
Sugar beet	106	- 4½	Coal, steam	127½	+ 4½			
Butter	95	- 4½	House coal	94	+ 1	Total	4,324	+ 60
Miscellaneous	116½	- 1	Lead	118	+ 8			
Tobacco	116½	- 1	Tin	72½	+ 1½			
Other foods	711½	+ 5½						

The net result of these changes is an advance in the percentage increase over July, 1914, from 66.2 to 68.6 per cent. The present position of the five groups in relation to the pre-war level is shown in the table below:—

End of—	Cereals & Meat.	Other Food.	Textiles.	Minerals.	Miscellaneous.	Total.
July, 1914	100	100	100	100	100	100.0
Dec., 1918	226	222	293	186	241	237.5
Dec., 1919	249	250	396	247	263	287.1
March, 1920	261	260	484	269	309	325.6
Dec.	233	229	209	261	230	230.9
Dec., 1921	159	180	180	164	168	169.6
June, 1922	174	192	184	149	160	171.1
July "....	172	190	181	153	163	171.4
Aug. "....	153	192	183	149	160	165.9
Sept. "....	151	194	181	150	148	163.5
Oct. "....	153	199	187	154	147	166.1
Nov. "....	150	200	195	152	148	167.0
Dec. "....	149	200	193	152	146	166.2
Jan., 1923	149	201	196	159	146	168.6

The levelling process between the groups has not proceeded much further in January, miscellaneous commodities and cereals and meat being still far below the average.

In the final table we show the changes in the indices of wholesale prices in eight foreign countries, the base being the average of the year 1913:—

	United States.	France.	Italy.	Germany.	Switzerland.	Sweden.	Denmark.	Japan.
Nov., 1918	205	358	438	..	325	367	292	214
Highest, 1920 ..	227	591	679	..	325	366	403	322
(Jan.) (April) (April)					(Jan.) (June) (Oct.)			
End 1921	123	326	594	3,585	176	172	178	209
End Jan., 1922 ..	124	314	577	3,965	171	170	177	206
Feb., 1922	126	327	562	4,888	170	166	182	205
Mar., 1922	125	308	534	5,899	163	164	178	200
April, 1922	127	315	527	6,572	161	165	177	197
May, 1922	129	318	524	7,841*	160	164	179	194
June, 1922	131	326	537	9,140*	161	165	180	197
July, 1922	131	326	558	13,935*	163	165	178	195
Aug., 1922	131	332	571	28,919*	163	158	176	192
Sept., 1922	136	332	582	44,089*	163	155	180	190
Oct., 1922	144	338	601	94,492*	163	154	182	188
Nov., 1922	149	354	596	166,495*	171	155	..	..
Dec., 1922	148	363	..	205,417*	..	155	..	..

* Altered to include 16 finished industrial products.

As compared with the end of July, 1914, prices in the United States show an increase of 57 per cent., as compared with 68.6 per cent. in this country. French prices increased again in December, and the end of January figure may be expected to show a further advance. The German index number, which at the end of the year had

already reached a fantastic figure, will, possibly, at the end of January, with an increase in the exchange from 40,000 to 240,000 marks to the £, have expanded into seven figures.

LAND-HOLDING BY FOREIGN CORPORATIONS IN FRANCE.

(BY A LEGAL CORRESPONDENT.)

A Bill which has recently passed the French Chamber of Deputies and is now before the Senate is exciting a considerable amount of attention in business circles in this country. The effect of the Bill is to make it necessary before any foreign individual or corporation can acquire the ownership, or a life interest, or a lease exceeding nine years, of any land in France or in any of her colonies, to obtain the authorisation of the French Government by means of a decree granted by the Minister of the Interior. Commercial companies and firms are to be subjected to this obligation, and the Bill not only applies to future acquisitions, but compels the present holders of such interests in land to seek from the French Minister of the Interior the necessary decree of authorisation for their continued holding. Not even all companies and firms registered in France are exempt from this requirement; for to qualify for exemption it is necessary that the chairman of the board of directors, the managing directors, the general partners, the managers authorised to sign, the auditors, and more than one half of the partners, directors, members of the board of management or board of control should be of French nationality.

Such is the proposal. We are not concerned for the moment with the economic or political motives underlying it. The case for the Bill rests presumably upon allegations that the internal price level is lagging behind the external level and not keeping pace with the declining franc, so that foreigners are able to speculate in French land to the detriment and unfair advantage of French subjects. Apart from some cause of that kind, which, it is to be hoped, is temporary, it is difficult to understand the contemplated departure from what has been France's policy for over half a century. It is desirable to examine the international law and the British rules and practice bearing on the matter.

On April 30, 1862, there was signed a "Convention between Great Britain and France relative to Joint Stock Companies," of which Article I. provides:—

COMPANIES TO HAVE ACCESS TO TRIBUNALS.

The High Contracting Parties declare that they mutually grant to all companies and other associations, commercial, industrial, or financial, constituted and authorised in conformity with the laws in force in either of the two countries, the power of exercising all their rights, and of appearing before the tribunals, whether for the purpose of bringing an action, or for defending the same, throughout the dominions and possessions of the other Power, subject to the sole condition of conforming to the laws of such dominions and possessions.

This clause has been generally understood to give British companies and firms in France the same rights in the matter of owning and leasing land as French companies and firms.

Article III. (Duration of Convention) provides:—

The present Convention is concluded without limit as to duration. Either of the High Powers shall, however, be at liberty to terminate it by giving to the other a year's previous notice. The two High Powers, moreover, reserve to themselves the power to introduce into the Convention, by common consent, any modifications which experience may show to be desirable.

We are not aware that either party has terminated this convention, though France may be on the point of doing so.

Let us look at the British practice. The English common law, while permitting an alien to acquire and hold goods and other personal property, prohibited him from acquiring any land or even a lease of land, except that an alien merchant, being the subject of a friendly State, was allowed to hire a house to live in; any other attempted acquisition of an interest in land by an alien was void, and operated as a forfeiture to the Crown. (This did not, however, prevent a company registered in England, though composed partly or entirely of alien shareholders, from acquiring land in England on the same

terms as other companies.) Then in 1870 the Naturalisation Act enabled an alien to acquire and hold as fully as a British subject interests in land or any kind of real or personal property in England, with the exception of a share in a British ship, and these provisions are repeated in the British Nationality and Status of Aliens Acts, 1914 and 1918. In the matter of ships our law has for a long time been jealous to preserve the national character of the British mercantile marine, and the Merchant Shipping Acts (while, strangely enough, enabling a corporation registered in England but containing alien shareholders to own shares in a British ship) confine the ownership of shares in British ships to British subjects, either natural-born or naturalised. In addition, the British (Transfer Restrictions) Acts, 1915 and 1916, the operation of which determines on August 31, 1924, prohibit within that period the transfer of British ships to aliens or to "foreign controlled companies" without the approval of the Board of Trade. Apart from these limitations, the whole policy of England from the time of Magna Carta (which confers remarkable privileges upon alien merchants trading in England) has been one of encouragement to foreign traders and workmen to come to this country and bring with them their capital and their skill. The benefits accruing from this policy of enlightened self-interest are patent to any person having the most elementary knowledge of British industrial history.

Any country which chooses to deny reasonable trading facilities to foreigners (among which we include the power of ready acquisitions of interests in land) is at liberty to do so. International Law imposes no obligation upon a State to permit foreign traders to carry on business within its territory. But history shows that a State which bars the door to them or even makes it difficult for them to open it will generally suffer in the long run. If France chooses to adopt the more nationalistic policy embodied in the Bill under consideration, we may deplore her action but cannot complain, provided that British individuals, firms, and companies already holding interests in French land are equitably treated, as undoubtedly is the intention. If any hindrance is placed in the way of the employment of British capital in France, there are other outlets. But, should the Bill become law, it is sincerely to be hoped that no stupid policy of reprisals against French traders in this country will be entertained. Apart from the political aspect, that would be economic folly in the extreme.

FOREIGN TRADE STATISTICS.

At a time when it is essential for all British manufacturers to seek ways in which to increase their export trade, it is a matter of great regret that the data necessary for a complete analysis of the foreign trade of the United Kingdom are not published until 12 or 13 months after the close of the period to which they relate. The "Annual Statement of the Trade of the United Kingdom with Foreign Countries and British Possessions," to give it its full title, is usually issued in four volumes. Volume I., which analyses imports and exports, in the first part by commodity, and in the second by country from whence or to which consigned, appeared in October, but Volumes II., III., and IV. have only just been issued. The value of these volumes obviously diminishes the longer their appearance is delayed, but the delay is probably the most serious in the case of Volume III., which analyses the export trade of the United Kingdom in great detail, according to commodities, and, under commodities, according to the markets to which they are consigned.

We will admit at once that the "Monthly Accounts Relating to the Trade and Navigation of the United Kingdom" are more complete, better arranged, and issued more promptly than those relating to any other country, but that is not to say there is not great room for improvement, and we should like to point to some directions in which the trade statistics of the country could be made of more use to the business community. The figures given in the course of the article have been taken from the November issue of the Trade Returns, but the instances selected are typical, and not applicable only to one month.

In the first place, our readers scarcely need reminding of the two retrograde steps that have been taken during the past year—postponing the issue of the return until the tenth working day of the month, that is, two or three days later than formerly, and increasing the price of the volumes, so that, whereas they used to vary between 6d and 1s 6d, according to size, they now vary from 6s to 10s. It would be interesting to know what effect this has had on the sales of the publication, and whether the Exchequer has really benefited from the change.

Of longer standing, however, and more important is the lack of proportion that is shown in the amount of detail afforded to the different commodities. This is probably due to the pressure exerted by some of the bigger trade associations to obtain as much detail as possible for their own trade, but it is often at the expense of other and less well-organised trades. For instance, it is only fitting, since "cotton yarns and manufactures" are by far the most important item of our exports, that exports of these should be given in greater detail than any other, and, in fact, they occupy nearly 30 of the 103 pages of the volume devoted to the exports of the produce and manufactures of the United Kingdom. But it must be difficult to justify the allocation of two of those pages to the export of printed "flags, handkerchiefs, and shawls in the piece," when their value in November was only £24,000, and when out of 53 items 33 were blank, and six further pages to the same articles "not in the piece," the total value of which in November was less than £200,000. Similarly, no indication is given of the destination of the £648,000 worth of "electrical goods and apparatus," whereas the exports of "agricultural machinery," which follow, are analysed according to eight destinations, although the total value amounted to only £55,000. "Machine tools" are not allocated to markets, while "sewing machines," of much less importance, are. This latter case is one in which the part is greater than the whole, for "parts of sewing machines" were exported to the value of £386,000, while the value of the complete machines amounted to less than £40,000. No information is given, however, of the destination of the parts, although ten times the value of the complete machines.

Pig-iron makers have recently been much exercised by the scarcity and rising price of "metallurgical coke," but the trade return vouchsafes no information as to the destination of coke, although these exports were valued at £574,000 in November, while the exports of "china and earthenware," of £72,000 less value, are shown according to eleven different destinations.

Although for the sake of comparability a fair degree of rigidity in classification is desirable, a more frequent revision according to markets seems to be called for, as there are many instances in which the item "Other Countries" is a rather bigger proportion of the total than the amount allocated to markets, and many cases where that term conceals markets of much more importance than those which are specified. A glaring instance of this is the case of the recent large exports of coal to America consequent on the coal strike there. Although of such importance, these were included under the heading "Other Countries," because coal is not normally exported to the United States in any quantity, so that it is not possible from the published information to say exactly how much coal and coke went to America during the coal strike. In cases such as this, where any market becomes temporarily of importance, it is suggested that the details might be given in a footnote, but there are numerous other cases in which unimportant markets or markets of diminishing importance have been retained, while important markets, or markets of increasing importance are concealed under the item "Other Countries."

Exports of "asbestos manufactures," for instance, were valued at £70,000 in November, of which £20,000 is distributed amongst four countries, while the remaining £50,000 remains unallocated. Some other cases in which exports to "Other Countries" account for over 50 per cent. of the total are black plates, wire manufactures, anchors, bedsteads, scientific instruments, furniture and cabinet ware, jute yarn, jute sacks, &c., &c.

Another source of annoyance to the user of the returns is the ambiguity which exists between British India and the British East Indies. In the preface "British India" is stated to include "the whole of India, except French

and Portuguese possessions," while the term "British East Indies" includes "British India, the Straits Settlements (with the Federated Malay States and Labuan), and Ceylon." Sometimes goods are shown as being exported to British India, and in other cases to the British East Indies, so that it is impossible to arrive at any grand total for British India. For instance, asbestos is shown as going to British India, but cement to the British East Indies; steel bars are allocated to India, but iron bars to the British East Indies; galvanised sheets are shown as going to India, but tinned plates to the East Indies; silk piece goods to India, but other manufactures of silk to the British East Indies. India is such an important market for the goods of this country that it should be shown separately wherever possible, and in no case should it be merged with the East Indies.

The difficulty occasioned by the fact that an analysis according to markets is in many cases either entirely lacking or very incomplete is minimised to some extent by the readiness with which the Customs authorities are prepared, upon the payment of a fee, to furnish manuscript returns supplying the missing details. This means, however, that some traders and trade associations have to pay for information which, in the case of more favoured trades, is printed in the accounts; moreover, these manuscript returns are not furnished until a week or two after the printed trade returns, and we have recently received complaints that this interval is lengthening. The explanation given for the greater delay that is now experienced in supplying manuscript returns of exports, for example, is that electrical tabulation has been recently installed, and has so far proved less rapid than the former method. We are glad to know that an electrical system of tabulation has been adopted, for it seems to us that an adequate use of this system should remove the last and most serious of our complaints against the trade returns, viz., the length of time that elapses before the annual volumes are issued. Every month our exports are analysed in very great detail as far as commodities are concerned, and every quarter the total value of our exports is distributed among our various markets. With so much of the analysis already done, it is difficult to understand the delay that occurs in issuing the annual volumes, unless the returns are tabulated *de novo*. With the introduction of electrical tabulation the need for any re-tabulation (if such takes place) should be entirely avoided; all the facts required would be recorded on cards, which could be arranged and counted by machinery in any number of different combinations. It should then be necessary at the end of the year merely to summarise the information which had been tabulated month by month, and the annual volume should appear within three months instead of after the lapse of 12 months.

We are not quite sure whether to include the lack of a critical introduction to the annual volumes among the sins of omission on the part of the Board of Trade; sometimes the introductions to Blue-books are exceedingly well done, but in other cases they are often quite jejune. On the whole, we incline to the opinion that a brief introduction dealing with the significance of the figures would be worth while, if only for the reason that the volumes would probably receive more adequate and intelligent notice in the daily Press.

THE IRON AND STEEL INDUSTRY IN 1922.

THE year 1922 for the iron and steel trades may perhaps best be described as one of very hard work and very little profit. The best that can be said for it is that, as the result of the unceasing efforts to stimulate a revival and to recapture lost markets, there appeared at the end of it every probability of considerable improvement in 1923.

The number of furnaces in blast, which on January 1st stood at 77, steadily increased throughout the year until, on December 31st, there were 169 in blast; production of pig-iron, which in December, 1921, amounted to 275,000 tons, by December, 1922, had reached 533,700 tons, a figure which had not been touched since January, 1921. This progress looks considerable, until we remember that in 1913 there were, on the average, 338 furnaces in

blast throughout the year, and that production in December last represented but 62 per cent. of the average monthly production in 1913.

The production of pig-iron for the whole year amounted to 4,899,500 tons (except for 1921, the lowest since 1867), compared with 2,616,300 tons in 1921 and 10,260,000 tons in 1913. Great Britain had, for the second time, to give way to France for the third place, although not making such a bad fourth as in the previous year, and if expectations are fulfilled, it is perhaps not too much to hope that Great Britain may in 1923 occupy the second place, since Germany's production of pig-iron this year has been estimated at only 6,750,000 tons.

Steel production is always more fluctuating than that of pig-iron, and, having attained an output of 549,400 tons in March, this figure was not surpassed until September, since when there has been steady progress, broken only by the Christmas holidays. Production in November was over 90 per cent. of the monthly output in 1913, but this is too optimistic a way of stating the facts, since it ignores the enormous expansion of our steel-making capacity which was forced on us by the war. The biggest problem our steel makers have to face is how to utilise this increased capacity, for at the moment it is in many cases a serious burden. Steel production for the year amounted to 5,831,900 tons (except for 1921, the lowest since 1908), compared with 3,703,400 tons in 1921, 9,067,200 tons in 1920, and 7,663,900 tons in 1913.

Normally about 30 per cent. of the consumption of steel in this country is taken by the shipbuilding or ship-repairing industries, a further 30 per cent. in the production of tinplates and galvanised sheets, and the remaining 40 per cent. is distributed among railway material, motor vehicles, engineering, building, and constructional work, &c. Shipbuilding having been among the most depressed of our industries in 1922, the output of steel plates, which had been 1,654,700 tons in 1920, amounted to less than 600,000 tons in 1922. Since 80 per cent. of the country's output of plates comes from Scotland and the North-East coast, these areas naturally suffered most, and from being responsible in 1920 for over 40 per cent. of the country's output of steel (Scotland 23.9 per cent. and the North-East Coast 21.5 per cent.), in the past year they have been responsible for only 13.3 per cent. and 15.7 per cent. respectively of the much-reduced output. The tinplate and galvanised sheet trade, on the other hand, has been relatively prosperous, the output of the two combined amounting to about 1,300,000 tons, compared with less than 1,100,000 tons in 1920. South Wales, which provides most of the steel for these trades, has, as a consequence, produced up to 90 per cent. of the 1920 production in that area, whereas the production of the country as a whole was only 65 per cent. of that of 1920.

The natural step to take to revive industry is to reduce prices, but in the case of the steel trade these had been so drastically cut in 1921 as to leave little room for further reductions in 1922. Further cuts were, however, made, until prices in many instances were substantially below actual costs. Cleveland pig-iron No. 3, which had been reduced from 225s to 100s per ton in 1921, was further reduced to 91s; ship plates, which had been reduced from £22 to £10 10s, were reduced a further 30s; steel rails are now £9 per ton, having been £9 10s at the beginning of the year and £25 at the height of the boom. Prices in general are now only 20 to 30 per cent. above pre-war, while the *Economist* Index Number is 68 per cent. above.

Prices having been reduced in order to stimulate demand, attention was, of necessity, directed to reducing costs, the most important items in which are fuel, labour, transport, and ore. Since the whole of Europe has been short of coal, little relief could be expected from fuel, and, in fact, blast furnace coke in the North-East Coast area, which was 29s per ton in the early part of the year, was 30s and even 31s per ton by the end of it. The rise in price is explained by the increased export demand, for exports of metallurgical coke rose from 75,000 tons in January to an average of 170,000 tons per month in the last quarter of the year. Since approximately 24 cwt of coke are required to produce one ton of pig-iron from the Cleveland ores, it follows that about 40 per cent. of the present price of Cleveland pig-iron represents fuel.

Railway rates are also a substantial item in the cost of

iron and steel goods owing to the bulk of the materials to be assembled. In consequence of the pressure of the manufacturers, the railway companies have reduced the railway charges in successive stages, until they now stand at about 60 per cent. over pre-war charges, which, while comparing not unfavourably with the Index Number of wholesale prices, is much higher than the percentage increase in iron and steel goods generally. The high rate of imperial and local taxation also bears heavily on the iron and steel industry, and there is scarcely a chairman's speech in which attention is not drawn to this question with figures to show what this means per ton of steel produced.

But the most important item, after fuel, is the wage cost; wages in the iron and steel trade, as is well known, are governed automatically by sliding scales, and to quote only two of the many sliding scales in operation in the trade, the Cleveland blast furnace men's scale was 170½ per cent. above standard in January, 1921, 36 per cent. above in January, 1922, and 24 per cent. in December, 1922. The corresponding figures for the smelters' scale in the North of England (acid process) was 163½ per cent., 68½ per cent., and 11½ per cent. respectively.

The sacrifices which these reductions have involved for the workpeople have had the compensating effect of reducing unemployment and producing a very substantial improvement in the exports of iron and steel. As regards employment, the percentage of unemployed in the trade, according to the *Labour Gazette*, was 36.7 at the end of December, 1921, and 22.1 at the end of December, 1922, while the percentage working short time fell from 4.5 at the end of 1921 to 1.5 at the end of 1922. With regard to the export trade, in spite of the huge capacity of America and the advantages which the depreciated exchanges give to her Continental competitors, Great Britain was easily the biggest exporter of iron and steel in 1922, a position she has not held for many years.

Exports of iron and steel in December, 1922, amounted to 340,800 tons, compared with 205,300 tons in the same month in the previous year. Exports for the whole year amounted to 3,401,000 tons, or approximately double the total for 1921, and 150,000 tons greater than in 1920. As an indication of the slump in values, however, while the exports in 1920 were valued at £128,907,000, the rather larger tonnage exported in 1922 was valued at only £60,959,000. Of the total exports, 794,000 tons, or 23 per cent. in weight, were pig-iron (including ferro alloys), of which 378,000 tons went to America and 962,000 tons, or 28 per cent., were tinplates and galvanised sheets.

Shipments of tinplates and galvanised sheets, which represent about 75 per cent. of the production, were sent to all parts of the world, and markets invaded by the United States during the war have been recaptured during the past year. Exports of tinplates from the United Kingdom to Canada, for instance, which is the most notable case, amounted to 957 tons in 1920, 3,126 tons in 1921, and 41,895 tons in 1922, whereas the United States sent to Canada 20,915 tons in 1920, 24,045 tons in 1921, and less than 20,000 tons in 1922.

As far as it is possible to analyse the exports according to markets, it would seem that rather more than half—say, 52 per cent.—went to British Possessions in 1922, the remainder being almost equally divided between European and non-European foreign countries. Since the biggest items of exports to British Possessions are the more highly-finished forms of iron and steel—e.g., galvanised sheets, rails, structural steel, tinplates, wire, &c.—the proportion sent to British Possessions, measured by value, is 62 per cent. of the total value of the exports of iron and steel.

The French occupation of the Ruhr makes it somewhat difficult to estimate the prospects of the iron and steel trades for 1923. There are some who take the view that the demands of the Continent for coal will raise the price to the British consumer and check the revival in the iron and steel trades which has already undoubtedly set in. Other observers think that the disorganisation of the French and German iron and steel industries consequent on the French action will enable Great Britain to capture French and German markets. Before the European complication the investing public were certainly taking a more cheerful view of the prospects of the iron and steel in-

dustry, for an index number showing the ratio of current market value to nominal value of the shares of the leading iron and steel firms of Great Britain has been steadily increasing for the past few months, standing at 94.7 on October 31st, 98.3 on November 30th, 106.8 on December 31st, and 110.8 on January 15th. The shipbuilding position is distinctly brighter, and the railways have promised the Prime Minister to place orders for renewals and extensions at an early date. Whatever policy the Government adopts with regard to housing, they can hardly fail to take some measures directed towards the revival of the building trade, and the prospects for the engineering trade now that costs have been liquidated are more hopeful.

The industry having done so much itself to reduce costs and prices, is looking for external assistance in the form of further reductions in fuel and transport costs and reductions in Imperial and local taxation. There are, however, still some directions in which the industry might help itself, though considerations of space make it impossible to elaborate them. The first is in the direction of fuel economy. Starved for fuel, Germany has made great strides in this direction, and with fuel costs bearing such a high proportion, as has been shown, of the value of iron and steel products, iron and steel masters will be well advised to encourage research in this direction. A second step which might contribute to the revival of the industry is an improvement in its commercial organisation. Before the war, Great Britain endeavoured to meet the organised competition of the United States and Germany by the unorganised competition of individual firms. There are signs that in the near future Great Britain will have to meet organised competition not only in the United States and Germany, but also in France and Belgium; and it seems likely that the British iron and steel industry will have to reorganise commercially if she is to keep and extend her export markets. Lastly, there are some, of whom Lord Furness is the best-known exponent, who think that in actual amalgamation lies the chief line of safety for the industry, by which means orders could be allocated to the mills best suited to them, with resultant economies and increased efficiency in working, and there is little doubt that the steel trade will have very seriously to consider all these possibilities before long.

GOLD MINING ON THE WITWATERSRAND.—III.

(FROM A CORRESPONDENT.)

JOHANNESBURG, December 19, 1922.

4. *Van Ryn Deep*.—This mine, of relatively high grade, situated in the favoured Far Eastern Rand district, has over four years' ore in sight, of somewhat higher average grade than that which, before sorting out 25 per cent., was treated in the year ending December 31, 1921. It has a probable future life of 15 years. It is, of course, speculative whether its unexplored part will continue to be as good as the part already exposed. Consequently, an investor needs a high return on his money to compensate him for this risk. If values keep up, this company will probably pay an average dividend of 11s a year, viz., 12s most of the time, but less in the last few years of the mine's life. But it is necessary for a shareholder on the London register to deduct 4s 5d a year from his dividend for amortisation of the present price of 75s a share, leaving a return of 6s 7d on this price, or close on 9 per cent., without allowing for income-tax.

The premium on gold for the year 1921 amounted to 11s 3d per ton. Costs have since fallen about 5s 6d. Allowing a further 1s 6d for reduction in cost of mining stores and materials, it will be seen that there is still 4s 3d per ton to be made up, if gold falls to standard price, before the company will be able to keep up its past earnings on the basis of those of 1921. This 4s 3d per ton is the equivalent of nearly 2s 3d per share in dividends. The tonnage treated by this company has now been increased by about 12 per cent., and, provided ore of no

lower grade is treated than that treated in 1921, the loss will be neutralised, which would be incurred otherwise by the fact of gold falling to standard price. But there is an unfavourable factor, and that is the probable poor character of the undeveloped ground in the western section of the mine. This will probably affect the dividends adversely in the last few years of the mine's life. I consider, therefore, that a careful investor should expect a high return in this company, and I value the shares at 65s to yield about 11 per cent., without allowing for income-tax, but making the necessary allowance for amortisation of capital invested, and assuming that taxation, whether in South Africa or England, will not be increased, and that there will be freedom from further labour troubles.

5. *Crown Mines*.—This is a colossal low-grade property situated on the Central Rand. Conditions for mining are not as pleasant as they are in the Far Eastern Rand, and there are, therefore, risks of native labour shortage, in addition to the other risks common to mining. There are over three years' ore in sight, of higher average grade than that which, before sorting out 9½ per cent., was treated in the year ending December 31, 1921. This mine has a possible future life of 40 years. Though, so far, the advance developments at depth have proved better than was anticipated, yet obviously only time will show if the reefs in the unexplored claims are payable. It is likewise probable that the reefs in the Far Southern claims will be found at too great a depth for profitable, or even possible, working, even if they would be payable otherwise. However, from the favourable nature of the present developments in the lowest exposed reef area, a period of 10 years' profitable working beyond that of the three years of ore already in sight, or a total of 13 years, may reasonably be taken for granted.

During the year 1921 the company was entirely dependent for its profit on the premium on gold. If there had been no such premium, the year's working would have shown a loss. The premium amounted to a sum which represented 6s 4d per ton milled. But since then costs have fallen 5s 8d per ton. And a further fall of 1s 6d may be anticipated from a further reduction in cost of mining stores and materials. So that, barring accidents, this company will at some time in the future, when the premium on gold has run off entirely, be in a better position as regards its earnings than it was in the period ending December 31, 1921, when all its gold sold at a premium. During this period only 3s 3d was paid in dividends, though 3s 9d was earned. Hence it is practically certain that more will be paid in the future.

In order to get at the intrinsic value of the shares, let us imagine that gold has fallen to standard price, and that the company will treat ore yielding 25s per ton with costs reduced to 17s 10d, which is 1s 6d below those of November, 1922, and which is a reasonable figure to expect that costs will come down to, due to the further reduction to be expected in the cost of mining stores and materials. Treating 220,000 tons a month, a monthly profit of, say, £78,800 will be made, or, let us say, £945,000 a year. But it must be remembered that this company has considerable charges on its earnings in the shape of interest and redemption of debentures, as well as annuities due to the Government. These, however, will all terminate after a limited period. To allow for accidents it would be well not to allow for a total working profit of more than £920,000 a year. On this basis, after deducting all charges and expenses of every kind, there should be a yearly sum of £570,000 available for dividends. This represents an annual dividend of about 6s per share, which will be increased to 7s after the first four years, by the end of which time the debentures will all have been paid off. Thus, there will be three years of a 6s dividend, followed by 10 years of 7s. It is quite impossible to estimate with any pretensions to accuracy what amount should be allowed for the present value of the last

27 years of the company's possible life. One can scarcely expect that more than a moiety of the ground to be worked during these 27 years will prove payable. Taking into consideration the enormous expense of exploiting the reef at such great depth as that at which it will almost certainly be found in the Far Southern claims, and the fact that interest on the money will be lost for 13 years, I should say that the present value of this area is relatively small. But none the less it is almost sure that some dividend will be paid for at least some part of these last 27 years of the mine's life. And clearly this must be taken into account. I take it into account, therefore, by prolonging the period of amortisation to 20 years, but not allowing for any surplus, after the first 13 years, over the amount needed for amortisation. On this assumption I make the shares worth 48s 6d to shareholders on the London register, to yield about 10 per cent. for the first 13 years of the mine's life, and amortise the capital invested over a period of 20 years, but making no allowance for income-tax, and assuming that taxation whether in South Africa or England will not be increased, and that there will be no further labour troubles. Any further dividend paid during the last 27 years over and above what is required for amortisation, under this calculation, will be in the nature of a bonus. Under present conditions it is bad business even for Johannesburg shareholders to buy the shares at the present price of 60s, since the return on the capital invested, after allowing for amortisation, is, in my opinion, too small for the risk run, particularly in the case of a mine like this, where the menace of native labour shortage is always present, and where, owing to its enormous size, the difficulties of control are so great.

With the world's purchasing power so seriously impaired, as it now is, it looks as though we might be about to enter upon a cycle of lower-priced commodities, though this fall in prices will probably be broken from time to time by temporary periods of rise. Gold itself has already been falling continuously for some time, and it has now almost reached the point where it sells at the pre-war price of 85s per fine ounce. As gold falls in price its purchasing power increases, or, in other words, commodities fall. A fall in wages will follow eventually, since wages must fall in sympathy with the fall in commodities, because the fall of the latter automatically brings down the cost of living, and the cost of living is the standard which sets the price of wages. An accompaniment of such conditions is cheap money—that is, a low rate for obtaining bankers' credit. This rate may drop to even lower than it is now, and remain lower for a long time. With falling wages, cheap cost of commodities, and cheap money, all costs of production must come down. This is looking ahead, but, granted freedom from further wars and revolutions, these conditions must come about eventually. They are inevitable, provided that those who rule our financial destinies at home stick to their present policy of making our country pay its way and turn a deaf ear to the counsellors of inflation.

No producers will benefit more by lowered costs of production than owners of gold mines, particularly owners of low-grade mines, since, with lower working expenses, the profits of low-grade mines rise out of all proportion to those of high-grade mines. This applies in especial measure to huge low-grade propositions like Crown Mines, a property which can treat over two and a-half million tons of ore per year. The baneful influence of the extreme Labour Party in South African politics, especially if it continues hand in hand with the Nationalists, may cause the fall in working costs on the Rand to hang fire for a time, even after costs of production may have fallen appreciably in the Mother Country. But the laws of economics—and, I may add, the interests of the whole British Empire, particularly those of South Africa itself, whose own development is being retarded, *inter alia*, by the high cost of living—demand that gold should be produced more cheaply. With working costs down to the pre-war level of 15s 10d per ton, the shares of Crown Mines would be worth 63s, to yield 10 per cent., and allow for amortisation, assuming no increased taxation in South Africa or England, and immunity from further labour troubles.

Notes of the Week.

Peace Hopes in Ireland.—Our Dublin correspondent writes:—"It is an open secret that unauthorised, and, in some cases, rather amateurish negotiations are going on behind the scenes, and there can be no doubt that the less irresponsible of the irregular leaders—if, indeed, there can be comparative degrees of irresponsibility—are genuinely anxious for peace. But if not exactly stipulating peace on their own terms, they demand a formula to save their faces; and in the meantime wanton destruction goes on, destruction the more vexatious in that irreparable treasure is destroyed without the least tactical or other advantage for anyone, and the only direct consequences are exasperation and embitterment. Sympathy is generally expressed for Lord Mayo, Sir Horace Plunkett, and Captain Stephen Gwynn, whose residences have been burned this week. Mr Bagwell, a Senator and secretary of the Great Northern Railway, was kidnapped, but was free within a few hours. Behind and apart from the peacemongers and their semi-public operations, peace upon a basis which a self-respecting Government can accept is believed to be slowly ripening. There have also been peace tentatives in regard to N.E. Ulster, with which the name of Lord Glenavy, chairman of the Senate, has been associated. They have been repudiated in the Belfast Press, and have been closed by Sir Jas. Craig, the Northern Prime Minister, with a brusquerie verging on discourtesy. At the same time there is a great deal of sound sense in his demand that if any offer is to be made it is to be made by a constituted Government to the Government and Parliament of Ulster, to be laid before their people for decision. The sentiment will doubtless be echoed by those responsible for the policy of the Free State, whose appreciation of the situation leads them to more patient methods, and a reliance upon economic factors rather than an untimely tender of unwelcome concessions. The trade statistics for 1921 published by the Department of Agriculture and Technical Instruction illustrate how commerce shrinks when armed force attacks the economic life of a country. Total imports into Ireland in 1919 were valued at £158,716,000; in 1920 they were £203,750,000, and in 1921 £118,971,000. Total exports for the same years were £176,052,000, £204,715,000, and £129,621,000 respectively. It will be remembered that the Black and Tan policy obtained during the last quarter of 1920, and attained and maintained its full stringency during the first half of 1921 up to the truce which preceded the Treaty. The destruction of creameries, factories, and shops was, of course, reflected rather in the figures of the immediately succeeding period than at the exact date of its occurrence. At present, markets and fairs are being held as usual, race meetings taking place, and hounds meeting three or four days a week.

The Coal Blockade of Germany.—The importance of the coal blockade of Germany is illustrated by the distribution of the coal and iron and steel output of Germany by districts before the war. Part of the output of Silesia remains to Germany, but apart from this there only remains after deducting the Ruhr, the Saar, Lorraine, and Luxembourg, four districts producing 12 per cent. of the pre-war pig-iron output, 9 per cent. of steel and 8 per cent. of coal:—

1913.	Pig Iron.	Steel.	In million metric tons.
Rhenish Westphalia	8,209,157	10,112,042	114½
Upper Silesia	994,602	1,407,304	43½
Siegefeld & Hessian Nassau ..	994,927	388,297	15
N.E. and Central Germany ..	1,001,321	740,859	15
Saxony	331,125	253,020	13½
South Germany	320,456	2,079,825	3½
Saar	1,370,980	2,286,354	3½
Lorraine	3,869,866	1,336,263	190
Luxembourg	2,547,861	1,336,263	190
Total	19,309,170	18,935,089	190

The coal blockade will not, of course, limit Germany's resources to the production of these remaining areas, for her ports and her Eastern and Southern frontiers will remain open. Moreover, Germany succeeded in raising

her brown coal production (the calorific value of which is about ½ that of coal) in 1921 to 123 million tons, of which over 70 per cent. came from areas not affected by the occupation. But her capacity to maintain the new economic war depends upon her ability to buy abroad, and with the mark at nearly a quarter of a million to the £ this will strain her resources to the breaking point. This difficulty of buying abroad is naturally having an important effect in other markets. The recovery of the Chili nitrate trade, which was doing well largely because of German needs, has been nipped in the bud. The copper market is weak, and hides and timber are feeling the cessation of orders. These influences have hardly yet affected wholesale market quotations, but the falling off is becoming daily more marked.

Banks and Agriculture.—In the speeches of the bank chairmen some interesting information has been forthcoming over the much discussed question of farmers and their bankers. Dr Walter Leaf has pointed out that the London County Westminster and Parr's has advanced to farmers for the purchase of their holdings over two millions. Moreover, it is mentioned that this amount is not being called for. Indeed, it is stated that the amount outstanding under this heading at August, 1922, was actually higher than that recorded at August, 1921. Dr Leaf's reply to the charge that the small farmer is thrust aside by the banker in favour of the big man is that the average amount of advances to farmers of his bank is £800 per customer, and as this average is made up by including a good many large loans, it is pointed out that loans below £500 must be very large in proportion in order to make the average so low. With reference to the question of security, Dr Leaf is able to show that of the total number of borrowers, 28 per cent. were granted advances without security, while a further 13 per cent. only gave partial security. In other words, local managers advance, to 41 per cent. of farmers' money on their personal character and ability. Mr Beaumont Pease, in his speech, presents two very striking examples of Lloyds' activities in financing agriculture. These are in reply to the oft-repeated charge that the old country private banks gave better credit facilities than the modern joint stock bank. The first is a statement by the manager of a branch undertaking in an agricultural district, who also acted as manager to the concern when it was a separate private bank. This gentleman states that "The debit balance due from farmers in December, 1902, to the private bank was £15,462. This figure compares with £25,034 due to Lloyds Bank in December, 1922, and if advances to farmers for the purchase of their farms (£14,220) were added—and they might very well be—the total overdrafts of farmers at this branch would be £39,254 in December, 1922, against the £15,462 quoted above as due twenty years ago." But these figures do not represent the full amount available for farmers at this branch, because, later on in his letter, the manager points out that overdraft limits to the extent of £63,550 were sanctioned in December, 1922, though not fully availed of. In the case of the second example, the information was not so full. In 1880 the advances of a local undertaking (almost exclusively to farmers) were £107,000, in 1903 £117,000, and in 1922, under Lloyds régime, £145,800. On the subject of farm land purchase, Mr Beaumont Pease takes the view that this is one form, perhaps, of Government financial assistance which might be useful. He rightly, in our opinion, points out that the banks have advanced large sums for this purpose, and that these loans have been granted rather in defiance of strict banking principles, seeing that loans of this nature tend to become more or less permanent. In most cases, Mr Beaumont Pease continues, "borrowed money from some source has been used by the farmer for these purchases, and when money has been lent by private people on mortgage, the mortgage is always subject to being called in, necessitating fresh arrangements being made, with consequent costs and inconvenience to the farmer." We would, however, like to remind the able chairman that though a State scheme of land purchase might be useful to farmers, and that for the banks to make these practically fixed long-dated advances is a departure from sound

joint stock banking principles, there is an alternative scheme for the "big five" to found in association a land bank which could undertake this very necessary and useful work.

Australian Shipping Freights.—We referred last week to the announcement by the Commonwealth Government line of steamers of their decision to make a drastic reduction in freights to Australia. This decision suggested that one of two events would ensue: either that the Commonwealth Line and the Conference Lines would come to an agreement, or else that a fierce rate war would take place. The former result appears to have occurred. For the Board of Trade on Thursday issued the following announcement: "In connection with the present situation in the Australian shipping trade, Sir Alfred Halford Mackinder, chairman of the Imperial Shipping Committee, invited representatives of the Conference Lines and of the Commonwealth Government Line to meet him at the Board of Trade to-day. Accord on all cardinal points was reached, subject to the adjustment of minor details, thus ensuring the friendly co-operation of the two interests and eliminating all possibility of a rate war. The results reached are in harmony with the recommendations of the report of the Imperial Shipping Committee on the deferred rebate system. This report has been presented to the various Governments of the Empire, and its issue has been delayed owing to the necessity for simultaneous publication in the Dominions." This quick attainment of agreement will relieve the embarrassing uncertainties of those engaged in the Australian trade.

First Home Railway Dividends.—The first of the final dividends of the home railway companies, which are the last which will be paid on the old stocks, have been announced this week. They compare with those of the three previous years as follows:—

Name of Line.	Final Dividends.				Dividends for Whole Year.			
	1919.	1920.	1921.	1922.	1919.	1920.	1921.	1922.
Great Central 5% 1894, Pref. ..	Rate	%	per Ann.	um.	%	%	%	%
Great Northern, Deferred	24	24	24	24	24	24	24	24
Great North of Scotland	1½	1½	1	1½	1½	1½	1½	1½
Metropolitan, Ord.	1½	2	3½	4½	1½	1½	2½	3½
Do Surplus Lands	2½	3	3	3½	2½	2½	3	3½

In each case the distributions for the whole year are considerably larger than they were a year ago. This may be the result of substantial increases in net income and of the accumulation of balances which are not carried forward to the amalgamated accounts. Moreover, directors may not feel it so incumbent upon them to strengthen reserves as they would have been had the companies been facing the year 1923 as individual units. The report of the Great Northern shows an increase of £674,200, or 31 per cent., in net income, the ratio of expenditure to gross receipts being 80 per cent. The reserve fund is credited with £60,000, whereas last year £80,000 was taken from compensation reserve and £127,300 from net income suspense account. The Great Central last year took £225,000 from compensation reserve and £95,000 from suspense account to pay 2½ per cent. on the 1894 preference. Nothing is taken this year from compensation account, and a 4½ per cent. dividend is paid.

Cotton Trade Short Time.—Our Manchester correspondent writes:—"The improved conditions prevailing in the Lancashire cotton industry are reflected in the fact that organised short time working in the American section of the spinning industry came to an end on January 31st. The Master Spinners' Federation recently asked their members to ballot on the question of whether they were willing to adopt short time working by stopping mills on Saturdays and Mondays during the month of February. The result showed that 73½ per cent. of members were in favour of continuing the curtailment of production, 9½ per cent. of the members were against and 17 per cent. did not reply. As 80 per cent. of the members did not vote in favour of short time working, firms are now at liberty to run their spindles as their order books permit. In announcing the result of the ballot, the committee stated that a continuance of short time working was desirable; but as has been proved by recent statistics on the production of yarn, stocks, &c., the position of spinners as a body, compared with a month or six weeks ago, shows a good improvement.

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Short time working was first adopted following the slump in trade two years ago, and has been continued with one break to the end of January. In September last firms were recommended to work machinery 35 hours a week instead of the usual 48. Even that curtailment of production was not considered sufficiently drastic by certain members of the trade, and half time working was proposed, but was rejected in favour of the Saturday and Monday stoppage.

Dividend Difficulties.—This is the season of the year at which dividend queries and difficulties invariably arise, writes a Stock Exchange correspondent. They come as a rule from people who have sold stocks and shares upon which dividends have accrued, and which, when sold, render the seller liable to hand over the distributions. There are few things which shareholders dislike more than signing a dividend cheque and parting with it to anybody except their bankers. For this reason, the Stock Exchange is well acquainted with that trait of human nature which prefers to sell ex dividend, instead of taking a cum dividend price, although when the market allowance for the dividend is made, the actual difference may quite easily be in favour of selling cum rather than ex. The Stock Exchange Rules are clear enough on dividend points except in one case, which, unfortunately, covers the widest circle of stocks and shares in which the public deal. All securities deliverable by deed of transfer, says the rule, shall be quoted ex dividend on the account day following the date of the closing of the books for the payment of the dividend; or on the account day following the date on which the dividend may have been declared, provided the dividend be made payable to the holders then registered. This does not apply to shares dealt-in in the oil, mining, or rubber markets, nor to registered debentures. In regard to mining, oil, and rubber shares, the special rule governing them is admirably plain. Their prices are to be quoted ex dividend on the account day following the payment of the dividend. With securities to bearer and registered debentures, these are to be quoted ex dividend on the day when the dividend is payable, except in a few cases of bonds bearing coupons payable only abroad. With Government stocks, the rule is that the prices shall be quoted ex dividend on the day after that on which the books close for the payment of the dividend. Owing to the enormous amount of work involved in the preparation of dividend warrants for the War Loan, the Bank of England closes its books about five weeks in advance of the actual distribution, and the stock is therefore quoted ex dividend on the day when this announcement in regard to closing the books becomes operative. With Consols, Colonials, and numbers of other inscribed stocks, it is the practice for the banks where the loans are domiciled to close the books in respect of the dividend payments precisely a month before the money is due, and therefore these securities are quoted ex dividend a month in advance of the payment. The simplicity of these rules is obvious, and were the rules more generally known, it would save not only a vast amount of work to brokers, bankers, and other agents, but also a good deal of perplexity to clients who are puzzled by the apparently arbitrary manner in which ex dividend markings are recorded. It is, as already mentioned, over the securities deliverable by deed of transfer, apart from the mining, oil, and rubber shares, where confusion is liable to arise, and this is due to the fact that the quotation of the stocks and shares ex dividend may be regulated by two alternatives, instead of being governed by a single consideration. The Home Railway market makes a practice

of quoting its stocks ex dividend on the account days (which now occur on alternate Thursdays throughout the year) following the date of the meeting at which a dividend is confirmed. In a good many other cases, however, it happens that the practice is controlled by the second clause of the rule, allowing the price to be marked ex dividend on the account day following the date on which it may have been declared, if the books of the company are closed. From the point of view of the public, the rule applicable to mines, rubbers and oils is certainly the best. A man receives his dividend, and knows that he must give it up if he sells the shares before the next account day. In other stocks and shares, however, there is too frequently a mild doubt left in the mind of the seller especially, as to whether or not he is fairly responsible for handing over the dividend to the buyer. It may solve a few uncertainties if we add that holders of stocks in the Home Railway companies which were grouped as at the end of last year are entitled to retain the dividends which they will receive this month in all those cases where new stocks were exchanged for the previous securities. Every new stock in the Home Railway market started ex dividend at the beginning of January.

German House Property.—According to our Berlin correspondent, the Prussian Government has submitted a Bill requiring municipal sanction for the sale of city houses, and the municipalities are given a prior right of purchase. The aim is to prevent purchases by foreigners, but under the Versailles Treaty the obligation to obtain sanction could not be imposed on foreigners only. The Bill is opposed by the houseowners, by the Berlin Chamber of Commerce, and by other interests. Sanction is to be refused where through sale the housing shortage would be aggravated, where the buyer's aim is speculation, or where the need of the seller is being exploited by payment of too low a price. The housing trouble gets ever worse, and the Bill will hardly improve it. Foreigners have bought heavily, in some districts as much as 75 per cent. of recent sales have been to foreigners. The typical five-storey Berlin dwelling-house, with about 20 flats, sells freehold and mortgage-free for some 10,000,000 marks, or £50, the value under normal currency conditions and with free rents being probably £20,000. The legal maximum net rent (landlord's profit) from the whole house at present exchange is about 2s, so that the capital value of the house as an investment is perhaps £2, and the seller for £50 gets many times the yield value. As the German owner does not really get the 2s, but has in most cases to pay a subsidy to keep the house going, and as he sees no prospect of this condition ending, he sells to a foreigner or to a rich native who is willing to face the risk of the expropriation being permanently maintained, and only such buyers keep their houses in order. Most houses are going rapidly to ruin. The exclusion of foreigners will accelerate the ruin of the houses, and further injure the German owners, who are mostly petty rentiers. In some cities owners have actually offered valuable houses to the municipalities for nothing, and, getting a refusal—the municipalities would not pay the necessary subsidies—they removed their names from the records and left the houses ownerless. Under these circumstances the agitation, on which the Bill is based, that foreigners exploit the needs of the German owners does not seem well founded. In fact, as the (theoretical but not actually received) maximum net rent under the present housing law is a varying paper mark value, a foreigner who bought two years ago will have lost about 200-300ths of his yield on capital, the gainers being the tenants. The legal maximum net rent of a middle-class six-room apartment is now about fourpence a year.

Electricity Commissioners' Report.—The Electricity Commissioners have now issued their second annual report. Most of the matter contained therein, however, has already been made public, seeing that the Report deals with the year ending March 31, 1922. Its appearance is, therefore, somewhat belated, and a good many matters dealt with in the report have considerably progressed since that date. The chief value, therefore, lies in its forming careful records of electoral progress dur-

ing the year under review. The most important matter dealt with is the formation of the schemes for the various electricity districts delimited under the Electricity (Supply) Act, 1919. The Electricity Commissioners have delimited 13 electricity districts in England and two in Scotland. With the exception of the North-East Coast, the districts thus delimited cover all the important industrial areas in the country. The several schemes are in varying stages of incompleteness, only three being in practically final form. Since the date of the report the Electricity Commissioners have issued special orders covering these three cases, namely, North Wales and Chester, South-West Midlands, and South-East Lancashire. It is noteworthy that in neither of these cases is it proposed to form a working Joint Electricity Authority, as delineated in the Act, 1919. In the North Wales scheme a joint authority will be formed, but its powers of generation and distribution are to be delegated to the North Wales Power Company. In the case of the South-East Lancashire, an Advisory Board is to be formed in lieu of a Joint Electricity Authority, and the same procedure is to be followed in the South-West Midlands, where the scheme is virtually a working agreement between the Birmingham Corporation Electric Supply and the Shropshire, Worcestershire, and Staffordshire Power Company. In connection with eight of the schemes submitted some interesting forecasts of electrical progress were made, though, as the Report points out, the dates given must be subject to a certain postponement, for when the estimates were made the recent set-back in trade had not assumed a serious character. However, the figures can be taken as generally significant. The total output from the districts in question in 1921 was 1,923 million units. By 1926 it was estimated that this figure would be increased to 3,799 million units, and by 1931 to 5,624 million units—that is, 100 per cent. increase in five years, and 200 per cent. in 10 years. This rate of increase, which can be broadly taken as applicable to the whole country, indicates very satisfactory progress. One of the results of the centralisation schemes mentioned above will be a material reduction of the amount of coal, a point which was very much emphasised by the Coal Conservation Committee upon whose report the Electricity Supply Bill, 1919, was in part founded. The total net expenditure of the Electricity Commission in their administrative functions for the year amounts to £39,893. This amount is not a charge on the National Exchequer, but is met by the industry. Under the provisions of the Act of 1919, each undertaking contributes proportionally to the number of units generated. This charge upon the industry, however, is much more than balanced by the great advantages accruing from the establishment of the Commission.

Austro-Hungarian Relations.—At the present moment when, in view of the German mark collapse, the ability of Austria to hold her own is being eagerly watched, it is important to notice signs that Austria and Hungary are beginning to turn their eyes a little more eastwards instead of northwards. Several overtures on the part of Dr. Benes for a satisfactory regulation of tariffs and commercial relations generally between Czechoslovakia and Hungary broke down in face of the intransigence of the latter, while political relations between Hungary and Austria were strained almost to breaking point by the question of the Burgenland, where Magyar irregular bands long operated to prevent the peaceful application of the Treaty settlement in this part of the world. At long last, however, peace—at least, in its restricted meaning of the absence of war and rumours thereof—seems in the offing, and recently the Austrian Chancellor together with the Minister for Foreign Affairs were received most cordially by the Hungarian Prime Minister at Budapest. The main object of this meeting was to establish more cordial relations between the two countries, and to initiate conversations on the various political and economic questions which await solution. The Austrian Chancellor, Dr. Seipel, has informed the Press that he sees nothing to prevent the conclusion of a general arbitration agreement between the two countries; though we may add that these pourparlers have caused no little stir in certain of the other

Succession States, where some politicians see sinister designs of a political Danubian Confederation behind almost every discussion, both political and economic. Sir William Goode summed up the position in an interview with the *Times* correspondent at Budapest. "This was," he said, "the most hopeful sign he had seen since the beginning of 1919, when he had to deal with these and other countries as British Director of Relief. Too much must not be expected in the way of concrete commercial treaty developments, but three years ago it would have been almost impossible to hope for what has recently happened. Perhaps the most encouraging factor in the meetings is that none can attribute to them any possibility of military alliance or intrigue. The friendship that Austria offers brings with it no military *quid pro quo*." We can only hope that this resumption of cordial relations will lead in time to something more definite in the economic sphere, and put an end to that policy of economic isolation which has done so much to hinder the recovery of Central Europe since the war.

The Financial Position in Chile.—Certain factors in the financial position of Chile, writes a correspondent, have occasioned among nervous holders some feeling of uneasiness as to the future. While it would be idle to deny that the recent material losses sustained by the disastrous earthquakes on the West Coast of South America, the frequency with which of late years new loan issues have been offered, and the general decline in the country's trade have created misgivings, there is little in the general situation to create alarm. Late advices from Chile, moreover, afford evidence of coming improvement in the economic position. Nitrate shipments, upon which the national revenues of Chile depend to the extent of 75 per cent., continue at remunerative rates, although the production has been below normal. Excellent crops have brought about a renewal of prosperity to the large agricultural community in the southern part of the country, while an appreciable balance of wheat remains over for sale from the last harvest, having been held upon the chance of higher prices. The wise provision of granting a railway freight reduction of 15 per cent. on all grain shipped between September 15th and December 15th has lent further encouragement; while, owing to the better prices obtained for copper, a substantial increase in the output of the mines is likely to be brought about, and a considerable lessening in the number of unemployed to follow. Fortunately for Chile, the two principal staple products, nitrate and copper, have remained unaffected by the Fordney-McCumber Tariff, a measure which has seriously interfered with exports from other countries, both in South America and Europe. Pressing as may appear the financial needs of the Government, the general prosperity of the country, judging from the number of depositors in the Chilean savings banks, seems to have been but little affected. At the end of June, 1922, bank depositors totalled 1,080,691, marking an increase of 48,564 over the number of the previous year, and representing an augmentation of 25,225,822 pesos in the value of the deposits, now standing at over 233,174,700 pesos. A favourable impression has been created by some evidence of thrift upon the part of the national expenditure departments. The Senate, in furtherance of this move for economy, has refused its authorisation of further Government loans or issues of paper money. It is the avowed intention of the present Administration, as it had been that of all its predecessors, to convert Chilean paper money "immediately public confidence in the Government has been established." Unfortunately, changes in the personnel of Chilean administrations occur with great frequency and unexpectedness, so that this promise seems hardly nearer to realisation than the Greek Kalends. In 1920 there were two changes of Government between the months of July and November; in 1921 there were Cabinet resignations on January 27th, May 15th, July 27th, and August 14th; while during the past year individual Ministerial resignations or the retirement of the whole Cabinet occurred on January 2nd, February 4th, March 23rd, and December 22nd. The Executive, elected by a very narrow majority (so narrow, indeed, that a Court of Honour was called into being in order to decide which of the two candidates had polled the greater number of



votes), has found no easy task in effecting economies, or introducing part of those financial reformation plans upon which he had set his mind. While something has been accomplished in the reduction of paper money, there has been little actual reduction in the country's expenditure. Chile's total national debt amounts to \$275,730,074 (gold) (approximately £55,146,015); of this sum the total foreign debt represents \$239,077,386 (£47,815,477). Of the considerable sterling debt (£34,875,299), it is estimated that one-fifth is now held in the United States. The 1923 budget carried a total of 57,571,226 pesos (gold) and 287,283,000 pesos (paper), compared with 78,239,878 pesos (gold) and 348,709,365 pesos (paper) in the 1922 budget.

The Finances of Ecuador.—The financial straits of the Government of Ecuador are chronic and notorious; their causes were frankly stated to Congress last year by the Minister of Finance. His account is summarised in the Report for 1922 of the Acting-British Consul-General at Quito. The effects of past revolutions and of the post-war depression are intensified by (1) frauds by the taxpayers and the spending authorities, (2) lack of Government responsibility for the collection of revenue and the details of expenditure, some revenues being farmed, others received and disbursed by autonomous boards; (3) most of all, the Congressional habit of over-estimating revenue and under-estimating expenditure, in order to gratify the universal demand for public works, often of merely local importance, a demand which, for political reasons, it fears to leave unsatisfied. Thus, ten new State railways were recently authorised, with only about £260,000 annually available between them all. The Minister suggested obvious and drastic remedies, and mentioned that attempts were being made to raise a railway loan, but that a loan large enough to consolidate and pay off the Foreign Debt (of about £3,671,000) is impossible at present, in view of the high rate of exchange and the advance in the rate of interest. Under the circumstances, it is not surprising that the revenue for 1921 was only 76 per cent. of the expenditure. But the evils specified seem to have been increased by the establishment last year of monopolies of spirits, tobacco, and other commodities, and the leasing of them to groups of native capitalists, with little benefit to the State and much popular discontent. In the last financial year public works absorbed 2,907 million sucres (at par £290,700), of which 1,112 million were spent on seven railways under construction, and 1,393 million on "the centenary of the Battle of Pichincha," which gave Ecuador her independence. Most of this was spent on paving and draining Quito. As to trade, we can only note that the latest figures available were those of 1920; that the

Government has set up riots by trying to fix exchange rates; that cocoa, though still the chief export, is no longer likely to be the mainstay of that trade; that the coastal lighting has been improved, and that the shipping facilities are on the increase. But British and American imports, formerly the largest in value, are now cut off by the high rate of exchange.

Certificates of Insurance.—Reference was made in the *Economist* of January 20th to several recent judicial decisions of considerable business interest bearing on the practice of tendering a certificate of insurance instead of an actual marine insurance policy as one of the shipping documents under a c.i.f. contract. The latest of the decisions, which it seemed difficult to reconcile with two earlier ones, was last week reversed by the Court of Appeal, and, as a result, the doubt which had arisen as to the legality of substituting a certificate for an actual policy has been confirmed. All the judgments have recognised the seriousness of possibly interfering with a commercial practice very generally followed, but apparently the objections in point of law are strong enough and sound enough to induce two King's Bench judges and three judges of the Court of Appeal to agree in saying that a buyer cannot, under the usual terms of a c.i.f. contract, be compelled to accept a tender of any other document than an actual policy as being equivalent to a policy. "An Actual policy," it is laid down in "Scrutton," "must be tendered, and an insurance broker's cover note or certificate that he has effected insurance is not sufficient," though the same work suggests that a certificate of insurance issued by the insurance company itself under a floating policy, and upon which the company could be sued, would suffice. This last suggestion must now be taken as practically negatived. Lord Justice Scrutton, it is of interest to note, was one of the members of the Court of Appeal which overruled Mr Justice Sankey last week. In the case in question (*Scott v. Barclay's Bank*), the bank, on behalf of the buyers (who had established a credit pursuant to a c.i.f. contract) had declined to accept an American certificate of insurance tendered by the plaintiffs, the sellers of the goods. In giving the leading judgment in the Court of Appeal, Lord Justice Bankes said he rested his decision on the fact that the document which was tendered was not a document which anyone, on inspecting it, could say whether or not it complied with the terms of the letter of credit. All that the certificate indicated was that a policy had been issued. It did not indicate the terms of the policy, the risks covered, the conditions of the policy in reference to shipment, or other matters which it was important to ascertain. Lord Justice Bankes referred to the decisions of Mr Justice Bailhache and of Mr Justice McCardie in earlier cases, expressing agreement with them, and disagreement with Mr Justice Sankey in the case before him. He held accordingly (Lords Justices Scrutton and Atkin concurring) that the certificate was not a good tender of an approved insurance policy. The law is, therefore, settled, and, if merchants find it convenient to use these certificates, it will be necessary that they should (as indeed the London Chamber of Commerce has suggested) specify this alternative in making their contracts.

National Mutual Life Assurance.—For many years past the National Mutual has been first in the field with its annual report, and has assisted to break down the foolish old practice under which life offices kept their books open for new entrants for a month after the end of each year. The National Mutual's new policies last year numbered 702, assuring £548,102 net, an increase on 1921 of £11,463, though considerably below the high-water mark, £635,046, of 1920. The new life assurances numbered 689 for £537,780 net, of which all but one related to business within the United Kingdom. Perhaps the most important features of life offices nowadays are the value of the assets, and the net rate of interest earned after deducting income-tax. The Stock Exchange securities, with the exception of Victory Bonds, allocated to policies, have been valued at their selling prices on December 31st last, less accrued interest, and the total funds show an increase of £366,661 to £3,798,916. Realisation and

revaluation showed a profit on securities of no less than £262,994. The net rate of interest earned on the funds, excluding reversions, was £4 12s per cent., as compared with £4 13s per cent. in 1921 and £4 8s 9d per cent. in 1920. The premium income was £274,033, against £270,259, and the total expenses were 17.1 per cent. of the premiums, against 16.8 per cent. At the end of 1918 the general distribution of the surplus was properly suspended, owing to the uncertainty of the financial outlook. At the annual meeting on Wednesday, Mr J. M. Keynes threw some light on the very favourable prospects of the next valuation. "The valuation and analysis of profit," he said, "which we make each year for our own information, show that the net surplus has been increased during the year by more than £337,000, and that the total surplus now amounts to £734,000, of which all but about £98,000 is realised profit, with one year of our quinquennium still to run." At the end of 1913, Mr Keynes pointed out, the total surplus represented rather less than 12½ per cent. of actuarial liability, whereas the surplus now disclosed (with one year of the quinquennium to run) is rather more than 24 per cent. This, as Mr. Keynes said, indicates that the prospects of the with-profit policy-holders are unusually good.

Sea Insurance Company.—We showed in the case of the Indemnity Mutual last week that the underwriting year of 1921 had worked out more favourably than that of 1920. The results of the Sea Insurance Company are similar. After carrying £120,000 to suspense account, there was a surplus on 1921 of £11,758, against a declared loss for 1920 of £1,672. There appears to have been a greater loss on 1920 than was allowed for twelve months ago, since an additional sum of £73,487, profit on investments realised, has been carried to suspense account, to meet claims on 1920 and previous years. Interest receipts in 1922 were £64,013, and a total surplus for the year, together with the underwriting profit of 1921, is shown of £75,771. Against this must be placed £23,420 provided for income and corporation taxes. A total dividend for the year is declared of 3s a share, less tax. The premium income for 1922 was £416,775, against £501,760 for 1921; the first year's claims were £102,465, against £132,745, and the expenses £41,773, against £49,553. In 1914 the premium income was £468,795; it rose to the peak of £2,285,626 in 1917, and has now fallen to £416,775. The reserve fund, underwriting account, and profit and loss balance amounted in 1914 to £651,712; they reached £1,486,663 in 1918, and have since declined to £912,948.

Gas Light and Coke Results.—Again the directors of the Gas Light and Coke Company are able to show better results, and in consequence it is proposed to distribute an ordinary dividend at the rate of £5 4s per cent., as against £4 13s 4d a year ago. This will absorb £853,039 out of the net revenue of £1,520,185 shown in the following table:—

	1916.	1917.	1918.	1919.	1920.	1921.	1922.
Gross revenue ..	£ 6,052,366	£ 7,029,550	£ 7,740,844	£ 8,854,028	£ 12,790,821	£ 11,232,360	£ 10,110,354
Expenses	5,021,438	6,000,370	6,690,745	8,008,164	11,877,286	10,134,881	8,590,169
	(83 %)	(85 %)	(86 %)	(91 %)	(93 %)	(90 %)	(85 %)
Net revenue ..	1,030,928	1,029,180	1,050,099	845,864	913,535	1,097,479	1,520,185
Res., int., sinking fund, pl. div., &c.	440,865	520,880	436,862	417,668	421,939	519,102	591,700
Balance	590,063	508,300	613,237	428,196	491,596	578,377	928,485
Ordinary dividend	685,169	608,765	483,531	488,969	488,970	760,618	851,039
Rate per cent. ..	£4 14/8	£3 14/8	£2 19/4	£3 0/0	£3 0/0	£4 13/4	£5 4/0
Carried forward..	95,106	100,465	129,700	56,773	2,627	182,241	99,998

Expenses in relation to revenue fell from 90 to 85 per cent., with the happy result that though gross revenue fell away, profits, at £1,520,185, were nearly half a million higher. Sales of gas produced £7,488,848, as against £8,116,746 for 1921, and profits from residual products, at £1,886,635, were lower by approximately £600,000. The report points out that the price of the company's gas at the end of 1921 was 15 2d per therm, but that it is now 10d. It is also mentioned that the prices per 1,000 cubic feet at these dates were 5s 6½d and 4s 2d respectively. Including 16,766 taken over from the Ilford Gas Company, 29,206 additional consumers have been recorded.

Discount Corporation of New York.—The fourth annual report of the Discount Corporation of New York shows that, after making provision for taxes, the net profits for the year were \$548,428. Dividends at the rate of 6 per cent. per annum, amounting to \$300,000, were declared during the year, leaving \$248,428 to be added to the undivided profits account, which now stands at \$1,258,055. The capital and surplus is \$5,000,000. The volume of business transacted during the year 1922 was somewhat in excess of 1921, the diminution of business in bankers' acceptances being more than made up by greater activity in United States Treasury certificates and notes. It is stated that with the improvement in foreign trade already apparent, there is an increasing volume of bankers' acceptances coming on the market, which are readily absorbed at current rates, and that the rapid development of the New York discount market has greatly assisted the negotiability of dollar drafts in foreign exchange centres.

Premier Diamond.—This important South African undertaking, it may be remarked—unlike most of the others—has continued production during the past two years, although on a greatly reduced scale. The report now in the hands of the shareholders in Great Britain indicates that the sales last year fell off in an even greater degree than the output. Consequently the surplus on diamond account came out at no more than £23,000, of which the Union Government took 60 per cent. In point of fact, the income from sundries—£14,000—exceeded that from the sale of stones. With the sum in question, and that brought in from 1921, £101,000 was available. Practically the whole of this was absorbed in meeting the dividends on the preference shares; hence the possibility of distributions upon the latter in respect of the current financial period will depend almost entirely upon the condition of the diamond trade. On this point the directors remark that while an improvement in the demand was experienced in the last quarter of 1921-22, a complete return to normal conditions cannot for the present be expected. Development has been in abeyance, and is not likely to be resumed on a considerable scale in the near future, seeing that the quantity of blue ground available amounts to about 37½ million loads, sufficient for 20 years or so at the recent rate of extraction, and for about eight years at the normal rate. It may be recalled that the big De Beers concern recently increased its deferred capital and offered the Premier shareholders one share in respect of every two held. This step was taken for the purpose of further consolidating the diamond business in South Africa. In past years the distributions on Premier deferred have, of course, run into many hundreds per cent.

The sixth International Mining Exhibition will be held at the Royal Agricultural Hall in June, under the presidency of Sir John Cadman, K.C.M.G., and will be opened on June 1st by the Rt. Hon. Sir Philip Lloyd-Greame, M.P., President of the Board of Trade. Large spaces have been taken for French and Belgian sections under Government auspices. The Governments of Roumania, Mexico, and the Republic of Colombia will also make comprehensive displays, and there will be important exhibits from Holland, the Belgian Congo, and Zambesia.

Oversea Correspondence.

UNITED STATES.—EXPORT TRADE IN 1922—OCTOBER IMPORTS—ANACONDA-CHILE COPPER MERGER; LARGE NEW BOND ISSUES—CUBAN LOAN FLOATED.

(FROM OUR CORRESPONDENT.)

NEW YORK, January 19.

STATISTICS published by the Department of Commerce show American merchandise exported in December at \$344,000,000, or \$39,000,000 less than in November and \$28,000,000 less than in October, but otherwise the

largest figure for any month in 1922. The falling off as compared with November was due largely to lower cotton exports. For the calendar year 1922 exports of merchandise reached an aggregate value of \$3,831,516,735, as against \$4,485,031,356 during 1921 and \$2,484,018,292 in 1913, which was the largest total of any year before the war. In reading the value figures, it may be remembered that *Bradstreet's* index of commodity prices on January 1, 1923, was 57.3 per cent. higher than that of August 1, 1914.

A few days ago the Department of Commerce issued the belated report on imports for October, but the figures for that month are found to include the last nine days of September following the enactment of the new tariff. The returns show that total imports for this period amounted to \$388,000,000, as against \$229,493,403 in the 21 days of September, \$281,376,403 in August, and \$188,007,629 in October, 1921. The Department estimates that imports during September, after the new tariff went into effect, were valued at \$69,000,000. To make the monthly figures truly comparable, therefore, that sum should be deducted from the October total as published and added to that of September. With that change, imports for October were \$319,000,000, and for September \$298,000,000, and those are the totals which should be used in making comparisons. The real total of October imports was nearly 80 per cent. greater, as compared with July of 1921, while the gain over October of that year was 70 per cent. Imports for the ten months ending with October, 1922, amounted to \$2,570,049,455, representing a gain of \$510,000,000, or 24 per cent., over the corresponding period of 1921, but a decrease of 45 per cent. from the same period in 1920.

Although the number of spindles active in December, 34,968,440, was the largest ever recorded, the consumption of cotton, according to the Census Bureau's figures, amounted to only 527,945 bales, or 49,616 bales less than in November; the decrease of 8½ per cent. is attributed largely to the curtailment of operations in December owing to the holidays. The consumption last month, however, was 3.3 per cent. larger than in December, 1921, and 78 per cent. greater than in the same month of 1920, which was the low point in many years. Exports of cotton in December fell off sharply, totalling only 607,853 bales, as against 858,337 bales in November, a decrease of 29 per cent., and 5 per cent. under December of 1921.

Negotiations, under way for some time past, have been completed whereby the Anaconda Copper Mining Company will acquire a majority of the stock of the Chile Copper Company; the deal is subject to the approval of the Anaconda shareholders at a meeting called for February 26th, but that is regarded as merely a formality. To provide necessary funds for the purchase, and partly for other purposes, the Anaconda has issued \$100,000,000 first consolidated mortgage, Series A, sinking fund 6 per cent. gold bonds and \$50,000,000 debentures, the entire amount having been underwritten by a banking syndicate. The Anaconda company, rated as the largest copper producer in the world, will secure control of the Chile corporation, which is known as the largest producer of low-priced copper. An official statement explaining the reasons for the purchase said that since the American Brass Com-

pany was acquired by the Anaconda a year or so ago, the increase in requirements of raw material for manufacture by the brass company had made it necessary to buy copper in the open market, because under existing labour conditions the Anaconda company had been unable to produce from its own mines enough copper to meet the demand. While the brass company's manufacturing plants in the Middle West and Far West could utilise the production of the copper refineries in Montana, it had become necessary, the statement added, to obtain an un-failing supply of the red metal for the seaboard plants of the company and for export. The Chile company owns and is producing from the largest known body of copper ore in the world. The ore is mined at a minimum of expense, and is transported to the world's markets at a cost said to be lower than that from any other important copper-producing centre. The ocean freight rate from Chile to North Atlantic seaboard points is \$4 per ton, as against an all-rail rate of \$16.50 from Montana and other western mining districts. The majority stock of the Chile company, amounting to 2,200,000 shares, is to be acquired from Guggenheim Brothers, who have heretofore held the controlling interest in that company; they will continue as large holders of the company's shares and of its convertible bonds. The price to be paid is understood to be \$35 a share, or \$77,000,000 for the stock thus taken over. The banking syndicate, which included representative investment houses in New York and other centres of the country, offered the \$100,000,000 first mortgage bonds, dated February 1, 1923, and maturing in 1953, for public subscription at 96½ and interest, to yield 6½ per cent. Although it was the largest issue of industrial bonds ever floated in the United States, the entire amount was quickly taken. The proceeds of that sale and of the subsequent offering of \$50,000,000 debentures will be used to pay for the Chile stock, as indicated; to redeem \$23,080,100 ten-year 7 per cent. secured gold bonds of the Chile Copper Company; to reimburse the Anaconda treasury for the previous purchase of the American Brass Company, and to provide additional working capital.

Another large offering this week consisted of \$50,000,000 Republic of Cuba external loan 30-year sinking fund 5½ per cent. gold bonds, which were issued "with the acquiescence of the United States Government under the provisions of the treaty dated May 22, 1903." The banking syndicate, which was the successful bidder for these bonds, was headed by J. P. Morgan and Co. The new bonds, dated January 15, 1923, are the direct obligation of Cuba, and are secured by a charge on certain revenues of that Republic, including Customs revenues, subject to existing charges, and by a first charge on 10 per cent. of the amount by which Cuba's gross revenues in each fiscal year exceed \$60,000,000. The bonds are not callable for twenty years, except under the provisions of the sinking fund. They were offered for public subscription at 99½ and accrued interest, to yield investors more than 5.55 per cent., and were readily absorbed.

FRANCE.—RUHR COAL SUPPLIES—THE YEAR'S FOREIGN TRADE—THE FRANC DECLINE—BOURSE.

(FROM OUR CORRESPONDENT.)

PARIS, January 31.

THE end of the third week since the French occupation of the Ruhr began leaves the struggle, so far as can be gathered from careful inquiries here, very much as it was at the beginning. If the attempt of the coal owners to induce their workmen to join in a general strike has failed, the fact remains that, now that the train loads and barge loads of coal that were ready for dispatch when the "invaders" entered the coalfield have been sent into France and Belgium, no combustible is coming out of the Ruhr into Allied territory, and none is likely to do so until German resistance has been much more definitely subdued than it is at present. Nevertheless, although the French iron and steel concerns are now receiving not even the reduced quantities of combustible they were getting from Germany a month ago, and a certain proportion of them have had partially to shut down, there is no sign of weakening in the determination of the French to main-

tain their grip on "the German jugular vein" until they attain their object.

M. Poincaré, during the past week, has made several points in the French programme clear. There is no intention, he has stated emphatically, of any advance further into Germany—unless, of course, the French forces should be attacked by armed German forces coming from the interior (in view of the possibility of which, it is asserted, the French troops on the eastern frontier of the Ruhr have already been reinforced). Further, the Premier has announced officially that the French have no intention of working the mines themselves, or of replacing the German civil administration by French officials, or of interfering in any way with the affairs of the population as a whole. They ask merely that coal, coke, and timber shall be furnished by German labour, in the ordinary way, in return for the usual wages, and handed over to the Allies under the provisions of the reparations clauses of the treaty. Finally, the Allied occupation of the Ruhr is to be merely temporary, until the German Government has manifested, by reforming its finances and delivering the stipulated quantities of coal, timber, &c., that it really intends to carry out the treaty. Another point M. Poincaré has made clear is that the French Government in no way objects to British colliery owners furnishing Germany with coal, and neither has nor intends to make any protest to the British Government in this connection. These points having been made clear, the French are prepared to cut the entire nerve centre of industrial Germany completely off from the rest of the Reich, to collect part of the Allied debt off every particle of product that Germany wishes to have sent out of the Ruhr, and to sit down, quietly if possible, and see whose patience wears out first.

The French foreign trade returns for the whole of 1922 are now available, and compare with those for 1921 as follows (in francs):—

	1921.	1922.	Inc. or Dec.
IMPORTS—			
Foodstuffs	5,748,316,000	5,800,002,000	+ 51,686,000
Raw materials	11,408,956,000	14,048,140,000	+ 2,639,184,000
Manufactured goods ..	4,910,636,000	4,052,469,000	— 858,167,000
Totals	22,067,908,000	23,900,601,000	+ 1,832,693,000
EXPORTS—			
Foodstuffs	2,070,850,000	1,920,799,000	— 150,051,000
Raw materials	4,091,598,000	5,443,077,000	+ 1,352,279,000
Manufactured goods ..	12,356,415,000	11,860,191,000	— 496,224,000
Postal parcels	1,253,649,000	1,417,124,000	+ 163,475,000
Totals	19,772,512,000	20,641,991,000	+ 869,479,000

The figures indicate that on the year, on a total volume of 44,541,000,000f, there was a trade balance against France of 3,258 millions, as compared with an adverse balance of 2,295 millions on a total volume of 41,839,000,000f in 1921, and of 1,541 millions on a total volume of 15,301,000,000f in 1913. On these figures it is evident that, although the adverse balance has actually largely increased, it is nevertheless much smaller, in proportion to the total volume of trade, than that of 1913, when the franc stood at par. A substantial proportion of the increased adverse balance on the year was due to the fact that in 1922 France had to purchase an additional 5½ million tons of foreign coal than in 1921, at an average price of 82f a ton, which inflated her deficit balance by over 400 million francs.

In view of the depreciation of the franc, the figures set forth above scarcely give an adequate idea of the enormous economic and industrial effort France is making to recover her commercial situation. Better evidence is to be found when the comparative weights of the merchandise in question are set forth, and these show that, although the value of her exports has increased by only 869,479,000f during the past year, the quantities increased by over 6½ million tons (from 16,035,000 tons to 22,615,000 tons), while the weight of her imports, with an increased value of 1,832 million francs, rose from 40,062 million tons to 51,366 million tons, an increase of over 11½ million tons. Indications that French trade is now steadily on the upward grade is offered by the fact that the second half of the year showed much better results than the first six months, while exports in December alone showed an advance of close on 2,779

million francs, as compared with 1,706 millions in November (which was also the average of the four previous months). The new American tariff has proved a serious blow to French export trade, and has already led to the closing down of a certain number of firms in this country who specialised in exports to that market. To some extent, however, this has been compensated for during the past year by the reopening of the Spanish market, which was closed for several months by the tariff war that preceded the signing of the new Franco-Spanish commercial agreement.

It is argued here that no adequate technical reason can be furnished for the recent fall in the franc. The French trade balance, as the figures already given show, was never more favourable; the revenue is coming in largely in excess of budgetary expectations, and will almost certainly show an advance of over two milliards, in comparison with the previous year, despite the fact that no new taxation was imposed; the situation of the French Treasury is more satisfactory than it has been for a long time past; the weekly statements of the Bank of France give no cause for alarm; while there is good reason to believe that before many months the Budget, apart from the expenditure required for the devastated regions (which is in the nature of things of an entirely exceptional character) will be satisfactorily balanced. The accusation is being openly made that the present serious fall in the franc is due to a deliberate attack on French interests by "international finance," representatives of which are alleged to have entered, on the side of Germany, the conflict now proceeding in the Ruhr, for the purpose of defending the heavy interests they have acquired in German industrial undertakings. The attack on the franc is asserted to be with the object of so disturbing French economic life that this country will be compelled to release the pressure it is now exercising on German industry. The attacking parties are stated to possess a reserve of from 14 to 15 milliards of francs as their weapon in the exchange markets of the world.

To-day's settlement on the Bourse passed off smoothly, and in no way brought about any reduction in the large volume of business which is every day recorded. Money was abundant and cheap (3½ per cent. in the Parquet and 5½ per cent. in the coulisse). Heavy purchases have been a feature for some days past as the result of the fall in the franc. South Africans benefited from the high price of sterling, and oils have been active. Metallurgical descriptions, in view of the deadlock in the Ruhr, have dropped appreciably, as might have been expected, while colliery shares, owing to the coal shortage, have correspondingly risen, Carmaux being marked up from 950 to 985, and Lens, Courrières, and the rest of the list similarly. Coppers have been in good demand during the week, particularly Rio Tintos, which have risen from 2,213 to 2,348 (on the facts that the miners are paid in pesetas, while the product is marketed in sterling, and that the pound now once more stands higher than the peseta). Rentes, on balance, fell off slightly during the week.

ITALY.—RESTRICTION OF RENTS TO END—FOREIGN TRADE: GREAT BRITAIN'S SHARE.

(FROM OUR CORRESPONDENT.)

TURIN, January 29.

THERE is probably no Italian family whose daily talk is not about house rents. This is the universal topic of discussion. By a Royal legislative decree of January 7, 1923, Signor Mussolini attempted to cut the Gordian knot which had grown about the Restriction of Rents Acts. A recent decree of October 23, 1922, the last days of the Facta Government, had prolonged for a year from July 1, 1923, to June, 1924, the war Restriction of Rents Acts, with fixed increases uniform all over the country. After June 30, 1924, till June 30, 1926, rents were to be determined, in case of disagreement, by an arbitration court. After June 30, 1926, absolute freedom was to return.

Public opinion interpreted the Facta-Alessio decree in the sense that after the first year a new lease of life would be conceded to the restriction system, and so on inde-

finitely. Nobody was troubled about the prospect of restitution of freedom to house landlords. The decree of January 7th, by the Mussolini Government, took the country by surprise. This decree provided that the restriction system was to be abolished at once, as from July 1, 1923.

Freedom of contract was the only remedy to the numerous grievances which had arisen out of the restrictions; uneconomic rents much below the market level; ruin of landlords crushed between fixed rents and high expenses; lack of encouragement to building; the retention of large flats by small families who could not move to other quarters owing to the absolute impossibility of finding vacant houses; the tragic position of new families of public employees and other people obliged to move by reason of their unemployment from town to town, &c. The new freedom is, however, not to be an absolute one. For an intermediate period of three years, from July 1, 1923, to June, 1926, the rents, in case of disagreement, will be fixed by an arbitration court of three members, a landlord, a tenant, and a judiciary umpire as president. Signor Mussolini solemnly admonished landlords not to abuse their restored freedom, as, in the event of excessive increases, restrictions would be re-established. In many cities general agreements have taken place between unions of landlords and tenants. For instance, at Turin the two unions agreed to recommend that, taking as a basis the rents paid in 1914, rents up to 1,000 lire per year should be increased 70 per cent. for yearly leases and 120 per cent. for three-year leases. Rents from 1,001 to 1,600 lire to be increased respectively 80 and 130 per cent. for one and three years' leases; rents from 1,601 to 2,400 to be increased 100 and 150 per cent.; rents from 2,401 to 4,000 respectively 130 and 220 per cent. Rents above 4,000 to be freely discussed by two parties without any general recommendations. All over Italy agreements more or less similar are taking place. It will be very interesting to follow the results of the courageous experiment made by the Government. Just as Signor Giolitti had the courage to abolish the ruinous bread subsidy which caused a loss of billions yearly and doomed the lira to the fate of the mark, and was not afraid to incur unpopularity among the Socialist masses on that score, so Signor Mussolini has not hesitated to arouse discontent among the working and the middle classes by the abolition of Restriction of Rents Acts. He paved the way to complete freedom by the method of the arbitration courts; but, none the less, his decision is bold and creditable.

The publication of statistics of foreign commerce is belated in Italy. The latest volume published refers to June, 1922, and from this volume we can extract the following figures on the direction of trade for five principal countries. The figures for Germany are exclusive of Reparation payments:—

MILLIONS OF LIRE.						
	First Half of 1922.	% of the Total Trade.	Whole Year 1913.	Whole Year 1919.	Whole Year 1920.	First Half of 1921.
Imports from—						
France	5370	69	73	46	84	60
Germany	6091	79	168	05	52	69
Switzerland	1345	17	24	22	21	14
Great Britain	9697	125	162	147	149	98
United States	21647	279	143	442	302	383
Exports to—						
France	6712	160	92	231	57	103
Germany	5081	121	137	14	49	80
Switzerland	5324	127	99	130	116	110
Great Britain	5107	123	104	127	113	79
United States	3781	90	107	104	84	129

On the import side, the share of the United States, though less than during the war, is greatly in excess of the pre-war share. Germany has not yet recovered her 1913 position. Great Britain is sending us less, especially coal. On the export side, we have almost recovered the old position in the German markets; France, Switzerland, and Great Britain are better customers for us, while the United States have put up high walls against our exports.

It is very unfortunate that Great Britain has abandoned the good practice of admitting our goods free, and is subjecting herself to obloquy by Safeguarding of Industries Acts and other protectionist measures, which are daily quoted by our protectionists as a proof that Great Britain is greatly obstructing our export trade.

RUSSIA.—BUDGET—LOTTERY LOAN—BANKS—TENTH PAN-RUSSIAN CONGRESS—TRANSPORT.

(FROM OUR CORRESPONDENT.)

Moscow, January 16.

THE State budget for the three months, October to December, 1922, has recently been approved by the Council of the People's Commissars as follows (in paper roubles, model 1922):—Revenue, 112,296,030,000; expenditure, 255,668,972,000; deficit, 143,372,942,000. It is hoped to reduce this deficit to 110 milliards (model 1922).

The Finance Commissariat has published statistics relating to the financial year ending September 30, 1922. State taxes accounted for 74.2 per cent. of the total revenue (205 trillion roubles, or 20,527 millions, model 1922). Of the State taxes, direct taxation accounted for 34.8 per cent., indirect 65.2 per cent., of which 44.4 per cent. excise duties and 20.8 customs. Of the total tax revenue 27.5 per cent. was collected in the Government of Moscow, 12 per cent. in Petrograd, and 20 per cent. in the Ukraine.

The Government, in pursuance of the policy of obtaining from the country itself as far as possible the resources necessary for economic reconstruction, issued a 6 per cent. State lottery loan in December. Under the decree of the Council of People's Commissars, the loan is payable in ten years, and the amount is 100 million gold roubles, issued in ten series of 10 million roubles each. The interest is payable twice yearly at the current rate for gold until 1928, after which it is payable once a year on January 1. Prizes for each drawing, to be held publicly in Moscow, in the first five years are to amount to 800,000 gold roubles. Interest and prizes are payable abroad at the pre-war rate of exchange in London and New York (\$1 equals 1.943 gold roubles), and in Russia the Soviet roubles at the current exchange. With reference to the State loan in wheat, issued in September for 10 million poods, and referred to in the *Economist* for December 23, the State Bank has announced the following results:—Bonds presented as payment of taxes in kind for R.S.F.S.R., 5,358,342 poods; for Ukraine Rep., 304,381 poods; for Turkestan, 8,806 poods; total, 5,671,529 poods. Bonds presented for repayment in wheat, 1,257,000 poods.

The loan is at present quoted in Moscow higher than the local price of wheat, which is explained by the fact that in many areas of Russia wheat is dearer than in Moscow. It is also interesting to note that the timber trust Severoless working in the Archangel region has purchased a considerable number of bonds for the payment of their workmen, whose salaries are payable on a wheat basis. The price of food in Moscow had in December fallen so far that in foreign values the food composing the standard food packages sent into Russia by American and European relief organisations could be purchased in the open market in Moscow for about 75 per cent. of the dollar face value of the package, and it was therefore in that month more advantageous to people in Russia for their friends abroad to transfer foreign money to the State Bank and enable individuals in distress to purchase in the open market the food they required.

On January 2 the Municipal Bank of Moscow, with a capital of 50 million roubles, 1922 model, was opened in the premises of the former Russian Bank of Foreign Trade on the Ilyinka, Moscow. The shares were subscribed principally by the Moscow Soviet. On January 1 the following additional banks were in operation: Pan-Russian Co-operative Bank, Russian Private Bank (Achberg), Industrial Bank, and the South-Western Bank in Moscow, Far Eastern Bank (Tchita), Crimean Agricultural Bank (Simferopol), Ukraine Bank (Kharkov). Plans are being laid for the creation in Moscow of a Northern Bank, to be founded by the former Commercial Bank of Riga and American and German groups, also of a Russian-Netherlands Bank and an Italian Bank.

The tenth Pan-Russian Congress of Soviets was opened in Moscow on December 23. The report prepared by Lenin, who, owing to bad health was unable to attend, was read by Kamenef. He stated that the present congress had as one aim the creation of the Union of the Socialist Soviet Republics (Socialisticheskyy), which includes the Russian, Ukraine, Transcaucasus, and White Russian Republics. On December 30 an agreement was reached

between these States that common action should be taken in matters relating to representation abroad, modifications of frontier, admission of new states to the Union, war and peace, international agreements, foreign trade, code of laws and weights and measures. The central authority will be the Vzik of the Union, which is to meet once a year. Decrees of the Vzik of the Union are binding on all the States.

Kamenef mentioned that in the past year more than 500 applications for concessions and "mixed" commercial organisations had been received, of which 25 had been granted, and 250 were being examined. He was of opinion that the Otto Wulf concession under the form of a mixed company, which divided results equally between German capitalists and Soviet Institutions, should serve as a model for the formation of mixed companies in the future. Speaking of the new economic policy, Kamenef said: "Our aim is to put at the disposal of private capital only those branches of industry which we have not concentrated in the hands of the State. Before proceeding to this new policy we had taken into our hands all the land and forests, while as much as 95 per cent. of the cultivated land is actually worked by the peasants. We have retained 63,000 versts of railroad, on which one million workers are employed. We have kept all the foreign trade in our own hands, and finally, we have conserved the fundamental branches of industry. We are thus entering into a struggle with private capital having in our control 430 trusts, comprising 4,100 enterprises, employing 1,300,000 workmen, and if we add to this the number of workers employed in various State enterprises and railways, we arrive at an army of three million workers. As for private capital, it disposes of what it can obtain from denationalisation and concessions." As to foreign trade, Kamenef observed that for the first time since the revolution Russia had this year exported naphtha (value 14 million gold roubles) and timber (16 million gold roubles). In 1921 Russia had covered 5 per cent. of her imports by exports; in 1922, 23 per cent. The transport situation is difficult, but improving. In 1913 30,000 wagons were loaded daily; in 1918, 7,500; in 1921, 9,500; and in 1922, 11,500. The position would further improve if the necessary materials for transport were forthcoming. In 1919 the railways consumed 88 per cent. wood, due to the failure of the coal output in the Danetz basin; in 1920, 64 per cent.; in 1921, 50 per cent., and in 1922, 40 per cent. wood, the balance being coal and naphtha. In respect of finance Kamenef urged the importance of a stable currency. "Everyone knows," he added, "that currency issue is merely a form of taxation, and of most disagreeable taxation. That is why the issue and a stabilisation of the rouble is the thermometer with which we measure the temperature of our national economy." In January, 1922, the issue was 90 per cent., i.e., taking all the revenue in kind on which we base our expenses, 90 per cent. of this revenue was covered by the printing press, only 2 per cent. being provided by taxes, and 8 per cent. by revenue from the State enterprises—railways, postal service, telegraphs, &c. In September the money issue represented 53 per cent., State enterprises providing 30 per cent., taxes 17 per cent. The sole method of securing a stable currency is to diminish the issue of paper money, and increase the revenue from taxes. Speaking of the budget, Kamenef noted that the deficit of 84 per cent. last year had been reduced in the first nine months of 1922 to 60 per cent., and in the last quarter to 50 per cent. As regards internal trade, Kamenef stated that in pre-war times the peasants took to the free market supplies to the value of 2 milliard gold roubles, in 1922 only about 375 million gold roubles (excluding tax). Bogdanoff, member of the Supreme Economic Council, on December 24th made a report on the industrial situation. He observed that the light industries, as compared with 1920, had increased their production fourfold, but heavy industry was still in difficulties. For enterprises indispensable to the State, but not requiring large capital, Bogdanoff proposed that foreign capital should be invited to assist. On December 25th Sokolnikoff, Commissar for Finance, stated that it was impossible to fix a budget for 1922-1923, for this could only be established for the year following having regard to experience in 1922-23. The number of persons in the pay of the Government must be reduced. While

six million people were in Government employ at the beginning of 1922, the number is now only about 2,800,000, and this will be reduced very shortly to 2,500,000. Sokolnikoff added that the taxes in kind for the period January to September represented 35 millions of gold roubles. This sum was insignificant, being equivalent only to 28 copeks per inhabitant, or 20 times less than before the revolution. From September an increase in the receipts from taxation was shown, and in December the receipts would represent the equivalent of 12 million gold roubles. This will lead to a diminution in the intensity of the money issue.

Orders abroad to the value of £24,000,000 for 1,200 locomotives, 1,500 tank cars, 77,500 tons of rails, 200 boilers, 10 water turbines, 18,500 tons of ties, have in large part been completed by the purchases in Germany, Sweden, Great Britain, and Canada. At the same time the Administration of the State machine construction works has recently reduced the number of employees engaged in wagon construction at Kolomna by 578 workers, and at Sormovo by 524, and anticipate the closing of the Mitichensky and Briansk works, the maintenance of which will nevertheless cost the State 35,000 gold roubles a month. From January 1st the railway tariffs for travellers and merchandise have been increased by 100 per cent.

SPAIN.—GOVERNMENT STOCKS—PUBLIC DEBT—BANK OF SPAIN—BANK LEGISLATION—EXCHANGES.

(FROM OUR CORRESPONDENT.)

MADRID, January 24.

DURING the past year the Madrid Stock Exchange saw a steady rise in Government securities. This is not surprising, as the industrial crisis, which was acute during 1922, caused capital to seek a sure investment, and in this respect it may be said that, in view of the impoverished finances of European countries after the war, Spanish interior loans can be classed as gilt-edged. The position of these securities would be even better were it not for the question of Morocco, which is the main cause of the deficit of the National Budget; but this question is now less formidable, and State borrowings have dropped from 2,706 millions in 1921 to 500 millions in 1922. There have been no consolidated loans issued in Spain since that of June 1, 1919, amounting to 1,656,000,000 pesetas; on the other hand, the floating debt increased from 893 million pesetas on the above-mentioned date to 3,077 million pesetas at the present time, a figure that had never before been reached in this country, and which renders urgently necessary a consolidating operation. While Treasury bonds have shown decided firmness, this prospect has somewhat checked the progress of the other Government securities.

The last annual balance-sheet of the Bank of Spain contains the following figures (in pesetas):—Gold reserves, 2,524,754,280 (increase 12 millions in round figures), note circulation, 4,136,958,850 pesetas (decrease 100 millions). In addition to the usual reserves of 33 millions appears for the first time a reserve for eventualities of 18 millions and a special reserve of 2 millions to finance intervention in the exchange market. The current accounts figure slightly higher than last year, with 1,072,500,000 pesetas. In round figures, the profits of the National Banking Institution in 1922 amounted to 100 million pesetas, against 136 millions in the preceding year. The State participates in this profit to the extent of 50 millions, of which 27 are allotted to the Treasury in virtue of the new Banking law, the advantages of which, to the Bank of Spain, are apparent in the dividend declared, which is 26 per cent. as against 23 per cent., and in the quotation of the shares, which rose 80 points.

Following the Stamp Law, which identifies cheques drawn in one town on another with bills of exchange and applies to the former half the usual bill stamp tariff, a decree has now been signed, on the recommendation of the Supreme Bank Council (*Consejo Superior Bancario*), whereby "crossed" cheques are exempted from bill stamps on compliance with the following conditions:—(a) Cheques must be crossed in accordance with the article 541 of the Spanish commercial code. (b) They must be paid through bank or bankers inscribed in the Royal Com-

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mission list of private banks. (c) Payment must be effected by way of compensation in accordance with indications to be made in due course by the Supreme Bank Council. The application of this measure depends, therefore, upon the establishment of one or more clearing houses, and to this end the above-mentioned council approved and remitted to the Ministro de Hacienda plans for establishing such clearing houses in Madrid, Barcelona and Bilbao. They contain no novelties, but are based upon the principles already applied to similar institutions in other countries. The same Supreme Bank Council, in virtue of powers conceded by Royal Decree, has fixed the maximum interest that may be allowed by Spanish Banks on current accounts at 2½ per cent. per annum and on savings accounts 3½ per cent. per annum. The rates ruling at the present time vary from 1 per cent. to 2 per cent. on current accounts, and 4 per cent. per annum interest is general on savings accounts.

The foreign exchange market has been much more active during the past month, and in view of the improved communications with London by wireless, the latter city has given the lead in the matter of quotations, instead of Paris, as was formerly the case. For the same reason, Barcelona has lost part of its independence in exchange, and follows the lead of Madrid, especially in connection with sterling quotations, as the former city does not yet enjoy rapid wireless communications with London.

SWITZERLAND.—NEW CAPITAL ISSUES—FEDERAL AND CANTONAL FINANCES.

(FROM OUR CORRESPONDENT.)

GENEVA, January 30.

STATISTICS of new capital issues in 1922, just published by leading banks, show that not less than 40 per cent. of all Swiss new issues in 1922 have been made by the Confederation. Under normal conditions the Confederation issued only about one-tenth of the loans offered to the Swiss investor. The demand for money by the cantons and the municipalities was always far larger than that made by the Confederation. The Federal Treasury is not yet by any means free from the results of the war. The deficits on the Federal railways and the postal services expenditure on unemployment relief, the interest on the debts contracted during the four years of mobilisation, are creating every year fresh deficits in the Federal accounts. The Budget for 1923 shows an estimated deficit of 8.1 million francs. The expenses of the Federal Treasury are estimated at 510 million francs, that is to say, two million francs more than in 1921, but 12 million francs less than in 1922. Deficits are now unfortunately considered as normal everywhere, but the Swiss financial crisis is peculiar in every respect.

In 1922 the Confederation received from direct and indirect taxes 170.3 million francs, but the Swiss taxpayer had at the same time to bear cantonal taxation. The direct taxation by cantonal Governments amounted in 1921 to 170.9 million francs. The bulk of normal Sta-

xpenses are discharged by the cantonal Governments. It was only during the war that Federal finance started to play a leading rôle. Under Swiss constitutional conditions the Confederation has to find its income from indirect taxation and import duties.

In 1921 indirect taxation yielded 34 millions for the Confederation, and 24 millions for cantonal Governments. Every attempt to reorganise Federal finances embarrasses the 24 cantonal Treasuries. As a matter of fact, the cantonal Budgets also fail to balance. Their Budgets for 1922 estimated aggregate expenses at 491.8 millions, and revenue at 430.9 millions; that is to say, the 24 cantonal Governments had in 1922 an estimated deficit amounting to about 60 millions. Nevertheless, the financial situation of the 24 cantonal Treasuries is by far more healthy than that of the Confederation. The consolidated debts of the cantonal Governments amount to a total of 1,363 millions, to which a floating debt of about 150 millions has to be added.

It must be taken into consideration that the cantons possess their own State banks, in which they hold a fully paid-up share capital of 401 millions of francs, on which last year the net income was 38 millions of francs. Furthermore the value of forests, electric power stations, and pastures owned by the cantonal Governments exceeds 300 million francs, so that the consolidated, as well as the floating debt of the cantonal Treasuries seems to be covered by productive assets. Under present conditions it is easy to understand why cantonal Governments jealously guard their right to keep the yield of direct taxation for themselves. They have every reason to believe that they will be able within a few years to balance their Budgets.

As far as the Confederation is concerned, the total of accumulated deficits amounts to 1,386 million francs, and will still increase during the next few years. The present project for increasing the income of the Confederation by way of indirect taxation, especially on alcohol, tobacco, &c., and perhaps also by an increase in import duties, although a dangerous matter, might cause some readjustment. But the more urgent task of the cutting down of expenses, and that can only be achieved by curtailing the activities of the Federal Government. During and after war the Federal State shouldered tasks which are better handled by the cantons, or better still by private enterprise.

The present situation in the Swiss bond market clearly shows that Swiss investors have not digested the huge quantity of Federal loans issued during the eight last years.

DENMARK.—ECONOMIC POSITION—TRADE BALANCE—BANKING.

(FROM OUR CORRESPONDENT.)

COPENHAGEN, January 15.

REVIEWS of the result of the year's working have appeared from many quarters. It is generally admitted that it has been a year of crises, but at the same time the opinion appears to prevail that these have culminated, and that now Danish trade will once more improve, even if progress is slow.

One of the clearest and most comprehensive contributions has been published by the Statistical Department, which was able to advance its views immediately after the New Year. The following is quoted from the summary:—"The economic situation in this country at the end of 1922, generally speaking, appears to be that presumably the liquidation by the financial and banking world of errors and extravagances during the war, may now be considered practically completed. Agriculture, which is of such great importance in our economic life, appears to be well on the way to stable conditions, and even if great difficulties are still experienced in many branches of industry, other fields are showing improvement. Naturally, the economic life of a small community like the Danish is largely governed by conditions abroad. Accordingly, much depends upon how the present world-economic problems are solved. But the fact that England's position is steadily improving—as indicated by the continual improvement of the sterling rate in proportion to dollars and gold—must be an advantage to us, unless new and

unforeseen difficulties should arise, as thereby our exports may expect to fetch fairly firm prices. So far, the present condition of our trade does not appear to give reason for pessimism. But our imports of foreign goods have been far more extensive than is desirable, and the reduction of the international value of the Danish krone, which has taken place, must be considered very critical. Both these movements show that consumption has not yet been reduced to correspond to the income at present possible."

To illustrate the above, some figures may be given. The value of the surplus imports of Denmark for the entire year 1922 can be estimated at Kr.265,000,000, against Kr.140,000,000 in 1921. The increase is partly due to the fact that the imports in 1921 were so small that somewhat increased imports of certain goods have been required in 1922. Naturally, this development has had an unfavourable effect on the financial balance with foreign countries. In order to form an opinion of this, however, special note should be taken of the amount of gross freight earnings of vessels in foreign trade during the past year. In 1921 the average amount of Danish steamer tonnage laid up was about 246,700 tons d.w., which practically corresponded to the figure for January, 1922, when a total number of 91 ships were laid up. Subsequently, however, these figures were reduced at a rapid rate, and when, in August, the Steamshipowners' Association discontinued their usual reports on this subject, only six steamers, of an aggregate tonnage of 13,900 tons d.w., were laid up. It may, therefore, be taken for granted that practically the entire fleet of steamers has been active during the second half of the year. These good employment conditions have been counteracted by the downward movement of freights during 1922. As a consequence, it may be assumed that the gross freight earnings in foreign trade of the Danish mercantile marine do not show an appreciable increase on those of the previous year. But on the other hand they have to some large extent to offset the effects of the unfavourable balance of merchandise trade.

It is natural that the serious conditions in the banking world should be traceable in the balance-sheets of banks and savings banks. During the period January-November, 1922, the monthly reports show a decrease of about Kr.350,000,000 in the deposits in private banks, viz., from Kr.3,401,000,000 to Kr.3,055,000,000. At the same time the deposits in the saving banks have increased by just over Kr.300,000,000, and the aggregate amount of deposits in the Danish savings banks at the end of the year may be estimated to amount to Kr.1,800,000,000, or Kr.1,825,000,000.

During the last few months a decided improvement has taken place in the affairs of the Landmandsbank. During December, the balance-sheet total of the bank has been reduced from Kr.1,273,000,000 to Kr.1,252,000,000, but this decrease is due to the account "sundry creditors," as the continual writings off, according to the plan, have caused a reduction of this item by Kr.33,000,000, in which is included the old proprietor's capital. Deposits and current accounts show an aggregate increase of Kr.9,500,000, while during November they declined. This shows that the public have entrusted their means to the bank to an increasing extent. As a sign of the favourable development may also be mentioned that the Landmandsbank has been able to effect an increase of the amount of cash in hand, which is now Kr.39,000,000, the highest figure in 1922.

In the statistical review a series of reports are given concerning unemployment. This reached its maximum in February, 1922, when one-third of all workers, or a total of 100,000 men were without employment. During the next few months unemployment decreased, and after the settlement in April of the great labour conflicts, conditions showed considerable improvement. Even though, as usual, there was some increase in the percentage of unemployed during the last months of the year, conditions at the end of 1922, when about 20 per cent. were unemployed, are very much better than a year ago. Looking at the separate trades an improvement is found, for instance, in the cigar and the boot factories, for which the Act of August 4, 1922, provided possibilities for special protection. But the import regulation of these goods has been in force for so short a time that it is not yet possible to form a final estimate of its effects. In this connection it

should be mentioned that the committee appointed by the previous Minister of Commerce for the purpose of investigating the Swiss import tariff reported to the Ministry shortly after New Year. The report is mainly a review of the Swiss system, and does not make any recommendation. At the present time it appears improbable that the Danish tariff will be increased.

CANADA.—BUSINESS CONDITIONS—EFFECTS OF EUROPEAN SITUATION—PRICES—GRAIN MARKETING—BRITISH MANUFACTURES AND BRANCH FACTORIES IN CANADA—THE PROBLEM OF POPULATION—THE REVISION OF THE BANK ACT.

(FROM OUR CORRESPONDENT.)

OTTAWA, January 16.

THERE is now visible in Canada the normal mid-winter lull in business, but plans are being energetically laid for the spring. Wheat prices, however, have recently sagged about 10 cents per bushel on the Winnipeg exchange, and the welcome advance of December has been lost. But many farmers took advantage of the rise, and the proportion of the crop still in the hands of its producers is smaller than is usual at this date. The grain trade is still uncertain what effect the Franco-German complications will have on grain values, but most Canadians are now convinced that further disturbances of the European situation can bode no good for the prosperity of Canada, and there is general endorsement of the attitude adopted by the British Government. Both wholesale and retail trade remain quiet; retailers' stocks are very low, but they are buying very conservatively, and industry is showing a reasonable activity for the time of year. Substantial orders for new equipment for the national railways have helped certain establishments, and steel products especially such as are wanted for the building industry are in good demand. The milling industry is quiet, owing to the dullness of the market for export flour. All the "forestry" industries are busy, but exporters of lumber find business with Europe a difficult problem. The coal situation is still causing trouble in Central Canada, and in many cities coal is being doled out in small quantities. There are recurring threats of an embargo on American anthracite by Washington, and its enactment would cause serious inconvenience.

There is a slight drift towards higher prices, especially in textiles; one contributing cause is that the gravity of the European situation is operating to the restriction of purchases abroad. The *Labour Gazette* records a small advance in the cost of living; the total of the combined average family budget of fuel, rent, and clothing was \$20.97 on December 1st, as compared with \$20.89 for November 1st, \$21.49 for December 1, 1921, \$26.92 for June, 1920, the highest point, and \$14.26 for December 1, 1914. Butter, eggs and other farm produce are higher materially in price.

The controversy over the wheat marketing problem still occupies the attention of the western farmers. At the Manitoba convention, Mr. T. A. Crerar, the ex-leader of the Progressive party, spoke against any further dalliance with the Wheat Board project, and declared that the hopes based upon it were quite illusory. But the delegates rejected his advice, and demanded a Wheat Board with compulsory powers for the 1923 crop. The provincial Government of Manitoba have somewhat reluctantly announced that they will co-operate in the establishment with the Saskatchewan and Alberta Governments, but before the experiment can be tried, some amendments to the existing legislation will have to be secured at Ottawa.

There is considerable disappointment that more British manufacturers are not examining the possibilities of the establishment of branch factories in Canada. American manufacturers have been fully alive to the opportunities, and to-day there are more than 700 branch factories of American firms operating in Canada. It is true that some British manufacturers have had unfortunate experiences in Canadian ventures, but a prominent Canadian capitalist who recently visited Britain in order to interest firms in

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the project of branch factories in Canada made this interesting comment on the situation: "The United States manufacturer regards a branch factory in a foreign country, whether in Canada or Europe, as a decentralised portion, but still a unit of the organisation. As such the branch is subject to the same rigid inspection and management as the main or parent concern, and has, therefore, been a source of profit in the majority of cases. The British manufacturer, on the other hand, looks upon the branch as a foreign investment, an agency which will detract from the business of the home plant, for this reason not a particularly desirable form of expansion."

The problem of population is at present a matter of very acute concern in Canada, and it is gradually being realised that the allurements of immigrants is not its only aspect. In their annual addresses, the presidents of the banks all stressed the urgent need for more population, and politicians and railway executives have swelled the chorus. There is great dissatisfaction with the immigration returns, which up to the end of the year showed a fall of 26 per cent. from the parallel figures of 1921, and there is widespread complaint that the Federal Government has not formulated a vigorous policy. Last week it called in Ottawa a conference of the provincial authorities to discuss the problem, and plans were examined for the better co-ordination of immigration. The provincial Governments will undertake no financial responsibilities in connection with immigration, but they will help to compile lists of vacant lands and to locate settlers in suitable circumstances. The state of the Federal treasury does not permit any large scheme of assisted passages, but some attempt may be made to co-operate in the working of the British Government's Overseas settlement scheme.

But what is more alarming than the poor immigration returns is the steady exodus of population from Canada to the U.S. which is to-day in progress. With the revival of business south of the line, and the development in many areas of a boom in building, many kinds of labour have become very scarce in the U.S., and wages have risen. The application of the quota system under the new immigration law has curtailed the supply of labour, which used to come from Europe, and Canada, to which the quota plan does not apply, is now regarded as the best reservoir. The Ottawa correspondent of the *Toronto Star* reports that high wages in the building trade in the U.S. and the prospects of uninterrupted work all the year round, have depleted Canada of bricklayers, painters, plasterers, and other artisans. One third of the membership of some Canadian trade unions is to-day in the United States, and for the last three months fifty families per week have been leaving the Maritime provinces to seek work south of the line. A certain proportion of these emigrants will return, but the majority of them will stay under the American flag. One result of the migration is that there is now a glut of house accommodation in cities like Winnipeg and Calgary, and rents are falling. Simultaneously, however, many farmers in Western Canada, disgusted with the poor returns from the last crop, and their burden of debt, are also pulling up stakes and moving southward. Under such circumstances it is contended in some quarters that before any large sum is spent on immigration propaganda ways should be found to keep the existing population in the country. The general impression is that until the United States modifies its immigration laws the exodus from

Canada will be difficult to check, but if trade keeps reasonably good in the spring, the Federal Government will probably lower some of the present bars to permit the entrance of British artisans who might supply the places of those lost to the United States.

Editorials in papers which enjoy the confidence of the Government seem to indicate that the decennial revision of the Canadian Bank Act will be held over for another year. Mr Fielding has not yet returned from Europe, and the labour entailed in the preparation of the Budget will occupy all his time. Parliament will have to grant authority for the extension of the present bank charters of another year, and the Government may be pressed to investigate the whole banking and credit system through the agency of an impartial commission. Meanwhile in agrarian circles a campaign for drastic reforms is being pushed, and the United Farmers of Manitoba, at their annual convention last week, demanded the establishment of a national bank on the same lines as the Commonwealth Bank of Australia. Their brethren in the other provinces are likely to follow, and the whole Progressive party will come back to Ottawa pledged to support this project.

Letters to the Editor.

MR McKENNA AND CURRENCY POLICY.

TO THE EDITOR OF THE ECONOMIST.

SIR,—In his latest criticism of the policy of currency deflation, Mr McKenna assumes that the sum of bank deposits and currency is a true measure of the purchasing power in the hands of the public, and deduces from the estimated figures a loss of about £200 millions in the past year. Unless, however, the value of money at the beginning and end of this period is taken into account, the criterion is unsound. The smaller nominal amount, at a lower range of prices, may represent a real purchasing power equal to or even greater than the larger. He goes on to contend that the Government policy of paying off Treasury bills has the necessary effect of depleting bank deposits. In answer to the obvious objection that a bank so dealt with has a superfluity of cash which puts it in a position to recreate the lost deposits, he merely replies that it is the practice of banks to lend surplus cash to the money market, which uses it to repay sums borrowed from the Bank of England. But surely if the loss of deposits reaches dimensions which causes serious inconvenience, it is open to the banks to modify a practice which leads to such results? It is not the policy of deflation which is to blame, but the conservatism of bankers. Again, when the loan from the Bank of England is paid off, what is that bank to do with the cash? It cannot, obviously, lend it to the market, which doesn't want it. Apparently the only thing it can do is to increase its own deposits. Thus the deposits lost by the banks are made up by increased deposits at the Bank of England, and the purchasing power of the public, as a whole, is unaffected. So, at least, it seems to a layman.—Yours faithfully,

H. H. O'FARRELL.

January 29th, 1923.

THE CAPITAL LEVY.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Why is it that advocates of a levy on capital refuse to face the facts? The war, as Mr Withers has pointed out, was paid for as it went on partly by the depreciation of the currency, partly by the continual issue of War Loans and Bonds. Depreciation of the currency acts as a concealed income-tax on all persons, without exemptions or allowances; the issue of war loans acts as a concealed levy on existing securities of nearly every kind, including mortgages.

Twenty or thirty years ago people used to talk about "permanent" and "precarious" incomes, and Sir Charles Dilke's Income-tax Committee boldly altered its terms of reference and substituted "unearned" for the first word and "earned" for the second. We now see that under stress of war the meanings are reversed, the income from investments sinks with every fall in the pur-

chasing power of the pound sterling, while wages and salaries can be, and, in fact, were, raised continuously. I am inclined to doubt whether wage-earners and the (lower) salaried classes made any direct contribution towards meeting the cost of the war.

People with large salaries, such as judges, ministers, and bishops, had their purchasing power cut down by more than one half; the same is true of people with small incomes from sound securities, while those unfortunate people who used to draw large incomes from land, houses, and cottage property hardly drew any net income at all. I admit that a few people made fortunes out of the war; perhaps wars would not last so long if some persons did not make money out of them. Such persons ought to have paid an excess income-tax, for some of them escaped the E.P.D.

Already property-owners pay a higher rate of income-tax than other persons with similar incomes, and they pay a special tax called Death Duties; why should they be asked to bear a further burden in order to relieve people who are just as well able to pay taxes?—Yours, &c.,

J. E. ALLEN.

1 Mitre court buildings, Temple, E.C. 4.

THE RISING IN MEMEL.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Mr Harley misrepresents the contrast, not, as he says, the "parallel," drawn in the *Economist* of January 20th, between Danzig and Memel. Danzig is a city with a territory of German inhabitants surrounded, for the greater part, by territory of which the inhabitants are also German. The somewhat shadowy Polish racial character of the "corridor" was hardly more than an excuse to give to Poland a much-needed access to the sea. On grounds of race alone, the separation from Germany of Danzig and its territory, and indeed of almost the whole Polish corridor, could not have been justified. In the case of Memel, the long strip of territory is purely Lithuanian, the hinterland is Lithuanian, and the port town alone, separated completely from any land of German inhabitants, is German in character. It would be unfortunate should a special privilege granted to Poland in the case of Danzig be made the excuse, by a false analogy, of a grave injustice to Lithuania.—I am, yours &c.,

THE WRITER OF YOUR NOTE.

London, January 29th, 1923.

Books and Publications.

PUBLIC FINANCE.*

A TEXT book of moderate length upon this subject, presenting modern developments and preparing readers for the future outlook has been badly needed. This need is well met in many respects by this volume. The author has obviously been at pains to subdue those advanced political views which are associated with his Parliamentary Labour candidature, and to win adherence by measured academic calm and poise, but he has not been invariably successful. The scarlet doctoral robe does not completely hide a decidedly reddish tie; *Cucullus non facit monachum*, indeed, but the hood may also cover more than a monk. Dr Dalton does not produce a highest common factor of all extant views on public finance, nor, indeed, claim to be giving the body of "received" opinion. This is one drawback for the unwary student, who will not always be aware when the author is speaking for Dr Dalton, and when he speaks for public finance professors in general. The open advocacy of the Capital Levy—the desire for the Rignano death duty taxation—and such a passage as: "There is much to be said for the extension of this principle (payment out of rates) to cover the supply of working class houses at uneconomic rents, and of bread, clothing, and other necessities of life, below cost price, and also in the

* "Principles of Public Finance." By Hugh Dalton, M.A., D.Sc. (Econ.), Cassel Reader in Commerce in the University of London. (London) George Routledge and Sons, Limited. 5s net.

interest of the development of human efficiency"—these features make one wonder whether this text book will be as readily received in academic and University circles as, on merits, it deserves to be.

The condensation of treatment and the wide variety of matter is often strikingly well done, although some passages, clear to the initiated, will suffer in clarity for the newcomer in consequence of it. There is a healthy and stimulating challenge to shibboleths, and a re-examination of catch phrases which is generally justified. Occasionally, however, the desire for an independent position betrays the author into discussing valuable and valid ideas with flimsy and indefensible debating points. I bought a piece of land, rent £20 (subject for the last 120 years to the old land tax £1), and I am told that the incidence of the tax is "upon" me. Why? Because if the tax were repealed I should get the benefit of the relief. This is playing with words. In the same way the capitalisation of a differential burden is disposed of, and a whole body of doctrine of great practical importance to-day is dismissed almost with a sneer. The incidence of the benefit of remission is, of course, a totally different thing from the incidence of the tax itself.

In discussing the proposal to substitute a variable for a fixed rate of interest, Dr Dalton fears that it would encounter prejudice on the part of a large section of investors who are still ignorant or distrustful of index numbers. We met recently a city merchant of wealth and long experience, who prided himself as a man of affairs, and who had never heard of an index number till to-day, and still less understood what it purported to do!

For the general reader, the book is interesting and valuable. For students who have to face unknown examiners with unknown views on open public questions, it would have been safer if the text had shown clearly where the officially accredited teaching of the London School of Economics ends, and Dr Dalton's personal adventures in political thought begin. It would be as well for the examinee to know at what point Professors Cannan and Foxwell of this University would cease to give him full marks.

INDEX NUMBERS.*

OF the making of index numbers there is no end. Professor Fisher discusses 134 forms, and so long a study of them is a weariness to the flesh; but, fortunately, it is possible to state the main arguments and results of this book in a fairly simple form. Professor Fisher has equally in mind the measurement of changes of prices and of quantities; the data can always be given in the form—price at first year (or place) p_0 , at second year (or place) p_1 ; quantities, marketed or otherwise brought into account, q_0 , q_1 . An index number is a weighted average of the price-ratios, such as p_1/p_0 , or of the quantity ratios, such as q_1/q_0 , the weights being obtained by some arrangement of the four letters p_0 , q_0 , p_1 , q_1 . A so-called unweighted index number is merely a particular case where the weights assigned in one of the years are equal. The geometric mean is for some reasons preferable to the arithmetic mean, but numerically it is often in different which is used.

With these general ideas the best form of index number is sought, by the avoidance of formulae which are liable to give erratic results, and in particular by the application of "Two Great Reversal Tests." Under Test I. "the formula for calculating an index number should be such that it will give the same ratio between one point of comparison and the other point, no matter which of the two is taken as the base." For example, the *Economist* index number of wholesale prices fails under this test, for it expresses prices in 1923 as percentages of those in 1901-5 without any adjustment, while if the calculation was made by expressing prices in 1901-5 as percentages of those in 1923, and taking the simple average, the resulting ratio would be different. Under the test, if the ratio 100:150 is obtained by the *Economist* method, the ratio

* "The Making of Index Numbers—A Study of Their Varieties, Tests, and Reliability." By Irving Fisher, Professor of Political Economy, Yale University. Pp. xxiii + 526. Boston and New York. Houghton Mifflin Company. Price, \$7.50.

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obtained by working backwards ought to be 66 2-3:100, but, in fact, it would give a number greater than 66 2-3. In order to satisfy this test, it is necessary to use estimates of quantities at both dates, and to take some average of these quantities or of the index numbers resulting from forward and backward working. But this test, plausible as it appears, is not always valid. If we had applied it to a comparison of prices in 1917 and 1913, we should have assumed that the restricted war budget had equal importance with the normal budget. Also the test is too formal. The *Economist* number, worked forward, assumes that the 44 items included were equally important in expenditure in the years 1901-5. In working it backwards from 1923 we are not bound by our formula to assume equal importance in the latter year (as the Test assumes); and, in fact, we shall get a number equal to the forward number if we weight the ratios on the assumption that the new expenditures are proportional for each commodity to its price ratio, which would be true if the consumption of commodities changed all in the same proportion. Nevertheless, the index number would be improved, if its basis were frequently checked by production and consumption records, and the resulting number averaged with the existing number.

Professor Fisher is much too severe in condemning the *Economist* and *Statist* numbers as unweighted; for in both cases the items were so chosen that the weights implicitly given to sub-groups were in proportion to their importance. Weighting by aggregating entries of similar commodities may be preferable to weighting by applying factors to dissimilar commodities.

Professor Fisher's Second Test is not so simple in idea. He assumes that the index measuring change of price multiplied by the index measuring change in quantity ought to measure exactly the change in expenditure, a statement which, though plausible, requires analysis and proof. For instance, in the annual calculations on the previous year's trade given by the *Economist*, we have such a statement as the increase in the value of exports was 21 percent. (measurement of expenditure $p_1 q_1/p_0 q_0 = 1.21$) the average increase in price was 10 per cent. ($q_1 p_1/q_0 p_0 = 1.10$), and the increase at unchanged prices 10 per cent. (measurement of quantity, $q_1 p_0/q_0 p_0 = 1.10$). The product of the second and third measurements exactly equals the first, as by the Second Test it should. Professor Fisher, however, holds that, since quantities and prices enter symmetrically into the problem, the quantity and price measurements should also be symmetrical, obtainable one from the other by interchanging p and q —a postulate and a conclusion which require close examination. Since in the end it is generally only a minor difference in weighting that is involved, perhaps the Test is not of great importance.

As a consequence of the analysis, the geometric mean of the forward and backward weighted arithmetic index numbers is taken as the "Ideal Index Number," an certainly, if the necessary data are available, it is a ver-

good one, and has the support for special purposes of many statisticians. But it remains that the choice of the most suitable formula depends on the problem in hand, and that whatever the ideal the computer is limited by his data.

We recommend all serious students of the subject to work carefully through the book, for it contains very much that is important, new, and practical.

BOOKS RECEIVED.

- If Britain is to Live.* By Norman Angell. (London) Nisbet and Co., Limited. 2s 6d net.
- The Western Question in Turkey and Greece.* By Arnold J. Toynbee. Second Edition. (London) Constable and Co., Limited. 18s net.
- Labour and Capital in Parliament.* (London) The Labour Publishing Company, Limited.
- Chart of Money and Discount Rates in London During the Year 1922.* (London) Page and Gwyther.
- The Accounts of the Corporation of London.* For the year ending March 31, 1922. (London) Guildhall E.C. 2.
- Financial Policy of Czecho-Slovakia During the First Year of its History.* By Dr Alois Rasin. (Oxford) Clarendon Press.
- Present-Day Banking in India.* By B. R. Rau (Calcutta) University of Calcutta.
- Agricultural Statistics of India, 1920-21.* Volume I. (Calcutta) Department of Statistics.
- Indian Railways in 1921-22.* Administration Report, Volume I. (Calcutta) Railway Department, Rs 3.8.
- Prospettive Economiche, 1923.* (Milan) Università Bocconi di Milano.
- Chart of the Mexican Oilfields, 1923.* (London) Edward Stanford, Limited.

This publication is in four sheets, on the scale of $7\frac{1}{2}$ miles to 1 inch, and it is claimed to be the first comprehensive map of the Mexican oil regions to be published in Europe. It shows in colours the fields in operation, prospective fields, pipelines, ocean terminals, railways, &c. An inset map of the whole of Mexico, on a smaller scale, shows the oilfields in exploration and exploitation, prospective oilfields and prospective coalfields. The price of this publication in sheets, unmounted, is £2 2s.

The Planter. December, 1922. (Kuala Lumpur) Incorporated Society of Planters.

Catalogue of British Industries Fair, 1923. February 19th-March 2nd. (London) Board of Trade, 35 Old Queen street, S.W. 1.

The Swedish Year-Book, 1922. (Stockholm) Almqvist and Wiksell Company, Limited.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET.	ACCOUNT.
February 7.	February 8.

Business in the markets of the House has fallen away in remarkable fashion as compared with the rush which prevailed during the three previous weeks. Although the Stock Exchange is supposed to have shaken itself free from the sympathetic influence of localised foreign politics, the present week has demonstrated clearly enough that when serious events are abroad neither investor nor speculator will seek the markets of the House for profit. People have been cancelling their buying orders, and some of the weaker bulls, who went, perhaps, rather too far in their previous excursions, deemed it prudent to shorten sail. Towards the end of the week a better tendency became noticeable, but with another settlement in sight the disposition on the part of the public is to let stocks and shares alone for the moment, and to give the run of the markets to bargain-hunters on the one hand and to forced sellers on the other.

The acceptance by the British Cabinet of the American proposal for repayment of Great Britain's war debt to the United States led to a rise in stocks in New York, but was greeted without much enthusiasm on this side. Quiet satisfaction prevailed in the Consol market. The War and Conversion Loans put on a spurt, but the best levels were not held. More immediate gratification was felt at the release of the tension caused by the Turkish attitude at Lausanne. Amongst the newly-issued stocks in the Consol market, New South Wales scrip has gone back a little, while the Port of Calcutta bonds,

over-subscribed when the prospectus appeared, fell to a small discount upon the appearance of the allotments and the starting of the market. Home Railway prior-charge stocks gave way in a number of cases.

French bonds, Government and railway alike, have been acutely flat, and when the franc touched 80 on Wednesday afternoon both French Fours and Fives fell heavily. British investors who bought the bonds, and who still hold them, are frankly alarmed at the outlook, and the policy of France in the Ruhr district arouses grave apprehension amongst bondholders, however it may be regarded by others who are interested. German bonds are more or less a nominal market. Russians have been marked down in a few instances. Belgians are lower. The South American group is tolerably steady, considering all things. Chinese bonds remain heavy, and the premium on the Dutch East Indies scrip has gone back about a point from the top. Montenegro bonds are materially better on the week.

Home Railway stocks suffered with the rest of the markets, but the heaviness yesterday showed signs of passing off. The preferred remain firm, investors being attracted by the reasonable yield, combined with the security offered. Undergrounds advanced on the excellent Metropolitan Railway dividend. Grand Trunk Pacific debenture further improved; Mexican Rails have drooped. The Argentine railway market came in for a good deal of profit-taking, which made its effect felt upon quotations. Antofagasta, after a brisk rise, relapsed again, and the Brazilians moved down with the rest of the list.

Rubber touched 1s 6d per lb earlier in the week, but this favourable influence was more than counteracted by conditions prevailing elsewhere, and, upon a fall of a penny in the price of the raw produce, the market became heavy. Oil shares were lowered on what were described as sales from Paris, though these were certainly supplemented by others from quarters nearer home. The tobacco group is lower; textiles are mostly easier, with the exception of Bradford Dyers. Rumours of the profits which the Marconi Company is said to be making, through the extension of broadcasting, led to a recovery in the prices of various Marconi shares, a recovery which, however, was not entirely held, and the cable stocks show no change.

The gas market is dullish, in spite of an increased distribution from the Gas Light and Coke Company. Electric lighting shares show up brightly in the prevailing quietude amongst industrials, something like a dozen rises, and those fairly substantial, being scored by the shares in the leading London companies in consequence of the good dividends now being announced. There is nothing much doing in shipping shares, nor in the banking and insurance groups. Most of the speculative and semi-speculative issues are lower. Watney Brewery stocks hardened on the dividend announcement; Borax deferred also firmed up on the maintenance of the $12\frac{1}{2}$ per cent. distribution. Dunlops and motor shares have sagged.

The Kaffir market is quiet, with a heavy tendency for choice, though movements are small and unimportant. Copper and diamond shares are moving according to the way in which Paris pulls the strings. The excitement over certain Rhodesians, Cam and Motor and Selukwes especially, has been remarkably well maintained. Prices underwent fairly sharp fluctuations, according to the moods of the moment. A sharp rise in Akims occurred on news that the Russo-Asiatic Corporation is taking an active hand in the Akim companies. Mexican mining shares, after a burst of strength, subsided again as the speculators got out in consequence of the threatening aspect of foreign affairs. The tin-mining markets are very quiet.

Stock Exchange shares remain hard at 108; members are reminded that they should send in their applications for re-election to membership in respect of the year beginning March 25th next.

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

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded	£ ..	31,770,434 ..	£ ..	£ ..
ISSUES OF THE WEEK—				
4½ % Treasury Bonds (by Tender January 26, 1923), £3,500,000, at 99½ % ..	£ ..	3,478,125 ..	£ ..	£ ..

DISCOUNT CORPORATION OF NEW YORK

This Corporation discounts and resells Bankers Acceptances and approved Bank endorsed Trade Acceptances, deals in United States Treasury Certificates of Indebtedness and Notes, and receives funds repayable on demand or at fixed maturity against the security of Bankers Acceptances, or Government Obligations.

Statement of Condition, December 30, 1922.

ASSETS

Acceptances:		
On Hand ..	\$3,308,071.94	
Pledged as Collateral for Loans ..	246,772.16	
Sold under Re-purchase Agreements ..	16,670,467.61	
Acceptors' Liability on Endorsed Bills Sold ..	58,676,377.34	\$78,901,689.05
United States Certificates of Indebtedness and Treasury Notes at par:		
On Hand ..	855,650.00	
Pledged as Collateral for Loans ..	7,365,000.00	
Sold under Re-purchase Agreements ..	39,650,000.00	47,870,650.00
United States Liberty Loan Bonds—Par Value \$1,272,950: (\$1,209,200 pledged) bought under Agreement of Re-sale ..		1,236,903.68
Premium on United States Certificates of Indebtedness and Treasury Notes, at Market Bid Prices ..		176,785.68
Deposit with New York State Banking Department:		
New York State Bond, Par Value \$1,000., at Cost ..		985.00
Interest Receivable Accrued ..		307,535.23
Interest and Expenses Paid in Advance ..		33,844.98
Cash in Banks and on Hand ..		1,618,482.61
		\$130,146,876.16

LIABILITIES

Capital Stock:		
Authorized and Issued—50,000 Shares of \$100., each ..	\$5,000,000.00	
Surplus ..		1,000,000.00
Undivided Profits:—Balance as at December 31, 1921 ..	\$1,009,626.71	
Add Net Profit for Year ended December 30, 1922 ..	548,428.24	
	1,558,054.95	
Less Dividends ..	300,000.00	1,258,054.95
		7,258,054.95
Unearned Discount ..		157,699.28
Reserve for Taxes—Estimated ..		24,297.98
Interest Payable and Expenses Accrued ..		25,293.70
Loans Payable:—Secured by Acceptances ..	100,000.00	
Secured by United States Certificates of Indebtedness and Treasury Notes ..	6,500,000.00	
Secured by Liberty Bonds ..	1,000,000.00	7,600,000.00
Re-purchase Agreements, per contra:		
Acceptances ..	16,670,467.61	
United States Certificates of Indebtedness and Treasury Notes ..	39,650,000.00	56,320,467.61
Due to Banks and Customers ..		9,685.30
Acceptances Re-discounted and Sold with endorsement, per contra ..		58,676,377.34
Dividend Payable January 2, 1923 ..		75,000.00
		\$130,146,876.16

We have made an examination of the affairs of the Discount Corporation of New York as at the close of business on December 30, 1922, and hereby certify that, in our opinion, the foregoing Statement of Condition correctly represents the financial position of the Corporation as at that date and is in accordance with the books.

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Forward rates and special offerings on request

NATIONAL SAVINGS CERTIFICATES.

NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED JANUARY 27, 1923.

April 1 to Jan. 27, 1923, £30,708,000

£ 650,000 .. £ 650,000

To the Public—				
Bolokow, Vaughan, & Co., £1,000,000				
First Debs., 6% (rep. at par 1923, or after Jan. 1, 1928, at 102%), issued at 99½%	1,000,000	995,000	100,000	895,000
Pandan Tea Co., £100,000 £1 Shares, at par	210,000	210,000	21,000	189,000
Irvin and Johnson (South Africa), Ltd., £350,000 7% First Mort. Debs. (red. 1924-45 by ann. dwgs. at par, issued at 98% (Feb. 1))	350,000	343,000	17,500	325,500
Wellington City (N.Z.) Antecedent Liability Loan, 1822, £340,000 5½% Debs., iss. at 99%	340,000	336,000	17,000	319,000
Total offered to the public	1,884,000	1,855,000	172,500	1,729,500
To Shareholders only—				
Broome (Selangor) Rubber Plantations, 6,400 New Shares, £1, at par	6,400	6,400	1,600	4,800
Toerange (Sumatra) Rubber and Produce Estates, 14,935 Shares, £1, at 25s	14,935	18,742	18,742	..
Total offered to shareholders ..	25,142	25,142	20,342	4,800
Total offered for subscription to date				
1923	£37,808,301	1922	£73,675,650	
1922	165,732,755	1921	388,978,203	
1921	24,572,949	1920	367,549,656	
1920	41,934,041	1919	1,036,069,951	
1919	234,304,917	1918	1,393,381,441	
1918	187,511,923	1917	1,318,596,010	
1917	21,317,806	1916	585,436,853	
1916	101,962,190			

Dominion of New Zealand (Wellington City Antecedent Liability Loan, 1922).—This is an issue of £340,000 5½ per cent. debentures of £100 each at £99 per cent. Capital and interest is payable in either London or New Zealand at the holder's option. The debentures now offered are for the purpose of extinguishing the antecedent liability of the Wellington City Council. This liability arose from the fact that the Council, finding it impracticable to raise loans during the late war, were compelled to carry out their capital works from funds provided out of revenue, temporary borrowings, and deposits received from the public. This liability has to be extinguished by March 31st next. The loan has a currency of 20 years, and is repayable by 1943. It, together with a sinking fund of 1 per cent. per annum, amounting to £3,400 per annum, is secured on a special rate of ¼d in the pound on the unimproved value of all rateable property in the City of Wellington. This special rate will yield an annual sum of £31,109, but the corporation has power to increase the special rate if necessary. The loan is free from all New Zealand taxes unless held by persons domiciled in the Dominion of New Zealand. A good debenture of its class.

Bolokow, Vaughan, and Co., Limited.—Authorised share capital £5,000,000, of which £4,227,720 has been issued and is fully paid up. The authorised debenture issue is £2,000,000, of which £1,000,000 has been previously issued and £1,000,000 is now offered for sale, bearing interest at 6 per cent., at 99½ per cent. The principal is repayable at par on July 1, 1943, the company having the option to repay at an earlier date, but not before January 1, 1928, at 102 per cent., subject to three months' notice. Although the debentures are but a first floating charge on the assets of the undertaking, the company agrees to refrain from creating any charges ranking in priority to or *pari passu* with the £2,000,000 debentures, except to secure bankers' loans or overdrafts in the ordinary course of business. The purpose of the present issue is to provide the cash consideration for acquiring an interest in Redpath, Brown and Co., to refund to the company moneys recently expended on improvements in plant, and to provide additional working capital for the company and its subsidiaries. Net assets are valued at £6,439,097, fixed assets being taken as £5,462,138. The company's mineral resources are excellent in extent and convenience of situation, but the drastic policy of the company in keeping most of its plant completely shut down during 1922 has given rise to critical comment in the trade. The issue, however, looks as if it was fairly well covered as regards capital, and in normal times as regards interest.

The Lancashire Electric Light and Power Company, Limited.—The authorised capital amounts to £1,100,000 in £1 shares, and consists of 599,975 6 per cent. cumulative first preference shares, of which 540,000 have been issued, 250,000 7 per cent. cumulative participating preference, of which 137,500 have been issued, and 250,025 ordinary, of which 152,363 shares have been issued. The issued capital of £829,863 includes the 75,000 6 per cent. first preference shares, but not the 7 per cent. preference and ordinary shares referred to below. An advertisement in the Press, made to comply with Stock Exchange regulations, states that the company has accepted an offer made by the Power Securities Corporation, Limited, to purchase the following shares:—(a) 75,000 6 per cent. (income-tax free up to 6s in the £) cumulative convertible first preference shares of £1 each, at the price of 21s per share; (b) 75,000 7 per cent. cumulative

participating preference shares of £1 each, at the price of 21s per share; and (c) 75,000 ordinary shares of £1 each, at the price of 20s per share. The company has also given an option to the Power Securities Corporation, Limited, to purchase up to June 30, 1923, an additional amount of 22,637 ordinary shares of £1 each at the price of 20s per share. The whole of these shares will rank *pari passu* with the existing shares of each class. Investors will naturally acquaint themselves with further details of the progress of the company before taking an interest in the undertaking.

Pandan Tea Company, Limited.—Authorised capital £300,000, divided into shares of £1 each, of which 210,000 are now offered for subscription at par. This undertaking has been formed primarily to acquire certain estates in Java. Two of these are registered in the names of Java companies and one in the name of a company incorporated in Holland. The shares in these companies are held by English companies, and it is intended that the Pandan Tea Company shall acquire all such shares, and will not take conveyances of the estates, but will work them through the agency of the registered holding companies, which will be under the control of the Pandan Tea Company. The total area of the three estates exceeds 9,000 acres, of which 5,050 acres are cultivated. The prospectus states that there are four large, fully-equipped tea factories, together with stores, offices, and houses. The purchase price has been fixed at £228,430. This price, it is stated, is based upon values of £45 per acre for tea, £15 per acre for cinchona, £10 per acre for timber, and £1 per acre for reserve land, and is payable as to £70,000 in shares and the balance in cash. This may be regarded as a fairly reasonable proposition.

Irvin and Johnson (South Africa), Limited.—Incorporated under South African laws. Authorised capital £750,000 in £1 ordinary shares, of which 550,007 have been issued. This is an offer for sale of £350,000 7 per cent. first mortgage debentures at £98 per cent. These debentures are secured by a trust deed in favour of the Standard Bank of South Africa, creating a first specific charge on its lands, properties, and fleet, and a general charge upon all other assets. They will be repayable at par before January 1, 1943, by annual drawings at par or purchases under par commencing in 1924, or the company may repay the whole or any part of the issue at 102½ per cent. on six months' notice. The company carries on the business of trawling and fishing, and its fleet is valued, on the basis of a valuation made in February, 1921, at £335,417. Total assets are given as £905,814, while profits are shown from 1913. A somewhat speculative proposition.

ACTIVE SECURITIES.

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

British and Colonial Government Securities.

War	Loans	Funding	Victory	Conversion	Consols	Irish	Local
3½% 1925-28 ..	96 ..	95 ..	94 ..	93 ..	92 ..	91 ..	90 ..
4½% 1929-45 ..	96 ..	95 ..	94 ..	93 ..	92 ..	91 ..	90 ..
4½% 1929-47 ..	100 ..	100 ..	100 ..	100 ..	100 ..	100 ..	100 ..
4½% 1929-42 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..
4½% 1929-42 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..
4½% 1929-42 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..
4½% 1929-42 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..
4½% 1929-42 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..
4½% 1929-42 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..
4½% 1929-42 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..

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4½% 1929-47 ..	100 ..	100 ..	100 ..	100 ..	100 ..	100 ..	100 ..
4½% 1929-42 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..
4½% 1929-42 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..
4½% 1929-42 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..
4½% 1929-42 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..
4½% 1929-42 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..
4½% 1929-42 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..
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4½% 1929-47 ..	100 ..	100 ..	100 ..	100 ..	100 ..	100 ..	100 ..
4½% 1929-42 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..
4½% 1929-42 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..
4½% 1929-42 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..
4½% 1929-42 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..
4½% 1929-42 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..
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4½% 1929-42 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..
4½% 1929-42 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..
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4½% 1929-42 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..
4½% 1929-42 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..
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4½% 1929-42 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..
4½% 1929-42 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..
4½% 1929-42 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..
4½% 1929-42 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..
4½% 1929-42 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..
4½% 1929-42 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..
4½% 1929-42 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..	102 ..

THE BRITISH LINEN BANK.

Incorporated by Royal Charter, 1746.

Capital (Paid Up) - - £1,250,000
Reserve Funds - - £1,350,000

HEAD OFFICE: EDINBURGH.

REES GRIFFITH THOMAS, General Manager. R. W. STEVENSON, Secretary.

OVER 160 BRANCHES THROUGHOUT SCOTLAND.

London Office: 38, Threadneedle St., E.C.2.

JAMES FORREST, Manager. J. E. FANSHAWE, Manager.

Every Description of Home and Foreign Banking Business transacted.

DIVIDEND ANNOUNCEMENTS.—Continued.

Burntisland Shipbuilding	10/ p.s.	..	Tax free	% nil	2/ p.s.
Bury and Heap Commercial, £10	5/ p.s.	..	Tax free	..	..
Do 25	10	..	..	..	..
Cambridge University and Town	10	..	..	..	..
Waterworks, £10 Cons.	7	..	..	..	..
Do 27 Cons.	7½ p.s.	..	Tax free	10	10
Cardiff Pure Ice	13 p.s.	..	..	..	..
Cheethams (Spinning)	6 ½	Feb. 19	Less tax	10	7½
Chelsea Electricity	8/ p.s.	..	Less tax	15/ p.s.	14/ p.s.
City and Westminster Properties	10	..	..	..	..
City Offices	7	..	..	..	..
Cleveland Waterworks, Original	10	..	..	..	..
and "A"	7	..	..	..	..
Do "B"	10	..	..	..	..
Colwick Racecourse	£2 p.s.	Feb. 1	Less tax	..	..
Commonwealth Edison	6 ½	..	..	..	..
Commercial Gas, 4 % Stock	6 ½	..	..	..	..
Do 3½ % Stock	1/ p.s.	..	..	..	..
Conssett Spanish Ore.	6 ½	..	..	..	..
Coupe and Motor Cab	10½ p.s.	Mar. 1	Tax free	6	..
Dalmington Iron	10½	..	(& bonus 3½%)	10	7½
Devas, Routledge	2 p.s.	..	Tax free	8/ p.s.	..
Dublin Artisans' Dwellings	10 ½	..	..	..	..
Dublin (South) City Market	7½ p.s.	..	..	..	..
East End Dwellings	6 ½	..	..	..	..
English Velvet and Cord Dyers.	10 ½	..	..	..	..
Fleming, Reid, and Co.	7½ p.s.	..	..	..	..
Folkestone Waterworks, Ord.	6 ½	..	..	..	..
Do New Ord.	4	..	..	..	..
Frank Myatt	5	..	..	..	..
Gas Light and Coke	5½	..	..	..	..
Geo. J. Bussey and Co.	2½	..	..	..	..
Greenleaves and Sons	5	..	..	..	..
Guard Bridge Paper	10*	..	..	..	..
Harvey and Thompson	8 ½	..	..	..	..
Holborn and Frascati	5½	..	..	..	..
Hollins Mill	2/ p.s.	..	..	..	..
House and Mill Building	2½	..	..	..	..
Improved Industrial Dwellings	10 ½	..	..	..	..
Johnston, Mooney, and O'Brien	2/ p.s.	..	..	..	..
Hongkong Tramways	10 ½	..	..	..	..
Hunter, Barr	15	..	..	..	..
Ilkley Brewery	5*	..	..	..	..
John Hetherington and Sons.	2/6 p.s.	..	..	..	..
John Knight, Prefd.	7	..	..	..	..
Johnson, Mooney, and O'Brien	5	..	..	..	..
Jurgens, Limited, Cum. Pref.	4½	Feb. 1	Less tax 5/ in £	6	6
Lansdown Monotype	..	..	..	12½	12½
Lennards, Limited	6/3 p.s.	Feb. 28	Tax free	7½	..
Lennard's Real Property	3½	..	..	..	..
Liebig's Extract of Meat.	15 ½	..	..	..	..
Linen Thread Co.	15 ½	..	..	..	..
Liverpool Daily Post.	4½ p.s.	..	..	..	..
Liverpool Dock Clearing House	1½ p.s.	..	..	..	..
Manchester Corn Exchange	8½ p.s.	..	..	..	..
Melbourne (Spinning)	8½ p.s.	..	..	..	..
Metropolitan Gas of Melbourne	8½ p.s.	..	..	..	..
Metropolitan Trust	8½ p.s.	..	..	..	..
Montreal Light, &c., Cons.	8½ p.s.	Feb. 15	Quarterly	15	14
Montreal Light, &c., Company.	8½ p.s.	Feb. 15	Quarterly	..	..
Montreal Tramways	8½ p.s.	Feb. 15	Quarterly	..	..
Mutual Tontine Chambers	4½	Feb. 28	Less tax	7	5
Newcastle-on-Tyne and Gateshead Gas	28½	..	..	..	..
New Moncton Collieries (L.P.)	1½ p.s.	..	..	..	..
Do (partly Spinning)	16 ½	..	..	..	..
Octagon Brewery	6*	..	..	..	..
Orient Trust	4*	Feb. 1	Tax free	2½	2½
Owen and Robinson	4*	Jan. 31	..	..	..
Plasmon	5 ½	..	..	..	..
Public Benefit Foot, Defd.	5 ½	Feb. 16	..	..	..
Scarborough Gas	..	..	..	..	..
Scottish American Investment	..	..	..	..	..
Scottish Motor Traction	..	..	..	..	..
Scottish Reversionary	..	..	..	..	..
S. Metropolitan Gas	3½	..	..	..	..
South Staffs. Waterworks	7 ½	..	..	..	..
State Spinning	13 p.s.	..	..	..	..
Staveley Coal and Iron	5*	..	..	..	..
Sterling Trust	..	Feb. 13	..	..	..
Sutherland Meter	..	..	..	..	..
Thatched House, Sheffield	6/ p.s.	..	..	..	..
United Varieties Syndicate	7½*	..	..	..	..
Van den Bergh's Margarine	6	..	..	..	..
Waring and Gillow, Pref.	12*	..	..	..	..
Watney, Combe, and Reid, Defd.	2½*	Feb. 14	..	..	..
Weaver and Co.	3/ p.s.	..	..	..	..
Werneth (Spinning)	6%	..	..	..	..
West Cumberland Steam	7/6 p.s.	..	..	..	..
Laundry	5 ½	..	..	..	..
Westminster Electric	5 ½	..	..	..	..
Whitby Waterworks, Original	5 ½	Feb. 17	..	..	..
Do New, 1877	8*	Feb. 17	..	..	..
York Street Spinning	10	..	..	..	..
York Waterworks, 1846	7	..	..	..	..
Do New, 1878-9.	..	..	..	..	..

COMPANY MEETINGS, &c.

LONDON COUNTY WESTMINSTER AND
PARR'S BANK, LIMITED.

MR. WALTER LEAF'S REVIEW OF FINANCE AND TRADE.

NATION'S IMPROVED TRADE PROSPECTS.

FALLACY OF INFLATION POLICY.

BANKS AND AGRICULTURE.

NAME CHANGED TO WESTMINSTER BANK, LIMITED.

The annual ordinary general meeting of the London County Westminster and Parr's Bank, Limited, was held, on the 1st instant, at the head office, 41 Lothbury, London, Mr Walter Leaf (the chairman) presiding.

The secretary (Mr F. Mytton) having read the notice convening the meeting and the report of the auditors,

CHAIRMAN'S SPEECH.

The Chairman, who was received with applause, said: Ladies and Gentlemen,—It is with somewhat mixed feelings that we must all look back upon the year through which we have just passed, and for which the board has now to render you an account of their stewardship. The world has still been suffering from the throes of unrest, and from the deferment of that peace for which we have long been yearning, and at the moment it is hard to see much hope, on the Continent at least, of any better times. But in England at least we have been endeavouring to do our duty, and not without some measure of success from the banker's point of view.

STABILISATION.

If we seek for a single word which may describe the past year, we may, perhaps, say that 1922 has been for this country a year of stabilisation. Fiscally, we have been engaged in stabilising the £. This has been effected by just balancing the budget, and leaving nothing over for the payment of debt. How this has worked out in practice is strikingly shown in figures which have been put before me on the highest authority. It appears from these that the capital repayments during the past year, mainly, of course, in War Bonds falling due, have amounted to £99.7 millions, while the issue of Treasury Bonds during the same period has been £99.5 millions. It would hardly be possible to contrive a closer approximation, a better example of exact stabilisation. We have thus avoided adding to the suffering involved in deflation, and, on the other hand, we have escaped the far greater evils which accompany inflation, ills of which Germany is at present giving us a terrible example. The result of this policy is that prices have during 1922 been remarkably steady; in other words, the purchasing power of the £ has been stabilised. And at the same time we have seen the \$ decreasing in purchasing power in the United States, and the outcome is that the £ and \$ have come close together, and to all appearances it will not be long before they meet at the gold parity. The fall, I take it, represents the decrease in the value of gold owing to its exclusion from use as a circulating medium, and is likely to be of a permanent nature. On this point, however, I need not dwell here. I will only take the opportunity to repeat what I have had occasion to point out elsewhere—that the recovery of the £ in terms of the \$, reckoned from the lowest point, means a diminution of our debt to the United States of over £432½ millions. This in itself is a justification of the policy pursued by our Government, and an emphatic warning against any siren voices which may lure us to depart from the strict road of fiscal honesty in order to gain a momentary stimulus to trade at the expense of a subsequent deadly reaction.

RESULTS OF RISE IN £.

This approach of the £ to the par of exchange means in the last resort that our excess of imports over exports must have been more than balanced by invisible exports, and that we must have had during the year a favourable balance of at least the amount of about £25 millions, which we have provided towards the repayment of our debt to the United States—a repayment which does not, I take it, represent an actual diminution in our total indebtedness, but has been rather a conversion of external into internal debt. The facility with which this large amount in \$ was bought, without in any way turning the exchange against us, was a matter of common remark. It was doubtless an effect of the coal strike in the United States, which stimulated our exports. But there must

be deeper causes than this at work; and I observe that Mr Hoover, looking at the question from the other side, has forecasted for the United States the near approach of the point at which their imports will balance their exports, and the gold accumulated in the United States' Treasury will begin once more to flow outwards. That is in itself a forecast of improvement in our own export trade, and the course of the last year has done much to strengthen the grounds on which this sorely needed improvement may be expected to realise itself in the not distant future. In other words, the efforts which have been made on the part of masters and men alike to reduce the cost of production are already bearing fruit, and, through reduced prices, we are on the way to recover the position which we held in international trade before the war.

UNEMPLOYMENT.

But we must not talk about good times while we still have unemployment on its present scale. It has, indeed, been much reduced during the year, but there are still nearly a million and a half of men crying out for work. Now, this dark cloud of unemployment is essentially a world phenomenon—at all events, a phenomenon which, in one form or another, reappears in all the countries which were deeply involved in the war, and in those which are most closely dependent on them. The United States, though they suffered comparatively little from the war, have had their experience of it; but in the position of comparative independence which their vast internal resources give them, they appear already to have passed through it successfully, and have given us good guidance in the path which we must follow—that of hard work and making the most of such opportunities as we have. The plain fact is that we are all much poorer after the gigantic waste of the war—how can it be otherwise?—and are feeling the pinch of poverty. Some countries are absolutely ruined: Russia, for instance, is economically moribund, and has ceased to produce the large contribution which she used to make to the subsistence of the human race. Germany, if I am not mistaken, is well on the road to ruin, and is probably not producing enough for her own needs. Turkey and the Near East are now out of the running. And in many other countries in Central Europe production has fallen to a low ebb. The total population of Europe has been diminished by the war, but not nearly so greatly reduced as its productive power. There is less being produced to-day per head, and thus there is less to go round. The standard of living has been lowered, and we are all feeling poorer.

BURDEN OF TAXATION.

And, of course, we feel the burden of taxation which honesty involves; we feel it very acutely, and it can be no cause for wonder if complaints are loud at times and the outcry for relief becomes urgent. So far as the cry takes the form of an insistence on reduced expenditure, the one means by which taxation can be legitimately reduced, it must have all our sympathy. One wishes one could feel more confidence that this reduction is being pursued and enforced with all the rigour which it requires. To that end we should strain all our energies. But when one sees suggestions that we should not attempt to pay our way, that we should accept a deficit in the Budget and borrow the money in order to relieve the burden of the moment by throwing it vaguely somewhere on the future, then it is time to raise the voice of protest. That is the start on the fatal slope of inflation. Germany shows us the end towards which it leads. It means a reduction of taxation by the most cruel and unjust form of capital levy, a levy the chief weight of which will fall on savings, irrespective of the capacity of the owner to bear the burden, a levy which will be as heavy on the owner of a single War Savings Certificate as on the proprietor of a million pounds' worth of stock, while it will spare entirely the gambler in oils or rubber or gold. That is a capital levy which no one can possibly defend except the industrial interests which look to profit by it.

INFLATION NO REMEDY.

Naturally there is everywhere a tendency to shift the burden on to one's neighbour, if it can possibly be done. In Russia the whole burden has been thrown on the well-to-do, who have been exterminated, with the result that the proletariat has been reduced to starvation and some two or three millions have died of famine. In Germany, by the device of inflation, the burden has been thrown upon the middle classes and the thrifty, who have seen their savings taken from them and handed over to industrial profiteers who have passed on to their workmen just a living wage. Unemployment has been avoided for a time out of the pockets of the steady-going citizens, but a larger sum by far has been passed on to men of the class of Herr Stinnes, and, one is inclined to believe, removed for investment outside Germany. Inflation in Germany has proved an extraordinarily wasteful and ill-applied dole for unemployment. Here at home we have at least avoided any camouflage in the matter. We have taken the ground that we must all stand or fall together; that every man has the right to maintenance if, by the working of our economic system, he becomes, by no fault of his own, incapable of earning it in the normal way; in short that, if there is not enough to go round on the old scale, all must contribute to the deficiency in proportion to their ability. In other words, we put the burden frankly on the taxpayer, and at the same time we endeavour to adjust our system of taxation so that it shall really reach every one according to his power to sustain the burden. Our system of doles and of assisted relief works, in spite of its obvious and very serious drawbacks, is at least honest: we know where we are. None the less, it is necessary to recognise in the alternations of abundance and shortage of work a grave defect in the existing industrial system, one which it behoves us to do all in our power to remedy. The ill has been greatly aggravated by conditions due to the war; but it is always with us; hunger-marches are no new phenomenon, and are the symptoms of a disease which sorely needs a remedy. It is a recurrent disease: it has its accesses and passes off. But each recurrence should teach us something. Had it not been for the disasters of the war, the Unemployment Insurance plan would have gone far to meet the evil, and it is in that direction, perhaps, that we must look for most help. But at all events there are grounds for hope in the growth of free and frank discussion of conditions between employers and employed. The evil is common to both sides, and it must be alleviated by co-operation. From this point of view it is all to the good that Labour should have taken its due place in the councils of the realm.

THE CONTINENTAL OUTLOOK.

But the immediate problem of unemployment depends on the prospect of such an early improvement in trade and industry as will afford the natural, and therefore most efficient, remedy for the present troubles. It must be confessed that the Continental outlook at least is not encouraging. The recent action of France on the Ruhr can only be viewed with the gravest anxiety, the more so as it serves to complete the economic collapse which Germany had already been to all appearances rapidly approaching. It is clearly impossible to hope for any great revival of trade from any of our old customers in Central Europe, whose recovery is entirely bound up with that of Germany; and we must draw what little consolation we can from the fact that so important an industrial rival as Germany has practically withdrawn from competition, except for certain classes of goods where she holds a monopoly—notably dye-stuffs. That, no doubt, counts for something, but it is only a short-sighted view which would see in this an equivalent for the general prosperity which was interrupted by the war. Looking further East, it is clear that Russia, in an almost moribund condition, is making tentative advances towards a revival of the capitalist system which has been so ruthlessly annihilated; but no recovery for our trade can be looked for in that quarter, so long as no confidence whatever can be placed in the good faith of the governing class. It is not likely that credit will be extended to those who, to judge from their actions in the past, will not hesitate to confiscate if they see a monetary advantage to themselves in so doing. In China, political chaos hinders the recovery of our trade; and in India, though conditions have improved, the return to prosperity is slow and uncertain.

PROSPECTS OF REVIVAL.

But in spite of all this there are definite signs of a strong trade revival, which is already doing something to diminish unemployment, and seems likely before long to do a great deal more. You will have seen the encouraging reports of recovery in the papers, and these are fully confirmed by the returns which we receive from our own managers in the different industrial centres. Perhaps the trade which is suffering most is cotton manufacture in its various stages; there the weakness of the demand from India and China stands in the way of active business. But in the iron trade

and its various great branches, from the blast furnace to the steamship and the railway locomotive, we hear on every hand of renewed activity. The coal trade is very active, and exports are growing. It is noteworthy that the United States and Canada are taking our coal, and offer markets which are largely new, and will, it is confidently hoped, be permanent. At the same time, it must be noted with regret that the profits are poor, and that the miners in many districts obtain their minimum wage only by heavy drafts upon the share of the surplus which is recognised as duly belonging to the owners. In the textile industries, though cotton is depressed, wool is doing well, and the hosiery trade has fully maintained the activity which was observable twelve months ago. The heavy chemical industry has made steady progress during 1922, home trade being assisted by reductions in railway rates and lower production costs. With the exception of South America, where the exchange has been adverse, exports have expanded. And, generally speaking, there is a tone of confidence for the future from many quarters. Blast furnaces are being blown in, works reopened and even extended, and new ships placed on order. It will be for the coming year to show if these hopes are to be translated into profits. For the moment at least they are mainly hopes, and have not affected our balance-sheet in the place where one looks with anxiety for trade revival, our advances to customers. These have been very steady throughout the year, but at a point below what we should like to see touched. That will not be reached when the new produce of extended industry comes forward to be financed for marketing.

POSITION OF AGRICULTURE.

There is one industry of which I wish in this connection to say a few words, the industry which is, in fact, the greatest in the country—namely, agriculture. That agriculture is not in a flourishing condition is unfortunately only too well known. But I sincerely hope that the conditions may not be so desperate as some would have us believe. We most heartily sympathise with farmers in the very heavy losses they have had to face in the drop in the value of stock of all sorts. But it must be borne in mind that this capital depreciation is to a great extent only a reaction from the great profits made by appreciation during the war, and I have heard it seriously questioned if the farmers are not, on the whole, better off, even after writing down their stocks, than they were before the war.

Another heavy burden from which many of them are suffering just now is that of the loans which they have incurred for the purchase of their farms. There was a great rush to buy at the very top of the market; the money was largely borrowed for the purpose, and the interest remains as a permanent charge. Now I have noticed with some surprise a tendency on the part of persons claiming to represent the farmers to blame the banks in this respect. It has, of course, always been the privilege of the farmer to grumble, and so long as his complaints were directed against his natural enemy, the weather, no one would grudge him his privilege. But the banks really have some cause of complaint when they find themselves treated just as if they were so much weather. After all they can show some reason for their actions.

You are doubtless aware that a committee has been appointed to inquire into the grievances of agriculture, including the supposed grievances against the banks. To this committee we have been pleased to show the figures for which they asked. I cannot, of course, anticipate their report, but it would surprise me if they found that there was any justification in the grumbles of which I have spoken.

THE BANKS AND AGRICULTURE.

One of the main complaints against us is, strangely enough, that we are pressing for repayment of the money advanced for the purchase of farms, regardless of the straits in which the farmers find themselves. Now if the complaint had been different—if it had been that by our extreme liberality in lending on very easy terms we had lured the farmer into buying at the top of the market, perhaps there might have been some ground for it. But the complaint is not of over liberality, but of undue severity. To meet this I will give you some of the figures that we have supplied to the committee. I may say that our own bank is, perhaps, less widely spread in agricultural districts than some of our neighbours. But we have very large farming connections in such districts as the Home Counties, Somerset, Cheshire, Derbyshire, and Yorkshire, and I do not doubt that our own experience is typical of that of other banks. We have, in fact, advanced to farmers for the purchase of their holdings over £2 millions. And this amount is not being called for. We have had the figures taken out for the two dates asked for by the committee, August, 1921, and August, 1922, and we find that at this latter date, instead of having been reduced, the total had actually increased. The complainants will hardly maintain that there has been much fresh buying of holdings during these twelve months. It therefore follows that instead of

pressing for repayment of old debts, we have actually been helping the farmers by increasing our loans on their property.

BANKS AND THE SMALL FARMERS.

So much for the first complaint. But there is another of a more far-reaching character, which is continually being urged against us, and with which I should like to deal now once for all. It runs to this effect: "The old private banker, living on the spot, knew his customers personally, and was not afraid to advance to them on the strength of his knowledge, without demanding full security. But these modern joint-stock banks, managed from London, and giving no scope to local and personal knowledge, must have full security for every penny they advance; the farmer, and more especially the small farmer, has no chance, and the coming of the joint-stock bank is a disaster for him." Now mark "how a plain tale shall put you down." To begin with, the small farmer is said to be thrust aside in favour of the big man. Now the average amount of our advances to farmers taken throughout is no more than £800 per customer. And this includes the Home Counties, where the farmers are, on the whole, bigger men. If we take what we call "Parr's districts," which include Somerset, Cheshire, and Yorkshire, the average over all is only a little over £500 per loan. And I need not point out that this includes a good many large loans, so that the number of loans below £500 must be very large in proportion in order to make the average so small. We have on our lists of borrowers farmers with so small a holding as two acres each. So you see there is no ground whatever for the complaint that the small man is not getting his fair share of what is going.

QUESTION OF SECURITY.

And now as to the rigid demands for security which the hard-hearted banks are supposed to make. We have had the figures taken out, and I confess they were something of a surprise to me. They refer, of course, to the loans we make for current business purposes. They show that of the total number of borrowers no less than 28 per cent. had their loans wholly unsecured, and a further 13 per cent. only gave partial security. In other words, 41 per cent. of the farmers who borrowed of us received credit on that personal knowledge by our managers of their character and business, which we are accused of totally ignoring. And I should like to add, to the honour of our managers and their judgment, that this is a class of business which we most willingly undertake, for it is one in which we make very small losses.

FARMERS' CONFIDENCE IN BANKS.

It is with confidence then that I assure you that it is not our fault if any farmer who thinks he ought to have credit fails to get it. And in confirmation of this, I may remind you of a scheme which was started by the Board of Agriculture in 1917 expressly in order to meet complaints such as those of which I have spoken. It was a scheme by which county agricultural executive committees were set up by the Ministry of Agriculture for the purpose of giving special credits to farmers, with a view of enabling them to increase their production of essential food stuffs. This clearly was a practical test of the public opinion among local farmers as to the way in which they were treated by the banks. The result of that scheme was, I believe, that throughout the length and breadth of the land applications were put in for less than £80,000, a mere trifle compared to what the banks are lending; and about half of this would have been granted willingly by the banks to their customers in the ordinary way of credit.

The general conclusion which I draw from the information before me is that the farmers are having a bad time, but that the conditions are not in any way ruinous. The good hard-working farmer with up-to-date methods is able to make a living under present conditions, though he has to see a capital shrinkage which is more or less wiping out what he had accumulated in the good times of the war. The crisis with which he is faced is a serious one, but it is not worse than many which have been successfully surmounted in the past. The state of agriculture is indeed very similar to that which followed on the great Napoleonic wars of the last century.

THE FOREIGN BANK.

Of the internal affairs of the bank there is not very much to say. Our two affiliated banks have shared fully in the difficulties of the times. Our foreign bank has suffered especially in Spain, both from the collapse in trade which has seriously affected all banking business, and from the policy deliberately adopted by the Government, with the active support of public opinion, the policy of severe discrimination against all foreign competition. This policy is displayed both in the refusal to foreign banks of the favourable rates granted by the Bank of Spain to native institutions and in the imposition of special taxation on foreign capital. These circumstances coming all together—there had been no indication of them when we opened in Spain—convinced us

that it was necessary to restrict our business there, and to concentrate in Madrid. Madrid is the centre of the financial interests of the Peninsula, and we have every reason to hope that we shall be able to continue there on remunerative terms to the benefit of international trade.

THE ULSTER BANK.

The Ulster Bank has had its share of trouble too. A year ago I spoke of the boycott from which it was then suffering. This continued for some months, and was enforced by numerous armed raids upon branches outside Ulster, which made demands upon the courage and resources of the managers—demands to which, I am proud to think, they showed themselves splendidly equal. One of them who had repelled an armed raid already, was marked out for vengeance, and shot dead in a second raid while heroically defending the bank's property. But we may hope that this particular form of atrocity is coming to an end. The boycott, which was, of course, not the work of the Free State Government, has ceased, and armed raids on branches are growing rarer. That there has been a real improvement, in the opinion of those whose business it is to inquire, is clear from the fact that the bank has been able to renew the policy of insurance against this form of loss at half the premium which was paid 12 months ago. In all other respects the business of the bank has been well maintained, and the balance-sheet and profit and loss account show little trace of the troubles. Though the linen trade in Belfast still remains depressed, there is no reason to anticipate any further losses beyond those for which ample provision has been made. And, generally speaking, the business of the bank goes on prosperously to an extent which is surprising in view of the deplorable conditions which prevail over large parts of that unfortunate country.

THE BANK'S BALANCE-SHEET.

Turning finally to the accounts we put before you to-day, you will notice a considerable shrinking on both sides of the balance-sheet. Like all other banks, we show a diminution in the amounts lodged with us. This I do not regard as evidence of continuing deflation, though it is a result of deflation in the past. The fact that prices have remained steady, with a slight tendency to rise, is in itself proof that there has been no deflation during the past year. It is evidence rather of stagnation of trade and the low rate of interest for short money, which has induced our customers to invest in the many tempting Government offers of securities the cash which was held with us on deposit. There has been no paying off of Government debts, which would be deflation, but simply a rearrangement of dates for repayment, which is a form of stabilisation.

The falling off in money lodged is almost exactly reflected in the decrease in our holding of Treasury bills, which have run down from the £77 millions of which I spoke a year ago to about £45 millions in the present balance-sheet, and this again is a reflection of the decrease in the total aggregate of Treasury bills from about £1,064 millions to £709 millions during the year. You will find that the amount of commercial bills which we have under discount is practically identical with that of a year ago, about £24 millions.

ADVANCES TO CUSTOMERS.

So, too, advances to customers are at nearly the same figure as a year ago, £106 millions against £110 millions at the end of 1921. The proportion of these to our money lodged is a little higher than a year ago—about 38 per cent. as against 35 per cent.—but still much lower than we should like to see it. It is to an increase in this item that we look for signs of reviving trade. May it soon come. The falling off in the amount of acceptances, endorsements, &c., is mainly due to the dullness in the cotton trade and the reluctance of manufacturers to take cotton at the present high prices, reflected in a large reduction in our acceptance of cotton bills.

When you look at our profit and loss account you will see that our total profit shows a shrinkage. This again is an experience we share with our competitors; but on the whole you will, I hope, feel that the results are not unsatisfactory. They have not been attained without a great deal of anxiety and hard work, and when I come presently to propose a vote of thanks to our staff, you will be justified, and I am sure very happy, in giving them the credit they have so well earned. The year has, for pure banking profits, been a rather lean one; but, on the other hand, the appreciation in the value of investments has made up behind the scenes for a good deal that we have missed in other ways. We have, of course, made full provision for bad and doubtful debts, but we think it wise to continue the prudent policy of laying aside a substantial amount to the contingent fund. The sums which we have appropriated to premises and rebuilding funds are also a continuation of the policy you have approved in past years, and need little comment. I may, however, in connection with the rebuilding fund, call your attention to the substantial progress which we have made with the first section of our new scheme in Angel court. We hope to be occupy-

ing the premises by the end of the year, and it is possible that this may be our last meeting in this room, which has so long served for our shareholders as well as our board.

THE BOARD AND THE STAFF.

In our own ranks in London, we have to deplore several losses. We have lost by death two of our directors, who were not only our first in seniority, but were to the last among our most active members. Mr O. A. Benecke died at the age of eight-five, after little more than a week's illness to interrupt his constant attendance at our boards and committees. He had been a director for forty-seven years, and his name is still green in the memories of the old Westminster staff, in whose sports and welfare he took unceasing interest.

Mr A. J. Fraser passed away quite peacefully and suddenly only a few hours after he had been actively engaged on his work for the board. Both of these gentlemen had endeared themselves to all their colleagues by geniality and goodness, and the loss of their ripe judgment and long experience is one which we greatly feel. Even more pathetic is the absence of our colleague Mr E. H. Cunard, stricken by a cruel and disabling illness in the prime of life. We still cherish some faint hope that he may yet be spared to rejoin our council.

In our new colleague, Sir Malcolm Hogg, we have found a man who has achieved distinction while still young. His large experience in India has been crowned by the important appointment of Commercial Member of the Council of the Secretary of State for India, and we look forward with confidence to his assistance on our board for many years to come.

Of our managers, we have lost Mr Inskip, who has reached the retiring age, and carries with him our most hearty good wishes and good will in the leisure he has well earned. He is succeeded by Mr. Philip Mortimer, whose abilities as a banker are backed by artistic gifts of a high order, and who illuminates any matter which he takes up.

With a general management such as we have, backed by the hearty devotion of a loyal and capable staff, we are prepared to approach with confidence the anxieties and the successes which the future may have in store for us.

Ladies and gentlemen, I beg to move "That the report and accounts be received and adopted."

Sir Montagu Cornish Turner (deputy-chairman) seconded the resolution.

A SHAREHOLDER'S CONGRATULATIONS.

Mr A. Gordon Bird congratulated the directors, managers, and staff on the satisfactory balance-sheet, especially in view of the terrible year through which the country had passed. He wished to emphasise that the financial position of the bank was really very much stronger than that disclosed in the balance-sheet. He analysed the figures, and while thoroughly endorsing the policy of the directors in making provision for all contingencies, yet ventured to put forth a suggestion that the directors should consider the advisability of distributing a larger proportion of the net profits among the shareholders in the way of an increased dividend. If they were unable to distribute an increased amount in cash, he suggested that they might give the shareholders a bonus every fifth year, and he hoped the first bonus would be next year. If the directors could not see their way to distribute a further amount in cash, perhaps they would think it well to declare a bonus by paying up some of the uncalled liability on the shares.

Mr William C. Edwards, in some observations on the position of agriculture in this country, remarked that it was a matter of keen regret to him that so much land in this country failed to be cultivated in contrast with other countries, where they were putting year by year a greater amount of land under cultivation. The industry, which was the basis of real prosperity in every country, was being destroyed in this country through the heavy burden of the way of taxation to which it had to submit. The industry would never see an improvement until this heavy load was taken off.

Mr Frederic Tomkinson felt that bankers were able to do very little in the way of remedying the grievances under which farmers conducted their business, but he was quite sure that the bank had done all that was possible to assist the industry.

The resolution for the adoption of the report and accounts was unanimously carried.

Mr Robert Hugh Tennant (deputy-chairman) proposed that Mr J. H. P. Goodden, Mr H. C. G. Batten, Sir George H. Murray, Mr V. W. Yorke, Lord Richard Cavendish, and Sir Montagu C. Turner be re-elected directors of the bank.

Mr Henry Parkman Sturgis seconded the resolution, which was unanimously agreed to.

Mr W. H. Skeel proposed, and Mr J. O. Williamson seconded, that Messrs Turquand, Youngs and Co., Messrs Kemp, Chatteris, Nichols, Sendell and Co., Messrs Price, Waterhouse and Co., and

Messrs Stead, Taylor and Stead be reappointed auditors of the bank for the current year at the present rate of remuneration. The resolution was carried.

VOTE OF THANKS TO THE BOARD.

Mr Eustace Erlebach proposed, and Colonel A. J. Vanrenon seconded, a resolution that the thanks of the meeting be presented to the board of directors for the able manner in which they had conducted the affairs of the bank.

The resolution was unanimously passed.

The Chairman, in response, said that the resolution was evidence that the great mass of the shareholders believed that the board, in maintaining the dividend at its present rate, had done well, and that it was not advisable on the part of the shareholders to press them too much to make an increase in the dividend. The directors were also shareholders, and naturally would like to see a larger dividend, but he would ask the shareholders to reflect for a moment on what were the enormous responsibilities in these days of those in control of one of the big banks, and to remember the great national interests dependent upon the absolute and undoubted stability of the large banks. That feeling of responsibility was never absent from the minds of the board, and the unquestioned stability of the bank through large reserves must be their first consideration.

THANKS VOTED TO STAFF.

He then moved: "That the thanks of the meeting be presented to the officers of the bank for their zealous and able services during the past year." In his main speech he had paid his tribute to the work of the staff. They were, he said, a loyal and capable body, quite able to look after their own interests. They had their own guild, which was constantly in consultation with the management and the board, and the staff had shown themselves very capable of defending their own interests, but all had been done in the most friendly way, and he thought, in the end, both sides had come to an equitable agreement, with the result that the bonds between the board and the staff had been strengthened.

Mr Charles Cross seconded the resolution, which was unanimously passed.

Mr John Rae (chief general manager): I beg to thank you, Mr Chairman, and Mr Cross, for the generous terms in which you have submitted this resolution; and for myself, for my excellent colleagues in the general management, and on behalf of my zealous co-workers in this great service, I thank you all for the warmth of your appreciative response.

In the concluding sentence of his speech Mr Leaf has said that "with such a staff the board are prepared to approach with confidence the anxieties and the successes which the future may have in store." I am glad that to-day's proceedings will be broadcasted throughout our service, so that there may be individual encouragement and renewed resolve to attain as nearly as possible to the high ideal set up by our chairman. It is in this spirit that we accept this vote of thanks, for which I have the honour and pleasure to respond for the bank's staff.

NAME CHANGED TO WESTMINSTER BANK, LIMITED.

An extraordinary general meeting was then held, at which the following resolution was submitted:—"Resolved that the name of the company be and is hereby changed to 'Westminster Bank, Limited.'"

The Chairman said: Gentlemen,—We now come to the special meeting to consider the extraordinary resolution for the change of the name of the bank.

The desirability of shortening the name of the bank is a question on which I can hardly imagine that there will be any serious difference of opinion. It is a matter which has been constantly pressed upon us by our customers and our shareholders alike, and there is not one of us who has not, whether in his individual or his official capacity, felt the inconvenience of a title which, whatever its merits as a historical document, is beyond all question cumbersome in daily use. The board have long had before them the advisability of bringing forward such a resolution as that which is now before you.

But we have been delayed by hesitation as to the form which the new name should take. We have had many conflicting interests and sentiments to consider and to reconcile, and the sentiments have been, perhaps, even more difficult to deal with than the practical interests. We have had under discussion from time to time I do not know how many possible alternatives, each with much to be said for it. There is, in fact, no part of our name to which a certain amount of goodwill does not attach, and there is not a word in our long name which we can surrender without a certain amount of regret. It is only because we strongly feel that the advantage of shortness outweighs the value of any part which we give up that we have put this resolution before you.

The same hesitation between various alternatives exists among our shareholders, as we know from the letters we have been re-

ceiving during the last few days. Though all express approval of the shortening, some have preferences of their own as to the way in which it should be done. One correspondent suggests that we might do it by omitting the word "Limited." That suggestion is, I think, original, as well as illegal, and has not been before us; but with that single exception I can say that every alternative form put before us by our correspondents has received sympathetic consideration by the board; several of them have had warm supporters among us.

"WESTMINSTER" DIRECTORS' UNANIMOUS CHOICE.

But we have come to the conclusion that the need for the abbreviation is such that we must all sink our individual preferences. The only name on which we were at last able to combine was the word "Westminster," which has received the unanimous support of the general managers, and is now put before you by the board as a whole. I ask you now to do what the directors have done, and to sink any differences of opinion you may have in the interest of the bank as a whole. To pass any amendment of the name would be simply to throw the whole question into the melting-pot again and to delay a change which, after the maturest consideration, the directors hold to be for the good of the bank.

Let me add that the change will not involve any alteration of the familiar names by which we are known in various districts. In Somerset we are still "Stuckeys," in Derbyshire we are still "Cromptons," in Yorkshire we are "Becketts," and so we shall be content and even anxious to remain, in common parlance, the "County" round London and "Parr's" in Lancashire. In the City of London and in the various Dominions of the Empire, our close connection with which we prize so highly, we shall still be as we have always been, "the old Westminster." I beg to move the resolution contained in the notice convening the meeting, and as the matter is one in which the sentiments of the staff are very largely involved, and deserve the very fullest consideration, I am going to ask Mr Rae, as representing the staff, to second it.

STATEMENT BY MR RAE.

Mr John Rae: Gentlemen,—I have pleasure in seconding this resolution, but before it is formally submitted for your approval you may permit me to say a few words, although after the clear statement which has been made by the chairman and the exhaustive treatment of the "pros" and "cons" which he has given to the subject of this important resolution, little remains to be said.

In consequence of the amalgamation of three large and individually important banks, we have had to accommodate ourselves for a time to the inconvenience of an unwieldy and cumbersome title. When the general managers unanimously recommended that sufficient time had elapsed to admit of an abbreviation in our name, I should like to say that an amount of sentiment had to be overcome far greater than can be felt by shareholders and customers for the cherished titles of our respective entities. An official who has given his life work, and in some measure impressed his methods and personality on a company, does not with a light heart surrender a name with such personal associations.

Sentiment apart, however, our customers and the public generally have found the length of our name cumbersome in correspondence and costly for telegraphic purposes; moreover, when they resort to the alternative of initials—not always the correct initials—correspondence tends to find a wrong destination.

Thus it is that the change which we had contemplated has become increasingly pressing, and to meet all the objections attaching to our present designation the selection of a title comprised of three words seemed essential.

Having restricted the problem to these dimensions, the solution was clearly either in finding an entirely new corporate name or selecting one word from the present title which would meet the case.

I shall not exhaust your patience by weighing afresh the reasons which moved us to recommend "Westminster," as against "County" or "Parr's" as the word best suited for our purpose, but I can assure you that our unanimous recommendation was not made without much thought and much discussion—abandoning personal sentiment for what we were convinced would be the best interests of the bank.

When we emphasise the desirability—I may almost say necessity—of changing our name to one of three words, practically all the alternatives suggested by individual shareholders and members of the public who have interested themselves in this matter are unavailing. There have, indeed, been comparatively few of our shareholders who have demurred to the proposed change; many have approved, and public opinion, as evidenced by Press comments, is whole-hearted in approval, not only as regards the desirability of abbreviation, but also in the selection of the Westminster Bank, Limited, as our new name.

After two or three shareholders had expressed their views on

the proposed change, the resolution was carried with three dissentients, and by the necessary three-fourths majority.

Mr Frederic Tomkinson proposed a cordial vote of thanks to the chairman for presiding.

The resolution, having been seconded, was carried with acclamation, and the proceedings then terminated.

COMMERCIAL BANK OF THE NEAR EAST, LIMITED.

DIRECTORS' SOUND AND CAUTIOUS POLICY.

The first annual general meeting of the Commercial Bank of the Near-East, Limited, was held, on the 30th ult., at the offices, 1 Broad street place, London, Mr C. H. D. Moberly (managing director) presiding.

The Chairman, in moving the adoption of the report and accounts, said: The report and balance-sheet only cover the period of under two months during which the bank has been working. The directors' policy is to confine ourselves to general banking on conservative lines, so as to build up a sound business, and to expand cautiously and only as we find profitable and reasonably safe business.

The balance-sheet shows a very liquid position. We have been appointed agents of the Commercial Bank of Greece, and they are our agents in Greece. The present understanding is that any branches we establish will be outside of the Kingdom of Greece, and that we will be appointed agents of the Commercial Bank of Greece for those places.

We have recently acquired, on favourable terms, a branch at Constantinople from the Commercial Bank of Greece, and as it is a profit-earning branch, it will doubtless be a source of satisfactory profit to us, provided, of course, that the coming settlement of the troubles there does not force us to close it. We understand that the Capitulations, which have existed for centuries, are likely to be abrogated in the new Treaty, although I believe that both British and foreign residents there are unanimous against this abrogation. It seems there is a feeling that, before abrogation, the Turks should prove their capability for fair dealing and justice, which it is said they have never done hitherto. It is also stated to be the fact that British merchants have been able only to establish themselves at places where there were Consulates. The Commercial Bank of Greece, head office, and branches, are doing a good deal of business with us, and this connection is undoubtedly a valuable one.

We have issued no appeal to the public for our capital, as times have not been propitious. We are receiving, from time to time, applications for shares and are allotting them. It is possible, I might almost say probable, that we shall make a public issue later on, and in that case ask for your consent to an increase of capital.

The report and balance-sheet were adopted.

The general meeting was preceded by the statutory meeting, at which the proceedings were quite formal.

MORTGAGE COMPANY OF THE RIVER PLATE, LIMITED.

The thirty-sixth ordinary general meeting of the Mortgage Company of the River Plate, Limited, was held, on the 30th ultimo, at 52, Moorgate, London.

Mr James Anderson, who presided, said that the company's mortgage business had not been very active during the past year. The loans outstanding at the close of the year amounted to £801,250, against £950,217. This was a lower figure than they had touched for many years past. To-day their investments in the River Plate only reached 45 per cent. of the total assets, the remaining 55 per cent. being represented by cash and investments in London. The transfer of money from the Plate to England had prejudicially affected their income, but not to any grave extent. If they had lost in income they had gained in security. For the time being they were deprived of the protection they formerly had in being able to send home gold if they wanted to. Their mortgage business had been a thoroughly sound and profitable one, and they would not willingly let it slip, but he was sure that, in view of the changed position, the board had not been unwise in withdrawing a substantial part of the company's capital from Argentina for the time being, thereby protecting it from all currency risks. The mortgage loans were all perfectly good, and gave no occasion for anxiety. Should the Argentine dollar be at par when the loans were eventually collected and remitted to England, they would realise some £50,000 more than the balance-sheet figure. There was no depreciation on the assets, and the whole of the company's capital, reserves and undivided profits were intact. The balance of profit for the year was £71,366, an increase of £5,230. The net profits enabled the board, after payment of the dividend on the preference shares, to declare the usual dividend of 15 per cent. on the ordinary shares, and to add £13,826 to the carry forward.

The report and accounts were unanimously adopted.

THE NATIONAL PROVINCIAL AND UNION BANK OF ENGLAND, LIMITED.

RESULTS SATISFACTORY DESPITE ADVERSE CONDITIONS.

NATION'S IMPROVED FINANCIAL POSITION.

WORLD FINANCIAL AND TRADE CONDITIONS.

IMPORTANCE OF OVERSEAS CUSTOMERS.

CRITICAL SITUATION IN EUROPE.

The annual general meeting of the National Provincial and Union Bank of England, Limited, was held, on the 1st instant, at the Cannon Street Hotel, London, E.C.

Sir Harry Goschen, K.B.E., presided.

The notice convening the meeting and the report of the auditors was read by Sir Alfred E. Lewis (senior general manager).

CHAIRMAN'S SPEECH.

The Chairman said:—My lords, ladies, and gentlemen,—Although there are this year no outstanding features in what I may call the history of the bank, there are one or two matters in our report to which I should like to refer before I pass to our balance-sheet.

We have to deplore the loss by death of no fewer than three of our local directors—Sir Charles D. Cave, Sir Prince Smith, and Mr A. H. Leslie Melville. They have all passed away full of years and honour, after many years of useful work in their respective spheres of activity, and we shall miss the keen interest they took in the bank's affairs.

We have, on the other hand, secured the services, as a member of the Bradford Local Board, of Sir Prince Prince-Smith, son of Sir Prince Smith, the late chairman and one of the founders of the Bradford District Bank. Sir Prince Prince-Smith is now the senior partner of the well-known firm of worsted textile machinery manufacturers that bears his name, and he will, we feel sure, worthily carry on his father's valuable work for the bank in that district.

We are also glad to announce the appointment of Mr R. W. Matthews to a seat on our local board at Sheffield. Mr Matthews, who holds the high position of Master Cutler for the current year, is intimately connected with the staple trade of that district, and his experience and advice will be of much assistance to the management in that branch of our business.

BISHOPSGATE PREMISES.

The alterations and rearrangements of our premises in Bishopsgate are, I am glad to say, now practically completed, and the results have fully justified our anticipations. Our general managers, with their staff, as well as the executive departments, are all conveniently concentrated under one roof in close touch one with another, an arrangement which not only tends to increased efficiency, but has resulted in economy both of time and money. In these arrangements the fullest consideration has been given to the comfort and convenience of our customers: the accommodation at their disposal has been largely increased, and the bank is now adequately housed for the conduct of its widespread business.

It will no doubt interest you to know that with the assistance and co-operation of the representatives of our staff, we have just brought into operation a new contributory scheme for providing pensions for the widows and orphans of the members of the staff at a cost to the bank which is not unreasonable in view of the benefits it confers. We believe the new arrangements will prove of great value to all the participants.

In the course of last year we have acquired the business of Messrs. Dingley and Co., of Launceston, and that of Messrs. Dingley, Pearce, and Co., of Okehampton, and we feel confident that the incorporation of these old-established and respected firms of country bankers with this institution will strengthen and consolidate our position in that part of the country. We are glad to welcome on our local board for Launceston two of the partners of these firms, Mr J. Dingley and Mr E. D. Pethybridge.

BALANCE-SHEET ITEMS.

Turning to the balance-sheet, on the liability side, our paid-up capital appears as before at £9,309,416, but we have brought our reserve fund up to £9,000,000 by the addition of £121,959 transferred from the year's profits, which I think you will agree is a step in the right direction.

Our current, deposit, and other accounts, amounting to £263,037,482 15s 10d, show an apparent diminution of nearly £10,000,000, but this decrease is not really as large as it appears to be at first sight.

Certain liabilities hitherto included in current, deposit, and other accounts have been transferred to liabilities for acceptances,

endorsements, engagements, &c., because it was felt that the latter item described their nature more correctly.

Had it not been for this transfer, there would only have been a decrease of some £6,000,000 in the amount of our deposits—a very satisfactory feature in view of the reduction in the total amount of deposits of all the banks.

COIN, BANK OF ENGLAND AND CURRENCY NOTES, &c.

On the other side of the balance-sheet, coin, Bank of England and currency notes in the United Kingdom, and balances with the Bank of England amount to £33,073,765 18s 5d, a slightly lower figure than last year, but one that gives us a percentage of cash to deposits of 12.6, and one which, if taken in conjunction with the next item of £8,539,811 1s 9d, representing our balances with and cheques in course of collection on other banks in the United Kingdom, cheques and drafts, &c., in transit, shows a percentage of total cash to deposits of 15.8.

MONEY AT CALL AND SHORT NOTICE.

Money at call and short notice at £13,000,102 7s 6d stands at a somewhat higher figure than last year, bills discounted, including Treasury bills, amounting to £45,581,858 7s 5d, show a reduction as compared with last year, whilst our investments, which, as usual, include a large proportion of short-dated maturities, stand at £52,639,155 4s 3d—an increase on the previous year's figures of over seven millions. The shares we hold in other banking institutions stand in our books at £2,678,750. Advances to customers on current and other accounts, £121,752,907 16s 6d, stand again this year at a somewhat lower figure than in last year's balance-sheet, indicating in a measure, I am sorry to say, slackness of trade rather than any disinclination on the bank's part to finance the legitimate requirements of our customers.

The increase in the figure at which the bank premises now stand, viz., £4,112,522 11s 2d, against £3,889,153 0s 5d in last year's accounts, is accounted for by the expense entailed by the alterations in our head office and by the addition of new branches as set out in the report.

The last entry on the sheet is a *per contra* entry, setting out our clients' liability on acceptances, &c., and agrees with the corresponding entry on the other side of the account.

PROFITS AND ALLOCATIONS.

I now come to what is, perhaps, to some of us the most interesting part of the balance-sheet—the profit and loss account—which shows (and I may say the balance is arrived at after not only writing off all realised bad debts, but after making, as far as the keenest scrutiny can foresee, ample provision for any doubtful accounts) an available balance of £2,743,440 2s 6d, including £889,249 13s 4d brought forward from last year's account.

The dividend of 8 per cent. paid in July last, amounting to £744,753 5s 8d, has already been appropriated from this amount, and the further dividend of 8 per cent. per annum, payable on February 2, will absorb a similar sum. After the deduction of these two items, the remaining balance at our disposal has enabled us (as I have already mentioned) to bring up our reserve fund to a round £9,000,000, to appropriate £100,000 to the pension fund, to transfer £100,000 to bank premises account, and to carry forward to next year's account the substantial sum of £931,974 11s 2d.

COUTTS AND CO.

The very satisfactory balance-sheet of Messrs Coutts and Co. which accompanies that of this bank, shows, in common with other banks, some reduction in the deposits, which amounted at the end of 1922 to £17,489,879 4s 8d, against £19,283,951 4s 4d in the 1921 accounts. On the other side, the coin, Bank of England and currency notes in the United Kingdom and balances with the Bank of England stand at £2,125,103 16s 5d, and show a ratio of cash to deposits of 12.15 per cent. or—including balances with other banks, &c., £2,773,720 18s 11d—15.8 per cent., a proportion equal to our own. Money at call and short notice, £2,717,750, shows a further 15 per cent. of liquid assets. The remainder of the balance-sheet calls for no further remarks except it be to congratulate Messrs Coutts' directors on the excellent position it discloses.

It has not been an easy year in which to earn profits; not only

has trade been bad, but the rates we have been able to obtain for our short money and in the discount of bills have been considerably lower than last year. The average Bank rate for 1922 was £3 14s, as against £6 2s 2d in 1921, which fall in rates is reflected in other directions. For example, the brokers' call rate in 1922 has barely averaged £1 14s 1d, against £4 1s 10d in 1921, and the year's average Treasury bill rate of £2 11s 1½d compares with £4 11s 6d in the previous year. I feel that in these circumstances the results we are able to lay before you are in themselves a high tribute not only to the economy with which our business has been conducted, but also to the unremitting care and ability which the general managers have devoted to the interests of the bank, as well as to the zeal and interest with which the managers and staff have worthily seconded their efforts.

NATION'S FINANCIAL POSITION.

We must, I am afraid, recognise that the somewhat sanguine anticipations of a revival of trade in 1922 have not been realised, and that it is only in isolated directions that there has been any semblance of prosperity.

In spite, however, of the depressed state of trade, I am glad to see there has been continued progress in the rehabilitation of our national finances. During the year that has passed the Chancellor of the Exchequer has been again able to effect repayments of our external debt amounting to £49,000,000, and during the same period £427,970,000 of maturing or short-dated securities have been converted into longer-dated stocks and bonds, with an annual saving of interest to the country of £892,000.

We are able to record again this year an improvement in the position of our currency. At the end of 1921 we held bullion to the extent of 34.9 per cent. against the Bank of England and currency notes available for circulation, and on the same basis of calculation this percentage of bullion has now risen to 37.62.

IMPROVED TRADE BALANCE.

Last year's Board of Trade returns also show a reduction in the adverse trade balance, which at the end of 1922 amounted to only 180 millions, against 277 millions in 1921, an improvement of 97 millions. It is only right to add that this reduction is chiefly due to the fact that our imports declined by 83 millions rather than to what I should have preferred to see, an increase in our exports, which are only 14 millions higher as compared with the previous year's figures, but notwithstanding this qualification, the result shows a further move in the right direction—and it must be remembered these figures reflect lower values.

The Board of Trade index number for wholesale prices for December stood at 155.3, as compared with 167.9 in the same month in 1921, and the cost-of-living index figure stood at 178, against 199 in the previous year.

RISE IN POUND STERLING.

There has been no better barometer of the state of our national finances than the American exchange, and the rise that has taken place in the value of the pound sterling, which, at the end of last year, was 4.64 dollars to the pound, as against 4.21 at the end of 1921, clearly proves that a progressive improvement in the credit of the country has taken place, a gratifying indication that the sacrifices we have made and the heavy burden of taxation we are still carrying are bearing some fruit in the shape of higher national credit abroad. It is almost superfluous to point out to you the advantages enjoyed by this country on account of the increased value of the pound sterling. The cost of commodities imported from other countries, whether for food or for our industries—for which cheap raw material is now more than ever an essential—is lessened, and the burden of providing for the service and eventual repayment of our debt to America is also materially lightened by an improved exchange. It is self-evident, and affords ample justification for the financial policy our Government has pursued.

AMERICAN DEBT.

The most important result of yesterday's Cabinet Council, as reported in this morning's Press, stands out as a landmark in our financial progress. Some people may think the rate of interest which we understand the American Commissioners are prepared to recommend for the funding of our debt to the United States is somewhat more onerous than might have been expected, when all the circumstances under which the debt was incurred and the purposes for which it was required are taken into consideration, but it is an honourable settlement for both sides, and I feel we should offer the Government our sincere congratulations for the courage with which they faced the situation and the decision they have come to.

Our thanks are due to the Chancellor of the Exchequer and the Governor of the Bank of England for the strenuous efforts they made at Washington to arrive at an agreement, and we also should appreciate the conciliatory and friendly spirit in which their suggestions were met by the President of the United States and the American Commissioners.

It would, to my mind, be unwise to embarrass the existing negotiations (for we must remember the terms of the agreement are subject to ratification by Congress) by entering into any discussion here as to what the terms of the arrangement might or might not have been. In my opinion, the definite settlement of our debt to America is of the highest importance, for I believe it will have far-reaching influence on the reorganisation of the finances of the world, and, indeed, may inspire other nations to efforts of a similar nature.

But whilst we may congratulate ourselves on the progress that has been made during the past twelve months in the rehabilitation of our national finances, a survey of some of our most important industries during that period cannot afford us the same satisfaction.

AGRICULTURE.

There is no doubt that at the moment agriculture is in a most unfortunate position. The present cost of living makes it almost impracticable that there should be any further reduction in the chief item of the farmer's expense—viz., farm labourers' wages; but, on the other hand, the prices at which he can dispose of his products are, as a whole, barely sufficiently remunerative to cover the cost of production.

Many suggestions have been made for affording assistance to the farming industry, and amongst them is one for the provision of extended financial facilities. This seems to me to imply that the banks have not afforded adequate assistance in this direction, and I do not think we should allow the matter to pass without comment.

Our farming clients—and although, of course, I naturally speak for ourselves, I am sure the same may be said of other banks—are amongst our most-favoured customers.

After reviewing the various proposals submitted to us during the past year, I have no hesitation in stating that the fullest consideration has been given to all applications for facilities in connection with the ordinary requirements of the farmer, such as foodstuffs, stock, payment of rent, &c. Indeed, I cannot call to mind any reasonable application that has been refused.

As you will appreciate, we have a large connection with this important industry, and you may be interested to know that at the present moment we are making advances to many thousands of farmers. This in itself is some indication of the widespread nature of the assistance we are affording that section of our customers, and it is unnecessary for me to assure you that every reasonable application will continue to receive generous treatment. This would seem to show that the banks are neither neglecting the industry as a whole nor the farmer as an individual, and that the cause of the present agricultural depression does not lie at the doors of the banks.

COTTON INDUSTRY.

In many other directions trade for the last 12 months has been very unsatisfactory. The cotton textile industry has not yet recovered from the accumulation of stocks, both at home and abroad, and orders at profitable prices have been few and far between. I am afraid that further liquidation has still to be faced, and that the high price of cotton and the keen competition from all parts of the world make business difficult, and leave but a small margin of profit, if any, to be divided amongst the manufacturer and merchant.

Our exports of cotton manufactures show an increase in volume ranging from 30 to 40 per cent. over 1921, but, notwithstanding the high prices prevailing for American cotton, the increase in value of the whole of these exports is only about 4 per cent., which gives some indication of the trying times through which the industry has been passing.

SHIPPING.

In shipping there has been unparalleled depression during the year. At the beginning of last July there were no fewer than 583 boats laid up (owing to the decline in freights), with tonnage of 1,112,000 tons, as compared with 484 boats laid up on April 1st, with tonnage of 836,000 tons, and the number of vessels launched by shipbuilders during 1922 was only 542, having a total tonnage of 1,040,000, as compared with 804 vessels in 1921, with a tonnage of 1,600,000.

A slight improvement, however, seems to be visible. Orders are forthcoming for new tonnage, and, at all events, this industry has retained its position in the world, as it is estimated that the amount of tonnage in hand in British yards is about equal to that now under construction by the rest of the world.

IRON AND STEEL TRADES.

In the iron and steel trades it has also been a year of poor profits; but it is satisfactory to know that we have, possibly through exceptional circumstances, secured a lead in the total amount of our exports. Twelve years ago Germany had acquired that position from us, and only five years ago the United States of America stood

at the head of the list. For the first eight months of 1922 our exports amounted to 2,060,000 tons, whilst the United States, during the same period, exported only 1,413,000 tons. From all quarters one hears of increased orders being placed. There is a better demand in what is known as the "small steel trade," but business has been carried on generally at a minimum (if any) profit, and often only to provide employment for men engaged in the industry.

In view of the great need all the world over for iron and steel productions for railways, other undertakings, and for the new enterprises which are being initiated, there are, in economic and political conditions prove favourable, grounds for hoping that this branch of our trade may enjoy an increased measure of prosperity.

WOOLLEN TRADE.

The worsted section of our textile trade has been one of our few industries to show some prosperity during the past year, and prices for wool tops have experienced a considerable rise. There is an increase also in the amount of wool imported into the country, of which 1,993,000 bales were retained for home manufactures, as compared with 1,122,000 during 1921. This increase is also reflected in the exports of tops from this country, which in 1922 amounted to 41,000,000 lbs, as against 34,000,000 lbs in 1921, and also in that of worsted yarns, which amounted to 42,000,000 lbs, against 23,000,000 lbs for 1921. In the manufacturing end, about 70 per cent. of the worsted machinery is now being employed.

COAL.

There was a large increase in our exports of coal in 1922, which reached 63,000,000 tons, against 25,000,000 in 1921; but this is still far below the 1913 level of 73,000,000 tons. However, the exports for the latter months of 1922 were up to the pre-war level, and the total production in last year of about 250,000,000 tons is approaching the 287,000,000 tons produced in 1913.

UNEMPLOYMENT.

The widespread unemployment throughout the country, due to the prolonged dislocation of our trade, is one of the most distressing features of the present situation. It is a problem that requires the most careful consideration. As the Prime Minister has said, the only permanent remedy for unemployment is an improvement in trade. There is no doubt that the measures adopted by the Government to stimulate enterprise should go far to alleviate the present state of affairs, and it is a distinct advantage that any assistance that may be provided should be directed to those undertakings which not only provide the maximum amount of employment, but serve some useful purpose in the shape of improved transport facilities—the provision of cheaper power and more economical methods of production.

As orders are placed for the various materials required by the undertakings which are in course of arrangement, we may hope to see large numbers of men again absorbed by our industries, as well as employed upon the actual work of construction. There has been already, I am glad to see, a progressive diminution in the number of men totally unemployed, for the return of January 15th shows again a decrease of 14,819 men wholly without work as compared with the previous week, and 365,133 fewer than at the beginning of January, 1922. I am glad to say also that the figures published yesterday, up to January 22, show a further reduction in the number of unemployed men of 18,872 as compared with the previous week.

CAUSE OF TRADE DEPRESSION.

It is, however, no good only looking back at what has passed, and I think what we ought to do—and what is more useful—is to consider what is the cause of this continued depression in trade, and to consider whether it is possible to find any remedy.

I can, however, offer no new explanation or suggest any new remedy. I am afraid there is nothing very novel in what appears to me to be the reason for the continued bad trade and stagnation of our industries. As far as our home trade is concerned, the high rate of taxation, both Imperial and local, has crippled, and is still impairing, the spending power of the community, and the reduced income which is consequently at the disposal of the taxpayer compels him to reduce his expenditure in every possible direction. We must also bear in mind that bad trade has a cumulative effect, and if the income a man derives from his occupation is, in consequence of the depression in his own trade, reduced, it naturally follows that he is unable to purchase the products of other trades to as great an extent as in prosperous times, thus producing a progressive aggravation in the area of depression.

DISTURBED CONDITIONS IN EUROPE.

But it is our foreign trade—the very life-blood of our industries—that causes me the most concern, and until some settlement has been effected in the distressed countries of Europe, I fear that we cannot hope for material improvement. Many of these countries

were accustomed in pre-war periods to take large quantities of goods from us, and their absence from our market accounts to a large extent for the lack of buyers for our productions. The economic condition of Germany has seriously interfered with her capacity to purchase fully manufactured goods. Austria is in a much worse position, and Russia as a potential buyer is practically non-existent. Furthermore, owing to the disturbed conditions in the Near East, very little trade is possible with that part of Europe.

Another feature that appears to me to be somewhat disturbing is that as any of these countries make some progress towards settled conditions, the whole of their energies and any resources that may be at their disposal are devoted rather to the re-establishment of their own industries than to the purchase of finished goods from this country. It is true that in the re-establishment of these industries machinery and other equipment are required, which may afford occupation for certain sections of our manufacturers, but the very fact that they are re-equipping their factories with the newest and latest machinery introduces a fresh element of competition to our trade.

The unfortunate condition in which the countries I have referred to find themselves has not only a direct, but also an indirect influence on the demand for our goods. Many European States were large buyers of raw material, food, and other commodities, which China, Japan, South America, and other countries were, prior to the war, accustomed to export to the Continent, and in view of the fact that these countries can no longer count to the same extent on the usual markets in Central Europe their purchasing power has also diminished.

INDIA AND CHINA.

India, always a good customer of this country, has hardly even yet digested the large shipments of goods made to her during the time of inflation. Political disturbances have interfered with trade, and the diminished demand for her productions, which in pre-war days were largely shipped to the Continent, affects the purchasing power of all her people. These conditions account for the decreased demand for goods from our Indian customers. Besides this, every year a larger proportion of the coarser textile products is manufactured in the country itself, and new mills are constantly being established for this purpose. There are, however, I am glad to say, some signs of improvement in her economic conditions. Crop prospects are good, and there is a larger acreage of exportable products under cultivation. Indian cotton is in better demand, and is again being exported in large quantities, so that with the more tranquil political and religious conditions that now obtain, we may anticipate a better demand for goods manufactured in this country.

In China trade is not good, and orders are scarce; political unrest there also exercises a deterring influence. The prospect of increased duties and surcharges and the absence of the pre-war demand from Europe continue to affect unfavourably her purchasing capacity.

CONDITIONS IN SOUTH AMERICA.

Conditions in South America—and particularly the Argentine—have somewhat improved, and the large shipments which were made to that country by British manufacturers during the period of inflation have, to a great extent, I believe, been absorbed; on the other hand, buyers, remembering the heavy losses they experienced on the fall in prices in 1920-1921, show distinct reluctance to place orders for cotton and wool productions on the basis of the prices now prevailing. Added to this, competition from German, Italian, and other Continental manufacturers is extremely keen, and textile productions from this country can only be placed there at the minimum margin of profit.

IMPORTANCE OF OVERSEAS CUSTOMERS.

May I add a word as to the importance of overseas customers to this country?

Owing to physical conditions, this country itself produces but a small percentage of the necessities of life. The remainder has to be imported, and can only be paid for by the goods we manufacture and sell to countries abroad. During the past year we imported foodstuffs alone to the extent of £424,000,000 in excess of the small quantity of food which was exported. This vast sum of £424,000,000 had to be paid for by our exports and services. In order to secure buyers for our goods, and, therefore, the means to pay for the food we need, it is, of course, essential that our manufacturers are able to compete successfully with other countries. But, capable as manufacturers are in producing goods at suitable prices, buyers cannot be created. Buyers themselves must have goods to sell in exchange for what they purchase. Unless they produce and can find a market for their products they cannot buy; but I think I have already said sufficient in this direction to show that in the end it is largely to the customer abroad that we have to look for a restoration of normal trade conditions in this country.

THE FUTURE.

I regret I can suggest no heroic remedy for the present condition of trade, and if I speak with some diffidence about the future, it is not that I regard it with any feelings of despondency, but that I do not wish to give expression to hopes that may prove illusory.

We have, I think, expected a more rapid recuperation of the trade of the world than has proved possible, but we have no reason to despair, and certainly some, though slow, progress has been made. When one considers the fall in production, the lack of transport, political unrest, and the disorganised state of national finance in many countries in Europe, added to all our domestic troubles, it is surprising that so much trade has been done during the past year. Since we last met, several of the new Continental States have settled down to work, and made arrangements for the settlement of their pre-war debts to this country, and in many directions trade within moderate limits is again possible. The arrangements in course of completion by the League of Nations for the assistance of Austria may have far-reaching results, and, should the outcome of the Lausanne Conference be favourable—as we devoutly hope it may—a vast field for our trade and enterprise will be reopened in the Near-East.

We note with satisfaction that an Imperial Conference of the representatives of all parts of the Empire is to take place in the near future, and although our faith in the results of conferences may be somewhat shaken, there is, I think, ground for hope that their deliberations may result in improved facilities for trade within the Empire, to the mutual advantage of all concerned.

GERMANY.

The Russian question, however, remains as difficult as ever. In Germany, perhaps the keystone of the Continental position, increased trade with the empire has been more evident than elsewhere. During the past 12 months Germany has bought and paid for considerable amounts of raw and semi-manufactured material both from this country and the Dominions overseas. It is interesting to note that in respect to claims of English creditors under Article 206 of the Treaty of Versailles, out of a sum of about 64 millions sterling (or with accrued interest, £71,000,000), £41,000,000 has been admitted by Germany and paid through the British clearing office. Of the remainder, £11,000,000 has been withdrawn and £19,000,000, most of which is in dispute, is still under consideration.

We should, I think, congratulate the administration of the Enemy Debt Clearing Office on the effective way in which they are discharging their difficult task. They have rendered incalculable service to British traders.

LLOYDS BANK, LIMITED.

TRIBUTE TO SIR RICHARD VASSAR-SMITH.

RESULTS OF A DIFFICULT YEAR.

BANKS AND FARMERS—ANSWER TO CRITICISMS.

TRADE POSITION AND PROSPECTS.

The sixty-fifth ordinary general meeting of the shareholders was held, on the 31st ult., at the Queen's Hotel, Birmingham. Mr J. Beaumont Pease (chairman of the bank) presided.

CHAIRMAN'S SPEECH.

In moving the adoption of the report, the Chairman said: The outstanding event in the domestic history of the bank during last year was the death of the late chairman, Sir Richard Vassar-Smith. He had been a member of the board for more than 33 years, and its chairman since 1909. His death was felt as a personal affliction by all his colleagues, and he was mourned by the staff, and by many who only knew him by name, in a manner and to an extent which can rarely have been equalled in business records. If in speaking of him, therefore, terms are used which are all too uncommon in a business connection, they are amply justified, for, apart from the esteem which his courtesy, his wisdom, and uprightness of life won for him, he inspired a genuine and deep personal affection in the hearts of even comparative strangers, and the lovable qualities of his personality endeared him in a very special degree to all those with whom he came in any intimate contact.

Of the feelings which he inspired in the staff it is not necessary to say more than to allude to the fund of over £10,000 which, entirely on their own initiative, they have spontaneously contributed as a lasting memorial of the position he had won for himself in their hearts and minds. You who have met him here year after year at our annual meetings know for yourselves his courtly and

The position in Germany at the moment is too obscure to discuss, and time only will show whether the policy we advocated or that which our friends across the Channel have adopted will produce the desired effect.

We cannot tell what the outcome of the present position will be, but at all events we have the great satisfaction of knowing that the deep feelings of friendship between our gallant Allies and ourselves have not been disturbed by inability to see eye to eye as to the best method of achieving our common aim.

KEEN COMPETITION CERTAIN.

In conclusion, whilst I can only repeat that the scarcity of foreign buyers for our productions is, in my opinion, the principal cause of our depressed trade, there seem to be, I am glad to say, some indications of an improvement in this direction. Let us take care that we are prepared to meet the keen competition with which any increased demand for manufactured goods will doubtless be accompanied. If we are to secure orders for this country, we must be in a position to satisfy the requirements of any prospective buyers on as favourable terms as, if not better than, anyone else. I feel confident that we can do this, but to do so successfully we must all be prepared, whether engaged in manual or intellectual work, to put forth our best energies in order to secure the maximum output of productive work at a cost that will compare favourably with our competitors. We shall then be in a position to take the fullest advantage of every opportunity of developing the trade of our country, on which the well-being and happiness of the entire community depend.

I now beg to move, "That the report and accounts, as presented, be received and adopted."

Sir Felix O. Schuster, Bart., seconded the resolution.

In the course of some discussion, the hope was expressed by a shareholder that the directors would raise the rate of dividend, to the pre-war level at least, as soon as possible; and it was also suggested by other speakers that the name of the bank should be shortened.

The Chairman, in reply, said that so soon as they could reasonably do so, the directors would be only too pleased to increase the dividend. He could hardly imagine that any shareholder at the present time, in view of the position of affairs at home and abroad, would suggest that this was the proper moment to pay a larger dividend. As to the name of the bank, he said that the board had been considering a shorter title, and the matter would not be lost sight of.

After the adoption of the report, and the re-election of the retiring directors and reappointment of the auditors, the proceedings terminated with the usual votes of thanks to the general managers and other officers of the bank, and also to the chairman for presiding at the meeting.

dignified bearing, and the sympathetic and kind manner in which he addressed you on our business and dealt with any question which arose.

You were able to appreciate the fact that, not only was Sir Richard a great banker, but that he had a long and varied experience in many kinds of business, and could bring to the deliberations of our board a sympathy with and a knowledge of the requirements and difficulties of many of our clients in trade. Countless numbers of these can testify to the sound discriminating judgment and charm of manner which he invariably displayed.

BANK'S PROGRESS UNDER LATE CHAIRMAN.

The extent of the debt which this bank owes to him it would, indeed, be hard to determine. Of the material prosperity which it has enjoyed under his chairmanship it is easy to find proofs. When he succeeded to the chair in 1909 the deposits of the bank amounted to £73,803,709. The last balance-sheet before his death showed this figure increased to £347,507,410. Our capital and reserve in 1909 was £7,171,600. In 1921 this amounted to £24,372,956, and our profits had increased from £843,038 to £2,529,124.

But it is not in these material facts and figures that we shall find the chief value of our heritage from him. It is in the unseen influence of his personality and character which permeated all classes, and in the atmosphere which he created wherever he was present, that the extent of our obligation to him can best be measured.

And in these matters the lesson of his life and work has a wider application than to this bank alone. It is commonly believed, or at any rate it is often said, that our present-day huge business organisations are mere soulless machines. We who know the value of Sir Richard's work and influence in our great institution can testify to the contrary. His life proved that there is room for a soul even in a business machine, and that a human sympathetic outlook has a place there, provides an inspiration which has an inestimable value in immaterial things, and can also be measured in pounds, shillings, and pence. Those into whose hands has been committed the torch which Sir Richard carried so high can say with all humility, but with sincere faith, that it will not easily be put out.

BALANCE-SHEET—LIABILITIES.

May I now ask you to pass to our balance-sheet and report, and to consider with me the figures contained therein?

Beginning on the liabilities side, the current, deposit, and other accounts, including rebate of bills and provision for contingencies, standing at £330,556,814, show a reduction of nearly £17,000,000. This is not a feature peculiar to ourselves, but is common to other banks in greater or less degree, and is a reflection of the deflation which has taken place during the year.

The next item constitutes the balance on profit and loss account, and I will deal with this when I come to it in a more detailed shape later on.

The acceptances, endorsements, guarantees, &c., show an increase of £7,386,036, and are an indication of the greater demand for banking facilities, and counteract the reverse side of the picture which we see in the reduced figure under advances on the other side of the balance-sheet.

Our capital and reserve remain the same.

ASSETS.

On turning to the assets we find the first two items are down in amount corresponding to the reduction in the liabilities to the public, but they retain the same ratio to these figures as they did last year—viz., 14.5 per cent.

Our money at call and short notice, standing at £17,310,496, shows an increase of £1,357,611, while the bills of exchange stand at £64,405,251, showing a reduction of no less than £26,214,211. This is explained by the fact that we have made a considerable change in our short investments from Treasury bills to Treasury bonds. We were encouraged to do this by the sharp fall in the return yielded by the Treasury bill allotment rate. At the present time this returns less than 2 per cent., and is not a very profitable investment.

We have made a change in the form in which we have set out our investments. The total of our investments in British Government securities, £89,684,337, shows an increase of nearly £18,000,000, and we thought it was only fair to the bank that this figure should be subdivided so as to show that the largest proportion—viz., £53,589,078—was in short-term Treasury bonds repayable over the next few years, and that the position, therefore, of our investment account was particularly liquid.

There have been some additions to our shareholdings in our affiliated companies. The National Bank of Scotland and the London and River Plate Bank, owing chiefly to purchases from the Public Trustee of enemy-owned shares in these companies which have been held up until now. It may interest you to know that we are holding our investments in these companies at the strict asset value, without taking any credit for goodwill.

I have already referred to the fact that our advances are down, and the figure at which they stand—viz., £123,388,678—shows a reduction of £7,458,452 from last year's amount. The reduced accommodation asked for by our customers under this heading has, as I have already stated, been made up by the increased facilities granted under the heading of acceptances.

Our bank premises account shows an increase during the year of £349,536, representing the building of new offices, a reference to which is made in our report, and alterations to old ones.

PROFIT AND LOSS ACCOUNT.

Turning next to the profit and loss account, the net profit for the year amounts to £2,668,874, a decrease in comparison with last year of £460,250. Although this is a substantial decrease, your directors are well satisfied with the result, considering the difficult conditions of 1922 for banking and other businesses. It is common knowledge that, while the returns from the employment of money were much less last year than in previous years, there was no corresponding reduction in expenses, and it was generally foretold that, while profits from the ordinary strict banking operations would probably be less this year than last, some recompense might be found in the fact that a profit had been obtained from the realisation of investments at the increased prices ruling during the same period. In our case, as we point out in the report, our profit figure has been obtained without including any profit arising

from the sale of investments—the whole of this latter figure has gone to strengthen our internal position.

Our charge for income-tax, owing to the three years' average on which it is assessed, is still very high, and has added to the normal expenses of the year.

Our net profit has been obtained, as usual, after making provision for bad debts, and in this connection I would like to point out that in a year when the record of failures has shown a considerable expansion even over that realised in the last two years—which had themselves suffered very severely—we have actually recovered more, during the past six months, from surpluses realised from provisions made in the past than we have had to provide for bad debts during the same period. We have, of course, made bad debts, as was inevitable, but they were less in amount than the sums which our previous liberality in providing for past bad debts has produced, and this is an eloquent tribute both to the care with which our advances are supervised, and also to the conservative policy that we have always adopted in the past in providing for anything which did not appear absolutely sound.

Out of the total amount available, £2,615,017, £868,366 has been used in paying the interim dividend for the half-year ended June 30th last, £250,000 has been placed to bank premises account and £100,000 to staff pensions fund. We recommend the payment of a further dividend at the same rate as that declared in June, absorbing £898,309, and leaving a balance to be carried forward to next year of £498,342.

SIGNS OF IMPROVEMENT IN TRADE.

These figures which I have just given you indicate the result of our operations during a year of unusual difficulty. As an appendix to my speech to-day I have collected reports on most of the main industries of the country, following in this respect the example of the late chairman. I do not propose to read them to you, but if you are interested to glance through them, you will find that, almost without exception, they tell the same tale of depression and trouble. The most cheerful records are those relating to the woollen, hosiery, and carpet industries, while others have shown some improvement on the previous year, and during the latter months of 1922 there were signs in nearly all of them of awakening activity and increasing demand. It is easy to exaggerate these, and I do not wish to say more than that they undoubtedly existed in varying degree, and that a distinct movement for the better was observable and could be seen reflected in an increasing demand for banking facilities and a more general inquiry for goods. Even in shipbuilding, generally one of the last industries to recover from a period of depression, one heard of new orders being placed in the latter months of the year and a spirit of hopefulness awakening.

AGRICULTURE.

I must, I am afraid, make one most important exception. Agriculture is still in a most critical and depressed condition, and I wish to make a special reference to it.

It is the oldest and greatest industry in the world. On it we depend literally for our daily bread, and to it is due all the sympathy and practical assistance possible in the difficult times through which it is passing. It is necessary to say this because in many letters to the Press, in public speeches, and in a recent debate in the House of Commons, it has been stated that bankers are not giving to farmers the financial aid which they ought to do.

The statement was made in the House of Commons a few months ago that "in the old days when they had little proprietary banks the banker knew every farmer, and he lent him money till the bad times were over, because he knew that the farmer was an honest man. They had got now a system of a different character." When an ex-Prime Minister and ex-Chancellor of the Exchequer commits himself to such a statement, so entirely erroneous and devoid of foundation, it is not to be wondered at that people of less importance, but of equal ignorance of the true facts, should write to the papers stating that "agriculture is suffering from the amalgamation of the big banks, and the position they are taking up in connection with the farming industry is that of practically affording no financial assistance to farmers."

"DEFINITE FACTS."

In the face of these extraordinarily untrue statements, I would like shortly to give you some definite facts. I have had the figures taken out, and they show that, as far as this bank is concerned, we are lending to 12,800 farmers sums aggregating £14,000,000, and I have no doubt that our banking neighbours have been similarly liberal. I would go farther than this and say that, if banks had been more liberal in the advances they made to farmers, at any rate for the purpose of purchasing their farms, there would have been a more legitimate ground for complaint, because farmers made these purchases—and in many cases were more or less compelled to do so, in order to avoid eviction—at prices very much higher than those of to-day.

STATEMENTS BY BRANCH MANAGERS.

As I wished to have some further facts in regard to this bank's action on this question, I wrote to the managers of two of our branches in the country. I chose these particular branches because they were both in the centre of agricultural districts, one in the North and the other in the Eastern Counties, and because the managers had been there under both a "small proprietary banking" régime and under the amalgamated joint-stock system.

This is the answer I received from one of them:—

"The debit balance due from farmers in December, 1902, to the private bank was £15,462. This figure compares with £25,034 due to Lloyd's Bank in December, 1922, and if advances to farmers for the purchase of their farms (£14,220) were added, and they might very well be, the total overdrafts of farmers at this branch would be £39,254 in December, 1922, against the £15,462 quoted above as due 20 years ago."

But these figures do not represent the full amount available for farmers at this branch, because, later on in his letter, the manager points out that overdraft limits to the extent of £63,550 were sanctioned in December, 1922, though not fully availed of, and he adds:—"These figures, I think, effectually dispose of the contention that banks are not as liberal in this respect as they used to be."

In further letters on the subject he states:—"There can be no question, I think, but that the facilities by way of overdrafts given by the joint stock banks are much greater than were formerly granted by the private banks," and in speaking of his own branch he says:—"No legitimate accommodation has ever been refused, no farmer has ever been pressed to sacrifice his stock until it was ready for sale, or to market his produce at an unfavourable time. He has been encouraged to buy fertilisers, and to farm his land to the best advantage, and when he has been doing so, we have stood at his back and waited patiently, sometimes for years, until he reaped his return."

All this, you must understand, was written by a manager who was himself in the same branch, and dealing with the same farmers, both in 1902, when the bank was a small private one, and in 1922, when it was Lloyds Bank, and my experience is that the natural inclination of private bank employees is to be sentimentally prejudiced in favour of the old régime, except when figures, as in this case, prove the contrary.

In the case of the second branch to which I wrote on this subject, the information was not so full, and did not prove my point to such a decided extent, but in that case, too, the figures confirm my view. In 1880 the advances (almost exclusively to farmers) were £107,000, in 1903 £117,000, and in 1922, under Lloyds' régime, £145,800. I think to any unbiased person these figures must be considered as convincing, and prove that, whatever may be the hardships of farmers—and they are many and serious—want of credit facilities is not to be counted among the chief. The contrary has, I know, long been the view in certain quarters, and periodically comes into prominence, only to be disproved on each occasion.

SPECIAL CREDIT SCHEMES AND THEIR RESULTS.

Arising out of a conference in 1915 or 1916 between Lord Selborne, then President of the Board of Agriculture, and representatives of certain of the banks, returns were made which it was considered went far to justify the claim that banks gave favourable credit facilities to their farmer customers. The old complaint, however, arose again in 1917, and a sub-committee of the Advisory Committee on Food Production considered the matter, and proposals were set on foot for giving special credit to farmers. At the request of the Government, the banks consented to co-operate in the scheme, and to give special financial assistance to farmers on a guarantee from the Government. The proposal was put into operation in March, 1917, and terminated on March 31, 1919. During the two years while the scheme was in force, 925 loans were approved, amounting in all to £77,537. Of this amount, the sum of £6,834 representing loans not taken up by the applicants. Up to March, 1921, the sum of £70,124 had been repaid, leaving only £579 outstanding and in arrear, most of which has been subsequently repaid.

It will be seen that the total amount of advances applied for at all the branches of the banks under this scheme is hardly in excess of the ordinary loan limits to farmers at a single comparatively small branch of this bank. It is true that there were a certain number of formalities in connection with the scheme which may not have added to its popularity, but if there had been any real shortage of credit to farmers by banks in the ordinary way, as was generally supposed, surely applications for assistance under this special scheme would have amounted to something infinitely more than the negligible figures which I have quoted.

Another scheme is provided under Section 18 of the Land Settlement

ment (Facilities) Act, 1919, by which a county council may make or guarantee an advance by way of loan to any tenant or prospective tenant of a small holding. Under this scheme, the total number of loans granted up to December 31, 1920, was 671, and the amount of such loans was £77,297. The loans have in all cases been made through a bank, repayment being guaranteed by the county council.

CONCLUSIONS.

The small extent to which these and similar schemes have been taken advantage of, and the very large amount of loan facilities granted in the ordinary way of business by the banks to the farming community, seems to me to confirm the proof already given that it is not want of banking help which is at the bottom of the difficulties through which the agricultural industry is struggling. The causes lie much deeper than this, and were enumerated in the House of Commons debate alluded to above as follows:—

The constantly decreasing population in rural districts; the high cost of living; the low returns from the labour and investment in land; the existence of an economic wage frequently lower than a living wage; the investment in some cases in the purchase of farms of capital required for the business of farming them; and the inequitable incidence of rates and the unfair burden of transport.

In short, agriculture is suffering from a rapid fall in prices, while there has been no corresponding fall in the cost of production.

To meet the situation the Government proposes to grant credit facilities, to encourage co-operation as well as agricultural education and research, and to take what steps it can in the direction of lessening the cost of transport and reducing local rates and the difference between producers' and consumers' prices. I am certain that banks will continue to do all that they reasonably can to assist this section of their customers, with whom they have every sympathy, in the difficulties confronting them through no fault of their own.

FARM PURCHASE LOANS.

There is one form, perhaps, of Government financial assistance, if this is to be given to farmers, which might be useful. This is with respect to loans for the purpose of purchase of farms. The banks, as I have pointed out, have advanced large sums for this purpose, but these loans have been granted rather in defiance of strict banking principles, seeing that loans of this nature tend to become more or less permanent. In most cases borrowed money from some source has been used by the farmer for these purchases, and when money has been lent by private people on mortgage the mortgage is always subject to being called in, necessitating fresh arrangements being made, with consequent costs and inconvenience to the farmer. If some credit machinery could be set up by which the farmer could be assured of more or less permanent loans, subject, of course, to reductions, but not liable to be suddenly called in, I think that possibly this might have some beneficial effect.

I must apologise for the length of my digression on this subject, but it seemed to me only fair and right that the real attitude of banks to the farming industry, and the assistance which we ourselves have given, should be made known.

CONTINENTAL SITUATION.

To return to the subject we were discussing. Undoubtedly signs of industrial improvement were discernible towards the end of the year, but trade is a delicate and sensitive plant, and cannot thrive in an atmosphere of unrest and uncertainty, and in any case the continued loss of such a large portion of our old markets would have prevented anything like a return to our full normal prosperity. It was all the more disappointing, therefore, to have our hopes, slight perhaps as they were, of a revival of trade seriously damped by the recrudescence of international disputes and difficulties. The actual loss of Central European and Russian markets, judged by figures alone, is not the most serious point. Russia, Germany, and Austria between them only took 14.8 per cent. of our total exports in 1913. Our trade is with the Empire and the whole world, but nowhere can trade be healthily flourishing if the general political and economic situation is uncertain. It is, therefore, bitterly disappointing, just when things appeared to be on the mend, that the unsolved problem of German reparations reached a stage more critical and more full of danger than it had previously done. We in this country can sympathise with France in her disappointment at the fruitless result of conference after conference, and we can understand the elementary desire which has inspired her to adopt more active and aggressive measures. We both, presumably, have the same ends in view—a recovery from Germany of the maximum which can safely be extracted from her, a final solution to the problems arising from the war, and a period of peace when we can devote our whole minds and activities undisturbed to the rebuilding of our shattered fortunes. But there is a great cleavage of opinion between us as to the methods best calculated to secure these ends, and the position is so desperately serious that it is

impossible to take a merely scientific and detached view of it. As it is, we are waiting with unconcealed anxiety to see what will be the outcome of France's tremendous experiment, and whether her attempt, in modern conditions of international interdependence, to extract material wealth from her neighbour by force will be crowned with success commensurate with the cost involved, or whether her belief in this method will be written down by history as the Great Illusion. Even if her objects were political rather than economic, which she has denied, it is difficult to believe that her security can be best attained in the way she has chosen when we consider the enormous risks of future disturbance which are involved.

BURDEN OF TAXATION.

The indications of improvement in trade which I have described as discernible towards the end of the year were all the more welcome as the country had had two bad years to face, and, at the same time, has been subjected to abnormally high taxation. I do not know whether the relative proportion between those who contribute the taxes and those who are benefited directly by them is generally known. A leader which appeared in the *Times* about a month ago stated that, during last year, with its lamentable extent of unemployment, more than half the nation were receiving help in one form or another from public funds, and that the other portion were bearing the burden. In 1922 the Poor Law relief reached the highest point ever touched in the social history of the country, and under our present system less than two and a-half millions of people pay more than one-half of the total revenue raised by the State. I do not mention these figures with the object of denying the necessity, which there undoubtedly is, for those who have possessions to contribute to the welfare of their less fortunate fellows, but I want to draw attention to the fact that we are gradually and quietly becoming more and more Socialistic in our actions, whatever we may be in our theories, and that a point may easily arise at some period when the individuals who at present provide the funds can no longer do so.

NEED FOR CO-OPERATION.

The Prime Minister, a short while ago, pointed out, in his conference with the unemployed in Glasgow, that the burden placed on the production of one ton of steel by rates and taxes (exclusive of income-tax) before the war was half-a-crown; to-day it is a guinea. It does not require much imagination to realise that, if the burden were lightened, the sales would improve and unemployment be reduced. Surely, therefore, it is the manifest duty of everyone, employers and employed, the Government and the public, traders and bankers, to do all that is possible in harmony and co-operation, with a wide sympathy towards the difficulties and necessities of their neighbours, and with a wise appreciation of economic facts, to restore our normal prosperity.

An opportunity will occur later on for me to refer to the work of the staff, and to express the board's thanks for their unvarying loyalty and support.

THE RESOLUTION.

I now beg to move:—"That the report just taken as read be received and adopted, and that, in accordance with the recommendation of the directors therein, a dividend for the half-year ended December 31st last of 1s 8d per share, being at the rate of 16½ per cent. per annum on the paid-up capital of the company, be declared, such dividend to be payable on and after February 1st, less income-tax."

Sir Austin E. Harris, K.B.E., deputy-chairman, seconded the resolution, which was carried unanimously.

The retiring directors, the Right Hon. Lord Bledisloe, K.B.E., Sir Richard C. Garton, G.B.E., Mr G. A. Harvey, Mr H. J. W.

Jervis, Mr Samuel Samuel, D.L., M.P., and Mr E. D. Vaisey, were re-elected, and Messrs Price, Waterhouse, and Co. were reappointed auditors for the year 1923.

VOTE OF THANKS TO CHAIRMAN AND DIRECTORS.

A vote of thanks to the chairman for presiding, and to the directors for their services during the past year, was carried unanimously. The Chairman, in acknowledging the resolution, asked that a vote of thanks to the general managers and staff might be passed. This was cordially agreed to, and the proceedings then terminated.

NATIONAL MUTUAL LIFE ASSURANCE SOCIETY.

STRONG FINANCIAL POSITION.

The ninety-third annual general meeting of the National Mutual Life Assurance Society was held, on the 30th ult., at the society's house, 39, King-street, London.

Mr John Maynard Keynes, C.B. (chairman), presided.

Mr Geoffrey Marks, C.B.E., F.I.A. (actuary and manager), having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said: Gentlemen,—In moving the adoption of the annual report and accounts, I need not comment at much length on the various points of interest, which are sufficiently evident in the documents themselves. New business and premium income are well maintained. The net rate of interest and the expense ratio are practically the same, and, though the claims are only slightly less in amount, our profit from mortality amounts to about £30,000, which is well above the average. We have a balance of nearly £263,000 appreciation and realised profit on our investments. All except a few hundreds of this has been obtained from our Stock Exchange securities, and amounts to 10.6 per cent. of the funds thus invested, which, added to the net interest earned—namely, 4.6 per cent.—represents a total contribution for the year of 15.2 per cent., free of tax. The large appreciation secured materially increases the strength of our position. Nevertheless, it is nothing out of the way in the special circumstances of the year, being almost exactly the average appreciation of fixed-interest-bearing securities generally. The board's investment policy has enabled them, over the last three years, to combine the avoidance of serious loss when markets were falling with taking full advantage of the opportunities of a rising market. Possibly we might have made somewhat more. But the political and business outlook was, and is, uncertain, and we have been more concerned to retain the handsome profits which we have made than to risk losing a part in the attempt to increase them further.

VALUATION AND ANALYSIS OF PROFIT.

The valuation and analysis of profit, which we make each year for our own information, show that the net surplus has been increased during the year by more than £337,000, and that the total surplus now amounts to £734,000, of which all but about £98,000 is realised profit, with one year of our quinquennium still to run. This is mainly due to the fact that over the last three years we have earned in interest and appreciation on our Stock Exchange securities an average of 10 per cent. per annum, free of income-tax. At the conclusion of the most prosperous previous period in the society's history—namely, the quinquennium which ended in 1913, our total surplus represented rather less than 12½ per cent. of our actuarial liability. The surplus now disclosed is rather more than 24 per cent. of the present liability, or nearly double the proportion at the end of 1913, although, as I have just reminded you, there will be a further year's profits to be

THE ANGLO-SOUTH AMERICAN BANK, LIMITED.



Capital and Reserves
exceed £13,000,000

Head Office:

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

AFFILIATED INSTITUTIONS:

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

brought in before the distribution of bonus at the end of this year. This is an exceptionally favourable position for any society to be in, and, whilst there are many adjustments to be made and an adequate sum to be reserved as a carry forward, it is clear that the prospects for our with-profit policyholders are unusually good.

ENDOWMENT ASSURANCE.

Last year I referred to the growing popularity of endowment assurance, and expressed the opinion that in this form of assurance, supported by a sound investment policy, the most fruitful development of life assurance was to be anticipated. That the popularity of this class of policy has not diminished is shown by the fact that last year about 40 per cent. of our new business came from endowment assurances. This has no doubt been influenced by the consideration that, as you all know, a rebate of income-tax at one-half the standard rate is allowed, subject to the usual limitations, on all premiums paid on life assurance policies; whilst, at the same time, under the new income-tax arrangements, any member whose taxable income exceeds £225 pays tax at the standard rate on the balance of his income, so that to the extent that his income exceeds that sum he loses nothing from the fact that the society have to pay at the standard rate on the income from investments in their hands. But if we are to develop this form of thrift fully, we must make it clear to policyholders that savings by means of an endowment policy can be regarded as a provision not only against death and old age, but also against all the other sudden contingencies of life which require a financial reserve. The average investor must obviously be at a hopeless disadvantage in looking after his savings as compared with a well-managed mutual society. I urge every one of our policyholders, who is not specially well situated for looking after his own investments, to take our endowment policies up to the maximum rather than up to the minimum of his capacity to save.

MUTUAL SOCIETIES AND FUTURE DEVELOPMENT.

Excluding colonial offices, there are now 15 mutual societies in the United Kingdom, of which 10 had total funds of less than £8,000,000 each at the date of their latest published returns. This seems to me a healthy state of affairs. I am sure that the right line of future development is towards closer friendship and co-operation on many matters of common interest between existing societies, rather than the further aggrandisement of a few at the expense of the rest. There must be, I think, an ideal size for a mutual life office, a point at which its funds, its income, its outgo, its membership, its administrative staff, and its directorate are all in harmonious relationship one to the other, and so capable of their highest economic efficiency. In particular, practical experience of investment indicates that there is a definite limit to the amount of funds which an office can control to the greatest advantage, and I should put this limit not higher than £10,000,000 or £15,000,000. I am assuming that the investment policy of the office is an active one, in the sense in which I used the words last year. If our holdings in any particular security or class of security were very large, market limitations would come in to prevent the completion of our plans, for I need not tell you that there are times when even the London Stock Exchange is not anxious to buy or sell great blocks of securities, however good they may be. We could, of course, deal on a larger scale than we have any need to do at present, or are likely to need to do for many years. But I am sure that a society which does not go beyond the limits which I have indicated above has a very real advantage in the management of its investments over the vast insurance and banking aggregations which have grown up in recent years.

There is another factor where compactness and concentration are likely to be advantageous—in the directorate. You will no doubt have noticed the marked tendency in recent years, in financial and investment companies especially, but also in industrial and commercial companies, towards smaller boards, mainly composed of experts in the businesses which the companies are formed to exploit. On the investment side, where lies, as I said last year, the chief part of the directors' duties, there is room for the application of the principles which, in other forms of enterprise, commend themselves to those who are responsible for their control. We have taken some steps in the direction indicated, and later on we hope to be able to submit to you our considered proposals as to the future.

As a result of our present strong position, we are hoping, I think, justifiably, for a substantial increase in our business. We have prepared for it by taking over and reconstructing the upper part of the next house, thus securing more and greatly needed accommodation for our staff. We are now in a position to handle, even more rapidly than in the past, the business which comes our way.

Mr. Arthur Keane Tharp seconded the motion, which was carried unanimously.

PARENT TYRE COMPANY, LIMITED. THE DUNLOP CAPITAL REORGANISATION.

The 26th ordinary general meeting of the Parent Tyre Company, Limited, was held, on the 1st inst., at the Criterion Restaurant, London, Sir Arthur Du Cros, Bart., the chairman, presiding.

The Chairman, in moving the adoption of the report and accounts, and in dealing with the accounts, which cover the period of 16 months to December 31 last, said: I am glad to be able to report that satisfactory and encouraging progress has been made with the policy of the board previously explained to the shareholders. The proposed agreement with the Imperial and Foreign Corporation has been modified by mutual agreement as mentioned in the report. One effect of this modified agreement is that the responsibilities and advantages of the original agreement are reduced by one-half, and the directors are unanimous in believing that the arrangement which they now recommend will prove a satisfactory and advantageous one from the point of view of both companies.

Sir Arthur then reviewed the company's investments, and, referring to the holding of over 2,000,000 Dunlop "C" preference shares, said: In view of the dual position which I personally hold on the boards of the two companies, I have asked my colleagues to relieve me of the task of making any fresh statement on the affairs of the Dunlop Company, and of the further responsibility of taking part, as a representative of this company, in the discussions which must necessarily take place upon any scheme of reorganisation. My colleagues on this board have kindly assented to my wish, and have appointed a committee of the board, with power to adopt additional members, consisting of Sir Arthur Dickinson, Mr. J. Douglas Watson and Mr. J. H. Guy, to act independently for the company in this connection.

THE DUNLOP POSITION.

Sir Arthur Dickinson, M.A., F.C.A., in seconding the adoption of the report and accounts, said: It is desirable, as the chairman has said, that at this time I should lay before you rather fully the present position of this company's investment of over £2,000,000 in Dunlop Rubber preference shares, by far the largest single holding of these shares in the Dunlop Company.

Sir Arthur summarised the history of the Dunlop Company up to 1918, showing that over a period of 18 years it had increased its annual earnings from £34,000 to £640,000, and distributed substantial dividends, built up a reserve fund of £300,000, besides writing off its assets of goodwill to the amount of a further £200,000, and distributing as a bonus to its shareholders £500,000 in ordinary shares. In August, 1917, the Parent Tyre Company sold its holding of ordinary shares to a syndicate for £4 per share, with a stipulation that all other holders of ordinary shares should be offered the same price. As a result the syndicate acquired about £50,000 of the £1,000,000 issued ordinary capital, and this holding was formed by them into what became known as the Dunlop pool. The capital of the Dunlop Company was increased about the same time by the creation of £3,000,000 of "C" preference shares, which the Parent Tyre Company contracted to take up as and when issued. The progress of the Dunlop Company continued, and its profits for the year ended August 31, 1919, amounted to £1,368,000. In March, 1919, the management was entirely changed, but the effect of the change was not at once apparent. In January, 1920, £1,000,000 of ordinary shares were issued at £8 each. In September of the same year £3,000,000 of ordinary shares were issued at 30s each, and about the same time a bonus in shares of £7,500,000 was distributed to the ordinary shareholders, out of the premiums received on the former issue. This left the reserve fund standing at £2,768,000.

AMERICAN DEMANDS.

Unfortunately during this period of prosperity, when money was being obtained so easily, no effective steps were taken to raise sufficient capital for the needs of the American Dunlop Company, which was then in the process of erecting plant and establishing itself on an ambitious scale, and during the same period enormous forward contracts for rubber and cotton were entered into. Then the financial crisis occurred, which was not confined to this country. On February 2, 1921, with the annual report for the year ended August 31, 1920, which showed profit of £2,164,000, a circular was issued by the Dunlop Company calling attention to financial difficulties arising out of heavy purchases on forward contracts, and out of the difficult problem of financing the American company. It was not plainly stated that large losses might be expected, but it appeared that Mr. Szarvasy had been called in and appointed temporary chairman, and the resignations of several of the directors appointed by the pool had been accepted.

When the accounts for the year ended August 31, 1921, were published a loss of £8,300,000 was disclosed, due entirely to losses

on forward contracts for raw materials, and it was stated that further losses, which have been shown since to amount to, approximately, £2,400,000, were expected. There was thus a net loss in two years of the new management of over £8,500,000, taking into account forward contracts subsequently liquidated.

Had the bonus of £7,500,000 distributed in the autumn of 1920—just before the crisis—been allowed to remain in the reserve fund, the latter would, at the time of the crash, have amounted to over £10,000,000, or sufficient, with the profits of £588,000 earned in the ten months to June, 1922, to have written off the whole of the losses of £10,700,000 incurred on forward contracts. No scheme of reconstruction would then have been necessary, and the company would have weathered the storm with its capital intact.

Notwithstanding that the preference shareholders had had no share in the bonuses of the preceding years, they made the concessions in 1921 which subsequently saved the Dunlop Company from liquidation.

From the later reports of the company it appears that the business so strongly founded is once more attaining to a satisfactory and progressive position. The recent settlement of the American difficulty clears the decks for the consideration of a policy of reorganisation. Under reorganisation depends the dividends of all the shareholders, preference and ordinary alike.

The arrears of preference dividends amount to £751,250 up to December 31, 1922, and of this amount £322,032 is due to our company. The longer reorganisation of the Dunlop Company is delayed the greater this cumulative debt upon that company will become. It is a debt which can only be paid out of profits, and out of profits which must be earned after the date of reorganisation. There can, I think, hardly be room for two opinions, that the sooner reorganisation is carried through the better, and impartial and fair-minded consideration should be given to all the facts.

The wish and intention of the board of this company is within reasonable limits to work for a reorganisation on lines fair to all classes of shareholders, and the committee of your board, which has already been appointed for the purpose of dealing with the matter when it arises, will proceed on these lines. Should other preference shareholders of the Dunlop Rubber Company, from some of whom we have received communications, desire to act in co-operation with, or express their views to this committee, the committee would be very willing to hear from them, and, if asked to do so, would be prepared to act in this matter in the general interest of all such Dunlop preference shareholders. Shareholders who desire to communicate with the committee should address their communications to me at 9, Park place, St James's street, London, S.W. 1.

The Chairman having replied to questions, the report and accounts were adopted.

At an extraordinary general meeting of the company which followed resolutions adopting new articles of association and a modification of the memorandum of association of the company were approved.

GOVERNMENT RETURNS.

CURRENCY NOTES ACCOUNT. (000's omitted.)

Date.	Notes and Certificates Outstanding.	Advances to Bankers.	Redemption Account.					
			Bankers' Savings Bank.	Gold and Bullion.	Bank of England Notes.	Ratio to Notes.	Govt. Securities.	Balance at Bank of England.
1914.	21,535	6,302	3,810	18,500	..	481	9,924	11,423
Aug. 26.....	21,535	6,302	3,810	18,500	..	481	9,924	11,423
Dec. 30.....	38,478	159	600	28,500	..	276	54,621	20,536
1915.	103,125	729	159	249	28,500	..	190	118,102
Dec. 29.....	150,144	2,430	64	40	28,500	..	134	186,637
1916.	212,782	8,554	39	675	28,500	..	89	305,133
Dec. 27.....	323,241	15,529	..	570	28,500	4,000	91	337,537
1917.	356,152	17,182	250	245	28,500	19,450	130	336,504
Dec. 31.....	367,626	16,962	..	..	28,500	19,450	139	311,334
1918.	343,826	15,599	Silver Coin.	28,500	19,450	148	287,750	150
Mar. 29.....	323,884	14,965	3,000	28,500	19,450	152	278,119	143
June 29.....	314,382	14,830	3,000	28,500	19,450	147	289,131	161
Dec. 28.....	326,584	14,658	3,000	28,500	19,450	159	261,479	177
1919.	300,351	14,255	5,000	28,500	19,450	163	254,312	260
Mar. 29.....	295,374	13,338	6,000	28,500	21,150	166	246,456	169
June 28.....	289,127	12,648	7,000	27,000	21,150	159	253,922	137
Dec. 27.....	301,337	12,872	7,000	27,000	21,150	166	247,201	206
1920.	285,737	12,820	7,000	27,000	21,150	169	242,104	136
Jan. 10.....	284,928	12,462	7,000	27,000	21,150	171	237,713	120
1921.	280,834	12,150	7,000	27,000	21,150	172	236,868	183
Dec. 31.....	280,273	11,928	7,000	27,000	21,150	172	236,868	183

Since July 21, 1920, notes and certificates outstanding include notes called in and not yet cancelled. Maximum fiduciary issue for 1920 fixed at £220,600,000, for 1921 at £317,556,200, for 1922 at £309,988,400, and for 1923 at £270,183,800.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £40,000,000 in three months' Treasury Bills dated from Monday to Saturday, February 4-February 7, were opened on February 2, 1923, and the total amount applied for was £59,465,000. Tenders for Monday bills at £99 7s 8d, about 77 per cent. and above in full, Tuesday bills at £99 7s 10d, above in full, and Wednesday to Saturday bills at £99 7s 8d, about 77 per cent., and above in full. The average rate of discount for Treasury Bills was £2 ros 1.57d. The amounts allotted were as follows:—In bonds, nil; in bills at 3 months, £35,000,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills. Average Rate.	4½% Treasury Bonds, 1923. Average Price.
1922.				
Nov. 10.....	(a) 45,000,000	(a) 55,585,000	2 11 3-41	99 2 4-8
Nov. 17.....	(a) 40,000,000	(a) 62,245,000	2 8 6-05	99 4 4-6
Nov. 24.....	(a) 50,000,000	(a) 62,240,000	2 9 2-79	99 3 0-6
Dec. 1.....	(a) 55,000,000	(a) 69,225,000	2 7 1-77	99 5 0-6
Dec. 8.....	(a) 55,000,000	(a) 70,995,000	2 11 1-09	None allotted
Dec. 15.....	(a) 50,000,000	(a) 67,355,000	2 11 0-62	None allotted
Dec. 22.....	(a) 50,000,000	(a) 52,725,000	2 11 7-52	None allotted
Dec. 29.....	(a) 55,000,000	(a) 76,225,000	2 6 11-35	None allotted
1923.				
Jan. 5.....	(a) 50,000,000	(a) 63,995,000	2 2 7-57	99 3 9-6
Jan. 12.....	(a) 50,000,000	(a) 76,575,000	2 3 5-68	99 6 3-72
Jan. 19.....	(a) 40,000,000	(a) 55,305,000	1 18 9-91	99 7 1-69
Jan. 26.....	(a) 40,000,000	(a) 61,530,000	2 6 3-87	99 7 6
Feb. 2.....	(a) 40,000,000	(a) 59,465,000	2 10 1-57	None allotted

(a) Including Treasury Bonds.

Tenders will be received on Friday, February 9, 1923, for Treasury Bonds and Treasury Bills to be issued to the maximum amount of £35,000,000. The amount of Treasury Bonds issued will not exceed £5,000,000, but subject to that limit, the total amount issued will be divided between Bills and Bonds in such proportions as The Lords Commissioners of His Majesty's Treasury may determine.

PUBLIC INCOME AND EXPENDITURE. RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1922-23. (See Note.)	Total Receipts into the Exchequer from Apr. 1, 1922, to Jan. 27, 1923.	Total Receipts into the Exchequer from Apr. 1, 1921, to Jan. 28, 1922.	Receipts. Week Ended Jan. 27, 1923.	Receipts. Week Ended Jan. 28, 1922.
Balances in Exchequer on 1st April:—					
Bank of England.....	9,963,424	2,591,051	..	..	..
Bank of Ireland.....	1,210,106	483,455	..	..	..
REVENUE.	11,173,530	3,074,506	..	..	..
Customs.....	112,250,000	104,245,000	108,931,000	2,677,000	2,910,000
Excise.....	160,750,000	133,091,000	164,660,000	1,125,300	1,130,000
Motor Vehicle Duties ..	10,600,000	7,326,000	6,416,000	777,000	626,000
Stamps, &c., Duties.....	48,000,000	48,221,000	40,927,000	1,730,000	1,029,000
Land Tax, House Duty, & Mineral Rights Duty	18,250,000	16,492,000	13,405,000	610,000	450,000
Property & Income Tax (including Super-Tax).	3,000,000	1,330,000	1,090,000	220,000	170,000
Excess Profits Duties, &c.	329,000,000	227,343,000	219,681,000	10,174,000	10,522,000
Corporation Profits Tax	27,800,000	954,000	954,000	..	..
Post Office.....	19,750,000	14,927,000	12,387,000	410,000	527,000
Crown Lands.....	54,625,000	43,200,000	44,000,000	1,000,000	1,250,000
Loans.....	750,000	810,000	670,000	100,000	100,000
Miscellaneous.....	14,000,000	9,546,617	10,892,287	..	..
Ordinary Receipts...	22,000,000	20,418,658	19,944,481	250,882	180,779
Special Receipts....	90,000,000	38,307,442	111,305,615	388,103	8,788,862
Revenue.....	910,775,000	666,211,717	784,023,383	19,461,985	27,786,641
Total, Inc. Balance ..	..	677,385,247	787,097,889	..	..
TEMPORARY ADVANCES REPAYED:—					
Bullion.....	800,000	8,130,000	..	..	300,000
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	169,818	169,818	..	..	..
Under the Unemployment Insurance Act, 1920.....	2,910,000	520,000	..	..	..
Money Raised by Creation of Debt:—					
(a) For Capital Expenditure Issues: Under the Telegraph (Money) Acts, 1920 to 1922.....	5,310,000	5,561,474	..	..	..
Under the Post Office (London) Railway Act, 1913.....	..	27,500	..	..	..
Under the Housing Act, 1914.....	27,000	50,000	..	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922	950,000	..	..	..	..
By Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	1,553,300	..	..	..	..
(b) Under the Unemployment Insurance Act, 1921.....	4,050,000	7,600,000	..	..	..
(c) For other Issues: By Treasury Bills for Supply ..	2,444,538,000	3,298,348,000	48,588,000	55,964,000	..
By National Savings Certificates By Exchequer and National War Bonds.....	52,208,000	38,380,000	1,056,000	2,400,000	..
By Treasury Bonds—5-15 year, 1925-35.....	20	5	..	..	..
5-15 year, 1927.....	61,655,154	285,667,928	..	18,400,000	..
5-15 year, 1927.....	81,287,435	..	4,918,175	..	..
By Other Debt created under the War Loan Acts, 1914 to 1919.....	25,259	10,961,454	..	..	..
(d) Ways and Means Advances ..	812,375,500	1,114,846,000	11,700,000	10,200,000	..
Anglo-Persian Oil Company—Dividends on Shares acquired	243,012	5,010	..	..	..
Repayments—In respect of Cunard Loan ..	130,000	130,000	..	..	..
Do East Africa Protectorate Loan	..	127,268	..	..	..
Do Issues under Civil Contingencies Fund Act, 1919.....	..	7,250,000	..	..	..
Do Issues under Land Settlement (Facilities) Acts, 1919 and 1921.....	273,914	46,434	..	..	..
Do Issues under Section 59 (4) of the Finance Act, 1920.....	6,827,960	13,490,950	..	..	..
Interest received under Section 59 (5) of the Finance Act, 1920.....	162,425	426,340	..	104,807	..
Total.....	4,152,882,044	5,578,836,070	85,818,160	115,145,448	..

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1922-23, including Supplementary Grants.	Total Issues out of the Exchequer to meet Payments from	Issues—	Week Ended	Week Ended
	Jan. 27, 1922.	Jan. 27, 1922.	Jan. 27, 1922.	Jan. 27, 1922.	Jan. 27, 1922.
EXPENDITURE					
Permanent Charge of Debt.....	16,000,000	12,794,642	14,366,149	..	..
Interest, &c., on War Debt.....	319,000,000	254,844,758	263,575,681	685,252	2,256,906
Road Fund.....	10,000,000	5,818,999	5,282,000	..	..
Payments to Local Taxation Accounts, &c.....	9,788,000	6,525,518	7,192,236	250,000	100,000
Payments to Northern Ireland Exchequer.....	2,500,000	1,588,380	650,000	39,385	..
Land Settlement.....	3,500,000	854,396	2,413,691	..	..
Other Consolidated Fund Services.....	2,650,000	2,268,560	1,686,101	10,928	25,157
Supply Services.....	539,253,000	358,289,352	544,297,608	7,698,000	10,847,848
Expenditure.....	902,691,000	642,984,605	845,463,466	6,683,565	13,229,911
OTHER ISSUES.					
Temporary Advances—					
Bullion.....	..	8,450,000	..	..	350,000
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	169,818	169,818	..	..	..
Under the Unemployment Insurance Act, 1921.....	5,340,000	10,060,000	280,000	610,000	..
Issues to meet Capital Expenditure—					
Under the Telegraph (Money) Act, 1900 to 1922.....	5,310,000	5,561,474	..	..	..
Under the Post Office (London) Railway Act, 1913.....	..	27,500	..	..	..
Under the Housing Act, 1914.....	27,000	50,000	..	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922	950,000	..	..	..	..
Under the Capital Expenditure (Money) Act, 1904.....	..	..	..	..	..
Exchequer Bonds paid off £3,087,500; less paid off by the National Debt Commissioners, £1,534,300.....	1,553,300	..	..	..	..
Unemployment Insurance Acts, 1921—					
Repayment of amounts borrowed.....	2,110,000	..	..	..	..
Redemption of Debt.....	2,611,854,000	3,379,201,000	49,340,000	78,480,000	..
Securities surrendered for Duties under Section 34 of the Finance Act, 1917, and Section 3 (3) of the War Loan Act, 1919.....	8,327,227	28,843,317	861,000	348,906	..
Funding Loan, Victory Bonds and Conversion Loan Sinking Funds	9,026,211	..	750,000	..	..
Principal of National Savings Certificates—					
(a) Repaid by Issues under Section 59 (6) of the Finance Act, 1920.....	21,500,000	16,100,000	400,000	450,000	..
(b) Repaid otherwise.....	..	10,400,000	..	..	..
Principal of Exchequer Bonds paid off—					
5%, 1922, £20,612,208; less paid off by the National Debt Commissioners, £1,000,000.....	19,612,208	18,962,820	..	..	..
Principal of National War Bonds paid off.....	44,684,182	..	..	..	..
Other Debt under the War Loan Act, 1914 to 1919.....	15,825,526	57,162,123	..	100	..
Ways and Means Advances Repaid	753,065,500	1,153,470,000	25,400,000	24,079,000	..
Depreciation Fund, under the Finance Act, 1917.....	1,198,075	25,440,201	..	1,000,000	..
Anglo-Persian Oil Company—Issued under the Anglo-Persian Oil Company (Acquisition of Capital) Amendment Act, 1919.....	243,012	..	..	..	..
Issues to National Debt Commissioners to Reduce Debt—					
Conard Loan Repayments.....	130,000	130,000	..	..	..
East Africa Protectorate Loan Repayments.....	..	127,268	..	..	..
Proceeds of National Savings Certificates, issued under the Finance Act, 1920, Section 59 (4).....	5,000,000	15,397,000	..	..	..
Old Sinking Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911.....	88,065	212,450	..	..	..
Balances in Exchequer—					
Bank of England.....	4,148,998,729	5,575,221,437	85,714,565	118,547,917	..
Bank of Ireland.....	2,074,458	2,332,541	19,019	3,612,031	..
Total	3,885,515	3,614,633	+ 103,595	3,402,469	..

NOTE—Budget Estimate as in H.C. No. 77 of 1922.

Treasury, January 29, 1923.

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, January 31, 1923.

ISSUE DEPARTMENT.

	£	£
Notes issued.....	144,113,525	Government debt.... 11,015,100
		Other securities..... 7,434,900
		Gold coin and bullion 125,663,525

BANKING DEPARTMENT.

	£	£
Capital.....	14,553,000	Government securities 49,419,812
Reserve.....	3,455,326	Other securities..... 65,608,129
Public deposits.....	14,600,601	Notes..... 22,095,370
Other deposits.....	106,323,608	Gold and silver coin.. 1,828,335
Seven-day & other bills	19,111	

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

The Clerical, Medical & General LIFE ASSURANCE SOCIETY.

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City Office: 8, King William Street, E.C. 4.

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ASSETS - - - - - £7,657,433
CLAIMS PAID - - - - - £27,500,000

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

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SCOTTISH UNION & NATIONAL INSURANCE COMPANY.

ESTABLISHED 1824.

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

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

COMPARISON WITH PREVIOUS WEEK AND A YEAR AGO.

	Amount, Jan. 31, 1923.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Rest.....	3,455,326	+ 8,166	+ 11,362
Public deposits.....	14,600,601	+ 3,228,569	+ 1,045,625
Other deposits.....	106,323,608	+ 8,107,734	+ 38,426,169
Government securities.....	49,419,812	+ 4,024,999	+ 24,783,874
Other securities.....	65,608,129	+ 3,700,082	+ 14,981,498
Reserve.....	3,455,326	+ 1,216,879	+ 308,585
Note circulation.....	122,018,155	+ 1,219,585	+ 1,568,500
Coin and bullion.....	127,491,860	+ 2,706	+ 1,260,415
% of reserve to liabilities	194%	+ 1%	+ 5%

THREE MONTHS' RECORD.

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve.	% of Reserve to Liabilities.	Bank Rate.
1922.							
Nov. 8.....	127,437,711	122,519,305	122,617,564	116,974,245	23,368,406	19.3	5%
15.....	127,441,016	121,901,960	122,360,827	116,110,795	23,989,056	19.9	5%
22.....	127,445,261	121,407,130	123,414,918	116,705,543	24,488,131	19.4	5%
29.....	127,440,455	122,884,525	121,463,585	116,240,853	25,005,930	19.1	5%
Dec. 6.....	127,446,768	123,695,826	121,695,826	116,240,853	25,005,930	18.9	5%
13.....	127,446,768	123,616,310	124,885,243	120,050,341	22,735,137	18.3	5%
20.....	127,444,219	124,890,400	123,395,554	120,319,616	21,003,819	17.7	5%
27.....	127,443,007	124,877,670	133,227,231	130,126,031	21,015,337	15.7	5%
1923.							
Jan. 3.....	127,493,190	124,053,460	157,778,672	153,861,705	21,889,730	13.4	5%
10.....	127,482,217	122,454,770	136,311,140	130,844,357	23,481,447	17.4	5%
17.....	127,491,357	121,236,150	144,010,109	137,342,112	24,705,207	17.8	5%
24.....	127,493,154	120,798,570	135,803,374	118,682,858	25,140,584	20.7	5%
31.....	127,491,860	122,018,155	120,924,209	115,027,941	23,923,705	19.3	5%

TEN YEARS' RECORD.

At corresponding date with the present week.	Jan. 29, 1913.	May 27, 1914.	Feb. 2, 1921.	Feb. 1, 1922.	Jan. 31, 1923.
Circulation (exclud. Bank post bills).....	27,777,360	28,933,380	129,600,380	123,586,655	122,018,155
Public deposits.....	16,483,193	19,014,809	18,603,513	15,646,226	14,600,601
Other deposits.....	40,585,487	41,248,964	129,851,796	144,749,777	106,323,608
Government securities.....	25,035,483	11,046,570	70,621,466	74,203,686	49,419,812
Other securities.....	35,043,838	41,461,280	78,636,717	80,583,627	65,608,129
Reserve of notes and coin.....	27,074,505	25,463,980	17,142,018	23,615,620	23,923,705
Coin and bullion.....	36,401,865	35,947,360	128,222,598	128,752,275	127,491,860
Proportion of reserve to liabilities.....	47.8%	42.1%	11.4%	14.3%	19.3%
Bank rate of discount.....	5%	3%	7%	5%	5%
Market rate, 3 months' bills.....	4 1/2	2 1/2	6 1/2 - 8	3 1/2 - 5	2 1/2 - 3
Price of Consols.....	74 1/2	74 1/2	48 1/2	51 1/2	56 1/2
Price of silver per oz.....	28 1/2	26 1/2	36 1/2	35 1/2	31 1/2
Average price of wheat.....	30s 11d	33s 0d	85s 4d	85s 9d	42s 1 1/2d
Exchanges (Paris).....	25 211/2-23 1/2	25 17 1/2-20	53 70-55 45	51 53-60	75 20-76 90
New York.....	84 3/8	84 7/8	83 3/4-84 1/4	84 1/2-85	84 3/8-85
Amsterdam.....	12 2-23	12 05-10	11 34-38	11 27-29	11 75-79
Berlin.....	20 49 1/2	20 49 1/2	23 54-250	862-880	100-100 225,000
Clearing house return.....	293,215,000	199,913,000	830,973,000	765,075,000	754,746,000

BANKERS' CLEARING RETURNS.

Week Ending—	Town Clearing.	Country Clearing.	Total.
1923.			
January 1—January 24.....	£ 2,302,022,000	£ 205,263,000	£ 2,507,285,000
January 31.....	675,673,000	79,073,000	754,746,000
Total to date 1923.....	2,977,695,000	284,342,000	3,262,037,000
Do 1922.....	3,267,256,000	257,962,000	3,525,218,000
Increase or decrease in 1923.....	- 289,561,000	+ 26,380,000	- 263,181,000
	= 8.8%	= 10.2%	= 7.4%
Total for 1922.....	34,355,296,000	2,806,165,000	37,161,461,000
Do 1921.....	31,928,380,000	3,002,179,000	34,930,559,000
Increase or decrease in 1922.....	+ 2,426,916,000	- 196,014,000	+ 2,230,902,000
	= 7.6%	= 6.5%	= 6.3%

PROVINCIAL CLEARING RETURNS.

	1922.	1923.	Inc. or Dec.
Aggregate Totals to January 27.			
BIRMINGHAM.....	9,304,100	9,298,800	- 5,300
BRISTOL.....	6,275,000	4,904,000	- 1,371,000
DUBLIN.....	27,625,100	25,412,500	- 2,212,500
HULL.....	4,521,900	3,984,400	- 537,500
LEEDS.....	4,135,700	4,298,900	+ 163,200
LIVERPOOL.....	3,226,500	3,254,300	+ 27,800
LONDON.....	34,413,000	35,749,000	+ 1,336,000
MANCHESTER.....	57,068,100	58,312,200	+ 1,244,100
NEWCASTLE-ON-TYNE.....	5,935,200	7,070,500	+ 1,135,300
NOTTINGHAM.....	2,775,600	2,741,500	- 34,100
SHREFFIELD.....	3,633,600	4,133,000	+ 499,400

OVERSEAS BANK RETURNS.

UNITED STATES FEDERAL RESERVE BANKS.

	Jan. 26, 1923.	Jan. 19, 1923.	Jan. 12, 1923.	Jan. 27, 1922.
RESOURCES.				
Total gold reserve.....	3,080,140	3,077,490	3,062,710	2,904,250
Legal tender notes and silver reserve.....	141,840	136,650	124,510	154,610
Bills discounted for member banks.....	569,740	513,350	512,050	450,170
Bills bought in open market.....	204,550	201,340	225,760	82,710
Government obligations owned.....	352,820	412,430	508,180	250,040
All other resources.....	62,210	61,540	61,330	56,790
LIABILITIES.				
Government deposits.....	33,040	9,340	6,190	95,920
Other deposits.....	1,957,780	1,060,110	2,013,680	1,662,880
Federal Reserve Notes in actual circulation.....	2,225,230	2,256,490	2,312,670	2,184,000
Federal Reserve Bank Notes in actual circulation.....	11,200	9,850	10,340	15,290
All other liabilities.....	3,130	3,120	2,870	84,880
Capital and surplus.....	326,020	325,850	325,830	318,470
Ratio of total reserves to gross deposits and Federal Reserve note liabilities combined.....	76.4%	76.1%	73.6%	77.2%

STATEMENT OF CANADIAN BANKS.

	Nov. 30, 1922.	Oct. 31, 1922.	Sept. 30, 1922.	Aug. 31, 1922.	Nov. 30, 1921.
ASSETS.					
Cash and bank balances.....	526,207	487,881	441,824	419,981	529,439
Bank balances abroad.....	111,609	104,892	114,891	111,015	68,234
Call and short loans.....	303,421	300,833	279,021	276,778	257,393
Securities.....	317,260	309,882	322,009	330,646	372,184
Loans in Canada.....	1,196,398	1,217,578	1,211,825	1,192,614	1,307,272
Loans abroad.....	149,244	153,088	145,610	145,120	144,340

NATIONAL BANK OF ROUMANIA.

	Dec. 16, 1922.	Dec. 9, 1922.	Nov. 25, 1922.	Nov. 18, 1922.	Dec. 17, 1921.
Assets.					
Gold	533,154	533,054	533,053	533,050	495,459
Silver, &c.	604	508	430	636	313
Government loan	12,550,399	12,535,120	12,535,333	12,571,256	12,545,939
Other advances	4,201,641	4,230,170	4,218,119	4,148,259	2,235,522
Liabilities.					
Notes in circulation	15,184,171	15,304,988	15,361,486	15,385,933	13,709,378
Deposits	6,758,984	6,651,281	6,597,792	6,543,561	5,659,691

BANK OF SWEDEN.

	Jan. 27, 1923.	Jan. 20, 1923.	Jan. 13, 1923.	Jan. 5, 1923.	Jan. 28, 1922.	May 24, 1914.
Assets.						
Gold	275,956	275,961	275,924	275,958	274,466	104,918
Balance abt. and foreign bills	121,439	144,745	145,407	157,840	125,957	112,173
Gov. securities	122,810	103,959	103,959	92,618	15,898	32,465
Discounted loans	362,354	396,835	420,931	458,663	519,003	112,668
Liabilities.						
Notes in circulation	482,102	493,027	509,467	538,125	526,512	226,555
Deposits	337,245	363,221	368,954	379,540	349,736	69,662

NATIONAL BANK OF BELGIUM.

	Jan. 25, 1923.	Jan. 18, 1923.	Jan. 11, 1923.	Jan. 4, 1923.	Jan. 26, 1922.	May 28, 1914.
Assets.						
Gold (gold & silver and bullion)	343,458	343,480	343,298	341,687	326,467	322,650
Securities	635,593	615,248	624,643	679,224	411,830	697,600
Liabilities.						
Notes in circulation	6,779,618	6,758,498	6,778,856	6,784,966	6,301,911	934,150
Current accounts	320,162	368,954	318,384	398,925	676,198	112,125

AUSTRIAN NATIONAL BANK.

	Jan. 23, 1923.	Jan. 15, 1923.	Jan. 7, 1923.
Assets.			
Gold	1,178,518,390	1,145,518,395	1,145,518,395
Foreign bills	676,784,196	731,613,035	731,613,035
Bills discounted	2,556,848,370	2,557,948,819	2,557,948,819
Treasury bills	647,563,515	755,233,562	685,566,906
Other assets	3,976,769,294	4,078,919,323	4,053,689,483
Liabilities.			
Notes in circulation	422,556,771	372,903,951	417,203,770
Deposits	372,745,225	490,643,619	424,529,275

NOTE.—As from January 1, 1923, the Austrian National Bank has taken the place of the Austrian section of the Austro-Hungarian Bank.

HUNGARIAN BANK.

	Jan. 23, 1923.	Jan. 15, 1923.	Jan. 7, 1923.	Jan. 23, 1922.
Assets.				
Gold coin and bullion, bills	14,919	15,226	15,649	12,676
Foreign bills	5,884,053	53,681,692	53,089,075	24,036,172
Bills, warrants, drafts, &c.	1,885,527	2,015,772	1,147,931	1,147,931
Loans	72,190,555	73,687,190	74,128,849	25,144,748
Liabilities.				
Notes in circulation	6,701,077	5,899,283	5,597,974	2,795,133

NATIONAL BANK OF DENMARK.

	Dec. 31, 1922.	Nov. 30, 1922.	Oct. 31, 1922.	Sept. 30, 1922.	Dec. 31, 1921.	Position May 31, 1914.
Assets.						
Gold and bullion	228,257	228,250	228,301	228,299	228,330	76,544
Loans & discounts	467,599	462,035	500,693	516,854	403,321	88,470
Debtors abroad	5,933	10,993	21,113	13,745	22,684	24,102
Securities	13,593	15,562	16,066	15,910	39,397	11,988
Liabilities.						
Circulation	459,354	459,310	478,131	466,555	470,964	157,266
Deposits	163,710	169,211	181,481	211,064	129,078	6,696

NATIONAL BANK OF EGYPT.

	Nov. 30, 1922.	Oct. 31, 1922.	Sept. 30, 1922.	Nov. 30, 1921.	Position May 31, 1914.
Assets.					
Gold	3,362	3,359	3,358	3,362	1,571
Government securities	42,149	41,389	36,058	39,994	2,084
Liabilities.					
Notes in circulation	33,007	32,781	27,615	34,722	2,400
Government deposits	8,196	6,088	4,218	2,520	2,315
Other deposits	12,043	12,313	11,094	12,707	2,660

By authority of the Egyptian Government British Treasury Bills were deposited in lieu of gold.

IMPERIAL BANK OF INDIA.

	Jan. 5, 1923.	Dec. 29, 1922.	Dec. 22, 1922.	Dec. 15, 1922.	Dec. 8, 1922.	Jan. 6, 1922.
Assets.						
Govt. securities	8,48,57	8,53,34	8,58,11	8,50,23	8,52,70	11,17,55
Other securities	1,25,63	1,25,63	1,25,63	1,25,63	1,25,63	1,25,63
Loans	18,31,65	19,13,98	16,65,51	15,98,18	16,01,38	16,92,89
Cash credits	28,35,15	28,77,45	27,64,54	27,05,78	25,93,43	25,12,93
Inland bills	5,79,01	5,88,23	5,82,25	5,84,88	5,19,17	10,14,43
Foreign bills	22,12	21,99	20,22	12,41	11,93	3,32
Dead stock	2,44,38	2,50,95	2,50,66	2,50,19	2,49,01	2,35,61
Bundries	40,28	76,70	69,02	65,47	64,54	44,53
Balance with other banks	3,52	4,28	11,07	4,13	7,85	9,98
Cash	14,01,54	15,47,85	16,48,85	19,40,14	21,20,86	13,28,45
Liabilities.						
Subscribed capital	11,25,00	11,25,00	11,25,00	11,24,96	11,24,96	11,23,96
Capital paid up	5,62,50	5,62,50	5,62,50	5,62,49	5,62,49	5,62,24
Reserve	4,11,89	4,11,89	4,11,89	4,11,89	4,11,89	3,91,79
Public deposits	12,44,90	14,01,93	13,12,92	12,11,15	11,59,34	5,71,22
Other deposits	55,92,61	55,92,61	54,08,40	56,60,34	57,64,56	64,33,14
Loans and securities	73,21	88,50	88,50	89,02	1,09,60	36,28
Bundries	1,04,04	1,46,16	1,45,65	1,41,95	1,38,86	91,29
Deposits in London	171	189	194	188	201	41
Advances in London	641	739	730	766	905	316
Cash, &c. at other banks in London	18	23	68	22	46	64

BANK OF NORWAY.

	Jan. 22, 1923.	Jan. 15, 1923.	Jan. 8, 1923.	Jan. 23, 1922.	Position May 31, 1914.
Assets.					
Gold and bullion—Gold	171,290	147,290	147,290	147,293	44,221
Balance abroad and foreign bills	38,871	40,402	41,182	41,983	28,533
Norwegian & Foreign Government securities	9,404	9,408	9,415	10,085	8,815
Discounts and loans	445,700	447,336	450,159	435,505	76,911
Liabilities.					
Notes in circulation	348,336	356,207	363,023	375,044	113,484
Deposits at notice	162,465	158,000	153,415	134,508	7,184

Through Royal resolution of February 3, 1922, it has been resolved that the extraordinary right of issuing bank notes has been reduced from 50 millions to 25 millions from February 4, 1922 (this day included).

BANK OF FINLAND.

	Jan. 15, 1923.	Jan. 8, 1923.	Dec. 30, 1922.	Jan. 17, 1922.	Position May 31, 1914.
Assets.					
Gold	42,704	43,373	43,373	42,625	35,091
Balance abroad and foreign bills	794,980	747,618	783,817	220,753	90,379
Finland and Foreign Government securities	586,384	586,384	590,034	838,521	21,826
Discounts and loans	653,571	649,626	650,247	646,972	105,151
Liabilities.					
Notes in circulation	1,357,452	1,403,003	1,420,920	1,310,006	123,941
Deposits at notice	446,863	355,651	349,862	207,208	21,225

BANK OF PORTUGAL.

	Dec. 27, 1922.	Dec. 20, 1922.	Dec. 6, 1922.	Nov. 29, 1922.	Dec. 28, 1921.
Assets.					
Gold and bullion	26,823	26,778	26,778	26,778	27,355
Of which gold	8,577	8,577	8,577	8,577	8,577
Balance abroad	37,823	43,495	31,532	42,561	4,480
Discounts	159,633	156,865	160,454	164,931	131,032
Government loans	860,097	860,097	860,097	860,097	620,109
Liabilities.					
Notes in circulation	1,017,028	1,036,709	1,023,875	1,000,092	722,754
Deposits	56,929	61,955	58,760	63,176	59,866

NATIONAL BANK OF BULGARIA.

	Nov. 22, 1922.	June 30, 1922.	May 31, 1922.	April 30, 1922.	Mar. 31, 1922.	Feb. 28, 1922.
Assets.						
Gold and silver	58,216	57,727	57,701	58,031	58,133	58,353
Foreign bank notes	1,342	1,342	1,342	1,342	1,342	1,342
Foreign bills	9,083	9,083	9,083	9,083	9,083	9,083
Balance abroad	911,672	911,672	911,672	911,672	911,672	911,672
Notes in circulation	3,957,225	3,800,642	3,758,717	3,727,974	3,734,308	3,602,489
Advances to the State	3,817,830	3,817,830	3,817,830	3,817,830	3,817,830	3,817,830

POLISH NATIONAL BANK.

	Jan. 10, 1923.	Jan. 3, 1923.	Dec. 20, 1922.	Dec. 13, 1922.	Dec. 6, 1922.
Assets.					
Gold	41,078	41,012	34,593	33,885	24,900
Silver	44,128	44,128	44,128	44,128	44,128
Foreign coin	(a) 47,400	539,236	600,655	165,124	94,500
Foreign banks	(a) 47,400	6,271,202	1,865,937	2,694,686	13,115,100
Advances to the Govt.	673,000,000	673,000,000	582,100,000	545,500,000	221,000,000
Private loans and discounts	189,311,040	181,304,874	179,249,469	159,127,884	34,624,400
Liabilities.					
Notes in circulation	807,308,320	793,437,499	728,803,136	690,087,269	229,557,600
Deposits	161,813,939	132,504,208	132,886,288	124,164,207	49,014,000

BANK OF LATVIA.

	Jan. 10, 1923.	Jan. 3, 1923.	Dec. 20, 1922.	Dec. 13, 1922.	Dec. 6, 1922.
Assets.					
Total cash	6,120	3,975	2,876	3,981	3,981
Gold coin and bullion	13,023	13,021	13,016	13,017	13,007
Foreign banks	32,941	31,975	29,746	26,032	25,165
Discounts and loans	10,242	10,276	11,182	10,154	10,176
Other assets	1,777	1,410	1,743	2,499	1,505
Liabilities.					
Notes in circulation	11,440	9,800	8,990	7,730	6,740
Capital paid up	8,000	8,000	8,000	8,000	8,000
Government deposits	22,678	22,549	20,077	21,981	15,949
Other deposits	14,274	14,243	14,116	14,583	19,060
Other liabilities	5,611	6,065	7,580	4,912	4,085

BANK OF LITHUANIA.

	Jan. 15, 1923.	Dec. 31, 1922.	Dec. 15, 1922.	Nov. 30, 1922.	Nov. 15, 1922.
Assets.					
Gold	15,249	15,190	15,180	15,169	12,347
Silver	11	2	2	1	1
Dollars & sterling, &c.	19,880	17,823	14,478	12,696	5,700
Other foreign currency	16	130	233	237	772
Discounts and credits	9,560	8,568	5,444	2,590	5,904
Other assets	3,364	3,199	1,753	—	605
Liabilities.					
Capital	12,000	12,000	10,935	10,934	10,921
Banknotes in circulation	35,503	30,377	24,630	18,052	14,094
Deposits	2,088	—	—	—	—
Other liabilities	489	2,293	1,526	1,049	315

BANK OF ESTHONIA.

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RAILWAY AND TRAMWAY TRAFFIC RETURNS.

A fair amount of gold has been on offer, and a good proportion was taken for India.

The London Joint City and Midland Bank announce that the office at 28 Market street, Rhosllanerchrugog, near Wrexham, has been converted into a full branch, under the management of Mr Edward Roberts, and that new offices have been opened at Carterton (Oxon) and Dolwyddelen (Carmarvonshire).

Guaymas Delta	3 weeks	Jan. 20	104	(a)	96,164	+ 21,603	252,134	+ 119,300
Guadalupe, Spain	3 weeks	Jan. 20	104		78,759	+ 11,925	258,045	+ 119,300
In and out of Central America								
La Guaira & Caracas	12 months	Dec. 31	Net		38,673	+ 12,209	300,485	+ 119,300
La Guaira & Caracas	18 months	Oct. 31	232		9,010	+ 930	99,850	+ 119,300
Mexican Railway	3 weeks	Jan. 21	403		\$252,600	- 16,700	755,500	- 119,300
Do	5 months	Nov. 30	403		\$123,700	- 360,700	5,661,400	- 149,300
Do	5 months	Nov. 30	Net		\$217,000	- 218,500	1,087,800	- 530,000
Nasato Ocasahuama	11 months	Jan. 30			11,833	+ 807	123,336	+ 119,300
Ocotman Railway	12 months	Sept. 30	193		12,740	+ 30	43,964	+ 119,300
Puerto Central	26 weeks	Jan. 20	274		3,760	+ 1,000	36,000	+ 119,300
Puerto Cabello, etc.	8 months	Aug. 31	35		3,760	+ 1,000	36,000	+ 119,300
Salvador	30 weeks	Jan. 27	100		5,945	+ 466	37,813	+ 119,300
Santa Fe Province	1 month	Dec. 31	..		126,358	+ 3,948	126,358	+ 119,300
Simmons & Santiago	12 months	Dec. 31	..		6,980	+ 466	33,910	+ 119,300
Toluca and Huera	12 months	Dec. 31	119	(a)	12,740	- 3,205	145,791	- 2,000

Light, & Power			Net	\$72,942	1,652	10,351	4.6
International	5 mths	30	Gross	55,768	29	31,024	4.6
Light & Power			Net	55,768		31,024	4.6
Kalgoin Electric	11 mths	30	Gross	22,266		27,553	
Tramways....	17 mths	30	Net	6,676			
Keynote Tels.	12 mths	Dec. 31	Gross	\$168,833 +	4,556	1,703,274	35.7
			Net	(30,141)	15,477	725,593	92.2
La Guadalupe Harbr.	1 mth	31		87,937	831		
La Plaza Electric	12 mths	31		\$75,573 +	778	31,396	16.2
			Gross	75,573 +	1,122	734,407	48.3
			Net				

77	Gina Rightwell	11 mths	Nov. 30	Net	111,919	..	72	221,772	..	37
77	..	..	..	Net	318,242	1,775	3,541	..	92	
77	Manila Electric	..	..	Grom	150,731	23,382	1,534,232	..	84	
77	Railroad, &c.	12 mths	Dec. 31	Net	524,351	1,691	74,351	..	71	
70	..	..	..	Grom	49,508	..	9,508	..	71	
00	Para Electric	1 mah	..	Net	994,000	..	853	..	..	
00	..	..	..	Grom	3,444,000	..	35,741,941	2,588	..	
00	Peblee Tram, &c.	1 mah	Nov. 30	Net	2,360,360	43,100	1,696,966	..	155	
00	..	..	..	Max	1,189,400	4,725	2,198,364	..	160	
00	Bangook Electric	11 mths	..	..	..	..	..	..	..	
50	Shanghai Electric	Year	Dec. 31	..	..	..	..	..	..	
50	Union Electric T.	..	..	..	..	..	..	..	..	
08	of Montevideo	3 mths	..	Grom	468,039	3,909	108,039	..	8	
08	Vera Cruz	10 mths	Nov. 30	..	533,200	19,400	498,700	..	180	
08	Victoria Falls &	Quarter	Sept. 30	Net	223,082	..	..	..	..	
08	Transvaal Pwr.	..	..	Grom	654,338	11,281	5,395,217	..	72	
08	Winnipeg Electric	12 mths	Dec. 31	Grom	1,190,044	23,560	1,667,459	..	91	

[Appendices receipts.

MINING OUTPUT STATISTICS FOR DECEMBER, 1922.

	Tons Crushed.		Gold Recovered.			Value.	Profit.
	Mill.	Cyanide Works.	Mill.	Cyanide Works.	Total.		
Gold.	Tons.	Tons.	Ozs.	Ozs.	Ozs.	£	£
Esperanza	1,750	..	..	..	..	7,826	\$3,593
Frontino and Bolivia ..	284,500	..	..	..	..	538,208	224,368
Quarter ended Dec. 31st—	159,600	..	..	..	..	252,230 (d)	49,081
City Deep	642,000	..	..	..	..	896,487	281,025
Consolidated Main Reef ..	101,100	..	..	..	..	148,753 (d)	21,542
Crown Mines	404,200	..	..	..	..	429,904	9,767
Durban Roadport	97,100	..	..	..	..	125,218	28,529
East Rand	138,500	..	..	..	..	231,231	93,562
Ferreira Deep	163,685	..	..	..	..	184,105	11,784
Geduld Prop.	95,300	..	..	..	..	88,737	14,512
Geldenhuis Deep	188,000	..	..	..	..	458,008	361,558
Knights Central	128,500	..	..	..	..	310,772	192,168
Modderfontein B.	81,400	..	..	..	..	204,538 (d)	100,451
Modderfontein Deep	334,000	..	..	..	..	699,966	433,842
Modderfontein East	142,500	..	..	..	..	197,097	33,606
New Modderfontein	47,100	..	..	..	..	65,742	29,232
Nourse	161,500	..	..	..	..	169,693	33,864
Robinson Gold	48,500	..	..	..	..	5,721	..
Rose Deep	178,300	..	..	..	..	250,366	58,172
Transvaal G.M.B.	9,600	..	..	..	..	..	..
Village Deep	..	..	..	..	..	..	..
Waihi	..	..	..	..	..	..	..

(d) Net.

	Output.	Other Notes in Return.
Tin.	Tons.	
Nigerian Base Metals	10	Shipped 10 tons.
South Bakers	10	..
Coal.	Tons.	
Chislet	5,050	Week ended Jan. 27th.
East Bent	4,130	Week ended Jan. 27th.
Miscellaneous.		
New Vaal River	..	Diamonds registered in January 541 carats, valued at £3,905.
Ex Lands Nigeria	40	January return.

BRITISH BROKEN MILL.—Cabled mill returns for the fortnight ended Jan. 27th:—7,440 tons crude ore produced 1,210 tons lead concentrates, containing 734 tons lead and 23,428 ozs silver, also 1,040 tons zinc concentrates, assaying 85 per cent. lead, 10 ozs silver per ton, and 45 per cent. zinc. 150 tons carbonates raised. One day stoppage.

BURKA CORPORATION.—Cable:—Further extension No. 7 level west crosscut 1,027 ft south—From 105 ft to 110 ft, 26 ozs silver, 45 per cent. lead, 5 per cent. zinc; from 110 ft to 115 ft, 8 ozs silver, 30 per cent. lead, 0.3 per cent. zinc. Face in sediment.

MOUNT MORGAN GOLD MINING COMPANY.—For the four weeks ending Jan. 23rd treated 3,187 tons Mount Morgan ore, 57 tons Many Peaks ore, 2,656 tons concentrates, and 5 tons of purchased ore and secondary products. Produced 247 tons blister copper, containing 245 tons copper and 3,062 ozs gold, including 1 ton copper and nil ozs gold from Many Peaks, also 2 tons copper and nil ozs gold from purchased ore and secondary products. Concentrator treated 8,304 tons ore for a production of 3,502 tons concentrates, containing 163 tons copper and 2,314 ozs gold. In addition to above production, have matte on hand containing 26 tons copper and 264 ozs gold.

Reports and Notices.

Branches of the Meadow Dairy Company, Limited, have been opened at 24 Wellington place, Barrack road, Northampton; 12 Market place, Warwick; 62 Princes road, Holland park, W.; 19 Green street, Upton Park, E.

We are informed by the London secretary of De Beers Consolidated Mines, Limited (Kimberley), that the Right Hon. Edwin S. Montagu has been appointed a director of the company.

The Ministry of Transport announces that on the retirement of Sir William Marwood, K.C.B., which took effect as from January 31, 1923, Mr. J. R. Brooke, C.B., has been promoted to be secretary to the Ministry of Transport.

We are informed that Mr. J. E. McCulloch, of the London County Westminster and Parr's Bank, has accepted the invitation to undertake the duties of British Administrative Commissioner and acting representative of Great Britain on the National Council of the International Chamber of Commerce in Paris. The British members of the Council are Sir Albert J. Hobson, J.P. (vice-president), Mr. Walter Leaf, chairman of the London County Westminster and Parr's Bank, Limited, and Sir Felix Schuster, of Messrs Schuster, Sons, and Co., and director of the National Provincial and Union Bank of England.

BANKS.

IONIAN BANK, LIMITED.—The balance-sheet and profit and loss statement of the bank for the eight months ending August 31, 1922, shows that the profits (provision having been made for expenses of management, losses, all bad and doubtful debts, bonus for staff, rates, taxes, income-tax and corporation profits tax, both in Greece and England), amount to £37,693, to which has to be added balance brought forward from last year, £11,781—£49,474; from which there has been paid interim dividend for the eight months to August 31, 1922, at 2s per share, free of income-tax, paid July 25, 1922, £9,712; leaving available for distribution, £39,762. This the directors propose should be disposed of as follows:—Final dividend for the said period at 2s per share, free of income-tax, £9,712; bonus at 8d per share, free of income-tax, £3,237; transfer to reserve fund, making that fund £155,000, £5,000; transfer to premises redemption fund, £10,000; leaving a balance to be carried forward of £11,813. The dividend and bonus, if agreed to, will be payable on and after February 14, 1923. The report states that the further depreciation of the drachma has made it desirable to depart from the custom of converting the

drachma assets and liabilities of the bank at par, or drs 25 per lb. and their conversion at the current rate of exchange ruling on August 31, 1922, drs 140 per £, accounts for the apparent falling-off in the balance-sheet figures. The business of the bank has, however, continued to expand, and the directors are pleased to report satisfactory results for the period under review. The directors, having made more satisfactory arrangements for the storage of their customers' cotton, have disposed of the bank's shoonah (store) at Alexandria. They have opened a new account under the heading "premises redemption fund," to which they have transferred £10,000, the net profit resulting from this sale. Since August 31, 1922, the bank made arrangements for taking over the business carried on in Constantinople by the Guaranty Trust Company of New York, and a branch was opened there on October 1st. The investments of the bank stand on the books at figures considerably below the actual market value.

LONDON AND LIVERPOOL BANK OF COMMERCE.—The report for the year 1922 shows net profit for the year amounts to £16,993, to which is added £20,740 brought forward, making £37,733 available. The dividend of 4 per cent. for year absorbs £17,700, and £20,033 is carried forward. The report states that the bank's investments stand at or below market prices on December 31, 1922. This bank's indebtedness to the Bank of England against pre-war debts under the Government scheme of 1914 was liquidated in July last, though there remained, and still remains, a substantial sum due to this bank from ex-enemy and other countries. The collection of the German debts proceeds slowly, and no scheme has yet been agreed upon for the settlement of those due from Poland and certain other countries. The directors are pleased to report that they have received from the British Overseas Bank, Limited, a conditional offer to purchase from the shareholders their shares in the London and Liverpool Bank of Commerce at the price of £10 5s per share, ex dividend, payable in cash.

MISCELLANEOUS.

THE BRITISH INVESTMENT TRUST, LIMITED.—The accounts for the year ending January 1, 1923, show that the revenue for the year, after providing for interest on temporary loans, income-tax, expenses of management, &c., is £22,217. Deducting therefrom interest on debenture stock and debentures for the year, less income-tax, £63,101, there remains a balance of £158,116. Dividend on 5 per cent. preferred stock, less income-tax, absorbed £44,250, leaving £113,866. Dividend on the deferred stock of 16 per cent. for year, less income-tax, absorbed £94,400, leaving surplus revenue for the year £19,466, add balance brought forward from last year, £164,852, making amount to be carried forward to next year £184,318. A valuation of the investments, made in the usual way, shows a depreciation of about 1 per cent. on book cost against 13 per cent. last year. At January 1, 1923, the number of investments was 315, and the report shows how these investments, amounting to £5,428,222, are distributed.

LENNARDS, LIMITED.—The net profit for year 1922, after payment of all working expenses, debenture interest, corporation profits tax, and depreciation of fittings and fixtures, and leasehold properties and depreciation on stock, amount to £13,687; balance profit brought forward from the last account, £1,328; transferred from ordinary reserve fund, £15,000; making £30,016. Preference dividend absorbed £7,500, while the ordinary dividend of 12½ per cent. for the year absorbed £15,625. Directors' fees amounted to £500; donation to staff, £500; balance the directors recommend should be carried forward, £5,891. The ordinary reserve fund now stands at £35,000.

STERLING TRUST.—The report for the year ended December 31, 1922, shows that from the accounts it will be seen that the balance at the credit of revenue account (including £20,897 brought forward from the previous year), after meeting all expenses, and applying £95,417 in payment of interest at 5 per cent., less income-tax, on the "A," "B," and "C" debentures is £86,264. The directors recommend the payment of a dividend of 6 per cent. on the consolidated stock, less income-tax, requiring £55,313, leaving to be carried forward, subject to corporation profits tax, if any, £30,951. A list of investments held by the company at December 31, 1922, is shown in the report. Apart from the securities of the Alabama and Vicksburg and Vicksburg Shreveport and Pacific Railway Companies, which, being mainly held by the Sterling Trust, have no free market quotation, a valuation of the investments, based on official quotations where obtainable, and on an estimate for the small balance of other securities, shows the amount at which they stand in the books to be fully represented by value.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

Winter-sown crops in the United Kingdom continue to make favourable progress, but recent heavy rains have hampered field work. Fairly large areas, however, are ready for drilling, and, given a spell of dry weather, spring sowings will soon be in full swing. Native wheat is in fair supply, both here and at provincial centres, and rates tend easier, in sympathy with the general wheat position. Suitable milling grades quoted at 9s 6d to 9s 8d, with inferior down to 8s 3d per 112 lbs, free on rail. Imported descriptions quiet of sale at a further decline, owing to lower forward offers. No. 1 Northern Manitoba quoted 49s, No. 2 mixed Durum 46s, and Rosafé, 62½ lbs, 48s 9d, all per 490 lbs, ex ship, to arrive. The cargo section still lacks animation, and values gave way on lower American advices, large Argentine shipments, and fluctuations in Continental exchange rates. Steamers of Rosafé, 62½ lbs, on passage, sold at 46s 3d, U.K. terms, to Germany, and Australian

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution.	Appropriation.			Corresponding Period Last Year.	
					Dividend.		Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.
					Prefere.	Ordinary.			
		£	£	£	Amount.	Amount.	Rate.	£	£
Banks.									
Ionian	Aug. 31	11,781 (b)	37,693	49,474	..	22,660 4/8 ps†	..	15,000	11,814
London and Liverpool Bank of Commerce	Dec. 31	20,740	16,993	37,733	..	17,700	4	20,033	18,894
Breweries.									
Octagon Brewery	Dec. 31	8,295	16,840	25,135	2,000	4,200	12	10,220	8,715
Financial, Land, &c.									
City and Westminster Properties ..	Dec. 31	8,673	42,888	51,561	..	27,657	7½	12,500	11,404
Scottish American Investment ..	Dec. 31	64,306	154,809	219,115	41,259	92,925	18	20,000	64,931
Gas.									
Gas Light and Coke	Dec. 31	144,357	1,318,586	1,462,943	253,489	853,038	5½	112,061	244,355
Malton	Dec. 31*	684	2,585	3,269	..	1,200	5†	..	2,069
Scarborough	Dec. 31	..	17,751	17,751	1,365	11,811	5	4,575	..
Iron, Coal, and Steel.									
Burnell and Co.	Dec. 31	Dr 13,606	Dr 4,842	Dr 18,448	..	..	..	5,000 Dr	28,448
Shops and Stores.									
Greenless and Sons	Dec. 30	16,021	36,752	52,773	13,829	4,978	2½	16,568	17,398
Lenards	Dec. 31	1,329	12,687	14,016	7,500	15,625	12½	Dr 15,000	5,891
Public Benefit Boot	Dec. 30	40,376	36,431	76,807	22,247	4,720	8	12,000	37,840
Textiles.									
English Velvet and Cord Dyers' ..	Dec. 31	25,690	75,749	101,439	10,594	34,810	8	20,000	36,035
Trust.									
British Investment	Jan. 1	164,852	158,116	322,968	44,250	94,400	16	..	184,318
Central Bahia Railway Trust ..	Dec. 31	2,443	28,501	30,944	..	28,594	1½ B	..	2,350
Charter Trust and Agency	Nov. 30	5,616	37,617	45,233	25,000	14,667	4	..	5,566
Metropolitan Trust	Jan. 1	51,193	72,490	123,683	18,000	44,250	15	..	61,433
Sterling Trust	Dec. 31	20,898	65,366	86,264	..	55,313	6	..	30,951
Rubber, &c.									
Ampat (Sumatra)	Sept. 30	241	2,905	3,146	..	..	..	1,250	1,893
Garing (Malacca)	Sept. 30	3,365 Dr	1,518	1,847	..	..	..	1,600	247
Lewa	June 30	Dr 9,616	Dr 1,111	Dr 10,727	..	..	..	Dr 10,727	541
Waterworks.									
Whitby	Dec. 31*	1,389	1,398	2,787	210	628	7½	..	1,949
York	Dec. 31*	13,107	6,709	19,816	1,200	5,400	10	..	13,216
Other Companies.									
Dublin (South) City Market	Dec. 31*	3,230	3,319	6,549	..	2,500	2½	500	3,549
East End Dwellings	Dec. 31	2,045	15,745	17,790	2,000	8,440	5†	6,000	1,350
John Knight	Nov. 30	62,702	151,315	214,017	..	125,000 25 P.O.	..	68,017	164,145
Scott, Son, and Co.	Dec. 31	24,931	27,805	52,736	5,000	7,500	12½†	12,000	28,236

* Half-year.

† Free of tax.

(b) Eight months.

afloat at 40s 3d. Visible supplies in North America are increasing, while the Australian and Argentine crops are now moving rapidly. Reports from India continue excellent respecting harvest prospects, so that the outlook may be considered favourable to importers. Flour quiet, and rates tend easier, in sympathy with the decline in spot wheat. London standard straight run quoted 40s, patents 42s to 43s, town households 38s per sack, delivered to London

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bakers. All English country straights 31s 6d to 33s, delivered. Of imported, Manitoba export patents range from 38s to 41s as to quality, Minneapolis good patents 41s, Pacific 37s 6d, and Australian 40s 6d per 280 lbs, ex store. Maize, after being easier, improved, owing to higher forward offers. La Plata ex ship 36s 3d to 36s 6d, ditto landed 37s 6d, American mixed 35s ex ship, ditto landed 36s 6d. Firm conditions prevailed in the cargo market, and sellers required more money in view of adverse weather reports from the Argentine. Steamers of La Plata arrived sold 34s 9d to 35s, ditto on passage 35s to 35s 10d per 480 lbs. Barley remains quiet at about late rates. English slow, but prices steady for best malting descriptions. Prices vary from 7s to 13s 6d per 112 lbs, free on rail, as to sample. Of imported, 13s 6d per 112 lbs, free on rail, as to sample. 2 Canada feed 25s 9d, Canadian quoted 41s 6d to 45s, Australian Chevalier 49s to 53s per 448 lbs, ex ship to arrive. Danubian 30s 6d to 32s, Plate 31s, both landed, Persian 26s 6d ex ship and 28s 3d landed terms, all per 400 lbs. Oats quietly steady for native varieties at 8s to 9s 10d per 112 lbs, free on rail, as to sample. Imported lower on large arrivals from the Argentine. Plate f.a.q. 23s 6d, No. 2 Canada Western 29s 3d, No. 3 ditto 27s, No. 2 Canada feed 25s 9d, American white clipped 24s 9d, all per 320 lbs. Oatmeal quiet, and values occasionally the turn easier. London made, all cuts 17s 6d, rolled oats also whole groats 17s 6d, flaked oats 20s 6d ex mill. Ordinary Scottish oatmeal 18s 6d to 19s, American all cuts 17s 6d to 17s 9d per cwt. Millers' offals quieter, with rates tending in buyers' favour.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1922-23, contrasted with 1921-22, 1920-21, and 1919-20:—

	1922-1923.	1921-1922.	1920-1921.	1919-1920.
Estimated sales of home-grown wheat—				
1 week to January 27	Cwts. 582,178	Cwts. 428,120	Cwts. 341,107	Cwts. 406,649
20 weeks to January 27	9,681,887	8,676,090	7,290,429	6,421,767
Average price of English wheat per				
quarter	s d 42 13	s d 45 9	s d 85 4	s d 72 7
= per cwt	9 10	10 8	19 11	16 11

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1919 to 1922:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1923.						
Jan. 20.....	485,822	446,585	74,735	9 10	9 7	9 11
Jan. 27.....	582,178	427,245	77,512	9 10	9 8	9 10
1919.....	374,627	261,868	41,814	16 11	17 5	17 8
1920.....	406,650	214,282	68,768	16 11	29 8	20 11
1921.....	341,126	380,796	68,765	19 11	19 10	15 9
1922.....	428,121	246,979	60,726	10 8	12 0	10 5

IRON, STEEL, AND COAL.

Our Middlesbrough correspondent's report, dated February 1st, is as follows:—Pig-iron: Makers of pig-iron have been obliged to raise their prices owing to the rapid advance of fuel costs. The demand for iron is good, but there is very little chance of putting more furnaces in with the present scarcity of coke. No. 3 Cleveland G.M.B. is now quoted 105s per ton, and East Coast mixed numbers hematite is 100s per ton. Manufactured iron and steel: The best outlet for steel at the moment is for shipbuilding, and works have more orders. Steel ship plates, £9 10s; steel ship angles, £9; iron bars, £11; steel rails, £9 net. Iron ore: Prices have advanced, but buyers are rather slow in responding. Best Bilbao Rubio ore is now 24s per ton, c.i.f. Tees.

Our Sheffield correspondent writes:—The invasion of the Ruhr is likely to modify conditions in certain branches of the iron and steel trades to the advantage of manufacturers, but up to the present time its effect has not been very marked. During the past week further orders have come into the district for pig-iron, crude, and manufactured steel, as well as quite a crop of inquiries, and it is fair to assume that some part of this business has been diverted from Germany. A good many buyers of German material are holding back their contracts in order to see what happens, but those in urgent need of supplies are placing their contracts here. Owing to the pressure of orders, several works in this part of the country have ceased to book for delivery during the present quarter as regards basic pig and billets. There is a shortage of both these materials. More blast-furnace output is now needed, and idle furnaces will be put into operation as soon as sufficient coke is available. Last week's advances in prices are maintained, but the extravagant demands of holders of scrap have checked business. For heavy steel scrap, which two months ago was worth about 60s, the prices asked to-day range from 86s to 90s. Some of the crucible steel makers are now beginning to pick up orders, and steady progress is reported in special tool steels, garden tools, twist drills, engineers' hammers, picks, and so forth. Taking the finished branches as a whole, the improvement is not yet considerable enough to put business on a remunerative basis, and many firms are still losing money. Orders are being booked for railway steel, and the plants are occupied to about half their capacity. The cutlery and plate trades are quiet. Owing to a scarcity of washed slacks, the coke-ovens cannot produce their full capacity, and makers could sell spot lots at a substantial premium on contract rates if the fuel was available. Only a few such transactions are reported. South Yorkshire collieries are not experiencing anything in the nature of a boom at present, and an endeavour will be made to prevent prices of manufacturing fuel rising unduly, lest such a movement should check the expansion in iron and steel. Steam coal is, perhaps, a shilling better on the week, and cobbles, nuts, house coal, and gas coal are firmer. There is no surplus for manufacturing purposes.

Our Glasgow correspondent writes:—During the past week one or two interesting features have materialised in the Scotch steel trade, elevating the industry to the highest point of productive capacity and efficiency of any district in the United Kingdom. During the idle times experienced over the last two years, the respective managements have been directing their energies to the overhauling of plants and the fuller equipment of their machinery, so that, essentially, economy in output might be secured. Some of the establishments claim to have well-nigh revolutionised their positions, or at least effected improvements which will enable them to cope with any trade demand that may develop for years to come. Messrs. Colville, of Motherwell, have fitted up a boiler plate shed and mills that are said to be unequalled anywhere, and on Monday they effected a satisfactory start, after a two years' shut down. Then the Steel Company of Scotland, for the first time in their long history, has added a plate-rolling mill (capable of turning out 1,500 tons a week) to their plant at Blochairn, and negotiations have been opened for the transfer to a new proprietorship of an up-to-date works near Motherwell. It is given out that all concerned are in the fortunate position of holding well-filled order books, fairly well backed by a healthy list of inquiries, for all descriptions of structural materials. Consequent on the rise in coal costs, steel and iron makers have put 5s to 10s a ton on all products, so that now boiler plates are called £12, ship plates £9, and sections £8 15s. Ship plates under 1 in., £10; under 1½, £10 10s; bulb angles £8 5s; tees and sds., £9. Black and corrugated houses find inquiries from Australia and India on the increase and the results are on an improving scale. On Tuesday a new price list was issued, making quotations 7s 6d to 20s a ton higher than of late—at 1 in. to 1½, £11; 1½ to 2, £11 10s; 2 to 2½, £12 5s; 2½ to 3, £13; 3 to 3½, £13 15s; 3½ to 4, £14 15s. Galvanised corrugated b.g. 24, £18 15s. Scrap in request while stocks are low. In quotations, however, there are few changes; heavy melted steel about £4 a ton; basic steel, £3 15s; ordinary cast iron, £4 6s 3d. Makers of bar iron state that more is passing both on home and export accounts, all-Scotch crown,

£102 10s; best crown, £11; best horse shoe, £11 10s. The improvement seen for several weeks back in the Scotch pig-iron situation is fully maintained, reflecting the change for the better with founders. In the course of last week, 7,448 tons of mixed brands were exported, the largest weekly total shipped for years. The tonnage was distributed over Boston, San Francisco, and one or two Pacific ports, from which several fresh inquiries have just come to hand. Makers are hopeful of the South American demand being maintained. Values have stiffened, however, this week, mostly in sympathy with costs, and producers are concerned lest the buying, which has had free course for months, be adversely affected. No. 1 Scotch is up 2s 6d a ton on the week at £5 3s, and No. 3 also 2s 6d at £4 18s a ton. Scotch hematite unchanged at £5 7s 6d. There is talk of the make of hematite being increased. The Scotch coal market has been excited over the week, because of the big Continental demand in evidence, and prices are higher (from 3d to 1s a ton). Fears are entertained in consuming circles that if the advance proceeds, the industrial improvement will meet with a more or less serious check.

Our Cardiff correspondent writes:—The South Wales coal market has been inundated this week with new orders. These have reached the market from the United States, France, Spain, Belgium, and Germany, and their cumulative effect has been to exhaust the estimated outputs of the collieries during the next few months, and to impart to prices a greater strength than that possessed by them at any time since the war. Moreover, the ports continue to be abundantly supplied with tonnage. Indeed, the supply of shipping has been so unwieldy as to create serious congestion and to involve delays in the shipment of coal and interruptions in the working of the collieries. A joint committee of representatives of employers and workmen is considering the question of an improvement in shipment facilities, but it has not yet arrived at any decision, and the trade of the South Wales ports continues to be hampered by the restriction on the working hours of the trimmers and the tippers. The scarcity of small coals is particularly pronounced. During the past few weeks the demand of the blast furnaces for coke has increased. This demand has absorbed a fairly substantial percentage of the output of small coal, and has therefore contributed to the current scarcity. The French railways have been exceptionally active in the shipment of smalls for briquette making purposes, and under the influence of all these favourable factors the prices of some of the small coal steam qualities have been advanced to 21s 6d. Three months ago these coals were easily obtainable at about 16s per ton. Best large coals have improved to 30s 6d, but even at these prices it is difficult to obtain supplies. Coke prices are also rising rapidly, and some foundry descriptions are now quoted up to 50s per ton. Patent fuel continues to be adversely affected by the high price of pitch, but 37s 6d has been realised during the past few days. The current market quotations are as follows:—Best Admiralties, 20s 6d to 30s 6d; second Admiralties, 28s 6d to 29s 6d; best drys, 27s 6d to 28s 6d; black veins, 28s 6d to 29s 6d; Eastern Valleys, 27s 6d to 28s 6d; Western Valleys, 28s 6d to 29s 6d; best bunker smalls, 21s to 21s 6d; ordinary cargo smalls, 19s to 20s; anthracite big veins, 35s to 37s 6d; anthracite machine made cobbles, 45s to 47s 6d; French nuts, 47s 6d to 50s; stove nuts, 47s 6d to 50s; rubbley clum, 14s to 14s 6d; coke for export, 45s to 50s; inland blast furnace coke, at ovens, 27s to 28s; patent fuel, 35s to 37s 6d; pitwood, ex ship, 25s 6d to 26s. The strength of the market for tin plates has been firmly maintained during the past week. Current sales have been at prices from 6d to 9d in excess of the minimum, but a further increase in the basis prices has been temporarily deferred.

THE COTTON TRADE.

MANCHESTER, February 1.

Compared with a week ago there is a distinct change in the conditions prevailing in the market. There has been a decided falling off in the amount of business passing which has been due to the weakness of raw cotton rates, the fall in the value in the Indian rate of exchange, and to the political situation on the Continent. While the rate was quoted at 1s 5d and over, buyers for India operated on free lines, and during the first three weeks of the year quite a substantial business was done in piece goods. During the past week, however, only small transactions have resulted. Although the quotations for raw cotton have declined, spinners and manufacturers are firm in quotation. No increased activity is expected to be displayed for China until the New Year celebrations are over in about three weeks' time. Buyers for Egypt have not been altogether idle. Isolated sales have taken place in fancies for South America. Home trade buying has been unimportant. Prices for American and Egyptian counts on the week are nominally unchanged, but when actual business has been

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placed before spinners slight concessions have been abandoned. Although the conditions prevailing in the market at the moment are the quietest we have had this year, the tone remains hopeful, and traders are expecting a period of greater activity in the immediate future.

(I.) Comparative Statement of the Cotton Trade.

	Price, Feb. 1, 1923.	Previous Weeks in 1922-23.				
		Price, Jan. 25.	Price, Jan. 18.	Price, Jan. 11.	Price, Jan. 4.	Price, Dec. 28.
Raw Cotton—Fully Mid. American . . . per lb	15'67	16'63	16'06	15'33	15'24	15'34
— Sakellaridis Fully Good Fair Egyptian . . . per lb	17'65	18'25	18'25	17'25	17'65	17'90
Yarns—32's twist per lb	22 1/2	22 1/2	21 1/2	21 1/2	21 1/2	21 1/2
— 40's twist per lb	22 1/2	22 1/2	21 1/2	21 1/2	21 1/2	21 1/2
— 60's twist (Egyptian) . . . per lb	28	28 1/2	28 1/2	27 1/2	28	28
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	32 3/4	32 3/4	32 3/4	31 3/4	30 3/4	30 3/4
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	34 9/16	35 0	34 3/4	33 3/4	33 0	32 9/16
38-in. ditto, 38 yds, 18 by 18, 10 lbs	19 0	19 0	18 6	18 0	18 3	18 3
39-in. ditto, 37 1/2 yds, 16 by 15, 8 1/2 lbs	18 0	18 0	17 6	17 0	16 9	16 9

(II.) Compared with Previous Years.

	Price, Feb. 1, 1923.	Corresponding dates in				
		1922.	1921.	1920.	1919.	1918.
Raw Cotton—Fully Mid. American . . . per lb	15'67	9'70	9'16	28'65	18'00	23'74
— Sakellaridis Fully Good Fair Egyptian . . . per lb	17'65	16'25	19'00	82'50	27'30	28'56
Yarns—32's twist per lb	22 1/2	17 1/2	22 1/2	59 1/2	28	39 1/2
— 40's twist per lb	22 1/2	16 1/2	20 1/2	55	29	39 1/2
— 60's twist (Egyptian) . . . per lb	28	27	28	130	60	45 1/2
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	32 3/4	28 0	40 0	91 0	54 0	52 0
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	34 9/16	28 0	37 0	86 0	51 0	51 0
38-in. ditto, 38 yds, 18 by 18, 10 lbs	19 0	17 6	22 0	49 0	30	62 8
39-in. ditto, 37 1/2 yds, 16 by 15, 8 1/2 lbs	18 0	16 6	20 0	43 0	25	0/25 6

LIVERPOOL OFFICIAL QUOTATIONS—January 26, 1923.

Description.	Com.	Med.	Good Med.	Med. Fine.	Fine.	Extra Fine.	Same Period 1921.			Same Period 1920.		
							Med.	Good Med.	Fine.	Med.	Good Med.	Fine.
Sea Island	d	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Florida do	d	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Georgia do	d	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
American	1527	1557	1607	1632	1652	1712	706	831	1001	635	789	1054
Brazilian	Mid M F	Fr. G. F	Fr. G. F	Fr. G. F	Fr. G. F	Fr. G. F	Fr. G. F	Fr. G. F	Fr. G. F	Fr. G. F	Fr. G. F	Fr. G. F
Pernam	1552	1637	1757	1757	1757	1757	731	981	1001	635	789	1054
Parahyba, Rio Grande, &c. . .	1552	1637	1757	1757	1757	1757	731	981	1001	635	789	1054
Macao, &c.	1552	1637	1757	1757	1757	1757	731	981	1001	635	789	1054
Mossoro, &c.	1552	1637	1757	1757	1757	1757	731	981	1001	635	789	1054
Ceara	1552	1637	1757	1757	1757	1757	731	981	1001	635	789	1054
Maranhao, &c.	1552	1637	1757	1757	1757	1757	731	981	1001	635	789	1054
Sao Paulo	1552	1637	1757	1757	1757	1757	731	981	1001	635	789	1054
Egyptian	Fr. G. F	Fr. G. F	Fr. G. F	Fr. G. F	Fr. G. F	Fr. G. F	Fr. G. F	Fr. G. F	Fr. G. F	Fr. G. F	Fr. G. F	Fr. G. F
Upper	1510	1615	1655	1655	1655	1655	1075	1375	1400	1100	1500	1500
Sakellaridis	1510	1615	1655	1655	1655	1655	1075	1375	1400	1100	1500	1500
Brown	1510	1615	1655	1655	1655	1655	1075	1375	1400	1100	1500	1500
Peruvian	Mid M F	Fr. G. F	Fr. G. F	Fr. G. F	Fr. G. F	Fr. G. F	Fr. G. F	Fr. G. F	Fr. G. F	Fr. G. F	Fr. G. F	Fr. G. F
Bough	1575	1625	1725	1725	1725	1725	1050	1250	1300	1600	1600	1600
Moderately Rough	1575	1625	1725	1725	1725	1725	1050	1250	1300	1600	1600	1600
Smooth	1627	1752	1827	1852	1902	1902	756	1081	1250	539	1391	1339
Tanguis	1627	1752	1827	1852	1902	1902	756	1081	1250	539	1391	1339
Mitafis	1450	1550	1625	1675	1675	1675	1000	1200	1250	1000	1200	1250
West Indian, &c.	1550	1650	1725	1725	1725	1725	2300	2500	2500	3000	4000	4000
Do Sea Island	2000	2300	2600	2700	2700	2700	2300	2500	2500	3000	4000	4000
African, East, &c.	1175	1275	1350	1450	1550	1650	725	925	1125	800	1100	1500
Do	Mid M F	Fr. G. F	Fr. G. F	Fr. G. F	Fr. G. F	Fr. G. F	Fr. G. F	Fr. G. F	Fr. G. F	Fr. G. F	Fr. G. F	Fr. G. F
Do West	Mid M F	Fr. G. F	Fr. G. F	Fr. G. F	Fr. G. F	Fr. G. F	Fr. G. F	Fr. G. F	Fr. G. F	Fr. G. F	Fr. G. F	Fr. G. F
Machine Ginned Surtee . . .	1305	1345	1385	1425	1465	1465	720	770	870	815	840	830
Machine Ginned Broach . . .	1305	1345	1385	1425	1465	1465	720	770	870	815	840	830
Machine Ginned Bhownagur . .	1305	1345	1385	1425	1465	1465	720	770	870	815	840	830
Machine Ginned Ombra . . .	1305	1345	1385	1425	1465	1465	720	770	870	815	840	830
Machine Ginned Khandeish . .	1045	1095	1135	1175	1215	1215	595	670	770	475	525	600
Machine Ginned Comptah . . .	1255	1295	1335	1375	1415	1415	815	840	840	475	525	600
Machine Ginned Bengal . . .	850	890	930	970	1010	1050	550	600	700	475	525	600
Machine Ginned Seide . . .	840	880	920	960	1000	1040	540	590	690	465	515	598
Tinnivelly	1485	1525	1565	1605	1645	1645	920	970	1070	915	940	940
Madras, Western	1195	1230	1270	1310	1350	1350	740	790	890	840	865	865
Madras, Northern	1295	1335	1375	1415	1455	1455	840	890	990	840	865	865
M.G. Coonada, Red	Fr. 1240	1280	1320	1360	1400	1400	775	825	925	840	865	865
China, Smyrna, &c.	1240	1280	1320	1360	1400	1400	775	825	925	840	865	865

THE WOOL TRADE.

There is no great activity in any section of the industry at the moment; indeed, the market is quieter than it has been for some considerable time. The general tone remains fairly good, but there are indications that users are beginning to mark time and await further developments. Business for the most part is confined to the covering of pressing requirements, and as spinners appear to be well covered, there is not much need for anyone to force the pace. It must be admitted that so far the raw material market has shown very little weakness. The trouble in Germany is certainly affecting competition for typical Continental merinos at the London sales, and values have eased somewhat during the week, but good combing wools are still selling in London and in the primary markets at prices which do not allow of tops being sold at a profit. Users, however, appear to be determined to resist present quotations, and the tendency to-day is slightly in their favour. Some topmakers are still firm at recent rates, but

others will make concessions to obtain business. Crossbreds, on the other hand, are firm all round, and a nice steady trade is passing in practically all qualities. This is largely due to American buying of raw material in London and matchings in Bradford. Spinners are not booking very heavy weights of yarn under existing conditions. There is strong opposition to quoted prices, manufacturers contending that they cannot sell cloth in any market at prices based on current quotations for yarns. A moderate turnover is being done, but many of the orders are for comparatively small quantities, and some spinners are selling at prices below the general market level, being able to do this on account of tops which were bought at prices which look cheap compared with to-day's rates. The piece trade is unchanged.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

The London sales have continued to make good progress, but prices are hardly at the extreme point seen during the opening week. We have previously mentioned that the Continent was hardly displaying as great keenness to acquire wool as was seen at Liverpool, and the more cautious policy has been pursued up to the present. Not only is more discretion being shown, but the prices bid are hardly so extreme, French buyers naturally desiring to operate at prices which will as far as possible allow for the depreciation in the value of the franc. The same thing applies to Belgian buyers, with whom the continuance of the strike at Verviers is an untoward factor. This is limiting the consumption of wool, and although one expects some competition from Germany, the operations of that country are

VEGETABLE OILS AND OILSEEDS.

The feature of the market has been the sharp advance in linseed oil, a matter of 50s to 60s per ton on the week at Hull, but to a much lesser degree in London. This has been primarily brought about by the shortage of "spot" and "month" oil, in addition to which it is reported that Hull crushers have been compelled to enter the market, and buy oil to cover their January commitments. The consequence was, in the closing days of the month prices rose rapidly, a large business being done, the Hull market closing firm at £42 for spot oil on Wednesday. This, of course, is an abnormal position, and has since eased. February oil is quoted at £37 15s, and May-August £33. Trade demand has shown signs of improving, but the export business is still slow, and adversely affected by the unsettled political outlook in Europe. Production of oil, which during the past three months has been on very modest lines indeed, should soon begin to expand, as large quantities of linseed are now afloat and will soon be arriving in volume. That on passage to the United Kingdom is now computed at 64,500 tons, and that to the Continent at 50,200 tons—together, 114,700 tons, against 108,700 tons a week ago. Crushers have bought sparingly for shipment of the new Plate crop, high prices being an effective bar, but with an easier tendency in Argentine quotations the position in this respect may soon improve. Current value of Plate afloat to Hull is round £18 10s, and for January shipment £18, buyers offering £17 for January-February to April. Some business has been done in Indian linseed to London, up to £20 being paid for Calcutta, January shipment.

Rather more activity is reported in cotton oils, the demand being chiefly for soapmakers' grade of refined and crude Bombay, in which a large business has been done at advancing prices. Edible grade of refined has been a fair trade and is dearer. Egyptian Sakellaridis has been firmly held at about unchanged prices, and a good business done in Bombay at £9 5s for January-February shipment to Hull.

Crude soya beans oil has been in very good request, and a fair business has been done in the raw material. Rape oil is still scarce in near positions, and prime nut oils have shown some movement, and prices have been sustained at recent levels.

Linseed cakes are very scarce at the crushing centres, pending arrivals of seed. Cotton cakes and all kinds of meal are in good demand, and slightly dearer.

HIDE, LEATHER, AND ALLIED TRADES.

(BY OUR OWN CORRESPONDENT.)

The hide position was again weak in Bermondsey on Thursday last; ox hides, which remained unsold last week, realised from 7½d to 8½d, and seconds from 5½d to 7½d. Cows were unsold, and kips made from 1½d to 4½d, a fall of ½d. Calf sold from 6½d to 10½d, and were down ½d to ½d on last week's prices. Seconds were weaker, and thirds headless were unsold. Wools were firm, selling from 5s 6d to 12s 9d each, the hogg class making 6s 2d to 15s 3d each. Provincial prices are also lower by about ½d, as tanners do not seem eager to lay in hides at present prices, owing to the difficulty of getting a better price for leather. The foreign market remains firm, with tanners buying few hides for forward shipment from South America. Latest cables from the U.S.A. report the Chicago position as steady, with best heavy packers selling at 20¢ cents.

Merchants and tanners are doing a small but steady trade in the lighter kinds of sole leather, the demand still running on the cheap grades. Pinned offal is dearer, and advances of ½d to 1d per lb are frequent. The lighter descriptions seem to be all gone from the market, and some tanners are heavily booked forward. Old clearances of Australian sides are also reported at low figures, which cannot have repaid the cost of tanning even in Australia. Dressing leather is dull, the fluctuation of the franc having stopped the export of split hides to France again for the time being.

Upper leather is in moderate request, but only in the common grades. Sales are at last reported of low-grade kip butts, but as the market for the rough goods in India is very firm, carriers are not finding it an easy thing to show a profit on transactions. Glacé in colours is wanted, and sampling is going forward in shades.

The boot section is in a more hopeful mood, and the demand for ladies' shoes especially has improved. The failures, however, in the Midlands do not inspire confidence, as it is clear certain firms have been selling at well below cost of production for some time.

OVERSEAS PRODUCE MARKETS.

Mincing lane, Friday, February 2.

SUGAR.—The market presented firmer features, steady buying orders being in circulation, and prices all round close higher. Of British refined, Messrs Tate and Lyle's cubes, 54s to 55s; crushed, 51s; granulated, fine and coarse, 49s 4½d; No. 1, 49s 1½d; No. 2, also London, 48s 10½d. Yellow crystals, 42s 10½d; granulated, one month forward, 49s; March, 49s 3d; April, 49s 9d; May, 50s. Crystallised West India in small supply, and quoted 45s 6d to 46s. American granulated, spot, sold, 48s 6d to 48s 9d; February-March, steamer, 23s 23d, c.f. and i., London. White Java, spot, 47s 9d, 48s; May-June, steamer, 21s 7½d, c.f. and i., London. White Mauritius, spot, 46s 6d to 46s 9d. Belgian granulated, 48s; Dutch ditto, 48s 3d. W.S.R. cubes, prompt, 26s 4½d; granulated, 22s 4½d; J. 21s 10½d, f.o.b. terms. Czech granulated, prompt, 22s, f.o.b., Hamburg. Terminal market firmer. White, May delivery, sold, 22s to 22s 10½d; August, 22s 1½d to 23s. Cuban, basis 96 per cent., February shipment, quoted 18s; Brazilian, basis 80 per cent., February, 13s, c.f. and i., U.K. Cuban stocks, 189,400 tons, against 175,800 tons same time last year. Liquid glucose, spot, 28s 6d.

COFFEE.—Spot market steady, and there has been a fair movement, chiefly on home-trade account. Nairobi, bold sizes, sold, 60s to 112s; do, Costa Rica, 106s to 118s. Future delivery market steady, quiet. May, sold, 60s to 60s 6d.

COCOA.—No public sales were held this week, and by private treaty only small transactions were effected at recent quotations. Accra F/F quality, February-April, value, 34s, f.o.b. terms.

TEA.—Indian auctions embraced some 44,400 packages, and while all the better qualities were well competed for at steady prices, common disclosed a rather quieter market with prices occasionally in buyers' favour. Ceylon auctions of 19,300 packages elicited fair competition, and where quality was maintained steady rates were secured, but generally speaking prices were a shade easier. Java and Sumatra quiet, and barely steady.

RICE.—In quiet support, and Burma in forward positions ruled easier under the influence of a lower rupee exchange rate. Two stars, spot, 15s; February-March, 13s 9d, c.f. and i., London. Saigon and Siam quiet, at late rates. Rangoon beans, spot, 8s 3d. Japanese peas, spot, 29s 6d; February-March, 29s 6d cwt.

SPICE.—Only quiet trading ensued with regard to pepper, but sellers asked steady prices. Fair black Singapore, spot, quoted, 4½d; February-April, 4d; Aleppy, spot, 4d; Tellicherry, 4½d; white Singapore, spot, 5½d; Muntok, 6½d; February-April, 5½d; March-May, sold, 6d. Zanzibar cloves, spot, 10½d, paid; January-March, rod to 9½d and 10½d. Flake tapioca, spot, 3½d per lb for fair Singapore; and fine Java, 4d. Fair Penang, seed pearl, spot, 24s cwt; sago flour, February-April, sold, 13s 4½d; desiccated coconut, fine cut, spot, 38s 6d; medium, 39s. Ginger quiet, at about late rates.

FRUIT.—There is no new feature to note in this market, business in all descriptions of dried being on a small scale, with but little alteration in prices.

JUTE.—Demand from spinners was reduced to a minimum, and though sellers refrained from unduly pressing, prices eased. First grade, January-February, Continental ports, quoted £31 10s; February-March, £32 5s; March-April, £33 5s. Lightning grade more or less nominal. Hessians and twills dull of sale.

HEMP.—Manila steady, but at the same time quiet. G grade, February-April, sellers, £36 10s; H, £35 10s; J, sold, £35 to £34 15s; K, quoted £33; L, £33 10s; M, £33. New Zealand quiet, and quotations nominal, unaltered. African sisal steady. No. 1, Tanganyika, February-April, sellers, £35, and No. 1, Kenya sold at £34 5s.

SHELLAC.—Market generally quiet, and forward rather unsettled. Fair T.N. orange, spot, sellers, 375s; March sold, 345s to 350s; May, 330s to 332s 6d.

COPRA.—Market steadier, though only moderate transactions were effected. F.M.S. Straits, February-April, Rotterdam, sold, £25 15s to £26 3s 9d. Ceylon, ditto, quoted £27 15s. Dutch East Indies, £26 5s. Java, sold, £26 5s to £26 12s 6d. South Sea Islands, quoted £25 5s. Cebu, sold, £25 17s 6d; mixed, £24 15s. Palm kernels, March-May, Liverpool, sold, £17 17s 6d to £18.

RUBBER.—Business proceeded with freedom, but prices fluctuated very considerably during the week. Standard plantation crepe, spot, sold, 5½d to 1s 5½d, 1s 5½d and 1s 5½d; March, 1s 5½d to 1s 6d, 1s 5½d and 1s 5½d; April-June, 1s 6½d to 1s 5½d, 1s 6½d and 1s 6d; July-September, 1s 6d to 1s 6½d and 1s 6½d; October-December, 1s 6d to 1s 6½d and 1s 6½d. Fine hard Para, spot, 1s 5d; soft fine, 1s 3½d; and cauchoo ball, 1s 2½d.

EGG PRODUCTS.—Market quiet at late rates. Prime hen liquid yolk, spot, 100s per cwt. Albumen, spot, 3s per lb.

MENTHOL.—Spot, 40s; forward, 32s 6d.

OILS.—Linseed market, after being firm, became quiet and irregular. Spot, net, naked, 39s 6d; February, 38s; March-April, 35s; May-August, 33s. Rape firmer. Crude, spot, 43s 6d; refined, 46s 6d. Cotton firm. Crude Egyptian, spot, 39s; common edible, 44s; deodorised (in barrels), 46s. China-wood strong. Hankow, spot (barrels), 105s; February-March, 78s. Coconut steady. Ceylon, spot, 42s; January-February, 40s 9d; Cochin, ditto, quoted 43s 3d. Soya steady. Oriental, barrels, January-February, 39s 6d. Japan fish steady. January-February, cases, 26s. Cod steady. English, spot, 30s. Ground nuts steady. English crushed, naked, spot, 48s; deodorised, barrels, 55s. Turpentine irregular. American, spot, 103s 9d; February-April, 104s 3d. Rosin easier. American, grade B, 13s 9d; F, 13s 9d; G, 13s 9d; H to I, 13s 9d; W.G., 17s 9d; W.W., 18s 9d. French, F/G, 13s 6d; W.W., 15s 6d per cwt. Petroleum steady. American standard white, spot, 1s 1d; and water white, 1s 2d per gallon. Castor oil steady. First pressure, spot, to June, quoted 49s; second pressure, 46s, and pharmaceutical, 54s per cwt.

OILSEEDS.—Market, after being firmer, became irregular. Bold Bombay, afloat, quoted, £21; small Bombay, ditto, £20 10s;

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Calcutta, afloat, £20 10s; January, sold, £20; and April-June, £18 7s 6d sellers. Plate, afloat, sold, £18 7s 6d to £18 5s; January, £17 17s 6d; January-February, £17 10s to £17 7s 6d; April-May, £17 5s to £17. Rapeseed firm. Toria, afloat, £18 5s; February-March, sold, £17; Jamba, January-February, £14 5s. Cottonseed quieter. Egyptian black, January, £12 5s, and white, sold, £11 15s. Bombay, February-March, sold, £9 5s to £9 3s 9d. Gingly seed firm. Large, Bombay, January-February, sellers, £22 15s. Chinese, new, January-February, £23 10s to £24. Groundnuts firmer. Coromandel, machine-dried, January-February, quoted £22. Chinese decorticated, f.a.q., January-February, £22 5s; Nigerian, ditto, £21 15s. Soya beans firm. Manchurian, January-February, quoted, £12 5s. Castorseed quiet, Bombay, February-March, £18 2s 6d ton.

METALS.—Tin: The market continued firm, and a good business transpired in all positions at an advance of 17s 6d per ton on previous week's close. Cash was dealt in from £185 5s to £186 10s; February, £185 10s to £186 15s, and three months £187, £186 15s to £187 10s. Subsequently the market became irregular and easier due to selling pressure and a falling off in demand. By the middle of the week standard cash sold at £184 5s; February, £184 5s; and three months, £185 10s. In the East sales were reported on the basis of £191, c.i.f. On Thursday the tone was quiet, and values ruled easier respecting cash. Standard cash sold at £184 15s to £183 17s 6d, and three months £186 10s to £185 10s to £185 12s 6d. With sellers in evidence, the downward movement continued at the final market. Standard cash sold at £183 7s 6d to £183 2s 6d, and three months, £186 to £184 15s. English ingots, £182 5s to £182 15s. Copper opened dearer, with an active demand especially for distant positions; sales included standard cash up to £66 2s 6d; February, £66 5s, and three months, £66 17s 6d to £66 10s. Later movements were attended by irregularity and weakness, selling orders being more in evidence. On Wednesday, cash sold at £65 12s 6d to £65 15s, and three months, £66 7s 6d to £66, while finally registered at £66 2s 6d. On the following day the tendency was rather firmer, with fair dealings. Standard, cash, sold at £65 12s 6d to £65 13s 9d, and three months, £66 7s 6d to £66 6s 3d to £66 7s 6d. Rates were rather easier at the final session, with a good demand. Standard cash sold at £65 10s to £65 7s 6d, and three months at £66 5s to £66. Electros, £72 5s to £72 10s; best selected, £69 10s to £71 10s. Strong sheets, £72 10s. Wire bars, £72 10s. Antimony, ordinary brands, £27 to £29 10s. Aluminium, home delivery, £100, and export, £105. Lead £29 to £28 to £27 12s 6d, as to position. Spelter easy at £35 5s to £34 7s 6d, according to position.

TALLOW.—Messrs Colchesters and Woolner write on January 31st, as follows:—The tallow market was steadier during the week, though prices are sixpence lower to-day for inferior. There were more buyers than sellers at prices recently current, and an advance was occasionally paid. At auction to-day 1,200 casks tallow were offered, and 841 were sold. Quotations are:—Australian mutton: Fine, 43s; good

to fair, 42s to 40s; dull to dark, 36s 6d to 35s; hard, 42s. Australian beef: Fine, 42s; good to fair, 39s 6d to 38s; dull to dark, 36s 3d to 35s; sweet, 42s 6d. Present shipment from Australasia: Mutton, fair coloured, 48 degs., 39s; and mixed, 43s, c.i.f. London, 37s 6d. The market letter is unchanged. Town tallow, 35s 6d per cwt. Rough fat, per 8 lbs, 13d; melted stuff, 25s 6d per cwt. Quotations are:—Town: 34s 9d net cash, naked, ex works. Country: Frail casks, 34s 3d; home melted, shipping casks, net, f.o.b., good coloured,—: fair to dull, 35s 6d to 34s 6d. Bone fat: White, none; pale, none; benzine, 31s 6d; melted stuff, 32s, f.o.b.

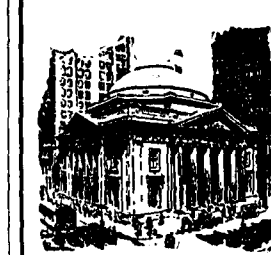
METROPOLITAN CATTLE.—FEBRUARY 1.

British Beasts, per stone of 8 lbs to sink the offal. Sheep, per stone.

Beasts—Herefords	s	d	s	d	Sheep—Downs	s	d	s	d
Short horns	7	4	7	8	Ewes	7	0	7	4
Devons	8	0			Crossbred	11	4		
Norfolks	8	0			Scottish	12	0		
Irish	5	0	6	0	Lamb—Downs	nominal			
Fat Cows	5	0	6	0					

LONDON POTATO MARKETS.—FEBRUARY 1.

English British Queens	s	d	s	d	Majestic	s	d	s	d
"Eclipse"	2	6	3	0	King Edwards	3	6	4	0

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Commercial Times.—Weekly Price Current.

The prices in the following list are revised with the assistance of an eminent firm in each department.

LONDON, FRIDAY				DRUGS—				INDIA RUBBER—lb-s				PROVISIONS—				SPICES—Pepper, per lb			
0000A—Duty, British grown	s	d		Alumina, fine, R.P. cwt 120	0	15	0	Para, fine, hard spot	1	5	8	Butter—per cwt	s	d		Singapore, fair white	0	4	0
25s 4d, foreign 28s cwt.	25	4		Alumina, fine, R.P. cwt 120	0	15	0	Plantation—per lb	1	5	8	Irish creamery	nom			Black	0	4	0
Trinidad, per cwt.	47	0	52	Alumina, fine, R.P. cwt 120	0	15	0	INDI—per lb	1	5	8	Do factory	nom			White Blau	0	4	0
Grenada	47	0	52	Alumina, fine, R.P. cwt 120	0	15	0	Bengal, good red vio-	6	0	0	Argentine	174	0	185	Pimento	0	2	0
Oeylon, plantation	70	0	85	Alumina, fine, R.P. cwt 120	0	15	0	let to fine	6	0	0	Dutch	224	0	253	Onimanoon—lat sort.	0	10	0
Guayaquil	55	0	68	Alumina, fine, R.P. cwt 120	0	15	0	Mid. ord. vio. to good	6	0	0	New Zealand	196	0	200	Do 3rd	0	9	0
Bahia, Brazil	59	0	62	Alumina, fine, R.P. cwt 120	0	15	0	Low to good	6	0	0	Do 3rd	200	0	200	Chips	0	2	0
0000F—British grown	25	4		Alumina, fine, R.P. cwt 120	0	15	0	Madras, dry leaf, good	4	0	6	Beacon, eng.—Irish	105	0	134	Cassia lignum	0	10	0
25s 4d, foreign 28s cwt.	25	4		Alumina, fine, R.P. cwt 120	0	15	0	Do low to ord.	1	0	3	Danish	95	0	168	Oleives—Zanzibar	10	0	10
Do good to fine	1	5	8	Alumina, fine, R.P. cwt 120	0	15	0	Kurpah, good, mid. to	5	0	0	Chips	105	0	168	Peanut	3	0	0
Do India Standard, good	1	5	8	Alumina, fine, R.P. cwt 120	0	15	0	Low to mid.	5	0	0	Obelisks	160	0	170	Ginger—per cwt	100	0	100
Do good to fine	1	5	8	Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Hams—Irish	nom			Cochin, cut	67	0	6
Costa Rica, ord. to mid	65	0	85	Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Canadian	nom			Do small rough	67	0	6
Good to fine	88	0	120	Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	American	80	0	85	Do washed	66	0	6
General American, 8d.	70	0	85	Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Argentine	174	0	185	Japan	170	0	220
Ord. to mid	70	0	85	Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Jamaica, sm.	170	0	220
Mid. to fine	88	0	120	Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Pork—per 8 lbs	21	3	11
Columbian, ordinary	64	0	68	Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Beef—Frozer—per lb	16	0	8
Do good to low mid	60	0	80	Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Swedish	6	0	8
Do mid. to fine	85	0	95	Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Cheese—Cwt—Canadian	128	0	134
0000F—British grown	25	4		Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	New Zealand	110	0	115
25s 4d, foreign 28s cwt.	25	4		Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Eng. Cheddar	140	0	150
Do good to fine	1	5	8	Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Obelisks	160	0	170
Do India Standard, good	1	5	8	Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Dutch	6	120	0
Do good to fine	1	5	8	Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Kips, per 12½—English	19	0	20
Costa Rica, ord. to mid	65	0	85	Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	FLOUR—280 lb	39	0	0
Good to fine	88	0	120	Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Eng. straight ex mill	39	0	0
General American, 8d.	70	0	85	Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	ROSE—per cwt, c.f.	13	0	0
Ord. to mid	70	0	85	Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Laugon No. 1	13	0	0
Mid. to fine	88	0	120	Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Broken la.	19	0	20
Columbian, ordinary	64	0	68	Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Do Eng or W8 do	1	1	10
Do good to low mid	60	0	80	Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Bellies fm D8 do	0	7	0
Do mid. to fine	85	0	95	Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Do Eng or W8 do	0	8	1
0000F—British grown	25	4		Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Dressing Hides	1	9	2
25s 4d, foreign 28s cwt.	25	4		Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Do Eng or W8 do	3	0	6
Do good to fine	1	5	8	Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Ro. Eng. Calf, 20/30lb	3	0	6
Do India Standard, good	1	5	8	Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Australian Sides	1	1	6
Do good to fine	1	5	8	Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Best selected	69	0	71
Costa Rica, ord. to mid	65	0	85	Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	FLAX—spot—c.f.	55	0	87
Good to fine	88	0	120	Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Rice 2K	42	0	42
General American, 8d.	70	0	85	Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Pernau H.D.	80	0	82
Ord. to mid	70	0	85	Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Blancet U/A Medium	87	0	88
Mid. to fine	88	0	120	Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Do	4	0	4
Columbian, ordinary	64	0	68	Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Do	4	0	4
Do good to low mid	60	0	80	Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Do	4	0	4
Do mid. to fine	85	0	95	Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Do	4	0	4
0000F—British grown	25	4		Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Do	4	0	4
25s 4d, foreign 28s cwt.	25	4		Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Do	4	0	4
Do good to fine	1	5	8	Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Do	4	0	4
Do India Standard, good	1	5	8	Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Do	4	0	4
Do good to fine	1	5	8	Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Do	4	0	4
Costa Rica, ord. to mid	65	0	85	Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Do	4	0	4
Good to fine	88	0	120	Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Do	4	0	4
General American, 8d.	70	0	85	Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Do	4	0	4
Ord. to mid	70	0	85	Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Do	4	0	4
Mid. to fine	88	0	120	Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Do	4	0	4
Columbian, ordinary	64	0	68	Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Do	4	0	4
Do good to low mid	60	0	80	Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Do	4	0	4
Do mid. to fine	85	0	95	Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Do	4	0	4
0000F—British grown	25	4		Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Do	4	0	4
25s 4d, foreign 28s cwt.	25	4		Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Do	4	0	4
Do good to fine	1	5	8	Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Do	4	0	4
Do India Standard, good	1	5	8	Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Do	4	0	4
Do good to fine	1	5	8	Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Do	4	0	4
Costa Rica, ord. to mid	65	0	85	Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Do	4	0	4
Good to fine	88	0	120	Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Do	4	0	4
General American, 8d.	70	0	85	Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Do	4	0	4
Ord. to mid	70	0	85	Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Do	4	0	4
Mid. to fine	88	0	120	Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Do	4	0	4
Columbian, ordinary	64	0	68	Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Do	4	0	4
Do good to low mid	60	0	80	Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Do	4	0	4
Do mid. to fine	85	0	95	Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Do	4	0	4
0000F—British grown	25	4		Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Do	4	0	4
25s 4d, foreign 28s cwt.	25	4		Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Do	4	0	4
Do good to fine	1	5	8	Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Do	4	0	4
Do India Standard, good	1	5	8	Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Do	4	0	4
Do good to fine	1	5	8	Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Do	4	0	4
Costa Rica, ord. to mid	65	0	85	Alumina, fine, R.P. cwt 120	0	15	0	Oilbanna, drop	60	0	100	Do	174	0	185	Do	4		

UNION BANK OF CANADA

HEAD OFFICE

WINNIPEG.

58th Annual Statement.

LIABILITIES, 30th November, 1922.		
Capital Stock	...	\$8,000,000.00
Reserve Account	...	\$6,000,000.00
Balance of Profit and Loss Account carried forward	...	483,175.55
Unclaimed Dividends	...	6,483,175.55
Dividend No. 143, payable 1st December, 1922	...	15,799.68
		200,000.00
		6,698,975.23
		14,698,975.23
Notes of the Bank in Circulation	...	9,727,649.00
Deposits not bearing interest	...	30,818,088.99
Deposits bearing interest	...	77,431,787.35
Deposits due to other Banks in Canada	...	662,243.10
Deposits due to Banks and Banking Correspondents elsewhere than in Canada	...	6,633,544.23
Acceptances under Letters of Credit	...	125,273,312.67
Liabilities not included in the foregoing	...	3,236,804.47
		9,392.43
		\$143,218,484.80

ASSETS, 30th November, 1922.		
Gold and Silver Coin	...	\$1,109,478.21
Dominion Government Notes	...	11,893,816.00
		\$13,003,294.21
Deposit with the Minister of Finance for the purposes of the Circulation Fund	...	395,000.00
Deposit in the Central Gold Reserves	...	2,800,000.00
Notes of other Banks	...	1,256,573.00

ASSETS.—Continued.		
Cheques on other Banks	...	\$8,159,950.87
Deposits due by other Banks in Canada	...	30,961.51
Deposits due by Banks and Banking Correspondents elsewhere than in Canada	...	3,840,916.77
Dominion and Provincial Government Securities not exceeding market value	...	14,815,487.90
Canadian Municipal Securities, and British, Foreign and Colonial Public Securities other than Canadian Railway and other Bonds, Debentures and Stocks not exceeding market value	...	2,219,841.41
Call and Short (not exceeding 30 days) Loans in Canada, on Bonds, Debentures and Stocks	...	3,281,149.81
Call and Short (not exceeding 30 days) Loans elsewhere than in Canada	...	2,787,823.71
Demand Loans in Canada secured by grain	...	7,632,876.54
		67,011,032.51
Loans to Governments and Municipalities	...	8,059,913.31
Other Current Loans and Discounts in Canada (less rebate of interest)	...	54,756,231.84
Other Current Loans and Discounts elsewhere than in Canada (less rebate of interest)	...	6,809,310.70
Real Estate other than Bank Premises	...	210,711.10
Mortgages on Real Estate sold by the Bank	...	385,126.22
Overdue Debts, estimated loss provided for	...	262,303.79
Bank Premises, at not more than cost, less amounts written off	...	2,387,022.16
Liabilities of customers under Letters of Credit, as per contra	...	3,236,804.47
Other Assets not included in the foregoing	...	96,695.37
		\$143,218,484.80

W. R. ALLAN, President.

H. B. SHAW, General Manager.

AUDITORS' REPORT.

In accordance with the provisions of sub-sections 19 and 20 of section 56 of the Bank Act, 1913, we report to the shareholders as follows:—We have audited the above Balance Sheet and compared it with the books and vouchers at Head Office and with the certified returns from the Branches. We have obtained all the information and explanations that we have required, and are of the opinion that the transactions of the Bank which have come under our notice have been within the powers of the Bank. We have checked the cash, and verified the securities representing the investments of the Bank, at its Chief Office and principal Branches at a date other than that of the verification at the Chief Office on the 30th November, 1922, and found that they were in agreement with the entries in the books of the Bank relating thereto. In our opinion the Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the affairs of the Bank according to the best of our information and the explanations given to us, and as shown by the books of the Bank.

Winnipeg, 29th December, 1922.

T. HARRY WELSH, E. S. HEAD, Auditors,
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ASSETS EXCEED £21,600,000.

CLAIMS PAID EXCEED £34,900,000.

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Vol. XXVI

SATURDAY, FEBRUARY 10, 1923.

No 4.146

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Capital, Paid Up " 348,786,000
Reserve " 180,000,000
Deposits " 5,175,000,000

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TABLE OF CONTENTS.

The Money Market	249
Leading Articles—	
The Coming Session	251
Lausanne and Sevres	252
The Price of New Capital ..	253
Expenditure and Control ..	254
Volume of Overseas Trade ..	255
Latin-American Notes	256
Notes of the Week—	
The Debt-Funding Terms ..	257
Irish Peace Overtures	257
Austria's Need for Credits ..	258
Business Men and Safe-guarding of Industries ..	258
The Channel Islands and Imperial Expenditure ..	258
Lloyds and Cox	259
Stock Exchange Money	259
More Home Railway Dividends	259
The Underground Dividends ..	260
Irish Free State Banking ..	260
The Position in Peru	260
Borax Consolidated	260
The National Provident's Valuation	260
Jute Industries	261
Copper & Copper Companies ..	261
Agricultural Conditions ..	261
Overseas Correspondence—	
United States	262
France	262
Germany	264
South Africa	265
Roumania	266
Sweden	266
Greece	267
Australia	268
Letters to the Editor—	
Mechanical Sorting of Statistics	268
Books and Publications—	
Turkey	268
The Foundations of Czechoslovak Financial Policy ..	269
Book Received	269
Stock Exchange News—	
The Stock Markets	270
New Issues	270
Active Securities	271
Company Meetings	272
Government Returns—	
Currency Notes Account ..	277
Treasury Bills and Bonds by Public Tender	277
Public Income and Expenditure	277
Bankers' Gazette—	
Bank of England	278
Clearing Returns	279
Overseas Bank Returns ..	279
Monthly Statement of London Clearing Banks ..	280
Loan and Discount Rates ..	281
Overseas Bank Rates	281
Rates of Exchange	282
Indian Treasury Bills	283
India Bills and Transfers ..	283
Bullion	283
Imports and Exports of Gold ..	283
Gold and Silver Prices	283
Company News—	
Analysis of Balance-Sheets ..	271
Oil Outputs	271
Railway and Tramway Traffic	284
Dividend Announcements ..	285
Mining Output Statistics ..	285
Summary of Company Profit and Loss Accounts	286
Reports and Notices	286
Transvaal Gold Output Statistics	287
Commercial Reports—	
Corn Trade	287
Iron and Coal Trade	288
Cotton Trade	288
Wool Trade	289
Vegetable Oils and Oilseeds ..	290
Hides and Leather Trades ..	290
Overseas Produce Markets ..	290
Price Current	291

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THE MONEY MARKET.

EARLY in the week it was evident that the repayment of the Bank of England's advances by the Government and the cancellation of credit had, as usual, left the market very short of money. Purchases of March Treasury bills by what the discount houses call the "hidden hand," presumably acting for the Bank or the Government, were effected in order to ease the position with a view to the weekly sale of Treasury bills; but, in spite of these efforts, the market had to borrow from the Bank, and the three months' discount rate rose to 2½ per cent. Yesterday the

market had an unusual surprise in an allotment of Treasury bills at a much lower rate than had been expected. Business was to a great extent checked, and three months' bank paper was quoted nominally $2\frac{1}{2}$ - $\frac{3}{8}$ per cent.

	Feb. 9, 1923.	Feb. 2, 1923.	Jan. 26, 1923.	Jan. 19, 1923.	Previous Rate and Date Changed.
Bank Rate	3%	3%	3%	3%	3 $\frac{1}{2}$ (Jly. 13, '22)
Banks Deposit Rate	1	1	1	1	1 $\frac{1}{2}$ (Jly. 13, '22)
Discount/Call	1	1	1	1	1 $\frac{1}{2}$ (Jly. 13, '22)
Houses (Notice	1 $\frac{1}{2}$	1 $\frac{1}{2}$	1 $\frac{1}{2}$	1 $\frac{1}{2}$	1 $\frac{1}{2}$ (Jly. 13, '22)
Market rate (3 months' bills)	2 $\frac{1}{2}$	2 $\frac{1}{2}$	2 $\frac{1}{2}$	2 $\frac{1}{2}$	..

The Bank return showed a reduction of £537,000 in the note circulation, and, with a small decline in the stock of coin and bullion, there was an increase of £536,000 in the Reserve. Public deposits rose by £3,294,700, while Other fell by £2,979,000 to £103 millions, which is £51 millions lower than at this time last year. Government securities were reduced by £352,500, and Other securities rose by £204,000. Currency notes outstanding were increased by £614,200 to £280,887,200 this week, which includes £1,509,800 for notes called in, but not yet cancelled. The fiduciary issue is £231,227,300, or £38,956,500 below the maximum.

The statement of average weekly balances of the London clearing banks, printed in detail on a later page, shows further slight increases both in deposits and in acceptances. In the table below we compare the aggregate figures of the nine English banks for January with those of previous months:—

	Dec., 1921.	March, 1922.	June, 1922.	Sept., 1922.	Dec., 1922.	Jan., 1923.
Capital and reserves	115.9	115.9	115.9	115.9	116.0	116.2
Acceptances	65.3	57.1	55.2	49.9	72.8	76.3
Deposits (incl. undiv. profits, &c.)	1,818.6	1,746.9	1,755.2	1,660.6	1,684.7	1,692.8
Total liabilities	1,999.8	1,919.9	1,926.3	1,826.4	1,873.5	1,885.3
Coin, notes, balance at bank, and cheques in course of collection	273.5	245.8	251.3	233.2	253.0	246.5
Money at call	105.7	102.5	113.0	104.4	106.0	108.0
Investments	343.3	392.7	412.0	405.8	384.5	382.0
Discounts	424.3	350.5	346.2	295.9	298.3	320.0
Loans and advances	762.3	746.2	723.3	711.3	732.7	726.5
Cover for accept., premises, &c.	50.7	82.2	80.5	75.8	99.0	102.3
Total assets	1,999.8	1,919.9	1,926.3	1,826.4	1,873.5	1,885.3

The increase of £8 millions in deposits follows one of £17 millions in December, while acceptances in January were £11 $\frac{1}{2}$ millions higher than in November. The principal change on the credit side is an increase of over £21 millions in discounts, which is offset by reductions in advances, investments, and cash. The detailed figures show a variation in the matter of investments, some recording a small increase on the month, while others show a considerable reduction.

THE STOCK MARKETS.

The volume of business in the Stock Exchange has been restricted this week, but there has been no pressure to sell, apart from the usual selling by the weaker bulls at the account. New issues continue to be promptly subscribed. The gilt-edged market remains firm, and in the foreign market French issues have rallied substantially from the lowest prices touched. Home Rails have improved under the stimulus of the excellent dividend announcements, and Argentine rails moved up. Rubber shares are quiet, but oils are distinctly better. In the industrial market electric lighting shares have again been a feature, and textile, cable, and tobacco issues have been strong. Little interest is being taken in Kaffirs, but De Beers and Rio Tintos have been fairly firm.

THE COMMODITY MARKETS.

The South Wales coal export trade has been very active, but otherwise the Cardiff market has been without feature. Our Sheffield correspondent reports that the home consumption of industrial coal continues to increase, adding that "there is almost a famine in coke." It is stated that the demand for pig-iron is greater than the present supply, makers having sold out for February; the price is firmer at 105s for No. 3 Cleveland for March and April delivery. East Coast hematite mixed numbers are at about the same figure, good orders having been received from abroad. The demand for steel continues to improve, although prices have not, so far, materially advanced. The Manchester

cotton market has again had a very quiet week, buyers generally continuing to hold aloof. Our Manchester trade correspondent reports that "the fluctuation in raw cotton rates and the political situation on the Continent have been disconcerting factors," optimistically adding, however, that traders "are of the opinion that a larger business will be done in the near future." There appears to be a general slackness in the wool market, and prices have weakened to the level of the December auctions. A "downward tendency" is referred to in the hide market by our Bermondsey correspondent. The good demand continues for linseed. Further details of markets from our special trade correspondents will be found in later pages.

FOREIGN EXCHANGES.

After an improvement at the end of last week, the foreign exchange market was depressed again on the news of the failure of Lausanne, and since then rates have been erratic and dealings restricted. The dollar, however, moved up to \$4.68 $\frac{1}{2}$ on Tuesday, after which it has fallen back quietly again, but showed some recovery yesterday morning at \$4.67 $\frac{1}{2}$, as compared with \$4.67 a week ago. At about 1 cent per month over spot forward rates have widened slightly as compared with last week. The immediate future of the dollar depends, of course, largely on the attitude of Congress towards the debt funding proposals. Should these be accepted a further improvement may perhaps be expected. The Paris rate, after its sharp recovery at the end of last week, due, it is suggested, to intervention, which frightened bear operators and caused hasty covering, has relapsed again, with very irregular movements; but yesterday morning, at 74.80, as compared with 75.30 a week ago, seemed rather more inclined to move upwards than downwards. The Brussels rate at 84.80, as compared with 86.10, shows a greater proportionate recovery. In neither country is the position satisfactory. The lack of results from the Ruhr adventure is becoming increasingly widely recognised, and less attention is paid to official optimism, while a heavy demand for foreign securities would suggest that even at the sacrifice involved in the present rates of exchange an increasing number of French and Belgian citizens prefer to have their money abroad than at home. Forward rates in Paris are rather narrower at 10 to 13 centimes per month above spot; in Brussels they have moved down slightly to about 1 centime per month below spot. In spite of the absence of any improvement in the situation, the mark quotation has shown a decided tendency to improve, and yesterday morning was down at 142,000, as compared with 180,000 a week ago. The only explanation is that the panic movement in Germany itself has been more or less overcome, but the rapid rise in prices and the greatly accelerated issue of notes would suggest that any further considerable improvement is unlikely. Dealings on this side remain much restricted. Among neutral countries, Holland reacted sharply to 11.80 $\frac{1}{2}$ on Wednesday, but began again to move up, and yesterday morning stood at 11.83 $\frac{1}{2}$, as compared with 11.80 $\frac{1}{2}$ a week ago. Madrid has gone again in our favour, from 29.74 to 29.91, but seems now to be moving down a little; Switzerland also has moved up from 24.86 to 24.90. In Scandinavia, Stockholm, after going against us, has moved up again, but at 17.60 is still six points below last week's figure. Christiania has again depreciated from 25.17 $\frac{1}{2}$ to 25.37 $\frac{1}{2}$; Copenhagen, however, at 25.07 $\frac{1}{2}$, shows some improvement on news that the Government is to stand behind the Landsmann Bank. Helsingfors at 180 $\frac{1}{2}$ shows some six points appreciation. In Central Europe, Vienna remains steady at 330,000, the prospects of a short loan in London not being allowed to interfere with the policy of stabilisation. Prague has recovered from 162 to 157 $\frac{1}{2}$, and Bucharest, after moving down sharply, has crept up quietly again to about 1,000. Athens and Constantinople rates remain more or less nominal. In the East, the rupee is slightly lower at 1s 4 $\frac{1}{2}$ d, and Yokohama shows little change at 2s 0 $\frac{1}{2}$ d. Silver is lower on the absence of Indian inquiry. China having been active, with a preponderance of sellers. Hong Kong has moved down from 2s 3 $\frac{1}{2}$ d to 2s 2 $\frac{1}{2}$ d. Shanghai from 3s 0 $\frac{1}{2}$ d to 3s 0 $\frac{1}{2}$ d. In South America, Rio has got slightly cheaper, from 51 $\frac{1}{2}$ d to 51 $\frac{1}{2}$ d, Buenos Ayres from 43 $\frac{1}{2}$ d to 43 $\frac{1}{2}$ d, while Montevideo is unchanged at 42 $\frac{1}{2}$ d. Valparaiso, however, has depreciated from 38 to 38.80 pesos.

THE NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended February 3rd:—

RECEIPTS.	Min. £	EXPENDITURE.	Min. £
From Revenue	25,108	Interest on Debt	9,748
		Supply Services	7,532
		Sundries	359
		Added to Exchequer balances ..	92
		Reduction of debt	5,377
	25,108		23,108

Revenue for the seven days amounted to just over £23 millions, as against £35 $\frac{1}{2}$ millions for the corresponding period last year. Property and income-tax contributed about £15 $\frac{1}{2}$ millions, Customs £1,759,000, and Excise £969,000. Under Miscellaneous £1,800,000 came into the accounts. The week's operations reduced the National Debt by £5,377,254, and caused the following changes:—

	Min. £		Min. £
National Savings Certificates ..	+ 250	Bank of England Advances ..	— 6,250
4 $\frac{1}{2}$ % Treasury Bonds	+ 3,478	Public Dept. Advances	— 1,250
Sundries	+ 914	Treasury Bills	— 715
		Unemployment Insurance ..	— 180
		Telegraph Money	— 450
		Exchequer Bonds Repaid ..	— 274
	+ 3,742		— 9,119

The floating debt was reduced by £8,170,000 to £913,201,500.

FINANCIAL YEAR, 1922-23 (April 1, 1922, to February 3, 1923).

	£		£
Total spent	660,623,440	Raised by revenue ..	689,319,446
Dec. in balances	7,198,575	Net repayments.....	35,894,581
Total	653,424,865	Total	653,424,865

ESTIMATES for YEAR 1922-23.

£		£	
Ordinary Expenditure	823,846,000	Ordinary Receipts ..	820,775,000
Special Expenditure...	61,223,000	Special Receipts ..	90,000,000
Contingencies	25,000,000		
Total	910,069,000	Total	910,775,000
		Surplus	706,000

NATIONAL DEBT.

(Million £.)

	Aug. 1, 1914.	Mar. 31, 1918.	Mar. 31, 1919.	Dec. 31, 1919.	Mar. 31, 1920.	Mar. 31, 1921.	Mar. 31, 1922.	Dec. 31, 1922.	Feb. 3, 1923.
Funded Debt	588	318	318	315	315	315	315	314	314
Term. Annuities	30	22	22	20	19	18	16	15	15
24% War Stock	63	63	63	63	63	63	63	63	63
4 $\frac{1}{2}$ % War Stock	16	14	13	13	13	13	13	13	13
4 & 5% War Stock	2,091	2,068	2,047	2,040	1,995	1,953	2,071	2,071	2,071
National War Bonds	649	1,636	1,509	1,476	1,413	1,201	971	971	971
4% Funding Loan	..	..	409	409	405	401	401	401	400
4% Victory Bonds	..	..	360	357	348	335	335	335	335
34% Conversion Loan	..	..	..	..	..	266	690	689	689
5-15 year Treas. Bonds	..	..	..	..	..	23	24	24	24
5% Treasury Bonds	..	..	..	..	..	381	166	166	166
5% Treasury Bonds	..	..	..	..	..	40	40	40	40
Do by tender 4%	..	..	..	..	..	8	8	8	8
Treasury Bills	15	961	957	1,107	1,107	1,121	878	719	714
Exchequer Bonds	20	392	384	323	319	289	185	150	150
Natnl. Savings Certs.	..	138	227	267	274	285	342	350	353
War Expend. Certs.	..	23	..	..	..	..	..	..	..
Other Debt	..	944	1,241	1,306	1,181	1,132	1,087	1,071	1,071
American Loan	..	51	51	51	..	..	..	..	..
Temporary Advances	1	204	455	243	205	154	147	222	199
Other Capital Liabilities	654	5,872	7,435	8,033	7,823	7,574	7,655	7,768	7,754
	57	49	46	46	47	49	66	67	67
Total Liabilities	711	5,921	7,481	8,079	7,876	7,623	7,721	7,835	7,821

POSITION OF THE FLOATING DEBT.

	Feb. 4, 22.	Mar. 31, '22.	Feb. 3, '23.	Feb. 3, '23.
Temporary Advances Outstanding ..	17,750,000	..	..	6,250,000
Advances by Bank of England	135,760,000	147,301,500	199,111,500	1,210,000
Advances by Public Deposits	1,012,093,000	882,219,000	74,090,000	670,000
Treasury Bills outstanding	..	..	..	..
Total Floating Debt	1,165,611,000	1,029,520,500	913,201,500	8,170,000

THE COMING SESSION.

THE two months of Parliamentary recess which will come to an end next Tuesday have been crowded to repletion with political events of first-class importance, and have at the same time been abnormally devoid of Ministerial speeches. The country, therefore, awaits with more than usual interest the renewal of contact between the Government and the House of Commons. Ministers who have been handling delicate affairs in an atmosphere of comparative tranquillity would perhaps be hardly human if they did not regret the necessity of submitting themselves to the turbulence of Parliamentary controversy. But in the eyes

of the country it is high time that matters gravely affecting its future should be restored to the arena of public and responsible discussion. When Parliament went on holiday in the middle of December members may have separated with comparatively light hearts. Hopes at that time were entertained that Lord Curzon would send us a Christmas gift of peace from Lausanne; that in the early New Year the Allies would at last hammer out a practical and united Reparations policy; that Mr Baldwin would make in Washington a satisfactory agreement for the funding of the British war debt to the United States; and that the new Free State Government was rapidly stamping out rebellion and outrage in Ireland. Only one of these hopes has been fulfilled; the other three have been sadly disappointed. It was felt also, two months ago, that, given a favourable development in international affairs, the improvement already noted in British trade might in 1923 develop into substantial and sustained recovery. To-day, although signs of momentary continuance of better trade are not wanting, the encouragement that they give is damped by the realisation that in the long run the renewed and growing unrest in Europe must exert a restricting effect upon our trade all the world over. The comparative cheerfulness of mid-December, therefore, is replaced by grave anxiety, and Mr Bonar Law must expect to face an insistent demand for clear statements of policy and searching criticism of Cabinet decisions during the recess.

On their respective successes and failures at Washington and Lausanne, Mr Baldwin and Lord Curzon may well feel their case powerful enough to resist most of the arrows of criticism which may be fired at them from certain quarters. The publication of the terms of the American Debt Funding plan, which we set out on a later page, has strengthened the City in its belief that the arrangement is a fair and business-like deal, while the country as a whole will agree with President Harding that there is far more in it than the mere technicalities of funding the largest international loan ever contracted. "It is," said Mr Harding, in submitting the Agreement to Congress, "a recommitment of the English-speaking world to the validity of contract. It is, in effect, a plight against war and war expenditure, and a rigid adherence to that production and retrenchment which enhances stability precisely as it discharges obligations." Above all, this country will see in this debt Agreement the removal of the last obstacle to effective Anglo-American co-operation—a co-operation on which in the present state of European affairs the future hopes of the world must seem in no small measure to depend. Nor, we think, should Lord Curzon be less certain of approval for his untiring and skilful labours which so narrowly failed to bring to fruition at Lausanne the first practicable and negotiated Treaty which has been produced since the war. We do not know how far Lord Curzon will go in revealing the causes which led to an eleventh-hour failure, but we have little doubt that he will prove beyond all question that the blame for failure cannot be laid at his door, or at that of the British Cabinet.

But when the main question arises of the failure of the Paris Reparation Conference and of the subsequent French action in the Ruhr, Mr Bonar Law will not find himself in so easy a position. With regard to the Paris Conference failure, he may, it is true, plead with some effect that even had he gone at the outset to the furthest limits of concessions possible to this country, even then agreement with France would not have been attainable. That, of course, is a hypothetical point around which controversy may rage without arriving at a definite conclusion. But on the question of the British attitude towards the French occupation in the Ruhr criticism will be searching and insistent. It is comparatively easy to sit on the fence in the seclusion of Downing Street, but to maintain a balance is not so easy when buffeted this way and that in the hurly-burly of Parliamentary question time and debate. To define an attitude is comparatively easy when decisions are recorded only in the confidential dispatches of the Foreign Office, but the task presents a difficult problem when the spoken word is broadcast in the world's Press and scanned by enemy and friend. Before the

Session has been alive for a few hours, Mr Bonar Law may expect to be called upon to state a policy not only with regard to the British garrison in Cologne, whose position apparently grows week by week more untenable, but also with regard to the main question of the French policy which is now developing. The first requirement of the country in this matter is that the policy of the British Government should be that which is conducive to the maintenance of the world's peace, or rather to the restoration of the peace and confidence which Europe so conspicuously lacks. That, we believe, is the first and unanimous demand of this country. But while the attitude to be struck on this matter must be based on infinitely broader considerations than the fear of wounding French susceptibilities, it is of almost equal importance that no position should be created in which Allied solidarity of policy in the Near East should become more difficult or impossible. We have recently seen how the appearance of Allied differences with regard to Turkey led up to the failure at Lausanne, and if real peace is to be restored in the Near East, the united front typified by the action of the British and French Admirals in the Ægean Sea must have its counterpart in Downing Street and the Quai d'Orsay. It is a difficult path to tread, and no man perhaps could tread it to the complete satisfaction of any school of critics.

Foreign affairs may be expected to dominate the session in its early days; but the Government will by no means be free from pre-occupation over domestic policies. The days of the estimates and the Budget are approaching, and while the cry for retrenchment in general is universal, retrenchment in any particular always finds strenuous opposition; while in preparing the Budget Mr Baldwin will be assailed—indeed he is being assailed already—by powerful interests demanding tax relief such as can only be granted at the expense of sound finance. A grave unemployment problem is still with us, and in view of the European confusion is likely to remain, although not quite, we hope, on the present scale. The question of Rent Restriction will provide another domestic bone of vigorous contention; while Free Traders will not, we trust, cease their attacks upon the Safeguarding of Industries Act, in which they are fortified by the publication this week of yet another demand for the Act's repeal by a strong association of business men. Altogether the session promises anything but tranquillity, and the vital importance of the questions to be debated will provide an unusually severe test not only of statesmanship, but also of the calibre of the House of Commons.

LAUSANNE AND SEVRES.

THE Treaty of Sévres, the defunct predecessor of the Lausanne Treaty, was drafted without the participation of any Turkish negotiations, and when representatives of an already impotent "Sublime Porte" were invited to comment on the ready-made instrument, their counter-proposals were rejected by the Supreme Council in a sarcastically worded reply. A sufficient number of amenable Turks having been discovered and transported for the purpose to France, the signatures were then solemnly affixed. But the control of nine-tenths of Turkey (outside the former Arab provinces) had already passed into the hands of a Turkish Government that repudiated the Allies' terms altogether, and the treaty was neither ratified nor carried out. The substitute for the Treaty of Sévres, which now, more than two years later, has been drafted at Lausanne, has not so far been signed; but anyone who argued from this that it was as dead as its still-born predecessor would be ignoring the important and salutary differences in the conditions under which it has been worked out. For this has been a negotiated treaty—the first of its kind since the Armistice of 1918—and since, in this Eastern theatre, an additional four years of war have somewhat confused the rôles of victor and vanquished, the parties have met on an equality, and reasonable compromises have been struck out by real negotiation. In fact, the palm of courtesy and concession has been carried off this time

by the nominally victorious side, and the nominally beaten party have admitted, though they are in an exacting mood, that 80 per cent. of the terms offered them are acceptable. We need not, therefore, be unduly pessimistic if Ismet Pasha has momentarily withheld his signature. The gesture is humiliating for us, and undignified in him, but, after all, his signature (unlike that of his unfortunate compatriots who underwrote the Treaty of Sévres) is a weighty matter, for he is the influential representative of a Government that effectively rules in Turkey. If he does sign, it may be assumed with some confidence that the instrument he honours will be executed, and delay need not be regretted if the signature, when it comes, leads to material results beyond the mere blackening of paper. There is still some reason to hope, in spite of the truculence of Angora this week, that the new treaty will actually be signed, and will come into force, substantially as it stands; and a comparison of the two documents gives the best grounds for optimism. It will be seen that while no Turk could have been expected to accept the former treaty so long as he was capable of resistance, the Lausanne document (to judge from the official summary) offers Turkey an opportunity of prosperous and self-respecting existence, such as has not come her way for a century and a-half.

One may consider, first, the difference in the territorial provisions. The Sévres Treaty brought the European frontiers between Turkey and Greece to within gunshot of Constantinople, placed the European shores of the Dardanelles under Greek sovereignty, and gave Greece a bite out of the west coast of Anatolia, which included the indispensable port of Smyrna and would have crippled Turkey economically in her "home-lands." On the other side, President Wilson was asked to make another bite for the benefit of the Armenians (which he did in generous measure), and Kurdistan east of the Euphrates and north of Mesopotamia was to be "semi-detached" from the Turkish State. On the south, the track of the Baghdad Railway, from the eastern border of Cilicia eastwards to the railhead, was wholly included in Syria, though it was as vital, commercially, to the neighbouring parts of Turkey as it was to the French mandated territory. Finally, all that was left of Turkey-in-Europe, including Constantinople, as well as the entire Asiatic shore of the Bosphorus, Marmora, and Dardanelles, was placed out of bounds for the Turkish army, and was to be permanently garrisoned by the fleets and armies of the three principal European Allied Powers, as a sanction for the authority of an international Straits Commission, on which Turkey was to have no more than one vote out of sixteen.

The new treaty gives Turkey the mainland of the Anatolian Peninsula in its entirety, and an ample bridge-head, covering Constantinople, on the European side of the Straits up to the line of the Maritsa. The islands off the mouth of the Dardanelles and the west coast of Anatolia, from Samothrace to Samos, are to be demilitarised (an equitable provision, which Turkey demanded in vain after the Balkan War), and two of them—Imbros and Tenedos—are to be given back to Turkey, with the reservation of local autonomy. On the East, the Allies no longer claim any voice in the settlement of Turkey's frontiers, and thereby tacitly recognise those Russo-Turkish treaties under which Turkey has recovered Trans-Caucasian districts which she lost in 1878. On the South, the terms of the Franklin-Bouillon Agreement are incorporated in the treaty, and the new frontier will thus start from the Mediterranean just north of Alexandretta, and will follow, for the most part, the line of the Baghdad Railway, leaving the permanent way itself in Turkish possession. On the Mesopotamian side, the disposal of the Mosul Vilayet is to be left over, by agreement between Turkey and Great Britain, and is to be decided after a year's interval by the League of Nations in the event of the two parties failing to come to a direct agreement within that term. No more is said about autonomy for Ottoman Kurdistan nor (unhappily) about

a national home for the Ottoman Armenians. These are immense changes in favour of Turkey, and on the balance they are just and practicable. On the other side, it is satisfactory to find that the Turks have abandoned their claim to a plebiscite in Western Thrace, and have contented themselves with a tiny strip opposite Adrianople, containing the terminus of the branch railway between that city and Karagach (which is left to Greece).

The régime of the Straits, again, has been modified in an equally striking way in Turkey's favour, though the desirability of these changes from the international point of view is a more debatable question. Having recovered the sovereignty over the entire shores of the waterway in all its sections, Turkey is to be relieved of many of the servitudes which were imposed on this zone at the time when the sovereignty was divided between her and Greece. The demilitarised areas have been reduced to four narrow and disconnected strips on either side of the Bosphorus and the Dardanelles; and from these Constantinople is excepted, the Turks being permitted to keep there a garrison of 12,000 men. As a final concession, the Allies have abandoned the limitation of the Turkish forces in Thrace, and the demilitarised areas are to be available for their lines of communication, while the Turkish fleet is to be free of the Marmara. The Allied garrisons disappear altogether, and Turkey is given the permanent presidency of the Straits Commission, while the security of Turkey, in so far as it is affected by the Straits Commission, is guaranteed by the Powers.

The naval, military, and air control by the Allies (which occupied 56 articles out of 433 in the former Treaty) simply drops out, and so do the capitulations, which the Sévres document reaffirmed *in toto*, though it contemplated the appointment of a commission, on which Turkey was not to be represented, to frame a substitute for them, which Turkey was bound over in advance to accept. The Lausanne Treaty abolishes extra-territorial jurisdiction altogether, save in matters of personal status, and merely stipulates that foreign nationals shall not be subject to discrimination (especially as regards taxation), as compared with Turkish citizens. The position of Allied religious, scholastic and educational institutions is to be respected, and Turkey is asked to sign a unilateral declaration that she will select *conseillers légistes*, three of them to be judges of the Permanent International Court of Justice, as assessors to her higher judiciary in cases in which foreign subjects are concerned. Even this is only to last for a transitional period of five years, and it is significant that these modest reservations to the surrender of ancient and substantial privileges have been the main obstacle to a Turkish signature.

Minorities in Turkey are to be secured rights similar to those established in the European minority treaties, under the guarantee of the League of Nations, and the amnesty clauses of the Sévres Treaty (now more necessary than ever) are repeated. But the perpetuation of the "millet" system is dropped, as is also the right previously asserted by the Allies to take guarantees themselves. Nor are Turkish nationals to have unrestricted licence (as they were given under the Sévres Treaty) to acquire foreign nationality—a privilege, incidentally, that loses its value with the disappearance of the capitulations. But the most significant provision about minorities is a separate convention, already signed by Turkey and Greece, for the enforced interchange of all Greek minorities in Turkey except at Constantinople and all Muslim minorities in Greece except in Western Thrace, a ferocious remedy for an incurable disease.

The comparison might be carried on into the Reparation clauses, and worked out in detail, but the general impression produced by the examination of the more important headings holds good of the whole. The Treaty gives Turkey at least all that she ought to have, and almost all that she demands, and it will be strange if she throws away her good fortune. If, as we hope, the Lausanne Treaty is eventually signed, future peace and progress in the Near East will still, as we pointed out last week, depend in no small degree upon events in Western Europe and the solidarity of the Near Eastern policy of Britain and France. Events at Smyrna this week serve to emphasise this fact.

THE PRICE OF NEW CAPITAL.

In our issue of December 30th we set out the amount of capital raised in the London market in 1922, analysing the purposes for which it was raised and the countries by which it was borrowed. In this article it is our purpose to show the form in which that new capital was raised and the average rate of interest offered upon the securities for which it is possible to calculate a definite percentage of return. The rates of interest given below, it should be mentioned, are all "less tax," the rates on "free of tax" securities having been converted to the comparable figure. Profit on redemption has been allowed for where necessary. An analysis of the classes of public issues in London in the years 1912, 1913, 1920, 1921, and 1922 reads as follows:—

PUBLIC ISSUES OF CAPITAL IN LONDON.

	Year 1912.	Year 1913.	Year 1920.	Year 1921.	Year 1922.
	£	£	£	£	£
Debentures, bonds, &c.	123,064,600	139,920,400	134,184,300	347,517,400	526,730,900
Preference stocks and shares .	26,674,400	22,955,600	78,235,100	21,045,300	30,807,800
Ordinary stocks and shares	59,111,000	33,661,300	156,130,200	20,415,500	16,136,900
Total	210,850,000	196,537,300	368,549,600	588,978,200	573,675,600

Loans by Governments and municipalities at home and abroad account for £462 millions in 1922, as against £306 millions in 1921, leaving £64½ millions raised in the form of debenture stock, bonds, &c., by other borrowers, as against £41 millions in the previous year. Excluding Government and municipal borrowing the total has risen from £83 to £111½ millions, debentures and bonds accounting for £23 millions of the increase. Of the other two classes, ordinary shares have gone still more out of favour, while preference issues have a little more than held their own. The next table shows the manner in which borrowers of various kinds raised their capital in 1922:—

NATURE OF CAPITAL OFFERED ON THE LONDON MONEY MARKET.

	1921.		1922.		Total.
	Total.	Ordinary Stocks or Shares.	Preference Stocks or Shares.	Debentures, Bonds, &c.	
	£	£	£	£	£
British Government Loans.....	202,638,300	..	..	369,828,100	572,466,400
Colonial Government Loans ..	73,500,000	..	..	84,582,300	158,082,300
Foreign Government Loans ..	5,905,000	..	..	14,254,100	20,159,100
British Corporations, &c.....	19,003,700	..	..	5,555,300	24,559,000
Colonial Corporations	4,882,000	..	..	7,023,600	11,905,600
Foreign Corporations	nil	..	..	7,087,500	7,087,500
British Railways	630,000	..	522,000	6,030,900	6,582,900
Australian Mines	18,600	16,500	..	14,722,300	14,740,900
South African Mines	387,500	409,700	..	49,500	797,200
Other Mines	185,900	25,000	1,025,000	213,500	1,439,400
Exploration, Financial, &c.	1,522,300	499,100	2,550,000	4,632,700	7,684,100
Breweries	4,407,400	..	..	794,000	5,201,400
Merchants, Importers, &c.	300,000	100,000	190,000	290,000	880,000
Manufacturing	23,761,500	85,000	455,000	6,018,800	24,316,300
Stores and Trading	3,800,000	15,500	555,000	50,000	4,420,500
Estate and Land	818,900	1,026,700	..	672,500	1,518,100
Rubber	1,134,900	..	5,000	125,700	1,265,600
Oil	15,221,700	2,790,000	14,275,000	100,000	32,381,700
Iron, Coal, Steel, & Engineering	4,773,800	4,043,300	1,405,000	8,594,500	18,816,600
Electric Light, Power, and Telegraph	5,677,800	650,300	1,446,700	2,754,800	10,529,600
Tramway and Omnibus	774,000	31,300	57,000	470,000	1,332,300
Motor Traction and Mnf'g.	96,000	nil	nil	nil	96,000
Gas and Water	2,447,600	..	1,311,000	782,300	4,540,900
Hotels, Theatres, &c.	2,528,400	539,200	920,000	169,700	4,157,300
Patents & Proprietary Articles	131,400	..	..	..	131,400
Docks, Harbours, and Shipping	5,183,200	19,800	3,557,400	12,070,000	20,830,400
Banks and Insurance	3,579,000	2,968,700	..	..	6,547,700
Miscellaneous	3,447,200	2,866,600	2,569,700	5,718,900	14,592,400
Total	388,978,200	16,136,900	30,807,800	526,730,900	573,675,600

It will be seen that foreign railways alone account for over £14 millions of the increase shown under debentures in comparison with 1921. Shipping companies account for another £7 millions. The oil companies have raised the bulk of their money in the form of preference shares, whereas in 1921 £7½ millions were in the form of ordinary shares, £6½ millions in preference shares, and £1½ millions in debenture stock.

Turning to the rates which borrowers had to pay for their money, we find that the average rate paid on Government and municipal stocks and company debentures, &c., works out at 5.78 per cent. for 1922, as compared with

6.39 per cent. in 1921, 6.97 per cent. in 1920, and 5.07 per cent. in 1913. This is not at all surprising in view of the substantial decline in money rates during the past year and the very much lower rate at which the large volume of Government borrowing has been made. With a view to showing more clearly how this reduction has been made, we analyse first the rates paid by the three classes of Government borrowers in the past two years:—

BRITISH, COLONIAL, and FOREIGN GOVERNMENT SECURITIES.
(000's omitted.)

	(a)	British Government Loans.		Colonial Government Loans.		Foreign Government Loans.		Total.	
	Year 1913.	Year 1921.	Year 1922.	Year 1921.	Year 1922.	Year 1921.	Year 1922.	Year 1921.	Year 1922.
	£	£	£	£	£	£	£	£	£
Yielding over—									
3½% to 4%	4,000	..	..	..	..	..	..	..	26,612
4% to 4½%	21,329	..	26,612	..	..	..	..	..	95,046
4½% to 5%	7,853	..	84,859	..	10,177	..	..	..	102,552
5% to 5½%	11,178	..	84,557	..	17,629	..	..	..	189,067
5½% to 6%	6,675	186,417	115,502	2,650	10,680	..	..	..	65,500
6% to 6½%	11,392	..	..	63,500	19,730	..	..	..	11,020
6½% to 7%	..	..	9,518	7,500	..	3,520	2,000	..	11,130
7% to 7½%	..	11,130	48,570	..	..	455	9,552	..	455
7½% to 8%	..	..	..	..	..	1,930	2,702	1,930	2,702
8%	..	..	..	..	..	..	..	..	..
Total	52,437	197,547	369,628	73,650	58,582	5,905	14,254	277,102	442,464
Average yield	4.77%	5.7%	5.59%	6.42%	5.66%	7.49%	7.85%	6.49%	5.65%

† Represents borrowing at over 6%. (a) This total of £52,437,000 represents £26,279,000 on behalf of Colonial Governments, at an average yield of 4.15%, and £26,158,000 on behalf of Foreign Governments, at an average yield of 5.31%.

The figures for the British Government include the net sales of National Savings Certificates, amounting to £58 millions, the yield on which for the year works out at about 7.4 per cent., less tax. This, of course, accounts for the apparently small decrease in the cost of British Government borrowings in comparison with 1921. In 1920 the average rate, however, was 6.98 per cent. Foreign Governments, it will be seen, had to pay slightly more last year than in 1921, and very much more than Colonial Governments, whose average rate was but a trifle over that of the British Government. Colonial and foreign municipalities each borrowed £7 millions at an average rate of 5.88 and 6.78 per cent. respectively, as against 6.66 and 8 per cent. in 1921. The £6 millions borrowed by British railways, shown in a previous table, was obtained at the low rate of 4.95 per cent., but the bulk of this was a Government guaranteed issue under the Trade Facilities Act. Foreign railways borrowed their £14½ millions at an average of 6.92 per cent.

British municipalities had to pay 5.74 per cent., as against 6.22 per cent. in 1921 and 6.24 per cent. in 1920. The rate for industrial debentures fell sharply last year to a figure which is appreciably lower than the average rate at which the British Government borrowed two years ago:—

INDUSTRIAL and COMMERCIAL BONDS, DEBENTURES, &c.

	Year 1913.	Year 1921.	Year 1922.
Yielding over 3½% to 4% ..	60,000	..	..
" " 4% to 4½% ..	1,182,000	..	..
" " 4½% to 5% ..	2,582,000	..	218,700
" " 5% to 5½% ..	6,852,000	..	1,293,300
" " 5½% to 6% ..	5,158,000	..	8,573,000
" " 6% to 6½% ..	9,252,000†	..	4,616,300
" " 6½% to 7% ..	..	1,520,100	13,429,000
" " 7% to 7½% ..	..	6,920,800	11,009,000
" " 7½% to 8% ..	..	18,026,400	3,343,200
" " 8% to 8½% ..	..	7,655,700	789,000
" " 8½% to 9% ..	..	3,837,900	337,700
" " 9% ..	..	1,935,100	236,400
Total	25,086,000	39,896,000	43,845,600
Average yields	5.5%	8.09%	6.72%

† Represents capital yielding over 6 per cent.

Two years ago the rate was 7.92 per cent., but even after last year's substantial decline the average rate is for 1922 substantially above the 1913 rate.

There is also a substantial fall to be recorded in the average rates of preference stock and share issues. The average rate paid on new issues of preference stocks and shares was 7.17 per cent., as compared with 8.39 per cent. in 1921, 8.09 in 1920, and 5.74 in 1913.

The final table gives the average Bank rate, the average three months' bill rate, and the rates paid on industrial

debentures, and on all Government borrowings, in 1913, 1920, 1921, and 1922 respectively:—

	Average Bank Rate.	Average 3 Months' Bill Rate.	Average Rate on Issues of Industrial Debentures.	Average Rate Paid by all Government Borrowers.
	£ s d	£ s d	£ s d	£ s d
1913	4 15 5	4 7 5	5 5	4 77
1920	6 16 4	6 7 11	7 92	6 05
1921	6 2 4	5 4 3	8 09	6 49
1922	3 13 10	2 13 0	6 72	5 65

The fall in the rates paid for new capital does not appear to be so large as might have been expected, but it may be pointed out that more than half the total new capital was raised in the first quarter and four-fifths in the first six months, before the full influence of declining money rates had made itself felt upon the new capital market.

EXPENDITURE AND CONTROL.

WITH Parliament soon about to meet, and to resolve itself, in its popularly elected House, into Committee of Supply to consider the estimates for the ensuing year, it is natural and right that Budget anticipations should be very much in the air, and that the Federation of British Industries, Chambers of Commerce, and other bodies should prepare to wax eloquent in the ear of a sympathetic Chancellor of the Exchequer on the subject of the burden imposed on industry by taxation, and the urgent need of its relief. Most of us are only too sincerely convinced that we are unconscionably taxed, and also that a large part of the money that is wrung from us is wasted or ill spent; but as soon as the question is seriously discussed of definite economies to be effected, differences of opinion become so acute that it is generally easy for the executive to reduce the economists to dissatisfied silence by knocking their heads together and answering them out of one another's mouths. What we all want to know is, whether some more effective system of control over expenditure is possible, whether Parliament is really capable of controlling in detail the outlay of the departments, and if not, whether some outside body such as the Geddes Committee could be made a permanent check on official extravagance.

On the subject of official extravagance there has lately appeared an opportune reminder in the shape of the first, second, and third reports from the Select Committee on Public Accounts [39, 48, 167, £1 5s net], the third of which reviews the accounts of the year 1920-21, the first which have been submitted to the Public Accounts Committee since the passing of the Exchequer and Audit Departments Act of 1921. This Act relieved the Comptroller and Auditor-General of a statutory obligation to conduct a detailed and complete audit of all accounts not included in Schedule B of the Act of 1866, so giving statutory authority to a practice by which, in recent years, and especially during the war, the literal and inelastic provisions of the 1866 Act had been evaded. Nevertheless, the Comptroller and Auditor-General has informed the committee that, in fact, he has made no departure in his examination of the accounts for 1920-21 from the practice of recent years. These reports had already been published, and the new matter in the new publication consists chiefly of evidence, much of which is very interesting, and an impressive record of careful examination, and certain appendices. Old as it is, however, the third report is well worth a glance, with its curious glimpses of muddle and waste which were revealed during the period of after-war cleaning-up, and the minuteness with which they were investigated. The committee found, for example, that large expenditure had been incurred from Army funds in connection with the purchase and adaptation of a residence for the High Commissioner at Baghdad. "Until the work was far advanced neither the War Office, nor, indeed, any Home Department, was aware of this project, which has involved an expenditure of £135,000. We understand that it has been agreed between the Colonial Office and the War Office that the

expenditure is not a proper charge to Army funds, but we have not yet learned how it is proposed to provide for it. We must express our surprise that a work of this magnitude should have been undertaken without, apparently, any reference to the Home Government. The War Office have asked the local military authorities under what authority such services as a racecourse and certain works for civilians were undertaken." It is also interesting to find that British troops in Bulgaria had been able, by use of the official machinery of exchange and unauthorised traffic in canteen stores, to make large profits for themselves, the official rate of exchange departing widely from the market rate. Then there was the deficit of over a million on the Ordnance Factories account, attributed to the decision arrived at, when the demand for munitions suddenly stopped at the Armistice, that alternative work should be provided at the factories in order to avoid the throwing of excessive numbers of workmen out of employment. Included in this work was the manufacture of 100 locomotive engines, "for which no definite purchaser was, or is yet, in view." And the case of the drifter "Colonel" was a bad example of lack of co-ordination between branches. The Admiralty meant to hand her back to the owners, paying them a lump sum in lieu of repairs, but the dockyard authorities set to work on repairs without, apparently, even telephoning to headquarters on the matter.

By the time the Admiralty had agreed on £3,500 in lieu of repairs, the dockyard had already spent £1,300 on them. The owners refused to make any allowance for this expenditure, and so the Admiralty bought the boat outright for £4,800; repairs cost, in all, just under £3,000, and so the total cost of the boat was £7,797. She was finally sold for £750. All these things, however, happened long ago, and were a more or less necessary part of the cost of the war, and the dislocation that it brought with it. Moreover, we have to remember before we put them all down to "official" muddling that the services were then full of amateur helpers, who often wasted public money much more recklessly than the trained civil servant who had been brought up in the true tradition. And the report is by no means all in one key. We find, for instance, that the new form of Army account, though its full advantages are not yet fully apparent, is likely to prove a valuable instrument for control and economy. Through it it was possible to learn "that Army expenditure in Mesopotamia in 1920-1 cost £37,000,000..... that a student officer at the Staff College, Camberley, costs the country £1,393, including his pay and allowances, and so on, not forgetting the economies shown to have been made in other directions."

All this is to the good, and the work of this investigating committee, though it is only able to find out and pillory irregularities that are already committed, is clearly a most useful deterrent, by the fear of subsequent detection that it inspires in those who might be inclined to make careless use of public funds. But it acts after the event, and does not meet the wishes of those who want somehow to impose a check on the misuse of the taxpayers' money before it happens. Whether anything more can be done to secure this end is, unfortunately, very doubtful. The Committee of Estimates has not been a great success. It hardly could be so, because it was inevitably barred from discussing items of expenditure which involved questions of policy—clearly no Government could allow these to be revised by any committee—and so the field over which it is enabled to range is exceedingly narrow. The idea of the permanent establishment of an outside body such as the Geddes Committee may be dismissed as impracticable, since it would be out of the question to expect Parliament thus to delegate one of its chief duties and so still further to weaken its prestige in the eyes of the nation. In fact, gossip says that the Geddes Committee only came into being because the late Administration was terrified by the popular clamour for economy, and at the same time dared not face the fury of the supporters whom it had "placated" at the expense of the public purse, that it was certain to cause if it cut down comfortable posts, except at the bidding of a quite exceptional body called in to advise from outside. However this may be, the fact remains that its appointment was a serious confession of weakness which Parliament is

unlikely to repeat. As things are, the best checks on extravagance seem to be the revival and strengthening of Treasury control, which we believe to have been satisfactorily re-established as far as has been permitted by the gigantic figures that have now to be handled, and above all a Government that really means to take care of our money, backed by a House of Commons full of the same determination, and an electorate in the same mood. Whether our present systems of taxation and representation are likely to produce this temper in the country and in the House is very doubtful; they almost seem to be designed to promote generosity to electors who are free from the direct weight of taxation at the expense of taxpayers whose electoral weight is much lighter than their fiscal liability. Within limits this political redistribution of wealth, though perhaps not without its demoralising side, is not wholly an evil. For the present, however, the craving for economy is sufficiently widespread and strong to raise the hope that, at least for some time to come, real economy may be ensured as the result of public opinion acting through the executive, backed by the House of Commons in Committee of Supply.

THE VOLUME OF OVERSEAS TRADE.

ALTHOUGH the changes in commodity prices were far less violent in 1922 than in 1921, the price-change factor was still sufficient to vitiate comparison of the value figures of the two years. In order to afford the opportunity for comparing the volume of trade, the *Board of Trade Journal* has re-calculated the trade of 1922, 1921, and 1920 on the basis of the prices current in 1913. These calculations make it possible to see at a glance not only the progress in trade volume last year, but also the amount of leeway which our export trade still has to make up before overtaking its pre-war volume. Re-valued on the basis of 1913 prices, the trade of the last four years is shown by our contemporary to compare with that of 1913 as follows:—

	—Values on Basis of 1913 Prices.—		
	Total Imports.	Re-Exports.	Exports.
	Thousand £.	Thousand £.	(U.K. Goods) Thousand £.
Trade of 1913.....	768,735	109,567	525,254
Trade of 1919.....	679,786	85,726	288,105
Trade of 1920.....	679,274	98,909	372,476
Trade of 1921.....	570,912	86,127	261,647
Trade of 1922.....	659,391	89,318	361,836

From these figures it is deduced that the volume of imports in 1922 was 85.8 per cent., in 1921 74.3 per cent., in 1920 and 1919 88.4 per cent. of the volume in 1913. The percentages of the 1913 volume attained by British exports were 68.9 last year, 49.8 in 1921, 70.9 in 1920, and 54.9 in 1919. It will be seen that the volume of exports, although substantially larger than in 1919 or 1921, fell a little short of 1920. As compared with 1913, the volume of exports for 1922 shows a deficiency amounting to 31.1 per cent.

In the course of a detailed examination of these figures, our contemporary shows how the price levels of imports, exports, and re-exports have moved, how the main classes of trade have contributed to the aggregate, and, as regards 1922, how the volume of trade increased quarter by quarter. As regards the first of these matters, it is shown that, taking the price level of 1913 as 100, the average price level of imports in 1922 was 152, as compared with 190 in 1921 and 285 in 1920; of re-exports, 116 last year, compared with 124 in 1921 and 225 in 1920; of British exports, 199 last year, compared with 269 in 1921 and 358 in 1920. The fact that the average price level of exports of United Kingdom goods fell from 169 per cent. to 99 per cent. above the pre-war level is a somewhat striking reminder of the big cuts in quotations made during the year by leading branches of manufacture for export. It is further explained by the *Board of Trade Journal* as follows:—"The course of price changes of British exports bears little resemblance to that of imports or of general wholesale market prices in this country. Export prices relate mainly to manufactured goods, into

the cost of which enter not merely raw materials, but also costs of manufacture. Moreover, goods exported during any period mainly represent business arranged some time before, so that a considerable time lag is to be expected between prices of exports and general prices in the wholesale markets of the same classes of commodities." The low price level of re-exports is largely due to heavy re-exports of rubber at prices far below those of 1913.

From further figures given by our contemporary we compile the following table, showing (1) how various classes of imports and exports contributed to the aggregate results, (2) how trade progressed quarter by quarter, and (3) how each figure compares with the appropriate figure for 1913. The 1913 figure in each case is given in brackets:—

(In Millions of £'s.)

1922.	Imports			Exports.		
	Food, Drink, & Tobacco.	Raw Materials &c.	Manufactures, &c.	Food, Drink, & Tobacco.	Raw Materials &c.	Manufactures, &c.
First quarter	65.7 (62.3)	33.8 (59.9)	27.9 (42.2)	4.4 (6.9)	13.3 (15.5)	66.3 (102.5)
Second quarter	69.2 (68.5)	42.2 (42.2)	33.3 (43.2)	4.4 (7.3)	15.2 (16.8)	63.3 (103.3)
Third quarter	63.6 (72.2)	39.0 (40.2)	33.5 (42.8)	4.4 (9.1)	16.3 (16.4)	71.3 (105.4)
Fourth quarter	77.8 (75.9)	48.7 (63.9)	33.3 (43.3)	4.6 (10.6)	17.9 (17.4)	74.1 (102.6)

As regards the import figures, retained imports of food, drink, and tobacco were greater in volume in the last quarter of 1922 than in the last quarter of 1913. In the second and third quarters, raw materials imported and retained approximated in volume to the pre-war figure, but the comparison was by no means so favourable in the last quarter. On the export side, raw materials in the last quarter, thanks largely to coal, exceeded the volume recorded in the last quarter of 1913. Exports of British manufactured goods advanced in volume, except in the second quarter, when a disconcerting effect was produced by the dispute in the engineering industry. Apart from this temporary influence, the volume of our exports of manufactures showed steady expansion.

In 1922 our total imports of food, drink, and tobacco were 99.5 per cent. of those of 1913; of raw materials, &c., 80.8 per cent.; of manufactures, &c., 72.4 per cent., judged in each case by quantity. Exports of United Kingdom produce, taking 100 to represent 1913 in each case, show 52.7 as last year's figure for food, drink, and tobacco, 94.7 for raw materials, &c., and 66.5 for manufactures. Turning to individual items, it is found that coal exports were 85.3 of the 1913 volume, iron ore and scrap 132 per cent., non-ferrous metalliferous ores and scrap 884.5 per cent., wool 154.3 per cent., oilseeds, nuts, oils, &c., 131.4 per cent. Among exports, British manufactures (again taking the 1913 figure as 100), coke and manufactured fuel comes out well with 116.1, rubber manufactures with 93.3, non-ferrous metals and manufactures thereof with 93.5, and paper and cardboard with 92.4. For exports of iron and steel and manufactures thereof the figure is 69.4, for machinery 57.6, for woollen and worsted yarns and manufactures 84.2, for cotton yarns and manufactures 65.5. A detailed examination of the re-export figures shows food, drink, and tobacco figuring for last year at 106.6, raw materials, &c., at 85.2, and manufactures at 59.8, compared with 100 for 1913 in each case. In the case of grain and flour, meat, tobacco, wool, rubber, silk, and manufactured oils, fats, and resins, the volume of 1922 re-exports was above that of 1913; but the aggregate volume of the entire re-export trade was 18.5 per cent. below that of the last full pre-war year.

LATIN-AMERICAN NOTES.

(BY OUR OWN CORRESPONDENT.)

BRAZIL: As might have been expected, the tardy but long overdue advance in the cost of raw rubber has occasioned concern among the larger users of that material, with the consequence that many alternatives to its use or expedients for cheapening it have been advanced. The president of one United States tyre company is said to be seriously contemplating a scheme to acquire rubber planta-

tions in Brazil, to be worked with imported Chinese labour; and we are told that plans have progressed to a point where the question of "supplying labourers with rice for food is being investigated." It is to be feared that those who have put forward this proposal can possess but little practical knowledge of actual conditions prevailing in the rubber-growing districts of Brazil. Owing to the severe depression among producers in the Amazonas and Matto Grosso, the two largest of the rubber-growing States, and the unprecedented extent of unemployment there, the Governments of both provinces have for some time been compelled to provide large credits for the maintenance of those actively engaged in the industry. In May, 1921, the Federal Parliament voted a credit of £125,000 to assist the population of the Amazon, whose position had been rendered precarious owing to the fall in rubber; while in January of last year a further credit of 25,000 contos of reis (nominally £1,250,000) was voted for the same purpose. It is hardly probable, therefore, that Governmental consent would be given to the importation of hordes of Chinese to compete with native Brazilians. Moreover, prices of even the cheapest food-stuffs remain abnormally high, and imported rice would prove no exception. When rubber was 12s per lb the price of foodstuffs was of little importance; but to-day, with the best Amazonas product selling at less than 1s 3d per lb, and considerable stocks on hand at Pará and Manaus, the whole industry is suffering. While it is true that plantation rubber from the East realises considerably less in the market than fine hard Pará, expenses of living, collection and preparation are much lower in the Malay States and Java than in South America. The Pará crop of July, 1921-June, 1922 showed, at 21,500 tons, little difference from that of the previous period (1920-21), but the 1922-23 crop promises some slight improvement. Similar conditions are believed to prevail in Bolivia and Peru, where a number of plantations, unable to meet the high cost of production and transportation, have been temporarily abandoned. On the other hand, many of these estates have kept open avenues between the trees so that it would be possible to renew production when prices recover. Before any new plantations could be brought to cultivation, or even laid out, as proposed by American consuming interests, these abandoned estates in Brazil, Bolivia and Peru would again come into activity, thus serving to keep down the price of rubber to a reasonable figure, and render new enterprise unprofitable. Moreover, the cultivation of *Hevea* in Brazil must always remain handicapped by insurmountable local conditions. Good drainage and loose soil, which are more important for normal development of the trees, are there sometimes lacking; thus (Brazilian) *Hevea* culture is more expensive than that of other varieties, although in some measure compensation for the additional expense may be obtained from subcultures, such as bananas, coffee, or cacao. But this applies equally to production elsewhere.

GERMAN TRADE COMPETITION: From the day that peace was proclaimed, and Germany left free to resume her world-trade, her indefatigable people began to pick up the somewhat scattered and disorganised, but never abandoned, threads of their South American trade. The flow of her emissaries was resumed. Again were launched numerous subsidised and always well-equipped steamship lines, serving direct or touching at all the chief ports of Latin-America; not one was overlooked, nor regarded as too insignificant to call at. Even British shippers availed themselves of such means of transport, for there existed few others—and fewer of their own. A chain of German banks throughout the Latin-American countries—some genuinely Teutonic, others disguised under various Spanish and Portuguese names—continued to protect and promote the overseas commerce of the Fatherland. For these monetary institutions no transaction has ever been deemed too small, nor is any applicant readily turned away. The whole laboriously constructed German commercial edifice in South America, disturbed—like an ant-hill—by the war, suffered but momentarily. The busy denizens—the first shock encountered—have now set to work with more zeal than ever to promote and restore, to cement and to solidify.

To what extent Germany has recovered, and is recovering, her Latin-American trade the subjoined figures show:—

DISTRIBUTION OF LATIN-AMERICAN TRADE.

	Total Trade.	United Kingdom.		Germany.	
	£	£	%	£	%
1913—Imports	264,372,239	64,551,515	24.42	43,765,574	16.55
Exports	310,550,190	65,960,709	21.24	38,440,854	12.38
1920—Imports	560,238,500	93,566,101	16.70	18,999,831	3.39
Exports	658,587,555	118,155,956	17.94	11,904,150	1.80
1921—Imports	366,951,899	64,698,256	17.62	26,100,335	7.11
Exports	379,022,925	92,783,976	24.47	23,408,466	6.17

PARAGUAY: There is reason to hope that the revolution which broke out in May of last year, following immediately upon the resignation of President Ayala, has now come to an end, with the result that economic conditions in the country are rapidly returning to normal. Testimony to this effect is afforded by an official decree of the Minister of War demobilising the artillery. It has also been possible to present to Congress the estimated expenditures for the fiscal year September 1, 1922, to August 31, 1923. These are placed at 1,011,058 pesos (gold) and 90,338,252.16 pesos (paper). To cover these expenditures the estimated revenues are placed at 778,116 pesos (gold) and 99,805,100 pesos (paper), derived principally from Customs duty (630,000 pesos gold and 45,400,000 pesos paper); general internal revenues (2,700 pesos gold and 41,152,000 pesos paper); other receipts, including income from posts and telegraphs and extraordinary revenues (145,416 pesos gold and 13,253,100 pesos paper). It will be gratifying to the British shareholders in the Paraguay Central Railway to know that, notwithstanding the damage occasioned last July, when the principal bridge over the Tebicuary River, which rested on timber piling, was destroyed, repairs have been effected in so satisfactory a manner that traffics have been almost re-established, and communications between the country and the principal provincial centres, as well as with the neighbouring Republic of Argentina, will shortly be completed.

Notes of the Week.

The Debt-Funding Terms.—The United States Government is losing no time in pressing on with the debt funding proposals. Within a day or two of the British Cabinet's acceptance of the Washington proposal the detailed terms were issued from the White House, and on Wednesday President Harding submitted them to Congress. The detailed statement shows that the terms are more favourable to this country than had been thought. The principal of notes to be refunded is set out as \$4,074,818,358. Interest accrued and unpaid to December 15, 1922, reckoned at 4½ per cent., and not 5 per cent., as had been supposed, amounts to \$629,836,107, making with the principal a total of \$4,704,654,465. From this total have to be deducted payments made on October 16th and November 13th, with interest thereon at 4½ per cent. to December 15, 1922, making \$100,526,380. This leaves a net amount of \$4,604,128,085, of which the odd \$4,128,085 is to be paid in cash, so that the total principal of British indebtedness, for which British Government bonds are to be issued to the Government of the United States is \$4,600 millions. Interest is payable on December 15th and June 15th of each year, at the rate of 3 per cent., from June 15, 1923, to December 15, 1932, and thereafter at the rate of 3½ per cent. until final repayment. Sinking fund payments will increase regularly from \$23 millions in the first year to \$175 millions in the 62nd and final year. The debt total is somewhat lower than most previous estimates. In the matter of options granted to the British Government, the detailed terms also take on a rather more favourable aspect than had been expected. These options may be divided under four heads:—(1) The British Government may tender in payment either of principal or interest any United States Government bonds issued

since the United States entered the war. (2) On giving 90 days' notice the British Government may repay extra amounts in excess of the scheduled sums. (3) Sinking fund payments need not necessarily be made at the regularly half-yearly dates, but may be made triennially, if desired. (4) For the first five years half of the annual interest may, if desired, be funded and added to the principal. The arrangements in general give the impression of a fair, square, business-like deal. Believers in sound finance will hope that the last-named option will not tempt the British Government at the outset to postpone obligations in order to lighten the current budget. But one or other of the other options may well be made valuable by the course taken by money rates. Of the prospects of the agreement receiving final sanction, it is possible to speak with high hope, but not with certainty. President Harding is reported to be sanguine of obtaining a majority for the proposals in both Houses of the Legislature, and they have had a good Press. Some doubts have, however, been aroused by the existence of political cross-currents in Congress. For our part we shall not believe, unless or until it is an accomplished fact, that Congress will stultify the efficient and careful work of the negotiators, or that they will take the grave responsibility of rejecting a unique opportunity for cementing Anglo-American harmony.

Irish Peace Overtures.—Our Dublin correspondent writing on Thursday, says:—The community is still seething and bubbling with peace talk. Readers of the *Economist* are aware of the differing values of the peace-makers and peace-mongers, of the differing motives underlying their tentatives, and of the differing objectives towards which they are directed. It is known that Ministers consider that definite harm has been done to the cause of an ultimate reunion with N.-E. Ulster by some of the overtures—quite unofficial and unauthorised—recently made by well-intentioned Senators to N.-E. Ulster, which procured for their authors a public snubbing by Sir James Craig, the Northern Prime Minister. Other peace talk has been originated from Republican sources, where the pinch has been felt with an ever-increasing pressure. More, again, comes from defeatists, busybodies, and the frankly selfish, who care nothing for the future or for fundamental principles, so long as they can be rid of present fear and continuing inconvenience. But even though the protracted nature of the struggle may affect Government prestige, and may allow a certain body of grievances and criticisms of Government action to accumulate, experienced judges are convinced that the determination of the public is fixed—and that, as has been said before, it will support the Government in any measures of repression, however severe, that it may adopt, so long as it is satisfied that the severity is even-handed, systematic, and persisted in long enough to give it a reasonable chance of success. Naturally enough, responsible business men and publicists who are under no definite obligation to express their opinions publicly practise a discreet reticence. Therefore it is the peace-makers and peace-mongers who are most heard—but it would be easy to over-estimate their importance. The frantic hunt which they are conducting behind the scenes for—to use their favourite phrase—a formula to save Mr de Valera's face, arouses but little enthusiasm in the average business man, even though some fear of his normal leaders are involved in it. A not unusual comment is: "If the job is not completed now, it will have to be done all over again another time." Others literally shudder at the prospect in some labour agitation hereafter of a recrudescence on the Labour side of de Valera tactics, of anarchical sabotage masquerading as idealism, and constraining moderates to compromise and the State to acquiesce by the gentle suasion of bullet, torch, and bomb. Some of them remember that Mr James Larkin is about to return to Ireland—a magnetic mob orator and organiser who has just been released from gaol in America, where he had been imprisoned on a charge of revolutionary anarchy. The recent confidence in Government circles is explained by the publication yesterday of the statement that Liam Deasy, a prominent Irregular leader, who was recently captured, accepts and is working for an immediate and unconditional surrender of all arms and men as required

by the Minister of Defence. Furthermore, overtures made in a somewhat similar sense were signed by 12 responsible leaders of 500 irregular prisoners at Limerick, and on Thursday a local detachment of 25 in Westmeath laid down their arms. The Government published yesterday a formal offer of amnesty for those surrendering unconditionally on or before Sunday, the 18th inst.

Austria's Need for Credits.—Our Vienna correspondent has from time to time described Austria's brave struggle to extricate herself from her financial and economic troubles. Lord Balfour and Dr Seipel, the Austrian Chancellor, both dwell upon this subject at the League of Nations Council meeting in Paris last week, when the former stated that 93 per cent. of the necessary guarantees for the promised international loan to Austria had been obtained. But of necessity the actual operation of floating a loan on a guarantee of a mixed nature, such as that which is proposed in the case of the Austrian loan, presents obvious difficulties; and, as further delay in receiving external financial assistance might prove disastrous to Austria, it is welcome news that negotiations have been proceeding this week in the City for the raising of temporary credits to tide over a crucial interval. It is hoped that London will participate in an issue of £3½ millions of twelve months' Austrian Treasury bonds. In an interview published in Wednesday's *Morning Post*, Dr Kienboeck, the Austrian Minister of Finance, who, with the President of the Austrian National Bank, is in London for the purpose of these negotiations, emphasised Austria's immediate need for credits. After describing his Government's efforts at financial reform, he said: "But this is about all we can do without aid. We have lasted longer than the Geneva Programme really expected. We have been compelled to raise money on our share in the gold assets of the old bank of about 15 million gold-kronen. In fact, it is absolutely necessary for us to get the new loan by the end of the month, in order to provide the necessary money for carrying on the Government of the country and for preventing a return of the old distrust of the population for the Krone. You know that the establishment of a new bank of issue was the pivotal point of the Geneva Programme. We have started a new bank; its statements are satisfactory, as has been repeatedly pointed out in the English Press. This success, however, was entirely dependent on the population's confidence that the Krone would remain fairly stabilised. Were this confidence to vanish the flight from the Krone would begin again, and all the work and the money spent in establishing the new bank would have been in vain." The Austrian Government has done its best to carry out the arduous task of self-help imposed under the League of Nations plan. It is greatly to be hoped that the necessary assistance from outside will be forthcoming before it is too late.

Business Men and Safeguarding of Industries.—The Executive Committee of the Imperial Commercial Association, of which Lord Inchcape is president, has issued a memorandum containing a strong and reasoned attack upon the Safeguarding of Industries Act. Here are some of their conclusions:—"There can be no doubt that the scope of the Act has far exceeded the utmost limitations of those who were responsible for its drafting. More particularly does this observation apply to that part of the Act dealing with chemicals. It is not proposed here to enter into the details, complications, and effects of the measure, either in part or as a whole, but rather to draw attention to the fact that the administration of the Act has failed. It has established the almost overwhelming power of the bureaucracy over certain classes of trade; it has entrenched a few employers in a more favourable position in trade than they otherwise might have been, and it has done this at the expense of the general community and without regard to our national prosperity as a whole." The committee agree with the promoters of the Act that "the possession of certain industries is essential to the welfare of the State"; but they call for the repeal of the present Act, and suggest a plan which could be substituted in order to retain industries essential to national safety. Their proposal is

that free trade and free competition should be restored, and that the cost to the State of maintaining "necessary" industries should be charged to the estimates of the departments in charge of National Defence. The taxpayer would then know exactly what the cost of maintaining such industries is, and industry, with freedom restored, would be relieved of irksome fetters. Readers of the *Economist* will not need to be told that we are in hearty agreement with the general tenour of this memorandum.

The Channel Islands and Imperial Expenditure.—A correspondent writes:—In spite of the Geddes Report, the request of the Home Secretary for an annual contribution to the Imperial Exchequer has startled both the public in the islands and their Governments. Guernsey, with 40,000 inhabitants, is asked to contribute £275,000 yearly, but its population is really 38,000, as the larger figure includes the population of Alderney and Sark, who do not pay the Guernsey taxes. Jersey, with 49,500, is invited to provide yearly £325,000. That some contribution is justly due from them is admitted; the Bailiff of Guernsey, indeed, in announcing the request, said that "all loyal Guernseymen would have been hurt if they had been left out," but there is some resentment at the issue of the Treasury memorandum without consultation with the island authorities, who would have shown that some of its figures are far too high. No doubt more revenue could be raised from alcohol and tobacco—possibly, if consumption were not affected by other causes than the increase, £115,000, as the memorandum suggests, in Guernsey, and in Jersey £101,000—but the other estimates of increase are questionable. Death duties might conflict with the working of the island laws of inheritance, and (as is suggested in Jersey), with seigniorial rights; the yield from stamps could never approach the British rate per head of population; "other indirect taxes" would overlap the existing import duties of 2s 6d per ton on all merchandise, and the calculations on which the hope of an additional revenue from income-tax is founded are fallacious—at any rate as regards Guernsey. Jersey levies no income-tax; Guernsey 6d in the pound. Retired Indian officials and others have settled in both islands to escape the British impost, but increased taxation (as the memorandum admits) might drive them away, for, as food supplies come largely from England, the cost of living in the islands is higher. The income-tax calculations of the memorandum, based on the Guernsey Budget of 1921, give the yield at £33,400, or 16s 6d per head, but the Budget for 1923, prepared before the incomes of the fruit and flower growers were ascertainable, puts the figure at £20,000, and hints that it may be less. The yield per penny in Great Britain is 2s 2d per head; in Guernsey, on the 1923 figures, it is not 2s 9d per head, as stated in the memorandum, but 1s 9d or less, and the British abatements if allowed in Guernsey would reduce the yield—there is good authority for the estimate—to 1s per head of population. Almost all the incomes are small; probably in both islands together there are not twenty persons who reach super-tax level, and the islands depend on agriculture, especially cattle-breeding and potato growing, the cultivation of fruit, flowers, and tomatoes, tourists, and the stone trade. The last-named has not recovered from the war; the cattle trade is depressed, and the growers are believed to be making no profits at present. In any case, their incomes are subject to great fluctuation. "Rateable value" is high, because land is scarce, and the number of domestic servants is partly due to the "tourist industry," so that these are not trustworthy indices of taxable capacity, as the memorandum regards them. At present, indeed, it seems impossible to state an average on which a fixed contribution can be based. The islands already contribute to Imperial expenditure (a) income-tax on pensions and interest or dividends paid through Great Britain; (b) Crown rents (rent charges on land, which, we believe, are mostly Church revenue secularised at the Reformation); (c) a contribution to Imperial defence in the shape of the island militia, at a cost in Guernsey of about £6,000 yearly. However, they will do what they can.

Lloyds and Cox.—The announcement that, with the approval of the Treasury and of the Army Council, an agreement has been entered into under which Lloyds Bank, Limited, have acquired the business of Messrs Cox and Co., the well-known Army agents and bankers, and have assumed all their liabilities, shows that some of the recent rumours of a forthcoming banking amalgamation were not entirely groundless. The official announcement states that the businesses of Messrs Cox and Co. and of Messrs Henry S. King and Co. (which, as announced in October, Messrs Cox and Co. had agreed to acquire) will be carried on as branches of Lloyds Bank. Some or all of the directors of Cox and Co. will continue to give their assistance in its management, in association with Sir Seymour King, K.C.I.E., one of the directors of Lloyds Bank, who is also the sole partner of Henry S. King and Co. It is understood that the purchase will not involve any issue of additional shares by Lloyds Bank. The business of Cox and Co. was established in 1758, and registered as an unlimited company in May, 1909, with a capital of £350,000. This was increased in 1911 to £400,000, in 1913 to £450,000, and in 1918 to £650,000, in 5,000 ordinary and 1,500 4 per cent. preference shares of £100 each. The reserve fund stands at £600,000. In addition to the head office at Charing Cross, the company has a City office and nine branches in India and Egypt. Its business, of course, expanded enormously during the war. Deposits in April, 1914, were £4,088,800, in October, 1918, £19,265,400, and in September, 1919, £22,552,400. By March 31st last they had dropped to £16,543,700. In 1915 Cox and Co. (France), Limited, was established, with which the London and South-Western Bank was associated. Later on the National Bank of South Africa, the British Bank of South America, the Bank of Taiwan, Messrs R. Mees and Zoonen, of Rotterdam, the Bank of Athens, the Privatbanken i Kjobenhavn, and Fortitudo Skandinaviska Kreditaktiebolaget became shareholders, the whole of the capital being held by the nine institutions. The company, which had twelve branches in France and one in Algiers, has since been acquired by Barclays Bank (Overseas), Limited. Lloyds Bank, therefore, does not acquire any Continental connections by the present purchase. It is, however, well represented on the Continent, holding half the shares in Lloyds and National Provincial Foreign Bank, Limited, which has fourteen Continental branches. As measured by deposits, Lloyds Bank is the second largest English joint-stock bank, being second only to the London Joint City and Midland Bank. On December 31st last Lloyds' deposits were £330,556,800 and the London Joint City and Midland's £354,406,300.

Stock Exchange Money.—It has now become established, without more than a shadow of doubt, that the re-introduction of contangoes into the Stock Exchange, and the return to pre-war conditions of dealing as regards fortnightly settlements, are a decided advantage in the way of increasing business in the markets, through the quickening of public interest and the greater facilities offered for free dealing in stocks and shares. Genuine suspicion arose about a year ago, writes a Stock Exchange correspondent, as to whether a reversion to pre-war practices in these respects would be an advantage to the Stock Exchange; firstly, in the matter of the credit of members—which war conditions had raised to a remarkably high standard—and secondly, in that of increasing or diminishing the confidence with which the public had grown to regard the Stock Exchange under its system of cash dealings. It will be remembered that a good many firms in the House announced their intention of refusing to carry over stock for anybody, a determination to which some still cleave to-day. The majority opinion amongst established brokers and jobbers was possibly a little hesitant, while the younger members, and especially those recently back from the war, thirsted for any system that would whet the public's appetite for speculation, and, therefore, persuade the more trade into the House. Since then, a revival of the gambling spirit has occurred in a few of the markets, and, not very long ago, there were quiet doubts entertained as to whether this reckless speculation might not reflect upon the stability of members engaged in it. The hammer, however, remains silent, as it has done for the past eight

and a-half years, and there is no gainsaying the fact that the ability to contango stock does prove a great attraction to those who buy more than they can conveniently pay for. In one way, the ease with which speculative accounts are financed nowadays is a matter for surprise, having regard to the fact that, with the banks in close correspondence of policy, the buyer of shares finds it none too easy to obtain money on such stocks and shares the security of which the lenders may regard as risky. The consequence is that, instead of being able to play off one bank against the other, the would-be borrower on such sketchy shares as certain Rhodesian mines, for instance, is thrown upon his own resources if his banker declines to lend him money upon his purchases. Before the war the bull of shares was either compelled to sell them if he could not carry them over on a contango-day, or to borrow the money with which to pay for them. Otherwise he had to give stamps and fees, and a money rate to members of the Stock Exchange or other lenders who might feel disposed to take up the shares for him at this extremely onerous cost. The Inland Revenue, however, has unintentionally done a good deal to facilitate the convenience of people who find themselves bulls of more than they can take up, for by allowing Stock Exchange dealers to take stock into their own name for a couple of months upon a nominal transfer stamp of 10s, the cost of contangoing is reduced very substantially. As an illustration, it need only be mentioned that, to pay for 500 Selukwes at 1½, costs £7 10s in stamps, or 3½d per share; under the Inland Revenue concession the charge of 10s works out to something negligible per share. The result is that if jobbers know their man well, and are ready to trust him, they will pay for shares, provided they have the money over, and the bull finds himself called upon to pay 7½ per cent. contango instead of anything between 15 to 20 per cent. With the abundance of money which is available at the present time, the money-lenders are by no means averse from taking anything like 7½ per cent. upon what they regard as reasonable security, this security being, in nine cases out of ten, the credit of the man with whom they are dealing quite as much as that of the shares upon which they lend their money, and which they take into their own names. With Home Railway stocks, the security is naturally protected by the better class of the stocks concerned, and the banks will always provide accommodation to their approved customers upon such securities as these. Of course, the full stamp and fee is charged in these cases. Had it not been for the 10s nominal transfer-stamp concession, possibly the speculative movement would not be quite so easily manageable as it is to-day. The fact remains, however, that the return of the Stock Exchange to pre-war contango conditions, plus the assistance afforded by the Inland Revenue stamp concession to dealers, have enabled the buyer of stocks and shares to finance his commitments without much trouble, a fact which contributes materially to that increase of business which enabled markets to attain a cumulative degree of flexibility and elasticity.

More Home Railway Dividends.—A further batch of dividends on the stocks of the old railway companies has been announced this week. In the table below we compare the 1922 dividends so far declared with those of 1921, 1920, and 1913:—

Name of Line.	Final Dividends.				Dividends for Whole Year.			
	1913.	1920.	1921.	1922.	1913.	1920.	1921.	1922.
Caledonian, Ord.	Rate 3½	4½	7	7	3½	4½	7	7
Do Deferred	..	..	..	..	..	..	..	..
Great Central, 5½ 1894 Pref.	..	..	..	..	2½	3	2½	2½
Great Eastern	4½	4½	4½	4½	2½	2½	2½	2½
Great Northern, Def.	..	..	..	..	3	2½	2½	7
London and S. Western, Ord.	7½	8	8	12	5½	6	6	8
Do Deferred	..	..	..	..	18	2	2	..
London, Brighton, and South Coast, Ord.	7	8	8½	10	6	5½	5½	6½
Do Def. Ord.	..	..	..	..	4½	4½	4½	6½
Do Contingent Rights	..	..	..	..	nil	nil	nil	1
London, Chatham, and Dover, 4½ % Second Pref.	..	..	..	..	1½	3	4½	4½
Do Arbitration Ord.	..	..	..	..	nil	nil	nil	..
Midland, Deferred	5½	5½	6½	8	4½	4½	4½	6
North Eastern Consols	8½	8½	9	8½	7½	7½	7½	7½
South Eastern, Ord.	6½	6½	7	9	4	4½	4½	5½
Do Def. Ord.	..	..	..	..	2	2½	2½	5

With the exception of the Great Eastern and the North Eastern, which pay the same as in the two previous years,

the dividends on ordinary and deferred stocks are substantially larger than last year. Moreover, in most cases these dividends are paid without making withdrawals from reserves, whereas last year compensation money was heavily drawn upon. The Great Eastern, however, takes £256,400 from Railway Compensation Account Reserve, and the North Eastern £300,000. The dividend on London, Chatham, and Dover Arbitration ordinary stock is the first ever paid, while the Contingent Rights of the London, Brighton, and South Coast, which now get 5s per cent., have received no other distributions since 1899.

The Underground Dividends.—The dividends announced by the Underground group of railways on Thursday indicate that the companies have had a profitable year. The table below compares the rates and balances carried forward with those of the previous year :—

	Final Dividends. Rate % per Annum.		Dividend for Whole Year. Per Cent.		Carried Forward.	
	1921.	1922.	1921.	1922.	1920.	1921.
Central London (Def. Stock) ..	3½	4½	4	4	£ 15,161	£ 59,644
London Electric (£10)	3½	4½	3½	4	22,350	39,743
City and South London	2½	4½	3½	4	18,820	25,276
London General Omnibus	7½	9½	8½	8½	58,843	67,928
Met. District, Ord.	2	3	1	3	20,537	60,550
Do 5% 2nd Pref.	5	5	5	5		77,075
Underground, 6% Inc. Bonds ..	4½	6½	4½	5½	20,137	26,600
						47,799

† Paid free of income-tax.

Apart from the dividend on Central London deferred, all the distributions for the full year are increased. For the first time for four years the dividend on Underground Electric income bonds for the second half of 1922 is at the full rate of 6 per cent. The improvement in the American exchange should reduce the cost to the company of the option given to holders to cash coupons in New York. In all cases, it will be seen, substantial additions are made to the balances carried forward.

Irish Free State Banking.—Amongst the Free State banks which, in spite of all factors tending apparently to a different result, produced excellent results for the year 1922, there is a small agitation as to the Government patronage of the Bank of Ireland, writes a Dublin correspondent. Unlike the Bank of England, the Bank of Ireland is a trading institution in active competition with the other joint-stock Free State banks. Whether as a temporary or as a quasi-permanent arrangement, it is carrying on the whole Government banking business of the Free State. The National Bank has publicly challenged this position in a statement which claims merit for itself as having been founded as a result of efforts made by Daniel O'Connell as a Catholic and Nationalist bank, but which betrays some embarrassment at the fact that its head office is in London and several most important branches are in England. It is thus, in fact, despite its name and connection, a British rather than a Free State bank when Free State Government business has got to be considered. On the other hand, it pleads that this handicap is set off by the fact that it alone possesses direct representation in the Bankers' Clearing House in London. The suggestion was made long since in these columns that the time had come when the Irish banks would be well advised to put their heads together and think out, as far as might be, a common policy and joint action on the new current problems in Ireland that affect their interests. Their interchange of views and their co-operation in action might have small beginnings, and certainly should not aim at grandiose results. But if prudently and tactfully managed, it should result beneficially for the banks themselves, and for the State and for the general public. The matter of the monopoly of Government business would better be adjusted by private arrangement than by a somewhat undignified altercation and scramble in public. It would be all to the good if the small jealousies and personal factors which stand in the way could be effectively eliminated.

The Position in Peru.—Like other Spanish-American States, Peru has suffered greatly from the trade depression in Europe. According to the Report just issued from the Acting British Consul at Callao, the export trade in 1921 fell 56 per cent. in value below that of 1920, the import trade, however, only 16 per cent., owing probably to the after-effects of war-time prosperity; but in the first half of 1922 there was a further decline. The Customs duties, the chief source of public revenue, were £2,000,000 lower in 1921-22 than in 1920-21. The total public debt exceeds £9,000,000; "it cannot be said that the financial position of the Government is favourable," and a large proportion of the population, especially in the capital, "is dependent on the spending capacity of the Government." The country, no doubt, has vast resources, but their development must be slow. In the rainless coast strip, one very large irrigation scheme near Canete was completed last August; another, covering some 87,000 acres, is projected. The mountain region, "containing almost every known mineral," cannot be adequately opened up without railroads or settled because of the danger of attack from Indians, and the extensive Dunsuir railway concessions are apparently still unratified. The Transandin region, which may some day be only from three to four days' distance by rail from Lima, contains vast areas suitable for agricultural settlement, and might more than supply the world's demand for paper pulp; but at present Iquitos is a month's journey from Lima by land and 80 days *via* the Panama Canal and the Amazon from Callao, and rubber has been virtually abandoned in favour of balata. Sugar and cotton head the list of export values; the production of both is likely to increase in the current year. The export of wool, including alpaca, is apparently recovering; that of copper, controlled by one American company, is unprofitable at present prices; and there are great hopes of an increase in the output of petroleum in a few years' time under the law of 1922. But a large increase in any other product seems unlikely in the near future.

Borax Consolidated.—A year ago a slight setback was experienced by Borax Consolidated, Limited, after a period of progressive annual increases in profits. In the accounts just issued for the year ended September 30th last net trading profits amounted to £417,900, after deducting £41,691 for administration expenses. A summary of the company's results for the past 12 years is given below :

Year Ended Sept. 30.	Net Trading Profit.	Depreciation and Reserves	Debt-ture Interest.	Total Dividends Paid.	Carried Forward	Rate on Deferred Ordinary
1911.....	£ 293,086	£ 27,880	£ 65,000	£ 194,750	£ 75,995	13½
1912.....	293,598	56,732	69,000	194,750	43,297	13½
1913.....	361,921	78,297	74,164	207,361	45,397	15
1914.....	344,050	90,692	82,909	147,500	68,345	7½
1915.....	349,357	81,290	87,678	170,000	74,171	10
1916.....	569,907	227,331	87,850	215,000	112,913	15
1917.....	385,527	96,267	87,850	215,000	92,703	15
1918.....	431,342	115,825	87,850	215,000	105,370	15
1919.....	442,023	103,697	87,850	252,500	103,348	15
1920.....	476,581	120,062	87,728	252,440	119,639	15
1921.....	378,966	70,825	86,392	223,750	117,638	12½
1922.....	417,900	101,738	86,157	223,750	123,893	12½

* Excess profits duty, £134,470, included in these figures.

Again a distribution of 12½ per cent. on the deferred ordinary shares is proposed, while £101,738 is allocated to reserves, as against £70,825 a year ago. Total assets are now £6,197,386, as against £6,248,529; other details of the balance-sheet will be found on a later page. The directors complain that "the European demand for its products is affected by Continental conditions, and is not likely to increase substantially until these improve and exchanges settle down to a reasonably permanent basis."

The National Provident's Valuation.—We have reached the stage in the after-war recovery of investment values at which life assurance companies no longer have to provide large sums to meet depreciation. Interest earnings are also steadily improving and mortality rates continue to be low. The result of all these factors is a resumption of bonuses to policyholders. The National Provident

Institution suspended its general distribution five years ago, but now, after a valuation as at November 20th last, is able to return to the full pre-war rate of bonuses. The liabilities were valued by the British Offices tables at 3 per cent. interest, and after making all necessary reserves the surplus of assets disclosed was £1,077,159 in excess of liabilities of £6,907,168. The life funds increased during the five years from £7,117,313 to £7,984,327, and the net interest earnings reached £4 11s 5d per cent. for the past year, against £3 17s per cent. in 1916-17. It is stated that no Stock Exchange security stands in the books at a higher value than that based on the market price on November 20th last, and that there is, in the case of the majority, a substantial margin, which will serve as a reserve for possible shrinkages in prices when the trade of the country improves. For the past year the ratio of expenses to premiums was 12.875 per cent., and the mortality experience was 78 per cent. of that expected. The directors have decided to divide £914,542 of the ascertained surplus, leaving £162,617 to be carried forward.

Jute Industries.—The directors of Jute Industries Limited, in their second annual report for the year ended September 30th last, are able to show that with assets totalling £5,990,391, a net revenue, free of tax, of £258,761 has been secured. The dividend on the £3,000,000 participating preference shares absorbed, at the minimum rate of 9 per cent., £197,156; preliminary expenses, standing under assets in the balance-sheet at £160,000, obtained relief to the extent of £60,000, and including the balance brought forward £14,298 was carried forward to next year's accounts. The report states that "the total profit, after making allowances for depreciation, earned by the associated companies for the year to September 30, 1922, together with the profit made on merchandising by this company, amounts to £606,224. Out of this sum the claims for Imperial taxation have to be provided, and these will require no less a sum than £205,000. The dividends, £248,865, shown as received from the associated companies in the profit and loss account have been wholly declared out of profits earned up to the close of the first half of the year only, leaving the profit earned during the second half of the year undistributed." In the balance-sheet investments in subsidiary companies are taken at cost and amount to £5,505,225. In connection with this item it is stated that "the directors have given most careful consideration to the advisability of publishing particulars of the assets and liabilities of the associated companies. They are of opinion that it would be prejudicial to the best interests of the company to publish the balance-sheet separately." Although the statement of free liquid assets is of interest, we would remind the directors that the publication of a consolidated balance-sheet of the associated companies would not necessarily disclose the position of any particular company, and at the same time it would enable shareholders in the parent concern to learn a little more about their actual assets and liabilities. The balance-sheet will be found fully analysed on another page, but it reveals little about the actual financial position of the company.

Copper and Copper Companies.—During the past three months, writes our mining correspondent, transactions in copper on the London Metal Exchange have ruled upon a considerably larger scale for some time previously. This week's turnover, for example, totalled 5,700 tons, as against 6,700 tons for the preceding week, and 10,000 tons during the week ended January 26th. The price has also risen, Friday's quotation of £66 12s 6d for standard cash, compared with £61 15s at the end of November. The strength and activity of the London market is in the main, of course, a reflection of conditions in the United States, where the consumption has been increasing, and scarcity of labour has prevented a corresponding expansion in production. The somewhat improved home trade demand has, however, been a factor; while, despite political and exchange complications, the Continent has bought considerable quantities of the metal. In these circumstances there is naturally a tendency on the part of the speculative investor to purchase the shares of

copper-producing companies. Appended is a list of the better-known undertakings, with the highest and lowest points of the past two years; also Thursday's closing quotations :—

	1921.		1922.		Latest. (Approx.)
	Highest.	Lowest.	Highest.	Lowest.	
Arizona (5/ shares)	33/	13/	20/6	13/9	20/
Esperanza	6/3	3/	7/6	3/9	7/
Hampden Cloncurry ..	7/6	4/	10/	4/	8/6
Mason and Barry	57/6	26/3	55/	32/6	2½
Mount Elliott	21/3	7/	29/6	5/9	7/6
Mount Lyell	17/	10/	21/6	11/9	21/6
Mount Morgan	14/3	10/6	14/9	10/9	13/6
Namaqua (£2 shares) ..	25/6	12/6	37/	18/9	32/6
New Guinea	..	..	..	..	15/6
Pilbarra (5/ shares)	33½	23	30½	24½	32½
Rio Tinto (£5 shares) ..	12/	4/6	12/6	4/3	16/6
South American (2/ shs)	3½	2½	2½	2½	2½
Tharsis (£2 shares)	..	..	..	..	..

It will be seen that as a general rule current quotations are about on a level with the best of 1922, when, however, conditions were less favourable to producers than they are now. Of the companies whose properties are situated in Europe, the Rio Tinto announced an interim distribution of 10s in November last—the first since the 20s, making 40s for 1919. The Tharsis company, which markets considerable quantities of sulphur as well as copper, broke its hitherto uninterrupted record by paying no dividend for 1921, although 5 per cent. could have been squeezed out. For 1920 the rate was 15 per cent. The last payment by the Esperanza company was 5 per cent. in June, 1921. Each of these three companies operates in Spain. The history of the Mason and Barry, whose scene of activity is Portugal, closely resembles that of the Tharsis, except that 50 per cent. was disbursed for 1921, following 25 per cent. in respect of the previous year. The latest dividend of the Namaqua (South Africa) was 7s in June, 1917, making a total of 25 per cent. for that year. Smelting, which had been in abeyance since 1918, was resumed in September last. The undertaking of the Arizona Copper Company, it may be recalled, was transferred to the Phelps Dodge Corporation of America at the end of 1921; the first dividend under the new régime comprised 1s per share paid in November last. The accounts showed it to have been partly provided out of the sum brought forward. The South American Copper Syndicate owns a rich and extensive property in Venezuela. In the past it has paid very large dividends on a small capital from the sale of crude ore and the operation of an antiquated smelter. A modern smelter recently started up, and in Stock Exchange circles an extremely favourable view is taken of the prospects. All the remaining companies work in one part or another of Australasia. The Mounts Lyell and Morgan are in the producing list; their latest distributions were 1s each in December, 1922, and April, 1920, respectively. The Hampden and the Mount Elliott properties have been shut down for some time pending an improvement in conditions—and in the case of the latter a scheme of financing, which has lately been arranged. The New Guinea is approaching the output stage. The Pilbarra—a reorganisation—has large ore reserves. An important announcement regarding the adoption of a suitable treatment process may be expected in the very near future.

Agricultural Conditions.—The monthly report of the Ministry of Agriculture and Fisheries states that January was a mild month and, on the whole, favourable for the farmer. The rains experienced early in the month delayed field work, but cultivations were already well forward. Winter corn has maintained its good promise and crops which were backward improved during the latter half of the month. Live stock have done well, and winter keep has been saved. Frosts would now be well come, not only to bring the ground into better condition but to check some of the winter corn, which is rather forward. There are plenty of workers available in a parts of the country, with some unemployment amongst the less skilled men. In the north-eastern and south-eastern counties rather more men are out of work than a month ago.

THE Royal Colonial Institute announces a meeting at the Edward VII. Rooms, Hotel Victoria, Northumberland Avenue, W.C. 2, on Tuesday, February 13, 1923, at 8.30 p.m., at which a paper on "Canada and the Empire" will be read by Sir Campbell Stuart, K.B.E. His Grace the Duke of Marlborough, K.G., will preside.

A MEETING of the Royal Society of Arts, John Street, Adelphi, London, W.C. 2, will be held on Friday, February 16, 1923, at 4.30 p.m., when a paper on "The Indian Census of 1921" will be read by J. Marten, I.C.S., M.A., Census Commissioner for India. Sir Edward A. Gait, K.C.S.I., C.I.E., Member of the Council of India, will preside.

SIR EDWARD A. GAIT, Member of the Council of India, will preside at a meeting of the Royal Society of Arts (Indian Section) on Friday, February 16th, when a paper by Mr J. T. Marten, I.C.S., Census Commissioner for India, on "The Indian Census of 1921" will be read by Mr L. Middleton, I.C.S., Provincial Census Superintendent, Punjab. The chair will be taken at 4.30 p.m.

A SERIES of four advanced lectures on statistics has been arranged by the University of London to be given at the London School of Economics on Tuesdays at 5 p.m., as follows:—(1) "Population," by Mr S. P. Vivian (Registrar-General); (2) "Income and Wages," by Sir Josiah Stamp, K.B.E.; (3) "Prices," by Mr A. W. Flux; and (4) "Food Supplies," by Sir Henry Rew, K.C.B. Admission will be free, without ticket.

Oversea Correspondence.

UNITED STATES.—NEW COAL WAGE AGREEMENT—LEGISLATION AGAINST TAX-EXEMPT SECURITIES.

(FROM OUR CORRESPONDENT.)

NEW YORK, January 29.

PEACE in the soft coal industry of this country now seems to be assured for at least one year from April 1st. As a result of conferences held in this city, last week, between the bituminous coal operators and miners, new wage scale contracts were signed, which are understood to be the same as those at present in effect, and which, it is provided, are to continue in force until April 1, 1924. The new agreement applies only to what is known as the tri-State competitive field—Illinois, Indiana, and Ohio—where approximately 36 per cent. of the country's soft coal is produced; but it is intended to be used as a basis for fixing wages, and working rules in other bituminous coal fields. Present indications are that similar agreements will shortly be made covering the latter. Among the main provisions of the contracts just signed are the continuance of wages at the rate of \$7.50 a day for day work, and \$1.08 a ton for mining by hand (where payment is on the tonnage basis); the eight-hour day, the six-hour week, the check-off system, guarantees against contract violations, and arrangements for settling disputes growing out of local conditions. A resolution was adopted calling for a meeting of the joint sub-committee, as now constituted, on or before January 8, 1924, to consider the advisability of holding an inter-State conference for the purpose of making an agreement for the next year. The joint committee may then be made permanent. In many quarters this move is looked upon as a long step towards stabilisation in the soft coal industry. The conferees expressly stated, in announcing the result of their deliberations, that the agreement was entered into at the urgent solicitation of the United States Coal Commission in the interest of all concerned.

Soft coal production in the United States for the week ended January 20th, according to preliminary returns, approximated 10,950,000 tons, as compared with 11,172,000 tons in the preceding week and 8,302,000 tons in the corresponding week a year ago. Anthracite was produced to the extent of 2,000,000 tons in the week ended January 30, as against 2,113,000 in the previous week, and 1,643,000 in the same week of 1922. Final

returns show that last December's output of anthracite, totalling 8,430,000 net tons, was the largest December production on record, although it was less than in November and October. Anthracite production for 1922 is placed at 52,485,000 net tons, or 45 per cent. less than in 1921, and 43 per cent. below the average annual output in the nine years 1913 to 1921.

There has been considerable agitation here in recent months against the issuance of Federal and State securities which are exempt from taxation, because individuals and corporations, by investing in such securities, are able to escape income-taxes to a large extent. The Government, therefore, loses a great deal of revenue each year which it would otherwise receive. The movement to close that loophole made further progress last week, when the House of Representatives passed the proposed constitutional amendment to prevent the issuance of tax-exempt securities. In the form in which it was approved by that branch of Congress, the amendment was in two sections, one referring particularly to the United States and the other to the individual States. The first stipulates that the United States "shall have power to lay and collect taxes on income derived from securities issued" after the ratification of the amendment, "by or under the authority of any State, but without discrimination against income derived from such securities, and in favour of income derived from securities issued 'after the ratification,' by or under the authority of the United States or any other State." The other section provides that each State shall have like authority to lay and collect taxes on income derived by its residents from securities issued after the ratification of the amendment, "by or under the authority of the United States, but without discrimination against income derived from such securities, and in favour of income derived from securities issued" after the ratification, "by or under the authority of such State." The proposal was adopted by a vote of 223 to 101, or more than the required two-thirds. The strong arguments advanced by President Harding and Secretary of the Treasury Mellon were considered largely responsible for this action by the House. Party lines were not very clearly drawn in the vote in the House of Representatives, for many Republicans opposed its passage, while almost as many Democrats favoured it.

FRANCE.—BUDGET—INFLATION OR FRESH BORROWING—SYNTHETIC AMMONIA—STOCK EXCHANGE.

(FROM OUR CORRESPONDENT.)

PARIS, February 7.

THE Budget Bill for 1923 has now been formally adopted by the Chamber, but under such curious circumstances that the Senate has declined to begin the consideration of the measure until the Lower House has rendered the situation of the Bill more understandable. This remarkable state of affairs is due to the fact that the Chamber, after three different attempts, has so far found it impossible to get rid of an estimated deficit, which, after repeated modifications in both estimated expenditure and estimated revenue, still remains at over 3,500 million francs. (This deficit, as I have more than once mentioned, represents the equivalent, roughly speaking, of the interest and other annual charges which France has to meet on the money that has had to be borrowed, in consequence of Germany's failure to meet her obligations, for the purpose of reconstituting the devastated area.) Finding it impossible, for the time being, to balance the Budget, the Chamber decided to approve the various estimates as modified, passed by a majority of 468 votes to 66 resolutions sanctioning total credits amounting to 23,956,169,600f, and sent the measure for consideration by the Senate, it being agreed that a Fiscal Sub-Commission of the Chamber, which has been specially constituted for the purpose, should consider and recommend as soon as possible the best means to be adopted to get rid of the estimated deficit and make the Budget balance.

The various transformations the Budget estimates have undergone will be seen from the following comparative figures (the first column indicating the Finance Minister's original estimates, the second the modifications effected

by him in October at the request of the Finance Commission of the Chamber, and the third the still further modified proposals of the Minister, after they had been subjected to revision by the Commission):—

(In Millions of Francs.)			
Expenditure for 1923.....	23,244 ..	22,925 ..	23,871
Revenue for 1923.....	19,285 ..	19,217 ..	20,376
Deficit	3,959 ..	3,708 ..	3,495

"Now that we have finished with the Budget," M. de Lasteyrie remarked, with unconscious irony, at the end of the discussion, "it remains to make it balance!" and he expressed the belief that this would not be difficult, although he has allowed no hint to drop (since the rejection of his last proposal, which was to increase the existing taxation by 20 per cent.) as to how it is to be done. It is believed by many Parliamentarians that the Minister still favours the 20 per cent. increase of the present taxes, which was received with such a storm of protest that the Finance Commission "hung the proposal up" in a manner that was practically equivalent to rejection. M. de Lasteyrie has gone so far, indeed, as to inform a Parliamentary deputation that, if his proposal is not adopted, it will become necessary so to inflate the note issue that a further fall of the franc, and a further appreciable rise in the cost of living, will be inevitable. The alternative appears to be a fresh resort to borrowing, and it is becoming increasingly probable that such a way out of the difficulty may ultimately have to be adopted. At the same time, it must not be overlooked that quite a substantial percentage of the deputies are known to favour an extension of "inflationism," although practically every financial authority in the country, including the present Finance Minister and several of his recent predecessors, are emphatically opposed to anything of the kind.

Meanwhile, stimulated by the attitude assumed by the Senate in refusing to discuss the Budget Bill in its present form, the specially-appointed Fiscal Sub-Commission has lost no time in submitting proposals to solve the problem, and the discussion of these was begun by the Finance Commission of the Chamber yesterday. The first recommendation took the form of a revival of the proposal for the creation of what is known as the *carnet de coupons*, an idea that has long been advocated without success by M. Bokanowski, who is the sub-commission's rapporteur. The object of "this inquisitorial fiscal project," as its opponents term it, is to enable the revenue authorities to obtain such indisputable information as to the sources of income that at least a large proportion of the numerous cases of non-declaration or under-declaration of income that are at present known to exist would be rendered impossible. It is proposed that every owner of interest-bearing, French or foreign, shares or bonds shall be compelled to inscribe a list of his holdings in a specially designed register, bearing his name, address, and an individual number, which he must present to the banker or company by whom any dividends due to him are to be paid, and without the presentation of which he would find it impossible to secure payment. This register, or *carnet de coupons*, would be the personal property of the holder, and would have to be *visé* by the supervisor of inland revenue for the district in which the holder lives, by whom also the latter would be allotted his individual number. All persons paying out dividends would be required to enter in the *carnet* of the payee the date and amount of the payment and the official number of the person to whom payment is made. It is proposed that these *carnets* should be kept by their holders for at least five years, and that they must be presented to the revenue authorities on demand. Persons owning bonds or shares deposited in banks would be required to present their *carnets* before March 1st in each year, for a list of their holdings to be entered therein, failing which the bank would be required to send a list of such bonds, with the name of their owner, to the revenue authorities. Heavy penalties—both fiscal and penal—are provided for infractions of the law in regard to the use of these *carnets*. M. Bokanowski estimates that the adoption of his proposals would result in an increased yield of about 1,200 million francs per annum from income-tax.

The Finance Minister informed the Commission that he was emphatically opposed to the principle of the proposal

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put forward, which he considered both impracticable and unworkable. It would have to be applied to something like 15,000,000 persons, and would result in an enormous amount of red tape and complexity, while yielding little in the way of results. The Finance Commission, by a vote of 13 votes to 11, out of 44 members who form the commission, gave a very hesitating approval to the proposal, the majority of those present pronouncing themselves in favour of the anodyne suggestion that the *carnet* should be permissive, but not obligatory. The matter is to be considered further next week, when a definite decision will be come to, but it may already be taken for granted that the proposal, which the Finance Commission, the Chamber itself, and also the Fiscal Commission have already once rejected, is foredoomed to failure. French mentality is so constituted and the income-tax is so recent an institution here, that this nation of investors would be the last people in the world to accept such drastically inquisitorial methods, as those foreshadowed by the *carnet de coupons*.

In an endeavour to free itself from foreign supplies the Government is now pressing forward its proposals for the acquisition of the French patents in the Haber process for the production of synthetic ammonia, with a view to increasing the yield of wheat. At present France produces within her own frontiers only 12,000 tons of nitrates per annum, and is compelled to import 58,000 tons of sulphate of ammonia from Great Britain and nitrates from Chili. Experts estimate that the soil of France requires some 500,000 tons of nitrates per annum, and that if that amount could be secured this country would not need to import a single bushel of wheat. In 1919 the French Government acquired from the Badische Anilin, the well-known German company, an option (which it subsequently took up, against an agreed payment of 2,500,000f) on the French patents in the Haber process. The Government is now asking authority from Parliament to ratify an agreement passed with the Badische Anilin, permitting the exploitation of these patents in France, and to facilitate the creation of a financial organism not only to exploit the German process, but all others as well, in order to meet the requirements

h of national defence and of agriculture. The agreement with the Badische Anilin renders it possible for the plant to produce forthwith 100 tons of nitrate per day at cost 2½ times cheaper than the price hitherto paid by this country; while the German firm undertakes not to export nitrate product into France for a period of 15 years. With the ratification of this agreement France, so far as needs of her national defence are concerned, will be at a level with Germany, which would have been unable, for the existence of the Haber process, to have continued the war for four and a-half years. The benefit to French agriculture will, it is estimated, be even more important.

It is significant of the fundamental change that has occurred on the Bourse since the war that, whereas ten years ago a single telegram announcing the illness, for instance, of the Austrian Emperor would have caused little or of a financial crisis, the news of the developments in the Ruhr and of the interruption of the Lausanne Peace Conference have had only the merest superficial effect on the volume of business or on quotations. Turks, it is true, broke six or seven points on the news, but even these descriptions did not remain seriously depressed for long. Speaking generally, prices have continued steady, and it has once more been demonstrated that present-day investors are much less inclined to be pessimistically influenced by unsettled foreign political conditions than were their predecessors. The principal reason for the readiness of the Bourse under such events as the Lausanne incident lies probably in the fact that speculative operations are now quite limited in volume, while genuine investment business is larger than it ever has been. Under the influence of the heavy drop in the franc, French Government Funds and other gilt-edged descriptions, paying fixed rates of interest, have naturally been a good deal neglected and have eased off slightly. For the same reasons industrial shares have been unusually well sought after, and banks, French and foreign rails, electrical, gas, and metallurgical undertakings and most of the rest of the industrial list have all been substantially marked up. In oils, Shells and Mexican Eagles both progressed appreciably, but Royal Dutch, under the influence of depressed conditions in Amsterdam, fell back. Coppers all made a substantial advance.

GERMANY. — RUHR OCCUPATION — FINANCES — CURRENCY — BOURSE — PRICES — TRADE.

(FROM OUR CORRESPONDENT.)

BERLIN, February 6.

THE Ruhr crisis has settled down into a lasting trial of strength. Disorganisation in the communications did not progress so rapidly last week as the week before; but in the newly occupied district conditions are slowly getting worse, and a heavy decline in coal production must soon be caused by lack of storage room, and perhaps also by lack of money, if the coal not consumed on the spot is transported neither to France nor to unoccupied Germany. In unoccupied Germany there is so far no sign of disorganisation or of injury to production. It seems, however, that the failure of the first French aim of compelling increased deliveries will be countered by France with new steps. These will probably make Germany's position more difficult; but, up to a certain point, they will also increase the irritation and the resolution to resist. The seizure of the two Baden towns is in some quarters taken as a hint that an attack will also be made on Germany's other frontiers; in fact, the Treaty basis proclaimed for this measure would justify Poland and Czecho-Slovakia—and, indeed, any country that cares—to proclaim a Treaty breach in attacking German territory or ports. No such measures can have any success, unless they bring economic pressure to the breaking-point, after which a German surrender might be possible. But as success requires very serious injury to German industry and trade, a German surrender would bring no profit to Reparations. Ultimately the French measures must be considered as aimed at starving Germany into surrender, because, as long as the food supply is suffi-

cient, a German breakdown is out of the question, and the French aim can only be to damage Germany so seriously that she will be unable to import or distribute food. The Government has so far taken no measures of importance indicating that the food situation in the country as a whole, or the coal situation in the unoccupied districts, is considered serious. The Nationalistic anti-French movement is growing stronger.

The Local Taxation Law (*Landessteuergesetz*), an amendment of Herr Erzberger's law defining the taxation relations between the Republic and the States and municipalities, has been rejected by the Reichstag, owing to opposition to its main provision, raising the Sales Tax from 2 to 2½ per cent. This tax is imposed on all turn-overs. The Socialists have all along opposed the increase on the ground of its effect on prices, and the non-Socialist parties took the same attitude. The municipalities depended upon the increased yield from the Sales Tax for a betterment of their finances. The further currency depreciation has brought confusion into the relation between taxes paid and the values upon which they are assessed. Some taxes, such as the Profits Tax upon sales of real estate, are unreasonably over-paid, the nominal paper mark profits—which often mean heavy losses—being treated as gold mark profits. Other taxes, such as income-tax, paid long after the basis of values on which they were assessed has changed, are under-paid; and manual workers, with good cause, complain that they have been paying, by means of immediate deduction, a real 10 per cent. of their wages, whereas the 60 per cent. of the rich man may have declined to 1 per cent., or less, before it is paid. A Government Bill before the Reichstag provides in principle that nominal paper-mark assessments shall be adapted from time to time, separately for the different taxes, to the currency depreciation. Income-tax is at present paid quarterly in advance on the assessment of the preceding year. It is now proposed that, after the declaration for the current year has been made, but before it is officially fixed, provisional payment shall be made immediately on the basis of the declaration. The Forced Loan taxation rates are in confusion. The officially fixed Bourse quotations on which stock and share investments are to be taxed have already been exceeded tenfold and more, and the effective burden on the taxpayer is correspondingly reduced. The Customs gold surcharge has been raised from February 7th to 474,900 per cent. (4,750 the nominal), against 186,900 per cent. at the beginning of the year. After catching up on the mark's gold depreciation last year, the surcharge has now fallen materially behind. The "Reichswirtschaftsrat" has approved of the Unemployment Insurance Bill. Insurance is compulsory upon all persons insured against sickness. Employers and employees will together pay two-thirds of the premiums, and the Republic, States, and municipalities the remaining third. No agreement has been come to on the dispute between employers and employees as to whether strikers and locked-out workers should count as unemployed in the meaning of the Bill. A Bill authorising local authorities to take measures against drinking, against excessive entertainments, and against "Schleibers" and usurers, has been sanctioned by the Reichsrat. Measures against Bourse speculation and against breaches of the Exchanges Decree of October, 1922—which is everywhere violated—are foreshadowed. The object is rather to propitiate a part of the public which considers these abuses as causes and not effects, than to bring a real remedy, which few persons expect.

Both cash and capital are again short. The banks are rationing cash payments. Advances on Treasury bills were yesterday being made at 8½ per cent., at 13 per cent. on stocks. The newly-occupied district is keeping a grip upon money, and demanding more. The sum required weekly for wages in the whole Republic was a week ago put at 250 milliards, but it is rapidly rising—an 80 per cent. wage increase for coal miners is under way. The note issue limits of the private note banks have been increased to 30-fold those of 1914, and these banks are freed, as the Reichsbank was freed two years ago, from the obligation to secure issues in cash. The Bavarian Note Bank's tax-free issue is raised to 12 milliards, the Saxon to 6.6 milliards, and Württemberg and Baden to 3.9 milliards each. Several new "wertbeständig" loans, in which the

fixed value is usually coal, have been issued, and the first of such bonds has been admitted to Bourse quotation. Capital raised in January totalled 33,548 millions, against 21,314 millions in December, the largest item being bonds for 20,013 millions, of which 9,900 millions were "wertbeständig" loans in coal units. The Reichsbank must now enter upon inflation on a much increased scale. The statement for January 23rd shows 216,794 millions increase in circulation, the biggest recorded, while bills increased by 85,817 millions, and Treasury bills by 184,306 millions. Darlehns advances outstanding now total 385,900 millions, an increase during the week of 35 milliards.

The Bourse boom continues, quotations at the close of last week being about 200 per cent. above those at the beginning of the year, but the gold prices of stocks have fallen considerably. The *Frankfurter Zeitung's* index for home dividend payers showed 923,795 on January 26th, since when there has been a big rise, against 376,685 on the 5th. There are large foreign purchases, particularly of South German and Silesian stocks, and yesterday saw a great demand for bank stocks and for Norddeutsche Lloyd and some other shipping stocks. The chief speculative Federal and State loans had rises during the week, but yesterday this market was irregular.

The price movement in January was much the most violent recorded. The rise in the last week of the month was particularly great. In the following table from the *Frankfurter Zeitung's* wholesale commodities index the gold (dollar) index is given, and it will be seen that, as always in times of particularly rapid mark exchange declines, gold prices have of late fallen:—

	Gold.	Food.	Textiles and Leather.	Minerals.	Miscellaneous.	Manufactured Goods.	All 98 Commodities.
July, 1914.....	100	100	100	100	100	100	100
January 1, 1920.....	1,190	1,972	2,611	2,749	1,101	1,465	1,965
January 1, 1921.....	1,771	2,019	2,325	2,780	1,776	1,704	2,130
January 1, 1922.....	4,476	5,840	5,789	5,178	3,149	3,347	4,217
January 1, 1923.....	204,464	175,845	320,632	262,212	177,752	151,798	205,417
February 1, 1923.....	932,381	1,555,006	1,431,673	931,239	534,734	476,564	715,884

The gold prices of manufactured goods are almost exactly 50 per cent. less than pre-war gold prices. The separate index for ten home-produced commodities shows 466,558, also under half pre-war gold prices, while for ten wholly imported commodities the figure is 986,278, a little over pre-war gold prices. The Federal Statistical Office has adopted the Austrian practice of compiling its cost of living index on the basis of 1 for 1913-1914. The index figure for January, on the basis of reports on the 10th and 24th, was 1,120.27, against 685.06 in December, an increase of 63.5 per cent. An index for the end of the month would show a much higher figure.

The provisional foreign trade report for December is so far without values. Imports were 4,320,000 metric tons against 4,550,000 metric tons in November, and exports 1,760,000 metric tons against 1,550,000 metric tons. Imports of coal, coke, and mineral oils declined, but most other raw materials show slight increases, pig-iron and semi-finished metal large increases, and food products mostly decreases. The export increase is due mainly to larger exporting of finished products, machines, &c., also bar iron, sheets, and wire. Total trade in weight in 1922 was: Imports 45,870,000 metric tons, exports 21,560,000 metric tons. A comparison with 1921, for which the January-April figures are still lacking, cannot be made. Imports in 1913 were 72,830,000 metric tons, and exports 73,710,000 metric tons. An official inquiry into the practices of the Foreign Trade Boards (*Aussenhandelsstellen*), which grant import and export licences and fix minimum export prices, confirms some of the charges brought by the Hamburg Chamber of Commerce, including charges of falsification of documents and some times of corruption. Remedies are suggested, and it is required that the minimum export prices be more rapidly adapted to world market prices.

Great activity prevails in the iron and steel markets, the only product not sought after being thick sheets. The shortage caused by the boycott of French, Belgian, and Luxembourg heavy iron and steel has to be made up, and increased imports are expected from Czecho-Slovakia. The demand for home ores is heavy. The Pig-Iron Syndicate has opened an office in Hanover, with the object of directing business from a free centre.

SOUTH AFRICA.—TRADE CONDITIONS—THE BANKS' POLICY—DEPOSIT AND OVERDRAFT RATES—S.A. RAILWAYS.

(FROM OUR CORRESPONDENT.)

JOHANNESBURG, January 17.

MR W. G. WICKHAM, H.M. Senior Trade Commissioner, has just arrived in Johannesburg from Cape Town, and remarks in an interview with the *Star* that, while Great Britain is starving for orders for its factories, South African stores, especially in Cape Town, were short of stocks. There was a reluctance to import, as merchants were still doubtful if bottom had yet been reached. This reluctance, of course, has considerable influence in maintaining the high exchange rate against South Africa. Mr Wickham attributed much of the trouble to the banks. "There appears to be plenty of money in the Union, but people will not part with it except on sufficiently advantageous terms, and I gather that there is a lot of dissatisfaction at the disparity between the deposit rate allowed by the banks and the rate they charge for advances." He instanced the fact that one of the municipalities was paying 8 per cent. on overdraft, occasioned by a number of big public works. Experimentally the Council advertised for short period loans at 5 and 5½ per cent. There was from the locality an immediate response to the extent of £600,000.

Mr Wickham went on to say that the banks were now admittedly adopting a less conservative policy than a few months ago, "when, following a period of excessive generosity, which encouraged reckless trading enterprises, they suddenly went to the other extreme, to the great discomfiture of many people who had launched out on the strength of the banks' liberal facilities." Against this idea of more liberal facilities I may mention the case of a customer who asked for an overdraft of £1,000 on security of mining shares valued at £2,500, but was refused. Naturally, if banks decline business of that nature it implies that their own funds are limited, and this must tend to check enterprise (for which the money is wanted) in other directions. In this particular instance one of the financial corporations was glad enough to do the business, and on a smaller margin of security if required. The general rate on overdraft is from 7½ to 8½ per cent.

Gold mines are getting back to their stride, the diamond industry is restarting; "all that is wanted now is more money freely circulating. Farmers particularly want all the help they can get. Many were badly caught by the slump in prices, and many are tied up to the neck."

Some interesting "gleanings" may be made from the report of the Controller and Auditor-General on the State Railways and Harbours Accounts for the financial year 1921-22. This period included the disastrous Rand strike. Expenditure figured at £24,970,000, against earnings of £23,380,000. This deficit of £1,590,000 is a round million less than that shown in the previous year, and brings the total deficit to £4,189,000. Previously deficits were financed temporarily from balances to the credit of renewals and other departmental funds. In the year under review the Treasury advanced £1,500,000 as temporary additional working capital, while £2,000,000 has been transferred from Renewals Fund towards meeting the deficit. The period included nine months in which the cost of living allowance remained operative, accounting for £1,222,300, a figure, it will be observed, within £370,000 of the year's deficit. In the previous year this item was nearly three millions sterling, while the total sum spent since 1916 has been £7,677,000. This charge and the incidence of the eight-hour day, since abolished except in dense traffic centres, constituted a very heavy handicap on a large system with comparatively small traffic. In expenditure is included £3,911,000 interest on the capital of £115,725,000 (there is also £5,000,000 capital not bearing interest).

A renewals fund of £3,600,000 has been built up (of which harbours are credited with £808,000). The Auditor-General points out that in the last ten years the value of new rolling stock charged to revenue has been £12,219,000, as compared with £1,292,000, the value of stock actually withdrawn from service. "As the life of rolling stock is estimated at 25 years, on this basis

placement expenditure must be regarded as excessive, imposing a burden on revenue far beyond that which it is entitled to bear." The Select Committee on Railways and Harbours advised that, "in the absence of a practical solution of rolling stock, the most satisfactory method of assessing depreciation, the whole position should be viewed by the technical officers."

The Administration carries its own insurance against fire, charging a flat premium of 2s 6d per cent., since reduced to 2s. It also ensures the marine risks of its steamers. The fire fund now exceeds £250,000, "and seems desirable that a limit should be placed to the amount of the reserve which may be accumulated. For the last two years the interest alone has more than covered the claims, the figures in the year reviewed being £8,300 and £3,260. Doubtless managers of public insurance offices will argue that this favourable state of affairs is bound to change in the natural course of events. The position of the superannuation and pension funds is anything but satisfactory. The balance of the former is £3,805,200, and the Actuary on revised data reports a deficiency of £1,854,000; of the latter £1,731,600, the valuation of 1919 reveals a deficiency of £1,410,000.

Some remarkable figures are given as to the increased cost of locomotives, which was subject to adjustment on the rise or fall of wages and materials. Engines contracted for at £11,700 cost up to £15,380, while on 50 engines £158,000 was expended above the contract amount. On two Garrett engines the increases were stupendous, for one tendered at £8,425 a claim of £21,200 was preferred; for another at £5,950, £15,155 was asked. The claim for £36,400 was eventually settled at £25,760, on the basis of the excess cost involved in the case of the larger batch.

ROUMANIA.—TARIFF CHANGES—TAXATION—COST OF LIVING.

(FROM OUR CORRESPONDENT.)

BUCHAREST, January 16.

Two fiscal measures of considerable importance have recently been enacted in Roumania. Firstly, in the closing days of 1922 the Ministry of Finance, with the approval of the Council of Ministers, announced considerably increased import duties on a number of commodities—chiefly for the protection of those industries which are now being developed in Roumania. The commodities mostly affected (on which the import tax has been increased in some cases by as much as 1,000 per cent., and by at least 100 per cent. in all cases) are the semi-manufactured products—such as unbleached and undyed jute, flax, hemp, ramie, &c.—for use in the manufacture of cotton cloths, shirtings, and linens. The duty on cord transmission belts has been increased by 100 per cent., on certain classes of pumps by 150 per cent., and on electric light bulbs by 1,000 per cent. The export tax on a number of articles (including walnuts) has also been substantially increased, though export taxes on cereals are unchanged, and no announcement has as yet been made of increased taxes on exported lumber and refined petroleum products. The export tax on petroleum is not likely to be raised until the Government increases the present maximum prices for refined oil products sold to the domestic trade, which are still absurdly low when compared with world prices.

Secondly, the budget for the fiscal year beginning April 1st next will make provision for considerably increased revenue from direct taxation. A new law has just been adopted by the Chamber, and although full details will not be available until the final measure has been approved by the Senate, it is understood that a new graduated scale of income-tax will reach as high as a maximum rate of 40 per cent., while an increase will also be made in the tax on business turn-over. The new law is believed to follow closely that introduced by the former Finance Minister, M. Titulescu, in June, 1921, which may be regarded as the first serious effort to place the national budget on a sound basis by having recourse to direct taxation.

The present Government is evidently determined upon a more rigorous system of tax collection, and it will be

interesting to see how successful this policy will be. With a population overwhelmingly agricultural, and schooled by centuries of Turkish misrule in the art of evading the tax collector, the collection of direct taxes on a large scale in Roumania presents a difficult problem.

The budget for the fiscal year beginning April 1, 1922 (totalling Lei 10,498,283,482), made provision only for Lei 650,000,000 from direct taxes, but, on the basis of the figures recently made public for the first quarter of the fiscal year, this amount will probably be exceeded; in fact, it was recently stated that the tax on business turnover alone is now yielding revenue at the rate of Lei 600,000,000 per annum. The budget for the coming year is to be largely increased, and will probably be for at least Lei 13,000,000,000.

It is generally expected that both of these fiscal measures will accelerate the steadily increasing cost of living, although, with the internal purchasing power of the leu remaining at about one twenty-third of its gold value, whereas its present foreign value (measured in terms of the dollar) is only one thirty-sixth, it would seem that a rise in domestic prices is inevitable under any circumstances. The Bucharest *Argus* index number of the cost of living, with a base of 100 on August 1, 1916, shows a general average of 2,292 at the end of December, 1922, as against 1,649 at the beginning of the year. The imported articles (especially clothing) included in this index, however, are in practically all cases from 50 per cent. to 100 per cent. higher than the general average of 2,292. But off-setting this are the low Government-controlled prices for several important commodities, such as meat and bread, which are also included in the *Argus* list.

Although the leu at the close of 1922 showed but little depreciation compared with exchange rates prevailing in December, 1921, the imported articles included in the *Argus* index number show an average increase during the past year of 50 per cent. This would seem to bear out the contention of responsible business men here that, up to the present, it has taken retail prices in Bucharest from six to nine months to adjust themselves to world values. Such a condition naturally subjects legitimate business to considerable risk, and is probably largely responsible for the growing tendency to buy and sell on a dollar or sterling basis. Even Polish textile goods are now being quoted here in those currencies.

SWEDEN.—LABOUR TROUBLES—WAGES AND PRICES—THE BUDGET—BANK PROFITS.

(FROM OUR CORRESPONDENT.)

STOCKHOLM, January 22.

This year has started with great uneasiness on the labour market, and it is not unlikely that we may have a lock-out before long of not less than 65,000 labourers, including the workers at the pulp factories, the sawmills, and the workshop and building material industries. The increased liveliness in timber and pulp export this year seems to have greatly stimulated the labourers not only to maintain present wages, but even to claim considerable increases. For instance, the workers at the pulp factories are claiming not less than 34 to 45 per cent. increase on present wages, while the employers want a reduction of 11 per cent. Should the employees win, it would mean an increase in the production costs of the pulp of 12 to 13 crowns per ton, or, in all, 12 to 15 mill. crowns for the annual output. In this industry about 16,000-17,000 workmen are employed, and a great percentage of them are now on strike, and more are joining them every day. The sawmill industry employs about 27,000 labourers, the workshop industry 20,000, and the building material industry about 4,000. As far as this last-mentioned industry is concerned, there have just recently been some local settlements in various parts of the country. The workshop industry has in recent years been working without agreement, but now the employers want to settle the question, and to make some wage reductions varying a little at different factories, but the workers have bluntly declined, and conflicts are going on at several places. It is about a year since wages were

discussed last in this industry, and during this time the cost of living index number has fallen rapidly; besides this, the workshop industry is the one which has suffered most severely by the present depression, and the very heavy competition from abroad, and the present outlook is far from bright. This industry is only working to 40 or 45 per cent. of its capacity, and the wages are very much higher here than in any other country. Another conflict, which has been going on for some time in the North of Sweden, is the stoppage of timber cutting, arranged by the Communists. This conflict, however, does not seem to be very effective, as the Communists and Syndicalists are, fortunately, in the minority, and the timber cutters are very largely recruited from the peasants, who do not want to be deprived of their usual additional income. In some districts those willing to work have formed special "unions for freedom." Now, however, the Government is to interfere for the settlement of this labour trouble. Another branch of industry which seems to have trouble in store for April 1st is the building trade. This industry has lately shown great activity, and it has been almost the only trade without any unemployment. Socialist members of the town council, especially in Stockholm, have pushed through grants for several million crowns to municipal building undertakings. Thus the workers have no fear of lack of work, and have given notice to terminate the agreement expiring April 1st, claiming higher pay; as far as the bricklayers are concerned, they claim an increase of 30 per cent. Building costs have certainly been reduced by the drop in prices of building materials, but are still too high in comparison with the rents the public can afford to pay at present.

There has been a drop in the quarterly index number (including all necessities of life) from 190 on October 1, 1922, to 183 on January 1, 1923 (the basis being 100 for July, 1914). The fall is due to the drop in prices of certain foodstuffs. The Government will save about 3 mill. crowns during the first three months of this year on the war bonus paid to their officials, owing to the fall in the index. The Riksdag has now been reopened again, and the budget for the year July 1, 1923-June 30, 1924, has been opened by the Minister of Finance. As expected, it shows signs of great reductions in all directions, strict economy having been exercised. Compared with the last budget, there is a reduction of not less than 200 mill. crowns in expenditure, the total amount now being 737.6 mill. crowns. The axe has been working, and has resulted in cutting down of the expenses for the hundred and one committees, and by the withdrawal of most of them. The reduction in the number of Government officials has not saved more than 1.4 mill. crowns. The sum of money granted for unemployment funds last year was not less than 85 mill. crowns. No new taxes will be introduced, but some existing duties, such as those on malt liquors and tobacco, will be altered or increased. To make both ends meet, however, there has to be heavy cutting down of the expenses. A further sum of 32 mill. crowns will have to be saved by cutting down the war bonus.

Some of the banks have announced their results for 1922, and it is encouraging to see that those who have hitherto issued their figures have been able to declare more or less substantial dividends, although large allocations for depreciation have had to be made. The State Bank for depreciation have had to be made. The State Bank has never before shown so good a result, the net profit for 1922 being 18,528 mill. crowns, which means an increase of a little more than 3 mill. crowns compared with previous year. The first one among the big private banks to announce the result for last year was Stockholm Enskilda Bank, which maintains its 15 per cent. dividend. The net profit for 1922 is 7.36 mill. crowns, against 9.76 the year before. Total depreciations amount to 7.54 mill. crowns (13.5 mill. previous year). Stockholm Inteckningsgarantiaktiebolag shows a net profit of 3.15 mill. crowns, as against 3.20 for 1921, and also maintains its 15 per cent. dividend. Skandinaviska Kreditaktiebolaget has made big depreciation allowances, amounting to nearly 34 mill. crowns (20 mill. crowns last year). The gross profit for 1922 was 35.06 mill. crowns, compared with 39.95 mill. crowns for 1921, and the net profit 8.19 to 10.56 per cent., 17.6 per cent. for previous year) is proposed, for which a total sum of 9.21 mill. crowns is

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needed. Aktiebolaget Malarbanken shows a net profit of 1.9 mill. crowns, and declares a dividend of 5 per cent. This bank has during the past year undergone a very drastic reconstruction.

GREECE.—CIRCULATION AND FOREIGN EXCHANGES—PUBLIC FINANCES—OBLIGATORY CESSION OF GOLD TO THE STATE—SALONICA PORT FREE ZONE—THE REFUGEE PROBLEM.

(FROM OUR CORRESPONDENT.)

ATHENS, January 24.

The issue in December last of National Bank notes for 600 million drachmæ, covered by an equal amount of State bonds, has brought the total of the authorised note issue as on December 31, 1922, to 3,700 million drachmæ, as against 2,508 million drachmæ at the end of 1921, or an increase of 47½ per cent. for the year. On the other hand, the rate of exchange on London, which on December 31, 1921, was 100 drachmæ, stood at the end of 1922 around 380 drachmæ, or an increase of 280 per cent. Though the issue of new currency during the past two years has undoubtedly contributed to the depreciation of the drachma, the influence of political and psychological factors has been greater, as the above figures prove. In this connection, it is worth mentioning that the market had each time discounted the effect of the new issues on the rates of exchange, so that when the issues were actually announced, the rates were little or not at all affected.

The Minister of Finance, in his interviews with the Press, has emphatically declared that, as long as he is in office no uncovered issues of new currency will take place. Though his declarations are received with scepticism, it seems that his optimism is based on the heavy taxation which has been recently imposed, and on the latest measure regarding bank deposits and debts of every kind in actual gold. By new taxation, which he estimates for the moment at 600 million drachmæ, and by economies in administrative expenses, he professes to be able to make the Budget balance. On the other hand, the amount which the Treasury will collect from the obligatory cession to the State of the gold representing bank deposits and claims in actual gold, against payment to the beneficiaries at par (1 paper for 1 gold drachma), he intends, in all probability, to utilise for strengthening the specie cover of the notes in circulation—and perhaps also as a basis for the issue of new currency for the needs of the Treasury. As regards balancing the Budget, it should be observed that the deficit for the financial year 1921-22 was originally put at 1,678 millions, and that that of the period 1922-23 is unknown, since no Budget has been voted. Meanwhile, the cost of living is rapidly increasing. The Government itself in December increased to 10 the ratio of the paper to the gold drachma for collecting Customs duties, and has recently put it up to 15 for certain articles. In consequence of these increases, the prices of goods imported from abroad have risen. The obligatory cession of gold is expected to bring into the Treasury a considerable amount of gold, estimated at 100 million gold drachmæ. The measure is criticised, however, by many people, who argue that, whereas, contrary to official expectations, the revenue yielded will be small, the harm which this enactment is doing to credit by its coercive character, and by the mistrust it will inspire, is very great.

The question of facilitating Yugoslav trade by the creation of a free zone at the port of Salonica, which was pending since 1914, is now nearing a satisfactory solution. On its advent to office, the present Greek Government expressed its willingness to bring into force the respective agreement of 1914, and the matter has since been the object of friendly negotiations between the two Governments. A final agreement is expected soon, by which

Serbia will secure a commercial outlet to the Aegean Sea, and the mutual interests of the two countries thereby served.

According to official statistics, the number of refugees from Turkey and Asia Minor landed in Greek ports up to the end of December amounts to 870,000, those *en route* being not less than 50,000, or in all a total of 920,000 souls. Of this figure, 90 per cent. are Greeks, the rest being Armenians, Circassians, and anti-Kemalist Turks. The Greek refugees are mostly children, women and old men, the proportion of men to the whole being 15 per cent. The problem of feeding, sheltering and preserving these unfortunate people, the majority of whom are helpless, from epidemics, is a cause of very grave concern to the Government. In view of the present situation of Greece, any help from abroad, in whatever form it may be given, would greatly facilitate her in performing this most difficult task.

AUSTRALIA.—PUBLIC FINANCE—COMMONWEALTH AND STATE ACCOUNTS.

(FROM OUR CORRESPONDENT.)

MELBOURNE, December 30, 1922.

THE public accounts of the Commonwealth and the six States for the year ended June 30, 1922, include duplications arising out of transactions between Commonwealth and States to a somewhat larger extent than in previous years. Making an allowance for these duplications, the net result may be summarised as follows:—

	Revenue.	Ordinary Expenditure.	Loan Expenditure.	Debt, June 30, 1922.
	£	£	£	£
New South Wales	35,637,820	36,966,525	11,049,189	180,796,322
Victoria	19,871,466	*19,871,466	11,880,927	109,099,198
Queensland	12,311,378	12,499,970	2,599,573	85,691,228
South Australia	7,771,752	7,828,921	2,589,421	54,388,588
West Australia	6,907,107	7,639,242	2,454,925	54,959,778
Tasmania	2,181,395	2,302,077	2,145,807	21,945,411
Six States	86,680,918	87,105,521	32,819,842	506,880,625
Commonwealth	56,158,642	56,368,545	6,175,901	416,070,509
Total, 1921-22	140,839,560	143,474,066	38,995,743	922,951,134
1920-21	138,449,777	139,154,629	54,136,130	1922,951,134

* Including expenditure under Surplus Revenue Act.
† Deducting £62,417,088 for duplications, the net total debt is £860,534,046, against £808,249,280 at June 30, 1921.

The aggregate ordinary expenditure for 1921-22 (which included redemption and sinking funds amounting to £3,899,601 for the Commonwealth and four of the States) exceeded revenue by £2,644,506. Of the total ordinary expenditure of £143,474,066, interest on debt amounts to £38,508,677, of which £18,075,693 is interest on war debt and £20,432,984 is on debt represented by railways and other public works, the net earnings of which partly provide for the interest on capital cost. The total interest, £38,508,677, shows an increase of £3,388,307 on the previous year. Ordinary expenditure also includes working expenses of Government railways and tramways, £33,350,999, or an increase of £419,485. The total revenue, £140,839,560, includes taxation, £67,361,729, or a decrease of £2,957,192, and gross earnings of Government railways and tramways, £42,093,960, or an increase of £2,261,364. The net earnings of the railways have thus made a larger contribution towards meeting interest on capital in 1921-22 than in the preceding year. As compared with pre-war figures, however, the difference between the net earnings of railways and other works and the interest payable has widened substantially, owing to the increase in working expenses, the additional interest on fresh loan expenditure during the interval, and the higher rates of interest payable on loans raised both for fresh expenditure and for the redemption at maturity of various old loans originally floated at low rates, 4 per cent. or less. This largely accounts for the increase in taxation, apart from that resulting from the war. The total taxation collected in 1913-14 was £22,892,742, compared with which the 1921-22 total of £67,361,729 shows an increase of £44,468,987, of which £31,337,164 represents interest on war debt, pensions, and other expenditure resulting from the war, and £13,131,823 is for other purposes.

Expenditure of loan money includes soldiers' land settlement and certain other forms of repatriation, mostly appearing under the heading of the various States by

which this expenditure is conducted, the funds being supplied by the Commonwealth Government out of its borrowings. This form of expenditure is rapidly declining, but loan expenditure on public works has been on a full scale, being partly provided for by the loans raised in London during 1921-22. The net public debt, £860,534,046, compares with £326,994,110 in 1914. The increase in eight years is £533,539,936, of which £367,574,753 is war debt and £165,965,183 has been incurred for other purposes.

The estimated revenue of the Commonwealth and the six States for 1922-23 is £136,815,939 and expenditure £140,523,074, these being net figures, after making allowance for duplications. The Commonwealth estimates show a deficit of £2,705,443, the Government having decided to draw upon the accumulated credit balance to enable taxation to be reduced. Queensland shows an estimated deficit of £576,840, and Western Australia £389,609.

Letters to the Editor.

MECHANICAL SORTING OF STATISTICS

TO THE EDITOR OF THE ECONOMIST.

SIR,—In the very interesting leading article in the *Economist* of February 3rd, on "Foreign Trade Statistics," it is stated that the delay in supplying manuscript returns of certain exports is attributable to the lessened rapidity of electric tabulation. To one who has had a considerable experience of the use of electrical machines for sorting and tabulating statistics, this appears to be a clear case of *post hoc sed non propter hoc*. Electric methods were introduced into statistics simply because they are ever so much more rapid than the old-fashioned methods of tabulating by laborious copying on to specially ruled forms, adding and summarising on to other specially ruled forms. I suggest that if the change of system gives slower results, there is room for revision of the organisation to suit the newer methods of electrical tabulation. If electrical tabulation is installed, it is necessary to modify the organisation to suit the newer method, if the best results are to be got out of it. There is no question but that the automatic electrical tabulation is quicker, but obviously the organisation must be revised to fit in with the very much faster process.

In one establishment which I inspected the other day, the introduction of machines for doing the mechanical part of their statistics has been followed by a reduction of the time taken from three months to a fortnight.—Yours faithfully,

J. I. CRAIG.

Broadway court, Broadway, S.W. 1,
February 5th, 1923.

Books and Publications.

TURKEY.*

In his very modest preface Lord Eversley points out that he has not attempted to write the history of the Ottoman Empire from the original sources. Like Sir Edward Creasy's older work on the same lines, his is mainly a *précis* of von Hammer-Purgstall, or of intermediaries who have themselves derived their material from that great Ottomanist. Of more recent studies on particular parts of the subject, the author has made use of Mr H. A. Gibbons' illuminating book on the "Foundation of the Ottoman Empire," but Mr Lybyer's "Government of the Ottoman Empire in the Time of Suleiman the Magnificent" seems to have escaped him, though it is, perhaps, the most brilliant among modern works on Ottoman history. Apart from his written sources, Lord Eversley has been able to draw upon his own long experience (starting with travels in 1855-7), and the result is a book

* "The Turkish Empire": from 1288 to 1914, by Lord Eversley, and from 1914 to 1922, by Sir Valentine Chirol. Second edition. Fisher Unwin, 1923. 21s net.

which thoroughly fulfils the task which it undertakes. It gives a popular account, within reasonable compass, of the extraordinary history of the Ottoman Power in its rise and decline, and if it accepts more often than it criticises the established tradition—specially the tradition of sweeping and somewhat rhetorical moral judgments—it at least gives indications of the other side, and may stimulate many novices to form their own judgment by deeper study of the evidence.

The new feature in this second edition is the group of additional chapters by Sir Valentine Chirol, covering the period from the intervention of Turkey in the European War down to the opening of the Lausanne Conference. This narrative of events, which are not only dramatic and unpleasant, but extremely important for the future of the British Empire in the East, is probably the best and most convenient that is yet accessible to English readers. In the apportionment of blame (the main task of any historian who deals with these years), Sir Valentine Chirol by no means spares the Allied Governments, including the late Government in Great Britain. But his regret at the revival of Turkish power, perhaps, makes him less than just to the Turkish National Movement. It may be a pity that Mustafa Kemal Pasha and his associates have succeeded so well, yet, at the same time, it may be highly creditable to them to have initiated and persisted in their struggle. One of our chief difficulties in dealing with the Turks is their fixed belief that we are hopelessly prejudiced against them. When they read Sir Valentine's chapters they will possibly feel that he condemns as crime on their part what in the case of other nations he would applaud as patriotism.

THE FOUNDATIONS OF CZECHOSLOVAK FINANCIAL POLICY.*

DR. ALOIS RASIN, the author of this book, was the first Minister of Finance of Czechoslovakia and, until recently, when his health was much impaired by a dastardly attack made upon his life by a young fanatic, remained the most prominent figure in the financial circles of the Republic. Whether one agrees with his policy in every detail or no, one cannot but admire the energy with which he resisted the follies of inflation, and insisted, in season and out of season, on the supreme need of leaving no stone unturned to make revenue balance expenditure. It is above all thanks to Dr. Rasin that Czechoslovakia is to-day the only sound currency country in the Danube basin, and it is safe to add that but for him—for he is nothing if not a strong man—currency disorganisation would almost certainly have proved the preliminary to the spread of Bolshevism right into the industrial heart of Central Europe.

In this book Dr. Rasin reviews the financial history of the Republic from its foundation down to the end of 1921. It is a reasoned statement of the difficulties with which the country was confronted at the moment of the disruption of the old Habsburg Empire, and of the steps that were taken to build up a sound currency amidst the turmoil of weltering chaos. The reader will not always agree with the author's reasoning, but this, too, has a definite historical value coming, as it does, from the pen of one who was the principal actor in the events he describes.

Before the war ended the flight from the krone had begun. The true state of the Austro-Hungarian Bank (which was not known at the time, as the bank was no longer under an obligation to publish regular returns) had become most serious. The note circulation, for example, had risen from 2,129 million kronen on July 23, 1914, to over 30,679 million on October 26, 1918. Foreign currency had been bought on a wide scale, and the hoard of goods continued. Our author quotes the case of a peasant near Pisek, who, having bought everything he

* "Financial Policy of Czechoslovakia During the First Year of Its History." By Dr. Alois Rasin. Pp. 160. Clarendon Press. Published on behalf of the Carnegie Endowment. Price 7s 6d.

could conceivably want, ended by buying himself a coffin with his superfluous paper kronen.

At the time of the Armistice Dr. Rasin proposed that an International Commission should be appointed to control the German Imperial and the Austro-Hungarian banks, and so prevent further inflation. As nothing came of this, he proceeded to negotiate direct with the Austro-Hungarian Bank to maintain the common currency for a while, provided that no advances were made on war loans. His representations proved unavailing, however, for, in the period from October 26, 1918, to February 26, 1919, the advances on war loan rose from 4,094.5 million to 9,319 million—no slight achievement for the printing press in four months. It soon became obvious that Czechoslovakia must break away from this vicious circle, and by the end of February arrangements were completed for the stamping of all banknotes circulating within its territory.

In this book the reader will find a succinct account of the measures adopted for gradually raising the currency, "the taking over by the State of the banknotes to their full amount, and the amortisation of the State debt by means of a progressive property tax. This progressive rate was intensified by levying an increment tax on the growth of property, that is on the difference in value between the pre-war estate and that held at March 8, 1919, so as to hit the war profiteers." The gradual emancipation of the Czech crown from the German mark on the foreign exchanges is explained, while the author dwells with considerable satisfaction upon the successive steps by which industry and trade were freed from war-time restrictions, and a return made to a *régime* of free competition.

While it may well be felt that too much stress has been laid during the last 12 months upon the need for raising the crown rather than aiming at stabilisation at a lower level, it must not be forgotten that during the first year or two of its existence the prime need for Czechoslovakia was the restoration of confidence in the national currency, and that this has been achieved in large measure due to the work of Dr. Rasin. Moreover, our author was one of the few men to realise how essential it was to free the commerce and industry of his country from the baneful traditions of the Austrian *Polizeistaat*, and the future may well bring improvements in industrial technique and efficiency which will be due in no small degree to the re-establishment of free competition, and the abolition of spoon-feeding by the State.

This book should prove of very great value to the student of Central European economics, and must remain an authoritative account of one of the most satisfactory chapters in the history of the liquidation of the disastrous heritage of the former Habsburg Empire.

BOOKS RECEIVED.

The London Money Market. By W. F. Spalding. Second Edition. (London) Sir Isaac Pitman and Son, Limited. 10s 6d net.

Effects of the War Upon French Economic Life. A collection of Five Monographs. Edited by Charles Gide. (Oxford) Clarendon Press.

Railway Stock Changes Under the Railways Act, 1921. (London) Effingham Wilson. 1s.

A Paper on Money in Support of Bi-Metallism. By William Smellie. (Liverpool) Charles Birchall, Limited.

The Railway Grouping Scheme. By Vernon Sommerfeld. (London) The Financial News. 1s.

Annual Statement of the Foreign Trade of Egypt, 1921. (Cairo) Government Press.

Skin Wools: A Manual for the Fellmonger and Wool User. By K. O. Lefaux and S. B. Hainsworth. (Bradford) Wool Record, Limited.

Report on the Production of Tea in India in the Calendar Year 1921. (Calcutta) Government Printing Office.

41 Pictures of Welwyn Garden City. (Welwyn) Garden City Bookshop.

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STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET. February 21. ACCOUNT. February 22.

Foreign politics conspired to lay a firm hand of restraint on Stock Exchange activity in all markets during the week now ended. The House and its clients are too familiar with these minor crises for selling to be stimulated by Turkish, German or French news. The effect is to check fresh buyers from coming forward, and, in an account-week, there is always a certain amount of selling on behalf of the weaker bulls, who are either unable or unwilling to finance speculative commitments opened when the markets were more buoyant. The vagaries of the French exchange are having a certain amount of influence over markets as a whole, and the reported breaking-up of negotiations by the Turks at Lausanne caused a general fall throughout the House in the early part of the week.

Subsequent developments showed that this rupture was not more than might have been expected, and recovery occurred in various directions. The prompt subscriptions to new issues testifies to the ready availability of capital for investment, and the Consol market keeps good, with the longer-dated stocks more particularly in demand.

French Government bonds, railway and shipping securities have rallied substantially from the lowest prices recently touched. Authoritative French opinion is prayed in aid of a fairly general impression that the drop in the franc has been overdone. Consequently, a fair amount of speculative buying occurred, and this served to put a better aspect upon foreigners generally. Brazilians advanced; there is a more willing disposition to buy Argentine, Chilean and other foreign bonds, a material rise in Czechoslovakia Eights being one of the features of the week.

Home Railway stocks have gone ahead under the cheerful influence of excellent dividend announcements. Chatham's first and last dividend of 15s per cent. created almost as much amusement as astonishment. Southern Railway deferred has got ahead of the North-Eastern deferred, while in the heaves, Great Westerns stand out with a good rise. Undergrounds are firm, and the prior-charge stocks are once more in request. Grand Trunk 4 per cent. debenture stock put on several points, on the hope that an early start will be made in the payment of interest. Argentine railways spurred strongly under the leadership of B.A. and Pacific ordinary, where hopes are entertained that, at the forthcoming meeting, the chairman will have something very pleasant to tell his co-proprietors in regard to dividend prospects, &c. Brazilian Railways shared moderately in the strength of Argentines. Mexicans remain neglected.

The Rubber market is very quiet. Although the price of the produce has risen to 1s 6d per lb, the market is feeling the effects of last month's over-anxious rush of buyers, and something of a stale bull account exists. The Oil market is better. With the bringing-in of fresh wells on the Mexican Eagle property, and a good deal of support from Holland for Royal Dutch, a better complexion became imparted to the market, and leading shares advanced. Textiles are prominent by reason of a brisk rise in Bradford Dyers on dividend hopes, this serving to stiffen the group as a whole, though Courtaulds, the dividend on which is expected to be announced next month, are keeping no more than steady. Marconis enjoyed another rise, while the cable group is hard. Bovrils improved, on the increase in the dividend, and big gains occurred amongst some of the London Electric Lighting shares, in consequence of the bumper dividends now in course of announcement. The Banking market is quiet; insurance shares, with shipping, present few features of interest. The tobacco list keeps good, and such speculative shares as Associated Portland Cement, Dunlops, &c., while showing a fair amount of animation, are not greatly altered in price on the week.

The Kaffir market received a little encouragement from the announcement that a new automatic drilling machine has been invented that is likely to supersede hand drilling, and, therefore, to reduce costs. This would assist more particularly the low-grade propositions. There was a flicker of life in the market on the news coming through, but public interest is lacking, and the market as a whole continues listless. The Rhodesian boomlet has given place to a quieter feeling, with the leading shares lower in price. De Beers and Rio Tintos have been fairly strong. Several Mexicans managed to provide excitement in their own particular market, Tominils, for instance, doubling in price within the course of a few hours. Several West Australians are better. West African, Middle East and Cornish tin shares have dropped, owing to the apathy of the public, and in Russian mining shares no fresh animation occurred.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded	£ 37,808,301	£ ..	£ ..	£ ..
ISSUES OF THE WEEK—				
4½ % Treasury Bonds (by Tender Feb. 2, 1923), nil	nil	nil	nil	nil
NATIONAL SAVINGS CERTIFICATES.				
NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED FEBRUARY 3, 1923.				
April 1 to Feb. 3, 1923, £30,958,000	£ 250,000	£ 250,000	£ ..	£ ..

To the Public—	Issued to repay maturing loans.
Government of South Australia, £2,000,000 5% Reg. Stk. 1932—Oct. 1, 1942, issued at 99% (Feb. 7)	
Nobel Industries, £1,750,000 5½ % First Mt. Deb. Stk. at 99% (Feb. 14)	£3,000,000 Short Term Notes, to be repaid May 8, 1923.
Selama (Kedah) Rubber Estates, Ltd., 350,000 Ord. Shares, 2s, at par (Feb. 5)	35,400 .. 35,000 .. 17,500 .. 17,500
	.. 55,000 .. 17,500 .. 17,500

To Shareholders only—	
Sungei Bahr Rubber Estates, 12,700 Ord., £1, at 22s 6d	12,700 .. 14,288 .. 7,938 .. 6,350
Total offered to shareholders ..	14,288 .. 7,938 .. 6,350

Total offered for subscription to date in—	Total offered for subscription for whole year—
1923 .. £38,107,589	1922 .. 573,675,659
1922 .. 174,887,430	1921 .. 388,978,903
1921 .. 26,142,423	1920 .. 367,549,656
1920 .. 47,731,476	1919 .. 1,036,059,951
1919 .. 238,383,955	1918 .. 1,393,381,441
1918 .. 187,511,923	1917 .. 1,318,596,010
1917 .. 21,317,806	1916 .. 585,436,853
1916 .. 101,962,190	

Government of South Australia.—This is an offer of £2,000,000 South Australian Government 5 per cent. stock at £99 per cent. to holders of £1,035,200 South Australian 5 per cent. bonds and £964,800 5 per cent. registered stock due April 1, 1923. This is a conversion into an equal amount of South Australian 5 per cent. registered stock, 1932-1942. Holders of bonds and stock due April 1, 1923, will receive an immediate cash payment of £1 per cent., being the difference between the par value of the maturing bonds and stock and the issue price of the new stock. The half-year's coupons, due April 1, 1923, on the bonds converted to be retained by the holders for payment in due course, and warrants for the interest due on that date on stock converted will be issued in the usual way. Holders of 5 per cent. bonds and stock, exercising the option to convert, will receive preferential allotment, and must lodge their bonds or certificates of stock and the prescribed form of assent with the Commonwealth Bank of Australia, 36-41, New Broad street, London. Any bonds or stocks not converted will be paid off on April 1, 1923. The principal of this new issue is repayable at par on October 1, 1942, but the Government of South Australia has the option of redemption at par, on or after October 1, 1932, on giving three months' notice. It is stated that the Government of South Australia will comply with the requirements of the Colonial Stock Act, 1900, in order that trustees may invest in this stock, subject to the provisions set forth in the Trustee Act of 1893. South Australian stock issued and payable in London, the property of persons not domiciled in South Australia, are not subject to taxes of that State. The yield on this issue, allowing for profit on redemption at the latest date, works out at £5 is 9d per cent. This is a rate which compares not unfavourably with existing South Australian Government stock standing at a discount, allowance being made for the earliest date of redemption in each case.

Nobel Industries, Limited.—Authorised capital £18,000,000, of which £15,903,550 has been issued and is fully paid. This is an offer for sale of 1,750,000 5½ per cent. first mortgage debenture stock at £99 per cent. The stock now offered forms part of an authorised issue of £2,000,000, and will be repayable by the operation of a sinking fund of 30 annual instalments of £58,334, to be applied to the purchase of stock on the market at or under par, or by drawings at a pre-

mium. The issue is secured by a trust deed constituting a first mortgage on 999,170 preference shares and 902,969 ordinary shares of £1 each in Nobel's Explosives Company. These, it is stated, are valued at £5,250,000. Provision is made in the trust deed against Nobel's Explosives issuing further capital, "except to secure bankers' loans or overdrafts." The £3,000,000 short-term notes now outstanding will be redeemed on May 8th next. The vendors have paid £95½ for £100 stock, the vendors bearing all charges in connection with the offer. The margin of security appears to be sufficient both as regards capital and interest.

Selama (Kedah) Rubber Estates, Limited.—Authorised capital £45,000, divided into shares of 2s each. This is an issue of 350,000 shares at par. The company is purchasing a rubber estate in the Selama district of Kedah, about 2½ miles from the boundary of the State of Perak, F.M.S. The area of the estate is stated to be 710 acres, all of which is planted with Para rubber trees from 2½ to 5½ years old. The ½ year rubber comprises 300 acres, taken at \$580 per acre. The estate has been valued at £39,000, and the purchase price is given as £23,400. An expert report, which in other respects is very favourable, mentions that "the only doubtful factor is the climatic condition," Selama being a wet district, and no rainfall figures obtainable.

Southdown Motor Services, Limited.—Authorised share capital £151,250, of which £150,000 is in ordinary shares of £1 each and £1,250 in ordinary shares of 1s each. All of the latter and 125,000 of the former have been subscribed and paid up. This is a statement published in the Press to comply with Stock Exchange regulations. Southdown Motor Services, Limited, is a road-transport company operating in Sussex and Hampshire, with headquarters at Brighton. The company runs regular services as carriers of passengers and goods between towns in these counties, and owns for the purpose motor vehicles, freehold and leasehold offices, workshops, &c. The undertaking was converted from a private to a public company in 1917. Recently both classes of shares have received a 15 per cent. distribution. Although the details are more informative than those usually given in these notices, the financial position of the company is not set out.

ACTIVE SECURITIES.

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

British and Colonial Government Securities.				
	Price Last Week.	Latest Price.	Rise or Fall.	
War 4½ % 1925-28 .. 85½ .. 85 ..	85½ .. 85 ..	85 .. 85 ..	.. ..	Aust. 6½ % 1931-41 .. 101 .. 101 ..
Loans 5½ % 1929-47 .. 100 .. 100 ..	100 .. 100 ..	100 .. 100 ..	.. ..	Canada 4½ % 1920-25 .. 101 .. 101 ..
4½ % 1929-42 .. 101 .. 101 ..	101 .. 101 ..	101 .. 101 ..	.. ..	Do 5½ % 1926-31 .. 114 .. 114 ..
Funding Loan 4½ % .. 87½ .. 88 ..	87½ .. 88 ..	88 .. 88 ..	.. ..	Do 5½ % 1932 .. 100 .. 100 ..
Victory Bonds 4½ % .. 90 .. 90 ..	90 .. 90 ..	90 .. 90 ..	.. ..	N.S.W. 5½ % 1922-32 .. 102 .. 102 ..
Conversion Loan 4½ % .. 76½ .. 77 ..	76½ .. 77 ..	77 .. 77 ..	.. ..	Nigeria 6½ % 1949-79 .. 113 .. 113 ..
Consols 2½ % .. 56 .. 56 ..	56 .. 56 ..	56 .. 56 ..	.. ..	U. of S.A. 6½ % 1930-40 .. 106 .. 106 ..
Irish Land Stock 2½ % .. 58 .. 58 ..	58 .. 58 ..	58 .. 58 ..	.. ..	Victoria 5½ % 1924-34 .. 102 .. 102 ..
Local Loans 3½ % .. 64½ .. 65 ..	64½ .. 65 ..	65 .. 65 ..	.. ..	W. Aust. 6½ % 1930-40 .. 103 .. 103 ..

Banks.				
	Price Last Week.	Latest Price.	Rise or Fall.	
Barclays B (£1 f.p.d.) .. 2½ .. 2½ ..	2½ .. 2½ ..	2½ .. 2½ ..	.. ..	Nat. Bank of Egypt (£10) .. 21 .. 21 ..
Chartered Bk of India .. 188 .. 188 ..	188 .. 188 ..	188 .. 188 ..	.. ..	Nat. Bank of S. Africa (£10) .. 92 .. 92 ..
Lloyds (£5 with 1 p.d.) .. 248 .. 248 ..	248 .. 248 ..	248 .. 248 ..	.. ..	Nat. Prov. & Union of England (£20, with 4 p.d.) .. 103 .. 103 ..
London Joint City & Midland (£12 with 2 p.d.) .. 8½ .. 8½ ..	8½ .. 8½ ..	8½ .. 8½ ..	.. ..	Standard of S. Africa (£20, with 5 p.d.) .. 118 .. 118 ..
London County West- minster and Parr's (£20 with 5 p.d.) .. 17 .. 17 ..	17 .. 17 ..	17 .. 17 ..	.. ..	
Colonial and Foreign Railways.				
Antofagasta Cons .. 77½ .. 78 ..	77½ .. 78 ..	78 .. 78 ..	.. ..	Leopoldina .. 33½ .. 34 ..
B.A. and Pacific .. 82 .. 82 ..	82 .. 82 ..	82 .. 82 ..	.. ..	Mexican Railway .. 12 .. 12 ..
B.A. & Gt. Southern .. 85 .. 85 ..	85 .. 85 ..	85 .. 85 ..	.. ..	Do 1st Pref. .. 36 .. 37 ..
Buenos Ayres West .. 83 .. 86 ..	83 .. 86 ..	86 .. 86 ..	.. ..	Do 2nd Pref. .. 20 .. 22 ..
Canadian Pacific .. 155 .. 157 ..	155 .. 157 ..	157 .. 157 ..	.. ..	San Paulo .. 123 .. 124 ..
Central Argentine .. 75 .. 78 ..	75 .. 78 ..	78 .. 78 ..	.. ..	United Havana .. 74 .. 77 ..
Foreign Government Securities.				
Argentine 5½ % 1886-7 .. 99 .. 99 ..	99 .. 99 ..	99 .. 99 ..	.. ..	Japanese 4½ % .. 100 .. 100 ..
Belgian 3½ % .. 65 .. 64 ..	65 .. 64 ..	64 .. 64 ..	.. ..	Do 4½ % 1910 .. 68 .. 68 ..
Brazil 5½ % Fund., 1914 .. 70 .. 70 ..	70 .. 70 ..	70 .. 70 ..	.. ..	Mexican Cons. 1899 .. 56 .. 57 ..
Chilian 4½ % 1895 .. 79 .. 79 ..	79 .. 79 ..	79 .. 79 ..	.. ..	Peruvian Corp. Pref. .. 30 .. 31 ..
Do 7½ % .. 104 .. 104 ..	104 .. 104 ..	104 .. 104 ..	.. ..	P.L.M. 6½ % .. 78 .. 82 ..
Chinese 5½ % 1912 .. 73 .. 73 ..	73 .. 73 ..	73 .. 73 ..	.. ..	Portuguese (New) .. 27 .. 27 ..
Egyptian 4½ % .. 69 .. 69 ..	69 .. 69 ..	69 .. 69 ..	.. ..	Russian 5½ % 1906 .. 84 .. 84 ..
French 5½ % .. 234 .. 244 ..	234 .. 244 ..	244 .. 244 ..	.. ..	Spanish 4½ % .. 74 .. 75 ..
Do 4½ % .. 184 .. 184 ..	184 .. 184 ..	184 .. 184 ..	.. ..	Sine (Dept.) 7½ % .. 75 .. 76 ..
Greek 4½ % 1894 .. 29 .. 30 ..	29 .. 30 ..	30 .. 30 ..	.. ..	Siam 7½ % .. 108 .. 108 ..
Telegraphs.				
Anglo-American "A" .. 22½ .. 22½ ..	22½ .. 22½ ..	22½ .. 22½ ..	.. ..	Marconi Canada .. 1 .. 1 ..
Marconi Wireless .. 2½ .. 2½ ..	2½ .. 2½ ..	2½ .. 2½ ..	.. ..	Marconi Marine .. 1 .. 1 ..
British Railways.				
Great Western, Ord. .. 112½ .. 115 ..	112½ .. 115 ..	115 .. 115 ..	.. ..	Southern, Ord. "A" .. 32 .. 32 ..
Do Def. .. 80 .. 82 ..	80 .. 82 ..	82 .. 82 ..	.. ..	Do Ord. "B" .. 103 .. 114 ..
London & North-Eastern .. 79 .. 79 ..	79 .. 79 ..	79 .. 79 ..	.. ..	Do Pref. Ord. .. 79 .. 80 ..
5½ % Pref. Ord. .. 79 .. 81 ..	79 .. 81 ..	81 .. 81 ..	.. ..	Do Def. Ord. .. 54 .. 56 ..
Do Def. Ord. .. 54 .. 54 ..	54 .. 54 ..	54 .. 54 ..	.. ..	Underground Electric (£10) .. 3 .. 3 ..
London, Mid., and Scottish, Ord. .. 107 .. 108 ..	107 .. 108 ..	108 .. 108 ..	.. ..	Do "A" (1) .. 4 .. 4 ..
Metropolitan .. 60 .. 61 ..	60 .. 61 ..	61 .. 61 ..	.. ..	Do Inc. Bds. (£100) .. 93 .. 94 ..
Metropolitan District .. 48 .. 48 ..	48 .. 48 ..	48 .. 48 ..	.. ..	
American Railroads.				
Cheapeake & Ohio .. 120 .. 120 ..	120 .. 120 ..	120 .. 120 ..	.. ..	Southern .. 31 .. 33 ..
Erie .. 12 .. 14 ..	12 .. 14 ..	14 .. 14 ..	.. ..	Do Non-conv. Pref. 71 .. 73 ..
Do 4½ % 1st Pref. .. 21 .. 21 ..	21 .. 21 ..	21 .. 21 ..	.. ..	

Miscellaneous.				
	Price Last Week.	Latest Price.	Rise or Fall.	
Aerated Bread (£1) .. 1 .. 1 ..	1 .. 1 ..	1 .. 1 ..	.. ..	Imperial Tobacco (£1) .. 38 .. 38 ..
Amal. Cottons (£1) .. 1 .. 1 ..	1 .. 1 ..	1 .. 1 ..	.. ..	Linggi Plantations (£1) .. 1 .. 1 ..
Anglo Persian Oil (£1) .. 4 .. 4 ..	4 .. 4 ..	4 .. 4 ..	.. ..	Lipton (£1) .. 1 .. 1 ..
Armstrong (Sir W.G.) .. 1 .. 1 ..	1 .. 1 ..	1 .. 1 ..	.. ..	Liverbra 7½ % Cmt (£1) .. 1 .. 1 ..
and Co. (£1) .. 1 .. 1 ..	1 .. 1 ..	1 .. 1 ..	.. ..	Do 8½ % Cmt A Prt (£1) .. 1 .. 1 ..
Ass. Fint. Cement (£1) .. 1 .. 1 ..	1 .. 1 ..	1 .. 1 ..	.. ..	Do 20½ % Cmt Prt Ord (£1) .. 1 .. 1 ..
Baker, John (£1) .. 1 .. 1 ..	1 .. 1 ..	1 .. 1 ..	.. ..	Lister (£1) .. 1 .. 1 ..
B'ham Small Arms (£1) .. 1 .. 1 ..	1 .. 1 ..	1 .. 1 ..	.. ..	Loebros Oilfields (£1) .. 5 .. 5 ..
Brazil Traction (£100) .. 45 .. 47 ..	45 .. 47 ..	47 .. 47 ..	.. ..	Lyons (J.) & Co. (£1) .. 4 .. 4 ..
British-American Tobacco (£1) .. 4 .. 4 ..	4 .. 4 ..	4 .. 4 ..	.. ..	Magadi Soda (£1 Ord.) .. 1 .. 1 ..
Burmah Oil (£1) .. 5 .. 5 ..	5 .. 5 ..	5 .. 5 ..	.. ..	Mexican Eagle (£10) .. 1 .. 1 ..
Coas (J. and P.) (£1) .. 3 .. 3 ..	3 .. 3 ..	3 .. 3 ..	.. ..	Pekin (2) .. 1 .. 1 ..
Courtauld (£1) .. 1 .. 1 ..	1 .. 1 ..	1 .. 1 ..	.. ..	Rubber Plantations Investment (£1) .. 1 .. 1 ..
Cunard (£1) .. 1 .. 1 ..	1 .. 1 ..	1 .. 1 ..	.. ..	Shell Transport (£1) .. 3 .. 3 ..
Dorman, Long (£1) .. 1 .. 1 ..	1 .. 1 ..	1 .. 1 ..	.. ..	Smithfield Argentine Meat (£1) .. 1 .. 1 ..
Dunlop Rubber (£1) .. 1 .. 1 ..	1 .. 1 ..	1 .. 1 ..	.. ..	United Dairies (£1) .. 1 .. 1 ..
Fine Cotton Spinners (£1) .. 1 .. 1 ..	1 .. 1 ..	1 .. 1 ..	.. ..	United Serdang (2) .. 1 .. 1 ..
Forestal Land (£1) .. 1 .. 1 ..	1 .. 1 ..	1 .. 1 ..	.. ..	United Tobacco (£1) .. 2 .. 2 ..
Furness, Withy (£1) .. 1 .. 1 ..	1 .. 1 ..	1 .. 1 ..	.. ..	Vallambrosa (2) .. 1 .. 1 ..
Highlands and Low- lands Rubber (£1) .. 1 .. 1 ..	1 .. 1 ..	1 .. 1 ..	.. ..	Vickers (£1) .. 1 .. 1 ..
Hudson's Bay (£1) .. 1 .. 1 ..	1 .. 1 ..	1 .. 1 ..	.. ..	Watney Def. Stk. .. 130 .. 133 ..
Mines.				
Broken Hill Prop. (8) .. 2 .. 2 ..	2 .. 2 ..	2 .. 2 ..	.. ..	Knights .. 3 .. 3 ..
Chartered (£1) .. 1 .. 1 ..	1 .. 1 ..	1 .. 1 ..	.. ..	Modderfontein (10) .. 4 .. 4 ..
Cons. Gold Fields (£1) .. 1 .. 1 ..	1 .. 1 ..	1 .. 1 ..	.. ..	Modderfont. "B" (5) .. 1 .. 1 ..
Crown Mines (10) .. 2 .. 2 ..	2 .. 2 ..	2 .. 2 ..	.. ..	Modderfont. Deep (5) .. 2 .. 2 ..
De Beers Def. (£24) .. 12 .. 12 ..	12 .. 12 ..	12 .. 12 ..	.. ..	Premier Def. (2) .. 6 .. 6 ..
De Beers Prop. (£1) .. 1 .. 1 ..	1 .. 1 ..	1 .. 1 ..	.. ..	Rand Mines (5) .. 2 .. 2 ..
De Beers (1) .. 1 .. 1 ..	1 .. 1 ..	1 .. 1 ..	.. ..	Rand Mines (5) .. 2 .. 2 ..
Gov. Gold Areas (£1) .. 5 .. 5 ..	5 .. 5 ..	5 .. 5 ..	.. ..	Sulukwa .. 1 .. 1 ..
				Rio Tinto (45) .. 3 .. 3 ..
				Spring Mines (4) .. 2 .. 2 ..

ANALYSIS OF BALANCE-SHEETS.

BORAX CONSOLIDATED.

		September 30, 1922.				September 30, 1921.	
LIABILITIES.		Compared with Sept. 30, 1921.		ASSETS.		Compared with Sept. 30, 1921.	
	Amount.				Amount.		
Cum. pref. shares	800,000 ..	..		Mines & goodwill	3,057,201 ..	..	
Pref. ord. shares	600,000 ..	..		Land, &c.	535,065 ..	+	879
Def. ord. shares	1,150,000 ..	..		Stocks ..	451,547 ..	+	133,714
First deb. stock	44 ..	..		Deb. red. fund ..	176,001 ..	+	10,457
Interest accrued	1,000,000 ..	..		Advances, &c. ..	1,094,888 ..	+	153,832
Second deb. stock	11,250 ..	..		Sundry debtors ..	363,744 ..	+	143,845
44%	916,450 ..	—	4,330	Death Valley			
Interest accrued	15,465 ..	—	83	Railway Co. ..	82,801 ..	..	
Premium on def.				Cash ..	403,399 ..	+	55,541
ord. shares ..	188,626 ..	..		Investment in			
Buildings reserve	101,349 ..	+	782	War Loan in			
General reserve ..	375,000 ..	..		respect to pen-			
Deb. red. fund ..	176,001 ..	+	10,457	sions, &c.	32,740 ..	+	6,087
Second deb. red.							
reserve ..	12,588 ..	+	1,660				
Sundry creditors	356,385 ..	—	142,081				
Bills payable	98,901 ..	—	40,721				
Pensions and							
grants fund ..	32,729 ..	+	6,077				
Profit and loss ..	362,642 ..	+	36,354				
Total	6,197,386 ..	—	51,143	Total	6,197,386 ..	—	51,143

COMPANY MEETINGS, &c.

THE GAS LIGHT AND COKE COMPANY.

CHEAPER GAS: THE THERM SYSTEM.

NO INCREASED DANGER FROM GAS.

BRIGHT PROSPECTS FOR THE INDUSTRY.

The 216th ordinary general meeting of the proprietors of the Gas Light and Coke Company was held, on the 2nd inst., at Horseferry road, Westminster, London, Mr D. Milne Watson (the governor of the company) presiding.

The secretary, Mr. W. L. Galbraith, read the notice convening the meeting. The report and accounts were taken as read.

The Chairman said: Before proceeding to deal with the accounts in detail, I would like to refer to the great loss which the directors have sustained during the past year by the death of their late colleague, Sir Daniel Ford Goddard. Sir Daniel had been a director of the company for six years, and during that time not only endeared himself to us as a man, but was a most valuable aid in our counsels, having great experience and influence both in the gas industry and in the political world. His loss is deeply deplored by us.

The directors have filled the vacant place on the board by electing Mr Harold Brewer Hartley as a director. Mr Hartley has had lifelong experience in chemical matters, and his knowledge will be of the greatest benefit to this company, which, as you are aware, has a large chemical side to its activities.

Dealing now with the accounts,

I should like to point out that from July 1st they include the figures of the Ilford Gas Company, with which we amalgamated at that date, and this must be borne in mind in considering the details.

Taking first the capital account, you will see that we have spent £54,820 on new and additional mains, £84,549 on new and additional meters, and £186,732 on new and additional stoves, making a total expenditure of £326,101—against which we have written off the sum of £416,000—£329,000 of which was in respect of special depreciation of ships, which we have now written down to a reasonable figure per ton.

There has, therefore, been a reduction in the fixed capital of the company of £90,000.

The total capital of the company, including Ilford, now amounts to just under £30,000,000.

I propose now to pass to the revenue account.

LARGE INCREASE IN BUSINESS.

It is gratifying to report that there has been an increase of 8½ per cent. in the business of the company during the year. This, I think you will agree with me, is very satisfactory, considering the industrial depression which exists in London as generally throughout the country.

The receipts for residuals may also be regarded as satisfactory, though there is a decrease in the revenue from coke of £576,000, due to the fact that the prices for coal and other fuels have gone down very materially during the year.

FALLING COSTS.

On the debit side of the account you will see that, after having made a charge in respect of depreciation of ships, to which I have already referred, we have made a saving in coal of £1,070,000, and have also made a saving in oil of £317,000; wages and salaries, both in manufacture and distribution, show a decrease, though from the figures given in the report the salaries do not appear to have come down to the same extent as wages. This is not, however, actually the case, as there has been a considerable addition to the number of officers owing to transfers from the weekly staff during the past year. Large reductions in salaries have been made.

You will see that repair and maintenance charges were nearly the same as in 1921. In one or two cases the expenditure was even a little higher. The reason why there has not been a decrease is that, as you are probably aware, the company had enormous arrears of repairs to overtake after the war. These deferred repairs in the case of works and plant, I am glad to say, are almost completed, and there should be a reduction of expenditure under this heading in the future.

CONTRIBUTORY PENSION SCHEME.

You will notice there has been an increase in the charges for annuities to officers and workmen. This is due to the initiation of a contributory pension scheme for the workmen which commenced its operation on January 1st of the current year. In order to start a fund of this description it is necessary that a lump sum

should be placed to its credit, and part of the total amount required has been accumulated and charged against the item of annuities during the year under review.

IMPROVED FINANCES.

I am glad to say that the past year has been a successful one, not only from the point of view of sales of gas, but also from the point of view of the company's financial position. At the end of 1921 we owed our bankers over three-quarters of a million; now the position is that we have on deposit the sum of £400,000, and £207,364 invested. This shows that the company is in a strong and healthy position. This is most important in view of the troubles at present existing in Europe, and the great uncertainty as to markets generally.

The results of the past year are eminently satisfactory, not only for the shareholders, but also for the consumers.

STEADY FALL IN PRICE OF GAS.

Look at the price of gas. At the end of 1921 it was 15 2d per therm, and is now 10d per therm, or, for the benefit of those who prefer to think in cubic feet, at the end of 1921 the price per thousand cubic feet was 5s 6½d, and now it is 4s 2d. The reductions made during the year represent an actual saving to the consumers of the company of £1,306,000. The accounts, it is true, only show £628,000, but the reason for this is that there has been an increase in the consumption of gas.

ANOTHER REDUCTION ANNOUNCED.

As was announced in the papers on Wednesday and Thursday of this week, the directors have given notice of a further reduction in the price of gas from 10d to 9.2d per therm, or from 4s 2d to 3s 10d per thousand, as from the taking of the meter indices in March. I am sure that this reduction will give general satisfaction.

The price of gas in 1913 was 2s 6d per 1,000 cubic feet, therefore our price just announced will be very little more than 50 per cent. above the 1913 price. The increase in the cost of living is now stated to be about 80 per cent., so that the price of gas is well below the general average price of commodities in this country at the present time.

There should be nothing but satisfaction with this price, and I look forward with confidence to the use of gas for all purposes being considerably extended.

THE DIVIDEND.

Coming now to the dividends, the company paid a dividend of £5 4s in respect of the half-year ending June 30th, and they now recommend a similar dividend for the December half-year. This, together with dividends on the preference and maximum stocks and the other charges recommended, will absorb £599,000, leaving a sum to be carried over to the credit of the next year of £244,000, as against £148,000 for the year before. We have carried £50,000 to the special purposes fund, and propose placing the sum of £22,000 to the reserve fund.

To sum up, the accounts for the year show that in respect of the June half-year, dividends have been paid at the rate of £4 per cent. per annum on the 4 per cent. preference stock, £3 10s per cent. per annum on the 3½ per cent. maximum stock, and £5 4s per cent. per annum on the ordinary stock, and out of the available balance of £843,000, the directors recommend payment of the following dividends in respect of the December half-year:—

£4 per cent. on the 4 per cent. preference stock, £3 10s per cent. on the 3½ per cent. maximum stock, and £5 4s per cent. per annum on the ordinary stock, together with the sum of £22,000, to which I have already referred, to be carried to the reserve fund and a sum of £20,000 to the redemption fund.

With regard to £5 4s per cent. dividend which we recommend for the December half-year, no doubt some of the shareholders may have expected the distribution of a higher dividend, as the present standard price would have permitted the payment of a dividend of £6 10s 8d per cent. It should be remembered, however, that this latter figure is in accordance with the standard price of gas fixed in March, 1921, when circumstances were altogether different. The directors feel that it would not be in the best interests of the shareholders themselves if they were to pay a dividend at a rate

that might be proved to be excessive, and in the circumstances they consider it is the wiser policy to maintain for the second half of the year the same dividend as was paid for the June half-year. The directors believe that the policy of paying a moderate dividend, which it is hoped can be maintained, is the wiser one to pursue. The sum of £22,000 which has been carried to the reserve fund will be available for the purpose of paying dividends should at any time the profits of the company prove insufficient for the purpose.

THE THERM SYSTEM OF CHARGE.

The last six months of 1922 have been marked by attacks on the gas industry in the Press and elsewhere with regard to the therm system of charging, and latterly with regard to carbon-monoxide in the gas.

With regard to the therm system of charge, in July last it happened that the accounts for gas for the June quarter were in many cases larger than usual, and someone wrote to the Press saying that this was due to the therm system of charging. This view was strongly taken up by a number of newspapers, and, needless to say, was seized upon by a certain number of gas consumers whose bills were higher than usual, and who considered, for that reason, they had a grievance.

It is interesting to mention that each quarter as it comes round finds a certain number of consumers who contend that their gas bills are too high, and who write complaining to the company. On this occasion the suggestion in the Press that the therm was responsible provided a convenient but ill-founded excuse.

What, then, were the real reasons for the June accounts last year being higher in some cases? First, the weather in that quarter of 1922 was exceptionally cold, whereas in 1921 it was exceptionally warm; secondly, there were no restrictions in the use of gas, whereas during the corresponding period in 1921 the national coal stoppage was taking place and consumers were directed to reduce the use of gas to a minimum; thirdly, in the case of this company a larger number of days were included in the June quarter, 1922, than usual, as it was not feasible on that occasion to read the meters at the usual date.

Fortunately, the great majority of the consumers who complained were perfectly satisfied when they understood the cause of the higher bills, and, so far as this company is concerned, the complaints practically died away, and are now less than usual.

The agitation in the newspapers having been started, however, on the assumption that the therm was to blame, was continued, and ultimately such pressure was brought to bear upon the authorities that the Board of Trade appointed a committee to inquire into the system of charging by the therm. This committee has held five sittings, and a great mass of evidence has been given before it.

ALL AUTHORITIES APPROVE THE THERM.

It is particularly interesting to note that there is practically a unanimity of opinion that the therm system of charging for gas is the correct and fair one. This is the view, not only of such well-known scientific men as Professor Boys, Mr Butterfield, Sir Dugald Clerk, Professor Cobb, and Dr Landor, but also of such representative large users of gas as the London County Council, Corporation of London, and the railway companies. The only people who appeared to be opposed to the therm system were those who were obviously misinformed. One witness said: "We do not want heat in gas," showing that the witness was not aware of the simple fact that it is on the heat content of gas, whether for lighting or heating, that its modern utility depends.

During the course of the inquiry, however, other points were dealt with by witnesses, though not within the terms of the reference to the committee, and the question of gas apparatus was discussed at length. More than one witness suggested that consumers of gas were dissatisfied because their appliances were not suitable for the gas now being supplied. On that point I would say, first of all, that no change has been made in the calorific value of our gas that has affected the efficiency of consumers' appliances. The company has pursued the policy, extending over many years, of supplying suitable appliances for burning this company's gas, and employs a large staff on the work of installing apparatus and maintaining it. As the report shows, last year there was an increase of nearly 65,000 in the number of gas stoves sold and on hire, and these were all up-to-date appliances. Naturally, immediately after the war it was very difficult to get new apparatus, but this difficulty has been at an end for some time, and all apparatus issued by the company is thoroughly up to date. I may add that no piece of apparatus is ever fixed without being thoroughly examined and adjusted.

CONDITION OF MAINS.

Coming now to the question of carbon-monoxide. This question has been raised at this time mainly owing to the most unfortunate accident at Bethnal Green, in which three persons, to our great regret, lost their lives. With regard to the particular main from which the gas escaped, it was laid in the year 1880, and when examined after the accident was found to be in perfectly good con-

dition. The accident was caused by the subsidence of the soil in which it was laid, and of which there was no evidence on the surface of the road, and by a portion of the pipe being held up by brickwork, thus causing an undue strain. The condition of the main had nothing whatever to do with the accident.

I can assure the public that the mains in the company's district are in good condition, and that examinations which, day in, day out, and all the year round, are made by our expert main inspectors when the streets are being repaired prove that this is so. The number of fatal accidents due to escaping gas from mains in the streets finding its way into houses is a total of only 19 during a period of 22 years—or less than one a year in a population of four to five millions.

Last year, when I addressed you, an agitation with regard to carbon-monoxide had just been taking place, and I dealt with the question fully at that time, but in view of what is being said at the present moment, it is well that I should once more state the position clearly.

Carbon-monoxide is present in both coal gas and water gas, of both of which it is a combustible and essential ingredient, and cannot be removed.

NO CHANGE IN GAS SUPPLIED.

The percentage of carbon-monoxide in the mixed gas now being supplied by the company is the same as was supplied when the war broke out, and for many years before that, and it is quite wrong to say that any of the accidents that have occurred recently have been due to any alteration in the composition of the gas.

There has been no change in the method of manufacture for over 30 years.

As has been pointed out before, in America some of the most important cities are supplied with carburetted water gas only.

Had we, during the past 12 months, been supplying coal gas only containing 7 per cent. of carbon-monoxide there is no reason whatever for assuming that the number of accidents would have been any fewer. Compulsory limitation in this respect would impose upon this company, and upon the vast majority of gas undertakings in this country, a heavy financial burden in the provision of additional coal gas plant, with the inevitable result of increasing very considerably the price of gas, and that without any corresponding advantage to the public.

The public, I think, have been impressed by the number of fatalities which have occurred recently, but I would point out that the majority of these cases are cases of suicides. There are, unfortunately, always bound to be people who desire to do away with themselves, and there are many methods which can be employed. It is my firm belief that the publicity which has of recent years been given to every case of suicide by gas is directly responsible for the method having been employed with greater frequency.

THE COMPARATIVE SAFETY OF GAS.

In a matter of this kind one is in difficulty, because one does not wish to appear unsympathetic, but facts must be looked straight in the face. We would all be only too glad if gas could be made perfectly innocuous, but it must be remembered also that practically everything we use or do has an element of danger—as instances, petrol, electricity, coal fires, oil lamps and stoves, motor traction, railway travelling, &c., &c.

With regard to accidents as distinct from suicides, the following figures show a very favourable comparison between accidents due to gas and other causes:—

Deaths due to gas represent about 2½ per million per annum of the population.

Deaths from railway accidents, 22 per million per annum.

Deaths due to street accidents in London, 100 per million per annum of the population.

Deaths from coal fires are many times more numerous than from gas. In the year 1919 (the last year for which the Registrar-General's complete figures are available) not less than 992 inquests were held on children under five who had been fatally burnt through accidents with domestic coal fires (conflagrations excluded).

It should not be forgotten that the use of gas is one of the most important means for abolishing smoke and its attendant fogs.

It has been clearly shown that in our large cities one day's fog causes as many deaths as are due to gas in the whole country in twelve months. Fog has been known almost to double London's normal death-rate—but that is taken as a matter of course.

NO "ODOURLESS GAS."

It has been suggested that there is some mysterious difference in the composition of the gas supplied before and since the war, and that the gas as now supplied is odourless. This is not so, the gas being the same as it has been for many years past. The company does not supply odourless gas. There is no cause for the consumers to be nervous, and they may go on using gas as they have been accustomed to do in the past and as their forebears have done.

Another subject which has given rise to a certain amount of discussion is the question of the calorific value of the gas, and it may be well for me to say something on this subject to-day.

GAS NOW PRE-WAR QUALITY.

Before the war the company was working to a penalty standard of 500 B.Th.U. per cubic foot, but in point of fact was supplying gas of somewhat higher quality. During the war, owing to the shortness of coal, and owing to the fact that the company was called upon to extract benzole and toluol from the gas, the quality was reduced to something like 480. When it became necessary for the company to declare, in April, 1921, a standard of calorific value of the gas to be supplied, it was decided to declare a standard of 475 B.Th.U., which was the quality then being supplied. Moreover, as at the time this decision was made the coal stoppage was taking place, it was not wise to declare any higher quality. As a permanent standard, however, a gas of 475 B.Th.U. was in the opinion of the company's technical staff considered to be too low, and a report was presented to the directors urging them to declare, at an opportune time, a quality more closely approximating to the pre-war quality. Accordingly, in June last, the company increased the calorific value of its gas to 500 B.Th.U.

Before I sit down, I should like to take this opportunity of saying how well the staff, both indoor and outdoor—officers and men—have worked during the last trying twelve months. It is difficult to differentiate between persons who have all done their duty faithfully, but I think special reference should be made to the good work done by the chief engineer and the engineering staff generally, which has resulted in very considerable economies and improvements in our business.

A RECORD YEAR—A HEALTHY PROSPECT.

In conclusion, though we have been through such a sea of troubles, in my opinion the company was never in a more healthy condition than it is at present. In the past year we have sold more gas than ever before, and have had one of the largest increases in the sale of gas appliances, and, considering the national work that is being done by the gas industry in the direction of coal conservation, smoke abatement, and the production of useful by-products, so essential to the development of the country, there can be no real fear for the future prosperity of this company and of the gas industry generally.

The report and accounts were adopted.

LONDON AND LIVERPOOL BANK OF COMMERCE, LIMITED. BRITISH OVERSEAS BANK'S OFFER.

The forty-fourth ordinary general meeting of the members of the London and Liverpool Bank of Commerce, Limited, was held, on the 8th instant, at the offices of the bank, 34 Old Broad Street, London, the Lord Ritchie of Dundee (chairman of the company) presiding.

The secretary (Mr H. Hopkins) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said: Gentlemen, no doubt you will be more interested to hear what I have to say about the conditional offer which is now in your hands from the British Overseas Bank for the purchase of your shares than in what I may say about the history of the bank during the past year, and my remarks on the latter subject will, therefore, be short. We, like everyone else, have suffered from the trade depression, and that fact is reflected in the small amount of our acceptances on December 31st. They amount to no more than £791,000, and, though the figure at that date is smaller than at any other period throughout the year, it may be taken generally as an indication of the contraction in business. For the first time for eight years you are enabled to see exactly what our acceptances on account of current business are.

BANK OF ENGLAND'S ADVANCES.

Since 1914, after the outbreak of the war, there has been included under the head of acceptances the amount of the advances from the Bank of England under the Government scheme. Those advances have now all been liquidated. They were due, under the Government scheme, for repayment at the end of August last, but we anticipated that date by a month or two, and provided out of our own resources what was necessary to meet the liability to the Bank of England on account of those pre-war debts which still remained outstanding. Since that date payments have been coming in on account of pre-war German debts, but only slowly, and there still remains a substantial sum to be collected. As to our other pre-war debtors on the Continent, of which Poland is the principal, we are no nearer any settlement than this time last year, and I cannot see any hope of repayment, even in part, for some time to come.

Now that the Bank of England account is closed, I can speak with more freedom on the subject. I have been asked on several occasions at these meetings what the advances from the Bank of England amounted to and I have always refused—politely, I hope—

to give the information. I can now tell you that in the early days of the war they amounted to approximately £1,000,000, and, though they did not remain at that high figure very long, they continued to be uncomfortably large until within the last year or so.

LIQUID POSITION.

On the other side of the balance-sheet you will also see a considerable change from last year. We are very liquid, showing cash, £44,824; money at call and short notice, £105,000; bills receivable and bills discounted, £32,969; and investments, £476,177; or a total of £658,000. Last year there was on this side of the account a large sum which we had on deposit with the Bank of England against advances under the Government scheme. That account is now closed, with the result that assets have been released and have gone to swell the amount of our investments, which exceed last year's figure by considerably more than £200,000. I think every one will agree that we show a very good balance-sheet.

It is when we come to the profit and loss account that things are not so satisfactory. We have not only suffered from lack of business, but rates for money have been very low, and our profits show a reduction even on the moderate figures of the few preceding years. We are glad to say, however, that we were able to pay an interim dividend last July of 3s per share, and that we can now recommend a final dividend of 5s per share, making a total distribution at the rate of 4 per cent. for the year, and carrying forward £20,032, against £20,739 brought in.

OFFER FROM BRITISH OVERSEAS BANK.

I will now deal with the offer which you have received for your shares from the British Overseas Bank. The offer is the outcome of protracted negotiation with the bank, and it is only after the most careful consideration that we have recommended it to you for your acceptance. In our opinion, it is a fair one for both sides. The price of our shares when we first notified you of this offer was £8, but it must be remembered that they stood at about £6 10s only a few weeks ago, when these negotiations were opened. We were extremely careful not to breathe a word about them to anyone, but I cannot think of any other explanation for the sudden and substantial rise in the price than that some rumour must have got abroad. However that may be, the shareholders should bear in mind, when they are considering the offer, that the price of the shares stood at £6 10s last autumn, or £3 15s per share less than they are being offered for them to-day.

This is not the first negotiation which we have entered into during the last few years. Many suggestions have been made to us; some of them have not been worth consideration; others have led to more or less prolonged negotiations, which have fallen through for one reason or another. We have long felt that some such solution as this must be found for the problem with which we have been confronted. Our business has been handicapped, and continues to be handicapped, by pre-war debts remaining unpaid. We are not large enough for these expansive days, and we do not feel justified in launching out in new directions. You will remember that we have power to issue further £400,000 capital, thus bringing our total issue up to £1,000,000. During the year before the war our business had grown so greatly that we were hoping to make that issue shortly. To-day it is impossible to contemplate it with our shares at a discount and no prospect, in the near future at any rate, of paying a higher dividend than 4 per cent.

For these reasons we recommend this offer for your acceptance. On the other hand, we think the British Overseas Bank are making quite a good bargain for themselves. They are taking over a very liquid balance-sheet, and they are acquiring an old-established business with valuable connections in all parts of the world. I have no doubt that they will make a success of it, and that, in course of time, the business will once more expand, and even exceed the volume to which it had attained when the war broke out. We understand from those who control the British Overseas Bank that they intend carrying on the business on the lines that we have followed, and we believe that all our customers may rest assured that they will receive the same consideration from the British Overseas Bank as they have hitherto received from us.

Sir Felix Schuster, Bart., seconded the resolution, which was carried unanimously.

CANADIAN BANK OF COMMERCE.

YEAR'S RESULTS SATISFACTORY DESPITE TRADE DEPRESSION. IMPORTANCE OF SOUND IMMIGRATION POLICY.

The fifty-sixth annual meeting of the shareholders of the Canadian Bank of Commerce was held in Toronto on January 9th, 1923. The president (Sir Edmund Walker) took the chair, and after the report, which has recently been made public, had been read, the general manager (Sir John Aird) addressed the shareholders.

GENERAL MANAGER'S ADDRESS.

Sir John Aird spoke in part as follows:—

The year has been a trying and strenuous one, marked by a continuation of the decline in banking profits, due to the general depression in business, the efforts of provincial Governments and others to secure deposits at high rates of interest, and the strong competition for all banking business. Notwithstanding this decline we have been able to show net earnings of \$3,002,435. This has enabled us to make the usual provision for dividends and pension fund, to write \$400,000 off bank premises account, to provide \$325,000 for Government taxes, and to add \$150,707 to profit and loss account, the balance of which now stands at \$2,097,502.

The figures of the general statement which we submit to you to-day would indicate that Canada has made some further progress towards a return to normal conditions, which must take place before there can be any marked revival of business activity. Our liabilities to the public, notes in circulation and deposits again show decreases, although only slight as compared with the decrease during the previous year. The principal part of the decrease in our deposits has taken place in those not bearing interest, and this is perhaps only a natural outcome of the quiet condition of business during the past year.

One of the interesting changes on the asset side of the statement is the increase in our holdings of gold, which are nearly five millions larger than a year ago. Indeed, we hold more than sufficient gold to cover every dollar of our note circulation. Our total holdings of coin and Dominion notes have been well maintained, standing at 15.23 per cent. of our liabilities to the public.

We have in the past considered that about 50 per cent. of our total resources should be in the form of readily available assets, and we regard this as a reasonably safe basis.

IMMIGRATION AND AGRICULTURE.

Our national income has been reduced as a result of the war, not only by the amount of the heavy taxes which we have to pay, but in all the thousand and one ways which result from the post-war depression in business. As a result we are finding that the carrying out of the magnificent plans we had formed for the future before the war is beyond our means, and we are come to the point where we must decide whether to abandon them in part or to call for outside assistance in carrying them through. It is said that if we are to secure outside assistance it must be in the form of selected immigration of men who will go on the land and help to bring our large areas of unsettled fertile lands under cultivation, thereby providing traffic for our railways and a home market for our manufactures. But of what avail will it be to place these newcomers on the land if those already settled there are unable to make farming pay? The cost of our manufactures cannot indefinitely continue to be higher than the farmer and the majority of the consumers in the home market can afford to pay. Both capital and labour must co-operate in seeing that costs are reduced, and this process must be carried to an extent that will enable the farmer to obtain his requirements at a price within his means, after he has sold his produce at prices fixed by the world markets.

PRESIDENT'S ADDRESS.

Sir Edmund Walker, C.V.O., in the course of his address, said:—

In North America there has been a very remarkable recovery during the year, especially if we consider the scanty buying power of Europe and the low prices consequently obtained for farm and pastoral production, in which respect, however, there is now some improvement. During 1922 the recovery has brought many of the basic materials back to or above the normal. In like manner, manufactured goods have in many cases risen sharply in price.

Turning to the foreign trade of Canada, we have in the fiscal year March, 1921, to March, 1922, made the lowest record since 1916, the total being only \$1,501,731,000, with the trifling sum of \$6,122,000 in favour of exports, as compared with an excess of imports in the previous year of \$29,730,000.

The principal field crops of Canada for 1922 are estimated by the Dominion Bureau of Statistics at \$984,139,000, as compared with \$931,863,000 in 1921, and \$1,537,170,000 in 1919, our best year. The actual result for 1921 fell short of the estimate by about \$85,000,000.

It is unfortunate that at a moment when the results in money from our field crops are so unsatisfactory, the results from cattle are equally so. From this season's operations we shall have shipped the largest quantity of wheat on record, but at an inadequate price, and we shall have marketed the largest number of cattle, also at an inadequate price. The embargo by Great Britain being still in force, the value of these cattle was clearly determined by the price in the United States, less duty.

THE ANGLO-SOUTH AMERICAN BANK, LIMITED.

Capital and Reserves exceed £13,000,000.

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

NORTHERN DISTRICT OFFICE:
69, Market St., Bradford.

LANCASHIRE BRANCH:
39, Mosley Street, Manchester.

Affiliated Institutions:
THE BRITISH BANK OF SOUTH AMERICA, LTD.
AND
THE COMMERCIAL BANK OF SPANISH AMERICA, LTD.

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

The revised figures of our mineral production for 1921 are \$174,315,000, as compared with the estimate of \$170,000,000. The estimate for 1922 is \$180,000,000. It is in gold mining that we are making the most striking progress and attracting the most attention from the outside world. The increase in production for the year is about 31 per cent. as compared with 1921, and the output of several of the most important mines is being enlarged, and promises to be much greater in future.

The public debt of the Dominion on March 31, 1922, was \$2,422,135,000, as compared with \$2,340,878,000 at the same date in 1921.

CANADIAN IMMIGRATION.

Having regard to our national debt and to our national position generally, no question is more important than that of immigration, and perhaps no national question presents so many phases for consideration. The number of immigrants entering Canada in our last fiscal year fell, doubtless mainly because of our severe regulations, to 90,000, as compared with 148,000 in 1921 and 402,000 in 1913. Clearly, however, we need to recast our opinions as to what our immigration policy should be.

In any event, we require a policy of land settlement, both for newcomers and for our own farmers' sons, or a wider application of such satisfactory systems of land settlement as we have already tried, in order that we may secure as many as possible of that always too small class who wish to have the chance to make a living on the land. We should seek for them in Great Britain, the United States, and in Northern Europe, never forgetting that this problem as a whole is one of service, first to Canada, and second to the immigrant.

Canada is frequently complimented by students of taxation in the United States and Great Britain on its sales tax, but a much larger revenue, in a form much less hurtful to production, would result from a turnover tax of 1 per cent. Such a revenue would make it possible to lessen the scale of super-taxes now imposed on incomes and other unfair taxes on enterprise, the ruinous result of which is evident to all who give any thoughtful attention to the matter.

BANK'S MONTHLY LETTER.

During the year the usual careful attention has been given to the bank's monthly letter, which, in addition to its very large circulation in North America, reaches all parts of the world. We have tried to give in as compact a form as possible, by text and graph, a true picture of Canadian trade and finance, and our wholesale price index is now widely accepted as a standard of information. We have during the year issued with our letter seven supplements, covering exhaustive information regarding trade possibilities between Canada and Mexico, Brazil, Cuba, Jamaica, Trinidad, Barbados, and Great Britain.

The usual votes of thanks to directors and staff were passed. The meeting then adjourned.

THE STERLING TRUST, LIMITED.

APPRECIATION OF TRUSTS' INVESTMENTS.

The sixth ordinary general meeting of the Sterling Trust, Limited, was held, on the 6th instant, at Winchester House, Old Broad Street, London, Baron Emile B. d'Erlanger, the chairman, presiding.

The Secretary (Mr B. R. Tomlinson) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said: I have first of all, with very great regret, to refer to the death of one of those gentlemen who joined the board when the Trust was formed—namely, Mr C. C. Macrae, who died on November 28 last. The directors heard of his death not only with regret that they would no longer enjoy the benefit of his able counsels, but with a feeling of deep personal loss. The board appointed Sir Vesey Holt to fill the vacancy thus created, and the board consider that his services will be of benefit to the company. I have every confidence in recommending him to you for re-election.

THE ACCOUNTS.

Coming now to our accounts for the year, and taking first the balance-sheet, we find our capital and debenture debt unaltered at £1,350,000 and £2,607,892 respectively; accrued interest on "A" debentures is also unaltered at £6,240; sundry creditors and credit balances amount to £2,030; unclaimed dividends and interest amount to £6,376; the reserve fund is unaltered at £100,000; and the balance of revenue account is £86,263. On the credit side, our investments, after deducting contingent fund, which includes profits on sales of investments, and so on, stand at £3,968,128.

At the general meeting in 1921 I had to refer to a depreciation at December 31, 1920, of some £200,000 on the balance-sheet value

of our investments, after allowing for the reserve fund of £100,000. At the meeting in 1922 I was able to tell you that this depreciation had decreased to £121,197, after again allowing for the reserve fund. I am now pleased to be able to state that a valuation of our investments made at December 31, 1922, taking, as before, our American railway holdings at the figure to which they were written down when the Trust was formed, shows not only that the depreciation has entirely disappeared, but that there is a surplus of something like £83,000 over and above the figure at which the investments stand in the balance-sheet, and that, in addition, our reserve fund of £100,000 is intact.

These investments may be divided up approximately into British Government securities, 27 per cent.; our American railway holdings, 30 per cent.; other bonds, debentures, debenture stocks, and notes, 27½ per cent.; preference and preferred ordinary stocks and shares, 10 per cent.; ordinary and deferred ordinary stocks and shares, 5½ per cent. The British Government securities represent something over £1,000,000.

Sundry debtors and debit balances at £14,099, and cash at bankers and in hand call for no special remark.

INCOME FROM INVESTMENTS.

Turning to the revenue account, we find that income from investments, less income-tax, amounts to £171,849. You will notice that a sum of £2,998 has been charged against the amount brought in from the year 1921 in respect of an adjustment of income-tax account to which year it properly applied, and, if this is taken into consideration as reducing the income of that year, there is shown an increase for the year 1922 of about £10,000.

An improvement in the dividends received from the American companies, which I foreshadowed last year when I explained the poor results which had been then experienced, has taken place. Our receipts from that source would have been better had it not been for the disastrous strike of shop employees which occurred on all railroads in the United States on July 1, 1922. Up to that time business had been satisfactory, and is again attaining satisfactory proportions, and I have every hope and expectation that for the current year, in the absence of unforeseen occurrences, our receipts from the sources in question will be at least maintained, and, in fact, although one hesitates very much in present times to express opinions as to the future, that they will show further improvement.

The other items in the revenue account call for no particular mention; general charges amount to £11,088; "A," "B," and "C" debenture interest, less tax, to £27,301, £38,222, and £29,893 respectively; and there remains a balance of £65,365, to which falls to be added the carry-forward from the previous year of £20,897, making a total of £86,263 for allocation. From this we propose to you the distribution of a 6 per cent. dividend for the year, absorbing £55,312, and leaving £30,951 to be carried forward, subject to corporation profits tax, if any.

Mr Robert Fleming seconded the resolution, which was carried unanimously, and, the formal business having been transacted, the proceedings terminated.

THE METROPOLITAN TRUST COMPANY, LIMITED.

SATISFACTORY RESULTS OF THE YEAR.

AMERICAN WAR DEBT SETTLEMENT.

The twenty-fifth ordinary general meeting of the Metropolitan Trust Company, Limited, was held, on the 6th instant, at the company's offices, Gresham House, 24 Old Broad Street, London, E.C., Mr. Robert Fleming (the chairman) presiding.

The secretary (Mr H. Carlisle) having read the notice convening the meeting, and the report of the auditors,

The Chairman said: Gentlemen, I presume that, as usual, you will take the report and accounts as read. (Agreed.) The chairman of our big banks—five have deposits of £1,728,000,000, so I am surely justified in calling them big—have during the past fortnight made speeches in this city of a very instructive and illuminating character, dealing with the economic situation of our country and the world. You have probably read these speeches, and will not want further time occupied by one much less fitted to deal with so great a subject.

OUR DEBT TO THE UNITED STATES.

Only one important feature in the financial situation, in view of our company's past relations with America, I might refer to, viz., the War Debt settlement with the United States.

In this room in June, 1919, I said:—

"The repayment of money lent by rich Allies to weak ones must take a subordinate place in the final settlement if the world is ever to be restored. It will be an evil basis for a League of Nations if, as between the Allies themselves, the cost of making the world 'safe for democracy' should con-

tinue a millstone round the necks of those who have been in the colossal struggle from the beginning, and so have well-nigh exhausted both life and treasure."

I still think as I thought then, and I would have been better pleased to see our settlement with America await a general world settlement of inter-Allied debts on the lines proposed by Lord Balfour in August last.

The settlement reached, no doubt the best possible under present conditions, I am glad to see, includes a possible reduction of cash payments by half during the next five years. That may prove to be a very great relief during a period when we, burdened with a debt of crushing dimensions outside of that owing to the United States, may be still struggling to get on our feet again.

RESULTS OF THE YEAR.

Returning to our own company's report for the year, you will, I think, regard it as satisfactory.

As to capital values, we are in market price some £8,000 short of the book cost of £2,133,146, but, as you know, we make our valuation at the middle quoted price, and without adding stamp duty or brokerage, so in point of fact we could not on January 2nd last have bought the securities we hold at so low a cost as that at which they stand in our books.

This contrasts favourably with last year, when the market depreciation was 14 per cent. The rise in prices on the Stock Exchange during the year has, as you know, been caused mainly by bad trade and consequent cheap money. In 1923 I hope these causes may not operate so strongly.

REVENUE.

I need not say that with an investment trust company, just as with a private trust, fluctuations in market value of the securities held in the trust fund are of minor importance. The main thing is the divisible revenue which they yield.

As to revenue, we have, as you see, earned about 18½ per cent. on the ordinary stock, and been able to increase the dividend from 14 per cent. to 15 per cent. I had a feeling that this was hardly a year for increasing dividends, but we made, as usual, a careful estimate of what we might expect for the year on which we have now entered, and, as there did not seem any likelihood of our having to reduce it next year, we thought you would not object to receive the 15 per cent. for 1922.

THE DIVIDEND.

With these remarks, gentlemen, I beg to propose: "That the report and accounts as presented be and they are hereby received, approved, and adopted, and that a dividend of £8 10s per cent. on the ordinary stock, less income-tax, making, with the interim dividend, £15 per cent. for the year ended January 1, 1923, be and the same is hereby declared."

Mr Henry A. Vernet seconded the resolution, which was carried unanimously.

The Chairman next moved the re-election of the Rt. Hon. Viscount St. Davids as a director of the company.

Mr Vernet seconded the motion, which was unanimously agreed to.

Messrs Deloitte, Plender, Griffiths, and Co. were reappointed auditors of the company for the current year, on the motion of Mr G. P. Balfour, seconded by Mr W. Jones.

On the proposition of Mr George Collis, a cordial vote of thanks was passed to the chairman and his colleagues for the excellent report they had presented, and the proceedings then terminated.

KANSALLIS-OSAKE-PANKKI

(National Joint Stock Bank).

ESTABLISHED 1889.

Head Office: HELSINKI (Helsingfors), FINLAND.

Capital and Reserves - Fmk. 247,000,000.00
Deposits and Cheque Accounts (30/6/22) - Fmk. 1,255,200,000.00

124 BRANCHES AT ALL IMPORTANT BUSINESS CENTRES IN FINLAND.

Telegraphic Address: Kansallispankki.

GOVERNMENT RETURNS.

CURRENCY NOTES ACCOUNT.

(000's omitted.)

Date.	Notes and Certificates Outstanding.	Investments in Account.	Advances to		Redemption Account.					
			Bankers.	Savings Banks.	Gold and Bullion.	Bank of England Notes.	Notes in Circulation.	Current Account.	Balance.	Balance of Bank of England.
1914.	£	£	£	£	£	£	£	£	£	£
Aug. 26.....	21,535	..	6,302	3,810	..	..	481	9,994	9,994	11,423
Dec. 30.....	38,478	..	169	600	18,500	..	..	..	..	..
1915.										
Dec. 29.....	103,125	729	159	249	28,500	..	276	54,621	54,621	20,536
1916.										
Dec. 27.....	150,144	2,430	64	40	28,500	..	190	118,102	118,102	6,888
1917.										
Dec. 26.....	212,782	8,554	39	675	28,500	..	134	186,637	186,637	5,486
1918.										
Dec. 31.....	323,241	15,529	..	570	28,500	..	89	305,133	305,133	4,566
1919.										
Dec. 31.....	356,152	17,182	250	845	28,500	4,000	91	337,537	337,537	2,808
1920.										
Dec. 29.....	367,626	16,962	..	..	28,500	19,450	130	336,504	336,504	134
1921.										
Mar. 30.....	343,826	15,599	Silver Coin.	..	28,500	19,450	139	311,334	311,334	141
June 29.....	323,884	14,965	..	..	28,500	19,450	148	287,750	287,750	150
Sept. 28.....	314,382	14,831	..	..	28,500	19,450	152	278,119	278,119	143
Dec. 28.....	325,584	14,658	..	..	28,500	19,450	147	289,131	289,131	161
1922.										
Mar. 29.....	300,351	14,255	..	..	28,500	19,450	159	261,479	261,479	177
June 28.....	296,374	13,338	..	..	28,500	19,450	163	254,312	254,312	250
Sept. 27.....	289,127	12,648	..	..	28,500	21,150	166	246,456	246,456	169
Dec. 27.....	301,337	12,872	..	..	28,500	21,150	159	258,922	258,922	137
1923.										
Jan. 17.....	284,928	12,462	..	..	28,500	21,150	169	242,104	242,104	136
Feb. 7.....	280,834	12,150	..	..	28,500	21,150	171	237,713	237,713	120
..	280,273	11,928	..	..	28,500	21,150	172	236,868	236,868	183
..	280,887	12,171	..	..	28,500	21,150	171	237,768	237,768	190

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £390,600,000, for 1921 at £317,555,200, for 1922 at £309,988,400, and for 1923 at £270,183,800.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £35,000,000 in three months' Treasury Bills dated from Monday to Saturday, February 11-February 14, were opened on February 9, 1923, and the total amount applied for was £63,590,000. Tenders for Monday bills at £99 7s 10d, and above in full, Tuesday bills at £99 7s 11d, about 59 per cent. above in full, and Wednesday bills at £99 7s 11d, about 59 per cent. above in full. The average rate of discount for Treasury bills was £2 9s 7 1/2d. The amounts allotted were as follows:—In bonds, £1,500,000; in bills at 3 months, £30,000,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills. Average Rate.	4½% Treasury Bonds, 1923. Average Price.	
				£ s d	£ s d
1922.					
Nov. 17.....	(a) 40,000,000	(a) 62,245,000	2 8 6-05	99 4 4-6	..
Nov. 24.....	(a) 50,000,000	(a) 62,240,000	2 9 2-79	99 3 0-46	..
Dec. 1.....	(a) 55,000,000	(a) 69,265,000	2 7 1-77	99 5 0-6	..
Dec. 8.....	(a) 55,000,000	(a) 70,595,000	2 11 1-09	None allotted	..
Dec. 15.....	(a) 50,000,000	(a) 67,355,000	2 11 0-62	None allotted	..
Dec. 22.....	(a) 50,000,000	(a) 52,725,000	2 11 7-52	None allotted	..
Dec. 29.....	(a) 55,000,000	(a) 76,225,000	2 6 11-35	None allotted	..
1923.					
Jan. 5.....	(a) 50,000,000	(a) 63,995,000	2 2 7-57	99 3 9-6	..
Jan. 12.....	(a) 50,000,000	(a) 76,575,000	2 3 5-68	99 6 3-72	..
Jan. 19.....	(a) 40,000,000	(a) 55,305,000	1 18 9-91	99 7 1-69	..
Jan. 26.....	(a) 40,000,000	(a) 61,330,000	2 6 3-87	99 7 6	..
Feb. 2.....	(a) 40,000,000	(a) 59,465,000	2 10 1-57	None allotted	..
Feb. 9.....	(a) 35,000,000	(a) 63,590,000	2 9 7-86	99 8 6-4	..

(a) Including Treasury Bonds.

Tenders will be received on Friday, February 16, 1923, for Treasury Bonds and Treasury Bills to be issued to the maximum amount of £30,000,000. The amount of Treasury Bonds issued will not exceed £2,500,000, but subject to that limit, the total amount issued will be divided between Bills and Bonds in such proportions as The Lords Commissioners of His Majesty's Treasury may determine.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1922-23. (See Note.)	Total Receipts into the Exchequer from		Receipts.	
		Apl. 1, 1922, to Feb. 3, 1923.	Apl. 1, 1921, to Feb. 4, 1922.	Week Ended Feb. 3, 1923.	Week Ended Feb. 4, 1922.
Balances in Exchequer on 1st April:—	£	£	£	£	£
Bank of England.....	..	9,963,424	2,591,051	..	..
Bank of Ireland.....	..	1,210,106	483,456	..	..
	..	11,173,530	3,074,506	..	..
REVENUE.					
Customs.....	112,250,000	106,004,000	111,105,000	1,759,000	2,174,000
Excise.....	160,750,000	134,060,000	166,075,000	969,000	1,415,000
Motor Vehicle Duties ..	10,600,000	7,325,000	9,531,000	..	3,115,000
Estate, &c., Duties.....	48,000,000	48,931,000	42,028,000	710,000	1,101,000
Stamps.....	18,250,000	16,702,000	13,445,000	210,000	40,000
Land Tax, House Duty, & Mineral Rights Duty	3,000,000	1,530,000	1,260,000	200,000	170,000
Property & Income Tax (including Super-Tax) ..	329,000,000	243,041,000	236,797,000	15,698,000	17,116,000
Excess Profits Duties, &c.	27,800,000	954,000	29,714,000	..	..
Corporation Profits Tax	19,750,000	15,367,000	13,030,000	440,000	643,000
Post Office.....	54,625,000	44,450,000	45,250,000	1,250,000	1,250,000
Crown Lands.....	750,000	810,000	670,000	..	..
Interest on Sundry Loans.....	14,000,000	9,618,346	10,958,475	71,729	66,588
Miscellaneous.....	22,000,000	20,418,658	20,494,481	..	550,000
Ordinary Receipts.....	90,000,000	40,107,442	118,914,009	1,800,000	7,608,394
Special Receipts.....	910,775,000	689,319,446	813,272,362	23,107,729	35,248,982
Revenue.....	..	700,427,876	822,146,871	..	..

	Total Receipts into the Exchequer from		RECEIPTS.	
	Apl. 1, 1922, to Feb. 3, 1923.	Apl. 1, 1921, to Feb. 4, 1922.	Week Ended Feb. 3, 1923.	Week Ended Feb. 4, 1922.
OTHER RECEIPTS.				
Temporary Advances Repaid:—				
Bullion	800,000	8,530,000	..	400,000
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	169,818	169,818	..	..
Under the Unemployment Insurance Acts, 1921	2,910,000	520,000	..	..
Money Raised by Creation of Debt:—				
(a) For Capital Expenditure Issues:—				
Under the Telegraph (Money) Act, 1920 to 1922	5,310,000	5,561,474	..	..
Under the Post Office (London) Railway Act, 1913	..	27,500	..	..
Under the Housing Act, 1914	27,000	50,000	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922	950,000	..	..	..
By Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	1,553,300	..	..	..
(b) Under the Unemployment Insurance Acts, 1921	4,050,000	9,540,000	..	1,940,000
(c) For other issues:—				
By Treasury Bills for Supply	2,494,393,000	3,340,434,000	49,885,000	42,086,000
By National Savings Certificates	53,258,000	40,430,000	1,050,000	2,050,000
By Exchequer and National War Bonds	20	5	..	..
By Treasury Bonds—				
5-15 year, 1925-35	61,655,154	288,912,928	..	3,245,000
5-15 year, 1927	84,765,560	..	3,478,125	..
4-1/2% 1933	..	..	..	..
By Other Debt created under the War Loan Acts, 1914 to 1919	25,259	10,961,454	..	..
(d) Ways and Means Advances	813,075,500	1,164,546,000	700,000	49,700,000
Anglo-Persian Oil Company—				
Dividends on Shares acquired	243,012	5,010	..	..
Repayments—				
In respect of Suez Canal Drawn Shares	5,787	7,111	5,787	7,111
Do Cunard Loan	130,000	130,000	..	..
Do East Africa Protectorate Loan	130,000	127,268	..	..
Do Issues under Civil Contingencies Fund Act, 1919	..	7,250,000	..	..
Do Issues under Land Settlement (Facilities) Act, 1919 and 1921	282,662	51,617	8,748	5,183
Do Issues under Section 59 (4) of the Finance Act, 1920	6,827,960	13,490,950	..	..
Interest received under Section 59 (5) of the Finance Act, 1920	162,425	426,340	..	..
Total	4,231,087,433	5,713,518,346	78,205,389	134,682,276

EXPENDITURE AND OTHER ISSUES.

	Total Issues out of the Exchequer to meet Payments from		ISSUES.	
	Apl. 1, 1922, to Feb. 3, 1923.	Apl. 1, 1921, to Feb. 4, 1922.	Week Ended Feb. 3, 1923.	Week Ended Feb. 4, 1922.
EXPENDITURE				
Permanent Charge of Debt	16,000,000	12,794,642	22,366,149	8,000,000
Interest, &c., on War Debt	319,000,000	264,593,080	9,748,322	6,456,987
Road Fund	10,000,000	5,818,999	5,282,000	..
Payments to Northern Action Accounts, &c.	9,788,000	6,575,518	7,461,982	269,746
Payments to Northern Ireland Exchequer	2,500,000	1,628,380	650,000	40,000
Land Settlement	3,500,000	874,197	2,425,521	11,830
Other Consolidated Fund Services	2,650,000	2,517,572	1,744,353	58,252
Supply Services	539,255,000	365,821,052	556,930,746	12,633,138
Expenditure	902,691,000	660,623,440	872,893,419	27,423,953
OTHER ISSUES.				
Temporary Advances—				
Bullion	..	8,750,000	..	300,000
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	169,818	169,818	..	..
Under the Unemployment Insurance Act, 1921	5,520,000	10,660,000	180,000	600,000
Issues to meet Capital Expenditure—				
Under the Telegraph (Money) Act, 1920 to 1922	5,760,000	5,561,474	450,000	..
Under the Post Office (London) Railway Act, 1913	..	27,500	..	..
Under the Housing Act, 1914	27,000	50,000	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922	950,000	..	..	..
Under Capital Expenditure (Money) Act, 1904—				
Exchequer Bonds paid off £3,087,600; less paid off by the National Debt Commissioners, £1,534,300	1,553,300	..	..	..
Unemployment Insurance Acts, 1921—				
Repayment of amounts borrowed..	2,110,000	..	..	..
Redemption of Debt—				
Treasury Bills for Supply	2,462,424,000	3,447,796,000	50,570,000	68,595,000
Securities surrendered for Duties under Section 34 of the Finance Act, 1917, and Section 3 (3) of the War Loan Act, 1919	8,327,227	29,345,200	..	501,883
Funding Loan, Victory Bonds and Conversion Loan Sinking Funds	9,026,211	..	..	..
Principal of National Savings Certificates—				
(a) Repaid by Issues under Section 59 (6) of the Finance Act, 1920	22,300,000	16,850,000	800,000	750,000
(b) Repaid otherwise	..	10,400,000	..	..
Principal of Exchequer Bonds paid off, £20,887,122; less paid off by the National Debt Commissioners, £1,000,000	19,887,122	42,781,133	274,914	23,818,313
Principal of National War Bonds paid off	44,684,182	..	..	..
Debt under the War Loan Act, 1914 to 1919	16,825,526	57,162,123	..	..
Ways and Means Advances Repaid	761,265,500	1,165,520,000	8,200,000	12,050,000

	Total Issues out of the Exchequer to meet Payments from		ISSUES.	
	Apl. 1, 1922, to Feb. 3, 1923.	Apl. 1, 1921, to Feb. 4, 1922.	Week Ended Feb. 3, 1923.	Week Ended Feb. 4, 1922.
Depreciation Fund, under the Finance Act, 1917				
Anglo-Persian Oil Company—Issued under the Anglo-Persian Oil Company (Acquisition of Capital) Amendment Act, 1919	1,198,075	25,940,201	..	500,000
Issues to National Debt Commissioners to Reduce Debt—				
Cunard Loan Repayments	243,012	..	..	..
East Africa Protectorate Loan Repayments	130,000	130,000	..	..
Proceeds of National Savings Certificates, issued under the Finance Act, 1920, Section 59 (4)	..	127,268	..	..
Old Sinking Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911	5,000,000	15,397,000	..	..
Balances in Exchequer—				
Bank of England	4,227,112,478	5,709,766,586	78,113,749	134,545,149
Bank of Ireland	2,149,423	1,930,775	74,965	341,766
Total	1,825,532	1,760,985	16,615	478,893
	3,974,955	3,751,760	91,640	137,127

Note—Budget Estimate as in H.C. No. 77 of 1922.
Treasury, February 5, 1923.

HEAD OFFICES: LIVERPOOL AND LONDON

ROYAL

INSURANCE COMPANY, LIMITED

ALL CLASSES OF INSURANCE EFFECTED

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, February 7, 1923.

ISSUE DEPARTMENT.		LIABILITIES.	
Notes issued	144,115,230	Government debt	11,015,100
		Other securities	7,434,900
		Gold coin and bullion	125,665,230
	144,115,230		144,115,230
BANKING DEPARTMENT.		LIABILITIES.	
Capital	14,553,000	Government securities	49,067,299
Reserve	3,525,911	Other securities	65,812,176
Public deposits	17,895,285	Notes	22,634,130
Other deposits	103,344,618	Gold and silver coin	1,825,589
Seven-day & other bills	20,380		
	139,339,194		139,339,194

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

COMPARISON WITH PREVIOUS WEEK AND A YEAR AGO.

	Amount, Feb. 7, 1923.		Inc. or Dec. on Last Week.		Inc. or Dec. on Last Year.	
	£	£	£	£	£	£
Rest	3,529,911	..	..	..	..	..
Public deposits	17,895,285	+ 70,585	+ 70,585	..	..	..
Other deposits	103,344,618	+ 3,294,684	+ 3,173,956	..	..	..
Government securities	49,067,299	+ 2,978,990	+ 51,069,259	..	..	..
Other securities	65,812,176	+ 352,513	+ 33,156,389	..	..	..
Reserve	24,459,719	+ 204,047	+ 14,613,305	..	..	..
Note circulation	121,481,100	+ 537,055	+ 71,886	..	..	..
Coin and bullion	127,490,819	+ 1,041	+ 1,185,555	..	..	..
% of reserve to liabilities	204%	+ 3%	+ 58%	..	..	..
THREE MONTHS' RECORD.						
Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve.	% of Reserve to Liabilities.
Nov. 15, 1922.	127,441,016	121,901,960	122,360,827	116,110,795	23,989,056	109%
22	127,446,261	121,407,130	123,414,918	116,705,543	24,488,131	109%
29	127,440,455	122,884,525	121,463,985	116,240,853	23,005,930	109%
Dec. 6	127,446,768	123,063,855	132,722,938	122,832,913	24,832,913	108%
13	127,446,447	123,161,310	137,695,826	124,885,245	25,735,137	108%
20	127,444,219	124,890,400	123,395,554	120,050,341	22,603,819	108%
27	127,443,007	124,877,670	123,227,231	130,126,031	21,015,337	108%
Jan. 3, 1923.	127,435,190	124,053,460	157,778,672	153,861,705	21,889,730	108%
10	127,446,217	122,454,770	136,311,140	130,844,337	23,481,447	108%
17	127,491,357	121,236,150	144,010,109	137,342,112	24,705,207	108%
24	127,489,154	120,798,570	125,803,374	118,682,858	25,140,584	108%
31	127,491,860	122,018,155	120,924,209	115,027,941	23,923,705	108%
Feb. 7	127,490,819	121,481,100	121,239,903	114,879,475	24,459,719	108%

TEN YEARS' RECORD.					
At corresponding date with the present week.	Feb. 5, 1913.	May 27, 1914.	Feb. 9, 1915.	Feb. 8, 1922.	Feb. 7, 1923.
Circulation (excl. Bank post bills)	28,068,365	28,933,380	129,989,545	128,748,360	121,481,100
Gold deposits	18,266,092	19,014,809	20,176,592	14,721,329	17,895,285
Bank deposits	38,238,051	41,248,964	106,331,532	154,413,877	103,344,618
Government securities	13,035,483	11,046,570	50,202,016	82,223,688	49,067,299
Other securities	34,986,378	41,461,280	75,588,152	80,925,481	65,812,176
Reserve of notes and coin	26,573,302	25,463,980	17,745,539	24,531,605	24,459,719
Coin and bullion	36,191,667	35,947,360	128,283,084	128,748,360	127,490,819
Liabilities	47%	42%	7%	14%	20%
Rate of discount	5%	3%	14%	5%	3%
Bank rate, 3 months' bills	4-1/2	2-1/2	6-1/2	3-1/2	2-1/2
Rate of Consols	7-1/2	7-1/2	3-1/2	3-1/2	3-1/2
Rate of silver per oz.	31s 1d	33s 1d	84s 2d	45s 10d	41s 5d
Average price of wheat	25-22-1/2	25-17-1/2	54-00-0	50-25-75	73-40-75-15
on New York	84-83-1/2	84-79	83-86-1/2	84-36-1/2	84-67-1/2
on Amsterdam	122-2-1/2	12-05-10	11-33-3/4	11-56-7-1/2	11-79-8-1/2
on Berlin	20-49	20-49	23-23-1/2	22-23-1/2	165-00-180-00
Leaving home return	386,181,000	199,913,000	692,959,000	711,407,000	772,058,000

BANKERS' CLEARING RETURNS.

Week Ending—	Town Clearing.	Country Clearing.	Total.
1923.			
January 1—January 31	2,977,695,000	284,342,000	3,262,037,000
February 7	708,729,000	63,329,000	772,058,000
Total to date 1923.	3,686,424,000	347,671,000	4,034,095,000
Do 1922	3,915,214,000	321,411,000	4,236,625,000
Decrease or increase in 1923.	-228,790,000	+26,260,000	-202,530,000
	-4%	+8%	-4%
Total for 1922.	34,355,296,000	2,806,165,000	37,161,461,000
Do 1921	31,928,380,000	3,002,179,000	34,930,559,000
Decrease or increase in 1922.	+2,426,916,000	-196,014,000	+2,230,902,000
	+7%	-6%	+6%

PROVINCIAL CLEARING RETURNS.

	1922.	1923.	Inc. or Dec.
Aggregate Totals to February 7.			
BIRMINGHAM	12,078,700	12,412,400	+ 333,700
BRISTOL	7,802,000	6,112,000	- 1,690,000
DUBLIN	34,317,900	31,009,100	- 3,308,800
LIVERPOOL	5,194,400	5,665,900	+ 471,500
LONDON	5,705,300	5,669,900	- 35,400
MANCHESTER	4,152,300	4,028,200	- 124,100
NEWCASTLE-ON-TYNE	42,048,700	45,257,100	+ 3,208,400
NOTTINGHAM	74,446,000	76,751,000	+ 2,305,000
SHREWSBURY	8,111,700	9,068,100	+ 956,400
STAFFORD	3,542,000	3,574,800	+ 32,800
SWANSEA	4,929,100	5,736,100	+ 807,000

OVERSEAS BANK RETURNS.

UNITED STATES FEDERAL RESERVE BANKS.

000's omitted.

	Feb. 2, 1923.	Jan. 26, 1923.	Jan. 19, 1923.	Feb. 3, 1923.
RESOURCES.				
Total gold reserve	3,075,810	3,080,140	3,077,490	2,911,530
Legal tender notes and silver reserve	151,330	141,840	136,650	149,990
Notes in circulation	597,350	569,740	513,350	837,820
Bills discounted for member banks	188,570	204,550	201,340	90,030
Bills bought in open market	353,740	352,820	412,430	305,410
Government obligations owned	61,960	62,210	61,540	58,720
All other resources				
LIABILITIES.				
Government deposits	46,010	33,040	9,340	114,740
Other deposits	1,945,050	1,957,780	1,080,110	1,725,730
Federal Reserve Notes in actual circulation	2,203,700	2,225,230	2,256,490	2,178,050
Federal Reserve Bank Notes in actual circulation	3,110	3,130	3,120	83,890
Other liabilities	10,050	11,200	9,850	15,190
Capital and surplus	326,080	326,020	325,850	318,590
Ratio of total resources to gross deposits and Federal Reserve note liabilities combined	76.9%	76.4%	76.1%	76.2%

MONTHLY STATEMENT OF LONDON CLEARING BANKS.
(000's omitted.)

Average Weekly Balances. January, 1923.	Bank of Liverpool and Martins, Limited.	Barclays Bank, Limited.	Coutts and Co.	Glyn, Mills, Currie, and Co.	Lloyds Bank, Limited.	London Joint City and Midland Bank, Limited.	London County Westm'r and Parr's Bank, Engl'nd, Limited.	National Provin- cial and Union Bank of Engl'nd, Limited.	National Bank, Limited.	Willm's Deacon's Bank, Limited.	Total
ASSETS.											
Coin, bank and currency notes, and balances with the Bank of England ..	7,394	36,759	1,521	4,658	34,881	52,202	29,777	30,385	3,796	4,764	206,137
Balances with and cheques in course of collection on other banks in the United Kingdom	1,914	7,066	503	878	7,441	9,107	8,930	7,260	136	1,034	44,269
Items in transit	4,728	21,653	3,101	11,335	14,803	13,518	19,628	15,705	4,515	3,569	112,555
Money at call and short notice	4,668	52,509	1,610	701	74,183	59,109	73,845	49,859	3,058	3,512	323,054
Bills discounted	14,270	71,787	4,663	12,268	88,844	49,198	55,358	54,124	19,418	7,345	377,275
Advances to customers and other accounts ..	37,405	126,486	7,034	6,836	120,287	182,428	104,341	122,198	17,271	19,471	743,757
Liabilities of customers for acceptances, endorsements, &c.	6,973	5,589	55	1,801	14,714	27,624	10,738	8,045	220	773	76,532
Bank premises account	1,472	4,914	346	370	4,903	5,270	3,911	4,130	646	662	26,624
Investments in affiliated banks	..	7,697	..	..	7,674	3,559	2,991	2,240	..	..	24,161
LIABILITIES.											
Ratio of cash to current, deposit, and other accounts	10.87	12.05	8.85	13.16	10.61	14.80	10.60	11.35	8.72	12.76	11.87
Capital paid up	2,349	15,592	800	1,000	14,372	10,861	9,004	9,309	1,500	1,875	66,662
Reserve fund	68,002	8,250	800	500	10,000	10,861	9,004	9,000	1,000	1,150	52,065
Current, deposit, and other accounts	6,973	305,029	17,178	35,388	328,644	352,670	280,759	267,592	43,530	37,332	1,736,124
Acceptances, endorsements, &c.	..	5,589	55	1,801	14,714	27,623	10,738	8,045	220	773	76,531
Notes in circulation	..	..	..	..	..	..	..	..	..	..	..
Reduction of bank premises account	..	..	..	..	..	..	..	..	..	..	..
	78,824	334,460	18,833	38,847	367,730	402,015	309,519	293,946	49,060	41,130	1,934,364

NATIONAL BANK OF ROUMANIA.

(000's omitted.)	Nov. 18, 1922.	Dec. 16, 1922.	Dec. 9, 1922.	Nov. 25, 1922.	Dec. 17, 1922.
ASSETS.					
Gold	533,050	533,154	533,054	533,053	495,459
Silver, &c.	636	604	508	430	313
Government loan ..	12,571,256	12,550,329	12,535,195	12,535,333	12,545,938
Other advances	4,148,259	4,201,641	4,230,170	4,218,119	2,235,522
LIABILITIES.					
Notes in circulation ..	15,385,993	15,184,171	15,304,988	15,361,486	13,709,378
Deposits	6,543,561	6,758,984	6,651,281	6,597,792	5,659,691

SWISS NATIONAL BANK.

(000's omitted.)	Jan. 31, 1923.	Jan. 23, 1923.	Jan. 15, 1923.	Jan. 6, 1923.	Jan. 31, 1922.	Position May 31, 1914
ASSETS.						
Gold	529,867	538,321	537,480	536,089	550,011	171,175
Silver	106,827	103,129	103,620	104,111	108,240	18,350
Darlehens-Kasse	12,614	12,762	13,072	13,109	18,411	..
Assets & advances	404,442	382,513	370,888	374,188	362,999	103,000
LIABILITIES.						
Notes in circulation ..	878,899	837,973	863,459	918,277	890,125	875,925
Deposits	213,365	235,691	207,325	155,614	194,646	33,750

The Monthly Statement of the Swiss Federal Loan Bank (Darlehenskasse) shows that up to December 31, 1922, total issues were Fr.20,812,754 of which Fr.13,246,125 was held by the Swiss National Bank.

BANK OF SWEDEN.

(000's omitted.)	Feb. 3, 1923.	Jan. 27, 1923.	Jan. 20, 1923.	Jan. 13, 1923.	Feb. 4, 1922.	May 24, 1914.
ASSETS.						
Gold	273,933	273,956	273,961	273,924	274,428	104,918
Balance abrd. and foreign bills	119,577	121,439	144,745	145,407	125,716	112,172
Gov. securities	122,828	122,810	103,959	103,959	16,392	34,465
Discounted loans	371,179	362,354	396,835	420,931	554,188	112,668
LIABILITIES.						
Notes in circulation ..	526,797	482,102	493,027	509,467	566,025	226,555
Deposits	303,581	337,245	363,221	368,954	349,158	69,660

NATIONAL BANK OF BELGIUM.

(000's omitted.)	Feb. 1, 1923.	Jan. 25, 1923.	Jan. 18, 1923.	Jan. 11, 1923.	Feb. 2, 1922.	Position May 24, 1914.
ASSETS.						
Coin (gold & silver and bullion)	345,315	343,458	343,480	343,298	327,240	322,650
Securities	633,991	635,593	615,248	624,643	424,300	697,600
LIABILITIES.						
Notes in circulation ..	6,916,720	6,779,618	6,758,498	6,778,856	6,359,269	934,150
Current accounts	222,634	320,162	346,954	318,384	678,735	112,125

AUSTRIAN NATIONAL BANK.

(000's omitted.)	Jan. 23, 1923.	Jan. 15, 1923.	Jan. 7, 1923.
ASSETS.			
Gold	49,241,282	50,118,517	49,672,207
Foreign bills	1,134,793,328	1,178,315,390	1,145,518,395
Bills discounted	666,125,131	676,784,196	731,613,035
Treasury bills	2,556,848,370	2,556,818,370	2,557,948,819
Other assets	647,563,515	755,233,562	685,566,906
LIABILITIES.			
Notes in circulation ..	3,976,769,294	4,078,919,323	4,053,689,483
Deposits	422,556,771	372,903,951	417,203,770
Other liabilities	372,745,225	490,643,619	424,529,275

As from January 1, 1923, the Austrian National Bank has taken the place of the Austro-Hungarian Bank.

HUNGARIAN BANK.

(000's omitted.)	Jan. 23, 1923.	Jan. 15, 1923.	Jan. 7, 1923.	Jan. 23, 1922.
ASSETS.				
Gold coin and bullion, bills Silver coin, &c.	14,919	15,226	15,649	12,676
Bills, warrants, drafts, &c.	595	595	595	596
Loans	53,884,053	53,681,692	53,089,075	24,036,172
LIABILITIES.				
Notes in circulation ..	1,885,527	1,933,372	2,015,772	1,147,931
Deposits	72,190,555	73,687,190	74,128,849	25,144,748
	6,701,077	5,899,283	5,977,974	2,795,138

NATIONAL BANK OF DENMARK.

(000's omitted.)	Jan. 31, 1923.	Dec. 31, 1922.	Nov. 30, 1922.	Oct. 31, 1922.	Jan. 31, 1922.	Position May 31, 1914
ASSETS.						
Coin and bullion	228,241	228,257	228,280	228,301	228,330	76,644
Loans & discounts	482,186	467,599	462,035	500,693	417,255	88,470
Debtors abroad	9,306	5,933	10,893	9,113	19,273	24,102
Securities	11,441	13,593	15,562	16,066	37,679	11,988
LIABILITIES.						
Notes in circulation ..	442,872	459,354	459,310	478,134	450,018	157,266
Deposits	164,744	163,710	169,211	181,481	127,209	6,696

BANK OF NORWAY.

(000's omitted.)	Jan. 31, 1923.	Jan. 23, 1923.	Jan. 15, 1923.	Jan. 31, 1922.	Position May 31, 1914
ASSETS.					
Coin and bullion	147,290	147,290	147,290	147,294	44,224
Balance abroad and foreign bills	37,185	38,871	40,402	43,257	28,533
Norwegian & Foreign Govern- ment securities	9,404	9,404	9,408	10,085	8,816
Discounts and loans	447,636	445,700	447,336	433,212	76,911
LIABILITIES.					
Notes in circulation ..	349,653	348,336	356,207	378,064	113,484
Deposits	160,977	162,465	158,000	130,767	7,188

Through Royal resolution of February 3, 1922, it has been resolved that the extraordinary right of issuing bank notes has been reduced from 50 millions to 25 millions from February 4, 1922 (this day included).

NATIONAL BANK OF EGYPT.

(000's omitted.)	Nov. 30, 1922.	Oct. 31, 1922.	Sept. 30, 1922.	Nov. 30, 1921.	Position May 31, 1914
ASSETS.					
Gold	3,362	3,359	3,358	3,362	1,571
Government securities	42,149	41,389	36,058	39,994	2,084
LIABILITIES.					
Notes in circulation ..	33,007	32,781	27,615	34,722	2,400
Government deposits ..	8,196	6,088	4,218	2,520	2,315
Other deposits	12,043	12,513	11,064	12,707	2,660

By authority of the Egyptian Government British Treasury Bills were deposited in lieu of gold.

BANK OF FINLAND.

(000's omitted.)	Jan. 23, 1923.	Jan. 15, 1923.	Jan. 8, 1923.	Jan. 23, 1922.	Position May 31, 1914
ASSETS.					
Gold	42,704	42,704	43,373	42,625	35,091
Balance abroad and foreign bills	803,705	794,980	747,618	207,826	90,379
Finnish and Foreign Govern- ment securities	586,384	586,384	586,384	806,198	21,826
Discounts and loans	640,730	653,571	649,626	649,878	105,151
LIABILITIES.					
Notes in circulation ..	1,345,188	1,357,452	1,403,003	1,300,180	123,941
Deposits	459,348	446,863	355,651	167,794	21,225

IMPERIAL BANK OF INDIA.

(000's omitted.)	Jan. 12, 1923.	Jan. 5, 1923.	Dec. 29, 1922.	Dec. 22, 1922.	Dec. 15, 1922.	Jan. 13, 1922.
ASSETS.						
Govt. securities	8,45,51	8,48,57	8,53,34	8,58,11	8,50,23	11,07,90
Other securities	1,25,67	1,25,63	1,25,63	1,25,63	1,25,63	1,28,17
Loans	19,29,25	18,31,65	19,13,98	16,65,51	15,38,18	16,15,15
Cash credits	28,83,59	28,95,15	28,77,45	27,64,54	27,05,78	28,25,58
Inland bills	6,34,67	5,79,01	5,25,23	5,22,25	5,24,88	10,29,17
Foreign bills	13,86	22,12	21,99	20,22	12,41	4,30
Dead stock	2,44,89	2,44,28	2,50,95	2,50,66	2,50,19	2,36,15
Sundries	36,48	40,28	76,70	69,02	65,27	42,91
Liabilities	9,23	3,52	4,28	11,07	4,13	12,63
Cash	11,94,69	14,01,54	15,47,85	16,42,85	19,40,14	12,52,53
LIABILITIES.						
Subscribed capital	11,25,00	11,25,00	11,25,00	11,25,00	11,24,96	11,24,00
Capital paid up	5,62,50	5,62,50	5,62,50	5,62,50	5,62,49	5,62,25
Reserve	4,22,50	4,11,89	4,11,89	4,11,89	4,11,89	4,01,79
Public deposits	13,40,60	12,44,90	14,01,93	13,12,92	12,11,15	5,92,06
Other deposits	54,26,32	55,95,61	55,89,42	54,08,40	56,60,34	63,22,05
Liabilities against securities ..	69,34	73,21	88,50	88,50	89,02	31,81
Sundries	93,98	1,04,04	1,46,16	1,45,65	1,41,95	44,44
The above include	..	..	..	..	..	..
Deposits in London	170	171	189	194	188	55
Advances in London	617	641	739	730	766	285
Cash, &c., at other banks in London	55	18	23	68	22	81

BANK OF PORTUGAL.

BANK OF PORTUGAL					
(000's omitted.)					
	Dec. 27, 1922.	Dec. 20, 1922.	Dec. 6, 1922.	Nov. 29, 1922.	Dec. 28, 1921.
ASSETS.	Escudos.	Escudos.	Escudos.	Escudos.	Escudos.
Coin and bullion	26,823	26,799	26,778	26,797	27,457
Of which gold	8,577	8,577	8,577	8,577	8,577
Balances abroad	37,829	43,495	31,532	42,561	4,480
Discounts	159,633	156,805	160,454	164,931	131,032
Government loans	860,097	860,097	860,097	860,097	623,109
LIABILITIES.					
Notes in circulation	1,047,028	1,036,709	1,023,875	1,000,092	722,754
Deposits	56,929	61,955	58,760	63,176	53,866

Comparison with the previous weeks:—

	Date	Bank Bills.			Trade Bills.		
		3 Months	4 Months	5 Months	3 Months	4 Months	5 Months
1922.		%	%	%	%	%	%
Nov. 24.....	1 1/2	2 1/2	2 1/2	2 1/2	3 1/2	3 1/2	3 1/2
Dec. 1.....	1 1/2	2 1/2	2 1/2	2 1/2	3 1/2	3 1/2	3 1/2
15.....	1 1/2	2 1/2	2 1/2	2 1/2	3 1/2	3 1/2	3 1/2
21.....	1 1/2	2 1/2	2 1/2	2 1/2	3 1/2	3 1/2	3 1/2
28.....	2 1/2	2 1/2	2 1/2	2 1/2	3 1/2	3 1/2	3 1/2
1923.		%	%	%	%	%	%
Jan. 5.....	1 1/2	2 1/2	2 1/2	2 1/2	3 1/2	3 1/2	3 1/2
12.....	1 1/2	2 1/2	2 1/2	2 1/2	3 1/2	3 1/2	3 1/2
19.....	1 1/2	2 1/2	2 1/2	2 1/2	3 1/2	3 1/2	3 1/2
26.....	1 1/2	2 1/2	2 1/2	2 1/2	3 1/2	3 1/2	3 1/2
Feb. 2.....	1 1/2	2 1/2	2 1/2	2 1/2	3 1/2	3 1/2	3 1/2
9.....	1 1/2	2 1/2	2 1/2	2 1/2	3 1/2	3 1/2	3 1/2

IRISH BANKS' RATE.

	Present Rate.	Date	Previous Rate.	Date
Discount	4	July 13, 1922	4 1/2	June 15, 1922
Deposit	1 1/2	June 15, 1922	2	Feb. 16, 1922

OVERSEAS BANK RATES.

	Bank Rate	Changed.	%	Bank Rate	Changed.	%
Amsterdam	July 18, 1922	4	4	Madrid	May 11, 1922	5
Athens	May 15, 1922	5 1/2	5 1/2	Paris	Mar. 11, 1922	5
Berlin	Jan. 18, 1923	5 1/2	5 1/2	Prague	Jan. 15, 1923	5
Brussels	Jan. 22, 1923	5 1/2	5 1/2	Rome	July 11, 1922	5 1/2
Bucharest	Sept. 4, 1920	6	6	Sofia	June 14, 1919	6 1/2
Calcutta	Jan. 11, 1923	8	8	Stockholm	July 1, 1922	4 1/2
Christiania	Aug. 17, 1922	5	5	Swiss Bank		
Copenhagen	Apr. 25, 1922	5	5	places	Aug. 17, 1922	3
Helsingfors	Oct. 16, 1922	8	8	Tokio	Nov. 18, 1919	8
Lisbon	Sept. 3, 1920	7	7	Vienna	Sept. 2, 1922	9
New York Federal Reserve ..	June 21, 1923	4	4	Warsaw	Sept. 1, 1921	7

RATES OF EXCHANGE.

London on	Usance	Par.	Feb. 10, 1922.	Feb. 2, 1923.	Feb. 9, 1923.
Paris	francs to £1	T.T.	25-22 1/2	50-53-58	74-80-90
Berlin	marks to £1	T.T.	30-43	857-860	170 (0-175000)
Vienna	krone to £1	T.T.	34-09	12250-12350	320,000-34,000
Prague	krone to £1	T.T.	34-09	227-232	161-162
Warsaw	zlotys to £1	T.T.	30-43	13500-14500	13,000-16,000
Bucharest	lei to £1	T.T.	25-22 1/2	530-570000	1080-1130
Budapest	for. to £1	T.T.	25-22 1/2	2700-2800	12000-13000
Constantinople	liras to £1	T.T.	110	610-640	745-785
Belgrade	dinars to £1	T.T.	25-22 1/2	625	750-800
Brussels	francs to £1	T.T.	25-22 1/2	330	475-525
Christiania	krone to £1	T.T.	12-107	11-66-69	11-834-844
Copenhagen	krone to £1	T.T.	25-22 1/2	52-92-97	87-35-45
Helsingfors	for. to £1	T.T.	18-159	26-43-48	25-15-20
Oslo	krone to £1	T.T.	18-159	16-74-77	17-58-64
Stockholm	for. to £1	T.T.	18-159	21-20-25	24-90-25-00
Switzerland	francs to £1	T.T.	25-22 1/2	186-187	177-179
Geneva	francs to £1	T.T.	25-22 1/2	964-97	380-390
Italy	lire to £1	T.T.	25-22 1/2	884-884	97-97 1/2
Madrid	pesetas to £1	T.T.	25-22 1/2	27-38-43	24-84-87
London	pence to £1	T.T.	25-22 1/2	27-75-80	29-89-92
Amsterdam	florins to £1	T.T.	25-22 1/2	4-42	2-2 1/2
Antwerp	francs to £1	T.T.	25-22 1/2	97 1/2	97 1/2
Brussels	francs to £1	T.T.	25-22 1/2	4-354-2	4-678-698
Copenhagen	krone to £1	T.T.	25-22 1/2	4-55-56	4-712-724
Helsingfors	for. to £1	T.T.	25-22 1/2	454-454	434-434
Oslo	krone to £1	T.T.	25-22 1/2	454-454	434-434
Stockholm	for. to £1	T.T.	25-22 1/2	454-454	434-434
Switzerland	francs to £1	T.T.	25-22 1/2	454-454	434-434
Geneva	francs to £1	T.T.	25-22 1/2	454-454	434-434
Italy	lire to £1	T.T.	25-22 1/2	454-454	434-434
Madrid	pesetas to £1	T.T.	25-22 1/2	454-454	434-434
London	pence to £1	T.T.	25-22 1/2	454-454	434-434
Amsterdam	florins to £1	T.T.	25-22 1/2	454-454	434-434
Antwerp	francs to £1	T.T.	25-22 1/2	454-454	434-434
Brussels	francs to £1	T.T.	25-22 1/2	454-454	434-434
Copenhagen	krone to £1	T.T.	25-22 1/2	454-454	434-434
Helsingfors	for. to £1	T.T.	25-22 1/2	454-454	434-434
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Geneva	francs to £1	T.T.	25-22 1/2	454-454	434-434
Italy	lire to £1	T.T.	25-22 1/2	454-454	434-434
Madrid	pesetas to £1	T.T.	25-22 1/		

RAILWAY AND TRAMWAY TRAFFIC RETURNS.

RAILWAYS OF THE UNITED KINGDOM.

Miles Open.	Week Ended Feb. 4, 1923.			Aggregate 5 Weeks 1923.		
	Passen- gers, &c.	Goods, &c.	Total for Week.	Passen- gers, &c.	Goods, &c.	Total Receipts.
Great Western.....	3,685	199,000	£67,000	1,659,000	£1,756,000	£2,815,000
London & North-Eastern	6,661	347,000	802,000	1,149,000	1,760,000	5,410,000
Do same period 1922	6,661	377,000	781,000	1,158,000	1,943,000	5,410,000
London, Mid., & Scottish	6,971	608,000	962,000	1,470,000	2,560,000	7,128,000
Southern	2,104	225,700	130,500	1,316,000	594,500	1,910,500
Midland & S.W. Junc.	63	1,187	2,306	5,244	10,984	17,657
Metropolitan (c).....	794	30,931	3,279	34,270	158,590	16,067
Underground E.R. (c)	..	..	..	212,831	..	1,039,537
London & Sub. Group (c).....	..	..	..	38,244	..	183,691
Belfast & Co. Down (b)	80	4,119	1,315	5,437	19,712	5,786
Dublin and S. East. (b)	160	6,650	3,213	8,763	25,433	42,521
Do same period 1922	160	6,650	3,213	8,763	25,433	42,521
Midland Gt. West. (b)	538	7,447	16,150	23,597	62,808	103,584
Do same period 1922	538	12,625	11,477	24,102	61,389	117,517

(b) Week ended February 2, 1923. (c) Week ended February 3, 1923.

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.	Total Gross Receipts.
				1922-23. + or -	1922-23. + or -
INDIAN.					
Assam Bengal.....	39 weeks	Dec. 30	1,043	Rs. 2,25,441 + 21,430	Rs. 30,011
Bombay, Bar., & C. I.	41 weeks	Jan. 13	118	38,700 + 2,700	13,59,700
Bombay, Bar., & C. I.	41 weeks	Jan. 13	118	5,69,150 + 2,37,311	78,49,409
Bombay, Bar., & C. I.	41 weeks	Jan. 13	118	28,77,000 + 8,19,000	3,91,14,000
Bombay, Bar., & C. I.	41 weeks	Jan. 13	118	6,55,262 + 15,035	2,66,25,369
Bombay, Bar., & C. I.	41 weeks	Jan. 13	118	39,000 + 25,081	1,79,39,372
Bombay, Bar., & C. I.	41 weeks	Jan. 13	118	35,87,900 + 5,62,600	1,17,06,142
Bombay, Bar., & C. I.	41 weeks	Jan. 13	118	13,90,000 + 1,45,320	5,72,97,413
Bombay, Bar., & C. I.	41 weeks	Jan. 13	118	41,145 + 12,788	78,379
Bombay, Bar., & C. I.	41 weeks	Jan. 13	118	6,259 + 71,132	4,101
Bombay, Bar., & C. I.	41 weeks	Jan. 13	118	6,313 + 71,291	16,069
Bombay, Bar., & C. I.	41 weeks	Jan. 13	118	8,38,002 + 22,455	3,82,17,990
Bombay, Bar., & C. I.	41 weeks	Jan. 13	118	8,57,125 + 1,72,979	50,10,599
Bombay, Bar., & C. I.	41 weeks	Jan. 13	118	8,57,125 + 1,72,979	50,10,599

ARGENTINE (a).

Argentine N.E.	31 weeks	Feb. 3	752	11,200 + 1,700	313,800 + 30,100
Argentine Trans.	31 weeks	Feb. 3	111	4,420 + 1,620	89,430 + 28,955
B. A. and Pacific.	31 weeks	Feb. 3	3,428	198,000 + 43,000	4,542,000 + 649,000
B. A. and Pacific.	31 weeks	Feb. 3	3,947	245,000 + 57,000	5,395,000 + 643,000
B. A. and Pacific.	31 weeks	Feb. 3	3,947	137,000 + 66,000	1,918,000 + 1,042,000
B. A. and Pacific.	31 weeks	Feb. 3	3,947	94,000 + 12,000	2,664,000 + 321,000
B. A. and Pacific.	31 weeks	Feb. 3	3,947	36,000 + 18,000	890,000 + 597,000
B. A. and Pacific.	31 weeks	Feb. 3	3,947	41,145 + 12,788	78,379
B. A. and Pacific.	31 weeks	Feb. 3	3,947	3,305 + 229,000	6,034,000 + 567,400
B. A. and Pacific.	31 weeks	Feb. 3	3,947	57,000 + 14,000	1,817,900 + 221,000
B. A. and Pacific.	31 weeks	Feb. 3	3,947	26,503 + 6,200	587,400 + 4,100

BRAZILIAN (b).

Brazil Gt. Southern.....	12 mths	Dec. 31	1,005	14,700 + 700	660,750 + 78,600
Brazil Gt. Southern.....	12 mths	Dec. 31	1,005	14,700 + 700	660,750 + 78,600
Brazil Gt. Southern.....	12 mths	Dec. 31	1,005	14,700 + 700	660,750 + 78,600
Brazil Gt. Southern.....	12 mths	Dec. 31	1,005	14,700 + 700	660,750 + 78,600
Brazil Gt. Southern.....	12 mths	Dec. 31	1,005	14,700 + 700	660,750 + 78,600

CHILE AND PERU.

Antofagasta.....	5 weeks	Feb. 4	838	36,375 + 17,880	176,190 + 93,785
Nitrate (monthly).....	4 weeks	Jan. 31	366	11,302 + 28,280	23,926 + 47,686
Peruvian Corp.	7 mths	Jan. 31	1,056	1,032,400 + 333,478	8,92,045 + 15,545
Taitai.....	7 mths	Jan. 31	172	24,050 + 15,907	118,059 + 52,297

CUBAN.

Havana Central.....	31 weeks	Feb. 3	1,210	14,933 + 1,720	324,288 + 4,916
United of Havana.....	31 weeks	Feb. 3	1,210	120,264 + 31,499	1,690,733 + 88,636

URUGUAYAN.

Central Uruguay.....	31 weeks	Feb. 3	273	29,524 + 2,210	792,849 + 25,513
C. Urug. (East Ext.).....	31 weeks	Feb. 3	311	6,641 + 195	157,131 + 6,488
C. Urug. (North Ext.).....	31 weeks	Feb. 3	311	2,737 + 20	83,598 + 1,055
C. Urug. (West Ext.).....	31 weeks	Feb. 3	311	5,339 + 776	78,168 + 5,958
Midland Uruguay.....	6 mths	Jan. 31	319	17,021 + 1,041	95,443 + 5,722
North-West Uruguay.....	7 mths	Jan. 31	113	6,064 + 453	47,461 + 3,176
Uruguay North.....	6 mths	Dec. 31	73	2,756 + 782	15,282 + 2,159

OTHER FOREIGN.

Alcoy and Gandia.....	5 weeks	Feb. 3	33	23,000 + 3,000	123,000 + 32,000
Bilbao.....	1 mth	Jan. 31	15	1,760 + 807	1,760 + 807
Bilbao.....	1 mth	Jan. 31	15	11,000 + 1,016	11,000 + 1,016
Bilbao.....	1 mth	Jan. 31	15	22,899 + 4,824	97,982 + 7,845
Bilbao.....	1 mth	Jan. 31	15	13,500 + 2,500	13,500 + 2,500
Bilbao.....	1 mth	Jan. 31	15	9,400 + 4,400	9,400 + 4,400
Bilbao.....	1 mth	Jan. 31	15	10,692 + 3,189	275,082 + 42,438
Bilbao.....	1 mth	Jan. 31	15	99,655 + 26,328	391,785 + 146,105
Bilbao.....	1 mth	Jan. 31	15	78,379 + 11,925	856,045 + 33,845
Bilbao.....	1 mth	Jan. 31	15	32,673 + 12,209	300,483 + 7,222
Bilbao.....	1 mth	Jan. 31	15	9,010 + 930	99,950 + 4,170
Bilbao.....	1 mth	Jan. 31	15	491,000 + 313,500	6,754,000 + 1,813,100
Bilbao.....	1 mth	Jan. 31	15	1,61,400 + 169,000	1,249,200 + 707,700
Bilbao.....	1 mth	Jan. 31	15	11,833 + 807	123,336 + 20,798
Bilbao.....	1 mth	Jan. 31	15	12,760 + 220	49,870 + 64,066
Bilbao.....	1 mth	Jan. 31	15	3,750 + 1,000	35,000 + 2,500
Bilbao.....	1 mth	Jan. 31	15	5,344 + 1,708	93,157 + 9,800
Bilbao.....	1 mth	Jan. 31	15	128,358 + 3,918	..
Bilbao.....	1 mth	Jan. 31	15	5,160 + 797	5,160 + 797
Bilbao.....	1 mth	Jan. 31	15	12,740 + 3,205	145,791 + 25,338

(a) Converted at par. (b) Converted at the current rate of exchange.

(c) 10 days return.

AMERICAN RAILROAD GROSS AND NET RECEIPTS.

This table is extracted from the Commercial and Financial Chronicle of New York.

Date.	Miles of Road.		Gross Earnings.		Net Earnings.	
	1921.	1922.	1922.	Increase or Decrease on 1921.	1922.	Increase or Decrease on 1921.
Jan.	235,653	236,635	393,892,529	- 75,303,279	57,421,605	+ 29,089,649
Feb.	235,653	236,635	400,430,580	- 4,712,834	76,706,840	+ 54,882,820
Mar.	234,202	234,986	473,433,886	+ 16,059,426	113,468,843	+ 54,637,199
Apr.	234,338	234,955	416,240,237	- 15,866,410	80,514,943	+ 23,040,083
May	235,333	234,931	447,299,150	+ 4,069,751	92,331,565	+ 28,064,928
June	235,208	235,310	472,383,903	+ 12,766,822	109,445,113	+ 28,989,678
July	234,556	235,082	442,736,397	- 19,960,589	102,558,414	+ 1,964,485
Aug.	233,815	235,294	472,242,563	+ 31,211,054	86,506,595	- 36,787,070
Sept.	235,205	235,280	498,703,275	+ 1,723,772	91,381,593	- 29,046,959
Oct.	235,228	235,748	545,759,206	+ 13,074,292	120,216,296	- 17,683,952
Nov.	236,043	235,748	523,748,483	- 57,618,155	113,662,987	+ 15,846,050

CANADIAN RAILWAYS WEEKLY AND MONTHLY STATISTICS.

Name.	Period.	Ending.	Receipts for Week or Month.	Incr. or Dec.	Aggregate Receipts.	Incr. or Dec.
Algonquin & Hudson Bay	5 mths	Nov. 30	Gross \$182,682 + 17,707		940,448 + 35,854	
Canadian N.	4 weeks	Jan. 31	Gross \$1,563,100 + 228,505		4,831,500 + 563,722	
Canadian N.	4 weeks	Jan. 31	Gross \$5,569,100 - 812,590		60,591,794 - 8,493,679	
Canadian Pac.	4 weeks	Jan. 31	Gross \$4,239,000 + 737,000		12,849,000 + 1,510,000	
Canadian Pac.	12 mths	Dec. 31	Gross \$17,566,000 + 169,000		186,676,000 + 6,347,000	
Canadian Pac.	12 mths	Dec. 31	Net \$3,465,000 + 154,000		36,302,000 + 2,100,000	
Grand Trunk.	4 weeks	Jan. 31	Gross \$814,618 + 103,439		1,771,521 + 265,894	
Temiscouia	1 mth	Dec. 31	Gross \$31,700		..	

* Net earnings before deducting taxes. (Railway and Steamship receipts, 10 days.)

OTHER BRITISH OVERSEAS RAILWAYS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.	Total Gross Receipts.
				1922. + or -	1922. + or -
Beira and Mashona-land	1 mth	Nov. 30	810	100,802 + 615	..
Mid. of W. Aust.	5 mths	Jan. 31	277	13,878 + 1,641	62,016 + 13,053
New Cape Central.	2 weeks	Jan. 13	205	2,102 + 499	4,309 + 605
Rhodesia Railways.	1 mth	Nov. 30	1,397	125,149 + 2,974	..

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week.	Total Receipts.
				1923. + or -	1923. + or -
Anglo-Argentine.....	5 weeks	Feb. 4	329	Rs. 1,17,723 + 5,559	427,542 + 20,275
Bombay, Bar., & C. I.	5 weeks	Feb. 4	12	23,119 + 141	..
Calcutta Tramways.	5 weeks	Feb. 4	15	Rs. 11,15,024 + 16,135	..
Chennai & District.	5 weeks	Feb. 4	15	2,714 + 1,111	..
Egyptian Markets.	4 weeks	Jan. 25	..	42,711 + 1,076	10,529 + 5,427
Glasgow Corporation Tramways.	35 weeks	Feb. 3	106	£44,835 + 1,309	1,519,614 - 82,956
Isle of Man.	18 weeks	Jan. 31	..	25,14 + 14	10,202 - 929
Leicester & Notts.	4 weeks	Jan. 31	39	£2,808 - 328	12,176 - 651
Liverpool Corporation Tramways.	5 weeks	Feb. 3	124	£27,881 - 407	1,36,516 - 5,480
L.C.C. Tramways.	4 weeks	Feb. 3	7	£80,754 - 916	4,111,803 - 271,439
Madras Elect. (2 wks)	3 weeks	Jan. 31	..	Rs. 53,998 - 392	104,024 - 1,215
Pernambuco Trams.	5 weeks	Feb. 4	..	£1,079 + 118	19,324 + 427
Singapore Electric.	30 weeks	July 29	..	£7,095 - 6,142	365,271 - 8,509

TRAMWAY & OTHER MONTHLY GROSS & NET RECEIPTS.

Name.	Period.	Ending.	Present Mileage	Receipts for Month.		Total Receipts.	
				1922.	+ or -	1922.	+ or -
Barcelona Trac. ropts. in pasas.	12 mths	Dec. 31	Gross Net	Rs.453,009 Rs.234,462	+ 714,616 - 217,110	6,728,300 28,054,277	+ 9,027,870 + 4,008,890
Brazilian Trac.	12 mths	31	Gross Net	17,873,000 11,403,000	+ 2,468,000 + 2,049,000	1,977,490,000 124,500,000	+ 268,000,000 + 2,940,000
Brisbane Electric	12 mths	31	..	£50,575	+ 3,075	597,845	+ 31,100
Brit. Columbia Electric, &c.	6 mths	31	Gross Net	£923,922 £295,785	+ 16,191 + 9,238	5,190,572 1,532,575	+ 2,343 + 159,193
Buenos Ayres La Crose Trams	7 mths	Jan. 31	514	£63,730	+ 2,532	426,775	+ 21,955
Burmah Electric Trways. & Light	5 mths	Dec. 31	..	Rs.62,006	+ 7,812	..	+ 20,931
Cape Elec. Trams	1 mth	31	Gross Net	£39,442 £14,016	..	..	..
Canadian Westrn Natural Gas	5 mths	31	Gross	£125,990	+ 23,772	281,338	+ 20,931
Carthagena and Herrerias Trms.	1 mth	Jan. 31	12	2,291	- 784	2,291	- 784
Cities Service Co.	Year	Dec. 31	Gross Net	£1,287,671 £1,242,471	+ 94,221 + 80,440	14,658,971 14,205,674	+ 1,197,971 + 1,260,971
Cordoba Light.&c. Elec. Sup. of Vict.	9 mths	31	Gross Net	£25,810 £22,477	+ 3,176 + 14	231,899 37,758	+ 29 + 37,758
Havana Elec. Ri. Light. & Power	11 mths	Nov. 30	Gross Net	£1,092,363 £572,042	+ 49,806 + 17,492	11,780,735 5,995,702	+ 45,806 + 1,080,702
International Light & Power	6 mths	Dec. 31	Gross Net	£2,900 £65	+ 135,201 + 977	75,134	+ 2,000
Kalgoorlie Elec. Tramways	11 mths	Nov. 30	Gross Net	£2,266 £676	..	27,353	..
Keystone Tele.	12 mths	Dec. 31	Gross Net	£168,833 £90,141	+ 4,556 + 15,477	1,703,274 725,593	- 35,274 + 92,593
La Guaira Harbr. La Plata Electric	1 mth	31	..	£6,970	+ 831	..	..
Lima Light, Pwr and Tramways.	11 mths	Nov. 30	Gross Net	£7,265 £63,242	+ 9,441 + 1,302	7,265 73,407	+ 45,806 + 45,806
Manila Electric Railroad, &c.	12 mths	Dec. 31	Gross Net	£318,242 £150,731	+ 1,775 + 23,282	3,554,121 1,534,232	- 97,121 + 84,232
Para Electric....	1 mth	31	Gross Net	£24,351 £29,508	+ 1,691 + 962	24,351 9,508	+ 1,691 + 9,508
Puebla Tram. &c.	1 mth	Nov. 30	Net	£94,000	..	..	..
Rangoon Electric Burmah Electric	1 mth	Jan. 31	Gross Net	Rs.46,375 Rs.189,400	+ 8,525 + 1,725	2,199,346 1,199,346	+ 159,346 + 159,346
United States of Montevideo	3 mths	Jan. 31	Gross	£59,339	+ 26,705	167,375	+ 3,375
Vera Cruz	10 mths	Nov. 30	..	£33,200	+ 12,400	496,700	+ 12,400
Victoria Falls & Transvaal Pwr.	Quarter	Sept. 30	Net	£239,082	..	..	..

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Pay- ment of Deben- ture Interest.	Amount Avail- able for Distri- bution.	Appropriation.					Corresponding Period Last Year.	
					Dividend.			Carried to Reserve, Deprecia- tion, &c.	Balance Forward.	Net Profit.	Divi- dend.
					Prefce.	Ordinary.	Rate.				
					Amount.	Amount.					
Breweries.		£	£	£	£	£	%	£	£	£	%
Holt Breweries	Dec. 31	50,136	78,393	128,529	18,750	25,000	5	30,500	54,279	89,466	7½
Electric Lighting and Power.											
Northampton Electric	Dec. 31	4,565	34,601	39,166	1,868	21,524	9	9,000	6,774	32,503	9
Yorkshire Electric Power	Dec. 31	23,260	101,004	124,264	23,529	49,196	8	25,000	26,538	74,316	8
Gas.											
Brentford	Dec. 31	48,015	120,747	168,762	2,750	105,528	6½ A 6½ B	11,000	49,484	111,511	5½ A 5½ B
Commercial	Dec. 31	24,930	150,543	175,473	..	119,968	5½ 5½	..	55,505	84,261	4½ 4½
South Metropolitan	Dec. 31	582	611,862	612,444	12,500	363,544	5½	..	236,400	343,576	5
South Staffordshire Mond	Dec. 31	3,541	5,177	8,718	..	8,718	..	..	8,718	Dr 31,929	..
South Suburban	Dec. 31	..	98,453	98,453	..	65,268	6	7,900	25,285	47,669	5½
Walker and Wallsend Union	Dec. 31	4,027	18,832	22,859	1,497	6,181	5½ 6½	1,600	13,581	Dr 853	5
York	Dec. 31	6,029	12,442	18,471	1,500	11,445	4½	302	5,226	3,144	3½ 4½
Rubber, &c.											
Bombay	Sept. 30	9,900 Dr	1,634 Dr	8,266	..	..	..	..	8,266 Dr	1,894	..
Seychelles	June 30	297	601	304	..	..	..	..	304 Dr	2,591	..
United Serdang (Sumatra)	Aug. 31	17,072	42,776	59,848	..	30,000	5	22,665	7,183	Dr 64,427	..
Shipping.											
Wm. France, Fenwick, and Co.	Dec. 31	14,524	79,397	93,921	8,250	75,000	10 15	..	10,671	84,441	10 15
Shops and Stores.											
Home and Colonial	Dec. 30	46,531	341,969	388,500	91,500	127,500	cmOr 22½ Ord.)	119,196	50,304	309,875	cmOr 25 Ord.)
Lilley and Skinner	Aug. 31	13,564	7,759	21,323	2,659	8,510	7½	..	10,154	12,694	10
Tea.											
Meppadi Wynad	Sept. 30	Dr 23,461	6,141 Dr	17,320	..	..	..	..	Dr 17,320	..	..
Textiles.											
Emmotts and Wallshaw	Dec. 31	2,316 Dr	5,387 Dr	8,071	2,028	1,843	5	Dr 10,000	3,058	Dr 10,000	10
Jute Industries	Sept. 30	12,693	158,761	271,454	197,156	..	..	60,000	14,298	249,786	..
Linen Thread	Sept. 30	214,267	307,422	521,689	121,000	181,500	11½	..	219,189	158,937	6½
Rylands and Sons	Dec. 31	142,316	127,064	269,380	45,000	75,000	10	..	149,380	65,038	10
Tramways.											
City of Buenos Ayres	Dec. 31	7,340	60,858	76,198	..	62,000	5	5,000	9,198	67,399	5
Dublin United	Dec. 31	12,478	107,621	120,099	26,512	24,482	5	55,000	14,105	82,447	5
Trust.											
Guardian Investment	Jan. 20	10,000	34,129	44,129	10,317	18,350	8	3,462	12,000	33,406	7½
London Property Investment	Dec. 30	3,456	9,278	12,734	..	8,922 (8,809	A 9 B 7½)	337	666	7,060	A 9 B 7½
Waterworks.											
East Worcestershire	Dec. 31	3,274	4,716	7,990	..	962	3½	4,400	2,628	1,931	nil
Sunderland and South Shields	Dec. 31	8,996	63,720	72,716	1,087	46,187	7½	..	25,442	26,685	..
Sutton District	Dec. 31	677	18,607	19,284	7,188	6,600	11	2,000	3,496	7,909	10
Other Companies.											
Borax Consolidated	Sept. 30	117,638	330,830	448,468	80,000	143,750	12½	100,825	123,893	292,574	12½
Bristol and South Wales Railway	Dec. 31	2,699	13,844	16,543	..	15,000	10	..	1,543	..	..
Wagon	Dec. 19	13,964	54,286	68,250	..	33,000	10	25,000	10,250	42,726	5
Fore Street Warehouse	Dec. 31	101,477	51,087	152,564	..	37,500	12½	5,000	110,064	23,719	10
Foster, Porter, and Co.	Dec. 31	11,548	184,793	196,341	..	53,811	15	113,500	28,990	99,075	10
George Outram and Co.	Dec. 31	20,828	28,818	49,646	10,800	29,250	13	2,000	7,596	22,810	15
Hart and Levy	Dec. 31	10,497	22,716	33,213	10,400	10,024	8	..	12,789	3,725	5
Hayes, Candy, and Co.	Dec. 31	6,441	176,330	182,771	101,500	35,000	5	35,000	11,271	56,744	nil
J. and N. Phillips and Co.	Dec. 31	2,178	1,504	3,682	..	2,065	7	..	1,617	2,378	6½
Royal Exchange (Leeds)	Dec. 31	6,512	7,494	14,006	4,500	4,200	6	..	5,306	Dr 18,422	6
Wm. McLaren, Sons, and Co.	Dec. 20	..	..	..	..	..	..	..	..	..	..

* Half-year.

Reports and Notices.

Mr G. E. B. Bromley-Martin has been elected chairman of the London Board of the Liverpool and London and Globe Insurance Company, Limited.

The London financial agents of the Mexican Eagle Oil Company, Limited, received cable advice from Mexico that a new well, San Geronimo No. 12, came in on January 24, 1923. The announcement has been withheld pending production tests, which now indicate a potential capacity of 13,000 barrels daily.

Mr Charles Caryl Baker, F.C.A. (Ball, Baker, Cornish, and Co.), Finsbury court, Finsbury pavement, E.C., has been appointed receiver of Lamag Rubber Estates (1913), Limited.

BANKS.

DOMINION BANK (CANADA).—The report for the year ended December 30, 1922, shows a profit for the year of \$1,175,478, to which is added \$715,480 brought in, making \$1,890,958 available. The total distribution of 13 per cent. for the year absorbed \$780,000. Contribution to officers' pension fund amounted to \$45,000; Dominion and Provincial Government taxation amounted to \$157,795, while \$150,000 has been written off bank premises. The balance of \$758,163 is carried forward.

INSURANCE.

NATIONAL MUTUAL OF AUSTRALASIA.—The new business for the year ended September 30, 1922, amounted to 13,232 policies, assuring \$2,007,567, yielding new annual premium of £200,198, and single premiums of £13,386. The net premium income was £1,833,686,

against £1,748,241, and the expenses amounted to 14.67 per cent. of the premiums, as compared with 15.12 per cent. The rate of interest earned was £5 8s 3d per cent., after deducting income-tax. The life funds increased during the year by £1,486,304, to £16,587,659.

SUN LIFE OFFICE.—The report for 1922 shows that the net new assurances numbered 11,764 for £5,067,338, at annual premiums of £212,935, and single premiums of £22,513. The net premium income was £1,578,467, against £1,441,342, and the expenses and commissions amounted to 19.5 per cent. of the premiums, as compared with 19.9 per cent. The rate of interest earned was £4 12s 6d per cent. after deducting income-tax. The life assurance fund increased by £484,133 to £12,494,125.

THE SCOTTISH LIFE ASSURANCE COMPANY, LIMITED.—The report for 1922 states that the proposals for life assurance numbered 1,295 for a capital sum of £1,016,652, of which proposals to the extent of £181,999 were declined or not completed. The assurances granted were 1,056 for £834,653, and of that amount £124,510 was reassured, leaving a net new business of £710,143. The net new premiums were £36,742, of which £9,758 were single premiums. The directors regard these figures as satisfactory, especially in view of the continuance of commercial and industrial depression. The life premiums of the year amounted to £393,178, of which there was paid away under reassurances £27,854, leaving a net premium income of £365,324. The mortality experienced has been very low, the claims by death having amounted, with bonus additions, to £84,258. The endowment assurances paid on survivorship amounted, with bonus additions, to £75,126. The consideration received for annuities was £7,951. By the occurrence of 15 deaths among the annuitants, the company has been relieved of an annual charge of £817. The life funds increased to £3,502,450; the addition during the year was £263,252, being a greater addition than has been made in any previous year. Having regard to the strength of the reserves, and to

the steadily accumulating surplus, the directors have increased the rate of intermediate or prospective bonus on full-profits policies from £1 per cent. to £2 per cent. in respect of each of the remaining three years of the current quinquennium. The directors recommend a dividend of 15 per cent., less tax.

MISCELLANEOUS.

HOME AND COLONIAL STORES.—In presenting their annual report with the balance-sheet and accounts for 1922 the directors are again able to record an improvement in the volume of trade. As usual, the premises of the company have been maintained in an efficient state of repair, and depreciation of leaseholds, plant, fittings, &c., has been adequately provided for out of revenue, at a cost together of £62,023. The net profit for the year as shown in the accounts amounts to £341,969, to which is added the balance brought from the previous year, £46,531, making the total £388,500. There have been deducted quarterly dividends paid for the year on the 6 per cent. cumulative preference shares, the 15 per cent. cumulative preference shares, and the 15 per cent. cumulative ordinary shares, £129,000; interim dividend paid July 1, 1922, of 1s 3d per share on the 400,000 ordinary shares, £25,000; amount added to reserve, £34,196; leaving a balance of £200,304. The directors recommend that this balance be appropriated as follows:—To the payment of a final dividend on the 400,000 ordinary shares of 1s 9d per share, making 15 per cent. for the year, £35,000; to the payment of a special bonus on the 400,000 ordinary shares of 1s 6d per share, £30,000; to the company's benevolent fund, £10,000; to provide for income-tax, £25,000; to provide for corporation profits tax, £18,000; to reserve for equalising dividends, £32,000; to carry forward, £50,304. The total of the reserve fund is now £566,885. The report goes on to say that "reference was made in the last directors' report to the re-valuation of the company's plant, machinery, fixtures, fittings, freehold and leasehold properties and leasehold values made in 1921 by Messrs Burrows and Richards, Limited, of 88 Bishopsgate, E.C. The valuation very largely exceeded the book values of these assets after adjustment of the depreciation reserves. A portion of this excess has been utilised to write down the balance-sheet value of the company's goodwill, as shown in the balance-sheet. The thanks of the shareholders are again due to the company's staff, both at the head office and the branches, for their work during the past year; and the shareholders will be asked to approve a special bonus of £15,000 paid to the staff for 1922, which has been charged before arriving at the net profit."

SOUTH METROPOLITAN GAS.—The following is extracted from the report and accounts for 1922:—The directors are pleased to report that the gas supply of South London has been regarded with extended favour by the consumers, whose numbers and requirements have both increased. This is not surprising when it is remembered that while in 1920 the method of charge was changed from the cubic foot to the therm basis, the quality and composition of the gas have been maintained at not less than their pre-war standards. The method of gas manufacture employed by the company to-day is identical with that established over half a century ago, except that it is now practised with the greater understanding which a highly trained scientific staff has brought to bear upon the subject. It is very gratifying to be able to state that complaints relating to gas bills have shown no increase over the small numbers received in previous years. The world-wide demand for coal arising out of the uncertain position of the mining industry in America and Germany has stiffened the English market, and has for the present deferred the reduction of coal prices to an economic basis. The proportion of surplus profits earned for the year is sufficient to enable a dividend to be paid upon the ordinary stock of 5½ per cent. per annum, and the directors recommend that this be paid less the amount of the interim dividend. The pre-war rate of dividend will thus have been reached for the first time since June, 1914. After several years' omission a copartnership bonus has been credited to the weekly and salaried staff. The renewal of this feature of a copartnership, which includes not only capital and labour but also the consumer, has been received with great satisfaction by the employees, whose devotion to the interests of the company calls for the highest commendation.

SOUTH SUBURBAN GAS.—Report for 1922 states that three reductions were made in price of gas during year, lowest price in company's area being now 11 4s 3d per therm, or 4s 6.28d per 1,000 cubic feet. Downward tendency of coal prices appears to have been arrested. Sales of gas show increase of 3.66 per cent., while number of consumers has increased by 3,770, and of cookers, gas fires, &c., on hire, by 4,158. After providing for all debenture and other interest charges and payment for first half of year of statutory dividend at rate of 6 per cent. per annum, less tax, there remains £57,919. Directors recommend second half-year dividend at rate of 6 per cent. per annum, less tax, carrying forward £25,285. The meeting will be held at Cannon street Hotel, February 16th, at noon.

YORKSHIRE ELECTRIC POWER.—The statement of account for the year 1922 compares with the two previous years as follows:—

	1920.	1921.	1922.
The net profit after payment of interest and discount charges is	£ 64,739 11	£ 74,316 0	£ 101,003 16
And the balance brought forward is	17,596 9 7	20,938 15 1	23,259 16 4
Making a total of	82,336 0 8	95,254 15 2	124,263 12 10

The directors recommend a dividend on the cumulative preference capital at the rate of 6 per cent. for 1922, amounting to £23,529; a dividend on the ordinary capital at the rate of 8 per cent. for 1922 amounting to £49,196; the sum of £25,000 has been placed to the general reserve fund (increasing this fund to £129,000); carrying forward the balance of £26,538. The report goes on to say that the works of the company have been fully maintained out of revenue,

Economies effected during the year, more especially by the new generating plant installed, have resulted in a satisfactory improvement in the balance available for disposal. There has been a substantial increase in the amount of electricity sold, accompanied by a large reduction of price to customers of the company, following the price of coal in terms of their agreements. New generating plant has been set to work at Barugh, and a new 12,000 k.w. turbo-alternator is nearing completion at Thornhill. Co-ordination of supply in the company's area progresses by agreements entered into with the Corporations of Leeds and Rotherham and the Urban District Councils of Holmfirth and Mexborough. The amount of electricity supplied in bulk continues to increase, and it is satisfactory to note from published statements of local authorities that definite economies have resulted from taking a bulk supply from the company. In February last an issue of £58,360 6 per cent. cumulative preference shares was made and considerably over-applied for. The amount of 5½ per cent. redeemable debenture stock issued has been increased to £550,000, a further £190,000 having been taken up at par in August last.

TRANSVAAL GOLD OUTPUT STATISTICS.

Name of Mine.	December, 1922.			January, 1923.		
	Ore.	Est. Yield.	Est. Profit.	Ore.	Est. Yield.	Est. Profit.
Aurora W. United (10s shares)	12,760	14,555	2,098	13,150	14,499	2,071
Brakpan	60,200	110,063	46,699	64,600	110,408	42,464
City Deep	90,000	175,665	67,906	92,500	171,070	60,362
Consolidated Langlaagte	45,500	57,372	10,738	49,000	59,017	10,419
Consolidated Main Reef	50,000	77,669	8,756	55,000	86,991	17,195
Crown Mines (10s shares)	210,000	282,507	73,103	219,000	293,845	74,483
Durban Roodepoort Deep	34,000	48,671	5,727	33,800	49,403	6,812
East Rand Proprietary	134,100	137,150	3,224	130,500	145,145	242
Ferreira Deep	30,600	36,064	3,879	34,000	40,140	5,042
Geduld Proprietary	46,000	74,354	30,094	47,000	77,121	30,625
Geldenhuis Deep	53,437	57,687	733	54,100	59,722	1,514
Glynns Lydenburg	4,210	7,071	1,329	4,215	7,167	1,338
Goch, New	15,200	16,112	1,032	16,500	15,878	794
Government Areas	45,100	49,150	1,271	48,000	49,375	794
Kleinfontein, New	31,400	27,827	2,694	34,000	30,336	4,296
Langlaagte Estate	51,000	74,163	20,136	51,000	77,012	20,054
Langlaagte Vlei	18,110	16,090	717	21,800	20,003	252
Meyer and Charlton	15,700	38,335	23,285	15,800	37,389	22,138
Modderfontein B.	62,000	81,457	81,154	63,000	148,005	79,773
Modderfontein Deep Levels	42,000	99,491	60,178	44,700	106,257	66,422
Modderfontein East	27,400	67,966	34,908	27,500	55,423	30,197
Modderfontein, New (4s shares)	111,000	222,055	130,440	114,000	226,391	133,429
New United	11,500	10,490	1,245	12,600	11,239	1,077
Nourse Mines	45,500	62,193	6,732	46,000	60,451	3,443
Primrose, New	19,200	20,537	2,767	21,000	21,705	2,704
Randfontein Central	171,500	211,086	38,898	184,000	226,600	42,450
Robinson (4s shares)	14,500	20,791	3,694	15,000	18,171	4,600
Robinson Deep	54,400	54,503	8,288	54,800	53,534	6,338
Rose Deep	53,900	50,354	3,155	55,000	49,644	3,806
Sumner and Jack	48,300	101,636	47,656	54,000	104,550	45,

ducer seems to be, may find it difficult to meet the unexpectedly low prices which the latter has made. If the object sought was volume production, the result of the offering was fully up to expectations. During the week after the opening, all of its fall lines of women's wear fabrics were sold up and withdrawn, according to an official announcement, and it is understood that numerous lines of its goods for men's wear, notably woollens, have already been ordered to the full extent of available production.

VEGETABLE OILS AND OILSEEDS.

Linseed has continued a firm market, and, on the whole, prices have been maintained at last week's level, though business has been far from active, and consumers unwilling to enter into commitments far ahead or in excess of oil requirements. Plate linseed is inclined to fluctuate. A fair business has been done at £18 7s 6d for seed loadings, £18 for January-February, and £17 15s for February-March and March-April shipment. Some trade has also been done in Indian at £21 for Bombay afloat. Although linseed is still scarce on spot and at a substantial premium, arrivals are improving, and the volume on passage steadily increasing, the quantity (Plate and Indian) afloat this week being 66,200 tons to the U.K. and 69,900 tons to the Continent, together 136,100 tons, against 123,700 tons last week, and 86,800 tons a year ago. The new Plate crop appears to be moving off pretty well, the shipments for January being 177,100 tons. Indian shipments for the month were 15,000 tons, bringing the total up to 192,100 tons, against 110,025 tons in January, 1922. A good proportion will come to hand during the present month, and will bring more employment in the mills, and make good the deficiency in the production of oil.

Linseed oil has continued in short supply on spot and for February delivery, and, with a good demand from the consuming trade, prices remain firm round £41 to £42 per ton naked, ex Hull mill, for spot, and £39 to £40 for February, £37 being quoted for March-April. For May-August, prices have advanced, America having come into the market for large quantities for delivery over this period. This is noteworthy in view of the fact that there is an impost duty of 3.3 cents per lb (equal to £16 per ton) on linseed oil sent to the States. This is set off by a duty equal to £3 10s on linseed imported, which is equivalent to £10 10s per ton on the oil produced, from which it may be inferred that cost of production is increasing, and is thus enabling English linseed oil to again get a footing, despite the high tariff.

Cottonseed maintains recent value round £11 15s to £11 16s 3d paid for Sakellarides. A good trade is reported in crude Bombay and technical refined, with a better inquiry for edible quality, prices ex mill varying only slightly. Crude soya beans and other vegetable oils are in fair request at about unchanged figures.

HIDE, LEATHER, AND ALLIED TRADES.

(BY OUR OWN CORRESPONDENT.)

The general tone of the hide market is steady, with a downward tendency. Best ox hides sold in Bermondsey on Thursday from 7½d to 8½d, and seconds from 5½d to 7d, the latter class showing a drop of ½d to ¾d on last prices. Best cows sold from 5½d to 6d, and kips from 2½d to 5½d. Calf were firmer, best selling from 7d to 12d in face of a strong demand. Wools made from 5s 6d to 12s 6d, and hoggs from 6s to 15s each. The foreign hide market remains firm, and sales of S.A. fregorifics have been made at S.57. Saladeros are less active, values being too high to meet tanners' views. All classes of dry hides are required, and sales of dry-salted Queensland are reported at 9½d c.i.f. Latest cables from New York report the Chicago hide position as weaker, with best heavy packers now selling at 20 cents, and fregorific steers to the U.S.A. at 57 Argentine dollars. Prices of raw goat skins, and sheep linings, still remain very firm, and light leather manufacturers find it very difficult to make a profit on their leather.

The trade passing in sole leather seems to have fallen off this week, orders are for very small parcels, and for the commonest grades of material—dry hide bends being in constant request. Prices all round are being well maintained, as tanners are firm believers in the future of the leather market. Little American sole is arriving, quotations being well above the home production.

Upper leathers are still a slow sale, but London sellers report a better call for the higher-class grades. German competition seems again out of the market, as little chrome calf has come to hand this week. In glacé kid the medium and cheap grades are the best sellers, whilst samples of suedes are leaving warehouses pretty regularly.

The boot trade is patchy; some centres appear to be fairly well employed, whilst others are working short hours. Women's foot-wear, and sports shoes, are going overseas in good quantities, but the demand for good and medium men's boots seems to be badly affected by the number of men out of employment.

OVERSEAS PRODUCE MARKETS.

Mincing lane, Friday, February 9.

SUGAR.—The market developed increased firmness, and prices of British refined since our last are 3s 6d to 4s per cwt dearer on the spot, while in good demand, owing to a marked paucity of supplies respecting imported. Messrs Tate and Lyle's cubes sold, 5s 6d to 5s 8d; granulated, fine and coarse, 5s 4½d; No. 1, 5s 2½d; No. 2, also London, 5s 10½d; yellow crystals, 4s 10½d; granulated, one month forward, 5s 1s; April-May, 5s 3d. Crystallised West India in limited

supply, and quoted 46s to 47s. American granulated, spot, moved up to 51s 9d; ditto, February-March, steamer, sold 24s 6d to 25s, c.f. and i., London. White Mauritius, spot, 48s to 48s 6d; white Java, 49s 6d to 49s 9d; May-June, sold, 22s 1½d; and June-July, 21s 10½d, c.f. and i., London. The general position regarding continental parcels for shipment is quite nominal in the absence of definite offers. Cuban, basis 96 per cent., February-March shipment, sold, 18s 6d to 19s 7½d; Peruvian, ditto, quoted 19s 3d; and Brazilian, basis 80 per cent., 14s, c.f. and i. terms, U.K. Cuban stocks stand at 274,130 tons, against 163,670 same time last year. Liquid glucose, spot, quoted 28s 6d. Terminal dearer. May, sold, 23s 3d; August, 23s 4½d.

COFFEE.—Market remained fully steady, with fair inquiries, chiefly arising from home-trade buyers. Nairobi, bold sizes, sold, 99s to 109s; peaberry, 99s to 117s; bold Costa Rica, 101s to 111s 6d. Futures remain slow.

COCOA.—A quiet state of affairs governed the market, but the small volume of business put through disclosed no essential change in prices. Accra, F/F quality, February-April, quoted 34s, f.o.b. terms.

TEA.—Nearly 47,000 packages Indian were catalogued this week, and while good medium and finer descriptions met with steady support at recent rates, low medium and common passed quietly into consumers' hands at irregular and slightly weaker rates. 18,250 packages Ceylon were offered, and manifested similar features to Indian. All the finer sorts were well competed for at a steady range, but common declined ½d to ¾d per lb. Java and Sumatra quiet, and prices generally in buyers' favour.

RICE.—Market quiet, and rates easier in forward positions for Burma. Two Stars, spot, quoted 15s; February-March, 13s 6d; No. 1 garden Siam, February-March, 14s; and Saigon, ditto, 12s 6d to 12s 9d, c.f. and i. terms. Broken kinds steady, quiet. Rangoon beans, spot, 8s. Japanese peas, spot, 29s; February-March, 29s 6d.

SPICE.—Pepper market steadier on balance, chiefly forward, with a fair inquiry. Fair black Singapore, spot, sold, 4½d; February-April, steamer, 3½d; Aleppo, spot, quoted 4d; Tellicherry, 4½d; white Singapore, spot, 6d; Muntok, 6½d; ditto, February-April, 6½d; and March-May, 6½d. Zanzibar cloves, spot, sold, 10½d; January-March, steamer, 9½d to 9½d. Flake tapioca, spot, 3½d per lb; fair Penang, seed pearl, spot, 24s 6d; sago flour, February-April, 13s 4½d, with earlier positions January done 14s. Desiccated coconut, spot, fine cut, sold, 38s 3d to 39s; medium, 39s 6d cwt. Ginger slow, unaltered.

FRUIT.—General quietness again characterised this market, but prices for currants, sulhanas, and also raisins showed no essential change.

JUTE.—With a spinning demand still rigidly confined to wants of pressing necessity, a dull tone predominated and prices tended downward, closed firmer. First grade, January-February, due steamer, sold down to £31; more distant, £31 10s to £32; February-March, £32 to £33; and March-April, £32 15s to £33 10s. Lightning grade purely nominal, though business was recorded during the week to an output at about £2 per ton premium on first grade. Hessians and twills very slow, but sellers adhered to fairly steady asking prices.

HEMP.—A moderate amount of business was effected in Manila sorts, and prices tend firm. G grade, February-April, sold, £37 10s; J, November-January, £36; February-April, £35 15s; and buyers, K, afloat, £34 15s; February-April, £34 15s; L, quoted, £34 5s; and M, buyers, £33 5s. New Zealand steady, quiet. Fair, February-April, buyers, £31 10s. African sisal steadier. No. 1, G.E.A., January-February, held for £35 10s; and B.E.A., £35. Indian hems were held above buyers' views. Itarsi, February-April, sellers, £30; Sewnee, £29; Jubileepore, £25 10s; Dewghuddy, £30, c.f. and i.; Philibit, nominal.

SHELLAC.—Market dull. T.N., spot, 360s; March, 340s; May, 320s.

COPRA.—Market hardened under good support accorded and reserve of sellers. F.M.S. Straits, January-March and February-April, Rotterdam, sold, £27 7s 6d. Ceylon quoted £28 15s Cebu, January-February, sold, £26 8s 9d to £26 12s 6d. Dutch East Indies, £27 7s 6d. South Sea Islands, £26 to £26 7s 6d; mixed, excluding Padang, sold, to Marseilles at £25 18s 9d to £26 7s 6d. Palm kernels, January-March, Liverpool, sold, £18 5s to £18 12s 6d; and March-May, £18 8s 9d to £18 10s.

RUBBER. steady, but at the same time quiet, and chief business in spot parcels of plantation crepe and sheet at 1s 5½d; February, 1s 5½d to 1s 5¾d; March, 1s 5½d; April-June, 1s 6½d to 1s 6d and 1s 6½d; July-September, 1s 6½d to 1s 6¾d; and October-December, 1s 6½d. Wild quiet. Fine hard Para, spot, 1s 5d; soft fine, 1s 3½d; and ball, 1s 2½d.

MENTHOL.—Spot, 39s; forward, 31s. Japanese peppermint oil, spot, 7s; forward, 6s; aniseed, spot, 2s; slab camphor, spot, 3s 9d; crude, 3s 4½d lb.

ALEXANDERS DISCOUNT Co., Ltd.,

24, LOMBARD STREET, E.C.3.

Telephones: 1892 & 225 Avenue. Telegrams: "Alexanders, Thread-London."

CAPITAL AUTHORISED £1,250,000 CAPITAL PAID UP £600,000
CAPITAL SUBSCRIBED £1,100,000 RESERVE FUND £400,000

Approved Mercantile Bills discounted. Money received on deposit at call and short notices at current market rates; for longer periods on specially agreed terms. The Company deals in British Treasury Bills of any maturity.

EGG PRODUCTS.—Market quiet, but sellers asked steady rates. Prime liquid yolk, spot, 100s per cwt. Albumen, spot, 3s per lb.

OILS.—Linseed market firmer, but irregular. Spot, net, naked, 42s 6d; February, 41s 9d; March-April, 38s 6d; May-August, 36s 3d. Rape firm. Crude, spot, 43s 6d; refined, 46s 6d. Cotton firm. Crude Egyptian, spot, 39s; common edible, 44s; deodorised (in barrels), 46s. China-wood strong. Hankow, spot (barrels), 115s; February-March, 78s. Coconut firmer. Ceylon, spot, 43s; February-March, 41s 9d; Cochin, ditto, quoted 44s. Soya steady. Oriental, barrels, January-February, 39s 3d. Japan fish steady. January-February, cases, 26s. Cod steady. English, spot, 30s. Ground nuts steady. English crushed, naked, spot, 48s; deodorised, barrels, 55s. Turpentine firmer. American, spot, 106s 9d; February-April, 107s 9d. Rosin quiet. American, grade B, 13s 9d; F, 13s 9d; G, 13s 9d; H to I, 13s 9d; WG, 17s 6d; WW, 18s 9d. French, F/G, 13s 6d; WW, 15s 6d per cwt. Petroleum steady. American standard white, spot, 1s 1d; and water white, 1s 2d per gallon. Castor oil steady. First pressure, spot, to June, quoted 49s; second pressure, 46s, and pharmaceutical, 54s per cwt.

OILSEEDS.—Market somewhat unsettled, but firmer on balance. Bold Bombay, afloat, quoted, £21 15s; small Bombay, ditto, £20 10s paid; Calcutta, afloat, sold, £20 12s 6d to £20 15s; January-February, £20 10s; and April-June, £18 17s 6d to £19. Plate, afloat, £18 10s to £18 7s 6d and £18 10s; January-February, £18 7s 6d; April-May, £17 15s to £17 12s 6d and £17 17s 6d. Rapeseed firm. Toria, afloat, £18 5s; February-March, sold, £17 2s 6d; Jamba, January-February, £14 2s 6d. Cottonseed firm. Egyptian black, February, £12 5s; and white, sold, £11 15s to £11 16s 3d. Bombay, February-March, sold, 9s 5s. Gingelly seed firm. Large, Bombay, January-February, sellers, £24. Chinese, new, January-February, sold, £23 7s 6d to North Europe. Groundnuts firmer. Coromandel, machine-dried, February-March, quoted £22. Chinese decorticated, f.a.q., January-February, £22 5s; Nigerian, ditto, £21 15s. Soya beans quiet. Manchurian, February-March, quoted, £11 17s 6d. Castorseed firmer. Bombay, February-March, £19 ton.

METALS.—Tin was in fair demand at the week's commencement but prices displayed slight irregularity while the turn dearer for forward position. Standard cash sold at £183 to £182 17s 6d; February fluctuated between £183 to £182 10s and £183; and three months at £184 15s to £184 12s 6d. Eastern advices report sales on the basis of £188 10s, c.i.f. Firm conditions since prevailed, due to higher Eastern cables and reserved sellers. By the middle of the week cash sold at £184 5s; February, £184 2s 6d; and three months, £186 5s to £186. Further sales in the East occurred at £190, c.i.f. At Thursday's session no material alteration took place, and only moderate sales transpired, including cash at £184 2s 6d to £184 5s, and three months at £186 5s to £185 17s 6d, while finally registered at £186. The market was firmer at the final session. Standard, late February, sold at £184 10s to £183 10s; and three months, £185 15s to £186 15s to

£186 10s. English ingots, £184 5s to £184 15s. Copper: Market opened the week with a good demand, and rates fully steady in the absence of selling pressure. Sales transpired in standard cash at £65 to £65 7s 6d; March, £65 10s to £65 12s 6d; and three months, £65 17s 6d to £66. Values further improved on liberal buying orders, standard cash on Wednesday ruling at £65 12s 6d; March, £65 15s; and three months, £66 5s. On the following day a good demand prevailed, prices on balance being without change. Standard cash sold at £65 12s 6d to £65 10s to £65 11s 3d, and three months £66 7s 6d to £66 5s. Values ruled dearer on Friday. Standard cash sold at £65 12s 6d, and three months £66 7s 6d to £66 8s 9d. Electros, £72 10s to £73; best selected, £70 to £72; strong sheets, £68; and wire bars, £73. Antimony, ordinary, £27 to £29 10s. Aluminium, home trade, £100; export, £105. Lead steadier at £28 5s to £27 17s 6d as to position. Spelter rather easier at £34 15s to £34 2s 6d according to position.

TALLOW.—Messrs Colchesters and Woolf write on February 7th, as follows:—The tallow market was steady during the week, and prices average 9d dearer. The advance was most pronounced on fair coloured mixed sorts. The stock in London on January 31st, as returned by the wharves, amounted to 17,513 packages, showing an increase during the month of 4,324 packages. At auction to-day 1,189 casks tallow were offered, and 838 were sold. Quotations are:—Australian mutton: Fine, 44s 6d; good to fair, 43s to 41s 6d; dull to dark, 37s 6d to 35s 6d; hard, 42s. Australian beef: Fine, 41s; good to fair, 40s to 39s; dull to dark, 37s 3d to 35s; sweet, 42s 6d. Present shipment from Australasia: Mutton, fair coloured, 48 degs., 39s 6d; and mixed, 43½, c.i.f., London, 38s. The market letter is unchanged. Town tallow, 35s 6d per cwt. Rough fat, per 8 lbs, 1½d; melted stuff, 25s 6d per cwt. Quotations are:—Town: 35s 3d net cash, naked, ex works. Country: Frail casks, 34s 9d; home melted, shipping casks, net, f.o.b., good coloured,—; fair to dull, 36s to 35s. Bone fat: White, none; pale, none; benzine, 31s 6d; dull, 32s, f.o.b.

METROPOLITAN CATTLE.—FEBRUARY 8.

British Beasts, per stone of 8 lbs to sink the offal. Sheep, per stone.

	s	d	s	d		s	d	s	d
Beasts—Herefords	7	8			Sheep—Downs	12	4		
Shorthorns	7	0	7	4	Ewes	7	4	0	0
Devons	nominal				Crossbred	11	8		
Norfolks	7	8			Scottish	nominal			
Scottish	nominal				Lamb—Downs	nominal			
Irish	nominal								
Fat Cows	5	6							

LONDON POTATO MARKETS.—FEBRUARY 8.

	Per Cwt.	s	d	s	d		Per Cwt.	s	d	s	d
English British Queens	3	0				Majestic	2	9	0	0	
" Eclipse	2	6	0	0		King Edwards	3	3	0	0	

Commercial Times.—Weekly Price Current.

The prices in the following list are revised with the assistance of 20 eminent firms in each department.

LONDON, FRIDAY.				DRUGS.—s. d.				INDIA RUBBER.—lb. s. d.				PROVISIONS.—s. d.				SPIGERS.—Pepper, per lb. s. d.			
0000A—Duty, British grown	23s. 4d. foreign 28s. cwt.	58	6	Alonso, fine E.I., p.cwt.180	0	150	0	Para, fine, hard spot	1	52	8	Butter—per cwt.	nom			Singapore, fair white	0	6	
23s. 4d. foreign 28s. cwt.	58	6	0	Cape, good to fine.	20	0	20	Plantation crepe	1	52	8	Irish creamery	nom			Black Singapore	0	6	
Trinidad, spot	58	6	0	Balsam Peru	per lb	1	0	Do factory	1	52	8	Do to do	nom			White Siam	0	6	
Grenada	58	6	0	Campor	1	0	0	INDIGO—per lb	1	0	0	Argentine	174	0	196	Pimento	0	6	
Ceylon, plantation	70	0	0	Camphor	3	8	4	Bengal, good red vic	8	0	0	Dutch	174	0	196	Cinnamon—Jat not	0	6	
Guayquil	53	0	0	Cardamoms, Ceylon	2	0	0	Mid. ord. to fine	6	6	6	New Zealand	222	0	222	Do Ind	0	6	
Bahia, finest	61	0	0	Cashew, China	2	0	0	Low. to good ord.	6	6	6	Danish	204	0	200	Do 3rd	0	9	
0000B—British grown	23s. 4d. foreign 28s. cwt.	58	6	Cashew, India	2	0	0	Madras, dry leaf, good	1	0	3	Bacon, engd.—Irish	106	0	134	Chips	0	8	
23s. 4d. foreign 28s. cwt.	58	6	0	Castor-oil	cwt	85	0	Do low to ord.	1	0	3	Danish	95	0	108	Cassia Lignum	0	8	
E.I. India finest 8d. and 8½	103	0	0	Guabuma, Sumat.	6/10	10/0	0	America, mid. to good	3	6	5	Canada	78	0	74	Cloves—Ceylon	0	10	
Do good to fine	105	0	0	Oilbanum, drops	60	0	100	Low to mid	3	6	5	Hams—Irish	56	0	74	Peanut	3	3	
Coats Rice, ord. to mid	65	0	0	fair to good	60	0	100	HEMP—per ton	£	3	0	Canadian	nom			Ginger—per cwt	nom		
Good to fine	98	0	120	Ipecacuanha	2	0	0	Russian Siretz	4	0	0	American	84	0	88	Cochin, cut	100	0	
Central American, 8d.	70	0	80	Jalap	2	0	0	Manilla, "J" Grade,	36	10	0	Do sm. rough	78	0	84	Do washed	60	0	
ord. to mid	80	0	100	Musk pod, China	0	85	0	Feb. Apr.	36	10	0	American boxes, 5½ lb	62	0	64	Japan	67	0	
Mid. to fine	78	0	100	Oil, Cassia	per lb	0	6	N. Z., spot, high fair	34	10	0	Perk—per 8 lb	7	4	8	Jamaica, small	166	0	
Columbian, ordinary	64	0	68	Aniseed	22	0	25	JUTE—	£	3	0	Beef—Frozen per 8 lb	2	9	4	Mace	0	6	
Do good to low mid	68	0	63	Peppermint, H.G. 22	2	0	25	Native, first marks,	33	0	0	Scottish	0	0	0	Nutmegs—good fine	1	2	
Do mid. to fine	65	0	93	Bhbr, China, fr. to fu	4	6	5	Feb. Mar.	33	0	0	Quebec-cut—Canadian	136	0	132	Small to medium	0	10	
0000C—British grown	23s. 4d. foreign 28s. cwt.	58	6	DYE STUFFS, &c.	0	65	0	LEATHER—per lb	£	3	0	New Zealand	122	0	128	Obolins—per cwt	130	0	
23s. 4d. foreign 28s. cwt.	58	6	0	Galls, China, per cwt	60	0	65	Sole Bonda 6½ lb.	1	4	11	Eng. Ohoodars	140	0	155	TALLOW—per cwt.	43	0	
Acid, electric	per lb	1	7½	1	8			Do 10½ lb.	1	4	2	Do 10½ lb.	140	0	155	Good motion	43	0	
Nitric	0	24	0	4				Do 12½ lb.	1	8	2	Cheshire	70	0	80	Beef	40	0	
Oxalic, net	0	7	0	0				Do 14½ lb.	1	9	2	Do per 105—Irish	19	0	21				
Tartaric	1	24	0	0				Do 17½ lb.	2	0	8	Irish	18	0	19	TAPIOCA—per lb.	0	14	
Foreign	1	24	0	0				Do 18½ lb.	2	0	8	FLOUR—280 lb.	18	0	19	E. I. Flake, fair spot	0	29	
Alum, lump	per ton	14	0	0				Do 20½ lb.	2	0	8	Eng. straight cut mill 38	0	0	0	Pearl	0	29	
Do ground	15	0	15	0				Do 22½ lb.	2	0	8	RICE—per cwt. c.i.f.	13	0	0	TEA—do 84 lb. British,	0	0	
Ammonia, carb. p. lb	0	4	0	4				Bhidra m DS Hides	0	1	10	Bangkok No. 2	13	0	0	foreign 84 lb.	0	0	
Muriatic, White, ton	30	0	55	0				Do Eng or WS do	0	1	10	Broken la.	12	0	0	Indian and Ceylon—	0	0	
Sulphate	12	0	12	0				Bellies m DS do	0	7	0	ROBIN—per ton	13	15	0	Pekoe	1	5	
Arctic, lump	per ton	17	0	12				Do Eng or WS do	0	8	1	American	13	15	0	Broken Pekoe	1	5	
Powder	per cwt	65	0	70				Dressing Hides	1	8	3	French	13	15	0	Orange	1	5	
Ashes, pot.	per cwt	70	0	80				Red Eng. Calf, 30½	1	8	3	SAGO—Pearl, per cwt	25	0	0	Broken Orange	1	5	
Peas, do	per cwt	70	0	80				Australian Sides	1	8	3	SAGO flour	16	0	0	Pekoe Souchong	1	5	
Bleaching pwr. p. ton	13	10	14	0				METALS—R. Copper	£	3	0								
Borax, crystals	cwt	28	0	0				Best selected	70	0	12	0							
Do powder	29	0	8	0				Sheets (strong)	88	0	0	0							
Oran Tartar	93	0	94	0				Standard	65	12	65	15							
Soda powder	93	0	94	0				Lead—Eng. P.B. ton 25/5	0	13	0	0							
Calomel	per lb	4	11	5				Load—Eng. P.B. ton 25/5	0	13	0	0							
Iodine, dry	per oz	1	8	1				Splitter G.O.P. 34/5 34/10 34/15	0	8	0	0							
Nitrate of Soda, p. ton	13	10	14	0				Tin—English ingots 184 5 184 15	0	8	0	0							
Potash	93	0	94	0				Do do bars	184 5 184 15	0	8	0							
Cruciate, net	8	41	0	44				Standard cash	184 15 184 17 6	0	8	0							
Do Foreign	1	5	1	6				OILS—Fish, per ton—	£	4	0	12	0						
Sulphate	per ton	83	0	25	0			Seal, pale	42	0	12	0							
Sulphate	per ton	83	0	25	0			Seed, Linseed, per ton	42	0	12	0							
Sulphate	per ton	83	0	25	0			Net, naked	42	0	12	0							
Sulphate	per ton	83	0	25	0			Bape, refined	42	0	12	0							
Sulphate	per ton	83	0	25	0			Onion	42	0	12	0							
Sulphate	per ton	83	0	25	0			Onion seed, crude	39	0	0	0							
Sulphate	per ton	83	0	25	0			Edible refined	43	0	0	0							
Sulphate	per ton	83	0	25	0			Cocoa nut, crude	43	0	0	0							
Sulphate	per ton	83	0	25	0			Refined	43	0	0	0							
Sulphate	per ton	83	0	25	0			Palm	38	0	0	0							
Sulphate	per ton	83	0	25	0			Palm, American	nom										
Sulphate	per ton	83	0	25	0			Petroleum. Oil, per 8 lb	1	0	0	0							
Sulphate	per ton	83	0	25	0			Water-White	1	0	0	0							
Sulphate	per ton	83	0	25	0			Oil Castor, Linseed	£13 15 0	£13 15 0									
Sulphate	per ton	83	0	25	0			Oil Seeds—	£13 15 0	£13 15 0									
Sulphate	per ton	83	0	25	0			La Plata Jan. Feb.	£18 7 6										
Sulphate	per ton	83	0	25	0			Bombay, p. Jan. Jan./Feb.	21 12 6										
Sulphate	per ton	83	0	25	0			Calcutta, p. Jan. Jan./Feb.	20 12 6										
Sulphate	per ton	83	0	25	0			PORTLAND CEMENT—											
Sulphate	per ton	83	0	25	0			Best English, per ton											
Sulphate	per ton	83	0	25	0			deivid, London.	58	0	63	6							

The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor:

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. XCVI.

SATURDAY, FEBRUARY 17, 1923.

No. 4,147.

NOBEL INDUSTRIES, LIMITED.

(Incorporated under the Companies Acts, 1908 to 1917).

CAPITAL:
Authorized £18,000,000. Issued and fully paid £15,903,559.
£3,000,000—Short Term Notes which will be redeemed on the 8th of May, 1923.

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(Interest payable half-yearly—1st May and 1st November.)

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At 103% after 1st May, 1928, but before 1st May, 1933.

.. 102% 1933, 1938.

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Feb. 27. "INCOME & WAGES" SIR JOSIAH STAMP, K.B.E.
Mar. 6. "PRICES" MR. A. W. FLUX, C.B.
Mar. 13. "FOOD SUPPLIES" SIR HENRY REW, K.C.B.

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TABLE OF CONTENTS.

The Money Market	293	Books and Publications—	
Leading Articles—		A London Directory	313
The New Session and the Outlook	295	Books Received	313
An Estimate of Britain's Real Trade Balance	296	Stock Exchange News—	
An American View of the Rubber Position	298	The Stock Markets	395
More Legal Aspects of the Ruhr Occupation	299	New Issues	395
The Underground Group	300	Active Securities	396
Official List Markings	300	Company Meetings	396
Notes of the Week—		Government Returns—	
Overseas Trade in January	301	Currency Notes Account ..	401
Effect of the Ruhr Occupation	301	Treasury Bills and Bonds by Public Tender	401
The Deferred Rebate System	302	Public Income and Expenditure	401
The French and Belgian Exchanges	302	Bankers' Gazette—	
Coal and Iron and Steel Output	302	Bank of England	402
London Electricity Supply	303	Clearing Returns	403
Another Bank Amalgamation	303	Overseas Bank Returns ..	403
Cotton Consumption	303	Loan and Discount Rates ..	405
Manchester Ship Canal	304	Overseas Bank Rates	405
London General Omnibus	304	Rates of Exchange	405
Bovril's Profits	304	Indian Treasury Bills	406
Imperial Tobacco Profits	305	India Bills and Transfers ..	406
Pekin Syndicate	305	Bullion	406
S.T.D. Motors	305	Imports and Exports of Gold ..	406
Ashanti Goldfields	305	Gold and Silver Prices	407
Transvaal Output in January	306	Company News—	
Austrian Pre-War Debts ..	306	Dividend Announcements ..	314
Overseas Correspondence—		Analysis of Balance-Sheets ..	407
United States	306	Railway and Tramway Traffic	408
France	307	Mining Output Statistics ..	409
Germany	308	Oil Outputs	409
Belgium	309	Reports and Notices	409
Austria	310	Summary of Company Profit and Loss Accounts	411
Canada	311	Commercial Reports—	
Japan	312	Corn Trade	410
Letters to the Editor—		Iron and Coal Trade	412
Stock Exchange Money ..	313	Cotton Trade	413
Foreign Trade Statistics ..	313	Wool Trade	414
		Vegetable Oils and Oilseeds ..	414
		Hides and Leather Trades ..	414
		Timber Trade	414
		Overseas Produce Markets ..	414
		Price Current	416

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THE MONEY MARKET.

BUSINESS was at a very low ebb in Lombard street, most of the discount houses reporting a sparse supply of commercial bills. There was consequently little demand for money, with the result that the attenuated funds now at the disposal of the market were sufficient for its requirements. On Thursday a large sum that fell due to the Bank of England was paid off, but the whole of it had to be renewed. Discount rates hardly moved from the lower level established at the end of last week by the Treasury bill allotment. Yesterday's allotment of Trea-

surey bills put market rates on a still lower level, three months' Bank bills being quoted at $2\frac{3}{16}$ per cent.

	Feb. 16, 1923.	Feb. 9, 1923.	Feb. 2, 1923.	Jan. 26, 1923.	Previous Rate and Date Changed.
Bank Rate	3%	3%	3%	3%	5½ (Jly. 13, '22)
Banks Deposit Rate	1	1	1	1	1½ (Jly. 13, '22)
Discount (Call)	1	1	1	1	1½ (Jly. 13, '22)
Houses (Notice)	1½	1½	1½	1½	1½ (Jly. 13, '22)
Market rate (3 months' bills)	$2\frac{3}{16}$	$2\frac{3}{16}$	$2\frac{3}{16}$	$2\frac{3}{16}$	..

The Bank return showed that the note circulation had declined by £762,000 and the stock of gold had risen by £2,000, making the Reserve £764,000 higher. The market's borrowings of last week had added 4½ millions to the Other securities, while Government securities were half-a-million lower. There was thus an increase of 5 millions in the deposits, of which £3,382 went to Other and the balance to Public. Currency notes outstanding were reduced by £895,800 to £279,991,400 this week, which includes £1,507,900 for notes called in but not yet cancelled. The fiduciary issue is £230,333,100, or £39,850,700 below the maximum.

THE STOCK MARKETS.

The Stock Exchange has had a quiet week, the slackness of business contrasting sharply with the great activity of a few weeks ago. But there has been nothing like general weakness or heavy selling. The gilt-edged market has maintained complete steadiness. In the foreign market German bonds improved sharply on the great rise in the mark, while French bonds improved towards the end of the week. French railway bonds, after a sudden jump, fell back owing to selling. Argentine railways have been showing conspicuous strength, but other markets, generally speaking, have had an uninteresting week. Industrials, as a whole, are stagnant, but tobacco shares and electricity supply shares improved. Rubber shares are dormant again. In the oil and mining sections conditions are dull.

THE COMMODITY MARKETS.

The South Wales coal market has been considerably strengthened during the week by further foreign demand, more especially from the Continent. Our Sheffield correspondent records the chief feature of the coal market as the famine in coke, the price of which has moved up from 20s 6d per ton to 30s for odd lots, higher prices even being mentioned for export. In consequence, the scarcity of foundry pig-iron, for prompt delivery, continues, relief by increased output not being possible on account of the dearth of necessary fuel. No. 3 Cleveland G.M.B. is now quoted as high as 112s 6d per ton for prompt delivery. The steel trade is good, although the desire is expressed for a larger demand for orders for the immediate future. Our Cardiff correspondent says that "Buoyant conditions continue to prevail in the South Wales iron and steel trades." Although there has been no pronounced activity in the Manchester cotton trade, a firm tone has prevailed, the undercurrent of inquiry keeping up fairly well. From Bradford our correspondent reports some perceptible slackness in the wool trade, but no real weakness has developed. Linseed continues to maintain a high level of value. Fuller details of markets and prices will be found from our special trade correspondents on later pages.

FOREIGN EXCHANGES.

In foreign exchange markets have again been restricted, and movements extremely erratic. The most spectacular event has been the recovery of the mark from 145,000 on the 9th to 82,000 early yesterday morning. As on January 30th, the mark stood not far short of 250,000, its value has been about trebled in not much more than a fortnight. As far as can be understood at present, this recovery is due to the action of the German Government working on a market which, after the collapse of the last few weeks, had become almost nominal. It would appear that considerable foreign balances had been accumulated out of the proceeds of the export taxes with a view partly to normal Reparation payments, partly to the offer of a sum in connection with the last German Reparation proposals. These balances the Government is now said to be using in order to bring the mark quotation down to

a workable figure. It is also reported, but this is by no means certain, that part of the Reichsbank gold has been pledged in return for foreign credits, to be used for the same purpose. A more effective measure has been the instructions issued to the banks that no advances in marks must be made against the security of foreign currency. Owing to the pressure of rapidly increasing prices, more marks than before are needed for the conduct of business, and foreign currencies have by force been brought upon the market. While it is excellent that exchange should be taken in hand, the drastic nature of the present action would appear most unwise, and has already resulted in a new form of panic in Germany itself, where prices are said in many cases to be already well above world level. In the meantime, the note issue is being increased at a still more accelerated rate, and as the foreign balances at the disposal of the Government are of necessity limited, it is doubtful whether a serious reaction may not follow in the near future. In the meantime it may be noted that quotations for forward marks are 25,000 to 30,000 marks per month above spot. Apart for a large number of violent fluctuations within each day, the franc from 75.20 on the 9th rose to 77.85 on the 14th. On Thursday the rate closed rather better at 77.10, but opened at 78 yesterday, recovering during the morning to 77.65, and still moving most erratically from hour to hour. The most important incidents during the week, apart from the developments on the Ruhr, have been the refusal of the Finance Minister's taxation proposals by the Budget Committee and the substitution of several weak alternatives, and later the decision to raise the rate of interest on National Defence Bills by ½ per cent. The buying of securities in London appears to have slackened, but there is no new factor which would lead to any feeling of confidence in the future of the franc. The Brussels rate has moved up with similar fluctuations from 85.25 to 88.30, thus again widening the spread between the two currencies. Forward rates in Paris remain about the same at 11 to 13 centimes per month above spot; in Brussels they are par to 2 centimes below. The New York rate has moved rather jerkily within relatively narrow levels, and yesterday morning at \$4.67½ was at its best for the week. The exceedingly rapid rise of American as compared with English prices should form the basis for a further appreciation, if the debt settlement proposal receives final approval. At 11.86, as compared with 11.84½ a week ago, the Dutch rate has moved in our favour, although still well below recent levels. Sterling has also appreciated slightly in Switzerland to 24.97, while the Madrid rate has also moved in our favour to 29.97. All three Scandinavian countries, on the other hand, have moved somewhat against us, while Helsingfors has remained stable at 179. In Central Europe Vienna, at 330,000, maintains the same rate as before. Warsaw, however, has moved up from 160,000 to 185,000, having rapidly lost its superiority over the mark. Prague and Belgrade show little movement, but Bucharest is again back at 1,020. In the East the rupee is 1s 4½d, as compared with about 1s 4½d the week before; the yen at 2s 0½d is slightly cheaper. Silver has been a little higher on some moderate buying from China, but, with the turn of the Chinese year, prices are likely to sag again somewhat. Hong Kong is unchanged at 2s 3d, Shanghai ½d cheaper at 3s 0½d. In South America, Rio has been unchanged through the week at 5½d, Buenos Ayres at 43½d is also the same as the 9th, as also is Monte Video at 42½d. Valparaiso, however, has depreciated again from 38.80 to 39.40.

THE NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended February 10th:—

RECEIPTS.	Min. £	EXPENDITURE.	Min. £
From Revenue	32,350	Interest on Debt	1,894
		Supply Services	7,543
		Road Fund	4,735
		Added to Exchequer balances ..	985
		Reduction of debt	17,977
		Sundries	166
	32,350		32,350

The total revenue for the seven days amounted to £32½ millions, as compared with £35½ millions a year ago, while expenditure amounted to £14½ millions, as against just over £16 millions. Property and Income-tax produced

£19½ millions, as against £21½ millions. Motor vehicle duties contributed £4½ millions, as against £801,000. Special receipts, under miscellaneous, fell from £5 millions a year ago to £1½ millions. The week's operations reduced the National Debt by £17,976,968, and caused the following changes:—

	Min. £		Min. £
National Savings Certificates ..	+ 400	Public Debt Advances	— 20,450
Unemployment Insurance ..	+ 310	Sundries	— 6
Treasury Bills	+ 1,769		
	+ 2,479		— 20,456

The floating debt was reduced by £18,680,000 to £894,521,500.

FINANCIAL YEAR, 1922-23 (April 1, 1922, to February 10, 1923).

Total spent	£ 674,911,140	Raised by revenue ..	£ 721,669,496
Dec. in balances	7,113,193	Net repayments	53,871,549
Total	667,797,947	Total	667,797,947

ESTIMATES FOR YEAR 1922-23.

Ordinary Expenditure ..	£ 823,846,000	Ordinary Receipts ..	£ 820,775,000
Special Expenditure ..	61,223,000	Special Receipts ..	90,000,000
Contingencies	25,000,000		
Total	910,069,000	Total	910,775,000

Surplus

NATIONAL DEBT. (Million £.)

	Aug. 1, 1914.	Mar. 31, 1918.	Mar. 31, 1919.	Dec. 31, 1919.	Mar. 31, 1920.	Mar. 31, 1921.	Mar. 31, 1922.	Dec. 31, 1922.	Feb. 10, 1923.
Funded Debt	588	318	318	315	315	315	315	314	314
Term. Annuities	30	22	22	20	19	18	16	15	15
4½% War Stock	63	63	63	63	63	63	63	63	63
4½% War Stock	16	14	14	13	13	13	13	13	13
4½% War Stock	2,891	2,068	2,047	2,040	1,995	1,953	2,071	2,071	2,071
National War Bonds ..	649	1,636	1,509	1,476	1,413	1,201	971	971	971
4% Funding Loan	..	..	409	405	405	401	401	400	400
4% Victory Bonds	..	..	360	357	348	335	335	335	335
3½% Conversion Loan ..	..	..	..	..	..	..	690	689	689
5-15 year Treas. Bonds ..	..	..	..	..	23	24	24	24	24
5½% Treasury Bonds ..	..	..	..	..	..	..	381	166	166
Do by tender 5%	..	..	..	..	..	..	40	40	40
Do by tender 4%	..	..	..	..	..	..	8	69	69
Treasury Bills	15	961	957	1,107	1,107	1,121	878	719	716
Exchequer Bonds	20	392	384	323	319	289	185	150	150
Natnl. Savings Certs. ..	..	138	227	267	274	285	342	350	353
War Expend. Certs.	..	23	..	..	..	..	..	..	..
Other Debt	..	994	1,241	1,306	1,181	1,132	1,087	1,071	1,071
American Loan	..	51	51	51	51	..	..	..	..
Temporary Advances ..	1	204	455	243	205	154	147	222	179
Other Capital Liabilities	654	5,872	7,435	8,033	7,829	7,574	7,655	7,768	7,736
Total Liabilities	711	5,921	7,481	8,079	7,876	7,623	7,721	7,835	7,803

POSITION OF THE FLOATING DEBT.

	Feb. 11, '22.	Mar. 31, '22.	Feb. 10, '23.	Movement week ended Feb. 10, '23.
Temporary Advances Out- standing ..	£ 8,000,000	£ 147,301,500	£ 178,661,500	£ 20,450,000
Advances by Bank of England ..	144,115,000	147,301,500	178,661,500	20,450,000
Advances by Public Deposits ..	990,176,000	882,219,000	715,860,000	1,770,000
Treasury Bills outstanding ..	..	..	..	..
Total Floating Debt	1,142,291,000	1,029,520,500	894,521,500	18,680,000

THE NEW SESSION AND THE OUTLOOK.

THE Prime Minister must be looking back to his election speeches of last November a little wistfully. Passivity, tranquillity, was the ideal to which his new Government aspired, and it was an ideal most palatable to an electorate jaded with international crises and domestic legislation. But seldom has hope of attaining an ideal vanished so quickly. Quietude is as impossible for any Government to-day as it is for the skipper of a ship tossed in stormy and uncharted seas. Since Mr. Bonar Law took office he has had to face a crisis in Europe growing steadily more grave, while at Lausanne Lord Curzon has vigorously, and so far unsuccessfully, fought to restore peace in the Near East, that great breeding ground of European war. In the case of the large British debt to the United States, the Cabinet has been forced to take a decision affecting generations of taxpayers. Indeed, it would be difficult to find a period of three months in which any British Government has been so incessantly beset and harried by international problems of the first magnitude. But that is not all. Tranquillity at home is equally proving itself to be a vain dream. The King's Speech, delivered at the opening of the new

Session on Tuesday, is unusually crowded with references to domestic legislation and domestic problems. Unemployment, agriculture, housing, rent restriction, local taxation, and other fruitful fields of legislation are opened up; while the time-honoured phrase addressed to the House of Commons, "The estimates for the public service in the coming year will be laid before you in due course," is a reminder that finance will be the main business of the Session. It is to be hoped that every member of the House, whatever his preoccupation over foreign affairs, will remember that the next two months will provide the acid test of the professions of economy which lay on the lips of all parties at the election. It is already obvious that proposals for the gradual decontrol of house rents on the lines of the Select Committee's Report will be the object of pitched battles in Parliament. The programme as regards domestic affairs is probably larger than the Government will be able to carry, and it is one that will be of peculiar interest in determining the lines of future Conservative policy towards questions of social reform.

The debates on the Address are ranging over many of these topics, but foreign affairs have naturally been the principal theme. It cannot be said that Ministerial statements have either thrown any new light, or kindled any new hope. Lord Curzon did not lift the veil on the mysterious events leading to the Lausanne failure. The Prime Minister adopted the rôle of sincere but candid friend of France, and did not disguise how precarious is the British balance on the fence of benevolent neutrality. The debates have shown clearly enough that the country is as solid behind our Government's refusal to participate in the Ruhr adventure, as French and Belgian opinion is apparently behind those Governments in their new policy. The hope of intervention by Great Britain or some other Power, and the suggestion of mediation by the League of Nations put forward by Mr. Asquith and Mr. Ramsay Macdonald were the only attempts at constructive thought, and neither is practicable at present, so long as French opinion believes tangible results can be secured by the road France has chosen. Nevertheless, significance lies, we think—over and above the significance of a further approach to Liberal unity—in the joint amendment agreed upon by the two wings of the Liberal Party. This amendment reads as follows:—"Inasmuch as the future peace of Europe cannot be safeguarded, nor the recovery of reparations promoted, by the operations of the French and Belgian Governments in the Ruhr, it is urgently necessary to seek effective securities against aggression by international guarantees under the League of Nations and to invite the Council of the League without delay to appoint a Commission of experts to report upon the capacity of Germany to pay reparations and upon the best method of effecting such payments; and that in view of the recent indications of willingness on the part of the Government of the United States of America to participate in a conference to this end, the British representative on the Council of the League should be instructed to urge that an invitation be extended to the American Government to appoint experts to serve upon the Commission." At the moment these

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Reserve Fund ..	10,860,852
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proposals are not practicable, because France is not ready for them. But it may be that in the policy of this amendment lie the seeds of future solution. When, as now seems probable, the League has succeeded in floating the long-term international loan to Austria, French opinion of the League and its capabilities may undergo a favourable change, and this change is likely to be quickened as difficulties and disappointments over the Ruhr occupation increase. It is fairly certain, too, that out of the amendment quoted will grow proposals for the use of the League machinery in a form more possible of French acceptance.

But we cannot afford to wait long, for the situation is to-day very serious, not merely because of the possibilities of actual social and economic break-up in Germany, but because of the drifting apart of British and French opinion. It is easy to say it is better for each of us to regain a free hand, but that may make the settlement more difficult. There are symptoms in some British quarters, though at present not very widespread, of definite antagonism to France, while among the industrial population there is a growing tendency to attribute to French policy in Europe our present economic ills. The counterpart in France of this view is, of course, that represented by M. Tardieu, who complains that the reason for the present deadlock is that Great Britain never has shown any sign of really helping France to secure Reparation. The truth is, of course, that Britain is not indifferent on this point; for Europe cannot settle down unless some reparation is paid to France, and the majority of Englishmen would undoubtedly regard with alarm the complete collapse of the Reparation scheme, leading to the emergence before long of a truculent debt-free Germany. But England is now convinced that the Reparation ideas of 1918 were conceived in illusion; that the policy of France, which should in general have been to strengthen the hands of the German "Government of fulfilment," was in numerous small matters irritating and provocative; that, with the, perhaps, natural psychological reaction of victory and emancipation from the shadow from the East, she has acted in a way to make as difficult as possible the co-operation which is essential for carrying out so difficult an economic operation as the payment of an unprecedented indemnity; and that as France has preserved her illusions longer than the rest of the world, she has found herself increasingly out of touch with the currents of world opinion, and finally has acted in a way that seems to challenge the whole basis of international law and co-operation represented by the League of Nations.

For this widening gap we are partly responsible, and it may at once be admitted that the final parting in January seems to have been made inevitable not merely by the defects of the British plan as a final settlement, but by a certain tactlessness in its hasty presentation, and even more by the failure to prepare the ground in advance. If any progress at all is to be made, it must be by renewed contact not merely between Governments, but between business and industrial circles of France and Great Britain, with a view to thrashing out a common agreement on the principles of an ultimate settlement. The viewpoints are not, we believe, so far apart as appears on the surface. But unless this is done, not merely will France reject intervention of any sort or kind, but any Conference will certainly prove abortive. The settlement must, however, be political in the sense of meeting France's demand for security, as well as covering the financial and industrial aspects of the problem.

AN ESTIMATE OF BRITAIN'S REAL TRADE BALANCE.

FOR many years past the value of our imports has regularly exceeded the value of our exports, but it is well known that when account is taken of the so-called "invisible exports" the "unfavourable balance" has, as a rule, been converted into a favourable balance, signifying an export of capital. During the war this was, of course, not the case; ordinary and "invisible" exports were quite inadequate to pay for the enormous quantity of goods purchased abroad, and it became necessary to sell

securities and contract loans in various countries. But now that the war is over, and the world is settling down, however slowly, to normal conditions of trade, it is to be expected that this country will return to something approaching the pre-war position as a supplier of capital for investment overseas. There will, of course, be differences. America is likely to play a more important part than before in the international capital market, and our position in relation to America will no longer be that of an important creditor, but of a debtor. On the other hand, it seems likely that London will be even stronger than before relatively to the European financial centres. In any case, however, the underlying conditions which have made it both possible and necessary for this country to export large quantities of capital for investment in all parts of the world will remain. Our productive power is as great as ever, our need for raw materials is not less, and the quantity of foodstuffs required is even larger than before the war, in view of our increased population. Quite apart from any effects of our debt payments to the United States in making it more difficult to obtain food and materials over there, America has for years been tending to consume a larger part of her own raw produce and to buy increasing quantities abroad, so that the necessity to bring about an expansion of supplies may before long become pressing. In connection with cotton cultivation the problem is urgent already, and even the grain situation cannot be viewed with equanimity while Russia is in a state of chaos. In several other directions it seems likely that a revival of industrial activity may before long reveal a position of considerable tension as regards supplies and price.

For these reasons the problem of our real trade balance is of the greatest importance; for overseas development must be resumed if we are to assure the future supplies of raw materials and foodstuffs without which this country cannot support its existing population. Fortunately there is evidence that we are already exporting capital on a considerable scale, though not yet on as large a scale as before the war. The evidence which we seek here to produce is that to be derived from an analysis of our trade balance, comparing 1913 with 1921 and 1922. We shall start from the values of imports and exports as officially published, and proceed to make allowances in the traditional way for various "invisible" items.

The imports and exports of merchandise (including gold and silver) in the three years in question, together with the excess of imports over exports, are as follows:—

	Year 1913.	Year 1921.	Year 1922.
	£'000.	£'000.	£'000.
Imports	842,763	1,145,440	1,048,562
Exports	696,962	881,712	882,361
Excess of imports	145,801	263,728	166,201

The principal "invisible exports" are (a) net income from British capital invested overseas, (b) earnings of the British mercantile marine engaged in overseas trade, and (c) financial, commission, and insurance earnings. There are also some minor items to which reference will be made. On the other hand, there are, especially since the war, some important "invisible imports."

With regard to the earnings of British capital invested overseas, it was fairly generally accepted that at the outbreak of war our receipts amounted to about £200,000,000 per annum. As a result of war losses, of sales of securities (especially dollar securities) during the war, of borrowings in the United States and elsewhere, and of the commercial depression which has reduced the productivity of a good deal of our remaining investments, the net amount of income from overseas is certainly now much diminished. In estimating the amount of our present income, it is to be noted that the Inland Revenue authorities identified some £120,076,000 of income as being derived from overseas in 1910-20 (the latest year for which information has been published). In 1921 and 1922 the amount may possibly be rather less, owing to the trade depression, but probably not below £110,000,000. In 1913-14 the amount was £116,382,000, a figure which for purposes of comparison should be increased by probably £7,000,000 in consequence of the enlargement in 1914-15 and subsequent years of the taxpayers' liability with regard to income re-

ceived outside the United Kingdom, and not remitted to this country. A large amount of income derived from overseas is not identified as such by the income-tax authorities, being included among "Businesses, professions, &c., not otherwise detailed" in Schedule D. The amount of this unidentified income may be put in 1913 at £84,000,000 (i.e., £200,000,000 less £116,000,000 identified by the income-tax authorities), a figure which would have been reduced to, say, £77,000,000 had the alteration first adopted in 1914-15 been in force. To what extent has this income been eaten into as a result of the war, and the post-war depression? No exact answer can be given, but it is clear that there has been a substantial reduction. The income represents the more variable part of our receipts from investments consisting of the profits of many companies (e.g., tea and rubber, oil, mines, public utilities, but not railways, carrying on business abroad which have their seat of management in this country); and of foreign and colonial branches of banks, insurance companies, and mercantile houses. Perhaps £40,000,000 would be a reasonable estimate of the "unidentified" income in 1922. Adding this to the £110,000,000 expected to be identified as derived from abroad, we get £150,000,000. From this, however, must be deducted interest on our external Government debt, and on any additional foreign capital invested here since the outbreak of war. This would absorb £50,000,000 or a little more (including interest at 4½ per cent. on our American debt), and leave, say, £100,000,000 as the net income derived from capital invested overseas. The net income in 1921 was probably much the same.

The second most important "invisible export" is the earnings of British shipping. An estimate of the Board of Trade put these at some £94,000,000 in 1913, after deducting expenditure of British vessels abroad. In making estimates for 1921 and 1922, account must be taken on the one hand of the increase in the level of freights, and on the other hand of the reduction in the volume of trade. With regard to the level of freights, the following figures taken from the annual freight circular issued by Messrs. Cairns, Noble and Co., Limited, of Newcastle, are of interest. The figures represent estimated average rates of freight paid for steamers in the open market from the Tyne, &c., and also homewards from certain ports in the years stated:—

	1913.	1921.	1922.	1921 as per Cent. of 1913.	1922 as per Cent. of 1913.
OUTWARD VOYAGES.					
Stockholm	5 2½	10 7	7 10½	204	152
Riga	5 6½	..	9 7	..	172
Hamburg	3 9½	6 10½	5 8½	182	151
Havre	4 8½	7 5½	5 11	159	126
Bilbao	7 3½	12 10	11 6	176	158
Marseilles	8 10½	15 3	12 2	172	137
Genoa-Savona	9 3½	15 10½	12 0½	171	130
Piræus	9 8½	17 9	15 7	183	161
Alexandria	9 6½	16 11	15 2	177	159
River Plate	18 6½	19 10	14 10	107	80
HOMEWARD VOYAGES.					
Calcutta	24 6½	25 0	22 1½	102	90
Bombay (d.w.)	21 2½	24 10	22 3	117	105
Danube	12 1½	25 10	16 8	213	137
River Plate (Lower Ports)	16 2½	35 8	26 6	220	163
Bilbao	5 3	8 3	7 10	157	149
Archangel	48 7	..	62 6	..	129
Lower Bothnia	30 7	61 10	47 6	202	155

Averages obtained by adding together the actual rates of freight shown above point to outward freights being 60 per cent. above the level of 1913 in 1921, and 34 per cent. above the 1913 level in 1922. On the same basis of reckoning homeward freights would appear to be 65 per cent. above the 1913 level in 1921 and 30 per cent. in 1922. These rough calculations suggest that in 1921 freights were 60-65 per cent. above 1913 level, and in 1922 30-35 per cent. above 1913 level.

It has been estimated that the weight of British imports and exports in 1913—partly owing to the coal stoppage of April-June, 1921. As coal is a comparatively low freighted cargo it does not follow that shipping receipts in 1921 fell to only 80 to 82½ per cent. of the receipts in 1913 (i.e., 50 per cent. of freights increased by 60-65 per cent. upon the 1913 level). But in view of

specially heavy expenditure incurred abroad upon purchases of bunker coal and upon construction and repair work consequent upon the prolonged joiners' strike in the British shipyards, it can hardly be supposed that the net receipts of this country for shipping services figured at as high a figure as in 1913. Sir Frederick Lewis, in his speech at the annual meeting of Messrs. Furness, Withy, and Co. in August, 1921, estimated that the amount of the "invisible exports" represented by freight earnings would be only £60-70,000,000. Having regard to the considerable trade recovery which took place in the autumn of 1921, however, this estimate is probably too small, and the amount of freight earnings in 1921 may perhaps be put at £80,000,000.

The revival of trade in 1922, including as it does a noteworthy recovery in our coal exports, has doubtless raised the earnings of the mercantile marine fully to pre-war level. Figures as to the weight of imports and exports are not available, but it is estimated by revaluing 1922 imports and exports at 1913 prices that the volume of trade (reckoning imports and exports together) was about 80 per cent. of the 1913 volume. In view of these facts we put shipping earnings in 1922 tentatively at the same figure as in 1913, namely, £94,000,000.

A third "invisible export" of importance is represented by the services performed by London in financing and insuring the movement of goods, both in our own overseas trade and in inter-foreign trade. Sir Robert Giffen estimated the amount of these earnings at 2½ per cent. upon the aggregate value of our imports and exports, of which he reckoned that 155 per cent. would represent insurance, 55 per cent. bankers' commission, bill stamps, and minor charges, and 1½ per cent. all other charges. With regard to insurance charges, it appears that the figure taken by Giffen was a gross charge taking no account of underwriters' losses, and some reduction would be required on this account. Moreover, the method of reckoning London's earnings from the financing and insurance of trade by taking a percentage of our total imports and exports is obviously unsatisfactory, though it is difficult to see what other course can be adopted. The method leaves out of account the fact that a good deal of inter-foreign trade is financed and insured in London, and, on the other hand, that some British trade is no doubt financed or, at any rate, insured elsewhere. If we put these charges at only slightly over 2 per cent. upon the value of our imports and exports in 1913 we reach a total of £30,000,000. The corresponding amounts for 1921 and 1922 would be £40,000,000 in each case, but in view of the extremely high rate of discount in 1921 it is hardly possible to avoid raising the estimate for that year, say, to £50,000,000. The figure £40,000,000 is retained for 1922, although it might perhaps not be difficult to justify some increase here, too.

In addition to the three items of "invisible" export already considered, there are a number of minor items. One of these is exports of old ships, since these are excluded from the trade accounts. The tonnage involved was rather less than 500,000 net tons in 1913, and possibly as much or more in 1921 and 1922. The value would not exceed a few millions. Another item is the cost of the management of British capital invested overseas, a cost which is met by payments from abroad. The service of foreign and colonial loans issued in London, and of the management, legal and similar expenses of British companies with a head office in this country, but operating overseas, can hardly be less than £10,000,000. Other items are expenditure by foreign tourists in this country (though this is largely, if not entirely, balanced by expenditure of British tourists abroad), and remittances by emigrants and officials stationed abroad to their relatives in this country. There is also some expenditure here by the Government of India upon pensions and other services in this country. The amount of these miscellaneous "invisible" exports may possibly amount to £20,000,000.

On the other side of the account must be set certain "invisible" imports. These have been particularly large since the war in connection with military and naval expenditure. The net expenditure on so-called foreign and colonial services in 1913-4 amounted only to £1,518,000. The corresponding amounts as appearing in the estimates for 1921-2 and 1922-3 are £33,279,000 and £13,802,000,

of which £28,955,000 and £10,363,000 respectively are for the Middle Eastern Services. The Army Estimates included in 1921-2 £32,739,000 in respect of forces in the colonies, and abroad—notably forces in the Middle East. The amount given in the 1922-3 estimates is £13,802,000. Small amounts representing expenditure abroad also appear in the Navy and Air Service Estimates. All these amounts are no doubt to some extent subject to deduction on account of stores shipped from this country on Government vessels, and to remittances to this country by officers and men, while the expenses of our Army of occupation in Germany have been met for the most part, it is understood, out of reparation payments. The amounts at which these “invisible” imports should be put are to a considerable extent a matter of conjecture. Possibly £50,000,000 for the calendar year 1921 and £25,000,000 for 1922 may not be unreasonable guesses, with £15,000,000 for 1913.

We are now in a position to set out, so far as may be, the real trade balance of the United Kingdom. The figures for the three years chosen for comparison are as under:—

	1913.	1921.	1922.
	Milln. £.	Milln. £.	Milln. £.
Exports (incl. gold and silver), as returned	697	882	882
Add invisible exports—			
Net Income from investments	200	100	100
Shipping earnings	94	80	94
Financial and insurance charges	30	50	40
Miscellaneous	20	20	20
Total visible and invisible exports....	1,041	1,132	1,136
Imports (incl. gold and silver), as returned	843	1,145	1,049
Add invisible imports	5	50	25
Total visible and invisible imports....	848	1,195	1,074
Final balance	+ 193	- 63	+ 62

The excess (+) of visible and invisible exports over visible and invisible imports in 1913 and 1922 signifies that capital was being exported in those years; the deficiency (—) in 1921 signifies that capital was being imported, either by obtaining loans or advances abroad, or by diminishing balances. The figures suggest that while we exported close on £200,000,000 of capital in 1913, we exported only £62,000,000 last year, and we actually imported £63,000,000 in 1921—a consequence no doubt of the coal stoppage in that year. The reduction in our foreign capital in 1921 would have been almost nil if it had not been for the interest on our debt to the United States, which was added to the principal of the debt. In 1922 we exported some £62,000,000 of capital, in addition to the amount required to meet interest charges on the American debt—whether actually paid or added to the principal. These estimates are of course tentative, and subject to a wide margin of error in either direction. They confirm, however, other evidence that we are now exporting a considerable amount of capital, and it is to be expected that with the revival of trade the export of capital will make rapid progress. Such progress is essential if we are to assure the supplies of food and materials necessary for our future.

AN AMERICAN VIEW OF THE RUBBER POSITION.

(BY A NEW YORK CORRESPONDENT.)

A WORD of warning to the British growers of rubber may not be out of place in view of the rapid and substantial advance in prices since the announcement that the Stevenson Committee's restriction plan had been adopted by the Colonial Office and then put into legislative effect in the East.

Apart from the extent of this rise, the most important result of the restriction plan has been the complete change of sentiment throughout all branches of the industry for which it was largely responsible. For a long period American manufacturers had been accustomed to the abnormally low levels at which plantation rubber had fallen, far below its production cost. These low prices were by no means considered as an unmixed blessing, for

the American manufacturers are a highly intelligent and broad-minded body of business men, and they recognised that the situation, if unduly prolonged, was a danger to their sources of supply, besides entailing an eventual “swing of the pendulum” which would be most detrimental to their real interests.

For these reasons most of them looked with sympathetic approval on the declared objects of the restriction plan, particularly after being assured by the Rubber Growers' Association in London that the idea was to stabilise rubber around 1s 3d per lb as an average for 1923, and understanding that there was no intention to hold up supplies unreasonably.

Following the general change of sentiment which commenced with the advancing prices in the late autumn, it became apparent that the consumption of rubber in the United States and Canada had been very considerably larger than anticipated. As contrasted with a total consumption in 1919 (a record year of activity) of about 202,000 tons, the consumption for 1922 was found to approximate closely to 300,000 tons, with every indication of a substantial increase for the current year.

The recognition of this highly important factor came at a period when the manufacturers had purchased only an unusually small proportion of their future supplies. Formerly many manufacturers had purchased contracts on their books at this time of the year for about 30 to 60 per cent. of their anticipated requirements for the ensuing twelve months, but at the present time a very much smaller percentage has been acquired, for during the period of depression they had been virtually forced into buying their supplies on a hand-to-mouth basis, and were carrying only small stocks. Consequently, just at the time that a marked change of sentiment became apparent and prices were steadily rising, a strong demand from consumers appeared. Moreover, many importers and dealers had sold “short” for forward delivery, so that their anxiety to cover added materially to the rise.

Under these circumstances an advance in about three months from 13c or 14c to 36c and 37c per lb is hardly to be wondered at. But there is no doubt that the rapidity of the increase in prices since January 1st has taken the manufacturers by surprise. While many are prepared to buy substantially, even at these higher levels, they are met with an increasing reluctance from producers to sell, and they find it hard to believe that the assurances of stability and reasonableness are being carried out in the spirit in which they understood them to be given. It is generally recognised that the average cost of production probably exceeds 20c per lb, and there is such a wide margin of profit in present levels that it is not difficult to sympathise with the consumers' view that the advance is hardly justified, and that, at all events, there should be little difficulty in buying their requirements, if willing to pay on such a greatly improved basis. It is to be hoped that the delegation from the Growers' Association now here will make it clear to these best customers of ours that there is every intention to provide supplies in a more liberal volume from now on. Manufacturers can easily be made to understand that the rapidity of the advance has also taken producers by surprise; that estates, which have incurred such heavy losses during the last two or three years, can hardly be deemed unreasonable in seeking to secure the utmost profit from a changed situation in order to restore their financial position; and that the restriction plan itself provides for an increased production of the raw material, and therefore more stability, as prices justify.

The necessity for emphasising the advantage of a mutual understanding of the respective difficulties of producers and consumers in the situation with which the industry is confronted is obvious. Wisely or unwisely, and opinions on the subject differ considerably, the restriction plan has received legislative effect; whether or not it can be administered in practice in a sufficiently reasonable manner to produce a more stable market remains to be seen. Even if the percentage restriction on production is reduced, will not the difficulties arising out of a shortage of labour on the estates be such as to render it unlikely that a corresponding increase in output will be forthcoming? In any event, the estates will probably have to face a substantially higher cost for their labour, besides being compelled to replace portions of

their acreage and re-incur necessary expense in management, which they temporarily cut down during the period of depression. These and many other important considerations should be impressed on consumers here.

Government interference in any shape with commerce is looked upon with disfavour by the Anglo-Saxon mind, and many of those who were in favour of the restriction plan are now probably regretting its enactment. But if administered wisely it may prove of great, even permanent, advantage to the industry, and with a proper mutual understanding of the difficulties on both sides of the Atlantic no undue friction need be anticipated. The restriction plan is undoubtedly an artificial expedient interfering to some extent with the operation of the law of supply and demand, and from the first was resented by certain interests here, who endeavoured to enlist the United States Administration in opposition. It speaks volumes for the reasonableness of the American consumer that this movement was not generally supported, mainly in the belief that the British producers would be ready to deal with the situation fairly.

It is to be hoped that this view will be clearly understood and respected by rubber interests in England. If present prices do, in fact, provide a satisfactory profit to the estates, those in control should readily realise the advantage of meeting the consuming demand freely. The mere appearance of holding up supplies in the apparent hope of securing better prices will have mischievous and dangerous results. Should conditions hereafter justify higher levels, the American manufacturer will be the last to complain; but he resents the, to him, unjustified rapidity and extent of the recent advance, which has not given him time to readjust his manufacturing problems after having himself passed through a period of great stress and difficulty.

MORE LEGAL ASPECTS OF THE RUHR OCCUPATION.

(FROM A LEGAL CORRESPONDENT.)

A MONTH ago we placed before our readers some of the legal data which must be considered in determining whether or not the French occupation of the Ruhr is illegal or not. So far as we can judge, opinion is hardening to the effect that both the action of France in invading the Ruhr and the methods employed by her there constitute a breach of the Treaty of Versailles. Possibly the reassembling of Parliament will compel the Government to disclose the advice on these points which they must by this time have received from their law officers.

Assuming for the moment that this growing body of opinion is correct, and that the action of France and her co-operators, Italy and Belgium, is in breach of the Treaty, what are the consequences to which these Powers have thus exposed themselves? It may not be fully realised in France that the events of the post-armistice years are turning the minds of many of us in this country back to the pre-Entente days, when our European commitments were confined to the guarantee of the neutrality of Belgium and Luxemburg, and very little else of living importance. To those who are thinking in this fashion the Treaty of Versailles (excluding the Covenant of the League of Nations) has caused a steadily growing uneasiness, culminating in the anxiety of the past two months. It is, therefore, not surprising that responsible thinkers are beginning to inquire in all gravity whether the events of the past six weeks do not afford Great Britain a unique opportunity of disentangling herself from the Treaty of Versailles and nearly all that it means, with the exception of the League of Nations. We do not believe that this opinion is yet dominant in this country, but, however much we may sympathise with France in her desperate attempt to take for herself her long overdue reparations, it would be idle to ignore the fact that the past six weeks have witnessed an almost incredible revulsion of feeling in this country. Were events in the Ruhr to take an uglier turn, the British Government (and it would be difficult to form in this country a Cabinet more naturally disposed to be sympathetic towards France) might at any moment be faced with an angry

and insistent demand for the withdrawal of British troops from the Rhine, and for the denunciation of the Treaty of Versailles. Difficult legal questions would then arise, and it is out of no unfriendliness to our Allies that we attempt to consider them in advance.

There is but little doubt that International Law recognises the violation of a treaty, or, at any rate, a material part of a treaty, as entitling the other parties to it at their option to cancel it and declare themselves no longer bound by it. That we may not be thought guilty of an unfounded assertion, we cite some recognised authorities. Hall (International Law, seventh edition (1917), p. 361) says:—

The general rule, then, is clear that a treaty which has been broken by one of the parties to it is not binding upon the other, through the fact itself of the breach, and without reference to any kind of tribunal.

The question, however, remains whether a treaty is rendered voidable by the occurrence of any breach, or whether its voidability depends upon the breach being of a certain kind or magnitude.

Later, on p. 362, after discussing the difficulties raised by that question, he says:—

All that can be done is to try to find a test which shall enable a candid mind to judge whether the right of repudiating a treaty has arisen in a given case. Such a test may be found in the main object of a treaty. There can be no question that a breach of a stipulation which is material to the main object, or, if there are several, to one of the main objects, liberates the party other than that committing the breach from the obligations of the contract.....

Reparation is certainly one of the main objects of the Treaty of Versailles, and the procedure laid down in it for obtaining reparations is certainly material to that object.

Oppenheim (International Law, 3rd edition, 1920, Vol. I., page 606), while admitting the absence of unanimity amongst international lawyers on the subject, states his opinion to be that “violation of a treaty by one of the contracting States does not *ipso facto* cancel the Treaty; but it is within the discretion of the other party to cancel it on this ground.”

Turning to the French authorities, we find Professor Mérignac, of the University of Toulouse, in his “Traité de Droit Public International,” stating (page 789), in discussing the termination of treaties:—

Si une des parties n'exécute pas ses obligations, l'autre est en droit, comme dans tout contrat synallagmatique, de ne point exécuter les siennes et de dénoncer le traité après des observations non suivies d'effet. Chaque Etat apprécie alors, librement et sous la responsabilité, quelle conduite il doit tenir en présence de la résistance de son co-contractant.

Bonfils is even more explicit (Manuel de Droit International Public, 859):—

L'inexécution d'un traité par l'un de ses contractants autorise l'autre partie à se considérer comme déchargée de ses obligations. Contrats synallagmatiques, les traités publics sont affectés d'une condition résolutoire tacite, comme les conventions synallagmatiques du Droit civil; mais avec une importante différence néanmoins. En Droit civil, l'inexécution de la convention par l'une des parties autorise seulement l'autre à intenter une action judiciaire à fin de résolution avec dommages-intérêts. En Droit international public, en l'absence d'un pouvoir judiciaire commun et supérieur aux Etats, chaque Etat apprécie librement, à ses risques et périls, s'il peut ou non se considérer comme déchargé de toutes ses obligations par suite de l'inexécution, souvent partielle, quel quefois totale, imputable à l'autre Etat, son co-contractant.

No purpose is served by the multiplication of such citations. But the reader who has followed us so far will probably have come to the conclusion that the weak spot of the rule stated by these authorities is that the party not in default must itself decide, à ses risques et périls, as Bonfils puts it, whether to regard itself as freed from the treaty by reason of the other party's breach or not. If events in the Ruhr should go from bad to worse, and the people of this country should decline to remain in alliance with a France that looks like settling down in the Ruhr *sine die*, then the British Government may be compelled to act upon this rule of international law and denounce the Treaty. If, however, the Government are unwilling to take the serious responsibility of this course without an impartial declaration of their right to do so, then the recently instituted Permanent Court of International Justice is available for this purpose. This Court was created in 1921 under Article 14 of the Covenant of the League of Nations, and has already got to work. The Statute creating the Court provides for two kinds of jurisdiction—(1) compulsory, and (2) voluntary or permissive. The jurisdiction described as “compulsory *ipso facto* and without special

agreement," and comprising, among other matters, "the interpretation of a treaty" and "any question of international law," was not at first, and it is believed has not yet been, accepted by any of the Great Powers, but in pursuance of the voluntary jurisdiction, many of the Great Powers have already jointly submitted questions to the Court for decision. Only last week the Court gave a decision on a question referred to it by Great Britain and France affecting the rights of British subjects in Tunis in the face of the French law of compulsory service in the Army. If the British Government is in doubt as to the legality of the French action in entering the Ruhr and while in the Ruhr, and as to the effect of that action upon the Treaty of Versailles, an opportunity thus exists to invite France, Italy, and Belgium to refer these matters to the decision of this impartial tribunal which they have co-operated with us and other signatories of the Treaty of Versailles in creating. From their refusal to concur in the submission of these questions to the Court an unfavourable conclusion would be drawn.

THE UNDERGROUND GROUP.

THE excellent dividends declared last week by the railways in the Underground group are explained by the reports now published. Traffic receipts were £220,300 lower at £12,278,300, but there was a larger reduction of £482,900 in expenditure to £9,943,000. The total net income of the five companies, including the London General Omnibus Company, was £317,200 higher at £2,976,900. The net receipts and appropriations for 1921 and 1922 are given below:—

	1921.	1922.	Inc. or Dec.
Net receipts	£ 2,072,711	£ 2,335,298	+ 262,586
Miscellaneous receipts (net)	586,916	641,578	+ 54,662
Total net income	2,659,627	2,976,876	+ 317,248
Deduct—			
Interest, rentals, & fixed charges	867,628	865,104	— 2,525
Appropriations to reserves	530,000	747,500	+ 217,500
Dividends on guaranteed and preference stocks	389,477	389,477	..
Total deductions	1,787,105	2,002,081	+ 214,975
Balance	872,522	974,795	+ 102,273
Add balances from last year's accounts	135,711	253,142	+ 117,431
Total amount available for dividends on ordinary stocks and shares and for other purposes	1,008,233	1,227,937	+ 219,704
Amount paid in dividends on ordinary stocks and shares representing an average rate of 4.69 per cent. in 1922 and 3.92 per cent. in 1921	755,091	902,983	+ 147,892
Balances carried forward to next year's accounts	253,142	324,954	+ 71,812

The reserve appropriations include £82,500 "for equalising the charge in respect of interest on the 4½ per cent. redeemable second debenture stocks." For several years these companies have been working under an arrangement whereby the net earnings of the five companies are put into a common pool and divided in agreed proportions. According to the above table the amount going to the "common fund" would be £974,795, but the actual amount shown in the accounts is £1,029,795, the difference being explained by the fact that after the operation of the common fund, reserves were increased by £55,000. The division of the common fund between the five companies in each of the past three years was as follows:—

	1920.	1921.	1922.
Central London	20	18	16
City and South London	6	6	6
London Electric	30	35	41
Metropolitan District	12	12	12
London General Omnibus	32	28	25
	100	100	100

A further modification in the proportions of the common fund receivable by each company has been made, and the

share of the Omnibus Company, which in the first years of the pool received the largest percentage, has again been reduced, while the London Electric takes 41 per cent., as against 30 per cent. two years ago. The latter, however, makes the largest contribution of the railways to the common fund. Reference to the report of the Omnibus Company will be found in a Note on a later page.

Each of the four railways suffered a decrease in total revenue, but this was accompanied by a larger reduction in expenditure, as may be seen from the next table:—

	Revenue.		Expenditure.		Fixed Charges.	
	1922.	Inc. or Dec.	1922.	Inc. or Dec.	1922.	Inc. or Dec.
Central London	£ 685,282	— 44,269	£ 413,590	— 54,838	£ 46,325	+ 286
City and South London	437,272	— 44,036	212,445	— 88,996	47,039	+ 228
London Electric	2,116,263	— 60,551	1,137,595	— 231,176	259,505	+ 3,961
Metropolitan District	1,944,045	— 69,716	1,218,826	— 132,381	328,214	+ 1,452

The issues of £6 millions of debenture stock, under the Trade Facilities Act, do not figure in the 1922 accounts for interest. Fixed charges, in fact, show very little change. There was thus a satisfactory increase in net income in each case, as may be seen from the following table, which also gives preference and ordinary dividends:—

	Net Income Less Charges.		Pref. Dividend.		Ord. Dividend.	
	1922.	Inc. or Dec.	1922.	Inc. or Dec.	1921.	1922.
Central London	£ 225,367	+ 10,284	£ 21,600	..	£ 120,000	£ 120,000
City and S. London	177,788	+ 44,732	42,500	..	48,100	59,200
London Electric	679,163	+ 166,664	126,947	..	303,158	373,118
Metropolitan Dist.	357,005	+ 61,213	198,430	..	32,250	97,050

After payment of dividends, each of the companies is able to increase its balance carried forward, the total amount carried to the next accounts being £68,000 higher. The total amount spent by the five companies on improvements and additions during the year was £1,334,000, of which £415,000 was spent by the omnibus company on motor omnibuses and equipment.

Our final table shows the movements in the securities of the Underground railways:—

Name.	Year 1913.		Year 1922.		Price Feb. 15, 1922.	Price Feb. 14, 1923.
	Highest.	Lowest.	Highest.	Lowest.		
Central London, Def. Stock	86	72½	44½	32½	37½	42½
Do Pref.	..	..	59½	40	43½	59½
City and South London 5% Pref., 1903	110½	94½	89½	59½	68½	92½
London Electric, Ord. (£10)	80½	70½	79	55	60½	77
Do 4% Pref. Stock	44½	27½	47	21½	23½	49
Metropolitan District Ord. Stock	96½	87½	89	70½	72½	95½
Underground Electric Income Bonds, red. 1948	..	..	..	..	..	..

* Dividend free of tax.

As in the case of other home railway securities, present prices are very much higher than they were twelve months ago. Metropolitan District ordinary stock, which until 1921 had received no distribution since 1882, stands considerably higher than the highest of 1913. Underground Electric 6 per cent. income bonds are also nearly at the highest of 1913, thanks to the full payment of 6 per cent. interest for the second half of 1922.

OFFICIAL LIST MARKINGS.

THE Stock Exchange Committee have passed a rule, subject to confirmation on Monday week, that will, if confirmed, gravely affect the present system of marking bargains done by brokers in the Stock Exchange. Under present conditions, writes a Stock Exchange correspondent, brokers are charged with the duty of marking all bargains in stocks and shares where the amount involved comes to over £100. It is not compulsory to record transactions where the money passing is less than £100, and bargains between jobbers need not be marked. The rule now passed, however, declares that bargains may (and not "can," as in the present rule) be marked between 10.45 and 3.30, &c.; that there is no compulsion laid upon them to mark any-

Notes of the Week.

Overseas Trade in January.—The trade returns for January confirm the impressions obtained from other sources that the improvement in trade which was under way towards the end of last year was maintained in January. The total value of exports was the highest recorded for two years. The import surplus on the merchandise figures was considerably higher than the average monthly excess of 1922. It was £23 millions in January, as compared with £9.9 millions in January, 1922, and a monthly average of £13.8 millions for last year. But it is noteworthy that the imports last month were heavy, our receipts of food, drink, and tobacco being £3.4 millions higher than a year ago. Value figures for January, 1923 and 1922, are compared below:—

	January, 1923.	January, 1922.	Increase or Decrease in January, 1923.
Imports	£ 76,499,947	£ 99,699,855	+23,199,908
British exports	63,146,949	66,938,908	+ 3,791,959
Re-exports	8,458,866	9,797,961	+ 1,339,095
Total exports	71,605,815	76,736,869	+ 5,131,054
Excess of imports over total exports	4,894,132	22,962,986	+18,070,854

Conclusions reached in an article on an earlier page of this issue suggest that this country's "invisible exports" are at a rather lower rate than the £23 millions which is shown as the unfavourable merchandise balance for last month. An examination of the exports of British produce and manufactures shows that in most cases the leading export industries shipped abroad a larger volume of goods than in 1922. The following table gives quantity figures for certain exports for January of the past four years and for January, 1913:—

	Jan., 1913.	Jan., 1920.	Jan., 1921.	Jan., 1922.	Jan., 1923.
Coal	6.07	3.36	1.70	4.02	5.6
Iron and steel	437	257	232	253	353
Cotton piece goods	649	415	249	339	399
Cotton yarn	19	16½	7.2	14.8	12.8
Paper	323	158	221	147	335
Jute piece goods	15.7	15.6	5.1	8.6	13.6
Linen piece goods	20.8	14.5	2.3	7.8	8.0
Woolen tissues	11.6	18.5	9.8	8.9	14.7
Worsted do	8.1	5.9	4.0	6.7	7.3
Boots and shoes (thousand doz. prs)	12.70	78.3	38	28	49
Soap	15.52	25.94	54.2	103.2	119.1
Machinery	58.9	29.8	55.4	39.8	46.2
Oilcloth	1677.9	815.1	272.7	1225.8	..

As a result of the events in the Ruhr the demand for British coal has become very strong, and the result will probably be reflected more clearly in the February than in the January figures. Iron and steel exports were largely in excess of those of the corresponding month in any of the past three years. Cotton piece-goods and worsted tissues also show up well in the comparison. The increase over a year ago in re-exports is largely due to heavier shipments of cotton and wool. In view of reports of the growing consumption of rubber in America the January re-exports of rubber to that country were surprisingly small, being 17,454 centials, against 126,780 centials in January, 1922. The bullion and specie figures show imports at £6,438,897 and exports at £9,110,308. Gold was sent last month to India to the value of £4,772,981, and to the United States to the value of £2,337,198. Statistics of shipping engaged in the foreign trade reveal a larger movement, the tonnage cleared with cargoes from British ports being 5,280,533, as compared with 3,920,547 in January of last year.

Effect of the Ruhr Occupation.—As was expected, the occupation of the Ruhr by the French is having a serious effect upon the iron and steel industries of France, Luxemburg, Belgium, and Germany. Lorraine and "the East" are normally responsible for about 75 per cent. of the output of pig-iron and steel in France, and this region is almost wholly dependent for its supplies of coal and

coke upon the Ruhr. The result of the cessation of these supplies has, therefore, been that at least 35 out of the 83 blast furnaces that were in operation at the beginning of the year have had either to be damped down or blown out. Belgium is less dependent than France upon the Ruhr, for out of 2,500,000 tons of coal used in the production of coke in Belgium in the last eight months of last year, half was raised in Belgium and the other half imported, mostly from Great Britain and Germany. In addition, Belgium and Luxemburg together imported 1,638,000 tons of coke, mostly from Germany, in the same period. Belgium, therefore, has so far only had to damp down three furnaces. Luxemburg, which is largely dependent upon Germany, and to a less extent upon Belgium, for coke, has had to damp down 10 furnaces. Up to the present the German industry has been the least affected, as since the third week of the occupation the French have prohibited the export of coal and coke to unoccupied Germany, and the resistance of the Germans has prevented fuel going to France in any quantity, so that except for five or six furnaces on the west bank of the Rhine, which have had to be blown out or damped down, all the furnaces in the Ruhr are operating at full blast.

The Deferred Rebate System.—It will be recalled that the rate war recently threatened in the Australian trade was averted because the Commonwealth Government Line, which had unexpectedly notified substantial reductions in freights, came to terms with the Conference Lines. In an announcement issued by the Board of Trade (given in the *Economist* of February 3rd) it was stated that the agreement reached was in harmony with the recommendations of the Imperial Shipping Committee on the deferred rebate system. These recommendations had been awaited for some time, but the report was to be simultaneously published in the Dominions, and so its issue had been delayed. The report was published last Saturday. It is in the nature of a supplement to that of the Royal Commission on Shipping Rings, issued in 1909. The recommendations of that Commission, it is pointed out, have not been exhausted, or even to any considerable extent adopted, and the Imperial Shipping Committee therefore treated its inquiry as supplementary to that of the Royal Commission. By no means all shippers, it appears, are opposed to rebates (in the West African trade some of the smaller merchants pressed for the reintroduction of rebates after the war), but many shippers object to the monopoly which the rebate system is alleged to enable established lines to maintain, and "the complaint of the Government of the Commonwealth of Australia is of the same order." Shipowners, on the other hand, claim that the system enables them to confer advantages on their customers, inasmuch as deferred rebates conduce to regularity, frequency, and efficiency of service, with stability of freights, equality of treatment, and abstention from shipment on owners' account. The majority and the minority reports of the Royal Commission agreed on the desirability of the formation of associations representative of merchants and shippers. This is a better means than State interference to remedy or prevent grievances. The only bodies of importance formed on the lines recommended (it is remarked) are the Manchester Association of Importers and Exporters, and the Shipping Committee of the East African Section of the London Chamber of Commerce. The Imperial Shipping Committee now recommends that, for every trade route, the shippers should form representative associations to meet the conferences, and the other main suggestion made in the present report is that the "agreement" system (which has come into use in the South African trade) should be given to shippers as a running option. Recent legislation, both in South Africa and in Australia, it may be explained, prohibits rebates. The representative organisations, the formation of which is recommended, could settle with the shipowners the terms of the "agreement," whereby individual shippers would undertake to support the regular lines, in return for regular berth sailings, stability of freights, and equality of rates to large and small shippers. The Committee does not recommend legislation to enforce the option between the two systems. If they were instituted side by side, the difficulties with

the Australian Government Line might, it is suggested, be overcome. There is a proposal for an Imperial Shipping Board to deal with cases of disagreement, but it may be doubted whether this is required. As the report itself remarks: "Conferences between the respective associations of traders and shipowners will in general achieve the necessary measure of understanding and agreement in regard to any questions arising out of the deferred rebate system, the agreement system or the option to be given between them."

The French and Belgian Exchanges.—Recent movements in the French and Belgian exchanges call for some explanation. In an article in the *Economist* of November 25th last an attempt was made to account for the margin between French and Belgian currency, and since that date this discrepancy has become even more marked, both absolutely and relatively. In this connection it should be noticed that a selling movement from America affects the French franc considerably more than the Belgian, for American holdings of the latter are almost negligible. If the selling movement comes from the Continent, however, and especially from Germany, the Belgian franc is relatively more affected, owing to the proximity of the two countries and the important business relations existing between them. In this latter case, therefore, the margin between the French and Belgian franc must tend to be widened (especially since Brussels is a much smaller market than Paris), and this is probably one of the causes which has determined the recent movement. At the same time, however, there have been signs of what seems suspiciously like the first beginnings of a flight from the Belgian franc. At one time it appeared that the purchase of British securities for Paris account might be attributable in part at least to the same sense of uneasiness. But the "carnet de coupon" proposals, which had been devised to ensure the payment of income-tax on the part of bondholders, to which reference was made last week by our Paris correspondent, might well have caused some uneasiness in certain French circles; and as it is now virtually certain that these proposals will not be adopted, it may have been premature to have referred to an incipient flight from the French franc. The steady fall of the franc, however, cannot really surprise anyone who considers the serious financial position of France at the present moment. The recovery of the mark, on the other hand, which might naturally have had a reaction from the panic quotations ruling at the beginning of the month, has been largely caused by deliberate action on the part of the Reichsbank and by French purchases for use in the Ruhr.

Coal and Iron and Steel Output.—The output of coal from the mines of Great Britain in the week ended February 3rd was 5,601,200 tons; this compares with 5,644,200 tons in the previous week and 4,803,100 tons in the corresponding week of last year. The weekly average for the first five weeks of 1923 is 5,365,000 tons, as compared with a weekly average in 1922 of 4,854,000 tons, and in 1913 of 5,527,000 tons. The definite signs of recovery in the iron and steel industry observable at the end of the year have received a great stimulus by the developments in January. To the slightly reviving export demand and the orders for British railways, which were the main causes of the original movement, there has been added the rush of orders from France and Belgium for semi-finished material, and the situation has brought out a big crop of orders at home from people afraid of being caught on a rising market. According to statistics issued by the National Federation of Iron and Steel Manufacturers, the production of pig-iron in January amounted to 567,900 tons, and of steel ingots and castings to 624,300 tons. While the production of pig-iron was the highest since January, 1921, it still compares unfavourably with production in the last pre-war year, when output averaged 855,000 tons per month. The steel production is within measurable distance of the 1913 rate, but is much less than the rate attained in 1920 (viz., 755,600 tons per month). Furnaces in blast at the end of January numbered 183, an increase of 14 during the month; more furnaces would doubtless have been blown in but for uncertainties with regard to the price and supplies of coke owing to the big continental demand. Exports of metallurgical

coke in January amounted to 180,851 tons, compared with 73,000 tons in January, 1922, France taking 45,300 tons, compared with 26,500 tons in the previous month. Exports of iron and steel during January amounted to 353,400 tons, a figure only exceeded twice in the post-war period, and 85 per cent. of the average monthly rate in 1913. Pig-iron exports (88,700 tons) were practically the same as in the previous month, a decline of 17,000 tons in exports to America being compensated for by increased exports to Italy, Germany, and France. The increased prices of coal and coke, together with the increased demand for pig-iron and steel (which is partly due to the complications on the Continent), is causing iron and steel prices to rise, and Middlesbrough pig-iron, No. 3, for instance, is now quoted at 105s (and for immediate delivery up to 112s 6d), as compared with 91s per ton at the end of last year. A rise was, however, inevitable in view of the extremely low level to which prices had fallen, and one gratifying feature of the increase is that increased wages will automatically follow. A small rise in the wages of blast furnacemen on the North-West Coast has already been announced.

London Electricity Supply.—The report of the London County Council Special Committee on London electricity supply, which came before the meeting of the Council on Tuesday last (the 6th), contains a feature, writes a correspondent, which is particularly interesting to all electric supply companies—namely, the consideration of extension of tenure. Under the Electric Lighting Act, 1888, electric supply companies are purchasable by the local authority at the end of 42 years from the date of their provisional order at their "then value." Under the London Electric Supply Act, 1908, a modification was made in respect of the 13 London companies operating in the administrative county of London, the purchase powers over these companies being transferred to the London County Council, and the year 1931 fixed for all these companies as a common date. In view of the reorganisation of the electricity supply of London proposed by the Electricity Commissioners under their "London and Home Counties Electricity District" scheme, the London County Council have from time to time intimated their willingness to extend the period of purchase, subject to certain safeguards. Such extension of period would, of course, be a valuable concession to the electric supply companies in question, and would certainly place them in a much better position to give a "cheap and abundant supply" in accordance with the ideal of the London Electricity Supply Act, 1919. The Report of the Special Committee of the London County Council deals with this question of tenure in connection with the London Electricity Supply Bill—Session 1923—which is promoted by the London Electricity Joint Committee (1920), Limited, the Bill being a proposal on behalf of nine of the London electric supply companies to form a body representing the London companies to deal with the centralisation of the generation of electricity so far as the company portion of London is concerned, leaving the local authorities similarly to deal with their own section. Under the Bill it is proposed that extension of tenure should be extended from 1931 to 1971. The Electricity Commissioners are empowered to grant extension of tenure, but under Section 14 of the Electricity Supply Act, 1922, this is subject to the consent of the London County Council or the Local Authority interested. Formally, of course, the Bill is to be opposed by the London County Council, but so far as the extension of tenure is concerned the Report deals with this as a question of conditions, the main point being that machinery must be provided which will "adequately protect the rights of the public qua consumers and the rights of the ratepayers qua potential purchasers of the undertakings." The whole matter, however, will probably be dealt with in detail in the draft Special Order of the Electricity Commissioners (following the inquiry last June), which will shortly be circulated. The second inquiry will take place in the near future, after which the Order will be given its final form before being passed on for Parliamentary sanction. The London and Home Counties electricity district, of course, covers a large number of smaller supply companies in addition to the 13 companies in the

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administrative county, and the principle of extended tenure would apply equally to such companies in so far as they form part of the reorganisation. The extension of tenure will undoubtedly lift one at least of those legislative burdens which have always laid heavily on the industry, and the benefits will be reflected not only in the increased prosperity of the companies, but naturally in the lower rate at which they will be able to give electricity supply to the general public. The period of tenure, of course, has in fact been once generally lengthened, since in the first Electric Lighting Act, 1882, the period was only 21 years, but it was found that under such conditions companies could not possibly operate successfully, so in the later Act of 1888 the period was changed to 42 years. Now that many companies are coming within measurable distance of the termination of their period of tenure the disadvantages both to them and consumers of the present limitations is becoming apparent, so that the need for readjustment in the interests of everybody concerned is universally admitted.

Another Bank Amalgamation.—Within a very short time of the announcement of the absorption of Messrs Cox and Co., the well-known bankers and Army agents, by Lloyds Bank, has come notification that another private bank, which also acts as Army, Navy, and Air Force agents, is to be absorbed by one of the clearing banks—Messrs Glyn, Mills, Currie and Co. The official announcement states that a provisional agreement has been entered into for the amalgamation, which will date as from January 1st last. Sir Vesey Holt will become one of the managing partners in the amalgamated bank. The business of Holt and Co. will, as heretofore, be carried on at 3 Whitehall place and 44 Charing Cross, under the direction of Sir Vesey Holt, with whom Mr Martin Holt and Mr A. V. Barber will continue to be associated. The business of Holt and Co. was established in 1809. In 1884 Messrs Lawrie and Co. were absorbed, and in 1915 Messrs. Woodhead and Co. The first balance-sheet to be published by Holt and Co. appeared last October. This showed that the capital was £100,000, and that the deposits on September 30, 1922, were £2,243,500. There was cash in hand of £296,000, and money at call of £240,000. British Government securities at or under market value stood at £1,426,300. The business of Glyn, Mills, Currie and Co. was established in 1753, and the company registered in 1885. According to the *Bankers' Almanac*, the number of shareholders whose liability is unlimited is nine. The paid-up capital, according to the last balance-sheet, is £1,000,000, and the reserve fund £500,000. Deposit and current accounts totalled £26,435,300. Cash and money at call amounted to £13,881,200, and British Government securities to £8,144,200. This is the first time for many years in which the bank has figured in an amalgamation, having passed unscathed through the epidemic of the last decade.

Cotton Consumption.—Our Manchester correspondent writes:—There is increasing apprehension at the present time in Lancashire with regard to future supplies of raw cotton. The outturn in the United States during the last two seasons has been very small, and the disappointing crops have come at a time of increasing consumption in America. According to statistics published this week, the consumption in the United States during January was 610,375 bales. The figures nearly constitute a record, the amount only being surpassed by 614,000 bales in

March, 1916, and 615,000 bales in May, 1917. Last month's consumption compares with 528,000 bales in December, and 527,000 bales in January last year. The consumption during the six months ended January, including linters, amounted to 3,619,000 bales, against 3,317,000 bales in the same period of the previous season. On the basis of these figures the United States will use this season 7,238,000 bales. This total includes outside growths, but does not allow for Mexican cotton, which should about balance the imports from Egypt. The seriousness of the figures given above will be realised when it is pointed out that the American crop for this season will be only 10,000,000 bales. The remedy for this state of affairs is the seeking of fresh sources of supply. The Empire Cotton-Growing Corporation is hard at work in furthering projects in different parts of the British Empire, and it is satisfactory to know that the Government has promised to give all necessary facilities in the current Session of Parliament for the promotion of a Bill to make compulsory the levy of 6d. a bale upon all cotton imported into the United Kingdom, the fund created to be used in financing the work of the Empire Cotton-Growing Corporation.

Manchester Ship Canal.—Although reductions were made during the year in the rates of Ship Canal Tolls and Wharfage, Ship Dues on Vessels, and other charges, there was an increase of £135,415 in the receipts of the Manchester Ship Canal, the weight of seaborne traffic on which tolls were paid having increased by 964,102 tons. The following table shows traffic receipts since 1910:—

Year.	Sea Borne Traffic. Tons.	Barge Traffic. Tons.	Total Tons.	Ship Canal Tolls, Ship Dues, and Miscellaneous Receipts. £
1910 ..	4,618,070	319,561	4,937,631	555,735
1911 ..	4,894,670	323,142	5,217,812	580,841
1912 ..	5,021,691	318,193	5,339,884	605,179
1913 ..	5,457,218	322,943	5,780,161	654,937
1914 ..	5,109,285	315,447	5,424,732	656,237
1915 ..	5,115,954	318,092	5,434,046	757,268
1916 ..	4,540,167	318,582	4,858,749	831,684
1917 ..	3,843,324	309,430	4,152,754	861,996
1918 ..	3,229,293	268,702	3,497,995	990,923
1919 ..	3,313,620	275,423	3,589,043	1,203,361
1920 ..	4,099,326	288,037	4,387,363	1,461,909
1921 ..	3,117,469	176,201	3,293,670	1,197,075
1922 ..	4,081,571	191,973	4,273,544	1,332,490

The gross receipts of the whole undertaking, including the Bridgewater canals and the railways, amounted to £1,964,800, as against £1,861,100 in 1921, and expenditure at £1,186,300, compared with £1,324,500, so that net revenue amounted to £778,500, as against £536,600. After payment of rentals and other fixed charges, there was an available balance of £432,600, including £34,400 brought forward. The 3½ per cent. dividend on the corporation preference stock requires £37,100; the preference dividend is raised from 3 to 5 per cent., and the ordinary dividend from 1½ to 4 per cent., a balance of £45,400 being carried forward. The directors attribute the decrease in expenditure to reductions in stores, materials, and wages. The working of the railways produced a credit balance of £24,500, as against a loss of £9,250 for the previous year. This was the result of a considerable increase in the tonnage carried, which was accompanied by lower expenditure. The report mentions that arrangements have been made with the London, Midland and Scottish Railway for the lease of the docks adjoining the Ship Canal at Ellesmere Port, "on terms which, it is believed, will be mutually advantageous." In the table below we show the highest and lowest prices of the ordinary and preference shares since 1910, together with pre-war prices and present prices and yields:—

	Prices 1910-1922.		Price July 30, 1914.	Present Price.	Div. for 1921.	Div. for 1922.	Yield.
	Highest.	Lowest.					
Manchester Ship Canal Ord. £10	7½	1½	1½	6½	4	5	8 10
Ship Canal Pref. £10	6½	1½	1½	7½	3	5	6 13 3

Present prices are very much higher than they were 12 months ago, but the yields still look rather high. Until war conditions brought prosperity to the canal, no dividends had been paid for 14 years, and there was naturally a rapid appreciation in prices when distributions were resumed.

London General Omnibus.—The accounts of the London General Omnibus Company for the year 1922 show traffic receipts, "after the operation of the common fund" of the Underground group, of £7,501,425, which compares with £7,500,572 for 1921. The company is now entitled to 25 per cent. of the common fund, which amounted to £1,029,795, its share being, therefore, £257,449. After payment of expenses and placing £375,000 to reserve for contingencies and renewals, as against £335,000 a year ago, there is a balance of £369,953, as against £386,260 at this time last year. Interest brought in slightly more, and £9,000 more was brought forward, so that the balance available for debenture interest and dividends is only £2,500 lower at £469,398. The following table summarises results for a number of years:—

	1913.	1917.	1918.	1919.	1920.	1921.	1922.
Total receipts ..	3,258,198	3,401,708	3,979,799	5,924,905	7,066,137	7,657,342	7,705,525
Expenses—							
Administrative ..	124,905	237,500	237,920	295,785	346,120	628,116	545,681
Traffic ..	1,542,703	1,769,322	2,246,832	3,569,076	4,407,232	4,235,419	4,233,129
Maintenance ..	1,102,219	751,387	971,492	1,593,207	1,899,366	2,048,767	2,158,907
Depreciation, &c. ..	191,514	197,539	307,629	307,516	307,520	358,780	397,855
Total	2,961,441	3,186,148	3,763,873	5,765,584	6,960,238	7,271,082	7,335,572
% of receipts ..	91.0	93.6	94.5	97.3	98.5	95.0	95.2
Balance	297,757	215,560	215,926	159,321	105,899	386,260	369,953
Add interest, &c. ..	38,912	93,325	94,626	107,935	116,122	26,782	31,517
Brought forward ..	11,061	21,418	38,548	60,930	59,726	58,843	67,928
Deb. int., &c.	346,730	330,303	349,100	328,186	281,747	471,885	469,398
Ordinary div.	105,446	142,377	108,412	108,412	108,584	152,474	144,021
Card. fwd.	207,086	149,378	179,758	160,048	114,320	251,483	253,615
	(18 %)	(7 %)	(8 %)	(7 %)	(5 %)	(8 %)	(8 ½ %)
	34,197	38,548	60,930	59,726	58,843	67,928	71,762

† Paid free of income-tax.

Interest on 4½ per cent. first debenture requires £62,053, against £39,909 a year ago, £500,000 of the stock having been sold during the year. Loss on realisation and depreciation of investments, on the other hand, absorbed only £50, as against £37,816 a year ago. The ordinary dividend is raised from 8 to 8½ per cent., free of income-tax, and the carry forward slightly increased. The net amount expended on capital account for the year amounted to £212,100. The balance-sheet shows that the reserve fund for contingencies and renewals amounts to £1,593,766, as against £1,427,073 a year ago, while investments stand at £1,680,124, as against £1,317,636. The number of passengers carried in 1922 was over 846½ millions, an increase of 85½ millions, as compared with 1921. The daily average was just over 2½ millions, the fleet of omnibuses owned by the company being 2,809, and the routes operated covering 722 miles of roadway. The number of passengers conveyed by the four railways of the group—the Metropolitan District, the London Electric, the City and South London and the Central London—was 325½ millions, a decrease of over 13½ millions.

Bovril's Profits.—Bovril, Limited, had a satisfactory year in 1922. Although gross profits were about £30,000 lower, and dividends from associated companies brought in less, there was a very large drop in general expenses, and last year's net profit, after paying interest on debentures and short-term notes, comes out £56,600 better than in the previous year. Below are summarised the financial results for the past seven years:—

	1916.	1917.	1918.	1919.	1920.	1921.	1922.
Gross profit	341,405	349,164	384,087	512,016	609,709	650,274	620,188
Associated cos., &c.	44,931	70,358	80,417	67,304	69,793	58,168	31,411
	386,336	419,522	464,504	579,320	679,502	708,442	651,599
Net profit	147,809	152,298	158,558	216,895	179,239	208,606	265,210
Reserve	35,000	35,000	35,000	55,000	50,000	40,000	60,000
Preference dividend ..	27,500	27,500	27,500	27,500	27,500	36,250	45,000
Ordinary div. (7 %)	52,500	52,500	52,500	52,500	52,500	56,625	67,875†
Deferred dividend	36,290	40,000	43,860	60,000	60,000	67,500	91,525
	(32 %)	(4 %)	(4 %)	(8 %)	(8 %)	(9 %)	(9 %)
Carried forward	3,482	2,702	301	21,895	10,761	8,231	809

* 7½ per cent. † 7½ per cent. ‡ Free of tax.

A sum of £20,000 is again taken from profits and placed to staff pension fund, while the general reserve receives £60,000 against £40,000 a year ago. The rate of dividends had been paid for 14 years, and there was naturally a rapid appreciation in prices when distributions were resumed.

depend on the deferred shares remains at 9 per cent., as for 1921, but this time it is paid free of income-tax—a concession which cost the company over £24,000. The balance-sheet, which is analysed in the usual column of this issue, shows a rise of over £241,000 in the composite assets item in which properties, Government stock, interests in associated companies, goodwill, trade marks, &c., are all lumped together. We should like to see this well-managed and prosperous company set an example in the matter of clearer balance-sheets by separating up this item and showing the various component parts separately. The directors report that the sales of Bovril last year exceeded all previous records, and there can be little doubt that the company is reaping the benefit of the policy of not raising its prices during the boom period.

Imperial Tobacco Profits.—The Imperial Tobacco Company (of Great Britain and Ireland) has made an important alteration in its method of disclosing profits. Hitherto net trading profit has been disclosed before payment of bonus to customers, an item which in 1919-20 and 1920-21 was not far short of one million sterling. In the accounts for the year ended October 31, 1922, the net trading profit is shown after payment of bonus to customers. In reading the table below this change has to be borne in mind. The net trading profit for last year of £7,199,100 actually compares with £6,048,700, after allowing for bonus to customers of £879,000 paid in 1920-21:—

	Oct. 31.	1913.	1917.	1918.	1919.	1920.	1921.	1922.
Balance forward	£160,518	£22,024	£22,558	£284,036	£280,660	£39,848	£203,601	£203,601
Net trading profit	3,354,476	3,538,539	3,826,191	4,665,109	6,659,791	6,927,641	7,199,077	7,199,077
	3,514,994	3,560,563	3,848,749	4,949,145	6,940,451	6,967,489	7,402,678	7,402,678
Fees, depreciation, &c. ..	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
General reserve	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Amount to be divided ..	2,193,419	2,510,563	2,818,749	3,749,145	5,740,451	5,867,489	6,402,678	6,402,678
5% cum. pref.	272,758	272,758	272,758	272,758	272,758	272,758	272,758	272,758
5% non-cum. pref.	315,628	315,628	315,628	315,628	315,628	315,628	315,628	315,628
10% n-c. "A" def. ord. ..	263,822	263,822	263,822	263,822	263,822	263,822	263,822	263,822
"B" def. ord.	974,050	1,253,981	1,358,480	2,089,105	3,932,473	3,932,473	3,932,473	3,932,473
	(35 %)	(22 ½ %)	(16 %)	(15 %)	(17 ½ %)	(17 ½ %)	(22 ½ %)	(22 ½ %)
Bonus to customers, first half-year	103,326	133,348	141,353	194,420	338,097	352,908	...	...
Balance	263,835	271,025	466,708	613,411	617,672	729,657	568,444	568,444
Less bonus to customers second half-year	130,867	178,467	182,672	332,751	577,824	526,056	...	...
Carried forward	132,468	92,558	284,036	280,660	39,848	203,601	...	...

† New ordinary shares. ‡ New "C" 10 % non-cum. pref. shares. § Free of income-tax.

The allocation to general reserve is very much smaller, but £200,000 goes to pensions as against £100,000 a year ago. The increase of £1,150,400 in profits is nearly absorbed by the additional 5 per cent., free of income-tax, paid on the ordinary shares, the amount saved by the reduction in the reserve allocation being added to the balance carried forward. The balance-sheet, which is analysed in detail in a later column, shows no very important changes on the debit side; on the credit side cash at £4,716,400 is nearly £1½ millions higher, and investments in associated companies at £6,017,600 are nearly half a million higher. Stock-in-trade has been reduced by £723,100 to the still enormous figure of £31,998,900. For the shareholders the report of this great undertaking must make pleasant reading, but it is not exactly comforting for the consumer, who is still paying boom prices for the company's goods, to see an addition to profits of well over a million sterling.

Pekin Syndicate.—The report of the Pekin Syndicate for the year ended June 30, 1922, records receipts of £24,068, "comprising interest on loans, deposit and current accounts, dividend on shares, &c." Expenses in London amounted to £15,887, in Paris to £3,841, and in China to £15,387. Amounts of £6,055 and £3,454 were transferred to reserves against debtors and shares in other companies respectively, leaving a debit balance of £20,555. There was also a debit balance of £45,819, "being difference in exchange in respect of adjustment of the syndicate's floating assets and liabilities in China and Paris." These debits being transferred to the balance-sheet, reduce the credit balance of profit and loss account to £455,295. At the end of 1921 operations at the Jamieson pits were suspended, and, while working costs

were thereby reduced in the latter half of the period covered by the report, the directors report favourably of the operations at the Li Feng collieries and of the type of coal produced therefrom. The total output for the year amounted to 564,538 tons, as against 698,071 tons in the previous year. Military occupation of the railways interfered with coal transport. The report contains a reference to the reorganisation of the Banque Industrielle de Chine, which "is now under the management of a company specially formed for that purpose, called the 'Société Française Gérance de la Banque Industrielle de Chine,' the capital of which has been subscribed by a group of some of the most influential banks in Paris, whose head is the Banque de Paris and des Pays-Bas, and the Chinese Government." The Pekin Syndicate holds 391 founders' shares and 17,208 ordinary shares of 500 francs each in the Banque Industrielle. These are entered in the balance-sheet at cost, "as it was not possible to form an opinion as to their value at the time of closing the accounts." This item is £242,380, and under the heading Banque Industrielle de Chine are also the items "cash balances in Paris and China," £169,615, and "claim in respect of Chin Yu Bonds," £17,642. Floating assets and liabilities in China and Paris were for the purposes of the balance-sheet converted into sterling at the rates of 2s 6½d per dollar, and 52.80 francs to the pound.

S.T.D. Motors.—On assets amounting in value to £4,022,661 the directors of S.T.D. Motors, Limited, show a profit of £56,017 for the year ended September 30th last, after writing off depreciation of buildings and other charges. The report states that "in 1921, despite the general trade depression prevailing during that year, the directors distributed the full dividend of 7 per cent. per annum on the preferred ordinary shares without calling on any of the company's reserve funds, and without lessening the amount of the profits carried forward from the previous year. At the same time they looked forward to being able to submit a satisfactory year's trading for the past year. Unfortunately, this anticipation has not been realised for reasons entirely outside their control." The report then proceeds to observe that not only were hundreds of orders for cars for immediate delivery lost, but the series of cars then in course of production were not available for sale until late in the selling season, when a slump in prices of cars commenced, with the result that prospective purchasers held over their orders until the show in November. The dividends on the cumulative preferred ordinary shares are now 12 months in arrears, but it is hoped that these will be soon paid. This is a holding company, and one which we think might reasonably publish a consolidated balance-sheet showing the combined assets and liabilities of constituent companies. A further complicating point about these accounts are that fixed investments in France are taken at 25.20 francs to the £. The balance-sheet will be found fully analysed in another column.

Ashanti Goldfields.—Our mining correspondent writes:—The shareholders in this, the doyen of West African gold mining enterprises, have enjoyed several periods of high prosperity; but during the past few years they have fallen upon lean times—lean, that is, comparatively speaking, for in themselves dividends of 20 or 25 per cent. are not so very bad. In 1920-21 difficulties of various kinds were encountered, while during the twelve months ended September 30th last the results were seriously affected by the heavy decline in the gold premium, and to an extent by the alteration in the method of treating the ore. Some time ago it became apparent, in view of the difficulty of obtaining fuel for the furnaces, that the simple and satisfactory roasting process hitherto employed would have to be abandoned in favour of a raw treatment, which although not yielding so high an extraction, would ultimately prove a better method economically. Last year the change-over was effected. During the second four months the ore was treated partly by the old and partly by the new process; during the last four months entirely by the latter. For the whole year costs averaged 70s 10d per ton as against 84s 5d in respect of the preceding financial period. It is expected that when the new plant settles down the expense ratio will average about 60s per

ton. There will thus be a saving of some 25s per ton in costs as against a loss of about 17s in extraction. But the main point is that the modification had to be effected anyhow. For the current year the earnings are foreshadowed at between £60,000 and £70,000, irrespective of any premium value which gold may still bear. These figures would appear to indicate the probability of a dividend of 15 or 20 per cent., after allowing for taxation. The accounts show that the payment of 25 per cent. last year entailed a heavy draft upon the carry forward, the net earnings being £36,500, whereas the distribution called for £62,500. It is satisfactory to note that, although no shaft sinking was performed during the period under review, the general reserve of ore shows a slight increase, standing at 512,100 tons, gross value £2,457,500 on the basis of gold at par. The quantity represents nearly five years' supply for the mill.

Transvaal Output in January.—The output of gold of the mines of the Transvaal during the month of January, 1923, amounted to 764,469 ounces of fine gold, which compares with 790,712 ounces in December, 1922. There was no declaration of output in January, 1922, in consequence of the strike, but it will be seen from the table below that the output for the first quarter of 1922 amounted to 639,728 ounces. The following table shows the production for a number of years:—

	1917.	1918.	1919.	1920.	1921.	1922.	1923.
	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.
January..	782,634	714,182	676,059	670,503	661,593	639,728	764,469
February..	781,321	659,750	636,728	625,330	568,137	..	..
March ..	787,094	686,281	712,379	707,036	671,123	..	..
April	792,778	717,000	694,944	686,979	681,382	511,338	..
May	779,385	741,317	724,995	699,041	687,776	629,786	..
June	759,794	727,696	702,379	715,567	678,490	675,697	..
July	757,839	736,199	725,497	736,099	679,555	730,635	..
August	756,666	740,210	706,669	702,083	711,526	752,490	..
September..	751,020	708,206	698,553	682,173	691,026	747,089	..
October ..	751,020	678,764	723,722	662,472	707,825	778,159	..
November ..	751,020	658,701	677,970	633,737	704,236	764,476	..
December ..	728,419	641,245	650,191	632,215	681,847	790,712	..
Totals ..	9,018,004	8,418,392	8,330,091	8,153,625	8,114,516	7,020,111	764,469

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

	June, 1922.	July, 1922.	Aug., 1922.	Sept., 1922.	Oct., 1922.	Nov., 1922.	Dec., 1922.	Jan., 1923.
Gold mines....	170,464	178,886	175,054	174,565	175,129	173,173	176,834	181,985
Coal mines....	19,117	12,571	12,370	12,000	11,495	11,899	11,001	14,664
Diamond	1,211	1,211	1,219	1,234	1,218	1,237	1,253	1,222
Total	193,792	192,668	188,643	187,799	187,842	185,499	189,088	197,871

It will be noted that the native labour force increased both at the gold and coal mines. The increase in the number employed at the coal mines is stated by the Chamber of Mines to be due to the creation of the Breyten Ermelo labour district.

Austrian Pre-War Debts.—The Board of Trade announces that March 31, 1923, has been fixed as the last date for lodging with the Administrator of Austrian Property, Cornwall House, Stamford street, London, S.E. 1, proofs by British nationals of debts due to them by Austrian nationals, or of pecuniary obligations of the Austrian Government under Article 248 of the Treaty of St Germain-en-Laye, in order that their claims may be put forward through the Clearing Offices. As an exception, however, in the case of claims of the existence or amount of which claimant shall become aware only at a date subsequent to March 1, 1923, the Administrator has power to extend the period for lodging the proof of claim with the Department until two calendar months after the claimant shall have become aware of the existence and amount of the claim in question. It will be recalled that under Article 248 of the Treaty and Section 1 (ii. and xiv.) of the Treaty of Peace (Austria) Order, 1920, the debts therein referred to can only be settled and enforced through the Clearing Offices, except in so far as a direct settlement may after due lodgment and admission of the claim be permitted by the Administrator. The Administrator of Austrian Property announces his intention to declare a first dividend of 2s in the £. An individual notice will be sent to each creditor as and when he becomes entitled to participate in this dividend, showing the amount of such dividend to which he is entitled and when and how it is payable.

Oversea Correspondence.

UNITED STATES.—STEEL CORPORATION'S EARNINGS—CONTINUED TRADE EXPANSION—HEAVY BANK CLEARINGS.

(FROM OUR CORRESPONDENT.)

NEW YORK, February 2.

NET earnings of the United States Steel Corporation, which reflect conditions in one of the most important basic industries of this country, amounted to \$27,552,392 for the last three months of 1922, as compared with \$27,468,339 for the quarter ended September 30th, and \$19,612,033 in the fourth quarter of 1921. After allowing for a credit adjustment of \$952,346 the amount available for dividends was \$11,283,346. After paying the preferred quarterly dividend of 1½ per cent., the sum left for distribution to the common stockholders was equivalent to only 97 cents a share on the \$508,302,500 common stock outstanding, or 28 cents a share less than the regular quarterly dividend of \$1.25. For the sixth consecutive quarter, therefore, the corporation had to draw on its accumulated surplus to meet its full dividend requirements. The official report, issued this week, showed a deficit of \$1,375,356 for the quarter after the payment of regular dividends on both the preferred and common stocks, as against a deficit of \$1,339,002 for the preceding quarter, and of \$5,280,901 for the last quarter of 1921. The net profits for the final three-months period of 1922 were much smaller than financial and steel trade interests had expected. Predictions of a more favourable exhibit had evidently been based largely upon the freer movement of steel products from the mills, following the termination of the railway shopmen's strike, and upon the advances in steel prices in the closing months of last year. It is quite apparent, however, that the increased operations did not fully offset the 20 per cent. advance in wages, which came into effect September 1, 1922, and the greater cost of fuel and coke. With respect to the higher prices for steel products, there is reason to believe that the corporation had booked a large volume of business for delivery during the last quarter of 1922 at the old price levels, and accordingly did not reap much benefit in that period from the advances. The latter will be reflected in the returns for the present quarter, which should be more favourable, since it is authoritatively stated that the corporation has now filled most of the orders which were accepted on the old price basis. In view of that fact, and also in view of the large amount of new business booked since the first of this year, predictions are being made that the leading steel producer will earn its dividends during the current quarter, and perhaps even show a substantial surplus.

Net earnings, expenses, and other details for the full year 1922, as compiled from the quarterly statements and compared with the preceding year, are shown below:—

	1921.	1922.
Net earnings.....	\$ 92,726,058	\$ 101,647,661
Dep., sinking fund, &c. ..	36,768,226	42,785,229
Net income	55,957,832	58,862,432
Int. U.S.S. bonds	20,427,044	20,107,383
Balance	35,530,788	38,755,049
Adjustments	1,086,229	952,982
Balance	36,617,017	39,708,031
Preferred dividends.....	25,219,677	25,219,677
Common dividends	25,415,125	25,415,125
Deficit	14,017,785	10,926,771

How the corporation has fared in the matter of net earnings each year since 1913 is shown in the following table:—

	\$		\$
1913	137,181,345	1918	187,135,680
1914	71,663,614	1919	143,589,062
1915	130,396,012	1920	176,686,898
1916	333,574,177	1921	92,726,058
1917	295,292,180	1922	101,647,661

After deducting all charges and preferred dividend payments from the year's total net earnings of \$101,647,661,

the balance available for the common stock in 1922 was \$14,488,354, equivalent to \$2.85 a share, as compared with \$2.24 a share in 1921.

January witnessed a marked increase in activity in most lines of trade and industry, especially in eastern, central, and southern centres, as is shown by the exceptionally heavy bank clearings for that month. The latter, according to *Bradstreet's*, reached an aggregate of \$36,339,936,000, or 7.4 per cent. larger than in December, 3.7 per cent. in excess of the peak total for 1922, which was recorded last October, and more than 23 per cent. above January a year ago. Reasons for the big gain in bank clearings are found not only in the greater activity in most industries, but also in the heavy buying by railroads, unprecedented sales of building materials, increases ranging from 25 to 50 per cent. in the volume of jobbing trade, and the 38 per cent. increase in mail order sales, as compared with January of 1921. Bank clearings last month were, in fact, the largest for any month since October, 1920. It is worth noting, too, that there was a pronounced increase over recent months and years was the rule in all parts of the country. Clearings outside of New York in January gained 36.5 per cent. over a year ago, while the gain at New York was only 14.3 per cent.; the total outside of New York was the largest for any month since March, 1920. The improvement in general business conditions is also reflected in the reports of January failures. The total of failures last month, while showing an increase of about 16 per cent. over December, is 20.4 per cent. smaller than the peak total reached in January of last year. The aggregate of liabilities for January is 11.7 per cent. greater than for December, but only about one-half the total for January a year ago, and 18 per cent. less than the total for January, 1921. In the North-West and Far West failures were more numerous in January of this year than last, while the number in New York City was about as large as a year ago. In New England, the middle Atlantic, and central western States there were fewer failures as compared with January of 1922, while in the south, which for two years recorded the largest totals, the number was almost 40 per cent. smaller than in January of last year. Liabilities in all parts of the country, including New York City, were well below those of the corresponding month of 1922.

FRANCE.—BUDGET PROPOSALS—TAXATION PROBLEMS—DIRECTION OF TRADE—PRICES—THE BOURSE.

(FROM OUR CORRESPONDENT.)

PARIS, February 14.

THE problem of balancing the Budget for 1923 now appears to be well on the road to solution, and the Finance Minister and the Finance Commission of the Chamber have at last, apparently, found between them a means to get rid of the estimated deficit of 3,700 millions that figures in the Budget Bill for 1923, as passed by the Chamber a week or two ago. The Minister is now prepared to present recommendations to the Chamber to-morrow, which, it is hoped, either with or without modification, will get rid of the problem. M. de Lasteyrie presented a fourth list of proposals to the Commission last Thursday, and these are generally accepted as marking a distinct advance on his previous efforts. It is now seen that he has given up his proposals for an increase in a large number of Customs duties, in the import tax, and in the tax on turnover, against all of which strong opposition was manifested by the trading community. Instead, the Finance Minister has gone back to some of his old proposals for further economies, and for the reorganisation of the State monopolies. While scouting all idea of sympathy with M. Bokanowski's project for the creation of the much-discussed *carnet de coupons* (with which I dealt at length last week), the Minister once more put forward his proposal to collect 1½ milliards of additional revenue by increasing a large number of the existing taxes by 20 per cent.

The Finance Commission has now adopted some of the Finance Minister's proposals in their entirety and others in part, and has tabled recommendations for adoption, from which it expects to secure an additional 20 millions by revising upwards the State tax on the sale of *fonds*

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de commerce; 40 millions by similarly modifying motor-car duties; 125 millions by further increasing the sale price of tobacco; 400 millions by stricter measures to suppress certain fiscal frauds; 500 millions by calling on the now-once-more-prosperous railway companies to pay for rolling stock handed over to them by the Government at the close of the war; a further 500 millions from direct taxation (based on the fact that the revenue from this source is at present coming in greatly in excess of Budget estimates); and 225 millions from economies to be realised in connection with interest payments on the floating debt. Instead of increasing a large number of existing taxes by 20 per cent., the Commission recommend that certain registration duties shall be raised by 10 per cent., which is estimated to produce an additional 298 millions. In the way of revenge, the Commission insists on retaining its proposal for the creation of a *carnet de coupons*, but recommends that taxpayers shall be exempt from including in this *carnet* income derived from National Defence and Treasury bonds, and that, once the *carnet* has been established, the revenue authorities shall not be able to make retroactive use of it for the purpose of penalising hitherto fraudulent declarers of income. From this new machinery the Commission estimates an additional yield of 700 millions in income-tax during 1923 (assuming that the proposal is agreed to by the Chamber and the Senate, which at present appears extremely doubtful), and that another 225 millions of economy may be effected in this connection by reason of the fact that the right to omit National Defence and Treasury bonds from the *carnet* will enable the Treasury to reduce the rate of interest on these instruments by ½ per cent. Further, if the Budget is balanced, there will be no need for any loan, the Commission suggests; therefore an estimated expenditure of 127 millions in that connection may be omitted. Altogether, these proposals are estimated to produce in economies and additional receipts equivalent to 2,935 millions, as compared with a total estimated deficit of 3,700 millions. As the latter includes the sum of 820 millions, representing the cost of redeeming Rentes to that value which is expected will be tendered in payment of the special tax on war profits, it would only be necessary (the Commission argue) to raise the remaining 765 millions (representing the rest of the deficit) by loan, and thereby bring about a balance in the Budget, not only without any increase in the debt, but even with a supplementary redemption of 55 millions of Rentes. The weak point in this ingenious edifice, as already suggested, lies in the attitude Parliament will adopt as to the ticklish proposal for the creation of the *carnet de coupons*.

The Finance Minister yesterday laid before the Chamber a Bill to authorise the issue during 1923 of 13 milliards of francs of short-term Treasury bonds, for the purpose, firstly, of providing money to pay off short-term and Treasury bonds of various kinds that will mature during the current year (including five milliards that will be due for payment in June next), and secondly, to provide money for the devastated regions. It is explained that the introduction of this Bill is due to the delay in passing the Finance Bill for 1923. Articles inserted in the *douzièmes provisoires* granted on Decem-

ber 31 authorised the issue of four milliards of short-term Treasury bonds, but as the recent Crédit National issue absorbed three milliards of fresh money, the Treasury has refrained from appealing for the whole of the sum authorised, and its present proposal is really equivalent to a reduction of the amount of new short-term loans to be contracted during 1923 from 16 milliards to 13 only. Instead of asking for authority fraction by fraction, and thereby running the risk of placing the Treasury in a tight position at a moment when it would need all its elasticity, the Ministry is really asking to be given authority for the whole amount for the year at once and for all, on the understanding that the rate of interest, amount, duration, and other details will be left to be settled by the Treasury from time to time, according to circumstances as they may arise, under the reserve that the whole of the bills to be issued this year will come to maturity within ten years at the outside.

The index number for wholesale prices, as issued by the Statistique Générale for January, shows that during the past month prices again rose substantially. The comparative figures for the past two months (based on 100 as the figure for the period 1901-1910) are as follows:—

	December, 1922. (Corrected.)	January, 1923. (Provisional.)
General index figures (45 categories) ..	418.4	447.3
Foodstuffs—		
General index figure (20 categories) ..	404.0	424.8
Vegetable foods (8 categories) ..	360.2	386.1
Animal foods (8 categories) ..	456.7	457.6
Sugar, coffee, cocoa (4 categories) ..	386.1	436.1
Raw materials—		
General index figure (25 categories) ..	430.0	465.4
Minerals and metals (7 categories) ..	373.4	415.6
Textiles (6 categories) ..	553.4	624.0
Various (12 categories) ..	401.1	415.1

This sharp rise in wholesale prices may be regarded as directly due to the serious fall in the value of the franc to new record low levels that occurred during January. The increase in prices, as might have been expected, was most plainly felt in connection with imported products (coffee, cocoa, copper and other minerals, and cotton and wool). The index figure for the retail prices of 13 categories of foodstuffs in Paris is returned as 3321 for January (or 200 per cent. increase on 1914), as compared with 3276 for December, when the figure was equivalent to an increase of 205 per cent. on that of 1914.

The Bourse during the past week has continued its confident course. The principal effect of the continued low condition of the French franc has been a great increase in arbitrage business in the Paris market, which has resulted in the disappearance from it of a large number of foreign descriptions, such as Spanish rails, &c. One great reason for the remarkable activity that now characterises this market is, of course, the enormous increase during recent years in the amount of money available for investment. The tendency to leave on one side for the moment securities bearing fixed rates of interest and to take up sound industrials, with good prospects of high dividends, consistent with the improvement in economic conditions in various directions, has been still further emphasised this week. Securities based on real values (raw materials, industrial plant, land, &c.) are increasingly sought after, and electrical, metallurgical, chemical, and similar descriptions have practically all been substantially marked up.

GERMANY.—RUHR—FINANCES—EXCHANGE AND BOURSE—INDUSTRY—FOREIGN TRADE.

(FROM OUR CORRESPONDENT.)

BERLIN, February 13.

The Ruhr situation gets steadily worse, without, however, showing any signs of such an acute crisis as might compel settlement. The position of France has not got better, and a realisation of this fact is showing itself in acts of violence, which are no longer directed against officials and citizens who refuse to obey orders, but against the whole population. The German Press declares that these acts are ordered from Paris with the aim of provoking a revolt, but that is hardly in accord with the somewhat nervous and temporising policy shown by France so far. The embargo on the transport of general manufactures

to unoccupied Germany will not have any immediate effect, as it is a much less inconvenient measure than the cutting off of coal supplies, after which it came as an anti-climax. If, however, France carries out the plan, now foreshadowed, of taking over the whole Ruhr railway system, and making the food supply dependent upon the submission of German railway officials, as a Paris despatch declares is intended, the situation may become very threatening. At present the railway officials seem determined not to collaborate with the French, but it is impossible to predict that measures aimed at starving the population may not enforce a formal surrender. The Federal Food Minister promises that supplies will be distributed by motor-car, but the French authorities could easily prevent that being done. The boycott against the French soldiers is now almost general in most towns, the hotels refuse to receive French guests, the shops refuse to sell, and every obstacle that can be raised by mere passivity is being raised.

Industrial activity in unoccupied Germany continues without change. Sooner or later, however, the metal-consuming finishing branches will have to look to new sources for their supply of raw materials. The mere boycott against France and Belgium, together with the stoppage of the Ruhr supplies, makes Germany more than ever dependent on foreign sources for her heavy iron and steel. In January-November last year she imported 261,099 tons of pig-iron against 144,788 tons exported; 538,914 tons of scrap against 76,880 exported; 274,531 tons of ingots, blooms, slabs, &c., against 80,783; 712,655 tons of bars, girders, &c., against 405,823 tons, while the old excess of exports of finished metal goods over imports has been maintained. The importation of these heavy materials from England and America is thought of; and this, unlike the necessary increased import of coal, would not put a new strain upon the balance of foreign payments. All results of the occupation that are visible so far, however, are merely destructive; they mean not only a loss to Germany from lower production and from the great decline in the efficiency of distribution, but also serious losses, which can hardly be made good later, for all countries with Reparations claims.

The cash and credit shortage continues. The Reichsbank's note printing capacity at the end of this month will be about 125 milliards daily, which is probably more than sufficient for the demand at the present price level. The first 50,000 mark notes have been issued. The Floating Debt on January 31st was 2,781 milliard marks, of which 2,081 milliards were discounted Treasury bills. Revenue is rapidly increasing, the total receipts from taxation in the last ten days of January amounting to 49,625,836,000 marks, as against 556,571,876,000 marks in the first nine months of the financial year, while 1,809,701,642,000 marks was raised in the form of Floating Debt. Expenditure for the nine months was as follows:—General administration and mark liabilities from the Peace Treaty, 1,486,335,875,000 marks; Peace Treaty liabilities in foreign countries, 417,580,055,000 marks; interest on Floating Debt 76,546,705,000 marks, and on the Funded Debt 2,316,137,000 marks; while subsidies to State undertakings amounted to 387,759,769,000 marks. The total was thus 2,374,767,946,000 marks. The following table shows the development of Budget expenditure, including Reparations and subsidies to State undertakings, since 1920:—

	(In Milliards of Marks.)					
	1920.	1921.	1922.	1922.	1923.	1923.
	Realised.	Realised.	Esti- mated.	Estimated and Sup- plementary Estimates.	Esti- mated.	Esti- mated on Price- Level of Jan., 1923.
Ordinary Budget ..	58.7	83.6	103.2	442.2	732.0	..
Extraordinary Budget ..	140.9	172.5	185.2	892.5	740.3	..
Totals ..	199.6	256.1	288.4	1,334.7	1,472.3	4,000-5,000

Railway freight rates will be doubled on February 15th, passenger fares on March 1st. The Government has submitted a Bill prolonging the coal tax law, which expires on March 31st. The Finance Ministry is empowered to moderate or increase the normal rate, which remains at 40 per cent. on the sale price. The yield in 1923, on the

basis of present prices, will be 250 milliards. In addition, the Customs gold surcharge has been raised from the 14th from 474,900 to 709,900 per cent., and the Reichsrat has raised the limit upon the total of Darlehns advances to 1,000 milliard marks.

The great improvement in the mark, which has risen nearly 100 per cent. from the lowest quotation of 48,877 to the dollar, reached on January 31st, is put down to Reichsbank intervention. The value of foreign exchange which was sacrificed has been estimated unofficially at £400,000. Apart from this, however, a reaction was due, as the mark fell about 80 per cent. in January alone. The intervention is stated to have been carried through by Mendelssohn and Co. The effect of this on the Bourse yesterday was considerable, but last week stocks continued to rise, the *Frankfurter Zeitung's* index for home dividend-payers moving from 1,276,315 to 1,567,965 between February 2nd and 9th, while home bonds also rose. Yesterday the Bourse was weak, with the exception of some special securities, and some of the leading stocks lost as much as 10,000 points. On the whole, however, there were signs of a considerable power of resistance, due to expectations of a further decline in the mark, and the gold prices of stocks are therefore much higher than a week ago. As in all times of mark recovery, the Bourse is in an unsettled mood.

Industry is again complaining of a shortage of working capital. The Prussian Trade Ministry's monthly report for January shows no marked change either towards depression or improvement. The demand for ore, scrap, and heavy iron, and particularly for semi-finished material, was very great; the railway permanent way producers are fully occupied, having big State orders; while there is a great demand for thin sheets and a revival in the thick sheet market, which has for months been dull. Conditions in the non-metal-using industries are less favourable. In some textile branches few new orders are coming in; the silk trade is injured by a decline in home buying, and production is being reduced, while the linen branch is suffering from shortage of raw material. Although chemicals in general are booming, with a demand far in excess of the supply, the dye market is depressed. The table glass branch is depressed, but a revival is expected shortly. Depression also prevails in rubber, where the supply of raw materials is insufficient, and production has had to be reduced.

The fusion in the Klockner concern, comprising the Hasper, Königsborn, Salinen und Solbad, George Marien Werkes, Huttenverein Osnabruck, Düsseldorf Eisen, and Fassonisen Companies, has been carried through. The Aquila Syndicate, of Frankfurt on the Main, which embraces numerous iron, steel, coal, and chemical companies, has taken over and will reopen the steel works in Vienna Arsenal. Several new deals with German companies are mentioned in the Russian Press, but most of these have not yet been completed.

The value figures of foreign trade in December were: Imports, 589,800,000 gold marks, against 536,200,000 gold marks in November; exports, 423,000,000 gold marks, against 255,200,000 gold marks. With the exception of July, when imports were 684,800,000 gold marks, and the December imports are the highest of the year, and there has been an unbroken increase since September, when imports were only 421,800,000 gold marks. Except as against January and February, 1922, when imports were only 330,400,000 and 359,600,000 gold marks, there is no marked sign of a general increase in the gold value of imports, but the big increase since September, and the maintenance of values during a year of very bad currency depreciation tend to confirm what has been stated more than once in these columns that the fall in the mark exchange, taken by itself, does not reduce buying capacity in foreign markets. The whole foreign trade account for 1922 is: Imports, 6,200,400,000 gold marks; exports, 3,970,000,000 gold marks, thus leaving an import surplus of 2,230,400,000 gold marks. Again, if January and February, 1922, are omitted, there is no tendency towards an increase in the surplus of imports, the highest import surplus was in July, with 348,500,000 gold marks, while the December figure was 166,800,000 gold marks. A comparison with 1921 is impossible, as for that year no gold figures are available, and all figures for the period

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January-April, inclusive, are still lacking. Imports in quantity in 1922 were 45,880,000 metric tons; exports, 21,570,000 metric tons. Imports in 1913 were 72,830,000 metric tons; exports, 73,710,000 metric tons. In comparing these figures allowance must be made for the reduction in the area and population of the country, and for the fact that Alsace-Lorraine produced mainly heavy goods (iron and steel). Moreover, the figures for 1922 do not include Reparations deliveries. According to the official *Wirtschaft und Statistik*, if these two facts are ignored, imports have fallen 60 per cent. and exports 30 per cent. since 1913, while if coal imports and exports are omitted from both years, imports have declined 47 per cent. and exports 48 per cent.

BELGIUM.—REPARATIONS AND THE RUHR—FINANCIAL POLICY—BANK REPORTS—INDUSTRIAL CREDITORS.

(FROM OUR CORRESPONDENT.)

BRUSSELS, February 14.

THE Reparations question and the occupation of the Ruhr are still the most important problems of the day. The visits to Brussels of French Ministers and generals are becoming more and more frequent, but from this it must not be concluded that a certain amount of pressure is being brought to bear on the Belgian Government in its action with France. On the contrary, there is a strong current of both official and public opinion which insists that no weakness should be shown regarding the measures to be adopted.

It will be remembered that under an arrangement recently concluded Belgium accepted as payment from Germany, under her priority claim, bills accepted by the Reichsbank payable over several months. The first instalment of 50 million gold marks matures on February 15, 1923, and it is now certain that this payment will be made.

In spite of the gravity of the political situation, the Government is actually now examining a scheme for the reduction of the number of regiments and the length of the period for military service (ten months). The object of the scheme is principally to effect economies in the military estimates. The official comment accompanying the proposed law clearly indicates the policy of the Government in this respect. It calls attention to the state of the public finances, which imposes the urgent necessity of restricting the budget charges to a minimum. Fresh fiscal measures now being considered include:—(1) Increase of Customs tariffs. (2) Increase of 5 per cent. on the coupon tax. (3) Several new taxes on sugar, matches, &c., and increase of existing taxation on other goods. All this is in addition to the measures already existing, which are heavier than is generally supposed.

Another interesting law is that which is to decide the steps to be taken with a view to the creation of a special fund to redeem the Government debt to the Banque Nationale de Belgique. This debt was contracted for the

purpose of exchanging the marks in circulation in Belgium at the time of the Armistice at the pre-war value of 125c, as well as in the districts of Eupen and Malmédy, where the marks were also redeemed on the same conditions. The debt in connection with the latter has already been repaid to the Banque Nationale.

The Government account with the issue department of the Banque Nationale is always in credit, never overdrawn, which means that it never has recourse to advances to cover ordinary or extraordinary expenditure. It is important to recognise that all the reconstruction work in Belgium—everybody realises what an enormous effort has been made—has been done without the slightest assistance from the printing press. The Government's sole debt to the Banque Nationale is, therefore, that resulting from the exchange of the marks. It amounted in all to 5,864,000,000f, and although the Government borrowed on this occasion, it did not depart from its usual policy, as it firmly believed that the Peace Treaty would force Germany to redeem these marks, which she had forced Germany to redeem the occupation at the rate of 125c on the population during the war for all damages suffered. Reparation made during the war for all damages suffered by Belgium are far from being realised. It must not be forgotten that 464,000,000f have already been repaid to the Banque Nationale, which thus reduces the amount to 5,400,000,000f, and an additional payment of 500,000,000f has been made to cancel the debt contracted by the Germans during the occupation and left unliquidated at the Armistice. This overdraft resulted from the scandalous manner in which the Germans directed the State controlled concerns—e.g., railways; appropriating the revenue, but refusing to pay the interest on the Belgian Government debt, which constituted the capital invested by the Government in the various concerns.

The official comments accompanying the proposed new law referred to above affords sufficient proof that Belgium is quite decided not to avail herself of the momentary advantages of inflation, and the policy adopted by the Banque Nationale in this respect is equally convincing.

If the idea of the "man in the street" is that Germany will pay either nothing at all or be forced to pay everything, it is plain that in governing circles the general opinion is far from touching either extreme. There the actual state of affairs is considered calmly and methodically. The Government is endeavouring to extract the maximum possible from a recalcitrant Germany, but at the same time is busy putting its own house in order. The annual report of the Société Générale de Belgique, the oldest and most important bank in the country, has just been published, and it proves that the same point of view is also prevalent in financial circles. This report calls attention to the fact that there will be a very large deficit in the amount of reparation payments to be received from Germany, and it is only by the goodwill and earnest endeavours of the population that Belgium will be able to last the present crisis as she has already successfully triumphed in many others, and then only on condition that everybody shoulders his proper share of the burden of taxation. This financial institution has just celebrated its centenary. The Banque de Bruxelles has decided to increase its capital from 103,000,000f to 150,000,000f by the creation of 94,000 shares of the nominal value of 500f. This new capital is justified by the increasing expansion of the bank's operations.

Although industrial position has greatly improved, we are still, generally speaking, below the figures of production for 1913, and although it is true that unemployment is negligible, this must be attributed in a large measure to the fact that a large number of workmen have emigrated—especially to France—where they can, in certain districts, work 10 and even 12 hours a day, and thus earn wages which they could not hope for in Belgium, where the eight hours law is strictly enforced.

The Bourse has been uneventful during the past week, the rates remaining fairly stationary. It has not been the same with the exchanges, and although fluctuations have not been so violent as have been experienced lately, the market has nevertheless been very agitated. The pound sterling has fluctuated between 84.50 and 86.50, and the mark has risen from 0.04 to 0.065, which is a great improvement.

AUSTRIA.—FINANCIAL POSITION: URGENT NEED FOR FOREIGN CREDITS—THE NEW BANK—INDUSTRIAL CONDITIONS.

(FROM OUR CORRESPONDENT.)

VIENNA, February 1.

THE position and prestige of the present Austrian Government depend largely on whether the foreign credits are realised in the near future. The bourgeois parties have done their utmost to support the Government, regardless of the fact that the Social Democrat party has prophesied that foreign help would not be forthcoming, and that all the sacrifices of Austria would be in vain. The Government is carrying on extensive propaganda, in order to still anxiety and to maintain the belief in the ultimate salvation of Austria. It cannot be concealed that the failure to place 80 million gold kronen worth of gold Treasury bills in foreign countries has been disappointing. Political occurrences in foreign countries, such as the French occupation of the Ruhr district, have raised new doubts as to the actual payment of the promised foreign credits. Any further aggravation of the situation will no doubt prejudice the position of the Cabinet.

The Social Democrat party is endeavouring to keep in touch with the Communist party, as the latter is making a great deal of propaganda, and the Social Democrats have, therefore, again begun calling their followers out to demonstrate in the streets. The delay of the promised foreign credits, the difficulties arising from the dismissal of State employees (the so-called "Abbau"), and ever-increasing unemployment are furnishing the Socialist party with plenty of material for attacking the Government. Much dissatisfaction has been produced by the League of Nations' demand for hastening the dismissal of State employees, especially as there is a Bill before Parliament which provides for a decrease in the pensions of those employees who have found private positions. At any rate, the fate of Dr Seipel's Cabinet depends solely on the result of the credit negotiations abroad.

The condition of State finances has of late become more difficult. The Government is constantly being compelled to make large payments: the dismissal of the State employees, desirable as it is, entails great expense in the pensions and compensations, which the Government cannot afford to pay without the help of foreign credits. Subscriptions to the gold Treasury bills have been closed, with about 4.2 million dollars worth subscribed. This amount is 1.8 millions of dollars short of the sum intended to be placed in Austria. A larger participation was hardly possible from Austrian capital, as the hopes of a foreign participation were not realised during the period of subscription. Since the Government is not allowed to draw on the new Issue Bank without giving security, it is compelled to apply to the banks for loans. The banks, which have already advanced almost 140 milliards to the State, submit their bills to the National Bank for payment, and this, of course, increases the banknote circulation. Even the loans already made have been insufficient, and negotiations for new ones are imminent. In the meantime, the Government has been obliged to extend the period of repayment of the large advance it received from the Viennese banks. The banknote circulation increased 146 milliards during the third week of December, and 222 milliards during the fourth week. The old Austro-Hungarian Bank ended its activity on December 31st with a note circulation of 4.08 billions of kronen.

The new National Bank published its first report on January 13th. This report shows a gold reserve (bullion and bills in high-valued currencies) representing a value of 1,195,190,603,219 paper kronen, against a circulation of 4,053,689,483,759 paper kronen, so that the note circulation is covered 26.7 per cent., a very satisfactory figure. This circulation shows a decrease of 27 milliards during the first week of the new National Bank's management.

The stagnation in commerce and industry still continues, but a slight improvement is to be seen in some industries. This is a consequence of reductions in wages and salaries. The situation has grown even more unfavourable for employees, since the great number of people seeking employment has enabled employers to lower salaries and wages still more than corresponds with the index figure. Negotiations regarding further reductions in wages and salaries are pending. Prices, however, no longer show a falling tendency on account of the doubtful opinions regarding State finances. Several banks have, therefore, advised their industrial debtors not to sell their goods at any price, but to await the further development of the situation.

At present about 130,000 persons are receiving the unemployment dole. Of these about 81,000 are inhabitants of Vienna. The number of unemployed who receive no State support and workmen on short-time are not included therein. A threatening movement for higher wages in the metal and textile industries was settled by the Government in time. Employers in these industries intended again reducing wages 15 per cent., but they had to be satisfied with a reduction of only 5 per cent., as the Social Democrat party interfered and disturbances were anticipated. Some branches of industry expect a slight improvement in the near future on account of the political and economic crisis in Germany, which has considerably reduced German competition on foreign markets. Some improvement is to be seen already in the iron and textile industries, and some branches of the engineering industry. Austrian exports to Jugo-Slavia have also increased since the strict exchange regulations of that country have been somewhat modified.

The reconstruction programme provides for further increases of taxes, and a new rise in tariff rates. A decided reduction in the State deficit had been expected from these revenues, but the taxes and tariffs have now reached such a height that trade and transport are throttled, and revenues have been accordingly lessened. The railway tariffs will have to be considerably lowered, because travelling has become a luxury for an Austrian, and Austrian industry is unable to bear the high freight rates on coal. The railway passenger tariff will soon be reduced 30 per cent., transportation charges for coal 10 per cent., and those for coke 20 per cent. Tobacco consumption has also fallen off considerably, because tobacco products have almost reached the world parity. Interesting evidence of the bad conditions prevailing among the lower classes is the decrease in the consumption of sugar. When the rationing system was still in force some years ago, about 1,000 truck-loads of sugar were consumed per month, at present only 500-600 truck-loads.

In spite of the considerable increase of the new National Bank's stock of high-valued currencies the rates for these currencies have not yet been reduced. The doubts felt about the possibility of further help from the League of Nations are clearly shown by the fact that higher prices are being paid privately for these currencies than those quoted by the National Bank, which has taken over the functions of the "Devisenzentrale." The dollar, for example, is 4,000-5,000 kronen higher when bought in "Schleichhandel" (illicit trade). During the last few days the price of gold was increased 4½ millions, and that of silver 2 millions per kilogram.

Conditions on the money market have again become worse of late. Exorbitant rates of interest are charged on the Stock Exchange and by the banks for short-sight loans. Even first-class firms must pay the Viennese banks about 35 per cent. for interest and bank charges. These are exceptions, however; ordinary merchants are unable to get money for less than 50 per cent. interest per annum, and must sometimes pay even higher rates. The foreign exchange market showed a gradual increase in high-valued currencies during the last fortnight, whilst the currencies of France, Italy, and Central European States were decidedly cheaper. Illicit trading in exchange has recommenced recently, as private persons, industrialists, and merchants, in view of the uncertain political situation, are endeavouring to rebuy the foreign currencies they were obliged to sell through the Clearing House.

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CANADA.—THE ECONOMIC POSITION—DISQUIETUDE ABOUT EUROPEAN EVENTS—EXODUS FROM CANADA—REVISION OF THE BANK ACT—THE NEXT BUDGET—MR ROBB'S COMPLAINTS—PRODUCTION STATISTICS—THE NATIONAL RAILWAYS.

(FROM OUR CORRESPONDENT.)

OTTAWA, January 28.

THE developments of the European situation are being followed with great anxiety in Canada. The failure of the most abundant crop in the history of the Western provinces, on whose prospects Canada has mortgaged her future, to give anything more than a modest stimulus to the recovery of real prosperity has been a serious disappointment, and there is spreading among all classes a realisation that the real source of Canada's economic troubles lies in Europe. A parallel process of education is in progress in the United States. The Western prairies were brought under the plough to supply the food demands of European industrialists whose local supplies had become inadequate. Now that European industrialism is in a state of comparative debility, and the standard of living for huge masses of people has materially fallen, the demand for the produce of the food-exporting countries has lessened, and it is only the collapse of Russian agriculture which has saved Western Canada from complete temporary ruin. Her farmers are further from tide-water, and burdened with heavier fixed charges for housing, clothing, and other things, than any of their competitors, and a decline in the European demand which cut down the margin of profit was bound to hit them hardest of all. Authoritative experts calculate that if Russia had this year been able to export at her pre-war scale, No. 1 Northern wheat would have been selling last autumn in Winnipeg at 50 cents per bushel. As things are, the complications on the Rhine, which make hopes of improvement in the European situation and, simultaneously, the prospect of better times for the Western provinces recede, are checking the buoyant optimism with which Canada has faced each recurring spring, and it would be well for British statesmen to realise that one certain reaction of a continuance of the European chaos will be continued stagnation for Western Canada. There is very definite evidence that a southward exodus of population is in progress on an alarming scale. One irrefutable proof of it is available—the Customs returns for the year ending December 31st show that exports under the head of settlers' effects were a million dollars greater than the imports.

Since no announcement has been made to the contrary, it is assumed that the decennial revision of the Bank Act will be proceeded with during the session which begins on January 31st. It is generally understood that its close will see Mr Fielding's withdrawal from active political life, and, in view of the attacks which the Bank Act will face from its critics, the Government probably are unwilling to leave the task of piloting the revision measure to less experienced and authoritative hands. The presence in the Cabinet of a director of the Bank of Montreal in the person of the Minister of Justice, Sir Lomer Gouin, is a blind spot in the Government's position, and impartial opinion thinks it should have been remedied ere this by his resignation from one or other of the offices. The Progressive Party will be the chief proponents of reform schemes, but they are not unanimous about any definite plan. The majority of them favour the establishment of a State bank, and the whole party will probably support this demand. It will be rejected by a combination of the

Liberals and Conservatives, and in the end the changes are likely to be very few. But greater stringency of audit will be provided for.

Speculations are rife about the character of the forthcoming Budget. The receipt tax, which came recently into effect, is very unpopular, and a powerful deputation, representing the Canadian Manufacturers' Association and other mercantile bodies, waited upon the Finance Minister last week to demand its abolition and a number of other changes in the tax system. The business community in Canada has come to regard the double tax burdens imposed by the Federal and provincial governments as almost intolerable, but Mr Fielding was unable to encourage any hopes of immediate alleviation. The Federal revenues for the current fiscal year will be slightly higher than for 1921-22, and the substantial sum which has this year accrued from the arrears of the business profits taxes will not be available next year. Since the Liberal Party had been out of power for 10 years, constituencies of a Liberal stripe have been ravenous for public works, and as a result the Government have signally failed to fulfil their pledges of enforcing drastic economies. For their failure they have been severely attacked by the *Manitoba Free Press* and other papers, and Mr Fielding is now engaged in trying to curtail the swollen estimates even at the expense of his popularity. Some unofficial hints have lately been given that fresh taxation will be necessary. The tariff changes necessitated by the commercial treaties just carried out will be made, but few other alterations are expected. Since the average tariff rate has actually been higher under Mr King than under Mr Meighen, the Progressives are certain to wax eloquent upon the Government's fiscal backslidings and demand heavy cuts, but the Imperial Economic Conference will be a most useful excuse for delay.

Mr Robb, the Minister of Trade and Commerce, has returned empty-handed from his Australian mission, but he has not improved the solidarity of the Empire by a cable message to the effect that the opposition of British firms was largely responsible for the failure of the negotiations. He asked the same preferential terms for Canadian goods as are now conceded to British, and claims that British interests thwarted these concessions. His disclosure has created considerable stir in Canada, but the *Ottawa Citizen*, an independent paper of high standing, roundly rebukes Mr Robb, declaring that as long as Canada maintains a high tariff against British goods, she should not complain if objections are raised to the detriment of the value of the present Australian preference to Britain. The episode, insignificant as it is, illustrates the fallacies of the theory that preferences must invariably be a form of Imperial cement.

The estimated value of the production of some of the chief lines of Canadian industry shows in the subjoined figures a respectable gain over last year's returns:—

	1921.	1922.
Grains.....	931,863,670 ..	962,616,200
Fisheries.....	34,930,735 ..	42,000,000
Mineral.....	172,327,580 ..	180,622,000
Wool.....	2,975,000 ..	3,250,000
Forest.....	296,000,000 ..	316,000,000
Fur.....	10,151,594 ..	9,250,000
Fruit.....	496,272 ..	535,000
	1,448,744,851	1,516,273,200

The comparative values of the wheat and other grain crops so show general betterment:—

	1921.	1922.	Five Years' Average.
Wheat.....	23,261,224 ..	22,422,693 ..	18,545,868
Barley.....	300,858,100 ..	399,786,400 ..	236,025,200
Average per acre ..	13 ..	17½ ..	12½
Value.....	\$242,936,000 ..	\$339,419,000 ..	\$392,546,320
Other values—			
Oats.....	143,395,300 ..	185,455,000 ..	270,406,080
Barley.....	28,254,150 ..	31,335,300 ..	57,487,799
Rye.....	15,399,300 ..	18,703,200 ..	12,744,150
Grain.....	\$931,863,670 ..	\$962,616,200 ..	..

Mr Henry Thornton has just returned from his Western tour of inspection, and will meet his directorate this week to make several important decisions. There is intense rivalry between Montreal and Toronto for the headquarters of the national system, and Ottawa is also putting forward claims. When the decision is made Sir Henry Thornton will only be popular in one of these three cities.

JAPAN.—FOREIGN TRADE—ADVERSE BALANCE LOWER—DIRECTION FIGURES.

(FROM OUR CORRESPONDENT.)

TOKYO, January 10.

Now that complete statistics for the year's foreign trade of Japan have come in, it is seen that though there has been a satisfactory increase in the volume of trade for the twelve months the adverse balance still persists, and now totals 252,344,000 yen, as compared with a total adverse balance of 300,955,000 yen in 1921. This comparison reveals a gain of considerable extent for exports. The total trade of the year amounted in value to 3,526,864,000 yen, as against an aggregate of 2,865,961,000 yen for the year before, which represents a gain of 660,903,000 yen. Of this sum, exports represent 1,637,260,000 yen, or 384,757,000 yen more than in 1921; while imports amount to 1,889,604,000 yen, which is 276,146,000 yen above the previous year. The situation for the year, as compared with 1921, may be more clearly seen from the following summary:—

	1921.	1922.	Increase.
	Yen.	Yen.	Yen.
Exports	1,252,503,000 ..	1,637,260,000 ..	384,757,000
Imports	1,613,458,000 ..	1,889,604,000 ..	276,146,000
Total	2,865,961,000 ..	3,526,864,000 ..	660,903,000
Balance	360,955,000 ..	252,344,000 ..	..

Looking into the year's trade a little more in detail, it is seen that increase in exports is due mainly to expansion of the raw silk output, exports of which rose from 417,124,000 yen in 1921 to 670,334,000 in 1922. Next in importance comes cotton yarn, amounting in value to 114,624,000, as against 80,436,000 yen for the previous year. Other important gains were starch, which rose from 433,000 yen to 1,442,000 yen; tea from 7,699,000 yen to 17,828,000 yen; refined sugar from 15,799,000 yen to 19,092,000 yen; waste silk from 10,367,000 yen to 14,513,000 yen; braids from 7,031,000 yen to 11,308,000 yen; while silk fabrics jumped from 89,893,000 yen to 107,919,000 yen. Hosiery experienced a gain of over five million yen on the previous year; hats and caps some two million yen; buttons over three million yen, glass two million yen, porcelain one million yen, wire four million yen, iron ware three million yen, tyres one million yen, and machinery two million yen.

Turning to import trade, the largest gains were in such items as rice, which rose from 28,764,000 yen in 1921 to 61,924,000 yen in 1922; wheat imports grew from 31,551,000 yen to 58,865,000 yen; woollen yarns from 15,172,000 yen to 48,468,000 yen; wool from 32,183,000 yen to 55,367,000 yen, and lumber from 43,498,000 yen to 81,647,000 yen. The largest decreases in imports were in rubber, which fell off by 2 million yen, raw cotton, which declined some 10 million yen in value, and machinery, which saw a decline of about 5 million yen.

Japan's total exports to China, however, amounted in value to 319,847,000 yen, as against 274,816,000 yen for the previous year; while imports from China totalled only 175,644,000 yen, as compared with a value of 178,610,000 yen the year before. China thus continues to be one of Japan's best customers, leaving her a favourable trade balance of 144,203,000 yen for the year. Japan's trade with other nations may be briefly analysed as follows:—

	1914.	1921.	1922.
	Yen.	Yen.	Yen.
ASIA.			
Imports	288,445,000 ..	591,122,000 ..	671,180,000
Exports	252,291,000 ..	567,140,000 ..	610,687,000
EUROPE.			
Imports	150,885,000 ..	247,363,000 ..	390,195,000
Exports	82,171,000 ..	63,471,000 ..	138,054,000
NORTH AMERICA.			
Imports	81,806,000 ..	452,416,000 ..	567,213,000
Exports	185,907,000 ..	436,968,000 ..	668,502,000
SOUTH AMERICA.			
Imports	2,625,000 ..	4,735,000 ..	6,925,000
Exports	485,000 ..	4,035,000 ..	9,282,000
AFRICA.			
Imports	6,741,000 ..	15,971,000 ..	15,470,000
Exports	2,272,000 ..	8,121,000 ..	10,170,000
OTHERS.			
Imports	19,834,000 ..	40,837,000 ..	82,497,000
Exports	15,970,000 ..	27,030,000 ..	42,307,000

An examination of the above table will show that export trade with Asia increased in value about 8 per cent. compared with the previous year, but as much as 150 per cent. compared with 1914, while exports with other countries show an encouraging increase. In imports there was also a general increase, except with Africa. The enormous gain of over 74 per cent. in raw silk exports is due to a decline in China and increased purchases in the United States. The increase in cotton yarns is also due to decreased output in China.

It will be seen that Japan's foreign trade is only just beginning to recover from the enormous inflation during the war, which left the country at the close of the war encumbered with vast quantities of manufactured goods and raw materials obtained at high costs. The holders attempted to dump their holdings on the foreign markets they had built up during the war, but not with great success. Indeed, a very large proportion of the markets gained during the war were lost through unsatisfactory prices and unequal goods. The trade gains during the war, however, were very large, the excess of exports piling up a favourable balance of some 1,400,000,000 yen between 1915 and 1918, while the national gold holdings increased from 353,000,000 yen to over 2,000,000,000 yen. With continued unfavourable trade balances since 1919 this total from excess of exports during and since the war has dwindled to about 300,000,000 yen, and indicates that the foreign markets captured during the war may be lost. The specie holdings have now declined to 1,833,000,000 yen, owing to payment of interest on loans abroad and sale of bullion to merchants. Of the sum in hand 670,000,000 yen is owned by the Government and 1,163,000,000 yen by the Bank of Japan, and of the total 1,215,000,000 yen is in Japan, and the balance, amounting to 618,000,000 yen, is abroad, chiefly in England and the United States.

Letters to the Editor.

STOCK EXCHANGE MONEY.

TO THE EDITOR OF THE ECONOMIST.

SIR,—The attention of the Committee of the Stock Exchange has been called to the concluding portion of an article headed "Stock Exchange Money," which appeared in your issue of the 10th instant.

They have directed me to inform you that they have ordered to be re-posted their notice of June 12, 1922, to the following effect:—

NOTICE.

In answer to an inquiry, the Committee for General Purposes have ruled that the provisions of Clause 3 of Rule 120 (now Rule 128(3)) do not apply to continuations. —I am, Sir, yours truly,

EDWARD SATTERTHWAITE, Secretary.

Committee Room, The Stock Exchange, London, E.C. 2, February 12th, 1923.

[Rule 128 Section 3 reads as follows:—A dealer requiring a Transfer to himself or his nominee under the provisions of Section 42 of the Finance Act, 1920, shall issue a numbered Ticket bearing a certificate in the following terms signed by the Dealer:—"Delivery on a Ten Shilling Stamp under the Finance Act, 1920, Section 42. I (We) certify that the purchase referred to in this Ticket was effected by me (us) in the ordinary course of my (our) business as a Dealer(s) on The Stock Exchange." The re-posting of this notice will call attention to a rule which does not appear recently to have been strictly adhered to.—Ed. Econ.]

FOREIGN TRADE STATISTICS.

TO THE EDITOR OF THE ECONOMIST.

SIR,—May I be permitted to say how welcome your article on the above-named subject has been to readers of the *Economist* of all classes. Firstly, it has been welcomed by students who have long irked under the delayed issue of the annual statements of trade, and have lately been victimised by the increased price of the more bulky publications. Secondly, it has been welcomed by the very numerous body of clerks, overseers, &c., who have had to furnish to the civil authorities the much more

ample information—often descending to a meticulous nicety—that has been required in order to tabulate the over-grown details. And, finally, it has been welcomed by the over-burdened taxpayer, who neither uses and often never knows of these publications, but who has to pay the salaries of all civil servants alike, whether they are useful or redundant. By bringing the Blue Books back in size to that prevailing before the war an enormous reduction of staff can be effected and the swollen estimates will be reduced. As a case in point, which I consider is a fair sample of how the volume of statistics has grown, I would submit the instance of our imports of glass. In Volume I. of the Annual Statement of the Trade of the United Kingdom for 1913 [Cd. 7401], on pages 122 and 123, GLASS is dealt with under five headings, viz.:—(1) Window and German Sheet (including Shades and Cylinders); (2) Plate; (3) Flint, Plain, Cut, or Ornamented, and Manufactures of Flint Glass (except bottles); (4) Bottles; (5) Manufactures, unenumerated. These details of the weights of the imports of glass are given as coming from certain countries, and a very slight increase, from one page (as it was in 1913) to two, would have afforded a great deal more information. But what excuse for the waste of public time and money, and for the taxation upon students and those who have to supply the information to the Civil Service, can be advanced. Turning to page 175 of Volume II. of the Annual Statement of Trade for 1920, we find glass imports occupy pages 175 to 181, and are enumerated under 27 distinct headings.

It is pertinent to mention that the 1913 volume was published at the price of 5s 8d, but the 1920 volume was sold at £2!

In the hope that the *Economist* will justify its name, and help to put an end to the overgrown staff employed in producing such monstrosities.—I beg to remain, Sir, your obedient servant,

H. JAMES ROBINSON.

Isleworth, February 7th, 1923.

Books and Publications.

A LONDON DIRECTORY.*

THIS is the 124th annual publication of this excellent London directory. It is stated that the present volume contains over 300,000 corrections, which are practically all caused by the changes which have taken place in the population of London in the 12 months which have elapsed since the previous edition was published. Among the new trades which have made their appearance for the first time are the following:—Arseno-argentum manufacturers, box-strapping machines, cocktail shakers manufacturers, esparseno manufacturers, galalith merchants, hotel keeping (instruction in), Laddknit machine manufacturers, motor-hearse builders, osmiridium makers, preservers of ferns and flowers, spirit vapour (spirit gas) lamps, steel drum reconditioners, sugar technologists, table-cloth manufacturers (waterproof), town planning consultants, and additional headings relating to the wireless trades. The Parliamentary section contains names and addresses of the members of the newly-elected House of Commons, together with particulars of all changes in the personnel of the Ministry, &c., consequent on the change of Government. The book contains over 3,900 pages, deals with the whole of the administrative County of London, and forms a reliable and up-to-date guide to the commercial, professional, political, municipal, official, legal, postal, banking, and private life of the County of London. In short, a necessity in every busy office.

BOOKS RECEIVED.

An Academic Study of Some Money Market and other Statistics. By E. G. Peake. (London) P. S. King and Son, Limited. 6s 6d.
A School Introduction to Business Life and Organisation. By Robert E. T. Ridout. (London) Effingham Wilson. 3s net.
The Annual Report of the President of the Java Bank. (Batavia) Offices of the Bank.

* "Post Office London Directory with County Suburbs." London, Kelly's Directories, Limited. 55s.

Economica, January, 1923. (London) T. Fisher Unwin. 2s 6d net.

Indian Railways in 1921-1922. Administration Report. Vol. II. (Simla) Railway Department.

Some Aspects of National Health Insurance. By Alexander Gray. (London) P. S. King and Son, Limited. 2s.

Reminders for Company Secretaries. By Herbert W. Jordan. Tenth edition. (London) Jordan and Sons, Limited.

The Newspaper Press Directory. (London) C. Mitchell and Co., Limited. 5s.

The Advertiser's A.B.C. The Standard Advertisement Directory, 1923. Thirty-seventh annual issue. (London) T. B. Browne, Limited.

Bonds and Bankers. (New York) The National City Company.

Bank and Public Holidays Throughout the World, 1923. (New York) Guaranty Trust Company.

An Economic Survey of Present-Day Russia. By Captain A. H. Mitford. (London) Association of Secretaries of British Chambers of Commerce.

This is an interesting, short but comprehensive survey of present-day conditions in Russia, although statistics in many instances should not be accepted at their face value, it being well to apply some measure of discount. For instance, in the Soviet official harvest estimates and estimates of food requirements we note that figures are given which, when compared with statistics published by the League of Nations, appear to be very optimistic.

The M.G.C. Manchester Year-Book, 1923. (Manchester) *The Manchester Guardian*, 2s. 6d. net.

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.	Interim div.	Final div.	Method of Payment.	Lat'at Year.	Pre-vious.
Banks.						
Banko Nacional Ultramarino	8 %	Feb. 16	Less tax 5/ in £		16	16
Bank of Nova Scotia						
Insurance.						
New Zealand	18 p.s.	Feb. 15				
Mining.						
South African Gold Trust	6 1/2 %	Mar. 22	Less tax 3/10 1/2 in £			
Railways.						
Canadian Pacific	10	Mar. 31	Quarterly			
Cathcart District	3 %				5	3 1/2
Cleator and Workington Junction	3 1/2 %				5	4 1/2
Didcot, Newbury, and Southampton, Deb.					3	3
Furness	1 1/2 %				2	1
Glasgow and South-Western, Def. Ord.	2 1/2 %				3	1
Do Def. Stock					4 1/2	2 1/2
Great Central, 5 % Pref.					8	7 1/2
Great Western	5 1/2 %				6 1/2	7 1/2
Guernsey					6	2
Lanarkshire and Ayrshire						
Liverpool Overhead, Pref.	5		Less tax		8 1/2	7 1/2
London and North-Western	5 1/2 %				6 1/2	7 1/2
Maryport and Carlisle					2	
Mersey, Perp. Pref.	4 1/2 %				3 1/2	3 1/2
Metropolitan	6 1/2 %				5	5
North Staffordshire	4 1/2 %	Feb. 28				
Nottingham and Grantham	4 1/2 %					
Southern Punjab	6 %		Less tax 3/ in £		11	14
Tee and Rubber.						
Batjan Tea	5 %	Feb. 23	Less tax			
Kinta Kelas Rubber	5 %	Feb. 23	Less tax			
Padang Jawa Companies.						
A. and S. Henry					10	10
Aberdeen Combworks, Ord. and Def.					7 1/2	
Aberdeen Fish Supply	1/ p.s.				5	5
Ashton Brothers and Co.	2 1/2 %	Mar. 9	Tax free			
Australian Agricultural	3/ p.s.	Mar. 9	Tax free			
Barnsley Brewery	6	Mar. 1	Less tax			
Bent's Brewery	10 1/2 (bonus 1/2 p.s.)		Less tax 5/ in £			
Birmingham Canal Navigation					4	10
Birmingham Railway Carriage					10	10
Blyth Gas	4 1/2 %		Less tax		14 1/2	14
Boddington's Breweries	5 1/2 % (& bonus 4 %)					
Bolsover Colliery	4 1/2 %		Less tax		20	
Brandon's Putney Brewery	2 1/2 %		Less tax		2 1/2	
Brighton Grand Hotel	5		Subject to tax			
Bristol Gas	4 1/2 %	Mar. 31	Tax free			
British American Tobacco	4 1/2 %		Less tax		20	20
British Assets Trust	10 %		Less tax		5 1/2	5
British Land						
Calcutta Electric Supply	4	Mar. 1			11	
Canada Landed, &c., Invest.					10	
Canadian Northern Prairie Lands					5	nil
Central Electric Supply						
Charing Cross, &c., Electric Supply	7/ p.s.		Less tax			
Do Bonus	2/ p.s.		Tax free			
City Association			Less tax 5/ in £		3	
Croydon Gas	5	Feb. 28			7	7
Debenhams & Jones	4 1/2 %		Less tax		5	5
General Hydraulic Power	4 1/2 %				6	2 1/2
Harrison, Barber					8	5
Harrods, Limited	5 1/2 %	Mar. 16	Less tax			

DIVIDEND ANNOUNCEMENTS.—Continued.

Heckmondwike Manufacturing			Tax free	10	
Henry Street Warehouse				5	
H. E. Randall	15 1/2			15	10
Heritable Securities, &c.	8 1/2		Less tax	7	7
Herne Bay Water Works	7				6
Horace Cory and Co.	10 1/2			15	
Hugon and Co.	3 %			20	
Hull Central Dry Dock					6
Insoles, Limited	3 %		Less tax	6	6
International Investment, Def.	7 1/2				
Isaac Holden	1/ p.s.	Mar. 1	Tax free		
J. and P. Coats	79 p.s.	Mar. 31	Less tax		
Jeremiah Rotherham and Co.	10 1/2		(and bonus 2 1/2 %)	12	10
John Anderson's Royal Polytechnic	7 1/2 %			10	10
John Gray				5	10
Kel-all and Kemp	10 1/2		(& bonus 5 %)	15	
Kingston and Thames Gas	6	Feb. 16			
Lancashire Shipping	5 1/2	Feb. 22	Less tax	5	10
Langham Hotel	5 1/2		(& bonus 2 1/2 %)	12 1/2	10
Lee and Green	5 1/2				
Liverpool Gas	2 1/2 %			5 1/2	4 1/2
Liverpool Grain Transit	4 1/2 %			6	6
Llandudno Pier			Tax free	18 1/2	18 1/2
London Electric Supply				10	4
London Produce Clearing House			Less tax	6/ p.s.	6/ p.s.
Ludlow Brothers				1/ p.s.	
Manchester Corn Exchange	2 1/2 %		Less tax	6	8
Mather and Platt	7 1/2 %		(& bonus 5 %)	15	10
Mercantile Dry Dock			Tax free	10	13
Mirreces Watson			Less tax	10	
Newcastle-upon-Tyne and Gateshead Gas	2 1/2 %			4 1/2	3 1/2
North-Western Co. op. Gold Storage			Less tax	15	
Old Albion Brewery	5 1/2				
Paisley District Tramways	2 1/2 %	Feb. 26		4	4
Parsons Marine Steam Turbine	3 1/2 %	Feb. 3	Tax free		
Penarth Pontoon Slipway	3 1/2 %		Less tax	6	
Powell-Duffryn Steam Coal	4 1/2 %	Mar. 20	Tax free	7 1/2	10
Premier Investment	4 1/2 %		Less tax	6 1/2	6 1/2
Railway Debenture and General	4 1/2 %	Feb. 23		6	
Railway Investment, Def.	£1/15/2		Less tax 5/2 in £	2 1/2	1 7/4
Railway Share and Trust	3 1/2 %	Feb. 23		5	
Richards (Aberdeen)			Tax free	1/ p.s.	
Scottish Northern Investment	14 1/2			12	10
Scottish Waggon			Less tax	9	9
Selridge and Co.			Tax free	10	10
Sentinel Waggon Works, Pref.	7 1/2	Mar. 1	Less tax		
Sheffield Brick				2/ p.s.	
Slazengers	15 1/2	Mar. 7	Less tax		
South Hutton Coal	7 1/2 p.s.		Tax free		
South Staffs Water Works	7 1/2	Mar. 1		6 1/2	4 1/2
Steel Developments			Less tax	5	15
Tarmac	10 1/2		Tax free	15	10
Telegraph Construction	7 1/2 %		Tax free	10	10
Temperance Billiard Halls	7 1/2 %		Less tax	15	12 1/2
Tottenham Light, Heat, and Power, "A"	8 1/2			7 1/2	6 1/2
Do "B"	6 1/2			6 1/2	5 1/2
Traction and Power Securities	4 1/2 p.s.		Tax free	8/ p.s.	8/ p.s.
Union Commercial Investment	3 1/2 %		Less tax	6	6
Wallingford Brewery	6 1/2 %		Less tax	12	
Watford Gas and Coke, "A"	£3/18/9		Less tax	£7/7/6	6 %
Do "B"	£3/3/9		Less tax	£5/17/6	6 %
West Cheshire Water	5 1/2		Less tax		
Western & Hawaiian Investment	16	Feb. 16	Subject to tax		
Western Electric Distributing	6				
West Surrey Water, 1877, 1888, and 1901	7				
Do 1869	10 1/2				
Wharfedale Dwellings, Def.			Less tax	1	1
Wigan Coal and Iron	2 1/2 %	Mar. 2	Tax free	4	4
William Griffiths and Co.	7 1/2 %		Less tax	22 1/2	15
Do Bonus	7 1/2 %		Tax free		
Winterbottom, Strachan, and Playne			Less tax	10	5
W. T. Henley's Telegraph Works	2/ p.s.		Less tax	3/ p.s.	3/ p.s.
Yorkshire Indigo, Scarlet, and Colour Dyers			Less tax 5/3 in £	7 1/2	5

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COMMERCIAL HISTORY OF 1922.

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SATURDAY, FEBRUARY 17, 1923.

No. 4,147.

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CONTENTS.

I. General Introduction—

	Page		Page
The Past Year	317	New Capital Issues	322
Overseas Trade	318	Gold Production	323
Home Trade	319	The Stock Exchange	323
Commodity Prices	320	The Agricultural Year	324
The Money Market	320	Employment, Wages, and	
Foreign Exchanges	320	Disputes	324

II. Conditions in Principal Countries

III. Trade Reports

IV. Statistical Appendix.....

THE PAST YEAR.

THE past year is one in which the economic life of the nation has been at a very low ebb. In 1921 the temperature dropped suddenly when the war and post-war fever had spent itself. But the crisis past, the patient has been lying in an exhausted but quiet condition, and without being unduly hopeful, we may say that he has been slowly but surely gaining strength. In an ordinary trade depression the pointers which we should need most carefully to scrutinise at this stage are the rate at which stocks have been liquidated, the adjustment of wages and other costs to the new price level, the credit situation, &c. These factors are to-day of first-class importance, but they are overshadowed by political considerations. Indeed, if it were necessary to summarise the situation in 1922 in a sentence, we should say that it was a year in which, so far as Great Britain and most of the countries of the world are concerned, a trade recovery for which the economic conditions were favourable was held in check and delayed by the state of international politics. These disturbing influences have been found in Europe and the Near East, for outside Europe political conditions have been fairly normal, while in India and Egypt, the former of which exercises an immense influence on British prosperity, the political conditions have definitely improved. In Russia the great famine of 1921 was succeeded by a much better harvest, but though some small beginnings of trade have shown themselves, Russia remains practically outside the orbit of the world's commerce, and that fact alone remains a very depressing influence. The main source of trouble, however, has been Central Europe, where the failure to reach satisfactory settlement of the Reparations question has kept the exchanges in a state of chaos, the mark having fallen during twelve months from 795½ to the £ on January 1, 1922, to 33,500 to the £ on January 1, 1923, and to 192,500 on February 1, 1923. This collapse has been so serious and caused such unsettlement that whereas previous reductions in the value of the mark have stimulated German export, there has been no similar movement in 1922. Germany's population has been fairly well employed, but it has been engaged upon making things for consumption rather than for the development of industrial plant, &c. Circulating capital has been steadily dwindling, and as foreign speculation in the mark has finally ceased, her foreign balances have been to some extent used up in paying for the

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necessary imports that she has purchased abroad. Some of the minor States of Europe have made a valiant effort to balance their budgets, while at the end of the year Austria, which at one time seemed, next to Russia, to be in the most parlous condition of the European States, has, with the help of the League of Nations, put into effect a scheme of drastic reform, which had the effect of stabilising the krone. But with these exceptions the monetary condition of Europe remains precarious, and her purchases from other continents are still greatly reduced. This has limited the demands for the products of the countries producing food and raw materials, and, when taken in conjunction with the fact that every one of these countries has had to liquidate stocks to cope with a heavy fall of prices, and to regularise a state of over-trading, accounts for the restricted demand overseas for British goods. America and, to a less extent, Canada have enjoyed a marked recovery of trade, but even in America the inability to dispose of raw products in Europe has kept prices low, limiting the buying power of the farming community, and prevented the recovery from gaining momentum or becoming a boom. Most of the countries of the world outside Europe have indeed experienced ample harvests, but the world's lack of buying power has kept their prices at a low and unremunerative level. A short statement of the situation in each of the main countries of the world follows this outline of the situation in Great Britain.

But if the lack of overseas orders has been the overriding influence and has kept trade depressed, the indices of the economic situation all show a small definite improvement. The figures of overseas trade show that in volume our exports, though over 30 per cent. below the pre-war level, practically recovered to the level of 1920, coal output was the highest since the war, while iron and steel production, which reflects the ups and downs of trade in perhaps a more exaggerated form than any other industry, rose, in the case of steel, from an output in January at the rate of 40 per cent. of our maximum production to 70 per cent. of our maximum production in December, 1922. The tonnage of goods handled by railways was better, bankers' advances for financing trade showed an improvement, and finally, the recovery was reflected in a drop in the unemployment percentage, which fell from 17 per cent. at the beginning of the year to 14 per cent. at its close. This process of recovery was assisted by a steady adjustment of wages to retail prices, which, in their turn, fell in the early part of the year nearly to the level already reached by wholesale prices, the adjustment fortunately being carried out with very few open ruptures, with the one important exception of the engineers' lock-out in the spring. Indeed, the wage movements of the year included not merely the reduction in accordance with the falling cost of living in miscellaneous employment, but it actually saw a rise in the two trades where the depression was most acute, namely, iron and steel and coal, so that at the end of the year the relations between the wages of various groups of workpeople had become once again much more normal. Unfortunately, this process has meant that, in the case of agriculture, earnings in some parts of the country had sunk to the exceedingly low standard which was driving men from the land before the war. In the cotton trade also, earnings at one time recovered appreciably above the level to which they fell during 1921, but in the autumn Lancashire had a set-back, which began with the crisis between England and Turkey in the Near East. At the close of the year there were renewed signs of improvement, and the figures for the twelve months show an export comparable with those of 1920.

The rapid fall in prices, and the deep trade depression of 1921 played havoc with the Budget estimates

for the year that ended on March 31, 1922. Total receipts at £1,124,880,000 were over £91 millions below estimate, while total expenditure, at £1,079,187,000, fell short of estimate by nearly £67 millions. The chief cause of the revenue falling below estimate was the fact that, owing to bad trade, the corporation profits tax and arrears of excess profits duty were very disappointing. The Budget for 1922-23, introduced by Sir Robert Horne at the beginning of May, had as its chief features the reduction in the standard rate of income tax by 1s in the £, and the remission of 4d per lb in the standard rate of duty on tea. The Chancellor estimated for a drop of £87 millions in the yield of taxes and of £81 millions in "special receipts," while the expenditure estimate of £910 millions was £169 millions below the actual expenditure figure for the preceding year. Up to the end of 1922 the revenue and expenditure figures were sufficiently favourable to raise the hope that the result to be declared next March 31st will be better than the estimates. But whether that hope will be realised, and also how the new Chancellor will meet the revived demand for further reduction of the tax burden, are two questions to which the history of 1923 must be left to provide the answer. To the story of the current year belongs also the agreement between this country and the United States on a plan for funding the British war debt—an agreement which it is hoped will pave the way to a growth of co-operation and harmony between the two nations.

OVERSEAS TRADE.

The total turnover of British overseas merchandise trade in 1922 was £1,828 millions, as compared with £1,897 millions in 1921 and £3,490 millions in 1920. Although prices were more stable than in 1921, the factor of price changes again vitiated the comparison of value figures, which for 1922 and 1921 read as follows:—

	Calendar Year.		Decrease in 1922.
	1921.	1922.	
Imports	£ 1,085,500,061	£ 1,003,918,124	- 81,581,937 - 7.5
British exports ..	703,399,542	720,496,426	+ 17,096,884 + 2.4
Re-exports	106,919,306	103,777,871	- 3,141,435 - 2.9
Total exports	810,318,848	824,274,297	+ 13,955,449 + 1.7
Excess of imports over total exports	275,182,213	179,643,827	- 95,538,386 - 34.7

These figures refer to merchandise only, and the bullion and specie figures compare as follows:—

	Gold.		Silver.	
	Imports.	Exports.	Imports.	Exports.
1920	£ 50,678,283	£ 92,565,137	£ 9,923,034	£ 11,493,266
1921	49,676,047	59,348,158	10,264,443	12,045,422
1922	34,543,591	44,851,917	10,100,552	13,235,269

Perhaps the most remarkable feature of British overseas merchandise trade in the past two years is that in that period nearly £200 millions have been knocked off the excess of imports, the reduction in 1921 having been similar to that recorded above for 1922. The 1922 figure of £180 millions, or £15 millions a month, compares with an average of about £11 millions a month just before the war, and should be well within the capacity of our invisible exports to cover. It is, indeed, beyond doubt that Great Britain has worked back to a position in which she again enjoys a favourable trade balance of substantial dimensions, though the margin is still far below that of pre-war years. How the balance of merchandise trade has moved since 1913 may be seen below:—

	Excess of Imports.		Excess of Imports.	
	Mins. of £		Mins. of £	
1913	133.9		1918	783.8
1914	171.7		1919	662.8
1915	367.9		1920	375.4
1916	344.6		1921	275.2
1917	467.4		1922	179.6

From £783 millions to £179 millions is a long journey to have accomplished in four years.

The following table of British exports shows the substantial increase that took place in 1922:—

	EXPORTS.		
	Quantity (000's omitted).		
	1920.	1921.	1922.
Coal	24,932	24,661	64,198
Pig-iron and ferro-alloys ..	579	136	794
Railway material	311	340	480
Total of iron and steel and manufactures thereof	3,251	1,697	3,401
Textile machinery	63	157	155
Total machinery	462	506	403
Cotton yarns	147,432	145,895	201,221
Cotton piece-goods	4,435,405	2,902,289	4,181,176
Wool tops	238	347	416
Woollen tissues	187,233	76,556	121,489
Worsted tissues	77,355	40,814	62,458
Linen piece-goods	93,045	39,962	77,421
Boots and shoes	819	313	492
Leather	271	228	232
Paper and cardboard	2,350	1,463	2,455
Locomotives	43	47	32
Motor-cars and chassis	8	4	3

Coal is the most remarkable feature, exports having recovered to within measurable distance of the pre-war level. Iron and steel exports, with an increase over 1920, are also satisfactory. In both these industries activity increased in the later months of the year. While it must be remembered that comparison with 1921 is vitiated by the long coal stoppage that took place that year, the recovery in exports is pronounced in many cases. Statistics produced by the Board of Trade Journal show that in volume last year's imports were 85.8 per cent., re-exports 81.5 per cent., exports of United Kingdom goods 68.9 per cent. of the volume passing in 1913. Exports have increased in volume relatively to 1913 quarter by quarter (with the exception of the second quarter of 1922, when the effect of the engineering stoppage was felt) since the low point reached during the coal stoppage of April to June, 1921. The statistics of shipping tonnage engaged in overseas trade amplify the evidence of the returns themselves that a larger volume of commerce was passing in 1922. The tonnage cleared with cargoes from British ports in 1922 was 59.7 million tons, as compared with 36.4 millions and 36.7 millions in 1921 and 1920 respectively. For this large increase the big rise in exports of coal must be responsible in an important degree.

HOME TRADE.

The improvement indicated in the foreign trade figures, especially for the later months of the year, finds its counterpart in such precise data of home trade as are available. The production figures for coal, iron, steel, shipbuilding, given in later pages, show the gradual process of recovery that has been achieved; the imports of wool and, in a lesser degree, of cotton confirm the substantial character of the improvement that set in towards the close of 1922. The process of climbing up from the dead level of 1921 has been a painful one; but in the case of nearly all our major industries, it can be traced in the trade reports. Shipping and shipbuilding remain depressed, and the high unemployment figures show how much leeway has still to be worked off; but even here the whole tendency is upward, and at the close of the year it was possible to feel that, provided no new blow were levelled at it, home trade had turned the corner.

So far as they are available, the statistics of the profits of industrial companies also show that the corner has been turned. The following table compares the profits disclosed in 1922 with those disclosed in 1921 by 1,371 industrial companies, from which it will be seen that the profits disclosed in the last quarter were higher than in the corresponding quarter of 1921:—

the corresponding

NET PROFITS (after PAYMENT OF DEBENTURE INTEREST, &c.).						
	No. of Cos.	Reports Published in		Increase.		Decrease.
		1921.	1922.	£	%	
First quarter	442	47,368,926	26,785,952	£	%	20,582,974 43.4
Second quarter	401	38,044,790	25,195,690	£	%	12,849,100 33.7
Third quarter	209	15,453,920	12,120,153	£	%	3,333,767 21.5
Fourth quarter	319	23,310,452	24,228,719	918,267	3.9	
	1,371	124,578,068	88,330,514	£	%	36,247,554 29.0

These figures should be read in conjunction with the next table, which shows the increase or decrease in net profits disclosed in each quarter since the beginning of 1918:—

	1918.	1919.	1920.	1921.	1922.
First quarter	- 1.0 ..	+ 10.4 ..	+ 26.9 ..	+ 3.5 ..	- 43.4
Second quarter	- 5.8 ..	- 5.1 ..	+ 37.8 ..	- 8.4 ..	- 33.7
Third quarter	+ 12.3 ..	- 3.4 ..	+ 41.9 ..	- 42.4 ..	- 23.5
Fourth quarter	+ 4.7 ..	+ 10.5 ..	+ 27.1 ..	- 52.9 ..	+ 3.9

The small increase shown in the last quarter of 1922 follows, it will be seen, a decline of nearly 53 per cent. in the last quarter of 1921, and too much importance must not be attached to it. At the same time, it indicates that the decline has been checked. The percentage earned on ordinary and preference capital, and the distribution on ordinary capital has naturally been reduced, as may be seen from the figures below:—

PROFITS ON CAPITAL.

	Return on Preference & Dividend on Ordinary Capital.	Preference Capital.	Dividend on Ordinary Capital.
	%	%	%
1909	7.4	4.3	6.3
1910	8.2	4.5	7.0
1911	9.9	4.9	8.5
1912	10.2	5.2	8.5
1913	11.7	5.1	10.2
1914	10.9	5.0	10.0
1915	10.2	4.8	9.0
1916	13.2	5.1	11.0
1917	13.3	5.1	10.3
1918	13.6	5.1	11.1
1919	13.0	5.3	10.7
1920	15.2	5.0	12.6
1921	10.3	5.2	10.2
1922	7.0	5.2	8.4

The average rate paid on ordinary capital in the third quarter fell to 7.6 per cent., but there was an increase to 8.6 per cent. for the last quarter. The average for 1922 is the lowest since 1910, and well below the averages of 1913 and 1914.

While the total figures of Bankers' clearings cannot be taken as a definite index to the state of trade, since the "town clearing" figures are so large, and reflect principally the enormous turnover of the money market and other financial operations, those for the metropolitan and country cheque clearing can be regarded as some criterion. As will be seen from the following table, there was a decline in both metropolitan and country clearing totals, some of which must be attributed to the influence of lower commodity prices:—

	1921.	1922.	Increase or Decrease.
	£	£	£
Town clearing	30,268,214,000	32,780,635,000	+ 2,512,421,000 + 8.3
Metropolitan clearing	1,660,166,000	1,574,661,000	- 85,505,000 - 5.1
Country cheque clearing	3,002,179,000	2,806,165,000	- 196,014,000 - 6.5
Grand total	34,930,559,000	37,161,461,000	+ 2,230,902,000 + 6.3

In the figures relating to the metropolitan clearing, the trade of the metropolis is reflected fairly clearly, and they show that, although the decrease for the year is £85,505,000, this decrease, when distributed among the quarters, shows a diminishing ratio, although the last quarter is not so satisfactory as the third. Of the year's total decrease, 59.4 per cent. occurred in the first quarter, 19 per cent. in the second, and 78.5 per cent. in the first six months. The figures of the country cheque clearing, where the movements of the general trade of the country are clearly seen, follow the same course, quarter by quarter, as the metropolitan clearing. Of the total decrease of £196,014,000, £137,594,000, or 70.1 per cent., is recorded in the first quarter, and £31,784,000, or 16.2 per cent., in the second quarter, while by far the larger portion of it, or 86.4 per cent., occurred in the first half of the year. The increases in the town clearings quarter by quarter show a progressive decline, having been 14.8 per cent. in the first, 14.3 per cent. in the second, 5.7 per cent. in the third, and 1.3 per cent. in the fourth quarters. Of the ten provincial clearings, four show increases and six decreases as compared with 1921. Increases are shown by Hull, 10 per cent.; Leicester, 2.3 per cent.; Manchester, 4.4 per cent.; and Newcastle, 3.4 per cent.; while the decreases

are Birmingham, 6.2 per cent.; Bristol, 10.5 per cent.; Leeds, 5.4 per cent.; Liverpool, 4.8 per cent.; Nottingham, 5.6 per cent.; and Sheffield, 13.2 per cent.

The figures of the tonnage carried by the railways of Great Britain can be taken as a further guide to the state of internal trade. A comparison with 1921 is, however, vitiated by the disorganisation caused by the three months' coal dispute of that year. The figures for the full year are not yet available, and in the table below, therefore, we show the figures up to the end of November in 1921 and 1922:—

FIRST ELEVEN MONTHS.				
	1921.	1922.	Increase.	
	Tons.	Tons.	Tons.	%
General merchandise	51,143,479	53,762,478	+ 2,619,099	+ 5.1
Coal, coke, and patent fuel	119,889,306	192,436,387	+ 72,547,081	+ 60.5
Other minerals	37,661,558	46,941,647	+ 9,280,089	+ 24.6
Total	208,694,243	293,140,492	+ 84,446,249	+ 40.5

In the full year 1913 the total was over 366 million tons, general merchandise accounting for 69½ million tons. A good deal of the difference between this and the 59 million tons which will probably prove to be the figure for 1922 is to be accounted for by the transfer of a considerable amount of short-distance traffic to the roads.

COMMODITY PRICES.

After nearly two years of rapidly falling commodity prices some degree of stability was reached in 1922. The net change in our Index Number was 93 points, the year closing with the total at 4264, which compares with 4357 at the end of 1921. The highest point, 4396, was reached at the end of July, and the lowest, 4180, at the end of August, so that the widest fluctuation was 207 points. This is in marked contrast to the movements of the three preceding post-war years. In 1921 the difference between the highest and lowest points was 1260; in 1920, 2428, and in 1919, 1656. The following table shows the year's movements in each of the five groups:—

Date.	Cereals and Meat.	Other Food Products (Tea, Sugar, &c.).	Textiles.	Minerals.	Miscellaneous (Rubber, Timber, Oils, &c.).	Total.	Percentage Change.
Base (avg. 1901-5)	500	300	500	400	500	2200	100.0
End July, 1914	879	332	810	404	553	2568	116.6
Dec., 1915	897	446	731	711	848	3634	165.1
Dec., 1917	1286	686	1684	839	1348	5845	263.2
Nov., 1918	1289	782	1848	903	1389	6212	282.6
Dec., 1918	1303	782	1805	866	1337	6094	277.0
Dec., 1919	1441	881	2442	1145	1453	7364	334.7
Mar., 1920	1508	914	2974	1246	1709	8352	379.8
Dec., 1920	1344	805	1284	1216	1275	5924	269.3
Dec., 1921	921	636	1106	762	951	4357	198.0
Jan., 1922	907	654	1066	730	925	4284	194.7
Feb., 1922	948	640	1037	696	936	4259	193.6
Mar., 1922	980	687	1038	700	892	4297	195.3
Apr., 1922	1008	667	1010	709	890	4285	194.8
May, 1922	1040	657	1079	710	885	4372	198.7
June, 1922	1000	676	1135	690	887	4389	199.5
July, 1922	994	669	1120	712	900	4396	199.8
Aug., 1922	880	674	1123	691	887	4257	193.5
Sept., 1922	873	682	1116	699	818	4189	190.4
Oct., 1922	885	700	1150	712	813	4260	193.6
Nov., 1922	864	703	1200	704	811	4283	194.7
Dec., 1922	861	706	1184	705	807	4264	193.8

Thus, while three of the groups fell substantially there were considerable increases in the other two. Primary foodstuffs as a whole rose in the first part of the year, and declined in the second. In subsidiary foodstuffs, the changes principally represent reaction from the heavy declines of 1921. In the textile groups, the principal movement was the recovery in wool prices after an abnormal drop in 1921. American cotton rose on balance, but Egyptian cotton was lower. Cotton yarn was higher, but cloth fell slightly. The monthly changes in the last two were in the same direction, but yarn showed larger movements when prices were rising. In the minerals section the largest declines were in iron bars and coal. The movements in iron and steel in 1922 were much smaller than in 1921, when heavy cuts were

made with the object of countering foreign competition. The minor metals showed very little change on balance. The decline in the miscellaneous group was fairly evenly spread over the year, apart from sharp reductions in petroleum, indigo, and soda in September.

At the end of 1922 our Index Number showed that wholesale prices were 66.2 per cent. higher than at the outbreak of war, which compares with 60.6 per cent. at the end of 1921, and 225.6 per cent. at the end of March, 1920, the highest point reached. The table below, in which the indices at the end of July, 1914, are taken as 100, shows the movements in each group:—

End of—	Cereals & Meat.	Other Food.	Textiles.	Minerals.	Miscellaneous.	Total.
July, 1914 ..	100	100	100	100	100	100.0
Dec., 1918 ..	226	222	293	186	241	237.5
Dec., 1919 ..	249	250	396	247	263	287.1
Mar., 1920 ..	261	260	484	269	309	325.6
Dec., 1920 ..	233	229	209	261	230	230.9
Dec., 1921 ..	159	180	180	164	168	169.6
June, 1922 ..	174	192	184	149	160	171.1
July, 1922 ..	172	190	181	153	163	171.4
Aug., 1922 ..	153	192	183	149	160	165.9
Sept., 1922 ..	151	194	181	150	148	163.5
Oct., 1922 ..	153	199	187	154	147	166.1
Nov., 1922 ..	150	200	195	152	148	167.0
Dec., 1922 ..	149	200	193	152	146	166.2
Jan., 1923 ..	149	201	196	159	146	168.6

Other foods and textiles are thus still the furthest from the normal as they were a year ago, and the miscellaneous group has dropped to the lowest place, being only 46 per cent. above the pre-war figure.

The next table shows the position of wholesale prices in some of the principal foreign countries, the average for 1913 being taken as 100:—

	United States.	France.	Italy.	Germany.	Switzerland.	Sweden.	Denmark.	Japan.
Nov., 1918	205	358	438	..	367	292	214	322
Highest, 1920	227	591	679	..	325	366	403	322
End of—	(Jan.)	(April)	(April)	(Jan.)	(June)	(Oct.)	(Mar.)	(Mar.)
1921 ..	123	326	594	3585	176	172	178	203
Jan., 1922	124	314	577	3955	171	170	177	203
Feb., 1922	126	307	562	4888	170	166	182	205
Mar., 1922	125	308	534	5899	163	164	178	200
April, 1922	127	315	527	6572	161	165	177	197
May, 1922	129	318	524	7441	160	164	179	194
June, 1922	131	326	537	9140	161	164	180	197
July, 1922	131	326	558	13935	161	165	180	201
Aug., 1922	131	332	571	28919	163	165	178	195
Sept., 1922	136	330	582	44089	161	158	176	192
Oct., 1922	144	338	601	94492	163	155	180	190
Nov., 1922	149	354	596	166495	171	154	182	188
Dec., 1922	148	363	595	205417	155	155	181	181

* Altered to include 16 finished industrial products.

There was a further steady decline in retail prices, as may be seen from the Ministry of Labour's cost of living index, which gives the average percentage increase since July, 1914, in food, rent, clothing, fuel, and light, &c.:—

	1920.	1921.	1922.	1920.	1921.	1922.
Beginning of—						
January ..	125	165	92	Beginning of—	152	119
February ..	130	151	88	July ..	155	122
March ..	130	141	86	August ..	161	120
April ..	132	133	82	September ..	164	110
May ..	141	128	81	October ..	176	103
June ..	150	119	80	November ..	169	99
				December ..	169	99

As in the case of wholesale prices, movements during the year were much smaller than in 1921.

Railway and shipping freights, which are important elements in the cost of production, are not covered in our index number. Except for a small reduction in the rates for iron ore and limestone for blast furnaces and steel works, which took effect on November 1, 1921, industry went through the depression of that year with railway rates at 100 per cent. over the pre-war level, with a flat-rate addition. With wholesale prices tumbling, this was more than the industries of the country could stand, especially those which required the assembling of bulky raw materials in the manufacture of their product.

Many negotiations, therefore, took place towards the end of 1921 and during 1922 between traders and the railways for reductions in rates, and concessions came into force on January 1, May 22, August 1,

and December 1, 1922. On account of the volume of the traffic concerned, and the comparatively low value of the material, the biggest concessions were granted to iron ore and limestone for blast furnaces and steel works, which since December 1, 1922, have been at 40 per cent. over pre-war, with a flat-rate addition of 2d per ton and a maximum increase of 1s. Next come coal, coke, and patent fuel and iron and steel, which are 60 per cent. above pre-war, with a small flat-rate addition, while the bulk of goods traffic has been, since August 1st, at 75 per cent. above pre-war, also with a small flat-rate addition.

The reductions for general merchandise which took effect on August 1st were negotiated by the Federation of British Industries, who undertook that they would ask for no further reduction to come into operation before July 31, 1923. The concessions taking place on December 1st, therefore applied only to the iron and steel industry, which was not a party to the general settlement. The increased railway dividends recently announced, however, will probably lead traders generally to hope that the railway companies will volunteer some reductions without pressure from outside.

Passenger fares, which were raised some time after goods rates, have had to wait longer for revision, but when the reduction came it was to a level of 50 per cent. above pre-war, compared with 75 per cent. for goods traffic generally.

Owing to the excess of tonnage and the limited volume of goods to be carried, shipping freights continued to fall for the first nine months of 1922.

Taking 1920 as 100, the average of freights during 1921, according to the Chamber of Shipping, was 37.6; in January, 1922, the index number stood at 33.0, and by September had fallen to 26.7. With increasing overseas trade many laid-up ships were recommissioned, and freights began slowly to increase until in December the index number was 31.0. The amount of idle tonnage laid up in the 36 principal ports of the United Kingdom on January 1, 1923, was 732,000 tons, or nearly 600,000 tons less than on January 1, 1922.

MONEY MARKET.

The year 1922, so far as the money market is concerned, will be remembered for the fall in money rates in the first seven months of the year. Bank rate, which was 5 per cent. when the year opened, was lowered to 4½ per cent. on February 16th, 4 per cent. on April 13th, and 3½ per cent. on June 15th; on July 13th 3 per cent. became the official minimum, and has remained so from that date. There was a slight upward tendency in money rates in the second half of the year, which was manifested in the last quarter by a stiffening in the rates at which the weekly parcels of Treasury bills were issued by tender. Important features of the money market's history during the past year have been the reductions in the deposits and securities held by the Bank of England, and in the volume of outstanding Treasury bills. Both these movements have had the effect of reducing the amount of purchasing power in the hands of the public, though in the case of each of them the deceptive half light thrown on monetary matters by banking and official figures makes it dangerous to draw very definite conclusions about the extent to which this reduction of purchasing power has proceeded.

To the discount market the year has been fairly comfortable, for although the margin between it and poverty was narrow, it received a handsome bonus from the hands of the banks at the expense of their depositing customers, because when Bank rate came down to 3 per cent. the banks, nevertheless, still kept the wide margin of 2 per cent. between it and their published rate on deposits, which came down to 1 per cent., and consequently, according to the modern convention, made weekly advances to the bill brokers at 1½ per cent. often at times when they were paying the Bank of England 3½ per cent. for loans.

The year was a profitable one for the discount companies, whose net earnings showed a considerable in-

crease on those for 1921, thanks largely to the appreciation in the value of gilt-edged securities. The banks were not able to make such high profits as in the previous year, but dividends were maintained at the same rates, allocations to reserve funds being on a smaller scale. The balance-sheets give strong evidence of contraction, deposits for the first time since the beginning of the war showing a considerable decrease in the year. The following table gives the weekly average balances for the last month of each quarter for the nine English clearing banks, and also the balance-sheet figures at the end of 1921 and 1922:—

	Weekly Averages.					Dec. 31, 1922.
	Dec. 31, 1921.	March, 1922.	June, 1922.	Sept., 1922.	Dec., 1922.	
Capital and reserves	115.9	115.9	115.9	115.9	116.0	116.1
Acceptances	59.1	57.1	55.2	49.9	72.8	73.0
Deposits (incl. undiv. profits, &c.)	1,813.5	1,746.9	1,755.2	1,660.6	1,684.7	1,687.8
Total Liabilities	1,988.5	1,919.9	1,926.3	1,826.4	1,873.5	1,876.9
Coin, notes, balance at bank, and cheques in course of collection	295.7	245.8	251.3	233.2	253.0	279.9
Money at call	105.1	102.5	113.0	104.4	106.0	107.5
Investments	341.0	392.7	412.0	405.6	384.5	385.7
Discounts	409.1	350.5	346.2	295.9	298.3	278.9
Loans and advances	750.8	746.2	723.3	711.3	732.7	728.1
Cover for accept., premises, &c.	83.8	82.2	80.5	75.8	99.0	98.8
Total assets	1,988.5	1,919.9	1,926.3	1,826.4	1,873.5	1,876.9

Acceptances, which may generally be taken as some criterion of the state of foreign trade, are higher on the year, having increased substantially in the last quarter. Advances, on the other hand, are very much lower on balance, though there was here also an increase in the last quarter. Discounts have fallen, while investments are higher as a result partly of a change in investment holdings from Treasury bills to Treasury bonds, the former being included under bills discounted.

	Whole Year.									
	1913.	1914.	1915.	1916.	1917.	1918.	1919.	1920.	1921.	1922.
Changes Bank rate	two	eight	none	one	two	none	one	one	four	four
	%	%	%	%	%	%	%	%	%	%
Highest Bank rate	5	10	5	5	5	5	5	5	6	5
Lowest Bank rate	4	3	5	5	5	5	5	5	6	5
Average Bank rate	4/15/0	4/0/9	5	5/9/3	5/3/0	5	5/3/0	5/14/4	6/2/4	5/13/10
Avg. market rate—best 3 months' bills	4/7/5	2/17/0	3/14/0	5/4/0	4/16/3	3/11/9	3/9/7	6/7/11	5/4/3	2/13/0
Market below bank	8/0	1/3/2	1/5/1	5/0	6/10	1/8/3	1/13/5	6/5	18/2	1/0/10

EUROPEAN BANK RATES per CENT., 1922.

Cities.	End of Months of 1922.												
	Jan.	Feb.	March.	April.	May.	June.	July.	Aug.	Sept.	Oct.	Nov.	Dec.	Average.
London.....	5	4½	4½	4½	4½	4½	4½	4½	4½	4½	4½	4½	4½
Paris.....	5	5	5	5	5	5	5	5	5	5	5	5	5
Berlin.....	4½	4½	4½	4½	4½	4½	4½	4½	4½	4½	4½	4½	4½
New York Federal Reserve.....	4½	4½	4½	4½	4½	4½	4½	4½	4½	4½	4½	4½	4½
Amsterdam.....	5	5	5	5	5	5	5	5	5	5	5	5	5
Christiania.....	5	5	5	5	5	5	5	5	5	5	5	5	5
Stockholm.....	5	5	5	5	5	5	5	5	5	5	5	5	5
Copenhagen.....	5	5	5	5	5	5	5	5	5	5	5	5	5
Brussels.....	5	5	5	5	5	5	5	5	5	5	5	5	5
Madrid.....	5	5	5	5	5	5	5	5	5	5	5	5	5
Rome.....	4	4	4	4	4	4	4	4	4	4	4	4	4
Swiss.....	4	4	4	4	4	4	4	4	4	4	4	4	4
Helsingfors.....	7	7	7	7	7	7	7	7	7	7	7	7	7
Lisbon.....	7	7	7	7	7	7	7	7	7	7	7	7	7
Prague.....	5½	5½	5½	5½	5½	5½	5½	5½	5½	5½	5½	5½	5½
Vienna.....	7	7	7	7	7	7	7	7	7	7	7	7	7
Warsaw.....	7	7	7	7	7	7	7	7	7	7	7	7	7
Tokyo.....	8	8	8	8	8	8	8	8	8	8	8	8	8
Calcutta.....	7	7	7	7	7	7	7	7	7	7	7	7	7

land, Sweden, and Japan have not fluctuated far from dollar parity, while Spain has been steady at about 20 per cent. below parity. In the case of Switzerland, the greater part of the fall in the third quarter, caused by fears of a capital levy, was recovered before the end of the year. Another group in which fluctuations have been wider includes France, Belgium, Italy, Norway, and Argentina. The Prague and Helsingfors rates registered a very definite improvement, but the majority of the remaining European currencies have shown a further depreciation of greater or less degree. The course of the sterling rate in New York, the most important in the exchange market, was satisfactory from this country's point of view. As will be seen from the table below, giving the highest and lowest of each month for dollars, French francs, and German marks, there was a fairly steady appreciation in the value of sterling in terms of the dollar, with slight relapses in July and September:—

EXCHANGES, 1922 (Monthly Figures).

	January.		February.		March.		April.	
	Highest	Lowest	Highest	Lowest	Highest	Lowest	Highest	Lowest
New York..	4.27½	4.3½	4.43½	4.28½	4.44½	4.29½	4.42½	4.37½
Paris	51.1.22	51.1.22	51.2.22	51.2.22	48.10½	48.17½	48.8½	47.9
Berlin	894	715	1,012½	840	1,475½	1,014½	1,429½	1,176½
	(24)	(9)	(28)	(9)	(27)	(1)	(4)	(25)
	May.		June.		July.		August.	
	Highest	Lowest	Highest	Lowest	Highest	Lowest	Highest	Lowest
New York..	4.45½	4.42½	4.50½	4.40½	4.45½	4.42½	4.48½	4.44½
Paris	49.51	48.10½	52.5	48.88	56.27½	51.65	58.82½	54.15
Berlin	1,402½	1,220½	1,656	1,187½	2,940	1,800	9,050	3,010
	(22)	(31)	(30)	(1)	(31)	(1)	(25)	(1)
	September.		October.		November.		December.	
	Highest	Lowest	Highest	Lowest	Highest	Lowest	Highest	Lowest
New York..	4.47½	4.36½	4.47½	4.38½	4.52½	4.44½	4.66	4.52
Paris	58.50	57.05½	64.22	57.97½	72.20	65.50	61.80	61.80
Berlin	7,300	5,700	20,200	7,875	38,500	20,200	38,000	29,750
	(28)	(6)	(24)	(2)	(7)	(1)	(11)	(16)

At the close of the year sterling was some 40 cents higher than at the beginning. The recovery is due to a relative improvement in our foreign trade, to the fall in prices here and the rise in prices and expansion of credit in the United States, to a growing faith in the financial and economic position of Great Britain, and to lower purchases of raw materials from America by this country. Towards the close of the year the transfer of large balances, formerly held in this country, back again to London was responsible for some sharp upward movements.

The principal European exchanges have been under the cloud of reparations difficulties, and the movement of the franc has depended largely upon that of the German mark. While the former was fairly steady, with an improving tendency during the first five months, the collapse of the mark in the summer began to crush the hopes of the French of securing the substantial payments of reparations, and drew attention to the state of French public finances. Hitherto the French Government has been able to rely upon the remarkable saving power of the French people, but it was becoming apparent in the autumn that the confidence of the investor was losing its strength, and with the French Government spending about twice as much as it was obtaining from taxation and other revenue, the outlook was distinctly unsettling. There was some slight recovery in the franc towards the end of the year, but the occupation of the Ruhr at the beginning of January caused a further collapse, both in the franc and the mark.

The following table is extracted from statistics published by Messrs Samuel Montagu and Co.:—

RATE OF EXCHANGE AS COMPARED WITH PRE-WAR PARITY OF THE £ STERLING.

	Pre-War Par Value.	December 31, 1922, Middle Rate.	Compared with its Pre- War Par Value the £ Sterling is at a Premium of		Purchasing Power of the £ Sterling as Compared with its Pre War Value.			
			December 30, 1921, Middle Rate.	End 1921.	End 1922.	End 1921.	End 1922.	
France	25.207	51.90	63.60	105½	152½	2 1 2	£ 8 d	£ 8 d
Belgium	25.207	54.55	69.20	116½	174½	2 3 4	2 10 5	2 10 5
Italy	25.207	96.50	91½	282½	263½	3 16 6	3 12 8	3 12 8
Norway	18.13	26.21½	24.60	44½	35½	1 8 11	1 7 1	1 7 1
Denmark	18.13	20.88	22.50	15½	24½	1 3 1	1 4 10	1 4 10
Finland	25.207	223.50	186.50	786½	639½	8 17 4	7 8 0	7 8 0
Germany	20.41*	771.00	33,500.00	3,676	163,971	37 15 7	2,640 14 2	2,640 14 2
Greece	25.207	99.00	400.00	292½	1,487	5 18 7	4 17 7	4 17 7
Austria	24.02	11,000.00	322,500.00	45,695	1,342,531	457 19 0	0,13426 6 3	0,13426 6 3
Roumania	25.207	575.00	800.00	2,181	5,073½	22 36 3	31 14 9	31 14 9
Portugal	53½d	4½d	2½d	1.085	2.206½	11 17 0	23 1 3	23 1 3
Spain	25.207	28.12½	29.50½	11½	17½	1 2 4	1 3 5	1 3 5
Brazil	15½	7½d	6½d	117	16½	2 3 5	2 12 3	2 12 3
Warsaw	20.41*	12,250.00	82,500.00	59,896	403,955	599 19 2	2,404 11 3	2,404 11 3
Prague	24.02*	280	149.25	1,065½	521½	11 13 2	6 4 3	6 4 3
Argentine	47½d	43½d	44½	104	61½	2 1 1	1 1 5	1 1 5
At Discount of								
New York	4.87½	4.21½	4.63½	13½	4½	0 17 3	0 19 0	0 19 0
Montreal	4.87½	4.44½	4.69½	9	3½	0 18 2	0 19 3	0 19 3
Holland	12.08*	11.40	11.71½	5½	3½	0 18 11	0 19 5	0 19 5
Sweden	18.13	16.70½	17.13½	8	5½	0 18 5	0 18 11	0 18 11
Switzerland	25.207	21.58½	24.49½	14½	2½	0 17 1	0 19 5	0 19 5
Japan	2/0½	2/3½	2/1½	10	3½	0 18 0	0 19 9	0 19 9
India	1/4	1/4	1/4½	Par	1½	1 0 0	0 19 9	0 19 9
Shanghai	2/4	3/6½	3/0½	33½	23½	0 13 3	0 15 3	0 15 3

The following table shows the highest and lowest points of the principal exchanges, together with the quotations at the beginning of each quarter:—

	Rates of Exchange.						1922.	
London on	Dec. 30, 1921.	Mar. 31, 1922.	June 30, 1922.	Sep. 29, 1922.	Dec. 29, 1922.	Highest	Lowest.	
New York	4.20½	4.37½	4.41½	4.36½	4.63½	4.66	4.18½	
Montreal	4.44½	4.50	4.49½	4.36½	4.69½	4.70½	4.37	
Paris	52.37½	48.47½	52.79½	57.72½	63.92½	72.20	47.40	
Brussels	54.95½	52.07½	55.59½	61.29½	69.52½	79.80	50.57½	
Amsterdam	11.40½	11.58	11.48	11.27½	11.69	11.70	11.28½	
Italy	97½	85½	94½	103½	91½	114½	80.12½	
Madrid	28.12½	28.23½	28.32½	28.95½	29.50½	29.62	27.54	
Switzerland	21.45½	22.55½	23.24½	23.48½	24.49	24.72½	21.66½	
Lisabon	24½	24½	24½	24½	24½	24½	24½	
Helsingfors	221	221	196	200	185½	243	157	
Christiania	26.32½	24.69	26.87½	25.70½	27.31½	27.31½	23.15	
Stockholm	16.68½	16.82	17.14	16.64½	17.16½	17.39	16.36½	
Copenhagen	20.94½	20.76½	20.68½	21.47½	22.50½	22.47½	20.18½	
Berlin	770	1,260½	1,661	7,125	35,500	38,500	715	
Vienna	11,000	32,500	84,000	325,000	320,000	425,000	11,500	
Budapest	2,550	3,950	4,400	11,500	11,000	13,750	2,450	
Warsaw	12,000	17,000	20,500	38,500	84,500	81,400	11,500	
Prague	290	230	230½	141	148	277½	177½	
Belgrade	272½	355	340	290	430	435	237½	
Bucharest	555	610	710	700	815	825	452½	
Sofia	590	640	660	750	655	810	575	
Athens	99	101	152½	180	397½	425	96.50	
Constantinople	695	660	725	750	810	960	615	
Bombay	1/4	1/3½	1/3½	1/3½	1/4½	1/4½	1/3½	
Hong Kong	2/7½	2/6½	2/7½	2/7	2/3	2/8½	2/5	
Shanghai	3/6½	3/4	3/7½	3/5½	3/1½	3/1½	3/4	
Singapore	2/5½	2/3½	2/3½	2/4½	2/4½	2/4½	2/3½	
Yokohama	2/5½	2/4½	2/4½	2/4½	2/4½	2/4½	2/3½	
Buenos Ayres	43½	44½	44½	44	44½	46½	43	
Montevideo	41½	43½	44½	44	44½	46½	43	
Rio de Janeiro	7½	7½	7½	7½	7½	7½	7½	
Valparaiso	39.90	39.90	35.60	31.50	35.20	46.70	30.80	
Lima	16½pm.	28½pm.	6½pm.	9½pm.	10½pm.	29½pm.	3½pm.	
Mexico	28½	26½	26½	26½	25	28½	25	

NEW CAPITAL ISSUES.

New capital applications in the London market in 1922 amounted to £573.6 millions, against £388 millions in 1921. Of last year's total the British Government took £369 millions, as compared with £202 millions in the previous year. Colonial Governments absorbed £58 millions, or about £15 millions less than in 1921. The figures for each quarter for a number of years, and the purposes to which the new capital issued during the past year was put, are set out in an appendix to this supplement.

British Government borrowings were made up as follows:—5½ per cent. Treasury bonds, £115.1 millions; 5 per cent. Treasury bonds, £110.1 millions; 4½ per cent. Treasury bonds, £68.9 millions; National Savings Certificates (net sales), £58.4 millions; 3 per cent. Local Loans stock, £17.1 millions. These figures, it will be seen, exclude temporary borrowings by Ways and Means advances and Treasury bills. The proceeds of the large issues of Treasury bonds mentioned above were used to replace Treasury bills, the outstanding amount of which was reduced in 1922 by about £300 millions. Five foreign Governments visited the market, and a number of foreign municipalities. Four French railways raised loans, but the

only Home railway issues were on behalf of London's underground railways. Turning to industrial borrowers, we find a big drop in the manufacturing class, but the shipping list is heavier, and there was a larger demand for new capital from the iron and steel, coal, and engineering group. Oil issues were large. Of the 1922 total of £573.6 millions, £443.5 millions were destined for home employment, £74.9 millions for British Dominions and possessions, and £55.2 millions for foreign countries. The average rate paid on new industrial debentures was 6.72 per cent., as compared with 8.09 per cent. in 1921 and 5.5 per cent. in 1913. Of the year's total applications, £526.7 millions took the form of bonds or debentures, £30.8 millions of preference shares or stocks, and £16.1 millions of ordinary stocks and shares.

GOLD PRODUCTION.

Again a decline in the world's gold output has to be recorded. Unfortunately, the total output of £65 millions for 1922 shown in the table below was affected by the deplorable labour dispute on the Rand, which lasted from January to March. This is estimated by one prominent authority to have decreased the Rand output during the year by £6 millions. As the previous year's production amounted to £68 millions, but for this set-back the corner would have been turned and we should have been able to record figures of gold production as once more moving in the upward direction. Indeed, the monthly figures of production for the Transvaal from July last show a continuous improvement when compared with the corresponding month in 1921.

The table given below is taken from Messrs Samuel Montagu and Co.'s annual bullion letter for 1922, and shows the world's estimated production from 1913 to 1922:—

GOLD PRODUCTION.

(Million £'s.)

Year.	Transvaal.	The Rest of the Empire.	Foreign Countries.	World.	Drop as Compared with 1915 (the Max'm) Output.
					Transvaal. British Empire. World.
1913	37.4	21.4	58.8	35.9	94.7
1914	35.6	20.9	56.5	33.9	90.4
1915	38.7	22.0	60.7	35.7	96.4
1916	39.5	20.1	59.6	33.9	93.5
1917	38.3	17.8	56.1	30.2	86.3
1918	35.8	15.2	51.0	28.0	79.0
1919	39.4	14.6	50.0	29.0	75.2
1920	34.7	13.3	48.0	21.0	69.0
1921	34.5	12.9	47.4	20.6	68.0
1922 (est.)	29.8	14.2	44.0	21.0	65.0

For the purposes of this table gold is taken at 84s 11½d per fine ounce. In the British Empire, as before-mentioned, the Transvaal is lower and Australian production also declined by about half a million; slight decreases are also shown for India and West Africa. Canada, however, continues to increase its output, the figures improving from just over £3¼ millions to over £5¼ millions. Rhodesian output has also expanded slightly. From 1916 to 1919 the United States production has tended to fall away, dropping from 4,479,000 ounces in 1916 to an estimated 2,375,019 for 1922. Yields from Russian and Mexican mines are comparatively unimportant, Russia contributing in 1913 1,282,000, and Mexico 934,000 ounces.

THE STOCK EXCHANGE.

The most important event, perhaps, in the Stock Exchange year is the fact that all restrictions imposed during the war were removed in May. Thus with few exceptions all pre-war facilities for free dealing in stocks and shares were restored. The most important exception is that the system of cash dealing is still retained in the gilt-edged market. During the year, naturally, the reduction in money rates led to a rise in the quotation of most fixed interest-bearing investment securities. But slight waves of depression during the latter half of the year caused quotations of gilt-edged stocks to react a little from the highest levels touched. In the *Bankers' Magazine* for January a statistical review of Stock Exchange values appears, and it is pointed out that "there have been few years when the

rise in public securities has been so remarkable as in 1922." Since December, 1921, there has been a net improvement in its list of representative Stock Exchange securities of no less than £712 millions, or 13.2 per cent., in the market value of the 387 securities, 94 fixed stocks increasing by £395 millions, or 11 per cent., and 293 variable dividend securities by £317 millions, or 17.6 per cent.

Movements in investment values may be judged in detail by examining the quotations of a few of the most important British Government securities during the year. For instance, Consols finished up the year 1921 at 50½, at which price they gave a yield of £4 19s 6d per cent. At the half-year the quotation was 57½, giving a yield of £4 7s 3d. At the end of the year the price had fallen to 55½, with a yield of £4 10s. Five per cent. War Loan opened at 92½, and closed the half-year at 99½; at one time 102½ was touched, but the quotation in December had dipped to 99½. In 1920 War Loan fell as low as 82. The 3½ per cent. Conversion Loan—the representative long-dated British Government security—opened at 66½, moved to 77½ in June, but drifted away to 76½.

As in previous post-war years, once again movements of foreign Government stocks closely followed the exchanges, French and German securities responding without fail to the violent fluctuations of the exchange barometer. For a time the substantial offerings on the London market of French railway securities, backed by the French Government, caused mild excitement, and premiums were secured, only however to be lost, as pessimistic views were taken of the financial outlook in France. French 5 per Cents. at the end of 1921 were quoted at 42. During the year they rose as high as 48½, and fell as low as 24½, a marking of 32 was obtained at the end of 1922. German securities have gradually fallen in value, and the position has now been reached when holders are not troubling to detach interest coupons for collection purposes.

Home railways received remarkable attention from the public during 1922, both investors and speculators giving support. The various railway grouping schemes were responsible for immense market activity, and a huge volume of business was transacted as a result of rumours and official grouping announcements. Ordinary and deferred issues were specially sought after, but prior-charge stocks were also in demand. The latter, however, followed the course of other fixed interest-bearing securities. As in other markets, prices show improvements for American and Canadian railway securities. The increase in the value of the £ sterling in New York once again brings into sight the possibility of dealings on this side in greater volume. Details of price changes during the year in railway and other stock and share quotations will be found on later pages. (See Appendix G, page 382.)

The market for foreign railway securities was mainly interested in dealings in stocks of Argentine railways. Our statistical tables show the chief movements during the year, and it will be noted that the ordinary stock of Buenos Ayres and Pacific has advanced from 36½ at the end of 1921 to over 80. This substantial rise, however, was probably assisted by the announcement that negotiations were in progress for the transfer of the lease of the Bahia Blanca and North-Western Railway from the Buenos Ayres and Pacific Railway to the Buenos Ayres Great Southern Railway. But Argentine railway stocks all round made big advances, benefiting by the improvement recorded in their reports and accounts, and also by the prospects for the future.

The various industrial markets were very active during 1922, prices generally advancing all round. Oil investments, however, experienced a set-back, while prices fell away for a number of securities of undertakings which during the boom period were over capitalised or followed a reckless policy of finance or trading. Many industrial shares moved upward, in accordance with prospects and estimated profits of the promised trade revival. Banking shares improved on the year, and prices of insurance shares were higher, while a substantial appreciation in gas and electricity

supply securities and nitrate companies is to be found. Upward movements have been recorded in tobacco and textiles. There was a notable advance during December in iron and steel shares. Rubber has shown considerable activity, and small parcels of shares were easily absorbed at higher prices.

In spite of the better labour outlook on the Rand, the public was apparently not to be enticed, in numbers at least, into the mining markets, for although prices are higher on balance, markets were mainly supported by the professional element.

THE AGRICULTURAL YEAR.

As in 1921, farmers in 1922 had to face a dry spring, and when rain came at last it spoiled to a considerable extent the June hay crop. The latter half of the summer was without much sun, and caused haymaking to last until October. Late in September a short spell of settled weather was experienced, but the summer as a whole was a dismal affair, although crops eventually proved to be better than expected in some quarters. Indeed, the wheat yield eventually turned out to be at about pre-war standard, though not so good as the very heavy harvest secured in 1921. The farmer's pre-occupation was not, however, so much with his production as with the price he has been getting for his crops. The year 1922 was the first complete year of decontrol of agricultural prices, and the level of the price of wheat, which, though a small part of our agricultural output, is, on the whole, representative, was lower than at any time since the beginning of the war. English wheat opened at 10s 5d and closed at 10s per cwt, as compared with 20s at the beginning of 1921 and 16s 9d at the beginning of 1919. The year's price level, therefore (which is now quoted in hundredweights instead of quarters), represents a little over 40s a quarter, and is less than 20 per cent. above pre-war level. These reduced prices for agricultural produce have brought the agricultural question to the forefront in the political field, and the new Government at the end of the year, on Mr Lloyd George's suggestion, has appointed a Committee of Economists to examine the economic situation of agriculture in Great Britain in its widest possible aspects and with particular reference to its possibility of remaining an important source of employment; while a second Committee is also inquiring into the possibility of reducing the margin between the price received by the farmer and the price paid by the consumer.

The depression of prices in agriculture has had a serious effect upon agricultural labour, and as the Agricultural Board lost their compulsory powers more than a year ago, wages have fallen steadily to such a degree as to raise once more the economic problem which has troubled Great Britain for the greater part of the last 100 years—namely, that of maintaining an adequate standard of living in country districts. Economic forces are, in fact, exercising great pressure on the increased agricultural enterprise which was brought into existence by the war. It should, however, be added that the situation is in some respects relieved by the progress being made in poultry and egg farming and in some other forms of small agriculture in which the severity of international competition is less acutely felt.

The total arable land under cultivation fell from 11.6 million acres to 11.3 million acres, the area under wheat being practically unchanged. The year's yield of the principal crops is estimated to have been as follows:—

PRODUCE OF CROPS IN ENGLAND AND WALES.

Crops.	Estimated Total Produce.		Average Estimated Yield per Acre.		Average of the Ten Years 1912-1921.
	1921.	1922.	1921.	1922.	
Wheat.....	Quarters. 8,722,000	Quarters. 7,649,000	Bushels. 35.3	Bushels. 31.1	Bushels. 30.7
Barley.....	5,309,000	5,060,000	29.6	29.7	30.9
Oats.....	10,033,000	9,281,000	37.4	34.4	38.3
Mixed corn.....	570,000	509,000	3.8	3.9	3.9
Beans.....	778,000	839,000	26.2	24.7	27.3
Peas.....	313,000	261,000	23.7	17.0	24.7
Seeds hay*.....	Tons. 2,144,000	Tons. 1,732,000	Cwts. 24.4	Cwts. 22.7	Cwts. 28.4
Meadow hay†.....	3,195,000	4,068,000	15.8	18.4	21.5

* Hay from clover, sainfoin, and grasses under rotation.

† Hay from permanent grass.

EMPLOYMENT, WAGES, AND DISPUTES.

From the point of view of the wage-earner, 1922 is a black year. Although the actual reductions in wages have been less than in 1921, their cumulative effect has been more severely felt, inasmuch as the burden of prolonged unemployment continued after savings had been exhausted. The dole has prevented distress of anything like the severity of 1908 or 1909, but the actual rigour of unemployment itself has been of unprecedented severity. Throughout 1922 the mean of unemployment was 15.4 per cent. (against 15.3 in 1921, 3.3 in 1914, 2.1 in 1913, 3.2 in 1912, and 7.8 in 1908—the previous "record"). Although there has been in the latter months of the year a gradual falling off in the numbers, the percentage has never fallen below 14 per cent. for trade unionists, or 12 per cent. for industry as a whole, so far as covered by the insurance scheme. This latter figure leaves out those whose benefit has at the moment run out, or who are excluded as benefiting under National Health Insurance; leaves out agricultural workers, railway men, and local authorities' employees; leaves out those on short time, which has been general throughout the year in many branches of production. What is more serious is the exceptionally high proportion of skilled men unemployed in our major, key, industries. Throughout the year over 20 per cent. of the men in shipbuilding, engineering, the iron and steel trades, toolmaking, iron mining, and constructional industry were idle. In shipbuilding the ratio of unemployment was one in three; in engineering and the iron and steel trades, one in four. At the end of the year a definite improvement set in, but the appended table (based on figures given in the Ministry of Labour's *Gazette*) shows how much ground remained to be made up:—

End of—	TRADE UNION UNEMPLOYMENT PERCENTAGES.							
	1913.	1917.	1918.	1919.	1920.	1921.	1922.	
January ..	2.2 ..	0.3 ..	1.0 ..	2.4 ..	2.9 ..	6.9 ..	16.8 ..	
February ..	2.0 ..	0.3 ..	0.9 ..	2.8 ..	1.6 ..	8.5 ..	16.3 ..	
March ..	1.9 ..	0.3 ..	1.2 ..	2.9 ..	1.1 ..	10.0 ..	16.3 ..	
April ..	1.7 ..	0.3 ..	0.9 ..	2.8 ..	0.9 ..	17.6 ..	17.0 ..	
May ..	1.9 ..	0.4 ..	0.9 ..	2.1 ..	1.1 ..	22.2 ..	16.4 ..	
June ..	1.9 ..	0.4 ..	0.7 ..	1.7 ..	1.2 ..	23.1 ..	15.7 ..	
July ..	1.9 ..	0.4 ..	0.6 ..	2.0 ..	1.4 ..	16.7 ..	14.6 ..	
August ..	2.0 ..	0.5 ..	0.5 ..	2.2 ..	1.6 ..	16.3 ..	14.4 ..	
September ..	2.3 ..	1.3 ..	0.5 ..	1.6 ..	2.2 ..	14.8 ..	14.6 ..	
October ..	2.2 ..	1.1 ..	0.4 ..	2.6 ..	5.3 ..	15.6 ..	14.0 ..	
November ..	2.0 ..	1.1 ..	0.5 ..	2.9 ..	3.7 ..	15.9 ..	14.2 ..	
December ..	2.6 ..	1.4 ..	1.2 ..	3.2 ..	6.0 ..	16.5 ..	14.0 ..	

* Excluding coal miners.

† Revised figure.

Figures such as these represent not only a mass of distress of which the demoralising effect is bound to be cumulative, but a very heavy charge on production. The 12 per cent. of normally employed men who have, throughout the year, been unable to find employment, have to be supported by the rest. The basis of the insurance scheme is the contributions from employers and employed: the rest is made up by the taxpayers.

When unemployment is severe the man who remains in work is regarded as lucky. But the employed have paid their share in the bad years since the fictitious post-war boom collapsed, no less than the workless. From this point of view wages reductions in 1922 have not been so striking as in 1921, when the biggest of the war-time bonuses were lopped off; but in the aggregate 7,600,000 workpeople lost £4,200,000 on their weekly wages, a cut that came on the top of a £6 million reduction in the previous year. "In nearly all industries substantial reductions in wage rates were made during the year, and in the great majority of cases two or more separate reductions took effect," says the official report. Every coal-mining area was on the minimum established by the 1921 settlement by August; in seven of the thirteen areas, the effect being modified by the grant of subsistence rates to the lowest paid men. The end of the year, however, showed a slight improvement, and, speaking generally, the wage reductions in November and December were smaller than in any month in the preceding eighteen. The *Labour Gazette* summarises the position:—

The amount of reduction in rates of wages during 1922 varied considerably in different industries and occupations. In some exceptional cases, e.g., newspaper printing in London and coal mining in certain of the smaller coalfields, no general

reduction in rates of wages occurred. On the other hand, reductions equivalent to as much as 30 per cent. on the rates prevailing at December, 1921, were reported in some trades, e.g., in the case of coal miners and iron and steel workers in certain districts and of men in the shipbuilding industry. If allowance is made for the relative importance of the various industries represented, the general average reduction would appear to be approximately 20 per cent., leaving the average percentage increase over pre-war rates at about 70 to 75 per cent., as compared with 110 to 120 per cent. a year earlier. These figures relate to rates of wages for a full normal week, and take no account of changes in earnings resulting from alterations in the state of employment, the effect of which varied considerably in different industries.

Far the most serious dispute in 1922 was the engineering lock-out, lasting from the middle of March to the end of June. Some quarter of a million men were locked out, apart from the very large number of engineers and members of associated trades unemployed when the dispute began. It turned on the regulation of working conditions, and ended in the victory of the employers. The shipyard dispute (March-May) and the printing dispute (July-August) arose out of wages reductions, accepted in both cases.

II.—CONDITIONS IN PRINCIPAL COUNTRIES.

CONTENTS.

A. Europe—	Page		Page	B. British Empire—	Page	C. Other Countries—	Page
France	325	Belgium.....	328	Canada	333	United States	335
Germany	326	Spain	329	Australia	333	Japan	336
Italy	326	Switzerland	329	New Zealand	334	China	336
Russia	327	S.E. Europe	330	India	334	Argentina	337
Holland	328	Scandinavia	331	South Africa.....	335	Brazil	337
		Baltic States.....	332			Chile	338

A.—EUROPE.

FRANCE.

General.—The outstanding features of the economic conditions of France during 1922 included a remarkable revival of trade and industry, largely increased production all round (except as regards wheat), a total disappearance of unemployment, an unusual absence of industrial crises and serious strikes, an exceptionally low number of business failures, a notable recovery of investment business on the Bourse, accompanied by a substantial rise in wholesale commodity prices, while retail prices have remained approximately steady.

Trade and Production.—French foreign trade, both in exports and imports, showed an appreciable increase both in values and in weights. The trade balance against France showed an actual increase on the year, largely owing to heavy enforced imports of coal under costly exchange conditions; nevertheless, it was much smaller in proportion to the total volume of trade than in 1913, when the franc stood at par. Industrial production was largely in excess of that of the previous year in almost every category. Increases of from 25 per cent. to 50 per cent. were registered in the output of coal, coke, and iron ore, and of about 50 per cent. in steel and iron, while imports of copper, lead, and zinc (and to a lesser extent in the case of tin) were more than double those of 1921, and either equalled or exceeded their 1920 figures. Similar conditions attached to the chemical trades. The textile industry, notwithstanding exceptionally high prices of raw materials, had an extremely prosperous year, and purchases of wool, cotton, and silk exceeded those of both 1921 and 1920. Sales of motor cars largely surpassed those of pre-war years. Railway receipts rose from 5,770 million francs to 6,250 million francs. Shipping, on the contrary, remained seriously depressed.

Crops.—The crops of cereals (with the exception of wheat, which yielded only 65,230,000 quintals, against 89,580,000 in 1921), potatoes, wine, and forage were all greatly superior to those of the previous year. The sugar beet area being nearly all in the devastated regions, this crop was necessarily small, and France had again to rely largely on foreign grown sugar, which helped to swell her adverse trade balance, as did for similar reasons her large purchases of foreign coal. The national supply of livestock returned during the year to within measurable distance of its pre-war total.

Prices and Employment.—Wholesale commodity prices, which had an index figure of 444 in December, 1920, and fell to 313 in February, 1922, rose again to 360 in December last, whereas retail prices dropped progressively until just before the end of the year. Wages reached their lowest point of reduction in the middle of 1921 (with cuts of from 20 per cent. to 25 per cent.), since when they

have remained on the whole unchanged. With the exception of the metalworkers' strike at Havre, no serious labour upheaval occurred. Unemployment, which involved about 135,000 workers in March, 1921, fell to a shade over 10,000 by the end of that year, and to 2,640 by December 31st last, and has since disappeared.

Money and Stocks.—Savings bank deposits (now over 10 milliards francs, against 5,830 million francs in 1913) were again increased by about 2½ milliard francs in 1922, as in the two previous years. During April the Rente market was once more thrown open, with stimulating effect on the Bourse, and the abundance of capital awaiting investment—owing to a greatly reduced number of non-Government new issues (seven milliard francs only, as against 11 milliard francs in 1921)—resulted in a notable increase in genuine investment business, and a progressive and consistent marking up of quotations all round (since April last) that was still in progress when the year ended. Reduction of the Bank rate from 5½ per cent. to 5 per cent. proved another stimulating factor. National Defence Bonds were so well taken up that the Treasury was able to reduce the rate of interest from March last by ½ per cent.

Public Finance.—The public finances, if they have not improved during the year (as it was scarcely possible they should), have not seriously deteriorated. The State found it impossible to reduce by the agreed sum of two milliard francs its debt to the Bank of France, which stood at the end of the year at practically the same level as at the beginning, while the note circulation was similarly unchanged. The floating debt of the State, however, has been largely increased by an issue of long term Treasury bonds. The key to the situation of the French public finances lies in the failure of Germany to pay her Reparation debt. Taxation, which is showing a satisfactory yield, is sufficient to meet all normal expenditure and to provide interest on the ordinary national debt. The chief reason for the huge French Budget deficit is that, through Germany's default, the country has had to raise an enormous sum to restore the devastated area. The interest charges on this sum amount, roughly, to 3½ milliard francs, which is equivalent to the deficit in the French Ordinary Budget. The enormous expenditure on restoration and on pensions, which is equivalent to the whole Ordinary Budget, is, of course, still having to be raised by borrowing.

Exchange.—The value of the franc, which was quoted at 57 to the £ in January, 1922, rose to 47 in April, fell again to 71.80 in November, and stood at the close of the year at 63.89.

GERMANY.

Currency Depreciation.—The outstanding features of 1922 in Germany were accelerated currency depreciation, deterioration in the position of the public finances, increased activity of trade and industry, and declining unemployment. Mark exchange, after comparative stability in 1920, fell sharply in 1921; but in 1922 the fall was exaggerated. Although the year ended before the failure of the Paris Reparation Conference, the dollar quotation rose in 1922 from 182 to 9,172, whereas the difference between extreme quotations in 1921 had been only from 55 to 310. Sterling opened the year at about 790, and closed at over 30,000.

Public Finance.—Although revenue was also swollen by the currency depreciation, expenditure rose faster. The deterioration in the Budget position can be briefly illustrated. In the year ended March 31st, revenue from taxation was 82,559 million marks, and expenditure 188,291 millions. In the next nine months, ended December 31, 1922, revenue from taxation was 344,913 million marks, and expenditure 1,571,700 millions. The deterioration was mainly the work of the later part of the year. In the month of May, for instance, revenue covered three-quarters of the expenditure, whereas in the nine months' period April 1st to December 31st, only 21.9 per cent. was covered. For these nine months the expenditure was covered by floating debt operations to the extent of 1,223,009 million marks.

Inflation.—The great currency and credit inflation of 1922 was due, in the first place, to the Government's necessity of covering a gap, that the price-rise was ever widening, between revenue and expenditure, and secondly, to the increase in the private demand for credit, owing to the falling purchasing power of their monetary resources. These two threads of the story of inflation may be traced in the balance-sheet of the Reichsbank:—

(In Millions of Marks.)

	End of 1921.	End of 1922.
Circulation	104,567	1,280,094
Deposits	32,905	530,526
Commercial bills	1,061	422,235
Treasury bills	132,330	1,184,464

Increases came by leaps and bounds in the last few weeks of the year. A noticeable feature is the great revival of commercial bills.

Commodity Prices.—The rise in commodity prices outstripped the depreciation in mark exchange. The *Frankfurter Zeitung's* index number at the close of the year was 205,417, as compared with 4,217 at the beginning of the year. The index number at the close of 1922 was 2,054 times the last figure recorded before the war. As compared with 100 for each group before the war, textiles and leather, at the end of 1922, were 320,632, minerals 262,212, food 175,845, and finished goods 151,193.

Industry, Employment, and Production.—Although the last three months of the year saw some check, trade and industry were very active indeed throughout the year. In the late summer the percentage of unemployed in trade unions fell to 0.6, and at the close of the year it was only 1.4, or about one-third of the pre-war average for mid-winter. Nevertheless, trade and industry encountered many obstacles, of which the chief were, of course, the wide exchange movements, the tightness of money, the scarcity of capital and credit, deficiency of fuel supplies, and the housing shortage, which hampered the mobility of labour. German coal production for the first 11 months was 120,648,000 metric tons, as compared with 136,222,000 for the full year 1921. Other industries report improved individual output, due to better technical methods, to better work by employees, and to better relations between employers and employed. The figures of the principal crops in 1922, 1921, and, in the same area, 1913, are as follows:—

	Wheat. Tons.	Rye. Tons.	Potatoes. Tons.
1913.....	4,043,000	10,132,000	44,023,000
1921.....	2,934,000	6,799,000	26,157,000
1922.....	1,957,000	5,283,000	40,655,000

Money and Stocks.—The stringency of money grew steadily during the year. On July 28th the Reichsbank raised its rate from 5 to 6 per cent., on August 28th to 7 per cent., on September 20th to 8 per cent., and on November 13th to 10 per cent. The monetary stringency prevented stock prices from rising as in former years, in proportion to the currency depreciation. The *Frankfurter Zeitung's* stock price index number was 30,071 at the beginning of the year, and 469,593 at the end, the major portion of the rise taking place late in the year. Large rises occurred in Federal and State loans, but municipal bonds did not participate to any great extent. Federal Three per Cents. rose from 103.25 to 1,050, Prussian Three per Cents. from 56.50 to 363, Colonial Four per Cents. from 106 to 5,000 in mid-December.

Trade Balance.—Imports in 1922 were 45,870,000 metric tons, and exports 21,560,000 metric tons. The publication of value figures was suspended in November; but for the 10 months ended October 31st imports are given as 5,074,400,000 gold marks, and exports 3,215,200,000 gold marks, leaving an import excess of 1,859,200,000 gold marks. Comparison of trade volume with 1921 is not possible, the figures for January to April, 1921, not having been issued. In 1913 imports were 72,830,000 and exports 73,710,000 metric tons.

ITALY.

Foreign Trade.—For the first eight months of 1922 Italy's imports were valued at 9,928.5 million lire and exports at 5,572.4 million lire, leaving an import excess of 4,356.1 million lire. This balance was smaller than that for the corresponding period of 1921, which was 5,292 million lire. Of the imports last year wheat accounted for about one-third.

Crops.—Generally speaking, crops were not so large as in 1921, Northern Italy in particular suffering from drought. Wheat production was 43.7 million quintals against 52.5 million quintals in 1921, corn 18.0 million quintals against 23.5 million quintals, but grapes, with 53 million quintals against 50 million quintals, were better than in 1921.

Industry and Employment.—Industrial production was not interrupted by strikes. The silk industry, favoured by a good crop of cocoons (311,000 quintals against 309,000 quintals in 1921), had a good season, except for the last two months, when the foreign markets were bad. Cotton and wool had a good year. Idle spindles were estimated at 10-12 per cent. in the first half-year, and decreased to 6 per cent. in the autumn. Sugar produced was 2,600,000 quintals against 2,030,000 quintals in 1921. Very good profits were reaped by the milling industry. Sulphur, iron and steel, chemicals, and shipbuilding had a bad year, owing to American competition in sulphur, low freights for ships, and the cessation of war demands for iron, steel, and chemicals. Unemployment has been declining during the past year. The official figure of the total number of unemployed was 541,775 in January and 354,238 in December. The number of strikes was the lowest since 1900. The labour market was not eased to an appreciable extent by emigration. Transoceanic emigrants were 31,291 in the first half-year against 122,390 in the corresponding period of 1921. Emigrants to European countries were 61,293 against 28,424 in 1921. Wages have been lowered.

Prices.—Prices were lower than in 1921. *Bachi's* Index Number shows an almost continuous decrease up to May, 1922, when the total was 83.8 per cent. of the average for 1921. At this point reaction set in, and in October the maximum level of 96.2 was reached. The decline in foreign exchanges following the formation of the Fascist Government exercised a favourable influence on prices, which closed at 92.8. Textiles,

minerals, metals, and chemicals were below the average, while food and meat went down.

Exchanges.—The average price of the dollar started at 23 lire in January, decreased to 18.7 lire in April, increasing afterwards in October to 24 lire, owing to the combined influence of the autumnal pressure and political unrest. With the usual easing of foreign purchases and the better political outlook dollars went down afterwards to 19.9 lire. The curve was not differently shaped in the case of London and Swiss exchanges; but Paris cheque was naturally influenced by the vagaries of the franc. Starting from the maximum of 187.1 lire for 100 francs in January, the exchanges oscillated between 180.2 lire and 172.5 lire till October. In November the quotation fell abruptly to 151 lire, and in December to 143.7 lire. To-day, owing to Ruhr affair, the franc is even lower.

Money and Stocks.—The official Bank rate was reduced on July 11th from 6 to 5½ per cent. The volume of payments passing was less than in preceding years. The clearings at the Italian clearing-houses, which in 1921 had a maximum of 63,672 million lire in January and a minimum of 49,639 million lire in July, had in 1922 a maximum of 69,978 million lire in November and a minimum of 40,820 million lire in September. The paper circulation was 21,476 million lire at December 31, 1921, and was gradually reduced during 1922 till at November 10th it amounted to 20,479 million lire.

The improvement in stock exchange quotations is an index of increased hopes in the future of the country. The 3½ per cent. Rentes remained stationary between 71.93 and 71.65 in the first ten months of the year, but rose suddenly to 77.58 in November and 77.96 in December. In the variable dividend bearing securities market the tide was also rising. Taking as a basis (100) the average of prices for December, 1921, the index number of 135 leading securities (with an issued capital of 6,893 million lire) was 96.61 in January, decreased to 88.43 in April, rose to 103.01 in August, to 11.94 in November and 112.91 in December. Prices are, however, as yet at a lower level than in December, 1918. Taking that level as 100, the index was 63.84 in December, 1921, and 72.08 in December, 1922.

Public Finance.—Public finance is slowly improving. The figures for the three last budgets are as follows:—

(In Millions of Lire.)

	Expenditure.	Revenue.	Deficit.
1920-21.....	36,229	18,820	17,409
1921-22 (about)	26,000	18,000	8,000
1922-23 (estimated)	23,000	18,000	5,000

Public internal debt, which was 88,423 million paper lire at October 31, 1921, rose to 92,997 million paper lire at October 31, 1922, and was probably about 95,000 million paper lire at end of the year. External debt (to Great Britain and United States) at October 31, 1922, was 21,811 million gold lire. The decrease in the budget deficit, which has been rapid in the last three years, is bound to continue, though perhaps somewhat more slowly. The last billion of deficit will be the hardest to cancel.

RUSSIA.

General.—The year 1922 saw at last some slight recovery from the depths of chaos in the economic life of Russia, this improvement being due to the new economic policy introduced in 1921, which restored freedom of exchange, and also, in some rather limited degree, freedom of production. The reopening of shops and the resumption of retail business removed the impression of deadness; the volume of exports and imports has increased a little, and interest in commercial life has revived. But the improvement was held in check by a succession of difficulties. The financial situation became more and more entangled, and the currency position more desperate, while the transport position is another factor holding back any fundamental improvement.

Foreign Trade.—For the first nine months of 1922, Russia's imports were valued at 223.6 million pre-war roubles and exports at 50.7 million, leaving an import excess of 172.9 million pre-war roubles. The comparable figures for the whole year 1921 were imports 248.5 millions, exports 20.2 millions. Exports, which in 1921 amounted to only 5.3 per cent. of imports, thus rose in 1922 to 22.6 per cent. Imports of foodstuffs, amounting to 24 per cent. of total imports, were influenced by the famine conditions prevailing during 1921-1922. The weight of imports amounted to 1,734,000 tons, and of exports to 616,500. These figures compare with a pre-war average (1909-1913) of 1,003 million roubles for imports and 1,422 million roubles for exports.

Crops.—Official Soviet statistics show the yield of the 1922 harvest as 2,820,000 poods, or 47,000,000 tons. The 1922 harvest was undoubtedly far better than that of the previous year. Although the Soviet Government has announced its intention to export grain from Russia and small quantities are already said to have been exported, reports from the area famine-stricken in 1921 indicate that there are still districts urgently needing surplus cereals.

Industry and Employment.—For the period January-September, the output of coal in the Donets Basin was 6,000,000 tons as against 20,000,000 tons in 1912. A disquieting factor is the fall of production from 3,000,000 tons in the first quarter of 1922 to 1,000,000 in the third. This has affected adversely the South Russian metal industry. During the first nine months of 1922, the production of pig-iron in the Ural, South and Central metallurgical areas amounted to 130,000 tons, of martenite to 240,000, and of rolled steel to 180,000 tons, the general results being about 30 per cent. better than in 1921, notwithstanding the difficulties caused by the presence of famine both in the Ural and in the South. October returns showed a 40 per cent. increase on those for September, 1922. Oil production amounted during the first three quarters of 1922 to 3,452,000 tons, or 50 per cent. of that for 1912. The output of yarn for the first six months of 1922 amounted to 28,000 tons as against 10,000 tons in 1921, cotton-cloth was manufactured to a length of 190,000,000 yards as against 57,000,000 yards for the corresponding period the year before, while finished cotton goods rose from 92,000,000 yards in the first six months of 1921 to 181,000,000 yards for the same period of 1922. In regard to sugar, as a result of an excellent beet harvest, it was hoped to produce 200,000 tons of sugar, or four times the 1921 production, and about 1-10th of the pre-war production. Agricultural machinery was produced in 1922 to the value of 5,570,000 pre-war roubles, representing about 10 per cent. of the pre-war production. As a result of the great reduction in the number of Civil Servants and the closing down of factories formerly run by the Government, unemployment begins to present an important problem in Russia. Wages, which according to the Central Soviet of Trade Unions constituted in the early part of 1922 only 15 per cent. in some instances of pre-war wage value, are now said to have risen to 80 per cent. of the latter value.

Prices.—The All-Russian Index of wholesale prices was published for the first time in March, 1922, and appears on the 1st, 10th, and 20th of each month, beginning again on the 1st of the following month. The Moscow Index of retail prices is published weekly. The Moscow Index for March, 1922—taking 1913 as 1—shows 2,169,000, the All-Russian Index for April 1st being 1,950,000, the amount of pre-war roubles needed to purchase a given quantity of goods bought with 10 gold roubles at the March-April prices being 4.97 roubles, according to the All-Russian Index, and 4.21 roubles according to the Moscow Index. In spite of the easing effect on the summer season on the cost of foodstuffs and of a good harvest, prices rose rapidly. The All-Russian Index on August 1st stood at 5,206,000, the Moscow Index for the preceding

month being 6,332,000, and the purchasing power of 10 gold roubles on August 1st being 3.87 and 3.20 according to the respective indices. Although after the harvest food prices showed signs of falling, the exhaustion of stocks of manufactured goods caused a fresh break, and the All-Russian Index by January 1, 1923, registered 15,790,000, the Moscow Index for December standing at 20,573,000, the difference between the two indexes thus constituting 25 per cent. The purchasing power of 10 gold roubles on January 1st had risen to 10.63 in the case of the All-Russian Index, the Moscow Index for December showing 7.78 roubles. It may be noted that one pood of sugar (40 Russian lbs) exchanged for 235 lbs of rye in 1913, for 312 on January 1, 1922, and 632 on October 1st, and one pood of wool for 452.5 lbs of rye in 1913, 114 on January 1, 1922, and 354 on October 1, 1922, the January figures reflecting the premium on cereals caused by the famine.

The official rate of 10 gold roubles in Moscow rose from an average of 4,000,000 in January to 160,000,000 for December, 1922. On December 30th the dollar stood at 32,250,000 and sterling at 143,500,000 roubles at the official rate of exchange, the unofficial rate being respectively 45,250,000 and 200,300,000. The gold rouble exchange on that day was officially 174,000,000, and unofficially 221,000,000.

Public Finance.—The following table covers the Soviet Budgets for 1918, 1920, and 1922:—

	(In Millions of Paper Roubles.)		Deficit.
	Expenditure.	Revenue.	
1918	49,706 ..	15,580 ..	31,126
1920	1,215,159 ..	159,604 ..	1,055,555
1922	2,613,967,000 ..	1,047,277,000 ..	1,566,690,000
	(In Millions of Gold Roubles.)		
	Expenditure.	Revenue.	
1918	600 ..	266 ..	394
1920	200 ..	26 ..	174
1922	747 ..	303 ..	444

The value of these Budget figures is, however, somewhat dubious. The amount of paper money in circulation was 1,230,000 million roubles in January, 1922, and had risen by October, 1922, to over 1,000,000,000 millions.

HOLLAND.

Trade and Industry.—The effects of the reaction after the high prices and commercial activity of the war and the year following it were seen in industrial and commercial depression, extensive unemployment, and a decline in foreign trade. Industry felt the competition of countries with depreciated currencies. Industrial dividends fell off, or were maintained with difficulty; in May several banks were in trouble, and two failed. In the first nine months the bankruptcies numbered 43 per cent. more than in the corresponding period of 1921. Industrial output was felt to be restricted by short hours and high wages, and the working week was extended by law to 48 hours instead of 45 under the law of 1919. "Summer time" was only retained by a narrow Parliamentary majority.

Foreign Trade.—The values for 1921 and 1922 were in guilders:—

	1921.	1922.
Imports	2,240,219,213	2,026,578,760
Exports	1,369,508,600	1,221,231,211
Difference	880,710,613	805,347,549

Prices and Employment.—For the first ten months of 1922 wholesale prices, taking the average for 1901-10 as 100, were represented by 182.6, as against 206 in 1921. The cost of living in Amsterdam on the average of the first nine months of 1922 was 140, as against 100 in August, 1914, and 180 in 1921.

The provisional figures for the year showed a larger percentage of unemployment among the workers covered by the return than at the corresponding periods of 1921, viz.:—

	1921.	1922.
March	13.9	14.1
June	8.1	9.5
September	6.8	9.0

And on December 30, 1922, at employment agencies in communes with a population of 5,000 or over, 99,727 men and 6,801 women were registered as unemployed.

Exchanges.—Sterling exchange started at 11.44 in January, reached 11.66 in February, fell to 11.26 in September, and was 11.55 at the end of the year. Dollar exchange showed some fluctuation in March and September; at the end of the year it was at par.

Stocks and New Issues.—The trade depression left large sums free for investment, though some of the capital required was sought in the United States. Three Dutch East Indian 6 per cent. loans of \$40 millions each were offered, and readily taken up, in New York in January, February, and May. So was a Netherlands Government loan of 150 million guilders in 50-year 6 per cent. bonds, issued half in the United States and half at home. A record loan of 350 million guilders, to be issued in both countries, was contemplated early in 1923. Issues of 6 per cent. bonds were also made by local authorities, the Netherlands Railway, and the Holland-America Steamship Company, the last named partly in the United States. In all, the issues placed at home totalled 382 million florins, mainly State and local authorities' loans. A Czechoslovak and a Chinese Government loan were offered, but the response was unsatisfactory. In December the prices of leading securities were lower than in January, but above the lowest of the year.

Public Finance.—Retrenchment in national and local expenditure was urgently demanded by the Press and public, and foreshadowed by the Queen's Speech at the opening in July of the States-General. But the Budget showed a deficit of 52.7 million guilders on the ordinary estimates, and, on the ordinary and extraordinary estimates taken together, of 226.3 millions. Certain public departments were amalgamated, and there were other economies, but the public expectations were not realised, and (though shipping was rather more active at the end of the year than at the beginning) the general commercial and financial outlook had not become brighter otherwise. Direct taxation, local and national, was said to be the highest in the world.

BELGIUM.

Foreign Trade.—With a population of 670 persons to the square mile, it is obvious that Belgium must depend for her existence very largely on export. Before the war, in spite of many natural disadvantages, Belgium could successfully compete with Germany and Great Britain because of the cheapness of her labour (low wages and long hours of work), but during the war Belgium lost her foreign markets, and her workers learnt to expect higher wages and shorter hours. It is unfortunate that, owing to the economic union with Luxemburg, the trade figures for 1922 do not permit of accurate comparison with previous years, but for the last eight months of the year the visible adverse balance of trade for Belgium and Luxemburg combined amounted to 2,295 milliard francs (imports 6,681 milliards and exports 4,386 milliards), and it is clear that the adverse balance is considerably greater than before the war. So seriously is the need for increasing exports regarded that a National Congress on the question has been held and a permanent Export Committee set up, which, among other things, has decided to take steps to educate the working-classes and the youth of the country on the importance of the export trade, to undertake propaganda on the same subject, to improve the Customs statistics and the consular service, and to encourage trade missions, &c. A trade mission, for instance, is just about to set out for China and Japan.

Public Finance.—The National Debt, which before the war amounted to 4.6 milliards of francs, amounted at the end of the year to about 36.8 milliards, of which 30.1 was internal and 6.7 external debt. That the country is doing its best to set its financial house in order is evident from the fact that the Budget for 1923 was submitted in November, the first time since the Armistice that it has been presented to Parliament

within the legal period. By dint of strict economy in administration and in the State undertakings (railway, shipping, post, and telegraph offices), the ordinary Budget and the expenditure and receipts from State undertakings will approximately balance, but there is naturally a heavy deficiency under the heading of "recoverable expenditure." M. Theunis estimates that 12 to 13 milliards of francs are still required for reconstruction purposes.

Industry and Production.—The industrial depression of 1921 was extended into the first few months of 1922, but with a wage reduction of 10 per cent. in April a revival set in, which continued steadily until October, when further progress was arrested by the Anglo-Turkish complications and the constant fluctuation in the exchange. The production of coal in 1922 amounted to 21,234,200 tons (metric), compared with 21,807,200 tons in 1921, and of coke to 2,707,500 tons, compared with 1,390,950 tons in the previous year, the production of coke rising from 136,860 tons in January to 287,400 tons in December. The increased production of metallurgical coke is explained by the increased demands for blast furnaces, 34 of which were in blast at the end of the year, compared with only 14 at the beginning. The production of steel rose from 86,500 tons in January to 150,600 tons in December, and of crude zinc from 8,250 tons in January to 11,380 tons in December. The textile industry was also in full swing at the end of the year.

Employment and Prices.—The percentage of trade unionists unemployed, which at the beginning of the year had amounted to 6.6 per cent., had fallen by the end of November to 1.4 per cent. The wholesale price index number, taking April, 1914, as the base, steadily fell between January and May from 366 to 348, and then rose to 408 by November; the retail price index number was also falling until May, but by the end of the year had returned practically to the level of January (387).

SPAIN.

Public Finance.—The economic depression, due mainly to causes affecting all Europe, was aggravated in Spain by the cost of pacifying Morocco. The Budget accounts for 1920-21 closed with a deficit of 633.5 million pesetas, against less than 377 millions for 1919-20; and for 1922-23 the estimated expenditure was 3,044 million pesetas, with the estimated revenue 2,617 millions—a deficit of 427 millions. But in December it was definitely announced that "pacific penetration" would be substituted as far as possible for subjugation.

Foreign Trade.—The foreign trade figures for the first eight months of the year were:—Imports, 1,954.84 million pesetas; exports, 870.85 million pesetas; excess of imports, 1,084 million pesetas. Both imports and exports were lower than for the same period in 1921. The new Customs tariff, more Protectionist than its predecessor, was passed in the spring, but the Government was empowered to conclude commercial treaties largely reducing certain duties, and treaties were concluded in April with Switzerland, in July with France, and in September with Great Britain. The last-named treaty was delayed by the opposition of the Spanish coalowners to the proposed relaxation of the restrictions on the import of British coal, which was needed by the iron and steel industry; but the opponents were placated by export premiums and by certain remission of taxation. A treaty with Norway was delayed by a dispute as to the quantity of Spanish wine to be admitted, in view of the restrictions imposed there on intoxicants. But the Spanish demand was granted provisionally.

Exchanges.—Sterling exchange varied, with some fluctuations, between 28.10 at the end of January and 29.50 in the middle of December; dollar exchange was 14.88 at the beginning of the year and 15.32 at the end, but in March it reached 16.04, and nearly touched 16 in May.

Banking.—A belief that the Government would discriminate against foreign banks, together with the

trade depression and the new Customs tariff, led to the closing of the Spanish branches of the London County and Westminster and Parr's Bank, except that in Madrid. The bank was believed to have operated in Spain chiefly with Spanish deposits, but its closing was undoubtedly a loss to the national trade.

Industry.—There was serious depression in the iron and steel industry; a strike in May among the mining and metallurgical workers in the North was settled by Government arbitration. In February a serious strike took place at Granada, and in October there was a postal strike, which closed, broke out afresh, and was terminated by a lock-out and the submission of the strikers. In Barcelona the labour and political unrest was less than in previous years. All labour disputes had ceased at the end of the year. The crops were, on the whole, satisfactory; the fruit crop excellent.

Prices.—Taking the index number of wholesale prices in 1913 as 100, the average for the first ten months of 1922 was 176.1, as compared with 190 in 1921 and 221 (the highest point) in 1920. In the same ten months the index number of food prices in Madrid was 181.4, as compared with 184 in 1921 and 100 in 1914.

Money and Stocks.—As in other countries, the commercial and industrial depression left capital free for investment in stocks. At the end of October 5 per cent. Treasury bonds for one year to the amount of 500 million pesetas were issued and over-subscribed. Earlier in the year the issue of a Government loan in the United States had been contemplated, but the terms were said to be prohibitive. But a number of issues—railway, shipping, and municipal—were made at home at prices returning rather more than 6 per cent. interest, and were readily taken up. The Stock Exchange was more active in the last half of the year.

SWITZERLAND.

Industry.—The year was marked by severe agricultural and industrial depression, extensive unemployment, and a decline in foreign trade (on the figures of the first nine months) of some 16 per cent. in imports and 19 per cent. in exports, as compared with the corresponding period of 1921. The high exchange interfered with exports to Continental markets, and caused migration of industries (notably engineering and clothing) to South Germany. Embroidery and watchmaking suffered severely, the large firms most; the hotel industry in the summer was thrown back by bad weather, but in the winter showed recovery. These three industries received Federal assistance, which increased the exported products of the two first. The legal eight-hours' day being found to limit output, the Federal Executive was authorised by law to extend the working week to 54 hours in certain contingencies for specified trades. Agriculture felt the decreased demand of the neighbouring countries for cattle, cheese, and condensed milk; the fruit crops and the vintage suffered from the spring and autumn bad weather, and the latter in the Valais from phylloxera.

Prices and Employment.—The index numbers of wholesale prices were:—August, 1914, 100; 1921 (average), 190.3; 1922 (ten months' average), 164.4. It was generally agreed that the cost of living had declined; one estimate put it for August and September at 30 per cent. below the highest figure reached since August, 1914, and about 50 per cent. above the level at that date. But it was stated that all the calculations were on too narrow a basis. Unemployment reached the maximum on record in February, with 99,541 workers wholly and 46,761 partly unemployed. There was then a steady decline till October (48,218 and 21,565). A rise in November (51,128 and 21,900) was ascribed to the discharge of "seasonal" workers, especially in the building trade.

Exchange.—Sterling exchange rose during the year (with some fluctuations) from 21.68 at the beginning to 24.47 at its close. The American dollar was round

about par in May and July, and was approaching par again at the close of the year.

New Issues.—The trade depression diverted capital to the stock markets; the rate of discount fell from 4 to 3 per cent. during the year. A Federal Loan of 300 million francs was issued in January at 5½ per cent.; two others (for the railways) of 150 and 200 millions respectively were offered, the first in June at 4½ per cent., the second in September at 4 per cent., and were readily taken up. Several cantons and municipalities also raised loans. In August the proposed Capital Levy—designed to fall on less than 1 per cent. of the population—depressed the stock markets, and sent much capital abroad. It was intended to provide funds for social legislation; but it was rejected by all the cantons, and by 731,478 votes to 109,421.

Public Finance.—The Budget estimates for 1922 showed a deficit of 100 million francs, those for 1923 of 84 millions, exclusive of extraordinary expenditure, on which the deficit for the two years together was 230 millions. It was felt that subsidies to industry and unemployment allowances could not continue indefinitely; but forecasts varied, and the rise in gilt-edged stocks and the decline in unemployment and food prices were regarded by some observers as ground for hope.

SOUTH-EASTERN EUROPE.

General Conditions.—The countries of the Danube basin and the Balkans have passed through a critical year, which would have proved even more disastrous but for the fact that this region is in the main devoted to agriculture, and thus self-sufficing at least as far as essential foodstuffs are concerned. The mutual hatred of rival nationalities shows no appreciable signs of diminution, while the conflicting interests of the great Powers and the lack of a coherent policy towards Russia and the Near East have contributed to the general uncertainty of the political situation. The harvest this year has, on the whole, been far from satisfactory, and tariff walls and export restrictions still impede the economic recovery of these countries and of Europe generally.

This state of things is well illustrated by the following table of exchanges (the rates being for the first Friday in each quarter and for the last Friday of the year):—

FOREIGN EXCHANGES in 1922.

London on	Par.	Jan. 6.	April 7.	July 7.	Oct. 6.	Dec. 29.
Prague	24.02	257½	228½	217	130	148
Vienna	24.02	13,000	33,000	93,000	315,000	315,000
Budapest	24.02	2,450	3,875	5,000	10, 00	11,000
Belgrade	25.22½	295	360	355	275	430
Sofia	25.22½	612	635	675	750	655
Bukarest	25.22½	550	610	760	725	815
Athens	25.22½	96	100	170	155	397
Constantinople ..	110	675	650	730	730	810

CZECHOSLOVAKIA.

In Czechoslovakia the first half of the year witnessed considerable industrial activity, and a large balance of exports over imports (for the period January to June, exports, 10,513 million crowns; imports, 7,497 million crowns). With the rise in the crown, however, Czechoslovakia—which is primarily an exporting country, containing as it does over 75 per cent. of the industries of the former Dual Monarchy—was faced with a serious crisis, and the beginnings of unemployment on a considerable scale. The readjustment in prices and wages which then became necessary was nevertheless carried out without any social or industrial convulsion. Taking July, 1914, as the base (= 100), wholesale prices in the Republic fell from 1675 in January to 1464 in July, and to 999 in December. Foodstuffs and necessities of life have not, however, fallen as much as textiles, boots, and shoes, and other manufactured products.

The figures of agricultural production, while well above those of 1920, are inferior to those of 1921 for all crops save potatoes and sugar beet—though this latter crop was slightly greater in 1920 than in 1922.

The output of coal has, on the whole, improved steadily since the Armistice, though the final figures for 1922 are not yet available.

The budget deficit has been reduced from 4,851 million crowns in 1920 to 727 million crowns in 1921, and 929 million crowns last year. The estimated deficit for the financial year 1923 is 506 million crowns, and considerable economies are promised in the public administration. The total of notes in circulation has decreased perceptibly during the year (from over 11,603 million crowns in December, 1921, to 9,610 million crowns at the end of 1922), while the outstanding feature of the financial year has been the successful flotation of a reconstruction loan in London and New York, this being the first loan made on the open market to a Central European State since the war.

AUSTRIA.

In Austria conditions were bad at the beginning of the year, and grew worse and worse as the months rolled by. The climax was reached towards the end of the summer, when it appeared to many careful observers that a social revolution could not be much longer delayed. Fortunately, however, the adoption of the League plan to save the country did much to restore confidence and to arrest the "flight from the Crown"; while the hope of international credits and the beginnings of economy in the various government departments actually led to a relative stabilisation of Austrian currency in the exchange market. The first results of this were that Austrian manufacturers were undersold by Germans in their own market, and half-time and unemployment increased considerably. However, the trade balance for the first three months of the second half of the year shows some improvement on that for the first six months (exports amounting to 72 per cent. of the imports instead of 62 per cent.). On November 23rd the bank returns showed a decrease in the note circulation for the first time since the Armistice, while prices fell considerably in the last quarter of the year. When the League plan is carried out in its entirety there are reasons for hoping that Austria will at last be able to settle down to normal economic activities, though the preliminaries are hardly likely to be devoid of unpleasant consequences for many sections of the community.

HUNGARY.

The inhabitants of what remains of the once mighty kingdom of Saint Stephen have not yet resigned themselves to their fate, and political instability has combined with economic isolation and a second-rate harvest to make of 1922 a rather lean year. The Finance Minister, M. Kallay, has made considerable efforts to increase the yield of taxation and balance the Budget, but this has not prevented an increase in the notes in circulation from over 25 milliards of Hungarian crowns on December 31, 1921, to 33½ milliards Hungarian crowns on June 30th, and to nearly 76 milliards by the end of the year.

Agricultural production suffered this year from the drought that prevailed throughout the Danubian lands, though post-war production has not been equal to that of pre-war days. This falling-off may be due in part to the greatly increased cost of improvements, and attempts are being made to bring about the adoption of more scientific methods of farming. This year, however, the decline in agricultural production has led to a further increase in the excess of imports over exports (an estimate of 50 milliard Hungarian crowns for 1922, against 21 milliard Hungarian crowns in 1921).

ROUMANIA.

Roumania is also predominantly agricultural, and her exports have suffered in consequence. Transport facilities leave much to be desired, as the work of reconstruction and unification is proceeding rather slowly. Moreover, an inelastic export tax on cereals has added to the complications of a fluctuating exchange precisely at a time when cereals have been unexpectedly cheap in the world markets. The change in production resulting from the sub-division of the large estates has further tended to reduce the yield per hectare, while the peasant

proprietor has attributed the great fluctuations in price to fraud, and frequently refused to sell in consequence. Yet another cause of the decline in the export of cereals is to be sought in an increased consumption of agricultural produce by the peasants themselves—whose standard of living left much to be desired in pre-war days—and the stimulus which has thus been given to stock raising.

There was a slight increase in the quantity of barley exported, and a considerable increase in oats for the first ten months of 1922 as compared with the same period of 1921; but the total shows a diminution of about 33 per cent., the 1922 figure being 857,143 metric tons as compared with 1,281,945 metric tons for the same period in 1921. Moreover, autumn grain plantings were on a considerably reduced scale last year. The export of timber and oil, however, shows a marked improvement in 1922.

The total of notes in circulation shows an increase from 13,741 million lei at the beginning of January to 15,184 million lei in the middle of December last.

BULGARIA.

The problem of Reparations has hung like a cloud over Bulgaria throughout 1922. No solution is as yet in sight, but the Reparation Commission at Sofia performed at least one service to the country when it induced the Bulgarian Government in June last to restrict the activities of the note printing press. The immediate consequences were most unpleasant, for there followed an acute shortage of currency, with offers of 20 per cent. and over for short loans. There has been some improvement in the last few months, and the trade position for the year is much more satisfactory than was anticipated. The harvest was relatively better than in the other Danubian countries, though the threatened tariff policy of the new Turkish Government may largely succeed in cutting off Bulgaria from its natural market at Constantinople. The tobacco output was very satisfactory, while there seem reasons for believing that the sugar crop is well in advance of that of 1921. The production of attar of roses was approximately 2,000 kilograms in 1922, which is about 500 kilograms more than in the preceding year.

The influence of an active export trade combined with a considerable decline in imports has been most marked on the foreign exchanges, where quotations have been on the whole remarkably steady. At the same time, while this has led to something approaching stabilisation during a good year like 1922, with a favourable harvest, there seem to be grounds for fearing that, unless the Reparation question is settled once and for all in accordance with Bulgaria's capacity to pay, the outlook for the future will be far from bright.

SCANDINAVIA.

General Conditions.—In Scandinavia generally, 1922 was a difficult year, marked by deflation and falling prices. Nevertheless, slow recovery can be recorded, and also some increase in production. These countries, thanks to the relatively high level of their currencies, have been faced with increased competition in many of their staple products in foreign markets from some of the neighbouring depreciated currency countries. The year as a whole has witnessed a considerable shake-down in prices and production costs, thus making Scandinavian sellers once more able to compete effectively in world markets. The final result, however, has been fairly satisfactory, for 1922 marks a slow but sure recovery from the depression of the preceding year, and increased production in many directions is a welcome sign that Northern Europe is at last emerging from a somewhat painful period of convalescence.

SWEDEN.

The labour year opened badly, for proposals for wage reductions met with considerable resistance, and led to a series of strikes and lockouts which paralysed the economic activities of the country. In May a compromise agreement for a general cut of 33 per cent.

in wage rates provided a way out of the *impasse*, and from that date till the end of the year there ensued a real revival in production. Unemployment, which had reached the phenomenal figure of 34.8 per cent. for all trades at the end of January, was reduced to 14.4 per cent. by the end of November, while the exports of timber for the period January-November amounted to some nine-tenths of 1913 quantities. Paper production for the same period was even some 25 per cent. greater than before the war; while exports of iron ore, matches, and pulp were within measurable distance of normal pre-war dimensions.

The Index Number of wholesale prices moved slowly from 172 (base of 100 in 1913) to 165 in July; but from that date there was a further decline to 154 in November, relieved by a rise of one point to 155 in December.

The Bank of Sweden has pursued a policy of deflation which resulted in a slight decline of the note circulation for the year. The rate on London, which opened at 16.97½ to the £ in January, reached its lowest point of 17.25 at the beginning of June; while a decline in November gave place to a slight reaction, which left the rate at 17.16½ on December 19th, or some 19 öre down on the January quotation.

Bank returns are proving much better than was expected, but there have been large allocations for depreciation.

NORWAY.

In Norway, too, 1922 marks a definite advance on the preceding year, for though shipping has remained depressed, there has been a very considerable improvement in fisheries. While the yield of cod increased noticeably, the improvement in the herring fisheries was even greater, for not only was the catch much larger than in 1921, but prices were also considerably higher, with the result that there was a yield of 7.2 million kroner, as compared with 2.7 million kroner in the preceding year.

Drastic wage cuts have been effected with few serious labour troubles, and there was a definite increase in general confidence over 1921. The harvest was, on the whole, unsatisfactory, though the potato crop proved an important exception. The trade balance remained unfavourable, despite the fact that the increase in exports was greater than the upward movement of imports.

The Bank of Norway proceeded with its policy of deflation, with the result that the note issue was reduced from nearly 410 million kroner at the end of 1921 to nearly 385 million kroner at the end of December last. The exchange on London moved fairly steadily in favour of Norway right down to the beginning of December (27.00 to the £ at the beginning of January; 24.42½ at the latter date), though the last month of the year witnessed a slight reaction to 24.54½.

DENMARK.

The general disorganisation of Germany, which is normally one of Denmark's principal customers, has made her rely almost exclusively on the British market as an outlet for her exports of dairy produce. Nevertheless, America has come on the scene as a buyer of butter, though this has not sufficed to check the natural fall in price. Thus while there has actually been an increase in the exports of agricultural produce as compared with 1921, the year has not been a prosperous period for Danish farmers. The general trade balance has proved rather more unfavourable than in the previous year, for though the figures for the first ten months show a reduction in imports, the falling off in exports was even greater.

The disclosures in connection with the Danish Landmanskbank, of which a second reconstruction became necessary in September, dealt a severe blow to the credit system of the country. Gradually, however, public confidence has been restored, and conditions at the end of the year were, on the whole, better than they were at the beginning.

The process of deflation has continued through the year, notes in circulation falling from nearly 471 million kroner at the end of 1921 to over 459 million kroner on December 31st last. The exchange on London moved

from 21.12½ to the £ in January to 20.37 in June; but there has been a steady fall during the second half of the year to 22.50½ at the end of December.

THE BALTIC STATES.

General Conditions.—With the exception of Poland, where political insecurity and party strife, together with budgetary deficits and wholesale inflation, have led to a general uncertainty and malaise, the year 1922 has been a period of consolidation for most of the new Baltic States. The exchange rates for the first week of each quarter and for the end of the year show an actual appreciation of Finnish currency, while Estonian marks and Latvian roubles have remained nearly constant in terms of English pounds—and this, it must be remembered, has happened in a year when the pound has itself appreciated in terms of the dollar, and when most European currencies have moved further away from the gold parity.

EXCHANGE RATES IN 1922.

Rates on London in	Jan. 7.	April 7.	July 7.	Oct. 6.	Dec. 29.
Poland	12,000	17,000	23,000	40,000	84,500
Finland	225	231½	203	196½	185½
Estonia	1,522	1,480	1,465	1,525	1,586
Latvia	1,010	1,118	1,135	1,142	..

The bank returns of these countries throw some light on these exchange figures. In Poland the note issue was fairly constant during the first six months of the year (approximately 230 milliards Polish marks on December 31, 1921, and 286 milliards P.m. on June 30th); but it rose rapidly during the second half of the year, and totalled nearly 729 milliards P.m. at the end of December. In Finland there has not been any considerable change from this point of view (1,409 million Finnish marks on December 31, 1922, as against 1,356 million F.m. at the end of 1921); but, while the gold reserve has increased very slightly, the total of "balances abroad and foreign bills" has risen from nearly 225 million F.m. on December 31, 1921, to over 803 million F.m. on December 31, 1922. In Estonia, however, the note circulation has increased nearly four-fold (from 350 million Estonian marks to 1,300 million E.m. on November 30th); but the cash reserves have risen from nearly 159 million E.m. to over 610 million E.m., and balances with foreign banks from over 207 million E.m. to over 1,445 million E.m. The proportion of cash and foreign balances together to the note issue show a rise from 104 per cent. to 158 per cent., indicating a remarkable improvement in the financial position of the country.

On November 1st last the Bank of Latvia began its activities, and a new national currency, the lat (equal to the gold franc) was issued. The old Latvian rouble had remained fairly steady in terms of gold during the first ten months of the year, and the new currency kept very close to the dollar for the first two months of its existence, actually appreciating from 5.21 to 5.16 (lats to the dollar) between November 29th and December 20th last. The Bank returns for the latter date showed a note circulation of nearly 9 million lats, backed by a gold reserve of over 13 million lats.

ESTHONIA.

Estonia, which is in some respects the most stable of the new Baltic States, has had a fairly satisfactory year, of which steadiness and marking time have been the chief characteristics. The harvest, as in the other Baltic countries, has not been up to expectations, though there has been a brisk export of potatoes to Finland. Owing to the efforts of the Russian Government to encourage trading direct with Petrograd, the entrepôt trade of Estonia (like that of Latvia) has fallen off somewhat. Organised smuggling, however, continues on a large scale with Russia, and this is a considerable element in the prosperity of Estonian commerce. Textile mills have been started at Narva

during the year, and the export of dairy produce, which should prove a source of considerable wealth to the country, has increased and the organisation of the trade greatly improved. Investigations as to the possibility of utilising the oil shale resources of the country are proceeding, but have not as yet passed the experimental state.

LATVIA.

Latvia has benefited to some extent from the choice of Riga as headquarters for the handling of American relief supplies for Russia; but disputes with the Soviet Government as to conditions for transit have greatly restricted the volume of ordinary trade. The trade returns for the first two quarters of the year show a surplus of imports, though in the third quarter there was a small export surplus.

The budget of Latvia, like that of most of the other Baltic States, very nearly balances; and Latvian currency has slightly appreciated in terms of gold, owing to the refusal of the former Finance Minister to provide exchange towards the end of 1921, and the prevention of further inflation. The index number of internal prices fell from 100 in January (the base) to 84.5 in November. Lack of capital has hampered production during the year, and most of the country's industries are almost idle.

LITHUANIA.

Lithuania may be regarded for practical purposes as a purely agricultural country. The principal articles of export are timber, poultry, eggs, and flax; and in 1922, for the first time in the history of the new State, there was a favourable trade balance, estimating on the basis of the figures for the first ten months of the year. Remittances from Lithuanians living in the United States have been very regular of recent years, and form a very important part of the national income.

The loss of Vilna is a serious handicap to Lithuania, and the Allied occupation of Memel, which has recently been contested by Lithuanian irregulars, has deprived the country of its only harbour.

The chief event of the financial year was the establishment of a national currency—the lita (equal to 10 cents gold)—in place of the mark, which was a relic of the war period. This has been remarkably stable, and its inauguration fortunately came before the most catastrophic movement of German currency. With a budget that nearly balances and a stable exchange, the year 1923 should prove even better than 1922, if only outstanding political differences can be adjusted.

FINLAND.

For the first time for many years Finland has shown a favourable trade balance. The following table of imports and exports for the last four years shows clearly how great the improvement has been in this respect:—

Year.	(In Millions of F. Marks.)			Balance.
	Imports.	Exports.		
1919	2,509.9	880.4	....	- 1,629.5
1920	3,626.5	2,926.4	....	- 700.1
1921	3,585.7	3,389.4	....	- 196.3
1922	3,953.1	4,461.1	....	+ 508.0

The Finnish mark, however, has appreciated too rapidly, and this has caused considerable inconvenience to traders. Towards the end of the year the State Bank reduced the rate of discount from 9 to 8 per cent., and came on the market as a buyer of foreign currency, in order to check a further appreciation of the national currency.

Industry has on the whole been brisk, though the metal and glass trades have been going through a period of depression. Traffic returns on the railways show that the country's internal trade has been improving, while shipping returns give signs of increasing commercial activity. Paper, wood, and meat and other animal food products are the principal exports, while imports include cereals, colonial goods, and textiles. Several commercial treaties have been concluded during the year, perhaps the most important being that with Germany and the conventions with Russia.

POLAND.

In Poland the chief event of the year from the economic point of view was the incorporation of Upper Silesia in the Polish Customs boundaries which took place in June.

It is unfortunately impossible to obtain as yet a satisfactory statistical view of the year's trade. Although 1922 has witnessed the inauguration of a new service by which value figures (converted into Swiss francs) of imports and exports are published for the first time, it is unfortunate that disagreement with the authorities of the Free City of Danzig—through which port in all probability passes about 15 per cent. of Poland's external trade—makes the returns which have been published for the first half-year somewhat unreliable. For the six months January to June exports amounted to 44.9 per cent. of the imports, the adverse balance being a little over 163 million gold francs. Raw materials, noticeably cotton, coal and wool, formed 47 per cent. of the total imports, while metal goods and yarn were the principal manufactured goods imported. Manufactured goods, the chief amongst them being petroleum (23 per cent. of the total) and textiles, constituted the principal exports. The incorporation of Upper Silesia has undoubtedly modified this adverse trade balance during the second half of 1922, for instead of importing coal—this item formerly constituting 12 per cent. of total imports—Poland has now become a coal exporting country.

The harvest in 1922 was quite satisfactory, though there is room for further improvements in agricultural technique, while more acreage still remains to be brought under cultivation.

The transport services seem to be progressing favourably, and are becoming much more reliable, though it may well take years for the new country to construct a really adequate national railway system. The chief need of the present, however, is that the budgetary position be strengthened and an end made to the present chaos of the country's currency.

B.—BRITISH DOMINIONS.

CANADA.

General Position.—The year 1922 has been devoid of signal occurrences in Canada's economic life; it has been a period of marking time after the sharp reaction which began in 1920, and continued through 1921. Price readjustments have been continued at a markedly slower pace, and commodity stocks have been brought down to a parity with current consumption. The most bountiful harvest in the country's history was reaped, but the great flaw in the economic situation was the continuing depression of agricultural prices, the disparity of their decline to that of other commodities making agricultural operations unprofitable both in 1921 and 1922 for the majority of Canadian farmers. The diminution of the purchasing power of the rural population, which forms one-half of the total, reacted adversely upon industry, and many factories were unable to utilise their normal productive capacity. The iron and steel industry had a very poor year, and agricultural implement firms found orders scarce, but the textile mills were fully employed. In the industrial sphere the main source of salvation was the prosperous activity of the mining, the lumber, and the pulp and paper industries.

Trade Balance.—Imports were valued at \$762 millions and exports at \$898 millions in 1922. In the previous year imports were \$799 millions and exports \$816 millions, so that, in spite of a small reduction in imports, the favourable merchandise trade balance improved substantially. This represents a very substantial improvement, and the most satisfactory feature of the eight months' returns is that an excess of imports, amounting to \$450,000, has been turned into an excess of exports of, roughly, 115 million dollars. There has been a notice-

able increase in the proportion of trade done with Great Britain.

Crops.—The value of Canada's principal field crops for 1922 is officially estimated at \$962,616,200, as compared with \$931,863,670 for 1921, and \$1,537,170,100 in 1919, the record year. The acreage planted with crops was normal, but the yields of most crops were well above the average. Unemployment was serious in the opening months of the year, but it vanished when outdoor work became possible, and so far this winter has not reached the same dimensions.

Commodity Prices.—In the earlier half of the year the trend of prices was slowly downward, but after June there began an upward movement in many commodities, and, luckily, wheat participated in it to a slight degree. The official index number (taken as 100 for 1913) sagged from 154 in December, 1921, to 146 in December, 1922, and the average family budget, which the Labour Department compiles, dropped from \$21.53 in January to \$20.88 in November, 1922.

Money, Stocks, and Exchange.—Stock Exchange records show a distinct reversal from the trend of 1921, and in a list of 58 domestic stocks most active on the Montreal Exchange, there has been a net gain in value of \$158,000,000 during the year. Most of the banks show a fall in deposits, but money has been reasonably plentiful. Canadian bonds were placed in large quantities, and at good prices, in the American market, and their sale materially helped to restore the Canadian dollar to par in New York. Sterling rose from \$4.40 in January to \$4.68 in December.

Public Finance.—The increased taxation of the last Budget has not produced the expected results, for the Federal revenues at the end of December showed at the official figure of \$300,174,050, an increment of about six million dollars only, and the national debt, which stood on December 31st at \$2,412,496,151, has increased nearly 45 million dollars in 1922. Mr Fielding cannot hope to balance his budget, but there are signs that the railway deficit will be cut at least 15 million dollars. If Canada could solve her railway and immigration problems, and see Europe restored to economic health, an early recovery of her old prosperity would be assured.

AUSTRALIA.

Trade.—The year 1922 was, on the whole, a period of steady progress towards more normal conditions in the economic sphere after the disturbances of the war period.

In 1921-22 there was a fall in exports, but an even larger fall in imports:—

Year.	Imports.	Exports.
	£	£
1913	79,749,653	78,571,769
1920-21	163,801,826	132,158,912
1921-22	101,063,661	127,949,455

It will be seen that the visible balance, which was unfavourable in 1920-21, was turned into a surplus of over £26 million in the following year. The statistics for the next four months, however (July-October, 1922), show a swing round in the other direction:—

July-October.	Total Imports.	Total Exports.
	£	£
1921	27,932,005	35,334,279
1922	42,271,941	32,505,020

The share of the United Kingdom in the import trade rose from 46.9 per cent. in 1920-21 to 49.27 per cent. in the first nine months of 1921-22; while imports from the United States fell from 22.0 per cent. to 18.63 per cent.

Production.—The wool season was a good one, the clip being excellent, and prices considerably above what had been anticipated. The wheat harvest for 1922-23, though about 26 million bushels less than that of the previous season, is turning out an excellent one in point of quality. Agricultural co-operation is spreading

amongst the farming community, and the Producers' Wholesale Co-operative Federation has opened a London office. Attempts at cotton growing in Queensland seem to be progressing favourably, though it is not yet certain whether the crop can be raised in large quantities on an economic basis.

Labour.—The readjustment of wages and prices to world conditions has not been achieved without a certain amount of friction in the world of labour. Wage disputes have been particularly noticeable in the wool and mining industries, where a settlement was only brought about by Government intervention. Moreover the general problem cannot yet be regarded as finally settled.

Public Finance.—The accounts of the Commonwealth and State Governments for the year ending June, 1922, do not present an altogether satisfactory picture. Ordinary expenditure has risen more than revenue, as compared with the previous year, and the total debt figure is very high. Victoria and South Australia have the smallest public debt per head of the population, but Western Australia is in the unenviable position of leading in this respect with a debt per capita of over £137.

(In Thousands of £'s.)

1921-22.	Revenue.	Ordinary Expenditure.	Loan Expenditure.	Debt, June 30, 1922.
	£	£	£	£
Six States	84,681	87,106	32,819	506,881
Commonwealth	56,158	56,368	6,176	416,070
Total	140,839	143,474	38,995	922,951
1920-21	138,449	139,154	54,136	..

The heavy debt burden, incurred very largely on behalf of capital construction, will only become bearable if a successful immigration policy is carried through.

NEW ZEALAND.

General.—The year 1921 closed in gloom. The high costs of production combined with heavy freights to make New Zealand's position on the world market a most difficult one. In 1922, however, serious efforts were made to restore order in Government finance, and to restore industry to a competitive basis.

Public Finance.—The Government is making very serious efforts to lead the way in the national economy movement. The revenue for the first seven months of the fiscal year (April-October, 1922) showed an increase of £229,111 over the corresponding period in 1921—this being the first occasion for some time past in which an increase has been shown—while the total reduction in expenditure for the same period, due to economies and savings, amounted to £2,291,766.

Trade.—The trade balance has now become favourable, as the country has gradually recovered from the excessive importations of recent years.

	Imports.	Exports.	Balance.
	£	£	£
1920	61,595,828	46,441,946	- 15,153,882
1921	42,942,443	46,828,827	+ 3,886,384
1922 (9 months)	25,292,170	35,145,795	+ 9,853,625

The share of the United Kingdom in imports improved from 56 per cent. in 1920 to 61 per cent. in 1921, and there seem to be indications that the 1922 figure will approximate still more closely to the pre-war proportion of 67 per cent.

Production.—The output of butter and cheese showed considerable improvement as compared with 1921, while in the meat trade lamb fetched much better prices, though the year has been far from satisfactory for beef. The Meat Export Control Board, constituted in 1921, has eased the situation somewhat by effecting reductions in freight and freezing charges, and by affording improved conditions of marketing.

INDIA.

General Conditions and Trade Balance.—In India the first five months of 1922 were good months. The end of January of the year under review showed an unenviable trade position. Imports stood at Rs.27,61 lakhs, against exports totalling Rs.23,00 lakhs, and there was an adverse balance, covering a period of ten months, of Rs.33,35 lakhs. By the beginning of March more goods were going out of the country than were coming in; there were indications of a rich monsoon; the rupee had seemingly settled itself in the vicinity of 1s 4d. April saw a complete recovery. In merchandise alone the trade balance veered round to the extent of Rs.6,02 lakhs in India's favour, and funds balanced on the right side to the extent of another Rs.2,00 lakhs. At the completion of these first five months of the year India's favourable balance of trade totalled Rs.7,62 lakhs, and by the end of September rose to Rs.13,16 lakhs. Throughout the Peninsula an optimistic view of the future prevailed. The monsoon had proved as bountiful as was anticipated. It appeared that the trade turn had at last been negotiated, and that the rupee, following the appreciation of sterling in New York and India's then promising trading condition, would definitely move in the direction of the officially fixed level of 2s. Now, however, outside influences began to be felt, including Near Eastern troubles and Reparations. Internally India was experiencing disorganised share markets, resulting from rash speculation and a severe crisis in the raw cotton bazaar. And to add to the general unsettledness, the Indian Fiscal Commission thrust a report half-heartedly advocating Protection before the bewildered commercial community. In one month the favourable trade balance dropped 3,86 lakhs, and the end of the year did not find India in such a flourishing condition as was anticipated six months previously. The final and corrected figures for 1922 are not yet to hand; the impression is that the merchandise movements will reveal a favourable balance of a few million pounds sterling against an adverse balance of £77,000,000 (at Rs.10 to the £) at the end of 1921. Treasure imports into India increased considerably during 1922, and nearly £13,000,000 worth of gold was taken from the U.K. alone.

Production and Prices.—Crop conditions during the year under review improved. A good monsoon was responsible for a general increase in the main soil products, and in some cases the 1916-20 averages (the last to be compiled) were exceeded, although the acreage under rice was a million short of the 1921 total. The year closed with expectations of good spring crops, particularly in the northern districts. The year's industrial activities call for no special comment. The average number of strikes at mills, mines, and workshops were indulged in, and in all cases where the employers held firm the malcontents eventually resumed work without gaining any concessions. Trade unionism is in its infancy in the country, and there is no organisation amongst the vast armies of workers. Prices of the principal pulses and cereals that constitute the Indians' staple diet moved downwards, and in some instances touched pre-war levels. For Europeans the cost of living was, on the average, 50 per cent. higher than it is in England at present.

Money and Stocks.—Money in India has, throughout the year, shown a tight tendency. Official circles, however, obtained all they required. Of the two big Indian loans floated in London, the second—£20,000,000, at 4½ per cent., issued at 85 in October—involved the underwriters with large holdings. The general seasonal scarcity prevailed at the year-end, and the closing rate of the Imperial Bank of India—7 per cent., with its increase of two points in two months, and subsequent rise to 8 per cent.—was a fair indication of the money market's trend. Steadiness was the chief attribute of the rupee, and during the year it appreciated exactly 7-32d to 1s 4 5-32d, without undergoing any fluctuations of note. Government securities without exception showed to advantage. Low-rated paper (3 per cent. and 3½

per cent.), mainly as the result of favourable recommendations from committees appointed to consider the rehabilitation of these submerged securities, grew active, and moved upwards in the face of keen competition from new and heavier yielding issues. The short-term 6 per cent. and the 5½ per cent. 1928 bonds both closed at a premium. Corporation loans gave a very satisfactory average yield per cent. of over £6. All investment securities were firmly held, whilst the general industrial and trading scrips were, in the main, left to the mercies of the speculator or neglected. Throughout the year the chief stock exchanges were restless as the result of flagrant and undesirable speculative coups on the part of groups of members; much money was lost, and many operators and their "backers" failed. The Bombay exchange was particularly hit by the two incidents referred to above, viz., a gigantic "bull" raid on cotton mill shares, which failed, and the attempted corner of a growth of raw cotton.

Public Finance.—The condition of public finance did not improve during the year. Like its predecessors, the last Budget was an "economy" one, and was framed to yield a slight surplus. But the Legislative Assembly, as a protest against Army expenditure, refused to vote certain taxes, and the Budget as finally passed had a prospective deficit. It is anticipated, however, that the financial year will end in March next with a balance, as great efforts at "retrenchment" are being made, and the opportunities for economy are being scientifically investigated by a committee under the chairmanship of Lord Incheape. Towards the close of the year Sir Basil Blackett, Controller of Finance at the Imperial Treasury, left for India to take up the post of Finance Member of the Viceroy's Council, in succession to Sir Malcolm Hailey.

SOUTH AFRICA.

Public Finance.—The public debt amounts to approximately £200 millions, interest and general service charges requiring an annual sum of roughly £8 millions. But of these figures productive works represent a debt of about £55 millions, with an annual interest service charge of £5½ millions. Briefly considered, the estimated revenue for 1922-23 was put at £28,695,000, with an estimated expenditure of £29,044,000, revealing a deficit of £349,000. This, added to an accumulated deficit of £1,220,000, gives a total estimated deficit for March 31, 1923, of £1,569,000. But this is an optimistic estimate, and there are signs that a larger deficit will result. Unemployment relief is expected to absorb another £450,000, while the cost of the Rand labour troubles will add a substantial sum to the Government's expenditure. To make matters worse, it is stated that receipts from income-tax have been over-estimated.

Foreign Trade.—Apart from adverse conditions brought about by the unfortunate revolution on the Rand, the effects of the world's trade depression were reflected in the official trade returns, which showed that for the nine months ended September 30th last exports had fallen to just over £43½ millions, as against nearly £46½ millions recorded for the corresponding period in 1921, while imports for the nine months fell from £47½ millions in 1921 to just under £40 millions in 1922. Gold exports for the nine months ended September 30, 1922, consisted of 5,582,096 ounces, valued at £21,698,453, as against 6,547,636 ounces, worth £27,338,607, for the same period in 1921. The figures for wool tell an interesting story. For the nine months of 1922 exports were 142,221,699 lbs, valued at £6,360,644, as compared with 137,917,827 lbs valued at £4,727,235 in 1921. Latest advices show that taken at £4,727,235 in 1921. Latest advices show that for October an excess of imports of £1,029,000 is recorded, for November £2,228,000, December £2,782,000, and January this year £2,592,000.

Banking.—During the year an important experiment in South Africa's banking system has been tried. It may be recalled that under the Currency and Banking Act, 1920, the South African Central Reserve Bank was established. This has now been working for over

six months. Commercial banks operating in South Africa after July 1, 1922, could no longer issue their own notes, and these are now gradually being replaced by an issue of the Central Reserve Bank. The chairmen of the two big rival banking undertakings—the Standard and National—have both placed on record some interesting remarks as to the working of this experiment. The chairman of the Standard reported that the change was being effected smoothly "without having recourse to facilities from the Reserve Bank," while the chairman of the National in the course of his annual speech pointed out that "it must make for a greater degree of stability in the monetary system." In a recent return of the Central Reserve Bank, bankers' deposits amounted to over £5½ millions and domestic bills discounted totalled just over £2 millions; Government borrowings figured at over £1½ millions, and £1,350,000 was on loan to other persons.

Industry.—Gold mining was restricted by the Rand labour troubles, 639,728 ounces being produced in the first three months of the year, as against 1,880,853 ounces in the corresponding three months of the previous year. Once work was resumed, however, a recovery soon set in, and in the last six months of the year the monthly record showed substantial gains over the figures of the previous year—the year's total output amounting to 7,020,111 ounces as compared with 8,114,516 ounces for 1921. The wool market has been unusually good, the demand for mchair being well sustained. The need for a satisfactory outlet for the country's surplus cattle became noticeable in the last few months of the year.

C.—OTHER COUNTRIES.

UNITED STATES.

In spite of labour troubles in the spring and summer, the economic recovery was marked and general.

Money and Stocks.—The industrial depression of 1920-21, and the accumulation of gold, had left vast sums free for investment. Money rates in February fell to 3 per cent. for call loans, and 5 per cent. for time loans, or, with collateral security, rather less. In December they were somewhat higher, through the expansion of industry and the unprecedented issues of new bonds and stocks, totalling \$5,080,345,054—nearly 15 per cent. above 1921. Apart from refunding issues, the new capital was \$4,273 millions, against \$3,388 millions in 1919, when borrowing for other than war purposes was resumed. Foreign Governments raised \$431 millions; Canada, Queensland, Holland (for the kingdom and the Dutch East Indies), Czechoslovakia, Jugoslavia, Norway, Brazil, Bolivia, and Argentina; French railways, European and Canadian cities, and European industrial and shipping companies, also appeared as borrowers. Of American issues, Farm Loan bonds totalled \$386.4 millions; railroad, industrial, and public utilities, apart from stock dividends, \$3,066.4 millions; State and municipal loans, however, were \$1,072.4 millions, against \$1,208.7 millions in 1921. Naturally, the stock markets declined towards the end of the year.

Foreign Exchanges.—Sterling rose, with some fluctuations, from \$4.20 in January to \$4.64 in December; a little earlier it had been 4.69½. The French, Belgian, and Italian exchanges rose till April, but declined on the failure of the project for an international Reparations loan; in December they momentarily rose. The German mark fell from .6 cent. in January to nearly .01 cent. in November. The neutral European exchanges rose consistently, the Canadian reached par.

Foreign Trade.—Export values were the lowest in seven years—\$3,831,516,735, against \$4,485,031,356 in 1921. Wheat exports were reduced by the competition of an excellent Canadian crop. Import values, January 1st to October 31st, totalled \$2,570,069,455. The Fordney tariff, a compromise between the Houses of Congress, became operative September 22nd; it greatly increased most rates, but the anticipatory im-

ports fell short of expectation. Its effect on the trade balance is not yet clear.

Production and Industry.—Production generally expanded; building broke its record with a total value in 164 cities exceeding \$2,474 millions. Its demand stimulated the steel trades, and some other industries (notably motor-car construction) were very active. But the New England textile strike (February to August), the soft coal and anthracite strikes (April 1st to end August), and the railway shopmen's strike (July 1st to end September), all wholly or mainly against wage reduction, reduced the expansion. About a million persons in all left work. The coal strikes were settled by agreement favourable to the workers, the railroad strike having interfered with transportation; the shopmen, unaided, contrary to expectation, by other railroad workers, and the textile strikers returned gradually, or had their places filled. But some textile mills did not reduce wages after all. The U.S. Steel and other steel enterprises raised day wages; increased industrial activity and immigration restrictions had practically, by Christmas, eliminated unemployment. Railroad net traffics rose through reductions in working expenses, but were well below the amount needed to give the 6 per cent. regarded as a fair normal return. *Bradstreet's* price index number (covering 96 commodities) rose from \$11.3127 in December, 1921, to \$13.7835 in December, 1923. Business failures numbered 22,400, with liabilities nearly \$647 millions; this latter figure had only been passed in 1921, when the failures were 20,014, and the liabilities \$755.77 millions. Retail trade improved, especially at Christmas.

Crops.—The crop yield was estimated at 8 per cent in quantity and 34 per cent. in value above that of 1921. Wheat, corn, and oats did well; potatoes, rye, and hay broke records. Cotton was estimated ultimately at 9,954,000 bales, the smallest in 20 years except in 1921. The value, however, was put at \$1,134 millions, the fourth highest recorded. The acreage was larger, but the crop suffered from boll weevil and droughts.

Public Finance.—The latest Budget estimate for the fiscal year 1922-23 puts expenditure at \$3,703,801,671, revenue at \$3,429,862,959, a deficit of \$273,948,712. In July last it was forecasted that the deficit would be \$697 millions, so that the latest estimate shows a marked improvement. In the year ending June 30th last there was an excess of receipts to the extent of \$313 millions. The Secretary of the Treasury advised a reduction of income sur-taxes to check evasion and the diversion of capital to tax free bonds, a security of which he hoped a pending Constitutional amendment would forbid the issue.

JAPAN.

General.—In Japan the post-war boom assumed the most exaggerated form, and it was in that country that the subsequent world-wide slump began. In proportion as the boom had been exaggerated, so the losses in the slump were severe. The year 1922 still found Japan struggling with the work of readjustment. It was a year of difficulty, but some progress was recorded. The adverse trade balance was somewhat reduced.

Public Finance.—The budget estimate for the fiscal year 1922-23 balances with a revenue and expenditure of 1,482,420,000 yen. On the revenue side, 1,245,458,000 yen represents ordinary and 236,962,000 yen extraordinary revenue. On the expenditure side, 941,830,000 yen is ordinary and 540,590,000 yen is extraordinary expenditure. The actual revenue and expenditure account during the eight months ended November, 1922, showed an ordinary revenue of 566,299,000 yen, an increase of 73,000,000 yen, against the corresponding period of the previous year, whilst the extraordinary revenue of 599,693,000 yen showed a decrease of 56,000,000 yen, against that of the previous year. The increase in the ordinary revenue

comes from taxation and State trading, the decrease in the extraordinary revenue being due to a reduced surplus carried forward from the previous financial year. During the same period, the actual expenditure was made up of 496,080,000 yen ordinary and 268,608,000 yen extraordinary expenditure, the former being an increase of 62,000,000 yen, and the latter a decrease of 59,000,000 yen, compared with a similar period in the previous year. The reduction in extraordinary expenditure was mainly due to a curtailment of naval expenditure by 170,000,000 yen.

Trade Balance.—In 1922 exports were 1,637 million yen and imports 1,889 million yen, the import surplus being 252 million yen. The import balance for 1921 was at a higher figure of 361 million yen. In 1922 imports increased by 276 million yen, and exports by 384 million yen.

Commodity Prices.—The regulation of the price of commodities has been a problem to which great attention has been given in both official and unofficial circles, as the high price level in Japan, compared with foreign countries, has had a detrimental effect on the industrial prosperity of the country. Some success has crowned the efforts made, and the price index number fell from 207.7 in January to 189.6 in November, although there had been a slight upward tendency in June and July.

Currency.—The convertible note issue of the Bank of Japan at the end of 1922 amounted to 1,596,000,000 yen, of which 1,050,000,000 was covered by the specie reserve, and the balance by securities. The note issue at the end of 1921 was 1,546,000,000 yen, although it was at one time only 1,100,000,000 yen.

Money and Stocks.—Owing to the recent slump in industrial and trading circles many establishments in Japan experienced slackness of business, and some financial difficulties. In spite of the extremely low rate at which money was available in the home money market, there was almost a cessation of activity, with a resultant downward tendency in the stock market of 10 to 30 per cent. below the prices ruling in the previous year.

Staple Commodities.—Raw silk: Owing to the sluggish export business in raw silk during the spring, short time on production was resorted to, but the steady increase, which had set in just before the coming into force of the new Customs Tariff of the United States, was subsequently maintained. The total export of silk for 1922 was 180,000 bales, an increase of 30 per cent. against 1921. The market price of silk was at one time down to 1,500 yen, but rose again towards the end of the year, when the price ruling was 2,100 yen. In view of the current cost price, this figure may be regarded as reasonable. Rice: The rice crop is estimated as 60,580,000 koku (a koku equals 4.9629 bushels), the price falling gradually from 41.7 yen to 26.2 yen in sympathy with the general downward trend in commodity prices. Cotton yarn and cotton tissue: Owing to the high price of raw cotton and slackness in demand, manufacturers found difficulty in disposing of their goods, but in view of the high quotations for European goods, the export trade showed a marked increase over that of the previous year. Pig-iron and steel: In consequence of general retrenchment in business undertakings, there was a falling off in the demand for these products, and a great drop in the market price. Manufacturers were in some cases obliged to cease the production of pig-iron and steel.

CHINA.

General Conditions.—The country for years has been at the mercy of two factions, North and South, which have carried on a senseless warfare. This has sorely hindered economic development, and has brought her almost to the verge of bankruptcy. China lacks a sound Central Government; governments come and go, and each one seems as ineffective as the other. This fact hampers the material progress of the country. The

present financial position is serious. The total debt, internal and external, is estimated to be not less than \$1,800,000,000, of which \$364,000,000 is practically unsecured. Of this latter figure, \$216,000,000 represents foreign debt, and \$148,000,000 indebtedness to native banks and individuals.

Public Finance.—Local revenues that reach the Central Government from the provinces are negligible, and some of the provinces have ceased to make any contributions at all. In the circumstances it is fortunate that China has two reliable sources of revenue, both under European direction or control. The first is the salt revenue. After meeting administrative expenses, the total collection in 1922 amounted to \$85,789,000 (£9,532,000). Despite the disrupted state of the country, this sum represents an increase of \$7,801,000 (£866,800) over that collected in 1921. Various foreign loans are directly secured on the salt gabelle, and all these obligations for 1922 were met. The surplus was then released to the Government, and amounted to \$78,862,000 (£8,762,500), though this is stated to include some £3,444,400 retained in local centres, or appropriated by the provincial authorities or the militarists. The Chinese Imperial Maritime Customs has been a fruitful source of revenue, and the total collection may be taken as a reliable index to the foreign trade of the country. For 1922 the customs revenue amounted to Haikwan taels 58,600,000, which at the average sight exchange of 35 gd is equal to £10,987,500. The total in taels is 4,100,000 higher than the 1921 collection, though the sterling amount is only £215,235 more, but in 1921 the average exchange for the Haikwan tael was 35 11.4375d. The Inspector-General for Customs, Sir F. A. Aglen, reports that the service of all foreign loans, including that for the Chinese Reorganisation Loan, and the Boxer Indemnity obligations, directly secured on the customs revenue, have been fully met. All domestic loans indirectly secured on the customs collections, of which the loan service is under the control of the Inspector-General, have also been met in full.

Trade in 1921.—Trade statistics from China are always belated, and those for 1921 reached England only a few months ago. The net sterling value of the foreign imports for that year was £179,100,763, and that of the exports £118,841,914. The tael figures were: Net imports, Hk. taels 906,122,439; exports, Hk. taels 601,255,537. As compared with 1920, the imports from Great Britain increased by 18.2 million taels, but the exports declined by 14.9 million taels. That Great Britain has not lost headway in the China trade is, however, apparent from the figures for the first nine months of 1922, which we are able to give. Our imports from China were valued at £6,867,000, and our exports to China at £18,818,000, both of which totals are considerably higher than those for the complete year in 1921, when our exports to China were valued at £14,845,000, and our imports from China at £4,672,000.

Silver and Exchange.—Exchange with China has been fairly stable throughout the year, but has followed, as usual, the fluctuations in the price of bar silver. The highest price for silver was 37½d per standard ounce, and the lowest 30¾d, the range of price being 7d, which compared with 12½d in 1921, when the highest quotation was 43¾d and the lowest 30¾d. The average quotation for the Shanghai tael in 1922 was 3s 4.226d, and in 1921 3s 6.3044d, the average price for "spot" silver in the two years being 1922, 34.4055d; 1921, 36.8409d. As a matter of fact, 1922, 34.4055d; 1921, 36.8409d. As a matter of fact, China was the principal operator in the London silver market during 1922, and very large transactions in both spot and forward silver, speculative and otherwise, were carried out. Not all of this silver was shipped, but the quantity that did go to China, some 22,000,000 ounces, is sufficiently indicative of the amount of the white metal needed to finance the trade of the country, and given stable conditions China's overseas commerce would undoubtedly make rapid strides.

ARGENTINA.

Trade and Prices.—Only towards the close of the year did Argentine trade show signs of revival. Both imports and exports declined, with balance against Argentina. Among exports, corn, linseed, and wool decreased; increases occurring in wheat, flour, sheepskins, beef, dried hides, quebracho logs, and quebracho extract. The agricultural year was expected to yield 3,000,000 tons of maize, 4,000,000 tons of wheat, 1,500,000 tons of linseed, and 700,000 tons of oats, roughly valued at £80,000,000 sterling. Ruling prices of raw export products were generally higher.

Agriculture.—Better agricultural conditions prevailed than for several years. A 25 per cent. increase in the wheat acreage found reflection in better general trade. Russia's elimination from the list of exporters, coupled with abundance of natural production, benefited the agriculturist. On the other hand, costs of handling, grading, transporting, and marketing grain rose steadily. The meat industry remained depressed. Owing to increase in local consumption of petroleum and firewood, coal imports declined heavily.

Industry.—Industrial production, a notable feature of recent years, advanced more slowly, but at fair prices, except for foodstuffs, lumber, metallurgy, and building. With respect to stocks on hand, building and construction were normal. In railway traffic and most classes of shipping, improvements occurred; the charter market stood high, while a considerable amelioration was shown in labour conditions, the number of strikes being comparatively few and unemployment less. Only minor commercial failures occurred.

Bank deposits fell off slightly, such reduction being confined to private institutions. The Banco de la Nación reported an increase. The percentage of cash reserves to deposits was 25 per cent. in the case of the national and 34 per cent. in the case of private institutions, against 21 per cent. and 35 per cent. respectively in 1921. Banking transactions displayed steady increase, especially the more active loan market.

Public Finance.—Public finances showed no improvement, the 1923 budget betraying an estimated deficit of 172,000,000 paper pesos. Total estimated expenditure 604,000,000 paper pesos (£52,520,000), ordinary receipts 431,700,000 paper pesos (£37,450,000). Exchange fluctuations towards the end of the year were little more than normal. The Argentine peso continued to climb steadily in value as compared with the American dollar. Discount rates continued much about the same level.

BRAZIL.

Trade and Exchange.—The Exchange situation dominated every phase of Brazilian commerce and industry. Of the 14 principal commodities exported, only four—cacao, tobacco, meat, and rice—were shipped in smaller quantities during the year than in the same period of 1921. Coffee stocks on hand remained high, the market being greatly disturbed. For the first eight months exports amounted to 7,812,000 bags, exceeding 1921 exports by only 37 bags. Coffee valorisation operations ordered by ex-President Pessoa resulted, it was claimed, in a profit of 900,000 contos of reis. It was decided to continue the policy. Adverse exchange affected imports, both Government and private buying being restricted. The trade balance of the country represented a gain of £21,449,000. Industrial production likewise maintained its advance, especially in textiles.

Sugar and Cotton.—Sugar cultivation expanded and the 1922-1923 crop was estimated at 635,000 tons, while the 1922-1923 cotton crop was estimated at 520,968 bales. British representatives offered to buy all the cotton Brazil could supply—but at market prices. The State of Sao Paulo exported during the first half of 1922 cotton goods valued at £380,000, compared with £860 in corresponding period of 1921. For the same period cotton cloths imported decreased in value from £508,000 in 1921 to £370,800.

A favourable financial balance was again shown by the four principal railroads in the State of Sao Paulo, having a combined mileage of 5,241 kms. Shipping improved sensibly owing to Centennial Exhibition traffics, rates remaining approximately the same.

Public Finance.—The public debt amounted to 6,639,000 contos; paper money in circulation was 2,226,000 contos. The Government was called upon to fund large loans absorbing 300,000 contos of reis and the floating debt of 700,000 contos; the Budget, which was voted, showed an estimated deficit of at least 200,000 contos.

CHILE.

Trade and Industry.—Dullness in general trade and an unsettled exchange situation characterised Chilean conditions. Total Chilean imports for the first six months of 1922 reached £7,400,000, leaving a trade balance of £3,200,000, compared with £3,400,000 in 1921. Foreign trade was but slightly affected by losses of capital in recent earthquakes. A tax of 10 centavos per 100 kilos or fraction thereof, imposed on all import and export merchandise passing through her maritime or frontier cities, and applying also to shipments by parcel post, obstructed greater commercial progress. The enforcement of the new coastwise shipping law met with considerable opposition, having occasioned increased charges and inferior service. Shipping rates proved so high that it was cheaper to import supplies from abroad formerly purchased within the country. A Presidential decree, issued in June, limited the profits of wholesale and retail merchants to 10 per cent. Wool moved more

freely than during the previous year, but exceptionally large stocks remained on hand in the Punta Arenas district. Additional native mills, producing good practical qualities which sold at appreciably lower figures than foreign fabrics, affected textile imports. Exports of chemicals and allied products for the first nine months fell below the totals of 1921, but proportion of decrease diminished, until the margin reached only one-half of 1 per cent. The tanning industry made remarkable progress, only three or four other industries in Chile showing a heavier capitalisation figure. Congress provided for the following expenditures during 1922:—348,709,365.61 pesos (paper) and 74,239,878.79 pesos (gold).

Public Finance.—The 1923 Budget was expected to balance for the first time in recent years. Proceeds of the last foreign loan for purposes of meeting the Budget deficits were left abroad to meet the service of the exterior debt. Paper money in circulation showed an appreciable reduction from previous figures. In the month of December last the Senate refused to authorise any further Government loans or issues of paper money in its move for economy. In October 11,000,000 pesos' worth of bank-notes were issued to replace old notes not yet obsolete.

Nitrate and Exchange.—Rising exchange cut nitrate profits, the oficinas receiving only 31 pesos for each £1 of sales instead of 40 pesos received shortly before. Prospects of a nitrate shortage were reported. World's consumption (July, 1922-June, 1923) was expected to exceed previous year's total (1,544,000 tons). At the end of 1922 stocks reached 1,231,000 tons, of which 405,000 tons had been sold for shipment January-April, 1923.

III.—TRADE REPORTS.

The Corn Trade	398	BEER, WINES AND SPIRITS	346	METAL AND COAL TRADES		MISCELLANEOUS	
Fruit and Vegetables	840			The Coal Trade	858	Engineering	368
Livestock	340			Iron and Steel	360	Motors	370
Poultry	840	RAW MATERIALS		Minor Metals		Building Trade	370
COLONIAL AND FOREIGN PRODUCE				Silver	352		
Tea	341	Cotton	348	Copper	364	TEXTILES	
Coffee	341	Wool	348	Lead	864	The Cotton Trade	370
Cocoa	342	Jute, Flax, and Hemp	350	Tin and Tinplate	364	Woollen and Worsted	372
Sugar	342	Hides and Leather	352			Trades	374
Frozen Meat	343	Chemicals	353	SHIPBUILDING AND SHIPPING		Jute Trade	373
Tobacco	844	Vegetable Oils & Oilseeds	354	Shipbuilding	366	The Linen Trade	374
Rubber	346	Turpentine	355	Shipping	368		
		Timber	356				
		Silk	356				

I.—THE CORN TRADE.

FIRST YEAR OF FULLY DECONTROLLED TRADE.

The wheat trade for 1922, for the first time since 1915, presents the commercial world with authentic statistics. Last year at this period we were quoting from a technical journal which with remarkable moderation of statement deplored an obvious discrepancy of 14 million cwts as "a degree of inexactitude." The control of wheat had not ceased till March 31, 1921, that of flour had endured till August 13th, while feeding-stuffs showed a variety of dates of decontrol.

In the following review, therefore, it will not be journalistic exigencies of space alone that will induce us to make no comparisons with the control period of 1915-1921. The comparison with 1914 has, however, a special value due to the stationary character of bread consumption. An increase of three millions in the population has not led to any increased call for overseas wheat, and the home production, after a brief spell of subsidised cultivation, largely on unfit ground, has reverted to its pre-war standard. The net result, of course, is that bread consumption per head of population must have undergone a positive decline, and bakers are practically unanimous in noting this to be the case.

PRODUCTION OF WHEAT.

Wheat imports for the year 1914 were, in millions of cwts, the sole legal denomination since January 1, 1923, 114, and for 1922 were 110; the stocks to-day are a little smaller than they were in February, 1915, but not much, and the home supplies are probably closely alike in total. In 1914 only 1,904,932 acres were under wheat, but an over-average season gave 33,401,120 cwts. In 1922 the season was less propitious, but 2,080,000 acres were cultivated, and it is estimated that the yield is almost identical

with that of 1914. The *Mark Lane Express* (August 27th) estimated the British Isles at 34,240,000 cwts. The Ministry of Agriculture (November 2nd) put England and Wales at 32,737,720 cwts. Official returns for Scotland and Ireland are not yet to hand, but are more important for wheat; with respect to barley and oats, the loss of "United Kingdom statistics" is a far more serious matter.

Overseas production of wheat in 1922 is not yet the subject of any definitive return, except in the cases of Canada and America, but the trade estimates are generally received for the other leading countries. In 1914 the returns presented two remarkable features, the Australian crop in December, 1914, being the smallest for a generation, and the Argentine being strangely over-estimated. The figures here given are the revised ones of a severe inquiry, but in February, 1915, operators had before them a Government statement of the December, 1914, crop at 110,800,000 cwts. The German crop estimate for 1922 is even lower than the figures accepted by the British corn trade. It is admitted that there is grave decline in production, but the Berlin picture is thought to be painted too deep a black.

WHEAT PRODUCTION (Millions of Cwts.).

	1914.	1922.
British Isles	33.4	33.5
U.S.A.	477.3	460.0
Canada	86.0	207.0
India	171.2	197.0
Argentina	85.6	116.0
Australia	20.0	68.8
Germany	77.4	42.8
France	154.8	129.0
Total (incl. other countries)	1,105.7	1,254.1

These totals show a net decrease of 148,400,000 cwts in world production. For the five years before the war the average Russian exportation of breadstuffs was 100 million cwts.

THE RISE OF CANADA.

The Canadian effort to capture the market left vacant by Russia is the chief wheat trade event of 1922, and to-day Canadian wheat is the dominant type offering at Mark Lane. At Liverpool and at Glasgow its preponderance is absolute. French crops have, of course, been badly reduced by the war; her wheat production is down by 25,800,000 cwts. But the German fall is at least 34,600,000 cwts, and in proportion to 1914 production the decline is much more steep.

THE HOME POSITION OF WHEAT.

The following brief presentation of the home position shows that the advance in wheat prices is not much out of accord with the general index numbers for the post-war costs of living, freights by rail and sea, and of general commodities:—

	1914.	1922.
	Per Cwt.	Per Cwt.
English wheat	8 1	10 7
Canadian	9 1	13 1
SUPPLIES (Millions of Cwts.).		
British wheat	28	30
Imported	114	110
Total breadstuffs	142	140
Wants—estimated	142	142
Theoretical stocks	unchanged	down by 2
Actual	increased by 1.6	4

The monthly changes in wheat prices during 1922 may be briefly summarised. From January to May the market was rising, and those who held over the depressed period of mid-winter, when new crops in Argentina and Australia discouraged most holders, had their full reward. From May to August the loss of ground was irregular, but as soon as the large crop of Canada was assured, offers to ship freely before the old "close of navigation date" (November 30th) were so utterly beyond precedent, at 2s to 2s 6d per cwt decline on old crop prices, that the market went more or less to pieces. There was some rally in November owing to the American farmer's resistance to decline, but the new crops of Argentina and Australia once more asserted their mid-winter influence, and since January 1st there has been an unbroken record of depressed markets.

LARGE TRADE IN MAIZE.

Traders in maize have found in 1922 a year of reassurance, for after the extraordinary war interferences—which, by favouring one competing feeding-stuff at the expense of another, provoked a deep feeling of trade resentment. Maize was denied shipping when other feed for cattle, horses, and poultry was helped to arrive. In 1914 the country had consumed 39 million cwts of maize, but by 1917 restrictions had cut this down to 25, and further "control" reduced the 1918 imports to 15 millions. The following returns, however, will show that the maize interest's fears of a lost market being hard to revive were groundless, if natural. The staple is needed.

FEEDING-STUFFS IMPORTS (Millions of Cwts.).

	1914.	1922.
	Per Cwt.	Per Cwt.
Maize	139.0	138.1
Barley	16.1	12.9
Oats	15.2	9.5

Barley is regarded as having lost ground solely with respect to the maltsters' and distillers' requirements, and these are conditioned by taxation of beer and spirits. The story are conditioned by a decline in imports of oats is a very different one. The produce is outclassed. Argentine oats, in 1914 a 320 lbs to the quarter sample, now seldom weigh 304 lbs, while America and Canada proffer a profusion of 288 lbs corn. As quality and weight go very closely together, and as practically no English farmer grows oats of less than 312 lbs standard, the difficulty of finding this of lower overseas stuff a market is manifest. It is now inferior to 8s per cwt, English oats being worth half-a-guinea. The imports of rye remain as in 1914, too small to call for comment.

FEEDING-STUFFS PRICES.

The Corn Sales Act is already beginning to have practical results, the competing feeding-stuffs for the first time showing at a glance their values per equal weight. References to the past gain in instructiveness from the disappearance of the old standards based on measure.

PRICES OF FEEDING-STUFFS.

	1914.	1922.
	Per Cwt.	Per Cwt.
Feeding rice	12 0	15 0
Maize	8 6	8 6
Oats, English	7 9	8 0
Imported	8 0	9 0
Middlings	5 0	6 6
Bean		

It will be seen that feeding barley is back to a pre-war price, so that its production in Great Britain is no longer

profitable, farmers' expenses being at least as much again as in 1914. Middlings are cheap, largely because of Argentine consignments, which have been a feature of the past year.

CROPS OF MAIZE, BARLEY, AND OATS.

Space unfortunately forbids our giving the crops of maize, barley, and oats for 1914, as well as for 1922, but the increased cultivation of maize in Argentina, of feeding barley and oats in Canada and the United States, are noteworthy, and the loss of Russian exports—once very considerable—has been completely made up. In matters of exports it may almost be said that nothing repeats itself, nor could a renaissance Russia rewin the trade which has now passed to growers who send their produce by the cheaper direct seaway of the Atlantic.

PRODUCTION IN 1922.

	Maize.	Barley.	Oats.
British Isles	none	220	480
U.S.A.	1,453.4	88.0	378.0
Canada	7.3	36.0	170.0
Australia	4.0	1.6	3.0
Argentina	106.0	3.2	15.0
Germany	none	34.0	80.0
France	6.0	18.0	78.0
Total	1,575.7	202.8	772.0

It will be observed with interest that the two great rivals, France and Germany, run a neck-to-neck race in the production of feeding-stuffs, and that Germany, despite her inability to grow maize, has a lead. Barley, however, is grown by her largely for beer, and the French vineyards, of course, immensely exceed in production those of Germany. The maize figures suggest an American preponderance which by no means extends to our markets; Argentina grows mostly for export, America only ships 5 per cent. of her maize. Canada has made immense strides as a grower of barley and oats for export, but Australia neglects both oats and barley, and her culture of maize is restricted by the laws against yellow labour. The tropical areas of Australia still await development.

MARK LANE PRICES IN 1922.

Reduced to the Uniform Cwt in Accordance with the Corn Sales Act, 1921 (compulsory from January 1, 1923).

	First Qtr.	Second Qtr.	Third Qtr.	Fourth Qtr.
	Jan., Feb., March.	April, May, June.	July, Aug., Sept.	Oct., Nov., Dec.
Wheat .. English	10 9	12 12	10 13	9 6
Canadian	12 6	14 6	14 9	14 6
Flour .. English	16 9	18 18	18 0	18 0
London	18 0	19 0	19 0	19 0
Barley .. Canadian	19 0	21 0	21 0	21 0
Making	8 6	10 10	10 10	10 10
Oats .. English	11 0	12 11	11 0	11 0
Argentine	10 6	11 10	10 10	10 10
Maize .. F.A.Q.	8 0	9 8	9 8	9 8
Rice .. Feeding	15 0	16 0	16 0	16 0
Peas .. Maples	18 0	20 0	20 0	20 0
Sugar .. Feeding	17 0	18 0	18 0	18 0
Potatoes .. F.A.Q.	7 0	8 0	8 0	8 0

The following table shows the amount and sources of our imports of wheat, &c., for 1913, 1921, and 1922:—

	Quantity.			Value.		
	1913.	1921.	1922.	1913.	1921.	1922.
Wheat from—	Cwts.	Cwts.	Cwts.	£	£	£
Russia	5,011,100	..	..	1,984,964	..	..
Germany	447,800	..	..	162,038	..	..
Roumania	38,600	..	..	14,962	..	..
Turkey	41,000	..	..	11,261	..	..
United States	34,067,944	36,066,002	37,261,500	13,953,072	31,523,056	32,409,539
Chile	765,100	223,000	..	326,244	275,362	..
Argentina Rep.	14,766,200	4,186,460	18,804,200	6,137,518	3,642,548	11,696,921
British E. Ind.	18,765,100	2,660,200	487,600	7,998,552	2,765,874	297,259
Australia	10,126,658	20,108,715	16,334,297	4,426,629	17,763,113	10,265,594
New Zealand	56,200	..	347,400	23,210	..	122,616
Canada	21,787,900	14,589,380	22,909,800	8,803,949	12,216,573	13,789,734
Other countries	13,700	2,546,097	228,637	6,774	3,396,622	137,706
Total wheat	106,878,102	80,478,794	96,374,134	43,849,173	70,606,068	58,789,368
Wheat meal and flour						
Germany	455,800	..	2,200	241,825	..	..
Belgium	32,100	19,500	..	17,144	15,230	1,760
France	301,700	18,600	193,000	137,803	12,946	144,253
Austria	99,691	..	..	74,217	..	..
Hungary	6,157,644	7,900,720	4,576,701	3,947,423	9,406,321	3,662,967
United States	191,000	114,773	290,300	78,173	96,491	146,192
Argentina Rep.	349,075	1,380,120	1,778,130	188,218	1,627,426	1,331,122
Australia	4,168,563	5,866,090	6,566,440	2,261,783	7,126,745	5,311,709
Canada	222,280	540,157	44,200	101,185	776,366	24,035
Other countries						
Total	11,978,153	15,841,065	13,481,021	6,347,771	19,064,025	10,674,038
Barley	22,439,248	15,812,652	12,693,275	8,077,100	10,529,381	6,068,616
Oats	18,162,663	8,356,830	9,356,070	5,671,957	4,402,820	4,363,001
Peas	1,978,315	1,313,004	1,114,080	1,006,735	1,646,513	1,699,038
Beans	1,853,468	2,662,469	1,138,270	806,874	1,515,105	647,607
Total of grain and flour	220,704,110	174,166,229	179,458,682	84,403,247	138,311,887	103,325,326

FRUIT AND VEGETABLES.

In 1922 apples yielded slightly below average crops, but realised comparatively low prices. In January few dessert apples of last year's crop were left to be sold, but cooking varieties, such as Bramley Seedling and Lane's Prince Albert, averaged about 34s and 29s per cwt respectively. In August and September this season's fruit sold at decidedly lower prices, cooking varieties making about 10s per cwt during the latter month. Prices recovered slightly when the better quality apples came on the market, but any appreciable advance was prevented by the large quantities of imported fruit which arrived on the markets, and at the end of the year average quotations were only 7s 1d per cwt. Pears were very plentiful, and sold cheaply, trade for this fruit also being affected by the competition of imported fruit, while the large crops of plums and damsons also realised low prices, Victoria plums in September averaging about 10s per cwt. Bush fruit sold well, while raspberries and strawberries were rather scarce, owing to the spring drought, and prices were decidedly higher than those ruling before the war, the former in July averaging 10½d and the latter 7½d per lb.

The very dry summer of 1921 was reflected in the high prices realised for all classes of vegetables in the early part of the year, carrots and onions, for example, being very scarce and realising extremely high prices. In January carrots averaged 11s and onions 30s per cwt, while in April quotations for the former rose to 25s 6d per cwt, or over eight times as much as the price ruling before the war. The season suited root crops very well in 1922, and onions did much better than in 1921, so that during the latter part of the year these vegetables were much cheaper, and in December carrots sold at 2s 6d and onions at 4s 10d per cwt. Green vegetables were very plentiful after the wet summer, and were decidedly cheaper than in the spring. In February Brussels sprouts realised 43s 6d per cwt, cabbages 3s 3d per dozen, and cauliflowers 5s per dozen; but in December Brussels sprouts were making only 13s 6d per cwt, and cabbages and cauliflowers 8d and 2s 2d per dozen respectively. Good quantities of beans and peas were marketed, scarlet runners averaging from 2d to 2½d per lb, market garden peas from 19s to 26s, and field peas 15s to 20s 6d per cwt in August, while prices became easier towards the end of the season. Other classes of vegetables, especially vegetable marrows, were also plentiful, and sold at relatively low prices.

POTATOES.—The range of potato prices during the year which is just closing has been very great, first quality Arran Chiefs making as much as £12 per ton and King Edwards £13 10s per ton in London in the middle of May, whereas in the closing months of the year the prices of similar varieties were only £3 5s and £4 10s per ton respectively.—*The Agricultural Market Report.*

LIVESTOCK.

The following table is published by the Board of Agriculture, showing livestock in England and Wales in 1921 and 1922. These figures are collected annually by this Department on June 3rd:—

	1921. No.	1922. No.	Inc.(+) Dec(-) No.
Horses—			
For agricultural purposes (including mares for breeding)	822,700	804,700	- 18,000
Unbroken horses (including stallions)	232,700	231,200	- 1,500
One year and above	92,300	83,800	- 8,500
Under one year	236,900	220,600	- 16,300
Other horses	1,384,600	1,340,300	- 44,300
Cattle—			
Cows and heifers in milk	1,876,100	1,933,600	+ 57,500
Cows in calf, but not in milk	251,800	288,600	+ 36,800
Heifers in calf	373,500	299,200	- 74,300
Other cattle	1,001,500	923,200	- 78,300
Two years and above	893,500	1,166,600	+ 273,100
One year and under two	1,120,300	1,110,600	- 9,700
Under one year	5,516,700	5,721,800	+ 205,100
Sheep—			
Ewes kept for breeding	5,336,500	5,424,400	+ 87,900
Other sheep	2,850,900	2,296,900	- 554,000
One year and above	5,644,100	5,715,400	+ 71,300
Under one year	13,831,500	13,436,700	- 394,800
Pigs—			
Ewes kept for breeding	335,900	301,700	- 34,200
Other pigs	2,169,600	1,995,000	- 174,600
Total of pigs	2,505,500	2,296,000	- 209,500

HORSES.—*Shires.*—At the only sale of a stud prices ruled low, a three-year-old filly making the top price of 135 guineas, followed by a stallion of the same age at 115 guineas, the general average working out at £47 3s 3d. Sir Berkeley Sheffield, who sold 19 at Peterborough, realised some of the highest prices of the season, making also the highest average—£124 12s. His best prices were 500 guineas for a mature stallion and for a two-year-old—the top price of the year—two of the latter averaging £215 19s, and five of the former £163 16s. The brood mares ranged

up to 250 guineas, and the yearling fillies to 155 guineas. Nine head sold at the same fixture for Messrs Clark and Sons averaged £50 7s 8d. Here the two-year-old fillies headed the list with 100 guineas. Mr C. Keovil's 12 averaged £33 7s 3d.

Hackneys.—The Dorking sale of Mrs Van Hattum found a gelding making 1,000 guineas, another 300 guineas, brood mares going up to 112 guineas, and fillies to 175 guineas, an average of £110 7s 8d being realised for 22 head. At a second sale of the same vendor 54 head averaged £101 2s 7d, brood mares making 200 guineas, three-year-old fillies 500 guineas, yearling fillies 100 guineas, pony stallions 1,500 guineas and 300 guineas. Another average exceeding the century was Mr M. St Clair's, who sold 23 at £101 19s, the stallions making up to 400 guineas for three-year-olds, 200 guineas for two-year-olds, and 450 guineas for mature stallions, brood mares, making 105 guineas and yearling fillies 108 guineas. At Mr Kenyon's sale at Crewe, stallions made 630 guineas, and brood mares 255 guineas.—*Extracted from the Farmers' Red Book.*

Store Stock.—Most of the markets were closed to store stock for about two months from early in February, so that average prices are not available for this period. The low prices offered for milk for the six summer months caused the prices of dairy cattle to fall very appreciably, and in April they were about £10 per head less than at the beginning of the year. Prices recovered by about £4 per head within a few weeks, after which they remained fairly steady until towards the end of September. With the better prices for milk for the winter the trade for dairy cattle improved, and a further rise of about £4 was recorded by December.

The rise in the price of fat cattle during the spring of the year caused a good demand for store cattle, especially those in forward condition, but trade slackened quickly in June, when the spring drought reduced grass keep.

Owing to the scarcity of sheep in the country and the high prices ruling for mutton, the demand for store sheep has been good throughout the greater part of the year. At the summer lamb sales trade was keen at high prices, the prospects of good supplies of sheep feed during the winter having a very material effect on the prices. There was, however, a temporary slackening in the market about the end of August, which seems to have been due to the late harvest delaying the realisation of the crop. On the average, store lambs sold at about 4s per head more than in 1921.

Prices of store pigs have been at a high level for the greater part of the year, but the chief feature of the trade during 1922 for this class of stocks has been the very keen demand in the last few months of the year. At the end of the year first quality store pigs of 12 to 16 weeks old were about 15s per head dearer than at the beginning of January. Shipments of livestock from Ireland to England and Wales during the week ended December 16th were rather smaller than in the previous week, except in the case of pigs. Fat cattle totalled 9,094, a reduction of 800; other cattle 8,080, a reduction of 1,871; and sheep 7,490, a reduction of 1,243. The number of pigs shipped amounted to 12,536, or 45 more than in the preceding week.

Except in the case of other cattle, these numbers show an appreciable advance over those of the corresponding week last year, when shipments totalled 8,617 fat cattle, 8,001 other cattle, 5,375 sheep, and 3,353 pigs. Summarised from the *Agricultural Market Report.*

POULTRY.

Mr Edward Brown in his review of the poultry industry in 1922 writes:—It is not too much to say that those engaged in egg and poultry production have come through the year under review better than was at one time anticipated. Declining prices, heavy taxation, reduction of income in multitudes of households, and unemployment to an appalling extent combined to produce a condition of affairs which was bound to influence consumption as well as demand, and also to reduce returns. On the other hand, costs of feeding stuffs and materials generally have fallen. Therefore, although profits in 1922 were not equal to those of the preceding years, when everything was inflated, yet these have, as a rule, been good. We are now reverting to normal and more reasonable conditions. In that respect the interests of the nation at large have to be kept in view. The drop in prices of eggs last spring, due mainly to lessened purchasing ability, owing to the causes already mentioned, brought home to producers the imperative need for preservation during the season of maximum production. Prices were steadied, and the business proved profitable. Mr Brown, after quoting lengthy statistics, arrives at the result that of the eggs and poultry consumed in Britain during 1922, inclusive of what may be used for processes not food, 43 per cent. in values were brought overseas.

II.—COLONIAL AND FOREIGN PRODUCE
TEA.

Messrs Brooke, Bond and Co., Limited, in their annual review of tea in 1921-22, write:—

The progress of the tea industry during the year under consideration was attended, as for many years past, by many and various difficulties, which hampered the trade from the plucking of the leaf to the delivery of the tea to the consumer. Some of the previous years' difficulties were somewhat lessened, but many remain and some are very serious, particularly with regard to production in India, the country from which we receive the greater part of the tea consumed in this country.

The following table gives the exports from India for the last two seasons and for 1913-14, the last pre-war year:—

	1913-14. Lbs.	April 1st-March 31st 1920-21. Lbs.	1921-22. Lbs.
United Kingdom	196,334,273	212,528,282	240,584,430
Australia	9,795,053	5,111,072	7,054,210
Canada	6,052,551	7,842,903	12,013,949
United States	1,997,740	3,007,725	7,815,763
South America	78,900	2,072,222	589,064
China	11,415,690	21,270	60,183
Russia	33,672,196	1,000	13,790
Continental ports	5,264,550	12,465,329	10,955,070
Hombay	1,615,228	6,423,704	2,150,934
Persian Gulf	4,483,192	4,300,137	7,625,039
All other places	271,879,358	253,926,792	289,247,966
Total	271,879,358	253,926,792	289,247,966
From South India—			
United Kingdom	12,914,998	25,361,409	25,172,947
Colombo	3,889,234	3,446,329	4,122,432
Other ports	5,223,686	190,238	479,880
Total	22,027,918	28,997,976	29,775,259
From all India	293,907,276	282,924,768	319,023,225

The chief trouble with the planters in India is labour. The unrest stirred up by Ghandi had disastrous results in some tea districts—thousands of coolies left their gardens, and brought upon themselves nothing but privation, and in many cases death. This entirely dislocated the garden work in these districts, but the appalling results deterred others from following suit and stirred the Government to strong action. The result is that much tea has been left unplucked, much cultivation neglected, and any progress in the opening of new gardens almost entirely stopped.

There has been less difficulty about exchange this year. The value of the rupee has fallen from 1s 11d in September, 1920, to 1s 3d in September, 1922, but the fall has been steady without any sudden variations, and is to the advantage of the planter. The freight question has also been settled favourably for the exporter, the Conference Steamship Lines having agreed to carry tea from Calcutta and Chittagong to London for £2 2s 6d per ton measurement. The agreement is for three years, dating from May 15, 1922, and is to continue from year to year until terminated by three months' written notice by either of the parties, given so as to take effect on May 15th of any year, that date being regarded as the close of the season.

The following table gives the distribution of the Ceylon crop for the last two years. The normal crop from Ceylon is about 200,000,000 lbs:—

	September-August 1920-21. Lbs.	1921-22. Lbs.
United Kingdom	110,299,049	116,560,418
America	22,131,809	20,480,728
Australia	18,831,399	18,639,656
Continent of Europe	1,045,354	1,905,682
Other places	12,219,326	11,268,343
Total	164,526,937	168,854,827

Freight from Colombo to London has been reduced from 60s to 47s 6d per ton measurement. Ceylon, like India, suffered from labour shortage, but in a lesser degree. In the early part of the year quality was rather inferior, but latterly much tea of the finest grade has been on offer.

The following tables give exports from Java for the last two seasons:—

	1920-21. Lbs.	1921-22. Lbs.
United Kingdom	20,272,000	18,780,000
Holland	24,196,000	20,568,000
Australia	11,744,000	21,818,000
United States	5,496,000	6,830,000
Canada	258,000	788,000
Singapore	102,000	178,000
Other places	656,000	1,230,000
Total	62,724,000	70,192,000

No detailed figures of exports from Sumatra are available, but it is understood that they are now about 10,000,000 lbs per annum.

Planters in Kenya have, after many experiments, come to the conclusion that tea can be profitably grown in that colony. Kenya imports about £80,000 worth of tea annually, and consumption is rapidly increasing, as the natives are acquiring a taste for the beverage. The colony possesses large stretches of uncultivated land, much of it of great natural fertility. A start has been made in planting,

and there would be a good demand in the country, without considering the possibility of exporting.

The China tea trade has naturally been adversely affected by the differential duty on non-British-grown tea coming into Great Britain. Indeed, the quantity that came to this country in 1920, the year after the alteration in the duty was made, was only one-third of that of 1916. Generally speaking, however, the year 1921-22 has been good for the Chinese tea traders and growers. Owing to the policy of restricting output, assisted by similar restriction in India and Ceylon, it was possible to dispose of almost the whole of last season's stock. The quality of the crop has been good, and the tea was quickly absorbed by the markets.

The following table gives the exports from China for the years 1921 and 1922 to the end of July:—

	1921. Black. Lbs.	1921. Green. Lbs.	1922. Black. Lbs.	1922. Green. Lbs.
United States and Canada	174,929	1,774,263	1,820,135	1,205,599
Great Britain	636,928	17,066	2,057,834	229,333
France	2,270	150,665	151,067	827,387
Europe (excluding France) and North Africa	89,339	555,466	566,400	1,807,999
India and the Persian Gulf	19,500	565,000	186,400	648,533
Total	923,066	3,082,460	4,781,936	4,516,731

Turning to the question of consumption, we find that, taken altogether, there is an increase throughout the world.

In Great Britain the increase is considerable, in spite of enhanced prices. Also people are drinking better tea. In the United Kingdom and Ireland consumption rose from 312,250,000 lbs in 1914 to 409,000,000 lbs in 1920, but fell in 1921 to 394,500,000 lbs. The Irish keep up their reputation for liking really good tea. They willingly give 5s or 6s a pound for it, where English people would give 2s 6d or 3s. In West Ireland particularly the people consider themselves connoisseurs, and will have nothing but the best. In Great Britain consumption is said to have increased owing to the high price of alcohol.

Manchester continues its efforts to become a competitor of London for the importation of tea, and with some success. A steamer leaves Calcutta and Colombo once a month for the port, and always carries fair cargoes. Several of the big distributors have enlarged their facilities for dealing with tea at the port, so that they can supply their customers in the North quickly and economically.

Prohibition has not affected the consumption of tea in the States to the extent anticipated; imports are, however, rising during the current year. Stringent regulations are in force in the States with regard to the tea allowed to enter. Certain standards of purity, quality, and fitness are determined by the Board of Tea Experts. During the fiscal year ending June 30, 1921, out of 71,000,000 lbs imported only 350,000 lbs were rejected—not quite 5 per cent. The percentage rejected in Great Britain was .2 in 1921 and none at all in 1920.

The Tea Cess Committee continues its work. As is generally known, the cess is a voluntary tax paid by exporters, collected by Government, the money thus raised being devoted to popularising Indian tea. The rate last year was 4 annas per 100 lbs; this year it is raised to 6 annas. Last year the money was entirely spent in India. This year it is proposed to allot a considerable amount to France and Belgium, and possibly to the United States.

The Board of Trade figures for the United Kingdom for 1913, 1921, and 1922 are as follows:—

	1913. Lbs.	1921. Lbs.	1922. Lbs.
Imports—			
British East Indies (except Ceylon)	203,459,657	286,585,218	284,968,972
Ceylon	110,936,427	118,755,568	111,662,394
China (including Hong Kong and Macao)	16,272,548	4,646,074	11,086,363
Java, Sumatra, and other Dutch possessions in the Indian Sea, and Netherlands	32,052,717	37,027,383	38,900,821
Other countries	2,322,115	568,759	2,233,519
Total imports	365,043,464	447,583,002	418,819,789

	1920-21. Lbs.	1921-22. Lbs.
Entered for home consumption—		
British East Indies (except Ceylon)	172,843,911	261,208,736
Ceylon	91,517,923	110,531,594
China (including Hong Kong and Macao)	9,682,515	4,780,722
Other countries	31,646,194	34,196,561
Total	305,690,543	410,717,643
Stock of all kinds at Dec. 31st	138,005,000	205,420,000
Re-exports total	57,556,651	34,734,686

COFFEE.

Messrs McMeekin and Co. write:—Generally business in coffee during 1922 was quiet, and export demand was most disappointing, as will be seen from the figures given below. The statistical position has shown a steady improvement throughout the year. The world's visible supply at December 31, 1922, was 7,877,000 bags, as compared with 9,461,000 bags at December 31, 1921. During the six months January to June, 1922, the actual world's deliveries

was a surprise to many people in the trade, and can only be accounted for by the assumption that mutton, as an article of diet (probably as a result of its scarcity during the war) has been steadily gaining in popularity in recent years. It is quite evident that much larger supplies could have been absorbed last year at satisfactory prices, had they been available. Indeed, there was a very serious shortage of mutton and lamb towards the latter part of the year, and what would have been a critical situation was only averted by the arrival of unusually heavy shipments of lamb from Australia, which, though mostly small in carcase and of poor quality, went rapidly into consumption at high prices. Unfortunately, it is not possible to comment upon the course of the frozen beef market in the same tone of congratulation. The burden of the complaint throughout the whole year was excessive supplies and poor demand, resulting in an average of prices very little, if anything, over the pre-war level. That quotations were not further lowered was only because traders apparently realised that any further reduction would have been ineffectual in stimulating the demand. It is true that much of the frozen beef offered for sale last year was inferior in quality and conformed to the requirements of the rationing period to take the bulk of their requirements in the form of beef, owing to the scarcity of mutton and lamb. This view is borne out by the fact that the retail trade is prepared to pay twice as much money for mutton and nearly three times as much for lamb. The number of cattle in the United Kingdom in June last was increased by 168,725 head, or 1.4 per cent. over the preceding year's total, but sheep in the home pastures were unable to maintain the increase shown in 1921, and fell away by 512,470 head, or 2.1 per cent. British stock raisers, although still complaining loudly, seem to have done moderately well out of the year's operations.

Importations of frozen and chilled meats into the United Kingdom in 1922 totalled 821,666 tons, as compared with 917,414 tons in 1921, 810,415 tons in 1920, and 720,257 tons in 1919.

While Australian and River Plate shipments were more or less the same as in 1921, arrivals from New Zealand show a reduction of 32 per cent. on the preceding year's inflated total, and the proportion therefore supplied by the Empire sources was only 35 per cent. of the total quantity received from overseas, as compared with 40 per cent. in 1921. The total quantity of frozen mutton and lamb imported in 1922, although 51,524 tons less than the record port of 1921, was 98,658 tons, or 53 per cent. more than the average of the five years previous to 1921. Frozen beef shipments were drastically curtailed, and amounted to little more than half of the preceding year's total, but the deficiency was almost made good by heavily augmented imports of chilled beef, which reached the record total of 299,064 tons, or 99 per cent. more than in 1921. To the imports of frozen and chilled meat must be added 11,072 tons of fresh killed beef and mutton from the Continent and 15,029 tons in the form of live stock from North America, against 4,612 tons and 21,718 tons respectively in 1921. Out of last year's imports of frozen meat, 44,507 tons, or 5.26 per cent., were re-exported to the Continent, as compared with 37,507 tons in 1921. Thus the net quantity of imported meat available for consumption in the United Kingdom was 804,070 tons, which, added to the estimated quantity of home-grown meat consumed, brings the grand total up to 1,825,970 tons, the proportions being 56 per cent. home-grown and 44 per cent. imported. This figure is 136,667 tons, or 7 per cent., less than the estimated total for 1921, and brings out clearly the extent to which the consumption of meat must have been reduced by trade depression and prolonged unemployment. The total weight of beef, mutton, and lamb exported in 1922 by the various freezing works of the world is estimated at 948,600 tons, as compared with 970,300 tons in 1921, 1,076,700 tons in 1920, and 1,111,500 tons in 1919, revealing a steady decline since the end of the war, due mainly to the falling away in the Continental demand. Importations from all sources amounted to 6,031,230 carcasses, against 8,596,863 carcasses in 1921, a decrease of 2,565,633 carcasses, or 29.8 per cent. In 1921 Australia had been the only country showing a decrease. Last year the position was exactly reversed, the only increase being in respect of Australian shipments, which were 619,378 carcasses more than in the preceding year. The decreases were 2,300,469 carcasses from New Zealand, 144,363 carcasses from Argentina, 25,837 carcasses from Uruguay, and 652,103 carcasses from Patagonia. Another record has been established in lamb supplies, the arrivals for the year having reached the enormous total of 8,504,169 carcasses, an increase of 1,011,262 carcasses, or 13.3 per cent. over the previous record

total of 7,582,907 carcasses received in 1921. Australia heads the list of increases with 1,123,356 carcasses added to the preceding year's total, but New Zealand shipments were reduced by 149,705 carcasses. A decrease of 74,313 carcasses from Patagonia has to be set against increases of 117,632 carcasses from Argentina and 1,088 carcasses from Uruguay. Adding together frozen mutton and frozen lamb from all sources, importations into the United Kingdom in 1922 aggregated 14,625,399 carcasses, as compared with 16,179,770 carcasses in 1921, a decrease of 1,554,371 carcasses, or 9.6 per cent., but the drop in the weight of these arrivals amounted to 51,524 tons, or 15.3 per cent.

A heavy decline occurred in receipts of frozen beef, the total for the year amounting to only 2,601,726 quarters, against 5,108,900 quarters in 1921, a reduction of 2,507,174 quarters, or 49 per cent. There was no increase from any source. Although frozen beef arrivals were cut down by half, a counterbalancing increase has to be recorded in chilled beef imports, which amounted to 3,516,350 quarters, as compared with 1,883,362 quarters in 1921, an increase of 1,632,988 quarters, or 86.6 per cent.

A record of the weekly top quotations of the various descriptions of frozen and chilled meats, as well as English beef and Scotch mutton, is given on the diagram which accompanies this review. The prices shown are those obtainable for the best qualities of the descriptions named. Inferior qualities of all kinds of meat realised very much lower prices, the margin being greater proportionately than ever before. The average price for the year of each description of meat, compared with the corresponding prices in 1921 and 1913, is set forth below:—

	Australia.			New Zealand.			Argentina.		
	1913.	1921.	1922.	1913.	1921.	1922.	1913.	1921.	1922.
Mutton..... per lb.	d	d	d	d	d	d	d	d	d
Lamb.....	4	7½	6½	4½	8½	7½	4½	7½	7½
Frozen beef (fines) ..	5½	11½	10½	6½	11½	10½	5½	10½	10½
Frozen beef (hinds) ..	3½	4½	3½	3½	4½	3½	3½	4½	3½
Chilled beef (hinds) ..	4	6½	4½	4	6½	4½	4	9	5½
Chilled beef (loins) ..	..	..	..	..	..	..	5	10	6½

Before the close of 1921 it became evident that prices of mutton and lamb had been allowed to drop too low, having regard to the moderate supplies available, and the increased consumptive demand which had sprung up as soon as the great slump in the autumn of that year had had time to react upon retail prices. The month of January, therefore, witnessed a very sharp upward movement, which in the case of lambs continued, though at a more moderate pace, throughout February. Thereafter prices were maintained at a fairly steady level until the end of April, when heavy arrivals from all three sources produced a steady decline in mutton quotations during May, June, and July. At the end of that period prices were back at the level from which they started to rise at the beginning of the year. Again, however, the consumptive demand came on at the lower values, quickly swallowing up the accumulated stocks, with the result that, with lighter arrivals from August onwards, prices of mutton experienced an almost continuous rise during the closing months, finishing the year at the highest point reached, with a still further advance in prospect. As regards frozen lamb, the demand for this popular article remained remarkably good throughout the whole year, enabling prices to be maintained at a surprisingly high level from February onwards, despite the arrival of huge supplies from all sources. When these became more restricted in September and October a further rise of 1½d per lb took place, and, although a certain amount of weakness manifested itself later on, as a result of colder weather, the year closed with stocks moving off comfortably, and prices again tending upwards. Frozen beef quotations showed much more stability than those of either mutton or lamb, but that was because the overstocked condition of the market prevented any material advance from rock bottom. The demand was dominated largely by the variations in the supply of chilled beef. When chilled was scarce buyers turned on to the better qualities of frozen, but when supplies of chilled became plentiful the trade in frozen beef almost ceased.

TOBACCO.

The year 1922 has been surprisingly good for the tobacco trade, seeing that business might have slumped with the rest and that it has not done so. The Treasury officials predicted a decline in consumption in the year ended March 31, 1922, and their low estimate was exceeded by £2,208,000. Certainly the consumption for the calendar year 1922 showed a falling away, 133,613,513 lbs being retained for home consumption against 130,812,300 lbs in 1921, the decrease being 6,108,877 lbs. Notwithstanding this, producing companies have done, on the whole, exceedingly well. The Imperial Tobacco Company, who are responsible for over three-quarters of the tobacco-making in this country, have shown that a slight drop in consumption does not materially affect them financially. A net trading

profit for the year to October 31, 1922, of £7,199,076, an increase of over a million pounds, gives them an abundance of resources for paying the usual handsome dividends and a bonus. This result is another rung in the ladder up which this successful concern is always climbing. The fact is, however, that the figures are not merely a reflection of a successful year's manufacturing, they indicate also the natural result of a widely invested reserve fund of more than 12 million pounds. The other great combine in this country, the British-American Tobacco Company, notwithstanding a difficult year, had a disposable balance of £4,721,105, and at their annual meeting in January, 1923, paid a final distribution, making a total dividend of 25 per cent. for the year on the ordinary shares. This is the outcome of purely export trade, none of the products of this company being marketed in this country.

Reverting to the domestic trade, a glance at the results of trading by independent companies shows business to be still in a flourishing condition, especially having regard to the industrial depression and its damping down of the spending power of the masses. It is this catering for the million which spells success or defeat for tobacco and cigarette manufacturers. The effect of the continued high duty (8s 2½d per lb on the raw leaf containing 10 per cent. of moisture) has, generally speaking, driven smokers to the cheaper goods. As the Imperial Tobacco Company have so many brands at popular prices, this high duty has done them no harm, compared with some of the firms who specialise in the more expensive cigarettes. High-class brands have become more of a luxury than ever, and though they hold a strong patronage, this is being severely shaken by the continued high duty.

A tendency which set in soon after the Armistice—that of increased pipe smoking—has during 1922 become intensified. The production of pipes and pipe mixtures has increased. Never was there such a choice of good briar (or rather bruyere) pipes as now. Some of the firms who specialise in their production are put to it to supply this market and also America. The British pipe is gaining ground there, in spite of a 60 per cent. duty under the new tariff.

Christmas, 1922, saw a wholesome revival of the cigar habit, both Havana and British houses having done better than expected.

The tobacco trade, though it deals in a luxury, has weathered the stormy period of 1922 better than many other industries. On the other hand, the retail tobacconist, with his high rents, rates, and taxes, has had, on the whole, a bad year.

A small duty reduction would be no good to the trade or the smoker; a substantial one, which could be handed on to the consumer, is unlikely in the present state of national finance.

IMPORTS AND RE-EXPORTS OF TOBACCO.

	Quantity.			Value.		
	1913.	1921.	1922.	1913.	1921.	1922.
Imports—	Lbs.	Lbs.	Lbs.	£	£	£
Unmanufactured..	162,365,925	227,837,184	184,515,488	6,709,082	22,213,196	17,433,583
Manufactured and snuff.....	3,587,988	1,274,389	1,486,052	1,323,480	622,061	1,175,949
Total	165,953,913	229,111,573	186,001,541	8,032,562	22,835,257	18,609,532
Re-Exports—	Lbs.	Lbs.	Lbs.	£	£	£
Unmanufactured..	3,698,069	16,337,043	11,134,976	193,396	1,598,488	980,766
Manufactured and snuff.....	380,261	2,154,217	408,179	71,482	426,849	137,265

RUBBER.

The following is extracted from Messrs S. Figgis and Co.'s annual review of the India rubber market in 1922:—SHIPMENTS OF PLANTATION RUBBER FROM CEYLON, INDIA, BURMAH, MALAYA, SUMATRA, BORNEO, AND JAVA.

Exported from—	1917.	1918.	1919.	1920.	1921.	1922.
	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.
Ceylon (and India).....	25,000	23,000	43,000	37,200	40,100	47,000
Malaya, &c.	146,000	134,000	219,000	187,800	159,900	248,000
Java.....	19,000	17,300	35,500	31,000	29,800	32,000
Sumatra (Belawan).....	13,200	12,900	26,500	22,400	29,900	39,000
Total	203,200	187,200	324,000	278,500	259,500	366,000

† December shipments estimated.

The chief features in the rubber trade during 1922 have been the big increase in output of the plantations and the much larger shipments to America; in fact, America has taken the whole excess over 1921. With the 25 per cent. restriction, which had been voluntarily carried out by the majority of the members of the Rubber Growers' Association during 1921, coming to an end at the close of the year, the output of rubber increased materially, and we estimate the increase in output was fully 20 per cent., principally in Malaya; the shipments will be about 85,000 tons over 1921.

It was evident to all concerned that more rubber was being produced than could for the present be consumed, and the Government was early approached by the Planters' Association in the Malay and the Growers' Association here to bring in some form of restriction, in response to which the "Stevenson" Committee was appointed. This Committee submitted two restriction schemes to the Dutch Government, on the understanding that they would also participate. The Dutch Government after some delay refused, but on September 11th a resolution was unanimously passed by the Growers' Association that the Government should be invited to bring in restriction in spite of the refusal of the Dutch, provided that a sufficient proportion of the British growers in the Dutch East Indies would voluntarily restrict. This support was forthcoming, and our Government at once recommended a restriction scheme to the Malay and Ceylon Governments, who passed it, bringing it into force on November 1st.

The scheme, as is well known, starts with a restriction to 60 per cent. of the 12 months' crop from November 1, 1919, to October 31, 1920. The total crop figure for November, 1919, to October, 1920, accepted by the Committee, is 330,000 tons; of this voluntary or Government control exercises restriction on 266,000 tons. We are glad to say that 80 per cent. of the total acreage owned by British companies in the Dutch East Indies has provisionally agreed to support voluntary restrictions. Allowing for cases of special hardship and for the young areas coming into bearing since 1920, both provided for by the scheme, we calculate that the output of plantation rubber from the East in 1923 will be about 280,000 tons, allowing for 80,000 tons of unrestricted rubber.

We estimate the imports into America in 1922 at 282,000 tons, against 180,000 in 1921 and 249,000 in 1920 (according to the American Customs statistics). America has this year, no doubt, replenished her stocks of manufactured goods, and has rather increased her stock of raw rubber. In estimating the consumption of America accurately a longer period than one year must be taken into account, and it is evident that over the past three years there is a natural average increase in the consumption there of 10 per cent. per annum, although we must not forget that at the moment there is a period of great activity and inflation of prices in the United States. But in taking this into account sight must not be lost of the largely increased output of cars—the number given for the first 11 months of the year being 2,344,000, the previous highest year being 1920, when 2,205,000 cars were produced in the whole year.

The total shipments from the East for 1922 we estimate at 356,000 tons. The official stocks in the United Kingdom are increased by 650 tons, but the invisible stocks must be greatly reduced on account of large sales by a manufacturer. We estimate that the stock in America has slightly increased; at the end of 1921 it was returned as 95,000 tons, and in June last as 82,100 tons, but some returns for the latter period were not made. The stocks in the East are much reduced, as shipments were hurried forward before the restriction of shipping was put into force.

Germany has also taken fully one-third more—21,137 tons January to September, against 21,583 tons in the whole of 1921. Japan has taken less—January-September, 1922, 11,719 tons, against 16,368 tons for the same period of 1921. These figures, considering the economic situation in Europe, are very satisfactory, and show that when the financial position improves there is room for considerably increased consumption.

The low price with which we started the year—11½d for spot standard crepe and sheet—became still worse, until in February it touched 7½d per lb. There was little improvement in the market in the following months, except that in April and June the price rose to 9d on rumours of restriction, falling away again rapidly, until in August the lowest price, 6½d, was reached. In October, on the news of the Government here recommending the restriction scheme to the Ceylon and Malay Governments, the price rapidly rose to 1s 0½d, and with moderate fluctuations we close at 1s 2½d for crepe and sheet on the spot.

From Brazil, the Amazons, Bolivia, Peru, and (Wild) Medium Rubber.—The last year's crop of Para rubber—1920-21—was practically the same as in 1921, 1922, to June, 1922—was practically the same as in 1920-21—about 21,500 tons. This crop shows the slight increase of about 500 tons since July. The fine Para market followed the course of the Eastern plantation market, but there was very little speculation. Prices fell from 1s 1½d at the beginning of the year to 9½d, which was touched in June. The market remained stationary until October, when the advance in Eastern Plantation took place, and the price advanced to 1s 1½d, since when it has kept firm. The use of fine Para does not show any increase. Caucho ball has been scarce, and is relatively at a high price—11d per lb. There has been very little trade in the other medium Para descriptions, and wild rubber generally from other parts of South America has almost ceased to be shipped—a small trade has been done in the last few months in old imports at slightly better prices. The supply from Brazil shows a slight increase. The total receipts in Para from the Amazons, Bolivia, Peru, &c., were:—

1916.	1917.	1918.	1919.	1920.	1921.	1922.
Tons.	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.
36,500	39,350	34,350	34,300	28,160	20,217	21,512

Shipments from Para, of Para grades, including Cauchoball:—

1917.	1918.	1919.	1920.	1921.	1922.
Tons.	Tons.	Tons.	Tons.	Tons.	Tons.
40,300	25,400	38,500	29,000	17,900	21,700

Imports of medium descriptions from all countries except the Amazon district have practically ceased. There has been a certain quantity of old imports sold during the past two or three months at slightly better prices, but the range of values still remains very low, and can scarcely pay the cost of collection.

West Coast Africa and Congo.—Shipments from the Congo to Antwerp were about 1,150 tons, against 700 tons in 1921 and 2,100 tons in 1920.

Sarawak Jelutong has been slow of sale during the year, owing to the low price of rubber, and shipments have consequently been small, being estimated at 1,500 tons, as compared with 2,400 tons in 1921. To-day's value about £34 per ton c.i.f., Palembang £47 10s per ton c.i.f., and compressed Jelutong 8d per lb.

Balata.—The market for both sheet and block was very quiet for the first six months of the year, and prices fell from 3s 6d to 2s 11d for sheet, and from 2s 9d to 2s for Venezuelan block on the spot; but in July more demand sprang up, and with the reports of a very small crop, particularly from Venezuela, prices advanced to 3s 4d for sheet and 2s 6½d for block. The market kept firm, until at the end of November there was a rapid rise, and sheet sold up to 3s 7½d and f.a.q. Venezuelan block up to 3s 5d per lb. Some parcels of fine quality block have come from the Amazon district, and these have sold well, even through the dull period, at a considerable premium on f.a.q. Venezuela. Panama, small shipments have come regularly, generally of good quality, and have sold relatively well.

Gutta-percha was in limited demand at steady prices throughout the year.

India Rubber Statistics for 1922.—Total imports, &c., of all sorts were:—

	England.				London.		
	Imports.	Deliveries.	Stock Dec. 31.		Imports.	Deliveries.	Stock Dec. 31.
1918	42,800	39,461	16,134	1918	32,866	28,726	12,897
1919	85,816	76,974	24,986	1919	70,697	61,387	22,907
1920	103,095	71,046	56,499	1920	89,296	59,854	50,969
1921	86,551	63,207	79,813	1921	72,576	54,544	69,001
1922	63,730	64,009	79,564	1922	56,750	54,538	71,213

	1918.	1919.	1920.	1921.	1922.
Tons.	Tons.	Tons.	Tons.	Tons.	Tons.
Imports of rubber other than Para and	37,456	77,933	95,810	82,130	60,395
Peruvian to England	34,80	69,857	64,111	59,479	59,882
Deliveries ditto	15,790	24,216	55,879	78,533	79,046
Stock December 31st ditto					

III.—BEER, WINES AND SPIRITS.

BEER.—Messrs White, Tomkins, and Courage write in their annual review:—"The year 1922 was a period of anxiety for brewers, for the important reason that the consumption of beer decreased continuously. Whereas the number of standard barrels on which duty was paid in the year 1913-14 was over 36 millions, the number in 1921-22 was about 23½ millions. The main reason for the decrease was the continuance of the extraordinarily high duty which was imposed in 1921—namely, 100s, as compared with 7s 9d before the war. That high duty continued in face of the payment of lower wages in nearly every industry in the Kingdom, the result being that the consumer was forced to curtail his purchases of his favourite beverages."

From the same source we obtain the following figures as regards barrelage and beer duty:—

Year to March 31.	Standard Barrels.	Rate.	Beer Duty: Total Paid.
1914	36,057,913	7 9	13,622,971
1915	33,099,411	23 0	15,856,412
1916	30,292,977	23 0	13,747,269
1917	26,626,039	24 0	13,567,940
1918	13,816,173	25 0	19,106,653
1919	19,925,087	50 0	25,423,393
1920	25,115,196	70 0	71,276,230
1921	26,729,883	100 0	123,393,903
1922	23,513,774	100 0	121,865,000
1923	20,000,000	100 0	100,000,000

* Chancellor's estimate.

The price of beer to the consumer has not been increased since control was abolished at the end of August, 1921, but the gravity has been increased. The authorities quoted above state:—"In 1913 on a pint of good beer costing 3d about 4d was paid in duty; in 1922 a similar beer, costing 7d, paid about 3½d in duty." The 1922 Budget made no change in the beer duty.

WINES AND SPIRITS.—The Budget disappointed the wine and spirit trade by failing to provide any relief from the heavy duties in force. The general slackness of trade

was another adverse factor. Nevertheless, as will be seen from a table presented below, clearances of wine from bond were larger than in 1921 or in 1913, though well below the 1920 figure. The following table is compiled from statistics published by *Ridley's Wine and Spirit Trade Circular*, from which source also is extracted and condensed the information which follows:—

In Thousands (000's omitted).

	1913.		1920.		1921.		1922.	
	Im.	Clear.	Im.	Clear.	Im.	Clear.	Im.	Clear.
	ports.	ances.	ports.	ances.	ports.	ances.	ports.	ances.
French (Still).....	1,904	1,812	5,499	3,344	1,447	1,581	1,769	1,766
Do (Sparkling).....	1,148	1,008	1,177	824	402	404	526	530
Port	3,609	3,186	5,740	6,101	4,639	5,451	6,449	6,389
Spanish (Red).....	1,935	1,821	2,228	2,076	1,436	1,442	1,486	1,468
Do (White).....	1,178	1,063	1,150	1,172	487	829	832	937
Other sorts	2,539	2,536	3,941	1,639	1,217	1,535	1,340	1,504
Total	12,333	11,427	17,735	15,156	9,623	11,242	12,402	12,594
Brandy.....	1,490	1,507	1,329	1,332	409	881	458	717
Rum	4,709	3,331	3,882	3,132	4,324	2,037	1,516	1,548
Other sorts	953	804	1,165	974	582	593	628	358
Total	7,152	5,642	6,876	5,437	5,376	3,511	2,602	2,633

Exports of foreign and colonial wines from Great Britain in 1922 were 613,614 gallons, against 2,005,716 gallons in 1921. Exports of British and Irish spirits in 1922 were 5,701,424 gallons (value £7,858,701), as against £6,070,920 gallons (value £8,648,206) in 1921.

For the first 10 months of the year business was of a humdrum order. For certain descriptions of wines there was a fairly good demand, in others poor, and in the remainder stagnant. But there was a distinct improvement in activity in the last few weeks of the year, dating from the time when the disturbing element of the General Election was removed.

FRENCH STILL WINES. The chief feature in this branch of the trade was an increasing appreciation of white as against red descriptions. The situation in Bordeaux has become difficult, for large stocks are held there, and the outlets have become restricted. With prohibition in the United States and the markets of Russia and Central Europe practically closed, shippers at the source of production have to look to the United Kingdom as their chief market.

FRENCH SPARKLING WINES. Clearances of champagne, although 220,938 gallons less than in 1920, were better than in 1921. Similarly, clearances of Saumur and sparkling Burgundy were better than those of 1921, although well behind the level of 1920. The champagne trade has not assumed the proportions of pre-war days, but has seen some revival of activity, which was especially marked in the last months of the year. The year's business concentrated largely on the wines of the 1914 vintage, which are rapidly becoming placed, and there has also been activity in 1911's. The demand for non-vintage wines showed some improvement.

PORT. Portuguese wines had a better record in 1922 than French and Spanish. As will be seen from the figures given in the above table, port regained its 1920 position as regards clearances. The total was swollen by much poor-class wine. The feature of the year was the storing and the shipment of the 1920 vintage. The steady reduction in the prices asked by shippers for their ordinary flasks has had a beneficial effect on the demand, and business in them during the latter part of the year showed a decided improvement.

SPANISH WINES.—As shown in the above table, the imports of white wines from the Jerez district were half-way between those of 1920 and 1921, the past year having seen a substantial recovery. The consumption of Spanish red wines increased slightly.

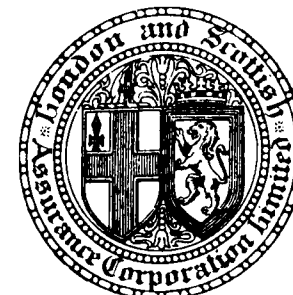
THE VINTAGE.—On the whole, 1922 was favourable to viticulture, and the season was notably free from pests and diseases. Bordeaux growers did not realise the very high hopes entertained, but the net result was an abundant crop, though of uneven quality. Of fine wines there was an average yield. In the Burgundy districts a similar story has to be told. In champagne growing districts there was a fairly abundant vintage with a good average quality, but here, too, early hopes were not fulfilled. As regards port, the crop in the Douro district was a little below the average in quantity, but was of superior quality. The year 1921-22 was favourable to the vineyards of Australia, the crop there being about 20 to 25 per cent. less than the abnormally large yield of the previous year.

SPIRITS.—The market for brandy was very dull throughout the year, but improved towards the close. The high duty was the principal obstacle. Apart from some increase in inquiry in February, the rum market was inactive till the middle of November, when activity improved. As regards Irish whisky, there was no striking feature in 1921 as regards supply and demand. Malt whisky distillers had a prosperous year, and Highland distilleries worked at

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full capacity. In the Scotch grain whisky trade, trade appears to have been somewhat slow, owing to the high prices.

IV.—RAW MATERIALS. COTTON.

	Imports.	Exports.	Prices Middling American	Unem- ploy- ment.	Ministry of Labour Average Earnings.
	Cents.	Yarn. Lbs.	Price Goods Sq. Yds.	Per Lb. d	s d
1913	19,166,544	210,099,000	4,435,405,000	11-39	15-9
1920	16,475,501	147,432,400	4,435,405,000	11-89	15-1
1921	11,725,521	145,904,900	2,902,659,000	11-37	15-1
1922—January	1,344,357	14,806,200	339,117,400	11-39	15-9
February	992,547	14,913,200	251,954,800	9-70	17-2
March	832,138	18,750,700	303,857,500	10-28	15-1
April	1,005,996	21,327,800	302,598,200	11-15	13-5
May	1,196,719	20,767,300	341,424,800	12-18	9-0
June	1,266,650	15,943,900	311,907,300	13-65	6-7
July	1,107,893	19,852,300	443,609,800	13-16	6-4
August	808,355	16,111,542	377,985,000	13-80	7-5
September	599,340	16,794,700	396,835,900	12-52	6-2
October	1,282,431	16,031,700	353,651,000	14-66	6-6
November	1,829,627	15,113,600	398,726,300	14-79	8-4
December	2,053,849	11,711,000	360,517,000	15-21	9-1
	14,319,902	201,221,000	4,181,176,000		

The year 1922 takes an unenviable place among the bad years in the history of the cotton market. Opening with a pretty general belief that the worst was over and a recovery might be expected, it has seen most of these hopes frustrated, partly owing to internal causes—over capitalisation of the home mills; more to external—the continued collapse of the European market and the slow recovery in India, marked only in the latter portion of the year. Thus the *Manchester Guardian's* cotton exchange correspondent wrote, dealing with the first cause:—

"A few months of declining trade and high prices for the raw material placed the majority of these concerns in an impossible position as regards the ability to pay for actual cotton, spin at a profit, and produce dividends on their inflated capital. The harm caused by the so-called reorganisation of mills is incalculable, and its unfortunate results are still with us. Consequently, when prices of American cotton reacted downwards to a reasonably low level in January and February (around 9½d a pound), there was no purchasing power available on this side of the Atlantic to take advantage of what would otherwise have been a good opportunity.

"The effect upon Liverpool was to bring about an immediate restriction of imports amongst merchants usually relied upon to provide selection for all branches of American spinning, and only the barest necessities were catered for in the shape of fresh supplies from the growing districts. The stock of American cotton in Great Britain, which was 639,000 bales at the commencement of 1922, was therefore reduced to 544,000 bales at the end."

On the consumption side, the outstanding feature in the year's history has been the American textile boom. In the latter half of 1922, especially, mills in the U.S. have been "eating up cotton" at a rate alarming to those who fear an approaching shortage. Since the 1921-22 crop was short and that for 1922-23 not expected to be better, American mills bought and consumed the pick of the balance of the old crop and then ear-marked the new; by the end of the season they had taken 6,545,000 bales and spun 5,645,000. Japan, on the other hand, only took 300,000, against 566,000 last year. The world consumption is estimated at 12 million bales. The new American crop is estimated at under 10,000,000 bales, with a carry-over of round about 5,000,000 from last year. In view of this, great interest has been felt in Peruvian, Brazilian, and African cottons. The probability of shortage is, however, the dominating feature in the 1923 outlook.

Prices, month by month throughout the year, are given in the following table:—

	Cotton, Fully Middling American.	32's Twist.	American Yarns. 40's Weft.	50's Weft.	Cotton, Egyptian E.G. Pair Sakellaris 60's Twist.
1922.					
January 5	11-39	18½	17½	17½	21-50
February 3	9-70	17	16	16	16-25
March 3	10-28	17	16½	16½	17-00
April 7	10-60	18	17	20	17-50
May 5	11-15	18½	17½	20½	17-75
June 2	12-15	19	18½	21½	19-25
July 7	13-65	20	19	23	20-00
August 4	13-16	19½	19½	23½	18-00
September 1	13-80	20½	19½	23½	18-00
October 6	12-52	19½	19	22	17-15
November 3	14-65	21	20½	23½	17-75
December 1	14-79	21½	20½	23½	18-25
December 29	15-21	21½	20½	23½	17-80

The highest price paid for fully middling in 1921 was 15.17d, the lowest 7.13d; against a highest in 1922, 15.65d (November 10th), and lowest 9.51d (February 6th). The following figures give particulars as to raw material supply:—

	(Million Bales.)	Jan. 1,	July 31,	Dec. 31,
Visible supply—	1922.	1922.	1922.	1922.
American	4,522	2,005	3,815	3,815
All sorts	5,504	2,829	4,828	4,828
Liverpool stock—				
American	585	475	497	497
All sorts	1,005	810	859	859
The into-sight of the American crop, 1922-23, Aug. 1 to Dec. 31, 1922				7,901,000

Distribution to spinners in same period:—

U.S.A.	3,793,000
Great Britain	772,000
Continent	1,215,000
Japan, &c.	298,000

Total 6,076,000

Census Bureau cotton ginned 1922-23, Aug. 1 to date. ... 7,791,000 Bales.
U.S.A. Bureau latest crop estimate (excl. of linters) ... 8,340,000 .. 9,964,000

WOOL.

	Imports —Raw.	Exports. Tissues.	Manufac- tures.	Prices. Average Value Colonial Bale.	Unem- ploy- ment.	Ministry of Labour Average Earnings. (Wool.)
	Cents.	Sq. Yds.	£	£	%	s d
1913	21,742,996	62,490,100	35,709,970	17	10-5	41 3
1920	18,972,224	264,587,800	134,830,043	52	7-2	42 3
1921	11,725,521	117,370,500	55,089,768	18	4-4	41 7
1922	11,055,764	183,946,600	58,487,559	22	5-9	42 3½
January	896,803	15,669,300	5,010,512	11-8	4-4	41 7
February	1,123,489	11,783,300	3,965,223	10-5	4-4	41 3
March	1,231,574	14,930,300	4,817,862	8-4	4-4	41 3
April	1,168,824	14,001,700	4,652,379	7-2	4-4	41 3
May	1,381,522	16,481,000	5,069,680	5-9	4-4	41 11½
June	974,128	16,034,200	4,917,256	4-4	4-4	41 7
January-June	6,776,340	88,899,800	28,453,812			
July	1,008,472	17,214,200	5,400,434	5-9	4-4	42 3½
August	1,068,187	17,525,900	5,515,042	5-8	4-4	45 1
September	518,458	13,795,000	4,594,229	5-5	4-4	42 3
October	595,964	12,775,400	4,862,100	5-3	4-4	42 3
November	602,419	15,372,300	4,938,300	5-9	4-4	42 3
December	701,814	17,426,900	5,657,300	4-1	4-4	42 3
June-Dec.	4,279,424	95,046,800	30,033,747			

With 1922 wool, speaking broadly, reverted to normal, in the sense that in this year extraneous political forces ceased to operate, and trading was determined on economic lines. Gradually the problem left by the war—with abnormal accumulations of raw material at the supply end being added to by normal growths, and demand in many purchasing centres paralysed by currency difficulties—has worked itself out. So far as Great Britain is concerned, 1922 has been a fairly good year. The awful prospect fore-shadowed by Mr. W. M. Hughes, who saw a "mountain of wool trembling on the edge of a precipice," has not been realised. Raw material has been redistributed, and, to quote the *Yorkshire Observer*, "with the restoration in this respect of something like the normal state of affairs, wool is in the position of providing a bedrock foundation for confidence such as many other staple industries in the U.K. would gladly possess."

"The most salient feature of the past year," say Messrs Schwartz Buchanan, "has undoubtedly been the extraordinary consumption." The total sales of Australian wool in the Commonwealth in the season closing on June 30th were 2,226,758 bales, against 701,400 in the previous season. Since the production was 1,041,130, sales exceeded the season's production by 285,622 bales. New Zealand in the same season exported 926,000 bales. South Africa's exports for the year were 788,634 bales, or more than twice the previous year's total. Argentina sold 476,247 bales and Uruguay 99,753 bales (of which the greater part went to Hamburg and Dunkirk). So far as Great Britain is concerned, the quantity of wool retained was 1,892,816 bales, against 1,222,637 in 1921. The stocks held by R.A.W.R.A. were reduced during the year by some 900,000 bales, and now total less than a million bales.

The following table shows the quantities taken by the home trade, the Continent, and the United States during the eight series of sales held in London during the year:—

	Total Sales.	Home Trade.	Continent.	U.S.A.
First	183,000	111,000	70,000	2,000
Second	208,700	123,700	85,000	1,000
Third	155,100	102,100	60,000	3,000
Fourth	144,500	91,500	60,000	3,000
Fifth	133,000	70,000	62,000	1,000
Sixth	117,000	72,000	42,000	3,000
Seventh	134,000	76,000	50,000	8,000
Eighth	208,000	124,000	64,000	20,000
Total	1,284,300	770,300	473,000	41,000

An advance in price was, of course, the correlative of the strong demand for raw material. There was a substantial rise during the year in the prices of wool sold in London. When the Australian season opened in July the effect of the growing demand was seen in a considerable jump from the prices ruling at the close of the 1920-21 season, while when the New Zealand season opened in November the effect of

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the extending demand for crossbred wools was to be observed in higher prices than those ruling at the close of the preceding season.

An indication of the course of values in Coleman street during the year is given in the following table, which shows in percentages the movements in values for various classes of wool as recorded at the close of each of the eight series, all the figures representing a rise, except where an asterisk denotes a fall:—

	Merino.	Crossbreds.	Fine.	Med.
First	10-20	15	10	15
Second	par to 5	par	par	par
Third	5-15	15	15	15
Fourth	*par to 15	*5-10	*10-15	*10-15
Fifth	5-10	5	5	5
Sixth	5-10	5	par	par
Seventh	7½-15	15	15-20	15-20
Eighth	*5-10	7½	15-20	15-20
	Crossbreds.	Cape.	Puntas.	
First	Low.	5	10	
Second	par	5	10	
Third	20	5 7½	5-10	
Fourth	*10	par	*par to 15	
Fifth	5	5	par	
Sixth	par	par	5-10	
Seventh	7½-10	5-10	5-10	
Eighth	10-15	*par to 5	10	

There was a very heavy turnover in tops, a large demand having been experienced, either on home or export account, or for merino or crossbreds, throughout the year, with the exception that in the past few weeks this has not been quite so marked in respect to Botany tops. Originally the chief demand was for merinos, business in which showed signs of sound improvement when, in the latter half of 1921, values reached the lowest point, with one exception, since the peak of the boom was turned in 1920.

Taking 64's as an illustration of the movement in merinos, values began a steady rise in July, 1921, and since then, notwithstanding considerable fluctuations, there has been a substantial mean advance. The feature of the situation in this period is that no fall reached the preceding lowest point. Throughout 1922 raw material forced the pace, with the result that between the end of 1921 and the close of the seventh series of London sales on October 26th average 64's had risen from 48d to 61d, an advance of 13d.

Business in tops on an expanding scale dates from the time when in July, 1921, 64's were down to about 3s, and some trade was done at 2s 9d. During the rise that has occurred in the interval Botany yarns have always lagged behind tops, and it has been difficult to get manufacturers to follow the advance, but they did so relatively until a definite check was administered as the result of the marked rise in merino wool on the occasion of the London sales in October, when wool prices forced quotations for fine tops so high that some makers were asking 5s 4d to 5s 6d for 64's warp, and the London basis for wool represented even higher prices.

This proved the high peak, and the tide turned. Nevertheless, taking the year as a whole, it may be said that prices, especially for merinos, for which a strong preference, which still goes on, was developed during the war, have steadily risen. Compared with July, 1914, good combing wools are now 100 per cent. dearer. The following table shows average prices for good average selections of wool during December, 1921, and at the end of the December, 1922, London series:—

	Dec., 1921.	Dec., 1922.	Percentage Increase Compared with Dec., 1921.
Australian—			
Scoured merino fleece	32	44	38
Grease merino fleece	12½	26½	43
New Zealand—			
Grease half-bred fleece	14½	22	52
Grease medium crossbred	7½	12½	67
Grease coarse crossbred fleece	6	8½	42
South African—			
Coarse combing	13	20	54
East London scoured	24	35	46

For good home-grown wools prices are about 50 per cent. above pre-war.

The following table gives present Bradford prices for a few leading descriptions of English wool compared with the beginning of 1922 and 1913:—

	Jan., 1913.	Jan., 1922.	Jan., 1923.
	Per lb.	Per lb.	Per lb.
Lincoln hogs	11½	9½	12
Nottingham hogs	11½	7½	9½
Wethers	11½	9½	12½
Irish hogs	13½	11½	15½
Wethers	13½	11½	15½
Cheviot hogs	13½	11½	17½
Wethers	13½	11½	17½
Southdown tugs	12½	10½	15½
Wethers	12½	10½	15½
Hampshire Down tugs	14	15	21
Wethers	14	15	21
Selected Welsh fleeces	11½	8½	10½
Handwicks	8	5½	8
Scotch blackface	8	6	9½

Medium and coarse crossbreds had a very precarious existence up to October, at which time the commencement of American buying of medium crossbred matchings altered the entire position. Prices for merino tops have been very high all through the year, but medium crossbreds are now approaching a more profitable basis. There has been a large movement of tops, both on home and export account, the exports approximating the level of 1913. Given more settled conditions in Germany, the usual export trade in tops should be recovered. The following table shows the movement of top prices on the dates given:—

	Jan. 5, 1922.	June 29, 1922.	Dec. 28, 1922.
	Per lb.	Per lb.	Per lb.
80's	66	72	78
70's warp	57	58	66
70's average	54	56	64
64's warp	51	54	63
64's average	49	53	61
60's super	46½	48	54
60's ordinary	42	46	52
64's Cape long	50½	54	64
64's Cape medium	47½	53	62
58's comeback carded	37½	41	46
56's super	28½	31½	37
50's super	27½	29½	36
50's average	25	25	28
48's	21½	21	27
46's	16½	17	21
44's	14½	15½	17½
40's	13½	14½	16½
50's hog prepared	12½	14	16½
48's average prepared	21½	22	28
46's	16½	18	21
44's	14½	15½	17½
40's	13½	14½	16½
36's	12½	13½	15½
32's	12½	13	14½

JUTE, FLAX, AND HEMP.

The fibre markets have shown much greater stability during the past year.

ITALIAN HEMP.—Italy started the year with a very large carry-over of hemp from 1920 and 1921, and the market was dominated by this supply, causing depreciation in prices until summer, when it became evident that the growing conditions of the crop were unsatisfactory. When the hemp was harvested, it proved to be one of the smallest crops on record for the area, estimated at about 50 to 60 per cent., but a carry-over of 40,000 to 50,000 tons brought the supply up to the required quantity. The Italian hemp mills were prosperous, and were able to sell their production for many months ahead at satisfactory prices. The sufficiency of hemp in Italy assured them against a rise, and enabled them to work on comparatively small stocks without raising market values. France, Germany, and Belgium have accounted for most of the export trade.

FLAX.—The trade has had a difficult year, and spinners have almost continuously found the price above the parity of the sale price of their yarns. There is no doubt that the linen trade is slow to recover, but the scarcity of supply, which is only one-sixth of the pre-war quantity, explains the maintenance of a high level of prices, flax being about 200 per cent. above pre-war level, against an average of about 100 per cent. for cotton. At the same parity as cotton, the flax supply would not long satisfy consumers' requirements.

On the whole, the Continent has experienced better trade than the U.K., and the fine end in Belfast has been more active than the coarse in Scotland. The outlook at the moment is not bright for the New Year, and a change for the better will depend on the general trade situation, which may give the public greater buying power to resume the use of linen and to replace their depleted stocks.

EAST INDIAN HEMP.—Interest in this article has widened, and it is no longer so neglected as in the years 1920 and 1921. A healthy demand for practically all varieties, including tows, has substantially reduced the stocks held in this country, and the absence of selling pressure from Bombay has kept prices steady. The one exception in the demand has been dressed hems, but with higher values ruling for jute and hard fibres, there is the prospect of an improved demand for the coming year. Unfortunately, the price of Indian hemp has been forced down far below a remunerative level, and the cultivation has consequently been largely abandoned. This discouragement resulted in a rapid rise from £15 to £23 in Benares Sunn, which would clearly show that the low artificial level of prices which was reached cannot be maintained under existing conditions. Until remunerative prices are obtainable for Bombay hemp, production may be still further curtailed.

CALCUTTA JUTE.—Last year's review indicated a reduction of the crop of that period from 9,000,000 to 4,000,000 bales. The results in 1922 were little better, the crop being far below the average, with the yield per acre exceptionally low. A year of wide fluctuations has raised the level £10 per ton, and even higher prices might have been reached but for the curtailed consumption of the world. Present reports indicate that the crop in certain districts has come

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to an end several months earlier than usual. Many consider that Calcutta will require the bulk of the unsold jute, and that the demand for Europe, whether light or heavy, will have little influence on the ultimate course of the market.

MANILA HEMP.—The year under review may be considered as one of healthy activity, with a 40 per cent. increase of consumption in Britain, and 140 per cent. increase in the United States. Japan has been an important factor, having absorbed 200,000 bales, of which four-fifths were used for rope-making and one-fifth for paper making. America and Japan bought practically the whole supply of fine grades, leaving little for export to Europe. Our manufacturers had, therefore, little opportunity of competing for this class of material.

The Philippine Government have been taking active steps to stamp out the inferior grading of Manila, which had resulted in heavy allowances, and the quality has steadily improved, so that weak hemp is as rare now as it was common last year. Last June the Agricultural Department in Manila rescinded the order which prohibited the grading of material below "J." Far from resulting in a reduction of prices, the lower grades, "K," "L," and "M," have risen since that date. The Department has been urging manufacturers to pay higher prices for the better grades of Manila, on the plea that the prices now ruling do not correspond to the actual increase in the cost of the preparation of these grades. To a great extent their wishes have been fulfilled, as "C," "D," and "E" have risen 85 per cent. in contrast with 35 per cent. increase in the lower grades.

SISAL.—1922 has been a year of great activity in Sisal, and the increased shipments from East Africa have gone into consumption as fast as they came forward. The stability of the price of this article, assisted by the action of the Comision Exportadora in fixing the price of Henequen, has had a salutary effect on the trade. The steady reduction in freights from the beginning of the year until the autumn made it possible to accept orders for large quantities of African sisal for America on fairly satisfactory terms, but the price has been undeniably too low to be remunerative to a large number of plantations, especially in districts far removed from the coast, and heavy losses have been registered by several companies. Nevertheless, the cultivation of sisal on the East Coast of Africa is extending, and this popular fibre is likely to continue to meet a healthy demand during the coming year.

MEXICAN (HENEQUEN) SISAL.—The very unsatisfactory situation of this article alluded to in our last annual circular has, fortunately, entirely changed, and the stabilisation of the price, which was accomplished at the end of last year, has been maintained, with results which should prove satisfactory both to producers and consumers, including the farmers, who depend upon a supply of binder twine at reasonable rates. Growers in Mexico complain that after the deduction of the production tax of 3c per lb, little remains for the maintenance of their estates, but there is no accumulation of stocks beyond the balance of the old material, which will shortly disappear. Owing to the reasonable price of the article, a considerable quantity of Henequen has been imported to Europe, and reports indicate that a great improvement has been effected in quality, enabling manufacturers to extend its use. In December the price was advanced ¼c per lb.

NEW ZEALAND HEMP.—Interest in this fibre has continued to flag, and it appears to have lost the ground which has been gained by sisal. The high wages in New Zealand and the more remunerative employment in other industries tell against the production of that fibre, so that there has been a considerable curtailment in the output, and the consumption is more and more confined to New Zealand and Australia. Lower freights might help restore the export trade.

MAGUEY FIBRE.—Although the Philippine Government have been making an effort to alter the system of production of this fibre, there is no visible improvement. Attempts to prepare the fibre in an up-to-date way with decorticators, and to grade the sisal separately from cantala, have not proved a success, owing to the mixture of the plants in the field, and the difficulty of separating the leaves in the cutting and preparation. The trade in Maguey, however, continues on about previous lines, and the price has varied little throughout the year.

FIBRE VALUES IN THE UNITED KINGDOM.

	July, 1914.	Jan. 1, 1915.	Jan. 1, 1920.	Jan. 1, 1921.	Jan. 1, 1922.	Jan. 1, 1923.
Italian hemp, P.C., SB..... per ton	42 10	90 5	130 0	105 0	54 0	60 10
Bombay hemp, H.J.F..... "	17 15	90 0	70 0	35 0	22 10	25 0
Bengal Sunn..... "	26 0	100 0	60 0	40 0	24 0	34 0
Manila, J..... "	25 0	80 0	60 10	56 0	38 10	33 10
New Zealand, fair..... "	23 0	85 0	49 0	50 0	35 10	31 0
African sisal, No. 1..... "	26 0	58 0	58 0	53 0	39 0	35 10
Jute, first natives..... "	26 15	46 10	66 0	38 10	25 10	36 0
Flax, Livonian 2½..... "	34 10	180 0	245 0	120 0	120 0	93 0
Cotton, spot Liverpool..... per lb	6.68d	22.00d	30.50d	9.90d	12.00d	15.40d

—Wigglesworth and Co., Limited.

The following figures show our imports of flax, hemp, and jute during 1913 and last two years:—

	Quantity.			Value.		
	1913.	1921.	1922.	1913.	1921.	1922.
FLAX.						
Russia.....	68,161	662	12,877	2,806,829	78,333	1,092,791
Netherlands.....	1,442	1,917	1,552	87,059	280,320	198,888
Belgium.....	14,194	9,730	7,230	1,262,141	2,250,576	1,200,101
Other countries.....	473	3,966	9,410	24,100	514,978	835,800
Total.....	84,270	16,275	31,069	4,180,129	3,124,207	3,327,580
FLAX TOW OR CODILLA.						
Russia.....	13,416	—	4,746	503,160	—	351,497
Belgium.....	3,812	736	458	65,335	70,191	45,447
Other countries.....	955	1,640	3,270	22,595	155,131	236,261
Total.....	18,183	2,376	8,474	591,090	225,322	633,205
HEMP.						
Russia.....	12,818	—	—	432,201	—	—
Germany.....	4,186	65	53	129,299	1,631	1,511
German East Africa.....	949	—	—	31,210	—	—
Italy.....	9,102	1,836	5,530	376,044	178,014	275,128
Philippine Islands.....	64,579	31,520	40,746	2,000,450	1,368,468	1,367,140
British East Africa.....	283	8,825	9,682	1,279	357,485	333,775
New Zealand.....	17,390	5,057	5,519	386,680	172,986	143,130
Other countries.....	21,824	3,365	4,906	849,170	151,871	166,849
Total.....	6,571	6,308	8,957	179,492	289,311	337,156
HEMP TOW OR CODILLA.						
Russia.....	137,702	56,976	75,390	4,191,825	2,519,766	2,624,689
Italy.....	2,208	—	—	51,686	—	—
New Zealand.....	754	247	1,702	22,020	1,400	61,343
Other countries.....	4,906	70	59	69,789	14,909	56,998
Total.....	708	1,021	2,390	14,909	30,571	56,998
Jute, Raw.						
Total of flax, hemp, and jute.....	350,826	103,790	148,889	9,246,598	3,775,764	4,275,192
	599,557	180,765	267,914	18,368,046	9,690,081	10,979,004

HIDES AND LEATHER.

From the business point of view, the verdict on 1922, so far as the leather trades and the boot and shoe trades are concerned, has been a failure. If the year closed with a brighter outlook, the reason is mainly that, at the cost of much hardship, costs of production, including wages, have been brought into closer relation with the prices purchasers can afford. During 1922, however, failures and composition arrangements have been more numerous than for many years past, and though some big firms have done fairly well, others of repute have had difficulty in weathering the storm. Although the export figures in the boot and shoe trade have been steadily rising, they are still far below the 1919-20 mark. How essential is an export revival can be gauged from the fact that the home demand can, in the general opinion of the trade, be satisfied in six months; indeed, some put it as low as four months.

"Unsatisfactory as experiences have been, they would," writes the leather correspondent of the *Yorkshire Observer*, "have been infinitely worse had the hide markets fluctuated as violently as during 1921. In January of that year auction prices for home-grown hides commenced at slightly lower figure than in pre-war days, and continued so for several months. Then followed a period of extraordinary inflation, and at one time tanners were paying almost double the prices obtaining in the early part of the year. Heavy-weight ox and heifer hides in January last commanded about 8d per lb, and although quotations receded slightly by the end of the first quarter, they rallied as the months went by. By October they reached the maximum of about 10d per lb, which was 1d to 1½d per lb lower than the previous year's quotations at that date for the dearest of English growth."

"There has not been any noticeable variation in the imported hide and skin sections. The landings of wet salted hides have been steady, and, on the whole, quotations have been fairly easy. Argentine hides have from time to time hardened when the United States brokers were the determining factor in the matter of prices. There is a growing tendency to break away from old customs in the regulation of prices for leather."

For the English leather market 1922 began, as did 1921, with an incubus in the form of a large supply of East Indian kips—a post-war accumulation in the hands of the Government. By April, however, the sales of the kips were opened for competition among dressers, instead of, as before, being offered through the agency of leather factors; and by August the stocks were cleared off. The clearance, however, came too late to permit of an average year's trading.

In the boot and shoe section, trade with New Zealand has been steadily improving, and this is now regarded as the best market. In South Africa, good at the moment, the future is uncertain; while the Australian market is to a large extent closed by tariffs. Prices, which have fallen somewhat during the year, are now, under influence of a rising leather market, tending to increase. Wages were cut by 10s, in two instalments, during the year; towards its close an agreement under which they remain at that level was arrived at.

The following is a statement of imports and exports of hides and leather during 1913, 1921, and 1922:—

IMPORTS.	Quantity.			Value.		
	1913.	1921.	1922.	1913.	1921.	1922.
Wet Hides—						
Calf.....	32,942	14,709	25,785	145,451	78,611	148,565
Other sorts, including Ox and Cow.....	92,170	—	—	259,774	—	—
Russia.....	27,610	30	—	94,588	165	—
Germany.....	10,007	1,418	8,295	33,691	6,339	37,996
Belgium.....	36,754	28,236	21,542	122,879	143,078	109,031
France.....	119,702	41,139	58,030	513,505	187,425	269,314
Italy.....	—	—	—	—	—	—
Argentine Republic and Uruguay.....	188,097	264,846	142,324	874,781	1,222,977	555,172
British South Africa.....	68,118	42,574	47,724	242,883	149,385	165,694
Australia.....	113,331	21,554	56,079	435,464	74,648	213,224
Other countries.....	142,592	159,562	229,486	436,812	565,984	741,196
Total.....	798,381	553,359	563,480	3,014,381	2,350,001	2,091,627
Total of Wet Hides.....	831,323	574,068	589,265	3,159,832	2,428,612	2,238,192
Dry and Dressed—						
Calf.....	17,313	5,496	11,435	134,257	32,643	57,007
Other sorts, including Ox, Cow, and Kips.....	57,300	—	—	207,761	—	—
Russia.....	124,223	41,387	78,941	580,705	175,629	310,497
British South Africa.....	70,554	49,279	50,145	263,951	218,335	200,642
British India.....	—	—	—	—	—	—
Straits Settlements and Federated Malay States.....	40,371	7,246	10,957	134,501	26,509	32,723
Australia.....	36,253	37,496	34,155	171,107	155,607	120,835
Other countries.....	276,665	155,346	315,619	1,195,585	711,299	1,164,870
Total.....	605,376	290,754	489,817	2,554,210	1,291,379	1,829,567
Total of Dry and Dressed Hides.....	622,689	296,250	501,252	2,688,467	1,324,022	1,886,574
† Total of Leather.....	1,416,100	387,031	632,145	10,572,100	8,345,502	10,869,784
Exports.						
Boots and shoes (wholly or mainly of leather).....	Dz. Pcs.	Dz. Pcs.	Dz. Pcs.	£	£	£
Sweden.....	8,451	3,032	122,206	56,840	1,123	13,551
Germany.....	33,666	465	92	78,291	235,626	169,069
Netherlands.....	50,550	43,922	42,963	241,388	77,181	92,328
Belgium.....	51,840	11,228	13,069	394,831	119,564	207,434
France.....	56,566	10,640	20,409	394,831	119,564	207,434
Italy.....	25,025	949	340	115,797	10,105	1,320
Argentine Republic.....	59,296	861	2,521	152,373	7,544	13,653
Egypt (including Anglo-Egyptian Sudan).....	29,781	10,245	16,443	97,084	79,629	94,809
British South Africa.....	387,511	72,984	130,527	1,160,800	549,351	830,268
British East Indies.....	189,656	10,613	13,594	531,471	102,426	90,920
Australia.....	210,353	2,542	28,775	317,758	18,246	65,061
New Zealand.....	99,523	17,532	81,456	305,399	102,634	435,420
Brit. West India Islands (including Bahamas) and British Guiana.....	37,384	10,861	29,969	73,094	67,623	135,264
Other countries.....	219,664	112,084	106,579	603,784	817,221	676,608
Total.....	1,452,815	313,378	491,759	4,194,276	2,250,612	2,826,828

† Under the designation of "Leather" are comprised the following articles, viz.: Hides, tanned, tawed, curried or in any way dressed; Goat skins, tanned or dressed as leather; Sheep skins, tanned or dressed as leather.

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In the early months of the year, therefore, sulphate of ammonia was in strong demand, and, owing to the cold and wet spring, it found a ready market until well into May. Unfortunately for the British maker, however, his supplies of ammoniacal liquor were very much less than in a normal year, so that he was unable to take full advantage of the position. It was a period of bad trade, factories were shut down, gas-burning plants were standing idle, and the mass of the people were using as little gas as possible, the need for economy was great. Nor was this all. Many of the coke-ovens closed down at the time of the coal strike had not been reopened. Probably less than 50 per cent. were working, and consequently the sulphate maker was deprived of raw material from this source. The shortage had its due effect upon the sulphuric acid industry, the greatest part of whose product goes to the sulphate maker, and upon other industries whose activities are linked up with sulphate of ammonia. So the influence of the coal strike continues. It has been felt throughout the sulphate of ammonia and allied trades in the past year, and it continues still, for ammoniacal liquor is still in short supply, and sulphuric acid, consequently, is in decreased demand.

Soda ash has been in strong demand, and as the manufacture of this substance by the prevailing process necessitates the use of ammonia, manufacturers of ammonia liquor have had a better demand for their product than they have experienced for some time. Business in ammonium chloride has improved with the better outlook in the galvanising industry, and there has been a fair demand for this product, and also for ammonium carbonate for export in the later months of the year. The smaller production of ammonia had an exact parallel in the shortage of tar for the tar distiller, and, from the same cause—the coal strike. Men who might have been employed on the roads in 1921 were deprived of work on account of the short supply of tar from the coke-ovens. Road tar was scarce, and business in it was very active. The probability is that the shortage will be felt in 1923. There was a good market for pitch and carbolic acid during the later portion of the year, and it is interesting to note that carbolic acid has been supplied to Russia, though the difficulty of doing any business at all with that country is very great.—*Yorkshire Post*.

Business at the commencement of the year opened quietly, and buyers operated cautiously, orders in the main being for small quantities for near delivery, and this state of affairs lasted until well on into the month of April. In May signs were not wanting that the demand was steadily improving, and this was more noticeable in some of the heavy consuming industries, more especially in the textile trade. During the holiday period the demand was maintained, and in September commenced to expand further, and this expansion has continued down to the time of writing this report. The tendency of Continental exchanges to affect the price of chemical products which were in the main imported has not been nearly so marked during the current year, and it has been noticed that even violent fluctuations in the chief Continental exchanges fail to produce more than a momentary effect on the English price.

The position in the fine chemical industry has, perhaps, not been quite so favourable. Export trade to a fairly con-

siderable extent covers the demands for fine products, and export trade has admittedly not been all that could be wished. The result has been that stocks have taken a long time to liquidate, while orders have been relatively for small quantities, and the result has been that prices have tended to still further depreciate, in some cases, to figures below the present cost of production. Signs are not wanting, however, to show that these conditions are coming to an end, and with a broadening in the demand we should find the trade quickly coming back to the normal, as stocks are none too heavy, while, naturally, under prevailing conditions, production has been reduced to a considerable extent.

The export position is now distinctly interesting. Demand over the early months of the year was poor in the extreme, and apparently the majority of the orders passing were placed on the Continent. During the last two or three months, however, the position has entirely changed, and there is now a relatively satisfactory volume of business passing, while the inquiry at present in the market is distinctly greater than is usually the case at this period of the year. Orders are now being placed in this country by markets that have placed practically nothing for the past year or two, and it is indicative that in most cases these orders are accompanied by the proviso that shipment be made immediately, which goes to show that a number of consuming markets have left it to the last possible moment before replenishing their stocks.—*Chemical Age*.

VEGETABLE OILS AND OILSEEDS.

From the point of view of the quantity of raw material handled by the oilseed crushing mills of Great Britain and Ireland, the year 1922 slightly exceeded the average of the two preceding years, but was some distance behind 1919, in which year a record for the industry in these islands was established. The gross imports of oilseeds, nuts, and kernels were 1,367,399 tons, or, after deducting re-exports, 1,327,810 tons net, comparing with 1,296,799 tons and 1,343,892 tons net (revised figures) in 1921 and 1920 respectively. The most notable feature is the steady increase in the quantity of oilseeds (as distinguished from oilnuts and kernels) and the decline in the imports of ground nuts and palm kernels. The former last year exceeded a million tons, the principal items being cottonseed, 483,623 tons, an increase of 106,000 tons over 1921, and linseed 358,884 tons, a decline of 111,000 tons. The increase in cottonseed was contributed to by much larger arrivals from Egypt and British India, while the falling-off in linseed is accounted for by the much-reduced imports from Argentina—viz., 178,095 tons, against 401,978 tons in 1921. Oilnuts and kernels totalled 365,085 tons gross (333,217 tons net), against 345,471 tons net and 454,767 tons net in 1921 and 1920. There were larger arrivals of copra, about 26 per cent. being re-exported. Less than 1 per cent. of the gross imports of oilseeds and 10.8 per cent. of nuts and kernels were re-exported.

Work in the mills throughout the country was variable, but, on the whole, moderately good, though neither the mills nor the refineries were operated to anything like full capacity. Wages and working costs have fallen since a year ago, but raw material has been at a comparatively high level. With regard to trade conditions, the promise of the

earlier months of the year was not realised, the disturbed situation in Europe and the depressed state of the consuming industries at home militating against a real recovery. The export trade in vegetable oil, manufactured or refined, in this country was in the aggregate only slightly below that in 1921, but had it not been for an unusually large demand for linseed oil from the United States the export figures would have been disappointingly small. Out of a total of 89,608 tons of unrefined oil shipped abroad during the year 59,548 tons were linseed oil, and of this fully 80 per cent. was destined for North America. With the enactment of the Fordney tariff a heavy import duty was imposed on linseed oil (equal to £17 per ton), and had the effect of the bringing imports from Great Britain to an end. The scarcity and high prices of American refined "butter" oils enabled English refined cotton and other oils to compete successfully in the principal European consuming centres. Generally, however, the trade with the Continent, especially in linseed oil, showed considerable contraction, attributable in some part to depression and to the fact that Continental crushing mills have been active. In fact, towards the close of the year, when English mills were handling very little linseed and oil for prompt delivery was scarce, Continental linseed oil found its way in substantial quantities on to the English market. The exports of vegetable oils, the product of English mills in the past three years, were as under:—

	1920.	1921.	1922.
	Tons.	Tons.	Tons.
Unrefined oils	100,010	93,433	89,608
Refined oils	17,678	12,931	13,149

In the home market there was a reduced demand for technical oils in the soap, paint and varnish, and linoleum industries; while the requirements of edible oils for margarine and compound lard, &c., were also on a smaller scale. The refineries, however, had a fairly satisfactory year. Owing to the poor price realised for cakes against the Indian article, ground nut oil could not be produced at a competitive price; and there was difficulty in selling palm kernel oil, which suffered from the competition of imported coconut oil. Prices were much steadier and free from the wild fluctuations of the first two post-war years. Raw linseed oil advanced from £27 10s in January to £44 10s per ton, naked, ex Hull mill, in May, the price ranging between £34 and £39 in the last four months of the year, when the American demand had ceased. Soapmakers' grade of refined cotton oil ranged between £32 10s and £42, crude soya bean oil between £31 10s and £41, and crude rape oil between £38 and £45.

The production of vegetable oils in Great Britain and Ireland in 1922, estimated from the commercial yield of oil from the net imports of oilseeds, oilnuts, and kernels, was 393,845 tons, or slightly less than that produced in 1921. The comparative figures are as follow:—

	1920.	1921.	1922.
	Tons.	Tons.	Tons.
Linseed oil	125,000	155,000	117,450
Cottonseed oil	75,300	63,000	81,000
Other seed oils	21,585	25,503	39,000
Palm kernel oil	128,200	95,700	92,920
Ground nut oil	49,200	33,750	24,845
Coconut, &c.	26,700	26,350	38,630
Total	425,980	399,300	393,845

As usual, there were substantial imports of vegetable oils from abroad, the total of unrefined being 140,708 tons,

principally coconut, palm, and soya bean oils, which together accounted for 120,172 tons, or 85 per cent. Refined oils imported totalled 18,170 tons, consisting of coconut, olive, and cotton oils. The re-exports equalled 15 per cent. of the gross, the net imports being 136,554 tons, or somewhat less than in 1921. The following summary shows the position of the nation's vegetable oil supply:—

	1920.	1921.	1922.
	Tons.	Tons.	Tons.
Home production	425,980	399,300	393,845
Deduct British exports	128,665	106,364	102,757
Net remaining	303,315	292,936	291,088
Add net imports	187,791	142,054	136,554
Total remaining in the U.K.	491,286	434,990	427,642

The important position of the oilseed crushing industry in relation to agriculture is best shown by the fact that the annual production of oilcakes and meals for cattle food in Great Britain and Ireland in the past three years has been between 950,000 and 1,000,000 tons. Of this only a small proportion is exported; last year, 42,119 tons. The home production was, moreover, supplemented by a net import of 316,366 tons. Owing to the poor trade in oil, the cake residue has not shared to the extent it otherwise might have done in the lower levels which have been gradually reached for the world's oilseed crops. Prices of concentrated feeding stuffs are still 45 to 65 per cent. above pre-war, but it is hoped that in the ensuing 12 months further reductions will be made. There is not likely to be any dearth of raw material for the crushing and extracting mills, for 1922 has produced bountiful crops. The world's linseed now being harvested is likely to establish new records as to volume. A reduction in the Egyptian crop of cottonseed is expected, but this will be more than counterbalanced by large supplies from India, while a revival in the crushing of soya beans in this country seems most probable.

TURPENTINE.

Messrs Lowden Connell and Co. write:—Supplies of turpentine in the year 1922 have not been plentiful in any country. During the latter months of 1921 the home demand in the United States of America had been heavy and increasing. In the spring of 1922 it became evident that this demand was being maintained, and as the new crop did not show promise of being any larger in volume than that of the previous year, there appeared to be every prospect of a world-wide shortage. During the months of May and June there was never much more than one month's supply of turpentine in tank in London. This position of affairs was not helped by the fact that it was impossible during the first six months of the year to obtain French turpentine at prices which would compete with American c.i.f. prices. France had enjoyed a good demand at home and from other Continental countries, and appeared to be independent of London for the marketing of her output of turpentine. Consumers both in America and the U.K. were reported to be none too well supplied, and forward business—apart from purely speculative transactions—had diminished greatly. A principle of "hand to mouth" buying became prevalent. This created a steady demand, which helped to maintain prices at high levels.

During the month of June the spot price of turpentine in London rose from 67s to 119s per cwt. These high prices,

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however, made the import of French turpentine possible, and by the middle of July London stocks were augmented by over 1,500 barrels of the French product, with further shipments expected. Prices eased off considerably during the summer months, but October found Savannah and London with rapidly advancing markets, in consequence of the prospect of supplies being inadequate to meet the probable demand over the ensuing six months. During November and December, however, the demand in America fell off considerably, and receipts from the scrape crop exceeded expectations. By this time the London stocks had been considerably augmented—both from America and France. Prices declined on both sides of the Atlantic, although the last few days of the year found the markets rising once more. The total London deliveries for the year 1922 were 84,658 barrels, as against 94,880 barrels in the previous year—a decrease of 10,231 barrels. Of the total 1922 deliveries, 11,021 barrels were French.

ROSIN.—Demand for rosin has been steady throughout the year, and prices have not varied to any great extent. Prices of the dark grades in France have frequently been high in comparison with similar grades of American, and consequently the imports from France figure considerably under those of past years. Import of French rosins was also often a question of exchange rates.

TIMBER.

The imports of timber for 1922 show a very marked improvement on 1921, the worst year in its history, though they are still far behind the 1920 figures. Swedish and Finnish shipments have been getting back to normal after the painful experiences of 1921, when huge losses had been made by holders of stocks on purchases effected in the previous year. Business was not unnaturally extremely cautious at first; and this caution, modified in the latest months by a returning hopefulness, has been the note of 1922 so far as all branches of the trade are concerned. At the beginning of the year softwood prices, although considerably below those of 1921 first-open-water purchases, were still considered by importers as at too high a level. The basic figures for Swedish U/S red 7-inch battens were from £18 to £20, f.o.b., with Finnish at £14 10s to £15, declining later—in February-March—to £17 and £13 respectively.

As the year progressed shippers began to attempt advances, which were resisted for a time by importers. But the latest figures issued with specifications are from £20 to £22, f.o.b., for Swedish U/S red 7-inch battens; and Finnish £17 10s to £18, payment in the ordinary way, or £16 cash payment up to 90 per cent. on signing of contract. Practically the same conditions apply to all other softwoods.

Floorings for a good part of the year were an erratic market. Prices fluctuated, especially in spot goods, according to the disposition or necessity of the seller. But the year closed with quotations firmly established at £19 to £19 10s for 7-inch p.s.c., c.i.f. West Coast.

Messrs Denny, Mott, and Dickson, in their annual circular, give the following particulars:—

The timber trade experienced during 1922 a marked improvement in softwoods and a very gradual recovery of hardwoods from the dull apathy caused by the suspended demand with which the year opened. The suspension of demand still applies, as although shipbuilding is once again beginning in a very modest way, the building of rolling-stock in this country still largely waits on the railway merging arrangements getting to work.

The Continental demand for the pressing need of reconstruction also waits on some adjustment of the exchanges, sufficiently sound to enable timber and other material to be bought and paid for.

The New Year starts with unsuitable old stocks reduced to dimensions no longer formidable to the market, while fresh and good stocks are quite moderate, and, though sufficient for the present volume of demand, will require appreciable additions as trade opens out, which it is certain to do when the suspense mentioned above is ended by a settlement or a serious modification of the political unrest of the world, and a consequent return of the power to carry out the reparation and reconstruction which are demanded in all directions.

CANADIAN TIMBER.—*Waney Pine.*—There has been little or no improvement in the demand for this timber. The marked apathy that has characterised the market during the whole course of the year is still in evidence. *Oak.*—Steady progress is being made with the sale of the limited quantity of Quebec oak available on this side. As the ice has now put an end to further shipment, and many months must elapse before fresh supplies can come in, the encouraging expectation that production during this winter will almost certainly be abnormally small. *Rock Elm.*—There is very little really first-class rock elm on hand, and for this there is a quiet, but well-sustained, demand.

Spruce.—Stocks in the United Kingdom are, generally speaking, light, and there is an upward tendency of prices from the low levels ruling during the greater part of last year. Even in the case of 11-inch wood—a size which has been more depressed than any other—holders of stocks purchased at the lowest levels ruling last year are in the satisfactory position of being bound to see a good profit on their purchases in the early part of this year if they have but patience to wait for the improvement, signs of which are already evident.

Pitch Pine.—The outstanding feature of this market has been the great caution shown by buyers in this country, owing to the uncertainty of the volume of consumption and the consequent risk in respect to the high c.i.f. prices demanded by shippers. During the year just closed values have been advanced by some 16 per cent. for 30-foot average wood, the cost of which is now approximately 100 per cent. above pre-war level. The chief consumption came from the Thames and Mersey, the Clyde and Tyne proving disappointing owing to lack of trade activity.

Oregon Pine.—In the closing period of 1922 a little more movement was apparent, and a revival in the trade of this important commodity is anticipated.

BALTIC GOODS.—On the whole, the past year has been satisfactory to importers on account of the steadily advancing market value throughout the whole period. At the end of 1921 a considerable quantity of goods had been sold for the following season's shipment on the terms of "cash on signing contract." To these were added further contracts at the beginning of 1922 upon the same conditions, but at a level of prices which, though ultimately proving satisfactory to the purchaser, appeared at the time somewhat high.

SILK.

Messrs Chabrieres Morel and Co., of Lyons, write:—At the close of 1921 silk prices were, in dollars and Swiss francs, about 100 per cent. higher than before the war, and, in French francs, five times higher. That level was not maintained during the first three months of 1922. However, the increase in the cost of production, made worse here by the exchange, did not warrant a decline in prices. Besides, consumption had grown in America and was improving in Europe, whilst fashion favoured crape which requires more silk per yard than most articles. But the general economic uneasiness made manufacturers cautious; the

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arrivals from the Far East, increased by stocks carried over from the previous season, were much larger than had been anticipated; at the same time, the exchange was declining in China and Japan. Under the pressure of consumption, prices began to rise in April on all markets; that advance was strengthened at the time of the crop by the high cost of cocoons, and made almost continuous progress until November. It was the more striking in Lyons owing to a further decline in the franc exchange and to a sudden rise of the Italian lire. During those seven months, and particularly in May, transactions remained active, the old stocks were almost entirely disposed of and silks of the future crop were confidently contracted for months in advance. Strikes among miners and railway employees prevented the U.S. from playing, as usual, the leading part in that move; they bought with more reserve and later than Europe.

From the middle of October until quite recently, transactions have been very scarce and prices heavy. Silver and exchanges have declined. Speculated parcels have been resold at a profit below nominal quotations. Manufacturers have lived upon their previous purchases; the new American tariff has interfered with their exports to the U.S., and they have found it very difficult to sell their goods on the basis of the higher value of silk. One of the leading buyers of silk goods in Paris has suspended payments. Last, but not least, in the whole world, prudence is the order of the day in face of the difficulties of all sorts which the war has left behind and which it is taking so much time to solve. Nevertheless, the position of our article is statistically so strong that the opening of 1923 finds prices about as high as the highest of early 1922 and distinctly higher than the average of 1921. A new element strengthens the position of silk: production and consumption are no more balanced. The figures of imports of silks, of entries in the conditioning establishments, of exports of silk goods, show that in Western Europe, and above all in Lyons, whose articles are favoured by fashion, the consumption of silk is much larger than in 1921. But it is curtailed in Central Europe owing to the exchange, and almost stopped in Russia, but elsewhere the progress upon last year is certain.

V.—METAL AND COAL TRADES.

THE COAL TRADE.

	Output.	Export (including Bunker).	B. of T. Average Import (f.o.b.).		Unem- ployment.		
			Prices.				
			1921.	1922.			
	Tons.	Tons.	£ s d	£ s d	%		
1913	287,430,000	94,423,811	..	..	..		
1920	229,292,000	38,772,213	..	..	..		
1921	164,303,000	35,586,986	..	..	..		
1922—January	17,692,300	5,471,671	3 5 4	1 3 9	104		
February	19,763,000	5,423,541	2 9 0	1 3 4	92		
March	19,981,000	6,744,754	2 3 6	1 2 2	81		
April	18,049,500	5,423,049	2 3 2	1 2 8	79		
May	19,145,000	6,986,978	..	1 2 10	73		
June	15,426,800	6,701,042	1 18 2	1 2 4	82		
July	18,604,400	7,096,114	1 16 6	1 2 4	84		
August	19,051,200	7,619,884	1 10 6	1 2 10	71		
September	20,503,000	9,371,318	1 8 5	1 2 6	61		
October	21,807,600	7,818,264	1 8 5	1 2 6	56		
November	21,711,700	8,778,503	1 7 1	1 2 7	49		
December	22,413,100	7,577,940	1 4 10	1 2 7	46		
			1 18 7	1 2 8			

Whether it is looked at from the standpoint of owners or of miners, 1922 has been a tragic year in the coal mining industry. Again and again impartial reviews of working conditions in the coalfields have had to conclude with the admission that they are deplorable. Throughout the year wages have been in practically every district on the minimum fixed by the 1921 settlement. To maintain that at this satisfactory level, owners' profits have had to be raided, with the result that in many great areas the miners are actually heavily in debt. From the owners' point of view, the agreement is regarded as bad; from the men's, there have been repeated attempts to get it reconsidered on terms that would improve the miners' living conditions.

From the point of view of output, the monthly figures show steady improvement, especially during the last half of the year, and the 12 months' total is hardly behind that for 1913. The rate of production per worker has increased; the working cost per ton diminished, yet at the end of the year there were still 60,000 unemployed miners. The Coal Advisory Committee, reporting in the beginning of the New Year, stated that in the pithead price of a ton of coal—16s 10½d—the element represented by wages was 62 per cent. above that of 1913, whereas the cost of living was still

78 per cent. above it; "other costs," on the other hand, are 133 per cent. above 1913. In them the most important element is transport; railway rates are still 60 per cent. above pre-war. It is these costs that mainly account for the large discrepancy between the pithead price and that paid by the consumer. In general, the coal trade suffers from two main causes: (a) the export market, despite the spurt afforded in the autumn by the American transport and coal strike, throughout the year continued to reflect the unhappy and disorganised state of Europe; (b) the home market, the slow and difficult recovery of domestic trade. At the same time, the export figures show a remarkable recovery from the shattering blows of the Spa Agreement and the 1921 dispute, notably in the figures of exports to Germany.

The total export of coal (excluding bunker) for 1922 was 64,198,384 tons, against 24,931,853 in 1920 and 73,400,118 in 1913—an average monthly shipment for the year (excluding bunker) of 5,349,865 tons, against 6,116,000 tons in 1913. During the last half of 1922 exports have been on very nearly the same level as in the same period in 1913; in September—7,082,729—they were actually above any month in that year.

EXPORTS OF COAL TO EUROPE in the YEARS 1913 and 1920 Compared with 1922.

Destination.	1913. Tons.	1920. Tons.	1922. Tons.
Russia	5,998,434	92,879	584,069
Sweden	4,563,076	1,372,478	2,522,820
Norway	2,298,345	800,917	1,566,969
Denmark	3,034,240	1,040,107	2,866,233
Germany	8,952,328	13,457	8,345,606
Netherlands	2,018,401	239,067	6,067,789
Belgium	2,031,077	671,385	3,483,419
France	12,775,909	11,690,922	13,579,417
Portugal	1,201,722	301,413	784,356
Spain	2,534,131	290,141	1,711,021
Greece	727,899	98,238	428,647
Italy	9,647,161	2,905,217	6,341,743

Total to Europe .. 55,782,723 .. 12,516,221 .. 48,288,089
NOTE.—Austria-Hungary imported 1,056,634 tons in 1913. Austria imported 3,373 tons in 1922 and Hungary nil.

Of the coal going to "other countries," round about 4,000,000 tons went to the United States and Canada. According to the *Iron and Coal Trades Review*, during 1922 Germany imported nearly as much British coal as in 1913, and possibly more; for probably a considerable proportion of the large tonnage imported by Holland also was for German consumption. France continues to import heavily from this country, and in 1922 her purchases exceeded the 1913 tonnage. Italy imported more than twice the amount of coal purchased in 1920, and nearly double the tonnage of 1921, but the total for 1922 is still only about two-thirds the amount recorded for 1913. Exports to Europe as a whole in 1922 were about 86 per cent. of the tonnage in the last pre-war year, and represents a marked recovery compared not only with 1921, but with 1920, when exports to Europe aggregated much less than half the quantity dealt with in the past year.

The South American trade is expanding, the total tonnage of British coal imported in 1922 being 3,621,157 tons. Some of this business was secured owing to the American strike, and it remains to be seen whether this volume is maintained. We still have much ground to regain before reaching our pre-war position in this market. However, the United States have suffered a set-back in a temporary increase in production costs resulting from the coal strike, and wages remain at a high level.

EXPORTS OF COAL TO SOUTH AMERICA in the YEARS 1913 and 1920, COMPARED WITH 1922.

Destination.	1913. Tons.	1920. Tons.	1922. Tons.
Chile	588,526	7,122	84,311
Brazil	1,886,871	158,144	1,013,221
Uruguay	723,936	117,480	502,533
Argentina	3,693,572	273,668	2,021,092
Total	6,892,905	556,414	3,621,157

Exports of coke during the year amounted to 2,513,978 tons, about double the tonnage shipped in 1913. Of this quantity "other sorts"—mainly metallurgical—accounted for 1,602,671 tons, the bulk of which went to the Continent. Manufactured fuel exports amounted to 1,227,114 tons. The output has been restricted, owing to the high price of pitch occasioned by the heavy demand in that commodity for roadmaking and repairs. With increasing foreign trade, bunkers record a larger tonnage, being 18,259,027 tons, compared with 10,926,444 tons in 1921 and 21,023,693 tons in 1913. Large quantities of fuel oil have been shipped for bunkers during the year, representing an equivalent of about three-quarters of a million tons of coal; a comparatively small amount compared with the total coal bunkers, but nevertheless representing so much work lost to British miners.

The following table shows the amount of coal exported in 1921 and 1922 during the month of December from the various main ports in Great Britain:—

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Quantities of Coal Exported, and of Bunker Coal Shipped for the Use of Steamers Engaged in the Foreign Trade, from the various Ports of the United Kingdom during the Months of December, 1921 and 1922, respectively.

Ports.	CARGO.		BUNKER.	
	1921. Tons.	1922. Tons.	1921. Tons.	1922. Tons.
Bristol Channel....	1,835,998	2,307,506	20,813	419,843
North-Western....	9,872	84,308	214,771	154,363
North-Eastern....	1,723,611	2,033,758	262,307	273,195
Humber....	220,785	627,606	128,543	273,416
Other East Coast....	5,341	82,310	106,997	118,968
Other English....			31,600	38,974
East Scotland....	457,656	660,928	87,419	87,865
West Scotland....	55,898	158,126	97,722	86,465
Irish ports....			136	390
Total U.K.....	4,309,262	5,954,642	1,280,303	1,453,477

So far as tonnage goes, the export returns, taken as a whole, are good. Prices, however, have been at a low level compared with production costs and the general level of prices.

AVERAGE MONTHLY F.O.B. PRICES of EXPORT COAL during TWELVE MONTHS Ended DECEMBER 31, 1913, 1920, and 1921 compared with 1922.

Month.	1913.		1920.		1921.		1922.	
	£ s d	£ s d	£ s d	£ s d	£ s d	£ s d	£ s d	£ s d
January.....	0 13 5	3 8 8	2 9 0	1 3 4	1 3 4	1 3 4	1 3 4	1 3 4
February.....	0 13 4	3 14 6	2 9 0	1 3 4	1 3 4	1 3 4	1 3 4	1 3 4
March.....	0 13 7	3 16 10	2 3 6	1 2 2	1 2 2	1 2 2	1 2 2	1 2 2
April.....	0 13 11	3 18 6	2 3 2	1 2 0	1 2 0	1 2 0	1 2 0	1 2 0
May.....	0 13 9	4 0 9	1 18 2	1 2 4	1 2 4	1 2 4	1 2 4	1 2 4
June.....	0 13 10	4 5 0	1 18 2	1 2 0	1 2 0	1 2 0	1 2 0	1 2 0
July.....	0 13 9	4 7 0	1 16 6	1 2 4	1 2 4	1 2 4	1 2 4	1 2 4
August.....	0 13 10	4 9 8	1 10 6	1 2 0	1 2 0	1 2 0	1 2 0	1 2 0
September.....	0 13 10	4 6 2	1 8 5	1 2 6	1 2 6	1 2 6	1 2 6	1 2 6
October.....	0 13 10	4 5 6	1 7 7	1 2 7	1 2 7	1 2 7	1 2 7	1 2 7
November.....	0 13 10	4 5 6	1 4 10	1 2 7	1 2 7	1 2 7	1 2 7	1 2 7
December.....	0 13 10	4 1 2	1 4 10	1 2 7	1 2 7	1 2 7	1 2 7	1 2 7
Average.....	0 13 8	4 1 1	1 18 7	1 2 8	1 2 8	1 2 8	1 2 8	1 2 8

Severe sacrifices have had to be made all round in the successful effort to recapture markets. Low freights have assisted. The destination of our European coal exports is shown in the following table:—

EXPORTS of COAL, COKE, and MANUFACTURED FUEL from the UNITED KINGDOM.

To—	Quantity.			Value.		
	1913. Tons.	1921. Tons.	1922. Tons.	1913. £	1921. £	1922. £
Russia.....	5,998,434	138,878	584,069	4,336,582	225,901	720,412
Sweden.....	4,563,076	1,232,304	2,522,820	3,032,459	1,972,992	2,845,846
Norway.....	2,298,345	694,216	1,566,365	1,447,355	1,124,178	1,631,180
Denmark.....	3,034,240	1,803,581	2,866,233	1,990,740	2,987,243	3,109,873
Germany.....	8,952,328	817,877	8,345,606	5,327,733	965,460	8,492,500
Netherlands.....	2,018,401	1,787,678	6,067,789	1,260,863	2,566,176	6,390,010
Belgium.....	2,031,077	618,066	3,489,404	1,176,130	849,679	3,581,153
France.....	12,775,909	6,396,651	13,579,417	8,074,053	11,148,459	15,725,767
Portugal.....	1,201,722	436,365	784,356	877,827	704,676	882,715
Azores and Madeira.....	154,359	19,202	95,222	126,507	38,296	115,171
Spain.....	2,534,131	1,021,472	1,711,021	1,811,246	1,914,018	2,040,507
Canary Islands.....	1,114,629	160,304	594,815	847,085	241,777	614,002
Italy.....	9,647,161	3,383,063	6,341,743	6,887,721	6,998,404	7,807,739
Austria.....	1,056,634		3,373	724,237		2,360
Hungary.....	727,899	248,554	428,617	540,875	492,094	501,493
Greece.....	1,281,664	455,364	1,032,282	873,190	712,425	1,222,896
Algeria.....	149,107	48,730	119,377	132,561	105,734	139,035
French West Africa.....	233,015	107,022	193,687	203,098	209,451	228,988
Portuguese W. Africa.....	588,526	22,624	81,311	500,380	70,505	109,604
Chili.....	1,886,871	242,223	1,013,221	1,681,475	367,304	1,214,315
Brazil.....	723,936	221,417	502,533	616,413	499,506	615,384
Uruguay.....	3,693,572	887,344	2,021,052	3,090,000	1,572,771	2,490,360
Argentine Republic.....	167,862	113,964	160,636	122,453	222,592	227,100
Channel Islands.....	354,702	367,750	689,438	256,102	654,543	793,356
Gibraltar.....	700,111	266,108	214,396	519,089	439,039	252,839
Malta.....	3,162,477	1,017,748	1,743,643	2,368,205	1,888,665	2,093,986
*Egypt.....	181,204	70,073	92,694	154,330	132,902	114,871
Anglo-Egyptian Sudan.....	179,192	531,561	999,154	146,696	808,505	1,144,085
Aden & Dependencies.....	239,657	140,307	232,675	203,394	252,229	278,616
British India.....	1,749,877	1,462,453	6,168,125	1,398,359	2,843,826	7,214,936
Ceylon.....						
Other countries.....						
Total.....	73,400,118	24,660,552	24,931,853	50,727,252	42,951,591	72,529,500

Total of Coal shipped for the use of steamers engaged in the foreign trade..... 21,023,683 10,926,444 13,840,360

*Including Anglo-Egyptian Sudan in 1913.
†Coal shipped for the use of steamers, &c., not being an export in the ordinary acceptance of the term, the value thereof is not included in these returns.

IRON AND STEEL.

The past year, though not so bad as 1921, has been a dark and difficult year. Opening with conditions of depression unparalleled, both in character and intent, in the whole history of the industry the year has been marked by a long, slow struggle, which, at its close, can be seen to have been moving gradually upward. Looking back over the two years 1921-23, it is possible to discern the months round about the coal lock-out of 1921 as the bottom point in depression, from which, by stages almost imperceptible at the time, the industry has been climbing at the cost of very heavy sacrifices.

The close of the war found the iron and steel trade, regarded as a whole, with a productive capacity immensely

greater than it possessed in 1913; and markets, on the other hand, were restricted to a point far below that normal in pre-war years. At the same time, the productive capacity of the United States had expanded in like measure. To these two main general causes the disastrous slump reflected in unemployment and wage reductions, declining output, and disappearing profits must be referred. In 1922, as in 1921, the process of recovery was retarded by the state of Europe, with the consequent curtailment of buying power and the general depression at home. In the year just passed particular adverse factors were the protracted engineering and shipbuilding stoppages of April, May, and June. In the shipbuilding slump the whole iron and steel trade and all its affiliated industries (engineering, electricity, &c.) was involved. Normally, shipbuilding and marine engineering account for 30 per cent. of the home consumption of iron and steel goods.

	Output.		Export.	Prices, Export.		Unemployment.
	Pig Iron.	Steel Ingots & Castings		£ s d	%	
1913.....	10,250,000	7,660,000	4,969,224	Pig I. 15 13 0	...	...
1920.....	8,007,900	9,056,800	3,251,225	Rls. 24 10 6	...	...
1921.....	2,611,400	3,624,800	1,700,407	Pig I. 7 4 0	...	...
1922—January.....	288,000	327,500	253,354	Pig I. 4 10 0	29.2	37.0
February.....	300,100	415,000	226,616	Rls. 10 2 9	27.6	33.6
March.....	389,800	549,400	295,820	Pig I. 5 0 9	25.4	31.4
April.....	394,300	404,200	258,413	Pig I. 4 11 3	26.5	33.5
May.....	407,900	462,300	272,437	Rls. 9 1 4	22.1	30.9
June.....	369,200	400,200	236,298	Pig I. 4 10 0	29.2	37.0
July.....	399,100	473,100	251,743	Rls. 10 2 9	27.6	33.6
August.....	411,700	520,800	269,983	Pig I. 5 0 9	25.4	31.4
September.....	430,300	555,900	347,128	Pig I. 4 11 3	26.5	33.5
October.....	481,500	565,200	351,595	Rls. 9 1 4	22.1	30.9
November.....	493,900	600,800	383,998	Pig I. 4 10 0	29.2	37.0
December.....	533,700	546,100	353,728	Rls. 10 2 9	27.6	33.6
Total.....	4,899,500	5,820,500	3,504,113			

So far as foreign trade is concerned, high production costs hampered our firms in competition, especially with Germany and Belgium, though the U.S. transport strike gave them a brief spurt in the autumn. From this point of view, the story of 1922 is one of a steady and continuous effort, involving very severe sacrifices on the workers' part, to reduce costs. If this effort has not yet gone far enough, the reason lies in circumstances over which manufacturers have no control—i.e., heavy taxation and heavy transport charges. Whereas the selling price of steel is only 25 per cent. above pre-war, railway rates still vary from 60 per cent. to as high as 200 per cent. above for iron and steel, coal, and various other raw materials required for the industry. The result is that, as Sir Arthur Dorman has just put it, the bulk of the heavy steel produced in this country to-day is being made at a heavy loss. The sacrifices of the workers are sufficiently indicated by the fact that although throughout the year nearly a quarter of the men in the whole iron and steel trades have been unemployed, the average wage has been reduced from £5 7s 11d per week in 1920 to £2 17s 8d in 1922.

Production statistics, taking output as a whole, afford reasonable ground for hope that these sacrifices have not been in vain. The unemployment figure has fallen steadily from 37 per cent. in January to just over 22 per cent. in December. Output of pig-iron has climbed from 288,000 tons in the first month of the year to 533,700 in the last; of steel from 327,500 tons to 546,100. The year's pig-iron production is close on five million tons, against just over 2½ million tons in 1921; of steel, 5.8 million tons, against 3.6 million. It is true that these figures are painfully relative; in 1913 our output of pig-iron was 10,250,000 tons; of steel, 7,664,000. The year's production of pig-iron is, with the exception of 1921, the lowest recorded for over fifty years; of steel, the smallest aggregate for 14 years, and nearly 4 million tons behind the 1917 maximum. Nor can one overlook the fact that the North-East Coast steel production for 1922 is actually less than in 1921, owing to the unprecedented shipbuilding slump; that the number of furnaces in blast, at the close of the year, was barely half the normal average capacity. The best that can be said is that, even then, the year closes more hopefully than it began; our figures, read in comparison with those for the United States, give ground only for such qualified optimism.

THE WORLD'S PRODUCTION OF IRON AND STEEL.

Countries—	(Tons of 2,240 Lbs.)			
	1913.	1920.	1921.	1922.
United States.....	30,600,000	36,401,000	16,506,000	26,500,000
Great Britain.....	10,260,000	8,035,000	2,611,000	4,865,000
France.....	5,128,000	3,380,000	3,308,000	4,900,000
Belgium.....	2,428,000	1,112,000	862,000	1,560,000
Luxembourg.....		696,000	955,000	1,625,000
Sweden.....	718,000	463,000	304,000	350,000

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Banco Francés de Chile, Santiago.
Banco Francés & Italiano de Colombia, Bogotá, etc.

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Deposits—Lire 5,175,000,000

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Authorised Capital	£20,000,000
Issued and Paid-up Capital	£15,592,372
Reserve Fund	£3,250,000
Deposits (31st Dec., 1922)	£303,185,535

EXECUTORSHIPS AND TRUSTEESHIPS UNDERTAKEN.

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Manchester Foreign Branch - 94, Portland Street, Manchester.

Affiliated Banks:

BARCLAYS BANK (OVERSEAS) LIMITED: Principal Office, PARIS.
THE BRITISH LINEN BANK: Head Office, EDINBURGH. 164 Branches in Scotland.
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Branches in Egypt and Palestine. Also at Gibraltar, Malta and Khartoum.

Pig Iron—Continued.				
Countries—	1913.	1920.	1921.	1922.
Germany.....	19,000,000 ..	5,568,000 ..	6,096,000 ..	6,500,000 ..
Austria.....	2,343,000 ..	100,000 ..	222,000 ..	305,000 ..
Czechia.....	640,000 ..	535,000 ..	535,000 ..	345,000 ..
Russia.....	4,484,000 ..	15,000 ..	115,000 ..	125,000 ..
Japan.....	700,000 ..	654,000 ..	310,000 ..	310,000 ..
China.....	..	..	600,000 ..	500,000 ..
World total, includ'g other countries not listed above	76,594,000 ..	58,854,000 ..	54,700,000 ..	49,790,000 ..
Steel Ingots & Castings.				
United States.....	31,300,000 ..	42,100,000 ..	19,744,000 ..	33,750,000 ..
Great Britain.....	7,664,000 ..	9,067,000 ..	5,626,000 ..	5,800,000 ..
France.....	4,614,000 ..	3,002,000 ..	3,010,000 ..	4,365,000 ..
Belgium.....	2,428,000 ..	1,216,000 ..	780,000 ..	1,460,000 ..
Luxembourg.....	..	588,000 ..	747,000 ..	1,375,000 ..
Sweden.....	582,000 ..	475,000 ..	203,000 ..	300,000 ..
Germany.....	18,631,000 ..	6,624,000 ..	8,700,000 ..	9,000,000 ..
Austria.....	2,584,000 ..	125,000 ..	323,000 ..	630,000 ..
Czechia.....	..	1,000,000 ..	835,000 ..	..
Russia.....	4,768,000 ..	45,000 ..	161,000 ..	215,000 ..
Japan.....	..	470,000 ..	558,000 ..	460,000 ..
China.....	..	..	150,000 ..	120,000 ..
World total, includ'g other countries not listed above	74,629,000 ..	67,145,000 ..	41,861,000 ..	61,000,000 ..

Prices.—The average ascertained selling price of Cleveland G.M.B. and of steel bars and angles in the last ten years is shown in the table below:—

Year.	Cleveland G.M.B.	Bars.		Steel Angles.		Average.	
		s	d	s	d	s	d
1913.....	60 0/460	7 10	10/91	7 3	4/53	6 16	9/12
1914.....	51 1/670	6 16	11/51	7 3	4/53	8 6	9/52
1915.....	60 0/000	8 8	0/87	9 8	8/68	11 1	11/91
1916.....	62 10/180	12 4	9/53	11 8	2/87	13 11	9/53
1917.....	94 5/110	13 11	9/76	13 10	10/71	14 10	9/07
1918.....	113 4/930	14 10	7/91	14 16	5/45	20 12	3/80
1919.....	144 11/950	20 9	1/76	22 12	8/80	27 17	1/04
1920.....	205 5/225	27 17	1/21	27 15	2/56	20 16	9/01
1921.....	141 11/400	20 16	2/59	22 12	10/99	..	..
1922.....	88 1/700	11 7	7/95	12 2	11/38	11 7	9/41

On the export side the iron and steel trade shows a real advance, notably during the latter months of 1922. This improvement has been made at a heavy sacrifice, and the *Iron and Coal Trades Review* wrote (January 19, 1923):—"Manufacturers cannot long afford to continue operations by spending capital to keep their works open merely to provide employment. Unless substantial relief is soon forthcoming from the burdens at present bearing heavily on the industry, there is danger of works having to close down, not through lack of orders, but through the inability of firms to cover working expenses at prices which must be quoted if foreign orders are to be secured in face of the enormous advantages that continue to favour European manufacturers." Fortunately, European competition is limited by uncertainty of delivery, and American did not materialise in any serious form in 1922. The following table, from the Cleveland *Iron-Trade*, shows no such great discrepancy between United States and United Kingdom exports as there is between their outputs:—

MONTHLY EXPORTS OF IRON AND STEEL, INCLUDING SCRAP, FROM GREAT BRITAIN AND THE UNITED STATES.

Month.	1921.		1922.	
	Great Britain.	United States.	Great Britain.	United States.
January.....	233,144 ..	547,394 ..	261,119 ..	160,920 ..
February.....	167,158 ..	393,328 ..	228,370 ..	133,975 ..
March.....	149,647 ..	304,636 ..	311,654 ..	268,843 ..
April.....	161,508 ..	162,592 ..	274,442 ..	198,830 ..
May.....	101,202 ..	142,551 ..	300,981 ..	230,062 ..
June.....	66,301 ..	119,081 ..	249,089 ..	212,295 ..
July.....	64,001 ..	86,523 ..	251,743 ..	157,169 ..
August.....	79,161 ..	75,627 ..	281,954 ..	145,640 ..
September.....	134,248 ..	36,169 ..	289,344 ..	129,475 ..
October.....	161,683 ..	106,583 ..	354,595 ..	132,924 ..
November.....	202,059 ..	122,390 ..	383,998 ..	..
December.....	211,314 ..	134,415 ..	353,728 ..	..

The next table compares iron and steel imports and exports in half-yearly periods in 1921 and 1922, and shows that the imports excess of the latter half of 1921 has been converted into a satisfactory balance on the favourable side:—

RELATIVE IMPORT AND EXPORT TONNAGE OF IRON AND STEEL, INCLUDING SCRAP, DURING 1921 AND 1922.

Period.	Imports.		Exports.	
	Tons.	Tons.	Tons.	Tons.
Six months ended June 30, 1921.....	847,087 ..	879,130 ..	32,043 ..	..
Six months ended December 31, 1921.....	985,721 ..	859,486 ..	125,235 ..	..
Six months ended June 30, 1922.....	450,966 ..	1,625,639 ..	1,176,669 ..	..
Six months ended December 31, 1922.....	535,640 ..	1,930,126 ..	1,394,486 ..	..

MINOR METALS.

SILVER.

We extract the following from Messrs Samuel Montagu and Co.'s Annual Bullion Letter:—

No events of special interest have taken place in the year under review. The weekly chronicle has been a monotonous report of purchases for India or China, or for both, the demand, with the exception of that for trade requirements, having been almost entirely from these countries. Occasionally, however, especially during the earlier part of the year, America was disposed to check a sagging tendency by temporarily taking silver off the market. The range of prices compared with those of recent years has been narrow,

7d for cash and 7½d for two months' delivery. The welcome improvement in the value of sterling in the United States of America has not tended to improve the price of silver, for a considerable portion of our supplies is, of course, derived through American channels. Two items are worthy of remark—the huge accumulation of coined rupees in the Indian Treasuries, and the high level at which China visible stocks have been maintained (about 60,000,000 ounces) until the close of the year.

The price of silver on the first working day—January 3rd—was 34½d for cash and 34½d for two months' delivery, about 2½d and 2d respectively below the average quotations of 1922. Fluctuations during nearly all the first two months ranged between 34½d and 35½d. In the early part of February the market became unsettled owing to the fear in the Indian bazaars that a duty was likely to be reimposed on the import of silver, and 32½d and 31½d were reached on March 2 for the two respective deliveries. This spasm of weakness did not last much more than a week. A steady improvement set in during the month of March, which carried the cash price over 34d. After some slight set-back, pressure of purchases for the Bombay April settlement, coincident with a run upon some of the China banks owing to fears of civil war, caused a very sharp rise of 2½d on the 19th, bringing the quotations to 35½d for both deliveries. Of this leap 1½d was lost next day, but the tendency of the market remained good. From the commencement of the month of May, owing to persistent demand from China, where political affairs were much disturbed, prices showed a distinct tendency to advance. By the 22nd of the month 37½d was quoted for both deliveries—the highest price fixed during the year. Until the middle of July prices were well maintained for cash delivery, mostly between 36½d and 35½d. During the next three months the level was about a penny lower, but the last three months of the year, chiefly owing to the cessation of activities at the Canton Mint, witnessed a more or less continuous decline, during which the lowest quotation of the year for cash was recorded on December 15th—30½d, and on December 22nd—29½d for two months' delivery.

The silver output of the world is on the increase. Canada is producing nearly half as much again as last year, and encouraging reports are received as to the discovery of new mine-fields. Mexico has been enjoying freedom from civil strife, and the mining industry has gone apace, probably to the extent of creating a record output. Miners in the United States of America have strained every nerve to extract silver from silver-bearing ores, in order to profit by the dollar an ounce, the price under the Pittman Act, a valuable bonus of about 50 per cent. over the world market price. The approaching end of repurchases of silver under this Act (only some 60,000,000 ounces more are needed) causes some fluttering in the dovecotes of the U.S. mining interests, but there is no talk of reviving bimetallism. Visible stocks of gold are really in excess of the world's absorption at present, and there is no advantage in the purchase of silver for currency purposes, for payment would have to be made in gold, which would have to be purchased first. In the present impoverished condition of Europe, it is likely that an artificial coinage value will be imparted to metals less expensive to acquire.

Now that silver is forthcoming from demonetisation as well as from mining, it is necessary to combine the amounts derived from each source in order to arrive at the grand total of world supplies. A good deal of demonetised metal is undoubtedly employed on the Continent for industrial purposes, as well as shipped to London for sale, so it is only possible to make a rough estimate of such supplies. Assuming that the amount of Continental demonetised silver about equals that obtained from the partial demonetisation taking place within the British Empire, we estimate the combined total as 50,000,000 ounces. The figures work out thus:—

Demonetisation.		Ounces.
Production—		50,000,000
Mexico.....		..
U.S.A.....		75,000,000
Canada.....		60,000,000
Burma.....		17,000,000
Rest of world.....		5,000,000
Total.....		30,000,000
Grand total.....		187,000,000

This, be it observed, is considerably in excess of the record world production in 1911—namely, 226,000,000 ounces. The Federal Reserve Board's estimate of the 1921 production was as follows:—

United States of America.		Ounces.
Canada.....		50,000,000
Mexico.....		10,000,000
Other countries.....		70,000,000
Total.....		165,000,000

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UNITED KINGDOM.—IMPORTS AND EXPORTS OF BAR SILVER,
TWELVE MONTHS ENDING DECEMBER 31, 1922.

	Imports. Ounces Troy.	Exports. Ounces Troy.
Netherlands	2,432,677	2,013,170
Belgium	1,530,757	139,112
France	3,343,804	2,385,166
China (including Hongkong)	23,809,992	21,682,030
United States of America	322,786	176
Other American countries	81,882	70,053
Egypt	3,658,968	45,927,546
British India	5,093,499	1,481,317
Canada		
Other countries		
Total	40,274,365	73,698,570

On balance about 8,000,000 fine ounces of silver in the form of coin were imported. The surplus bar silver exported was derived from the reduction in quality of U.K. silver coin.

A fair estimate of the world stocks at the end of 1922 is as follows:—

	Ounces.
London	1,000,000
Shanghai (including dollars)	50,000,000
India	3,000,000
On the sea (from and to London and from San Francisco)	11,000,000

COPPER.

The following figures show the comparatively steady condition of the copper market during the past year. The quotations are for standard cash:—

	Jan. 1.	Highest.	Lowest.	Closing.
	£ s d	£ s d	£ s d	£ s d
1921	71 12 6	75 12 6	65 5 0	66 17 6
1922	65 17 6	66 2 6	57 2 6	64 2 6

There is plentiful evidence that the course of values on the copper markets during the past year has not come up to the expectations of most of the producers in America. In January spot electrolytic in New York stood at 13.75 cents per lb, and the situation in the United States appeared to be definitely improving, several mines being on the point of resuming operations. Prices throughout remained very steady, and although the low point of 12.62½ cents in April caused some depression, it proved short-lived, as by mid-summer 14.12½ cents was recorded, from which level the price has since only slightly receded, closing strong at 14.62½ cents per lb. In spite of the broadening demand, prices have not been forced up unduly, with the result that there has been a comparatively steady turnover, whereas in former years each wave of buying was met by an increase in price, which promptly scotched the demand.

A feature of the year was the actual shortage of copper for domestic use in the United States, and in May 14.12½ cents was freely paid for electrolytic for home consumption. During the coal stoppage and the railway trouble the United States mines and refineries continued active, while the consuming trades operated on a far larger scale than in pre-war days. Export business, which had been fairly satisfactory for the greater part of the year—with Germany the best customer—began to fall off in October, and this, combined with the increasing outputs of South American mines, caused some apprehension in leading copper circles in the United States, though the purchase of a controlling interest in the Chile Copper Company by the Anaconda Company has to some extent quieted the fears of some United States producers.

On the London standard copper market comparatively steady conditions have prevailed, and price movements have been extremely narrow. The best price of the year was obtained in January with cash at £66 2s 6d, dropping to £57 2s 6d, the lowest, in early April. The demand for British-manufactured copper goods was very poor in the early days of the year, and buying of the virgin metal was slow, but an improvement gradually set in, and the turnover each month has been generally satisfactory. The con-

ditions during the whole period have been healthy, and a very real help to the market has been the absorption of the huge stocks of war scrap, which weighed so heavily upon the market in the previous year.

The refined copper market has, as usual, been peculiarly sensitive to the fluctuations in sterling exchange. Electrolytic was at its best in January, the quotation standing at £74, falling about £10 by April, after which prices moved only fractionally, closing at £71.—*Glasgow Herald*.

LEAD.

The feature of the year in the lead market was the very heavy backwardation, which has prevailed over a long period. Commencing in January with a premium of 2s 6d on good soft foreign near dates, the price of which then stood at £24 7s 6d, values fluctuated within a narrow range until October, when the extreme stringency of near metal forced the price up to £27, thus showing a premium of 30s. over forward, which was quoted at £25 10s. The following shows the range of prices for foreign prompt compared with last year:—

	Jan. 1.	Highest.	Lowest.	Closing.
	£ s d	£ s d	£ s d	£ s d
1921	24 5 0	26 0 0	16 10 0	25 12 6
1922	24 7 6	27 0 0	19 10 0	25 15 0

Although the price of lead has been well above pre-war parity, there is no indication that prices will fall to a lower level. The advanced basis of values has no doubt done something towards stimulating production, but supplies are still far from adequate. Until 1897 Spain was the principal lead producer, when it was surpassed by the United States, which is now the largest producer and consumer, Spain and Australia being the principal exporters, though the United States has shipped considerable quantities of lead produced from Mexican ore. The Australian output has been seriously curtailed by labour troubles and high costs of production. In the absence of an adequate domestic supply the United Kingdom is the world's largest importer. Stocks of lead in official warehouses at the end of November totalled at only 198 tons, the smallest stock of the year, and at no time were they larger than 686 tons.

Supplies from Spain have been disappointingly small, but shipments from Australia show a tendency to increase. Pending a substantial increase in supplies, values are expected to remain steady around the present level.

Lead has held the strongest position of the non-ferrous metals in America, commencing the year at 4.75 cents per lb; prices rose month by month until they are now at practically the highest point of the year at 7.22½ cents per lb.—*Glasgow Herald*.

TIN AND TINPLATE.

TINPLATE.—The following is extracted from the annual report of Messrs Sim and Coventry: During the year 1922 the tinplate trade has passed through somewhat varied experiences. The efforts of the masters to win through have been well seconded by the workmen, who have shown an ability to realise the facts of the situation. The Joint Council has once again more than justified its existence during the year. One consequence of this co-operation has been the gradual recovery by Welsh makers of their old markets, a process which has made considerable progress during the year.

The year 1922 opened under rather depressing conditions, and in the early months of the year the trade was distinctly under a cloud, some 60 to 75 per cent. of the mills being at work from time to time, and some works were reported as altogether closed for a period. It should be borne in mind, by the way, that the average output per mill has been considerably increased, so that when we read, e.g., that the number of mills working is 75 per cent. of pre-war,

FERRIER LULLIN & CIE.

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Capital Subscribed	- - - -	£18,791,120
Capital Paid Up	- - - -	2,348,890
Reserve Fund and Surplus Profits	- - - -	1,626,099
Deposits, etc., at 31st Dec., 1922	- - - -	68,301,352

335 BRANCHES AND SUB-BRANCHES.

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ESTABLISHED 1833.

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this probably means that the total output is substantially the same as pre-war.

In May the idea of the pool system was revived among the makers, and the pool came into force shortly afterwards, when there were about 70 per cent. of the mills working. The new move apparently strengthened the position somewhat for a short time, but the trade was not by any means in a satisfactory state, and in September we were told that unless there was an improvement shortly many mills would have to close, the depression being acute and prices not covering cost.

On October 16th a conference took place between the steel makers and tinplate makers, when a scheme was propounded, discussed, and finally adopted with something like unanimity, which has resulted so far in putting the makers in a much improved position. The scheme is a joint one, including steel makers and tinplate makers, and involves a special rebate of 7s 6d per ton from the former to those tinplate makers in the agreement, which binds them to observe minimum selling prices, to be fixed by a committee from time to time. Previous attempts by Welsh makers to stabilise prices artificially have been hopeless failures, but there appears to be an element of permanence in the present scheme, which may avoid the inevitable rocks and shoals which have wrecked similar efforts in the past. For the time being, at any rate, it has produced a healthier state of affairs—the real testing time will come when the amount of available business is markedly insufficient to go round.

The American mills have been kept busy during the year, probably more so, on the whole, than our own. They were reported to have practically 90 per cent. of their mills at work in January, and this means a good deal when it is realised that the capacity of the United States works increased in the eight years from 1914 to 1922 by 40 per cent. In July it was stated that their exports had considerably decreased, and yet in December they were reported as working to almost their full capacity, so that it would appear that the American consumption must have been very large, especially as we ourselves have increased our exports to the States, and have also supplied so much to Canada that used to come from them. About 70 per cent. of their consumption is supposed to be used in the packing of food.

Prices.—This has been a year of very small fluctuations, the extremes being 18s 3d to 18s 6d in March, and 20s in December. Opening at 19s 9d, the price gradually gave way by successive small reductions, owing to the scarcity of orders, until the lowest limit was reached in March. An improvement followed, which carried the price to 19s 6d, or 19s 9d, in June, only to gradually recede once more to about 18s 7½d in October. Then came the stabilising agreement, under the influence of which the market has shown a much firmer front, and the schedule minimum price of 20s is frequently over-quoted. The present indications point to the probability of a further advance before long.

Bars.—There has been very little fluctuation in price during the year. During the first half of January the official price was reduced from £7 15s to £7 7s 6d, and has continued at this figure to the end of the year, with the special rebate arranged in October, as mentioned above. In December it was announced that the price would be advanced to £7 13s 9d in January. In April the makers decided to quote the same price for delivery to all works in South Wales and Monmouthshire.

The import of foreign bars has not been so large as in 1921, but in early October, just before the date of the stabilising agreement, they had been done at about £6 per ton, c.i.f. The agreement, however, has put a serious obstacle in the way of foreign bars, as it binds the tinplate works to the home steel makers, if they are to secure their 7s 6d per ton rebate.

Wages.—There has been only one change during the year. For the three months up to February 5th the men were working on a 10 per cent. sliding scale bonus, plus 7½ per cent. on base rates special allowance. On February 5th the 10 per cent. bonus was cancelled, leaving the 7½ per cent. allowance, and this arrangement has continued up to date. As mentioned in our last report, the base rate was increased by 25 per cent. in July, 1920.

As is known, the tinplate wages are based on the price of steel bars, and although the present price would not carry any wage bonus under the agreement, the tinplate makers recognised that its cancellation would reduce the wages to an inadequate margin with the present cost of living, and agreed to allow the bonus to stand, when it would otherwise have disappeared automatically.

Tin.—The fluctuations in the tin market have been even smaller than in 1921, the extreme limits being about £50 apart, viz.:—£140 on February 21st, and £187 7s 6d on November 6th. The average prices for the four quarters of the year were:—January to March, £152 1s 2d; April to June, £150 16s 10d; July to September, £158 14s 9d; October to December, £176 3s 11d; the yearly average being £159 9s 2d.

There has been a good deal of agitation during the year with regard to Cornish tin mines, resulting in the Government coming to their aid with a grant, upon terms, in one or two specific cases. The rise in value ought to help the mines to hold their own; in fact, it was stated in December that several were reopening, and it is to be hoped that it may be found possible to continue the industry there on an economic basis, which, after all, is the only sound policy. The chairman of one of the mines stated that they would make a profit at £150 per ton. This seems to be much on the same basis as in the Malay States, where appreciable profits, we are told, can be made at £160 per ton.

Exports.—A remarkable recovery in these figures is shown, foreshadowing a rapid return to pre-war quantities. Our best customer is still British East Indies, closely followed by Canada, whose increased takings are very noteworthy. There is a large increase to Germany, and the only countries showing a diminution are Japan and China. The large increase to European countries are very striking, considering the unsettled conditions that have prevailed.

	1913.	1919.	1920.	1921.	1922.
	Tons.	Tons.	Tons.	Tons.	Tons.
British East Indies	68,817	33,780	51,559	40,014	51,312
Canada	9,889	500	957	3,126	41,895
Australia	28,961	36,033	47,356	18,296	37,806
France	21,332	34,357	50,566	6,512	32,227
Netherlands	43,009	16,032	21,598	20,541	30,052
Belgium	13,363	8,701	17,032	8,078	19,172
Germany	34,739	309	1,874	233	18,468
Argentine Republic	19,323	5,701	1,148	3,147	17,777
Norway	29,168	20,164	12,761	5,008	17,231
Portugal	17,452	17,452	18,585	3,871	16,804
Japan	28,223	13,222	9,958	21,802	16,165
Italy	20,418	6,056	16,073	4,471	16,089
China	21,691	7,535	17,118	16,112	15,341
Roumania	10,927	2,574	1,004	4,069	7,066
United States	21,516	254	625	862	2,936
Russia	9,921	1,303	1,504	24	528
Other countries	102,330	85,449	73,360	70,284	107,439
	494,497	289,462	353,058	226,440	448,907

The stock of tin plates, terneplates, and blackplates at Swansea on December 31st was:—1919—185,141 boxes and bundles; 1920—159,596 boxes and bundles; 1921—140,059 boxes and bundles; 1922—204,226 boxes and bundles.

SHIPBUILDING AND SHIPPING.—VI. SHIPBUILDING.

	Output. (Ex. Warships) Tonnage Under Construction.	Export. Tonnage Launched.	Prices. Per Ton.	Unem. Employment.	Ship- wrights' Earnings.
1913	Average 1,890,000	1,932,152	£ 8 4	..	..
1920	(End) 3,796,593	2,055,624	5 8 0	..	41 4
1921	(End) 2,640,319	1,538,052	8 10 0	..	91 3
1922—January	2,235,998	..	..	..	..
February	(actually laid down 51,343)	334,246	8 5 0	35 2	..
March	1,919,506	..	..	36 3	..
April	(actually laid down 38,777)	158,316	5 4 6	39 3	..
May	1,617,046	..	..	36 8	..
June	(actually laid down 62,428)	307,232	..	37 1	..
July	1,468,599	..	..	36 3	..
August	(actually laid down 231,187)	231,257	..	37 6	..
September	..	..	..	..	..
October	..	..	..	..	..
November	..	..	..	..	..
December	..	..	..	..	..
	..	1,031,081	..	..	..

The basic fact which has kept the shipbuilding industry, and the other great industries largely dependent upon it, notably iron and steel and engineering, in the trough of depression throughout the course of 1922 is the actual excess of tonnage in the world. This excess was due in the first instance to the immense increase in the output of tonnage during the latter half of the war, especially in the United States. In the nine years 1905-13, 22½ million tons were added to the world's merchant navies by new construction. In the nine years 1914-22 the total addition was nearly 34 million tons. The position at the end of the war was aggravated by the Treaty provision compelling Germany to hand over its fleet. Germany has been building feverishly to replace this lost tonnage, and is the only country whose output of ships does not show a substantial decrease.

During 1922 235 steel merchant vessels of 1,031,081 tons have been launched in Great Britain and Ireland, or 506,971 tons less than in 1921. This represents 41.8 per cent. of the world's output, against 35.5 per cent. in 1921, 58 per cent. in 1913. Lloyd's Register quarterly returns show that at the opening of the year 2,640,319 tons were under construction in Great Britain and Ireland. These figures—the lowest since June, 1919—show a reduction of 1,158,274 tons as compared with the record reached at the end of March, 1921. The returns issued during 1922 showed a steady decrease quarter by quarter, and the tonnage under construction at the end of 1922, viz., 1,468,599 tons, is 1,171,720 tons lower than the total in hand at the end of 1921. The total decrease in the tonnage under construction in Great Britain

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MONEY AT CALL AND SHORT NOTICE 7,741,500
INVESTMENTS 8,671,872
ADVANCES, &c. 4,686,104
Balances with and cheques in course of collection on other Banks in the United Kingdom 1,206,137

30th December, 1922.

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LAURENCE CURRIE.
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Sir H. A. LAWRENCE, K.C.B.
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and Ireland during the period of 21 months (March, 1921-December, 1922) amounts to no less than 2,329,994 tons. The following table shows the output of the world:—

	1921.			1922.		
	Vessels.	Tons.	I.H.P.	Vessels.	Tons.	I.H.P.
England	466	897,365	733,230	339	501,740	382,355
Scotland	313	580,216	515,458	190	446,997	363,111
Ireland	25	118,691	70,100	13	94,853	69,000
Dominions	804	1,596,272	1,318,788	542	1,043,590	812,466
Empire	181	153,490	78,576	121	78,817	32,147
Foreign	985	1,749,762	1,397,364	663	1,122,407	845,613
Foreign	1,422	3,440,691	3,155,279	1,300	1,865,479	1,667,163
	2,407	5,190,453	4,552,643	1,963	2,987,886	2,512,776

The United Kingdom retains its place as the first shipbuilding country in the world—a place which America threatened to claim in its great year or two of war work. The United States now takes third place, with a total much less than half that of Germany, and a very little more than that of Holland. Last year America had more than double the tonnage of Germany, while Japan followed Germany closely. The following is the order of the leading countries:—

	Vessels.	Tons.	I.H.P.
United Kingdom	542	1,043,590	812,466
Germany	240	631,485	356,080
United States	178	259,747	319,135
Holland	402	245,168	98,269
France	136	220,049	127,372
Japan	101	149,587	383,064
Italy	64	117,900	99,250

Like the United Kingdom as a whole, the River Clyde keeps its old-time position of supremacy in output, although with a very low total as compared with those of recent years. The Tyne is closer up than it usually is, but it is still behind by over 140,000 tons, while the whole of the North-East Coast of England has only some 42,600 tons more than the Clyde. The Clyde has more tonnage than any foreign country, with the exception of Germany:—

	1921.			1922.		
	Vessels.	Tons.	I.H.P.	Vessels.	Tons.	I.H.P.
The Clyde	249	511,185	478,760	143	388,481	345,729
The Tyne	73	356,947	283,202	46	241,649	188,610
The Wear	30	144,868	63,083	26	125,772	47,075
The Lagan	13	93,494	70,100	9	86,943	69,000
The Tees	34	160,508	133,800	21	63,656	68,560

The position on the Clyde is tragically typical of the whole shipbuilding industry. There has, according to the *Glasgow Herald*, been no year anything like so poor since 1897, when the output was only 340,347 tons, for even among pre-war years 1908 was exceptional, and its figures represent not a year of normal work, but one in which there was a sudden drop from what was then the record level of about 620,000 tons, to be succeeded later by year after year of fairly regular advance until the high-water mark of over three-quarters of a million tons was reached in 1913. The year now closing really takes the river back to the average level of between 20 and 30 years ago, when something less than 400,000 tons represented a very satisfactory amount of activity, and little or no unemployment in the industry. Now, such a total means that a large proportion of the producing capacity of the yards has not been utilised, and that there has been a very large amount of unemployment. It is hardly necessary to say that this interpretation of the figures is fully borne out by the facts. The industry was not working, and is not yet working, at half its maximum capacity, because the demands made upon its resources were not half what they would require to have been.

Throughout the year unemployment has been severe in shipbuilding and engineering. In no month throughout the twelve has it been under 34 per cent.—which means that one man in every three is out of work—and still stood at 35.6 at the close of the year, when of the 358,640 persons employed in the industry, 127,547 were registered as unemployed. This heavy toll of unemployment has been accompanied by drastic reductions in the wages of the men remaining unemployed. The whole of the 26s 6d war bonus has been sacrificed, and since January, 1921, shipbuilders' wages cut by 5s 7d per week.

The price of tonnage has suffered something of the same catastrophic fall. For instance, the average price of 70 steamers, many built during the last 10 years, sold in the first quarter of 1922 was £5 10s 11d per ton. Ninety-six vessels sold in the second quarter fetched an average price of only £5 8s 6d. In June, 1922, builders were accepting £8 5s per ton for a ready boat for whose cost they had quoted £10. Compare these prices with the £34 10s paid per deadweight ton in March, 1920, and it is plain that the construction of new tonnage was not throughout the year upon an economic basis—it did not, that is to say, allow a reasonable margin for contingent losses, let alone a fair margin of profit. All that can be said is that if the year closed without any general anticipation of an increase, the fear of a further fall was likewise excluded. The main factors making 1922 a black year in shipbuilding history unfortunately remain in operation—the excess of world tonnage, the reduction in the volume of international

trade, the instability of the European situation, and, above all, of its currency, and the disproportion between construction and operating costs and freights. Against these may be set the gradual recovery in British trade, and the reduction in wages, dock dues, and rail transport.

SHIPPING.

	Output, Tonnage Entered and Cleared	Time Charter.	Freight Index.	Unemployment.	
				S.	D.
1913	116,884,000	..	..	%	%
1920	73,108,000	..	..	..	..
1921	73,507,000	36.3	37.6	..	..
1922—January	6,825,080	29.9	33.0	28.8	22.9
February	6,471,450	29.9	33.6	23.9	24.3
March	6,051,377	29.9	33.3	21.2	22.4
April	7,497,154	28.4	31.0	19.7	22.2
May	9,201,997	26.9	32.5	19.0	21.5
June	8,796,595	26.1	29.83	18.8	20.4
July	8,869,870	25.4	27.8	19.8	19.6
August	9,849,461	25.4	27.6	19.9	18.9
September	9,434,296	25.4	26.7	19.8	19.6
October	9,714,774	23.9	28.1	19.9	19.7
November	9,402,482	24.7	29.9	20.8	18.9
December	8,863,401	24.3	31.0	21.6	18.4
	103,006,072	Avg. 26.6	29.7	..	..

The course of 1922, from the point of view of shipping freights, has been disappointing. High hopes were felt in the opening months of the year that the unrelieved blackness of 1921 had been definitely and permanently left behind, and steady rates in the first quarter seemed encouraging. In April, however, a break began. Rates fell down and down, until, in September, the impetus given to the carrying trade by the U.S. coal strike, coinciding with heavy grain shipments, arrested this tendency, and at the close of the year there was little but hope for charterers to feed upon. Throughout the year "it is doubtful whether the British mercantile marine earned on an average £5,000,000 a month" (*The Times*). The most hopeful feature in the year is the gradual recovery of our coal export trade, this more than any other circumstance brightens the 1923 outlook.

The underlying difficulty in shipping is the same as in shipbuilding. "The basic fact in the shipping situation," "Fairplay" wrote in June, 1922, "is that before the war 40,000,000 tons afloat were sufficient for the world's needs. This has been increased by 15,000,000 tons, whereas trade volume is down about 50 per cent. Though there are many millions of tons laid up, no vessel, so far as Great Britain is concerned, is earning a profit." In January, "Fairplay" was hardly more optimistic: "To-day there is a loss on every voyage, and every additional vessel will ultimately make the position worse."

For 1921 the average freight index (as prepared by the Chamber of Shipping on the basis of 1920 = 100) was 37.0; for 1922, 28.8; that is to say, the average freight for 1922 was 23.4 per cent. below 1921. Time charter rates for tramp shipping declined even more sharply, ranging for the year round 4s per ton, or 20 per cent. below the 1913 average of 5s. These figures register the fact that the actual improvement that took place in the volume of trade in 1922 was inadequate to provide for the excess tonnage (15½ million gross tons over 1914, 2½ million tons over 1921).

The reductions in passenger rates on the one hand and in dock charges on the other are to the good, but the general opinion is that expenses are still much too high. Confidence is shown by the fact that in 1922 £10,384,000 capital was subscribed to the shipping industry in the form of new issues, against £6 million in 1921. First-class shipping shares have also maintained themselves well, and in nearly every case closed below the highest level reached during the year.

ENGINEERING.

	Export. Tons.	Unemployment. %	Earnings.
1913	689,389	..	38/11
1920	461,663	..	Dec. 31, 89/6
1921	506,293	..	..
1922—January	39,762	26.6	..
February	34,884	26.2	..
March	44,621	26.9	..
April	30,089	27.9	..
May	22,068	27.2	..
June	16,251	25.4	..
July	24,111	23.5	..
August	35,638	22.7	..
September	15,201	22.9	..
October	37,121	21.9	..
November	41,714	22.1	..
December	42,041	20.6	..
	403,359	..	..

That the engineering year has been a dismal one follows from what has elsewhere been said of the iron and steel trade on the one hand and shipbuilding on the other. The strike of May-June coincided with the worst period of depression, both for employed and employers. The third and

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Capital Paid up - Lit. 150,000,000.
Reserves - Lit. 24,076,165.
Deposits (30th June, 1922) - Lit. 2,881,343,456.

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final instalment of the 12½ per cent. bonus to engineers was withdrawn on January 1, 1922, and the war wage addition to basic rates further reduced to 10s in three equal instalments in the summer, so that by the end of the year engineers had during 1922 sustained an average reduction of 24 per cent. in the case of skilled men, 32 per cent. in the case of labourers, on the 1921 time rates.

Measured in terms of output and export, the year has nothing much to show. The gradual increase in the export figures, the slow decline in unemployment, indicate a long and difficult struggle. From the technical point of view, on the other hand, progress is steady and real. Thus, to quote Professor Mellanby in the *Glasgow Herald*:—

MOTORS.

This industry, the trade surveys agree, is now suffering from over-production, as the home market cannot absorb the great variety and number of models turned out.

In addition to his home difficulties, the British motor-car manufacturer, despite the fact that he is protected by a 33½ per cent. import duty—on pleasure cars, that is—has to face considerable outside, principally American, competition. Imports have fallen away tremendously from the high level of 1920, when eager buyers took the first car to hand in preference to the long wait for British productions; but notwithstanding the lowering of values, more money went abroad for touring cars during 1922 than during 1921. Imports of motor cycles are, of course, relatively very small, and the British maker has far less outside competition to face.

On the export side, the tale is not cheerful. The export of motor-cars, never very large, has fallen off considerably during the year. There is a common opinion that English makers do not sufficiently study the needs of the Dominions and India. The price of spares and the large stocks which have to be carried to meet quick needs at great distances from the factories is no doubt another reason. There is good authority for saying that New Zealand is importing motor-cars every year to the value of over £1,500,000, practically every penny of which goes to America, partly because of the cheaper price of the American car, but also because of the better service system and the distribution of stocking and spare parts. In India, of course, the American car is everywhere.

The figures given in the Board of Trade Returns as to exports and imports for the 11 months ending November are instructive. They are as follows:—

IMPORTS (Eleven Months).				
	1920.	1921.	1922.	
Touring cars.....	7,037,157	1,204,870	2,119,743	
Commercial vehicles.....	3,092,484	615,187	164,761	
Chassis for motor cars.....	4,168,210	1,028,857	1,441,295	
Motor-car parts.....	7,720,704	2,739,152	1,765,174	
Totals.....	22,018,555	5,487,866	5,490,973	
Motor cycles and tri-cars.....	277,528	61,906	49,296	
Parts.....	113,081	120,648	63,177	
Totals.....	390,609	182,554	102,473	
Cycles and parts.....	419,888	168,569	214,500	
Tractors.....	660,129	458,682	35,619	
EXPORTS (Eleven Months).				
	1920.	1921.	1922.	
Motor spirit.....	233,113,971	287,563,943	22,529,542	19,271,966
Fuel oil.....	504,027,279	364,468,362	12,598,879	5,393,937
Motor cars and parts.....	7,435,512	4,333,271	2,490,915	
Motor cycles and tri-cars and parts.....	2,89,939	939,718	700,237	
Tractors.....	931,966	807,044	394,351	
Cycles and parts.....	4,473,938	1,666,208	1,924,334	

It will be seen that the imports of motor spirit have been much greater than in 1921, though at a lessened value, due to the fall in price. That decline in the price of petrol and the substantial fall in the price of cars have been the two outstanding features of the year.

With regard to commercial vehicles, the past year has unquestionably been a bad one. The wet summer season interfered greatly with road excursion traffic, and the indifferent state of trade generally has been reflected in the difficulties of motor transport organisations. The maker of commercial vehicles is still suffering from the effects of the disposal of the huge accumulation of transport vehicles after the war.

BUILDING TRADE.

The conditions of the building industry throughout the year presented a tragic paradox: on the one hand an acute housing shortage, on the other severe and continuous unemployment. The minimum estimate of the number of houses required to be built at the end of the year was half a million; the number of men out of work was round about 150,000 throughout the year. In every part of the country, both in industrial and rural areas, the dearth of working-class dwellings is acute, and producing most evil

social consequences; the demand for accommodation has, however, absolutely failed to call forth the supply. Before the war the provision of working-class housing by the speculative builders had become more and more precarious. The abandonment of Dr Addison's housing policy stopped building by local authorities. The main reason for the economic difficulty in the way of building is the excessively high price of materials. Bricks are still 80 per cent. above the pre-war price; cement, 70 per cent. above; Portland stone, 93 per cent. above; building timber is from 73 to 116 per cent. up; ground blue lias lime, 192 per cent.; best bricks, 124 per cent.; Thames ballast, 134 per cent.; Thames sand, 127 per cent.; and turpentine, 260 per cent. Wages, on the other hand, have been reduced from 2s 4d to 1s 8d per hour for skilled men, and, according to the *Yorkshire Post*, the improvement in the output of labour in the building trade, which was noted in 1921, was maintained during 1922. It is now fully equal to the pre-war standard, and as good as can reasonably be expected.

Broadly speaking, however, it must be said that, apart from big contract work, the trade, so far as it is concerned with ordinary house-building, remained during 1922 in the trough of post-war depression.

VII.—TEXTILES.

THE COTTON TRADE.

Cotton, unlike wool, lives on foreign trade, 70-80 per cent. of the cotton cloth produced in Lancashire is exported. Although exports have improved by more than 30 per cent. on the 1921 figures, they have not been sufficient to keep mills going. Trade with India—far the most important section—improved, and the relative supremacy of Britain over all other countries in the Indian market was strongly reasserted. Japan and the U.S. have done much less than in 1921. The exports of grey cloth to the Continent, notably to Switzerland and Germany, also increased. On the other hand, the Dyestuffs Act has restricted the finished goods trade. The appended table gives three years' exports of grey, bleached, printed, and dyed cloth, in thousands of square yards:—

	1920.	1921.	1922.
Grey.....	968,435	955,657	1,519,389
Bleached.....	1,414,812	957,031	1,312,832
Printed.....	895,998	433,912	542,817
Dyed.....	1,156,159	555,679	806,217

For manufacturers and workers the year was unsatisfactory. Mr F. W. Tattersall, reviewing it in the *Yorkshire Post*, says:—"Spinners and manufacturers were not able to secure profitable prices for the goods produced, and no buying movement was of long duration. There has also been the increased financial stringency. More failures have taken place than in any twelve months for a very long time. Many firms were compelled to slaughter stocks, and this action had a very weakening effect on prices generally. Considering the downward movement in prices for most commodities, values in raw cotton were maintained on a fairly high level, and continue much dearer than in pre-war years. Costs of production did not give way to the extent anticipated, and undoubtedly all firms in Lancashire are being severely handicapped in being unable to place goods in consuming outlets abroad on a cheaper basis. Much disappointment is expressed at the slow progress made throughout Europe in the way of reconstruction; it was never expected that four years after the armistice the industrial situation on the Continent would be so unsettled."

Although some of the new conditions have been helpful, the trade outlook in India, for instance, improving decidedly towards the end of the year, and the home demand gradually strengthening, while at the same time there were reductions in income-tax, wages, interest rates, mill stores prices, bleachers', printers', dyers', finishers', and packers' charges, together with low freights to all the great markets, the benefits accruing have been more than counterbalanced by the rising price of raw cotton and the continued chaos and disorganisation of Europe. There have been months in which mills were doing nothing, and even in their busiest period (the early summer) output never rose above 90 per cent. of the trade's capacity. Short time was universal up to the close of the year.

In 1921 even big losses could be regarded with a certain amount of equanimity, because most of the people who sustained them could recover the money out of previous excess profits duty payments. That sheet anchor, however, has disappeared now, and heavy losses mean either a writing down of capital, where the reserves are small, or resort to the bankruptcy court. There have not, as a matter of fact, been as many failures as might have been expected, but that has been largely due to the feeling that firms must not bring one another down if they could avoid doing so by showing an accommodating spirit. Financial weakness, however, has undoubtedly made the depression more severe than it otherwise would have been. Heavy taxation when profits were being made, and the heavy slump in the value

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of stocks when the boom had collapsed, left many firms ill-fitted to face a prolonged period of depression, and they could only continue in business by realising on their production as they went on. Buyers soon discovered which firms were in that position, and the prices obtainable were so low, especially for yarns, that in many cases they involved losses.—(*Manchester Guardian*.)

The course of prices during the year is indicated in the appended table:—

	32 inch Printers, 116 Yds., 16 by 16. 32's & 50's.	36 inch Shirtings, 76 Yds., 19 by 19. 32's & 40's.	38 inch Shirtings, 38 Yds., 18 by 16. 10 Lbs.	39 inch Shirtings, 37½ Yds., 16 by 15. 8½ Lbs.
1922.	s d	s d	s d	s d
January 6	20 6	20 0	19 0	17 6
February 3	28 0	28 0	17 9	16 6
March 3	28 0	28 6	17 3	16 0
April 17	29 3	29 6	17 6	16 3
May 5	29 3	29 0	16 9	15 3
June 2	31 0	29 9	17 9	17 0
July 7	32 0	31 6	18 6	16 9
August 4	31 0	32 0	18 0	16 6
September 1	29 9	30 6	18 0	15 9
October 6	30 9	32 6	18 3	16 9
November 3	31 3	33 0	18 3	16 9
December 1	31 3	33 9	18 6	17 0
December 29	31 3	33 9	18 6	17 0

The following table shows the Board of Trade figures of total imports of raw cotton and their value during the years 1913, 1921, and 1922:—

Cotton, Raw (except Linters).	Quantity.			Value.		
	1913.	1921.	1922.	1913.	1921.	1922.
	Centals of 100lbs.	Centals of 100lbs.	Centals of 100lbs.	£	£	£
Imports from—						
Egypt	4,026,694	..	..	17,642,358	..	..
United States	15,847,695	8,010,023	9,130,396	47,307,766	44,745,179	50,741,630
America	618,036	163,461	366,651	1,992,268	850,978	1,818,794
Other foreign	531,421	716,964	921,952	1,696,192	4,037,679	5,203,996
countries						
Total from foreign	21,023,846	8,890,448	10,418,399	68,638,584	49,633,836	57,764,420
countries						
British Africa		2,312,715	3,158,977	..	20,258,891	23,958,084
Egypt	173,891	347,940	269,118	490,484	1,703,197	1,636,968
Other countries	514,102	150,852	441,737	1,124,831	522,418	1,834,924
British East Indies	29,895	20,111	16,509	203,422	200,537	165,608
Other British	1,262	3,655	15,162	3,226	23,070	93,185
Possessions						
Total from British	719,150	2,835,073	3,901,503	1,931,963	22,808,133	27,685,769
Possessions						
Total	21,742,996	11,725,521	14,319,902	70,570,547	72,441,969	85,450,189

WOOLLEN AND WORSTED TRADES.

Since 60 per cent. of its output is consumed at home, the position of the woollen and worsted trade is among the indices of home demand. Thanks in part to the great activity in the hosiery section, 1922 opened hopefully, and the year has proved a prosperous one. A big volume of business has been done in partly and fully manufactured materials: the supplies of wool that a year ago seemed likely to smother the trade have been cleared with remarkable activity, and little apprehension is felt even about the 1,000,000 bale surplus still held by B.A.W.R.A. That there are adverse features, and that the renewed upset to confidence caused by France's adventure in the Ruhr cannot be discounted in any estimate of the future, is suggested by the *Yorkshire Post* survey. After referring to the inability of Yorkshire's one-time Continental customers to purchase, it says:—

In the home market, the situation has not been quite so acute. Even here, however, the growth of business has been slow, and stocks, especially of men's wear, have at times accumulated. This in a measure arose from the consideration displayed by employers towards the operatives. Rather than let machinery stand idle, and bring the trade organisation to a complete standstill, looms were kept running, and goods put into stock. Many firms anticipated a loss on the goods thus produced. But, fortunately, wool values during the greater part of the year advanced, and when piece merchants were compelled to buy, prices had moved up to a point which generally enabled manufacturers to realise a profit where at one time loss appeared certain.

Fine Worsted.—In Huddersfield conditions were very variable; better as the year moved on. Owing to the excessive demand for fine wools and yarns for men's wear, and also for the ladies' costume and hosiery trades, prices rose considerably, and at the end of the year botany yarn was round about 18d a lb in advance of quotations in December, 1921. Long deliveries were required by the spinners, and, naturally, prices of worsteds hardened.

There was not, however, sufficient work to keep all the looms in each of the sections fully employed throughout the year. Probably not more than 60 per cent. of the looms were kept fully engaged in the manufacture of worsteds for men's wear. In the woollen section the proportion running on men's goods was much smaller, although there was a considerable production of women's woollens.

Heavy Woollens.—At the beginning of 1922 only 50 per cent. of cloth manufacturing plant was running full time; later the U.S. tariff struck a hard blow at Dewsbury's trade. Blankets and rugs have, however, done fairly well, though the rag and shoddy trades have been depressed. In Scotland the year was very much better than 1921. Over 75 per cent. of tweed mills were running in December, against 60 per cent. in January, and in many cases at full time.

JUTE TRADE.

The following is extracted from Messrs W. F. Soutar and Co.'s circular:—

JUTE.—The past year has shown a marked improvement on the previous one. A year ago first marks were at £28 per ton, and now they are at £38—showing a rise of £10 per ton, which has been maintained, and expectations point to a higher level before many weeks. The demand has been for medium and lower qualities, and the present crop of jute being undoubtedly a small one, spinners incline to keep up the large stocks they have been holding for the past three years. These stocks are big considering that consumption is curtailed; there is a good deal of machinery standing, and at the trade is still on short time. Dundee has in sight, at present rate of consumption, more than a year's supply of jute, and it is mainly held by spinners, not dealers.

Cloth and yarns have dragged lifelessly for the greater part of the year. There has been a want of confidence in the future, caused, no doubt, by the unsettled financial state of Europe; but there are clear signs of steady improvement. Hessian 40 inches 10½ ounces at the beginning of the year was at 3½d per yard, and at one time during the year the price reached 5½d, but the present price is only 4½d per yard. 8-lb cops were selling at 3s per spindle at the opening of the year, and got down as low as 2s 7½d, but are now quoted 3s 5½d to 3s 6d per spindle. The demand for cloth at the moment is largely for light-weights of hessian and narrow goods, but considerable quantities of broad linoleum foundations have found a ready outlet.

Stocks of jute in Dundee have been fully maintained, and with the heavy arrivals presently at the quays the total supply in warehouse will be increased.

Estimated stocks in Dundee (including unsold in brokers' hands and standing stock in spinners' hands):—

	1919.	1920.	1921.	1922.
	Bales. 800,000	Bales. 750,000	Bales. 750,000	Bales. 800,000
At December 31st (including jute at quays) ..				
	1919-20.	1920-21.	1921-22.	Season 1922-23.
Arrivals at Dundee (direct and coastwise), July 1st to December 31st ..	Bales. 722,052	Bales. 234,813	Bales. 209,296	Bales. 410,514
Afloat to Dundee ..	218,281	204,995	63,386	245,042
Vessels loading and to load for Dundee to December 31st ..	50,000	40,000	20,000	50,000
	990,333	479,808	292,622	705,556

Closing prices at December 31st:—

	Jute 1st Marks.	Hessians— 40 in. 10½ oz. Per Yard.	8-lb Cops. Per Spdl.
	£ s d	£ s d	£ s d
1913	35 7 6 ..	86 8 ..	34d ..
1914	18 10 0 ..	40 ..	2½d to 2¾d ..
1915	27 10 0 ..	49 ..	4½d to 4¾d ..
1916	42 10 0 ..	54 ..	5½d to 5¾d ..
1917	74 0 0 ..	36 ..	7½d ..
1918	46 10 0 ..	77 ..	9½d ..
1919	60 0 0 ..	70 ..	10½d to 10¾d ..
1920	39 0 0 ..	65 ..	5½d to 5¾d ..
1921	28 0 0 ..	57 ..	3½d to 3¾d ..
1922	38 0 0 ..	88 ..	4½d ..

Prices for spot:—

	1922.	Diamonds.	Firsts.	Mangos.	Hearts.	Dalsee Twos.
January	£50 — £47½	£28	£25	£19	£26	£26
February	£47½	£28	£25	£19	£26	£26
March	£47½ — £45	£27 — £28½	£24 — £24½	£18 — £20	£26 — £26½	£26 — £26½
April	£45 — £47½	£28½ — £32	£24 — £29	£20 — £24	£26 — £30	£26 — £30
May	£47½ — £50	£32 — £38	£29 — £35	£24 — £28	£30 — £34	£30 — £34
June	£50	£38	£35	£28	£34	£34
July	£50	£38 — £39½	£35 — £36	£28 — £30	£34 — £35	£34 — £35
August	£50 — £47½	£37½ — £39½	£34 — £34½	£28 — £28½	£34 — £34½	£34 — £34½
September	£47½	£37½ — £38½	£34 — £34½	£28 — £28½	£34 — £34½	£34 — £34½
October	£47½	£36½ — £35	£33½ — £32	£28 — £28½	£34 — £34½	£34 — £34½
November	£47½ — £50	£35 — £38½	£33 — £36	£26 — £32	£32 — £37	£32 — £37
December	£50	£38½	£36	£32	£37 — £38½	£37 — £38½

The following are prices of first marks for shipment at December 31st since 1902:—

	£ s d	C.I.F.	£ s d	C.I.F.
1902	13 10 0	1913	35 7 6	£ s d
1903	13 0 0	1914	18 10 0	£ s d
1904	16 0 0	1915	27 10 0	£ s d
1905	19 5 0	1916	42 10 0	£ s d
1906	27 0 0	1917	44 0 0	£ s d
1907	15 15 0	1918	60 0 0	£ s d
1908	14 2 6	1919	39 0 0	£ s d
1909	14 0 0	1920	28 0 0	£ s d
1910	19 15 0	1921	28 0 0	£ s d
1911	20 2 6	1922	38 0 0	£ s d
1912	26 0 0			

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The following statistics are taken from the Board of Trade returns:—

Exports of	Quantity.			Value.		
	1913.	1921.	1922.	1913.	1921.	1922.
Jute yarn	41,766,100	27,884,800	36,958,300	£ 780,988	£ 924,260	£ 869,740
Do manufactures yds	173,484,200	71,599,600	137,384,800	3,066,084	2,157,727	2,944,094
Other articles (except bags)	193,681,300	39,962,400	77,421,500	267,278	328,089	266,019
Linen piece-goods yds	23,627	13,386	20,235	1,350,207	683,825	832,571
Threads for sewing cwt	23,627	13,386	20,235	928,377	1,171,394	1,143,767
Other articles						

THE LINEN TRADE.

There is every indication that the linen industry has passed the worst of the depression, and has entered upon a period of more activity. The great shortage of flax, more especially in the past two or three years, is being gradually overcome, and there are good grounds for hoping that substantial as has been the improvement in imports in 1922, the ensuing year will witness still further expansion. The gross imports of flax and codilla or tow into the United Kingdom from abroad are returned by the Board of Trade as follows:—

	1921.	1922.	1921.	1922.
Flax	Tons.	Tons.	£	£
Tow	16,275	31,069	3,124,207	3,327,580
	2,376	8,474	225,322	633,205

In 1918 the imports of flax were 18,418 tons, and of tow 2,370 tons. Thus last year there was an increase of roughly 100 per cent. over the average of the two preceding years. There was also a very marked decline in cost, the average value of flax imported in 1922 being £107 per ton, against £192 in 1921. In January last year the average was £140 per ton; in December it had fallen to £105. Tow in 1922 averaged £74 14s 6d per ton, against £94 16s 6d in 1921. A significant feature is the large increase in the imports from Russia—viz., 12,877 tons flax, against only 662 tons in 1921, and 4,786 tons tow, against nil. Belgium sent 7,230 tons, or 2,500 tons less. Of the total imports of flax and tow, Russia stood for 44 per cent. There are prospects of larger quantities being available from this source in the coming year, though whether they can possibly reach pre-war level seems doubtful. According to information from Moscow, the area under flax in the past season was 1,215,000 acres, or 45 per cent. of the 1914

acreage. Definite ideas as to the extent of the yield and the surplus for export cannot at present be formed, or until shipment begins in the spring, when the ports are free of ice. Larger crops are also reported in the independent Baltic States. In pre-war times the quantity of flax imported into Great Britain and Ireland was normally 100,000 tons, of which 80 per cent. was derived from Russia. The linen industry was, in fact, mainly dependent upon outside supplies, the quantity grown at home being almost infinitesimal. The area sown in Ireland was enormously increased when, under stress of war conditions, abnormally high prices were paid for flax, and it was regarded as a remunerative crop. It has, however, since shown a great diminution to about 40,000 acres in 1921 and 35,000 acres last year, with a yield of 5,000 to 6,000 tons annually. In Yorkshire 1,000 acres have been sown, and the harvest therefrom is now being dealt with in the two factories at Selby and Staddlethorpe. The capacity is, however, equal to dealing with the produce of 2,000 acres, and efforts are being made to induce farmers to pay more attention to flax. The Linen Research Society in Belfast is also endeavouring to cultivate or evolve seed which shall give a better yield per acre. A difficulty that can only be overcome by maintaining a certain price level or by devising satisfactory means of pulling the crop is that of labour. Linen manufacturers, however, demand cheap flax as essential to the revival of their industry and the recovery of markets abroad. In these directions some progress appears to have been made in the past year, the figures of exports from the United Kingdom being as under:—

	1921.	1922.	1921.	1922.
Piece goods	yds.	yds.	£	£
Handkerchiefs doz.	39,962,400	77,421,500	5,248,658	7,068,631
Other manufactures ..	1,407,771	1,955,789	742,662	762,011
			3,699,755	3,764,519
Total			9,651,075	11,595,161

Though the quantity of piece-goods exported was doubled, the value showed an increase of only 20 per cent. As usual, America was the largest customer, taking of piece-goods 44,995,400 square yards, or 58 per cent., against 24,381,000 square yards in 1921. We also exported 3,395 tons of flax and hemp yarns, having a value of £961,067; and, on the other hand, imported from abroad 4,655 tons, with a declared value of £876,417. In each case the quantity is in excess of that of 1921. Our imports of linen manufactures last year had a value of £339,558, against £301,974 in 1921.

APPENDIX.

(A) WHOLESALE PRICES OF COMMODITIES.—SELECTED DATES, 1913-1921; AND MONTHLY, 1922.

NOTE.—The following tables give the variations in prices of the commodities on which the *Economist* Index number is based. In cases where the exact quotation ceased to be given during the war the nearest available quotation has been given.

CEREALS AND MEAT.

	Wheat.		Flour.	Barley.	Oats.	Potatoes.	Rice.	Beef.	Mutton.	Pork.
	No. 1 Northern Manitoba.	British Gazette Price.	Town House-holds.	Gazette Price.	Gazette Price.	Good English.	Rangoon.	Mean of Middling & Prime.	Mean of Middling & Prime.	
	Per Qr.	Per Qr.	Per 280 lbs.	Per Qr.	Per Qr.	Per Ton.	Per Cwt.	Per 8 lbs.	Per 8 lbs.	Per 8 lbs.
Basis average—	s d	s d	s d	s d	s d	£	s d	s d	s d	s d
1901-1905	30 0	28 0	25 0	23 0	17 6	4	6 6	4 0	5 5	3 9
End of 1913	35 9	31 0	28 0	25 10	18 4	3½	7 7½	5 0	7 0	4 4
End of June, 1914	37 0	34 1	28 6	25 10	19 9	3½	7 1½	4 11	6 8	3 10
End of 1914	53 6	43 3	40 0	29 9	25 11	3½	12 0	5 2½	6 4	5 0
End of June, 1915	54 0	52 0	44 0	34 4	31 9	4½	12 10½	6 8	7 3	6 0
End of 1915	66 3	53 11	50 0	47 5	30 10	5	14 7½	5 8	7 0	6 10
End of June, 1916	51 3	46 3	42 0	49 1	30 10	11	16 1½	8 2½	9 0	7 1
End of 1916	91 0	74 10	59 0	67 5	47 4	12	20 0	7 5	10 0	9 0
End of June, 1917	83 3	78 1	61 6	75 0	55 2	12	26 3	10 4	13 0	8 4
End of 1917	79 9	71 1	44 3	57 7	44 2	6½	26 3	12 1	13 8	9 6
End of June, 1918	82 6	74 4	44 3	58 5	48 7	8½	26 3	9 3	9 6	12 0
End of 1918	84 0	72 3	44 3	62 3	48 7	10½	32 6	9 3	9 6	10 1
End of June, 1919	80 0	73 2	44 3	62 8	48 7	10½	32 6	9 4	10 0	10 7
End of 1919	60 0	72 6	44 3	105 10	57 2	10½	33 0	9 4	10 0	10 6
End of June, 1920	95 0	78 9	63 6	87 2	64 7	11½	28 0	9 4	10 0	10 6
End of 1920	102 0	84 11	80 0	73 5	41 5	9	20 0	9 4	9 10	8 4
„ Mar., 1921	96 1	89 1	68 0	48 11	35 4	8½	14 0	8 10	9 1	10 6
„ June „	84 0	89 10	68 0	41 11	38 8	9	15 9	8 4	8 4	9 2
„ Sept. „	82 0	56 10	59 0	61 10	28 10	8½	18 6	7 8	8 4	9 4
End of 1921	55 6	44 7	46 0	45 7	28 1	7	13 6	7 10	8 8	8 2
„ Jan., 1922	57 0	45 9	42 0	43 1	29 0	7½	13 1½	7 6	9 7	7 3
„ Feb. „	64 3	49 11	51 0	42 0	29 7	7½	13 1½	7 4	10 0	7 6
„ Mar. „	64 0	52 6	49 0	41 8	30 0	7	13 1½	7 8	11 8	8 4
„ April „	65 0	52 4	50 0	40 5	29 6	8½	13 3	8 2	12 2	8 6
„ May „	64 6	56 3	47 6	40 1	32 11	10	13 9	8 9	13 4	7 0
„ June „	61 6	52 6	44 6	41 8	32 8	8	13 7½	8 6	11 8	8 8
„ July „	62 6	53 9	45 6	39 1	33 11	6½	14 6½	8 6	12 1	8 8
„ Aug. „	51 6	43 4	40 0	37 0	25 7	4	14 3	7 9	11 0	9 5
„ Sept. „	57 6	37 9	42 0	37 3	24 7	3½	14 0	7 0	11 8	9 5
„ Oct. „	55 0	41 6	41 6	41 2	26 7	3½	14 0	6 9	11 0	9 10
„ Nov. „	52 0	42 5	41 6	38 8	26 9	3½	14 2	6 7	10 10	9 2
End of 1922	53 6	40 7	41 6	33 11	26 5	3½	13 7½	7 6	11 6	8 10
„ Jan., 1923	49 3	9 10	39 0	9 8	9 10	3½	14 2	7 8	11 6	8 6

THE IMPERIAL BANK OF PERSIA.

(Incorporated by Royal Charter, 1889.)

CAPITAL (fully paid) £650,000
RESERVE - - - £340,000
Reserve Liability of Shareholders - £1,000,000

Branches at Ahwaz, Bombay, Bunder Abbas, Bushire, Duzdah, Hamadan, Isfahan, Kazvin, Kerman, Kermanshah, Meshed, Mohammerah, Nasratabad, Resht, Shiraz, Shush, Sultanabad, Tabriz and Yezd.

Agencies at Busreh, Bagdad.

The Bank is prepared to transact Banking business of every description in and connected with Persia and Mesopotamia; and in London grants Drafts, Telegraphic Transfers and Letters of Credit, and negotiates or collects Bills on Persia and the Near East.

London Office:

25, Abchurch Lane, E.C.4.
Chief Office in Persia: TEHERAN.

BANCO COLONIAL PORTUGUEZ

Head Office: LISBON
 Branches in PORTUGUESE WEST and EAST AFRICA.
 Cable Address: "PROCOLONIA"

Authorised Capital—
 Escudos 100,000,000.00
 (£22,222,222-0-0 at par)
 Paid-up Capital—
 Escudos 20,000,000.00
 (£4,444,444-0-0 at par)

SPECIAL FACILITIES GRANTED TO EXPORTERS AND CONCERNS DESIROUS TO DEVELOP THEIR RELATIONS WITH PORTUGAL AND COLONIES.

Banking and Exchange Business of every description. Insurance against Loss by Exchange on Portuguese Currency. Bills negotiated, advanced upon or forwarded for collection on Portugal, its Colonies or any other part of the World. Letters of Credit issued available in Portugal, Portuguese Colonies and all principal cities of the World. Telegraphic Transfers. Deposits with interest at sight and for fixed periods in all currencies.

EXECUTOR & TRUSTEE BUSINESS UNDERTAKEN.

LONDON AGENTS: London Joint City and Midland Bank, Ltd.
 PARIS AGENTS: Banque Nationale de Credit.
 BERLIN AGENTS: Deutsche Bank.
 NEW YORK AGENTS: The Guaranty Trust Company of New York.
 RIO DE JANEIRO AGENTS: Banco Portuguez do Brazil.

ITALO-BELGIAN BANK

(Banque Italo-Belge, Société Anonyme).

Capital subscribed and paid - Frs. 50,000,000
 Reserve Funds - Frs. 28,000,000

Head Office: ANTWERP.

London Office:
 50 OLD BROAD STREET, E.C.2.

Branches:
 FRANCE—Paris.
 ARGENTINE—Buenos Aires.
 URUGUAY—Montevideo. CHILI—Valparaiso.
 BRAZIL—Sao Paulo, Rio de Janeiro, Santos, Campinas.

Correspondents in all the Principal Places in South America.

The Bank transacts every description of Banking Business. Bills and Documentary Bills negotiated, advanced upon, or sent for collection. Drafts and Letters of Credit issued and Cable and Mail Transfers effected on Branches and Correspondents. Documentary Credits opened or Confirmed. Sale and Purchase of Stocks and Shares undertaken. Coupons and Drawn Bonds collected and negotiated.

Telegrams "Itabelban, London."
 Telephone: London Wall 1157, 1158.

FREDRIKSSTAD PRIVATBANK

Fredriksstad
 (NORWAY).

Established 1891.

Capital and Surplus,
 Kr. 21,000,000.

General
 Banking
 Business

Telegraphic Address: PRIVATBANK, FREDRIKSSTAD.

(A)—WHOLESALE PRICES OF COMMODITIES—Continued.

	Other Food Products.						Textiles.			
	Tea.	Coffee.	Sugar.		Butter.	Tobacco.	Cotton.			
	Mean of Broken Fannings & Broken Pekoes.	East India Fine Ord. and Santos.	West Indian Syrup.	German Beet.	Danish.	Virginia Leaf. Common to Fine.	Middling American.	Egyptian. Good Fair Brown.	Yarn—32's Twist.	Cloth. 39-inch Shirtings.
	Per Lb.	Per Cwt.	Per Cwt.	Per Cwt.	Per Cwt.	Per Lb.	Per Lb.	Per Lb.	Per Lb.	Per 8½ lbs
Basis average—	d	s d	s d	s d	s d	d	d	d	d	s d
1901-1905	6	44 0	14 0	9 3	108 0	9	5½	7½	8½	6 6
End of 1913	8½	62 6	11 6	9 0	131 6	11½	7-14	9-65	10½	8 1½
End of June, 1914	8	61 3	11 3	9 2½	117 0	11½	7-63	8-85	10½	8 1½
End of 1914	8½	59 0	18 3	..	152 0	11½	4-47	6-05	10½	7 11
End of June, 1915	11½	63 8	16 0	..	152 0	11½	5-28	7-25	10½	6 10
End of 1915	8½	54 0	27 9	..	153 0	11½	7-75	9-80	12	8 9
End of June, 1916	10½	65 0	37 0	..	174 0	11½	8-21	11-40	12½	9 2½
End of 1916	11	62 9	38 6	..	209 0	18	10-64	19-65	17½	12 C
End of June, 1917	20½	68 3	42 3	..	252 0	15	19-45	28-10	24	16 0
End of 1917	17	78 0	44 6	..	252 0	18	23-02	31-40	37	24 0
End of June, 1918	16	88 3	55 6	..	252 0	24	23-22	28-82	49½	30 3
End of 1918	16	92 9	55 6	..	252 0	24	23-20	27-30	41½	32 3
End of June, 1919	18	98 0	55 6	..	252 0	24	20-92	27-09	39½	29 0
End of 1919	21½	102 6	68 6	..	252 0	24	30-75	54	55½	40 6
End of June, 1920	12½	82 3	62 0	..	336 0	24	26-62	62	54½	42 6
End of 1920	10½	74 0	62 0	..	240 0	21	10-27	23	24½	21 0
End of Mar., 1921	10½	78 0	46 9	..	211 0	21	8-02	17-5	17½	18 6
" June "	10½	85 6	43 0	..	227 0	21	15-71	15-5	17½	16 6
" Sept. "	10½	80 6	39 3	..	156 0	21	11-81	21-5	18½	18 0
End of 1921	12½	80 6	40 9	..	189 0	21	10-07	17	17½	17 0
" Jan., 1922	12½	76 3	40 6	..	181 0	21	10-70	17-75	17½	16 9
" Feb. "	12½	88 0	43 3	..	210 6	21	10-35	17-50	17½	16 3
" Mar. "	12½	88 3	42 3	..	186 0	21	12-04	18-75	19	17 0
" Apr. "	12	86 9	42 3	..	186 0	21	13-34	19-75	20½	17 6
" May "	11½	82 9	44 0	..	226 0	21	13-23	18	19½	16 9
" June "	12	82 9	43 9	..	207 0	21	13-76	18	20½	17 0
" July "	13	78 9	43 9	..	211 0	21	13-78	17-25	19½	15 9
" Aug. "	13	78 9	43 9	..	214 0	21	14-34	17-75	20½	16 3
" Sept. "	16	78 9	43 6	..	213 0	21	14-34	17-75	20½	16 3
" Oct. "	16	78 9	43 6	..	213 0	21	14-63	18-50	21½	17 3
End of 1922	16	78 9	45 3	..	215 0	21	15-84	17-90	21½	16 9
" Jan., 1923	16	78 9	45 3	..	215 0	21	15-84	17-90	21½	16 9

THE UNION BANK OF AUSTRALIA Limited.

Established 1837. Incorporated 1880.

CAPITAL AUTHORISED AND ISSUED £9,000,000
 Capital Paid-up - - - £3,000,000
 Reserve Fund - - - £3,250,000
 Reserve Liability of Proprietors - £6,000,000

DIRECTORS:

HENRY P. STURGIS, Esq., Chairman.
 The Rt. Hon. LORD CARMICHAEL, G.C.S.I.
 The Rt. Hon. THE EARL OF CHICHESTER.
 JOHN DENNISTOUN, Esq.
 HUGH D. FLOWER, Esq.
 The Rt. Hon. LORD HILLINGDON.
 SOMERVILLE R. LIVINGSTONE-LEARMONTH, Esq.
 ROBERT C. NESBITT, Esq., M.P.
 FREDERICK G. PARBURY, Esq.
 The Hon. EDMUND W. PARKER.
 Sir WESTBY B. PERCEVAL, K.C.M.G.
 ARTHUR C. WILLIS, Esq.

HEAD OFFICE:

71 Cornhill, London, E.C. 3.

Manager—W. J. ESSAME. Assistant Manager—W. A. LAING.
 Secretary—F. H. MCINTYRE.

BRANCHES THROUGHOUT AUSTRALIA AND NEW ZEALAND, viz.:

In VICTORIA .. 43
 " SOUTH AUSTRALIA .. 14
 " NEW SOUTH WALES .. 42
 " WESTERN AUSTRALIA .. 20
 " QUEENSLAND .. 19
 " TASMANIA .. 3
 " NEW ZEALAND .. 46

Drafts upon the Branches are issued by Head Office, and may also be obtained from the Bank's Agents throughout England, Scotland, and Ireland. Commercial and Circular Travelling Credits issued—available throughout the World.

Telegraphic Remittances are also made.
 Bills on the Australian States and Dominion of New Zealand are purchased or sent for collection.
 Deposits are received at Head Office at rates of interest and for periods as may be ascertained on application.

THE EQUITABLE TRUST COMPANY OF NEW YORK.

ALVIN W. KRECH, President.

Capital, Surplus and Undivided Profits (Dec. 30, 1922), \$28,479,123 at Ex. \$4.60 - (£6,191,113)

Member New York Clearing House Association.

Current Accounts opened and Deposits received.
 Dollar Bills purchased.
 Drafts and Cable Transfers on New York and other important cities in the United States and Canada issued at the closest rate.

Forward Exchange bought and sold and Merchants thereby covered against fluctuation in Exchange.

Banking and Exchange Business of every description transacted with all important points in the world.

LONDON OFFICE:

3 KING WILLIAM STREET, E.C. 4.

NEW YORK.

Head Office: 37 WALL STREET.

Branches: 222 BROADWAY; 355 MADISON AVENUE.

PARIS.

23 RUE DE LA PAIX.

Member Federal Reserve System.

(A)—WHOLESALE PRICES OF COMMODITIES—Continued.

	TEXTILES—(Continued).						MINERALS.					
	Wool.	Silk.	Flax.	Hemp.	Jute.		Pig Iron.	Steel Rails.	Iron Bars.	Coal.	Best House, Forest of Dean.	Lead.
	English. South Down Ewes & Wethers.	Australian. Victorian Good.	Canton.	Riga, Z. K.	Manila.	Native Firsts.	Cleveland. G.M.B. No. 3.	Middlesbrough.	Middlesbrough.	Best Steam, Newcastle.	House, Forest of Dean.	English Pig.
	Per Ton.	Per Ton.	Per Ton.	Per Ton.	Per Ton.	Per Ton.	Per Ton.	Per Ton.	Per Ton.	Per Ton.	Per Ton.	Per Ton.
Basis average—	d	s d	s d	£	£	£	s d	£	£	s d	s d	£
1901-1905	9½	22	12 6	35	35	15	46 6	6	6½	11 0	17 0	12½
End of 1913	15½	23	12 6	32½	26½	35½	50 6	6½	7	15 0	21 6	18½
End of June, 1914	15½	24½	13 0	29½	26½	35½	51 6	6	7	14 6	21 6	19½
End of 1914	17½	21	11 6	36	26	17½	54 0	6½	8	13 0	21 6	19½
End of June, 1915	21½	25	11 6	36	41	22½	66 9	8	10½	20 6	26 0	25
End of 1915	23½	29½	14 6	36	47	27½	78 0	11	13	23 6	26 0	30½
End of June, 1916	23½	34½	15 9	36	54	30	87 6	11½	13½	25 0	26 0	30½
End of 1916	28½	52½	17 3	36	60	42½	87 6	11½	15	30 0	24 0	32½
End of June, 1917	28½	58½	17 9	133	85	43	92 6	11½	15	30 0	24 0	30
End of 1917	28½	58½	24 0	147	85	43	95 0	10½	13½	32 6	25 9	29
End of June, 1918	28½	58½	24 0	147	100	43	95 0	10½	13½	32 6	25 9	29
End of 1918	28½	58½	25 0	177	100	43	95 0	10½	13½	32 6	25 9	29
End of June, 1919	28½	56	27 6	177	55	56½	160 0	15	20½	32 6	25 9	29
End of 1919	28½	56	28 0	230	60	61	217 6	23	30	42 0	40 0	36½
End of June, 1920	25	88	28 0	382½	59	45	217 6	23	30	42 0	40 0	36½
End of 1920	20	44	24 0	150	58	39½	225 0	25½	27½	42 0	41 0	21
End of Mar., 1921	20	39	22 6	90	42	32½	150 0	18	23	42 0	41 0	21
" June "	20	36	24 6	100	38	25½	135 0	15	19	42 0	40 0	24½
" Sept. "	17	34	30 6	115	39	33	120 0	14	14	38 0	44 0	24½
End of 1921	17½	41	35 0	100	37½	23½	100 0	9½	12½	30 0	40 0	26
" Feb. "	18	40	31 0	95	35½	25½	90 0	9½	12	27 0	39 0	21½
" Mar. "	18	41	31 0	95	35½	25½	90 0	9½	12	27 0	38 0	21½
" Apr. "	18	40	28 0	85	33	30½	90 0	9½	12	26 6	36 6	26½
" May "	18½	43	32 0	79	34	33½	90 0	9½	12	26 6	36 6	26½
" June "	19½	48	34 0	84	34	35½	90 0	9½	12	24 0	33 0	27
" July "	22	43	33 0	92½	31½	32½	88 0	9½	11	27 6	33 0	25½
" Aug. "	22	46	33 3	94	31½	34	92 10	9½	11	26 6	32 0	26
" Sept. "	23	50	34 9	94	31½	29½	92 10	9½	10½	27 0	31 6	28½
" Oct. "	24	50	35 0	94	32½	36	92 0	9½	10½	27 0	31 6	27½
" Nov. "	24	52	31 9	89	33	36½	91 0	9	10½	27 0	31 6	27½
End of 1922	24½	53	34 0	86	35	53	105 0	9	11	28 0	32 0	29½
End of Jan., 1923	24½	53	34 0	86	35	53	105 0	9	11	28 0	32 0	29½

(A)—WHOLESALE PRICES OF COMMODITIES—Continued.

	MINERALS.		MISCELLANEOUS.									
	Tin.	Copper.	Timber.		Leather.	Petrol m	Rubber.	Oils.	Seeds.	Tallow.	Indigo.	Crystals.
	Stand'd	Stand'd	Pitch Pine.	Canad'n Yellow Pine Large.	English Butts and Bends.		Para Hard.	Mean of Seal, Pale Lags & Palm.	Mean of Linseed and Rape.	Town.	Bengal.	Soda Crystals.
	Per Ton.	Per Ton.	Per Load.	Per Load.	Per Lb.	Per 8 Lbs.	Per Lb.	Per Ton.	Per Ton.	Per Cwt.	Per Lb.	Per Ton.
	£	£	£	£	s d	d	s d	£	£	s d	s d	£
Basis average—	198	60	8½	6	1 7	6	4 0	26	27	28 0	3 9	3
1901-1905	167½	64	4½	9½	1 7½	8½	3 1½	30½	27½	34 0	3 8	2½
End of 1913	137½	60½	4½	9½	1 7½	7½	2 9½	28½	28½	32 0	3 8	2½
End of June, 1914	144½	57	4½	9½	2 8	7½	2 10	29½	29	30 6	13 6	2½
End of 1914	171	82½	7	9½	2 7½	8½	2 6	23½	35½	33 6	13 6	2½
End of June, 1915	168	86½	7	9½	2 3½	10	3 9	34½	46	44 6	14 0	2½
End of 1915	174	103½	11½	11½	2 7½	12	2 8	41½	40½	45 0	14 9	6½
End of June, 1916	178½	138½	18	14½	2 6	18½	3 8½	37½	54½	50 6	13 9	6½
End of 1916	243½	130½	17½	18	2 10	14½	2 11½	50	62½	57 6	12 3	7½
End of June, 1917	294	110½	17½	18	3 0	19½	2 9½	58½	67	72 0	10 3	7½
End of 1917	331½	110½	17½	18	2 8	22½	3 1½	52½	75½	80 3	9 6	7½
End of June, 1918	236	112	17½	18	2 8	16½	2 7½	52½	75½	88 6	10 6	6½
End of 1918	288½	87½	17½	18	2 8	16½	2 5½	70½	113	65 0	10 0	5½
End of June, 1919	346½	116½	17½	18	2 10½	21	2 7	75½	109	65 0	12 6	5½
End of 1919	260½	89½	17½	18	2 10	25½	1 11½	83½	80½	46 0	14 9	12½
End of June, 1920	208½	71½	13	13½	2 6	27½	1 0½	64½	59½	42 0	12 0	10
End of 1920	157½	69½	13	13	2 4½	27½	0 11	59½	43½	36 0	11 0	7½
End of Mar., 1921	169½	71½	10½	11½	2 4½	21½	0 10½	35½	47½	36 3	10 0	7½
" June	156½	68½	9	10	2 7	16½	1 1	43½	45½	41 0	11 6	7½
" Sept.	170½	66½	8	10	2 5½	16½	1 2	40½	39½	35 6	11 6	7½
End of 1921	157½	64½	7½	9½	2 6	16½	1 0	40½	44½	33 6	11 6	7½
End of Jan., 1922	144½	58½	7½	9½	2 4	16½	0 11½	40½	47½	35 0	11 0	7½
" Feb.	142½	58	7½	9	2 4	16½	0 10½	40½	42	34 6	10 0	7½
" Mar.	151½	58½	7½	9	2 3½	16½	0 10	40½	45½	34 6	9 6	7½
" April	150½	62½	7½	8½	2 4	16½	0 10½	40½	46	32 6	9 6	7½
" May	152½	61½	7½	8½	2 4	16½	0 10½	40½	45½	34 6	9 6	7½
" June	161½	63½	7½	8½	2 5	16½	0 10½	40½	38½	39 0	9 6	7½
" July	160½	63½	7½	8½	2 5	14	0 10½	40½	41	35 0	8 6	5½
" Aug.	163½	64½	7½	8½	2 5	13	1 0½	40½	42½	34 6	8 6	5½
" Sept.	181½	63½	7½	8½	2 5	13	1 1½	39½	42½	36 0	8 6	5½
" Oct.	174½	61½	7	8½	2 5	13	1 1½	40½	42½	36 0	8 6	5½
" Nov.	182½	64½	7	8½	2 4	13	1 5	39½	42½	35 6	8 6	5½
End of 1922	185½	65½	7	8½								
End of Jan., 1923												

(B) WHOLESALE PRICES (MAINLY IN LONDON AND MANCHESTER) 1906 TO 1922.—PROPORTIONATE RESULTS 1901-5=100.

EXPLANATORY NOTE.—In the following table the average price of the various commodities in the five years 1901 to 1905 is taken as basis (100) in each case, and the market price at the various dates given is calculated as a percentage of the basis price. In this way the various quotations are reduced to a common standard, by means of which their respective fluctuations may be compared.

Date.	Wheat.		Cereals and Meat.		Other Foodstuffs, &c.		Textiles.		Minerals.		Miscellaneous.	
	For.	Eng.	For.	Eng.	For.	Eng.	For.	Eng.	For.	Eng.	For.	Eng.
1906 Jan. 1..	114	102	99	106	104	104	106	106	116	130	112	87
1907 Jan. 1..	105	98	87	104	98	104	106	106	111	162	111	107
1908 Jan. 1..	162	125	120	116	105	106	106	106	111	162	111	107
1909 Jan. 1..	137	114	115	116	99	81	109	110	98	95	108	112
1910 Jan. 1..	140	119	120	109	99	90	101	102	91	98	119	108
1911 Jan. 1..	127	109	108	103	96	100	112	106	104	107	111	108
1912 Jan. 1..	137	118	106	145	118	137	116	111	99	113	121	114
1913 Jan. 1..	127	107	116	124	110	112	146	116	111	133	125	129
1914 Jan. 1..	119	110	112	105	82	117	125	129	115	137	118	137
1915 Jan. 1..	178	155	160	123	148	98	185	130	117	185	107	136
1916 Jan. 1..	220	192	200	207	176	125	235	138	129	185	103	140
1917 Jan. 1..	303	267	236	294	270	300	308	186	184	240	166	131
1918 Jan. 1..	265	254	177	250	251	166	404	301	262	258	149	202
1919 Jan. 1..	280	253	177	263	288	218	404	243	175	325	205	249
1920 Jan. 1..	200	259	177	460	326	255	509	233	194	280	266	274
1921 Jan. 1..	340	302	320	320	226	225	303	233	182	222	202	250
1922 Jan. 1..	185	159	184	198	161	175	208	196	160	217	155	145
Feb. 1..	190	163	188	187	166	181	202	188	177	193	159	147
Mar. 1..	214	173	204	182	170	178	202	184	184	200	177	136
Apr. 1..	213	183	196	181	172	183	202	184	184	200	177	136
May 1..	213	183	196	181	172	183	202	184	184	200	177	136
June 1..	213	183	196	181	172	183	202	184	184	200	177	136
July 1..	213	183	196	181	172	183	202	184	184	200	177	136
Aug. 1..	213	183	196	181	172	183	202	184	184	200	177	136
Sept. 1..	213	183	196	181	172	183	202	184	184	200	177	136
Oct. 1..	213	183	196	181	172	183	202	184	184	200	177	136
Nov. 1..	213	183	196	181	172	183	202	184	184	200	177	136
Dec. 1..	213	183	196	181	172	183	202	184	184	200	177	136
1923 Jan. 1..	178	145	166	148	151	91	208	188	151	91	208	188
Feb. 1..	164	152	156	160	157	94	217	192	152	94	217	192

(B) INDEX NUMBERS OF WHOLESALE PRICES IN OTHER COUNTRIES.

Extracted from the League of Nations Monthly Bulletin of Statistics.

(Percentage of 1913.)

Period.	France	Italy	Sweden	Norway	Nether-lands	Switzer-land	Ger-many	United States.	Canada.	B. India. Calcutta	Aus-tralia.	South Africa.	Japan.
Base.	1901-1910.	1901-1905.	July 1, '13 to June 30, 1914.	Okono-misk Revue.	Official.	Neue Zürcher Zeitung.	Frank-furter Zeitung.	Bureau of Labour Statistics.	Official.	Official.	Official.	Official.	Bank of Japan.
Average.	100	100	100	(d)	100	100	100	100	100	(e)	100	100	100
1913.	100	100	100	100	100	100	100	100	100	100	100	100	100
1915.	140.0	139.7	145	159	144.7	144.7	144.7	144.7	144.7	144.7	144.7	144.7	144.7
1916.	183.6	201.2	185	233	221.9	221.9	221.9	221.9	221.9	221.9	221.9	221.9	221.9
1917.	262.0	296.7	244	341	296.0	296.0	296.0	296.0	296.0	296.0	296.0	296.0	296.0
1918.	339.8	409.1	339	345	392.1	392.1	392.1	392.1	392.1	392.1	392.1	392.1	392.1
1919.	356.9	365.8	330	322	297.4	297.4	297.4	297.4	297.4	297.4	297.4	297.4	297.4
1920.	510.3	624.4	347	377	280.7	280.7	280.7	280.7	280.7	280.7	280.7	280.7	280.7
1921.	345.2	577.5	211	269	181.1	181.1	181.1	181.1	181.1	181.1	181.1	181.1	181.1
November, 1921.	332.4	594.9	174	276	164.9	164.9	164.9	164.9	164.9	164.9	164.9	164.9	164.9
December	326.3	594.6	172	269	164.9	164.9	164.9	164.9	164.9	164.9	164.9	164.9	164.9
January, 1922.	314.3	577.2	170	260	160.5	160.5	160.5	160.5	160.5	160.5	160.5	160.5	160.5
February	306.9	562.5	166	253	162.3	162.3	162.3	162.3	162.3	162.3	162.3	162.3	162.3
March	308.0	533.4	164	240	160.5	160.5	160.5	160.5	160.5	160.5	160.5	160.5	160.5
April	314.2	526.8	165	231	164.9	164.9	164.9	164.9	164.9	164.9	164.9	164.9	164.9
May	317.3	533.5	164	231	166.7	166.7	166.7	166.7	166.7	166.7	166.7	166.7	166.7
June	325.6	537.4	164	230	166.7	166.7	166.7	166.7	166.7	166.7	166.7	166.7	166.7
July	325.6	557.5	165	232	162.3	162.3	162.3	162.3	162.3	162.3	162.3	162.3	162.3
August	331.8	571.3	163	227	155.3	155.3	155.3	155.3	155.3	155.3	155.3	155.3	155.3
September	329.9	581.7	158	225	156.6	156.6	156.6	156.6	156.6	156.6	156.6	156.6	156.6
October	338.0	600.8	155	221	156.1	156.1	156.1	156.1	156.1	156.1	156.1	156.1	156.1
November	352.7	696.2	154	221	170.1	170.1	170.1	170.1	170.1	170.1	170.1	170.1	170.1

(b) End of the month. (d) End of the year. (e) Yearly figures; monthly figures: end of the month. (f) 15th of the month.
(g) The number of articles on which calculations for 1912 are based has been increased from 71 to 100. (h) Beginning of the month.
(i) Provisional figure.

THE MERCANTILE BANK OF INDIA, LTD.

HEAD OFFICE:
15, Gracechurch St., London, E.C.3.

Capital Authorised ... £3,000,000
Capital Paid Up ... £1,050,000
Reserve Fund and Undivided
Profits ... £1,227,638

Branches:
INDIA, BURMAH, CEYLON,
STRAITS SETTLEMENTS & CHINA,
PORT LOUIS (MAURITIUS).

The Bank buys and sells Bills of Exchange, issues
Letters of Credit and Circular Notes, and transacts
banking and agency business in connection with the
East on terms to be had on application.

FIXED DEPOSIT RATES
will be quoted upon application.

On CURRENT ACCOUNTS interest is allowed at
2 per cent. per annum on daily balances.

VICKERS LIMITED

RAILWAY MATERIAL.—Locomotive (Rank Axles, Straight Axles for Locomotives, Carriages and Wagons, High Tensile Steel Tyres ("Australia Brand"), Mail and Passenger Steamers, Commercial Ship, Icebreakers, Dredgers and other Special Craft Floating Docks and cranes, Marine Engines of all descriptions, including Turbine and Heavy Oil Engines, Large Gas Engines, Muel T. rust Bearings, Hydro-Electric Power Installations, Mining, Cement-making and Stone-crushing Machinery, Oil Well Supplies and Equipment, Drifting-sand Filters for Water Purification, Laminated Springs for Railway and Motor Car Use, Drop Forgings and Stampings, Card-box-making Machinery, Water roof Plywood, "Vickers' Duralumin" (Reg. Trade Mark), Engineers' Small Tools, Machine Tools, etc., etc.

Works: Barrow-in-Furness, Sheffield, Birmingham, Erith, Crayford, Dartford, Weybridge.
Branch Offices: Manchester, Birmingham, Newcastle-on-Tyne, Leeds, Bristol, Cardiff, B. East.
Depots: Glasgow, Dublin.

Head Office:
BROADWAY,

Vickers House,
LONDON, S.W.1.

(C) RATES OF EXCHANGE ON LONDON—SELECTED DATES, 1914—1921;—MONTHLY, 1922;
AND HIGHEST AND LOWEST OF 1921 AND 1922.

	Paris.	Brussels.	Italy.	Switzer- land.	Madrid.	Amster- dam.	Stock- holm.	Christia- nia.	Copen- hagen.	Berlin.	Vienna.
	Francs to £1.	Francs to £1.	Lire to £1.	Francs to £1.	Pesetas to £1.	Florins to £1.	Kroner to £1.	Kroner to £1.	Kroner to £1.	Marks to £1.	Krone to £1.
Par level . . .	25.22½	25.22½	25.22½	25.22½	25.22½	12.107	18.159	18.159	18.159	20.43	24.02
Highest, 1921	61.75	61.75	109.00	24.30	32.50	11.85	17.80	31.76	24.03	1,275	15,000
Lowest	45.35	45.40	70.00	20.08	26.50	11.06	16.35	19.00	18.50	203	1,200
Highest, 1922	72.20	79.80	114.12½	24.72½	29.62	11.70	17.39	27.31½	22.47½	38,500	425,000
Lowest	47.40	50.57½	80.12½	21.66½	27.54	11.28½	16.36½	23.16	20.18½	715	11,500
Beginning of—											
January, 1914	25.30	25.48½	25.42½	25.35½	26.67	12.11½	18.23½	18.23½	18.23½	20.51½	24.02
July	25.15	25.25½	25.19½	25.19½	26.10	12.11½	18.25	18.25	18.25	20.49½	24.02
January, 1915	25.08½	25.18½	25.12½	25.12½	25.40	11.98½	18.20	18.20	18.20	20.49½	24.02
July	27.10	27.10	27.10	27.10	29.27½	11.95	18.20	18.20	18.20	20.49½	24.02
January, 1916	27.85	27.85	27.85	27.85	29.27½	11.95	18.20	18.20	18.20	20.49½	24.02
July	28.13½	28.13½	28.13½	28.13½	30.37½	11.48	16.55	16.55	16.55	20.49½	24.02
January, 1917	27.79	27.79	27.79	27.79	32.75½	11.68	16.02	17.01½	17.36½	20.49½	24.02
July	27.49½	27.49½	27.49½	27.49½	32.43½	11.53½	15.40½	16.12½	16.23½	20.49½	24.02
January, 1918	27.22½	27.22½	27.22½	27.22½	34.50	11.01½	14.42	14.79½	15.62½	20.49½	24.02
July	27.15½	27.15½	27.15½	27.15½	40.01	9.25½	13.46½	15.08½	15.28½	20.49½	24.02
January, 1919	27.97½	27.97½	27.97½	27.97½	43.22½	11.15	16.29½	16.85	17.67½	20.49½	24.02
July	30.35	32.34	35.75	24.82½	23.10	11.79	17.90½	18.46	19.60½	20.49½	24.02
January, 1920	40.92½	40.43½	50.00	21.16½	19.72½	10.07	18.60	19.66½	18.77½	20.49½	24.02
April	47.75	54.07½	80.62½	22.02½	22.76½	10.42½	18.01	22.00	21.28½	20.49½	24.02
July	47.22½	44.67½	65½	21.88½	24.17½	11.18	17.91½	23.77½	23.97½	20.49½	24.02
October	51.87½	49.32½	83.60	21.70	23.71½	11.18	17.52	24.60	24.77½	20.49½	24.02
January, 1921	61.06½	58.07½	104½	23.55	27.46½	11.36½	17.56	22.42½	22.17½	20.49½	24.02
April	56.09½	53.75½	95½	22.59½	28.06½	11.36	16.81½	24.42½	24.42½	20.49½	24.02
July	46.67½	46.87½	75½	22.16	28.85½	11.36½	17.00	26.20½	22.20½	20.49½	24.02
October	52.20½	52.97½	94½	21.47½	28.60	11.74	16.73½	30.37½	30.37½	20.49½	24.02
January, 1922	52.32½	54.65½	97½	21.70½	28.19½	11.44½	16.97½	26.39½	21.12½	20.49½	24.02
February	51.47½	53.84½	92½	22.00½	28.14	11.60	16.94½	26.84½	21.19½	20.49½	24.02
March	48.84½	51.20½	82½	22.62½	27.70½	11.55	16.74	25.14½	20.89½	20.49½	24.02
April	48.47½	52.07½	85½	22.55½	28.23½	11.58	16.82	24.69	20.76½	20.49½	24.02
May	48.45½	52.99½	82½	23.00½	28.62½	11.58	17.16½	23.82½	20.92½	20.49½	24.02
June	48.93½	53.04	85½	23.34	28.26	11.48½	17.25	24.95½	20.37	20.49½	24.02
July	52.79½	55.59½	94½	23.24½	28.32½	11.48	17.14	26.87½	20.52½	20.49½	24.02
August	54.15½	57.94½	96	23.42	28.69½	11.51½	17.02½	26.94½	20.69½	20.49½	24.02
September	57.39½	60.62½	101½	23.45	28.77½	11.44½	16.84½	26.79½	20.77½	20.49½	24.02
October	57.72½	61.49½	103½	23.48½	28.95½	11.27½	16.64½	25.70½	21.47½	20.49½	24.02
November	64.75½	69.67½	106½	24.51½	29.27½	11.38½	16.61	24.47½	22.16½	20.49½	24.02
December	64.20½	69.37½	93½	24.10½	29.38½	11.41½	16.75½	24.42½	22.15½	20.49½	24.02
January, 1923	66.80	72.85	93½	24.72½	29.78½	11.79	17.37½	25.12½	23.40	20.49½	24.02
February	76.55	87.40	97½	24.85½	29.77½	11.87	17.61	25.17½	24.95	20.49½	24.02

(C) RATES OF EXCHANGE ON LONDON—Continued.

	New York.	Buenos Ayres.	Rio de Janeiro.	Monte Video.	Valpar- aiso.	Bombay.	Hong Kong.	Shanghai.	Yoko- hama.	Singapore.
	Dollars to £1.	Pence to Dollars.	Pence to Mileis.	Pence to Dollars.	Pesos to £.	10 to Gold Sovereign.	Sterling to Dollar.	Sterling to Tael.	Sterling to Yen.	Sterling to Dollar.
Par level . . .	4.86½	47.58	16	51	13.32	s d	s d	s d	s d	s d
Highest, 1921	4.28½	51½	10½	51½	40.60	1 6½	3 2½	4 4½	2 8½	2 4½
Lowest	3.53½	40½	6½	38	25.43	1 2½	2 2½	2 11	2 3½	2 3½
Highest, 1922	4.66	46½	7½	45	46.70	1 4½	2 8½	3 8½	2 3½	2 4½
Lowest	4.18½	43	6½	40½	30.80	1 3½	2 3	3 0½	2 1½	2 3½
Beginning of—										
January, 1914	4.81½	48½	16½	51½	89½	1 1	1 11½	2 7½	2 0½	2 4½
July	4.87½	47½	16½	51½	89½	1 1	1 10½	2 6½	2 0½	2 4½
January, 1915	4.85½	49	14½	52½	87½	1 1	1 9½	2 2½	2 0½	2 4½
July	4.77½	48½	12½	53½	87½	1 1	1 9½	2 0½	2 0½	2 4½
January, 1916	4.77½	49½	11½	54	89½	1 1	1 11½	2 6½	2 1½	2 4½
July	4.76½	48½	12½	53½	89½	1 1	1 10½	2 0½	2 2½	2 4½
January, 1917	4.76½	52	12½	56½	111½	1 1	1 10½	2 4½	2 1½	2 4½
July	4.76½	50½	13½	54½	112½	1 1	1 10½	2 6½	2 1½	2 4½
January, 1918	4.76½	52	13½	54½	112½	1 1	1 10½	2 6½	2 1½	2 4½
July	4.76½	51½	12½	61½	116½	1 1	1 10½	2 6½	2 1½	2 4½
January, 1919	4.76½	51½	13½	61½	116½	1 1	1 10½	2 6½	2 1½	2 4½
July	4.60½	51½	14½	54½	110½	1 1	1 10½	2 6½	2 1½	2 4½
January, 1920	3.78½	62½	17½	65½	112½	1 2	1 10½	4 10½	7 8½	2 4½
April	3.87	61½	16½	60½	113½	1 2	1 10½	4 11	6 4	2 4½
July	3.95½	57½	14½	59½	112½	1 1	1 10½	3 8	5 1½	2 4½
October	3.48½	57½	12½	58	111½	1 1	1 10½	4 3½	5 6½	2 4½
January, 1921	3.54½	51½	9½	50	89½	1 1	1 10½	3 2½	4 1½	2 4½
April	3.92½	46½	9½	44	89½	1 1	1 10½	2 5	3 1½	2 4½
July	3.72½	44½	7½	41½	85.60	1 1	1 10½	2 7½	3 0½	2 4½
October	3.72½	46½	8½	44	33.00	1 1	1 10½	2 11½	4 1	2 4½
January, 1922	4.20	43½	7½	41	40.20	1 1	1 10½	2 7½	3 6½	2 4½
February	4.30½	45½	7½	42½	44.00	1 1	1 10½	2 6½	3 5½	2 4½
March	4.42½	45½	7½	43½	38.50	1 1	1 10½	2 4½	3 0½	2 4½
April	4.37½	44½	7½	43½	39.90	1 1	1 10½	2 6½	3 4	2 4½
May	4.44½	44½	7½	43½	39.50	1 1	1 10½	2 6½	3 4	2 4½
June	4.47½	44½	7½	44½	37.00	1 1	1 10½	2 7½	3 7½	2 4½
July	4.41½	44½	7½	44½	35.00	1 1	1 10½	2 7½	3 7½	2 4½
August	4.45½	44½	7½	44½	32.60	1 1	1 10½	2 7½	3 6½	2 4½
September	4.46½	44½	7½	44½	31.50	1 1	1 10½	2 7	3 5½	2 4½
October	4.36½	44	6½	41½	33.20	1 1	1 10½	2 5½	3 2½	2 4½
November	4.46½	44½	6½	42½	36.90	1 1	1 10½	2 5½	3 2½	2 4½
December	4.51½	44½	6½	43½	34.70	1 1	1 10½	2 3½	3 0½	2 4½
January, 1923	4.63	44	5½	44	34.70	1 1	1 10½	2 3½	3 0½	2 4½
February	4.66½	43½	6½	42½	34.00	1 1	1 10½	2 3½	3 1	2 4½

† Sterling to Rupee. ‡ January 15, 1917. § Pence to Peso.

ANGLO-CZECHOSLOVAKIAN BANK.

Head Office - PRAGUE.

London Office:
24 - 28, LOMBARD STREET, E.C.3.

Branches in all
the principal towns
of Czecho-Slovakia.

Capital fully paid:
CzechKronen 120,000,000

GENERAL BANKING BUSINESS
TRANSACTIONED.

ANGLO-AUSTRIAN BANK, LIMITED.

Head Office:
24/28, LOMBARD STREET, LONDON,
E.C. 3.

Branches:
Vienna and throughout Austria.
Budapest. Trieste. Marburg.
Czernowitz. Nagyvarad. Suczawa.

Correspondents in Czecho-Slovakia:
Anglo - Czechoslovakian Bank,
Prague and Branches.

CAPITAL:
Authorised - - - £2,000,000
Paid up - - - £1,406,370

GENERAL BANKING BUSINESS
TRANSACTIONED.

BORGES & IRMAO BANKERS, OPORTO (Portugal).

Established 1884.

Branches:
LISBON and RIO DE JANEIRO.

All kinds of Banking and
Exchange Business . . .

Telegraphic Address: BORGIRMAO, Porto.

London Agents: The London Joint City and Midland
Bank, Limited.

LEU & CO.'S BANK, LIMITED.

ZURICH " " " Switzerland.

ESTABLISHED 1755.

Paid-up Capital - - Fr. 40,000,000

Affiliated Banks:
BANQUE COMMERCIALE DE BERNE.
BANQUE COMMERCIALE DE SOLEURE.

BANKING BUSINESS OF EVERY
DESCRIPTION TRANSACTIONED.

Special facilities extended for
Trade.

(D) THE FOREIGN TRADE OF THE UNITED KINGDOM.

	Imports.		Exports.	
	1921.	1922.	1921.	1922.
I.—Food, Drink, and Tobacco—				
A. Grain and flour	138,311,887	103,325,326	3,886,700	2,833,002
B. Feeding-stuffs for animals	6,599,259	5,612,145	1,523,256	1,715,105
C. Meat	132,902,847	103,221,499	840,672	1,059,712
D. Animals, living, for food	2,804,318	1,580,155	45,176	31,219
E. Other food and drink, non-dutiable	165,398,474	138,671,201	26,043,218	24,761,100
F. Other food & drink, dutiable	98,153,905	101,608,133	5,060,187	5,919,703
G. Tobacco	22,835,257	18,609,532		
Total, Class I.	567,005,947	472,628,291	37,399,209	36,319,841
II.—Raw Materials and Articles mainly Unmanufactured—				
A. Coal	12,139,619	180	42,951,591	72,529,500
B. Other non-metallic mining and quarry products and the like	6,337,016	5,323,593	1,149,758	1,764,821
C. Iron ore and scrap	5,069,102	4,708,056	228,946	588,267
D. Non-ferrous metalliferous ores and scrap	7,777,515	8,616,325	1,622,569	5,183,517
E. Wood and timber	30,021,962	37,318,897	366,961	331,943
F. Raw cotton & cotton waste	73,309,907	87,219,906	728,052	1,268,178
G. Wool, raw, and waste, and woollen rags	43,403,357	42,687,987	4,532,842	8,106,309
H. Silk, raw, knaps and noils	949,480	2,346,284	32,572	64,994
I. Other textile materials	9,870,333	11,106,062	631,676	799,840
J. Oil seeds, nuts, oils, fats, resins, and gums	38,190,881	36,922,341	6,048,081	5,016,296
K. Hides and skins, undressed	10,914,746	14,861,854	1,291,386	1,829,813
L. Paper-making materials	13,845,436	9,609,077	818,171	1,316,211
M. Rubber	10,504,971	7,295,567	120,160	90,799
N. Miscellaneous raw materials and articles mainly unmanufactured	8,461,706	10,224,770	3,072,100	3,091,708
Total, Class II.	270,794,031	298,240,898	63,594,875	102,015,196
III.—Articles Wholly or Mainly Manufactured—				
A. Coke & manufactured fuel	241,218	24,969	3,428,482	5,204,019
B. Earthenware, glass, abrasives, &c.	7,014,263	7,045,854	12,044,228	10,927,798
C. Iron & steel & manufactures thereof	22,764,188	10,443,495	66,603,550	60,958,557
D. Non-ferrous metals and manufactures thereof	18,365,125	18,152,347	11,654,611	11,537,233
E. Cutlery, hardware, implements, and instruments	6,657,663	6,275,949	9,002,420	6,429,560
F. Electrical goods and apparatus	1,930,917	1,553,218	13,039,988	7,306,578
G. Machinery	10,761,837	8,166,884	74,607,096	51,725,682
H. Manufactures of wood and timber	4,921,864	3,807,024	1,803,336	1,374,228
I. Cotton yarns and manufactures	5,887,003	6,838,531	178,665,274	186,882,806
J. Woollen and worsted yarns and manufactures	7,673,227	9,308,958	55,089,768	58,487,559
K. Silk and silk manufactures	19,243,894	21,330,421	2,282,394	2,281,582
L. Manufactures of other textile materials	8,185,059	10,683,816	18,518,857	22,407,585
M. Apparel	9,420,043	14,175,520	18,361,174	22,588,173
N. Chemicals, drugs, dyes, and colors	12,623,572	11,377,485	19,105,766	20,348,378
O. Oils, fats, and resins manufactured	56,535,190	40,347,800	5,209,560	6,034,724
P. Leather and manufactures thereof	8,664,631	11,416,399	4,727,478	5,136,939
Q. Paper and cardboard	11,601,455	12,374,275	7,725,511	6,737,282
R. Vehicles (including locomotives, ships, & aircraft)	6,900,613	6,656,084	58,204,501	49,953,074
S. Rubber manufactures	4,919,737	5,419,213	4,652,663	5,017,948
T. Miscellaneous articles, mainly or wholly manufactured	20,168,869	24,523,154	27,172,467	28,080,399
Total, Class III.	244,480,368	229,919,396	588,489,124	569,420,103
IV.—Animals, not for food	394,213	362,236	3,427,072	1,476,726
—Parcels Post, non dutiable articles	2,825,502	2,767,303	10,089,262	11,264,560
Total	1,085,500,061	1,003,918,124	703,399,542	720,495,426

(E) ANALYSIS OF CAPITAL APPLICATIONS ON LONDON MONEY MARKET.

	Whole Year 1913.	Whole Year 1920.	Whole Year 1921.	Whole Year 1922.
British Government Loans	£ nil	£ 37,530,700	£ 201,896,300	£ 369,628,100
Colonial Government Loans	26,278,700	11,970,000	73,650,000	58,582,300
Foreign Government Loans	26,158,200	nil	5,905,000	14,254,100
British Corporations, &c.	820,000	46,571,000	19,003,700	5,555,300
Colonial Corporations	14,811,200	nil	4,882,000	7,023,600
Foreign Corporations	6,957,600	nil	7,087,500	7,087,500
British Railways	1,018,800	nil	nil	6,552,900
Indian and Colonial Railways	14,941,000	nil	nil	nil
American Railways	10,627,700	nil	nil	14,722,800
Foreign Railways	17,411,000	1,115,000	630,000	14,722,800
Australasian Mines	750,000	3,880,000	18,600	16,500
South African Mines	1,306,500	54,700	387,500	459,200
Other mines	1,272,500	3,526,000	185,900	1,263,500
Exploration, Financial, &c.	7,123,900	14,131,100	1,926,300	7,681,800
Breweries	24,500	1,894,700	4,407,400	784,000
Merchants, Importers, &c.	432,500	1,760,300	300,000	290,000
Manufacturing	10,894,500	78,665,000	23,761,500	6,588,800
Stores and Trading	2,215,900	6,090,800	3,800,000	1,070,500
Estate and Land	4,041,700	1,743,000	818,900	1,599,200
Rubber	1,275,800	1,134,900	1,134,900	260,900
Oil	5,265,400	13,004,600	15,821,700	17,165,000
Iron, Coal, Steel, & Engineering	6,418,500	25,292,100	4,773,800	14,046,800
Elect. Light, Power & Teleg.	6,916,400	6,247,000	5,677,800	4,851,800
Tramway and Omnibus	4,710,200	1,021,300	774,000	588,500
Motor Traction & Manufg.	1,528,200	8,567,700	905,000	2,093,300
Gas and Water	422,000	980,200	2,447,600	2,093,300
Hotels, Theatres, and Entertainment	538,000	6,452,900	2,529,400	1,628,900
Patents and Prop. Articles	2,188,100	1,068,200	131,500	15,877,200
Docks, Harbours, & Shipping	3,265,200	18,150,600	5,183,200	2,968,700
Banks and Insurance	4,494,100	16,879,400	3,579,000	11,135,200
Miscellaneous	12,029,300	56,057,800	3,447,800	573,675,600
Total	1,085,500,061	267,540,600	308,978,900	573,675,600

DESTINATION of NEW CAPITAL.

Years.	United Kingdom.	British Possessions.	Foreign Countries.
1908	50,051,700	58,650,300	83,501,700
1909	18,681,400	74,758,200	88,917,200
1910	60,296,500	92,378,100	114,764,500
1911	26,145,900	64,994,800	100,618,700
1912	45,335,300	72,642,400	32,872,500
1913	35,951,200	76,137,200	84,448,600
1920	328,021,400	31,639,800	7,888,400
1921	276,176,500	90,577,800	22,223,900
1922	443,518,300	74,924,200	55,233,100

NEW CAPITAL APPLICATIONS.

Year.	Total for Whole Year.	Year.	Total for Whole Year.	Year.	Total for Whole Year.
1904	123,019,000	1911	191,759,400	1917	1,318,596,000
1905	120,173,200	1912	210,850,000	1918	1,393,381,400
1906	123,630,000	1913	196,537,000	1919	1,036,059,400
1907	123,630,000	1914	512,522,600	1920	367,549,600
1908	192,203,700	1915	585,241,700	1921	388,978,200
1909	182,356,800	1916	585,436,400	1922	573,675,600
1910	267,439,100				

(F) DAILY AVERAGE MONEY RATES IN PAST TEN YEARS.

Years.	Bank Rate.	Market Rate, 3 Months' Bills.	Deposit Rate, Banks.	Short Loans.
1913	4 15 5	4 8 5	4 5 5	3 15 10
1914	4 0 9	2 17 8	2 5 5	2 4 3
1915	5 0 0	3 14 1	2 12 0	2 18 4
1916	5 9 3	5 4 3	3 14 4	4 12 8
1917	5 3 0	4 16 2	4 0 0	4 8 3
1918	5 0 0	3 11 9	3 1 3	3 5 6
1919	6 3 0	3 18 10	3 10 0	3 9 7
1920	6 14 4	6 7 11	4 14 4	5 3 7
1921	6 2 4	5 4 3	4 2 4	4 12 8
1922	3 13 10	2 13 0	1 13 10	2 6 11

(G) STOCK MARKET PRICES IN 1922.

	Prices.	Rise or Fall.	Highest of Year 1922.	Lowest of Year 1922.
	End of Year 1921.	End of Year 1922.	Highest.	Lowest.
British Funds.				
War Loans	91	95 1/2	96 1/2	90 1/2
5% Redeemable 1925-28	92 1/2	100	102 1/2	91 1/2
5% Redeemable 1929-47	102	107 1/2	107 1/2	96 1/2
4% Funding, 1960-90	76 1/2	86	89 1/2	75 1/2
4% Victory Bonds	81 1/2	88 1/2	91 1/2	81 1/2
Consols 2 1/2% red. at Govt. option	50 1/2	55 1/2	56 1/2	49 1/2
Conversion Loan, 3 1/2%	66 1/2	75	78 1/2	65 1/2
Local Loans, 3%	56 1/2	64	66 1/2	55 1/2
India 3 1/2%	58 1/2	63	65 1/2	56 1/2
Do 3%	51 1/2	55	59 1/2	49 1/2
Foreign Govt. Stocks.				
Argentine 5%, 1886	98	100	101	95 1/2
Do Rescission 4%	60	75	76	60
Belgian 3%	63	68	69 1/2	62 1/2
Brazilian 5% Funding Bonds, 1914	65	68	69 1/2	59 1/2
Chilian 4 1/2% Gold Loan, 1889	76	85	87 1/2	74 1/2
Costa Rica 4% Refund, 1911	97	65	72	74 1/2
Cuba 5% Gold Bonds	97	100 1/2	101 1/2	96 1/2
Egyptian Unified	61 1/2	69	71 1/2	61 1/2
French 3% Rentes	27	25	26 1/2	21
Do 5%	42	32	33 1/2	24 1/2
German 3%, 1891-93	34	1	10	3 1/2
Greek 4% Monopoly	35 1/2	23 1/2	25 1/2	24 1/2
Do 4% Rentes	30 1/2	20 1/2	10	35 1/2
Italian 3 1/2%	22 1/2	22	26	19 1/2
Japanese 4 1/2% Sterling, 1905	105	102	107 1/2	99 1/2
Do 5%, 1907	79	86	87 1/2	78 1/2
Mexican 5% Cons. Ext., 1899	59 1/2	57	58 1/2	56 1/2
Portuguese 3%	23	28	29 1/2	21 1/2
Spanish 4%	72 1/2	77	78 1/2	69 1/2
Venezuela	56	66	67	54 1/2
British Railways.				
Great Northern "A"	22	46	47	22
Great Western	73	108 1/2	109 1/2	73
London, Brighton & A	38 1/2	67	68 1/2	38 1/2
London & North-Western	70	106 1/2	109	69 1/2
London and South-Western	60 1/2	97 1/2	100 1/2	60 1/2
Metropolitan District	21 1/2	47	47 1/2	21 1/2
Midland Deferred Ordinary	43 1/2	72	72 1/2	43 1/2
North-Eastern—Consols	72	124	128	72
South-Eastern "A"	22 1/2	34	34 1/2	22 1/2
American & Dominion Rlys.				
Canadian Pacific	143	154	170	141 1/2
Grand Trunk Ordinary	11 1/2	11	11 1/2	11 1/2
Baltimore and Ohio	41	44	45 1/2	39
Chicago, Mil., and St Paul	22 1/2	24	24 1/2	20 1/2
New York Central	86	100	114	86
Pennsylvania \$50 Shares	39	50	55	39
Union Pacific	148	147	172 1/2	146
Foreign Railways.				
Antofagasta (Chile & Bolivia) Cons.	42 1/2	73 1/2	75 1/2	42 1/2
Buenos Ayres Great Southern	57 1/2	84	86 1/2	56 1/2
Buenos Ayres Pacific	36 1/2	82	85 1/2	35 1/2
Buenos Ayres Western	55 1/2	80	84 1/2	54 1/2
Central Argentine	53	75	77 1/2	51 1/2
Nitrate Ordinary	4	6 1/2	6 1/2	4
San Paulo, Stock	106 1/2	120	134	105 1/2
United of Havana Stock	44	71	72	41 1/2
Miscellaneous Shares.				
Barclays (£1 fully paid)	2 1/2	2 1/2	2 1/2	2 1/2
Lloyds Bank (£5, with £1 paid)	2 1/2	2 1/2	2 1/2	2 1/2
London Joint City & Midland Bank (£12, with £2 paid)	7 1/2	8 1/2	8 1/2	7 1/2
London County Westminster and Parr's (£20, with £5 paid)	15	17 1/2	17 1/2	14 1/2
National Provincial & Union (£20, with £4 paid)	9 1/2	10 1/2	11	9
J. and P. Coats	2 1/2	3 1/2	3 1/2	2 1/2
English Sewing Cotton	1 1/2	2 1/2	2 1/2	1 1/2
Armstrong (Sir W. G.) and Co.	1 1/2	2 1/2	2 1/2	1 1/2
Vickers	1 1/2	2 1/2	2 1/2	1 1/2
Mines.				
Con. Gold Field	4 1/2	13 1/2	14 1/2	4 1/2
De Beers Deferred	9 1/2	13 1/2	14 1/2	9 1/2
East Rand Proprietary	3 1/2	4 1/2	4 1/2	3 1/2
Moderfontein	2 1/2	3 1/2	3 1/2	2 1/2
Rand Mines	2 1/2	3 1/2	3 1/2	2 1/2
Tanganyika	2 1/2	3 1/2	3 1/2	2 1/2

BANK OF NEW ZEALAND.

BANKERS TO THE NEW ZEALAND GOVERNMENT.

AUTHORISED CAPITAL - - £6,154,988
SUBSCRIBED AND FULLY PAID
UP CAPITAL:

Four per Cent. Guaranteed Stock		£529,988
"A" Preference Shares of £1	Issued to N.Z. Government	500,000
"B" Preference Shares of £1	Issued to N.Z. Government	625,000
Ordinary Shares		2,250,000
Reserve Fund and Undivided Profits		2,105,818
		£6,010,806

HEAD OFFICE: WELLINGTON, N.Z. LONDON OFFICE: 1, QUEEN VICTORIA STREET, E.C. 4.
BRANCHES AND AGENCIES AT OVER 200 POINTS IN NEW ZEALAND,
 And at Melbourne, Victoria; Sydney, New South Wales; Suva and Levuka, Fiji; Apia, Samoa.

THE LONDON OFFICE GRANTS DRAFTS on any of the above places; MAKES TELEGRAPHIC TRANSFERS; OPENS CURRENT ACCOUNTS for the convenience of its Colonial Constituents; NEGOTIATES AND COLLECTS BILLS payable in any part of Australasia, Fiji and Samoa; UNDERTAKES all descriptions of Colonial Banking and Monetary Business, and affords every facility to persons in their transactions with the Colonies.
 ROBERT MILL, *Manager*.

NATIONAL BANK OF INDIA, LIMITED.

Registered in London under the Companies Act of 1862 on the 23rd of March, 1866.
Established in Calcutta 29th September, 1863.

Bankers to the Government in Kenya (B.E. Africa) and Uganda.

Subscribed Capital	£4,000,000
Paid-up Capital	£2,000,000
Reserve Fund	£2,600,000
Number of Shareholders	2,334

Head Office: 26 BISHOPSGATE, LONDON, E.C. 2.

BOARD OF DIRECTORS:

ROBERT CAMPBELL, Esq., *Chairman*. ROBERT WILLIAMSON, Esq., *Deputy-Chairman*.
 SIR JOHN P. HEWETT, G.C.S.I., K.B.E., C.I.E., M.P. | SIR CHARLES C. MCLEOD. | J. N. STUART, Esq.
 ROBERT MILLER, Esq. | J. D. NIMMO, Esq. | J. A. TOOMEY, Esq.

BRANCHES:

CALCUTTA	CAWNPORE	MANDALAY	ZANZIBAR	ENTERBE
BOMBAY	DELHI	COLOMBO	MOMBASA	KAMPALA
MADRAS	LAHORE	KANDY	NAIROBI	JINJA
KURACHEE	TUTICORIN	NEWERA ELIYA	NAKURU	TANGA
CHITTAGONG	COCHIN	ADEN	KISUMU	DAR-ES-SALAAM
AMRITSAR	RANGOON	STEAMER POINT		

The Bank grants Drafts and Telegraphic Transfers on all places where it is represented; negotiates and collects Bills of Exchange; collects Pay, Pensions, and generally transacts every description of Eastern Banking Business. The Bank receives Deposits for fixed periods, not exceeding one year, at rates to be obtained on application.

The Bank opens Current Accounts, and, provided they do not fall below £200, allows Two per cent. per annum interest on the minimum monthly balances.

THE BANK OF NOVA SCOTIA

INCORPORATED 1832.

CAPITAL AUTHORISED - \$15,000,000
 CAPITAL PAID UP - \$10,000,000
 RESERVE FUND - \$19,500,000

Head Office - - - - - HALIFAX, N.S.

CHARLES ARCHIBALD, ESQ., Halifax, N.S., President.
 G. S. CAMPBELL, ESQ., Halifax, N.S., and J. WALTER ALLISON, ESQ., LL.D.,
 Halifax, N.S., Vice-Presidents.

General Manager's Office - - - - - TORONTO.
 H. A. RICHARDSON, General Manager.

STATEMENT OF THE RESULT OF THE BUSINESS OF THE BANK FOR THE YEAR ENDING DECEMBER 30TH, 1922.

	PROFIT AND LOSS.
Balance December 31st, 1921	\$ 65,328.80
Net Profits for year, losses by Bad Debts estimated and provided for	2,122,082.11
	\$2,188,010.91
Dividend No. 209 at 16 per cent. per annum paid 1st April, 1922	\$388,000.00
Dividend No. 210 at 16 per cent. per annum paid 3rd July, 1922	388,000.00
Dividend No. 211 at 16 per cent. per annum paid 2nd October, 1922	388,438.59
Dividend No. 212 at 16 per cent. per annum payable 2nd January, 1923	394,025.13
War Tax on circulation to December 30th, 1922	97,464.83
Contribution to Officers' Pension Fund	75,000.00
Written off Bank Premises Account	250,000.00
Transferred to Reserve Fund	35,000.00
Balance carried forward December 30th, 1922	173,162.96
	\$2,188,010.91
	RESERVE FUND.
Balance December 31st, 1921	\$19,000,000.00
Premium on New Stock	465,000.00
Transferred from Profit and Loss	35,000.00
Balance forward December 30th, 1922	\$19,500,000.00

GENERAL STATEMENT AS AT DECEMBER 30TH, 1922.

	LIABILITIES.
Capital Stock paid in	\$10,000,000.00
Reserve Fund	19,500,000.00
Balance of profits, as per Profit and Loss Account	173,162.96
Dividends declared and unpaid	394,025.13
	\$30,067,566.80
Notes of the Bank in Circulation	15,399,640.40
Deposits not bearing interest	\$35,172,569.82
Deposits bearing interest, including interest accrued to date	137,252,052.01
	172,424,601.83
Balances due to other Banks in Canada	187,824,242.23
Balances due to Banks and Banking Correspondents in the United Kingdom	1,835,627.46
Balances due to Banks and Banking Correspondents elsewhere than in Canada and the United Kingdom	88,108.32
Bills payable	774,451.18
	191,098,990.83
Acceptances under Letters of Credit	480,767.29
	\$221,647,324.32
	ASSETS.
Current Coin	\$11,419,548.84
Dominion Notes	25,115,653.50
United States Currency and British Treasury Demand Notes	1,241,254.18
Notes of other Banks	1,300,491.12
Cheques on other Banks	10,286,771.81
Balances due by Banks and Banking Correspondents in the United Kingdom	365,637.05
Balances due by Banks and Banking Correspondents elsewhere than in Canada and the United Kingdom	1,894,775.36
	51,624,162.76
Deposit in the Central Gold Reserves	6,000,000.00
Dominion and Provincial Government securities, not exceeding market value	25,719,088.83
Canadian municipal securities and British, Foreign, and Colonial public securities other than Canadian, not exceeding market value	10,373,948.51
Railway and other bonds, debentures, and stocks, not exceeding market value	5,105,266.28
Demand loans in Canada secured by grain and other staple commodities	10,364,702.45
Call and demand loans elsewhere than in Canada	10,384,713.38
	119,571,902.21
Call and demand loans in Canada secured by bonds, debentures, and stocks	7,414,190.39
	\$126,986,092.60
Deposit with the Minister of Finance for the purposes of the circulation fund	474,491.01
Loans to Governments and municipalities	4,471,343.12
Other current loans and discounts in Canada (less rebate of interest)	71,016,932.37
Other current loans and discounts elsewhere than in Canada (less rebate of interest)	12,446,341.47
Liabilities of Customers under Letters of Credit, as per contra	480,767.19
Overdue debts, estimated loss provided for	137,751.56
Bank Premises at not more than cost, less amounts written off	7,221,656.47
Real Estate other than Bank Premises	87,907.42
Other assets not included in the foregoing	324,021.01
	94,661,231.72
	\$221,647,324.32

G. S. CAMPBELL, Vice-President.

AUDITORS' CERTIFICATE.

H. A. RICHARDSON, General Manager.

We have examined the books and accounts of the Bank of Nova Scotia at its Chief Office and have been furnished with certified returns from the Branches, and we find that the above statement of Liabilities and Assets as at December 30th, 1922, is in accordance therewith. The Bank's investments and the securities and cash on hand at the Chief Office and at several of the principal Branches of the Bank were verified by us as at the close of business, December 30th, 1922. In addition we visited the Chief Office and certain Branches during the year, when we checked the cash and verified the securities and found them to be in agreement with the books. We have obtained all information and explanations required, and all transactions of the Bank which have come under our notice have, in our opinion, been within the powers of the Bank. And we certify that the above statement of Liabilities and Assets as at December 30th, 1922, is properly drawn up so as to exhibit a true and correct view of the state of the Bank's affairs according to the best of our information and the explanations given to us, and as shown by the books of the Bank.

A. B. BRODIE, C.A.
 D. McK. McCLELLAND, F.C.A. } Auditors.
 of the firm of Price, Waterhouse & Co.

Toronto, Canada, 15th January, 1923.

LONDON OFFICE: 55, OLD BROAD STREET, E.C.2.

The Bank of Nova Scotia conducts a general banking business. Particular attention is devoted to business with Canada, Newfoundland, and the West Indies, where Branches of the Bank have long been established.

E. C. MACLEOD, Manager.

THE COUNTY BANK.

THE MANCHESTER & COUNTY BANK LIMITED.

Directors:

Sir FRANK FORBES ADAM, Bt., C.B., C.I.E., Manchester, Chairman.
 GEORGE HESKETH, Esq., Bolton, Deputy Chairman.
 DONALD BEITH, Manchester.
 The Hon. MARSHALL J. BROOKS, Rawtenstall.
 T. GILBERT DUGDALE, Esq., Blackburn.
 ERNEST S. GLADSTONE, Esq., Liverpool.
 Sir FRANK HOLLINS, Bt., Preston.
 JOHN W. MAKANT, Esq., Bolton.
 Joint Managers: J. W. NIGHTINGALE and R. B. MARTIN.

Head Office - 55, KING STREET, MANCHESTER.
 Foreign Department 59, KING STREET, MANCHESTER.
 Liverpool Office - 53, DALE STREET, LIVERPOOL
 (With Foreign Department Attached).

And 158 BRANCHES in LANCASHIRE and Adjacent Counties.

Capital Subscribed	-	-	-	-	-	-	£5,460,200
„ Paid up	-	-	-	-	-	-	1,092,040
Reserve Fund	-	-	-	-	-	-	1,000,000

Current and Deposit Accounts are Opened. Interest is allowed in accordance with the current value of money.

Drafts and Letters of Credit issued, and Telegraphic Transfers of funds made, to all parts of the world.

Foreign Bills and Coupons collected or negotiated.

Purchases and Sales of Stocks and Shares effected.

The Officers of the Company are bound to secrecy in respect of the transactions of its customers.

THE LONDON & RIVER PLATE BANK,

ESTABLISHED 1862.

LIMITED.

PAID UP CAPITAL AND RESERVE FUND - £4,140,000

AFFILIATED WITH LLOYDS BANK LIMITED.

DIRECTORS:

J. W. BEAUMONT PEASE, Chairman.
 E. ROSS DUFFIELD.
 RICHARD FOSTER.
 FOLLETT HOLT, M.I.C.E.
 KENNETH MATHIESON.
 HERMAN B. SIM.
 ROBERT A. THURBURN.

ESTABLISHED AT:

BELGIUM: ANTWERP, 22, Place de Meir.
 FRANCE: PARIS, 9, Rue du Helder.
 PORTUGAL: LISBON, 44, Rua Aurea.
 U.S. AMERICA: NEW YORK, 51, Wall Street.
 ARGENTINA: BUENOS AIRES, with City sub-branches at BARRACAS-AL-NORTE, BOCA DEL RIACHUELO, ONCE DE SETIEMBRE, CALLE SANTA FE, CALLE BERNARDO DE IRIGOYEN. Also at BAHIA BLANCA, CONCORDIA, CORDOBA, MENDOZA, PARANA, ROSARIO, TUCUMAN.
 URUGUAY: MONTEVIDEO, and at CALLE RIO NEGRO (Montevideo), PAYSANDU, SALTO, RIVERA.
 BRAZIL: RIO DE JANEIRO, BAHIA, CURITYBA, MACEIO, MANAOS, PARA, PELOTAS, PERNAMBUCO, PORTO ALEGRE, RIO GRANDE, SANTOS, SAO PAULO, VICTORIA.
 CHILE: VALPARAISO, SANTIAGO, ANTOFAGASTA.
 PARAGUAY: ASUNCION.
 COLOMBIA: BOGOTA, MANIZALES, MEDELLIN

AGENTS THROUGHOUT THE WORLD.

BANKERS:

THE BANK OF ENGLAND.

LLOYDS BANK LIMITED.

Purchases and sales of stocks and shares effected through the Bank's Brokers. All kinds of Banking Business transacted.

INFORMATION DEPARTMENT:

Commercial information and up-to-date reports on South American firms are available on application. Every care is taken that this information is obtained from reliable sources, but the Bank cannot guarantee or accept responsibility for its accuracy.

MONTHLY REVIEW SENT POST FREE ON APPLICATION.

Head Office: 7, PRINCES STREET, LONDON, E.C.2.

Agencies at: MANCHESTER: 86, Cross Street.

BRADFORD: 35, Hustlergate.

ROYAL BANK OF SCOTLAND.

Incorporated by Royal Charter, 1727.

PAID-UP CAPITAL	...	...	...	...	£2,000,000
REST AND UNDIVIDED PROFITS	...	...	...	...	1,403,735
DEPOSITS	...	...	...	...	40,265,016

Head Office - ST. ANDREW SQUARE, EDINBURGH.
 Cashier and General Manager—A. K. WRIGHT, C.B.E., D.L. Secretary—J. B. ADSHEAD.

London Office - 3 BISHOPSGATE, E.C.2.

ALEXR. DICK and WM. WHYTE, Joint Managers

Glasgow Office - ROYAL EXCHANGE SQUARE
 And BUCHANAN STREET.

THOMAS LILLIE, Agent.

WILLIAM DONALD, Sub-Agent.

186 BRANCHES THROUGHOUT SCOTLAND.

Every description of British Colonial and Foreign Banking Business transacted Foreign Exchange. Correspondence Invited.

BANK OF SCOTLAND.

CONSTITUTED BY ACT OF PARLIAMENT, 1695.

AUTHORISED CAPITAL	...	...	...	...	£4,500,000
PAID-UP CAPITAL and RESERVE FUND	...	...	...	...	£2,000,000
DEPOSITS and CREDIT BALANCES as at 28th February, 1922	...	...	...	...	£38,600,000

Governor: WILLIAM JOHN MURE, ESQ., C.B. Deputy-Governor: The Right Hon. LORD ELPHINSTONE.

Head Office: THE MOUND, EDINBURGH.

GLASGOW, Chief Office: 2 ST. VINCENT PLACE. W. G. LEGGAT, Manager.

LONDON Office: 30 BISHOPSGATE, E.C.2. J. W. JOHNSTON, Manager.

Over 200 Branches and Sub-Branches in Edinburgh, Glasgow, and throughout Scotland. Every Description of British and Foreign Banking Business transacted.

GEORGE J. SCOTT, Treasurer.

THE NATIONAL BANK OF SCOTLAND, LIMITED.

Incorporated by Royal Charter and Act of Parliament.

Established 1846.

Affiliated with Lloyds Bank Limited.

Capital Subscribed, £5,000,000. Paid-up, £1,100,000. Uncalled, £3,900,000.
 RESERVE FUND, £1,200,000.

Head Office—EDINBURGH.

WILLIAM CARNEGIE, GENERAL MANAGER.

GEORGE A. HUNTER, SECRETARY.

London Office—37 NICHOLAS LANE, LOMBARD STREET, E.C.4.

T. C. RIDDELL, Manager.

DUGALD SMITH, Assistant Manager.

Every description of banking business transacted, including the purchase and sale of Stocks, Shares, Securities, &c.; which are effected either through the Bank's Brokers or through Brokers selected by Customers; collection of Dividends and Coupons, whether payable in Great Britain or abroad; the issue of Drafts, Letters of Credit, and Circular Notes payable in the principal Cities and Towns throughout the World; and Cable transfer of remittances to all parts.

There is a specially equipped Foreign Department at the Principal Glasgow Office.
 The agency of Colonial and Foreign Banks is undertaken, and the Acceptances of Customers residing in the Colonies or elsewhere abroad domiciled in London are retired on terms which will be furnished on application.

The Commercial Bank of Scotland Ltd.

ESTABLISHED 1810.

Subscribed Capital	...	...	...	...	£5,500,000
Paid up	...	...	...	...	£1,750,000
Reserve Fund	...	...	...	...	£1,600,000
Deposits (31st October, 1922)	...	...	...	...	£40,000,000

Head Office: 14, George Street, EDINBURGH.

General Manager, ALEX. ROBB.

Secretary, MAGNUS IRVINE.

London Office: 62, LOMBARD STREET, E.C.3.

Manager, JOHN F. SANDEMAN.

Asst. Manager, ANDREW W. RUSSELL.

The Bank has 273 Branches and Sub-Branches throughout Scotland, and Banking Correspondents in the principal Towns in the world.

Every description of British Banking and Foreign Exchange business transacted.

ZEMSKÁ BANKA

(FORMERLY ROYAL BANK OF BOHEMIA)

PRAGUE, CZECHOSLOVAKIA.

Sphere of activity extended to Slovakia and Carpathian Ruthenia.
Branch at BRATISLAVA in state of establishing.

CAPITAL	...	Kc. 40,000,000	Bonds issued on the basis of Communal, Land Development
RESERVE FUNDS	...	Kc. 19,000,000	and Railway Loans:
DEPOSITS	...	Kc. 1,017,000,000	Kc. 1,103,000,000

All business transactions are guaranteed by the Country of Bohemia, the most developed Province of the Czechoslovak Republic. Mortgage Loans. Credit for Construction of Buildings. All Banking, Discount and Stock Exchange Transactions. Transfers effected on all places of the Republic and abroad. Safe custody of Securities, Legal Safe Custody, Safes.

Issue of 4% and 4½%

Communal, Land Development and Railway Bonds guaranteed by the Country of Bohemia.

The Communal Bonds issued for the purposes of the Municipalities in Slovakia and Carpathian Ruthenia are besides guaranteed by the Republic.

THE BRITISH BANK OF SOUTH AMERICA, LIMITED.

Capital Authorised and Subscribed, £2,000,000. In 100,000 Shares of £20 each, with power to increase. Paid up Capital, £1,000,000. Reserve Fund, £1,000,000.

HEAD OFFICE: 4, Moorgate, London, E.C.2. MANCHESTER OFFICE: 2, Norfolk Street.

DIRECTORS.

ROBERT JOHN HOSE, Esq., Chairman.
WILLIAM HERBERT HOLLIS, Esq.,
Deputy Chairman.
FREDERICK R. S. BALFOUR, Esq.

Rt. Hon. Sir MAURICE W. E. de BUNSEN, Bart.,
G.C.M.G., G.C.V.O., C.B.
RAOUL HECTOR FOA, Esq.
EDWARD GREENE, Esq.

FRANK HENRY HOULDER, Esq.
FREDERIC LUBBOCK, Esq.
JOHN EDWARD MOUNSEY, Esq.

MANAGER—HENRY PROBYN ROBERTS, Esq.
SECRETARY—LOUIS GEORGE BALLY, Esq.

SUB-MANAGERS—PATRICK ERNEST O'HEA, Esq.
JOHN DEVEREUX BLACKBURN, Esq.
AUDITORS.—MESSRS. TURQUAND, YOUNGS & CO.

Branches at—PERNAMBUCO, BAHIA, RIO DE JANEIRO, SÃO PAULO, SANTOS, PORTO ALEGRE, RIO GRANDE (State of Rio Grande do Sul), MONTE VIDEO, MERCEDES (Sub-Branch to Monte Video), BUENOS AYRES, ROSARIO DE SANTA FE, PERGAMINO (Sub-Branch to Buenos Ayres). Also Sub-Branches at—PLAZA ONCE DE SETIEMBRE, PLAZA CONSTITUCION, AVELLANEDA, CALLE LAVALLE, CALLE VICTORIA and CALLE CORRIENTES, BUENOS AYRES; and AVENIDA RONDEAU and CORDON, MONTE VIDEO.

CORRESPONDENTS

In all the principal Cities and Towns in Europe, in the United States of America and in South and Central America. Also in Australia, Canada, New Zealand, South Africa, India, etc.

MONTHLY TRADE CIRCULAR FREE ON APPLICATION.

BANK OF NEW SOUTH WALES.

ESTABLISHED 1817.

London Office: 29, THREADNEEDLE STREET, E.C.2.

PAID-UP CAPITAL	...	£5,864,360 0 0
RESERVE FUND	...	3,675,000 0 0
RESERVE LIABILITY OF PROPRIETORS...	...	5,864,360 0 0



£15,403,720 0 0

AGGREGATE ASSETS, 30th September, 1923	...	£73,125,747 14 0
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The London Office issues drafts on demand on its Head Office (Sydney, N.S.W.) and branches in all the Australian States, New Zealand, Fiji, and Papua. Makes Mail and Cable Transfers. Negotiates and Collects Bills of Exchange. Arranges Wool and other Produce Credits. Receives deposits for fixed periods on terms which may be known on application, and conducts every description of Australasian Banking Business.

Manager.

IONIAN BANK, LIMITED.

Head Office: LONDON.

BASILDON HOUSE MOORGATE, E.C.2.

ESTABLISHED 1839. INCORPORATED BY ROYAL CHARTER.

Authorised Capital £600,000 Stg. Paid-up Capital £485,580 Stg.
Reserve £155,000 Stg.

GREECE.—The only British Bank or Financial House in the country. Possesses a network of Branches and Correspondents throughout the whole of Old and New Greece, including Macedonia. PRINCIPAL OFFICE: ATHENS. Undertakes all Banking operations on most favourable terms.

EGYPT.—PRINCIPAL OFFICE: ALEXANDRIA. Branches throughout the cotton districts. Specialises in all operations connected with the moving of the cotton crop.

TURKEY.—Branch in Constantinople.

BANK HANDLOWY W WARSZAWIE

(Commercial Bank at Warsaw)

Established 1870.

Paid-up Capital:
300,000,000 Pol. Marks
Reserve Funds:
220,000,000 Pol. Marks.

HEAD OFFICE:

WARSAW, TRAUGUTTA 7/9.

5 City Branches at Warsaw, 34 Branches in Poland.

Affiliated: BANK ZIEMI POLSKIEJ W LUBLINIE,
(BANK OF POLISH LAND IN LUBLIN),
with its 22 Branches in Poland.

President:

BARON LEOPOLD KRONENBERG.

Vice-Presidents:

A. WIENIAWSKI. J. KOZLOWSKI.

General Manager.

HENRI CHAMPAGNIER.

Telegrams: HANDLOWBANK.

London Correspondents:

BARCLAYS BANK LTD. LLOYDS BANK LTD.
LONDON JOINT CITY AND MIDLAND BANK LTD.

Every Description of Banking Business Undertaken.

Telegraphic Address: "Compdehary, Amsterdam."

Handel-Maatschappij
H. Albert de Bary & Co.
AMSTERDAM

Merchant Bankers

Capital Fl.6,000,000

(FULLY PAID)

NATIONAL DISCOUNT COMPANY, LIMITED.

ESTABLISHED 1856.

35 CORNHILL, LONDON, E.C.3.

Telephones:
"NATDIS, STOCK, LONDON." No. 1484 AVENUE (2 lines),
No. 11948 CENTRAL.

SUBSCRIBED CAPITAL £1,693,380 0 0

PAID-UP CAPITAL
"A" Shares of £2 10s. fully paid £423,332 10 0
"B" Shares of £7 10s., £2 10s. paid 423,332 10 0

£846,665 0 0

RESERVE FUND .. £500,000 0 0

DIRECTORS.

Col. The Hon. SIDNEY PEEL, D.S.O., Chairman.

LAWRENCE E. CHALMERS, Deputy-Chairman.

FREDERICK W. GREEN.

Sir SIGISMUND F. MENDL, K.B.E.

The Rt. Hon. F. LEVERTON HARRIS.

CHARLES D. SELIGMAN.

WALTER J. HERIOT.

PHILIP H. WADE.

Manager.—PHILIP H. WADE.

Sub-Manager.—FRANCIS GOLDSMITH.

Secretary.—CHARLES H. GOUGH.

Auditors.

FRANCIS W. PIXLEY (Jackson, Pixley & Co.).
SIR ALBERT WYON, K.B.E. (Price, Waterhouse & Co.).

Bankers.

BANK OF ENGLAND.

NATIONAL PROVINCIAL AND UNION BANK OF ENGLAND, LIMITED.

Bank and Approved Mercantile Bills Discounted.
Money received on Deposit at Call and Short Notice, and Interest
allowed at the Current Market Rates; and for longer periods upon
specially agreed terms.

Loans granted upon negotiable securities.
Investments and Sales of all descriptions of British and
Foreign Securities effected. All communications on this subject
to be addressed to the Manager.

BANCO DE CHILE

94 GRACECHURCH STREET, E.C.

PAID-UP CAPITAL	...	\$100,000,000	Chilian Dollars
RESERVE FUND	...	58,000,000	
RESERVE LIABILITY OF SHAREHOLDERS	...	100,000,000	
RESERVE FUND IN GOLD OF 18d	...	13,333,333 = £21,000,000	

Head Offices—SANTIAGO & YALPARAISO.

BRANCHES.

Santiago (Estacion), Santiago (Matadero),
Santiago (San Pablo), Santiago (Bella Vista),
Valparaiso (Almendra), Ancud, Antofagasta,
Arica, Chillan, Concepcion, Copiapó, Coquimbo,
Curicó, Illapel, Iquique, La Calera, Lebu,
Ligua, Los Andes, Los Angeles, Mulchen, Nueva
Imperial, Osorno, Ovalle, Puerto Montt, Quillota,
Rancagua, Rengo, San Carlos, San Fernando,
San Felipe, Serena, Taena, Talca, Talcahuano,
Taltal, Temuco, Tomé, Tocopilla, Traiguén,
Valdivia, Vallenar, Vicuña, Vina del Mar.

The London Agency transacts every class of
Banking business with Chile. Current Accounts
also opened and Deposits received.

DAVID BURNS, Manager.

DEN NORSKE CREDITBANK

CHRISTIANIA, NORWAY.

Established 1857.

Branch: ARENDAL.

Telegraphic Address: "Creditbank."

Capital, Fully paid Kr. 44,000,000
Reserve Funds Kr. 29,000,000

EVERY DESCRIPTION OF BANKING
BUSINESS TRANSACTED. Bills
collected all over Norway. Deposits
received at favourable rates. Foreign
Exchange bought and sold.

LONDON AGENTS:

Hambros Bank, Limited; London Joint City and
Midland Bank, Limited, Overseas Branch, 65 66
Old Broad Street; National Provincial and Union
Bank of England, Limited; Messrs. Cox & Co.,
City Office, 38 Lombard Street.

CORRESPONDENCE INVITED.

Hongkong and Shanghai Banking Corporation

CAPITAL ALL PAID UP ... \$20,000,000
SILVER RESERVE ... \$24,500,000
STERLING RESERVE, held in London ... £4,500,000
RESERVE LIABILITY OF PROPRIETORS \$20,000,000

Head Office - HONGKONG.
Chief Manager - Hon. Mr. A. G. STEPHEN.

BRANCHES AND AGENCIES:

Amoy, Bangkok, Batavia, Bombay, Calcutta, Canton, Chefoo,
Colombo, Dairen (Dalny), Foochow, Haiphong, Hamburg,
Hankow, Harbin, Hongkew (Shanghai), Ipoh, Johore, Kobe
(Hiogo), Kuala Lumpur, London, Lyons, Malacca, Manila,
Nagasaki, New York, Peking, Penang, Rangoon, Saigon, San
Francisco, Shanghai, Singapore, Sourabaya, Sungei Patani,
Tientsin, Tsingtao, Vladivostok, Yloilo, Yokohama.

COMMITTEE IN LONDON:

Sir Charles Addis, K.C.M.G., Chairman.
Hon. Cecil Baring, C. A. Campbell.
David Landale, Sir George Sutherland.
A. M. Townsend, C. F. Whigham.

MANAGERS IN LONDON:

SIR NEWTON J. STABB, M. D. C. JONES.
Sub-Manager, E. W. Townend, Accountant, A. Moncur.

9, GRACECHURCH STREET,
LONDON, E.C.3.

LONDON & BRAZILIAN BANK, Ltd.

ESTD. 1852.

AUTHORISED CAPITAL - £3,000,000
PAID-UP CAPITAL - £1,500,000
RESERVE FUND - £1,500,000

Banking Business of every Description
Transacted in

BRAZIL, ARGENTINA, URUGUAY & PORTUGAL

Branches.

BRAZIL—RIO DE JANEIRO, MANAOS, PARA, MARANHÃO,
CEARA, PERNAMBUCO, BAHIA, SANTOS, SÃO PAULO,
CURITYBA, RIO GRANDE DO SUL, PELOTAS, PORTO
ALEGRE.

RIVER PLATE—MONTEVIDEO, BUENOS AIRES, ROSARIO
UNITED STATES—NEW YORK, 36 Wall Street (Agency)
PORTUGAL—LISBON, OPORTO, FRANCE—PARIS, Rue Serber

MANCHESTER: 36, Charlotte Street.

Current Accounts Opened on Usual Terms.
Deposits Received for Fixed Periods. Rates on Application
Imports and Exports Facilitated.
Bills on Places where Bank is Represented Collected or
Negotiated.
Letters of Credit and Drafts Issued.
Commercial Credits Established on all Branches and
Agencies.

FOREIGN EXCHANGE BUSINESS TRANSACTED

Head Office—7, Tokenhouse Yard, London, E.C.2.

CHARTERED BANK OF INDIA, AUSTRALIA AND CHINA,

38, BISHOPSGATE, LONDON, E.C.2.

Incorporated by Royal Charter.

CAPITAL - £3,000,000
RESERVE FUND - £3,700,000

COURT OF DIRECTORS.

Sir MONTAGU CORNISH TURNER, The Right Hon. Sir JOHN NEWELL
Chairman. JORDAN, G.C.M.G., G.C.I.E., K.C.B.
Sir DUNCAN CARMICHAEL, WILLIAM FOOT MITCHELL,
THOMAS CUTHBERTSON, Esq. Esq., M.P.
Sir ALFRED DENT, K.C.M.G., JAMES MAXWELL GRANT
Sir WILLIAM HENRY NEVILLE, PROPHIT, Esq.
GOSCHEN, K.B.E. LEWIS ALEXANDER WALLACE,
The Right Hon. LORD GEORGE Esq.
HAMILTON, G.C.S.I.

W. E. PRESTON, Chief Manager. J. S. BRUCE, G. MILLER, Managers.

AGENCIES AND BRANCHES.

ALOR STAR HANKOW PENANG
(Malay States) PUKET
AMRITSAR RANGOON
BANGKOK IPOH
BATAVIA KARACHI
BOMBAY KLANG
CALCUTTA KOBÉ
CANTON KUALA LUMPUR
CAWNPORE MADRAS
CEBU MANILA
COLOMBO MEDAN
DELHI NEW YORK
HAIPHONG PEKING

BANKERS.

THE BANK OF ENGLAND.
THE LONDON JOINT CITY AND MIDLAND BANK, LIMITED.
THE LONDON COUNTY WESTMINSTER AND PARR'S BANK, LIMITED.
THE NATIONAL PROVINCIAL AND UNION BANK OF ENGLAND,
LIMITED.
THE NATIONAL BANK OF SCOTLAND, LIMITED.

The Corporation buy and receive for collection Bills of Exchange, grant
Drafts payable at the above Agencies and Branches, and transact general
Banking business connected with the East. Deposits of Money are received for
fixed periods at terms which may be ascertained on application; interest
payable half-yearly, 30th June and 31st December. On Current Accounts
interest is allowed at 2 per cent. per annum on the minimum monthly balances
provided they do not fall below £200.

THE EASTERN BANK LIMITED.

Head Office:

4 CROSBY SQ., LONDON, E.C. 3.

Authorised Capital ... £2,000,000
Paid-up Capital ... £1,000,000
Reserve Fund ... £300,000
Reserve Liability of
Shareholders £1,000,000

BOARD OF DIRECTORS.

Chairman.
J. S. HASSELL, Esq.
Deputy Chairman.
Sir JAMES LEIGH-WOOD, K.B.E., C.B., C.M.G.
J. H. BATTY, Esq. EMILE FRANCOU, Esq.
G. BROMLEY-MARTIN, Esq. MEYER SASSOON, Esq.
Sir PERCY NEWSON, Bart., M.P.

Branches—

BOMBAY, CALCUTTA, MADRAS, COLOMBO,
BAGDAD, BAHREIN, BASRA, AMARA,
HILLAH, MOSUL.

The Bank issues Drafts, Telegraphic Transfers and
Letters of Credit, negotiates and collects Bills of
Exchange, and transacts Banking and Agency
Business in connection with the East.

Deposits are received for one year and for
shorter periods at rates which can be ascertained
on application. On current accounts interest
is allowed at 2 per cent. per annum on the
minimum monthly balances.

F. H. SUTTON, Manager.

The Commercial Banking Company of Sydney,

LIMITED.

ESTABLISHED 1834.

INCORPORATED IN NEW SOUTH WALES.

Capital Paid Up ... £3,000,000 . 0 . 0

Reserve Fund ... £2,460,000 . 0 . 0

Reserve Liability of
Shareholders ... £3,000,000 . 0 . 0

Drafts payable on demand and Letters of Credit on
Australasia are issued by the London Branch. Bills on
Australasia negotiated or collected. Remittances cabled.

London Offices:

18 BIRCHIN LANE, LOMBARD STREET, E.C.3.

F. A. SCRIVENER, Manager.

BANK OF BRITISH WEST AFRICA, LIMITED.

ESTABLISHED 1894.

Authorised Capital ... £4,000,000
Subscribed Capital ... £3,000,000
Paid-up Capital ... £1,200,000
Reserve ... £400,000

Chairman:

The Right Hon. THE EARL OF SELBORNE,
K.G., G.C.M.G.

HEAD OFFICE:

37, GRACECHURCH STREET, LONDON, E.C.3.

GENERAL MANAGER:

LESLIE COUPER, C.M.G.

PRINCIPAL SHAREHOLDERS:

Lloyds Bank Ltd.
London County Westminster & Parr's Bank, Ltd.
National Provincial & Union Bank of England, Ltd.
Standard Bank of South Africa, Ltd.

THE BANK OF TAIWAN, LIMITED.

(REGISTERED IN JAPAN, 1899.)

Head Office - TAIPEH, FORMOSA

Capital Subscribed ... Y. 60,000,000.00
Capital Paid Up ... Y. 52,500,000.00
Reserve Funds ... Y. 12,180,000.00

Map showing distribution of branches
in the Far East.Other Branches: NEW YORK and
BOMBAY.

The Bank is incor-
porated by special charter
of the Imperial Japanese
Government, and is
authorised to issue notes
in Formosa, being under
the special supervision of
the Government.

The Bank transacts
General Banking and
Foreign Exchange Busi-
ness, undertakes Trust
Business, and acts as
Business Agents for
other Banks.

Deposits are received
for fixed periods on terms
which may be ascertained
on application.

TOKYO OFFICE:

YEIRAKUCHO,
KOJIMACHI-KU, TOKYO.

LONDON OFFICE:

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

Correspondents in every
principal town in the
World.

THE BANK OF ADELAIDE

(Established 1865).

Paid-up Capital	£625,000
Reserve Fund	650,000
	1,275,000
Reserve Liability of Shareholders	625,000
	£1,900,000

Head Office—Adelaide, South Australia.

MELBOURNE OFFICE—267 COLLINS STREET.

SYDNEY OFFICE—105 PITT STREET.

PERTH OFFICE—SURREY CHAMBERS, ST. GEORGE'S TERRACE.

LONDON OFFICE—11 LEADENHALL ST., E.C.3.

Bills on Australasia purchased or collected.
Drafts and Letters of Credit issued and Remittances cabled.

Deposits received for fixed periods at rates to be ascertained on application, and every other description of banking and exchange business transacted.

THE WESTERN AUSTRALIAN BANK.

(Established 1841.)

PAID-UP CAPITAL (25,000 shares of £10 each)	£250,000
RESERVE FUND	£750,000
RESERVED PROFITS	£21,099
RESERVE LIABILITY OF SHAREHOLDERS	£250,000

Drafts issued, Remittances cabled, Bills negotiated or collected, Deposits received for fixed periods at rates to be ascertained on application, and all Banking and Exchange Business connected with Western Australia conducted through the

London Agents:

THE BANK OF ADELAIDE, 11 Leadenhall Street, London, E.C.3

TELEGRAMS

FOR

AUSTRALASIA, CHINA, JAPAN,
DUTCH INDIES, STRAITS
SETTLEMENTS, INDIA, AFRICA,
SPAIN, PORTUGAL, THE
MEDITERRANEAN AND SOUTH
AMERICA.*Via Eastern***STATIONS:**

LONDON: 4 ELECTRA HOUSE, MOORGATE, E.C.2.
18, Old Broad Street, E.C.2.
8 Leadenhall Street, E.C.3.
Market Buildings, 29 Mincing Lane—26 Mark Lane, E.C.3.
"The Baltic" Exchange, Bury Street Entrance, E.C.3.
115 Cannon Street, E.C.4.
6 Denman Street, Borough, S.E.1.
37 Holborn Viaduct, E.C.1.
190, Strand, W.C.2.
41 and 42 Parliament Street, S.W.1.

BIRMINGHAM: Guildhall Buildings, Pinfold Street.
BRADFORD: 4 Commercial Street.
BRISTOL: 2 Small Street.
CARDIFF: 33 Merchants' Exchange, Bute Docks.
GLASGOW: 40 Royal Exchange Square.
HULL: 76 Lowgate.
LEEDS: 72a Wellington Street.
LIVERPOOL: K13 Exchange Buildings.
MANCHESTER: 55 Spring Gardens.
NEWCASTLE-ON-TYNE: Maritime Buildings, King Street.
PORTHURNOW: Cornwall.

AND FROM ALL POSTAL TELEGRAPH OFFICES
The Eastern Telegraph Company, Ltd.

STOCKHOLMS ENSKILDA BANK.

BANK WITH UNLIMITED LIABILITY.

Established in 1856.

— STOCKHOLM. —

CAPITAL (paid up) : : : Kr. 43,500,000.
RESERVE FUNDS : : : Kr. 41,500,000.

Banking and Exchange Business of every description.

Bills negotiated or forwarded for Collection.

Letters of Credit and Travellers' Cheques issued available in the principal Cities of the World.

Remittances made by Telegraphic Transfer.

Deposits received for fixed periods or at notice.

LONDON AGENTS:

LONDON COUNTY WESTMINSTER & PARR'S BANK, LIMITED, LOTHBURY, E.C.; FREDK. HUTH & CO
HAMBRO'S BANK, LIMITED.**CREDIT FONCIER D'ALGERIE ET DE TUNISIE.**

ESTABLISHED 1880.

CAPITAL - - - - - Fcs. 125,000,000

REGISTERED OFFICE - ALGIERS. HEAD OFFICE - PARIS.

LONDON OFFICE : 18, ST. SWITHIN'S LANE, E.C.4.

Telegrams: Foncalton, Cannon, London.

Telephones: Central 6276 6 277

FRANCE: Paris, Bordeaux, Lyons, Marseilles, Nantes.

ALGERIA: Algiers, Blida, Bona, Constantine, Oran, Setif, Sidi-Bel-Abbes and 58 Sub Branches

TUNISIA: Tunis & 18 Sub Branches.

MOROCCO: Casablanca, Tangiers & 12 Sub Branches.

BEYROUTH MALTA GIBRALTAR SMYRNA.

ALL BANKING AND FOREIGN EXCHANGE BUSINESS TRANSACTED. Accounts in English and French money opened at call or at short notice.

BANK OF ROUMANIA

(FOUNDED 1866.)

LIMITED.

HEAD OFFICE: 64 Cornhill, London, E.C.3.

BRANCH: 11 Calea Victoriei, Bucarest.

DIRECTORS.E. W. H. BARRY, Esq.
C. de CERJAT, Esq.The Viscount GOSCHEN.
General The Hon. Sir H. A. LAWRENCE, K.C.B.
Lieut.-Col. Sir ALBERT STERN, K.B.E., C.M.G.

BANKERS: BANK OF ENGLAND; Messrs. GLYN, MILLS, CURRIE & Co.

A General Banking Business with Roumania is conducted, and Correspondence from those having interests in that country is invited.

FINKLESTONE BROS.
MERCHANT BANKERS.

Partners: LIONEL FINKLESTONE, SAMUEL FINKLESTONE.

ALL KINDS OF BANKING BUSINESS TRANSACTED.

" " FOREIGN EXCHANGE. " "

Telephone Nos.
LONDON WALL: 2357—2358—2359.

Tel. Address: FINKLESTON, LONDON.

87, BISHOPSGATE, E.C.2.

Codes: Bentley's.

THIRD IMPRESSION WITH ADDITIONAL CHAPTER AND STATISTICS.

AN INTRODUCTION TO THE STUDY OF PRICES

with special reference to the History of the Nineteenth Century.

By **WALTER T. LAYTON, M.A.** 7s. 6d. net.*The Economic Journal*:—"The high qualities he possesses and exhibits will, we are sure, recommend his 'Introduction' to all who would make at once the easiest and the safest approach available to the fascinating but complicated 'study of prices.' That is, perhaps, the most crucial of present popular economic questions, and it must always occupy a prominent place in the scientific discussions of professional economists."*The Westminster Gazette*:—"Mr. Layton, who is one of the ablest of the younger Cambridge economists, has refrained deliberately from a long exposition of the theory of the relation between price levels and the quantity of circulating currency. He has adopted that historical method which appeals to the instinctive empiricism of the practical man. His tracing of the price fluctuations of the past ninety years in England, and his analysis of their causes and results are admirably lucid. And if the book secures the wide circulation which its merits deserve, it should do much to draw public attention to the vital importance of a neglected question."*The Economic Review*:—"His excellent and clear little book ought to be in the hands of every student of social conditions."*The Practical Engineer*:—"This book should be valuable to the student of monetary values and prices, especially of the nineteenth century."**MACMILLAN & CO., LTD., LONDON, W.C.2.**

THE DOMINION BANK.

(CANADA)

At the Fifty-second Annual General Meeting of the Shareholders of The Dominion Bank, held at the Head Office, in Toronto, on 31st January, 1923, the following statement of the affairs of the Bank as on the 30th December, 1922, was submitted:

Balance of Profit and Loss Account, 31st December, 1921	\$715,480 59	Which amount has been disposed of as follows:	
Profits for the year, after deducting charges of management and making full provision for bad and doubtful debts	1,175,478 27	Dividends (quarterly) at Twelve per cent. per annum	\$720,000 00
		Bonus, one per cent.	60,000 00
		Total distribution to Shareholders of Thirteen per cent. for the year ...	\$780,000 00
		Contribution to Officers' Pension Fund Dominion and Provincial Government Taxation	45,000 00
		Written off Bank Premises	157,795 48
		Balance of Profit and Loss Account carried forward	150,000 00
			758,163 38
			\$1,890,958 86

GENERAL STATEMENT.

LIABILITIES.		ASSETS.	
Capital Stock paid in	\$6,000,000 00	Gold and Silver Coin	\$2,075,673 45
Reserve Fund	\$7,000,000 00	Dominion Government Notes	13,651,168 25
Balance of Profit and Loss Account carried forward	758,163 38	Deposit with Central Gold Reserves ...	1,700,000 00
Dividend No. 161, payable 2nd January, 1923	180,000 00	Notes of other Banks	987,087 10
Bonus, one per cent., payable 2nd January, 1923	60,000 00	Cheques on other Banks	8,465,160 00
Former Dividends unclaimed	1,474 00	Balances due by other Banks in Canada ...	45 72
	7,999,637 38	Balances due by Banks and Banking Correspondents elsewhere than in Canada ...	2,344,978 10
Total Liabilities to the Shareholders	\$13,999,637 38		29,224,112 62
Notes in circulation	\$7,571,461 00	Dominion and Provincial Government Securities, not exceeding market value	11,895,645 24
Due to Dominion Government	4,500,000 00	Canadian Municipal Securities, and British, Foreign and Colonial Public Securities other than Canadian, not exceeding market value	1,808,367 26
Deposits not bearing interest	\$20,119,809 95	Railway and other Bonds, Debentures and Stocks, not exceeding market value	1,847,062 57
Deposits bearing interest, including interest accrued to date	78,234,187 60	Call and Short (not exceeding thirty days) Loans in Canada on Bonds, Debentures and Stocks	5,808,605 24
Balances due to other Banks in Canada	98,353,997 55	Call and Short (not exceeding thirty days) Loans elsewhere than in Canada ...	6,460,938 08
Balances due to Banks and Banking Correspondents elsewhere than in Canada	1,214,303 98		\$57,044,731 01
Bills payable	3,017,246 72	Other Current Loans and Discounts in Canada (less rebate of interest) ...	63,912,230 47
Acceptances under Letters of Credit ...	184,240 00	Other Current Loans and Discounts elsewhere than in Canada (less rebate of interest) ...	1,322,556 53
Liabilities not included in the foregoing	735,365 06	Liabilities of Customers under Letters of Credit, as per contra	735,365 06
	488,112 73	Real Estate other than Bank Premises Overdue Debts (estimated loss provided for)	36,449 37
Total Public Liabilities	116,064,727 04	Bank Premises, at not more than cost, less amounts written off	208,701 46
		Deposit with the Minister of Finance for the purposes of the Circulation Fund	6,151,885 62
		Mortgages on Real Estate sold	304,500 00
		Other Assets not included in the foregoing	22,170 71
			325,774 19
			73,019,633 47
			\$130,064,364 42

E. B. OSLER, President.

C. A. BOGERT, General Manager.

AUDITORS' REPORT TO SHAREHOLDERS.

We have compared the above Balance Sheet with the books and accounts at the Chief Office of The Dominion Bank and the certified returns received from its Branches, and after checking the cash and verifying the securities at the Chief Office and certain of the principal Branches on December 30th, 1922, we certify that, in our opinion, such Balance Sheet exhibits a true and correct view of the state of the Bank's affairs, according to the best of our information, the explanations given to us and as shown by the books of the Bank.

In addition to the examinations mentioned, the cash and securities at the Chief Office and certain of the principal Branches were checked and verified by us at another time during the year and found to be in accord with the books of the Bank.

All information and explanations required have been given to us and all transactions of the Bank which have come under our notice have, in our opinion, been within the powers of the Bank.

Toronto, January 18th, 1923.

G. T. CLARKSON }
R. J. DILWORTH } of Clarkson, Gordon & Dilworth, C.A.

London Branch—73, CORNHILL, E.C.3.
S. L. JONES, Manager.

BARCLAYS BANK LIMITED.

Head Office: 54, Lombard Street, London, E.C.3.

The Bank has close working arrangements with Agents and Correspondents in all the principal towns throughout the world, and is in a position to offer complete banking facilities to merchants and others for the transaction of EVERY DESCRIPTION OF OVERSEAS BUSINESS.

Foreign Exchange transactions arranged.

Chief Foreign Branch - 168, Fenchurch Street, London, E.C.3
West End Foreign Branch - 1, Pall Mall East, S.W.1.
Liverpool Foreign Branch - 42, Castle Street, Liverpool.
Manchester Foreign Branch - 91, Portland Street, Manchester.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET. ACCOUNT.
February 21. February 22.

SUCH a quietude has fallen over the Stock Exchange as would seem almost impossible after the raging activity of a month ago. There is nothing much doing in rubber shares; industrials, as a whole, are fallen upon stagnation. A few Argentine railway stocks show animation; the mining markets are dry and uninteresting. Yet there is plenty of money about for investment, and an issue of St Maurice Power 6½ per cent. bonds, made at 99½ on Wednesday, was snapped up in half-an-hour. One or two fairly large issues are declared to be on the eve of making their appearance. Rumours on Thursday afternoon that the Turks had signed the Treaty led to an improvement in some markets.

The War Loan has scarcely varied from 100½ all the week. It moved a sixteenth one way or the other every now and then, but the amount of business in it has been so small as to render the price almost motionless. Consols are a good market, and other gilt-edged stocks keep up well, a rise in Sudan scrip being noticeable. The King's Speech at the opening of Parliament had no Stock Exchange influence.

The foreign market has obvious troubles with which to contend, but German bonds are distinctly harder, the Threes rising to 20s, while French railway bonds, after a dramatic jump, fell back again, on sales by people glad enough to have the opportunity of getting out on an improvement. French Government bonds strengthened towards the end of the week. Czechoslovak Eighties and City of Prague bonds were advanced sharply, on the expectation that Austria will be granted a loan before long, which, it is argued, would strengthen the security for these two bonds. Chinese Railways issues are weak, on fears in connection with payment of the next interest on some of them. Brazilians went better, New York supporting the market, and amongst the rubbishish stocks, Honduras improved on Thursday, the rise creating a little amusement. Turkish bonds advanced sharply for the reason mentioned above.

The last batch of Home Railway dividends had no marked effect upon prices, the course of which has been more governed by general conditions making for slight dullness. The declines did not amount to much. Mexican Railways improved, in company with various other Mexican issues, some anticipation having been raised that the scheme dealing with Mexican indebtedness will be published at the end of the month. Argentine Railways further advanced, all classes of the stocks rising sharply, and, although the best prices were not held, there is a good improvement left in them on balance. Brazilian Railway bonds moved in sympathy. Grand Trunk Pacific debenture lost part of its recent recovery. It is said that the Continent is buying American Rails through London.

The rubber market is almost dormant again, in spite of the fact that rubber itself is firm at about 15 6d per lb. The oil market has come under the influence of the international crisis, with its restraint of investment and speculative enterprise. Royal Dutch went ahead on American purchases. The price of the Courtauld dividend kept the textile market in a ferment of mild excitement throughout the week. Tobacco shares improved, on the excellent report of the Imperial company. Electricity supply shares have again gone ahead, in consequence of the declaration of further bumper dividends by the companies. Gas stocks are steady; shipping, banking, and insurance descriptions being exceedingly quiet. Good preference shares are hard to get. Dividend anticipations have caused fluctuations in Cements, Brazilian Warrants (which have had a sharp rise), and, as already mentioned, in Courtaulds. Movements in iron and steel shares have been confined to rises and falls of 3d to 6d per diem, the changes being as irregular as they are small.

South Africans are more or less dormant, neither the Cape nor Paris taking much interest in them, while the public on this side decline to support the market with the price of gold steadily falling. Nevertheless, prices are maintained. The recent effervescence in Rhodesians has subsided, Chartered, however, enjoyed a little flutter of activity. Mexicans are mostly lower. Tominils, which rose from 5s to 10s 6d in a day, went back to 7s 6d. The Broken Hill group awaits a fresh lead from the Colony. A few West Australians are slightly better, and the copper list is hard, under the leadership of Rio Tintos. Tin, the metal, improved towards the end of the week, without affecting the prices of shares in tin-producing companies.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded	£	£	£	£
ISSUES OF THE WEEK—				
4½ % Treasury Bonds (by Tender Feb. 9, 1923), £1,500,000 at £99 8s 6d	1,500,000	1,491,559	..	..

NATIONAL SAVINGS CERTIFICATES.

NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED FEBRUARY 10, 1923.

April 1 to Feb. 10, 1923, £31,358,000	400,000	..	400,000
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To the Public—				
St Maurice Power Co., £200,000 6½ % 1st Mt. 30-year Deb. Stk., at 99½ %	200,000	199,000	20,000	179,000
Total offered to public	..	199,000	20,000	179,000
To Shareholders only—				
Colombian Mining and Explora- tion, 8 % 3-year Notes, at par (Feb. 10)	100,000	100,000	100,000	..
Hampton Celebration (W. A.), £25,000 10 % Deb. Stock, at 90 % (Feb. 10)	25,000	22,500	12,500	10,000
Total offered to shareholders ..	..	122,500	112,500	10,000
Total offered for subscription to date				
in—		Total offered for subscription		for whole-
		year—		&
1923	£40,320,648	1922	573,575,650	
1922	189,324,642	1921	388,978,303	
1921	29,360,673	1920	367,549,656	
1920	63,442,838	1919	1,036,059,951	
1919	248,706,231	1918	1,283,381,441	
1918	209,135,485	1917	1,318,596,010	
1917	350,355,831	1916	585,436,853	
1916	112,100,799			

St Maurice Power Company, Limited.—Registered under Canadian law. Authorised share capital \$8,000,000 in common shares, of which \$7,200,000 have been issued. This is an offer for sale of £200,000 first mortgage 30-year 6½ per cent. sinking fund debenture stock at 99½ per cent. The stock offered represents the equivalent (at the rate of exchange of \$4.86½) of \$973,400 of a total authorised issue of \$12,000,000, of which \$9,026,600 in the form of first mortgage 30-year 6½ per cent. sinking fund gold bonds have already been sold in Canada and the United States. Both the debenture stock and the gold bonds will be secured *pari passu* as a first mortgage on the St Maurice Power Company's real and immovable properties. The mortgage provides for a sinking fund which will require the payment of \$50,000 per annum, beginning February 1, 1930, until February 1, 1934; of \$75,000 per annum from February 1, 1935, until February 1, 1939, and of \$100,000 per annum thereafter until maturity. This debenture stock is redeemable at the option of the company on 60 days' notice at 110, and accrued interest up to February 1, 1928; at 107½ during the next 11 years; at 105 during the next four years; at 102½ during the next five years, and at 101 thereafter until maturity. Income-tax will not be deducted from dividends on stock paid to holders at registered addresses outside the United Kingdom. The issue was quickly over-subscribed.

Pirelli-General Cable Works, Limited.—Authorised share capital, £500,000, in shares of £5 each, of which £300,000 has been issued. The loan capital consists of £300,000 6 per cent. first mortgage debenture stock, of which the whole amount has been issued. The principal, interest, and sinking fund of this stock are unconditionally guaranteed, jointly and severally, by Societa Pirelli and the General Electric Company, Limited. There are now outstanding £200,000 7½ per cent. three-year notes. These were due for repayment on August 16th next, and will be paid off out of the proceeds arising from the issue of debenture stock. The company, which was formed in 1914 to manufacture electric cables, undertakes to redeem this debenture issue in 1943 at par, but reserves the right to pay off outstanding stock at par after 1930. The issue has been sold to an undertaking at 90 per cent., who in turn has resold it at 92½, and as these facts have been extracted from information published in connection with Stock Exchange Regulations, it is possible that stock will eventually find its way into the hands of the public. Perhaps more information will be forthcoming by that time.

The Tavoy Rubber Company, Limited.—Authorised capital £60,000, divided into shares of 2s each. The company was formed in 1917, and acquired 2,123 acres of land in 1919 in Tavoy, Lower Burma. The whole of the shares have been issued for cash, 300,010 being fully paid up and 141,250 with 1s 6d per share paid. Five hundred and eight acres were planted in 1918, and 547 acres in 1919. Total planted acreage is 1,612. The paid-up share capital represents about £27 10s per acre. Transport is stated to be good. This information is given in connection with an application made to the London Stock Exchange for a share quotation.

ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Price	Week	Price	Week	Rise or
	1922-23	1922-23	1922-23	1922-23	Fall
War 4½, 1925-28	96½	96½	96½	96½	—
Loans 4½, 1925-28	96½	96½	96½	96½	—
4½, 1929-42	100½	100½	100½	100½	—
4½, 1929-42	101½	101½	101½	101½	—
Funding Loan 4½	88½	88½	88½	88½	—
Victory Bonds 4½	90½	90½	90½	90½	—
Conversion Loan 3½	76½	76½	76½	76½	—
Consols 2½	56½	56½	56½	56½	—
Irish Land Stock 2½	58½	58½	58½	58½	—
Local Loans 3½	65½	65½	65½	65½	—

Banks.

Barclays B. (A.L.P.)	2½	2½	—	—	—
Chartered Bk of India	18½	18½	—	—	—
Lloyds (A.L.P.)	24½	24½	—	—	—
London Joint City & Midland (A.L.P.)	8½	8½	—	—	—
London County West- minster and Parr's (A.L.P.)	17	17	—	—	—

Colonial and Foreign Railways.

Antofagasta Cons.	78	78½	—	—	—
B.A. and Pacific	86½	86½	—	—	—
B.A. Gt. Southern	89½	89½	—	—	—
Buenos Ayres West.	86	86½	—	—	—
Canadian Pacific	157	157½	—	—	—
Central Argentine	76½	76½	—	—	—

Foreign Government Securities.

Argentine 5%, 1886-7	99	99	—	—	—
Belgian 3%, 1914	64	64	—	—	—
Brasil 5%, 1914	74	74	—	—	—
Chilian 4½, 1895	79	79	—	—	—
Do 7½	104½	104½	—	—	—
Chinese 5%, 1912	73	74	—	—	—
Egyptian 4%	69	69	—	—	—
French 5%	24½	24½	—	—	—
Do 4%	19	19	—	—	—
Greek 4%, 1884	30½	31	—	—	—

Telegraphs.

Anglo-American "A"	22½	22½	—	—	—
Marconi Wireless	24½	24½	—	—	—

British Railways.

Great Western, Ord.	115½	115½	—	—	—
Do Def.	82	84	—	—	—
London & North-Eastern 5% Pref. Ord.	81	81½	—	—	—
Do Def. Ord.	34½	34½	—	—	—
London, Mid. and Southern, Ord.	108½	108½	—	—	—
Metropolitan	61½	61½	—	—	—
Metropolitan District	48½	51½	—	—	—

American Railroads.

Cheapeake & Ohio	80	79	—	—	—
Erie	14	14	—	—	—
Do 4% 1st Pref.	21	20	—	—	—

Miscellaneous.

Aerated Bread (A.L.P.)	1½	1½	—	—	—
Amal. Consols (A.L.P.)	18½	18½	—	—	—
Anglo Persian Oil (A.L.P.)	48½	48½	—	—	—
Armstrong (Sir W.G.) and Co. (A.L.P.)	48	48	—	—	—
Ass. Pind. Cement (A.L.P.)	17½	17½	—	—	—
Barker, John (A.L.P.)	24½	24½	—	—	—
Birmingham & Cornwall (A.L.P.)	32½	32½	—	—	—
British Traction (A.L.P.)	47½	49½	—	—	—
British-American Tobacco (A.L.P.)	41	44½	—	—	—
Burmah Oil (A.L.P.)	52½	54	—	—	—
Coca (J. & P.) (A.L.P.)	34	34½	—	—	—
Courtauld (A.L.P.)	32½	32½	—	—	—
Cornwall (A.L.P.)	18½	18½	—	—	—
Dorman, Long (A.L.P.)	48	48	—	—	—
Dunlop Rubber (A.L.P.)	48	48	—	—	—
Fine Cotton Spinners (A.L.P.)	23½	23½	—	—	—
Forestral Land (A.L.P.)	18½	18½	—	—	—
Furness, Withy (A.L.P.)	143	143	—	—	—
Highlands and Lowlands Rubber (A.L.P.)	148	2	—	—	—
Hudson's Bay (A.L.P.)	71	71	—	—	—

Mines.

Barropan (A.L.P.)	3x	24½	—	—	—
Broken Hill Prop. (A.L.P.)	18	18	—	—	—
Chartereds (A.L.P.)	8	8	—	—	—
Cons. Gold Fields (A.L.P.)	24½	24½	—	—	—
Crown Mines (A.L.P.)	138	138	—	—	—
De Beers Def. (A.L.P.)	138	138	—	—	—
De Beers Prop. (A.L.P.)	3x	3x	—	—	—
Gold (A.L.P.)	52x	52x	—	—	—
Gov. Gold Areas (A.L.P.)	52x	52x	—	—	—

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

COMPANY MEETINGS, &c.

SOUTH-EASTERN AND CHATHAM RAILWAY COMPANIES. FINE RECORD OF MANAGING COMMITTEE.

The joint general meeting of the proprietors of the South-Eastern and London, Chatham and Dover Railway Companies was held, on the 15th instant, at the Cannon street Hotel, London, Mr H. Cosmo O. Bonsor (the chairman) presiding.

The secretary (Mr Charles Davis) read the notice convening the meeting.

The Chairman said that the accounts presented had been made up in the same manner as had been the practice during the existence of the Managing Committee. They practically showed the earnings of the year. He mentioned that fact because a suggestion had been made that the dividends which the separate companies proposed to pay were bonus dividends. So far as the Managing Committee was concerned, there was no bonus whatever. Under the scheme for the amalgamation of the two companies every particular of the published accounts was taken into consideration, including all the reserves, secret or otherwise, and they belonged to the new Southern Railway Company. The earnings of 1922 had not been taken into consideration because they had not existed. Those earnings were the property of the two companies, and would be distributed among their shareholders. Practically, therefore, the earnings disclosed were those which had been made during the year 1922. It might interest stockholders to know, however, that during the first six months of 1922 the Managing Committee did not earn the 1913 income; they were not working at a profit; it was not until the holiday months commenced that the profits which appeared in the balance sheet were made. The result was that they were dividing between the two companies £2,040,000 odd, as compared with £1,861,000 divided in 1921. In that year they were taking money from the compensation fund, whereas they were taking nothing from that source to-day. Practically all their reserves, including the large cash balance from the Government compensation fund, were handed over to the Southern Company.

SERVICES TO THE NATION.

At this, their last meeting, he would claim on behalf of the Managing Committee that it had more than justified its creation. Shareholders might possibly say that the Committee had not given them any profits that would justify such a statement, but he would claim that the services rendered to the public and to the nation had more than justified the creation of the Committee. Proceeding, the Chairman recalled that when the Managing Committee became a statutory body by Act of Parliament in 1899 both the railways were singularly unpopular; their services were bad, and there were many complaints as to the unpunctuality of the trains. At that time they borrowed a locomotive from the Caledonian Railway with a view to testing the capacity of their own locomotives to keep time, but they were warned that neither the road nor the bridges would carry that locomotive, nor had they a turntable that would take it. The Caledonian locomotive was accordingly returned, but it had really done its job, because it had brought home to the directors in the most emphatic manner the work that they had to tackle in bringing the line up to date. It had been a herculean job. Four tunnels had had to be reconstructed, the whole of the main line laid with heavier rails and ballasted with Kentish stone; 588 bridges had had to be rebuilt and strengthened at a cost alone of something over a million sterling, and they had brought up to date the Dover Marine station and had replaced their cross-Channel fleet with up to date turbine steamers. With the completion of the Dover Marine station their large capital expenditure had practically come to an end. That station was finished in 1914, and he claimed that all that work had been of considerable public service, and that it would have been impossible to have carried the military traffic that was thrust upon the companies in 1914 had they not anticipated needs and spent that money. It was a matter of regret that owing to the war they had not been able until to-day to show to the stockholders any return on that expenditure.

RAILWAY AND POLITICIANS.

He had to acknowledge that all through the committee had had the kind support of the stockholders, but he had to say, at the same time, they had not received very great consideration from the politicians, because whenever they had gone to Parliament for power to carry out any work of improvement they had always met with restrictions. However, that was the position of the companies as they handed them over to the Southern group. Their lines and everything were up-to-date. At the moment, it was true, the system was absolutely full; it was impossible in the

business hours of the morning and evening to put on additional trains, but the initial difficulties in connection with the scheme of electrifying portions of the line had been overcome, and it was hoped to get to work on the electrification scheme practically in the next few weeks. Consequently they were in that way handing over to the new Southern group the possibility of giving additional facilities to the public and, in his opinion, considerable additional revenue to the shareholders of the new group. It was with mixed feelings that he appeared before them for the last time. There was satisfaction in knowing that they were handing over to the Southern Railway an up-to-date line, fully equipped and ready to earn profits for their shareholders, and with a considerable cash balance, which would be of use in strengthening the position of the new company. On the other hand, there was the natural regret in severing a connection and giving up work in which one had taken such a considerable interest during the last 25 years. It was also hard to part with old friends, and he did wish to emphasise the fact that in parting with the company's staff both he and his colleagues on the board wished to thank them for the loyal support which had always been received in good times and in bad.

Sir Robert Perks and Mr E. M. Rodocanachi both spoke in appreciation of the results of the efforts of the managing committee on behalf of the stockholders.

SOUTH-EASTERN RAILWAY.

The separate meeting of the South-Eastern Railway was then held, Mr H. Cosmo O. Bonsor again presiding.

In moving the adoption of the report and accounts, he recalled that it was on November 10, 1836, that the first general meeting of the South-Eastern Railway was held. The first line opened was between a position near Reigate, which he took to be Redhill, and a point near Dover. It was not until 1843 that the railway was taken into Dover and that running powers were obtained for getting through Croydon to London. That practically was the commencement of the now defunct South-Eastern Railway Company. He had great hopes that Mr Rodocanachi's prophecy as to the future prosperity of the Southern Company would be a comfort and consolation to those who carried on their shares into the new group, and he personally had no intention of selling his shares.

Sir Alfred W. Smithers (the deputy chairman), in seconding the motion, said that ten years ago the South-Eastern Railway Company formed a benevolent fund. He believed they were nearly the only company which had a benevolent fund conducted on the businesslike broad way that their fund was, and he hoped that not only would its methods be extended to the other companies, but that it would become general in connection with railways throughout the country, for he was sure that it had had a very considerable effect in maintaining the good feeling that had existed between the management and the staff of this company.

The report and accounts were unanimously adopted, and a vote of thanks to the Chairman, directors, and staff concluded the proceedings.

LONDON, CHATHAM, AND DOVER RAILWAY.

The ordinary general meeting of the London, Chatham and Dover Railway Company was held, on the 15th instant, at the Cannon street Hotel, London.

The Right Hon. Viscount Chilton, G.B.E., the deputy-chairman, presided, and, in moving the adoption of the report and accounts, said that the report which was submitted that day was perhaps the best in the history of the company. The result of the year's working of the two companies was a revenue balance of £2,040,000 odd, divisible as to £1,203,814 to the South-Eastern and £836,548 to the Chatham Company. That compared with a balance for the previous year of £1,068,155 for the South-Eastern and of £763,125 to the Chatham Company.

Mr Nathaniel Spens, in seconding the motion, said that the increased amount of £73,423 received from the Managing Committee was due largely to the decrease in the cost of working, the augmentation of the rent roll of the railway, and an addition to the account for general interest. Future dividends would depend upon the results of the Southern Railway Company, in which they were now merged. That company had been formed on the strongest possible financial basis. The Railway Act had removed the rigid rates which cramped the fair dealing with employees and threatened the modest interest return of shareholders. The results of the independent companies this year showed that to maintain the dividends earned a return varying from 4½ per cent. on the South-Western to over 5½ per cent. on the South-Eastern would have to be paid on the new deferred stock. Such a return would mean a continuance on their new security of at least some dividend to Chatham ordinary shareholders. Their new stock carried nearly 18 per cent. of the total profits made over 3½ per cent. on the deferred stock of the

new company. In his opinion, that right gave holders intrinsic value far in excess of anything they had hitherto possessed. There had been a large recovery in the value of railway stocks because of the settlement effected between the companies, the State, and the public by the new Railway Act. He believed that its provisions would secure, in due course, great benefits alike to shareholders and the public.

The report and accounts were unanimously adopted.

IONIAN BANK, LIMITED.

BANK'S STRONG POSITION—CONDITIONS IN GREECE.

The ordinary general meeting of the Ionian Bank, Limited, was held, on the 13th instant, at the offices, Basildon House, Moor-gate, London.

Sir John Stavridi (the chairman) presided.

The secretary (Mr Wm. A. Shaw, Litt.D.), having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said that, in view of the decision of the directors to close the books in future on August 31 in every year, the present accounts covered a period of eight months only. He wished to remind the shareholders that the necessary meetings had been called in July last for approving the new memorandum and articles of association. As soon as the sanction of the Court was obtained they would be on the same footing, so far as their constitution and powers were concerned, as the most advanced banking institutions in this country. The past year, if, perhaps, a little less trying than the previous one, had not been without its serious difficulties. During the whole period covered by the accounts Greece had been at war.

BANK'S CONTINUED PROSPERITY.

In the case of nearly all the British banks, the profits had been materially reduced, and, if he was able to congratulate the shareholders once more on the continued prosperity of the bank, he warned them frankly that in the past eight months their profits had benefited largely by the high rate of interest at which it had been possible to employ money in Greece, and equally by the unhealthy stimulus to trade arising from the depreciated state of her currency. No banker and no economist wished for the continuance of such conditions. They were abnormal and intrinsically unsound. They must look forward to the return of healthier conditions in the matter of the value of the drachma, and, provided the recovery was gradual, the sooner it came the better. When it did come there was sure to be a drop in the gross profit earnings of all banks in Greece.

The prospects with regard to the course of the drachma turned on two factors—the nation's finances and the currency issue. As to the former, Greece was the only country which had deliberately imposed upon herself the sacrifice of a forced loan. The necessity for that step was explained by the fact that credits granted to her by the Great Powers had been suspended. She had accepted the inevitable and taxed herself. The latest available figures of the public debt showed that Greece had a Budget deficit, ordinary and extraordinary, of, roughly, 1,700 millions, and a debt of probably 7,000 millions at the close of 1922. The fate of the Lausanne Conference still hung in the balance, but, presuming that peace was signed, and was followed by complete demobilisation, Greece would be spared a war expenditure which in September, 1921, ran into eight millions a day, or 2,900 million drachmas per annum. That economy alone would more than balance her Budget. Her National Debt problem would still continue formidable, but he looked upon the figures of her revenue and taxation as proof that with a return to peace and normal conditions the country would rapidly rehabilitate itself. When once Greece had solved the problem of resettling the refugees from Smyrna, Thrace, and Anatolia, and when she had absorbed the newcomers into her population as a wealth-producing element, her prospects were bound to be still brighter.

CURRENCY DEPRECIATION.

With regard to currency depreciation, it was common knowledge that during the war Great Britain, France, and the United States had guaranteed a joint loan to Greece, in return for which Greece had issued paper currency in Salonica for the benefit of the Allied troops, the Great Powers granting credits against the issue of currency. It was not too much to say that Greece had thus made possible the whole of the operations of the Allies on the Salonica front. After the return of King Constantine the Powers had suspended those credits, and Greece had been forced to shoulder the burden herself, and was carrying nearly 1,000 millions of watered currency, for the retirement of which the Great Powers were responsible. If the Great Powers would renew the credits, and peace and demobilisation came, he saw no difficulty in forecasting the rehabilitation of the drachma.

The forced loan of 1922 ought to have resulted in the retirement

you, gas has to be paid for in advance, and not at the completion of the quarterly periods. Under all the circumstances a total increase in consumption of 3½ per cent. for the year cannot be regarded otherwise than as satisfactory.

In connection with the dividend, I ought to explain how this is arrived at. It is no longer dependent upon a sliding scale, which one of the most astute Presidents of the Board of Trade avowed he could never understand, and which has certainly proved a convenient camouflage upon more than one occasion. Just as your employees are entitled to their standard wages, so you are entitled to a standard interest on your investment, and this has been prescribed by Parliament at 5 per cent. A basic price for gas has been fixed at 11d per therm. If, from time to time, any profit is made over and above what is necessary to provide these obligations, three-fourths of such profit is deemed the consumer's share, and automatically goes to him by way of a reduction in the price of gas, and the remaining fourth is divided equally between you and your employees. This year your share is equal to ¼ per cent. additional dividend on the ordinary shares, and a similar aggregate amount has been credited to the co-partnership fund. With better times we have every hope that these allocations will increase.

We endeavour to cultivate that happy relationship, to give the consumer what he wants, to satisfy his requirements, and to meet his difficulties in a helpful spirit. And we are on no less good terms with our employees, who, after all, provide most of the channels of communication through which good will circulates as between ourselves and the public. And the board are no less sincere in congratulating them on a return to bonus years than they are in announcing a somewhat higher return upon your investment than the merely nominal one you have been so long receiving.

The resolution was carried unanimously, and the formal business having been transacted, the proceedings terminated.

BORAX CONSOLIDATED.

INCREASED PROFIT—STRONG FINANCIAL POSITION.

The twenty-fifth ordinary general meeting of Borax Consolidated, Limited, was held, on the 15th instant, at the Cannon street Hotel, London, the Right Hon. the Earl of Chichester (chairman of the company) presiding.

The secretary (Mr H. T. Daniell) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said that the net profits for the past year amounted to £417,900, and, with the amount of £117,638 brought forward, there was a total of £535,538. It was proposed to allocate £25,000 to general reserve fund, £25,000 to reserve for income-tax, and £5,000 to pensions and grants fund, and to pay a final dividend of 1s 6d per share on the deferred ordinary shares, making 12½ per cent. for the year. This would leave £123,892 to be carried forward. The trading profit for the year was about £39,000 more than that of the preceding year, and, looking to the conditions which had prevailed in Europe, this could not be considered unsatisfactory. The reserve now totalled £853,563, including the premium on the deferred ordinary shares, and to this figure would be added the £25,000 now proposed to be written off from profit. The amount standing in the balance-sheet under the head of "Mines and goodwill" was fully represented by the value of mines and deposits, which value naturally was largely consequent upon their earning power, and if they looked at the profits made during the past twenty-five years from the material obtained from these properties, it was evident that, based upon such profits, they alone were worth substantially more than the figure at which mines and goodwill appeared, and that the goodwill attaching to the company, large as it must be, was not represented in figures in the balance-sheet. For all practical purposes,

the company's mines and deposits were of such number and extent that they could be considered as inexhaustible. Advances, investments, &c., at £1,094,887 showed an increase of £153,652. This was almost entirely due to increased holdings in British, Colonial, and United States Government loans. Cash at bankers and in hand, £403,399, showed an increase of £55,541. It would be seen that the company had built up a very strong position. Their liquid assets were large, but they were necessary to a business which was carried on in so many different countries.

TRADE AND PROSPECTS.

Referring to the company's trade and its prospects in the immediate future, the Chairman said that the home trade had shown lately some improvement, but a rapid increase did not seem probable. Manufacturers who bought the company's products, owing to the position due to exchange, which in some countries fluctuated violently from day to day, and in extreme cases even from hour to hour, had great difficulty in doing business abroad, and the company was naturally affected by this. They had had the same problem to deal with in conducting their own export business to protect themselves against serious loss owing to the extraordinary fluctuations in exchange, and, in fact, they had had in many instances to refuse to do business unless for payment in sterling, as it had become almost impossible to trade without loss where sales were not made in this manner. They were certainly passing through one of the most difficult periods which had arisen from the war. The course of business in some of the most important Continental countries had been practically destroyed by the political conditions and consequent exchange upset. Their business in the United States had shown considerable increase, and there appeared every probability of its continuance during the current year. They had continued to reduce their selling prices as costs had come down, a fundamental part of their policy being to keep prices as low as cost permitted. Every effort had been and was being made to decrease costs both at the mines and at the refineries by the installation of up-to-date plant, and most satisfactory results had been obtained from recent additions.

THE MINES.

At the group of mines in the United States which they were at present operating considerable development work had been done during the year, and the reserves of ore in sight showed a very substantial increase on those of the previous year. From their South American deposits they had shipped an increased amount of borate of lime during the year at a decreased cost. From their Asia Minor mines they had also produced an increased quantity of ore, but these were at present shut down owing to the situation in Turkey and consequent disorganisation of the workers and the staff. Also the railway by which their ore was sent to Panderma for shipment was partially destroyed during the retreat of the Greeks, and consequently the company's means of transport had been interrupted. He was glad to say that their Constantinople manager reported that but little damage had been done at the mines. They hoped shortly to be in a position to reopen them and to ship ore to their works. In the meantime they were filling the gap by increased supplies from their mines and deposits in other countries.

The report and accounts were unanimously adopted.

SOUTH SUBURBAN GAS COMPANY.

PRE-WAR DIVIDEND REINSTATED.

The ordinary general meeting of the South Suburban Gas Company was held, on the 16th inst., at Cannon street Hotel, London, Mr Charles Hunt, chairman of the company, presiding.

The secretary (Mr Wilfrid Wastell, F.C.I.S.), having read the notice calling the meeting and the auditors' report,

The Chairman in the course of his speech said: We owe wholly to coal and labour that in the short space of not much more than one year our dividend has been restored to the pre-war one of 6 per cent., and proprietors will no doubt recognise in this the farseeing policy which in the past encouraged gas undertakings to reduce the price of gas by giving them a premium for so doing in the shape of a larger slide dividend. As regards the future, let me say that we continue to rest our case upon the Gas Regulation Act, 1920, by no means unmindful of the fact that we are not proposing for this half-year to pay what may be called our full statutory dividend. We desire, if I may say so, to rest our case for increment of dividend upon rather more solid ground than that of reductions—accidental or otherwise—of coal or wages. We feel that this company has now made what may be called a fresh start, and are hopeful that from now onwards each year will show improvements in working results that will justify not only the recent rather heavy expenditure on works and mains, but the policy also which during all these years has been kept steadily in view, that gas making has no "abiding city" in Lower Sydenham. In fact, a start has already been made at Belvedere, and expenditure in that direction will henceforth continue to grow apace. In this connection attention may be called to paragraph No. 3 of the report indicating a purchase of land from the trustees of Christ's Hospital for the purpose of a housing scheme, which is likely to be in demand at the very commencement of our operations, since suitable houses for gasworks operatives are an immediate necessity. The consumption of gas continues satisfactory, notwithstanding the falling off in demand for industrial purposes. There is an average increase of 3.66 per cent., while the number of meters also shows a satisfactory increase, there having been only one previous increase exceeding this in number. That was in 1913, which followed the taking over of the West Kent district. This is not an uninteresting comment upon the disparaging remarks recently made in the public Press regarding the prevailing use of gas for domestic purposes, with regard to which I should like to say that we have just completed for the London County Council a very important housing scheme, comprising 2,089 houses, each house being fitted with a slot installation, comprising meter, cooker and the necessary pendants, brackets and burners for lighting.

The report and accounts were unanimously adopted.

HOME AND COLONIAL STORES, LIMITED.

GRATIFYING RESULTS OF YEAR'S TRADE.

The twenty-eighth ordinary general meeting of this company was held, on the 15th instant, at 2 and 4 Paul street, London, the chairman (Mr H. G. Emery) presiding.

The Chairman, in moving the adoption of the report and accounts, said that in times like these it was gratifying to the directors to be able again to present a report and balance-sheet showing such good results. The net profit for the year amounted to £341,968, and, adding the amount brought forward from the previous year, they had a total of £388,499. This had been dealt with by providing the dividends on the 6 per cent. cumulative preference shares, the 15 per cent. cumulative preference shares, and the 15 per cent. cumulative ordinary shares, the payment of a final dividend of 1s 9d per share on the ordinary shares, making, with the interim dividend, 15 per cent. for the year, and also a special bonus of 1s 6d per share; to the company's benevolent fund £10,000; to provide for income-tax £25,000, and for corporation profits tax £18,000; and to a separate reserve for equalising dividends £32,000, leaving £50,303 to be carried forward. The business of the company during the past year had been good. Things moved very quickly now, and it was rather difficult for the company's buyers to decide what was likely to happen in their respective markets beyond a few days ahead. The Chancellor of the Exchequer reduced the tea duty by nearly 4d per lb on May 1st. The company's prices on that day were 2s 6d, 2s 2d, and 2s. On May 8th these prices were reduced to 2s 2d, 1s 10d, and 1s 8d. The consumer had the benefit of these reductions for a few months only, as, owing to advancing markets, they had again to make their selling prices 2s 4d and 2s, and it was their well-bought stocks that allowed them since the New Year to sell even at these prices. Those stocks had gone, with the result that their prices on the following day would be 2s 6d for the very best and 2s 2d for their family tea. The lower quality would thus be 2d per lb dearer than it was before the reduction in the duty last May. Therefore, so far as the consumer was concerned, the Chancellor might just as well have left the tea duty alone, for if selling prices had remained as they were before the duty was reduced tea would not have advanced to the extent it had, because any price over 2s 6d would have caused a reduction in consumption, and thus stayed to a large extent an advance such as had been experienced. The reduction of nearly 4d per lb by the Chancellor represented an annual loss to the Exchequer of £7,000,000, the greater part of which was now going into the pockets of the producers. The great advance in the value of tea shares on the Stock Exchange confirmed this.

The report and accounts were unanimously adopted.

GOVERNMENT RETURNS.

CURRENCY NOTES ACCOUNT.

(000's omitted.)

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Advances to		Redemption Account.				
			Bankers.	Savings Banks.	Gold and Silver Bullion.	Bank of England Notes.	Ratio to Notes.	Government Securities.	Balance of Bank of England.
1914.									
Aug. 26.....	21,535	..	6,302	3,810	16,500	..	48.1	9,994	11,423
Dec. 30.....	38,478	..	169	600	..	..	..	..	9,286
1915.									
Dec. 29.....	103,125	729	159	249	28,500	..	27.6	54,621	20,536
Dec. 27.....	150,144	2,430	64	40	28,500	..	19.0	118,102	6,868
1917.									
Dec. 26.....	212,782	8,554	39	675	28,500	..	13.4	186,637	5,486
1918.									
Dec. 31.....	323,241	15,529	..	570	28,500	..	8.9	305,133	4,568
1919.									
Dec. 31.....	356,152	17,182	250	245	28,500	4,000	9.1	337,537	2,802
1920.									
Dec. 29.....	367,626	16,962	..	..	28,500	19,450	13.0	336,504	134
1921.									
Mar. 30.....	343,826	15,599	Silver Coin.	..	28,500	19,450	13.9	311,334	141
June 29.....	323,884	14,965	3,000	..	28,500	19,450	14.8	287,750	150
Sept. 28.....	314,382	14,830	3,000	..	28,500	19,450	15.2	278,119	143
Dec. 28.....	325,584	14,658	3,000	..	28,500	19,450	14.7	289,131	161
1922.									
Mar. 29.....	300,351	14,255	5,000	..	28,500	19,450	15.9	261,479	177
June 28.....	295,374	13,338	5,000	..	28,500	19,450	16.3	254,312	250
Sept. 27.....	293,127	12,648	7,000	..	27,000	21,150	16.6	248,456	169
Dec. 27.....	301,337	12,872	7,000	..	27,000	21,150	15.9	258,922	137
1923.									
Jan. 24.....	280,834	12,150	7,000	..	27,000	21,150	17.1	237,713	120
31.....	280,273	11,928	7,000	..	27,000	21,150	17.2	236,868	183
Feb. 7.....	280,887	12,171	7,000	..	27,000	21,150	17.1	237,768	140
14.....	279,991	11,914	7,000	..	27,000	21,150	17.2	236,579	180

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £300,000,000, for 1921 at £317,555,200, for 1922 at £309,988,400, and for 1923 at £270,183,800.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £30,000,000 in three months' Treasury Bills dated from Monday to Saturday, February 18-February 21, were opened on February 16, 1923, and the total amount applied for was £49,875,000. Tenders for Monday bills at £99 8s 7d, and above in full, Tuesday bills at £99 8s 9d, above in full, Wednesday bills at £99 8s 5d about 42 per cent. above in full, and Thursday to Saturday bills at £99 8s 7d, and above in full. The average rate of discount for Treasury bills was £2 6s 6½d. The amounts allotted were as follows:—In bonds, £1,000,000; in bills at 3 months, £29,000,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills, Average Rate.	4½% Treasury Bonds, 1923, Average Price.
1922.				
Nov. 24.....	(a) £50,000,000	(a) £24,000,000	2 9 2 7	99 5 0-6
Dec. 8.....	(a) 50,000,000	(a) 59,265,000	2 7 1-77	99 5 0-6
Dec. 15.....	(a) 50,000,000	(a) 70,595,000	2 11 1-09	None allotted
Dec. 22.....	(a) 50,000,000	(a) 67,355,000	2 11 0-62	None allotted
Dec. 29.....	(a) 50,000,000	(a) 52,725,000	2 11 7-52	None allotted
1923.				
Jan. 5.....	(a) 50,000,000	(a) 63,995,000	2 2 7-57	99 3 9-6
Jan. 12.....	(a) 50,000,000	(a) 76,575,000	2 3 5-68	99 6 3-72
Jan. 19.....	(a) 40,000,000	(a) 55,305,000	1 18 9-91	99 7 1-69
Jan. 26.....	(a) 40,000,000	(a) 61,530,000	2 6 3-87	99 7 6
Feb. 2.....	(a) 40,000,000	(a) 59,465,000	2 10 1-57	None allotted
Feb. 9.....	(a) 35,000,000	(a) 63,550,000	2 9 7-36	99 8 6-4
Feb. 16.....	(a) 30,000,000	(a) 49,875,000	2 6 6-31	99 8 4-2

(a) Including Treasury Bonds.

Tenders will be received on Friday, February 23, 1923, for Treasury Bonds and Treasury Bills to be issued to the maximum amount of £40,000,000. The amount of Treasury Bonds issued will not exceed £5,000,000, but subject to that limit, the total amount issued will be divided between Bills and Bonds in such proportions as The Lords Commissioners of His Majesty's Treasury may determine.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1922-23. (See Note.)	Total Receipts into the Exchequer from		— Receipts —	
		Apr. 1, 1922, to Feb. 10, 1923.	Apr. 1, 1921, to Feb. 11, 1922.	Week Ended Feb. 10, 1923.	Week Ended Feb. 11, 1922.
Balances in Exchequer on 1st April:—					
Bank of England....	..	9,963,424	2,591,051	..	..
Bank of Ireland....	..	1,210,106	483,455	..	..
REVENUE.					
Customs.....	112,250,000	108,506,000	113,946,000	2,502,000	2,241,000
Excise.....	160,750,000	135,388,000	167,575,000	1,328,000	1,500,000
Motor Vehicle Duties..	10,600,000	11,679,000	10,312,000	4,353,000	801,000
Stamps, &c., Duties.....	48,000,000	49,691,000	42,818,000	780,000	790,000
Stamps.....	18,250,000	16,972,000	13,937,000	970,000	492,000
Land Tax, House Duty, & Mineral Rights Duty	3,000,000	1,780,000	1,480,000	250,000	220,000
Property & Income Tax (including Super-Tax).	329,000,000	262,573,000	258,297,000	19,532,000	21,500,000
Excess Profits Duties, &c.	27,500,000	254,000	29,714,000	..	..
Corporation Profits Tax	19,750,000	15,937,000	13,423,000	340,000	399,000
Post Office.....	54,625,000	45,950,000	46,750,000	1,500,000	1,500,000
Crown Lands.....	750,000	810,000	670,000	..	..
Interest on Sundry Loans.....	14,000,000	9,618,346	10,998,875	..	..
Miscellaneous.....	..	20,733,708	20,805,360	515,050	510,779
Ordinary Receipts....	22,000,000	41,307,442	123,854,737	1,200,000	4,940,728
Special Receipts....	90,000,000	721,686,496	854,568,972	35,550,000	35,294,000
Revenue.....	910,775,000	721,686,496	854,568,972	35,550,000	35,294,000
Total, inc. Balance ..		732,649,920	867,641,476	..	..

THE ANGLO-SOUTH AMERICAN BANK, LIMITED.



Capital and Reserves
exceed £13,000,000

Head Office:

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

AFFILIATED INSTITUTIONS:

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

	Total Receipts into the Exchequer from		RECEIPTS.	
	Apr. 1, 1922, to Feb. 10, 1923.	Apr. 1, 1922, to Feb. 11, 1923.	Week Ended Feb. 10, 1923.	Week Ended Feb. 11, 1923.
OTHER RECEIPTS.				
Temporary Advances Repaid:—				
Bullion	800,000	8,780,000	..	250,000
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1924	169,818	169,818	..	..
Under the Unemployment Insurance Act, 1921	2,910,000	520,000	..	..
Money Raised by Creation of Debt:—				
(a) For Capital Expenditure Issues:—				
Under the Telegraph (Money) Act, 1920 to 1922	5,310,000	5,561,474	..	..
Under the Post Office (London) Railway Act, 1913	27,000	27,500	..	..
Under the Housing Act, 1914	950,000	..	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922	1,553,300	..	..	..
By Exchequer Bonds under the Capital Expenditure (Money) Act, 1924	4,540,000	9,540,000	490,000	..
(b) Under the Unemployment Insurance Act, 1921	2,547,757,000	3,390,359,000	53,364,000	49,925,000
By Treasury Bills for Supply	54,558,000	42,880,000	1,100,000	2,450,000
By National Savings Certificates	20	5	..	..
By Exchequer and National War Bonds	61,555,154	293,050,427	..	4,137,499
By Treasury Bonds—				
5-15 years, 1925-35	84,765,560	..	..	..
5%, 1927	..	..	..	..
4½%, 1927	..	..	..	..
By Other Debt created under the War Loan Act, 1914 to 1919	25,259	10,961,454	..	..
(d) Ways and Means Advances	813,075,500	1,191,746,000	..	27,200,000
Anglo-Persian Oil Company Dividends on Shares acquired	243,012	5,010	..	..
Repayments—				
In respect of Suez Canal Drawn Shares	5,787	7,111	..	..
Do Cunard Loan	130,000	130,000	..	..
Do East Africa Protectorate Loan	..	127,268	..	..
Do issues under Land Settlement (Facilities) Act, 1919 and 1921	282,662	51,617	..	..
Do issues under Section 59 (4) of the Finance Act, 1920	6,827,960	13,490,950	..	..
Interest received under Section 59 (5) of the Finance Act, 1920	162,425	426,340	..	..
Total	4,318,391,483	5,832,775,452	87,304,050	119,257,106

EXPENDITURE AND OTHER ISSUES.

	Total Issues out of the Exchequer to meet Payments from		ISSUES.	
	Apr. 1, 1922, to Feb. 10, 1923.	Apr. 1, 1922, to Feb. 11, 1923.	Week Ended Feb. 10, 1923.	Week Ended Feb. 11, 1923.
EXPENDITURE				
Permanent Charge of Debt	16,000,000	12,794,642	22,366,149	..
Interest, &c., on War Debt	319,000,000	266,437,180	1,844,100	3,089,402
Road Fund	10,000,000	10,553,999	9,230,000	3,948,000
Payments to Local Taxation Accounts, &c.	9,788,000	6,575,518	7,691,669	229,587
Payments to Northern Ireland Exchequer	2,500,000	1,628,380	750,000	100,000
Land Settlement	3,500,000	1,039,981	2,475,135	49,614
Other Consolidated Fund Services	2,650,000	2,517,572	1,744,353	..
Supply Services	539,255,000	373,363,868	565,676,355	7,542,816
Expenditure	902,691,000	674,911,140	889,055,731	14,287,700
OTHER ISSUES.				
Temporary Advances—				
Bullion	..	9,050,000	..	300,000
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1924	169,818	169,818	..	..
Under the Unemployment Insurance Act, 1921	5,700,000	11,230,000	180,000	570,000
Issues to meet Capital Expenditure—				
Under the Telegraph (Money) Act, 1920 to 1922	5,760,000	5,561,474	..	..
Under the Post Office (London) Railway Act, 1913	27,000	27,500	..	..
Under the Housing Act, 1914	950,000	..	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922	1,553,300	..	..	..
Exchequer Bonds paid off £1,087,600; less paid off by the National Debt Commissioners, £1,534,300	1,553,300	..	..	..
Unemployment Insurance Act, 1921—				
Repayment of amounts borrowed	2,110,000	..	..	..
Redemption of Debt	7,714,019,000	3,519,666,000	51,595,000	71,870,000
Securities surrendered for Duties under Section 34 of the Finance Act, 1917, and Section 3 (3) of the War Loan Act, 1919	8,327,408	29,630,874	181	345,474
Funding Loan, Victory Bonds and Conversion Loan Sinking Funds	9,026,211	..	..	..
Principal of National Savings Certificates—				
(a) Repaid by Issues under Section 59 (5) of the Finance Act, 1920	23,000,000	17,450,000	700,000	600,000
(b) Repaid otherwise	..	10,400,000	..	..
Principal of Exchequer Bonds paid off, £20,887,122; less paid off by the National Debt Commissioners, £1,000,000	19,887,122	42,781,133	..	..
Principal of National War Bonds paid off	44,684,182	..	..	..
Other Debt under the War Loan Act, 1914 to 1919	15,825,526	57,162,123	..	..
Ways and Means Advances Repaid	1,171,715,500	1,194,120,000	20,450,000	28,600,000

	Total Issues out of the Exchequer to meet Payments from		ISSUES.	
	Apr. 1, 1922, to Feb. 10, 1923.	Apr. 1, 1922, to Feb. 11, 1923.	Week Ended Feb. 10, 1923.	Week Ended Feb. 11, 1923.
Depreciation Fund, under the Finance Act, 1917	1,198,075	26,600,223	..	660,022
Anglo-Persian Oil Company—Issued under the Anglo-Persian Oil Company (Acquisition of Capital) Amendment Act, 1919	243,012	..	..	..
Issues to National Debt Commissioners to Reduce Debt—				
Suez Canal Drawn Shares Repayments	5,787	7,111	5,787	7,111
Cunard Loan Repayments	130,000	130,000	..	..
East Africa Protectorate Loan Repayments	..	127,268	..	..
Proceeds of National Savings Certificates, issued under the Finance Act, 1920, Section 59 (4)	5,000,000	15,399,000	..	..
Old Sinking Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911	88,065	212,450	..	..
Balances in Exchequer—	4,314,331,146	5,828,881,505	87,218,668	119,114,919
Bank of England	2,046,806	1,947,963	102,617	42,812
Bank of Ireland	2,013,531	1,945,384	187,999	184,999
Total	4,060,337	3,893,947	485,382	142,187

NOTE.—Budget Estimate as in H.C. No. 77 of 1922.
Treasury, February 17, 1923.

The
Clerical, Medical & General
LIFE ASSURANCE SOCIETY.
Publishes A DETAILED LIST
OF INVESTMENTS.
Apply, Chief Office: 15, St. James's Square, S.W. 1,
or
City Office: 8, King William Street, E.C. 4.

SCOTTISH UNION & NATIONAL
INSURANCE COMPANY.
ESTABLISHED 1824.
ASSETS EXCEED £12,000,000
FIRE. LIFE. ACCIDENT. MARINE.
Edinburgh: 35, St. Andrew Square.
London: 5, Walbrook, E.C. 4 and 4, St. James' Street, S.W. 1.

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, February 14, 1923.

ISSUE DEPARTMENT.

	£		£
Notes issued	144,116,835	Government debt	11,015,100
		Other securities	7,434,900
		Gold coin and bullion	125,666,835
	144,116,835		144,116,835

BANKING DEPARTMENT.

	£		£
Capital	14,553,000	Government securities	48,587,299
Res.	3,539,011	Other securities	70,623,032
Public deposits*	19,517,200	Notes	23,397,605
Other deposits	106,726,844	Gold and silver coin..	1,826,590
Seven-day & other bills	18,471		

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

COMPARISON with PREVIOUS WEEK and a YEAR AGO.

	Amount, Feb. 14, 1923.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Rest	3,539,011	+ 13,100	+ 31,689
Public deposits	19,517,200	+ 1,621,915	+ 4,605,577
Other deposits	106,726,844	+ 3,382,226	+ 30,734,919
Government securities	48,587,299	+ 560,000	+ 15,918,266
Other securities	70,623,032	+ 4,810,856	+ 9,982,899
Reserve	3,539,011	+ 13,100	+ 31,689
Note circulation	120,719,230	+ 761,870	+ 1,033,260
Coin and bullion	127,493,429	+ 2,606	+ 1,269,094
% of reserve to liabilities	20%	+ 8%	+ 34%

THREE MONTHS' RECORD.

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve.	% of Reserve to Liabilities.
Nov. 22, 1922	127,445,261	121,407,130	123,414,918	116,705,543	24,488,131	19½
Dec. 29, 1922	127,440,455	122,884,525	121,463,985	116,240,853	23,006,930	19
Jan. 13, 1923	127,446,447	123,063,855	137,695,826	132,722,938	22,832,915	18½
Feb. 7, 1923	127,444,219	124,890,400	123,395,554	120,319,616	21,003,819	17
Feb. 14, 1923	127,443,007	124,877,670	133,227,231	130,126,031	21,015,337	15½
Jan. 3, 1923	127,493,190	124,053,460	157,778,672	153,861,705	21,889,730	13½
Jan. 10, 1923	127,486,217	122,454,770	136,311,140	130,844,337	23,481,447	17½
Jan. 17, 1923	127,491,357	124,010,109	144,010,109	137,442,112	24,705,207	17
Jan. 24, 1923	127,483,154	120,738,570	125,803,374	118,682,858	25,140,584	20
Jan. 31, 1923	127,491,860	122,018,155	120,924,209	115,027,941	23,923,705	19½
Feb. 7, 1923	127,490,819	121,481,100	121,239,933	114,479,475	24,459,719	20½
Feb. 14, 1923	127,493,425	120,719,230	126,244,044	119,130,331	25,224,195	20

TEN YEARS' RECORD.

At corresponding date with the present week	Feb. 12, 1913.	May 27, 1914.	Feb. 16, 1915.	Feb. 15, 1922.	Feb. 14, 1923.
Circulation (excl. Bank post bills)	27,680,810	28,933,380	27,810,040	121,752,490	120,719,230
Public deposits	20,903,278	19,014,809	15,562,933	14,911,673	19,517,200
Other deposits	39,682,281	41,248,964	114,041,917	137,461,763	106,726,844
Government securities	12,035,483	11,046,570	43,512,016	64,425,565	48,587,299
Other securities	37,896,284	41,461,280	85,201,513	80,565,926	70,623,032
Reserve of notes and coin	27,760,364	25,463,380	18,345,555	25,460,023	25,224,195
Coin and bullion	36,991,174	35,947,360	128,305,995	128,762,519	127,493,425
Proportion of reserve to liabilities	45½%	42½%	14½%	16½%	20%
Bank rate of discount	5%	3%	7%	4½%	3%
Market rate, 3 months' bills	7½%	2½%	6½%	3½%	2½%
Price of Consols	74½	74½	74½	74½	74½
Price of silver per oz.	28½d	26½d	34d	34d	34d
Average price of wheat	31s 6d	33s 6d	31s 2d	46s 5d	40s 5d
Exchanges—					
Paris	25.23 26½	25.17 20	52.25 53.00	50.30 50	77.20 78.25
New York	84.84	84.79	83.91 93	84.35 36½	84.67 84½
Amsterdam	12.28 28	12.05 10	11.34 37	11.66 7½	11.83 86
Berlin	20.48	20.94	22.4 23	86.6 89	99.00 120.00
Clearing house returns	291,581,000	199,913,000	655,339,000	771,851,000	710,539,000

BANKERS' CLEARING RETURNS.

Week Ending—	Town Clearing.	Country Clearing.	Total.
1923.			
January 1—February 7	3,686,424,000	347,671,000	4,034,095,000
February 14	658,028,000	52,511,000	710,539,000
Total to date 1923	4,344,452,000	400,182,000	4,744,634,000
Do 1922	4,633,548,000	375,158,000	5,008,706,000
Increase or decrease in 1923	- 289,096,000	- 75,976,000	- 365,072,000
	- 6¼%	- 20%	- 7½%
Total for 1922	34,355,296,000	2,806,165,000	37,161,461,000
Do 1921	31,928,380,000	3,002,179,000	34,930,559,000
Increase or decrease in 1922	+ 2,426,916,000	- 196,014,000	+ 2,230,902,000
	+ 7½%	- 6½%	+ 6½%

PROVINCIAL CLEARING RETURNS.

	1922.	1923.	Inc. or Dec.
Aggregate Totals to February 14.			
BIRMINGHAM	13,962,200	14,426,590	+ 464,390
BRISTOL	1,716,000	1,713,000	- 3,000
DUBLIN	40,729,300	37,037,300	- 3,692,000
LONDON	6,189,600	6,308,100	+ 118,500
LEEDS	6,535,900	6,558,500	+ 22,600
LIVERPOOL	4,918,500	4,710,800	- 207,700
MANCHESTER	51,380,100	54,572,600	+ 3,192,500
NEWCASTLE	88,345,200	91,195,200	+ 2,850,000
NOTTINGHAM	1,856,200	1,856,200	0
ROTHAMPTON	4,245,000	4,227,200	- 17,800
SHEFFIELD	5,776,800	6,801,200	+ 1,024,400

OVERSEAS BANK RETURNS.

UNITED STATES FEDERAL RESERVE BANKS.

	Feb. 15, 1923.	Feb. 1, 1923.	Jan. 26, 1923.	Feb. 10, 1922.
RESOURCES.				

BANK OF ITALY.

(000's omitted.)

	Jan. 10, 1923.	Dec. 31, 1922.	Dec. 31, 1921.	Dec. 31, 1920.	Jan. 10, 1923.	Position May 31, 1914
ASSETS.						
Gold coin and bullion	1,349,798	1,372,290	1,347,468	1,332,302	1,416,553	1,221,875
Foreign bills	4,596,550	4,635,264	4,480,800	4,515,834	4,244,286	418,400
Advances to the Treasury	6,113,476	6,111,907	6,116,138	6,113,058	6,409,525	nll
Other advances	2,298,168	2,533,048	2,008,636	1,824,151	3,888,789	79,175
Securities	407,162	407,113	396,037	395,540	533,477	205,700
LIABILITIES.						
Notes in circulation	13,767,929	13,921,587	13,563,819	13,824,276	14,855,452	1,556,925
Deposits and drafts	1,635,056	1,688,283	1,733,309	1,629,606	2,228,499	193,975

NETHERLANDS BANK.

(000's omitted.)

	Feb. 12, 1923.	Feb. 5, 1923.	Jan. 29, 1923.	Jan. 22, 1923.	Jan. 15, 1923.	Position May 31, 1914
ASSETS.						
Gold	581,790	581,790	581,790	581,790	581,790	163,092
Silver	7,001	7,561	8,039	8,131	7,172	8,436
Debt and advances	370,847	405,165	377,699	411,013	422,980	163,504
LIABILITIES.						
Notes in circulation	954,872	968,569	948,353	958,298	982,252	516,632
Deposits	31,277	33,880	25,512	41,541	38,368	5,016

NATIONAL BANK OF ROUMANIA.

(000's omitted.)

	Jan. 13, 1923.	Jan. 6, 1923.	Dec. 23, 1922.	Dec. 16, 1922.	Jan. 14, 1923.
ASSETS.					
Gold	533,056	533,056	533,055	533,154	495,459
Silver	12,552,946	12,571,682	12,544,199	12,550,339	12,541,792
Government loans	4,468,812	4,424,330	4,315,143	4,201,641	2,722,209
LIABILITIES.					
Notes in circulation	15,090,558	15,114,146	15,126,472	15,184,171	13,692,900
Deposits	7,176,038	7,130,581	6,924,125	6,758,984	6,197,210

SWISS NATIONAL BANK.

(000's omitted.)

	Feb. 7, 1923.	Jan. 31, 1923.	Jan. 23, 1923.	Jan. 15, 1923.	Feb. 7, 1923.	Position May 31, 1914
ASSETS.						
Gold	530,216	529,867	538,321	537,480	550,452	171,176
Silver	106,314	106,827	103,129	103,680	108,000	18,360
Debt and advances	12,583	12,614	12,762	13,072	13,256	103,000
LIABILITIES.						
Notes in circulation	859,965	878,899	837,973	853,459	852,728	875,925
Deposits	221,187	213,355	235,691	207,325	129,397	33,750

The Monthly Statement of the Swiss Federal Loan Bank (Darlehenskasse) shows that up to January 31, 1923, total issues were Fr. 20,132,211 of which Fr. 13,873,450 was held by the Swiss National Bank.

BANK OF SWEDEN.

(000's omitted.)

	Feb. 10, 1923.	Feb. 3, 1923.	Jan. 27, 1923.	Jan. 20, 1923.	Feb. 11, 1923.	May 24, 1922.
ASSETS.						
Gold	273,507	273,533	273,556	273,561	274,404	104,818
Balance abt. and foreign bills	117,949	119,577	121,439	144,745	125,845	112,179
Swedish and for.	122,828	122,828	122,810	103,959	16,518	22,466
Gov. securities	354,935	371,179	362,534	396,835	562,611	118,068
LIABILITIES.						
Notes in circulation	508,100	526,797	482,102	493,027	546,247	266,556
Deposits	300,772	303,581	337,245	363,221	370,720	69,680

NATIONAL BANK OF BELGIUM.

(000's omitted.)

	Feb. 8, 1923.	Feb. 1, 1923.	Jan. 25, 1923.	Jan. 18, 1923.	Feb. 7, 1923.	Position May 31, 1914
ASSETS.						
Gold coin and silver	344,920	345,315	343,458	343,480	327,385	382,550
Foreign bills	627,481	633,991	635,593	615,248	428,937	697,600
LIABILITIES.						
Notes in circulation	6,894,351	6,916,720	6,779,618	6,758,498	6,351,684	934,150
Current accounts	218,512	222,634	320,162	346,954	677,239	118,126

AUSTRIAN NATIONAL BANK.

(000's omitted.)

	Jan. 31, 1923.	Jan. 23, 1923.	Jan. 15, 1923.	Jan. 7, 1923.
ASSETS.				
Gold	49,303,846	49,241,282	50,118,517	49,672,207
Foreign bills	1,134,944,198	1,134,933,328	1,178,315,390	1,145,518,395
Notes discounted	738,436,082	666,125,131	676,784,196	731,613,035
Treasury bills	2,556,848,370	2,556,848,370	2,556,848,370	2,557,948,819
Other assets	669,431,132	647,563,515	755,233,562	685,566,906
LIABILITIES.				
Notes in circulation	4,110,551,163	3,976,769,294	4,078,919,323	4,053,689,483
Deposits	779,092,048	422,556,771	372,903,961	417,203,770
Other liabilities	392,178,491	372,745,225	490,643,619	424,529,275

Notes.—As from January 1, 1923, the Austrian National Bank has taken the place of the Austrian section of the Austro-Hungarian Bank.

HUNGARIAN BANK.

(000's omitted.)

	Feb. 7, 1923.	Jan. 31, 1923.	Jan. 23, 1923.	Feb. 7, 1922.
ASSETS.				
Gold coin and bullion, bills	13,751	14,452	14,919	12,687
Silver coin, &c.	595	595	595	595
Bills, warrants, drafts, &c.	56,188,444	54,516,178	53,884,053	24,187,315
Loans	2,006,738	2,006,950	1,885,597	1,146,166
LIABILITIES.				
Notes in circulation	74,067,535	73,716,513	72,190,555	25,924,674
Deposits	7,593,715	5,888,168	6,701,077	2,292,929

NATIONAL BANK OF DENMARK.

(000's omitted.)

	Oct. 31, 1922.	Jan. 31, 1923.	Dec. 31, 1922.	Nov. 30, 1922.	Jan. 31, 1923.	Position May 31, 1914
ASSETS.						
Gold coin and bullion	228,330	228,330	228,330	228,330	228,330	75,644
Foreign bills	500,893	482,186	467,599	462,035	417,255	88,470
Notes discounted	9,113	9,506	9,533	10,893	19,273	24,102
Treasury bills	16,066	11,441	13,593	15,562	37,679	11,988
LIABILITIES.						
Notes in circulation	478,134	442,872	469,354	469,310	450,018	157,366
Deposits	181,481	184,744	183,710	189,211	127,209	6,696

BANK OF NORWAY.

(000's omitted.)

	Feb. 7, 1923.	Jan. 31, 1923.	Jan. 22, 1923.	Feb. 7, 1922.	Position May 31, 1914
ASSETS.					
Gold coin and bullion—Gold	147,290	147,290	147,290	147,294	44,224
Balance abroad and foreign bills	36,799	37,185	38,871	44,748	28,533
Norwegian & Foreign Government securities	9,404	9,404	9,404	10,085	8,816
Discounts and loans	454,252	447,636	445,700	431,528	76,911
LIABILITIES.					
Notes in circulation	346,656	349,653	348,336	374,859	113,484
Deposits at notice	170,665	160,977	162,465	133,547	7,188

Through Royal resolution of February 3, 1922, it has been resolved that the extraordinary right of issuing bank notes has been reduced from 50 millions to 25 millions from February 4, 1922 (this day included).

NATIONAL BANK OF EGYPT.

(000's omitted.)

	Nov. 30, 1922.	Oct. 31, 1922.	Sept. 30, 1922.	Nov. 30, 1921.	Position May 31, 1914
ASSETS.					
Gold	3,362	3,359	3,358	3,362	1,571
Government securities	42,149	41,389	36,058	39,994	2,084
LIABILITIES.					
Notes in circulation	33,007	32,781	27,615	34,722	2,000
Government deposits	8,196	6,088	4,218	2,520	2,315
Other deposits	12,043	12,313	11,064	12,707	2,660

By authority of the Egyptian Government British Treasury Bills were deposited in lieu of gold.

BANK OF FINLAND.

(000's omitted.)

	Jan. 31, 1923.	Jan. 23, 1923.	Jan. 16, 1923.	Jan. 31, 1922.	Position May 31, 1914
ASSETS.					
Gold	42,704	42,704	42,704	42,625	35,091
Balance abroad and foreign bills	829,650	803,705	794,980	202,729	90,379
Finnish and Foreign Government securities	586,362	586,384	586,384	801,054	21,826
Discounts and loans	605,832	640,750	653,571	649,992	105,151
LIABILITIES.					
Notes in circulation	1,399,672	1,345,188	1,357,452	1,341,183	123,941
Deposits at notice	388,984	459,348	446,863	147,336	21,225

IMPERIAL BANK OF INDIA.

(000's omitted.)

	Jan. 19, 1923.	Jan. 12, 1923.	Jan. 5, 1923.	Dec. 29, 1922.	Dec. 22, 1922.	Jan. 20, 1922.
ASSETS.						
Govt. securities	8,39,78	8,45,51	8,48,57	8,53,34	8,58,11	11,05,80
Other securities	1,25,67	1,25,67	1,25,63	1,25,63	1,25,63	1,28,17
Loans	19,77,95	19,29,25	18,31,65	19,13,98	16,65,51	15,90,23
Cash credits	28,84,21	28,83,59	28,95,15	28,77,45	27,64,54	24,97,70
Indian bills	6,58,79	6,34,67	5,79,01	5,48,23	5,22,25	10,60,48
Foreign bills	18,71	13,86	22,12	21,39	20,22	10,60,48
Dead stock	2,45,07	2,44,89	2,44,28	2,50,55	2,50,55	2,50,55
Sundries	30,03	36,48	40,28	76,70	69,02	39,22
Balance with other banks	10,16	9,23	3,52	4,28	11,07	13,48
Cash	12,59,89	11,94,69	14,01,54	15,47,85	16,42,85	14,58,28
LIABILITIES.						
Subscribed capital	11,25,00	11,25,00	11,25,00	11,25,00	11,25,00	11,24,00
Capital paid up	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50
Reserve	4,22,50	4,22,50	4,11,89	4,11,89	4,11,89	4,11,89
Public deposits	15,30,52	13,40,90	12,44,90	14,01,93	13,12,92	9,40,79
Other deposits	54,00,41	54,26,92	55,95,61	55,89,42	54,08,40	62,01,43
Loans and securities	68,94	69,34	73,21	88,50	88,50	27,37
Sundries	63,39	93,98	1,04,04	1,46,16	1,45,65	35,20
The above includes—						
Deposits in London	167	170	171	189	194	56
Advances in London	610	617	641	739	730	253
Cash, &c., at other banks in London	62	55	18	23	68	82

BANK OF PORTUGAL.

(000's omitted.)

	Dec. 27, 1922.	Dec. 20, 1922.	Dec. 6, 1922.	Dec. 28, 1921.	Nov. 29, 1921.
ASSETS.					
Gold coin and bullion	26,823	26,799	26,778	27,355	26,797
Of which gold	8,577	8,577	8,577	8,577	8,577
Balance abroad	37,823	43,495	31,532	4,480	42,561
Discounts	159,633	156,865	160,454	131,032	164,931
Government loans	860,097	860,097	860,097	620,109	860,097
LIABILITIES.					
Notes in circulation	1,047,028	1,036,709	1,023,875	722,754	1,000,092
Deposits	56,929	61,955	58,760	59,866	61,176

POLISH NATIONAL BANK.

(000's omitted.)

	Jan. 31, 1923.	Jan. 20, 1923.	Jan. 10, 1923.	Dec. 31, 1922.	Jan. 31, 1922.
ASSETS.					
Gold	41,125	41,088	41,078	41,012	26,300

RATES OF EXCHANGE.

New York on—	Par Level.	Feb. 16, 1922.	Feb. 1, 1923.	Feb. 8, 1923.	Feb. 15, 1923.
London—					
60 days		4.30 1/2	4.6325	4.645	4.66
Cable		4.35 1/2	4.66	4.6725	4.6875
Cheques		4.34 1/2	4.6575	4.67	4.685
Paris	Dollars for £1	4.8666	4.8666	4.8666	4.8666
Brussels	Cents for 1 franc	19.30	8.6650	5.92	6.03
Switzerland ..	Cents for 1 franc	19.30	8.6650	5.12	5.27
Italy	Cents for 1 lire	19.30	19.50	18.74	18.78
Berlin	Cents for 1 mark	19.30	4.89	4.725	4.83
Madrid	Cents for 1 peseta	19.30	0.50	0.0024	0.003
Amsterdam ..	Cents for 1 guilder	40.195	15.74	15.62	15.65
Copenhagen ..	Cents for 1 kroner	26.80	37.40	39.15	39.52
Christiania ..	Cents for 1 kroner	26.80	16.95	18.60	18.44
Stockholm ..	Cents for 1 drachma	19.30	26.30	26.73	26.57
Athens	Cents for 1 drachma	19.30	4.60	1.2	1.22
Yokohama	Cents for 1 yen	49.85	96.251	98.81	98.75
Hong Kong	Cents for 1 Hong Kong \$	49.85	47.25	48.45	48.45
Shanghai	Cents for 1 Shing. tael	49.85	72.75	72.00	71.50
Buenos Aires ..	Gold pesos for \$100	103.65	120.00	118.1	118.75
Rio de Janeiro ..	Cents for 1 milreis	32.42	13.42	11.55	11.55
Valparaiso	Cents for 1 peso	20.60	10.00	12.15	12.25

LATVIAN EXCHANGE RATES.

Riga on—	Lats for	Dec. 20, 1922.	Jan. 2, 1923.	Jan. 9, 1923.	Jan. 16, 1923.	Jan. 23, 1923.
		Selling.	Selling.	Selling.	Selling.	Selling.
London	£1	23.90	23.86	23.83	23.92	23.77
New York	\$1	5.16	5.15	5.15	5.15	5.11
Paris	100 frs.	38.70	37.84	34.97	34.69	32.43
Brussels	100 frs.	35.54	34.84	32.19	31.66	29.17
Switzerland ..	100 frs.	97.81	97.65	96.95	96.49	95.08
Italy	100 lire.	26.34	26.29	25.49	25.21	24.04
Stockholm ..	100 kr.	138.71	139.06	137.79	138.11	137.08
Christiania ..	100 kr.	98.25	96.99	95.10	95.01	95.44
Copenhagen ..	100 kr.	106.79	105.58	104.17	101.53	98.32
Oslo	100 kr.	15.17	15.36	14.27	14.45	14.13
Prague	100 g.	205.56	203.84	203.59	203.19	201.43
Amsterdam ..	10,000 mks.	7.84	7.41	5.36	3.66	2.44
Helsingfors ..	100 fmks.	12.88	12.83	12.71	12.69	12.76
Reval	100 emks.	1.50	1.50	1.50	1.50	1.50
Tartu	10,000 pmks.	3.25	3.25	3.25	2.75	2.00
Kovno	100 lite	51.60	51.30	51.30	51.30	51.10

Note.—The unit of Latvian money is the Lat, equal to one gold franc.

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates:—

	Union of South Africa.	Union of South Africa.
	From Dec. 9, 1922.	From Dec. 9, 1922.
	Buying.	Selling.
	Buying.	Selling.
£1	23.90	23.86
\$1	5.16	5.15
100 frs.	38.70	37.84
100 lire.	26.34	26.29
100 kr.	138.71	139.06
100 g.	205.56	203.84
10,000 mks.	7.84	7.41
100 fmks.	12.88	12.83
100 emks.	1.50	1.50
10,000 pmks.	3.25	3.25
100 lite	51.60	51.30

* No premium allowed on amounts under £100.

(a) No discount allowed on sales of T.T.s. or demand drafts under £50.

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

	London on Australia and New Zealand.	Australia and New Zealand on London.
	Buying.	Selling.
	Buying.	Selling.
£1	23.90	23.86
\$1	5.16	5.15
100 frs.	38.70	37.84
100 lire.	26.34	26.29
100 kr.	138.71	139.06
100 g.	205.56	203.84
10,000 mks.	7.84	7.41
100 fmks.	12.88	12.83
100 emks.	1.50	1.50
10,000 pmks.	3.25	3.25
100 lite	51.60	51.30

INDIA BILLS AND TRANSFERS.

The following is a statement of applications and allotments of India bills and transfers on Tuesday, February 13, 1923:—

	Rate.	Applications.	Allotments.		Allotments.	Average Rate.
		Rs.	%		Rs.	
Bills	1/4 1/2	1,00,000	19,000	Bills	1,00,000	1/4 1/2
	1/4	5,00,000	..		5,00,000	..
	1/4 1/2	1,00,000	..		1,00,000	..
		7,00,000	19		7,00,000	19
Def. T.T.	1/4 1/2	1,00,00,000	19,92,000	Def. T.T.	1,00,00,000	19,92,000
		1,00,00,000	19		1,00,00,000	19
Trans. T.T.	1/4 1/2	5,00,000	5,00,000	Trans. T.T.	5,00,000	5,00,000
	1/4 1/2	1,30,00,000	24,89,000		1,30,00,000	24,89,000
	1/4 1/2	62,00,000	..		62,00,000	..
	1/4 1/2	35,00,000	..		35,00,000	..
		1,22,00,000	29,89,000		1,22,00,000	29,89,000
Total bills and transfers		3,28,00,000	50,00,000	Total bills and transfers	3,28,00,000	50,00,000

On Tuesday, February 20th, Rs. 50,00,000 will be offered by tender. As from the sale of Council drafts on February 20th the Secretary of State in Council will be prepared to sell bills and telegraphic transfers on the Government of India payable at Karachi, as well as at Calcutta, Madras, and Bombay, subject to the general conditions which have already been announced.

INDIAN TREASURY BILLS.

	March 31, 1922.	Feb. 10, 1923.
Outstanding with public	53,96,70,000	24,04,85,000
In paper currency reserve	57,89,00,000	49,65,00,000
Total	111,85,70,000	73,69,85,000

India Office, February 15, 1923.

BULLION.

GOLD STANDARD RESERVE.

Statement showing the form in which the balance of the reserve was held on January 31, 1923:—

	£	Nil
In India	2,983	
In England—		
Cash at the Bank of England	2,983	
British Government securities—		
Value as on September 30, 1922	3,149,796	
British Government Securities since purchased (cost price)	37,057,597	
		40,210,376

SIDNEY TURNER, Accountant-General.

India Office, February 12, 1923.

IMPORTS AND EXPORTS OF GOLD.

	Week Ended Feb. 14, 1923.	Week Ended Feb. 14, 1923.
	£	£
Gold Imported into the United Kingdom.		
Countries from which Consigned.		
U.S.A.	65,352	575
British West Africa	100,477	6,860
British South Africa	698,392	14,300
Other countries	3,763	6,190
Total value of imports of gold	867,984	2,210
Gold Exported from the United Kingdom.		
Countries to which Exported.		
Norway	575	575
Netherlands	6,860	6,860
Switzerland	14,300	14,300
West Coast of Africa	6,190	6,190
Egypt	2,210	2,210
Kenya	593,503	593,503
British India	593,503	593,503
Total declared value of exports registered in the week	867,984	642,238

Messrs Samuel Montagu and Co. write, on February 14th, as follows:—

GOLD.

The price for exportable gold on the 12th inst.—namely, 87s 11d—is the lowest since a quotation per fine ounce has been fixed for such gold. The bulk of the supplies this week was taken for India and the Continent. The following were the United Kingdom imports and exports of gold during the month of January, 1923:—Imports, £4,836,805; exports, £7,179,572. The Reichsbank has fixed the purchase price of the gold 20-mark piece at 140,000 paper marks for the period from February 12th to 18th. Mr Crissinger, the Comptroller of the United States Currency, so cabled the New York correspondent of the *Times*, states, in his annual report, that:—“The United States has too much of the world's gold, and is suffering from a plethora almost as much as other countries are suffering from a lack of the precious metal. Nearly half of the total supply of 4½ billion dollars (nearly £1,000,000,000) is held here,” he said, “though without a free movement of gold there cannot be economic stability.” The excess of gold was reacting against American business, and for illustration he called attention to the drop in America's balance of trade. He made no suggestion for dealing with the problem beyond the observation that gold exports must be expected from time to time. In this connection there is some importance in the fact that Mr Crissinger was recently appointed Governor of the Federal Reserve Board, which has considerable power over the discount rates of the reserve banks.

CURRENCY.

The French Ministry of Finance, according to the Bankers' Trust Company, is of the opinion that the 300 million francs in bronze-aluminium coins (face value 2f, 1f, and ½f) now in circulation, will not be sufficient to meet the needs of commerce and industry. Their production, which now averages 25 million francs a month, is to be continued until July, 1923. At that time there will be nominally 450 million francs worth in circulation. That amount is slightly higher than the amount of the silver money in circulation in France in 1914.

SILVER.

The Indian bazaars have taken little interest in the market this week. Had it not been for some moderate buying orders coming from China, prices would hardly have been sustained. Meanwhile the excellent up-country off-take in India, about 300 bars a day, must be absorbing some of the heavy supplies converging upon that market, and, should prices ease off, it is reasonable to expect some fresh inquiry from that quarter. The Chinese New Year, which falls due on Friday, will probably indicate a cessation of support from China for a week or so. Supplies have not been on a large scale; silver has been sold on China account, and a few speculative sales have taken place on any tendency of the price to rise to any substantial extent.

INDIAN CURRENCY RETURNS.

(In Lacs of Rupees.)

	Jan. 22, 1923.	Jan. 31, 1923.	Feb. 7, 1923.
Notes in circulation	17,263	17,265	17,277
Silver coin and bullion in India	8,503	8,506	8,518
Silver coin and bullion out of India	..	..	..
Gold coin and bullion in India	2,432	2,432	2,432
Gold coin and bullion out of India	..	..	..
Securities (Indian Government)	5,743	5,743	5,743
Securities (British Government)	585	584	584

No silver coinage was reported during the week ending 7th inst. The stock in Shanghai on the 10th inst. consisted of about 25,600,000 ounces in sycee, 29,000,000 dollars, and 80 silver bars, as compared with about 26,100,000 ounces in sycee, 30,500,000 dollars, and 90 silver bars on the 3rd inst.

GOLD AND SILVER PRICES

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

	Gold.	Silver.		Silver.
	Per Ounce.	Cash, Per Ounce.	Forward, Per Ounce.	Cash, Per Ounce.
1923.				
Feb. 10..	88 1/2	30 1/2	30 1/2	37 1/2
12..	87 1/2	30 1/2	30 1/2	42 1/2
13..	88 1/2	30 1/2	30 1/2	47 1/2
14..	88 1/2	30 1/2	30 1/2	82 1/2
15..	88 0	30 1/2	30 1/2	33 1/2
16..	87 1/2	30 1/2	30 1/2	34 1/2
Feb. 23, 1917				
23, 1918				
23, 1919				
22, 1920				
18, 1921				
17, 1922				

NOTICES.

The London Joint City and Midland Bank, Limited, announce the opening of new branches at 45 Blackburn road, Church, Accrington, and 1 Market place, Wells, Somerset, under the management of Mr W. E. Hindle and Mr R. M. Stewart respectively. The office at Abersoch, Carnarvonshire, has been converted into a full branch, with Mr W. Norman Hughes as manager. They also announce the opening of a branch at 25 Broad street, South Molton, Devon, under the management of Mr Malcolm Raleigh, and the transfer of the business formerly carried on at 17 Moorgate street, Rotherham, to 35 College street, Rotherham, which is now under the joint management of Mr Albert E. Rawson and Mr Charles Newton Hodgson.

The National Provincial and Union Bank of England, Limited, announce that a branch of the bank is now open at 35-36 Hamilton square, Birkenhead, under the management of Mr J. F. Culverwell.

Barclays Bank, Limited, announce that they have opened new branches at 119 Mount street, W. 1, under the management of Mr W. G. Feiron, and at 82 Sandgate road, Folkestone, under the management of Mr H. S. Coatsworth.

A branch of the National Bank of Australasia, Limited, will be opened on Thursday, the 15th inst., at Australia House (Aldwych entrance), Strand, W.C. 2.

Mr. John L. Webb has been re-appointed chairman of directors of the Commercial Bank of Australia, Limited, Melbourne, for the year 1923.

A branch of the Western Australian Bank has been opened at Bunceburn, an agricultural township, situated at the terminus of the spur line, 52 miles from Wyalcatchem, on the Dowerin-Merredin railway line.

The National Bank of South Africa, Limited, London, advise that their Antwerp office has been removed from 25 Place de Meir, to 2 and 4 Rue Leys.

We are informed that the Chairman of Banco di Roma, Count Santucci, finding that, owing to his age, he could no longer both conduct the business of the bank and attend to his professional duties, has resigned his position, and Prince Antonio Boncompagni Ludovisi has been elected in his place. Comm. Vicentini has been appointed vice-chairman, Comm. Carlo Vitali succeeding him as managing director.

The London County Westminster and Parr's Bank, Limited, announce the opening of a new branch at 694, High road, Leytonstone, E. 11, under the management of Mr. H. A. Etheridge.

The change of name of the London County Westminster and Parr's Bank, Limited to Westminster Bank, Limited, was confirmed at an extraordinary general meeting held yesterday, and it is proposed that the alteration shall take effect on March 1st.

ANALYSIS OF BALANCE-SHEETS.

IMPERIAL TOBACCO COMPANY (OF GREAT BRITAIN AND IRELAND).

	October 31, 1922.	ASSETS.	Compared with Oct. 31, 1921.
LIABILITIES.	Amount.	Amount.	
"A" cum. pref. shares	4,959,249	Land, &c.	4,166,749
"B" non-cum. pref. shares	5,260,469	Goodwill, &c.	9,422,582
"C" 10% non-cum. pref. shares	2,638,218	Investments (ass. co.)	6,017,612
Ordinary shares	22,472,658	Stock-in-trade	31,998,859
Creditors, &c.	11,142,586	Debtors	5,860,413
Provision for pensions, &c.	1,610,362	Payments in advance	1,246,673
Pre-m. on issue of ord. shares in 1920	5,595,446	Bills receivable	319
Gen. reserve	6,404,554	Loans, &c.	1,019,417
Profit and loss	4,365,447	Corporation loans	200,000
		Cash	4,716,365
Total	64,448,989	Total	64,448,989

LIEBIG'S EXTRACT OF MEAT.

	August 31, 1922.	ASSETS.	Compared with Mar. 31, 1922.
LIABILITIES.	Amount.	Amount.	
Pref. shares	1,000,000	Land, buildings, &c.	605,194
Ord. shares	1,200,000	Investments	654,364
5% red. notes	600,000	Debtors	1,661,900
Bills payable	675,000	Establishments abroad	1,868,407
Creditors	742,846	Stock	2,496,800
Reserve	1,000,000	Bills receivable	4,818
Profit and loss	379,571	Cash	170,951
Total	5,597,417	Total	5,597,417

S.T.D. MOTORS, LIMITED.

(Formerly A. DARRACQ AND CO. (1905), LIMITED.)

	September 30, 1922.	ASSETS.	Compared with Sept. 30, 1921.
LIABILITIES.	Amount.	Amount.	
Pref. ord. shares	1,829,800	Cash	40,397
Ord. shares	1,394,608	Loans to subsidiary cos.	1,574,340
Share premium account	224,357	Investments at cost	55,687

RAILWAY AND TRAMWAY TRAFFIC RETURNS.

RAILWAYS OF THE UNITED KINGDOM.

Miles Open.	Week Ended Feb. 11, 1923.				Aggregate 6 Weeks 1923.			
	Passen- gers, &c.	Goods, &c.	Total for Week.		Passen- gers, &c.	Goods, &c.	Total Receipts.	
Great Western.....	3,665	304,000	307,665	£ 1,263,000	£ 1,212,000	£ 3,475,000		
London & North-Eastern	6,661	331,000	337,661	£ 1,062,000	£ 1,001,000	£ 2,063,000		
Do same period 1922	6,667	367,000	373,667	£ 1,157,000	£ 1,230,000	£ 2,387,000		
London & South-Eastern	6,968	601,000	607,968	£ 1,444,000	£ 1,061,000	£ 2,505,000		
London, Mid., & Scottish	2,105	245,200	247,305	£ 364,900	£ 1,661,200	£ 2,026,100		
Southern	63	1,000	1,063	£ 2,105	£ 6,244	£ 8,349		
Midland & S.W. Junc.	794	31,223	32,017	£ 34,631	£ 189,813	£ 224,444		
Metropolitan (c).....	..	..	..	..	..	..		
Underground E.R. (c) ..	..	..	..	..	..	..		
London & Sub. Group (c) ..	..	..	..	..	..	..		
Belfast & Co. Down (b) ..	80	3,995	4,075	£ 5,190	£ 23,707	£ 28,897		
Dublin & S. East. (b) ..	160	4,415	4,575	£ 7,430	£ 30,539	£ 38,000		
Do same period 1922 ..	160	4,364	4,524	£ 8,395	£ 31,101	£ 39,496		
Midland Gt. West. (b) ..	538	7,889	8,427	£ 20,556	£ 48,655	£ 69,211		
Do same period 1922 ..	538	10,694	11,232	£ 24,781	£ 66,822	£ 91,603		

(b) Week ended February 9, 1923.

(c) Week ended February 10, 1923.

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Receipts.	Gross Receipts for Week or Month.	Total Gross Receipts.
			1922-23.	+ or -	1922-23.
INDIAN.					
Assam Bengal	41 weeks	Jan. 13	1,049	Rs. 1,439 + 10,380	Rs. 1,079,599 + 30,287
Bombay & N. Western ..	15 weeks	Jan. 13	118	Rs. 1,616 + 14,318	Rs. 86,072 + 8,159
Bombay, Bar., & C.I. ..	41 weeks	Jan. 13	2,725	Rs. 15,020 - 1,010	Rs. 5,707,587 - 57,803
Bombay, Bar., & C.I. ..	19 weeks	Feb. 10	1,994	Rs. 28,000 + 6,570	Rs. 4,222,000 + 53,400
Bombay, Bar., & C.I. ..	41 weeks	Jan. 13	1,344	Rs. 7,095 + 6,554	Rs. 2,734,894 + 36,319
Delhi, Umballa & Calcutta	18 weeks	Feb. 3	239	Rs. 37,000 + 8,999	Rs. 18,363,372 + 1,427,333
East Indian	19 weeks	Jan. 13	8,856	Rs. 35,580 + 8,570	Rs. 580,530 + 55,740
G. Indian Peninsula ..	14 weeks	Jan. 13	3,121	Rs. 35,160 + 7,400	Rs. 120,66,802 + 78,687
Madras & S. Mah. ..	42 weeks	Jan. 20	3,028	Rs. 12,300 - 34,270	Rs. 5,866,638 - 57,247
North Indian	15 weeks	Jan. 13	259	Rs. 53,961 + 8,506	Rs. 7,16,725 + 9,947
Do Lucknow-Brailey ..	15 weeks	Jan. 13	313	Rs. 73,589 + 7,894	Rs. 8,91,214 + 30,488
South Indian	42 weeks	Jan. 20	1,853	Rs. 73,872 - 38,863	Rs. 3,89,50,882 + 35,41,492
State of Mysore (monthly)	6 months	Sept. 30	717	Rs. 8,571 + 1,72,975	Rs. 50,10,599 + 2,54,037

ARGENTINE (a).

Argentina N.E.	32 weeks	Feb. 10	753	£ 9,000 + 1,300	£ 322,800 + 28,800
Argentina Trans.	32 weeks	Feb. 10	111	£ 4,560 + 1,560	£ 93,990 + 30,515
B. A. and Pacific	32 weeks	Feb. 10	5,428	£ 208,000 + 43,000	£ 4,750,000 + 692,000
B. A. Gt. Southern	32 weeks	Feb. 10	3,847	£ 39,000 + 50,000	£ 5,634,000 + 693,000
B. A. Gt. Southern	32 weeks	Feb. 10	1,011	£ 115,000 + 43,000	£ 2,033,000 + 1,088,000
B. Western	32 weeks	Feb. 10	1,883	£ 101,000 + 16,000	£ 2,765,000 + 337,000
Buenos Ayres Cent.	2 mths	Aug. 31	190	£ 41,445 + 12,798	£ 78,579 + 25,404
Central Argentine	32 weeks	Feb. 10	5,305	£ 230,000 + 34,000	£ 6,265,000 + 881,000
Cordoba Central	32 weeks	Feb. 10	1,205	£ 60,300 + 13,800	£ 1,878,200 + 234,800
Rio de la Plata	32 weeks	Feb. 10	729	£ 28,400 + 7,400	£ 615,800 + 5,300

BRAZILIAN (b).

Brazil Gt. Southern ..	12 mths	Dec. 31	1,065	£ 10,675 + 52,750	£ 660,750 + 78,800
Gt. West. of Brazil ..	6 weeks	Feb. 10	1,005	£ 14,200 + 1,700	£ 80,800 + 6,200
Leopoldina	6 weeks	Feb. 10	1,831	£ 24,938 + 3,763	£ 151,381 + 17,825
San Paulo	6 weeks	Feb. 10	1,554	£ 33,574 + 7,946	£ 185,674 + 31,301
State of Bahia, S.W. ..	9 mths	Jan. 31	52	£ 250,000 + 163,000	£ 1,253,000 + 658,000

CHILE AND PERU.

Antofagasta	6 weeks	Feb. 11	838	£ 54,085 + 16,445	£ 110,275 + 110,230
Nitrato (monthly) ..	4 weeks	Jan. 31	1,066	£ 11,302 + 28,260	£ 21,562 + 47,686
Peruvia Corp.	7 mths	Jan. 31	1,056	£ 1,032,460 + 33,470	£ 8,921,045 + 47,686
Taita	7 mths	Jan. 31	1,172	£ 24,490 + 15,907	£ 118,059 + 52,297

CUBAN.

Havana Central	51 weeks	Feb. 3	1,210	£ 14,093 + 1,720	£ 324,288 + 4,916
United of Havana ..	51 weeks	Feb. 3	1,210	£ 125,680 + 19,339	£ 1,816,443 + 69,297

URUGUAYAN.

Central Uruguay	32 weeks	Feb. 10	273	£ 27,669 + 104	£ 820,518 + 23,409
C. Urug. (East Exr.) ..	32 weeks	Feb. 10	311	£ 5,758 + 472	£ 162,301 + 6,016
C. Urug. (North Exr.) ..	32 weeks	Feb. 10	185	£ 2,477 + 486	£ 86,075 + 1,541
C. Urug. (West Exr.) ..	32 weeks	Feb. 10	111	£ 3,566 + 119	£ 81,532 + 6,077
Midland Uruguay	7 mths	Jan. 31	319	£ 16,808 + 2,918	£ 112,251 + 8,640
North-West Uruguay ..	7 mths	Jan. 31	113	£ 6,064 + 453	£ 47,461 + 3,176
Uruguay North	7 mths	Jan. 31	73	£ 2,234 + 15	£ 17,516 + 2,174

OTHER FOREIGN.

Alloy and Gland	6 weeks	Feb. 10	15	£ 20,000 + 2,000	£ 143,000 + 34,000
Bilbao	1 mth	Jan. 31	15	£ 1,760 + 807	£ 1,760 + 807
Bombay	1 mth	Jan. 31	136	£ 11,000 + 1,016	£ 11,000 + 1,016
Costa Rica	5 mths	Nov. 30	189	£ 22,899 + 4,834	£ 97,982 + 7,845
Dorado Extension	1 mth	Jan. 31	70	£ 13,500 + 2,500	£ 13,500 + 2,500
Dorado Repay. Exr.	1 mth	Jan. 31	45	£ 9,400 + 4,400	£ 9,400 + 4,400
Egyptian Delta	10 weeks	Feb. 10	654	£ 10,692 + 3,189	£ 275,084 + 42,438
Gt. Southern of Spain ..	5 weeks	Feb. 10	1,074	£ 10,197 + 35,133	£ 486,726 + 181,238
International of Central America	12 mths	Dec. 31	31	£ 32,675 + 19,209	£ 300,483 + 7,222
La Guaira & Caracas ..	18 mths	Oct. 31	232	£ 9,010 + 930	£ 99,350 + 4,170
Mexican Railway	5 weeks	Feb. 7	403	£ 279,300 + 15,600	£ 1,455,700 + 53,400
Do	6 mths	Dec. 31	403	£ 109,800 + 31,500	£ 674,300 + 181,110
Nuevo Ocasana	11 mths	Nov. 30	1,011	£ 161,400 + 18,000	£ 1,878,200 + 234,800
Osman Railway	3 weeks	Sept. 2	193	£ 12,760 + ..	£ 123,356 + 20,798
Paraguay Central	12 weeks	Feb. 10	274	£ 2,880 + 210	£ 52,750 + 6,200
Puerto Cabello, &c.	8 mths	Aug. 31	55	£ 3,750 + 1,000	£ 35,000 + 2,500
Salvador	32 weeks	Feb. 10	100	£ 5,456 + 1,377	£ 98,607 + 9,463
State of Pernambuco ..	1 mth	Dec. 31	11	£ 26,520 + 5,918	£ 26,520 + 5,918
Suzanne & Santiago ..	1 mth	Jan. 31	11	£ 5,160 + 797	£ 5,160 + 797
Taita and Huila	12 mths	Dec. 31	113	£ 12,740 + 3,205	£ 145,791 + 25,938

(a) Converted at par. (b) Converted at the current rate of exchange. (c) 10 days return.

AMERICAN RAILROAD GROSS AND NET RECEIPTS.

Date.	Miles of Road.		Gross Earnings.		Net Earnings.	
	1921.	1922.	1922.	Increase or Decrease on 1921.	1922.	Increase or Decrease on 1921.
Jan.	235,395	235,395	393,892,529	75,303,279	57,421,605	+29,089,649
Feb.	235,653	235,653	400,430,520	4,772,834	76,706,840	+4,882,820
Mar.	234,202	234,202	473,433,886	16,059,486	113,468,843	+54,637,199
Apr.	234,338	234,338	416,240,237	15,866,410	80,514,943	+23,004,083
May	235,333	235,333	447,299,150	4,069,751	92,931,565	+28,064,228
June	235,208	235,208	472,363,303	12,576,822	102,258,414	+1,934,485
July	234,556	234,556	412,736,397	19,860,589	102,258,414	+1,934,485
Aug.	233,815	233,815	472,242,561	31,911,054	86,566,595	+36,787,070
Sept.	235,205	235,205	498,702,275	1,723,772	91,381,593	+29,046,959
Oct.	235,228	235,228	545,759,206	13,074,292	120,216,236	+17,683,952
Nov.	236,043	236,043	521,748,483	57,618,155	113,662,987	+15,846,050

CANADIAN RAILWAYS WEEKLY AND MONTHLY STATEMENTS.

Name.	Period.	Ending.	Receipts for Week or Month.	Inco. or Deco.	Aggregate Receipts.	Inco. or Deco.
Algonquin Cent. & Hudson Bay	5 mths	Nov. 30	Gross \$182,682 + 17,707	940,448 + 35,854		
Canadian Ntn.	5 weeks	Feb. 7	Gross \$987,700 + 50,089	5,819,000 + 613,811		
Canadian Ntn.	12 mths	Dec. 31	Gross \$5,369,100 - 812,590	60,594,799 - 8,493,679		
Canadian Pac.	5 weeks	Feb. 7	Gross \$2,691,000 - 58,000	15,539,000 + 1,452,000		
Canadian Pac.	12 mths	Dec. 31	Gross \$17,366,000 + 169,900	186,675,000 - 5,347,000		
Grand Trunk.	5 weeks	Feb. 7	Gross \$3,465,000 + 154,000	36,302,000 + 2,100,000		
Temiscouata	1 mth	Dec. 31	Gross \$31,700	..		

*Net earnings before deducting taxes. †Railway and Steamship receipts. ‡10 days.

OTHER BRITISH OVERSEAS RAILWAYS RECEIPTS.

Name.	Period.	Ending.	Present Receipts.	Gross Receipts for Week or Month.	Total Gross Receipts.
			1922.	+ or -	1922.
Beira and Mashona-land	1 mth	Nov. 30	810	100,802 + 615	62,016 + 13,053
Mid. of W. Aust.	5 mths	Jan. 20	277	13,858 + 1,631	62,016 + 13,053
New Cape Central ..	3 weeks	Jan. 20	205	2,882 + 266	7,191 + 339
Rhodesia Railways ..	1 mth	Nov. 30	1,397	125,149 + 2,973	..

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Receipts.	Receipts for Week.	Total Receipts.
			1922.	+ or -	1922.
Anglo-Argentine	6 weeks	Feb. 11	329	Rs. 90,539 + 8,438	518,081 + 28,713
Burnley Corporation	1 week	Feb. 10	12	£ 3,199 - 58	..
Calcutta Tramways ..	6 weeks	Feb. 10	354	Rs. 1,182,551 + 10,345	..
Chatham & District ..	6 weeks	Feb. 10	15	£ 21,433 + 111	6,526 + 270
Egyptian Markets ..	6 weeks	Feb. 10	8	£ 2,546 + 541	15,641 + 4,644
Glascow Corporation	36 weeks	Feb. 10	106	£ 443,593 + 681	1,563,207 + 81,827
Isle of Thanet	19 weeks	Feb. 10	7	£ 2546 + 79	10,748 + 850
Leamington United ..	6 weeks	Feb. 10	6	£ 3,014 - 23	15,203 + 668
Liverpool Corporation	6 weeks	Feb. 10	124	£ 27,875 + 907	164,391 + 4,573
Mon. Tramways	45 weeks	Feb. 10	160	£ 89,754 + 946	4,141,803 + 271,438
Madrass Elect. (2 wks)	3 weeks	Jan. 31	..	Rs. 53,998 - 392	104,024 + 1,215
Pernambuco Trams ..	6 weeks	Feb. 11	..	£ 4,408 + 584	23,442 + 1,009
Singapore Electric ..	30 weeks	July 29	..	£ 7,095 - 6,142	365,271 + 8,509

TRAMWAY & OTHER MONTHLY GROSS & NET RECEIPTS.

Name.	Period.	Ending.	Present Mileage	Receipts for Month.		Total Receipts.	
				1922.	+ or -	1922.	+ or -
Barcelona Traction, rpts. in pta.	12 mths	Dec. 31	Gross Net	Ptas.55,500,000 + 714,616	46,728,300 + 9,027,870		
Brazilian Traction ..	12 mths	31	Gross Net	244,602 + 217,110	28,034,227 + 4,038,830		
Calcutta Electric ..	12 mths	31	Gross Net	Rs. 17,833,000 + 2,468,000	197,740,000 + 268,000		
Calcutta Electric ..	12 mths	31	Gross Net	11,403,000 + 2,049,000	124,506,000 + 290,000		
Brit. Columbia Electric, &c.	6 mths	31	Gross Net	\$295,785 + 9,238	1,532,575 + 159,193		
Buenos Ayres La Cruz Trams ..	7 mths	Jan. 31	5½	\$65,730 + 9,238	426,775 + 21,980		
Burmah Electric Trwy. & Light.	6 mths	31					
Cape Elec. Trams.	1 mth	Dec. 31	Gross Net	R64,022 \$33,942	4,640 ..	25,5	
Canadian -Watr. Natural Gas ..	3 mths	31	Gross Net	\$125,990 + 23,772	281,338 + 20,3		
Carthage and Harreria Trms.	1 mth	Jan. 31	12	2,291	2,291		
Cities Service Co.	Year	Dec. 31	Gross Net	\$1,287,571 + 94,221	14,658,971 + 1,177,72		
Cordoba Electric Elec. Sup. of Vio.	9 mths	31	Gross Net	\$25,810 + 3,176	14,805,678 + 2,630,3		
Havana Elec.Rl. Light. & Power	11 mths	Nov. 30	Gross Net	\$5,282 \$192,246	285 49,806		
International Light. & Power	6 mths	Dec. 31	Gross Net	\$732,463 + 17,432	11,780,735 5,995,702	1,080,1	
Kalgoolie Electric Tramways Ltd.	11 mths	Nov. 30	Gross Net	\$25,310 + 977	125,201 37,134	4,8	
Keystone Tele.	12 mths	Dec. 31	Gross Net	\$2,266 \$676	977 77,335	2,0	
La Guadalu Harb.	1 mth	Jan. 31	Gross Net	\$168,833 \$30,141	1,703,274 725,583	35,7	
La Guadalu Harb.	1 mth	Jan. 31		\$6,570 + 831	831	94,6	
Lima Light, Pwr and Tramway.	11 mths	Nov. 30	Gross Net	\$7,263 \$63,242	1,541 72,265	49,9	
Manila Electric Railroad, &c.	12 mths	Dec. 31	Gross Net	\$11,939 \$138,242	72 1,775	3,54,21	32,4
Para Electric	3 mths	Jan. 31	Gross Net	\$150,731 + 2,382	1,534,232 19,691	84,2	
Puebla Tram.	2 mth	Nov. 30	Gross Net	\$54,040 + 1,374	43,730 19,720	15,5	
Rangoon Electric	1 mth	Jan. 31	Gross Net	\$89,500 + 2,357	49,691 19,691	8,5	
Shanghai Electric	1 year	Dec. 31	Gross Mex.	\$184,467,5 + 1,725	2,94,346 + 15,5	8,5	
United Electric T. of Montevideo.	3 mths	Jan. 31	Gross	\$59,339 + 26,706	167,375 + 35,7	15,5	
Vere Cruz	10 mths	Nov. 30		\$53,820 + 12,400	496,700 + 120,0	120,0	
Victoria Falls & Tramway Pwr.	Quarter	Sept. 30	Net	\$29,082	2,965,217 + 22,1	22,1	
Winnipeg Electric	12 mths	Dec. 31	Gross Net	\$524,338 + 1,590,549	21,591 5,666,167	1,590,549 + 22,1	22,1

BANKS.

BANK OF NOVA SCOTIA.—The report for the year ended December 30, 1922, shows that assets total \$221,647,324. Cash and investments amount to \$126,986,092 of the assets. With regard to liabilities, notes in circulation amount to \$15,399,640; deposits not bearing interest, \$35,172,569; deposits bearing interest, \$137,252,031. With regard to profit and loss, the balance December 31, 1921, was \$65,328; net profits for year, losses by bad debts estimated and provided for, \$2,122,682; making \$2,188,010; dividend No. 209 at 16 per cent. per annum, paid April 1, 1922, \$388,000; dividend No. 210 at 16 per cent. per annum, paid July 3, 1922, \$388,000; dividend No. 211 at 16 per cent. per annum, paid October 2, 1922, \$388,458; dividend No. 212 at 16 per cent. per annum, payable January 2, 1923, \$392,925; war tax on circulation to December 30, 1922, \$97,464; contribution to officers' pension fund, \$75,000; written off bank premises account, \$250,000; transferred to reserve fund, \$35,000; balance carried forward, December 30, 1922, \$173,163. The position of the reserve fund is—Balance December 31, 1921, \$19,000,000; premium on new stock, \$465,000; transferred from profit and loss, \$35,000; balance forward December 30, 1922, \$19,500,000.

SOCIÉTÉ GÉNÉRALE DE BELGIQUE.—The balance-sheet of the Société Générale de Belgique as on December 31, 1922, reads as follows:—

LIABILITIES.	Francs.	Assets.	Francs.
Capital and reserves	338,384,143.70	Cash in hand and at Bank	20,000,000.00
Bonds in circulation	115,280,501.00	Current accounts	134,374,826.18
Current accounts	1,173,901,566.58	Bills discounted	350,393,379.61
Sundry accounts and stocks deposited	3,916,789,316.32	Bonds	432,564,125.00
Profit	17,931,221.72	Shares	323,421,055.00
		Current accounts	356,661,287.91
		Deposits Société d'Avances aux Combattants	11,177,000.00
		Sundry accounts and stocks deposited	3,916,789,316.32
		Sundry	16,966,148.30
	5,562,347,138.32		5,562,347,138.32

The item "Bonds" is composed chiefly of Belgian Government securities, of which the majority are short dated. Further, the actual value, at the current prices of the Bourse, of the item "Shares" is 250,000,000 in excess of the value stated in the balance-sheet, and which really represents an additional reserve. As regards the item "Property," the value is certainly vastly greater than the figures given. The gross profit amounts to 40,832,780.60f, distributed as follows:—Working expenses and taxes, 12,612,772.70f; interest on bonds, 4,917,571.98f; rebate on discounts, 1,659,714.20f; staff profit sharing, 551,500f; 5 per cent. on the 100,000 capital shares, 5,100,000f; reserve, 2,608,683.25f; dividend of 240f on the 100,000 "parts de réserve," 14,880,000f; management, 381,538.47f; benevolent fund, 31,000f—40,832,780.60f.

INSURANCE.

ROAD TRANSPORT AND GENERAL.—The fire premiums last year were £13,557, and the net claims £6,621, or 48.8 per cent. After reserving 40 per cent. of the premiums against unexpired risks, there was a profit in the fire account of £2,913. In the employers' liability and general account the premiums were £106,450, against £62,028, and the net claims absorbed 39.9 per cent. of the premiums. There was a net profit of £11,823 in the account. Transfers were made from profit and loss of £2,500 to the fire reserve, and £5,000 to employers' liability and general reserve. The issue of 20,000 fully-paid shares of £1 each at 25s a share was made to the shareholders in December; these shares were taken up, and the proceeds increased the company's funds by £25,000. The credit balance at profit and loss of £10,229 has been carried forward. The company appears to be steadily building up its business on a firm financial basis.

THE SUN LIFE ASSURANCE COMPANY OF CANADA.—The new assurances effected in 1922 amounted to £18,657,257, bringing the total to £129,740,727. The premium income for the year amounted to £5,359,345 and the total income to £7,715,775, an increase over the previous year of £1,189,428. The funds show a gain of £9,199,000, and now amount to £34,999,042.

MISCELLANEOUS.

LEIBNIZ'S EXTRACT OF MEAT COMPANY, LIMITED.—The directors, having decided to adopt as closing date August 31st, submit herewith their fifty-seventh annual report, together with the balance-sheet and profit and loss account for the five months to August 31, 1922, duly audited. The balance of the profit and loss account is £379,571, out of which has already been paid:—Dividend at the rate of 5 per cent. per annum on 200,000 preference shares, paid on October 1, 1922. The proportion, corresponding to the five months April 1 to August 31, 1922, amounts to £20,833, and the directors propose to appropriate the balance in the following manner:—To pay a dividend on the ordinary shares of 6s 3d per share, free of income-tax, amounting to £75,000. This dividend, which is for the period of five months April 1 to August 31, 1922, corresponds to a dividend at the rate of 15s per share, free of income-tax, for a full year; to carry to reserve £25,000 (making the total £1,025,000); leaving the sum of £28,737 17s 4d to carry forward to profit and loss new account. The dividend on the ordinary shares will be payable on February 28th. Coupons Nos. 78 and 79 of the ordinary share warrants to bearer will be received at Messrs Glyn, Mills, Currie, and Co. on and after February 24th. In order to bring the date of the coupons for the future into line with the new closing date, it is necessary to treat coupons 78 and 79 as one coupon. They should, therefore, be detached together and listed as one coupon.

TEMPERANCE BUILDING SOCIETY.—This society has just issued its sixty-ninth annual report. Its advances in 1922

amounted to £321,446, being £29,809 more than in 1921. The amount secured on mortgage at the end of the year was £1,414,622. Attention is called to the circumstance that of 5,590 mortgage securities no fewer than 5,124, or 91 per cent. of the whole, are for sums not exceeding £500. The schedule of mortgages shows that there are only four exceeding £3,000, and the total indebtedness on these is only £15,555. The share capital has increased by £112,768, and now stands at £1,323,135, while the deposits have increased by £74,873, and now amount to £290,645. After paying all working expenses and the usual dividend free of income-tax, there was a surplus profit of £18,522, which was added to the reserve, raising it to £183,406.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1922-23, contrasted with 1921-22, 1920-21, and 1919-20:—

	1922-1923.	1921-1922.	1920-1921.	1919-1920.
Estimated sales of home-grown wheat—				
1 week to February 10	Cwts. 428,999	Cwts. 452,358	Cwts. 232,480	Cwts. 429,533
22 weeks to February 10	10,595,598	9,550,313	7,928,627	7,266,367
Average price of English wheat per	s d	s d	s d	s d
quarter	40 5½	46 5	81 2	72 7
= per cwt	9 6	10 9	18 1½	16 11

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1919 to 1922:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1923.						
Feb. 3	Cwts. 484,712	Cwts. 286,985	Cwts. 82,245	s d 9 8	s d 9 5	s d 9 11
Feb. 10	448,999	247,725	76,956	9 6	9 0	9 11
1919	389,464	250,382	61,996	16 11	17 5	17 7
1920	4,953,311	177,521	64,342	16 11	28 7	21 5
1921	292,479	286,889	42,844	18 11	17 9	14 0
1922	452,357	213,321	65,640	10 10	12 0	10 4

Preparations for spring sowings are well advanced, but operations were hampered by continued wet weather. Reports from most quarters are favourable with regard to winter wheat, the plant being strong and of good colour, while oats also present a healthy appearance. Quiet conditions prevailed at market, but in the absence of selling pressure prices were generally maintained. Native wheat, however, met a quiet sale at barely steady rates. Suitable milling grades rule at 9s 3d-9s 8d, with inferior descriptions from 8s-8s 9d per 112 lbs free on rail. Imported sparingly offered and commands full rates. No. 1 Northern Manitoba quoted 49s 6d-49s 9d, No. 2 mixed Durum 46s 6d, and Plates 48s 9d-49s 6d, all ex-ship to arrive as to position per 49s lbs. The cargo section ruled quiet, owing to holidays interrupting business in the United States and Argentina. Prices remained nominally steady, as sellers were not disposed to press. Sales comprised steamers of Rosafé 62½ lbs afloat at about 46s to Germany, white Pacific arrived 48s, Australian March 50s, choice white Karachi afloat 47s 9d, soft red ditto 47s 3d per 480 lbs. Crop reports from the principal exporting countries continue favourable, with improved advices from the United States. Visible supplies in North America are increasing, while larger quantities are reported on passage. Flour steady, but quiet. London standard straight run quoted 40s, patents 42s-43s, town households 38s per sack delivered to London bakers. All English country straights 37s 6d-37s delivered. Imported dull. Manitoba patents range from 37s 6d-41s, Minneapolis good patents 40s 6d, Pacific 37s 6d, and Australian 39s 6d per 280 lbs ex store. Maize firmer, and holders more reserved in sympathy with the forward position. Plate ex ship 37s 3d-37s 9d as to position, ditto landed 38s 6d, American mixed ex ship 35s 9d, landed 37s 3d, all per 480 lbs. The cargo market remains quiet, owing to higher limits imposed by sellers, the tone being influenced by lighter Plate shipments and firm cables from the other side.

No cargo sales were reported. Barley: English remains steady, with a fair demand for best malting descriptions, prices ranging from 7s-14s as to sample per 112 lbs free on rail. Imported neglected and without material change. Californian quoted 42s to 45s, Australian chevalier 48s-53s, both ex-ship per 448 lbs, Danubian 30s-31s, Plate 30s, both landed, Persian ex-ship 26s 6d, ditto landed 28s, all per 400 lbs. To arrive cargoes on Danubian afloat sold at 27s, 28s, and Persian May-June 24s 6d per 400 lbs to Bristol Channel. Oats: Native quietly steady at 8s-9s 10d per 112 lbs free on rail as to quality. Imported the turn dearer, but buyers continue reserved. Plate f.a.q. 23s 9d, No. 2 white clipped American 25s, No. 2 Canadian Western 29s, No. 3 ditto 27s, No. 2 Canadian feed 26s 3d, all 320 lbs landed terms. Oatmeal remains steady, with a moderate trade in force. London-made all cuts quoted 17s 6d, rolled oats also whole groats 17s 6d, flaked 20s 6d ex-mill, ordinary Scottish oatmeal 18s 6d-19s, and American all cuts 17s 9d per cwt.

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Diventure Interest.	Amount Available for Distribution.	Appropriation.						Corresponding Period Last Year.	
					Dividend.			Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.	Dividend.	
					Prefce.	Ordinary.	Rate.					
												Amount.	Amount.	Rate.
		£	£	£	£	£	%	£	£	£	%	
Breweries.												
Boddington's	Dec. 31	5,284	68,539	73,823	16,500	46,200	14	5,000	6,123	70,731	14	
Wallingford	Nov. 30	5,360	9,450	14,810	..	8,400	12	..	6,410	7,463	12	
Canals and Docks.												
Manchester Ship Canal	Dec. 31	34,417	398,134	432,551	237,137	150,039	4	..	45,375	203,511	1½	
Electric Lighting and Power.												
Central Electric	Dec. 31	8	4,997	5,005	..	5,000	5	..	5	..	..	
London Electric Supply	Dec. 31	12,780	110,124	122,904	26,952	33,300	10	40,000	22,652	72,236	4	
St James' and Pall Mall	Dec. 31	6,119	77,635	83,754	7,000	29,000	14½	31,838	15,916	48,105	12	
Gas.												
Bishop's Stortford, &c.	Dec. 31	..	7,272	7,272	1,636	5,296	5½ A 5½ B	..	340	5,282	5½ A 5½ B	
Bournemouth Gas and Water	Dec. 31	27,152	74,753	101,905	6,900	34,630	7½	20,000	40,375	38,454	6½	
Croydon	Dec. 31	8,620	86,086	94,706	6,750	56,098	6½	15,027	16,831	42,044	(1)	
Hartlepool Gas and Water	Dec. 31	9,249	27,348	36,597	..	24,761	5	..	11,836	4,056	3½	
Kingston-upon-Thames	Dec. 31*	4,824	9,805	14,629	..	5,906	6	..	8,723	5,697	5½	
Newcastle-upon-Tyne and Gateshead	Dec. 31	16,411	113,686	130,097	10,007	91,450	4½	..	28,640	79,031	3½	
Portsea Island	Dec. 31*	20,550	27,128	47,678	..	18,682	..	..	28,996	22,150	(4) 1	
South Shields	Dec. 31	15,739	14,418	30,157	..	13,789	8½	..	16,368	11,145	5½	
Swindon United	Dec. 31	2,636	2,029	4,665	425	3,375	5	613	252	..	..	
Tottenham District	Dec. 31	18,263	89,049	107,312	1,195	58,212	7½ A 6½ B	13,692	34,213	55,097	7½ A 6½ B	
Wakefield Gaslight	Dec. 31	1,007	10,672	11,679	789	8,774	6½	..	2,116	5,474	3½	
Walton-on-Thames and Weybridge	Dec. 31	1,977	7,651	9,628	..	4,011	10 A 7 B	2,000	3,617	..	..	
Watford	Dec. 31	1,330	12,926	14,256	..	9,848	7½ 5½	..	4,408	8,398	6½ 4½	
Hotels, Restaurants, &c.												
Langham Hotel	Dec. 31	16,242	14,556	30,798	..	10,773	12½	..	20,025	12,686	10½	
Iron, Coal, and Steel.												
Ludlow Brothers (1913)	Dec. 31	Dr 8,008	20,061	12,053	2,655	3,000	5	2,000	4,398	Dr 20,287	5½	
Steel Developments	Dec. 31	1,073	3,394	4,467	..	3,745	5½	..	722	3,537	5½	
Motor and Cycle.												
Crossley Motors	Oct. 31	Dr 224,896	Dr 97,584	Dr 821,880	..	..	..	..	..	Dr 381,880	Dr 224,896	
S.T.D. Motors	Sept. 30	76,220	56,017	132,237	..	..	..	..	..	132,237	151,582	
Willy's Overland Crossley	Dec. 31	Dr 84,275	11,014	Dr 73,261	..	..	..	..	..	Dr 73,261	Dr 96,486	
Rubber, &c.												
Langen (Java)	Aug. 31	6,588	568	7,156	..	..	..	5,300	1,856	Dr 18,405	..	
Ratanui	Sept. 30	9,616	Dr 1,538	8,078	..	..	..	..	8,078	Dr 4,478	..	
Shops and Stores.												
H. E. Randall	Dec. 30	12,339	36,159	48,498	5,100	19,112	15	5,000	19,286	36,971	15	
Jeremiah Rotherham and Co.	Jan. 15	58,902	121,989	180,891	10,000	72,000	12	20,000	78,891	29,725	10	
Maple and Co.	Dec. 30	11,816	275,415	287,231	60,000	180,000	10	..	47,231	95,834	7½	
Selfridge and Co.	Jan. 31	143,469	304,655	448,124	178,000	50,000	10½ (k) 12	71,000	142,509	328,723	(k) 10½	
Textiles.												
Ashton Brothers and Co.	Dec. 31	6,022	Dr 85,809	Dr 79,287	3,983	10,800	5½	Dr 100,000	5,930	Dr 46,387	5½	
Joseph Byrom and Sons	Dec. 27	23,667	Dr 36,379	Dr 2,712	..	..	..	..	2,712	55,860	4½	
Yorkshire Indigo, &c.	Dec. 31	2,752	9,186	11,938	..	8,735	7½ Od & Pref	..	3,203	Dr 7,688	5 Od & Pref	
Trusts.												
Premier Investment	Jan. 31	25,987	43,224	69,211	22,500	19,500	6½	..	27,211	42,748	6½	
Railway Debenture and General	Jan. 15	11,685	61,666	73,351	22,504	30,006	6	7,123	13,718	60,169	8	
Railway Share Trust and Agency	Jan. 15	14,705	52,225	66,930	28,278	20,000	5	3,196	15,456	51,205	6	
Union Commercial Investment	Jan. 31	5,005	14,208	19,213	7,500	6,000	6	..	6,713	13,604	6	
Waterworks.												
South Staffordshire	Dec. 31	10,594	66,148	76,742	8,299	51,741	6½	5,000	11,702	55,330	4½	
Other Companies.												
A. S. Henry and Co.	Nov. 30	229,492	(f) 166,026	395,518	10,000	320,000	10½	..	65,518	..	10½	
Birmingham Railway Carriage	Dec. 31	57,256	106,489	163,745	6,000	69,824	10½	40,000	47,921	143,941	7½ Od (9) 12½	
Bovril	Dec. 31	28,444	265,209	293,653	45,000	91,525	9 Def	60,000	29,253	208,606	(9) 12½	
City Offices	Dec. 31	753	15,890	16,643	1,298	13,196	6½	..	2,149	..	..	
G. B. Kent and Sons	Sept. 30	1,430	1,845	3,275	4,492	..	..	Dr 8,000	783	Dr 106	..	
Harrison, Barber, and Co.	Dec. 31	1,298	8,035	9,333	..	7,800	6	..	1,533	3,172	2½	
Horace Cory and Co.	Dec. 31	1,582	13,840	15,422	2,750	9,000	9	1,000	2,672	7,874	6	
Imperial Tobacco	Oct. 31	203,601	7,199,077	7,402,678	852,208	5,056,348	22½	925,677	568,445	6,574,733	17½	
John Anderson's Polytechnic	Jan. 19	11,454	41,313	52,767	5,000	24,000	10	10,000	13,767	47,052	10	
John Gray and Co.	Jan. 2	4,169	218	4,387	3,500	1,875	12	Dr 11,500	8,827	1,028	12	
London Produce Clearing House	Dec. 31	14,673	16,243	30,916	..	35,500	8	..	14,041	4,252	12	
Manchester Corn, Grocery, &c.	Dec. 31	..	17,484	17,484	..	12,869	8	..	4,615	15,946	6	
Read Brothers	Dec. 31	Dr 15,717	Dr 4,788	Dr 20,505	..	..	..	Dr 80,503	Dr 45,803	..	..	
Scottish Wagon	Dec. 31	879	19,657	20,536	..	16,743	9	3,000	793	19,621	9	
Wharfedale Dwellings	Dec. 31	690	1,130	1,820	2,489	553	1	Dr 1,500	287	5,114	1	
Winstubottom, Strachan, &c.	Jan. 31	8,606	46,062	54,668	11,117	25,958	10	7,500	10,093	..	..	

IRON, STEEL, AND COAL.

Our Middlesbrough correspondent's report dated February 15, 1923, is as follows:—Pig-iron: The scarcity of prompt foundry pig-iron continues to be acute, and cannot be relieved by increased output, as the necessary fuel is not available at the present time. No. 3 Cleveland G.M.B. is 110s per ton for prompt delivery. East Coast mixed numbers hematite pig-iron is also firm at 107s 6d, and makers are well sold for prompt delivery. Manufactured Iron and Steel: The steel trade is good, but would welcome a larger demand for orders for the immediate future. Steel ship plates, £9 10s; steel ship angles, £9; iron bars, £11; steel rails, £9. Iron ore continues firm, with a fair demand. Works are, however, chary about buying much beyond their immediate requirements. Best Bilbao Rubio is 24s 6d to 25s per ton.

Our Sheffield correspondent writes:—The position of the pig-iron market has not changed much since last week, except that the scarcity of all kinds of this material has become even more acute. Famine conditions now obtain in the hematite, basic, and foundry departments. Users are keenly booked at the rates of a month ago, but odd lots are frequently wanted promptly, and for these big prices are being asked and given. Makers are not disposed to book even forward contracts owing to the great uncertainty of the future. Derbyshire foundry is quoted at £4 15s and Lincolnshire basic at £4 17s 6d at furnaces. No further advances in billets are reported, although makers are quoting premiums upon the official rates, and the same remark applies to wire rods. Steel hoops have been advanced 10s to £12 15s, and iron hoops from £14 to £15. The call for billets has increased considerably during the present week, and it is almost impossible to obtain deliveries in excess of the contract quantities. Another 60-ton basic furnace in this district has just been lighted. Makers of railway axles, tyres, and springs are booking increased business from the home railways, with prospects of even larger orders in the future. Not much is coming in from overseas sources at present, but a revival is believed to be on the way. Trade in fine steels and tools made thereof is sagging again after the recent recovery, and the deflation of the franc is causing considerable loss of business to a good many of the local manufacturers. The tone is also less confident than lately. Much more work is on hand than a year ago, but there is still a great amount of idle plant, and few of the works are running with regularity. There is much disparity in the distribution of business among the local works. The cutlery and electro-plate branches are inactive. The chief feature of the coal market is the famine in coke. Most of the blast furnaces covered themselves for coke at 20s and 21s per ton, whereas any producer having odd lots to dispose of could now get 30s for it. Even higher prices are mentioned for export. The starting of several idle blast furnaces is being held back because it is not possible to obtain the necessary coke. Foundry coke has gone up to 30s at ovens. There is a brisk home demand for steam and gas coke, but the house coal market has never this season reached the normal level.

Our Cardiff correspondent writes:—The South Wales coal market has developed considerable strength this week, and particularly for the more bituminous of the steam coals and for coking small coals. There has been another spurt in the foreign demand, and more especially in that from the Continent. The exports last week were substantially in excess of the pre-war weekly average, and considerably above the weekly average in 1922. It had been hoped that the conference held this week between the employers and the trimmers and tipplers on the question of extending dock working hours would have ended in some agreement to relieve the pressure of a dock congestion that has become chronic. The employers submitted certain proposals by which the two-shift system as well as the eight-hour principle would be maintained, but which would have extended operative hours practically all day and all night. This scheme, however, the workmen's representatives rejected, and the prospects of a settlement of this vexed question has been further delayed. The workmen's leaders are stated to favour the introduction of a partial third shift, but they have to receive the assent of the workmen to this counter proposal, and even if that assent be given it is impossible yet to say whether it will be acceptable to the employers. It is unquestionable that an extension of effective working hours would add considerably to the volume of the export trade, for the collieries are not only sold but, in many cases, considerably oversold, and there is available more tonnage than would be necessary to meet an expansion of 20 per cent. to 30 per cent. in the quantity of coal shipped. Prices for all classes of coal have stiffened, and in the case of smalls, and especially of washed and coking smalls, quotations have been marked up. Offers up to 23s and even 24s per ton have failed to attract supplies, and an increasing proportion of these qualities is now being retained by the collieries for coke manufacture. The demand for coke is very strong, and prices are advancing. The production of patent fuel is suffering severely from the high cost of pitch, and makers have temporarily withdrawn quotations. The pitch that is being imported from the Gulf of Mexico at a price which is stated to be less than half that demanded for British pitch will not arrive in South Wales for another week or two. Pitwood closed the week slightly firmer.

The following are the current approximate quotations:—Best Admiralties, 20s 6d to 30s; second Admiralties, 28s to 20s; best drvs, 27s 6d to 28s 6d; Black Veins, 28s 6d to 29s 6d; Western Valleys, 28s 6d to 29s 6d; Eastern Valleys, 27s 6d to 28s 6d; best bunker smalls, 21s to 22s; ordinary cargo smalls, 18s 6d to 20s;

anthracite big veins, 35s to 37s 6d; anthracite machine-made cobbles, 45s to 47s 6d; French nuts, 47s 6d to 50s; stove nuts, 47s 6d to 50s; rubbly culm, 14s to 14s 6d; coke for export, 47s 6d to 52s 6d; inland blastfurnace coke at ovens, 27s to 28s; patent fuel, nominal; pitwood, ex ship, 25s to 25s 6d.

Buoyant conditions continue to prevail in the South Wales iron and steel trades. The price stabilisation agreement entered into between the steel bar makers and the tinplate manufacturers at the end of last October has been renewed for another three months, and the minimum price of tinplates has been further increased by 6d to 21s f.o.b. per basis I.C. box, and the minimum price of tinplate bars by 5s to £8 6s per ton f.o.b., subject to a rebate of 7s 6d to the tinplate manufacturers who are parties to the stabilisation agreement.

CUMBERLAND IRON.

(BY OUR WORKINGTON CORRESPONDENT.)

The present outburst of buying in the Cumberland and North Lancashire hematite pig-iron market is regarded only as a flash in the pan, following upon the artificial stimulus applied by the French adventure in the Ruhr, and many people believe that the steady recovery which was taking place will in the end be retarded by the events of the past few weeks. Much of the home business has come from home users anxious to anticipate the rise in prices that it was foreseen must result from the scarcity and dearth of coke, but in no way eager to accept delivery of the iron. There has undoubtedly been a large amount of Continental buying, and the requirements of Scotch, Midland, and South Wales consumers are also very substantial, but after making all allowances, it is feared that conditions prevailing in the market are not healthy, and that a reaction will be witnessed. Bessemer mixed numbers are now quoted 7s 6d per ton higher at £5 15s, delivered at Glasgow and Sheffield; at £6 per ton, delivered at Birmingham and South Wales; and at £5 17s 6d per ton for export. Ironmasters, it is recognised, have been powerless to prevent the appreciation of values. East Coast coke is 6s per ton higher at 40s per ton, and it will not be surprising if this figure is raised again. Low phosphorus iron is a livelier market, the home demand having improved, and commands £15 10s per ton, f.o.t., and spiegel is a better trade at £7 10s per ton. There is still next to nothing doing in the steel trade. Orders are not being released, and unless there are developments as sudden as they are surprising, there is no prospect of the steel works in this district, which resume operations next Monday, being able to work longer than for three weeks at a stretch. The iron ore industry is more satisfactorily employed, and there are indeed few mines that are not now working. The demand is almost wholly local, though special ores are wanted by East Coast smelters. Special ores are quoted at 23s to 25s per ton, and ordinary grades from 20s to 22s 6d per ton.

Affairs in the coal trade are exceedingly brisk, Irish, and local industrial and land sale needs are very considerable, and absorb the whole of the production. Prices are as yet unchanged, best house coal for shipment to Ireland being 27s 6d per ton, and for the local land sale market 38s 2d per ton at pit. Best steam is 30s per ton delivered; and washed steam 20s per ton. There is no small coal available except for the by-product coking plants, all of which are drawing full loads. There is a keen Continental inquiry for this coke at 32s 6d per ton, but there is practically no surplus for export after the wants of the Cumberland and North Lancashire smelters of ordinary iron are satisfied. By-products are all a good market. The chemical industry is busier.

THE COTTON TRADE.

MANCHESTER, February 15.

A firm tone has prevailed in the market during the past week, but trade has not been at all active. The under-current of inquiry keeps up fairly well. Buyers, however, are not in any hurry to arrange large contracts at current rates. In the cloth section manufacturers of fancies and specialities are more favourably situated than producers of plain goods. Scattered sales have occurred for India, chiefly in bleaching and printing materials, the bulk of the demand being for Calcutta. Some shippers to China have displayed rather more interest, but only isolated lots have been put through in standard makes, with a fair turnover in fancies. Poor trade advice has come to hand from the Near Eastern markets. Special styles have been wanted for the United States and the Continent. Home trade buying has been limited. American yarns for home use have moved off slowly at about late rates. Egyptian spinnings remain firmer, with a moderate turnover. Most of the demand in export numbers has been for India.

(I.) Comparative Statement of the Cotton Trade.

	Price, Feb. 15, 1923.	Previous Weeks in 1923.				
		Feb. 8.	Feb. 1.	Jan. 25.	Jan. 18.	Jan. 11.
Raw Cotton—Fully Mid. American .. per lb	15-95	15-83	15-67	15-63	15-06	15-33
— Sakellaridis Fully Good Fair Egyptian .. per lb	17-50	17-65	17-65	18-25	18-25	17-25
Yarns—32's twist .. per lb	22 1/2	22 1/2	22 1/2	22 1/2	22 1/2	21 1/2
— 40's twist .. per lb	22 1/2	22 1/2	22 1/2	22 1/2	22 1/2	20 1/2
— 60's twist (Egyptian) .. per lb	28	28	28	28 1/2	28 1/2	27 1/2
32-in. Printers, 116 yds, 16 by 16, 32's and 50's ..	32 3/4	32 3/4	32 3/4	32 3/4	32 3/4	31 0
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's ..	34 0	34 0	34 0	34 0	34 0	33 0
32-in. ditto, 38 yds, 18 by 18, 10 lbs ..	19 0	19 0	19 0	19 0	19 0	18 0
32-in. ditto, 37 1/2 yds, 16 by 15, 8 1/2 lbs ..	18 0	18 0	18 0	18 0	17 0	17 0

(II.) Compared with Previous Years.

	Price, Feb. 15, 1923.	Corresponding dates in				
		1922.	1921.	1920.	1919.	1918.
Raw Cotton—Fully Mid. American .. per lb	15-95	10-56	9-27	32-12	18-12	23-97
— Sakellaridis Fully Good Fair Egyptian .. per lb	17-50	17-50	16-50	96-00	27-09	28-56
Yarns—32's twist .. per lb	22 1/2	17 1/2	21	82 1/2	27 1/2	39 1/2
— 40's twist .. per lb	22 1/2	16 1/2	20	57 1/2	28 1/2	39 1/2
— 60's twist (Egyptian) .. per lb	28	28	27	145	58	46 1/2
32-in. Printers, 116 yds, 16 by 16, 32's and 50's ..	32 3/4	28 3/4	39 3/4	95 0	52 0	51 0
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's ..	34 0	28 3/4	36 0	89 0	60 0	50 0
32-in. ditto, 38 yds, 18 by 18, 10 lbs ..	19 0	17 0	22 0	51 0	30 0	28 0
32-in. ditto, 37 1/2 yds, 16 by 15, 8 1/2 lbs ..	18 0	16 0	20 0	45 0	25 0	25 0

LIVERPOOL OFFICIAL QUOTATIONS—February 9, 1923.

Description.	Com.	Med.	Good Med.	Med. Fine.	Fine.	Extra Fine.	Same Period 1921.			Same Period 1920.		
							Med.	Good Med.	Fine.	Med.	Good Med.	Fine.
Sea Island ..	d	d	d	d	d	d	d	d	d	d	d	d
Florida do ..	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Georgia do ..	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
American ..	Ord	G O L M	Mid	G M F	G M F	G O L M	G M F	G O L M	G M F	G O L M	G M F	G M F
Brazilian ..	1469	1499	1549	1574	1594	1654	732	857	1022	546	696	946
Peruvian ..	Mid	M F	Fr	G F	Gd	Fne	M F	Fr	Gd	M F	Fr	Gd
Paraguay, Rio Grande, &c. ..	1509	1569	1659	..	..	..	742	932	..	546	846	..
Mosoro, &c. ..	1509	1569	1659	..	..	..	742	932	..	546	846	..
Mosoro, &c. ..	1509	1569	1659	..	..	..	742	932	..	546	846	..
Cesra ..	1509	1569	1659	..	..	..	742	932	..	546	846	..
Maranhao, &c. ..	1509	1569	1659	..	..	..	742	932	..	546	846	..
Sao Paulo ..	1494	1559	1694	..	..	..	..	..	..	..	..	..
Egyptian ..	Fr	G	Fr	Gd	Fne	..	..	..	..	..	..	..
Upper ..	1500	1595	1625	1660	1710	..	1150	1450	..	1000	1350	..
Sakellaridis ..	1530	1690	1765	1905	2055	..	..	..	..	..	..	..
Brown ..	1500	1623	1710	1770	1865	..	1175	1575	..	1150	1700	..
Peruvian ..	M F	Fr	G	F	Gd	Fne	..	..	..	..	..	..
Rough ..	..	1725	1850	1925	..	..	..	1300	..	..	1500	..
Moderately Rough ..	..	1575	1675	1725	..	..	..	1050	1250	..	850	1300
Smooth ..	1559	1659	1734	1759	1809	867	1067	1242	446	946	1246	..
Tangula ..	1559	1659	1734	1759	1859	..	..	..	..	..	..	..
Mitani ..	..	1450	1525	1600	1650	..	..	..	..	..	..	..
West Indian, &c. ..	..	1450	1550	1625	..	..	..	..	..	..	..	..
Do ..	2000	2300	2630	2700	..	..	2350	2900	..	2750	3500	..
African, East, &c. ..	1105	1305	1380	1480	1580	1685	725	925	1125	800	1000	1300
Do ..	..	1434	1484	1509	nm	..	..	..	..	..	..	..
Machine Ginned Surtee ..	G F	For	Gd	F	G	Fne	For	Gd	F	For	Gd	F
Machine Ginned Broach ..	..	1220	1270	1310	1350	1390	735	785	835	740	765	815
Machine Ginned Bhownagur ..	9-85	1035	1085	1125	1165	1205	675	750	850	569	619	694
Machine Ginned Comra, No. 1 ..	9-95	1045	1095	1135	1175	1215	685	760	860	575	625	700
Machine Ginned Comra, No. 2 ..	..	1070	1110	1150	1190	..	..	..	..	..	..	..
Machine Ginned Khandeah ..	..	9-95	1045	1085	1125	1165	610	685	785	425	475	550
Machine Ginned Comptah ..	1180	1220	..	..	..	..	..	..	..	..	..	..
Machine Ginned Bengal ..	8-00	8-40	8-80	9-20	9-60	10-00	565	615	715	425	475	550
Machine Ginned Seinde ..	7-90	8-30	8-70	9-10	9-50	9-90	555	605	705	413	463	538
Madras, Western ..	1410	1450	1490	..	..	..	935	985	..	840	865	..
Madras, Northern ..	1115	1155	1195	1235	..	..	755	805	..	765	790	..
M.G. Coconada, Red ..	..	1165	..	..	..	..	790	..	..	765	..	..
China, Smyrna, &c. ..	..	..	..	..	..	..	..	..	..	..	..	..

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—This market appears to be passing through a period of slackness, which is all the more noticeable inasmuch as it follows a long spell of activity. There does not seem to be any real weakness; raw material in the primary markets is still selling well, and at prices which make current quotations for tops look cheap, yet there is no disposition on the part of users to do anything in the nature of speculative buying. The general impression appears to be that trade will revive in the course of a few weeks, but that meanwhile it is safest to go slowly and avoid heavy forward commitments. In practically all tops the position favours the buyer, and as stocks of fine tops are beginning to accumulate, one or two weak sellers are to be found. This accounts for a certain amount of irregularity in quotations. Generally speaking, average 64's tops are quoted at about 5s per lb, but it is understood that sales have been made at a lower figure. In the yarn section an easier tendency is also noticeable, and discrepancies in quotations are again becoming frequent. Spinners have plenty of orders on their books, but many are experiencing difficulty in getting particulars, the result being that offers of quick delivery are being made here and there at prices which look attractive. The unsettled conditions on the Continent are affecting the export trade to some extent, although it is possible that the closing of several German mills may divert a certain amount of trade to the West Riding from other countries. The piece trade remains quiet, and financial difficulties continue to hamper development. Manufacturers and merchants complain of the lack of new orders, and where business is offered it is generally at prices well below the present cost of production.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

Since last writing the first series of London sales of Australian and New Zealand wool for this year have closed, and whereas that centre was, figuratively speaking, a warm place, the temperature being well above normal, home trade buyers who have returned to Bradford state that there is a coldness in the Northern centre which compares ill with London. It is a remarkable fact that after three weeks of sales of the raw material conditions in consuming centres are anything but inspiring, prices showing an easier tendency. Yet this is the actual state of affairs, and instead of there being a movement in tops and yarn which corresponds to the activity in the raw material, there is distinct quietness in the two former commodities, with prices decidedly on the easy side. Their price for warp 64's has been brought down by one of the largest top-making firms to 5s 2d, and yet wool cannot be bought in any market in the world to bring in that quality of top at such a low price, the cost in London being on the basis of at least 5s 4d for 64's tops. The home trade, however, appears to have fallen on one of those quiet periods which are occasionally experienced, and it may be that a repetition of such conditions is coming at an opportune moment to sober the views of those who have been unduly optimistic. If the present lull is succeeded by the placing of more business by wholesale fabric buyers, real good will have been done. Cable information from Australia this week indicates a continued buying movement, with prices no easier, and if the trade can absorb the weight of wool that is to be offered between now and the end of March without prices declining further, greater activity will follow in all branches of the industry. It is confidently stated that by the end of next month the season will be over in Australia, New Zealand, and South Africa, and in view of this justifiable expectation, we cannot see that much, if any, decline in the raw material will take place. As we have already indicated, the upward tendency of values has for the time being spent itself, and it may be assumed with a fair degree of confidence that users are adapting themselves to what will eventually turn out to be sounder and healthier conditions than those prevalent to-day. In the meantime, machinery is being kept fairly well occupied, although reports are received from some sources of an accumulation of tops and yarns. Several Bradford topmakers admit that they are carrying heavier stocks than at any time since the slump, but there is a quiet confidence which is of some significance to those who observe it.

Some statements made by Sir Arthur Goldfinch have been published which deserve consideration. There is much to be said in favour of his contention that all the world is faced with a demand for wool for actual consumptive purposes which is actually greater than the quantity grown per annum, but we doubt very much whether the production is too little by 500,000,000 lbs, which, expressed in terms of bales, amounts to 1,500,000. It may be readily admitted that the trade absorbed a huge weight of wool last year,

SOUTH-NORWAY.

FREDRIKSSTAD
PRIVATBANK,

Fredriksstad.

Paid-up Capital
and Reserves:
Kr. 21.000.000.Banking and Exchange
Business
of every description.London Bankers:—Hambros Bank of Northern Commerce, Limited;
London County Westminster & Parr's Bank, Limited; London Joint
City & Midland Bank, Limited; Cox & Co.

the quantity easily constituting a record, but the buying done was induced not so much by actual consumption as by the prevalence of the opinion that prices were safe from a buying standpoint, and that there would eventually be an upward movement which would guarantee satisfactory profits. Sir Arthur Goldfinch is probably aware that from April, 1920, when the slump began, to well into 1921, the trade did not absorb much more than one-third of the normal quantity of wool. The buying movement commenced at the September, 1921, series of London sales, and continued all through last year. In that period prices were at a tempting level, and good profits were made by those who had the pluck to buy during the Australian season of 1921-22. It is not to be expected that anything like the same weight of wool will be absorbed this year. At the same time, we think that as soon as the British Australian Wool Realisation Association's stocks are out of the way wool supplies will be no more than sufficient to satisfy machinery requirements.

THE TIMBER TRADE.

(FROM OUR OWN CORRESPONDENT.)

The arrivals of building and furniture woods have been heavy over the past month, the mild weather in the north of Europe giving opportunities for the shipment of large quantities of building timbers, which has had the effect of keeping prices steady.

Deliveries of wood from the docks for consumption shows an improvement compared with a year ago, but taking the spot market generally merchants are not at all satisfied with the demand for building timber, and are anxious as to the future—particularly what is going to happen in the building trade as a result of the suggested wage cuts and a longer working day. If the dispute is not amicably settled a large source of consumption will be cut off.

Stocks in the metropolitan area are heavy, and the arrivals above mentioned have somewhat upset the calculations of large holders of stock, but prices have remained steady to firm—especially firm for timber for joinery requirements. Consumers, however, are buying only for immediate wants, although they are able to secure wood at less than merchants can replace them from abroad.

Swedish and Finnish exporters, flushed with their victory in the f.o.b. market of 1922, view with confidence the coming season, and are basing their demands accordingly, but English soft-wood importers are operating very cautiously—if at all. In these times anything might happen, and the higher the rise in prices the greater the fall, should one occur. The opinion of the trade generally is that timber should be cheaper this season, and consumers are waiting for prices to fall. Last year f.o.b. values steadily increased; whether they will do so this year it is difficult to prophesy.

For Canadian spruce the spot market is somewhat quiet. The demand from case-makers in the Lancashire districts is only fair, whilst as to the better qualities used in the building trades on the West Coast the call is by no means heavy. Stocks which are only moderate are in firm hands, business of f.o.w. being held back on account of advancing f.o.b. prices.

In furniture woods the market for mahogany logs quietened down after a period of activity, but a decidedly better feeling was shown by buyers at the sales this week, particularly for Honduras and African logs.

Hard woods of various descriptions in planks and boards have arrived in large quantities over the month, particularly from the United States, and stocks from there are now of considerable volume, while the demand has slackened off. American shippers, like those from other lands, maintain a firm attitude.

Native timber merchants report an improvement in the demand for their material, which is satisfactory, as they have had a bad time. The increasing prices of foreign timber, however, must have an influence on the call for native-grown woods, and should give a stimulus to those who trade in this commodity.

HIDE, LEATHER, AND ALLIED TRADES.

(BY OUR OWN CORRESPONDENT.)

The home hide market remains steady, with a slightly weak tendency. Best ox sold from 7½d to 8½d at Thursday's Bermondsey market, seconds making from 5½d to 7½d per lb. Alterations on previous prices were merely fractional in one or two cases. Best heavy cows sold at 6d and seconds at 5d. Calf were decidedly firmer, best making from 7½d to 12½d and seconds from 6½d to 10½d, increases of about ½d being noted. Rumours are current that buying is again going on for American account. Woolskins made from 5s 6d to 12s 6d and hogs from 6s to 15s each, the tone being slightly easier. Tanners are buying very cautiously in the River Plate, the U.S.A. taking the bulk of the frigorifics. Trade in dry sorts is moderate, tanners being forced to use this class of stock in view of the low price sole leather demanded. Latest cables report the American hide position as steady, with best heavy packers now selling at 20 cents.

The general opinion in Bermondsey is that trade has fallen flat during the week. There are, however, exceptions, and the writer was told by one of the largest merchants that he personally had little to complain of. The demand is still for low-grade sole, and I have even heard of a case where soles have been stamped out of cheeks, the lowest rung of the sole leather ladder! Prices are still very firm, as tanners do not look for any substantial reduction in the price of hides. Shoulders are scarce in certain weights, whilst some tanners have sold their output of pinned bellies forward.

Business in upper stock remains quiet, and here, again, the demand is for the lowest grades. A few carriers seem busy on side leathers and wax butts; on the other hand, there are those who are talking of closing down for a time until prices are more in line with costs of production. Imports of dressed leather for the month of January were valued at £373,635, as against £256,751 for January, 1923.

The boot and shoe trade is moderately well employed, and those who cater for women's shoes and sporting goods are the best off for orders. Exports of British-made footwear for last month were valued at £276,245, and for January, 1922, at £179,497—a very satisfactory increase.

VEGETABLE OILS AND OILSEEDS.

Linseed continues to maintain a high level of values, the presence of the United States in the Argentine market as a good purchaser having induced a certain amount of firmness and a higher level of prices. Shipments from the Plate to North America in January were substantial, and to February 10th are returned at 73,000 tons, against only 17,000 tons in the same period of last year. There is also some talk of a revision of the Argentine yield by 200,000 reduction of the estimate; but, even so, there will remain very large quantities for shipment over the coming season, and considerably in excess of last year. At the time of writing the market is steady, but to a large extent inactive, English crushers not being eager buyers at present prices. Some little business has been done in Plate at £18 January-February and £17 15s April-May to Hull, and in Calcutta at £20 10s for seed shipping/shipped, and this about represents current value. Raw linseed oil on spot and in near positions is easier on larger arrivals of seed at the mills, and is cheaper to the extent of 3s to 4s per ton ex Hull mill on the week. The home trade is buying steadily for near delivery, while forward positions are firm on further inquiries from the United States for May-August shipment.

Trade in Egyptian cottonseed has been done at a reduction of 5s and more as compared with a week ago, £11 10s having been accepted for Sakellaridis to Hull (any position), but is dearer again. Bombay is quiet, sellers asking 2s 6d more money. The demand for oil is moderate, but prices for crude Egyptian not quite sustained at £38. Technical refined (soapmakers grade) has advanced 40s per ton to £40 10s, ex Hull mill. Crude soya bean oil is in fair request, and palm kernel oil has been sold at 20s per ton advance. A good trade has recently been done in oils of refined edible quality for shipment to the Continent, but this would have been much larger had not exchange and other conditions been so unsettled.

The January imports of oilseeds, nuts and kernels at 134,955 tons were substantially above recent average, and compared with only 88,012 tons in January last year. The largest item was cottonseed 58,499 tons, making 169,197 tons for the past three months, thanks mainly to heavy shipments of the new crop from Egypt. Linseed at 18,796 tons was again considerably below normal, even for this time of the year. Nuts and kernels totalled 35,101 tons. Exports of oils, manufactured or refined, in the U.K. during the month were:—Unrefined, 9,745 tons (including 2,806 tons linseed oil), against 6,908 tons a year ago; and refined, 3,257 tons, against 2,702 tons. Imports of oil from abroad were:—Unrefined, 8,112 tons; and refined, 1,219 tons. The unrefined included palm 3,270 tons, coconut 1,990 tons, and linseed oil 984 tons, the latter an unusually large item.

OVERSEAS PRODUCE MARKETS.

Mincing lane, Friday, February 16.

SUGAR.—The strong upward movement observable in this market for some little time past made rapid development throughout the week under review. Under a lead set by American manipulations prices were driven up smartly in all directions; in fact, under peace conditions, the advances recorded on Wednesday last form a precedent. Taking a calm survey of the general situation, it would appear that for the moment speculative commitments weigh more heavily than such minor considerations as supply and demand, as apart from stocks in the U.K. being on a larger scale than at corresponding period last year, fair quantities are held by distributors. True, Mr Guma reduced previous estimate of Cuban crop by 393,000 tons, but for some time past it was considered that this authority had previously overestimated same. Political events in Europe also, doubtless, form

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Reserve ¥12,180,000

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a factor for the upward movement, and this has been taken full advantage of by American operators. That the general statistical position is sound is admitted, but not to the extent to warrant such rises as have been registered. During the week British refined marks a rise on the spot of 8s per cwt, while forward positions of granulated were withdrawn. Imported kinds very sparingly offered, and from 5s to 7s per cwt higher, with steady absorption of available supplies. Such a strong development in the month of February came as a surprise to most members of the trade, despite the knowledge of the sound financing of the important Cuban crop, and providing no untoward incident takes place in European politics, sowings of beet-root should receive a marked fillip, while one may rest assured that the very attractive level of prices now current will induce useful quantities to the U.K. from most other sources of supply. The white terminal market disclosed a good deal of excitement at times, with transactions actively carried on at widely fluctuating prices. Of British refined, Messrs Tate and Lyle's cubes, 67s to 68s; crushed, 64s 6d; granulated, fine and coarse, 62s 10½d; stoved, 63s 4½d; No. 1, 62s 7½d; No. 2, also London, 62s 4½d; caster, 63s 6d to 64s 4½d; finest, 66s 1½d. Yellow crystals, 50s 4½d. Since reduced 4s all round. Crystallised West India, sold, 53s to 55s. American granulated scarce on spot, and retail sales passed at 60s to 58s; February steamer, sold, 30s 9d to 31s 6d and 27s, c.f. and i., London. White Mauritius, spot, changed hands at 54s; and some long lines of Czechoslovakian granulated, spot, at 59s, and later at 60s, then 55s. White Mozambique, spot, 56s 6d. White Java, spot, sold up to 56s, and later 51s, then 52s 6d; May-June steamer, 28s 3d to 24s 6d; June-July, 28s to 24s, c.f. and i. terms, London. Raw refining kinds scarce, and Cuban, basis 96 per cent., February-March, quoted, 23s, c.f. and i., U.K. Brazilian not offered. Cuban stock stands at 336,000 tons, against 227,000 same time last year. Terminal: White, March, sold up to 29s 9d, down to 24s 9d, and later 26s; May, up to 30s 10½d, down to 25s and 25s 9d; August, 31s to 24s 9d and 26s 3d. Liquid glucose, spot, 28s 6d cwt.

COFFEE.—Spot market firm, and there is a sustained demand from the home trade. Fair to fine bold Costa Rica sold 102s to 117s; peas up to 126s. Future delivery market steady, but slow.

COCOA.—Only a quiet spot trade ensued on about former terms. To arrive, Accra, 1½ quality, sold to a moderate extent at 34s to 34s 6d, f.o.b. terms February-April, also March-May.

TEA.—Public sales of Indian this week embraced some 44,680 packages. Proceedings were somewhat a reflex of last week. Good to fine grades experienced a ready market, especially Darjeelings and tippy broken orange Pekoes, for which full to occasionally dearer rates were secured, but low medium and inferior qualities went off quietly at rates tending in favour of the buyer. Java and Sumatra teas were slightly against the seller.

RICE.—Was again a featureless market, there being quite a lack of confidence on the part of buyers. Two stars, spot, 14s 6d to 14s 9d; February-March, 13s 6d; No. 3 cleaned Rangoon, February-March, Levant ports, sellers, 13s 6d, double bags. Broken kinds dull for all descriptions on about former terms. Rangoon beans, spot, 8s. Japanese peas firmer. Spot, 30s; January-February, sold, 30s 6d to 31s 9d.

SPICE.—Moderate trading in pepper and a steady tone governed the market. Fair black Singapore, spot, 4½d; March-May, 4½d; Aleppo, spot, 4½d; Tellicherry, 4½d; Ceylon, 4½d; Lampong, March-May, London, sold, 4½d, c.f. and i. terms. White Singapore, spot, quoted 6d; Muntok, ditto, 6½d; ditto, March-May, sold, 6½d to 6½d. Zanzibar cloves advanced sharply, under stimulating cables from the other side. Fair, spot, sold, 11d to 1s 1d; January-March, 10½d to 1s 1d; March-May, 10½d to 1s 1d. Tapioca fully steady. Fair Singapore flake, spot, 3½d; fine Java, 3½d per lb. Singapore, February, Havre, sold, 30s 9d; February-March, 29s 6d, c.f. and i. Fair Penang seed pearl, spot, 25s; ditto, February-March, London, sold, 25s. Sago flour, January, sold, 14s; February-April, 13s 9d; and March-May, 13s 6d. Dedicated coconut firmer. Fine cut, spot, sold, 39s; medium, 39s 9d to 40s; halves, February-March, 39s 6d. Ginger steadily held, but there is not much response from buyers.

FRUIT.—Currants, also sultanas and raisins, sold quietly this week, but prices maintained a steady level. Dates: Good Hallowee, spot, 20s 9d.

JUTE. continued very quiet, and prices eased, though sellers refrained from pressing their sales. First grade, January-February, Hamburg, sold, £32; ditto, Antwerp only, £33; February-March, Hamburg, £32 10s; Antwerp, £33 5s; March-April, Hamburg, £33 10s to £33, £33 15s. Hessians dull, unaltered. Twills steady, quiet, and B, on spot, changed hands at 74s 6d.

HEMP.—Manilla qualities very steady, but only moderate transactions were effected this week. G grade, February-April, quoted, £37; J, £35 5s; K, old, £34 5s; L, buyers, £34; and M, £33 5s. New Zealand, also African sisal, steady, unaltered. Indian hems mostly held above buyers' ideas.

SHELLAC.—Market steady, though general trade ruled quiet. T.N., spot, 360s; March, sold, 347s 6d; and May, 322s 6d.

GOPRA. firm, while reserve again marked on the part of sellers, and actual trade was of fair dimensions, closing easier. F.M.S. Straits, January-February, Rotterdam, sold, £28 to £27 15s; February-April, £27 17s 6d to £27 10s; March-May, £27 15s to £27 8s 9d; April-June, £27 6s 3d. Ceylon, February-April, Rotterdam, quoted £29 5s. Dutch E.I., £27 12s 6d. Cebu, sold, £27 5s to £27. South Sea Islands, £27. F.M. Straits, February-April, Marseilles, £27, and mixed, £26 17s 6d. Palm kernels firmer. March-May, Liverpool, sold, £19 5s to £19 7s 6d.

RUBBER. was a quiet and rather featureless market despite London stocks on the week being reduced 1,180 tons. Standard crepe and sheet, spot and February, sold, 1s 6d to 1s 5½d; March, 1s 6½d to 1s 5½d; April-June, 1s 6½d to 1s 6½d; July-September, 1s 6½d to 1s 6½d; October-December, 1s 7½d to 1s 7d. To New York, standard sheet, March-April, sold, 1s 6½d, c.f. and i. Fine hard Para, spot, 1s 5d; soft, 1s 3½d; ball, 1s 2½d.

EGG PRODUCTS.—Market steady, quiet. Prime liquid yolk, spot, 100s cwt. Albumen, spot, 3s 1b.

OILS.—Linseed market irregular and easier. Spot, net, naked, 40s 6d; February, 39s 3d; March-April, 36s 3d; May-August, 34s 4½d. Rape firm. Crude, spot, 43s 6d; refined, 46s 6d. Cotton steady. Crude Egyptian, spot, 39s; common edible, 44s; deodorised (in barrels), 46s. China-wood easier. Hankow, spot (barrels), 110s; February-March, 75s 6d. Coconut firmer. Ceylon, spot, 43s; February-March, 42s 6d; Cochin, ditto, quoted 44s. Soya steady. Oriental, barrels, January-February, 39s. Japan fish steady. January-February, cases, 26s. Cod steady. English, spot, 30s. Ground nuts quiet. English crushed, naked, spot, 45s; deodorised, barrels, 55s. Turpentine easier. American, spot, 104s 9d; February-April, 105s 9d. Rosin steadier for medium grades. American, grade B, 13s 9d; F, 14s; G, 14s; H to I, 14s; W/G, 17s 6d; WW, 18s 9d. French, F/G, 13s 6d; WW, 15s 6d per cwt. Petroleum steady. American standard white, spot, 1s 1d; and water white, 1s 2d per gallon. Castor oil steady. First pressure, spot, to June, quoted 49s; second pressure, 46s, and pharmaceutical, 54s per cwt.

OILSEEDS.—Market quiet, and prices tend easier. Bold Bombay, afloat, quoted, £21 5s; small Bombay, ditto, £20 5s; Calcutta, afloat, sold, £20 10s; January-February, £20 5s; and April-June, £18 12s 6d; Plate, afloat, £18 2s 6d; January-February, sold, £17 17s 6d to £17 15s; April-May, £17 15s to £17 10s. Rapeseed dearer. Toria, afloat, £18 12s 6d; February-March, £17 17s 6d; Jamba, January-February, £14 5s. Cottonseed steady. Egyptian black, February, £12 5s; and white, sold, £11 10s to £11 11s 3d. Bombay, February-March, sellers, £9 7s 6d. Gingelly seed firm. Large, Bombay, January-February, sellers, £24. Chinese, January-February, £23 10s to £24 10s, to Continent. Groundnuts firmer. Coromandel, machine-dried, February-March, quoted £22 10s. Chinese deodorated, f.a.o., January-February, £22 2s 6d; Nigerian, ditto, £22 12s 6d. Soya beans firm. Manchurian, February-March, quoted, £12 5s. Castorseed dearer. Bombay, February-March, £20 ton.

METALS.—Tin: Ruled dearer at the week's commencement in sympathy with higher cable advices from the East, combined with liberal buying orders on this side. Sales comprised standard, cash, at £186 10s to £186 15s, and £186 2s 6d; March dates, £187 to £188; and three months, £188 to £188 15s, to £188 2s 6d. Following a further improvement values showed a good deal of irregularity, and by the middle of the week an easier tone was apparent due to selling pressure and lower Eastern cables. Standard cash, sold down to £186 15s; March, £187; and three months, £188 5s. Sales occurred in the East on the basis of £193 5s, c.i.f. At Thursday's market the tendency was firmer with a good demand, standard, cash, sold at £186 10s to £187 12s 6d; and three months, £188 10s to £189 10s to £189 7s 6d. The market was active and stronger, though somewhat irregular at the final meeting, with a good inquiry. Standard, cash, sold at £192 to £191 10s to £190 10s to £191, and three months at £193 10s to £192 10s to £193 10s. English ingots, £190 to £191. Copper: Opened with a firm tone, and a good business transpired at a slight advance. Standard, cash, sold, at £65 15s; March, £66; and three months, £66 10s. The upward tendency continued under the influence of good buying orders, and on Wednesday cash sold at £66 5s; March, £66 16s 3d; and three months, £67 2s 6d. At Thursday's market values were again dearer, with liberal dealings in standard cash at £66 10s to £66 13s 9d, and three months at £67 2s 6d to £67 10s, while finally at £67 7s 6d. At Friday's meeting the tone was firmer. Standard, cash, sold at £67 15s to £68 to £67 12s 6d, and three months at £68 5s to £68 15s, while finally registered at £68 10s. Electrode, £74 10s to £75; best selected, £71 10s to £73 10s; strong sheets, £98; wire bars, £75. Antimony firm. Ordinary brands, £27 to £29 10s. Aluminium steady. Home trade, £100; export, £105. Lead steadier, at £28 7s 6d to £28, as to position. Spelter dearer, at £35 5s to £34 17s 6d, according to position.

METROPOLITAN CATTLE.—FEBRUARY 15.

British Beasts, per stone of 8 lbs to sink the official. Sheep, per stone.			
	s	d	q
Beasts—Herefords	8	0	0
Shorthorns	7	4	7 8
Devons	8	0	0
Norths	8	0	0
Scottish	nominal		
Irish	7	6	8 0
Fat Cows	5	6	0
Sheep—Downs	12	4	0
Swes	7	4	8 0
Crossbred	11	8	0
Scottish	nominal		
Lamb—Downs	nominal		

LONDON POTATO MARKETS.—FEBRUARY 15.

Per Cwt.			
	s	d	q
English British Queens	3	0	0
" Eclipse	2	6	3 0
Majestic	2	9	0
King Edwards	3	3	4 0

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The prices in the following list are revised with the assistance of an eminent firm in each department.

LONDON, FRIDAY.		DRUGS—		INDIA RUBBER—lb—s d		PROVISIONS—		SPICES—Pepper, per lb—	
0000A—Duty, British grown	20	Aloes, fine E.L. p. cwt	10 15 0	Para, fine, hard spot	1 5 0	Butter—per cwt.	nom	Singapore, fair White	0 4 0
0000B—Duty, foreign grown	20	Cape, good to fine	20 0 0	Plantation crepe	1 5 0	Irish creamery	nom	Black Singapore	0 4 0
0000C—Duty, foreign grown	20	Balsam Peru . . . per lb	0 8 0	INDIGO—per lb—	nom	Do factory	nom	White Siam	0 4 0
0000D—Duty, foreign grown	20	Capivi	1 6 0 0	Bengal, good red vici-	8 0 0	Anstrallax	174 0 0	Pimento	0 24 0
0000E—Duty, foreign grown	20	Campor	3 9 4 0	let to fine	8 0 0	Argentine	170 0 0	Cinnamon—1st sort.	0 11 0
0000F—Duty, foreign grown	20	Cardamom, Ceylon . .	2 0 0 0	Mid. ord. vici. to good	6 6 0	Dutch	226 0 0	Do 2nd	0 10 0
0000G—Duty, foreign grown	20	Cantharid, China prib	4 8 4 3	Low to good ord.	6 6 0	New Zealand	192 0 0	Do 3rd	0 9 0
0000H—Duty, foreign grown	20	Castor-oil	85 0 0	Madras, dry leaf, good	4 0 0	Danish	210 0 0	Chips	0 24 0
0000I—Duty, foreign grown	20	Gum Benjun, Sum. cwt	6 0 0	Do low to ord.	1 0 0	Becon, engd.—Irish .	106 0 0	Cassia lignea	0 45 0
0000J—Duty, foreign grown	20	Gum Guttifer, Sum. cwt	6 0 0	Kurpah, g. mid. to g.	5 0 0	Danish	83 0 0	Olives—Zaatar	0 114 0
0000K—Duty, foreign grown	20	Oilbalm	60 0 0	Low to mid.	3 6 0	Canadian	74 0 0	Penang	3 3 0
0000L—Duty, foreign grown	20	Ipecacuanha	7 8 0 0	HEMP—per ton—	40 0	Hansa—Irish	nom	Ginger—per cwt.	108 0 0
0000M—Duty, foreign grown	20	Jalap	2 9 0 0	Russian Siretz . . .	40 0	Canadian	nom	Do small roots	65 0 0
0000N—Duty, foreign grown	20	Musk, good, China .	85 0 0	Manila, 3 1/2 grade .	35 15	Lard—Irish bladders	78 0 0	Do washed	65 0 0
0000O—Duty, foreign grown	20	Oil, Cassia	6 0 0 0	Feb. Apr.	34 0	American hores, 50lb	62 0 0	Japan	47 0 0
0000P—Duty, foreign grown	20	Aniseed	2 2 0 0	N. Z. spot, high fair	34 0	Port—per 8 lbs	4 0 0	Jamaica, small	195 0 0
0000Q—Duty, foreign grown	20	Peppermint, H.G.H. 22	25 0 0	JUTE—	nom	Beef—Frozen per 8 lb	3 0 0	Mace	1 2 0 0
0000R—Duty, foreign grown	20	Rhubarb, China, fr to fr	4 6 5 0	Native first marks .	32 15 0	Scotch	7 0 0	Nutmegs, good to fine	1 2 0 0
0000S—Duty, foreign grown	20	DYE STUFFS, &c.—	nom	Feb. Mar.	32 15 0	Cheshire	11 0 0	Small to medium	0 104 0
0000T—Duty, foreign grown	20	Galls, China, per cwt	60 0 0	LEATHER—per lb—	nom	Cheshire—per cwt	130 0 0	TA Liao W—per cwt.	45 6 0
0000U—Duty, foreign grown	20	Galls, India, per cwt	60 0 0	Sole Belts, 6 1/2 lb .	1 1 0	New Zealand	130 0 0	Good mutton	43 6 0
0000V—Duty, foreign grown	20	Galls, Java, per cwt	60 0 0	Do do 10 1/2	1 3 0	Eng. Cheddars	140 0 0	Beef	41 6 0
0000W—Duty, foreign grown	20	Galls, Sumatra, per cwt	60 0 0	Do do 12 1/4	1 4 0	Dutch	11 0 0	TAPIOCA—per lb—	nom
0000X—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 14 1/4	1 5 0	Irish	16 0 0	E. L. Flake, fair, spot	74 0 0
0000Y—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 16 1/4	1 6 0	Broken in	12 0 0	Pearl	27 0 0
0000Z—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 18 1/4	1 7 0	Broken in	12 0 0	TEA—duty 6d, British	nom
0000A—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 20 1/4	1 8 0	Broken in	12 0 0	Indian and Ceylon—	nom
0000B—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 22 1/4	1 9 0	Broken in	12 0 0	Pekoe	1 5 0 0
0000C—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 24 1/4	2 0 0	Broken in	12 0 0	Broken Pekoe	1 4 0 0
0000D—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 26 1/4	2 1 0	Broken in	12 0 0	Orange Pekoe	1 3 0 0
0000E—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 28 1/4	2 2 0	Broken in	12 0 0	Broken Orange	1 2 0 0
0000F—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 30 1/4	2 3 0	Broken in	12 0 0	Pekoe Bouchong . . .	1 1 0 0
0000G—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 32 1/4	2 4 0	Broken in	12 0 0	TOBACCO—	nom
0000H—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 34 1/4	2 5 0	Broken in	12 0 0	Duty 8 1/2—10 1/4 per lb.	nom
0000I—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 36 1/4	2 6 0	Broken in	12 0 0	Virginia leaf	1 4 0 0
0000J—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 38 1/4	2 7 0	Broken in	12 0 0	Common to fine . . .	1 3 0 0
0000K—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 40 1/4	2 8 0	Broken in	12 0 0	Strips	1 2 0 0
0000L—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 42 1/4	2 9 0	Broken in	12 0 0	Kentucky leaf	1 1 0 0
0000M—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 44 1/4	3 0 0	Broken in	12 0 0	Common to fine . . .	1 0 0 0
0000N—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 46 1/4	3 1 0	Broken in	12 0 0	Strips	1 0 0 0
0000O—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 48 1/4	3 2 0	Broken in	12 0 0	China	1 0 0 0
0000P—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 50 1/4	3 3 0	Broken in	12 0 0	Borneo and Sumatra .	1 0 0 0
0000Q—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 52 1/4	3 4 0	Broken in	12 0 0	Seedling	1 0 0 0
0000R—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 54 1/4	3 5 0	Broken in	12 0 0	Haywards	1 0 0 0
0000S—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 56 1/4	3 6 0	Broken in	12 0 0	Greek	1 0 0 0
0000T—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 58 1/4	3 7 0	Broken in	12 0 0	East Indian	1 0 0 0
0000U—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 60 1/4	3 8 0	Broken in	12 0 0	Older	1 0 0 0
0000V—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 62 1/4	3 9 0	Broken in	12 0 0	Japanese Oak sup . .	0 9 0 0
0000W—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 64 1/4	4 0 0	Broken in	12 0 0	American Ash	0 8 0 0
0000X—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 66 1/4	4 1 0	Broken in	12 0 0	TOBACCO—	nom
0000Y—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 68 1/4	4 2 0	Broken in	12 0 0	Duty 8 1/2—10 1/4 per lb.	nom
0000Z—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 70 1/4	4 3 0	Broken in	12 0 0	Virginia leaf	1 4 0 0
0000A—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 72 1/4	4 4 0	Broken in	12 0 0	Common to fine . . .	1 3 0 0
0000B—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 74 1/4	4 5 0	Broken in	12 0 0	Strips	1 2 0 0
0000C—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 76 1/4	4 6 0	Broken in	12 0 0	Kentucky leaf	1 1 0 0
0000D—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 78 1/4	4 7 0	Broken in	12 0 0	Common to fine . . .	1 0 0 0
0000E—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 80 1/4	4 8 0	Broken in	12 0 0	Strips	1 0 0 0
0000F—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 82 1/4	4 9 0	Broken in	12 0 0	China	1 0 0 0
0000G—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 84 1/4	5 0 0	Broken in	12 0 0	Borneo and Sumatra .	1 0 0 0
0000H—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 86 1/4	5 1 0	Broken in	12 0 0	Seedling	1 0 0 0
0000I—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 88 1/4	5 2 0	Broken in	12 0 0	Haywards	1 0 0 0
0000J—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 90 1/4	5 3 0	Broken in	12 0 0	Greek	1 0 0 0
0000K—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 92 1/4	5 4 0	Broken in	12 0 0	East Indian	1 0 0 0
0000L—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 94 1/4	5 5 0	Broken in	12 0 0	Older	1 0 0 0
0000M—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 96 1/4	5 6 0	Broken in	12 0 0	Japanese Oak sup . .	0 9 0 0
0000N—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 98 1/4	5 7 0	Broken in	12 0 0	American Ash	0 8 0 0
0000O—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 100 1/4	5 8 0	Broken in	12 0 0	TOBACCO—	nom
0000P—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 102 1/4	5 9 0	Broken in	12 0 0	Duty 8 1/2—10 1/4 per lb.	nom
0000Q—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 104 1/4	6 0 0	Broken in	12 0 0	Virginia leaf	1 4 0 0
0000R—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 106 1/4	6 1 0	Broken in	12 0 0	Common to fine . . .	1 3 0 0
0000S—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 108 1/4	6 2 0	Broken in	12 0 0	Strips	1 2 0 0
0000T—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 110 1/4	6 3 0	Broken in	12 0 0	Kentucky leaf	1 1 0 0
0000U—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 112 1/4	6 4 0	Broken in	12 0 0	Common to fine . . .	1 0 0 0
0000V—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 114 1/4	6 5 0	Broken in	12 0 0	Strips	1 0 0 0
0000W—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 116 1/4	6 6 0	Broken in	12 0 0	China	1 0 0 0
0000X—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 118 1/4	6 7 0	Broken in	12 0 0	Borneo and Sumatra .	1 0 0 0
0000Y—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 120 1/4	6 8 0	Broken in	12 0 0	Seedling	1 0 0 0
0000Z—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 122 1/4	6 9 0	Broken in	12 0 0	Haywards	1 0 0 0
0000A—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 124 1/4	7 0 0	Broken in	12 0 0	Greek	1 0 0 0
0000B—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 126 1/4	7 1 0	Broken in	12 0 0	East Indian	1 0 0 0
0000C—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 128 1/4	7 2 0	Broken in	12 0 0	Older	1 0 0 0
0000D—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 130 1/4	7 3 0	Broken in	12 0 0	Japanese Oak sup . .	0 9 0 0
0000E—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 132 1/4	7 4 0	Broken in	12 0 0	American Ash	0 8 0 0
0000F—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 134 1/4	7 5 0	Broken in	12 0 0	TOBACCO—	nom
0000G—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 136 1/4	7 6 0	Broken in	12 0 0	Duty 8 1/2—10 1/4 per lb.	nom
0000H—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 138 1/4	7 7 0	Broken in	12 0 0	Virginia leaf	1 4 0 0
0000I—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 140 1/4	7 8 0	Broken in	12 0 0	Common to fine . . .	1 3 0 0
0000J—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 142 1/4	7 9 0	Broken in	12 0 0	Strips	1 2 0 0
0000K—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 144 1/4	8 0 0	Broken in	12 0 0	Kentucky leaf	1 1 0 0
0000L—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 146 1/4	8 1 0	Broken in	12 0 0	Common to fine . . .	1 0 0 0
0000M—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 148 1/4	8 2 0	Broken in	12 0 0	Strips	1 0 0 0
0000N—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 150 1/4	8 3 0	Broken in	12 0 0	China	1 0 0 0
0000O—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 152 1/4	8 4 0	Broken in	12 0 0	Borneo and Sumatra .	1 0 0 0
0000P—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 154 1/4	8 5 0	Broken in	12 0 0	Seedling	1 0 0 0
0000Q—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 156 1/4	8 6 0	Broken in	12 0 0	Haywards	1 0 0 0
0000R—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0	Do do 158 1/4	8 7 0	Broken in	12 0 0	Greek	1 0 0 0
0000S—Duty, foreign grown	20	Galls, Siam, per cwt	60 0 0						

bills to hold out for better terms, but the effort was fruitless, the movement in New York being optimistically attributed to special measures taken to check speculation. The result of the Treasury bill allotment was made known about an hour later than usual, but was not expected to affect the market materially.

	Feb. 23, 1923.	Feb. 16, 1923.	Feb. 9, 1923.	Feb. 2, 1923.	Previous Rate and Date Changed.
Bank Rate	3%	3%	3%	3%	3% (Jly. 13, '22)
Banks Deposit Rate	1	1	1	1	1 (Jly. 13, '22)
Discount (Call)	1	1	1	1	1 (Jly. 13, '22)
Houses (Notice)	1½	1½	1½	1½	1½ (Jly. 13, '22)
Market rate (3 months' bills) ..	2½	2½	2½	2½	2½

The Bank return showed that, in accordance with the recent Order in Council, £1,300,000 worth of securities have been transferred to the Issue Department and notes issued against them. These notes have gone into the Currency Notes Department's reserve, and so have caused an apparent increase in the circulation, and left the Bank's reserve practically unchanged. Other securities rose by nearly 4 millions, but Government securities declined by over a million. Public deposits were 2½ millions higher, Other being unchanged. Currency notes outstanding were reduced by £608,200 to £279,383,300, which includes £1,505,500 for notes called in but not yet cancelled. The fiduciary issue is £229,728,000, or £40,455,800 below the maximum.

THE STOCK MARKETS.

Prices remain good in the stock markets, but the volume of business is restricted. Gilt-edged stocks have been firm, and are a trifle higher on the week, but colonials have not benefited from the new South Australian 5 million loan. French bonds have rallied, but otherwise the foreign market has been irregular. Both home and foreign rails have been good, Undergrounds coming in for some attention. In the industrial section textiles have been the feature. Electric lighting shares continue strong, and banking and insurance shares are a little better. Interest in the rubber market has waned, but oil shares are a little firmer. The Chartered Company's report had no effect on prices, and elsewhere in the mining markets there were few features of interest.

THE COMMODITY MARKETS.

Inquiries for coal in the Cardiff market have been very active and prices firm, Germany pressing for supplies of coking coals and coke; best Admiralty steam coals are now quoted at 29s 6d per ton. Business in pig-iron has been restricted, makers being practically sold out for early delivery, and buyers apparently dislike to commit themselves for forward delivery. No. 3 Cleveland G.M.B. is firm at about 115s per ton. Steel makers point out that the price of their product has not increased in proportion to the rise in the cost of fuel, and, in consequence, they are not inclined to accept forward business. Conditions in the cotton trade are quiet, and manufacturers' sales are not equal to the output; our Manchester correspondent points out that leading buyers expect that the present level of values will not be maintained. All sections of the wool industry are experiencing a quiet time, and prices are slightly lower. The tone of the Bermondsey hide market was firmer on Thursday, and prices moved up slightly. Other details of markets will be found from our special trade correspondent on later pages.

FOREIGN EXCHANGES.

In the Foreign Exchange market, although rates have moved quite widely, business has been very quiet indeed, and speculative action seems much restrained. The main feature has been the further marked appreciation of sterling in New York, the rate on the 21st having at one time been as high as \$4.72½, although the closing rate for the day was \$4.71½. Since then it has weakened somewhat again to \$4.71½ yesterday morning, but there is still a firm undertone on the settlement of the debt question and the continued upward movement of American prices. The quotation for forward dollars is 1 to 1½ cents per month above spot. The Paris rate, after moving up to 78.75 on Saturday, improved quietly until, on Wednesday, it closed again at 76.75. Since then, however, it has

again depreciated to 77.55 yesterday, the same rate as on the preceding Friday morning. At 87.20, as compared with 88.45 a week ago, Brussels shows a marked narrowing of the spread between the two centres. At 11 to 13 centimes per month above spot, the Paris rate for forward francs is the same as last week. Brussels at 2 to 4 centimes below is 2 points lower. There is a feeling at present that some slight improvement may be seen in the franc for a little time to come, but no confidence is felt in its stability over a longer period. The mark quotation has again been irregular, having moved up from 88,500 a week ago to 111,000 on Tuesday, since when it has been on a level of about 105,000. Forward marks are on a level of 30,000 to 35,000 per month above spot. The first panic effects of the rapid improvement in quotation are now wearing off, but in spite of Government assistance it is doubtful whether the rate can long be maintained at the present level. Among neutral exchanges the Swiss rate moved sharply against us at the beginning of the week, owing, it is said, to the repayment of German Reparation bills, which had been discounted in Switzerland. Since then, however, the rate has reacted, and, at 25.04½, is considerably higher than the 24.97 of a week ago. Amsterdam has, as usual, moved in sympathy with New York from 11.85½ to 11.88½. Madrid is 30.67½, slightly higher than a week ago. In Scandinavia, Christiania has risen rather rapidly from 25.14½ to 25.32½, whilst Copenhagen has appreciated from 24.61 to 24.17½. Stockholm, however, has moved up sharply from 17.63 to 17.69½. Helsingfors has been in request, and has moved down from 178½ to 175½. In Central Europe, Vienna remains at 330,000, while Warsaw has moved up sharply again from 175,000 to 230,000. Prague is steady about 158½, Belgrade has risen again, but Bucharest at 950 is being asked for as against a rate of 1,030 a week ago. Sofia shows some improvement, but Athens, at 410, is again higher. In the East the rupee at 1s 4½d is a little cheaper than a week ago, and the yen has also fallen ½ to 2s 0½d. The silver market has been exceptionally quiet, with prices barely maintained by some bear covering and a slight demand from China. The outlook for the immediate future would suggest some sagging in prices. Hong Kong and Shanghai are unchanged on the week at 2s 3d and 3s 0½d respectively. In South America, Rio, after some variations, ends the week unchanged at 5½d, Buenos Ayres, after being cheaper, is also the same at 43½d. Montevideo, however, is a little dearer at 42½d, as compared with 42½d, and Valparaiso has also appreciated from 39.40 to 38.50 pesos.

THE NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended February 17th:—

Receipts.	Min. £	Expenditure.	Min. £
From Revenue	30,564	Interest on Debt	8,250
		Supply Services	765
		Road Fund	387
		Added to Exchequer balances ..	20,622
		Reduction of debt	250
		Sundries	30,564

Revenue for the seven days totalled £30½ millions, as compared with about £36½ millions for the corresponding period a year ago. Expenditure was £4½ millions lower at £9½ millions. Property and Income-tax yielded £18½ millions, being slightly in excess of the last year's figures, while Excise produced about £6 millions, against £9½ millions; special Receipts fell from £3½ millions to £143,700. The week's operations reduced the National Debt by £20,621,600, and caused the following changes:—

	Min. £		Min. £
National Savings Certificates ..	+ 500	Public Dept. Advances	15,000
4½% Treasury Bonds	+ 1,491	Treasury Bills	7,183
		Sundries	430
	+ 1,991		22,613

The floating debt was reduced by £22,230,000 to £872,291,500.

FINANCIAL YEAR, 1922-23 (April 1, 1922, to February 17, 1923).

	£		£
Total spent	684,465,911	Raised by revenue ..	752,233,099
Dec. in balances	6,725,961	Net repayments.....	74,493,149
Total	677,739,950	Total	677,739,950

ESTIMATES for YEAR 1922-23.

£		£	
Ordinary Expenditure	823,846,000	Ordinary Receipts ..	820,775,000
Special Expenditure...	61,223,000	Special Receipts ..	90,000,000
Contingencies	25,000,000		
Total	910,069,000	Total	910,775,000
		Surplus	706,000

NATIONAL DEBT. (Million £.)

	Aug. 1, 1914.	Mar. 31, 1918.	Mar. 31, 1919.	Dec. 31, 1919.	Mar. 31, 1920.	Mar. 31, 1921.	Mar. 31, 1922.	Feb. 17, 1923.
Funded Debt	588	518	518	515	515	515	515	514
Term Annuities	30	22	22	20	19	18	16	15
4½% War Stock	63	63	63	63	63	63	63	63
4½% War Stock	16	14	13	13	13	13	13	13
4½% War Stock	2,091	2,068	2,047	2,040	1,995	1,953	1,901	2,071
National War Bonds ..	649	1,636	1,509	1,476	1,413	1,201	971	971
4% Funding Loan	...	...	409	409	405	401	401	400
4% Victory Bonds	...	...	360	357	348	335	335	335
4% Conversion Loan ..	...	...	...	...	...	266	630	689
5½% Treasury Bonds ..	...	...	...	...	...	33	24	24
5% Treasury Bonds	...	...	...	...	...	381	166	166
Do by tender 4½% ..	...	...	...	...	...	40	40	40
Treasury Bills	15	961	957	1,107	1,107	1,121	878	719
Exchequer Bonds	30	392	394	323	319	289	185	150
Nat'l. Savings Certs. ..	138	227	267	274	285	342	350	353
War Expend. Certs.	23	...	1,306	1,181	1,132	1,087	1,071	1,071
Other Debt	944	1,241	1,306	1,181	1,132	1,087	1,071	1,071
American Loan	51	51	51	51	51	51	51	51
Temporary Advances ..	1	204	455	243	205	154	147	222
	654	5,872	7,435	8,033	7,829	7,574	7,655	7,716
Other Capital Liabilities ..	57	49	46	46	49	66	66	67
Total Liabilities	711	5,921	7,481	8,079	7,876	7,633	7,721	7,835

POSITION OF THE FLOATING DEBT.

	Feb. 18, '22.	Mar. 31, '22.	Feb. 17, '23.	Feb. 17, '23.
Temporary Advances Out- standing—	£	£	£	£
Advances by Bank of England	113,115,000	147,301,500	163,661,500	15,000,000
Advances by Public Debt Treasury Bills outstanding ..	975,351,000	882,219,000	708,630,000	7,230,000
Total Floating Debt	1,088,466,000	1,029,520,500	872,291,500	22,230,000

THE ATTITUDE OF BELGIUM.

DEVELOPMENTS of the Ruhr situation in comparison with recent weeks have been comparatively unexciting. The episode is settling down to a test of endurance on the part of unoccupied Germany, the life of the Ruhr itself having adjusted itself rapidly to the new conditions. Work is being carried on with occasional incidents, and the French claim to have worked out a plan for the vital railway control. Though the steel trades of France and Belgium cannot carry on much longer in the present fashion, it is still impossible to say what results will mature. In the meanwhile, the Belgian and French Prime Ministers have been meeting in Paris, and though we can only speculate as to their deliberations, it is clear that they must have been formulating their plans for a prolonged occupation. The political motives of the occupation figure increasingly in the Paris Press, though M. Jaspard informed the Belgian Socialist deputies on Thursday that the occupation was purely economic. When so many motives are present it is perhaps not always the same one that is uppermost, but a clear understanding can only be obtained by disentangling them.

This is particularly important in the case of Belgium, for the part that is being played by that country in the Ruhr drama has been given less attention in this country than its importance deserves, and a study of the position of that country may perhaps help to explain the difficulties which stand in the way of a settlement. It is often supposed that Belgian interests and those of France are very much the same; but, in fact, it is important to recognise that from the economic point of view the Belgian situation is much more like that of Great Britain than that of France. Belgium is a densely populated industrial country, living mainly upon imported supplies of food, which she secures by the export of her manufactured goods. Like Great Britain, therefore, she is peculiarly susceptible to the general trade condition of the world. She is also likely to feel, with Great Britain, some hesitation in desiring to encourage the export of German goods to such an extent as would intensify competition with her own products. For these reasons Belgium is disposed to sympathise with the British view of Reparations, and at the same time lean towards free trade rather

than towards the strong protectionist spirit which to-day pervades French commercial policy. While, therefore, there are some Belgians who think that it would be to her interest to throw in her lot altogether with France and come within the French tariff system, most Belgians think that any advantage to be derived from that policy would be gained by too great a sacrifice of her trade relations in other directions, and particularly with overseas sources of raw materials and food. For these reasons Belgium is not anxious to see herself completely within the French orbit, or even to be encircled by France and cut off from her approaches to Central Europe, as would be the case if the British departed from Cologne and the French alone were in occupation of the Ruhr.

On the other hand, Belgium feels that on the Reparations question her interests are more akin to those of France than to those of any other country. The actual devastation she shares with France, as also the danger, if it be a danger, of being a frontier neighbour of Germany. She, like France, has immensely strengthened her army against possible aggression by Germany, and, on the other hand, has herself been finding the funds to repair the devastation of her industries and territory. The disappearance of the German merchant marine and of the German fleet and the transfer of German colonies have appeared to benefit Great Britain, but not France or Belgium. Moreover, there is a fairly widespread opinion in the latter country that in the early days after the war, when German production was low and deliveries of reparation coal non-existent, British policy, which raised to prohibitive levels the export price of British coal, seriously delayed the recovery of Belgian industries. The strong feeling that prevailed at the time of the Armistice that Britain was the friend of Belgium has been steadily cooling, and its place has been taken by the idea that of the Great Powers, France alone understands the point of view and the feelings of her smaller neighbour. Such sentiments are more readily developed in the popular mind than the more difficult conception of the ultimate economic interests of Belgium, and it is therefore not surprising to find that there is a stronger pro-British feeling in the Belgian Chamber than in the country.

In all these circumstances the diplomatic position of Belgium for some time past has been based on the desire to exert every possible influence to reconcile these two streams of thought by maintaining the Entente between England and France. It must not be forgotten that the Belgian vote counts equally with that of England and France on the Reparations Commission, and in the recent crisis she could have prevented a decision being given in favour of the French view. In the circumstances, it was unlikely that she would actually vote against France on the Commission; but even if we could hardly expect her vote, she might easily have become the means of reconciling the opposing views. In any case, it is extremely doubtful whether France would have embarked upon the Ruhr policy unless she could have carried Belgium with her.

It is, therefore, of the utmost importance to understand why Belgium has followed France in the Ruhr adventure. In this connection the point already mentioned with regard to the encirclement of Belgium is not the vital consideration; for it is quite clear that while Belgian statesmen have been very unwilling to embark upon this policy, the British proposals of January were rejected by Belgian opinion almost as unanimously and as forcefully as they were rejected by French opinion. To some extent the circulation of the French Press in Belgium may account for this, but the real reasons are more deep-seated, and most of them are the same as those which affected France.

Briefly, they are that while Belgian finances are strained to the uttermost and are involving increases of taxation which are much heavier than any burden which the Germans have yet supported, the various Governments in Berlin have made no adequate attempt to put their finances in order. While many Belgians are quite prepared to recognise the real difficulty involved in stemming the tide of depreciation when once it has set in vigorously, they feel that the German Government has given no sign of wishing to wrestle really seriously with the position. Moreover, there is the feeling that the Allies

have for the last two or three years been bluffed into dealing with a man of straw, and that they have never come to grips with the real industrial rulers of Germany. In addition, the Belgians, like the French, have witnessed during the last twelve months the spectacle of Germany, with her population fully employed under the intoxicating influence of inflation, pleading inability to help Belgium, whose industry has been wrestling with the acute problems arising from world depression. Opinion in Belgium has been baffled by the paradoxes of the Reparation situation, and inclined to attribute all the difficulties to German cunning. Under such circumstances the British suggestion that Germany should be given a four years' moratorium—and by a moratorium we really meant a complete suspension of payments and not a partial suspension as M. Poincaré meant—came like a buffet in the face to Belgian opinion, for it seemed to postpone indefinitely the hope of any further payment. The Allies were not likely to be more united in their views at the end of the moratorium period than they are at present, and no amount of explanation has been able to disabuse opinion either in France or in Belgium of the idea created by the Paris Conference that Great Britain had no intention of exercising any effective pressure, whether economic or political, upon Germany during the moratorium.

There remains a special reason why Belgium rejected the British scheme, and that is that it proposed that Belgium should sacrifice the balance of her priority claim to £100,000,000 of Reparations. The amount involved by this proposal was not very great, but it figures very largely in Belgian thought. It is remembered that during the war constant assertions were made by British statesmen that they would never make peace until the restoration by Germany of the damage done to Belgium was assured, and that country has looked to Great Britain more than to any other Power as the country which has, so to speak, underwritten her claim to Reparation. At the Peace Conference the claim to priority was admitted, and regarded by Belgium as a symbol of the world's abhorrence of the crime committed against Belgian neutrality. Therefore the proposal made by Great Britain, apparently without any prior consultation with the Belgian Foreign Minister, that this balance should be foregone, came as a great shock to Belgian susceptibilities, and seemed to emphasise Great Britain's lack of understanding. These feelings are all the more marked since, while Mr Bonar Law's offer is considered a great inducement to France in that it practically wipes out the French debt to this country, there is no corresponding inducement to Belgium, as the Belgian debt to us is negligible. Mr Bonar Law later agreed to modify his suggestion. But the mischief was done and the bad impression created. This is, of course, only one side of the case. Belgium has very little war debt; her casualties were small, and apart from the actual destruction of property, which has been more nearly completed than in France, she has come lightly out of the war. But it is more important in diplomacy to understand what a nation thinks than what others think about it.

While, therefore, Belgium unquestionably stands with France, and has at the present moment the feeling that there is nothing to be done but to stand firm, there is no doubt that it would be easier to harmonise the divergent views of Great Britain and Belgium than those of Great Britain and France. The situation of Belgian finance is by no means happy, and the fact that the German bonds given to Belgium last autumn were paid in Switzerland only yesterday does not go far towards improving matters. It should not be beyond the power of diplomacy to ensure that, before any further Conferences are entered upon, this harmony of view is attained.

THE DIRECTION OF OVERSEAS TRADE.

IN these days of uncertainty and change in the world's economic affairs special significance attaches to the figures which show what is happening to British industry in various markets and to the extent to which we are acquiring a credit or a debit balance with various countries of the world.

Figures published in the January Trade Returns showing the countries of origin of our imports and of destination of exports and re-exports enable us to make an analysis of the adverse merchandise trade balance for 1922. The latter amounted to just under £180 millions. Of this total our trade with the United States accounted for no less than £146 millions, or 81 per cent. In trade with other foreign countries outside Europe we had an excess of imports of a little over £22 millions, while with the British Empire there was an import surplus of nearly £17 millions. In trade with Europe, on the other hand, we had an export surplus of £5½ millions. The following table shows how these figures compare with a similar analysis for 1921, 1920, and 1913:—

From—	1913.		1920.		1921.		1922.	
	Excess of Im-ports.	Excess of Ex-ports.	Excess of Im-ports.	Excess of Ex-ports.	Excess of Im-ports.	Excess of Ex-ports.	Excess of Im-ports.	Excess of Ex-ports.
Europe	£ 68.3	£ 83.1	£ 437.3	£ 165.8	£ 211.5	£ 146.2	£ 5.7	£ 179.6
U.S.A.	..	..	..	..	..	..	..	..
Other foreign countries ..	..	11.5	73.5	..	28.7	..	22.2	..
Brit. Dominions ..	..	6.0	33.8	..	19.3	..	16.9	..
Total	133.9	..	378.8	..	276.4	..	179.6	..

In reading this and later tables the important consideration of price fluctuations must, of course, be borne in mind. In 1919 the visible adverse balance was £669 millions, there being a surplus of imports from the United States of £481 millions, from other foreign countries of £99 millions, and from the Dominions of £369 millions, and a surplus of exports to Europe of nearly £280 millions. These figures, as may be seen from the table, were much reduced in the following year in the cases of Europe and the Dominions, but the excess of imports from the United States was much larger than the total adverse trade balance. In 1921, thanks to the coal trade dispute, and the consequent reduction in exports of coal, iron and steel, and other commodities, there was an excess of imports in each of the four groups. The change over to an export surplus in trade with Europe in 1922 is entirely accounted for by the recovery in coal exports, the increase in 1922 in the value of exports of coal, coke, and patent fuel to the principal Continental countries being more than £22½ millions as compared with 1921. The adverse balance in trade with America in 1922 does not make a very unfavourable comparison with the figure shown for 1913 when allowance has been made for price changes, but it must not be forgotten that not only was America's export trade upset last year by labour troubles, but that our purchases of raw materials from her have been at a low level. We still have an import balance in trade with the Dominions and other foreign countries, whereas before the war we were the creditor in both these divisions.

The next table shows our merchandise imports from Continental countries, including their overseas possessions, in 1922 and preceding years:—

From—	1913.		1917.		1918.		1919.		1920.		1921.		1922.	
	£	£	£	£	£	£	£	£	£	£	£	£	£	£
France	49,498	28,473	39,466	52,565	82,560	58,066	53,065	53,065	53,065	53,065	53,065	53,065	53,065	53,065
Italy	8,131	10,397	18,413	14,690	17,930	8,953	11,309	11,309	11,309	11,309	11,309	11,309	11,309	11,309
Switzerland	11,070	11,310	13,095	14,852	37,005	19,964	21,707	21,707	21,707	21,707	21,707	21,707	21,707	21,707
Spain	15,976	22,462	31,331	39,290	42,549	28,549	28,549	28,549	28,549	28,549	28,549	28,549	28,549	28,549
Portugal	3,898	22,462	12,442	14,654	10,489	6,642	6,642	6,642	6,642	6,642	6,642	6,642	6,642	6,642
Belgium	23,426	3,492	1,763	9,993	31,125	20,550	24,038	24,038	24,038	24,038	24,038	24,038	24,038	24,038
Germany	80,411	..	..	..	..	..	..	..	..	..	..	..	..	..
Czechoslovakia	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Jugo-Slavia	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Austria	7,706	..	..	..	..	..	..	..	..	..	..	..	..	..
Hungary	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Greece	2,202	958	2,392	10,746	6,772	4,014	4,014	4,014	4,014	4,014	4,014	4,014	4,014	4,014
Romania	2,037	..	..	..	..	..	..	..	..	..	..	..	..	..
Turkey (European) ..	1,165	..	..	..	..	..	..	..	..	..	..	..	..	..
Russia	40,271	17,937	6,730	16,678	34,183	13,122	23,854	23,854	23,854	23,854	23,854	23,854	23,854	23,854
Sweden	14,213	14,939	22,375	35,578	56,372	21,626	19,201	19,201	19,201	19,201	19,201	19,201	19,201	19,201
Norway	7,437	18,373	23,763	17,070	23,859	10,326	10,566	10,566	10,566	10,566	10,566	10,566	10,566	10,566
Denmark	24,053	18,338	5,339	9,797	31,671	41,367	40,310	40,310	40,310	40,310	40,310	40,310	40,310	40,310
Netherlands	27,913	37,237	17,218	44,093	74,294	49,959	45,661	45,661	45,661	45,661	45,661	45,661	45,661	45,661
Total	319,407	188,847	194,365	284,394	503,510	326,306	329,248	329,248	329,248	329,248	329,248	329,248	329,248	329,248
% of total imports ..	41.6	17.8	14.8	17.4	26.0	30.0	32.8	32.8	32.8	32.8	32.8	32.8	32.8	32.8

* Includes Finland, Estonia, Latvia, and Lithuania.

It is, perhaps, remarkable that, in spite of the breakdown in Central Europe and Russia, Europe, as a whole, has sufficiently recovered from the effects of the war to supply

us with nearly one-third of our total imports. This, it will be seen, is a substantially lower proportion than in 1913, but the steady growth from the low-water mark of 1918 is significant. Moreover, the actual value of imports from Europe was higher in 1922 than in 1921, in spite of the lower level of prices. The next table shows that in trade with other countries the movement has been reversed. In 1918 more than half our total imports came from foreign countries outside Europe, but in 1922 the proportion was 35½ per cent., which compares with less than 31 per cent. before the war:—

From—	1913.		1917.		1918.		1919.		1920.		1921.		1922.	
	£	£	£	£	£	£	£	£	£	£	£	£	£	£
United States	143,854	380,287	522,078	546,672	569,738	276,990	223,710	223,710	223,710	223,710	223,710	223,710	223,710	223,710
Cuba	3,675	17,771	22,330	17,378	25,629	6,425	10,610	10,610	10,610	10,610	10,610	10,610	10,610	10,610
Mexico	1,880	2,316	5,125	7,187	13,466	9,859	8,604	8,604	8,604	8,604	8,604	8,604	8,604	8,604
Argentina	42,485	48,428	63,116	81,826	128,039	68,261	56,520	56,520	56,520	56,520	56,520	56,520	56,520	56,520
Brazil	10,008	9,985	8,850	10,945	12,160	5,866	7,726	7,726	7,726	7,726	7,726	7,726	7,726	7,726
Chile	5,359	13,223	19,334	7,294	12,981	6,564	4,422	4,422	4,422	4,422	4,422	4,422	4,422	4,422
Peru	3,178	4,673	8,006	8,860	14,582	6,437	7,410	7,410	7,410	7,410	7,410	7,410	7,410	7,410
Uruguay	2,749	4,556	6,542	10,515	7,065	6,242	4,740	4,740	4,740	4,740	4,740	4,740	4,740	4,740
Japan	4,389	15,299	23,883	23,880	29,876	8,735	8,448	8,448	8,448	8,448	8,448	8,448	8,448	8,448
China	4,672	8,497	9,708	23,079	26,919	11,269	9,723	9,723	9,723	9,723	9,723	9,723	9,723	9,723
Turkey (Asiatic)	4,251	444	665	6,776	9,040	343	278	278	278	278	278	278	278	278
Other countries	9,917	9,708	10,315	18,635	22,986	22,399	14,448	14,448	14,448	14,448	14,448	14,448	14,448	14,448
Total	236,417	516,287	699,953	763,037	872,481	429,390	356,639	356,639	356,639	356,639	356,639	356,639	356,639	356,639
% of total imports ..	30.8	48.4	52.9	46.8	45.1	39.4	35.5	35.5	35.5	35.5	35.5	35.5	35.5	35.5

In 1913 the United States supplied 18.7 per cent. of our total imports. In 1918 the percentage was 39.7 per cent., in 1919 33.6 per cent., in 1920 29.4 per cent., in 1921 25.4 per cent., and in 1922 22.2 per cent.

Imports from the Dominions in 1922 are compared with those of previous years in the next table:—

From—	1913.		1917.		1918.		1919.		1920.		1921.		1922.	
	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Canada	30,488	84,385	124,468	115,295	92,854	62,287	54,895	54,895	54,895	54,895	54,895	54,895	54,895	54,895
Australia	38,065	64,289	45,696	111,682	112,709	67,858	48,522	48,522	48,522	48,522	48,522	48,522	48,522	48,522
New Zealand	20,538	29,088	24,812	52,680	47,743	48,828	48,828	48,828	48,828	48,828	48,828	48,828	48,828	48,828
India and Ceylon	12,495	12,060	12,940	23,512	20,235	19,959	16,152	16,152	16,152	16,152	16,152	16,152	16,152	16,152
South Africa	21,395	32,484	54,140	60,731	69,336	26,927	31,106	31,106	31,106	31,106	31,106	31,106	31,106	31,106
Egypt	5,174	14,845	19,158	26,470	30,660	10,833	9,761	9,761	9,761	9,761	9,761	9,761	9,761	9,761
West Africa	293	1,912	3,628	7,320	7,024	5,034	3,908	3,908	3,908	3,908	3,908	3,908	3,908	3,908
Mauritius	15,890	16,044	10,807	21,353	17,957	7,283	7,961	7,961	7,961	7,961	7,961	7,961	7,961	7,961
Straits Settlements ..	3,574	6,984	2,144	6,875	6,973	2,921	2,323	2,323	2,323	2,323	2,323	2,323	2,323	2,323
Malay States	2,116	5,216	8,107	11,174	14,666	8,111	4,437	4,437	4,437	4,437	4,437	4,437	4,437	4,437
West Indies	6,955	15,697	18,059	21,404	27,981	16,127	16,101	16,101	16,101	16,101	16,101	16,101	16,101	16,101
Other Possessions	212,911	359,030	425,019	584,471	560,731	331,094	318,031	318,031	318,031	318,031	318,031	318,031	318,031	318,031
Total from Possessions ..	27.6	33.8	32.3	35.8	28.9	30.6	31.7	31.7	31.7	31.7	31.7	31.7	31.7	31.7

There was a further fall in the total value of imports from the Overseas Dominions, but the ratio to the total is not only higher than it was in 1921, but well above the figure for 1913. The only increases in value of imports in 1922 are in the cases of India, Ceylon, and Egypt.

Turning to the export side of the account, we show in the next table our exports to the Continent:—

EXPORTS ('000's omitted).													
To—	1913.	1917.	1918.	1919.	1920.	1921.	1922.						
	£	£	£	£	£	£	£						
France	32,396	118,206	137,355	155,384	146,600	51,392	55,541						
Italy	14,640	27,474	29,273	27,771	39,737	17,375	19,374						
Switzerland	4,212	6,445	8,630	13,627	12,641	5,543	8,810						
Spain	9,728	5,067	4,158	12,677	23,165	14,967	14,647						
Portugal	6,053	4,702	5,295	9,602	17,658	6,802	16,436						
Belgium	13,528	1,748	1,421	49,281	50,107	20,153	25,075						
Germany	40,677	..	..	14,696	21,723	17,832	32,432						
Czecho-Slovakia	..	..	..	..	..	1,318	744						
Jugo-Slavia	..	..	..	..	..	1,048	666						
Austria	4,481	..	..	..	..	1,734	1,036						
Hungary	..	..	1,486	..	3,969	390	1,790						
Greece	2,537	183	1,048	6,891	12,782	5,915	7,378						
Romania	1,947	701	..	5,583	7,122	5,433	2,633						
Turkey (European)	2,414	214	489	12,254	12,861	4,564	3,424						
Russia	18,103	48,737	29,828	12,765	11,893	*8,630	8,703						
Sweden	8,220	3,074	2,698	24,447	39,332	9,229	12,297						
Norway	6,147	8,453	5,437	27,416	33,387	14,060	11,585						
Denmark	6,061	7,210	3,697	35,005	31,688	10,048	12,458						
Netherlands	22,794	28,103	22,662	43,382	71,499	42,141	47,771						
Total	193,938	260,317	222,391	452,267	536,164	238,882	275,644						
% of British exports	36.9	49.4	44.6	56.6	40.2	34.0	38.2						

RENT CONTROL AND HOUSING.

ONE of the most intractable problems which war-time finance has left behind in almost every country in Europe is that of rent and housing. Lack of building during the war and an increased adult population, together with popular unwillingness during a period of rising prices to concur in a rise in the value of property, brought about without any effort on the part of the landlord, and appearing, therefore, to be nothing but unearned increment, has resulted in placing housing accommodation outside the range of free contract.

The position of State control of housing is reduced to an absurdity in Germany. To take a case in point: a block of flats, stated by our Berlin correspondent (see *Economist*, February 3rd, p. 211) to be worth £20,000 under normal currency conditions, to-day produces a maximum legal rent of 2s per annum. But even this rent is a fiction, as the owner has actually to pay a subsidy to keep the property in order. "In some cities owners have actually offered valuable houses to the municipalities for nothing, and, getting a refusal—the municipalities would not pay the necessary subsidies—they removed their names from the records and left the houses ownerless."

Interesting progress towards abolition of rent restriction has recently been made in Italy, which country has experienced as much inconvenience as any other in this direction. All restrictions are to end as from July 1, 1923, after which date a measure of freedom of contract will begin. In most Italian cities we learn that general agreements have been already arrived at between unions of landlords and tenants' associations. For instance, at Turin the two unions agreed to recommend that, taking as a basis the rents paid in 1914, rents up to 1,000 lire per year should be increased by 70 per cent., from 1,000 to 1,600 lire should be increased by 80 per cent., from 1,600 to 2,400 by 100, and from 2,400 to 4,000 by 130 per cent. Rents above this amount are to be considered by arrangement. However, as a precautionary measure against harsh demands by landlords, for three years, which will end in June, 1926, an arbitration court of three members—a landlord, a tenant, and a legal referee—will decide, if necessary, any disagreement. Compared with price movements the increases are very small, but the point of interest is the local treatment of the problem.

In this country the return to freedom of contract over housing has been slow. State control has undoubtedly been detrimental to speculative building, and we are surprised that the signatories of the minority report of Lord Onslow's Committee should have questioned the fact. The majority of the Committee state that "it has been strongly represented to us that in spite of the fact that the present Act does not apply to new houses, this supply will never be forthcoming until all restrictions on dealings in house property are removed. This, it is said, alone can restore confidence in house property as an investment." With these views we are in accordance. It is not possible for large numbers of new houses to command an economic rent while existing houses are at a much lower level. The Restrictions Acts have without question been the main, though not the only, factor in determining the price that can be got for letting new houses. On the other hand, we fully recognise that it would be folly at the present moment, when unemployment is rife and cuts in wages have been made, to release working-class property from control. Decontrol in stages should have the effect of providing more of the better-class type of housing, which would in turn free some of the older type of houses to be farmed out in rooms to others.

The majority of the Committee therefore recommend that houses in the London area with a standard rental value between £70 and £105, houses in Scotland between £60 and £90, and elsewhere between £52 and £78 shall be decontrolled next June, and those between £35 and £70 in the London area, in Scotland £30 and £60, and elsewhere £26 and £52 in June, 1924, and finally that protection should be withdrawn from remaining houses at Midsummer, 1925. But apparently these dates vary daily

according to the barometer readings taken daily at the Mitcham bye-election by Government agents. Two minor proposals are also to be noted. These are (a) that willing parties shall have power to contract out of the Act, and (b) that as houses fall vacant they shall be withdrawn from the scope of the Act.

The minority indicate their attitude by the remark that "the object of a Restriction Act is to protect tenants against the rapacity of landlords." But when money has depreciated and values in general risen, it is surely not equitable to single out one form of material wealth and keep it at an uneconomic value. When such a rise in the general level of prices occurs, creditors who are owed a debt in money are, in fact, paid back less real value than they lent. But that long term creditors whose assets are reckoned in money are made poorer by inflation is no argument for applying the same process of impoverishment to property owners in order at their expense to ease the situation of the mass of the working and middle classes, most of whose incomes have followed the price movement. And if there is no case in equity for keeping rents down to 40 per cent. over pre-war values, while the level of general prices and wages is 70 per cent. up, the practical disadvantages are even more obvious. The Committee's recommendation has been met with a great outcry from those who are likely to be affected; but the slogan, "Houses before decontrol," is a denial of the only force that can produce houses unless the taxpayer pays for them. Let us be honest with the problem. Unless we are going to have another spell of deflation, which for many reasons is undesirable, the supply of houses will only increase if the price of housing accommodation is allowed to rise. There is every reason for making the rise gradually and with circumspection. But the Government will find it has failed to break through the vicious circle if it commits itself to the doctrine that it will not allow the limitation of rents to be removed until after an adequate supply of new houses has been produced.

THE PUBLIC FINANCES OF SOVIET RUSSIA.

THE statements published for the tenth Assembly of the Soviets, which took place at the end of December, permit of a closer examination of the financial position of Soviet Russia than has been possible hitherto, although it must be added that even now the picture is far from distinct.

The first Soviet budget, which was drawn up for the first nine months of 1922, and which, by the way, was laid before the Hague Conference by the Soviet delegation, estimates the expenses at 1,132 million pre-war roubles*, plus the expenses to be paid in metal or foreign currency at 126 million gold roubles. As the gold rouble was two-thirds of the pre-war rouble, or of the "goods" rouble, at the time when the estimates were made, the budget, if calculated in pre-war or "goods" roubles, amounts to a total in the neighbourhood of 1,200 millions. Of this sum, 984 million roubles were surmised to be covered by various receipts on revenue account (both in kind and in money), leaving a deficit of only 256 million roubles, which was to be met by the emission of paper money to the sum of 138 million roubles, and by drawing 78 million roubles from the gold reserve of the Republic.

Facts with regard to the result of this budget were given by Larin in *Pravda* of December 1, 1922. It appears that during the period January-September, 1922, the total revenue amounted only to 270 million "goods" roubles, of which 160 million roubles were paid in kind and 110 millions in cash. The enormous deficit of 930 million roubles was covered to the extent of 234 million roubles by the emission of paper money, and the balance was not covered at all, as, according to Larin's article, only 504 million "goods"

* The "pre-war" or the "goods" rouble is, according to Soviet terminology, a unit of calculation equal to the buying power of the Russian rouble before the war and defined by Index Numbers. Unfortunately the indexes taken for the calculations are very varied and not always real.

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roubles were actually spent, i.e., about 42 per cent. of the budget.†

The reduction of real expenditure compared with the previous estimate is accounted for principally by the non-payment of salaries to Government workmen and officials, and by the fact that payment was delayed for many months, with the result that the real value of the sums actually paid was greatly decreased, owing to the rapid depreciation of the rouble in the meantime. It is not to be wondered at that many branches of State administration have been ruined under the influence of such a state of things; thus as regards the schools, primary education has practically ceased to exist.

Of the 504 million roubles actually spent, the deficit, covered by the emission of paper money, amounts, as has been shown, to 234 million roubles, or about 46 per cent. of the total. This, however, does not complete the deficit of the Soviet State, as the nationalised industries have a budget of their own, which is not included in the general budget, to which reference has been made above. These industries are for the most part run at a loss, though, as the Soviet accounts are very incorrectly made out, it is difficult to detect these losses when examining the books. The Soviet economists, therefore, calculate the deficit roughly, according to the stocks of raw materials and manufactured articles at the beginning and end of the business year. It was shown that the value of such stocks diminished from 550 million "goods" roubles on January 1st to 380 million roubles on October 1st, representing a loss of 170 million roubles. It should be added that in the general budget expressed by the above-mentioned sum of 504 million roubles, the operations of the People's Commissariat for Foreign Trade and the payments made under the various international treaties are not included, and they amounted to a total of 214 million roubles drawn from the gold fund of the Republic during the accounting period. Thus the general State deficit for the first nine months, which was covered by the printing press and by drawing upon the available stocks of gold and goods, may be calculated roughly at 618 million goods roubles (234 + 170 + 214), which is the total given by the Soviet economist Larin.

Such sorry results call for more modest estimates for 1922-23. A real budget for this year, however, was not given by the Finance Commissar to the tenth assembly of the Soviets, as it was stated to be impossible to do so in view of the falling value of the rouble. But they said that the total expenses for the twelve months (October 1, 1922-October 1, 1923) must be calculated at one milliard roubles (gold or "goods" roubles), as the price of gold lately reached the level of goods' prices. This sum again does not include either the estimates of State industry or those of foreign trade.

The People's Commissar supposes that only some 200-

† There are signs that the pre-war roubles in which the estimate was made cannot be compared exactly with the roubles in which the real expenditure is expressed, as when the estimates were made the co-efficients were taken at a lower level than the real Index Numbers. If allowance is made for this factor the Budget will be 850-900 million real "goods" roubles, i.e., the real expenditures will be between 55-60 per cent. of the estimates.

300 million roubles of this total will have to be covered by note emission. Thus it is anticipated that 700-800 million roubles will be covered by taxes and other forms of revenue. It should not be forgotten, however, that for the first nine months of 1922 these sources provided only some 270 million roubles, or an annual yield of about 360 million roubles. The People's Commissar of Finances bases his optimistic calculations, firstly, on the fact that taxes in kind brought in more than last year; and secondly, that the amount of money taxes and State revenue is gradually growing. Thus, whereas in the first quarter of 1922 the money taxes and revenues gave only 15.2 million goods roubles, while note emission amounted to 89.4 millions, in the period October-November (for two months) the taxes and revenues were about 44 million roubles, while the note emission was about 64 million roubles. In other words, the proportion of the emission to taxes and revenue had diminished considerably.

As regards the tax in kind, we must remember that the greater part of it will probably rot, as it did last year (as is admitted by the Soviet Press), thanks to the lack of storehouses, sacks, and trucks in good repair. With regard to money revenues, we must remember further that they are to a certain degree fictitious. The fact is that money taxes fall chiefly on industry and trade, and, as Kamenoff stated to the tenth assembly of the Soviets, 97 per cent. to 98 per cent. of the industries and 70 per cent. of all the trade undertakings are in the hands of the State. Hence the greater part of the money taxes are paid to the Commissariat of Finances by other Government institutions controlling industry; and as this nationalised industry is run at a loss, which is covered by Government subsidies and the using up of old stores, which together greatly exceed the yield from the tax itself, it is clear that these taxes fall not on the private consumers of the goods but on the State industrial undertakings. From the financial point of view, therefore, it is simply a question of transferring money from one pocket to another. The same applies to the State revenues from transport, post and telegraphs, and similar services. Owing to the very feeble development of private enterprise, the railways only transport the merchandise of the State. The posts and telegraphs are used chiefly by the Government institutions themselves. Therefore, the revenues from railways, telegraphs, &c., come to the State chiefly from State institutions and are paid in paper money which is received by those institutions in their turn from the State. Such a position, which may seem a paradox from the point of view of the West, shows clearly that the increase in money taxes and revenues in the budget does not by any means mean a proportional real improvement in the finances.

Besides taxes and revenues, the Soviet Government is issuing this year a home loan in gold for 100 million roubles, with prize drawings. The future alone will show to what degree this first great attempt to secure home credit will prove successful, but we must note that the Soviet authorities themselves regard this more as an educational effort for the masses rather than a source of revenue. In reality, the only important real resource of the Soviet Power is the tax in kind paid by the peasantry.

Besides this, however, there is the using up of the old reserve, which decreases each year, and the emission of paper money. The revenue from this latter source, however, is also largely fictitious owing to the leading part taken by the State in industry, and thus the newly-printed paper money really depreciates to a great extent in the hands of Government institutions. Hence, the Government in a certain degree pays the "emission tax" itself. Nevertheless, as this is the easiest means of income for the Soviet Power, it is clear that the printing of paper money will play an important part in the Soviet budget for the coming year (and an even more important part than the Soviet Commissar himself admits).

HOME RAILWAY RESULTS.

THE reports and accounts of the railway companies of England and Scotland for the year 1922 are invested with peculiar interest. In the first place they are the last that will be published by the old companies, which have now been merged into four large groups, under the terms of the Railways Act, 1921. In the second place, the dividends announced at the beginning of February were in nearly all cases higher than had been generally anticipated, and it is only in the annual accounts that a definite explanation for this is likely to be found. It was surmised that, in the general clearing up of the accounts before the amalgamations were consummated, various balances, which had accumulated and were not provided for in the terms of the various schemes, had been transferred to revenue account. On this point it is not possible to gain any enlightenment from the accounts. They do show, however, that there was a very substantial increase in net revenue, thanks to the reduction in expenditure being much larger than the drop in gross receipts. The figures of the tonnage carried in December, published by the Ministry of Transport, are not yet available, but for the eleven months there was an increase of more than 40 per cent. over the corresponding period of 1921. This has counteracted to some extent the lowering in freight rates, while the fall in wages and in the cost of coal have undoubtedly been the principal factors in the drop in expenditure. In the table below, in which the companies are arranged under their new groups, we compare gross receipts, expenditure, and total net income with the 1921 figure. Gross receipts in that year included seven months of Government subsidy, which amounted to £20 millions, so that the real increase in net receipts is larger by that amount than the £6 millions shown in the table. Miscellaneous net receipts comprise rents, tolls, &c., and interest, and are included with net operating revenue:—

	Gross Receipts.		Expenditure.		Net Receipts (Incl. Miscell. Receipts).	
	1922.	Inc. or Dec.	1922.	Inc. or Dec.	1922.	Inc. or Dec.
London, Midland, & Scottish—						
Caledonian	£ 9,653	£ 1,868	£ 7,385	£ 2,214	£ 2,480	£ 376
Furness	973	317	839	269	143	49
Glasgow and South-Western	3,903	1,456	3,210	1,557	770	122
Highland	1,221	273	980	320	245	47
London and North-Western	45,496	8,906	36,517	10,309	10,188	1,680
Midland	28,932	3,801	23,114	4,438	6,894	492
North Staffs.	2,073	436	1,777	417	314	11
London and North-Eastern—						
Great Central	92,251	17,057	73,822	19,524	21,034	2,657
Great Eastern	11,875	2,639	9,716	3,012	2,363	408
Great Northern	12,607	5,113	10,971	4,956	1,817	175
North-Eastern	12,928	2,214	10,338	2,795	2,848	674
Great North of Scotland	22,178	5,887	18,144	5,895	4,424	25
North British	1,092	537	865	386	242	31
Southern—						
London and South-Western	10,344	2,460	8,012	2,794	2,441	363
London, Brighton, & S. Coast	71,024	18,666	58,106	19,838	14,135	1,276
South-Eastern and Chatham	11,402	1,952	9,184	2,315	2,624	550
Great Western	6,759	991	5,349	1,273	1,621	317
South-Eastern and Chatham	9,411	2,383	7,228	2,318	2,234	566
Great Western—						
London and North-Eastern	27,572	5,526	21,761	6,504	6,519	1,340
Great Western	38,523	(-5,756)	31,103	(-6,533)	8,276	(+ 916)
Total	229,370	-46,805	184,792	-52,399	49,964	+ 6,189

The Great Western accounts for 1922 embrace the operating results as from the beginning of the year of the whole of the constituent companies, and of certain of the subsidiary companies, and also, as from July 1, 1922, of some of the subsidiaries. In the comparisons we have given we have included the separate figures of the constituent companies for 1921, but not those of the subsidiaries. To this extent, therefore, the comparison is not a true one.

The percentage of error, however, is probably small. The ratio of expenditure to gross receipts, for all the companies in the table, works out at 80.2 per cent. for 1922, which compares with 85.9 per cent. for the year 1921. Government control, it will be recalled, was not relaxed until August 15th of the latter year, and the receipts included the Government subsidy during the period of control. In an analysis a year ago of the reports for 1921 we made an estimate, from the meagre figures available, of the approximate earnings and expenses of the controlled and free periods. Our figures showed that, without the Government subsidy, receipts from January to July, inclusive, were £115½ millions, and expenses £135½ millions, the ratio of expenses to receipts being 117 per cent. From August to December, inclusive, receipts were given as £104½ millions and expenses as £90 millions, the ratio being 86 per cent. There has thus been a very substantial reduction in the ratio of expenditure. The 1922 figure of 80.2 per cent., however, compares with 64 per cent. for 1913.

Owing to the resumption of publication of certain accounts omitted in recent years, with the authority of the Ministry of Transport, we are able to give the following analysis of working expenditure and receipts:—

ANALYSIS OF WORKING EXPENDITURE AND RECEIPTS.

	Proportion of Receipts Spent on Various Purposes.						Proportion of Receipts Obtained from	
	Maintenance of Way and Works.	Maintenance of Stock.	Locomotive and Traffic Expenses.	General Charges.	Local Rates.	Total Expenditure.	Passenger Traffic.	Goods Traffic.
London, Midland, & Scotland—								
Caledonian	13.19	14.66	43.09	2.12	2.86	77.40	41.92	58.08
Furness	14.53	20.11	43.30	4.63	4.46	86.50	29.83	70.17
Glasgow and South-Western	13.18	14.10	47.70	2.67	3.17	82.15	45.75	54.25
Highland	16.33	15.28	42.27	3.30	1.72	79.67	54.01	45.99
London and North-Western	10.67	14.15	47.19	2.84	3.65	79.44	45.59	54.41
Midland	12.67	15.26	44.11	2.55	3.33	79.00	36.16	63.84
North Staffs.	17.70	13.07	46.55	3.67	3.40	86.52	29.00	71.00
London and North-Eastern—								
Great Central	11.79	18.88	48.01	2.52	2.62	83.41	28.03	71.98
Great Eastern	14.14	15.07	48.27	2.50	5.10	87.13	55.49	44.51
Great Northern	13.81	14.47	47.16	2.61	3.86	83.36	41.21	58.79
North-Eastern	11.32	22.25	41.36	3.33	3.90	83.68	34.81	65.19
Great North of Scotland	15.19	11.95	45.82	3.34	3.01	80.29	52.63	47.37
North British	14.82	13.55	45.81	1.69	2.13	78.65	35.86	64.14
Southern—								
London and South-Western	16.85	12.16	39.14	3.86	4.56	78.26	69.97	30.03
L. B. & S. Coast	13.04	14.64	42.00	2.55	5.35	79.17	77.15	22.85
South-Eastern and Chatham	15.33	10.46	42.01	3.05	4.27	78.67	74.98	25.02
Great Western	15.14	15.10	42.17	2.89	4.58	81.29	43.99	56.01

In the absence of comparative figures for 1921 it is not possible to show in which directions economies have been effected, but a comparison with 1913 indicates a general and similar increase in the first three items. The railways in the Southern group show a slight increase in the percentage of receipts from passenger traffic as compared with 1913, but the Great Western has increased its percentage of goods traffic. The other lines show little appreciable change.

In the next table we show how net income was distributed:—

	Net Income.		Fixed Charges, &c.		Reserve, &c.		Guaranteed and Preference Dividends.		Ordinary Dividend.		Carried Forward.
	£	£	£	£	£	£	£	£	£	£	
London, Midland, & Scottish—											
Caledonian	2,655	890	Dr 128	773	993	£ 347	121	53	1	1	1
Furness	143	95	Dr 128	302	338	£ 124	1	1	1	1	1
Glasgow & S. West.	770	245	Dr 99	91	77	£ 26	2	2	2	2	2
Highland	245	105	Dr 16	2,958	4,864	£ 1,646	7	7	7	7	7
London and N. West.	10,188	2,464	Dr 10	2,052	3,321	£ 489	4	4	4	4	4
Midland	6,894	1,536	Dr 10	158	180	£ 180	5	5	5	5	5
North Staffs.	314	97	Dr 10	6,455	9,826	£ 2,658	159	159	159	159	159
London and North-Eastern—											
Great Central	21,034	5,432	Dr 346	2,363	1,397	£ 22	944	422	23	23	112
Great Eastern	1,817	989	Dr 256	774	774	£ 422	1,161	402	24	24	17
Great Northern	2,848	731	Dr 60	896	1,161	£ 402	1,113	2,561	74	74	5
North-Eastern	4,424	1,054	Dr 300	1,137	60	£ 14	1,079	407	1	1	9
Great North of Scot.	242	85	Dr 40	14	137	£ 60	1	1	1	1	1
North British	2,441	924	Dr 40	4,943	4,611	£ 416	126	126	126	126	126
Southern—											
London and South-Western	14,135	5,180	Dr 474	2,624	614	£ 40	791	1,162	307	307	17
L. B. & S. Coast	1,661	389	Dr 13	604	654	£ 105	604	654	105	105	17
London, Chatham, & Dover	2,557	530	Dr 13	342	84	£ 84	576	553	125	125	16
South-Eastern	6,842	2,003	Dr 53	2,513	2,453	£ 621	20	20	20	20	20
Great Western	8,276	2,404	Dr 767	2,451	3,377	£ 689	73	73	73	73	44
Total	50,462	15,019	Dr 767	16,162	20,267	£ 4,384	221	221	221	221	221

* On deferred stock.

It will be seen that the two Northern groups withdrew £820,000 from compensation funds, but of this amount the Scottish lines and two smaller English Companies account for nearly half. Neither the Midland nor the North-Western touched these funds, and the only large amounts were withdrawn by the Great Eastern and the North-Eastern, whose ordinary dividends were maintained at the previous year's rate. A year ago nearly £4 millions of compensation money was used by the railways for dividend distributions. The Southern and Western companies have neither drawn upon the compensation money nor reduced their balances forward, and the Southern shows a slight addition to reserves. The increase of over 25 per cent. in the ordinary dividend payment looks substantial, but on the total invested capital the additional £4,384,000 paid out last year to ordinary shareholders represents less than one half per cent.

In the final table we show total capital expenditure and depreciation, reserve, and other funds, together with total holdings of Government securities and cash:—

	Capital Expenditure to Dec. 31, 1922.	Depreciation and Reserve Funds.	Government Securities (at Cost).	Cash in Hand and on Deposit.
Caledonian	£ 56,305,498	4,498,358	2,312,549	1,576,139
Furness	7,042,746	366,987	...	202,614
Glasgow and S. Western	20,240,929	1,610,985	...	681,672
Highland	7,416,837	422,276	...	2,746,594
London and N. Western	197,926,294	23,187,856	11,714,253	2,273,879
Midland	130,474,448	19,390,598	13,459,859	389,426
North Staffs.	9,221,629	361,694	...	...
London and North-Eastern—				
Great Central	57,459,299	5,235,363	1,083,059	1,372,856
Great Eastern	56,069,006	6,725,400	1,575,550	1,364,734
Great Northern	54,853,265	5,222,795	...	3,955,676
North-Eastern	98,641,578	16,769,679	5,207,521	2,799,049
Great North of Scotland	6,435,626	353,119	...	88,495
North British	52,281,552	3,166,462	...	628,853
Southern—				
London and South-Western	51,617,222	4,779,699	3,449,952	1,460,178
London, Brighton & S. Coast	33,549,373	2,218,921	305,543	1,629,931
South-Eastern & Chatham	58,292,143	3,403,135	126,094	3,382,272
Great Western	158,579,992	23,881,108	14,374,305	6,459,763
Total, 1922	1,056,386,437	121,594,435	53,806,435	33,012,131

The ratio of reserves to total capital expenditure is highest in the case of the Great Western, and lowest in the Southern group. The latter, however, shows a strong cash position. Government securities are in all cases taken at cost. The 1913 balance-sheets showed comparatively small items under this heading, and although the latest balance-sheets mention, in some cases, that Government investments include consols, the depreciation on such small amounts is probably more than offset by the appreciation in the value of other Government securities purchased in the last year or two. The 1913 balance-sheets of the above companies make a striking comparison; total reserves amounted to £17½ millions; investments in Government securities were £836,000; and cash stood at £13½ millions.

The distribution by the Government of some £23 millions to these companies in January last will enhance the strength of the balance-sheets, for this payment will have more than covered the amount of cash required for payment of final dividends. The distribution of this final instalment of compensation (there is still a small balance of about £1 million to be apportioned) as divided among the constituent companies gives the following amounts, in round figures, to the four companies:—London, Midland, and Scottish, £8 millions; London and North-Eastern, £7 millions; Southern, £3 millions; and Great Western, £5 millions. The new companies thus start in an exceedingly favourable financial position. The gloomy forebodings of the railway chairmen at the annual meetings two years ago, when the Railways Bill was under discussion, as to the serious "financial crisis" which would arise if the railways were decontrolled in August, 1921, have been belied by the results of the first complete year of free working. The tax-payer may, perhaps, be inclined to think that the £51 millions (equivalent to eighteen months' service on the American Debt), which the railways succeeded in obtaining from the Government by way of compensation was a very generous payment, while the trader who

scans the accounts may wonder whether the agreement not to ask for further freight rate reductions until July 31st next was not too hasty. Already, indeed, the chairmen's speeches show that the companies themselves are contemplating immediate reductions. The investor, on the other hand, has every reason for complacency. He has just received substantial dividends, and there is every prospect of a good return on his money in the future. Moreover, the majority of junior stockholders have done well by the exchange into the stock of the new companies. For example, as Viscount Chilton pointed out at the meeting of the London, Chatham and Dover Railway, the exchange into Southern Railway stock gave Chatham ordinary shareholders "intrinsic value far in excess of" anything they had hitherto possessed.

COAL AND STEEL IN CANADA.

(BY A CORRESPONDENT.)

IN Canada we have secured, during the past year, a highly promising new market for British coal, and the market for steel and engineering goods seems likely to expand. Coal and steel conditions in the Dominion merit special attention, for more reasons than one. Since it became clear that Canada has immense reserves of coal, and much iron ore, coupled with huge and rich deposits of ore in Newfoundland, we have been told that the Dominion would build up a great steel industry that would challenge that of the Old Country. But the probabilities are that for years to come the consumptive demands of the Dominion will outstrip production, that imports will increase, and that the United Kingdom will gain much trade at the expense of the United States in that market.

Taking coal first, we see a remarkable development. For many years Canada has been a heavy importer of American coal; but when the United States miners went on strike last April the Dominion imported some British coal. The quality was found highly satisfactory, and the conditions regarding grading, screening, sizing, washing, and so forth were much appreciated. The price was also favourable. The freight from Britain to St. Lawrence and other Eastern ports was far less than the rail cost from American mines. Moreover, American coal is now abnormally dear. The pit-head cost to-day is fully 50 per cent. higher than the 1920 top prices, and nearly 150 per cent. above pre-war. For various reasons, United States coal is likely to remain abnormally dear.

The scope of the trade may be gathered from the fact that Canada imported an average of 4,817,536 tons of anthracite, and 13,816,457 tons of bituminous coal annually in the three years, 1919-20-21. The protracted American strike caused a serious shortage of coal in Canada last year, and the Dominion imported 178,482 tons of anthracite, and 638,843 tons of bituminous coal from Great Britain. Negotiations are proceeding for much heavier supplies of British coal as soon as the St. Lawrence navigation is resumed in the spring. Meanwhile, Canada is suffering something like a fuel famine. With American coal so unusually costly, as it is bound to be under the latest mining labour agreement, plus the high rail rates for the long trip, there is a good chance of the Old Country capturing a growing proportion of Canada's coal import trade. If our prices and freights are kept within reason a big trade is assured, and ships taking the coal out will mostly have ready cargoes of grain, timber, &c., for the return voyage, besides which our blast furnace interests might take big tonnages of Newfoundland ore now that the German contracts for that material have lapsed. However, the big point is that for about the first time in history British coal is being delivered in Canada more cheaply than American coal.

Turning to steel and related products, we have equally remarkable conditions. Many times within the past 15 years we have been told that Canada had such reserves of coal and iron ore that she would speedily become a second United States in the steel trade. Four years ago we were told on "expert" authority that the Dominion would very soon be making 10,000,000 or 12,000,000 tons

of steel a year, and actively competing with Britain in neutral markets. To-day we read of preparations for steel developments in Canada. But what are the facts and probabilities? Canada holds immense reserves of coal, it is true. She holds much ore, and in the neighbouring Newfoundland there are enormous deposits of rich material. But it requires something more than the raw materials to make a big steel industry. It also requires something more than cheap land, low taxes, and bounties and tariff protection—all of which the Canadian iron and steel industry has enjoyed. Efforts were made 125 years ago to develop an iron industry in Canada. Last century enterprise after enterprise failed. In 1882 the Government began to pay bounties on the production of iron and steel, besides affording protection, and since then some quite ambitious enterprises have been founded. In the last pre-war year Canada managed to produce 1,000,000 tons of steel. The war gave the industry a unique chance, and, within the limits of its labour supply, it did well. For the first time in history the Dominion exported more value of manufactures (chiefly in the shape of munitions) than agricultural products. In the first two post-war years the industry did well, owing to inflated prices and short supplies of outside steel. But since the approach of normal competitive conditions the Canadian industry has declined. Here are the figures—

CANADIAN STEEL PRODUCTION IN TONS.

1913.....	1,044,000
1920.....	1,242,000
1921.....	667,000
1922.....	467,000

Canada is, and must long remain, pre-eminently agricultural, and must, therefore, be an importer rather than an exporter of steel goods. There is no adequate supply of iron and steel working labour. Wages last year even, in spite of the depression, averaged over £6 a week per man the year round, and there must have been very much lost time. The output per man was very low. Although 102,000 men were employed, at these high wages, only 467,000 tons of steel were produced and worked up. And for that small output the capitalisation was no less than \$642,904,322. It may also be mentioned, in passing, that Canada is handicapped, so far as the heavy trades are concerned, by the long haulage distances which separate the various raw materials and manufacturing plants. It will pay the Dominion better to import than to produce. The meagre output of 1922, after more than a century's efforts, aided by many years of bounties and protection, proves it.

In the last fiscal year Canada imported \$225,000,000 worth of steel products from the United States alone. That indicates the extent of the market. But as with coal, so with steel—Canada is decreasing her purchases from America. The new United States tariff is one factor. As a prominent Canadian statesman has declared, if the States will not buy from Canada they need not expect to sell to Canada. In the current fiscal year, so far as the records are available, it is seen that the imports of American steel have declined by no less than \$126,000,000 compared with the corresponding months of the last fiscal year. In the same months British exports of tinplates and galvanised sheets have increased by about 250 per cent., and there is a growing market for a wide variety of steel goods. Great railway extensions, huge power schemes, big house and other constructions, and farming needs will all call for heavy tonnages of steel products. British manufacturers and engineers, like British coal exporters, have a fine chance.

SOME NITRATE COMPANIES' RESULTS.

THE results of the year ended June 30th last of the selection of nitrate producing companies, which we present below, makes melancholy reading. Six companies between them record an aggregate net loss of over £60,000, as compared with an aggregate net profit of over £223,000 in the preceding 12 months. It was, indeed, a very bad period for nitrate producers. Among the disheartening comments on the year's doings is the following, in the report of the Amelia company:—"The crisis in the nitrate industry

continued unabated during the whole period covered by these accounts, and no nitrate sales whatever were made for the company's account, the profit shown being entirely derived from iodine." The Liverpool, Pan de Azucar, and London companies record a cessation of nitrate manufacture during the entire year, and although some of these concerns marketed existing stocks to some considerable extent, there was obviously nothing in the year's conditions to cause satisfaction. The following table of profits is, therefore, perhaps no worse than might have been expected:—

Name of Company.	Net Profits.		Dividends, Ord. and Pref.		To Reserve, &c.		Carry Forward.	
	1920-21.	1921-22.	1920-21.	1921-22.	1920-21.	1921-22.	1920-21.	1921-22.
	£		£	£	£	£		£
Amelia	11,651	Dr 13,195	13,920	3,000			49,907	3,712
Lagunas Synd.	15,054	21,689			15,054	21,689		
Liverpl. Nitrate	113,843	Dr 79,536	51,148				96,771	17,221
London Nitrate	28,554	12,238	15,000				20,730	17,967
Pan de Azucar.	29,646	24,061	11,550	11,756	7,144		32,088	44,393
Santa Catalina.	30,879	4,390	15,800	7,900	10,000	Dr 5,000	6,669	722
	223,627	Dr 62,573	107,418	37,656	32,198	16,689	206,165	84,015

The item "stoppage expenses" is a serious one in the accounts of several of the companies. This amounts to £15,850 for the London, £43,574 for the Liverpool, £5,459 for Santa Catalina, and £34,862 for the Amelia company. We may pass from this table with the remark that Lagunas has done noticeably well in a bad year, and that in such times any profits at all are welcome. In the next table are analysed some of the principal items in the various balance-sheets:—

Name of Company.	LIABILITIES.			ASSETS.					
	Share Capital.	Debs. and Loans.	Re-serves.	Pro-perties.	Stocks.		Cash & Bills.		
					1920-21	1921-22	1920-21	1921-22	
	£	£	£	£	£	£	£	£	
Amelia	206,000		176,091	94,869	275,942	265,263	15,290	2,636	
Lagunas Syndicate	550,000	233,980	74,780	700,655	162,502	113,661	225,100	85,899	
Liverpool Nitrate.	73,069	188,969	379,056	569,737	231,102	289,035	80,263	22,722	
London Nitrate.	200,000	213,716	142,000	476,881	105,907	164,936	4,497	2,618	
Pan de Azucar	110,000		51,312	92,370	114,814	69,820	121,602	34,879	
Santa Catalina	79,000		25,000	44,648	25,338	29,964	47,039	36,048	

The year's experiences have made inroads on the cash position. Fortunately, if we turn from the figures for 1921-22 to the present outlook, we find reason for reassurance, for since these accounts were closed a very decided improvement has come over the nitrate position. In the opinion of expert observers the year 1923 has opened with greatly improved prospects. The improvement that the last six months have brought about can be seen from the following statistics of the position, which are compiled from figures given by Messrs Aikman (London), Limited:—

(In Thousands of Tons.)

	1913.	1914.	1921.	1922.	1922.
	2nd Half.	1st Half.	2nd Half.	1st Half.	2nd Half.
Shipments to Europe and Egypt..	1,194	831	198	103	455
" U.S.A.	236	311	74	141	437
" Other Countries....	46	41	52	37	102
Production in Chile	1,367	1,455	456	421	624
Visible supply in Europe and Egypt at December 31st	1,098		903		427
Visible supply in U.S.A.	71		251		192
Visible supply in Other Countries	18		19		41
Stocks in Chile at end of period ..	498		1,449		1,231
Total supplies in sight at Dec. 31st	1,685		2,622		1,891

The decline during 1922 is substantial both in the world's aggregate of visible supplies, and also in supplies in Europe and Egypt, and the United States, and in the Chile stocks. Shipments from Chile in the last half of 1922 were about 3½ times as large as the shipments in the first six months. Messrs Aikman (London) state in their annual report that in the second half of 1922 consumption of nitrate of soda increased by 105,500 tons in Europe and Egypt, and by 168,000 tons in the United States. The statistics, however, reveal clearly enough the effect of the chaos in Central Europe on the nitrate position. Deliveries of Chilean nitrate to Germany and the Baltic ports in the year ended June 30, 1914, were 960,000 tons; in the last six months of 1922 they were a mere 19,000 tons. Political developments since the beginning of the year have apparently killed the prospect of a revival of demand from that quarter. It is hoped,

however, that this disappointment will be balanced by a growth in consumption in the United States and Japan. The nitrate share market has shown some signs of confidence that the bad conditions of 1921-22 have been left behind. The market improvement is shown by the following table:—

Name of Company.	Am't of Share.	Dividends.			Prices of 1922.		Price Feb. 22, 1923.	Present Yield.
		1919-20.	1920-21.	1921-22.	High'st.	Lowest.		
								£ s d
Amelia	10	20	7	nil	3½	3½	3½	nil
Lagunas Synd.	1	nil	nil	nil	3½	2½(t)	3½	nil
Liverpool.....	1	140½	100	nil	2½	1½	2½	10 6
London.....	1	7½	7½	7½	1½	1½	1½	7 10 0
Pan de Azucar.	1	10½	15	15	2½	1½	2½	6 19 3
Santa Catalina..	1	20	20	10	1½	1½	1½	6 19 3

† Paid free of income-tax. (t) 5s shares.

Thus it will be seen that the nitrate share market has recently displayed more strength during the past month or so, and prices have advanced since the beginning of 1923.

One of the most notable features of 1922 in the nitrate industry was the dissolution at the end of June of the Pool formed at the end of 1920 for the control and marketing of the huge accumulated European stocks. For the last six months of the year the market was free, within the limit of control imposed by the Producers' Association's prices. In other words, there has been restored a free market in Europe. In reviewing the market in the second half of last year, Messrs. Henry Bath and Son, Limited, write:—"In August the association withdrew its price of 18s 6d per metric quintal for June, 1923, shipment, and remained out of the market until the 19th instant, when it commenced to offer again at 19s 1d, and very shortly sold about 100,000 tons at the new price. The policy of buying June shipment so far in anticipation contains a considerable element of speculation, but is obviously founded on the expectation not only that prices for July, 1923, and later shipment will eventually be fixed at something higher, but also that the current term of the association, which ends in January, 1924, will be extended at least until June, 1924, in accordance with a proposal now under discussion. Failing such extension, a position of great instability might arise in the very crux of the consuming season; for the reduction of the present heavy coast stock is likely only to be gradual, and so long as the stock remains excessive in comparison with prospective requirements it is difficult to imagine any method but controlled prices for dealing adequately with the situation." According to Aikman (London), Limited, with the fall in price of oil, coal, bags and other materials and stores, and also in the cost of labour, costs of production have now been reduced to levels ranging from 5s 9d to 7s 6d per quintal. "With the big reduction in the world's stocks," write these authorities, "and the probability of an increasing consumption the future outlook is much more favourable, and a general reopening of oficinas in the second half of next year (i.e., 1923) may be expected." Although some allowance must be made for the deepening of the European economic gloom, it appears reasonable to assume that the great Chilean industry starts the year 1923 with far better hope than that with which it began 1922.

MORE LEGAL ASPECTS OF THE RUHR OCCUPATION

(FROM A LEGAL CORRESPONDENT.)

LET us sum up the position as far as we have gone. In the first place the view is widely held that the action of France and her co-operators in occupying the Ruhr, and the method of their occupation once there, constitute a breach of the Treaty of Versailles on one or more of the following grounds:—

(a) That before action can be taken against Germany under Part VIII. (Reparation) of the Treaty, unanimity is required (by clause 13 of Annex II. to that Part) on the Reparation Commission to the effect that there has been a "voluntary default" by Germany. There has been no such unanimity. To our mind there is less doubt upon this point than upon (b) and (c) that follow. The Treaty expressly demands unanimity on the Reparation Commission upon "questions of the interpretation of the provisions of this part [Reparation] of the present

Treaty." Consider the case of a contract for the sale of goods containing a *force majeure* clause and a provision that any question arising upon the applicability of this clause must be referred to arbitration; surely such a question would be a question of the interpretation of the contract. And surely a question whether Germany has made a "voluntary default" is a "question of the interpretation of the provision of this part of the present Treaty." (See the *Economist*, January 20th.)

(b) That even if the decision had been unanimous, the action against Germany must be taken by all the Powers interested in obtaining reparation jointly, which include Great Britain (Clauses 17 and 18 of Annex II.).

(c) That the measures contemplated under the Reparation part of the Treaty (under which France claims to be acting) are "economic and financial prohibitions and reprisals" and similar action falling short of a definite military and political occupation such as has taken place (Clause 18 of Annex II.).

Mention should also be made of Article 248 of the Treaty, which makes reparation a first charge upon all the assets and revenues of the German Empire and its constituent States.

In the second place, we must be guided in the construction of treaties as far as possible by the rule: applicable to private contracts, and as we think is demonstrated by the international lawyers whom we quoted last week, if one or more of the parties to a treaty violate it at any rate in a material part, the other parties may in their discretion regard themselves as liberated from the obligations of the treaty as regards the violating parties.

Now, there we have a series of complicated legal questions, and it is the duty of the British Government to obtain from its Law Officers a pronouncement upon them. If the "rule of law" is to prevail throughout the world as it does in Great Britain, it is essential to the understanding of an acute international situation that we should know as far as is humanly possible what the law is, however unpleasant and embarrassing it may be. It is idle for the Government to tell the House of Commons, as the Prime Minister did last Thursday, that the opinion of the Law Officers had not been taken on the legality of the French action. It would be incredible if the Prime Minister had not said it. The psychology of the man who refrains from consulting his medical adviser because he does not relish the anticipated verdict is familiar, but it ill befits a country whose strength has lain in being ready to look unpleasant facts in the face instead of imitating the ostrich. Only the adherents of the two extremes of political thought, who meet in their contempt for law and their exaltation of force, are prepared to approach a difficult political problem without having previously ascertained the law bearing upon it so far as that can reasonably be done. If it be, then, that the action of France, Italy, and Belgium has entitled us to reconsider our obligations under the Treaty of Versailles as regards those Powers, and to demand its revision, the path would lie open for the substitution for the methods of the Treaty of Versailles of a more truly mutual and international system of guaranteeing integrity and independence, so that it becomes useful to examine what our principal European commitments now are apart from that Treaty. (We must bear in mind, too, that the Empires of India and four of our self-governing Dominions are also parties to the Treaty of Versailles.)

(i) *France*. The first outstanding fact—indeed, it is one which, in the opinion of many, is largely responsible for the present deplorable situation—is that the Treaty of June 28, 1919, between the British Empire and France whereby the former Power agreed to come immediately to the assistance of the latter "in the event of any unprovoked movement of aggression" by Germany—a pact ratified by British Act of Parliament in the same year—has failed to become operative because the corresponding treaty between the United States of America and France of the same date was not ratified by the American Senate. The Treaties contain no time limit within which ratification must take place, and it is difficult to say what would be the effect upon the British treaty in the unlikely event of the American Senate ratifying the American Treaty.

(2) *Belgium.* The second outstanding fact is that the Treaty of 1839, between Great Britain, Austria, Belgium, France, Prussia, and Russia, guaranteeing the independence and permanent neutrality of Belgium, has gone. Belgium requested the Powers, in the course of the Versailles Conference of 1919, to put an end to her neutralised status as guaranteed by that Treaty, and to allow her to become a fully Sovereign Power. To this the other Powers consented, and Germany was made by the Treaty of Versailles to consent to the abrogation of the Treaty of 1839. Thus Belgium threw away, rather improvidently we incline to think, a Treaty which saved her from being overrun in 1870, when Mr Gladstone concluded a special treaty with each belligerent, containing a solemn promise to respect Belgian neutrality, and to co-operate with Great Britain in the event of the other belligerent violating it; a Treaty which in 1914, at any rate, left no alternative to Great Britain but to come to her rescue. Belgium has thus relieved us of one of our heaviest Continental treaty commitments.

(3) *Luxemburg.* Our obligation as co-guarantors of the neutrality of the Grand Duchy of Luxemburg under the Treaty of 1867 was never so serious as the obligation towards Belgium owing to the different form of the Treaty. The Earl of Derby, as Prime Minister, explained in 1867 that whereas the guarantee given to Belgium was an individual guarantee, that given to Luxemburg was a "collective guarantee," which is "one binding on all the parties collectively, but of which, if any difference of opinion should arise, no one of them can be called upon to take upon itself the task of vindication by force of arms." By the Treaty of Versailles Germany was made to assent to the rescission of the neutrality of Luxemburg, and to such other arrangements as the Allied Powers might make.

(4) *Poland.* Apart from the Treaty of Versailles, a certain obligation towards Poland exists under the Treaty of June 28, 1919, made between her and the British Empire, United States of America, France, Italy, and Japan.

(5) *Greece.* Our obligations in this direction are at present in the melting pot owing to the suspension of the negotiations with Turkey. Meanwhile, our rights and duties under the Protocol of 1830, the Treaty of 1830, and the Treaty of 1863 guaranteeing Greece as a "monarchical, independent, and constitutional State," presumably remain.

(6) *Austrian Succession States.* We are also under a certain degree of responsibility to the Succession States which arose from the break-up of the Austrian Empire.

(7) *League of Nations.* By Article 10 of the Covenant of the League of Nations we have, together with the other members, undertaken "to respect and preserve as against external aggression the territorial integrity and existing political independence of all members of the League."

It is clear that the present European mess will only be satisfactorily cleared up by a joint conference of the European Powers, including Germany, and in our opinion it is equally clear that this joint conference should be summoned and managed by the League of Nations. Part of the task of that conference should be the revision of the Treaty of Versailles. We are all very much wiser than we were in 1919, and it is a mistake to bolster up artificially the immutability of a Treaty embodying serious blunders. Great Britain, in supporting a revision of the Treaty, should most emphatically reaffirm her adherence to the Covenant of the League, which is in no way involved with the durability of the Treaty; and, having entered the conference, our guiding principle should be to strengthen the League and to make the League itself the guarantor of peace in Europe, instead of relying upon individual and collateral pacts between the several Powers such as the ill-fated Treaties between France and the British Empire and France and the United States of June 28, 1919. That the system of individual guarantees was regarded as only a temporary makeshift is well illustrated by a clause contained in both of these Treaties to the effect that the Treaty "will continue in force until, on the application of one of the parties to it, the Council [of the League], acting if need be by a majority, agrees that the League itself affords sufficient protection."

Notes of the Week.

Irish Peace Moves.—Our Dublin correspondent writes:—

During the past fortnight there have been considerable surrenders of fighting men individually and in bands, and equally significant captures of unarmed fighting men, that is, of men who, unwilling to surrender with their arms, allow themselves to be captured without the arms, which if found upon them when captured would entail the risk of the death penalty. The irregular leaders are openly and notoriously at variance with one another. On Wednesday there were attacks of the familiar type upon four different houses and on outlying Government offices for the collection of taxation, &c., in the middle of the day. Some papers were destroyed, but the fires were all extinguished, and a number of the raiders captured. Nevertheless, Ireland is on the way to peace, if signs and portents be not misleading. Yet this beneficial progress is due not to the peace-mongers, but to the mingled firmness and clemency of the Government. Great efforts have been made by the peace-mongers to stampede the Government, and if they have not succeeded they have heartened and comforted the party of violence. No one will deny that the Government may have, or, indeed, has made mistakes, but it is at the moment the only possible Government, and it has shown great courage and regard for principle, and it unquestionably represents the predominant elements of political thought. But it is an open secret that negotiations with De Valera have been going on behind the back of the Government. The "Republicans," drawing ever nearer to collapse, were nothing loth, seeing in such negotiations a chance to save De Valera in office. Ruling out as impracticable the picking of a quarrel with England over the boundary commission, De Valera would have been satisfied with one of two things, viz., an alteration of the oath prescribed by the Treaty, or the nominal adhesion of North-East Ulster to the Irish Free State. Hence came the embarrassing and unauthorised negotiations with North-East Ulster previously alluded to in these columns, De Valera—caring always more for words than for actualities—being apparently willing to procure the perpetuation, in fact, and substance of partition, if a nominal unity could be secured and his own face saved. Hence also came missions by amiable and, fortunately, ineffective gentlemen to London in the hope of persuading the Prime Minister to assent to a nominal change in the oath of allegiance. As might have been expected, the British Government was unable to lend itself to an effort to hamstring the friendly Government, which has staked its existence literally upon the Treaty, and the Free State Government itself stood firm. The general public here sees the issue simply as an uncompromisable struggle between order and anarchy, between the supremacy of the State and the destruction of the State, and the State and the cause of order are daily growing stronger. From April 1, 1922, to February 17, 1923, according to Irish Exchequer returns, total revenue collected amounts to £23,417,328, and the balance to credit, after providing for Supply services and certain advances on capital account, is given at £1,396,513.

The Problem of Iraq.—It would be difficult to find in Parliamentary history any series of Debates on the Address in which the fundamental cleavage of opinion between the Government and the parties of opposition was less marked than that revealed by the discussions of the past week in the House of Commons. The debate on Mesopotamia was a case in point. Mr Lambert moved an amendment urging that "There should be an immediate and drastic curtailment of British responsibilities in Mesopotamia." On the desirability of such curtailment there was apparently complete agreement in all quarters of the House, and Mr Bonar Law prefaced his speech with the remark: "The amendment itself is in a form which I think everyone in the House would accept." The vehement remark of Mr Banks that Mesopotamia was "the worst mongrel" of "a whole litter of pups" that

we purchased at the Peace Conference found a more dignified echo in the Prime Minister's reiterated wish "that we had never gone there." With Mr Asquith's eloquent plea for curtailing our responsibilities and expenditure in Iraq there will be universal agreement; and Mr Bonar Law's assurance that "there is no question of oil, and never has been," is comforting. Unfortunately, at the moment the Government is tied, as a correspondent points out in a later column, by pledges given by its predecessor, and by the acceptance of a Mandate. We do not share the enthusiasm for Mesopotamia or the faith in the advantages of continued occupation which are expressed by the correspondent referred to. But we agree with him that obligations undertaken must be fulfilled. The only course for the Government to pursue is to make sure that the most rigid economy prevails in this sphere of activity, to avoid any extension of the burden, and to seek diligently for the earliest possible opportunity for obtaining honourable release from our costly and embarrassing undertakings. That the Government is prepared to pursue this course Tuesday's debate in the House of Commons leaves little doubt.

Parliament and the Ruhr.—There is very little to be said about the House of Commons' debate on the Liberal Amendment to the Address which could not have been said in advance, and which, indeed, we did not say in these columns last week. It served once more to emphasise the universal dislike of the French action and, at the same time, the almost equally universal realisation of the grave dangers of a breach between Britain and France. The amendment received over 200 votes, but was, of course, defeated by a handsome majority. The debate produced some plain speaking. It elicited from Mr Lloyd George the confession that his former threat to occupy the Ruhr was "bluff," and was marked by an inaccurate statement on Reparation figures by the same speaker. But the only sensation was provided by the attitude taken up by Lord Robert Cecil. Lord Robert is, of course, known to the people of this and other countries primarily as the chief protagonist of the League of Nations. It, therefore, came as a great surprise to find him speaking in opposition to the proposal that the League should be asked to try its hand at a solution of the Franco-German impasse. The surprise was the greater since Lord Robert a comparatively short time ago was an open advocate of this suggestion, and League enthusiasts were naturally mystified by his apparent belief that League intervention to settle the Reparations problem was desirable a while ago, and might be again, but was undesirable now. A careful reading of Lord Robert's speech is necessary to remove the misunderstanding which this apparent inconsistency inevitably aroused. On such careful reading it becomes clear that his faith in the League's ability eventually to settle the Reparations problem is as strong as ever. "I believe myself," he said, "that if this question once got into the atmosphere of Geneva it would be settled without the slightest difficulty." He thinks also that the security which France desires could be provided by the League. But in his opinion it would be an unwise action for the House of Commons to command the Government to make immediately the proposal for League intervention. Moreover, Lord Robert is so well satisfied in general with the attitude of the Government towards the present very delicate position that he would take no part in supporting an amendment, which, if carried, would be regarded as a vote of censure, and lead to the Government's resignation. When viewed on these lines Lord Robert's attitude becomes intelligible to all but the blindest of League devotees, and we hope that this reading of his speech will prevail, and will stifle the undeserved and unworthy, if natural, first impression that Lord Robert was ready to compromise his League views in order to bid for a seat on the Treasury Bench. We can well imagine that Lord Robert's collaboration would be very welcome to Mr Bonar Law, but although the former has laid himself open to grave misunderstanding, his speech, if closely studied, reveals him as an unshaken champion of League ideals and League machinery. The upshot of the whole debate may be summarised thus:—It

emphasised the national belief that France is wrong, and the national wish to help France into the path of security and salvation; it crystallised and strengthened the belief that eventually the *dénouement* may come through the League. So far, so good; seeds have been sown that may bear fruit in due course. But for the moment the debate has carried us no further.

The Internationalisation of the Ruhr Coalfield.—Considerable attention has been attracted by the suggestion of four Scottish Labour men who have recently visited the Ruhr that the coalfields of the district should be brought under the international control of the Powers (including Germany), who would allocate its enormous fuel resources. The suggestion will, of course, be very acceptable in France and Belgium, both for political and economic reasons, and it is quite possible that the policy of these two nations will steadily tend in this direction, but that it will be resisted to the last by Germany will be evident to all those who noted the statistics of Germany's resources which we published the other day in the *Economist*. Germany has lost the greater part of her Silesian coal and all her Lorraine and Saar mines, and if she loses the Ruhr field she will have practically nothing left. Yet even in unoccupied Germany, in Saxony, and in the neighbourhood of Berlin, and in many other important centres Germany has built up a great industrial population. But she would only have left coal resources under her own control roughly comparable with those of Belgium. The plan would undoubtedly produce important political results, but it would not solve the problem of getting reparations. International control, at the utmost, could only secure surplus profits after paying costs of production and the expenses of the international administration, and this surplus—which would undoubtedly be far less than the surplus which might be secured from the surplus of the 60 millions of the German population—would be quite insufficient to meet the needs of France and Belgium. But the Labour tourists have evidently also been affected by the idea that the possibility of France securing control of the Westphalian coalfield is a serious menace to Great Britain, for it is added that by their scheme "Britain would be safeguarded against the overweening advantages in the world's markets which a monopoly of the Ruhr coal with the Lorraine ore would give to any nation." But at bottom this is really a bogey. Before the war Lorraine ore and Westphalian coal were united under the very efficient administration of the German iron and steel magnates. But, in spite of all the advantages of differential railway rates, &c., Great Britain managed to maintain her position as the world's chief iron and steel exporter. It is to be expected that one day the coal and ore of this part of Europe will be brought together in some efficient and economical way; but the British iron and steel industry need not despair. The ore and coal lie hundreds of miles apart, and the finished product is produced far from seaboard. Given efficiency of management, our steel industry, with its coal supplies on the coast and the most abundant supplies of ocean shipping at its door, has no cause to be afraid of extinction in the long run in the markets of the world.

Dr Rasin: A Great Finance Minister.—A Prague correspondent writes:—Attacked more than six weeks ago by a young Czech communist, Dr Rasin, the Czechoslovak Minister of Finance, succumbed to his wounds on Sunday last. Alois Rasin was a man whom the Czech people could ill spare. The smaller nations of Europe have produced few great men since the war, and even fewer great finance ministers, and Rasin had considerable claims to both titles. In the obituary notices which have appeared in the Czech Press, he has been likened on several occasions to Cromwell. The comparison may seem exaggerated. Rasin, indeed, was of a more excitable nature than Cromwell. But in his courage, his tenacity of purpose, his absolute disregard of popular favour, his puritan devotion to what he considered his duty, and his almost fanatical belief in his own powers, he had many points of resemblance with the great Englishman. When the new Republic came into existence, he

was its first Minister of Finance, and had not long entered upon his second term of office when he was assassinated. But whether in office or out of it, he was the virtual dictator of the Czech State finances. He had a plan where other people had only theories. He saw order where others saw only chaos. A full tribute was paid to the financial services which he rendered to his country in the *Economist* of the 10th instant. These services need not be recapitulated here. The best proof of them is to be found in the daily foreign exchange quotations, where Prague stands out among its neighbours like a lightship in a sea of murk and chaos. Rasin taxed his people as no other people in Europe save the English has been taxed. One might almost say that he gloried in unpopular measures. He certainly never shrank before them. And yet with it all he became a popular hero, and is now regarded as the man who by his financial reforms consolidated the independence of his country. Like Dr. Kramar, Rasin was a great Slavophile. But, first and foremost, he was a great Czech, and as a Czech patriot, striving for the independence of his people, he was the arch-opponent of Berlin and Vienna. Viennese control, like inflation, was his great bugbear. Rasin fought both evils with the zeal of an early Christian martyr. From the first day of the war he placed all his faith on a victory of the Allies, and began forthwith to plot the overthrow of the Austro-Hungarian Empire. His efforts on behalf of the liberation of his people led to his arrest, and in 1917 he was condemned to death by a military court at Vienna. His political feelings made him sympathise strongly with France, and he always blamed the Allies for failing to establish control commissions in the German Reichsbank and in the Austro-Hungarian Bank immediately after the Armistice. He was, however, a great admirer of English finance, and strove to inculcate English methods into the minds of his own people. On Englishmen his blunt outspokenness made an excellent impression, and it was largely due to the soundness of his financial theories that in the spring of last year the Czech Government was able to realise a State loan on the London market. His energy was almost superhuman. He was journalist, banker, lawyer, politician, and Minister at once, and found time somehow to devote the energy of a whole-time man to each profession. Above all, he was a great fighter, with tremendous thrust. But with it all he was a clean fighter. A German newspaper, the *Prager Tageblatt*, says of him:—"His opposition to everything German was characterised by his straightforwardness, which won the respect even of his enemies. Even his most bitter opponent could not deny that Rasin was a man who, with fixed purpose and fearless mind, was prepared to sacrifice everything, including his own life, for his country." When one bears in mind the fierceness of racial hatreds in Central Europe, this tribute in itself is the most striking proof of the almost irreparable loss which the Czech nation has suffered.

Pensions.—Pensions in two forms have been discussed by the House of Commons this week, war pensions and old age pensions. The former question was raised by Mr Adamson, who on Tuesday moved an amendment to the Address asking for a thorough inquiry by a Select Committee into pensions administration. The amendment was rejected by a majority of 131, and the detailed review of the Ministry's procedure given by Major Tryon cleared the air of some misunderstandings. Two sets of figures given in his speech are worthy of notice. Before the war a totally disabled ex-Service man with a wife and two children received 17s 6d per week. To-day a man similarly placed gets 63s 6d. Before the war a widow with two children received 8s a week, to-day she receives 42s 2d a week. On the following day a motion with regard to old age pensions was moved by Mr Maxton:—

That, in the opinion of this House, the recommendation of the Departmental Committee on Old Age Pensions in favour of the repeal of the provisions of the Old Age Pensions Acts as to the calculation of means should be adopted and the Old Age Pensions Acts amended accordingly, thereby enabling applicants for, and recipients of, the old age pension to derive the full benefit of their

thrift and personal provision for old age, and to receive assistance from friends, employers, and organisations without reduction of, or disqualification for, the full pension.

On at least three grounds—namely, equity, the desire to encourage thrift, and the wish to attain the objects with which the original Old Age Pensions Act was introduced, the terms of this amendment must receive the sympathy of everyone who has had any experience of the anomalies and injustices which exist under the present system. The widespread nature of this sympathy was illustrated by a fall in the Government majority to 22. Unfortunately, the present exigencies of the Exchequer bar the way to the much-desired removal of the "means calculation," which, Mr Baldwin estimated, would cost the country an additional £17,000,000.

Employment in January.—A further slight improvement is shown by the Trade Union figure of unemployment during January, as given in the *Ministry of Labour Gazette*, but, on the other hand, the unemployment percentage figure for all workpeople covered by the Unemployment Insurance Acts in Great Britain and Northern Ireland rose from 12.2 at December 18th to 12.7 at January 22nd. The corresponding figure for December 31st is not available, but it is stated that unemployment was higher at that date than on December 18th. From these facts it may be deduced that there was little real change in employment conditions during last month. The Trade Union percentage figures month by month for 1913 and the past five years are set out below:—

TRADE UNION UNEMPLOYMENT PERCENTAGES.

	1913.	1917.	1918.	1919.	1920.	1921.	1922.	1923.
End of—	%	%	%	%	%	%	%	%
January ..	2.2	0.3	1.0	2.4	2.9	6.9	16.8	13.7
February ..	2.0	0.3	0.9	2.8	1.6	8.5	16.3	..
March ..	1.9	0.3	1.2	2.9	1.1	10.0	16.3	..
April ..	1.7	0.3	0.9	2.8	0.9	17.6*	17.0	..
May ..	1.9	0.4	0.9	2.1	1.1	22.2*	16.4	..
June ..	1.9	0.4	0.7	1.7	1.2	23.1*	15.7	..
July ..	1.9	0.4	0.6	2.0	1.4	16.7	14.6	..
August ..	2.0	0.5	0.5	2.2	1.6	16.3	14.4	..
September ..	2.3	1.3	0.5	1.6	2.2	14.8	14.6	..
October ..	2.2	1.1	0.4	2.6	5.3*	15.6	14.0	..
November ..	2.0	1.1	0.5	2.9	3.7	15.9	14.2	..
December ..	2.6	1.4	1.2	3.2	6.0	16.5	14.0	..

* Excluding coal miners.

† Corrected figure.

The figure of 12.7 for insured workers at January 22nd compares with 16.8 at the end of January, 1922, and 17.0 per cent. at the end of last April, which was the worst figure recorded last year. The number of workers registered as unemployed at January 29th was 1,460,000, of whom 1,138,000 were men, the comparable figures for January 1st being 1,542,000, of whom 1,199,000 were men, and for the end of 1921 1,925,000, of whom 1,546,000 were men. The net result of the past twelve months seems to have been to absorb some 400,000 men workers into industrial employment. In connection with this absorption of workers by industry, it is important to watch the rise in production in leading industries which is taking place. Coal production in January was 24.1 million tons, the monthly average for the four quarters of 1922 having been 20.7 millions, 19.2 millions, 21.1 millions, and 22.9 millions respectively. Steel production in January, at 0.62 million tons, was nearly half of the total production in each of the four quarters of last year. Pig-iron production in January fell little short of the average production per quarter in 1921, and well above the monthly average in 1922. The facts, combined with the unemployment figures, are strong evidence of steady, if slow, trade improvement.

Cost of Living.—According to the calculation of the *Ministry of Labour Gazette* January saw another slight decline in the cost of living for an average working-class family. The Index Figure for February 1st showed an increase of 77 per cent. over the level of July, 1914, as compared with 78 per cent. on New Year's day and 88 per

cent. a year ago. Monthly movements since the beginning of 1918 are shown below:—

ALL ITEMS: AVERAGE PERCENTAGE INCREASE OVER JULY, 1914.
(Food, Rent, Clothing, Fuel, and Light, &c.)

	1918.	1919.	1920.	1921.	1922.	1923.
January 1st..	% 85.90	% 120	% 125	% 165	% 92	% 78
February ..	90	120	130	151	88	77
March ..	90	115	130	141	86	..
April ..	90.95	110	132	133	82	..
May ..	95.100	105	141	128	81	..
June ..	100	105	150	119	80	..
July ..	100.105	105.110	152	119	84	..
August ..	110	115	155	122	81	..
September ..	110	115	161	120	79	..
October ..	115.120	120	164	110	78	..
November ..	120.125	125	176	103	80	..
December ..	120	125	169	99	80	..

For retail food prices alone the index figure at February 1st was 73 per cent. above the pre-war level, having been 75 per cent. above that level a month earlier. Eggs, bacon, and, in a lesser degree, fish, became cheaper, while cheese, tea, butter, and mutton became dearer. Special inquiries into the effects of the Increase of Rent and Mortgage Interest (Restrictions) Act, 1920, indicate that the average increase in rents of working-class dwellings between July, 1914, and February 1, 1923, was about 50 per cent. Of this increase, it is stated, somewhat less than one-half is accounted for by increases in rates and water charges.

The Coke Position.—The export of coke to the Continent is causing considerable concern to owners of blast furnaces and foundries on account of its effect upon home supplies, and the continuing increase in price. Last year the price per ton of blast furnace coke on the North-East coast opened at about 29s per ton, fell by the middle of the year to 26s, and rose again by the end of the year to 30s or 31s. Owing to the increasing demand, the price now asked for export is 65s to 70s per ton, and is increasing, and although a considerably lower figure (37s 6d) is accepted for home delivery, the premium on export threatens to upset equilibrium in the home market. Great Britain is the only considerable producer of coke which does not publish monthly statistics of production; while the figures of coal production are issued weekly and figures of pig-iron production monthly, the intermediate figure of coke production is only published annually, although for a time during the period of coal control the figures of coke production were collected monthly. The latest figures available, therefore, with regard to the production of metallurgical coke relate to 1921, and obviously cannot be taken as a guide. The maximum production was recorded in 1917, when 13,555,000 tons were produced, and the maximum post-war production was 12,611,000 tons in 1920. No doubt some of the older plant was dismantled at the time of the coal stoppage in 1921, but there would appear to be a coke making capacity in the country somewhat in excess of 12,000,000 tons per annum. Assuming 24 cwt of coke to a ton of pig-iron, and allowing for the Scottish furnaces which use raw coal, approximately 600,000 tons of coke would be required for Britain's January pig-iron production. If we add to this the 181,000 tons exported and a comparatively small amount for the use of foundries, there would appear to be a balance of capacity over production of some 200,000 tons a month. This cannot, however, be brought quickly into the market, for coke ovens, when once allowed to cool, require from two to three months of preparation before output can be resumed. It is not to be expected that the recovery of the steel trade will be jeopardised by an actual shortage of coke; for at to-day's export prices, plus long transit charges, foreign consumers could not afford to carry on with British coke for many weeks, or take very large quantities. Indeed, in recent weeks exports of coke have been slightly falling. A rise in coke prices may, however, prejudice the situation by seriously affecting the price of steel, for apart from the emergency demands of the Continent the steady trade improvement which has undoubtedly occurred in the last few months has been fostered by the lowness and stability of prices.

Trade Facilities Act Guarantees.—A White Paper issued last Session gave as the total of guarantees under the Trade Facilities Act as £18,188,645. Another White Paper (No. 4, price 2d) issued this week carries the information on this point up to December 31st last. By the withdrawal and reduction of applications the total of £18,188,645 previously shown is reduced to £16,868,645, but fresh additions, as shown below, bring up the total at December 31st last to £22,243,645:—Newfoundland Products Corporation, £2,000,000; Kassala Railway Company, Limited, £1,500,000; Harland and Woolf, Limited, £95,000; Lanner Syndicate, Limited, £25,000; Dalcoath Mine, Limited, £50,000; London Electric Supply Corporation, Limited, £650,000; Ipswich Dock Commission, £12,500; Tata Power Company, £850,000; Colliery Cottage Company, Limited, £55,000; Oxford Electric Company, Limited, £25,000; making a total (with the previously mentioned sum) of £22,243,645. The maximum figure of guarantees under the Act of 1921 was £25,000,000, but this sum was raised to £50,000,000 by a new Act last Session.

India's Overseas Trade.—The official figures of India's overseas trade for the nine months ended December 31st last show that an adverse balance on the merchandise figures of nearly Rs. 25 lakhs in the corresponding period of 1921 was turned into a favourable balance of over Rs. 20 lakhs. The merchandise value for the two periods compare as follows:—

	Nine Months Ended Dec., 1921.	1922.	Ino. (+) or Dec. (—) in 1922.
	Rs. (Lakhs).	Rs. (Lakhs).	Rs. (Lakhs).
Imports ..	197.24	173.22	24.02 .. + 12.2
Exports ..	161.99	208.51	46.52 .. + 23.7
Re-exports ..	10.03	11.32	1.29 .. + 12.8

The import and export figures of gold and silver during the nine months ending December, 1922, compare as follows with those of the corresponding period of last year:—

	Nine Months Ended Dec., 1921.	1922.
	Rs. (Lakhs).	Rs. (Lakhs).
Gold imported ..	8.44	24.81
" exported ..	16.59	6
Silver imported ..	11.26	12.52
" exported ..	2.14	2.34

In December, 1922, the balance of trade was in favour of India to the extent of Rs. 5.62 lakhs, as compared with Rs. 5.97 lakhs in November, 1922, and an adverse balance of Rs. 2.34 lakhs a year ago. In the nine months ended December, 1922, there was a favourable balance amounting to Rs. 20.42 lakhs, as against an adverse balance of Rs. 24.97 lakhs in the corresponding months of the preceding year. The share of the United Kingdom in the total imports rose to 65 per cent. in December, 1922, from 62 per cent. in the preceding month, and 56 per cent. a year ago, while her share in the export trade was 29 per cent. in December as against 27 per cent. in November, 1922, and 28 per cent. in December, 1921. The shares of Japan and the United States were 7 and 6 per cent. respectively under imports, and 12 per cent. each under exports, as against 4 and 7 per cent. under imports and 24 and 10 per cent. under exports in the corresponding month of last year. The tonnage of vessels entered into British India and cleared outwards with cargoes from and to foreign countries and British Possessions during the month of December, 1922, amounted respectively to 534,000 and 639,000, as against 541,000 and 559,000 in November, 1922, and 693,000 and 546,000 a year ago. The tonnage entered into and cleared from British India in the nine months ended December, 1922, was 4,910,000 and 5,447,000 respectively, which compares with 5,097,000 and 4,679,000 in the corresponding period of last year.

National War Bond Conversion.—Holders of 5 per cent. National War Bonds maturing on April 1st next—there are about £28 millions outstanding—are offered the right of conversion of the whole or part of their holdings into 4½ per cent. Treasury Bonds, repayable at par on April 15, 1932, at the rate of £100 of the Treasury Bonds and a cash payment of £2 15s (payable on completion of conversion) for each £100 of National War Bonds sur-

rendered. The Government reserves the right to redeem the Treasury Bonds at par at any time on or after April 15, 1930, on giving three months' notice. The market price of the bonds, the interest on which is free from Corporation Profits Tax, is 99½, so that a slight "turn" on the transaction is given to those who take advantage of the conversion offer.

Chamber of Shipping Report.—In view of the interest shown in the position of world shipping at the present time and the efforts made to force the U.S. Ship Subsidy Bill through the American Senate, the annual report of the Chamber of Shipping of the United Kingdom issued this week and the speech of its president on Thursday, reported in a later column, have attracted considerable attention. The report states that at the opening of 1922 British shipping was in the trough of the worst period of depression of modern times, and all who follow the fortunes of the shipping industry will agree with this. That the industry has succeeded, in such large measure, in surmounting the manifold difficulties which have confronted it is attributed to the sound organisations ashore and to the conservative financial policy which British shipowners have steadily pursued. The point is made that had the policy of "nationalisation" been carried out at the conclusion of the War, shipping, managed less efficiently by the State than under conditions of private enterprise, would have become a millstone round the neck of the Government, and that it has only been by close organisation, strict economy, and the free play of individual initiative that the shipping industry has been saved from shipwreck during the months when cargoes were very scarce and freights continued to fall. The Chamber of Shipping statistics show that freights measured by the Chamber's index number declined from an average of 100 for 1920 to an average of 30 for 1922, while the time-charter rate dropped from an average of 100 in 1920 to an average of 27 in 1922. This was to have been expected, as, obviously, with voyage business hard to find, very few time-charterers were to be found. The index number of shipping freights, which reached its maximum of 141 in March, 1920, fell to 27 in September last, but during the autumn rates steadily improved, and at 31 in December the index was 14 per cent. better than in September. The time-charter rate in December was 24, as compared with the average of 100 for 1920. This corresponds to rate of 45 per deadweight ton, which is 20 per cent. under the 1913 average of 55. The report goes on to say that in spite of all the adverse influences which handicapped the British shipping industry in 1922, there are indications that the worst is past, but in view of the deplorable condition of things witnessed in the homeward markets this month, due to the cessation of grain and other shipments, this is by no means certain. There was, it is true, every sign of a revival in December and January, but there has been a very serious setback during the last few weeks. At the time of writing the River Plate market has something like 250,000 tons of shipping unfixed, and business from the North American and Australian loading centres is at a standstill. According to the Chamber of Shipping report the gross earnings of British shipping were probably a little less in 1922 than they were in 1913.

The Activity in Textile Shares.—For several weeks there has been increasing activity in the shares of textile combines in Lancashire, especially those connected with the finishing industry. The boom has been accelerated this week since the publication of the Bradford Dyers' report, announcing a dividend on the ordinary shares for the year of 35 per cent. The rise in prices is shown in the following table:—

	Dec. 29, 1922.	Feb. 15, 1923.	Feb. 22, 1923.
	s d	s d	s d
Bradford Dyers	43 9	44 9	47 3
Bradford Dyers	46 3	54 3	61 0
Bradford Cotton and Wool Dyers ..	8 9	11 3	12 1½
Cotton Printers	21 10½	23 10½	26 0
Five Cotton Spinners	42 0	45 9	47 6

The remarkable rise in prices has surprised many Lancashire traders, writes our Manchester correspondent, as there does not seem to be any justification for the important advance. Because the Bradford Dyers are paying a dividend on the ordinary shares of 35 per cent. for the year it by no means follows that other textile combines are likely to be able to distribute large amounts in the way of dividends. Cotton spinners and manufacturers in Lancashire for a long time have criticised the policy of calico printers, bleachers, finishers, and dyers in maintaining their prices on such a high level, and undoubtedly the dear rates for these processes have had an adverse effect upon our foreign trade in textiles with Eastern markets. A conference has been arranged between the committee of the Master Cotton Spinners' Federation and bleachers, finishers, and dyers, for the purpose of considering the situation, and it is hoped that as a result of the representations now being made the employers in the textile finishing industries will see their way to reduce their charges.

The Dutch East Indies.—The report of the Java Bank, an institution controlled by the Colonial Government, for the year ending June 30, 1922, gives information as to the trade and finance of the islands, of which the interest is enhanced by their recent borrowings abroad. The world-wide depression has affected them less than the Straits Settlements; even Atchin was free from political disturbance, and the Mohammedan party has become more moderate, the Communists have been eliminated from it, and a decline of nearly 17 per cent. in the number of pilgrims to Mecca indicates an abatement of fanaticism. The figures of import values have apparently declined since 1919-20, but the high prices expected were not realised; losses have been heavy, and credits contracted, but the import trade is declining to its normal pre-war level. The exports from Java and Madura fell off greatly, except kapok (which is doing well everywhere) and copra, now the chief colonial export, and the increase in the latter is set off by a decline in that of coconut oil, owing to the stoppage—probably final—of the local oil mills. From Sumatra the exports show great relative changes, but from the east coast, at any rate, the total quantities are nearly the same. From Celebes there was an increase of about 40 per cent. in the export of coffee, and of nearly 38 per cent. in birds of paradise. Industrial development was held up by the scarcity of capital, but an electro-metallurgical establishment was contemplated in Celebes, German capitalists are busy with iron construction works at Cheribon, and the Government is investigating the iron fields in Celebes and Borneo. Coffee profited by the higher Brazilian prices, but suffered from a parasite; tea, to some extent, from the British preferential tariff, but it finds a market in Australia, and the position had improved at the end of the year. Rubber suffered from local over-production and the world-wide fall in price; tobacco partly from the fall in the German exchange, but chiefly from drought and storms. Deli tobacco, which supplies Havana and Key West with cigar wrappers, was unaffected by the Fordney tariff, and the "forest-land" tobacco is attracting attention in America. Of tin and cinchona the output is artificially limited; that of coal, petroleum, and gold increased; the last named is nearly 8 per cent. of the world's total. Money rates were exceptionally low; the Bank supported exchange on Amsterdam with its metallic reserves outside the colonies, and had its reward in an unprecedented profit, though the Government intervened to prevent the distribution of a dividend of 166 per cent. on the share capital, and the matter was referred to arbitration. The report exhibits alike the economic strength of the colonies and the financial strength of the bank.

The Dinar Exchange.—In an interview with a correspondent of the *Prager Presse*, Mr Stoyadinovitch, the new Finance Minister of the Kingdom of the Serbs, Croats, and Slovenes, outlined his exchange policy. He stated that the recent fall of the dinar was due to political causes, such as the general instability of Europe resulting from the occupation of the Ruhr, and especially to rumours of a war with Hungary and of the impending mobilisation of Yugoslavia—rumours totally devoid of

any foundation in fact. "On taking office," he said, "I introduced a régime of almost complete freedom in exchange dealings. I shall maintain this policy, because it is the only right one. As a necessary consequence, however, the dinar, which had previously been maintained at an artificially high level by various restrictions, regained its natural level. Thus the dinar fell considerably when this new policy was introduced. Owing to a series of international complications, however, it was driven down to a lower level than was warranted by the economic position of the country, though now a reaction has taken place which is leading to its recovery and to more normal conditions. I shall not raise its value by any artificial means, for my sole purpose is to stabilise the exchange. I am a Free-trader and an opponent of any artificial restrictions. The free course of trade will restore the dinar to its proper level, though a permanent improvement can only be attained by increasing our exports and by various economies at home. With this end in view we have just freed dealings in three important articles—pigs, maize, and railway sleepers—in which dealings were previously subjected to severe restrictions. The export of these commodities will doubtless have an important influence on our economic position." It is much to be hoped that this policy, based as it is on an attempt to realise the facts of the situation rather than on an endeavour to camouflage the facts for reasons of prestige, will receive a fair trial, and will be adopted in other countries where an artificial exchange situation is being maintained at the expense of the economic life of the nation.

Unemployment Insurance.—The *Times*, on the 5th inst., published a letter from Mr J. J. Bisgood, of the *Insurance Record*, suggesting a system of administration of unemployment insurance under which approved societies now dealing with health insurance would take under their wing unemployment insurance also. In the eyes of the trade union movement, writes a Labour correspondent, "this revived scheme is not feasible, but it is expected that an attempt will be made to popularise it. Mr Bisgood may understand insurance, but he appears woefully ignorant regarding unemployment, and his proposals are not likely to carry weight outside the interested circles of approved societies and certain groups of employers. But whether a workable scheme can be hammered out on these lines or not, the trade union movement, it may be predicted, will have nothing to do with it, and any effort to transfer unemployment insurance administration to the insurance companies and the so-called 'employees' approved societies' will be met by the most stubborn opposition. The proposals put forward by Sir William Beveridge in the *Manchester Guardian Commercial* recently are, on the other hand, worthy of consideration. The scheme is put forward tentatively as 'a suggestion for criticism,' and it will undoubtedly require a good deal of thought before trade unions commit themselves to it. Its main attraction from the Labour point of view is that it is non-contributory, so far as the workers are concerned. The cost would be borne by employers and the State. Benefit would be paid out to an unemployed worker by the employment exchange, which would recover the amount from the worker's late employer. There are features in the scheme which need to be more fully worked out, and a Note such as this does not allow of lengthy comment. But coming as the scheme does from one who has a profound knowledge of the subject, it cannot be turned down out of hand."

The "Chartered" Report.—The report of the British South Africa Company issued this week will be scanned especially for news of political developments in relation to the future of Southern and Northern Rhodesia. The facts set out with regard to the rejection by referendum in Southern Rhodesia of the proposal to join the Union of South Africa have been previously discussed in these columns. This rejection, of course, caused the provisional agreement between the Union of South Africa and the company to fall to the ground, and as regards the future the directors have little information to offer. "At the date of writing this

report," they say, "the Board has no knowledge of what may be the precise intentions of His Majesty's Government with regard to constitutional changes, either in Southern or Northern Rhodesia; but it is evident that the end of the company's administration cannot now be long delayed." Two years' accounts are embodied in the present report. The interest attaching to the figures is small compared with that appertaining to the general position and prospects of the Chartered Company; nevertheless, several points are worthy of mention. The commercial statement discloses a fairly sharp drop in the surplus, which for the year ended March 31st last comes out at no more than £105,350, as compared with £162,400 in respect of 1920-21, which itself represented a small decline. The receipts from mining, estates, and cattle were well maintained, and although no dividends were received in South Africa, the deficiency was fully made up by expansion in the London income. Increase in expenditure is entirely responsible for the reduction in the surplus. A greatly improved record is set up by the administrative accounts, that relative to Southern Rhodesia indicating a surplus of £255,550, as against £72,100 for the previous year, and a deficit of £32,200 for 1919-20; while in respect of Northern Rhodesia the deficit was reduced from £96,600 to £62,100. The foregoing balances, together with the net receipts from the sales of land in Southern Rhodesia during the two years—£320,700—have, in accordance with the decision of the Judicial Committee of the Privy Council, been deducted from the amount which would have been due by the Crown to the company if the administration of Southern Rhodesia had been determined on March 31, 1922. The entry under this heading, together with public works and buildings (for which the company will be entitled to claim compensation) now stands at about 4½ millions. There are also claims totalling over 2 millions in respect of Northern Rhodesia. Investment and interests total £2,664,700, irrespective of Rhodesia Railway Trust shares at cost, £1,281,000. Of the former £1,199,400 is represented by holdings in mining, agricultural, and other undertakings. A note states that the quoted securities as a whole at the date of the balance sheet showed a depreciation of £442,500. Since then, however—and especially of late—a distinct recovery has occurred in many Rhodesian shares, the cash and first-class securities on March 31st last aggregating not far short of £2,000,000. Shareholders will look to the chairman's speech at the forthcoming meeting on March 1st for further information, and for some attempt at estimating the effect of probable political developments upon future financial prospects.

Selfridge's Profits.—While appearing at first sight to record a decline in profits for the year ending January 31, 1923, the accounts of Selfridge and Co. in reality show an increase of £27,644. For the 1921-22 profits of £342,66 included £50,000 reserved for E.P.D., but not required whereas the 1922-23 profits include nothing from the source. This fact should be borne in mind when reading the following summary of the financial results of this enterprising concern:—

	Profits.	Deb. Int.	Prof. Div.	Ord. Div.	Prof. Ord. and Staff Part. Shares.	Balance
	£	£	£	£	£	£
1909-10	14,984	19,310	23,998	.. *	..	Dr. 28,2
1910-11	36,261	17,099	23,998	..	..	Dr. 4,8
1911-12	50,247	19,810	23,998	..	..	64
1912-13	104,029	19,668	24,000	..	..	60,2
1913-14	131,547	19,151	24,000	25,000	..	63,3
1914-15	134,791	18,960	32,337	25,000	..	58,9
1915-16	150,222	18,627	42,000	30,000	..	59,6
1916-17	225,137	18,175	42,000	35,000	..	129,9
1917-18	258,763	17,932	42,000	35,000	..	163,8
1918-19	322,825	17,130	42,000	35,000	..	228,6
1919-20	372,479	16,744	63,360	50,000	..	242,3
1920-21	375,031	16,210	77,882	50,000	23,899	207,0
1921-22	312,665	15,943	78,000	50,000	104,996	93,7
1922-23	320,310	15,654	78,000	50,000	106,615	70,0

* 10½ months. * Not including £28,500 contributed by Mr Selfridge. Allocations to depreciation and reserve take £71,000 against £91,500 a year ago, the writing down of inve

ments requiring only £10,000 against £25,000, and depreciation of fixtures £10,000, against £15,000. The balance-sheet, which is analysed in the usual column, shows an increase of £55,542 in the property item, and of £63,510 under the heading of "investments in subsidiary companies," and a decline of £71,635 in stocks, which are valued at cost or under. The directors refer to the difficulties encountered during the year, and attribute the increased profit to "a more complete stabilisation of prices, together with the extremest care and attention to the details of this business, and especially that very important point—the suspense account." The results achieved certainly support this claim to careful and attentive management.

Bradford Dyers.—It is a pity perhaps that the directors of the Bradford Dyers' Association were compelled to publish their accounts covering a period of two years, as it is difficult to follow the progress made by this big undertaking year by year at a time when annual comparisons are of considerable interest. It is, however, significant to find that the dividend on the ordinary shares has been raised to 22½ per cent. for 1921 and 1922, as against 20 per cent. for 1920. Moreover, it is evident that the directors must have had a good year in 1922, for the dividend for the last six months of last year is recommended at the full rate. These accounts just published are for the two years ended December 31st last, and in the following table results for the past 17 years are summarised:—

	Net Profit.	Depreciation & Reserve.	Prof. Div.	Ord. Dividend.	Carried Forward.
	£	£	£	Amount, Rate.	£
1906.....	366,086	80,000	91,403	94,953	7 + 3,592
1907.....	415,141	110,000	104,700	94,953	7 + 22,221
1908.....	271,375	70,000	116,724	67,824	5 — 51,373
1909.....	357,061	70,000	125,000	67,824	5 + 33,855
1910.....	407,311	140,000	125,000	67,824	5 + 14,148
1911.....	428,456	150,000	125,000	81,389	6 + 4,591
1912.....	410,861	90,000	125,000	81,389	6 + 49,737
1913.....	430,081	160,000	125,000	94,953	7 — 17,842
1914.....	387,923	90,000	125,000	67,824	5 + 35,409
1915.....	568,623	244,628	125,000	135,648	10 — 6,021
1916.....	741,181	310,000	125,000	203,472	15 + 102,709
1917.....	748,938	390,000	125,000	237,383	17½ — 3,445
1918.....	583,804	145,909	125,000	237,383	17½ + 75,411
1919.....	848,241	305,249	125,000	305,207	22½ + 112,784
1920.....	892,445	491,102	125,000	271,296	20 + 5,048
1921 & 1922 ..	1,677,554	749,139	250,000	610,415	22½ + 68,000

It will be observed that profits have been well maintained, in spite of the trade slump, and that the carry-forward has been increased by £68,000. Profits for the two years, after deducting all charges except debenture interest, but including excess profits duty recovered, represent a return of 9.5 per cent. on capital employed, which compares with 10.6 per cent. for 1920. The balance-sheet will be found analysed on another page; the most striking feature is the reduction of stock-in-trade from £1,369,180 at December 31, 1920, to £466,675 at December 31, 1922.

San Francisco Mines.—The history of this British-American enterprise, writes our mining correspondent, constitutes a romance of its kind. The ore, although rich, is of highly complex character, containing gold, silver, lead and zinc. Time after time, in the past, a successful treatment process was believed to have been evolved: but operations on a working scale failed to confirm the results of laboratory experiment. Some ten years ago a second reorganisation was arranged on the basis of giving each member one 10s share credited fully paid, while an issue of £200,000 debentures was made with the co-operation of a well-known Kaffir finance house, the Union Corporation. After three half-yearly interest payments had been met, the next twelve half-yearly payments were deferred, six per cent. interest being allowed on the postponed interest. Debenture

holders became entitled to convert both principal and deferred interest into shares at par, also to subscribe at the same price for 80 shares in respect of every £100 bond—a right which has since become so valuable that the debentures now stand at about £350. The funds provided still proving insufficient to carry out the programme, the Union Corporation advanced £100,000 at 7 per cent., securing an option on 200,000 shares at par until March, 1926. Under the direction of a New York firm of consulting engineers a "pilot" treatment plant was installed. All difficulties having been overcome, new works having a capacity of 250 tons per day were installed and commenced operations in January, 1922. Naturally, various adjustments were found necessary; but during the period ended September 30th a mine profit of £58,100 was earned. Practically the whole of this was devoted to amortizations, &c. Since November the returns have been swollen by the shipment of zinc concentrates, although the probable profits have not been fully allowed for. During the four months October-January the mine profits totalled about £48,700, and current earnings are stated to be at the rate of £145,000 per annum. Duplication of the plant is proceeding; a good part of the extension will be at work by May, and the full output should be attained in July. The conduct of operations on the larger scale will result in a reduction in the cost per ton, as the expenditure under several headings will be no larger than it is now, while in other directions it will not expand correspondingly to the growth in tonnage. Possibly, ore of somewhat lower grade will be dealt with; but it would seem reasonable to expect the present rate of profit to be doubled. To pay 30 per cent. upon the capital which will be in issue when all the options, &c., have been exercised—some £750,000—would call for £225,000. The issued capital now stands at £334,900, and the outstanding debentures (including interest) at £204,800; there can be little doubt that the latter will shortly be converted into shares, thus freeing the way for dividends. In view of the outlay upon the additional plant, repayment of the comparatively small balance of the loan from the Union Corporation has been postponed. The consulting engineers report the fully developed ore reserves on September 30th as 204,000 tons down to the fifth level; the reef has since been cut at the sixth level, showing the normal width and value. Provided, of course, that metal prices keep good—and of this there is every indication so far as the near future is concerned—the shareholders in the San Francisco Mines appear to have a prosperous future ahead of them. It may be added that the price of the shares has risen from 21s to 24s since the last reference was made in our columns to the company's prospects on January 20th.

Irish Cheque Stamps.—The Dublin Chamber of Commerce points out that the affixing of English stamps to Irish cheques which already bear an Irish Free State stamp is unnecessary, and quotes the following from a circular issued by the Commissioners of Customs and Excise and Commissioners of Inland Revenue in Great Britain, dated December 11, 1922:—"Inland Revenue (Income-tax, Super Tax, Corporation Profits Duty, Death Duties, Stamp Duties, Mineral Rights Duties, and Corporation Duty).—The basis of charge, liabilities to pay or account for tax, or to deduct or allow deduction of tax, &c., will continue as before. The establishment of the Irish Free State will not give rise to any double taxation as between the Free State and Great Britain and Northern Ireland—e.g., income charged to income-tax in the Free State will not be charged a second time in Great Britain or Northern Ireland, and documents, including cheques, duly stamped in the Free State (whether with stamps of the existing designs or with stamps of new Free State designs) will not require to be stamped a second time in Great Britain, nor will documents duly stamped in Great Britain require to be stamped a second time in the Free State. Due notice will be given of any change in the position as stated above," which holds good at least until the end of the current financial year.

Oversea Correspondence.

UNITED STATES.—COMMODITY PRICES—GOVERNMENT'S RAILWAY LOSSES—U.S. AND CANADIAN WHEAT EXPORTS.

(FROM OUR CORRESPONDENT.)

NEW YORK, February 9.

ALTHOUGH commodity prices showed some rather sharp changes during January, the advances and declines were so evenly balanced that the net result was only a slight increase in the general index number as at February 1st, which, according to Bradstreet's, was \$13.7236. The gain over the January 1st number was only one-tenth of 1 per cent. In the preceding monthly period there was a decrease of one-half of 1 per cent. Individual price changes accurately reflected the differences between domestic and foreign trade in those periods; domestic buying has been brisk, whereas trade for export account has been mediocre. The February 1st index number shows a gain of 20 per cent. over February 1st of last year and of 29.8 per cent. over the low point recorded on June 1, 1921; it is, however, 34.2 per cent. below the peak point of February 1, 1920, but is 57.5 per cent. above that of August 1, 1914.

On all sides one hears complaints of the high cost of living—the cost of actual necessities. The index numbers, as stated, have shown only slight changes in the past few months; but they are based on wholesale prices of articles of common consumption, and bear little relation to retail prices which the public have to pay. While profiteering is much less in evidence, it is a fact that retail merchants, in many instances, have raised their prices to a far greater extent than is warranted by any increases in wholesale markets. Retail prices of meats and many other foods continue abnormally high. Wearing apparel, especially men's clothing, is now cheap compared with the prices asked a year ago or even last autumn; but offerings at low prices consist almost entirely of winter suits and overcoats, which retail clothiers do not wish to carry over into the next heavyweight season. On the other hand, coal, particularly anthracite, continues very expensive and hard to get at any price; consumers are allowed to purchase only small quantities at a time, and are obliged to use a certain percentage of soft coal mixed with anthracite. Many large apartment dwellings and hotels are burning soft coal almost exclusively, owing to the scarcity of hard coal. Rents have not come down to any appreciable extent, notwithstanding the marked increase in building construction here and elsewhere throughout the country, and real estate values generally are still greatly inflated, as compared with prices three or four years ago.

Preliminary returns of building operations during January show that there was a seasonal decrease from the month of December, but indicate a heavy gain last month, as compared with January a year ago. The total value of the building for which permits were granted in January of this year at 136 cities in the United States was \$166,162,643, as against \$188,244,400 for December and \$121,594,461 for January, 1922. The extensive construction work completed in recent months, as well as that now under way or planned, accounts in large measure for the continued heavy demand for carpets, rugs, and other floor coverings, hardware, household furnishings, and similar products, besides building materials of all descriptions. According to the report of James C. Davis, Director-General of Railroads, submitted to Congress during the past week by President Harding, total losses sustained by the Government from federal operation of the railroads during the war will approximate \$1,800,000,000, including settlements of claims and payments made under the guarantee provision of the Transportation Act. That estimate is based on actual results in liquidating accounts between the Government and carriers representing 80 per cent. of the railroad mileage which was placed under federal control. The report indicates that the losses incurred through direct operation of the railroads and in the subsequent adjustment of capital investment and other claims, now practically completed, will probably

A New Argentine Loan.—Cable advices from Buenos Aires state that the Government has sent a message to Congress in support of the three bills for the consolidation of the floating debt, which, it is estimated, amounts to 1,000 million paper pesos. The first Bill fixes a guarantee fund required from the banks in 10 per cent. of the total public deposits, which can be invested in 3 per cent. Treasury bonds created by the Bill. The bonds will be issued at par to banks applying for them. The bond issue will be 500 million paper pesos, redeemable by the Banco de la Nacion at par at any moment. The second Bill refers to the issue of a 200-million paper pesos internal loan, in two series, bearing interest at not more than 6 per cent., amortisation 1 per cent., and at a price of not less than 92 per cent. The third Bill represents a 150-million gold pesos external loan, bearing interest at not more than 5 per cent., amortisation 1 per cent., and the price of issue not more than 92 per cent. for foreign bankers offering the best tenders.

The Year's Shipbuilding (a Correction).—One or two serious errors unfortunately made their appearance in the section of the "Commercial History" devoted to shipbuilding. The headings "Output" and "Export" above the first two columns in the table belonged to a standing form, and should have been deleted. December wages should read 48s 8d, not 42s 8d; and at the end of the descriptive matter (p. 368, last paragraph but one) it should have been stated that the whole of the war bonus has been sacrificed by tradesmen, while wages reductions as follows have been effected:—Skilled, 42s 7½d (not 58s 6d, a printer's error); semi-skilled 35s 6½d, and unskilled 32s 4½d. The entry under Prices for the second quarter of the year was an average price for the sale of 96 vessels sold of varying ages. In June the builders' price for a ready boat was about £10, but instances were given of sales effected at £8 5s, and at the end of the year current quotations by shipbuilders ranged from £8 10s to £8 15s for cargo-carrying steamers of 4-5,000 tons gross, the pre-war cost being round about £6 10s. The table should therefore read:—

	Tonnage Under Construction (Ex. Warships).	Tonnage Launched.	Prices Per Ton.	Unemployment.	Shipwrights' Earnings.
1913.....	Average 1,890,000	1,932,152	£ 6 10 0	..	41 4
1920.....	(End) 3,798,593	2,055,624	34 10 0	..	{ Dec. 31, 91 3
1921.....	(End) 2,640,319	1,538,052	8 10 0	..	79 0
1922—January.....	2,235,998			35.2	..
February.....	(actually laid down 51,343)	334,246	8 5 0	34.8	..
March.....	1,919,505			36.3	..
April.....	(actually laid down 34,477)	158,346	..	38.6	..
May.....	1,617,045			39.3	..
June.....	(actually laid down 82,428)	307,232	..	38.6	..
July.....	1,468,599			36.8	..
August.....	(actually laid down 231,187)	231,257	8 10 0	37.1	..
September.....				36.3	..
October.....				37.6	..
November.....				35.6	..
December.....				48 8	..
..	..	1,031,081	..	..	..

At a meeting of the Institute of Actuaries at Staple Inn on the 26th instant, at 5 p.m., Mr P. H. McCormack will submit a paper entitled "Damaged Lives and Options."

A PUBLIC lecture on "The Economic Position of Poland" will be given by Professor Roman Dybowski, Ph.D., at the London School of Economics, on Thursday, March 1st, at 5 p.m. Chairman, His Excellency the Polish Minister.

A COURSE of three lectures on "Political Developments in India from 1920 to 1922" will be given at the London School of Economics and Political Science (Houghton street, Aldwych, W.C.2), by Sir William Vincent, K.C.S.I., K.C.I.E. (Member of the Council of India), at 6 p.m., on Thursdays, March 1st, 8th, and 15th. At the first lecture the chair will be taken by Lord Meston, K.C.S.I. Admission to these lectures will be free.

aggregate \$1,250,000,000. To that total there will be added, it is explained, between \$525,000,000 and \$600,000,000, which has been paid, or will be paid, to short-line roads and Class 1 carriers, and which includes payments guaranteed to the railroads during the six months of 1920 after they were returned to private control and operation. An outstanding feature of the report is the remarkably heavy reduction, shown in the final settlements, of claims originally made by the railroads against the Government. Up to December 31st adjustment of claims totalling \$731,921,814 involved a net expenditure by the Government of only \$171,815,541. Mr Davis expects that the remainder of unadjusted claims, amounting to \$220,720,253, will be settled by October of this year without much, if any, additional expenditure. While considerable litigation had been feared, thus far only one carrier has appealed to the courts from the Director-General's decision, and it is now thought that there will not be more than half-a-dozen railroads unable to agree with the Government in adjusting their claims, and perhaps fewer. From the financial showing already made it is quite evident that no further appropriations by Congress will be required to complete the settlements. On the contrary, it may be anticipated, the Director-General says, that after all the Government's liabilities of whatever nature arising from federal control and operation have been liquidated, the Railroad Administration will be able to return to the Treasury Department approximately \$400,000,000 in cash and collectable obligations of solvent companies.

From statistics now available of the foreign trade of Canada and of the United States for 1922 Canada seems to have supplanted the United States as a wheat exporter. Our neighbour on the North actually exported more wheat, although the Canadian crop was less than half that of the United States. The exports of wheat, including flour in terms of grain, from the United States and from Canada in 1922 and 1921 compare as follows:—

	U.S.	Wheat, Bush.	Flour, Bbls.	Total as Wheat, Bush.
1921	280,057,601	..	16,800,805	.. 355,661,223
1922	164,691,565	..	15,044,628	.. 232,302,391
Canada.				
1921	146,855,156	..	7,278,001	.. 179,606,160
1922	209,339,225	..	9,484,725	.. 252,020,467

Values of these exports from the two countries in the same years were as follows:—

	U.S.	Wheat.	Flour.	Totals.
1921	433,053,336	..	117,698,225	.. 550,751,561
1922	206,338,408	..	85,482,851	.. 291,821,259
Canada.				
1921	214,604,099	..	60,110,059	.. 274,714,150
1922	246,029,977	..	56,277,992	.. 322,307,969

The increase in Canadian exports was due to larger shipments, which offset much lower prices. Canadian exports in bushels gained 40 per cent., while the value increased only 17.5 per cent. American exports of wheat fell off 34.6 per cent. in quantity and 47 per cent. in value.

FRANCE.—BUDGET DEBATE—CARNETS DE COUPONS—MONEY AND INTEREST RATES—STATE REVENUE—RUHR FINANCE—FOREIGN TRADE.

(FROM OUR CORRESPONDENT.)

PARIS, February 21.

THE Chamber yesterday began the discussion of the recommendations put forward by the Finance Commission of the House for the purpose of balancing the Budget for 1923, but it has already become clear that there is little hope of some, at least, of these proposals (which I detailed last week) being adopted, and that yet another effort will have to be made to get rid of the estimated deficit of over 3,500 million francs disclosed in that part of the Budget Bill that has already been passed by the Chamber. The crux of the problem with which both the Finance Commission and the Chamber itself are struggling is to balance the Budget without having to impose any new taxation worthy of the name, and without recourse to further borrowing, in view of the strong opposition throughout the country against any increase in fiscal burdens. The Finance Minister, M. de Lasteyrie, announced early last

year that he did not intend to propose any additional taxes or any new loan. As a natural consequence, he presented estimates showing an enormous deficit, which he left to the nation's elect to consider. The Minister, as I have already set forth, has since been compelled to put forward proposals for an increase in the bulk of the existing taxes by 20 per cent., but this the Finance Commission (and the country at large has shown its entire agreement with that body) has emphatically refused to consider. The proposals that are now under discussion are stigmatised by experts, such as M. Edmond Théry, for instance, as "fiscal follies," which "have the double inconvenience of being practically unrealisable and of upsetting the mind of all taxpayers, both large and small."

The Chamber yesterday devoted most of its time to considering the proposed creation of what is known as the *carnet de coupons*, from which its real author, M. Bokanowski, the Commission's *rapporteur*, estimates a yield of 700 million francs during the present year. M. Emmanuel Brousse, one of the acknowledged financial experts in the Chamber, hit the nail on the head at the outset by insisting that if this project is approved by the Chamber it will be equivalent to a defeat for the Government, as M. de Lasteyrie is strongly opposed to it, while if it is rejected the work of balancing the Budget will have to begin over again. His argument that the real remedy was to be found in ruthless cutting down of expenditure received the warm approval of a large portion of the Chamber.

The unfortunate *carnet de coupons* was assailed from every quarter of the House. It was pointed out that French taxpayers would never admit of the use of such a vexatious and inquisitorial device, that the banking world is unanimously opposed to it as unworkable, and that even if it is brought into existence it will still be quite easy for astute holders of interest-bearing scrip to deposit it in foreign banks, out of reach of the French fisc. In this connection it was pointed out that the Chamber, some months ago, unanimously passed a resolution proposed by the Finance Minister for the institution of rigorous international legislation for the express purpose of preventing evasion of this kind referred to (although it was admitted that nothing further had been done to bring the proposal into practical form). The success of the debate, so far, has been M. Bonnefous' proposal for the issue of a "lottery loan" of four milliards. The author of the suggestion pointed out that in 1921 39,350,119,000 of the French savings were invested in new issues in this country, and 15,298,000,000 (in spite of the economic crisis) during the first quarter of 1922, from which he argued that there could be no question but that the money would be forthcoming for a lottery loan of the kind proposed, which he suggested should be redeemable by half-yearly instalments, in 20 years. The scheme comprises 16,120 "prizes" to a total of 23 million francs every year.

In spite of many reports to the contrary, the Finance Minister, by a decree promulgated on February 15th, has raised by $\frac{1}{2}$ per cent. the rate of interest payable on short-term Treasury and National Defence Bonds (which, it may be recalled, was reduced to the same extent some few months ago). The average return from interest-bearing securities in France, which dropped to 6.02 per cent. in July last, rose again to 6.41 per cent. in October, and to 6.59 per cent. in November. The Minister points out that he has merely followed the fluctuations in the price of money, and that the new measure is only of a temporary character, as the rate will be again reduced as soon as circumstances permit. Another reason, of course, is the desire to stimulate the sale of the new issues of these bonds, for the purpose of providing ready cash, both to pay off the heavy amount that will mature for redemption in the near future and for other pressing purposes. There has been a strong desire here, particularly on the part of the great banks, that the Bank of France should simultaneously raise its discount rate. The Governors, however, in spite of the strong support given to the proposal, have formally decided not to change the existing rate.

Meanwhile, M. de Lasteyrie has every reason to be satisfied with the manner in which the revenue is continuing to come in. The returns published this week show that the yield from indirect taxation during January reached the record figure of 1,512,096,000, or more than

100 million francs more than the Finance Minister's Budget estimates for the month, and 180 millions more than in January last year. Direct taxation during the same month produced 375,180,400, which was also considerably in excess both of Budget estimates and of the receipts for the corresponding month of 1922. If to these figures be added the yield of 136,415,000 received from the tax on war profits, liquidation of war stocks, and other exceptional sources, it will be seen that the total revenue for January reached 2,023,692,300. The revenue from normal taxation during the month amounted to 243,193,200 above Budget estimates.

Although little that is definite has been allowed to become public on the point, inquiries show that one of the principal objects of the visit of the Belgian Premier, M. Theunis, to Paris to-day is to confer with M. Poincaré on the subject of the creation of a special currency for use in the Ruhr and the occupied area of the Rhineland. What is known is that leading officials of the Bank of France, the Bank of Belgium, the Banque de l'Union Parisienne, and other experts have been studying this question for some time, and that there is a great probability that a new currency will be created that will have for standard a new thaler of a rather lower value than the old coin of that denomination, which was worth 3 marks, or 3f 75c, at the old rates of exchange. I understand that a special Franco-Belgian bank will be organised, having behind it the guarantee of both Governments, and that, whatever form the new Ruhr currency may take, it will be based on a gold deposit. The proposed new and special bank of issue for the occupied area, it is proposed, shall be for the Ruhr and the Rhineland what the Bank of France is to this country. Once the bank is established, orders will be issued that all banking and trading accounts shall be established in the new money.

The French foreign trade returns for January, although they show a substantial increase in both exports and imports, as compared with the corresponding month of 1922, nevertheless disclose a serious falling off under both headings, in comparison with December. They also indicate that, since the French entered the Ruhr, the foreign trade of the country has fallen to a lower level than that recorded for some months previously. The bulk figures for each of the past seven months are given below for the purpose of comparison:—

	(In Thousands of Francs.)	
	Imports.	Exports.
1922—		
July	1,995,746	.. 1,433,042
August	1,959,729	.. 1,676,314
September	1,893,121	.. 1,741,062
October	2,108,272	.. 1,937,467
November	2,348,245	.. 1,706,499
December	2,923,256	.. 2,778,947
1923—		
January	2,144,294	.. 1,695,898

It must be remembered that December was, for several reasons, an entirely exceptional month, and it is probable that the figures for that period were swollen by arrears that ought properly to have been included in those for previous months. The January returns, compared with those for the corresponding period of 1922, are as follows:—

	(*Thousands of Francs.)		
	January, 1922.	January, 1923.	Inc. or Dec.
IMPORTS—			
Foodstuffs	345,888	457,976	+ 112,088
Raw materials	869,205	1,374,222	+ 505,017
Manufactured goods	244,433	312,096	+ 67,663
Totals	1,459,526	2,144,294	+ 684,768
EXPORTS—			
Foodstuffs	132,530	187,004	+ 54,474
Raw materials	383,447	434,786	+ 51,339
Manufactured goods	864,009	944,740	+ 80,731
Postal parcels	63,432	129,368	+ 65,936
Totals	1,443,418	1,695,898	+ 252,480

The notable increase in the imports of raw materials and in the exports of manufactured goods are the outstanding features of the returns. Comparison with previous months' figures show that the balance of trade against this country was increased on the month to 448½ million francs, as against 144 millions in December, 642 millions in November, 171 millions in October, and only 16,000,000

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in January, 1922. The influence of the high foreign exchange rates on French foreign trade may be gauged from the fact that, whereas the value of the merchandise imported last month was nearly 47 per cent. higher than in January, 1922, the tonnage was only 22 per cent. greater.

Detailed figures are now available showing how French foreign trade was distributed among the various countries of the world during 1922. The total imports amounted to 21,613,535,000, as compared with 19,654,921,000 in 1921. The total exports were to the value of 17,525,628,000, as compared with 17,121,609,000 in 1921. The following table gives the detailed figures of the exports to and imports from the principal countries interested in French foreign trade during 1922 and 1921 (except in the case of certain countries in respect of which the figures were not published for 1921):—

	(In Thousands of Francs.)			
	Imports.		Exports.	
	1921.	1922.	1921.	1922.
Sweden	..	399,512	..	73,961
Norway	..	134,879	..	45,340
Great Britain	3,038,915	3,403,146	3,179,375	3,865,538
Germany	2,163,019	1,299,036	1,876,942	1,761,788
Saar	..	653,180	..	314,098
Holland	..	700,012	..	380,853
Belgium	1,788,886	1,725,842	3,249,907	3,796,098
Switzerland	464,733	537,582	1,092,498	1,099,121
Spain	477,064	350,231	562,660	520,434
Czechoslovakia	..	291,170	..	45,876
Italy	568,719	803,960	685,650	748,423
Japan	..	409,677	..	110,160
United States	4,065,466	3,853,618	2,192,815	1,972,889
Brazil	451,518	470,025	165,422	153,333
Argentina	595,912	792,739	270,666	300,433
Canada	..	162,969	..	113,331

The total French imports from French colonies and protectorates amounted to 2,287,066,000 in 1922, as compared with 2,412,987,000 in 1921, while France exported

goods to these colonies and protectorates in 1922 to the value of 3,116,368,000, as compared with 2,650,003,000 in 1921.

GERMANY.—RUHR—MARK EXCHANGE—PRICES—FINANCES—BOURSE.

(FROM OUR CORRESPONDENT.)

BERLIN, February 20.

THE French still fail to make any headway against the passive resistance of the Ruhr officials and population; they are resorting increasingly to attacks upon single individuals and to violations of private property rights, and they adopt methods which are not allowable in actual warfare, and are not habitually practised even in the most embittered wars. As there is no likelihood that these methods of terrorism will succeed, the prospect is the slow destruction of the Ruhr industries and the impoverishment of the people, against which France will gain less than no advantage.

The raising of the mark exchange by Reichsbank intervention is regarded here with mixed feelings, and a controversy is raging as to how far, and with what means, the same policy should be pursued in future. The business classes foresee great difficulties. The only mark recovery of equal dimensions since the Armistice (the fall in the dollar from 104 to 35 in early 1920) was followed by months of depression, with difficulty in exporting and in home selling, the closing down of many factories, and a great increase of unemployment. For a short time the prices of many commodities exceeded those of the world market, and activity revived only late in the year when the mark again fell. The mark recoveries of late 1921 and late 1922 were less pronounced, and world market gold prices were not exceeded at home. Since 1920 manufacturers and exporters have generally held that active measures by the Reichsbank should be confined to holding the mark if possible at its level of the day, and it was believed that even for this the bank would never have the necessary resources. The bank's policy this time seems to have succeeded too well, owing to the fact that the intervention took place immediately after a more than normally rapid fall, when, judging by precedent, a reaction would have come without any intervention. With the present price-level the dollar at around 20,000 marks is considered too low. Oscillations in the exchange, which go too far in one direction, are, however, not successfully cured by violent oscillations in the other direction, and the present expectation is that the Reichsbank will attempt to maintain the present level. The Government is considering a home gold loan of an amount unofficially stated at 200 million gold marks. Some newspapers press the Reichsbank to continue intervention with the aid of part of its gold reserve, which at present exchange is worth about 5,000 milliard paper marks, or slightly over double the note circulation; but this policy, which until now the bank has opposed, is strongly condemned in other quarters. The gold reserve, it is true, is dormant, and since the bank's obligation to secure part of its circulation with cash was suspended two years ago, the gold has not even a theoretical use. The opponents of the plan claim that the intact reserve has a great psychological value, and that further it will serve as a foundation for a new currency. The *Bank-Archiv* points out that the use of gold for buying up marks might drive the mark higher than is expected, so that the success of the policy might involve the exhaustion of the whole reserve. Ultimately, if the mark's exchange were established at about its home value, the continuing inflation, which up till now has had no visible influence upon the exchange, would begin to operate *via* the price-level, and with it the passive trade balance would operate, so that after exhaustion of the gold reserve things might be no better than before.

The price fall has so far been very moderate. This is explained by the fact that in January prices could not keep pace with the mark exchange depreciation. Whereas the foreign exchanges rose about sevenfold, the commodities index rose only about threefold, so that gold prices on the eve of the mark recovery were lower than ever, and the drop of the dollar from about 50,000 to

20,000 only equalised things. In the ten days February 5th-15th the Federal index figure fell from 5967 to 5388, or only 10 per cent., industrial products dropping 2.5 per cent., imported goods 28.7 per cent., and food products, which were not imported are governed by the prices of imports, 16 per cent. The Iron Industry Union reduced hematite only from 779,100 to 775,800 marks per metric ton; but the prices of some other kinds of iron were raised; the Steel Syndicate reduced ingots from 955,000 to 849,000 marks, blooms from 1,068,000 to 949,000 marks, bars from 1,331,000 to 1,183,000 marks, and thin sheets (under 1 mm) from 2,104,000 to 1,870,000 marks; but prices are still 20-30 per cent. above those of the end of last month, when the dollar stood over 100 per cent. higher. On the 18th the index for wholesale commodities stood 11.63 per cent. above the dollar exchange appreciation, and some commodities were well above world market prices. Manufacturers and traders are doing their best to keep prices up, in order to avoid losses and in the belief that the mark exchange will sooner or later again decline. The Prussian Minister of Trade has issued a complaint against this policy. The general effect of the Reichsbank's move has been to introduce a new confusion into business. Business men had got used to the official system of leaving the exchanges alone, and they had a certain system of their own for meeting price risks. Violent intervention without any warning, which makes a new revolution in the values of money and goods, is therefore resented; all the more so because it was a private undertaking of the Government and the Reichsbank.

The floating debt of discounted Treasury bills increased by 334,035,440,000 marks in the first ten days of February, and reached a total of 2,415,672,247,000 marks. Revenue from taxes was 150,309,890,000 marks, which is more than three times the 49,624,836,000 marks received in the preceding period. The maintenance of the new mark level would lead to a great improvement in finances, as most taxes will for a time come in more or less on the basis of lower money values than the present. The Customs gold surcharge has been reduced from 709,900 to 595,400 per cent., but it still exceeds the mark's gold depreciation. The income, property, and succession taxes and the forced loan have been adapted to the new currency level. The deduction from manual workers' wages for income tax from an income of 250,000 marks a month is now for an unmarried worker 20,200 marks per month, for a married worker with two children 11,400 marks. All limits of the progressive rates of the new property tax have been doubled, the annual tax now rising from 1 per mille on the first million marks to 10 per mille on property exceeding 100 millions. The assessments for stocks, which had fallen far below the Bourse values, have been amended by summarily trebling them, the assessments of other values being doubled, with the exception of home fixed-interest securities, house property, and other property on a paper mark basis. The limits for the different rates of the succession tax have been doubled. The new forced loan rates are 1 per cent. from the first 400,000 marks, 2 per cent. from the next 600,000 marks, and so on up to 10 per cent. on wealth exceeding 4,000,000 marks. The official *Wirtschaft und Statistik* estimates the nominal gold mark value of foreign securities held by Germans at 2,157 million gold marks. As held on August 23, 1916, there were registered at the Reichsbank 16,248 millions. Of these, in 1916-19 there were exported an estimated 6,180 millions; taken and sold by the Federal Government for purposes of payment for imported necessities in 1917-19 were 832 millions (mostly Russian, Austrian, and other low-exchange securities); expropriated in enemy countries 3,887 millions; delivered under the Peace Treaty 792 millions; exported between April 1, 1919, and December 31, 1922 (estimated), 1,000 millions; and unsecured Austro-Hungarian pre-war loans 1,400 millions.

The Deutsche Bank announces the increase of its capital from 800 to 1,500 million marks, of the increase only 300 millions being put on the market, while the remaining 400 millions will be held by a syndicate, apparently with the aim of preventing foreign attempts to gain control. The Bourse has been heavily reactionary, without, however, experiencing anything like the panic which overtook it at time of the mark exchange recovery of November-December, 1921. The *Frankfurter Zeitung's* index for home

dividend payers shows 963,965 on February 16th, against 1,567,265 on the 9th, and 1,276,315 on the 2nd, while home loans fell during the week from 8,538 to 6,607 (6,605 on February 2nd). Home stocks now average about 35 times higher than at the beginning of 1922. The Bourse yesterday had a considerable recovery, caused by rebuying by speculators who got out near the top, and most home loans also rose, but the speculative favourites, Colonial Fours and Federal Threes, are still well behind their highest level of the year. Quotations were War Loan 91, Federal Fours 1,090, Three and a-Half 660, Threes, 4,500, Colonial Fours, 12,000, Savings and Premium 300, Prussian Threes 395, Hamburg-Staats-Rente 475, Berlin Fours 1,904, Ser. 2, 190. Forced Loan, which has now been quoted for a week, but is little dealt in, has sold at 40 to 48, and yesterday rose to 60. The new "wertheständig" local loans in terms of coal, wheat, &c., have been well subscribed.

The largest gains this year have been made by shipping stocks. Hamburg shipping in both directions in January exceeded that of January, 1913, arrivals being 1,142,472 net tons, against 1,075,055 tons, and departures 1,104,392 tons, against 1,108,489 tons. Bremen's shipping has also recovered, arrivals in January being 342,415 tons, against 282,568 tons in January, 1922, and 362,915 tons in January, 1914; departures 352,352 tons, against 260,083 and 370,877 tons.

DENMARK.—LANDMANDSBANK RECONSTRUCTION—STATE GUARANTEE—ECONOMIC CONDITIONS—AN EXCHANGE CONFERENCE.

(FROM OUR CORRESPONDENT.)

COPENHAGEN, February 15.

THE third phase of the reconstruction process of the Landmandsbank has been completed. The writings off considered necessary last summer and in September proved insufficient, and in compiling the annual balance-sheet of the Bank additional heavy losses had to be taken into consideration. According to the latest, very careful, compilation, the losses have been increased so as to show an amount of Kr.137,000,000 written off on large special engagements, Copenhagen and provincial branches, and engagements in the shares of the Bank itself. Further, Kr.13,800,000 have been lost on more ordinary bank advances, Kr.56,100,000 on stock exchange engagements, Kr.22,100,000 on bonds and shares in hand, and Kr.2,700,000 on the "Hypothek" branch of the Bank. This makes an aggregate of Kr.231,900,000, which is Kr.47,700,000 more than was presumed at the September reconstruction. Of the final increases, the majority comes under the heading Stock Exchange Engagements, for which the amount to be written off was computed in September to be Kr.34,000,000, while mainly owing to further decline of the quotations it has now been necessary to write off about Kr.56,100,000. The writings off on engagements with the five stock exchange firms in liquidation now amount to Kr.24,500,000, of which the share of one firm amounts to Kr.17,000,000.

As previously mentioned in this paper, the principal cause of the very serious difficulties for the Landmandsbank has been the relation to the Transatlantic Company and its numerous affiliated companies all over the world—which fact also appears from the legal investigation now in progress. The total loss in this concern—apart from the Russian interests—has now been computed to be Kr.132,000,000, and on the claims of the Bank on these companies the total amount written off in 1922 is about Kr.52,000,000. These writings off in connection with the loss to be borne by the share capital of the Transatlantic Company—Kr.30,000,000—and those of the shares in the affiliated companies which are in foreign possession, in addition to the amount credited the Transatlantic Company in respect of the so-called "Recoil Rifle Rights," as well as previous writings off, will fully cover the total loss.

When the above final writings off, totalling

Kr.232,000,000, are taken into consideration, the accounts do not show cover for the reserve fund of the Landmandsbank and for Kr.31,500,000 of the preference capital of Kr.70,000,000. As the losses have encroached heavily upon the means provided by the September reconstruction, further action was deemed imperative.

Accordingly, the new board and the bank inspector declared that a guarantee—which might be considered fully effective—could only be arrived at through the grant by the State of a full guarantee for the depositors and creditors of the Bank for a certain period. The bank inspector maintained in his report that otherwise the liquidation of the Landmandsbank would be unavoidable and that this would mean increased loss for the Bank and incalculable difficulties for the trade of the country. These views were immediately accepted by the Government, and after a debate lasting about two days the full State guarantee, valid until April 1, 1928, was passed by the Rigsdag. Before the Bill was presented and passed rather considerable withdrawals of means were made from the Landmandsbank, and this had to be met by advances by Nationalbanken. As might be expected, however, the unlimited guarantee has effected perfect reassurance, the business of the Bank is working smoothly, and two of the other leading banks, who had their cash in hand increased out of proportion, have a few days ago shown their appreciation of the arrangement by depositing in current account with the Landmandsbank an amount of Kr.75,000,000.

During the coming years the Landmandsbank will adjust its business all over the country in accordance with the new conditions. Its dominating position is a thing of the past, but it is universally acknowledged that the basis of the activity of the Landmandsbank—its far-reaching normal bank-functions—is an asset for the country as a whole. It was this asset which it was intended to save, while, at the same time, the necessary safety for the depositors and creditors of the Bank has been created by the intermediary of the State.

Otherwise there has been no important change in economic conditions. There are, however, indications of an impending rise of prices, also owing to the foreign exchange situation. The last wholesale price index showed a not inconsiderable rise, and the index of the cost of living for the first week of January was only 1 point below the figure for July, 1922, which was 199. Subsequently the prices of several classes of goods have undoubtedly been increased.

During the last few days the problem of the rise in the foreign exchange quotations and their wide fluctuations has been taken up for discussion by a joint committee of representatives of the merchants and the banks. Negotiations, however, are still at a preliminary stage, and it is not yet possible to say whether any measure for intervention can be agreed upon.



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NORWAY.—BANKING IN 1922—BUDGET—INCREASED CUSTOMS DUTIES—ARBITRATION COURTS—INDUSTRY, STOCK MARKETS, AND EXCHANGES.

(FROM OUR CORRESPONDENT.)

CHRISTIANIA, February 16.

ALL the principal private banks and savings banks of this country have now published their accounts for 1922. The results, on the whole, are better than might have been expected. The gross revenues in most cases have been reduced, but so have expenses. Apart from the regular trading of the year, there has been very heavy writing-down of losses incurred mainly in consequence of transactions entered into during the war and the first post-war years, to meet which in several cases recourse has been had to the reserve funds. A distribution of 10 per cent. dividend generally has been made. It is confidently hoped that, although, no doubt, very considerable losses have still to be written off, the banking and general business life of the country has passed through the roughest part of the sea it has to sail.

The Storting, which has recently reassembled, will have a very hard task in coping with present financial problems. The Budget now put before it by the Government amounts to about 546 million kroner (ordinary about 494 and extraordinary about 52 millions), which is about 76 millions less than the total of the previous Budget. After deduction of various amounts that are covered by receipts the real net ordinary Budget amounts to 300 millions. The reduction is still considered too small, and urgent appeals to the Storting are made to curtail expenses far more drastically. The ordinary pre-war Budget (for 1913) totalled 139 millions. The amount of the Government debt is about 1,400 million kroner, the service of which absorbs 57 millions. Balance in the Budget is obtained by the Government partly through some altered arrangements of the taxes, and partly through a general increase of all Customs duties of 20 per cent., excepting only such rates of duty as are fixed by treaties with foreign powers, and those on coffee and sugar.

In the last few years a provisional Act has been in operation by which any dispute between employers and employees, if conciliation by negotiations between the parties had proved abortive, was to be settled with a binding effect by a Court of Arbitration. Neither of the parties mostly concerned have liked the Act. Besides, the very fact of the existence of the Court has made almost any attempt at amicable conciliation and settlement quite hopeless. The Government are, however, of opinion that the provisional Act has operated in a salutary manner, and, therefore, have now put before the Storting a proposal for definite legislation regarding the Court of Arbitration. Meanwhile, wages, where they are not fixed by the said Court (generally so high as to be out of proportion to what they are, e.g., in Sweden), are slowly going down, which is also the case of the cost of living, though more slowly still. The abnormal state of middle Europe has a detrimental influence on the state of the wood market, and the paper market also is having a difficult time, with falling prices. Wood-pulp, on the other hand, is improving, and circumstances of various kinds seem to point to continued and even increased prosperity of this particular market.

The stock market this week has been quite lively. Banking shares have been the main feature, and prices have been generally maintained. The exchanges have been constantly moving, though within rather narrow limits. As a special feature may be noted that the Norwegian and Danish kroner, after years of considerable differences in the favour of the Danish krone, have come very near to—and for some days even reached—par, that is to say, the pound sterling has cost as many kroner as was in Copenhagen as in Christiania. After a long spell of mild weather, very severe frost has set in, and some mills—notably wood-pulp mills—have had to shut down for lack of water.

BULGARIA.—AGRICULTURE—CURRENCY SHORTAGE—BUDGET—NATIONAL DEBT—OUTLOOK.

(FROM OUR CORRESPONDENT.)

SOFIA, February 8.

AGRICULTURAL production has always been the basis of Bulgarian economic life, and the situation at present is on the whole satisfactory. The yield of the principal crops in 1922, compared with that of the previous year, was as follows:—

	(In Million Quintals.)	
	1921.	1922.
Wheat.....	11,569.3	9,346.7
Maize.....	8,734.4	4,254.4
Barley.....	2,882.8	2,626.0
Rye.....	2,131.1	2,225.4

The tobacco crop of 18,471,000 kgr. showed a decided improvement on that of 1921 (15½ million kgr.), while the cereal crop generally was considerably better than in most of the Danube lands.

The prospects for 1923 are encouraging. In spite of the delivery of live stock to the neighbouring States, which has been carried out according to the terms of the Treaty of Neuilly, and in spite of the great rise in prices (a pair of oxen now costs 20,000 leva as against 1,000 leva in 1914), agriculturists have for the most part succeeded in obtaining sufficient animals for their most urgent needs. Moreover, the supply of agricultural implements has now been made good, and there are welcome signs that mechanical reapers and binders are gradually being introduced in districts where their use was previously unknown. There has been practically no progress, however, in the introduction of artificial manures, or of improved seed; and there can be no doubt but that the operation of the law of May 12, 1921, limiting the maximum holding of a family of two adult persons to 3 ha. (approximately 7½ acres), has restricted the initiative of the larger proprietors in this respect. Whether the co-operative societies will make good this deficiency time alone will show.

The reduction in the area put down to cereals is largely due to the increase in the cultivation of tobacco, which is now one of the principal articles of export. Essence of roses, with a production of 2,000 kgrs. in 1922, is made exclusively for export; and the lucrative nature of this crop gives grounds for anticipating a still further increase in production this year.

The Bulgarian peasant is very thrifty, and his savings are used for the most part in improving his farm. Unfortunately, however, he distrusts bank deposits, and prefers hoarding. The restriction of credit facilities and the fluctuations of the exchange combine with hoarding in making the currency position one of extreme difficulty; and credit institutions suffer enormously, as their resources have diminished considerably, instead of increasing, with the depreciation of the leva. It is almost impossible to obtain credit under these conditions, and the rate of discount has risen in practice to between 18 per cent. and 20 per cent. This monetary crisis threatens to increase in intensity, and will almost certainly contribute to a further rise in prices, strange though this may seem from the theoretical point of view. Unfortunately, this position makes living very burdensome for Government officials and the salaried class generally; and the situation of the public finances will make it practically impossible to do anything to ameliorate their lot in 1923.

Variations in the rates of exchange form a further serious hindrance to trade. The quotation for the £ in Sofia, for example, moved from 563 leva on December 11th last to 688 at the end of the year, with a further appreciation to 762 on January 30th. Serious business is naturally very difficult under such circumstances.

The budget showed a considerable deficit last year. The actual figures for the period January 1st to December 31st were:—

	Leva.
Expenditure	5,025,123,884
Revenue	4,066,335,187
Deficit	958,788,697

In the expenditure are included the various expenses connected with the maintenance of the Reparation Commis-

HARRISONS & CROSFIELD, LTD.,

1-4, GREAT TOWER ST., LONDON, E.C.3.
EASTERN AND GENERAL MERCHANTS.

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The banks ascribe this heavy rate to the growth of their balances in London arising from South Africa's paucity of imports in recent years. Formerly it was possible to adjust balances by shipment of sovereigns, but that course was prevented by the premium on the metal. Before the war the exchange was not an important factor, and even as recently as December, 1919, the Chamber of Mines expressed the opinion that "the rate should not exceed 8s 3d per cent. for telegraphic transfer, and 12s 6d per cent. for sight drafts."

Mr Buckle, the President of the Chamber of Mines, at the recent quarterly meeting, though refraining from commenting on the charges made by the banks, complained that the South African Railways, while making reductions on certain classes of freight, had given no relief to gold producers. The industry, he declared, paid the railways about £25,000 a year for carrying 360 tons of gold from Germiston to Cape Town—i.e., approximately £70 per ton. But it seems a trifle futile to talk of a "ton" of gold, and more so to compare this rate, not perhaps, with the £36 charged for silver, but with the 34s 5d charged for the transport of mealies and wheat, and the 21s for coal. The world over railways "take it out of" the gold mines, in conformity with the principle of charging "what the traffic will bear." It would be as unreasonable to expect the railways to charge the same rate for high-class silks as for the coloured cotton prints for native wear. But to be fair to the S. A. Railways, it is worth pointing out that they are more moderate in their charges than those of the next greatest gold-producing centre in the Empire, Western Australia. There the rate is based on a unit of 100 ounces. It is true that, the volume of traffic is not so great as between the Rand and Cape Town, and possibly the cost of running the railways is higher—coal in particular would be more expensive. The rate for 1,000 miles, a similar distance to that between the Rand and Cape Town, in Western Australia is 24s 9d per 100 ounces. In a colonial or short ton of 2,000 lbs (Troy) there are 24,000 ounces, or 240 times the Western Australian unit, and, on the rather grotesque, if "popular" ton the charge would work out at no less than £297, or over four times that obtaining in South Africa. It is understood that the local railway charges include escort expenses, whereas in Australia a charge of actual cost plus 20 per cent. is added for this service.

The President of the Chamber said that notwithstanding the fact that freight charges for practically all classes of goods had been greatly reduced during the war and immediately after, the Union Castle Company had recently demanded an increase of a little more than 50 per cent.—i.e., from 4s 3d to 6s 6d per cent. for gold freight. The Chamber had been unable to find any reason to justify this heavy increase. The amount of gold forwarded annually is about 8,000,000 ounces, say, with packing 360 tons. The cost of transport from Cape Town to London is about £150,000, and therefore the rate per ton is £371. For silver the charge would be £25 8s 2d, for wool £3 15s; for base metals, copper, £2 7s 6d, lead £1 12s 6d, while among agricultural products mealies go for £1 2s 6d and wheat for £1 7s 6d. In this connection it may be pointed out that the rate on mealies represents 12½ per cent. of the f.o.b. value of about £10 per ton at the port, or nearly forty times that charged on the value of the gold! So the farmers may be complaining next.

SOUTH AFRICA.—RAND GOLD REALISATION COSTS—EXCESSIVE CHARGES.

(FROM OUR CORRESPONDENT.)

JOHANNESBURG, December 20.

THE cost of realising the Rand's gold is an expensive matter, but the mines should be relieved of these heavy charges when, owing to the metal falling to standard price, namely, 85s per fine ounce, it will be practicable to sell the gold to the Treasury or the Central Reserve Bank at Pretoria, as may be the procedure decided upon, for gold certificates which would be readily convertible into currency notes. Naturally one would prefer a substantial premium on the metal, and to pay the incidental charges, but it is some consolation to know that if the premium has disappeared, now virtually the case, the charges (as now involved in selling gold in London) will also have diminished.

The Rand mines produce gold to the value of about £40 millions a year, of which it is officially calculated over £30 millions in value must be brought back from Europe to meet the cost of production. The banks have continually raised their rates of exchange; on December 9th the T.T. buying rate on London was 3 per cent. discount, and the sight rate 3½. The premium on remitting to London is 2½, and, for amounts of over £500, 2½ per cent. The margin thus ranges from ½ to 1 per cent., which is distinctly high. At the present time the banks charge the mines for exchange an amount which is equal to £675,000 a year. In consideration of their refraining from exchange operations outside the banks, the latter give the mining companies a special rate ½ per cent. below the current quotation to the general public. The present rate is, of course, abnormally high, but, be that as it may, it represents just over 6d per ton of ore milled. It is pointedly remarked that "when these few pence are added to mining costs from all directions they amount to a figure which makes all the difference between very large bodies of ore being transferred from the payable limit to the unpayable, with great disadvantage to the country and shareholders."

could have been sent by post (adequately insured, of course, by separate policy) for something like 5s.

It is undoubtedly excessive that the present cost of realisation one way and another should be at the rate of upwards of a million a year, or not very far short of the entire profit for November. It is to be expected that the Government, the mining companies, and the banks will make urgent representations to the shipping companies to reduce freight rates, whether for unmanufactured gold or for sovereigns, and to Sir Owen Philipps, chairman of the Union Castle Line, on his forthcoming visit to South Africa in connection with negotiations for the renewal of the mail contract. But Sir Owen, on his part, will be able to argue that the railways have greatly increased their tariffs on the bunker coal required for his ships (though such charges since have been reduced), and that the banks are making considerably more out of Rand gold for mere book entries than his company is doing for a definite and not inconsiderable service.

While on this subject of gold realisation, one may conveniently allude to the Rand Refinery, which in June was dealing with the whole output. Its capacity is sufficient to cope with the whole of the gold produced in South Africa, and it is hoped that producers who were not members of the company would send their gold to the refinery, a mutually advantageous course. It is understood that the Rhodesian mines prefer to keep to the old methods of realisation, namely, selling to banks and refining in London. The gold is now boxed and railed by the refinery. It is proposed to use its own vehicles to collect gold from the mine offices, superseding the present system of the mines sending their gold to the nearest station for transport by railway. The gross profit last year was £7,800, but this was converted into a loss of similar amount by provision for a full year's interest. In a year of normal production (it dealt with only 64 per cent. thereof owing to the strike) the refinery is expected to show substantial profits on the existing scale of charges. Bars under the trade mark of the refinery were being dealt with in India, and presumably were in circulation in other countries abroad.

Letters to the Editor.

GREAT BRITAIN AND IRAQ.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Tuesday's debate has shown that we cannot contemplate either withdrawal from Iraq or even that immediate and drastic curtailment of our commitments demanded by the Liberal amendment to the Address. Even if Turkey ratifies the Treaty of Lausanne, we must see whether the Ankara Government can prevent frontier incidents and cut off aid from her subjects to conspirators against the Arab State. We are bound by our promises to the Arabs during the war to prevent the restoration of Turkish rule. We are bound by the mandate of the League of Nations to maintain and advise the existing Arab Government until it can stand alone. We have supplemented this obligation by the Treaty with King Feisal, now awaiting ratification. If the Arabs reject it, we can only leave after negotiations safeguarding them from Turkey and protecting our position in India and our trade in the Persian Gulf. If, as is probable, the Treaty is ratified, we shall be bound to remain for 20 years, and thereafter till Iraq can stand alone. The rising of 1920—pace Mr Asquith—was set up not so much by the elaborate administration established by Sir Arnold Wilson as by the apparent contrast between its working and the British promise of an independent native Government. It was the outcome of impatience and misunderstanding worked on by Muslim fanaticism and tribal feuds. And it scared the wealthy Baghdadis so thoroughly as to check their militant nationalism. Meanwhile, British administration has saved several thousand Arabs annually from death in tribal conflicts, and their produce from local tolls resembling those levied by the mediæval robber-barons on the Rhine. It has constrained the tribes to cooperate in local irrigation works for their joint benefit, and so greatly increased their crops and wealth. The increased direct taxation is only pro-

portionate to this increase. Our army has left them with some 700 miles of railways, supplemented recently by a line from Baghdad towards Kerbela, financed by the native Government. The railways are welcomed by the sheikhs, and will carry a large pilgrim traffic to Kerbela and towards Najaf from all parts of Iraq and from Persia, and probably hereafter a large cereal freight for export from Basra. Our political officers, now "advisers," have done what the Turks never did, and what the Nationalists could not have done unless they had been shown the way. And the Baghdadi Nationalists are being brought into contact with the tribesmen, and both are losing their reciprocal ignorance and distrust.

Two popular European and American delusions were finally disposed of by the debate. Tribes are not bombed because they are in arrear with taxes; a tribal rising involves non-payment, but it is the more active manifestations of hostility that are met with bombs—the most expeditious method, and, on the whole, the most merciful. And we are not there for the oil. Were we to leave, the wells and the pipe-line would doubtless be protected by subsidies to possible disturbers, as in Persia and Mexico. Were the Turks to get Mosul, a company subsidiary to the Anglo-Persian holds a pre-war Turkish concession, and, since the pact with rival American interests, there is no likely competitor. And if the mandate was first offered to the United States—presumably in conversation at the Versailles Conference—Great Britain from the first has freed herself from suspicion. Iraq has cost us £150,000,000, but the period of extravagance is past. Of the £11 millions in the Supplementary Estimate, nearly ten is for defence against the Turks. Of the remaining £463,000 for the railways £129,000 represents purchases of stores from the Disposal Board—an avoidance of a heavy loss—and of this £69,000 represents a re-vote. Then £310,000 covers the deficit on working for 1921-22, and half of it will eventually be repaid by the Iraq Government. The railways now are paying working expenses; further capital expenditure may be needed, but it will be profitable by and by. Cheaper fuel oil will come from Mosul; and the Tigris is difficult to navigate and incredibly tortuous, so river competition is improbable save for slow and bulky traffic. If all goes well Iraq in a few years may be coming to London or New York for a loan.—I am, Sir, your obedient servant,

AN OPTIMIST.

REPARATIONS AND EXCHANGES.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Is it not time that some effort should be made to separate the two problems of Reparations and the exchanges? Hitherto they have been inseparably linked together. Germany has been looked upon as the keystone of financial Europe, and the failure to find a definite basis of agreement between the Republic and the Allies has left the more general question of exchanges somewhat in the air. Agreement regarding Reparations has now become impossible, or at least has been indefinitely postponed. France, with some assistance from Belgium and the moral support of Italy, is acting alone. England has taken up an attitude of dignified protest, while America is more of a spectator than ever. It is evident, therefore, that no progress towards world reconstruction can be made by conferences on Reparations. Before such conferences could again become useful France must have become convinced of the futility of the forceful methods to which she has committed herself. The recognition of this fact, however, should not mean that efforts to stabilise the world's currency must cease. Indeed, with the indefinite postponement of Germany's restoration to economic soundness there seems even greater need than before to bring the nations surrounding her into monetary agreement. Stability of exchange is the great need of the moment. On it depends the full resumption of the world's commerce. Stable exchange is the machine by which international commerce is manufactured. It is the language of overseas trade. To-day the world is a monetary Tower of Babel. Efforts to do business are handicapped, and often frustrated, because there is no common denominator in which the results of negotiations can be plainly understood by all parties concerned. Values which may mean something

to-day become meaningless to-morrow, because exchange rates have changed. Business of any extensive character is therefore impossible.

The world is divided to-day into two sections—those countries which still have their currencies within measurable distance of the gold parity, and those which have lost touch with gold. It is true that some are on the border line. Our own currency is still 5 per cent. below par, while in some quarters the cases of France, Belgium, and Italy may not be regarded as hopeless. For practical purposes, and for any effort that seeks to bring stability within a reasonable period, the division may be made as follows:—

IN TOUCH WITH GOLD.	OUT OF TOUCH WITH GOLD.
America.	France.
Great Britain.	Belgium.
Spain.	Italy.
Switzerland.	Portugal.
Holland.	Finland.
Norway.	Germany.
Sweden.	Austria.
Denmark.	Czecho-Slovakia.
Japan.	Roumania.
Argentina.	Serbia.
	Bulgaria.
	Hungary.
	Brazil.

I the course of the exchange in the countries appearing under the heading "Out of Touch with Gold" during the past year is analysed the serious nature of the position will be realised. Not only, with a very few exceptions, has the depreciation in value steadily continued throughout the year, but the wide variations have been of such a nature as to render the resumption of business relations extremely difficult and dangerous. The following table illustrates this:—

	Parity to £.	1922.		Jan. 4, 1923.
		Highest.	Lowest.	
France (francs)	25.207	47.35	72.65	65.42
Belgium	"	50.15	80.00	70.60
Italy (lire)	"	80.25	117.50	90.60
Roumania	"	420	830	800
Finland (F marks)	"	158.50	244	188.25
Germany (marks)	20.418	695	42,000	37,125
Poland	"	11,000	430,000	320,000
Austria (kroners)	24.02	11,000	89,000	82,500
Czecho-Slovakia	"	118	280	156.50
Hungary	"	2,300	12,000	12,000
Portugal	d 52½ ..	d 5½ ..	d 1½ ..	d 2½
Brazil	15½ ..	7½ ..	6½ ..	6

It is obvious then that the problem facing the world, especially the Old World, is that of stopping this depreciation and variation in exchange values. This problem is one for experts in finance and not for politicians. The politician will have to be called in to administer the remedy if one can be found, but until the needs of the situation are clearly and definitely elaborated he is only grappling with the unknown in his efforts to find a solution. America has tentatively suggested a grand conference of financiers and economists. In that suggestion lies the hope of Europe. No time should be lost in calling that conference together. If such a conference should lead to a Union of European States, pledged to carry through whatever remedies are put forward by the experts, the world will have achieved a real step towards reconstruction.

To-day we are obsessed by the word Reparations. New conditions are now facing us. France has forced our hands in this matter. For the time being Reparations cannot interest us. This leaves us with time and opportunity to study the real problem—that of the exchanges. It is the problem for 1923, and no effort should be spared in solving it.—Yours, &c.,

LONDON.

ONLOOKER.

THE CITY AND MIDLAND BALANCE-SHEET.

TO THE EDITOR OF THE ECONOMIST.

SIR,—On page 192 of your issue of January 27th appears the balance-sheet of the London Joint City and Midland Bank, Limited, which shows the following as one of the assets:—

The London City and Midland Executor and Trustee Company, Limited. Shares, 200,000 of £5 each, £1 paid, plus 10s premium, £300,000. On these shares, therefore, there is an uncalled liability of £800,000.

In the Chairman's speech on page 161 of the same issue he refers to this investment in the following words:—

"You may have noticed that the shares of the Executor and Trustee Company are now shown separately in the balance-sheet. Previously we had included our interest in this company in the entry 'Advances to customers and other accounts,' but the business is expanding so rapidly that we decided to give it special recognition."

It has, therefore, been officially intimated to the shareholders, depositors and the public that previous balance-sheets included under the heading "Advances to customers and other accounts" an investment with an uncalled liability. Such a practice seems indefensible, and surely such an example should not be set by one of the five great banks or assented to by its auditors. In the case of the bank in question every one may accept that the risk at present is negligible, and the investment sound, but the principle involved is important, and through its disregard the public has suffered, as proved in the Farrow's Bank and the City Equitable Insurance Company cases.—I am, &c.,

A CREDITOR OF THE BANK.

LONDON, S.W., February 17th, 1923.

Books and Publications.

STATISTICS OF ESTHONIA.*

THIS book embodies the first two numbers of a monthly publication issued by the Esthonian Statistical Bureau, instituted in 1921. It deals with the demography, agriculture, and commerce of the new nation; but it is mainly of interest as an earnest of future progress. Esthonia means to revive and increase her pre-war share of Russian transit trade, and the through traffic despatched to that country was three-fourths of the total during the first nine months of 1921. Her Government is coping with a house famine, but the relative increase during recent years in wooden buildings indicates the need of rapid construction to make good war damage. The agricultural statistics are full, but hardly up to date; and, except for the numerous figures and diagrams, and some French column-headings and very brief summaries, the book is in Esthonian, which resembles Finnish, but is totally unlike any language of Western Europe. The design and arrangement are excellent, but the Bureau should be less rigidly Nationalist. However, the Irish Free State will publish a statistical abstract some day; and we dare not hope that it will deign to append any translation at all.

TWO NEWSPAPER DIRECTORIES.

Two useful newspaper directories made their appearance last week, both of which possess distinctive features. The first, the Newspaper Press Directory, is compiled and published by Messrs C. Mitchell and Co., Limited, 1 Snow hill, London, E.C. 1, at 5s. It contains 650 pages, and is an excellent five shillings' worth for advertisers and others. This directory has been appearing year by year since 1846, and claims "to have made newspaper and advertising history." The second is the 1923 edition of "The Advertiser's A. B. C." now in its thirty-seventh year of publication, issued by T. B. Browne, Limited, 163 Queen Victoria street. The new volume fully upholds the reputation gained by previous issues of this publication, many of its features being almost indispensable to those who have business with the newspaper world.

* "Eesti Statistika." Recueil Mensuel du Bureau Central Statistique d'Esthonie. Nr. 1-2. Tallinn, 1922.

BOOKS RECEIVED.

Skinner's Cotton Trade Directory, 1923. (London) Thomas Skinner and Co. 12s 6d net.

This is a useful book. Its chief aim is to provide more detailed financial information relating to cotton spinning and manufacturing, and lace and hosiery companies. There are upwards of 3,350 such concerns, a large proportion of which are public companies, and yet comparatively few publish balance-sheets. Notwithstanding the absence of information, a big business is done from week to week in the shares of the cotton companies in particular. Connected with the financial details will be found commercial information regarding each undertaking, such as the nature of the products manufactured, the number of spindles and looms, and the make of machinery used, together with names of directors, managers, &c.

The Third Winter of Unemployment. The Report of an Inquiry undertaken in the Autumn of 1922. (London) P. S. King and Son, Limited. 6s net.

The results of a study of the unemployment problem undertaken in August and September, 1922, by Major the Hon. J. J. Storer, M.P., Professor A. L. Bowley, Professor Henry Clay, Messrs Robert Grant, W. T. Layton, P. J. Pybus, B. Seebohm Pountney, Lieut. Colonel George Schuster, and Mr F. D. Stuart. The book also contains the results of a series of inquiries into unemployment in nine selected localities, and constitute an invaluable contribution to an understanding of the present emergency.

Heorie des Geldes und der Geldwirtschaft. Von Richard Kerschagl. (Jena) Gustav Fischer.

The Joint Stock and Private Banks of London. By Harry W. Birks. (London) Effingham Wilson. 1s 6d.

Seaborne Trade. Vol. II. By C. Ernest Fayle. (London) John Murray. 21s net.

The Bankers' Magazine. January, 1923. (New York) The Bankers' Publishing Company.

This is a special number dealing with the financial and commercial side of London. It is obtainable from Mr Effingham Wilson, 16 Copthall Avenue, E.C. 2, for 2s 6d net.

Why Some Succeed and Others Fail. By Geo. R. S. Gallaher. (London) Blades, East, and Blades, Limited. 1s net.

The Canadian Bank of Commerce Year-Book. (Toronto) Offices of the Bank.

Australian Insurance. By Arthur E. Wall. (Glasgow) James Hedderwick and Sons, Limited.

The Liberal Year Book for 1923. (London) The Liberal Publication Department, 42 Parliament Street, S.W. 1. 1s 6d.

The Income-tax and the Individual. Revised to January 1, 1923. (Montreal) Royal Trust Company.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET.	ACCOUNT.
March 7.	March 8.

The Stock Exchange is a little tempted to complain that there is more tone than trade. Prices are good in most parts of the market, and substantial rises have occurred in some of the leading markets. Subscription lists for good new issues are promptly closed, and premiums develop as soon as dealings start in the stocks. Nevertheless, the volume of actual business is small compared with what it was a month ago. It is surmised that investors have scarcely yet departed from the cautious attitude imposed upon them by the Continental political position. The raising of the Bank rate in New York had an effect as slight as it was transitory.

The War Loan has again been over 101, and its satellites, Victory Bonds, now ex dividend, Conversion, ex dividend yesterday afternoon, Funding, and similar stocks, are mostly under on the week. South Australia's new 5 million loan has checked a previous improvement which had occurred in colonials, but Home Railway prior-charge stocks are better, the demand for debenture and preference issues being persistent.

French bonds, Government and railway, rallied substantially from the worst. In Germany there has been little doing. Turkish Unified spurred on renewed hopes of Turkey taking a sane view of the situation. Better prices in Brazilian and Chilean bonds reflect the absorption of stock by speculative investors, but Chinese issues continue heavy, on apprehensions in regard to payment of coupons on the loans not specifically secured on the Customs.

Home Railway stocks are decidedly good, mild buoyancy developing in the Heavies and in the Undergrounds. The decline of the Welsh miners to work three shifts a day, instead of two, is held as a precursor to cheaper coal and more of it, likely to compensate for the forthcoming cut in railway rates. Canadian and Mexican are unchanged. Argentines, with other railway stocks, have gone ahead, San Paulo being a particular feature of strength. Lord St Davids' speech at the

BARCLAYS BANK LIMITED.

Head Office: 54, Lombard Street, London.

AUTHORISED CAPITAL	£20,000,000
ISSUED CAPITAL	£15,592,372
RESERVE FUND	£ 8,250,000
DEPOSITS (31/12/1922)	£303,185,535

FOREIGN EXCHANGE TRANSACTIONS ARRANGED.

CHIEF FOREIGN BRANCH:

168, Fenchurch Street, London, E.C. 3.

Buenos Ayres and Pacific meeting served to fortify the market for Argentine Rails. Nitrate rails and nitrate-producing shares are better.

There is nothing doing in rubber shares, interest having ebbed to a low pitch. The oil market is firmer, and conspicuous strength in textiles, on a first-rate Bradford Dyers dividend, stands out as one of the principal items amongst industrials. Courtaulds made another forward stride. The Marconi parent shares improved, though some of the subsidiaries leaned to the duller side. A few motor shares are better, Dunlops, however, being somewhat easier. Amongst electric lighting shares, South Londons rose 22s 6d on a bumper dividend, and the whole of the list is strong. Gas stocks remain firm, with modest rises in the leading stocks. Banking shares are a little better, London and Brazilians being put up to the accompaniment of rumours as interesting as they are nebulous. The insurance market is decidedly harder. Movements in iron and steel shares have been small in extent, confined, as a rule, to rises and falls of 3d to 9d per diem. Tobacco shares are better, buying again setting in after the meeting of the Imperial Company at the beginning of the week. Tea investments have steadily risen. The shipping list remains neglected. Various hotel shares are better.

The Kaffir Circus remains uninteresting, and the few minor factors which have made for more cheerful feeling went almost without notice. The Chartered report had no effect upon the price of the company's shares, unless it was to cause a dullness, owing to the lack of information in regard to what is likely to be done in the immediate future. The company's meeting, however, will no doubt illuminate most of the present obscure points. Rhodesians are but tolerably active. A rise in tin—the metal—has galvanised various groups, Malayan, Cornish and West African, that are concerned with the industry. There is a fair amount of trade doing in the Malayan shares, most of which show rises on the week. Mexicans are disposed to dullness. Rio Tintos spurred to the best price they have attained for several years past, and other copper shares are good, on buying from Paris, supplemented by a rise in the metal. Diamonds have also enjoyed French support. West Australians continue to harden. Colombian mining fell abruptly, and Russian mines are featureless.

NEW ISSUES.

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

Amount previously recorded	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
£40,298,148	£	£	£	£
Adjusted figures.				

ISSUES OF THE WEEK—

4½ % Treasury Bonds (by Tender Feb. 16, 1923), £1,000,000, at £99 8s 4½d 993,475

NATIONAL SAVINGS CERTIFICATES.

NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED FEBRUARY 17, 1923.

April 1 to Feb. 17, 1923.	£31,858,000	£	£
		500,000	500,000

To the Public—

Government of Victoria, £5,000,000 5% Inscribed Stk. (red. at par 1932-42), issued at 99½% .. 5,000,000 .. 4,975,000 .. 250,000 .. 4,725,000

Trinidad Sugar Estates, 150,000 7½% Cum. Pfd. Ord., £1, at par .. 150,000 .. 150,000 .. 18,750 .. 131,250

Do 300,000 Defd. Shares, 1s, at par .. 150,000 .. 150,000 .. 150,000

Robert Lomas (Proprietors), Lim., 120,000 8% Cum. Pref. Shares, 10s, at par .. 60,000 .. 60,000 .. 12,000 .. 48,000

Do 240,000 Ord. Shares, 1s, at par .. 12,000 .. 12,000 .. 12,000

Do £30,000 6½% 5-year Regis. Notes (rep. at par July 1, 1928) issued at 95% .. 30,000 .. 28,500 .. 1,500 .. 27,000

J. P. Restaurants, £50,000 6% Deb., at par (Feb. 21) .. 50,000 .. 50,000 .. 5,000 .. 45,000

Rangalla Consolidated 74,000 Ord. Shares, £1, at par (Feb. 21) .. 74,000 .. 74,000 .. 9,250 .. 64,750

Total offered to public 5,499,500 .. 458,500 .. 5,041,000

To Shareholders only—

Fuller's United Electric Works, £80,000 6% 1st Mt. Deb. Stk., at par .. 80,000 .. 80,000 .. 8,000 .. 72,000

Total offered to shareholders 80,000 .. 8,000 .. 72,000

February 24, 1923]

Total offered for subscription to date in—	Total offered for subscription for whole year—
1923 £47,371,125	1922 573,675,650
1922 228,223,330	1921 368,978,203
1921 30,245,342	1920 367,549,656
1920 71,369,838	1919 1,036,059,951
1919 255,822,854	1918 1,393,381,441
1918 232,556,329	1917 1,318,596,010
1917 507,065,831	1916 585,436,853
1916 120,371,190	

Offer of Conversion to Holders of £5 per Cent. National War Bonds, due April 1, 1923.—Under "Notes of the Week" we refer to this offer.

Government of Victoria 5 per Cent. Inscribed Stock—Issue of £5,000,000 at £99 10s per cent. The proceeds will be devoted to construction of railways and rolling-stock, irrigation works, water supply, and other purposes. Ten shillings per cent. of the amount of stock issued will be provided annually towards the redemption of such stock. The principal is repayable in London at par on October 1, 1942, the Government of Victoria having the option to redeem at par, on or after October 1, 1932, subject to three months' notice. The revenue of the State for the financial year ending June 30, 1922, showed a surplus of £34,938. It is stated that this is the fifth consecutive year in which a surplus has been realised, the aggregate for the five years amounting to £935,000. These results were attained without any increase of taxation. Victorian Government debentures and stock issued and payable in London, the property of persons not domiciled in the State of Victoria, are not subject to any taxes of that State. This is a trustee security, and should prove an excellent investment.

Liverpool Corporation Bills.—The Corporation of Liverpool give notice that tenders will be received at the Bank of England, London, on February 27th, for Corporation bills to be issued to the amount of £1,000,000, in replacement of bills falling due on the 4th proximo. The bills will be in amounts of £1,000, £5,000, or £10,000. They will be dated March 3, 1923, and will be payable at 12 months after that date.

The Lima Light, Power, and Tramways Company.—Incorporated under the laws of Peru. The following information is taken from an announcement in the press to comply with Stock Exchange regulations. The issued capital consists of 500,000 8 per cent. cumulative participating convertible preference shares of £1 sterling each, 290,924 ordinary shares (part of 500,000 authorised) of five Peruvian pounds each, and three special shares of one Peruvian pound each. The 8 per cent. cumulative participating convertible preference shares entitle the holders to a dividend at the rate of 8 per cent., and to the further right to participate with holders of ordinary shares in any surplus profits, after payment of a dividend of 8 per cent. upon ordinary share capital. The dividends on the preference shares will be payable in sterling in London, or, at the option of the holders, in Lima, Milan, Geneva or Zurich, in the sterling equivalents at the exchange of the day. Dividends will be paid free of all present and future Peruvian taxes. The company is entitled to redeem the whole of the preference shares at par, plus accrued dividends, upon giving six months' notice, but holders are entitled during the currency of such notice to exchange their preference shares at par for an equivalent value in ordinary shares of the company of five Peruvian pounds each. The voting powers of the three special shares are worthy of notice. We are informed that they were specially created, and allotted to the trustees for the holders of the 5½ per cent. first mortgage debentures of the company, and conferred upon them a right to 800,000 votes when the issued capital of the company was £1,500,000. Upon any increase in the issued capital, the voting power of the special shares is proportionately increased, so that when the full authorised capital of £3,300,000 is issued, these shares will be entitled to 1,600,000 votes. The special shares will be cancelled when the existing 5½ per cent. first mortgage debentures have been paid off in full. The concluding portion of this notice will interest English investors. "One hundred thousand preference shares have been purchased by Messrs J. Henry Schroder and Co. from Messrs C. J. Bruppacher and Cie., of Zurich, Switzerland, at the price of 18s per share, less 6d per share commission. Messrs J. Henry Schroder and Co. have also acquired from the same firm an option expiring on February 28, 1923, to purchase a further 50,000 preference shares at the price of 18s 6d per share, less 6d per share commission." But more information will be wanted by investors than is contained in this statutory announcement.

Robert Lomas (Proprietors), Limited.—Authorised share capital £72,000, divided into 120,000 8 per cent. cumulative preference shares of 10s. each and 240,000 ordinary shares of 1s each. There are also £30,000 6½ per cent. five-year registered notes. This is an issue of all the above-mentioned shares at par and of the notes at 95 per cent. The company has been formed with the object of acquiring the whole of the issued shares of Robert Lomas, Limited, "and thereby to obtain the control of the long-established business of that company." The business was founded in 1886 by Mr Robert Lomas, and was carried on as a private firm under his own name until February 4, 1920, when it was converted into a private limited company, under the name of Robert Lomas, Limited, of Man-

chester, carrying on business as vendors of ladies' mantles, &c. Of the ordinary shares 120,000 have been subscribed in cash, and 60,000 further shares are reserved for cash applications by underwriters of the preference shares. No application for the 60,000 ordinary shares now available will be entertained unless accompanied by an application for preference shares, but each subscriber for preference shares is entitled to apply for one ordinary share for every two preference shares subscribed for. No further shares ranking in respect of dividends or repayment of capital in priority to or *pari passu* with the preference shares now offered can be issued in excess of £30,000 without sanction of the preference shareholders. The notes are to be paid off at par on July 1, 1928, but the company has the option to make repayment at any time earlier. Holders of not less than three-fourths of the notes outstanding have the right to oppose the creation of any mortgage or charge on the company's property, except banking credits made in the ordinary course of business. Profits of the trading company are set out from 1918, but are shown before deduction of "remuneration to the proprietor" and "governing director's salary." A balance-sheet is also submitted in a prospectus which is certainly voluminous. But the short-terms notes are not attractive; the margin of security for the preference shares is not excessive, and the ordinary shares will only appeal to a restricted circle of investors.

Rangalla Consolidated, Limited.—Authorised capital £100,000, divided into shares of £1 each, of which 74,000 shares are now offered for subscription at par. The company has been formed to acquire the Rangalla group of tea and rubber-bearing estates in Ceylon. The total area is given as 4,619 acres, of which 1,813 is tea and 120½ is rubber. The purchase price is £82,000, payable as to £50,000 in cash and £26,000 in fully-paid shares, representing an average price of £35 per cultivated acre. An important omission in the prospectus is the absence of any independent expert report as to the condition of the estates.

The J. P. Restaurants, Limited.—Authorised share capital £150,000, of which £100,000 has been issued and is fully paid. This is an issue of £50,000 6 per cent. first debentures. Applications are invited for 1,000 £50 debentures at the price of £48 15s per debenture. This is at the rate of 97½ per cent. These debentures bear interest at the rate of 6 per cent. per annum, and constitute a first floating charge upon all assets. Although it is agreed that the company may not mortgage any asset to the prejudice of the present issue, it should be noticed that the company has power "in the ordinary course of business" to deal with its property in any way it may deem fit. The debentures will be redeemed at the rate of 100 per cent. by annual drawings, which will extend to 1953. The company, which was formed in 1905, owns, it is stated, the freehold of two of its restaurant premises within the City of London. The remainder of its 51 depots are held under leases, generally for 21 years, of which the average term unexpired is 10½ years. In the balance-sheet published in the prospectus property is valued at £26,975, while furniture is taken at £97,347. Although the company has paid substantial dividends in the past five years, it is impossible to recommend these debentures in view of the elusive nature of the security.

Tri idad Sagar Estates, Limited.—Authorised capital £175,000, divided into 150,000 7½ per cent. cumulative participating preferred ordinary shares of £1 each and 500,000 deferred ordinary shares of 1s each. It is stated that the directors and their friends have subscribed for at par, and will be allotted, 75,000 preferred ordinary and 150,000 deferred shares. This is an issue at par of 150,000 7½ per cent. preferred ordinary and 300,000 deferred shares. The preferred ordinary shares are entitled to 25 per cent. of the surplus profits distributed in respect of each year after paying a dividend at the rate of 7½ per cent. per annum on the deferred shares. The articles provide that no debentures or mortgages shall be created, except such as may be necessary to give security for crop advances, without the consent of the preferred ordinary shareholders. Applicants for preferred ordinary shares are entitled to apply for not more than two deferred shares for each preferred ordinary share, but no applications for deferred shares alone will be entertained. The purchase price has been fixed at £150,000, of which £140,000 is payable in cash and the balance in deferred shares. Surplus assets to be taken over by the company are valued at £206,000. This is a speculative proposition, and the table of profits shown from 1915 displays very wide fluctuations. The management on this side is in good hands.

Dwa Plantations, Limited.—Authorised capital £45,000, divided into 440,000 shares of 2s each and 10,000 "B" shares of 2s each. Of these 290,000 2s shares and 10,000 "B" shares have been issued. The company was formed in 1916, to purchase the Dwa estate. The original capital of the company was £30,000, divided into 29,000 ordinary shares of £1 each and 1,000 "B" shares of £1 each, of which 10,200 ordinary shares of £1 each have been issued for cash at par, and 9,800 ordinary shares have been issued at a premium of 5s per share and all are fully paid up. Nine thousand ordinary shares of £1 each were allotted as fully paid up in consideration of the sale to the company of land and buildings in British East Africa

and 1,000 "B" shares of £1 each were allotted as fully paid up in consideration of services rendered in the formation of the company and the acquisition of property at Dwa. In 1922 each of the £1 shares was divided into ten shares of 2s each. In February, 1923, the capital was increased to £45,000 by the creation of 150,000 new shares of 2s each, ranking in all respects *pari passu* with the existing ordinary shares. £18,000 7 per cent. debentures in bonds of £50 each were created in 1922, repayable on December 31, 1929, redeemable by the company by six months' notice at a premium of 5 per cent. after September 30, 1925, and carrying an option expiring December 31, 1925, to convert into ordinary shares at par by three months' notice. This information is extracted from an announcement made in the press to comply with Stock Exchange regulations. An optimistic speech by the chairman of the company is reported on page 463.

The Rhodesian Congo Border Concession, Limited.—Authorized capital £150,000, divided into £1 shares, of which 50,000 have been issued. The company was formed in February, 1923, primarily to acquire a concession and prospect for minerals on an area granted by the British South Africa Company for five years in Northern Rhodesia along the border of the Congo State. The consideration for the sale of this concession is 100,000 fully-paid shares of the company of £1 each, of which 15,000 shares are to be allotted to the British South Africa Company in accordance with the terms of the concession. A speculative proposition, but as the information is given in connection with an application to the London Stock Exchange for a quotation, it may be that more facts will be forthcoming later on.

The Franspoort Exploration Company, Limited.—Authorized capital £30,000, divided into shares of 2s each, of which 100,000 are fully-paid and on the remaining 200,000 1s per share has been paid. The company was formed in April, 1921, to acquire property near Pretoria, and to develop it. About 2,360 acres have been purchased for £6,500. This, together with other information, is published in connection with an application to the Stock Exchange authorities for a share quotation.

ACTIVE SECURITIES.

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

British and Colonial Government Securities.									
	Price	Week	Price	Week	Price	Week	Price	Week	Price
War 3½, 1925-28	85½	85½	85½	85½	Aust. 6½, 1931-41	104	104	104	104
Loans 4½, 1925-45	91	91	91	91	Canada 4½, 1920-25	101	101	101	101
4½, 1929-47	100½	100½	100½	100½	India 3½, 1925-31	65½	65½	65½	65½
4½, 1929-47	102½	102½	102½	102½	Do 7½, 1925-31	114	114	114	114
Funding Loan 4½	88½	88½	88½	88½	Do 5½, 1932	100½	100½	100½	100½
Victory Bonds 4½	90½	90½	90½	90½	N.S.W. 5½, 1922-32	102	102	102	102
Conversion Loan 3½	75½	75½	75½	75½	Nigeria 6½, 1949-79	113	113	113	113
Consols 3½	57½	57½	57½	57½	U. of S.A. 6½, 1930-40	106	106	106	106
Irish Land Stock 2½	58½	58½	58½	58½	Victoria 5½, 1924-34	102	102	102	102
Local Loans 3½	65½	65½	65½	65½	W. Aust. 6½, 1930-40	105	105	105	105

Banks.									
	Price	Week	Price	Week		Price	Week	Price	Week
Barclays B (£1 f.p.d.)	248½	248½	248½	248½	Nat. Bank of Egypt	31½	31½	31½	31½
Chartered Bk of India	191	191	191	191	Nat. Bank of Africa	94½	94½	94½	94½
Lloyds (£5 with 1 p.d.)	24	24	24	24	Nat. Prov. & Union of England (£20 with 4 p.d.)	108	108	108	108
London Joint City & Midland (£12 with 4 p.d.)	81	81	81	81	Standard of S. Africa (£20 with 5 p.d.)	118	118	118	118
London County Westminster and Parry (£20 with 5 p.d.)	17	17	17	17					

Colonial and Foreign Railways.									
	Price	Week	Price	Week		Price	Week	Price	Week
Antofagasta Cons.	79½	79½	79½	79½	Leopoldina	36½	36½	36½	36½
B.A. and Pacific	86½	86½	86½	86½	Mexican Railway	134	134	134	134
B.A. Gt. Southern	89½	89½	89½	89½	Do lat. Pref.	39	39	39	39
Buenos Ayres West.	84½	84½	84½	84½	Do 2nd Pref.	24½	24½	24½	24½
Canadian Pacific	159	159	159	159	San Paulo	129	129	129	129
Central Argentine	76½	76½	76½	76½	United Havans	75½	75½	75½	75½

Foreign Government Securities.									
	Price	Week	Price	Week		Price	Week	Price	Week
Argentine 5½, 1886-7	99	99	99	99	Japanese 4½	98½	98½	98½	98½
Belgian 3½	64	64	64	64	Do 4½, 1910	69	69	69	69
Brazil 5½, 1914	74	74	74	74	Mexican Cons. 1899	60½	60½	60½	60½
Chilian 4½, 1895	73	73	73	73	Peruvian Corp. Pref.	31	31	31	31
Do 7½	104	104	104	104	P.L.M. 6½	79½	79½	79½	79½
Chinese 5½, 1912	74	74	74	74	Portuguese (New)	27	27	27	27
Egyptian 5½	69	69	69	69	Russian 5½, 1906	84	84	84	84
French 5½	234½	234½	234½	234½	Spanish 4½	75	75	75	75
Do 4½	19	19	19	19	Seine (Dept.) 7½	95	95	95	95
Greek 4½, 1894	31	31	31	31	Siamese 7½	108½	108½	108½	108½

Telegraphs.									
	Price	Week	Price	Week		Price	Week	Price	Week
Anglo-American "A"	22½	22½	22½	22½	Marconi Canada	48	48	48	48
Marconi Wireless	24½	24½	24½	24½	Marconi Marine	17½	17½	17½	17½

British Railways.									
	Price	Week	Price	Week		Price	Week	Price	Week
Great Western, Ord.	115½	115½	115½	115½	Southern, Ord. "A"	32½	34	34	34
Do Def.	84	84	84	84	Do Ord. "B"	114	124	124	124
London & North-Eastern	84	84	84	84	Do Pref. Ord.	80½	85	85	85
Do Pref. Ord.	81½	84	84	84	Do Def. Ord.	35	37½	37½	37½
Do Def. Ord.	34½	35½	35½	35½	Underground Electric (£10)	3	3½	3½	3½
London, Mid., and	108½	110½	110½	110½	Do "A" (1/)	95½	98½	98½	98½
Metropolitan	61½	61½	61½	61½	Do Inc. Bds. (£100)	95½	98½	98½	98½
Metropolitan District	51½	51½	51½	51½					

American Railroads.									
	Price	Week	Price	Week		Price	Week	Price	Week
Chesapeake & Ohio	79	78	78	78	Southern	35	35	35	35
Do 7½	21	21	21	21	Do Non-cum Pref.	73	73	73	73

Miscellaneous.									
	Price	Week	Price	Week		Price	Week	Price	Week
Aerated Bread (£1)	18½	18½	18½	18½	Imperial Tobacco (£1)	318	318	318	318
Amal. Cottons (£1)	48½	48½	48½	48½	Longi Plantina (£1)	14	14	14	14
Anglo Persian Oil (£1)	48½	48½	48½	48½	Lipton (£1)	14	14	14	14
Armstrong (Sir W.G.) and Co. (£1)	48½	48½	48½	48½	Lever Bros 7½ Cmp (£1)	14	14	14	14
Ass. Portland Cement (£1)	148	148	148	148	Do 8½ Cmp A Prt (£1)	14	14	14	14
Barker, John (£1)	248	248	248	248	Do 20½ Cmp P1 Ord (£5)	14	14	14	14
B'ham Small Arms (£1)	48	48	48	48	Lister (£1)	14	14	14	14
Brazil Traction (£100)	498	538	538	538	Lobito Oilfields (£1)	58	58	58	58
British-American Tobacco (£1)	48	48	48	48	Lyons (J.) & Co. (£1)	48	48	48	48
Burmah Oil (£1)	58	58	58	58	Magadi Soda (£1 Ord.)	24	24	24	24
Castles (J. and P.) (£1)	38	38	38	38	Mexican Eagle (£10)	24	24	24	24
Courtauld (£1)	148	148	148	148	Pekin (2)	48	48	48	48
Cunard (£1)	148	148	148	148	Robber Plantations Investments (£1)	148	148	148	148
Dorman, Long (£1)	48	48	48	48	Shell Transport (£1)	48	48	48	48
Dunlop Rubber (£1)	48	48	48	48	Smithfield & Argentine Meat (£1)	48	48	48	48
Fine Cotton Spinners (£1)	28	28	28	28	United Dairies (£1)	14	14	14	14
Forestal Land (£1)	148	148	148	148	United Serdang (2)	24	24	24	24
Furness, Withy (£1)	148	148	148	148	United Tobacco (£1)	24	24	24	24
Highlands and Lowlands Rubber (£1)	2	2	2	2	Vallambrosa (2)	48	48	48	48
Hudson's Bay (£1)	74	74	74	74	Vickers (£1)	48	48	48	48
					Watney Def. Suk.	131½	131½	131½	131½

Mines.									
	Price	Week	Price	Week		Price	Week	Price	Week
Brakpan (£1)	248	248	248	248	Knights	148	148	148	148
Broken Hill Prop. (8/)	18	18	18	18	Modderfontein (10/)	48	48	48	48
Cons. Gold Fields (£1)	148	148	148	148	Modderfontein "B" (5/)	148	148	148	148
Crown Mines (10/)	248	248	248	248	Modderfontein Deep (5/)	248	248	248	248
De Beers Def. (£24)	138	148	148	148	Premier Def. (2/6)	68	7	7	7
East Rand Prop. (£1)	48	48	48	48	Rand Mines (5/)	38	38	38	38
Geduld (£1)	58	58	58	58	Selukwe	148	148	148	148
Gov. Gold Areas (£1)	58	58	58	58	Rio Tinto (£5)	35	38	38	38
					Spring Mines (£1)	28	28	28	28

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

ANALYSIS OF BALANCE-SHEETS.

BRADFORD DYERS' ASSOCIATION, LIMITED.									
LIABILITIES.					ASSETS.				
Amount.	Dec. 31, 1922.	Compared with Dec. 31, 1920.			Amount.	Dec. 31, 1922.	Compared with Dec. 31, 1920.		
Prof. shares	2,500,000	—			Properties, &c.	4,623,135	—	61,380	
Ord. shares	1,356,477	—			Stocks	466,675	—	302,505	
4% deb. stock	1,453,750	—			Sundry debtors	645,124	—	466,109	
Int. accrued	29,075	—			Reserve fund investments	130,000	—	—	
Int. outstanding	670	—	86		Other investments	2,139,305	—	262,620	
Sundry creditors	1,185,636	—	1,074,873		Cash	900,477	—	473,182	
Investments, contingency fund	170,000	—	—						
Reserve fund	1,000,000	—	—						
Profit and loss	1,209,108	—	380,767						
Total	8,904,716	—	694,192		Total	8,904,716	—	694,192	

MAPLE AND CO.									
LIABILITIES.					ASSETS.				
Amount.	Dec. 31, 1922.	Compared with Dec. 31, 1921.			Amount.	Dec. 31, 1922.	Compared with Dec. 31, 1921.		
Prof. shares	1,000,000	—			Cash	458,869	—	168,196	
Management shares	200	—			Bills, &c.	21,000	—	11,000	
Ord. shares	1,800,000	—			Sundry debtors	1,680,200	—	38,845	
34% deb. stock	500,000	—			Stocks, &c.	1,628,374	—	135,674	
4% deb. stock	500,000	—			Freeholds and leaseholds	1,093,755	—	20,617	
Reserve fund	583,000	—			Horses, vans, &c.	50,384	—	200	
clait'n of foreign currencies	100,000	—	100,000		Plant, &c.	33,601	—	3,421	
Trade creditors	65,980	—	17,020		Investments	94,694	—	59,084	
Sundry creditors	330,066	—	59,094						
Reserve for excess profits, &c.	—	—	320,000						
Profit and loss	182,231	—	80,415						
Total	5,061,477	—	97,511		Total	5,061,477	—	97,511	

SELFRIDGE AND CO.									
January 31, 1922.									
LIABILITIES.					ASSETS.				
	Amount.		Compared with Jan. 31, 1921.			Amount.		Compared with Jan. 31, 1921.	
Ord. shares	500,000	..			Purchase consideration, &c.	2,600,224	..	+ 55,541	
Staff pte. shares	58,225	..	+ 4,710		Fixtures, &c.	133,093	..	+ 877	
Prof. shares	1,300,000	..			Vans, &c.	51,606	..	+ 2,846	
10% pref. ord.	1,000,000	..			Stocks	521,982	..	+ 71,635	
Debitures	309,300	..	- 7,100		Debtors	387,456	..	+ 23,824	
Int. on deb.	—	..	- 13		Investments in subsidiary companies	605,106	..	+ 63,510	
Reserve fund	225,000	..	+ 25,000		Current and loan account	137,358	..	+ 15,716	
Mortgages	209,918	..	- 21		Payments in advance	10,357	..	+ 483	
Creditors and loans	592,527	..	+ 32,482		Deposit, Portman estate	10,000	..	—	
Reserve for excess profit duties	62,709	..	- 18,791		Cash	62,443	..	- 18,137	
Accrued div. on pref.	64,283	..	+ 700						
Div. on ord. sha.	1,000,000	..	—						
Profit	142,508	..	- 960						
Total	4,519,625	..	+ 35,902		Total	4,519,625	..	+ 35,902	

which will be held in the near future, so that you will recognise we have had a period of extremely strenuous work, and have accomplished a very great deal in preparing and agreeing schemes for submission to the Amalgamation Tribunal. I may say, personally, that we have got very much further than I anticipated twelve months ago.

NEW COMMERCIAL DEPARTMENT.

In setting up our organisation special steps have been taken to provide means whereby the public can be supplied with information regarding our facilities. We have formed a commercial department, both for goods and passenger traffic, and the officers in charge of these departments will lay themselves out to deal promptly with any inquiries they may receive, and make every possible arrangement for the speedy transit of all descriptions of traffic, and we are satisfied that this action will have the effect of bringing the public and ourselves into much closer contact with mutually beneficial results.

Having regard to the size of the new undertaking it was thought desirable to delegate the management of the section north of the Tweed, where different conditions of law and trade are met with, to a body of gentlemen intimately associated with those special conditions, and the work of the Scottish portion of the undertaking, therefore, will be carried on by a Scottish local committee representative of the principal Scotch companies in our group, on which four members of the central board will sit. In this way our Scottish business will be looked after in the most efficient manner, as your directors are, of course, most anxious that Scottish traders and the public generally shall in every respect obtain the best possible advantages from the amalgamation.

We are passing over to the new company a line as well equipped as any in the country; our financial position is also stronger than it ever has been in the history of the company, ample provision having been made for contingencies.

RESERVE FOR MAINTENANCE WORKS.

I may say that practically the whole of the money we have received from the Government payable under the Railways Act, 1921, has been preserved intact, and is now safely invested in Government securities, where it will remain as a reserve for carrying out deferred maintenance works which are overdue, and the provision of increased facilities for traders and the public generally. As some of you may be aware, under Section 11 (5) of the Railways Act, income-tax must be paid on the amount utilised for the payment of dividends out of the money received as compensation under the Act, at the rate in force when it is distributed, whilst any sums not so utilised will be liable for tax in the assessment for the year 1924-25. We are hopeful that income-tax in the future will be less than at the current rate, and as, with the exception of a very small proportion which was utilised in connection with the dividend for the year ending December 31, 1921, this money is still undistributed we shall gain by keeping it in hand if the tax is reduced.

On the question of taxation, twelve months ago I referred to the Corporation Profits Tax, which was imposed in the Budget of 1920. I am glad to say that during the interval the railway companies have received exemption for a further period of three years, i.e., to December 31, 1925, and we have under consideration at the present time the question of the most effective means of influencing the Chancellor of the Exchequer to grant railway companies permanent exemption from what we regard as an unfair burden on the ordinary shareholders. In my opinion, he would be well advised to repeal this tax entirely, as I believe it is fully admitted in business circles that it is an undesirable burden upon trade, as well as being unfair in its incidence, and does not bring in anything like what was expected.

ROAD MOTOR TRANSPORT.

As you are aware, the companies forming the North-Western and Midland group approved an application to Parliament for powers to conduct road motor transport, and so far as this company was concerned, this action was endorsed by a special general meeting of the shareholders, held on February 28, 1922. After a long debate in the House of Commons, the Bill received its second reading, and was committed to a Select Committee of the House, which took evidence at length from all parties interested, including the Ministry of Transport, whose representative at a very late date suggested certain amendments in regard to charges which, if adopted, would have rendered the Bill valueless to the promoters. The Bill was, therefore, withdrawn.

The Select Committee, in a special report to the House of Commons, drew attention to the unnecessary expense caused to the parties owing to the delay on the part of the Ministry of Transport in notifying their objection to the principles of charging suggested in the Bill, and intimated that, subject to the possibility of eliminating unfair competition, they were unanimously of opinion that it would be in the public interest to allow the railway companies of

the group, and all competitors, to participate in the service of road transport. As is well known, railway companies are amongst the largest, if not the largest, payers of rates to local authorities, and it is not too much to expect that they should be allowed to use the roads to which they contribute such large sums to maintain.

IRELAND.

When we met in this room a year ago, I referred to the change that had taken place in the Government of Ireland, and expressed the hope that that change was destined to bring peace and prosperity to that unfortunate country.

I am sure that everyone here to-day will share my regret that our expectations have not been fulfilled so far as certain parts of the country are concerned. Our traffic returns prove that the carryings under the various heads between England and Ireland are generally much below what they were in normal times.

I have always held that Ireland is capable of great development in agriculture, fisheries, and in many other ways, and I can only again express my most sincere wish that Irishmen will recognise this and, without further loss of time, work heartily together for the intensive development of their country and the prosperity of its people, many of whom have large interests in our company. When the time comes, no matter how soon, it may safely be relied upon that the new company will be fully prepared to give every possible and necessary facility for satisfactory transport and assist in the development of that country in every way.

Whilst it is not within my province to discuss political affairs at a meeting of this kind, I think the commercial community can congratulate themselves on the change of Government, and I hope that the new administration, whose initial watchword was "tranquillity," will allow us, in our very difficult task, to pursue our own way with a view to consolidating our interests, which are in every way identified with the trading prosperity of the country.

There have been, as you will know, reductions in the company's rates and fares, the latter of which only operate from the beginning of this year. I may tell you that at the time the reductions were agreed to the railway administration did not consider that in itself the traffic justified such reductions, but fortunately the improvement in trade which was at that time being manifested developed to some extent, with the result that our fear of having to face a serious decline in revenue was not realised. The better tendency in trade, though slight, still continues, and with a view to facilitating a return to more prosperous times, your directors are of opinion, having regard to the results of the past year's working, that the time has arrived when a further substantial reduction in rates, &c., should be considered by the boards of the new group companies.

I regret to inform you that during the year the chairman of the Rates Tribunal, before which these matters must be heard, Sir Francis Gore Browne, has died. He was a man in whom both the railways and the traders had every confidence as being eminently fair to both sides, and it is a matter of deep regret to all of us that his death has removed one to whom such an important duty as fixing the rates was committed. Mr W. B. Clode, K.C., has been appointed as his successor, and I am confident that the high standard set by Sir Francis Gore Browne will be followed by him.

WORK FOR UNEMPLOYED.

You will doubtless have seen in the Press particulars of works which are being commenced immediately with a view to finding work for the unemployed. In conjunction with other railway chairman and general managers, I attended a conference in November last with the Prime Minister and other members of the Government with the object of seeing whether the railway companies, as large employers of labour, could provide some remunerative work for the benefit of the unemployed, who, as such, are drawing very heavy sums for their maintenance, such sums being in the nature of doles, and having no regard to ordinary economics. During the war, railway construction was of necessity largely restricted. Most railway boards had many schemes under contemplation which would add to the amenities of railway travel and transit. We, of course, sympathise with the men out of work, particularly those who fought in the war, and fully appreciating the anxiety of the Prime Minister we decided to put such necessary works in hand at once—some are already begun, and others will be proceeded with in the early future. These measures will not only relieve a certain amount of unemployment, but to some extent will help to stimulate the trade of the country. I may say that in every case we were quite satisfied that the expenditure which would be entailed was thoroughly justified. In addition to meeting the wishes of the Government and providing work for the unemployed, the best interests of the undertaking are being safeguarded.

DIRECTORATE, OFFICERS, AND STAFF.

Dealing with the future, twelve members of your board will join the board of the new company, which, as at present constituted, will consist of 26 members. The inevitable consequence of a

merging of this character is that certain of our colleagues on the board, whose faces have long been familiar to you, must retire. They have rendered yeoman service to the company in the past, and I feel sure it will be your pleasure, as well as your duty, that in addition to voting them a certain sum as compensation (and on this point a resolution will be moved in due course), that you should also pass them a very cordial vote of thanks for the very valuable services they have rendered to you, in many cases over a long period of years.

So far as the officers are concerned most of them become officers of the new company, and whilst on this topic it affords me much pleasure to express our very deep indebtedness for the effective work they have performed during the past 12 months. The general manager, officers, and staff have worked loyally and hard, and but for this fact the results we present to you to-day would have been far different, and we should not be in anything like the advantageous position we are in completing our arrangements for the working under the new conditions. You will be doing less than your duty if you do not authorise me to express to them, on your behalf, your very heartfelt thanks.

Whilst on this phase of our work, I would also like to express my very hearty appreciation of the relations which exist between ourselves as a board and our employees. For a short time after the termination of hostilities our men were not working well, but in the last year or two the relations have improved very considerably, and I have no hesitation in stating that we have now got past the worst, and can look forward to most harmonious working, which will prove of lasting benefit both to them and to you.

In the past we have heard a great deal of this country being fit for heroes to live in—I should prefer to take a less exalted attitude, and say we want a land for honest and industrious men to live in—men who will trust to their own individuality, character, and enterprise to make their lives a success. It is useless to talk of pre-war standards of living, either for rich or poor. We have all of us to work harder and to live more economically. We have to look upon sport as a pastime, not as the main object in life, and if we accept those principles, I believe we will gradually be able to re-establish our industrial supremacy, and become prosperous again, and in that prosperity and its achievements the railways of this country will have their share.

CERTIFICATES.

Each holder of stock in this company, and well as any other company that has been absorbed or amalgamated, will no doubt be anticipating that new certificates will be issued in exchange for the certificates that are now held, and I am, therefore, taking this opportunity of calling attention to the fact that under the amalgamation scheme, approving the formation of the London Midland and Scottish Railway Company, the certificates of stock in the several railway companies that are now held are deemed to be certificates of the stocks of the new company for the proportional amount allocated.

This provision was made in the scheme because there are some hundreds of thousands of certificates held by proprietors, and although they must be exchanged ultimately, the work will have to be spread over a considerable period. Shareholders will, however, be communicated with as and when it becomes necessary for them to forward their certificates for the purpose.

Perhaps proprietors will note this, as it will save them making inquiries as to the exchange of certificates.

Under the provisions of the Railways Act, with which I dealt very fully in my remarks a year ago, we are commencing a new era in railway work. The changed conditions are not of our seeking, but have been imposed upon us by the Government of the country. We have loyally accepted their verdict, and shall do our best to make the new conditions successful.

It is too early yet to make any forecast as to whether the amalgamations will result in the economies prophesied in Parliament. One thing certainly you can rely on—the directors will leave nothing undone to administer the new undertaking in the most economical way consistent with proper maintenance and efficiency, and with the utmost endeavour to stimulate the trade of the country.

The interests of the public will in no way be sacrificed, and it may be interesting to you to hear that there is in no sense a monopoly. I wish to dispel the idea that has been circulated that the result of the grouping under the Railways Act will be the disappearance of competition, as there is no doubt the result will be quite the reverse. Competition will be just as keen under the new conditions, and the London Midland and Scottish Railway will do its utmost to please its customers and encourage trade development. The railway has access practically to the very edge of the South Coast; on the East the great ports of Tilbury, Lowestoft, Goole, and Hull, &c.; on the West, Cardiff, Holyhead, Liverpool, Fleetwood, Barrow, and the West Cumberland ports, and when you come to Scotland, all the West Coast besides Edinburgh on the East, and the far North with Thurso and Wick.

Your directors hope, by dint of giving facilities and showing the public that their interests are yours, to obtain at least a fair

share of the traffic, and it will be our endeavour to render proper service without in any way sacrificing the interests of the shareholders, as public efficiency and financial stability will always be the goal held in view by the London Midland and Scottish board of directors.

I now beg to move:—

"That the report of the directors, now read, be received and adopted, that the proceedings at the special general meetings be approved and confirmed, and that the accounts to the December 31st last be passed."

Mr E. B. Fielden (Deputy Chairman) seconded the resolution.

CONGRATULATIONS TO BOARD.

Mr E. Hamilton Hargreaves said he thought they ought to congratulate the directors and officials of the company that they had been able to carry through this grouping scheme almost in its entirety without reference to the Tribunal. Differences had been settled—and there must have been many—and this was a good omen for the future. He believed that the amalgamation would save tens of millions per annum, simplification would reign where formerly there were complications and jealousies, the State would be better served, and the prospects for the shareholders and employees would become more secure. Traders were crying out for still cheaper freights, and they must have them if this country was to be in a position to compete economically with foreign nations, but traders must give the companies time, because they had only just emerged from Government control with that ruinous standardisation which classified boys as men, and compelled the industry to have 76,000 more employees than before the war, with the result that the labour bill rose from 47 millions to 173 millions. That was the result of Government control. If the colliery owners would give them cheaper coal—they made a fortune during the war—the companies could afford to carry their coal and their merchandise at lower freights. The railway companies must want to give cheaper freight, for they desired to get back their trade which was now going over the road. Towards the upkeep of those roads the railways were paying something like 10 millions per annum, though they were not allowed to use the roads. This, he considered, was an immoral subsidy. At the same time, shareholders must have a return for their investments, otherwise new money would not be forthcoming for new lines—electrification, &c. He trusted that employees and officials would work amicably together, so that the country could regain its pristine greatness.

Mr Stevens said that entrusted as he was with proxies from holders of over £1,400,000 stock of the company, he desired to thank the chairman for his address, which was a most encouraging and statesmanlike review of their prospects. At this last meeting of this great railway, with such a fine record, he would like to be permitted to thank the board for the excellent dividend of 8½ per cent. for the year, and also for the splendid record of results which accompanied the dividend. Last year's splendid performance showed the advantage of being entirely free from Government control. He wished to draw attention to a vital matter which concerned the ordinary stockholders. He referred to the fact that they had at present an ordinary capital of no less than 87½ millions in the new group company, of which their proportion as holders of old London and North Western stock would be 57½ millions. As the chairman would be chairman of the new group company, and would be supported on the joint board by 11 other directors, any recommendation from them would come with great force. It would appear that ultimately the group ordinary stocks would amount to nearly one hundred millions, and that the dividend on that capital would amount to about £8,000,000 per annum. This would, of course, be much the largest income attached to any of the new group securities, and it seemed to many stockholders that it would form a solid basis of security for a preference or preferred ordinary stock of the new company. What the exact form of such rearrangement must be was a matter on which the new board could form their own opinion, but it would be a useful guide to observe that the new 4 per cent. second preference of the London and North Eastern stood on a 5 per cent. yield basis at the price of 80 ex-dividend, and the new 5 per cent. preferred ordinary stock of that group and of the Southern railway group stood on a 6 per cent. yield basis, where at the present time their ordinary stock in its original form stood on nearly an 8 per cent. yield basis. It would be ridiculous to suggest that there was any less security attaching to the new ordinary stock; on the contrary, it would represent a wider basis of security than any other junior stock of any of the new groups, and there was no doubt that a London and North Western 4 per cent. second preference or a 5 per cent. preferred ordinary would attract equally large numbers of conservative investors who were debarred for various reasons from holding the ordinary stock as a whole with the fluctuating dividend attached to it. There was not much doubt that a London and North Western preferred ordinary stock would be superior in the estimation of the investing public to either the London and North Eastern or the Southern

preferred ordinary stock, but leaving that matter out of account it might be pointed out that at the present moment the original ordinary stock of the North Eastern Railway in its present form was valued at 136 ex-div. That was the valuation of a stock which for last year received $7\frac{1}{2}$ per cent. dividend. The London and North Western ordinary stock, in receipt of $8\frac{1}{2}$ per cent., was quoted at 110, so that with 1 per cent. more dividend and equally good prospects, their stock actually stood 26 points below the North Eastern security, or its equivalent in the new form. The enhanced value of the North Eastern stock was entirely due to the fact that a considerable proportion of the ordinary dividend had been allocated to a secure fixed dividend stock. That there was a considerable body of opinion in favour of some such action by the North Western was shown by the fact that he had been entrusted with proxies presenting over £1,400,000, and was requested to ask the directors to use their great influence with the new board to secure some rearrangement of the capital on lines similar to those adopted by the other group. It would cost the company nothing, and if carried out under the Railways Act, 1921, would save a very large sum indeed in stamp duty. It would also add approximately £20,000,000 to the market value of their stocks, and enable capital to be raised in the future at a lower rate of interest than would otherwise be the case.

Sir William Fry said that they had every reason to congratulate themselves on the report which had been presented, and on the masterly and clear statement which the chairman had given to the proprietors. They knew a great deal more about the affairs of the company now than they did before that speech was delivered, because the chairman had gone back to the year 1846 and traced the growth of this great and important company, until to-day it rejoiced in the proud position of being the premier railway of Great Britain. The shareholders were in the proud position of being proprietors of this great concern. As an Irishman he wished also to express his gratification to the chairman for the feeling terms in which he had referred to that unhappy country. The chairman had expressed the hope that they would soon see Ireland emerging from its present position. He knew from past experience, having lived for many years in that country, how this railway company had in the past endeavoured to serve Ireland and open up its resources. He quite concurred with the chairman as to the value of the resources of Ireland. Then as regarded the harmonious relations which had existed between the company and its employees, it was a grand thing to think that they had had no trouble with their workpeople for many years. This showed that there was confidence between the men and their masters; it showed also that good pay was given for good work, and the chairman had now given a public declaration to their employees that every care would be taken to recognise their efforts in developing the great resources of this company. The chairman had also made a gratifying announcement that in the opinion of himself and his colleagues the time had come when rates and fares should be reduced. That was an announcement that would be welcomed by all. With regard to the pressure of taxation, he pointed out that they would now have 300,000 proprietors in that great combination, and he thought that surely they could use their political influence to get the pressure removed.

The Chairman thanked Mr Hargreaves and Sir William Fry for their remarks, and with reference to the proposal of Mr Stevens, it was out of order at that meeting, but would no doubt be considered in due course by the board of the new company. The resolution was then put to the meeting and carried unanimously.

THE DIVIDENDS.

The Chairman then moved:—

"That final dividends for the year ended December 31st last be hereby declared (less income-tax) as follows:—

"£2 per cent. upon the consolidated 4 per cent. guaranteed stock.

"£2 per cent. upon the consolidated 4 per cent. preference stock.

"£2 per cent. upon the 4 per cent. preference stock (1902).

"£2 5s per cent. upon the 4½ per cent. redeemable preference stock.

"£2 10s per cent. upon the 5 per cent. redeemable preference stock (1916).

"£5 10s. per cent. upon the consolidated stock, making with the interim dividend of £3 per cent. paid in August last £8 10s per cent. for the year."

The Deputy-Chairman (Mr. Fielden) seconded this, and it was carried unanimously.

Under the Railways Act, 1921, clause 3 (d) power is given to pay compensation to those directors who cease to hold office owing to amalgamation or absorption, subject to the consent of the proprietors.

The directors of the London and North-Western Company, who retire in consequence of the amalgamation are:—

Mr C. J. Cropper,

Capt. the Right Hon. Viscount Elveden,

Col. the Right Hon. Lord Kenyon,

Col. the Right Hon. Lord Lambourne,

The Hon. Sir Arthur Lawley,

Lieut.-Col. E. W. Stanyforth, and

Sir Robert Turnbull,

The Chairman then moved:—

"That the sum of £24,430 be paid out of the assets of the company to the seven directors of the company who will retire, not as remuneration in respect of past services, but as voluntary compensation for loss by abolition of office. The division of the sum to be at the discretion of the board."

"Since 1851 it has been usual at this meeting to submit to you a resolution of the proprietors' audit committee recommending the election of an auditor of the accounts of the company, but on this occasion this course will be unnecessary, as under Clause 28 of the North-Western, Midland and West Scottish Group Amalgamation Scheme, 1922, it is provided that from January 1, 1923, until the first ordinary meeting of the new company, the auditors shall be the persons who were the auditors of the North-Western and Midland companies immediately prior to amalgamation.

Mr Stevens seconded the resolution, and it was carried unanimously.

A vote of thanks to the chairman terminated the proceedings.

GREAT WESTERN RAILWAY COMPANY.

YEAR'S RESULTS "COMPLETELY SATISFACTORY."

COMPANY'S SOUND FINANCIAL POSITION.

RAILWAY RATES AND FARES.

The annual general meeting of the proprietors of the Great Western Railway Company was held, on the 22nd instant, at Paddington Station, London, the Rt. Hon. Viscount Churchill, G.C.V.O. (the chairman), presiding.

The Secretary (Mr A. E. Bolter) having read the notice convening the meeting,

The Chairman, who was enthusiastically received on rising to address the meeting, said: Ladies and Gentlemen,—The accounts which are submitted for your consideration to-day embrace the great bulk of the undertakings which, under the Railways Act, constitute the Western Group. The group is composed of seven constituent companies, viz.: The Great Western Company itself, with the five principal railway and dock companies in South Wales, and the Cambrian Railways Company in Central and North Wales, which, under the preliminary amalgamation schemes approved by the Railways Amalgamation Tribunal, became amalgamated with this company as from January 1, 1922, and 26 subsidiary companies, of which five became absorbed as from the same date, eight as from July 1 last, and nine as from January 1 this year, leaving four only remaining to be dealt with.

Of these four, terms have been agreed with one—the Didcot, Newbury, and Southampton Company—and an absorption scheme will be submitted for your approval at a special general meeting to be held at the conclusion of the business of this meeting—leaving the Exeter Railway, the Midland and South-Western Junction Railway, and the Forest of Dean Central Railway to be dealt with by the tribunal.

We should have been glad to have been able to settle terms by agreement with every one of the companies in our group, but we have not been able to accomplish it, and as the tribunal will have the duty of settling the terms in these three outstanding cases, I think it as well that I should not enter into any particulars concerning them.

It will also fall to the tribunal to settle our final amalgamation scheme, which will be in effect to constitute the Great Western Company the Amalgamated Company of the group—a mere formality required to give effect to the provisions of the Act.

I am explaining the position so that you may understand that, for all practical purposes, the Great Western Group has been in operation for the period covered by the accounts now laid before you, and that these represent, therefore, as nearly as may be the

results of the working of the group as a whole, and the alteration in the capital accounts which the grouping has involved.

CAPITAL ACCOUNTS.

Dealing first with the capital accounts, the effect of the amalgamations and absorptions has been to increase the amounts of the various stocks of the company as follows:—

The debenture stock has increased from £25,651,441 to £35,291,095; the rent charge stock from £7,610,002 to £7,708,241; the consolidated guaranteed stock from £17,946,891 to £23,816,537; the consolidated preference stock from £11,936,348 to £25,998,613; and the consolidated ordinary stock from £37,082,220 to £42,830,336. The result is that the total amount of the capital of the company, including debenture stocks, has increased from £100,226,902 to £135,644,822.

You will observe—and I think it is a matter to be regarded with satisfaction—that the simplicity of the capitalisation of the company has remained undisturbed. The operation has been carried through by increasing stocks of existing denominations without the creation of fresh classes; and what also is, I venture to think, a very satisfactory feature is that the amount of our ordinary stock still represents a very substantial proportion of the total capital.

It has been the policy of the company, as you are aware, extending over a period of many years, to maintain the capitalisation of the undertaking on as broad a basis of ordinary stock as is reasonably possible, and this policy has been pursued in carrying through the grouping arrangements.

REVENUE AND DIVIDENDS.

Turning now to the revenue accounts, I would draw your attention to the figures set out in account No. 8 on page 10, and in doing so I would mention that, this being the first year of the operation of the undertaking under the new conditions, no comparative figures can be introduced.

You will see that the receipts for the whole year amounted to £38,523,415, and the expenses to £31,102,076, leaving as net receipts £7,420,439. The miscellaneous receipts from rents, interest, &c., amounted to £856,185, thus increasing the net revenue to £8,276,624. This is carried to the next account (No. 9), and, with the balance of £260,417 brought forward, makes a total of £8,537,041. After payment of interest on the debenture and rent charge stocks, rents of leased lines, &c., particulars of which are shown, and which amount together to £2,403,719, a balance is left available for dividend of £6,133,322. After allowing for the dividends on the guaranteed and preference stocks, amounting to £2,451,246, a balance of £3,682,076 remains available for dividend on the ordinary stock. The interim dividend of 2½ per cent., which was paid for the half-year to June, absorbed £1,151,496, leaving a balance of £2,530,580, which enables the payment of a dividend on the ordinary stock for the last half-year of 5½ per cent., making a dividend of 8 per cent. for the whole year, and carrying forward a balance of £304,932.

This, you will recollect, compares with a dividend of 7½ per cent. for 1921, when we took £125,000 from Government compensation account.

SATISFACTORY RESULT.

I hope that this result of the first complete year free from Government control and, as I have already said, of the working of the Group as a whole, will be regarded as entirely satisfactory, and it is desirable, perhaps, that I should mention briefly the relation of this dividend to the standard net revenue provided for in the Railways Act of 1921.

You will remember that the companies are to be entitled to earn a standard net revenue which the charges in operation are designed to produce, equivalent to the aggregate net revenues of the railways in the Group for the year 1913, with the addition of certain allowances, the chief item being interest on the amount of capital expenditure brought into use since 1912, upon which the company were allowed interest at the termination of the period of control.

As a matter of fact, the working for the year 1922 has produced a net revenue which, with the substantial amount of interest earned upon funds in hand, approximates to the amount of 1st revenue which the charging powers in force during the period were calculated to yield in conformity with the provisions of the Act, and therefore there has been no need to draw upon the Government compensation money—again a very satisfactory feature.

COMPANY'S RESERVES.

I would refer also to the figures of the balance-sheet, which have materially increased in recent years, and particularly as the result of the payments on account of this company's share of the compensation of £60,000,000 under the Railways Act. The moneys in hand, including investments in Government securities, have reached very substantial figures. While these, of course, are largely earmarked for meeting liabilities for arrears of maintenance, renewals, and other obligations, it is very desirable that the company should have ample reserves to meet the period of adjust-

ment and uncertainty which has to be expected in connection with the formulation and settlement of charging powers, and it is satisfactory that the company is in the position of financial stability which the balance-sheet indicates.

It will be of interest to you, too, to hear that as a result of the grouping the mileage of the undertaking has increased from 3,005 miles to 3,702 miles, in addition to which the company has become possessed of the whole of the railway-owned docks of South Wales, the most important being those at Newport, Cardiff, Penarth, Barry, and Port Talbot.

The total number of staff employed, of all grades, has increased from about 87,000 to about 108,000, and the number of proprietors' accounts is now nearly 120,000, as against approximately 95,000.

Now, turning to the matters referred to in the report—I have already dealt with the figures on the front page.

Paragraph 2 contains a complete statement of the whole of the railways embraced in the Western Group, to which I have already referred.

Paragraph 3 relates to the works of the Clydach, Pontardawe, and Cwmgorse line—the principal item of expenditure now in hand.

DEVELOPMENT WORK.

On the question of expenditure, as I have stated on previous occasions, the developments which were in contemplation were arrested by the outbreak of war and the Government control of the railways. The time, however, has come when the more pressing problems must be taken in hand if the company are to be in a position to accommodate their traffic, and to be able to deal with it expeditiously and economically. As a commencement it is proposed to improve and considerably enlarge the goods depot at Temple Meads, Bristol, with the latest modern equipment for handling the large general traffic dealt with at that place. A very substantial improvement is also to be carried out at the High street Station, Newport. The passenger traffic at that station having long since outgrown the accommodation, additional provision has become absolutely essential.

The requirements at other centres are under investigation, and will be dealt with in turn as circumstances may enable them to be taken in hand.

Judicious expenditure in facilitating the passage of the traffic over the line and in preventing congestion and delays is essential if the railway is to be utilised to the greatest advantage, and with the best regard to economy.

I may mention that in response to a request by the Prime Minister that the railway companies should assist the Government in their schemes for relieving the difficulties of unemployment, we have been doing our best to accelerate the carrying out of the works which we had in hand or in immediate contemplation, and we hope to give still further aid in this direction by commencing as soon as we can the works at Bristol and Newport to which I have just alluded.

ADDITIONAL POWERS BILL.

Paragraph 4 relates to the Bills to be submitted to the Wharfedale meeting to follow this meeting, and it will be convenient perhaps that I should refer to them now.

The first Bill—viz., the Great Western Railway (Additional Powers) Bill, 1923—seeks powers to construct a second tunnel, alongside the existing Colwall Tunnel, through the Malvern Hills. This is a single-line tunnel which is in need of extensive repair, and with the increased traffic passing through it the ventilation has become so unsatisfactory that relief is essential, and the solution of the difficulty is to construct a second tunnel which will have a better gradient.

Power is also sought for the acquisition of further properties which are required in connection with the enlargement and improvement of the High street Station, Swansea—a very necessary work which has been long delayed and which is to be carried out in conjunction with improvements of access to the station to be effected by the Corporation of Swansea.

The Bill also contains clauses empowering the utilisation for the erection of buildings (including shops and offices) of lands and premises belonging to the company, but not immediately required for the purpose of the railway, and conferring the right to grant leases, &c., in connection therewith.

STAFF AND HOUSING ACCOMMODATION.

Another important provision of the Bill is to vest the company with authority for meeting the needs of the staff with respect to housing accommodation. That, I am sure you will agree with me, is an admirable thing to do. For some time past representations have been made as to the great difficulty which is experienced by the staff in finding suitable dwellings for their occupation, and the inquiries which have been made have shown only too clearly that large numbers are at present housed in conditions which are very far from satisfactory or even creditable. This state of affairs, as you will appreciate, gives rise to considerable difficulty in transferring men from one part of the system to another

—a course which is frequently necessary in the circumstances of our business, and it results, moreover, in heavy expense being incurred in payment of housing and subsistence allowances. Steps have already been taken to assist individual employees to purchase houses by granting loans on mortgage, repayable with interest spread over suitable periods. This meets the wants of the men in certain cases, but it is desired in addition that the company should be able to support the formation and extension of utility societies to undertake the building of houses, particularly in localities where large numbers of men are employed by the company and where the shortage is most pronounced; and powers are contained in the Bill to enable these very desirable objects to be accomplished.

ACQUISITION OF SWANSEA DOCKS.

The other Bill is for the purpose of sanctioning an arrangement which has been made with the Swansea Harbour Trustees for the transfer of the Swansea Docks to this company. These docks, not being a railway undertaking, were not included in the grouping arrangements under the Railways Act. The company have, however, been approached to take them over, and as it was felt that it would be advantageous in the general interest that they should be brought under the management and ownership of the company—thus coming into line with the other docks in South Wales—negotiations were pursued, with the result that terms have been arranged which are embodied in the Bill, and which are set out in the report.

Paragraph 5 refers to an application to the Minister of Transport to extend the time for the construction of certain authorised works and the acquisition of additional lands, the powers for which would otherwise expire in the current year, and speaks for itself.

NEW DIRECTORS.

In paragraph 6 the names are given of the directors of the constituent companies who were nominated to and are now members of the Great Western board. It is a very great pleasure to me personally to say, after the number of months that we have been associated here with our new colleagues, that although I deeply sympathise with them in losing the individuality—if I may so call it—of their own companies, I think I see by their faces that they are by degrees feeling at home at Paddington, and I am sure you would wish to join with me in offering them a most hearty welcome, and in thanking them for the great help they are giving to us in those parts of the system which they know so well.

Paragraphs 7 and 8 refer to the directors whom we have lost.

Paragraph 9 refers to the remuneration of the auditors of the company. The present fee is £200 a year for each auditor. This was originally fixed as far back as 1863, when the undertaking was a comparatively small affair—something like one-fourth of its magnitude before the grouping, and, of course, now greatly enlarged by that operation.

It is not necessary for me to dwell upon the importance of a thorough and efficient audit of your accounts, and the great responsibility which rests upon the auditors, and I venture to think that your interests could hardly be better served than by Sir William Plender and Mr Honoratus Lloyd.

The proposal is that the remuneration should now be fixed at £300 a year for each auditor—to apply to the accounts of the past year—and a resolution will be submitted to you for the purpose.

Paragraph 10 refers to the report of the audit committee.

RATES AND FARES.

You will expect me to say something in regard to railway rates and fares. Last year I pointed out that, while the railway industry was the last to be released from Government control, yet in the short space of six months which had elapsed since the companies resumed possession of their property there had been a substantial cut in the rates for coal and raw materials used in the steel and iron industries. I also expressed the hope that it would be possible to make further reductions. My forecast in this respect was correct. Reductions of rates and charges for goods traffic were made on four occasions last year. In making these reductions the companies adopted the policy of dealing first with such basic industries as coal, iron, and steel. Subsequently they were able to lower the rates for practically all classes of goods traffic and for parcels and perishable traffic, while on January 1 this year passenger fares were dealt with, the broad effect being to reduce the increase as compared with pre-war fares from 75 per cent. to 50 per cent., with corresponding effect upon excursion and other forms of cheap tickets.

As regards the very large section of our business, viz., the docks in South Wales, the same policy has been pursued, and the tonnage rates on vessels and the charges for wharfage and coal tipping have been brought down very substantially.

I am glad to say that the business done by the company, particularly in the latter part of last year, showed a highly satisfactory expansion, and I am assured by those who are in daily



HEAD OFFICE:
1 Dale Street,
LIVERPOOL.

LONDON
Chief Office,
1 Cornhill, E.C.3.

TOTAL ASSETS exceed - £20,000,000
TOTAL CLAIMS PAID over - £107,000,000

FIRE. LIFE. ACCIDENT. ANNUITIES.
Marine, Leasehold Redemption, Burglary, Fidelity
Guarantee, Motor Car, Plate Glass, Personal Accident,
Workmen's Compensation, Sickness, Live Stock, Loss of
Profits, &c.

OFFICES IN ALL THE CHIEF COMMERCIAL CENTRES
General Manager and Secretary:—HUGH LEWIS.

touch with the trading community that there is every reason to be hopeful as regards the future. I am sure the companies will continue the policy of passing on to the traders the result of reductions in the price of stores and of wages, and in this connection I would again emphasise the fact that rates and fares were not increased for the benefit of the shareholders, but solely to enable the companies to pay the increased cost of stores and materials and the higher wages, and for improved conditions of service of the employees.

WAGES.

With regard to wages, you will be aware that what was known as the "Scottish Award" of the National Wages Board was extended to the English and Welsh Railways in April last, with the result that the sliding scale reductions of wages became 2s for each five points fall in the cost of living instead of 1s, and certain small modifications were made in the conditions of service, but we are still faced with a wages bill far in excess of 1913. The salaries and wages paid by the Great Western and the companies which have been amalgamated or absorbed in the Great Western Group amounted last year to nearly £20,000,000, as compared with only £8,000,000 for 1913, an increase of 150 per cent.

We realise the necessity for contributing to the re-establishment of the trade of the country by reducing rates to the fullest extent which may be found to be practicable, and we have under consideration, in conjunction with the other companies, the question of making a further cut in the rates at an early date, but the extent of any reductions necessarily has to be considered in connection with the prospects of reduced expenses and the probabilities of increasing the turnover.

I am glad to say negotiations are still in hand with the unions and are proceeding satisfactorily, and I am hopeful as to the results.

GREAT WESTERN TRADITIONS PRESERVED.

Now, ladies and gentlemen, the work of carrying through the financial and other arrangements for effecting the great addition to the undertaking which has been brought about during the last year and for assimilating the various concerns into the Great Western organisation has involved great consideration, care, and forethought. Happily, the work is virtually accomplished. Last year I was able to tell you that we had managed to preserve our name—"Great Western Railway Company." I am now able to tell you that we have also preserved our old form of departmental organisation, the only new feature being the formation of a "docks department" under a chief docks manager, this being necessary in consequence of the extensive dock undertakings which now form part of the Great Western system. In short, our desire has been to preserve our old traditions and to maintain the high reputation which our staff have established for efficiency of service and of working, and for civility. Our officers, too, have greatly distinguished themselves during this trying time by their great skill, their tact and their energy, which reflect the very highest credit not only upon themselves personally, from the general manager downwards, but also upon the Great Western, and I know that you will join me at this moment in offering the staff and others who have been engaged in these most arduous duties our most hearty and grateful thanks.

I am sure you will feel that the position which we are able to lay before you in this the first year of our enlarged company under the new conditions is completely satisfactory, and I think we are fairly entitled to look to the future with every anticipation of con-

tinued prosperity, and the maintenance of our undertaking in the position of financial strength and stability which it now enjoys.

I now beg to move:—"That the report of the directors and the statement of accounts for the year ended December 31, 1922, be received and adopted."

The Deputy-Chairman (Sir S. Ernest Palmer, Bart.) seconded the resolution, which was carried unanimously, and the further

resolutions submitted to the annual meeting were also passed unanimously.

At a special general meeting of the proprietors the two Parliamentary Bills referred to by the chairman in his speech were unanimously approved.

A vote of thanks to the chairman and directors, as well as to the officers and staff of the company, concluded the proceedings.

MIDLAND RAILWAY COMPANY.

SATISFACTORY RESULTS—INCREASED NET INCOME.

RAILWAY RATES AND EXPENSES.

QUESTION OF FURTHER REDUCTIONS.

Sir Guy Granet, chairman of the Midland Railway Company, presided over the annual general meeting of the company held at Derby on the 22nd instant, and, in moving the adoption of the report and accounts, said:—

Ladies and Gentlemen,—I have sealed the register of shareholders, and there are now 104,796 shareholders and 21,292 debenture holders, a total of 126,088.

You usually take the report and accounts as read, and I take it that you will follow your usual practice to-day, but, with your permission, I should like to make a few observations on both before dealing with other matters.

NET INCOME COMPARISON.

First of all, comparing 1922 with 1921, you will see that the total net income for 1922 was £6,894,000, as compared with £6,401,000 in 1921. But comparison with 1921 is illusory, because for 7½ months of the year the company was under Government control, and for three months we were suffering from the great coal strike. Therefore I prefer to compare our position with 1913, a year which is specially important to us, because it was a record year of prosperity, and it is the year which under the Railways Act is to be regarded as the standard for the purpose of regulating our rates. In 1913 our total net income was £6,362,000, against the £6,894,000 of 1922.

In dealing with our accounts for this year, I think that the point ought to be emphasised that satisfactory as are the results, they are still more satisfactory when you analyse the way in which those results have been arrived at.

If you will look for one moment at Abstracts A and B you will see that abundant provision has been made out of revenue to strengthen the depreciation funds. For instance:—

Under Abstract A there is a transfer to depreciation fund of £140,000.

Under Abstract B (locomotives) there is a transfer to depreciation fund of £207,000.

Under Abstract B (carriages) there is a transfer to depreciation fund of £288,000.

Under Abstract B (wagons) there is a transfer to depreciation fund of £403,000.

We recommend a dividend of 6 per cent. on the deferred stock, which, with the 2½ per cent. on the preferred stock, makes a total equivalent to 8½ per cent. on the old undivided ordinary stock.

In 1913 we paid 4½ per cent. on the deferred stock, which, with the 2½ per cent. on the preferred, was equivalent to 6½ per cent. on the old undivided ordinary stock.

BOARD AND LOWER CHARGES.

Now I want you to look at the other side of it. Railways are like other business concerns, they depend not only on the goodwill and favour of their customers, but upon their prosperity. If the trade of the country languishes, railways cannot prosper. There is no question but that at the present time, though there are indications of some improvement, trade and industry are labouring under great difficulties, and it is because we think that the present high level of railway rates is a factor in those difficulties that the Midland Board have stated in paragraph 9 of their report that "substantial reductions of charges will be justified at an early date."

My board have unanimously come to this conclusion, not because they wish to be regarded as altruists and philanthropists, but because, as business men, after very careful thought, they think a substantial reduction in charges is a fair business risk which ought to be taken.

It is a risk, of course, from two points of view:—

(a) From the point of view of the loss of revenue, which a reduction of rates will necessarily entail. How much that will be on any given reduction it is impossible to calculate. In order to show what I mean, and also to show that railways have not been

insensible to their duty to the community, I will just give you a list of the reductions in charges which have been made since the end of 1921.

REDUCTIONS SINCE 1921.

As from September 1, 1920, goods and coal rates generally reached a figure of 100 per cent. over 1913 charges, subject to the operation of certain maxima, with an addition of flat rate charges ranging from 6d to 1s per ton, and an additional cartage charge of 1s 6d per ton at each end.

In November, 1921, the increase in the rates on iron ore to blast furnaces and steel works was reduced by 25 per cent., the flat rate from 6d to 3d per ton, and the maximum increase from 4s to 2s per ton.

In January, 1922, the increase of 100 per cent. in respect of coal, coke, limestone, &c., was reduced to 75 per cent., the flat rate from 6d to 4d per ton, and the maximum increase of 4s per ton on coal and coke to blast furnaces to 3s.

In May, 1922, Class A rates, other than coal and coke and Class B rates generally, were reduced from 100 per cent. increase to 75 per cent.; the flat rate on all Class A and B traffics, including coal, was reduced to 3d, and certain other reductions made. The additional cartage charge of 1s 6d per ton at each end was reduced to 9d.

In August, 1922, the increase on coal and coke was reduced by a further 15 per cent., and the flat rate to 2d.; traffics in Classes C and 1 to 5 by 25 per cent., and other modifications made.

On December 1, 1922, the maximum increase on coal and coke to blast furnaces was reduced to 2s., and at the same time the percentages of increase in rates for raw materials, &c., used in iron and steel making, and for certain classes of manufactured iron and steel were materially reduced.

RESULTS OF REDUCTIONS.

Now, on the basis of the traffics we were carrying at the time these reductions of charges were made, it was calculated that the cost to the Midland Company of these reductions would be £2,900,000 for the year.

As you will see, most of these reductions have not been in force for a year; therefore, even if 1921 were a normal comparable year, it would have been extremely difficult for us to discover what the full effect of the reductions had been on the revenues of the company. But, as I have said, 1921 is not a year which can be compared with 1922, first, because for seven and a-half months the company was under Government control, and, secondly, because in the months of April, May, and June, 1921, we had a coal strike, which not only destroyed our coal traffic during that period, but also crippled to a very large extent the general trade of the country. This fact alone makes any comparison between 1922 and 1921, either in respect of tonnage carried or revenue earned, totally misleading.

I cannot, therefore, give you the comparisons of the trading of the two years, because of the disturbing elements operating in 1921, but it will be obvious to everyone that a substantial reduction in charges does involve a considerable risk of net loss to the revenue of a railway, even if you take into account possible increases of traffic arising out of the reduction.

PASSENGER FARES.

I think it important also to point out that, over and above the reductions in rates which became operative in 1922, a substantial decrease in passenger fares—from 75 per cent. to 50 per cent. over pre-war figures—came into operation on January 1, 1923. This reduction, calculated in the same way as the rates reductions, is estimated to produce a loss of net revenue to the Midland of £950,000.

(b) In the second place, it is a risk because of the still very high level of our expenses as compared with pre-war times.

To illustrate what I mean, I will give you a few figures comparing expenses in 1913 and 1922:—

SALARIES AND WAGES.			
	Salaries.	Wages.	Total.
1913	£ 1,399,084 ..	£ 4,503,925 ..	£ 5,903,009
1922	3,020,995 ..	10,461,682 ..	13,482,677
Increase, 1922 over 1913	1,621,911 ..	5,957,757 ..	7,579,668
	116 %	132 %	128 %

COST OF COAL, STORES, &c.

	1913.	1922.
Coal	10s 8½d per ton ..	20s 1½d per ton
Steel rails	£6 10s 2d per ton ..	£9 1s 5d per ton
Sleepers	4s 11d each ..	5s 7d each
Clothing	£56,789 ..	£135,823
Stationery	£74,199 ..	£146,786

COST OF RELAYING ONE MILE OF MAIN LINE.

1913	£ 1,420
1922	2,680
	Net.

When we talk, then, of a substantial reduction in charges, it is obvious that, in order to justify such a policy, we must look first to a considerable increase of traffic, and, in the second place, to some substantial relief in respect of the principal items of expenditure to which I have referred.

LAST MEETING OF "MIDLAND" SHAREHOLDERS.

Now, I think I have said enough on the subjects referred to in the report and accounts, and I would like to make a very few remarks upon a subject that must be present to the minds of all of us. To-day's meeting is the last occasion on which a Midland chairman can address Midland shareholders. After to-day we cease to exist—in our present form.

But, as I told you last time, I do not regard the passing away by Act of Parliament of the Midland Railway as the occasion for a funeral oration.

We are not dead; we take on a new name—probably one which nobody likes, but under that name I trust and believe that all the best attributes and traditions, not only of the Midland but of our partners, the London and North-Western Company and the other great companies with whom we are merged, will not only be kept alive, but will be developed to the best possible advantage.

We must not be too self-centred. We hate losing our name and our individuality, but remember that the companies that are forming part of our group have their own historic names, their *esprit de corps*, their record of achievement.

It is a hard thing for all of us, but the more generously we think of our partners, and the more wholeheartedly we concentrate on thinking of the interests of the new entity, the more quickly will the new machine get to work. At first it cannot be expected to work sweetly. There must be a period of trial. But as to the ultimate result—so long as we have faith, good will and hard work, I have no doubt.

My only regret is that to the new organisation we cannot bring over the whole Midland team.

DIRECTORS AND OFFICERS.

As regards the directors, the statute intervenes. I will only say about those of the Midland board who do not accompany us to the London Midland and Scottish Railway that there is not a single one of them whom we shall not miss. They have worked loyally and well, and it is to me a matter of personal grief that they cannot accompany me to the new board.

As regards the officers, matters are still, to some extent, in the melting pot, but I hope that the new company will have the advantage of the services of most of them.

Mr Briggs is retiring after having served the company with the utmost zeal and success for over 50 years. For his great services to the Midland, we thank him.

Mr Bancroft, our secretary, and Mr Loney, our goods manager, are also leaving. I greatly regret the fact. Each man has made a name for himself among railway officials, and has done long, loyal and efficient service to the company.

As regards Mr Tatlow, what can I say? For a long time he let us know that on the carrying out of the new grouping, he would regard his active railway career as over. No one man can regret this more than I do, for I think it is impossible for any one man to know and appreciate another as I do Mr Tatlow.

He goes at the zenith of his powers. There is no railway man in the country who is his equal. Happily, for a short time, at least, his abilities are not altogether lost to us, for he has consented for a few months, at a purely nominal fee, to act as consultant to the new company.

I am sure you will join with me in wishing him, as well as the other officers who are retiring, God speed and many years of health and happiness.

TRIBUTE TO STAFF.

To all of the officers, and to the whole of the staff, I desire to express the very great appreciation of the board, and of myself, for the loyal and efficient service they have given to the company. I am sure you will desire to be associated with this imperfect tribute which I pay to the men who have done so much for the Midland Railway.

The Chairman proceeded to answer several questions put to him in writing by stockholders, and then formally moved the adoption of the report and accounts.

UNDERGROUND RAILWAYS GROUP.

METROPOLITAN DISTRICT—LONDON ELECTRIC—CITY AND SOUTH LONDON—CENTRAL LONDON—LONDON GENERAL OMNIBUS.

Meetings of the proprietors of the Metropolitan District Railway Company, London Electric Railway Company, City and South London Railway Company, Central London Railway Company, and the London General Omnibus Company, Limited, were held on the 22nd instant, at Caxton Hall, London.

Lord Ashfield, in the course of his speech, said: All through last year the depression in trade and industry continued, and in London the number of unemployed varied between 180,000 and 120,000 people. There has been a slight but continuous improvement in trade conditions, and there are indications that a revival is coming, though only very slowly. This depression readily accounts for the falling off in the passengers carried by the railways from 330 millions a year ago to 325 millions in this last year, or by about 4 per cent. Yet against this must be set the increase of 85 millions in the omnibus passengers. This increase is attributable to the increased number of omnibuses in service this year over last, and to the larger modern omnibuses which were placed on the streets in growing numbers throughout the year.

RECEIPTS AND EXPENSES.

The gross receipts from passengers carried by the five companies are £12,028,000, compared with £12,287,000 a year ago. The reduction amounts to £259,000, or 2 per cent. Other traffic receipts amounted to £250,000, as compared with £211,000, so that the final gross result of traffic operations was only £220,000 worse than a year ago. This is a very slight fall, you will agree, bearing in mind the circumstances of the time. Fortunately expenses continued to decline throughout 1922. The economies to which I made reference when last I spoke to you have borne fruit. The total expenditure was £9,943,000 in 1922, against £10,426,000 in 1921—a decrease of £483,000, or 4½ per cent.

It will help you to understand what has happened if the expenditure for last year is analysed into its main items. It is found that £5,340,000, or 54 per cent. of the total, is spent in salaries and wages. These are down £454,000, or 8 per cent., compared with the previous year. £621,000 is spent on electric current supplies, which sum is down £357,000, or 37 per cent. £947,000 is spent on petrol, which is down £8,000 compared with the previous year, but then the quantity consumed has been greater. Taken together, electricity and petrol have cost £1,508,000, or 16 per cent. of the total expenditure. Other materials and supplies have cost £1,124,000, or 11 per cent. of the total expenditure, and show a fall of £95,000, or 8 per cent., as against the previous year. Altogether these items account for 81 per cent. of the total. The remainder of the expenditure is made up of rates, taxes, compensation, insurance and miscellaneous expenses, and amounts to £1,905,000, or 19 per cent. of the total. This includes certain extraordinary expenditure connected with a programme of overhaul and reconstruction of cars and station equipment necessary to bring them up to a post-war standard. In consequence the amount is not comparable with that of the previous year.

If we summarise the position to-day as compared with the pre-war standard we find that, for the same service given, operating costs have increased on the railways 172 per cent., and on the omnibuses 150 per cent. On the other hand, fares have only advanced some 70 per cent.

Miscellaneous receipts net, being the receipts from advertising, surplus properties, &c., increased from £587,000 in 1921 to £642,000 in 1922, or by £55,000, equivalent to 9½ per cent. The net income, therefore, was £2,977,000, or £317,000 more than a year ago.

DIVIDENDS.

The total distribution by way of dividends upon the ordinary stocks and shares amounts to £902,983, and is equivalent to 4½ per cent., approximately, upon the whole of this capital, as compared with less than 4 per cent. a year ago. This is the best result which has so far been achieved in the record of this group of companies, and is one which gives to your boards considerable satisfaction. When the accounts are finally closed and the dividends paid, £325,000 will be carried forward to next year's

accounts, as compared with £253,000 brought in, an increase of £72,000.

We have come to the conclusion that a forward policy is once more the right policy for the Underground Railways.

A programme of new works is being pushed forward with rapidity. It has been necessary to close the northern half of the City and South London Railway because of the difficulty of the reconstruction work on this section, but while this robs a part of London of its traffic facilities for the moment, it will result in those facilities being restored to a greatly improved standard much more speedily. It is expected that through trains will be running from Moorgate to Hendon by October of this year, and that the portion between Hendon and Edgware will be completed by the close of the year, and the whole programme by the latter part of the following year. I am glad to say that the works have already meant the employment of many thousands of men, and in a very short while the numbers will markedly increase. This is a material contribution towards the relief of the unemployed which we are glad to be able to afford.

When this programme is completed I do not think that we should stop. We have prepared another programme, which is a needful supplement to the first programme, and is embodied in three Bills now before Parliament. It represents a further expenditure of over £8,000,000.

Turning to the omnibuses, the same forward policy has been pursued. The "B" type is disappearing from the streets of London this year. At first it was replaced by the "K" type, seating 46 passengers. This gave place to the "S" type, seating 54 passengers, and now we are building the "N.S." type, which will appear in large numbers on the streets in the spring, and represents, in my opinion, as great an advance on the "S" type as the "S" type represented on the "B" type.

UNFAIR COMPETITION.

The other question of policy upon which I must speak to you relates to the omnibuses, and involves the whole problem of London transport. You may have noticed that after an absence of many years certain odd omnibuses have appeared upon the streets in coats of divers colours. They have entered into competition with the fleet of omnibuses which we have at some pains and no little cost consolidated together out of the crowd of competitors which jostled one another up to 1911. I am no believer in competition in urban transport, but equally I am no believer in a protected monopoly. It seems to be assumed that there is nothing between the two, but surely this is a mistake. The door is always open for new concerns to come in and offer traffic facilities, if the old does not give them on fair terms, but if the old does give them on fair terms, where is the merit in the new? What is needed is some responsible and judicial authority, able to say what is required, stage by stage, for the development of London's traffic facilities, and able to secure these requirements, if not from those already engaged in the business, then from those who are willing to enter in, as they are needed.

Competition is a dangerous weapon. It may seem to offer immediate gains, but they are at the expense of future losses. This is the universal experience. We are willing and have always been willing that some reasonable measure of control should be enforced. We do not seek inordinate profits. We seek no more than a reasonable return upon the capital invested. When we fail let others take our place, but while we are efficient and progressive, do not for the sake of this specious notion of competition let others come in to weaken and prejudice the orderly progress of London's transport.

Fortunately, we are in a strong position to meet any competition. We have ample reserves in the Omnibus Company; the accumulated reserves of all companies which are available now amount to £3,500,000. We have a new and powerful fleet of omnibuses coming upon the streets. Circumstances are favourable to us. But it is regrettable if, instead of being able to give our whole attention, to devote our whole resources to meeting the public requirements, we have to waste a part of them because of these needless competitive services.

The usual resolutions were then put and carried.

BUENOS AYRES AND PACIFIC RAILWAY COMPANY, LIMITED.

ARRANGEMENT WITH GREAT SOUTHERN APPROVED.

An extraordinary general meeting of the Buenos Ayres and Pacific Railway Company, Limited, was held, on the 20th instant, at Winchester House, London, E.C., to consider a resolution approving two agreements made between the company and the Bahia Blanca and North-Western Railway Company and the Buenos Ayres Great Southern Railway Company, and the Buenos Ayres Great Southern Railway and the Bahia Blanca and North-Western Railway Company.

The acting secretary (Mr C. Ellison Rich) having read the notice convening the meeting,

Viscount St Davids, who presided, said that he had seen a statement that the Pacific Company lost £200,000 a year over the Bahia Blanca. The receipts and expenses of the two companies were so mixed up together that it was impossible to say exactly what at any given time the Pacific had made or lost out of the Bahia Blanca. They could only guess the result, and he had no doubt that in bad years they had lost as much as £200,000, but in the present year he would say that the Pacific Company was making a very nice profit out of the lease of the Bahia Blanca line. The position was that, whatever might happen in the Bahia Blanca district itself, the main line, called the Nueva Roma Line, was going to become more and more valuable. In transferring the Bahia Blanca they were transferring a thing over which they had lost money, and might lose money for years, but a thing out of which, if they held on long enough, they would do well. If they did not transfer the line, in bad years they would lose less than at present and in good years would make more. The trouble was that in good years they did not need the profits from the Bahia Blanca, and in bad years the losses from that line were a heavy drag upon them.

ADVANTAGES OF THE DEAL.

As to the advantages of the deal, they lost the chance of losses in bad years, and the capital spent upon that line would be repaid to them. If the deal went through, the Southern Company would take over their interests in certain subsidiary companies, amounting to £119,000, and altogether they would get in cash from the Southern £380,000. If, in addition, that company took their stores, they would get £500,000. Another advantage was that the Southern Company had to pay them a perpetual annuity of £25,000 and a further £25,000 in any year in which the Southern Company paid 6 per cent. on its ordinary stock. His own opinion was that he ventured to regard that as a fairly safe £50,000 annuity.

As to the position of the Southern Company, it was not good business unless both parties made money out of it. The Southern would take over a great many useful assets, and he thought that they would find this company's harbour at Galvan of immense value. They would take over from this company valuable terminals, their market at Bahia Blanca, and other assets, and they would be able to work the system more cheaply than the B.A. and Pacific had been able to work it themselves.

With regard to the position of the Pacific, his last speech in October had been described as optimistic, but he had made it very carefully, and it was moderate. Indeed, in view of recent results, it might almost be called unduly pessimistic. They all knew what the traffic had been, and he was of opinion that good traffics were likely to go on for a long time ahead.

The scheme was unanimously approved.

BUENOS AYRES GREAT SOUTHERN RAILWAY COMPANY, LIMITED.

An extraordinary general meeting of the Buenos Ayres Great Southern Railway Company, Limited, was held on the 20th instant, at River Plate House, London, for the purpose of submitting resolutions authorising the taking over from the Buenos Ayres and Pacific Railway Company, Limited, the working of the railways, port, and other properties of the Bahia Blanca and North-Western Railway Company, Limited.

Sir Albert E. Bowen, Bt., who presided, said there was no question but that the transfer, which was subject to the approval of the Argentine Government, must be of advantage to the country generally. The main traffic carried by the Bahia Blanca system had its natural port for export and import at Bahia Blanca, and this port, the creation of which was due to the Southern Railway, was more and more becoming the centre of the activities of the Southern Railway system.

It was proposed that the "Southern" should step into the shoes of the "Pacific," undertaking their obligations and taking over the whole of the Bahia Blanca Line and its appurtenances, including the port of Galvan, with its moles and elevators, the produce market, waterworks, tramways, and land, and they agreed to pay them an annuity of £25,000, with a further £25,000 in any year when the Southern paid 6 per cent. or more to its ordinary shareholders. The whole transaction could be completed by the Southern without the slightest difficulty out of their own cash resources, and they would not have to ask the stockholders to provide any further capital for the purpose.

With regard to the present position and the prospects of the company for the current financial period, it would have been seen from the published weekly traffic figures that up to the present they were enjoying a satisfactory year. In October last he expressed the hope that, having an average harvest, they would be in a position this year to resume dividends at something like

pre-war rates, and the results up to the present had confirmed his anticipations. Traffic continued good, and the outlook generally might be considered favourable. It was the board's intention to declare an interim dividend of 3 per cent. actual (less tax) on the ordinary stock in respect of the current financial year. The resolutions submitted were passed unanimously.

BAHIA BLANCA AND NORTH-WESTERN RAILWAY. TRANSFER OF LEASE APPROVED.

An extraordinary general meeting of the Bahia Blanca and North-Western Railway Company, Limited, was held, on the 20th instant, at Winchester House, Old Broad street, London, for the purpose of considering and if thought fit passing a resolution approving agreements providing for the transfer of the lease of the undertaking from the Buenos Ayres and Pacific Railway Company, Limited, to the Buenos Ayres Great Southern Railway Company, Limited. Viscount St Davids, P.C. (the chairman of the company), presided, and, in moving the resolution, said that the Bahia Blanca line was leased to the "Pacific" some 18 years ago, during the whole of which time the guarantee had been duly paid. The position as far as it could be made out was that in two or three years the "Pacific" had made money out of the Bahia Blanca, but, in the overwhelming majority of the 18 years the Pacific had lost money, and in some years those losses had been heavy. Prospects were now getting brighter, and in this particular year his opinion was that the "Pacific" was making a substantial sum of money, because there was the biggest crop on the Bahia Blanca line that there had ever been within their recollection. It was at this particular moment that the "Southern" had come along offering to take a transfer of the lease, and to pay an annuity to the "Pacific" for agreeing to the transfer of the line. It had been suggested that that annuity should be paid to the Bahia Blanca, but for several years, while the Bahia Blanca had been having their guaranteed dividend regularly at the expense of the "Pacific," the latter had paid no dividend on its ordinary stock. The "Pacific" had borne the burden and heat of the day, and it was only reasonable if something was being paid as compensation when such a proposal was made that the "Pacific" should get it. In any case, the Bahia Blanca was leased to the "Pacific" in perpetuity, and they would not dream of giving up the lease unless they received this payment. Comparing the current prices for the various Bahia Blanca

stocks with those of the day before the notice was sent out stating that negotiations had been opened, the Chairman said it was clear that the Stock Exchange attached a greater value to the "Southern" guarantee than to that of the "Pacific," and it seemed that the great bulk of the stockholders were of the same opinion.

Mr J. A. Goudge seconded the motion, which was carried unanimously, and the transfer was also approved at the meeting of the first debenture stockholders.

In the absence of a quorum, the meeting of the second debenture stockholders was adjourned to a date to be fixed.

THE SCOTTISH LIFE ASSURANCE COMPANY, LIMITED. INTERMEDIATE BONUS DOUBLED.

The annual meeting of the Scottish Life Assurance Company, Limited, was held on the 20th instant, in Edinburgh, the Duke of Atholl, K.T., D.S.O., presiding.

The Chairman said that the figures for 1922, like those of 1921, disclosed a state of prosperity which made some amends for the trying years which they, in common with other life offices had to pass through as the result of the war. During 1922 the new assurances amounted to £834,000, of which £124,000 was reassured, leaving a net new business of £710,000. The net life premium income was £365,000, showing the substantial increase of £19,000. The interest on the funds, after deducting income-tax, exceeded £151,000, showing a yield of £4 12s 2d per cent., being the largest rate yet attained by them. Although this figure might not convey much to the public, it was extremely significant to the insurance expert. The reason was that their actuarial valuation was based on the assumption that the funds earned a net rate of £3 per cent., and consequently all that was earned above that rate was profit.

FAVOURABLE MORTALITY EXPERIENCE.

The claims by death showed a ratio of actual to expected of only 53 per cent.; in other words, the claims came to little more than one-half of the amount expected under the mortality tables employed by the company. The directors were more concerned with the quality than with the quantity of the business which they transacted, and the record of the company's mortality experience showed the excellence of the business done. The ratio of expenses (including commission) to premium income was 15.16 per cent.,

being a reduction of nearly ½ per cent. The life funds had increased to £3,502,000 by the addition of £263,000, which was a record increase. The present market value of the investments of the company was largely in excess of the total which appeared in the balance-sheet.

A HOPEFUL OUTLOOK.

Theirs was a life company; it specialised in life assurance; it had always been its aim to do everything it could for the welfare of its policy-holders; of this it had given ample evidence in the past. It gave more to-day because, owing to the present strength of the office reserves, and to the steadily accumulating surplus of the company, the directors had decided to increase the rate of the intermediate or prospective bonus on full-profits policies from £1 per cent. to £2 per cent. in respect of each of the remaining three years of the current quinquennium. The war had seriously affected two quinquennial valuations, but notwithstanding this, on each occasion they declared a bonus, although it was restricted to £1 per cent.; and now the time had come when the directors considered that an increase in the intermediate bonus was an equitable arrangement for their policy-holders, in view of the improved prospects of a return at next valuation to the £2 per cent. declared bonus which was so creditable a feature of the company for a period of 30 years prior to the war. It would be understood that the directors could give no guarantee that the declared bonus at next valuation would be £2 per cent. because unforeseen events might arise, but the present position gave a most hopeful outlook. He felt sure that this decision would be welcomed as fresh evidence that the interests of the policy-holders were always the first concern of the directors.

Sir John M. Clark, Bart., the chairman of the board of directors, seconded the adoption of the report, which was unanimously carried, and a dividend of 15 per cent., less tax, was declared.

NATIONAL PROVIDENT INSTITUTION.

SATISFACTORY YEAR—PREMIUM INCOME INCREASE.

The eighty-seventh annual meeting of the National Provident Institution for Mutual Life Assurance was held, on the 23rd instant, at the Cannon street Hotel, London.

The Hon. Vicary Gibbs, who presided, said that the figures of the new business transacted during the year compared favourably with those of the previous year. The new sums assured amounted to £1,072,343, against £897,445, and the new annual premiums £42,594, against £38,369, and there was also an increase of £10,000 in the amount of single premiums. He thought that those increases must have been partly due, at all events, to the favourable bonus forecast that he had been able to make last year. There had been some substantial decline in their expense ratio. Last year he had recorded a fall from £13 13s per cent. of the premium receipts to £13 10s 6d per cent. This year the percentage was only £12 17s 6d.

The general progress of the institution was also proved to have been steadily in the right direction, by the increase of £22,000 in the premium income, £24,000 in the gross interest income, and by the addition of £185,000 to the assurance fund. The net interest income had increased from £316,000 to £352,000, and the latter amount represented a net rate of interest earned by the fund, invested and uninvested, of £4 11s 5d per cent. That was the highest net rate of interest ever recorded in the history of the institution.

With regard to the quinquennial report, the figures furnished evidence of the steady growth of the institution during that period. The actuary's report disclosed a surplus of £1,077,159, of which sum it had been decided to divide £914,542, leaving £162,607 to be carried forward. The sum divided was sufficient to provide bonuses at the full pre-war rate. For the whole life policyholders they had added to the ordinary flat rate of a simple reversionary bonus a further bonus, commencing after the lives had survived the expectation of life for their age at entry, gradually increasing that flat rate bonus of £2 per cent. per annum up to £3 per cent. That method of distribution, as far as they knew, had not been adopted by any other office.

As regarded the endowment assurance policyholders, the institution had always been famed for the liberal bonuses given to that section, and the full pre-war rates had again been declared. As from November 20th last, interim bonuses would be paid on death claims, irrespective of the form in which profit had been previously taken, at the full rate of reversionary bonus last declared. The report and accounts were unanimously adopted.

CHAMBER OF SHIPPING OF THE UNITED KINGDOM. INTERDEPENDENCY OF NATIONS.

The forty-sixth annual general meeting of the Chamber of Shipping of the United Kingdom was held on the 22nd instant, at Leathersellers' Hall, London.

In the course of his presidential address, Sir Ernest Glover said that it had been a year of successive disappointments, and although last autumn there was a ray of light, hope waned as winter progressed and the outlook was now much less promising than it appeared to be three or four months ago. The political situation on the Continent had been a strong factor in arresting the commercial and economic development which was essential to the shipping industry. Before there could be lasting improvement in the industry the laid-up tonnage of shipping must be absorbed; and the first step must be to get a larger tonnage at work without further depressing freights. There was reason to see that some progress had been made towards absorption of the surplus British tonnage.

Having referred to the problems of reparations and the exchanges, the President said that satisfactory conditions in international trade could not return until exchange was established. Steady trade would suit this country better than the receipt without payment of large quantities of goods from Germany, and if it could be established that the payment of reparations and the payment of our allied debts to us involved the continuance of exchange difficulties and the prevention of the resumption of normal trade it would be a strong argument in favour of dropping reparations and inter-allied debt altogether. Economically all nations were increasingly interdependent, but the tendency of political groups had been to deny free play to the natural development of economic interests. Political aspirations based on racial grouping must make allowance for economic needs, or the world would be faced with the danger of disruption. The growing ramifications of political and racial interests must march step by step with the development of the economic interdependence of the world.

Referring to Government interference with trade and shipping, the President observed that the Shipping Subsidy Bill of the United States, if passed, must lead to rising prices in America for all imports, while the American exporter would lose the benefit of the open freight market, involving higher charges on his shipment. Thus the result, whilst clearly disadvantageous to other countries, might well prove to be of very doubtful advantage to America. In British Dominions similar action was being taken at a time when Great Britain was urged to obtain her supplies of grain as far as possible from within the Empire; but Australia must realise that to further her trade with the world she must remove difficulties of transport, not increase them. India was seeking to follow the example of Australia.

On the subject of unemployment the President emphasised the desirability of making seamen's employment more continuous, with advantage to the men and to shipowners. Wages were still much above pre-war level, while freights tended to approximate to pre-war level or less. Much British tonnage now laid up might be brought into service if expenses were lower, and to do this and so reduce unemployment a further reduction of wages might be necessary. Negotiations to that end would be easier if reduction were coupled with some arrangement whereby practical continuity of work could be relied upon.

In the course of the proceedings the report and accounts were adopted, on the proposition of Sir Frederick W. Lewis, Bart., the retiring president, seconded by Sir Ernest W. Glover, Bart.

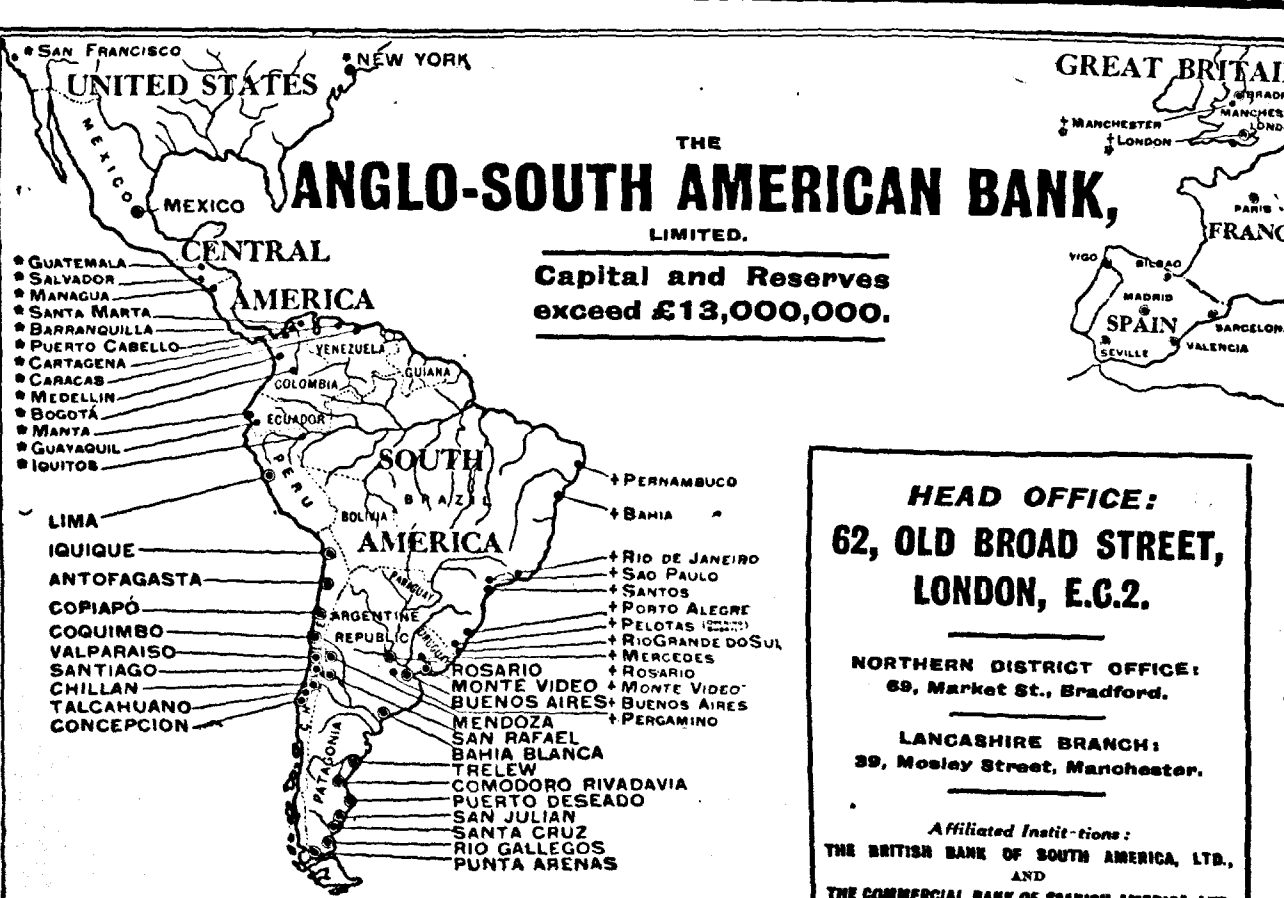
Sir Ernest W. Glover was unanimously appointed president for the ensuing year, and Sir Alan G. Anderson, K.B.E., was elected vice-president.

Sir William H. Raeburn, M.P., proposed a resolution expressing satisfaction with the efforts successfully made during the past year by all parties concerned to restore trade by reducing operations and working expenses, and calling attention to the fact that such reductions would only bear fruit in a revival of trade prosperity and consequent increase of employment if they were followed up during the present year by further substantial reductions in all charges incident to overseas transport.

The resolution was carried unanimously. The Hon. Alexander Shaw, M.P., then proposed a motion expressing the satisfaction of the Chamber at the favourable recognition accorded by Parliament to the proposal for mutual exemption as between all countries of profits of shipping from foreign taxation, and urging the importance of translating such recognition into definite legislation. His resolution also drew attention to the unsound and inequitable methods of taxation employed by certain Dominion Governments.

The resolution was carried unanimously, as was a further resolution, proposed by Sir Kenneth Anderson, Bart., K.C.M.G., advocating a well-considered joint effort at Empire settlement.

The proceedings terminated with a vote of thanks to the president.



THE ANGLO-SOUTH AMERICAN BANK, LIMITED.

Capital and Reserves exceed £13,000,000.

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

NORTHERN DISTRICT OFFICE:
69, Market St., Bradford.

LANCASHIRE BRANCH:
39, Mosley Street, Manchester.

Affiliated Institutions:
THE BRITISH BANK OF SOUTH AMERICA, LTD.,
AND
THE COMMERCIAL BANK OF SPANISH AMERICA, LTD.

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

RAILWAY DEBENTURE AND GENERAL TRUST COMPANY, LIMITED.

APPRECIATION OF INVESTMENTS.

The fiftieth ordinary general meeting of the Railway Debenture and General Trust Company, Limited, was held, on the 22nd instant, at the Cannon street Hotel, London, Sir Vesey Holt, K.B.E. (the chairman) presiding.

The Chairman, in moving the adoption of the report and accounts, said: A valuation has been made upon a similar basis to that adopted last year, and the results show an all-round improvement. You will recollect that last year we reported that there was a depreciation of 8 per cent. on the amount at which the investments stand in the balance sheet, after taking into account the amount of the reserve. The values of our holdings have improved by about 10 per cent., and we are therefore glad to be able to report that the ordinary stock is now fully represented by assets.

One of the ordinary shareholders has made a comparison between the revenue account for the year ended January, 1914, the last pre-war year, and the present year, and in his comparison he shows that the book value of the investments has fallen from £2,340,000 to £2,276,000, and that the gross income has only risen by the small sum of £140—namely, from £119,487 to £119,622. In case any other shareholder might extract the same figures from the accounts, and as interest rates are still higher than they were in 1914, draw the inference that the company has not progressed, I think it well to state that it is not correct to compare the gross income for these two periods if you want a true comparison, as the amount of capital employed in the business has been reduced by the paying off of the debenture debt.

Owing to the continuance of the corporation profits tax, which forms such an unjust burden, falling as it does wholly upon the ordinary stockholders, we still continue to show our revenue account in two parts, and for that reason comparison is made difficult. If you will add together the items of revenue shown in the two accounts, you will find that our gross revenue from investments shows a small increase, despite the fact that we have reduced the debenture issues during the year by a sum of £37,059, and the charge for debenture interest is £1,300 down. After payment of expenses, and writing off the difference between par and the issue price of debentures, and making other provisions, the net revenue is about £1,500 higher at £39,161. After transferring £7,122 to the reserve account and paying the fixed dividend of 4½ per cent. upon the £500,100 preference stock outstanding, we recommend a dividend at the rate of 6 per cent. per annum upon the ordinary stock, carrying forward £13,717.

The report and accounts were unanimously adopted.

RAILWAY SHARE TRUST AND AGENCY COMPANY, LIMITED.

COMPANY'S REVENUE-EARNING CAPACITY.

The thirty-fourth ordinary general meeting of the Railway Share Trust and Agency Company, Limited, was held, on the 22nd instant, at the Cannon street Hotel, London, Sir Vesey Holt, K.B.E. (the chairman), presiding.

The Chairman, in moving the adoption of the report and accounts, said: The investments in this company have always been of a different character from those of the sister company, whose meeting we have just held, and the return on its securities is of a more fluctuating character than would obtain if a larger proportion of its holdings was in fixed interest-bearing securities. We have not escaped the effects of the trade depression, and the revenue this year shows a fall of about £3,000 compared with the previous year; but when I tell you that our total number of investments is 260, and that this fall has been occasioned by the passing of dividends which had been received in the previous year on eighteen holdings, and of these eighteen holdings that the reductions on two of them amount to £2,700, I think you will agree that the revenue-earning capacity of the company is one that can be relied upon, despite the fact that it holds a large number of junior securities.

After payment of expenses and interest upon debenture stock we are enabled to transfer £3,196 8s 1d to the reserve account, and after payment of the 7½ per cent. fixed dividend upon the preference stock to recommend a dividend for the year on the ordinary stock amounting to 5 per cent.

The company has to pay an exceptionally high rate of interest upon its "B" preference stock, which is very nearly half the share capital of the company, and to lessen this handicap you agreed in 1913 to an alteration of the articles of association authorising the directors to issue 4½ per cent. first debenture stock up to an amount of £400,000. Out of that sum, as you will see by the balance-sheet, only £254,426 has been issued. Since the close of the accounts now before you the directors received an offer for the balance of the stock which they considered desirable to accept, and consequently they have agreed to issue £145,574 4½ per

cent. debenture stock, thus completing the total amount of stock which the shareholders authorised, unless, of course, more share capital is issued.

A valuation of the investments has been made on the usual basis, and shows that the reserve account is more than sufficient to take care of any depreciation that exists, and consequently we are pleased to inform you that your capital is intact.

Mr R. S. Guinness seconded the resolution, which was duly carried.

WINTERBOTHAM, STRACHAN, AND PLAYNE, LIMITED.

COMPANY'S STRONG POSITION.

The third ordinary general meeting of Winterbotham, Strachan and Playne, Limited, was held, on the 23rd instant, at the registered office of the company, 7 Argyll street, London. Mr Herbert B. Winterbotham presided.

The secretary (Mr Ernest B. Barrett) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said that it would require the optimism of a Mark Tapley to discover on the stormy and uncharted seas they were now navigating any near prospect of a rapid return to those conditions of peace, goodwill, and confidence for which traders had so long and wistfully yearned. Europe and the Near East continued to exert a disturbing influence inimical to the resumption of the world's commerce, but elsewhere the past year had witnessed a gradual and general revival in trade and in economic conditions. There had undoubtedly been some clearing up of the difficulties which had faced businesses last year. Old stocks had been liquidated, wages adjusted, and a competitive basis of prices established, but a satisfactory credit situation could not be reached, nor more activity than mere "marking time" be accomplished until an acceptable solution of the Reparations question be found.

PROBLEM OF UNEMPLOYMENT.

Unemployment, though less than in 1921, was the most vital problem with which the country was faced, and the exceptionally high figure of one man unemployed in every five skilled men was one which indicated how severe the depression had been, and how the general lack of buying power arose. That loss of effective purchasing power was bound to be felt by all trades, and presented a serious obstacle to the resumption of the full production, without which there could be no cure for unemployment. The prolonged period of depression had decreased the normal number of learners entering the woollen trade, and that shortage undoubtedly left them with the risk in the future of an insufficiency of skilled hands, which it would be impossible to make up at short notice.

The mills had been well employed during the year, and the relationship with labour had been cordial, and he would like to emphasise the advantage and benefit their West of England Woollen Industrial Council had been to the trade. It had again worked admirably. The 12 months' trading with which they were dealing had seen the Bank rate fall from 5½ per cent. to 3 per cent.; income-tax reduced from 6s to 5s; a General Election; but above all, excess profits duty had gone to its last rest, and they hoped that the Chancellor might be enabled to abolish the corporation profits tax this year.

The old merino stocks, which last year were 700,000 bales, and had hung like a thunder-cloud over the trade, had practically already disappeared, and they were, except for the small quantity of the last clip, still unsold, actually on the sheep's backs for supplies, and any buying movement must reach the manufacturer quickly. The position of manufacturers and merchants of piece goods still remained the least satisfactory feature in the woollen trade, the revival having not yet extended beyond the spinner and topmaker, and in those circumstances it was perhaps not remarkable that advanced values of wools and yarns were being strongly resisted. The statistical strength of the wool position pointed to the correctness of Sir Arthur Goldfinch's forecast of the wool market made last autumn, that "whoever sold last would sell best." The manufacturers, however, would feel greater confidence were the price of wool governed more from their end of the trade.

IMPROVED PROSPECTS.

The past year had been an anxious one, bristling with difficulties, and, in times such as these, the directors considered the results shown highly satisfactory. Though not yet out of the wood, the woollen industry had shown great recuperative powers, and, provided no fresh crisis arose, might be considered to have turned the corner. It must be remembered that the company was a shareholding company, and derived its profit from the dividends received and paid by its associated companies. To provide the sum of £46,062 profit for the year, it had been necessary for the associated companies to set aside, with the addition of the income-tax and Corporation Profits Tax on the amount, the sum of £84,831. In addition £33,241 had been written off as

depreciation, whilst the total reserves of those companies amounted to £56,292, and a further sum of £5,458 had been expended in additions and improvements.

A summary of the combined assets and liabilities of the associated companies showed that the surplus assets acquired by the company for £467,285 stood at November 30th last, after deduction of all liabilities, at the sum of £553,737, an increase of assets of £16,109 over those of last year. After deducting the dividend declared by the associated companies and payable to this company, there remained an excess of assets over liabilities of £553,737. If to that they added the advances to associated companies and interest, and the amount of cash at bank and in hand, the company's holding in War Loan, and excluded altogether from the assets any amount for preliminary expenses, it would be seen the assets totalled £662,210. If from that figure be deducted creditors and the amount distributed in dividends to date, it would be seen the sum of £623,569 remained as representing the £550,000 issued capital.

The report and accounts were adopted, and a dividend of 10 per cent., less tax, was declared on the ordinary shares.

PEKIN SYNDICATE, LIMITED.

REORGANISATION OF BANK INDUSTRIELLE.

RESULT OF NEGOTIATIONS.

The ordinary general meeting of the Pekin Syndicate, Limited, was held, on the 19th instant, at the Cannon street Hotel, London, Colonel Brinsley J. H. FitzGerald, C.B. (the chairman), presiding.

The Chairman said that the receipts for the year ended June 30th last were £24,067, as compared with £37,977, the decrease being due mainly to the loss of interest on cash balances with the Banque Industrielle de Chine through the suspension of that bank on June 30, 1921. The balance of expenditure over receipts amounted to £11,048, to which must be added the amount of £6,054 reserved against debtors and £3,453 reserved against shares in other companies, making a total debit balance of £20,555. This, together with the debit balance of £45,819, being difference in exchange in respect of the adjustment of the floating assets and liabilities in China and Paris, was carried to the balance-sheet, and deducted from the credit balance of £521,669 on profit and loss account. The economies from the rearrangement in administration in London, Paris, and China, referred to by the managing director at the last meeting, had been carried out, the reduction in expenditure being about £10,000 a year, but the full effect of this saving would not be seen until the next accounts were presented. The necessary arrangements had been made to issue a colliery profit and loss account in respect of the financial year ending June 30, 1923, which the directors had every reason to believe would be satisfactory.

With regard to the balance-sheet, the liability on capital uncalled on shares has been reduced from £105,531 to £10,625. This decrease is due to the amount of the liability of 250 frs. per share on our share holding in the Banque Industrielle de Chine, which has been called up, being added to the cost of our shares in that bank; the present amount of £10,625 represents the syndicate's liability on its share holding in the Chinese Central Railways, Limited.

After dealing with the other items in the balance-sheet, the Chairman said: With regard to the Tientsin Wharf and Godown Company, Limited, in which we hold a controlling interest, although their operations, in common with those of other firms in China, were restricted owing to conditions being far from normal, the results, in respect of their financial year ended June 30, 1922, were satisfactory, a dividend of 8 per cent. being paid on the shares.

Referring to the coal mines, I wish to emphasise the fact that the difficulties of transport have been, and are still, very serious. This alone is responsible for the very limited tonnage of coal sold, and, as you will readily understand, the larger the output the bigger is the profit per ton. Notwithstanding these difficulties, I am glad to be in a position to inform you that the latest telegram from Mr Kenrick, the managing director, reports a very satisfactory profit for the seven months ended January 31st.

In connection with our agency for the Yang-Tse Corporation, Mr Barson, before leaving China, visited Szechuan, and started negotiations in reference to the concession. Since then these negotiations have been carried on by Mr Kenrick, and we are hopeful that something satisfactory may result.

BANQUE INDUSTRIELLE.

As to the contingent liability of 12,500,000f mentioned in the balance-sheet, this is a very delicate matter, but I have made up my mind to tell the shareholders the whole of the facts connected with this unfortunate transaction. When the Banque Industrielle began to get into difficulties certain bankers came forward to prevent a failure, and large advances were made on the condition that everything available should be pledged to the lenders by the Banque Industrielle. Your company, at that time, had approximately 12,000,000f on deposit with the bank. M.

André Berthelot was then your managing director, and also president of the bank, and in order to provide additional security to the lenders he endorsed accommodation notes on behalf of your company in favour of the bank amounting to 12,500,000f. He did this without consulting or informing your board. In 1915 a resolution had been passed by your board to the effect that all endorsements must bear the counter-signature of the secretary, and notification of this resolution was sent to and acknowledged by the Banque Industrielle. Acting under legal advice, your board repudiated any liability on these bills. The case, however, came up for trial, and judgment was given against your company in the Lower Court in Paris. We, of course, decided to appeal, and, if necessary, carry the latter to the Court de Cassation, but litigation would have lasted a long time, and, what was for us far more serious, litigation might have seriously interfered with the reconstruction of the Banque Industrielle, in which your company has such a large interest.

THE AGREEMENT.

Here was the position: (1) Your company were liable for a call on Banque Industrielle shares amounting, roughly, to a sum of £83,000. (2) A very large proportion of your cash resources was on deposit with the Banque Industrielle, and on this money an embargo had been placed in connection with the judgment already referred to. (3) Without reconstruction your shares in the bank were valueless. Confronted with this position, your board left it to me to see what could be done by negotiations. An agreement was arrived at between the institution which had got judgment against us, the Réglement Transactionnel (acting for the Banque Industrielle), and the Pekin Syndicate, by which the judgment for 12,500,000f against us was withdrawn, in so far as this debt has, in the first instance, to be repaid out of proceeds derived from Bons de Repartition, which are to be given as security by the Banque Industrielle, and your company will only be liable for any balance which may remain due after a period of ten years. The market value of the shares mentioned in your directors' report as being extra security deposited for repayment of the 12,500,000f is at present about 4,000,000f. As to the calls payable on Banque Industrielle shares held by your company, I was able to make arrangements to meet these calls, and in the opinion of your board these are quite satisfactory.

THE RECONSTRUCTED BANK.

The reconstructed Banque Industrielle is to be managed by a Société Française de Gérance, consisting of a group of some of the most powerful banks in France, at the head of which is the Banque de Paris, and of representatives of the Chinese Government. This society will receive for management 5 per cent. of the profits after making certain reservations. The remaining 95 per cent. will go to the Banque Industrielle, which will issue to its creditors Bons de Repartition for the exact amount of its debts. Out of the 95 per cent. of the profits and the gradual realisation of assets, it is hoped that the annual distribution to the holders of these Bons de Repartition will wipe out the debt for which they have been apportioned within 25 years. You will be able to appreciate that it is quite impossible for your directors to fix any value on these bonds. Their value is entirely dependent on the business of the reconstructed bank, and in this connection it will interest you to know that six branches of the bank have already been reopened, and on the 26th of this month four more branches will be reopened. My information convinces me that, at any rate, at two of the branches already reopened the business being done is most satisfactory.

Turning again to the balance-sheet for one moment, and to the figure under Banque Industrielle of £429,637, I think the note sufficiently explains why this figure is allowed to stand, but I would like to say that it would have been far more in accordance with the wishes of the board had they been able to fix a proper value on these assets. I think that at our last general meeting I threw out a pretty clear hint that it was quite possible we might lose everything that we had invested in the Banque Industrielle. All I can now say is that the losses incurred are almost certain to be very heavy, but the position might have been far worse. This whole situation was brought about by the control of your company having gone into the hands of a group whose interests in the Banque Industrielle were so large that they overshadowed their interests in this company. At present this state of things is altered, but I want to take this opportunity of stating that, so long as I have the honour to be one of your directors, if any attempt is made, either directly or indirectly, to revert to the old order of things I shall at once appeal to the body of the shareholders, and leave the issue in their hands.

THE CHAIRMANSHIP.

I should like to say a few words about the chairmanship of your company. It will have been quite obvious to you that, owing to the uncertainty of our position, it would have been impossible to secure a chairman such as I had hoped we could get when I last addressed you, but I am still of the opinion that it would be in your interests to have a chairman who is closely associated with

one or other of the big banks, and I am hoping that before long the sky may clear sufficiently to enable us to secure such an alliance.

Mr Birn asked whether the chairman could enlighten the shareholders as to the nature of the negotiations which were being conducted by the syndicate on behalf of the Yang-Tse Corporation, and also whether the option on a certain number of shares in that corporation had been exercised.

The Chairman, in reply, said that the Pekin Syndicate were only agents for the Yang-Tse Corporation. He understood that that corporation would hold a meeting very shortly, and he had no doubt that their chairman would then deal with the question of the negotiations. The answer to the second question was: "No, we have not subscribed for the shares to which we have the right to subscribe, and I see no reason to exercise our option till near the end of the time, unless by doing so we can be of assistance to the Yang-Tse Corporation by providing them with funds. The work we are doing is with the object of being closely associated with them in what we hope may develop into a big business."

The report and accounts were unanimously adopted.

IMPERIAL TOBACCO COMPANY (OF GREAT BRITAIN AND IRELAND), LIMITED.

SATISFACTORY RESULTS—INCREASED PROFIT.

COMPANY'S COMING OF AGE.

The annual meeting of the Imperial Tobacco Company (of Great Britain and Ireland), Limited, was held, on the 20th instant, at Bedford, Bristol, Mr George A. Wills (chairman) presiding.

The Chairman, in moving the adoption of the report and accounts, said: You will have seen that we record in our report the names of three directors of the company who died during the year under review. Mr E. S. Carlton's death occurred just before our last annual general meeting, and when I addressed you a year ago I made reference to his great services to the company and the loss which his sudden death had been to us. The other two names are those of Mr H. H. Wills and Mr R. Dalton, both of whom were well known to you. Mr H. H. Wills was an active leader in the tobacco industry before this company was formed, and he took a very prominent part in the events which led to its formation. He was a man of vision and of unbounded energy, the fruits of which are to be seen not only in our own business at home, but also in the worldwide export business which is now carried on in our brands by companies associated with us. In this export business he was a pioneer, and for many years a moving spirit. Of his public work in his native city this is perhaps hardly the place to speak, but many of you are aware of the devotion with which he laboured, almost to the day of his death, to perfect in every detail the schemes which he had conceived for the benefit of his fellow-citizens and their posterity.

Mr R. Dalton, whose death we also have to record with deep regret, was the managing director of the Mardon, Son, and Hall branch of the company. Our printing branch is of vital importance to our business, and it has been largely due to Mr Dalton's outstanding ability and foresight that that branch has never failed to meet the increasing calls which have been made upon it. Throughout a long business career he never spared himself, and he died, as I think would have been his wish, in harness.

BALANCE-SHEET ITEMS.

Turning now to the balance-sheet, you will observe that on the credit side the total assets of the company at October 31st last amounted to £64,448,980, an addition of about £1,069,000 to the corresponding total at October 31, 1921. The first item of land, buildings, plant, and machinery has been reduced by £23,803, as, although additions have been made to the various assets, the depreciation provided during the year has exceeded these additions. As usual, depreciation of buildings and plant has been provided for in the accounts at normal rates, and, in addition, we have written off out of profits a sum of £500,000 in reduction of buildings, having regard to the high costs of buildings erected during and after the war period. Goodwill and patent rights remain unchanged at their book figure.

The investments in associated companies stated at cost, or below cost in those cases where depreciation has taken place, stand at £6,017,612—an increase during the year of £479,204. As stated in the balance-sheet, the aggregate market value of investments in associated companies is largely in excess of the book figure. Stock-in-trade stands at a net figure of £31,008,850, as compared with £32,721,906 in the previous year's balance-sheet—a decrease of £1,713,056. Payments on account of leaf in transit, &c., stand at £1,246,673, as compared with £1,004,736 for the previous year—an increase of £241,937. This item is necessarily a fluctuating one. Debtors amount to £5,860,413, and show a decrease of £282,100. Investments in Government and other stocks, valued at prices ruling on October 31, 1922, stand at £1,019,416—an

increase of £173,749, due to appreciation in value since October, 1921. Corporation loans, which amounted to £200,000 in October, 1921, have been repaid during the year under review. Cash at bankers and in hand (£4,716,365) has increased by £1,493,068.

LIABILITIES.

Turning to the liabilities side of the balance-sheet, you will notice that the issued capital of the company remains at £35,330,594—the same as last year. Creditors, including provision for taxation, bonus to customers, estimated capital liability under dividend guarantees, employers' liability, marine and other funds, have increased by £595,514, as compared with last year.

The provision for pensions, &c., £1,610,362, has increased by £199,995. This increase is made up of £200,000 which we have transferred from the profit and loss account less £5, being the difference between the pensions paid during the year and the year's interest upon the fund. The premium of £1 per share received on the issue of ordinary shares in April, 1920, remains at £5,595,446. In this year's balance-sheet you will notice we have grouped this premium with the general reserve account, the two items, together with a sum of £225,677 transferred from the profit and loss account, making up a round figure of £12,000,000.

PROFIT AND ALLOCATIONS.

I will now turn to the profit and loss account. The net trading profit for the year, including a large sum derived from dividends on investments in companies operating abroad, and after fully providing for all charges, including income-tax and corporation profits tax and bonus to customers, amounted to £7,109,076, as compared with £6,927,641 for the previous year. On the debit side of the profit and loss account are charged the items of "provision for pensions," "amount written off freehold buildings," and "transfer to general reserve," to which I have already referred, leaving a balance of profit for the year of £6,273,399 18s 3d.

In the appropriation account you will notice that the profit for the year, added to the balance of undivided profit from the previous year (less bonus to customers paid thereout), gives an amount of profit to be dealt with of £6,477,000 15s 11d. Out of this sum the dividends upon the preference capital have been, or will be, paid—that is to say, 5½ per cent. upon the "A" cumulative preference shares, 6 per cent. upon the "B" non-cumulative preference shares, and 10 per cent. upon the "C" non-cumulative preference shares. Upon the ordinary shares an interim dividend of 7½ per cent. was paid, free of income-tax, on September 1, 1922, and it is now proposed to declare a final dividend of 7½ per cent. and a bonus of 1s 6d per share, both free of income-tax. After providing for these dividends, there will remain a balance of £568,444 2s 1d to be carried forward.

I think I may say that the results of this year's trading are very satisfactory, when we remember that the country is still passing through a period of trade depression and consequent shortage of employment. The duty on tobacco still remains at the high war figure of 8s 2d per lb, and it is for the Chancellor of the Exchequer to consider whether such a rate can long be maintained without detriment to the revenue and to the public interest.

GIFT TO STAFF AND WORKPEOPLE.

As you are aware, we have thought it well for a number of years past to mark our appreciation of the loyal and willing service of our employees, both at home and abroad, by a gift over and above the ordinary salary or wage. This policy has always received the hearty approbation of the shareholders, and it has undoubtedly tended to enhance the good feeling which has existed among our employees.

Since the war this country has passed through difficult times, and the industrial community has had to face problems certainly as complex as any which existed in the years before the war. We have seen an abnormal boom followed as a natural consequence by abnormal depression. These opposite conditions are almost equally hostile to the sound state of trade which we all desire, and which demands stability as its first condition. Looking back over these last five years of disturbed economic conditions, we find no little cause for gratification in the fact that throughout that period the harmony of the company's relations with its workpeople has been unbroken, and we have to-day as loyal a body of employees as exists anywhere. It gives me, therefore, the greatest pleasure to be able to tell you that the board have again decided to make a gift to staff and workpeople in respect of the financial year under review. Under this gift each person who has been in receipt of a salary or wage from the company during the 12 months, or any lesser period, ended October 31, 1922, and who still remains in the service of the company to-day, will receive a sum equivalent to 15 per cent. of the salary or wage received by him or her during the said 12 months or lesser period. The general conditions of the gift will be the same as in past years, the directors reserving to themselves a discretion to grant or withhold a share in the gift in any case which may appear to them to demand exceptional treatment.

THE COMPANY'S COMING-OF-AGE.

I think that is all that I need say in connection with the year's trading, and our proposals for dealing with its results, but before I put the formal resolutions to the meeting I should like to say a few words of a more general nature. I feel that our meeting to-day marks something more than another completed year in the life of the company. Meetings, like birthdays, are not all equally noteworthy, and when, like birthdays, they recur with unfailing regularity every 12 months, one is apt sometimes to be a little at a loss to find some distinguishing point of interest. To-day, however, is our twenty-first annual general meeting, and I, for one, am old enough to take a parental pride in the coming of age of our company. I recall its birth at a time of some anxiety for the tobacco trade in this country; I recall also our hopes that it would prove a worthy heir of the long traditions of honourable trading built up by its forerunners. Looking back now over the twenty-one years of the company's minority, I am thankful to be able to say that it has been a period of sure and steady growth, and that, as the company has attained a more and more prominent place in the trading community, so it has gathered increasing strength to sustain the responsibilities which such a position involves. I can ask for no better or more encouraging record.

The resolution was carried unanimously, and the formal business having been transacted, a vote of thanks to the chairman terminated the proceedings.

S.T.D. MOTORS, LIMITED.

POSITION AND PROSPECTS.

The seventeenth annual ordinary general meeting of shareholders of S.T.D. Motors, Limited (formerly A. Darracq and Co. (1905), Limited), was held, on the 20th instant, at Winchester House, London.

Mr James Todd, J.P., F.C.A. (chairman of the company), presided.

The Chairman moved the adoption of the report and accounts. He said that a year ago the board had every reason to look forward to being able to submit a satisfactory result at the end of the then current year. It was unnecessary to dwell on the almost universal trade depression which continued throughout the year 1922. The continual fall in market values of stocks all over the world had had an important bearing on the trading results now submitted. This fall in market value made it inevitable that the concerns having the largest productive capacity and carrying the largest stocks must, as a consequence, be the worst sufferers. The directors had dealt drastically with the various stocks, feeling that this policy was much more in the true interests of the shareholders. Another factor, only secondary in importance to the depreciation of stocks, was the regrettable lock-out in the engineering industry which occurred at the very height of the company's selling season.

With one exception, the few companies who had shown trading profits were confined to the small car production. It was impossible immediately to adapt the works to small car production, but gradually the difficulty had been overcome, and two of their principal works were now almost entirely engaged on the manufacture of small cars, with satisfactory results. It was the board's intention further to extend their programme in this direction, and they were fully conscious of the ever-increasing demand for the small efficient motor-car appealing to purchasers of moderate means.

WORKS AT SURESNES.

Dealing with the works at Suresnes, in France, the Chairman said that two years ago the directors decided that a very thorough reorganisation of the works and redesigning of the cars made in France were necessary to meet the present-day competition. This had been done, and although it had proved a very expensive process, the result was an unqualified success. For the first time in the history of the Darracq Company in France, they were in the position of being able to dispose of the larger part of their production in that country. In the past the larger part of the production of the French works had been sent over to this country.

With regard to the Sunbeam Company, it had not been found necessary as yet to enter into the small car production at these works. The company owned in the Sunbeam Company a name which was certainly one of the first in the motor industry. The sales since the making up of the last balance-sheet were in excess of those of the previous year, and the board saw no reason to alter, at the present time, the Sunbeam programme.

RACING AND EXPERIMENTAL WORK.

There was an important question which several of the shareholders had mentioned to him from time to time, and that was the subject of racing and experimental work generally. A year ago they were hopeful of securing a very large business in aviation motors from the French Government, as the aviation motor

designed by Mr Louis Coatalen at Suresnes was the first motor to emerge successfully from the 50-hours' test by the French Technical Authorities. Although, as a result of this, the company had a number of orders, they had not yet been such as to justify the large amount of money which it was necessary to spend on experimental work for a highly technical production of this nature. There was another item—namely, racing, which he was well aware had been criticised. There was no question but that in the past both the Sunbeam Company and the Darracq Company had benefited by their racing successes, and in France there was no question but that these successes had had a very big effect on sales.

The small Talbot-Darracq racing cars had been an unqualified success, and had won every race in which they had ever competed, including the French Grand Prix for Light Cars, two years in succession, the 200 miles race at Brooklands, two years in succession, the Tourist Trophy Race in the Isle of Man, and the Spanish Grand Prix.

It was a pleasure to record that the company's non-subsidiary investments now stood at a greater market value than the amount shown in the accounts. It would be a satisfaction for the shareholders to know that even after dealing with the question of depreciation in the drastic way the board had done, the reserves provided by the companies are far more than ample to cover any question of trading losses which any of the companies may have incurred. The profit-earning capacity of their companies was such that the picking up of the twelve months' arrears of dividends on the preferred ordinary shares ought not to be a difficult matter, given an uninterrupted period of trading under normal conditions.

The Right Hon. Lord Queenborough seconded the motion, which, after some discussion, was carried unanimously.

BOVRIL, LIMITED.

AMERICAN DEBT REPAYMENT.

Presiding at the twenty-sixth annual general meeting of Bovril, Limited, held on the 22nd instant, Sir George Lawson Johnston (chairman) congratulated the shareholders on the record results of the past year's trading, and on the strength of the position the company had now attained. The net profits were £305,709, or £56,603 more than for the previous year.

BURDEN OF THE AMERICAN DEBT.

Apparently the repayment of the War Debt to America was to be an important factor in their taxation for the next 60 years. When he saw them last February he had just returned from the States, and he mentioned to them how seriously our debt position had been worsened owing to Congress having by law fixed the period of repayment and the interest. The most serious factor in the matter as now arranged is that we must pay capital and interest in United States dollars. It was generally admitted that the improvement in exchange from the British sovereign point of view during the last year was not so much on account of an improved trade balance, as on account of American purchases of British securities. Such securities, if interest-bearing, must eventually mean still further sums going from this country to the United States. There could be little doubt that efforts to pay America by direct remittance would turn exchange against us and seriously increase the number of pounds we should have to pay per annum, and, unfortunately, it would be just during our worst period of depression and bad trade that we should have to pay most pounds to buy the dollars.

A DOLLAR RESERVE IN CANADA.

He would like to put forward a suggestion which might assist in this matter. It was that we should build up in Canada a reserve towards the payment of the American debt. The Canadian and United States dollars were not likely to vary seriously in value, therefore any fund we could build up in the Dominion would be comparatively free from exchange fluctuations. Canada was capable of being developed at a much more rapid pace than the present capital and man power at its disposal could develop it. Our Government could now borrow at a lower rate than it has been able to do for a good many years. If it could obtain grants of land from Canada, it could utilise, say, one hundred million pounds in developing wheat areas, and probably certain industries in that Dominion; and this work, in conjunction with some considerable emigration scheme of selected unemployed, should develop in Canada a reproductive asset that would, after a while, annually supply dollars towards the payment to the States. Furthermore, every bushel of wheat bought from Canada instead of from the States would help to keep our exchange better with the latter.

We might thus accelerate the pace at which Canada was growing strong, and, at the same time, build up an asset that would much reduce the burden of the American debt, and probably, in the process, some of the money we provided would purchase from our manufacturers agricultural implements and other machinery, &c.

His own experience in Canada convinced him that any such scheme to be successful would have to be planned and brought forward by Canadians to meet their own views as regards the directions in which development should take place. If it was put forward at present they could feel, at any rate, that Canadian conditions would be understood by a British Premier who was born in Canada, and a Colonial Secretary who had recently served as Governor-General.

SIR JAMES CRICHTON-BROWNE ON DEFICIENCY DISEASES.

Sir James Crichton-Browne said that Bovril was steadily extending its usefulness and strengthening its hold. It was now being recognised more and more that many of the ills that flesh is heir to are what are called deficiency diseases, due to the want of some essential element in the food. Now there are in Bovril certain substances, amino acids, for instance, which the body cannot synthesise or form for itself, but which are essential to vigorous growth and vigorous health, so if they would ward off deficiency diseases, which might end in constitutional bankruptcy, they should take plenty of Bovril. If they would ward off the wear and tear of excessive fatigue, it was also invaluable.

We sometimes saw a food or remedy recommended on the strength of a few problematical cases, but the testimony in favour of Bovril was overwhelming. Its merits were attested by millions—by what might almost be called a universal referendum.

Special testimony to its virtues was constantly coming in, and he would like to quote the testimony of Mr. Ratcliffe Holmes, of the "Wildest Africa" film, now being exhibited at the Philharmonic Hall. Mr. Holmes said: "In our travelling through fly belts and swamps, Bovril was our great standby. I have used it in previous African trips with the greatest success in cases of malaria and dysentery, and it is not too much to say that our camera man, Mr. Plowman, was actually kept alive by Bovril and by Bovril alone."

The report and accounts were unanimously adopted.

LIEBIG'S EXTRACT OF MEAT COMPANY, LIMITED. "A STRONG BALANCE-SHEET."

The fifty-eighth ordinary general meeting of Liebig's Extract of Meat Company, Limited, was held on the 23rd instant, at the Cannon Street Hotel, London, Mr C. E. Gunther, the chairman and managing director, presiding.

The Chairman, in moving the adoption of the report and accounts, said that the balance-sheet reflected the strong position of the company.

He thought the shareholders would agree that the balance of profit, amounting to slightly over £120,000 for the five months covered by the accounts, was satisfactory, particularly when they considered the years of difficulty and complication through which commercial undertakings had passed.

DIVIDEND.

The dividend of 6s 3d per share on the ordinary shares now recommended was at the rate of 15s per share, free of tax, for the full year, and was by way of interim and final dividend for the period under review. It was the intention of the directors to declare a dividend on the ordinary shares again about next July, which would be the interim in respect of the year ending August 31, 1923, to be followed, if all went well, by a final dividend after the next annual general meeting.

The sales of the company's various products had been well maintained in this country, on the Continent, and in other parts of the world.

Their products were purchasable in all markets where business was possible, and were a standing testimony of the object which had been foremost with them ever since the company commenced business some 58 years ago, namely, to manufacture goods of the very highest quality, and to sell them at as small an amount of profit as practicable.

CONTINENTAL CURRENCIES.

The depression in the Continental currencies had been a disturbing feature, but their trade on the Continent had been showing a very gratifying expansion, the turnover recording higher figures than ever previously experienced.

He hoped that a satisfactory solution would be found for the difficult conditions on the Continent, and that with improved currency values, they could continue to develop their trade there.

The £600,000 of redeemable notes were repaid in December last, and the present year should enable the directors to decide whether or not it would be advisable to further consolidate the company's capital by means of a share issue.

The stock valuation was taken on a most conservative basis. The new freezer installation at Fray Bentos had commenced work, the first consignment of refrigerated product now being in course of shipment.

The investments had been increased by the value of shares taken up in their allied sales company, Oxo, Limited, while ample reserve had been made in the sterling valuation of the holdings in their Continental Sales Companies.

The strength of the balance-sheet would be apparent to the shareholders, and he need not say it was the policy of the directors to maintain and improve upon the position as time proceeded. The first step in this direction would be taken that day, with the approval of the shareholders, in the appropriation of £25,000 to the reserve fund.

BOARD'S CONSERVATIVE POLICY.

Although there was generally a more settled feeling in their business, the board had considered it wise, in view of the uncertainty of the exchanges, to maintain the carry forward, which would thus remain available for use should necessity arise.

The Argentine and Uruguayan estancias had rendered valuable service in providing supplies of fattened cattle, and they were following up their policy of supplying pedigree animals from time to time to maintain and improve the quality of their livestock, both in the River Plate and in South Africa. Many successes had been gained by the company's stock at the local cattle shows in Argentina and in Uruguay.

Referring to the visit which he and Mr Follett Holt had paid to the company's African properties, the chairman spoke of the excellent condition in which they found the company's cattle, and said that they left South Africa in full confidence that the company was laying a good and solid foundation for the future.

The report and accounts were unanimously adopted.

ASHANTI GOLDFIELDS CORPORATION, LIMITED. CHAIRMAN OPTIMISTIC OF THE FUTURE.

The twenty-sixth ordinary general meeting of the Ashanti Goldfields Corporation, Limited, was held, on the 20th instant, at the Holborn Restaurant, London.

Mr Jeremiah Colman, J.P., chairman of the company, who presided, said that the profit and loss account showed a balance of £79,330 net profit on 15 months' work—some £10,300 less than the corresponding figure in the preceding 12 months. Although in the former period a larger tonnage was treated at a lower cost, there was a less yield per ton, principally due to the reduced gold premium, and to some extent to lower grade and extractions. It was an unfortunate coincidence that the gold premium slipped away to so large an extent during the time when operations were in a transition state.

Every reasonable provision had been made against future interruptions to mining operations by reason of fuel shortage. The power account was, however, one of the largest individual items of cost, and had received the constant attention of the board. The merits of a new type of wood-gas producer had been carefully examined, and as a result it had been decided to instal one pair of these wood-gas producers, and this trial plant would be extended if the results warranted it.

The changes in the metallurgical treatment and the operation of the wet crushing process had been fully dealt with by Mr Feldtmann, and cable advices from the mines confirmed the consulting engineer's forecast that more immediate improvements were on the eve of fulfilment. Post-treatment of the sands was now in operation and yielding 1½ to 2 dwts more than in the period covered by the reports. Crushing with cyanide solution had commenced, and with the post treatment of the slimes yielding about 1 dwt of

KANSALLIS-OSAKE-PANKKI

(National Joint Stock Bank).

ESTABLISHED 1889.

Head Office: HELSINKI (Helsingfors),
FINLAND.

Capital and Reserves - - Fmk. 247,000,000.00

Deposits and Cheque Accounts
(30/6/22) - - Fmk. 1,255,200,000.00

124 BRANCHES AT ALL IMPORTANT BUSINESS
CENTRES IN FINLAND.

Telegraphic Address: Kansallispankki.

gold additional, there was now a total extraction from all sources of 80 per cent. This 80 per cent. was, of course, a big drop from the 90 per cent. extracted by dry crushing, but at 80 per cent. the new and cheaper process gave on balance as good an economic result and ensured greater regularity in output, the main object in making the change; moreover, this 80 per cent. extraction was not the best extraction anticipated, as improvements would suggest themselves in course of regular work.

ORE RESERVES.

The ore reserves in Ashanti Mine were practically unchanged as compared with the previous report, lateral development having, without any shaft-sinking, made good all tonnage removed during the 15 months. Owing to certain shaft rearrangements which would interfere with development work, it was not expected that the coming 12 months would show a similar result, but the large ore reserves provided a margin for such periods of restricted lateral development, which could be faced with equanimity. Increased haulage facilities were necessary to maintain the present monthly tonnage, and to provide for a larger tonnage in the likely event of the ore bodies in the lower levels lending themselves to more rapid mining.

Including depreciation, working costs for the 15 months covered by the accounts were 78s per ton, as compared with 99s 3d in the preceding 12 months, a reduction of 21s 3d per ton. For the first three months of the current financial year the costs were 61s 9d, a further decrease of 16s 3d per ton on last year's average. Therefore, in 18 months the costs had been reduced by 37s 6d per ton as compared with those ruling in the abnormal period 1920-1921. Sixty-one shillings and ninepence, which included depreciation, might be taken as fairly covering the present total cost of working with the new treatment plant. Further reductions were, however, quite anticipated as the plant settled down.

Before concluding his remarks, he wished, on behalf of the board, and he was sure on behalf of the shareholders as well, to pay a tribute to Mr Feldtmann. He (Mr Feldtmann) had not spared himself in his efforts to make the new treatment a success; it had been no light task, and the past two years had been particularly anxious and trying for him. The process was at last an economic success, and he was confident that extractions would be gradually improved as experience was gained in the working of the plant.

NEW CONSTRUCTION WORK.

In addition to the routine work of the mine during the past four years, extensive new construction work, rendered necessary by changed conditions, had been carried out at an expenditure of about £130,000. They had now to complete the scheme of shaft enlargement and erection of new gas-producers, costing approximately another £30,000; £67,000 towards this total of £160,000 had been provided by the issue of the balance of share capital three years ago, the remaining £93,000 being so far met out of current resources, and the capital of the company still remained at £250,000.

The reasons for the disappointing results of the 15 months were of a temporary character, and had to a large extent already disappeared. In the immediate future the profits mentioned by the consulting engineer should be earned, with the prospect of considerably improved results later on.

The report and accounts were unanimously adopted.

DWA PLANTATIONS, LIMITED.

IMPROVED PROSPECTS OF SISAL PROPERTY.

Mr Henry Portlock, the chairman, presiding at the annual general meeting of Dwa Plantations, Limited, held on the 22nd instant, stated that the board were glad to lay before the shareholders a report and balance-sheet which gave hopeful augury of future profits and dividends. They had in Dwa a property growing exceptionally fine fibre, giving a longer leaf, a somewhat higher yield, and a more parallel fibre than could be grown in the East African Highlands. Their planted areas were in large adjoining blocks, economical to work, and for transport. The factory was being connected with the Uganda Railway by the company's own light railway. From Mombasa they had regular shipping facilities with through bills of lading to all the principal centres.

The financial position of the company had improved considerably. The issued capital was £30,000, and they had 15,000 shares in reserve, of which they anticipated 10,000 would be absorbed by the conversion of debentures. The remaining 5,000 shares they hoped circumstances would justify issuing at a substantial premium, but the rights of shareholders would be carefully considered whenever the matter was dealt with.

The past two years had conclusively proved the merits of Dwa as a fibre-growing locality, and they were obtaining a premium on current prices for the bulk of their output. The average c.i.f. prices were £5 18s 4d a ton less in 1922 than in 1921, but fortu-

nately freight and charges fell £1 10s 10d per ton, so that the net difference was only £3 17s 6d, which they had been able to counteract by economies in production. For 1923 exceptionally favourable freight contracts had been made, so that their transport charges would be less. Recent rainfall had been exceptionally favourable, and the plantations had recovered remarkably from the drought of 1921. They had 2,774 acres of sisal planted, which they hoped to increase by 190 acres during March, and in October and November, 1923, they aimed at planting a further 400 acres. These areas should keep two machines fully occupied, and ensure a steady output in the future. They had had many unexpected difficulties to surmount, including the unfortunate currency legislation, but he thought they could look forward with confidence to the future. Output was on an average 50 tons a month, and within the next few months it should increase to 70 tons per month, rising to over 100 tons monthly. He hoped that the factory extensions, the additional machinery, and the light railway system would be completed and working before the end of June. The company had paid its way on a 400-ton output in very difficult times, and he thought they could expect a fair return on their capital under the improved conditions.

The report was adopted.

GOVERNMENT RETURNS.

PUBLIC INCOME AND EXPENDITURE

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1922-23. (See Note.)	Total Receipts into the Exchequer from April 1, 1922, to Feb. 17, 1923.	Receipts from April 1, 1921, to Feb. 18, 1922.	Week Ended Feb. 17, 1923.	Week Ended Feb. 18, 1922.
Balances in Exchequer on 1st April:—					
Bank of England....	..	9,963,494	2,591,051	..	..
Bank of Ireland....	..	1,310,106	483,455	..	..
REVENUE.		11,173,530	3,074,506	..	..
Customs.....	112,250,000	109,797,000	115,387,000	1,291,000	1,441,000
Excise.....	167,750,000	141,521,000	177,350,000	6,133,000	9,775,000
Motor Vehicle Duties..	10,600,000	11,868,000	10,332,000	189,000	..
Stamps, &c., &c.....	48,000,000	50,851,000	41,265,000	1,160,000	1,447,000
Land Tax, House Duty, & Mineral Rights Duty	3,000,000	2,030,000	1,690,000	250,000	210,000
Property & Income Tax (including Super-Tax).	323,000,000	280,958,000	276,197,000	18,385,000	17,900,000
Excess Profits Duties, &c.	27,800,000	954,000	29,714,000	..	..
Corporation Profits Tax	19,750,000	16,357,000	14,021,000	650,000	682,000
Post Office.....	54,625,000	47,450,000	48,000,000	1,500,000	1,350,000
Crown Lands.....	750,000	810,000	..	..	..
Interest on Sundry Loans.....	14,000,000	9,774,440	10,958,875	156,094	..
Miscellaneous.....	..	..	..	..	..
Ordinary Receipts...	22,000,000	20,819,515	21,160,360	85,807	355,000
Special Receipts...	90,000,000	41,451,144	127,333,314	143,702	3,378,577
Revenue.....	910,775,000	752,233,093	891,015,549	30,563,603	36,448,577
Total, Inc. Balance ..	..	763,406,628	894,080,055	..	..
OTHER RECEIPTS.					
Temporary Advances Repaid:—					
Bullion.....	..	800,000	9,080,000	..	300,000
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	..	169,818	169,818	..	..
Under the Unemployment Insurance Acts, 1921.....	..	2,980,000	590,000	70,000	..
Money Raised by Creation of Debt:—					
(a) For Capital Expenditure Issues:—					
Under the Telegraph (Money) Act, 1920 to 1922.....	..	5,310,000	5,561,474	..	..
Under the Post Office (London) Railway Act, 1913.....	..	..	27,500	..	..
Under the Housing Act, 1914.....	..	27,000	60,000	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922	..	950,000	..	..	..
By Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	..	1,553,300	..	..	..
(b) Under the Unemployment Insurance Acts, 1921.....	..	4,540,000	9,540,000	..	..
(c) For other Issues:—					
By Treasury Bills for Supply ..	2,587,669,000	3,429,075,000	39,912,000	38,716,000	..
By National Savings Certificates By Exchequer and National War Bonds.....	55,408,000	45,180,000	1,056,000	2,300,000	..
By Treasury Bonds—					
5-15 year, 1926-35.....	..	20	5	..	..
5½% 1927.....	..	61,655,154	325,035,427	..	31,985,000
4½% 1932.....	..	86,256,960	..	1,491,400	..
By Other Debt created under the War Loan Act, 1914 to 1919.....	..	25,259	10,961,454	..	..
(d) Ways and Means Advances ..	813,575,500	1,200,846,000	500,000	9,100,000	..
Anglo-Persian Oil Company—					
Dividends on Shares acquired	..	243,012	5,010	..	..
Repayments:—					
In respect of Suez Canal Drawn Shares.....	..	5,787	7,111	..	..
Do Channel Loan.....	..	130,000	130,000	..	..
Do East Africa Protectorate Loan	..	..	127,268	..	..
Do Issues under Civil Contingencies Fund Act, 1919.....	..	..	7,250,000	..	..
Do Issues under Land Settlement (Facilities) Acts, 1919 and 1921.	..	282,662	51,617	..	..
Do Issues under Section 59 (4) of the Finance Act, 1920.....	..	6,827,960	13,490,950	..	..
Interest received under Section 59 (5) of the Finance Act, 1920.....	..	162,425	426,340	..	..
Total.....	..	4,391,978,486	5,951,626,029	73,587,003	118,849,577

EXPENDITURE AND OTHER ISSUES.

EXPENDITURE	Estimate for the year 1922-23, including Supplementary Grants.	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1922, to Feb. 17, 1923.	Issues.	Week Ended Feb. 17, 1923.	Week Ended Feb. 18, 1923.
Permanent Charge of Debt.....	16,000,000	12,805,526	22,366,149	10,884	..
Interest, &c., on War Debt.....	319,000,000	266,716,067	279,475,218	278,887	353,178
Road Fund.....	10,000,000	11,318,999	16,031,000	765,000	801,000
Payments to Local Taxation Accounts, &c.....	9,788,000	6,825,518	7,752,869	250,000	61,200
Payments to Northern Ireland Exchequer.....	2,500,000	1,628,380	753,393	..	3,393
Land Settlement.....	3,500,000	1,039,381	2,475,135	..	..
Other Consolidated Fund Services.....	2,650,000	2,517,572	1,744,574	8,250,000	221
Supply Services.....	539,253,000	381,613,868	578,179,182	12,502,827	..
Expenditure.....	902,691,000	684,465,911	902,777,550	9,554,771	15,781,819
OTHER ISSUES.					
Temporary Advances—					
Bullion.....	..	9,350,000	..	..	300,000
Interest on Bonds under the Capital Expenditure (Money) Act, 1904.....	169,818	169,818	..	..	..
Under the Unemployment Insurance Act, 1921.....	5,700,000	11,820,000	..	..	590,000
Issues to Meet Capital Expenditure—					
Under the Telegraph (Money) Acts, 1900 to 1922.....	5,760,000	5,561,474	..	..	..
Under the Post Office (London) Railway Act, 1913.....	27,000	27,500	..	..	..
Under the Housing Act, 1914.....	..	59,000	..	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922.....	950,000	..	..	..	..
Under Capital Expenditure (Money) Act, 1904.....	..	..	..	..	..
Exchequer Bonds paid off £3,087,600; less paid off by the National Debt Commissioners, £1,534,300.....	1,553,300	..	..	..	..
Unemployment Insurance Acts, 1921—					
Repayment of amounts borrowed.....	2,110,000	..	..	..	..
Redemption of Debt.....	2,761,114,000	3,573,171,000	47,095,000	53,505,000	..
Treasury Bills for Supply.....	..	..	..	..	..
Securities surrendered for Duties under Section 34 of the Finance Act, 1917, and Section 3 (3) of the War Loan Act, 1919.....	8,327,408	30,190,079	..	493,405	..
Funding Loan, Victory Bonds and Conversion Loan Sinking Funds.....	9,526,211	..	500,000	..	..
Principal of National Savings Certificates—					
(a) Repaid by Issues under Section 59 (6) of the Finance Act, 1920.....	23,550,000	18,100,000	550,000	650,000	..
(b) Repaid otherwise.....	..	10,400,000	..	..	..
Principal of Exchequer Bonds paid off, £22,887,122; less paid off by the National Debt Commissioners, £1,000,000.....	19,887,122	42,781,133	..	..	..
Principal of National War Bonds paid off.....	44,684,182	..	..	..	..
Other Debt under the War Loan Acts, 1914 to 1919.....	15,825,526	57,162,123	..	..	..
Ways and Means Advances Repaid.....	797,215,500	1,242,220,000	15,500,000	48,100,000	..
Depreciation Fund, under the Finance Act, 1917.....	1,198,075	27,100,223	..	500,000	..
Anglo-Persian Oil Company—					
Issue under the Anglo-Persian Oil Company (Acquisition of Capital) Amendment Act, 1919.....	243,012	..	..	..	..
Issues to National Debt Commissioners to Reduce Debt—					
Suez Canal Drawn Shares Repayments.....	5,787	7,111	..	..	..
Canard Loan Repayments.....	130,000	..	..	..	..
East Africa Protectorate Loan Repayments.....	..	127,268	..	..	..
Proceeds of National Savings Certificates, issued under the Finance Act, 1920, Section 59 (4).....	5,000,000	15,399,000	..	..	..
Old Sinking Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911.....	68,065	212,450	..	..	..
Balances in Exchequer—					
Bank of England.....	4,387,530,917	5,946,747,729	73,199,771	117,665,224	..
Bank of Ireland.....	2,225,038	2,497,736	178,232	549,773	..
Bank of Scotland.....	2,222,531	2,379,564	209,000	433,580	..
Total.....	4,447,569	4,877,300	387,232	983,353	..

NOTE.—Budget Estimate as in H.C. No. 77 of 1922.

Treasury, February 19, 1923.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £40,000,000 in three months' Treasury Bills dated from Monday to Saturday, February 26-March 3, were opened on February 23, 1923, and the total amount applied for was £61,630,000. Tenders for Monday bills at £99 8s 7d, and above in full, Tuesday, bills at £99 8s 9d, above in full, Wednesday bills at £99 8s 7d, above in full, Thursday and Friday bills at £99 8s 2d, about 98 per cent., and above in full, and Saturday bills at £99 8s 4d, and above in full. The average rate of discount for Treasury bills was £ 6s 2 1/2d. The amounts allotted were as follows:—In bonds, £4,000,000; in bills at 3 months, £36,000,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills. Average Rate.	4% Treasury Bonds, 1923. Average Price.
Dec. 1, 1922.	(a) 55,000,000	(a) 69,265,000	2 11 1 1/2	99 5 0 1/2
Dec. 8.	(a) 50,000,000	(a) 70,395,000	2 11 1 1/2	99 5 0 1/2
Dec. 15.	(a) 50,000,000	(a) 67,355,000	2 11 1 1/2	99 5 0 1/2
Dec. 22.	(a) 50,000,000	(a) 52,725,000	2 11 1 1/2	99 5 0 1/2
Dec. 29.	(a) 55,000,000	(a) 76,225,000	2 6 11 3/4	99 5 0 1/2
Jan. 5, 1923.	(a) 50,000,000	(a) 63,995,000	2 2 7 5/8	99 3 9 1/2
Jan. 12.	(a) 50,000,000	(a) 76,575,000	2 3 5 1/2	99 6 3 1/2
Jan. 19.	(a) 40,000,000	(a) 55,305,000	1 13 9 1/2	99 7 1 1/2
Jan. 26.	(a) 40,000,000	(a) 61,530,000	2 6 3 1/2	99 7 6
Feb. 2.	(a) 40,000,000	(a) 61,465,000	2 10 1 1/2	99 7 6
Feb. 9.	(a) 35,000,000	(a) 63,590,000	2 9 7 1/2	99 8 4 1/2
Feb. 16.	(a) 30,000,000	(a) 49,875,000	2 6 6 1/2	99 8 4 1/2
Feb. 23.	(a) 40,000,000	(a) 61,630,000	2 6 2 1/2	99 9 1 1/2

(a) Including Treasury Bonds.

Tenders will be received on Friday, March 2, 1923, for Treasury Bonds and Treasury Bills to be issued to the maximum amount of £40,000,000. The amount of Treasury Bonds issued will not exceed £5,000,000, but subject to that limit, the total amount issued will be divided between Bills and Bonds in such proportions as The Lords Commissioners of His Majesty's Treasury may determine.

CURRENCY NOTES ACCOUNT.

(000's omitted.)

Date.	Notes and Certificates Outstanding.	Advances to Bankers.	Redemption Account.	Bank of England Notes.	Ratio to Notes.	Balance at Bank of England.
1914.	£ 21,535	£ 6,302	£ 3,810	£ 18,500	..	£ 11,423
Aug. 26.	38,478	169	600	18,500	48.1	9,924
Dec. 30.	103,125	729	249	28,500	27.6	54,621
1915.	150,144	2,430	64	28,500	19.0	118,102
Dec. 27.	212,782	8,554	39	28,500	13.4	186,637
1916.	323,241	15,529	570	28,500	8.9	305,133
Dec. 26.	356,152	17,182	250	28,500	9.1	337,537
1917.	367,626	16,962	..	28,500	13.0	336,504
Dec. 29.	343,826	15,599	Silver Coins.	28,500	19.450	311,334
1918.	323,884	14,965	3,000	28,500	14.8	287,750
June 29.	314,382	14,830	3,000	28,500	15.2	278,119
Sept. 28.	325,584	14,658	3,000	28,500	14.7	289,131
Dec. 28.	300,351	14,255	5,000	28,500	15.9	261,479
1919.	295,374	13,338	6,000	28,500	16.3	254,312
June 28.	289,127	12,648	7,000	27,000	16.6	246,456
Sept. 27.	301,337	12,872	7,000	27,000	15.9	258,922
Dec. 27.	280,273	11,928	7,000	27,000	17.2	236,868
Jan. 31.	280,887	12,171	7,000	27,000	17.1	237,768
Feb. 7.	279,991	11,914	7,000	27,000	17.2	236,575
14.	279,383	11,932	7,000	27,000	17.2	234,536

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £336,600,000; for 1921 at £317,565,200; for 1922 at £309,988,400; and for 1923 at £270,183,800.

HEAD OFFICES: LIVERPOOL AND LONDON
ROYAL
INSURANCE COMPANY, LIMITED
ALL CLASSES OF INSURANCE EFFECTED

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, February 21, 1923.

ISSUE DEPARTMENT.

Notes issued	£	Government debt	£
145,419,800	11,015,100	8,734,900	125,669,800
Other securities.....	..	..	..
Gold coin and bullion.....	..	..	..
145,419,800	145,419,800	..	..

BANKING DEPARTMENT.

Capital	£	Government securities	£
14,553,000	47,317,299	Other securities.....	74,434,913
Reserve.....	3,560,486	Notes.....	23,378,090
Public deposits.....	22,036,037	Gold and silver coin.....	1,829,386
Other deposits.....	106,791,650	..	..
Seven-day & other bills.....	18,510	..	..
146,959,688	146,959,688	..	..

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

COMPARISON WITH PREVIOUS WEEK AND A YEAR AGO.

	Amount, Feb. 21, 1923.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Rest.....	5,560,486	+ 21,475	+ 33,376
Public deposits.....	22,036,037	+ 2,518,837	+ 5,772,090
Other deposits.....	106,791,650	+ 64,811	+ 3,155,680
Government securities.....	47,317,299	+ 1,190,000	+ 1,328,267
Other securities.....	74,434,913	+ 5,811,881	+ 7,203,787
Reserve.....	25,207,476	+ 16,719	+ 458,368
Note circulation.....	122,041,710	+ 1,322,480	+ 498,015
Coin and bullion.....	127,499,186	+ 5,761	+ 1,263,351
% of reserve to liabilities.....	19.4%	..	..

THREE MONTHS' RECORD.

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve.	% of Reserve of Liabilities.	Bank Rate.
1922.							
Nov. 29.....	127,440,455	122,884,525	121,463,985	116,240,853	23,006,930	19.5	..
Dec. 6.....	127,446,768	123,063,855	137,695,826	132,722,938	22,832,913	18.4	..
13.....	127,446,447	123,161,310	124,885,243	120,050,341	22,735,137	18.4	..
20.....	127,444,219	124,890,400	123,395,554	120,319,616	21,003,819	17.1	..
27.....	127,443,007	124,877,679	133,227,231	130,126,031	21,015,337	15.2	..
1923.							
Jan. 3.....	127,493,190	124,053,460	157,778,672	153,861,705	21,889,730	13.1	..
10.....	127,486,217	122,454,770	156,311,140	130,844,337	23,481,247	17.1	..
17.....	127,491,357	121,236,150	144,010,109	137,342,112	24,705,207	17.4	..
24.....	127,489,154	120,798,570	125,803,374	118,682,858	25,140,584	20.0	..
31.....	127,491,860	122,018,155	120,924,209	115,027,941	23,923,705	19.2	..
Feb. 7.....	127,490,819	121,481,100	121,239,903	114,879,415	24,459,719	20.8	..
14.....	127,493,425	120,719,230	126,244,044	119,130,331	25,224,195	20.0	..
21.....	127,499,186	122,041,710	128,827,692	121,752,212	25,207,476	19.2	..

TEN YEARS' RECORD.

At corresponding date with the present week.	Feb. 19, 1913.	May 27, 1914.	Feb. 23, 1921.	Feb. 22, 1922.	Feb. 21, 1923.
Circulation (excl. Bank post bills).....	27,768,470	28,933,380	127,657,910	121,545,695	122,041,710
Public deposits.....	25,539,851	19,014,809	15,987,902	27,808,127	22,036,037
Other deposits.....	37,676,348	41,248,964	11,259,206	10,947,335	106,791,655
Government securities.....	12,035,483	11,046,570	31,030,156	48,545,566	47,317,299
Other securities.....	37,957,246	41,461,280	95,220,101	81,638,700	74,434,913
Reserve of notes and coin.....	28,373,913	25,465,380	19,080,077	25,665,842	25,207,476
Coin and bullion.....	37,712,383	35,947,590	128,327,387	128,761,537	127,499,186
Proportion of reserve to liabilities.....	46.3%	42.3%	15.5%	18.8%	19.4%
Bank rate of discount.....	5%	3%	7%	4 1/2%	3%
Market rate, 3 months' bills.....	4 1/2 - 4 3/4	2 1/2 - 3	6 1/2 - 7	3 1/2 - 4	2 1/2 - 3
Price of Consols.....	74 1/2	74 1/2	74 1/2	74 1/2	74 1/2
Price of silver per oz.....	25 1/2	25 1/2	25 1/2	25 1/2	25 1/2
Exchanges—					
Paris.....	25 1/2	25 1/2	25 1/2	25 1/2	25 1/2
New York.....	24 1/2	24 1/2	24 1/2	24 1/2	24 1/2
Amsterdam.....	12 1/2	12 1/2	12 1/2	12 1/2	12 1/2
Berlin.....	20 1/2	20 1/2	20 1/2	20 1/2	20 1/2
Clearing house return.....	345,427,000	199,913,000	652,385,000	789,334,000	692,081,000

BANKERS' CLEARING RETURNS.

(000's omitted.)

Week Ending—	Town.	Metropolitan.	Country.	Total.
	£	£	£	£
1923.				
January 1 to 3	338,113	18,818	31,593	388,524
10	589,819	33,569	62,631	686,019
17	658,945	32,797	57,792	749,534
24	599,667	30,654	58,893	689,214
31	675,673	28,810	50,263	754,746
February 7	674,151	34,578	63,329	772,058
14	627,978	30,050	52,511	710,539
21	607,891	29,332	54,888	692,061
Total to date 1923	4,772,327	238,608	425,870	5,436,715
Do 1922	5,125,516	244,214	428,180	5,797,910
Increase or decrease in 1923 {	= 353,279	= 5,606	= 2,310	= 361,196
	= 6% 9	= 2% 3	= 0% 5	= 6% 2
Total for year 1922	32,780,635	1,574,661	2,806,165	37,161,461
Total for year 1921	30,268,214	1,660,166	3,024,179	34,952,559
Increase or decrease in 1922 {	= 2,512,421	= 186,014	= 2,339,902	= 2,512,421
	= 8% 5	= 5% 1	= 6% 5	= 6% 3

RUSSIAN STATE BANK.
(000's omitted.)

ASSETS.	Nov. 1, 1922.	Position May 31, 1914
Cash	6,985,600	
Loans	19,431,000	
Special credits on merchandise	13,580,000	
Precious metals	7,375,000	
Discounts	6,031,000	
LIABILITIES.		
Capital	13,075,000	
Deposits	3,142,000	
Current accounts	17,549,000	
Loan accounts	11,489,000	
Government account	9,908,000	

BANK OF ITALY.
(000's omitted.)

ASSETS.	Jan. 20, 1923.	Jan. 10, 1923.	Dec. 31, 1922.	Dec. 20, 1922.	Jan. 20, 1923.	Position May 31, 1914
Total cash	1,354,815	1,349,798	1,372,290	1,347,468	1,420,397	1,221,875
Inland bills	4,439,252	4,526,550	4,635,264	4,480,800	4,331,045	418,400
Foreign bills	9,533	9,498	10,002	9,511	9,442	81,300
Advances to the Treasury	6,104,988	6,113,476	6,111,907	6,116,138	6,527,843	nll
Other advances	2,032,439	2,298,168	2,533,048	2,008,696	3,607,608	79,175
Securities	398,165	407,162	407,113	396,037	533,489	805,700
LIABILITIES.						
Note circulation	13,405,365	13,767,929	13,921,587	13,563,819	14,425,172	1,556,925
Deposits & drafts	1,617,672	1,635,056	1,688,283	1,733,309	2,143,314	193,975

NETHERLANDS BANK.
(000's omitted.)

ASSETS.	Feb. 19, 1923.	Feb. 12, 1923.	Feb. 5, 1923.	Jan. 29, 1923.	Jan. 22, 1923.	Position May 31, 1914
Gold	581,790	581,790	581,790	581,789	581,790	163,092
Silver	8,360	7,001	7,361	8,039	8,131	8,436
Depts. & advances	369,347	370,847	405,165	377,699	411,013	163,504
LIABILITIES.						
Notes in circulation	942,765	954,872	968,569	948,353	958,298	316,632
Deposits	30,770	31,277	33,880	25,512	41,541	5,016

NATIONAL BANK OF ROMANIA.
(000's omitted.)

ASSETS.	Jan. 13, 1923.	Jan. 6, 1923.	Dec. 23, 1922.	Dec. 16, 1922.	Jan. 14, 1923.
Gold	533,056	533,056	533,055	533,154	495,459
Silver, &c.	12,559,946	12,571,682	12,544,199	12,550,329	12,541,722
Other advances	4,468,812	4,424,330	4,315,143	4,201,641	2,722,209
LIABILITIES.					
Notes in circulation	15,090,588	15,114,146	15,126,472	15,184,171	13,690,900
Deposits	7,176,638	7,130,681	6,922,125	6,758,984	6,197,210

SWISS NATIONAL BANK.
(000's omitted.)

ASSETS.	Feb. 15, 1923.	Feb. 7, 1923.	Jan. 31, 1923.	Jan. 23, 1923.	Feb. 15, 1923.	Position May 31, 1914
Gold	530,634	530,216	529,867	538,321	550,335	171,175
Silver	106,302	106,314	106,827	103,129	108,000	18,350
Carlebens-Kassen.	12,334	12,583	12,614	12,762	18,606	
Assets & advances	440,830	396,385	404,442	382,513	274,489	103,000
LIABILITIES.						
Notes in circulation	840,697	859,965	878,899	837,973	825,063	875,925
Deposits	280,514	221,187	213,365	235,691	167,520	33,750

The Monthly Statement of the Swiss Federal Loan Bank (Darlehenskasse) shows that up to January 31, 1923, total issues were Fr. 26,132,211 of which Fr. 13,873,450 was held by the Swiss National Bank.

BANK OF SWEDEN.
(000's omitted.)

ASSETS.	Feb. 17, 1923.	Feb. 10, 1923.	Feb. 3, 1923.	Jan. 27, 1923.	Feb. 18, 1923.	May 24, 1914.
Gold	273,907	273,907	273,933	273,956	274,322	104,918
Balance abn. and foreign bills	114,745	117,949	119,577	121,439	126,989	112,171
Swedish and for. Gov. securities	122,828	122,828	122,828	122,810	16,518	38,465
Discounted loans	345,736	354,935	371,179	362,354	547,087	112,668
LIABILITIES.						
Notes in circulation	503,509	508,100	526,797	482,102	540,756	228,555
Deposits	297,107	300,772	303,581	337,245	366,103	69,660

NATIONAL BANK OF BELGIUM.
(000's omitted.)

ASSETS.	Feb. 15, 1923.	Feb. 8, 1923.	Feb. 1, 1923.	Jan. 25, 1923.	Feb. 16, 1923.	Position May 28, 1914.
Coin (gold & silver and bullion)	345,916	344,920	345,315	343,458	326,977	382,650
Securities	610,332	627,481	633,991	635,593	424,669	697,600
LIABILITIES.						
Notes in circulation	8,902,371	8,894,351	8,916,726	8,779,618	8,905,579	934,150
Current accounts	194,641	218,312	222,634	320,162	763,388	112,125

HUNGARIAN BANK.
(000's omitted.)

ASSETS.	Feb. 7, 1923.	Jan. 31, 1923.	Jan. 23, 1923.	Feb. 7, 1922.
Gold coin and bullion, bills	13,751	14,452	14,919	12,687
Silver coin, &c.	595	595	595	595
Bills, warrants, drafts, &c.	56,188,444	54,516,178	51,884,053	24,187,515
Loans	2,006,738	2,006,950	1,885,527	1,146,166
LIABILITIES.				
Notes in circulation	74,057,535	73,716,513	72,190,555	25,924,674
Deposits	7,593,715	5,888,168	6,701,077	2,292,929

NATIONAL BANK OF DENMARK.
(000's omitted.)

ASSETS.	Oct. 31, 1922.	Jan. 31, 1923.	Dec. 31, 1922.	Nov. 30, 1922.	Jan. 31, 1923.	Position May 31, 1914
Gold and bullion	228,301	228,241	228,257	228,250	228,330	76,644
Foreign bills	500,693	482,186	467,599	462,036	417,255	88,470
Advances abroad	9,113	9,906	5,333	10,893	19,473	24,102
Securities	16,066	11,441	13,593	15,562	37,619	11,968
LIABILITIES.						
Notes in circulation	478,134	442,872	459,354	459,310	450,018	157,266
Deposits	181,481	164,744	163,710	169,211	127,209	6,686

AUSTRIAN NATIONAL BANK.
(000's omitted.)

ASSETS.	Feb. 7, 1923.	Jan. 31, 1923.	Jan. 23, 1923.	Jan. 15, 1923.
Gold	49,306,219	49,303,846	49,241,282	50,118,517
Foreign bills	1,091,289,313	1,058,244,128	1,134,793,328	1,178,315,390
Bills discounted	742,991,373	730,436,082	666,125,131	676,784,196
Treasury bills	2,552,681,825	2,556,848,370	2,556,848,370	2,556,848,370
Other assets	658,240,303	669,431,152	617,563,515	755,253,562
LIABILITIES.				
Notes in circulation	4,073,027,731	4,110,551,163	3,976,769,294	4,078,919,323
Deposits	362,682,325	279,092,048	422,566,771	372,903,951
Other liabilities	379,349,797	392,172,191	372,745,225	490,643,619

NOTE.—As from January 1, 1923, the Austrian National Bank has taken the place of the Austrian section of the Austro-Hungarian Bank.

BANK OF NORWAY.
(000's omitted.)

ASSETS.	Feb. 15, 1923.	Feb. 7, 1923.	Jan. 31, 1923.	Feb. 15, 1923.	Position May 31, 1914
Coin and bullion—Gold	147,290	147,290	147,290	147,293	44,224
Balance abroad and foreign bills	36,092	36,799	37,185	47,298	28,533
Norwegian & Foreign Government securities	9,404	9,404	9,401	10,085	8,816
Discounts and loans	460,918	454,252	417,636	425,108	76,911
LIABILITIES.					
Notes in circulation	343,518	346,656	349,653	368,036	113,484
Deposits at notice	179,738	170,665	160,777	136,773	7,188

Through Royal resolution of February 3, 1922, it has been resolved that the extraordinary right of issuing bank notes has been reduced from 50 millions to 25 millions from February 4, 1922 (this day included).

NATIONAL BANK OF EGYPT.
(000's omitted.)

ASSETS.	Nov. 30, 1922.	Oct. 31, 1922.	Sept. 30, 1922.	Nov. 30, 1921.	Position May 31, 1914
Gold	3,362	3,359	3,358	3,362	1,571
Government securities	42,149	41,389	36,058	39,934	2,084
LIABILITIES.					
Notes in circulation	33,007	32,781	27,614	34,722	9,400
Government deposits	8,196	6,088	4,218	2,520	2,315
Other deposits	12,043	12,313	11,064	12,707	2,660

By authority of the Egyptian Government British Treasury Bills were deposited in lieu of gold.

BANK OF FINLAND.
(000's omitted.)

ASSETS.	Feb. 8, 1923.	Jan. 31, 1923.	Feb. 8, 1923.	Position May 31, 1914
Gold	42,704	42,704	42,704	35,091
Balance abroad and foreign bills	827,316	829,650	803,705	90,379
Finnish and Foreign Government securities	586,344	586,362	586,384	800,963
Discounts and loans	617,011	605,832	610,750	646,242
LIABILITIES.				
Notes in circulation	1,413,443	1,399,672	1,341,188	1,846,932
Deposits at notice	398,119	388,984	459,348	101,284

IMPERIAL BANK OF INDIA.
(000's omitted.)

ASSETS.	Jan. 26, 1923.	Jan. 19, 1923.	Jan. 12, 1923.	Jan. 5, 1923.	Dec. 29, 1922.	Jan. 2, 1922.
Govt. securities	8,417,76	8,397,78	8,455,51	8,488,57	8,533,34	11,82,34
Other securities	1,25,67	1,25,67	1,25,67	1,25,67	1,25,67	1,28,17
Loans	18,97,55	19,77,95	19,29,25	18,31,65	19,13,98	13,47,09
Cash credits	29,96,66	28,84,21	28,83,59	28,95,15	28,77,45	25,50,81
Inland bills	7,21,44	6,56,79	6,54,67	5,79,01	5,28,23	10,79,66
Foreign bills	25,63	18,71	13,86	24,12	21,99	5,61
Dead stock	4,45,19	2,45,07	2,44,89	2,44,28	2,50,95	2,37,62
Sundries	30,84	30,84	35,48	40,28	76,70	31,15
Bal. with other banks	5,73	10,16	9,23	3,52	4,28	15,66
Cash	12,60,69	12,59,89	11,91,49	11,01,54	15,47,85	16,91,15
LIABILITIES.						
Subscribed capital	11,25,00	11,25,00	11,25,00	11,25,00	11,25,00	11,24,00
Capital paid up	5,62,00	5,62,00	5,62,00	5,62,00	5,62,00	5,62,25
Reserve	4,22,50	4,22,50	4,11,89	4,11,89	4,11,89	4,01,79
Public deposits	16,59,69	15,30,51	13,40,60	12,44,90	11,01,93	9,05,06
Other deposits	53,76,47	54,00,94	54,26,92	55,95,61	55,89,49	62,36,70
Loans against securities	80,96	63,39	69,34	73,31	88,50	77,54
Sundries	49,04	63,39	91,98	1,01,04	1,46,16	34,22
The above includes—						
Deposits in London	160	167	170	171	189	56
Advances in London	710	610	617	641	739	253
Cash, &c., at other banks in London	34	62	55	18	23	85

BANK OF PORTUGAL.
(000's omitted.)

ASSETS.	Dec. 27, 1922.	Dec. 20, 1922.	Dec. 6, 1922.	Dec. 28, 1921.	Nov. 25, 1921.
Coin and bullion	26,823	26,739	26,778	27,355	26,777
Of which gold	8,577	8,577	8,577	8,577	8,577
Balance abroad	37,823	43,495	31,532	4,480	42,561
Discounts	159,633	156,865	160,454	131,032	164,931
Government loans	860,097	860,097	860,097	620,109	860,097
LIABILITIES.					
Notes in circulation	1,017,028	1,023,875	1,023,875	722,754	1,000,092
Deposits	56,929	61,955	58,760	59,866	63,176

POLISH NATIONAL BANK.
(000's omitted.)

POLISH NATIONAL BANK.					
(000's omitted.)					
	Jan. 31, 1923.	Jan. 20, 1923.	Jan. 10, 1923.	Dec. 31, 1922.	Jan. 31, 1922.
ASSETS.	Polish Marks.	Polish Marks.	Polish Marks.	Polish Marks.	Polish Marks.
Gold.	41,125	41,088	41,088	41,012	26,300
Silver	44,135	44,132	44,125	44,126	42,500
Foreign coin	(n)2,039	(n)3,014	(n)3,445	539,236	120,700
Foreign banks	(n)15,897	(n)17,400	(n)17,400	6,471,202	869,900
Advances to the Govt.	799,500,000	706,000,000	675,000,000	675,000,000	227,350,000
Private loans and discounts	226,850,010	207,891,620	189,311,040	181,304,874	37,728,500
LIABILITIES.					
Notes in circulation	909,160,307	821,270,406	807,308,320	793,437,499	3,916,510
Deposits	166,403,801	184,123,015	(n)183,539	132,504,208	32,703,800

RATES OF EXCHANGE.

London on	Usance	Par.	Feb. 24, 1922.	Feb. 16, 1923.	Feb. 23, 1923.
Paris	francs to £1	T.T.	25.22	48.52-55	77.77
Berlin	marks to £1	T.T.	20.43	970-973	85000-88000
Vienna	krone to £1	T.T.	24.02	20500-21000	32000-34000
Prague	krone to £1	T.T.	24.02	248-253	157-159
Warsaw	zlotys to £1	T.T.	20.43	16750-17750	17 0-19 000
Bucharest	lei to £1	T.T.	25.22	540-560	1000-1025
Budapest	kr. to £1	T.T.	24.02	2950-3150	11500-12500
Constantinople	piastres to £1	T.T.	110	635-655	710-750
Sofia	levas to £1	T.T.	25.22	630-660	800-900
Belgrade	dinas to £1	T.T.	25.22	340-350	460-490
Amsterdam	florin to £1	T.T.	12.107	11 485-501	11 851-864
Brussels	francs to £1	T.T.	25.22	51 07-12	88 45-50
Christiania	kroner to £1	T.T.	18.159	25-80-85	25-13-18
Stockholm	kroner to £1	T.T.	18.159	16 56-61	17 61-64
Copenhagen	kroner to £1	T.T.	18.159	21 02-07	24 60-65
Helsingfors	F. marks to £1	T.T.	25.22	216-219	176-177
Göteborg	F. marks to £1	T.T.	25.22	97-97	385-395
Italy	lire to £1	T.T.	25.22	861-863	978-978
Switzerland	francs to £1	T.T.	25.22	22 46-61	24 96-98
Madrid	pesetas to £1	T.T.	25.22	27 60-63	30 00-03
Lisbon	escudos to £1	T.T.	53.34	41-4	24-1
Alexandria	piastres to £1	T.T.	97	973-973	978-978
New York	dollars to £1	Cable	4.86	4 401-404	4 681-69
Montreal	dollars to £1	Cable	4.86	4 52-53	4 791-4
Buenos Aires	pesos to £1	T.T.	47.62	45 1/2-18	43 1/2-18
Rio de Janeiro	pesos to £1	T.T.	51	44-45	42-43
Santiago	pesos to £1	T.T.	51	44-45	42-43
Valparaiso	pesos to £1	T.T.	51	44-45	42-43
London	sterling to £1	T.T.	13.33	40-80	38-50
Calcutta	rupees to £1	T.T.	10 to 15	34-38	34-38
Bombay	rupees to £1	T.T.	10 to 15	34-38	34-38
Madras	rupees to £1	T.T.	10 to 15	34-38	34-38
Hong Kong	dollars to £1	T.T.	25.22	25-25	25-25
Shanghai	dollars to £1	T.T.	25.22	25-25	25-25
Singapore	dollars to £1	T.T.	25.22	25-25	25-25
Yokohama	dollars to £1	T.T.	25.22	25-25	25-25
Manila	dollars to £1	T.T.	25.22	25-25	25-25
Mexico	pesos to £1	T.T.	25.22	25-25	25-25

† Rate for previous day.

ESTHONIAN EXCHANGE RATES.

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

Reval on	Jan. 31, 1923.	Feb. 2, 1923.	Feb. 5, 1923.	Feb. 7, 1923.	Feb. 9, 1923.
London (cheque) £1	Selling. 1.586	Selling. 1.595	Selling. 1.597	Selling. 1.597	Selling. 1.597
New York " \$1	Selling. 342.50	Selling. 342.50	Selling. 342.50	Selling. 342.50	Selling. 342.50
Berlin " 100 Mk	854	856	860	870	890
Helsingfors " 100 Kr	9.150	9.160	9.115	9.085	9.075
Stockholm " 100 Kr	6.510	6.585	6.450	6.490	6.345
Copenhagen " 100 Kr	2.110	2.040	2.200	2.185	2.130
Paris " 100 Fr	13.525	13.475	13.500	13.500	13.525
Amsterdam " 100 Hfl	1.16	1.16	1.16	1.16	1.16
Riga " 100 Lrb	990	990	1.000	1.015	1.040
Prague " " "	1.640	1.635	1.665	1.655	1.670

CONTINENTAL RATES OF EXCHANGE ON GERMANY.

	Par Level.	Feb. 23, 1922.	Feb. 8, 1923.	Feb. 15, 1923.	Feb. 22, 1923.
Amsterdam	Florins to 100 marks	59.26	1.21	0.0072	0.0127
Switzerland	Francs to 100 marks	123.45	2.36	0.0115	0.0265
Copenhagen	Kroner to 100 marks	88.88	1.17	0.0109	0.0226
Christiania	" " "	" " "	" " "	" " "	" " "

RATES OF EXCHANGE.

New York on—	Par Level.	Feb. 16, 1922.	Feb. 1, 1923.	Feb. 8, 1923.	Feb. 15, 1923.
London—60 days	Dollars for £1	4.8666	4.30 1/2	4.6325	4.66
Chicago	" " "	" " "	" " "	" " "	" " "
Paris	Cents for 1 franc	19.30	4.34 1/2	4.6575	4.6875
Brussels	" " "	" " "	" " "	" " "	" " "
Switzerland	Cents for 1 franc	19.30	8.6650	5.92	6.03
Italy	Cents for 1 lire	19.30	4.89	4.725	4.83
Berlin	Cents for 1 mark	19.30	0.50	0.0024	0.003
Madrid	Cents for 1 peseta	19.30	15.74	15.69	15.65
Amsterdam	Cents for 1 guilder	40.195	37.40	39.15	39.5
Copenhagen	" " "	" " "	" " "	" " "	" " "
Christiania	Cents for 1 kroner	26.80	16.95	18.60	18.44
Stockholm	" " "	" " "	" " "	" " "	" " "
Athens	Cents for 1 drachma	19.30	4.60	1.2	1.22
Montreal	Cents for Can. \$1	100	96.25	98.81	98.75
Yokohama	Cents for 1 yen	49.85	47.25	48.45	48.45
Hong Kong	Cents for H. Kong \$	" " "	" " "	" " "	" " "
Shanghai	Cents for 1 shanghai	" " "	" " "	" " "	" " "
Calcutta	Cents for 1 rupee	" " "	" " "	" " "	" " "
Buenos Aires	Gold pesos for \$100	103.65	120.00	119.1	118.5
Rio de Janeiro	Cents for 1 milreis	32.42	13.42	11.55	11.55
Valparaiso	Cents for 1 peso	20.60	10.00	12.15	12.25

LATVIAN EXCHANGE RATES.

Riga on—	Lats for	Jan. 9, 1923.	Jan. 16, 1923.	Jan. 23, 1923.	Jan. 30, 1923.	Feb. 6, 1923.
London	£1	23.83	23.92	23.77	23.57	24.01
New York	\$1	5.13	5.13	5.11	5.09	5.14
Paris	100 fr.	34.97	34.62	34.43	34.32	34.80
Brussels	100 fr.	32.19	31.66	29.17	28.08	28.84
Switzerland	100 fr.	36.96	36.49	35.08	34.89	36.80
Italy	100 lire.	25.49	25.21	24.04	24.37	24.82
Stockholm	100 kr.	137.79	138.11	137.00	135.77	136.89
Christiania	100 kr.	96.10	95.01	95.44	94.00	95.66
Copenhagen	100 kr.	104.17	101.53	98.32	96.78	97.23
Prague	100 kr.	14.27	14.45	14.13	14.66	15.32
Amsterdam	100 fl.	203.59	203.19	201.83	200.85	202.70
Berlin	10,000 mk.	5.36	5.66	5.44	5.53	5.45
Helsingfors	100 fm.	12.71	12.69	12.76	12.74	12.80
Warsaw	100 emk.	1.50	1.50	1.50	1.50	1.50
Kovno	100 lite	51.30	51.30	51.10	50.90	51.40

Note.—The unit of Latvian money is the Lat, equal to one gold franc.

CENTRAL AMERICAN EXCHANGE RATES.

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

Country.	Par Value.	Usance.	Year, 1923.	Rate.
Buenos Aires	Sueros to £1	Sight London	Feb. 17	16.41
Venezuela	Bolivares to £1	"	Feb. 14	24.75
Colombia (Bogota)	Pesos to £1	"	Feb. 20	9.95
Nicaragua	Colonos to £1	"	Feb. 5	4.80
San Salvador	Colonos to £1	"	Feb. 17	9.45
Guatemala	Pesos to £1	"	Feb. 17	265
Costa Rica	Colonos to £1	"	Jan. 13	21.60
Bolivia	Pence to Boliviano	"	Jan. 2	161

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates:—

	Union of South Africa.	Union of South Africa.
	From Dec. 9, 1922.	From Dec. 9, 1922.
London on South Africa.	Buying.	Selling.
South Africa on London.	Buying.	Selling.
T.T.	14% prem.	3% prem.
Demand	21% " "	3% dis.
30 days	21% " "	3% dis.
60 days	21% " "	3% dis.
90 days	21% " "	3% dis.
120 days	21% " "	3% dis.

* No premium allowed on amounts under £100.

(a) No discount allowed on sales of T.T.s. or demand drafts under £50.

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

COMMONWEALTH OF AUSTRALIA AND GOVERNMENT OF NEW ZEALAND.

	London on Australia and New Zealand.				Australia and New Zealand on London.			
	Buying.		Selling.		Buying.		Selling.	
	Aus- tralia.	New Zeal'nd.	Aus- tralia.	New Zeal'nd.	Aus- tralia.	New Zeal'nd.	Aus- tralia.	New Zeal'nd.
T.T.	..	..	..	..	..	..	..	..
Sight	..	..	..	..	..	..	..	..
Cable	..	..	101½	101½	98½	98½	100½	100½
On demand	98	98	100½	100½	97½	97½	99½	99½
30 days	97½	97½	..	..	98	98	99	99
60 days	97	97	..	..	97½	97½	98½	98½
90 days	96½	96½	..	..	97½	97	98½	98½
120 days	..	..	..	..	..	..	..	..

INDIA BILLS AND TRANSFERS.

Applications were received on Tuesday, February 20th, at the Bank of England for Rs. 50,000,000 India bills and telegraphic transfers. Total applications were: For bills, Rs. 2,00,000; for telegraphic transfers, deferred, Rs. 53,00,000; immediate, Rs. 5,00,000. No allotments were made. No tenders will be invited for next week.

BULLION.

IMPORTS AND EXPORTS OF GOLD.

	Week Ended Feb. 21, 1923.	Week Ended Feb. 21, 1923.
Gold Imported into the United Kingdom.	Week Ended Feb. 21, 1923.	Week Ended Feb. 21, 1923.
Countries from which Consigned.	£	£
Belgium	207	17,100
Roumania	20,950	5,625
U.S.A.	545,094	210,523
British West Africa	30,669	49,700
British South Africa	878,257	2,300
Other countries	399	720,570
Total value of imports of gold	1,475,576	1,006,098

Messrs Samuel Montagu and Co. write, on February 21st, as follows:—

GOLD.

The price for exportable gold on the 21st instant—namely, 87s 5d—is the lowest since a quotation per fine ounce has been fixed for such gold, due, of course, to the rise in the quotation for sterling in New York. A fair amount of gold was available, of which India and the Continent took small amounts. The remainder will be exported to America. Gold valued at \$475,000 has arrived in New York from London. The Reichsbank has fixed the purchase price of the gold 20-mark piece at 85,000 paper marks until further notice. Statistics of India's overseas trade for the nine months ending December are appended:—

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.	Interim Date of Payment.	Method of Payment.	Dividend for Whole Year.	Lat. Pre-vious.
Railways.					
Buenos Ayres and Pacific	3%*	Mar. 20	Less tax	..	..
Buenos Ayres Great Southern	3%*	Apr. 11	Less tax	..	..
Cleator and Workington	3%*	Feb. 28	..	5	4
Clonkilly Ext.	4%†	..	..	3	1
Dublin and South-Eastern	..	..	..	1	2
East and West Yorkshire Union	..	..	..	5	5
Great Northern (Ireland)	14%†	..	..	3	4
North British, Defd.	..	..	..	1	1
Paris, Lyons, and Mediterranean	..	..	..	13	..
Salisbury Ry. and Market House	2½†	..	..	5	5
Shahdara (Delhi) Saharanpur	7%†	..	..	..	..
Banks.					
Bank of Australasia	6½ p.a.†	..	Tax free	13	13
Imperial of India	16	..	..	7	8
Union of Switzerland	..	..	..	..	..
Insurance.					
Scottish Temperance & British	1/3 p.a.	Mar. 12	..	..	..
Tea and Rubber.					
Allypungur Tea	5%*	Mar. 1	Less tax	..	..
Beasat Plantations	4%*	Mar. 1	Less tax	..	..
Deamoolie Tea	5%*	Mar. 2	Less tax	..	..
Escof Rubber	..	..	..	2½	..
Java United	4%*	Mar. 1	Less tax	..	..
Kinta Kelas Rubber	5%*	Mar. 26	Less tax	..	..
Pesacock and Nilammb	5%*	Mar. 2	Less tax	..	..
Rupat Tea	5%*	Mar. 2	Less tax	..	..
Tara Tea	5%*	Mar. 2	Less tax	..	..
Mining.					
Consolidated Cambrian	1/3 p.a.†	Mar. 27	Less tax 3/4 in £	nil	2½
Mysore Gold	3%†	April	..	20	25
Natal Steam Coal	..	..	..	5	5
North's Navigation Collieries	4½ p.a.	Mar. 3	Less tax	..	..
Tekka, Limited	5%*	Mar. 7	Less tax	..	..
Wankie	5%*	Mar. 7	Less tax	..	..
Witbank Colliery	7½ p.a.	April 3	Subject to tax	..	..
Other Companies.					
African Produce	7½ p.a.†	..	Less tax	10	nil
Altrincham Gas (Original)	9/3 p.a.	..	Less tax	..	..
Do New	7/ p.a.	..	Less tax	..	..
Annandale and Son	..	..	Tax free	2½	..
Arnott and Co.	4/ p.a.	..	Less tax	..	..
Artizan's, & Co., Dwellings	..	..	..	5	4
Astley and Tydesley Collieries	..	..	Tax free	5	5
Barlow and Jones	..	..	Subject to tax	10	..
Barnet District Gas and Water	10	..	..	..	..
Do "B" and "C"	7	..	..	..	..
Do "D"	7	..	..	..	..
Blackett and Sons	7	Mar. 16	Less tax	10	..
Bournemouth Gas & Water "B"	7	..	Subject to tax	7	7
Do Original	8	..	Subject to tax	7½	7½
Bradford Dyers' Association	6/ p.a.†	Mar. 7	..	7/ p.a.†	7½
Bagots Hutton	3/ p.a.†	..	Less tax	6/ p.a.†	6/ p.a.†
Tekka Wagon, £5	1/ p.a.†	..	Less tax	2/ p.a.†	2/ p.a.†
Do £1	1/ p.a.†	..	Less tax	2/ p.a.†	2/ p.a.†
Buttons, Limited	2/6 p.a.†	..	Tax free	10	10
C. and E. Morton	10 (& bonus 5%)	Mar. 15	..	..	

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

RAILWAYS OF THE UNITED KINGDOM.

	Week Ended Feb. 18, 1923.				Aggregate 7 Weeks 1923.			
	Miles Open.	Passen- gers, &c.	Goods, &c.	Total for Week.	Passen- gers, &c.	Goods, &c.	Total Receipts.	
		£	£	£	£	£	£	
Great Western.....	3,665	205,000	358,000	563,000	1,468,000	2,470,000	3,938,000	
London & North-Eastern	5,661	331,000	792,000	1,123,000	2,422,000	5,193,000	7,615,000	
Do same period 1922	5,622	370,000	822,000	1,192,000	2,505,000	5,120,000	7,625,000	
London, Mid., & Scottish	6,968	500,000	980,000	1,485,000	3,566,000	6,491,000	10,057,000	
Southern	2,105	246,900	131,200	378,100	1,808,100	845,400	2,653,500	
Midland & S.W. Junc.	63	998	1,227	2,225	7,242	8,072	15,314	
Metropolitan (a).....	794	31,204	3,837	35,061	221,071	23,332	244,403	
Underground E.R. (a) ..	..	..	..	212,673	..	..	1,461,989	
	..	..	..	877	..	..	258,266	
Lon. & Sub. Group (a) ..	..	..	..	37,478	..	..	970	
	..	..	..	2,316	..	..	58,988	
Belfast & Co. Down (b) ..	40	4,053	1,244	5,297	27,760	8,225	35,985	
Dublin & E. Coast. (b) ..	160	8,209	7,776	15,985	71,419	22,192	93,611	
Do same period 1922	160	4,586	4,023	8,609	35,681	22,192	57,871	
Midland G. West. (b) ..	538	8,888	13,713	22,601	57,553	93,198	146,744	
Do same period 1922	538	14,662	17,518	32,180	81,484	92,984	174,478	

(b) Week ended February 16, 1923.

(c) Week ended February 17, 1923.

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.		Total Gross Receipts.	
				1922-23.	+ or -	1922-23.	+ or -

INDIAN.

				Rs.	Rs.	Rs.	Rs.
Assam Bengal	41 weeks	Jan. 13	1,043	2,51,439	+ 10,380	1,70,739.59	+ 30,287.71
Baru Lg. Ry.	42 weeks			43,700	+ 15,840	19,49,000	+ 3,44,800
Bombay Bar. Ry.	41 weeks			27,118		12,95,536	+ 1,07,100
Bombay Nagpur	40 weeks			14,949.00	+ 8,815	49,49,536	+ 3,07,100
Bombay, Bar. & C.L.	19 weeks	Feb. 10	2,994	26,08,000	+ 6,57,000	4,22,28,000	+ 53,40,000
Burma	42 weeks	Jan. 20	1,343	37,779.4	+ 91,833	28,00,349	+ 37,51,402
Delhi & Balakrishna	40 weeks	Feb. 10	2,359	33,000	+ 35,139	19,67,572	+ 1,77,874
Delhi Indian	40 weeks			32,700	+ 19,020	7,43,000	+ 1,43,000
G. Indian Peninsula	40 weeks			11,321	35,740.7	6,89,500	124,61,502
Madras & S. Mah.	43 weeks	Jan. 27	4,028	14,10,000	+ 72,463	6,00,71,658	+ 57,93,722
Moolah'd & Kmsom	16 weeks			259	54,128	+ 11,464	7,00,853
North India	40 weeks			30,078		7,37,232	+ 21,411
South India	42 weeks			2,1852		38,863	+ 35,953
Sinh. Punjab (month)	1 mth	Oct. 31	717	7,30,311	+ 1,02,955	7,30,311	+ 1,02,955

ARGENTINE (a)

				£	£	£	£
Argentina N.E.	33 weeks	Feb. 17	753	9,900	+ 8,000	332,700	- 28,000
Argentina Trans.	33 weeks	17	111	4,500	+ 1,560	98,490	+ 32,070
B. A. and Pacific.	33 weeks	17	5,428	210,000	+ 38,000	4,960,000	+ 730,000
B. A. & Gt. Southern.	33 weeks	17	3,547	218,000	+ 31,000	5,852,000	+ 724,000
				26	+ 12	26,000	+ 12,000
B. Western.	33 weeks	17	1,883	96,000	+ 11,000	2,861,000	+ 348,000
			Nes	38,000	+ 14,000	969,000	+ 629,000
Buenos Ayres Cent.	2 mths	Aug. 31	190	41,145	- 12,738	78,379	- 25,404
Central Argentine.	33 weeks	Feb. 17	5,305	285,000	+ 5,000	2,647,000	+ 686,000
Cordoba Central.	33 weeks	17	1,836	20,000	+ 1,000	1,000,000	+ 100,000
Montevideo.	33 weeks	17	729	24,200	+ 1,500	540,000	+ 4,800

BRAZILIAN (b).

Brasil Gt. Southern	1 mth	Jan. 31	1,005	M. 85,750 + 42,000	85,750 + 42,000
Gt. West. of Brasil.	7weeks	Feb. 17	1,005	12,100	3,700
Leopoldina	7weeks	17	1,831	26,397	2,609
San Paulo	7weeks	18	1553	27,208	647
State of Bahia, S.W.	9 mths	Jan. 31	52	M. 250,000 + 163,000	1,259,000 + 658,000

CHILE AND PERU.

Antofagasta	7 weeks	Feb. 18	833	29,635	+ 12,310	239,910	+ 122,540
Nitrate (4-monthly)	7 weeks	15	366	41,608	+ 28,866	113,420	+ 76,555
Peruvian Corp.	7 mths	Jan. 31	1,056	1,032,490	- 333,70	8,922,015	+ 15,543
Total	7 mths	31	172	(b) 24,030	+ 15,907	118,069	+ 52,998

CUBAN.

Havana Central	33 weeks Feb. 17	14,225	+	1,783	352,492	-	1.96
United of Havana...	33 weeks 17	1210	+	13,404	1,947,783	-	55.89

URUGUAYAN.

Central Uruguay.....	33 weeks	Feb. 17	273	25,379	—	4,877	843,897	+ 18,535
C. Urug. (East Ext.).....	33 weeks	17	311	5,401	—	69	168,302	+ 2,941
C. Urug. (North Ext.).....	33 weeks	17	185	2,593	—	517	88,674	— 5,095
C. Urug. (West Ext.).....	33 weeks	17	311	3,337	—	252	84,859	+ 5,828
Midland Uruguay.....	7 mths	Jan. 31	819	16,808	+ 2,918		112,251	+ 8,646
North-West Uruguay.....	7 mths	31	113	6,064	+ 453		47,461	+ 3,176
Uruguay North.....	7 mths	31	73	2,234	+ 15		17,516	+ 2,175

OTHER FOREIGN.

Alcay and Gandia	7 weeks	Feb. 17	\$2	\$5,260,000	3,000	169,000	57,000
Bilbao	1 mth	Jan. 31	15	1,760	807	1,760	80
Bolivar	1 mth	21	136	11,000	1,016	11,000	1,016
Costa Rica	5 mths	Nov. 30	183	22,899	4,834	97,982	7,081
Dorado Mission	1 mth	Jan. 31	70	14,500	2,500	13,500	2,450
Dorado Lopez	1 mth	Jan. 31	46	10,000	1,000	9,000	1,000
Egyptian Delta	40 weeks	10	5554	(10,692)	3,189	275,087	42,450
Gt. South. of Spain	6 weeks	Feb. 10	104	1611,424	48,022	608,179	223,266
International of Grosos	1 mth	Jan. 31		79,362	5,917	79,362	5,917
La Guaira & Caracas	18 mths	Oct. 31	Net	54,819	5,270	34,819	5,270
Maricao Railway	6 weeks	Feb. 14	403	\$399,500	47,900	1,755,200	171,350
De	6 mths	Dec. 31	{	\$192,800	31,550	6,754,200	1,813,100
Nazco Occorahama	11 mths	Nov. 30	Net	161,490	168,000	1,249,800	707,700
Ocotomoc Railway	3 weeks	Sept. 2		11,853	807	123,536	30,785
Paraguay Central	32 weeks	Feb. 10	274	2,880	210	52,750	63,890
Puerto Cabello, &c.	8 mths	Aug. 31	35	3,575	1,000	35,000	2,500
Salvador	35 weeks	Feb. 17	300	5,740	113	104,083	9,567
San Juan	1 mth	Jan. 31		143,336	10,382		
Samana & Santiago	1 mth	Jan. 31		75,167		5,167	
Taira and Huila	12 mths	Dec. 31	112	(12,740)	3,205	145,791	25,900

(a) Converted at par.

(b) Converted at the current rate of exchange.

(c) 10 days return.

AMERICAN RAILROAD GROSS AND NET RECEIPTS

This table is extracted from the *Commercial and Financial Chronicle* of New York.

Date.	Miles of Road.		Gross Earnings.		Net Earnings.	
	1921.	1922.	1922.	Increase or Decrease on 1921.	1922.	Incr+or Decrease on 1921.
Jan.	235,653	235,395	393,892.529	- 75,303.279	57,421.605	+29,089.645
Feb.	235,653	236,625	400,430.580	- 4,772.834	76,706.840	+54,882.820
Mar.	234,209	234,986	443,333.886	+ 16,059.426	113,846.843	+54,637.199
Apr.	234,338	234,565	416,240.040	+ 15,866.410	80,541.549	+54,637.199
May	235,203	234,531	407,160.150	+ 1,069.150	90,433.565	+54,637.199
June.	235,208	235,310	472,383.903	+ 12,376.822	109,445.113	+28,899.678
July.	234,556	235,082	442,736.397	- 19,960.589	102,258.414	+ 1,964.848
Aug.	233,815	235,294	474,244.561	+ 31,911.054	86,566.595	+56,707.070
Sept.	235,206	235,206	498,176.075	+ 1,553.779	91,553.779	+56,707.070
Oct.	235,228	233,872	545,769.206	+ 15,074.992	120,216.996	+17,883.950
Nov.	236,043	235,748	523,748.483	+ 57,618.155	113,662.387	+15,682.052

CANADIAN RAILWAYS WEEKLY AND MONTHLY STATEMENTS

Name.	Period.	Ending.	Receipts for Week or Month.	Inc. or Dec.	Aggregate Receipts.	Inc. or Dec.
Algonquin Cont. & Hudson Bay	5 mths	Nov. 30	Gross	\$112,682 + 17,707	940,448 + 35,854	
Canadian Nip.	6 weeks	Feb. 14	Gross	\$867,500 - 51,878	6,686,500 + 561,933	
Canadian Nip.	12 mths	Dec. 31	Gross	\$5,369,100 - 812,590	50,694,794 - 8,493,679	
Grand Trunk.	6 weeks	Feb. 14	Gross	\$1,091,000 + 10,000	7,251,000 + 2,561,000	
Canadian Pac.	12 mths	Dec. 31	Gross	\$17,366,000 + 169,000	186,675,000 + 6,347,000	
Grand Trunk.	6 weeks	Feb. 14	Net	\$3,465,000 + 154,700	36,302,000 + 2,100,000	
Telephones.	1 mth	Dec. 31	Gross	\$392,000 + 93,145	2,557,499 + 358,500	
			Net	\$317,000 + 93,145		

* Net earnings before deducting taxes, freight and steamship receipts.

*Net earnings before deducting taxes. †Railway and Steamship receipts

OTHER BRITISH OVERSEAS RAILWAYS RECEIPTS.

Name.	Period.	Ending.	Present Balance.	Gross Receipts for Week or Month.		Total Gross Receipts.	
				1922.	+ or -	1922.	+ or -
Seira and Mashona- land.....	1 mth	Nov. 30	810	£ 80,802	+ 615	£	
Mid. of W. Aust.....	5 mths	Nov. 30	277	13,858	+ 1,641	62,016	+ 13,053
New Cape Central.....	4 weeks	Jan. 27	20	1,534		10,592	- 251
Rhodesia Railways.....	1 mth	Nov. 30	1,397	125,139	+ 2,793		

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week.		Total Receipts.	
				1923.	+ or -	1923.	+ or -
Anglo-Argentine	7 weeks	Feb. 18	329	Rs.2,364 +	805	600,445 +	29,518
Burnley Corporation	1 week	17	12	" 3,038 +	42	" "	"
Calcutta Tramways ..	7 weeks	17	354	Rs.11,861 +	8,643	" "	210,228
Chatham & District ..	6 weeks	8	15	" 1,467 +	110	" 7,992 -	161
Egyptian Markets ..	7 weeks	15	"	" 2,362 +	621	" 18,203 +	5,365
Glasgow Corporation ..	37 weeks	17	106	" 42,893 -	1,042	" 1,606,100 -	82,745
Tramways	20 weeks	14	"	" 5252 +	17	" 11,271 -	833
Isle of Thanet	6 weeks	13	39	" 2,895 -	227	" 18,058 -	894
Lancashire United ..	7 weeks	17	124	" 27,756 -	286	" 191,748 -	4,858
Liverpool Corpora- ..	47 weeks	2	160	" 286,722 -	4,102	" 4,511,518 -	282,796
L.C.C. Tramways	6 weeks	15	"	Rs.1,641 +	2,594	" 155,478 +	4,378
Madras Elect. (2 wks)	7 weeks	18	"	" 3,938 +	188	" 27,380 +	1,597
Pernambuco Trams ..	30 weeks	July 29	"	" 77,095 -	6,142	" 365,271 -	8,301
Singapore Electric ..							

TRAMWAY & OTHER MONTHLY GROSS & NET RECEIPTS.

Name.	Period.	Ending.	Present Mileage	Receipts for Month.		Total Receipts.	
				1922.	1921.	1922.	1921.
Barcelona Traction, Inc., in pocket	12 mths.	Dec. 31	Gross	\$45,350.09	714,616	46,728.50	9,027,870
Brazilian Traction	12 mths.	31	Net	\$2,344,602	-	217,110	80,494,427
Trac. receipts, in mil.	12 mths.	31	Gross	17,463,000	2,468,000	19,770,000	2,682,000
Brisbane Electric	12 mths.	31	Net	11,403,000	2,049,000	14,050,000	2,949,000
Brit. Columbia Electric, &c.	6 mths.	31	Gross	\$50,575	3,075	59,845	31,100
Buenos Ayres Electric	12 mths.	31	Net	\$923,922	16,191	519,572	2,343
Cal. Electric	6 mths.	31	Gross	\$245,785	9,238	1,532,575	159,193
Cape Eleo. Trams	7 mths.	Jan. 31	Gross	\$65,730	2,532	426,775	21,955
Trways & Light.	6 mths.	31	Net	\$64,002	4,640	..	25,571
Burnham Electric	1 mth.	31	Gross	\$38,047	..	..	..
Cape Eleo. Trams	6 mths.	31	Net	\$12,949	..	..	..
Canadian Western	3 mths.	Dec. 31	Gross	\$125,990	23,772	281,538	20,064
Natural Gas	1 mth.	Jan. 31	Net	2,291	784	2,291	784
Carthage and Herrerias Trms.	1 mth.	Jan. 31	Gross	\$1,282,871	94,241	14,658,917	1,197,800
Cities Service Co.	9 mths.	Dec. 31	Gross	\$25,100	3,176	21,899	25,930
Cordoba Light & Elec. Soc. of Viet.	4 weeks.	31	Net	\$5,222	283	45,040	816
Havana, Elec. R. Light, & Power	12 mths.	Dec. 31	Gross	\$1,229,971	17,735	12,910,708	28,052
International Light & Power	6 mths.	Dec. 31	Gross	\$606,394	15,332	6,601,736	1,095,426
Kalgoolie Elec. Trams	12 mths.	Dec. 31	Net	\$110,119	977	371,354	4,655
Keynote Tele.	11 mths.	Nov. 30	Gross	\$2,265	..	27,333	2,006
La Guaira Harb. & Light	12 mths.	Dec. 31	Gross	\$18,833	4,556	1,703,774	35,769
La Plata Electric	1 mth.	Jan. 31	Net	\$90,811	15,477	725,593	94,656
Lima Light, Pwr. and Tramw.	1 mth.	Jan. 31	Gross	\$7,977	831	..	541
Manila Electric	11 mths.	Nov. 30	Gross	\$63,244	1,302	734,407	49,370
Mar del Plata Electric	12 mths.	Dec. 31	Net	\$11,919	1,775	223,778	32,075
Matanzas Electric	12 mths.	Dec. 31	Gross	\$318,242	1,775	3,594,221	97,270
Medan Electric	12 mths.	Dec. 31	Gross	\$10,711	23,380	1,334,234	24,171
Para Electric	3 mths.	Jan. 31	Gross	\$25,310	2,374	49,691	4,930
Puerto Rico Electric	1 mth.	Dec. 31	Net	\$10,212	1,567	19,720	3,118
Puebla Tram, &c.	1 mth.	Dec. 31	Gross	\$91,000	..	..	8,529
Rangoon Electric	1 mth.	Jan. 31	Net	\$46,375	8,529	..	8,529
Rangoon Electric	1 mth.	Jan. 31	Gross	\$184,540	39,745	184,550	31,181
United Electric T. of Montevideo	3 mths.	Jan. 31	Gross	\$59,339	26,705	167,375	3,518
Vera Cruz	1 mth.	Nov. 30	Net	\$33,220	12,400	496,700	120,770
Victoria Falls & Transvaal Pwr.	Quarter	Sept. 30	Net	\$239,082	..	..	..
Winnipeg Electric	12 mths.	Dec. 31	Gross	\$524,338	17,291	5,395,317	22,800
Yokohama Electric	12 mths.	Dec. 31	Net	\$190,549	31,560	1,667,458	9,806

‡ Approximate receipts.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution.	Appropriation.						Corresponding Period Last Year.	
					Dividend.			Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.	Dividend.	
					Prefce.	Ordinary.	Rate.					
					Amount.	Amount.	Rate.					
Breweries.												
Bent's Brewery	Dec. 31	£ 31,211	£ 31,780	£ 62,991	£ 7,699	£ 21,000	15	£ 2,000	£ 32,292	£ 31,866	15	
Oakhill Brewery	Dec. 31	26,630	4,462	31,152	3,900	4,800	8	..	22,452	..	..	
Electric Lighting and Power.												
Kensington and Knightsbridge ..	Dec. 31	4,014	26,199	30,213	4,250	13,850	12	..	12,113	18,147	10	
Midland Counties	Dec. 31	2,440	55,501	57,941	..	27,656	5	26,278	4,007	30,837	4	
Scottish Power	Dec. 31	2,697	23,113	25,810	11,879	7,433	8	4,000	2,498	..	..	
Smithfield Markets	Dec. 31	1,549	15,400	16,949	..	3,600	6	11,500	1,849	9,701	5	
South Metropolitan	Dec. 31	21,498	122,095	143,593	8,250	16,500	10	90,000	28,843	84,562	10	
Westminster	Dec. 31	7,324	132,716	140,040	24,750	90,674	12	7,500	17,116	97,442	10	
Financial, Land, &c.												
Aberdeen Heritable Securities	Dec. 31	418	2,458	2,876	..	..	..	..	2,876	417	..	
Gas.												
Barnet District	Dec. 31	18,773	17,398	36,171	..	12,413	..	5,000	18,758	8,237	..	
Cork Consumers	Dec. 31	3,180	983	5,163	..	3,150	6	1,874	139	..	..	
Gloucester	Dec. 31	13,773	9,460	22,233	..	4,731	5	..	17,502	5,749	5	
Hastings and St Leonards	Dec. 31	36,585	14,706	51,291	..	10,475	..	..	40,816	13,475	..	
Ipswich	Dec. 31	11,402	12,257	23,659	..	10,468	..	..	13,191	8,836	..	
Liverpool	Dec. 31	51,106	169,506	220,612	31,500	117,003	5½	..	72,109	69,011	4½	
Sheffield	Dec. 31	62,174	99,290	161,464	..	86,849	5	..	74,615	102,147	5	
Tunbridge Wells	Dec. 31	12,935	11,567	24,502	..	9,663	10½	..	14,839	7,223	7½	
Hotels, Restaurants, &c.												
Holborn and Frascati	Dec. 31	16,385	35,533	51,918	7,500	25,519	11	5,000	13,899	46,522	11	
Iron, Coal, and Steel.												
Consolidated Cambrian	Dec. 31	43,198	37,362	80,560	40,028	..	..	..	40,532	49,619	(m)	
Crosley Brothers	Dec. 31	Dr 54,18	Dr 66,254	Dr 120,448	..	..	..	..	Dr 120,448	Dr 94,016	..	
Drakes	Dec. 31	3,707	9,834	13,541	2,400	5,000	10½	..	5,141	10,559	10½	
Fife Coal	Dec. 31	109,563	183,061	292,624	15,668	244,604	20½	Dr 91,829	124,181	134,083	10½	
Mather and Platt	Dec. 31	287,662	365,535	653,197	20,000	204,550	15½	Dr 253,694	174,953	379,481	10½	
Merry and Cunninghame	Nov. 30	3,958	Dr 48,964	Dr 45,006	8,750	..	..	Dr 8,750	Dr 45,006	122,404	..	
Motor and Cycle.												
Alldays and Onions	Aug. 5	Dr 103,053	Dr 78,637	Dr 181,692	..	..	..	..	Dr 181,692	Dr 108,304	..	
Shipping.												
Cairn Line of Steamships	Dec. 31	13,555	21,124	34,679	..	60,000	5	Dr 40,000	14,679	170,617	10½	
Isle of Man Steam Packet	Dec. 31	13,820	31,564	45,384	..	30,000	5	..	15,384	27,321	5	
Shops and Stores.												
Civil Service Supply	Dec. 31	3,846	51,761	55,607	..	49,541	14	4,500	1,566	48,320	14	
Spencer, Turner, and Boldero	Jan. 15	15,346	67,273	82,619	10,800	36,520	8	4,550	30,749	7,289	6	
Thomas Wallis and Co.	Jan. 31	13,840	30,578	44,418	9,000	20,000	10	1,000	14,418	22,373	10	
Textiles.												
Barlow and Jones	Dec. 31	53,179	118,444	171,623	28,710	29,916	10	50,000	62,997	52,937	7½	
Bradford Dyers'	Dec. 31	400,369	1,199,709	1,600,078	250,000	610,414	45	271,295	468,369	..	..	
Fleming, Reid, and Co.	Dec. 31	37,882	136,941	174,823	7,744	78,750	22½	45,000	43,329	116,715	28½	
Jackson and Steeple	Dec. 31	7,320	5,101	12,421	..	..	..	5,309	7,112	Dr 971	..	
Tramways.												
Fife Tramway	Dec. 31	4,357	51,692	56,049	11,494	27,121	8	14,883	2,551	53,197	8	
Lancashire United	Dec. 31	..	231	231	..	..	..	231	..	1,126	..	
Mansfield and District	Dec. 31	1,763	11,919	13,682	3,407	2,213	9	6,700	1,362	..	..	
Tyneside Tramways & Tramroads	Dec. 31	128	1,987	2,115	601	1,359	2	..	175	2,891	2	
Yorkshire (West Riding)	Dec. 31	4,230	48,723	52,953	10,235	..	..	38,495	4,233	33,072	..	
Trust.												
Gas, Water, and General	Jan. 28	237	6,164	6,401	..	6,250	2½ B	..	151	7,972	3½ B	
Mercantile Investment and General	Jan. 31	79,828	187,954	267,782	55,623	105,686	9½	25,000	81,473	188,221	9	
Merchants' Trust	Jan. 31	45,397	80,420	125,817	27,530	48,440	9½	..	49,877	86,738	9	
Railway Investment	Jan. 31	53	85,421	85,474	50,433	34,992	2½	..	49	..	..	
Waterworks.												
Newcastle and Gateshead	Feb. 1	1,349	131,365	132,714	55,253	59,243	7 4½	..	18,218	100,105	6½ 4½	
Tendring Hundred	Dec. 31	2,090	14,940	17,030	..	12,031	6	..	4,999	8,041	4½	
Other Companies.												
Bagots, Hutton, and Co.	Dec. 31	3,320	243	3,563	1,305	1,302	6	..	956	2,564	6	
British Wagon	Dec. 31	4,606	11,771	16,377	..	9,588	10	..	6,789	14,519	13½	
Culter Paper Mills	Dec. 31	Dr 819	9,630	8,811	..	2,625	2½	6,186	..	Dr 63,248	..	
Edwards and Co. (Broad street)	Dec. 19	3,354	4,427	7,781	3,000	1,875	5	..	2,906	Dr 12,088	..	
General Hydraulic Power	Dec. 31	9,641	43,484	53,125	2,500	40,000	5	..	10,625	42,227	5	
International Paint	Dec. 31	3,580	27,118	30,698	12,000	11,400	3	3,500	3,798	9,678	3	
International Sponge	Dec. 31	219	9,348	9,567	7,500	..	..	1,149	918	248	..	
J. and R. Allan	Jan. 20	9,041	18,503	27,544	3,000	7,760	8	6,000	10,784	14,527	7½	
Johnston, Mooney, and O'Brien	Dec. 31	12,038	6,657	18,695	3,000	5,000	5	..	10,695	10,060	7½	
Joseph Crossfield and Sons	Nov. 30	..	330,937	330,937	227,500	100,000	10	..	3,437	277,884	5	
National Gas Engine	Dec. 31	32,284	28,658	60,942	12,000	37,500	6½	..	11,442	42,258	8½	
Pek, Frean, and Co.	Dec. 31	118,913	189,665	308,578	55,000	115,000	23½	25,000	113,578	164,320	15½	
Perry and Co.	Dec. 31	2,686	14,158	16,844	15,043	..	..	..	1,801	8,346	..	
Slaegers	Dec. 31	15,488	42,965	58,453	6,000	27,380	15	12,588	12,485	30,913	12½	
Vyse, Sons, and Co.	Dec. 31	10,242	21,618	31,860	7,975	11,600	8	..	12,285	23,062	10	
William Gossage and Sons	Nov. 30	..	174,470	174,470	71,250	100,000	20	..	3,200	146,119	15	
Wylie and Lochhead	Dec. 31	3,088	14,200	17,288	3,250	9,750	6½	2,000	2,288	9,938	6½	
W. T. Henley's Telegraph Works	Dec. 31	267,769	187,719	455,488	9,000	97,500	15	25,000	323,988	303,645	15	

* Half-year. † Free of tax.

dividend absorbed £15 517. (s) 10 per cent. for 1921, and 35 per cent. for 1922

(v) Accounts for two years

OIL OUTPUTS

OIL OUTPUTS.

STEARA ROMANA (BRITISH), LIMITED.—The approximate gross fields production of the Steara Romana Company for the month of January was 17,910 tons. This decrease in production is largely due to the Roumanian Christmas and New Year holidays.

UNITED BRITISH OILFIELDS OF TRINIDAD, LIMITED.—Combined production for the week ending Wednesday, February 14, 1923, amounted to 924 tons.

DIVIDEND ANNOUNCEMENTS.—Continued from 469.

North Metropolitan Electric	15% ..	Tax free	10	10
Peck, Freeman, and Co.	15% ..	Tax free	23	15
Perry and Co., Pref.	Mar. 3	..	5	5
Peter Candler, Kohler	..	..	5	5
Peter Robinson, Limited	10% ..	..	15	15
Pim Bros.	..	..	..	..
Railway Investment, Defd.	1/15 2% ..	Subject to tax	21/2% 1/7 3/4	..
Regent's Canal	1 1/2% ..	Less tax	14	3
Reville	10% ..	Less tax	..	..
Royal Brewery, Brentford	5% Mar. 1	Less tax	..	..
Scottish Assets	9 1/2 p.s. ..	Less tax	..	..
Smidley's Hydropathic	12 1/2% ..	Tax free	..	..
Smithfield Markets Electric	..	..	..	..
South London Electric Supply	15% ..	(£ bonus 1%) Less tax	11	7
South Metropolitan Electric	..	Less tax	10	10
Spencer, Turner, and Boldero	9% Mar. 8	..	8	6
Switzer and Co.	6% ..	Tax free	..	..
Tendering Hundred Waterworks	3 1/2% Mar. 1	Less tax	6	4 1/2
Thomas Dockrell	11% ..	..	..	..
Thomas Wallis and Co.	12% ..	..	10	10
Todd, Burns, and Co.	8% ..	..	7	8 1/2
Tyne Tees Shipping	2 1/2% ..	..	..	..
Tyneside Tramways	..	Less tax	2	..
United States Debenture	1/6 p.s. ..	Less tax	12 1/2	12 1/2
Uxbridge Electric Supply	..	..	8	..
Vine, Sons, and Co.	9% ..	(£ bonus 1%)	8	10
Walkers, Parker	1/6 p.s. ..	..	10	10
Wall Paper Manufacturers Ord.	6% ..	..	..	..
Do Def.	..	..	5	nil
Wallsend Slipway and Eng.	7 1/2% ..	Tax free	10	10
W. and A. K. Johnston, Pref.	5% (arrears for 1921)	..	..	..
Welsh Navigation Steam Coal	..	..	..	..
Westminster Electric Supply	7/6 p.s. ..	..	12	10
William Goswami and Sons	..	..	20	15
Woolcombers, Limited	..	..	2/3 p.s. 2/3 p.s.	..
Wylie and Lochhead	..	Tax free	6 1/2	6

JOHN BARKER AND CO., ROTHERHAM.—The Directors of John Barker and Co., Rotherham, regret severe trade depression has impelled them not to pay dividend on 6 per cent. cumulative preference shares.

THE LEATHERHEAD AND DISTRICT WATERWORKS COMPANY recommend payment, together with current dividends, of the balance of arrears of dividend for the half-year ended June 30, 1887, at the rate of 5 per cent. per annum, less tax at 5s. The company, which was incorporated in 1883, has paid maximum dividends for the 35 half-years to June, 1922, and from time to time has made payments in order to bring up dividends distributed in the earlier years to the maximum rates, the most recent distribution having been 2 1/2 per cent. on the 10 per cent. shares in February, 1917, which left about £11 outstanding on each of the 10 per cent. shares.

Reports and Notices.

We are informed that Mr Bernard Edward Halsey Bircham, of the firm of Messrs Bircham and Co., has been elected a director of the Equity and Law Life Assurance Society.

INSURANCE.

PROVIDENT MUTUAL.—A valuation was made as at December 31st last by the British Offices, taken at 3 per cent. interest, the same basis as five years ago. The Stock Exchange securities were taken at their book values (less than their market value), and the investment reserve fund of £160,000 was preserved intact to cover any future depreciation. The surplus shown was £377,712, on funds of £3,931,655. This permits of a reversionary bonus to be declared at the rate of £1 5s per cent. per annum. No bonus was declared at the valuation five years ago. In the course of the five years ended December 31st, 76,128 new policies were issued, assuring £8,237,393.

MISCELLANEOUS.

MAPLE AND CO., LIMITED.—The annual report for the year ended December 31, 1922, states that the profit for the year has again been affected by a fall in prices of furniture and fabrics, though to a considerably less degree than that of 1921. This has induced a further reduction in selling prices and writing down of stocks to present market values. The South American and French companies have suffered through the adverse exchanges. In the circumstances the directors recommend the retention of £100,000 from the reserve set aside last year for excess profits duty, contingencies, &c., for the purpose of providing for the continual fluctuation in foreign currencies. After payment of debenture interest and the dividends on preference and management shares there will remain a balance available for distribution to the ordinary shareholders of £227,231 2s 7d, out of which an interim dividend of 2 1/2 per cent., absorbing £45,000, has already been paid. The directors recommend the payment of a final dividend of 7 1/2 per cent., making 10 per cent. for the year, and the carrying forward of a balance of £47,231 2s 7d to the credit of the ordinary shareholders.

MATHER AND PLATT, LIMITED.—The net profits for the year 1922, after charging depreciation, directors' remuneration, and making provision for doubtful debts, are £365,534, from which the directors have transferred to income-tax equalisation account £53,604—£311,840. To this must be added the balance brought forward from December 31, 1921, £287,662, showing an available total of £599,502. The interim dividends for the half-year ending June 30, 1922, were:—On the preference shares 2 1/2 per cent., £10,000; and on the ordinary shares 3 per cent., free of income-tax, £40,909. The directors recommend that the balance be appropriated as follows:—Dividends for the half-year ending December 31, 1922—on preference shares 2 1/2 per cent., £10,000; on ordinary shares 7 per cent., making 10 per cent. for the year, free of income-tax, £95,456; on ordinary shares, bonus of 5 per cent., free of income-tax, £68,183; transfer to reserve account, £200,000, leaving to be carried forward to next account £174,954. The dividends will be payable on March 1st next.

THE MERCHANTS' TRUST, LIMITED.—The report for the year ended January 31, 1923, shows that the net revenue, after charging interest on debenture stock, management expenses, dividend on preference stock for the year, income-tax, &c., amounts to £52,920, to which is added £43,397 brought forward from last year, making £96,317 to be dealt with. The ordinary dividend of 9 1/2 per cent. for the year absorbs £48,440, and the balance of £47,877 is carried forward. The general reserve stands at £260,000, and the dividend fund remains at £43,750.

W. T. HENLEY'S TELEGRAPH WORKS COMPANY, LIMITED.—The accounts for the year 1922 show that a profit has been made during the year of £249,351, from which must be deducted directors' and auditors' fees, debenture interest, and amount written off for depreciation on buildings, machinery, &c., £43,012, leaving £206,339, to which has to be added the amount brought forward from 1921, £260,244; profit on realisation of investments, £7,525—making a total of £474,108; deducting income-tax, £18,620; transfer to reserve account, £25,000; dividend on preference shares to December 31, 1922, £9,000; interim dividend on ordinary shares, £32,500, leaving an available balance of £388,988. The directors recommend the payment of a final dividend on the ordinary shares of 2s per share, less income-tax, making 3s for the year; this will require £65,000, leaving to be carried forward to next year £323,988. The report states that provision has been made in the accounts in respect of the liability for corporation profits tax to the end of the year 1922. Henley's Tyre and Rubber Company, Limited, has had an improved year's trading as compared with the year 1921, but the condition of the tyre trade remains very unsatisfactory to British manufacturers.

Commercial Reports.

THE CORN TRADE.
COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1922-23, contrasted with 1921-22, 1920-21, and 1919-20:—

	1922-1923.	1921-1922.	1920-1921.	1919-1920.
Estimated sales of home-grown wheat—				
1 week to February 17	Cwts. 387,232	Cwts. 598,721	Cwts. 237,819	Cwts. 423,268
23 weeks to February 17	10,362,890	10,149,034	5,166,446	7,689,635
Average price of English wheat per	s d	s d	s d	s d
quarter	40 5	48 1	76 4	72 7
= per cwt.	9 5	11 2 1/2	17 9 1/2	16 11

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1919 to 1922:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
Feb. 10, 1923.	Cwts. 428,999	Cwts. 227,725	Cwts. 76,956	s d 9 6	s d 9 0	s d 9 11
Feb. 17, 1923.	367,292	179,362	76,376	9 5	9 0	9 10
1919	437,876	243,646	63,461	16 11	17 6	17 8
1920	425,266	165,114	71,181	16 11	28 2	21 6
1921	237,819	224,771	43,538	17 9	15 8	12 11
1922	598,723	202,393	93,266	11 2	12 1	10 5

Mark Lane, Friday Evening.

Unsettled and colder weather has prevailed over the United Kingdom during the past week, which has hampered field work. Although preparations are well advanced, only restricted sowings of spring cereals were made in early districts. Reports continue favourable with regard to winter crops, and the spell of wintry weather will tend to check undue growth and strengthen the plant. Supplies of native wheat are on a lighter scale, but trade remains quiet and values easy. Suitable milling grades quoted 9s 1d to 9s 6d, with inferior at 8s 3d to 8s 6d per 112 lbs, free on rail. Imported descriptions are still sparingly offered on the spot, but values weak. No 1 Northern Manitoba quoted 49s 9d, and Rosafé 63 lbs 4s 6d per 406 lbs, ex ship to arrive. The cargo-section remains without improvement, the demand being quiet and values the turn in buyers' favour. Steamer of Rosafé 62 1/2 lbs, January-February, sold at 46s to Germany, and a part cargo ditto to Bristol Channel at 46s 3d per 480 lbs. Meanwhile liberal quantities on passage tend to depress the market. Visible supplies in North America show a small increase, and the quantity afloat is on a larger scale, while Plate shipments are now also proceeding with more freedom. Crop reports from the principal exporting countries are mostly favourable. Flour experienced a moderate demand, and prices of home-milled were advanced by 1s per sack. London standard straight run now quoted at 41s, town households 39s, patents 43s to 44s per sack, delivered in London area. All English country straights 31s 6d to 33s 6d per sack, delivered at London stations. Imported dull and values weak. Manitoba export patents quoted from 37s 6d to 41s as to quality, Minneapolis good patents 40s 6d, Pacific 37s 6d, and Australian 30s per 280 lbs, ex store. Barley: There is a fair demand for good class English malting descriptions at steady rates, but other classes move off slowly. Prices range from 6s 9d to 13s 6d per 112 lbs free on rail as to sample. Imported sorts are only in limited request, and prices nominally unaltered. Californian quoted 42s to 45s 6d, Australian Chevalier 47s to 53s per 448 lbs, both ex ship. Danubian 30s to 31s, Plate 29s, both landed. Persian ex ship 24s 9d, ditto landed 26s, all per 400 lbs. On c.i.f. terms a cargo of Danube-Bess-Kustendji arrived sold 29s 13d per 400 lbs. Maize quiet, and with more pressure to sell prices moved in a downward direction. Plate ex ship 36s 9d, ditto landed 38s, American mix ex ship 35s 6d, ditto landed 37s, all per 480 lbs. Cargo market quiet, and values barely steady owing to more favourable weather reports from Argentina. Steamers of La Plata February-March sold at 37s 3d, and a sailer of South African No. 6 yellow, expected to load March 1st, at 37s per 480 lbs. Oats.—Native steady with a fair inquiry, values ranging from 8s to 9s 10d per 112 lbs free on rail. Imported quiet but rather more firmly held. La Plata f.a.q. new crop quoted 24s 3d, No. 2 white

clipped America 35s, No. 2 Canada Western 29s 6d, No. 3 ditto 27s 6d, and No. 2 Canadian feed 26s 3d all per 320 lbs landed terms. Oatmeal in moderate request at steady rates. London-made, all cuts 17s 6d, rolled oats also whole groats 17s 6d, flaked oats 20s 6d, ex mill. Ordinary Scottish oatmeal 18s 6d to 19s, and American, all cuts, 17s 9d per cwt.

IRON, STEEL, AND COAL.

Our Middlesbrough correspondent's report, dated February 22nd, is as follows:—Pig-iron: Business in pig-iron is restricted. Makers are practically sold out for early delivery, and buyers are timid about committing themselves for forward delivery. No. 3 Cleveland G.M.B. is firm at about 115s per ton. Supplies of East Coast hematite are also very short, and makers ask from 110s to 120s for mixed numbers. Manufactured iron and steel: Steel makers say that the price of their product has not increased in proportion to the rise in the cost of fuel, and the uncertainty of the latter prevents them undertaking forward business. Steel ship plates, £9 10s; steel ship angles, £9; iron bars, £11; steel rails, £9 10s. Iron ore: A fairly good business has been done in iron ore. Some sales of best Rubio are reported at 24s 3d to 24s 6d, and sellers now quote 25s. 6d.

Our Sheffield correspondent writes:—The heavy steel and pig-iron trades have again increased in strength and activity, partly from the diversion of business from the Continent. It is reported that producers in Germany, France, and Belgium are cancelling British contracts, which were placed at low prices, and the buyers are faced with the necessity of getting their wants supplied in the inflated home market. The current high prices are checking the placing of business, but producers stand firm, and expect to get their way when current contracts are completed. The high figures relating to pig-iron are largely nominal, as consumers booked heavily forward when foundry pig could be obtained at 82s 6d or thereabouts. The output of basic steel is approaching full capacity, and greatly exceeds the pre-war level. Several additional furnaces went into operation this week. Railway orders for steel are increasing, and several big contracts are being negotiated. The rolling mills up and down the country are now becoming busy, some large ones being on full time. The extreme depression in tool steels and manufactures of crucible steel, which had prevailed ever since the war ceased, has come to an end. There is still a great amount of quietude in this branch, but a proportion of firms are now booking orders on a moderate scale. The wire and forging branches are looking up. Cutlery and plate is disappointing, and the outlook for the year is regarded as unpromising.

Travellers for silver and electro-plate firms are picking up only moderate business, and report that shopkeepers are buying with extreme caution. The majority of factories both in Birmingham and Sheffield are on short time, while a few are fully employed. The prospects for the present year are regarded as unpromising. A Sheffield firm has taken up the plating of spoons, forks, and knife handles with chromium, a metal which will neither rust nor stain. The famine in coke continues, and it is reported that foreign buyers have paid as much as 50s for spot lots of blast furnace coke. Several blast furnaces have had to be damped down through lack of fuel. Collieries are fully sold for the majority of their outputs, some of them for several months ahead, and prices are firm. House coal is comparatively quiet.

Our Glasgow correspondent writes:—The industrial position continues to gain strength, and according to expert opinion presents more evidence of healthy animation than has been the case for over a couple of years. Reports from the Clyde district for the week indicate that the laying down of keels is on the increase, and it is also stated that prospects in that connection are distinctly encouraging. Messrs John Brown and Co. (of Sheffield and Clydebank) have just received instructions to proceed with specifications for a large Orient liner, while other yards have under consideration various plans for building powerful tramps. As regards these, however, it is added that the prices named are higher than owners are prepared to meet, and that they are inclined to hold off until quotations ease a bit. That easing will take effect is far from assured; in fact, is scouted by steelmakers, who all the same are well provided with work. Some of the larger constructional steel producers raised steam for the first time for about two years on Monday, and that on a three-shift-a-day employment arrangement. This firm (Clydebridge) is said to be on an excellent footing as respects orders, and as regards productive capacity have attained an equipment power stage unequalled in the United Kingdom. Nominally ship plates are called and can command £9 5s to £9 10s per ton delivered Glasgow stations, with sections £9, and boiler plates £12, while joists are £9 7s. A healthy trade is passing in black sheets at £11 10s, and in corrugated sheets (24 gauge) at £19. India, Japan, and Australia are amongst the buyers of black sheets. Operations in bar-iron are on the increase, and for Scotch crown £11 is asked, with sellers to the firmish side. A large shipment of Scotch brands of ordinary pig-iron was made from Glasgow harbour last week, no fewer than 6,732 tons, mainly for South American (Pacific) coast. This movement has stiffened values—Scotch No. 1 by 2s 6d a ton at £5 12s 6d, and No. 3 by 2s 6d at £5 7s 6d—both sorts f.o.t. makers' works. Scotch production it appears is going away readily, and there are no stocks, yet makers do not see their way to relight more furnaces. A large quantity of engineering work is said to be in the West of Scotland structural market, and most houses at the moment are well off. The new work embraces inquiries for powerful locomotives of the hill-climbing type. Messrs Babcock and Wilcox have received an

order for two 60,000 lbs marine type boilers, with super-heaters, &c., for the St Marylebone Borough Council electricity works. Contracts for supply of locomotives and rolling stocks for East India railways are to be fixed next week, and Glasgow firms expect to participate substantially in the allocations. The engines are to be of a very large size. The feature in the coal trade is the continued request for Scotch sorts for France and unoccupied Germany.

Our Cardiff correspondent writes:—The South Wales coal market has shown great firmness this week again. The negotiations for an extra tipping and trimming shift have broken down. The employers had proposed an extended two-shift system that would have secured the working of the docks over the whole of the 24 hours instead of 17 hours, as is the case under the existing system, and the workmen's representatives came forward with a counter proposal for the introduction of a partial third shift for an experimental period of three months, subject to safeguards against any reduction in the wages of the tipplers and trimmers employed in the present two continuous shifts of eight and a-half hours each, and guarantees that the men employed on the third shift would be paid wages equal to those received on the morning and afternoon shifts. The employers refused to accept the liability of these conditions, and appealed to the Ministry of Labour to appoint a court of inquiry under the Industrial Courts Act. Under that measure a Court of Inquiry in 1920 granted the workmen the system of two continuous shifts, that is still in force, subject to the condition that the employers would have the right to call for a third shift if circumstances of trade warranted it, and the new inquiry was asked for to determine this point. The Minister of Labour, however, has asked the parties to meet him in joint conference in London next Tuesday. All that now stands in the way of a settlement is the adjustment of terms. Under the prevailing restricted hours dock congestion continues very acute, and the export trade has also been adversely affected by sectional stoppages on the non-unionist question in the coalfield. Inquiries for coal have been very active, and prices very strong. The greatest strength, however, has been shown by high volatile coals, and this has been due to a heavy demand from Germany for coking coals. Germany has also been pressing for supplies of coke. The production of coke in South Wales is relatively so small that the effect of these German coke inquiries has been seen mainly in an advance in prices. The current rate of production of colliery coke in South Wales is about 22,000 tons, of which about 16,500 tons are furnace coke, and 5,500 tons foundry coke, and the normal proportion exported is about 18 per cent. A week ago coke for

THE
STANDARD BANK
OF SOUTH AFRICA, LIMITED.

(with which is incorporated the
AFRICAN BANKING CORPORATION, LTD.)

Bankers to the Government of the Union of South Africa in Cape Province; to the Imperial Government in South Africa; and to the Administration of Rhodesia.

AUTHORISED CAPITAL ...	£10,000,000
SUBSCRIBED CAPITAL ...	£8,916,660
PAID-UP CAPITAL ...	£2,229,165
RESERVE FUND ...	£2,893,335
UNCALLED CAPITAL ...	£6,687,495
	£11,809,995

Board of Directors.

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export was quoted at between 475 6d and 525 6d; at the end of the present week the quotations had been increased to 705 to 805. Best Admiralty steam coals are ruling between 295 and 305, and leading second Admiralties between 285 6d and 295, with best small steams quoted up to 235. Other good steam smalls, however, have been changing hands at 205 and 215. Another feature of the market has been a recent slump in the price of pitwood. The temporary glut of supply and wagon scarcity has driven spot prices down to the neighbourhood of 245 per ton, although at current f.o.b. Bordeaux prices and current homeward rates of freight the ex-ship price is about 325. The following are the current approximate quotations:—Best Admiralties, 295 6d to 305; second Admiralties, 285 6d to 295; best drys, 275 6d to 285 6d; Black Veins, 295 to 305 6d; Western Valleys, 285 6d to 295 6d; Eastern Valleys, 275 6d to 285 6d; best bunker smalls, 225 6d to 235; ordinary cargo smalls, 195 to 215; anthracite big vein, large, 325 6d to 375 6d; anthracite machine-made cobbles, 405 to 455; French nuts, 405 to 455; stove nuts, 405 to 455; rubbly culm, 145 to 145 6d; coke for export, 705 to 805; inland blast furnace coke at ovens, 275 to 285; patent fuel nominal; pitwood, ex-ship, 235 6d to 245.

In the iron and steel trade the conditions have been a little quieter, but with prices firm, and quotations for tinplates 9d above the minimum of 21s per basis box. The advance in the price of tin is a source of anxiety, and may, if maintained, lead to a further rise in the prices of tinplates.

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—The past week has been exceedingly quiet in all sections of the wool textile industry, and although there are no signs of anything in the nature of a collapse, it is an undoubted fact that values have receded all along the line, and the position generally is greatly in favour of buyers. Unfortunately, there are not many firms willing to buy at present, the general tendency being to wait for the full force of the adverse factor to be revealed before entering into further commitments. Stocks of wool are heavy, stocks of fine tops are growing, and spinners find increasing difficulty in getting particulars for the orders already on their books. There has also been a slight easing tendency in the raw material markets during the past few days, but it is noteworthy that even now wool cannot be bought to bring in a 64's top at a price that can be made in Bradford. How long this inactivity will continue it is impossible to say, though there is every reason for believing that a settlement of the trouble between France and Germany would immediately impart new life to this market. The wool textile industry is international in character, and anything that tends to interfere with trade on the Continent must react on trade throughout the world. Spinners complain that there is practically nothing to be done at to-day's prices, and a certain amount of cheap selling is again in evidence, due to financial stringency and the accumulation of stocks. Yarn prices are, therefore, more or less nominal, it being extremely doubtful if full quoted rates could be made in any direction. The piece trade remains in a depressed state. Manufacturers and merchants are experiencing grave difficulties arising from the financial troubles of their customers, and the outlook shows no sign of improvement.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

Wool markets everywhere continue to decline. Even Sydney advises this week report a weak market. The same news comes from South Africa and New Zealand, although one Sydney cable reported last Monday that good topmaking wools were selling on a clean basis, landed Bradford, of 91d. Every topmaker knows that to-day conversion costs are at least 11d on the top of the clean scoured wool, while the majority reckon in case the "tear" shrinks below 6 to 7. It has to be good sound lengthy combing wool to give such a result, and with noils being lower in price conversion costs must be reckoned at 12d to be on the right side. Even if we reckon 1d reduction since Monday it means that tops are going to cost 5s 2d delivered and combed Bradford, a price that to-day is practically impossible to make. We very much doubt if the best topmaker could make that price for warp 64's, a clear proof that the raw material is still fetching better prices relatively than tops are worth. This has been the case all through the season, due largely to the fact that spinners and manufacturers have never been able to freely follow the course of the raw material. It is well known that the nearer one gets to the fully manufactured article the less satisfactory the price. It is now apparent that the opposition to the recent advances has succeeded, and it is useless disguising the fact that wool will have to come cheaper to satisfy the demands of the actual consumer. At the same time we think that if the Ruhr question had not arisen and affected all Europe wool values would have remained firm at the last London sales level, and it is just possible that even yet there may be a recovery at no distant date. It is well known that neither France nor Germany are fully satisfied with wool. Stocks of both wool and tops are lighter than usual for this time of the year, it being reported that stocks of tops in German combing establishments are not more than 10,000 packs, while stocks of tops at the combing establishments in Roubaix and Tourcoing at the end of January were no more than 8,382,042 kilos. All this clearly indicates that political and economic considerations are exercising the most potent influence upon wool markets. At the end of this week a sale is taking place at Hull, where 30,000 bales of B.A.W.R.A. wool is to be offered. The entire

offering is crossbreds essentially suited to the home trade, though we fully expect a fair amount of buying by France and possibly Germany. It is very significant that cables received in Bradford from New Zealand, reporting the last three sales in the Dominion, indicate that Germany has been well to the front as a buyer, a clear proof that the Fatherland can find the sterling to pay for wool. A feeling has arisen during the past fortnight that B.A.W.R.A. would have been wisely advised to have cancelled the Liverpool sale next Thursday and Friday, for it is becoming increasingly apparent that the trade can do with a less offering of wool at the present. At the end of April the season will be over in Australasia, South Africa, and South America, and by that time the outlook should be distinctly clearer for the rest of the year. We certainly think that there is no need to push wool upon the market rapidly, particularly in face of what is happening on the Continent. France will have to make a further move or retrace her steps, all of which will materially affect the textile industry. France maintaining a big army means the production of big weights of cloth for soldiers' uniforms, and this all helps in the consumption of crossbreds.

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—February 16, 1923.

Description.	Com.	Med.	Good Med.	Med. Fine.	Fine.	Extra Fine.	Same Period 1921.		Same Period 1920.	
							Med.	Good Med.	Med.	Good Med.
Sea Island.....	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Florida do.....	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Georgia do.....	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
American.....	Or	G	O	L	M	Mid	G	M	F	G
Brazilian.....	Mid	M	F	Fr	G	F	G	F	G	F
Pernam.....	1528	1578	1653	..	..	..	791	1041	..	562
Parahyba, Rio Grande, &c.....	1528	1578	1653	..	..	..	791	1041	..	562
Mosoro, &c.....	1528	1578	1653	..	..	..	791	1041	..	562
Ceara.....	1528	1578	1653	..	..	..	791	1041	..	562
Maranhão, &c.....	1528	1578	1653	..	..	..	791	1041	..	562
São Paulo.....	1513	1578	1653	..	..	..	..	..	..	..
Egyptian.....	Fr	G	L	Fr	G	F	Fr	G	F	Fr
Upper.....	1500	1595	1625	1660	1710	..	1275	1575	..	950
Bakellariadis.....	1530	1690	1750	1890	2040	..	1300	1700	..	1050
Brown.....	1500	1620	1710	1770	1855	..	1300	1700	..	1050
Peruvian.....	MF	Fr	G	F	G	F	MF	Fr	G	F
Rough.....	1500	1575	1650	..	..	..	1300	1700	..	1050
Moderately Rough.....	1500	1575	1650	..	..	..	1300	1700	..	1050
Smooth.....	1578	1678	1753	1778	1828	916	1116	1291	462	962
Tangul.....	1578	1678	1753	1778	1828	..	..	..	..	..
Mitail.....	1450	1525	1600	1650	..	..	..	..	..	..
West Indian, &c.....	1475	1575	1650	..	..	..	..	..	..	..
Do.....	2000	2300	2600	2700	..	..	2300	2600	..	2700
African, East, &c.....	1105	1205	1380	1480	1580	775	975	1175	750	950
Do.....	1453	1503	1528	nm	..	..	..	..	..	..
Machine Ginned Surtee.....	G	F	Fr	G	F	Fr	G	F	Fr	G
Machine Ginned Brooch.....	1240	1280	1320	1360	1400	760	810	910	740	865
Machine Ginned Bownuggar.....	925	1045	1095	1135	1175	1215	685	760	860	569
Machine Ginned Oomra, No. 1.....	1005	1055	1105	1145	1185	1225	695	770	870	575
Machine Ginned Oomra, No. 2.....	1005	1055	1095	1135	1175	1215	695	770	870	575
Machine Ginned Khandeish.....	1190	1230	1270	1310	1350	1390	620	695	795	425
Machine Ginned Comptan.....	1190	1230	1270	1310	1350	1390	620	695	795	425
Machine Ginned Bengal.....	810	850	890	930	970	1010	575	625	725	425
Machine Ginned Soinde.....	800	840	880	920	960	1000	565	615	715	413
Tinnivelly.....	1420	1460	1500	..	..	..	840	1010	..	840
Madras, Western.....	1125	1165	1205	1245	..	..	765	815	..	765
Madras, Northern.....	1125	1165	1205	1245	..	..	765	815	..	765
M.G. Coconada, Red.....	Fr	1175	..	..	..	..	800	..	..	765
China, Smyrna, &c.....	..	..	..	..	..	..	..	..	..	..

MANCHESTER, February 22.

The tone of the market this week has been quiet. Demand has been of a limited character, and there has been a tendency for spinners and manufacturers to lose ground. The sales at the moment are not equal to the output of the machinery. The chief reason for the inactivity is that leading buyers cannot operate freely at current prices, there being a fear of the present level of values not being maintained. Only retail transactions have been reported in piece goods for India, most of the buying being in fancies. Now the holidays in China are over, a few more cables have come to hand asking for quotations, but actual business has been quite small. The minor outlets of the Near East and South America have given no support worth mentioning, and restricted operations have occurred in home trade goods. American yarns have been flat and weaker in price when tested. Egyptian spinnings remain steady but slow.

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(I.) Comparative Statement of the Cotton Trade.

	Price, Feb. 22, 1923.	Previous Weeks in 1923.				
		Price, Feb. 15.	Price, Feb. 8.	Price, Feb. 1.	Price, Jan. 25.	Price, Jan. 18.
Raw Cotton—Fully Mid. American... per lb	16-23	15-95	15-83	15-67	16-63	16-06
— Sakellaridis Fully Good Fair	17-50	17-50	17-65	17-65	18-25	18-25
Yarns—32's twist..... per lb	22 1/2	22 1/2	22 1/2	22 1/2	22 1/2	22 1/2
— 40's twist..... per lb	21 1/2	21 1/2	21 1/2	21 1/2	21 1/2	21 1/2
— 60's twist (Egyptian)..... per lb	28	28	28	28	28 1/2	28 1/2
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	31	32	32	32	32	32
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	34	34	34	34	35	34
38-in. disto, 38 yds, 18 by 18, 32's and 40's	18	19	19	19	19	19
38-in. disto, 37 1/2 yds, 16 by 16, 32's and 40's	17	18	18	18	18	17

(II.) Compared with Previous Years.

	Price, Feb. 22, 1923.	Corresponding dates in				
		1922.	1921.	1920.	1919.	1918.
Raw Cotton—Fully Mid. American... per lb	16-23	10-70	8-33	31-44	18-10	24-27
— Sakellaridis Fully Good Fair	17-50	17-75	14-50	95-00	27-03	29-14
Yarns—32's twist..... per lb	22 1/2	17 1/2	19	62 1/2	28	40
— 40's twist..... per lb	21 1/2	16 1/2	18	57 1/2	29	39 1/2
— 60's twist (Egyptian)..... per lb	28	28	28	148	58	47 1/2
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	31	28	6	38	6	53
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	34	28	6	35	0	51
38-in. disto, 38 yds, 18 by 18, 32's and 40's	18	17	9	21	0	30
38-in. disto, 37 1/2 yds, 16 by 16, 32's and 40's	17	16	9	19	0	25

HIDE, LEATHER, AND ALLIED TRADES.

(BY OUR OWN CORRESPONDENT.)

The tone of the hide market at Thursday's Bermondsey auctions was slightly firmer, and best ox hides at 7 1/2d to 8 1/2d, showed slight advances in two or three classes of 1/4d to 1/2d. Seconds made from 6 1/2d to 7 1/2d, and cows from 6d to 6 1/2d, heavies showing an advance of 1/4d on last week's prices. Calf were firmer, best selling from 7 1/2d to 13 1/2d, one light class making an advance of 1/4d. Wools at 5s 6d to 12s 6d and hogs from 6s to 15s showed no alteration on last rates. The imported hide market remains quiet, but a sale of 70,000 fregorifics is reported at \$7 to the United States. Fregorific killings are reported to be very heavy, no less than 260,000 being advised for last month. Dry hides are a rather slow sale, but prices remain firm at sources of origin. Cables from New York report the Chicago position as easier, with best heavy packers selling at 20 cents.

There is a good deal of grumbling in Bermondsey at the slow state of trade, as shoe manufacturers are taking little interest in the better-class leather. The wet weather, however, has brought a better inquiry from repairers, and bends of 8 lbs to 12 lbs average have gone out in small parcels. Here and there one hears of sales of the better-class tannages of butts, but the main demand is for cheap sole from dry hides. Shoulders and bellies are still selling well, and prices are firm.

The demand for upper stock has slightly improved, although in this direction the demand is for low-grade material as a rule. Carriers have few orders in hand for wax butts, but if they are in a position to supply grain finishes at a very low price, business is possible. The price, however, of E.I. kips remains very firm, and this makes the position difficult.

The shoe section is better on the whole, as the wet weather has found out the shoddy goods so many people have been wearing of late, and have sent them to the retailers for new boots. Anxiety is felt, however, at the failures in the Midlands, which point to the fact that boots are being sold to distributors at a loss in many cases.

VEGETABLE OILS AND OILSEEDS.

Only moderate activity has been experienced during the week in oilseeds. Linseed has been steady to firm, and is little changed on balance, except on spot, which, with better arrivals, is losing value against seed afloat and distant. For Plate, £18 has been paid this week for on passage and January-February shipment to Hull, and £18 2s 6d to London, and some business has been recorded at £17 12s 6d to £17 15s for April-May, but all positions have since advanced. Calcutta has been in fair demand for London round £20 to £20 5s. Shipments in the second week of February were below recent level, and consequently, with good arrivals on this side, the quantity afloat for the U.K. and Continent have decreased to 150,300 tons, against 164,600 tons the week before and 104,200 tons a year ago. Of the total, 139,300 tons are from Argentina. The depression in linseed oil in the near positions continued in the early days of the week, the market being affected to some extent by profit-taking on the part of speculators, since when a firmer tone has made itself felt, values having recovered 20s and more per ton. The Continent has also offered freely, and America does not appear to have again been in the market. The forward positions have about maintained late values.

Egyptian cottonseed has been a dull trade, and prices have again declined until below £11 was accepted for Sakellaridis in any position. Bombay has also been easier, and fell to £8 15s for

shipment. Trade in the oil product has been more or less inactive, and prices have been barely maintained, crude Egyptian being 10s lower on the week. Palm kernel oil has been a strong market, but most other vegetable oils are in only fair request at about unchanged values. Trade in refined oils for export to the Continent is not so good as it was.

Oilcakes are meeting with a disappointing demand, and prices of both linseeds and cottons are easier. Meals are, however, in favour, and firm.

OVERSEAS PRODUCE MARKETS.

Mincing lane, Friday, February 23.

SUGAR.—There was decidedly less excitement in this market during the week, the general tone, however, being firmer, with a fair amount of business in force. British refined advanced 1s 6d per cwt, making Tate and Lyle's cubes 64s 6d to 65s 6d; crushed, 62s; granulated, fine and coarse, 60s 4 1/2d; No. 2, also London, 59s 10 1/2d; yellow crystals, 53s 10 1/2d; caster, 61s to 61s 10 1/2d; and finest, 63s 7 1/2d. Crystallised West India ranges from 53s 6d to 55s, as to quality. American granulated, spot, sold, 58s 6d; February, sold, 29s 9d to 30s 6d, c.f. and i., London. White Java, spot, sold, 56s to 56s 6d, as to quality; May-June done, 27s to 26s 9d and 28s; June-July, 26s to 26s 9d, c.f. and i., London. White Mauritius, spot, 54s 6d. Cuban, basis 96 per cent., February-March, quoted 27s, c.f. and i., U.K. Brazilian nominal. Terminal market active, but very unsettled. May sold up to 28s 10 1/2d to 28s 4 1/2d, 29s 10 1/2d and later, 30s 7 1/2d. August up to 29s 1 1/2d, 28s 6d, and 30s 3d. Cuban stocks stand at 387,000 tons, against 308,000 tons same time last year.

COFFEE.—There is a good demand chiefly from the home trade, and dealer prices were secured for all the really fine qualities. Bold Costa Rica sold, 107s to 137s 6d; peaberry, up to 155s 6d. Kilimanjaro, bold, 99s 6d to 113s. Future delivery market firm, but quiet.

COCOA.—Spot parcels were dealt in more freely, on about former terms. Accra, F/F quality, February-April, sold, 35s 6d to 36s 3d, f.o.b. terms.

TEA.—In auction during the week, 45,600 packages Indian were brought forward; but while good to fine qualities were well competed for at a full range of values, low medium and common, in comparatively large supply, were only saleable at easier rates. 16,000 packages Ceylon were submitted, and aroused fair competition. All the finer qualities were fully steady, but common moved against sellers.

RICE.—Market very quiet, demand being rigidly confined to pressing requirements, and general position at the moment is nominal. Two stars, spot, 14s 3d; February-March, 13s 4 1/2d, c.f. and i. Broken kinds held above buyers' ideas. Rangoon beans, spot, 8s. Japanese peas, spot, sold, 31s 6d to 31s 9d; and February-March, 32s 3d.

SPICE.—Pepper market commanded fair support, and a firm tone governed the market. Fair black Singapore, spot, sold, 4 1/2d; March-May, 4 1/2d; Aleppo, spot, quoted 4 1/2d; Tellicherry, 4 1/2d; white Singapore, spot, 6 1/2d. Muntok, sold, 6 1/2d; ditto, March-May, steamer, 6 1/2d to 6 1/2d, c.f. and i. Zanzibar cloves unsettled. Spot, sold, 1s 1d to 1s 1 1/2d; January-March, 1s 1 1/2d to 1s 1 1/2d; March-May, 1s to 1s 1d, c.f. and i. Flake tapioca, fair Singapore, spot, sold, 3 1/2d; fine Java, 3 1/2d per lb. Fair Penang seed tapioca, spot, 2s 5d; sago flour, February-April, done 13s 9d. Desiccated coconut, fine cut, spot, sold, 40s to 39s 9d; medium, 40s 6d. Ginger steadily held, but trade slow.

JUTE.—Apart from some little interest shown in spot and near at hand parcels on continental account, the market ruled quiet and featureless. First grade, February-March, Continent, quoted £32; and March-April, sold, £33 5s to £32 15s. Hessians and twills dull on about former terms.

HEMP.—Manila in good support, and with reserved sellers, a firm tone ensued. G grade also steady, February-April, sold, £37 5s; J, January-March and February-April, £35 10s to £35 15s; K, £34 5s to £34 15s; L, £34 10s to £34 15s; and M, £33 10s. New Zealand dull unaltered. African Sisal steady. No. 1, G.E.A., February-April, £35 10s.

SHELLAC.—Market quiet, but steady. T.N., spot, 360s; March, 340s; May, 315s.

COPRA.—Market steady, but business throughout the greater part of the week ruled quiet. F.M.S. Straits, February-April, Rotterdam, sold, £27 7s 6d; April-June, £27 2s 6d; Ceylon, February-April, quoted, £29; Java, £27 12s 6d; Dutch E.I., £27 7s 6d; South Sea, £26 15s; mixed, £26 12s 6d. Palm kerpels, March-May, Liverpool, sold, £19 5s.

RUBBER.—Steady, but trade quiet. Standard crepe and sheet, spot, sold, 1s 5 1/2d to 1s 5 1/2d; March, 1s 5 1/2d to 1s 5 1/2d; April-June, 1s 6 1/2d to 1s 5 1/2d, and 1s 5 1/2d; July-September, 1s 6 1/2d to 1s 6d; October-December, 1s 6 1/2d to 1s 6 1/2d. Fine hard Para, spot, 1s 5d; soft fine, 1s 3 1/2d; ball, 1s 2 1/2d. London stock of plantation, 71,100 tons. EGG PRODUCTS meet with continued quiet support. Prime liquid

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Vol. XXVI

SATURDAY, MARCH 3, 1923.

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TABLE OF CONTENTS.

The Money Market	477	Letters to the Editor—	
Leading Articles—		Unemployment Insurance .	499
The Riddle of the Ruhr ..	479	Internationalisation of the	
The Shifting Balance	480	Ruhr Coalfields	499
President Harding and the		The Rubber Position.....	500
Permanent Court of Inter-		Books and Publications—	
national Justice	481	Recent Economic Literature	
The Situation in the Coal		—A Month's Survey	500
Trade.....	482	Books Received	501
Our Index Number	483	Stock Exchange News—	
The Sugar Position	484	The Stock Markets	501
The Trustee's Choice of In-		New Issues	502
vestment	485	Active Securities.....	502
Notes of the Week—		Company Meetings	504
The Attitude of Turkey....	486	Government Returns—	
The Austrian Loan.....	487	Treasury Bills and Bonds	
Housing Policy	487	by Public Tender	509
Irish Revenue and the		Public Income and Expen-	
Customs Frontier	487	diture	509
Public Contracts & British		Currency Notes Account ..	510
Industries.....	488	Bankers' Gazette—	
Capital Issues and the Trade		Bank of England	510
Balance.....	488	Clearing Returns	511
Trade Union Organisation .	488	Overseas Bank Returns ..	511
Canada as Wheat Producer	488	Loan and Discount Rates ..	513
Indian Cotton Crop	489	Overseas Bank Rates.....	513
Argentine Meat Companies	489	Rates of Exchange.....	513
U.S.A. Wool Imports.....	489	Indian Treasury Bills	514
Czecho-Slovakian Industry		Bullion	514
and Exchange.....	490	Imports and Exports of Gold	514
Trade Depression in Spanish		Gold and Silver Prices	514
America	490	Company News—	
Mexican Finance and Trade	490	Dividend Announcements..	503
Honduras External Debt..	491	Railway & Tramway Traffic	505
Finnish Currency Since the		Analysis of Balance-Sheets	516
War	491	Mining Output Statistics ..	516
Underground Electric	491	Oil Outputs	516
Harrods' Year.....	492	Rhodesian Gold Output	516
Courtaulds' Profits.....	492	Reports and Notices	516
United Kingdom Provident		Profit and Loss Accounts ..	518
Institution	492	Commercial Reports—	
British and Foreign Marine		Corn Trade	517
Insurance Company	492	Iron and Coal Trade	519
Overseas Correspondence—		Wool Trade	520
United States	493	Cotton Trade	520
France	494	Vegetable Oils and Oilseeds	521
Germany	495	Hide and Leather Trades	521
Russia	496	Overseas Produce Markets	522
Spain.....	497	Price Current	523
Canada	498		

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THE MONEY MARKET.

STRINGENCY reigned until the end of February, though
in its last days it was relieved by considerable purchases
of May Treasury bills by one or two of the banks. The
usual demands at the end of the month were accentuated
by rapid tax gathering, and also by payments for the new
Austrian bills, applicants for which had to pay for them
a day before receiving the security. On Thursday the
market was relieved by the disbursement of interest on

yolk, spot, 100s; April-June, 85s per cwt. Dried yolk, spot, 94d;
native dried whole egg, 83d; spray, 94d; hen albumen, spot, 3s;
April-June, 2s 9d per lb, c.f. and i. terms.

ESSENTIALS.—Business moves very slowly, but prices show but
little alteration. Menthol, spot, 37s; forward, 30s 9d; Japanese
peppermint oil, spot, 6s 9d; forward, 5s 10d; aniseed, spot, 2s;
Ceylon citronella, spot, 3s 3d; Java, 3s 6d; cassia oil, 80-85 per cent.,
8s 3d; slab camphor, spot, 3s 9d; crude, 3s 5d per lb.

AGAR.—Agar remains dull. No. 1 Kobi strips, spot, 6s 6d; No. 2,
6s 14d; and forward, 4s 14d and 4s per lb, c.f. and i. respectively.

FRUIT (DRIED).—A steady market resulted this week. Of currants,
Pyrgos quoted 54s, Panarati, 55s to 62s; good Vostizza, 70s. Sultanias,
fair to good Smyrna, 90s to 95s; fine, 110s to 125s. Valencia raisins,
halves, 35s to 40s; quarters, 45s to 60s. Dates in slow request.
Good Hallowee, 20s; Siar, 16s.

EVAPORATED FRUITS.—California apricots, extra choice, quoted
155s; fancy, 167s 6d. Pears, extra choice, 72s. Peaches of various
growths, 57s 6d to 65s. Apple rings, extra choice, Californian, 58s
to 60s. Bosnian plums, 35s to 40s; Californian, six grades, from 58s
to 88s per cwt.

OILSEEDS.—Market quiet, but prices firmer on balance. Bold
Bombay, afloat, quoted £21 10s; small Bombay, ditto, £20 5s; Cal-
cutta, afloat, £20 10s; January-February, £20 10s; and April-June
sold, £18 17s 6d to £19; Plate, afloat, £18 2s 6d to £18 5s paid;
January-February, sold, £18 to £18 5s; April-May, £17 15s to
£17 17s 6d. Rapeseed dealer. Toria, afloat, £18 15s; February-March,
£17 17s 6d; Jamba, January-February, £14 5s. Cottonseed easier.
Egyptian black, March, £11 15s; and white, sold, £11. Bombay,
March-April, sold, £8 10s. Gingly-seed firm. Large, Bombay,
January-February, sellers, £24. Chinese, January-February,
£23 17s 6d, to Continent. Groundnuts firm. Coromandel, machine
dried, February-March, quoted £22 15s. Chinese decorticated,
f.a.q., January-February, £22 5s; Nigerian, ditto, £22 12s 6d. Soya
beans firm. Manchurian, February-March, quoted £12 5s. Castorseed
quieter. Bombay, February-March, £18 15s ton.

OILS.—Linseed market irregular, but firmer. Spot, net, naked,
41s 6d; February, 40s 3d; March-April, 38s 3d; May-August, 36s 4d.
Rape firm. Crude, spot, 43s 6d; refined, 46s 6d. Cotton steady.
Crude Egyptian, spot, 39s; common edible, 44s; deodorised (in
barrels), 46s. China-wood quiet. Hankow, spot (barrels), 110s;
February-March, 79s 6d. Coconut firm. Ceylon, spot, 43s 6d;
February-March, 42s 6d; Cochin, ditto, quoted 44s. Soya firm.
Oriental, barrels, February-March, 39s 6d. Japan fish steady. Feb-
ruary-March, cases, 27s. Cod steady. English, spot, 30s to 31s.
Groundnuts quiet. English crushed, naked, spot, 46s; deodorised,
barrels, 54s. Turpentine irregular. American, spot, 10s 9d; February-
April, 10s 6d. Rosin steady. American, grade B, 13s 9d; F, 14s; G,
14s; H to I, 14s; W, 17s 6d; WW, 18s 9d. French, F/G, 13s 6d;
WW, 15s 6d per cwt. Petroleum steady. American standard white,

spot, 1s 1d; and water white, 1s 2d per gallon. Castor oil steady.
First pressure, spot, to June, quoted 49s; second pressure, 46s, and
pharmaceutical, 54s per cwt.

METALS.—Tin opened the week with a very firm tone, and a large
business transpired at about 40s per ton advance, the tendency
being influenced by higher Eastern advices. Sales were concluded in
standard, cash, at £192 15s; March, £195 to £193; and three months
fluctuating from £196 to £195. Subsequently a good deal of irregu-
larity prevailed, but values were fully steady on balance. By the
middle of the week cash stood at £193 5s; March, £193 10s; and
three months at £195. Sales occurred in the East on the basis of
£199 10s, c.i.f. The tendency was active and dealer at Thursday's
session, standard, cash, being sold £198 10s to £198 15s to £197 15s;
and three months at £200 to £201 to £198 15s to £199 5s.
The market was again active, and dealer at the final meeting.
Standard, cash, sold at £200 to £201, and three months at £200 10s to
£201 10s to £201 5s to £202 10s. English ingots, £200 to £201.
Copper was also a firm market, with active dealings, especially
with regard to distant positions, values showing a rise of about
22s 6d per ton on previous week's close. Standard, cash, sold at £69.
March at £69 10s, and three months, £69 10s to £70 5s, while finally
at £69 15s. Later prices gave way, in sympathy with lower American
cables and selling pressure; but at the lower range of prices buyers
were more in evidence with regard to forward positions. On Wed-
nesday, standard, cash, registered £68 10s; March, £69 2s 6d; and
three months at £69 10s. A large business occurred at Thursday's
session, and rates dearer. Standard, cash, sold at £69 10s to £69 15s
to £70 5s to £70 2s 6d, and three months at £70 10s to £70 7s 6d to
£70 17s. Values were again firmer at the final meeting, with liberal
trading. Standard, cash, sold at £71 to £71 15s to £71, and three
months at £71 10s to £71 17s 6d to £71 10s, while finally at £71 15s.
Electros £77 10s to £78. Best selected, £73 10s to £75 10s. Strong
sheets, £100; wire bars, £78. Lead steadier, at £28 10s to £28 5s,
as to position. Spelter, firmer, at £35 16s 3d to £35 18s 9d. Aluminium
home trade, £100; export, £105. Quicksilver steady, at £10 to £10 5s
per bottle.

METROPOLITAN CATTLE.—FEBRUARY 22.

British Beasts, per stone of 8 lbs to sink the offal. Sheep, per stone.			
Beasts—Herefords	7 10	Sheep—Downs	12 2
Shorthorns	7 2 to 7 10	Ewes	7 2 to 7 10
Devons	nominal	Crossbred	11 6
Northfords	nominal	Scottish	nominal
Scottish	7 4	Lamb—Downs	nominal
Irish	7 4		
Pat Cows	5 4		

LONDON POTATO MARKETS.—FEBRUARY 22.

Per Cwt.		Per Cwt.	
English Arran Chief ..	2 6	Majestic	2 6
" Eclipse	2 6	King Edwards	3 3 to 3 9

Commercial Times.—Weekly Price Current.

The prices in the following list are revised with the assistance of an eminent firm in each department.

LONDON, FRIDAY.		DRUGS—		INDIA RUBBER—		PROVISIONS—		SPICES—	
00000—Duty, British grown	84 0	Alsea, fine R.I., p. cwt. 100	150	Para, fine, hard spot	1 5	Butter—per cwt.	nom	Singapore, fair White	4 1
00000—Duty, foreign grown	84 0	Cape, good to fine	20 0	Plantation crepe	1 5	Irish creamery	nom	Black Singapore	4 4
Trinidad, per cwt.	68 0	Balsam Peru .. per lb	0 8	INDIGO—per lb	nom	Do factory	nom	White Blam	4 4
Grenada	47 0	Capivi	1 6	Bouquet, good red vio-	8 0	Australian	19 0	Pimento	4 4
Ceylon, plantation	65 0	Camphor	3 0	let to fine	8 0	Argentine	235 0	Otaumnon—lat. aort.	0 18
Swatani	58 0	Japan, refined	3 0	Mid. ord. vio. to good	6 6	New Zealand	210 0	Do ind	0 18
Saba, West	61 0	Oardamoma, Ceylon ..	2 0	Low to good ord.	5 6	Danish	215 0	Do 3rd	0 18
00000—British grown	84 0	Catch rid's, China prlb	4 0	Madras, dry leaf, good	4 6	Bacon, engd., 50lb	100 0	Obilpe	0 24
Es. 4d. foreign 28s. cwt.	115 0	Castor oil	85 0	Do low to ord.	1 0	Danish	98 0	Cassia lignea	45 2
Do India 28s. cwt. and 100	125 0	Groundnut oil	100 0	Do low to mid.	0 6	Canadian	74 0	Oloves—Zanzibar	1 1
Do good to fine	105 0	Oilbunum, drops ..	60 0	Do to mid.	0 6	American	66 0	Peanut	3 0
Do good to fine	105 0	Yucca, fine	2 0	HERB—per ton—	£	Hams—Irish	nom	Cochin, cut	100 0
Central American, gd.	100 0	Opium, China, per cwt	60 0	Russian Street	36 0	Canadian	84 0	Do small rough	62 0
Ord. to mid	70 0	Musk pod, China ..	85 0	Manila, "J" Grade,	36 0	American	84 0	Do washed	65 0
Mid. to fine	90 0	Oil, Cassia	6 0	Feb. Apr.	36 0	Lard—Irish bladders	78 0	Japan, suet	47 0
Columbian, ordinary ..	60 0	Peppermint, H.G.H.	25 0	N. Z. spot, high fair	33 10	Port—per 8 lbs	8 0	Jamaica, suet	22 0
Do ed. ord. to low mid	70 0	Rubbr, China, fr. to in	4 6	JUTE—	£	Beef—Frozen per lb	2 7	Mace	1 6
Do mid. to fine	85 0	DYE STUFFS, &c.	nom	Native first marks,	£	Scotch	6 0	Nutmegs, good to fine	1 2
00000—British grown	84 0	Guaiac, China, per cwt	60 0	Latex Mar	32 0	Cheese—Ct. Canada 150	135 0	Small to medium	0 10
Es. 4d. foreign 28s. cwt.	115 0	Guaiac, China, per cwt	60 0	Do do	32 0	New Zealand	132 0	Onion—per cwt.	135 0
Do India 28s. cwt. and 100	125 0	Guaiac, China, per cwt	60 0	Do do	32 0	Eng. Cheddar	nom	Do small	42 0
Do good to fine	105 0	Guaiac, China, per cwt	60 0	Do do	32 0	Do do	nom	Do small	42 0
Do good to fine	105 0	Guaiac, China, per cwt	60 0	Do do	32 0	Do do	nom	Do small	42 0
Central American, gd.	100 0	Guaiac, China, per cwt	60 0	Do do	32 0	Do do	nom	Do small	42 0
Ord. to mid	70 0	Guaiac, China, per cwt	60 0	Do do	32 0	Do do	nom	Do small	42 0
Mid. to fine	90 0	Guaiac, China, per cwt	60 0	Do do	32 0	Do do	nom	Do small	42 0
Columbian, ordinary ..	60 0	Guaiac, China, per cwt	60 0	Do do	32 0	Do do	nom	Do small	42 0
Do ed. ord. to low mid	70 0	Guaiac, China, per cwt	60 0	Do do	32 0	Do do	nom	Do small	42 0
Do mid. to fine	85 0	Guaiac, China, per cwt	60 0	Do do	32 0	Do do	nom	Do small	42 0
00000—British grown	84 0	Guaiac, China, per cwt	60 0	Do do	32 0	Do do	nom	Do small	42 0
Es. 4d. foreign 28s. cwt.	115 0	Guaiac, China, per cwt	60 0	Do do ..					

Victory and National War Bonds, and discount rates were distinctly weak, partly owing to the surprisingly low level at which a batch of £1,000,000 Liverpool twelve months' bills had been placed—£2 5s 8.5d per cent. Glasgow was less fortunate, placing £500,000 in six and twelve months' bills at 2½ per cent. and 2½ per cent. respectively. Yesterday the market was still further weakened by the low rate at which the Treasury bills were allotted, and three months' bank bills were quoted at 2½ per cent.

	Mar. 2, 1923.	Feb. 23, 1923.	Feb. 16, 1923.	Feb. 9, 1923.	Previous Rate and Date Changed.
Bank Rate	3%	3%	3%	3%	3½ (Jly. 13, '22)
Banks Deposit Rate	1	1	1	1	1½ (Jly. 13, '22)
Discount (Call)	1	1	1	1	1½ (Jly. 13, '22)
Houses (Notice)	1½	1½	1½	1½	1½ (Jly. 13, '22)
Market rate (3 months' bills) ..	2½	2½	2½	2½	2½

The Bank return showed increases of £5,000 in the stock of gold and £1,899,000 in the circulation, leaving the Reserve £1,894,000 lower. An increase of £4½ millions in the Other securities was difficult to account for by the market's operations, since its net borrowings during the week were not believed to have amounted to anything like this sum. Public deposits had declined by over a million, and the private deposits were thus £3¼ millions higher. Currency notes outstanding were reduced by £281,600 to £27,910,700, which includes £1,503,200 for notes called in but not yet cancelled. The fiduciary issue is £228,147,400, or £42,036,400 below the maximum.

THE STOCK MARKETS.

Taking the Stock Exchange as a whole, there is a very fair amount of business going on, but it is of a somewhat spasmodic nature, and so well scattered over various sections that no single market can be called especially active. Some influence towards restraint is exercised by the foreign situation, and by a vague idea, based on the raising of the New York rate, that money may become dearer here. Nevertheless, War Loan is steady and Consols harder. The foreign market as a whole is quiet, with Peruvians a good feature. Home railways continue to advance, special attention being given to the preferred stocks, while Argentine rails are stronger. Textiles are the object of lively attention, with Courtaulds the centre of attraction. Electric light shares hold their big rise. Rubber shares remain inactive. Diamonds, copper, and tin shares are absorbing the chief attention in the mining sections.

THE COMMODITY MARKETS.

The prices of practically every description of coal advanced this week on the Cardiff market, and the demand is so heavy that Germany and Italy are now buying from the United States. Makers are sold out for prompt pig-iron until the end of April; prices are 117s 6d to 120s per ton for Cleveland No. 3 G.M.B., and 115s to 120s for East Coast hematite. Steel prices have been raised by 10s per ton this week, and steel billets by 20s. Our Middlesbrough correspondent reports that there is an active demand for manufactured iron and steel, although costs have risen. Buyers are not inclined to place orders at present in the Manchester cotton trade, and conditions are dull. Our Bradford correspondent states that all sections of the wool textile industry are experiencing a very quiet time, while the immediate outlook does not hold out much promise of any great improvement. Linseed continues in steady demand, although prices show a slight variation. A firmer tone is noticeable in the hide market, and our leather trades correspondent mentions that the boot trade appears to be improving, some Leicester and Norwich firms having good spring orders in hand.

FOREIGN EXCHANGES.

During the past week the foreign exchange market has again been extremely quiet, and not only has business been more restricted, but rates have moved within considerably narrower limits than those to which we have become accustomed recently. The dollar, after weakening to \$4.60½ on Monday, and recovering the next day to \$4.71½, has been very steady round about \$4.70½, as compared with \$4.71½ on the 23rd. Forward rates at 1½-1½

cents per month above spot also show little change. The rise in prices in the United States shows little sign as yet of being checked, but in the meantime price levels here also are moving up rapidly. Berlin at 106,000 shows very little movement, the policy of stabilisation under the present extraordinary circumstances having so far at least proved successful, and a further step having been taken in the decision to issue an internal gold loan to an amount of \$50,000,000, through which it is hoped to tap private holdings of foreign currency. Quotations for forward marks show a remarkable narrowing on the week to 8,000 to 13,000 per month above spot. The Paris rate, although irregular, has moved within narrow limits, but a recovery to 76.60 on Tuesday was not maintained, the rate yesterday morning of 77.60 being actually some 5 centimes higher than the closing rate of the 23rd. Brussels, which moved up exceptionally on Friday and Saturday of last week, recovered again, but is back once more at 88.35, as compared with 88.00 a week ago. Forward rates, in Paris, 10 to 12 centimes per month above spot, and in Brussels 2½ to 3½ centimes below, show little change on the preceding week. Amsterdam, moving, as usual, in sympathy with the dollar, has reacted from 11.89½ to 11.88½. Italy again remains remarkably steady at 97½, while Spain at 30.13 also shows little movement. In Scandinavia, Christiania gave a jump upwards on Thursday, and at 25.65 yesterday was well above the level of 25.35 on the 23rd. Copenhagen at 24.42½, as compared with 24.17½, shows rather less depreciation, and Stockholm at 17.70½ is almost unchanged. There has again been some demand for Finnish marks, which at 17½ is 4 marks below last week's level. Vienna has been kept steady at 330,000, in spite of the success of its short-term issue, while Warsaw at 200,000 is for once some 30,000 better on the week. Prague, at 158½, shows little change, but Budapest, where the financial position is becoming increasingly difficult, has again depreciated. In the East the rupee, at 1s 4 5-32d, shows little change, as does the yen at 2s 0½d. The silver market has been firmer, on a steady absorption by India, which was accompanied by both buying and selling from China, but the future is still obscure. Hong Kong, at 2s 3½d, and Shanghai at 3s 1d, are each ½d dearer on the week. In South America Rio at 5½d is about 1-32d cheaper, after being below this figure; Buenos Ayres is about the same, after being a little higher. Monte Video has risen from 43d to 43½d, while Valparaiso has again appreciated from 38.50 to 37.90.

THE NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended February 24th:—

RECEIPTS.	Min. £	EXPENDITURE.	Min. £
From Revenue	29,762	Interest on Debt	727
Taken from Exchequer Balances ..	467	Supply Services	10,051
		Road Fund	950
		Reduction of Debt	18,938
		Sundries	463
	30,229		30,229

Unless some unlooked-for expenditure is included in the accounts before the end of the year, a respectable surplus would seem to be assured to the Chancellor. Revenue appears to be coming in well, and at present is but £113 millions behind the figures for the similar period of 1921-22, although it was reckoned that Revenue would reveal a decline of £214 millions. Expenditure up to date is £695½ millions, as against £918½ millions in the like period of the preceding year. Supply Services falling from roughly £590 millions to nearly £391½ millions. Thus, with an estimated expenditure of approximately £902½ millions, a comfortable margin for a surplus is assured here. Although Sir Robert Horne had estimated that by pegging income-tax down to 5s a loss of £70 millions could be looked for, income-tax is £299 millions, as against nearly £294½ millions for the corresponding period of last year. Last week £18,141,000 came into the accounts from this source, and there are five weeks as yet to go to make good the estimate of £329 millions under this heading. Customs at nearly £113 millions is already over the estimate, but Excess Profits Duty, which is down to provide £27,800,000, so far has only brought in £954,000, while Special Receipts, estimated at £90 millions, shows an income of just under £43 millions.

The week's operations reduced the National Debt by £18,937,900, and caused the following changes:—

	Min. £		Min. £
National Savings Certificates ..	350	Public Dept. Advances	9,900
4½% Treasury Bonds	994	Treasury Bills	10,541
Anglo-Persian Oil Dividends ..	775	Telegraph Money	600
		Sundries	516
	2,119		21,057

The floating debt was reduced by £19,945,000 to £852,346,500.

FINANCIAL YEAR, 1922-23 (April 1, 1922, to February 24, 1923).

	£		£
Total spent	695,756,206	Raised by revenue ..	781,994,677
Dec. in balances	7,192,560	Net repayments	93,431,031
Total	688,563,646	Total	688,563,646

ESTIMATES FOR YEAR 1922-23.

	£		£
Ordinary Expenditure	823,846,000	Ordinary Receipts ..	820,775,000
Special Expenditure	61,223,000	Special Receipts ..	90,000,000
Contingencies	25,000,000		
Total	910,069,000	Total	910,775,000

Surplus

NATIONAL DEBT.

(Million £.)

	Aug. 1, 1914.	Mar. 31, 1916.	Mar. 31, 1917.	Dec. 31, 1918.	Mar. 31, 1919.	Mar. 31, 1920.	Mar. 31, 1921.	Mar. 31, 1922.	Dec. 31, 1922.	Feb. 24, 1923.
Funded Debt	588	318	318	315	315	315	315	315	314	314
Term Annuities	30	22	22	20	19	18	16	15	15	15
4½% War Stock	63	63	63	63	63	63	63	63	63	63
4½% War Stock	16	14	15	13	13	13	13	13	13	13
4½% War Stock	2,091	2,058	2,097	2,040	1,995	1,953	1,953	2,071	2,071	2,071
National War Bonds ..	649	1,636	1,509	1,476	1,413	1,201	971	971	971	971
4% Funding Loan ..	...	...	409	409	405	401	401	400	400	400
4% Victory Bonds ..	...	...	360	357	348	335	335	335	335	335
3½% Conversion Loan ..	...	...	...	...	...	266	630	689	689	689
5½% War Bonds ..	...	...	...	...	...	...	23	24	24	24
5½% Treasury Bonds ..	...	...	...	...	...	...	383	166	166	166
5% Treasury Bonds ..	...	...	...	...	...	...	...	40	40	40
Do by tender 5% ..	...	...	...	...	...	...	...	8	69	69
Do by tender 4½% ..	...	...	...	...	...	...	...	...	84	100
Treasury Bills	15	961	957	1,107	1,107	1,121	878	719	698	698
Exchequer Bonds	20	392	364	323	319	289	185	150	150	150
Natnl. Savings Certs ..	...	138	227	267	274	285	342	350	353	353
War Expend. Certs ..	...	23	...	...	...	...	...	...	...	...
Other Debt	944	1,241	1,306	1,181	1,132	1,087	1,071	1,071	1,071	1,071
American Loan	51	51	51	51	51	...	...	...	...	...
Temporary Advances ..	1	204	455	243	205	154	147	222	154	154
Other Capital Liabilities ..	654	5,872	7,435	8,033	7,829	7,574	7,655	7,768	7,696	7,696
	57	49	46	46	47	49	66	67	68	68
Total Liabilities	711	5,921	7,481	8,079	7,876	7,623	7,721	7,835	7,764	7,764

POSITION OF THE FLOATING DEBT.

	Feb. 25, '22.	Mar. 31, '22.	Feb. 24, '23.	week ended Feb. 24, '23.
Temporary Advances Out- standing	£1,068,866,000	£1,029,520,500	£852,346,500	£19,945,000
Advances by Bank of England ..	111,600,000	147,301,500	154,261,500	9,400,000
Advances by Public Dep'ts ..	357,266,000	882,219,000	698,085,000	10,545,000
Treasury Bills outstanding ..	...	...	...	...

THE RIDDLE OF THE RUHR.

The effects of the French occupation of the Ruhr, both upon the political situation and upon trade, remain exceedingly obscure. So far as the economic reaction on Great Britain is concerned, it appears that up to the present the favourable effect considerably outweighs any opposite influences. In some markets, notably in the case of wool, where the German demand is one of the chief features of the export trade, the suspension of business with Germany has affected other buyers and has produced a waiting tendency. Even in the coal and metallurgical industries the increased buying and the hardening of prices is not by any means entirely to be attributed to the direct effect of reduced production in the Ruhr and Lorraine, but is due also to the fact that this additional stimulus has occurred at a moment when stocks were low and the market was beginning to take an upward turn not only at home, but in non-European markets overseas. Indeed, in November, the last date for which comparative figures are available, British iron and steel exports had risen nearly to pre-war level, and were nearly equal to those of Germany and the United States combined. But in these trades there is evidence not merely that orders that would have been placed in the Ruhr are coming to England, but that orders already placed there are being transferred by German manufacturers for completion in Great

Britain. What is happening to production in the Ruhr it is difficult to ascertain exactly, but it seems that whereas in the first weeks of occupation normal production continued, the interference with the German railways is paralysing production in a region of heavy industry which is largely dependent on rail transport. Thus it is reported that out of 125 blast furnaces on the right bank of the Rhine 75 were in blast on January 1st, but there are to-day only 25 working, and these are on slack blast. Among the many reasons given for this state of affairs is mentioned the inability to get limestone to the furnaces, though the distance involved is comparatively short. Again in the engineering shops the output of the past few weeks cannot be cleared, and production is being stopped as a result of congestion. The result of transferring orders to Great Britain is, as our index number shows, already beginning to react upon prices, and we are threatened with a situation which may reproduce, on a small scale, some of the features which caused the boom of 1920. Two among the many reasons which caused the excessive price rise of that year were:—The shortage of stocks after the great war—or rather the fact that such stocks as were in existence were locked up in Government hands or in distant countries, and, secondly, the fact that Europe had not resumed anything like adequate production. The bubble burst as soon as German, French, and Belgian products began to come on to the market. At the moment world stocks are again low, and the reduction of European output is in danger of sending prices rapidly up. Any such result is very much to be regretted. The action of the New York Federal Reserve Bank in putting up its discount rate when its reserves were ample and there was no sign of over-speculation is an almost unique event, which can only be explained by the desire to nip in the bud any upward movement of the price level. Its significance lies in the proof which it affords of the realisation by the business world that, while big inflationary movements may be of temporary benefit to some, the aftermath is a very troublesome business. A rise in prices based upon so incalculable an influence as the stopping of French and German production is a peculiarly undesirable one; for not only is it certain that unfavourable influences will sooner or later increase in strength, but also the very fact that stocks are accumulating in the affected area means that at some moment they will be released and upset the equilibrium of the market.

When we turn to the question of French policy, the situation is even more involved. Opinion in this country has constantly been baffled in the attempt to disentangle what appear to be the very mixed motives that have prompted the actions of France. But in spite of oft-repeated assertions, both public and private, that France has no annexationist designs, current events appear to be driving the French Government, perhaps unwillingly, into a position in which the hope of securing reparations, either with or without the co-operation of Great Britain, is becoming of minor importance compared with the task of compelling a German surrender, if need be, by methods of increasing ruthlessness. In this connection Mr Bonar Law made an admission of great significance in the House of Commons this week when he said that France's avowed

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intention was to stay in the Ruhr until Germany paid 132 milliard gold marks. M. Poincaré is fully aware that collection of this sum is quite impossible—as indeed is evident from the fact that the various reparation plans which he has himself worked out during the last nine months have, in fact, implied substantial reductions of this figure. If France is to stay in the Ruhr until this sum is paid, she will stay there indefinitely. Again, the French demand that the cost of the present adventure is to take priority over any other claims upon anything Germany may pay means breaking up the existing understandings between the Allies on the allocation of Reparations. Finally, the attempt to run increasing sections of the complicated railway system of the occupied area by French officials means that for the present the productivity of the whole area must be reduced, the hope of material gain abandoned, and the whole adventure turned into a plan for making things unendurable for Germany.

With this change in the objective of the campaign, increasing attention has been devoted in Paris to the idea of a political regrouping in Europe—a matter on which we put forward some speculations in a subsequent article. But we venture to doubt whether Frenchmen are as satisfied with the situation in which they are placed as a reading of the Paris Press would suggest; for it must be obvious that the developments which are taking place must make it increasingly impossible for France to get back to the sort of understanding with Great Britain which would have been possible two months ago. France is having her fling, and her actions are slowly but surely eating into those immense reserves of sympathy and friendship which existed in this country towards her. Those Frenchmen who do not realise this would be well advised to study carefully the temperate and sober letter from Mr St. Loe Strachey to the *Times* on Thursday, in which he begs France to realise that they are making a profound mistake if they suppose there is any considerable body of opinion in England which supports their present policy. "In the Commons the Liberals, both Independent and National, are opposed to the policy and action of France. That is the view of the whole Labour Party. What of the Conservatives who form the rest of the House? There are, perhaps, 50 Conservatives who both approve the Ruhr policy and believe it will succeed. Of the rest, some are regretfully, but none the less strongly, opposed to the French policy; some are openly hostile and indignant; others are as full of anxiety and forebodings as I am; while others, again, though they dislike showing disapproval, look upon the action of France as suicidal for France, injurious to her Allies, and ruinous to Europe as a whole. In a word, there are not 10 per cent. of the House of Commons who would not rejoice to hear that France had abandoned her enterprise, given up her ill-advised scheme, and began the evacuation of the Ruhr."

THE SHIFTING BALANCE.

DURING the late European war both parties agreed in disparaging the old balance of power by which the war had been preceded. Germany, being the acknowledged leader in her camp, looked forward to a Continental bloc under her single hegemony; the Allies, being partners, worked for a joint supremacy of "the Principal Allied Powers"—in harmony, if possible, with the neutrals and America, but with the German factor eliminated from the triangle of forces. The Allies won the war; they put their system into operation, and we have been attempting to live under it for the last four years. Was it ever likely to work? That question was not seriously discussed by those in whose hands the settlement lay. Who, in 1918, would presume to suggest that Germany ought to be left with any particle of power? Or that the Allies would not be blood-brothers for ever? Or that those who had fought for right, and had proved their right by winning, would not be perpetual heroes in the eyes of the world? Besides, if the balance was being destroyed, it was being replaced by the League of Nations—as if, when you had emptied

one pan of the mighty scales, you could prevent the other from falling by attaching it with a thread to the clouds.

The scale is falling now, with a rapidly increasing momentum, and no one can tell how far it is going to move, or how long it will remain in its next uneasy position. It is certain, however, that it will make fresh havoc throughout Europe, as it heaves and plunges, and that it will not return to anything like stability until the weights have been redistributed so thoroughly as to leave hardly a trace of their previous grouping. How far will the balance swing over? Will the seizure of German territory by France be limited to the Rhineland and the Ruhr? And if the French military plenum hangs suspended at this line over the German military vacuum, how long will that miracle last?

Probably no one in the world, and least of all those responsible for French policy, can even guess, as yet, at the answer to these questions, for it depends on the interplay of complicated psychological forces. Will the passive resistance in the occupied area break down? And if it does, will that affect the resistance in the vastly greater part of Germany that lies beyond the French outposts? Will France accept stones for bread, and shoulder new financial burdens in place of receiving reparations, if thereby she sees the prospect of breaking Germany for ever? And if she is prepared to make sacrifices for that end, is she prepared to make them in the form of rising taxation? These factors are at least as important as the purely military one, on which the French Government appear to be basing their calculations. Militarily, it is obvious that France can seize, hold, and sever from the rest of Germany both the Rhineland and the Ruhr. But cannot unoccupied Germany make it impossible for France to halt comfortably in that position? "No," say the French, "for we now hold all Germany by the throat, and the consequences of resistance to us would be excruciatingly painful to her." But, then, the hedonistic calculus is not the whole mechanism of human nature. If Germany were entirely cold-blooded and cool-headed, she might lie down under this treatment for fear of worse. But all the news that comes from Germany points to a closing of the ranks, and a rapidly rising temper, and history shows that whenever a community is driven beyond a certain extremity it fights without counting the cost. After the first Punic War, the Carthaginians ceded a province, and paid an indemnity; after the second they did both again; but the third time they were attacked they fought till they were annihilated. As for Germany, she could not have been more completely in the grip of France than she was when she rose against her in 1813. In such cases the herd struggles for its life, and cares little for the casualties among its members, and history proves, again, that the herd's instinct is usually right from the herd's point of view. Cases like the extinction of Carthage by Rome are rarer than those like the overthrow of Napoleonic France by the insurgent peoples of Europe.

Possibly, therefore, unoccupied Germany may force France (by economic obstruction or guerilla warfare or both together) to choose between evacuating the Rhineland and the Ruhr or advancing further, and if that happens, the real test of forces will have come. In such an event, France would doubtless call up her satellites—Poland and the two nearer members of the Little Entente—and Germany would be overrun from every quarter. But could so large a country, so densely populated and so complicated in its economic life and its system of communications, be completely held down for an indefinite period even by the combined efforts of its neighbours? All that can be said is that such a thing has never yet been achieved in the history of Western Europe, and if it be answered that the armed Powers now possess unprecedented methods of organisation and means of destruction, the answer to that, again, is that Germany, too, is an industrial country, and that industrialism will put the means of resistance into her hands if she is prepared to pay the price of using them. A highly organised industrial area is no doubt a valuable pledge in an enemy's hands so long as the owner is not reckless about losing it. But if passion seizes him, and he becomes a Samson pulling

ing down the pillars, might not a district like the Ruhr or Chemnitz, or any one of the dozen other local concentrations of industrial energy in Germany become an exceedingly dangerous place for an army of occupation? So far, we have not explored the potentialities of industrial countries as theatres for guerilla warfare. But if Europe comes to that pass, we may discover that they are no less effective for the purpose than the South African veldt, or the Libyan Desert, or the Anatolian Plateau.

Thus, the necessity for occupying the whole of Germany is a contingency which France may be compelled to face, and it is exceedingly doubtful whether the combined strength of her own forces and her auxiliaries would be equal to the task. From Paris to the Ruhr is rather a shorter distance than from the Ruhr to Berlin; the strain upon lines of communications is in geometrical proportion to their length; and this is especially so when they run through a highly populated, hostile and desperate country. At the utmost, the French could hardly hope to get further than the line of the Elbe, with Berlin occupied as a bridge-head beyond it, and with the Poles joining hands with them there from the direction of Posen and Silesia. Baltic Germany—the citadel of Prussian monarchism and militarism—might in those circumstances take its stand on some "National Pact," and look, as Angora did, towards Russia. Would or could Russia fish in these troubled waters as successfully as she has done in those of the Near East? As the two principal defeated Powers and the two chief victims of the aggrandisement of Poland, Russia and Germany have now the strongest bonds of interest to draw them together. Russia's decision would probably depend on the precise degree of Poland's weakness, and that is a factor which French statesmen can hardly contemplate with any peace of mind. Poland, weighted down by her subject populations, her abysmal exchange, and her lack of definite frontiers, and of administrative traditions, might possibly survive if Europe remained peaceful; but could she possibly weather such a storm as her French patrons are assiduously raising around her? In the Poincaré system, as in the Napoleonic system, Poland is the weakest member, and the collapse of Poland might bring the whole structure tumbling down. The situation just suggested would, indeed, be extraordinarily similar to that of 1813. France, exhausted by years of war, would have on her hands a rebellious Germany, a defiant Russia, and a Great Britain who (whether "neutral" or "enemy") could not afford to see the Continent permanently subjected to the military domination of any single Power. Is it likely that contemporary France could achieve what was beyond the strength of Napoleon?

No doubt the French are averting their minds from these unlimited military liabilities. "With the Rhineland and the Ruhr in our hands," they are saying to themselves, "the Germans must give in, and the moment they are cowed we can cease to coerce them. They will become clay in our hands, and we will build them into a continental bloc under our hegemony." Frenchmen who are thinking on these lines have perhaps been influenced sub-consciously by the recent German attitude towards France. "Poor France," the Germans used to say between 1914 and 1918, "why does she persist in this ruinous resistance? We only want to detach from her the Briey Basin and her Allies. On these terms she can come into our system, and we will make it our business to heal her wounds." The dreams of imperialists are monotonously similar, and since the shattering of the dream in one nation's mind is apparently no hindrance to its repetition in another's, it may continue to be dreamt until eventually it comes true. The ultimate destiny of Europe may, in fact, be the permanent military domination of one Power over the remainder, as the ancient Mediterranean World finally fell under the domination of Rome. Who would venture to say that this melancholy end is impossible? It is, however, improbable that if one among us is to be cast for the part of Rome, that one can now be either France or Germany. As aspirants to the Empire of the Continent, both these Powers have surely had their day—France when she failed under Louis XIV. and Napoleon; Germany when she failed under Wilhelm II.; Russia, if any Power, is the future scourge of God for whom the Poincaré policy is paving the way.

PRESIDENT HARDING AND THE PERMANENT COURT OF INTERNATIONAL JUSTICE.

It was known in Washington last week that President Harding was preparing an important statement, and it will be generally acknowledged that the result is profoundly interesting. In a message to the Senate, which is elaborated in an accompanying letter from the Secretary of State, Mr Hughes, the President recommends the Senate to adopt the Statute of the recently constituted Permanent Court of International Justice, "but not the optional clause for compulsory jurisdiction." It will aid us in understanding the significance of this step, and of the limitations and conditions attached to it by the President, if we first examine this new and important Court, which, with too little publicity and no self-advertisement, has recently taken its place in the international machinery of the world.

Article 14 of the Covenant of the League of Nations, signed at Versailles in June, 1919, reads as follows:—

The Council shall formulate and submit to the members of the League for adoption plans for the establishment of a Permanent Court of International Justice. The Court shall be competent to hear and determine any dispute of an international character which the parties thereto submit to it. The Court may also give an advisory opinion upon any dispute or question referred to it by the Council or by the Assembly.

Pursuant to this article a committee of jurists was appointed in the summer of 1920, and the result of their labours was a draft project which, after amendment in one important respect, was adopted by the League of Nations Assembly in the same year. The important amendment was the substitution for the compulsory jurisdiction proposed in the draft project of merely permissive jurisdiction, in accordance with the view urged by some of the Allied Powers that the world was not yet ripe for coercive or compulsory jurisdiction. Accordingly it was provided in the Statute that—

The jurisdiction of the Court comprises all cases which the parties refer to it and all matters specially provided for in Treaties and Conventions in force.

Many disputes have already been referred to the Court, and already this year the Court has heard, and delivered judgment upon, a difference between Great Britain and France regarding the liability of British citizens (mainly Maltese) in Tunis to French military service. But in addition to this voluntary or permissive jurisdiction, which is all that President Harding recommends the Senate to accept, the Statute contains a clause providing for what may be termed optional compulsory jurisdiction; that is to say, any country may agree in advance to submit to compulsory jurisdiction any dispute of certain comprehensive classes in which it may become involved with another country that has in the same manner adopted compulsory jurisdiction. This is done when a country agrees to recognise as compulsory *ipso facto* and without special agreement

in relation to any other member or State accepting the same obligation, the jurisdiction of the Court in all or any of the classes of legal disputes concerning: (a) the interpretation of a Treaty; (b) any question of International Law; (c) the existence of any fact which, if established, would establish a breach of an international obligation; (d) the nature or extent of the reparation to be made for the breach of an international obligation.

Eleven judges and four deputy judges have been appointed, and the former include Viscount Finlay and Mr J. Bassett Moore, Professor of International Law at Columbia University.

President Harding proposes to exclude the clause just quoted, and, although some people regretted at the time that the League of Nations Assembly substituted permissive for compulsory jurisdiction in the draft statute, it is now fairly obvious that the chance of the United States coming in on a compulsory basis would have been remote.

The four conditions which President Harding proposes to attach to American adhesion to the Court fairly reflect his present attitude—(a) No adhesion to the League and no assumption of any League obligations are to be implied. (b) The United States are to have due share in the proceedings of the League for the appointment of judges and

deputy judges. (c) The United States are to pay their share of the expenses of the Court; and (d) the statute constituting the Court is not to be amended without their consent.

Whether the Senate will act upon the President's proposal or not will not be known for some time, as the adjournment of Congress is imminent. It is being suggested in some quarters that the proposal is the President's contribution to the solution of the question, "To be or not to be" a member of the League, and indicates a concession to the swing towards Europe which has been discerned in the United States by some observers. This suggestion, perhaps, goes too far. The United States have been pioneers in the matter of international arbitration treaties, and the present proposal is not out of line with the traditions of their pre-war foreign policy. The vision of the United States being about to enter the League, even on the instalment plan, is at least premature. The attitude of that country towards Europe and the League would be much better understood in this country if it were more widely realised that the Monroe Doctrine has two barrels. One of them proclaims "European hands off the American continent!" and that is the barrel on which European eyes have been focussed since the enunciation of the famous Doctrine by President Monroe in December, 1823. The other barrel says, "No American fingers in the European pie!" and that has been the corner-stone of American policy throughout the nineteenth century. An appreciation of that fact would enable Europeans to realise better than they do the reluctance with which the United States came into the recent conflict in 1917, and with which, having got out of it, they will take any steps in the future that is likely to embroil them once more in the European vortex. At the same time it must be admitted that both friends and enemies of the League in the United States are attaching great significance to the President's move, which is openly described as a step toward the League. The United States is already co-operating in the work of the League in minor matters, such as welfare work; the reception of the President's new proposal will decide whether the basis of this co-operation is to be expanded. There is certainly an increase in the body of American opinion which considers that the new world must come to the help of the old. Further, the Anglo-American debt settlement clears one of the principal obstacles out of the way of Anglo-American co-operation, and, in view of these facts, public and official opinion on the other side of the Atlantic may well be influenced by the agreement among all parties in our House of Commons that the only way in which Great Britain can consider intervening to restore peace and sanity in Europe is through the League and its machinery.

THE SITUATION IN THE COAL TRADE.

(BY OUR CARDIFF CORRESPONDENT.)

A SOMEWHAT disquieting situation has arisen in the coal trade of the United Kingdom. The demand for steam and coking coals has been very good for months past, as a steady expansion in foreign requirements has coincided with an increasing home demand. The productive power of the industry, however, has failed to keep pace with consumption. The miners are working very hard; the low wage rates prevailing in the majority of the coalfields are stimulating individual effort, and the output per person employed is greater than it has been in any year since 1916. But the Seven Hours Act is proving an insuperable impediment to increased production, for the collieries appear to have reached the limit of their output capacity under the disabling provisions of that Act. If the weekly returns of output issued by the Mines Department of the Board of Trade are closely examined, they will be found to show very little variation in normal working weeks. Thus, for instance, between the week ending January 13th and the week ending February 10th the maximum weekly output in the United Kingdom has been 5,644,200 tons, and the minimum 5,566,900. It will be seen that the difference between the maximum and

the minimum production in these five weeks has been only just over 1 per cent. As it is in this period that the pressure of the demand has been greatest since the war, the natural consequence has been a rise in the price of coal. In the upward movement of prices there has been no uniformity. Fluctuations have been most violent in the coal exporting districts, and particularly in South Wales, and least violent in those coalfields the greater part of whose outputs are absorbed in the home market. The extent of the rise in the prices of South Wales coals may be gathered from the following facts: The average f.o.b. price of best Admiralty large coals in January was 28s 9½d; this coal is now quoted up to 32s 6d; Monmouthshire semi-bituminous coals have, in the same period, increased from 27s 8d to 31s; best steam smalls from 19s 2d to 23s 6d; inferior small coals from 15s 2d to 20s; washed smalls from 20s 4d to 25s; coking smalls from 15s 3d to 22s 6d and (better qualities) from 20s 9d to 25s, while coke for export has risen from 42s 8d to 80s. The export collieries are benefiting considerably from this rise in export values, and when it is borne in mind that the average rate of profit in the South Wales coalfield over the whole of 1922 was less than 5d per ton compared with a pre-war rate of profit of anything from 1s 2d to 1s 6d per ton, it is only natural that they should be trying to make hay while the sun shines. This improvement in price is still more welcome to the miners in the South Wales coalfield, where the general wage rate has been at the minimum since November, 1921, and where, under the audit arrangements of the National Coal Board, there is no prospect of an increase in wages before May or June at the earliest. But the coal-consuming industries are suffering. The blast furnaces are experiencing increasing difficulties in obtaining supplies of coke, and the blowing out of some of them is already in contemplation; for colliery owners in command of so profitable an export trade are preferring to dispose of their small coal for shipment to foreign countries rather than to reserve it for inland consumption either as raw coal or as coke. In a lesser degree these conditions exist in the other coal exporting districts of the country, and British manufacturing industries are consequently threatened both with scarcity of supply and with much higher prices.

The foreign demand is general, but the measures taken by France in the Ruhr have so disorganised both the production and the distribution of the output in that coalfield that France and Germany have come into the English market for supplies in excess even of the increased exports to those countries last year.

In 1922 the Ruhr sent nearly 8½ million tons of hard coal, nearly 6½ million tons of coke, and over 600,000 tons of brown coal, representing a total quantity in metric tons of 15½ million to France, Belgium, and Italy as reparation supplies. These deliveries have recently been suspended. Moreover, Western Germany depended mainly on the Ruhr for its coal and coke supplies, but the export of coal and coke from the Ruhr to unoccupied Germany is now prohibited. There is, therefore, an acute shortage of fuel, both in France and Germany, and it is this that explains the pressure of the demand for British coals during the past two months. British coal companies are fully sold for two or three months ahead, and, in view of the inelasticity of our coal productive power under the restrictions of limited working hours, there are many who fear an acute shortage for inland consumption in this country. This fear has induced some alarmists to appeal to the Government to intervene for the protection of home industries, but the Secretary for Mines has replied that he has no power either to control prices or direct distribution, and that the Government is definitely opposed to such a policy. The country is confronted with the choice of two evils. If an increased export trade reacts unfavourably on home industries, it benefits the foreign trade of the country by improving the trade balance, strengthening the sterling rate of

exchange, and increasing our command over the supplies of foreign foodstuffs and raw materials. Moreover, the Government is under a pledge to the miners to allow them to benefit from any improvement which may take place in the general revenue earning capacity of the industry. Last August every coalfield in the country was working on the minimum wage, and that minimum, according to the Coal Advisory Committee, represented a wage equal to only 42 per cent. above the average wage of 1913. The position of the miner has appreciably improved since then. The percentage increase payable in January on the standard rates of 1888 in Scotland was 125.4 per cent., compared with 110 per cent. in August; in the same period the general wage rate in Northumberland increased from 80 per cent. on the 1879 standard to 98.72 per cent.; in Durham from 89 per cent. to 97.02 per cent.; and in the Eastern Federated area from 32 per cent. to 49.61 per cent. on the 1911 standard. These increases raised the average wage per person per shift from about 9s 2d to approximately 9s 9d. Then, again, more persons are employed in the industry than was the case in August, the number of working days per week has increased and the payment of subsistence wages has been extended, while unemployment in the mining industry in January was only 4.5 per cent., compared with an average percentage for the country as a whole of 12.7 per cent. The miners, therefore, have benefited from the improvement in the coal trade, and they are likely to benefit still more by the recent increase in the export price of coal. The average wage, however, to-day has a purchasing power appreciably less than that earned in 1913-14, and on Tuesday the Executive Committee of the Miners' Federation of Great Britain waited upon the Prime Minister and repeated their demand for assistance or for an inquiry into the condition of the industry. Mr Bonar Law again refused these demands, and the Federation has convened a conference to consider the expediency of serving notices for the termination of the National Agreement under which wages have been regulated since the termination of the general strike in 1921.

It is impossible to foresee the duration of the present export boom, but the country must reconcile itself to the prospects of restricted inland supplies at high prices so long as that boom continues and the Government refrains from altering the present statutory limitations on the working hours in coal mines. An extension of the double-shift system, the increased use of mechanical coal-cutting and coal-conveying appliances, and, among other improvements, better and cheaper railway facilities, would doubtless increase output, augment inland supplies, and bring lower prices. Most of these, however, are improvements which cannot be carried out except by the expenditure of considerable capital, while in the South Wales coalfield there is still a great deal of opposition to the working of the double shift. There are two conditions, however—one physical and the other economic—which for some time to come will exercise a restraining influence both on the upward movement of prices and on the volume of coal exports. The physical condition is the limited shipment capacity of our docks, and the economic condition the competition of American and other coals. The railway companies are spending a great deal of money just now on dock improvements, and negotiations are in progress between the employers and the dockworkers with a view to an extension of working hours. The coal shipment capacity of the docks will increase as these improvements are completed, and it is estimated that extended dock working hours would alone add from 12 per cent. to 20 per cent. to the trading capacity of the ports; but it will be many months before the improvements which the railway companies are now carrying out will become effective, while the dockworkers are strongly opposed to any extension in working hours which will deprive them of their present eight-hour day. The check of foreign competition is already operative. The rise in the f.o.b. prices of British coals has driven Germany to more distant sources of supply, and on one day this week vessels of a deadweight capacity of between 50,000 and 60,000 tons were chartered for the conveyance of American coals to Germany. The fact, however, remains that British coal prices will remain relatively high, and there is every indication that they will continue high for many months to come.

OUR INDEX NUMBER.

THERE was a sharp upward movement in commodity wholesale prices in February, owing principally to advances in coal, iron and steel, and other metals, in continuation of a movement which started in January as a result of the Ruhr developments and a sudden increase in demand. Our Index Number, as at the end of February, shows a rise of 78 points to 4,402, which is actually the highest point recorded since the end of November, 1921, when the index number was 4,458, though at the end of July last the total rose to within 6 points of this figure. The table below shows the movements in each of the groups:—

Date.	Cereals and Meat.	Other Food Products (Tea, Sugar, &c.).	Textiles.	Minerals.	Miscellaneous (Rubber, Timber, Oils, &c.).	Total.	Percentage Change.
Base (avg. 1901-5) ..	500	500	500	400	500	2200	100.0
End July, 1914	879	352	616½	864½	553	2865	116.6
" Dec., 1915	897	446	731	848½	848½	3634	166.1
" Dec., 1917	1286½	686	1684½	839½	1348½	5845	263.2
" Nov., 1918	1289	782½	1848	903	1389½	6212	282.6
" Dec., 1919	1303	782½	1805½	866	1337	6094	277.0
" Dec., 1919	1441½	881½	2442½	1145	1453½	7364	334.7
" Mar., 1920	1508	914	2974½	1246	1709½	8352	379.6
" Dec., 1920	1344	805	1284	1216	1275	5924	269.3
" Dec., 1921	921½	636	1106	762	931½	4357	198.0
" Dec., 1921	1000½	676½	1135	690	887	4389	199.5
" June, 1922	994	669	1120	712	900	4396	199.8
" July "	880½	674	1123½	691½	887½	4257	193.5
" Aug. "	873½	682½	1116	699	818	4189	190.4
" Oct. "	885	700	1150	712	813	4260	193.6
" Nov. "	864	703	1200½	704½	811	4283	194.7
" Dec. "	861	706	1184½	705	807½	4264	193.8
" Jan., 1923	860	711½	1205½	739	808	4324	196.5
" Feb. "	847½	746	1201	797½	810	4402	200.1

It will be seen that in addition to an increase of 58½ points in the minerals group, there was also a rise of 34½ points in other food products. Practically all of the latter was accounted for by an increase of 9s per cwt in the price of sugar, a result of market speculation, which began in America. Primary foodstuffs are lower on the month, principally owing to a slight drop in cereals, though foreign wheat is practically unchanged. Textiles are also lower, though movements in the individual commodities which compose the groups were irregular. American cotton was a little higher on balance, but Egyptian cotton and cotton cloth were lower, cotton yarn being unchanged. The cotton trade during February has experienced a distinct setback after the revival of demand which occurred in January. Our Manchester correspondent writes that "the state of trade was considered by the Master Spinners' Federation at a special meeting of the committee held in Manchester on Tuesday last. It was officially announced at the close of the meeting that after careful consideration it had been decided that the present deplorable state of trade called for drastic action to be taken, and a resolution was carried to the effect that members of the Federation using American cotton should be recommended to curtail yarn production to the extent of 50 per cent. during the month of March. It is understood that individual firms will be left to make their own arrangements as to how this restriction of output shall be arranged. This policy of organised curtailment of production is being criticised in some quarters, but it is recognised that over-production is taking place at the moment, and stocks of yarn increasing rapidly in first hands. There is little probability of any real revival of Lancashire trade until prices are on a lower level, but at the time of writing there is a tendency for raw cotton rates to advance, chiefly as a result of the industrial activity in the United States and the heavy consumption there." In the minerals group, the largest rise was in

steam coal, though iron and steel prices were also advanced. There was also a spectacular rise in tin on the last day, after a steady rise throughout the rest of the month. The principal factor has been the large increase in consumption without any prospect of larger production for some time to come. America is a keen buyer, and demand from this quarter is expected to grow in the next few months. There was a net reduction of stocks in 1922 of 14,000 tons, and visible reserves are now small. Copper and lead have also risen.

The next table shows the changes in the index for each commodity as compared with the end of January, the figure 50 representing in each case the average price during the basic period 1901-5:—

	Index Number.	Inc. or Dec.		Index Number.	Inc. or Dec.		Index Number.	Inc. or Dec.
Wheat—For.	83	+ 1	Cotton, A	150	+ 5½	Copper	60½	+ 6
Englab	70	+ 1	Cotton, E	120½	+ 3½	Minerals	797½	+ 58½
Flour	80	+ 1	Yarn	135	+ 3	Baltic timber	100	..
Barley	69½	+ 5½	Cloth	134½	+ 3	Amer. timber	87½	..
Oats	78½	..	Wool, Eng.	128	+ 2½	do. Aust.	70	..
Potatoes	47	..	Leather	118	+ 2½	Petroleum	108	..
Rice	103	..	Silk	117	+ 6	Oilseed	80	+ 2½
Beef	94	+ 2	Hemp	101	+ 1½	Tallow	66	+ 2½
Mutton	107½	+ 1½	Jute	106½	+ 3½	Indigo	113	..
Pork	115	+ 2	Textiles	1,201	+ 4½	Crystals	89½	..
Cereals & Meat	847½	+ 12½	Pig-iron	123½	+ 10½	Rubber	17½	..
Tea	137½	+ 4½	Steel rails	79	+ 4	Miscellaneous	810	+ 2
Coffee	194½	+ 32	Iron bars	88½	+ 20½	Total	4,402	+ 78
Sugar cane	106	..	Coal, steam	94	+ 4			
Sugar beet	101	+ 6	House coal	122	+ 9½			
Butter	116½	..	Lead	82	..			
Tobacco	116½	..	Tin	82	..			
Other foods	746	+ 34½						

Changes in the Miscellaneous section, it will be seen, were small and unimportant.

As a result of the month's changes, the increase in wholesale prices now amounts to 71.6 per cent. over the level obtaining at the outbreak of war, as against 68.6 per cent. a month ago and 66 per cent. twelve months ago. The present position of the five groups in relation to the pre-war level is shown in the following table:—

End of—	Cereals & Meat.	Other Food.	Textiles.	Minerals.	Miscellaneous.	Total.
July, 1914	100	100	100	100	100	100.0
Dec., 1918	226	222	293	186	241	237.5
Dec., 1919	249	250	396	247	263	287.1
Mar., 1920	261	260	484	269	309	325.6
Dec., 1920	233	229	209	261	230	230.9
Dec., 1921	159	180	180	164	168	169.6
June, 1922	174	192	184	149	160	171.1
July	172	190	181	153	163	171.4
Aug.	153	192	183	149	160	165.9
Sept.	151	194	181	150	148	163.5
Oct.	153	199	187	154	147	166.1
Nov.	150	200	195	152	148	167.0
Dec.	149	200	193	152	146	166.2
Jan., 1923	149	201	196	159	146	168.6
Feb.	146	211	195	172	146	171.6

Primary foods and miscellaneous products stand at less than 50 per cent. over the pre-war level, but other foodstuffs are well over double, while minerals have now reached the average figure.

The final table shows the changes in the indices of wholesale prices in some of the principal foreign countries, the base being the average of the year 1913:—

	United States.	France.	Italy.	Germany.	Switz'r-land.	Sweden.	Denmark.	Japan.
Nov., 1918	205	358	438	..	325	367	292	214
High, 1920	227	591	679	..	325	366	403	332
End of—	(Jan.)	(April)	(April)	(Jan.)	(June)	(Oct.)	(Mar.)	
Dec., 1921	123	326	594	3,585	176	172	178	209
June, 1922	131	326	537	9,140	161	164	180	197
July	131	326	558	13,935	163	165	180	201
Aug.	131	332	571	28,919	163	163	178	195
Sept.	136	330	582	44,089	163	158	176	192
Oct.	144	338	601	94,492	163	155	180	190
Nov.	149	354	596	166,495	171	154	182	188
Dec.	148	363	580	205,417	175	155	181	186
Jan., 1923	149	388	..	715,881	..	156	..	183

* Bradstreet's.

Prices in America show little change in the last three months, but there was a sharp upward spurt in France in January with the fall in the value of the franc. At the end of January the German mark was about at its lowest point, and the February index number, which is not yet available, may perhaps show a decrease as a result of the mark's recovery.

THE SUGAR POSITION.

(BY A CORRESPONDENT.)

QUITE recently a very sudden rise occurred in the price of sugar. This in the space of a few days amounted to no less than 9s 6d per cwt, and naturally trade buyers were much perturbed, the market both for raw and refined sugar being temporarily disorganised, with the undertone very unsettled. The impetus for the movement came from the United States, where a big gamble was started in the commodity on the strength of the large increase in consumption and the reduced estimates for the Cuban crop. Well-informed opinion takes the view that for all 1922 the consumption of sugar in the United States went up no less than a million tons to well over five millions, and that a further expansion will be seen this year. This factor has naturally been made the most of, and it explains the eagerness displayed by the American sugar interests to absorb the new crop Cuban sugar as early as possible. The surplus of the old crop disappeared with the turn of the year, and the new crop movement was late in starting; thus with reserve stocks of raw sugar in American refiners' hands somewhat depleted, the way was opened for an aggressive movement on the part of certain syndicated interests who were rather badly hit by the slump due to the setback which overtook the 1920-1 season, and resulted in an unsold surplus in Cuba of more than 1,500,000 tons. This surplus hovered about the market for a long time, and was not dispersed until early in 1922. Raw Cuban sugar about that time was obtainable for shipment to the United Kingdom at about 10s 6d per cwt c.i.f., and the American refiners were securing all the supplies they needed at less than 2 cents per lb cost and freight to the American ports, these figures comparing with about 27s to 27s 6d and 5½ and 5¾ cents registered late in February.

The Cuban sugar industry underwent a striking change for the better in the first half of 1922, owing to the big increase in the consumption, especially in the United States, where the low prices and the small import duty of less than 1d per lb, against 2½d in this country, made themselves felt. Speculators were attracted to the possibilities of the situation, and the result was a big gambling movement in the commodity, although it would be folly to deny that the American operators were not clever enough to foresee the possibility of a world shortage of sugar being witnessed this year unless higher prices keep down the demand to a certain level. All estimates respecting this season's world output of sugar have had to be revised very drastically, and the figures issued some months ago no longer stand. The last crop of American beet sugar only yielded about 650,000 tons, against close on a million tons in the previous season, and this was a very serious blow to the American refiners, who had to look for additional supplies elsewhere. Thus the balance of the old crop Cuban sugar was easily disposed of before the new crop became available in any quantity, and both France and Germany have also been compelled to import considerable tonnages of cane sugar in order to make up for the deficiency of their own short crops. The revision of Guma's estimate from 4,193,000 tons to 3,800,000 tons, a reduction of nearly 400,000 tons, or nearly 200,000 tons below the actual outturn for last season, happened to synchronise with the publication of figures proving that the American consumption was rapidly expanding, and thus conditions favoured a sharp upward movement in prices, which duly took place.

After making due allowance for the fact that the sugar gamblers in the United States turned the situation to their own advantage, it would be futile to overlook the danger of a sugar shortage being seen later on. The Continental crops of beet sugar are not turning out according to anticipations. In Belgium and Holland alone there will probably be a falling off of a full million tons from the original estimated tonnages, and after all the figures are collated

and carefully sifted it is difficult to see how the world's output can exceed 16½ million tons. This may be compared with 17½ million tons—the actual yield in the previous season—to which must be added the large surplus of old-crop sugar which has now been wiped out. Last year the world's consumption of sugar showed a big increase, and it did not fall much short of 18½ million tons. In the United States alone there was an increase of more than a million tons in the consumption, while in this country the home consumption, based on the duty-paid entries as issued by the Board of Trade, was about 1,600,000 tons, against 1,400,000 tons in the previous year, and 1,100,000 tons in 1920. It will thus be seen that while production is decreasing, consumption is increasing, and in a prosperous country like the United States, where prohibition favours the free use of syrups and sweetstuffs, the demand for sugar this year may bound ahead still further. In this country there has been an increase in the consumption of 500,000 tons in two years, while consumption in most of the Continental countries, more especially France and Germany, has also shown a steady expansion, although, of course, the movement in this respect is bound to be somewhat circumscribed by the higher prices. In fact, something of this sort has already taken place here, the big rise seen in the wholesale market in the closing months of 1922 having cut down the demand, judging by the shrinkage shown in the returns for the first month of the current year and the reports issued by the trade quite recently. In some quarters the views are expressed that a comparatively high level of prices will have to be reckoned with for some time to come, and if this is correct the suggested reduction of the sugar duty in the coming Budget becomes of more than ordinary interest to the trade, as one factor would help to counterbalance the other. It is too early yet to say what the final yield of the Cuban crop will be. Weather and other conditions in the island have been favourable for some time past, yet estimates of the yield have had suddenly to be cut down. Obviously, both the Cuban planters and the American sugar gamblers are fully alive to the fact that the world's sugar markets now turn more or less on Cuba, and that they will continue to do so as long as the European beet-sugar producing countries fail to re-establish themselves on their pre-war footing. Even if the Cuban crop realises 4,000,000 tons, or 200,000 tons more than the latest revised estimate, it is difficult to see, assuming that there is no very marked setback in the consumption, where this season's needs are coming from. Belgium during the first four months of the season produced about 70,000 tons less than in the previous season, but there has been a little increase in the figures for Germany and Czechoslovakia. The returns for Holland show that during the five months ended January 31st the production only amounted to about 250,000 tons, against 375,000 tons in the corresponding period of last season, and that the Dutch stocks are down to a little less than 100,000 tons, or 50,000 tons under the figures for last year. The French and Belgian Governments have both placed an embargo on sugar exports, and this seems to suggest that the position in those two countries is worse than it is elsewhere. There was recently a very big rise in the price of sugar in France, and naturally the position of the franc makes the commodity very expensive to the consumers working with the imported article. The French Government made certain investigations concerning the jump in values, and decided that it was hardly warranted; but the fact remains that the general position in France favoured a higher price level. The French consumption from September 1, 1922, to January 31, 1923, amounted to 330,000 metric tons, which is about 66,000 tons per month. There remain another eight months before the end of the present season, and as there is very little new sugar available before October, something like 528,000 tons will be needed to get through the remainder of the season. The French stocks at the end of January amounted to 180,000 tons, and this, with the balance of the crop yet to be secured, would give the available resources as something like 200,000 tons. There is thus bound to be a deficit of fully 328,000 tons, which must be obtained either from the French Colonies or from foreign countries. In these figures no allowance has been made for the sugar exports

usually made to Algiers, Tunis, and Morocco, which, as a rule, are on a considerable scale; nor have exports allowed under special licence, in conformity with the recent export prohibition, been included. It is possible, of course, that the French consumption of sugar will decrease owing to the enhanced prices, but even placing the domestic consumption at 60,000 tons per month, very large quantities will necessarily have to be imported by France before the next crop is available. It will therefore become necessary for the French market to adjust itself to outside parity movements, otherwise sugar bought and not yet shipped might be re-sold by French importers to their own advantage.

Thus, after making all due allowance for the speculative activity and the possibilities of the commodity being the centre of further gambling, it will be seen that there is some ground for the fear of a prospective shortage, and this theory has been confirmed by the fact that practically the whole of the setback which took place after the extraordinary rise mentioned above has been recovered, and that all sugars at the time of writing are near the top. Cuban resources are now under great pressure from exporters, especially for shipment to the United States, and there is quite a big fleet of steamers working on time charter between Cuba and the States ports. This country has now plenty of raw sugar on hand, the present stocks at the principal ports amounting to over 115,000 tons, against 35,000 tons a year ago. The imports for some time past have been on a very liberal scale, but for the week ended February 24th they dropped away sharply to 832 tons, against 13,886 tons in the same week of 1922. The prospects of the home refining industry are excellent, and its position is likely to be satisfactory for some time to come. It is, for the time being, practically free from any outside competition, Continental sugar being quite a negligible item. Speculation, obviously, cannot be eliminated, and thus this country may have, as time goes on, to protect itself from the effects of parities established in the United States. The Cuban position will dominate the whole position during the next few months, and in view of the importance of Cuban supplies, values here will have to be based on the cost of importing raw sugar from Cuba. Steamers to the United Kingdom have been in demand lately, and several have been fixed on the basis of 10s 6d to 10s 8d to London, Liverpool, and Greenock; thus, with the full stocks in hand, there is no fear of any shortage here in the near future. But prices must inevitably remain sensitive in such a peculiar market.

THE TRUSTEE'S CHOICE OF INVESTMENT.

(BY A STOCK EXCHANGE CORRESPONDENT.)

THERE may seem a touch of the ludicrous in talking about a shortage of stock in cases where millions of that particular security are in issue. Nevertheless, that this is an every-day state of affairs is a commonplace in the Stock Exchange markets, where lists of securities on offer are confined to a comparatively small number of stocks, having regard to the full list of issued securities. The War Loan is the most prominent example, with its two thousand million pounds of stock in existence, but which, nevertheless, is sometimes reported in the market as being in short supply. Of the Conversion Loan, there always seems to be plenty obtainable, but Victory Bonds have a tendency to become very scarce at times, nor are there always large amounts of Funding Loan available for the buyers. As for such stocks as the 4½ per Cent. War Loan, the opportunities for acquiring them are very limited now.

It may be useful, in these circumstances, to set out what stocks are actually obtainable in the gilt-edged lists, and it will be observed that the return ranges from 4½ to 5 per cent. upon full Trustee stocks. The War Loan returns the round 5 per cent., owing to the fact of its liability to redemption in 1929 at 100, but the yields on Consols, Conversion, Victory, and other such stocks are

process would be much accelerated by the suggested amalgamation. The proposal is, however, a long way from being a completed transaction.

Public Contracts and British Industries.—We have been favoured by the British Empire Producers' Organisation with an account of the visit of a deputation of that body to the Board of Trade. The object of the deputation was to urge "that it should be obligatory on every Government Department, and every railway and public body authority in the United Kingdom, to purchase goods entirely of British Empire origin, and to employ only British labour on their contracts and work." This plea was based mainly on the existence of widespread unemployment, but Mr Ben Morgan, who introduced the deputation, allowed his argument to stray into the slippery fields of imperial preference. Mr Morgan claimed that the deputation "represented a preponderating majority of the industries of the British Empire." "This prodigious body of opinion," he said, "was unanimously in favour of the proposal" put forward. That British producers of goods which the British Government and local authorities, &c., have to buy should seek to eliminate their competitors is not altogether unnatural. Moreover, the desire to foster home and imperial trade is, under existing domestic and world economic circumstances, particularly deserving of the sympathy which Sir William Joynson-Hicks (receiving the deputation on behalf of the President of the Board of Trade) extended to it. Nevertheless, the deputation must surely know that their request is one that is too far-reaching for any Government, or any public body to grant. The Government and all local authorities are under the elementary responsibility of securing for taxpayers and ratepayers the best value for money. Tenders from home and imperial contractors may be viewed with a sympathetic eye; but where contractors of other countries can offer better value for money expended, their duty is obvious. We can hardly conceive even Mr Morgan suggesting that, for instance, the Australian Government would or should purchase British locomotives, if it should be proved that America could provide a better article at a cheaper price. In so far as the argument may be based on the desire to relieve unemployment, or to maintain industries necessary to Britain, it may be met by the answer that grants and subsidies are fairer to the taxpayer or ratepayer, and are less dangerous. In effect the deputation was asking for protection in its most insidious form, namely, elimination of competition on grounds of sentiment, and at the cost of the tax and ratepaying public—an elimination which also is not calculated in the long run to serve the best interests of home and empire industries themselves.

Capital Issues and the Trade Balance.—In a recent issue we considered in some detail the principal "invisible" items in the trade balance-sheet of the United Kingdom, and endeavoured to estimate in respect of the three years 1913, 1921, and 1922 the final credit or debit balance. The conclusion reached was that, taking everything into account, including interest on our American war debt (whether actually paid or added to the principal of the debt), there was a final credit balance last year of approximately £62 million, compared with a debit balance in 1921 of about equal amount (£63 million). In 1913 there was a credit balance estimated at £193 million. These figures appear *prima facie* to conflict with the figures of new issues of capital in London for British Possessions and Foreign Countries, which are as follows:—

	£
1913	160,586,000
1921	112,802,000
1922	130,157,000

With regard to 1913, the discrepancy might easily be explained by private investment of capital abroad, by the purchase of securities from abroad and the increase of balances held abroad, or decrease of foreign balances held here, which might quite possibly raise the export of capital from £160,000,000, as suggested by the capital issue figures, to £193,000,000, as suggested by the analysis of the trade balance. But what of 1921 and 1922? Even

allowing for the fact that our final trade balance was struck after taking into account interest accrued but unpaid on the American debt, we find capital subscriptions for British Possessions and Foreign Countries in 1921 of over £112,000,000, compared with a slight debit balance estimated from the analysis of the trade figures. In 1922 there is also a considerable, though smaller, difference between the figures—say, roughly £45 million, after allowing for that part of the interest on the American debt which was not paid in cash. The fact is that the two sets of figures are not closely related. This becomes clear when the following points are considered. The time chosen to float a new issue on the capital market depends largely upon the condition of the market at the time, *i.e.*, upon the likelihood that the public will be willing to subscribe capital on reasonable terms. But the time when the capital commitment is first undertaken may be earlier. In times of stringency in the capital market borrowers may prefer to finance their undertakings with money borrowed for short periods from banks or other lenders, even though they may have to pay heavily for such accommodation. On the other hand, when the capital market is easy, there will be an inducement to offer for public subscription all that is required, and even possibly to borrow ahead of actual needs. As a result of the greater ease in the money market during the later months of 1921 and during 1922, borrowers were no doubt encouraged to fund their floating indebtedness incurred in earlier years, as well as to borrow from the public for current capital requirements, and the relatively large volume of new issues is probably in the main due to this cause. It has, of course, also to be borne in mind that new issues of capital may in part be subscribed by foreigners, or may be taken up by British investors to replace securities redeemed on maturity or securities sold abroad. No close correspondence between the figures relating to capital issues for British Possessions and Foreign Countries and the final trade balance representing export (or import) of capital is therefore to be expected for any given period.

Trade Union Organisation.—A Labour correspondent writes:—At the last Trades Union Congress the question of the organisation of the trade union movement came up for discussion. There was a general recognition of the need for more trade unionism and fewer trade unions. The General Council of the Congress has now taken up the question actively. Propaganda meetings are being arranged in various centres for the purpose of increasing trade union membership and strengthening interest in the work of the movement. What is perhaps more important is that the General Council is now promoting conferences of unions in the same industry and allied trades to discuss the possibilities of amalgamation. It marks a significant step forward that the General Council of the Congress should take the initiative in this matter, as its standing may enable it to set amalgamation negotiations in progress where action taken by the unions themselves might fail. During the recent weeks two conferences have taken place, one at Manchester and the other at Bradford. At the former there attended representatives of 800,000 workers in the engineering and allied trades, whilst the latter was attended by representatives of the wool textile unions. In both cases serious attempts are to be made to carry the process of amalgamation, which has already accomplished something in the engineering and wool textile industries, a stage further forward. The method which is being adopted is for each conference to appoint a committee representing the unions concerned to investigate the possibilities of amalgamation and to report to a further conference. It is anticipated that the General Council will in the near future convene conferences of unions in other industries.

Canada as Wheat Producer.—The final estimate of the Dominion Bureau of Statistics places the yield of the Canadian wheat crop in 1922 at slightly under 400 million bushels. According to figures given in the February circular of the Royal Bank of Canada, this new record in wheat production by the Dominion places Canada second in the list of the world's wheat producers. Here are the figures given for 1922:—

	Bushels.
United States	865,211,000
Canada	399,786,400
British India	366,352,000
Argentina	215,318,833
Australia	105,000,000

The second best figure for Canada was achieved in 1915, when the wheat harvest yielded 393,542,600 bushels. According to the Government's estimate, the value of Canada's 1922 wheat crop was \$339,419,000, as against \$242,936,000 in 1921, and an average of \$392,542,320 for the five-year period 1917-1921.

Indian Cotton Crop.—The final official forecast of the crop now being dealt with has recently been received by cable. The area is stated to be 21,119,000 acres, and the yield estimated at 5,196,000 bales of 400 lbs, increases respectively on last season of 14 and 16 per cent. The area is less by 766,000 acres, or 3.5 per cent., than the mean of the previous five years, but the outturn larger by 724,140 bales, or 16.2 per cent. Earlier in the year, we understand, Bombay shippers were calculating on a crop of about 5,300,000 bales, and a supply, including 150,000 bales from stock, of 5½ million bales. Assuming that the home consumption—mills and local—would amount to 2,750,000 bales, Japan and China require 1,850,000 bales, the available supply for Europe would not exceed 900,000 bales. For fuller particulars we must await by mail from India the final official memorandum.

Argentine Meat Companies.—British controlled freezing companies in Argentina have learned, without dismay, of the appointment of a Government Commission to investigate, *inter alia*, the profits made by the *frigorificos*, and the conditions under which they carry on business. The position has long been a difficult one. The British companies have had to fight insistent and costly competition from the United States on the one hand, and protect themselves against exploitation by the native pastoralists on the other. It is not without interest to recall that whereas governmental intercession is now being sought by members of the cattle-raising industry, ten years ago (June, 1913) the authorities were approached by six out of the nine large meat companies for protection, these alleging that, "owing to the burdensome conditions created by three other (United States) companies in the country preparing an absolute monopoly by selling Argentine meat in the English markets below cost price," they would be compelled to close their factories. Upon that occasion the Government refused to interfere, the Minister of Agriculture declaring that, after examining the situation created by the alleged meat trade monopoly, he considered that he ought not to take any action against the freedom of the industry; but he promised that, if fresh facts should come to light showing that it was intended to create combinations disadvantageous to the country, he would take the necessary measures. That the British companies' competitors were also losing heavily at that period was proved from actual transactions recorded during one week, when Argentine exports of 70,000 quarters were sold in London at a loss of 15s per quarter. In other words, meat was being retailed in this country at the price of cost in Argentina, without taking into account selling expenses in the United Kingdom, freight, insurance, export duties, or difference in exchange. The contest between American and British exporters carrying on business in Argentina continued for several years, resulting in the passing of dividends by many of the British companies—even the oldest—engaged in the trade. Nor did the menace to the industry cease until the demand brought about by the war, and the ever-increasing requirements of the United States, relieve the freezing companies of their chief burden. From a financial point of view, the difficulties arising from disastrous competition between British and United States companies vanished. No sooner was the war terminated, however, than a fresh agitation broke out elsewhere, the Federal Trade Commission of the United States threatening an international control of meat products, which, had it been pursued, would have inflicted lasting harm on the industry in the British Empire. Quite recently the Argentine Government despatched a Special Commissioner to the United Kingdom

to study present conditions governing the sale of Argentine meat in this country. The freezing companies express themselves quite willing to abide by the report, which should shortly be presented to the Argentine Government, since they believe that it will be shown therein that no exaggerated profits have been, or are being, made by the *frigorificos*. The present agitation is caused by the fact that Argentine pastoralists have been receiving for their cattle exceptionally low prices (averaging no more than 9½ centavos per lb). This has arisen from an over-supply of steers, a condition, it is contended, in no way brought about by any action of the freezing companies. The native pastoralists, however, have not stood alone in incurring losses; these have been shared by British-owned companies engaged in cattle raising. These interests, like those of the *frigorificos*, must be further affected by the decision recently arrived at by a number of English firms controlling the importation of South American meat, to restrict the quantity of frozen meat received from the Argentine and South America generally.

U.S.A. Wool Imports.—According to the official trade figures compiled by the United States Bureau of Foreign and Domestic Commerce there was a large decrease in the receipts of fine wool, with a corresponding increase in the coarser grades, during the first nine months of 1922. Total imports of clothing wool at American ports during this period were 29,000,000 lbs, compared with 201,000,000 lbs during the corresponding period of 1921. Of the 1921 imports of clothing wool, 195,000,000 lbs were imported before May 28, upon which date the Emergency Tariff Act became effective. Imports of combing wool, on the other hand, increased from 10,000,000 lbs during the period January to September, 1921, to 110,000,000 lbs during the corresponding period of 1922, while imports of carpet wool increased from 74,000,000 lbs to 134,000,000 lbs. These figures reveal that while about 70 per cent. of the wool imported into the United States during the first nine months of 1921 was clothing wool, the percentage of the total of this kind of wool



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imported during the same period of 1922 was only 10.4 per cent. Imports of combing and carpet wool, on the other hand, increased from 3.5 per cent. and 25.7 per cent. respectively in the first nine months of 1921 to 39.4 and 48.1 per cent. respectively during the corresponding period of 1922. It is the general opinion in the trade that imports of combing and carpet wool were augmented in anticipation of the passage of the permanent tariff.

Czecho-Slovakian Industry and Exchange.—The Department of Overseas Trade have received from the British Vice-Consul at Prague (Mr J. W. Taylor), a report that the iron and steel industry in Czecho-Slovakia suffered a period of unparalleled depression during the past year. The total number of blast furnaces in Czecho-Slovakia is 27, with a yearly capacity of 1,608,600 tons. Of these the following were in action:—

	Furnaces.	Output. Tons.
1919	13	648,000
1920	16	694,000
1921	17	543,000
1922	6	93,000

About 60 per cent. of the output is pig-iron, the remainder being divided between steel and hematite. Unemployment increased seriously during the second half of 1922. The figures of unemployment in the metal trade for September last were 14,320, and during the past year 1,671 metal workers and their families emigrated, principally to Germany and the United States. Practically all branches of the metal industry were affected. The output of agricultural machinery fell to a very low level, and a British company was able to do good business there in spite of the heavy Customs tariff. The Vice-Consul is informed that the engineering section of the Skoda Company at Pilsen had no orders last autumn, with the exception of a few English orders for turbines, &c., contracted for long in advance for delivery to time. The Skoda Company have delivered up to date about 400 new locomotives to the Roumanian Government, and repaired an additional 250; but, owing to difficulties in obtaining payment, this work was suspended at the end of last year. The crisis in this industry is primarily due to the rise of the Czech exchange, the loss of the old home market through new political frontiers, and the curtailment of purchasing power in the surrounding countries. In justification of a restriction of output, employers have pointed out that the transport and labour charges are excessive. This, of course, is a direct result of the exchange situation. For the moment, Mr Taylor states, a number of contracts have been turned over from Germany to Czecho-Slovakia, and newspaper reports express optimistic opinions for the future of the industry. The present improvement, however, in Mr Taylor's opinion, rests on rather a frail basis, and a permanent improvement can only be hoped for when the many municipal and Government contracts for public works, &c., are put in hand, and trade with Russia is resumed on a commercial basis. At present both these developments seem likely to be held up for a considerable time through lack of funds.

Trade Depression in Spanish America.—A batch of British Consular Reports dealing respectively with Cuba, Panama, Costa Rica, and Paraguay, shows how their trade and finance have suffered from the decline in the purchasing power of Europe, and through the reaction from the hopes set up by the conclusion of peace—a reaction intensified in Paraguay by the continued political unrest. Recovery, however, may not be far off; in Costa Rica it seems to have begun. The following table gives in round figures the difference in the percentage of the exports and imports of three of the countries as compared with the year preceding:—

	Cuba, 1920-21.	Panama, 1921.	Paraguay, 1921.
Exports.....	— 54	— 30	— 39
Imports.....	+ 8	+ 35	+ 27

The rise in Cuban imports was apparently the aftermath of the prosperity set up by the war in the sugar industry, the chief element in the island trade. As all three countries drew their revenue mainly from Customs, the de-

cline gravely affected their public finance. In Cuba, drastic Budget reductions promise a small surplus for 1922-23; the floating debt of some £50 millions will be covered by a loan issued in the United States, but 17 per cent. of the expenditure is on the army and navy, which seems excessive in an American Protectorate. The Panama deficit in 1921-22 was nearly \$1,895,000; the projected expenditure for 1922-23 has been modified by \$1,750,000. In Paraguay the estimated expenditure for 1921-22 was equivalent to £782,070, and the estimated deficit to £93,315, but these amounts have been certainly exceeded and the floating debt considerably increased. The service of the foreign debt, irregular during the war years, has been suspended altogether since 1919. But in Panama, and in a less degree in the other two countries, the natural resources are largely untapped; and recovery may come partly through immigration. In Cuba the rate has risen from 26,000 in 1908 to 80,000 in 1919, mainly from Spain, reinforcing the white population of 72 per cent. out of a total of 2,889,000. In Paraguay there is a small but appreciable inflow of assisted immigrants, mainly German and German Swiss, and also of Germans with some capital. Panama has depended for labour largely on West Indian negroes, whose immigration is now discouraged by their Governments, but some of those unemployed are being given land in the canal zone. In contrast with these three States, Costa Rica is prosperous. Imports fell off in 1921 by 35 per cent. as compared with 1920; exports, however, increased some 20 per cent., the growth of the banana traffic having compensated for the decline since 1919 of the export of coffee, and raised the export trade in value to a point some 19 per cent. above that of 1920, and 20 per cent. below that of the boom year 1919. Revenue in 1921 exceeded expenditure by about \$50,000, and the assigned revenues produce about four times the amount needed to cover the two chief foreign loans. The Reports contain much information as to the possibilities of increasing the British import trade.

Mexican Finance and Trade.—The report of H.B.M. Consul in Mexico City, just issued by the Overseas Trade Department, tends rather to moderate the hopes of a speedy revival of prosperity set up by the prospect of a resumption of the service of the External Debt. The post-war depression of foreign trade has been aggravated by abrupt increases of import duties, with the aim of augmenting the revenue; and the efforts to establish a peasant proprietary, though in some districts they may have increased intensive cultivation, have set up a fear of expropriation among the large landowners, and have checked rural production, so that the supply of cattle, grain, and even eggs has had to be supplemented by imports from the United States. So will that of cotton, owing to the shortage caused by drought and floods, and the Government control of the henequen of Yucatan has reduced production to 50 per cent. of the normal. Moreover, the output of oil, after two record years, has been seriously affected by salt water in many wells. Still, the severe taxation imposed in 1921 (mainly for the benefit of the foreign bondholders) was mitigated shortly afterwards, and the potential production was then estimated to be equal to thrice the actual world-total. Mining is more promising, through the rise in the price of silver, the removal of the Customs duty on dynamite and machinery, and the easier conditions of payment of taxes in arrears. The manufacturing industries have not been suffering severely, in spite of widespread labour unrest. The position of the foreign banks is satisfactory, though at present there is hardly enough business for them all; first-class firms can borrow at from 9 to 12 per cent., but loans are not granted on real estate. The railways can only recover after their return to the companies, but the importation of locomotives and the electrification of part of the Mexican Railways are hopeful signs; road construction would aid development, but is unlikely at present. British trade suffers from American and German competition, from the employment of American agents, and, unfortunately, from lessened confidence in the "word of an Englishman," and the share of British shipping in the overseas trade is relatively small. Interesting particulars are given of the attitude of the Government towards

labour. Unemployment at home has been relieved by encouraging migration from the oil regions abroad, by repatriating 24,000 labourers from the United States, and by checking Oriental immigration. Several States have passed laws instituting profit-sharing, and one factory has been taken over by the authorities during a strike, the owners recovering it after compensating the workmen and the Government. Labour unrest is widespread, and stimulated by foreign organisers. We may remark, however, that President Obregon's Government, unlike that of President Diaz, is striving to better the condition of the masses, and that agrarian legislation has been repeatedly promised throughout the revolution, and has helped to quiet the revolutionaries. The problem is now to reconcile these efforts with the need of attracting and retaining foreign capital.

The Honduras External Debt.—The position in the negotiations for a final settlement is now, we believe, as follows: Honduras proposes to pay £1,000,000. The scheme arranged by Sir Lionel Carden, when Minister to Central America in 1909, but superseded by an American plan which proved abortive, provided for 40 annual payments of £40,000 each. The Council of Foreign Bondholders now asks for £1,200,000 in 30 annual payments of £40,000, secured on the Customs revenue, and applied, as under the Carden scheme, to the purchase and cancellation of bonds with the coupons in arrear—or, rather, of the certificates of deposit representing them—tendered at a price in the earlier years not exceeding 20. These certificates are being now dealt in at about 8; it is apprehended that the tenders would be considerably below 20 in the earlier years, so that the figure could be raised later, and the saving on the amortisation price would go to the bondholders. All the four outstanding loans would be treated alike. Their aggregate capital is nearly £5,400,000; the arrears of interest raise the total to more than £28,000,000. But nearly the whole amount was issued at 75 or 80, and the debt was from the first utterly disproportionate to the resources of the State. Honduras urgently needs to restore her credit, and will find it worth her while to assent to the Council's proposal.

Finnish Currency Since the War.—The new Baltic States compare very favourably with those of Central Europe in the quotations ruling for their currencies on the exchange markets of the world. Moreover, general economic conditions in these countries are on the whole surprisingly stable, despite the fact that their *entrepôt* trade with Russia has been reduced to very small dimensions. The general policy of these new Governments in relation to questions of currency and finance is, therefore, of considerable interest at the present time, and the case of Finland is well analysed in an article in the Bank of Finland *Monthly Bulletin*, from which we have extracted the following particulars:—Early in 1919 the dollar exchange was not so far removed from par, in spite of the fact that internal prices had risen to over six times the pre-war level. This state of things was largely maintained down to the month of May, 1919, when the dollar was quoted at 9.86 marks, so that Finnish currency still stood at 52.6 per cent. of its par value. This was due above all to the fact that the Bank of Finland was well supplied with foreign currency. From the month of May, 1919, to the end of the year, however, a rapid fall set in, owing to the operation of three main causes. Inflation was proceeding apace; the country was faced with a very unfavourable trade balance; and political conditions in Eastern Europe added immensely to the general uncertainty. The result was that by December, 1919, the dollar rate had risen to 32.57 marks, while the year 1920, despite a marked improvement in the first four months, witnessed a further decline to 41.67 marks in December—a rate slightly better than the lowest point of the year. By the beginning of 1921, inflation had virtually ceased, and since that time, after making allowance for seasonal fluctuations, the note issue has remained nearly constant, while the internal price level has changed but little. Nevertheless, the other two causes making for a low exchange rate remained in operation. During the course of the year 1921, the Finnish mark, after improving slightly

in the first two months, fell rapidly to the lowest point it has ever reached (a monthly average of 70.8 marks to the dollar) in September. While world prices were falling rapidly, the internal price level remained practically unchanged, and this fact was naturally reflected in the exchange position. During the last quarter of 1921, however, and throughout 1922, a steady appreciation set in, broken only by a slight relapse in April, and an even smaller relapse in December, with the result that by the end of the year the dollar stood at 40.25 marks, as compared with 53.25 marks at the end of 1921. This change is explained above all by the fact that the balance of trade, which was unfavourable during the first half of 1921, became favourable in the second half of the year; while the year 1922, despite a marked increase in imports, witnessed an even greater increase in exports, with the result that the country enjoyed a favourable trade balance for the first time for many years, as is shown by the following table:—

	(In Millions of Marks.)		
Year.	Imports.	Exports.	Balance.
1919	2,509.9 ..	880.4 ..	— 1,629.5
1920	3,626.5 ..	2,926.4 ..	— 700.1
1921	3,585.7 ..	3,389.4 ..	— 196.3
1922	3,953.1 ..	4,461.1 ..	+ 508.0

The greater part of the foreign currency which was received by the country in payment for its export surplus in 1922 was taken up by the Bank of Finland. This fact prevented a too rapid rise in the exchange value of the Finnish mark; while the possession of these foreign balances has enabled the Bank to meet the demand for foreign currency, which is greater during the winter months and the spring than during the rest of the year, because part of the payments for exports were made in advance, and because the balance of trade is usually unfavourable during the winter. Exchange fluctuations have become much less violent of recent months; while the net result of the movement seems to have been to bring the external purchasing power of the country very close to its internal value.

Underground Electric.—The report for the year 1922 of the Underground Electric Railways Company, of London, now purely a holding concern, shows an increase of £117,600 in income from investments, owing to increases in dividends on its holdings in the electric railways and bus companies. Expenditure fell by £41,400, so that net receipts were £159,000 higher. The following table gives the company's financial history since 1918:—

	1918.	1919.	1920.	1921.	1922.
Revenue from—					
London Electric Railway	232,543	198,932	154,118	364,878	410,874
District Railway	76,650	61,950	47,320	94,485	126,025
City and South London	45,687	46,374	38,385	65,542	74,884
London General	179,758	160,048	114,380	251,483	253,815
Metropolitan Railway	250	250	300	450	700
London and Suburban Traction	3,800	3,800	3,800	3,800	3,800
Associated Equipment Co.	205,468	208,571	208,571	..	..
Surpluses (including income-tax returnable)	16,109	16,239	16,734	9,763	9,859
Appropriation—					
Directors, &c., fees and expenses	760,265	692,364	579,678	770,001	887,256
Loss on foreign exchange	7,950	10,114	14,389	14,098	17,638
Loss on 4 per cent. bonds	31,332	67,838	56,171	82,625	24,831
Interest on 5 per cent. 3-year secured notes	115,766	117,797	117,799	117,797	111,339
Interest on 6 per cent. 3-year secured notes	35,000	35,000	8,750	..	..
Interest on 6 per cent. 3-year secured notes	..	..	31,500	42,000	38,937
Central London guarantee	..	13,466	47,130	..	..
Central London income stock	76,380	76,380	76,380	76,380	76,380
Interest on 6 per cent. income bonds	445,910	361,717	180,859	361,717	427,824
Interest on 6 per cent. income bonds	(5 %)	(4 %)	(2 %)	(4 %)	(5 %)
Inc. or dec. in balances forward	+ 5,265	— 13,754	— 2,803	+ 6,109	+ 48,579

Thanks to the improvement in the value of sterling in New York and Amsterdam, the loss involved in the encashment of coupons in these places has fallen from £82,900 to £24,200. In the first half of 1922 2 per cent. only was paid on the 6 per cent. income bonds. The directors now state in the report that, as at the end of the year more revenue was available than is required to pay the full 3 per cent. for the second half-year, and as each half-year stands by itself, "it was thought proper to transfer to special reserve a sum of £60,000 to provide for the equalisation of interest on the bonds, and on the 6 per cent. income debenture stock. This, together with the amount set aside last year, makes a total of £86,200. The balance-sheet shows a decline of £205,500 in the value of investments, which now stand at £15,056,900.

This is due to the sale of £250,000 London Electric Railway 4 per cent. debenture stock, and to the voluntary liquidation of the Gearless Motor Omnibus Company. Temporary loans from bankers show a reduction of £190,000 at £910,000.

Harrods' Year.—A very substantial increase in both gross and net profits is disclosed in the accounts of Harrods, Limited, for the year ended January 31st last. Gross trading profit amounted to £1,833,300, as compared with £1,581,900 in the previous year. Dividends on investments brought in £81,100, as against £32,600, the former including dividends from Swan and Edgar, Limited, declared eight days after the closing of the Harrods' accounts. While gross profits increased by over £300,000, expenditure rose by only £17,000 to £1,440,200, and the net profit after payment of £4,400 to buyers' pension fund, was £283,700 higher at £479,750. The following table compares results for the past five years:—

Year Ended Jan. 31st.	1918-19.	1919-20.	1920-21.	1921-22.	1922-23.
	£	£	£	£	£
Gross profit	1,204,700	1,879,201	2,209,213	1,623,392	1,924,290
Net profit	335,143	552,955	532,503	196,072	479,750
Brought forward	35,102	66,481	208,890	220,768	10,985
Reserve	370,345	619,436	741,393	416,840	490,735
Prof. dividend	77,514	79,295	39,000	286,233	300,000
Ord. dividend	60,000	60,000	142,500	95,750	153,200
Carried forward	166,250	261,250	335,125	57,500	8%
	(17½%)	(20%)	(17½%)	(5%)	(8%)
	66,481	218,890	224,768	34,857	37,535

In 1921-22 the heavy depreciation in the value of stocks was responsible for the drop in net profits, that year's balance-sheet showing a reduction of £543,000 in the book value of stocks. The latest balance-sheet shows a reduction of only £138,700 in this item. A year ago, it will be seen, the ordinary dividend at the reduced rate of 5 per cent. was only made possible by a reduction in the carry forward. This year the balance carried forward is substantially increased after the dividend has been raised to 8 per cent., but again no allocation is made to reserve. The principal changes in the balance-sheet, apart from the reduction in stocks already mentioned, are an increase of £165,100 in investments and reductions of £209,800 in cash, and of £112,700 in debtors. The deposit and current accounts in the "banking" department stand at £921,800, or £156,600 less than a year ago. Goodwill stands at the low figure of £90,000, while the reserve fund figures at £669,100, and sinking fund at £199,300.

Courtaulds' Profits.—The dividend declaration of Courtaulds, giving a rate for the full year of 15 per cent. against 11½ per cent. (both free of tax), disappointed market optimists. But the accounts now issued show that, had the directors been less laudably cautious in their policy, they might easily have raised the dividend to a substantially higher level. Profits in 1922 were £3,018,432, against £1,684,593 in 1921. The 1922 figure is struck after writing off £550,000 to meet present and possible further falls in values of buildings and plant. The 1921 accounts did not specify the amount written off, before profits were struck, in order to bring three years' additions to plant and buildings down to current values. Therefore an exact comparison between the profits of the two years is not possible. Financial results for six years are summarised below:—

	1917.	1918.	1919.	1920.	1921.	1922.
	£	£	£	£	£	£
Profit	1,173,891	1,184,938	2,280,861	1,804,796	1,684,593	3,018,432
Brought forward	315,894	62,935	148,211	229,078	383,874	418,467
Debenture int.	1,489,785	1,247,873	2,429,072	2,033,874	2,068,467	3,436,899
Ordinary div.	3,028	650,002	1,200,001	1,450,000	1,350,000	1,800,000
Reserve	512,502	(32½%)	(30%)	(25%)	(11½%)	(15%)
Carried forward	911,320	449,660	999,993	200,000	300,000	1,000,000
	62,935	148,211	229,078	383,874	418,467	636,899

* Free of tax.

It will be seen that the reserve allocation is raised from £300,000 to £1,000,000, and the carry forward strengthened by over £218,000. The directors, while hopeful of the immediate outlook, "have thought it wise, in view of disturbed world conditions and the growth of competition, to strengthen reserves rather than to recommend the distribution of a larger proportion of the increased profits." Such caution is obviously justified by circumstances, and the report adds:—"Up to the present time, with the exception of short intervals, the demand for artificial silk has grown continuously, and has kept ahead of supply. These conditions can hardly be permanent, although we may confidently expect that any cheapening of the article will lead to its increasing use. We therefore look forward to an eventual lowering of the margin of profit, and we shall rely upon increased production and constantly improving methods to maintain our hold upon the industry. Considerable extensions are in progress at the present time." A welcome point about the balance-sheet, which is analysed in a later column, is that among investments, "shares in the American Viscose Corporation" are shown separately. In the December, 1921, balance-sheet all investments were lumped together in one item, totalling £13,229,216. In the 1922 balance-sheet "British Government securities and other investments" are shown at £6,909,803, and "shares in the American Viscose Corporation" at £7,804,021. It is stated that "the value taken for the shares in the American Viscose Corporation received in exchange for shares in the Viscose company is the same as that put upon the latter in November, 1920." The directors express satisfaction at the exchange, and state that "the total par value of the shares received in exchange by Courtaulds, Limited, is \$85,014,900, consisting of \$37,784,400 preferred stock and \$47,230,500 common stock." The American company, it is stated, reports a strong demand for its product, and that its productive power is being further expanded. The other investments are taken at last year's valuation, or at market price, whichever is lower, except in the case of additions during the year, which are taken at cost or market price, whichever is lower. The shares strengthened on the issue of the report, which was more convincing than the dividend declaration suggested.

United Kingdom Provident Institution.—In the course of last year the new policies issued numbered 3,975, assuring £1,826,307 at premiums of £71,708. This amount was slightly less than in 1921, and a good deal below the figure of £2,156,369 reached in 1919. The net premium income increased by £35,864 to £1,005,242, and the working expenses were 13.7 per cent. of the premiums as compared with 14.6 per cent. in 1921. The funds increased by £623,362 to £11,332,223. The mortality experience of this society is always of considerable interest, especially as the "temperance section"—a notable feature of this office—is kept distinct from the general section. In the temperance section last year the mortality claims were in number 56.3 per cent. of those expected by the British Offices tables, and in amount were 66 per cent. of those expected. In the general section the corresponding figures were 68.7 per cent. in numbers, and 65.9 per cent. in amount. The total claims in both sections—the most useful figures for comparison with the experience of other life offices—were 62 per cent. in number, and 65.6 per cent. in amount. The last valuation was made as at December 31, 1920. It has been decided for the future to make triennial valuations, instead of at intervals of five years, so that the next investigation and distribution of profits will be as at December 31st next.

British and Foreign Marine Insurance Company.—A fairly good result is shown by this company for the underwriting account of 1921. The premiums were £827,477, the first year's claims £203,353, the second year's claims £287,187, and the provision for risks still to be run off £140,000. After providing for expenses, £141,135, there was a profit on underwriting of £55,801. The net interest receipts were £119,645, and the total sum available for profit and loss £185,322, which with £164,808 brought forward made a credit balance of £250,130. The dividend of 45s a share, less tax (payable to the

Royal Insurance Company), absorbed £111,178, leaving £238,952 to the credit of profit and loss. For last year the premiums were £619,964, the first year's claims £151,150, and expenses £130,567, leaving £338,246 to be carried down. This company appears now to have settled down after the delirious years of war. In 1914 the premiums were £495,343; they reached £1,237,914 in 1920, and are now back at £619,964. The profit for 1914 was £106,771, and for 1917 £263,413. The lowest point in respect of profits was reached on the 1920 account, when the surplus on premiums of £1,237,914 was no more than £13,701.

We have received from the International Chamber of Commerce of Paris a valuable publication containing a list, with the names of the chief officials, of the chief International Organisations of an Economic character, which should prove useful for reference to all interested in these matters.

In connection with the annual meeting of the Sound Currency Association, a public meeting will be held in the Pillar Hall, Cannon Street Hotel, London, E.C., on March 6th, at 3 p.m. Lord Beauchamp, president of the association, will take the chair, and will be supported by Sir Charles Hobhouse, Sir Hugh Bell, Mr Henry Bell (who has been elected as a vice-president of the association), Sir George Paish, Mr J. M. Hogge, M.P., Sir George M'Crae, Mr P. A. Molteno, and Mr D. M. Mason (chairman of the executive committee). Tickets of admission may be obtained from Mr F. C. Goodall, hon. secretary, Sound Currency Association, 115, Cannon street, London, E.C.

Overseas Correspondence.

UNITED STATES.—SOUTHERN PACIFIC—CENTRAL PACIFIC MERGER UPHELD—1922 RAILROAD EARNINGS—STEEL CORPORATION'S UNFILLED TONNAGE—JANUARY COTTON CONSUMPTION.

(FROM OUR CORRESPONDENT.)

NEW YORK, February 19.

THE Southern Pacific Company is allowed to retain its present control of the Central Pacific Railroad, through ownership of the latter's stock and lease of its lines, under a decision handed down a few days ago by the Interstate Commerce Commission. While the Commission's conclusions must receive court approval before they can become effective, the decision just rendered is generally considered the final chapter in litigation which has been in progress for about eleven years over the close relationship of those two big systems, and which culminated last year in the United States Supreme Court's decree, holding them to be a combination in restraint of competition, and ordering them to be separated. The Southern Pacific's application to the Commerce Commission for permission to continue to exercise its ownership and control of the Central Pacific was virtually, though not in a legal sense, an appeal from the Supreme Court's dissolution decree. As is well known, that body's decisions are absolutely final, since it is the court of last resort in this country. In granting in full the Southern Pacific's request, the Interstate Commerce Commission, with only one member dissenting, ruled that the merger in question was necessary in the interest not only of Western States, traversed by those two railroads, but also of the country as a whole. The majority opinion, furthermore, declared, for the first time, that the former policy (under the Sherman anti-trust law, as it was applied to railroad combinations) of insisting upon the maintenance of competition in transportation service had been reversed by Congress when it passed the Transportation Act of 1920, which not only authorises, but actually provides for consolidations of railroads into different groups, such mergers to be effected under Governmental supervision. The Commission holds that traffic agreements concluded between the Union Pacific and Southern Pacific systems, and between the Western Pacific and the

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Southern Pacific, allowing reciprocal rights for the maintenance of traffic service over the Central Pacific lines, have removed practically all the objections which western shippers, States, and communities have heretofore made to the Southern Pacific-Central Pacific combine. In ordering the merger dissolved, the Supreme Court directed that certain tracks, terminals, and facilities be used jointly by the two railroads after their separation. The Commission, however, became convinced that if everything of that nature were done, the result would be a more expensive and less efficient service. The two systems, it concluded, would be weakened both financially and from the standpoint of service. The cost of operation, the Commission held, would be increased, while it was "doubtful whether for a time at least the Central Pacific, if operated as an independent carrier, would have the earning capacity, credit, and financial stability to sustain the heavy burden of its fixed charges and provide the new capital for its equipment and improvement necessary in the future to meet the requirements of public service. Indeed," the Commission remarked, "there are reasons for grave doubt whether the interests of the country as a whole would not be adversely affected by the financial problems and results consequent upon such a separation." The Commission has, therefore, authorised the Southern Pacific Company to own the capital stock of the Central Pacific Railroad, and to lease until December 31, 1984, the lines owned by the latter company. The authority thus granted, however, may be terminated at any time by the Commission, and is contingent upon the maintenance of the traffic agreements mentioned. It is stipulated also that the unification of the two systems will become null and void if the Southern Pacific disposes of the Central Pacific stock, or if the Interstate Commerce Commission itself decides that the merger interferes with the consummation of plans for railroad consolidations contemplated by the Transportation Act.

Total earnings of the first-class railroads of the United States made a much better showing for December than had been expected, especially in the matter of net operating income, which amounted to \$79,154,900, representing a return at the annual rate of 5.15 per cent. on the tentative valuation of their property investment, or only six-tenths of 1 per cent. below the figure (5½ per cent.) regarded by the Interstate Commerce Commission as a fair and reasonable return; it compares with \$49,656,600 for December, 1921, which was equivalent to a return of only 3.23 on the valuation. Gross earnings reached \$513,575,800, an increase of 20.8 per cent. over December of 1921, while operating expenses totalled \$404,898,100, an increase of 15.2 per cent. For the full calendar year of 1922, operating revenues of the Class 1 carriers aggregated \$5,616,284,800, according to a compilation by the Association of Railway Executives, based on reports filed with the Interstate Commerce Commission. That total represents an increase of only .8 of 1 per cent. over 1921. Operating expenses were \$4,454,939,700, or 3.2 per cent. less than in the previous year. In view of the railway shopmen's strike during last summer and early autumn, the decrease in such expenses was unexpected. The freight rate reductions, effective July 1st, were

largely responsible for the small gain for the year in operating revenues. The net operating income of \$776,421,400 for the entire year compares with \$615,945,000 for 1921, and is equivalent to a return of 4.14 per cent. on the tentative property valuation, as against 3.28 per cent. in the preceding year. The operating ratio for all the first-class railroads combined in the United States was 79.32 per cent. in 1922, as compared with 82.61 in 1921. The most marked improvement during the year was shown by carriers operating in southern territory. Their net operating income for the entire year was equivalent to an annual return of 5.04 per cent. on their valuation, against 2.64 per cent. for the preceding year. The rate of return shown by eastern roads was 4.02 per cent., against 3.20 per cent. in 1921, and by western lines 4.03 per cent., compared with 3.54 per cent. in the previous twelve months.

The United States Steel Corporation's unfilled orders on January 31st, totalling 6,910,776 tons, showed an increase of 165,073 tons over the total at the end of December. It was the first net increase in the volume of unfilled business on the corporation's books, as compared with the preceding month, since last October, while the aggregate tonnage remaining to be filled was the largest for any month since February of 1921. As compared with January 31, 1922, the latest report shows a gain of 2,669,098 tons, and the increase from the low total of last February is 2,769,707 tons. The corporation's output and shipments were much larger in January than in the final month of 1922; otherwise the increase in unfilled tonnage last month over December would have been greater. In view of the more active operations during January, it is quite evident that the gain over December represented new business.

Cotton consumption last month was exceptionally large, the total, namely, 610,375 bales, having been exceeded only twice in the past—in March, 1916, when 613,754 bales were used; and in May, 1917, when the record monthly total of 615,171 bales was established. The gain in January over December was 15.7 per cent., and over January of 1922, 15.9 per cent. For the six months from August to January, inclusive, consumption totalled 3,272,579 bales, as compared with 3,011,457 bales in the like period of the preceding year, or a gain of 8.6 per cent. According to the Census Bureau's latest report, the number of cotton spindles active last month passed the 35,000,000 mark for the first time, the total being 35,240,853. The increased activity is attributed largely to the growth of the spinning industry in cotton-growing States, which, in January, consumed more of the staple than in any month in their history.

FRANCE.—BUDGET PROBLEMS—WAGES AND COST OF LIVING—BOURSE.

(FROM OUR CORRESPONDENT.)

PARIS, February 28.

THE Chamber is still occupied with the problem of finding the means to get rid of the deficit of 3,800 million francs shown by the estimates of revenue and expenditure in the Budget Bill for 1923, and is still, apparently, as far off from a solution as ever. Indeed, as the *Temps* remarks wearily, "there seems to be no reason why the Chamber should ever finish with the Budget for 1923." Following the speech of M. Bokanowski, the *rapporteur général* of the Budget Commission of the Chamber, who laid before the House the recommendations of his Commission for getting rid of the deficit (and who, incidentally, strenuously defended his proposal for the creation of the much-discussed *carnet de coupons*), the Finance Minister, M. de Lasteyrie, in his turn, put forward the proposals by means of which the Government insists the deficit may be disposed of. These two statements show that the Commission and the Minister are agreed as to the best method of finding means to extinguish the greater part of the deficit, and that, assuming these suggestions on which both parties to the controversy are agreed to be accepted, the

real difference between them is as to how a balance of 1,500 millions is to be found. The Commission urges the creation of the *carnet de coupons* and other devices, which the Minister absolutely refuses to consider. Instead he is insisting on the increase of certain direct taxes by 20 per cent. to fill the gap, and this the Commission is equally resolutely opposed to. As a relief in the midst of the deadlock, the Chamber has taken refuge in the discussion of a third monthly vote on account, and has accorded a further *douzième provisoire*, to enable the Government to carry on for the time being.

All the discussion that has so far taken place on the Budget makes it more and more clear that in all probability the country will have again to resort to borrowing to meet the current year's expenditure. All parties (with the exception of the Finance Minister) appear to be agreed that the imposition of any substantial amount of increased taxation is not to be thought of, nor does there seem to be any marked enthusiasm for any drastic further cutting down of expenditure for the purpose of bringing the cost of carrying on the various services within the limits of the present revenue. One of the most striking features of this week's discussion has been the speech of M. Loucheur, on Tuesday, who once more insisted that the Budget that has been sent up to the Senate, although still far from being balanced, "does not show any real deficit." The so-called deficit, he urged, about which so much has been said, arises solely from the failure of Germany to carry out her treaty obligations. In other words, from M. Loucheur's point of view, the Budget proper actually balances; if the Budget of recoverable expenditure had been made to include the 3,500 to 4,000 millions which represents the annual charge on the country due to Germany's default, there would be no question of any deficit. This course was taken in previous years, it may be recalled, and the question of how the expenditure on the devastated regions must eventually be met (as it is obviously impossible for the old system of loans to continue indefinitely) was left over for settlement later. In the opinion of M. de Lasteyrie and other experts, the time has now come when the question must be faced definitely, and it was largely for this reason that the Finance Minister included in his Budget Estimates for 1923 the interest charge on the cost of the reconstitution of the devastated area. The result is the deficit of roughly 4,000 millions in this year's estimates.

M. Loucheur pronounced boldly for a 3 per Cent. Lottery Loan, "with a great number of prizes." He agrees with M. de Lasteyrie's opinion of last spring that, in view of the existing taxation, no further increase of fiscal burdens ought to be considered for the present. "To vote new taxes in the present situation," M. Loucheur insisted, "would be a great mistake"; hence the only alternative is a loan. M. Loucheur was equally emphatic in repudiating the statement often made in England that the French taxpayers escape with a much lighter burden than their British fellow sufferers. So far as the income-tax on large incomes is concerned, he insisted that the Frenchman pays practically at the same rate as the Englishman. If, as the debate has shown, the real deficit has now been reduced to 1,500 millions, the real remedy was a loan. So far as can be gathered down to the present, this appears to be likely to be the solution that will be adopted, provided the Senate falls into line with the opinion of the Lower House.

The discussion on the new monthly Vote of Account has revealed that the State proposes to fix the amount of credits to be asked for in respect of the devastated regions for the present financial year at 11,000,000,000, as compared with 10½ milliards last year. Six milliards of this will be raised in cash by a further issue of Crédit National bonds, 3½ milliards by an issue of ten-year bonds, and 1½ milliards in 30-year bonds.

The possibility of arriving at anything like exact data in regard to the relation between wages and the cost of living is in no country, perhaps, more difficult than in France, where the fluctuations in the purchasing power of the franc, owing to varying exchange rates and other factors, are complicated by the ever-increasing profiteering of which consumers here are victims. In the circumstances, figures that have been recently pub-

lished by the Statistical Department of the French Government showing the comparative index numbers of real wages (that is, figures which represent the change in purchasing power of the nominal wages of various classes of workers) are of exceptional importance. Unfortunately, the figures available have not been brought down further than the spring of 1921, nevertheless, the variations shown are illuminating:—

Industrial Categories—	Index Nos. of Real Wages.	
	1911.	1921.
Agricultural workers	100	117
Building trade	100	113
Colliery employees	100	117
Public officials	100	71
Metallurgists	100	115
Textile workers	100	120

(The index number for the cost of living during 1921 was 307, as compared with a basis of 100 in 1911.) The outstanding feature of the table is that real wages for every category, with the notable exception of public officials (and that in spite of substantial "allowances" to meet the increased cost of living) were substantially higher than before the war. What this means may be gathered to some extent from the following very interesting table, which has been taken from an instructive study recently published by M. L. Dugé de Bernouville, for the purpose of demonstrating the trend of nominal wages in the case of several typical categories of workers, in 1916 and 1921, as compared with pre-war time (based on average ordinary daily wages):—

AVERAGE ORDINARY DAILY WAGES, in Francs.

Trades.	Paris.			Other Towns.		
	1911.	1916.	1921.	1911.	1916.	1921.
Carpenters	9.00	10.12	28.00	5.05	6.10	20.24
Smiths	10.00	10.00	32.00	5.12	6.11	20.53
Masons	8.55	9.67	28.00	4.80	5.84	19.72
Joiners	8.00	10.00	30.00	4.70	5.60	19.45
Agricultural workers	3.35	7.00	14.25	..	..	..
House painters	7.22	7.65	28.00	4.76	5.61	19.43
Locksmiths	8.00	9.45	26.00	4.65	5.64	19.18
Excavators (navvies)	7.60	8.77	26.00	3.82	4.95	17.22
Weavers	..	..	..	3.32	4.08	14.33
Compositors	7.20	9.05	27.60	4.94	5.71	15.54
Average for men's trades ..	7.78	8.95	27.52	4.61	5.56	18.92
" " women's " ..	4.10	4.75	16.00	2.29	2.57	9.44

The figures show that, proportionally, the Paris workers received a smaller increase than those in the provinces, and that the rise in women's wages was, comparatively speaking, greater than those of men.

To-day's settlement on the Bourse revealed a considerably larger number of speculative positions than has recently been noted, but the general trend of the market is still very largely in the direction of genuine investment business. Carrying over was effected at 4½ per cent. in the parquet and at from 7½ to 7¾ per cent. en banque. In view of the present level of the franc and the pound, the week has been marked by a large volume of purchases of international descriptions on foreign account. Quotations, after their recent fall, have again firmed up substantially, and the feeling of optimism is again distinctly in the ascendant.

GERMANY.—RUHR—FINANCES—REICHSBANK—BOURSE—PRICES—INDUSTRY—FOREIGN TRADE.

(FROM OUR CORRESPONDENT.)

BERLIN, February 26.

CONDITIONS on the Ruhr get steadily worse. No constructive measures and no measures that can bring in any money or goods worth collecting have been taken by the French, and the enterprise has developed into a scheme for terrorising peaceful citizens. The only results so far are local irritation, with ever greater danger of an outbreak, and increased obstinacy in Berlin and in the unoccupied parts of the country. The injury to trade is serious, but not so far serious enough to cause a German breakdown; the January trade statistics show that goods of which unoccupied Germany is deprived can be imported. The mails are disorganised; English letters and news-

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papers sometimes come a week late, and many letters have disappeared altogether. The whole right bank of the Rhine is now occupied, which means that the main roads running east, as well as the railways, are controlled. Until now the embargo on the transport of goods to unoccupied Germany has been, with the exception of coal, imperfect; goods have been still coming by road. The licence system by which the embargo is qualified is ignored by Germans, and a few firms which asked for licences have been boycotted. Within the occupied districts manufacturers are now compelled to produce largely for stock; and the chief German measure is the organisation of credit, ensuring the payment of wages; but the French seizures of public and private moneys make this difficult.

The Gold Loan Bill has been passed on third reading by the Reichstag. The loan is to be in the form of gold Treasury bills, with the term 1923-26, to be bought with high-exchange currencies, that is, English, American, and neutral, to be reckoned on purchase and redemption at current dollar rates, the total being 200,000,000 gold marks. This sum is only one-fifth of the gold Compulsory Loan of one milliard originally proposed by Dr Wirth, which is still pending in the revised form, however, of a compulsory paper mark loan, without a maximum limit, assessed on total wealth. The redemption price of the bills, including interest, will be 118 to 120. The Reichsbank guarantees the bills, and will, therefore, if necessary, be obliged to redeem them out of its gold reserve. It is proposed to form a Federal Loan Company, with those banks which have underwritten half the loan as shareholders. The bills, it is stated unofficially, will be offered for sale in Holland and Switzerland. The Floating Debt on February 20th totalled 2,929,859 millions, having increased by 514,187 millions in the preceding ten days. Revenue from taxes in the ten days totalled 93,143,921,000 marks, which is more than one-tenth of the total receipts from taxes of 925,045,170,000 marks since April 1, 1922. The State debts taken over by the Republic in exchange for the cession of railways are now reported at a little over 15 milliard marks, of which 10.5 milliards are Prussian, 2.41 milliards Bavarian, 0.99 milliard Saxon, 0.67 milliard Baden, 0.54 milliard Hesse, and 0.11 milliard Mecklenburg-Schwerin, so that at a capital gold cost of, at present exchange, about £120,000, the Republic owns railways which are now paying their way, and have a potential net earning power of some £45,000,000 a year.

A new increase of the Reichsbank rate is being considered. The last increase—from 10 to 12 per cent.—took place on January 18th. The Reichsbank president, Herr Havenstein, has advised the Reichstag to restore banking secrecy completely; by the pending Bill the obligation to furnish lists of clients and to draw interest and dividends only through banks is abolished, but there remains the general obligation of banks to give information to the taxation authorities. The Bank's statement for the 15th is about the worst so far. It shows that in one week over a billion marks were granted in new credits. Private

discounts increased by 444,009 millions to 1,345,142 millions, Treasury bill discounts by 376,654 millions to 2,301,048 millions, Darlehns-Kasse advances by 214,200 millions to 606,800 millions, and note circulation by 450,831 millions to 2,703,794 millions. Large sums of money were taken for the Ruhr, and large credits demanded by Ruhr manufacturers. The Reichsbank has largely increased its rates of fees and commissions.

The Bourse last week was again reactionary, but much less so than in the former week, and to-day there was a moderate recovery. The *Frankfurter Zeitung's* index for home dividend payers on the 23rd was 860,415, against 963,965 on the 16th, and 1,567,265 on the 9th. In general, speculators and the public show reserve, owing to a belief that the mark exchange may be held at around the present level for a time, and that the Gold Loan, the yield of which at present exchange would cover more than a third of the note circulation, can effectively be used for this object. The Reichsbank seems still determined not to part with its gold for the direct support of the mark. The chief feature of the bond market is the recovery of Colonial Fours, which eight days ago fell to 8,000, to 16,000 to-day (18,000 on the 23rd). War Loan to-day was 90, Fours 1,175, 3½ per Cent. 670, Threes 4,400, Savings and Premium 300, Forced Loan 59, Prussian Threes 365, Hamburg Staats-Rente 425, and Berlin Fours 300.

Prices continue to show a moderate downward tendency. Pig-iron (hematite) is 678,300, against a maximum of 779,100 marks per metric ton; ingots, 749,000, against a maximum of 1,011,000; blooms, 837,000, against 1,068,000; bars, 1,034,000, against 1,331,000; and thick plates (5 mm and over), 1,176,000, against 1,501,000. The price of nitre, after being thrown by the mark recovery above world-market price, has been reduced, and chemicals, leather, and textiles have had sharp drops. On retail prices these reductions have so far had little effect; prices of some necessities have risen, and of others remained unchanged since the mark recovered, but goods that are wholly imported have gone considerably back. So far more injury seems to be threatened to production by the decline in public buying than by the Ruhr embargo. The Eastern Fair at Königsberg has been a great success, having attracted many purchasers from the Baltic countries. The annual reports of the six chief companies composing the Stinnes Electro-Metal Trust show large increases in paper mark net earnings, but much reduced gold mark earnings. Gelsenkirchen, Deutsch-Luxemburg, Siemens and Halske and Siemens Schuckert have announced 80 per cent. dividends, against 16 to 20 per cent. in 1920-21, Bochum Cast Steel announces 90 per cent., and Schuckert and Co. 66⅔ per cent. In the shipbuilding industry shorter hours of work are threatened by lack of iron. Shipbuilding not only depends directly upon Ruhr deliveries, but through fusions is in association with the leading Ruhr heavy industry companies. Financially, the shipbuilding companies are in a strong position, and they have plenty of repair work, and further work in breaking up home and foreign ships.

The provisional foreign trade report for January, issued as usual without values, shows imports of 4,730,000 metric tons, against 4,330,000 metric tons in December, while export was 1,310,000 metric tons, against 1,760,000 metric tons. The tendency towards increasing imports and decreasing exports in weight is marked; the monthly average in all 1922 was:—Imports, 3,820,000 metric tons; exports, 1,800,000 metric tons. Coal imports in January rose to 1,870,000 metric tons, against an average last year of 1,050,000 metric tons, while coal exports fell to 90,000 metric tons, against an average of 420,000 metric tons. As compared with December, coal imports have largely increased, also imports of brown coal, building wood, iron and iron alloys, and food, while imports of manufactured goods fell off. The export of textiles, wood, cement, potash, and semi-finished iron declined.

The imposition of special taxes on foreigners in violation of the Peace Treaty, and as a rule also in violation of federal law, continues, and now that, through the great rise in mark exchange, coming after a rapid rise in prices, the cost of living is nearly as high as abroad, the excessive rates of these taxes are severely felt; at least, by foreigners with mark incomes, and by persons who are here for

short periods on business, and who travel into certain States, and live in hotels. The Berlin Municipality has aggravated its hotel tax by enacting that the extra rate of 80 per cent., which only foreigners pay, and which until now had to be paid only during the first month's stay, shall be paid for the whole stay, and many foreigners are paying a rooms tax of £400 a year or even more. Berlin has also imposed a new foreigner tax by enacting that sellers of real estate who did not reside in Germany before a certain date shall pay a much higher profits tax than is levied on permanently resident Germans. The rooms tax is being ruthlessly exacted from many Allied subjects of small means, who earn their living in marks, and these foreigners, owing to the illegal refusal of the rent offices to enforce the rent restrictions law where foreigners are concerned, pay as much as fifty fold the legal rent, and an 80 per cent. tax thereon.

RUSSIA.—BANKS—AGRICULTURE—CONCESSIONS—EXPORTS AND IMPORTS—TRANSPORT.

(FROM OUR CORRESPONDENT.)

MOSCOW, February 8.

To popularise the circulation of bank-notes the State Bank proposes to put into circulation notes in smaller units than 10 gold roubles for use in payment of Customs, transport, and other charges fixed on a gold basis. On January 2nd a 10-rouble gold bank-note was quoted at 174 roubles (1923 model, i.e., formerly 174 million roubles); on January 31st at 210 roubles.

The Industrial Bank, founded in October last, and recently reconstituted into the Commercial and Industrial Bank with a capital of 15 million gold roubles, has just completed an agreement with the Commissariat for External Trade with regard to financing foreign trade. Under the agreement the Commissariat for Foreign Trade acquires shares in the bank for two million gold roubles, and the bank will in general act as the banking agent of the Commissariat. The foreign section of the bank will make advances to cover export of raw materials, and will finance import operations, will purchase and sell goods abroad on commission, conduct exchange operations, &c. The commercial operations of the bank will be conducted through the RSFSR commercial representatives abroad, who will also act as commercial correspondents of the bank. Representatives either of the bank itself or the Commissariat for Foreign Trade will take places on the board of all banking organisations founded in Russia or abroad on the initiative of the two institutions. The Pokobank (Bank of Co-operatives) has just been reorganised into the Pan-Russian Co-operative Bank, the aim being to establish closer contact between co-operative societies engaged respectively in production and distribution. The Presidium of vzik (Pan-Russian Central Executive Committee) and Council of the People's Commissaries have approved a plan of the Finance Commissariat for establishing provincial banks to assist in the reconstruction and development of the economic life of the gubernias, and to give short-term credits to local State institutions, co-operatives, and private persons. Fifty per cent. of the shares of the bank are to be set aside for local executive committees.

To assist in the development of agriculture and to increase the spring 1923 sowing area, the Russian Government have granted an advance of seed of 20,572,000 poods. Mr Scheller, member of the College of the Commissariat of Agriculture, has announced that this advance of seed has as aim not the relief of the population, but the reconstruction of agricultural economy on a new basis. The peasants will repay the advance, plus 25 per cent. (10 pounds for every pood advanced). This 25 per cent. will be divided between the Commissariat for Agriculture (19 per cent.) and local institutions (6 per cent.). Taxes in kind amount to two-thirds of the revenue of the State, and as the advance of seed is equivalent to 15 per cent. of the revenue, the Government's decision is evidence of the serious efforts now being put forward towards agricultural reconstruction. A further testimony is furnished by the decree of December 21, 1922, whereby the Government has decided

to create a special committee for the development of agricultural economy. This committee will be attached to the Pan-Russian Central Executive Committee (vzik), and will proceed to organise a series of agricultural credit societies on the following basis. The founders of the agricultural credit societies are the State Bank, the Commissariat for Agriculture, and the recently organised Pan-Russian Co-operative Bank referred to above. Other State institutions, organisations, and private persons interested in the development of agriculture are also permitted to found agricultural credit societies. The peasants will be asked to take shares at reduced cost in the societies. The participation of the Commissariat for Agriculture and the State Bank will be covered according to the decision of the vzik by a credit of 20 million gold roubles, which will be put at the disposal of the agricultural section of the State Bank during the course of the year 1923. A scheme of organisation has been drawn up by the Commissariat for Agriculture, and specimens of the statutes of the agricultural credit societies prepared. The credit of 20 million gold roubles will be divided between agricultural credit societies to be founded at first in Kharkov, Rostov, Krasnodar, Simferopol, Tachkent, Saratov, Kazan, Novo-Nikoliaiewsk, and Ekaterinberg.

As regards agricultural concessions, according to the new Agrarian Code approved on October 30, 1922, by the 4th Session of the vzik, and which is a collection and in substitution of all the laws and regulations which have appeared since the revolution, the State, through the Commissariat for Agriculture, remains the sole proprietor of the land, which is divided up as follows:—(1) Territory allotted to workers on the land (including former proprietors who are prepared themselves to work the land) and unions of agricultural workers; the land to remain at their disposal as long as it is worked efficiently. (2) Territory allotted to towns and State institutions. (3) The balance which the State may dispose of on special conditions to institutions, companies, organisations, or private persons.

It is in this last category that fall the various concessions granted and to be granted by the Government to foreign capitalists. Those already made are principally to Krupp, to Sinclair (an American company), to the Jewish Colonisation Society, and to the American "California" commune. The principal points in the two first concessions are as follows:—Under an agreement of January 16, 1923, the Russian Government put at the disposal of Krupp 25,000 dessiatines of land in the Saalski district of the Don gubernia. The concessionaire has the right of sub-letting the land conceded without necessarily asking the authority of the Government. Under the agreement the concessionaire should during the six years following the date of the agreement work up to 23,500 dessiatines, commencing with a minimum of 1,400 dessiatines in the first two years. Taxes in the form of rent will be paid on the basis of the area estimated to be worked, and will amount to 17½ per cent. of the crop harvested, delivered free in wagons at the nearest station, half on November 30th and half on February 15th. The Government has the preferential right of purchasing the balance of production at the market price of wheat at Rotterdam after deduction for difference of freight and other expenses. In addition to taxes in kind and labour taxes the concessionaire has also to pay the usual general taxes in force. At the expiration in 36 years of the agreement, the concessionaire undertakes to return to the Government the whole undertaking, which is always subject to State inspection, in good order, which should correspond to the state of the undertaking from the 12th to the 18th year after the date of the agreement. At the end of the 12th year the Government has the right of repurchasing the whole concession. The capital of the company (Krupp) is provided in the proportion of ⅓ by Krupp and ⅔ by an English group (Russian Land Concession Manytsh, Limited).

Under the Sinclair 36-year Concession Agreement (not a purely agricultural concession) this company will receive a maximum of 1,000 square verst of land in the Island of Saghalin, and has the right to construct two ports on the east side of the island. The company undertakes to spend during the first five years 400,000 gold roubles, and

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to pay an annual rent to the Government of 5 per cent. of the naphtha, natural gas, and by-products sold during the first year either in Russian Saghalin or beyond. If at the end of the fifth year no sale has taken place the company undertakes to pay the Government a rent of not less than 100,000 gold roubles a year. In addition the company agrees to pay the Government in respect of all the naphtha and by-products sold during the course of a year a tax in poods on the following scale:—1 per cent. of the first 40 million poods of naphtha sold during the year, 2 per cent. of the second 40 million poods sold in the same year, 3½ per cent. of the third 40 million poods, and 7½ per cent. of the quantity exceeding 120 million poods sold during the same year; 1 per cent. of the value of by-products will also be turned over to the Government. In addition the Company must pay to the Government for transfer to local institutions the equivalent of 30 per cent. of the tax in poods paid by the company for naphtha and by-products sold during the year.

Dr Nansen during his recent visit to Moscow has made an agreement with the Government under which model agricultural stations will be opened in the Ukraine and in Russia; tractors, tools, and agricultural supplies are to be furnished by the Nansen Action against repayment in kind over a period of five years; the railway transport and supplies, &c., will be furnished by the Russian Government on credit to the Nansen organisation against repayment from the surplus crop on the areas worked.

The value of exports from and imports (excluding relief supplies) into Russia for the first ten months of 1922 in millions of pre-war roubles were:—Imports, 249.7; exports, 63.8; excess of imports over exports, 185.9.

The financial results of the Commissariat of Ways of Communication from October, 1922, to October, 1923, have just been presented to the Finance Commissariat. The revenue is equivalent to 332,781,840 gold roubles, and the expenses, 639,536,190 gold roubles, deficit, 306,754,350 gold roubles. In the face of this grave deficit the Commissariat, in addition to rate increases in November and December, doubled on January 1st the December tariff, and on January 20th added a further 25 per cent. At present the journey from Petrograd to Moscow (610 verst) costs, 3rd class 99 roubles (1923 model); 2nd class, 198 roubles; and in wagons lits, 254.90 roubles, the equivalent of £1 5s. This, with the depreciation of the paper rouble, is not an expensive fare for foreigners, but is a serious increase to the Russians. The postal and telegraph tariffs were increased on November 1st by 100 per cent., and on January 1st by a further 150 per cent.

SPAIN.—PUBLIC FINANCE—A TRADE CONGRESS—MONEY AND STOCKS.

(FROM OUR CORRESPONDENT.)

MADRID, February 20.

THE return of the prisoners of war after a captivity of more than 18 months in the hands of the Moors, and the realisation by the Spanish people of the humiliation involved in the purchase of their liberation, is likely to give the present Government some trouble. Military circles are particularly uneasy, as they feel they have lost prestige with the nation, and it is possible that they may

make an effort to regain public esteem if the Government will allow them, which is doubtful.

The general receipts of the Treasury from all sources during November last were 237,503,346 pesetas, and payments during the same month amounted to 321,877,125 pesetas. In the first eight months of the financial year 1922-1923 the total receipts were 1,998,514,338 pesetas against disbursements 1,872,929,555 pesetas, but the excess of the former over the latter disappears on taking into account sundry receipts and payments of a provisional nature, and leaves a deficit of 386,460,000 pesetas.

Private banks, through the medium of the Superior Bank Council, have made a protest against the clause of the revised Statute of the Bank of Spain, which authorises that establishment to buy or sell securities in the market for account of its clients! It is feared that the banks will suffer severely from the competition in this direction of the National Banking Institution, and the reply of the Minister of Finance is awaited with considerable interest and some anxiety.

By Royal Decree dated July 30, 1922, a Congress of Spanish Oversea Trade was officially convoked, and is to take place as follows:—First period, Barcelona, March 21st to 27th; second period, Madrid, April 1st to 8th; third period, Seville, April 10th to 16th. The object of this Congress is—(a) To group Spanish producers and merchants established in America and the Philippine Islands around the Spanish Chambers of Commerce, which are to be reorganised to meet the present-day needs of trade; (b) to study the development of Spanish over-sea trade, and to establish a record of mercantile customs and laws in the different American republics; (c) to study the question of exhibitions and sample fairs to take place in America and in Spain; (d) to examine the general interests and aspirations of Spanish traders in America, and the means of eliminating any difficulties now experienced. In these conferences the State is to be very largely represented by its various ministries and departments, whilst the Chambers of Commerce in America have all been requested to send representatives, as also the different corporations and federations interested in Spanish-American trade. Whatever the practical outcome of the Congress itself may be, it is undoubtedly an excellent idea to bring into touch with one another the representatives of Spanish commercial interests disseminated throughout America, and it is anticipated that Spanish foreign trade will receive some impetus from the meeting.

The only capital issue made this month is that of 20,000,000 pesetas nominal 6 per cent. mortgage bonds of the Union Electrica Madrileña, announced for February 28th; but a further loan of the international Tangiers-Fez Railway is expected shortly in the form of 6 per cent. bonds issued at 97 per cent. The foreign exchange market was fairly active at the beginning of the month, but afterwards the influence of the intervention of the French Government restricted business, and at the present time the calm is almost complete. In securities there was also less business done than usual, and the general tendency was weak, even gilt-edged securities losing ground.

CANADA.—BUSINESS CONDITIONS—LUMBER BUSINESS ACTIVE—SPRING PROSPECTS—STOCK AND BOND MARKETS—BANK ACT REVISION—FRENCH AND ITALIAN TREATIES—FEDERAL REVENUES—C.N.R. HEADQUARTERS AND PLANS—O. P. R. EARNINGS—PULPWOOD SALES—ELECTRIC POWER DEVELOPMENTS.

(FROM OUR CORRESPONDENT.)

OTTAWA, February 11. JANUARY is always a quiet month in Canada, but as spring approaches a note of restrained optimism is once more visible. There is in sight a large amount of new construction work which will keep the building trades in employment, and provide orders for many industrial plants, and the mining and "forest" industries are looking forward to a busy year. Extensive orders have recently come to the lumber mills on the Pacific Coast; New Zealand, Australia, and South Africa have come into the British Columbia market for heavy timbers of all kinds, China for railway sleepers and bridge timbers, Japan for

cedar squares and heavy lumber, Mexico for long piles, and India for creosoted sleepers. The British Columbia lumbermen have been afraid of the effects of a retaliatory duty under the powers conferred by the Fordney tariff, but they will now be able to face it with comparative equanimity. The farmers are still very pessimistic, and many of them threaten to curtail their acreage of cultivation till prices improve, but in the end they will probably sow just as much as usual. Mr Forke, the agrarian leader, declared in the House of Commons that no immigrant who had farming experience need lack employment this spring. There has been a good deal of seasonal unemployment this winter, but only in Montreal has it really constituted an acute problem. The worst feature of the Canadian situation is the drain by emigration southward, which is steadily going on, and seems likely to continue for some time.

Business conditions vary throughout the Dominion. The farmers of the prairie provinces had to use their returns from last year's crop to liquidate their indebtedness to the banks and mortgage companies, and consequently did not make the expected amount of purchases from local merchants. Many of the latter are left with substantial stocks, and are disinclined to add to them for the moment. In the East, however, wholesalers report that their travellers find a reasonable plenitude of orders. In the towns and cities merchants have been trying to stimulate the retail trade by a series of bargain sales, which, in many cases, proved sufficiently alluring to the consumers. The latter hope that the reductions offered may form part of a permanent deflation in the prices of certain commodities which has been too long delayed. The index figures of the Labour Department show that there was a slight increase in the cost of living in the January household budget.

During the past week the stock markets have been very lively. Since the beginning of the year there has been a continuous rise in the price of bonds, but there is a feeling abroad that the rise has gone a little too far, and that some readjustment of prices may be expected in the near future. There is once more a small premium ranging between 1 and 2 per cent. on the American dollar in Canada, and as long as it persists our bond market is likely to remain steady, but if it drops there will be a tendency to bring issues from the U.S. to Canada which will weaken the local market. Mr Fielding was attacked in the House for increasing the obligations of the Canadian Government in the U.S., but he defended his course on the ground that he could secure the money at cheaper rates in New York, and that he left Canadian money free for domestic private enterprises.

The Government have decided to go ahead with the decennial revision of the Bank Act, and its critics and defenders are preparing for a prolonged controversy. Many of the Progressive members from the West are very bitter at the policy pursued by the banks, but they will probably be overmatched by the political support that the latter can command. The commercial treaties which Mr Fielding negotiated with France and Italy have now been tabled in the House of Commons, and are likely to be ratified without much criticism. The terms of the French Treaty have been public for some time, and the pact with Italy is very short, and does little more than give Canada the benefit of the most-favoured nation clause.

Parliament met on January 31st, and in the debate on the Address the King Government were faced with two amendments from the Progressive benches, one calling for substantial reductions of the tariff, and the other demanding drastic economies. Both were defeated, the first with Conservative help, but the Ministry found themselves in a very difficult position, and if the Progressives keep reminding the country that Mr King and his colleagues have failed to live up to their fiscal pledges, their credit will slowly decay. Mr Fielding could not deny the charge that the average rate of duty was higher than under the Conservative régime, and his main line of defence that a fall in values had increased the average rate of the many specific duties was very unconvincing.

With ten months of the fiscal year elapsed, the increase in the Federal revenues is less than was at one time promised. On January 31st revenues totalled

\$328,142,085, which is an increase of \$9,652,196 over the parallel figures for last year. Ordinary expenditure was \$263,072,228, which is a betterment of \$6,241,022. But the railway deficit and capital expenditure continue to swallow up any nominal surplus, and in January \$7,483,842 were added to the net national debt, which now stands at \$2,419,979,993.

The decision has now been made to place the headquarters of the Canadian National system in Montreal, and it has provoked some protests, especially from Toronto, on the ground that the location of the head offices in an environment impregnated with hostility to railway nationalisation is bound to spell disaster for the system. On the other hand, Sir Henry Thornton and the Government contend that Montreal is the real transportation nerve centre of Canada, and therefore the only possible place for the headquarters. The new directorate have embarked upon a policy of improving the efficiency of the road's equipment. In addition to large orders for steel rails, 1,000 new cars have been ordered from a Nova Scotia company, and further orders, which will help industrial plants, are anticipated. It has also been announced that the Grand Trunk Railway between Toronto and Niagara Falls will be electrified, and a better and cheaper railway service thereby provided. During 1922 the net earnings of the C.P.R. were \$2,099,951 higher than in 1921, and the company has just declared its normal 10 per cent. dividend. The gross earnings were \$6,346,818 less than in 1921, but this was accompanied by a reduction of \$8,446,769 in operating charges.

American interests are still buying heavily in Canada's pulpwood areas. The Ontario Paper Company, of Thorold, Ont., which is really the Chicago Tribune in disguise, has just contracted to purchase 2,000 square miles in the River Manicougan district on the north shore of the St Lawrence. The price paid is \$3.35 per 1,000 feet, in addition to the stumpage tax of \$2.70 per 1,000 feet, and the total figure is regarded by forestry experts as being practically double the best previous price paid for Government limits. At this rate the valuation now set on good pulpwood in the form of standing timber is over \$2,500 per square mile. The contract calls for the erection of a pulp mill and the development of water-power. It is understood that the second highest offer came from a representative of Lord Rothermere.

Many new developments of electrical power are afoot. In addition to the vast scheme whereby Price Brothers of Quebec and Mr J. B. Duke, the American tobacco magnate, have formed an alliance to develop the water powers of Lake St John and the Saguenay River, the Hollinger Gold Mines are about to develop 16,000 h.p. at Island Falls on the Abitibi River in North Ontario at a cost of between three and four million dollars. The Ontario Hydro-Electric Commission have also ordered three fresh generators capable of supplying between 150,000 and 175,000 h.p. for their Queenston-Chippawa plant, in order to meet an increasing demand. The hydro-electric power now used in Canada is equivalent to the consumption of 27 million tons of coal, and the capital invested in its development is placed at \$620,000,000.

Letters to the Editor.

UNEMPLOYMENT INSURANCE.

TO THE EDITOR OF THE ECONOMIST.

SIR,—The Labour correspondent whom you quote in to-day's issue of the *Economist* cannot know that, in common with many others, for example, the I.L.P. leaders, who are neither employers nor employed, I have given long and continuous thought to this very serious problem. It was first forced upon me as a member of a local authority of some importance.

Everyone should try to find some scheme to prevent the daily gatherings of the unhappy men out of work at the labour exchanges. Nothing could be more fraught with danger than men with a grievance listening to seditious speeches from the agitators who hang around the doors of these places.

The real objection to my suggestion is that at present neither approved societies nor trades unions are willing

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to administer unemployment pay. Some have tried the experiment, but, as it was coupled with a demand from the Government that they should also be responsible for the unemployment registers, they found the task impossible.

If this duty were left to the exchanges, and unemployed pay treated as benefit, such bodies might, for patriotic reasons, change their minds. Such a course would not suit the Socialists, who like to have the men under their hand at the labour exchanges. But it would suit the trades unions well enough as strengthening their position with their members.

Sir W. H. Beveridge's suggestion of throwing the whole cost on to employers and the State is merely ridiculous. The views of the great groups of employers are perfectly well known. They would require a *quid pro quo* in the shape of increased and steady production, to which trades unions will never consent as a condition of action. If, which is difficult to imagine, such a proposal became law, then unemployed benefit should be paid at the employers' works, when the weekly wages are paid. The idea that the workless man should go to the exchange for his money, and that the exchange should get it back from the employer, is very typical of Sir William Beveridge's complicated way of thinking. Why the double entry?—Yours faithfully, J. J. BISGOOD.

The *Insurance Record*, 1 Tudor street, E.C.4.

[Mr. Bisgood is unjust to Sir William. He forgets that work cannot be found at the employer's works who are paying benefit; and that any system will fail which does not afford means for offering work when available instead of benefit.—ED. ECON.]

INTERNATIONALISATION OF THE RUHR COALFIELDS.

TO THE EDITOR OF THE ECONOMIST.

SIR,—In the paragraph written on this subject in the *Economist* of February 24th there are some statements which, in my opinion, cannot be accepted without protest.

You state in one sentence that Lorraine ore and Westphalian coal were united under the very efficient administration of the German iron and steel magnates; and in another that the "iron and coal lie hundreds of miles apart, and the finished product is produced far from sea-board." Apart from the fact that it is difficult to reconcile these two statements, it has been forgotten that the Lorraine iron field was divided almost equally between France and Germany before the war, and that the control exercised by the German iron and steel magnates could only apply to little more than half of the iron ore of Lorraine.

In the second place, examination of transport between Lorraine and the Ruhr will show that the total distance between the Lorraine field and the Ruhr is not more than 200 miles. From Metz to Mannheim, the nearest point on the Rhine, the distance by rail is not more than 100 miles. These figures compare with your vague statement of "hundreds of miles." It should also be remembered that transport on the Rhine still constitutes the cheapest and most efficient means of conveying goods Europe, and the statement that "the finished product produced far from sea-board" takes no notice of the fact that navigation on the Rhine as far as Karlsruhe is open to steamers of considerable tonnage. The closest analogy to the river ports of the Rhine and their connection with the sea in this country may be found in Manchester at the Ship Canal.

France now controls both sections of the Lorraine iron field, and is therefore stronger than Germany before the war in this detail alone. When we consider that a large part of the ore used in Germany and France came from Spain and Sweden owing to the partial nature of the control of the Lorraine field, it is only reasonable to believe that concentration of these supplies will give the French iron and steel industry greater competitive power than even German iron and steel industry before the war.—I am, yours faithfully,

HUGH QUIGLEY.

The Manor House, Didsbury, Manchester,
February 28th, 1923.

[It is quite true that the Lorraine ore fields were split by the pre-war frontier. But though the output of the Briey field was growing fast, much the largest output was still being produced on the German side in 1913. The reserves of ore in German Lorraine were enormous, but Germany naturally purchased from over the frontier when there was a margin in favour of the French mines in cost of working. She purchased Swedish and Spanish ores not because Lorraine supplies were inadequate in quantity, but because they were inferior in quality. The Swedish ore was bought because it is high in iron (58 to 70 per cent. against 32 to 40 per cent. in Lorraine), and the Spanish ore because it is free from phosphorus.—ED., *Economist*.]

THE RUBBER POSITION.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Finding no reference in your current issue to the interesting comments of a New York correspondent appearing on page 298 of February 17th, I offer the following remarks as to the "rapid and substantial advance in prices."

Your correspondent recognises that plantation rubber was "far below its plantation cost"; and, it may be added, still further below the cost of bringing wild rubber to market. That the "surprise to producers" was no less than to manufacturers is evidence that there was no "reluctance from producers to sell." Rubber could be bought any day in any reasonable quantity; though, naturally, there may have been a reluctance to sell "forward" on a rising market. The shipments witness that there has not been any withholding of supplies. The sliding scale arranged for increased production on a three months' basis is but judiciously gradual.

The regulation of production only "received legislative effect" after voluntary action had proved ineffectual, in order that the requisite restraint might be fair in its incidence, and, particularly, for the general welfare of the colonies, with a view to prevent the threatened ruin of planters and their employees. The alleged "unjustified rapidity" of the recent rise in price is but a reaction from the rapidity of the previous ruinous fall in price, which would most probably have resulted eventually in prices higher than they are at present, as many plantations and their staffs would have gone.

One needs to consider the peculiar character of rubber production, involving lock-up of capital for six or seven years with no return.

But let it be understood that growers have no object other than meeting consumers fairly and "freely"—no "holding up"—but action became necessary to preserve our existence.—I am, Sir, your obedient servant,

A RUBBER GROWER FOR 30 YEARS.

March 1st, 1923.

Books and Publications.

RECENT ECONOMIC LITERATURE—A MONTH'S SURVEY.

TROUBLE with the bookbinders has held back all sorts of publications in the last weeks. The student of economics, however, has little to complain of. The publication of a new volume from the pen of Professor Alfred Marshall, the first living British economist, long recognised as the father of the modern school of economic

thought, not in this country only, is a notable event for students and economists. In his preface to *Money, Credit and Commerce* (Macmillan, 10s), the author states that his previous monumental volume, *Industry and Trade*, published in the autumn of 1919, was "designed to be followed by a study of the influences on the conditions of man's life and work which are exerted by the resources available for employment; by money and credit; by international trade and by social endeavour." The present volume deals with the first part of the task which Dr Marshall there set himself: as to the second he hopes that though the years are slipping away, "some of the notions which I have formed as to the possibilities of social advance may yet be published."

Neither *Money, Credit and Commerce* nor the other book that claims a place beside it, Mr R. G. Hawtrey's *Monetary Reconstruction* (Longmans, 9s), can be described as easy reading in the popular sense. "Beautiful things are hard," says the proverb; and monetary reconstruction is no game for the inexpert. But Mr Hawtrey's lucid style is the counterpart of a lucid mind, and for the reader who will give himself the pain of thinking there is pleasure as well as profit to be got out of these essays. Written at various times, evoked by special occasions, they have, nevertheless, the interest of expressing throughout a consistent view, a definite and constructive theory. Certainly, a writer who dares to say that "unemployment is due to a defect of organisation, a maladjustment of the monetary machinery," is not lacking in courage, or in the power to pull his reader up sharp. Not the causes, but the course and the results of unemployment are surveyed in the exceedingly interesting volume, *The Third Winter of Unemployment*, just published by P. S. King (6s). It contains the results of an investigation undertaken last autumn by Major Astor, M.P., Professors Bowley and Clay and Messrs R. Grant, W. T. Layton, P. J. Pybus, Seeborn Rowntree, Schuster, and Stuart. The first part is a general survey, gathering up results and demonstrating, broadly, that, thanks to the dole, the unprecedented unemployment has caused little physical distress, though much mental and moral strain, misery, and social loss. Then follow more detailed reports on special centres, and a mass of useful statistical material. Whether or no Sir Allan Smith is right, and the third winter is to be followed by a fourth, this is an important and helpful book.

In the second volume of his monumental work on *Seaborne Trade* (John Murray, 21s) Mr Ernest Fayle continues his authoritative story of this aspect of the great war from the opening of the submarine campaign to the appointment of the Shipping Controller in the end of 1916. The whole survey, written for the Committee of Imperial Defence, and enlightened by access to official Admiralty documents, will be completed in one more volume.

In this same category there may be mentioned Mr E. G. Peake's *Academic Study of Some Money Market and Other Statistics* (P. S. King, 6s 6d), a work to which the reader whose familiarity with the special subject has worn a trille rusty may pass after he has refreshed his mind with Mr W. F. Spalding's *The London Money Market* (Pitman, 10s 6d), reviewed in the *Economist* (December 16th) on its first appearance, and already in a second edition. *The International Trade Balance in Theory and Practice*, by Theodore H. Boggs (Macmillan Company, New York, \$2), is a study of an extraordinarily important subject on which we have recently made some estimates. It contains valuable data for a number of countries. A historical study of a critical period in International trade is *The Continental System—An Economic Interpretation*, by Eli F. Heckscher, edited by Professor Harald Westergaard (Clarendon Press, 10s 6d). The Carnegie Endowment is also responsible for a volume of remarkable interest, economic and historical, *The Financial Policy of Czechoslovakia during the First Year of its History*, by Dr Alois Rasin. He is there describing his own work, a work happily accomplished before his lamented death the other day. This valuable volume was reviewed in the *Economist* of February 10th, to which

readers may be referred. The Clarendon Press, which issues it (at 7s 6d), also publishes a collection of five monographs, edited by Professor Charles Gide, on *The Effects of the War Upon French Economic Life*.

Works of Reference.

Two useful volumes, perhaps hovering on the difficult borderline between books meant to be read and works of reference, are *A Critical Analysis of Industrial Pensions Systems*, by Luther Conant, jun., published in New York by the Macmillan Company, and obtainable, in London, from Macmillan at 8s 6d; and another American survey, *Public Welfare in the United States*, comprising one of the volumes in the admirable series, *Annals of the American Academy of Political and Social Science*, issued from Concord, N.H. A work of reference that one would wish to possess is the magnificent four-sheet *Chart of the Mexican Oilfields, 1923*, published by Edward Stanford (£2 2s.), showing, in colours, the fields in operation, prospective fields, pipelines, ocean terminals, railways, &c. Another chart, which only needs to be mentioned, is that of the *Money and Discount Rates in London during the Year 1922*, published by Page and Gwyther. That *Company Law and Practice*, by Herbert W. Jordan and Stanley Borrie (Jordan and Sons, 7s 6d) is in its fifteenth edition says more for its value than any words here could do. In the same way, *Mundy's Earning Power of Railroads, 1922* (Oliphant, New York; obtainable in this country from Messrs Mathieson, 16, Copthall avenue, at 12s 6d), and *The Swedish Year-Book* (Almqvist and Wiksell Company, Stockholm) are of established reputation. *Skinner's Cotton Trade Directory, 1923* (T. Skinner and Co., 12s 6d), is a mine of useful information about the cotton trade, both in its financial and industrial aspects.

Political.

To separate history from politics, at the present hour, is well-nigh impossible. *The Turkish Empire*, by Lord Eversley and Sir Valentine Chirol (Fisher Unwin, 21s) is as impartial, as purely historical in its point of view, as any work dealing with such a theme can hope to be. The book is in a second edition, and deservedly so. Mr Arnold Toynbee would not claim to have kept politics out of his *Western Question in Turkey and Greece* (Constable, 18s), a work likewise in a second edition; his is essentially a political study, and a deeply interesting one. Mr. Norman Angell, in *If Britain is to Live* (Nisbet, 2s 6d) is, of course, out to convince; his is a most cogent and closely argued plea for economic internationalism, and, indeed, for the general Free Trade case, which is in danger of going by the board in the minds of many. The book is an admirable example of the difficult art of making a piece of reasoning of close texture accessible to the many, without compromising the integrity of its logic. Mr Hugh Dalton's *The Capital Levy Explained* (Labour Publishing Co., 1s) is a straightforward exposition of the Labour Party's main plank in the 1922 election, a long chapter being devoted to answering objections.

Of articles in periodicals that on Unemployment which Professor Macgregor contributes to the January number of *Economica*, deserves special mention. It is a penetrating study of the question, how far could, or should, municipalities endeavour so to arrange their work as to dovetail it into the movements of the cycle of employment, so that they may be employing as many men as possible at times when general trade is slack. The article has more than this specific interest; it raises, incidentally, most of the questions which lie at the root of a serious attempt to grapple with unemployment.

BOOKS RECEIVED.

Life of Sir William Harcourt. By A. G. Gardiner. In two volumes. (London) Constable and Co., Limited. 45s net.
The Capital Levy Explained. By Hugh Dalton. (London) The Labour Publishing Company. 1s.
Germany and Her Debts. A Critical Examination of the Reparation Problem. By L. L. B. Angas. (London) Harry J. Simmonds. 6s.
Food Production in War. By Thomas Hudson Middleton, K.B.E. (Oxford) Clarendon Press.

The Bank of England and the State. A Lecture delivered November 14, 1905, by Sir Felix Schuster, Bart. (London) Longmans, Green, and Co. 3s net.
The Mining Manual and Mining Year-Book, 1923. By Walter R. Skinner. (London) Walter R. Skinner. 20s net.

A valuable work of reference. This year's issue contains full particulars of 1,350 mining companies—gold, diamond, silver, copper, tin, iron and coal—also exploration and mining investment companies, arranged in alphabetical order. The particulars given of each company include names of directors and other officials, date of formation, seat of operations, description of the property, with the purchase consideration, plant erected or in course of erection, present working results, ore reserves, details of capital, calls, dividends paid, and the financial position as disclosed by the latest accounts. Highest and lowest prices of the shares for the last three years, also latest price. Lists are also given of the officials connected with the companies, and comprise 3,700 directors and 900 mining and consulting engineers, their addresses, and the names of the companies with which they are connected.

Department of Railways, Government of Japan. Annual Report for the year ending March 31, 1920. (Tokyo) Minister of Railways.

The Mystification of the Allied Peoples. By André Cheradame. Translated by John A. FitzGerald. (Evreux, Eure, France) Hérissay Press. 12s 6d net.

Selling Expenses and their Control. A Study in the Retail Distribution of Clothing. (New York City) Prentice-Hall Inc.

South Wales Journal of Commerce, Commercial, Industrial, and Financial Review, 1922. (Cardiff) Offices of the Journal. 2s.

To those interested in Welsh industries in particular this is a valuable guide. The general British review of allied trades, however, lends an additional interest to the issue, which is an excellent two shillings' worth.

STOCK EXCHANGE NEWS. SETTLING DAYS.

TICKET.	ACCOUNT.
March 7.	March 8.

The Stock Exchange finds that business comes sporadically. There is a spasm of activity for an hour or two in one market; after which interest seems to die down altogether, and the business fearfully flies to another part of the House. This goes on every day, bemusing members, perplexing them and their clients alike. In one way and another a good deal of trade is afoot, but it is so spasmodic and scattered that no part of the House can be called active. Foreign politics continue to play their part in checking activity. A vague idea that money may possibly become dearer, owing, of course, to the action of the New York Federated Reserve Board last week, continues to exert an influence in the gilt-edged market.

The War Loan remains steady in the neighbourhood of 101, but Consols are distinctly harder, the price rising to 58½. This had a sympathetic effect upon Annuities and two or three other British Government issues. The foreign market is quiet. Russian loans, Government, Municipal, Railway, are better, several of them having put on a point or two this week, the buying being described in the House as professional. French and German issues are attracting less attention than usual. Brazilians have moved narrowly and irregularly. Peruvians advanced and the Czech loan maintained most of its recent rise.

Home railway stocks have been going ahead, investment being attracted to the market for the preferred stocks, while the deferred are held to contain, even at present prices, prospects of further improvement. Undergrounds stand out as one of the best features, Metropolitan especially being in favour owing to revived rumours that the Great Western is angling for control of the line. Grand Trunk Pacific debenture stock has recovered from its flatness. In Mexican railways there is nothing doing. Argentine rails are better on the whole; amongst Brazilians, San Paulos again hardened up owing to the additional rates which the company is now authorised to charge.

Rubber is better at 1s 6d per lb, without its having any favourable effect upon business, which is very sluggish. Nor are people taking much interest in oil shares, although a little professional dealing gave an appearance of life to some of the lower-priced varieties. London and Thames Haven enjoyed a spectacular rise, with a reaction almost equally dramatic, on rumours that the Port of London Authority will make a bid for the company's property. Courtaulds are the centre of lively interest, and textiles as a whole are well to the fore in attracting public attention in consequence of the good dividend declarations by some of the companies and the capital showing made by the accounts of others. A sharp rise in Cook, Son and Co. ordinary shares followed the excellent report. White-

leaves went better on the dividend announcement, and this group generally is firmer on the demonstration made by one industrial company after another that last year's trading did much to compensate for the losses sustained in the previous twelve months. People are not buying shipping shares, and both the banking and the insurance markets are somewhat cold-shouldered. The tobacco group is steady, though for the moment it has lost some of its speculative attraction. The wireless group took a languid turn for the better; cable stocks are quiet. The brewery market is uninteresting. Electrical lighting shares hold their big rises, though the City of London dividend, making 15 per cent. less tax, disappointed the hopes of those who were going for a higher rate. Good preference shares are difficult to buy. A number of debenture stocks in well-known companies are in course of being placed semi-privately, without the medium of a prospectus issue, and they are readily taken on a basis, roughly, of 6 per cent.

Diamonds and base metal shares have shown the most activity amongst mining shares, there being strong buying from Paris, the Cape, and, as regards diamond shares, from Hatton Garden. The rises in base metals have brought in substantial support for copper shares more particularly. Tin issues followed the upward direction, and Cornish, West African, and Middle East descriptions are all better. Mild excitement accompanied a boomlet in De Beers, Jagers, Consolidated Diamonds and Premiers, but the dealing was largely professional. The public are taking little interest in mining shares at all. The Chartered meeting on Thursday caused a slight drop in the price, in consequence of what was regarded as the colourless character of the chairman's speech. Mexican mines have been advancing, in consequence of the improvement in silver. Broken Hills are quiet. A good deal of discrimination, it may be observed, is eminently desirable just now in the matter of buying low-priced copper and tin shares. Some of those most actively pushed are certainly best left to people who know most about them.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Bill.
Amount previously recorded	47,371,123	..	..	..
ISSUES OF THE WEEK—				
4% Treasury Bonds by Tender Feb. 23, 1923, £4,000,000, at £99 9s 11d	..	3,978,195	..	..
NATIONAL SAVINGS CERTIFICATES.				
Net Receipts into the Exchequer Week ended February 24, 1923.	£	350,000	£	350,000
April 1 to Feb. 24, 1923, £32,208,000	..	..	..	..

To the Public—				
Austrian Government Guaranteed Sterling Treasury Bills Issue of £1,800,000, at 12 months' date, at fixed price of 93% (Feb. 26)	1,800,000	1,674,000	1,674,000	..
Chulsa Tea Co., 23,200 Ordinary Shares, £1, at par (Feb. 26) ..	23,200	23,200	5,800	17,400
Shakomato Tea Estates, 60,000 Ord. Shares, £1, at par (Feb. 26) ..	60,000	60,000	7,500	52,500
Rosehaugh (Ceylon) Rubber Co., 120,000 Ord. Shares, £1, at par (Feb. 26) ..	120,000	120,000	15,000	105,000
Total offered to public	1,877,200	1,702,300	..	174,900
To Shareholders only—				
Trust Union, £100,000 5% Conv. Deb. Stock, at 98½	100,000	98,500	10,000	88,500
Total offered to shareholders	..	98,500	10,000	88,500

Total offered for subscription to date in—	Total offered for subscription for whole year—
1922	553,675,018
1921	236,210,484
1920	37,549,992
1919	89,719,034
1918	261,376,387
1917	254,156,881
1916	645,055,831
1915	129,516,190

Austrian Treasury Bills Issue.—We deal with this issue under "Notes of the Week."

The Malacca Rubber Plantations, Limited.—Authorized capital £1,000,000, divided into 115,000 7½ per cent. cumulative participating preference shares, and 885,000 ordinary shares, all of £1 each. All the participating preference and 238,964 ordinary shares have been issued. There is also loan capital outstanding consisting of a debenture stock of £199,590 and seven-year notes for £150,000. This is an issue of 171,036 ordinary shares at 30s per share, the proceeds of which will be used to repay seven-year notes and to carry out improvements. The quotation on March 1st for existing £1 shares was £2½, so that it will be interesting to judge the effects of the new issue on the market quotation. This is one of the most popular of rubber-growing concerns, and though final figures have not yet been completed, the total rubber output for 1922 is placed at 3,363,846 lbs, while the all-in cost is approximately 9½d per lb. For 1921 costs were 11.23d per lb. Thus with rubber—the raw material—firm at round about is 5½d per lb, there is a prospect of a bumper year. We anticipate a good reception for this issue, from existing shareholders especially.

Kassala Cotton Company, Limited.—Authorized and issued share capital £300,000, divided into 250,000 6 per cent. non-cumulative preference shares of £1 each and 1,000,000 ordinary shares of 1s each. There is also loan capital consisting of £500,000 6 per cent. debentures. These debentures, it is stated, are secured upon assets of the company by a floating charge. In an advertised statement made to comply with Stock Exchange regulations, much information is given about the activity of this company, but little is mentioned about its assets or liabilities.

Rosehaugh (Ceylon) Rubber Company, Limited.—Authorized capital £400,000, divided into shares of £1 each. This is an offer for subscription of 120,000 shares at par. The company has been formed to acquire from the Rosehaugh Company, Limited, seven rubber estates in Ceylon. The total area of these plantations is 5,676 acres, of which 4,892 acres are planted with rubber in bearing. Crops have varied from 1,984,795 lbs in 1918 to 2,288,980 lbs in 1922. The purchase price is £350,000, payable as to £70,000 in cash and the remainder in shares. This works out, it is stated, at approximately £70 per planted acre, and the company will be capitalised at about £80 per acre, excluding 570 acres of buildings, reserve, and waste lands. For 1922, it is added, the cost for the nine months ended September 30 was just under 2d f.o.b. It is estimated in the prospectus that, with rubber selling at an average price of 1s 3d per lb, a profit of £50,000 will be made on a restricted output of about 1,500,000 lb during the year 1923. A reasonable proposition, which was quickly oversubscribed.

The Chulsa Tea Company, Limited.—Authorized capital £300,000, divided into 225,000 ordinary and 75,000 8 per cent. cumulative preference shares, all of £1 each. Of these issues, 201,800 ordinary and 74,783 preference shares are to be allotted in payment of properties to be acquired, and 23,000 ordinary shares are now offered at 27s 6d per share. The company has been formed to acquire tea estates, with an approximate total area of 8,587 acres. Profits are given from 1911, and while these have fluctuated severely at times, they total, for the 11 years, £427,646, or an average of £38,877 per annum. The present issue of shares, after payment of preliminary expenses, will provide about £26,000 as working capital. In addition, the minimum sum of £333,333 is to be transferred by the Chulsa Tea Company (Dooars) and the Zurrantee Company (Dooars) from floating and other assets not included in the "block" accounts taken over. The purchase price, as will be observed above, is payable in shares only, and works out at about £45½ per planted acre. A promising prospectus.

Shakomato Tea Estates.—Authorized share capital £60,000, divided into shares of £1 each, all of which are now offered for subscription at par. The company has been formed to acquire the tea estates now owned by Shakomato Tea Company, Limited, which is a company incorporated in India. About 3,000 acres to be taken over, of which approximately 1,060 acres are at present under cultivation, and for the current year it is estimated that 528,000 lbs of tea will be produced. Production costs are estimated at close to 7d per lb, and the prospectus states that, taking costs in Calcutta at to annas, and tea at 1s 4d per lb, it is anticipated that a profit of £9,000, subject to London expenses, should be shown. The purchase consideration, payable in cash, is £45,000, and the estates are valued at about £64,400. The capitalisation is approximately £56 per planted acre.

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

ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Price Last Week.	Latest Price.	Rise or Fall.		Price Last Week.	Latest Price.	Rise or Fall.
War 4½%, 1925-28	95½	95½	..	Aust. 6%, 1931-41	104	104	..
Loans 5%, 1929-47	101½	101½	..	Canada 4½%, 1920-25	102	102	..
4½%, 1929-42	102½	102½	..	India 3½%, Stock	66½	66½	..
Funding Loan 4%	88½	88½	..	Do 7%, 1926-31	115	115½	½
Conversion Loan 4%	93½	93½	..	Do 5½%, 1932	100	100½	½
Consols 2½%	77½	77½	..	N.S.W. 5½%, 1922-32	102	102	..
Irish Land Stock 2½%	59½	59½	..	Nigeria 6%, 1929-79	113	113	..
Local Loans 3%	65½	65½	..	U. of S.A. 6%, 1930-40	106	106	..
				Victoria 5½%, 1924-34	102	102	..
				W. Aust. 6%, 1930-40	105	105	..

Banks.

Barclays B. (£1, l.p.d.)	24½	24½	..	Nat. Bank of Egypt (£10)	21½	21½	..
Chartered Bk of India	19½	19½	..	Nat. Bank of S. Africa (£10)	84	84	..
Lloyds (£5 with £1 p.d.)	24	24	..	Nat. Prov. & Union of England (£20, with £4 paid)	102	102	..
London Joint City & Midland (£12 with £2 paid)	82	82	..	Standard of S. Africa (£20, with £5 paid)	118	118	..
London County Westminster and Parr's (£20 with £5 paid)	17	17½	½				

Colonial and Foreign Railways.

	Price Last Week.	Latest Price.	Rise or Fall.		Price Last Week.	Latest Price.	Rise or Fall.
Antofagasta Cons.	80½	80½	..	Leopoldina	361	361	..
B.A. and Pacific	86½	86½	..	Mexican Railway	134	134	..
B.A. Gt. Southern	88	88	..	Do 1st Pref.	39	39	..
Buenos Ayres West.	84½	84½	..	Do 2nd Pref.	24½	24½	..
Canadian Pacific	159	159	..	San Paulo	136	136	..
Central Argentine	77	76	..	United Havana	75½	74½	..

Foreign Government Securities.

Argentina 5%, 1886-7	99	99	..	Japanese 4½%	98½	98½	..
Belgian 3%	64	64	..	Do 4½% 1910	69	68	..
Brazil 5% Fund. 1914	74	74	..	Mexican Cons. 1899	61	61	..
Chilian 4½%, 1895	79	79	..	P.L.M. 6%	82	81	..
Do 7½%	104	103½	..	Portuguese (New)	30	30	..
Chinese 5%, 1912	75	75	..	Russian 5%, 1906	84	11	..
Egyptian 4%	70	71	..	Spanish 4%	75	75	..
French 5%	25	24½	..	Seine (Dept.) 7%	97	97	..
Do 4%	20	19½	..	Siamese 7%	109	106½	..
Greek 4½%, 1884	31	34½	..				

Telegraphs.

Anglo-American "A" 22½	22½	22½	..	Marconi Canada	1½	1½	..
Marconi Wireless	22½	22½	..	Marconi Marine	1½	1½	..

British Railways.

Great Western, Ord.	116½	116½	..	Southern, Ord. "A"	34	35½	1½
Do Def.	86	87	1	Do Ord. "B"	12½	12½	..
London & North-Eastern	84	84½	..	Do Pref. Ord.	83½	84½	1
5% Pref. Ord.	84	84½	..	Do Def. Ord.	37½	37	..
Do Def. Ord.	35½	35½	..	Underground Electric (£10)	3½	3½	..
London, Mid., and	110½	112	1½	Do "A" (£1)	3½	3½	..
Scottish, Ord.	51½	63	11½	Do Inc. Bds. (£100)	88½	97½	..
Metropolitan	51½	50½	..				

American Railroads.

Chesapeake & Ohio	78	78	..	Southern	35	35	..
Erie	14	14	..	Do Non-cum Pref. 73	75	75	..
Do 4% 1st Pref.	21	20	..				

Miscellaneous.

Aerated Bread (£1)	1½	1½	..	Imperial Tobacco (£1)	3½	3½	..
Amal. Cottons (£1)	4½	4½	..	Linggi Plantations (£1)	1½	1½	..
Anglo-Persian Oil (£1)	4½	4½	..	Lippon (£1)	1½	1½	..
Armstrong (Sir W.G.) and Co. (£1)	88	88	..	Liverpool (£1)	1½	1½	..
Ass. Plant. Cement (£1)	1½	1½	..	Do 8% Cm A Pfd (£1)	1½	1½	..
Barker, John (£1)	2½	2½	..	Do 20% Cm Pfd Ord (£5)	1½	1½	..
B'ham Small Arms (£1)	2½	2½	..	Lister (£1)	1½	1½	..
Brilliant American	52½	52½	..	Lobitos Oilfields (£1)	5½	5½	..
Brazil Tractor (£100)	52½	52½	..	Lyon, J. & Co. (£1)	4½	4½	..
Brilliant American	52½	52½	..	Magadi Soda (£1 Ord.)	1½	1½	..
Brilliant American	52½	52½	..	Mexican Eagle (£10)	2½	2½	..
Burmah Oil (£1)	58	58	..	Pekin (2)	8	8	..
Costs (J. and P.) (£1)	34	34	..	Rubber Plantations	1½	1½	..
Courtaulds (£1)	34	34	..	Investment (£1)	1½	1½	..
Dorman, Long (£1)	34	34	..	Shell Transport (£1)	4½	4½	..
Dunlop Rubber (£1)	88	88	..	Smithfield & Argentini	4½	4½	..
Fine Cotton Spinners (£1)	28	28	..	Meat (£1)	8	8	..
Forestal Land (£1)	12	12	..	United Dairies (£1)	1½	1½	..
Furness, Withy (£1)	12	12	..	United Serdang (2)	7½	7½	..
Highland and Lowlands Rubber	2	2	..	United Tobacco (£1)	2½	2½	..
Hudson's Bay (£1)	78	78	..	Vallambrosa (2)	8	8	..
				Vickers (£1)	131	131	..
				Wayney Def. Ssk.	131	131	..

Mines.

Brakpan (£1)	5½	5½	..	Knights	18	18	..
Broken Hill Prop. (6)	11	11	..	Modderfontein (10)	4½	4½	..
Chartereds (£1)	11	11	..	Modderfontein "B" (5)	18	18	..
Cons. Gold Fields (£1)	28	28	..	Modderfontein, Deep (5)	24	24	..
Crown Mines (£1)	14	14	..	Premier Def. (2)	7	7	..
De Beers Def. (£24)	14	14	..	Rand Mines (5)	24½	24½	..
East Rand Prop. (£1)	3	3	..	Selukwe	18	18	..
Geduld (£1)	3	3	..	Rio Tinto (25)	38	39	1
Gov. Gold Areas (£1)	52	52	..	Spring Mines (£1)	2½	2½	..

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

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COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.			Dividend for Whole Year.
	Interim or Final.	Date of Payment.	Method of Payment.	
Railways.				
Buffalo and Lake Huron	5/ p.s.	..	Less tax	%
N.-Eastern of Uruguay	6/ p.s.*	..	Less tax	%
Waterford and Tramore	6†	..	..	5
Banks.				
Bank of Italy	10%	..	..	16
British Linen Bank	16†	..	Less tax	16
Dominion (Canada)	12	April 1	Quarterly	8
Swiss Bank Corporation	..	..	..	9
Insurance.				
Abstainers and General	16†	June 30	Less tax	13
Do	10*	June 30	..	12
British and Foreign Marine	25/ p.s.†	..	..	45 p.s.
Midland Employers' Mutual	..	..	..	50 p.s.
Tea and Rubber.				
Bajoo Kidool Rubber	5%*	Mar. 31	Less tax 5/ in £	..
Geelong (Perak)	30%†	..	Less tax 5/9 in £	5
Great Western Tea	10%†	..	..	40
Hope Tea	10%†	..	Less tax	20
Pantiya Tea and Rubber	4%*	Mar. 17	Less tax 5/ in £	..
Seaport (Selangor) Rubber	5%†	..	..	10
Templestowe Estate	5%†	..	..	16
Mining.				
Oroville Dredging	9/ p.s.	Mar. 29	Less tax 5/ in £	..
Other Companies.				
African and Eastern Trade Corp. Atin	49%*	..	Less tax	..
Assets Co.	1/ p.s.†	(& bonus 6/ p.s.)	Less tax	..
B. Morris and Sons	5%†	..	Less tax	8
British Metal Corporation	15†	Mar. 11	Less tax	9
British Tobacco Co. (Australia)	..	..	Less tax	8
Brompton & Kena, Electricity	3%*	Mar. 29	Less tax	..
Brooks, Hanna, and Co.	1/6 p.s.	..	Less tax	..
Do Bonns	5%†	..	Tax free	10
Bruce, Peebles, and Co.	24%†	..	Less tax	15
B. Vickerman and Sons	24%†	..	Less tax	15
Buttons	26 p.s.	..	Less tax	5
Cairn Line	10†	..	Less tax	9
Caledonian Trust	14%	..	..	10
Canadian General Electric	8†	April 3	Tax free	7
Cannock and Co.	12%†	..	Tax free	7
Cash and Co.	12%†	..	Tax free	7
Central Hotel, Dublin	73%†	..	..	10
Chamberlain, J. King, and Jones	7/ p.s.†	(& bonus 2/ p.s.)	Tax free	..
Charing Cross Electricity	3%†	(& bonus 50%)	..	..
China Mutual Steam Navigation, Ord.	3%†	Mar. 31	Less tax	56
Do Ord., "B"	3%†	..	..	6
City of London Electric	2/ p.s.†	..	..	15
City Safe Deposit Co.	..	..	..	5
Clarke, Chapman, and Co.	..	..	..	10
Cook, Son, and Co., Ord.	..	..	..	7
Do Deild.	..	..	Tax free	1/ p.s.
Courage and Co.	10†	(& bonus 17%)	Tax free	13
Davis and Timmins	10*	Mar. 1	Tax free	25
Direct West India Cable	13%	April 2	Quarterly	..
Dominion Glass	24%†	..	Tax free	128
Dominion Tar and Chemical	2/ p.s.	..	Tax free	..
Dublin Granaries	3%†	..	Tax free	(a) 7
Electrical Dist. of Yorkshire	2%*	Mar. 1	Less tax	..
Equitable Loan of Scotland	2%*	Mar. 22	Tax free	40
Ferguson Patin	34%†	..	..	..
General Investors and Trustees	4%†	..	Less tax	7
Great Western Colliery (f.p.)	16 p.s.	..	Less tax	..
Do (part paid)	14 p.s.	..	Less tax	10
Groux and Co.	6*	Mar. 1	Tax free	..
Halfax and Bermudas Cable	6†	Mar. 1	Less tax	..
Harrow and Stanmore Gas	6†	Mar. 1	Less tax	..
Hawthorn, Leslie, and Co.	8†	Mar. 8	Less tax	7
Heritable Securities, &c.	2%*	Mar. 1	..	128
Hill, Evans, and Co.	..	..	..	..
Ingersoll Rand	..	..	..	..
International Cold Storage	7†	..	Less tax	6
International Investment, Def.	1/ p.s.	..	Tax free	2/ p.s.
Isaac Walton and Co.	8	..	Less tax	..
J. G. Mooney	..	..	..	..
John C. Far and Sons	5%*	April 3	Less tax	78
John Lovibond and Sons	1/6 p.s.	..	Tax free	6
Lambert Brothers	16 p.s.	..	..	..
Leyland & Birmingham Rubber	16 p.s.	..	Tax free	1/2 p.s.
Macdonald Fraser	16 p.s.	..	..	..
Manchester Central Buildings	6†	..	Less tax	..
McBirney and Co.	6†	..	..	..
Mint, Birmingham, Pref.	..	..	..	..
Moss' Empires	2/ p.s.†	(& bonus 1/ p.s.)	Tax free	10
National Mort. and Agency, N.Z.	..	..	..	12
National Trust	..	..	..	..
Newcastle-on-Tyne Electric	11†	..	Less tax	11
North Middlesex Gas, Orig.	7%†	..	Less tax	11
Do Additional	4%†	..	Subject to tax	8
Oakhill Brewery	12%*	April 2	..	6
Oxford Electric	..	..	..	..
Penner and Sons	5	..	Tax free	10
Planters' Stores and Agency	119†	..	Less tax	20
Queen's Hotel, Hastings	49†	..	Less tax	7
River Plate Trust, &c., "A"	..	..	Less tax	6
Do "B"	24†	..	..	12
Scottish Iron and Steel	13†	..	Less tax	18
Scottish Northern Invest.	..	..	..	5
Scottish Power	..	..	..	10
Scottish Western Investment	..	..	..	7
Sheffield Gas	..	..	..	..
Southgate and District Gas, Orig.	5†	..	Tax free	16
Do Additional	..	..	Tax free	16
South-West Suburban Water, Orig.	73%†	..	..	13
St. Ivel	6%†	..	..	10
Telegraph Construction &c.	59%†	..	..	10
Tunbridge Wells Gas, Ord.	24%†	..	..	..
Do "B" Stock	..	..	..	..
Do "C" and "D" Stock	..	..	..	..
Vickers, Limited, Pref. & Pref.	1/6 p.s.†	Mar. 28	Less tax	10
Do Cum. Pref.	..	Mar. 28	Tax free 6/ in £	10
Walker, Barker, and Co.	..	..	..	..
Waste Heat, &c., Generating	..	..	..	..
Stations.				
W. B. Reid and Co.	5%†	..	..	6
William Whiteley	..	..	..	8
Woolley, Limited, "A" Ord.	..	..	..	20
Do "B" Ord.	..	..	..	14
Yorkshire Engine	..	..	Tax free	5

COMPANY MEETINGS, &c.

SELFRIDGE AND COMPANY, LIMITED.

HIGHLY SATISFACTORY RESULTS.

IMPROVING TRADE PROSPECTS.

PLANS FOR NEW EXTENSIONS.

The 15th annual ordinary general meeting of Selfridge and Co., Limited, was held, on the 27th ult., at the company's store, Oxford street, London, Mr H. Gordon Selfridge (chairman and managing director) presiding.

The secretary (Mr A. H. Youngman) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said:—

The year isn't a very long affair when reduced to actual hours or minutes. A business such as Selfridge's, with its fixed time for opening and closing, has less than 2,600 hours in which to do its entire year's work, and into these few hours—or only a little over 150,000 minutes—we must crowd all the energy, the thought, the imagination which may bring about the results as shown in a desirable balance-sheet.

SPLENDID RESULTS DESPITE DIFFICULTIES.

No one feels that business conditions in Great Britain have been very happy in 1922, but we are able to show for that period one of the best results in our history. If everything is taken into consideration 1922 has proved—except the boom 12 months of 1919—our best year. We have also been delighted to see excellent and improved results shown in the balance-sheets of many other businesses in this country. All of which helps to prove that the commercial atmosphere is growing better.

But these results of ours—which many friends call very good, and which we are in no way over-impressed with—have not come of themselves. They have only been brought about by great care and attention to the multitudinous details which make up such a business as this. Things don't do themselves in these difficult times as they did in 1919. No one can run as fast a race on a rough, rocky course as on a smooth, easy one, and for this reason, if we were at all inclined to be over-pleased or self-satisfied, we should be so now. But we are not.

MORE SELLING SPACE ESSENTIAL.

Any business of this kind, and especially this business which we know so absolutely and minutely, is as strong, as solid, as safe as the rock of Gibraltar if managed intelligently and well. Its progress and development each year depend upon certain requisites—in our own case we have reached a time when more selling space is very essential. As will be remembered, we built the first section of our new building two or three years ago, but at a cost so high that we concluded to stop all building until these abnormal costs were reduced to reasonable limits. We are now asking for tenders, and if they prove satisfactory, we hope soon to add to our premises the second section—extending from the present new building along Orchard street to Oxford street. The result of these tenders we shall know in a few days.

We want to give to London—the greatest city in the world—and to ourselves as well the best, the finest, the largest distributing business on earth, and with our new building finally complete we feel sure we shall be able to accomplish this laudable ambition.

The present largest distributing businesses are in Paris, Chicago, New York, Philadelphia, and certainly London, with its eight or ten million population, should top them all—and it will, if we have our way.

But about the balance-sheet which you have had before you for several days.

PROFIT AND APPROPRIATIONS.

It shows, as you have seen, a balance, including amount brought forward from the last year's accounts, of £463,778 4s 4d. From this amount must be deducted for debenture interest paid and accrued to date £15,654 10s, for dividend on preference shares £78,000, for dividend on preferred ordinary shares £100,000, for dividend on staff participating shares at rate of 6 per cent. £3,299 16s 10d. There has also been set aside for reserve for corporation profits tax £16,000, for depreciation of fixtures £10,000, for writing down investments £10,000, for writing down leaseholds, &c., £10,000, for adding to the reserve fund £25,000.

These appropriations total £267,954 6s 10d, which, deducted from sum available, leaves the remainder of £195,823 17s 6d. From this it is proposed to pay the dividend of 10 per cent. as heretofore on the ordinary shares and a further 6 per cent. on the staff participating shares—the two amounting to £53,315. This will leave for carrying forward £142,508 17s 6d.

The balance-sheet calls for very little further comment.

BALANCE-SHEET ITEMS.

The amount charged to depreciation and to reserve continues to grow each year; during the past nine years no less a sum than £750,000 has been marked off or included in the reserve fund, which means that that large amount has been retained in the business as working capital rather than paid out in dividends. This policy, we hope, will continue on even a greater scale. We prefer to feel that every credit on the balance-sheet is worth more—decidedly more—than is shown. And, indeed, this fact is very true in the balance-sheet before you.

Our preference and preferred ordinary shareholders number about 20,000. The great majority have £100 or under, and it will therefore be seen that these shares are widely distributed. Of course, in the share market they are continually away above par. We look upon this part of our capital as practically borrowed money, and we regard the payment of their dividends and the protection of the principal as trusts, which we guard before anything else.

STAFF PARTICIPATING SHARES.

Another detail to which we direct your attention is the item of "staff participating shares." These have been created to allow members of the staff to participate in the success of the business up to 12 per cent. per annum. On these shares are paid a fixed 6 per cent. and a bonus, which brings their percentage up to 2 per cent. more than is paid on the ordinary privately-held shares up to 12 per cent.

This to us seems to be a scheme of profit-sharing far superior to the usual systems. It encourages members to save money in the first place—to invest it, and then to receive a very high return. We venture to commend this method to other businesses, and will be glad to show any who may be interested the entire details.

TRIBUTE TO STAFF.

It is further very pleasurable to us to show in this substantial manner appreciation of the delightful loyalty and spirit of goodwill which is universal in the personnel of our staff. We believe that loyalty is a sentiment which demands reciprocation, and a house to their members as they expect from those members. This, too sides has grown and matured into a genuine and deep friendship and sincere respect.

The secret, we believe, of the successful control of a great organisation is to "treat each and every member of that organisation as we ourselves would reasonably like to be treated if conditions were reversed"—and thus bring the golden rule into the practical business ethics of to-day, and clothe it in twentieth-century commercial language.

I will conclude by moving the adoption of the report and accounts.

Mr Alfred E. Cowper seconded the resolution, and after the chairman had replied to shareholders' questions, it was carried unanimously.

Mr Ellis W. Davies then proposed: "That a dividend at the rate of 10 per cent. per annum, free of income-tax, be paid on the ordinary shares for the year ending January 31, 1922, and that it be paid forthwith."

The resolution was seconded by Mr Percy A. Best, and unanimously approved.

The Chairman then moved: "That an additional dividend of 6 per cent. per annum on the staff participating shares for the year ending January 31, 1923, be paid on July 31, 1923."

The motion was seconded by Mr Thomas Anthony, and unanimously agreed to.

The retiring directors, Mr Ellis W. Davies and Mr Thomas Anthony, were re-elected; the auditors, Messrs Deloitte, Plender, Griffiths, and Co., were reappointed, and the proceedings terminated with votes of thanks to the chairman and directors, and also to the staff for their work during the past year.

PRUDENTIAL ASSURANCE COMPANY, LIMITED.

SUCCESSFUL RESULTS OF YEAR'S BUSINESS.

CHAIRMAN OPTIMISTIC OF TRADE REVIVAL.

The annual general meeting of the Prudential Assurance Company, Limited, was held on Thursday, March 1, 1923, at the chief office, Holborn Bars, London, Mr A. C. Thompson, the chairman of the company, presiding.

The secretary, Sir George May, K.B.E., having read the notice convening the meeting and the auditors' report,

The Chairman said: Ladies and gentlemen,—It is my privilege to present to you the accounts and statements of the company for the past year.

TOTAL INCOME OF THE COMPANY.

Those familiar with the records of the company will not be surprised to hear that the total income derived from all sources during 1922 has exceeded the figures of the previous year. The income is, in the main, made up of the premiums paid periodically by our policyholders, and the interest received on account of the investments of the funds which must necessarily be held by us in order that the liabilities under our policies may be met as they emerge. The total annual income has now reached £32,349,378, made up as follows:—

Premiums, industrial branch	14,386,588
Premiums, ordinary branch	9,615,590
Premiums, general branch	815,704
Consideration for annuities granted	195,884
Interest and dividends	6,678,348
Payment received for administration of the approved societies	657,204
	£32,349,378

Each of the foregoing items except the last shows a substantial increase over the corresponding figure for last year. The solitary exception arises in regard to an item which is really the return of money disbursed by the company on behalf of our approved societies for the administration of National Health Insurance.

It is worthy of note that the amount received during the past year as purchase money for immediate annuities was very nearly double that for 1921, and is a record for the company in this class of business.

INDUSTRIAL BRANCH.

In the industrial branch the increase in the premium income obtained during the year was equivalent to £6,861 per week, or £356,772 per annum, which considerably exceeds the increase obtained in the previous year. You are aware that premiums in the industrial branch are payable either weekly or monthly, and the relative proportions of the two classes remain the same as a year ago, namely, 57 per cent. weekly and 43 per cent. monthly.

ORDINARY BRANCH.

Turning now to the ordinary branch, we are again able to record the writing of a very large new sum assured for the year, namely, £14,862,074, under 86,541 contracts producing a premium income of £1,080,890. In this branch there are no fewer than 1,130,000 policies now in force, assuring nearly £160,000,000. From these figures it will be seen that the average sum assured under all existing policies is £133; under the new business secured during 1922 it is £171—the same as for the preceding year.

CLAIMS.

From the point of view of our policyholders who are insured under the 25 million policies in force, the business of the Prudential is to pay claims. During the year under review the amount paid to the company under this heading in all three branches amounted to almost £13,000,000, or £2,500,000 more than in 1921. The balance of our income after meeting these claims was in part directed towards payment of necessary items of expense, but the greater portion was utilised for the purpose of building up the reserves of necessary to meet future liabilities, these reserve funds being, of course, held in trust for our policyholders. The increase in the amount paid in claims is larger than usual, and may be traced to the huge sum we have disbursed on account of endowment assurances maturing in the ordinary branch. In 1922 the amount paid under this heading exceeded £5,000,000, or over £900,000 more than in the previous year. The corresponding figure in the industrial branch is less imposing than that for the policies of larger amounts already referred to, but the increase is considerable. As the

popularity of endowment assurances in the industrial branch has been extending considerably during recent years, we may in the near future look for a much augmented total under this item of outgo.

The amount paid in death claims exceeded £5,250,000, being nearly £500,000 more than for 1921. We expect as a matter of course with the growth of our business to record each year increases in the aggregate amount of death claims, but we know that the claim rate at the beginning of the year was, owing to the prevalence of influenza during that period, higher than in 1921.

VALUATION REPORT.

The financial results of the year's operations are given in the valuation report, which shows that the actuarial reserve required against the whole of the company's liabilities is £136,610,949, or £9,426,328 in excess of last year. Of the former amount £64,271,222 has reference to the ordinary branch, £71,603,350 to the industrial branch, and £736,377 to the general branch.

ORDINARY BRANCH BONUS.

In the ordinary branch the surplus is £2,047,337, and of this £500,000 is carried to the investments reserve fund, to which I shall refer later, £177,186 is carried forward to this year, and the balance is being distributed according to the company's articles of association. The proportion of surplus available for distribution to policyholders is sufficient to enable us to declare a reversionary bonus of 32s per cent., or 6s per cent. more than that declared last year, a result which will doubtless be warmly welcomed by our ordinary branch policyholders. You may remember that a year ago I intimated that the period of reduced bonuses which we had experienced during the war was rapidly coming to an end. We have not yet reached our pre-war rate of bonus, but if favourable conditions operate I see every reason to anticipate that a participating policy will, in the future, prove to be at least as profitable as before the war.

Turning to the industrial branch, the expense ratio, which in 1921 had been reduced to 36.92 per cent., was last year further reduced to 32.12 per cent., which is a ratio much lower than has ever been achieved by an industrial assurance company doing a large business. We believe we are entitled to congratulate ourselves and also our staff, both here at chief office and in the field, on this solid achievement, and we are looking forward to still further progress in this direction as the results of our endeavours mature.

INDUSTRIAL BRANCH BONUS.

The valuation report shows an increased surplus amounting to £1,737,631. Of this amount £250,000 has been transferred to the investments reserve fund, and a like amount to the common contingency fund, to both of which reference will be made later. It will be remembered that last year we were for the first time since 1915 able, through the medium of our profit-sharing scheme, to grant bonuses to our policyholders in this branch. The amount thus available for distribution was not so large as before the war, but the allocation we are able to make this year—viz., £500,000—exceeds by £100,000 the largest sum given in any year since the inception of the scheme.

The amount allocated this year to industrial branch policyholders is sufficient to allow the following additions to the sums assured under policies entitled to participate:—

- After 10 years' premiums paid, £5 per cent.
- After 20 years' premiums paid, £7½ per cent.
- After 30 years' premiums paid, £10 per cent.
- After 40 years' premiums paid, £15 per cent.
- After 50 years' premiums paid, £20 per cent.

The additions include the bonus of £2½ per cent. declared last year, and are guaranteed for a period of three years. You will remember that a year ago we initiated the method of spreading the bonus over a period of years in order to make it more permanent in form. The bonus then declared was for a period of two years, and now, as I have already stated, the bonus declared this year is guaranteed for a period of three years. Further, we have been able to increase the additions for policies of longer durations. This method of bonus distribution will, in future, be applicable only to policies issued before January 1, 1923, and we hope year by year to extend the period over which the bonus is guaranteed.

REVERSIONARY BONUSES IN THE INDUSTRIAL BRANCH.

Your directors feel, however, that with the reduction in our expense ratio, which, there is every reason to believe, will persist, the time has now arrived when we should adopt a method of distribution by which a bonus once allotted to a policy becomes a permanent addition to the sum assured. It has, therefore, been decided to institute in respect of all policies issued on or after January 1, 1923, a system of reversionary bonuses.

The allocation of profits under the scheme will be made, in the first instance, by means of a simple reversionary addition to the sum assured, with the proviso that the bonus will not vest until the policy has been 15 years in force. Should a claim arise under the policy before the expiration of 15 years the reversionary bonus will not be payable. It is the intention to supplement this reversionary bonus with an interim bonus in respect of policies which become claims by death or maturity upon which premiums have been paid for not less than five years and less than 15 years. The first declaration of reversionary bonus according to this method will be made out of the surplus available in March, 1924. This epoch-making event in the conduct of our business is directly traceable to the introduction 10 years ago of the block system of collection, and is, as you will recognise, in conformity with the principle, which we have adhered to for many years past, of giving to our clients at the earliest possible moment any advantages accruing from the economies and increased efficiency effected in our administration.

GENERAL BRANCH.

Coming now to the general branch, I am happy to be able to report considerable extension in this class of business. The premium income, which I have already quoted, for the year in this branch—viz., £815,704—is £129,405 in excess of the corresponding item last year. In regard to the quality of the business which we accept, I think, when I tell you that our claim ratio is now 44 per cent., you will agree that in view of the upward tendency usually shown in this figure when trade is falling our determination to accept only the highest class of risks has been adhered to.

Turning now to the investment side of our business—a side which calls for the most unremitting attention and careful judgment on the part of your directors—it is with pleasure that I am able to report a state of affairs which is in all respects worthy of comparison with the high standard set up by the Prudential in previous days.

SUPERVISION OF INVESTMENTS.

Before proceeding to an examination of the actual figures, it may not be out of place, in view of the prominence that has recently been given to the unsatisfactory condition of one or two insurance companies, if I remark that, in addition to the entire freedom of examination and inquiry that is always accorded to our auditors, the system adopted by us of supervision by the directors of all dealings with securities, and the general method of checking imposed, make it impossible for transactions to take place which are not in accordance with the best traditions of the insurance world.

INCREASE IN FUNDS.

A comparison of the accounts for 1922 with those of the previous year will show that the total of our invested funds has been increased by £11,307,000, compared with an increase of £10,374,000 in 1921. The problem of suitably investing this new money, together with the amounts made available by the maturity or sale of existing holdings, presents difficulties which change with every variation in general financial conditions.

INVESTMENT POLICY.

In framing our general policy of investment, we always bear firmly in mind that the essential consideration is to attain the maximum degree of stability, and we are helped in our efforts in this direction by two outstanding features of our business—namely, the magnitude of our existing funds, and the large increase, both actual and relative, that takes place in these funds each year. The former circumstance enables us so to distribute our investments as to minimise the risk of depreciation; the latter circumstance, accompanied where necessary by a judicious realisation of existing holdings, helps us to neutralise the effect of any depreciation which may result from a rise in the general rate of interest, by enabling us to take immediate advantage of the higher yield obtainable.

Dealing now with the present situation, it is not without interest to notice that last year saw a further substantial fall in the yield from high-class fixed interest-bearing securities, and the main problem to be faced at the moment is to find sound investments which will give an adequate return.

INTEREST YIELD.

The rapidity and extent of the change that has taken place in this respect may be gauged from the fact that, whereas during 1920 our new investments yielded a rate of interest of about 7 per cent. before deduction of tax, the corresponding yield during 1922 was only £5 16s per cent. This reduction in the interest yield

has not, of course, been without its compensation, since it has naturally brought in its train a further substantial appreciation in values.

It will be remembered that according to clause 122 (b) of the company's articles of association the directors are empowered to create a common contingency fund capable of application to the support of all or any one of the branches; if so applied, suitable provision is to be made for repayment or recoupment to the fund.

COMMON CONTINGENCY FUND.

You are aware that in accordance with this clause a common contingency fund has been set up, and a year ago stood at £400,000. During the year it was considered desirable to transfer £350,000 of this amount to the general branch, and as £250,000 has been added from the profits of 1922, the amount of the fund is now £300,000.

From the foregoing remarks you will appreciate that our financial position is even better and stronger than it has been for some years past, and I hope that no world event will occur to weaken credit or adversely affect the conditions existing in this country.

DISTRIBUTION OF INVESTMENTS.

As a result of the year's operations we have once again increased our holding of British Government securities, which now stand at £70,649,000, and form as much as 48 per cent. of the total assets. This is rather an astonishing fact, when it is recalled that so recently as 1913 the figure was only 2 per cent. It may also interest you to know that of our total assets 82 per cent. is invested in home securities, 12 per cent. in Indian and colonial securities, and only 6 per cent. in foreign securities.

INDUSTRIAL ASSURANCE BILL.

You will expect me, before concluding my address, to say something in reference to the Industrial Assurance Bill now before Parliament. We have ever been mindful of the fact that the continual growth of industrial assurance would in course of time make it necessary to bring up to date the law relating to its conduct, and we have always made it equally clear that any legislation which had for its object the improvement of the business would be heartily welcomed by us. In our opinion, this Bill does in a large measure do this, although it would be idle for me to say that in all its provisions it is ideal from our point of view. Nevertheless, seeing that Lord Parmoor, who you will remember presided over the recent Committee of Inquiry, stated in the House of Lords the other day, on the occasion of the second reading of the Bill, that "I have examined very carefully the terms of the Bill and compared them with the proposed reforms which we advocated in our Report, and I have not been able to find a single instance in which a reform which we suggested has not found its place in the present Bill," the Prudential does not propose to offer any opposition to the principles upon which the Bill is based.

The reasons for this attitude are, we believe, well founded, since the Bill does in several respects emphatically endorse the policy which we have been endeavouring to carry out in the management of our business for many years past. The particulars I have given you of the progress of our business during the past year will have shown you that, without interference or pressure of any description from outside sources, we have achieved results—as, for instance, in the reduction of expense—far more favourable to our policyholders than even our critics have suggested were possible.

INCREASED BENEFITS IN INDUSTRIAL BRANCH.

These results have been obtained by diligent reconstruction of our organisation carried on for a number of years; they are, we are convinced, permanent in character, and in consequence I am able to announce, in addition to the improvements already indicated, the issue of new tables giving increased benefits to policyholders.

It will occasion no surprise if the announcements I have made have the effect of considerably increasing our new business. Under the system of administration we have now adopted, an increasing business must in the years to come still further reduce our expense ratio, which, leading in turn to still better benefits, should enable our efforts to progress with cumulative effect towards the ideal at which we are aiming.

The year 1922 has, in fact, been in some respects a turning-point in Prudential history, but, as has frequently been pointed out at these meetings, our operations are so national in character that our future progress is largely conditioned by the commercial and general financial situation of the country as a whole. What, then, are the indications as to the future course of events in our national affairs? I am not without hope, in spite of some prophecies to the contrary, that 1922 will also prove to have been the turning-point from the period of acute depression that characterised its immediate predecessors. As you know, a very favourable feature has been the recovery in the value of the pound sterling on the American exchange, and the steps recently taken to fund the

debt owing by this country to America, so far as they reduce uncertainty and the annual charge on the national resources, can hardly fail to prove beneficial.

There are indications of a revival of industrial and commercial activity in many directions, and, if these continue, as they should, providing the difficulties that have arisen on the Continent in regard to reparations are not prolonged to an inordinate length, then I think we may look forward with anticipations of better times both for the company which we serve, and for the country to which we are proud to belong.

I beg to move: "That the report of the directors and the accounts certified by the auditors be received and adopted, the statutory report of the auditors having been previously read to the meeting," and I will ask the deputy-chairman to second the motion.

INTEREST ON THE FUNDS.

The deputy-chairman (Mr W. Edgar Horne) said: In seconding the report I should like to say a few words on the subject of the interest on our funds. You will have noticed from the valuation report that the net rate of interest earned on the combined life assurance funds, exclusive of reversions, was £4 9s 9d per cent., but I wish to emphasise the importance of considering the gross rates of interest. The inertia of a fund amounting to nearly £150,000,000 is not easily overcome, and the advantage that we have obtained during the last few years in investing substantial sums at rates varying from 5 per cent. to 8 per cent. is not clearly reflected in the net rate of interest referred to. Nevertheless, the effect of these favourable investments is not lost, and as the inertia is gradually overcome the rate slowly improves as momentum is gained. From this argument you will appreciate the fact that the converse holds good, and that the full effect of a fall in the current rates of interest would not make itself felt for a number of years.

Mr H. C. Willis said that he considered the present report to be the best which they had ever had, taking into consideration the conditions of the country as a whole. The continued increase of business which the Prudential secured in the face of all difficulties was now, and always had been, wonderful. He attributed it to the fact that there was a great sympathy between all connected with the company and the management—a sympathy which could not exist if the management were not fair and just. The most important point in the balance-sheet was the wonderful reduction in the expenses of the industrial branch. In the arguments which had been used for many years by the opponents of industrial assurance the question of costs had always been formidable, but the Prudential had brought them down to a reasonable figure, thus disarming the attacks of those people.

CONGRATULATIONS TO THE DIRECTORS.

Sir William H. Davison, M.P., said he would like to join in congratulating the directors on the admirable report. It was indeed a wonderful record of achievement and success. What always struck him as extraordinary in the reports submitted year after year was the fact that every year there was some improvement to record. He noticed that in the ordinary branch no fewer than 86,541 policies had been issued, assuring a sum of nearly £15,000,000. That was really a remarkable result, showing an increase in premium income of nearly a quarter of a million. In the industrial branch they had received in premiums the colossal sum of nearly £15,000,000, an increase in premium income of very nearly £400,000, and the total number of policies in force was, he believed, about 24,000,000, which indicated that nearly, if not quite, half the industrial classes in the country were insured in the company—a fact of which they might be proud.

With an income of over £32,000,000 a year, with assets of £146,000,000, with invested funds increased last year by £11,000,000, and with an expense ratio of only 32.12 per cent., they had every reason to be proud and satisfied.

Several other speakers congratulated the board on the results shown.

LETTER FROM SIR WILLIAM PLENDER.

The Chairman said that he had received a letter from Sir William Plender, F.C.A., containing the remarks which that gentleman would have made had he been able to be present at the meeting. In that letter Sir William congratulated the company on having had an extremely good year. The increase in gross assets of £11,307,706 constituted, he said, a record. He would specially note the fact that out of total assets amounting to £146,000,000, over £70,000,000, or nearly one-half, was in British Government securities. The system of control and custody of the investments exercised by the directors continued to be most stringent.

The resolution was carried unanimously.

The retiring directors, Mr Edgar Horne, Sir John Luscombe, and Mr Frederick Schooling, were re-elected, the auditors were re-appointed, and votes of thanks were passed to the chairman, directors, and staff.

Sir Joseph Burn, responding on behalf of the staff, said that the reduction in expenses meant that industrial insurance had taken a new lease of life, and it might bound forward in an extraordinary manner.

W. T. HENLEY'S TELEGRAPH WORKS COMPANY, LIMITED.
SUCCESSFUL YEAR'S TRADING.

The forty-fourth ordinary general meeting of W. T. Henley's Telegraph Works Company, Limited, was held, on the 2nd instant, at the Abercorn Rooms, Great Eastern Hotel, London, Sir George Sutton, Bart., M.I.E.E. (chairman and managing director), presiding.

The secretary (Mr A. E. Salmon) having read the notice convening the meeting and the report of the auditors,

The Chairman said the liability side of the balance-sheet needed no comment, it was practically the same as it was a year ago. On the assets side additions amounting to £81,083 had been made to buildings, machinery, and plant. The other items which were noticeable as differing from the last account submitted was that they had realised their gilt-edged investments, that stock was at £442,000, a reduction of £80,000; debtors at £334,000, a reduction of £88,000; cash in hand, Treasury bills, and trading bills £709,000, an increase of £318,000. Those figures gave an exact indication of the condition of trade during the past year, reductions in stock and debtors, and an increase in cash, and he hoped they would be of opinion that they also indicated the sound methods by which the business was conducted. The decline of trade might have produced a large amount in unsaleable stock, debts which could not be collected, and a corresponding shortage of cash.

Coming to the profit and loss account, the debit side showed an increase of £4,000 over last year in the amount for depreciation, and on the credit side a trading profit of £249,000, against £263,000. The final result was that with a credit of £7,525 profit on realisation of securities there was, after providing for the reserves and dividends recommended, a carry forward into 1923 of £323,988, against the sum of £260,243 brought in.

BOARD'S DIVIDEND POLICY.

Some shareholders might think that a larger dividend should be paid, that with so large an amount of available cash and so handsome a carry forward, an increased dividend might have been recommended without endangering the financial stability of the

THE ANGLO-SOUTH AMERICAN BANK, LIMITED.



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business. That might be so, but the directors had preferred to recommend the adoption of the cautious policy which for so many years past had ensured that the proprietors of the company, whilst covering handsome dividends, should have a sense of security in regard to the value of their capital. It should be borne in mind that a strong financial position, as well as the dividend paid, had an important bearing on the market value of a security. No doubt three-quarters of a million sterling was a large sum to have, but it was not equal to six months' turnover of the business. It had accumulated by reason of the depression of trade. They hoped that depression was not going to continue for long, but they would be wise to keep large cash resources to meet the improvement when it came. Considerable sums had yet to be paid on account of past and present taxation, all provided for before arriving at the balance of the profit and loss account—but cash must be in hand to meet the liabilities.

They had been and were expending large sums in the provision of facilities for increased output and general development. The large expenditure on the new research laboratories had not yet been entirely paid, and although expenditure on capital account was being reduced year by year, in the last four years it had aggregated roundly £400,000. There was a possibility that the costs of buildings and machinery might get much lower than the high prices which had ruled since the Armistice, and larger sums than usual might have to be provided for depreciation. They were able to keep in close touch with the position, because they kept a complete record of their property, showing original costs, amounts written off, and the present charge on the capital account of each unit.

He expected that the shareholders would congratulate the directors upon a successful year's trading. Such congratulations would be well deserved. A great result had been achieved. In a period of great depression, which had weakened many great trading houses and destroyed, or nearly destroyed, some, they showed an unimpaired dividend and a stronger financial position.

FUTURE PROSPECTS.

As to the prospects for the future, probably the first half of the year under review was more greatly depressed than for some years; but in the autumn of last year it began to improve, and was continuing to improve slowly, but they hoped for that reason the more surely. These remarks did not apply to foreign trade, but that the foreign trade would come back he did not doubt. In the meantime, they were of opinion that the development of electrical engineering in the future would be greater than they could measure, and with good management and direction he saw no reason why the business should not continue as prosperous as it had been in the past.

Dealing with the Tyre and Rubber Co., he spoke of the disadvantage to tyre makers of the restriction of rubber output. It meant that the Government action would be responsible for higher prices for motor tyres, and probably for a considerable advance in the cost of electric lighting wires.

The resolution was carried unanimously.

UNITED SERDANG (SUMATRA) RUBBER PLANTATIONS, LIMITED.

BRIGHTER PROSPECTS.

The fifteenth ordinary general meeting of the United Serdang (Sumatra) Rubber Plantations, Limited, was held, on the 27th ultimo, at 2-4 Idol lane, London, Mr C. Heath Clark (the chairman) presiding.

The Chairman said that the board had recently arranged to acquire an estate on the East Coast of Sumatra, comprising 637 acres of rubber in bearing and 895 acres immature, all in excellent condition. This property, with cash sufficient to bring it to maturity, was purchased for fully-paid United Serdang shares, and its capital cost when in full bearing was estimated at about £26 per planted acre. The combined planted areas of the company would then, it was estimated, stand at under £51 per acre, as compared with the capital cost of about £54 per acre for the existing acreage. These figures placed no value on the very fine unplanted land on the properties to be acquired, which consisted of over 5,000 acres, and which should prove a valuable reserve in the event of extensions to or replacements of any of the existing areas.

During the year they had adhered to the policy of voluntary restriction of output. The crop of 2,562,227 lbs was about 11 per cent. less than in the previous year, but the f.o.b. cost was reduced by rather over 6½d per lb, partly through reduction of loss on rice and partly through economies in working, which had been carried out without allowing the property to deteriorate. The profit of £18,753 compared with a loss of £60,607 in the previous year, and with a refund of E.P.D. there was an available balance of £59,847 after deducting Netherlands East Indies war profits tax. It was proposed to write off the expenses connected with last year's increase of capital, to place £20,000 to taxation reserve, and to pay

a dividend of 5 per cent.—a very modest distribution, justified in view of the improvement in the market for rubber.

Excepting ravines, where grass was allowed to grow to prevent wash, the planted areas were maintained in clean-weeded condition at very moderate cost. Thinning out the older areas was continued, and fair progress made on most of the estates. All the estates roads were in good condition, drains satisfactory throughout, bridges and culverts in a reasonably good state, buildings in fairly good repair, and factories in good condition, while the machinery and engines ran satisfactorily during the year. The estates were very little troubled by disease, and the visiting agent reported them in good order and condition.

The prospects of the industry, he thought, were clearer and brighter. Absorption was likely to increase, in which case the surplus stocks would be mostly exhausted by the end of the year. He thought, therefore, that shareholders were justified in viewing the future with confidence.

The report and accounts were unanimously adopted.

JEREMIAH ROTHERHAM AND CO., LIMITED.

TWENTY-FIVE YEARS' RECORD.

The twenty-fifth annual general meeting of shareholders of Jeremiah Rotherham and Co., Limited, was held, on the 28th ultimo, at Shoreditch Town Hall, London. Mr Frederick Snowden, chairman of the company, presided.

The secretary (Mr Joseph Hockley) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said, in the course of his remarks:—The first half of the year was so encouraging as to make us feel justified in paying you an interim dividend on your ordinary shares at the rate of 10 per cent. per annum. The latter half of the year was not quite so hopeful, but still quite good enough to again pay a like dividend at the rate of 10 per cent. per annum, and, in addition, a bonus of 2 per cent. for the year, making a total distribution of 12 per cent., and, moreover, adding £20,000 to reserve fund, and also carrying forward a balance of £78,891, or, within a few pounds, £20,000 more than was brought in.

The first item on the assets side of the balance-sheet is that of freehold and leasehold premises and goodwill, which now stand at £368,186, against £360,926, or less by £1,740. Book debts owing to us are down by £53,359, partly owing to lower values of goods sold and a falling off of trade in the latter part of the year. They have, however, been turned over more times than last year. It may be interesting here to remark that, whereas we have owing to us £397,222 on book debts, all that we owe to trade creditors, as shown on the liabilities side, is £49,651, or less than last year by £66,660. Cash at bankers and in hand is more by £34,726—namely, £143,102, against £108,376.

This is the twenty-fifth annual meeting of the shareholders, and at every one, and also every supplementary one, of which there have been 13, making in all 38, I have been blessed with health and strength to preside. This twenty-fifth meeting marks a quarter of a century of your company's existence. When it was incorporated in 1898, we foreshadowed a dividend on the ordinary shares of 7 per cent. per annum, which was paid at that rate to 1911, and the distribution has never been less than that, but has varied from that figure to between 11 and 18 per cent., and during the year 1920 as high as 25 per cent.

So far as the present reserves are concerned, you will see that our stated reserve accounts, including the £20,000 we now propose to place to general reserve, amount to £121,000. The two amounts of contingencies—namely, £12,858 and £20,395—(under the control of the directors), total £42,253. Besides these, you have the balance carried forward of £78,891, so that you have the substantial figure of £242,144.

Mr William Ellis seconded the resolution, which was unanimously adopted.

MAPLE AND COMPANY, LIMITED.

SATISFACTORY RESULTS—INCREASED DIVIDEND.

The thirty-third annual general meeting of Maple and Co., Limited, was held, on the 1st instant, at the company's premises, Tottenham Court road, London.

Mr C. H. Regnart, J.P., presided, and, in moving the adoption of the report and accounts, said that he was pleased to be able to place before the shareholders a brighter and more encouraging report. They were proposing to pay a final dividend of 7½ per cent., which, with the interim dividend paid in September last, would make 10 per cent. for the year, as against 7½ per cent. for 1921. The gloom of 1921 was gradually disappearing, and there had been a distinct improvement in trade generally since June last. Prices had come down nearer to the normal, and, consequently, were within the means of thousands of people who were before excluded

from the market by the extravagant cost of articles which they otherwise would have been glad to buy. The home trade since June, 1922, had been excellent, and the bulk of goods sold and delivered had been hugely in excess of that for any other period since 1913. They had the further satisfaction of knowing that when the foreign exchanges got more settled that portion of the foreign business which was done direct from their London house would attain its original magnitude.

If shareholders would visit their showrooms they would find a wonderful collection of all sorts of articles which would be sure to interest them, and their visit would be fully repaid. One had to realise nowadays that their customers had serious problems of their own to contend with. Income-tax had come down but little, and the prices of all the commodities of living were still high, while general taxation was as bad as ever, so the company had set itself out in every way to supply the wants of their customers to the best possible advantage. He hoped that their customers would appreciate that fact.

Turning to the balance-sheet, it would be seen that the reserve account stood at £583,000. The balance available for dividend was £227,231, and after providing for the dividends recommended there remained £47,231 to be carried forward. Their business was equipped for anything and everything. They knew what its capacities were, and were not content unless they felt that every unit was producing to its fullest limit. He was hoping that conditions would soon right themselves, and that they would be able to render a better account of their efforts for the present year.

The report and accounts were adopted.

SPENCER, TURNER AND BOLDERO, LIMITED.

The 29th annual general meeting of Spencer, Turner and Boldero, Limited, was held, on the 1st inst., at the offices, 18 Duke street, London, Mr John Boldero (the chairman of the company) presiding.

The Chairman, in moving the adoption of the report and accounts, said the directors were very pleased indeed to lay before the shareholders such an excellent result, and he hoped and believed they were all more than satisfied. A trading profit of £65,405, as compared with £6,292 last year, was very gratifying. For the first eight or nine months business was healthy and brisk; in the last two or three months a slight falling away was to be noted, and the only explanation one could offer was that the purchasing power of the public was lessened. The prices of the commodities dealt in by the company had tended, on the whole, to a slightly lower level, more especially in silk, wool, and leather. The volume of goods sold had been greater than last year, but the full benefit of that increase was not reflected in sterling. The trading profits were £65,405 13s 10d, and the dividends on reserve fund £1,829 17s 1d, transfer fees £37 10s, and profit on sale of funding loan £557 15s, making a total of £67,830 15s 11d, to which had to be added £14,788 7s 5d brought in, giving a grand total of £82,619 3s 4d. They were left with an available balance of £60,342 3s 2d, out of which they proposed to pay a dividend of 3 per cent. actual on the preference shares, making 6 per cent. for the year, and a dividend of 4½ per cent. actual on the ordinary shares, making 8 per cent. for the year, while they were reserving for corporation profits tax £3,650, which would leave £30,749 13s 2d to be carried forward to next year. The total reserve funds stood at £140,600 3s 6d, and with the amount carried forward they had a grand total of £171,439, which represented exactly 5s 5d in the £ on the total capital of the company, which was surely a very satisfactory position.

The report and accounts were unanimously adopted, and the dividends as recommended were declared.

GOVERNMENT RETURNS.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £40,000,000 in three months' Treasury Bills dated from Monday to Saturday, March 5-March 10, were opened on March 2, 1923, and the total amount applied for was £53,770,000. Tenders for Monday to Friday bills at £99 8s 11d, and above in full, and Saturday bills at £99 9s 0d, about 60 per cent., and above in full. The average rate of discount for Treasury bills was £2 2s 10½d. The amounts allotted were as follows:—In bonds, £2,500,000; in bills at 3 months, £35,000,000.

Date.	Amount Offered.	Amount Applied.	Treasury Bills. Average Rate.	4½% Treasury Bonds, 1923. Average Price.
Dec. 8, 1922.	(a) 55,000,000	(a) 70,595,000	2 11 1-09	None allotted
Dec. 15.	(a) 50,000,000	(a) 67,355,000	2 11 0-62	None allotted
Dec. 22.	(a) 50,000,000	(a) 52,725,000	2 11 7-52	None allotted
Dec. 29.	(a) 55,000,000	(a) 76,225,000	2 6 11-35	None allotted
Jan. 5, 1923.	(a) 50,000,000	(a) 63,995,000	2 2 7-67	99 3 9-6
Jan. 12.	(a) 50,000,000	(a) 76,575,000	2 3 5-68	99 6 3-72
Jan. 19.	(a) 40,000,000	(a) 55,305,000	1 18 9-91	99 7 1-69
Jan. 26.	(a) 40,000,000	(a) 61,530,000	2 6 3-87	99 7 5
Feb. 2.	(a) 40,000,000	(a) 59,465,000	2 10 1-57	None allotted
Feb. 9.	(a) 35,000,000	(a) 49,875,000	2 9 7-86	99 8 6-4
Feb. 16.	(a) 35,000,000	(a) 49,875,000	2 6 6-31	99 8 4-2
Feb. 23.	(a) 40,000,000	(a) 61,630,000	2 6 2-95	99 9 1-17
Mar. 2.	(a) 40,000,000	(a) 57,770,000	2 2 10-35	99 9 9-6

(a) Including Treasury Bonds.

Tenders will be received on Friday, March 9, 1923, for Treasury Bonds and Treasury Bills to be issued to the maximum amount of £40,000,000. The amount of Treasury Bonds issued will not exceed £5,000,000, but subject to that limit, the total amount issued will be divided between Bills and Bonds in such proportions as The Lords Commissioners of His Majesty's Treasury may determine.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1922-23. (See Note.)	Total Receipts into the Exchequer from Apr. 1, 1922, to Feb. 24, 1923.	Total Receipts into the Exchequer from Apr. 1, 1921, to Feb. 25, 1922.	Receipts. Week Ended Feb. 24, 1923.	Receipts. Week Ended Feb. 25, 1922.
Balances in Exchequer on 1st April:—					
Bank of England....	9,963,424	2,591,051	..	..	..
Bank of Ireland....	1,210,106	483,455	..	..	..
	..	11,173,530	3,074,506	..	..
REVENUE.					
Customs.....	112,250,000	112,847,000	118,772,000	3,050,000	3,385,000
Excise.....	160,750,000	144,740,000	179,230,000	3,215,000	1,880,000
Motor Vehicle Duties..	10,600,000	11,868,000	10,434,000	..	1,020,000
Stamp Duties, &c., &c.....	48,000,000	51,981,000	46,114,000	1,130,000	1,849,000
Stamps.....	18,250,000	17,692,000	14,377,000	100,000	340,000
Land Tax, House Duty, & Mineral Rights Duty	3,000,000	2,250,000	1,880,000	220,000	190,000
Property & Income Tax	329,099,000	299,099,000	294,609,000	18,141,000	18,412,000
Excess Profits Tax, &c., &c.	27,800,000	954,000	29,714,000	..	780,000
Corporation Profits Tax	19,750,000	17,007,000	14,811,000	650,000	..
Post Office.....	54,625,000	48,700,000	49,500,000	1,250,000	1,500,000
Crown Lands.....	750,000	890,000	750,000	80,000	80,000
Interest on Sundry Loans.....	14,000,000	9,774,440	10,958,875	..	..
Miscellaneous.....	22,000,000	21,240,785	21,539,213	421,270	378,859
Ordinary Receipts....	90,000,000	42,951,452	132,896,842	1,500,308	5,625,528
Special Receipts....	910,775,000	781,994,677	925,585,938	29,761,578	34,570,387
Total, Inc. Balance ..	..	735,168,207	928,660,442	..	..
OTHER RECEIPTS.					
Temporary Advances Repaid:—					
Bullion.....	800,000	9,480,000	..	400,000	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	169,818	169,818	..	..	..
Under the Unemployment Insurance Act, 1921.....	2,980,000	520,000	..	..	..
Money Raised by Creation of Debt:—					
(a) For Capital Expenditure Issues:—					
Under the Telegraph (Money) Acts, 1920 to 1922.....	5,310,000	5,561,474	..	..	..
Under the Post Office (London) Railway Act, 1913.....	..	27,500	..	..	..
Under the Housing Act, 1914.....	27,000	50,000	..	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922.....	950,000	..	..	..	..
By Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	1,553,300	..	..	..	..
(b) Under the Unemployment Insurance Act, 1921.....	4,540,000	9,540,000	..	..	..
(c) For other Issues:—					
By Treasury Bills for Supply ..	2,620,703,000	3,487,719,000	33,034,000	58,644,000	2,975,000
By National Savings Certificates	56,308,000	48,155,000	900,000	..	..
By Exchequer and National War Bonds.....	20	5	..	..	..
By Treasury Bonds.....	..	..	..	..	..
5-15 year, 1925-35.....	61,655,154	325,169,381	..	133,954	..
5-15 year, 1927.....	87,251,135	..	994,175	..	..
4-10 year, 1932.....	..	..	..	..	..
By Other Debt created under the War Loan Act, 1914 to 1919.....	25,259	10,961,454	..	..	..
(d) Ways and Means Advances ..	815,475,500	1,214,546,000	1,900,000	13,700,000	..
Anglo-Persian Oil Company—					
Dividends on Shares acquired	1,017,976	5,010	774,964	..	..
Repayments—					
Debt in respect of Suez Canal Drawn Shares.....	5,787	7,111	..	..	..
Do Cunard Loan.....	130,000	130,000	..	..	..
Do East Africa Protectorate Loan	..	127,268	..	..	..
Do Issues under Civil Contingencies Fund Act, 1919.....	..	7,250,000	..	..	..
Do Issues under Land Settlement (Facilities) Acts, 1919 and 1921.....	282,662	51,617	..	..	..
Do Issues under Section 59 (4) of the Finance Act, 1920.....	6,827,960	13,490,950	..	..	..
Interest received under Section 59 (5) of the Finance Act, 1920.....	162,425	426,340	..	..	..
Total.....	4,459,343,203	6,062,048,370	67,364,717	110,493,341	..

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1922-23. (See Note.)	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1922, to Feb. 24, 1923.	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1921, to Feb. 25, 1922.	Issues. Week Ended Feb. 24, 1923.	Issues. Week Ended Feb. 25, 1922.
EXPENDITURE					
Permanent Charge of the Exchequer.....	16,000,000	12,805,526	22,374,314	..	8,186
Interest, &c., on War Debt.....	319,000,000	267,442,820	283,557,190	726,753	4,081,941
Road Fund.....	10,000,000	11,318,999	10,031,000	..	..
Payments to Local Taxation Authorities, &c., &c.	9,788,000	6,875,518	7,752,869	50,000	..
Payments to Northern Ireland Exchequer ..	2,500,000	2,086,386	903,393	458,006	150,000
Land Settlement.....	3,500,000	1,044,517	2,482,891	4,536	7,751
Other Consolidated Fund Services.....	2,650,000	2,517,572	1,744,874	..	30
Supply Services.....	539,255,000	391,664,868	589,874,566	10,051,000	11,695,38
Expenditure.....	902,691,000	695,756,206	918,721,097	11,290,295	15,943,54

OTHER ISSUES.	Total Issues out of the Exchequer to meet Payments from		Issues.	
	Apr. 1, 1922, to Feb. 24, 1923.	Apr. 1, 1922, to Feb. 24, 1923.	Week Ended Feb. 24, 1923.	Week Ended Feb. 25, 1923.
Temporary Advances—				
Bullion	..	9,650,000	..	300,000
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	169,818	169,818	..	..
Under the Unemployment Insurance Act, 1921	5,880,000	12,410,000	180,000	590,000
Issues to meet Capital Expenditure—				
Under the Telegraph (Money) Act, 1920 to 1922	6,360,000	6,261,474	600,000	700,000
Under the Post Office (London) Railway Act, 1913	..	27,500	..	..
Under the Housing Act, 1914	..	50,000	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922	950,000	..	..	..
Under Capital Expenditure (Money) Act, 1904	..	..	..	..
Exchequer Bonds paid off £3,087,600; less paid off by the National Debt Commissioners, £1,534,300	1,553,300	..	..	..
Unemployment Insurance Act, 1921—				
Repayment of amounts borrowed	2,110,000	..	..	..
Redemption of Debt—				
Treasury Bills for Supply	2,804,689,000	3,649,991,000	43,575,000	76,820,000
Securities surrendered for Duties under Section 34 of the Finance Act, 1917, and Section 3 (3) of the War Loan Act, 1919	8,663,429	30,451,310	336,021	261,231
Funding Loan, Victory Bonds and Conversion Loan Sinking Funds Principal of National Savings Certificates	9,526,211	..	..	..
(a) Repaid by Issues under Section 59 (6) of the Finance Act, 1920	24,100,000	19,300,000	550,000	1,200,000
(b) Repaid otherwise	..	10,400,000	..	..
Principal of Exchequer Bonds paid off, £20,887,123; less paid off by the National Debt Commissioners, £1,000,000	19,887,123	42,781,133	..	..
Principal of National War Bonds paid off	44,684,182	..	..	..
Other Debt under the War Loan Act, 1914 to 1919	15,825,596	57,162,123	..	..
Ways and Means Advances Repaid	808,515,500	1,257,435,000	11,300,000	15,215,000
Depreciation Fund, under the Finance Act, 1917	1,198,075	27,100,223	..	..
Anglo-Persian Oil Company—Issued under the Anglo-Persian Oil Company (Acquisition of Capital) Amendment Act, 1919	943,012	..	..	..
Issues to National Debt Commissioners to Reduce Debt—				
Suez Canal Drawn Shares Repayments	5,787	7,111	..	..
Canal Loan Repayments	130,000	130,000	..	..
East Africa Protectorate Loan Repayments	..	127,268	..	..
Proceeds of National Savings Certificates, issued under the Finance Act, 1920, Section 59 (4)	5,000,000	15,399,000	..	..
Old Sinking Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911	88,065	269,620	..	57,170
Balances in Exchequer—				
Bank of England	Feb. 24, '23.	Feb. 25, '23.	Inor Dec. for week.	
Bank of Ireland	2,094,445	2,278,359	130,593	219,377
Bank of Scotland	1,886,525	1,935,334	336,006	444,320
Total	3,980,970	4,213,693	466,599	663,607

NOTE—Budget Estimate as in H.C. No. 77 of 1922.

Treasury, February 26, 1923.

CURRENCY NOTES ACCOUNT.

(000's omitted.)

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Advances to		Redemption Account.		Ratio to Notes.	Govt. Secut. Notes.	Balance of Bank of England.
			Bankers.	Savings Banks.	Gold and Bullion.	Bank of England Notes.			
1914.	£ 21,535	..	6,302	3,810	18,500	..	46.1	9,924	11,423
Aug. 26.	38,478	..	169	500	..	..	..	..	9,286
Dec. 29.	103,125	729	159	949	38,500	..	37.6	54,621	30,536
1916.	150,144	2,430	64	40	38,500	..	19.0	118,102	6,868
Dec. 27.	191,782	8,554	89	675	38,500	..	13.4	186,637	6,486
1917.	323,941	15,529	..	670	38,500	..	8.9	305,133	4,566
1918.	356,152	17,122	850	945	38,500	4,000	9.1	337,537	2,808
1919.	367,626	16,962	..	..	38,500	19,450	13.0	336,504	134
1920.	343,896	15,599	..	..	38,500	19,450	13.9	311,334	141
1921.	323,834	14,965	..	..	38,500	19,450	14.8	287,750	150
1922.	314,382	14,830	..	..	38,500	19,450	15.2	278,119	161
1923.	325,584	14,658	..	..	38,500	19,450	14.7	289,131	143
1924.	300,351	14,255	..	..	38,500	19,450	15.9	261,479	177
1925.	295,374	13,338	..	..	38,500	19,450	16.3	254,312	250
1926.	289,127	12,648	..	..	37,000	21,150	16.6	246,456	169
1927.	301,337	12,472	..	..	37,000	21,150	15.9	258,922	137
1928.	280,887	12,171	..	..	37,000	21,150	17.1	237,768	140
1929.	279,991	11,914	..	..	37,000	21,150	17.2	236,779	180
1930.	279,381	11,932	..	..	37,000	22,450	17.7	234,636	169
1931.	279,103	11,735	..	..	37,000	22,450	17.7	234,169	221

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £380,600,000, for 1921 at £317,556,200, for 1922 at £308,988,400, and for 1923 at £270,183,800.

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The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, February 28, 1923.

ISSUE DEPARTMENT.

£	£
Notes issued	145,425,945
Government debt	11,015,100
Other securities	8,734,900
Gold coin and bullion	125,675,945
Total	145,425,945

BANKING DEPARTMENT.

£	£
Capital	14,553,000
Rest	3,676,670
Public deposits	20,907,446
Other deposits	110,548,375
Seven-day & other bills	18,662
Total	149,704,153

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

COMPARISON with PREVIOUS WEEK and a YEAR AGO.

	Amount, Feb. 28, 1923.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Rest	3,676,670	+ 116,184	+ 55,072
Public deposits	20,907,446	+ 1,128,591	+ 3,756,484
Other deposits	110,548,375	+ 3,756,720	+ 7,944,007
Government securities	47,282,880	+ 34,419	+ 702,686
Other securities	79,107,430	+ 4,672,517	+ 2,622,391
Reserve	23,313,843	+ 1,893,633	+ 805,123
Note circulation	123,940,440	+ 1,898,730	+ 847,100
Coin and bullion	127,504,283	+ 5,097	+ 1,258,023
% of reserve to liabilities	17.4	—	17.4

THREE MONTHS' RECORD.

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve.	% of Reserve to Liabilities.	Bank Rate.
1922.							
Dec. 6.	127,446,768	123,063,855	137,695,826	132,722,938	22,832,913	18.4	5
13.	127,446,447	123,161,310	134,885,243	120,060,241	22,735,137	18.4	5
20.	127,444,219	124,890,400	123,395,564	121,031,819	22,735,137	18.4	5
27.	127,443,007	124,877,679	123,227,231	120,126,631	21,015,337	15.2	5
1923.							
Jan. 3.	127,493,190	124,053,460	157,778,672	153,861,705	21,889,730	13.1	5
10.	127,486,217	122,454,770	156,311,140	150,844,337	23,481,447	15.2	5
17.	127,491,357	121,236,150	144,010,109	137,242,112	24,705,207	17.4	5
24.	127,489,154	120,798,570	125,803,374	118,632,838	25,140,584	20.0	5
31.	127,491,869	122,018,156	120,924,209	115,027,941	25,923,705	19.3	5
Feb. 7.	127,490,819	121,481,100	121,238,903	114,875,475	24,459,719	20.4	5
14.	127,493,425	120,719,230	126,234,044	119,130,331	25,224,156	20.3	5
21.	127,499,186	123,041,710	128,327,692	121,752,217	25,207,476	19.4	5
28.	127,504,283	123,940,440	131,455,821	126,390,310	25,313,843	17.4	5

At corresponding date with the present week.	TEN YEARS' RECORD.				
	Feb. 26, 1913.	May 27, 1914.	Mar. 2, 1921.	Mar. 1, 1922.	Feb. 28, 1923.
Circulation (excl. Bank post bills)	27,707,990	28,933,380	29,299,950	123,093,340	123,940,440
Bank deposits	23,548,493	19,014,809	18,236,369	17,150,962	20,907,446
Other deposits	41,667,026	41,244,964	44,468,748	118,492,382	110,548,375
Government securities	13,034,166	11,046,570	14,393,742	47,985,265	47,282,880
Other securities	41,869,871	41,461,280	98,925,281	81,729,821	79,107,430
Reserve of notes and coin	28,455,017	25,463,980	17,477,192	24,119,966	23,313,843
Coin and bullion	37,713,007	35,947,360	128,327,142	128,762,306	127,504,283
Proportion of reserve to liabilities	43.8%	42.4%	12.1%	17.4%	17.4%
Bank rate of discount	5%	3%	7%	4%	5%
Market rate, 3 months' bills	4 1/2%	2 1/2%	6%	3 1/2%	2 1/2%
Price of Consols	74 1/2	74 1/2	46 1/2	55 1/2	5 1/2
Price of silver per oz.	27 1/2	26 1/2	31 1/2	32 1/2	31 1/2
Exchanges	25 2 1/2	25 1 1/2	54 20 70	48 10 30	76 75 77 40
on New York	84 83	84 79	83 874 89	84 433 448	84 704 714
on Amsterdam	12 28 24	12 05 10	11 33 37	11 54 59	11 88 90
on London	20 47	20 49	240 246	295 1 020	104 000 108 000
on Berlin	275 149 000	193 913 000	770 429 000	817 200 000	831 812 000
Clearing house return	..	..	..	..	..

BANKERS' CLEARING RETURNS.

(000's omitted.)

Week Ending—	Town.	Metropolitan.	Country.	Total.
1923.				
January 1 to 3	£ 338,113	£ 818	£ 31,593	£ 369,524
10	589,819	33,569	62,631	686,019
17	658,945	32,797	57,792	749,534
24	599,667	30,654	52,893	683,214
31	675,673	28,100	50,265	754,038
February 7	674,151	34,578	63,329	772,058
14	671,978	30,050	52,511	754,539
21	607,891	29,332	54,858	692,081
28	753,981	28,391	45,640	831,812
Total to date 1923	5,526,218	266,799	475,510	6,268,527
Do	5,863,277	273,270	478,563	6,615,110
Increase or decrease in 1923	337,059	6,471	3,053	346,583
%	5.7	2.3	0.6	5.2
Total for year 1922	32,780,635	1,574,661	2,806,165	37,161,461
Total for year 1921	30,268,214	1,660,166	3,002,179	34,930,559
Increase or decrease in 1922	+ 2,512,421	— 85,005	— 196,014	+ 2,230,902
%	+ 8.3	— 5.1	— 6.5	+ 6.3

PROVINCIAL CLEARING RETURNS

	1922.	1923.	Inc. or Dec.
Aggregate Totals to February 28.	£	£	+ £ %
BIRMINGHAM	17,921,400	18,568,300	+ 646,900 3 1/2
BURTON	11,696,000	9,341,000	— 2,355,000 20
DUBLIN	53,298,300	49,105,100	— 4,193,200 7 3/4
HULL	8,538,900	9,105,600	+ 566,700 6 1/2
LIVERPOOL	8,681,800	8,750,000	+ 68,200 0 7/8
LEICESTER	6,441,200	6,439,700	— 1,500 —
LIVERPOOL	68,477,300	73,666,300	+ 5,000,000 7 1/2
MANCHESTER	116,655,200	121,982,000	+ 5,316,800 4 1/2
NEWCASTLE-ON-TYNE	13,721,700	14,943,500	+ 1,221,800 8 3/4
NOTTINGHAM	5,472,500	5,418,500	— 54,000 1 1/2
SHEFFIELD	7,437,200	8,946,400	+ 1,499,200 20 1/2

NATIONAL BANK OF ROMANIA.

(000's omitted.)

Assets.	Feb. 3, 1923.	Jan. 27, 1923.	Jan. 20, 1923.	Jan. 13, 1923.	Feb. 4, 1923.
Gold.....	533,067	533,057	533,056	533,056	495,459
Silver, &c.....	503	748	766	587	306
Government loan.....	12,551,384	12,539,918	12,559,333	12,552,946	12,535,970
Other advances.....	4,574,369	4,513,095	4,483,646	4,468,812	2,717,665
LIABILITIES.					
Notes in circulation.....	15,264,636	15,116,364	15,105,850	15,090,588	13,672,451
Deposits.....	7,098,986	7,175,486	7,178,672	7,176,038	6,203,627

SWISS NATIONAL BANK.

(000's omitted.)

Assets.	Feb. 23, 1923.	Feb. 15, 1923.	Feb. 7, 1923.	Jan. 31, 1923.	Feb. 23, 1923.	Position May 31, 1921.
Gold.....	530,933	530,624	530,616	529,867	546,916	171,175
Silver.....	105,779	106,302	106,314	106,827	108,000	18,350
Deutsche-Kassen.....	12,335	12,334	12,583	12,614	18,581	
Assets & advances.....	447,364	440,830	396,385	404,442	273,762	103,000
LIABILITIES.						
Notes in circulation.....	840,044	840,697	859,965	878,899	806,777	875,925
Deposits.....	310,928	280,514	221,187	213,365	182,345	33,750

The Monthly Statement of the Swiss Federal Loan Bank (Darlehenskasse) shows that up to January 31, 1923, total issues were Fr. 20,132,211 of which Fr. 15,973,450 was held by the Swiss National Bank.

BANK OF SWEDEN.

(000's omitted.)

Assets.	Feb. 27, 1923.	Feb. 17, 1923.	Feb. 10, 1923.	Feb. 3, 1923.	Feb. 25, 1923.	May 24, 1921.
Gold.....	273,889	273,907	273,907	273,933	274,397	104,918
Balance abt. and foreign bills.....	113,367	114,745	117,949	119,577	127,018	112,173
Swedish and for Gov. securities.....	122,828	122,828	122,828	122,828	17,440	32,465
Discounted loans.....	345,736	345,736	345,736	345,736	525,297	112,668
LIABILITIES.						
Notes in circulation.....	327,704	327,704	327,704	327,704	327,704	327,704
Deposits.....	287,047	287,047	287,047	287,047	287,047	287,047

NATIONAL BANK OF BELGIUM.

(000's omitted.)

Assets.	Feb. 22, 1923.	Feb. 15, 1923.	Feb. 8, 1923.	Feb. 1, 1923.	Feb. 23, 1923.	Position May 28, 1921.
Coin (gold & silver and bullion).....	349,072	345,916	344,920	345,315	327,255	329,650
Securities.....	661,763	610,332	627,481	633,991	444,848	597,600
LIABILITIES.						
Notes in circulation.....	6,870,616	6,802,371	6,894,351	6,916,720	6,259,132	934,150
Current accounts.....	306,011	194,641	218,312	222,634	808,380	112,125

HUNGARIAN BANK.

(000's omitted.)

Assets.	Feb. 15, 1923.	Feb. 7, 1923.	Jan. 31, 1923.	Jan. 23, 1923.	Feb. 15, 1923.
Gold coin and bullion, bills, silver coin, &c.....	13,395	13,751	14,452	14,919	12,833
Bills, warrants, drafts, &c.....	56,768,722	56,188,444	54,516,174	53,884,053	24,079,919
Loans.....	2,007,253	2,006,738	2,006,950	1,885,527	1,417,699
LIABILITIES.					
Notes in circulation.....	74,262,853	74,057,535	73,716,513	72,193,555	26,041,683
Deposits.....	7,378,013	7,593,715	5,888,168	6,701,077	2,165,774

NATIONAL BANK OF DENMARK.

(000's omitted.)

Assets.	Jan. 31, 1923.	Dec. 31, 1922.	Nov. 30, 1922.	Oct. 31, 1922.	Jan. 31, 1923.	Position May 31, 1921.
Coin and bullion.....	228,241	228,257	228,257	228,257	228,257	76,644
Loans & discounts.....	482,186	467,599	462,035	500,693	417,255	88,470
Debtors abroad.....	9,906	6,533	10,893	9,113	19,273	24,102
Securities.....	11,441	13,593	15,562	16,066	37,679	11,988
LIABILITIES.						
Notes in circulation.....	442,872	459,354	459,310	478,134	450,018	157,266
Deposits.....	164,744	163,710	169,211	181,481	127,209	6,596

AUSTRIAN NATIONAL BANK.

(000's omitted.)

Assets.	Feb. 15, 1923.	Feb. 7, 1923.	Jan. 31, 1923.	Jan. 23, 1923.	Feb. 15, 1923.
Gold.....	48,328,209	49,303,846	49,303,846	49,241,822	49,241,822
Foreign bills.....	1,003,328,513	1,003,244,128	1,003,244,128	1,134,393,528	1,134,393,528
Bills discounted.....	758,178,689	742,991,373	730,436,082	666,125,131	666,125,131
Treasury bills.....	2,552,681,825	2,556,848,370	2,556,848,370	2,556,848,370	2,556,848,370
Other assets.....	727,426,050	658,240,303	669,431,132	647,563,515	647,563,515
LIABILITIES.					
Notes in circulation.....	4,077,988,190	4,073,027,731	4,110,551,163	3,976,769,294	3,976,769,294
Deposits.....	312,449,440	362,682,735	279,092,048	422,556,771	422,556,771
Other liabilities.....	312,449,440	379,349,797	392,172,194	372,795,225	372,795,225

NOTE.—As from January 1, 1923, the Austrian National Bank has taken the place of the Austrian section of the Austro-Hungarian Bank.

NATIONAL BANK OF EGYPT.

(000's omitted.)

Assets.	Nov. 30, 1922.	Oct. 31, 1922.	Sept. 30, 1922.	Nov. 30, 1921.	Position May 31, 1921.
Gold.....	3,362	3,359	3,358	3,362	1,571
Government securities.....	42,149	41,389	36,058	39,994	3,094
LIABILITIES.					
Notes in circulation.....	33,007	32,781	27,615	34,722	2,400
Government deposits.....	8,196	6,088	4,218	8,250	3,315
Other deposits.....	12,043	12,313	11,064	12,707	2,660

By authority of the Egyptian Government British Treasury Bills were deposited in lieu of gold.

BANK OF FINLAND.

(000's omitted.)

Assets.	Feb. 15, 1923.	Feb. 8, 1923.	Jan. 31, 1923.	Feb. 15, 1923.	Position May 31, 1921.
Gold.....	42,704	42,704	42,704	42,625	35,091
Balance abroad and foreign bills.....	852,966	827,316	829,650	162,256	90,379
Swedish and foreign Govt. securities.....	586,343	586,343	586,343	799,961	21,826
Discounts and loans.....	617,485	617,011	605,832	672,374	105,151
LIABILITIES.					
Notes in circulation.....	1,435,463	1,413,443	1,399,672	1,372,349	123,941
Deposits.....	415,693	398,119	388,984	88,557	21,225

BANK OF NORWAY.

(000's omitted.)

Assets.	Feb. 22, 1923.	Feb. 15, 1923.	Feb. 7, 1923.	Feb. 22, 1922.	Position May 31, 1921.
Coin and bullion—Gold.....	147,289	147,290	147,290	147,293	44,224
Balance abroad and foreign bills.....	33,562	36,092	36,799	47,912	28,533
Norwegian & Foreign Government securities.....	9,404	9,404	9,404	10,085	8,816
Discounts and loans.....	449,288	450,918	454,252	419,968	76,911
LIABILITIES.					
Notes in circulation.....	345,707	343,518	346,656	368,965	113,484
Deposits at notice.....	179,382	179,738	170,665	139,255	7,188

Through Royal resolution of February 3, 1924, it has been resolved that the extraordinary right of issuing bank notes has been reduced from 50 millions to 25 millions from February 4, 1922 (this day included).

IMPERIAL BANK OF INDIA.

(000's omitted.)

Assets.	Feb. 2, 1923.	Jan. 26, 1923.	Jan. 19, 1923.	Jan. 12, 1923.	Jan. 5, 1923.	Feb. 5, 1922.
Govt. securities.....	8,40,70	8,41,76	8,39,78	8,45,51	8,48,57	10,35,97
Other securities.....	1,25,67	1,25,67	1,25,67	1,25,67	1,25,67	1,25,67
Loans.....	18,34,20	18,97,55	19,77,95	19,29,25	18,31,65	13,51,55
Cash credits.....	30,5,53	29,96,66	28,84,21	28,83,59	28,35,15	26,02,92
Inland bills.....	7,29,53	7,21,44	6,56,79	6,3,467	5,79,01	11,15,74
Foreign bills.....	20,41	25,63	18,71	13,86	22,12	11,15,74
Dead stock.....	2,45,40	2,45,19	2,45,07	2,44,89	2,44,78	2,37,64
Sundries.....	36,53	30,84	30,03	36,48	40,28	34,58
Balance with other banks.....	14,80	5,73	10,16	9,23	3,52	13,88
Cash.....	13,13,95	12,60,69	12,59,69	11,94,69	14,01,54	16,50,73
LIABILITIES.						
Subscribed capital.....	11,25,00	11,25,00	11,25,00	11,25,00	11,25,00	11,24,00
Capital paid up.....	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50
Reserve.....	4,22,50	4,22,50	4,22,50	4,22,50	4,22,50	4,22,50
Public deposits.....	15,87,69	15,87,69	15,87,69	15,87,69	15,87,69	15,87,69
Other deposits.....	54,70,87	53,76,47	54,00,41	54,26,92	55,95,61	61,93,09
Loans against securities.....	69,75	89,96	68,94	69,34	73,21	31,36
The above includes—						
Deposits in London.....	262	160	167	170	171	55
Advances in London.....	648	710	610	617	641	264
Cash, &c., at other banks in London.....	94	34	62	55	18	87

BANK OF PORTUGAL.

(000's omitted.)

Assets.	Dec. 27, 1922.	Dec. 20, 1922.	Dec. 13, 1922.	Dec. 6, 1922.	Nov. 29, 1922.
Coin and bullion.....	26,883	26,799	26,778	27,355	26,797
Of which gold.....	8,577	8,577	8,577	8,577	8,577
Balance abroad.....	37,823	41,496	31,532	4,480	42,561
Discounts.....	159,633	156,865	160,464	131,032	164,931
Government loans.....	860,097	860,097	860,097	860,097	860,097
LIABILITIES.					
Notes in circulation.....	1,047,028	1,036,709	1,023,875	722,754	1,000,092
Deposits.....	69,9	61,955	58,760	54,866	63,176

POLISH NATIONAL BANK.

(000's omitted.)

Assets.	Feb. 10, 1923.	Jan. 31, 1923.	Jan. 20, 1923.	Jan. 10, 1923.	Jan. 31, 1922.
Gold.....	41,209	41,125	41,088	41,028	26,300
Silver.....	44,144	44,135	44,132	44,12	42,900
Foreign bills.....	(a) 19,477	(a) 20,39	(a) 20,39	(a) 20,39	120,700
Foreign banks.....	(a) 39,431	(a) 35,897	(a) 35,897	(a) 35,897	869,900
Private loans and discounts.....	836,010,000	799,500,000	706,000,000	673,000,000	227,350,000
LIABILITIES.					
Notes in circulation.....	965,095,108	909,160,307	821,270,046	807,308,320	239,615,300
Deposits.....	178,132,578	166,403,801	164,123,015	161,813,939	32,703,800

BANK OF LATVIA.

(000's omitted.)

Assets.	Feb. 7, 1923.	Jan. 31, 1923.	Jan. 23, 1923.	Jan. 17, 1923.	Jan. 10, 1923.
Total cash.....	6,459	7,931	7,931	7,931	7,931
Gold coin and bullion.....	13,320	13,320	13,320	13,320	13,320
Foreign bills.....	34,222	32,389	31,826	31,685	32,041
Discounts and loans.....	11,146	10,746	11,288	10,783	10,342
Other assets.....	1,443	1,583	1,706	1,277	1,277
LIABILITIES.					
Notes in circulation.....	15,000	15,000	14,000	13,120	11,440
Capital paid up.....	5,000	8,000	8,000	8,000	8,000
Government deposits.....	21,008	21,835	23,499	23,530	22,678
Other deposits.....	17,279	16,453	14,673	14,675	14,274
Other liabilities.....	5,303	4,591	5,131	4,551	6,611

NATIONAL BANK OF BULGARIA.

(000's omitted.)

	Dec. 14, 1922.	Nov. 22, 1922.	June 30, 1922.	May 31, 1922.	April 30, 1922.	Mar. 31, 1922.
Gold and silver	Levs. 58,200	Levs. 58,216	Levs. 57,727	Levs. 57,701	Levs. 58,031	Levs. 58,133
Foreign bank notes	1,330	1,342	1,342	1,342	1,342	1,342
Foreign bills	2,142	2,083	2,142	2,142	2,142	2,142
Balances abroad	896,195	911,148	896,195	896,195	896,195	896,195
Notes in circulation	3,958,946	3,957,225	3,800,620	3,758,717	3,727,974	3,734,308
Advances to the State	3,771,320	3,787,830				

CONTINENTAL RATES OF EXCHANGE ON GERMANY.

	Par Level.	Mar. 2, 1922.	Feb. 15, 1923.	Feb. 22, 1923.	Mar. 1, 1923.
Amsterdam	Florins to 100 marks	59.26	1.091	0.0127	0.0112
Basle	Swiss francs to 100 marks	123.46	2.20	0.0265	0.0236
Copenhagen	Kroner to 100 marks	88.88	1.974	0.0265	0.0228
Stockholm	Kronor to 100 marks	88.88	1.59	0.0189	0.0165
Christiania	Kronor to 100 marks	88.88	2.40	0.0270	0.0236

CENTRAL AMERICAN EXCHANGE RATES.

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

Country.	Par Value.	Usance.	Year, 1923.	Rate.
Buenos Aires	Escudos to £1	10.00	Sight London	Feb. 24 18.00
Buenos Aires	Bolivares to £1	25.25	"	Feb. 28 24.95
Buenos Aires	Pesos to £1	100	"	Feb. 27 99.5
Buenos Aires	Cordobas to £1	4.8655	"	Feb. 5 4.80
Buenos Aires	Colonos to £1	8.73	"	Feb. 24 9.52
Buenos Aires	Pesos to £1	90.23	"	Feb. 24 974
Buenos Aires	Colonos to £1	10.45	"	Jan. 13 21.60
Buenos Aires	Pence to Boliviano	19.20	"	Jan. 20 168

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates:—

	Union of South Africa.		Union of South Africa.	
	From Feb. 26, 1923.		From Feb. 24, 1923.	
	Buying.	Selling.	Buying.	Selling.
T.T.	2 1/2% prem.	2 1/2% dis.	2 1/2% dis.	1 1/2% dis.
30 days	2 1/2% prem.	2 1/2% dis.	2 1/2% dis.	1 1/2% dis.
60 days	2 1/2% prem.	2 1/2% dis.	2 1/2% dis.	1 1/2% dis.
90 days	2 1/2% prem.	2 1/2% dis.	2 1/2% dis.	1 1/2% dis.
120 days	2 1/2% prem.	2 1/2% dis.	2 1/2% dis.	1 1/2% dis.

* No premium allowed on amounts under £100.

(a) No discount allowed on sales of T.T.s. or demand drafts under £50.

OVERSEAS DOMINION RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

	London on Australia and New Zealand.		Australia and New Zealand on London.	
	Buying.	Selling.	Buying.	Selling.
	Aus. tra.	New Zeal'nd.	Aus. tra.	New Zeal'nd.
T.T.	10 1/2%	10 1/2%	10 1/2%	10 1/2%
30 days	9 3/4%	9 3/4%	9 3/4%	9 3/4%
60 days	9 1/2%	9 1/2%	9 1/2%	9 1/2%
90 days	9 1/4%	9 1/4%	9 1/4%	9 1/4%
120 days	9 1/2%	9 1/2%	9 1/2%	9 1/2%

INDIAN TREASURY BILLS.

	March 31, 1922.	Feb. 24, 1923.
Outstanding with public	Rs. 53,96,70,000	Rs. 21,74,80,000
In paper currency reserve	Rs. 57,89,00,000	Rs. 49,65,00,000
Total	Rs. 111,85,70,000	Rs. 71,39,80,000

BULLION.

IMPORTS AND EXPORTS OF GOLD.

Gold Imported into the United Kingdom.		Gold Exported from the United Kingdom.	
Countries from which Consigned.	Week Ended Feb. 28, 1923.	Countries to which Exported.	Week Ended Feb. 28, 1923.
U.S.A.	£ 9,169	Norway	£ 145
		Netherlands	17,650
		U.S.A.	176,600
		Egypt	2,000
		British India	428,911
Total value of imports of gold	9,169	Total declared value of exports registered in the week	625,306

Messrs Samuel Montagu and Co. write on February 28th as follows:—

GOLD.

A fair amount of gold came into the market and was acquired mainly on Indian account. The importation of gold into the United States of America continues to be on a very substantial scale. The January figures (larger than those of any month in 1922 except March and July) were \$32,820,163. The exports were \$8,472,198. If the net imports were maintained at a similar rate throughout the year the United States would increase its already swollen currency gold reserves by an amount equal to about 90 per cent. of the whole world production of the metal. The Times New York correspondent cables the following details as to how the imports were composed:—"The gold came from thirty different countries. Canada sent \$18,279,316, Great Britain \$9,403,211, Egypt \$1,010,670, and France \$1,070,032. The principal items in the exports were \$6,388,029 to British India, \$1,325,000 to Switzerland, and \$479,775 to Mexico."

SILVER.

China has sent both buying and selling orders during the week, sometimes even on the same day, though buying has predominated. The Indian bazaars have nibbled almost daily, rather cautiously, for often limits were given, and China fished away the supplies. The Continent sold a fair amount, but America has not operated freely, owing probably to some China demand coming upon the San Francisco market. Competition between the two great Eastern consuming countries had the natural effect of stiffening prices, and imparted—for the time being, at any rate—a measure of confidence in the near prospects of the market. A general bulletin of the American Mining Congress states that the Governor and Legislature of Utah have petitioned Congress for legislation to assist the silver mining industry. It adds that the strengthening of the lead market is discounting the possible decline in the price of silver, which some Mexican mining interests fear will take place when the silver output of the United States is placed upon the world market on the cessation of Government purchases under the Pittman Act.

INDIAN CURRENCY RETURNS.

(In Lacs of Rupees.)

	Feb. 7, 1923.	Feb. 15, 1923.	Feb. 22, 1923.
Notes in circulation	17,277	17,277	17,356
Silver coin and bullion in India	8,518	8,517	8,596
Silver coin and bullion out of India	..	..	..
Gold coin and bullion in India	2,432	2,432	2,432
Gold coin and bullion out of India	..	..	..
Securities (Indian Government)	5,743	5,743	5,743
Securities (British Government)	584	585	585

No silver coinage was reported during the week ending 22nd inst. The stock in Shanghai on the 24th inst. consisted of about 29,900,000 ounces in sycee, 27,500,000 dollars and 110 silver bars, as compared with about 25,600,000 ounces in sycee, 27,500,000 dollars and 80 silver bars on the 21st inst. The Shanghai exchange is quoted at 3s 1d the tael. Statistics for the month of February are appended:—

	BAR SILVER.		BAR GOLD.	
	Per Ounce Standard.	Per Ounce Standard.	Per Ounce Standard.	Per Ounce Standard.
	Cash.	Two Months Delivery.	Cash.	Two Months Delivery.
Highest price	31 1/2	31 1/2	88	88
Lowest	30 1/2	30 1/2	87	87
Average	30 3/4	30 3/4	87 1/2	87 1/2

GOLD AND SILVER PRICES.

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

1923.	Gold.		Silver.		Date.	Silver.	
	Per Ounce.	Cash, Per Ounce.	Forward, Per Ounce.	Per Ounce.		Cash, Per Ounce.	Per Ounce.
Feb. 24 ..	87 6	31 1/2	30 1/2	37 1/2	Mar. 9, 1917	87 1/2	37 1/2
26 ..	87 9	31 1/2	31 1/2	42 1/2	8, 1918	87 1/2	42 1/2
27 ..	88 1	31 1/2	31 1/2	47 1/2	8, 1919	87 1/2	47 1/2
28 ..	88 0	31 1/2	31 1/2	77 1/2	5, 1920	87 1/2	77 1/2
March 1 ..	87 9	31 1/2	31 1/2	31 1/2	4, 1921	87 1/2	31 1/2
2 ..	87 9	31 1/2	31 1/2	32 1/2	3, 1922	87 1/2	32 1/2

NOTICES.

With reference to the recent appointment of Messrs H. Judson and R. B. Edwards as acting joint managers of the London office of the National Bank of South Africa, Limited, it is now announced that the confirmation of these gentlemen as joint managers has been approved, with effect from March 1st.

Lloyds Bank, Limited, announce that a branch of the bank is now open at 1 Bell Vue place, High street, Uckfield, under the management of Mr Campbell Harris, of the Lewes branch. The sub-branch at Rowlands Gill is now open daily (except Saturdays).

Barclays Bank, Limited, announce that they have converted their office at Skewen, Glam., into a full branch, under the management of Mr E. M. Morgan; also that they have opened a new sub-branch at Post Office terrace, Pontrhydyfen, near Port Talbot.

The Standard Bank of South Africa, Limited, announce that, as from March 1st, the address of their New York agency will be 67 Wall street.

A branch of the Commercial Bank of Australia, Limited, has been opened at Ipswich (Queensland).

The London Joint City and Midland Bank, Limited, announce the opening of a new branch at 55 and 57 Mount Pleasant, Tunbridge Wells, under the management of Mr Thos. H. Skeddall.

The death is announced in New York, on Saturday, February 24th, from pneumonia after a short illness, of Mr Frederick B. Francis, senior New York agent of the Canadian Bank of Commerce.

RAILWAY AND TRAMWAY TRAFFIC RETURNS.

RAILWAYS OF THE UNITED KINGDOM.

Miles Open.	Week Ended Feb. 25, 1923.				Aggregate 8 Weeks 1923.			
	Passen- gers, &c.	Goods, &c.	Total for Week.	£	Passen- gers, &c.	Goods, &c.	Total Receipts.	£
Great Western	1,665	216,000	373,000	589,000	1,684,000	2,843,000	4,527,000	7,211,000
London & North-Eastern	340,000	783,000	1,123,000	2,762,000	5,976,000	8,738,000	14,714,000	23,454,000
Do same period 1922	6,667	388,000	843,000	1,231,000	3,072,000	5,963,000	9,035,000	14,995,000
London, Mid., & Scottish	6,962	508,000	978,000	1,486,000	4,074,000	7,469,000	11,543,000	18,612,000
Southern	2,105	248,100	128,400	376,500	2,056,200	973,800	3,030,000	4,829,000
Midland & S.W. Junc.	63	979	1,576	2,355	8,221	9,448	17,669	27,114
Metropolitan (c)	79	31,223	4,076	35,292	252,240	27,408	279,648	431,832
Underground E.R. (c) ..	..	..	..	17,412	..	..	16,652	26,064
Lon. & Sub. Group (c) ..	..	..	..	35,402	..	..	35,402	54,472
Belfast & Co. Down (b) ..	80	3,935	1,312	5,247	31,695	9,537	41,232	62,829
Dublin and S. East. (b) ..	160	4,022	3,235	7,317	39,126	26,321	65,447	97,573
Do same period 1922	160	4,453	4,445	8,898	40,140	26,635	66,775	100,405
Midland Gt. West. (b) ..	538	8,142	11,389	19,531	65,695	100,577	166,272	251,867
Do same period 1922	538	13,765	14,339	28,104	95,249	107,333	202,582	309,922

(b) Week ended February 23, 1923. (c) Week ended February 24, 1923.

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.	Total Gross Receipts.
				1922-23. + or -	1922-23. + or -
Assam Bengal	41 weeks	Jan. 13	1,043	2,514,339 + 10,380	1,007,599 + 30,287
Barsi Lt. Ry.	44 weeks	Feb. 3	118	44,400 + 15,400	14,834,400 + 3,660,200
Bengal & N. Western	17 weeks	Jan. 27	67	6,829,910 + 38,897	99,280,500 + 9,460,000
Bombay Nagpur	43 weeks	Feb. 27	272	16,750,000 + 52,000	6,070,565 + 62,438
Bombay Bar. & C.L.	20 weeks	Feb. 17	2,394	28,980,000 + 7,460,000	4,552,260 + 64,920
Burma	43 weeks	Jan. 27	1,342	8,252,023 + 1,625,504	2,885,372 + 39,139
Delhi Umbaila Kalka	20 weeks	Feb. 17	33	94,000 + 69,353	20,747,715 + 2,915,778
East Indian	21 weeks	Feb. 24	2,856	30,610,000 + 220,600	6,434,640 + 97,000
G. Indian Peninsula	46 weeks	Feb. 17	3,121	35,620,200 + 7,317,700	12,822,017 + 94,770
Madras & S. Mahr.	44 weeks	Jan. 27	259	57,883 + 8,972	6,287,745 + 30,383
Robil'd & Kumbon	17 weeks	Jan. 27	259	78,301 + 10,677	10,611,143 + 6,677
Do Lucknow-Breilly	17 weeks	Jan. 27	259	78,301 + 10,677	10,611,143 + 6,677
South Indian	44 weeks	Feb. 3	1,859	8,252,023 + 1,625,504	2,885,372 + 39,139
Stn. Punjab (month)	1 mth	Oct. 31	717	7,30,311 + 1,02,955	7,30,311 + 1,02,955

ARGENTINE (a).

	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.	Total Gross Receipts.
				1922-23. + or -	1922-23. + or -
Argentine N.E.	34 weeks	Feb. 24	752	11,900 + 4,700	344,600 + 23,000
Argentine Trans.	34 weeks	Feb. 24	111	4,340 + 1,340	102,830 + 33,415
B. A. and Pacific	34 weeks	Feb. 24	3,428	220,000 + 40,000	5,180,000 + 770,000
B. A. Gt. Southern	34 weeks	Feb. 24	3,947	235,000 + 40,000	6,087,000 + 764,000
B. Western	34 weeks	Feb. 24	1,882	101,000 + 8,000	2,962,000 + 356,000
Central Argentine	34 weeks	Feb. 24	3,305	235,000 + 39,000	6,702,000 + 725,000
Cordoba Central	34 weeks	Feb. 24	1,205	58,000 + 7,000	1,986,700 + 246,300
Entre Rios	34 weeks	Feb. 24	729	28,100 + 3,100	668,100 + 79,000

BRAZILIAN (b).

	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.	Total Gross Receipts.
				1922-23. + or -	1922-23. + or -
Brazil Gt. Southern	1 mth	Jan. 31	52	Ms 85,750 + 42,000	85,750 + 42,000
Gt. West. of Brazil	8 weeks	Feb. 24	1,005	13,100 + 2,900	106,000 + 12,800
Leopoldina	8 weeks	Feb. 24	1,831	23,157 + 6,340	200,935 + 26,774
San Paulo	8 weeks	Feb. 24	1,534	29,914 + 4,222	242,796 + 34,876
State of Bahia, S.W.	9 mths	Jan. 31	52	Ms 250,000 + 163,000	1,259,000 + 658,000

CHILE AND PERU.

	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.	Total Gross Receipts.
				1922-23. + or -	1922-23. + or -
Antofagasta	8 weeks	Feb. 25	838	34,950 + 15,240	1,274,860 + 137,780
Nitrato (4-monthly)	7 weeks	Feb. 15	366	41,608 + 28,866	113,220 + 76,552
Peruvian Corp.	7 mths	Jan. 31	1,056	1,032,400 + 333,470	8,922,045 + 15,545
Taiti	7 mths	Jan. 31	172	(b) 24,090 + 15,907	118,059 + 52,297

CUBAN.

	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.	Total Gross Receipts.
				1922-23. + or -	1922-23. + or -
Havana Central	34 weeks	Feb. 24	1,210	14,699 + 1,557	367,121 + 410
United of Havana	34 weeks	Feb. 24	1,210	134,160 + 11,483	2,081,943 + 44,410

URUGUAYAN.

	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.	Total Gross Receipts.
				1922-23. + or -	1922-23. + or -
Central Uruguay	34 weeks	Feb. 24	273	27,007 + 3,517	870,304 + 15,015

**EVERY DESCRIPTION OF BRITISH AND FOREIGN BANKING
BUSINESS TRANSACTED.**

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Diven- ture Interest.	Amount Avail- able for Dis- tribution.	Appropriation.					Corresponding Period Last Year.	
					Dividend.			Carried to Reserve, Deprecia- tion, &c.	Balance Forward	Net Profit.	Divi- dend.
					Prefce.	Ordinary.	Rate.				
Banks.											
British Linen	Jan. 15	£ 51,104	£ 294,340	£ 348,444	£ ..	£ 147,767	16	£ 150,000	£ 50,677	£ 285,646	16
Breweries.											
John Lovibond and Sons	Sep. 30	21,203	4,734	25,937	2,117	2,756	7½	..	21,064	7,822	10
Plymouth	Dec. 31	1,005	13,140	14,145	5,400	2,655	10	5,267	823	7,822	10
Electric Lighting and Power.											
Charing Cross City Undertaking	Dec. 31	17,700	136,218	153,918	18,000	..	..	125,000	10,918	63,389	..
West End, &c. West End	Dec. 31	23,194	128,319	151,513	18,000	56,000	14½	59,500	18,013	82,587	9
Electrical Distribution of York- shire	Dec. 31	2,724	14,419	17,143	..	8,819	7½	4,258	4,066	8,086	6½
Metropolitan Electric	Dec. 31	3,609	225,276	228,885	17,127	85,000	8½	120,000	6,758	181,114	7
Tyneside Electrical	Jan. 31	574	3,850	4,424	3,000	300	6	500	624	3,291	nil
Financial, Land, &c.											
Abyssinian Corporation	June 30	Dr 460,313	Dr 24,464	Dr 435,849	..	..	5	..	Dr 435,849	..	6
Assets Co.	Dec. 30	74	1,852	1,926	..	1,844	5	..	82	1,931	6
Nat. Mort. & Agency of N. Zealand	Sept. 30	8,738	21,643	30,381	..	25,000	10½	..	5,381	Dr 9,606	10½
River Plate Trust, &c.	Dec. 31	160,354	266,750	427,104	75,000	156,000	20A 7B	20,000	176,104	263,479	20A 7B
Gas											
Brighton and Hove	Dec. 31	21,249	63,820	85,069	6,400	45,452	11½	..	32,217	51,009	11
Dover Gas	Dec. 31	3,730	6,089	9,819	..	4,530	6½	646	4,643	3,449	8
Harrow and Stanmore	Dec. 31	8,936	9,297	18,233	430	7,195	6½	..	10,608	8,013	5
Wolverhampton	Dec. 31	37,195	24,797	61,992	1,482	5,249	5 3	12,048	43,213	Dr 11,816	3
Hotels, Restaurants, &c.											
Hawthorn's Hotel (Bournemouth)	Dec. 31	4,170	7,990	12,160	620	2,360	10	4,750	4,430	7,773	10
Prince of Wales (Southport)	Dec. 31	4,743	15,734	20,477	..	5,900	10	2,870	11,707	13,633	10
Iron, Coal, and Steel.											
Davis and Timmins	Dec. 31	41,712	12,861	54,573	3,600	11,750	25½	8,541	30,682	Dr 12,849	8
Henry Bessemer and Co.	Dec. 31	1,846	Dr 19,950	Dr 9,104	..	..	..	..	Dr 9,104	Dr 19,086	5
Rubber.											
Gedong (Perak)	Oct. 31	2,159	2,557	4,716	..	3,040	5	500	1,176	Dr 1,812	..
Pantaja Tea and Rubber	Dec. 31	717	5,549	6,266	..	4,500	15	500	1,266	Dr 1,36	..
Vald'Or	Oct. 31	10,988	1,270	12,258	..	..	..	..	12,258	Dr 3½	..
Shops and Stores.											
Dickins and Jones	Jan. 31	50,332	59,482	109,814	12,500	24,500	7	20,000	52,814	39,773	7
Harrods	Jan. 31	10,985	479,750	490,735	300,000	153,200	8	..	37,535	196,672	5
Isaac Walton and Co.	Jan. 31	12,292	18,301	30,593	8,400	10,000	10	..	12,193	..	..
Liberty and Co.	Jan. 31	16,714	44,482	61,196	6,000	20,000	20½	18,000	17,196	30,105	20½
Textiles.											
Courtaulds	Dec. 31	418,467	3,018,432	3,436,899	..	1,800,000	15½	1,000,000	636,899	1,684,593	11½
Trusts.											
City Property Investment	Jan. 31	5,546	9,876	15,422	4,816	3,674	20	..	6,932	8,158	15
General Investors and Trustees	Jan. 31	11,154	39,488	50,642	9,956	15,575	7	14,000	11,111	37,524	7
International Investment	Jan. 31	10,980	44,086	55,066	202,250	17,585	6	4,636	12,589	41,563	6
South African Gold Trust	Dec. 31	4,128	62,275	66,403	22,125	25,195	6½	..	19,083	3,264	5½
United States Debenture Corp.	Jan. 31	22,706	59,916	82,622	18,625	37,500	12½	1,000	25,497	59,302	12½
Waterworks.											
Bristol	Dec. 31	6,280	89,507	95,787	..	69,098	8 5½ 4½	..	26,689	61,360	6 5½ 4½
Working Water and Gas	Dec. 31	2,874	4,983	7,857	..	3,575	4½	..	4,282	4,044	4½
Other Companies.											
Aplin and Barrett	Dec. 31	63,625	53,829	117,454	4,500	26,875	37½	25,000	61,073	35,840	30
British Metal Corporation	Dec. 31	11,979	178,110	190,089	..	76,080	8	100,000	14,009	..	..
Buttons	Dec. 31	13,849	59,973	73,822	6,333	35,210	20½	11,210	21,069	44,627	20½
Cook, Son, and Co. (St Paul's)	Dec. 31	Dr 275,327	316,166	40,839	56,875	93,462	7Ord. 100 Def.	Dr 224,673	100,684	Dr 400,232	..
Henry Street Warehouse	Jan. 31	Dr 232	4,462	4,230	..	1,687	5	..	2,543	Dr 2,177	..
International Cold Storage	Dec. 31	11,211	8,261	19,472	3,530	4,435	10	..	11,507	70,086	5½
Moss' Empires	Dec. 31	48,387	Dr 9,969	39,318	17,638	..	..	3,483	18,197	64,304	10
St Ivel	Dec. 31	12,705	8,398	21,103	6,000	5,000	50½	1,300	9,103	7,870	50½
United Turkey Red	Dec. 31	11,531	Dr 56,184	Dr 44,653	9,384	..	..	..	Dr 54,937	Dr 199,700	..
Waste Heat and Gas	Jan. 31	13,022	20,196	33,218	..	19,200	6	..	14,018	35,620	6
Woolcombers	Dec. 31	16,399	276,604	293,003	14,963	22,500	11½	225,000	30,540	51,897	11½

* Half-year.

† Tax free.

supplies. Suitable milling grades rule at 9s 3d to 10s, and inferior descriptions 8s 6d to 8s 9d per 504 lbs free on rail. Imported grades moved off slowly, and values were the turn in buyers' favour. No. 1 Northern Manitoba quoted 49s, No. 2 mixed Durum 40s 9d, and Rosafé 63 lbs 4s, all ex ship to arrive, with Australian 53s ex store, all per 406 lbs. A quiet tone also characterised the floating and forward cargo section, but sellers showed no undue anxiety to press, consequently prices were fairly steady. Steamers of Australian afloat sold 47s 9d, loading at 49s, No. 1 Northern Manitoba shortly due 40s 6d, and Barusso 62½ lbs on passage at 45s per 480 lbs, the latter to Germany. Crop prospects in the United States have improved on liberal rains in the winter belt, while advices from other exporting countries continue satisfactory. Floating supplies are on a liberal scale, and imports into this country quite equal for requirements. Flour in slow request at about late rates. London standard straight run quoted 41s, patents 43s to 44s, town households 39s per sack delivered in Metropolitan area. All English country straights 31s 6d to 33s 6d per sack delivered at London stations. Imported quiet, and tendency weak. Manitoba export patents range from 37s 6d to 41s, Minneapolis good patents 40s 6d, Pacific 37s 6d, and Australian 37s 6d to 39s, all per 280 lbs ex store. Maize ruled easier on

selling pressure and absence of inquiry. La Plata 35s 9d ex ship to arrive and 37s 3d landed, American mixed ex ship 35s and 36s 3d landed. On c.i.f. terms business remains largely in abeyance, and values ruled in buyers' favour, especially with regard to distant loadings. A steamer of La Plata May-June shipment sold at 35s per 480 lbs. Barley remains dull and weak. English malting of best quality met with fair attention, but other grades more or less neglected. Prices range from 6s 9d to 12s 6d per 112 lbs free on rail as to sample. Of imported, Californian quoted 42s 6d to 45s 6d ex ship, Australian Chevalier 47s to 53s landed, both per 448 lbs. Danubian 30s to 31s, River Plate 29s, both landed, Persian ex ship 24s 9d, ditto landed 26s, all per 400 lbs. On c.i.f. terms a steamer cargo of Dan-Bess-Kustendji f.a.q. on passage sold at about 28s 9d to the Continent per 400 lbs. Oats quiet, but generally steady. English ranges from 8s to 9s 6d per 112 lbs free on rail according to quality. Of imported, Plate f.a.q. 24s, No. 2 white clipped American 24s 9d, No. 2 Canada Western 28s 9d, No. 3 ditto 27s, and No. 2 Canadian feed 25s 9d, all landed per 320 lbs. Oatmeal in fair request at steady rates. London made all cuts quoted 17s 6d, flaked 20s 6d, ordinary Scottish oatmeal 18s 6d to 19s, and American all cuts 17s 6d to 17s 9d per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1922-23, contrasted with 1921-22, 1920-21, and 1919-20—

	1922-1923.	1921-1922.	1920-1921.	1919-1920.
Estimated sales of home-grown wheat—				
1 week to February 24	Cwts. 334,869	Cwts. 691,756	Cwts. 176,849	Cwts. 334,628
24 weeks to February 24	11,297,759	10,840,790	8,343,295	8,074,263
Average price of English wheat per				
quarter	s d 40 0	s d 49 11	s d 74 7	s d 72 6
= per cwt	9 4	11 7	17 5	16 11

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1919 to 1922—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1923.						
Feb. 17.	Cwts. 367,232	Cwts. 179,362	Cwts. 75,376	s d 9 5	s d 9 0	s d 9 13
Feb. 24.	334,869	174,963	64,123	9 4	8 11	9 10
1919.	375,883	188,311	62,322	16 11	17 6	17 5
1920.	384,626	140,771	56,132	16 11	17 5	21 4
1921.	176,850	222,779	50,474	17 5	14 8	12 8
1922.	691,757	195,832	106,230	11 7	11 9	10 7

IRON, STEEL, AND COAL.

Our Middlesbrough correspondent's report, dated March 1st, is as follows:—Pig-iron: Makers are quite sold out for prompt iron, and largely until the end of April, and prices are 117s 6d to 120s per ton for Cleveland No. 3 G.M.B., and 115s to 120s for East Coast hematite. Efforts are being made to increase the output of pig-iron, but the extreme scarcity of furnace coke is a hindrance. Manufactured iron and steel: Steel prices have been raised by 10s per ton this week, and steel billets by 20s. There is an active demand, but costs have risen. Steel ship plates, £10; steel ship angles, £9 10s; iron bars, £12; steel rails, £9 10s; Iron ore: The demand is quiet again, but prices are steady. Best Bilbao Rubio 24s 9d to 25s 6d per ton.

Our Sheffield correspondent writes:—The scarcity of pig-iron and crude mild steel continue to dominate the trade situation, and those features become more pronounced as Continental supplies fall off. Steel makers are taking advantage of the position to enforce remunerative prices. Basic hard billets are 20s higher on the week, and wire rods have gone up 2s, while an additional 20s is being quoted for rolled steel. Hematite iron is scarcely procurable, and extravagant figures are asked for odd lots. The amount of actual business passing, however, is comparatively small. Users are heavily booked until the end of the quarter, and there is no disposition to place orders beyond that period. In fact, the rise in the market has checked business. Moreover, the outlook for the second quarter of the year is so obscure that neither producers nor buyers care to speculate upon it. Hence both are "waiting to see." The booking of orders for railway steel is increasing steadily, the low prices now being quoted having stimulated the placing of contracts for private wagons. The amount of overseas business is not large. The open-hearth steel plants in this district are working within about 10 per cent. of their capacity. Business is brisk in steel strip, wire rods, wire rope, and various kinds of manufactured steel. Little, if any, improvement can be reported in fine steel, and many kinds of steel tools, including files, the revival in December and January not having been maintained. Taken on the whole, some amount of progress is in operation, but the pace is scarcely perceptible. The scarcity of coke continues to check the production of iron, and fabulous prices are being offered by Continental users for this fuel. Extensive ranges of coke-ovens were allowed to go derelict during the slump, and cannot be quickly renewed. The home price is from 25s to 27s at ovens. There is a good demand for steam and railway coal.

Our Glasgow correspondent writes:—Demand for Scotch pig-iron remains strong, with the drawback that supplies of all qualities are exceedingly scarce, wholly inadequate to requirements, with no prospect of an early increase of supplies. For ironmasters are not prepared to expand on their outputs, which are controlled by the costs of raw materials—ores, coals, and furnace coke. On Wednesday Scotch hematite was marked up 7s 6d a ton, at £5 17s 6d a ton (Glasgow stations), and No. 1 foundry was called £6, a rise of 7s 6d a ton, No. 3 £5 15s, also an advance of 7s 6d a ton, both f.o.t. on makers' trucks at works. Business is described as active in the black and corrugated sheet branches on account somewhat of the wants of the Far Eastern and Australian colonies. Sheets ½ inch to ¾ inch are commanding £11 10s a ton and corrugated 24 gauge (f.o.b., Glasgow), £19 10s, 10s more than last week. Ship plates are a little variable, and while consumers are standing out against advances, makers are striving after a 2s 6d rise, which would fix £10 for ship plates, £13 for boiler plates, and £10 for angles. The steel tube trade has done a good stroke of business in Messrs Stewart and Lloyds having secured an order

for 37 miles of piping intended for the conveyance of oil from Meme to the Venezuelan Coast. Relative work has yet to be allotted (here it is expected) for controlling and pumping machinery, tanks, &c. It is a notable feature at the moment (say authorities) that the greater part of the work coming out emanates from foreign markets—Mexican, South American, and Pacific regions—which for long years (before the war) favoured the British market for steel, iron, and engineering manufactured materials.

Our Cardiff correspondent writes:—The price of practically every description of coal on the Cardiff market have advanced this week. The demand has been very active and pressing, but South Wales has not been able to meet it. The collieries have for weeks past been producing apparently to the limit of their trading capacity. Quite possibly they could add a little more to their outputs if the shipment capacity of the docks at Cardiff and Newport were greater, but the wagons and the sidings are their only storage accommodation, and when this resource is exhausted the collieries can only produce what the docks can take. Shipments this week have been very heavy, except on one day, when a heavy gale impeded the movements of shipping in dock, and buyers have had to be satisfied with such odd parcels for prompt shipment as they have been able to pick up. In these circumstances, it is not surprising that Germany and Italy have again gone to the United States for coal. The margin between the c.i.f. prices of British and American coals has now been reduced to a very small figure. With best steam large ruling up to 32s 6d and best steam smalls up to 24s, and the rate of freight to Hamburg and Rotterdam at 8s, and hardening at that figure, and with American coals at about 7 dollars f.o.b. Hampton Roads, and a freight to the Continent of 2.75 dollars, the difference is still a few shillings in favour of South Wales coals, but despatch is better in the United States. This competition from the United States has not been entirely unwelcome. South Wales colliery companies have had too bitter an experience of the reactionary effects of high prices on trade volume, and the American exports are likely to have a steady effect on South Wales and other British coal export prices. Moreover, the South Wales collieries are solicitous of the welfare of the local iron and steel industries. They recognise that any big rise in the price of coal will check the improvement in those industries, and at a meeting of the Coke Ovens Association this week it was decided to recommend the makers to continue delivery of the customary quantities of coke at reasonable prices. The export price of coke at Cardiff this week is about 80s, f.o.b., but the blast-furnaces in South Wales are being quoted 32s 6d and 35s at ovens, and engineering works 40s to 45s at ovens for foundry coke. The pitwood position has improved. The supplies are not so heavy as they were in January, and prices have advanced to 30s for spot supplies, and to 31s 6d for next week's deliveries. The anthracite coal market remains very dull, and the prices of coals and nuts have been marked down by from 5s to 7s 6d per ton. The following are the

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current approximate quotations:—Best Admiralties, 32s to 32s 6d; second Admiralties, 30s to 32s; best drys, 28s 6d to 30s; black veins, 31s to 32s 6d; Western Valleys, 30s to 31s; Eastern Valleys, 30s to 31s; best bunker smalls, 24s to 26s; ordinary cargo smalls, 20s to 23s 6d; anthracite big veins, 35s to 40s; anthracite machine-made cobbles, 40s to 45s; French nuts, 40s to 45s; stove nuts, 40s to 45s; rubbly culm, 14s to 14s 6d; coke for export, 8s; inland blast-furnace coke at ovens, 32s 6d to 35s; patent fuel, 37s 6d; pitwood, ex ship, 29s 6d to 31s 6d. Apprehensions of an early rise in the price of tinplates, due to dearer tin and coal, have stimulated the placing of orders, and business this week has been done up to 22s per basis box I.C., f.o.b., or 1s per box above the minimum, while for the near future 23s is regarded as possible. Both the home and export demand is active, and in the week ending February 23rd the exports of iron and steel goods was greater than in any other week this year.

CUMBERLAND IRON.

(BY OUR WORKINGTON CORRESPONDENT.)

It was not contemplated that while the French adventure in the Ruhr would increase the demand for Cumberland hematite pig-iron, it would also curtail the means of satisfying it; but that is what has happened, and smelters are thus unable to take full advantage of the opportunities presented to them. A furnace was damped down at Workington last week, and it is not certain that production may not further have to be reduced. As a result the steel-works at Workington, which were restarted only a week ago, are laid idle again, and it is extremely improbable that there will be any resumption of operations as long as iron smelting is in any degree a more remunerative proposition than steel-making. The scarcity of coke, which is at the root of smelters' difficulties, is chiefly that of East Coast coke. Practically the whole of the make of West Cumberland coke is reserved for the furnaces between Workington and Carnforth; what is being reported is a very negligible quantity indeed. But the supplies of East Coast coke are substantially diminished, and will remain so, of course, as long as Germany and France can afford to take them. The position of smelters, it is scarcely necessary to say, is one of great difficulty, and with more business at command than they can deal with, they are naturally averse from selling forward. Such trade as is now being done is principally of a hand-to-mouth character. Old customers alone are securing other than the accommodation that it is usual to give in perplexing circumstances. Germany and France, and also Italy, are all buying ordinary iron; there are some American needs to cope with, and home requirements are strong, South Wales having considerable orders to place. Bessemer mixed numbers are quoted at £6 per ton delivered at Glasgow and Sheffield, £6 5s per ton delivered at South Wales and Birmingham, and £6 2s 6d per ton for export. The make of low phosphorus iron is likewise insufficient to satisfy the demand by Midland users, and prices, which vary according to analysis, are proportionately higher. Ferro-manganese is a sharper trade at £15 10s per ton, f.o.b., American having begun to take larger supplies, and spiegel commands £7 per ton. The steel trade merits little comment, business being on a very restricted scale. Native hematite iron ore, the output of which is rising, is in keen local demand, and the East Coast is bidding for low phosphoric ores. Special ore is quoted at 25s to 27s per ton, and ordinary sorts at 21s 6d to 24s per ton. The coal trade is booming. Irish and local wares are heavy, and best round coal stands at 27s 6d per ton, f.o.b., for shipment, and at 38s 2d per ton at pit for local consumption. Best steam is 30s per ton delivered, and washed steam 29s per ton delivered. Gas-producing coal is 29s per ton. All the small coal is going to the by-product ovens, and Irish coking coal is having to be imported to keep the coking plants working at top pressure. Coke to the local iron smelters is 22s 6d per ton. From 37s 6d to 40s per ton can be obtained easily from Continental users. By-products are a healthy market. The tar is all going to the chemical works. Creosote and pitch are being exported. Chemical products are mostly in sharp demand, but naphtha is on the slow side.

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—All sections of the wool textile industry are experiencing a very quiet time, and the immediate outlook does not hold out much promise of any great improvement. The French occupation of the Ruhr seems to have brought business almost to a standstill, and firms engaged in the export trade are at a loss to know what to do. The German market for raw wool and semi-manufactures is almost pivotal in international trade, so that anything that upsets business in that direction is bound to react unfavourably upon the entire industry. Lack of confidence is resulting in users in this country following an extreme hand-to-mouth policy, and it looks as if this state will continue till such time as the political situation becomes less involved. An outstanding feature of the trade, however, is the comparative strength of the raw material markets. Wool in the Colonies has eased somewhat during the last few weeks, but it is still impossible to buy good combing wool to bring in tops at a price that users will pay. This is strikingly shown in the quotations from Sydney, where topmaking 64's is costing about 50d, or something like 5s 1d in the top. But in Bradford to-day one could buy very heavy weights of average 64's at about 4s 10d, while for a good warp top 2d more would find plenty of sellers. Taken all round, merinos and finer crossbreds have dropped about 1d since last Thursday, but there is not much change in medium and low crossbreds. Spinners complain of the absence of new business, and this, combined with the fact that many firms cannot get particulars

for orders already on their books, results in very erratic quotations. There is not much change in the piece-goods trade, but in all sections the position favours the buyer.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

The wool trade is moving somewhat heavily, the distributive and consumptive centres being out of joint. The Bradford trade appears to have struck a quiet period, and many are wondering whether to accept the lower prices that are being offered for tops and thus cut their losses, or to hold on in the hope of doing better at a later period. There is no little discomfiture among manufacturers, for conditions among them have apparently not been more unsatisfactory since the slump three years ago than is the case to-day. It is quite true that prices for 64's tops have come down 4d to 6d per lb, and crossbreds a full 1d to 2d during the recent decline, but wherever the raw material is offered for sale buyers are keen, all sections still being prepared to operate. This is an anomaly which no one seems able to explain. The Hull sale last Friday was a great surprise, for Bradford buyers went to that centre expecting an all-round decline of 15 per cent., but the fall was no more than 5 to 7½ per cent., this being seen in exceptional cases, and chiefly affected greasy medium crossbreds and slipes. France and Belgium took the greater part of the offerings. Last Thursday another sale was held at Liverpool, 40,000 bales being brought forward, and here again the offerings sold exceedingly well, which goes to show that, in spite of the dissatisfaction generally revealed, there is really great confidence in the future. The political disturbance and semi-military movements on the Continent are the chief cause of the arrested consumption, particularly in Germany, and account very largely for such weakening of confidence as has been brought about. Another adverse development, which really arises out of French and Belgian policy in regard to Germany, is that the Governments of the two former countries have imposed a 10 per cent. duty on all goods sent into the occupied area. The first intimation of this step came as a great surprise to exporters in this country, for they only heard of it after having consigned goods which they expected to go through in the ordinary way, but which their clients were not prepared to take up under the new conditions. The occupation of the Ruhr by the French is also preventing the free movement of wool into important manufacturing areas, and has resulted in many mills being closed for want of coal and other supplies. The result of all this is that serious injury is being done to an important section of the trade of this country. The institution of a Parliamentary inquiry is needed to thrash out the whole problem, and, if possible, place the trade on a more generally sound footing than exists to-day.

Next Tuesday another series of London sales will commence, the quantity available being over 200,000 bales. This seems to be more than the trade can absorb at the present time, and the last week of the auctions could easily be knocked off without anyone being any the worse. The position will need to be very carefully handled by the Wool Importers' Committee and the British Australian Wool Realisation Association, otherwise serious injury will be done to the entire trade. Though wool is arriving in consuming centres in large quantities, the rate of machinery absorption has become smaller, and the financial resources of many firms are strained to the utmost. We hardly expect America to be such a keen buyer at the coming sales as at the last series, though France may easily be an extensive operator. No great keenness is likely to be shown by the home trade, hence the wisest course will be to offer wool judiciously. Just when manufacturers were beginning to see a better prospect, and wholesale fabric buyers were on the point of purchasing more liberally, wool values declined, and this has naturally created a more cautious attitude. A further fall in the raw material would make matters worse, but if a wise course is pursued the present ease may be expected to be only temporary. If the present quiet period can be safely got over, and general conditions as affecting British and Continental trading relationships can be improved, all the wool which comes forward will be readily absorbed at satisfactory prices.

THE COTTON TRADE.

MANCHESTER, March 1.

The conditions prevailing in the market during the past week have not shown much change. A fair amount of inquiry has been dealt with, but buyers have not been in the mood to place orders with any freedom. A few more contracts have been put through in piece goods for China, certain well-known styles being purchased. Operations for India have been irregular. Light

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bleaching cloths, printing materials, and fancies have attracted a fair amount of attention, but only odd lots have been sold in grey staples. The Near Eastern outlets have given very little support. Fancies of various kinds have been in steady request for European countries, Australia, and Canada, and finishing goods have moved off rather more freely for the outlets of Central and South America. It has been a struggle, however, for most manufacturers to prevent loss of ground. There has been a slight improvement in yarn inquiry, but users of American counts have not been frightened by the proposed big stoppage of production during March, and a restricted business has been done. A moderate turnover has occurred in Egyptian spinnings. Some fair lines have again been booked in bundle yarns for India. Much satisfaction has been expressed at the decision of the Indian Government not to make any change in the import duties on cotton goods.

(I.) Comparative Statement of the Cotton Trade.

	Price, Mar. 1, 1923.	Previous Weeks in 1923.					
		Price, Feb. 22, 1923.	Price, Feb. 15, 1923.	Price, Feb. 8, 1923.	Price, Feb. 1, 1923.	Price, Jan. 25, 1923.	
Raw Cotton—Fully Mid. American . . . per lb	16.34	16.23	15.95	15.83	15.67	16.63	
— Sakellaridis Fully Good Fair Egyptian	17.40	17.50	17.50	17.65	17.65	18.25	
Yarns—32's twist	22½	22½	22½	22½	22½	22½	
— 40's twist	21½	21½	22	22½	22½	22½	
— 60's twist (Egyptian)	28	28	28	28	28	28½	
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	31	31	32	32	32	32	6
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	34	34	34	34	34	34	5
38-in. ditto, 38 yds, 18 by 16, 10 lbs	18	18	19	19	19	19	6
39-in. ditto, 37½ yds, 16 by 15, 8½ lbs	17	17	18	18	18	18	0

(II.) Compared with Previous Years.

	Price, Mar. 1, 1923.	Corresponding dates in					
		1922.	1921.	1920.	1919.	1918.	
Raw Cotton—Fully Mid. American . . . per lb	16.34	10.17	7.27	30.55	16.00	24.17	
— Sakellaridis Fully Good Fair Egyptian	17.40	17.00	13.00	85.50	27.00	29.64	
Yarns—32's twist	22½	17	17	62½	26	40½	
— 40's twist	21½	16½	16	57½	26½	40½	
— 60's twist (Egyptian)	28	27	25	142	54	48½	
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	31	27	6	37	6	99	0
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	34	27	6	34	0	9	0
38-in. ditto, 38 yds, 18 by 16, 10 lbs	18	17	21	0	52	0	0
39-in. ditto, 37½ yds, 16 by 15, 8½ lbs	17	16	18	0	45	0	0

LIVERPOOL OFFICIAL QUOTATIONS—February 23, 1923.

Description.	Com.	Med.	Good Med.	Med. Fine.	Fine.	Extra Fine.	Same Period 1921.			Same Period 1920.		
							Med.	Good Med.	Fine.	Med.	Good Med.	Fine.
Sea Island	d	d	d	d	d	d	d	d	d	d	d	d
Florida do	..	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Georgia do	..	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
American	1529	1559	1609	1634	1654	1714	805	930	1030	411	561	821
Brazilian :	Mid	M	F	Fr.	G	Fd	Fr.	Gd.	Fr.	Gd.	Fr.	Gd.
Pernambuco	..	1564	1614	1689	..	..	815	1065	..	411	711	..
Parahyba, Rio Grande, &c.	..	1564	1614	1689	..	..	815	1065	..	411	711	..
Maceio, &c.	..	1564	1614	1689	..	..	815	1065	..	411	711	..
Momoro, &c.	..	1564	1614	1689	..	..	815	1065	..	411	711	..
Ceara	..	1564	1614	1689	..	..	815	1065	..	411	711	..
Maranhão, &c.	..	1564	1614	1689	..	..	815	1065	..	411	711	..
São Paulo	..	1549	1614	1639	..	..	..	..	..	..	..	..
Egyptian :	Fr.	G	F	Fr.	Gd.	Fne	..	..	..	..	..	..
Upper	..	1520	1595	1625	1660	1710	..	1275	1575	..	800	1100
Sakellaridis	..	1550	1600	1750	1830	2040	..	..	..	..	..	..
Brown	..	1520	1620	1710	1770	1855	..	1325	1725	..	800	1250
Peruvian :	MF	Fr.	G	F	Gd	Fne	..	..	..	..	..	..
Rough	..	..	1750	1875	1950	..	..	1300	..	..	1450	..
Moderately Rough	..	..	1600	1700	1750	..	..	1050	1250	..	750	1200
Smooth	..	1614	1714	1789	1814	1864	990	1165	1315	411	786	961
Tangua	..	1614	1714	1789	1814	1914	..	..	..	..	..	..
Mitafi	..	..	1450	1525	1600	1650	..	..	..	..	..	..
West Indian, &c.	..	..	1500	1600	1675	..	..	..	..	..	..	..
Do Sea Island	..	2000	2300	2630	2700	..	2370	2300	..	2530	3100	..
African, East, &c.	1130	1230	1405	1505	1605	1705	800	1000	1200	700	900	1150
Do	..	..	1469	1539	1564	nm	..	..	..	..	..	..
Machine Ginned Surtee	G	F	Fr.	Gd.	F	Gd	Fr.	Gd.	Fr.	Gd.	Fr.	Gd.
Machine Ginned Brooch	..	..	1420	1460	1500	..	..	995	..	..	765	..
Machine Ginned Bhowanagar	970	1020	1070	1110	1150	1190	710	785	885	479	529	684
Machine Ginned Oomra, No. 1	980	1030	1080	1120	1160	1207	720	795	895	485	535	610
Machine Ginned Oomra, No. 2	..	..	1055	1095	1135	1175	..	..	..	..	..	..
Machine Ginned Khandesh	990	1030	1070	1117	1150	..	645	720	820	335	385	460
Machine Ginned Comptah	1165	..	1225	..	..	..	865	..	..	865	..	..
Machine Ginned Bengal	795	835	875	915	955	995	600	650	750	360	410	485
Machine Ginned Seinde	785	825	865	905	945	985	590	640	740	348	398	473
Tinnivelly	..	1395	1435	1475	..	..	995	1045	..	740	765	..
Madras, Western	1100	1140	1180	1220	..	..	790	840	..	665	690	..
Madras, Northern	..	..	1105	..	..	..	..	..	..	..	..	..
M. G. Coomada, Red	Fr.	1150	..	..	..	..	825	..	..	665	..	..
China, Smyrna, &c.	..	..	..	..	..	..	..	..	..	..	..	..

HIDE, LEATHER, AND ALLIED TRADES.

(BY OUR OWN CORRESPONDENT.)

The home hide market remains fairly steady, with a firmer tone. Best ox sold from 7½d to 8½d in Bermondsey on Thursday, two classes advancing ½d, whilst one fell ½d. Seconds were a shade firmer, three classes showing an advance of ½d. Cows were steady at 6d to 6½d for the best class. Calf were erratic, but the tone

was decidedly firm. Best sold from 7½d to 1½d, most classes showing fractional advances of ¼d to ½d. Wools were sold at last week's prices, viz., 5s 6d to 12s 6d each, the hog class also making again from 6s to 15s each. Imported hides are firm, with British tanners not inclined to operate on a large scale. 13,000 S.A. dry hides arrived in Liverpool last week, and full prices are being asked by holders. Sales of frigorifics are reported on American account at \$44 to \$48, according to origin and condition. Saladeros are also firmer, and Montevideo Ferres ox have been sold at \$54, as against a January price of \$52. The Chicago market is calmed as quiet, with best packers still nominally quoted at 20 cents.

Business, although quiet, in Bermondsey seems a shade better, as many small orders have come along of late for sole leather. The demand runs still on very cheap bends, although well-known tannages are regularly wanted by bootmakers of repute. Prices are very firm, a fact which shows tanners have faith in the stability of the market. Pinned offal is scarce, and the demand so great for some weights that tanners have booked ahead in some cases. Little American sole is arriving, and this keeps the home market firm—a fact for which tanners are thankful.

There is little change in regard to upper leathers; glacé kid is quiet, and the demand seems to have now turned on the better grades. Low grades seem to have been almost sold out, and tanners hold prices all round will soon show an advance in view of the firmness in the goatskin market. Curriers are still slack, and are now refusing orders at buyers' price, so firm is the E.I. kip market.

The boot trade seems patchy, but improving. The chief demand is for ladies' shoes, and some firms in Leicester and Norwich seem to have good spring orders in hand.

VEGETABLE OILS AND OILSEEDS.

Linseed, on firm Argentine advices, has continued a steady market. On the whole, values show only slight variation. A fair business has been done on crushers' account for shipment at £18 to £18 2s 6d February-March and £17 15s to £18 for April-May to Hull, while Calcutta to London offers round £20 5s February-March. Trade has been stimulated somewhat by the improved oil demand and the need for crushers to provide against their commitments in that direction. Larger arrivals and more seed on passage is causing a reduction of the premium paid for "spot." The quantity (Plate and Indian) afloat for the U.K. has increased to 70,300 tons and to the Continent to 92,200 tons, together 162,500 tons, against 150,300 tons a week ago and 107,000 tons same week last year.

The appearance again of America as a buyer of linseed oil, this time for March shipment, led to a strong market at the close of last week, and a large business was done at advanced prices, speculators likewise being prominent. America's purchases include one lot of 800 tons in bulk per tank steamer from Hull to New York, March shipment, and further inquiries for forward positions are circulating, the high import duty apparently having ceased to be an insuperable barrier. Prices subsided somewhat from the highest, but are again very firm, and have risen sharply.

The decline in Egyptian cottonseed was further accentuated by the reports of a yield larger than previously estimated, and as low as £10 10s per ton has been accepted for Sakellaridis for March loading and £10 11s 3d for seed about due, since when the market has steadied, and sellers are asking more money. Bombay cottonseed, after declining below £9, has firmed up again to the extent of 5s and more per ton. Cotton oils have been dull, and crude Egyptian has lost 20s on the week. Some re-sale refined oil has offered, but only a moderate interest has been shown in this article.

More attention has been paid to soya beans, and large transactions are reported at £11 17s 6d for first half March and £11 12s 6d March-April to Hull and £12 8s 9d loading to Hamburg. Quite a good demand is reported for crude soya bean oil, values of which are about maintained.

Linseed and cotton cakes continue in disappointing demand, and prices are lower in consequence. Supplies are steadily increasing now that the mills crushing the seed are actively engaged in dealing with the large arrivals of seed.

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OVERSEAS PRODUCE MARKETS.

Mincing lane, Friday, March 2.

SUGAR.—The general tone of this market during the week ruled quieter, but prices for actual parcels were steady. Of British refined, Messrs Tate and Lyle's cubes quoted 65s to 66s; crushed, 62s 6d; granulated, fine and coarse, 60s 10d; No. 1, 60s 7d; No. 2, also London make, 60s 4d; caster, 61s 6d to 62s 4d; finest, 64s 1d; yellow crystals, 54s 1d; pieces, 45s to 55s 3d, as to quality. Granulated, one month, 60s 3d; April, 60s 6d; May, 61s; June, 61s 3d; July-August, 61s 6d. Crystallised West India, 54s to 55s, according to sample. American granulated, spot, 58s 6d; ditto, February-March shipment, 31s 6d to 32s, c.f. and i., London. White Java, spot, sold, 56s for medium qualities; ditto, May-June, steamer, 28s to 26s 3d and 27s 9d; June-July, 26s 3d to 25s 3d and 26s 7d; July-August, 25s to 24s 3d and 25s 6d, c.f. and i., terms, London. White Mauritius, spot, changed hands at 54s 6d. Continental parcels for shipment more or less nominal in absence of definite offers. Cuban basis, 96 per cent., March, quoted 26s 9d; Brazilian basis, 80 per cent., March-April, sold, 19s, c.f. and i., U.K. Cuban stock totals 417,900 tons, against 414,500 same time last year. Terminal market active, but very unsettled and lower while influenced by heavy liquidations of the March position in New York. White May, sold, 29s 4d to 27s 9d and 29s 10d and 29s 6d; August, 29s 3d to 27s 6d, 29s 10d, and 29s 6d.

COFFEE.—A steady demand was experienced, and Costa Rica descriptions are dearer on the week, being well competed for in auction. East India quietly steady. Good to fine bold Kilimanjaro, sold, 100s to 111s 6d. Costa Rica, bold sizes, 109s 6d to 141s 6d. Future delivery market very dull.

COCOA.—A quiet but steady tone characterised this market. Spot prices remained without material alteration. Accra, F/F quality, March-May, sold, 36s, f.o.b. terms. **TEA.**—Rather over 47,000 packages Indian were catalogued in auction this week, and with competition generally active and better distributed, general firmness governed proceedings. Ceylon sales of 14,100 packages engaged good support, and prices in most cases advanced 3d to 3d per lb. Java and Sumatra sold with a steadier tone.

RICE remains in the same slow condition. Two Stars, spot, 14s to 14s 3d; March-April, 13s 3d. No. 1 garden Siam, March-April, 13s 10d, c.f. and i. Broken kinds slow, while mostly held above buyers' views. Rangoon beans, spot, 8s; Japanese peas, spot, 32s.

SPICE.—A quiet state of affairs prevailed in the pepper market. Fair black Singapore, spot, 44d; February-April, 44d; Aleppy, spot, quoted 48d; Tellicherry, 48d; white Singapore, 64d; Muntok, 63d; February-April, sold, 64d; and March-May, 68d. Zanzibar cloves, spot, done 1s 1d; January-March, 1s 1d to 1s 1d; March-May, 1s 1d to 1s 1d. Pimento, spot, 24d; flake tapioca, spot, 34d for fair Singapore; and 34d per lb for fine Java. Fair Penang seed tapioca, spot, 26s; sago flour, February-April, 13s 9d; desiccated coconut, fine cut, spot, 39s 9d; medium, 40s 3d cwt. Ginger dealer. Fair washed rough Cochon spot, sold, 67s 6d to 70s cwt.

FRUIT.—Currants steady, with moderate inquiries. Pyrgos, bags, quoted 53s; quarter-cases, 54s 6d. Sultanas steady, but trade moved quietly. Half-boxes of Valencia raisins quoted 33s to 36s cwt.

JUTE.—With demand from spinners still confined to pressing needs, the market remained in a dull state and quotations favoured buyers, but improved later. First grade, February-March, Hamburg, sold, 131 10s to 132; March-April, 132 to 132 10s; April-May, 132 10s to 133 10s and 133. Hessians and twills very quiet and featureless.

REMP.—Manila firm, but at the same time quiet. G grade, February-April, quoted 138; J, 136 10s; K and L, 135 10s; M, 134 5s. New Zealand quiet, at recent rates. African sisal, No. 1 G.E.A., March-April, sold, 136 7s 6d.

SHELLAC.—Market continued quiet, but steady, as sellers were not pressing. Fair T.N., spot, quoted, 360s; March, 350s; May, sold, 317s 6d to 322s 6d.

COPRA.—Market slightly unsettled, and general course of trade ruled quiet but dearer. F.M.S. Straits, February-April, Rotterdam, sold, 127 7s 6d to 128 15s; steamer named, 128 5s to 129; March-May, 127 5s to 128 13s 9d; Ceylon, February-April, quoted, 130; Dutch East Indies, steamer named, sold at 128 17s 6d; February-April, 128 15s 6d; Java, quoted 129; South Sea Islands, sold, 127 5s; ditto, Cebu, 128 2s 6d; F.M.S. Straits, February-April, Marseilles, sold, 127 17s 6d; mixed, ditto, 126 17s 6d to 127 12s 6d. Palm kernels, April-June, Liverpool, sold, 119 12s 6d.

RUBBER.—Steadier, with a fair trade doing. Standard plantation crepe and sheet, spot, all-o March, sold, 1s 5d to 1s 6d, 1s 5d; April, 1s 6d to 1s 5d; April-June, 1s 6d to 1s 6d, 1s 6d; July-September, 1s 6d, 1s 6d; October-December, 1s 6d to 1s 6d. To New York, standard sheet, March-April, sold, 1s 6d, c.f. and i. terms. Fine hard Para, spot, quoted 1s 4d; soft fine, 1s 3d; ball, 1s 2d.

KAPOK.—Market firm. Business done in Java quality, spot at 1s 7d; March-April, 1s 6d; new season's, October-November, 1s 4d, c.f. and i. terms.

EGG PRODUCTS.—Market slow, but sellers require previous prices.

OILS.—Lined market irregular, but firm on balance, with a fair demand. Spot, net, naked, 42s; March-April, 38s 9d; May-August, 37s 3d; September-December, 36s 6d. Rape firmer. Crude, spot, 44s; refined, 47s. Cotton quiet. Crude Egyptian, spot, 39s; common edible, 44s; deodorised (in barrels), 46s. China-wood quiet. Hankow, spot (barrels), 106s; March-April, 78s. Coconut firm. Ceylon, spot, 43s 6d; March-April, 42s 9d; Cochon, ditto, quoted 44s. Soya firm, Oriental, barrels, March-April, 39s 6d. Japan fish steady. March-April, cases, 27s. Cod steady. English, spot, 30s to 31s. Groundnuts quiet. English crushed, naked, spot, 46s; deodorised, barrels, 54s. Turpentine irregular. American, spot, 109s 3d; March-April, 109s 6d. Rosin easier for common grades. American, grade B, 43s 6d; French, F/G, 13s 9d; H to I, 13s 9d; W/G, 17s 6d; W/W, 48s 9d. French, F/G, 13s 9d; W/W, 15s 6d per cwt. Petroleum steady.

American standard white, spot, 1s 1d; and water white, 1s 2d per gallon. Castor oil steady. First pressure, spot, to June, quoted 49s; second pressure, 46s, and pharmaceutical, 54s per cwt.

OLSEEDS.—Market quiet, but prices firm. Bold Bombay, afloat, quoted 121 10s; small Bombay, ditto, 120 7s 6d; Calcutta, afloat, 120 10s; February-March, 119 15s; and April-June, sold, 119 to 119 2s 6d; Plate, afloat, 118 7s 6d paid; February-March, 118 5s; April-May, 117 15s to 118. Rapeseed firm. Toria, afloat, 118 15s; February-March, 118; Jamba, February-March, 114 5s. Cottonseed easier. Egyptian black, March, 111 17s 6d; and white, sold, 110 10s to 110 16s 3d. Bombay, March-April, sold, 119 7s 6d. Gingly-seed firm. Large, Bombay, February-March, sellers, 124. Chinese, March-April, 124 to 124 10s, to Continent. Groundnuts firm. Coromandel, machine dried, February-March, quoted 122 5s to 122 15s. Chinese deodorised, f.a.q., February-March, 122 2s 6d; Nigerian, ditto, 122 12s 6d. Soya beans firm. Manchurian, February-March, quoted 112 5s. Castorseed quiet. Bombay, March-April, 118 15s ton.

METALS.—Tin: Market opened strong in sympathy with higher Eastern advances, but later, however, a reaction occurred on selling pressure, and values closed 15s to 20s lower on previous week. Standard cash, sold, 1200 5s; March, 1202 10s to 1201 15s; and three months, 1205, 1201 10s, and 1201 15s. Advances from the East report sales on the basis of 1210 5s, c.i.f. Market subsequently became excited, and prices marked a sharp advance on liberal buying orders and a further rise in Eastern quotations. By the middle of the week standard cash sold up to 1209 10s; March, 1209; and three months, 1210 10s. Eastern business was reported at 1212, c.i.f. At Thursday's session values further hardened with a steady demand, standard cash sold at 1209 to 1212 10s to 1211 10s, and three months at 1211 to 1212 to 1210 to 1212. The tendency was easier at the final meeting. Standard, cash, sold at 1210 to 1209 15s, and three months at 1210 to 1212 to 1210. English ingots, 1208 5s to 1209. Copper ruled firmer, and a good business transpired at 15s advance of previous week's close. Standard cash sold at 171 17s 6d; March, 172 2s 6d; three months, 171 17s 6d. Values continued on an upward course, with liberal dealings. On Wednesday, cash reached 172 2s 6d, March, 172 5s, and three months 173. At Thursday's market prices were again firmer, with a large business. Standard, March, sold at 173 7s 6d to 173 5s to 173 10s, and three months, 173 7s 6d to 174. Antimony, ordinary brands, 127 to 129 10s. At the final session rates were fully steady, with an active demand. Standard, cash, sold at 173 10s, and three months 174 5s to 174 10s. Electro, 180 10s to 181 10s; best selected, 176 10s to 178 10s; strong sheets, 1104; wire bars, 181 10s. Aluminium, home trade, 1100; export, 1105. Lead quiet at 129 5s to 128 15s, as to position. Spelter firmer at 137 to 137 10s.

TALLOW.—Messrs Colchesters and Woolner write on February 28th as follows:—The tallow market was steady during the week, and prices are mostly unchanged. Inferior qualities meet with a considerable demand and fully maintain their value, while good sorts are not saleable without some concession. At auction to-day 1,443 casks tallow were offered, and 953 were sold. Quotations are:—Australian mutton: Fine, 44s 6d; good to fair, 43s 6d to 41s 6d; dull to dark, 39s 6d to 36s 6d; hard, none. Australian beef: Fine, 43s; good to fair, 42s to 40s; dull to dark, 37s 9d to 36s; sweet, 43s 3d. Present shipment from Australasia: Mutton, fair coloured, 48 degs., 42s 6d; and mixed, 43s, c.i.f., London, 39s 9d. The market letter is unchanged. Town tallow, 36s 6d per cwt. Rough fat, per 8 lbs, 2d; melted stuff, 26s 6d per cwt. Quotations are:—Town: 36s 3d net cash, naked, ex works. Country: 35s 9d; home melted, shipping casks, net, f.o.b., good coloured, 40s; fair to dull, 37s to 36s. Bone fat: White, none; pale, none; benzine, 34s; melted stuff, 33s 6d, f.o.b.

METROPOLITAN CATTLE.—MARCH 1.

British Beasts, per stone of 8 lbs to sink the offal. Sheep, per stone.			
Beasts—Herefords	7 10	8	8
Shorthorns	7 2 to 7 10		
Devons	nominal		
Norfolks	7 10		
Scottish	nominal		
Irish	7 4 to 7 10		
Fat Cows	5 4		
Sheep—Downs			
Ewes	12	2	7 10
Crossbred	11	6	
Scottish	nominal		
Lamb—Downs	nominal		

LONDON POTATO MARKETS.—MARCH 1.

Per Cwt.			
English Arran Chief	2 6	8	8
" Eclipse	2 6		
Per Cwt.			
Majestic	2 6	8	8
King Edwards	3 0 to 3 9		

THE BANK OF TAIWAN, LIMITED.

(Registered in Japan, 1899.)

Capital Subscribed	Y60,000,000
Capital Paid Up	Y52,500,000
Reserve	Y12,500,000

Head Office - - - - - TAIPEH, FORMOSA.
London Office 25 OLD BROAD STREET, E.C.2

BRANCHES: Amoy, Batavia, Bangkok, Bombay, Canton, Foochow, Hankow, Hongkong, Kiangsu, Keelung, Kobe, Moji, New York, Osaka, Semarang, Shanghai, Singapore, Soerabaya, Swatow, Tainan, Tokyo, Yokohama, &c., &c., and Correspondents in every principal town in the World.

The Bank is incorporated by a Charter and is under special supervision of the Imperial Japanese Government, issues its own notes in Formosa, conducts general Banking, and acts as Agents for other Banking Institutions. Deposits are received for fixed periods on terms which may be ascertained on application.

Commercial Times.—Weekly Price Current.

The prices in the following list are revised with the assistance of an eminent firm in each department.

LONDON, FRIDAY.				DRUGS—				INDIA RUBBER—				PROVISIONS—				SICEBS—			
0000A—Duty, British grown				Alpen, fine E.L., p. cwt.				Par. fine, hard spot				Butter—per cwt.				Singapore, fair white			
25.4d. foreign 28s. cwt.				Cape, good to fine				Plantation crepe				Irish creamery				Black Singapore			
Trinidad, per cwt.				Balsam Peru				INDIGO—				Australian				Pimento			
44 0 65 0				Cupiri				Bengal, good red vio-				Argentina				Omanon—lat soc.			
44 0 63 0				Campor				let to fine				Dutch				Do 2nd			
Ceylon, plantation				Japan, refined				Mid. ord. vio. to good				New Zealand				Do 3rd			
70 0 80 0				Cardamom, Ceylon				Low to good ord.				Denmark				Chips			
Guayaquil				Castor oil				Madras, dry leaf, good				Bacon, smgd.—Irish				Casia Ligna			
55 8 70 3				Gum Benjnm.				Do low to ord.				Danish				Olives—Zanzibar			
Babia, finest				Oil Camia				Kurpah, g.d. mid. to g.d.				Canadian				3 14 8			
61 8 62 8				Oil Camia				Low to mid.				American				Ginger—per cwt.			
				Ipacacantha				HEMP—				Hams—Irian				Cochin, cut			
				Japan				Per ton				Canadian				Do small rough			
				Musk, good, China				Russian				Do washed				Japan			
				Oil Camia				Manila, "J" Grade				Lard—Irish bladders				Jamaica, small			
				Aniseed				Feb./Apr.				American boxes, 60lb				Mace			
				Peppermint, H.G.H.				N. Z., spot, high fair				Beef—Foreign 8 lbs				Small to medium			
				Butter, China, fr to fr								Scotch				Chillies—per cwt			
												Cheese—curd—Canadian				TALLOW—per cwt.			
												New Zealand				Good mutton			
												Eng, Cheddar				Butter			
												Oshshire				TAPIOCA—per lb			
												Dutch				E. Fl. Flake, fair, spot			
												Eggs, per 18s—English				Pearl			
												Do 12 1/2				Tea—family 6d per lb			
												Do 10 1/2				Indian and Ceylon			
												Do 14 1/2				Pekoe			
												Do 17 1/2				Broken			
												Bari				Broken			
												Twined 50				Oranges Pekoe			
												Shirdi per 100 lbs				Broken Oranges			
												Do Eng or WS do				Pekoe—Nanchong			
												Bellies per 100 lbs				SAGO—Pearl, per cwt			
												Do Eng or WS do				25 0 0			
												Dreadnought Hides				Sago flour			
												Ro. Eng. Cat. 20/30lb				25 0 0			
												Australasian Sides				SHELLS—			
												1 8 1 6				Mantle, box 350			
																Second, fair to fine			
																T. Orange			
																Garret, Inc. A.			
																350			
																Black			
																Bloody (TN)			
																342			
																SILK—per lb			
																China—Blue Elephant			
																35			
																Bacon			
																32			
																Tuscan			
																Re-rooled			
																35			
																Japan			
																36			
																SHELLS—M-o—P. per cwt			
																Mantle, box 350			
																15/0 0/0			
																Macassar			
																15/0 0/0			
																Sydney			
																10/15 0			
																B. Australian			
																8/0 1/2 0			
																SUGAR—			
																Bona—per cwt duty 25s 8d			
																per cent. polarisation			
																B.W. L. muscovado			
																Crystallised			
																54 8 55 0			
																Java c.i.f. white, May/June			
																212 1/5 212 0/0			
																RUBBER—London—			
																Yellow Crystals			
																54 8 0			
																Crushed			
																62 6 0			
																Granulated			
																64 61 9			
																Crystals, No. 5			
																60 5			
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Chief Office: HOLBORN BARS, LONDON, E.C.1.

Presented at the Seventy-Fourth Annual Meeting, held on March 1st, 1923.

A bonus addition will be made to the sums assured under all policies entitled to participate under the Bonus Distribution Scheme, on which ten years' premiums have been paid and which become claims by death or maturity of endowment between 2nd of March, 1923, and the 4th of March, 1926, both dates inclusive as follows:—

The four Prudential Approved Societies have during the year paid to their members benefits amounting approximately **£3,138,000**, making a total of over **£18,197,000** paid since National Insurance was introduced. The number of persons admitted to membership of the Societies during the year was **328,080**, of whom **146,903** were men and **181,177** women.

[Continued on next page.]

CORRESPONDENTS TO THE ROYAL ITALIAN TREASURY
Every description of Banking business transacted.

The Money Market	525	The Trustee's Choice of In-	548
Leading Articles—		vestment	
The Budget Paradox	527	Internationalisation of the	
The Balfour Note Once More	529	Ruhr Coalfield	549
An Analysis of Railway			
Working Costs	530	Books and Publications—	
Industrial Life Assurance ..	531	The Third Winter	549
The Return on Rand Capital ..	532	The City's Cash Account ..	549
Food Supplies and Prices ..	533	Making Germany Pay	550
Latin-American Notes	534	Books Received	550
Notes of the Week—		Stock Exchange News—	
By-Elections & the Parties ..	535	The Stock Markets	550
The French Advance	535	New Issues	551
Better News from Turkey ..	536	Active Securities	552
The Indian Budget	536	Company Meetings	553
The Civil Service Estimates ..	536		
The Navy & Air Estimates ..	537	Government Returns—	
Funding the International		Public Income and Expen-	
Debt	537	diture	562
The Unemployment Insur-		Currency Notes Account ..	562
ance Bill	537	Treasury Bills and Bonds	
Cotton Trade Short Time ..	537	by Public Tender	563
Commercial Policy Since		Bankers' Gazette—	
the Brussels Conference ..	538	Bank of England	563
Argentina and the League		Clearing Returns	563
of Nations	538	Overseas Bank Returns ..	563
China and Japan	538	Monthly Statement of Lon-	
Stockbrokers and Banks ..	538	don Clearing Banks	564
Austria's Foreign Trade in		Loan and Discount Rates ..	566
1922	539	Overseas Bank Rates	566
London Merchant Bank ..	539	Rates of Exchange	566
Austin Motors	539	Indian Treasury Bills ..	567
Merchant's Marine Insur-		Bullion	567
ance Company	540	Imports and Exports of Gold	
American Telephone (Bell		and Silver Prices	567
System)	540	Company News—	
Gopeng Consolidated	540	Dividend Announcements ..	568
Overseas Correspondence—		Railway & Tramway Traffic	
United States	541	Mining Output Statistics ..	568
France	542	Oil Outputs	568
Germany	543	Reports and Notices	570
Italy	544	Profits and Loss Accounts ..	571
Holland	545	Commercial Reports—	
Roumania	546	Corn Trade	570
Argentina	546	Iron and Coal Trade	571
New Zealand	547	Cotton Trade	572
Letters to the Editor—		Wool Trade	573
Banks and the Stock Ex-		Vegetable Oils and Oleates ..	573
change	548	Hide and Leather Trades ..	574
		Overseas Produce Markets	
		Price Current	575

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Copies of the Economist may always be obtained in the City at Messrs Davies and Co., 95 Bishopsgate; Leathwait and Simmonds, 5 Birchin lane; Barker and Howard, 6 Fenchurch buildings, Sugar Loaf court, Leadenhall street; Pottle and Son, 15 Cullum street; Willing and Co., Limited, 50 Copthall avenue, and 53 Finsbury pavement.
Paris: Galignani Library, 224 Rue de Rivoli; Messrs Brentano's, 37 Avenue de l'Opera.

PRESSURE soon made itself felt again in the Money Market, the whole of the March interest payments having been met out of revenue. A small amount had been borrowed by the Government from the Bank of England in Ways and Means advances, in order to take up maturing Treasury bills, but this little operation appeared to have been very quickly cancelled, as no trace of it appeared in the Bank return. Tax-gathering and window-dressing thus produced their full effect on the

market, which found itself obliged to increase its indebtedness to the Bank. Discount rates were talked rather firmer, but there was no appreciable advance. The surprisingly high rate at which the Treasury Bills were allotted yesterday produced a very nominal market, quoting three months' bank bills at $2\frac{3}{8}$ per cent. discount.

	Mar. 9, 1923.	Mar. 2, 1923.	Feb. 23, 1923.	Feb. 16, 1923.	Previous Rate and Date Changed.
Bank Rate	3%	3%	3%	3%	3% (Jly. 13, '22)
Banks Deposit Rate	1	1	1	1	1 (Jly. 13, '22)
Discount (Call)	1	1	1	1	1 (Jly. 13, '22)
Houses (Notice)	1½	1½	1½	1½	1½ (Jly. 13, '22)
Market rate (3 months' bills) ..	2½	2½	2½	2½	2½

The Bank return showed a decrease of £472,000 in the note circulation, an increase of £4,000 in the stock of gold and a decrease of £476,000 in the Reserve. Last week's mysterious increase of £4½ millions in the Other securities was followed this week by a still more mysterious decrease of £8½ millions. Deposits thus shrank by over eight millions, more than five of which came out of Public. Currency notes outstanding were increased by £2,055,400 to £281,156,100, which includes £1,500,000 for notes called in but not yet cancelled. The fiduciary issue is £230,206,000, or £39,977,800 below the maximum.

The February statement of average weekly balances of the London clearing banks shows a substantial drop in deposits. The statement is printed in full on another page, and below we summarise the figures for the nine English banks for a number of months:—

(Million £'s.)

	Dec., 1921.	March, 1922.	June, 1922.	Dec., 1922.	Jan., 1923.	Feb., 1923.
Capital and reserves	115.9	115.9	115.9	116.0	116.2	116.2
Acceptances	65.3	57.1	55.2	72.8	76.3	76.8
Deposits (incl. undiv. profits, &c.) ..	1,818.6	1,746.9	1,755.2	1,684.7	1,692.2	1,643.9
Total Liabilities	1,999.8	1,919.9	1,926.3	1,873.5	1,885.3	1,836.9
Coin, notes, balance at bank, and cheques in course of collection ..	273.5	245.8	251.3	253.0	246.5	234.5
Money at call	10.7	102.5	113.0	106.0	103.0	103.0
Investments	243.3	392.7	412.0	384.5	382.0	373.4
Discounts	42.3	350.5	346.2	298.3	320.0	286.4
Loans and advances	763.3	746.2	723.3	732.7	725.5	736.5
Over for accept., premises, &c.	90.7	82.2	80.5	99.0	102.3	101.1
Total assets	1,999.8	1,919.9	1,926.3	1,873.5	1,885.3	1,836.9

The present total of deposits is the lowest touched since the monthly figures were resumed, the previous lowest being £1,660 millions in September. A year ago there was a drop of £24 millions in deposits in February, and this and last month's drop of £50 millions are to be ascribed in some measure to the activities of the tax gatherer. On the credit side the principal movement is a reduction of £34 millions in discounts, which is accompanied by declines of £9 millions in investments and of £12 millions in cash. Advances, on the other hand, have risen by £10 millions.

THE STOCK MARKETS.

A firm tone prevails in most sections of the Stock Exchange, but the volume of business is hardly as good as the movements in quotations might suggest, and is somewhat spasmodic in its incidence. War loan is firm, and Consols have been a strong feature in the gilt-edged market, where the general tendency was slightly upward. The foreign market has seen no wide movements this week, but German 3 per Cents. have again improved. Among Home Railway stocks, London Midland and Scottish and Great Westerns have been in keen demand, while there has been some buying of American rails. The rubber share market remains very quiet, but oil shares are decidedly harder. In the commercial markets the public are buying shares in companies that are believed to have turned the corner of war depression. Electric light shares continue to improve, and a relapse in Courtalds contrasted with strengthening in other textile shares.

In the mining sections the chief feature this week has been the strong speculative attention paid to tin shares.

THE COMMODITY MARKETS.

Remarkable variations in prices have been noticeable on the Cardiff coal market. Our South Wales correspondent mentions that conditions are reminiscent of the boom days of 1919-20. A week ago the top price for best Admiralties was 32s 6d per ton, but to-day some of these coals are quoted at 37s 6d. Our Sheffield correspondent states that the famine in coke continues; more steam coal is going into consumption. The demand for prompt pig-iron cannot be met, and prices have advanced further, No. 3 Cleveland G.M.B. having been sold for 125s per ton. There are plenty of enquiries for steel at recently advanced prices, and from Sheffield it is reported that the demand for steel material from home and overseas sources continues to increase; our Glasgow correspondent mentions that orders are "fairly numerous." Buyers in the Manchester cotton trade are apparently not in a position to deal at current quotations, and purchasing is confined to immediate needs. Wool values are being fairly well maintained in view of the unsatisfactory manufacturing condition in Yorkshire. It is perhaps significant that Continental buyers are operating with comparative freedom at the Colonial Wool Sales in London. Other details of markets will be found from special correspondents on later pages.

FOREIGN EXCHANGES.

In the foreign exchanges markets have again been restricted and dull, with practically no outstanding features. There was a slight reaction in the middle of the week in the dollar rate, which on Tuesday and Wednesday was down at \$4.69½, mainly as the result of purchases from this side of dollar securities, but this has been overcome again, and the quotation yesterday morning of \$4.70½ was actually rather better than seven days before. Forward rates, at 1 to 1½ cents per month over spot, are very slightly narrower than for the previous week. The German mark, after being steady now for about a fortnight round 106,000, showed a sudden recovery on the 7th to 96,000, from which it has reacted again to about 98,000. This movement is due, of course, primarily to official intervention, and it is impossible, in view of the political situation, to feel any certainty that it can be successfully prolonged. At the same time, should the French Government ever be brought to consider the necessity of a reasonable settlement, the present rates cannot be considered too low. Forward rates this week have moved down again from 8-13,000 marks to 4-6,000 marks per month above spot. Paris, after some appreciation on Monday to 76.92½, has moved up again quietly to 78.10 yesterday morning, as compared with 77.55 the preceding week, while Brussels is up to 90.45, as compared with 88.35, in both cases the highest rate since the beginning of February, with the exception of the 17th of that month. No new factors have intervened, and the fluctuation can be sufficiently explained by the movement of opinion with regard to the German problem. Forward rates in Paris, at 8-10 centimes above spot, are about 2 centimes narrower than a week ago. Brussels, at 3-5 centimes below, is rather wider. Among neutral exchanges, Amsterdam at 11.89½ shows little change. Madrid at 30.24½ is higher than the 30.16½ of the 2nd, but shows some recovery on Thursday's rate of 30.28. Switzerland has moved decidedly in our favour to 25.20, Christiania at 26.02½ and Copenhagen at 24.57½ have both depreciated, while Stockholm has moved against us to 17.65½. Helsingfors, which is at present in a very strong position, has again appreciated slightly to 169½. In Central Europe, Warsaw has stayed about 200,000, and Vienna is absolutely unchanged at 330,000, and Prague remains steady at 168½. Belgrade, Bucharest, and Sofia also show little change, but are all more or less nominal. In the East the rupee is practically unchanged at 1s 4½d, while the yen also shows little movement at 2s 0½d. Silver has been firmer on some Chinese demand, with India as a less heavy buyer. Shanghai is up to 3s 2½d, but Hong Kong is unchanged. In South America there has been no movement of importance to record.

THE NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended March 3rd:—

RECEIPTS.	Min. £	EXPENDITURE.	Min. £
From Revenue	25,098	Interest on Debt	14,693
Taken from Exchequer Balances ..	919	Supply Services	9,398
		Reduction of Debt	933
		Sundries	933
	25,117		25,117

Perhaps the most significant point about the week's revenue and expenditure statement is the fact that expenditure is down to just over £24 millions, as against £30½ millions for the corresponding period a year ago, interest on War Debt taking £14,693,000, as against £16,916,000, and Supply Services £9,398,000, as against £12,788,000. Revenue produced £25 millions, as compared with £38 millions. Income-tax at £18,723,000 shows a sharp decline on last year's £26,413,000, although keeping close to the figures of £18,141,000 recorded for the previous week.

The week's operations reduced the National Debt by £932,900, and caused the following changes:—

	Min. £		Min. £
National Savings Certificates ..	+ 200	Treasury Bills	- 25,386
4½% Treasury Bonds	+ 3,978	Funding Loan, &c.	- 1,761
Bank of England Advances	+ 1,500	Anglo-Persian Oil	- 775
Public Department Advances ..	+ 21,450	Sundries	- 139
	+ 27,128		- 28,061

The floating debt was reduced by £2,440,000 to £849,906,500.

FINANCIAL YEAR, 1922-23 (April 1, 1922, to March 3, 1923).

	£		£
Total spent	719,940,662	Raised by revenue ..	807,092,599
Dec. in balances	7,211,972	Net repayments	94,363,909

Total	712,728,690	Total	712,728,690
-------------	-------------	-------------	-------------

ESTIMATES FOR YEAR 1922-23.

	£		£
Ordinary Expenditure	823,846,000	Ordinary Receipts ..	820,775,000
Special Expenditure	61,223,000	Special Receipts ..	90,000,000
Contingencies	25,000,000		

Total	910,069,000	Total	910,775,000
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Surplus

NATIONAL DEBT.

(Million £.)

	Aug. 1914.	Mar. 31, 1916.	Mar. 31, 1919.	Dec. 31, 1919.	Mar. 31, 1920.	Mar. 31, 1921.	Dec. 31, 1921.	Mar. 31, 1922.	Mar. 31, 1923.
Funded Debt	588	318	318	315	315	315	314	314	314
Term Annuities	20	22	20	19	19	16	15	15	15
4½% War Stock	63	63	63	63	63	63	63	63	63
4½% War Stock	16	14	13	13	13	13	13	13	13
4 & 5% War Stock ..	2,091	2,068	2,047	2,040	1,996	1,953	2,071	2,071	2,071
National War Bonds ..	649	1,636	1,509	1,476	1,415	1,201	971	971	971
4% Funding Loan	...	...	...	...	405	401	400	400	400
4% Victory Bonds	...	...	...	...	360	357	348	335	335
3½% Conversion Loan ..	...	...	...	...	...	266	690	687	687
5-15 year Treas. Bonds ..	...	...	...	...	...	23	24	24	24
5% Treasury Bonds	...	...	...	...	...	381	166	166	166
Do by tender 5%	...	...	...	...	...	40	40	40	40
Do by tender 4½%	...	...	...	...	...	8	8	8	8
Treasury Bills	15	961	957	1,107	1,107	1,121	878	719	673
Exchequer Bonds	20	392	384	323	319	289	185	150	150
Natnl. Savings Certs.	...	138	227	267	274	285	342	350	353
War Expend. Certs.	...	23	...	...	...	...	...	...	...
Other Debt	...	944	1,341	1,306	1,181	1,138	1,087	1,071	1,071
American Loan	...	51	51	51	51	...	...	...	...
(Temporary Advances ..	1	204	455	243	205	154	147	222	177
Other Capital Liabilities ..	654	5,872	7,435	8,033	7,829	7,574	7,655	7,768	7,696
Total Liabilities	711	5,921	7,481	8,079	7,876	7,623	7,721	7,835	7,763

POSITION OF THE FLOATING DEBT.

	Mar. 4, '22.	Mar. 31, '22.	Mar. 3, '23.	Movement week ended Mar. 3, '23.
Temporary Advances Out- standing	£	£	£	£
Advances by Bank of England ..	1,500,000	1,500,000	1,500,000	+
Advances by Public Deposits ..	127,556,000	147,301,500	175,711,500	+ 21,450,000
Treasury Bills outstanding ..	933,151,000	882,219,000	672,695,000	- 25,390,000
Total Floating Debt	1,060,707,000	1,029,520,500	849,906,500	- 244,000

THE BUDGET PARADOX.

It is almost certain that the Budget situation, which in a few weeks the Chancellor of the Exchequer will have to lay before Parliament, will present two sharply contrasted features which the public will find puzzling and paradoxical. On the one hand, the accounts for a year

of bad trade and reduced taxation will close with a very handsome surplus, which may amount to 90 millions; while on the other, the accounts for the coming year will show that there is no margin from which to make concessions for the taxpayer except by resorting to unsound methods of finance. The apparent mystery is, however, readily explained if the national accounts are examined with care. We will take first the current year's surplus.

The reasons for the substantial margin which the Chancellor has in sight are, on the one hand, the payment of very large arrears of income-tax, which is swelling the revenue, and, on the other, a large reduction in interest charges, as a result of the fall in the rate of interest on the floating debt and a reduction of expenditure on the supply services below the estimate. The leading features of the accounts are as follows:—

Revenue.—On Customs receipts the Chancellor expected to lose nearly 13 millions through trade depression, and a further five millions through remission of tea, &c., duties. Probably he will only lose about six millions, which shows that consumption of dutiable goods has been as good as in the previous year. Excise receipts should not be far short of the estimate. The Motor Duties are yielding more than the estimate. Estate Duty receipts are also up, and Stamp Duty receipts, largely on account of active business on the Stock Exchange, will also show an increase. But the largest excess is in regard to income and super-tax, the yield of which is likely to be 50 millions above the estimate. The explanation of this is mainly, no doubt, the fact that a large proportion of the very considerable arrears that had accumulated twelve months ago have been paid during the year. Individual taxpayers have been pressed to get more up to date with their payments, while many big firms which had outstanding claims against them, and not having a profitable use for their resources in their own business, have paid their arrears from their liquid reserves. Against these advantages the Chancellor has received practically nothing from E.P.D., and, further, will probably be considerably down in his "special receipts"—the least calculable item in the Budget.

Expenditure.—The Budget included an item of 25 millions for contingencies, but so far the Supplementary Estimates have not equalled this amount. Including this margin for contingencies the Budget Estimate for Supply Services was 546½ millions. But including supplementaries up to date the estimate for these services is only 539 millions. It is possible that the Treasury has some exceptionally large payments to make which the accounts do not disclose, but the largest payment under the head of "Special Expenditure," viz., the payment to the railway companies, has already been incurred, and unless there is some surprise in store, expenditure on Supply Services should not exceed 500 millions—a saving of 46 millions over the original estimate, and 39 millions on the revised estimates. Again, nearly 30 millions will probably be saved on the reduction in the rate of interest on Government Debt, the net result being that gross expenditure should not exceed 835 millions.

Both on the revenue and expenditure sides the figures for the last few months of the year are peculiarly heavy, and may vary within fairly wide limits, according to whether the screw is being put on or not to hasten the payment of direct taxes, and in the case of Customs and Excise, whether importation or taking of goods out of bond is being hastened or delayed in expectation of a change in the taxes. For these and other reasons, many items in the account are still very doubtful, but we anti-

ate that if the accounts show normal changes, the annual statement will work out somewhat as follows:—

FORECAST OF COMPLETED BALANCE-SHEET, 1922-3.

REVENUE.		EXPENDITURE.	
Budget Estimate.	Probable Realisation.	Budget Estimate (inc. Supplementary Estimates).	Probable Realisation.
Min. £.	Min. £.	Min. £.	Min. £.
Customs.....	112½	124	
Excise.....	160½	155	
Motor Duty.....	10½	13	
State, &c., Duties.....	48	57	
Stamp Duties.....	18½	21	
Land, House Tax.....	5	3	
Income, Property, & Super Tax.....	329	380	
Excess Profits Duty.....	28	1	
Corporation Profits Duty.....	20	19	
Post Office.....	54½	55	
Crown Lands.....	1	1	
Interest.....	14	14	
Miscellaneous—			
Ordinary.....	22	22	
Special.....	90	60	
	910½	925	

Actual Revenue and Expenditure to March 3, 1923..... 807..... 720

The surplus of £87 millions already accrued is, of course, merely an accounting one, and has already been used in the reduction of debt. It is true that during the current twelve months the debt has increased in nominal value by some 30 to 40 millions, but this is due to conversions, which added £134 millions to the nominal value of the debt in the first six months of the year. The process, however, saved the Government nearly a million a year in interest, and the increased total has been reduced again automatically as the surplus on the budget has gradually materialised. No recent return is available showing in detail the extent of conversion of debt in recent months, but the changes of the year appear to have been as follows:—

Increase in nominal value of internal debt other than bills—		Min. £
By conversion (chiefly into Conversion Loan).....		+ 134
By issue of Treasury bonds for Treasury bills (£161 million issued in year, of which £14 million in respect of Conversions, and £65 million to balance redemption of 5% Exchequer bonds and 1922 War bonds).....		+ 82
Total increase.....		+ 216
Reduction in Treasury Bills outstanding—		
By effect of Budget surplus to 24/2/23.....		— 86
By substitution of Bonds for Bills.....		— 82
By substitution of other floating debt.....		— 7
By reduction of balance with Bank of England.....		— 7
Total decrease of Treasury Bills.....		— 182

The reduction of the floating debt by non-renewal has already saved the country a considerable sum of money in interest, say, the equivalent of £4 millions in a full year. Indeed, the results achieved mean that while the Government took power a year ago to suspend the obligatory sinking funds, the year's revenue has enabled them to do more than double the debt reduction which the sinking funds would have achieved—but that the reduction has been made in the floating instead of in the permanent debt.

When we turn to the problem of the coming year we are on less sure ground. But the estimates published this week enable us to form a fairly clear idea of the prospects. Our rough forecast is as follows, the most uncertain items being printed in italics:—

FORECAST OF BUDGET OF 1923-4.

REVENUE.		EXPENDITURE.	
Min. £.	Min. £.	Min. £.	Min. £.
Customs.....	125	Debt, Permanent.....	16
Excise.....	155	" Unfunded.....	300
Motor Duty.....	13	Road Board.....	12
State, &c., Duties.....	50	Local Taxation Account.....	11
Stamp Duties.....	22	North of Ireland.....	2
Land, House Tax.....	3	Land Settlement.....	3
Income, Property, and Super-tax.....	310	Other Consolidated Fund Charges.....	2
Excess Profits Duty.....	20	Supply Services—	
Corporation Profits Duty.....	20	Civil Services.....	314
Post Office.....	55	Military Services.....	125
Crown Lands.....	1		
Interest.....	14	Obligatory Sinking Funds..	35
Miscellaneous—Ordinary.....	22		
Special.....	20		
	810		820

The most doubtful points on the revenue side are income-tax and "special receipts." As regards income-tax,

there seems no reason to think that the reduction from 6s to 5s in the £ has had, or will have, any substantial effect in increasing the yield of the tax. The reduction is not nearly large enough to affect the general trade situation, and in the preceding table we assume a fair trading year, but not a big trade recovery. We believe the present surplus on income-tax to be almost entirely due to arrears, but we can hardly expect this year's experience to be repeated. We assume that the Chancellor last year was correct in anticipating that, apart from these arrears, he would have lost 40 millions through declining trade, and another 30 millions through the reduction of 1s in the £. This second loss was estimated to be 50 millions in a complete year, which would make the estimate for a whole year with income-tax at 5s, say, 310 millions. From this there is something more to be deducted owing to the fact that two bad years instead of one will be included in the forthcoming assessments; but this loss may perhaps be offset against the payment of any arrears that still remain. We have, therefore, estimated income-tax at 310 millions, though this is, if anything, a rather optimistic view. A far more incalculable item is that of "special receipts." The sale of war stores is practically completed, but they have not all been paid for, many contracts being arranged for a period of years. Further, the item of "special receipts" contains payments for various other costs arising out of the war, such as interest and amortisation on loans to contractors. Without special knowledge it is almost impossible to forecast this item, and one can only say that it will be smaller than this year.

On the expenditure side, the estimates issued this week for the Civil Services are not as good as was hoped. They show a reduction of £88 millions. Hardly any of this saving, however, is due to economy in administration, but is due to the automatic termination of war charges. Thus 47½ millions comes under the heading of "special" expenditure (the largest item being the final payment to the railways), 3½ millions under ordinary unclassified services—road grants, unemployment, &c., 16 millions in respect of pensions, and two millions the promised saving in Mesopotamia. Of the remainder 3 millions is due to falling costs in the Post Office, leaving 16 millions as the saving in all other directions. But, as we have seen, there has probably been a saving of 39 millions in supply services this year, much of which must have come from the Civil Services. When it is also remembered that a considerable sum will be saved on unemployment insurance, it is evident that the rest of the Civil Services, though below the current year's estimates, do not show much reduction from the current year's expenditure. The fighting services may provisionally be included at £125 millions. The Air and Navy estimates amount to £70 millions, to which are provisionally added £55 millions for the Army, against £62½ millions a year ago. As regards the other chief item on the expenditure side, the interest on the unfunded debt, a certain amount of 5 per cent. Government debt in the form mainly of 1923 War Bonds will be replaced presumably at a lower rate of interest; but against that has to be set the possibility that there may be a hardening of money rates in the coming year, which will increase the total interest payments on the floating debt. Moreover, interest on the Treasury Bonds is higher than that on the Treasury bills they have replaced, and this higher rate will be paid for a full year, as against a part only of the current year. On the whole, therefore, we cannot count on a further saving of interest, and this item will, moreover, be increased by the fact that we shall have to pay 10 millions more to the United States than we paid in the current year. We, therefore, have put in this item at £300 millions. On these bases the accounts will show a margin of 25 millions, without allowing anything for contingencies. But out of this has to be paid the obligatory Sinking Funds, and unless these are to be once more abandoned, the surplus is turned into a deficit of 10 millions.

The hope of a substantially better result than we have suggested rests mainly upon our having greatly under-

estimated "special receipts." It is also possible for the Chancellor to save £14 millions by paying only half the interest on the American debt this year. Whether it is wise to take advantage of this option or not depends upon the prospect of future possible reductions in the cost of Government. In this connection it is to be noted that the present figures for supply services include 73 millions for pensions and 8½ millions for the Middle East; the balance of 353 millions compares with 160 millions spent upon comparable services in 1913. Military expenditure accounts for £125 millions in the coming year, and £80 millions before the war. Thus the Civil Service vote has increased from £80 millions to £228 millions. It certainly ought to be possible to reduce the cost of these services to nearer 100 per cent. above pre-war level. In view of the general financial situation which we have endeavoured to outline above, we welcome the speeches delivered by the Chancellor of the Exchequer this week at Liverpool on Monday, and at the Caxton Hall on Tuesday, in which he lays stress on the primary importance of progressive debt reduction.

THE BALFOUR NOTE ONCE MORE.

In view of the settlement of the American Debt, the discussions now going on between Lord Balfour and the American Ambassador on the terms of the Balfour Note of August last may perhaps be thought to be of merely academic interest. But as the payment is one which will go on for a very long time, and the settlement may affect public opinion towards other problems of international indebtedness, it is of the utmost importance that there should be a clear understanding of the nature of our obligations. Lord Balfour's statement in the House of Lords on Thursday was one which, if it had been embodied in the August Note, would, perhaps, have avoided some of the difficulties which that document created. But the speech was not quite so clear as it might have been, and, at the risk of wearying our readers, we venture to set out what we believe to be a fair statement of the case.

In the main, the debts under consideration arose in respect of three classes of purchases:—

(a) Purchases by Great Britain in the United States, leading items being wheat, articles of food euphoniously known as hog products, cotton, copper and steel.

(b) Articles purchased in the United States by France and other Allies, leading items again being wheat, copper, cotton, shell steel, &c.

(c) Articles purchased by France in Great Britain, leading items being coal (which could hardly have been carried across the Atlantic for lack of shipping), woollen goods, special steels, benzol, and other explosives and finished munitions, the output of which was in a highly organised position in Great Britain in 1917.

It was for the purchase of (a) that we incurred far the largest portion of our American debt, which has recently been funded. The purchase of (b) created the direct debt between France, Italy, &c., and the United States, with which Great Britain has nothing whatever to do. The totals amount to the following:—

DEBTS OF EUROPEAN BELLIGERENTS TO AMERICA.

	In Million \$ Converted at Parity.
France.....	2,966
Italy.....	1,631
Belgium.....	349
Russia.....	188
Serbia.....	27
Other Allies.....	108

The purchases of items in (c) were added to the debts which our European Allies had already incurred towards us by April, 1917.

Lord Balfour quite rightly pointed out that in 1917 the British Government approached the American Government, and suggested that as we had already incurred very heavy financial as well as other burdens in the early years of the war, the United States should undertake the responsibility of financing the whole of the external purchases of France, Italy, &c. If the American Government had been willing to do this, France and Italy could have paid for the items under (c) in dollars, and we could have financed our own purchases (a) with the proceeds. We may add, parenthetically, that it is arguable that if our

own financial position had been relieved by not having to give any further financial assistance to our Allies, we could have found the money for meeting our own purchases (a) in other ways than by borrowing from the American Government. Under conditions in which general export business had been almost entirely suppressed, this could only have been done by the same means that had been previously adopted—namely, selling more of our foreign capital. But in practice any advantages there might have been in reducing our foreign commercial capital, instead of incurring a Government debt, were far outweighed by the practical conveniences of borrowing from the American Government.

In certain cases our purchases from America under (a) were very intimately connected with our sales to our Allies under (c); and after considerable negotiations the American Government did admit that in cases where it could be demonstrated that we were buying material from America as a direct result of our supplying goods to our Allies (as, for example, where we sold hematite pig-iron to France and Italy and replaced it by basic pig-iron purchases in the United States), our purchases in America might be made at the expense of France and Italy. In accordance with this arrangement, we imported into this country considerable quantities of American material in 1918, which we paid for out of the French and Italian credits in New York, and these sums are included in the figures quoted above as French and Italian debt. On this principle some of the material purchased by us in 1917, before this agreement came into effect, might properly have been debited to France and Italy. Moreover, two other items—viz., (a) certain Russian rifles, &c., of which we took delivery and which we subsequently sent to Admiral Koltchak, and (b) certain of the dollars which were used for pegging the sterling exchange in New York, and the results of which accrued to the benefit of France and Italy—ought strictly to have formed part of the debts of our Allies rather than of that of Great Britain. But with these exceptions our purchases from America were for our own use.

The issue put to the United States Government in 1917, therefore, was not whether America was willing or unwilling to lend to the Allies, but whether she was willing to finance them over and above their purchases in America, and to give them credits with which to buy goods in other countries. The Washington Government refused to do this, largely on the ground that if they did so they would have no control over the expenditure of the money, and at that time the American Departments were undoubtedly somewhat sceptical as to whether all their loans would, in fact, be used for war purposes.

In the circumstances described we sympathise with the complaint of the American Ambassador against the sentence in the Balfour Note in which it says, "Under the arrangement then arrived at the United States then insisted, in substance, if not in form, that, though our Allies were to spend the money, it was only on our security that they were prepared to lend it." This sentence certainly suggests that the American Government refused to accept the credit of our European Allies, and that in some way we were made to underwrite the loans they made from America for all purposes—an implication which is entirely incorrect. We regret, therefore, that Lord Balfour should have said on Thursday that "I am unable myself to find in those words anything which is either misleading or obscure."

It is so important in the interests of Anglo-American friendship that there should be a right understanding on this matter, that we would urge the Government to issue a very full account of the whole of these war transactions and the negotiations accompanying them. Some months ago the late Government refused to give any detailed information about these transactions, but we are convinced that this question will continue to be a source of misunderstanding until a full analysis of our American debt is produced.

We would add, however, that while we think this clause in the Balfour Note was undoubtedly obscure and misleading, Lord Balfour was perfectly justified in reiterating the reasons for which Great Britain invited the United States to bear a large share of the financial burden of the war. While we would not question the right of the

United States to decide for themselves what their contribution should be, or criticise their decision in any way, the suggestion was a perfectly reasonable one for our Government to put forward in the circumstances of the time. Its inspiration cannot be better explained than by the following figures, recently quoted by the Swiss Bank Corporation, on the authority of the Bankers' Trust Company of New York, which show the relation between the cost of the war (adjusted to the price-level of 1913) and the pre-war wealth of the various belligerents:—

	Wealth of the Nations. Million \$.	Cost of the War (adjusted to 1913 Prices). Million \$.	Ratio of Cost to Wealth.
France	57,900	12,430	21.5
Italy	21,600	3,391	15.7
Russia	60,000	7,913	13.2
United Kingdom	70,500	20,030	28.4
U.S.A.	200,000	14,969	7.5
Germany	80,500	19,316	23.9

These figures make no allowance for the repayment to the United States of any of the Allied debts, though the loans are included in the costs attributed to the various countries.

AN ANALYSIS OF RAILWAY WORKING COSTS.

THE resumption of the publication of full accounts by the British railway companies enables us once again to undertake an analysis of the various items of working expenditure as was our practice before the war. The accounts essential to this analysis were suppressed during the war and until the end of 1921, under the authority of the Government department concerned, and it is, therefore, impossible to make a comparison between the figures for 1922 and those for 1921. Consequently, in analysing the details of expenditure we have made a comparison with the similar figures for 1913, the last year for which they are available. As we showed in an article on Home Railway results in our issue of February 24th (p. 424), the working expenses of the principal English and Scottish companies for 1922 amounted to £184 millions, which represented a reduction of £52 millions, or 28½ per cent. on the total for 1921. The total expenditure of the same companies for 1913 was £79½ millions, so that in 1922 expenses were £104½ millions, or 131 per cent. higher than before the war. The table below shows the expenditure for the two years 1913 and 1922 for the companies constituting the new groups:—

	1913.	1922.	Increase.
London, Midland, and Scottish	£ 32,082,000	£ 72,983,000	£ 40,901,000 127.5
London & North-Eastern	25,348,000	58,106,000	32,758,000 129.2
Southern	9,913,000	21,761,000	11,848,000 119.5
Great Western	(12,228,000)	31,103,000	(18,875,000) (154.3)
Total	79,571,000	183,953,000	104,382,000 131.2

The 1922 accounts of the Great Western include, besides those of the constituent companies which we have added for 1913, those of some of the subsidiaries, and this accounts for a small amount of the larger increase shown. In other cases, such as that of the Lancashire and Yorkshire, which was absorbed by the London and North-Western in 1921, we have included the former's figures in 1913. Total expenditure in 1921 was nearly three times the pre-war figure, but as detailed accounts were not published in 1921 it is impossible to ascertain in which directions economies in 1922 made possible the reduction of 28½ per cent.; but it may be safely assumed that wages and fuel played a very substantial part. It is possible, however, to see how these and other items have contributed to the increase of over 130 per cent. shown in the 1922 expenditure over that of 1913. In the table below we show the amounts spent on items covering about two-thirds of the total expenditure:—

(000's Omitted.)

	Wages.		Materials.		Coal, Coke, &c.		Rates & Taxes	
	1913.	1922.	1913.	1922.	1913.	1922.	1913.	1922.
London, Mid. & Scottish	£ 13,265	£ 34,092	£ 3,215	£ 7,485	£ 3,324	£ 6,305	£ 1,626	£ 2,823
Increase over 1913	41.5%	46.2%	128%	133%	90%	90%	74%	74%
Percentage of expenses	41.5%	46.2%	10.0%	10.1%	10.5%	8.5%	5.1%	3.8%
London & N. Eastern	10,124	26,929	2,953	5,545	2,633	4,441	1,242	2,219
Increase over 1913	166%	166%	88%	88%	69%	69%	79%	79%
Percentage of expenses	40.0%	46.2%	11.6%	9.3%	10.4%	7.6%	4.9%	5.8%
Southern	3,387	9,105	956	2,155	1,214	2,000	720	1,158
Increase over 1913	169%	169%	126%	126%	65%	65%	57%	57%
Percentage of expenses	31.1%	41.9%	9.0%	9.9%	12.7%	9.2%	7.3%	6.3%
Great Western	4,904	13,693	1,210	2,956	1,171	2,229	798	1,536
Increase over 1913	179%	179%	141%	141%	90%	90%	92%	92%
Percentage of expenses	40.1%	43.9%	9.9%	9.3%	9.5%	7.2%	6.3%	4.9%
Total	31,680	83,819	8,334	18,142	8,342	14,975	4,386	7,736
Increase over 1913	165%	165%	118%	118%	79%	79%	76%	76%
Percentage of expenses	40.0%	45.4%	10.5%	9.8%	10.5%	8.1%	5.4%	4.2%

The largest increase, namely, 165 per cent., is shown by wages, which in 1922 accounted for 5½ per cent. more of total expenses than in 1913. In this item we have included salaries paid for superintendence, but not those paid for administration, &c. The average increase over 1914 of the Ministry of Labour's cost of living figure was 82½ per cent. in 1922, or exactly half the increase over 1913 in the total wages bill. There have been various reductions in wages since the settlement which followed the 1919 strike. Briefly, the negotiations of 1919 and 1920 provided for national standardisation of pay in rural and industrial areas respectively; simplified classification and the elimination of certain grades, the fixing of basis or "B" rates, which represented advances of various amounts over pre-war wages; the calculation of current or "A" rates, which varied from 122 per cent. to 197 per cent. above the "B" rates when the cost of living was 130 per cent. above the pre-war standard, and a provision that the "A" rates should move up and down in accordance with changes in the cost of living index. The men thus secured an increase in real wages and a sliding scale which ensured that there should be no return to the pre-war level of wages. Moreover, the introduction of the eight-hour day and the consequent employment of larger numbers is also responsible for further additions to the total wages bill. No data yet exist, however, for showing separately how much of the increase in the wages bill is due to higher rates of pay, and how much to the reduction in the standard hours of work. Some figures published two years ago in the *Railway Gazette*, compiled from information supplied by the Ministry of Transport, showed that the increase in the wages bill over 1913 in a normal year under the conditions then ruling was 250 per cent. The largest increases in total wages paid, it may be mentioned, are recorded by the Scottish companies, whose scale before the war was below that in force on the English lines. The wages paid by the Scottish companies increased as follows:—

	WAGES.		Increase.	
	1913.	1922.	£	%
North British	1,408,000	4,284,000	2,876,000	+ 204
Caledonian	1,280,000	3,622,000	2,342,000	+ 183
Glasgow and South-Western	539,000	1,524,000	985,000	+ 183
Great North of Scotland	131,000	398,000	267,000	+ 204
Highland	140,000	451,000	311,000	+ 222

Each of the other three items absorbed a smaller proportion of expenses in 1922 than in 1913. The increase in the amounts spent on materials for maintenance and renewal purposes shows great variations between the different groups, and still greater variation between the individual companies. For instance, the Great Eastern's materials cost less than 50 per cent. more than in 1913, while those of some of the Scottish railways show an increase of more than 200 per cent. These variations may be explained by the rapidity or otherwise with which arrears of maintenance had been overtaken in previous years by the different companies. The ratio of the fuel bill to total expenses also shows some interesting variations. In this item we have included cost of electric current and petrol for locomotive purposes. The ratio is lowest in the cases of the Great Western and London and North-Eastern, and highest, as might be expected, for the Southern. The old North-Eastern Company is partly responsible for the low figure of the group for 1922, its

expenditure on fuel being less than 6 per cent. of total expenses. The London, Brighton, and South Coast, on the other hand, spent 10.2 per cent. on fuel. The increase in the total amount spent on coal coincides approximately with the increase in the average price of coal in 1922 over 1913, which suggests that fuel consumption remained unchanged. Rates and taxes absorb a higher proportion of expenses in the cases of the Great Western and the Southern than in the two northern lines. To some extent the Scottish railways are responsible for this discrepancy, their ratios being much lower than those of the English lines.

The conclusion to be drawn from this brief analysis is that so long as the present scale of wages remains in operation a further substantial reduction in working expenditure is not probable. Materials should not cost so much from the current year onwards, since the bulk of the deferred maintenance and repairs are understood to have been now overtaken. Coal prices cannot be expected to come down much for the present. If the objects of the Railways Act are achieved, however, the amalgamations should produce some economies in so far as duplicated and overlapping services are concerned. We hope to deal in subsequent articles with the volume of work done and revenue earned in comparison with these outgoings, and proceed to discuss the problem of the level of rates and fares, on the one hand, and the prospects of shareholders on the other.

INDUSTRIAL LIFE ASSURANCE.

INDUSTRIAL life assurance—the assurance of small amounts on the lives of men, women, and children at weekly or monthly premiums—is entering upon a new, and it would appear, an improved phase in its history. The war hit the companies engaged in this business very severely. Though they were not liable for war casualties, yet in very many instances these casualties were paid for, their investments suffered grievous depreciation, and they were compelled by emergency legislation to keep policies in force though premiums remained unpaid. The cost of conducting the business increased. All these adverse influences operating together compelled the adoption of administrative reforms as soon as the war pressure was lifted, and we see in reports which have recently been issued how materially the leading companies have been able to cut down the cost, always heavy, of operating a business in which house to house collections always form a severe tax on the receipts from premiums. Above all those engaged in industrial life assurance—companies, collecting societies, and agents—has hung the shadow of impending legislation. Although most of the 18 companies are financially sound, one or two are not, and although some of the 50 collecting societies are beyond reproach, several of them were better out of the business altogether. The modern principle of "Safety First" demanded—and is about to receive—a sufficient measure of legislative control to assure, at least, substantial safety for the premiums of the working classes.

Before we turn our attention to the chief features of the Industrial Assurance Bill, which has been introduced by the Government into the House of Lords—and in the principles of which the leading companies have concurred after long negotiations—let us consider the question of expenses of administration, the outstanding problem of industrial life business. House to house canvassing and house to house collections of weekly pence are inevitably expensive. It has been a standing reproach that the cost of conducting working-class life assurance has been about three times as great as that of conducting "ordinary" life assurance. The Parmoor Committee, which two or three years ago investigated the whole subject, was so much impressed by the large proportion of industrial premiums which went in agency commissions and office expenses, that they recommended direct legislative limitation of them. One objection to that drastic course was the difficulty of giving practical effect to it. How can

a Government department limit expenses in practice unless it also exercises administrative control? Hence the Government's new Bill omits altogether any attempt to control expenses. But what legislation would probably fail to do the leading companies are themselves doing. That is the chief point of interest in the report of the Prudential Assurance Company, and of two others, the Pearl and the Refuge.

The Prudential, an insurance company which has 2½ millions of industrial life policies in force in the British Isles, has been the pioneer in the good cause of reducing costs of administration and collection. Ten years ago the management started a "block system," under which agents were allotted regular areas of canvassing and collection, so that the waste involved in tumbling over on another on the same doorsteps was done away with. The war came as a set-back, but during the past three years we see how admirably the system has been operating. In 1920 the ratio of expenses to industrial life premiums in the case of the Prudential was 40.5 per cent. In 1921 it was 36.9 per cent. For last year it has fallen to 32.1 per cent., a lower rate of expense than a few years ago would have been considered possible. Seeing that the industrial premiums of the Prudential now amount to over 14 millions, a saving of every one per cent. in expense to premiums means £140,000 annually. The other two leading companies, the Pearl and the Refuge, though they lag behind the Prudential in the magnitude of their savings have followed hard upon the same good road. During the last three years the expense ratios of the Pearl have been

—1920, 45.5 per cent.; 1921, 40.6 per cent.; 1922, 37.1 per cent. Those of the Refuge have been:—1920, 50 per cent.; 1921, 46.1 per cent.; 1922, 40.8 per cent. We understand that both the Pearl and the Refuge have adopted the "block system," and one may reasonably expect that their reductions in expenses will continue to be progressive. As a further means of reducing expenses, policy-holders are being induced to pay premiums monthly instead of weekly. As much as 43 per cent. of the Prudential's industrial business is now collected monthly. The example of these three companies—which transact between them from three to four-fifths of all the industrial life business in Great Britain—must dominate the market.

The corollary to saving expenses in the industrial business is a system of allotting a fair share in those savings to policyholders. For if existing policyholders gained nothing from them, and all savings went to shareholders of companies in dividends, or to future policyholders in lowered premiums, then injustice would result from the exercise of the virtue. We, therefore, welcome the extension of its industrial profit-sharing system, which the directors of the Prudential have announced. For many years past some allotments of profits have been made by the Prudential to industrial policyholders of long standing. Between March, 1908, and March, 1921, £2,260,000 was so allotted; in March, 1922, the amount was £200,000, and this month it was £500,000. As from January 1st last a new system is to come into force founded upon a regular basis. The surplus profits of the industrial branch, after providing a fixed dividend to the holders of fully-paid shares, are to be divided into six parts, of which one-sixth will go to these shareholders, one-sixth to the outdoor staff, and four-sixths to the industrial policyholders by way of bonuses. These bonuses will take two forms:—A simple reversionary addition to the sum assured to vest after a policy has been 15 years in force, and an interim bonus on policies which become claims and upon which premiums have been paid for not less than five years and less than 15 years. This new system of bonuses to industrial policyholders will not only give those who pay premiums a direct benefit from the savings effected in expenses, but also will tend to keep policies in force and to reduce the rate of lapse, which is an unfavourable feature in industrial life business generally.

And now we come to the Industrial Assurance Bill. The idea of limiting expenses by legislation has been abandoned, and is of diminished urgency now that the leading companies are themselves intent upon economy. Security is the main purpose of the Bill. Industrial life insurance is separated from "ordinary" life assurance and placed under the supervision of the Chief Registrar of Friendly Societies (to be named for this purpose

Industrial Assurance Commissioner). Collecting societies and industrial branches of companies will be required to make a permanent deposit of £20,000. A certain standard of valuation is set up, which will apply as from December 31st of next year. A "proper value" must be placed on the liabilities, and no policy must be so valued as to be treated as an asset. Fictitious assets, such as "expenses of organisation and extension," are to be penalised. A period of five years is allowed to shaky companies and collecting societies to pull themselves together, provided they give evidence of genuine efforts, but after five years from the passing of the Bill the Commissioner may dissolve an actuarially insolvent collecting society, or apply to the Court for the winding-up of a company in similar condition. This is a most valuable provision. As the law exists at present, the Board of Trade is compelled to stand impotent while valuation reports revealing actuarial deficiencies are deposited in its archives. It can warn a company unofficially that it is insolvent, but it can take no legal steps towards having it wound up. A useful clause in the Bill, and one which will help in keeping down expenses is one which provides that canvassers for new business must be in the regular employment of companies or societies. This hits at the "special agent," a sort of privateer who in the past has vigorously canvassed within the area of regular agents, and has handed over his human prey to the company or society who would pay him the highest rate of commission for it. In many other ways the Bill is good and sound; it is not exciting but administered faithfully it should very materially raise the standard of security and management upon the ragged fringes of what has been hitherto an almost wholly unregulated market.

THE RETURN ON RAND CAPITAL.

(BY OUR JOHANNESBURG CORRESPONDENT.)

Dr R. A. LEHFELDT, Professor of Economics at the University of the Witwatersrand, has contributed to the Chemical, Metallurgical, and Mining Society of South Africa a paper on the "Return to Capital Invested in the Witwatersrand." He points out that the question is of considerable economic interest to the world, but is one on which there is very little information to be had, and very contradictory opinions have been held. The author finds it impossible to carry his investigations back to the beginning of the exploitation of the minefield (about 1887) and, therefore, restricts them within a period after the field had become well established. He chooses June, 1907, as the initial date as being the time when Stock Exchange quotations seemed to be fairly steady, and neither unduly depressed nor inflated. The closing date was December 31, 1921; it was desired to find what return on capital was made during this period of 14½ years.

The method adopted was to suppose an investor, who, on the earlier date bought all the shares in the Witwatersrand mines at the market price, who subsequently supplied all the new capital that was supplied, received all the dividends and repayments, and disposed of his interest at the market price on December 31, 1921. What return would the imaginary investor have received on his money? Professor Lehfeldt was able to secure the active support of Sir Robert Kotzé, Government mining engineer, who placed the resources of his department at the service of the investigation, in which several officials of the Mines Department assisted.

Altogether the records of 176 companies existing in 1907 were examined; of these 90 have been amalgamated into larger organisations, 35 have been liquidated, owing to failure, or because of exhaustion of ground, leaving only 51 at the end of 1921. Small minor ventures, outlying properties, had been ignored.

Financing by debentures is quite a subsidiary matter with the Witwatersrand Mines, less than one-tenth of the capital being supplied in this form. If debentures are repaid on maturity they may be disregarded in this investigation as merely part of the working expenditure.

But defaults may be set against profits made in other parts of the industry. Loans are made, mostly by finance companies which are interested in particular mines, and thus able to protect themselves, so that the whole amount lost is the comparatively trifling sum of £247,561; the loss in respect of debentures (three cases) amounts to £600,000. Reconstructions involving exchange of old shares for new do not affect the result—only cash transactions involved in reconstruction need be entered in the account.

The average yield is, then, such a rate of interest that all the outgoings, accumulated at that rate, to a given date, will balance the income, similarly accumulated. Arbitrarily, a rate of 6 per cent. was tried, and it was found that the income appeared to exceed the outgoings. On recalculating with 7 per cent. interest, the position was reversed, and the true rate was eventually found by proportion to be 6.2 per cent. The actual calculation was as follows:—

	(£1,000.)
At 6% loss on loans and debentures.....	1,294
Other outgoings.....	226,194
Income	227,488
Excess	230,791
At 7% loss on loans and debentures.....	1,375
Other outgoings.....	257,221
Income.....	258,596
Deficiency	245,298
Income.....	13,298

The yield of the mines is certainly not a high one, considering the erratic nature of the investment, some being very rich and others failures; it is necessary to distribute investment over a considerable number of mines to feel any confidence in the average return. Mining shares are usually dealt with on the Stock Exchange on a basis of something like 10 per cent. yield, and investments in real estate and industrial companies probably bring in nearly as much. The Government mining engineer in his memorandum on the Far East Rand expressed certain conclusions as to what was a "workable mining proposition"; it is "a dividend of at least 15 per cent. on the capital sunk returned over a period of twenty years, after paying its share of profits to the Government." Dr Lehfeldt recalls the fact that the Mining Industry Commission of 1908 made a serious attempt to estimate the profits that had been made by the Witwatersrand. The amortisation of each subscription of capital was based on an accumulative rate of 3 per cent., and the net rate of interest which would be considered satisfactory to the investor was taken to be 7 per cent. (the Chamber of Mines quoted 6 per cent.; Mr Reyersbach 8 per cent. or 9 per cent.). The accumulative rate of 7 per cent. was applied both to the current year and to such arrears of accumulated interest as might be due. The result of this method was to show a surplus of £7,116,000 over what was needed for amortisation and the stipulated interest. The total cash working capital from time to time subscribed for the establishment of the 64 producing mines in 1906 was £29,235,000. This, apparently, does not include capital subscribed to work ground that did not prove successful, and was not absorbed into one of these 64 mines. It is not easy to compare their result with that worked out in the present paper, but it is highly probable that the return obtained from the early working of the mines was greater than during recent years.

It will be noticed that the Commission of 1907-8 suggested 7 per cent. as a reasonable return to the investor. There is considerable divergence of opinion on this point. The material prepared by the Commission seems not to have been preserved, and it is doubtful whether an investigator now would have access to the same sources.

The author concludes his paper with the following remarks:—"That the profits were larger in the early days of the Rand than now is rendered likely, not only because the early exploiters of the field had at their disposition large masses of rich ore near the surface, but because they were producing a more valuable article. 1887-1907 was a time of very low prices, i.e., of a high value of gold; in the years 1907-14 gold was worth, on

the average, quite ten per cent. less in purchasing power, and since the outbreak of war it has, of course, fallen much more. Mining has become more economical, both on account of extension of scale and of technical improvement, but this has not sufficed to compensate the unfavourable situation. The technical advances have enabled the industry to survive; if primitive methods were still in use very few patches of the Rand would be rich enough to pay their way, but despite the improvement in technique the average interest now yielded by investment in the mines is not very much higher than that paid by Governments and other first-class borrowers."

FOOD SUPPLIES AND PRICES.

To more than four-fifths of the population of Great Britain the price of food is of the first importance, and the most necessary of all food is bread. In the latest edition of Porter's "Progress of the Nation," which Mr. Hirst revised and brought up to date some ten years ago, he stated (page 435): "For incomes below 30s a week two-thirds of the total, it is found, goes on food; of incomes below 25s a week, 21 per cent. goes on bread and flour.....bread still remains the great staple food of all sections of our people." We may fairly assume that the wage of 30s a week in 1912 would be about the equivalent of a wage from 50s to £3 a week at the present time, and the allocation of that wage probably remains as it was stated to be by Mr. Hirst. Everyone hopes for a cheapening of the cost of food, for, with the reduction in the weekly wages of so many millions of our working population, it has become imperative that the price of bread, milk, sugar—among the principal items of their weekly expenditure—should be reduced to the consumer. A consideration of the trend of the quantities imported during the last four years, and of the immense reduction in wholesale values, as well as the reduction in freights and the promised reduction in railway and transport rates generally, imposes upon political economists the urgent duty of emphasising the need of this direct step towards ameliorating "the condition of the people." In the early Victorian days there was no subject more frequently discussed in Parliament, and, judging by the temperament of the present House of Commons, no subject will be more eagerly attended to and be more attentively watched by the constituencies in the approaching session.

Late in the autumn there was published a manifesto on "The Need for Good Will," prepared by the Industrial League and Council, and signed by a large number of persons who endorse its work for the improvement of relations between employers and employed. It deserves to be kept in constant remembrance until its precepts have been put into practice. The manifesto declares that "the real ruler of the world to-day is Commerce!.....It is only the worker who can build up what the soldier has destroyed.....The whole Continent is full of suspicion and mistrust.....Men lack necessities and opportunities, while there is a vast demand for everything that Europe produces. Given good will, that demand can be met, distress can be relieved, employment can be widened. We in Great Britain have the factories, the works, the skilled men, the able direction. One of the most vital things wanting is that good will which is the motive power. If we are to obtain it, every class, employer and employed alike, must admit the theory of personal responsibility, and must endeavour to fulfil its obligations."

One of the chief proofs of reviving trade is found in the increasing quantities of our imports and exports. A larger amount of tonnage must be employed for the carriage overseas of merchandise, and there must be a corresponding increase in internal traffic. As accumulated stores become exhausted, increased production and manufacture become necessary to provide the increased quantities of our exports. These results can only be brought about by the employment of a larger number of people, or by increased hours of labour. As the wages of many millions of workpeople have been and are still being

reduced, and as wholesale prices have been very generally lowered, it is evident that it rests upon the middlemen and the retail shopkeepers to submit to lessened profits in order to meet the lowered wage-earning capacity of the workpeople.

The following tables (which are based upon the Trade and Navigation Returns) show how some of our imports of food are regaining their pre-war weights:—

TABLE I.	Weight of Imports in Million Cwts.					Inc. or Dec. per Cent. Compared with 1913.			
	1913.	1919.	1920.	1921.	1922.	1919.	1920.	1921.	1922.
Wheat, grain	105.9	71.4	109.3	80.5	96.4	-32.6	+3.2	-24.3	-9.0
Maize	49.2	16.9	33.8	36.8	37.2	-65.7	-51.3	-25.2	-24.4
Barley	22.4	16.6	12.7	15.8	12.7	-25.8	-43.5	-29.6	-43.3
Oats & oat products	19.0	8.1	6.9	9.2	10.2	-57.4	-64.2	-51.6	-46.3
Wheatmeal & flour	12.0	17.7	12.0	15.8	13.5	+47.5	+31.7	+15.2	-12.5
Rice	4.3	2.0	2.9	6.9	2.7	-53.3	-51.4	+88.6	-37.2

Our imports of wheat (grain) were nearly one-third less in weight in 1919 than in 1913, but were very heavy in 1920, and rose above the weight imported in the standard year. They were nearly one-fourth less in weight in 1921, but last year exceeded nine-tenths of the imports of 1913. Wheatmeal and flour imports gained greatly in favour during the war, owing to the great deterioration in the quality of flour milled in the United Kingdom, and in 1919 were nearly half as heavy again as in 1913; were of equal weight in 1920, nearly one-third heavier in 1921, and last year 12.5 per cent. heavier than in 1913. Maize fell off by nearly two-thirds in 1919; by nearly one-third in 1920, by one-fourth in 1921, and by rather less last year. Barley was less by one-fourth in 1919, by more than two-fifths in 1920, by nearly 30 per cent. in 1921, and by more than two-fifths again in 1922. Oats and oat products show the heaviest falls of all the cereals, being between 50 and 60 per cent. less in 1919 and 1921, and nearly two-thirds below 1913 in 1920, but gained somewhat last year, although they were not much more than half as heavy as in 1913. Rice was less than half the weight in 1919, by nearly one-third in 1920, but gained immensely in 1921, only to fall off considerably last year. It is seen that our imports of grain and cereals last year showed a much nearer approximation to the weights imported in 1913 than in 1919, 1920, or 1921.

The next table shows that the values of our imports of these cereals is now approaching the pre-war values of 1913:—

TABLE II.	Values of Imports in Million £.					Increase or Decrease per Cent. compared with 1913.			
	1913.	1919.	1920.	1921.	1922.	1919.	1920.	1921.	1922.
Wheat, grain	43.8	68.4	146.8	70.6	58.8	+56.2	+235.2	+61.2	+24.8
Maize	13.8	13.7	27.4	18.5	15.0	-0.7	+98.5	+34.1	-8.7
Barley	8.1	17.8	14.5	10.5	6.1	+120.0	+79.0	+30.0	-24.7
Oats and oat products	6.3	9.0	6.9	5.6	5.3	+42.9	+10.3	+10.9	-15.9
Wheatmeal and flour	6.3	25.7	21.2	19.1	10.7	+308.0	+238.5	+203.2	+68.4
Rice	2.3	3.0	6.2	6.4	2.3	+31.3	+172.2	+182.4	-

Barley and wheatmeal and flour show continuous declines in the percentage increases in value over 1913 from 1919, the value of the barley imported last year being one-fourth less than the value in 1913. Wheat (grain) and maize show rapid declines since 1920. The values of our imports of oats and oat products in 1920 and in 1921 were only about 10 per cent. higher than in 1913, and the value of last year's import was 15.9 less than in 1913. The values of our imports of rice were higher in 1919, and greatly higher in 1920 and 1921, but last year's value was the same as in 1913. Comparing the quantities imported in each year, and their values we find that the prices per unit during the last two years have been rapidly approaching those that prevailed in 1913:—

TABLE III.	1913.			1921.			1922.		
	Mill. Cwts.	Mill. £.	Price per Cwt.	Mill. Cwts.	Mill. £.	Price per Cwt.	Mill. Cwts.	Mill. £.	Price per Cwt.
Wheat, grain	105.9	43.8	8.3	80.2	70.6	8.8	96.4	58.8	6.1
Maize	49.2	13.8	5.7	36.8	18.5	5.0	37.2	15.0	4.0
Barley	22.4	8.1	7.3	15.8	10.5	6.6	12.7	6.1	4.8
Oats and oat products	19.0	6.3	6.7	9.2	5.6	6.1	10.2	5.3	5.2
Wheatmeal and flour	12.0	6.3	10.6	15.8	19.1	12.1	13.5	10.7	7.9
Rice	4.3	2.3	10.8	6.9	6.4	9.3	2.7	2.3	8.5

How the millers and bakers have contrived to keep up the price of the quartern loaf since it was last reduced some year and a-quarter ago is one of those puzzles that appear to be insoluble! The table shows that the

average price of imported wheat and of flour was about 50 per cent. higher last year than in 1913, but the price of the loaf remains at nearly double the pre-war price.

We proceed to deal with the quantities and values of our imports of meat, and of the price per unit compared with 1913:—

TABLE IV.	Weight of Imports in Million Cwts.					Inc. or Dec. per Cent., Compared with 1913.			
	1913.	1919.	1920.	1921.	1922.	1919.	1920.	1921.	1922.
Beef	9.9	6.6	10.7	12.2	11.8	-33.3	+8.1	+23.2	+19.2
Mutton & lamb	5.3	4.1	6.4	6.8	6.0	-22.6	+20.8	+28.3	+13.2
Bacon	4.9	8.3	5.6	5.7	5.9	+69.4	+14.3	+16.3	+20.4
Hams	8	1.8	3	1.1	1.4	+111.8	-64.7	+29.4	+64.1

In 1919 our imports of beef were less by one-third than in 1913, but each later year has shown heavier imports. Our imports of mutton and lamb were more than one-fifth less in 1919 than in 1913, but show larger increases in later years than beef. In each case 1921 shows the heaviest weights imported. Our imports of bacon in 1919 were nearly 70 per cent. higher than in 1913, but fell to 14 per cent. in 1920, and have risen slightly each year since. Our imports of hams in 1920 fell off very heavily after being more than twice as heavy in 1919 as in 1913. They still show very great increases. The huge sums that we have been paying for imported supplies of meat are shown in the next table:—

TABLE V.	Values of Imports in Million £.					Increase or Decrease per Cent., Compared with 1913.			
	1913.	1919.	1920.	1921.	1922.	1919.	1920.	1921.	1922.
Beef	18.9	52.1	51.9	44.9	29.3	+175.7	+174.1	+138.6	+55.0
Mutton & lamb	11.1	19.5	28.0	29.7	22.9	+75.7	+154.1	+166.6	+106.3
Bacon	17.4	73.6	50.4	43.5	35.5	+323.0	+190.0	+150.0	+154.7
Hams	3.1	16.1	3.0	8.2	8.6	+419.0	-3.2	+164.5	+177.4

The total value of our imports shown in the table rose from £50,500,000 in 1913 to £161,300,000 in 1919, but fell to £133,300,000 in 1920, to £126,300,000 in 1921, and to £96,300,000 last year. The great sums paid for imported bacon and hams should encourage our pig-breeders to try to recover the valuable trade they lost when they destroyed their swine during the war.

The fall in prices of our imports of meat is shown in Table VI.:

TABLE VI. Meat Imports.	1913.			1921.			1922.		
	Mill. Cwts.	Mill. £.	Price per Cwt.	Mill. Cwts.	Mill. £.	Price per Cwt.	Mill. Cwts.	Mill. £.	Price per Cwt.
Beef	9.9	18.9	s. d. 2 11	12.2	45.1	73 11	11.8	29.3	48 5
Mutton and lamb	5.3	11.1	41 10	6.8	29.6	87 1	6.0	22.9	76 0
Bacon	4.9	17.4	71 0	5.7	43.5	152 7	5.9	35.5	120 3
Hams	8	3.1	72 11	1.1	8.2	149 1	1.4	8.6	122 10

Although our imports of mutton and lamb during the last three years have shown increases of 154 per cent. in 1920, of 166.6 in 1921, and of 106.3 per cent. last year, the price per cwt (£3 16s) shows a percentage increase of 81.7 over the price (£2 1s 10d) in 1913. The increase in the price of bacon last year showed 69.3 per cent. over the price in 1913, whilst that of hams was 68.8 per cent. higher, and that of imported beef only 27 per cent. higher.

LATIN-AMERICAN NOTES.

(BY OUR OWN CORRESPONDENT.)

BOLIVIA.—A belated but welcome economic revival appears to have set in in Bolivia, owing mainly to the improved exports of tin concentrates, such having exceeded those of the previous year by as much as 60 per cent. The demand has come principally from Great Britain, but that from the United States has likewise proved an important factor in the situation. So satisfactory, indeed, are said to be the prospects of the mining industry (the backbone of the country's business) that several additional Chilean companies have been formed for the purpose of mining both tin and gold in Bolivia, while the copper industry has also received the attention of local capitalists. The foreign trade of the Republic has improved generally, while the recent substantial rise in the rate of Bolivian exchange has been offset by the rise in the price of tin. In view of these more favourable conditions, a fresh Government loan

of \$7,000,000 (£1,400,000) is contemplated in connection with the furtherance of railroad construction. It is reported that New York bankers have determined to exercise an option to issue such a loan, which would form the part remaining unsubscribed of a previous \$33,000,000 loan, already referred to in these columns. The money would be raised through the sale of Bolivian Government bonds, which would be accepted by the railway contractors or syndicate underwriting the loan at about 93 per cent. For the current year an additional national deficit of 8,000,000 bolivianos will probably be incurred over and above the 12,000,000 bolivianos deficit, covered by the last loan obtained in the United States.

MEXICO.—The financial year in Mexico finished unsatisfactorily, with the forced liquidation of seven banking houses, a circumstance which resulted in further contraction of credits, and mercantile operations. The principal commercial houses, however, succeeded in passing through the crisis without incurring any serious consequences. Other adverse factors in the economic situation were increasing discounts against silver currency, a definite suspension of silver coinage having been in force since the end of October, gold and fractional coins alone being minted. In the opinion of many experienced economists, the business situation of the Republic to-day is rather worse than at any time since 1910. General trade is dull, and holiday purchases are less than those of last season. Neither has the position been assisted by the new governmental decree requiring the banks to maintain a cash reserve of 50 per cent. against deposits. The imposition of this new and unexpected enactment caused deposits to at once decrease, until they have now reached an almost unprecedentedly low figure, with no loans in sight. This last is due also to the absence of funds available for that purpose, and to the prohibitively higher interest rates in interior points. Meanwhile, according to the published statements of the Controller-General, national revenues have fallen off steadily month by month. So far, no new laws having any beneficial effect upon the general situation have been enacted, nor are any projected. Importations, exports, and sales in local markets have all declined, while in regard to the Republic's chief industrial production, petroleum, the temporary increase in exports is not thought likely to continue. It is feared, moreover, that the raising of national revenues for 1923 will prove more difficult because of the poor crops this season. While it is known that the Government has in mind the payment of the 30,000,000 pesos due on the National Debt Agreement in April next, and intended, during this year, to pay 11,000,000 pesos on the Carranza and other Government bonds held by local banks and on the agrarian bonds, it is thought that some modification of these plans—even if they are not altogether abandoned—will become necessary. While it is reported that the Government has upon deposit in New York and Mexico the sum of 10,000,000 pesos (£1,900,000), considerably more than sufficient to pay the overdue interest instalment upon the foreign debt, part of this sum must be devoted to the relief of trade and industry as well as to that of unemployment, both of which problems are creating widespread unrest.

COSTA RICA.—Designed to promote foreign commerce by fixing a definite rate of exchange, a new monetary law has come into force in this Central American Republic, establishing a Caja de Conversion, or exchange office, to maintain the rate of exchange at 4 colones for one gold dollar. All import duties assessed, up to the present in gold, hereafter will be calculated in paper currency at double the rate shown in the tariff schedule; that is to say, while the import duties remain unaffected by the new law (since they are to be calculated in paper at the new rate of conversion), the amount paid in paper will be practically doubled. So long as the law remains in force, coined gold may be exported without restriction.

NICARAGUA.—Trade conditions in Nicaragua have improved materially of late; a feeling of optimism has been created by the prospects of an exceptionally good coffee crop. Although local produce sales fell off towards the close of the year, as is not unusual prior to the harvest season, there have been fewer important commercial failures, while the financial condition of the Republic, as

a whole, has sensibly bettered. Collections promise to become easier, and business placed on a firmer footing. While local interest rates remain at from 18 to 36 per cent. annually, the National Bank has again commenced to make a few small loans at 12 per cent., on the strength of the coming crops. According to non-official estimates, the current year's production of coffee should amount to between 300,000 and 350,000 quintals*, a normal crop being estimated at between 200,000 and 250,000 quintals. Sugar, also, promises well. Should present quotations hold, planters would secure a substantial profit upon the expected yield of from 250,000 to 350,000 quintals. On the other hand, mining operations have not proved very profitable, and unless arrangements can be made for a further foreign loan there is a possibility of existing work coming to a temporary end.

Notes of the Week.

By-Elections and the Parties.—At the General Election in November four Ministers were defeated in their constituencies. One, the Lord Advocate, is still in search of a new constituency; the other three, Colonel Stanley, Sir A. Griffith Boscawen, and Mr J. W. Hills, have been roundly defeated during the past week in the carefully selected constituencies of East Wiltshire, Mitcham, and Edge Hill. A concentrated electoral blow of this magnitude, within four months of accession to power, is, we believe, without precedent in the history of British Governments. Neither the Liberal nor the Labour leaders would claim that the huge turnover of votes in these three elections represents a lightning conversion of the electorate from Tory to Liberal or Labour principles. In each case the defeats were clearly due to the alarm aroused by the Government's policy, or lack of policy, on the Housing question. It is a profound pity that the Government have been compelled to frame a policy on this vital question in an atmosphere of popular fever, and although Mr Bonar Law and his new Health Minister, Mr Neville Chamberlain, must be afraid that any new line that they may take will arouse a fresh storm, it is equally obvious that they cannot afford to let the matter drift. A way out of the present muddle must be found, and the introduction of a Housing Bill cannot be delayed more than a few weeks. Sooner or later, as we have pointed out before, a real attempt must be made to adjust rents to price levels, and to escape from the vicious circle in which a sufficiency of houses is made the condition of decontrol, while certainty about decontrol policy is the condition on which depends the provision of houses. The way out lies in our opinion in a gradual lifting of the 40 per cent. margin, leading up to decontrol class by class at definite dates. Those are the broad lines on which can be reached a solution which will show tenants and landlords clearly where they stand, and will at the same time provide the element of certainty necessary to attract private enterprise and capital to the building industry. But the Government's housing task is so thorny that it might bring Mr Bonar Law perilously near to a defeat for which the country and the parties are by no means ready. Thus with the difficulties of the Conservative Government growing more acute at home, as well as abroad, the position of the other parties in the State becomes a matter of practical interest. At the present moment, if the Conservative Government fell, the only party that could possibly hope to command a majority and take its place is the Labour party. So long as the old Liberal party remains rent in twain, a Liberal Government is not a possible alternative. National importance, therefore, attaches, in the present state of affairs, to the efforts that are being made to restore Liberal unity. For such unity Mr Lloyd George made a dramatic appeal at Edinburgh last week-end. He was answered at Cleeheaton by Sir John Simon with frank coolness, while Mr Asquith at Cambridge studiously, but politely, sat on the fence. Both these speakers interpreted two feelings uppermost in the minds of their followers, namely, that the Independent Liberals cannot possibly take upon their

* 1 quintal = 101.43 lbs.

shoulders any share of the responsibility for the sins of the Coalition, and that, after the profound differences of the past four years, real unity cannot be restored by a gesture or a formula, but must grow out of a demonstrated harmony of political action and political creed. Mr Lloyd George, on his part, obviously cannot promise to repudiate the work of his own premiership. In these considerations lies what might appear to be an insurmountable barrier to reunion. But in a letter to Mr Entwistle, published in the *Times* yesterday, Mr Lloyd George makes so substantial an advance on any previous definition of his attitude, that the ground on which the Independent Liberal leaders might have continued to refuse to meet Mr Lloyd George in conference has been largely removed. A Conference between the leaders of the two wings will not, in all probability, restore, as if by magic, Liberal unity in Parliament and the country. But the effect of Mr Lloyd George's latest advance is to throw the responsibility for the acceleration or obstruction of the unity movement upon Mr Asquith and his colleagues.

The French Advance.—Memories of the war were revived this week by the sight of newspaper placards bearing the words "big French advance." The words summarise the development of events in the Ruhr. French troops have advanced and extended with the result that not only the Ruhr, but also the British area of occupation, is surrounded by a French cordon, which blocks communications with the rest of Germany. The British Cologne garrison, therefore, finds itself isolated and surrounded by zones in which "war" is being carried on by her Allies, without British sanction or approval, and not regulated by the inter-Allied Commission. This course of events must, we think, drive the British Government reluctantly to abandon their policy of passivity as regards the British garrison in Cologne. Its maintenance there has long been exceedingly difficult, and has now, in our opinion, become impossible. We cannot agree that withdrawal would be regarded as a definitely hostile act by France, but we can conceive lively danger of its maintenance there leading to very serious disputes with our Allies over matters which are, after all, of secondary importance to the great question of the future peace of Europe. Withdrawal, moreover, would proclaim to the world our official disapproval of and dissociation from the Ruhr adventure, and such proclamation in one form or another cannot surely be long delayed. All the developments in connection with the Ruhr affair this week point to the situation becoming more and more tense. The severity of French military control has been increased, and day by day greater departures are made from the provisions of the Treaty of Versailles, as they are interpreted in this country. On the other side the temper of German passive resistance is heightened. In the climax to which events are slowly but inexorably working up, Great Britain will be in the stronger position through an act of disavowal such as the withdrawal of the Cologne garrison would constitute. The increasing tension in the Ruhr coincides with renewed discussions in Paris of the outlines of a new settlement and the part which Great Britain will play in it. From the French standpoint it is not unnatural that there should be a disposition to feel that those who are paying the piper should call the tune. But the matter cannot be isolated in this way. The attitude which such suggestions reveal is a most dangerous one, which we view with the gravest concern, for it reveals a state of mind which is prepared to substitute a piecemeal settlement in accordance with the strength of the various sectional conflicting interests for the general settlement which some of the statesmen of the Paris Conference endeavoured—with not much success—to attain. A new and lasting settlement of Europe without the concurrence of Great Britain is unthinkable. Financial stability certainly cannot be attained without her co-operation, and this country could not, however much we might be tempted to do so, ignore the responsibilities which we incurred towards Europe in joining in and helping to win the war, in becoming a party of the League of Nations Covenant, and in taking part in the territorial adjustments made, and in setting up the new nations created in 1919.

Better News from Turkey.—The Angora Assembly has accepted the closure of the debate on the draft Treaty, passed a vote of confidence in the present Government, and sanctioned the resumption of negotiations. This is good news, for it means that the party in favour of an understanding with the West has turned what was the most dangerous corner in their course of policy, and that the Assembly has not given a mandate to the party which stands for an anti-Western orientation in concert with other Muslim nations and with Russia. That eventuality, which would be so fatal to all parties concerned if one of the parties were to force it upon the remainder, has at any rate been averted for the time being. At the same time, we are not yet out of the wood, for if the Assembly has agreed to limit the issue to Turkey's own national claims, it has, on the other hand, insisted upon the full measure of them. This was, of course, to be expected, and when the lines laid down for the new negotiations are examined, they will not be found to preclude a settlement *à priori*. In regard to frontiers, for example, the Assembly has definitely accepted the Thracian frontier proposed at Lausanne—that is, the Maritsa line with a tiny bridge-head opposite Adrianople, but without Kavagach or any section of the railway between Dedeagach and Bulgaria. This is a wise renunciation from the Turkish point of view, for it means that Turkey, even though she has returned to Europe, will be able to keep clear of South-East European controversies. The question of Dedeagach and its railway has not, unhappily, been settled at Lausanne, and until it is settled there will continue to be trouble between Greece and Bulgaria; but, as things are, Turkey will not be involved, having contented herself once more with the frontier which she voluntarily accepted in 1918. The insistence on the complete abolition of the financial and judicial capitulations was only to be expected, and from our point of view it seems doubtful wisdom to stand out for ineffective compromises. The moment that the foreign Powers ceased to be able to enforce the capitulations by diplomatic or naval pressure there really ceased to be any alternative method of obtaining tolerable conditions for their nationals in Turkey, except the method of securing Turkish goodwill. Minimum judicial safeguards forced upon the Turks against their will would exasperate them without effectively helping the foreign residents, and might actually make the position of the latter more unfavourable than if their privileges were abolished *in toto*. That being so, the new negotiations will hardly break down on this ground. The Assembly further proposes to postpone the economic questions, in which France and Italy are primarily interested, on the terms on which the Mosul question had already been postponed at Lausanne by agreement between the Turkish and the British representatives. This suggestion ought not to prove unacceptable to our Allies. The remainder of the draft Treaty is accepted by the Assembly, with the perfectly reasonable proviso that all occupied Turkish territories shall be evacuated by the Allies as soon as peace is signed.

The Indian Budget.—When Sir Basil Blackett left the Treasury to go to India a few months ago to take up the post of Finance Member of the Viceroy's Council, he must have realised that he had no easy task before him. A year ago, it will be remembered, the Legislative Assembly, as a protest against the level of military expenditure, refused to sanction some of the new taxation proposed by Sir Malcolm Hailey, and left a prospective budget deficit of £6,000,000. In opening his budget statement for 1923-24, on March 1st, in the Legislative Assembly, at Delhi, Sir Basil Blackett announced that disappointments in some sources of revenue had caused this prospective deficit to be nearly doubled. He laid great stress on the danger to India's credit of the constantly recurring deficits, and outlined proposals for creating a balance for 1923-24. In framing his plans, he was assisted by the work of the Retrenchment Committee, over which Lord Inchcape presided. This Committee, whose work was analogous to that performed by the Geddes Committee in Great Britain, indicated economies to the extent of £12,000,000, but the new Finance Member explained that except in the military, and to a certain

extent in the Posts and Telegraphs budget, the Committee's suggestions could not, for want of time, be incorporated in detailed estimates. But lump sum reductions were allowed for. In the non-military budget (excluding interest charges), the amount of expenditure reduction is Rs. 6½ crores, as compared with the Committee's suggested reduction of 8½ crores. Military expenditure at Rs. 62 crores shows a reduction of Rs. 5¼ crores, whereas it would have fallen to Rs. 57¼ crores had full financial effect been given in this budget to the Inchcape proposals. The difference of Rs. 4½ crores, Sir Basil explained, was due in part to special expenditure in Waziristan, and partly to inevitable delay in giving effect to the proposals. For 1923-24 total expenditure is estimated at Rs. 204½ crores, or Rs. 11 crores less than in the previous budget, and revenue on the existing basis of taxation at Rs. 198½ crores, leaving a deficit of Rs. 5.85 crores to be met. This deficit is to be reduced to Rs. 4½ crores "by crediting to revenue the interest on securities in the Paper Currency Reserve, which latter was approved by the House last year." The balance of Rs. 4½ crores is to be covered by new taxation, which consists of one item only, namely, the doubling of the salt tax from Rs. 1½ to Rs. 2½ per maund. This measure, Sir Basil anticipates, will bring in an additional yield of Rs. 4½ crores, and leave him with a trifling surplus. The Finance Member concluded his statement with a strong appeal to the Assembly for their support in the effort "to get out of the vicious current which was threatening to drag India down to insolvency." This appeal, coupled with the good impression caused by the work of the Retrenchment Committee, and Lord Rawlinson's acquiescence in the Committee's suggestions of military economies, appears to have had its effect, for from the sparse details at present cabled as to the progress of the subsequent debates, it appears that the Assembly acknowledges the necessity of balancing the budget, and has not been able to suggest any practical alternative to the obviously unpopular measure of doubling the salt tax. A cable in Thursday's *Times* from its Delhi correspondent says:—"The Assembly is unanimously of the opinion that the deficit must be covered, though it has strenuously endeavoured to find other expedients than a doubling of the salt tax. After two days' discussion, however, as Sir Basil Blackett remarked, the salt tax holds the field. A notable feature of the debate has been the reasonable atmosphere prevailing. No speaker attempted to justify his opposition to the salt tax on any but political grounds." The prospect is, therefore, that the 1923-24 budget will pass without the obstruction and truncation which its predecessor suffered.

The Civil Service Estimates.—The estimates for the financial year 1923-4 for the Civil Services and Revenue Departments, issued this week, show a reduction of £88 millions to £314 millions in comparison with the estimates for the year 1922-3. An examination of the details, however, tempers the optimism raised by this substantial drop, for they show that at least 80 per cent. of the decline was due not to an outburst of zeal for economy on the part of the Departments, but to the automatic cessation or reduction of special payments arising from the war. The decline, moreover, is in comparison with the 1922-3 estimates, and to judge by the weekly accounts the reduction in comparison with the actual expenditure in 1922-3 will be very much smaller than the figure mentioned. Unclassified Services require £17½ millions as against this year's estimate of £69 millions. Thus £51½ millions of the total reduction are accounted for, of which £47½ millions relates to "services arising out of the war." The liquidation of railway and canal agreements is to take less than £2 millions as against £33½ millions this year, coal mines deficiency £1½ millions against £5 millions, and shipping liquidation £2 millions against £8½ millions. Further reductions are shown by the Disposal and Liquidation Commission, £3 millions, and grants for compensation for damage by enemy action £2½ millions. Ordinary unclassified services show a reduction of £3½ millions, of which grants-in-aid for Northern Ireland account for £2 millions, relief of unemployment £820,000, and export credits

£250,000. In other services the principal reduction is shown by the Ministry of Pensions, which calls for £73½ millions as against £90 millions this year. Other reductions include £2 millions for the Ministry of Labour, £3 millions for the Ministry of Health, £4 millions for education, £2½ millions by Middle Eastern services, £1½ millions for the Irish Department, one million for stationery and printing (a praiseworthy effort), and three-quarters of a million for the Board of Trade. The Mint asks for £950,000 as against £750,000 this year, though the necessity for an increase is not obvious when a substantial profit is being made on the silver coinage. The estimates for the Revenue Departments show a reduction of £3½ millions, of which the Post Office accounts for £3 millions.

The Navy and Air Estimates.—The Navy Estimates for the year 1923-24 issued on Thursday show a reduction, in comparison with this year's estimates, of £8 millions in gross expenditure and of £6½ millions in net. The gross estimate is for £61½ millions, and appropriations in aid account for £3½ millions, leaving a net estimate of £58 millions, which compares with £64½ millions twelve months ago. The principal reductions are £1,800,300 in pay of officers, seamen, &c., £957,500 in victualling and clothing, £986,100 in dockyard personnel, £930,500 in stores and material, £345,000 in fleet fuelling, £852,300 in travelling and miscellaneous expenses, and £2,266,400 in non-effective services. Contract shipbuilding, at £5,031,450, shows an increase of £1,696,950, owing to the larger provision necessary for the two new battle-ships, while naval armaments show an increase of £280,400 for the same reason. The reduction of the personnel of the fleet by 20,000 officers and men to 100,000 is expected to be complete by April 1st. In his memorandum on the estimates the First Lord of the Admiralty states that "in their main outlines the Navy estimates for 1923-24 bring out the full effect of the programme of reductions initiated immediately upon the acceptance by His Majesty's Government of the Washington Agreement. The ratification of the Agreement has not yet been completed by all the great Powers concerned, and none of them have so far followed the example of this country, which, in anticipation of the general ratification and implementing of the Treaty, has already sold or broken up practically all the Capital Ships to be scrapped under the Treaty. This act of faith, though involving risks to which the Board of Admiralty have been fully alive, has secured for the taxpayer the immediate fruition of large economies which would otherwise have been deferred. The full extent of these economies is made clear by a comparison between the new estimates and those for 1921-22. Part of this great difference, it is true, is accounted for by the fall in wages and prices, by the progressive elimination of a variety of charges incidental to the winding up of war accounts and to the general aftermath of the war, and by an increasingly rigid scrutiny of expenditure in every department. But it is necessary to remember that, to a very great extent, these detailed administrative economies, effected by the reduction of reserves and the postponement of all but the most indispensable new requirements, are themselves only made possible, even in the present financial stringency, by the general easing off of naval competition which, it is hoped, will result from the Washington Agreement." The Air Estimates show an increase in the gross estimate of £3 millions and a net increase of £1,116,000, the total net estimate being £12,011,000 as compared with £10,895,000 a year ago. The increase in the total is almost wholly accounted for by the increase in the vote for technical equipment, which has risen from £1½ to £3½ millions. The Secretary of State for Air remarks that "the war stocks upon which the Air Force has been living to a large extent since the Armistice are now becoming exhausted, and an increase in the cost of maintaining existing squadrons is, therefore, inevitable." This vote, however, now includes experimental and research services, which last year were down for £1,177,000. The pay vote is down by £273,000 to £3,508,000. An analysis of the net total of the Air Estimates shows that it includes £11,486,000 for normal services and £525,000 for war

liabilities. The comparable figures in 1922-23 were £9,935,600 for normal services and £959,500 for war liabilities. The true increase in services other than in the Middle East is, therefore, £1,550,500. The gross total includes a figure of £5,957,000 for expenditure in respect of Middle East services. This does not affect the net total, since under existing arrangements the total cost of Middle East services is voted in the Civil Service Estimates, and the debits against Air votes are balanced by equivalent Appropriations-in-Aid.

Funding the International Debt.—The memorandum issued by the industrial group of the House of Commons suggesting plans for funding the international debts of the various Allies to one another, and the cancellation of many of them, embodies many ideas and principles which have become almost common form in discussions in this country. Unfortunately, the suggestions carry us very little farther, since the Reparation figure on which the whole scheme is based is a quite impractical one. The memorandum proposes that in addition to paying for the restoration of the devastated areas in France, Belgium, and Italy, Germany should pay 2,663 millions sterling, to be divided among the Allies on a principle which would give to Great Britain 922 millions—i.e., the amount of our debt to the United States. But the figure proposed by the group means that Germany's total debt would be something over 4,000 millions, a figure which there is not the least likelihood of obtaining. The group must fundamentally modify these figures if it really hopes to put forward a practical plan.

The Unemployment Insurance Bill.—The fifth Unemployment Insurance Bill within two and a-half years was read a second time this week without a division. Like its three immediate predecessors, it is an emergency measure designed to supplement the main Act of 1920. It is designed to prolong the period of "uncovenanted benefit," or, in other words, to give benefits in anticipation of contributions by the insured. A fourth special period of benefit is to be prolonged from November 2nd last to October 17th next, during which time 44 weeks of benefit may be drawn, provided that a gap of two weeks intervenes between the first 22 weeks and the second. It is also provided that from mid-October next until mid-October, 1924, 26 weeks of benefit may be paid, if necessary, irrespective of contributions. For subsequent benefit years the period of benefit is limited to 26 weeks, payable only in respect of contributions. Of course, the "uncovenanted" benefits do not pretend to be based upon any insurance principle; they are simply rendered necessary by the volume of unemployment. Last year the House of Commons authorised 30 millions to be borrowed by the Unemployment Insurance Fund to meet these uncovenanted benefits, and loans for about 17 millions have been incurred. It is reckoned by the Ministry of Labour that with an average unemployment of 1,250,000 for the next 18 months the burden on the Fund will reach 22½ millions by April, 1924, but should fall again to £20,700,000 by October, 1924. The finance of the Fund was very clearly explained by Sir Montague Barlow. During the last two and a-half years the amount expended under the Unemployment Insurance Acts has reached £125 millions, made up of £33 millions from the State, £48 millions from employers, and £44 millions from the workmen and women. This expenditure has been made possible by the credit balance of £22 millions in the old Fund—piled up during the war boom—and £17 millions borrowed. The idea is that when trade substantially revives the loans incurred to pay uncovenanted benefits may be repaid out of the normal contributions of employers, workpeople, and the State.

Cotton Trade Short Time.—A further development has occurred this week in the organised short-time movement in the cotton mills of Lancashire producing American yarns. The depressed state of trade has been considered by the Cotton Spinners' and Manufacturers' Association.

This organisation concerns itself chiefly with the weaving branch of the industry, but some of the members have spindles, and sell yarn. It has been decided that employers who spin yarn for sale should be strongly recommended to adopt the proposal of the Master Spinners' Federation, that production should be curtailed during the month of March to the extent of 50 per cent. It is understood that this organised restriction of yarn output is being loyally carried out by spinners. Stocks of yarn tend to be reduced, and there are already signs of some improvement in the market, owing to there being less twist and weft on offer.

Commercial Policy Since the Brussels Conference.—The second Assembly of the League of Nations in September, 1921, requested the publication of information showing how far the States which took part in the Brussels Conference of September, 1920, had succeeded in putting its recommendations into practice. In order to comply with this request the Economic and Finance Section of the League issued to the various nations a questionnaire, the replies to which have now been issued in two volumes*, one of which is entirely devoted to a report on Italy written by Professor Bachi. For the purpose of these volumes the Brussels recommendations were divided into three heads:—(1) Budgetary Measures, (2) Monetary Measures, (3) Commercial Measures. Under the first two heads a mass of important information has been received, collected, summarised, and presented in handy form by the League authorities, and the information provided we hope to discuss in a forthcoming issue. Under the third head, Commercial Measures, the replies by way of the countries were brief and inadequate, and no attempt is made to summarise or review them. For their inadequacy, it must be confessed, the officials responsible for sending out the questionnaire must be held partially responsible. In the commercial section the main point on which information was asked was "the abolition of the establishment of prohibitions on imports or exports, or of special permits; the abolition or lowering of import or export duties, &c." The italics are ours, and we emphasise the words in question to call attention to the fact that no specific question is asked about erecting or raising tariffs. The omission to extend the inquiry to that fruitful field was unfortunately taken advantage of by nations whose record in such matters is not beyond reproach, among them, we regret to say, the United Kingdom. The British reply to the inquiry about commercial measures gives an imposing list of prohibitions and controls removed, but fails to mention a trifle like the Safeguarding of Industries Act and the orders made under it. The United States reply does, it is true, give details of anti-dumping legislation in 1921, but since it contains no reference at all to the Fordney Tariff, it is, like the British, chiefly notable for its incompleteness. The reply from British India duly records prohibitions imposed on imports of shaving brushes and tooth brushes from Japan, but passes over the increase in the duty on cotton goods in discreet silence. No compilation that fails to record such outstanding features as these can claim to be more than a misleading and inadequate history of the commercial policies of leading nations during the past few years. France sends no reply, but fortunately some Governments have disclaimed the loophole of escape provided by the wording of the questionnaire. For instance, Japan and Finland set an example of honesty by describing increases that have taken place in their tariffs. Australia goes one better, and covers six pages with the text and schedules of its Customs Tariff (Industries Preservation) Act of 1921. We discussed this complicated measure at the time of its enactment, and recommend a study of its clauses (pages 12-18 of volume I.) to all critics of our own Safeguarding of Industries Act. It may be noticed in passing that the schedules which prescribe the scale of *ad valorem* duties to be imposed on goods coming from certain countries with depreciated exchanges provide for a fall in the French franc to 300 to the £ sterling, but of the mark to

only 240 to the £ sterling. How rapidly economic events upset the calculations of tariff architects! Not the least merit of the League volume is that its 300 pages of close print and statistics are issued at the low price of 5s. If this volume is a commercial proposition at 5s, it is time that the Government reconsidered the prices charged for some of its larger Blue-books.

Argentina and the League of Nations.—Cable advices from Buenos Aires state that the Chancellor has informed the Chamber of Deputies Budget Commission that the League of Nations is claiming from Argentina payment of quotas in arrears amounting to 2,334,372 gold francs. The Finance Committee of the Chamber of Deputies proposes to include an appropriation of 900,000 (gold) in the 1923 Budget towards this payment. It is announced that Chancellor Gallardo supports the re-entry of Argentina to the League, and anticipates that the Cabinet will give a favourable opinion. It is understood that the Argentine Government intends to recognise the claim of the British Treasury to the differences of exchange, stipulated in the British loan to the Argentine, arranged during a former administration, for the purpose of paying New York bankers. The Cabinet will accept the clause in the agreement, and will arrange for the cancellation of the account through the projected loan for the consolidation of the floating debt.

China and Japan.—Stress is laid by a well-informed correspondent on the significance of the announcement that the Chinese Government has notified Japan through her Legation in Peking of its desire for a discussion of the Treaty of 1915, by which, among other onerous concessions, the Liao-Tung Peninsula remains till 1907 under Japanese control. Under the Russo-Chinese Treaty of 1898 this area was leased for 25 years to Russia; Japan acquired the lease from that Power in 1905 after her victory, and ten years later included its extension to 99 years from its original date among the Twenty-one Demands presented to China. The Peking Government was constrained to compliance by the certainty that the Allied Powers would be prevented by the war and Japan's participation in it from supporting China in resistance. At the Washington Conference Japan refused any concession on the matter, but China claims that the Treaty is invalidated by the circumstances of its signature, and the original term of the lease expires on March 26th. Hence the Chinese Government is reopening the question, in the hope of support from the Western Powers, now that the Anglo-Japanese Alliance is terminated and the war is out of the way. China is disorganised and the Western Powers have their hands full, but the question can hardly be dismissed summarily.

Stockbrokers and Banks.—By next Tuesday, writes a Stock Exchange correspondent, the names of new candidates for election to the Stock Exchange Committee in respect of the year which begins on the 25th of this month will have to be in the hand of the secretary of the House, and it is stated that one resignation will be made from the 30 men who now form the Committee of the Stock Exchange. This comes from a broker, and, to fill the vacancy so created, an election will be essential. Had it not been for this, quite possibly the present Stock Exchange Committee would have been re-elected *en bloc*, in spite of the lively discussions which have been taking place during the past few months in regard to the matter of the division of commission between brokers and banks. The real question is whether agents of any kind shall be permitted to receive 50 per cent. of the gross commission, but as the banks are the principal customers of the Stock Exchange, it is they to whom the stockbrokers look when they come to debate the points at issue. These have been thrashed out pretty thoroughly in the columns of the *Economist* during the past six months, and the matter has been presented from both sides as far as possible. It shows that the banks have an unquestioned justification for claiming part of the commission, in that they advertise largely (which stockbrokers are forbidden to do), and that their business is unimpeachably safe. On

the other hand, the stockbroker points out that, having regard to the ratio of expenses at which he runs his office, to return half his gross commission is unbusiness-like and unjust, nor does the fact of established convention and custom absolve him from the duty of trying to amend such an arrangement. That there is a good deal of competition for bank business is due to the fact that the stress of living renders it necessary for Stock Exchange men to take any orders which come along, hoping that in the long run the orders may prove to be profitable. The Stock Exchange Committee, in their absolute power, could revise the present rules which permit sharing half the gross commission between brokers and their agents, but this the Committee are not willing to do. They obviously apprehend such an open break with the banks as might result in the latter organising a stock exchange of their own, this being a fear which, to the minds of many practical Housemen, can be dismissed as fantastic and a practical impossibility to be put into operation for more than a few weeks or a few months. Here, however, the matter rests for the moment, and champions may come forward next week to take the part of the brokers who at present consider that they do not obtain a fair proportion of the commission which they receive from banks on the business of the latter's customers. The matter is largely one for brokers, and not for jobbers, although the jobbers naturally have a good deal to say in the matter, in that whatever affects one class touches also the other in the House. Moreover, the fact of the present Chairman of the Committee being at the same time a jobber and one of the best chairmen who has ever occupied that position in the Stock Exchange, it is inevitable that jobbers should consider that the question concerns themselves almost as much as, although more indirectly than, it does the brokers.

Austria's Foreign Trade in 1922.—The complete statistics of Austria's foreign trade in 1922 are now available, and it is gratifying to note that the returns for the second half of the year are considerably better than those for the first six months. This is all the more noteworthy, in that the period July to December witnessed first a severe crisis in internal affairs, accompanied by a catastrophic fall in the quotation for the Austrian krone, which certainly made trade very difficult, and, secondly, a period of stabilisation, accompanied by falling prices and the many painful consequences of a return to economic sanity. In spite of these considerations, which were duly advertised by delighted pessimists, the following figures show that while there was a slight increase in imports during the second half of the year, exports increased over 14 per cent. as compared with the first six months:—

(In Millions of Gold Kronen.)

	Imports.	Exports.	Excess of Imports.
1922.			
January-June	792	489	303
July-December	799	558	241
Total, 1922	1,591	1,047	544
Total, 1921	1,699	904	795

The improvement over 1921 is most noticeable. The fall in imports is accounted for to a great extent by the reduced importation of grain, wine, and eatables, and it seems probable that the reunion of the Burgenland has considerably improved the food position of the new Austria. The importation of other foodstuffs and tobacco shows an increase in quantity, but, thanks to the fall in prices, the value figures remain practically unchanged, as compared with the previous year. The least satisfactory figure on the import side is that for coal, where a rise in prices had led to an increased money value for a diminished quantity of the commodity. In textiles, imports fell from 489 million kronen in 1921 to 423 million kronen in 1922, while exports rose from 221 million to 295 million respectively. The resultant fall in net imports is the more satisfactory, in that the prices of some lines showed a substantial rise over those ruling in the previous year. On the export side, wood, paper, iron, and leather goods showed considerable gains on the year. There is still room for further improvement, as Austrian industries are not working at anything

approaching their full capacity, but it is none the less gratifying to chronicle the fact that the import excess has been reduced by nearly one-third, as compared with 1921. The relative stability of the krone exchange, coupled with the successful flotation of Austrian Treasury Bills in London and other centres, and the new rapprochement between the Succession States, which is exemplified by Dr Scipel's recent visit to Belgrade, should lead to a further improvement in 1923.

London Merchant Bank.—The delay in the publication of the accounts for 1922 of the London Merchant Bank is apparently due to the preparation of the scheme of capital reorganisation which the report discloses. The bank, which until 1916 was known as the London and Hanseatic Bank, had commitments before the war in Germany and Eastern Europe, and after the outbreak of war its profits were substantially reduced. There was some recovery in 1919, when net profits rose to £61,800, and the dividend was raised from 5 to 6 per cent.; but since then profits have steadily declined, those for last year amounting to £36,900. An interim dividend of 2½ per cent. was paid in July, but no distribution is to be made in respect of the second half-year, the balance of profit being transferred to contingency and pre-war adjustment account. The directors intimate that the balance of the advances under the Treasury scheme of 1914, which stands in the balance-sheet at £242,200, has since been liquidated, and state that further progress has been made in the collection of German pre-war outstandings through the clearing-office; considerable relief, however, still has to be granted in many instances to pre-war debtors in Eastern and South-Eastern Europe, such as Poland, Latvia, Austria, Trieste, the Balkans, &c., whilst it is impossible to assess the value of outstandings in Russia.

After careful consideration the directors have, therefore, decided that adjustments of a comprehensive nature should be made by utilising the reserve fund and re-arranging the capital account. They have, therefore, transferred the reserve fund of £350,000 to contingency and pre-war adjustment account, and they propose that an amount of £225,000—viz., £3 per share—should be written off the paid-up capital, and also that the uncalled capital should be reduced by £225,000—viz., £3 per share. If these proposals for reducing the company's capital are sanctioned by the shareholders and confirmed by the court, the result will be that each of the existing £20 shares will become a £14 share with £7 paid up. These shares will then be sub-divided into shares of £7 each, with £3 10s paid up, and be known as "B" shares. The directors also propose that on the reduction of capital taking effect, the authorised capital be restored to its present amount of £1,500,000 by the creation of—(1) 60,000 7 per cent. cumulative preference shares of £5 each, to be known as "A" shares, and (2) 30,000 "B" shares of £5 each. 41,000 "A" shares have been already placed at par, provided that they are issued by August 31, 1923, and the directors propose to offer the remaining 19,000 "A" shares at par to the shareholders in due course. The 30,000 new "B" shares will be held in reserve for issue at some future time. The directors consider the proposals to be in the best interests of the bank, and if carried through the capital account will stand as follows:—Authorised, £1,500,000, divided into £300,000 "A" shares and £1,200,000 "B" shares; subscribed, £1,350,000; paid-up, £825,000.

The balance-sheet shows that, as compared with the end of 1921, acceptances have increased from £1,562,300 to £1,608,700, while deposits have declined from £1,089,700 to £818,300. Cash and money at call and bills receivable are substantially higher, but there is a heavy decline in current credit accounts. The directors are undoubtedly adopting a wise course in squarely facing the losses brought about by the war. The capital reorganisation will improve the bank's credit, and should therefore commend itself to shareholders.

Austin Motors.—Many motor companies appear to be able to turn out excellent products, although, at the same time, working in a financial quagmire. We are reminded of this by the belated appearance of the accounts of the Austin Motor Company, Limited, for the two years ended December 31, 1921. It must be admitted that this was a difficult period in the history of engineering undertakings. It witnessed the changeover of such concerns from war time to peace time conditions, when hopes ran high, labour was looking for a new world, and materials were scarce and not always up to sample. For these two years the Austin Motor Company show a loss of

* "Brussels Financial Conference, 1920." Their Recommendations and Their Appreciation. A Review after two years.

£1,883,601. If this sum be written off, assets will then appear as £3,605,484, against liabilities of £5,489,085, after writing off reserves and the balance brought forward. Thus the general reserve of £475,000 disappears. But this is not the whole of the story. The directors in their report dated March 6th point out that "it will be necessary to depreciate the items under the headings of Investments, Longbridge Estate and Flying Ground to the extent of about £300,000, and when more normal conditions prevail to review the value of all the assets." And then they add: "But as no proposals are being brought forward at present to deal with capital losses, the depreciation, together with the item of expenses of issue, &c., will be adjusted at a later date, when a scheme for revision of capital will be submitted to the shareholders for their approval." A somewhat petulant note is struck in the statement in the report that "the declaration of the Chancellor of the Exchequer in 1920 that it was the policy of the Government to deflate the currency, and with the assistance of the financial institutions to restrict credit, caused a slump in commodities and purchasing power as a natural and inevitable sequence." Surely most industrial companies in 1920, if not in 1921, showed profitable progress.

Merchant's Marine Insurance Company.—This company, in common with other marine offices which so far have issued their reports for last year, shows an improvement in the underwriting account of 1921 as compared with the results of 1920. After transferring £100,000 to suspense to close the account of 1921, there was a surplus of £21,850, which was increased by interest to £50,393. In the account of 1920 there was no surplus. A sum of £127,117 has been transferred to profit and loss from the investments depreciation reserve, £100,000 carried from profit and loss to reserve for insolvent reinsurers, and £25,000 to underwriting suspense account, in addition to the transfer of £100,000 on account of 1921. In the underwriting account of 1922 the premiums were £464,476, against £423,373, and the first year's claims £101,000 (21.75 per cent.), against £92,715 (21.9 per cent.). Expenses were £46,193, against £47,800, and the balance carried forward £317,284, against £282,858. The effect of the war, as measured by the reserve fund, underwriting balance, and profit and loss balance, shows itself in the increase of these funds from £358,319 on December 31, 1914, to £625,589 on December 31st last. The dividend for 1922 (12½ per cent., tax free) cost £15,625, against net interest receipts of £25,029.

American Telephone (Bell System).—Of all American corporations, the American Telephone and Telegraph Company, perhaps more popularly known as the Bell System, has the largest number of stockholders and the widest distribution of ownership. On December 31st the number of stockholders was 248,925, an increase during the year of 62,583, the largest increase in a year in the history of the company. The report of the American Telephone and Telegraph Company for the year ended December 31, 1922, shows that, after meeting all operating charges and making provisions for depreciation and for Federal and all other taxes chargeable against 1922 earnings, it had available for interest and dividends \$81,668,440. Interest charges were \$15,498,011.88, a reduction of \$4,023,097.17 from 1921, thus reflecting the reduction of \$74,095,100 in the company's debt during the year. Dividends paid to stockholders at the rate of \$9 per share per year amounted to \$52,971,251.93, an increase of \$10,296,848.93 over 1921, this increase being principally on account of an addition in outstanding capital stock of \$151,162,100. Of the resulting balance, there was appropriated for contingencies \$5,000,000, and the remainder, \$8,199,176.19, was carried to surplus. The progress made by this undertaking may perhaps be better appreciated if net earnings and expenses are compared with the figures of the previous year, as set out in the following table:—

	1921.	1922.
Earnings—	\$	\$
Dividends.....	38,580,672.59 ..	44,972,928.91
Interest	13,803,052.70 ..	12,281,954.46
Telephone operating revenues..	58,268,539.17 ..	65,324,889.89
Miscellaneous revenues.....	90,507.92 ..	227,946.41
Total	110,742,772.38 ..	122,807,719.67
Expenses (including provision for depreciation and all taxes) ..	37,218,859.61 ..	41,139,279.67
Net earnings	73,523,812.77 ..	81,668,440.00
Deduct interest	19,521,109.05 ..	15,498,011.88
Balance.....	54,002,703.72 ..	66,170,428.12
Deduct dividends	42,674,403.00 ..	52,971,251.93
Balance.....	11,328,300.72 ..	13,199,176.19
Appropriated for contingencies ..	3,000,000.00 ..	5,000,000.00
Balance for surplus	8,328,300.72 ..	8,199,176.19

The present authorised share capital of the company is \$750,000,000, of which amount \$699,347,400 was outstanding at the end of the year. The directors now recommend that the authorised share capital shall be increased to \$1,000,000,000, although they mention that it is not contemplated to issue any new stock in 1923. The report states that "The 25 associated companies (excluding your company) earned 5.6 per cent. on the book cost of their plant during 1922, but based on the true value of the property, a lower return was realised. This earning, while still below what is considered by regulatory bodies and the public to be a fair return, represents a slight improvement over 1921." But it proceeds to add, "Not including its equity in the undivided profits of the associated companies, your company in 1922 earned 11.14 per cent. on its average outstanding capital stock, compared with 11.10 per cent. for 1921. About 20 per cent. of the net income of the associated companies was retained by them as undivided profits, and has been invested in their respective plants—i.e., in telephone property required to meet the increased service demands."

Copeng Consolidated.—This Malayan tin-dredging enterprise, writes our mining correspondent, has now reached the stage of securing the full benefit from its programme of consolidation and concentration. The process started with the fusion of two undertakings in 1912. From the Government of Perak the right was obtained to take a largely increased quantity of water from the Kampar river, and a new hydraulic plant commenced work in March, 1915. In 1920-21 the decision was arrived at by the management to concentrate the mine workings into two sections. The outcome of these measures, in conjunction with some reduction in wages and charges for materials, is the setting up of a new low record for a company of the kind in regard to the expense ratio. The report just issued indicates that during the past financial period costs were practically cut in half; the figure of 3.77d per cubic yard works out at the equivalent of about £36 per ton of metallic tin—now quoted £212. In 1910 the expense ratio was £50 per ton—also a record at the time. Appended is a contrast of the results for the past three years:—

	Year ended September 30.		
	1920.	1921.	1922.
Cubic yards treated	1,115,200	1,429,000	1,355,700
Black tin recovered	7334	9324	8374
Recovery per cubic yard	1.48	1.47	1.39
Cost.....	9.41	7.22	3.77
Average price per ton.....	1871	110	864
Net profit	97,400	54,484	56,460
Dividends	59,365	59,365	59,365
Brought forward	15,139	33,465	18,785
Written-off pipe line, &c.	7,500	7,500	7,500
Carried forward	45,673	21,083	8,380

* After deduction of taxes.

The effect of a moderate decrease in both the quantity of ground worked and the average yield, together with the sharp drop in the price of tin, was practically counterbalanced by the drastic economy already referred to; and as sundries brought in rather more than before, the net profit scored a small expansion. It may be noted that the dividends for the past three years have been maintained

at 15 per cent., albeit this has entailed drawing upon the carry forward for amortisation purposes. Excess profits duty, of course, swallowed up a considerable proportion of the 1919-20 earnings. An interesting item in the balance-sheet is "property redemption account, £28,430." The "life" is estimated at a minimum of 50 years. Prospects for the coming year are described by the general managers as "good." With tin much above last year's average, there would appear to be ground for the expectation of increased dividends.

THE Corporation of Insurance Brokers announces a lecture by Mr Walter Banks on "Legal Aspects of the Insurance Business: VI.—Insurable Interest and Illegality," which will be given on March 12th, at 5.45 p.m., at 59A London Wall, London, E.C. 2.

THE Viscount Chelmsford will preside at the meeting of the Royal Colonial Institute, on Tuesday, March 13th, at 8.30 p.m., at the Edward VII. Rooms, Hotel Victoria, when the Earl of Ronaldshay will give an illustrated lecture on "The Lands of the Thunderbolt; an account of the Scenery and People of Sikhim, Chumbi, and Bhutan."

WE have received from the Russian Trade Delegation ("Soviet House," 49 Moorgate, E.C. 2) a pamphlet setting forth the conditions under which foreign exhibitors may participate in the All-Russian Agricultural and Handicraft Exhibition which it is proposed to hold in Moscow in August-September next. British manufacturers who might wish to sell agricultural machinery and similar articles in Soviet Russia can obtain further particulars from "Soviet House."

Oversea Correspondence.

UNITED STATES. — FEDERAL RESERVE RATE RAISED AT NEW YORK AND BOSTON—SHARP RISE IN COMMODITY PRICES.

(FROM OUR CORRESPONDENT.)

NEW YORK, February 23.

THIS week's action by the New York Federal Reserve Bank in raising its rediscount rate from 4 to 4½ per cent. came as a complete surprise to most people in the financial district, notwithstanding more or less comment lately about the marked increase during the past month or two in the volume of rediscounted bills held by the New York institution, and the fact that open market rates of 4½ per cent. and 5 per cent. for rediscountable loans were well above the former bank rate. The same advance was also made by the Federal Reserve Bank at Boston, with the result that the rate in all of the twelve Reserve districts throughout the country is now 4½ per cent., except in the San Francisco district, where 4 per cent. is still maintained. This is the first advance in the New York rate in nearly three years, and the first change since June 22nd of last year, when the rate was lowered from 4½ per cent. to 4 per cent. after a series of reductions from the maximum rate of 7 per cent. established in June, 1920. For the increase in the rate, which applies to all rediscounts and advances, various reasons are given, including the desire of Federal Reserve Bank authorities to equalise rates throughout the country. For some time past it has been apparent that interior centres, where the rate was 4½ per cent., were doing a large amount of financing in New York, where the bank rate was only 4 per cent. This week's advance was evidently designed to check borrowing on such a heavy scale in the local market. Since the first of the year the New York institution's holdings of rediscounted bills have shown an enormous

expansion. At about this time in February of 1922 such holdings were approximately \$58,000,000 less than at the close of the preceding year. A week or so ago the total was more than \$100,000,000 greater than at the end of 1922, amounting to upwards of \$294,000,000, or more than double the aggregate at the corresponding date of last year. This heavy increase has been largely responsible for the steady decline lately in the New York banks' ratio of reserves to deposit and note liabilities combined from a point above 80 per cent. to 74.9 per cent. on February 14th. A year ago at that time the reserve ratio stood at 81.9 per cent. There has also been a considerable increase recently in the amount of Federal Reserve notes in actual circulation, after the usual decrease following the heavy buying during the Christmas holiday period. On February 7th the total for the entire system was \$2,217,817,000; on February 14th it had increased to \$2,243,603,000, and there has been a further increase since then, it is understood. On February 15, 1922, the Federal Reserve notes in circulation aggregated \$2,169,953,000. The gain in rediscounts and circulation reflects, to a large extent, the expansion in trade and industry. The Federal Reserve officials evidently took this fact into consideration, and it may be said that the rate was advanced for the purpose, among other things, of conserving resources in order to be even better prepared to meet growing business demands for money and credit. Another reason, probably, was the desire to discourage the use of credit for speculative undertakings, and to curb or prevent any tendency toward inflation. It is an open secret that brokers' loans have been heavily increased in recent months. The higher rediscount rate became effective to-day, and it is therefore too early to judge whether or not it will cause any material tightening of the money market. It had no appreciable effect upon the stock market, which, though irregular and reactionary at times, has been generally active and buoyant, with new high levels for the year recorded in prices of many shares, both industrials and rails, as well as what are known as specialties. The upward revision in the rate is generally approved in banking circles, where it is pointed out that conditions are now far different from those which, in the autumn of 1919, made it necessary to raise the bank rate, and to continue the process until 7 per cent. was reached in June of 1920. During the fall of 1919 gold reserves of the New York Bank were actually below legal requirements, whereas at present they are about three times above the latter. Call money on the Stock Exchange was then loaning around 20 per cent., as against 5 to 6 per cent. at present, and the reserve ratio of the entire Federal Reserve system was well under 50 per cent., instead of 75.8 per cent. this week. Furthermore, a widespread business revival is under way in this country, with steadily increasing activity noted in practically all lines of trade and industry, in sharp contrast to the depression which began some three years ago.

One of the most notable features of the past week is the pronounced strength that has been shown by many important commodities—cotton, copper, sugar, oil, iron and steel, and many building materials. Copper has reached 16 cents a pound, with some sales reported slightly above that figure. Cotton has soared to a point close to 30 cents for New York spot; sugar, both raw and refined, has advanced more than 1 cent a pound, crude petroleum 10 cents a barrel, following previous increases, and there have been stiff advances in other prices, including those of dairy products and livestock. The last-mentioned are probably due to the recent severe weather and traffic blockades. The rise in sugar, and to some extent in cotton, is attributed to speculative operations, based on expectations of scarcity in the near future. In copper, oil, iron and steel, and building materials, however, the advance is apparently due to buying for actual consumption, with available supplies inadequate to meet all demands. The copper market, especially, is decidedly strong, under heavy purchasing for both domestic and foreign account. Germany, it is understood, has recently re-entered the American market, and contracted for substantial quantities of the red metal.

FRANCE.—IMPROVING TRADE CONDITIONS—LORRAINE OUTPUT IN 1922—PRODUCTION STATISTICS—BUDGET PROBLEMS—NEW TREASURY BONDS—BOURSE.

(FROM OUR CORRESPONDENT.)

PARIS, March 7.

IN spite of what is universally regarded as the unsatisfactory situation of the national finances, and notwithstanding the conflict in the Ruhr, it is curious to note that a general feeling of optimism prevails to-day throughout the whole French business world (with the exception, of course, of those who have been directly hit by the operations in the Rhineland). The slight feeling of hesitancy that was observable a fortnight ago appears to have entirely disappeared, and industries that produce commodities of general consumption are filled with orders, despite the high quotations that rule at present. The unsettled feeling that prevailed almost everywhere immediately after the French and Belgian troops went into the Ruhr has been replaced by firm belief that the worst is over, and that trade may now be expected to touch much better levels. The comparative stabilisation of the exchange, after the renewed sharp fall that occurred in January, the inflow of orders with the spring and the slight improvement in the national financial outlook owing to the unexpectedly satisfactory manner in which the revenue continues to come in, are all factors that have tended to contribute to the present improved feeling.

Whether this better state of things will continue remains to be seen. In any case, conditions are now such that, whether the franc improves or drops still further in the near future, the effect of such a movement will be much less felt than was the case a year ago. Since their disastrous experiences in 1920 traders have ceased to carry large stocks, and are, therefore, much better prepared to meet sudden changes in quotations. This absence of stocks, it is claimed by French business men, has largely reduced trading risks, and is responsible for only one inconvenient factor—namely, that it tends to bring about a revision of prices upwards in the event of any marked increase in demand. In this connection it is argued that it is now to the prime interest of the trading community to stop the sharp rise in prices that has characterised the past few weeks, under penalty of having, in spite of high customs duties, to suffer serious competition from abroad.

The black spot in the French industrial situation is, of course, the metallurgical section, which is undoubtedly suffering seriously from the operations in the Ruhr. Stocks have now been almost entirely absorbed, while output, so far as the Lorraine steel and iron area is concerned, has been reduced to a vanishing point. I understand that it is now impossible to keep more than from one to three blast furnaces hot at any of the mines, quite apart from the fact that imported British coke is quoted at 60s a ton, North Sea port. Hopes are now based on the belief that the Franco-Belgian authorities in the Ruhr will in the near future, now that the coal awaiting transport in the railway station yards has been exhausted, commence requisitioning the enormous accumulations of combustible that have been piling up at all the pitheads in the Ruhr coalfield for many weeks past. The present crisis is all the more keenly felt in view of the fact that the output of the Lorraine metallurgical area during 1922, for which complete figures are now available, showed a striking all-round advance on the previous year. The principal detailed figures are as follows:—

	1921. Tons.	1922. Tons.
Pig iron	1,233,589	2,048,499
Steel	468,916	1,308,367
Finished products	378,373	607,032

The comparative output of iron ore extracted from the various Lorraine iron areas was as follows:—

	1921. Tons.	1922. Tons.
Nancy	552,425	607,676
Briey	4,072,081	7,111,128
Longwy	667,676	1,409,529

The coal industry is in a good state, in spite of the recent rise in miners' wages, but the available output is

distressingly small, quite apart from the stoppage of reparation deliveries from Germany. The miners in the Saar basin are prosecuting an economic strike, and there are partial strikes in the Loire and Moselle coalfields, while some of the Belgian miners are also standing idle for the same reason. The demand for British coal is, therefore, exceptionally large.

The following returns of production in the principal fields of French economic activity during December, as compared with the average monthly figures for the last quarters of the two previous years, afford an excellent picture of the industrial situation here immediately before the occupation of the Ruhr:—

	Monthly Average Last Quarter of—		December, 1922.
	1920.	1921.	
Mining—			
Output of coal (1,000's of tons) ..	2,379	2,249	2,820
Output of iron ore	1,418	1,173	2,181
Output of aluminium ore	126	44	211
Consumption of coal	4,553	4,304	4,697
Consumption of coke	322	271	622
Metallurgy—			
Output of pig-iron (1,000's of tons) ..	359	284	513
Output of steel	317	279	415
Blast furnaces active (end of month)	91	73	116
Shipping construction (1,000's of tons)	399	351	189
Imports of copper (1,000's of quintals)	69	53	77
Textiles—			
Cotton (spindles in operation)....	5,330	4,899	5,562
Do (looms in operation)	48,500	45,832	47,922
Wool (Roubaix-Tourcoing) (1,000's of quintals)	48	49	73
Imports of cotton (1,000's of quintals)	219	286	285
Do wool (1,000's of quintals) ..	87	226	213
Chemicals—			
Imports of sulphur (1,000's of quintals)	439	384	461
Do phosphate (1,000's of quintals)	1,101	611	922
Do nitrate (1,000's of quintals) ..	130	80	107
Production of salt (1,000's of quintals)	742	764	1,008
Do potash (1,000's of quintals) ..	203	83	197
Transport Situation—			
Loaded waggons (daily average) ..	36,520	40,756	48,308
Gross receipts (millions of francs) ..	509	507	526
Shipping arrivals (1,000's tons) ..	2,707	2,679	3,162
Do departures (1,000's tons) ..	1,733	1,974	2,366
River & canal traffic (1,000's tons) ..	1,831	1,912	..
Labour—			
Unemployed relieved (end of month)	39,520	10,032	2,644
Do placed in work	87,083	113,101	99,177
Offers of employment unsatisfied ..	42,121	27,146	25,929
Demands for employment unsatisfied ..	49,473	80,778	42,649
Immigration of foreign workers ..	10,000	2,330	10,106

The Chamber on Tuesday devoted its seventh sitting to the Budget problem since the Estimates for 1923 were sent to the Upper House some weeks ago, and further efforts have been made to meet the deficit of some 3,800 million francs which those Estimates left unprovided for. The sitting, like the previous one before the week-end, was marked by a rather confused discussion on a great number of points, and it is not yet clear what the outcome will be. What is clear is that the conflict of opinion that has prevailed for some time past between the Finance Minister and the Finance Commission of the Chamber still continues, and that M. de Lasteyrie is beginning to resent the opposition the latter has repeatedly raised to his proposals. As matters stand, however, Minister and Commission appear to be in agreement as to the method by which 2,200 millions of the estimated deficit are to be found, but differ as to the remaining 1,500 or 1,600 millions.

So far M. de Lasteyrie has scored one distinct victory in that it appears to have been decided that the proposal to create the famous *carnet de coupons* must be dropped. The Minister has strenuously opposed this project from the first on the double ground that the *carnet* would not only be impracticable of application if not entirely unworkable, but also unproductive of any appreciable addition to revenue.

Notwithstanding the Finance Minister's defence of the

French taxpayer, however, many of the Deputies appear to be still under the impression that a good many of their fellow-countrymen escape the payment of income-tax. The discussion revealed that during 1921, out of a total of 781,000 persons in France who were assessed for income-tax under what is known as the "general tax on income" (as distinct from scheduled assessments), 732,000 made returns showing less than 50,000f of income each, and paid a total of 130,000,000f in tax, 838 declared incomes of between 500,000 and 1,000,000f and paid a total of 426 millions, and 197 declared incomes of over 1,000,000f, paying between them a total of 278 millions. This means, according to the Finance Minister, that 197 people paid no less than one-quarter of the total yield from the tax (including scheduled assessments), 838 paid one-third of the total, and the remaining 732,000 figured for merely one-tenth of it. Small wonder that M. de Lasteyrie described the French general income-tax as an inverted pyramid, a very small number of persons paying by far the greater part of the tax.

The subscription lists for the new issue of two-, five- and nine-year 6 per cent. Treasury bonds were opened on Monday, and will close on April 7th, unless otherwise notified. The bonds are in denominations of 500 and 5,000f, and are issued respectively at 495 and 4,950f, the interest being payable on June 8th and December 8th each year. They are redeemable, at the choice of the holder, on December 8, 1925, at par; on December 8, 1928 at 515f per 500-f bond, and at 5,150f per 5,000-f bond; or on December 8, 1932, at 540f or 5,400f, according to denomination. No limit has been placed on the amount to be issued.

The recent increase in the rate of interest payable on National Defence bonds has given rise to much speculation here as to whether a period of dear money is not now at hand. Much obviously depends upon what may happen in the Ruhr. The opinion appears to be gradually forming, not only in France, but also in England and America, that German resistance to Franco-Belgian pressure cannot be eternal, and there can be no doubt that the first signs of any real clearing of the horizon in regard to the Ruhr will see a substantial number of new industrial issues here, which will absorb an appreciable part of the money now seeking investment. In such circumstances a considerable modification may be expected in market conditions here, as the transfer to less easily mobilisable descriptions of a substantial portion of the money now invested in short-term Treasury loans must necessarily largely reduce available funds for Stock Exchange purposes. Meanwhile, in view of what may happen shortly in the Ruhr, the Bourse is inclined, for the moment, to adopt a waiting attitude.

GERMANY.—RUHR—FINANCES—BOURSE—PRICES—INDUSTRY AND EMPLOYMENT—SHIPBUILDING.

(FROM OUR CORRESPONDENT.)

BERLIN, March 5.

THE Ruhr situation has undergone no substantial change; the disorganisation slowly proceeds, but neither in occupied or unoccupied territory has the pressure been sufficient to break German resistance. The Chancellor, who will speak to-morrow, is expected to divulge the last German plan for Reparations deliveries, which was not laid before the Paris Conference, but the combative attitude so far pursued is likely to be continued. The Ministry of Industry has again declared that a breakdown is not threatened through the loss of Ruhr coal and raw materials. There are increasing protests from the former neutral countries, which are suffering a blockade limited in extent, but otherwise resembling that of 1914-18; in particular the shortage of shipbuilding material, formerly drawn from West Germany, is complained of.

The gold loan is looked upon optimistically. The underwriting of half the small total by banks, and the Reichsbank's guarantee of the whole, which means that the gold reserve would if necessary be broken into, seems to ensure success; and the mark exchange, which has of late been more stable than at any time since the Armistice, reflects this optimism. The exchange market is extraordinarily still, owing to fear both of buying and selling.

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President
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Anything like real stabilisation is of course impossible, because when prices, as is inevitable if the present relative stability is maintained, reach world-market level, inflation will become a dominant factor and raise prices further, so that the depreciation of the mark exchange, owing to its over-valuation abroad—a thing which has not yet occurred—must begin. An analysis of revenue published by the Finance Ministry shows receipts from all taxes and from the two chief State undertakings in the past three years as follows (in millions of marks):—

	Monthly Average Receipts from—			
	Taxes.	Posts.	Railways.	All.
1920	2,383.2	333.5	1,177.7	3,894.4
1921	6,197.8	582.8	2,345.6	9,126.3
1922	37,682.2	4,940.1	40,557.0	83,182.3

Railway receipts have risen most, and Posts least; and, taking the terminal months of the triennium, the disparity is more marked. Taxes in January, 1920, yielded 921 millions; in December, 1922, 132,614.7 millions, Posts 265.6 and 20,730.1 millions, and railways 608.8 and 227,851.1 millions. The system, so far very successful, of raising railway freight rates (but not passenger rates) in proportion as the currency depreciated ought to have been applied to Posts, which show an enormous current deficit. The monthly revenue, including railways and posts, in gold marks, calculated on the wholesale index, averaged in 1920 264.9 millions, in 1921 520.3 millions, and in 1922 334.8 millions, the drop last year reflecting the abnormal level of gold prices. The whole Federal Debt, reckoned in the same way, declined from 15,966.4 million gold marks to 1,459.8 million gold marks, or 73 millions sterling, from which it appears that the real debt burden, counted in commodities wholesale, in December was at the rate of about 4 millions sterling a year, nearly the whole burden of the debt being borne, not in taxes, but loss of real income from capital as a result of the currency depreciation. If the mark exchange and prices remain relatively stable for a time, the real burden of debt will again increase owing to the Budget deficits. The

Customs gold surcharge has been reduced to 593,900 per cent., the maximum having been 709,900 on February 14th.

The February settlements were got over with less difficulty than was anticipated, but money remains tight. Capital raised in February was 65,562.4 millions, against 33,548.6 millions in January, 4,252.1 millions being for new foundations, 45,979 millions for loans and bonds, and the remainder for capital increases. The large growth of bond issues is due to the issue of the rye, wheat, coal, brown-coal, and coke loans. Citizens have now got used to the buying and selling marks with commodities. The Prussian "wertbestaendig" loan, which has been postponed, is to be in potash, which has a very unstable gold value. In reality, the "wertbestaendig" bonds are speculations in the gold prices of goods; but the public has been so frightened by its losses on the buying-power of paper-mark investments that the guarantee that it will get back something concrete attracts. The Reichsbank statement for the 23rd shows, except in Treasury bills, no relief. Commercial discounts rose by 306,529 millions, Treasury bills by only 142,254 millions, Darlehnskasse advances by 419,745 millions, crossing the three billion limit to 3,123,540 millions. On December 31, 1921, circulation was 113,639 millions, on June 30, 1922, 169,212 millions, and on December 31st, 1,280,095 millions. The circulation of Darlehnskasse notes remains practically unchanged at 12,800 millions, the notes representing new advances remaining in the hands of the Reichsbank.

Stocks last week had a small rise, but are to-day strongly reactionary. The *Frankfurter Zeitung's* index figure for dividend-payers on March 2nd was 1,001,715, against 860,415 a week before, and a top point of 1,567,265 on February 9th. To-day there was a general sharp drop, owing to a sudden stiffening in money, to stories of difficulty in selling goods, to heavy price falls reported from the Leipzig Fair, and to rumours of new sharp methods against the French. Some of the variable and cash industrial stocks had heavy falls, Anglo-Guano from 200,000 to 153,000, Electric Light and Power from 21,500 to 15,000, Linde Hoffman from 23,000 to 16,100, and nearly all the better-known heavy industry stocks by 30 per cent. or more. This is the biggest change in quotations that has ever taken place without a corresponding change in the mark exchange. Most loans, including municipal, also declined.

Wholesale prices in February fell, for the first time since June, 1921, but the fall was very small, and the partial indexes for the last week of the month indicate a new rise. The *Frankfurter Zeitung's* index for 98 commodities, now based on 1 for July, 1914 is:—

	Food.	Textiles and Leather.	Minerals.	Miscellaneous.	Manufactured Goods.	All 98 Commodities.
March 1	5361	9450	8298	6949	5514	6770
February 1	5550	14137	9312	5347	4766	7159
January 1	1758	3206	2622	1778	1518	2054
" 1922	38	58	52	31	33	42
" 1921	20	23	28	18	17	21
" 1920	20	26	27	11	15	20

As the gold (dollar) index on March 1st was 5381, gold prices were above those of 1914, after being much below them (gold index 9524, price index 7159) on February 1st. This condition was last reached after the great mark recovery of mid-1920. At the end of May, 1920, when the dollar stood at 38, being about 63-fold appreciated, the index (then on the basis of 9.23 for 1914) stood at 134, being nearly 14-fold up. Gold prices, however, remain below present world-market prices—the last American index is 150. The heavy drop in textiles, taken with the small drop in minerals, is characteristic; although minerals, like textiles, are largely imported, their mark price has been kept up by the fact that coal prices, which were doubled just before the mark recovery, have not been reduced. Manufactured goods, being made from raw materials bought at a worse exchange, with no drop in wages, continue to go up. The index for home wares (1 in 1914) is 6084, and for foreign wares 6707, the discrepancy between the two being much reduced since last month, when the figures were 4666 and 9863.

The condition of industry is fairly good. The Prussian

monthly trade report shows that no very serious damage to the unoccupied provinces has yet been done by the Ruhr occupation. No statistics of Ruhr coal production have been published for January or February. The report speaks optimistically of the replacing of the loss of Ruhr pig-iron by increased production in Upper Silesia, and of Ruhr coal by imports from England, and no difficulty seems to be experienced in paying for English coal. The exchange improvement has, of course, helped by abolishing the former great difference between German and English coal prices. Bankruptcies in January were 24, the lowest figure touched, as against 140 in January, 1922. For several months past no single limited liability company has gone into liquidation. Unemployment is increasing. After dropping to under 12,000 on September 1, 1922, the number of unemployed out of 5,800,000 organised workers on February 1st was 252,873, against 182,955 a month earlier. The percentage, 4.4, is about the normal of the winter months of pre-war years. The number of persons working shortened hours rose from 8.7 to 13 per cent. The statistics of publicly supported unemployed are this month defective, but they show a large increase. Only in agriculture is there an increased demand for labour. The wages index in January (1 in 1914) was: in the metal trade, for married skilled workers 652, for married unskilled 980, the absolute weekly wage for the unskilled being 23,108 marks against 25,212 marks for the skilled; the general factory wages index is for the married skilled worker 838, and the married unskilled worker 1047. Wages in February were much higher. The Leipzig Fair, though well attended, has so far been rather dull, and exhibitors of some kinds of goods have had to cut their prices by as much as 40 per cent. The metal industries are still complaining of shortage of capital. The foundries have not enough pig-iron; the Solingen steel and small iron branches report satisfactory present conditions, but a decline in orders; in the Schmalkalden small iron branches business has declined badly; the locomotive works are getting orders only from the State; the electrical branch reports reserve on the part of buyers; the clothing and textiles branches, with the exception of flax spinning, are dull, and work in many mills has been shortened; the table glass industry reports that Czech competition is felt in the Russian frontier States; the rubber and tobacco branches report a decline in buying, and the oil products branch is short of coal. A big foundation with the aim of producing light oils from native fuels is being founded. Krupps, with their associated concerns, have founded an Eastern Trading Company, which will operate in Russia and the former Russian provinces. The shipyards are reported to have a great deal of repair work, and a great deal of ship-breaking, largely for foreigners, is being done, but building prospects, owing to shortage of capital and of materials, are not bright. In 1922 685 vessels of 742,100 gross tons were completed against 397 vessels of 450,900 tons in 1921 and 330 vessels of 327,700 tons in 1920. For home firms 648 vessels of 710,100 tons were built.

ITALY.—SHIPPING SUBSIDIES—FINANCIAL ASSISTANCE TO SHIPYARDS—PUBLIC REVENUE.

(FROM OUR CORRESPONDENT.)

TURIN, February 27.

Two Royal Decrees have been issued this month regulating shipping services and shipbuilding, two main causes of huge after-war expenses to the Treasury. Before the war shipping services cost the Italian Exchequer in subsidies 25,980,400 lire for annual voyages of 3,920,460 miles; to which were to be added an annual subsidy to the "Neerland" Company for a bi-monthly call at Genoa of one of its regular lines. The Austro-Hungarian Monarchy paid a subsidy of 13,803,630 kronen to companies now Italianised for a total yearly mileage of 3,760,232. The rise of costs during the war threatened to bankrupt all the companies; so that, after various experiments, the State requisitioned subsidised ships, paid all expenses, and received all freights. Companies became mere agents for Exchequer account, and received, in addition to the reimbursement of the current actual

expenses, a percentage from 10 to 17 per cent. of freights and other revenue. Although the companies were thus interested in increasing revenues, expenses soon greatly exceeded receipts. The last two financial years closed thus:—

	1920-21.		1921-22.	
	Mileage.	Loss, Miln. Lire.	Mileage.	Loss, Miln. Lire.
Italian services	1,486,905	148.1	1,984,161	177.5
Ex Austro-Hungarian services	1,387,066	125.0	1,813,919	121.3
Total	2,873,971	273.1	3,798,080	298.8

For the current financial year 1922-23 the loss was estimated at 160 million lire for Italian services, and 140 for ex-Austro-Hungarian services, making a total loss of 300 million lire. The late Cabinet had made plans for returning to the old system of definite subsidies; the present Cabinet has carried this out. In virtue of agreements with the several companies (18 in all), the State will pay, as from January 1, 1923, an annual total subsidy of 147,290,000 lire for a total mileage of 3,522,820 miles. Of these 2,029,802 miles are said to relate to lines between the Continent and Italian Isles and colonies and other similar postal lines, while 1,493,018 miles relate to commerce. It is very difficult to say whether the cost to the Exchequer, especially of the commercial lines (postal lines are naturally to be run at loss), will be compensated by indirect advantages to the public. Where figures bearing on the question are available they make us doubtful. On the Genoa-Bombay line passengers were 3,478 in 1910-11, and after going to a maximum of 5,484 in 1912-13 relapsed to 3,014 in 1920-21. Goods carried at the same dates were 53,214, 63,290, and 41,355 tons. Not very good figures for justifying the huge subsidy paid by the State for the apparent purpose of promoting trade between Italy and India.

Another Decree regulates the difficult matter of encouragement to shipbuilding. Before the war there existed in Italy 10 shipyards, with a maximum building productivity of 80,000 tons yearly. The union of new provinces (Trieste and Istria and Litoral) added to this number six ex-Austro-Hungarian shipyards, some of them very good. Unfortunately, the after-war fever and some injudicious encouragement given by the Government added to the said number 11 other new shipyards. The productivity of all these old and new shipyards together can be now estimated at 250,000 tons yearly. The offer of new ships is thus much in excess of the maximum demand on the part of Italian shipowners, which, including demand from abroad, is well below 200,000 tons.

The new Decree has the great merit of not having accepted the request made by some shipyards, that the Government should order directly new ships for its own account, and should order them proportionately to the productivity of the shipyards, so that all could remain in existence. This would have been the best way of continuing the present unsafe state of things, as all 27 shipyards would have survived. As 27 are too many, some of them are bound to be dismantled. The sooner this happens the better. But the Decree has not accepted the conclusions of a Naval Engineering Congress held at Genoa in the last days of December, which were in favour of the unlimited freedom of import of all material for shipbuilding. The Genoa meeting held that Italian shipyards would be capable in the main of meeting the competition of British or other foreign shipyards, if only they were enabled to buy materials in the best market. The Government apparently was not persuaded that this was the case as yet. After July, 1926, freedom will be granted to all imports needed for building ships, and at the same date premiums and other encouragements will cease. But for the intermediate period an intermediate system is to be maintained. Freedom of imports is only granted to metallic materials needed for the hulls of the ships, up to a maximum of 480 kilograms for every gross ton of ships. If, however, shipbuilders buy the same materials on the internal market, they will receive a premium of 120 gold lire per ton of material. As com-

pensation for the higher cost of building in Italy, as compared with foreign countries, a premium of 55 gold lire is granted for every gross ton and for metallic hulls. If hulls are to be made in cement the premium is of 20 gold lire; if in wood of 15 gold lire. Exemption from the income-tax is granted for five years to all ships coming into effective navigation not later than December 31, 1923. The period of exemption is reduced to three years if ships enter into effective navigation as from January 1, 1924, to December 30, 1926. Special regulations are enacted for minor points. These grants will cost to the Exchequer 34,700,000 lire in the financial year 1922-23, 42,700,000 lire in 1923-24, and in 1924-25, and 29,900,000 in 1925-26.

That public revenue is stationary is the first impression made by figures of the first seven months of the financial year 1922-23, from July, 1922, to January, 1923:—

	(In Millions of Lire.)		Inc. or Dec.
	1921-22.	1922-23.	
Income and capital direct taxes ..	2,398.6	2,216.4	— 182.2
Stamp and registration taxes ..	1,497.4	1,422.1	— 75.3
Excises	1,330.0	1,537.5	+ 207.5
Monopolies	1,768.5	1,812.4	+ 43.9
Lottery	105.7	138.7	+ 33.0
Total	7,100.2	7,127.1	+ 26.9

But the figures, if justly interpreted, tell a more encouraging tale. Decreases in the yield of the income and stamp and registration taxes are due to transient reasons. In the income-tax category the decrease of 182.4 millions lire is the net result of a decrease of 435.6 millions lire in the war-profit tax yield, and of an increase of 253.4 millions lire in the various permanent taxes on incomes. That the war profit tax yield is gradually disappearing is natural, but that other income-taxes give so much more is an encouraging fact in view of the difficult economic period through which Italy, as other countries, is passing. The decrease of 75.3 millions lire in the yield of stamp and registration taxes is also the net result of a huge decrease of 151.5 millions lire in the stamp tax on bank of issue circulation, and a rise of 76.2 millions lire in all other stamp and registration duties. As a rise in the stamp tax on currency can only be the result of inflation, so the decrease is the result of deflation. So far the deflation is limited to one or two billions of lire, but none the less it is a gratifying fact, and therefore the corresponding decrease in the revenue is to be regarded also without regret.

HOLLAND.—THE VALUE OF THE GUILDER—LIFE INSURANCE—JAVASCHE BANK.

(FROM OUR CORRESPONDENT.)

AMSTERDAM, February 22.

The question of the possibility of a devaluation of the guilder has aroused much interest. It is curious that this fear began to manifest itself at the time that the guilder exhibited a remarkable stability, especially *vis-à-vis* the dollar. When it became evident that the mark went with increased rapidity in a downward direction, many people here began to lose their faith in our own currency, and active buying of dollar securities and dollars commenced. When, contrary to expectations, the dollar reached more and more closely to gold parity, the fear subsided, and a spell of quiet set in. Banking authorities declared as their opinion that if the Government could succeed in heavily curtailing expenses there need be no reason for apprehension. Yet there are other factors which deserve being taken notice of. Dr. Bruins, one of our leading financial authorities, in a recent address, drew attention to the dangerous possibilities caused by the huge German balances held in our currency. Before the war the aggregate of the funds available in the money market was estimated at some 400,000,000fl. At present it is estimated that German holdings alone amount to about 600,000,000fl. It is, of course, very difficult to make an estimate of such an amount, and probably bank managers would think it exaggerated. Since the establishment of so many German banks in this city, the control of these amounts has been gradually withdrawn from our bankers, and now probably by far the greater part is confided to German institutions. The amount of Dutch bank notes held abroad is estimated at from 200 to 300 million guilders; these bank notes may at any time return and be

another cause for inflation. Finally, there is the Dutch credit of 140 million florins. All these elements are a danger to the stability of our guilder. It is true that the Netherlands Bank still has balances abroad amounting to 100,000,000fl, while the stock of bullion is 200,000,000fl, over 40 per cent. of the circulation, the legal percentage being at present only 20 per cent. But were once the faith in the guilder to be shaken, these reserves should be quickly exhausted. The dangerous side of the monetary situation is that before the war foreign investments here were scattered, while now they are under the control of their own national institutions.

The faith in life insurance companies has sustained a shock by the failure of the largest company, the Algemeene. Although for many years the financial position of this company was looked upon with a suspicious eye by life insurance people, nobody thought that the management would have been so completely unsuccessful as the report now proves. The ultimate cause of the collapse of the company was the investment in Russian and Hungarian securities, and the general fall of the foreign exchanges.

The report of the Javasche Bank states that the profits available for distribution amount to 7,400,000fl, which were mostly made by the sale of foreign holdings, chiefly dollars. These balances in foreign currencies were valued in the accounts at the nominal gold value, and they were transferred at much higher prices to the Netherlands Bank in order to maintain the rate of the colonial currency and satisfy the demand for remittances to Holland. The Javasche Bank herein followed the gold exchange system as it has been practised since 1907. The profits were a result of the strong position of the Bank. About half of the circulation is still covered by gold. The board of directors fixed the dividend at 166 per cent., after increasing the reserves to the statutory maximum of six million florins. A revaluation of the buildings gave a further profit of 1½ million guilders. Thus far the dividend has not been paid—only 35 per cent. interim dividend has been paid—as the Government does not approve of the proposal to pay out to shareholders profits achieved by the foreign exchange transactions. Nor does the Government agree to increasing the book value of the property. These points are to be settled by arbitration.

ROUMANIA.—NATIONAL BANK REPORT—INTERNAL FLOATING DEBT—EXCHANGE RESTRICTIONS.

(FROM OUR CORRESPONDENT.)

BUCHAREST, February 23. THE directors' report read at the annual meeting held yesterday, of the Banca Nationala (the bank of issue), contained, as usual, a general review of the economic and financial condition of the country, and it is noteworthy that this report, for the first time in three years, sounded a rather optimistic note. Among other passages, it states that "even the most pessimistic must admit that an improvement, small but real, is discernible in the financial condition of the country," that "the budget for the 'ordinary' expenditure of the Government is being balanced," and that "for the first time in any year since the war the Treasury has not found it necessary to appeal to the Banca Nationala for credits to meet the 'ordinary' budget requirements of the country." (The general practice in Roumania since the war has been to have, in addition to the "ordinary" budget, "reconstruction" and "extraordinary" budgets. The "ordinary" budget for the present fiscal year apparently makes no provision for the services of the foreign debt.)

The report further adds that "the country's external debt has been consolidated for more than 75 per cent. of its total by a very happy financial combination, and that, for the first time in the financial history of Roumania, British banking institutions have assisted the Roumanian Treasury in such an operation."

The debt of the Ministry of Finance to the Banca Nationala (the internal floating debt which the Government hopes to be able to fund during the present session of Parliament) amounted on December 31, 1922, to Lei 12,317,571,350, and the bank suggests in its report that this debt could be liquidated in the following manner:—

(1) By collecting the proceeds due to Roumania from the liquidation of the Austro-Hungarian Bank. (Some 30,000,000 gold crowns were received on this account during 1922.)

(2) By collecting the amount due from the German Government for the so-called "Banca Generala" notes issued by the Germans during their occupation of Roumania and since redeemed into lei. (These amount to some two billion lei.)

(3) By collecting payments due from the peasants in respect of lands granted to them under the Agrarian Reform Law of 1918. (Collections up to date are said to amount to only about Lei 100,000,000—an insignificant amount when one considers the vast areas that have been expropriated.)

(4) By making an annual budget appropriation for the reduction of the Treasury debt; and

(5) By annual issues of "rentes" to cover any balance not otherwise provided for.

By the adoption of the foregoing methods, it is the belief of the Banca Nationala that the entire internal floating debt can be liquidated in 20 years.

The report further shows that currency circulation during 1922 rose from Lei 14,600,000,000 to Lei 15,162,000,000, and that the total of bills discounted by the bank increased from Lei 4,065,000,000 in 1921 to Lei 10,831,000,000 in 1922 (all in round figures).

The "metallic reserve" is shown in the annual statement to be approximately Lei 500,000,000, but very little of this, it should be pointed out, is in actual metal; in fact, probably not much more than 10 per cent. of it. The balance is "gold" paper (deposit receipts), some for gold—or gold bonds—deposited with the Bank of England, some for gold sent to Moscow during the war, and other similar items.

The bank showed a gross profit for the year of Lei 167,243,294, on a capitalisation of Lei 12,000,000, and a reserve of Lei 72,000,000.

The year-end statements of several of the leading banks have now been made public, and they all give the impression that the underlying banking situation in Roumania is quite sound.

On February 19th the Chamber of Deputies passed a new law, introduced by the Minister of Finance, for the control of foreign exchange transactions originating in Roumania. This is a direct outcome of the violent decline in lei which occurred during the month of January, and which the Finance Minister attributes entirely to speculative influences. The new measure, he states, is designed "to stop gambling in the country's currency," by making illegal (with certain small reservations) all foreign exchange transactions except those for purely commercial purposes. Exchange must now be purchased through a group of selected "authorised" banks, which are responsible to a "central control office" operating at the National Bank. The export of lei currency is prohibited.

The new measure has had a bad Press, and apparently has the almost unanimous disapproval of commercial interests, who point out that previous attempts by legislative action to prevent depreciation in lei have not met with any noteworthy success.

As a result of the visit to Bucharest last December of the German Commission for investigating Roumania's claims arising out of the war, Roumania has just received 68 million gold marks of the 80 million which it was claimed Roumanian merchants had on deposit with German banks, for account of commercial transactions, at the outbreak of the war.

ARGENTINA.—BUDGET—CATTLE AND FROZEN MEAT—BRITISH BANK ACTIVITIES—MARKET CONDITIONS.

(FROM OUR CORRESPONDENT.)

BUENOS AYRES, January 25.

A MONTH ago there was reason to expect that by the end of January the Parliamentary discussion of Argentina's Budget for 1923 would be well advanced, and some clear indication available regarding the lines on which consolidation of the floating debt would be attempted. As yet Congress has tackled neither matter. Meanwhile the

general plan as regards both Budget and consolidation remains, in so far as the Government is concerned, much as it was outlined in last month's correspondence, with one notable change. The banks, according to latest official reports, while they will be invited to take the new 3 per cent. Treasury bonds to the extent of 10 per cent. of their total deposits, are to have the satisfaction of knowing that a heavy amortisation fund—2 per cent. is spoken of—will be devoted to the early redemption of this novel form of Government obligation. Until Congress has discussed and decided on the matter, even this must not be looked at as anything more than a possibility. It is nevertheless a variant in the original plan which will certainly make the bankers look with more favour on the idea than they did when it was first mooted to them by the Minister of Finance. Mention of this Ministry recalls the almost openly admitted collaboration of several well-known and highly respected Argentine politicians in the arduous tasks confronting the present holder of the portfolio. Without in any way reflecting on President Alvear's Cabinet, admittedly a *cabinet d'élite*, it is of good omen for the future that so many men of undoubted position should be willing to come forward unofficially and, regardless of party, be ready to give such special aid to the actual régime as their particular talents may warrant them in offering.

As regards the freezers, most business circles regret that the red herring of a supposed trust to bring down the prices of cattle, bought for export as chilled or frozen beef, should have been so clumsily dragged across the trail of urgent Parliamentary affairs. Horned stock in Argentina have dropped in value from \$200 Argentine paper to \$80-\$100 between 1918 and 1923. These figures apply to crossbred three-year-old steers of prime condition, suitable for chilled beef, but the ratio of diminution is general to all classes of cattle. World revision of prices was late in reacting on Argentine cattle-breeders, owing to the law sanctioning cattle pledges, under which measure speculators had been enabled to buy young stock on credit, carry it on pasturage rented with borrowed money, and generally operate as if they were sound and wealthy *estancieros*, owners of the soil. It is this undesirable element, supported by a few *estancieros* who do not yet see that the sharp slump in cattle is largely due to the need of the speculator for liquidation at any price, which presses for Government support against the so-called "extortions" of the freezers. Most impossible charges are made; the salient fact that thrice as many cattle are offered in the Buenos Ayres market daily as are sent forward in normal times being utterly disregarded. To go into the position fully is not possible here. Suffice it to say that proposals range from expropriating existing freezing works to building new ones for Government operation. Fortunately there is small likelihood of any concrete action being taken, inasmuch as the position is one which will right itself with time. Meanwhile, the best answer to the charge of trustification and enormous profits is given by pointing out that the shares of the largest freezing company which is most closely connected with both export and local meat trade interests can be bought to-day at a bare 5 per cent. over their par value. Pressure to liquidate outstanding indebtedness is not severe, thanks to the abnormally low price for money ruling in this market. The latest Government Treasury bills were renewed at 4 per cent. per annum, free of all charges, and bank deposits still increase. Hence, whenever the fundamental position of a borrower is sound, there is no incentive on anyone's part to recall advances which it is a difficult matter to place elsewhere at profitable rates. For, granted that the nominal rate still lies between 5 and 8 per cent. per annum, first-class loans are a matter of arrangement, and have been done at 4 and 4½ per cent. per annum with relative frequency.

Exchange during the month has been notable for the continued appreciation of the pound sterling, estimated in Argentine currency. Bank's sight drawing rate is 43½d, or a 2 per cent. appreciation in the month. The U.S. dollar has also risen to 118.80 Argentine gold per \$100 U.S., which is \$2.80 above last month's quotation. Export bills have been scarce, and business in general inclined to suspend operations until the European situation is more clearly defined. This also explains the rise in

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French francs to 13 per \$ Argentine gold, Belgians being 14.25, and the mark roughly 17,000. Rates on Switzerland and Spain have moved slightly in favour of those countries, quotation for the former being 4.50 per Argentine dollar gold, while the pesetas are 5.34. Export movement during January has been on a much smaller scale than was expected. Wheat is being held back for higher prices, the spot quotation for export quality shipped in Buenos Ayres being \$11.45 Argentine paper per 100 kilos. Maize is firmer on reports of great damage to the new crop through drought, \$8.50 being quoted for March loading, while linseed has fallen \$2, being listed at \$18.20 for February delivery (Rosario loading), with \$17.80 for May. Crop surpluses for wheat have been but little reduced by reports of light grain, patches of damage, &c., and may still be taken as 3,500,000 tons, while for linseed the 1,300,000 tons mentioned last month stands good. Freight rates have fallen away sharply, especially for prompt or near-to fixtures, which have been made on the basis of 21s San Lorenzo/U.K. or Continent, with 16s 6d wheat from Rosario to Rotterdam as a fair average parcel quotation. If the world's unoccupied shipping is ordered to the Plate, unfixed, in anything like the amount that has characterised the last five weeks, even these unsatisfactory figures are likely to be far from a record, and this when shipment should be brisk.

Wool has been in active demand, and all the fine grade may be considered as sold. It is estimated that Argentina will be bare of wool by the end of March. Stocks at present in the Central Produce Warehouses are about five and a-half million kilos; a third of the amount in hand this time last year. Hides, after being unusually quiet, were in firm demand at the month-end, and local prices are rising.

NEW ZEALAND.—IMPROVED OUTLOOK—PUBLIC REVENUE AND EXPENDITURE—EXCHANGE.

(FROM OUR CORRESPONDENT.)

AUCKLAND, January 15.

The year just ended has been a chequered one for primary producers, but the markets have improved greatly of late. The work of Government retrenchment has been steady continued, with satisfactory results, while the revenue no shows a very satisfactory increase. The improved financial position of the Government has enabled it to reduce taxation, and charges in many directions, such as the company income-tax, postal and telegraph charge &c., and further reductions are promised at an early date.

On the whole, the new year opens with excellent prospects. The speculative element, which has acted so detrimentally to business, has almost disappeared. The position in respect of money for mortgage loans should show a great improvement in the near future, including a possible reduction by the banks of one-half per cent. on mortgage advances. It is quite certain, though more money may soon be available at 6½ per cent. on first mortgage, there will be no relaxation of limit as to margins security.

The heavy taxation and exorbitant demands of labour have prevented the starting of new industries; British investors who intended to start such industries, and to av themselves of the abundant local water power, have been compelled on this account to abandon the idea. During the past year the beef market was long depressed, in many cases giving very little or no return to graziers, but future prospects are favourable. As regards wool, mutton, lamb, and dairy produce, the season has been exceptionally good. The estimated increase in butter production this season will be about 10,000 tons more than last year's output. Not only have prices increased to an acceptable standard, but there is every indication that an even better standard will be maintained for a long time. Consider

as a whole, experts calculate that the increase in production of primary products will exceed 30 per cent. this season, while advances in prices will be approximately 15 to 20 per cent. In some cases record prices have been obtained for wool.

The Premier recently made a brief statement about the 4½ per cent., free of income-tax, debentures issued by the Government before and after the war. A few months ago they amounted to £51,733,405; they have now been reduced to £45,659,400. A total of £1,372,507 has been converted into 5½ per cent. inscribed stock, in accordance with a scheme recently announced, and purchase and cancellation accounted for a reduction of £4,701,435; it is estimated that the Government will be able to pay off the new stock in five years.

At the beginning of this month the Premier stated that the Government had made a notable saving in expenditure during the last seven months; for the first time for a long while an increase of revenue had been shown, customs and railways showing notable increases. At the same time expenditure has been decreased. Departmental expenditure for the seven months totalled £7,213,701, as compared with £9,103,918 for the corresponding period of last year. The principal reductions in appropriations were:—Railways, £923,431; post and telegraph, £280,627; industries and commerce, £237,012; internal affairs, £81,837; defence, £142,830; lands and survey, £56,773; agriculture, £43,887; education, £72,789.

The Auckland City Council recently issued in Australia debentures aggregating £150,000; these were issued at par, with 5½ per cent. interest, the commission in connection with issue being one-half per cent. Other New Zealand corporations have also issued loans in Australia, where, it is claimed, the terms are better than could be obtained on the London market.

The exchange position between New Zealand and London, recently so troublesome to bankers, is apparently being adjusted by natural processes. Last producing season, ended June 30th, showed an excess of exports over imports of over £13,500,000. The actual balances were swollen by public borrowing in London, the net result being a plethora of funds in that market. The course of trade since the half-year has much relieved the position. The shipment of the new season's produce now affects the situation, though the accumulation of funds in London will probably be greater than in the case of Australia, where similar conditions prevail. While embarrassing to the bankers, such a situation can only be regarded as a healthy sign. The bank rate of exchange is still adverse to England, the latest quotations for bankers' sight drafts on London being 5s per cent. discount, instead of the premium which was charged a few months ago.

There have been no serious labour troubles. The steady fall in wages has been bitterly opposed by the workers, but not to any extent by strikes or similar methods. The recovery in stock exchange quotations during the past year has been most marked, especially in industrial shares, and the present tendency is towards a further rise. On the whole, the year opens with the most favourable prospects from the financial and commercial standpoint.

Letters to the Editor.

BANKS AND THE STOCK EXCHANGE.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Discussion of the vexed question of the half-commission paid to the banks for the Stock Exchange business they initiate, is becoming exceedingly keen as the Stock Exchange Committee elections approach. While the discussion takes in many points of view, the "House" may be said to be roughly divided into two camps:—

(1) One section, small but select, declares that the banks bring a great amount of business to the Stock Exchange which otherwise would never get there, and are therefore fully justified in demanding the full half-commission.

(2) The other section, by far the larger, says that while the banks may bring business, it is at an infinitesimal

cost to themselves, that the stockbrokers who do the actual work are underpaid in receiving only half the commission, and that, in distributing the work, the banks show unfair discrimination.

It is evident that, however long the discussion continues, the question of whether the remuneration is adequate or otherwise will never be settled. Even were it left to the decision of an independent arbitrator, the appraisal of the value of the banks' work in bringing the business would be almost impossible. In hosts of towns and villages throughout the country the banks are the only representatives of respectable finance, and what more natural than that intending investors should consult the bank manager on the matter?

The fact is that the real question at issue is not the amount of commission paid to the banks, but rather the limitation placed on the distribution of the business. Few of the brokers who get any considerable amount of bank business desire to interfere with the present system. The agitation for reduced commission to the banks comes chiefly from those who, being excluded altogether from the business now available, believe that were a definite split engineered between the banks and their favoured brokers, some at least of the business might come their way.

There is, indeed, little of principle and much of material interest involved in the present discussion. Would it not, therefore, be possible to approach the question in a more practical spirit than has hitherto been shown? It has been suggested that it is the custom of the banks to employ for their Stock Exchange business firms who have substantial accounts with them. This may be the case, but in the view of many people the idea might be considerably extended.

"There are very few stockbrokers, if any, who have not an account with one of the 'Big Five,'" said a prominent stockbroker in discussing the problem. "If, therefore, it is a question of accounts we should all get some of the business. Let me suggest an easy method by which the banks could fairly distribute the business which the Stock Exchange obtains through them. Say, one of the 'Big Five' has 1,000 branches. Those branches are graded. The bank knows to a certain extent exactly what business is to be expected from each branch. Why not, then, distribute the business on a geographical basis? This bank with 1,000 branches has probably 400 stockbrokers' accounts. Let it then allocate to each of its customers a town or towns with a business-producing capacity commensurate to the size of the broker's account. "Were something done on these lines and a system initiated under which we should all feel that the Stock Exchange as a whole is really co-operating with the banks instead of competing with them, the agitation would soon cease."

The idea is one which might well be worth consideration at a friendly conference between the Stock Exchange and the banks, such as has been suggested by Mr H. Warwick Smith, the leader of the agitation against the present conditions.—Yours, &c.,

HERBERT S. OAKLEY.

London, February 27th, 1923.

THE TRUSTEE'S CHOICE OF INVESTMENT.

TO THE EDITOR OF THE ECONOMIST.

SIR,—I notice in your issue of 3rd inst. an article on the trustee's choice of investments, and several securities are given on which the yields are worked out, and different rates are given "with redemption."

As an instance, L.C.C. 5 per cent. at 105½ yields £4 16s 3d, but with redemption £4 13s 6d which apparently means that 2s 9d is put aside out of the income until 1940 would at compound interest amount to 5½; but this 2s 9d is subject to income-tax at 5s in the £, so that it is really only about 2s 1d, and this would not provide for the loss of corpus in 1940.

Besides this, a trustee has no power to deduct such a sum from the income if the tenant for life objects, and the Trustee Act, 1893, limits the loss that may be made on a redeemable investment to 15 per cent. every 15 years, unless it is a loss made in British or Indian Government securities. This provision in the Act would be

unnecessary if a trustee could provide year by year for a capital loss on redemption.

But the tables are more misleading still in the case of Cape 4 per cent., apparently repayable in 1936; the yield at 92½ is given as £4 7s, and with redemption £4 17s, and, apparently, this latter is arrived at by putting the ultimate capital gain at 10s per cent. per annum; but the £4 7s is subject to income-tax at 5s in the £, while the 10s is net, or 13s 4d gross, or subject to tax.

But no addition to the corpus can be distributed to a tenant for life either when it falls in, or year by year, so that there can be no addition to the yield in such a case, even if repayment happens in the life-time of a tenant for life. The yield should only be the amount that a person can spend year by year, it being impracticable to anticipate a future capital profit in this way, although in non-trustee securities it is sometimes useful as showing the comparative value of stocks.—Yours faithfully,

F. F. MATHIESON.

16 Copthall avenue, London, E.C. 2,
March 5th, 1923.

INTERNATIONALISATION OF THE RUHR COALFIELD.

TO THE EDITOR OF THE ECONOMIST.

SIR,—I have only one comment to make regarding your correction, namely, that the production of iron ore in German Lorraine in 1913 amounted to 21 million metric tons, and in French Lorraine to 19.6 million metric tons. This compares with your statement that "much the largest output was still being produced on the German side in 1913."—I am, yours faithfully, HUGH QUIGLEY.

The Manor House, Didsbury, Manchester,
March 6th, 1923.

[Mr. Quigley is correct. We spoke loosely of German Lorraine. The figures before us included the output of Luxemburg, whose boundary includes a corner of the Lorraine ore field. Before the war Luxemburg was in the German Customs Union, and its steel works in the German Steel Cartel. Including Luxemburg, the Lorraine ore output on the German side was 28 million tons, and on the French side 19.6 million tons. In the quinquennium before the war Germany extracted 120 million tons; France 75 million tons.—Ed. *Economist*.]

Books and Publications.

THE THIRD WINTER.*

If there is one thing that the student of economics, or of politics, desires more than another, it is to have the relevant facts about a great issue collected for him in a compact and intelligible form. It is only very rarely that this desire of his is satisfied. Argument, theory, suggested remedies, he can get in plenty, but seldom the data on which all this super-structure depends. If, by a happy chance, he does get it, it is, more often than not, thrown at him in a form which only the most hardened resolution can bring him to read. We therefore welcome the investigation of the group who have compiled this Report, which, together with nine special investigations into big industrial centres, they have called "The Third Winter of Unemployment." Here, assembled together in one modest volume, is a clear statement of the character of the unemployment problem, with data as to who and where the unemployed are; a lucid summary of the extraordinarily tangled and complicated net-work of legislative and administrative enactments in existence for dealing with it; and a wholly impartial survey of its main effects. If every M.P. who takes part in the House of Commons debates would master the material contained in this book, he would be in a position to criticise intelligently and constructively. The reports of the special investigators, in particular, are absorbingly interesting, and should give actuality to the problem to anyone who will let his

* "The Third Winter of Unemployment." The Report of an Inquiry undertaken in the Autumn of 1922. P. S. King. 6s.

imagination work upon the facts presented. They make vivid much, not only in the condition of the unemployed, but in the normal wage-earning life of this country. They do full justice to the tragic fact that differentiates the unemployment of to-day from that within previous record; that it is only to a very small extent a problem of the unemployable; that the vast majority of the million and a-quarter who can find no work want it desperately. If, thanks to the "dole," they are not suffering physically, as men have done in previous "bad" winters, their mental and moral suffering is greater, inasmuch as there hangs over them the dread probability of degradation, not only in the form of recourse to the once dreaded poor law, but in the loss of skill, and, still worse, of self-respect. If there is demoralisation, it is not, the Report states, to be attributed to the dole. There would have been worse demoralisation without it. It is a function of the long continuance of the present direful stress, which is wearing men down. In particular, it is wearing down the ex-soldiers—weaker vessels, partly because unemployment came upon them without much previous industrial experience.

That war conditions, in the widest sense, are the main cause of the whole trouble is made very clear from the remarkably interesting analysis of unemployment figures according to localities, and according to industries, which the report contains. It is precisely those industries into which there was a great war-time influx of population that have suffered and are suffering the most. The same is true of places. Policy has aggravated these sufferings—notably, in a case like that of Woolwich, or in every shipbuilding centre.

Of a survey packed with facts no adequate survey can be given in a short review. Enough has, perhaps, been said to suggest that this is a book not merely to read, but to keep.

THE CITY'S CASH ACCOUNT.*

This is an interesting volume of accounts for the year ending March 31, 1922—the two hundred and eighty-ninth of the series extant. It deals with the City's cash only, and so does not include the values of freehold, leasehold, and other properties. The amount of loans raised by the Corporation outstanding at March 31, 1922, was £10,792,729, against which there are sinking fund investments (book value) £1,913,254. The loans consist of about 4½ millions debenture stock, bearing interest between 2½ per cent. and 3½ per cent.; about 3 millions of short-term Corporation bonds, at higher rates of interest, mostly at 5½ per cent. and 6 per cent.; and 3½ millions Corporation of London 5 per cent. stock, redeemable in 1945-65. The rates of interest paid on Corporation bonds renewed during the year tended downwards from 6 per cent. to about 5½ per cent. In the previous year the rates had risen from about 4½ per cent. to 6 per cent.

The provision of housing accommodation under the Housing and Town Planning Act (1919) is responsible for 2½ millions of the 5 per cent. stock recently issued. The balance-sheet (page 199B) relating to the Housing and Town Planning Act shows among the assets an amount of no less than half a million pounds for increased liability on conversion of bonds into stock, and cost of raising loan. The Corporation of London 5 per cent. stock ranks equally with Corporation of London stock and bonds already created and issued as a charge upon the rates, and with the 5½ per cent. bonds, 1928. It is redeemable at par on August 1, 1965, or on or after August 1, 1945, on three months' notice by the Corporation. It might have been better to take power to redeem this 5 per cent. stock at a date earlier than 1945, as it is reasonable to hope that long before that time the City will be able to borrow at much cheaper rates. Investors, however, have no cause to complain.

The accounts do not show very clearly the nature of the employment of the large sum of £1,882,827, capital cash in the hands of the Treasurer at March 31, 1922, on the

* The Accounts of the Corporation of London for the year ending March 31, 1922, as rendered by the Chamberlain of London (Treasurer).

Housing and Town Planning Act account. Presumably a large part of this was advanced for the benefit of other departments, which would be duly charged with interest. The Abstract of Cash Balances in the hands of the Chamberlain on March 31, 1922, reports an overdrawn balance of £2,538,670 on "Interest and Deposit Account." This large amount seems to need a somewhat fuller explanation than can be gathered from the published accounts.

MAKING GERMANY PAY.*

Mr ANGUS anticipated and approved of the occupation of the Ruhr, for, rejecting Mr Keynes's elaborate arguments, he is convinced that Germany can pay. If she has no export surplus, it is because she will not tax herself to pay ex-enemies, and because her export figures are artificially kept down by the Control Boards, of which he gives an interesting account. But rapid payment would aggravate inflation, trade uncertainty, and dumping. Still, Germany can pay eventually, and must, to save France from inflation and collapse. Mr Angus's solution is commended to France by a proposed Allied guarantee of her military security, and to Germany, *inter alia*, by a cessation of the Allied occupation and a remission of its cost. First, there is to be a 5 per cent. loan of £100 millions subscribed and guaranteed by the Allied and some associated Powers (including the United States); Germany is to pay the interest and 1 per cent. sinking fund. Second, annual Reparation payments for forty years, beginning with £10 millions, rising in 1945 and 1946 to £200 millions, then declining to a final £10 millions in 1963. Spreading the payments will mitigate the danger of dumping. All this is to be secured by Allied control of German finance and armaments, and, possibly, by occupation of the chief cities. Under pressure, Mr Angus thinks, the German industrialists and banks will even subscribe to the loan. He has specially studied exchange and currency, and has the gift of clear exposition; but, like most specialists, he over-estimates the influence of his special subjects, notably when he describes the possible manipulation of exchange to produce an export surplus (p. 15). And, on the possibilities of a German export surplus, Mr Keynes is on surer ground than his critic.

BOOKS RECEIVED.

The British Coal-Mining Industry During the War. By Sir R. A. S. Redmayne, K.C.B. (Oxford) Clarendon Press.

Practical Hints on the Preparation and Registration of Joint Stock Companies' Forms. By Charles H. Picken. Eighth edition. (London) Waterlow and Sons, Limited. 5s net.

Kellik's Argentine Railway Manual, 1923. (London) Effingham Wilson. 2s 6d.

This is the eighteenth annual issue of this useful little book, the latest issue of which always finds a place on our bookshelves.

Back to Prosperity. By Henry Lowenfeld and His Daughter Margaret Lowenfeld. (London) Effingham Wilson.

The Incorporated Accountants' Year Book. (London) The Society of Incorporated Accountants and Auditors.

Second Index Catalogue. Parliamentary Papers. (Newcastle) Public Library.

Sell's Directory of Registered Telegraphic Addresses, 1923. (London) 166, Fleet street, E.C. 4. 45s.

This book is stated to be the only list published of registered abbreviated telegraphic addresses compiled from official lists supplied by the authority of his Majesty's Postmaster-General. In Section II. the abbreviated telegraphic addresses are alphabetically arranged in two divisions—London and country—enabling the addressee to identify the sender of a telegram, even though the message be signed—as is so frequently the case—by a registered code word only. This directory, therefore, is a very necessary work, as it affords the only complete clue, published from official lists, to the sender of such a message.

* "Germany and Her Debts." A Critical Examination of the Reparations Problem, with an Appendix on Exchange Stabilisation. By L. L. B. Angus. (London) Harry J. Simmonds. 1923. (Pp. xviii+358. 6s.)

BARCLAYS BANK LIMITED.

Head Office: 54, Lombard Street, London, E.C.3.

This Bank is in close touch with leading Bankers in all parts of the world, and provides facilities for the financing of every description of Overseas business. Traders interested in the Foreign Markets are invited to correspond with

THE FOREIGN MANAGER.

Foreign Branch: 168, Fenchurch Street, E.C.3.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET. ACCOUNT.
March 21. March 22.

The Stock Exchange finds that its tone is better than its trade. There is a firm atmosphere in most of the markets, a willingness on the part of prices to go better, a cheerful air about the lists of quotations. Business there ought to be, in order to justify this quiet buoyancy of sentiment and quotations, and business there is in a few of the markets, though it is not widely distributed, nor does it make itself unduly prominent. Hundreds of men stand in the Stock Exchange, all day long, doing little or nothing, though a few are busy, taking it in turns, as it were, to have a good day, and then one on which business seems to fall off.

The War Loan will go ex dividend in about six weeks' time, and this consideration is having its effect in keeping the price hard, while Consols have been a feature of strength at 58½ bid. Other gilt-edged stocks remain at about their previous levels, the disposition, however, being to advance. Amongst foreign bonds, the French and German issues are keeping to the hard side, but show no dramatic changes on the week. German Threes again recovered to 20s. French Railway bonds are better; Brazilians hardened here and there; faint recovery occurred in certain of the Chinese bonds, while speculation in Peruvians has dwindled to a narrow thing, and only Rio Tintos keep the foreign market really alive, with their violent gyrations, according as Paris buys or sells.

London Midland and Scottish and Great Westerns have been the leading features in the Home Railway market, showing robust strength on the anticipation that, before long, splitting schemes will be proposed in respect of both stocks. The newly-created preferred and deferred stocks of the Northern and Southern groups are steady. Undergrounds have gone ahead. The few remaining Scottish stocks are better, and Home Railway prior-charge issues are a little higher. American Rails are being quietly picked up, some say for the United States, others think for investors on this side who look ahead to the day when the Yankee market shall return to Shorter's court. The Argentine railway market keeps good, and foreigners, as a whole, are better.

No change has occurred in the sleepy condition of the rubber share market. But oils are decidedly harder, speculation having reawakened, and a greater air of confidence being discernible on the part of people, who, having bought oil shares higher up, are now willing to average at to-day's more modest prices. The Courtauld meeting failed to produce the anticipated announcement of any bonus, and the price of the shares fell back, though other textiles are better, with Bradford Dyes up to 3 before the price went ex dividend on Thursday. A little stirring of the dry bones in the shipping market caused prices to harden. Electric lighting shares again improved; gas stocks are quiet; cable issues depressed, on account of the wireless competition, though Marconis themselves have moved narrowly and irregularly. The catering group has strengthened, Liptons being a prominent feature, and hotel shares are better, with brewery stocks marking time.

A few speculative counters, such, for instance, as Low Temperatures, came into prominence. People are once more buying shares in commercial companies which are thought to have turned the corner of the post-war depression, and there is plenty of support available for borrowers who have sound stock to offer at reasonable prices.

March 10, 1923.]

The Kaffir market hastens very slowly. The Cape lends a little support. Paris continues to sell on balance. West Springs and Gedulds and Unions have spurred sharply. Diamond shares are good, and the demand from America is said to be increasing week by week. Tin shares have been something of a rage; Malayan, Cornish, and West African descriptions all joining in the mild flutter of excitement which barely kept pace with the rise in the metal. There is not much public at present, however, in these markets for base metal shares. Russians hardened a trifle. Mining markets continue fairly active, though dealers frankly confess that a good part of the animation must be deemed semi-professional.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded ..	£ 53,675,018	..	..	..

ISSUES OF THE WEEK—
4½ % Treasury Bonds (by Tender Mar. 2, 1923), £2,500,000, at £99 9s 9d 2,487,250

NATIONAL SAVINGS CERTIFICATES.

NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED MARCH 3, 1923.

April 1 to Mar. 3, 1923, £32,408,000	£ 200,000 ..	£ 200,000 ..
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To the Public—					
Spencer(Melksham), Ltd., £150,000, 7½ % First Mort. Debts, cred. at 102½, 1935-55, issued at 98½ % ..	150,000	147,750	15,000	132,750	
Do 150,000 10 % Cum. Pref. Ord., £1, at par (March 5)	150,000	150,000	18,750	131,250	
Do 500,000 Defd. Ord. Shares, 2s. at par	50,000	50,000	12,500	37,500	
Malacca Rubber Plantations, 171,036 Ord. Shares, £1, at 30s per share (March 5)	171,036	256,554	21,380	235,174	
Bagracote Tea Company, 11,356 Ord. Shares, £1, at £1 7s 6d per share	11,356	15,615	2,839	12,776	
Do 2,010 8 % Cum. Pref. Shares, £1, at par (March 5)	2,010	2,010	251	1,759	
Total offered to public	621,929	70,720	551,209		

To Shareholders only—					
Batavia and General Plantations Trust, 250,000 Pref. Shares, 2s, at par	25,000	25,000	6,250	18,750	
Cyprus Old Trust, 365,000, 2s each, at par	36,500	36,500	9,125	27,375	
K. M. S. (Malay States) Rubber Plantations, £42,500 Conv. 7 % First Mort. Deb. Stock (cred. July 1, 1935, at 110 %), issued at par	42,500	42,500	4,250	38,250	
Killiney Mine, 30,000 Pref. Priority Shares, £1, at par	30,000	30,000	7,500	22,500	
Petroleum Options, 712,037 Ord. Shares, 1s, at par	35,602	35,602	17,801	17,801	
Total offered to shareholders	169,602	44,926	124,676		

Total offered for subscription to date	Total offered for subscription for whole year—
1923 £57,153,799	1922 £57,675,650
1922 £24,983,703	1921 £38,978,203
1921 £44,263,492	1920 £367,549,656
1920 £95,868,392	1919 £1,036,059,961
1919 £267,401,823	1918 £1,393,381,441
1918 £256,156,881	1917 £1,318,596,010
1917 £778,563,831	1916 £585,436,853
1916 £136,108,130	

Wandsworth, Wimbledon, and Epsom and District Gas Company.—Incorporated by special Act of Parliament 1912. The authorised stock capital is £1,812,472, of which, £1,072,993 has been issued. The authorised loan capital is £906,236, of which £229,302 has been issued. This is an offer of sale by tender of £250,000 new capital, comprising £50,000 4 per cent. debenture stock (irredeemable), £100,000 4 per cent. preference stock (irredeemable), and £100,000 new ordinary stock. The debenture stock is offered at a minimum price of £78 per £100, this showing a yield of £5 2s 7d per cent., the preference stock, at £93 per £100, yielding £5 7s 6d per cent., and the ordinary stock at £95 per £100, at which figure based on current dividend, yields £6 9s per cent. For the year ended December 31, 1922, the net revenue was £105,517, while the interest on the total loan capital, including the debenture stock now offered, will absorb £12,278. The dividend on the preference stock will take £5,000, thus leaving £88,238 available for dividend on £1,172,993 ordinary capital. At the minimum price of issue, these look like excellent investments.

The Railway Share Trust and Agency Company, Limited.—Authorised share capital £800,000, of which £777,040 has been issued and is fully paid. The following information is taken from a statement in the Press made to comply with Stock Exchange regulations. It concerns issue of £145,574 4½ per cent. first debenture stock, being the balance of £400,000 4½ per cent. authorised first debenture stock, and ranking *pari passu* with the £254,426 4½ per cent. first debenture stock already issued as a first floating charge on the undertaking and assets of the company. The principal moneys are repayable at par on December 1, 1965, but the

company reserves the right to redeem the whole at any time at 105 per cent., plus accrued interest, on six months' notice. The only difference between the 4½ per cent. first debenture stock previously issued and the present issue is that the interest on the former is payable on April 1 and October 1, and the stock is repayable on October 1, 1940. The stock previously issued is in future to be designated 4½ per cent. first debenture stock, 1940, to distinguish the same from the present issue, which is to be designated 4½ per cent. first debenture stock, 1965. The whole of the present issue of 4½ per cent. first debenture stock, 1965, has been sold by the company at the price of 87½ per cent. A well-managed undertaking.

Spencer (Melksham), Limited.—Authorised share capital £200,000, divided into 150,000 10 per cent. cumulative preferred ordinary shares of £1 each, and 500,000 deferred ordinary shares of 2s each. This is an issue of the whole of the preferred ordinary shares at par, together with £150,000 7 per cent. first mortgage debentures at 98½ per cent. Applicants for preferred shares will be entitled to apply for one deferred ordinary share at par for every preferred share applied for. The remaining deferred shares, the prospectus states, have been applied for at par, and will be allotted to shareholders of Spencer and Co. Spencer and Co., Limited, was formed in 1894, to take over a business of engineers specialising in elevating, conveying, and storage plant. Assets are valued at £275,000, of which fixed assets represent just over £169,000. Profits are given from 1918, and certainly, judged by 1922 results, the company should be able to make headway. It should be noticed, however, that these profits are stated before charging depreciation (which may be very heavy), managing directors' remuneration, income-tax, excess profits duty, and corporation profits tax. The debentures, of which it is stated £57,280 has been applied for firm at the issue price, will constitute a first and specific mortgage on the company's freehold lands, buildings, and fixed plant, and a floating charge on all other assets. Redemption is to be made on or before April, 1953, by annual drawings at £102½, or purchase in the market, power being reserved to redeem the whole amount at £102½ after April 1, 1933. The purchase consideration is £300,000, payable in cash, of which £50,000 represents goodwill. A fair industrial proposition.

American-Foreign Oil Corporation.—Incorporated in April, 1920, under the laws of the State of Virginia, U.S.A. Authorised capital, \$12,500,000, divided into 2,500,000 shares of \$5 each, of which 1,300,000 shares are fully paid, 1,200,000 being reserved for future issue. A statement in the Press issued to comply with Stock Exchange regulations mentions that 1,000,000 shares have been issued to the vendors, and 300,000 have been issued for cash. We should advise outside investors to await further information.

The Bagracote Tea Company, Limited.—Authorised capital, £100,000, divided into 70,000 ordinary and 30,000 8 per cent. cumulative preference shares, all of £1 each. Of these, 53,644 ordinary shares and 22,990 preference shares are now to be allotted in payment for properties, and the balance of 11,356 ordinary shares and 2,010 preference shares are now offered for subscription. The price of the ordinary shares is £1 7s 6d per share, and that of the preference shares is par. The estates to be acquired are in the Jalpaiguri district of Bengal, and extend to about 6,123 acres. Profits are given from 1911. The consideration for the sale is to be satisfied by 31,500 ordinary and 13,500 preference shares to the shareholders of the Bagracote Tea Company, Limited (the Indian company), and 22,144 fully-paid ordinary shares and 9,490 fully-paid preference shares to the shareholders of the Baint-goorie Tea Company (Dooars), Limited. At a valuation of little under £30 per planted acre, after allowing for reserves contributed by the vendor companies. Thus, as no cash payment is required, there is evidence that the promoters have faith in the venture.

Sablas (North Borneo) Rubber, Limited.—Authorised capital, £300,000 in £1 shares, of which 220,279 have been issued and are fully paid up. This is a further issue to the shareholders of 20,000 shares of £1 each at par, the terms of the issue giving the shareholder the option—in respect of each the issue giving the shareholder the option—in respect of each two shares applied for and allotted—of calling at par one further share at any time up to April 30, 1927. The issue is being made to provide capital for the following purposes:— (1) To pay off existing loans. (2) To extend present planted area during 1923 by 96 acres, thereby raising total planted area to 3,200 acres, and planting small additional areas, to raise total planted area to 3,500 acres. (3) To furnish working capital. To facilitate the issue, the directors have obtained the consent of the British North Borneo Company to cancel the option on 20,000 shares of the 35,000 which that company holds until August 31, 1923. The new shares will be offered for subscription by shareholders in the proportion as nearly as possible of one new share for every 11 now held. The shares now offered will rank in all respects *pari passu* with the previously issued shares of the company.

The Bell System took on 18,765 new employees during the year, having, at the close of December, 243,053 men and women on the payroll. As a consequence of the greatly extended service, there is to-day one Bell telephone station to each eight of the population, as compared with one to each thirteen 10 years ago, and one to each 90 in 1900. The United States is served by 10,200 separate telephone companies, including the 26 associated in the Bell System and 9,261 companies whose stations are connected with the Bell service. There are, in addition, a great number of rural lines not rated as companies, of which some 27,000 are connected with the Bell System. More than 64 per cent. of Bell-owned wire mileage is now in underground cables.

The following statistics show the development of the Bell System on December 31, 1922, and its growth during that year :—

AMERICAN TELEPHONE AND TELEGRAPH CO.—Continued from preceding page.

TELEPHONE STATIONS.

	Number at End of Year.	Increase During Year.
Bell owned	9,514,813	600,658
Bell connecting	4,535,752	69,688
Total	14,050,565	670,346

TELEPHONE CONNECTIONS—BELL OWNED EXCHANGES.

	Average Number Daily During Year.
Exchange Connections	36,831,000
Toll Connections	1,523,000
Total	38,354,000
Increase over 1921	3,327,000

AMERICAN TELEPHONE AND TELEGRAPH COMPANY.

STATEMENT OF EARNINGS AND EXPENSES FOR THE YEARS 1921 and 1922.

	1921. \$	1922. \$
Earnings—		
Dividends	38,580,672.59	44,972,928.91
Interest	13,803,052.70	12,281,954.46
Telephone Operating Revenues	58,268,539.17	65,324,889.89
Miscellaneous Revenues	90,507.92	227,946.41
Total	110,742,772.38	122,807,719.67
Expenses (including provision for depreciation and all taxes)	37,218,959.61	41,139,279.67
Net earnings	73,523,812.77	81,668,440.00
Deduct Interest	19,521,109.05	15,498,011.88
Balance	54,002,703.72	66,170,428.12
Deduct Dividends	42,674,403.00	52,971,251.93
Balance	11,328,300.72	13,199,176.19
Appropriated for Contingencies	3,000,000.00	5,000,000.00
Balance for Surplus	8,328,300.72	8,199,176.19

COMPANY MEETINGS, &c.

NORTH BRITISH RAILWAY.
QUESTION OF RAILWAY CHARGES.

The final annual general meeting of the North British Railway proprietors was held at Edinburgh, on the 2nd instant, Mr. William Whitelaw, chairman of directors, presiding.

In moving the adoption of the report and account, the Chairman said: The receipts from all sources during the year amounted in round figures to £10,452,000, and the expenditure to £8,011,000, showing a gross profit, including the amount brought forward from the previous year, of £2,497,086. The traffic expenditure has been 78.65 of the traffic receipts.

In account No. 8 there are increases of £22,314 and £5,342 in the items "rents for houses and lands" and "other rents, including lump sum tolls." This is not due to any increase in the rent roll, but to a change in the method of dealing with the property and income-tax with a view to bringing the North British practice into line with that of the other constituent companies. After deducting interest, rentals and other fixed charges, and dividends on the consolidated lien preference and preferred ordinary stocks, and setting aside to reserve sums similar to those set aside in the year 1913, there remains a balance of £167,808 14s 6d, out of which the directors recommend the payment of a dividend of 1 per cent. for the year on the deferred ordinary stock, carrying forward a balance of £47,799 17s 6d. This is at the same rate as last year, and the carry forward is about £9,000 less.

We have received the final instalment of the compensation money payable under the Railways Act. In this way we have taken into the amalgamated company proportionally less money than other companies, but, on the other hand, we have taken with us our rolling stock restored to the standard of 1913.

The salaries and wages bill of the company for the year 1922 was £4,944,540, compared with £1,660,154 in 1913, an increase of £3,284,386, equal to 198 per cent. Probably the most important problem before the railway companies to-day is the question of railway charges, and it is one of no little difficulty. In consequence of our success in amending the grouping proposals of the late Government the coal, iron and steel traders of Scotland to-day find themselves competing with similar traders in England upon the same relative conditions so far as railway rates are concerned as in 1913. The assurances we gave them in the spring of 1921

have been justified and fulfilled to the letter. We made large reductions in rates during the last year.

The estimated loss of revenue per annum involved in the modifications already made on rates for traffic by merchandise train amounts to fully £1,250,000 per annum on the traffic of twelve months. The reductions made in passenger fares and rates for perishable traffic by passenger train as from January 1st are estimated at £330,000 per annum, and the modifications in dock dues and charges which also took effect as from that date, are estimated at £50,000 per annum, or a total of £1,638,000. Against this we have been to some extent compensated by increased traffic carried, as well as by a substantial decrease in expenditure since this time last year.

INCREASES IN TRAFFIC.

We have secured the following increases in traffic:—Iron and steel scrap, 60,000 tons; pig-iron, 62,000 tons; ironstone and iron ore, 172,000 tons; stone for roads, 105,000 tons; pit timber, 141,000 tons; coal and coke, 6,000,000 tons. With such an improvement in our leading industries we can, without undue risk, enter upon an investigation of how much further we can assist the trade of the country by a reduction of the rates at present in force. There is, of course, another side to the picture. Agricultural traffic has not responded in anything like the same degree, probably owing in some measure to the competition of motor traction. Building materials such as bricks, sand and timber show a decrease of over 100,000 tons, and so long as the building trade continues to be the plaything of politicians we cannot confidently look for improvement.

Generally speaking, I take it there is reason to anticipate that some reduction of rates may be possible in the near future, provided that there is no serious rise in the price of coal, but I hope that what I am saying to-day and what has been said by chairmen of other railway companies recently will not lead to exaggerated hopes of wholesale reductions.

Unfortunately I cannot speak of the passenger as hopefully as I have spoken of the merchandise traffic. Substantial reductions of fares were made as from January 1st, and so far there has not been the response for which we hoped. For the first eight weeks of the current year the decrease of passenger train receipts on the London and North-Eastern Railway has exceeded a quarter of a million. We shall have to do better than that before the question of fares can be again considered.

The Duke of Buccleuch, K.T., seconded the motion, which was unanimously carried.

BRITANNIC ASSURANCE COMPANY, LIMITED.

A REVIEW OF THE YEAR—SATISFACTORY FIGURES.

The fifty-seventh ordinary general meeting of the shareholders of the Britannic Assurance Company, Limited, was held, on the 2nd instant, at the chief offices, Broad street corner, Birmingham, Mr. J. A. Patrick, J.P., chairman, presiding. There were also present Messrs J. A. Jefferson, F.I.A., vice-chairman and general manager; S. J. Port, J. Murray Laing, F.I.A., secretary and actuary; A. M. Patrick and W. Roseco, directors.

The Chairman, in moving the adoption of the report, said: Ladies and gentlemen,—The year 1922 has established the unenviable reputation of having been the worst within living memory so far as the industrial and commercial prosperity of this country is concerned—unemployment was rampant, distress was acute, markets at home and abroad were nervous and unstable with Continental exchanges fluctuating—in many cases actually crumbling—at a pace never known before.

Under such unprecedented conditions, it was inevitable that in a business such as ours we could not escape the consequences of the prevailing depression, and, indeed, so great were the difficulties to be faced throughout the year that even the most sanguine members of the board would not have been surprised if, as a company, we had merely managed to hold our own, and, as it were, marked time so far as progress was concerned. The directors were determined at all costs to stand by distressed policy-holders to the uttermost limit, so that no policy should be allowed to lapse which could possibly be saved, and when I tell you that even to-day we have on our books thousands of policies under which the arrears of premiums are far in excess of our most generous pre-war standards of concession, you will realise that the assistance we are rendering to those concerned is a very practical one, and one which, in the aggregate, is costing the company large sums of money in meeting claims which were we to rely on the very fair and reasonable conditions of the policies would be avoided.

I now formally move:—"That the report of the directors produced, together with the annexed statement of the company's accounts for the twelve months ended December 31, 1922, duly audited, be received, approved, and adopted."

MR J. A. JEFFERSON REVIEWS A DIFFICULT YEAR.

Mr J. A. Jefferson, vice-chairman and general manager, in seconding the motion, said:—Ladies and gentlemen, I rise with great pleasure to respond to our chairman's request to give you an account of our stewardship during the past year. I desire to place before you an outline, as brief as possible, of what has transpired during the period under review, and its effect on this, our great company.

On both occasions upon which I have previously had the honour to address you in my capacity as vice-chairman and general manager I have reported that the year immediately under review has been the most trying and anxious one for your board, and I honestly can say that last year was the worst in our experience; but I really do believe that we have turned the corner and now have actually passed the lowest point of the wave and are now on our way travelling upwards towards the crest.

During the whole of the year we have done everything we possibly could, as the chairman has stated, by way of helping our policy-holders who had fallen on bad times, and even to-day we are doing all we can to help those persons who are really trying to maintain their policies in force. Please do not for one moment think that any one of us connected with the "Britannic" is in any way down-hearted. I believe we feel we have all come through a most depressing and strenuous time, but the experiences we have gained have had this effect only—of making us, one and all, more eager and prepared for the better times we see ahead of us.

INDUSTRIAL ASSURANCE LEGISLATION.

One of the most pressing problems we have had to consider during the past year has been the suggested legislation to give effect to the recommendations made in the report of Lord Parmoor's Committee. The Bill introduced in the House of Lords a few days ago, whilst meeting with the approval of Lord Parmoor himself, is a measure which seriously affects the interests of all of us, and you may rely on our closest attention being paid to this matter. I notice the Lord Chancellor, in moving the second reading of the Bill, stated, when referring to abuses in the business, that he wished it to be understood that in what he said he was not referring to the well-known and reputable societies, but to smaller and newer societies, and I state most emphatically that the "Britannic" can claim to be included in the former category.

The increase in the premium income is as stated in the directors' report, £51,926 over the previous year, and this, although some £25,000 less than the increase shown last year, is, I think, still satisfactory in view of the depression through which we have passed, and I may say that, as far as my judgment serves, from the returns up to date there is, unless something abnormal occurs, every prospect of our showing a much better increase for 1923.

Our claims by death, which amount to over £560,000, show a substantial increase as compared with last year, and this is accounted for entirely by the very heavy death claims which arose in the early part of 1922, and in this connection I may say that 1923 shows a substantial reduction to date as compared with the corresponding period last year.

Our claims paid under maturing endowments remain practically constant at the figure of over £126,000.

Our payments under the heading of surrenders have increased by practically 60 per cent., and this is undoubtedly accounted for by the depression to which we have already referred. Coming to the question of expenses in this branch—before dealing with the figures, in view of the fact that there is probably no feature of industrial assurance more seriously misunderstood or more unfairly attacked than that of the expense ratio—may I be permitted to point out that an insurance company is, as far as I know, the only business in the country which discloses for all to see the total costs of production right from the raw material to the finished article. That is to say, from the collection of the 1d or 2d per week year after year until the payment of the claim, and I would ask you to bear this in mind when you are comparing our costs with the costs of other commodities.

REDUCED EXPENSES.

Returning to the figures, I am glad to be able to report that we have reduced our expenses from 45.59 per cent. in 1921 to 42.94 per cent. in 1922—our main saving, of course, coming under the heading of new business and extension expenses, but the item of commission has also been slightly reduced, and our expenses of management have increased by the small amount of .09 per cent., which, I may say, is more than accounted for by the increased rates of contributions under the Government unemployment insurance scheme.

As a company, we are fully alive to the importance of effecting every economy possible in the management of our business so long as efficiency is not thereby impaired, and the subject is one which is receiving our constant consideration, and every opportunity is taken so to perfect our organisation as to achieve this result.

During the past year a considerable amount of reorganisation has taken place—the full benefit of which has not as yet shown itself in our accounts; but I certainly believe that we can look to a reasonable reduction in expenses during the coming year.

Turning to the receipts side of the accounts, I have already made reference to the increase in the premium income of £51,926, and the only other item calling for comment is the receipt from interest, rents, &c., which you will notice has increased by the very satisfactory figure of practically £30,000—the gross yield being no less than £5 15s 7½d per cent., and the net yield £5 1s 5½d per cent. I think you will agree that the "Britannic" stands extremely well in this important matter of interest yield on invested funds, and it is a fact that there are extremely few British life offices which can show such a satisfactory record in this connection. It will, of course, be increasingly difficult, if not impossible, to maintain this high rate in the future, as naturally the opportunities of investing our funds in first-class securities at the high rates of interest which appertained through the early part of last year are becoming more and more rare—in fact, one might say, as compared with this time last year, that the yield on gilt-edged securities has fallen by practically 1 per cent.

BUSINESS UNDER THE MONTHLY TABLES.

The only other item of general interest which I should like to mention in connection with the industrial branch is that we are doing an increasing volume of business under our monthly tables, and I should like to pay my tribute to our indefatigable secretary (Mr Laing), who last year drew up some most attractive tables in connection with our monthly branch, and as the result we are already doing over four times the amount of business in this department as compared with our previous results. The directors are most anxious that this branch shall be energetically worked, as we believe that there are plenty of people amongst the working classes who can well afford to pay monthly instead of weekly, and thus obtain more advantageous terms for themselves—in other words, it is undoubtedly a higher form of thrift than the weekly

branch, and we are anxious to instil this into the mind of the public.

If you will now be good enough to refer to the revenue account of the ordinary branch, I should like to congratulate everybody concerned, both inside and outside, on the splendid figure of new sums assured—viz., £1,874,317. Assurance men, of course, are never satisfied, which is as it should be if progress is to be made, and we were most anxious to beat our record year of 1920, but we have fallen short by some £70,000. Nevertheless, we succeeded in passing the 1921 figures by no less than £425,000, and I think, taking everything into consideration, that it is a really excellent result, and you may rely on your board using every effort to make sound progress in this important branch of our business.

Our premium income in this department, you will notice, has increased by some £47,000, and our net interest shows the satisfactory increase of over £21,000—the net yield being the same as in the industrial branch, viz., 5½d, and, of course, in this department the high rate of interest is all important, as it is one of the chief sources of profit from which we are able to declare our bonuses to the with-profit policy-holders. Largely as a result of this high yield, we have been able to declare an increased reversionary bonus to participating policy-holders of £1 10s per £100 assured.

I see that in 1912 our gross interest income was £131,757, whereas to-day you will see, according to the general revenue account, the item has increased to £379,865—practically a quarter of a million pounds per annum increase in 10 years.

On the other side of the account, the amount paid by way of death claims has increased by practically £5,000, but the ratio to our premium income has decreased from 16.39 per cent. to 15.79 per cent. Our claims paid under maturing endowment assurances have increased by some £8,000, but again the percentage to premium income has decreased from 28.7 per cent. to 27.72 per cent.

AN OUTSTANDING FEATURE.

It has been an outstanding feature for years that the "Britannic" in ratio to its size has paid by way of claims under maturing endowment assurances a very much larger proportion of its premium income than practically any other company.

We are, of course, delighted that our policy holders should live to receive the result of their thrift, but there is the other side to be remembered, and that is that these heavy maturing claims mean a big drain on our premium income, and mean also that we have to place on our books a large amount of new business to make good this wastage before we can show progress.

You will notice that in this branch the same feature occurs as in the industrial branch under the heading of surrenders, which have increased by over £7,000—attributable, no doubt, to the same cause—trade depression. As regards the expenses of conducting this branch, I am in the happy position to be able to report a reduction under the two headings of commission and expenses of management. The reductions are not large, but they are in the right direction.

Under the heading of new business expenses, there is an increase of nearly 1½ per cent. of our premium income, but that is an increase that we are pleased to see, as it shows, of course, that we are rapidly expanding our business in this branch.

A NEW RECORD.

With your permission, I will now proceed to deal with the balance-sheet. If I may be allowed to use an expression often used by my late father, I think we may look upon last year as a year of milestones, for you will notice that the ordinary branch fund has passed the £3,000,000 mark, the industrial branch has passed the fourth milestone, and our total funds have passed the seventh milestone. In fact, our total increase in funds, amounting to over £850,000, has created a new record for this office, but naturally we who have to guide the destinies of this company hope and trust that in this regard we shall create a new record every year. This year, as last, we have not considered it at all necessary to increase the investment reserve fund, and I may say that the annual valuation of our securities has revealed a position which is even more satisfactory than I was able to report last year.

At our previous meeting I referred to certain disastrous failures in the insurance world, and the subsequent disclosures caused a Bill to be put forward in the House of Commons to compel companies, amongst other things, to give a complete list of securities as set forth in the balance-sheet. May I point out that there is no law that will prevent fraud. In this company no investment is made without the full knowledge and concurrence of the whole board, and, in addition, we have in progress throughout the year a continuous audit by the auditors appointed by the shareholders. These gentlemen know they are entitled at any time to ask—and, in fact, do ask—for any security they may desire to inspect. This, I submit, is the proper and businesslike way to ensure against fraud, and not by publishing a list of securities which is useless before

it is printed, for between the date of the balance-sheet and the time of issuing the list considerable changes will have taken place.

Taking the item of mortgages, you will notice that there is an increase of practically £120,000, and this is accounted for entirely by our house purchase scheme, to which I have already referred on several occasions. I have had some figures taken out, and find that since the scheme started well over 4,000 advances have been made. Of these, no less than 1,200 have been repaid, either in one sum or by instalments. In 104 cases death caused the policy to become a claim—so repaying the mortgage—leaving the widow and children in possession of a home free from all encumbrance. Of these 104 death claims, 13 were in respect of men killed during the Great War, and, as you know, we were not legally liable to pay under the terms of the policy. To-day we have practically 3,000 mortgages existing, and of this number, in spite of the extraordinary depression to which I have so often referred, only in 17 cases have we had to enter into possession, and this, I think, proves the care that has been taken in making the advances and in the selection of our clients. Personally, I believe that the character of the mortgagor is just as important from our point of view as the character of the property upon which we are asked to make the advance.

LOANS ON POLICIES.

You will notice that there is a fairly large increase in the amount appearing under the heading of loans on the company's policies, which, as I stated when dealing with the increase in our surrender claims, shows that many of our policy-holders have found their policies of timely assistance to them in tidying them over these hard times.

Our British Government securities, you will notice, have decreased by over £130,000, and this is accounted for by the maturity of short-dated securities, such as Treasury Bonds and National War Bonds. The decrease of £68,000 in our British municipal securities is accounted for by the fact that we sold some of our holdings in order to reinvest in the new Indian and Colonial Government issues, where you will see there is an increase of over £380,000. Our holding of Indian and Colonial municipal securities has decreased by over £100,000, and we have realised a number of our dollar securities, as money on the other side of the water has been very much cheaper than on this side, and this has meant a big improvement in values. Our holdings of railway securities have increased very considerably indeed—in fact, the larger portion of our new investments have been in this class of security. I am sure you will agree with me that one cannot have a finer security than the well-known British railways, or, indeed, any first-class railway, as they are essential to the very existence of any commercial country.

There is a small increase under the heading of house property, and this is accounted for by the fact that we have deemed it wise, owing to the Rent Restrictions Act and other circumstances, to purchase outright our branch offices in some of the larger towns, so that we may be undisturbed for all time.

Last year you will remember that we transferred £25,000 to our pension fund, bringing that fund up to £90,000. This year we are asking you to agree to the transfer of a further £30,000, and I may say that we have just launched a definite pension scheme, so that those worthy servants of ours, both inside and outside, may know what they have to look forward to in their old age as a reward for long and faithful service. The directors feel, from the numerous expressions of thanks and appreciation we have received, that the scheme will, by its moral and uplifting effect, repay the company for the heavy cost and cement still further the good feeling existing between the management and the staff.

As is our invariable custom, we end our report by thanking the inside and outside staffs for their loyal and efficient services, and in the pension scheme which I have just mentioned I think we have given tangible proof of our thanks. We realise and fully sympathise with all the difficulties, and we can only thank them sincerely for having so splendidly surmounted those difficulties.

In concluding my account of our stewardship, I think I may just sum up the position thus:—A satisfactory increase in premium income, a record addition to our funds, a record interest yield, and a reduction in our expenses ratio.

Finally, I beg personally to thank all my co-directors and fellow-workers for the magnificent assistance they have rendered me during a most trying year, and it is only because of such united efforts that we have been able to place such a report before you and which we are now asking you to adopt.

I have much pleasure in seconding the resolution proposed by our chairman.

The report and accounts were unanimously adopted, and Mr S. J. Port and Mr A. M. Patrick were re-elected directors. The auditors, Messrs Flint and Thompson, C.A., were re-elected.

The meeting concluded with votes of thanks to the chairman for presiding, the directors, general manager, secretary, and the inside and outside staffs for their efficient services during the year.

REFUGE ASSURANCE COMPANY, LIMITED.

SATISFACTORY PROGRESS.

INCOME FROM INVESTMENTS EXCEEDS £1,000,000.

The annual ordinary general meeting of the Refuge Assurance Company, Limited, was held, on the 5th instant, at the chief office of the company, Oxford street, Manchester.

The Chairman (Mr James S. Proctor), in proposing the adoption of the report and accounts, said: Gentlemen,—Before moving the adoption of the report and accounts I desire to refer, on behalf of the board of directors, to an event the sadness of which is brought most vividly to the minds of all those present at this meeting to-day. I refer, of course, to the grievous loss sustained by the company in consequence of the death of the late chairman, Mr R. W. Green, in July last. Mr Green was associated with the company for a period extending over 40 years, and after occupying various positions was, on the death of the late Mr William Proctor in 1898, appointed joint general manager, vacating this position in 1912 on his election to the chairmanship of the company in succession to the late Mr James Wilcock. Wise in counsel, sound in judgment, broad-minded, and sympathetic in the consideration of all matters which came before him, his services were at all times highly valued and appreciated by his colleagues, and, I am happy to add, there was during his lifetime—and has been since—abundant evidence that his disposition and method of dealing with men were such that he was not only most highly respected, but possessed the sincere affection of all those with whom he came in contact. We all, I know, feel his absence most deeply. At this point I would like to take the opportunity of thanking the shareholders for their confidence in electing me as his successor. I need hardly assure you that, in succeeding to this position, I am fully conscious of the responsibilities thereby involved, and will at all times, to the best of my ability, exercise my powers and judgment not only in your interests, but in the interests of the vast number to whom, either as policy-holders or as members of the staff, the welfare and stability of the company mean so much.

Turning now, gentlemen, to the report and accounts for the past year, I feel that I am—on this the first occasion on which I preside at this meeting—extremely fortunate in that I find myself, on behalf of the directors, in a position to put before you such an eminently and obviously satisfactory record of the company's operations for the year under review, particularly so having due regard to the fact that those operations were so greatly influenced by a continuance of the adverse conditions which have, unfortunately, prevailed for so long. Very many industries were most seriously affected, resulting in a diminution in production and generating acute unemployment. In spite, however, of these conditions, you will have observed from the report that the aggregate income of the company was £7,130,667 9s 9d, showing an increase during the year of £510,306 16s 2d. The total assets of the company have increased during the year by £2,335,969 13s, and now amount to £23,948,396 18s 6d, and, what is also worthy of mention, the net income from investments amounts for the first time to over £1,000,000.

INDUSTRIAL BRANCH.

Referring in the first place to the industrial branch, during the past year the number of policies issued in this branch totalled 995,462, assuring the sum of £10,658,101 15s, constituting the greatest production—viewed in relation to the new premiums incident to the business—during the past nine years, excluding the exceptionally prosperous year of 1920. As regards the premium income, after drastically writing down the value of the abnormally high arrears due largely to the generous attitude adopted by the company towards policy-holders who found themselves in difficulty owing to depression in trade, this amounted to £3,493,577 14s 8d, showing an increase of £201,746 6s 7d when compared with the previous year. The net interest revenue—i.e., after deduction of income-tax—amounted to £269,510 11s, which is equivalent to an effective rate of interest of 4 9s 8d per cent. based on the whole of the assets of this branch, whether invested or otherwise, and compares with 4 1s 5d per cent. experienced in the previous year. The death claims amounted to £1,416,376 0s 5d and the survival claims to £116,002 1s 5d, and, after providing for these and all other disbursements, including £25,000 to the staff pension fund and writing off the balance of the furniture account, the life assurance fund was augmented by the sum of £741,247 9s 3d as a result of the year's operations, and after such addition amounted to £5,917,129 4s 3d.

The outstanding feature, however, and I think the most satisfactory one, is that the directors are able to report that the measures taken some considerable time ago to materially reduce the expense ratio have—after being delayed by the economic con-

ditions which have in the interval prevailed—borne fruit, and we have consequently experienced a very gratifying and material reduction of 5.3 per cent. in this item, the ratio of expenses to premium income being 40.8 per cent., against 46.1 per cent. in 1921, a ratio which there is reason to anticipate will be further reduced in the present and succeeding years.

ACTUARIAL INVESTIGATION.

After providing for the elimination of the furniture account, transferring £25,000 to the staff pension fund, and allocating £150,000 to a special actuarial reserve—which reserve now amounts to £350,000—the actuary reports a surplus of £168,240 4s 3d, out of which it is proposed to allocate to the shareholders the sum of £14,953, and to declare a dividend of 7½ per cent., absorbing the sum of £22,500.

ORDINARY BRANCH.

In the ordinary branch the number of policies issued was 37,304, assuring the sum of £4,259,337 10s, creating a new premium income of £309,446 2s 7d. Large as this amount of new business is, it is not of so great a volume as we might have reasonably expected, having regard to previous achievements, but we must not lose sight of the fact that the "Refuge" first saw the light of day in the industrial North, and as a consequence, though it is represented in practically every town and village in the country, has its strongest organisation in that area in which the recent commercial depression has been most acutely felt. The aggregate premium income of this branch amounted to £2,628,412 6s, exhibiting an increase of £109,822 4s 6d as compared with the previous year. The net interest income—after deduction of income-tax—amounted to £732,104 13s 8d, reflecting an effective rate of interest of 4 10s per cent., compared with 4 0s 2d per cent. for the previous year. The importance of this increased yield needs no emphasising, and will be noted with gratification by the vast number of our with-profit policy-holders, as it is, of course, the difference between the assumed effective rate on the assurance fund and the actual rate earned which constitutes one of the main sources to which the policy-holders must look for guidance as to the prospects with respect to future bonus additions. The death claims amounted to £539,880 9s 3d, and the amount paid in respect of survivals was £559,950. After providing for all the disbursements and the allocation of £25,000 to the staff pension fund, the life assurance fund of this branch amounted to £16,631,455 18s, being an increase of £1,595,392 0s 3d in respect of the year.

One item, perhaps, calls for comment from me, and that is the small increase in the expense ratio in this branch at 14.9 per cent., as against 13.6 per cent. last year. This increase is due to the fact that, owing to the rapid growth of the ordinary branch, a slightly higher proportion of certain standing charges has been debited to this branch than hitherto.

ACTUARIAL INVESTIGATION.

In pursuance of the company's recognised practice of instituting annual investigations, an actuarial valuation was made of the liabilities incident to the contracts as at December 31st last, which, after transferring £25,000 to the staff pension fund, revealed a surplus of £991,518 18s, out of which the company's actuary advises the allocation of £525,469 to the policyholders and shareholders, and which sum admits the declaration of a reversionary bonus of £1 12s per cent. based on the sum assured. All will concur with me in affirming that this is a very great achievement, and should constitute a most stimulating factor in the further development of the company's ordinary branch business; and especially having regard to the fact that no less a sum than £466,049 18s has been carried forward as an undivided reserve or contingency fund.

INVESTMENTS.

You will doubtless expect me to refer to the investments. It will have been noticed with satisfaction, though not with surprise, that it has not been necessary on this occasion to make any provision for depreciation in the value of the company's invested funds. The fact is that the past year may—together with its immediate predecessor—be appropriately described as the period of recuperation as regards the depreciation which occurred consequent upon the war. I might, perhaps, go further, and say that the period has been more than merely one of recuperation, as we find, taking market values at the end of last year as our basis, that a very substantially larger appreciation in the value of our securities has taken place than the amount of depreciation which occurred during

and since the war. In fact, leaving out of consideration the investments reserve funds of £800,000, the aggregate market value of the investments at the end of the year exceeded by a very substantial sum the amount at which they appear in our balance-sheets, liberal provision having been made for any impairment in other than Stock Exchange securities. It will interest you to notice that, of the invested funds of the company, amounting to £23,006,325 3s 1d, we hold £8,897,505 14s 6d, or 38.67 per cent., in British Government securities.

Prior to the war—viz., on December 31, 1913—54.40 per cent. of our invested funds was invested in Great Britain, and on December 31st last 76.71 per cent. was so invested.

I have already referred to the very satisfactory increases in the net yields on the total assets of the respective branches, and may here, perhaps, appropriately add that the corresponding net yield on the aggregate assets of the combined branches is £4 9s 10d per cent., compared with £4 6s 5d per cent. for the preceding year, thus showing an increase of 9s 5d per cent. earned from this important source of income.

LEGISLATION.

At the time of our last annual general meeting you will remember reference was made to the Draft Industrial Assurance Bill which had in the previous autumn been introduced by Lord Onslow into the House of Lords. In the interval the late Government announced in August last, through the then Home Secretary, its intention to introduce an amended Bill. Legislation was, however, delayed by the dissolution of Parliament, but you will no doubt be aware that a Bill introduced by the Lord Chancellor is now before the House of Lords. All I desire to say on this matter at the moment is that there is much to commend in the provisions of the present Bill, and I believe the measure will receive a welcome from all who have the best interests of industrial assurance at heart, and if it becomes law in its present form it cannot fail to be beneficial both to the companies and societies transacting industrial assurance and to the insuring public.

TRIBUTE TO STAFF.

Before I resume my seat I desire, on behalf of the directors, to express a note of appreciation relative to the satisfactory manner in which the staff have executed their various duties during a year which—particularly to the outside staff—has been one presenting many difficulties consequent on the general depression in trade. I am glad to observe there is, in addition to that contained in our own returns, abundant evidence that trade generally is improving.

Bank clearings are greater, railway traffic exhibits improvement, and exports reveal a welcome increase, and I trust that the political outlook in Europe may at an early date materially improve, so that what would appear at the present time to furnish the main reason for doubt as to the probability of a sustained trade revival may be removed, and we may look with confidence to a period of active trading conditions and to the many advantages which would accrue therefrom to our own business.

Now, gentlemen, it affords me much pleasure in moving the adoption of the annual report and accounts.
The report and accounts were adopted.

UNDERGROUND ELECTRIC RAILWAYS COMPANY OF
LONDON, LIMITED.

RESULTS OF THE YEAR " MOST SATISFACTORY."

The yearly meeting of the Underground Electric Railways Company of London, Limited, was held, on the 8th instant, at the Caxton Hall, Caxton street, Westminster, London, the Right Hon. Lord Ashfield (chairman of the company) presiding.

The Chairman, in the course of his speech, said: You are, through your investments in various companies, connected with all phases of London transport. You are in this indirect way interested in 66 miles of railway, carrying, in 1922, 325 millions of passengers; in 1,778 miles of omnibus routes, covering 722 miles of roadway, carrying 924 millions of passengers; and in 117 miles of tramways, carrying 186 millions of passengers. Altogether you are in one way or another responsible for carrying 1,504 millions of passengers, or much more than half of the local passenger traffic of the Metropolis, for which purpose you are concerned with the running of 191 millions of car miles. These are huge figures, hard to grasp, yet they mean much to London. Each of your several interests is substantial, and one of the hardest problems which has to be tackled is that of the mutual adjustment of the varied traffic facilities available, so as, on the one hand, to afford the public the best service possible, and, on the other hand, to secure that reasonable return on the total capital invested to which those who have freely ventured their money are fairly entitled. We, as a company, are fortunate in having at our disposal records and experience of London transport from more than one point of view, and we are enabled, therefore, to take decisions with a greater surty that they will prove right. Only a very intimate working arrangement between all the various companies concerned makes this possible.

and this valuable measure of co-operation your company helps to secure.

PRESSING NEED FOR EXPANSION.

Just at the moment the pressing need is for the expansion of facilities of all kinds, but especially on the railways. After the war there was a boom period that tried our resources very severely. It has been followed by a slump, from which we are slowly recovering. In this interval we have the opportunity of making provision for that growth of traffic and advancement of London which will surely come. The transport undertakings are progressing once more after the check imposed upon development by the war, and are reinstating themselves in a condition of improved efficiency. The City and South London Railway is being enlarged and re-equipped. Connecting railways at Camden Town and an extension from Golders Green to Edgware are under construction. New rolling-stock is on order for railways. New omnibuses are building. With the close of this year the pre-war type of omnibus will have wholly disappeared from the main streets of London. The larger Underground stations are being redesigned and equipped with escalators. New plant is being installed in the power-house. New works for the repair and renewal of railway cars are being completed at Acton. Everywhere there is commendable activity.

LARGE EXPENDITURE INVOLVED.

This means, of course, an expenditure of large sums of money. The capital of the five common fund companies has increased during the year by £7,082,000, and now totals £51,423,000. This increase has been obtained by the issue of debentures, mostly upon favourable terms by reason of the guarantee of the Government under the Trade Facilities Act, 1921. It is hoped, in the course of the present year, to raise another £8,000,000 in this way to complete the programme of works, which will knit together the City and South London Railway and the Hampstead and Highgate Section of the London Electric Railway into one system stretching from Edgware on the north to Sutton on the south, a distance of 22 miles, with through routes both *via* the City and the West End. All these works will be mutually helpful one to another and to the Underground system of railways as a whole. It is confidently expected that the extension railways will be self-supporting within a few years, with the housing development that may be looked for in the new districts which will be opened up. Certain it is that your company, and the group of companies associated with it, can only maintain their position and ensure their prosperity by being willing to fulfil their part in meeting the requirements of London's growing population and traffic.

I cannot speak in favourable terms of the Associated Equipment Company's present financial position. The stagnation in the motor trade, as in many other trades, continues, and it is not made better by the considerable number of surplus war vehicles which still seek a market. It has not been able to contribute anything to your income in this year under review, but it has somewhat bettered its general financial position by writing down its stocks and plant.

THE ACCOUNTS.

With regard to the accounts, the income from investments amounted to £882,000, or £118,000 more than in the previous year, an expansion of 15½ per cent. Miscellaneous receipts were slightly better at £6,000, so that the total income amounted to £888,000. If I omit the Associated Equipment Company, every company in which you had a substantial holding has paid a higher rate of dividend. Fortunately this general advance is due to some general cause, and not to some accidental or temporary cause. It holds, therefore, the promise of being sustained. This general cause is the substantial fall in the working costs of each of the operating companies and is attributable not to one but to many factors, the greater economy in management, lower rates of pay, cheaper prices of stores. And while the financial position of all the companies has improved on this account, I should not fail to point out that the public have also shared in the result and enjoy the benefits of both reduced fares and augmented services.

On the expenditure side of the account, the movements which call for notice are: First, the considerable reduction in the loss on exchange by £59,000, from £83,000 to £24,000, consequent upon the recovery of the American and Dutch exchanges during the last year; second, the discount of £1,600 on the redemption of £103,000 of the 6 per cent. three-year secured notes, which mature in this present year. Against this sum, however, must be set a saving in interest on these notes. The third item which deserves comment is the setting aside of £60,000 to special reserve for the equalisation of interest on the 6 per cent. first cumulative income debenture stock and 6 per cent. income bonds. This, added to the £26,242 set aside in the previous year, makes altogether £86,242 available for this purpose. After paying altogether 5 per cent. upon the 6 per cent. income bonds for the year, and setting aside this sum of £60,000 to special reserve, there remains a sum of, approximately, £40,000, which is carried forward.

The last year has been the most satisfactory which your company has experienced since its inception, and I am hopeful that a better fortune than that which has marked your record in past years is in store for you, and that without great and disturbing changes we may make slow and steady progress towards a sound and assured financial position.

When last I spoke to you I suggested that the time had come when it was necessary, if your company were to play an effective part in London transport, that there should be a reorganisation and reconstruction of your finances. Until some scheme of reconstruction is worked out and adopted, your company cannot take its proper place in the expansion and development of the transport systems in which it is already heavily interested.

The report and accounts were unanimously adopted.

HARRODS, LIMITED.

CHAIRMAN'S IMPROVED TRADE PREDICTION JUSTIFIED

The thirty-third annual general meeting of shareholders was held, on the 7th instant, at the company's premises, Brompton road, London, Sir Woodman Burbidge, Bart, C.B.E. (the chairman of the company), presiding.

The Chairman said: The directors are very pleased to be able to present what they venture to think will be regarded by the shareholders as a satisfactory result of the trading for the past year. In the concluding paragraph of my speech to the shareholders at last year's meeting, I emphasised the opinion that the setback which the company had suffered for the financial year ended January 31, 1922, was but temporary. Ladies and gentlemen, the report and accounts now before you, showing as the result of the trading a net profit of £484,000, being an increase over the previous year of £284,000, fully justifies the confidence in the future I then expressed.

A pleasing feature in connection with this increase is to be found in the fact that it is not confined to any one particular branch of the company's operations; Brompton road, our house in Manchester, and Swan and Edgar, Limited, have all contributed to the increase.

STABILISATION OF PRICES.

Prices of all classes of goods and merchandise have, during the year, reached a firmer level of stabilisation. This is all to the good, both for the manufacturer and the retailer, also the general public. Until there can be a further decrease in the cost of production (and, frankly, I cannot see much prospect of this in the near future), prices are likely to remain round about their present level. There may be some people holding back their purchases in the expectation of further reduction in prices. I cannot see any foundation upon which such an opinion can be reasonably based, I think we have reached the time when the public may purchase with confidence both for personal and household requirements. This is one of the best ways to help to decrease unemployment and get the wheels of industry moving freely once again.

As is stated in the directors' report to the shareholders, the business this year at Brompton road shows an increased turnover compared with last year. This is the more satisfactory when we take into account the drop in prices which has taken place since last year, which will average not less than 12½ per cent. to 15 per cent. We are pleased to record that the number of customers served at Brompton road during the past year shows the largest increase in the history of the company from whatever standpoint the comparison is made. This is a splendid achievement, and goes to show that we are well maintaining the popularity we have enjoyed for a great number of years as the leading retail store in the kingdom for quality and value.

One reason why Harrods are able to report such a phenomenal increase in the number of customers served is because the quality and value of our merchandise successfully stands the comparison of the most discriminating public. Although our cash customers show a large increase year by year, the main strength of our business is in the account customers, and you will be pleased to hear that the number of account customers is increasing very substantially every year. This is no doubt due not only to the quality and value of all our goods and merchandise, but to the excellent service we give and the prompt and frequent deliveries we make. We have 160 motors daily delivering in town and suburbs, covering a wide area, and this, we are sure, is very much appreciated by our customers. No effort is spared on our part to make this service satisfactory to all our clients, both in town and suburbs, and wherever possible we endeavour to improve our facilities and extend our service. An important portion of our trade is done with country customers in every part of Great Britain and Ireland.

PROFIT AND DIVIDENDS.

After reviewing the accounts, the Chairman said:—The profit and loss account balance, being net profit for the year, is £484,120. After deducting from this amount the company's usual contri-

[illegible]

butions to the buyers' pension fund for the year, and the payment of interim dividend on preference and ordinary shares, and adding balance of last year's undivided profit, there remains a balance for disposal of £292,860.

Investments, standing at £1,831,028, show an increase of £165,064, due to our having invested £255,000 in 5½ per cent. Government Exchequer bonds, and having reduced the investment account by £75,000 capital in Walter Carter, Limited, now merged in the assets and liabilities in the balance-sheet.

If you will now turn to the proposed appropriation of profit account No. 2, you will observe that: Dividend paid on the preference shares on September 16th last was £150,000; interim dividend of 2½ per cent. on ordinary shares also paid September 16th last, £47,875; dividend on preference shares for second half of the year, payable on March 16th, £150,000; proposed final dividend of 5½ per cent. on the ordinary shares (making 8 per cent. for the year), £105,325; balance to be carried forward to next year (subject to Corporation Profits tax), £37,535. It should not be overlooked that this year's dividend to the ordinary shareholders includes £38,000, being 8 per cent. on the £475,000 £1 fully-paid ordinary shares distributed as free bonus shares in 1920. Had there been no bonus shares distributed, and we had paid this £38,000 as dividend on the ordinary shares issued, it would have increased this year's dividend to a little more than 10½ per cent.

The report and accounts were adopted.

DICKINS AND JONES, LIMITED. LARGE INCREASE IN TRADE.

The twenty-third annual general meeting of Dickins and Jones, Limited, was held, on the 5th instant, at 29 Argyll street, London.

Sir Woodman Burbidge, Bart., who presided, said that, in the opinion of the directors, the past year's business disclosed very satisfactory results. A year ago reference was made to the disturbance to trade which had resulted from the rebuilding operations, but it had been the confident belief of the board that as the floors of the second section were completed and taken over substantial advantage would accrue from the improved premises, and this anticipation had certainly materialised. The trading policy of the company had always been to offer merchandise at the lowest prices consistent with quality. This policy remained unchanged, and the reputation gained during over a century was being firmly upheld. That settled policy had without doubt contributed materially towards the large increase of trade shown during the past year, and a very considerably larger number of transactions had been recorded. The advantage of the magnificent new buildings providing the additional floor space required for storage and display of their goods had been proved, and with the more settled conditions which obtained in the commercial world there should be still further progress in the business which would correspondingly reflect itself in the company's profits. The trading profit for the year amounted to £103,386, as against £50,582 in the previous year, and the directors proposed to pay a final dividend on the ordinary shares at the rate of 10 per cent. per annum, making 7 per cent. for the year. They had been able to arrange with the company's bankers to finance the erection of the new building, and it had thus been possible to postpone until its completion the issue of the new capital. This had proved very satisfactory, as they were able now to raise the money at a much lower rate of interest than would have been possible two years ago. The directors were satisfied that the best way of raising the capital required was by an issue of debenture stock, and in consideration of the preference shareholders giving their consent thereto, it was proposed to increase their cumulative dividend from 5 per cent. to 5½ per cent.

The report and accounts were unanimously adopted.

Resolutions were afterwards passed authorising the issue of £1,000,000 6 per cent. debenture stock, and approving the proposed increase in the preference dividend. At the separate meeting of preference shareholders the resolution submitted was defeated on a show of hands. It was, however, carried on a poll being taken.

UNITED STATES DEBENTURE CORPORATION, LIMITED. "POSITION OF IMPREGNABLE STRENGTH."

The ordinary general meeting of the United States Debenture Corporation, Limited, was held, on the 6th instant, at Winchester House, Old Broad street, London, Mr Nathaniel Spens (the chairman) presiding.

The secretary (Mr William George Lock, F.C.I.S.) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said: Our revenue has increased from £118,730 to £121,313. Taking from the revenue account the expenses—which have gone up a very slight amount—the net result is that the

1923 revenue is £111,843, against £109,878. Our income-tax and corporation profits tax have increased from £3,326 to £4,678—quite ½ per cent. upon your ordinary stock. The divisible revenue is £107,165, against £106,552. We have paid the debenture interest, which takes only £47,250 of that very large net revenue, so that the annuity which these gentlemen possess is a security, in my judgment, of the very highest description and class, rendered all the more high, of course, by the fact that they say, "So long as we are here you must conserve and preserve your £900,000 of uncalled capital." It is perfectly true that we cannot expect that they, or any other creditors, should give up something for nothing. I may say that we, in conference, have thought about this subject, and have never lost sight of it; but on the whole, up to this moment, we have never seen any scheme which, in our opinion, held the scales sufficiently equally between the rights of the debenture-holders and the rights of the shareholders to make us feel that we should disturb the present exceedingly satisfactory position of the company. If the ordinary shareholders do as I do they will think of their £1 which is paid up, and will probably say, "We ought to get at least 10 per cent. upon that"—and they get it—and they will say for the remaining £3, which is a very nominal liability, "We ought to get a guarantee commission," and they get it, because we pay them 12½ per cent., and I look upon the 2½ per cent. as a guarantee commission.

We are left with a balance for division among our ordinary shareholders which enables us to declare a 12½ per cent. dividend on our ordinary shares, and to add to the amount carried forward a balance of £2,790 in place of £1,177 last year. I think I can truly say that that is a capital result. I am glad to say that on the one side of our investments there has been a rise of something like 12½ per cent., and the result of that has been that we have seen all monetary depreciation wiped out and have a very substantial balance at the credit of our reserves represented by the current and, as I still continue to believe, the low quotations of the fixed-dividend securities which constitute the greater part of our investments. And for our debenture-holders and for our preference shareholders, particularly, this has been a capital year, because we have seen a very material advance in the value of the debenture capital. We have seen a very material advance in the value of our preference stocks, too. I feel that you are placed in a position of impregnable strength, and that for many years to come the United States Debenture Corporation should take its place amongst the first rank of the trust companies in the City of London.

The report was unanimously adopted.

RIVER PLATE TRUST LOAN AND AGENCY COMPANY, LIMITED. SATISFACTORY RESULTS—INCREASED PROFIT.

The forty-second ordinary general meeting of the River Plate Trust Loan and Agency Company, Limited, was held, on the 8th instant, at 52 Moorgate street, London.

Mr James Anderson, who presided, said that at the close of 1921 the company's assets in Argentina represented roughly 53 per cent. of the whole, the remaining 47 per cent. being on this side, whereas at the close of 1922 the position was just reversed. This movement of assets had been occasioned by considerable repayments of mortgage loans having been made at a time when there was little new business of an attractive kind offering. At the close of 1921 the mortgage loans outstanding amounted to £2,820,000, as compared with £2,463,000 a year ago. This unusual activity in the demand might be attributed partly to the unprofitable nature of the estancia business during the last year or two, and partly to the competition of the National Mortgage Bank, the incidence of which in recent years had been felt more and more. The money transferred from the River Plate during the past year they had been able to invest on this side in sound securities which gave a fair return on their cost. The investments on this side now reached the large total of £2,733,000, of which rather over one-third consisted of British Government securities. The remainder was represented by investments in Indian and Colonial stocks, British and foreign railways, public utility companies, and other investments of a general character. Of the general investments, amounting to £1,807,000, 62 per cent. was in bonds and debentures, 23 per cent. in guaranteed and preference shares, and 15 per cent. in ordinary stocks and shares. At the present time the market value of the company's investments was substantially in excess of the book cost, and the capital and reserves were intact. The gross profits for the past year amounted to £394,228, a decrease of £9,061, but there was a saving in expenses of £12,333, so that the net profits, £266,750, showed an increase of £3,272. It was proposed to pay a final dividend of 11 per cent. on the "A" shares, making 20 per cent. for the year, and 4 per cent. on the "B" shares, making 7 per cent. for the year, placing £20,000 to the reserve fund, and

adding £15,750 to the carry forward. So far as could be foreseen, their profits in the present year might be somewhat less than those of last year, in view of the large amount of capital withdrawn from the mortgage business and invested on this side at a lower rate of interest; but the difference was not likely to affect their profits materially. As regarded new business, they were at present having very few applications for loans, while repayments continued on a fairly large scale.

The report was unanimously adopted.

GENERAL INVESTORS AND TRUSTEES, LIMITED. COMPANY'S SOUND POSITION—AMERICAN DEBT.

The annual meeting of the General Investors and Trustees, Limited, was held, on the 8th instant, at Winchester House, London, Sir J. Harwood-Banner, M.P., presiding.

In moving the adoption of the report and accounts, he said their revenue showed an increase of, approximately, £3,000. They recommended the payment of a final dividend of 4 per cent. on their ordinary stock, making once more 7 per cent. for the year, and carried to reserve account £10,000, bringing it up to £125,000, to staff provident fund £4,000, and £11,110 was carried forward. The period since last they met had been an interesting one in many respects. It had seen the negotiation of the agreement with the United States for the funding of our indebtedness to them. The debt was due by us, and we had got to pay it. He hoped our good friends would not complain if we were not too profuse in our acknowledgment of their generosity. He could not resist pointing out to their friends and Allies, the Americans, that in the report of the Council of Foreign Bondholders there was, under the heading Defaulted Debts of the Southern States of the Union, the following:—

"The loans referred to are understood to have been contracted for public improvements, and do not include 'Confederate bonds' or war debts. Interest, which in most cases was at the rate of 6 per cent., is not included. The debts have been in default from about 50 to 80 years."

He did not know what these defaulted debts, with compound interest, amounted to to-day, but he did suggest that this might very well be taken into account by a nation so great and so wealthy as the United States of America. Referring to the position of the rubber-producing industry, he pointed out that already the rise from the lowest of, say, 7d per lb for rubber to 1s 6d meant practically £25,000,000. That, at all events, was something towards the interest we had to pay on the American debt. But this was quite inadequate. He hoped it was not going to stop at that, and surely an average price of 2s per lb must be regarded as fair and reasonable. If we could get to that, then it would mean, approximately, a further £13,500,000 a year. He could only express the hope that the rubber producers, through their representatives on the council of the Rubber Growers' Association, would work steadily with this object in view, and that the Governments concerned would give them their sympathy and support in this worthy object. The one thing now necessary to give to the rubber producer the full and proper return for his risk was the formation of a central selling organisation. As to the position of their company, this, in his view, was never better, and he thought they were justified in looking forward hopefully to the future.

The report was adopted.

B. MORRIS AND SONS. YEAR'S RESULTS "EMINENTLY SATISFACTORY."

The annual general meeting of B. Morris and Sons, Limited, was held, on the 8th instant, at Winchester House, London, Mr W. S. L. Schuster (the chairman) presiding.

The Chairman, in moving the adoption of the report and accounts, said:—There is no change in the capital account. Creditors (including provision for income-tax and corporation profits tax) stands at £46,798, and shows a decrease of £14,345; the reserve account is up £5,000, and contingency for development reserve account £4,000 as compared with last year, and this, with the addition of £1,000 which we propose to allocate to-day, will bring the reserve up to £50,000. Superannuation account again shows a decrease at £540. The item profit and loss account, £25,230, shows a decrease of £6,500, while balance from last year is larger by £2,300. On the other side of the balance-sheet stock at home and in bond—a very well bought stock—stands at £207,171, an increase of £1,756. Debtors at £80,743 are lower by £12,351—this shows that our collectors are making the best efforts in order to secure cash for the company. In the profit and loss account income and corporation profits taxes are down £1,899, and interest paid is less by £2,098. Plant and machinery depreciation is less by £600, and last of all the net profit for the year is £25,230, a loss compared with last year of £6,500. The profit on trading shows a decrease of £11,000.

Considering the amount of unemployment and the lessened spending power of the nation, together with the high duty and high prices of the best grades of tobacco, I consider the results we have produced are eminently satisfactory, and show that with any slight revival in trade we shall be among the first to benefit. I think it is a balance-sheet that any chairman of a company in the City of London would be very willing to submit to shareholders, as most of you know what balance-sheets have been during the past year.

I need hardly say that I am greatly indebted to my friend the managing director (Mr May), to the secretary (Mr Jones), whom you have known for many years, to my co-directors and the heads of the departments and staff for all the energy and talent they have brought to bear for the benefit of your business during the past year. In regard to the present year, the only thing I might draw attention to is that when we meet you next year we shall find a decrease in the stock. We are introducing several new lines to the public, and I hope they will be as favourably received as those we have introduced in the past.

Mr A. J. May (managing director) seconded the motion, and it was carried unanimously.

ISAAC WALTON AND COMPANY, LIMITED. YEAR'S RESULTS "EXTREMELY GOOD."

The nineteenth annual general meeting of Isaac Walton and Co., Limited, was held, on the 9th instant, at the registered office, 169 Newington causeway, London, Mr Chas. Stuttaford (chairman of the company) presiding.

The secretary (Mr J. Gunn, F.C.I.S.) read the notice convening the meeting and the auditors' certificate and report.

The Chairman, in moving the adoption of the report and balance-sheet, said: The year under review has been a strenuous one, and in view of the general depression in trade and the decline in the price of merchandise, the results shown are extremely good.

The trading profit for the year amounted to £37,206, which compares very favourably with last year when we consider the amount of excess profits duty then recovered, and in only two previous years (I refer to 1920 and 1921) has this figure been exceeded.

The stock at £66,476 is £11,943 lower than last year, which emphasises the fact that it is being turned over at a faster rate, and is a sure sign of a healthy business; our policy of always supplying a good and reliable article at a moderate price, rather than adopting sensational methods which cannot last, has proved to be the correct one.

There is an addition to the properties account, as we had the opportunity of opening an extra section at Newcastle and considerably improving our men's and boys' hat department. We have also during the year put in entirely new fronts and enclosures on the old section of the premises, and have now at Newcastle a thoroughly up-to-date establishment replete in every way as a man's stores.

Our leasehold properties have been entirely written off, but we prefer to keep the figures in the balance-sheet, as they are a valuable asset, and are fully worth the £22,887 at which they are shown. The goodwill now is written down to £25,000, and represents less than one year's trading profit.

If you will refer to the appropriation account on the first page, you will see that shows the profits at £37,206, to which has been added £12,202, the balance brought forward from last year, making a total of £49,408. After paying interest on mortgages,

KANSALLIS-OSAKE-PANKKI

(National Joint Stock Bank).

ESTABLISHED 1889.

Head Office: HELSINKI (Helsingfors),
FINLAND.

Capital and Reserves - Fmk. 247,000,000.00
Deposits and Cheque Accounts
(30/6/22) - Fmk. 1,255,200,000.00

124 BRANCHES AT ALL IMPORTANT BUSINESS CENTRES IN FINLAND.

Telegraphic Address: Kansallispankki.

&c., cost of repairs and renewals, income-tax and directors' remuneration, there is a sum of £30,593 to be dealt with. The preference dividend amounts to £8,400, and to pay a final dividend of 1s per share on the ordinary shares, making 2s per share, tax free, for the year the further sum of £5,000 is required, leaving a balance to be carried forward of £12,193.

The report and accounts were unanimously adopted.

GOVERNMENT RETURNS.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1922-23. (See Note.)	Total Receipts into the Exchequer from Mar. 3, 1923.	Total Receipts into the Exchequer from Mar. 3, 1922.	Week Ended Mar. 3, 1923.	Week Ended Mar. 3, 1922.
Balances in Exchequer on 1st April:—					
Bank of England	1,210,106	2,591,051	483,455	..	..
Bank of Ireland	..	..	..	..	..
REVENUE.					
Customs	112,250,000	114,822,000	120,617,000	1,975,000	1,845,000
Excise	160,750,000	145,904,000	180,780,000	1,164,000	1,550,000
Motor Vehicle Duties	10,600,000	11,868,000	10,434,000	..	..
Stamp, &c., Duties	48,000,000	52,801,000	46,365,000	820,000	851,000
Stamps	18,250,000	18,462,000	14,377,000	770,000	..
Land Tax, House Duty, & Mineral Rights Duty	3,000,000	2,440,000	2,070,000	190,000	190,000
Property & Income Tax (including Super-Tax)	329,000,000	317,822,000	321,022,000	18,723,000	26,413,000
Excise Profits Duties, &c.	27,500,000	29,000,000	29,714,000	..	..
Corporation Profits Tax	17,750,000	17,487,000	15,221,000	480,000	410,000
Post Office	59,250,000	49,550,000	51,000,000	850,000	1,500,000
Crown Lands	750,000	890,000	750,000	..	..
Interest on Sundry Loans	14,000,000	9,843,362	11,025,522	68,522	66,647
Miscellaneous—					
Ordinary Receipts	22,000,000	21,297,785	22,144,128	57,000	604,903
Special Receipts	90,000,000	42,951,452	137,490,976	4,594,134	..
Revenue	910,775,000	807,092,599	963,610,626	25,097,922	38,024,690
Total, inc. Balance	..	818,266,129	966,681,132	..	..
OTHER RECEIPTS.					
Temporary Advances Repaid:—					
Bullion	..	800,000	9,880,000	..	400,000
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	..	169,818	169,818	..	..
Under the Unemployment Insurance Act, 1921	..	2,980,000	520,000	..	..
Money Raised by Creation of Debt:—					
(a) For Capital Expenditure Issues:—					
Under the Telegraph (Money) Act, 1920 to 1922	5,310,000	5,561,474	..	..	..
Under the Post Office (London) Railway Act, 1913	..	27,500	50,000	..	..
Under the Housing Act, 1914	27,000	50,000	..	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922	950,000	..	..	..	..
By Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	1,553,300	..	..	..	..
(b) Under the Unemployment Insurance Act, 1921	4,540,000	11,890,600	..	2,350,000	..
(c) For other issues:—					
By Treasury Bills for Supply	2,661,032,000	3,526,958,000	40,329,000	39,239,000	..
By National Savings Certificates	57,108,000	51,905,000	800,000	3,758,000	..
By Exchequer and National War Bonds	20	5	..	..	..
By Treasury Bonds—					
5-15 year, 1925-35	61,655,154	325,240,750	..	71,369	..
5%, 1927	..	..	..	..	..
5%, 1932	91,229,330	..	3,978,195	..	..
By Other Debt created under the War Loan Acts, 1914 to 1919	25,259	10,961,454	..	..	..
(d) Ways and Means Advances	838,425,500	1,239,646,000	22,950,000	25,100,000	..
Anglo-Persian Oil Company—					
Dividends on Shares acquired	1,017,976	5,010	..	..	..
Repayments—					
In respect of Suez Canal Drawn Shares	5,787	7,111	..	..	..
Do Cunard Loan	130,000	130,000	..	..	..
Do East Africa Protectorate Loan	127,268	127,268	..	..	..
Do Issues under Civil Contingencies Fund Act, 1919	..	7,250,000	..	..	..
Do Issues under Land Settlement (Facilities) Acts, 1919 and 1921	291,829	63,128	9,167	11,511	..
Do Issues under Section 59 (4) of the Finance Act, 1920	6,827,960	13,490,950	..	..	..
Interest received under Section 59 (5) of the Finance Act, 1920	162,425	426,340	..	..	..
Total	4,552,507,487	6,170,394,940	93,164,284	108,946,570	..

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1922-23. (See Note.)	Total Issues out of the Exchequer to meet Payments from Mar. 3, 1923.	Total Issues out of the Exchequer to meet Payments from Mar. 3, 1922.	Week Ended Mar. 3, 1923.	Week Ended Mar. 3, 1922.
EXPENDITURE					
Permanent Charge of Debt	16,000,000	12,805,526	22,378,480	..	4,166
Interest, &c., on War Debt	319,000,000	282,136,047	300,473,309	14,693,227	16,916,119
Road Fund	10,000,000	11,318,999	10,031,000	..	..
Payments to Local Taxation Accounts, &c.	9,788,000	6,875,518	8,309,789	..	556,920
Payments to Northern Ireland Exchequer	2,500,000	2,133,548	903,393	47,162	..
Land Settlement	3,500,000	1,070,055	2,498,548	25,538	15,687
Other Consolidated Fund Services	2,650,000	2,538,101	1,756,284	20,529	11,410
Supply Services	539,253,000	401,062,868	602,662,463	9,398,000	12,787,897
Expenditure	904,691,000	719,940,662	949,013,266	24,184,456	30,297,169

	Total Issues out of the Exchequer to meet Payments from Mar. 3, 1923.	Total Issues out of the Exchequer to meet Payments from Mar. 3, 1922.	Week Ended Mar. 3, 1923.	Week Ended Mar. 3, 1922.
OTHER ISSUES.				
Temporary Advances—				
Bullion	..	9,950,000	..	300,000
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	169,818	169,818	..	..
Under the Unemployment Insurance Act, 1921	5,980,000	12,940,000	100,000	531,000
Issues to meet Capital Expenditure—				
Under the Telegraph (Money) Act, 1920 to 1922	6,360,000	6,261,474	..	..
Under the Post Office (London) Railway Act, 1913	..	27,000	50,000	..
Under the Housing Act, 1914	27,000	50,000	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922	950,000	..	..	..
Under Capital Expenditure (Money) Act, 1904	1,553,300	..	..	..
Exchequer Bonds paid off £3,087,600; less paid off by the National Debt Commissioners, £1,534,300	1,553,300	..	..	..
Unemployment Insurance Acts, 1921—				
Repayment of amounts borrowed	2,110,000	..	..	..
Redemption of Debt—				
Treasury Bills for Supply	2,870,404,000	3,713,221,000	65,715,000	63,230,000
Securities surrendered for Duties under Section 34 of the Finance Act, 1917, and Section 3 (3) of the War Loan Act, 1919	8,663,429	30,697,641	..	246,331
Funding Loan, Victory Bonds and Conversion Loan Sinking Funds	11,287,248	..	1,761,037	..
Principal of National Savings Certificates—				
(a) Repaid by Issues under Section 59 (6) of the Finance Act, 1920	24,700,000	21,100,000	600,000	1,800,000
(b) Repaid otherwise	..	10,400,000	..	..
Principal of Exchequer Bonds paid off, £20,887,122; less paid off by the National Debt Commissioners, £1,000,000	19,887,122	42,781,133	..	..
Principal of National War Bonds paid off	44,684,182	..	..	..
Other Debt under the War Loan Acts, 1914 to 1919	15,825,526	58,815,156	1,653,033	..
Ways and Means Advances Repaid	808,515,500	1,266,579,000	..	9,144,000
Depreciation Fund, under the Finance Act, 1917	1,198,075	27,100,223	..	..
Anglo-Persian Oil Company—Issued to the National Debt Commissioners	1,017,976	..	774,964	..
Issues to National Debt Commissioners to Reduce Debt—				
Suez Canal Drawn Shares Repayments	5,787	7,111	..	..
Cunard Loan Repayments	130,000	130,000	..	..
East Africa Protectorate Loan Repayments	..	127,268	..	..
Proceeds of National Savings Certificates, issued under the Finance Act, 1920, Section 59 (4)	5,000,000	17,397,000	..	2,000,000
Old Sinking Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911	136,304	269,620	48,239	..
Balances in Exchequer—	4,548,545,929	6,167,030,210	93,183,696	109,195,533
Bank of England	2,114,664	2,515,544	20,215	235,185
Bank of Ireland	1,846,891	1,451,186	39,631	484,148
Total	3,961,558	3,964,730	19,412	248,963

Note—Budget Estimate as in H.C. No. 77 of 1922.

Treasury, March 5, 1923.

CURRENCY NOTES ACCOUNT.

(000's omitted.)

	Date.	Notes and Certificates Outstanding.	Advances to Bankers.	Redemption Account.	Ratio to Notes.	Govt. Securities.	Balance at Bank of England.
1914.	..	..	..	..	..	..	..
Aug. 26.	..	21,535	6,302	£ 810	..	..	11,423
Dec. 1915.	..	38,478	169	600	18,500	481	9,924
Dec. 29.	..	103,125	729	159	249	28,500	276
Dec. 29.	..	150,144	2,430	64	40	28,500	190
Dec. 29.	..	212,782	8,554	39	675	28,500	134
Dec. 31.	..	323,241	15,529	..	570	28,500	89
Dec. 31.	..	356,152	17,182	250	245	28,500	91
Dec. 31.	..	367,626	16,962	..	..	28,500	130
Mar. 30.	..	343,826	15,599	..	..	28,500	130
June 29.	..	323,884	14,965	..	..	28,500	130
Sept. 29.	..	314,382	14,830	..	..	28,500	130
Dec. 28.	..	325,584	14,658	..	..	28,500	130
Mar. 29.	..	300,351	14,255	..	..	28,500	130
June 29.	..	296,374	13,338	..	..	28,500	130
Sept. 27.	..	289,127	12,646	..	..	28,500	130
Dec. 27.	..	301,337	12,872	..	..	28,500	130
Feb. 14.	..	279,991	11,914	..	..	28,500	130
Mar. 28.	..	279,383	11,932	..	..	28,500	130
Mar. 28.	..	279,101	11,735	..	..	28,500	130
Mar. 7.	..	281,156	11,905	..	..	28,500	130

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £380,000,000, for 1921 at £317,555,200, for 1922 at £309,388,400, and for 1923 at £270,183,800.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £40,000,000 in three months' Treasury Bills dated from Monday to Saturday, March 12-March 17, were opened on March 9, 1923, and the total amount applied for was £57,190,000. Tenders for Monday to Friday bills at £99 7s 6d, about 2 per cent., and above in full, and Saturday bills at £99 7s 8d, and above in full. The average rate of discount for Treasury bills was £2 8s 0 3/4d. The amounts allotted were as follows:—In bonds, £800,000; in bills at 3 months, £35,000,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills, Average Rate.	4 1/2% Treasury Bonds, 1932, Average Price.
Dec. 15.	(a) 50,000,000	(a) 67,355,000	2 11 0 6/2	None allotted
Dec. 22.	(a) 50,000,000	(a) 52,725,000	2 11 7 5/2	None allotted
Dec. 29.	(a) 50,000,000	(a) 67,225,000	2 6 11 3/5	None allotted
Jan. 5.	(a) 50,000,000	(a) 63,995,000	2 2 7 5/7	99 3 9/6
Jan. 12.	(a) 50,000,000	(a) 76,575,000	2 3 5 6/8	99 6 3/72
Jan. 19.	(a) 50,000,000	(a) 55,305,000	1 18 9 3/1	99 7 1/69
Jan. 26.	(a) 40,000,000	(a) 61,530,000	2 6 3 8/7	99 7 6
Feb. 2.	(a) 40,000,000	(a) 59,465,000	2 10 1 5/7	None allotted
Feb. 9.	(a) 35,000,000	(a) 63,590,000	2 9 7 3/6	99 8 6/4
Feb. 16.	(a) 40,000,000	(a) 49,875,000	2 6 6 3/1	99 8 4/2
Feb. 23.	(a) 40,000,000	(a) 61,630,000	2 6 2 9/5	99 9 1/17
Mar. 2.	(a) 40,000,000	(a) 53,770,000	2 2 10 3/5	99 9 6/6
Mar. 9.	(a) 40,000,000	(a) 57,190,000	2 8 0 3/2	99 9 7/5

(a) Including Treasury Bonds.

Tenders will be received on Friday, March 16, 1923, for Treasury Bonds and Treasury Bills to be issued to the maximum amount of £30,000,000. The amount of Treasury Bonds issued will not exceed £2,500,000, but subject to that limit, the total amount issued will be divided between Bills and Bonds in such proportions as The Lords Commissioners of His Majesty's Treasury may determine.

HEAD OFFICES: LIVERPOOL AND LONDON

ROYAL
INSURANCE COMPANY, LIMITED
ALL CLASSES OF INSURANCE EFFECTED

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, March 7, 1923.

ISSUE DEPARTMENT.

	£	Government debt	£
Notes issued	145,427,805	Other securities	11,015,100
		Gold coin and bullion	8,734,900
			125,677,805
	145,427,805		145,427,805

BANKING DEPARTMENT.

	£	Government securities	£
Capital	14,553,000	Other securities	47,411,626
Reserve	3,664,795	Other securities	70,394,305
Public deposits	15,867,866	Notes	21,959,695
Other deposits	107,491,128	Gold and silver coin	1,830,122
Seven-day & other bills	18,959		
	141,595,748		141,595,74

MONTHLY STATEMENT OF LONDON CLEARING BANKS.
(000's omitted.)

Average Weekly Balances, February, 1923.	Bank of Liverpool and Martins, Limited.	Barclays Bank, Limited.	Coutts and Co.	Glyn, Mills, Currie, and Co.	Lloyds Bank, Limited.	London Joint City and Midland Bank, Limited.	Westminster Bank, Limited.	National Provincial and Union Bank of England, Limited.	National Bank, Limited.	Willis's Deacons Bank, Limited.	Total.
ASSETS.	£	£	£	£	£	£	£	£	£	£	£
Coin, bank and currency notes, and balances with the Bank of England ...	7,101	33,535	1,485	3,002	33,526	50,447	27,556	28,393	3,673	4,676	193,394
Balances with and cheques in course of collection on other banks in the United Kingdom	1,903	7,160	418	841	7,486	10,499	8,567	6,874	149	1,094	44,991
Items in transit	3,477	20,785	2,145	10,374	15,999	12,289	19,691	14,865	4,242	3,346	107,213
Money at call and short notice	4,072	48,123	1,650	601	66,984	52,892	66,892	42,212	2,925	2,971	285,322
Bills discounted	12,333	72,409	4,666	14,863	87,507	40,996	55,221	54,006	19,518	7,279	368,798
Investments	38,227	125,819	7,032	6,206	127,069	185,065	102,842	124,117	17,313	20,048	753,798
Advances to customers and other accounts	6,329	6,839	56	1,874	15,079	27,702	10,283	7,900	214	747	77,023
Liabilities of customers for acceptances, endorsements, &c.	1,459	4,913	346	370	5,177	5,271	3,926	4,156	646	665	26,929
Bank premises account	..	7,699	..	..	7,674	3,559	2,991	2,240	..	..	24,163
Investments in affiliated banks	74,901	327,342	17,798	38,131	366,501	388,720	297,969	284,763	48,680	40,826	1,885,631
LIABILITIES.	10.97	11.30	9.19	8.67	10.25	14.86	10.21	10.98	8.52	12.61	11.46
Capital paid up	2,349	15,592	800	1,000	14,372	10,861	9,004	9,309	1,500	1,875	66,662
Reserve fund	1,500	8,250	800	500	10,000	10,861	9,004	9,000	1,035	1,150	52,100
Current, deposit, and other accounts	64,723	296,661	16,142	34,598	327,050	339,236	269,664	258,554	43,089	37,054	1,686,831
Acceptances, endorsements, &c.	6,329	6,839	56	1,874	15,079	27,702	10,283	7,900	214	747	77,023
Notes in circulation	..	..	..	..	..	..	14	..	2,842	..	2,856
Reduction of bank premises account	..	..	..	..	..	..	..	..	..	..	159
	74,901	327,342	17,798	38,131	366,501	388,720	297,969	284,763	48,680	40,826	1,885,631

STATEMENT OF CANADIAN BANKS.

(000's omitted.)	Dec. 31, 1922.	Nov. 30, 1922.	Oct. 31, 1922.	Sept. 30, 1922.	Dec. 31, 1921.
ASSETS.					
Cash and bank balances ..	509,830	506,207	487,881	441,824	515,431
Bank balances abroad	71,402	111,609	104,892	114,891	75,677
Call and short loans	284,037	303,411	300,133	279,021	289,930
Securities	340,888	317,260	309,822	322,009	367,663
Loans in Canada	1,148,681	1,196,398	1,217,578	1,211,825	1,255,029
Loans abroad	157,657	149,244	153,888	145,610	145,313
Other assets	106,439	106,293	106,444	104,262	104,656
LIABILITIES.					
Note circulation	176,201	169,626	178,633	176,919	184,602
Deposits—					
Government	78,583	131,762	133,331	104,988	150,160
Public in Canada	1,722,316	1,712,055	1,687,933	1,648,648	1,781,719
Foreign	288,350	323,644	331,969	336,747	270,721
Bank balances—					
Canadian	11,757	10,158	11,111	9,008	10,224
Foreign	38,645	40,331	37,807	33,706	38,418
Bills payable, &c.	28,774	27,134	26,409	23,321	34,153
Other liabilities	2,835	4,341	2,624	2,644	2,918
Capital and rest	255,966	255,585	255,274	255,231	257,690

BANK OF SPAIN.

(000's omitted.)	Mar. 3, 1923.	Feb. 24, 1923.	Feb. 17, 1923.	Feb. 10, 1923.	Mar. 4, 1922.	Position May 31, 1921.
ASSETS.						
Gold	2,525,419	2,525,421	2,525,424	2,525,409	2,518,386	521,775
Silver	656,077	656,631	651,345	649,539	631,419	728,500
Loans and discounts	1,946,457	1,965,980	2,037,151	2,079,208	2,611,791	800,725
Spanish 4% stock	344,475	344,475	344,475	344,475	344,475	344,475
Treasury bills	150,000	150,000	150,000	150,000	150,000	150,000
LIABILITIES.						
Circulation	4,091,961	4,076,662	4,116,447	4,148,723	4,205,214	901,550
Deposits	1,031,284	1,080,198	1,123,096	1,108,050	1,094,323	477,500

NATIONAL BANK OF GREECE.

(000's omitted.)	Dec. 28, 1922.	Dec. 13, 1922.	Nov. 28, 1922.	Nov. 13, 1922.	Dec. 28, 1921.
ASSETS.					
Gold and balances abroad	1,428,548	1,417,831	1,438,929	1,369,589	1,365,930
Government loans and securities	3,330,576	2,837,662	2,838,106	2,737,537	2,171,165
Discounts and loans	1,283,366	1,231,704	1,277,120	1,243,028	706,539
LIABILITIES.					
Notes in circulation	3,024,788	2,941,897	2,808,968	2,614,687	2,130,045
Government deposits	507,317	257,573	242,582	292,952	154,015
Private sight deposits	933,568	936,316	939,774	908,571	875,227
Private deposits at fixed date	1,013,599	1,014,177	1,012,265	1,011,986	945,189

IMPERIAL BANK OF GERMANY.

(000's omitted.)	Feb. 28, 1923.	Feb. 23, 1923.	Feb. 15, 1923.	Feb. 28, 1922.	Position May 31, 1921.
ASSETS.					
Gold	1,004,829	1,004,830	1,004,831	996,398	1,313,240
Of which deposited in Bank of England	50,032	50,032	50,032	50,032	321,920
Silver	59,424	59,424	59,424	59,424	15,590
Treasury notes	706,305,283	668,682,682	593,531,738	4,633,744	321,460
Bills discounted	4,776,705,074	4,096,185,877	3,646,192,110	136,108,744	60,780
LIABILITIES.					
Notes in circulation	3,512,787,777	3,123,540,257	2,703,794,687	120,026,387	2,013,860
Deposits	1,582,982,036	1,289,485,361	1,165,179,734	26,526,072	843,340

BANK OF JAPAN.

(000's omitted.)	Jan. 27, 1923.	Jan. 20, 1923.	Jan. 13, 1923.	Jan. 6, 1923.	Dec. 30, 1922.	Jan. 28, 1922.	Position June 30, 1921.
ASSETS.							
Cash and bullion	1,092,300	1,095,708	1,094,766	1,095,742	1,095,742	1,245,186	221,320
Discounts	115,446	75,322	84,682	212,475	3,268	201,632	41,740
Advances	246,329	222,793	230,870	279,496	294,154	114,762	70,540
LIABILITIES.							
Notes	1,237,795	1,167,351	1,181,540	1,352,726	1,590,692	1,370,659	362,270
Govt. deposits	719,937	706,474	703,293	676,357	685,715	1,218,004	87,340
Other deposits	52,133	56,608	69,491	97,710	16,445	39,52	11,440

BANK OF ITALY.

(000's omitted.)	Jan. 31, 1923.	Jan. 24, 1923.	Jan. 17, 1923.	Jan. 10, 1923.	Dec. 31, 1922.	Jan. 31, 1922.	Position May 31, 1921.
ASSETS.							
Total cash	1,352,761	1,354,815	1,349,798	1,372,290	1,420,643	1,420,643	1,221,875
Italian bills	4,475,068	4,439,252	4,526,550	4,635,264	4,455,273	4,455,273	418,400
Advances to the Treasury	6,091,792	6,104,988	6,113,476	6,111,907	6,501,051	6,501,051	81,500
Other advances	2,001,086	2,032,439	2,248,118	2,533,018	3,669,516	3,669,516	79,175
Securities	406,987	398,165	407,162	407,115	535,475	535,475	805,700
LIABILITIES.							
Note circulation	13,437,829	13,405,365	13,767,929	13,921,587	14,546,817	14,546,817	1,556,925
Deposits & drafts	1,781,851	1,617,672	1,635,056	1,688,283	2,415,337	2,415,337	193,975

NETHERLANDS BANK.

(000's omitted.)	Mar. 5, 1923.	Feb. 26, 1923.	Feb. 19, 1923.	Feb. 12, 1923.	Mar. 6, 1922.	Position May 31, 1921.
ASSETS.						
Gold	581,790	581,790	581,790	581,790	60,953	163,092
Silver	6,344	7,448	8,360	7,001	6,800	8,436
Notes & advances	368,325	345,121	369,547	370,817	411,159	153,534
LIABILITIES.						
Notes in circulation	959,098	941,031	942,765	954,872	1,008,879	316,632
Deposits	33,971	29,797	30,770	31,277	27,723	5,016

SWISS NATIONAL BANK.

(000's omitted.)	Feb. 28, 1923.	Feb. 23, 1923.	Feb. 15, 1923.	Feb. 7, 1923.	Feb. 28, 1922.	Position May 31, 1921.
ASSETS.						
Gold	535,088	530,933	530,624	530,216	544,181	171,176
Silver	105,618	105,779	106,302	106,314	108,000	18,350
Darlehens-Kassen, Assets & advances	12,337	12,335	12,334	12,583	12,457	103,000
LIABILITIES.						
Notes in circulation	883,832	840,014	840,697	859,965	837,726	875,925
Deposits	258,789	310,928	280,514	221,187	161,138	33,750

The Monthly Statements of the Swiss Federal Loan Bank (De Lehenkasse) shows that up to February 28, 1923, total issues were Fr. 19,787,886, of which Fr. 12,336,850 was held by the Swiss National Bank.

BANK OF SWEDEN.

(000's omitted.)	Mar. 3, 1923.	Feb. 24, 1923.	Feb. 17, 1923.	Feb. 10, 1923.	Mar. 4, 1922.	May 24, 1921.
ASSETS.						
Gold	273,761	273,889	273,907	273,907	271,403	104,918
Balance abt. and foreign bills	107,576	113,367	114,745	117,949	128,622	112,179
Swedish abt. and for. Gov. securities	122,828	122,828	122,828	122,828	17,440	33,485
Discounted loans	352,833	327,701	345,736	354,935	537,495	118,669
LIABILITIES.						
Notes in circulation	544,224	493,624	503,509	508,100	581,874	236,555
Deposits	258,231	287,047	297,107	300,772	334,616	369,660

NATIONAL BANK OF ROMANIA.

(000's omitted.)	Feb. 3, 1923.	Jan. 27, 1923.	Jan. 20, 1923.	Jan. 13, 1923.	Feb. 2, 1922.
ASSETS.					
Gold	533,067	533,057	533,056	533,056	495,459
Silver, &c.	503	748	766	587	306
Government loan	12,551,384	12,539,918	12,559,333	12,552,946	12,535,970
Other advances	4,574,363	4,513,095	4,483,646	4,468,812	2,717,665
LIABILITIES.					
Notes in circulation	15,264,636	15,116,364	15,105,850	15,090,588	13,672,451
Deposits	7,098,986	7,175,486	7,178,672	7,176,038	6,203,627

NATIONAL BANK OF BELGIUM.

(000's omitted.)						
	Mar. 1, 1923.	Feb. 22, 1923.	Feb. 15, 1923.	Feb. 8, 1923.	Mar. 2, 1922.	Position May 28, 1914.
ASSETS.	Francs.	Francs.	Francs.	Francs.	Francs.	Francs.
Coin (gold & silver and bullion) ...	348,513	349,072	345,916	344,920	328,117	322,650
Securities	6,949,926	6,617,763	6,103,332	627,481	449,813	697,600
LIABILITIES.						
Notes in circulation	6,964,853	6,870,616	6,902,371	6,894,351	6,320,242	934,150
Current accounts...	292,051	306,011	194,641	218,512	83,464	112,125

BANK OF LATVIA.

(000's omitted.)

ASSETS.	Feb. 20, 1923.	Feb. 14, 1923.	Feb. 7, 1923.	Jan. 31, 1923.	Jan. 24, 1923.
Latvian (Gld. Fcs.)	4,426	5,113	6,459	7,931	7,277
Gold coin and bullion	13,230	13,273	13,320	13,240	13,226
Foreign banks	35,923	35,499	34,222	32,389	31,806
Discounts and loans	11,986	11,714	11,146	10,746	11,288
Other assets	1,486	1,343	1,443	1,583	1,706
LIABILITIES.					
Notes in circulation	15,000	15,000	15,000	15,000	14,000
Capital paid up	8,000	8,000	8,000	8,000	8,000
Government deposits	21,276	20,312	21,008	21,835	23,499
Other deposits	17,478	17,700	17,279	16,453	14,673
Other liabilities	5,297	5,930	5,303	4,591	5,151

BANK OF LITHUANIA.

(000's omitted.)

ASSETS.	Feb. 28, 1923.	Feb. 21, 1923.	Jan. 31, 1923.	Jan. 15, 1923.	Dec. 31, 1922.
Gold	15,780	15,739	15,552	15,249	15,190
Silver	96	16	16	11	2
Dollars, £ sterling, &c.	26,235	23,609	22,238	19,880	17,823
Other foreign currency	30	27	38	16	130
Discount and credit	13,448	13,388	13,064	9,560	8,558
Other assets	4,216	4,129	4,058	3,364	3,199
LIABILITIES.					
Capital	12,000	12,000	12,000	12,000	12,000
Banknotes in circulation	40,656	39,413	37,585	35,503	30,377
Deposits	3,015	4,002	3,873	2,088	2,088
Other liabilities	4,134	1,569	1,608	489	2,293

BANK OF ESTONIA.

(000's omitted.)

ASSETS.	Nov. 30, 1922.	Oct. 31, 1922.	Sept. 30, 1922.	Aug. 31, 1922.	July 31, 1922.
Gold, for coin, and notes	62,809	74,186	89,635	81,944	81,944
Total cash	610,402	577,608	454,296	158,657	158,657
Discounts and loans	2,962,347	2,703,073	2,356,474	1,399,774	1,399,774
Foreign banks	1,445,161	1,402,119	1,412,441	207,555	207,555
LIABILITIES.					
Capital paid up	250,000	250,000	250,000	250,000	250,000
Banknotes in circulation	37,771	37,771	37,771	10,674	10,674
Deposits	1,300,000	1,300,000	1,000,000	350,000	350,000
Other liabilities	3,536,510	3,040,383	2,940,355	1,103,823	1,103,823

BANK OF CZECHO-SLOVAKIAN REPUBLIC.

(000's omitted.)

ASSETS.	Feb. 15, 1923.	Feb. 8, 1923.	Jan. 31, 1923.	Jan. 15, 1923.	Feb. 15, 1922.
Liabilities of the Austro-Hungarian Bank to the Bank of the Czechoslovak Republic	10,096,717	10,096,717	10,096,717	10,096,717	10,096,692
Discounts & advances	1,838,385	1,945,911	1,944,540	2,050,020	2,887,433
Gold & silver held	821,847	821,751	821,666	821,509	821,112
Foreign banks and balances abroad	429,059	419,594	408,690	367,471	432,145
Other assets	303,016	387,335	299,166	305,107	304,798
LIABILITIES.					
Banknotes in circulation	8,689,357	8,981,568	9,222,434	8,820,712	9,140,237
Deposits	3,536,360	3,317,642	3,088,287	3,214,765	1,790,465
Other liabilities	1,313,307	1,372,598	1,390,588	1,411,126	1,349,790
					2,417,842

* Resembling from bank notes, current accounts, Exchange bills issued by the Austro-Hungarian Bank and taken over by the Banking Office.

NATIONAL BANK OF THE SERES, CROATES, AND SLOVENES.

(000's omitted.)

ASSETS.	Feb. 22, 1923.	Feb. 15, 1923.	Feb. 8, 1923.	Jan. 31, 1923.	Feb. 28, 1922.
Gold	63,594	63,594	63,367	63,260	73,695
Other coin and notes	21,115	20,162	17,929	20,365	17,098
Foreign credits	262,230	262,320	269,152	263,955	306,794
Bills	1,449,194	1,459,565	1,449,768	1,419,430	698,439
Govt. advances	4,511,873	4,511,869	4,513,169	4,512,924	4,418,508
LIABILITIES.					
Notes in circulation	5,255,691	5,287,279	5,301,696	5,147,513	4,638,312
State credits	312,056	312,053	312,053	311,870	334,274
Deposits	866,091	830,323	856,398	954,976	568,862

LONDON RATES.

Bank rate (reduced from 3 1/4 July 13, 1920)	Mar. 2, 1923.	Mar. 5, 1923.	Mar. 8, 1923.	Mar. 15, 1923.	Mar. 22, 1923.	Mar. 29, 1923.
3 months' do.	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
6 months' do.	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
12 months' do.	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Discount (Treasury Bills) —						
3 months' do.	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2
6 months' do.	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2
12 months' do.	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2
Commercial — Day to day	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2
Bankers' — Day to day	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2
Discount houses at call	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2
At notice	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2

1 Additional to those offered by tender in the preceding week.
Comparison with the previous weeks:—

Date	Bank Bills.			Trade Bills.		
	3 Months.	4 Months.	6 Months.	3 Months.	4 Months.	6 Months.
Dec. 21, 1922.	1 1/2	2 1/2	2 1/2	1 1/2	2 1/2	2 1/2
Jan. 5, 1923.	1 1/2	2 1/2	2 1/2	1 1/2	2 1/2	2 1/2
Jan. 12, 1923.	1 1/2	2 1/2	2 1/2	1 1/2	2 1/2	2 1/2
Jan. 19, 1923.	1 1/2	2 1/2	2 1/2	1 1/2	2 1/2	2 1/2
Jan. 26, 1923.	1 1/2	2 1/2	2 1/2	1 1/2	2 1/2	2 1/2
Feb. 2, 1923.	1 1/2	2 1/2	2 1/2	1 1/2	2 1/2	2 1/2
Feb. 9, 1923.	1 1/2	2 1/2	2 1/2	1 1/2	2 1/2	2 1/2
Feb. 16, 1923.	1 1/2	2 1/2	2 1/2	1 1/2	2 1/2	2 1/2
Feb. 23, 1923.	1 1/2	2 1/2	2 1/2	1 1/2	2 1/2	2 1/2
Feb. 30, 1923.	1 1/2	2 1/2	2 1/2	1 1/2	2 1/2	2 1/2

IRISH BANKS' RATE.

Discount	Present Rate.	Date	Previous Rate.	Date
1 1/2	1 1/2	July 13, 1922	1 1/2	June 15, 1922
1 1/2	1 1/2	June 15, 1922	1 1/2	Feb. 16, 1922

OVERSEAS BANK RATES.

Bank Rate	Bank Rate	Bank Rate	Bank Rate	Bank Rate
Amsterdam	July 18, 1922	Madrid	May 11, 1922	5 1/2
Athens	May 15, 1920	Paris	Mar. 11, 1922	5
Berlin	Jan. 18, 1923	Prague	Jan. 15, 1923	5
Brussels	Jan. 22, 1923	Rome	July 11, 1922	5 1/2
Bucharest	Sept. 4, 1920	Sofia	June 14, 1919	5 1/2
Calcutta	Jan. 11, 1923	Stockholm	July 1, 1922	4 1/2
Christiania	Aug. 17, 1922	Swiss Bank	Aug. 17, 1922	3
Copenhagen	Apr. 25, 1922	Tokio	Nov. 18, 1919	8
Helsingfors	Oct. 16, 1922	Vienna	Sept. 2, 1922	9
Lisbon	Sept. 3, 1920	Warsaw	Sept. 1921	7
New York Federal Reserve	Feb. 21, 1923			

RATES OF EXCHANGE.

London on	Usance	Par.	Mar. 10, 1922.	Mar. 2, 1923.	Mar. 9, 1923.
Paris	francs to £1	T.T.	25 2/24	48 62-67	77-48-53
Berlin	marks to £1	T.T.	20 4/5	1119-1122	105 00-107 00
Vienna	krone to £1	T.T.	24 0/2	31000	328 00-34000
Prague	krone to £1	T.T.	24 0/2	258-263	158-160
Warsaw	zlotys to £1	T.T.	20 4/3	17500-18500	1860-2150 0
Bukarest	lei to £1	T.T.	25 2/24	595-602	980-1000
Budapest	kr. to £1	T.T.	24 0/2	3150-3350	13000-15000
Constantinople	piastres to £1	T.T.	110	645-670	680-710
Sofia	levas to £1	T.T.	25 2/24	640	750-850
Belgrade	dinas to £1	T.T.	25 2/24	300	460-480
Amsterdam	florins to £1	T.T.	19 1/2	11-52-53	11-88-89
Brussels	francs to £1	T.T.	25 2/24	51-95-52	88-37-42
Christiania	kroner to £1	T.T.	18 1/2	24-45-55	25-58-63
Stockholm	kroner to £1	T.T.	18 1/2	24-45-55	25-58-63
Copenhagen	kroner to £1	T.T.	18 1/2	24-45-55	25-58-63
Helsingfors	marks to £1	T.T.	25 2/24	213-214	171-172
Greece	drachmas to £1	T.T.	25 2/24	964-974	440-450
Italy	lire to £1	T.T.	25 2/24	854-855	972-98
Switzerland	francs to £1	T.T.	25 2/24	22-48-51	25-10-10
Madrid	pesetas to £1	T.T.	25 2/24	27-75-80	30-14-17
Lisbon	escudos to £1	T.T.	53 1/2	48-48	24-24
Alexandria	piastres to £1	Sight	9 1/2	9 1/2-9 1/2	9 1/2-9 1/2
New York	dollars to £1	Cable	4 8/8	4-36-36	4-70-70
Montreal	dollars to £1	Cable	4 8/8	4-50-51	4-78-79
Buenos Ayres	pesos to £1	T.T.	47 6/24	454-454	434-434
Rio de Janeiro	pesos to £1	T.T.	16	7 1/2	5 1/2
Montevideo	pesos to £1	T.T.	16	7 1/2	5 1/2
Valparaiso	pesos to £1	T.T.	13 3/3	37-37	43-43
Lima	soles to £1	T.T.	13 3/3	37-37	43-43
Calcutta	rupees to £1	T.T.	10 1/2	10 1/2-10 1/2	10 1/2-10 1/2
Bombay	rupees to £1	T.T.	10 1/2	10 1/2-10 1/2	10 1/2-10 1/2
Madras	rupees to £1	T.T.	10 1/2	10 1/2-10 1/2	10 1/2-10 1/2
Hong Kong	dollars to £1	T.T.	10 1/2	10 1/2-10 1/2	10 1/2-10 1/2
Shanghai	dollars to £1	T.T.	10 1/2	10 1/2-10 1/2	10 1/2-10 1/2
Singapore	dollars to £1	T.T.	10 1/2	10 1/2-10 1/2	10 1/2-10 1/2
Yokohama	dollars to £1	T.T.	10 1/2	10 1/2-10 1/2	10 1/2-10 1/2
Manila	dollars to £1	T.T.	10 1/2	10 1/2-10 1/2	10 1/2-10 1/2
Mexico	pesos to £1	T.T.	24 0/66	24 1/2	24 1/2

CURRENT RATES IN NEW YORK.

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

Call money	Mar. 9, 1923.	Mar. 8, 1923.	Mar. 1, 1923.	Mar. 8, 1923.
Time money (90 days' mixed call)	4 1/2	4 1/2	4 1/2	4 1/2
Bank acceptances —				
Members—eligible, 90 days	4 1/2	4 1/2	4 1/2	4 1/2
Non-members—eligible, 90 days	4 1/2	4 1/2	4 1/2	4 1/2
Ineligible, 90 days	4 1/2	4 1/2	4 1/2	4 1/2
Commercial accept., 90 days	5	4 1/2	4 1/2	4 1/2

RATES OF EXCHANGE.

New York on—	Par Level.	Mar. 9, 1922.	Feb. 15, 1923.	Mar. 1, 1923.	Mar. 8, 1923.
London	Dollars for £1	4-8666	4-34	4-66	4-6687
Paris	Centres for 1 franc	19-30	19-30	19-30	19-30
Brussels	Centres for 1 franc	19-30	19-30	19-30	19-30
Switzerland	Centres for 1 franc	19-30	19-30	19-30	19-30
Italy	Centres for 1 lire	19-30	19-30	19-30	19-30
Berlin	Centres for 1 mark	23-83	0-1625	0-0051	0-0048
Madrid	Centres for 1 peseta	19-30	15-74	15-65	15-61
Amsterdam	Centres for 1 guilder	40-195	37-95	39-52	39-53
Copenhagen	Centres for 1 kroner	21-00	19-08	19-30	19-14
Christiania	Centres for 1 kroner	18-05	18-65	18-40	18-05
Stockholm	Centres for 1 kroner	26-10	26-6	26-57	26-60
Athens	Centres for 1 drachma	19-30	4-65	1-21	1-08
Montreal	Centres for Can. \$1	100	96-75	98-75	98-37
Yokohama	Centres for 1 yen	49-85	47-25	48-45	48-4
Hong Kong	Centres for 1 Hong Kong \$	100	52-30	52-75	54-55
Shanghai	Centres for 1 Shanghai \$	100	70-75	71-00	71-75
Calcutta	Centres for 1 rupee	100	37-30	31-8	31-75
Buenos Ayres	Centres for 1 peso	103-65	119-20	118-5	118-5
Rio de Janeiro	Centres for 1 milreis	32-42	13-90	11-55	11-40
Valparaiso	Centres for 1 peso	20-60	11-25	12-25	12-125

ESTHONIAN EXCHANGE RATES.

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

NOTICES.

It is announced that, in accordance with the arrangements made between the British Overseas Bank, Limited, and the London and Liverpool Bank of Commerce, Limited, the following gentlemen were elected directors of the London and Liverpool Bank of Commerce, Limited:—Mr A. C. D. Gardner, Mr N. L. Campbell, Mr A. G. Gumpert, Brig.-Gen. A. Maxwell, C.M.G., D.S.O., Sir G. E. May, K.B.E., the Hon. B. F. Rollo. Also that the following gentlemen have resigned from the board:—The Rt. Hon. Lord Ritchie of Dundee, Major Walter Bonn, D.S.O., M.C., Mr John Dennistoun, Mr Alexander Lang, C.M.G., Sir Felix Schuster, Bart., Mr F. V. Schuster.

Lloyds Bank Limited announce that, in connection with the recent incorporation of the business of Messrs Cox and Co., official agents to the Army and Royal Air Force, a local committee has been appointed, consisting of Sir H. Seymour King, K.C.I.E. (a director of Lloyds Bank), Mr H. A. Cox, Mr A. C. Cox, Mr O. V. G. Hoare, Sir Reginald Brade, G.C.B. (formerly Secretary of the War Office), and Mr R. M. Rowley-Morris (hitherto manager of Lloyds Bank, Law Courts), under whom the Army and Royal Air Force agencies will be continued in full activity as heretofore, and the old personal connection will be maintained and strengthened. They also announce that a sub-branch of the bank is now open at Medomsley, under the management of Mr W. Russell, of the Consett branch.

The London Joint City and Midland Bank announce that the business hitherto conducted at 61 Lombard street, Norwich, has been transferred to the branch at 18 London street, Norwich, and that the office in High street, Fordingbridge, Hants, has been converted into a full branch. It is also announced that new offices have been opened at 66 Magdalen street, Norwich; Melrose House, Pontrhydyfen, Port Talbot; and in Station road, Stainforth, Doncaster.

The National Provincial and Union Bank of England, Limited, announce that a branch of the bank is now open at Hawkers Hill street, Chepstow, the resident officer being Mr C. H. Hearn.

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.	Interim Date of Payment.	Final Div. of Payment.	Dividend for Whole Year.	Lat'st Pre. vious.
Railways					
Buenos Ayres Great Southern	3%*	April 11	Less tax 5/ in £	%	%
Cockermouth	1%†	..	..	3	1½
Morecambe	16/6 p.s.	..	..	10	10
Llandudno Electric	7%†	..	..	11	14
Southern Punjab	6%†	..	..	..	..
Banks					
Banco Commercial Italiano	..	..	..	12	12
Credito Italiano	..	..	..	9	9
Eastern	5/ p.s.†	..	..	9	9
Guarantee Trust New York	3%*	Mar. 31	Quarterly	5	5
Heritable Inver Bank	..	..	..	15	15
National of Egypt	11%†	..	..	15	15
Northern Banking, "A"	17%†	Mar. 15	Less tax	..	..
Do "B"	8%†	Mar. 15	Less tax	..	..
Paloheimo and Co., Helsinki	..	..	..	6	..
Insurance					
Employers' Liability	2/6 p.s.†	Mar. 28	Tax free	4/5 p.s.†	4/5 p.s.†
Maritime	15%*	Mar. 20	Less tax	30	30
Merchants' Marine	3/9 p.s.†	..	Tax free	12½	7½
Refuge	..	..	..	7½	7½
Tea and Rubber					
Bak Lian Tobacco and Rubber	..	..	Less tax 5/ in £	7½	nil
Cheviot Rubber	..	..	..	5	5
Comox Rubber	..	..	..	5	5
Damansara Rubber	..	..	..	5	5
Dimbula Valley Tea, Pref.	3%*	Mar. 31	Less tax 5/ in £	10	7½
Gula-Kalumpung Rubber	..	..	..	32	32
Harpenden (Selangor) Rubber	..	..	..	..	..
Kalidjere Rubber	5%*	..	..	..	..
Kinta Kelas	5%*	..	..	..	..
Labu (F.M.S.) Rubber	..	..	..	7½	5
Monerakelle Rubber	4%*	Mar. 16	Less tax 5/ in £	..	..
Mining					
Balaghat Gold	1/ p.s.†	April 10	Less tax 5/3 in £	..	..
Deebuck Dredging	6 p.s.†	Mar. 31	..	..	..
Keeley Silver, S.I.	8 p.s.†	Mar. 15	..	..	..
North Annapur, Pref.	20	Mar. 29	Less tax 2/7 in £	..	..
Nunddroog, 10%	6 p.s.†	April 20	Less tax 2/9 in £	1/ p.s.†	1/6 p.s.†
Utah Copper	8 p.s.†	Mar. 31	..	..	..
Other Companies					
Aberdeen Combworks, Ord. and Deft.	6	(& bonus) 1/6 p.s.†	..	1/3 p.s.†	1/3 p.s.†
Aberdeen Jute	..	..	Less tax 5/3 in £	15	10
Achille Berre, Ord.	5%†	Mar. 29	..	15	10
Do Pref.	..	..	..	9½	6
Alexander, Ferguson, and Co., "A" and "B" Ord.	12½	(& bonus) 5%†	Less tax	..	..
Alliance and Dublin Cons. Gas	4%†	..	..	..	..
American Trust	4%†	..	..	..	..
Anglo-Siam Corporation	7%†	Mar. 31	..	..	..
Arusha Tobacco	25%†	(& bonus) 5 p.s.†	Tax free	8/ p.s.†	8/ p.s.†
Arnold and Co., Dublin	4/ p.s.†	Mar. 9	..	..	..
Atlantic First Leased Lines	4%†	Mar. 9	..	..	..
Bayer, Pasco, and Co.	..	..	..	..	..
Blackett and Son	..	..	..	..	..
Bon Marché	16%†	..	..	..	..
Bournemouth Markets, Ice	..	..	..	..	..
Bristol Waterworks, 10% max. Ord.	..	Mar. 13	..	58% 6/11/3%	..
Do 7% max. Ord.	..	Mar. 13	..	58% 4/11/10%	..

British Gas Light	5%*	April 6	Less tax	..	..
British Insulated and Helsby Cables	6½%*	(& bonus) 5%†	..	15	51
Bruce, Peebles, and Co.	..	..	..	15	51
C. and E. Morton	7%†	..	..	10	10
Cardiff Collieries	..	..	..	10	10
Charles, Chapman, and Co.	..	..	..	10	10
Colonial Securities Trust, Deft.	3%†	Mar. 15	..	5	5
D. Davis and Sons	..	..	..	7½	7½
Direct Spanish Telegraph	..	Mar. 31	Tax free	10	10
Dundee Floorcloth and Lino.	10%*	(& bonus) 1/ p.s.†	Less tax	..	..
Eastern Ext., Australasia, &c.	2½%†	..	..	10	10
Telegraph	2½%†	April 14	Tax free	10	10
Eastern Telegraph Company	2½%†	April 14	..	10	10
Engineers and Ironfounders	1/ p.s.†	..	..	2/ p.s.†	2/ p.s.†
General and Commercial Investment, Deft.	13%†	..	..	8½	8
Globe Telegraph and Trust	5/ p.s.†	..	..	..	..
Goodson's Mantle and Costume	..	..	..	14½ p.s.†	..
Georgie and Irwell Rubber	9/ p.s.†	..	..	..	..
Illinois Car and Equipment	10%*	Mar. 31	Less tax 5/ in £	..	..
Imperial Continental Gas	5%†	..	..	..	..
Do Special Bonus	12%*	June 1	..	..	..
Imperial Tobacco of Canada	1½%*	..	..	..	..
John Barker and Co.	15%†	Mar. 29	..	20	20
John Oakley and Sons	1/6 p.s.†	..	..	20	2½
Jones and Higgins	18%†	..	..	10	10
King Line	7%†	..	..	5½	5
Law Land Company	6%†	Mar. 29	..	1	nil
Leeds and Liverpool Canal	..	..	..	20	20
Liberty and Co.	..	..	..	..	..
Lidstone, Pref.	3%*	..	..	..	..
Lincoln Wagon and Engine	5%*	..	..	..	..
Do Bonus	1/6 p.s.†	..	..	..	..
Linoleum Manufacturing	30/ p.s.†	Mar. 9	Tax free	25	12½
Locke, Blackett, and Co.	..	..	..	1/25 p.s.†	1/25 p.s.†
Manchester Bonding Warehouses	5/ p.s.†	..	..	7/6 p.s.†	7/6 p.s.†
Manila Electric	6/ p.s.†	April 2	Quarterly	..	..
Manvers Main Collieries	1/6 p.s.†	..	..	..	..
Metropolitan Gas	6/6 p.s.†	..	..	..	..
Metropolitan Vickers	..	..	..	12½	12½
Midland Elec. Corporation	6%†	..	..	10	10
Newcastle and District Electric	..	..	..	5	4
North British Locomotive	..	..	..	7½	10
Parke's Drug Stores, Pref.	6	Mar. 20	..	..	..
Pim Brothers	2/6 p.s.†	..	..	5/ p.s.†	5/ p.s.†
Plymouth Breweries	..	..	..	10	10
Prince Line	2½%*	..	..	..	..
Prince of Wales Hotel, Southport	..	..	..	5	2
Property and Estates	..	..	..	10	10
Radiation, Limited	3½%†	..	..	6	6
Rhondda Valley and Ely	..	..	..	..	..
Breweries	4%†	..	..	..	..
Robert Addie and Son's Collieries	10%†	..	..	10	10
Rowton Houses	..	Mar. 16	Tax free	5	5
Salt Union	..	..	..	2/ p.s.†	2/ p.s.†
Scottish Western Invest.	13%†	..	..	12	11
Second Scottish Invest., Deft.	3%*	..	..	..	..
Shrewsbury and Wem Breweries, Pref.	5%*	..	..	..	..
Sneyd Collieries	5%*	Mar. 27	Less tax (arrears)	..	..
Standard Property Invest.	..	..	..	7	7
Style and Winch	5%†	..	..	10	10
Swan, Hunter, and Wigham	5%†	Mar. 9	Tax free	8	8
Richardson	..	..	..	10	10
Swansea Hotel Metropole	..	..	..	12	12
Swedish Match Co.	..	..	..	6½	..
Swift of Coventry, Pref.	..	..	..	6	5
Switzer and Co.	6%†	..	..	15	15
Thomas Tilling	..	..	..	12	..
T. Lyons and Co.	5%*	(& bonus) 3%†	..	6	..
Tynte Electric Development, Deft.	..	April 5	Less tax	..	..
Volcan Foundry	1/ p.s.†	Mar. 28	..	..	..
Warden	..	..	..	6	..
Wardle and Davenport	8%*	..	..	..	..
Welsh Navigation Steam Coal	..	..	..	nil	5
Western Telegraph	5/ p.s.†	Mar. 24	Tax free	15	10
Winterbottom Book Cloth (S.I.)	2/ p.s.†	(& bonus) 6 p.s.†	Tax free	7½	5
William Hollins and Co.	..	..	..	..	..
Woking District Gas, "A" and "B" Ord.	5	..	..	..	..

(a) Increased capital. (b) Tax free.

CAMWAL.—No dividend on preference shares, leaving arrears as at Sept. 30th of 12½ p.c.

THE MEXICAN CORPORATION.—10 per cent. Seven-Year Convertible Notes.—The interest due for the half-year ending March 31, 1923, will be paid on March 31st, less income-tax at 5s. to all holders of notes registered in the books of the company on March 15, 1923.

THE SANGRE DE GRACIA COMPANY.—8 per cent. Five-Year Notes.—The interest due for the half-year ending March 31st will be paid on March 31st, less income-tax at 5s. to all holders of notes registered in the books of the company on March 15, 1923.

OIL OUTPUTS.

APEX (TRINIDAD) OILFIELDS, LIMITED.—The estimated gross production of crude oil for the month of February was 59,400 barrels, equal to approximately 8,400 tons, and the oil delivered to Trinidad Leaseholds, Limited, amounted to about 10,000 tons.

BRITISH BURMAH PETROLEUM COMPANY, LIMITED.—A cablegram has been received from Burma reporting that the production of crude oil by this company and the Rangoon Oil Company, Limited, for the month of February amounted to 57,665 barrels.

KERN RIVER OILFIELDS.—Total production during February amounted to 124,578 barrels, or approx. 17,797 tons, including St. Helen's Petroleum Company, Limited, 75,676 barrels, approx. 10,811 tons; Kern Trinidad Oilfields, Limited, 4,236 barrels, approx. 605 tons; Kern Romana, Limited, 742 barrels, approx. 100 tons.

LOBITOS OILFIELDS, LIMITED.—The production for February is cabled as 9,055½ tons.

MEXICAN EAGLE OIL COMPANY, LIMITED.—The London financial agents of the Mexican Eagle Oil Company, Limited, have received cable advice from Mexico that Zacamixtle Well, No. 19, which came in on February 18, 1923, has now been tested, and is producing 18,000 barrels daily.

TRINIDAD LEASEHOLDS, LIMITED.—Oil produced during February, 10,000 tons. Oil purchased during February from other companies, 11,600 tons.

UNITED BRITISH OILFIELDS OF TRINIDAD, LIMITED.—Combined production for the week ending February 28, 1923, amounted to 790 tons.

RAILWAY AND TRAMWAY TRAFFIC RETURNS.

RAILWAYS OF THE UNITED KINGDOM.

Miles Open.	Week Ended Mar. 4, 1923.			Aggregate 9 Weeks 1923.		
	Passengers, &c.	Goods, &c.	Total for Week.	Passengers, &c.	Goods, &c.	Total Receipts.
Great Western	3,665	215,000	368,000	583,000	1,899,000	5,110,000
London & North-Eastern	6,661	363,000	808,000	1,171,000	3,125,000	9,909,000
Do same period 1922	6,657	417,000	859,000	1,276,000	3,489,000	10,311,000
London, Mid., & Scottish	5,962	522,000	1,000,000	1,522,000	4,596,000	13,065,000
Southern	2,105	260,500	131,500	392,000	2,316,700	3,422,000
Midland & S.W. Junc.	63	1,000	1,445	2,435	9,211	30,101
Metropolitan (c)	79½	31,802	4,142	218,034	284,942	315,592
Underground E.R. (c)	..	..	..	18,959	..	29,388
Lon. & Sub. Group (c)	..	..	..	38,751	..	332,419
Belfast & Co. Down (b)	80	4,133	1,353	5,486	35,828	10,890
Dublin and N. East. (b)	160	6,055	3,275	9,341	29,596	74,788
Do same period 1922	160	6,851	4,320	11,181	46,993	77,956
Midland Gt. West. (b)	538	8,719	12,283	21,002	74,414	187,274
Do same period 1922	538	12,107	14,889	26,996	107,356	229,578

(b) Week ended March 2, 1923.

(c) Week ended March 3, 1923.

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.	Total Gross Receipts.
INDIAN.					
Assam Bengal	44 weeks	Feb. 3	1,043	Re. 2,65,603 + Rs. 28,956	1,08,85,251 + 31,31,455
Barsi Lt. Ry.	10 weeks	10	118	29,700 - 15,200	15,13,100 + 10,06,255
Bombay & N. Western	18 weeks	3	67	6,84,550	60,252,106 + 13,06,255
Bombay Nagpur	44 weeks	Mar. 3	2,334	28,25,000 + 5,93,000	51,24,000 + 78,23,000
Bombay, Bar. & C.I.	44 weeks	Mar. 3	1,342	8,27,819 + 1,31,474	2,96,93,191 + 40,47,380
Burma	21 weeks	24	239	90,000 + 55,703	21,64,715 + 3,47,281
East Indian	22 weeks	Mar. 3	2,856	28,25,000 + 20,98,000	6,75,93,000 + 17,98,000
G. Indian Peninsula	47 weeks	Feb. 24	3,721	37,36,500 + 6,27,000	131,9,37,802 + 10,49,917
Madras & S. Mah.	44 weeks	10	3,028	14,90,000 + 12,804	6,99,61,638 + 59,93,043
Madras & K. Mah.	18 weeks	3	313	78,625 + 6,243	11,39,768 - 3,434
Do Lucknow-Breilly	44 weeks	10	1,852	8,97,051 + 47,036	4,18,09,337 + 39,08,953
South Indian	44 weeks	10	1,852	8,97,051 + 47,036	4,18,09,337 + 39,08,953
State of Punjab (month)	1 mth	Oct. 31	717	7,30,311 + 1,02,955	7,30,311 + 1,02,955
ARGENTINE (a).					
Argentine N.E.	35 weeks	Mar. 3	752	13,200 + 3,800	357,800 + 15,900
Argentine Trans.	35 weeks	3	111	225,000 + 37,000	1,07,280 + 34,335
B. A. and Pacific	35 weeks	3	3,347	233,000 + 88,000	5,40

Reports and Notices.

We are informed that since 1890 the businesses of Henry Bannerman and Sons, Limited, and the Bannerman Mills Company, Limited, although under the same management, have been carried on as separate concerns. Now, for family reasons, and with a view to concentration of control, these private companies are being amalgamated under the style of Henry Bannerman and Sons, Limited, who will also take over the Bradford Road Manufacturing Company, Limited.

BANKS.

EASTERN BANK, LIMITED.—The net profit for 1922 amounted to £120,321, to which is added £31,180 brought forward from preceding year, making £151,501 available. The dividend of 9 per cent. for the year absorbed £90,000. The directors have added £20,000 to reserve fund, making it £320,000, and propose to write £10,000 off premises account, leaving £31,501 to carry forward.

INSURANCE.

BRITANNIC ASSURANCE COMPANY, LIMITED.—The report for the year ending December 31, 1922, states that, despite the unfavourable trade conditions throughout the year, the accounts show progress of a satisfactory character. It is with regret the directors announce the retirement, owing to failing health, of their esteemed colleague, Mr R. S. Close, who throughout the lengthy period of upwards of 50 years (during 16 of which he was a director), rendered most valuable services to the company. The premium income in respect of life assurance for the year ended December 31, 1922, amounted to £2,403,048, showing an increase of £99,183 over the previous year. The total premium income amounted to £2,405,893. The sum paid in claims during the year amounted to £968,294, including £279,625 paid under maturing policies. The total amount paid in claims by the company up to December 31, 1922, was £16,855,371. The premium income of the ordinary branch for the year amounted to £552,481, showing an increase of £47,257 over the previous year. The claims paid in this branch during the year amounted to £260,268 inclusive of surrenders. The number of policies issued in this branch, including policies under the special tables, was 13,786, assuring (after deduction of re-assurances) the sum of £1,874,317 at annual premiums of £95,630, and single premiums of £2,776. The premium income for the year in the industrial branch amounted to £1,850,567, showing an increase of £51,926 over the previous year. The claims paid during the year in this branch amounted to £705,844 inclusive of surrenders. The gross income from all sources amounted to £2,786,943, showing an increase of £146,618 over the gross income of the previous year. The total outgo, inclusive of amounts written off furniture, &c., amounted to £1,949,205, leaving a balance of income over expenditure on the year's accounts of £837,738. The total funds, inclusive of capital paid up, now amount to £7,579,899.

REFUGEE ASSURANCE COMPANY, LIMITED.—The report and accounts for the year 1922 show that in the ordinary branch the number of policies issued was 37,304, assuring £4,259,337 10s at a yearly renewal premium income of £309,446 2s 7d, the single premiums amounting to £18,398 6s 5d. The premium income was £2,628,412 6s, being an increase of £109,822 4s 6d over the previous year. The claims paid amounted to £1,099,830 9s 3d, including £559,950 paid to living policyholders under matured endowment assurances. In the industrial branch the premium income amounted to £3,493,577 14s 8d, being an increase of £201,746 6s 7d over the previous year. The claims paid amounted to £1,532,437 8s 2d. These figures include the corresponding items in the sickness assurance account. The total premium income for the year amounted to £6,121,990 8d, being an increase of £311,568 11s 1d over the previous year. The claims paid in the year amounted to £2,632,267 17s 5d, and the total paid in claims since the establishment of the company is now £37,558,773 3s 7d. The total assets of the company now amount to £23,948,396 18s 6d, being an increase during the year of £2,335,969 13s.

MISCELLANEOUS.

BEYER, PEACOCK, AND CO., LIMITED.—The accounts show a profit on the trading for the year 1922 amounting to £35,676. The net profits for the period, after providing for interest on the debenture stock and reserve for depreciation, &c., amount to £16,403, to which must be added the amount brought forward last year, namely, £7,712, making a total of £24,114. Deducting from this sum the dividend on the 5½ per cent. cumulative preference shares paid on July 21, 1922, viz., £8,250, there remains a balance of £15,864. The final dividend on the preference shares, amounting to £8,250, was paid on January 22, 1923, thus leaving a balance of £7,614, which, added to the sum of £10,000 transferred from general reserve, makes a total of £17,614 available for distribution. The directors recommend applying this balance as follows:—To pay a dividend at the rate of 5 per cent. for the year ending December 31, 1922, on the ordinary shares, £15,000; leaving to be carried forward, £2,614. The engineering dispute, which lasted three months, coupled with the general dearth of orders in the locomotive trade, wholly accounts for the diminution in profits. The board consider it advisable to reduce the amount shown in the balance-sheet under the heading of "goodwill," and they have accordingly utilised the profit made by the debenture scheme for that purpose, reducing the figure from £144,500 18s 3d to £100,594 18s 8d.

GOODSON'S MANTLE AND COSTUME COMPANY.—The report and accounts for the year to January 19, 1923, which incorporate the balance-sheet of the operating company, Goodson's, Limited, show the latter to have earned a net profit of £56,013, after making substantial reserves for all likely contingencies, including a further £7,360 to meet renewal reserve, bringing that item in the balance-sheet to

£33,360, and the company's investments in British Government and Government of India stocks to be, at cost, £40,411, with a market value at the date of the balance-sheet of £41,276. Cash at bankers is given at £64,074, stock stands at £28,773, and the freehold and long leasehold property, less depreciation, has been increased by some £12,000 since the balance-sheet of last year.

LINOLEUM MANUFACTURING.—The directors recommend a dividend of 15 per cent. for the year 1922, together with a bonus of 10s per share, both free of income-tax. The net profits for the year after making ample allowance for depreciation of land, buildings, and plant, and also after making provision for doubtful debts and income-tax, amount to £166,668, to which must be added amount received in respect of shares in Deutsche Linoleum Werke Hansa (previously written off), £22,420; appreciation of investments, £3,938; balance brought forward from 1921, £33,968, making £226,994. This sum it is proposed to appropriate as follows:—To payment of 20s per share, being, with the amount paid in September last, a dividend of 15 per cent. for the year and a bonus of 10s per share, both free of income-tax, £125,000; to reserve account, £50,000; to benevolent fund, £12,500; to carry forward to next account, £39,494.

NORTH BRITISH LOCOMOTIVE.—The report for 1922 shows the profit, after providing for depreciation, is £35,751, to which has to be added balance brought forward £204,742, making £240,493. Preference dividend absorbs £37,500. The ordinary dividend of 7½ per cent., free of income-tax, absorbs £93,750, leaving balance of £109,243 to carry forward. The report points out that it has been a year of extreme trade depression, during which time it has not been possible to keep the works of the company adequately engaged. The directors report, with profound regret, the death, in April last, of Sir William Lorimer, LL.D., who had been chairman of the company since its inception. Sir Hugh Reid, Bart., C.B.E., LL.D., was elected to fill the vacancy.

SWAN, HUNTER, AND WIGHAM RICHARDSON, LIMITED.—The directors herewith submit the balance-sheet of the company as on December 31, 1922, duly certified by the company's auditors. The report for 1922 shows that, after providing for depreciation on buildings, plant, and machinery, and for all Government taxation, &c., there remains a net profit on the year's trading of £411,277; to which has to be added the balance brought forward from the previous year, £53,203; making a total of £464,540. Out of this sum it is necessary to provide interest on 4½ per cent. first mortgage debenture stock for the year ending December 31, 1922, £13,742; instalment for sinking fund account, £1,000; leaving a balance to be dealt with of £449,798. Preference dividend absorbed £45,890. Ordinary dividend of 8 per cent., free of income-tax, absorbed £136,885; reserve account, £150,000; reserve for equalisation of dividends, £50,000; for benefit of employees, £10,000; leaving a balance to be carried forward of £57,023. The report says that it should be stated that, although the profit for the year as shown above approximates to that of previous years, it mainly accrues from old contracts completed during the period and not from new work. The company has acquired the North British Diesel Engine Works, Whiteinch, Glasgow, with a view to extending the output of Diesel engines for marine and land service. These works are specially designed for constructing internal combustion oil engines. An arrangement has been made with the old-established engineering company of John G. Kincaid and Co., Limited, Greenock, whereby an exchange of shares has been effected. The company has also acquired an interest in the New York Harbour Dry Dock Company Inc., whose works and floating docks of 12,000 and 8,000 tons lifting capacity are situated at Clifton, Staten Island, in New York Harbour. To alleviate unemployment and encouraged by the reduction in wages which have been accepted, the company has, at its own risk, laid down a number of ships. Though the cost of building continues relatively high, the burden and handicap of excessive costs have been lessened appreciably during the year in shipyards and engine works. It is satisfactory that in shipbuilding the pre-war standard of work per hour is being more nearly approached.

WALFORD LINES, LIMITED (AND REDUCED).—The scheme of capital rearrangement which was recently approved by the shareholders has now received the sanction of the Court, and an issue will be made of £150,000 further share capital in 600,000 shares of 5s each. The present shareholders are entitled to subscribe for five new shares for every two 5s shares now held. The list opened on the 8th inst.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

Weather conditions have remained unsettled, with further heavy rains over wide areas in the United Kingdom, and many fields are under water in low-lying parts. On higher land, occasional sowings of spring barley and oats have been made, but generally field operations were held in check by excessive moisture. General course of trade during the week was again on a moderate scale, and while prices displayed slight weakness with regard to breadstuffs, feeders, on the other hand, maintained a firm tone. The demand for native wheat showed a tendency to improve, both here and at provincial markets, and, with supplies in manageable compass, values, if anything, were a shade firmer. Best milling grades moved off at 9s 3d to 9s 6d, and inferior 8s 3d to 8s 6d per 112 lbs, free on rail. Imported descriptions still lack support, and values, for the most part, continue in buyers' favour. No. 1 Northern Manitoba quoted 48s 3d, No. 2 mixed Durum 46s 6d, Rosafe, 63 lbs, 47s 6d, all ex ship to arrive, and Australian 53s, landed, all per 496 lbs. In the floating and forward cargo section rather more inquiry was noticeable, and several steamers changed hands, chiefly on Continental account, at fairly steady prices.

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution.	Appropriation.				Corresponding Period Last Year	
					Dividend.			Carried to Reserve, Depreciation, &c.	Balance Forward	Net Profit.
					Prefee.	Ordinary.	Rate.			
					Amount.	Amount.	Rate.			Dividend.
Banks.		£	£	£	£	£	%	£	£	%
Eastern Bank	Dec. 31	31,180	120,321	151,501	..	90,000	9	30,000	31,501	144,171
London Merchant	Dec. 31	18,783	36,876	55,659	..	18,750	2½	36,909	..	46,195
Breweries.										
Style and Winch	Dec. 31	38,093	83,833	121,926	21,897	40,000	10	10,000	50,029	81,663
Electric Lighting and Power.										
Newcastle and District	Dec. 31	13,725	27,779	41,504	..	10,970	5	16,500	14,034	22,100
Financial, Land, &c.										
Law Land	Dec. 31	6,608	43,559	50,167	12,093	14,700	5½	17,200	6,174	39,317
Scottish Western Investment	Jan. 31	76,350	66,554	142,904	18,912	35,600	12	63,250	25,142	64,764
Standard Property Investment	Dec. 31	726	3,030	3,756	..	1,549	7	1,438	769	2,654
Gas.										
Woking District	Dec. 31*	927	2,613	3,540	1,251	865	5	..	1,424	2,022
Hotels, Restaurants, &c.										
Rowton Houses	Dec. 31	3,142	23,933	27,075	5,663	10,166	5½	5,000	6,246	21,169
Iron, Coal, and Steel.										
Beyer, Peacock, and Co.	Dec. 31	7,711	16,403	24,114	16,500	15,000	5	Dr 10,000	2,614	70,954
D. Davis and Sons	Dec. 31	68,924	48,543	117,467	4,425	43,558	7½	..	69,484	33,664
North British Locomotive	Dec. 31	204,742	35,751	240,493	37,500	93,750	7½	..	109,243	367,738
Swan, Hunter, and Wigham-Richardson	Dec. 31	53,263	396,585	449,848	45,890	136,885	8½	210,000	57,073	390,657
Welsh Navigation Steam Coal ..	Dec. 31	69,201	Dr 45,506	23,695	5,531	..	..	..	18,164	4,112
Motor and Cycle.										
Swift of Coventry	Dec. 31	3,059	10,125	13,184	9,750	..	..	..	3,434	Dr 34,484
Rubber, &c.										
Glendon	Sept. 30	235	Dr 727	Dr 492	..	..	..	Dr 78	Dr 414	Dr 3,401
Shops and Stores.										
Pim Brothers	Jan. 31	18,084	7,578	25,662	5,500	7,500	5	..	12,662	Dr 8,377
Textiles.										
Aberdeen Jute	Jan. 31	3,922	1,918	5,840	..	1,970	12½	..	3,870	1,141
William Hollins and Co.	Dec. 31	22,923	125,093	148,016	18,000	86,673	7½	20,000	23,343	103,292
Tramway and Omnibus.										
Thomas Tilling	Dec. 31	37,637	138,388	176,025	16,500	46,327	15	45,662	67,536	134,559
Trust.										
American Trust	Jan. 31	8,127	9,633	17,760	3,262	5,206	7	4,378	4,914	8,543
Caledonian	Jan. 31	51,851	30,471	82,322	9,456	13,350	9	43,217	16,299	30,655
Other Companies.										
Aberdeen Combworks	Dec. 31	2,210	12,276	14,486	2,489	9,679	7½	..	2,318	12,738
Alexander, Ferguson, and Co. ..	Dec. 31	7,562	18,312	25,874	2,581	9,034	17½	7,000	7,259	18,924
Bruce, Peebles, and Co.	Dec. 31	6,487	95,155	101,642	5,106	24,369	15	65,141	7,026	113,793
C. and E. Morton	Dec. 31	107,557	9,102	116,659	28,000	45,000	10	..	43,659	Dr 22,636
Dundee Floorcloth and Linoleum	Jan. 31	8,304	58,713	67,017	1,919	9,242	20	40,000	15,856	10,672
Goodson's Mantle and Costume ..	Jan. 19	22,062	50,803	72,865	23,973	11,250	1½	15,000	39,494	91,634
Linoleum Manufacturing	Dec. 31	60,325	166,669	226,994	..	125,000	25½	62,500	73,741	31,000
Manchester Royal Exchange	Feb. 28	70,234	22,266	92,500	..	18,819	5	..	28,122	..
Preserve Manufacturers	Dec. 31	13,844	Dr 55,185	Dr 41,881	..	..	..	13,159	50,121	128,324
Radiation	Dec. 31	30,669	160,308	190,977	48,122	92,734	6½	..	50,121	128,324
Switzer and Co.	Jan. 31	9,889	6,961	16,850	1,500	4,800	6	1,000	9,550	7,480
Venesta	June 30	44,728	21,557	66,285	20,742	..	..	..	45,543	Dr 289,004

* Half-year.

† Free of tax.

Cargoes of Rosafe, 62½ lbs, on passage sold at 44s 9d and 45s, and Australian 47s 9d per 480 lbs, c.i.f. terms. Prospects in the United States winter wheat belt have improved on further rains, while crop news from other principal exporting countries remains satisfactory. Floating supplies show a marked increase, while port stocks in the United Kingdom are also larger. Flour continues in quiet request, and prices for town milled were reduced by 1s per sack. London standard straight run now quoted at 40s, patents 42s to 43s, town households 38s per sack, delivered in Metropolitan area. All English country straights 31s 6d to 33s 6d per sack, delivered to London stations. Imported makes neglected. Manitoba patents range from 37s 6d to 41s as to sample, Minneapolis good patents 40s 6d, Pacific 37s 6d, and Australian 37s 6d to 39s, all per 280 lbs, ex store. Maize firmly held, though spot trade remains without improvement. La Plata, ex ship, quoted 36s 3d, ditto landed, 37s 6d, No. 2 American mixed ex ship 35s 3d, and ditto landed 36s 6d. On c.i.f. terms cargoes were difficult to move, but in absence of selling pressure values were kept at a fairly steady level. A steamer of La Plata, May-June, changed hands at 35s per 480 lbs. Barley inactive and values weak. English ranges from 6s 9d to 13s per 112 lbs, free on rail, as to quality. Of imported, Californian quoted at 42s 6d to 45s 6d ex ship, and Australian Chevalier 47s to 53s landed, both per 448 lbs. Persian ex ship 24s 3d, ditto landed 25s 3d, Danubian 30s to 31s, and Plate 29s, both landed, all per 400 lbs. The only interesting item in the forward market was a sale of new crop American malting (48 lbs), June shipment, at 26s. Oats ruled firm but quiet for native varieties at 8s to 10s per 112 lbs, free on rail, as to quality. Imported the turn harder to buy. Plate f.a.q. new crop quoted at 25s, No. 2 white clipped American 25s 3d, No. 2 Canadian 26s, Western 29s 6d, No. 3 ditto 27s 6d, and No. 2 Canadian feed 26s, New Zealand A grade 38s 6d, and B 37s, all per 320 lbs. Oatmeal, London made, all cuts, quoted 17s 6d, flaked oats 20s 6d, steady. Scottish oatmeal 18s 6d to 19s, and American, all cuts, 17s 3d per 112 lbs.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1922-23, contrasted with 1921-22, 1920-21, and 1919-20:—

	1922-1923.	1921-1922.	1920-1921.	1919-1920.
Estimated sales of home-grown wheat—				
1 week to March 3	Cwts. 314,323	Cwts. 279,886	Cwts. 177,804	Cwts. 351,499
25 weeks to March 3	11,614,082	11,520,686	4,381,099	8,425,689
Average price of English wheat per quarter	s d 40 5	s d 41 9	s d 42 5	s d 42 7
= per cwt	9 5	12 0	16 10	16 11

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1919 to 1922:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1923.						
Feb. 24	Cwts. 334,869	Cwts. 174,963	Cwts. 64,123	s d 9 4	s d 8 11	s d 9 10
Mar. 3	314,323	168,669	49,848	9 5	8 9	9 9
1919	326,790	158,961	52,274	16 11	17 6	17 5
1920	351,429	132,636	55,695	16 11	17 3	21 1
1921	177,806	202,671	64,573	16 10	14 8	12 9
1922	679,894	155,525	92,185	12 0	11 6	10 9

IRON, STEEL, AND COAL.

Our Middlesbrough correspondent's report, dated March 8th, is as follows:—Pig-iron.—The demand for prompt pig-iron cannot be met, and prices have therefore advanced further. No. 3 Cleveland G.M.B. has been sold at 125s. East Coast mixed numbers hematite is quoted 120s for delivery into the second quarter. Although two or three more furnaces are expected to be blown in shortly on Cleveland and hematite, there is no doubt that their output will find a ready market. Manufactured iron and steel.—There is plenty of inquiry for steel at recently advanced prices. Steel ship plates, £10; steel ship angles, £9 10s; iron bars, £12; steel rails, £9 10s. Iron ore.—The demand is rather quiet, but prices are firm. 25s to 26s is about the price for best Bilbao Rubio ore.

Our Sheffield correspondent writes:—The demand for steel material from home and overseas sources continues to increase, and makers report congested order books, while further advances in prices have taken place. Inadequate supplies of coke, pig-iron, and scrap are the dominant features of the situation, and these hamper efforts to increase production. Many overseas orders which cannot be executed in Germany are being placed in this country. The prevailing high prices, however, are checking business considerably. As regards raw and semi materials, transactions are by no means considerable. Producers for the most part have contracted for their output for the present month, and are holding their hands as regards the future. Nor are consumers prepared to buy beyond April or May at the current prices. As no one seems able to forecast the trend of business conditions a month or two hence, buyers and sellers alike have adopted an attitude of extreme caution. The extremely high figures mentioned in reports are consequently largely nominal. Usually they are quoted by makers who have nothing to sell. Derbyshire foundry iron now stands at £5 2s 6d, f.o.t., while basic pig is unobtainable. As much as £6 has been asked for it. The scarcity also affects hematite iron. Acid Siemens billets have this week been advanced £1 to £12. Soft billets are now £9 10s. Crown bar iron is advanced 10s to £12 10s. Most of the rolling mills in the country are fully booked up. Quietude still obtains in shipbuilding, engineering, iron foundry, tool, steel and various small tools. Some amount of recovery is in operation in these branches, but progress is slow. The season trade for farm and garden tools is described as moderate. Cutlery and plate makers are experiencing very quiet conditions, and a poor year seems in prospect. Reductions in the number of unemployed are reported week by week, and the total has now been reduced to 30,000. The Ruhr trouble has had the effect of sending up the prices of copper, tin, brass, and aluminium. Germany is a keen buyer of aluminium scrap. Coal trade conditions are the same as last week. More steam coal is going into consumption, and the demand expands for gas and railway fuel. The famine in coke continues.

Our Glasgow correspondent writes:—Steel and iron trade prospects are much more satisfactory than they were, or looked like, only a week ago. Concern was then keenly felt lest the high cost ruling for fuel—coal and coke—would have such a detrimental effect on the position of manufactured materials, steel especially, that the improvement in shipbuilding and engineering (which has set in and was appreciably recognised) would be nipped in its progress if it were not altogether suspended. There were authorities on the situation who went the length of concluding that steelworks would be obliged to shut down, and that employment would be as bad as it had been at any time for months past. Happily these dismal anticipations have not been realised, and conditions have moved in quite a different way. Steel and iron producers, instead of sitting down and moping, faced the situation boldly—passed their enhanced costs on to consumers, and for the first time in their experience probably, have had their measures crowned with success—that is to say, the higher rates named for coal have been met by higher rates for steel and its manufactures, and trade, instead of lagging, is steadily standing up. It is reported that while none of the steel and iron works are going full blast, they are turning out a good tonnage—in plates and sections—and that for home and foreign houses. Extensive inquiries are coming to hand from most foreign markets (including French and German), but particularly from Indian, Australian, and South American, all of which, fortunately, appear in need of tubes, pipes, locomotive engines, and railway plant of varied construction. Orders in these relations are fairly numerous, so that the position of manufacturers in these branches is better than was of late anticipated. Prices have undergone substantial change and adjustments since last week. Crown bars have been advanced by 10s a ton at £11 10s., delivered Glasgow, which is both the home and the export rate. For mild steel bars, re-rollers are asking now £11 5s per ton, delivered Glasgow, and f.o.b. Glasgow. A week ago the quotation was £10 10s a ton. The f.o.b. terms have been fixed definitely for steel for the home market:—Boiler plates, £13 per ton; ship plates, ½ in. and up, £9 15s.; angles, 17 in. and up, £9 5s.; forging blooms, £10 10s.; stray bars, £12. Prices of all materials are free in the export branch, excepting boiler plates, which are £12 10s. Further advances have also been intimated in black steel sheets, which are quoted:—Under ½ in. to ¾, £11 10s.; under ¾ in. to 1 in., £12; under 1 in. to 16 gauge, £13; under 16 to 20, £13 15s.; under 20 to 24, £14 10s.; under 24 to 27, £15 10s.; all per ton, net delivered Glasgow. The new prices reflect advances of 10s and 15s a ton, and are in keeping with the general trend of all iron and steel materials, owing to the increased costs of production. It may be noted that advances ranging from 5s to 20s a ton were intimated at the end of January, these marking the turning point after a long series of "cuts" announced from time to time since 1920. Generally the new lists of steel prices show an advance of approximately 30s per ton from the opening of the present year. Demand for coal, on French, Belgian and German orders continues very heavy, notably from the East Coast, where on the average from 60 to 100 steamers are daily waiting on cargoes. Industrial coal for export runs from 29s to 31s. Pig-iron, scrap, and other metals are scarce for prompt delivery.

Our Cardiff correspondent writes:—Conditions on the Cardiff coal market this week have been reminiscent of the boom days of 1919-20. Once the equilibrium between the supply of and demand for coal is disturbed, variations in prices become extremely irregular and altogether disproportionate to the altered relationship of supply and demand. The statistics of production and export in

South Wales during February show very little difference when compared with those in January. The output has been practically stationary, and the foreign cargo exports, although in February half-a-million tons more than in the corresponding month last year, were 200,000 tons less than in January. For March shipment, however, the collieries are oversold, and, with shipping abundant, the supply of free coals has been extremely limited. The reason for the sharp rise in prices which has taken place this week has been the concurrence of very active inquiries for prompt supplies with this extreme shortage in free coal. The market has been inundated with orders from all parts of the world. Scandinavian as well as other North Sea buyers have diverted to South Wales business which they usually place for North country coals, owing, apparently, to the failure of the Tyne and the Scottish ports to meet their demands, while Italy is also increasing her requirements as the result of the failure of Reparation deliveries. In these circumstances quotations for spot or prompt positions have been advancing by the hour. The top price for best Admiralty large a week ago was 32s 6d; some of these coals to-day are quoted at 37s 6d; second Admiralties have advanced from 32s to 35s, Monmouthshire coals from 30s to 35s, and small steams from 26s to 27s 6d. The volume of business arranged at these inflated figures, however, is very small; probably it does not represent 5 per cent. of the coal that is being shipped; but the prices for contracts up to the end of June, and even up to the end of the year, have been favourably affected. Many contracts have been arranged up to the end of June up to 32s and 33s for best Admiralty large, and up to 23s for best steam smalls, while some collieries have been able to arrange business up to the end of the year on the basis of about 30s for large and 20s for best smalls. It was hoped that this pressure of trade would facilitate a settlement of the third shift question, but negotiations have again broken down on the terms under which such a shift shall be worked, and the dispute has now been referred to the Ministry of Labour for a declaration by a Court of Inquiry under the Industrial Courts Act that the trade conditions either warrant or do not warrant the working of an extra shift. The current approximate quotations are as follows:—Best Admiralties, 35s to 37s 6d; second Admiralties, 33s to 35s; best drys, 30s to 31s; black veins, 33s to 35s; Eastern Valleys, 32s 6d to 33s 6d; Western Valleys, 33s to 35s; best bunker smalls, 25s to 27s 6d; ordinary cargo smalls, 21s to 23s 6d; anthracite big veins, 35s to 40s; anthracite machine-made cobbles, 40s to 45s; French nuts, 40s to 45s; stove nuts, 40s to 45s; rubbly culm, 14s to 14s 6d; coke for export, 80s; inland blast furnace coke at ovens, 32s 6d to 35s; patent fuel, 37s 6d to 40s; pitwood ex ship, 30s 9d to 31s. Prices are also advancing in the iron and steel trades. A week ago the minimum prices of tinplate bars were increased from £8 6s to £8 16s per ton, and in consequence of this increase and of the rise in tin the prices of tinplates have been raised to 22s 6d-43s per basis box. At these appreciated values there has been active buying both for inland and foreign consumption, and further advances are considered probable in the immediate future. The rise in the price of coal, although it has not yet appreciably affected inland prices, is having a disquieting influence on the metallurgical position.

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—March 2, 1923.

Description.	Cont.	Med.	Good Med.	Med. Fine.	Fine.	Extra Fine.	Same Period 1922.	Same Period 1921.
Sea Island.....	d	d	d	d	d	d	d	d
Florida do.....	nm	nm	nm	nm	nm	nm	nm	nm
Georgia do.....	nm	nm	nm	nm	nm	nm	nm	nm
American.....	nm	nm	nm	nm	nm	nm	nm	nm
Brazilian.....	nm	nm	nm	nm	nm	nm	nm	nm
Pernam.....	nm	nm	nm	nm	nm	nm	nm	nm
Parahyba, Rio Grande, &c.....	nm	nm	nm	nm	nm	nm	nm	nm
Maoelo, &c.....	nm	nm	nm	nm	nm	nm	nm	nm
Mossoro, &c.....	nm	nm	nm	nm	nm	nm	nm	nm
Ceara.....	nm	nm	nm	nm	nm	nm	nm	nm
Maranham, &c.....	nm	nm	nm	nm	nm	nm	nm	nm
São Paulo.....	nm	nm	nm	nm	nm	nm	nm	nm
Egyptian.....	nm	nm	nm	nm	nm	nm	nm	nm
Upper.....	nm	nm	nm	nm	nm	nm	nm	nm
Sakellariadis.....	nm	nm	nm	nm	nm	nm	nm	nm
Brown.....	nm	nm	nm	nm	nm	nm	nm	nm
Peruvian.....	nm	nm	nm	nm	nm	nm	nm	nm
Rough.....	nm	nm	nm	nm	nm	nm	nm	nm
Moderately Rough.....	nm	nm	nm	nm	nm	nm	nm	nm
Smooth.....	nm	nm	nm	nm	nm	nm	nm	nm
Tanzania.....	nm	nm	nm	nm	nm	nm	nm	nm
Mitafi.....	nm	nm	nm	nm	nm	nm	nm	nm
West Indian, &c.....	nm	nm	nm	nm	nm	nm	nm	nm
Do Sea Island.....	nm	nm	nm	nm	nm	nm	nm	nm
African, East, &c.....	nm	nm	nm	nm	nm	nm	nm	nm
Do West.....	nm	nm	nm	nm	nm	nm	nm	nm
Machine Ginned Surtee.....	nm	nm	nm	nm	nm	nm	nm	nm
Machine Ginned Broach.....	nm	nm	nm	nm	nm	nm	nm	nm
Machine Ginned Shownugger.....	nm	nm	nm	nm	nm	nm	nm	nm
Machine Ginned Omra. No. 1.....	nm	nm	nm	nm	nm	nm	nm	nm
Machine Ginned Omra. No. 2.....	nm	nm	nm	nm	nm	nm	nm	nm
Machine Ginned Khandelah.....	nm	nm	nm	nm	nm	nm	nm	nm
Machine Ginned Comptah.....	nm	nm	nm	nm	nm	nm	nm	nm
Machine Ginned Bengal.....	nm	nm	nm	nm	nm	nm	nm	nm
Machine Ginned Seinde.....	nm	nm	nm	nm	nm	nm	nm	nm
Tinnivelly.....	nm	nm	nm	nm	nm	nm	nm	nm
Madras, Western.....	nm	nm	nm	nm	nm	nm	nm	nm
Madras, Northern.....	nm	nm	nm	nm	nm	nm	nm	nm
M. G. Coconada, Red.....	nm	nm	nm	nm	nm	nm	nm	nm
China, Smyrna, &c.....	nm	nm	nm	nm	nm	nm	nm	nm

MANCHESTER March 8.

Throughout the market this week there has been no lack of inquiry, but considering the amount of business offering, the turnover has been disappointing. The fact of the matter is numerous customers are not in a position to pay to-day's prices for lots of quantity. Purchasing, therefore, has been of a hand-to-mouth character. Sentiment in the United States with regard to prices is very bullish, but numerous Lancashire traders do not hold such views. A scattered business has been done in piece goods for India, chiefly in light cloths and fancies. Inquiry for China has been fairly persistent, and moderate lines have been booked for Shanghai, Hong Kong, and the Straits Settlements. Trade advices from the Near East remain discouraging. A fair amount of buying has taken place for South America. An improvement has shown itself in the turnover in home trade fabrics, certain buyers being more prepared to place orders with makers. American yarns for home use continue stiffer in quotation, and there has been a slightly larger turnover. An increased demand has been met with in Egyptian spinnings.

(I.) Comparative Statement of the Cotton Trade.

	Price, Mar. 8, 1923.	Price, Mar. 1. 1923.	Price, Feb. 22. 1923.	Price, Feb. 15. 1923.	Price, Feb. 8. 1923.	Price, Feb. 1. 1923.
Raw Cotton—Fully Mid. American .. per lb	16.86	16.34	16.23	15.95	15.83	15.67
— Sakellariadis Fully Good Fair Egyptian .. per lb	17.75	17.40	17.50	17.50	17.65	17.65
Yarns—32's twist .. per lb	22.2	21.7	22.1	22.2	22.4	22.4
— 40's twist .. per lb	22.2	21.7	22.1	22.2	22.4	22.4
— 50's twist (Egyptian) .. per lb	28.2	28	28	28	28	28
32-in. Printers, 116 yds, 16 by 16, 32's and 50's ..	32	31	31	32	32	32
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's ..	35	34	34	34	34	34
38-in. ditto, 38 yds, 18 by 18, 10 lbs ..	19	18	18	19	19	19
38-in. ditto, 37 1/2 yds, 16 by 15, 8 1/2 lbs ..	17	17	17	18	18	18

(II.) Compared with Previous Years.

	Price, Mar. 8, 1923.	Corresponding dates in 1922.	1921.	1920.	1919.	1918.
Raw Cotton—Fully Mid. American .. per lb	16.86	10.87	7.78	29.10	16.10	24.08
— Sakellariadis Fully Good Fair Egyptian .. per lb	17.75	18.00	15.00	85.50	27.09	30.49
Yarns—32's twist .. per lb	22.2	17.4	17	62	26	41
— 40's twist .. per lb	22.2	16.2	16	57.1	26.4	41
— 50's twist (Egyptian) .. per lb	28.2	27.8	25	142	53	49.2
32-in. Printers, 116 yds, 16 by 16, 32's and 50's ..	32	28	0	37	99	0
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's ..	35	28	0	34	92	0
38-in. ditto, 38 yds, 18 by 18, 10 lbs ..	19	17	6	21	47	0
38-in. ditto, 37 1/2 yds, 16 by 15, 8 1/2 lbs ..	17	9	16	0	52	0

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—The course of trade at the Colonial wool sales in London has been very much on the lines generally expected, and so far it has had little effect on this centre. It is significant that Continental buyers are operating with comparative freedom in Coleman street, and this, combined with the general competition in the colonies, is taken to mean that users have confidence in the future of merinos. The slight ease in values recorded in the raw material market has not brought wool on to a basis at which tops can be sold at a profit. Generally speaking, it is costing about 5s to make a good 64's top without allowing any profit for the topmaker, and only in isolated cases can that price be realised to-day. Most buyers, if they have serious intentions at all, are wanting to get in at about 4s 10d; but it is doubtful if anything could be done at that price with the big firms; at least, not if a really good top was wanted. However, spinners appear to be fairly well bought ahead, and as they are not booking much new business in yarns, they are not at all anxious to press matters. The market is mainly marking time and waiting for a clearer outlook on the Continent. It is well known that in other countries wool consumption is being well maintained, with perhaps the exception of Germany, and the position in the West Riding would undoubtedly improve immediately there was any real sign of a settlement of the difficulties arising from the French occupation of the Ruhr. In the meantime, however, export trade with the Continent is being held up, and, on the other hand, the exchange is enabling French manufacturers to sell cloth in the English market at prices much below those needed by home producers.

COLONIAL WOOL. (FROM A CORRESPONDENT.)

The second series of London sales have commenced, the actual standing of the raw material being thereby revealed. Good combing merinos do not show much, if any, change compared with the close of last series, but average and shabby classes are fully 5 per cent. cheaper. This is no cause for alarm, for the position is infinitely better than it might have been. It is surprising in view of the unsatisfactory manufacturing conditions in Yorkshire to find that prices for the raw material are so well maintained.

It has been remarkable, however, during the past six months, that as one section of the trade has dropped out of the running another has stepped in, with the result that the general decline is far less serious than it might have been. This persistence of competition has been found in Australia as well as elsewhere, and it is now quite evident that the home trade is by no means the only pebble on the beach. At the recent meeting of the British Wool Federation in Bradford, the president, Mr. Walter Andrews, emphasised this aspect of the wool situation, pointing out that America and Japan are bigger wool consumers than ever, and that this year America will work up a record quantity. Japan will do the same, and if conditions had been normal on the Continent, France and Germany would have absorbed a greater quantity of wool per annum than before the war. We are convinced that the wool position is sound and healthy, notwithstanding that the home trade is in the doldrums. It has been remarked that Bradford is always either in the attic or in the cellar, and the figure of speech applies to-day with unusual force. During the past month the price of tops in Bradford has been 3d per lb cheaper than the cost of the said tops on the basis of their cost in the raw material. It is known that 4s 8d has been accepted for a by no means bad 64's, and that a fortnight ago one of the largest importing topmakers was willing to sell their average tops at 4s 9d, and warp tops at 4s 11d. This can be taken as an indication of the general tendency of the market, but it has not been possible to buy wool in any centre to bring in tops at such prices. Of course, topmakers who have their own combing plant can save at least 1 1/2d per lb in the cost of combing compared with topmakers who have to put their wool out to comb on commission, and this has enabled them to meet the market. We think that the much-talked-of serious fall is as far off as ever; in fact, it cannot be realised so long as consumption is maintained in America and on the Continent. In the one case a high tariff and in the other the low value of the currencies gives manufacturers an opportunity to secure whatever trade is offering. Cable information has been received of the withdrawal of 10 per cent. of the offerings at the last Adelaide sale, but this alone is no indication of a slump in wool market. To begin with, the total quantity was not large, and in any case could not be much better than the sweepings up of the season. Other cables report firm prices for merinos in the Colonies, and the statistical position of this class of raw material is too strong to admit of any serious decline.

There is a large quantity of crossbreds to be offered during the current series, and so far 56-58's have only declined 5 per cent., having often sold at par. Medium and coarse crossbreds have declined 5 to 7 1/2 per cent., the latter fall being seen in wools essentially suited for topmaking purposes. No one need be surprised at crossbreds declining, and we think that before the auctions terminate B.A.W.R.A. will find it in their interests to cancel the last three days of the auctions. We see no necessity for the auctions to last more than three weeks, for the trade is well supplied with heavy direct imports. The most satisfactory feature is that the aggregate consumption of crossbreds is increasing, and neither B.A.W.R.A. nor importers need rush their holdings on to the market. There is no need for crossbred values to fall any lower, for in the event of such a thing no more trade would be done in fully manufactured goods. On the other hand, steady and firm prices will be helpful to the entire textile industry.

VEGETABLE OILS AND OILSEEDS.

The feature has again been extensive buying of linseed oil on American account for March-April shipment from Hull to New York in bulk for tank steamer. Four very considerable lots, each of several hundred tons, have thus far been booked for early delivery, apart from a large business done earlier for May-August loading, and this despite a seemingly prohibitive tariff equal to £16 sterling against imported linseed oil. Reports from America would appear to indicate that there is a probability of this business continuing throughout the year, American mills, notwithstanding heavy purchases of Plate linseed, not being able to meet domestic demand for oil. A well-known linseed firm in America, in a recent advice states that the Western mills are actually short of seed, and that the Lake Erie mills were unable to secure a sufficient supply before the close of navigation to last them until spring, and can scarcely afford to receive Argentine linseed all rail from the seaboard. The unexpectedly early and heavy demand for linseed oil has, they add, therefore fallen on the Atlantic Coast plants, and they have had to contend with difficulty in securing labour, poor movement of tank cars, and severe weather.

Linseed oil in English markets, under the influence of the American situation and the fact that the consuming industries are fixing up their usual spring requirements, has been very firm, current value of spot oil, ex Hull mill, having appreciated again to over £39 per ton, and in London to £42. It is also attracting a good deal of speculative interest. The firmness of the oil product has also had the effect of maintaining prices for linseed, a fact business in Plate being reported round £18 7s 6d for seed, Red Sea and February-March shipment to Hull and London. Cakutia on passage to London has been done at £20 7s 6d.

A good demand for crude Egyptian cotton oil from the Continent has had a steady influence on the market, and prices have rapidly recovered, both of the oil and the seed, which had recently had a sharp setback. Crude soya bean oil is in good request, and rape oil is scarce and dearer on spot. Castor oil has been advanced 20s per ton for first pressure.

The new Plate crop appears to be moving off well, the shipments from January 1st to March 3rd totalling 334,400 tons, of which 94,000 tons were for the United Kingdom, 124,000 tons for the Continent, and 116,000 tons for North America. In the same period last year the shipments were 145,500 tons, of which 27,000 tons were for North America. The shipments of linseed from India in January and February were 19,750 tons to the United Kingdom and 7,800 tons to the Continent—together 27,550 tons, against 53,750 tons a year ago. Shipments of linseed (Plate and Indian) to the United Kingdom are thus 114,150 tons and to the Continent 131,800 tons, and the quantity at present afloat for the United Kingdom is 69,600 tons and for the Continent 35,800 tons. Cottonseed shipped since January 1st for the United Kingdom amounts to 67,950 tons Egyptian and 64,000 tons Indian—together 131,950 tons, against 80,320 a year ago.

HIDE, LEATHER, AND ALLIED TRADES.

(BY OUR OWN CORRESPONDENT.)

The hide market remained steady at Thursday's Bermondsey auctions, best ox hides selling from 7½d to 8½d per lb, with two classes showing a slight advance of ¼d. Seconds were as last, with the exception that heavies at 7½d advanced ¼d. Best cows sold again at 6d to 6½d. Calf were erratic, best grades making from 7d to 13½d, a few classes showing fractional reductions, and lights an advance of ½d. Wools again sold from 5s 6d to 12s 6d, and hogs from 6s to 15s each. Trade in imported hides is still depressed, and prices lean toward consumers. In frigorifics a sale of 52,000 and cow is reported to the States at slight advances. The Continent is buying saladero hides, and a sale is reported of 20,000 Liebig hides, part being consigned to Liverpool. Fray Bentos have realised 11d, c.i.f., and Colons the same figure. African hides continue very firm, and the States have bought 24,000 joburgs at 8d, c.i.f. New York. The American market is cabled this week as steady, with best heavy packers now at 20 cents.

Trade in sole leather is still slow in Bermondsey, although the Northern tanners are moving off a fair amount of bonds. Common classes are still the rule, but there are signs that manufacturers are tired of rubbish, and are gradually getting back to a better sole for their boots and shoes. There is a little export business doing with America and the Continent, and rumours of a further Russian order hanging fire, which cannot be financed. Continental sole is also making its appearance here, as the rate of exchange makes it possible to put the leather cheaper on the market than home productions. A huge quantity of sole leather was destroyed this week by a fire which broke out at the Penketh Tannery, Warrington, the damage being estimated at about £170,000.

Upper leathers are still slow of sale, and complaints are heard of the low price of German chrome calf coming here. Glacé is selling fairly well in colours, and suede is again being sampled freely for women's summer shoes.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, March 9.

SUGAR.—With a steady inquiry for spot parcels of refined, a fair trade was effected at prices showing no material alteration. Of British, Messrs Tate and Lyle's cubes, sold, 65s to 66s; granulated fine and coarse grain, 60s 10½d; No. 1, 60s 7½d; No. 2, also London, 60s 4½d; caster, 61s 6d to 62s 4½d; finest, 64s 1½d; yellow crystals, 54s 4½d. Granulated, April, 60s 6d; May, 60s 9d; June, 61s; July-August, 61s 3d. West India crystallised in small supply, and quoted 54s 6d to 55s 6d, as to sample. Imported descriptions of refined remain in small supply. American granulated, spot, quoted 59s; ditto, March, steamer, sold, 31s 6d, c.f. and i. London. Dutch granulated, spot, 59s to 59s 6d; white Java, spot, sold, 56s to 57s; May-June shipment, 27s 3d to 28s 3d; June-July, 26s 9d, and July-August, 25s to 25s 6d, c.f. and i. London. Continental parcels for shipment more or less nominal. Cuban basis 96 per cent., March, quoted 27s 3d; West India ditto, March-April, 29s; Brazilian, basis 80 per cent., March-April, 19s, all c.f. and i. terms U.K. Terminal market showed fair activity and market ruled rather irregular, but firm on balance. May delivery, sold, 29s 1½d to 30s 9d; August, 28s 7½d to 30s 3d. Cuban stock stands at 460,000 tons, against 492,000 same time last year.

COFFEE.—Spot market firm with sustained inquiries on the part of the home trade, while some of the finer descriptions are again dearer on the week. Of East India, bold sizes of Mysore, sold, 11s to 12s; peas, 12s 6d to 12s 10d; Nairobi, bold, 10s 6d to 11s 5d; peas up to 12s 10d; Costa Rica, bold, 11s to 12s; peas up to 14s 5d. Future delivery market remains steady, but slow. March, sold, 60s.

COCOA.—Actual dealings this week were confined to a small limit, but prices show no essential alteration. Accra, F/F quality, March-May, quoted 35s 9d, f.o.b. terms.

TEA.—Indian auctions produced some 34,600 packages, which elicited brisk competition at full to dearer prices. Low medium and common tended against buyers. Ceylon auctions of 19,650 packages also experienced a strong market, really fine teas being ¼d to 1d per lb dearer, and commoner kinds ¼d to ½d higher. Java and Sumatra sold well at full to dearer prices.

RICE.—Market very quiet, and general position rather nominal. Two stars Rangoon, spot, quoted 14s 6d; February-March, Continent, 13s 3d, c.f. and i. terms. Broken kinds very slow, as sellers require prices above buyers' views. More remunerative rates are obtainable in local Eastern markets. Rangoon beans, spot, quiet of sale at 8s. Beans, spot, 3s; February-March, 31s 6d, c.f. and i.

PEPPER.—Pepper was dealt in quietly, but prices remained generally

BY ORDER OF THE DIRECTORS.

NEW ISSUE OF DEBENTURE, PREFERENCE AND ORDINARY CAPITAL.

WANDSWORTH, WIMBLEDON AND EPSOM DISTRICT GAS CO.

(Incorporated by Special Act of Parliament.)

Messrs. A. & W. RICHARDS

are instructed to offer for sale by Tender

£250,000 NEW CAPITAL

COMPRISING:

£50,000 FOUR PER CENT. DEBENTURE STOCK (IRREDEEMABLE),

At the Minimum Price of £78 per £100, yielding £5 2s. 7d. per cent.,

£100,000 FIVE PER CENT. PREFERENCE STOCK (IRREDEEMABLE),

At the Minimum Price of £93 per £100, yielding £5 7s. 6d. per cent.,

£100,000 NEW ORDINARY STOCK,

Ranking equally with the existing similar Stock, now receiving

£6 2s. 6d. per cent. Dividend, and

At the Minimum Price of £95 per £100, yielding £6 9s. 0d. per cent.

The Net Revenue of the Company for the year ended on the 31st December, 1922, was

The Interest on the Loan Capital, including the

Debenture Stock now being issued, will amount to

12,278 4 0

The Dividend on the Preference Stock now offered will require

5,900 0 0

Leaving available for Dividend on the Ordinary

Stocks of the Company

£88,238 17 0

The Dividends in respect of the half year ended on the 31st

December last were paid at the following rates per cent. per annum: On the "A" Stock 8½; "B" 7½; "C" and New

Ordinary Stocks 6½; Wimbledon Stock 6½; Epsom Stock 7½.

After payment of these Dividends, and adding £4,549 9s. 5d.

to the Reserve Fund, a balance of Undivided Profit amounting

to £20,536 1s. 1d. remained to be carried forward.

The New Ordinary Stock ranks for a Standard Dividend of

3½ per cent., subject to the sliding scale, the standard price of

gas being 16½d. per therm, and the slide operating by 1s. 9d.

per cent. per annum for each variation of ¼d. per therm above

or below the standard price. The present selling price of gas is

9d. per therm.

The Company was incorporated by Special Act of Parliament

in 1912, being an amalgamation of the Wandsworth & Putney

Gas Light & Coke Company (established in 1834), the Mitcham

& Wimbledon District Gas Light Company (established in 1849),

and the Epsom & Ewell Gas Company (established in 1839).

The Statutory area of the combined undertaking now extends

to over 40 square miles, and includes Wandsworth, Putney, part

of Battersea and Streatham, the Borough of Wimbledon, Raynes

Park, Mitcham, Merton, Tooting, Morden, part of Carshalton,

part of Beddington, Epsom, Horton, Ewell, Ashted, Banstead

and other places.

The Company's mains extend to 357 miles, and the number

of consumers is 77,697.

The sales of gas for the year ended 31st December last were

13,375,519 therms, equivalent to 2,845,855,000 cubic feet.

The new Capital now being raised will be utilised in repaying

part of a loan from the Company's bankers obtained for extensions

of the works, plant, mains, etc., necessary to enable the

constantly increasing demands for gas to be met. As the loan

is already bearing interest, the new Capital will add but slightly

to the amount required for payment of interest and dividends.

The Authorised Stock Capital is £1,812,471, of which there

has been paid up (including Premiums) £1,072,993. The

Authorised Loan Capital is £906,235, of which there has been

borrowed £229,301.

Application will be made in due course to the Committee of

the Stock Exchange to allow dealings in the Stock now being

issued.

A brokerage of 5s. per cent. will be allowed on allotments

made in respect of tenders bearing the stamp of a broker.

PROSPECTUS and FORMS OF TENDER, which latter must

be sent in by 11 o'clock on THURSDAY, 22nd MARCH, may

be obtained at the COMPANY'S OFFICES and of Messrs.

A. & W. RICHARDS, 37, Walbrook, London, E.C.4.

steady. Fair black Singapore, spot, quoted 4½d; March-May, 4½d; Aleppo, spot, 4½d; Tellicherry, 4½d; Ceylon, black, 4½d; white Singapore, spot, 6½d; Muntok, ditto, 6½d; ditto March-May, 6½d. Zanzibar cloves, spot, sold, 1s 1½d; January-March, 1s 1d to 1s 0½d; March-May, 1s 0½d to 1s 0½d; flake tapioca, firm and fair, Singapore spot, sold, 3½d; fine Java, 4½d per lb; fair Singapore, March-April, Havre, sold, 34s to 34s 9d, c.f. and i. terms. Fair Penang seed tapioca, spot, sold, 27s 6d; March-April, London, 26s 9d, c.f. and i. Sago flour dull. February-April, sellers, 14s; March-May, 13s 10½d; desiccated coconut, firmer, and fine cut, spot, sold, 40s 9d; medium, 41s 3d; halves, March-April, 41s. Ginger firm, but trade rather quiet.

FRUIT.—The market for currants, though quiet, proved steady. Pyrgos, quoted 51s in bags, and quarter-cases 52s 6d; Vostizza, good to fine, 68s to 70s. Half-boxes of Valencia raisins, 30s to 34s; quarter-cases, 38s to 48s. Sultanias, also dates, sold very quietly.

JUTE. Market discloses firmer features, sellers adopting more reserve, and a steady demand was experienced from continental spinners, closing easier. First grade, February-March, Continent, sold, £32 10s to £33 and £32 10s; March-April, £33 5s to £33 10s and £32 15s; April-May, £33 10s to £34 and £33; with lightning-grade, April-May, £32 10s. Hessians and twills were quiet, but without particular change in prices.

H&M.—Manila fairly steady with moderate dealings. G grade, February-April, quoted at £38; J, ditto, sold, £36 5s; K and L quoted £35 5s; M, £34 5s. New Zealand quiet. High point, fair, spot, £34; February-April, £33. African sisal, No. 1 G.E.A., March-May, £36 15s; No. 1 Kenya, £35 15s per ton.

SHELLAC.—Spot quiet, futures firm. T.N., spot, quoted, 355s to 360s; March, 350s; and May, sold, at 330s.

COPRA.—Active and firmer on balance, but very irregular. F.M.S. Straits, February-April, to Rotterdam, sold at £29 12s 6d to £28 15s; March-May, £29 10s to £28 10s, £29, and £28 10s; April-June, £29 5s to £28 7s 6d; Ceylon, February-April, Rotterdam, quoted at £30 10s; Dutch East Indies, February-April, £28 15s; March-May, £28 12s 6d; Java, February-April, £29; Cebu, F.M.S., February-April, sold, at £28 17s 6d to £28 5s; to Marseilles, F.M. Straits, February-April, £28 12s 6d; mixed, £28 10s. Palm kernels, April-June, to Liverpool, sold at £20 15s to £20 7s 6d.

RUBBER.—Some irregularity prevailed during the week, attended by weakness, but a fair amount of business was effected. Standard crepe and sheet, spot, also March delivery, sold, 1s 5½d to 1s 4½d; April-June, 1s 5½d to 1s 4½d; July-September, 1s 6½d to 1s 5½d; October-December, 1s 6½d to 1s 6½d and 1s 5½d. To New York, standard sheet, April-May, sold, 1s 5½d; and first crepe, ditto, 1s 5½d, c.f. and i. terms. Fine hard Para, spot, 1s 4½d; soft fine, 1s 3½d; and Caucho ball, 1s 2½d per lb.

EGG PRODUCTS.—Market generally unaltered, with business more

active. Prime hen, liquid, spot, sold, 105s; April-June, 83s cwt, c.f. and i. Dried yolk, spot, 8½d; paid; hen albumen, spot, 2s 10½d per lb. OILS.—Linseed market irregular, with a generally good demand. Spot, net, naked, 41s; April, 38s 6d; May-August, 37s 1½d; September-December, 36s 3d. Rape firm. Crude, spot, 44s; refined, 47s. Cotton steady. Crude Egyptian, spot, 39s; common edible, 44s; deodorised (in barrels), 46s. China-wood steeper. Hankow, spot (barrels), 110s; March-April, 80s. Coconut firmer. Ceylon, spot, 40s; March-April, 45s; Cochin, ditto, quoted 46s 6d. Soybean firm, Oriental, barrels, March-April, 39s 6d. Japan fish steady. March-April, cases, 27s. Cod steady. English, spot, 31s. Groundnuts quiet. English crushed, naked, spot, 46s; deodorised, barrels, 53s. Turpentine irregular. American, spot, 109s 3d; March-April, 109s 6d. Rosin quiet. American, grade B, 13s 6d; F, 13s 9d; G, 13s 9d; H to I, 13s 9d; W.G., 17s 6d; W.W., 18s 9d. French, F/G, 13s 6d; W.W., 15s 6d per cwt. Petroleum steady. American standard, white, spot, 1s 1d; and water white, 1s 2d per gallon. Castor oil firmer. First pressure, spot, to June, quoted 50s; second pressure, 46s, and pharmaceutical, 55s per cwt.

OILSEEDS.—Linseed in good demand at irregular rates. Bold Bombay, afloat, quoted £21 5s; small Bombay, ditto, £20 5s; Calcutta, afloat, £20 10s; February-March, £19 15s; and April-June, sold, £19 10s to £19; Plate, afloat, £18 7s 6d to £18 12s 6d and £18 10s paid; February-March, £18 7s 6d to £18 8s 9d and £18 paid; April-May, £18 7s 6d to £17 17s 6d; Rapeseed dearer, and sparingly offered. Toria, February-March, £19; Jamba, February-March, £14 15s. Cottonseed quiet. Egyptian black, March, £11 15s; and white, sold, £10 6s to £11 2s 6d. Bombay, March-April, £9 7s 6d, sellers. Gingly-seed firm. Large, Bombay, March-April, Continent, sellers, £24 5s. Chinese, March-April, sold, £24 12s 6d to Continent. Groundnuts dearer. Coromandel, machine dried, March-April, quoted £23 10s. Chinese decorticated, f.a.q., March-April, £23 5s. Nigerian, ditto, £23 15s. Soya beans firm. Manchurian, March-April, £12 5s. Castorseed quiet, firmer. Bombay, March-April, £20 10s.

METALS.—Tin: At the opening session ruled easier in sympathy with lower advices from the East, but subsequently prices improved on a good demand for distant positions and reserved sellers. Standard, cash, sold at £208; April, £209 5s to £209; and three months, £210 10s, £209, £209 10s. Eastern cables report business on the basis of £219, c.i.f. Values further improved, though attended by slight irregularity, with dealings on a fairly liberal scale. By the middle of the week cash was dealt in at £211 15s; April, £212 5s; and three months at £213 5s. The tendency was again dearer at Thursday's market, Standard cash being sold at £212 17s 6d to £214 5s; and three months at £213 to £212 to £215 to £214 15s. The tendency was active and dearer at the final meeting, standard, cash, being dealt in at £215 10s to £218 to £217 5s, and three months at £215 to £218. English ingots, £216 10s to £217 10s,

Commercial Times.—Weekly Price Current.

The prices in the following list are revised with the assistance of an eminent firm in each department.

LONDON, FRIDAY.			DRUGS.			INDIA RUBBER.			PROVISIONS.			SPECIALS.		
0000A—Duty, British grown			Alces, fine E.L., p. ewt 100			Para, fine, hard spot			Butter—per cwt.			SINGAPORE—Pepper, lb.		
13.4d. foreign 25c. cwt. a. d.			Cape, good to fine			Plantation crepe			Do factory			Singapore, fair white		
Trinidad, per cwt.			Balam Peru . per lb						Do (factory)			Black Singapore		
Aracaca			Opium						Australian			White Siam		
Ceylon, plantation			Oamphor						Argentine			Pimento		
Guayquil			Japan, refined						Dutch			Onionseed—1st sort		
Bahia, finest			Cardamom, Ceylon						New Zealand			Do 2nd		
			Canth'rid, China prib						Danish			Chips		
			Guaiacum, Siam						Siam, mgd.—Irish			Cheese—Ligures		
			Opium, drops						Danish			Cheese—Zanzibar		
			fair to good						Canadian			Peanut		
			Do good to fine						American			Ginger, per cwt.		
			Costa Rica, ord. to mid						Hampshire			Cochin, ord.		
			Good to fine						American			Do small rough		
			Central American, gd.						Lord—Irish			Do washed		
			ord. to mid						Mar.—May			Japan		
			Mid. to fine						Perk—per 8 lbs			Jamaica, small		
			Columbian, ordinary						Beef—Frozer per lb			Mace		
			Do gd. ord. to low mid						Beef—Frozer per lb			Nutmeg, good to fine		
			Do mid. to fine						Sheese—cwt. Canadian			Small nutmeg		
									New Zealand			Oilseed—per cwt.		
									Eng. Cheddar			TALLOW—per cwt.		
									Cheshire			Good nutmeg		
									Dutch			Beef		
									Eggs, per 12—English			TAPIOCA—per lb.		
									Irish			R.I. Flake, fair, spot		
									Do 10/12			Do 1st		
									Do 12/12			Do 2nd		
									Do 14/12			Do 3rd		
									Do 16/12			Do 4th		
									Do 18/12			Do 5th		
									Do 20/12			Do 6th		
									Do 22/12			Do 7th		
									Do 24/12			Do 8th		
									Do 26/12			Do 9th		
									Do 28/12			Do 10th		
									Do 30/12					

Copper: Commenced with a quiet tone, and prices declined on selling pressure, though part of the loss was recovered on better buying orders. Standard cash sold at £73 5s; April, £74 2s 6d to £72 1s; and three months, £74 7s 6d to £73 17s 6d. Further transactions were on a lower basis, the market being depressed due to lower American cables and free selling offers, although a large turnover resulted at the lower range established. At Wednesday's meeting standard cash sold at £71 7s 6d; April, £72; and three months, £72 5s. At Thursday's session rates were firmer, and a large business occurred. Standard cash quoted at £72 7s 6d to £72 10s; three months sold at £71 17s 6d to £71 15s to £73 2s 6d. On Friday standard cash sold at £215 10s to £218 to £217 5s, and three months at £215 to £218. Electros, £80 10s to £81; best selected, £75 10s to £77 10s. Strong sheets, £104. Wire bars, £81. Lead steadier at £29 7s 6d to £29, as to position. Spelter easier at £36 15s to £36 7s 6d, as to position. Antimony steady. Ordinary brands, £27 to £29 10s. Aluminium quiet. Home trade, £100; export, £105.

TALLOW.—Messrs Colchesters and Woolner write on March 7th as follows:—The tallow market was firm during the week, and prices are 1s dearer to-day. There is still more demand for inferior than for good coloured sorts. The stock in London on February 28th, as returned by the wharves, amounted to 14,955 packages, showing a decrease during the month of 2,558 packages. At auction to-day 708 casks tallow were offered, and all were sold. Quotations are:—Australian mutton: Fine, 44s 6d; good to fair, 44s 6d to 42s 9d;

dull to dark, 39s 6d to 38s; hard, none. Australian beef: Fine, 43s; good to fair, 42s to 40s 6d; dull to dark, 38s 9d to 37s 6d; sweet, 43s 3d. Present shipment from Australasia: Mutton, fair coloured, 48 degs., 42s 6d; and mixed, 43½, c.i.f. London, 39s 9d. The market letter is dearer; tallow 1s, still, 2s. Town tallow, 37s 6d per cwt. Rough fat, per 8 lbs, 2½d; melted stuff, 28s 6d per cwt. Quotations are:—Town: 37s 3d net cash, naked, ex works. Country: Frail casks, 36s 9d; home melted, shipping casks, net, f.o.b., good coloured, 41s; fair to dull, 38s to 37s. Bone fat: White, none; pale, none; benzine, 34s 6d; melted stuff, 34s, f.o.b.

METROPOLITAN CATTLE.—MARCH 8.

British Beasts, per stone of 8 lbs to sink the offal. Sheep, per stone.			
	s	d	q
Beasts—Herefords	7	4	8
Shortfords	7	4	8
Devons	7	4	8
Norfolks	8	0	0
Scottish	7	6	8
Irish	5	6	0
Fat Cows	5	6	0
Sheep—Downs	12	2	0
Ewes	7	2	10
Crossbred	11	6	0
Scottish	nominal		
Lamb—Downs	nominal		

LONDON POTATO MARKETS.—MARCH 8.

Per Cwt.			
	s	d	q
English Arran Chief	2	6	0
" Great Scot	2	6	0
Majestic	3	0	0
King Edwards	3	0	0

BRITANNIC ASSURANCE COMPANY, LTD.

Chief Offices: BROAD STREET CORNER, BIRMINGHAM.

Chief London Offices: 44 & 46, KINGSWAY, W.C.2.

Extracts from the Directors' Report for the Year 1922.

The Directors have pleasure in presenting their Report and the Accounts which, despite the unfavourable trade conditions prevailing throughout the year, show progress of a satisfactory character.

THE TOTAL PREMIUM INCOME amounted to **£2,405,893**. **CLAIMS PAID** during the year amounted to **£968,294** making a Grand Total up to 31st December, 1922, of **£16,855,371**. **ORDINARY BRANCH.**—The Premium Income amounted to **£552,481**. The Claims paid amounted to **£260,268**.

New policies were issued assuring the sum of **£1,874,317**. **INDUSTRIAL BRANCH.**—The Premium Income amounted to **£1,850,567**. The Claims paid amounted to **£705,844**.

TOTAL INCOME AND EXPENDITURE.—The Gross Income amounted to **£2,788,943**, showing an increase of **£146,618** over the Gross Income of the previous year. The Total Outgo amounted to **£1,849,205**, leaving a balance of Income over Expenditure on the year's accounts of **£937,738**, which has been added to the Funds. **THE TOTAL FUNDS** amount to **£7,579,899**.

ANNUAL VALUATION.—The Annual Valuation has been made by the Company's Actuary. After making full provision for all policy liabilities, the resulting surplus is **£206,891**.

Ordinary Branch Policies in the Immediate Participating Class will receive a Reversionary Bonus at the increased rate of 30% per cent. for the year.

J. MURRAY LAING, F.I.A., F.F.A., Secretary and Actuary.

JNO. A. JEFFERSON, F.I.A., General Manager.

THE SEVENTH ANNUAL

SWISS SAMPLES

FAIR

Will be held at

BASLE

14th to 24th April, 1923.

For information apply to:
The Commercial Division of the Swiss Legation,
22, Queen Anne Street, W.1.

or to:
The Swiss Bank Corporation, 43, Lothbury,
E.C.3. and at Basle.

For travelling facilities apply to:
The Swiss Federal Railways, 11b, Regent
Street, S.W.1.

Or at the nearest office of:
Thos. Cook & Son.

OFFICE OF THE PHILADELPHIA COMPANY.

MEETING.

The ANNUAL MEETING of the Stockholders of the Philadelphia Company will be held at the office of the Company, No. 435, Sixth Avenue, Pittsburgh, Pa., on Monday, March 26th, 1923, at 12 o'clock M. for the purpose of electing a Board of Directors to serve for the ensuing year and for the transaction of such other business as may be required.

W. B. CARSON, Secretary.

THE STOCK EXCHANGE.

Members of the Stock Exchange are not allowed to advertise for business purposes, or to issue Circulars or Business Communications to persons other than their own Principals. Persons who advertise as Brokers or Share Dealers are not Members of the Stock Exchange, or in any way under the control of the Committee. Members issuing Contract Notes are required to use such a form as will provide that the words "Member of the Stock Exchange, London," shall immediately follow the signature. A List of Members of the Stock Exchange who are Stock and Share Brokers may be seen at the Bank of Bartholomew Lane entrance to the Bank of England, or obtained on application to EDWARD SATTERTHWAITE, Secretary to the Committee of the Stock Exchange, Committee Room, The Stock Exchange, London, E.C.2.

WESTLEY RICHARDS.

Guns. Rifles. Cartridges.
Fishing Tackle.

SEND FOR NEW LIST.

WESTLEY RICHARDS & Co., Ltd.,
23, Conduit Street, London, W.1.
24, Bennetts Hill, Birmingham.

PHILADELPHIA COMPANY.

NOTICE TO STOCKHOLDERS.

The Board of Directors of the Philadelphia Company has called a SPECIAL MEETING of its Stockholders to be held at the chief office of the Company, No. 435, Sixth Avenue, Pittsburgh, Pennsylvania, on Tuesday, May 8th, 1923, at 2 o'clock p.m., for the purpose of voting for or against an increase of indebtedness of the Company in the amount of ten million dollars above the present indebtedness. Also for the purpose of voting approval or disapproval of a proposed issue of ten million dollars principal amount of debentures to be dated March 1st, 1923, bearing five and one half per cent. interest maturing in 15 years, and to be convertible at the option of the holders into the present authorized six per cent. cumulative preferred stock of the Company on the basis of 20 shares of stock for each one thousand dollars of debentures.

Stockholders of record at the close of business on Thursday, March 8th, 1923, will be entitled to vote at the meeting.
W. B. CARSON, Secretary.
Pittsburgh, Pennsylvania, U.S.A.
February 24, 1923.

THE EASTERN BANK, LIMITED.

The Transfer Books will be closed from the 19th day of March to the 5th day of April, 1923, both days inclusive.—By Order of the Board.

R. CARTER, Secretary.
4 Crosby Square, London, E.C.3.
10th March, 1923.

BILBAO RIVER & CANTABRIAN RAILWAY CO., LTD.

Notice is hereby given that the ORDINARY GENERAL MEETING of the Company will be held at the offices of the Company, 2 Broad Street Place, Finsbury Circus, E.C.4, on FRIDAY, the 16th day of March, 1923, at 12 o'clock noon, for the purpose of transacting the ordinary business of the Company. The Transfer Books of the Company will be closed from the 9th to 16th instant, both days inclusive.—By Order of the Board.
L. H. BUCK, Secretary.

BALAGHAT GOLD MINES, LIMITED.

Capital: £154,000 in 95,400 Ten per Cent. Preference Shares and 212,600 Ordinary Shares of 10s. each.

At a Meeting of Directors held this day it was Resolved—

"That (subject to audit) a Balance Dividend for the 12 months ending 31st December, 1922, of One Shilling per Share on both Preference and Ordinary Shares be, and is hereby declared, payable on the 10th day of April, 1923, to the holders of such Shares registered in the books of the Company to-day."

"That Income Tax be deducted from the above distribution at the rate of 5s. 3d. in the £."

By Order of the Board,
W. L. BAYLEY, Secretary.

6 Queen Street Place,
London, E.C.4.
8th March, 1923.

THE Investor's Monthly Manual

(Established 1864).
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TABLE OF CONTENTS.

The Money Market	577	Letters to the Editor—	
Leading Articles—		The Approach of a Free	
Europe Still at Sea	579	Gold Market	600
When the Dollar Goes to		America's Balance of Pay-	
Par	580	ments	600
An Analysis of Railway		Books and Publications—	
Receipts	582	Two Years of Sea War	601
Is Capital Appreciation		Unemployment and Its	
Profit?	583	Remedies	601
The Statistical Position of		Books Received	601
Tin	584	Stock Exchange News—	
Industry and Public Expen-		The Stock Markets	602
diture	585	New Issues	602
Unemployment Insurance..	586	Active Securities	603
Notes of the Week—		Company Meetings	604
Liberal Reunion	587	Government Returns—	
Legal Aspects of the Ruhr		Currency Notes Account ..	607
Occupation	587	Treasury Bills and Bonds	
Irish Deportations	587	by Public Tender	608
The Cost of National		Public Income and Expen-	
Defence	588	diture	608
Overseas Trade in February	588	Bankers' Gazette—	
Coal and Iron and Steel		Bank of England	608
Output	589	Clearing Returns	609
Great Britain and Mexico..	589	Overseas Bank Returns ..	609
Central American Trade and		Loan and Discount Rates ..	611
Finance	589	Overseas Bank Rates	611
Russian Production	590	Rates of Exchange	611
Stock Exchange Committee		Indian Treasury Bills	612
Election	590	Bullion	612
The Greek External Debt..	590	Imports and Exports of Gold	
The Honduras Debt	590	and Silver Prices	612
The Prices & the Producers	591	Company News—	
Standardised Rubber Com-		Mining Output Statistics ..	613
pany Accounts	591	Transvaal Gold Output....	613
Canadian Pacific Results ..	591	Oil Outputs	613
Swiss Bank Corporation ..	591	Railway & Tramway Traffic	
Employers' Liability Assur-		Dividend Announcements ..	615
ance Corporation	592	Reports and Notices	615
Wall Paper Manufacturers	592	Analysis of Balance-Sheets	
San Francisco Mines	592	Profit and Loss Accounts ..	617
Hollinger	592	Commercial Reports—	
Transvaal Gold Output....	592	Corn Trade	617
Overseas Correspondence—		Overseas Trade Returns ..	618
Irish Free State	593	Iron and Coal Trade	619
United States	593	Cotton Trade	620
France	594	Wool Trade	620
Germany	596	Timber Trade	621
Austria	597	Vegetable Oils and Oilseeds	
Poland	598	Hide and Leather Trades ..	621
India	599	Overseas Produce Markets	
South Africa	599	Price Current	623

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THE MONEY MARKET.

THERE was no change in the monetary position, the market's supply being just sufficient, except when any extra dislocation occurred, or when any attempt was made to reduce indebtedness to the Bank of England. Discount rates, which had been hoisted up at the end of last week by the high price paid by the Treasury, eased off slightly, owing to freer purchases of bills by banks and anticipations of more plentiful money after the turn of the quarter. These expectations, however, seem only likely to be

realised if revenue comes in so slowly that the Government has to borrow largely from the Bank of England. Yesterday, after the announcement of the Treasury bill allotment, the rate for three months' bank bills was quoted very nominally at $2\frac{1}{4}$ per cent.

	Mar. 16, 1923.	Mar. 9, 1923.	Mar. 2, 1923.	Feb. 23, 1923.	Previous Rate and Date Changed.
Bank Rate	3%	3%	3%	3%	3% (Jly. 13, '22)
Banks Deposit Rate	1	1	1	1	1% (Jly. 13, '22)
Discount (Call)	1	1	1	1	1% (Jly. 13, '22)
Houses (Notice)	$1\frac{1}{2}$	$1\frac{1}{2}$	$1\frac{1}{2}$	$1\frac{1}{2}$	$1\frac{1}{2}$ (Jly. 13, '22)
Market rate (3 months' bills) ..	$2\frac{1}{4}$	$2\frac{1}{4}$	$2\frac{1}{4}$	$2\frac{1}{4}$	..

The Bank return showed a decrease of £472,000 in the note circulation, and a trifling increase in the stock of gold, leaving the Reserve £473,000 higher. Government and Other securities rose by a million and a quarter of a million respectively, and there was a decline of a quarter of a million in Public deposits, with the result that Other deposits were two millions higher. Currency notes outstanding were reduced by £116,400 to £281,039,700, which includes £1,497,500 for notes called in but not yet cancelled. The fiduciary issue is £230,092,200, or £40,091,600 below the maximum.

THE STOCK MARKETS.

The volume of stock market business this week was not very large, but continued to be well distributed over many sections, the general characteristic being steady confidence. In the gilt-edged section firmness was maintained. War Loan holds its ground, and Funding Loan made a temporary rise, the market being short of stock. In the foreign market, Honduras bonds advanced on an announcement regarding debt settlement, and Greek issues rose on the increase in interest payments. The home railway market has been dull, with business slack. Cable stocks were adversely affected by wireless developments, tobacco shares were good, the iron and steel group moved rapidly and irregularly, and the rubber share market was practically dormant. Kaffirs are again depressed by Paris selling, while base metal shares gave way after early strength. There is still a good deal of speculative interest in selected favourites.

The Stock Exchange Committee elections take place next Tuesday.

THE COMMODITY MARKETS.

There has been no abatement this week in the strength of the position of the Cardiff coal market. To quote the words of our Cardiff correspondent, "the Continent is sweeping up every ounce of coal it can find in the United Kingdom." Makers having no pig-iron for sale for early delivery, business is naturally restricted. The price of Cleveland No. 3 G.M.B. has risen to 127s 6d per ton for prompt delivery, and there is a good demand for East Coast hematite, the quotation being 122s 6d per ton. A distinctly better trade in steel is reported, and steel rails have advanced 20s per ton. Our Sheffield correspondent reports that an increasing amount of overseas orders are being booked, although the fact of prices being raised in the heavy steel trade has checked its volume. Conditions are inclined to be quiet in the Manchester cotton trade, most of the transactions being of a hand-to-mouth character. Our Bradford correspondent points out that wool continues to sell well in all the chief centres, although values have eased in the past few weeks. It is possible that Russia may export to us appreciable quantities of timber this coming season, and it is mentioned that Poland may increase its shipments, yet the prospects of cheaper timber for housing are not favourable. Other details of markets and prices from our special correspondents will be found on later pages.

FOREIGN EXCHANGES.

In the foreign exchange market, although business has again been restricted, rates have shown more decisive movements than for some little time past. New York, which on Saturday last had risen to \$4.71 $\frac{1}{2}$, had fallen quietly and steadily to \$4.68 $\frac{1}{2}$ yesterday morning. In part,

this has been due to some buying for special needs at the moment, but the main influence has been a steady pressure through the purchase of dollar securities. For the time being, at least, it would seem that sterling has reached its limit of improvement, and it is difficult to see how the rate can go higher so long as the present discrepancy continues between money rates in London and New York. At the same time, the transfer of funds which results in forming a reserve on the other side which may perhaps be relied upon to prevent any decided weakening in the rate. Forward rates at 1 to 1 $\frac{1}{2}$ cents per month over spot show no change on the week. The Paris rate moved up sharply at the end of last week on the news that the Chamber had rejected the Government's proposal for meeting the Budget deficit, and had substituted the plan of a new lottery loan. During the last few days, however, political influences have been again dominant, and the rumours of approaching negotiations with Germany have brought down the rate from 78.07 $\frac{1}{2}$ on Monday to 73.80 yesterday morning—a quotation lower than at any time since the first week of February. Movements in the immediate future will, we must assume, be regulated entirely by the political situation. Brussels has, as usual, been affected by the same influences, the rate having dropped from 90.70 on the 10th to 85.95 yesterday morning. At 8 to 9 centimes per month above spot in Paris forward rates are unchanged; in Brussels they have narrowed slightly to 2 to 3 centimes below. Berlin throughout the week has remained comparatively steady, about 97,500, and little business has been done. The market would appear to be well in official control, and, apart from unexpected political developments, another jump downwards like that which took place last week may perhaps be expected at any time. There is, however, to be taken into account the violent feeling which is being roused in Germany over cost of living, and the fear of causing unemployment may prevent the Government from continuing its policy of exchange improvement. Forward rates at 4,000 to 5,000 marks per month above spot show little change. Italy at 97, as compared with 98.68 a week ago, shows some improvement corresponding to the general slight movement against sterling. Amsterdam from 11.89 $\frac{1}{2}$ is down to 11.80 $\frac{1}{2}$. Switzerland, after being higher, is back again at 25.20, the payment two days ago of 420,000,000 gold marks by Germany on Belgian bills discounted in Switzerland having had no direct influence on the rate. Madrid shows a further slight depreciation, the rate having risen on the week from 30.31 to 30.42. All three Scandinavian countries have moved slightly against London, but Helsingfors has remained steady at about 168 $\frac{1}{2}$. In Central Europe Vienna is, as usual in these days, unchanged; Warsaw, where vigorous attempts are now being made to cope with the financial situation, is a little higher at 215,000. Prague is steady at about 158, Belgrade shows little change, Bucharest again slightly higher at 1,015. In the East the rupee, after a drop early in the week, is again rather higher, but at 1s 4 3-32d is below last week's level of 1s 4 $\frac{1}{2}$ d. The yen at 2s 0 25-32d is about 3-32d dearer than a week ago. Silver, after some quiet Chinese demand, was brought up sharply by inquiry from India in the early part of the week, but there would seem to be sufficient supplies to prevent any decided upward movement. After being considerably higher, Hong Kong and Shanghai have reacted to 2s 3 $\frac{1}{2}$ d and 3s 1 $\frac{1}{2}$ d respectively, not much above last week's levels. In South America Rio at 5 23-32d is 1-32d cheaper, while Buenos Ayres has dropped $\frac{1}{2}$ d to 43d. Montevideo at 43 $\frac{1}{2}$ d shows little change, but Valparaiso has improved 1 peseta to 35.90 pesetas.

THE NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ending March 10th:—

RECEIPTS.	Min. £	EXPENDITURE.	Min. £
From Revenue	26,783	Interest on Debt	1,347
		Supply Services	9,547
		Reduction of Debt	15,541
		Added to Exchequer Balances ..	156
		Sundries	158
	26,783		26,783

The remarkable feature about the week's accounts is the continued reduction under expenditure. Revenue at £26 $\frac{1}{2}$ millions compares poorly with the figures of £34 millions

for the corresponding week last year, but Expenditure at £11 millions is over two millions less, mainly on account of Supply Services falling from £11,932,000 to £9,546,900. Revenue continues to come in well. During the week £18 $\frac{1}{2}$ millions has been added to Income-tax, bringing this item up to a total of £336 $\frac{1}{2}$ millions, as against the estimates for the year of £329 millions. Under Special Receipts £1,200,000 came into the accounts, bringing the total up to £44 millions, which is still far short of the estimated figure of £90 millions.

The week's operations reduced the National Debt by £15,540,800, and caused the following changes:—

	Min. £		Min. £
National Savings Certificates ..	+ 450	Treasury Bills	- 17,653
4 $\frac{1}{2}$ % Treasury Bonds	+ 2,487	Funding Loan, &c.	- 284
Public Department Advances ..	+ 600	Bank of England Advances ..	- 1,500
Unemployment Insurance ..	+ 430	Sundries	- 971
	+ 3,967		- 19,508

The floating debt was reduced by £18,535,000 to £831,371,500.

FINANCIAL YEAR, 1922-23 (April 1, 1922, to March 10, 1923).

	£		£
Total spent	730,987,291	Raised by revenue ..	833,875,243
Dec. in balances	7,016,792	Net repayments	109,904,744

Total

ESTIMATES for YEAR 1922-23.

	£		£
Ordinary Expenditure	823,846,000	Ordinary Receipts ..	820,775,000
Special Expenditure	61,223,000	Special Receipts ..	90,000,000
Contingencies	25,000,000		
Total	910,069,000	Total	910,775,000
		Surplus	706,000

NATIONAL DEBT.

(Million £.)

	Aug. 1, 1914.	Mar. 31, 1916.	Mar. 31, 1917.	Dec. 31, 1918.	Mar. 31, 1919.	Mar. 31, 1920.	Mar. 31, 1921.	Mar. 31, 1922.	Dec. 31, 1922.	Mar. 10, 1923.
Funded Debt	588	318	318	315	315	315	315	315	314	314
Term Annuities	30	22	22	20	19	18	16	15	15	15
3 $\frac{1}{2}$ % War Stock	..	63	63	63	63	63	63	63	63	63
4 $\frac{1}{2}$ % War Stock	..	16	14	13	13	13	13	13	13	13
4 & 5% War Stock	2,091	2,068	2,047	2,040	1,995	1,963	2,071	2,071	2,071	2,071
National War Bonds	649	1,636	1,509	1,476	1,413	1,201	971	971	971	971
4% Funding Loan	..	..	409	409	405	401	401	401	400	400
4% Victory Bonds	..	..	360	357	348	335	335	335	335	335
3 $\frac{1}{2}$ % Conversion Loan	..	..	..	..	..	265	690	687	687	687
5-15 year Treas. Bonds	..	..	..	..	..	24	24	24	24	24
5 $\frac{1}{2}$ % Treasury Bonds	..	..	..	..	..	381	166	166	166	166
5% Treasury Bonds	..	..	..	..	..	40	40	40	40	40
Do by tender 5%	..	..	..	..	..	8	8	8	8	8
Do by tender 4 $\frac{1}{2}$ %	15	961	967	1,107	1,107	1,121	978	719	655	655
Treasury Bills	30	392	384	323	319	289	185	150	150	150
Exchequer Bonds	..	138	227	267	274	285	342	350	354	354
Natnl. Savings Certs.	..	23	..	..	..	..	..	..	..	..
War Expend. Certs.	..	944	1,241	1,306	1,181	1,132	1,087	1,071	1,071	1,071
Other Debt	..	51	51	51	51	51	51	51	51	51
American Loan	..	1	..	..	..	..	..	..	..	..
Temporary Advances	..	304	455	243	205	154	147	222	176	176
Other Capital Liabilities ..	654	5,872	7,435	8,033	7,829	7,574	7,655	7,768	7,680	7,680
	57	49	46	46	47	49	66	67	67	67
Total Liabilities	711	5,921	7,481	8,079	7,876	7,623	7,721	7,835	7,747	7,747

POSITION OF THE FLOATING DEBT.

	Mar. 11, '22.	Mar. 31, '22.	Mar. 10, '23.
Temporary Advances Out- standing	£ 1,037,731,000	£ 1,029,520,500	£ 831,371,500
Advances by Bank of England ..	118,750,000	147,301,500	176,311,500
Advances by Public Deptms ..	919,001,000	882,219,000	655,060,000
Treasury Bills outstanding ..	..	..	17,635,000
Total Floating Debt	1,037,731,000	1,029,520,500	831,371,500

EUROPE STILL AT SEA.

"They are ill discoverers that think there is no land when they can see nothing but sea."

The occasions in history are fortunately rare when the world's affairs drift into so hopeless a deadlock as that which we have witnessed in the last few weeks. Indeed, we cannot recall a case where our statesmen have been so much at their wits' end either to foresee what is going to happen or to think of any way out. The fall of the Government's majority to 48 on Tuesday after the Ruhr debate is undoubtedly to be accounted for by dissatisfaction at the position of impotence in which this country is now placed. The outlook is, however, not quite so black as the pessimists would have us believe, and it is in conditions such as the present that it is more than ever necessary to keep our sense of direction clear, and to hold on

to the assurance that we must eventually reach port. The exact scope and extent of the decisions reached in the conference between M. Poincaré and M. Theunis at Brussels remain obscure, but the communiqués indicate that the tendency has been towards moderation. On paper, at any rate, as we have often urged, there has never been insuperable difficulty in reconciling British and French views on Reparation, provided we are ready to take a sufficiently liberal view of the distribution of the spoils, and the news from Brussels gives no indication that this possibility has become more remote. The issue as between France and Great Britain on the question of sanctions, however, remains, and we have seen the French view put into practice, and almost immediately merged into the entirely different question of France's desire for security. It is, however, significant that at Brussels the French and Belgian Governments have returned to the more limited conception of the purposes of the Ruhr occupation, and now propose to evacuate the Ruhr progressively as German payments come in. This is certainly a statement of principle which it would be wrong to minimise. After the recent ventilation in the French Press of schemes for the open or veiled partition of Germany, it is a relief to see definite proposals for evacuation (however remote or contingent) put forward by the French Government.

The progressive evacuation would presumably be spread over a long period; but the dangerous possibilities of the occupation are becoming accentuated day by day, and incidents are already occurring any one of which might make "progressive evacuation" an anachronism. Once more, as in 1914, there is a current of violence setting in, which may at any moment become a torrent and sweep aside the current of reason and conciliation. Can the former be retarded or the latter accelerated before Europe is rushed into a new catastrophe?

Again, what is the relation between the official decisions taken at Brussels, in which the occupation of the Ruhr is presented as a sanction for the exaction of Reparations, and those unofficial discussions, referred to above, in which the quest for Reparations is made an opportunity for the pursuit of other aims of a much more serious kind? The French Government, whether influenced by Belgium or not, may be maintaining a "correct attitude." It may have decided, or always intended, not to go beyond the bounds of the Treaty of Versailles in its French interpretation. But what does it mean when so moderate and so Anglophil a writer as M. Philippe Millet plays with the idea of putting all Germany west of the Rhine, including the Sarre basin, under permanent international control? M. Millet is at present content that this new and permanent Rhineland Commission should have a Franco-Belgian majority, and should be given authority over the police and the railways. If he is thinking of this, many more Frenchmen must be looking forward to a Rhineland and a Ruhr completely detached from Germany, and under exclusive Franco-Belgian control. Unhappily there is little doubt that such a prospect appeals to the French nation. It is a salve (though a strange one) to their fear of what Germany may do in the future; it satisfies the instinct to repay in kind the injuries which she has inflicted on France in the immediate past; and it responds

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to more ancient territorial aspirations. During the past weeks the French Government has tolerated, if not encouraged, the instilling of these ideas into the French mind. Possibly the Government may merely have intended to arouse sufficient public enthusiasm to stand the strain of the Ruhr operations, but is the public any longer under the Government's control? And, if the Ruhr policy succeeds, will the public now allow the Government to extract nothing from it beyond legitimate Reparations? It is of the utmost importance that this should be cleared up. Lord Robert Cecil on Thursday, in addressing the Council of the League of Nations Union, welcomed the idea of a demilitarised area between France and Germany, with authority entrusted to the League of Nations to see that the terms were carried out. But this leaves German sovereignty untouched, and this point, in conjunction with an acceptable constitution for the supervising authority, makes the whole difference as to whether a special régime for these areas would be a perpetual irritant or would create a centre from which might emanate a sense of tranquillity. Is there any prospect of harmonising this idea with that which is abroad in France?

These governmental and national issues will have, of course, the closest bearing upon the future relations between the French and German "heavy industries," though this is strictly a private economic problem which would have been created anyway by the retrocession of Alsace-Lorraine to France, even if no Reparations crisis had arisen. It may be said at once that the economic cancellation of political frontiers is as desirable here as it is in the case of Upper Silesia, and that anyone who cares sincerely for the material reconstruction of Europe is bound to advocate it, so long as it is brought about on sound economic and fair political terms. Before the war, Alsace-Lorraine was more truly an integral part of economic than political Germany, and even the 1871 frontier was ceasing to be a dividing line. Briey ore was going to the Ruhr; Ruhr coke was coming to Briey; and private companies were threading their mineral lines in and out of the political boundaries. With the restoration of the lost Departments, the economic obliteration of the 1871 frontier has, of course, been completed, and the heavy industry of Alsace-Lorraine has been federated with that of France herself, though not without some long-drawn-out negotiations over the quotas to be allotted in the various selling organisations. The gain, however, has been small compared to the economic dislocation produced by the severance of Alsace-Lorraine from Germany; and Western Europe, as a whole (including the British Isles), will hardly recover her prosperity until Germany and Alsace-Lorraine have been "reintegrated" economically without destroying the new economic associations between Alsace-Lorraine and France. A business partnership between the French Comité des Forges and the German industrial magnates would not necessarily, or indeed naturally, be a menace to other countries, though any great economic force can be perverted to aggressive political ends by misguided statemanship. In itself, however, such a partnership, while certainly constituting a solid (and, in so far, economically advantageous) bloc, would not inevitably be a merely continental one. There is no reason to believe that, if such a bloc were formed on the Continent, its promoters would desire to exclude British, or indeed American, industry from participation. Indeed, the contrary is the case. Already before the war, the metal industries—particularly in the steel-rail business—were feeling their way towards world-wide co-operation, and if present political impediments could be removed, that tendency would certainly revive. The suggestion, therefore, that a settlement between Governments of the Reparations question (and the sanctions attaching to it) should be accompanied by a working agreement between the industries of the respective countries should be welcomed, provided the general character of the arrangements made are above board, and that there are sufficient safeguards that they are not allowed to degenerate into an international combine for fleecing consumers. It has, however, unfortunately to be said that all the recent political and military steps taken by France and Belgium militate against the success of such schemes. The atmosphere of violence and domina-

tion is the worst possible for initiating a vast and delicate business transaction. The more, therefore, we desire industrial co-operation between the leading Continental peoples, the more actively we must work for a political and military *détente* as the necessary preliminary to it.

Such are some of the currents that can be identified amid very great confusion, and, as we think, some of them are not without hope. Meanwhile, the Government finds its position on the fence increasingly uncomfortable. They are perhaps even more aware than the general public of the very serious danger of an unimaginable catastrophe in Europe if the situation deteriorates. Yet they hesitate to take the one step which in our opinion is incumbent upon them, and in any case must precede any intervention—namely, to state the most liberal offer we are prepared to make to France, not only as regards Reparations, but as regards security also. As public feeling here rises, such a statement will be increasingly difficult to make; but at present France only has before her a very inadequate offer—and one only put forward as the basis of a haggling bargain. We cannot expect her to welcome British help so long as she has an unsatisfactory idea of the sort of peace agreement to which Great Britain could be a party. But, at the same time, without Great Britain there can be no lasting peace. Perhaps, after all, Mr Bonar Law is the man who could show Europe in which direction the land lies.

WHEN THE DOLLAR GOES TO PAR.

A CORRESPONDENT raises in a later column some interesting speculations as to what effect will be produced upon our economic and monetary system when the dollar sterling exchange returns to par, and a free gold market is restored in this country. The questions raised may at any moment become matters of practical importance, and it is very desirable that some thought should be given to the problem. But it is in the hatching season that the prudent poultry-keeper needs most to remember the warning against counting his chickens too soon. The dollar has been standing obstinately at about 4.70 in recent weeks, and though it is in the spring that a continued appreciation of sterling is most likely to occur, the factors influencing the exchange are so complicated that it would be rash to forecast with assurance the further course of the exchange.

Mr Hoover has recently called attention to the fact that when account is taken of the invisible items in the trade account America has an adverse balance. The Harvard Economic Service estimate that in 1921 the foreign account of the United States was as follows:

	U.S. Creditor.	U.S. Debtor.
1. Exports of merchandise	4,485	.. ..
2. Exports of silver	52	.. ..
3. Exports of gold	34	.. ..
4. U.S. Government international receipts	90	.. ..
5. Foreign loans matured and paid off	255	.. ..
6. Interest on American private capital abroad	180	.. ..
7. Freight payments receivable on exports carried in American vessels	90	.. ..
1. Imports of merchandise .....	.. ..	2,509
2. Imports of silver .....	.. ..	63
3. Imports of gold .....	.. ..	691
4. Imports on U.S. paper currency .....	.. ..	100
5. U.S. Government international expenditure .....	.. ..	140
6. New foreign bond issues in this country .....	.. ..	665
7. Foreign currency bonds issued abroad and sold in U.S. .....	.. ..	100
8. Net purchases here of foreign-held American securities .....	.. ..	32
9. Other foreign investments of American capital .....	.. ..	200
10. Interest payable on foreign capital in U.S. ....	.. ..	100
11. Freight payable on imports carried in foreign vessels .....	.. ..	57
12. Immigrants' remittances and European relief ..	.. ..	500
13. Tourists' expenditures .....	.. ..	200
Totals	5,176	5,357
Net debit balance .....	.. ..	181

For 1922 the adverse balance is very much larger. We have seen no figures for the calendar year 1922, but Mr Hoover recently gave the debit balance as 750 million dollars for the fiscal year to June, 1922. This net export

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of capital, if it were being maintained, would undoubtedly tend to cheapen the dollar and to push the pound further towards parity.

There are, however, very important influences which have recently been operating in the opposite direction. In the first place, the issues of foreign securities in New York have dwindled very much since the beginning of 1922, while, on the other hand, these and other existing American securities have to some extent been taken over in London. There is no precise statistical method of tracing the movement of securities from one country to another, but there is a general impression here that a considerable part of the large issues made in New York in 1922 have been taken over by this country, and, on the other hand, there is in London the beginning of a tendency among British investors to get back into American securities disposed of during the war; and with every point nearer par this movement becomes stronger in the expectation that at par there may be a substantial movement of British capital and a rise of American stocks. These tendencies, which are offset against the figures quoted, are checking the recovery and making the last stages of the process more difficult. The payment of the American debt, though not of immediate overwhelming importance, also has a tendency to prevent a return to par. It is for these reasons that we hesitate to prophesy the future course of the exchange.

There is little doubt, however, that parity will eventually be reached, and that the questions which our correspondent raises will have to be faced. But it does not by any means follow that when parity is reached a free gold market will be re-established. Three possibilities present themselves: (a) we may leave things as they are—i.e., continue to restrict the export, but allow the free import of gold; (b) we may regulate the import as well as the export; (c) we may restore a free gold market by removing restrictions on the export of gold. The first of these is perhaps the most probable event. If we leave things as they are, as soon as the exchange reaches the upper gold point (parity plus the cost, including insurance, of transporting gold) exports from America would begin, and unless artificially checked would continue either until they balanced America's real trade account, or until the movement brought into operation other influences which would tend to balance the account. Would gold shipments have this effect under present circumstances? The answer depends upon the effect of these shipments upon discount policy, the effect of movements of Bank rate upon the movement of floating balances and upon prices, and the effect of these price movements upon the physical trade balance. So far as America is concerned, gold export would probably stiffen up the policy of the Federal Reserve Board and make them more anxious to check the present upward movement of prices. This might prove successful but is by no means certain. A more certain result would be that, owing to the higher rate of interest in America, floating balances would be attracted to New York, and thus tend to correct the balance of the account and prevent a wide movement of the exchange. The higher rate of interest in America would

also tend to check foreign borrowing there and transfer it back to London. The uncertainty of the situation arises from the want of experience as to how rapidly these influences would operate under the novel circumstances of the present day. This want of experience causes even greater uncertainty as to what would happen on this side than in America, largely owing to the fact that the delicate connection between the bullion reserve and Bank rate policy has been broken for so long. The importation of gold would tend to make money cheaper, but not in the same cumulative degree as before the war. In particular, the much more important part played by the Government in the money market and the disturbing influences of Treasury policy, particularly when large interest payments are being disbursed, make the ordinary normal reactions less automatic than they used to be. Trade conditions also are to-day such that a slight cheapening of money is a less important influence in encouraging trade expansion than the overriding effect of political chaos on the Continent and elsewhere. So far, therefore, as the effect in Great Britain is concerned, it looks as though a gold movement might continue for a considerable time before correcting the exchanges, except to the extent that the shipment itself restored the adverse balance.

As to the second possibility, if gold imports were restricted the £ sterling might go to a considerable premium, particularly if American prices continued to rise while British prices moved more slowly. This would not be welcomed by traders, and would undoubtedly be checked by psychological considerations, though the £ sterling would be by no means the first currency to be dearer than the dollar. It would, however, have the incidental advantage of cheapening the Treasury's task in repaying the American debt. Indeed, in such circumstances it would be well worth while to borrow money on this side and buy dollars, and thus convert part of the American debt into a British internal debt. As to the effect of such a premium upon trade, the effect would depend, as at present, on the relation between relative price levels and the exchange; if the rise in the dollar quotation went *pari passu* with the relative price levels in the two countries there would be no effect. If the rise in the quotation outran the upward movement of American prices it would stimulate our purchases in America, and make it more difficult for us to export either to the United States or in competition elsewhere. In other words, it would bring into operation the ordinary corrective of the exchanges when they move away from the level justified by relative price levels in two countries. It is, however, doubtful whether the cheapening of the dollar would go on at an excessive rate.

There remains the possibility of restoring a completely free market, but all the considerations that have been mentioned suggest the need for caution. International trade conditions are still very unstable, and might take such a turn that we might be faced with a substantial adverse account if the conditions produced a sudden big export of goods from Europe. It would, perhaps, therefore, be wise that freedom should not be restored until the exchange has been at or near par for some considerable

time, covering at least one period of the usual autumn drain when the trade account normally turns against us.

One important consideration is that the Bank of England has not at the moment complete control over the whole paper currency; but this could be attained by placing the currency note issue in the hands of the Bank of England. If this were done, the Bank would regain a further measure of control over the total circulation in the country, and the reserve is now so large as compared with pre-war conditions that the Bank is in a much stronger position to deal with any drain of gold which might be caused by international trading conditions. The restoration of a free market would link our prices definitely with those of America, and it might well be that it would end in some closer co-operation between the central banking systems of the two countries for endeavouring to limit the fluctuation of prices.

AN ANALYSIS OF RAILWAY RECEIPTS.

LAST week we published a brief analysis of the working expenditure of the railways of Great Britain, comparing the figures shown in the 1922 accounts with those for the year 1913, any comparison with more recent years being impossible owing to suspension of publication of the essential figures during the intervening period. It was there shown that working expenditure rose from £79½ millions to £184 millions, an increase of nearly £104½ millions, or 131 per cent. As compared with 1921, there was a decline in expenditure of £52 millions, or 28½ per cent. We now propose to examine the figures of gross receipts in comparison with 1913. Gross receipts in 1922 amounted to £228½ millions, a decline of £46½ millions, or 17 per cent., as compared with 1921, and an increase of £104 millions, or 83 per cent., as compared with 1913. The table below shows the various classes of receipts in 1913 and 1922 for the companies constituting the four groups:—

(000's omitted.)

	Passenger Trains.		Goods Trains (excluding Livestock).		Total Railway Receipts (including Livestock, &c.)		Total Gross Receipts (including other Businesses).	
	1913.	1922.	1913.	1922.	1913.	1922.	1913.	1922.
Lon., Mid., and Scottish	18,547	34,762	26,034	46,851	44,581	81,613	49,837	81,613
London and N.-Eastern	13,114	23,921	20,901	36,493	34,015	60,414	39,191	71,024
Southern	9,870	18,283	3,650	6,442	13,520	24,725	15,344	27,572
Great Western	7,901	14,741	9,290	18,403	17,191	32,144	19,675	38,523
	49,532	91,707	59,778	108,189	114,782	210,142	124,275	228,397
	..	+85%	..	+81%	..	+83%	..	+83%

Passenger train receipts, in addition to amounts received from passengers, include payments for the carriage of mails, parcels, and other merchandise by passenger trains and for excess luggage. These items constitute a considerable proportion of passenger train receipts. The North-Western, for example, had passenger train receipts in 1922 of just over £19 millions, of which £544,100 was from mails and £3,385,700 from parcels, merchandise, &c. Similarly the Great Western earned £380,000 from mails and £3,100,000 from parcels, &c., out of a total of £14½ millions. Goods train receipts as shown above include revenue from merchandise, less expenses of collection and delivery, coal, coke, and patent fuel, and other minerals; while total railway receipts include revenue from livestock (a relatively small amount in proportion to total goods receipts) and from jointly owned and jointly leased lines and miscellaneous receipts. The final column includes receipts from omnibuses, steamboats, canals, docks, harbours and wharves, hotels, refreshment rooms, &c. These items, it will be seen, brought in over £18 millions in 1922 as compared with £9½ millions in 1913. As we mentioned in last week's article, the comparison of the Great Western figures is not an absolutely true one, since the latest accounts include

figures from many of the subsidiary concerns, whereas in the 1913 total we have included only those of the constituents of the new group and none of the subsidiaries. This should be borne in mind in reading all these tables. We next compare the number of passengers carried, the receipts from passengers (season ticket holders being excluded in order to show the average fare per passenger), and the mileage run by loaded passenger trains:—

PASSENGER TRAFFIC.
(000's omitted.)

	Total Number Carried.		Receipts from Ordinary Passengers.		Average Fare per Passenger.		Coaching Train Miles (Miles Run in Relation to Receipts.)	
	1913.	1922.	1913.	1922.	1913.	1922.	1913.	1922.
London, Midland, and Scottish	341,366	329,682	13,564	23,659	0 9 50	1 5 20	82,840	76,995
London & North-Eastern	280,971	235,811	9,403	15,859	0 8 03	1 4 12	60,632	53,399
Southern	172,327	184,409	7,432	12,987	0 10 35	1 4 90	38,954	37,582
Great Western	131,849	128,639	5,952	10,266	0 10 83	1 7 15	34,364	33,554
	926,513	878,541	36,351	62,771	0 9 41	1 5 15	216,790	201,530
	..	-52%	..	+73%	..	+82%	..	-71%

The coaching train mileage shows a decline of 7 per cent., while the number of passengers has dropped by 5 per cent. The deduction to be drawn from this is either that there has been a slight increase in the ratio of short to long distance traffic, or else that there have been fewer empty spaces on the trains. The latter is the probable explanation. Passenger fares throughout 1922 were 75 per cent. higher than in 1913, whereas the average fare received per passenger shows an increase of 82 per cent. This must presumably be attributed to the curtailment of cheap facilities, such as excursions, or else to an increase in the average length of journey. The former is the more probable explanation. Excursions, cheap week-end tickets, and so on were restored to some extent last year, but were not on the same scale as in 1913. There can, however, be no certainty as to the interpretation of these figures until we are allowed to have ton mileage and passenger mileage statistics. Receipts from ordinary passenger fares show an increase of 73 per cent., while passenger train receipts went up by 85 per cent., so that there was a very much larger increase in other passenger train traffic.

The next table shows goods traffic tonnage and receipts:—

GOODS TRAFFIC.
(000's omitted.)

	Tonnage.		Receipts.		Average Receipt per Ton.		Goods Train Miles (Miles Run in Relation to Receipts.)	
	1913.	1922.	1913.	1922.	1913.	1922.	1913.	1922.
London, Midland, and Scottish	185,436	156,211	26,037	46,852	2 9 7	5 11 9	55,098	48,501
London & North-Eastern	177,487	156,670	20,804	36,500	2 3 3	4 7 9	40,865	35,325
Southern	19,184	19,612	3,649	6,443	3 9 6	6 6 7	8,161	6,377
Great Western	108,507	73,643	9,287	18,402	1 8 5	4 11 9	22,127	20,507
	490,614	406,166	59,777	108,197	2 4 94	5 3 94	126,251	110,710
	..	-172%	..	+81%	..	+121%	..	-123%

The loaded goods train mileage has decreased by 12.3 per cent., while the tonnage carried is down by 17.2 per cent.; this would be accounted for by a loss to the roads of short-distance traffic, which counts heavily in the tonnage total, but lightly in train mileage. Freight rates were reduced during the year, and it is not possible to name a general average increase over 1913. The rates have been changed at various dates and for various classes of traffic. But the lowest rates for minerals were something over 50 per cent. over the pre-war level, while the figure for general goods was about 115 per cent. up until the reduction in the summer, when the figure fell to something over 80 per cent. up. The actual increase in the average receipts per ton is considerably higher than the increase in the average rate charged to traders, owing to the loss of short-distance traffic, to which we have referred. The increase in receipts per ton, it will be observed, is considerably below the average in the case of the Southern Group. This is due to the high average in 1913, when the London and South-Western showed an average receipt of nearly 4s 1d per ton of goods carried.

In the next table we give the tonnage and receipts for the three principal classes of goods traffic:—

GOODS TRAFFIC.
(000's omitted.)

	Merchandise.		Coal, Coke, and Patent Fuel.		Other Minerals.	
	1913.	1922.	1913.	1922.	1913.	1922.
Lon., Mid., & Scottish	25,727	19,267	78,541	70,710	27,909	18,883
Tons*	13,947	25,631	8,439	15,633	3,648	5,587
London & N.-Eastern	23,602	18,503	83,669	74,088	26,670	16,392
Tons*	9,301	17,770	8,484	14,393	3,019	4,330
Southern	4,800	3,736	1,428	901	2,669	2,059
Tons*	2,346	4,021	881	1,650	423	771
Great Western	10,765	8,950	48,623	42,794	9,457	7,835
Tons*	4,176	8,572	3,795	7,194	1,319	2,637
Total	64,894	50,456	212,261	188,493	66,705	45,169
Tons*	29,770	55,994	21,599	38,870	8,409	13,325

* Originating on company's system.

The tonnage figures are those of goods originating on the company's own system, while the receipts are those from total goods carried, and it is not possible to calculate from this set of figures the average receipt per ton for the three classes of freight for the separate railway systems. For example, the coal figures for the Southern Group in 1922 indicate that the bulk of the coal carried originated on other lines. The South-Western carried 3,880,800 tons of coal, coke, &c., in 1922, for which it received £600,000, or about 3s 2d per ton. But only 118,000 tons originated on the company's own system. The figure, however, can properly be worked out for the railways as a whole, the tonnage total being free of duplication. The results are as follows:—

	1913.		1922.	
	s	d	s	d
Merchandise	9	2	22	2
Coal, coke, &c.	2	0	4	1
Other minerals	2	6	5	11

In order to illustrate the changes in the average rates on the different classes of goods traffic in different railway systems, we give in the final table the average rates received for the total tonnage carried by four of the principal companies in 1913 and 1922:—

AVERAGE RECEIPT per TON.

	Merchandise.		Coal, Coke, and Patent Fuel.		Other Minerals.	
	1913.	1922.	1913.	1922.	1913.	1922.
London and North-Western	7 7	16 5 75	5 25	2 11 00	2 15	4 8 5
Midland	7 22	16 5 52	2 3 70	4 4 09	2 1 30	3 9 77
North-Eastern	5 24	11 5 15	1 4 05	2 4 98	1 11 03	4 3 32
Great Western	6 9 9	14 5 96	1 4 82	2 9 36	2 3 63	5 2 86

The increase in coal freights is considerably less than in freights on merchandise and other minerals. The Midland rates for coal are much above the average, but this company's mileage figures suggest that there is a much longer haul in comparison, for example, with the North-Eastern. The merchandise rates show an average increase of nearly 120 per cent., other mineral rates about 112 per cent., and coal rates not much more than 90 per cent.

As we have shown at the beginning of this article, there was an increase in both gross receipts and expenditure as compared with 1913 of £104 millions, leaving net operating income of a little over £44 millions for each of the two years. But there was also an increase of over 90 per cent. in miscellaneous net income—principally rents and interest—so that there was an increase of over 6 per cent. in net income. With the distribution of the latter we hope to deal in a further article.

IS CAPITAL APPRECIATION PROFIT?

FROM 1900 to 1920 the right way of dealing with gilt-edged securities in a balance-sheet was straightforward, simple, and unpleasant. They had to be written down. Until two years ago that was the consistent annual practice of the present generation of business men, and now that we are confronted with the opposite phenomenon of rising instead of falling prices, the habits of a lifetime are deranged, and we are apt to feel that we are moving

about in a world of confusion, in which all the old standards and landmarks have disappeared. How ought an appreciation of security values to be treated in a trading or financial balance-sheet?

In the very able and interesting speech that he delivered to the policyholders of the United Kingdom Provident Institution on Tuesday, Mr Runciman dealt with the problem from the point of view of the life insurance company, balanced between the imperative requirements of sound finance and the natural desire to show profits large enough to pay good bonuses. It is a difficult subject for actuaries and life managers, who have to decide when and to what extent profits have been made through a general rise in the level of security prices, and a corresponding fall in the rate of interest. The question is akin to, but not identical with, the other question of an active investment policy—whether the managers of a life company should take a view of the market and attempt to change and select their securities in accordance with what they expect the money and stock markets to do in the future. That question was touched on by Mr Runciman, but he laid his chief emphasis on the danger of thinking a profit had been made simply because securities had risen in value.

On this point Mr Runciman, speaking as the chairman of a life office, was definite and insistent, appearing to go so far as to argue that no fixed-interest investment can ever be said to have produced a profit until it has risen in value and been sold, and re-invested to produce a larger income than it originally produced. Speaking of the position of his own company, which has naturally a very large capital appreciation in its balance-sheet, he said:—

To write up fixed-interest-bearing securities and to divide the money so obtained as bonus would mean that we were dividing capital and so reducing our income and weakening our bonus prospects for the future.

The logical conclusion to be drawn from this maxim appears to be that a fall in values must be written off because it is a real loss, but a rise in values must be neglected because it is a fictitious gain—a doctrine that will come to most business men, who regard the appreciation of their securities as the one bright spot in their firmament, as a douche of ice cold water. But how far is Mr Runciman's maxim sound?

If we consider the position of the private capitalist, the rentier who has an income derived from Government securities, lives on a part of it and re-invests the balance, there can be little question that Mr Runciman's attitude is sound. If Mr Smith, of Hampstead, is lucky enough to have a net income of £2,000 a year from War Loan and moderate enough in his tastes to live on £1,500 a year, he will be a regular investor of £500 per annum, and his chief concern will be to make the investment in such a way as to produce the largest income consistent with the best security. Is it better for Mr Smith that securities should rise or fall? Obviously, that they should fall. What he wants is not an appreciation of capital (which is, for him, a paper affair), but a big return; and a bigger return can only be got when the tendency of stock markets is downwards. When War Loan was below 90, he could get 5½ to 6 per cent. on his new investments. Now he gets less than 5 per cent., and, moreover, runs the risk of having the whole of his income reduced after 1929 if a further appreciation of values enables the Government to convert from 5 per cent. to some lower rate of interest. We have no doubt that Mr Smith, of Hampstead, has less to gain than to lose by the capital appreciation which he probably finds so delightful to contemplate.

But a trading or insurance concern is not in the same position as the private Mr Smith. Its securities are not held like his simply as a source of income. They are assets against certain liabilities which the company has undertaken, which the company, in fact, was founded and designed to undertake. Those liabilities are expressed in terms of money, and whatever happens to the rate of interest—whether 3 per cent. or 6 per cent. is the ruling fashion—the amount that the company will ultimately have to pay to be quit of its liabilities remains the same. To the final recipient of the money it will make a world

of difference whether securities are cheap or dear at the time the liability is liquidated, but to the company itself the debt is a money debt, and a constant amount. This being so, how can it be argued that a rise in the money value of securities held against an unvarying money liability does not constitute a profit to the security holder? If we isolate a single liability and a single security—say, an endowment policy for £5,000 maturing in 1924 and War Loan large enough to meet the policy on maturity—we see at once that a profit does accrue. At one time in 1920 it required over £6,000 (nominal) of 5 per cent. War Loan to produce £5,000, and the life company quite rightly wrote down the value of its War Loan to meet the depreciation, or, in other words, increased the amount of its holding to produce £5,000 in money in 1924. To-day the War Loan set aside against this policy is worth over £6,000, and unless there is a fall in values it will still be worth over £6,000 when the policy matures next year. The liability will have been discharged, and the company will have over £1,000 of cash in hand as the result of capital appreciation. This surely looks as definite and tangible a profit as could be imagined.

It is true that profit arising from appreciation may run off as easily as it accrued, and for that reason should be treated with a caution that other forms of profit do not demand. It may be advisable to treat part, or even all, of the appreciation as a reserve against falling markets; and in determining their policy the directors will be forced to take a view of the future course of money; but it seems an excess of prudence to declare that a general rise in capital values is in itself not a profit, and that in no circumstances must it be regarded as divisible. And it must always be remembered that in a mutual life office an ultra-conservative treatment of profits is equivalent to penalising this generation of policy-holders at the expense of the next or the next but one.

THE STATISTICAL POSITION OF TIN.

THE further rise in the price of tin early this week, making the net gain in the standard market well over £50 per ton since the opening of the year, and the big reduction in the United Kingdom stocks to 5,650 tons, have again drawn attention to the statistical position of this interesting metal. Tin has shown a persistent upward movement ever since the American demand began to approach pre-war dimensions, and seeing that the United States is now the largest individual consumer of the metal, it is not surprising at all to find that the heavy takings for Transatlantic consumptive needs should have led to a big wave of speculative interest on this side during the past month or two, resulting, with other causes, in excited markets and the substantial enhancement in values mentioned above. During the year 1922 the price of cash tin on the London market fluctuated between £139 and £189 per ton, and finally registered on balance a net appreciation of £12 per ton at £182 5s. The range was thus rather narrow, and seeing that the total imports of tin into the United States last year amounted to 59,468 tons, against 24,758 tons in 1921, an increase of 34,710 tons, or roughly 140 per cent., it can only be concluded that the further rapid rise seen during the last few weeks had been to some extent deferred owing to certain misapprehensions which seem to have arisen in connection with the tin held in the East under Government control.

The Eastern pooled surplus which was acquired over two years ago under an agreement made between the Federated Malay State Government and the Dutch authorities in Java in order to protect the tin-mining industry at a very critical period, originally amounted to about 16,000 tons, but roughly about one-fourth of the tin thus taken off the market consisted of Billiton and Singkep metal. This was disposed of last year, and in addition to this important clearance, certain quantities of tin smelted in the Straits from ores imported from Java were undoubtedly exported under the generic heading of "Straits" tin. This on close examination partly accounts for the abnormally heavy Straits shipments of tin during the past year, amounting to well over 64,000 tons to the European and American ports, these figures being substantially in excess of the returns issued since the year 1915, when the total came to about 1,000 tons more. In-

cluding the quantities absorbed by Far Eastern consumers, the total exports of tin from British Malaya during 1922, according to the official returns just issued, amounted to 66,257 tons, valued at about £46½ millions sterling, while the importations of ores last year aggregated 30,537 tons, valued at well over £3 millions. The equivalent in fine tin of these imported tin ores treated by the Straits smelters and exported by them as Straits metal would represent roughly 20,000 tons, apart from the tin secured from the purely native ores. The smelted output of the latter, as indicated by the usual official F.M.S. returns, have varied only a little within more recent years, and the returns for 1922 were 35,288 tons, compared with 34,400 tons in the previous year. But when the figures are compared with those issued several years back, a serious deficit is disclosed. The total for 1914 was as high as 49,000 tons, while the output for 1916 fell to below 44,000 tons. Taking the returns for 1922 as given above, and making allowance for the tin smelted from the imported ores, it is apparent that the total shipments of tin made from Malaya during 1922 to all countries represented over 66,000 tons, and this would only have been possible by taking considerable quantities out of old surplus stocks held either under control or in the smelters' hands.

This fact is absolutely incontrovertible, and is well known to the leaders of the recent bull movement. Thus it is perfectly obvious that the smelting industry is now in a much stronger position than it was a year or two ago. Evidence of this can be seen in the independent attitude adopted by the Eastern smelters early this week, when only a little tin came on offer at the high price of £226 and £231 was paid for Straits tin, March-April shipment, c.i.f. New York, and therefore the strength of tin may be said to rest now on the material reduction which has taken place in the invisible or unshipped surplus. Probably the latter is at present well over 10,000 tons less than it was a year ago, as far as the Eastern sources of the world's tin supply, including Java and China, are concerned; and this is a side of the question which mere theorists have lost sight of. There is no doubt that the surplus lying in Java was reduced to relatively small dimensions by the beginning of the present year, although the months of increased production have now been entered upon, and as far as can be gathered there is not much tin held in China either. Thus shippers are holding for higher prices; in many cases exorbitant figures are being mentioned. The Eastern surplus held by the pool may be placed at 12,000 tons, and it is obvious that the F.M.S. Government will continue to pursue a firm policy and hold the metal for equitable rates, seeing that trade conditions are particularly favourable to the satisfactory completion of the operation, both from the point of view of revenue and also the industry chiefly concerned. During the past year or so many rumours have been circulated in London and New York suggesting that the pooled holdings were going to be dispersed, even at a loss on the figure at which the tin was acquired—viz., about £220 per ton; but official denials were forthcoming on every occasion. But the aspect of the tin market is now altogether changed. The world's consumption of tin is well ahead of current production. Prices have risen considerably, and the most has presumably been made of the policy of retaining the surplus as a bull point. Some of this tin will be wanted shortly; in fact, the market must have it; thus it is now only a matter of finding the price level that will cover all costs and possibly leave a small margin to the credit of revenue account instead of a heavy loss, as had been generally apprehended when the tin market was very depressed in common with other commodities.

At first glance it seems rather curious that notwithstanding the rise of over £40 per ton since the close of 1922 there has been no material change in the visible supply of tin. At the end of February the figures were issued as 22,242 tons, which compares with 22,281 tons at the close of 1922, and 24,680 tons in 1921. Careful scrutiny of the movement of supplies from the producing sources and the deliveries into consumption during the past year and since, however, reveals certain features which fully account for the more recent market movements, although speculation has naturally played its part. There has been a very striking recovery in the consumption.

The total deliveries of statistical tin for 1922 amounted to about 92,000 tons, which compares with barely 60,000 tons in the year 1921. The total for last year was likewise substantially in excess of the returns for several years past. The increase in the home deliveries was nearly 5,000 tons, at 23,513 tons, while those to the United States totalled as much as 57,360 tons, or 31,700 tons more than in 1921. The Continental deliveries at 12,683 tons were 4,000 tons better on the year. As an indication that the improvement has been on the whole well maintained since the beginning of the present year, it may be stated that the average of the monthly deliveries all over the world so far this year at about 9,100 tons is some 1,600 tons in excess of the average for all last year. Thus given a continuance of the deliveries on the same scale as they were during the past three months, covering 27,693 tons, of which 17,580 tons were credited to the United States, the quantities to come into sight from the current production would, in order to keep pace with requirements, have to be supplemented by a considerable contribution from the controlled surplus of tin. And, of course, in the event of this happening, the market must be prepared to reckon with the price views held by the pool. This is a very important thing to bear in mind.

Even on the basis of about 8,000 tons for the average to be delivered into consumption per month for some time to come, such as has been recorded for the twelve months ended February 28th last, it is probable that competitive buying between this side and the United States would call for full requisitions being made from the surplus tin financed by the F.M.S. Government. The latter should be fully alive to the price possibilities of the metal with a full world's consumptive outlet, and there is every indication of the demand from trade users continuing at least for some time to come. There has been a very marked recovery in the tinplate industry during the last three months or so. The mills in South Wales are working close up to full capacity, and the American tinplate output promises to reach a new high record for the year. The consumption of tin in the United States, as well as other metals, is proceeding at a phenomenal rate, and it may be stated that well over 11,000 tons, or one-half of the present visible supply of tin on February 28th last, were afloat to America, the figures including 2,000 tons of spot tin and metal landing. Some years before the war the London stock was kept round about 7,000 tons, against less than 2,500 tons at present, and the market was kept under close speculative control for a considerable period round about £230 per ton. Early in 1920 there was a jump to over £400 under clever bull manipulation, but the recent rise owes less to that than it does to the continuous heavy consumption and the fact that the statistical position is thoroughly sound, thanks, of course, in some measure to the controlled surplus having been so tightly held. Proof of the underlying firmness of the market was seen on Thursday, when the greater part of the previous day's decline was recovered, and as much as £240 c.i.f. was paid for Straits tin, May-June shipment, to New York.

INDUSTRY AND PUBLIC EXPENDITURE.

SPECIAL interest attaches to the review of British industry which Sir Eric Geddes delivered in Birmingham last Tuesday to the West Midland Branch of the Federation of British Industries, for he spoke from the unique source of information which the Federation of British Industries is able to collect from its widespread ramifications. Like the President of the Board of Trade in his recent speech to the Chamber of Shipping, Sir Eric Geddes was struck by the fact that the analysis of our foreign trade, with which our readers are familiar, shows that the effect of trade depression on various groups of world markets has been similar. "As I see it, the import and export trade of this country, although below the 1913 standard, is divided among the various parts of the world in much the same proportions as it was in 1913." From this he draws the inevitable conclusion that when one part of the world suffers the rest suffers with it. Speaking in particular of

the effect of the French occupation of the Ruhr and of the question whether trade improvement can go on elsewhere while this paralysis is killing one of the most vital industrial areas of the world, he says: "This dislocation affects us far more than the direct trade between our country and the occupied section of Germany. It means that Germany, injured industrially and economically, will be unable to buy from other parts of the world, and therefore those other parts of the world will be unable to buy from us."

As regards the home trade situation, concerning which we have argued a steady and very substantial improvement throughout 1922 in Great Britain, Sir Eric Geddes confirms this diagnosis: "No organisation is better able than the Federation of British Industries—with its large and varied membership—to obtain general impressions and reports as to the progress of home trade, and, as far as we can judge, home trade has improved in roughly the same proportion as there has been improvement in our export trade. To sum up, therefore, 1922 has been a year of fairly substantial recovery, with the rate of recovery accelerating towards the end of the year." This improvement, however, is very far from bringing us back to the 1913 level of production, and, moreover, Sir Eric Geddes preceeds to point out that the problem facing this country will not be solved merely by restoring 1913 conditions. We have to support an adult male population of 1,300,000 more than in 1911, and to provide for an annual increment of 250,000 lads who reach adult age. Sir Eric then enumerates as a further difficulty facing Great Britain the problem of the American Debt, and argues that we have to see our way to producing an increased exportable surplus of 30 millions, which he describes as a formidable task. This difficulty, however, is, in our opinion, a greatly exaggerated one, for we have never seen that there need be any great difficulty in paying 30 millions a year to America on the score of our foreign trade balance. Before the war our visible and invisible exports exceeded our total imports by nearly 200 millions a year, and in a recent article in the *Economist* we showed that in 1922 this surplus had already recovered to something like 112 millions. It is true that it would be much more to the advantage of Great Britain to invest the whole of this in profitable enterprise instead of paying off debt, and it is obvious that if we use 30 millions of it every year to pay America, we shall be holders of so much the less international capital at the end of sixty years. Moreover, the raising of 30 millions is not a burden to be lightly explained away, but of all countries in the world Great Britain is best placed for converting 30 millions at home into 30 millions of foreign currency without disturbing or necessarily modifying existing trade conditions. The facts of the case as revealed in 1922, moreover, lead us to question whether Sir Eric Geddes is on quite firm ground when he argues that the burden of the Budget is so large that it is eating up the whole of the nation's savings, and leaving no margin of capital for additional employment. It is certainly possible that if we set all our workpeople to work tomorrow there might be a shortage of capital and the means for providing them with material and tools. This is a matter which it would be very difficult to prove one way or another, but it is quite clear at the present moment that with reduced production industry has not been held up during the last few months through want of capital, in spite of the fact that the Chancellor will have drawn into the Exchequer during the current year at least £900 millions.

We are, however, entirely at one with Sir Eric in emphasising the need of reducing, as far as possible, the burden of government expenditure, and leaving as large a share as possible of the margin between the national production and its consumption to be saved and made available for industry. In this connection he has sharply criticised the apparent economy of over 100 millions in the estimates for the coming year. We pointed out last week that much the greater part of this saving is really due to the completion of war payments, and not to economies in administration. In the estimates for defence, on which we comment elsewhere, large reductions are being made, and we hope still larger ones are to follow, but the expenditure on

civil administration still seems to us much larger than the country can afford, and we hope Sir Eric will get every possible support in pressing on with his demand for further economy. This seems to us a much sounder demand than the cry for reduction of taxation at any price. Lower taxes at the expense of a sound policy on the question of our huge national debt would in the long run do more harm than good.

UNEMPLOYMENT INSURANCE.

(BY OUR LABOUR CORRESPONDENT.)

As a result of the dissatisfaction prevailing in the trade union world with regard to the administration of unemployment insurance, the Joint Research Department of the Trades Union Congress General Council, and the Labour Party, was instructed to make an enquiry into the question. Its report has just been published ("The Administration of the Unemployment Insurance Acts, 33 Eccleston square, S.W. 1, 6d), and deals both with administrative defects and criticisms of legislative provisions. Its appearance synchronised with the publication of the Government's Unemployment Insurance Bill, which does little to remedy the grievances of the organised workers.

The Bill came before the House of Commons last Monday, and though the Labour Party did not press a division, the whole tenor of the speeches made from the Labour benches was severely critical. The present Government's Bill is but one of a series of Unemployment Insurance Bills, which have been brought before Parliament during the past three years. The subject has since the war been dealt with by emergency legislation, and the Bill now before Parliament is primarily designed to make provision for a further grant of "uncovenanted benefit" as from April 19th next, though it contains clauses of a more permanent character.

In view of the large volume of long-continued unemployment, it was found necessary to provide additional benefits to carry unemployed workers over a part of the period when they would otherwise have been receiving no benefit. The first object of the Bill is to prolong the fourth special period of benefit from November 2, 1922, to October 17th next. During this period of 50 weeks, according to the memorandum which prefaces the Bill, "a total of 44 weeks of benefit may be drawn, subject to the condition that when a person has received 22 weeks of benefit in the fourth special period, i.e., since the beginning of November, 1922, a gap of two weeks will occur before he becomes entitled to further benefit." What the Memorandum does not state explicitly is that, at the best, there will within the 50 weeks ending October 17th be a "gap" of a fortnight, and at the end of the period a gap of four weeks. No unemployed worker can do better than that under the Bill, and large numbers will, as a matter of fact, do worse, whilst scores of thousands of workers will probably be refused this "uncovenanted benefit" altogether.

One of the great grievances of the trade unions is the "gap." The Unemployment Insurance Act, 1922, provided that "when and so often as a person has received benefit under this section (i.e., uncovenanted benefit) in the third special period for periods amounting in the aggregate to five weeks he shall cease to be qualified for the receipt of benefit in the third special period until the expiration of five weeks from the end of the last period in respect of which benefit was payable." Once the State accepted the principle of "uncovenanted benefit" and the circumstances which rendered it necessary, there was no logical case for a five weeks' "gap." As might have been expected, grave hardship resulted, and as the Report referred to above points out, the unemployed were thrown upon the rates during the five weeks' gap. "The five weeks' gap," we are told, "sent Birmingham Guardians' expenditure up from £15,000 per week to £25,000 per week." Local authorities and trade unions vigorously protested against the "gap," and in consequence the "gap" was by the Unemployment

Insurance (No. 2) Act, 1922, reduced to one week. During the past few weeks workers in increasing numbers have been falling into "gaps," and Dr Macnamara, the ex-Minister of Labour, pleaded in the House of Commons last Monday that the fourth special period should be brought forward earlier than April 19th—a date laid down in the Bill. The Labour party pressed for closing up the "gaps" altogether.

But the "gap" system is not the only defect of the uncovenanted benefit, as the recent Labour Report shows. As the law stands at present a person may receive uncovenanted benefit if the Minister of Labour considers it expedient in the public interest that he should do so. The Minister of Labour has used this power to exclude single persons maintained wholly or chiefly by relatives, aliens (other than ex-service men and British-born wives or widows of aliens), and in certain cases short time workers. The Minister's regulations have created widespread dissatisfaction and a sense of injustice. As regards single persons in certain industries—e.g., iron and steel and cotton—it is common for fathers and sons to follow the same trade. To refuse a son benefit when his father, with whom he lives, may be out of work is clearly a hardship. One or two cases out of many may be quoted. An iron and steel worker was refused uncovenanted benefit, although his father, who was also unemployed, was only in receipt of 22s per week, out of which he had to maintain five children. The National Society of Pottery Workers supplies a case—referred to in the Labour Report—of a girl of 20 years of age who was refused benefit on the ground that her father was working. "He had been unemployed for 12 months, and had only resumed work five weeks before the claim was made. The mother was an invalid. So far from being partially dependent on her parents, the girl had been paying 15s per week towards the home expenses." In the case of aliens—many of whom have been employed a lifetime in British industries, and form the backbone of certain trades—their exclusion from uncovenanted benefit is an injustice. The Minister of Labour has issued instructions that short time workers are not to receive uncovenanted benefit unless their weekly earnings are less than 50 per cent. of their normal weekly earnings, except in the case of very low paid workers. This rule works out very unfairly. A case under this head comes from Warrington, where an iron worker was employed eight days in four weeks. He was considered to be a half-time worker, and was therefore refused benefit. In the four weeks this man received £6, or an average of 30s per week—a good deal less than half his normal earnings. If he had been totally unemployed he would have received 23s a week, as he has a wife and three children. By working two shifts a week, therefore, he receives only 7s more than if he did no work at all.

The present Bill does not propose to alter the Minister's powers in regard to uncovenanted benefit, and is being opposed by Labour on this ground. It is difficult to see how the Government can, with justice, refuse to allow uncovenanted benefit to single workers, aliens, &c., when they are compelled to pay at the present higher rate of contribution to pay off the loan to the Unemployment Fund, out of which uncovenanted benefit is being paid. These workers must in future pay contributions to make up the amount required during the slump period to pay uncovenanted benefit which they are refused, without Parliamentary sanction on the fiat of the Minister of Labour.

Another feature of the Government's Bill which has met with criticism from the Opposition benches is the proposal to alter the State's contribution to the unemployment insurance scheme. The State contribution after the end of the "deficiency period" is to be the same as in the Unemployment Insurance Act, 1920, viz., one-fourth of the joint contributions of employers and employed, instead of the present proportion of approximately one-third. Last year the Government was empowered to borrow up to a maximum of £30,000,000 in order to continue the payment of benefit. By April 19th the deficiency on the unemployment fund will be approximately £18,500,000, a sum which by April, 1924, will be increased to about £22,500,000. Workers, employers, and the State will continue to pay increased contributions (and the State its increased proportion of one-third) until the end of the

"deficiency period"—i.e., the date when the Treasury certifies that the unemployment fund is again solvent. The longer the depression continues and the heavier the loan to the fund, the longer will be the period before the fund becomes solvent. But once the deficit is wiped out the State will revert to a contribution equivalent to one-fourth of the joint contribution of employers and insured workers. It is clearly impossible to measure arithmetically the respective responsibilities of the three parties as regards unemployment; but there is no justification for the State decreasing its proportion. This proposal is intended to be permanent, and it is worth while to consider what is likely to happen if schemes of insurance by industry are extended in the future. One thing is certain: on the whole, the industries which will promote schemes of their own will be those where unemployment is, on the average, below the normal; whilst industries which remain within the State scheme will include those whose rate of unemployment would make it a serious proposition for them to run their own schemes. If that be so, then either the contributions of employers and workers will need to be raised or the proportion payable by the State increased. In other words, the arrangement proposed in the Bill is hardly likely to be permanent. One way of preparing for the day of schemes of insurance by industry would be for the State to continue to pay its present proportion, so as to assist in building up a substantial fund which will enable the State scheme to continue without an alteration of contributions pending the adoption of a more or less final national scheme.

These observations by no means cover the whole ground of the Bill. Attention may, perhaps, be drawn to one further point—a point which marks a considerable advance. The Bill amends the existing provisions relating to continuity of unemployment. The new rule proposed is that benefit shall be payable for any three days or more of unemployment occurring during any six consecutive days, not necessarily within one calendar week, as at present. This proposal will render eligible for benefit many workers, and particularly casual workers, who are at present excluded from benefit under the existing continuity of unemployment rule.

The Government's Bill is not a heroic measure. It is a piece of pedestrian legislation, useful enough in its way. A strong fight will be made to improve the Bill in Committee, but as a financial resolution has already been adopted, there can be no alteration in the proposal to modify the State contribution.

Notes of the Week.

Liberal Reunion.—The reunion of the two wings of the Liberal party is a consummation devoutly to be wished. If it does not take place, we must resign ourselves to the probability of a Parliamentary system based upon an increasing number of small groups, and this in its turn would lead to modifications of our traditional system of Cabinet responsibility. Continental countries have developed various forms of Cabinet government, some of which produce Governments including very varied elements; others evolve considerable independence of Parliament; while our own recent history has produced an abortive effort at something very like a personal dictatorship exercised through the Cabinet. But none of the departures from British tradition of which we have yet heard seem to us at all attractive, and it is because we desire to see a return to the system of government by a Cabinet united by the doctrine and practice of joint responsibility, answerable to Parliament, and kept in check by an efficient Opposition which is capable of forming an alternative Government, that we are anxious to see the revival of a strong and united Liberal party. So long as the Labour party is Socialist in theory and tied to the class interests of the trade unions in practice, it does not fill the bill; and though a three-party system has obvious disadvantages, we cannot expect to get back to two so long as the mass of the nation, which cannot find its political resting place within the narrow limitations of the Labour party, remains divided temperamentally into those

whose outlook is predominantly progressive and those whose outlook is conservative. But division in the Liberal ranks, which is clearly a great source of weakness to the party, does not appear to correspond, so far as the main body of both sections is concerned, to any real difference in present outlook; and this being so, we may rely on political pressure to bring the wings together as the memory of the last few years fades into history. In the meantime, Parliamentary manoeuvres on this question form an entertaining diversion from the more pressing and sombre political issues of the day; for they introduce certain personal considerations which are always piquant. This week Mr Lloyd George, having endeavoured to explain away his reference to combining against Labour—a cry on which it would obviously be futile to attempt to rally the more radical elements of the party—announces that conditions for reunion are (1) unity and (2) an attractive political programme. It is perhaps a consequence of Mr Lloyd George's rather distant acquaintance with abstract ideas that he still seems to imagine that "unity" is in itself a political idea which can serve to inspire and create a party. But "unity," whether it be of the brand advertised by the ex-Premier in his November speeches or that put forward this week, is not created by simple declarations that men are united. It exists or does not exist according to whether there is, in fact, unity in aim and action. A programme is a real essential which will serve to show whether there is unity of aim, and the records of debate and of the division lobby during the session will show whether there is unity of action.

Legal Aspect of the Ruhr Occupation.—In answer to the question whether the Law Officers of the Crown had given an opinion on the legality of France's action in the Ruhr, the Under-Secretary for Foreign Affairs gave so evasive an answer that many of his hearers assumed that the opinion had been taken but that it would be embarrassing to the Government to disclose what it was. But there agreement ended. Some thought that to announce that France's action was considered illegal might compel the Government unwillingly to put itself definitely in opposition to France. Others concluded that an opinion in favour of France would be embarrassing to our diplomats who have constantly claimed that the rule of unanimity and joint action is imposed by the disputed clauses, and to Sir John Bradbury, who has acted on and put this view before the Reparation Commission. Indeed, either decision would be embarrassing to the Government in its present uneasy attitude of sceptical neutrality. Such are the penalties of a policy of indecision.

Irish Deportations.—The chief Parliamentary excitement of the week has been provided by the arrest and deportation to Dublin of about 100 men and women in England and Scotland. Each day at question time the Home Secretary has been assailed with a running fire of query and criticism, mainly from the Labour benches, and on Monday Mr Jack Jones obtained leave to move the adjournment of the House. The consequent debate, in which the Government secured a majority of 108, was by no means a waste of time, for these deportations involve legal and constitutional questions of first-rate importance. They were carried out by the British authorities at the request of the Free State Government, the persons affected being under suspicion of planning outrages against law and order in the Free State. No Home Secretary could properly have refused the Free State Government's demand for their arrest. It is around the question of deportation for internment in Ireland that controversy rages. The legality of the Home Secretary's action in this respect has been called in question, but the opinions expressed in the House of Commons by Sir John Simon and the Attorney-General apparently dispose of doubts on that score, although legality rests on so slender a basis as a majority decision in the Court of Appeal in 1921, from which one judge strongly dissented. But the importance of the issues involved goes far beyond the question of mere technical legality. When the legal regulation under which the Home Secretary acted was last used the men deported to Ireland did not leave the area of control of the central Government. To-day the position is different. Ireland is

a separate Dominion, and the position, as Sir John Simon pointed out, "is exactly the same as if we were to arrest a man over in London on suspicion and, without trial, hand him over to the Dominion of Australia or to the Dominion of Canada. Nobody doubts the good faith of any of these Dominion Governments, but, none the less, to do anything of that kind would be, I think we will all agree, a gross betrayal of the liberties of ordinary people living in this country." The Irish Government apparently intends to keep the arrested people indefinitely in internment camps without trial. Meanwhile, an Advisory Committee is to be set up over here by the Home Secretary to investigate the cases of the deportees. The powers of that committee and its procedure are to be the subject of questions in the House on Monday, and possibly of another adjournment debate. In so far as the Home Secretary's action has crushed a dangerous plot against law and order in Ireland, it receives universal approval. But the liberty of the subject is so vital a question that all the circumstances of the case deserve the fullest discussion and investigation; and it is properly considered to be an essential point in English liberty that, however grave and well-founded the suspicion on which a man or woman is arrested, he or she can claim the right of a speedy trial, in which the accused can appear face to face with the accuser. This aspect of the affair is all the more important because, in so large a round up as that of last week-end, the chance of mistakes is very considerable. If any case of unjustifiable arrest can be proved, we presume that a claim for compensation would lie against the British Government. The affair may, perhaps, be summed up in this way: The arrests were proper and necessary. Deportation for indefinite internment without trial may be legal, but was indiscreet and possibly dangerous. For both the London and the Dublin Governments have put an ugly weapon into the hands of their opponents. Our Dublin correspondent, on a later page, expresses the fear that, while for the moment a serious blow has been dealt at De Valera's organisation, the affair will cause a reaction of feeling against the Free State Cabinet.

The Cost of National Defence.—The publication of the Army estimates this week completes the bill which the nation will have to meet next year for its defence services. The total net estimate for the year 1923-24 is for a sum of £52 millions, which compares with £62.3 millions last year. This reduction of £10.3 millions is not quite as satisfactory as would at first sight appear, as nearly one-third is accounted for by a fall in the terminal charges of the war from £7 millions to £3½ millions. There is, moreover, a further saving of over one million in the non-effective charges, which were abnormally high last year as a result of the special gratuities provided for the officers and men who left the Army on reduction of its establishment during the current year. The vote provides for a total strength (excluding those serving in India) of 170,800 men, or a reduction of 44,200 as compared with the year 1922-23. These figures, together with those for the Navy and Air Force, enable us to compare the present cost of defence with that of pre-war days:—

ESTIMATES OF DEFENCE SERVICES.				
(In Thousands of £'s.)				
	1913-14.	1914-15.	1922-23.	1923-24.
Army: Total vote.....	27,719	27,845	62,300	52,000
Less terminal charges of the war	..	..	7,000	3,588
Total	27,719	27,845	55,300	48,412
Navy	46,284	51,225	64,883	58,000
Air Service.....	526	1,325	10,895	12,011
Total	74,529	80,395	130,978	118,423

The figures for the Army and Navy in the years 1913-14 and 1914-15 are total estimates after the deduction of the cost of the Air Service, which was met chiefly out of the Army estimates (£501,000 in 1913-14 and £1 million in 1914-15). It should be remembered that the Navy estimates for the latter year were relatively very high on account of the large competitive building programme which was then in full swing. The most interesting conclusion to be drawn from these figures is the change in the relative cost of the different services. While the total cost of defence is 55 per cent. more than before the war,

the Army estimates this year show an increase of 87 per cent. and the Navy estimates an increase of only 19 per cent. over the average of the last two pre-war years. But the comparison is quite different when carried back to the years before the Dreadnought programme was in full swing.

	Army. £	Navy. £
1897-8	19,330,000	20,850,000
1907-8	27,115,000	31,141,000
1908-9	26,840,000	32,188,000
1909-10	27,236,000	35,807,000
1923-24	48,412,000	58,000,000

The rise in prices, wages, &c., has, of course, to be set against these increases; but the war will have been a heavy burden indeed if, in addition to pensions and debt, we are unable to get some relief from the heavy annual charge which the European competition in armaments was imposing on us before it occurred. Moreover, the situation is complicated by the rise during the war of a third service—that of the Air, which is now costing half as much as the whole British Army cost 15 years ago. And yet the figures given by the Secretary of State for Air in the House of Commons on Wednesday last show that this country is very far behind France in this respect. If any further expenditure should prove necessary for air defence, we hope that it will be provided for by the economies which would result from the establishment of a Ministry of Defence. The co-ordination of the different services which would thus be achieved would also lead to the establishment of a much more efficient defence organisation than is possible under present conditions.

Overseas Trade in February.—The Board of Trade returns for February show a drop in exports of over £9 millions from the January figure, and are £825,000 less in value than in February of last year, while imports are £16 millions less than in January and £14½ millions more than in February, 1922. As regards the comparison with January, the discrepancy in the number of the working days in the two months accounts for most of the decline. A summary of the value figures for February and the first two months of 1922 and 1923 reads as follows:—

MONTH OF FEBRUARY.				
	1922.	1923.	Increase or Decrease in February, 1923.	
	£	£	£	%
Imports	69,384,967	83,855,165	+14,470,198	+20.8
British exports	58,335,110	57,509,904	-825,206	-1.4
Re-exports	10,174,160	9,823,323	-350,837	-3.4
Total exports	68,509,270	67,333,227	-1,176,043	-1.7
Excess of imports over total exports	875,697	16,521,938	+15,646,241	..

TWO MONTHS ENDED FEBRUARY 28.				
	1922.	1923.	Increase or Decrease in 1923.	
	£	£	£	%
Imports	145,884,914	183,555,020	+36,670,106	+25.2
British exports	121,482,059	124,448,812	+2,966,753	+2.4
Re-exports	18,633,026	19,621,284	+988,258	+5.3
Total exports	140,115,085	144,070,096	+3,955,011	+2.8
Excess of imports over total exports	5,769,829	39,484,924	+33,715,095	..

In January and February of last year imports were at a low ebb, and the excess of imports over exports declined to an abnormally small figure. The balance for the past two months is only slightly in excess of last year's monthly average. In the first two months of this year imports of raw materials were £12 millions larger than in the first two months of 1922, and food imports £18½ millions higher. The increase in these two classes alone accounts for more than the whole of the rise in the two months' import excess. Coal exports in February were again very good, being 5,002,630 tons, as compared with 5,611,670 tons in January and 4,014,334 tons a year ago. Satisfactory, also, is the story of iron and steel exports, the total February export being 317,568 tons, as against 353,389 tons in the previous month and 223,616 tons a year ago. The monthly average of iron and steel exports in 1913 was 414,102 tons. A less favourable story is told by the figure for cotton manufactures. Cotton yarn exports last month at

10,881,600 lbs compare with 14,913,200 lbs a year ago and 11,367,600 lbs in January. Cotton piece goods exported last month were 342.5 million square yards, as against not quite 252 million square yards in February, 1922, and nearly 400 million square yards in January. Although it is notoriously dangerous to base deductions on the figures of a single month, especially of the short February, it would, on the whole, appear that, while a strong bracing effect has been produced on the coal and iron and steel industries, the returns suggest that the Ruhr affair may have begun in some measure to apply the brake to the wheels of general trade improvement. Bullion and specie imports and exports for February nearly balance, the former being £4,044,101, and the latter £4,196,802. Tables classifying import and export value figures under a number of heads will be found in our trade section at the end of this issue.

Coal and Iron and Steel Output.—Since the beginning of the year the average weekly output of coal from the mines of Great Britain has been well over 5½ million tons, and the latest figures show that this average is being well maintained. The total for the week ended March 3rd was 5,565,600 tons, which compares with 5,519,100 tons in the previous week and 5,038,900 tons in the corresponding week of last year. The statistics issued by the National Federation of Iron and Steel Manufacturers show that pig-iron output in February was 543,400 tons, which compares with a monthly average of 408,300 tons in 1922, of 218,000 tons in 1921, and of 855,000 tons in 1913. The output in January last was 24,500 tons greater than in February, but in the latter month average daily rate of production was about 6 per cent. higher. Furnaces in blast at the end of the month numbered 189, an increase of six during the month. Steel production in February exceeded the 1913 monthly average, amounting to 707,100 tons, the highest figure recorded since December, 1920. The January total was 634,100 tons, and the monthly average in 1922 486,000 tons, in 1921 308,600 tons, in 1920 755,600 tons, and in 1913 638,600 tons.

Great Britain and Mexico.—On Wednesday the Mexican Consul-General in London was able to tell the London Chamber of Commerce that President Obregon had established internal peace in Mexico, reduced the army from 300,000 to less than 55,000, and effected retrenchment in all departments of the administration; and that the service of the foreign debt would be resumed next month and the railroads returned shortly to the companies. He laid stress on the fact that the foreign trade of the country in 1921 was greater than in 1910—the year before the fall of President Diaz—on the enormous output of metals and petroleum, which yet is only a minute fraction of what it might be, of the great possibilities in agriculture, and of the opportunities for British trade. He estimated the total of British investments in Mexico at \$1,560 millions—much the highest figure, we believe, yet given; and he insisted on the opportunities open to British exporters to recover their former share of the trade, which has passed of late years to the United States. Better personal knowledge of the country and people is needed, and British goods, the high quality of which is fully recognised, should be advertised and pushed in Mexico. Evidently much may be done even without recognition of President Obregon's Government. Recognition (of Carranza's Government) was asked for by influential British bankers and merchants in 1918, but, though Obregon is far more firmly established, recognition now apparently awaits not only the action of the United States, but the adjustment of the claims of a British land company for expropriation (to create small holdings) and of British holders of the De Kay and National Packing Company bonds, which were issued under President Huerta, a usurper under legal forms. Mr McNeill, as Under-Secretary for Foreign Affairs, told the House on Wednesday that Great Britain desires the question of the liability of the Mexican Government for these issues to be submitted to the existing Claims Commission, and at present is not prepared to recognise President Obregon's Government by appointing a British Minister to Mexico. The British demand is entirely reasonable; unfortunately, the existing

Carranzist constitution and the policy of President Obregon's Government specially favour small holdings as against large landowners and foreign companies; it is not yet clear how far the clause prohibiting retrospective legislation is operative against foreigners who have acquired land previously common; and Huerta bonds are regarded in Mexico much as Confederate bonds are, or were, in the United States. And American investors are apparently apprehensive of what is known as "Radical legislation"—even of the type which, since the Irish Land Acts and the advent of labour insurance, has been familiar in Europe. Some of the early State constitutions, founded on the Social Contract theories of society, declare that the rights of property are antecedent to all positive law; and the belief seems deeply rooted in the American mind. The Obregon Government, however, is "Radical," and General Calles, Minister of the Interior, and named by the *Times* correspondent as the next President, is even more so than his chief.

Central American Trade and Finance.—Four Consular Reports, recently issued in one cover by the Overseas Trade Department, deal respectively with Honduras, Nicaragua, Salvador, and Guatemala. In all, development is more or less arrested by trade depression, inadequate internal communications, financial stringency, and political unrest. Honduras, indeed, has a flourishing banana traffic from its northern zone, which has been developed by American enterprise, and caused the addition last year of 132 kilometres of railroad, constructed by the plantation companies, to the 763 kilometres previously opened. Sugar is also promising; there are two large factories, one of them likely to become the largest in Central America. But there (as in the other three States) mining and the timber trade suffer from the lack of communications, and the immigration of efficient West Indian labour is officially discouraged in the interest of the natives, of whom, except in the central districts, some 90 per cent. suffer from hookworm, a scourge which the Rockefeller Foundation is combating. The southern zone has been disturbed by revolutionist raids, which the neighbouring States have undertaken to check. The interoceanic motor highway through Tegucigalpa is still unfinished, but the country is prosperous enough to contemplate a settlement with its external bondholders. In Nicaragua, coffee, the staple export, has been plentiful when prices were low, and scarce when they were high; sugar is promising, gold mining has great but unexploited prospects, and the banana trade has not yet attracted foreign capital. A railroad is surveyed, connecting Lake Nicaragua with the Atlantic. The Report suggests the improvement of the San Juan River, which was an important waterway 60 years ago. Salvador coffee is recovering its European markets in Scandinavia, Germany, and Italy; sugar and tobacco are promising, balsam superseded by other drugs. The best harbour, La Union, has been linked by rail with the capital, which has also a motor road to the port of La Libertad, and the railroad system is being connected through Santa Ana with the Guatemalan system—a very roundabout route to the Atlantic. But the condition of the public finances is serious. The Guatemalan Report is chiefly concerned with finance. The surpluses accumulated during the war in Europe have been dissipated, chiefly by President Herrera's Government, whose overthrow, apparently, has not mended matters. Foreign trade has been hampered by exchange difficulties, set up largely by a depreciating currency, and the consequent diminution of purchasing power has been intensified by drought and political disturbance. Coffee finds its chief markets in Europe, the highest qualities in Great Britain; bananas, and hereafter cattle, may come to be important exports, but only one-fourth of the cultivable land is tilled. All the Republics hope for loans from American financiers, but the terms are onerous. The Guatemalan scheme for its application was unsound, and, in Salvador and Honduras, the negotiations are hindered by the fear of American control of the revenue. Great Britain's share of the trade is passing to the United States, but the Report suggests various means by which it can be partly recovered.

Russian Production.—The March number of *Russian Information and Review* contains figures of Russia's output of various kinds in the years 1920-22, expressed as a percentage of pre-war productions:—

	1920.	1921.	1922.
Coal	26.8	30.8	36.8
Oil	41.1	42.7	51.0
Ores	1.0	1.6	2.4
Metallurgical	8.7	9.3	14.8
Electrical	11.9	20.5	37.6
Cotton	5.2	7.5	23.2
Wool	23.3	17.2	30.6
Flax	38.2	25.4	56.0
Sugar	5.9	6.7	7.4
Alcohol	2.5	4.2	3.4
Matches	16.7	20.9	17.6
Rubber	5.1	10.7	24.8

The figures show that the special efforts which have been devoted to improving coal production have had considerable effect in the last three years, but have only raised the product to 37 per cent. of normal. Production of oil and flax is the most advanced, but the metallurgical industries and sugar production are lamentably behindhand. In the former case the collapse of transport is a very grave hindrance, while sugar production has been vitally hit by the agricultural revolution, since before the war the output of sugar beet came almost entirely from the large estates, which are now broken up.

Stock Exchange Committee Election.—A Stock Exchange correspondent writes:—That a good deal of importance is attached to the Stock Exchange Committee election which will be held on Tuesday next is shown by the fact that 23 members of the present committee have circularised their fellow-members of the Stock Exchange by a manifesto marked "Private and Confidential," in which they dwell more particularly upon the question of sharing commission between brokers and bankers. This question it is which comes, of course, particularly before the House at next week's election. The letter, circulated yesterday amongst members of the House, includes the signature of the chairman, Sir Wilfrid Atlay, whose views are always regarded as sound and sane, carrying weight amongst the great majority of Stock Exchange men who regard any particular question in dispute dispassionately and impartially. Sir Wilfrid is a jobber, but he has earned the respect of the whole body of the Stock Exchange by the manner in which he has filled the office of chairman through an exceedingly difficult time, while his devotion to the work is such that it renders it exceedingly difficult for him to take any active part in his ordinary business. The letter points out that the practice of sharing commission between members of the House and the banks has existed for almost a century. The signatories declare they have satisfied themselves that all the big banks would be unanimous in resisting to the utmost of their power any interference with the custom. Reference is made to the fact that the Stock Exchange Committee approached the Bankers' Committee seven years ago, and suggested that some modification of the present division of commission might be acceptable, but this was met by a firm refusal on the part of the banks to entertain the idea. Again last year the Stock Exchange Committee were informed by the Clearing Banks that there was no change in the attitude they had taken up in 1916. Consequently these 23 signatories announce themselves as being strongly opposed to any interference with the established custom of dividing commission with banks. Such a division of commission, they declare, has brought an incalculable amount of business to the House which could not by any other means have been diverted to securities in the present Stock Exchange. It will be noticed that seven members of the present committee do not sign this manifesto, and next Tuesday's election will show in what direction the sympathies of the Stock Exchange members are pointing at a time when it is obviously a matter of weighty moment to the public, as well as to the House, that the matter of commission division should be settled amicably and permanently. There are 33 candidates for the 30 seats, two new brokers and two new jobbers having put up for election, and one

broker having retired. According to the Stock Exchange rule, every member must vote for 30 committee candidates, giving only one vote to each.

The Greek External Debt.—The Council of Foreign Bondholders is able to announce that the minimum rates of interest on the old gold loans under the Settlement of 1898 will be increased in 1923 in respect of 1922 by 42 per cent. of the original interest on the loans of Group I. and III., and 44 per cent. on those of Group II. These increases will be paid in full on the next coupon of each loan. The total interest payable on the six loans compares with that paid for the three previous years as follows (the rates in 1920 and 1921 having been identical):—

	Total 1921.	Total 1922.	Total 1923.
I. 4 per cent. 1887 Monopoly Loan	4.00	3.40	3.40
5 per cent. 1893 Funding Loan	5.00	3.70	3.70
II. 5 per cent. 1881 Loan	5.00	3.60	3.80
5 per cent. 1884 Loan	5.00	3.60	3.80
5 per cent. 1890 Piræus-Larissa Loan	5.00	3.60	3.80
III. 4 per cent. 1889 Rentes	4.00	2.88	2.96

The sinking fund is increased by 18 per cent. of the original amount in respect of each loan, as against 24 per cent. last year on the first two groups, and 26 per cent. on the 4 per cent. loan of 1889. The gross receipts from the assigned revenues which provide the "plus-values" that make these additional payments possible—viz., the monopolies and stamp and tobacco duties—amounted last year to 74,089,418 drs, against 73,493,141 drs in 1921; but the increase of 1,196,277 drs is more than counterbalanced by the fall in exchange. However, the receipts for 1922, after the deduction under the Law of Control of 18 per cent. of the "plus-values" for expenses, amounted to 66,447,322 drs, giving a "plus-value" in excess of the minimum fixed by that law of 37,547,322 drs, of which 60 per cent., or 22,528,393 drs, goes to the service of the Debt—half to the interest and half to the sinking fund. The Piræus Customs receipts also showed an increase over 1921 of 71,796,592 drs. Naturally there was no addition (as there was in 1920 and 1921) due to benefit from exchange; but the Greek Government, in spite of its financial straits, and in view of repeated protests of the bondholders' representatives against the prejudicial effect on their clients' interests of recent unauthorised issues of paper currency, has added 4,000,000 drs, which is available for increase of interest. This brings up the total to 15,264,197 drs, which produced 6,042,558f; the other half of the 60 per cent. of "plus-values," viz., 11,264,196 drs, produced 4,459,009f, which goes to the sinking fund. With the balances brought forward from 1921 and the interest saved on bonds redeemed in previous years (which goes to increase the interest of the current year), the total amount available for increase of interest is 8,141,823f, and for additional sinking fund 4,445,459f, carrying forward balances of 13,713f and 98,592f respectively. It is noteworthy that the rates of interest actually paid are higher than in any year of the world-war.

The Honduras Debt.—The negotiations for a settlement have been advanced a stage through the acceptance by the Honduras Government of part of the counter-proposal of the Council of Foreign Bondholders, viz., to pay £1,200,000 (instead of £1,000,000) in 30 annual payments of £40,000 each, to be applied to the purchase and cancellation of the bonds of all four issues alike. The question of security for these payments is still under discussion. The Council desires that they should be secured on the Customs revenue, the soundest and most usual guarantee, but the Spanish-American jealousy of possible foreign control over the native financial administration seems to be more acute than ever. Special provision was made against such control in the abortive Central American Constitution of 1921, and the fear of it has held up the settlement of the Salvador External Debt. Honduras, however, is as yet hardly strong enough to borrow without assigning special security, and must borrow soon from financiers in the United States.

Tin Prices and the Producers.—Our mining correspondent writes:—In our issue of October 21, 1922, attention was directed to the significance for tin-producing companies of the recovery in the price of the metal, and tables were given showing the monthly earnings or outputs of all the principal concerns. In the meantime, a further substantial appreciation has occurred both in tin and in the share market. At one time this week the cash quotation for the white metal touched £235, a figure which compares with an average of slightly under £160 for last year. Whether the £250 talked of in some quarters will be reached remains to be seen—such an event appears by no means unlikely. Anyhow, maintenance of the price at something above £200 per ton will enable the dredging companies operating in Malaya and Siam to make large profits. In last week's "Note" on the Gopeng Consolidated, special reference was made to the low working cost ratio—equivalent to about £36 per ton of metallic tin. This, as intimated, is exceptional; but it is obvious that even in the case of a company whose expenses are double that figure, the current price of the metal leaves a handsome margin of profit. Appended is a complete list of the companies in question which have appeared in the dividend list during the past seven years, with the rates for each year:—

	Dividends.							
	1916.	1917.	1918.	1919.	1920.	1921.	1922.	
Chenderiang	s d	s d	s d	s d	s d	s d	s d	
Deebook Tin Dredging	1 9	2 0	1 0	2 0	2 0	2 6	1 0	
Gopeng Consolidated	2 7	2 1	3 8	4 0	4 0	3 0	3 0	
Idrie Hydraulic	1 0	1 0	1 0	0 6	4 0	0 6	..	
Ipoh Tin Dredging (16s shares)	1 0	1 0	2 0	1 0	2 0	..	..	
Kramat Pulai	1 6	3 6	3 0	5 0	4 0	3 0	2 0	
Kinta Tin Mines	2 6	3 0	4 0	5 0	5 0	1 0	2 0	
Kamunting Tin	2 0	1 0	1 0	1 0	2 0	..	..	
Lahat Mines	1 0	2 6	4 0	2 0	3 0	..	0 6	
Malayan Tin	5 0	4 0	5 0	6 0	4 0	..	..	
Mawchi Mines	..	1 0	1 0	1 0	..	..	..	
Pusing Rubber and Tin (2s)	..	..	..	10%	..	..	..	
Pahang Cons. (5s), Ord.	0 9	1 0	1 0	0 9	1 0	..	..	
Do Prof. (£1)	2 4	3 0	3 0	2 4	3 0	1 4	1 4	
Pengkalan	0 6	0 6	1 0	0 6	1 0	..	..	
Do Prof.	2 6	2 6	3 0	2 6	3 0	1 0	1 0	
Rambutan	2 4	2 8	2 8	2 8	3 0	2 0	2 8	
Renong Tin	2 6	6 0	6 0	5 0	3 0	..	..	
Do 15% Prof.	7 6	3 0	3 0	3 0	3 0	3 0	3 0	
Siamese Tin Syndicate	6 0	5 0	5 0	5 0	7 0	2 0	1 0	
Sungei Besi	1 0	2 0	3 0	2 0	4 0	..	..	
Tekka	5 9	7 6	10 0	7 0	4 0	0 9	0 9	
Tekka Taiping	4 0	4 0	4 0	4 0	1 0	1 0	..	
Tongkah Harbour	7 0	7 0	13 0	9 0	9 0	2 0	..	
Tronoh Mines	4 0	5 0	11 0	6 0	2 0	..	1 0	

* Return of capital.

The following dividends have since been declared:—Gopeng, 9d in January; Renong, 1s 6d on preference in January; Siamese, 2s in February; Tekka-Taiping, 3d in March; Sungei Besi and Tronoh, 1s each this week; Tongkah, 2s in January; Dee-book, further refund of 6d in March. Ipoh is due to start up another dredge shortly; the Malayan is now operating with five dredges, and is arranging for the installation of a sixth more powerful than any of the others. Kamunting is now running two dredges; a third is expected to be completed in June and a fourth in September. The Pahang—alone—secures the bulk of its yield from lode mining. The Siamese Tin Syndicate is a finance as well as a mining enterprise; the flotation of further subsidiaries is looked for if conditions continue favourable. The Tronoh holds a controlling interest in the Sungei Besi. As regards undertakings not included in the tabulation, the Southern Perak, which started dredging in September last, should make a maiden distribution before long; the Bangrin is expected to start its dredge next month.

Standardised Rubber Company Accounts.—We have received from the committee of the Rubber Shareholders' Association some interesting particulars relating to proposals of standardised accounts for rubber planting companies. It is quite correctly pointed out that most people will agree that comparison of the results achieved by various companies are often vitiated by the great divergence in the forms of balance-sheets, profit and loss accounts, &c., while more especially to be deprecated is the practice adopted by some companies of presenting accounts in such a bald and meagre shape that very little meaning attaches to them. In this connection the committee lays down the following fundamental postulates:—(1) The object of all bookkeeping should be the providing

of a true and complete statement of affairs as at any given date; (2) the owners of a business are entitled to the information provided by correct bookkeeping; and (3) in the case of a joint-stock company the owners of the business are the shareholders. After pointing out certain objections which might be reasonably raised against giving certain information calculated to damage a company in the competitive struggle, it is stated that in regard to rubber-planting companies such cases are extremely rare. The committee provides a form of balance-sheet and profit and loss account which is approved by a very eminent firm of accountants, and they conclude by mentioning that the proposed form of accounts is not necessarily perfect, but they contend that this is eminently one of the questions where open discussion may result in throwing new and valuable light upon the whole subject. The really important points to consider, they state, are:—(1) Is a standardised form of accounts desirable? (2) Is it practicable? (3) If there are any objections to the proposal, are those objections based upon the interests of the shareholders, or upon the convenience of other persons? The committee will welcome a free expression of opinion from everybody interested in this subject, and especially invite constructive criticism. We certainly consider this a step in the right direction, and look forward to the time when most of our important industries will possess standardised forms of accounts.

Canadian Pacific Results.—The London office of the Canadian Pacific Railway Company has received a cable from Montreal giving the preliminary results of the line for 1922. These compare with those of the three previous years as follows:—

	1919.	1920.	1921.	1922.
Gross earnings—railways	\$ 176,929,060	\$ 216,641,349	\$ 193,021,854	\$ 186,675,036
and lake steamers	143,996,024	183,488,305	158,820,114	150,373,345
Working expenses	32,933,036	33,153,044	34,201,740	36,301,691
Net earnings	10,161,510	10,775,409	11,519,072	13,348,906
Fixed charges	22,771,526	22,377,635	22,682,668	22,952,785
Surplus	500,000	500,000	500,000	500,000
To pension fund	22,271,526	21,877,635	22,182,668	24,452,785
Net revenue				

The decline in gross earnings was more than balanced by the reduction in working expenditure, net earnings being more than two million dollars higher than in 1921. Fixed charges show a further increase, but the balance available for dividends is still nearly \$300,000 higher than a year ago. After payment of all dividends for the year, the surplus from earnings of the railway and lake steamers is \$1,025,509, as compared with \$755,400 for 1921, \$450,359 for 1920, and \$844,250 for 1919. The special income for the year, after making allowances for contingent reserves, is \$11,092,355, as compared with \$10,987,199, \$10,966,448 and \$9,049,42 for 1921, 1920 and 1919 respectively.

Swiss Bank Corporation.—The report of the Swiss Bank Corporation for the year 1922 shows net profits, converting the franc at 25 to the £, of £421,100, which compares with £462,000 for 1921 and £469,700 for 1920. The dividend is at the rate of 8 per cent., as against 9 per cent. in the three previous years. Deposit and current accounts stand at £32,280,100, as compared with £34,802,500 a year ago. The directors remark that as a result of the greatly diminished demand for money for trade and industrial purposes the bank had unusually large cash balances during the year, and the impossibility of finding employment for the large liquid resources necessitated recourse to short-term Government securities. Investments stand at £3,703,000, of which about £500,000 are Swiss and £2,160,000 British Government bonds. The report adds that in Switzerland the depression in trade and industry continued in 1922. Exporting industries, in particular, suffered from the high costs of production, import restrictions, and high tariffs abroad. Unemployment has been met to a certain extent by subsidies, which tell, and will tell for a long time to come, on the resources of the State, the Cantons, and the Municipalities. There was little demand for capital for commercial purposes, and the

private rate of discount has ruled at 1 per cent., and even lower, with the result that there has been an appreciable rise in State and other public securities.

Employers' Liability Assurance Corporation.—An alteration in the form of the annual accounts, itself an improvement in detail, makes exact comparison with previous years rather difficult. In 1922 the total premiums were £4,838,605, as compared with £5,568,328 in 1921, a decrease of £729,723. So large a part of the company's business consists of workmen's compensation business, in this country and America, at premiums based on wages bills, that depression in trade, reduced wages, and unemployment directly affect the premium income. The premiums in the general account (which includes employers' liability business out of the United Kingdom) were £4,143,439, the claims £2,661,650 (64.2 per cent.), and the expenses £1,350,550 (32.6 per cent.). After allowing for the decrease in the necessary reserve for unexpired risks, the surplus carried to profit and loss was £363,763. From the fire account £49,073 was transferred to profit and loss, and from the accident account (including employers' liability business within the United Kingdom) was £33,714. The total surpluses were thus £446,550, against £718,446 in 1921. Interest receipts were £303,772, against £291,897, and dividends paid or provided £287,818, as for 1921. Taxes cost £354,552 last year, as compared with £521,694. The investments, after writing down, stand in the books at £7,385,175, and are stated to have appreciated by £255,023 since December 31, 1921. The total depreciation in December last was £16,344. The investment reserve stood a year ago at £271,367; in view of the appreciation that has since occurred, the directors have applied £200,000 from this reserve to writing down the shares of the associated companies. After providing for the dividend as above, the general reserve was increased by £75,321 to £2,820,111. The accounts of the Employers' Liability do not include those of the Merchants' Marine and the Clerical, Medical, and General Life Office, which have been issued separately, and dealt with in these columns.

Wall Paper Manufacturers.—Outstanding taxation matters having been settled, the directors of the Wall Paper Manufacturers, Limited, are now able to present accounts for the year ended August 31, 1922. It may be recalled that for the previous year a deficit, after making provision for depreciation, was revealed amounting to £878,610. For after crediting the balance of £181,054 brought forward from 1920, making transfers from reserves, but deducting interest on debenture stock and interim dividend on preference shares, a debit balance of £557,203 resulted. This debit balance has since been reduced by "bringing back reserves for taxation which are no longer required" to £107,302. During the past year the fortunes of the company have changed. A profit is now shown of £701,958, and after deducting the debit balance of £107,302, a balance is shown of £594,656. Ordinary shareholders now obtain 10 per cent., while deferred shareholders take 5 per cent. The reserve fund gets £100,000, leaving £114,697 to be carried forward. Since this is partly a holding company, it is somewhat difficult to deduce from the balance-sheet an exact idea of the position of affairs. The main item is capital expenditure on land, building and plant, and goodwill. This amounts to £3,428,464. Investments include shares in subsidiary companies. These have increased during the year from £700,609 to £1,192,781. Stock-in-trade, which fell so heavily a year ago, is again down—this time by £211,579—at £956,236. The company's claim in respect of the German business is, it is stated, still in the hands of the Mixed Arbitral Tribunal, and a date for the hearing has not yet been fixed.

San Francisco Mines.—At Thursday's annual meeting more than one speaker quoted the description "romance" applied to the history of this undertaking in our recent "Note." Sir Henry Strakosch, who has long been identified with the enterprise, remarked that the romance was one in which hard, patient, and persistent work was

at length enjoying its reward. From the chairman's statement of the financial position, it appears that the whole of the loan and all but £50,000 of the debenture indebtedness have now been cleared off, and after the end of March the profits will be available for dividends. No definite intimation was given as to when these would be commenced, or what the rate was likely to be, but it was made clear that in the profits so far declared very little credit has been taken for the proceeds of the zinc concentrates, the shipment of which was commenced in November. Inquiring shareholders were recommended to figure out the dividend prospects for themselves. It would look as though 50 per cent. is by no means an ultra-optimistic computation.

Hollinger.—The performances of this Canadian gold-mining enterprise are at the moment of more general than particular interest to British investors, although transactions in the shares occasionally take place on the London Stock Exchange. Formed only some seven years ago, the concern has attained the position of one of the "great gold mines of the world." The value of the bullion produced last year amounted to 12½ million dollars, whereof over \$5,000,000 was net profit. Dividends totalled \$3,198,000 upon an issued capital of \$24,600,000; the balance increased the net surplus to nearly \$6,000,000. This is fully represented by cash and investments. Funds have been accumulated with a view to increasing the supply of hydro-electric power. There are indications that the directors may be able to devote much of this money to the extension of the treatment plant. Despite the milling last year of about 50 per cent. more ore than in 1921, the ore reserves are now estimated at the increased total of 4,608,200 tons, whereof approximately one quarter is "probable." The total represents some three years' supply.

Transvaal Gold Output.—The output of gold of the mines of the Transvaal during the month of February amounted to 704,970 ounces of fine gold, as compared with 764,469 ounces during January. There was no declaration of output in February, 1922, in consequence of the strike. The following table shows the production for a number of years:

	1917.	1918.	1919.	1920.	1921.	1922.	1923.
	Fine Oza.	Fine Oza.	Fine Oza.	Fine Oza.	Fine Oza.	Fine Oza.	Fine Oza.
January...	782,634	714,182	676,059	670,503	651,593	639,728	764,469
February...	781,321	659,759	636,728	625,330	558,137	639,728	704,970
March...	787,094	696,281	712,379	707,036	671,123	639,728	704,970
April...	742,778	717,000	694,944	686,979	681,322	639,728	704,970
May...	779,385	741,317	724,995	699,041	687,776	639,728	704,970
June...	759,729	727,696	702,379	715,957	678,490	675,697	704,970
July...	757,839	736,199	725,497	736,099	699,555	730,635	704,970
August...	756,658	740,210	706,669	702,083	711,526	752,490	704,970
September...	738,231	708,206	698,558	682,173	691,026	747,089	704,970
October...	751,290	679,764	723,722	662,472	707,825	778,159	704,970
November...	722,839	658,701	677,970	533,737	704,236	764,476	704,970
December...	722,419	641,245	650,191	632,215	681,847	790,712	704,970
Totals...	9,018,084	8,418,292	8,330,091	8,153,625	8,114,516	7,020,111	1,469,439

The figures show a very great improvement over the figures for many years past. Indeed, they are the best since 1917, and are appreciably better than before the war. The drop in February is, of course, due to the shorter month, the daily output being 25,176, against 24,660 in January. This high output is satisfactory, not merely for South Africa, but for the world. The nations will find their return to a gold standard eased if gold becomes abundant. The following are the number of natives employed at the end of the last eight months by members of the Witwatersrand Native Labour Association and contractors:—

	July, 1922.	Aug., 1922.	Sept., 1922.	Oct., 1922.	Nov., 1922.	Dec., 1922.	Jan., 1923.	Feb., 1923.
Gold mines...	172,896	175,054	174,565	175,129	173,173	176,834	181,985	182,983
Coal mines...	12,371	12,270	12,090	11,495	11,789	11,001	14,664	14,717
Diamond...	1,211	1,219	1,234	1,218	1,237	1,253	1,222	1,227
Total...	186,468	188,543	187,799	187,842	185,499	189,078	197,871	198,927

It will be noted that there is an improvement in the number of natives employed at the gold mines during the month, which is a good augury for future production.

THE annual and public meeting of the National Institute of Industrial Psychology will be held, by kind permission, at Burlington House, Piccadilly, W., in the rooms of the Royal Society, on Tuesday, March 20th, at 5 p.m. In the chair, Mr H. J. Welch. Speakers, the Right Hon. the Earl of Balfour, K.G., O.M., F.R.S., Sir Lynden Macassey, K.B.E., K.C., Dr C. S. Myers, C.B.E., F.R.S., Mr Arthur Pugh, secretary of the Iron and Steel Trades' Confederation; Sir Charles Sherrington, G.B.E., president of the Royal Society; Sir Robert Hadfield, Bart., F.R.S.

A PUBLIC lecture on "Shipping" will be given by Sir Ernest Glover, Bart., president of the London Chamber of Shipping, at the London School of Economics (Houghton street, Aldwych, W.C. 2), on Tuesday, March 20, 1923, at 5 p.m. The lecture is the last of a series on "Statistics Before, During, and After the War." Admission free, without ticket.

Oversea Correspondence.

IRISH FREE STATE.—THE DEPORTATIONS.—THE CUSTOMS BARRIER QUESTION.—GOVERNMENT BORROWING PLANS.

(FROM OUR CORRESPONDENT.)

DUBLIN, March 15.

THE arrest and deportation to Ireland by the British authorities of Irish, Anglo-Irish, and other sympathisers with the "Republican" Irregulars has certainly raised formidable constitutional issues, and may possibly be turned to account against both the Irish and the British Governments. Unquestionably, however, it is a serious blow to the De Valera faction, which is already known to be embarrassed by splits in its organisation both in Ireland and in the United States and by growing impecuniousness. The British Government account, when discount for official reticence has been deducted, practically proves—what has long since been obvious to skilled observers—that the "activist" Communists of Great Britain have been working in support of the Irish Irregulars. It is to their promptings, quite clearly, that a good deal of the burnings of the "big houses" is directly traceable. And it is a realisation of this fact that has caused discouragement amongst the saner elements of the "Republican" fighters. It is the same realisation, too, which has rendered peace-mongering less popular. The general public understands that Ireland's liberty in regard to its external relationships has been effectively secured, but that her existence and functioning as a nation in being are as yet in suspense. The issue is not resistance to foreign oppression, but the defence of the very life of the community, which is being garroted by a section of its citizens.

Ireland is now face to face with a new Customs barrier surrounding North-East Ulster, which is to come into operation on April 1st. Nothing could better illustrate the lethargy and nervelessness of the responsible leadership of the business community than the manner in which this question has been dealt with. Fearing politics, and with an ignorance of them, partly inborn and partly cultivated, it fails to take action at the appropriate moment for the protection of its own interests and for the furtherance of its own views. It has delayed action too long. The matter being imminent, and probably now inevitable, there is quite a little hubbub: suggestions for postponement, hints at the desirability of unification or working agreements, and so on. The business community itself, in spite of its leaders, is waking up. The ferment is also working in North-East Ulster. Slowly but surely the inconvenience and expense of the Customs barrier is coming to be realised, and sooner or later the community as a whole will make up its mind that it ought to be relieved of it. There are projects mooted for unified administration of railways for all Ireland—not in connection with the Council of Ireland arrangements and the Government of Ireland Act, 1920, but as a mere business proposition. There is also talk of a central organisation

for the Chambers of Commerce of all Ireland. Supporters of the Free State allege that the position of North-East Ulster in regard to its contribution to Imperial resources is very much less favourable than that of the Free State, and it is expected, as matters settle down and these factors come to be realised in daily experience, that education by hard facts will lead to a maturing of political judgment. But things would have been better for all interests if obvious truths were only realised and acted upon at the appropriate moment.

There are continual rumours as to projected Government borrowings, but nothing final has been decided so far. It is known that confidential conversations have taken place between the Government and some of the Irish banks; and with public spirit, prudence, and goodwill on both sides there should be no difficulty in handling the situation. For a moderate Government loan the Irish banks could provide all the money necessary, and in their own interests should strain every effort to support the national credit. Their interests and the interests of the community are identical, and both would be equally served by good public credit and low rates of interest. A minor sensation was caused a few days back by the publication of an interview with President Cosgrave, who is also Minister of Finance, in which he was made to speak of Government borrowings as being possible at 10 per cent. Fortunately, the public was reassured by an official statement that this astounding figure was due to a misprint in transmission of a cablegram, and that he had mentioned 5 per cent. as the extreme figure.

A minor controversy as to the legalisation of sweepstakes impinges upon this discussion of alternative methods of Government borrowing. It has served to emphasise the evils of unrestricted gambling and to mobilise anti-gambling sentiment. The controversy is an untimely one for those who are anxious to see an issue of premium bonds as one of the financial expedients of the Government. There is a large section of the population of sporting, not to say gambling, proclivities, to whom such premium bonds would make an appeal. It is surely a merit of this method of public borrowing that it inculcates—nay, compels—thrift amongst this class. Because the more they desire to participate in Fortune's rewards, the more bonds they will need to acquire by saving and investing their money. And they will need to retain their bonds so long as there are any further premiums to be awarded.

UNITED STATES.—SHIP SUBSIDY BILL KILLED.—RURAL CREDITS LEGISLATION.—FURTHER RISE IN COMMODITY PRICES.†

(FROM OUR CORRESPONDENT.)

NEW YORK, March 2.

FOR some time past Washington advices quite clearly indicated the unlikelihood of ship subsidy legislation by Congress during the session which is now practically ended, owing to the continued filibuster against the Bill, and to pressure for the passage of other measures whose chances of enactment might be diminished by keeping the Subsidy Bill before the Senate. Advocates of the Bill fought hard to bring it to a vote, but succeeded only in prolonging its life. President Harding finally announced this week that he had abandoned all hope of securing the passage of the measure which he had persistently advocated. The end came on Wednesday last, when a motion to recommit the Bill to the Senate Committee on Commerce was defeated, and the Senate, by a vote of 63 to 7, took a decision which had the effect of disposing of the subsidy proposition. It was made known at the White House that President Harding will himself endeavour to solve the difficult problem which has been pushed back upon him, owing to the failure of Congress to pass the proposed legislation—a result which he, evidently, very keenly regrets. He does not intend, it is understood, to seek the aid of Congress in this matter at the next session; a plan now under consideration by the Shipping Board is expected to be well advanced before that session meets. Details of that plan are not yet available; but the general impression is that it will involve liquidating the affairs of the Shipping Board and disposing of the vessels now

held, with the view of committing the upbuilding of the merchant marine to private interests.

What is known as the Rural Credits or Farm Credits Bill was passed by the House of Representatives this week by an overwhelming majority. The main features of the measure, as accepted by the House, are as follows: Creation of 12 institutions to be known as intermediate credit banks, and to be officered and directed by the Federal land banks. These intermediate banks are to be capitalised at \$5,000,000 each, the capital to be subscribed for by the Secretary of the Treasury, and owned by the Federal Government. They will be authorised to make loans running from nine months to three years on live stock and warehouse receipts up to 75 per cent. of their value. The Government is to be reimbursed by the application of one-half of the net earnings, so that it is expected to have the capital it furnishes returned eventually, while still owning the banks. Another important feature is the provision creating private corporations, with a capital of \$250,000 each, to deal in agricultural paper having a maturity of six months or more, and authorising the formation of rediscount corporations with a capital of \$1,000,000 or more. As explained by the chairman of the House Banking and Currency Committee, the Bill is designed to provide intermediary credits for the agricultural interests of the United States, including all people who are engaged in the production, warehousing and marketing of agricultural or farm products. Those interests contend that the present commercial banking facilities are not adequate to permit, without impediment, the planting, production, harvesting, and marketing of farm products. The statement issued by the House Committee in charge of the Rural Credits Bill points out that during the war, when the commercial banking system of the country was being utilised almost to the breaking point, not only by the commercial, industrial and agricultural interests, but by the Government itself, Congress created the War Finance Corporation to help out in the emergency financing. That institution is still operating, its sphere of influence having been broadened by Congress to permit aid to the agricultural interests of the country by financing, under rules and regulations prescribed by it, loans on live stock and commodities, and also loans to co-operative marketing organisations. At the peak of that corporation's activities loans aggregating almost \$400,000,000 were made to those classes of people. In addition, favourable rulings in regard to the rediscounting of paper based primarily on agricultural products as security have been made to enable the Federal Reserve system to aid in meeting the farmers' needs. Other legislation has been passed by Congress providing for aid to many sections of the country in purchasing seed for planting. Many people thought, the statement adds, that so soon as the war readjustment had been completed, and conditions had returned to a normal basis, the present banking facilities throughout the country would be ample to care for the needs not only of industry and commerce, but also of the agricultural communities. The latter, however, have felt that there is a gap, and the Bill just passed by the House seeks to provide intermediary credit facilities for agricultural interests. The measure, which has been strongly supported by the Administration, has been referred to a conference committee representing the House and Senate, and since the latter has already passed Bills embodying the salient features of the House Bill, it is generally expected that the new law will be passed at this session. One of the provisions in the House Bill extends the life of the War Finance Corporation until January 31, 1924. The pending legislation, which has been strongly advocated by the farm bloc in Congress, has met with a great deal of opposition from various interests in Congress and elsewhere. In some quarters it is characterised as the worst legislation that has passed the House in a generation. Opponents of the measure express fear that it will adversely affect the present well-established banking system, and ultimately do the farmer more harm than good; it is claimed he will get too much credit, which will prove to be his undoing.

The further rise in commodity prices is attracting widespread attention and causing no little concern in many quarters, especially among manufacturers who use raw

materials. Cotton has soared well above 30 cents a pound for spot in the New York market, with no indication that the "top" has been reached. Sales of copper are reported at 17 cents a pound. Raw sugar is selling at a level close to 7½ cents, raw silk (Japan) has advanced more than 30 cents a pound here during the past week to \$9.35 for the best grade, but even that abnormally high level does not fully reflect the recent spectacular rise in Yokohama. Wool continues decidedly strong, with, if anything, an advancing tendency, while a general accretion is noted in prices of pig-iron, crude and finished steel, especially bars, plates and sheets, and in tinplate. In many industries, particularly textile, manufacturers are much disturbed over the continued upward trend of raw materials, and in some markets the rise of prices has checked buying. A great deal of uncertainty is felt on all sides as to what effect these advances will have upon future consumption. Trade generally will not be retarded, it is thought, in the next few months; but no one is willing to make definite predictions as to what may happen in the second half of the year when the high costs now prevailing in primary markets will be passed on to the public. It is too early for such increases to be reflected in retail distributive channels.

FRANCE.—BUDGET DEFICIT TO BE MET BY BORROWING—REVENUE—WHEAT SUPPLY—PRICES—SUGAR.

(FROM OUR CORRESPONDENT.)

PARIS, March 15.

THE long debate which has been in progress in the Chamber in connection with what may be described as the second edition of the Budget Bill for 1923, came to an end with surprising suddenness on Friday afternoon, when it was decided that, instead of imposing any further taxation worthy of the name, the expected deficit in the national finances shall be met by borrowing. To be quite fair, this decision is more serious in appearance than in fact, as the circumstances will show. As I have previously stated, the Estimates for the year were sent up to the Senate some weeks ago, the question of how an expected deficit of some 3,800 million francs between estimated revenue and expenditure could be met being reserved by the Chamber for subsequent settlement. The Finance Minister, in his first proposals a year ago, suggested that this deficit should be met by borrowing. The Finance Commission of the Chamber, however, flatly declined to endorse this view, and for some months schemes to get over the difficulty were shuttle-cocked backward and forward between M. de Lasteyrie and the Commission.

The position last week was that Minister and Chamber were for all practical purposes in agreement as to how 2,200 million francs of the lacking 3,800 millions should be found by increased yield from taxation, by payment by the railway companies for material received by them from the Government, &c. There remained the problem of finding sources from which the balance of 1,600 millions was to be obtained. M. de Lasteyrie strongly advocated an increase in some of the existing taxes, in some cases by as much as 20 per cent., and also asked for authority to permit the revenue officials, in cases in which they had reason to believe under-declaration had been made, to assess income-tax by "external signs" of wealth. M. Bokanowski, the *rapporteur* of the Finance Commission, again brought up his proposal, although in a modified form, for the institution of the famous *carnet de coupons*. Two distinct motions for the deficit to be met by a huge lottery loan were also discussed, and each met with a large amount of support.

At the bottom of the whole debate, however, it was evident that members were as much concerned with the fact that General Elections are due next year, as they were with the necessity for balancing the present year's Budget. The Left made a great show of virtue in urging that the only dignified manner in which the Government could escape from the dilemma would be by imposing additional taxation, and by tightening the fiscal screw for the purpose of preventing frauds. The supporters of the Government, however, were by no means anxious to give their opponents the opportunity of going to the country next

year with the cry that the Poincaré Government had been responsible for these two very unpopular steps; nor were even the Socialists and Radicals very anxious to have to give their votes, in the event of the Government succumbing to their arguments, in favour of two such electorally dangerous devices. At one time it looked as if the debate must continue indefinitely.

The Gordian knot was suddenly cut, however, by M. Emmanuel Brousse, one of the recognised financial experts in the Chamber, who moved that the "real deficit," which he placed at 1,430 millions only, should be met by borrowing, in the form of a special issue of Treasury bonds. After a somewhat feeble protest by M. de Lasteyrie, who urged that his proposals for additional *décimes* might at least be discussed further, the Chamber, delighted with having at last found a way out, adopted M. Brousse's motion by 315 votes to 243, and the debate, for all practical purposes, came to an end. The "Bill for Balancing the Budget for 1923," as the second edition of the Finance Bill is termed, was subsequently adopted as a whole by 342 votes against 154, the Government having made it a question of confidence, after a speech by the Finance Minister, in which he pointed out the damage which he believed would be done to French national finance if inquisitorial methods, such as the *carnet de coupons*, were introduced, or if there was any interference with the anonymity involved in the form of security most preferred in France, the bearer bond. The Bill has now gone to the Senate, where the discussion of the Budget as a whole will begin immediately after Easter.

French Budgets, as is known, have often been balanced in the past by a resort to borrowing. There are, I believe, some 25 instances of this on record. To mention only those of recent date, the Budget of 1905 was balanced by the issue of a loan of 57 million francs; in 1907, 84 millions; in 1908, 56 millions; in 1909, 55 millions; in 1910, 159 millions; in 1913, 106 millions. This is the first time, nevertheless, that borrowing has been resorted to on such a large scale. It is argued by many people, however, as suggested above, that the seriousness of the present situation may easily be over-rated, as it is expected that there will be no need to issue anything like as large an amount of additional bonds as 1,430 million francs. The Finance Minister himself has stated, indeed, that he expects to receive as much as between 3,000 and 4,000 millions in excess of the Budget estimates for the present year alone. That this optimism is to some extent justified is evident from the fact that the yield from taxation during January was over 243 millions in excess of Budget estimates. The returns for February, which have just been issued, show that, in spite of a falling off of nearly 70½ million francs in the receipts from Customs duties, the total yield for the month (exclusive of any revenue from income-tax or the tax on war profits) was 105,849,000f above the Budget estimates.

According to an article published by the *Bulletin des Halles*, the deficit in the French wheat supply between now and the next harvest will be much less than has generally been estimated. Hitherto it has been held that this country during the 1922-3 wheat year would be obliged to purchase 24,000,000 quintals of foreign wheat, and this figure has undoubtedly had a great deal of influence on both the recent steady rise in the price of flour and on the position of the franc. The estimate in question was based on the provisional forecast issued by the Ministry of Agriculture in October last. Independent figures that have since been collected by organisations connected with the milling and cereal industry place the deficit at a much lower figure. The actual situation is set forth as follows (the figures representing millions of quintals):—

Total requirements of the country.....	92
Harvest for 1922-23.....	73
Imports from August to February	7
Rye incorporated with wheat flour	2½
Rice	2½
Saving effected by modification in percentage of flour extracted in milling.....	2½
	87½

Actual deficit to be imported

It is further asserted that even this figure may prove to be exaggerated, as there is a probability that, owing to

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supplies of wheat still on hand, it may not be found necessary to purchase from abroad more than about 1½ million quintals during the five months that must elapse before the new harvest is due.

The index figures for February, which have just been issued by the Statistique Générale de France, show a further striking increase in both wholesale and retail prices as compared with the previous month. The index numbers for wholesale prices are returned as follows (base, 100 during the period 1901-10):—

	January (Corrected).	February (Provisional).
General index figure for 45 categories ..	447.3	487.6
Foodstuffs:		
Ensemble of 20 categories	424.8	465.1
Vegetable foods (8 categories).....	386.1	398.2
Animal foods (8 categories).....	457.6	495.1
Sugar, coffee, cocoa (4 categories)	436.3	538.9
Raw materials:		
Ensemble of 25 categories	465.4	505.9
Minerals and metals (7 categories) ..	415.6	478.2
Textiles (6 categories)	624.0	646.5
Various (12 categories).....	415.1	451.3

The index figure for the retail prices in Paris of 13 categories of foodstuffs during February is returned as 3,394 (or 216 per cent. increase on the prices prevailing in 1913), as compared with 3,318 (representing an increase of 209 per cent.) for January. The figure for retail prices corresponds almost exactly with that recorded in May last year (which showed an increase of 217 per cent. on the prices for 1913), after which it dropped to 189 per cent. in August, since when it has again steadily risen. The figure for wholesale prices, however, has consistently risen since March, 1922, when it stood at 355.4 (except in August, when a fractional and momentary drop was recorded).

The outstanding feature in the above return is the enormous rise in the figure for sugar, &c., which shot up from 436.3 in January to 538.9 last month. This was, of course, due to the frenzied speculation in sugar on the French market. Prices for French white beet sugar, which stood at 137f per 100 kilogrammes in the middle of October last, had risen by the end of January to 292f 50c. On February 15th the same sugar was quoted at 292.50, and on February 24th at 308. The whole question of whether this astonishing rise in the cost of an article of prime necessity is due to unjustifiable market manoeuvres is the subject of an exciting debate, which has already occupied two long sittings of the French Chamber, with others in view. It is urged that, in view of the fact that France is obliged to buy 25 per cent. of her sugar from abroad, owing to the destruction of a large proportion of her refineries during the war, this in no way explains (even taking the exchange factor into consideration) why prices should have risen 35 per cent. in France (or 1,000f a ton) recently, when New York quotations have risen only 17 per cent. Allegations have been made that the rise is largely due to the operations of the leading French refiners, who are alleged to have made profits of 554 million francs during the past three years, while the beet-growers have had to be content with two millions during the same period. The Minister of Agriculture has been sharply criticised for not prohibiting the export of French sugar in view of the present shortage, and it is alleged

that dealers have been able to reap enormous profits by ingeniously manipulating certificates relating to the payment of duties on consumption, in connection with the re-import of native-grown sugar that has been exported for the purpose of being brought back into this country again. The present abnormal prices of flour (which has resulted in a fresh demand by bakers for an increase in the selling price of bread) and of butter (which has risen, for no apparent reason, from 14f 80c the kilo on November 1st to 19f, or practically the highest figure known during the worst days of the war) have resulted in the opening of official inquiries.

GERMANY.—RUHR—FINANCES—DANUBE CANAL—EXCHANGE AND BOURSE—INDUSTRY—PRICES—SHIPPING.

(FROM OUR CORRESPONDENT.)

BERLIN, March 13.

CONDITIONS on the Ruhr threaten to develop into guerilla warfare or into terrorism from the German side as a reaction to French terrorist methods. As a result of the murder of two French officers, a number of Germans have been murdered by the French, hostages have been taken, and a military proclamation threatens them with execution. It is not yet known who murdered the officers. The discipline in the French Army is bad, as it has been undermined by the licence of the last two months, and the soldiers have learned to use their cartridges and bayonets without provocation, and sometimes apparently merely in order to amuse themselves. The German Press maintains that the officers were murdered by French soldiers. A counter-terror by Germans, who have no old traditions of that kind, has been considered impossible, but as Germans in the last few years have committed terrorist acts against Germans, organised terrorism against the French can hardly be considered impossible, and the French are doing their best to bring it about. The industrial disorganisation proceeds very slowly, and the French have no prospect of enforcing a settlement by that means in the near future.

The Gold Treasury Bills law has passed the Reichstag and Reichsrat. The bills will not be officially offered in foreign markets. Subscription is open between the 12th and 24th inst., 40 per cent. to be paid at once, and the remainder by April 14th; redemption on April 15, 1926, at 120 per cent. in cheques on New York or in gold at 1.5046 gr per dollar. Payment is taken in sterling, any neutral European currency, Argentine pesos, or Japanese yens. A law has been passed allowing companies which invest money from their reserves in the bills to write off any mark losses that may be suffered from a possible dollar exchange fall, though this was not allowed under previous legislation.

The Rhine-Main-Danube Canal Construction Company announces the issue of dollar bonds of the value of six million gold marks. This is the first dollar loan of any magnitude that has followed the Republic's attempt. The first work of this company—the construction of a power works at Kachlet, near Passau—will be finished in four years. The canal, which will carry vessels of 1,500 tons, between North and South-East Europe will take 20 years to construct, the route being from the Main at Aschaffenburg *via* Bamberg and Nürnberg to the Danube, and further *via* Regensburg to the frontier at Passau, the Danube between Kelheim and Ulm being canalised, and connection being made with Augsburg and Munich. The plan includes power works with an annual capacity of 360,000,000 kilowatts. The public holds 360 millions and Bavaria 208 millions of marks shares, and a Bill authorising Prussia to buy 50 million marks shares has been submitted to the Landtag. Several more "Wertbeständig" rye and coal loans have been issued; but the mark exchange improvement has resulted so far in loss to the bondholders, because whereas the price of the two commodities has fallen heavily, the general cost of living has not fallen correspondingly. Coblenz, the only large city that has of late issued a paper mark loan, is offering 10 per cent. interest.

The floating debt on February 28th was 4,628,248 million marks, of which 3,588,246 millions were dis-

counted Treasury bills. The whole debt is put at 4,692,671 millions. Receipts from taxes in the present financial year (April 1, 1922, to February 28, 1923) were 995,375,267,000 marks, while the forced loan yielded 9,270,034,000 marks and floating debt borrowings 3,316,310,590,000, making a total of 4,320,956,260,000 marks. Expenditure was as follows:—General administration and Peace Treaty costs in mark currency, 2,646,177,666,000 marks; Peace Treaty outlay in foreign currencies, 589,475,521,000 marks; service of the funded debt, 2,473,707,000 marks; of the floating debt, 125,568,588,000 marks; and subsidies to railways and posts, 952,989,739,000 marks. Posts are at present responsible for a deficit of 1,204.6 milliards a year, as the despatch of letters has declined by about half and that of parcels by 43 per cent. The Customs gold surcharge has been reduced to 525,900 per cent. A motion demanding protection for mortgagees by making repayment in the next four years dependent upon the mortgagee's consent is before the Reichstag. The Cabinet some time back declared against this measure. The three State-managed industrial companies, Deutsche Werke, Reichs-Elektro, and the Deutsche Aluminium, together with the Reichskreditgesellschaft, which finances them, are being removed from the management of the Ministry of the Treasury and fused in a single privately conducted corporation, in which the Republic will hold all the shares, under the title "Vereinigte Industrie-Unternehmungen A.G.," with a capital of 600,000,000 marks. The Ministry of the Treasury itself will be wound up.

Stocks last week were again reactionary, and fell to below half the average of early February. The *Frankfurter Zeitung's* index for March 9th shows 725.415 for home dividend-payers against 1,567,265 on February 9th, the change naturally causing very heavy losses to some holders. Yesterday the Bourse was firm, but not active. Speculators have begun to buy back, but the general public holds aloof, and the new Ruhr troubles frightened buyers off.

Business is very dull, the main influence still being the recent exchange improvement. Unemployment is increasing, though the last available statistics are for February 1st. The textiles industry is threatened with a crisis, owing to a general cessation of orders caused by the public expectation of a heavy price fall, and retail traders have already begun to cut prices. The textile mills are now dependent largely upon foreign orders, but it is doubtful whether they can compete at the present level of exchange, and any material reduction of working costs is impossible. The Leipzig Fair, despite the large number of foreign visitors, did very moderate business. East Europe, and particularly Finland and the Russian frontier States, were strongly represented. The partial adjustment of German prices to the world-market level which has been caused by the recovery in the mark has not been accompanied by an adjustment of native buying power to prices. The Railways Department has refused to cut freight rates, on the ground that the average rate, which is 3,200 times that of 1914, is lower than the general price level. An agitation is proceeding for a reduction of the 40 per cent. coal tax, which, with the present high level of gold prices, is severely felt in those industries which have also to import dear foreign materials. The tax was doubled from 20 per cent. on account of the much lower price of German than of foreign coal; but this price difference has largely disappeared, and the present gold price of coal is about five times as high as it was in January. The domestic consumer is very badly hit; the cost of heating, cooking, and lighting for a workman with a two-roomed flat is now nearly 1,000,000 marks a month. The Cabinet has issued a statement declaring that it will do everything possible to prevent a further price rise, adding that an increase of wages is desirable only where wages are below the general level; but an all-round increase would only prevent a price fall, and would benefit no one. This declaration may be taken to mean that the Cabinet will do everything possible to maintain the present mark exchange by intervention wherever necessary, because a new price rise cannot be prevented if the mark again falls. The further improvement witnessed last week took place without any intervention on the part of the Government.

Under the title "Deutsche Auslandsbank in Berlin," an international bank has been founded with the aim of financing industry and trade in and with Austria, Hungary, Czecho-Slovakia, Poland, Russia, and the smaller East European countries. Herr Mannesmann and Herr Ernst Roehling, and a number of Austrian bankers, are interested in this new venture.

The Reichsbank statement for February 28th is, considering that it is a month-end statement, moderate. Commercial bill discounts increased by only 177,457 millions, Treasury bill discounts by 503,061 millions (after a small increase in the preceding week), outstanding Darlehns advances by 39.4 milliards, and note circulation by 389,247 millions. The circulation is now 3,512,787 millions, and at the present rate will reach about 10 billions by the end of the half-year. New metal token money is being coined. The last aluminium and even iron coins long ago passed their nominal value and went out of circulation. Ten-mark paper notes, which have no buying power alone, are the smallest currency now circulating. The new coins are to be 200 marks each. Aluminium, copper, nickel, and iron coins of nominal value 921 million marks and weighing nearly 20 million kilograms have passed out of circulation, and are either hoarded or melted down.

Hamburg shipping in the first two months of this year in both directions exceeded that of the same months of 1913. Arrivals in January-February were 1,893 vessels of 2,189,680 tons, against 1,188 vessels of 1,566,450 tons in 1922 and 2,007 vessels of 2,075,311 tons in 1913; departures, 2,086 vessels of 2,194,823 tons, against 1,191 vessels of 1,559,686 tons and 2,270 vessels of 2,181,044 tons. Shipping was more than four times that of 1920. The Hamburg South-America Company, the first large company to issue its annual report, shows for 1922 operating profits of 474,150,000 marks, against 20,241,000 marks in 1921, and net profits of 183,430,000 marks, against 7,670,000 marks. The dividend is 330 per cent., against 28 per cent. After completion of two vessels now building, the company's tonnage will be restored to 150,000 tons.

AUSTRIA.—POLITICAL SITUATION—ECONOMIC CONDITIONS—BUDGET—CREDIT POLICY—FOREIGN EXCHANGE—MARK SPECULATION.

(FROM OUR CORRESPONDENT.)

VIENNA, March 1.

THE result of the negotiations in London, Paris, Holland, and Switzerland, by which credits to the amount of about £3,500,000 were obtained, has strongly consolidated the position of the Cabinet of Dr Seipel. Even the Social Democrat party realises that the present Government cannot be overthrown by street demonstrations and small conflicts in the Parliament, and this has led to a certain state of political calm. The majority of the population wish above all to have peace in the country, especially as they see that the foreign creditors and the financial measures adopted by the Government have removed the danger of a breakdown for some considerable time. The Chancellor's endeavours to conclude commercial treaties with the neighbouring States by means of direct personal negotiations and to come to cordial economic relations with them have equally contributed towards reducing the pessimism which prevailed a short time ago. The population is gradually beginning to believe in the duration of the State.

From the economic point of view, the events in the Ruhr district are exerting a strong influence on Austrian industry. The elimination of German competition and the increased demands resulting from this in some of the Succession States have caused a considerable improvement in the coal, iron, metal, and engineering industry. On the other hand, the textile industry has had a great setback owing to Hungary's action in closing her frontier to the import of textiles from Austria in order to reduce the export of Hungarian kronen. The export of timber has been seriously affected by the disorganisation of the railway system in Germany on account of events in the Ruhr district, and the leather industry is suffering from overproduction. In general, however, one could say that Austrian industry seems to have reached the turning-

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point. A decrease in the number of the unemployed is expected in the near future, inasmuch as the municipality of Vienna and the Austrian Government intend carrying through a number of public enterprises. On the other hand, there have been many difficulties in continuing the erection of water-power plants in the Alpine provinces, because sufficient Austrian capital is not available and foreign capital does not seem to be forthcoming.

The Budget for the year 1923, which was recently submitted to Parliament, allows for a deficit of 2,350 milliard kronen. This enormous figure, however, when compared with the draft drawn up at the beginning of November at the request of the League of Nations, shows a great improvement. The deficit was at that time estimated at 5,293 milliard kronen for the year 1923. The difference of 2,943 milliard kronen between the final Budget and the first draft is due to the fact that foreign currencies have since become cheaper, the index figure has been lowered and the new reconstruction programme affords the possibility of increasing savings and revenues. It remains to be seen, however, whether results will justify this first Reconstruction Budget. The most difficult question will be the dismissal of the superfluous State officials and employees within the time allowed. Up till January 1st 25,000 officials had been dismissed, and another 25,000 should be discharged by July 1st of this year.

There are many complaints in financial circles, as well as in those of commerce and industry, about the tight credit policy of the new National Bank, which is getting numerous concerns into trouble. Rates of interest in the open market are extraordinarily high, and the rapid passage from the time of inflation to one of stability entails the danger of many insolvencies. The standpoint of the National Bank with regard to these complaints is that legitimate demands will be provided for, but that no means will be allowed for speculative purposes. It is remarkable that for the period January 15th to February 15th the bank-note circulation remained nearly unchanged at the figure of 4.07 milliard kronen. During the same period the gold reserve increased by 32 milliard kronen, but holdings in foreign bills decreased 177 milliard kronen, as the demand for foreign currencies is still very great. When the foreign credits are paid in the National Bank's stock of foreign bills will be considerably increased, because the Exchequer will sell these credits in part to the National Bank, and will receive kronen banknotes in return. Since the National Bank must buy its foreign currencies at the present high rates of exchange, it is naturally in its interest that the rates do not drop too fast, because this would entail a heavy loss for the Bank. This is one of the reasons why a rapid drop in the price of foreign currencies is not desirable here.

During the last few years numerous new banks were founded in Vienna owing to the boom in various branches of finance, commerce, and industry which followed the inflation of the currency. These banks were able to carry on satisfactorily so long as business could be picked up in the street and the note-printing press was working at full speed. As these conditions have changed altogether

during the last few months, some of the smaller banks are confronted with great difficulty in conducting their business. Their working expenses are very high, they have large outstanding claims among industries, and they are continually in need of money. The Government, as well as the State Bank Commission, have examined the status of several of these institutions, and there is no doubt that necessity will arise for either merging or liquidating some of them.

Rates for foreign exchange have not shown any considerable changes in Vienna for some time, as the Government and the National Bank have endeavoured by all possible means to stabilise the rates of exchange for the krone. February rates are set out below:—

	Kr. to the £.
February 1	332,350
" 10	332,950
" 20	332,700
" 26	334,500

Many Austrian financiers and private persons have sustained heavy losses in Berlin during the last few weeks. They bought at the highest prices German securities and foreign currencies with borrowed marks at the Berlin Stock Exchange, because they believed the mark would continue falling, and that all foreign currencies would, therefore, be more valuable. As the rates for these fell 50 per cent. during the last fortnight, however, many Austrian speculators lost money.

POLAND.—THE NEW CABINET — MR GRABSKI'S FINANCIAL REFORM PROGRAMME — A NEW MEASURE OF VALUE—INFLATION—EXCHANGES.

(FROM OUR CORRESPONDENT.)

WARSAW, February 27.

THOUGH the present economic position of Poland is far from being satisfactory, the financial outlook is becoming brighter. After seven months of political chaos General Sikorski has succeeded in forming a Cabinet, which has the support of the majority of the Diet. General Sikorski is backed by the parties of the Left, of the Centre, and by the Ukrainian and White Russian members. The National Christian Union has tried to overthrow the Cabinet, but its opposition has now become less violent. One wing of this political coalition, the Christian Democracy headed by Korfanty, has even taken up an attitude which can be described as one of friendly neutrality. After the *exposé* of the new Premier, Korfanty declared that many of the measures proposed by the Government were excellent, and that his party is ready to give, in respect of them, its support to General Sikorski's Cabinet. Under such conditions the new Government has some chances of a stability which will enable the Cabinet to realise its most important task—the reorganisation of the whole financial system. Mr Grabski, who is now at the head of the Ministry of Finance, has already elaborated his programme.

Mr Grabski's reform programme covers three years. During this period the Budget is to be brought gradually and systematically into equilibrium. The Budget is to be divided in two separate sections, an administrative section and another one which will deal with public undertakings. In 1924 and in 1925 the expenditure is not to exceed 90 per cent. of the total estimates for 1923, with the exception of expenditure on education, which may be increased by 10 per cent. every year. The administration of public undertakings is to be put on an absolutely new basis. Every one of these undertakings will have its own budget. Loans for the extension of the existing works and for new investments must be obtained by these undertakings, and secured upon their property and revenues. In the first instance the State railways are to be administered as independent commercial undertakings. The light railways belonging to the State are to be leased and eventually sold to private undertakings. The tariffs on the other lines are to be increased in such a manner as to cover the cost of transport. The building of new lines is made dependent on special loans being obtained for this purpose. If the attempts of the railway admini-

stration in this direction are not successful, concessions for the construction of these lines are to be granted to private concerns.

As I have previously pointed out, the budgetary deficits are to a great extent due to the fact that the Government gathers the taxes in a depreciated currency. When the Polish mark loses its value all salaries have to be increased, while the revenues remain unaltered. In 1922, for instance, the salaries of the officials amounted in January to 15 milliards, in July to 31.5, and in December to 120.9 milliards. The increase in tax receipts did not keep pace with this rise in expenditure. The amounts collected did not exceed the estimates made at the beginning of the year, and in some cases were even smaller. Under such conditions the real burden of taxation is very small, as shown by the following figures:—

TAXES PER HEAD OF POPULATION EXPRESSED IN GOLD FRANCES.

	1912.	1922.
Income-tax	0.34	0.13
Ground tax	1.17	0.12
Building tax	1.72	0.03
Industrial tax	1.89	0.46

The taxes expressed in gold amounted in 1922 only to a tenth and even less in comparison with the sums collected in 1912. In order to prevent in future such losses to the Treasury through depreciation of the currency, it has been decided to introduce into the Budget a measure based on the index number of wholesale prices. The taxes will be assessed on this basis, and paid in Polish marks according to a rate fixed by the Ministry of Finance. The new tax payment unit will be called zloty (gold unit, zlot means in Polish gold). The expenditure of the Government will be equally expressed in zlotys. Efforts are also made to introduce this theoretical currency also as a basis of credit, in the hope that such a measure will contribute to revive again the spirit of saving. Under present conditions no man in his senses saves marks or invests in securities expressed in mark currency. Two private banks have already opened accounts in zlotys. Probably the Postal Savings Bank and the Polish National Bank will introduce a similar system. A person, for instance, paying 50,000 marks will be credited with 10 zlotys. If after three months the rate of the zloty will reach 10,000, the bank will be obliged to put at the disposal of the depositor 100,000 marks.

Mr Grabski's programme aims at enabling the country to balance its accounts after three years. For covering the deficit during this period without resorting to the printing press a capital levy of 10 per cent. will be imposed. The first instalment of this levy is payable in the autumn, the rest half-yearly during the next three years. The Ministry of Finance is preparing the issue of 6 per cent. Treasury bonds, which are expressed not in marks, but in zlotys. These bonds are redeemable in September of this year. The Ministry hopes by this issue to put the brake on the policy of paper inflation during the period which must elapse before the programme of financial reform can be put into execution.

At present the inflation which is completely disorganising the economic and financial system is becoming every month more acute. While the circulation increased in June by 24.1 milliards, the quantity of new paper marks poured into the market amounted in December to 132.4, and in January of this year to 115.8 milliards. The total circulation has already passed the first trillion mark, and Mr Grabski is asking the Diet to increase the limit of the advances which the Polish National Bank can make to the Government by 600 milliards, so that the total will reach 1,475 milliards.

This steady increase of the paper circulation has a very depressing influence on the value of the Polish mark, which since the beginning of this year has lost more than 60 per cent. of its value, as may be seen from the figures below:—

	End of Dec. 1922.	Feb. 27, 1923.
Paris	1,335	2,915
Zurich	3,400	8,900
London	82,600	225,000
New York	17,800	47,000
Berlin	2.55	2.08

Prices of all necessities have risen in much the same proportion.

INDIA.—THE CAMPAIGN FOR PROTECTION—A DEBATE IN THE LEGISLATIVE ASSEMBLY.

(FROM OUR CORRESPONDENT.)

DELHI, February 20.

THE claim that India is unanimous in demanding Protection has repeatedly been advanced by the political classes. There is a widespread belief in this country that all that is needed in order to build up extensive industries is the erection of a tariff wall, and that idea has received no small encouragement from the representatives of the "infant industry" of Bombay. But, after the debate on the Fiscal Commission's report which has just taken place in the Legislative Assembly, a less confident sentiment is likely to prevail; indeed, the speech delivered by Mr C. A. Innes, the Commerce Member, on behalf of the Government of India, made a profound impression on many members of that body who hitherto apparently had studied only one side of the question. The situation is a peculiar one. The debate in the Assembly was opened by a Bombay merchant, Mr Jamnadas Dwarkadas, who moved: "That this Assembly recommends to the Governor-General in Council that a policy of Protection be adopted as the one best suited to the interests of India, its application being regulated from time to time by such discrimination as may be considered necessary by the Government of India with the consent and approval of the Indian Legislature." The speech of the mover was unimpressive. He enunciated the exploded theory that India was once a rich country, but had been reduced to poverty by the fiscal policy forced upon her by England; and he gave expression to other doctrines equally negligible. The surprise of the debate was an eloquent and forcible speech by Mr Innes, who, while accepting Protection in the abstract, exposed its dangers and incidentally disposed of the contention that "India" demands a protective tariff.

Mr Innes moved an amendment to Mr Jamnadas Dwarkadas's resolution to the effect that the Assembly recommended to the Governor-General in Council that he should "accept in principle the proposition that the fiscal policy of the Government of India may legitimately be directed towards fostering the development of industries in India." But in the application of the principle, according to the amendment, regard must be had to the financial needs of the country, and the present dependence of the Government on import, export, and excise duties. Further, the principle should be applied with discrimination, with due regard to the well-being of the community, and to the safeguards suggested by the Fiscal Commission; and, finally, that a Tariff Board should be constituted for a period not exceeding one year, in the first instance, and that it should be purely an investigating body.

The criticism has since been advanced that after Mr Innes's speech the Government should have declared against Protection. But, putting that aside, there can be no question that the Commerce Member has provided many Indian politicians with food for thought. The theory that "India" is clamouring for Protection he disposed of in these words: "In India we have a population of some 300 millions. Two-thirds of that population are agriculturists; most of them are poor, and the general standard of comfort is low. One thing, I think, is certain. If the agricultural classes, which form the bulk of the population, were fully to understand the implications of a policy of Protection, and if they were able to bring their influence on this Assembly, I doubt whether the Assembly would accept my amendment to-day. I doubt, indeed, whether I would be putting it forward." The truth of this declaration is undeniable. The votes cast at the elections for the Assembly numbered substantially less than 200,000, and over 300 millions will be affected by Protection. Whatever the merits or demerits of a high tariff may be, there is no ground whatever for the assertion that "India" is demanding a radical change of fiscal policy.

Mr Innes, moreover, cogently pointed out that the time was not favourable for the inauguration of a policy of Protection in India. The manufacturing interests of other countries were strenuously engaged in reducing the costs of production, and vast reserves of inherited skill, aptitude and efficiency were being mobilised to this end. "On the other side," said the Commerce Member, "India has still

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before her in most industries that most difficult and protracted of all tasks—namely, the training up of a force of skilled and efficient operatives. While the task is in progress the measure of Protection necessary to secure the end in view will not be small, and that means again that, *pro tanto*, our policy of Protection must increase the level of prices in India for the consumer generally, and for the agricultural and middle classes in particular. There is no getting away from this fact."

It is notorious that much of the unrest in India in recent years has been due to the increase in the cost of living, and Mr Innes mentioned that high prices had meant an increase of nine crores of rupees, or six millions sterling, in the remuneration of Government services.

The speech certainly appeared to have a sobering effect on the Assembly, and after the Commerce Member had concluded, Mr Joshi delivered a protest on behalf of Labour, while Mr Townshend, an official member from the Punjab, made some pertinent remarks on the rise in the price of cloth which the agriculturists of that province had to face when Indian mills enjoyed temporary protection during the war. The outlook for Protection in India is not so bright as it appeared before the debate, but there are influential interests which will not allow the matter to drop.

SOUTH AFRICA.—UNION'S BUDGET OF EXPENDITURE: A SMALL DECREASE.

(FROM OUR CORRESPONDENT.)

JOHANNESBURG, February 14.

THE estimates of expenditure for the Union, excluding the Railways and Harbours Administration and also the four Provincial Administrations, that of the Transvaal being distinctly heavy, have been issued. The total estimate of £28½ millions reflects a decrease of nearly half a million, compared with the original estimate, but an increase of £46,769 compared with the revised estimate. Salaries and wages account for £8,861,000, and general services for £19,700,000, decreases of £104,000 and £378,850 respectively. New services, chiefly hospital treatment of ex-soldiers, a grant of £50,000 to the British Empire Exhibition, increased Mint annuity, staff and equipment for Weights and Measures Act total £195,000. The largest increases in normal expenditure are £105,000 subsidies to Provincial Administrations, £54,800 in Public Debt charges, and £25,600 in the Mines Department vote, but of the grant if £50,000 be deducted, the actual reduction is £24,000 due to reorganisation. On the other hand, unemployment expenditure is reduced by £200,000, and the vote "industrial disturbances consequent upon the Rand strike," of £225,000, disappears. In police, prisons, and reformatories there is a decrease of £120,000, while Native Administration is to cost £58,000 less, mainly owing to reduction in establishment.

The largest item in the Union's expenditure Budget is Public Debt £8,627,000, of which only £400,000 is for redemption—exclusively in respect of the £35 million development loan of the Transvaal and Orange Free State and the £5,000,000 loan of the Transvaal. There is no provision for the redemption of certain Cape loans stipulated for under Acts of 1878 and 1881, and for which £87,796 was provided in earlier Budgets. The funded debt is £175,387,686, and the temporary debt £19,690,000. Further borrowings of about £6 millions

are contemplated as £320,000 is included for interest. But, as the late Auditor-General, Sir Walter Gurney, has pointed out, the Budget is swollen by the inclusion of the gross amounts. In this connection, the Treasury is to receive £5,637,000 interest, all but a million of it from the Railways and Harbours Administration, while the Provincial Administrations are to pay £340,000 and the Land Bank £265,000. Grants to Provincial Administrations account for £4,321,500. In a sparsely populated and extensive country like the Union the cost of policing is bound to be heavy, namely, £2,574,200, while prisons account for another £785,700. We have heard a good deal of retrenchment in the Defence Force, nevertheless it is to cost £19,400 more, and the total is getting unpleasantly near a million a year. Post and Telegraphs budget for an expenditure of £2,828,000, another example of swelling the Budget, inasmuch as this would be offset by the revenue of this trading department. With a fixed establishment of 26,000, Civil Service pensions are bound to be heavy. But more than half the £1,805,000 provided for is for war allowances, albeit the £960,000 marks a decrease of £204,000. Some £98,000 of post-war expenditure has been transferred from loan account. Compensation for loss of office on reorganisation of the Civil Service has increased by £98,000 to £230,000.

Letters to the Editor.

THE APPROACH OF A FREE GOLD MARKET.

TO THE EDITOR OF THE ECONOMIST.

SIR,—The remarkably steady rise in the value of the £ in New York, which has been one of the few cheering features of the trade depression, is leading us by slow but sure steps towards the close of an epoch in English financial development. When the £ finally reaches gold parity, and the flow of gold between London and New York is restored, we shall be within measurable distance of the re-establishment of world prices, which played no small part in the growth of international commerce before the war, and which are equally indispensable to the resumption of the trading relationships on which the prosperity of Great Britain to a large extent depends.

In one respect at least we shall have advanced a step beyond the position of 1914, for we shall for the first time be directly linked up, by means of the transport of gold, with the Federal Reserve system. Before the war, when the financial mechanism of the United States was far from perfect, our close relationship with New York was not unattended by anxiety, on account of the severity of the crises which still disturbed the American market. It is probable that even in the summer of 1914 New York had reached the eve of a crisis which was overshadowed by the greater crisis of the war. These periodical disturbances, of course, had serious reactions on the monetary centres of Europe, and in view of the resumption of full financial intercourse with New York, there is cause for great satisfaction at the undoubted success of the Federal Reserve system. The old defects of American financial organisation seem to have been thoroughly overcome, and it is likely that the reunion of New York with London will represent a distinct advance in the direction of stability of prices. It should also provide a firm basis for any of the European countries which may think it advisable to establish a gold exchange standard.

But this will only be one of the lesser indications of a new era in British finance. The rise of the £ is bringing us to the close of the epoch which opened with the Bank Act of 1844, and when gold parity is reached we shall be forced to take steps which will fundamentally change our monetary system. Whether or not the system established in 1844 was the most suitable that could be devised for England's peculiar position in world commerce is a matter on which much might be said; judged by the

growth of British trade, and the remarkable position which London achieved as the world's financial centre, the system has been by no means unsatisfactory. The point, however, is that the Bank Act virtually ceased to be effective in 1914, and while analysis of its merits and defects will teach us valuable lessons, its full restoration is out of the question. That is why the return of the £ to gold parity will mark a new era, and that time seems sufficiently near to warrant a brief reference to the problems which British finance will have to face.

Before the war rates of exchange between gold standard countries were maintained at or near gold parity by means of small shipments of gold. The effect of these was to adjust discrepancies between the trade balances of the respective countries, but this effect was not accomplished by the gold merely in its capacity of an import or export, but by means of its effect on prices. In other words, the primary function of gold shipments was to adjust price levels between the countries. This was done through the medium of the discount rates. When the exchanges were against us, and gold was flowing out, bank rate was raised, and the resultant contraction of credit would steady any tendency to a rise of prices, and encourage exports of goods. When rates were in favour bank rate would be lowered, and the expansion of credit would stimulate prices and encourage imports. The essential of the system was that the discount policy of the central banking institution should be effective throughout the market concerned.

How does this principle fit in with the post-war London money market? During the war bank rate became subservient to the needs of the Government in the market, and by the end of the war such a mass of floating debt had arisen that bank rate became a relatively unimportant factor in the market to such an extent that, since the Armistice, movements in bank rate have been a reflection of economic conditions rather than the determining influence. To make matters worse, there has been introduced an enormous mass of virtually inconvertible paper currency, which is subject to no adequate limitations of issue, and which bears no definite relation to the needs of trade; consequently, if a free gold market were re-established under present conditions, there would be no medium through which imports and exports of gold could perform their function of steadying price levels. If, for instance, the heavy burden of paying the interest on our debt to the United States were to commence a drain of gold, there would be no check to the outflow, unless the amount of currency notes in circulation were reduced sufficiently to bring about a contraction of credit and a fall of prices, which would stimulate exports of goods; and, in any case, such a rough-and-ready means of operating London's delicate financial mechanism would be most unsatisfactory.

The problem, then, will be to re-establish the connection between movements of gold and prices. How far the bank rate can be restored to its former effectiveness depends on the policy of the Treasury with regard to the floating debt; but the more pressing question will be the disposal of the currency notes. To abolish them is impossible, since sufficient gold to replace them could be obtained only by accumulation over a long period of years. The most obvious solution would be to make the notes convertible, and to use our present reserve of gold as a partial backing, supplemented by commercial paper, following the old German plan. In this way a connection could be established between gold movements and the amount of currency in circulation, and prices would be influenced by changes in the amount of the gold reserve. But such a vast and intricate problem cannot be dealt with in a short space. It is rather the subject for the deliberations of a committee which would rival in historical importance the Bullion Committee, which discussed similar problems a century ago.—Yours, &c.,

London, March 3rd.

H. E. BUTSON.

AMERICA'S BALANCE OF PAYMENTS.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Secretary of Commerce Herbert C. Hoover's speech of October 16, 1922, states the financial position of U.S.A. towards other nations during the last fiscal year as follows:—

Other nations exported goods to United States.....	\$ 2,600,000,000	\$
United States exported goods to other nations	.. 3,800,000,000	
Other nations exported gold and silver to United States.....	450,000,000	
Balance of exchange against United States (secret exports), and in favour of other nations ..	1,500,000,000	

4,550,000,000 .. 3,800,000,000
750,000,000
Balance against United States

So United States of America is running in debt to other nations at the rate per year of \$750,000,000.

And yet most Europeans assert that U.S.A. is a creditor nation, and as such should not only forgive the inter-governmental debts, but should pay or underwrite at least the major part of Europe's war bill.—Yours, &c.,

HENRY A. FORSTER.

New York, February 14th, 1923.

[These figures are referred to in another column. We cannot, however, follow our correspondent in thinking that they show America is "running into debt." A balance-sheet of this kind is only a means of showing that for the moment America is making more payments abroad than she is receiving, and is therefore tending to put the exchanges against herself. But she is making these excess payments as permanent or temporary loans to other countries, and thus making them more deeply her debtors than ever. Mr Forster also loses a sense of proportion in his last sentence. According to the Bankers' Trust Company, the cost of the war to the United States was 3½ billion dollars, while the cost to the other Allies was 130 billion dollars. The total inter-Allied debts to America, which is the only burden that anyone has ever suggested America should shoulder for Europe, amount to 10 billion dollars.—Ed. Economist.]

Books and Publications.

TWO YEARS OF SEA WAR.*

If this book is dull the author must not be blamed. One must attribute the quality of the compilation to the limitations inherent in the subject matter. The volume is a record of happenings in connection with seaborne trade during two years of war—from the beginning of 1915 to the end of 1916—but does not include any account of the defensive measures employed to meet the submarine attack, nor of the exploits of British seamen. Those aspects are dealt with in other volumes of the official history of the war. So here we breathe only the artificial atmosphere of departments, ministries, conferences, committees, sub-committees, and official machinery in general. With painstaking care, masses of official reports and records have been gone through and digested into a continuous statement. The result is a volume of materials, not a history. This is the work of the annalist rather than of the historian. Despite the severely proper official manner which is maintained—or perhaps because of it—the war mind seems to dominate the composition. Anything which tells against the late enemy is apt to be expanded and dwelt upon in a way not approached in discussing the other side of the question. There is no impartiality; nor is there any touch of humanity. The narrative is hard and cold. The sufferings inflicted on women and children in Germany by our offensive operations are referred to as a vivisection might describe his experiments on a helpless animal. Their immediate strategic consequences alone are considered. Broad issues are not referred to, much less discussed. The appointment of the Shipping Controller, with which the period covered ends, is duly chronicled. He was to have ministerial rank, but was anxious to be free from attendance in Parliament. That is all the reference made to the plunge from the constitutional usage of long years into a system tending towards ministerial irresponsibility and dictatorship. No doubt this is a most valuable collection of material for the future historian; but the historian will have to regard it as a heavily biased *ex parte* record, uninspired by any breadth of outlook.

* "Seaborne Trade." Vol. II. From the Opening of the Submarine Campaign to the appointment of the Shipping Controller. With maps. By C. Ernest Fayle. (London) John Murray. 1923. 21s net.

UNEMPLOYMENT AND ITS REMEDIES.*

Mr KIRKCONNELL is a Canadian economist who has travelled recently, and extensively, in Continental Europe; and his book is an admirable compendium of information on the causes—normal and exceptional—of unemployment, of the overlapping theories put forward in explanation of its persistence, and of the remedies suggested by other writers as well as by himself. Normally, the evil arises from maladjustments in modern "mechanistic" civilisation, and may be met by readjustments of labour supply, carried out through labour exchanges, by "decasualisation," improved training, and Whitley councils to avert trade disputes; and it may be mitigated, e.g., by unemployment insurance—which is reviewed very fully—and by relief works. And our "mechanistic civilisation" implies international interdependence, and therefore international organisation, the progress of which he sketches from its initiation in 1881 by Switzerland to the Geneva Labour Conference of 1921. But the evil has been immensely intensified by the effects of the war—economic, social, and monetary—by "mad nationalism," by the disorder in exchanges due to inflation, and by the hampering influences of Reparations and inter-Allied debts. His remedies may be inferred from this diagnosis; and he looks to the League of Nations as the only hope of mankind. Yet, after all, he thinks that civilisation may be decaying through the excessive multiplication of the unemployables, and so he tends to pessimism. Here he perhaps exaggerates the influence of heredity, and underrates the more hopeful conditions in the American continent; earlier he overrates the evil effect of the agrarian revolution in Russia, and neglects its more encouraging possibilities in the Russian border States. But his book is admirably informative, and valuable for its clear apprehension and sane treatment of the subject generally, and of the special problems left by the war.

BOOKS RECEIVED.

Wealth and Taxable Capacity. By Sir Josiah Stamp. Second edition. (London) P. S. King and Son, Limited. 7s 6d.
A second edition of this admirable work. The price has been reduced and several revisions made.
The Control of Industry. By D. H. Robertson. With an introduction by J. M. Keynes. (London) Nisbet and Co., Limited. 5s net.
Cheques. Their Origin and Development, and How they are Handled by an English Bank. By Charles F. Hannaford. (London) Sir Isaac Pitman and Sons, Limited. 6s net.
International Aspects of Unemployment. By Watson Kirkconnell. (London) George Allen and Unwin, Limited. 6s 6d net.
The Miners' Unions of Northumberland and Durham. By E. Welbourne. (Cambridge) University Press. 10s 6d net.
A Practical Guide to the Death Duties and to the Preparation of Death Duty Accounts. By Charles Beatty. Sixth edition. (London) Effingham Wilson. 5s net.
Economics for Commercial Students. By Albert Crew. Fifth edition. (London) Jordan and Sons, Limited. 5s net.
La Question de la Ruhr. Une Rhéno-Westphalie Indépendante. Par M. Maurice Schwob. (Nantes) Imprimerie du Commerce.
Modern Industrialism. By Frank C. McVey. New edition, completely re-written and enlarged. (London) D. Appleton and Co. 12s 6d net.
Report on an Enquiry into the Wages and Hours of Labour in the Cotton Mill Industry. By G. Findlay Shirras. (Bombay) Labour Office.
Indian Tea Share Investments. (London) The Stock Exchange Gazette. 1s.
Bergens Sparebank. 1 Hundrede Aar, 1823-1923. (Bergen) Offices of the Bank.
A Study of the Louisville and Nashville Railroad Company. (New York) Brown Brothers and Company.
An interesting story of what has been described as "one of the most comprehensively developed railroads of the South."
* "International Aspects of Unemployment." By Watson Kirkconnell, M.A. (London) George Allen and Unwin. 6s 6d net.

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

COMPANY MEETINGS, &c.

LONDON MERCHANT BANK, LIMITED.

CAPITAL RE-ARRANGEMENT APPROVED.

PROBLEM OF PRE-WAR OUTSTANDINGS.

The fifty-first ordinary general meeting of the London Merchant Bank, Limited, was held, on the 14th instant, at the offices, 38 Lombard street, London, Mr Frederic Lubbock (the chairman) presiding.

The secretary (Mr Frederick Poole) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said: I would commence what I have to say by expressing our deep regret at the loss of our dear old friend and colleague, Mr Benecke, who had been a director of the bank for 28 years. There were few men in the City better known, or better liked by those who knew him, and we all miss his kindly and cheery presence at our board meetings.

We have to apologise for the issue of our report being somewhat later than usual. Our excuse must be that we have devoted much time and thought to the arrangements we have decided to propose to you in regard to the capital, and it has taken time to get the necessary resolutions and other formalities put into shape.

When we met last, I had naturally to refer to the financial and commercial conditions that were the consequence not only of the economic disturbances caused by the war, but of the political unsettlement from which Europe has suffered more or less ever since the cessation of hostilities. A year has gone by since then, and if trade and industry have improved in some directions, political unsettlement is to-day even more in evidence than when I last addressed you. In a business such as ours, in which contact is maintained with practically every part of the world, such a state of affairs introduces a very disturbing element. It is hardly necessary for me to state that, under these conditions, the conduct of our business has required constant circumspection and vigilance. This has induced us, on the one hand, to adopt an attitude of great reserve in the granting of credits, and, on the other hand, to keep in an immediately realisable form the bulk of the balances standing to the credit of our correspondents and customers.

BALANCE-SHEET ITEMS.

This policy is reflected in the items of the balance-sheet, which I now propose to review briefly with you. Cash and loans at call, together with bills receivable, come to £762,033, as against the amount of £818,282 figuring on the liabilities side under the heading of current and other accounts. This method of employing balances is evidently not the most profitable one, but while things are in such an unsettled state abroad, we prefer to adopt the safer, if less remunerative, course in this respect. This year's figure of current and other accounts represents a substantial increase of over £300,000 in comparison with the corresponding net figure of last year, owing to the number of banks and merchant houses overseas for whom we act as correspondents having again increased. This is a branch of activity to which we give special attention, and to which our working methods lend themselves well.

The item current and other accounts on the assets side, standing at £991,123, shows, in comparison with £1,734,842 for the preceding year, a reduction of nearly £750,000. This is due to repayments effected by pre-war debtors and to the adjustments to which I shall refer later on. The last item on the assets side, liability of customers for acceptances, which finds its counterpart in acceptances on account of customers on the liabilities side, is about the same as last year. Although trade has by no means been active during the year under review, we have been able to maintain this important branch of our activity at the same level.

The advances owing under the Government scheme of 1914, which this year are set out separately, amounted to £242,227 on December 31st last. I am pleased to say that these advances have been liquidated since that date.

PROFIT AND LOSS.

Coming now to the profit and loss account, I need not again draw your attention to the state of affairs which existed during 1922, and which could not fail to react on banking profits. Our profit for the year amounts to £36,876, as compared with £46,194 for 1921, and, having regard to the special conditions which obtained during the past year, I trust that you will consider the figure as not unsatisfactory. As you will have seen from the report, we have deemed it advisable to transfer the balance of profit and loss account, amounting to £36,909, to contingency and pre-war adjustment account. This sum, in fact, would have been

sufficient to permit of the payment of the usual dividend, and we therefore all the more regret that, owing to the exceptional circumstances set out in the report, the dividend for 1922 should not exceed 2½ per cent., which was paid in July last.

As, however, our earning power is unimpaired, future profits will, once the special adjustments have been made, again be available for the payment of dividends.

PRE-WAR OUTSTANDINGS.

I shall now proceed to deal with the matter of our pre-war outstandings, and I think it will be convenient if I take at the same time in detail several points which, strictly speaking, relate to the resolutions to be submitted to you at the extraordinary general meeting.

In our annual reports for 1920 and 1921, and at the last two meetings, special reference was made to our pre-war outstandings. We always felt that the liquidation of these outstandings would necessitate important adjustments, but although we were not by any means optimistic, the developments which have taken place in this respect since we last met have been the cause of great disappointment to us.

With regard to our outstandings in Germany, the major portion thereof has been settled, but there remain a number of claims which are subject to the arbitration proceedings provided for in the Peace Treaty.

Concerning claims against Austrian debtors, the liquidation is only made possible by granting to the debtors more or less considerable relief.

The chief source of disappointment lies in the outstandings in Poland, Latvia, Trieste, the Balkans, and Russia.

In referring to the outstandings in Poland, I am sorry to say that the adjustment of the accounts of banks and financial houses, with a number of whom we entertained pleasant relations for many years, presents unusual features, which necessitate making substantial provision. Another group of Polish outstandings consists of the accounts of textile manufacturers whose imports of cotton and wool were for many years financed in London. The arrangement now made with them, whilst providing for the liquidation of the principal in full, results in the loss of a considerable portion of the accrued interest.

As to Latvia, we always had a fair share of the lively commercial intercourse between Riga and the United Kingdom. While some of the debtors have had opportunities of retrieving their fortunes, the position of others is such that adjustments are necessary.

A sad tale has to be told of Trieste. For many years we took a large share in the financing of shipments of coffee to that port. As you know, the status of Trieste has entirely altered as the outcome of the territorial re-arrangements consequent upon the war, which have profoundly affected the position of the parties concerned. There are also other factors of a juridical nature which have so far—in most cases—militated against a settlement of those accounts, and it is likely that even with greater efforts on the part of the debtors than have hitherto been made by most of them there will be a correspondingly important deficiency.

As to the Balkans, the number of pre-war accounts is small, so that I need not go into details.

RUSSIAN CLAIMS.

With regard to our Russian outstandings, it is impossible to foresee the ultimate outcome, and therefore the only course to be followed at this juncture is to provide for these accounts in full pending the arrangements which may at some future date be made either by treaty or otherwise in regard to British claims against Russia.

To sum up this part of my remarks, I think it would not be unfair to say that the deficiency arising out of the pre-war accounts is due not only to the four years of war, but in no small degree to the four subsequent years of peace. Whatever may have been done or left undone during the war in a number of countries in the realm of finance, particularly in the matter of the inflation of currencies, the financial methods then employed appear to-day as matters of minor consequence when contrasted with those adopted since, as is illustrated by the heavy depreciation of their exchanges.

POSITION IN 1914.

At this point, so that you may be better able to understand the difficulties which we have had to surmount, I would ask you to come back with me for a few moments to the eventful days of August, 1914. London banks and merchant bankers had granted considerable acceptance credits to their foreign customers, for which the latter could not provide cover owing to the outbreak of the war. With great promptitude and foresight, the Treasury and the Bank of England stepped in, and arranged for these acceptances to be taken care of.

Now that the advances taken by us have been liquidated, I can speak of this matter with greater freedom. At the end of

1913 our balance-sheet showed acceptances amounting to over £5,000,000. When the moratorium declared at the outbreak of the war came to an end, we had to avail ourselves of advances under the Treasury scheme of September, 1914, to the extent of about £3,250,000. This figure was, as you will see from the balance-sheet, on December 31st last, reduced to about £250,000—since liquidated—and the fact that, notwithstanding the intervening difficult years, we have been able to deal, as we did, with a sum of this magnitude cannot fail to be a source of satisfaction to shareholders and directors alike.

Nor does the amount of £3,250,000 just referred to indicate the whole of the burden involved, as that sum represented capital only. In respect of interest on the advances, we have paid in cash a sum of over £1,000,000 during the last eight years. If I mention that on account of interest alone the figure of the loss to be dealt with is in the neighbourhood of £330,000, and if you consider that there is a substantial deficiency on these accounts in regard to the principal owing to us, you will be able to appreciate the intricacy of the problem with which your board have had to deal.

When it is realised that customers' accounts, aggregating from three to four millions, had to be liquidated in entirely abnormal conditions, it could not, of course, be expected that we would come out unscathed; but we had always hoped that the reserves in hand, together with the earnings of current business, over and above the amounts distributed by way of dividends, would be sufficient to meet the eventual deficiency.

PROPOSED REDUCTION OF CAPITAL.

This problem of the pre-war accounts has been with us for a long time, and we are strongly of opinion that the time has now arrived when adjustments of a comprehensive nature should be made.

After mature consideration we have, therefore, decided to utilise the reserve fund, and to propose to you a rearrangement of the capital account, details of which are in your possession. The proposed writing off of £3 per share inspires us with a feeling of very great regret, but I have little doubt that you will agree with us that it is better by far to value our assets on clear-cut lines by making ample provision, which the adoption of the proposed scheme will enable us to do. You may be sure that before making this proposal a number of alternatives have been most carefully considered; we are of opinion, however, that this course is in the best interests of the shareholders.

Furthermore, we think that this is an appropriate opportunity to revise also the amount of the liability on the shares, and we therefore propose a reduction of £225,000 in the uncalled capital, so that the liability will be reduced from £10 to £7 per share. The £20 shares will thus become £14 shares with £7 paid up, and these shares will then be sub-divided into shares of £7 each with £3 10s paid up, and be known as "B" shares.

RESULT OF PROPOSED REDUCTION.

The result of the proposed reduction would be that our paid-up capital would stand at £525,000, but, as you will readily understand, it is of great importance that this should at the earliest possible moment be restored to at least the previous figure of £750,000. We have made arrangements with that object in view, and at the extraordinary general meeting you will be asked to sanction the creation of 60,000 7 per cent. cumulative "A" (preference) shares of £5 each. Of these shares 41,000 have been taken firm at par without any underwriting or other commission—provided that they are issued by August 31st next—whilst 19,000 will be offered to the shareholders at par in due course. Our reason for not proposing the immediate issue of the "A" shares is to keep the expenses of the operation as low as possible. You will observe that the resolutions to be submitted to you at the extraordinary general meeting are so framed that the increase of the capital becomes operative upon, and only upon, the proposed reduction of the capital taking effect. Thus, if the proposed reduction is confirmed by the Court, the authorised capital will at the same moment be restored to its present figure. If the arrangements are carried through in this manner, we are advised that duty on the new capital will not be payable.

You will further be asked to sanction the creation of 30,000 "B" shares of £5 each to be held in reserve for issue at some future time.

If these rearrangements become operative, the capital account will stand as follows:—authorised, £1,500,000; issued, £1,350,000; paid-up, £825,000.

Once more it gives me much pleasure to express our high appreciation of the services of our manager, Mr Harter, our sub-managers, Mr Haswell and Mr Springer, and the staff generally, all of whom discharge their duties ably and efficiently, and with full loyalty to the interests of the bank. They have still had to work during the past year under the discomfort caused by inadequate accommodation, especially in the last few months while the alterations were being carried out, but I hope you will agree with

me that the addition to our premises, which I mentioned last year, has now given us much more presentable and convenient quarters, both for the staff and for the customers of the bank.

THE FUTURE.

In conclusion, I will say a few words as to the future. We have a business with wide ramifications in the banking as well as in the commercial field, a large connection spread over many countries, and, moreover, a valuable asset in the goodwill resulting from our 50 years' business activity. All this—given peaceful and stable conditions—offers reasonable ground for confidence, and now that we are making the above comprehensive adjustments, we shall be in a better position to take advantage of the opportunities which the much-hoped-for improvement in trade may offer.

The resolution was adopted, and at an extraordinary general meeting which followed the proposals for the rearrangement of the capital account and the creation of the cumulative preference shares and the "B" shares, as detailed by the chairman, were also agreed to.

UNITED KINGDOM PROVIDENT INSTITUTION.

82ND ANNUAL MEETING.

SPEECH BY THE RIGHT HON. WALTER RUNCIMAN.

PREMIUMS OVER £1,000,000.

The annual meeting of the members of the United Kingdom Temperance and General Provident Institution was held on Tuesday, March 13th, at the Cannon street Hotel, London, E.C.

In presenting the report and moving the adoption of the balance-sheet, the Chairman (the Right Hon. Walter Runciman), in the course of his remarks, said: Our profits are mainly from three sources—low mortality, economical administration, and allowing in our valuation interest at a low rate.

LOW EXPENSES.

Our expenses are only 13.7 per cent. of our premium income, whereas we reserve for working expenses 23 per cent.

HIGH INTEREST YIELD.

We value on a 3 per cent. basis, and we actually earned last year an average net rate of interest of £4 10s 6d per cent., the highest rate ever reached by this office.

INCOME THE TRUE MEASURE OF WEALTH.

There appears in some quarters to be an impression, a belief amounting almost to an axiom, that the sale of securities on a rising market at prices in excess of their book value adds to the profits of life assurance institutions and augments their strength and wealth. This assumption is far too sweeping, and involves a fallacy which I would like to take this opportunity of dissolving. The fallacy appears to be based on a view which is far too prevalent among business men and politicians, namely, that the price of capital is the natural way of measuring wealth.

The mistakes which are made by the advocates of a capital levy, for instance, are due, in the main, to the attempt to measure wealth in terms of capital prices. The real value is what an investment will produce year by year; whether over a longer or shorter period. The annual or the triennial or the quinquennial income drawn from the investment is its real value. That is one reason why an annual income-tax is a more perfect taxing instrument than a capital levy—better for the revenue and more just as between taxpayer and taxpayer. To measure the profits of an insurance institution by recording the fact that during the year so much of the institution's investments have been sold above the book value and a profit has been realised thereon is fundamentally an unsound or inadequate financial statement.

As far as a life office is concerned, appreciation realised is only divisible profit in so far as it increases either immediately or ultimately a life office's income. Unless there is an increase in immediate or ultimate income, the so-called realised profit on investments is a delusion and may become a snare. Safety lies in abiding by sound doctrine.

TRIENNIAL BONUS.

After weighing the considerations affecting a short and long bonus period, the directors have decided that in future bonuses shall be declared triennially instead of quinquennially. Our first triennial valuation and distribution of profits will take place at the end of this year.

BONUS PROSPECTS.

Although only periodic valuations, i.e., when a bonus is declared, are published, for office purposes an estimate is made each year, and the two estimates made for the years 1921 and 1922 show that our working profits have been at least equal to our pre-war experience. If, therefore, the experience in 1923 is not less favourable, and I see no reason why it should be, there is every indication that the bonus to be declared for the three years 1921 to 1923 will be substantial.

COMPOUND BONUSES REQUIRE STRONG RESERVES.

The maintenance of a rate of compound bonus necessitates higher reserves than the maintenance of the same rate of simple bonus, and the higher the rate the greater the difference in the necessary reserves. The rate of compound bonus maintained by this institution in the years preceding the war was as high as any declared by any other office, and it was due to the strength of the reserves that this high rate of bonus could be maintained. Your directors' aim will, therefore, be not only to declare a substantial bonus at the end of this year, but also to lay before you a report showing such financial strength on both sides of the balance-sheet as will compare with the reserves of pre-war days, and so fortify our ability to maintain in future trienniums the rate of bonus declared at our first triennial investigation.

INVESTMENTS.

The funds of the institution are all invested in stocks of the very highest class. Of our investments, 87 per cent. are invested in England; 4 per cent. in India; 6½ per cent. in other colonial securities, leaving only a balance of 2½ per cent. invested outside of the British Empire. Again, of our Stock Exchange securities 92 per cent. are definitely trustee securities.

NEW BUSINESS.

The new business effected last year was nearly as large as that of the previous year, being £1,826,306. Considering the conditions ruling throughout last year, and the fact that much of October and November was interrupted by the General Election, the results are satisfactory.

PREMIUM INCOME.

Our premium income now exceeds £1,000,000. In 1902 our premium income just exceeded £500,000, so that it has doubled itself in 20 years.

INCREASE IN FUNDS.

The increase in our accumulated funds in the past twelve months is over £600,000, the largest increase the institution has ever shown.

OUR STRENGTH.

After the exhausting wastage of the war and the heavy depreciation brought to us in the disappointing years of peace, we are now able to record our strength regained. We dealt fully and frankly with depreciation during that trying period, and we have been rewarded in the proof given in this report and balance-sheet that our foundations are solid.

The resolution was seconded by the Hon. Cecil Baring, and carried unanimously.

RADIATION, LIMITED.

A SUCCESSFUL YEAR'S TRADING.

REMARKABLE ECONOMY OF "NEW WORLD" GAS COOKER

At the annual meeting of the company, held at the Queen's Hotel, Birmingham, on March 14, 1923, the Chairman, Mr H. James Yates, in moving the adoption of the report and accounts, said: Considering the difficulties which trading concerns continue to experience, I think it will be agreed that we have reason to congratulate ourselves on last year's results. We have had a good share of such revival of trade as has been experienced throughout the country.

We are steadily continuing to develop our system of standardisation, and the new methods which we have thus put into operation

upon so large a scale are reducing our costs of manufacture, so that we have been able during the past year to make very substantial reductions in the selling prices of our goods. This, it will be recognised, altogether discounts the impression which existed in some minds that the purpose and effect of a big combine like ours was to create a monopoly and raise prices. That it has had the opposite effect on prices is further evidenced by the fact that some months ago the chairman of a competing firm, in his annual address to their shareholders, stated that they had "had to compete with a large combination, and there had been keen cutting of prices."

NEW TYPE OF GAS COOKER.

I referred last year to an entirely new type of gas cooker on which we have been working for a long time, and I am glad to say that the new gas cooker, which we have named the "New World," is now about to be launched.

With this new cooker you are able to cook food at as low a cost for gas as you could do before the war. The burner in the hot-plate is the development of a burner that we have been using for a number of years past. There is no burner made with a higher efficiency, and further, there is no burner made which allows the flame to be so efficiently and economically utilised. A great feature is the fact that the burner can never become clogged up in use. With all burners that have drilled holes a prominent disadvantage is that, whatever may be the efficiency of such a burner, considered merely as a burner—and when it is new—the holes, being necessarily of small diameter, clog-up or rust-up, so that they become reduced in area. As a consequence, combustion becomes incomplete, waste ensues, and with it those unpleasant odours which are often experienced in connection with some gas cookers having this type of burner. Apart from this, the ring type of burner is of such a large area and consumption—considerably larger than the Radiation type—that a utensil placed upon it is not capable of utilising the full amount of the heat given off by the flame—particularly when the utensil used is a small one—and this is a cause of great waste.

REDUCES THE TIME OF COOKING.

In our new Radiation type of burner the maximum rate of gas consumption is considerably less than that of ring burners, and the actual consumption of gas on the hotplate for the duty performed is, therefore, much less. The high efficiency of our burner also reduces the time of cooking or boiling operations substantially as compared with that required with the drilled ring burners.

We are satisfied that if the use of our type of burner were to become universal, there would be few complaints by consumers regarding the amount of their gas bills. In addition, the decrease in the amount of the products of combustion entering the room is a very important factor that cannot be ignored.

The oven of the "New World" cooker is constructed on a new and original principle. The entire space within the oven is available for all cooking operations, and pastry or bread can be cooked quite as well at the bottom of the oven as at the top.

Attached to the oven may be had an automatic regulating device, which enables anyone to set the gas to ensure the temperature best suited to the purpose for which the oven is going to be used, and once cooking operations have started, the cooker can be left to itself until the fixed time set out in the instructions, when the food can be removed, and it will be found, as proved by extended practical use, that it is cooked perfectly—and far better than if there had been left to the fallible human element the duty of opening the oven door from time to time, and deciding when the cooking appeared to be finished.

Capital and Reserves
exceed £13,000,000

Head Office:

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

AFFILIATED INSTITUTIONS:

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

THE ANGLO-SOUTH AMERICAN BANK,
LIMITED.



THE THERM.

In accordance with facilities afforded by the Gas Regulation Act, many of the gas undertakings throughout the country, instead of continuing to charge for their gas upon the thousand-cubic-foot basis, are now doing so on the basis of the therm, which is equivalent to 100,000 B.Th.U., equal to 200 cubic feet of gas of a calorific value of 500 B.Th.U. per cubic foot. It should be emphasised that this modification was not introduced at the request of the gas undertakings, but as the result of the recommendations of the Fuel Research Board, for the protection of the interests of the consumer.

To charge by the therm enables a direct comparison to be made between the charges for various makes of gas, such as the cubic-foot system of charging did not allow. It also permits of a comparison of the cost of heating by gas and by electricity, on the basis that the heating power of one therm is approximately equal to the heating power of 30 Board of Trade electrical units. Under the new therm system of charging, you pay for what you get instead of what you are supposed to get.

Following upon the outcry against gas measurement by the therm, there has lately been some agitation against gas itself, and the surest way to meet this successfully is simply to make known the actual facts, because the last thing gas has to fear is the truth.

There is a comparatively small proportion of the houses in this country not supplied with gas, and it is remarkable that there are so extremely few accidents traceable to this source. Statistics show that the aggregate number of accidents to-day from oil and gas put together is much less than those caused by oil alone in the days when oil was in general use.

That constituent of coal gas which is probably primarily responsible for any accidents is carbon monoxide. When gas is burned this constituent is converted into carbon dioxide, a substance which is the result of combustion of any kind—whether it be combustion of coal, of petrol, of oil, of gas, or whether it be given off by the human breath as the result of combustion in the body.

During the recent inquiry into the results of gas measurement by the therm, statements have been made that much of the existing gas apparatus and fittings already in use—and even those supplied to-day—are defective. So far as this company is concerned, I am happy to be able to give you the comforting assurance that any charge made against gas apparatus does not apply to the apparatus designed and standardised by Radiation. I have not the least hesitation in saying that the fact that faulty apparatus is being made and bought to-day is due to buyers thinking more of price than of the efficiency of the apparatus, as if the lowest price made the cheapest purchase.

You may take it from me that in the new goods which we are gradually bringing out and standardising, Radiation is creating a standard of quality which has no equal in our industry.

A PATENT INJECTOR-VENTILATOR.

By means of a patent injector-ventilator, the "Thermo-Radiant" gas grates of the Radiation firms effect ventilation equal to that of the coal fire, and free from all the disadvantages of the latter. By the same means these gas grates have the further advantage that when the fire is not alight the room is still as well ventilated as though no gas fire had been placed in front of the coal grate—a feature not attainable with any other gas fire.

No fuel-consuming apparatus should allow its combustion products to escape into the apartment. With a coal fire you can tell if there is an escape of combustion products, because you see the smoke, whereas with a gas fire any escape is not visible. When you see a gas grate or gas fire made by the Radiation firms, you have the perfect assurance that no combustion products escape into the room, as they do not require the aid of a chimney—"pull" to take them away. We originated this standard of a perfect gas grate, and devised a test capable of detecting any escape of products which would cause an increase of one part in 10,000 in the carbon dioxide content of the atmosphere of the room. At a later date the *Lancet* instituted a test of their own, which confirmed the standard we had laid down.

Summing up these points—when you use a Radiation Standard Gas Grate made by one of the Radiation firms, you have all the advantages of the coal fire, none of its disadvantages, and none of the disadvantages of the earlier types of gas fire—70 per cent. of the heat passing into the room is radiant heat; you have perfect ventilation and a silent-burning fire.

With regard to the balance-sheet, you will no doubt be pleased to know that the year 1922 was, so far as your company is concerned, a great improvement on the previous year. Our combined turnover has greatly increased, and our net profits show a satisfactory improvement.

It gives the directors much pleasure to recommend that the same final dividends as in previous years be declared, making, with the interim dividend already paid, 6 per cent. less tax on the preference shares, and 6 per cent. free of tax, on the ordinary shares.

THOMAS TILLING, LIMITED.

"VERY STRONG POSITION ATTAINED."

The 26th annual general meeting of Thomas Tilling, Limited, was held, on the 15th instant, at the company's offices, 20 Victoria street, Westminster, London, Mr R. S. Tilling, J.P. (the chairman of the company), presiding.

The Chairman, in moving the adoption of the report and accounts, said: Your directors hope that you are satisfied with the result of the year's working, especially considering the general state of trade. You will observe that the net profit for the year was £154,016, as compared with £150,503 for the year previous, after providing for the interest on the first mortgage debentures, the directors' and trustees' fees, and corporation profits tax.

During the past year we have removed the remainder of our old fleet of London omnibuses, and have replaced them with those of the latest type. I think it perhaps wise to remind my hearers that this business is now 77 years old, that it has been built up little by little, line upon line, that we have still a large horse business (their numbers run into four figures), we have private motors, industrial motors, coachbuilding, &c., and that our activities are no longer confined to the metropolis. Not more than 25 per cent. of the company's assets are represented by their London omnibuses.

A good deal has lately been said about the irregular (or what we used to describe as the pirate) omnibus. Well, we have large interests outside London, and in establishing services to cater for public requirements certain portions of them are not in themselves profitable, but are helped by the portions that are. These irregular owners are people who only run their vehicles on the profitable portions of a route and at the profitable times, without any idea of serving a public need, and if they are to take the cream and leave the regular owner only the skimmed milk the public must suffer in the end. Of course, these irregular owners get a lot of sympathy from the uninformed, because they are what are called "little men."

In every place in which we are operating we are doing so in conjunction with, and not in opposition to, such people as are capable of and who are giving the public a regular service such as I have indicated.

Hitherto we have only paid dividends on our ordinary shares yearly, as most of our subsidiary companies only declare their dividends once a year, but the very strong position now attained by the company seems to warrant our departure from that practice, and your directors will pay interim dividends in the future providing the position justifies their doing so.

Mr C. J. Dignasse seconded the motion, which was carried unanimously.

GOVERNMENT RETURNS.

CURRENCY NOTES ACCOUNT.

(000's omitted.)

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Advances to		Redemption Account.					
			Bankers.	Savings Bank.	Gold and Bullion.	Bank of England Notes.	Ratio to Notes.	Government Securities.	Balance at Bank of England.	
1914.	£ 21,535	..	6,302	3,810	..	..	..	..	11,423	
Dec. 30.	38,478	..	169	600	18,500	..	48.1	9,294	9,286	
1915.										
Dec. 29.	103,126	729	159	249	28,500	..	27.6	54,621	20,536	
1916.										
Dec. 27.	150,144	2,430	64	40	28,500	..	19.0	118,102	6,868	
1917.										
Dec. 26.	212,782	8,554	39	675	28,500	..	13.4	186,637	5,406	
1918.										
Dec. 31.	323,241	15,529	..	670	28,500	..	8.9	306,133	4,588	
1919.										
Dec. 31.	356,152	17,182	260	945	28,500	4,000	9.1	337,537	2,808	
1920.										
Dec. 31.	367,696	16,962	..	..	28,500	19,450	13.0	336,504	134	
1921.										
Mar. 30.	343,826	15,599	Silver Coin.	..	28,500	19,450	13.9	311,334	141	
June 29.	323,884	14,965	3,000	..	28,500	19,450	14.8	287,750	150	
Sept. 28.	314,382	14,830	3,000	..	28,500	19,450	15.2	278,119	143	
Dec. 28.	325,584	14,658	3,000	..	28,500	19,450	14.7	289,131	161	
1922.										
Mar. 29.	300,351	14,255	5,000	..	28,500	19,450	15.9	261,479	177	
June 28.	295,374	13,338	6,000	..	28,500	19,650	16.3	254,312	260	
Sept. 27.	289,127	12,648	7,000	..	27,000	21,150	16.6	246,456	169	
Dec. 27.	301,337	12,872	7,000	..	27,000	21,150	15.9	258,922	137	
1923.										
Feb. 21.	279,383	11,932	7,000	..	27,000	22,450	17.7	234,696	169	
Mar. 28.	279,101	11,735	7,000	..	27,000	22,450	17.7	234,169	221	
Mar. 27.	281,156	11,905	7,000	..	27,000	22,450	17.6	236,451	160	
14.	281,039	11,945	7,000	..	27,000	22,450	17.6	236,373	162	

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £200,000,000, for 1921 at £317,656,200, for 1922 at £309,988,400, and for 1923 at £270,183,000.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £30,000,000 in three months' Treasury Bills dated from Monday to Saturday, March 19-March 26, were opened on March 16, 1923, and the total amount applied for was £54,490,000. Tenders for Monday to Friday bills at £99 9s 7d, about 60 per cent., and above in full, and Saturday bills at £99 9s 10d, and above in full. The average rate of discount for Treasury bills was £2 0s 0 3/4d. The amounts allotted were as follows:—In bonds, £500,000; in bills at 3 months, £29,500,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills, Average Rate.	4½% Treasury Bonds, 1922, Average Price.
Dec. 22, 1922.	(a) 50,000,000	(a) 52,725,000	2 11 7 5/2	None allotted
Dec. 29, 1922.	(a) 55,000,000	(a) 16,225,000	2 6 11 3/5	None allotted
Jan. 5, 1923.	(a) 50,000,000	(a) 63,995,000	2 2 7 5/7	99 3 9 6
Jan. 12, 1923.	(a) 50,000,000	(a) 76,575,000	2 3 5 6/8	99 6 3 7/2
Jan. 19, 1923.	(a) 40,000,000	(a) 55,305,000	1 18 9 9/1	99 7 1 6/9
Jan. 26, 1923.	(a) 40,000,000	(a) 61,530,000	2 6 3 8/7	99 7 6
Feb. 2, 1923.	(a) 40,000,000	(a) 59,465,000	2 10 1 5/7	None allotted
Feb. 9, 1923.	(a) 35,000,000	(a) 63,590,000	2 9 7 8/6	99 8 6 4
Feb. 16, 1923.	(a) 3,000,000	(a) 49,875,000	2 6 6 3/1	99 8 2 2
Feb. 23, 1923.	(a) 40,000,000	(a) 61,630,000	2 6 2 9/5	99 9 1 1/7
Mar. 2, 1923.	(a) 40,000,000	(a) 53,770,000	2 2 10 3/5	99 9 9 5
Mar. 9, 1923.	(a) 40,000,000	(a) 57,190,000	2 8 0 3/2	99 9 7 5
Mar. 16, 1923.	(a) 30,000,000	(a) 54,490,000	2 8 0 3/2	99 9 4 8

(a) Including Treasury Bonds.

Tenders will be received on Friday, March 23, 1923, for Treasury Bills to be issued to the maximum amount of £30,000,000.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

Estimate for the Year 1922-23. (See Note.)	Total Receipts into the Exchequer from Apr. 1, 1922, to Mar. 11, 1923.	Total Receipts into the Exchequer from Apr. 1, 1921, to Mar. 11, 1922.	Receipts, Week Ended Mar. 10, 1923.	Receipts, Week Ended Mar. 11, 1922.
Balances in Exchequer on 1st April:—				
Bank of England	9,963,424	2,591,061		
Bank of Ireland	1,210,106	483,455		
REVENUE.	11,173,530	3,074,506		
Cumulative	112,250,000	116,980,000	123,556,000	2,158,000
Excise	180,750,000	146,980,000	181,925,000	1,078,300
Motor Vehicle Duties	10,600,000	12,180,000	10,918,000	312,000
Stamps, &c., Duties	48,000,000	53,441,000	48,145,000	640,000
Stamps	18,250,000	19,702,000	15,778,000	1,401,000
Land Tax, House Duty, & Mineral Rights Duty	3,000,000	2,620,000	2,250,000	180,000
Property & Income Tax (including Super-Tax)	329,000,000	336,636,000	342,370,000	21,348,000
Excise Profits Duties, &c.	27,800,000	954,000	29,714,000	
Corporation Profits Tax	19,750,000	17,847,000	15,696,000	360,000
Post Office	54,625,000	50,350,000	52,250,000	1,250,000
Crown Lands	750,000	890,000	750,000	
Interest on Sundry Loans	14,000,000	9,843,362	11,046,406	20,884
Miscellaneous—				
Ordinary Receipts	22,000,000	21,298,277	22,458,602	492
Special Receipts	90,000,000	44,151,604	140,809,914	3,318,938
Revenues	910,776,000	833,875,243	997,669,922	26,782,694
Total, Inc. Balance	845,048,773	1,000,741,428		34,056,296
OTHER RECEIPTS.				
Temporary Advances Repaid:—				
Bullion	800,000	10,230,000		350,000
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	169,818	169,818		
Under the Unemployment Insurance Act, 1921	2,980,000	520,000		
Money Raised by Creation of Debt:—				
(a) For Capital Expenditure Issues: Under the Telegraph (Money) Act, 1920 to 1922	5,310,000	5,561,474		
Under the Post Office (London) Railway Act, 1913	27,000	27,500		
Under the Housing Act, 1914	27,000	50,000		
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922	950,000			
By Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	1,553,300			
(b) Under the Unemployment Insurance Act, 1921	5,080,000	11,890,000	540,000	
(c) For other Issues: By Treasury Bills for Supply	2,703,175,000	3,575,636,000	42,147,000	48,678,000
By National Savings Certificates	58,158,000	56,205,000	1,050,000	4,300,000
By Exchequer and National War Bonds	20	5		
By Treasury Bonds—				
5-15 year, 1926-35	61,655,154	325,240,750		
5½, 1927	93,716,580		2,487,250	
4½, 1933				
By Other Debt created under the War Loan Act, 1914 to 1919	25,259	10,961,454		
(d) Ways and Means Advances	843,125,500	1,241,596,000	4,700,000	1,950,000
Anglo-Persian Oil Company—				
Dividends on Shares acquired	1,017,976	5,010		
Repayments—				
In respect of Suez Canal Drawn Shares	5,787	7,111		
Do Cunard Loan	130,000	130,000		
Do East Africa Protectorate Loan		127,268		
Do Issues under Civil Contingencies Fund Act, 1919		7,250,000		
Do Issues under Land Settlement (Facilities) Act, 1919 and 1921	291,829	63,128		
Do Issues under Section 59 (4) of the Finance Act, 1920	6,827,960	13,490,950		
Interest received under Section 59 (5) of the Finance Act, 1920	162,426	426,340		
Total	4,630,214,381	6,260,329,236	77,706,894	85,334,296

EXPENDITURE AND OTHER ISSUES.

Estimate for the Year 1922-23, including Supplementary Grants.	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1922, to Mar. 11, 1923.	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1921, to Mar. 11, 1922.	Issues, Week Ended Mar. 10, 1923.	Issues, Week Ended Mar. 11, 1922.
EXPENDITURE.				
Permanent Charge of Debt, &c., on War Debt	16,000,000	12,943,409	22,528,808	137,883
Road Fund	319,000,000	283,340,769	301,403,452	1,204,722
Payments to Local Taxation Accounts, &c.	9,788,000	6,925,518	8,409,789	50,000
Payments to Northern Ireland Exchequer	2,500,000	2,133,548	1,003,308	100,000
Land Settlement	3,500,000	1,177,119	2,500,171	107,064
Other Consolidated Fund Services	2,650,000	2,538,168	1,758,456	67
Supply Services	539,253,000	410,603,761	614,544,419	9,546,893
Expenditure	902,691,000	730,987,291	963,229,488	13,216,222
OTHER ISSUES.				
Temporary Advances—				
Bullion			10,300,000	350,000
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904		169,818	169,818	
Under the Unemployment Insurance Act, 1921		6,090,000	13,470,000	110,000
Issues to meet Capital Expenditure: Under the Telegraph (Money) Act, 1920 to 1922		6,360,000	6,261,474	
Under the Post Office (London) Railway Act, 1913		27,500		
Under the Housing Act, 1914		27,000	56,000	6,000
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922		950,000		
Under the Capital Expenditure (Money) Act, 1904				
Exchequer Bonds paid off £3,087,600; less paid off by the National Debt Commissioners, £1,534,300		1,553,300		
Unemployment Insurance Act, 1921—			70,000	
Repayment of amounts borrowed		2,180,000		
Redemption of Debt:—				
Treasury Bills for Supply	2,930,204,000	3,776,101,000	59,800,000	62,880,000
Securities surrendered for Duties under Section 34 of the Finance Act, 1917, and Section 3 (3) of the War Loan Act, 1914		8,664,429	31,226,195	1,000
Funding Loan, Victory Bonds and Conversion Loan Sinking Funds		11,571,333		281,085
Principal of National Savings Certificates—				
(a) Repaid by Issues under Section 59 (6) of the Finance Act, 1920		25,300,000	22,100,000	600,000
(b) Repaid otherwise			10,400,000	
Principal of Exchequer Bonds paid off, £20,887,122; less paid off by the National Debt Commissioners, £1,000,000		19,887,122	42,781,133	
Principal of National War Bonds paid off		44,684,182		
Other Debt under the War Loan Act, 1914 to 1919		15,825,526	58,815,156	
Ways and Means Advances Repaid		814,115,500	1,277,355,000	5,600,000
Depreciation Fund, under the Finance Act, 1917		1,198,075	27,100,223	
Anglo-Persian Oil Company—				
Issued to the National Debt Commissioners		1,017,976		
Issues to National Debt Commissioners to Reduce Debt				
Suez Canal Drawn Shares Repayments		5,787	7,111	
Cunard Loan Repayments		130,000	130,000	
East Africa Protectorate Loan Repayments			127,268	
Proceeds of National Savings Certificates, issued under the Finance Act, 1920, Section 59 (4)		5,000,000	17,390,000	
Jld Sinking Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911		136,304	269,620	
Balances in Exchequer—				
Mar. 10, '23, Mar. 11, '22, in the		4,626,057,643	6,256,317,286	77,511,714
Bank of England		2,077,841	3,004,111	36,820
Bank of Ireland		2,078,894	1,007,837	490,569
Total		4,156,738	4,011,950	195,180

NOTE.—Budget Estimate as in H.C. No. 77 of 1922. Treasury, March 12, 1923.

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, March 14, 1923.

ISSUE DEPARTMENT.

Notes issued	145,429,120	Government debt	11,015,100
		Other securities	8,734,900
		Gold coin and bullion	125,679,120
			145,429,120

BANKING DEPARTMENT.

Capital	14,553,000	Government securities	48,451,700
Rest	3,673,468	Other securities	70,649,980
Public deposits	15,623,156	Notes	22,433,145
Other deposits	109,495,119	Gold and silver coin	1,829,657
Seven-day & other bills	19,739		
	143,364,482		143,364,482

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

The Clerical, Medical & General

LIFE ASSURANCE SOCIETY.

Publishes A DETAILED LIST OF INVESTMENTS.

Apply, Chief Office: 15, St. James's Square, S.W. 1.
or
City Office: 8, King William Street, E.C. 4.

SCOTTISH UNION & NATIONAL INSURANCE COMPANY.

ESTABLISHED 1824. ASSETS EXCEED £12,000,000
FIRE. LIFE. ACCIDENT. MARINE.
Edinburgh: 35, St. Andrew Square.
London: 5, Walbrook, E.C. 4 and 4, St. James' Street, S.W. 1.

COMPARISON WITH PREVIOUS WEEK AND A YEAR AGO.

	Amount, Mar. 14, 1923.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Rest	£ 3,673,468	+ 8,673	+ 55,787
Public deposits	15,623,156	+ 244,710	+ 3,313,155
Other deposits	109,495,119	+ 2,003,991	+ 6,117,714
Government securities	48,451,700	+ 1,040,074	+ 1,317,382
Other securities	70,649,980	+ 255,875	+ 9,483,383
Reserve	24,262,802	+ 472,985	+ 1,804,444
Note circulation	122,995,975	+ 472,135	+ 1,237,780
Coin and bullion	127,508,777	+ 850	+ 1,256,664
% of reserve to liabilities	19%	+ 18%	+ 8%

THREE MONTHS' RECORD.

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits	Securities in Banking Department.	Reserve.	% of Reserve to Liabilities.
1922.						
Dec. 20	£ 127,444,219	£ 124,890,400	£ 123,395,554	£ 120,319,616	£ 21,003,819	17 3/4
27	127,443,007	124,877,670	133,227,231	130,126,031	21,016,337	15 1/2
1923.						
Jan. 3	127,493,190	124,053,460	157,778,672	153,861,705	21,889,730	15 1/2
10	127,486,217	124,454,770	136,311,140	130,844,337	23,481,447	17 1/2
17	127,491,367	121,236,150	140,010,109	137,448,112	24,705,207	17 1/2
24	127,489,154	120,798,570	125,803,374	118,682,858	25,140,584	20
31	127,491,860	122,018,155	120,924,209	115,027,941	23,923,706	19 1/2
Feb. 7	127,490,819	121,481,100	121,239,903	114,879,475	24,459,719	20 1/2
14	127,493,425	120,719,230	126,244,044	119,130,331	25,224,195	20
21	127,499,186	122,041,710	128,627,692	121,752,212	25,207,476	19 1/2
28	127,504,283	123,940,440	131,455,821	126,190,310	25,313,343	19 1/2
Mar. 7	127,507,927	123,468,110	123,358,994	117,805,931	23,789,817	19 1/2
14	127,508,777	122,995,975	125,118,275	119,101,680	24,262,802	19 1/2

TEN YEARS' RECORD.

At corresponding date with the present week.	Mar. 12, 1913.	May 27, 1914.	Mar. 16, 1921.	Mar. 15, 1922.	Mar. 7, 1923.
Circulation (excl. Bank post bills)	27,949,504	28,933,380	128,106,095	121,758,195	122,995,975
Public deposits	26,769,109	19,014,809	18,910,444	18,936,311	15,623,156
Other deposits	40,530,581	41,248,964	107,259,094	115,612,833	109,495,119
Government securities ..	15,034,257	11,046,570	23,523,863	47,134,171	48,451,700
Other securities	4,622,671	41,461,280	102,076,713	80,133,363	70,649,980
Reserve of notes and coin	27,917,934	25,463,980	18,669,404	25,467,246	24,262,802
Coin and bullion	37,417,499	35,947,560	128,325,499	128,775,441	127,508,777
Proportion of reserve to liabilities	41½ %	42½ %	14½ %	18½ %	19½ %
Bank rate of discount ..	5 %	3 %	7 %	4½ %	3 %
Market rate, 3 mth's bills	4½ %	1 %	6 %	3½ %	2½ %
Price of Consols	73½	78½	47½	52½	58½
Price of silver per oz.	25 25/64	26 1/8	34	33 3/4	32 3/4
Exchanges	25 25/64	26 1/8	55 40/64	48 5/2	77 25/95
on Paris	847 5/8	847 7/8	1030 9/11	1034 3/4	849 6/40
on New York	12 28/32	12 0/5	11 35/32	11 52 1/2	11 89/90
on Amsterdam	20 4/4	20 4/9	244 246	1,165 1,167	95,000 99,000
on London	278,104,000	199,913,000	669,014,000	781,421,000	722,537,000
on Berlin					
Clearing house return ..					

BANK OF SPAIN.

(000's omitted.)

Assets.	Mar. 10, 1923.	Mar. 3, 1923.	Feb. 24, 1923.	Feb. 17, 1923.	Mar. 11, 1922.	Position May 30, 1914
Gold	2,555,450	2,525,419	2,525,421	2,525,421	2,519,043	521,775
Silver	652,966	656,077	656,631	651,345	631,605	728,600
Loans and discounts	1,934,430	1,946,457	1,965,980	2,037,151	2,554,219	820,795
Spanish 4% stock	344,475	344,475	344,475	344,475	344,475	344,475
Treasury bills	150,000	150,000	150,000	150,000	150,000	150,000
LIABILITIES.						
Circulation	4,106,228	4,093,962	4,076,662	4,116,447	4,195,908	901,550
Deposits	1,054,437	1,031,284	1,080,198	1,123,096	1,100,364	477,500

BANK OF JAPAN.

(000's omitted.)

Assets.	Feb. 10, 1923.	Feb. 3, 1923.	Jan. 27, 1923.	Jan. 20, 1923.	Jan. 13, 1923.	Feb. 11, 1922.	Position Jan 30, 1914
Cash and bullion	1,088,814	1,089,531	1,092,900	1,095,708	1,094,766	1,221,103	221,320
Discounts	118,463	134,575	115,446	75,322	84,682	67,807	41,740
Advances	243,261	246,178	246,329	222,799	230,870	87,161	70,540
LIABILITIES.							
Notes	1,191,743	1,245,366	1,237,795	1,167,353	1,181,540	1,143,367	362,270
Govt deposits	759,381	723,924	719,937	706,474	703,293	1,265,513	87,340
Other deposits	47,022	41,245	62,133	56,608	69,491	43,321	11,440

IMPERIAL BANK OF GERMANY.

(000's omitted.)

Assets.	Mar. 7, 1923.	Feb. 28, 1923.	Feb. 23, 1923.	Mar. 7, 1922.	Position May 30, 1914
Gold	8,104,833	1,004,829	1,004,830	996,379	1,313,240
Of which deposited in Bank of England	64,952	50,032	50,032	17,129	321,920
Silver	69,508	69,494	69,494	69,494	943,460
Treasury notes	733,246,117	708,305,283	658,682,682	5,156,001	60,780
Bills discounted	5,550,799,764	4,776,706,074	4,096,185,877	132,883,392	
LIABILITIES.					
Notes in circulation	5,871,256,168	5,512,787,777	5,123,540,257	121,930,166	3,013,860
Deposits	1,978,197,823	1,562,982,036	1,289,485,361	22,333,824	842,340

RUSSIAN STATE BANK.

Note-issuing Department.

(In chervonets.)

Assets.	Feb. 16, 1923.
Gold in coin and bullion	1,246,465.0
Foreign bank notes	454,846.5
Drafts in sterling	245,158.7
Bills (less 10 % discount)	414,060.0
Securities covering advances on goods (less 10 %)	1,139,646.0
LIABILITIES.	
Bank notes	3,500,176.2
Balance to which notes may still be issued	775,176.2
	3,500,176.2

(NOTE: 1 chervonetz = 10 roubles gold.)

BANK OF ITALY.

(000's omitted.)

Assets.	Feb. 10, 1923.	Feb. 3, 1923.	Jan. 27, 1923.	Jan. 20, 1923.	Feb. 20, 1922.	Position May 31, 1914
Total cash	1,382,926	1,360,989	1,352,761	1,354,815	1,440,484	1,221,875
Inland bills	4,759,349	4,422,915	4,475,068	4,439,252	4,432,068	418,400
Foreign bills	13,153	10,666	9,500	9,533	9,450	81,300
Advances to the Treasury	6,082,762	6,099,369	6,091,792	6,104,988	6,587,177	nil
Other advances	1,679,698	2,732,369	2,001,086	2,038,439	3,466,536	79,175
Securities	406,341	406,989	406,987	398,165	535,486	806,700
LIABILITIES.						
Notes in circulation	11,049,862	13,291,574	13,437,829	13,405,365	14,031,218	1,556,926
Deposits & drafts	1,707,783	1,645,587	1,781,851	1,617,672	2,001,361	193,975

NETHERLANDS BANK.

(000's omitted.)

Assets.	Mar. 12, 1923.	Mar. 5, 1923.	Feb. 26, 1923.	Feb. 19, 1923.	Mar. 13, 1922.	Position May 30, 1914
Gold	531,926	535,088	530,933	530,624	546,982	171,175
Silver	105,702	105,618	105,779	106,302	108,000	18,350
Dutch & advances	12,347	12,337	12,335	12,334	17,510	4,467
LIABILITIES.						
Notes in circulation	873,424	883,832	840,044	840,697	819,026	875,925
Deposits	283,616	258,789	310,928	280,514	176,180	33,750

NATIONAL BANK OF ROMANIA.

(000's omitted.)

Assets.	Feb. 24, 1923.	Feb. 17, 1923.	Feb. 10, 1923.	Feb. 3, 1923.	Feb. 25, 1922.
Gold	533,068	533,067	533,067	533,067	495,459
Silver	805	524	579	503	467
Govt. & Government loan	12,538,600	12,548,320	12,547,132	12,551,384	12,541,447
Other advances	4,794,478	4,726,663	4,613,940	4,574,369	2,694,671
LIABILITIES.					
Notes in circulation	15,396,171	15,378,630	15,356,003	15,264,636	13,669,397
Deposits	7,172,174	7,133,130	7,040,441	7,098,986	6,201,395

SWISS NATIONAL BANK.

(000's omitted.)

Assets.	Mar. 7, 1923.	Feb. 28, 1923.	Feb. 23, 1923.	Feb. 15, 1923.	Mar. 7, 1922.	Position May 31, 1914
Gold	531,926	535,088	530,933	530,624	546,982	171,175
Silver	105,702	105,618	105,779	106,302	108,000	18,350
Dutch & advances	12,347	12,337	12,335	12,334	17,510	4,467
LIABILITIES.						
Notes in circulation	873,424	883,832	840,044	840,697	819,026	875,925
Deposits	283,616	258,789	310,928	280,514	176,180	33,750

The Monthly Statement of the Swiss Federal Loan Bank (Darlehenskasse) shows that up to February 28, 1923, total issues were Fr. 19,787,886, of which Fr. 12,336,800 was held by the Swiss National Bank.

BANK OF SWEDEN.

(000's omitted.)

Assets.	Mar. 10, 1923.	Mar. 3, 1923.	Feb. 24, 1923.	Feb. 17, 1923.	Mar. 11, 1922.	Position May 30, 1914
Gold	273,716	273,761	273,889	273,907	274,380	104,918
Balance abn. and foreign bills	103,207	107,576	113,367	114,745	103,419	112,172
Swedish and for. Govt. securities	122,828	122,828	122,828	122,828	44,060	32,465
Discount and loans	333,269	352,833	327,701	345,736	527,742	117,668
LIABILITIES.						
Notes in circulation	524,694	544,224	493,624	503,509	566,977	226,555
Deposits at notice	252,325	258,231	287,047	297,107	329,900	369,660

NATIONAL BANK OF BELGIUM.

(000's omitted.)

Assets.	Mar. 8, 1923.	Mar. 1, 1923.	Feb. 22, 1923.	Feb. 15, 1923.	Mar. 9, 1922.	Position May 28, 1914
Coin (gold & silver and bullion)	346,287	348,513	349,072	345,916	326,880	322,650
Securities	692,946	699,926	661,763	610,332	452,107	697,600
LIABILITIES.						
Notes in circulation	6,890,876	6,964,853	6,870,616	6,902,371	6,293,872	934,150
Current accounts	340,812	292,051	306,011	194,641	816,510	112,125

AUSTRIAN NATIONAL BANK.

(000's omitted.)

Assets.	Feb. 28, 1923.	Feb. 23, 1923.	Feb. 15, 1923.	Feb. 7, 1923.
Gold	83,438,091	82,128,209	82,128,209	49,306,219
Foreign bills	1,029,133,912	1,011,130,274	1,001,335,519	1,094,289,313
Bills discounted	728,268,777	748,845,541	758,178,689	742,991,373
Treasury bills	2,552,681,825	2,552,681,825	2,552,681,825	2,552,681,825
Other assets	715,936,171	718,224,492	727,426,050	658,240,303
LIABILITIES.				
Notes in circulation	4,207,991,722	4,016,026,905	4,077,988,190	4,073,027,731
Deposits	178,752,336	373,989,017	312,449,440	362,682,325
Other liabilities	425,022,223	425,297,258	433,616,201	379,349,797

HUNGARIAN BANK.

(000's omitted.)

Assets.	Mar. 7, 1923.	Feb. 28, 1923.	Feb. 23, 1923.	Feb. 15, 1923.	Mar. 7, 1922.
Gold coin and bullion, bills	22,757	22,794	22,859	13,325	12,860
Silver coin, &c.	596	596	596	595	595
Bills, warrants, drafts, &c.	60,339,321	40,037,831	58,242,133	56,768,722	23,655,219
Loans	1,944,152	2,012,955	2,012,955	2,007,253	1,537,335
LIABILITIES.					
Notes in circulation	75,696,746	75,135,309	74,099,779	74,262,853	26,903,418
Deposits	6,660,260	6,599,899	7,987,750	7,378,013	2,525,097

NATIONAL BANK OF DENMARK.

(000's omitted.)

Assets.	Feb. 28, 1923.	Jan. 31, 1923.	Dec. 31, 1922.	Nov. 30, 1922.	Feb. 28, 1922.	Position May 30, 1914
Coin and bullion	228,244	228,241	228,257	228,280	228,330	76,644
Loans & discounts	404,448	482,186	467,529	462,035	434,127	88,470
Securities	3,714	3,906	3,933	10,883	20,383	24,102
LIABILITIES.						
Circulation	447,946	442,872	459,354	459,310	440,822	157,266
Deposits	70,804	164,744	163,710	169,211	124,730	6,696

BANK OF NORWAY.

(000's omitted.)

Assets.	Mar. 7, 1923.	Feb. 28, 1923.	Feb. 23, 1923.	Feb. 15, 1923.	Mar. 7, 1922.	Position May 31, 1914
Coin and bullion—Gold	147,289	147,289	147,289	147,289	147,289	44,224
Balance abroad and foreign bills	28,676	30,686	33,562	47,833	28,533	
Norwegian & Foreign Government securities	9,404	9,404	9,404	10,085	8,816	
Discount and loans	453,247	455,748	449,288	429,142	76,911	
LIABILITIES.						
Notes in circulation	353,571	353,877	345,707	373,796	113,484	
Deposits at notice	171,575	174,251	179,382	146,586	7,188	

Through Royal resolution of February 3, 1922, it has been resolved that the extraordinary right of issuing bank notes has been reduced from 50 millions to 25 millions from February 4, 1922 (this day included).

IMPERIAL BANK OF INDIA.

(000's omitted.)

	Feb. 16, 1923.	Feb. 9, 1923.	Feb. 2, 1923.	Jan. 26, 1923.	Jan. 19, 1923.	Feb. 1, 1922.
ASSETS.						
Govt. securities	8,294.41	8,365.83	8,404.70	8,417.76	8,397.78	9,888.52
Other securities	1,255.67	1,255.67	1,255.67	1,255.67	1,255.67	1,255.67
Loans	17,544.86	17,391.10	18,340.20	18,977.55	19,777.95	14,835.94
Cash credits	29,893.32	29,440.03	30,055.53	29,966.66	28,842.21	26,674.40
Inland bills	7,564.47	7,455.56	7,293.53	7,214.44	6,567.79	10,819.44
Foreign bills	18.32	17.58	20.41	25.63	18.71	4.76
Dead stock	2,460.3	2,457.8	2,452.0	2,450.7	2,450.07	2,395.56
Bullion	32.24	34.17	36.53	30.84	30.03	31.70
Bal. with other banks	19.26	35.67	14.80	5.73	10.16	12.25
Cash	12,32.56	12,65.79	13,13.95	12,60.69	12,59.89	14,19.20
LIABILITIES.						
Subscribed capital	11,25.00	11,25.00	11,25.00	11,25.00	11,25.00	11,24.24
Capital paid up	5,62.50	5,62.50	5,62.50	5,62.50	5,62.50	5,62.50
Reserve	4,22.50	4,22.50	4,22.50	4,22.50	4,22.50	4,22.50
Public deposits	14,33.94	14,90.69	15,87.69	16,59.69	15,30.52	14,355.94
Other deposits	54,78.32	53,91.50	54,70.87	53,76.47	54,00.41	58,233.41
Loans against securities	50.25	69.75	69.75	80.96	68.94	31.21
Liabilities	56.62	53.04	53.21	49.04	63.39	42.00
The above includes— Deposits in London	581	516	262	160	167	63
Adv'nces in London	335	585	648	710	610	748
Cash, &c., at other banks in London	123	233	94	34	62	286

[March 17, 1923.]

CURRENT RATES IN NEW YORK.

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

	Mar. 16, 1922.	Feb. 8, 1923.	Feb. 15, 1923.	Mar. 1, 1923.	Mar. 8, 1923.	Mar. 15, 1923.
Call money.....	4 1/2	4 1/2	5	5	4 1/2	5
Time money (90 days' mixed call)	4 1/2	4 1/2	5	5	4 1/2	5
Bank acceptances:—						
Members—eligible, 90 days	4 1/2	4 1/2	5	5	4 1/2	5
Non-mem.—eligible, 90 days	4 1/2	4 1/2	5	5	4 1/2	5
Ineligible, 90 days	4 1/2	4 1/2	5	5	4 1/2	5
Commercial accept., 90 days	4 1/2	4 1/2	5	5	4 1/2	5

RATES OF EXCHANGE.

New York on—	Par Level.	Mar. 16, 1922.	Mar. 1, 1923.	Mar. 8, 1923.	Mar. 15, 1923.
London—					
80 days.....		4-30	4-6687	4-665	4-6819
Cable.....		4-3450	4-7062	4-7025	4-6881
Cheques.....		4-3412	4-7070	4-7025	4-6881
Paris.....		19-30	8-95	6-0524	6-265
Brussels.....		19-30	8-33	5-34	5-2375
Switzerland.....		19-30	19-44	18-76	18-61
Italy.....		19-30	5-04	4-815	4-76
Berlin.....		23-83	0-3650	0-00438	0-00485
Madrid.....		19-30	15-57	15-61	15-41
Amsterdam.....		40-195	37-65	39-59	39-53
Copenhagen.....			20-94	19-30	19-30
Stockholm.....			26-80	20-94	18-05
Athens.....			26-03	26-57	26-59
Montreal.....			19-30	4-50	1-09
Yokohama.....			100	96-50	98-37
Calcutta.....			49-85	47-35	48-4
Hong Kong.....				53-40	54-55
Shanghai.....				70-95	74-70
Buenos Aires.....				27-75	31-75
Rio de Janeiro.....				122-50	118
Valparaiso.....				32-43	13-85

CONTINENTAL RATES OF EXCHANGE ON GERMANY.

	Par Level.	Mar. 16, 1922.	Mar. 1, 1923.	Mar. 8, 1923.	Mar. 15, 1923.
Amsterdam.....		59-26	0-98	0-0111	0-0129
Switzerland.....		123-45	1-884	0-0234	0-027
Copenhagen.....			1-753	0-0228	0-0268
Stockholm.....		88-88	1-43	0-0167	0-0191
Christiania.....			2-104	0-0241	0-028

CENTRAL AMERICAN EXCHANGE RATES.

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

Country.	Par Value.	Usance.	Year, 1923.	Rate.
Buenos Aires.....	1000	Sight London	Mar. 10	15-50
Venezuela.....	100	"	Mar. 7	24-85
Colombia (Bogota).....	100	"	Mar. 13	100
Guatemala.....	100	"	Mar. 10	4-80
San Salvador.....	100	"	Mar. 3	9-50
Guatemala.....	100	"	Mar. 10	27-2
Costa Rica.....	100	"	Feb. 24	22-15
Bolivia.....	100	"	Feb. 3	16 1/2

ESTHONIAN EXCHANGE RATES.

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

Reval on	Feb. 23, 1923.	Feb. 26, 1923.	Feb. 28, 1923.	Mar. 1, 1923.	Mar. 3, 1923.
London (cheque) £1	Selling. 1,602	Selling. 1,597	Selling. 1,600	Selling. 1,597	Selling. 1,598
New York " \$1	339-50	339-50	339-50	339-50	339-50
Berlin " 100 Rmk	1-55	1-55	1-54	1-54	1-53
Helsingfors " 100 Rmk	9-05	9-04	9-03	9-025	9-025
Stockholm " 100 Kr	6-80	6-82	6-825	6-80	6-855
Copenhagen " 100 Kr	2-070	2-055	2-095	2-080	2-070
Paris " 100 Fr	13-490	13-475	13-460	13-450	13-460
Amsterdam " 100 Hfl.	1-34	1-34	1-34	1-34	1-3550
Riga " 100 Lrbl	1-015	1-015	1-020	1-010	1-020
Rome " 100 Lira	1-655	1-650	1-650	1-640	1-650

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates:—

	Union of South Africa.	Union of South Africa.
	From Feb. 26, 1923.	From Feb. 24, 1923.
London on South Africa.	Buying.	Selling.
South Africa on London.	Buying.	Selling.
£1	21 1/2 prem.	21 1/2 dis.
100 Rmk	2 1/2 " "	2 1/2 " "
100 Rmk	2 1/2 " "	2 1/2 " "
100 Rmk	2 1/2 " "	2 1/2 " "
100 Rmk	2 1/2 " "	2 1/2 " "
100 Rmk	2 1/2 " "	2 1/2 " "
100 Rmk	2 1/2 " "	2 1/2 " "
100 Rmk	2 1/2 " "	2 1/2 " "
100 Rmk	2 1/2 " "	2 1/2 " "
100 Rmk	2 1/2 " "	2 1/2 " "

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

	London on Australia and New Zealand.	Australia and New Zealand on London.
	Buying.	Selling.
	Buying.	Selling.
£1	100 1/2	100 1/2
100 Rmk	100 1/2	100 1/2
100 Rmk	100 1/2	100 1/2
100 Rmk	100 1/2	100 1/2
100 Rmk	100 1/2	100 1/2
100 Rmk	100 1/2	100 1/2
100 Rmk	100 1/2	100 1/2
100 Rmk	100 1/2	100 1/2
100 Rmk	100 1/2	100 1/2
100 Rmk	100 1/2	100 1/2

LATVIAN EXCHANGE RATES.

Riga on—	Lats for	Jan. 23, 1923.	Jan. 30, 1923.	Feb. 6, 1923.	Feb. 13, 1923.	Feb. 20, 1923.
London.....	£1	23.77	23.57	24.01	24.12	24.17
New York.....	\$1	5.11	5.09	5.14	5.15	5.15
Paris.....	100 frs.	32.43	31.32	32.80	31.87	31.50
Brussels.....	100 frs.	29.17	28.08	28.84	27.97	28.00
Switzerland.....	100 frs.	95.08	94.89	96.80	96.71	97.15
Italy.....	100 lire	24.04	24.37	24.82	24.80	24.90
Stockholm.....	100 kr.	137.08	135.77	136.89	136.43	136.94
Christiania.....	100 kr.	95.44	94.00	95.66	96.27	96.25
Copenhagen.....	100 kr.	98.32	96.78	97.23	97.04	99.25
Prague.....	100 kr.	14.13	14.66	15.32	15.24	16.00
Amsterdam.....	100 fl.	201.83	200.85	202.70	203.46	203.11
Berlin.....	10,000 mk.	2.44	1.53	1.25	1.69	2.40
Helsingfors.....	100 fmk.	12.76	12.74	12.94	13.40	14.00
Reval.....	100 emk.	1.50	1.50	1.50	1.50	1.52
Warsaw.....	10,000 pzk	2.00	1.85	1.85	1.85	1.50
Kovno.....	100 lte	51.10	50.90	51.40	51.50	52.00

Note.—The unit of Latvian money is the Lat, equal to one gold franc.

INDIAN TREASURY BILLS.

	March 31, 1922.	March 1, 1923.
Outstanding with public.....	Rs. 53,96,70,000	Rs. 21,10,65,000
In paper currency reserve.....	57,89,00,000	49,65,00,000
Total.....	111,85,70,000	70,75,65,000

India Office, March 15, 1923.

Tenders for Rs. 50,00,000 three months' and six months' bills and Rs. 25,00,000 nine months' bills were opened on March 9th. Tenders for three months' bills amounted to Rs. 15,00,000, all of which were rejected. Tenders for six months' bills amounted to Rs. 71,50,000. Tenders for Rs. 31,50,000 at Rs. 97 6a per cent. and above were accepted. The average accepted rate was Rs. 97 6a 2p per cent., equivalent to a discount of 5.3095 per cent. per annum. Tenders for nine months' bills amounted to Rs. 90,00,000. Tenders for Rs. 25,00,000 were accepted, those at Rs. 96 7a per cent. receiving about 57 per cent. and above in full. The average accepted rate was Rs. 96 7a 2p per cent., equivalent to a discount of 4.9087 per cent. per annum. Intermediate bills for six months only are offered for sale in India during this week at Rs. 97 8a per cent. Tenders were received on Friday, March 16th, for Rs. 50,00,000 six months' bills and Rs. 25,00,000 nine months' bills, for issue during the week beginning March 19th.

GOLD STANDARD RESERVE.

Statement showing the form in which the balance of the reserve was held on February 28, 1923:—

	£	Nil
In India.....		
In England—		
Cash at the Bank of England.....	2,388	
British Government securities—		
Value as on September 30, 1922.....	3,149,796	
British Government securities since purchased (cost price).....	37,129,358	
	40,281,542	

SIDNEY TURNER, Accountant-General.

India Office, March 12, 1923.

BULLION.

IMPORTS AND EXPORTS OF GOLD.

	Week Ended March 14, 1923.	Week Ended March 14, 1923.
Gold Imported into the United Kingdom.	Gold Exported from the United Kingdom.	
Countries from which Consigned.	Countries to which Exported.	
Java.....	Norway.....	£ 244
U.S.A.....	Gold Coast.....	3,505
British West Africa.....	Kenya.....	2,856
Other Countries.....	British India.....	906,014
	Other Countries.....	145
Total value of imports of gold.....	Total declared value of exports registered in the week.....	912,764

Messrs Samuel Montagu and Co. write on March 14th as follows:—

GOLD.

A fair amount came into the market, and was acquired for India, with the exception of a trifle taken for the Continent. Large amounts are also being withdrawn from the United States of America for India. The following were the United Kingdom imports and exports of gold during the month of February, 1923:—Imports, £3,370,585; exports, £3,318,958.

March 17, 1923.]

SILVER.

During the earlier part of the period under review the market was quiet. China speculation was responsible for most of the buying, which, coming upon an ill-supplied market, kept prices fairly steady. India remained inactive until Monday, when considerable buying orders competed with some China demand, and drove prices to 32 1/4 d for cash and 32 1/8 d for two months' delivery, the highest quotations since January 24, 1923, and November 15, 1922, respectively. At these rates the Continent supplied the bulk of what was required. Yesterday a reaction ensued—32 1/4 d and 32 1/8 d being quoted for the two respective deliveries. A recovery took place to-day as a consequence of some Indian bazaar inquiry, but at any much further advance silver, speculative and otherwise, is freely offered. The total amount purchased under the Pittman Act was reported from Washington on the 27th ult. as 162,165,601 ounces. This amount included a purchase of 1,540,000 ounces on that day.

INDIAN CURRENCY RETURNS.

	Feb. 22, 1923.	Feb. 28, 1923.	Mar. 7, 1923.
Notes in circulation.....	17,356	17,389	17,396
Silver coin and bullion in India.....	8,596	8,629	8,637
Silver coin and bullion out of India.....			
Gold coin and bullion in India.....	2,432	2,432	2,432
Gold coin and bullion out of India.....			
Securities (Indian Government).....	5,743	5,743	5,743
Securities (British Government).....	585	585	584

The coinage during the week ending the 7th inst. amounted to 5 lacs of rupees. The stock in Shanghai on the 10th inst. consisted of about 27,200,000 ounces in sycee, 31,500,000 dollars, and 600 silver bars, as compared with about 27,300,000 ounces in sycee, 29,500,000 dollars, and 590 silver bars on the 3rd inst.

GOLD AND SILVER PRICES.

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

1923.	Gold.	Silver.	Date.	Silver.
	Per Ounce.	Cash, Per Ounce.		Cash, Per Ounce.
March 10..	88 2	32 1/2	Mar. 23, 1917	35 1/2
12..	88 0	32 1/2	22. 1918	43
13..	88 8	32 1/2	22. 1919	47 1/2
14..	88 8	32 1/2	19. 1920	70 1/2
15..	88 8	32 1/2	18. 1921	32 1/2
16..	88 8	32 1/2	17. 1922	33 1/2

NOTICES.

Barclays Bank, Limited, announce that they have opened new branches at Cynfal, Cerrig-y-Druidion, North Wales, under the management of Mr D. W. Llewellyn (also manager of Corwen branch), and at Abergelle road, Old Colwyn, under the management of Colwyn Bay branch.

Mr Wynn Harold Tregoning, C.B.E., a director of Alfred Booth and Co., Limited, has been elected a director of the London and Brazilian Bank, Limited.

Sir Walter Jeans vacated the office of general manager of the Bank of Australasia on 10th instant, after a period of service covering 59 years. He retains his seat on the board for several years, and has recently returned from a lengthy visit to Australia and New Zealand, has been appointed London manager.

The London Joint City and Midland Bank, Limited, announce the opening of a new branch at 2, High street, Sutton, Surrey, under the management of Mr W. C. M. Higgs. An office has also been opened at North Kelsey, near Lincoln.

In addition to the branch which will shortly commence business in London, the Union Bank of Warsaw, which was established in Poland in 1921, will open branches in Paris and other Continental cities in about six weeks' time.

The Commercial Banking Company of Sydney, Limited, notify that branches have been opened at Hamilton, New South Wales, and at Wowan, Queensland.

OIL OUTPUTS.

UNITED BRITISH OILFIELDS OF TRINIDAD, LIMITED.—Combined production for the week ending Wednesday, March 7, 1923, amounted to 799 tons.

MINING OUTPUT STATISTICS FOR FEBRUARY, 1923.

	Tons Crushed.	Gold Recovered.	Value.	Profit.
	Mill.	Mill.	£	£
Gold.				
Abmontakoon.....	6,630	..	(a) 11,085	..
Associated of W.A.....	5,289	..	7,781	..
British Platinum.....	..	266 (pl. tin m.)	159 (gold)	10,795
El Oro.....	30,760	..	5,511	(b) 13,301
Globe and Phoenix.....	5,967	..	..	..
Or at Boulder.....	10,037	..	..	..
Lake View and Star.....	5,374	..	..	..
Mexican Corporation.....	82,786	..	U.S. \$270,080	\$81,725
Mining Corp. of Canada.....	13,560	..	76,722	\$132,550
Oriental Cons. (Jan.).....	20,948	..	..	..
Oroya Links.....	2,711	..	..	..
Panet Arcturus.....	5,670	..	1,927	(a) 13,302
Protesta.....	7,044	4,452	..	(a) 13,494
Santa Gertrudis.....	10,310	..	..	..
Do El Bordo.....	3,034	..	..	..
Shanva.....	44,950	..	29,146	\$22,176

(a) Par value. (b) 84s per fine oz.

	Output.	Other Notes in Return.
	Tons.	
Copper.		
Falcon.....	283,569	Short tons blister copper; 2,644 ozs gold 5,813 ozs silver; est. value, £31,866.
Tin.		
Aramayo.....	216	Tin; silver, 104,000 ozs.
Briels.....	20	Black tin.
Geovor.....	..	Value £1,897.
Lower Bisichi.....	64	..
Naraguta Ext.....	10	Dispatched 10 tons.
Northern Nigeria.....	50	..
Premier Hydraulic.....	8	..
Coal.		
East Kent.....	4,733	Week ended March 10th.
Miscellaneous.		
Chinese Engineering.....	82,491	Week ended March 10th.
Keeley.....	..	152,000 ozs silver.
Namaku.....	130	Blister copper.

BROKEN HILL PROPRIETARY.—Feb.:—Iron and steel works—Coke ovens produced 2,155

RAILWAY AND TRAMWAY TRAFFIC RETURNS.

RAILWAYS OF THE UNITED KINGDOM.

	Miles Open.	Week Ended Mar. 11, 1923.				Aggregate 10 Weeks 1923.			
		Passen- gers, &c.	Goods, &c.	Total for Week.	Total Receipts.	Passen- gers, &c.	Goods, &c.	Total for Week.	Total Receipts.
Great Western.....	3,665	206,000	374,000	580,000	2,105,000	3,585,000	5,690,000	11,050,000	11,050,000
London & North-Eastern	6,661	352,000	789,000	1,141,000	3,477,000	7,573,000	11,050,000	11,050,000	11,050,000
Do same period 1922	6,661	405,000	817,000	1,222,000	3,894,000	7,539,000	11,050,000	11,050,000	11,050,000
London, Mid., & Scottish	6,962	523,000	994,000	1,517,000	5,119,000	9,463,000	14,582,000	23,699,000	23,699,000
Do same period 1922	6,962	523,000	994,000	1,517,000	5,119,000	9,463,000	14,582,000	23,699,000	23,699,000
Southern.....	2,105	259,000	123,000	382,000	2,576,000	4,228,000	3,804,000	22,852,000	22,852,000
Do same period 1922	2,105	259,000	123,000	382,000	2,576,000	4,228,000	3,804,000	22,852,000	22,852,000
Midland & S.W. Joint	63	879	2,748	3,627	7,121	15,731	22,852	351,891	351,891
Metropolitan (a).....	79	32,055	4,244	36,299	316,097	35,794	351,891	351,891	351,891
Do same period 1922	79	32,055	4,244	36,299	316,097	35,794	351,891	351,891	351,891
Underground E.R. (c)	..	..	..	215,057	2,098,411	..	..	2,098,411	2,098,411
Do same period 1922	..	..	..	215,057	2,098,411	..	..	2,098,411	2,098,411
London & Sub. Group (c)	..	..	..	10,584	38,581	..	..	38,581	38,581
Do same period 1922	..	..	..	10,584	38,581	..	..	38,581	38,581
Belfast & Co. Down (b)	80	5,024	1,281	6,305	40,852	12,171	53,023	53,023	53,023
Do same period 1922	80	5,024	1,281	6,305	40,852	12,171	53,023	53,023	53,023
Dublin and R. East (b)	180	5,453	4,306	9,759	50,645	33,902	84,547	84,547	84,547
Do same period 1922	180	5,453	4,306	9,759	50,645	33,902	84,547	84,547	84,547
Midland Gt. West. (b)	158	8,452	16,182	24,634	82,866	129,012	211,908	211,908	211,908
Do same period 1922	158	8,452	16,182	24,634	82,866	129,012	211,908	211,908	211,908

(b) Week ended March 9, 1923.

(c) Week ended March 10, 1923.

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts		Total Gross Receipts.	
				Week or Month.		Receipts.	
				1922-23.	+ or -	1922-23.	+ or -
INDIAN.							
Assam Bengal	45 weeks	Feb. 10	1,043	260,558	+ 30,608	1,114,809	+ 31,620
Bombay, Bar. & C. Ind.	46 weeks	Mar. 17	118	35,700	+ 1,600	15,48,800	+ 3,46,000
Bombay & N. Western	49 weeks	Mar. 10	67	90,270	+ 73,701	1,13,09,087	+ 10,85,717
Bombay Nagpur	45 weeks	Mar. 10	2,725	16,58,000	+ 1,09,000	6,40,20,565	+ 64,53,079
Bombay, Bar. & C. Ind.	22 weeks	Mar. 3	3,994	28,25,000	+ 593,000	5,12,40,000	+ 78,23,000
Burma	45 weeks	Mar. 10	1,348	8,40,623	+ 81,765	3,05,33,814	+ 41,29,145
Delhi, Umballa & Kalka	22 weeks	Mar. 3	239	98,000	+ 49,962	22,62,715	+ 3,97,284
East Indian	23 weeks	Mar. 10	2,856	32,57,000	+ 182,500	7,43,50,000	+ 13,62,000
G. Indian Peninsula	48 weeks	Mar. 3	3,121	34,23,400	+ 5,00,300	13,55,88,429	+ 11,18,131
Madras & S. Mahr.	44 weeks	Feb. 10	3,028	14,90,000	+ 1,28,804	6,29,1,638	+ 59,93,047
Robt'rd & Kunson	19 weeks	Mar. 10	269	56,140	+ 4,566	9,41,926	+ 47,388
Do Lucknow-Braillay	19 weeks	Mar. 10	313	77,808	+ 5,732	12,17,576	+ 2,265
South Indian	45 weeks	Mar. 17	1,852	8,78,031	+ 135,465	4,26,87,368	+ 40,44,411
Swan. Pnab/ri(month)	2 raths	Nov. 30	717	944,006	+ 1,67,155	16,75,117	+ 2,70,118

ARGENTINE (a).

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.		Total Gross Receipts.	
				1922-25.	+ or -	1922-23.	+ or -
Argentine N.E.	36 weeks	Mar. 10	753	11,700	+ 3,200	369,500	+ 16,300
Argentine Trans.	36 weeks	Mar. 10	111	4,860	+ 1,270	112,140	+ 35,655
B. A. and Pacific.....	36 weeks	Mar. 10	1,428	230,000	+ 35,000	5,635,000	+ 842,000
B. A. and Pacific.....	36 weeks	Mar. 10	1,428	5,947	+ 223,000	6,454,000	+ 803,000
B. A. and Pacific.....	36 weeks	Mar. 10	1,428	109,000	+ 1,000	2,459,000	+ 1,176,000
B. Western.....	36 weeks	Mar. 10	1,882	107,000	+ 11,000	3,173,000	+ 385,000
B. Western.....	36 weeks	Mar. 10	1,882	49,000	+ 11,000	1,103,000	+ 667,000
Central Argentine.....	36 weeks	Mar. 10	1,305	225,000	+ 21,000	7,147,000	+ 771,000
Corrientes Central.....	36 weeks	Mar. 10	1,206	57,500	+ 6,500	2,093,000	+ 263,000
Entre Rios.....	36 weeks	Mar. 10	729	24,400	+ 3,100	718,900	+ 16,400

BRAZILIAN (b).

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.		Total Gross Receipts.	
				1922-25.	+ or -	1922-23.	+ or -
Brazil Gt. Southern.....	1 mth	Jan. 31	1,005	11,750	+ 42,000	85,750	+ 42,000
St. Paul & Rio de Janeiro	10 weeks	Mar. 10	1,005	12,600	+ 4,000	131,400	+ 18,000
Leopoldina.....	10 weeks	Mar. 10	1,005	22,305	+ 4,350	219,991	+ 27,191
San Paulo.....	10 weeks	Mar. 10	1,005	21,063	+ 10,000	300,793	+ 47,267
State of Bahia, S.W.	10 mths	Feb. 28	52	152,000	+ 140,000	1,459,000	+ 798,000

CHILE AND PERU.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.		Total Gross Receipts.	
				1922-25.	+ or -	1922-23.	+ or -
Antofagasta.....	10 weeks	Mar. 11	838	38,755	+ 9,715	346,725	+ 173,385
Nitrato (a-monthly).....	8 weeks	Feb. 28	366	30,336	+ 22,074	143,556	+ 98,626
Peruvian Corp.	8 mths	Feb. 28	28,056	1,078,160	+ 124,980	10,000,000	+ 109,136
Talca.....	8 mths	Feb. 28	172	19,880	+ 11,220	137,739	+ 6,517

CUBAN.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.		Total Gross Receipts.	
				1922-25.	+ or -	1922-23.	+ or -
Havana Central.....	35 weeks	Mar. 3	1,423	14,923	+ 1,011	381,344	+ 601
United of Havana.....	35 weeks	Mar. 3	1,210	139,523	+ 9,136	2,356,793	+ 28,604

URUGUAYAN.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.		Total Gross Receipts.	
				1922-25.	+ or -	1922-23.	+ or -
Central Uruguay.....	35 weeks	Mar. 10	273	29,374	+ 494	930,062	+ 16,700
C. Urug. (East R.R.).....	35 weeks	Mar. 10	111	6,994	+ 387	187,214	+ 6,570
C. Urug. (West R.R.).....	35 weeks	Mar. 10	185	3,454	+ 694	98,851	+ 934
C. Urug. (West R.R.).....	35 weeks	Mar. 10	111	2,776	+ 1,000	93,771	+ 3,917
Midland Uruguay.....	8 mths	Feb. 28	319	15,638	+ 2,739	128,479	+ 11,969
North-West Uruguay.....	8 mths	Feb. 28	113	4,468	+ 270	52,562	+ 2,813
Uruguay North.....	8 mths	Feb. 28	73	2,128	+ 446	19,834	+ 2,810

OTHER FOREIGN.

Alcoy and Gandia.....	10 weeks	Mar. 10	33	30,000	+ 10,000	250,000	+ 54,000	
Bilbao.....	2 mths	Feb. 28	136	2,534	+ 1,448	24,000	+ 3,396	
Bilbao.....	1 mth	Jan. 31	136	13,000	+ 2,678	24,000	+ 3,396	
Costa Rica.....	6 mths	Dec. 31	186	18,306	+ 5,150	116,288	+ 2,655	
Dorado Extension.....	2 mths	Feb. 28	70	12,500	+ 4,000	26,000	+ 6,500	
Dorado Rovey, Elix.....	2 mths	Feb. 28	45	7,600	+ 3,600	17,000	+ 8,000	
Equatorial Delta.....	48 weeks	Mar. 3	569	6,921	+ 610	318,365	+ 48,727	
Gt. Southn. of Spain.....	9 weeks	Mar. 3	104	126,951	+ 67,441	958,317	+ 368,653	
International of.....				Gross	79,952	5,917	79,952	+ 5,917
Central America.....	1 mth	Jan. 31	Ver	34,819	+ 5,270	34,819	+ 5,270	
La Guaira & Caracas.....	18 mths	Oct. 31	323	9,010	+ 930	99,950	+ 4,170	
Mexican Railway.....	9 weeks	Mar. 7	403	297,900	+ 22,700	2,621,800	+ 92,500	
Do.....	1 mth	Jan. 31	Gr	1,201,700	+ 43,800	1,201,700	+ 43,800	
			Net	268,700	+ 29,300	268,700	+ 29,300	
Nasico Ocarahamn.....	12 mths	Dec. 31		11,825	+ 1,067	135,161	+ 19,731	
Nasico Railway.....	2 weeks	Sept. 2	193	12,760	+ 570	62,770	+ 65,800	
Panama Central.....	36 weeks	Mar. 10	274	2,530	+ 500	9,500	+ 750	
Panama Colon, de.....	36 weeks	Mar. 10	100	7,120	+ 1,783	125,114	+ 14,165	
Salvador.....	36 weeks	Mar. 10	100	7,120	+ 1,783	125,114	+ 14,165	
San Jose Province.....	1 mth	Jan. 31		149,336	+ 10,582	12,270	+ 1,856	
Somana & Santiago.....	3 mths	Feb. 28		7,110	+ 1,059	12,270	+ 1,856	
Sonora and Huastla.....	1 mth	Jan. 31	112	11,644	+ 148	11,644	+ 148	

(a) Converted at par. (b) Converted at the current rate of exchange.

AMERICAN RAILROAD GROSS AND NET RECEIPTS.

This table is extracted from the Commercial and Financial Chronicle of New York.

Date.	Miles of Road.		Gross Earnings.		Net Earnings.	
	1921.	1922.	1922.	Increase or Decrease on 1921.	1922.	Increase or Decrease on 1921.
Jan.	235,653	235,395	393,892,599	+ 75,303,279	57,421,605	+ 29,099,649
Feb.	235,653	235,395	393,892,599	+ 75,303,279	57,421,605	+ 29,099,649
Mar.	235,653	235,395	393,892,599	+ 75,303,279	57,421,605	+ 29,099,649
Apr.	235,653	235,395	393,892,599	+ 75,303,279	57,421,605	+ 29,099,649
May	235,653	235,395	393,892,599	+ 75,303,279	57,421,605	+ 29,099,649
June	235,653	235,395	393,892,599	+ 75,303,279	57,421,605	+ 29,099,649
July	235,653	235,395	393,892,599	+ 75,303,279	57,421,605	+ 29,099,649
Aug.	235,653	235,395	393,892,599	+ 75,303,279	57,421,605	+ 29,099,649
Sept.	235,653	235,395	393,892,599	+ 75,303,279	57,421,605	+ 29,099,649
Oct.	235,653	235,395	393,892,599	+ 75,303,279	57,421,605	+ 29,099,649
Nov.	235,653	235,395	393,892,599	+ 75,303,279	57,421,605	+ 29,099,649

CANADIAN RAILWAYS WEEKLY AND MONTHLY STATEMENTS.

Name.	Period.	Ending.	Receipts for Week or Month.	Inc. or Dec.	Aggregate Receipts.	Inc. or Dec.
Algoma Cent. & Hudson Bay	5 mths	Nov. 30				
Canadian Nat.	1 mths	Mar. 7	Gross \$1,182,682	+ 17,707	940,448	+ 35,854
Canadian Nat.*	9 weeks	Jan. 31	Net \$4,831,500	+ 563,722	9,639,000	+ 456,300
Canadian Pac.	1 mths	Mar. 7	Gross \$3,058,000	+ 29,000	26,994,000	+ 1,273,000
Canadian Pac.*	9 weeks	Jan. 31	Net \$13,149,000	+ 181,000	13,149,000	+ 1,811,000
Grand Trunk & Temiscouate	9 weeks	Mar. 7	Net \$720,000	+ 237,000	720,000	+ 237,000
	1 mth	Jan. 31	Gross \$3,367	+ 8,525	3,887,465	+ 506,15
			Net \$3,367			

1st inst. of their valued colleague, Sir Harold A. Stuart, G.C.M.G., K.C.S.I., K.C.V.O. Since the date of the last report, new branches have been opened at Hastings (New Zealand), and Elsternwick (Melbourne), and the branch at Menzies (Western Australia), has been closed. The meeting will be held on March 22nd, at Winchester House, Old Broad street, E.C.

MERCANTILE BANK OF INDIA, LIMITED.—The net profits for the year 1922, after providing for bad and doubtful debts, and including £137,671 brought forward from last account, amount to £405,105. From this sum has to be deducted £84,000, being the interim dividend of 8 per cent., less income-tax, on the "A," "B," and "C" shares paid in September last. The directors have added £50,000 to the reserve fund (raising it to £1,200,000); £15,000 to the officers' pension fund, and written £20,000 off freehold banking premises. They now recommend a final dividend on the "A," "B," and "C" shares of 8 per cent., less income-tax (making 16 per cent. for the year), leaving a balance of £152,105 to be carried forward. A branch of the bank has been opened at Bangkok.

INSURANCE.

BRITANNIC.—In the ordinary life department 13,786 new policies were issued, assuring £1,874,317. This was more than in 1921, though less than the new business of £1,943,222 in 1920. The ordinary life premium income increased by £47,257, to £552,481. The annual valuation permitted ordinary branch participating policies to receive a reversionary bonus at the increased rate of 30s per cent. for the year. In the industrial life branch the premium income was £1,850,567, an increase of £51,926. The expenses in this branch were 42.9 per cent. of the premiums, as compared with 45.8 per cent. in 1921, and 47.5 per cent. in 1920. The total funds at the end of last year amounted to £7,579,899.

EQUITY AND LAW LIFE ASSURANCE SOCIETY.—The new assurances amounted to £893,209 under 466 policies, of which £844,877 had been retained by the society. The gross new premiums amounted to £37,205. The amount of the total assurances in force at the end of the year was £12,936,249. The profit on reversions fallen in during the year amounted to £34,709. Excluding reversions, capital stock of the Law Reversionary Interest Society, Limited, outstanding premiums, and interest and cash at bank, the funds were invested at the end of the year to produce £5 4s 11d per cent. The claims by death under 164 policies assuring 119 lives amounted to £336,780, and 182 endowment assurances amounting to £162,449 matured. The mortality has been favourable. The total funds amounted at the end of the year to £3,409,262. The expenses of management and commission amounted to £14 14s per cent. of the premium income.

MARITIME.—The premiums taken last year were £300,484, against £307,492; the claims £301,519, against £345,793, and the expenses £60,230, against £56,129. A sum of £30,000 was transferred to profit and loss. The underwriting fund was reduced by £91,265 to £549,449, as compared with a reduction in 1921 of £124,430. Interest receipts amounted to £45,918, against £47,750. The dividends cost £21,359.

PROVIDENT ASSOCIATION OF LONDON, LIMITED.—The 45th year's report has just been issued, and shows that during the year 1922 the total funds of the association have increased by £350,624, and at December 31, 1922, stood at £7,816,229. The payments to policyholders and certificate-holders during the year amounted to £361,136, as compared with £328,165 in 1921, and £175,373 in 1913. Advances to policyholders and certificate-holders upon house property to the amount of £376,566 were completed during the year. The total of advances made by the company upon mortgages on house property is £11,721,611. The premiums for the year amounted to £551,014, and the interest for the year to £374,192 gross, and, after deduction of income-tax, to £309,879 net. The premiums collected by way of monthly payments, representing about 70 per cent. of the total premium receipts, are received in sums averaging about 10s; and of the interest receipts more than one-half is received from the borrowing policyholders and certificate-holders in small quarterly sums averaging under 4s. The total of the funds at the close of each quinquennial period within the last 20 years is shown by the following table:—

December 31.	Total Funds.	Amount Outstanding in respect of Advances to Policyholders and Certificate-holders.
1907	3,005,657	2,437,767
1912	5,533,199	4,442,625
1917	6,822,535	4,539,580
1922	7,816,229	4,755,925

SCOTTISH WIDOWS' FUND.—The report for 1922 states that the new business completed consisted of 3,341 policies assuring £2,110,253 net. The relative new annual premium income was £88,914, and £60,503 was received for the purchase of annuities. The claims by death amounted to £1,095,095 (including bonus additions); the actual claims being about 68 per cent. of the amount allowed for. The average gross rate of interest realised during the year on the funds was 5.78 4d per cent. (subject to income-tax), showing a decrease of 1s 4d per cent. on the gross rate earned in the previous year. The expenses of management and commission together amounted to £190,353, representing 11.9 per cent. of the premium revenue or only 7.14 per cent. of the total revenue. The total income amounted to £2,664,264, and the total outgoings to £2,059,362, showing a surplus of £604,902. This sum has been added to the assurance and annuity funds, which at the end of the year amounted to £23,425,122.

RAILWAYS.

PARAGUAY CENTRAL.—The gross earnings of the railway for the year ended June 30, 1922, in sterling were £168,106, as against £232,874, a decrease of £64,768. The working expenses show a decrease of £27,576, viz., from £133,766 to £106,190. These expenses include the usual provision for renewals of 6 per cent. of the gross receipts, the amount so provided being £10,086. The net earnings of the railway were £61,916, as compared with £99,108 for the previous year, the decrease in net earnings being £37,192, or 37.5 per cent. The net revenue for the year amounted to £74,538, as compared with £123,522 last year, a decrease of £48,984. Last year's revenue account, however, was credited with £2,935 in respect of exchange profit, whereas there was a loss for the year under review of £3,769. Interest and sundry receipts amounted to £20,318, against £23,364 in the previous year. The average gold rate of exchange during the year was 3.908 per cent., as compared with 3.919 per cent. for the preceding year. On June 30, 1922, the rate was 4.292 per cent., and at present stands at 4.261 per cent. As the payment of the interest on the "B" income debenture stock for the year under review will make the third successive year for which the full interest at the rate of 7 per cent. per annum will have been paid, the interest upon this stock by the terms of the trust deed will be reduced in future to 6½ per cent. per annum.

MISCELLANEOUS.

RADIATION, LIMITED.—The balance-sheet as at December 31, 1922. After bringing in £30,668 brought forward from 1921, the balance of the revenue account is £190,977. After deducting the interim dividends (£62,292) paid in August last, there remains at disposal the sum of £128,685, which the directors recommend be appropriated as follows:—A final dividend of 3 per cent. to December 31, 1922, on the preference shares, less income-tax, £24,469; a final dividend of 3½ per cent. on the fully paid ordinary shares, to December 31, 1922, free of income-tax, £18,798; a final dividend of 3½ per cent. on the partly paid ordinary shares, to December 31, 1922, free of income-tax, £5,297; to carry forward to next year £50,120.

POWELL-DUFFRYN STEAM COAL.—The report for the year 1922 shows that, after charging debenture interest, making provision for Corporation profits tax and income-tax, writing off depreciation, and making such other provisions as the directors think necessary, there remains a balance of profit for the year of £235,803. Out of this amount interim dividends have already been paid at the rate of 6 per cent. per annum (less income-tax) to June 30, 1922, upon both classes of preference shares amounting to £7,828, leaving the sum of £227,975. To this must be added £125,756 brought forward from 1921, making a total of £353,731. The directors recommend that this sum should be dealt with as follows:—That a final dividend of 3 per cent., less income-tax, be declared on the preference shares for the year ended December 31, 1922, £4,673; that a final dividend of 3 per cent., less income-tax, be declared on the second preference shares for the year ended December 31, 1922, £3,154; that a dividend of 7½ per cent., free of income-tax, be declared on the 2,905,176 fully-paid ordinary shares, and in respect of the amount of capital paid on the 446,876 partly-paid ordinary shares for the year ended December 31, 1922, £237,997; and that there be carried forward the balance of £107,905. The report goes on to say that the output of coal from the various collieries for 1922, exclusive of those of the Rhymney Iron Company, Limited, was 4,544,988 tons, which is the largest output yet obtained in any year. The whole of the company's collieries, buildings, and plant have been maintained, as far as possible, in a state of efficiency.

WILLIAM HOLLINS AND CO., LIMITED.—The report and audited statement of accounts for the period ended December 31, 1922, shows the net profit, after providing for depreciation and proportion due to the managers, is £125,092, which, with the amount brought forward from last year, viz., £22,924, makes a total available balance of £148,016, and deducting dividends paid before the date of the balance-sheet, viz., Preference shares: Quarterly dividends at the rate of 5 per cent. per annum to March 31st, June 30th, and September 30th, as per profit and loss account, £13,500, there remains a balance of £134,516. Of this the dividend on the preference shares for the quarter to December 31, 1922, paid February 20, 1923, absorbed £4,500; leaving £130,016; and the directors now recommend the following appropriations:—To payment of a dividend of 7½ per cent. on the ordinary shares, £86,673; to income-tax reserve, £20,000, leaving a balance to be carried forward of £23,342.

ANALYSIS OF BALANCE-SHEETS.

WALL PAPER MANUFACTURERS, LIMITED.

LIABILITIES.		ASSETS.	
Amount.	Compared with Dec. 31, 1921.	Amount.	Compared with Dec. 31, 1921.
Prof. shares.....	1,154,369 ..	Capital expendi- ture on land, buildings, plant, machinery, and goodwill.....	3,428,464 .. + 88,486
Ord. shares.....	1,282,071 ..	Investments.....	1,192,781 .. + 492,172
Deferred shares.....	1,923,013 ..	Stock-in-trade.....	956,236 .. - 211,579
4½% deb. stock.....	1,028,445 ..	Debtors.....	656,440 .. - 127,199
Creditors.....	527,360 .. - 843,500	Insurance.....	18,192 .. - 37
Rents.....	4,823 .. + 705	Bills receivable.....	78,567 .. + 10,501
Profit on purchase and cancellatn. of deb. stock.....	7,771 ..	Cash.....	65,086 .. - 9,962
Profit and loss.....	467,914 .. + 467,914	Profit and loss.....	567,403 ..
Total.....	6,195,766 .. - 374,881	Total.....	6,195,766 .. - 374,881

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Pay- ment of Debenture Interest.	Amount Avail- able for Distri- bution.	Appropriation.					Corresponding Period Last Year.	
					Dividend.			Carried to Reserve, Deprecia- tion, &c.	Balance Forward	Net Profit.	Divid- end.
					Prefee. Amount.	Ordinary. Amount.	Rate.				
Banks.		£	£	£	£	£	%	£	£	£	%
Bank of Australasia	Oct. 16	121,763	620,105	741,868	..	520,000	13½	100,000	121,868	588,389	13½
Mercantile Bank of India	Dec. 31	137,671	267,434	405,105	..	168,000	16	85,000	152,105	263,033	16
Breweries.											
Cannon	Dec. 31	67,449	178,517	245,966	108,750	56,000	32½	10,000	71,216	153,241	16½
Swansea United	Dec. 31	10,420	6,799	17,219	590	2,212	5	5,000	9,417	500	7½
Canals and Docks.											
Regent's Canal and Dock	Dec. 31	2,513	9,031	11,544	..	10,186	1½	..	1,358	9,760	1½
Electric Lighting and Power.											
Bournemouth and Poole	Dec. 31	4,407	81,075	85,482	10,232	11,063	10	55,000	9,187	37,106	6
Brompton and Kensington	Dec. 31	3,733	50,752	54,485	1,791	28,073	19½	17,031	7,590	39,898	12
Chelsea	Dec. 31	415	59,298	59,713	1,800	24,718	10	27,000	6,195	39,176	6
City of London	Dec. 31	29,844	284,286	314,130	35,400	88,500	15	160,000	30,230	208,684	14
County of London	Dec. 31	21,788	427,911	449,699	30,442	58,539	10	312,500	48,218	277,817	8
Llanelli and District	Dec. 31	472	24,149	24,621	6,637	6,969	7	10,035	980	16,228	7
Notting Hill	Dec. 31	3,920	37,109	41,029	6,372	13,525	1000½	6,000	15,132	23,141	800½
Slough and Datchet	Dec. 31	2,927	10,272	13,199	..	3,540	8	6,000	3,659	6,385	6
South London	Dec. 31	5,661	89,348	95,009	1,800	28,600	11	55,000	9,609	..	..
Windsor Electrical	Dec. 31	1,887	9,497	11,384	868	2,950	8	5,000	2,566	5,104	4
Financial, Land, &c.											
Exploration Co.	Dec. 31	97,016	18,497	115,513	..	36,065	10	67,110	12,338	9,970	..
Matador Land and Cattle	Dec. 15	1,319	1,079	2,398	..	7,354	5	Dr 10,000	5,043	Dr 3,697	20
Iron, Coal, and Steel.											
C. and W. Walker	Jan. 31	17,188	30,170	47,358	3,000	16,660	20½	5,000	22,698	25,320	15½
Great Western Colliery	Dec. 31	19,252	15,656	34,908	5,000	26,875	24	..	3,033	Dr 46,610	..
Penrhyber Navigation Colliery	Dec. 31	19,944	48,027	67,971	15,000	30,000	10	..	22,971	23,969	6
Powell-Duffryn Steam Coal	Dec. 31	125,756	235,803	361,559	15,656	237,998	7½	..	107,905	341,327	10½
Scottish Iron and Steel	Dec. 31	38,439	34,760	73,199	18,000	19,899	6	..	35,300	20,814	6
W. Gunning and Co.	Dec. 31	Dr 20,878	34,350	13,472	..	11,063	5	..	2,409	..	..
Rubber, &c.											
Bah Lias	Oct. 31	41,140	25,471	66,611	..	26,341	7½	..	40,270	Dr 29,467	..
Seaford	Dec. 31	2,583	25,274	27,857	..	20,000	5	4,500	3,357	6,435	nil
Sungei Krui	Dec. 31	14,027	7,215	21,242	..	6,500	10	5,000	9,742	1,329	..
Shops and Stores.											
Jay's	Jan. 31	8,515	10,940	19,455	10,198	..	..	..	9,257	Dr 20,866	..
Nowbury's	Feb. 10	8,242	14,260	22,502	..	7,500	10	5,500	9,502	12,048	8
Plumbar, Roddis	Feb. 7	14,345	26,673	41,018	3,710	12,988	10	8,500	15,820	21,878	10
Tea.											
Battagalla Estate	Dec. 31	4,226	8,455	12,681	..	7,500	50	3,000	2,181	13,025	40
Telegraph.											
Direct Spanish	Dec. 31	3,178	2,844	6,022	3,000	6,466	10	Dr 4,500	1,056	Dr 7,529	10
Tramways.											
Bristol Tramways and Carriage ..	Dec. 31	11,510	56,997	68,507	14,750	52,500	6	..	1,257	69,122	7½
Trust.											
General and Commercial Invest. ..	Feb. 28	20,446	31,027	51,473	11,177	19,001	8½	..	21,295	28,369	8
Municipal	Feb. 28	9,256	21,652	30,908	11,508	9,385	7	..	10,015	20,316	7
Waterworks.											
Boxhill Water and Gas	Dec. 31	3,509	8,537	12,046	556	3,320	..	3,000	5,170	1,336	..
East Kent District	Dec. 31	3,626	305	3,931	180	1,633	6	..	2,118	..	..
Jersey New	Dec. 31	325	8,243	8,568	..	7,700	10	..	868	7,819	10
Other Companies.											
Aberthaw and Bristol Channel Portland Cement	Dec. 31	33,327	62,997	96,324	14,926	29,125	15(1)	20,000	32,273	79,856	15½
Bath and Portland Stone Firms ..	Dec. 31	13,656	42,026	55,682	..	31,250	12½	..	24,432	35,010	12½
Carobos	Nov. 30	31,599	50,966	82,565	..	30,000	10	20,000	32,565	48,372	10
Crookers	Dec. 31	Dr 47,043	47,053	10	..	..	..	..	10	Dr 62,946	..
Dwyer and Co.	Jan. 31	23,039	7,771	30,810	1,237	5,486	10½	2,179	21,908	7,829	10½
G. O. Peters and Co.	Dec. 31	12,357	7,876	6,637	..	..	..	..	1,239	5,791	2½
Hine, Parker, and Co.	Jan. 31	13,910	17,099	31,009	2,500	13,750	12½	..	14,759	14,900	10
John Robertson and Son	Dec. 31	4,109	8,865	12,974	554	4,609	25	..	7,811	13,291	35
Limmer & Trinidad Lake Asphalt	Dec. 31	19,788	85,039	104,827	32,875	32,875	22½	15,000	24,077	77,435	15
Liverpool Exchange	Dec. 31	..	22,582	22,582	..	16,000	4	6,582	..	..	..
London and Thames Haven Oil Wharves	Dec. 31	61,202	93,553	154,755	1,032	38,754	10½	47,500	67,469	75,882	10½
Penarth Pontoon, &c.	Dec. 31	6,932	3,168	10,100	..	3,054	6	1,000	6,046	9,500	10
Southall Bros. and Barclay	Dec. 31	12,376	30,806	43,182	5,500	10,750	12½	6,000	20,932	23,631	12½
United Carlo Gatti, Stevenson, and Slaters	Dec. 31	13,538	31,031	44,569	5,500	20,000	10½	..	19,069	28,975	10
Wall Paper Manufacturers	Aug. 31	Dr 107,308	604,074	496,772	57,718	224,357	100	100,000	114,697	Dr 219,246	nil
Western Mansions	Dec. 31	1,866	7,062	8,928	..	4,535	3	2,000	2,393	5,585	3
Western Wagon and Property	Dec. 31	1,220	10,822	12,042	..	10,325	10	..	1,717	10,079	10
William Griffiths and Co.	Oct. 31	21,256	46,314	67,570	..	32,657	22½(k)	..	34,913	33,606	15

OVERSEAS TRADE RETURNS.

IMPORTS (Value C.I.F.).

	Month Ended Feb. 28.		Two Months Ended Feb. 28.	
	1922.	1923.	1922.	1923.
I.—Food, Drink, and Tobacco—				
A. Grain and flour	4,842,133	7,287,688	10,667,865	17,801,338
B. Feeding stuffs for animals	428,323	484,825	939,772	1,252,681
C. Meat	6,555,582	9,344,594	13,343,839	19,844,549
D. Animals, living, for food	77,048	99,075	163,000	181,191
E. Other food and drink, non-dutiable	9,938,624	11,744,701	21,451,850	24,647,806
F. " " dutiable	8,972,961	6,554,904	16,527,645	16,736,290
G. Tobacco	1,452,273	1,649,707	3,157,133	4,076,039
Total, Class I.	32,267,344	37,141,494	66,251,106	84,539,894
II.—Raw Materials and Articles Mainly Unmanufactured—				
A. Coal	—	—	—	—
B. Other non-metallic mining and quarry products and the like	278,166	401,302	712,879	862,710
C. Iron ore and scrap	344,130	496,584	672,798	1,012,743
D. Non-ferrous metalliferous ores and scrap	468,240	951,598	921,408	1,888,075
E. Wood and timber	1,482,767	1,924,225	3,959,066	5,009,978
F. Raw cotton and cotton waste	6,232,646	8,712,305	14,850,994	17,583,680
G. Wool, raw and waste, and woollen rags	5,674,055	5,567,895	10,163,008	12,161,832
H. Silk, raw, knubs and noils	157,034	141,076	377,017	353,584
I. Other textile materials	655,487	1,072,481	1,382,579	2,821,215
J. Oil seeds, nuts, oils, fats, resins & gums	2,631,285	3,713,317	5,245,005	6,930,740
K. Hides and skins, undressed	871,869	1,364,597	2,612,905	3,244,973
L. Paper-making materials	258,133	529,854	1,156,749	1,449,650
M. Rubber	492,957	982,272	1,305,217	1,842,301
N. Miscellaneous raw materials and articles mainly unmanufactured	666,315	881,109	1,406,469	1,825,357
Total, Class II.	20,220,035	26,739,015	44,784,824	57,026,838
III.—Articles Wholly or Mainly Manufactured—				
A. Coke and manufactured fuel	3,201	2,045	5,794	3,865
B. Earthenware, glass, abrasives, &c.	498,862	550,371	1,077,151	1,172,54
C. Iron and steel and manufactures thereof	772,872	1,163,721	1,835,029	2,399,277
D. Non-ferrous metals and manufactures thereof	1,301,286	2,106,574	3,116,507	3,990,468
E. Cutlery, hardware, implements, and instruments	415,868	515,604	844,317	1,015,324
F. Electrical goods and apparatus	89,442	161,468	201,152	334,594
G. Machinery	637,524	682,776	1,159,920	1,504,162
H. Manufactures of wood and timber	229,821	323,915	525,945	699,677
I. Cotton yarns and manufactures	491,328	663,164	969,643	1,387,468
J. Woollen and worsted yarns and manufactures	561,653	961,462	1,152,536	1,874,353
K. Silk and silk manufactures	1,732,933	1,787,339	3,471,444	3,653,072
L. Manufactures of other textile materials	733,477	1,003,131	1,533,651	2,019,580
M. Apparel	895,328	1,302,587	1,763,791	2,547,416
N. Chemicals, drugs, dyes, & colours	843,886	1,147,509	1,608,368	2,371,102
O. Oils, fats, and resins, manufactured	3,362,706	2,275,303	6,856,604	5,448,648
P. Leather and manufactures thereof	806,169	928,515	1,505,503	2,010,970
Q. Paper and cardboard	591,246	884,242	1,413,859	1,914,968
R. Vehicles (including locomotives, ships, and aircraft)	529,685	726,125	1,070,590	1,490,655
S. Rubber manufactures	501,567	367,111	818,429	754,283
T. Miscellaneous articles, mainly or wholly manufactured	1,576,985	1,911,911	3,355,514	4,565,336
Total, Class III.	16,575,746	19,461,923	34,287,727	41,168,508
IV.—Animals, not for food	22,980	26,946	34,523	36,727
V.—Parcel post, non-dutiable articles	298,862	485,787	528,734	783,053
Total	69,384,967	83,855,165	145,884,914	183,555,020

EXPORTS OF PRODUCE AND MANUFACTURES OF THE UNITED KINGDOM (Value F.O.B.).

	Month Ended Feb. 28.		Two Months Ended Feb. 28.	
	1922.	1923.	1922.	1923.
I.—Food, Drink, and Tobacco—				
A. Grain and flour	242,788	250,463	531,980	538,514
B. Feeding stuffs for animals	112,478	102,299	225,715	207,574
C. Meat	86,910	91,491	186,044	197,800
D. Animals living, for food	2,969	1,476	4,350	4,632
E. and F. Other food and drink	1,930,671	1,977,258	3,976,840	4,314,078
G. Tobacco	377,860	440,771	805,783	965,351
Total, Class I.	2,755,676	2,863,858	5,614,712	6,227,972
II.—Raw Materials and Articles Mainly Unmanufactured—				
A. Coal	4,116,225	6,847,815	9,223,764	13,143,635
B. Other non-metallic mining and quarry products and the like	126,470	187,785	241,078	310,082
C. Iron ore and scrap	21,839	31,179	61,909	92,687
D. Non-ferrous metalliferous ores and scrap	650,512	253,479	1,307,020	463,924
E. Wood and timber	26,479	23,891	40,938	66,183
F. Raw cotton and cotton waste	48,308	141,799	117,474	359,007
G. Wool, raw and waste, and woollen rags	490,106	774,547	848,578	1,620,476
H. Silk, raw, knubs and noils	2,411	7,063	13,511	13,511
I. Other textile materials	119,571	50,089	186,903	91,101
J. Oil seeds, nuts, oils, fats, resins, and gums	405,528	323,714	783,936	825,425
K. Hides and skins, undressed	192,993	281,652	389,761	592,853
L. Paper-making materials	90,488	121,92	194,743	269,154
M. Rubber	8,027	13,015	20,402	24,205
N. Miscellaneous raw materials and articles mainly unmanufactured	240,397	412,082	474,985	972,834
Total, Class II.	6,869,384	9,469,502	13,901,831	18,841,377
III.—Articles Wholly or Mainly Manufactured—				
A. Coke and manufactured fuel	396,870	504,000	719,662	1,065,831
B. Earthenware, glass, abrasives, &c.	905,912	805,870	1,962,907	1,763,014
C. Iron and steel and manufactures thereof	1,665,353	5,225,984	10,525,069	11,176,205
D. Non-ferrous metals and manufactures thereof	887,883	1,102,059	1,880,186	2,355,604
E. Cutlery, hardware, implements, and instruments	450,483	506,064	1,020,671	1,111,501
F. Electrical goods and apparatus	608,763	652,112	1,110,972	1,413,380
G. Machinery	1,636,520	3,794,866	10,436,354	9,024,304
H. Manufactures of wood and timber	126,192	118,325	231,291	285,661
I. Cotton yarns and manufactures	13,446,450	14,586,189	30,289,866	31,105,390
J. Woollen and worsted yarns and manufactures	3,986,123	5,112,819	8,966,635	11,327,718
K. Silk and silk manufactures	159,940	150,380	359,732	307,981
L. Manufactures of other textile materials	1,799,801	1,783,382	3,757,970	3,907,419
M. Apparel	1,694,152	1,980,409	3,274,414	4,181,977
N. Chemicals, drugs, dyes, & colours	1,556,884	1,952,630	3,571,678	4,199,931
O. Oils, fats, & resins, manufactured	449,293	476,917	944,650	1,126,165
P. Leather and manufactures thereof	395,368	387,233	804,830	949,085
Q. Paper and cardboard	421,560	718,074	1,003,041	1,488,716
R. Vehicles (including locomotives, ships, and aircraft)	8,985,485	2,061,921	13,740,306	5,130,062
S. Rubber manufactures	362,336	397,604	742,280	887,319
T. Miscellaneous articles, mainly or wholly manufactured	2,073,653	2,067,496	4,081,530	4,640,758
Total, Class III.	47,999,960	44,324,417	93,824,013	97,459,024
IV.—Animals, not for food	94,368	40,601	247,837	151,975
V.—Parcel Post	617,722	811,584	1,893,636	1,768,464
Total	58,335,110	57,509,904	121,482,069	124,448,812

steady level. Suitable milling grades quoted at 9s 6d to 9s 10d, with inferior at 8s 3d to 8s 9d per 112 lbs, free on rail. Imported descriptions move off slowly, and prices ruled firmer. No. 1 Northern Manitoba quoted 48s 6d, No. 2 mixed Durum 46s 6d, Rosafé, 63 lbs., 47s, all ex ship to arrive, and Australian 52s 9d, landed, all per 496 lbs. A better tone prevailed in the floating and forward cargo section, there being more inquiry from Continental and Mediterranean countries. Prices exhibited a firmer tendency, with Australian descriptions held for 1s per qr advance on reduced offerings. Sales included steamers of Australian, on passage, at 47s 9d to 49s 9d, Rosafé, 64 lbs, afloat, 45s 7½d, ditto, 63 lbs, 45s 6d to 45s 9d, 62½ lbs, afloat, 45s 3d, ditto, shipping or shipped, 45s 6d, and part cargo choice white Karachi. March, 47s 6d, per 480 lbs, c.i.f. Crop prospects in the United States winter belt have improved, while reports from other principal exporting countries are generally satisfactory. Supplies on passage were rather lighter to this country, but Continental consignments show an increase. United Kingdom port stocks are lighter owing to small arrivals. Flour in moderate request at recent rates. London standard straight run quoted 40s, patents 42s to 43s, town households 38s per sack, delivered in Metropolitan area. All English country straights 31s 6d to 33s 6d, delivered London stations. Of imported, Manitoba patents range 37s to 41s, Minneapolis good patents 40s to 40s 6d, and Australian 36s 6d to 38s 6d, all per 280 lbs, ex store. Maize ruled firmer in sympathy with higher forward offers, but trade generally quiet. La Plata 39s, landed, American mixed 35s 3d, ex ship, 36s 9d, landed, and East African 34s 9d, ex ship, to arrive. The cargo market showed more activity and prices ruled firmer for old crop, sellers being more reserved. Steamers of yellow La Plata, on passage, sold at 36s 3d to 36s 6d, and May-June at 35s 3d per 480 lbs. English barley ruled steady for best malting descriptions, but other classes fail to attract much attention. Prices range from 6s 9d to 12s 6d per 112 lbs, according to quality, free on rail. Imported quite neglected, and trend of values easier. Californian quoted 42s 6d to 45s, ex ship, Australian Chevalier 46s to 51s, landed, per 448 lbs. Plate 29s, Danubian 49s 6d to 30s 6d, and Persian 25s 3d, all per 400 lbs, landed terms. Oats steady for

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native varieties, while ranging from 8s to 10s 6d per 112 lbs, free on rail, as to sample. Imported firmer. Plate, new, f.a.q., 25s 6d, No. 2 white clipped American 25s 6d, No. 2 Canadian Western 20s 6d, No. 3, ditto, 27s 6d, New Zealand grade A 38s 6d, grade B 37s per 320 lbs, all landed. Oatmeal steady with moderate inquiries. London made, all cuts, quoted 17s 6d, flaked oats 20s 6d, ex mill. Ordinary Scottish oatmeal 18s 6d to 19s, and American, all cuts, 17s 3d per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1922-23, contrasted with 1921-22, 1920-21, and 1919-20:—

	1922-1923.	1921-1922.	1920-1921.	1919-1920.
Estimated sales of home-grown wheat—				
1 week to March 10	Cwts. 382,840	Cwts. 605,877	Cwts. 200,261	Cwts. 326,119
26 weeks to March 10	11,994,922	12,126,563	8,721,360	8,751,811
Average price of English wheat per quarter	s d 40 3	s d 53 3	s d 75 0	s d 72 6
per cwt	9 4	12 5	17 6	16 11

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1919 to 1922:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1923.						
Mar. 3.....	Cwts. 314,323	Cwts. 188,659	Cwts. 49,848	s d 9 5	s d 8 9	s d 9 9
10.....	382,840	181,334	54,211	9 4	8 7	9 9
1919.....	333,951	158,157	53,199	16 11	17 6	16 9
1920.....	336,121	124,575	44,307	16 11	26 9	20 10
1921.....	300,263	172,468	51,232	17 6	14 6	12 8
1922.....	605,876	145,832	78,251	15 5	11 6	10 9

IRON, STEEL, AND COAL.

Our Middlesbrough correspondent's report, dated March 15th, is as follows:—Pig-iron: Business in pig-iron is very restricted, for the simple reason that none of the makers have any iron for sale for early delivery, and there is very little in second hands. The price of Cleveland No. 3 G.M.B. has risen to 127s 6d per ton for prompt. There is a good demand for East Coast hematite, and mixed numbers are now quoted 122s 6d per ton. Manufactured iron and steel: A distinctly better trade in steel is reported, and steel rails have been advanced 20s per ton this week. Steel ship plates, £10; steel ship angles, £9 10s; iron bars, £12; steel rails, £10 10s net. Iron ore: Business in imported ore is very quiet, and as there does not seem to be any scarcity in the supplies of ore at the moment, it is rather difficult to maintain prices. It must not be forgotten, however, that a large number of furnaces are still inoperative, and coke supplies are scarce. Best Bilbao Rubio is about 25s per ton, c.i.f. Tees.

Our Sheffield correspondent writes:—The heavy steel trade continues busy, and deliveries of raw and rolled material are getting considerably in arrears, but the raising of prices has checked the placing of new business, both at home and abroad. All the same, an increasing amount of overseas orders are being booked. British consumers are acting with caution, lest there should be an early settlement of the Ruhr troubles, followed by a drop in prices. Prices of pig-iron and billets show a continuous hardening tendency. Rolling mills are full of work, and forges are improving as regards activity. The export returns for February as regards iron and steel materials were favourable on the whole, although they recorded a decline in railway material. They also indicated quietude in the automobile and engineering and ship-building sections. The returns notified the importation of 20,000 tons of Belgian billets during February, and there were also large purchases of Belgian rolled steel and wire rods. Shipments of steel to France, Italy, and Belgium were light, owing to the state of exchanges. Colonial trade is better than it has been for some time past. Makers of engineers' small tools continue to suffer from the competition of surplus war stocks, of which large quantities have come on the market since the Disposal Board ceased its function. The consumption of tools has increased lately, but the improvement has not yet benefited the makers. File makers are also exceedingly quiet. A moderate amount of business is passing in table cutlery, spoons, and forks and certain kinds of electro-plate, but practically nothing is doing in pen and pocket knives and razors. The demand is strong and progressive for steam coal, nuts, and coke. Best South Yorkshire hards are quoted at 21s at pits, and best Tyne steams at 33s.

Our Glasgow correspondent writes:—Conditions in the Scotch steel and iron trades (raw and finished), while leaving room for improvement, continue to develop more or less satisfactory progress, and that despite the advances in prices noted during the last few weeks. It is reliably reported that two prominent Clyde marine engineering shops are experimenting on a couple of engines of the Diesel type, intended for the Canadian trade, and from which big economic results are looked for. Steelmakers are well employed on the rolling of plates and angles, particularly at Mossend and Motherwell, but it is felt that more would have been doing had coal remained where it stood a month ago. Boiler plates are firm at £13, ship plates £9 15s, and sections £9 5s, delivered Glasgow. These are home quotations, export figures being some

10s a ton lower. Channels are fetching £10 10s for home and £9 5s for export, light sections £10 and £9 5s respectively, and joists £10 5s and £9 2s 6d respectively. There is more passing in black sheets, chiefly for India, for which £12 is now specified for 7½ in., and £19 10s for 24 broad gauge. In the last few days No. 1 toundry has been advanced 3s 6d a ton at £6 3s 6d, and No. 3 3s 6d a ton at £5 18s 6d—both delivered makers' works. Scotch hematite unchanged at £6. The shipments last week were close on 4,200 tons, part being destined for the Pacific Coast. There has been an expansion in operations in steel bars and in re-rolled bars since last week, and values have hardened up to £12 per ton for crown quality. It is said that £600,000 is to be expended immediately on the re-equipment of the Larne and Stranraer line to Glasgow and the West of Scotland. The Glasgow Chamber of Commerce are drawing the attention of the Government to the difficulty which Scotch firms are experiencing in securing delivery of German steel material on order from the Ruhr. Tube makers keep very busy on export business. Bolt and nut makers are doing well, and rivet makers have found that the inquiry for rivets justifies a rise of 20s a ton, at £14 a ton. The coal market is busy and strong on exceptional demand from France and Belgium, and prices are very stiff, domestic sorts being fully 45s a ton.

Our Cardiff correspondent writes:—There has been no abatement this week in the strength of the position of the Cardiff coal market. The occupation of the Ruhr by France has involved the loss of between 1,500,000 and 2,000,000 tons in the normal supply of coal to France, Belgium, and Italy, and the embargo on the transport of Ruhr coal to unoccupied Germany has not only diminished the supply available for inland consumption in Germany, but also deprived Germany of its chief source of supply for export. Reparation obligations did not prevent Germany maintaining some of her coal export business; on the contrary, German exports to some markets were being steadily increased. The result, therefore, of the occupation of the Ruhr has been not only to drive the Allied countries to Britain and the United States for supplies to make good their internal deficiencies, but also to compel Germany to use English coals for export purposes. This demand is more than the United Kingdom can meet. There is no reliable means of ascertaining the exact quantity of coal purchased in the United States, but the tonnage already taken up for the transport of that coal, excluding vessels on time charter, represents over 320,000 tons. Of this a small proportion represents coke. The Continent is sweeping up every ounce of coal it can find in the United Kingdom, and paying increasing prices for it. The best Admiralty large coals have been done for April delivery at 35s, and 37s 6d per ton is now quoted, while small steam coals are changing hands at 27s 6d for the best bunker descriptions, and even at 25s up to the end of June. The South Wales collieries were never more efficiently equipped than they are to-day. Conveyors are becoming more

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extensively used, and the quantities insured for the current year establish a record for the coalfield; but outputs remain practically stationary, partly as the result of the shorter working day, and partly in consequence of the inadequacy of the facilities for the shipment of coal. This week several local stoppages have accentuated the scarcity of coals for prompt shipment. The current approximate quotations are as follows:—Best Admiralties, 35s to 37s 6d; second Admiralties, 33s to 35s; best drys, 32s 6d to 35s; black veins, 34s to 35s; Western Valleys, 33s 6d to 35s; Eastern Valleys, 32s 6d to 35s; best bunker smalls, 27s to 28s 6d; ordinary cargo smalls, 24s to 26s 6d; anthracite big vein large, 40s to 45s; anthracite machine-made cobbles, 45s to 47s 6d; French nuts, 45s to 50s; stove nuts, 45s to 50s; rubbly culm, 14s 3d to 14s 9d; coke for export, 80s; inland blast furnace coke at ovens, 32s 6d to 35s; patent fuel, 30s to 40s; pitwood, ex ship, 27s to 28s.

There has been a further advance this week in iron and steel prices. Last week we reported the raising of the minimum prices of tinplate bars from £8 6s to £8 10s; this week they have been quoted up to £9 10s, delivered, and accordingly a further advance in the minimum is anticipated. Tinplates have also further advanced to 24s, which compares with 19s 3d last October and 20s last December.

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—March 9, 1923.

Description.	Com.	Med.	Good Med.	Med. Fine.	Fine.	Extra Fine.	Same Period 1922.			Same Period 1921.		
							Med.	Good Med.	Fine.	Med.	Good Med.	Fine.
Sea Island.....	d	d	d	d	d	d	d	d	d	d	d	
Florida do.....	..	..	..	..	..	..	..	..	..	..	..	
Georgia do.....	..	..	..	..	..	..	..	..	..	..	..	
American.....	Ord	G O L M	Mid	G M F	G M F	G O L M	G M	G O L M	G M	G O L M	G M	
Brazilian.....	Mid	1555-1585	1635	1660	1685	1740	8-82	9-67	11-17	4-79	6-04	
Pernam.....	..	1595-1645	1720	..	..	..	8-82	1082	..	4-79	7-29	
Parahyba, Rio Grande, &c.	..	1595-1645	1720	..	..	..	8-82	1082	..	4-79	7-29	
Macao, &c.	..	1595-1645	1720	..	..	..	8-82	1082	..	4-79	7-29	
Mossooro, &c.	..	1595-1645	1720	..	..	..	8-82	1082	..	4-79	7-29	
Ceara.....	..	1595-1645	1720	..	..	..	8-82	1082	..	4-79	7-29	
Maranhao, &c.	..	1595-1645	1720	..	..	..	8-82	1082	..	4-79	7-29	
Ba Paulo.....	..	1580-1630	1670	..	..	..	9-57	1057	..	..	..	
Egyptian.....	Fr. G	1600-1675	1705	1740	1785	1300-1400	Fr. G	Fr. G	Fr. G	..	..	
Upper.....	..	1600-1675	1705	1740	1785	1300-1400	..	..	..	9-00	12-00	
Sakellaria.....	..	1600-1715	1775	1915	2025	1475-1700	..	..	..	..	..	
Brown.....	..	1600-1675	1725	1785	1855	1500-1500	..	..	..	9-00	13-50	
Peruvian.....	MF	Fr. G	Fr. G	Fr. G	Fr. G	MF	Fr. G	Fr. G	..	..	..	
Rough.....	..	..	1750-1875	1950	..	..	..	1300	..	..	1400	
Moderately Rough.....	..	..	1600-1700	1750	..	..	..	1050	1250	..	7-00	
Smooth.....	..	1645-1720	1795	1820	1870	1007-1132	1332	..	..	4-29	8-04	
Tanganyika.....	..	..	1645-1720	1795	1845	1945	1032	1182	1332	..	..	
Mitafi.....	..	..	1550-1600	1650	1700	..	..	1100	1550	..	..	
West Indian, &c.	..	..	1525-1625	1700	..	..	..	1000	..	..	..	
Do Sea Island.....	..	..	2000-2300	2600	2700	..	..	2350	2900	..	2550	
African, East, &c.	1155-1255	1450-1550	1650	1650	1750	8-25	1000	1200	6-50	8-50	10-50	
Do West.....	..	..	1520-1570	1595-1645	..	..	..	9-07	9-82	..	..	
Machine Ginned Sortee.....	G F	var	Gd. G	var	MF	var	Gd. F	var	Gd. F	var	Gd. F	
Machine Ginned Broach.....	..	..	1510-1550	1590	..	..	..	9-75	..	..	7-40	
Machine Ginned Shownigger.....	9-90	10-40	10-90	11-40	11-90	12-40	7-30	7-80	8-60	4-54	5-79	
Machine Ginned Oomra No. 1.....	10-00	10-50	11-00	11-50	12-00	12-50	7-40	7-90	8-70	4-60	5-10	
Machine Ginned Oomra No. 2.....	..	..	10-75	11-25	11-75	12-25	..	7-65	8-15	..	..	
Machine Ginned Khandalah.....	..	..	10-00	10-50	11-00	11-50	12-00	6-90	7-40	8-20	3-35	
Machine Ginned Comptah.....	12-05	..	12-45	..	..	..	..	8-40	..	..	6-15	
Machine Ginned Bengal.....	8-35	8-75	9-15	9-55	9-95	10-35	6-05	6-45	7-25	3-60	4-10	
Machine Ginned Soinde.....	8-25	8-65	9-05	9-45	9-85	10-25	5-95	6-35	7-15	3-48	3-98	
Tinnivelly.....	14-35	14-75	15-15	..	..	..	9-75	10-15	..	7-15	7-40	
Madras, Western.....	11-40	11-80	12-20	12-60	..	..	7-75	8-15	..	6-15	6-40	
Madras, Northern.....	..	12-45	..	..	..	..	..	8-40	..	..	..	
M. G. Coconada, Red.....	Fr. 12-20	..	..	..	..	..	8-00	..	..	6-15	..	
China, Smyrna, &c.	..	..	..	..	..	..	..	..	..	..	..	

MANCHESTER, March 15.

The tone of the market during the past week has been comparatively quiet. Buyers cannot be stimulated to place orders on a freer scale, and most of the trading has been of a hand to mouth character. In the cloth section fancies and specialties have been in steady request, but business remains very slow in "bread and butter" styles. Restricted operations have occurred for India, chiefly in bleaching descriptions. Only isolated transactions have been put through for China. Printed and dyed goods have been sold in moderate quantities for South America and the United States. There has not been much activity in home trade circles. Spinners of American yarns have made more determined efforts to secure profitable prices, and quotations have been stiffer. Here and there rather more business has been done, but not at full rates. A steady trade has been reported in Egyptian spinnings. Operations in shipping yarns have been irregular.

(I.) Comparative Statement of the Cotton Trade.

Description.	Price, Mar. 15, 1923.	Previous Weeks in 1923.				
		Price, Mar. 15, 1923.	Price, Mar. 1, 1923.	Price, Feb. 22, 1923.	Price, Feb. 15, 1923.	Price, Feb. 8, 1923.
Raw Cotton—Fully Mid. American.....	16-77	16-86	16-34	16-23	15-95	15-83
Bakellaria Fully Good Fair.....	17-95	17-75	17-40	17-50	17-50	17-65
Yarns—32's twist.....	23	23	23	23	23	23
— 40's twist.....	23	23	23	23	23	23
— 60's twist (Egyptian).....	23	23	23	23	23	23
32-in. Printers, 116 yds, 16 by 16, 32's and 50's.....	32	32	31	31	32	32
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's.....	35	35	34	34	34	34
32-in. ditto, 36 yds, 18 by 18, 10 lbs.....	19	19	18	18	19	19
32-in. ditto, 37 1/2 yds, 16 by 16, 8 1/2 lbs.....	17	17	17	17	18	18

(II.) Compared with Previous Years.

Description.	Price, Mar. 15, 1923.	Corresponding dates in				
		1922.	1921.	1920.	1919.	1918.
Raw Cotton—Fully Mid. American.....	16-77	10-83	8-11	29-64	16-15	24-55
Bakellaria Fully Good Fair.....	17-95	18-25	15-00	84-00	27-09	31-07
Yarns—32's twist.....	23	17 1/2	17	62	26	42 1/2
— 40's twist.....	23	16 1/2	16	57 1/2	26 1/2	42 1/2
— 60's twist (Egyptian).....	23	..	25	142	51	52 1/2
32-in. Printers, 116 yds, 16 by 16, 32's and 50's.....	32	28	6	37	6	99
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's.....	35	28	6	34	0	33
32-in. ditto, 36 yds, 18 by 18, 10 lbs.....	19	17	9	21	0	52
32-in. ditto, 37 1/2 yds, 16 by 16, 8 1/2 lbs.....	17	9	16	6	18	0

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—Judging from the recent trend of trade, the raw material market still dominates the position, and the demand for wool is the determining factor. There has been a distinct lull in business so far as tops and yarns are concerned, and the manufacturing section, of course, is in anything but a comfortable position, yet wool continues to sell well in all the chief centres. It is true that during the last few weeks raw material values have eased all round, but it is still impossible to buy wool in any part of the world to bring in tops at the prices now being made in Bradford. It is manifest that in this and in other countries users have great faith in the future of wool, especially merinos, for at the moment there is not sufficient doing in tops, yarns, and pieces to justify the heavy buying of raw material, at least so far as the West Riding is concerned. French manufacturers, apparently, have underestimated their requirements in wool, or, perhaps, have waited for a fall in values, but they are now being forced to buy heavily in order to keep their machinery employed. America is still consuming big weights, and the general feeling here is that an upward movement in prices would immediately result from any satisfactory settlement of the Ruhr problem. Meanwhile, quotations remain fairly steady, very little change being noticeable on the week. Generally speaking, however, sellers are less inclined to make concessions, and this is especially noticeable in merinos. Crossbreds are steady, with a lot here and there offered at attractive prices. There is not much new business in yarns, but the tone of the market is somewhat better and quotations are not quite so irregular. The piece goods trade remains quiet, the Far Eastern markets offering the most scope at present.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

The sales in Coleman street continue to make good progress.

SOUTH-NORWAY.

FREDRIKSSTAD PRIVATBANK,

Fredriksstad.

Paid-up Capital
and Reserves:
Kr. 21,000,000.

Banking and Exchange
Business
of every description.

London Bankers:—Hambros Bank of Northern Commerce, Limited;
London County Westminster & Parr's Bank, Limited; London Joint
City & Midland Bank, Limited; Cox & Co.

Although there is no actual advance in values to be recorded, there is no weakening, and every day's catalogues are being absorbed with real spirit. The home and Continental trades are still dividing the bulk of the offerings, while American buyers are taking some very good merinos, and also medium and fine crossbreds. The last-named, however, are nothing near so active as in January, the result being that the opening decline is still in evidence, and the offerings of speculators' parcels in good to super merinos are just short of real active American competition. It has been decided to abandon the last three days of the series, and the auctions will finish at the end of next week. This is largely the result of the determination of owners not to offer these good merinos until there is an improvement in prices. The demand is there right enough, but the standard of values is not the same as in January, and until the market is better, it is hardly likely that importers will get out on the right side with their Australian purchases. All the same, some very good prices have been paid for really choice spinners' wools of warp 70's quality, and excellent character. For instance, Hyde Park was superior in every sense, length, quality, and condition being all that one could desire. It is significant that this mark was taken by the home trade, the best lot making 37d, second coming 34d, and the comeback, which was really of merino quality, touched 30d, while super lambs made 28 1/2d. Quite a number of other first-class clips have touched over 30d, prices which are equal to the best ruling this series, but which are certainly slightly under the best rates paid in January. Then, too, some very good figures have been made for super Queensland scoureds, the top side of 50d being realised several times. These prices clearly indicate that the market is sound. The spirit of the sale-room remains good, and competition is fully equal to anything previously seen this series. France continues to be a big buyer; in fact, it is amazing the amount of wool which the Continental section of the trade is absorbing, a proof that France and Belgium in particular have faith in the future.

Every day has seen catalogued a big quantity of crossbreds, and everything from 36's to 58's is meeting with a ready sale. The home trade is having more of its own way this series than last, and, on the whole, is acquiring some very good wools. It is a long time since we saw such an excellent lot of New Zealand crossbreds, the Marshlands clip touching 25 1/2d for grease fine comeback, and 23 1/2d for second comeback. Wools of this character (56-58's) are costing 37d; 56's, 33d-34d; and super 50's, 24d to 25d. Other cheap clips have been catalogued from Hawkes Bay, as well as Canterbury and Otago, and good 50's are costing about 21d clean, and 48's 18d. It is rather noteworthy that in these superior wools America is by no means a big buyer, the home trade taking by far the bulk of the offerings. No doubt Bradford topmakers have an eye upon casing all these good fleeces, and selling them as straight lots, for there is certain to be a steady demand for good matchings during the coming months.

A two days' sale should have taken place in Liverpool on April 19. This has now been abandoned, and the next Liverpool sale will be on June 14 and 15.

THE TIMBER TRADE.

(FROM OUR OWN CORRESPONDENT.)

Although many contradictions have appeared to the contrary, there still appears to be a section of the community who are under the impression that there is a ring or combine of timber merchants in this country to keep up prices of building and other woods to consumers. That such is not the case is confirmed by the fact that merchants are continually selling their timber at a pound or two per standard under replacement values, and that competition is very keen.

The imports of all descriptions of building and furniture woods so far this year are much larger than during the corresponding weeks of 1922, and have assisted in swelling a fairly large stock in the country for March—a time when holdings should be wearing down in anticipation of the arrivals of the f.o.w. cargoes a few weeks hence. The stock in London is heavy for the time of year, particularly of deal sizes and prepared boards.

Although the demand is more active than a year ago, timber traders are still awaiting a great impetus in house building, and an improvement in railway, shipbuilding, wood paving, and other work that would make healthy calls for their material, and as showing their confidence in the early future, importers have purchased some of next season's available shipments at values that they could not get promptly on the spot, although they have, very wisely, not committed themselves largely in forward buying. Their policy is one of caution.

The prospects of cheaper timber for house and other building purposes, therefore, are none too bright, but other factors than those given above have to be taken into consideration. It is now well known that strenuous efforts are to be made in Russia this coming season to export large quantities of timber (estimated at from 300,000 to 400,000 standards), and various companies have been formed for the purpose of resuscitating the timber industry in that country. Other European timber-producing States, particularly Poland, it is hoped, will augment their shipments to this country this year, which would have the effect of keeping spot values at a fair level for building work.

Stocks on the spot consist principally of the lower grades of wood, good joinery material being none too plentiful. Deal sizes are comparatively cheap, but buyers are few at the tempting offers. There is plenty of material for boxes and cases, but the demand is small. Both Canadian spruce and American pitchpine are improving in demand—and price.

In the furniture wood market, mahogany is keeping up well, both for logs and converted woods. Large imports of American woods have been a feature of the market for months past; stocks are large, and the demand moderate. For these, spot prices cannot keep up to shippers' rising ideas.

VEGETABLE OILS AND OILSEEDS.

Market conditions are somewhat quieter. Linseed has fluctuated and is slightly lower, but, on the whole, steady, recent business done in Plate on crushers' account being round £18 to £17 15s for shipment to Hull, and Calcutta £19 10s to £19 to London, sellers now asking rather more. Shipments from the Plate continue good, and the quantity on passage (including Indian) is returned at 76,300 tons for the United Kingdom and 95,700 tons for the Continent—together 171,500 tons, against 155,400 tons a week ago. Supplies of seed on hand and in sight appear to be ample to meet current needs, "spot" and "afloat" commanding only a very small premium over "shipment." The steadiness in the seed market has been contributed by a good demand for the oil product both for export and by the consuming trades in this country. America has continued a buyer to some extent up to May shipment. Values have thus been fairly well sustained, the forward position especially being firm, and higher figures quoted.

Egyptian cotton-seed has been in only moderate demand, and values are about unchanged. Soap-makers' grade of refined cotton oil and crude Bombay have been in brisk demand, and are very scarce, values moving up in consequence. Crude Egyptian and edible refined have been only a quiet trade, and values barely steady. Crude soya bean oil is in fair request, and supplies low. Palm kernel oil has been in good demand for export.

The mills at the crushing centres are now pretty active, and the production of oil expanding. The cake residue, however, is not in big demand, and prices of both linseed and cotton cakes have been reduced in order to encourage business.

The imports of oilseeds, nuts, and kernels into the United Kingdom in February reached the high figure of 105,850 tons, the principal items being cotton-seed, 54,284 tons; linseed, 28,037 tons; soya beans, 23,080 tons; and nuts and kernels, 51,805 tons. The January-February imports total 300,805 tons, against only 202,928 tons same period last year. The exports of unrefined vegetable oils in February were 5,728 tons, and refined 1,567 tons, against 9,447 tons and 1,278 tons respectively a year ago. The falling off in the former is due to smaller exports of linseed oil, of which America took large quantities in February last year. There were, however, much increased shipments of palm kernel cotton and rape oils. Imports of oils from abroad, principally palm and coconut oils, during the month were less, but of crude soya bean oil more.

HIDE, LEATHER, AND ALLIED TRADES.

(BY OUR OWN CORRESPONDENT.)

The Bermondsey hide market this week was barely steady with a firm tendency, as slight advances were again noted. Best ox made from 7 1/4d to 8 1/4d, three classes showing advances of 1/4d to 1/2d on last prices. Seconds sold again from 7 1/4d to 7 3/4d, one class only advancing 1/4d. Calf were slightly weaker, best making from 6 1/4d to 13 3/4d, two classes dropping 1/2d to 3/4d. Wools were steady at 5s 6d to 12s 6d, and hogs from 6s to 14s 6d each, the latter dropping 3d per skin. The export of British hides for January-February amounted to 26,289 cwt, of which Germany took 4,592 cwt, and the United States 11,123 cwt. There is a better enquiry for imported hides, but tanners are still timid buyers of River Plates. Liebig saladeros have been sold on a basis of 11d per lb s.w. and l.w. respectively. Dry River Plates are very firm, with Germany the chief buyer on the Continent. The American market is cabled as quiet, with best heavy packers now selling at 19 cents.

Trade is not good in sole leather, and speculation is still absent. Prices are fairly firm, although I hear of concessions being made by tanners to clear certain lines of bends. Cheap dry hide bends are still the most popular sale, although there is a steady, if small, call for the better-class tannages. Dressing leather is quiet, in view of the disturbed state on the Continent. Upper stock is going off in small parcels at very unremunerative prices. German box calf still seems to be the *bête noir* here, but there are signs that it is coming to an end. American chrome calf is also badly hit by the German stuff, and importers are hanging on to stocks hoping for a change for the better. Glacé kid sells only in the low grades, many tanners being sold ahead for this class.

The boot trade is still improving, although slowly. Makers of ladies' goods are the best employed, and have large orders in hand. Exports of footwear were valued at £519,105 during the past two months, as against £347,457 for January and February of last year.

THE BANK OF TAIWAN, LIMITED.

(Registered in Japan, 1895.)

Capital Subscribed Y60,000,000
Capital Paid Up Y52,500,000
Reserve Y12,180,000

Head Office TAIPEH, FORMOSA.
London Office 25 OLD BROAD STREET, E.C.3

BRANCHES: Amoy, Batavia, Bangkok, Bombay, Canton, Foochow, Hankow, Hongkong, Kienyang, Kobe, Moji, New York, Osaka, Semarang, Shanghai, Singapore, Soerabaya, Swatow, Tainan, Tokyo, Yokohama, &c., &c., and Correspondents in every principal town in the World.

The Bank is incorporated by a Charter and is under special supervision of the Imperial Japanese Government, issues its own notes in Formosa, conducts general banking, and acts as Agents for other Banking Institutions. Deposits are received for fixed periods on terms which may be ascertained on application.

Mincing Lane, Friday, March 16.

1940 Co. **Allen** **quiet.** **American**, grade **B**, 138 6d; **F**, 138 9d; **G**, 138 12d.

Capital and Surplus - \$10,000,000.
Member of Federal Reserve System.

FMS Singapore	59 12 6	Best coal	0 0 0	PORTLAND CEMENT-	Granulated	60 104 61 44
FM Straits	28 15 0	Best do	0 56 0	Best English, per ton	Crystals, No.3	60 6 0 0
COCHINRAI per lb	2/9 3/6	Best cwt	0 1 0	Best do	Crystals	58 0 0 2
		Best dr	0 02 0	Best do	Plaster	45 6 55 6

GREAT EASTERN TRAIN FERRIES, LIMITED, Finsbury Court, Finsbury Pavement, London, E.C.2.

Member of Federal Reserve System.

ABRIDGED DETAIL OF PUBLIC ISSUE.

A copy of the Prospectus has been filed with the Registrar of Joint Stock Companies.

Application will be made to the Committee of the London Stock Exchange for permission to deal in the Shares of the Company after allotment. The Subscription List will open on Monday, the 19th day of March, 1923, and will close on or before Thursday, the 22nd day of March, 1923.

SEPANG SELANGOR RUBBER ESTATES LIMITED.

(Incorporated under the Companies Acts, 1908 to 1917.)

CAPITAL - - - £350,000

Divided into 350,000 Shares of £1 each,
OF WHICH

280,000 Shares are now offered for Subscription at par,

PAYABLE:—

2s. 6d. per Share on Application, 7s. 6d. per Share on Allotment, 10s. per Share on 19th April, 1923.

DIRECTORS:—

ERIC MACFADYEN (Chairman), of 1 to 4 Great Tower street, London, E.C.3. (Director of Harrisons and Crosfield, Ltd., and formerly Chairman of Planters' Association of Malaya).
JAMES DAVENPORT, of 16 Gracechurch street, London, E.C.3. (Manager and Secretary of General Investors and Trustees, Limited, and Director of Lubok Rubber Estate, Limited).
SIR ERNEST HENRY LAMB, C.M.G., J.P., of 74 and 75 Finsbury street, London, E.C.2. (Chairman of Foster's Parcels and Goods Express, Limited).
HENRY JOHN WELCH, of 1 to 4 Great Tower street, London, E.C.3. (Director of Harrisons & Crosfield, Limited, and Chairman of Rubber Plantations' Investment Trust, Ltd.).

AGENTS, SECRETARIES AND REGISTERED OFFICE:—

HARRISONS and CROSFIELD, LIMITED, 1 to 4 Great Tower street, London, E.C.3.

The Prospectus states that:—

The Company has been formed for the purposes set out in the Memorandum of Association and primarily for acquiring, as from the 31st May, 1923, the Sepang Estates, situated in the State of Selangor, Federated Malay States, and containing an area of about 10,000 acres.

The Estates are held under grant from the Government of the Federated Malay States at an annual quit rent of 10 cents per acre per annum, and free from all the usual cultivation clauses.

Mr. Toungh, the well-known visiting agent, in summarising his report on the whole Sepang-Tanah Merah Concession, wrote as follows:—

"This property, in my opinion, is the best and most important that has ever come into the market in the Malay States. It is almost unique in respect to the terms under which it is held, its size and uniformity of soil. The Rubber is well grown and what is of more importance it is well preserved, and everything which really matters in connection with a well-conducted estate has received assiduous attention."

The following particulars have been taken from a summary of Mr. Souter's Report on the Estates, as received by cable, and from the Report itself dated 10th February, 1923.

He estimates the planted acreage as follows:—

Rubber in bearing, 1917 plantings and earlier	2,727 acres.
" " 1919 plantings and replantings	302 "
" " 1920 " "	405 "
Reserve suitable for Rubber	3,494 "
Sites, roads and land requiring drainage, swampy and waste	3,702 "
	10,633 acres.

Cost of Production.—Mr. Souter estimates the cost of production f.o.b. at 26 cents per lb. in 1922, 28 cents in 1924 and 1925, 24 cents in 1926, and 22 cents in subsequent years. 33 cents equals about 6½d.

Weeding.—Weeding has been neglected to a certain extent, and the mature areas all have dirty patches to clean up, but nothing that has done any harm or that will be heavy work.

Tapping.—Mr. Souter states the tapping has been uniformly good, and the bark reserve adequate, and that the appearance of the rubber is generally good and well up to the average growth.

Labour.—The labour is Chinese, and health good.

Capital Expenditure.—Mr. Souter estimates that an expenditure of approximately £28,000 will be called for to bring the present immature areas into bearing, and provide the Estates with full usual establishment inclusive of necessary factory extensions.

Standard Production.—The approved standard production under the Restriction Enactment is 1,135,782 lb.

Pests.—Mr. Souter reports that timber was nearly all got rid of in 1918, 1919, and there is a comparative absence of disease in the Mature Rubber. The only thing of note was a recent outbreak of Mouldy Rot in a field of 130 acres adjoining some small holdings where the disease had gone untreated. Treatment was promptly given in the 120 acres, and, at the time of his visit, the Mouldy Rot had gone.

Mr. Souter refers to the damage done to the Rubber by animals, and in his opinion it is absolutely essential that all intervening blocks of jungle should be felled and planted as soon as possible. It is his view that the Company should immediately embark upon a programme of 2,000 acres of extensions.

The policy of the Company, however, will be to limit extension to the minimum adequate, together with other measures of protection against deer, to ensure the existing plantings against damage.

Valuation.—Mr. Souter values the Estates (including £262,500 in respect of reserve land) at £2,530,000, which is equivalent to £202,165.

Purchase Price.—The price payable by the Company is £1,700,000 (approximately £138,354).

Deducting from the purchase price Mr. Souter's conservative valuation of the unplanted area, the price which is being paid for the Estates is equivalent to £248 per planted acre. The Directors consider the capitalisation a moderate one for a Selangor property already producing on a large scale.

Prospectus.—Against Mr. Souter's estimate of 1,300,000 lbs. for the whole of 1923, the output, under restriction, from May 31st (the date of purchase) to the end of 1923, is estimated at 463,000 lbs. Against Mr. Souter's estimate of 1,000,000 lbs. for 1924, the restricted output for that year is estimated at 1,023,000 lbs. For the following years the normal outputs as estimated by Mr. Souter are taken. Adopting his estimate of f.o.b. costs throughout, adding a

reasonable provision for London administration and expenses, and assuming an average sale price of 1s. 1½d. per lb. net the resulting profits work out at:—

Year	Estimated Outputs	Profit	% per an. of Issued Cap.
1923 (7 mths.)	463,000 lbs.	£ 5,857	at the rate of 9.7
1924	1,022,000 "	38,500 "	15.8
1925	1,180,000 "	44,545 "	15.9
1926	1,315,000 "	53,510 "	19.1
1927	1,375,000 "	54,405 "	19.4
1928	1,398,000 "	54,405 "	19.4
1929	1,398,000 "	54,405 "	19.4

One penny per lb. difference in the sale price of 1,398,000 lbs. would equal 2 per cent. on the issued capital.

Working Capital.—After providing for the purchase of the Estates, and the estimated Underwriting and Preliminary Expenses, the present issue will leave over £54,000 for the general purposes of the Company.

No part of the purchase consideration is payable in respect of goodwill.

Throughout the Prospectus the Straits Dollar has been converted into sterling at the normal exchange of 2s. 4d.

Copies of the Reports, Contracts, and of the Memorandum and Articles of Association of the Company may be seen at the offices of the Solicitors to the Company at any time during business hours while the Subscription List remains open.

Applications for shares on the terms of the Prospectus dated 16th March, 1923, should be made upon the form below or that accompanying the Prospectus and sent to Barclays Bank Limited, 54 Lombard street, London, E.C.3, together with a remittance for the amount of the deposit.

Copies of the Prospectus on the terms of which applications will alone be accepted and Forms of Application may be obtained at the Offices of the Company and from the Bankers, Barclays Bank Limited, 54 Lombard street, London, E.C.3; Chartered Bank of India, Australia and China, 38 Bishopsgate, London, E.C.2; or the Brokers, Foster and Braithwaite, 27 Austin Friars, London, E.C.2; and Macgregor, Walker and Company, 26 St. Andrew square, Edinburgh.

THIS FORM OF APPLICATION MAY BE USED.

No.

SEPANG SELANGOR RUBBER ESTATES, LIMITED

To the Directors, SEPANG SELANGOR RUBBER ESTATES, LIMITED.

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10

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Dated this..... March, 1923.

Usual Signature

Name in full (BLOCK LETTERS)

(State if Mr., Mrs., or Miss)

A dress in full

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MARCH 24, 1923.

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WEEKLY COMMERCIAL TIMES,

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(Foreningsbanken)

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TABLE OF CONTENTS.

The Money Market	625	Letters to the Editor—	
Leading Articles—		British Railway Accounts..	644
The Labour Party and		Currency and Debts	645
Socialism	627	Books and Publications—	
Currency Depreciation,		Food Production in War ..	645
Wages, and Prices	628	Human Nature in Econo-	
The Net Receipts of British		mics	646
Railways	629	Books Received	646
Agricultural Credit	630	Stock Exchange News—	
Hotel and Restaurant Com-		The Stock Markets	647
panies	631	New Issues	647
The Soviet State Bank	633	Active Securities	649
The Length of the Working		Company Meetings	650
Day	633	Government Returns—	
Notes of the Week—		Public Income and Expen-	
Air Policy and the Future		diture	654
of Europe	634	Currency Notes Account ..	655
Lausanne and After	635	Treasury Bills and Bonds	
Indian Budget Crisis	635	by Public Tender	655
Labour Conditions in South		Bankers' Gazette—	
Wales	636	Bank of England	655
Employment in February ..	636	Clearing Returns	656
The Cost of Living	636	Overseas Bank Returns ..	656
Stock Exchange Committee		Loan and Discount Rates ..	658
Election	636	Overseas Bank Rates	658
Governments Solvent and		Rates of Exchange	658
Insolvent	637	Indian Treasury Bills	659
The Salt Union	637	Bullion	659
British Italian Corporation		Imports and Exports of Gold	659
British Portland Cement ..	638	Gold and Silver Prices	659
Union Corporation	638	Company News—	
William Whiteley	638	Mining Output Statistics ..	649
London and Lancashire and		Dividend Announcements ..	650
British Fire Insurance ..	638	Railway & Tramway Traffic	651
Canada Life Assurance Com-		Analysis of Balance-Sheets	652
pany	638	Reports and Notices	652
American Cotton Crop	639	Profit and Loss Accounts ..	654
Japanese Trade and Finance		Commercial Reports—	
.....	639	Corn Trade	653
Overseas Correspondence—		Iron and Coal Trade	654
United States	639	Wool Trade	655
Germany	640	Cotton Trade	656
Canada	642	Vegetable Oils and Oilseeds	656
Australia	643	Hide and Leather Trades ..	656
Czechoslovakia	643	Overseas Produce Markets ..	657
Greece	644	Price Current	658

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Paris: Galignani Library, 224 Rue de Rivoli; Messrs Brentano's, 37 Avenue de L'Opera.

THE MONEY MARKET.

WITHDRAWALS of credit by three of the big banks on Wednesday told on the already impoverished market, and fresh borrowing from the Bank of England was necessitated. Discount rates were steady at the lower level established at the end of last week by the rush to

secure end-June Treasury bills. The popularity of the current date, however, was offset by the scarcity of money, and though forward business in June bills to be delivered next month was reported at $1\frac{1}{2}$ per cent., buyers were not very eager on the basis of $2\frac{1}{2}$ per cent. for three months' bank bills for immediate delivery. The discontinuance of the sale of $4\frac{1}{2}$ per cent. Treasury Bonds has been quickly followed by the prospectus, which appeared last night, of an issue of £15,000,000 4 per cent. Treasury Bonds at $94\frac{1}{2}$, repayable in 1931-33 at par.

	Mar. 23, 1923.	Mar. 16, 1923.	Mar. 9, 1923.	Mar. 2, 1923.	Previous Rate and Date Changed.
Bank Rate	3%	3%	3%	3%	$3\frac{1}{2}$ (Jly. 13, '22)
Banks Deposit Rate	1	1	1	1	$1\frac{1}{2}$ (Jly. 13, '22)
Discount (Call)	1	1	1	1	$1\frac{1}{2}$ (Jly. 13, '22)
Houses (Notice)	$1\frac{1}{2}$	$1\frac{1}{2}$	$1\frac{1}{2}$	$1\frac{1}{2}$	$1\frac{1}{2}$ (Jly. 13, '22)
Market rate (3 months' bills) ..	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	..

The Bank return showed increases of £202,000 in the note circulation and £2,000 in the stock of gold, the Reserve thus being £200,000 lower. Other securities rose by a million and three-quarters, but the Public deposits had risen by no less than $8\frac{1}{2}$ millions, so that Other deposits were nearly seven millions lower. There was a reduction of £84,800 to £280,955,000 in currency notes outstanding this week, which includes £1,494,900 for notes called in but not yet cancelled. The fiduciary issue is £230,010,000, or £40,173,800 below the maximum.

THE STOCK MARKETS.

The volume of business in the stock markets has been considerable for the last full business week before Easter, and a strong tone in the markets, especially the gilt-edged market, has taken place, in spite of quite a rush of new capital issues, which, as a rule, have achieved a rapid success. Consols and War Loan have been prominent among British Government securities, whose strength is mainly due to the belief that money will be cheaper immediately after Easter. In the foreign market a lively recovery of French issues has been the feature, while Mexican and Greek securities have also advanced. In the Home Railway market the heavy lines have been held in check by fears of possible labour troubles, but Metropolitan and Districts have recorded spurts. Rubber shares are dull, but there has been a little liveliness in low-priced oil shares. In the industrial sections movements have been irregular, tobaccos being a strong feature, and iron and steel shares weakening on labour fears. In the South African mining markets interest has been confined mainly to the Rhodesian group.

THE COMMODITY MARKETS.

Owing to labour conditions in South Wales, details of which are given under "Notes of the Week," coal prices have further advanced, best Admiralty touching 40s per ton. Our Middlesbro' correspondent reports that the pig-iron market is decidedly quiet. Consumers have apparently covered their immediate requirements, and hesitate to buy for forward delivery. This hesitancy is stated to be possibly due to the uncertainty prevailing over the position in the Ruhr. Recent advances in prices of manufactured iron and steel have been well maintained, according to our Middlesbro' correspondent, but our Cardiff correspondent mentions that the local iron and steel market has been to some extent unsettled by the increase in the price of coal, while from Sheffield it is reported that the sharp rise in prices is inducing a spirit of caution on the part of buyers. In the Manchester cotton trade the easier tendency in raw cotton rates has accentuated the attitude of buyers in operating from hand to mouth, and it is stated that, whatever may be the feeling elsewhere, it is believed in Manchester that prices in the near future will be on a lower level. The wool market has improved during the week, owing to stronger markets for the raw material. Fuller details of these and other markets will be found on later pages.

FOREIGN EXCHANGES.

In the foreign exchange market, which has been considerably more active than for some time past, the chief feature of the week has been the dramatic if somewhat unsteady recovery in the Paris rate. On the last two days

of the previous week, after considerable fluctuations, it closed each time at about 74.95, but on Monday there was a sharp drop to 72.60, on Tuesday to 71.95, on Wednesday to 69. On Thursday it was at one time as low as 67.50, but after that a reaction set in, the rate closing at 70.20, and rising yesterday morning to 71.65. How far official support has been responsible for this improvement is not known, but there is no doubt that a large part of the buying has been due to a growing belief that a settlement of the Ruhr problem was not far distant. This belief, for which there is still no definite basis, has been especially strong in America, which has made a large contribution to this recovery. The agreement between the Bank of England and the Bank of France has been taken as a favourable factor, but its influence has been swamped by a somewhat unreasoning political optimism. How far this will be justified time only can tell, but there is already a feeling borne out by the movements of yesterday and this morning that the rise in value of the franc has been pushed too far. The recovery in the Brussels rate, which on the 21st dropped to 77.60, has been even more rapid, but so, too, has been the reaction, the quotation yesterday morning standing at 82.50. Forward rates at 7 to 9 centimes per month above spot in Paris and 1 to 3 centimes below in Brussels show little change. The lira has also shared, although to a smaller degree, in this improvement, being yesterday quoted at $95\frac{3}{4}$ as compared with $97\frac{1}{4}$ a week ago. Berlin has moved relatively little, but at 98,000 yesterday was rather worse than the previous closing. There has again been an enormous issue of notes, but Government intervention and political feeling remain the controlling factors. Forward rates remain more or less nominal at about 4,000 marks per month above spot. Throughout the week, with the exception of Monday, when the rate closed at \$4.70 $\frac{1}{2}$, the dollar has remained slightly under \$4.70, yesterday morning's quotation being \$4.69 $\frac{1}{2}$, as compared with 4.68 $\frac{1}{2}$ on the 16th, the same influences being at work as were referred to a week ago. Forward rates were much the same as before at $\frac{3}{4}$ to $1\frac{1}{2}$ cents per month above spot. Among neutral exchanges, Switzerland at 25.35 is now well above parity, over which it rose on Monday. Amsterdam at 11.89 shows little change. Madrid at 30.47 has again moved in our favour. In Scandinavia, Copenhagen shows little change, but Christiania and Stockholm have moved slightly in our favour. For the first time for some weeks Helsingfors has moved up, being now 174, as compared with 168 $\frac{1}{2}$ on the 16th. In Central Europe, Vienna remains unchanged, but Warsaw shows a sharp recovery from 235,000 to 185,000. Prague at 158 is unchanged, Belgrade and Bucharest remain more or less nominal, and Budapest continues to depreciate rapidly. In the East, the rupee remained at about 1s 4 $\frac{1}{2}$ d, and the yen is much the same at 2s 0 $\frac{1}{2}$ d. Indian selling at first brought down the price of silver, but China and India also then came in as buyers. By the end of the week, however, the market was again dull. Hong Kong has fallen from 2s 4 $\frac{1}{2}$ d to 2s 3 $\frac{1}{2}$ d, and Shanghai from 3s 2 $\frac{1}{2}$ d to 3s 1 $\frac{1}{2}$ d. Of the South American rates, Rio at 5 $\frac{1}{2}$ d is about the same as last week, Buenos Ayres is about $\frac{1}{2}$ d dearer at 43 $\frac{1}{2}$ d, and Montevideo $\frac{1}{2}$ d dearer at 43 $\frac{1}{2}$ d. Valparaiso at 35.90 is unchanged.

THE NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ending March 17th:—

RECEIPTS.	Min. £	EXPENDITURE.	Min. £
From Revenue	31,016	Interest on Debt	844
		Supply Services	10,700
		Reduction of Debt	16,802
		Added to Exchequer Balances ..	207
		Sundries	2,463
	31,016		31,016

Revenue produced just over £31 millions, as against nearly £43 millions for the corresponding period last year. Property and Income-tax brought in the satisfactory sum of £16 $\frac{1}{2}$ millions, and Customs and Excise £7 millions. This makes the total revenue, up to date, with two more weeks to go, £86 $\frac{1}{2}$ millions, against the estimate of £91 $\frac{3}{4}$ millions. Expenditure now totals £745 millions, as against the Budget estimate of £904 millions. It is possible, however, that some heavy outgoings may take place in the next fortnight.

The week's operations reduced the National Debt by £16,802,000, and caused the following changes:—

	Min. £		Min. £
National Savings Certificates ..	+ 400	Public Department Advances ..	- 3,200
4 $\frac{1}{2}$ % Treasury Bonds ..	+ 706	Treasury Bills ..	- 14,258
Unemployment Insurance ..	+ 080	Funding Loan, &c.	- 170
		Telegraph money	- 650
	+ 1,276		- 18,078

The floating debt was reduced by £17,270,000 to £814,101,500.

FINANCIAL YEAR, 1922-23 (April 1, 1922, to March 17, 1923).

	£		£
Total spent	744,993,978	Raised by revenue ..	864,890,927
Dec. in balances	6,809,804	Net repayments	126,706,753

Total

ESTIMATES FOR YEAR 1922-23.

	£		£
Ordinary Expenditure ..	823,846,600	Ordinary Receipts ..	820,775,000
Special Expenditure ..	61,223,000	Special Receipts ..	90,000,000
Contingencies	25,000,000		

Total

Surplus

NATIONAL DEBT.

(Million £.)

	Aug. 1, 1914.	Mar. 31, 1916.	Mar. 31, 1917.	Dec. 31, 1919.	Mar. 31, 1920.	Mar. 31, 1921.	Mar. 31, 1922.	Dec. 31, 1922.	Mar. 17, 1923.
Funded Debt	588	518	518	515	515	515	515	514	514
Term Annuities	30	22	22	20	19	18	16	15	15
4 $\frac{1}{2}$ % War Stock	63	63	63	63	63	63	63	63	63
4 $\frac{1}{2}$ % War Stock	16	14	13	13	13	13	13	13	13
National War Bonds ..	2,091	2,068	2,047	2,040	1,995	1,953	2,071	2,071	2,071
4% Funding Loan ..	649	1,636	1,509	1,476	1,413	1,201	971	971	971
4% Victory Bonds ..	..	..	..	409	409	401	401	400	400
4% Conversion Loan ..	..	..	..	360	357	348	335	335	335
5-15-year Treas. Bonds ..	..	..	..	..	..	23	266	694	694
5% Treasury Bonds ..	..	..	..	..	..	..	381	166	166
On by tender 5% ..	..	..	..	..	..	..	40	40	40
Doby tender 4 $\frac{1}{2}$ % ..	..	..	..	..	..	..	8	84	107
Treasury Bills	15	961	957	1,107	1,107	1,121	878	719	641
Exchequer Bonds ..	20	392	384	323	319	289	185	150	150
Natnl. Savings Certs. ..	..	138	227	267	274	285	342	350	354
Other Debt	94	1,241	1,306	1,181	1,132	1,087	1,071	1,071	1,071
American Loan	51	51	51	51	51	51	51	51	51
Temporary Advances ..	1	204	455	243	205	154	147	222	173
Other Capital Liabilities ..	654	5,872	7,435	8,033	7,829	7,574	7,655	7,768	7,684
	57	49	46	46	47	49	66	67	66
Total Liabilities	711	5,921	7,481	8,079	7,876	7,623	7,721	7,835	7,730

POSITION OF THE FLOATING DEBT.

	Out.	Mar. 18, '22.	Mar. 31, '22.	Mar. 17, '23.	Movement week ended Mar. 17, '23.
Temporary Advances ..	..	..	..	..	..
standing—	..	..	..	..	..
Advances by Bank of England ..	127,450,000	147,301,500	173,311,500	..	+ 3,000,000
Advances by Public Deposits ..	895,796,000	882,219,000	640,790,000	..	- 14,270,000
Treasury Bills outstanding ..	1,023,246,000	1,029,520,500	814,101,500	..	- 17,270,000

THE LABOUR PARTY AND SOCIALISM.

FROM the Parliamentary point of view, Tuesday's debate on Socialism was the outstanding feature of the session. The standard of debate was high, and the leading protagonists greatly impressed the House with their handling of a vast subject. But beneath the surface the reason for the great interest aroused, as contrasted with the desultory debates of former years, was not so much the subject matter itself as the fact that the doctrines under discussion are the nominal creed of a great and growing party, which is certain to have a profound influence on the future of British politics, but whose future evolution it is at present very difficult to foresee. The occasion has given an opportunity for Parliamentary manoeuvre, and all parties are hot on the trail to secure tactical advantages with a view to future elections.

But when the dust of the arena has subsided the battle turns out to have been nothing but a sham fight, after all; and anyone who takes the trouble to read the speeches in cold blood will be conscious of an air of unreality and a sense that the rival armies have been firing off volleys of pre-war platitudes without much regard to the world of to-day. In particular, Mr Snowden's speech was singularly reminiscent of those which he was accustomed to deliver up and down the country before the war. We

have no quarrel with him on this score, for clearly an indictment of capitalism based only upon the facts of to-day would have invited the obvious retort that the situation is quite abnormal, and that England is to-day at the mercy of world forces which she cannot control by internal reforms. But we confess to some surprise at finding Mr Snowden's speech full not merely of his old platform illustrations, but of the old fallacies as well. For example, he would have us believe that distribution during many decades of the nineteenth century left a rapidly diminishing proportion of the country's annual wealth to the worker.

Thus he declares that "between 1874 and 1908 the mean increase of wages—that is, taking all the industries—had been under 10 per cent. Between the dates that I have mentioned (1854 and 1918!) the amount (assessed to income-tax under Schedule D) taken very largely by incomes received by those who made no contribution to labour for those incomes had increased by 12 times."

Such a presentation is as full of fallacies as an egg is of meat. To mention only a few, it compares the increase of wages *per head* with the increase in the total income of all taxpayers; with a fixed income-tax limit and an increasing national income, due to rising wages, salaries, and profits, the percentage of the national income above a fixed line will increase without any change in the division between wages, salaries, and profits; the selection of dates is grossly misleading, and the statement about wages is incorrect. Some years ago Dr Bowley made estimates of (a) the nation's wages bill and (b) the income assessable to income-tax above a sliding exemption limit over a long series of years. Seeing that the numbers paying income-tax have increased at least as fast as the number of wage-earners, the figures (to which we have added a figure for 1911, approximately but not strictly comparable) give the fairest picture available of the distribution between wage-earners and others respectively:—

	(Million £.)	National Wages Bill.	Income Subject to Tax.
1871		390	490
1874		470	555
1881		455	575
1891		555	635
1901		705	800
1911		782	900

The figures contain a considerable element of estimation, and we should not care to base upon them too categorical a statement. But so far as they go they show that during the latter part of the nineteenth century the national wages bill has remained a fairly constant proportion of the national income, and closer examination shows that, over the period of which Mr Snowden was speaking, the worker secured a substantial share of the nation's increasing material prosperity.

Again Mr Snowden, after observing that for most of his history man had lived together in tribes, proceeds to the very curious remark that "most of the great inventions that have been the basis of our machinery and our modern discoveries were invented by men who lived together in tribes." But these primitive savants unaccountably omitted to put their great thoughts into practical application, or, at all events, took a very long time over it; whereas under private enterprise has occurred the evolution of the stage coach to the locomotive running at 60 miles an hour, which so struck the imagination of Mr Henry George. The author of "Progress and Poverty" would have had still further matter for musing had he lived to see the conquest of the air and the building of ocean liners, from the cabins of which passengers can telephone by wireless to their friends in London and New York. Sir Alfred Mond, in a reply which will much enhance his prestige with the present Parliament, dealt very effectively with these and other points in the opening speeches.

But these, though very relevant, are really academic debating points. In saying that the whole discussion has an air of unreality, we have in mind the obvious fact that whatever may have been the trend of events before the war, anything like a wholesale application of Socialism is remote from the real expectation of the majority of the Labour party, and is certainly not con-

templated by the country or even by the voters who voted "Labour" last November.

Mr Snowden himself has mellowed with the passing years. He is no longer revolutionary, he "will resent any proposal of confiscation," and is very careful to explain that "we want no further step forward until the previous step which we took has been justified by success."

As for the general public, the Russian experiment has convinced them that the nationalisation of everything affords no short cut to Utopia; the experiences of war control of industry have given us all an object-lesson more telling than any argument as to the real weaknesses and difficulties that have to be weighed against the advantages of national control, while the far-reaching educational effect of our recent economic history on the mass of the people has brought home to them that Great Britain is economically fighting for her life, and that to undermine the only certain and reliable motive of economic endeavour at such a moment would be fatal folly. The weak point in the position of Mr Snowden and his friends is that while they will get up and explain in the adjourned debate quite sincerely that they intend to make hardly any change at all in practice, they will preach to the country that by "superseding private enterprise" they will do away with present evils. We are convinced that very few really think it possible to supersede private enterprise, or that the motives either of public service or of compulsion exerted through a bureaucracy, however efficient, can replace the motive of private gain. The moment the extreme doctrinaire position is abandoned we get back to practical politics, and to the question of how much and what kind of restrictions are to be placed on private enterprise. Scarcely any of those who oppose Mr Snowden will attempt to deny the cogency and importance of many of the criticisms that are made of our existing system. These criticisms have already been put with great force and eloquence in the debate, as indeed they should be, for it is as a protest against hard times much more than on any economic theory that most of the Labour men were sent to the House. The real answer to the Socialist motion is to show not merely that the present system is better than any alternative, but on the one hand that its worst defects are remediable without trying to find an entirely new motive for economic action, and on the other that there is a determination to carry into effect whatever changes are practicable—in other words, to produce a practical alternative economic policy. It is no condemnation that Parliament spends its time in limiting and regulating private enterprise. If Socialism came in to-morrow we should have to set to work the next day to put right its weak points. Private enterprise is a great motive force, the most effective which we know, and one which we need for its own intrinsic merits as well as for practical reasons. Man has to learn how to harness this great force for the promotion of the common good. The debate will serve a valuable purpose in so far as it evokes alternative constructive proposals of social and economic reform.

CURRENCY DEPRECIATION, WAGES, AND PRICES.

THE general effect of a rapid currency depreciation, of which recent history has furnished such startling examples, is now beginning to be better understood. At the same time, it is not very easy to obtain really accurate statistics, partly because of the wildness of the changes themselves, and partly on account of the inherent difficulty of getting reliable quotations of wages and retail prices.

One of the most interesting phenomena in this connection is the fact that, in countries whose currencies are very much depreciated, there is often a constant shortage of currency, despite the tremendous outpourings from the printing press. In a recent number of the bulletin of the *Skandinaviska Kreditaktiebolaget*, Professor Cassel points out that when a currency is actually in process of deterioration, foreign opinion constantly tends to discount a further fall, and undervalue the money in question—which is only another way of saying that its external

purchasing power depreciates more than its appropriate internal value at the moment. Whether there is a sufficiency of currency or not depends upon two factors, viz., the rise in average prices within the country, and the increase or decrease in the actual volume of business.

Professor Cassel proceeds to deal with the figures for Germany on these lines:—"The total circulation (Reichsbank notes and Darlehenskassenscheine) amounted at the end of June, 1922, to 179.6 milliard marks, at the end of May to 161.4 milliard marks. Calculating on the basis of these figures with an average circulation for June of 170 milliard marks, and dividing this circulation by the wholesale price index, which in June averaged 70.3 (in relation to 1 for 1913), we obtain a reduced circulation of 2.42 milliard marks. Dividing instead by the price index for food-stuffs, 51.2, we get a circulation reduced to 3.32 milliard marks. The average of these figures is 2.87 milliard marks. The total circulation on February 28, 1914, is estimated at 5,270 million marks. In relation to the latter figure, the circulation for June, 1922, according to the average last mentioned, is 54.5 per cent. The supply of money in Germany may thus be considered to have dwindled to that level. The shrinkage is obviously due in some measure to the contraction of the country's area, but principally no doubt to the impoverishment of Germany." Some 10 per cent. of this is due to reduction of territory, but after making this allowance, and taking into account the change of prices, the amount of circulation was only about 60 per cent. of the pre-war circulation.

Comparing this with production, Professor Cassel goes on to observe that "a study of German statistics of production, transport, and commerce shows that the situation of the country is far more serious than people in general have been inclined to believe. According to the available data, the supply of goods in the country must, in fact, have dwindled to something like two-thirds of the normal. In that case a correspondingly reduced circulation of money must now be considered to be normal."

In order to get to grips with this problem, and, incidentally, to obtain some idea of the social consequences of depreciation, a consideration of wages in Berlin both in relation to cost of living, and to pre-war standards, should prove useful.

According to the figures compiled by Dr Kuczynski, of Berlin, the cost of living figure for that city—which purports to include the food minimum necessary for ordinary needs, together with rent, heating and lighting, clothing, and certain miscellaneous items (such as fares and taxes), rose between forty-five and forty-six times during the year, 1922. The figures published for Berlin by the official statistical journal, *Wirtschaft und Statistik*, which include food, heating, lighting, and dwelling if modified to include clothing (calculated on the basis of the official figure for this item for the whole of Germany in which case the percentage error is not likely to be large), show a rise of thirty-seven times for the year, as compared with thirty-nine times for the whole of Germany. The two series of figures, together with figures showing the weekly rates of wages of bricklayers and compositors in Berlin, are as follows:—

WEEKLY COST OF LIVING AND WAGES IN BERLIN
(In German Marks.)

1922.	Cost of Living for a Family of Four Persons.		Wages.	
	Kuczynski.	Wirtschaft und Statistik.	Brick-layer.	Compositor.
January	548	441	586	553
February	627	543	621	613
March	789	643	716	643
April	915	791	966	773
May	995	852	1,196	933
June	1,195	901	1,472	1,093
July	1,763	1,219	1,692	1,393
August	2,968	1,808	2,009	1,638
September	4,714	3,041	3,553	2,622
October	7,508	5,257	5,053	4,345
November	16,271	10,316	8,023	6,577
December	24,994	15,636	15,109	10,859

The most significant fact which appears from these statistics is the great reduction in the real remuneration of labour. Whereas the official cost of living figure (*Wirtschaft und Statistik*) shows a rise of 37 times during the year—and this is certainly an under-statement of the real position—the wages of bricklayers show a rise of under 26 times, while the wages of compositors have not even risen quite 20 times. In other words, bricklayers' wages purchased in December, 1922, only some 70 per cent. of what they purchased in January, while the purchasing power of compositors' wages fell over 46 per cent. during the year. This tremendous fall in the standard of living—which would appear to be much greater if due allowance were made for goods of foreign origin, such as colonial goods, which are now beyond the reach of the German workman—must in the long run lead to a serious diminution in the efficiency of labour. Up to the present, however, reports on this head have been somewhat conflicting. On the one hand the efficiency of the iron and steel workers in the Ruhr basin was estimated before the recent disturbance at only about 60 per cent. of the pre-war standard, though it is impossible to obtain confirmation of this figure. On the other hand, inquiries carried out by the *Frankfurter Zeitung* seem to show that, in some factories at any rate, where piece rates have been substituted for time rates, efficiency is actually higher than in 1914. One of the first effects of a fall in the real earnings of labour when wages are paid on a piece-rate basis, is often an increased output on the part of the worker—a tendency which has been illustrated recently in the case of the British coal mining industry. When, however, the reduction in purchasing power in the hands of the workers is as large as that which appears to have taken place in Germany in 1922, one may well doubt whether it would be physically possible to maintain for long an increased output of this kind.

In the following table we give the statistics of cost of living and wages reduced to an index number basis, taking 1914 as 1:—

(On an Index Number Basis, 1914 = 1.)

1922.	Cost of Living.		Wages.	
	Kuczynski.	Wirtschaft und Statistik.	Brick-layer.	Compositor.
January	19.0	17.0	14.0	16.1
February	21.8	21.0	14.8	17.8
March	27.4	25.6	17.1	18.7
April	31.8	31.5	23.1	22.5
May	34.5	33.9	28.6	27.1
June	41.5	35.9	35.2	31.8
July	61.2	48.5	40.5	40.5
August	102.7	72.0	48.0	47.6
September	163.7	121.1	85.0	76.3
October	260.7	209.3	120.8	126.4
November	565.0	410.7	191.9	191.3
December	867.9	622.5	361.3	315.9

If we compare the increase in the cost of living, again taking the "Wirtschaft und Statistik" figures, with the increase in the money wages of bricklayers and compositors in Berlin, we see that these wages in December represented in purchasing power some 58 per cent. and 50 per cent. respectively of the 1914 rates. These figures, if correct, imply a very substantially reduced consumption by wage-earners, and illustrate Professor Cassel's thesis as to the amount of money needed in Germany in 1922 as compared with pre-war conditions. The standard of living has fallen even more amongst the middle-class and especially amongst Government officials—and the comparisons we have given, based as they are on the most conservative estimates available, are a clear indication of the impoverishment of the country.

The dollar exchange rose some 38½ times during 1922, while the *Frankfurter Zeitung* index number of wholesale prices rose 49 times, and the official figure of wholesale prices 43 times in the twelve months. If we allow for the fact that world gold prices rose some 20 per cent. during the year (as shown by the American Index Number), paper prices in Germany should have risen 46 times in order to keep the same relation to external gold prices.

The foregoing statement shows that, according to one index, German prices have risen a little less, and according to the other a little more than this gold equivalent.

THE NET RECEIPTS OF BRITISH RAILWAYS.

THE analysis which we have made in the last two weeks of the receipts and expenditure of leading British railways enables us to present a bird's-eye view of their financial situation—an essential preliminary before discussing their relations to the public. Comparison with the pre-war position shows that so far as the results of railway operation are concerned, gross receipts and expenditure have grown by almost the same amount, and leave net revenue practically unchanged:—

	(Million £.)		Percentage	
	1913.	1922.		Change.
Gross receipts	124.3	228.4	..	+ 83.6
Expenditure	80.4	183.9	..	+ 128.5
Net operating revenue ..	43.9	44.5	..	+ 1.4

While the increase in both expenses and receipts is the same in amount, this means that the percentage increase of expenditure has been much greater than on the receipts side, and a glance at a set of figures such as these naturally raises the question whether in times of changing prices all the items should rise and fall together, or whether it is appropriate that one figure should remain fixed while the others vary. We may have again to return to this question later, but for the moment we may content ourselves with observing that the doctrine that railway shareholders should receive what they received in 1913 was accepted both by the railway directors and by the House of Commons as equitable in 1921. The figures for 1922 compared with 1913, however, are likely to give a false impression of continuity, and it is worth while recalling the figures for 1921, which also permitted a distribution to railway shareholders of very much the same amount as in 1913. Those dividends, however, were paid by money received from the Government. The accounts for 1921 were considerably less explicit than those for 1922, but the estimate which we made when they appeared showed that gross receipts amounted to 230 millions and expenditure to 236 millions, the expenditure being thus nearly 200 per cent. above the pre-war level and much higher than in 1922, while the receipts were practically the same as in 1922, at about 85 per cent. over 1913. But the Government added 45 millions of subsidy payable in respect of the period of control (January to August 15th), and the railway companies took, to pay dividends, a further £5 millions out of the money paid as compensation. The figure of £230 millions for gross receipts from railway operation makes an interesting comparison with 1922, for it shows that the loss of revenue in 1922 through the reduction of freight rates and the offer of certain cheap facilities for travellers about balanced the very substantial increase in the volume of goods carried. Having maintained their receipts, the railway companies have regained the pre-war margin between income and expenditure through the fall in the latter.

But in actual fact the railway companies have done better than the operating statistics show, for they have considerably increased their miscellaneous net revenue, the chief element in which is interest on investments. Miscellaneous net revenue rose from £3 millions in 1913 to nearly £6 millions in 1922, the actual increase being £2,825,000, or over 93 per cent. Total net income was thus £3,422,000, or 7.3 per cent. higher in 1922 than in 1913, and as the amount brought forward at the end of 1921 was £732,000 greater than the amount brought forward at the end of 1912, the balance available for pay-

ment of fixed charges, for allocation to reserve and for payment of dividends was £4,154,000, or 8.7 per cent. higher than it was nine years ago. The table below sets out these figures, and shows how the amounts were distributed:—

	1913.	1922.	Increase or Decrease.
	£	£	%
Gross receipts.....	124,275,000	228,397,000	+ 104,122,000 + 83.6
Expenditure	80,428,000	183,953,000	+ 103,525,000 + 128.5
Net operating income ..	43,847,000	44,444,000	+ 597,000 + 1.4
Misc. net income	3,050,000	5,875,000	+ 2,825,000 + 93.1
Total net income	46,897,000	50,319,000	+ 3,422,000 + 7.3
Brought forward	984,000	1,716,000	+ 732,000 + 74.1
	47,881,000	52,035,000	+ 4,154,000 + 8.7
Fixed charges.....	13,883,000	14,924,000	+ 1,041,000 + 7.5
Guaranteed & pref. divs.	15,537,000	16,041,000	+ 504,000 + 3.2
Ordinary dividends	16,342,000	20,214,000	+ 3,872,000 + 23.6
To reserve, &c.	984,000	Dr 645,000	- 1,629,000
Carried forward	1,135,000	1,501,000	+ 366,000 + 32.3

Thus, the total distributed on railway capital in 1922 amounted to £51,179,000, against £45,809,000 in 1913. The bulk of the increase in the amount available for distribution went to ordinary shareholders, the increase in fixed charges and in guaranteed and preference dividends being balanced by a net withdrawal from reserves. Last year, it will be seen, balances brought forward were drawn upon to the extent of £215,000, though the amount in hand is still £366,000 higher than at the end of 1913. The companies in the London, Midland and Scottish and London and North-Eastern groups were responsible for the reduced amount carried forward at the end of last year, and also, as may be seen from the next table, for the withdrawals from reserve:—

	1913.	1922.
	Net Income.	Net Income.
London, Midland, & Scottish	19,162	21,066
London and North-Eastern ..	14,339	14,155
Southern	5,992	6,842
Great Western	7,414	8,276
	To Reserve, &c.	To Reserve, &c.
London, Midland, & Scottish	327	Dr 224
London and North-Eastern ..	415	Dr 474
Southern	2,208	53
Great Western	2,142	2,451
	Guaranteed & Pref. Dividends.	Guaranteed & Pref. Dividends.
London, Midland, & Scottish	6,327	6,334
London and North-Eastern ..	4,880	4,943
Southern	1,801	2,313
Great Western	2,833	3,377
	Ordinary Dividends.	Ordinary Dividends.
London, Midland, & Scottish	11,155	11,155
London and North-Eastern ..	11,155	11,155
Southern	11,155	11,155
Great Western	11,155	11,155

The net income of the London and North-Eastern group shows a decline of 1.4 per cent., but that of each of the others has increased substantially, the increases being London, Midland and Scottish 9.9 per cent., Southern 14.4 per cent., and Great Western 11.5 per cent. In the London, Midland and Scottish group, the Glasgow and South-Western, the Highland, and the North Staffordshire Companies are responsible for the withdrawals from reserves in 1922. In the London and North-Eastern group the Great Eastern withdrew £256,000, the North-Eastern £300,000, and the Great North of Scotland £40,000. The Great Northern added £60,000 to reserve and the North British £40,000. The South-Western also transferred £40,000 to reserve and the London, Brighton and South Coast £13,000. The Southern group, moreover, shows the largest increase in ordinary dividends, and also increases the total balances carried forward.

But it is not only in net income that the railway companies have improved their position. The agreement with the Government under which they were controlled up to August, 1921, and still more the settlement which Sir Eric Geddes made with them in respect of their outstanding claims for compensation, has enabled them to improve their balance-sheets enormously, and to make large investments from which they get a handsome revenue. The following table shows some of the principal items of the balance-sheets summarised for 1913 and 1922:—

(000's omitted.)

	Reserve and Other Funds.							
	Capital Expenditure.	General Re- serve.	Depre- ciation Ac- counts.	Govern- ment Com- pen- sation.	Total (includ- ing Super- annua- tion, &c., Funds).	Cash.	Govern- ment Securi- ties.	Stocks of Stores and Mater- ials.
London, Mid. & Scottish—	£	£	£	£		£	£	£
1913.....	411,236	1,851	5,696	..	15,541	5,858	27	5,895
1922.....	421,564	7,578	25,015	15,636	63,480	7,668	27,661	9,763
Lon. & N.-E.—								
1913.....	315,492	857	3,175	..	7,413	3,163	50	4,068
1922.....	325,741	2,700	16,270	15,269	42,831	10,210	7,867	6,515
Southern—								
1913.....	140,152	401	818	..	1,873	1,669	1	1,524
1922.....	143,458	444	6,228	2,918	10,730	5,472	3,881	2,293
Gr. Western—								
1913.....	144,592	69	2,593	..	4,800	3,853	758	1,812
1922.....	158,389	1,800	13,748	9,802	28,025	6,460	14,378	3,573
Total—								
1913.....	1,011,472	3,178	12,312	..	29,617	14,543	836	13,299
1922.....	1,049,152	12,522	61,261	45,655	145,061	15,267	53,807	22,174
Increase	+ 37,680	+ 9,344	+ 48,949	+ 45,655	+ 115,417	+ 1,526	+ 52,971	+ 8,875
	+ 3.7%	+ 294%	+ 397%	+ 106%	+ 389%	+ 106%	+ 62%	+ 67%

* Includes subscriptions to other companies and therefore involves duplication to the extent of a few millions.

The feature of the table is the enormous increase in total reserves, with which we have included superannuation funds, which account for some £24 millions in 1922, as against about £10 millions in 1913. The depreciation funds have risen by a larger amount than the amounts due from the Government under the Railways Act.

The increase in cash is relatively small, but the second instalment of compensation money, amounting to some £23 millions, had not been paid by the Government at the date of the balance-sheets. In most cases Government securities are shown at cost, and a large proportion were probably purchased a year or more ago before the prices of gilt-edged stocks had reached their present levels; this should constitute a considerable hidden reserve. No information is given as to how stocks of stores and materials are valued, but they show in all cases a considerable reduction as compared with the end of 1921. We have now summarised, as far as the accounts permit, the gross receipts, expenditure, net receipts, and the reserve accounts of the companies. It remains to consider the conclusions to be drawn from this survey on the question of the prospects of shareholders and the public respectively.

AGRICULTURAL CREDIT.

THE reasons why an increasing amount of public attention is being given to agricultural problems are not far to seek. The boom times of the war and the years immediately following have given place to acute depression, and there are many strugglers on the land to-day who have taken to agriculture recently, and have not, therefore, derived from the high profits of war-time a financial staying power to tide them over the present slump. Also, with industrial unemployment on a huge scale, and with doubts being entertained as to whether British industry can, except in boom times, absorb the increased population of adult industrial workers, the desire to foster agricultural production by all legitimate means takes on a fresh importance. The latter aspect of the case was forcibly presented to the House of Commons by Mr Lloyd George last session. In the debate that followed his speech, Mr Bonar Law definitely ruled out the two nostrums of Protection and subsidies, but promised comprehensive inquiries into many aspects of the agricultural problem. The result of one of these inquiries was recently published in the Report of the Committee on Agricultural Credit.*

It may, perhaps, help to clear away some of the misconceptions through which this problem of agricultural credit is too often approached, if we begin by considering the question why agriculture should be regarded in the matter of credit on a different basis to other industries. If agriculture is profitable, it may be argued, it will attract

all the credit it needs. If it is unprofitable, the mere supply of credit will not make it profitable, and it is better that it should not be encouraged by artificial arrangements to prolong an uneconomic existence. On purely economic grounds, the case for subsidising an agricultural system which cannot support itself has no standing, and it must look for its basis to the war argument of the difficulty of transporting over submarine-infested seas adequate food for the population. But in regard to the special machinery of credit facilities that it needs, agriculture stands in a position different to that of any other industry. That fact has been recognised by legislation in most countries. As the Committee's report points out, the agriculturist "is often isolated and remote from the normal opportunities of obtaining credit. Compared with the manufacturer and the trader, his operations are complex, long in their cycle, and subject to exceptional risks from weather and disease beyond the ordinary ups and downs of prices and wages. For the greater part of the year, and especially when he is most in need of credit, his capital is sunk in forms of wealth difficult for anyone but an expert to value, and not readily chargeable as security for an advance." These and other considerations compel a sympathetic approach to the questions, first whether the existing credit facilities for agriculture are deficient, and if so whether the State can by encouragement, legislation, or even by material assistance, properly or usefully mend the gap in the present system.

The insufficiency of existing credit facilities for agriculture is often greatly exaggerated. One sees painted sometimes a picture of the poor agriculturist, cold-shouldered or ignored by the banks, and without any other avenues for obtaining credit. That, of course, is a gross travesty of the facts. The report under discussion brings out the fact that the five leading banks alone have £46½ millions of loans outstanding to farmers, of which £26 millions represent loans for the purchase of land and £20 millions normal loans for current trading. The Committee also describe the activities of the other undertakings providing credit for the farmer. With these we are not impressed. During a term of 70 years one undertaking has advanced only £13 millions, in spite of the fact that its resources are described as "practically unlimited." On the other hand, a small company has advanced, we learn, half a million, and it is pointed out, it has had to refuse applications amounting to between £5 millions and £6 millions. Evidently these two undertakings require to be placed in touch with each other. The Committee, while confessing to surprise at the magnitude of the bank loan figures, which, in their judgment, furnish the most convincing evidence against the general criticisms levelled against the banks, believe that there are still gaps to be filled in the provision of credit. Briefly their recommendations are:—

(a) That farmers who purchased holdings between the date of passing of the Corn Production Act, 1917, and the Corn Production Acts (Repeal) Act, 1921, should be enabled to obtain loans from "an approved society operating under the aegis of the State, such loans not to exceed 75 per cent. of the present value of the holding concerned, and to be repayable within 40 years," and (b) that short-term credit might be provided by the "immediate formation of agricultural co-operative credit societies." The Committee proposes that the State should place money at the disposal of these credit societies "on the basis of £1 for every £1 of share capital raised by the society," and it is further proposed that the funds employed for this purpose "should be derived by the application of a portion of the money derived from the sale of Savings Certificates in rural areas." This latter suggestion is distinctly interesting, although it opens up a vista of ear-marking receipts from Savings Certificates which may take curious directions if extended further. If State aid is to be granted anywhere, those who took up land under the belief that the Corn Production Act would last longer, have a special claim. But we are not impressed with the Committee's proposals. They certainly possess no novelty. For many years enthusiasts have pressed forward in this country the merits of agricultural co-operative credit societies, but it has been in vain, and British farmers are apparently not to be attracted by the successful development of these very useful undertakings in most other lands. The two most pertinent objections to these

societies usually advanced by farmers are:—(a) a general dislike to joint liability for borrowings, and (b) aversion to allow local people to know that one has funds to place on deposit, or alternatively that one is in need of funds.

The proposed long-dated credit facilities will not strike very deep at existing agricultural troubles. To offer to advance farmers 75 per cent. of the "present value" of their land, while perhaps sound finance, is scarcely a panacea for agricultural depression. These loans are to be granted, it is suggested, by approved societies which will be under Treasury rule. The State will then guarantee interest and capital of special debenture issues made by such societies, the proceeds of which will be used to provide long-term loans to farmers. These approved societies are outlined at some length in the report, but the Committee cannot recommend the establishment of a land bank, State-aided or otherwise. The reasons stated for this decision, however, are not altogether convincing, especially the contention that "the effect of lending money on easy terms may lead to the tenant paying a higher price than he would otherwise do." The absence of a land bank has certainly not prevented existing landholders, now in such a parlous plight, from obtaining possession of land at high values.

The unwillingness of British farmers to co-operate with one another probably rules out the main recommendation of the Committee as impracticable. It is also one of the root causes of the unprofitable conditions which so many farmers so often have to face. Farmers, like other producers, have to get their goods to market before they are any use. Potatoes and beans left on the fields are of no more use than coal left in dumps at the pit-head. Both have to be marketed, and marketing costs in the case of the small agricultural producer are ruinously heavy. Co-operation and combination for marketing purposes would greatly reduce these costs; but in most parts of the country all efforts to that end have failed. In the absence of combined marketing arrangements the outlook for the small farmer of arable land is poor indeed. The stern individualism of the small farmer may be natural and traditional, but it is none the less a self-imposed obstacle to progress, the existence of which is not a sound ground for the demand for State aid. That demand, if it can be sustained at all, must be sustained, not because of, but in spite of this self-imposed obstacle. We are driven, therefore, to the conclusion that the Report of the Committee on Agricultural Credit makes no practical contribution to the discussion of current agricultural problems. In one respect, however, the Committee have usefully cleared the air. They have discovered the fact that the agricultural loans of the big banks are on a far larger scale than was generally supposed, and that the field of agricultural credit which their operations do not succeed in covering, though it may be considerable, is less extensive than it is usually made out to be.

HOTEL AND RESTAURANT COMPANIES.

ON the whole, the hotel industry, judged by the figures given below, is able to present a slightly better picture than a year ago, when we examined a number of the accounts of companies engaged in attending to our rest and sustenance. We have before pointed out that the highly speculative business of hotel and restaurant management is one which lends itself more readily to private control than to the operations of a joint-stock company, and the return on capital, even in the most prosperous concerns, as shown by published accounts, is not so high as to tempt the speculator to embark on fresh ventures in this direction.

Thus even the Strand Hotel, an admittedly successful undertaking, can only show a profit of £94,939 on a share capital of £735,000. Holborn and Frascati is an excellent restaurant, we believe, and certainly very prosperous, as our table of dividends shows; but its return of £35,534 on a share capital of £382,000 is not remarkable. The Carlton reveals earnings of £40,291, but its capital is £400,000. The Gordons, with a share capital of £1,931,000, has to be content with £5,451, while the Frederick Hotels show a profit of £54,850 on a capital

of £706,250. The high dividend rate, given below, for the Piccadilly Hotel is explained by the method of capital finance adopted. The debenture capital amounts to £421,105, while the share capital is but £15,000. Thus a comparatively small surplus profit after paying debenture services was sufficient to pay a substantial rate of dividend. On the other hand, a slight fall in profits leaves little for shareholders. These ratios of profit to capital in many branches of trade would seem ample; but the cases quoted are the successful concerns, and in even their past history show how very unstable their profits are.

The following table shows the dividends declared over a period of years upon the shares of a number of companies representative of the hotel and restaurant industry:—

	1913-4	1914-5	1915-6	1916-7	1917-8	1918-9	1919-20	1920-1	1921-2
Burlington Hotels	nil	nil	nil	nil	nil	nil	nil	nil	nil
Carlton	6	nil	nil	nil	nil	nil	15	8	8
Frederick Hotels, ord.	nil	nil	nil	nil	nil	nil	64	64	64
Gordon Hotels	3	nil	nil	nil	nil	nil	nil	nil	nil
Holborn and Frascati	11	8	24	24	11	11	11	11	11
Piccadilly	50	25	75	1334	150	150	1334	11	11
Romano's	10	5	5	6	73	73	73	10	10
Savoy Hotel	5	5	5	5	5	5	5	5	5
Smedley's, def. ord.	4	2	2	2	6	10	15	15	15
Smedley's Hydro	124	174	124	124	174	124	124	124	124
Strand Hotel, pref. ord.	9	9	9	9	9	9	9	9	9
Waldorf Hotel, 6% pref.	6	3	3	3	3	3	3	3	3

* Free of tax. † Ordinary.

Unlike many other industries, the war did not bring much prosperity to hotels, and the position in that period is reflected by the almost tedious repetition of "nil" in the above table. However, after the war the position gradually improved, although in the past year but little progress has been made. The Waldorf alone shows a noticeable improvement this year.

In the next table we set out the gross profit and net profit of these companies for the past two years, adding comparative figures for 1913-14:—

Company.	1913-14.		1920-21.		1921-22.	
	Gross Income.	Net Profit.	Gross Income.	Net Profit.	Gross Income.	Net Profit.
Burlington Hotels	£ 44,285	£ 1,750	£ 67,410	£ 3,350	£ 71,273	£ 9,753
Carlton	75,797	35,441	80,601	46,964	78,557	40,391
Frederick Hotels	339,549	31,906	162,883	46,172	141,165	54,850
Gordon Hotels	161,665	81,690	138,682	48,018	146,457	5,451
Holborn and Frascati	171,068	39,348	322,062	66,411	289,150	35,534
Piccadilly Hotel	246,492	22,228	43,238	51,972	11,802	11,802
Romano's	23,450	5,065	24,055	7,219	21,453	2,472
Savoy Hotel	182,891	42,239	220,067	126,398	230,445	142,328
Short's	23,265	21,704	43,811	42,311	38,619	37,119
Smedley's Hydro	50,938	10,072	91,919	6,554	92,886	14,335
Strand Hotel	69,507	28,376	104,314	92,954	106,229	106,229
Waldorf Hotel	36,512	17,165	44,235	34,194	46,725	36,672

* Trading profit.

The Fredericks, the Piccadilly, the Strand and the Waldorf all have a better net profit, but Romano's again shows a loss. This latter company appears to be spending upon improvements sums which are taken out of profits. For the year 1920-21 £3,796 went in this direction, while in 1921-22 £4,987 was again spent on this account. It is certainly good for shareholders to learn that "during the year a considerable sum has been expended upon repairs of a non-recurring annual character," and further that these have all been written off. The Burlington is making good headway. In the report issued in February of this year the directors recommended the payment of the current preference dividend and arrears, making two years in all, thus discharging entirely the company's liability on this account. The Savoy Hotel has experienced a very satisfactory year, and its directors point out that this success has been due in a considerable measure to visitors from the United States. Profits have advanced from £126,398 to £142,328, and £50,000 is allocated to reserve, as against £30,000 a year ago.

Gradually the hotels are concluding settlements with the Government arising out of war claims. The Gordon

Hotels' claims for compensation, other than for goodwill, in respect of the Northumberland Avenue Hotels, have been settled, while their claims against the Government in respect of the Hotel Metropole, Folkestone, the Lord Warden Hotel, Dover, and the Grand Hotel, Broadstairs, are not yet completely agreed, although a payment has been made on account. Thus we find in the revenue for the year of this company £9,528 rents received from Government, as against trade earnings of £146,457. The previous year's comparative figures are £54,354 from the Government and £97,800 on account of trade earnings. The Frederick Hotels show a trade profit of £121,891, as against £160,479 a year ago, but in this year's accounts there is also an item of £10,335, being compensation paid by the Government for the military occupation of the Hotel Great Central.

Wines, spirits, and provisions, after properties, are the most important trading assets of these undertakings, and it is always a matter of interest to examine changes in these items by comparing the figures in the last two balance-sheets. The Carlton shows stocks of wines, spirits, and provisions down from £140,584 to £109,521; the Gordon Hotels record a similar item as down from £175,928 to £148,558. Holborn and Frascati now value wines, &c., at £276,553, as against £310,877 a year ago. It is perhaps remarkable to find that the Piccadilly can work with stocks and stores amounting to £30,513, these having been reduced from £37,544. Shorts, mainly known as retailers of wines, reveal this item as falling from £116,202 to £68,362. The Frederick Hotels follow their usual practice of showing stocks and debtor balances as one item; for the year ended June 30, 1921, this amounted to £112,260, while for the year ended June 30th last it was £74,877. The Strand Hotel is always a striking example of balance-sheet clarity, and the directors have been able to reduce stock-in-trade from £22,151 to £14,351. Waldorf stocks are down from £14,595 to £13,393, and Romano's £29,963 to £21,719. Total assets of the Savoy are £272,805, as against £276,691 a year ago, stocks, &c., falling from £375,494 to £315,616; investments are also down at £106,322, showing a decline of £26,176 on the year, but cash at £139,625 is £50,498 higher.

Amongst provincial hotels, Smedley's continues its prosperous course. The capital of the company has been increased from £75,000 to £100,000 by the distribution of additional shares to existing shareholders. The reserve fund, amounting to £10,000, has been divided up, and 8s per share on each new £1 share is credited as paid, leaving 12s per share to be called up as and when required. General receipts for 1922 were slightly higher at £92,499, as against £91,142 for the previous year, while net profits improved from £6,554 to £10,145.

Our final table shows the movements of representative hotel shares during 1922, and compares the current prices with those prevailing a year ago. Yields based on recent dividends are appended:—

Company.	Amount of Share.	Prices of 1922.		Price End of Feb., 1922.	Price Mar. 22, 1923.	Present Yield.
		Highest.	Lowest.			
Burlington Hotels, Ord.	1	5	4	2	8	8 0 0
Carlton Hotel, Ord.	1	1	1	1	1	8 17 0
Do 5% Cum. Pref.	10	7 1/2	5 1/2	5 1/2	7 1/2	7 6 9
Frederick Hotels, 5% Cum. Pf.	10	6 1/2	5 1/2	5 1/2	6 1/2	8 16 0
Gordon Hotels, Ord.	10	3 1/2	1 1/2	2 1/2	3 1/2	nil
Do 5% Cum. Pref.	10	5 1/2	4 1/2	5 1/2	7	17 17 0
Holborn and Frascati, Ord.	1	1 1/2	1 1/2	1 1/2	1 1/2	8 7 9
Savoy Hotel	1	1 1/2	1 1/2	1 1/2	1 1/2	9 2 9
Short's, Def. Ord.	10	11 1/2	9 1/2	9 1/2	12 1/2	12 10 0
Strand Hotel, Pref. Ord.	1	1 1/2	1 1/2	1 1/2	1 1/2	6 11 0

* Dividend in arrears. Yield calculated on a 5% basis.

As will be noticed hotel share prices have made substantial improvements on the year. Gordon Hotels £10 preference shares have moved up from £5 2s 6d to £7 5s, while Carlton £10 preference have been marked up from £5 5s to £7 10s. Ordinary shares have also been in favour. Gordons, Carlton, Shorts, and Strand Hotel all show better prices, while of late a speculative inquiry has been noticeable for Burlington Hotel shares, caused, no doubt, by the excellent year's results.

THE SOVIET STATE BANK.

The Soviet State Bank was founded towards the end of 1921, its creation being closely connected with the inauguration of the so-called "new economic policy." While its chief object was to grant credits to nationalised industries, it was also designed to provide banking facilities for private trade and enterprise, which were now authorised by the Soviet Government. At first it did not strive at improving the currency, and it was not until October 11th last that a decree was issued granting it the right to issue notes. The official data published on the occasion of the tenth Congress of the Soviets (at the end of December, 1922) show, however, that the part played by the State bank as a credit institution was, and still is, very insignificant. The official reports ascribe this to the position created by the uninterrupted and speedy depreciation of the Soviet paper currency, which makes credit a risky operation. In such conditions only short time credits at a very high rate of interest and discount are possible. During the past year the discount rate of the State Bank was measured by scores per cent. monthly, though in the summer during the short period of stabilisation of prices it fell to 2 per cent. The market rate is considerably higher; even in the summer it did not go below 4-1 per cent. daily.

In such conditions, to which must be added the absence of indispensable legal guarantees, which lie at the basis of all credit, the general scope of credit operations in the country must needs be quite insignificant. Whereas in 1913 the total balance of all the credit institutions in Russia amounted to 9,300 million roubles, in December, 1922 it was about 95 million gold roubles, or nearly 100 times less. According to official calculations, only one-thirtieth to one-fourteenth part of the total credit requirements of the country is satisfied at present (see *Ekonomicheskaja Jisn*, No. 293, 1922). In spite of the fact that several private credit establishments were opened lately, the work done by them is still on a very small scale. The State bank continues to play the dominant role, and towards the end of 1922 its balance constituted 98 per cent. of the total balance of all the credit institutions.

We give below the chief items in the balance-sheet of the board and Moscow branch of the State bank*, on January 1, 1923 (converted into gold roubles at the official rate of exchange):—

(In Thousands of Gold Roubles.)

ASSETS.	
Cash	4,562.1
Special loans to industry	24,424.9
Loans to agriculture	1,671.0
Discounts	198.9
Advances on bills	2,118.7
Credits on merchandise	2,688.1
Debtors	3,267.5
Merchandise	859.4
Foreign coin and notes	11,490.6
Foreign bills	3,502.3
Precious metals	7,834.7
LIABILITIES.	
Subscribed capital	7,471.4
Notes in circulation	11,180.0
Deposits of the Commissariat of Finance	24,306.5
Deposits of other public institutions	2,500.0
Current accounts bearing interest	6,568.0
Current accounts in gold and foreign currency	5,033.4

The total balance amounts to 95.5 million gold roubles, but this figure is fictitious to a considerable extent, since among the assets items are found unused credits, against which there are contra items in the liabilities (*Ekonomicheskaja Jisn*, No. 9, 1923). On analysing the liabilities, we see that, although one of the principal aims of the bank was to attract private capital in order to provide credit for industry, both nationalised and private, and for agriculture, up to the present it has been engaged almost entirely in distributing public grants among public enterprises. It may be seen from the balance-sheet that the largest capital

* The balance-sheets of other branches for January 1, 1923, have not yet been published, but, judging by the former ones, they are comparatively insignificant.

so far attracted—24.3 million roubles—came from the Commissariat of Finance, and is either intended for distribution through the bank, or temporarily deposited in it; of similar origin also are the 2½ million roubles—deposits of other public institutions. It is quite probable that the other items of liabilities—current accounts bearing interest and current accounts in gold and foreign currency—are only to a small extent of private origin; at least, on October 1, 1922, only one-fourteenth of these items was shown as belonging to private persons and firms, one-twentieth to co-operative organisations, and the remainder (about 88 per cent.) to public institutions (*Ekonomicheskaja Jisn*, No. 293). Thus the bank hardly attracted any private capital at that date.

As to the assets, out of the rather insignificant total of credits granted by the Bank (altogether about 31 million roubles, out of which only 1.7 million to agriculture, which is so greatly in need of credit) the major portion falls also to public institutions. There are no figures for January, 1923, but on October 1, 1922, the credits of the State Bank were distributed in the following way:—State enterprises, 64.2 per cent.*; co-operative organisations, 25.6 per cent.; private persons and institutions, 10.2 per cent. Thus the figures entirely confirm our statement that the State Bank is chiefly a distributor of State capital between State institutions.

Although the Bank has not as yet succeeded in attracting private deposits on a considerable scale, its inauguration, nevertheless, marks an important step forward towards the establishment of more normal economic conditions. In a country where all confidence in credit institutions had been lost, in part at least, as a result of a constantly depreciating currency, the problem of attracting any deposits at all seemed hopeless. Last autumn, however, the Bank announced its willingness to accept paper rouble deposits for one, two, and three months, crediting the depositor with the equivalent in gold roubles at the official rate of the day. When the deposits are withdrawn they are reconverted into paper currency at the rate ruling at the date of repayment. As a result, all depreciation risks are borne by the Bank, and an additional inducement is thus provided for the depositor. In this manner it is hoped eventually to restore confidence; while the establishment of an issue department, of which we shall speak more fully in a later article, is a first step towards the introduction of a sound currency in Russia.

The Soviet State Bank, through its foreign department, also endeavours to finance foreign trade, and has recently established a branch in London. By granting loans to Russian exporters, supplying importers with foreign exchange, and guaranteeing the payment of importers' bills, a beginning has already been made towards bringing Russia once more within the range of world trade. The real significance of the total turnover, which is very small when measured in terms of that of the large foreign banks of Western Europe and America, can only be properly appreciated if we remember that it represents, in effect, the first glimmerings of a return to settled conditions. Money remittances can now be made to almost any part of Russia through the Bank, which has already opened over 140 branches, and has correspondents in almost every European country.

More interesting still is the fact that five private banks have commenced operations in Russia; and though much remains to be done, it is gratifying to note that the first steps have already been taken in the return to a régime of free enterprise.

THE LENGTH OF THE WORKING DAY.

BEHIND many of the current controversies as to wage rates, which are once more coming to the fore, lies the equally important question of the length of the working day. In the majority of cases, it is true, the hours of labour do not form the main point at issue at the present time. In the dispute between farmers and agricultural workers in East Anglia, however, the labourers are being called upon to

* Including credits for purchases of corn, executed chiefly by the State organisations.

choose between longer hours and lesser rates, while in the building trades the employers are advocating a lengthening of the working week from 44 to 47 hours. Moreover, there seem to be indications that employers in many other industries are coming to the conclusion that the reduction in hours brought about in this country immediately after the war has not led to any noticeable increase in the efficiency of labour, and are pressing for a revision of the whole question. It is therefore not without interest at the present juncture briefly to review some of the attempts that have been made to regulate hours of labour, and to give a short outline of the system now ruling in this country.

Thanks to the great increase in productive efficiency, the last hundred years has witnessed a very considerable improvement in the general standard of living, of which not the least interesting feature has been the progressive reduction in the length of the working day. Beginning with the statutory regulation of the hours of work in the case of women and children, this principle has gradually been extended, either by legislation or mutual agreement, to almost all categories of labour. War-time experience and post-war aspirations gave a new stimulus to the movement in favour of the statutory regulation of hours on the basis of the eight-hour day. For a time this question was in the forefront of industrial problems awaiting solution, and attempts were made to secure uniform legislation on an international basis. The Washington Draft Convention of 1919 limited the hours of work in industrial undertakings to eight in the day and forty-eight in the week, but this has so far been ratified only by five States—Bulgaria, Czecho-Slovakia, Greece, India, and Roumania—and there seems to be no immediate prospect of ratification by the more important Powers.

In Great Britain the Draft Bill embodying the general principle never went beyond a first reading in the House of Commons, and, in a letter of July, 1921, the British Government pointed out to the International Labour Office that it had examined the possibility of ratifying the Draft Convention, but had found itself faced with two main difficulties. On the one hand, the various collective agreements between employers and employed which regulate the hours of labour in this country on a national basis in the different industries leave considerable liberty as a general rule for authorising overtime in excess of 48 hours in the week, according to the particular needs of particular undertakings. The rigid nature of the text of the International Convention, however, does not appear to allow of such flexibility. On the other hand, the agreements concluded between the railway companies and the unions of railway workers authorised daily extensions of work and Sunday work in excess of the eight-hour day and the 48-hour week which are not compatible with the terms of the Draft Convention. We may add that the controversies which have taken place over the application of the general principle to the special cases of agriculture and merchant shipping show clearly the dangers which must arise by attempting to standardise legislation for all countries and for all categories of labour.

It is not easy to give a short general account of the way in which hours of labour have been regulated by the series of national agreements which at present rule in this country. On the whole, however, they correspond rather to the principle of a 48-hour week than to that of an eight-hour day. This norm has been adopted by the textile industries; in the leather, hosiery, and boot trades, and in paper-making, printing, cement, and breweries, together with most of the transport industries—though under rather special conditions in the case of railways. The 47-hour week is the basis in some types of mining and quarrying, and in the various engineering and electrical trades. Certain of these, however, such as tin-plate and coal mining, are on the day shift principle; the nominal working week in the latter case being 46½ hours. Finally, there are a few special cases like building (44 hours in summer, 41½ hours in winter), and roadmaking (49½ and 44½ hours respectively), where allowance is made for seasonal conditions, while dockers work a 44-hour week.

This summary will make it clear that most British industries have accepted the principle either of the 48 or

else of the 47-hour week. In many cases, if more than eight or nine hours are worked in any one day, overtime is to count daily. The system in force is clearly more elastic, and thus, *prima facie*, more satisfactory, from the economic point of view, than that proposed by the Washington Convention.

The effect of this reduction in hours on industrial output is not easy to estimate, and obviously must vary considerably in different industries. It depends very largely on the ease with which any adjustments may be made which local conditions render necessary, for to apply a cast-iron system indiscriminately is clearly unsound. Further, in some industries its effects on output costs might well be different according as one, two or three shifts are worked daily. In general, however, it is well to remember that a reduction in the hours of labour does not necessarily lead to a reduction in output in any given case. The recent welcome increase in output in the coal industry, for example, where the weekly figures of production now surpass the average figure for 1912, and are not far short of those for 1913, shows that production has been practically maintained in spite of the introduction of a seven-hour shift in place of the eight-hour shift of pre-war days. At the same time there appear to be grounds for believing that a less rigid application of this principle than is possible under the present statute would lead to still further improvements in output.

In the building trades, however, the national agreement only provides for a normal 44-hour week, and recent experience does not lead one to suppose that this reduction has led to any increase in the efficiency of labour. Any attempt to standardise working hours at a level considerably below the 48-hour basis seems to us to be premature and unjustifiable, particularly in the building trade, in view of the great need for cheap houses; and in the docks, where all possible efforts should be made to diminish the cost of handling goods by speeding up the process. Moreover, while a reduction of hours from 60 to 48 may well add to the efficiency of labour, or, at least, leave it unimpaired, there seem to be limits set by common sense to an indefinite extension of this argument.

Notes of the Week.

Air Policy and the Future of Europe.—The Air Estimates for 1923-24, the figures of which we gave last week in a Note on the cost of national defence, have been the subject of two very important debates this week, one in the House of Commons and the other in the House of Lords. Debates in both Houses, and indeed all private and public discussions about the Air, turn definitely on a comparison of French Air strength with British Air strength. The statistical comparison is set out below:

SERVICE AEROPLANES.		Probable Position	
	Nov., 1918.	March, 1923.	in 1925.
France.....	3,600	1,260	2,180
Great Britain.....	3,300	371	575
(Excluding reserve and training machines.)			

While this country has reduced its effectives to about one-tenth of its war establishments, the French reduction is only to about one-third. Moreover, whereas about two-thirds of the British aeroplanes are overseas, three-quarters of the French establishment is in France. The true significance of this inferiority in the air becomes even more apparent when we turn to civil aviation, for national defence in the air, as Captain W. Benn pointed out in the same debate, depends in the long run more on the provision of an adequate number of competent airmen, or, in other words, upon the prevalence of the flying habit, than on anything else. In this connection he added that, whereas British civilian aircraft had only flown some two million miles between May, 1919, and March, 1922, French civilian aircraft had 1,400,000 miles to their credit in 1921, and actually flew nine million miles in 1922. The uneasiness about this comparison which the Earl of Birkenhead expressed in the House of Lords on Wednesday is, it must be confessed, widely shared; and the question of

Air policy is by no means the least difficult of the grave problems by which the Government is confronted. When the Geddes Committee was appointed in 1921, it was authorised to assume that no major war in Europe was possible for at least 10 years. Whether such an assumption remains justifiable to-day is unfortunately a question that now claims the earnest consideration not merely of fire-eaters and panic-mongers, but of all sober-minded people. There is indeed some justification for Lord Birkenhead when he declares that "we have not gained one yard in the direction of that European settlement and the re-attainment of tranquillity on the Continent of Europe which was the dearest hope of everyone four years ago." But there is a graver aspect of the matter than simple disappointment. The British nation, having watched with anxiety the steady drifting apart of France and England in their aims in Europe and in their conceptions of international relations, are now face to face with the question whether we can any longer assume that the possibility of hostilities with France may be left out of our reckoning. Lord Birkenhead somewhat euphemistically described the tone of the French Press to-day as "less warm" towards Great Britain than at any time since 1913. If that tone persists for one or two years more, it may become impossible for the Government of the day to answer with an honest affirmative the question that we have deliberately phrased above; and a Government which cannot so answer it will not be able to resist the "safety-first" demand for at least an equality with France in the Air. The definite demand for a one-Power Air standard is publicly voiced to-day; in the absence of a change for the better in Europe it might, one or two years hence, become overwhelming. The Under-Secretary for the Air told the House of Lords that equality with France in the Air would mean Air Estimates of £23,000,000 next year, and, in addition, perhaps £15,000,000 of capital expenditure. But it is not merely on the ground of economy, and all that economy means in terms of national well-being, that we should regard with horror the renewal of armament competition; such a race could, in our opinion, have only one end—another war, and one infinitely more terrible than the last. The gravity of the problem of Air policy, and of the contrast between British and French Air strength lies largely in the fact that its consideration cannot be dissociated from the whole great question of the future peace of Europe. It silhouettes sharply the urgent need for the restoration of a state of confidence that would make an international disarmament agreement possible; it emphasises powerfully the responsibility for the future of the world that rests upon the French Government and people to-day. It depends to an incalculable extent upon the policy and actions of France whether the future of Europe is to be peace and a resumption of prosperity, or war and ruin. We have so frequently expressed our sincere sympathy with France's war sufferings and present difficulties, and our fundamental conviction of the need that France and England have for each other's friendship, that we hope to escape misunderstanding when we say frankly that the only avenue to peace lies in French acceptance of the substitution in Europe of the system of international co-operation for the present reign of jealous nationalism and arbitrary dictation. All other avenues lead, sooner or later, to another war.

Lausanne and After.—The Inter-Allied Commission now sitting in London, has accepted the Turkish counter-proposals to the draft Treaty of Lausanne as a basis for further negotiations. This reduces the likelihood of a rupture almost to a vanishing point, though it does not necessarily follow that the attainment of complete agreement will be either quick or easy. It does follow, however, that the labours of Lausanne will not be lost, and this adds interest to the "Records of Proceedings and Draft Terms of Peace," which the Government published a few days ago as a Blue-book (Turkey No. 1, 1923, 30s net). Even if the work therein recorded had proved abortive, this admirable publication would have had a permanent value as a very definite step towards "Open Diplomacy" (it is noteworthy that a similar book in two volumes has been published by the French Government

simultaneously). If only the antecedents of the Treaty of Sévres had been made equally public before the signature of that instrument! Or if the same publicity had accompanied the making of the Treaty of Versailles! The cynic may, of course, object that however fully the proceedings of any international conference are published, the important things will be done in secret still, and that if you insist on illuminating the conference chamber too brightly, you will only drive its denizens into the corridors and backstairs. Such a view is not supported, however, by the experience of the League of Nations Assembly, where the proceedings are open to the public, and are not merely published after the event. In this case attitudes obstinately maintained in private discussion or in committee are very frequently and very considerably modified when the discussion is carried into the open, and there is no reason to suppose that the psychology of diplomatists should be different when they happen to be sitting in a conference of the old-fashioned kind. The Lausanne Blue-book does not, of course, give the proceedings of the sub-commissions, but only those of the formal public and plenary sessions at the beginning, and of the three main commissions in which the work of the sub-commissions was digested or rejected. But the reader is not left with the impression that anything of substantial importance has been withheld from him. The correspondence between Lord Curzon and Ismet Pasha regarding Mosul, which was probably the most important negotiation conducted, apart from the official machinery of the Conference, is duly printed as an appendix to the report of the First Commission's 21st meeting on January 23rd. The debates on the Minorities question make the most interesting reading. Ismet Pasha's rather erudite historical statement, and Lord Curzon's somewhat impatient rejoinder to it, explain, in epitome, how it is that the horrors which have reached their culmination in the last few years have come to pass. Both Lord Curzon and Ismet were sincere; each was strongly convinced of the justice of his case; and each failed to see the elements of reasonableness in the other's. So it has been for a century. The statesmen cannot understand one another, and the minorities go to the wall.

Indian Budget Crisis.—The first cables relating to the reception of the Budget statement of the new Finance Member, Sir Basil Blackett, encouraged the hope that a repetition of last year's Budget controversy in the Legislative Assembly would be avoided. Subsequent events have rudely shattered this hope. After defeating the Government on several minor, though not unimportant, matters, the Assembly has now taken the serious step of rejecting the increase in the salt duty, by which Sir Basil sought to balance the Indian Budget for the ensuing year. A year ago the Assembly also rejected tax proposals, and left the Government with a prospective deficit of £6,000,000, which subsequent events turned into an actual deficit of £12,000,000. On that occasion the Government accepted the position, and appointed the Inchcape Committee to explore the possibilities of retrenchment. This year the Government, faced by a similar position, have taken the grave decision to override the wishes of the Assembly, and, according to Delhi cables in the *Times*, the Viceroy will, if necessary, exercise his power of certifying the Finance Bill in its original form. The procedure to be adopted appears to be as follows: The Bill as originally introduced in the Assembly was to be presented yesterday to the Council of State, with a recommendation from the Viceroy that the proposal to double the salt tax (which the Assembly rejected) should be adopted. Assuming a Government victory in the Council of State, the Bill will again be presented to the next Monday Assembly, which will thus be given a formal opportunity to reverse this week's decision. But the course of action chosen shows that the Viceroy intends, if necessary, to "certify" the Bill. This, we believe, is the first case in which the Viceroy has decided to resort to the special powers conferred on him by the Government of India Act in connection with a Finance Bill; and the political importance of his decision is obviously very great. The danger of resorting to it at the present stage of slow and troubled approach towards

self-government hardly needs to be pointed out; and we can well believe the accounts of the sensation which the Viceroy's action has aroused in India. It is fervently to be hoped that the tension of a disquieting position may be relieved by a reversal by the Assembly of its previous decision. This would only require a very small turnover of votes, but can hardly be counted upon as likely. Elections to the Assembly are approaching, and in voting upon so unpopular a measure as the doubling of the salt tax, elected members no doubt had their eyes upon their constituents. In support of the Viceroy's policy, it may be urged that the importance of balancing the Budget is universally admitted, and that the Finance Bill in its original form commanded a considerable measure of non-official support in the Assembly. But these arguments do not do much to relieve our profound uneasiness at the course that affairs are taking. The special powers conferred on the Viceroy by the Government of India Act, which he is apparently prepared to use, were obviously inserted as a safeguard to be employed as a last resort in an emergency; and it is surely straining the term "emergency" far beyond its accepted meaning to make it apply to additional taxation which is estimated to bring in Rs. 4½ crores, or less than £3 millions sterling, in a Budget total of Rs. 204 crores, or over £130 millions. We sympathise to the full with Sir Basil Blackett's exposé on the need for a balanced Budget; but to risk a serious Indian crisis over a matter of these dimensions seems to us as reckless as the action of the skipper of an Atlantic liner who risks shipwreck amid ice and fog in the hope of reaching port a few hours under record. It is hardly conceivable that the Viceroy is playing a game of bluff, hoping by the adoption of an intransigent attitude to frighten the Assembly into reversing its vote. That would indeed be playing with fire. We cannot congratulate the Government of India on its handling of this unfortunate affair, and we await the dénouement with some anxiety.

Labour Conditions in South Wales.—In the South Wales coalfield this week, writes our Cardiff correspondent, the outstanding feature has been the recurrence of stoppages on the question of non-unionism. The two districts chiefly affected were those of the Maesteg and Garw Valleys. The collieries of about 11 companies were involved. They have a daily output of approximately between 7,000 and 8,000 tons, and employ between 11,000 and 12,000 miners. Since the national coal strike of 1921 there has been a revival of separate organisations of surface workers and underground craftsmen. The South Wales Miners' Federation has expressed its determination to break up these sectional unions, and in the Maesteg and Garw Valleys the federation claims to have achieved this purpose. There was a resumption of work on Thursday morning at the majority of the pits, and it is expected that the others will be at work on Friday. There was also a stoppage without notice on Wednesday at the Markham Colliery of the Tredegar Coal Company, and on Monday, March 19th, a fortnight's notice to terminate contracts on the non-unionist question was served in the Rhondda districts, where approximately over 50,000 men are employed, but of whom less than 40 per cent. actually handed in their notices. The effect of the week's stoppages has been to reduce the output of the coalfield by between 25,000 and 30,000 tons, and to entail the workmen in the sacrifice of between £20,000 and £22,500 in wages.

Employment in February.—Figures given in the *Ministry of Labour Gazette* show that a further definite improvement occurred during February in the demand for labour. The trade union percentage of unemployment was reduced to 13.1 at the end of last month, as compared with 13.7 at the end of January and 16.3 a year ago. The percentage unemployed among workers insured under the Unemployment Insurance Acts in Great Britain and Northern Ireland was 11.8 at February 26th, as compared with 12.7 at January 22nd and 15.5 at the end of February, 1922. The course of the trade union percentage over recent years may be traced in the following table:—

TRADE UNION UNEMPLOYMENT PERCENTAGES								
	1913.	1917.	1918.	1919.	1920.	1921.	1922.	1923.
End of—								
January ..	2.2	0.3	1.0	2.4	2.9	6.9	16.8	13.7
February ..	2.0	0.3	0.9	2.8	1.6	8.5	16.3	13.1
March	1.9	0.3	1.2	2.9	1.1	10.0	16.3	..
April	1.7	0.3	0.9	2.8	0.9	17.6*	17.0	..
May	1.9	0.4	0.9	2.1	1.1	22.2*	16.4	..
June	1.9	0.4	0.7	1.7	1.2	23.1*	15.7	..
July	2.0	0.5	0.5	2.2	1.6	16.3	14.4	..
August	2.3	1.3	0.5	1.6	2.2	14.8	14.6	..
September ..	2.2	1.1	0.4	2.6	5.3*	15.6	14.0	..
October	2.0	1.1	0.5	2.9	3.7	15.9	14.2	..
November ..	2.6	1.4	1.2	3.2	6.0	16.5	14.0	..
December ..								

* Excluding coal miners.

The total number of registered unemployed at February 26th in Great Britain and Northern Ireland was 1,376,000, of whom 1,073,000 were men. These figures represent a considerable decline during February, for on January 29th the corresponding total was 1,460,000, of whom 1,138,000 were men. In the coal mines and in steel sheet manufacture employment was good, owing to the increase in demand since the Ruhr affair developed, and also in the worsted trade, while the iron and steel and tinplate industries showed improvement in this respect.

The Cost of Living.—According to the calculation of the Ministry of Labour, the cost of living for an average working-class family fell by one point during February, and on March 1st stood at a level 76 per cent. above that of July, 1914. A year ago the figure was 86 per cent. above the pre-war level. The highest increase—namely, 176 per cent.—was reached in November, 1920, and the new figure for March 1st is the lowest recorded since May, 1917. Monthly movements of this index number are traced below:—

ALL ITEMS: AVERAGE PERCENTAGE INCREASE OVER JULY, 1914.
(Food, Rent, Clothing, Fuel, and Light, &c.)

	1918.	1919.	1920.	1921.	1922.	1923.
January 1st..	85.90	120	125	165	92	78
February ..	90	120	130	151	88	77
March	90	115	130	141	86	76
April	90.95	110	132	133	82	..
May	95.100	105	141	128	81	..
June	100	105	150	119	80	..
July	100.105	105.110	152	119	84	..
August	110	115	155	122	81	..
September ..	110	115	161	120	79	..
October	115.120	120	164	110	78	..
November ..	120.125	125	176	103	80	..
December ..	120	125	169	99	80	..

For retail food prices alone the index figure on March 1st was 71 per cent. above the pre-war level, having been 73 per cent. above that level a month earlier. The February decline was due to a drop in the prices of eggs, bacon, fish, potatoes, and to a lesser degree of flour, bread, milk, and imported meat. The current issue of the *Ministry of Labour Gazette* also gives a calculation referring to the cost of living in the Irish Free State. Taking mid-July, 1914, as 100, the following figures for recent dates are given as follows:—Mid-March, 1922, 191; mid-June, 1922, 185; mid-October, 1922, 189; mid-January, 1923, 190.

Stock Exchange Committee Election.—A Stock Exchange correspondent writes:—Sixty-five per cent. of members of the Stock Exchange voted in the committee election, which took place on Tuesday, 2,567 voters sending in their lists, of whom 21 spoilt their papers, thereby rendering the latter ineffective. The surprise of the election is that the chairman, Sir Wilfrid Atlay, was not returned, he securing 1,397 votes, as against the lowest successful total of 1,689 polled by the Hon. Gilbert Johnstone. One of the new candidates was also defeated, together with another member who was returned for the first time a year ago, but who has now lost his seat. The largest number of votes, 2,548, went to Mr D. M. Scott, next to whom came Mr F. H. A. Booth, "father" of the Stock Exchange Committee, with 2,525 votes. The result

of the election, so far as the public are concerned, will be to leave matters as they were before in regard to the division of commission between stockbrokers and their agents, the question upon which the election was fought this time. The majority of the new committee are in favour of agents receiving 50 per cent. of the gross commission, and the brokers getting the rest, out of which latter the brokers have to pay their expenses. A good deal of talk has been let loose over the election, but possibly the supporters of the scheme for dividing commission into two-thirds for the broker, and one-third for the agent, can claim that they have impressed upon the Stock Exchange mind the desirability of making some change from the existing arrangements. To clients it is something of a convenience to be able to deal through their bank when they want to buy or to sell stock, more particularly to buy it. This involves no drawing of a cheque; the purchase money is simply debited in their passbooks, and, slight as this attraction may appear, it weighs a good deal with some people who do not always recognise that, in sending their Stock Exchange orders through a banker, the transactions become part and parcel of a collection of others in which a broker, while executing, feels no such interest as he would do if the client was known to him, and on whose behalf he is ready to do his utmost in order to deal at the closest of prices obtainable. The Stock Exchange new financial year starts on Monday, and according to the rules the committee's first duties are to elect amongst themselves a chairman and deputy-chairman, who shall hold office until March 25th next ensuing. In the defeat of Sir Wilfrid Atlay the Stock Exchange sustains a more serious loss from the committee than its many members may at present realise, for, under his chairmanship, the Stock Exchange has attained a position of power and dignity amongst City institutions such as it never before enjoyed, or even claimed.

Governments, Solvent and Insolvent.—Like its predecessors, the forty-ninth report of the Council of Foreign Bondholders deals mainly with the minor States of Spanish America, all more or less embarrassed by exchange difficulties and the recent decline in their foreign trade, and some, in addition, by political unrest, administrative mismanagement, and their own jealousy of American financial control. Special mention, supplemented by the full text of the agreement, is made of the impending settlement of the Mexican External Debt; but the Council is pressing, through the Foreign Office, for the inclusion of the bonds of the Mexican Packing Company and the "C class" of the 6 per cent. bonds of 1913, for which the Federal Government is legally liable, although they were issued to maintain the rule of President Huerta. In Colombia, the financial situation has been transformed by the American indemnity for the severance of Panama. The coupons in arrear have been paid, the Consolidated External Debt, now reduced by drawings to £1,279,500, should be extinguished before many years have passed; large loans for public works are secured, or likely to be obtained, from American financiers, both by the Central Government and the Department of Antioquia, and \$5,000,000 of the indemnity is to be devoted to establishing a State bank. Venezuela is also comparatively prosperous; the unanimous re-election of President Gomez probably assures six years more of domestic peace; the Budget deficit has been met from Treasury reserves; the currency is at a premium over sterling; the Diplomatic Debt has been reduced to £2,435,320, and, as in Colombia, its extinction is in sight. In Santo Domingo a native Provisional Government was set up last October, but the finances are still under American control, and the debt will soon be extinguished. Ten years of similar control in Nicaragua have justified its institution, and reduced the foreign debt to £908,600. Much of the information relating to Central America and to Ecuador has been already given in the Consular Reports recently summarised in our columns, and it need only be said that Salvador is awaiting fresh proposals from American financiers, and that Guatemala continues her remittances for the debt service, but persistently ignores the arrears. Uruguay's losses on exchange should be set off against her past

profits; and her foreign bondholders should be encouraged by the circumstance that 35 per cent. of her external debt is held at home. Paraguay is in default—through her civil war; so, with less excuse, are several States and cities in Brazil and Argentina, and the Mexican State of San Luis Potosi. The State Government of Corrientes does not even acknowledge the Council's letters, and the City of Rosario gives bills instead of cash. But Lima, since the Report was printed, has paid the coupon due on January 1st. Outside America, Liberia still awaits the American loan offered during the war, but not sanctioned by the United States Congress, and the American Receiver-General of Customs, though directed by his Government to resume the monthly remittances for the debt service, has apparently not as yet begun to do so. As to the four other States dealt with outside America, the Chinese Treasury Bills and Notes are still in arrears; Turkish and Bulgarian finances remain in the melting-pot; Soviet Russia continues to repudiate liability even for the loans spent on public works; and Greece was dealt with in these columns last week. We may note, however, that the Turkish bondholders' claim to the payment in gold of the sums deposited on their account during the war in German banks still awaits adjudication, and that the Greek Debt Commission has revived the idea of a monopoly of Naxos emery put forward in its Report of 1902.

The Salt Union.—The gross profits of the Salt Union, Limited, for the year 1922 show a further decline, but thanks to a reduction in rates and taxes from £121,200 to £49,300, the net profit has increased from £162,300 to £207,900. The report states that the quantity of salt delivered during the past year showed a satisfactory increase as compared with the previous year, "the lower cost of production enabling the company to recover some portion of the trade in Fishery salt; and also to secure a larger share of the shipments to those overseas markets which are subject to most competition. To the East, in particular, a larger tonnage was sent, but less profit was realised." The following table traces the company's financial history since 1910:—

	Gross Profits, Rents, and Dividends.	Reserve and Depre- ciation.	Dividends.	Balance Forward.
	£	£	£	£
1910....	242,937	30,000	25,000*	4,561
1911....	262,006	35,000	37,500*	3,957
1912....	226,333	25,000	nil	5,104
1913....	227,261	25,000	nil	8,896
1914....	232,710	20,000	15,000*	9,338
1915....	275,314	25,000	62,000	8,862
1916....	426,066	127,000	190,000	14,317
1917....	354,817	50,000	190,000	3,597
1918....	440,074	60,000	190,000	29,326
1919....	455,148	60,000	190,000	24,007
1920....	482,844	70,000	190,000	23,274
1921....	354,990	..	110,000	21,561
1922....	336,513	..	150,000	20,228

* Preference distribution only.

Debt interest for the year absorbed £49,200, or £4,800 less. The distribution of 2s 4d per share on the preference capital represents the maximum dividend of 7 per cent. for the year, together with £28,000, the share of surplus under the capital reduction scheme. The ordinary dividend is raised from 5 to 10 per cent., but this is still 5 per cent. below the rate paid from 1916 to 1920, inclusive. After transferring £10,000 to staff superannuation fund, the balance forward is slightly reduced. The balance-sheet, an analysis of which is printed elsewhere, shows a reduction of £12,800 in the first mortgage debenture stock, although the holders of the "B" debenture stock, amounting to £200,000, have exchanged their holdings for first debenture stock. The property item shows a reduction of £141,300 at £2,030,400, and investments stand £206,700 lower, owing to the disappearance of the company's own debenture stock for this amount in the item, but cash has risen by £107,500 to £656,300.

British Italian Corporation.—The report for the year 1922 of the British Italian Corporation shows net profits of £41,000, which compare with £44,300 for 1921 and £62,900 for 1920. Provision for income-tax and corporation profits tax required £38,300, as against £33,100 in the previous year. The dividend is maintained at 4 per

cent., free of tax, and the carry forward is £1,000 lower at £26,700. The directors report that "general conditions have not been favourable to business during the past year, and the low money rates ruling have adversely affected banking profits." They also announce that the Banca Italo-Britannica has sold its holding of shares in the corporation. Changes in the balance-sheet are set out below:—

LIABILITIES.		ASSETS.	
Amount, £	Compared with Dec. 31, 1921.	Amount, £	Compared with Dec. 31, 1921.
Share capital	1,000,000 ..	Cash in hand and at banks	745,913 ..
Reserve	233,418 ..	Bills receivable ..	416,171 ..
sundry creditors ..	+ 367,932	Investments	174,111 ..
Acceptances, &c. ..	3,608,744 ..	Advances	1,261,856 ..
Profit and loss ..	68,740 ..	Cover for acceptances, &c.	3,608,744 ..
		Premises	40,742 ..
		Furniture	1 ..
Total	6,247,538 ..	Total	6,247,538 ..

The reserve of £233,418 is the amount received from the British Government in previous years, which has now become the absolute property of the company, the contingent liability to the Government having now been cancelled. Advances to the Banca Italo-Britannica still figure at £803,300, and there are cash balances with the same institution of £194,300. In order to dispel "a misapprehension which has frequently occurred" concerning the object of and the business carried on by the company, the directors propose to change the title to the British Italian Banking Corporation. This will require the approval of the Board of Trade and sanction by shareholders.

British Portland Cement.—A decline of £28,500 in trading profit is recorded in the report for 1922 of the British Portland Cement Manufacturers, Limited, but £25,000 less, namely, £125,000, is put to general depreciation reserve, and the amount available for distribution is less than £4,000 lower at £210,600, as may be seen from the table below:—

	1913-14.	1916-17.	1917-18.	1918-19.	1919.*	1920.	1921.	1922.
Trading profit ..	330,428	254,162	328,889	345,374	379,446	558,840	479,762	451,222
Interest, &c. ..	79,928	85,822	97,353	82,178	53,343	62,146	85,800	84,479
Depreciation ..	51,756	42,396	63,050	78,000	123,537	173,287	179,750	156,165
Brought forward ..	198,744	125,945	168,486	185,196	202,565	323,407	214,212	210,578
Profit ..	32,568	73,154	72,994	87,723	91,509	136,264	181,478	186,628
Ord. dividend ..	231,312	199,099	241,480	272,919	294,075	459,671	395,690	397,206
Pref. dividend ..	70,324	70,800	70,800	70,800	47,200	70,800	70,800	70,800
Ord. dividend ..	96,665	55,305	82,957	110,610	110,610	207,393	138,262	138,262
	(7 %)	(4 %)	(6 %)	(8 %)	(8 %)	(15 %)	(10 %)	(10 %)
Carried forward ..	64,322	72,994	87,722	91,509	136,264	181,478	186,628	188,144

* Eight months.

No change is made in the dividend, and the balance forward is slightly increased. The directors state that the demand for Portland cement in the home markets further declined during the year, despite a substantial lowering of selling prices, while the export trade continued to be adversely affected by the depreciation of the exchanges and by lower freights from the Continent than those obtainable from this country. The principal change to be noted in the balance-sheet is the transfer of the depreciation reserve funds to the property item, which reduces the latter by £875,300 to £2,534,600. Stock-in-trade stands £121,200 lower at £404,200, but investments have been increased by £96,600.

Union Corporation.—Our mining correspondent writes: The declaration in November last by this Kaffir finance house of an interim dividend of 8 per cent. was an indication of improved fortunes, there having been no similar payment on account of either of the two preceding years. Of late rumours have been current on the Stock Exchange that the final dividend for 1922 would be 2s per share, or 16 per cent. In the event this proves correct. An official communiqué intimates that the profits for the year amount to £242,100. As before, the sum of £30,000 is transferred to reserve, and a final dividend of 2s is declared, leaving the slightly increased balance of £80,000 to be carried forward. There can be no doubt that the corporation's enhanced prosperity is largely due to its association with the San Francisco Mines, whose

position has recently been referred to in our columns. On the basis of the current market price, the yield on the shares at the 1922 rate of dividend is about 10 per cent.

William Whiteley.—A substantial increase in trading profits is shown in the accounts of Wm. Whiteley, Limited, for the year ended February 14th last, in explanation of which the report states that the number of customers has again been larger than last year, and that the expenses have shown a substantial decrease. Net profit, however, while showing an increase of £52,000 is still more than £60,000 below the figure of two years ago. The table below shows results for a number of years:—

Year end Feb.	1914.	1916.	1918.	1919.	1920.	1921.	1922.	1923.
Trading profit ..	£129,478	£113,479	£136,325	£219,239	£331,874	£329,339	£219,820	£268,961
Net profit	70,632	55,481	77,745	151,562	258,567	264,989	152,251	204,295
Brought forward ..	13,917	14,215	12,345	19,651	54,808	210,016	171,961	203,834
Pref. dividend ..	84,549	69,696	90,090	171,213	313,375	475,005	324,192	408,129
Ord. dividend ..	20,250	20,250	20,250	20,250	20,250	20,250	20,250	20,250
Reserves, &c. ..	31,500	22,500	27,000	36,000	63,000	63,000	63,000	90,000
To man't shrs ..	16,000	13,000	21,000	19,236	15,008	214,687	32,000	30,000
Carried forward ..	2,554	1,824	2,189	2,919	5,100	5,108	5,108	7,299
	14,245	12,122	19,651	92,808	210,017	171,961	203,834	260,581

Reserve, contingency and staff funds are credited with £24,000, as against £32,000 a year ago, and £6,000 is paid to directors, free of tax, by way of additional remuneration. The ordinary dividend is raised from 14 to 20 per cent., the highest yet paid, and £7,208 is distributed to the holders of the £100 of management shares. The balance-sheet shows that a loan on mortgage for £111,200 has been paid off, and that the reserve for corporation profits tax and contingencies has been reduced by £118,400 to £27,400. Investments have been reduced by £103,300 to £204,100, of which the market value is stated to be £285,200. The investments include £234,000 of British Government stocks. Cash is £43,900 higher at £104,100, while deposit and current accounts in the banking department have risen by £37,700 to £533,000.

London and Lancashire and British Fire Insurance.—A circular is being issued to the shareholders of the British Fire Insurance Company, Limited, advising them of an agreement under which the London and Lancashire Insurance Company, Limited, offer to purchase the shares of the "British Fire" at a price of 11s each for the partly-paid shares and £2 15s for the fully-paid shares. The payment is to be made as follows:—1. As regards the partly-paid shares. (a) As to 6s per share by the allotment and issue of one "London and Lancashire" share for every 50 shares in the "British Fire." (b) As to 5s per share in cash. 2. As regards the fully-paid shares. (a) As to £1 10s per share by the allotment and issue of one "London and Lancashire" share for every 10 shares in the "British Fire." (b) As to 25s per share in cash. The last published balance-sheet (1921) shows a total premium income of £140,473, reserves and capital amounting to £226,662. The directors of the "British Fire" add that "the shareholders of the 'British Fire' will appreciate that some time must elapse before the directors could feel justified in recommending the payment of dividends, whereas by accepting the offer of the 'London and Lancashire' they will receive nearly three times the amount paid up on their shares, with the definite prospect of earning interest. The offer is conditional upon the holders of at least 85 per cent. of the issued share capital of the 'British Fire' (or such less proportion as the 'London and Lancashire' may, with the approval of the board of the 'British Fire' deem sufficient) accepting it on or before April 16, 1923."

Canada Life Assurance Company.—It makes one feel that Canada can no longer be regarded as a new country when one notes that the Canada Life Assurance Company, founded in 1847, has completed 75 years of business. The directors claim, with justice, that the latest year of the company has been the best year; the figures justify some self-congratulation. The new assurances issued amounted to £15,905,592, or £1,322,967 more

than in 1921. In 1914 the new business was no more than £2,798,112, which at the time was considered to be quite good. The premium income was £2,558,168 as compared with £2,212,024 in the previous year, and the assets increased by £1,347,177 to £17,805,719. The surplus of assets over liabilities is declared to be £1,655,789, of which £502,808 becomes payable to policyholders as bonuses—"dividends" in the language of Canada—during the present year. Much of the success of the office is due to the low mortality experienced; last year the claims were only half those expected under the tables. The rate of interest earned is highly enviable even in these days, when British offices have got back to their pre-war rate of net interest earnings. It was in 1922 £6 5s per cent., against a valuation rate of 3 per cent., so that there is a margin of 3½ per cent. for producing profits. The actual surplus earned during the year is put at £553,608. With the accounts as issued in this country is a list of all the bonds owned by the company. In his speech at the annual meeting the president stated that, though the assets are written down to market values when necessary, they are never written up again upon a subsequent improvement in value. This prudent course tends to provide a hidden investment reserve in addition to the special contingent fund which appears in the accounts. This strong Dominion company claims that its experience last year in Great Britain was the best that it has enjoyed during the 20 years of business in the old home country.

American Cotton Crop.—Our Manchester correspondent writes:—The Census Bureau of the United States Government has this week published its preliminary final report on the cotton crop for 1922-23. The amount of cotton ginned up to the end of February is given as 9,729,000 bales, as compared with 7,978,000 bales at the same time last year, and 13,271,000 bales two years ago. The figures have not resulted in any change in prices, and the commercial crop for this season will be, in round figures, 10,250,000 bales, against about 8,400,000 bales last year. Increased interest is being taken in the prospects for 1923-24, and the outlook at the present time is encouraging. According to private advices there is a probability of an increase in the acreage of 10 to 15 per cent. Owing to cold weather during the last few weeks it is anticipated that there will be less damage to the plants from the boll weevil. Farmers are said to be buying fertilisers on a large scale. Many things may happen during the next few months, but in Lancashire trade circles there is a disposition to expect towards the end of this summer lower prices than those ruling to-day for American cotton.

Japanese Trade and Finance.—Cabled advices from Tokyo summarising financial and trade conditions in Japan during the first half of March record that early in the month the rate of day-to-day money fell to 4½ per cent., the supply of floating credit being increased by the return of money from the provinces. But large revenue collections and heavy calls on Government bonds and other debentures combined to make this easy condition short-lived, while large imports of cotton caused a good deal of credit to be paid into the exchange banks. By the middle of the month the tone of the money market was steady, with day-to-day loans ruling at about 5½ per cent. There has been since the beginning of the month a lull in the new issue campaign. Leading commodities have, generally speaking, maintained their quotations, although the recent rise has been checked by the sluggishness both of internal and export trade. Stock market business is quiet, and security prices have been moving within narrow limits. The cotton yarn and rice markets are inactive, and so also at the moment is the market for raw silk, although in the case of the latter there is anticipation of a further rise in price. At March 15th the note issue of the Bank of Japan was 1,077 million yen, as compared with 1,118 million yen a year ago, while discounts and advances at 172 million yen compare with 83 millions in mid-March, 1922. Import values in February, 1923, were 154 million yen, and exports 122 million yen, the comparable figures for February, 1922, being imports

178 million yen, and exports 87 millions. The index number of wholesale commodity prices in Tokyo for February was 253, against 272 a year ago.

THE Board of Trade announce the receipt of a telegram from the British High Commissioner at Coblenz reporting that the Inter-Allied Rhineland High Commission has decided to adopt, as from March 25th, the German Import Tariff in the form in which it stood in April, 1922. For imports into the occupied territories of Germany, the duties of the German Import Tariff as it existed in April, 1922, will therefore supersede the present uniform import duty of 10 per cent. *ad valorem* on and after March 25th.

THE next examinations of candidates for admission into the Society of Incorporated Accountants and Auditors will be held on May 14th, 15th, 16th, and 17th. Women are eligible under the Society's regulations to qualify as incorporated accountants upon the same terms and conditions as are applicable to men.

SIR ALEXANDER HARRIS, K.C.M.G., late Governor of Newfoundland, will preside at a meeting of the Royal Colonial Institute at the Edward VII. Rooms, Hotel Victoria, on Tuesday, March 27th, at 4 p.m., when the Rev Henry Gordon, of Cartwright, Labrador, will give an illustrated lecture on "Life in Labrador."

Oversea Correspondence.

UNITED STATES.—NEW GOVERNMENT FINANCING—FURTHER BUSINESS EXPANSION—RISE IN PRICES—JANUARY RAILROAD EARNINGS.

(FROM OUR CORRESPONDENT.)

NEW YORK, March 9.

NEW Government financing was announced this week in the form of an offering of Treasury certificates of indebtedness in two series, each dated March 15th; one is for six months, and bears 4½ per cent. interest, the other for one year at 4½ per cent. The interest rate on the one-year certificates is ½ per cent. higher than that on the last similar issue, and reflects the firmer money market now prevailing in this country. The combined offering is for \$400,000,000, approximately. In exchange for the new certificates, the Treasury offered to accept at par and accrued interest as from March 15th any Treasury certificates maturing on that date, or any uncalled Victory notes maturing May 20th next, as well as called Victory notes at par. This financing was necessary because about \$366,000,000 of Treasury certificates become payable on March 15th, together with interest on the public debt in the amount of some \$135,000,000. Called Victory notes amounting to nearly \$90,000,000, and matured war savings certificates aggregating about \$75,000,000, are also outstanding, and both are being presented steadily for redemption. On the other hand, the Treasury expects to receive this month in the neighbourhood of \$400,000,000 in income and profits taxes, although it is rather uncertain just what sum will be realised from such taxes, since this month's payments are the first to be made on the basis of the new Revenue Act and the business of the calendar year 1922. The present offering of certificates, it is explained, is intended to provide, with the balances already on hand, for the payments falling due this month over and above tax receipts; also to meet the Treasury's further cash requirements between now and May 20th, when the uncalled Victory notes will mature. Further financing will be necessary before that date to refund maturing notes, but the amount involved has already been reduced to "manageable proportions," and is expected to be still further reduced between now and then by exchanges and advance redemptions out of the proceeds of the current offering. When the present month's operations are completed, there will remain outstanding only a little more than \$1,000,000,000 of Treasury certificates, which Secretary of the Treasury

Mellon considers "a remarkably low total for this stage of the Government's post-war financing." It is evident that the Treasury Department is continuing its efforts to handle necessary financial operations in a way that will not seriously disturb the money market. As indicated, the interest rates on the new certificates are in line with the existing money market, and all signs now point to a heavy over-subscription to the offering. As a matter of fact, the interest rates are somewhat better than the present market price of outstanding issues. For instance, the one-year 4 per cent. certificates maturing December 15th of this year have been selling lately on a 4.07 per cent. basis, approximately.

The San Francisco Federal Reserve Bank raised its rediscount rate this week from 4 to 4½ per cent. In all of the twelve Federal reserve districts throughout the country, therefore, the rediscount rate is now the same, namely 4½ per cent. There has been considerable talk this week about a possible further increase in the rate, especially by the New York Federal Reserve Bank, but there is nothing in the latest weekly Federal Reserve Bank statements that indicates the likelihood of such action for the present at least. The total of rediscounted bills for the entire system showed a further heavy decrease this week, while the New York Federal Reserve Bank's rediscounts fell to the lowest amount reported since the middle of January, and its reserve ratio rose to 83½ per cent., the highest recorded since last November. What might happen should there be a big increase in the use of credit for speculative purposes is another matter; but as one competent authority correctly points out, "such speculative expansion would itself have direct and powerful effect on the New York Federal Reserve Bank's loan account and reserve ratio."

Trade and industry generally have shown increased activity this week, and the price situation has become decidedly stronger. Numerous advances have occurred in many markets. Reflecting the further rise in raw cotton above 31 cents, all cotton goods, both finished and unfinished, have ruled much firmer; and, as a result of the recent heavy buying for spring and fall requirements, additional lines of cottons have been withdrawn by manufacturers owing to sold-up conditions, and to a desire on the part of mills and selling agents to prevent, if possible, over-purchasing by their customers at the present abnormally high prices. Manufacturers do not wish merchants to load up with high-priced goods which might become burdensome in the event of a sharp decline in prices later on, as happened a year or so ago. The further rise in Japanese raw silk prices to the highest level since May, 1920, has quickened buying of silk piece goods, which were already moving in exceptionally large volume to retail distributors; but the advance has caused increased concern to manufacturers, who fear that the higher prices which must be asked, if raw silk holds around present levels, will seriously curtail consumption of silk goods and divert a great deal of business to artificial silk merchandise. Practically all iron and steel products have been advanced, with buying more active and production at the maximum permitted by present fuel and car supply conditions. Further heavy railway purchasing of locomotives and cars is reported, together with an extensive demand for material from automobile and implement manufacturers, as well as makers of structural steel. Virtually all building materials have reached higher levels, and it is noteworthy that reports are being received from several parts of the country that high prices are actually holding back some building operations, and that the future of building generally is threatened by possible further advances. Advances which have just come to hand show that in many lines of industry activity during February was equal to or exceeded that witnessed in January. Pig-iron production showed a daily average last month of 106,935 tons—a total not reached since March of 1920. Car loadings for the week of February 24th exceeded those in the corresponding week for three years past. The February output of automobiles—270,995 cars and trucks—has been surpassed only twice in the history of the industry, namely, in June and August of last year, when 289,011 and 272,538 cars and trucks respectively were produced; the February automobile output was 125 per cent. greater

than in the same month a year ago. The record of building permits granted last month, based on returns from 149 cities, shows an aggregate value of \$216,748,197, as against \$190,551,939 at the same cities for January, and of \$133,011,394 for February of last year. The February total, which is the largest ever recorded in the second month of the year, shows a gain of nearly 14 per cent. over January, and about 6½ per cent. over February of 1922. Obviously the figures, to a large degree, confirm and explain the reports of exceptionally brisk demand for all building materials, and of increased production of the latter where weather conditions have permitted. It is interesting to note that the February building expenditure was larger than the monthly average for 1922, which was the biggest year in the country's history.

The marked strength of prices in February is reflected in Bradstreet's index number as of March 1st, which was \$13.9332. That figure represents a gain of 1.5 per cent. over February 1st, 20 per cent. over March 1st a year ago, 17 per cent. over March 1, 1921, and of 31 per cent. over the low point of June 1, 1921. It shows a reduction, however, of 33.2 per cent. from February 1, 1920, which was the high point of all time. As compared with August 1, 1914, the advance amounts to 60 per cent. Sharp advances last month in textiles and metals, and smaller increases in breadstuffs, provisions, oils, naval stores, building materials, chemicals and drugs, and miscellaneous commodities, combined to offset slight declines in live stock, coal and coke, and hides and leather.

Earnings reported by the Class 1 railroads for January made a better showing than those of any month since the carriers were returned to private ownership and control. Their net operating income, according to reports filed with the Interstate Commerce Commission, amounted to \$60,654,700, representing a return at the annual rate of 5.54 per cent. on their tentative property valuation. That figure is only \$5,000,000, approximately, below the amount designated by the Commerce Commission as a fair and reasonable return. It compares with \$29,486,000 for the corresponding month of last year.

GERMANY.—RUHR—FINANCES—EXCHANGE AND INFLATION—BOURSE—INDUSTRY.

(FROM OUR CORRESPONDENT.)

BERLIN, March 19.

THE Ruhr situation has undergone no change; industry in the occupied district is working tolerably well, though in general it is selling only locally; and in the unoccupied provinces the present high gold prices are having more effect than the cessation of Ruhr fuel and metal deliveries. Nothing either on the French or the German side indicates an approach to a solution. The only important question now pending is whether Germany will make a new formal offer. The Cabinet has not made any request for English or American intervention, but merely made reports to London and Washington. There seems this week to be more prospect that Dr Cuno will make a new offer; if so, it will be more in response to English and American criticism than in belief of success; the failure of the British plan and the ignoring of Herr Bergmann's plan has made Germans believe that no practicable offer will be considered, and an offer based on a mere gradual withdrawal of French and Belgian troops would not be well taken by public opinion. The public is told that the issue is whether the Ruhr measures injure Germany or France most, and that so far Germany has suffered less. This may be undue optimism, because a harder strain will come as soon as the exhaustion of the large coal and iron supplies in unoccupied Germany makes necessary a further increase in the value of imports. With native coal and iron prices at near foreign prices, the individual consumer has no reason to fear importing; but this depends on the ability of the Reichsbank to keep the mark where it is.

After a struggle with the combined "bourgeois" parties, the Bill adapting tax rates to the currency depreciation has been passed in a form resented by the Socialists. All direct taxes are amended. The new income-tax is 10 per cent. for the first 400,000 marks, 15 per cent. on the next 200,000 marks, 20 per cent. on the next 200,000 marks, and so on progressively, being

40 per cent. on the third million, and 60 per cent. on taxable income exceeding 7,750,000 marks. As the last sum has probably at present a buying power of not more than £120, the rates seem excessive. The rates of the triennially assessed property tax, after a free limit of 400,000 marks rise from 1 per mille per annum on the first 1½ millions of taxable capital wealth to a maximum of 19 per mille. In the first years these rates are, according to the amount of taxable wealth, doubled or trebled. The rate for public companies is 1½ per mille, with a supplement of 150 per cent. The succession tax rises from 10 per cent. on over 400,000 marks to 100 per cent. The forced loan, assessed at the same time and under the same conditions as the property tax, is 1 per cent. from the first 600,000 marks, rising to 10 per cent. on property exceeding 6,000,000 marks. The corporation tax (company income-tax) is 15 per cent. on the profits paid to stockholders in dividends or in any other form, the rate being increased by 25 per cent. in the next few years as compensation for the suspension of the 10 per cent. tax on interest and dividends (*kapitalertragsteuer*). Experience has shown that this tax is not worth collecting from the ever-dwindling real yield of fixed-interest securities; and the tax is abandoned until stabler currency is established. Hitherto the real burden of the nominally very heavy direct taxes has been largely escaped by means of late payment. This is to be prevented by the new provision of 15 per cent. penal supplements to taxes paid late, 20 per cent. where the unpaid sum exceeds 10,000 marks. This will be effective only if the currency is fairly stable; with the conditions of 1921 and 1922, a taxpayer would still profit by delaying payment and bearing the fine.

The beer tax is to be increased. Gratis shares or shares offered to old shareholders at lower than Bourse prices are now subjected to a special tax (*bezugsrechtsteuer*), based on the Bourse quotations. The tax is payable by the companies, and even when old shareholders do not exercise their options. The Customs gold surcharge has been reduced to 524,400 per cent. (5.245-fold the nominal). The Industry and Trade Congress has recommended keeping accounts in "firm" (not necessarily gold) marks, and the introduction of gold deposit accounts. The Bankers' Central Association has proclaimed against gold accounts. Some provincial savings banks are taking deposits on the "wertbeständig" principle, which obliges them to repay an increased sum in paper marks if prices rise. A Brandenburg communal concern has raised a loan in coal, interest to be paid, if desired, in electric light or power. The floating debt of discounted Treasury bills on March 10th was 4,345,265,907,000 marks, having increased in ten days by 757,019,873,000 marks. Since the beginning of the financial year 1922-23 617,366,161,000 marks were paid for foreign currencies needed for fulfilment of the Peace Treaty.

The foreign exchanges remain practically unchanged, and official utterances imply that this abnormal condition can continue for an indefinite time. The effect of the inflation is left out of account in these calculations. Inflation proceeds headlong, and though the absolute new inflation will probably not further increase if the mark holds, the effect of the enormous issues on prices, and therefore ultimately on the exchanges, must be taken into account. Unofficial indexes show in the last days a further small price-fall, which is probably due in part to forced realisations, caused by money shortage, of goods bought at higher prices. The index figure of imports naturally remains unchanged, and were it not for the inflation relative price-stability would seem ensured until some outside factor sends the mark up or down. But with home prices no longer being driven violently down or up by exchange fluctuations, and with them fairly near the international gold level, the inflation must soon have effect. In so far as the quantity theory applies, the average monthly increase (January and February) of 1,100 milliards upon a circulation which totalled only 1,280 milliards at the beginning of the year must have effect. Circulation on March 7th was 3,781 milliards, or nearly threefold that of January 1st. If the absolute weekly additions to circulation remain more or less unchanged, as will probably be the case if the mark holds, the rate of multiplication of the total circulation will naturally slacken; but even then the increase must be rapid enough

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to produce a home price-rise. The case of Russia, where for a long time the foreign exchanges played no rôle, illustrates this; there was an almost calculable relation between output of money and rise in prices. The present stability of the mark must therefore, it seems, be ultimately shaken, because a new price-rise, coming after prices have risen nearly to world-market level, would check export. Already calculations are published to show that Germany could not deliver certain kinds of machines to America at a lower dollar exchange than 18,900, to England 19,600, which figures are very near the present 21,000.

Stocks last week rose slightly. The *Frankfurter Zeitung's* index for home dividend-payers shows on March 16th 808,565 against 725,415 a week before. Berlin stockbrokers have doubled their commissions. The Bourse proposes to demand security in dollars from its members. To-day the market opened weak and dull, later becoming more active, but only certain special stocks were in demand. Home loans were bought, mainly 5 per cent. War Loan, apparently in connection with American interest in the Gold Loan. Colonial securities were active. War Loan was quoted at 90, Fours 1,150, 3½ per cents. 660, Threes 4,450, Forced Loan 50, Colonial Fours 11,250, Savings and Premium 260, Prussian Threes 200, Hamburg Staats-Rente 3½ per Cent. 350, and Berlin Fours, 1904, Ser. 2, 200.

January foreign trade values (weight figures already reported) were:—Imports, 563,800,000 gold marks, against 589,800,000 gold marks in December, and a monthly average of 516,700,000 gold marks in 1922; exports, 311,400,000 gold marks, against 423,000,000 gold marks in December, and an average of 330,800,000 gold marks. These gold mark values are for 92 per cent. of the total value estimated with the help of private experts, the remaining 8 per cent. being summarily reckoned on the basis of the 92 per cent. The gold mark values are at best approximate. The West German textiles industry is in a bad way, being affected by inability to deliver to

the unoccupied provinces and by a general slackness of buyers. Working hours are being reduced. The potash export branch is reported to be on the eve of a new boom, owing to American measures for increasing the percentage of potash salts in fertilisers. The artificial silk industry reports a large increase of production in 1922. Owing to the rise in gold prices the Merchants' Association has demanded the abolition of the Foreign Trade Control. Apart from the minimum export price system, which is considered to be no longer necessary, the official procedure, the delays, and the fees imposed are complained of. Bankruptcies in February were only 17, a new low record, against 24 in January and 123 in February, 1922. Shipping in Bremen and Bremerhafen in February was:—Arrivals, 308 vessels of 339,453 net tons, against 176 of 221,878 tons in February, 1922; departures, 295 vessels of 337,393 tons, against 182 vessels of 248,315 tons.

**CANADA—BUSINESS CONDITIONS—COAL SHORT-
AGE—FRANCO-CANADIAN TRADE TREATY—BUD-
GET ESTIMATES FOR 1923-24—TRADE RETURNS—
TARIFFS—MANITOBA RURAL CREDIT SOCIETIES
—FARMING PROSPECTS—PRICES—UNEMPLOY-
MENT—NEW MINING CAMP.**

(FROM OUR CORRESPONDENT.)

OTTAWA, February 26.

FROM coast to coast Canada has experienced a month of unprecedentedly cold weather; at least Eastern Canada has not often enjoyed such a continuous spell of low temperature. The snowfall has been heavy, and costly for the railways; and in the West there have been severe blizzards, which have tied up traffic on many branch lines. These conditions have seriously militated against active business, and both wholesalers and retailers have felt their effects. In addition, Central Canada has been suffering severely from fuel scarcity. Canada owes it to President Harding and Mr Hoover that an embargo on American exports of coal to Canada, which many members of Congress demanded, and which would have caused real hardship in Ontario, has not been imposed; but, even as it is, in Ottawa, Toronto, and other cities coal is being doled out to householders in ton and half-ton lots; the quality is not good and the prices are high, \$20.50 per ton being charged in Ottawa for anthracite. The public have become exasperated at the apathy of the Government to this vital problem, and there is a growing demand that they should not be left at the mercy of American charity, or, rather, the American coal trust. If the mineowners of South Wales, some of whom have ventured into the Canadian market this year, cared to develop it, they would probably find it profitable. With spring gradually moving northward, the fuel crisis is now over for this year, but its repetition winter after winter is getting upon the nerves of the public.

The Franco-Canadian commercial treaty has come up for ratification in the House, and has not been spared criticism. Mr Fielding intimated that the loss of revenue from the concessions granted to France would be about \$850,000, but the opposition contended that the estimate was too low, as other nations would have to benefit by the favoured-nation clause. But the main indictment against the pact was that it has lowered the duties on a long list of luxuries which were stipulated by the Liberal platform to be the special object of taxation. The Conservatives contended that the changes would put out of joint the whole protectionist system; the treaty, for instance, left the duty on woollens at 28½ per cent., but lowered the rate on laces 15 per cent., and the Conservative view is that the workers and farmers will not tolerate such a discrepancy in favour of the rich. Mr Fielding also had to confess that the French duties on wheat and oats would not be any lower, and only the lumber trade in Canada will materially benefit. France also maintains in full force her preferential system for her colonies, and, according to the critics of the treaty, makes other reservations which impair its value. Mr Fielding was careful to enter a caveat against too high hopes being based on the treaty, but denied that one of its effects would be to lessen the

value of the British preference. He has also promised to make adjustments of the domestic Excise duties for the benefit of the Ontario wine-growers, who have, strange to say, been thriving under prohibition, and see dangerous competition in lowered duties on French wines.

The estimates for the fiscal year 1923-24 have now been tabled, and total \$427,511,236, as compared with total estimates for 1922-23 of \$479,171,392. The decrease of \$52 millions is very welcome to the country, but the supplementary estimates which are forced upon every Canadian Finance Minister will probably reduce it. The most important decline is in the railway estimates, whose demands upon the public treasury have been curtailed by \$24,750,000; last year they absorbed \$97,750,000. Provision was made last year for \$9,550,000 for housing loans, and there is no parallel item this year. Under consolidated revenue services the main decreases are:—Interest on public debt, \$2,379,709; pensions, \$612,529; public works, \$955,813; labour, \$1,304,000; Canadian Mounted Police, \$313,825; soldiers' land settlement, \$3,600,000; soldiers' civil re-establishment, \$2,711,500. The chief items of increase are:—Immigration and colonisation, \$1,316,490; subsidies to provinces, \$718,758; Indians' education, \$500,000; and post office charges, \$778,641. The capital charges show a total decrease of \$1,253,490, and Mr Fielding has evidently been fairly successful in checking the rapacity of members for public works in their constituencies. The total revenues available for the current fiscal year will be somewhere in the neighbourhood of \$400 millions, but several items like the arrears of the business profits tax will be smaller next year, and unless new taxation is imposed the Budget will once more have to forecast a deficit.

The trade returns for the twelve months ending January 31st are regarded as reasonably satisfactory. The domestic exports, at a value of \$902,823,445, show an increase of roughly \$135 millions over the figures for the previous period. Imports at \$778,948,901 are almost identical with last year's, and the total trade increase, taking into account exports of foreign origin, is approximately \$135 millions. It is an astonishing commentary upon the tariff changes made by Mr Fielding in his first Budget, which were claimed to be downward, that under the Liberal régime \$11 millions' worth more of Customs duties have been collected on the same volume of imports.

There is little hope of any substantial tariff reductions in the forthcoming Budget, for during the debate on the French Treaty, Mr Fielding, to the amazement of the House, repudiated any responsibility for the plank in the Liberal platform which pledges the party to an increase of the British preference to 50 per cent. of the general tariff. As after this platform had been ratified by the Liberal convention Mr Fielding stood as a candidate for the leadership the incident has left a very unpleasant impression.

It is expected now that the Government will propose some amendments to the Bank Act; their tenour is not known, but they will not be drastic. The friends of co-operative rural credits have received a severe shock from the report of a special commission, consisting of a sound economist and a veteran farmer, who were instructed to examine the operations of the rural credit societies of Manitoba. They were run on a local adaptation of the Raiffeisen plan, but apparently political influences were allowed to bedevil the whole system from the start. There was no proper supervision or audit, records were badly kept, and ordinary business principles were not observed. The local directors were allowed to lend freely to themselves and their friends; 259 local directors of societies secured loans for themselves, and the amount which they allotted themselves was, on the average, double that lent to the ordinary borrower. The shareholders in the societies only contributed as paid-up capital \$47,850; the municipalities and provincial government doubled this sum, and on this a superstructure of credit through which three million dollars have been advanced on loans has been built. The report makes certain practical recommendations for the salvaging of the system, but it states that the capital fund of many of the societies will be seriously impaired, and the provincial treasury may have to become responsible for a heavy loss.

The grain markets are still bearish, but farmers are

deriving great encouragement from the prices now available for good fat stock, and also for high-grade cattle for breeding purposes. The Minister of Agriculture has announced that the arrangements for the removal of the British cattle embargo will probably be complete about April 1st, and there has come further welcome news of a large reduction in ocean freight rates for cattle. It will now be possible to resume on an extensive scale a trade which has been very spasmodic for some years, and cattle prices in most of the markets have already risen. Many breeders are evidently looking forward to steadier and more profitable conditions in the cattle trade; hence the demand for high-class stock. Fat hogs of good quality are also scarce, and are bringing good prices.

The Bank of Commerce's index number for February shows a decided rise in wholesale prices, both for imports and exports. The import number now stands at 165.29, and the export number at 151.97, as compared with 161.65 and 146.26 a month ago. The combined number is now 158.63, as against 153.95 last month. The rise in the import number is due chiefly to increased prices for cotton, metals, and coke; in the export number to wood pulp, silver, and cattle. Sterling has been rising steadily in value, and one day was within six points of par. The stock markets have been lively, and there has been a steady demand for high-class bonds.

In January there was a considerable contraction of employment, but a recovery is now recorded, and the employment index number now stands at 89.5, as compared with 86.3 on January 1st and 78.9 on February 1, 1922. In mining circles there is great interest over new discoveries in North-Western Quebec, in the district adjacent to the well-known Porcupine and Larder Lake fields. A typical rush is now in progress to this new field, which is known as the Rouyn, but it is too early to form any real estimate of its possibilities. Both silver and gold are claimed to exist in paying quantities. Meanwhile, however, there is a serious shortage of power in Northern Ontario, and prosperous mines like the Hollinger are faced with the prospect of curtailing production.

**AUSTRALIA.—RAILWAY RESULTS—EXPORTS AND
THE EXCHANGE OUTLOOK.**

(FROM OUR CORRESPONDENT.)

MELBOURNE, January 23.

THE reports of the railway departments of the six Australian States and the Commonwealth Government for the financial year ended June 30, 1922, show an improvement in the final result as compared with the preceding year, the aggregate deficit after providing for interest being reduced from £4,569,843 for 1920-21 to £3,120,524 for 1921-22. This improvement is due to the increase of £2,264,811 in gross earnings, owing to the more prosperous state of the country districts as the result of two good wheat harvests and the recovery in the wool market. On the other hand, there has been no further increase in working expenses to follow the increase of nearly 5½ millions in the previous year, but interest has further increased by nearly a million. The New Zealand figures (to March 31st last) are in contrast with the Australian figures, as there has been a falling off in gross revenue, with increases both in working expenses and interest. During the war New Zealand compared favourably with Australian railways, but since 1918 expenses have gone up largely in New Zealand, while during the last year or two that country has not participated in Australian rural prosperity. The following is a summary of the results for the last two financial years in Australia (six States and Commonwealth) and in New Zealand:—

	Australia.		New Zealand.	
	1920-21.	1921-22.	1920-21.	1921-22.
Gross earnings	£ 35,835,401	£ 38,100,212	£ 6,908,531	£ 6,643,591
Working expenses	30,154,943	30,017,105	5,636,601	6,237,727
Net earnings	5,680,458	8,083,107	1,271,930	405,864
Interest	10,250,301	11,203,631	1,628,456	1,722,305
Deficit	4,569,843	3,120,524	356,526	1,316,441

* New Zealand interest assessed at 4 per cent. on average capital.

The Australian interest is taken at the actual amounts shown in the various reports except in the case of the Trans-Australian line to Western Australia, in which case interest is allowed at 4 per cent. instead of the nominal amount officially debited, which is only equivalent to 1.21 per cent. The Australian net earnings, £8,083,107, are equivalent to about 3¼ per cent. on capital, and as interest is equivalent to 4½ per cent., the loss of £3,120,524 is equivalent to about 1¼ per cent., against about 1½ per cent. for 1920-21. The New Zealand report does not show interest, and a higher rate than the 4 per cent. assumed above would make the deficit so much worse.

Some of the Australian railway reports during the last two years have been dwelling upon the need for greater progress in country development in order to increase the volume of railway traffic upon a sound basis. Various statistics indicate that the volume of production, as distinguished from gross values at the high prices of the last few years, has made little progress since 1914, while the larger part of the increase in population has been in the metropolitan cities, thus helping suburban passenger traffic, but contributing little directly to the earnings of the country lines.

The outlook for Australian exchange on London is affected by the fact that the unsold balance of the wool clip is smaller than twelve months ago, owing to the greater progress made in selling the current season's clip, and also by the much smaller quantity of wheat that will be available for shipment during 1923. Wool sales in Australia on account of the current season's clip up to Christmas were 836,740 bales, or an increase of 440,872 bales as compared with the corresponding period a year ago, when the actual sales included a much larger proportion of wool carried forward from the preceding season. The sales of current season's wool this season give a higher value, owing to the advance in merino wools during the last few months. As regards the wheat harvest, business calculations are now for a yield of only about 92 million bushels, against about 129 million bushels last year, and nearly 146 million bushels two years ago. After allowing for local consumption for food and seed, and for a stock to carry forward at the end of 1923, the quantity available for export may be reckoned at about 40 million bushels, shipments being likely to be prolonged owing to the disposition of farmers to hold. The total value of exports of wheat and flour from Australia during 1923 will probably be £10,000,000, or a little over, against over 22 millions sterling for 1922 and 46 millions sterling for 1921. Thus with less wool remaining to be dealt with than a year ago, and with a smaller wheat harvest, the aggregate value of Australian exports will shrink after March or April. Against this imports are larger, the value for the five months ended November 30th being about 19½ millions sterling in excess of that for the corresponding period of the previous financial year, while fresh Government borrowing in London is on a reduced scale. By the middle of 1923, therefore, Australian balances in London are expected to be in a considerably different position from that at the middle of 1922.

**CZECHOSLOVAKIA.—CURRENCY POLICY—BUSINESS
CONDITIONS.**

(FROM OUR CORRESPONDENT.)

PRAGUE, March 9.

THE question which still excites most interest here is the value of the crown. Even the most influential political party is divided on this issue, as some people still hope for a further rise with a view probably to the payment of interest on foreign loans falling due, and the necessity of finding more money for public works. It has become known that £4,000,000 of last year's loan has still to be paid to the Government. This amounts to something like one-fifth of the amount of the Investments Budgets. On the other hand there is the new liability for the Austro-Hungarian State Railways, of which by far the greater portion—very nearly 75 per cent. of the total—falls to be paid by this country. It is hoped that the amount of the American debt, which is in the neighbourhood of 25 million sterling, will first be ascertained, and then consolidated and settled

on equitable terms as regards repayment and interest.

Others contend that the stabilisation of the crown at its present level is the best thing for the country, while a third contention is that it should be stabilised at a lower figure. The adoption of this last proposal would, of course, tend to a great revival in trade generally, and do much to increase employment, but the difficulties that would arise in the matter of wages would be great. On the whole, the middle course of stabilising at about the present price would seem to be most desirable.

Dr Englis, the able and conscientious ex-Finance Minister, who refused on principle to accept the position vacated by the death of Dr Rasin, has written an article in a daily paper defending his views as regards stabilisation, which were stated, as many thought, unanswerably last summer. He then predicted the commercial crisis which is still upon us, while he now sees nothing in the future but a financial crisis if deflation is proceeded with still further. That this is the policy of the Government is confirmed by the most recent declaration of the new Finance Minister, M. Becka. The deflationists are in power, so we may expect a further rise of the crown, accompanied by more unemployment, more purchasing power, and an increasing currency reserve. The prospect is certainly not encouraging. Possibly a further loan can be obtained. But it seems to be forgotten that loans involve the payment of interest and eventually of principal. Meanwhile, the national indebtedness is rising with no corresponding increase in revenue, or any prospect of such increase in the immediate present.

The demand for cheaper transport is becoming more insistent, and indeed something will have to be done before long. Wood is said to be rotting in Slovakia on account of the expense of transport. It can compete neither with Roumanian wood in the south, nor with Bohemian wood in the north, so Slovakian paper factories are being transferred into Hungary. Some of the larger factories in Bohemia, with up-to-date machinery, are doing well and exporting, though restoration of the prosperity of the glass or steel trades does not seem possible at present while the crown remains so high and while transport charges are so heavy as is now the case. The improvement in business generally is still apparent, but it has no permanent element about it. Orders are limited, and many of them of old standing in the iron trade, while the Ruhr operations, which are favourably affecting coal, coke, chemicals, &c., cannot continue for ever.

The latest return as to financial liability shows it to have increased by nearly 400 millions, while the increase of currency and metal balances together amounts to 6 millions only.

GREECE.—A LEVY ON CAPITAL—NATIONAL BANK LOAN TO THE STATE—INCREASE OF CIRCULATION—COST OF LIVING.

(FROM OUR CORRESPONDENT.)

ATHENS, March 7.

THE latest financial measure of the Government, taken despite strong opposition by the Chambers of Commerce and other responsible persons who criticised it as untimely, is a law imposing a levy on capital. This tax is levied for once, at a progressive rate, on all personal property and real estate possessed in Greece on December 31, 1922, old style. Foreigners are subject to the tax as regards their property in Greece if they had been living in Greece for more than one year before January 1/14, 1923. Moreover, Greek property abroad, personal and real, is liable to this tax if acquired after August 1, 1914. Foreign corporations established in Greece are subject to the tax in respect of their capital employed in Greece. The property of the King, of the State, of foreign States, of Municipalities, of legal persons of a public character, of benevolent, provident and mutual help societies, of religious establishments, of agricultural and other co-operatives, of scientific societies, and of diplomatic representatives of foreign States is exempted from the tax. Foreign capital and Greek capital imported from abroad and deposited with banks or other credit institutions in Greece on December 31, 1922, savings bank deposits and bank deposits under 20,000 drachmæ are not considered as tax-

able property. Foreign securities owned by foreigners residing in Greece and Greek State bonds are also exempted from the tax. Mortgage debts and other personal debts, duly proved, as well as certain taxes paid during the financial year 1922-1923, are deducted from the taxable property. The law provides a thorough and complicated system for assessing the property and levying and collecting the tax, which, however, it will be very difficult to apply. Though the Minister of Finance expects a revenue from this tax of about 2,000 million drachmæ, in view of the extremely complex nature of the tax, of the psychology of the taxpayer, and the unpreparedness of the Revenue departments for the application of such imposts, evasion on a large scale will probably take place, despite the penalties provided for in the law. Therefore, the actual revenue from the tax may fall considerably short of the Minister's estimates. The tax is levied at a progressive rate ranging from 2 to 20 per cent., with a non-taxable minimum of 50,000 drachmæ. The capital of limited liability companies is taxed at a flat rate of 6 per cent., the shareholders deducting from their property the value of the shares held by them. The tax is payable in ten half-yearly instalments. Interest at 4 per cent. per annum is charged for the second and the remaining instalments from the expiration of the period at which declaration of the taxable property must be made up to the end of the month at which each instalment falls due. A discount of 20 per cent. is allowed for the immediate payment of the whole tax.

Simultaneously with the publication of the law imposing the above tax, a convention has been signed between the Government and the National Bank, by which the latter, in exchange for an increase of its right of issue of banknotes for 750 million drachmæ, undertakes to grant forthwith to the State a loan of an equal amount, secured by the yield of the above tax and by that (so far as it is realised in paper drachmæ) of the law imposing an obligatory cession of gold to the State. The Government is thus discounting for 750 million drachmæ the proceeds of the tax on property. The revenue from the above sources will be deposited by the Tax Commissioners with the National Bank of Greece, and will be utilised by the latter for redemption of the new loan, the surplus, if any, to be used for redeeming previous State loans from the bank against forced currency. For every part of debt thus extinguished an equal amount of banknotes will be withdrawn from circulation. Moreover, the gold to be ceded obligatorily to the State by virtue of the recent law will be collected by the National Bank on behalf of the State, and utilised as cover for the new issue.

The recent heavy taxation and the continued depreciation of the drachma are reflected in a rapid increase of the cost of living, as the following index numbers of retail prices show:

1914	100
1922 October-November	1010.4
" November-December	1056.4
1923 December, 1922-January, 1923	1107.5
" January-February	1252.5

From March 1st the Gregorian calendar has been adopted in Greece for all civil transactions, the Julian calendar still remaining in force only as regards religious matters. The Governor of the National Bank of Greece, Mr D. Maximos, having resigned, Mr A. Dionède, an ex-Minister and former Vice-Governor of the Bank, has been elected Governor at an extraordinary meeting of the shareholders of the bank.

Letters to the Editor.

BRITISH RAILWAY ACCOUNTS.

TO THE EDITOR OF THE ECONOMIST.

SIR,—The interesting articles which you are publishing of the railway accounts for 1922 induce me to ask for space to call attention to the anomalous position of this matter at the present time.

The annual accounts of the separate companies are compiled in a form prescribed by the Railway Companies (Accounts and Statistics) Act, 1911. They are fairly com-

plete so far as statements of capital and revenue receipts and expenditure are concerned. They also give a good deal of what I may call "static" information as to the property (miles of line, number of vehicles, &c.) represented by the capital. But on the "dynamic" statistics, those of operation, that is, the use of the property and its annual output, they are almost wholly silent.

Sir Eric Geddes, soon after he became Minister of Transport, under the authority of the Ministry of Transport Act, 1919, called upon the companies to furnish to him adequate monthly statistics of operation. The obligation to furnish them has been made permanent by the Railways Act, 1921, and they are now published every month, both for the separate companies, and for the railways as a whole, by the Ministry of Transport. But each issue costs 2s 6d, and the bulk of the information is too technical to be of use to non-railway readers. On the other hand, the summary in each issue, giving the volume and the variations of the traffic, is of real interest both to investors and to traders, while the separate returns for each company concern very materially those who are more particularly interested in its fortunes.

The annual reports of the companies, which receive considerable attention as they appear, ignore these operating returns altogether. The only place in which the two sets of figures—those required by the Act of 1911 and those required by the Act of 1921—are brought together is in the Annual Railway Returns. But this publication cannot, in the nature of things, appear till well on in the year following that to which its information relates; it costs 21s, and for 1921 contained 280 closely printed pages. What I would urge is that each of the new group companies should in future annual reports give the more important and less technical of the operating figures which, though they were not available when the form of accounts was prescribed, now exist ready to their hand.

May I indicate from your own careful article of March 17th the effect of this lack of juxtaposition. You say that "there can be no certainty as to the interpretation of [certain] figures until we are allowed to have ton-mileage and passenger mileage statistics." But the fact is that we do get ton-mile statistics month by month, and that the Returns for 1921 give and compare the passenger mile statistics for the two months of July in 1920 and 1921 respectively. You desiderate information as to the proportion of passengers carried on cheap tickets. The latest monthly tables show that, whereas in November, 1921, out of 63 million passengers (excluding season and workmen's tickets), only one million travelled at reduced fares; in November, 1922, the proportion had risen to 4 millions out of 55 millions. Though no figures are available for 1913, it is evident that we are still a long way from getting back to pre-war proportions. Again, you say that the financial figures suggest that the Midland Railway must have a much longer average haul of coal than the North-Eastern. The operating figures, which hardly vary month by month, show the average hauls of the two companies to be respectively 55 and 22 miles. If the *Economist* fails to use the operating returns as an aid in interpreting the financial accounts, what can we expect of the ordinary stockbroker or investor?

As I am writing, let me say one thing more. Surely the time has come when the new group companies should publish, not weekly gross receipts, but monthly figures of gross and net. Last year the reduction on expenditure as compared with 1921 amounted to £52 million. The shareholders knew nothing of this for 13 months. One quarter of 1923 is now past. Is the position now stationary, or is expenditure increasing again, or diminishing further? There might be something to be said for railway companies, like ordinary trading concerns, publishing nothing. But I submit that the gross figures without the net are not only useless, but must, when (as at the present time) everything is in a state of flux, be absolutely misleading.

Further, the companies are now bound, as a condition of being allowed to charge rates which will earn their pre-war dividends, to show that they are conducting their business with efficiency and economy. Is it not much in their interest to put their cards on the table, and give to the public month by month tangible evidence that this

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efficiency is in fact being obtained and this economy secured?—I am, Sir, yours, &c.,

W. M. ACWORTH.

Albany, Piccadilly, W. 1, March 19th, 1923.

CURRENCY AND DEBTS.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Mr Runciman's speech to the policy-holders of the United Kingdom Provident Institution, and your article in the issue dated 17th instant, in which you handle the matter in rather a novel way, by regarding a private individual as being in a different position from a company, are only evidences of the variation of contracts due to the fluctuations of the currency in which they are expressed. Those variations will not be eradicated, or even approximately so, until the financial tangle has been unravelled.

Mr Butson, in his letter published in the same issue, arguing on lines of cold logic, arrives at the conclusion that the huge post-war debts and our inconvertible notes are a great obstacle to the unravelling of the tangle, and suggests a conference akin to the Bullion Committee of long ago.

Is it not a fact that last century's problem solved itself through the tremendous advances made in industrial development? Had it not been for the application of machinery to industry that problem would have been with us yet. But machinery provided the people with the means of producing the wherewithal to pay the debts. In the long run debts must always be liquidated in goods or services, money being merely the means of effecting the exchange of the goods for the obligation.

Would it not, therefore, be more profitable to apply our thoughts not so much to Bullion Conferences as to ways and means of enabling people to work and to produce real wealth? It can be done, and it ought to be done, for herein lies the solution of the problem. Whilst we have a million and a-half of unemployed we cannot flatter ourselves that we are doing our best to redeem our debts.

As for the inconvertible currency notes, why not pay them into the Bank, and use cheques instead? Does anyone seriously suggest that we did not use an inconvertible currency before the war? I wonder what would have happened if all the cheque-holders had simultaneously demanded payment in gold, not to speak of those who had the power to draw more cheques than were already in circulation.—Yours faithfully,

W. J. COOK.

Barnes, S.W. 13, March 17th, 1923.

Books and Publications.

FOOD PRODUCTION IN WAR.*

THE price of this handsome volume is not indicated, but it belongs to a series of monographs published on behalf of the Carnegie Endowment, of which the general editor is Dr James T. Shotwell. The editorial preface is well worth reading. "The responsibility of the Endowment is to history itself, an obligation not to avoid but to secure and preserve variant narratives and points of view in so far as they are essential for the understanding of the war as a whole." This surely is well said, and it is to the praise of Sir Thomas Middleton that he has evidently aimed at presenting us with a gem of many facets in his particular contribution to the series. Synthesis is the thing lacking, but in truth we still all stand too near as yet to the trees, and cannot hope for some while to

* "Food Production in War." By Sir Thomas Middleton. (Oxford) The Clarendon Press, 1923.

come clearly to see the wood. Sir Thomas Middleton had particular claims to write this volume. For years before the war he had studied the agricultural resources of Germany, and during the war he was Deputy Director-General of the Food Production Department. It may be added that he possesses a clear elucidatory style, and that he keeps his own conclusions well in hand. They will be found in the brief chapter "On Food Production back to Farming."

The evidence that is accumulated in the present survey of the war years would be of greater value if we were told what the actual pressure of the enemy's attack on our food supply was. Without this key not much can be unlocked. Lord Selborne, in his Report to Parliament early in the war, and Lord Ernle in his negotiations with Canada at a later period, appear to have been the prey to panic. Neither "shipping" nor "tonnage" are given in the index, and it is hard to trace the references to what, with Britain importing 75 per cent. of its wheat, must have been a vital issue. It is, we believe, the fact that less than 2 per cent. of our food supply was lost through enemy action; if so, Sir Thomas is rather going beyond his warrant when he asserts that "the greatest danger was the risk of the war weariness which would have immediately followed on any serious food shortage." Apart from dry food, we never had to draw upon our live stock, and came out of the war with as many cattle as we had when we entered it. The Continent has a very different tale to tell.

Our author does not leave us with any augmented idea of the capacity of our rulers during the war period, but he is able to show us certain elements of reassurance. The yield of crops per acre did not decline during the war, the yield of milk from kine did not diminish. The amateur cultivators who came to the rescue when even "pivotal" men were withdrawn from the fields must have been "splendid," or production must have gone down, and the maintenance of the milk yield augurs that expert advisers over food returns such as Professor Wood, of Caius, and Sir John Russell, of Rothamsted, did the nation good service.

A matter which Sir Thomas Middleton perhaps is inclined to minimise somewhat is that of the prodigious bread subsidy, £162,000,000, which augurs a very serious break down in economics and amounts to an extra tax on the capital of the country. Mark Lane at the time was astonished at the recklessness of Government expenditure, a hundred shillings per quarter and over being spent on overseas wheat while the British farmer was not allowed more than seventy-five shillings. Economists of note then asserted that if the Government only allowed home cultivators the market price such as overseas wheat commanded, ploughing-up orders and extensive coercion would be wholly unnecessary. A species of inverted protection, of restricting the price of the home product and of favouring imports, may be said to need an apologist. Sir Thomas Middleton, one may fancy, has been too wary to assume the rôle.

The statistics presented throughout this volume are exceedingly valuable, and are admirably marshalled. Only two points, and these minor ones, occur to us. The Weights Act of 1921, which became compulsory on January 1st last, insists on the *cwt* of 112 lbs as dry food standard. It would be of use if in this important series the metric ton of 2,204 lbs could be discarded for the now sole legal British weight. Multiplying by 19.7 to get metric tons into *cwts* is easy in the counting-house, but the ordinary reader will multiply mentally by 20, and when crops of many millions are concerned, the resulting error is appreciable. One other point relates to returns of yields in bushels. Here the margin of error is much more serious. Scotch oats are often 42 pounds to the bushel, American are only 36 lbs, Argentina returns her maize by a 60 lbs bushel, the U.S. standard is 56. A reference to the Corn Production Act of 1917 being "discussed in the Lords as if it were a post-war measure," rather curiously illustrates a certain tendency in our public life, for although the Act provided for its own cessation with August, 1922, the Farmers' Union has denounced its "abandonment" as "treacherous," and the Agricultural Labourers' Union has called the close of the Wages Board a "betrayal." The Lords are sometimes the very shrewd-

est of men, and in this case foresaw the troubles of discontinuance. How many labourers ever grasped the fact that the very essence of the Wages Board was that control was only to last five years?

HUMAN NATURE IN ECONOMICS.*

ECONOMICS as a deductive science has always met with criticism on the ground that its conclusions, while doubtless applicable to an imaginary society of "economic men," have at best a remote bearing upon existing society. While critics have not been disposed to deny the validity of the basic assumption that, other things being equal, people prefer a larger amount of wealth to a smaller amount, they have contended that such a postulate obscures by its apparent simplicity the essential complexity of human motives, and affords no sure foundation upon which to build a science. The volume before us is of special interest in connection with this kind of objection, because it is the work of a writer who is at once an economist and a psychologist. His view is that "economic man," though an abstraction from reality in so far as he is supposed to know more than people in general, is no more discreditable to the economist than the spherical earth is to the geographer. The author believes that there is a large field in economics in which attacks based on the allegation of "exploded" psychology are quite properly met by the reply that economics takes as premises only what men are seen to do, and consequently is not involved in psychological disputes as to why they act. In this field the economist need no more worry about the ultimate facts of the spiritual nature of man than the carpenter concerns himself about the higher chemistry of wood. At the same time, economic explanation does bristle with premises that are really psychological, and, in fact, the two sciences are closely related in that the central unit of each is human *want*. "The economist is a psychologist in spite of himself, engaged in explaining a special type of behaviour, with his eye on the stimuli (wealth and the various other features of the environment) and on the behaviour they elicit from his subjects." Some knowledge of psychology is therefore desirable, and it is with the main purpose of gathering up whatever material is to be found in psychological science that offers help in dealing with economic problems, and to present this material briefly in a manner intelligible to the economist or other social scientist that Professor Dickinson has written this book. The main part of the book is entirely remote from economics, being devoted first to an historical account of the evolution of thought about human motives from the time of Aristotle, and second, to an exposition of the basic ideas of modern psychological doctrine. The application of psychology to economic problems fills only the last 100 (out of some 300) pages. The subjects dealt with include psychology in relation to wants, the psychology of the valuation process and the psychological motives of saving and of work.

Professor Dickinson's book should be suggestive both to economic students and to those who are engaged in one way or another in the practical application of economic reasoning.

BOOKS RECEIVED.

- The Stock Exchange Official Intelligence*, 1923. (London) Spottiswoode Ballantyne and Co. 80s.
The Stock Exchange Year-Book, 1923. (London) Thomas Skinner and Co. 50s net.
Brussels Financial Conference, 1920. The Recommendations and their Application. A Review after Two Years. Volume I. New and enlarged edition. 5s.
 Volume II., Italy, 2s. (London) Constable and Co.
Forty-ninth Annual Report of the Council of the Corporation of Foreign Bondholders, for the Year 1922. (London) Council House, 17 Moorgate.
The American Standard of Living. By Rosalie Jones. (Boston) The Cornhill Publishing Company.

* "Economic Motives." A Study in the Psychological Foundations of Economic Theory, with some reference to other Social Sciences. By Zenas Clark Dickinson, Ph.D. Harvard University Press, 1922. \$2.50.

Die Soziale Frage. Von Dr. Ludwig Stein. (Stuttgart) Ferdinand Enke.

Wages in the Coal Industry. By J. W. F. Rowe. (London) P. S. King and Son, Limited. 10s 6d net.

A Critique of Economics. By O. Fred Boucke. (New York) The MacMillan Company. 9s.

Stabilisation. By E. M. H. Lloyd. (London) George Allen and Unwin, Limited. 4s 6d net.

The Law and Practice of Rating and Assessment. By Clarence A. Webb. Second Edition. (London) Crosby, Lockwood, and Son. 15s net.

Our Home Ports. By Sanford Cole. (London) Ellingham Wilson.

Current Economics. Vol. 1, No. 3. March, 1923. (London) Nisbet and Co., Limited, 22 Berners street, W. 1. 1s.

History of the Great War Based on Official Documents. Medical Services, Hygiene of the Great War. In two volumes. (London) H.M. Stationery Office. £1 1s net.

A.B.C.D. Interest Tables. Compiled by A. H. and A. W. J. King. (London) George Routledge and Sons, Limited. 8s. 6d. net.

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 ISSUED CAPITAL - £15,592,372
 RESERVE FUND - £8,250,000
 DEPOSITS (31/12/1922) - £303,185,535

FOREIGN EXCHANGE TRANSACTIONS ARRANGED.

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STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET. | ACCOUNT.
 April 4. | April 5.

For the week before Good Friday the amount of business passing through the Stock Exchange markets has been by no means inconsiderable. More of a feature than the actual volume of business, however, is the way in which subscription lists to new issues have closed with a promptitude that testifies not so much to the avidity of stags to snatch short profits, but to the real desire on the part of investors to obtain sound stock at reasonable figures. It may well be understood from the new issue success how keen is the demand for underwriting which is spread, naturally, around a much narrower circle than that to which new stocks and shares are offered amongst the public. The plaint of the underwriter mingles with the indignation of the provincial applicant at being shut out altogether, or else very scantily treated, in the matter of allotment of stock. All kinds of new issues, from Jamaica to rubber shares, are being eagerly taken.

The strength of British Government stocks is due in the main to the hope that money is going to be cheaper directly after Easter. Some big loan had been looked for before Easter, India being mentioned as the most likely borrower, but this factor is no longer regarded with apprehension, and prices have improved all round, with the War Loan and Consols particularly in the ascendant.

Amongst foreign loans, a lively recovery in French issues is the principal item of interest, due, of course, to the idea that some kind of settlement will emerge in the near future from the Ruhr chaos, a settlement which would have a strengthening effect upon the franc. Germans are practically unchanged; movements in Brazilian, Chinese, Chilean, and other speculative investments have been small and irregular. Mexican and Greek Government issues have gained materially.

Amongst Home Railways, the fear of labour trouble, owing to strikes in various parts of the country, has had a little influence in the prices of the Heavy stocks, North-Westerns and Great Westerns being down a trifle. But Districts, Metropolitan, and Southern Railway junior stocks have spurted sharply, there being a fair amount of buying plus a little option-dealing in stocks. Canadian Rails are quiet; Mexican Railways showed a timid disposition to improve; Argentine Rails are not much affected one way or the other by the dividend declarations this week, which come up to market expectation, but Brazilian Railways are harder in consequence of the San Paulo's increased dividend.

The House of Lords has decided against the appeal of the Merlimau Rubber Company, and this served rather to ruffle the stagnation in the rubber share market, where prices are dull. The oil division managed to maintain a certain liveliness in a few of the lower-priced shares. Amongst the others, Burmahs eased off on reports of a strike on one of the company's fields. Venezuelan Concessions jumped ahead, on the discovery of a record well in the country, imagination promptly crediting this to the V.O.C. Company. Chemical shares have strengthened by reason of an excellent dividend from the United Alkali Company, the first since 1920, accompanied by a bonus distribution of shares. Electric lighting shares further advanced, on the meetings held this week and the extension of the principle of splitting shares into the denomination of £1 each. Gas stocks are steady, and the shipping market is almost unchanged. Commercial Unions advanced, this being the main feature in the insurance group. The banking market remains quiet, with a hard tone.

Tobacco shares have again gone ahead, rumour being insistent as to a probable bonus in the shape of new shares to be issued shortly to the proprietors of Imperial Tobacco. Cements and some of the recently popular speculative shares have declined, though Eastwoods, on the Government's road-making programme, have advanced, and with them Millar's Timber shares went ahead. The cable group has thrown off most of the weakness which occurred through the latest wireless tremor. Wireless shares are dullish, no interest being taken in them. The Canadian Marconi report is expected to be issued at once. The stores and catering shares all keep good, and there has been a slight demand for some of the lower-priced motor descriptions. Iron and steel shares drooped, by reason of the labour disputes.

Interest amongst South Africans has been principally confined to the Rhodesian group, where Selukwes, Cam and Motors, and two or three others attracted a good deal of professional and a little public attention. Some of the deep-level shares in the Kaffir market are firmer, but the public are taking no interest. Tominils came down from 15s 9d to 10s 6d within a couple of hours, on consideration of the report but quickly, though partially, recovered. Mexican mining shares have been erratic, but better on the whole, and the shares, West African, Cornish, Malayan, after a show of strength in the early part of the week, tended to droop as the price of the metal gave way, and the approach of the holiday season not only circumscribed fresh business, but led to market profit-taking.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded	£ 58,956,203	..	..	..
ISSUES OF THE WEEK—				
4½% Treasury Bonds (by Tender Mar. 16, 1923), £500,000, at £99 9½ 4-8d	..	497,350	..	..
NATIONAL SAVINGS CERTIFICATES.				
NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED MARCH 17, 1923.				
April 1 to Mar. 17, 1923, £33,258,000	400,000	..	400,000	..
To the Public—				
Jamaica Government, 4½% Inscr. Stock, red. at par, 1921-April 15, 1921, issued at 94½ (£670,000) (March 20)	670,000	629,800	33,500	596,300
Calcutta Improvement Trust, £700,000 5½% Debts, at 93½, red. at par May 1, 1923 (Mar. 26)	700,000	654,500	35,000	619,500
John Walker and Sons, 1,499,993 7% Cum. Pref., £1, at par (March 26)	1,499,993	1,499,993	187,499	1,312,499
Do £2,000,000 6% First Mort. Deb. Stock, at 99, red. on or before June 1, 1921 (March 26)	2,000,000	1,980,000	200,000	1,780,000
Second Mercantile Trust, 1,000,000 Shares, £1, at 21s (March 22)	1,000,000	1,050,000	50,000	1,000,000
Bungei-Timah Estate (Perak), 210,000 Shares, 2s, at par	21,000	21,000	10,500	10,500
Illingworth, Morris, and Co., £1,000,000 6½% 1st Mt. Deb. Stk., at 98½ (£600,000 to be utilised for repayment of 8% Notes) (March 19)	400,000	394,000	20,000	374,000
Great Eastern Train Ferries, 400,000 Ord. Shares, £1, at par (March 19)	400,000	400,000	50,000	350,000
Dickins and Jones, £1,000,000 6% 1st Mort. Deb. Stk. (red. at 102 ½ 1928-75), issued at 99 ½ (March 21)	1,000,000	990,000	100,000	890,000
Midland Counties Electric, 750,000 6% Cum. Pref. Shares, £1, at par, £393,980 for redemption of ½% Mort. Deb. Stk. (March 21)	356,020	356,020	17,801	338,219
Kelly's Directories, 500,000 7½% Cum. Pref., at par (March 19)	500,000	500,000	62,500	437,500
Gordon (Malaya) Rubber Estates, 650,000 Shrs., 2s, at par (Mar. 20)	65,000	65,000	16,250	48,750
Selangor Rubber Estates, 280,000 Ord. Shares, £1, at par (March 19)	280,000	280,000	35,000	245,000
East Asiatic Rubber Estates, 600,000 Ord. Shares, 2s, at par (March 19)	600,000	600,000	75,000	525,000
Lancashire and General Assurance Company, 1,000,000 Shares, 1s, at par (March 23)	50,000	50,000	50,000	..
Total offered to public	9,470,313	..	943,050	8,527,263

To Shareholders only—				
Batavia and General Plantations Trust, 250,000 Conv. Pref. Shares, 2s. at par	25,000	25,000	6,250	18,750
Bolsover Colliery, 220,000 Ord. Shares, 1s. at 2s.	220,000	275,000	22,000	253,000
Investors' Mortgage Security, 250,000 Shares, £10, offered at 41s 15d per share	250,000	343,750	43,750	300,000
Mount Elliott, 500,000 Prio. Priority Shares, 1s. at par	500,000	500,000	62,500	437,500
New State Areas, £500,000 6% Debts. (convertible into Ordinary, or red. at par 1925-36), issued at par	500,000	500,000		500,000
Total offered to shareholders only	1,643,750	1,345,000	1,509,250	
Total offered for subscription to date in—				
1923.....	£70,967,616	1922.....	£573,675,650	
1922.....	268,381,161	1921.....	388,978,203	
1921.....	60,910,979	1920.....	367,549,656	
1920.....	130,240,045	1919.....	1,036,059,951	
1919.....	285,741,322	1918.....	1,393,381,441	
1918.....	456,172,428	1917.....	1,318,536,010	
1917.....	8,925,178	1916.....	585,436,853	
1916.....	145,782,190			

4 per Cent. Treasury Bonds, 1931-1933.—Issue of £15,000,000 at £94 10s per cent. The Bank of England is authorised by His Majesty's Treasury to receive applications for these bonds. The principal and interest of the bonds are chargeable on the Consolidated Fund of the United Kingdom. If not previously redeemed they will be repaid at par on April 15, 1933, but His Majesty's Government reserve to themselves the right to redeem the bonds at par at any time on and after April 15, 1931, on giving three months' notice. The interest on the bonds will be exempt from corporation profits tax. The bonds may be registered, free of cost, in the books of the Bank of England as (1) Transferable in the bank transfer books, or (2) transferable by deed.

Jamaican Government 4½ per Cent. Inscribed Stock, 1941-1971.—This is an issue of £670,000 at 94 per cent. The loan is raised to meet the cost of completing works in connection with the Jamaica Government Railway and its extension, the sisal plantation at Litity, and the stud farm at Grove Place, as well as the cost of erecting new post-offices. The outstanding amount—£54,505—of certain loans advanced by his Majesty's Treasury for public works in the past, which would otherwise form a prior charge on the Colonial revenues, will also be repaid out of the proceeds of the loan. Principal and interest are payable at the Crown Agent's office in London. The loan is secured upon the general revenues and assets of the Government of Jamaica, and the principal will be repayable at par on April 15, 1971, by a sinking fund of not less than 18s per cent. per annum, commencing October, 1924, but the Government of Jamaica will have the option of redemption at par on or after April 15, 1941, subject to six months' notice. The revenues of the Colony of Jamaica alone are liable in respect of this stock, and the Consolidated Fund of the United Kingdom and the Commissioners of his Majesty's Treasury are not directly or indirectly liable or responsible for the repayment.

Calcutta Improvement Trust.—Issue of £700,000 5½ per cent. debentures at £93½ per cent, repayable at par on May 1, 1953. The loan is offered with the sanction of the Indian Government, and is secured by charges authorised to be levied by the trustees within the Municipality of Calcutta, and ranks *pari passu* with other loans of the trustees as a first charge upon the properties vested in the trust. The whole of the proceeds of the loan will be utilised in the acquisition of land. Payments will be made to a sinking fund for the redemption of the present issue in thirty years, and will commence on November 1, 1923. It is pointed out that £3,537,733, calculated at an exchange of 1s 4d per rupee, has been expended upon the property, and against this only £333,333 has been borrowed, the excess of expenditure over income being made up from the accumulated surplus under the revenue account. A fairly good investment in its class.

John Walker and Sons, Limited.—Authorised share capital, £2,760,000, divided into 1,500,000 7 per cent. cumulative preference and 1,260,000 ordinary shares, all of £1 each. The authorised loan capital is £2,000,000, consisting of 6 per cent. first mortgage debenture stock. This is an issue of the whole of the debenture stock at £99 per cent. and 1,499,993 preference shares at par. The debenture stock will be secured by a trust deed constituting a first specific charge on properties and on certain investments of the company, a charge upon 6 million proof gallons of whisky. It will be definitely repaid by June 1, 1951, but is redeemable at the option of the company after June 1, 1928, at 103. In the statement of assets and liabilities properties are valued at £302,080, and investments at £211,355. Stocks are, however, valued at £3,832,484. Average annual profits for the past eight years are given as £688,271. It is a pity, perhaps, that these could not be shown in detail. The debenture stock will absorb £160,000 per annum for services, while dividends on the preference shares will take £105,000 per annum. Surplus assets are valued at £2,793,074, which, together with the value placed upon goodwill, namely, £1,401,323, makes a total of £4,195,207. This has been fixed as the purchase price, of which £2,835,000 is payable in cash, and the remainder of £1,360,000 is taken in ordinary shares.

Although a 6 per cent. debenture at 99 in a good industrial concern is attractive in these days, the security offered must be carefully considered, while an investment in the preference shares must also be regarded from all aspects, especially according to one's view of the future of this particular industry.

The Second Mercantile Trust, Limited.—Authorised share capital, £1,000,000, in shares of £1 each. This is an issue of all the shares at 21s each. The shares will be converted, when fully paid, into equal amounts of preference and ordinary stocks, and the preference stock will be entitled to a 5 per cent. cumulative dividend. The prospectus states that it has been thought desirable, instead of issuing fresh capital of the Mercantile Investment and General Trust Company, Limited, to form a new company associated with the parent company. The full benefit of the experience and connection of the present management would be brought into the organisation of the new enterprise. During the last six years the annual dividend paid on the ordinary stock of the Mercantile Investment and General Trust Company has steadily increased from 6 per cent. to 9½ per cent. An interesting venture, launched under very favourable conditions.

Illingworth, Morris, and Company, Limited.—Authorised share capital £1,500,000, of which £1,253,633 has been issued and is paid up. The company has outstanding £600,000 8 per cent. seven-year notes, but there is now offered £1,000,000 6 per cent. first mortgage debenture stock at 98½, and the company proposes to redeem the 8 per cent. notes out of a part of the proceeds. The stock cannot be repaid earlier than 1928, but can be paid off after June, 1928, and before June, 1933, at 103 per cent.; after that date, but before June, 1938, at 102 per cent.; and any time thereafter at 100 per cent. The issue is secured by a specific first charge on mills and land, by the guarantee of subsidiary companies, and by a floating charge on the undertaking and all other assets of Illingworth, Morris, and subsidiary companies. Surplus assets are valued at £2,148,091, while profits of the combined concerns shown from 1915-16 have been as high as £674,991 and not lower than £180,363. The prospectus states that the mills produce high-grade worsted yarn, for which there is a steady demand, and except for a short period at the height of the post-war slump in commodity values they have been fully employed for many years. The price paid by the present vendor for this stock is 94½ per cent., the vendor paying an underwriting commission of 1½ per cent., with an overriding commission of ½ per cent., and all expenses in connection with the offer. A good industrial risk.

Dickins and Jones.—Authorised capital £600,000, divided into 50,000 5½ per cent. cumulative preference shares of £5 each and 350,000 ordinary shares of £1 each, all of which have been issued. Of the ordinary shares it is stated that 334,525 are held by Harrods. This is an issue of £1,000,000 6 per cent. first mortgage debenture stock at 99 per cent. This stock will be secured by a trust deed, and will constitute a first mortgage upon property held by the company, and a floating charge upon other assets. It will be repayable on or before March 31, 1973, by the operation of a cumulative sinking fund of ½ per cent., the first payment to which will be made on February 1, 1928, which will be applied in the redemption of stock by drawings at 102 per cent., or in the purchase of stock in the market at or under 102 per cent., plus accrued interest. The company reserves the right to redeem the outstanding stock or any part of it by drawings at 102 per cent. at any time after February 1, 1933, upon six months' notice. Property, plant, and fittings are valued at £1,470,401, while total assets are given as £1,789,273. This is an old-established business, but profits are shown for six years only. These show, however, that the interest on the debentures is fairly well covered, while there is a reasonable margin of security for the principal.

Kelly's Directories.—Authorised share capital £1,100,000, divided into shares of £1 each, comprising 200,000 5 per cent. first cumulative preference shares, all of which have been issued, 500,000 7½ per cent. cumulative preference shares, all of which are now offered for sale at par, and 400,000 ordinary shares, of which 391,069 have been issued. There is debenture stock of £40,100 outstanding. Kelly's Directories is acquiring 500,000 preference and 75,000 out of 100,000 ordinary shares of £1 each in Iliffe and Sons, Limited, a well-known publishing firm, and the present issue is being made in connection with this operation. Iliffe and Sons, Limited, capital when rearranged will consist of 500,000 7½ per cent. cumulative preference shares of £1 each and 100,000 ordinary shares of £1 each, and there will be debentures for £500,000 on the property and assets of Iliffe and Sons, and of the Cornwall Press, Limited. The offer for sale shows that the average annual profit of Kelly's Directories and associated companies for three years ended March 31, 1922, and those of Iliffe and Sons and the Cornwall Press for the three years ended December 31, 1922, subject to corporation profits tax, was £161,226. The dividend on the present issue calls for an annual payment of £37,500. The margin is therefore wide, and considering that this is an offer for sale, the details given are informative. The offer is promising in its class, but the speculative element in the publishing business is one which cannot be altogether overlooked.

Midland Counties Electric Supply Company, Limited.—Authorised capital £2,000,000, divided into 1,000,000 6 per cent. cumulative preference and 1,000,000 ordinary shares, all of £1 each. Of these 750,000 ordinary shares have been already issued, and 750,000 preference shares are now offered for subscription at par. There are also outstanding £344,680 5 per cent. redeemable debenture stock and £393,980 7½ per cent. redeemable mortgage debenture stock. It is proposed to redeem the 7½ per cent. mortgage debenture stock out of the proceeds of the present issue of preference shares. The company was incorporated in 1912, and owns the capital of six companies interested in electricity supply in the Midland counties. Profits are shown for the past five years. The prospectus would have been more complete had it included a balance-sheet of this undertaking, showing the precise assets and liabilities of its controlled concerns.

The Lancashire and General Assurance Company, Limited.—Authorised capital £100,000 in 2,000,000 shares of 1s each, of which 908,000 shares have been issued, the paid-up capital being £33,469. This is an issue of 1,000,000 shares at par. The company transacts all classes of insurance business, except life and marine. The prospectus states that the business of the company from 1907 to 1914 was mainly on the Continent. At the outbreak of war it was decided to cease temporarily active operations. Business was not recommenced until the latter half of 1921. A statement is given in the advertised prospectus showing an excess of premiums of £7,189 for "the first period of activity." Competition is so keen when one is brought up against the big established insurance institutions that a certain amount of hesitancy must take place when considering an issue of this kind.

Gordon (Malaya) Rubber Estates, Limited.—Authorised capital, £70,000, divided into 700,000 shares of 2s each, of which 650,000 are offered for subscription at par. The company has been formed to acquire a rubber estate in Kedah, 37 miles from Penang. The area of the estate is stated to be about 1,070 acres, of which 570 acres are in bearing, 70 acres in partial bearing, and 359 acres planted, but not yet in bearing. It is also mentioned that 570 acres contain trees of six and a-half years. The property is being purchased in cash and shares for the sum of £54,500 (about £54 10s per planted acre), against a valuation on the basis of seven years' purchase with good possibilities of £53,634 (approximately £62,500). A speculative proposition, but the prospectus is somewhat reticent over past crops.

The Standard Screw Company, Limited.—Authorised capital, £75,000, divided into shares of 10s each. This company was formed in October, 1922, as a public company, to extend the business carried on at Halifax, Yorkshire, by the Automatic Standard Screw Company. Assets are valued at £51,345. The purchase price has been fixed at £66,545, and is payable in cash. These and other details are given in an advertisement inserted in the Press to comply with Stock Exchange regulations.

Wandsworth, Wimbledon, and Epsom District Gas Company.—The tenders for the £250,000 capital which were offered for this company were opened on March 22nd, the issue being largely over-subscribed. The details of the tenders are as follows:—For the 4 per cent. perpetual debenture stock, from £81 down to the minimum of £78, the lowest price to secure an allotment being £79 15s. For the 5 per cent. preference stock, from par down to the minimum of £93, the lowest price to secure an allotment being £94 5s 6d. For the ordinary stock, from £102 down to the minimum of £95, the lowest price to secure an allotment being £96 10s 6d.

Malacca Rubber Plantations, Limited.—Recent issue Allotment letters and letters of regret were posted March 22nd.

Selangor Rubber Estates.—Allotment letters were posted Wednesday, March 21st.

ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Price	Week	Latest	Price	Week	Latest	Rise or
							Fall
War 3½, 1925-28	107	107	107	107	107	107	
Loans 4½, 1925-45	97	97	97	97	97	97	
Loans 5½, 1929-47	101	101	101	101	101	101	
Loans 6½, 1929-42	100	100	100	100	100	100	
Funding Loan 4½, 1902	90	90	90	90	90	90	
Victory Bonds 4½, 1917	90	90	90	90	90	90	
Conversion Loan 3½, 1917	77	77	77	77	77	77	
Consols 2½, 1908	54	54	54	54	54	54	
Irish Land Stock 2½, 1904	61	61	61	61	61	61	
Local Loans 3½, 1904	66	66	66	66	66	66	
Aust. 6½, 1931-41	107	107	107	107	107	107	
Canada 4½, 1920-25	102	102	102	102	102	102	
India 3½, 1920-25	66	66	66	66	66	66	
Do 7½, 1926-31	113	113	113	113	113	113	
Do 5½, 1932	101	101	101	101	101	101	
N.W. 5½, 1922-32	102	102	102	102	102	102	
Nigeria 6½, 1929-39	113	113	113	113	113	113	
U. of S.A. 6½, 1930-40	107	107	107	107	107	107	
Victoria 5½, 1924-34	101	101	101	101	101	101	
W. Aust. 6½, 1930-40	105	105	105	105	105	105	

Banks.

	Price	Week	Latest	Price	Week	Latest	Rise or
							Fall
Barclays B. (1s. 10d.)	214	214	214	214	214	214	
Chartered Bk. of India	198	198	198	198	198	198	
Lloyds (1s. 10d.)	24	24	24	24	24	24	
London Joint City & Midland (1s. 10d.)	84	84	84	84	84	84	
Nat. Bank of Egypt (10s.)	212	212	212	212	212	212	
Nat. Bank of S. Africa (10s.)	94	94	94	94	94	94	
Nat. Prov. & Union of England (10s. 10d.)	106	106	106	106	106	106	
Standard of S. Africa (10s. 10d.)	124	124	124	124	124	124	
Westminster Bank (10s.)	174	174	174	174	174	174	

Colonial and Foreign Railways.

	Price	Week	Latest	Price	Week	Latest	Rise or
							Fall
Antofagasta Cons.	80	80	80	80	80	80	
B.A. and Pacific	85x	84	84	85x	84	84	
B.A. & G. Southern	87x	87	87	87x	87	87	
Buenos Ayres West.	85	82x	82	85	82x	82	
Canadian Pacific	157x	159	159	157x	159	159	
Central Argentine	77x	77	77	77x	77	77	
Leopoldina	334	334	334	334	334	334	
Mexican Railway	14	14	14	14	14	14	
Do 1st Pref.	42	42	42	42	42	42	
Do 2nd Pref.	26	26	26	26	26	26	
San Paulo	133	133	133	133	133	133	
United Havana	73x	73	73	73x	73	73	

Foreign Government Securities.

	Price	Week	Latest	Price	Week	Latest	Rise or
							Fall
Argentine 5%, 1886-7	99	101	101	99	99	99	
Belgian 3%	64	64	64	64	64	64	
Brazil 5% Fund. 1914	75	74	74	75	74	74	
Chilian 4%, 1895	80	80	80	80	80	80	
Do 7%	105	105	105	105	105	105	
Chinese 5%, 1912	76	76	76	76	76	76	
Egyptian 4%	70x	71	71	70x	71	71	
French 5%	27	28	28	27	28	28	
Do 4%	21x	22	22	21x	22	22	
Greek 4%, 1884	40x	44	44	40x	44	44	
Japanese 4%	99	99	99	99	99	99	
Do 4%, 1910	69	69	69	69	69	69	
Mexican Cons. 1899	59	59	59	59	59	59	
Peruvian Corp. Pref.	324	324	324	324	324	324	
P.L.M. 6%	84	85	85	84	85	85	
Portuguese (New)	30	30	30	30	30	30	
Russian 5%, 1906	10	10	10	10	10	10	
Spanish 4%	75	75	75	75	75	75	
Seine (Dept.) 7%	96	96	96	96	96	96	
Siam 7%	106	106	106	106	106	106	

Telegraphs.

	Price	Week	Latest	Price	Week	Latest	Rise or
							Fall
Anglo-American "A"	22x	22x	22x	22x	22x	22x	
Marconi Wireless	28	28	28	28	28	28	
Marconi Canada	11x	11x	11x	11x	11x	11x	
Marconi Marine	11x	11x	11x	11x	11x	11x	

British Railways.

	Price	Week	Latest	Price	Week	Latest	Rise or
							Fall
Great Western, Ord.	114	114	114	114	114	114	
Do Pref. Ord.	88	88	88	88	88	88	
London & North-Eastern	85x	85x	85x	85x	85x	85x	
Do Def. Ord.	34x	34x	34x	34x	34x	34x	
London, Mid., and	113x	113	113	113x	113	113	
Scottish, Ord.	113x	113	113	113x	113	113	
Metropolitan	65x	65x	65x	65x	65x	65x	
Metropolitan District	50x	50x	50x	50x	50x	50x	
Southern, Ord. "A"	36x	36x	36x	36x	36x	36x	
Do Pref. Ord.	15x	15x	15x	15x	15x	15x	
Do Def. Ord.	38x	38x	38x	38x	38x	38x	
Underground Electric (10s.)	3x	3x	3x	3x	3x	3x	
Do "A" (1s.)	7x	7x	7x	7x	7x	7x	
Do Inc. Bas. (£100)	9x	9x	9x	9x	9x	9x	

American Railroads.

American Railroads.							
Chesapeake & Ohio ..	78	..	78	..	Southern	36	.. 37 .. + 1
Erie.....	13	..	14	.. + 1	Do Non-cum Pref.	74	.. 75 .. + 1
Do 4% 1st Pref.....	21	..	21	.. ..			

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

COMPANY MEETINGS, &c.

THE EASTERN BANK, LIMITED.

DIVIDEND MAINTAINED—BETTER TRADE PROSPECTS.

The thirteenth annual general meeting of the Eastern Bank, Limited, was held, on the 21st instant, at the Cannon street Hotel, London, Mr J. S. Haskell (the chairman) presiding.

The secretary (Mr R. Carter) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said that the period under review had been hardly less free from the complexities which had beset the bank in the previous year. In India for the greater part of the year money could not be profitably employed, and the rupee, after dropping heavily, had remained practically without movement for several consecutive months. Though that might be regarded as a good feature from the traders' point of view, it had hardly given opportunity for profitable exchange operations; consequently, with a smaller turnover and strong competition, the profits from that source had been much reduced. In the circumstances he hoped the shareholders would agree that the results for 1922 were not unsatisfactory. After making ample provision for bad and doubtful debts, the directors were enabled to recommend the same dividend as last year, namely, 5s for the six months, making 9 per cent. for the year.

CONDITIONS IN INDIA.

Though, broadly speaking, conditions had not been favourable, there had been one or two good features which should sooner or later conduce to greater trade activity. The monsoon in India had again proved favourable, the last harvest had been abundant, and there were good crops in sight, making available for export a large surplus of foodstuffs and raw materials. The Government of India had been enabled in the autumn of last year to remove the embargo on the shipment of wheat and cereals—a welcome measure. A rise in the value of the rupee, which would normally have resulted from the above-mentioned causes, had not eventuated to the extent which might have been expected; that tendency had been largely neutralised by the heavy imports into India of gold and silver bullion amounting to £20,000,000 and £10,000,000 respectively. It was noteworthy that in spite of those extensive imports of treasure the balance of trade had moved largely in favour of India. For the nine months from April 1 to December 31, 1922, taking into account the bullion imports, there was a balance in favour of India of £13,600,000, against an adverse balance of £16,650,000 for the corresponding period in the previous year, which was a good indication of the country's prosperity. Another notable factor which had had an adverse effect on the exchange rate was the resumption by the India Council of the sale of Council drafts. That practice had been continued for six weeks only, and had since been withdrawn. In the closing months of 1922 business had begun to revive, and there had been more encouraging signs. Germany had entered the field as a buyer, but the French occupation of the Ruhr had caused a set-back. The prospects for the current year were not easy to forecast; the position was more hopeful, but they could not look for any settled recovery so long as the troubled economic conditions in Europe continued, particularly in regard to Germany, which was one of India's principal customers. However, he was glad to say that the bank was in a very strong position to participate to the fullest extent in the revival of business, which was bound to come when the Continental situation became more stabilised.

POSITION IN MESOPOTAMIA.

The position in Mesopotamia had not undergone any sensible change, and the trade of the country continued in a more or less depressed state. Whatever might be the outcome of the deliberations of his Majesty's Government in regard to future policy, he would like to emphasise that, to his mind, a policy of complete evacuation was greatly to be deprecated. At the present time, when foreign markets were being closed by high tariff walls, the development of the Mesopotamian markets would afford a valuable outlet for British manufactures. There was an idea in some quarters that if the British left Mesopotamia it would not make any marked difference to their external trade, but he was not so sanguine. In the event of the retirement of Great Britain chaotic conditions would prevail for many years to come, and traffic with the North of Persia would be seriously jeopardised. Lancashire interests were largely concerned in that trade, which consisted to a great extent of cotton piece goods. Then there were exports from Mesopotamia which should not be ignored. Already a fair quantity of grain was being shipped, and by the development of

irrigation a substantial increase would result. There was also a good outlook for cotton cultivation on a large scale. Lancashire was looking round for fresh fields for cotton supplies, and he ventured to say that there were great possibilities in that direction. All enterprise, however, had been checked by the continued political uncertainty.

The report and accounts were unanimously adopted.

SCOTTISH WIDOWS' FUND LIFE ASSURANCE SOCIETY.

"A COMFORTABLY SOLID POSITION."

The one hundred and ninth annual general court of the Scottish Widows' Fund Life Assurance Society was held in the society's head office, Edinburgh, on the 20th instant, Mr A. W. Robertson Durham, C.A., F.F.A. (chairman of the ordinary court of directors), presiding.

In moving the adoption of the report and accounts, the Chairman said:

The year 1922 was a very difficult one for new business—in some respects, indeed, more difficult than 1921, for, while in that year we suffered in common with all the financial and commercial interests of the country from the effects of the prolonged coal strike, yet in the early part of 1921 we had the benefit of the concluding period of what amounted to a post-war boom in life assurance. The year 1922 was one of almost unrelieved commercial depression and of financial stringency from the personal point of view, and in such conditions were bound to react on our new business. In such circumstances it will, I think, be regarded as satisfactory that, while our new business last year did not reach the figure of 1921, yet we issued new policies for the gross amount of £2,185,253. Of this amount, the sum of £775,000 was reassured with other offices, leaving a net new business of £2,110,253, producing single premiums of £15,000 and new annual premiums of £88,914. In addition, we granted policies securing deferred annuities for £12,780 per annum, producing single premiums of about £12,800 and new annual premiums of about £4,300. The new policies placed on the books in the year, therefore, produced in all single premiums amounting to £27,589 and new annual premiums of £93,261.

FAVOURABLE MORTALITY EXPERIENCE.

The death claims constitute one of the most important items in the working of our business, and I am glad to say that last year our experience proved very favourable, the claims being more than £200,000 less than in 1921, considerably below the average of the previous quinquennium, and, indeed, little more than the average for the quinquennium 1909-1913, when, of course, our premium income did not reach its present proportions. Claims by maturity showed a slight reduction as compared with the previous year. Surrenders showed an increase, which, though regrettable, is perhaps not unnatural in view of the times of difficulty our members are passing through. There is a reduction in our commission and expenses of management, which last year worked out at about 11.9 per cent. of the premium income, a very moderate rate, comparing very favourably with the average rate of other first-class offices.

PREMIUM INCOME WELL MAINTAINED.

Our premium income is well maintained, and, indeed, shows a slight increase, being now practically £1,600,000, showing an increase of £172,000, or over 10 per cent. above the pre-war figure. Annuity considerations, which showed a falling off in 1921, made a substantial recovery last year, and amounted to £72,000. Interest, both gross and net, was also well ahead of the previous year. To summarise the revenue account, the total outgo showed a considerable reduction, while the income showed a considerable advance, a state of things which you will no doubt regard as gratifying.

The gross rate of interest earned on our funds was £5 7s 4d per cent., compared with £5 8s 8d per cent. for 1921, showing a reduction of 1s 4d per cent., which you will not regard as surprising.

THE SCOTTISH WIDOWS' FUND LIFE ASSURANCE SOCIETY.

Founded 1815.

The Largest British Mutual Life Office.

Addition to Funds in 1922, over £600,000
Accumulated Funds - nearly 23½ Millions
Annual Revenue - - - over 2½ Millions
Claims Paid - - - over 56 Millions

Head Office: 9, ST. ANDREW SQUARE, EDINBURGH.
London Offices: 28, CORNHILL, E.C.3, and 17, WATERLOO PLACE, S.W.1

in view of the change in the investment position. We have, however, derived substantial advantage from the reduction in the rate of the income tax, and as the result our net rate of interest, which is the important factor, has increased by about 2s per cent. to £4 7s 7d per cent.

LARGE ADDITION TO FUNDS.

The working of the year has resulted in the increase of our funds by over £600,000—one of the largest additions ever secured in a single year. Our balance-sheet shows what I think you will consider a comfortably solid position—namely, that our total funds amount to just under £23,500,000. Over £13,000,000 is represented by British Government securities, of which a large proportion is in terminable investments, relatively free from fluctuation in value. The remainder of the items in the balance-sheet are, as you will see, well distributed, and the investments as a whole stand in our books at considerably less than their market value. The recent general recovery in values, while it affords a substantial barrier against the possibility of future depreciation in values below our balance-sheet figures, brings with it, of course, a corresponding reduction in the rate of interest obtainable on new investments, and in this way presents new problems of its own.

We are now in the last year of our quinquennial, and next year we shall present to the members the results of the quinquennial investigation as at December 31st next. The working of the business for the first four years of the quinquennium has been favourable, and unless there should be some markedly unfavourable financial developments which cannot be foreseen, leading to a serious fall in the value of securities, I confidently anticipate that at next year's meeting we shall come before the members with a satisfactory report in respect of the full quinquennial period which will then have been completed.

The report and accounts were unanimously adopted, and after the re-election of directors had been carried, and a vote of thanks accorded to the directors and office-bearers, the proceedings terminated with a vote of thanks to the chairman.

METROPOLITAN LIFE ASSURANCE SOCIETY.

PROSPEROUS YEAR—GOOD PROSPECTS.

The ordinary general meeting of the Metropolitan Life Assurance Society was held, on the 22nd instant, at Winchester House, Old Broad street, London, Sir John B. Wimple, K.B.E., presiding.

The Chairman said that during the past year policies had been issued for 295,429, producing new annual premiums of £12,343. Reassurances to the extent of £38,250 had been effected at annual premiums of £2,367, and the net new business, therefore, amounted to £257,179, with annual premiums of £9,976. The number of new policies issued in 1922 was greater than in the previous year, but the sum assured was less by £5,832. Their experience during the year as regarded claims by death had been very satisfactory. No less than 86 per cent. of the claims were in respect of lives aged 60 and upwards at death, 63 per cent. were aged 70 and upwards, and 28 per cent. were aged 80 and upwards. The society, in consequence, had realised a handsome surplus from that source. The rate of interest earned during the year under review on the total funds of the society, including the investments reserve fund, was £5 5s 8d per cent. before deduction of income tax—a fall of 5d per cent. as compared with 1921. Owing, however, to the reduction in the rate of income tax, the net rate of interest showed an increase of 3s 5d per cent. to £4 2s 2d per cent. With regard to the investments, the improvement in value referred to at the last meeting continued during the year, with the result that on December 31st last the aggregate value of the society's marketable securities was greater than the figure at which they stood in the balance-sheet, and the whole of the investments reserve fund of £170,000 remained intact as a provision for possible future adverse fluctuations. At the general meeting in 1921 he stated that £68,535 had been transferred from the valuation reserves to the investments reserve fund. The board now felt that that sum could be put back into the valuation reserves, and £70,000 had accordingly been transferred from the investments reserve fund. They had thus reverted to the strong position of pre-war days, and held a sum in the valuation reserves fully sufficient to provide for the future maintenance of the current rates of abatement of premium.

RATES OF ABATEMENT INCREASED.

As the result of the year's working the board were able to declare for the year ending April 4, 1923, an increase of 2 per cent. in the rates of abatement, which would therefore range from 82 per cent. in the case of the first series to 37 per cent. for the current fifth series. He might add that the last occasion when the rates of abatement were increased by 2 per cent. was in 1869. After making full provision in the valuation reserves for the maintenance of the rates of abatement, they carried forward an unappropriated balance of £30,139, as compared with last year's

corresponding figure of £12,901. Taking every fact into account, he felt justified in saying that the past year had been one of the most prosperous in the society's history, and he could confidently say that the prospects of its members for future profits were never better. The same remark applied to those whom they hoped would shortly join the society by taking out new policies. He felt that the great handicap they had suffered since the commencement of this century—namely, the depreciation of their securities—had been arrested. Already they found themselves in a very satisfactory position, so far as their investments were concerned, and he was inclined to think there was a steady appreciation ahead. It was true that the trade revival we all hoped for might cause a large demand for money, and possibly rather dearer money; but it looked, and he hoped it would prove so, that the revival would come gradually and steadily, and, if it did, the natural absorption of good securities should prove sufficient to maintain their price in spite of the possible necessity of their being put on the market for the purposes of trade requirements. He wished to thank the large number of members who took such an active and personal interest in increasing the business of the society by introducing their friends, and he would urge those who had not up to the present seriously considered the difference that their active support would make to the office to endeavour this year to assist the society in that way.

The report and accounts were unanimously adopted.

THE EMPLOYERS' LIABILITY ASSURANCE CORPORATION, LIMITED.

The ordinary general meeting of this corporation was held, on the 21st instant, at the head offices, Hamilton House, Victoria Embankment, London, the Right Hon. Lord Claud Hamilton presiding.

The Chairman said that fire account, apart from the fall in premium income, showed excellent results. The reduction of premium income was due to a general fall in rates, the cancellation of a treaty involving £12,205, and the great depression in trade, through which so much less merchandise became available for insurance. In the other accounts the fall in premium was confined entirely to policies based on wages to workmen, comprising the larger part of the total income of the corporation. Without any serious loss of clients, they stood to-day with a decrease of £1,536,153 as compared with 1920. In all other branches there was no falling off to report.

It was a matter of congratulation that they were able to pay the same dividend as last year, and to carry something to general reserve. Management expenses were £599,357, or 12.4 per cent. in 1922, compared with £574,008, or 10.3 per cent., in 1921. Reduction could not be made without impairing the efficiency of the organisation. Commission, however, seemed unduly high, and was £1,080,043, or 22.3 per cent., compared with £1,284,470, or 23.1 per cent., in 1921. In the United States the Insurance Commissioners of the different States had fixed maximum commissions for various classes of insurance. In this country Government interference was not wanted, and insurance companies, brokers, and agents should therefore come to some arrangement whereby the cost of introducing business should not in any case exceed the cost of managing it.

The interest on investments, £303,772 (subject to tax) sufficed to pay the whole dividend. The £369,712 used to establish the Employers' Fire Insurance Company in the United States had not contributed anything to interest account this year, and they did not anticipate any such contribution for some years. Nevertheless, the gross income had increased from £291,897 to the above figure. Since the beginning of 1923 they had launched the American Employers' Insurance Company, registered under American law, and as such capable of doing certain classes of business which the corporation as a foreign company was not permitted to do. To this end they had utilised about £400,000, which they believed would contribute handsomely to the interest fund when the new company was firmly established.

The report and accounts were unanimously adopted.

COUNTY OF LONDON ELECTRIC SUPPLY COMPANY, LIMITED. BUSINESS EXPANSION. GREAT FUTURE.

The twenty-ninth ordinary general meeting of the County of London Electric Supply Company, Limited, was held, on the 20th instant, at the Institute of Chartered Accountants, Moorgate place, London, Sir Harry Renwick, K.B.E. (chairman), presiding.

The manager and secretary (Mr F. C. McQuown) having read the notice convening the meeting,

The Chairman, in the course of moving the adoption of the report and accounts, said:—

The gross receipts from all sources amount to £895,783, being an

increase of no less than £126,150, or over 16 per cent., for the year. The gross profit on the year's working is £521,769, being an increase of £179,568, or over 52 per cent., on the year. The net profit for the year, after providing for all interest, is £457,684, being an increase of £179,869 net profit for the year.

We are placing to our several reserve accounts a total sum of £312,500, which is £132,500 more than for the previous year. In addition to this, we are providing £5,000 as a sinking fund for the recently issued 7 per cent. debenture stock, and we are writing off nearly £30,000, being the balance of expenses on the debenture stock issued in 1921. We are recommending a final dividend on the ordinary share capital of the company at 7 per cent., making 10 per cent. for the year, and we are carrying forward £48,218 to the current year's account, as against £21,787 brought into the account.

We have reached the substantial figure of £858,317 from sale of current and meter rentals, an increase of £115,430, or over 15 per cent. on the previous year's figure.

EXPENDITURE, INVESTMENTS, AND RESERVES.

The total working expenses amount to £374,013, against £427,432 last year, thus showing the substantial reduction of £53,419, or over 12 per cent., notwithstanding the fact that we have sold during the year 7,000,000 additional units.

The total sum provided out of revenue for the year for reserves of one sort and another, together with nearly £30,000 written off for issue expenses, amount altogether to £347,000; we are recommending a final dividend on the ordinary shares of the company of 7 per cent., making 10 per cent. for the year, and we are carrying forward to next year the sum of £48,218.

The item of investments and advances shows a considerable increase during the year, and it will be seen that an amount of £163,565 has been invested in British Government and trustee securities. I particularly desire to direct your attention to this item and to emphasise the fact that we are now building up a reserve in securities of this character outside the company's business.

The general reserve fund now stands at the good round sum of £450,000, after adding £242,500 placed to that account out of revenue for the past year, and it will be seen that the total reserves

shown on the face of the balance-sheet, together with the carry-forward, amount to the substantial figure of £813,352.

The total units sold during the past year amounted to 58,241,758, showing the substantial increase for the year of no less than 7,021,679 units, while the applications received during the year in respect of new business amounted to the equivalent of an additional 6,292 kilowatts, while the total number of consumers supplied for all purposes now amounts to over 48,500.

As to our associated companies, I need only say that they continue to flourish, as is evidenced by the fact that they are paying largely increased dividends for the past year, and our revenue account is correspondingly benefited from that source, as compared with the previous year.

"GOLDEN AGE OF ELECTRICITY."

As to the future prospects of the electricity supply industry, generally, I am much tempted to speak in eloquent terms, and, indeed, I feel that I cannot speak too optimistically of the great future in store for our industry, in which I have the profoundest belief born of the sternest conviction. When addressing a meeting in the autumn of last year, I said that the "golden age of electricity was not far distant." It was perhaps a bold phrase for me to use, but I am to-day more convinced than ever that it is true and that everything points to it. In the first place there is the concrete evidence of the great increase that has taken place in the consumption of electric energy during the last year or so, which is enormously in excess of the rate of progress in former years. Then the ever-increasing use of electricity for power purposes and for chemical purposes is creating of itself a gigantic demand. Following this there is heating and cooking and other domestic uses which have made great strides, and the future in that direction is practically unlimited.

Lastly we come to electricity supply for traction purposes. In that direction the demand in the future is likely to be on a colossal scale. Many schemes of railway electrification are in different stages of fruition, and it is only a matter of time when at least all suburban traffic will be run electrically, and the power stations up and down country will be called upon to meet the enormous demands that must arise for that purpose.

I think you may look forward to a continuance of our successful and, indeed, remarkable progress.

The report was unanimously adopted.

THE WALL PAPER MANUFACTURERS, LIMITED. EXCELLENT RESULTS OF THE YEAR.

The adjourned annual general meeting of the Wall Paper Manufacturers, Limited, was held, on the 22nd instant, at the Connaught Rooms, Great Queen Street, London, Mr Edgar Smith (the chairman) presiding.

The secretary (Mr John T. Chasney) having read the notice convening the meeting and the auditors' report.

The Chairman said: Ladies and Gentlemen,—We now resume the meeting of December 21st last, which was adjourned until such time as the balance-sheet for the year ending August 31, 1922, could be completed.

At our annual meeting, on December 20, 1921, when the balance-sheet as at August 31, 1921, was presented, we had passed through a period of great trade depression and a phenomenal slump in the values of stocks of raw and finished materials, and, although your directors told you that the company would have a substantial claim for adjustment of taxation under the provisions of the Finance Act, 1921, they had not then been able to formulate the claim. The Act was only a new one, and its provisions were very complicated.

SOUND FINANCIAL POSITION.

I explained the position fully to you at the time, and told you that we had faced our losses and written down our stocks and investments to the values at that date. I also said that our company was in a sound financial position, and that there was no need for depression with regard to our prospects.

In that balance-sheet we had made reserves for taxation, but as the accounts had only been settled with the authorities up to August 31, 1921, and as the relief we could obtain under the Finance Act, 1921, was not known, it was impossible to do other than reserve for all the taxation which we estimated the company would be liable for under previous legislation, and to leave any portion of these reserves which ultimately might be found not to be required to be brought back into the accounts when our taxation figures were gone into and our claim settled.

BALANCE-SHEET FIGURES.

The relief we have obtained, together with an excellent year's trade, enables us to present the balance-sheet as at August 31, 1922, which is before you to-day.

As you have all received copies of it and directors' report, may I assume you will take them as read?

In the balance-sheet you will notice that the issued capital is the same as before, and our creditors now stand at £527,000 or £843,000 less than in the previous balance-sheet. On the assets side the capital expenditure on land, buildings, plant, machinery and goodwill stands at £3,428,000, and I would point out to you that this is less by £200,000 than the figure at which it stood 10 years ago, since which date we have acquired several very large businesses and mills, but have disposed of the Greenhithe Paper Mills. We have maintained all our factories in an up-to-date condition.

INVESTMENTS—A PROMISING FUTURE.

The investments stand at £1,192,780, an increase of nearly £500,000 over that of the previous balance-sheet. The investments are mostly in gilt-edged securities; some of these are of a temporary character, and have been, or will be, realised to meet taxation payments and dividends to shareholders. The stock-in-trade, debtors, bills and cash total £1,774,000 against £2,112,000—a reduction of £338,000.

I think you will agree with me that our future looks promising, and I may say that the new season, of which six months have already gone, is satisfactory.

SUCCESS OF THE WALPAMUR COMPANY.

Amongst the businesses which we carry on outside the manufacture of wallpaper I would name the Walpamur Company, which is growing into a very big concern.

This company has its own separate organisation and entity, but it has the Wall Paper Manufacturers behind it, and with this support they are always able to ensure the highest quality and service to their customers.

Walpamur, as you all know, is the very best water paint on the market, and the Walpamur Company is also famous for its paints, varnishes, enamels, and other products. This company has depots in most of the large towns, and is splendidly organised. The works are situated at Darwen. Walpamur is more widely used than any other water paint for decorating schools and public buildings, and if any of our shareholders are associated with any institutions where this class of decoration is required, and where Walpamur is not used, I hope they will recommend its use, and they will realise what a valuable asset we have in this subsidiary company.

INJUSTICE OF THE CORPORATION PROFITS TAX.

As I am speaking to ordinary and deferred shareholders, I might ask you to use any influence you possess to get the Corporation Profits Tax abolished.

The Corporation Profits Tax is collected solely from the profits of industry and commerce, and is borne in our company by the ordinary or deferred shareholder. Why the ordinary and deferred shareholder, who is also taxed like any other individual in the general taxation of the State, should be thus marked out for special penalty I do not know.

At the time this tax was introduced the Government were very badly in need of money, but it is generally hoped by business men that the injustice of it will now be apparent to the Government, and that we shall shortly see it abolished.

I will now formally move the adoption of the report and the accounts for the year, and will ask Mr Sugden to second this resolution.

Mr A. V. Sugden seconded the resolution, which was carried unanimously.

Mr A. B. Sanderson proposed a hearty vote of thanks to the chairman, directors, and officers of the company for the efficient services they had rendered during the past year.

Mr C. Halliwell seconded the vote, which was unanimously accorded.

The Chairman announced that the ordinary share dividend warrants would be posted on 25th inst., and the deferred share dividend warrants on April 12th next.

BAH LIAS TOBACCO AND RUBBER ESTATES, LIMITED.

PROSPECTS "BRIGHT AND HOPEFUL."

The twelfth ordinary general meeting of the Bah Lias Tobacco and Rubber Estates, Limited, was held in the Council Room of the Rubber Growers' Association, 2, 3 and 4 Idol Lane, London, on the 21st instant, Mr C. Heath Clark (the chairman of the company) presiding.

Mr James M. Kemp, representing the agents and secretaries (Messrs Harrisons and Crosfield, Limited), read the notice convening the meeting and the auditors' report.

The Chairman, in moving the adoption of the report and accounts, said:

The issued and paid-up capital of the company remains the same as at the end of the previous year at £351,213. The reserve account has been increased during the year from £111,585 to £124,047, the difference being made up by the amount of profit made on the sale of the Perlanaan concession, to which I referred at last year's meeting, and which amounted to £8,068, and by the sum of £4,393 representing the balance recoverable or received in respect of the sale of the tobacco section of our business. I should like to point out that, although the crop harvested is 316,137 lbs less than that harvested in the financial year 1919-20, which was the last year when no restriction took place, our f.o.b. cost has been reduced by no less than 5½d per pound as compared with 1920-21. This satisfactory reduction has been mainly effected by economies in working which we have been able, with the loyal co-operation of our reduced staff in the East, to make, and when we consider that this has been accomplished without allowing our estates to deteriorate in any way, I think you will agree that it represents a very satisfactory position.

KANSALLIS-OSAKE-PANKKI

(National Joint Stock Bank).

ESTABLISHED 1889.

Head Office: HELSINKI (Helsingfors),
FINLAND.

Capital and Reserves - Fmk. 252,000,000
Deposits and Cheque Accounts
(31/12/22) - Fmk. 1,420,000,000

124 BRANCHES AT ALL IMPORTANT BUSINESS CENTRES IN FINLAND.

Telegraphic Address: Kansallispankki.

THE ANGLO-SOUTH AMERICAN BANK, LIMITED.

Capital and Reserves exceed £13,000,000.

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

NORTHERN DISTRICT OFFICE:
69, Market St., Bradford.

LANCASHIRE BRANCH:
29, Mosley Street, Manchester.

Affiliated Institutions:
THE BRITISH BANK OF SOUTH AMERICA, LTD.,
AND
THE COMMERCIAL BANK OF SPANISH AMERICA, LTD.

YEAR'S PROFIT.

The year's working resulted in a profit of £15,951, as compared with a loss for the previous year of £13,264. If we add to the year's profit our carry forward from last year of £41,140 and take credit the sum of £9,520 refunded us on account of Netherlands East Indies war profits tax, we are left with a total of £66,611, with which we have to deal to-day. The directors recommend that a dividend at the rate of 7½ per cent. be paid in respect of the year under review and to carry forward to the current year a credit balance of £40,270, which is about equal to the amount we brought in. The areas of rubber in bearing on each of our three estates have been maintained in a clean weeded condition throughout the year, and this work has been carried out at a very moderate cost.

Despite the reduction in the European staff and the labour forces, it is gratifying that the visiting agent in his most recent report is able to state that the general condition of the company's rubber divisions remains first-class, and that in fields and factories everything continued to be kept well up to date.

As regards coconuts, we manufactured 5,877 piculs of copra, which is a somewhat smaller crop than we estimated for at the commencement of the financial year, and this shortage is for the most part due to the very wet weather which was experienced, coupled with the smallness of the nuts harvested. The crop realised a net average of 21s 7d per picul, which was 1s per picul less than the previous year's average, but the f.o.b. cost of production, although still too high to show a profit, was over 4s per picul less than the previous year.

RESTRICTION OF RUBBER OUTPUT.

Turning to the current year, the board have decided, in conjunction with the majority of British-owned estates in the Dutch East Indies, voluntarily to restrict the export of this company's rubber, harvested after the end of October last year, to the same limit as that allowed by the legislation in force in British Malaya and Ceylon to be exported at the minimum rate of duty. This voluntary restriction ought not to any material extent affect our working or costs, as we have consistently restricted our rubber output since November, 1920, the crop for the last financial year being, in fact, only 70 per cent. of what we could normally have produced under full tapping. By tapping only our highest-yielding areas in order to obtain our restricted crop we have not only been able to make a substantial reduction in our cost of production, to which I have already referred, but, by resting the lower-yielding areas, we shall undoubtedly improve the productive capacity of these in future years.

We are estimating for an output of 7,250 piculs of copra, and given normal conditions and a reasonable price for this commodity a quite satisfactory showing ought to be made.

The company possesses a very fine property, especially as regards the Bah Lias and Bah Enda divisions, and will be in a position, with heavy yielding capacity and low costs of production, to reap the fullest benefit from the improved condition in the market which rules to-day, and which appears likely, with the increased demand and the safeguards afforded by the Stevenson scheme of Government restriction, to continue in the future. The prospects of the Bah Lias Company to-day, I think, are of very bright and hopeful character.

Mr J. R. Gray seconded the motion, which was carried unanimously.

GOVERNMENT RETURNS.

PUBLIC INCOME AND EXPENDITURE.
RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1922-23. (See Note.)	Total Receipts into the Exchequer from		Receipts.	
		Apr. 1, 1922, to Mar. 17, 1923.	Apr. 1, 1921, to Mar. 18, 1922.	Week Ended Mar. 17, 1923.	Week Ended Mar. 18, 1922.
Balances in Exchequer on 1st April:—					
Bank of England....	9,963,424	2,591,051	..	..	..
Bank of Ireland....	1,210,106	483,455	..	..	..
REVENUE.	11,173,530	3,074,506	..	..	..
Customs.....	112,250,000	118,234,000	125,416,000	1,254,000	1,860,000
Excise.....	160,750,000	152,706,000	191,805,000	5,724,000	9,880,000
Motor Vehicle Duties ..	10,600,000	12,321,000	10,918,000	141,000	..
Stamps, &c., Duties ..	48,000,000	54,371,000	49,584,000	930,000	1,379,000
Land Tax, House Duty, & Mineral Rights Duty	18,250,000	19,872,000	17,000,000	170,000	1,631,000
Property & Income Tax (including Super-Tax).	3,000,000	2,770,000	2,390,000	150,000	140,000
Income Tax (including Super-Tax).	329,000,000	353,100,000	360,145,000	16,464,000	17,775,000
Income Tax (including Super-Tax).	27,800,000	954,000	29,714,000	..	..
Corporation Profits Tax	10,600,000	18,317,000	16,211,000	470,000	515,000
Post Office.....	54,685,000	51,150,000	53,500,000	800,000	1,250,000
Crown Lands.....	750,000	890,000	750,000	..	..
Interest on Sundry Loans.....	14,000,000	9,843,362	13,629,423	..	2,583,017
Miscellaneous.....	20,000,000	23,093,774	23,437,041	1,795,497	978,439
Special Receipts.....	20,000,000	47,968,791	145,783,943	3,117,187	4,980,029
Revenue.....	565,775,500	654,890,997	1,040,633,407	31,015,684	42,971,485
Grants, &c., Balance ..	..	970,047,497	1,041,713,813	..	..

	Total Receipts into the Exchequer from		Receipts.	
	Apr. 1, 1922, to Mar. 17, 1923.	Apr. 1, 1921, to Mar. 18, 1922.	Week Ended Mar. 17, 1923.	Week Ended Mar. 18, 1922.
OTHER RECEIPTS.				
Temporary Advances Repaid:—				
Bullion.....	800,000	10,530,000	..	300,000
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	169,818	169,818	..	..
Under the Unemployment Insurance Act, 1921.....	3,050,000	520,000	80,000	..
Money Raised by Creation of Debt:—				
(a) For Capital Expenditure:—				
Under the Telegraph (Money) Act, 1920 to 1922.....	5,310,000	5,561,474	..	..
Under the Post Office (London) Railway Act, 1913.....	..	27,500	..	..
Under the Housing Act, 1914.....	27,000	50,000	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922.....	950,000	..	..	..
By Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	1,553,300	..	..	..
(b) Under the Unemployment Insurance Act, 1921.....	5,080,000	11,890,600	..	..
(c) For other issues:—				
By Treasury Bills for Supply.....	2,751,201,000	3,624,680,000	48,022,000	49,044,000
By National Savings Certificates.....	59,158,000	61,255,090	1,000,000	5,050,000
By Exchequer and National War Bonds.....	125	5	105	..
By Treasury Bonds:—				
5½ year, 1925-35.....	61,655,154	325,340,750	..	..
5%, 1927.....	..	..	..	..
4½%, 1932.....	94,512,130	..	795,800	..
By Other Debt created under the War Loan Acts, 1914 to 1919.....	25,259	10,961,454	..	..
(d) Ways and Means Advances.....	852,225,500	1,252,886,000	9,100,000	11,290,000
Anglo-Persian Oil Company—				
Dividends on Shares acquired.....	1,017,976	5,010	..	..
Repayments:—				
In respect of Suez Canal Drawn Shares.....	5,787	7,111	..	..
Do Cunard Loan.....	130,000	130,000	..	..
Do East Africa Protectorate Loan.....	..	127,268	..	..
Do Issues under Civil Contingencies Fund Act, 1919.....	..	7,250,000	..	..
Do Issues under Land Settlement (Facilities) Act, 1919 and 1921.....	291,829	63,128	..	..
Do Issues under Section 59 (4) of the Finance Act, 1920.....	6,827,960	13,490,950	..	..
Interest received under Section 59 (5) of the Finance Act, 1920.....	162,425	426,310	..	..
Total.....	4,720,228,020	6,368,964,721	90,013,639	108,655,485

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1922-23, including Supplementary Grants.	Total Issues out of the Exchequer to meet Payments from		Issues.	
		Apr. 1, 1922, to Mar. 17, 1923.	Apr. 1, 1921, to Mar. 18, 1922.	Week Ended Mar. 17, 1923.	Week Ended Mar. 18, 1922.
EXPENDITURE.					
Permanent Charge of Debt.....	16,000,000	12,943,409	22,528,808	..	..
Interest, &c., on War Debt.....	319,000,000	284,184,536	302,576,928	813,767	1,173,476
Repayments to Local Tax Authorities, &c.....	11,772,043	10,617,000	453,044	586,000	..
Payments to Northern Ireland Exchequer ..	9,788,000	8,823,720	9,958,728	1,898,202	1,548,939
Land Settlement.....	2,500,000	2,245,222	1,003,393	111,674	..
Other Consolidated Fund Services.....	3,500,000	1,177,119	2,500,171	..	..
Supply Services.....	2,650,000	2,538,168	1,758,456	..	..
Expenditure.....	404,462,000	421,309,761	635,021,997	10,700,000	20,427,578
OTHER ISSUES.					
Temporary Advances:—					
Bullion.....	..	10,600,000	..	300,000	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	169,818	169,818	..	..	..
Under the Unemployment Insurance Act, 1921.....	6,090,000	13,970,000	..	500,000	..
Issues to meet Capital Expenditure:—					
Under the Telegraph (Money) Act, 1920 to 1922.....	7,010,000	6,961,474	650,000	700,000	..
Under the Post Office (London) Railway Act, 1913.....	..	27,500	..	..	..
Under the Housing Act, 1914.....	27,000	50,000	..	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922.....	950,000	..	..	..	..
Under Capital Expenditure (Money) Act, 1904.....	1,553,300	..	..	..	..
Exchequer Bonds paid off £3,087,600; less paid off by the National Debt Commissioners, £1,534,300.....	2,180,000	..	..	..	..
Unemployment Insurance Act, 1921—					
Repayment of amounts borrowed.....	..	..	..	..	..
Redemption of Debt:—					
Treasury Bills for Supply.....	2,992,484,000	3,848,321,000	62,280,000	72,220,000	..
Securities surrendered for Duties under Section 34 of the Finance Act, 1917, and Section 3 (3) of the War Loan Act, 1919.....	8,664,429	32,327,493	..	1,100,998	..
Funding Loan, Victory Bonds and Conversion Loan Sinking Funds	11,741,297	..	169,964	..	..
Principal of National Savings Certificates:—					
(a) Repaid by Issues under Section 59 (5) of the Finance Act, 1920.....	25,900,000	23,700,000	600,000	1,600,000	..
(b) Repaid otherwise.....	..	10,400,000	..	..	..
Principal of Exchequer Bonds paid off, £20,887,122; less paid off by the National Debt Commissioners, £1,000,000.....	19,887,122	42,781,133	..	..	..
Principal of National War Bonds	44,684,182	..	..	..	..
Other Debt under the War Loan Acts, 1914 to 1919.....	15,825,526	58,815,156	..	..	..
Ways and Means Advances Repaid	826,215,500	1,279,925,000	12,100,000	2,570,000	..

	Total Issues out of the Exchequer to meet Payments from		Issues.	
	Apr. 1, 1922, to Mar. 17, 1923.	Apr. 1, 1921, to Mar. 18, 1922.	Week Ended Mar. 17, 1923.	Week Ended Mar. 18, 1922.
Depreciation Fund, under the Finance Act, 1917.....	1,198,075	29,260,245	..	2,160,022
Anglo-Persian Oil Company—Issued to the National Debt Commissioners.....	1,017,976	..	..	..
Issues to National Debt Commissioners to Reduce Debt:—				
Suez Canal Drawn Shares Repayments.....	5,787	7,111	..	..
Cunard Loan Repayments.....	130,000	130,000	..	..
East Africa Protectorate Loan Repayments.....	..	127,268	..	..
Proceeds of National Savings Certificates, issued under the Finance Act, 1920, Section 59 (4).....	5,000,000	20,842,000	..	..
Old Sinking Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911.....	136,304	269,621	..	3,450,000
Balances in Exchequer:—				
Bank of England.....	4,715,864,294	6,364,654,299	89,806,651	108,337,013
Bank of Ireland.....	2,210,506	2,229,585	132,662	774,528
Total.....	4,363,726	4,330,422	206,983	318,472

NOTE.—Budget Estimate as in H.C. No. 77 of 1922.

Treasury, March 19, 1923.

CURRENCY NOTES ACCOUNT.

(000's omitted.)

Date.	Notes and Certificates Outstanding.	Advances to Bankers.	Redemption Account.			
			Bank of England.	Bank of Ireland.	Ratio to Notes.	Balance of Bank of England.
1914.....	£ 21,535	£ 6,302	£ 3,810	£ 18,500	48.1	£ 11,493
Aug. 26.....	28,478	169	600	..	48.1	9,286
Dec. 30.....	103,125	729	249	28,500	27.6	54,621
1915.....	150,144	2,430	64	28,500	19.0	118,102
Dec. 27.....	212,782	8,554	39	28,500	13.4	186,637
Dec. 31.....	323,241	15,529	..	28,500	8.9	305,133
1916.....	356,152	17,182	250	28,500	9.1	337,537
Dec. 27.....	367,626	16,962	..	28,500	13.0	336,504
1917.....	343,826	15,599	..	28,500	13.9	311,334
Mar. 30.....	323,884	14,965	3,000	28,500	14.8	287,750
June 29.....	314,382	14,830	3,000	28,500	15.2	278,119
Sept. 28.....	325,584	14,658	3,000	28,500	14.7	289,131
1918.....	300,351	14,255	5,000	28,500	15.9	261,479
Mar. 29.....	295,374	13,338	6,000	28,500	16.3	254,319
June 28.....	289,127	12,648	7,000	28,500	17.6	246,456
Sept. 27.....	301,337	12,872	7,000	28,500	17.6	258,922
1919.....	279,101	11,735	7,000	27,000	17.7	234,169
Feb. 28.....	281,156	11,905	7,000	27,000	17.6	236,451
Mar. 7.....	281,639	11,945	7,000	27,000	17.6	236,373
1920.....	280,355	11,890	7,000	27,000	17.6	236,246

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £390,600,000, for 1921 at £317,555,200, for 1922 at £309,988,400, and for 1923 at £270,183,800.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £50,000,000 in three months' Treasury Bills dated from Monday to Saturday, March 26-March 31, were opened on March 23, 1923, and the total amount applied for was £67,230,000. Tenders for Monday to Thursday bills at £99 9s 8d and above in full, and Saturday bills at £99 9s 9d, about 7½ per cent., and above in full. The average rate of discount was £2 os 2¼d. The amounts allotted were as follows:—In bills at 3 months, £50,000,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills. Average Rate.	4½% Treasury Bonds, 1932. Average Price
1922.	£	£	£ s d	£ s d
Dec. 29.....	(a) 55,000,000	(a) 76,225,000	2 6 11.35	None allotted
1923.				
Jan. 5.....	(a) 50,000,000	(a) 63,995,000	2 2 7.57	99 3 96
Jan. 12.....	(a) 50,000,000	(a) 76,575,000	2 3 5.68	99 6 3.72
Jan. 19.....	(a) 40,000,000	(a) 55,305,000	1 18 9.91	99 7 1.69
Jan. 26.....	(a) 40,000,000	(a) 61,530,000	2 6 3.87	99 9
Feb. 2.....	(a) 40,000,000	(a) 59,465,000	2 2 1.57	None allotted
Feb. 9.....	(a) 35,000,000	(a) 59,590,000	2 9 7.86	99 8 6.4
Feb. 16.....	(a) 30,000,000	(a) 49,875,000	2 6 6.31	99 8 4.2
Feb. 23.....	(a) 37,000,000	(a) 61,630,000	2 6 2.95	99 9 1.17
Mar. 2.....	(a) 40,000,000	(a) 53,770,000	2 2 10.35	99 9 9.6
Mar. 9.....	(a) 40,000,000	(a) 57,190,000	2 8 0.32	99 9 7.5
Mar. 16.....	(a) 30,000,000	(a) 54,490,000	2 2 0.32	99 9 4.8
Mar. 23.....	(a) 50,000,000	(a) 67,230,000	2 0 2.34	..

BANKERS' CLEARING RETURNS.
(000's omitted.)

Week Ending—	Town.	Metropolitan.	Country.	Total.
1923.	£	£	£	£
January 1 to 24.....	2,186,544	115,838	204,909	2,507,291
February 7.....	675,673	28,810	50,263	754,746
14.....	674,151	30,050	63,329	777,530
21.....	627,978	29,332	52,511	710,539
28.....	607,891	29,332	49,640	697,081
March 7.....	645,166	32,303	63,481	740,950
14.....	643,953	27,698	50,946	722,597
21.....	689,187	28,494	55,569	773,250
Total to date 1923.....	7,504,524	355,294	645,505	8,505,324
Do 1922.....	7,883,510	366,747	649,382	8,899,639
Increase or decrease in 1923.....	- 378,986	- 11,453	- 3,876	- 394,315
	- 4.8 %	- 3.1 %	- 0.5 %	- 4.4 %
Total for year 1922.....	32,780,635	1,574,661	2,806,165	37,161,461
Total for year 1921.....	30,268,214	1,660,166	3,002,179	34,930,559
Increase or decrease in 1922.....	+ 2,512,421	- 85,505	- 196,014	+ 2,230,902
	+ 8.3 %	- 5.1 %	- 6.5 %	+ 6.3 %

PROVINCIAL CLEARING RETURNS.

	1922.	1923.	Inc. or Dec.
Aggregate Totals to March 17.	£	£	£
BIRMINGHAM.....	24,544,900	26,044,500	+ 1,499,600
BURTON.....	15,825,000	12,956,000	- 2,869,000
DUBLIN.....	73,166,000	66,782,200	- 6,383,800
LIVERPOOL.....	11,972,000	12,808,600	+ 836,600
LONDON.....	12,819,900	12,755,400	- 64,500
MANCHESTER.....	9,282,800	8,999,000	- 283,800
NEWCASTLE-ON-TYNE.....	165,970,700	171,540,300	+ 5,569,600
NOTTINGHAM.....	20,025,100	21,312,300	+ 1,287,200
STAFFORD.....	7,636,700	7,452,700	- 184,000
	10,617,400	13,037,100	+ 2,419,700

OVERSEAS BANK RETURNS.

UNITED STATES FEDERAL RESERVE BANKS.
(000's omitted.)

	Mar. 16, 1923.	Mar. 9, 1923.	Mar. 2, 1923.	Mar. 17, 1922.
Reserves.	\$	\$	\$	\$
Total gold reserves.....	3,078,290	3,083,640	3,072,810	2,976,020
Legal tender notes and silver reserves.....	118,280	117,630	128,790	125,380
Notes in circulation.....	113,063	871,490	595,560	581,730
Notes discounted for member banks.....	225,420	218,850	207,680	87,310
Notes bought in open market.....	344,710	344,890	363,070	598,730
Government obligations owned.....	65,750	65,360	64,970	61,330
All other resources.....	42,440	38,770	41,400	16,790
Government deposits.....	1,953,350	1,904,050	1,908,200	1,896,510
Other deposits.....	2,242,900	2,256,300	2,246,940	2,188,590
Federal Reserve Bank Notes in actual circulation.....	2,600	2,790	2,650	78,030
All other liabilities.....	12,890	12,310	11,680	17,110
Capital and surplus.....	326,890	327,220	327,230	319,360
Ratio of total reserves to gross deposits and other resources.....	75.4 %	76.2 %	76.2 %	76.6 %
Federal Reserve note liabilities combined.....	75.4 %	76.2 %	76.2 %	76.6 %

STATEMENT OF CANADIAN BANKS.
(000's omitted.)

	Jan. 31, 1923.	Dec. 31, 1922.	Nov. 30, 1922.	Oct. 31, 1922.	Jan. 31, 1922.
ASSETS.					
Cash and bank balances.....	445,945	508,830	502,207	487,881	463,509
Bank balances abroad.....	59,585	71,402	111,609	104,892	61,282
Call and short loans.....	281,407	284,037	303,421	300,833	260,543
Securities.....	356,306	340,588	317,260	309,882	360,864
Loans in Canada.....	1,120,725	1,148,681	1,196,398	1,217,578	1,222,587
Loans abroad.....	158,444	157,657	149,244	153,088	148,733
Other assets.....	105,420	106,439	106,293	106,444	108,484
LIABILITIES.					
Note circulation.....	152,638	176,201	169,626	178,633	162,645
Deposits.....	59,526	78,583	131,762	139,331	130,617
Government.....	1,696,498	1,722,316	1,712,055	1,687,933	1,730,361
Public in Canada.....	266,555	288,350	303,644	331,969	254,777
Bank balances.....	11,881	11,757	10,158	11,311	11,362
Canadian.....	37,247	38,645	40,331	33,807	38,271
Foreign.....	28,105	28,774	27,134	26,409	31,440
Bills payable, &c.....	2,197	2,835	4,344	2,624	2,118
Other liabilities.....	255,980	255,966	255,585	255,274	255,712

BANK OF FRANCE.
(000's omitted.)

	Mar. 22, 1923.	Mar. 15, 1923.	Mar. 8, 1923.	Mar. 31, 1922.	Position May 31, 1914.
ASSETS.	Francos.	Francos.	Francos.	Francos.	Francos.
Gold coin and bullion.....	5,536,101	5,535,962	5,535,868	5,525,850	5,730,625
Of which held abroad.....	1,864,345	1,864,345	1,864,345	1,864,345	1,864,345
Silver coin and bullion.....	291,277	290,948	290,828	281,749	632,650
Discount and advances.....	4,582,527	4,777,537	4,833,786	5,197,605	4,327,775
Advances to the State.....	23,500,000	23,500,000	23,500,000	23,500,000	23,500,000
LIABILITIES.					
Notes.....	37,221,438	37,555,474	37,822,818	35,281,790	5,811,875
Government deposits.....	19,000	38,247	32,249	56,168	183,700
Private deposits.....	2,080,632	2,067,040	2,140,612	2,310,514	845,957

NATIONAL BANK OF GREECE.
(000's omitted.)

	Jan. 15, 1923.	Dec. 24, 1922.	Dec. 13, 1922.	Nov. 28, 1922.	Jan. 13, 1922.
ASSETS.	Drachmas.	Drachmas.	Drachmas.	Drachmas.	Drachmas.
Gold and balances.....	1,398,602	1,428,548	1,417,831	1,438,929	1,373,435
Government loans and securities.....	3,350,527	3,330,576	2,837,662	2,838,106	2,317,803
Discounts and loans.....	1,343,961	1,283,365	1,231,704	1,277,120	752,218
Notes in circulation.....	3,119,446	3,024,788	2,941,897	2,808,968	2,121,183
Government deposits.....	382,368	507,517	257,573	242,582	164,443
Private deposits.....	1,061,895	933,568	936,316	939,774	951,519
Capital and reserves.....	1,018,712	1,013,599	1,014,177	1,012,265	955,176

SOUTH AFRICAN RESERVE BANK.
(000's omitted.)

	Feb. 24, 1923.	Feb. 17, 1923.	Feb. 10, 1923.	Feb. 3, 1923.	Jan. 27, 1923.
LIABILITIES.	£	£	£	£	£
Capital.....	1,000	1,000	1,000	1,000	1,000
Reserve.....	2	2	2	2	2
Notes in circulation.....	9,731	9,697	9,705	9,862	9,810
Bankers' deposits.....	5,233	5,253	5,182	5,108	5,090
Other deposits.....	4	4	4	4	4
ASSETS.					
Gold coin and bullion.....	483	423	423	383	383
Gold certificates.....	10,039	10,099	10,102	10,102	10,102
Subsidiary coin.....	125	250	250	250	250
Bills discounted (domestic).....	2,268	2,094	2,077	2,167	1,900
Do (foreign).....	786	835	845	814	949
Loans and advances to the Government.....	1,300	1,300	1,300	1,300	1,300
Other loans and advances.....	1,000	1,000	1,000	1,000	1,000
Ratio of cash reserves to liabilities to public.....	71.1 %	72 %	72 %	71.7 %	72.2 %

BANK OF SPAIN.
(000's omitted.)

	Mar. 17, 1923.	Mar. 10, 1923.	Mar. 3, 1923.	Feb. 24, 1923.	Mar. 18, 1922.	Position May 31, 1914.
ASSETS.	Pesetas.	Pesetas.	Pesetas.	Pesetas.	Pesetas.	Pesetas.
Gold.....	2,525,439	2,525,450	2,525,419	2,525,421	2,519,663	2,519,663
Silver.....	1,853,630	1,853,630	1,853,630	1,853,630	1,853,630	1,853,630
Loans and discounts.....	344,475	344,475	344,475	344,475	344,475	344,475
Treasury bills.....	150,000	150,000	150,000	150,000	150,000	150,000
LIABILITIES.						
Circulation.....	4,084,167	4,105,228	4,093,967	4,076,662	4,166,125	901,550
Deposits.....	1,014,677	1,054,437	1,031,284	1,080,198	1,098,376	477,500

BANK OF JAPAN.
(000's omitted.)

	Feb. 17, 1923.	Feb. 10, 1923.	Feb. 3, 1923.	Jan. 27, 1923.	Feb. 18, 1922.	Position June 30, 1914.
ASSETS.	Yen.	Yen.	Yen.	Yen.	Yen.	Yen.
Cash and bullion.....	1,087,663	1,088,814	1,089,531	1,092,900	1,227,165	821,320
Discounts.....	108,715	118,463	134,575	115,446	62,614	41,740
Advances.....	240,572	243,261	246,178	246,329	69,049	70,540
LIABILITIES.						
Notes.....	1,208,101	1,193,743	1,245,396	1,237,795	1,108,458	362,270
Govt. deposits.....	770,153	759,361	723,924	719,937	1,305,269	87,340
Other deposits.....	42,608	47,202	41,245	52,133	72,056	11,440

IMPERIAL BANK OF GERMANY.
(000's omitted.)

	Mar. 15, 1923.	Mar. 7, 1923.	Feb. 28, 1923.	Mar. 15, 1922.	Position May 31, 1914.
ASSETS.	Marks.	Marks.	Marks.	Marks.	Marks.
Gold.....	1,004,833	1,004,833	1,004,829	996,378	1,313,246
Of which deposited in Bank of England.....	64,952	64,952	50,032	69,424	331,920
Silver.....	469,333	469,333	469,333	469,333	943,460
Treasury notes.....	787,817	733,216	708,305	708,305	60,780
Bills discounted.....	5,856,357	5,550,799	5,550,799	5,550,799	5,550,799
LIABILITIES.					
Notes in circulation.....	4,272,511	4,231,871	4,231,871	4,231,871	4,231,871
Deposits.....	1,971,412	1,971,412	1,971,412	1,971,412	1,971,412

RUSSIAN STATE BANK.
Note-issuing Department.
(In chevronets.)

	Feb. 16, 1923.	Feb. 9, 1923.	Feb. 2, 1923.	Jan. 26, 1923.	Position May 31, 1914.
ASSETS.	£	£	£	£	£
Gold in coin and bullion.....	1,246,465.0	1,246,465.0	1,246,465.0	1,246,465.0	1,246,465.0
Foreign bank notes.....	454,846.5	454,846.5	454,846.5	454,846.5	454,846.5
Drafts in sterling.....	245,158.7	245,158.7	245,158.7	245,158.7	245,158.7
Bills (less 10 % discount).....	1,139,646.0	1,139,646.0	1,139,646.0	1,139,646.0	1,139,646.0
Securities covering advances on goods (less 10 % discount).....	5,500,176.2	5,500,176.2	5,500,176.2	5,500,176.2	5,500,176.2
LIABILITIES.					
Bank notes.....	2,725,000.0	2,725,000.0	2,725,000.0	2,725,000.0	2,725,000.0
Balance to which notes may still be issued.....	776,176.2	776,176.2	776,176.2	776,176.2	776,176.2

BANK OF ITALY.
(000's omitted.)

	Feb. 28, 1923.	Feb. 20, 1923.	Feb. 13, 1923.	Jan. 31, 1923.	Feb. 28, 1922.	Position May 31, 1914.
ASSETS.	Lire.	Lire.	Lire.	Lire.	Lire.	Lire.
Total cash.....	1,390,379	1,382,926	1,360,989	1,352,761	1,461,728	1,221,875
Inland bills.....	4,331,674	4,379,349	4,422,915	4,475,068	4,416,827	4,184,400
Foreign bills.....	13,180	13,153	10,666	9,500	9,454	81,300
Advances to the Treasury.....	6,074,703	6,082,762	6,090,369	6,091,792	6,582,314	n/l
Other advances.....	2,189,981	1,679,698	2,736,369	2,001,086	3,639,136	78,175
LIABILITIES.						
Notes in circulation.....	13,134,411	13,049,862	13,291,574	13,437,829	14,112,251	1,556,925
Deposits and drafts.....	1,855,589	1,707,783	1,645,587	1,781,851	1,855,574	193,975

NETHERLANDS BANK.
(000's omitted.)

	Mar. 19, 1923.	Mar. 12, 1923.	Mar. 5, 1923.	Feb. 26, 1923.	Mar. 20, 1922.	Position May 31, 1914.
ASSETS.	Florins.	Florins.	Florins.	Florins.	Florins.	Florins.
Gold.....	581,790	581,790	581,790	581,790	581,790	581,790
Silver.....	7,135	6,016	6,394	7,448	7,155	6,394
Usots and advances.....	357,892	354,239	368,325	345,121	396,603	163,504
LIABILITIES.						
Notes in circulation.....	936,934	945,741	959,098	941,031	963,735	316,632
Deposits.....	36,180	33,971	29,797	36,927	36,927	5,016

NATIONAL BANK OF BULGARIA.

(000's omitted.)

	Dec. 22, 1922.	Dec. 14, 1922.	Nov. 22, 1922.	June 30, 1922.	May 31, 1922.	April 30, 1922.
Gold and silver	58,176	58,200	58,216	57,727	57,701	58,031
Foreign bank notes	1,353	1,330	1,342	..	..	..
Foreign bills	2,142	2,142	2,083	..	..	..
Balances abroad	880,997	896,395	911,672	..	..	..
Notes in circulation	3,884,103	3,958,946	3,957,225	3,800,620	3,758,717	3,727,974
Advances to the State	3,753,334	3,771,320	3,877,830	..	..	..

BANK OF LATVIA.

(000's omitted.)

	Mar. 7, 1923.	Feb. 28, 1923.	Feb. 20, 1923.	Feb. 14, 1923.	Feb. 7, 1923.
ASSETS.					
Gold	2,972	3,569	4,426	5,113	6,459
Gold coin and bullion	13,010	13,049	13,230	13,273	13,320
Foreign banks	38,516	37,413	35,923	35,499	34,222
Discounts and loans	12,768	12,455	11,986	11,714	11,146
Other assets	1,589	1,387	1,486	1,343	1,443
LIABILITIES.					
Notes in circulation	15,000	15,000	15,000	15,000	15,000
Capital paid up	8,000	8,000	8,000	8,000	8,000
Government deposits	22,497	22,220	21,276	20,312	21,008
Other deposits	17,482	17,741	17,478	17,700	17,279
Other liabilities	5,816	5,212	5,297	5,930	5,303

BANK OF LITHUANIA.

(000's omitted.)

	Mar. 15, 1923.	Feb. 28, 1923.	Feb. 15, 1923.	Jan. 31, 1923.	Jan. 15, 1923.
ASSETS.					
Gold	15,812	15,780	15,739	15,652	15,249
Silver	99	96	92	16	11
Dollars, £ sterling, &c.	27,773	26,235	23,609	22,238	19,880
Other foreign currency	27	30	27	38	16
Discount and credit	12,711	13,448	13,388	13,064	9,560
Other assets	4,255	4,216	4,129	4,058	3,364
LIABILITIES.					
Capital	12,000	12,000	12,000	12,000	12,000
Banknotes in circulation	38,930	40,656	39,413	37,585	33,503
Deposits	6,678	3,015	4,002	3,873	2,088
Other liabilities	3,069	4,134	1,569	1,608	489

BANK OF ESTHONIA.

(000's omitted.)

	Nov. 30, 1922.	Oct. 31, 1922.	Sept. 30, 1922.	Dec. 31, 1921.
ASSETS.				
Gold, for sale, and notes	62,809	74,188	89,635	81,944
Gold coin and bullion	67,628	67,628	67,628	67,628
Discounts and loans	2,952,347	2,703,073	2,356,474	1,398,774
Foreign banks	1,445,161	1,402,119	1,412,441	807,556
LIABILITIES.				
Capital paid up	850,000	850,000	850,000	850,000
Reserve	57,771	57,771	57,771	10,674
Notes in circulation	1,300,000	1,300,000	1,000,000	350,000
Deposits	3,336,510	3,040,383	2,940,355	1,103,823

BANK OF CZECHO-SLOVAKIAN REPUBLIC.

(000's omitted.)

	Mar. 7, 1923.	Feb. 28, 1923.	Feb. 23, 1923.	Feb. 15, 1923.	Feb. 7, 1923.	Mar. 7, 1922.
ASSETS.						
*Liabilities of the Austro-Hungarian Bank to the Banking Office	10,096,730	10,096,717	10,096,717	10,096,717	10,096,717	10,096,629
Discounts & advances	1,953,780	1,915,881	1,828,114	1,888,385	1,945,911	3,014,757
Gold & silver holdings	823,795	823,009	822,034	821,847	821,751	952,876
Foreign bills and balances abroad	474,725	458,840	452,997	429,059	419,594	..
Other assets	291,486	306,252	297,630	303,016	387,835	621,127
LIABILITIES.						
State's share in circ'n	8,788,333	8,947,988	8,554,732	8,689,357	8,981,568	10,488,939
Deposits	3,622,859	3,440,670	3,533,950	3,536,360	3,317,642	1,760,740
Other liabilities	1,229,344	1,211,041	1,406,810	1,313,307	1,372,598	2,455,773

* Reimbursement from bank notes, current accounts, Exchequer bills issued by the Austro-Hungarian Bank and taken over by the Banking Office.

NATIONAL BANK OF THE SERBS, CROATES, AND SLOVENES

(000's omitted.)

	Mar. 8, 1923.	Feb. 28, 1923.	Feb. 22, 1923.	Feb. 15, 1923.	Mar. 8, 1922.
ASSETS.					
Gold	63,619	63,612	63,594	63,390	73,655
Other coin and notes	20,421	19,483	21,115	20,162	17,188
Foreign credits	263,079	263,720	262,230	262,320	306,876
Bills	1,431,118	1,435,867	1,449,194	1,459,565	767,096
Govt. advances	4,493,840	4,495,886	4,511,873	4,511,869	4,418,509
LIABILITIES.					
Notes in circulation	5,426,976	5,353,870	5,255,671	5,287,279	4,696,826
State credits	297,673	297,670	312,056	312,053	334,274
Deposits	681,411	743,148	866,091	830,323	567,700

LONDON RATES.

	Mar. 16, 1923.	Mar. 17, 1923.	Mar. 19, 1923.	Mar. 20, 1923.	Mar. 21, 1923.	Mar. 22, 1923.	Mar. 23, 1923.
Bank rate (reduced from 3½ July 13, 1922)	3%	3%	3%	3%	3%	3%	3%
Market rates of discount	2½	2½	2½	2½	2½	2½	2½
30 days' bankers' drafts	2½	2½	2½	2½	2½	2½	2½
3 months' do.	2½	2½	2½	2½	2½	2½	2½
6 months' do.	2½	2½	2½	2½	2½	2½	2½
9 months' do.	2½	2½	2½	2½	2½	2½	2½
12 months' do.	2½	2½	2½	2½	2½	2½	2½
Discount (Treasury Bills):—							
3 months' 1½	1½	1½	1½	1½	1½	1½	1½
6 months' 1½	1½	1½	1½	1½	1½	1½	1½
9 months' 1½	1½	1½	1½	1½	1½	1½	1½
12 months' 1½	1½	1½	1½	1½	1½	1½	1½
London—Day to day	1½	1½	1½	1½	1½	1½	1½
3 months' 1½	1½	1½	1½	1½	1½	1½	1½
6 months' 1½	1½	1½	1½	1½	1½	1½	1½
9 months' 1½	1½	1½	1½	1½	1½	1½	1½
12 months' 1½	1½	1½	1½	1½	1½	1½	1½
Bankers' discounts:—							
3 months' 1½	1½	1½	1½	1½	1½	1½	1½
6 months' 1½	1½	1½	1½	1½	1½	1½	1½
9 months' 1½	1½	1½	1½	1½	1½	1½	1½
12 months' 1½	1½	1½	1½	1½	1½	1½	1½

* Additional to those offered by tender in the preceding week.

Comparison with the previous weeks:—

	Short	Bank Bills.			Trade Bills.		
		3 Months.	4 Months.	6 Months.	3 Months.	4 Months.	6 Months.
Jan. 1923.							
Jan. 5.....	1½	2½	2½	2½	3	3	3½
19.....	1½	2½	2½	2½	3	3	3½
26.....	1½	2½	2½	2½	3	3	3½
Feb. 2.....	1½	2½	2½	2½	3	3	3½
9.....	1½	2½	2½	2½	3	3	3½
16.....	1½	2½	2½	2½	3	3	3½
23.....	1½	2½	2½	2½	3	3	3½
Mar. 9.....	1½	2½	2½	2½	3	3	3½
16.....	1½	2½	2½	2½	3	3	3½
23.....	1½	2½	2½	2½	3	3	3½

IRISH BANKS' RATE.

	Present Rate.	Date Changed.	Previous Rate.	Date Changed.
Discount	4	July 15, 1922	4	June 15, 1922
Deposit	1½	June 15, 1922	2	Feb. 16, 1922

OVERSEAS BANK RATES.

Bank Rate	Bank Rate
Amsterdam	July 18, 1922 .. 4
Athens	Jan. 14, 1923 .. 7½
Berlin	Jan. 18, 1923 .. 12
Brussels	Jan. 22, 1923 .. 5½
Bucharest	Sept. 4, 1920 .. 6
Calcutta	Jan. 11, 1923 .. 8
Christiansburg	Aug. 17, 1922 .. 5
Copenhagen	Apr. 25, 1922 .. 8
Helsingfors	Oct. 16, 1922 .. 8
Lisbon	Sept. 3, 1920 .. 7
New York Federal Reserve ..	Feb. 21, 1923 .. 4½
Madrid	May 11, 1922 .. 5½
Paris	Mar. 11, 1922 .. 5
Prague	Jan. 15, 1923 .. 8
Rome	July 11, 1922 .. 5½
Soňa	June 14, 1919 .. 6½
Stockholm	July 1, 1922 .. 4½
Swiss Bank	Aug. 17, 1922 .. 3
Tokyo	Nov. 18, 1919 .. 8
Vienna	Sept. 2, 1922 .. 9
Warsaw	Sept. 1921 .. 7

RATES OF EXCHANGE.

London on	Usance	Par.	Mar. 24, 1922.	Mar. 16, 1923.	Mar. 23, 1923.
Paris	francs to £1	T.T.	25.224	48.42-47	75.20-30
Berlin	marks to £1	T.T.	10.43	1450-1455	96500-97500
Vienno	krona to £1	T.T.	34.09	33000-34000	32000-34000
Prague	krone to £1	T.T.	34.09	243-248	1574-1584
Warsaw	zlotys to £1	T.T.	10.43	17500-18500	2000-2200
Budapest	forints to £1	T.T.	25.224	580-600	nominal
Constantinople	piastres to £1	T.T.	24.02	2700-2800	15000-15000
Soňa	levas to £1	T.T.	110	655-675	640-650
Belgrade	dinas to £1	T.T.	35.224	610-660	700-750
Amsterdam	guilder to £1	T.T.	13.107	11-59.61	11-88.89
Brussels	francs to £1	T.T.	35.224	52-01.10	87.25-35
Christiansburg	krone to £1	T.T.	18.159	24-62.67	26.78-83
Stockholm	kroner to £1	T.T.	18.159	16-73.76	17-64.63
Copenhagen	kroner to £1	T.T.	18.159	20-67.72	24-31.36
Helsingfors	F. marks to £1	T.T.	35.224	209-212	1684-1694
Greece	drachmas to £1	T.T.	35.224	105-107	425-435
Italy	lire to £1	T.T.	35.224	85-88	974-984
Switzerland	francs to £1	T.T.	35.224	22-51.56	25-17.20
Madrid	pesetas to £1	T.T.	35.224	28-13.18	30-31.36
Lisbon	escudos to £1	T.T.	35.224	24-25	30-47.48
Alexandria	piastres to £1	T.T.	35.224	974-977	974-977
New York	dollars to £1	Cable	4.866	4-38.39	4-68.69
Montreal	dollars to £1	Cable	4.866	4-50.51	4-80-804
Buenos Ayres	pesos to £1	T.T.	47.624	454-454	424-43
Sao Paulo	pesos to £1	T.T.	47.624	454-454	424-43
Valparaiso	pesos to £1	T.T.	47.624	454-454	424-43
Colon	pesos to £1	T.T.	47.624	454-454	424-43
Manila	pesos to £1	T.T.	47.624	454-454	424-43
Yokohama	yen to £1	T.T.	24.564	124-124	124-124
Manila	pesos to £1	T.T.	24.564	124-124	124-124
Mexico	pesos to £1	T.T.	24.564	124-124	124-124

* Rate for previous day.

CURRENT RATES IN NEW YORK.

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

	Mar. 23, 1922.	Mar. 23, 1923.	Mar. 8, 1923.	Mar. 15, 1923.	Mar. 22, 1923.
Cash money	4	4	4	4	4
Time money (30 days' mixed coll)	4½	4½	4½	4½	4½
Bank acceptances:—					
Members—eligible, 90 days	3½	4	4	4	4
Non-mem.—eligible, 90 days	4	4	4	4	4
Ineligible, 90 days	4	4	4	4	4
Commercial accept., 90 days	4½	4½	4½	4½	4½

RATES OF EXCHANGE.

New York on—		Par Level.	Mar. 23, 1922.	Mar. 8, 1923.	Mar. 15, 1923.	Mar. 22, 1923.
London—						
30 days			4.3550	4.665	4.6819	4.673
Cable		4.8666	4.39	4.7025	4.6881	4.699
Cheques			4.3862	4.70		6.685
Paris	Cents for 1 franc		9.0625	6.0524	6.265	6.68
Brussels	Cents for 1 franc		19.30	8.46	5.39	5.88
Switzerland ..	Cents for 1 franc		19.30	19.46	18.66	18.61
Italy	Cents for 1 lire		19.30	5.1150	4.76	4.82
Berlin	Cents for 1 mark		23.83	0.30	0.00485	0.0048
Madrid	Cents for 1 peseta		19.30	15.59	15.54	15.41
Amsterdam ..	Cents for 1 guilder		40.196	37.80	39.53	39.46
Copenhagen ..				21.27	19.14	19.30
Christiania ..				17.57	17.57	18.20
Stockholm	Cents for 1 krona	26.80		26.15	26.80	26.82
Athens	Cents for 1 drachma	19.30	4.40	1.09	26.59	26.82
Montreal	Cents for Can. \$1	100	97.25	98.25	97.62	97.87
Yokohama	Cents for 1 yen	49.86	47.35	48.4	48.4	48.4
Hong Kong	Cents for H. Kong \$		54.25	54.5	56.6	56.5
Shanghai	Cents for 1 Shing-tael		72.25	74.75	75.75	75.75
Canton	Cents for 1 rupa		27.65	31.75	31.4	31.4
Buenos Aires ..	Gold pesos for \$100	103.66	120.25	118.5	118.5	118.75
Rio de Janeiro ..	Cents for 1 milreila	32.43	13.70	11.35	11.35	11.35
Valparaiso	Cents for 1 peso	20.60	11.00	12.125	12.125	12.125

Approved Mercantile Bills discounted. Money received on deposit at call and short notices at current market rates; for longer periods on specially agreed terms. The Company deals in British Treasury Bills of any maturity.

OTHER FOREIGN.						
Alcay and Gandia	11 weeks	Mar 17	33	\$5,250.00	5,000	275,000
Bilbao	2 mths	Feb. 28	15	2,534	1,448	4,295
Bolivar	1 mth	28	136	13,000	2,678	24,000
Costa Rica	6 mths	Dec. 31	189	18,308	5,150	116,288
Dorado Extension	2 mths	Feb. 28	70	12,500	4,000	26,500
Dorado Property, Etc.	2 mths	Feb. 28	45	7,100	3,600	8,000
Egyptian Delta	48 weeks	Mar. 10	559	6,921	610	138,365
Ex. South of Spain	10 weeks	Mar. 10	104	Pal.930.15	89,207	1,097,932
General of International			Gross	79,463	2,591	159,415
Central America	2 mths	Feb. 28	Net	37,410	5,508	72,229
La Guaira & Caracas	18 mths	Mar. 10	333	9,010	33	99,950
Mexican Railway	10 weeks	Mar. 14	463	\$340,000	55,200	1,000,000
			Net	\$120,700	43,800	1,201,700
Do	1 mth	Jan. 31	Net	\$268,700	29,300	268,700
Nasario Ocarachama	12 mths	Dec. 31	..	11,825	1,067	135,161
Ottoman Railway	2 weeks	Sept. 2	193	12,760	..	62,770
Paraguay Central	56 weeks	Mar. 10	274	2,530	576	65,800
Puerto Cabello, Etc.	2 mths	Feb. 28	86	4,500	500	9,500
Salvador	56 weeks	Mar. 17	100	5,000	532	131,886
San Francisco	2 mths	Feb. 28	..	158,752	19,480	14,701
Samana & Santiago	2 mths	Feb. 28	..	7,110	1,069	12,270
Zatras and Hueval	1 month	Jan. 31	112	\$11,644	148	11,644

Name.	Period.	Ending.	Present Mileage	Receipts for Month.		Total Receipts.	
				1922-3.	1 or -	1922-3.	1 or -
Barcelona Trazo. ropta, in pessa.	1 mth	Jan. 31	Gross Net	P485,556.71 + 228,228.71 -	780,970 2,228,751	+ 780,970 2,291,060	
Brazilian Trazo. recips. in mil.	1 mth	31	Gross Net	18,655,000 + 11,027,000 +	3,626,000 2,331,000	18,658,000 + 19,221,000 +	
Briacane Electric Bris. Columbia	12 mths	Dec. 31	Gross Net	595,575 + 2,075	52,845 20,345	52,845 + 6,118,759 +	
Electrico, de C.	7 mths	Jan. 31	Gross Net	\$285,770 + 21,561	1,839,906	180,754	
Buenos Ayres La Croze Trams	8 mths	Feb. 28	511	\$58,492 +	3,265	485,267 + 23,520	
Bormah Electric Trwys. & Lightg.	7 mths	28	..	R661,939 +	9,559	.. + 35,130	
Cape Elec. Trams	1 mth	28	Gross Net	\$10,276 ..	..	..	
Canadian - Wttn. Natural Gas	4 mths	Jan. 31	Gross	\$107,765 -	10,337	389,103 + 9,127	
Carthage and Hortorias Trms.	2 mths	Feb. 28	19	2,180 -	593	4,471 - 1,377	
Cities Service Co.	Year	Jan. 31	Gross Net	\$1,397,655 + \$1,352,229	152,818 143,218	14,810,389 + 14,554,894	
Cordoba Electric	10 mths	Dec. 31	Gross	\$23,552 +	3,098	263,334 + 31,171	
Elec. Sup. of Vta. Havana, Elec.Rl.	44 weeks	Jan. 31	23	\$4,875 +	70	29,935 - 746	
Light, & Power	12 mths	Dec. 31	Gross Net	\$1,129,931 + \$606,034 -	17,735 15,432	12,910,706 + 6,801,736 -	
International Light & Power	7 mths	Jan. 31	Gross Net	\$22,139 + ..	11	147,359 - 4,848	
Kaiser Electric Tramways	11 mths	Nov. 30	Gross Net	\$22,566 \$676	127	27,353 + 1,879	
Keystone Tele. ..	1 mth	Jan. 31	Gross Net	\$144,111 + \$62,169	5,751 7,027	144,111 + 62,169	
La Guaira Harbr. Lima Electric	1 mth	Feb. 28	..	\$5,792 -	159	.. - 1,003	
Lines Electric and Tramways	2 mths	28	Gross Net	\$56,770 + \$8,593	3,736 6,362	803,177 + 232,367	
Manila Electric Railroad, &c.	12 mths	Dec. 31	Gross Net	\$309,557 + \$140,513	305 13,328	309,557 + 140,413	
Pars Electric	1 mth	Jan. 31	Gross Net	\$22,663 + \$93,000	744 199	72,354 + 30,025	
Puebla Tram. &c.	3 mths	Feb. 28	Gross	\$25,365 +	6,254	221,740 + 41,439	
Shanghai Electric	1 mth	Jan. 31	Gross	\$37,400 -	20,400	37,400 - 29,400	
Shanghai Electric Union Electric T.	1 mth	Jan. 31	Gross Max.	\$184,550 +	3,915	184,550 + 3,915	
Union Electric T. of Montevideo	4 mths	Feb. 28	Gross	\$25,365 +	6,254	221,740 + 41,439	
Vers Cruz	1 mth	Jan. 31	..	\$37,400 -	20,400	37,400 - 29,400	
Victoria Falls & Transvaal Pwr.	Quarter	Sept. 30	Net	\$239,082 -	..	..	
Winnipeg Electric	1 mth	Jan. 31	Gross Net	\$506,804 + \$156,078	8,227 12,528	506,804 + 156,078	

LABORATORY PROCEEDINGS:

ANALYSIS OF BALANCE-SHEETS.

BRITISH PORTLAND CEMENT.
December 31, 1922.

LIABILITIES.	Compared with Dec. 31, 1921.	ASSETS.	Compared with Dec. 31, 1921.
Amount.	£	Amount.	£
Prof. shares.....	1,180,000 ..	Property, plant, &c. 2,534,560 ..	838,445
Ord. shares.....	1,382,622 ..	Investments at cost and loans ..	1,125,940 .. + 96,580
5% deb. stock ..	1,585,008 ..	Stock-in-trade ..	404,240 .. + 121,224
Creditors ..	335,835 ..	Debtors ..	381,122 .. + 32,923
Reserves ..	812,137 ..	Deb. discount, &c. ..	25,355 .. + 27,674
Profit and loss ..	292,675 .. + 1,516	Issue expenses ..	304,923 .. + 51,550
Total	4,776,140 ..	Total	4,776,140 ..

LAMPOR AND HOLT.
December 31, 1922.

LIABILITIES.	Compared with Dec. 31, 1921.	ASSETS.	Compared with Dec. 31, 1921.
Amount.	£	Amount.	£
Ord. shares.....	2,240,000 .. + 1,140,000	Investments in shipping	6,602,228 .. + 1,765,295
Preference shares 2,000,000 ..	..	Investments ..	1,570,899 .. + 384,754
Reserve account ..	800,000 ..	Sundry debtors ..	169,395 .. + 145,089
Insurance acct ..	250,000 ..	Cash	386,081 .. + 321,933
Debenture stock ..	2,950,000 .. + 2,000,000		
Sundry creditors ..	135,230 .. + 52,637		
Bills payable ..	174,739 ..		
Profit and loss ..	138,634 ..		
Total	8,728,603 ..	Total	8,728,603 ..

THE SALT UNION.
December 31, 1922.

LIABILITIES.	Compared with Dec. 31, 1921.	ASSETS.	Compared with Dec. 31, 1921.
Amount.	£	Amount.	£
Preference shares.....	600,000 ..	Freehold, &c., properties, plant, &c. ..	2,030,388 .. + 141,338
Ordinary shares ..	800,000 ..	Goodwill ..	66,272 .. + 5,792
Sundry creditors ..	387,177 ..	Rolling stock ..	70,504 .. + 1,518
Contingencies acct. ..	530,524 ..	Furniture ..	510 .. + 55
Insurance reserve ..	100,000 ..	Stocks of salt ..	126,832 .. + 16,765
General reserve ..	400,000 .. + 4,033	Fuel and material ..	100,115 .. + 16,479
Investments ..	..	Sundry debtors ..	139,174 .. + 38,894
Profit and loss ..	180,228 .. + 48,666	Debit balance, &c. ..	7,366 .. + 2,525
Total	3,658,934 ..	Total	3,658,934 ..

SAVOY HOTEL, LIMITED.
December 31, 1922.

LIABILITIES.	Compared with Dec. 31, 1921.	ASSETS.	Compared with Dec. 31, 1921.
Amount.	£	Amount.	£
7% pref. shares ..	250,000 ..	Savoy Hotel, &c. 1,881,843 ..	2,329
Ord. shares ..	738,934 ..	Claridge's Hotel ..	180,000 .. + 2,329
Debentures and mortgages ..	1,276,800 ..	Berkeley Hotel ..	100,000 ..
Staff superannuation fund ..	17,740 ..	Stocks ..	315,616 .. + 59,878
Reserve and redemption accs. ..	87,200 .. + 53,600	Investments ..	106,322 .. + 26,175
Creditors ..	264,326 ..	Cash	139,624 .. + 50,497
Profit and loss ..	88,005 .. + 934		
Total	2,722,805 ..	Total	2,722,805 ..

STEWARTS AND LLOYDS.
December 31, 1922.

LIABILITIES.	Compared with Dec. 31, 1921.	ASSETS.	Compared with Dec. 31, 1921.
Amount.	£	Amount.	£
Prof. shares ..	550,000 ..	Cash	524,342 .. + 960,862
Ord. shares ..	850,000 ..	Investments ..	830,463 .. + 54,303
Def. shares ..	2,638,100 .. + 8,070	Bills receivable ..	13,596 .. + 16,407
Reserve fund ..	1,100,000 .. + 130,000	Debtors and debit balance ..	2,255,474 .. + 636,586
Depreciation acct. ..	1,670,000 .. + 70,000	Stocks, work in progress, &c. ..	583,991 .. + 108,855
Unclaimed divs. ..	1,113 .. + 455	Expenditure on capital account ..	4,131,822 .. + 269,159
Creditors & credit balances ..	881,580 .. + 196,488	and shares ..	4,131,822 .. + 269,159
Profit and loss ..	648,895 .. + 138,113		
Total	8,339,688 ..	Total	8,339,688 ..

WILLIAM WHITELEY.
February 14, 1923.

LIABILITIES.	Compared with Feb. 14, 1922.	ASSETS.	Compared with Feb. 14, 1922.
Amount.	£	Amount.	£
4% cum. pref. shares ..	450,000 ..	Land, bldgs., &c. 1,356,576 ..	24,611
Ord. shares ..	450,000 ..	Leasehold ..	242,688 .. + 450
Management shares ..	100 ..	Plant, &c. ..	151,048 .. + 6,739
4% deb. stock ..	900,000 ..	Working plant, &c. ..	42,956 .. + 171
Int. accrued ..	16,620 ..	Horses, vans, &c. ..	32,911 .. + 8,061
Loans on mortgage ..	..	Stock-in-trade ..	265,845 .. + 28,859
Deposits and current accounts ..	532,962 .. + 37,723	Book debts, &c. ..	640,198 .. + 16,383
Sundry creditors ..	245,381 .. + 4,467	Investments ..	264,135 .. + 103,291
Reserve for corporation profits, &c. ..	27,431 .. + 118,455	Cash	104,141 .. + 43,901
Reserve ..	220,000 .. + 10,000		
Profit and loss ..	358,004 .. + 91,937		
Total	3,300,498 ..	Total	3,300,498 ..

OIL OUTPUTS.

UNITED BRITISH OILFIELDS OF TRINIDAD, LIMITED.—Combined production for the week ending Wednesday, March 14, 1923, amounted to 797 tons.

Reports and Notices.

Mr Henry Montgomery Crozier has been elected chairman of Browne and Eagle, Limited, in place of Mr Joseph Francis Lescher, deceased.

BANKS.

BANCA ITALO BRITANNICA.—The net profit for the year 1922, as shown by the balance-sheet, amounts to Lit808,144. Deducting therefrom Lit30,944, to be carried to the ordinary reserve fund, which will then amount to Lit130,000, Lit577,198, and adding the balance carried forward from 1921, Lit127,972, the total profits available for allocation are Lit705,170. The directors propose:—(1) To distribute a dividend at the rate of 4 per cent. per annum on the paid-up capital, absorbing Lit460,000, viz., Lit400,000 in respect of 2,000 shares of Lit5,000 each, fully paid, for 12 months, and Lit60,000 in respect of 2,000 shares of Lit5,000 each, paid up Lit1,000, for nine months; (2) to place to special reserve fund Lit120,000, thus increasing it to Lit470,000; (3) to carry forward to new account the balance of Lit125,170. If these proposals meet with approval, the dividend will be payable as from April 16th, under deduction of 15 per cent. in the case of bearer shares, and with the addition of negotiation-tax allowance in the case of registered shares. The increase of the capital of the bank to 20 million lire, which was resolved on March 8, 1922, was effected by the issue of 2,000 shares of Lit5,000 each, on which Lit1,000 per share was paid up on subscription, and the balance of Lit4,000 per share called and paid up on March 15, 1923.

CHARTERED BANK OF INDIA, AUSTRALIA, AND CHINA.—The accounts for 1922 show a net profit, after providing for all bad and doubtful debts, of £1,004,701, inclusive of £215,170 brought forward from the previous year. The interim dividend, at the rate of 14 per cent. per annum, paid in September last, absorbed £210,000. The amount now available is therefore £794,701, and the directors propose to pay a final dividend at the rate of 14 per cent. per annum, together with a bonus of 6s 3d per share, making 20½ per cent. per annum for the whole year, free of income-tax; to add £100,000 to the reserve fund, which will then stand at £3,800,000; to add £25,000 to the officers' superannuation fund; to write off premises account £50,000, and to carry forward the balance of £222,201.

NATIONAL BANK OF EGYPT.—The gross profit for the year 1922, after providing for depreciation on the bank's buildings and furniture, for rebate of discount, and for bad and doubtful debts, amounts to £906,870. Directors' fees absorb £11,937. Current expenses amounted to £392,839, leaving a net profit of £502,094, to which is added £180,920, making £683,014 available. The sum of £50,000 is allocated to special reserve for contingencies. The ordinary dividend of 15 per cent. for the year absorbed £450,000, and the balance of £183,014 is carried forward.

NATIONAL BANK OF INDIA, LIMITED.—The net profits for the year 1922, after providing for all bad and doubtful debts, amount to £535,160 5s 5d, and adding £164,095 12s 8d brought forward, the available total is £699,255 18s 1d. An *ad interim* dividend at the rate of 20 per cent. per annum, free of income-tax, was paid on September 19th last, amounting to £200,000. The directors now recommend a further dividend at the same rate, and an addition of £100,000 to the reserve fund, raising it to £2,700,000. They proposed to write £20,000 off house property account, and to add £20,000 to the officers' pension fund, leaving a balance of £159,255 18s 1d to be carried forward.

RUBBER.

GULA-KALUMPONG ESTATES.—The output of rubber for the year amounted to 1,183,280 lbs, representing 70 per cent. of the estates' assessed "standard production" of 1,689,612 lbs. The net profit per acre of mature rubber amounted to £12 1s 2d. The Kalumpung Estate smokehouse was destroyed by fire on September 3rd; the loss was covered by insurance. 7,500,000 coconuts were gathered during the year, yielding 1,608 tons of copra. The net profit per acre of mature coconuts amounted to £5 13s 3d. No estimate of the output of rubber can be given, this depending upon the percentage of "standard production" allowed to be exported under the Export of Rubber (Restriction) Enactment, 1922. The exportable percentage to April 30, 1923, is fixed at 60 per cent. The manager estimates that 8,000,000 coconuts will be gathered during the year, to yield 1,785 tons of copra. The net profits for the year amount to £74,821, to which must be added the balance from 1921, £40,406, less corporation profits tax £2,615—£119,612. Out of this total the directors recommend the following appropriations:—To reserve fund, £10,000; to income-tax account, £10,000; to dividend, 10 per cent. (income-tax will be deducted at the rate of 5s in the £), £50,000; leaving to be carried forward (subject to corporation profits tax), £49,612.

ASSURANCE COMPANIES.

NATIONAL MUTUAL LIFE ASSOCIATION OF AUSTRALASIA, LIMITED.—A cable has been received by the London office that the meeting in respect of the seventeenth triennial investigation for the three years ended September 30, 1922, has just been held in Melbourne. The report of the actuary on the valuation showed that there was a surplus over liabilities of about £1,700,000. This surplus is considerably more than double that of the previous valuation as at September 30, 1919. In consequence of the good results disclosed by the valuation the association has been able to declare reversionary bonuses as at September 30, 1922, on a very high scale. Under whole life policies (Table I.) the lowest bonus declared is £1 16s per cent., and under other assurance tables the lowest bonus is £1 14s per cent. (except under two unimportant tables with policies maturing at the early ages of 35 and 40, where the lowest bonus is £1 12s per cent.). The bonuses increase with the duration of policies until under certain policies of long duration the bonus amounts to £3 per cent. per annum. Assuming future distributions to be at the same rate as at September 30, 1922, the bonuses on assurance policies in force for 20 years would average from £1 19s per cent. to £2 8s per cent. per annum. It has been decided that bonuses shall be declared annually in future instead of triennially as heretofore.

MISCELLANEOUS.

LAMPOR AND HOLT, LIMITED.—The profit for the year 1922, after providing for depreciation, amounts to £134,472, to which must be added £137,162 brought forward from 1921, making a total of £271,634. The board has placed £8,000 to the staff superannuation funds, and after payment of the dividends on the preference shares, it recommends the payment of a dividend on the ordinary shares at the rate of 6 per cent. per annum, and that the balance of £66,824 17s 6d be carried forward. The passenger steamer "Vandyck," 13,233 tons, and the motor vessels "Linnell," 4,424 tons, and "Lassell," 7,419 tons gross register, were delivered by the builders during the year. The steamers "Rembrandt," "Tennison," "Byron," and "Siddons" have been sold. The company's fleet consists of 49 vessels, besides sundry small craft, the total tonnage being 320,039 gross.

PINCHIN, JOHNSON, AND CO., LIMITED.—The directors state that the results of the year 1922 are extremely satisfactory, the profits showing a substantial expansion over the figures for previous years. Despite the continuance of difficult trading conditions all over the world during the past year, the company's business shows a gratifying increase in every section, and there has been a satisfactory development of the company's business both at home and abroad. The improvement reflected in the trading results for 1922 shows a continuance in the present year, with satisfactory indications for the future. The year's trading, after providing for all expenses, shows a net profit of £70,549. There was a balance brought forward from last year of £16,512, making a total sum to the credit of profit and loss account of £87,061. Deducting: Interim dividend on preference share capital for half-year to June 30, 1922 (less tax), £11,781; interim dividend of 5 per cent. on ordinary share capital (less tax), £11,062, there remains a balance of £64,218. The directors recommend that the following appropriations be made:—Half-yearly dividend on preference shares, less income-tax (paid January 1, 1923), which will absorb the sum of £12,187; a dividend of 10 per cent. on the ordinary shares (making 15 per cent. for the year), less income tax, which will absorb the sum of £22,125. Writing the sum of £6,000 off preliminary expenses of new capital issue, £6,000; carrying to general reserve the sum of £7,000; carrying forward to 1923, £16,905.

ROLLS-ROYCE, LIMITED.—The report for the year ended October 31, 1922, shows that after (a) paying or providing for all trading expenses and suitable depreciation of buildings, machinery and plant, and charging repairs and replacements to revenue, and (b) making provision for corporation profits tax, there is available for distribution the sum of £149,208 12s 4d, together with a amount of £8,133 14s 4d carried forward from the previous year. The three months' engineers' lock-out at the works seriously disorganised the output, and, as will have been anticipated, affected the trading for the year. Certain moneys for excess profits duties and for other claims, which were included in the liabilities at October, 1921, have now been released and placed to the credit of the accounts for the year under review. The directors recommend that 8 per cent. be paid on ordinary shares, absorbing £64,932. That £60,000 be transferred to reserve and £24,000 to income-tax account. The sum of £8,410 is carried forward.

STEWARTS AND LLOYDS, LIMITED.—The report for 1922 shows that the net profit, after setting aside £70,000 for depreciation and after making provision for estimated liability for income-tax and corporation profits tax, amounts to £522,077, to which falls to be added the balance brought forward from previous year, £185,817, together £707,894, and after deducting the interim dividends for the half-year to June 30, 1922, at the rate of 6 per cent. per annum on the preference and 10 per cent. per annum on the preferred ordinary shares (paid on September 30, 1922), amounting to £59,000, there remains a balance of £648,894, which the directors recommend should be appropriated as follows:—To reserve fund, £100,000; to employees' benefit reserve, £10,000; to payment of dividend for half-year ended December 31, 1922, at the rate of 6 per cent. per annum on the preference shares (from which income-tax will be deducted), £16,500; to payment of dividend for half-year ended December 31, 1922, at the rate of 10 per cent. per annum on the preferred ordinary shares (from which income-tax will be deducted), £42,500; to payment of dividend for year ended December 31, 1922, of 2s per share on the deferred shares (free of income-tax), £263,810; to payment of bonus for year ended December 31, 1922, of 6d per share on the deferred shares (free of income-tax), £65,952; to be carried forward, £150,132.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

Climatic conditions marked a slight improvement during the past week, there being less rain and more sunshine, especially in southern parts of the country. A spell of fine dry weather is much to be desired, in order that farmers may push ahead with spring sowings. A firm tone was in evidence at market, and prices moved in sellers' favour, both for bread and feeding stuffs, in sympathy with higher forward offers. English wheat displayed a very steady tone, but trade was by no means fast. Best milling samples ruled at 9s 4d to 9s 9d, with inferior sorts at 8s 3d to 8s 9d per 112 lbs, free on rail. Imported descriptions were more 8s 9d per 112 lbs, free on rail. Generally higher rates. No. 1. reservedly offered, while held for generally higher rates. No. 2. Northern Manitoba quoted 49s 9d, No. 2 mixed Durum 47s 3d, Rosafé 63 lbs 48s 6d, all ex-ship, to arrive, and Australian landed 53s 6d per 406 lbs. The cargo sections displayed more activity, and a considerable business transpired to the Continent. Some 50,000 tons Barusso 62½ lbs loading and prompt shipment sold

to Germany at 49s 4½d, Rosafé 62½ lbs expected ready to load at 49s 6d. Choice white Karachi April shipment 48s 3d to 48s 9d, and part cargo of Australian to Ireland at 50s 3d per 480 lbs. Visible supplies in the United States are about unaltered, but a fair increase is observed in Canada. Floating supplies are on a limited scale, while United Kingdom stocks continue to decline. Crop prospects in the chief importing countries remain favourable, with an improvement noted in North America. Flour moves off quietly, but rates are maintained owing to the wheat position. London standard straight run quoted 40s, patents 42s to 43s, town households 38s per sack delivered in Metropolitan area. Imported dull of sale. Manitoba patents range from 37s to 41s as to quality, Minneapolis good patents 40s to 40s 6d, and Australian 36s 6d to 38s 6d, all per 280 lbs ex store. Barley moves off slowly, and tendency of values weak. English ranges from 6s 9d to 12s 6d per 112 lbs free on rail as to quality. Of imported, Californian quoted 42s 6d to 45s ex ship, Australian Chevalier 46s to 51s ex store per 448 lbs. Plate 28s 6d, Persian 25s 3d, and Danubian 28s 6d to 29s 6d, all per 400 lbs landed terms. Maize firmer and sellers more reserved, owing to higher c.i.f. values. Plate ex ship quoted 28s, landed 29s, American mixed 36s, ditto landed 37s 6d, East African 35s ex ship per 480 lbs. Cargo market ruled firmer for old crop positions, which attracted more attention, and steamers of La Plata on passage changed hands at 37s 6d. A good trade was conducted in parcels at full to dearer rates. Oats steady for native varieties at 8s to 10s 3d per 112 lbs free on rail as to sample. Imported opened firmer, but the improvement was not maintained. Plate f.a.q. 25s 3d, No. 2 white clipped American 25s 3d, No. 2 Canadian Western 20s 6d, No. 2 Canadian feed 20s 6d, New Zealand A grade 38s, B grade 37s, all per 320 lbs landed terms. Oatmeal steady, with a moderate trade in force. London made, all cuts 17s 6d, flaked oats 20s 6d ex mill. Ordinary Scottish oatmeal 18s 6d to 19s, and American all cuts 17s per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1922-23, contrasted with 1921-22, 1920-21, and 1919-20:—

	1922-1923.	1921-1922.	1920-1921.	1919-1920.
Estimated sales of home-grown wheat—	Cwts.	Cwts.	Cwts.	Cwts.
1 week to March 17	416,547	536,307	295,163	308,583
27 weeks to March 17	12,411,269	12,663,470	9,019,583	9,061,394
Average price of English wheat per quarter	s d	s d	s d	s d
— per cwt	40 5	53 7	87 2	72 7
	9 5	12 6	20 4	16 11

THE
STANDARD BANK
OF SOUTH AFRICA, LIMITED.

(with which is incorporated the
AFRICAN BANKING CORPORATION, LTD.)

Bankers to the Government of the Union of South Africa in Cape Province; to the Imperial Government in South Africa; and to the Administration of Rhodesia.

AUTHORISED CAPITAL ..	£10,000,000
SUBSCRIBED CAPITAL ..	£8,516,660
PAID-UP CAPITAL ..	£2,229,168
RESERVE FUND ..	£2,893,338
UNCALLED CAPITAL ..	£6,687,495
	£11,809,955

Board of Directors.
William Relferson Arbuthnot, Esq., Solomon B. Joel, Esq., J.P.
Sir David M. Barbour, K.C.S.I., K.C.M.G. Horace Peel, Esq.
Edward Clifton Brown, Esq., Rt. Hon. the Earl of Selborne, K.G.
Stanley Christopher, Esq., William Smart, Esq.
Robert E. Dickinson, Esq., Rt. Hon. Lord Sydenham, G.C.S.I.,
James Fairbairn Finlay, Esq., C.S.I. G.C.M.G., G.C.I.E., G.B.E.

Senior General Manager in South Africa—J. P. Gibson.
Joint General Managers in South Africa—John Jeffrey,
James S. Shiel,
Asst. Gen. Managers in South Africa—G. F. Le Sueur, W. K. Robertson,
London Manager—Francis Shipton. Secretary—Herbert G. Hoey.

Head Office: 10, CLEMENTS LANE, LOMBARD ST., LONDON, E.C.4
London Wall Branch: 68, London Wall, E.C.2.
West End Branch: 9, Northumberland Avenue, W.C.2.
(Opposite the Royal Colonial Institute.)
NEW YORK BRANCH: 67 WALL STREET.
ROTTERDAM BRANCH: 16 COOLINGEL.
HAMBURG BRANCH: 10, ROSENTHAL-STRASSE.

Bank of British West Africa, Ltd., 40-48 CHAUNCEY-STRASSE.
Over 360 Branches, Sub-Branches and Agencies in
CAPE PROVINCE, NATAL, ORANGE FREE STATE, TRANSVAAL, RHODESIA,
NYSALAND, BASUTOLAND, KENYA COLONY, KENYA PROTECTORATE,
UGANDA, TANZANIA, PORTUGUESE EAST AFRICA, SOUTH WEST
AFRICA, TANGANYIKA TERRITORY, BELGIAN CONGO.

BANKING BUSINESS OF EVERY DESCRIPTION transacted at all
Branches.
CURRENT ACCOUNTS opened on the usual terms, and DEPOSITS
RECEIVED for fixed periods at rates which may be ascertained on
application.
SAVINGS BANK ACCOUNTS opened on terms, particulars of which
may be obtained at Branches.
BILLS NEGOTIATED AND COLLECTED.
DRAFTS issued, MAIL AND TELEGRAPHIC REMITTANCES made.
LETTERS OF CREDIT AND COMMERCIAL CREDITS established.
TRAVELLER'S LETTERS OF CREDIT issued available in all parts of
PURCHASE AND SALE of Stocks and Shares effected. [the world]
DIVIDENDS, ANNUITIES, ETC., received and COUPONS COLLECTED.
STRONG ROOMS provided for the safe custody of Securities and Valuables
of Customers.
ASSAY DEPARTMENT—Gold, etc., and all Mineral Ore assayed and
EXECUTOR and TRUSTEE business undertaken. [realised].
The Officers of the Bank are bound not to disclose the transactions of its customers.

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Pay- ment of Deben- ture Interest.	Amount Avail- able for Distri- bution.	Appropriation.				Corresponding Period Last Year.		
					Dividend.			Carried to Reserve, Deprecia- tion, &c.	Balance Forward.	Net Profit.	Divi- dend.
					Prefce.	Ordinary.	Rate.				
					Amount.	Amount.	Rate.				
Banks.											
British Italian Corporation	Dec. 31	£ 27,724	£ 38,965	£ 66,689	£ ..	£ 40,000	4†	£ ..	£ 26,689	£ 43,395	4†
Chartered Bank of India, Australia, and China	Dec. 31	215,170	789,531	1,004,701	..	607,500	20†	175,000	222,201	780,069	20†
National Bank of Egypt	Dec. 31	180,920	502,094	683,014	..	450,000	15	50,000	183,014	558,556	15
National Bank of India	Dec. 31	164,096	535,160	699,256	..	400,000	20†	140,000	159,256	555,064	20†
Breweries.											
Swansea Old	Dec. 31	2,099	717	2,816	1,770	..	..	..	1,046	2,074	..
Electric Lighting and Power.											
Clyde Valley Electrical	Dec. 31	51,547	151,638	203,185	56,814	48,000	8	65,028	33,343	106,389	7†
Newcastle-upon-Tyne Electric	Dec. 31	13,982	336,979	350,961	179,978	32,442	2‡	120,000	18,541	240,776	Nil
Hotels, Restaurants, &c.											
Grand Hotel, Bristol	Dec. 31	5,993	4,153	10,146	..	1,702	10	2,270	6,174	4,975	10
Savoy Hotel	Dec. 31	26,596	142,327	168,923	17,500	73,893	10	50,000	27,530	136,398	10
Iron, Coal, and Steel.											
Albion Steam Coal	Dec. 31	21,095	4,773	25,868	13,200	..	..	..	12,668	9,388	nil
Barrow Hematite Steel	Dec. 31	5,333	1,186	6,519	2,262	..	..	..	4,257	Dr 14,493	Dr 28,983
Leeds Forge	Dec. 31	4,895	Dr 56,425	Dr 51,530	..	..	..	Dr 53,090	3,470	31,487	nil
Mirrlees Watson Co.	Dec. 31	14,911	2,929	17,840	..	13,754	10	..	4,086	41,444	12‡
North Navigation Collieries	Dec. 31	44,784	39,756	84,540	3,684	34,191	5	..	46,665	26,349	5
P. and W. Maclellan	Dec. 31	27,039	23,813	50,852	18,000	10,500	5	Dr 5,000	27,352	44,752	8
Scottish Tube	Dec. 31	19,055	23,460	42,515	15,000	16,179	5	..	11,336	51,363	7
Stewarts and Lloyds	Dec. 31	185,817	522,078	707,895	33,000	85,000	10†	110,000	150,133	801,450	10†
Motor and Cycle.											
Leyland Motors	Sept. 30	Dr 135,513	Dr 238,392	Dr 393,907	..	..	..	..	Dr 993,907	Dr 289,874	..
Rolls-Royce	Oct. 31	8,134	149,208	157,342	..	64,932	8	84,000	8,410	107,326	8
Rubber, &c.											
Batu Caves	Dec. 31	8,960	10,922	19,882	..	8,640	4	1,000	10,242	18,708	nil
Cheviot	Dec. 31	23,510	15,315	38,815	..	8,500	5	7,700	22,615	22,394	5
Damansara (Selangor)	Dec. 31	5,310	18,160	23,470	..	15,750	5	4,400	3,320	11,971	3‡
Golden Hope	Dec. 31	3,849	5,074	8,923	..	4,000	5	..	4,923	Dr 4,962	nil
Gula-Kalumpang	Dec. 31	46,791	72,822	119,613	..	50,000	10	20,000	49,613	53,674	7‡
Harpden (Selangor)	Dec. 31	1,971	5,993	7,964	..	5,625	3‡	1,000	1,339	5,498	3‡
Labu (F.M.S.)	Dec. 31	11,191	19,541	30,732	..	15,000	7‡	14,800	1,532	27,719	5
Sungei Sayong	Dec. 31	Dr 11,806	1,286	Dr 10,520	..	..	..	..	Dr 10,520	..	..
Taiping	Sept. 30	17,218	Dr 24	17,194	..	..	..	..	17,194	Dr 6,129	..
Shipping.											
Lamport and Holt	Dec. 31	137,162	134,472	271,634	125,000	71,810	6	8,000	66,824	189,665	8
Shops and Stores.											
D. H. Evans and Co.	Feb. 19	15,681	112,974	128,655	12,000	54,035	18	22,997	39,623	95,380	17‡
J. R. Roberts' Stores	Feb. 14	12,746	19,247	31,993	1,000	11,625	15	5,250	14,118	17,462	15
Owen Owen	Feb. 20	1,044	22,732	23,776	13,000	9,616	8	..	1,160	20,820	8
William Whiteley	Feb. 14	203,834	190,998	394,832	20,250	90,000	20	24,000	260,582	152,231	14
Tea.											
Augusta	Dec. 31	Dr 819	1,062	243	163	..	..	..	80	1,356	..
Dimbula Valley (Ceylon)	Dec. 31	4,772	43,290	48,062	3,784	36,035	20	5,000	3,243	33,810	15
Highland (Ceylon)	Dec. 31	1,204	6,890	8,094	..	6,400	20	500	1,194	7,682	20
Nahalma	Dec. 31	521	472	993	310	369	2‡	..	314	Dr 866	..
Panawal	Dec. 31	256	5,509	5,765	525	4,482	27‡	..	758	15,131	15
Telegraphs and Telephones.											
British Insulated, &c., Cables	Dec. 31	362,223	304,452	666,675	30,000	150,000	15	95,000	391,675	..	..
Trusts.											
American Investment, &c.	Mar. 15	59,665	64,837	124,502	18,679	37,356	10	7,000	61,467	58,529	10
Foreign, American, and General	Mar. 15	36,651	67,069	103,720	28,018	36,422	6‡	..	39,280	62,076	6‡
Other Companies.											
Barry, Oslere, and Shephard	Jan. 31	97,094	326,428	423,522	21,000	120,521	25	175,000	107,001	149,951	10
British Aluminium	Dec. 31	14,791	109,012	123,803	17,974	50,051	5	40,000	15,778	93,331	5
British Portland Cement	Dec. 31	186,628	366,743	553,371	70,800	138,262	10	156,165	188,144	369,212	10
Coliseum Syndicate	Dec. 31	57,300	31,023	88,323	7,581	15,441	25	..	65,301	22,240	25
E. Robinson and Sons	Mar. 9	3,806	11,509	15,315	1,000	4,500	10	5,000	4,815	11,195	10
Gandy Belt Manufacturing	Dec. 31	3,029	33,121	36,150	4,500	25,000	20†	..	6,650	..	..
Hackney, &c., Empire Palaces	Dec. 31	29,476	5,092	34,568	2,700	4,375	10	..	27,493	992	10
Howard and Wyndham	Feb. 28	1,000	9,465	10,465	1,119	7,831	10	..	1,515	4,630	5
Leicester Palace Theatre	Dec. 31	20,944	3,496	24,440	..	2,975	10	..	21,465	4,509	10
Mazawattee Tea	Dec. 21	30,297	36,881	67,178	12,946	12,870	15	5,000	36,362	37,311	15
Metropolitan-Vickers Electrical	Dec. 31	92,815	225,058	317,873	73,980	103,583	12‡	35,000	105,310	337,102	12‡
Pinchin, Johnson, and Co.	Dec. 31	16,512	70,547	87,061	23,968	33,188	15	13,000	16,905	..	..
Provincial Cinematograph Theatres	Jan. 31	28,521	49,907	78,428	7,500	..	..	53,364	17,564	100,780	..
R. Wylie, Hill, and Co.	Jan. 31	2,777	10,321	13,098	..	8,400	8	2,000	2,698	12,536	8
Salt Union	Dec. 31	21,561	158,667	180,228	70,000	80,000	10	10,000	20,228	108,288	5
Schill Brothers	Dec. 31	3,832	16,227	20,059	..	..	..	..	20,059	..	..
St Augustine's Parade Hippo- drome, Bristol	Dec. 31	51,450	4,731	56,181	1,237	3,937	10	2,245	48,762	..	..

† Free of tax.

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1919 to 1922:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1923.						
Mar. 10	Cwts. 382,840	Cwts. 181,934	Cwts. 54,211	9 4	8 7	9 9
17	418,547	166,613	53,900	9 5	8 9	9 7
1922.						
Mar. 10	311,504	118,833	45,989	16 11	17 4	16 7
17	308,583	98,288	34,701	16 11	16 3	20 9
1921.						
Mar. 10	298,181	122,122	34,928	20 4	14 8	12 8
17	288,988	122,025	31,648	20 6	11 5	10 9

IRON, STEEL, AND COAL.

Our Middlesbrough correspondent's report, dated March 22nd, is as follows: Pig iron: This week the market is decidedly quiet. Consumers have covered their immediate requirements, and are hesitating to buy for forward delivery at present prices. The hesitancy is no doubt largely due to what may develop with regard to the Ruhr position. Meantime prices are fully maintained, with No. 3 Cleveland G.M.B. at 127s 6d per ton, and mixed numbers East Coast hematite now up to 127s 6d. Manufactured iron and steel: Local works are now fairly well supplied with orders, and it is generally anticipated that further steel furnaces will be operating within the next few weeks. The recent advances in prices have

been well maintained, to-day's quotations being as follows:—Steel ship plates, £10 10s; steel ship angles, £10; iron bars, £12; steel rails, £10 10s. Iron Ore: The market is slow, as the ironmasters have sufficient ore in stock and coming forward that will supply all their needs up to probably the end of June, and in the absence of forward business in pig-iron, they are holding off the market for their ore supplies. The sellers' nominal quotation for best rubio is 25s per ton, c.i.f. Tees, but so far this price has not been realised.

Our Sheffield correspondent writes:—Activity in the iron and steel markets has lessened considerably during the last week or two, as the sharp rise in prices is inducing a spirit of caution on the part of buyers. There is a growing feeling that a settlement of Germany's troubles might occur at any moment and cause a drop in prices, and for this reason consumers do not care to take the risk of being saddled with stocks of dear material. There is consequently little forward buying. All the same, the production of steel is insufficient for the demand, and the restricted supplies of pig-iron prevent it being increased. Many orders from overseas, including the Continent, are coming in, most of them for smallish quantities. A proportion of the recent inquiries have had to be turned down for lack of means to supply, as the mills cannot get billets in sufficient quantity to keep their works running at full capacity. Ordinary steel scrap has gone up to £5 per ton or more, and there was a rise last week-end in most classes of iron and steel. Soft billets are now being quoted at £10, hard billets at £10 10s, acid billets at £13, soft wire rods at £13. Derbyshire foundry pig at £5 10s. Scarcely any class of pig-iron is now procurable in the open market. The local unemployment roll is being reduced by about 300 per week. Vickers, Limited, have booked a Government order for 20 tanks of a new type, which will cost £6,000 each. Business continues quiet in fine steels and tools of various kinds, and there has been no progress in these branches since the start in January. Wire makers are busy. The competition of German goods and surplus stores of tools is still being severely felt. The market conditions for coal and coke continue to strengthen, and the trend of prices is still upward. Current quotations at pits are:—Best hand-picked branch, 33s; silkstones, 28s; best South Yorkshire steams, 22s; best slacks, 11s. Best Tyne steams are advanced to 34s, f.o.b.

Our Glasgow correspondent writes:—Although one comes face to face daily with evidences that the ranks of the unemployed are still of uncomfortable proportion in this district, it remains that in nearly all the heavy and leading branches of the iron and steel trades prospects are steadily on the mend. India, South America, Western Africa, Canada and Australia are all given as eager buyers of manufactured materials. Shipbuilding continues to develop. During the week orders have been placed with builders for a large cargo boat and for three moderate sized vessels, while negotiations are in progress, it is stated, for two big motor steamers, a branch of marine engineering on which local firms are concentrating their attention and energies. Steelmakers are naturally benefiting from the greater outlet now being experienced for plates, sheets and sections, and their outlook is said to be encouraging. Black sheet establishments are being pressed for deliveries, notably for overseas markets. For 3-in. delivered Glasgow £12 is being named per ton, and for 24 h.g., f.o.b. Glasgow, £10 5s (5s down on the week) is quoted. Bar iron makers are at £12 for crown sorts. Hematite producers are turning over a large tonnage, and have raised prices by 7s 6d a ton at £6 7s 6d delivered at the steel works. Supplies of Scotch pig-iron and of scrap iron are scarce, and in response to the fact values are hardening. No. 1 foundry iron has been put up 1s 3d at £6 5s, and No. 3 is 3d also at £6. Boiler plates continue at £13, ship plates £9 15s, sections £9 5s. In the past few days ferro-manganese has gone up 20s a ton at £17 per ton, and manufactured copper by £2 a ton to £106, basis strong. An active trade is proceeding in coals, but prices on export account are just the least bit easier. No fewer than 120 vessels are waiting their turn to load at Lanarkshire. Five and Lothian ports for foreign buyers. French, German and Belgian. Splints are commanding 35s a ton, and steams 29s 6d to 32s.

Our Cardiff correspondent writes:—Owing to the labour conditions (details of which will be found under Notes of the Week), the market has been very strong, and prices have further advanced. For spot positions best Admiralty large has touched 40s, and best small steams 30s, but the bulk of the business arranged has been for forward supplies, and contracts have been entered into at f.o.b. prices ranging up to 32s 6d, and even to 35s over the year, for best large steam qualities. Over the next three months the collieries are unusually well sold, and there are prospects of a substantial increase in wages in July, when the first audit embracing current prices will take effect. It is strange, however, that notwithstanding this improved wage outlook, a Conference of the South Wales Miners' Federation this week has decided to instruct its delegates at the forthcoming conference of the Miners' Federation of Great Britain to recommend the service of a three months' notice to terminate the present national wage agreement. The following are the approximate market prices:—Best Admiralty, large, 37s 6d to 40s; second Admiralty, 35s 6d to 37s 6d; best dries, 32s 6d to 35s; black veins, 35s to 37s 6d; Western Valleys, 34s to 36s; Eastern Valleys, 32s 6d to 35s; best bunker smalls, 27s 6d to 30s; ordinary cargo smalls, 24s to 26s 6d; anthracite big veins, 40s to 45s; anthracite machine made cobbles, 45s to 47s 6d; French nuts, 45s to 50s; stove nuts, 45s to 50s; rully culm, 14s 9d to 15s; coke for export, 75s to 80s; inland blast furnace coke at ovens, 32s 6d to 35s; patent fuel, 34s to 40s; pitwood, ex ship, 25s to 26s.

The iron and steel market has been to some extent unsettled by the increase in the prices of coal, scrap, and pig iron, but busi-

ness is fairly active, and current quotations for tinplates are ruling up to 24s 6d per basis box, f.o.t. at works, or 2s above the minimum price. Tinplate bars are also quoted at several shillings per ton above the minimum of £8 16s. The exports of iron and steel from the South Wales ports in the week ending March 16th were the greatest in any single week in the current year. They totalled 19,000 tons, of which 9,600 tons were tin, terre, and black plates, 4,800 tons galvanised sheets, and 4,500 tons of bars, wire rods, hoops, rails, and steel tubes.

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—The market has improved wonderfully during the last week, and although business is by no means active in tops and yarns, there is a better tone generally, and all sections appear to have more confidence in values. This change must be attributed to the strong raw material markets. In London and in the Colonies wool has been selling exceedingly well, and the recent downward tendency seems to have been definitely checked; indeed, the present tendency is in the direction of higher values, sales during the last few days having revealed a marked hardening. It is evident that wool still dominates the position, and apparently users in this country will again begin operating as soon as they are satisfied that stability has been established in the wool market. The outlook on the Continent is still depressing, and the upheaval in Germany continues to retard trade development, but in other directions trade is more promising, and this is especially noticeable in regard to the demand for piece goods for the Far Eastern markets. Some very useful orders have recently been placed with manufacturers, and this probably accounts for the improvement in the spinning section, as spinners report that particulars coming to hand enable them to face the immediate future with a good deal more confidence than was possible a fortnight or so ago. In the yarn trade, however, quotations vary considerably, due to the difference in the position of different firms, and a number of weak sellers give the market an irregular appearance. The loss of the Continental trade is being felt, and, to make matters worse, home spinners are being undersold in most markets by Continental competitors.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

The London sales finished yesterday with a distinctly better tone than was shown at the beginning, and although merino values have not been all that could be desired from an importer's standpoint, it is impossible to find any really weak spot. Everything indicates that the past six weeks will prove to have been a worse period than will be experienced for some time to come, and for

conditions in America and Japan. The present demand for raw material is largely due to the activity in centres other than the West Riding, and it is somewhat humiliating to manufacturers in this district to find that when they offer good cloths to London merchants, they are told that similar goods can be bought from French manufacturers at considerably less cost per yard than the home manufacturers are wanting. There is nothing at all superior about the French fabrics, but London merchants are compelled to buy them in order to keep their own connections. A very strong feeling of dissatisfaction has developed among manufacturers respecting the handicap which is being placed upon the industry of this country. Last Monday a private meeting was held in Bradford, when the whole question was thoroughly discussed, and it is understood that representations are being made to the Board of Trade with a view to some of the anomalies being removed. In the meantime, the raw material continues to sell very readily everywhere, and generally speaking there is great confidence in the future of values, this being due to the knowledge that, given an opportunity for the free flow of business through its normal channels, a considerable expansion would take place.

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—March 16, 1923.

Description.	Com.	Med.	Good Med.	Fine.	Extra Fine.	Same Period 1922.			Same Period 1921.		
						Med.	Good Med.	Fine.	Med.	Good Med.	Fine.
Sea Island.....	d	d	d	d	d	d	d	d	d	d	d
Florida do.....	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Georgia do.....	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
American.....	1550	1580	1630	1655	1680	1690	900	985	1135	516	641
Brazilian.....	Mid	M	F	Fr	G	F	G	F	Fr	G	F
Pernam.....	1600	1650	1725	..	..	..	900	1100	..	516	766
Parahyba, Rio Grande, &c.....	1600	1650	1725	..	..	..	900	1100	..	516	766
Macoele, &c.....	1600	1650	1725	..	..	..	900	1100	..	516	766
Mosocoro, &c.....	1600	1650	1725	..	..	..	900	1100	..	516	766
Coara.....	1600	1650	1725	..	..	..	900	1100	..	516	766
Maranhão, &c.....	1600	1650	1725	..	..	..	900	1100	..	516	766
São Paulo.....	1575	1625	1665	..	..	..	975	1075	..	..	..
Egyptian.....	Fr	G	F	Fr	G	F	Fr	G	F	Fr	G
Upper.....	1625	1685	1725	1760	1785	1300	1400	1550	..	950	1250
Sakellaridis.....	1620	1735	1795	1835	1875	1500	1725	1725	..	..	..
Brown.....	1620	1695	1745	1805	1875	1250	1500	1780	..	950	1400
Peruvian.....	MF	Fr	G	F	Fr	G	MF	Fr	G	F	Fr
Rough.....	1750	1875	1950	..	..	..	1300	..	..	1400	..
Moderately Rough.....	1600	1700	1750	..	..	..	1050	1250	..	700	1150
Smooth.....	1550	1725	1800	1825	1875	1025	1200	1350	466	841	966
Tanganyika.....	1620	1725	1800	1850	1950	1050	1200	1400	..	..	..
Misaki.....	1575	1625	1675	1725	..	..	1100	1550	..	..	..
West Indian, &c.....	1550	1650	1725	..	..	..	1000	..	..	..	..
Do Sea Island.....	2000	2300	2530	2700	..	..	2350	2900	..	2530	3100
African, East, &c.....	1155	1255	1430	1530	1630	1730	825	1000	600	800	1000
Do.....	Mid	G	F	Fr	G	F	Mid	Fr	G	F	Fr
Do West.....	1525	1575	1600	1600	..	..	925	1000	..	..	..
Machine Ginned Surtee.....	1510	1550	1590	..	..	..	990	..	..	740	..
Machine Ginned Broach.....	1280	1320	1360	1400	1440	820	860	940	615	640	690
Machine Ginned Bhownagur.....	990	1040	1090	1140	1190	745	795	875	454	504	579
Machine Ginned Comra, No. 1.....	1000	1050	1100	1150	1200	755	805	885	460	510	585
Machine Ginned Comra, No. 2.....	1075	1125	1175	1225	..	..	780	860	..	..	..
Machine Ginned Khandesh.....	1000	1050	1100	1150	1200	705	755	835	335	385	460
Machine Ginned Comrah.....	1235	..	1275	..	..	..	855	..	615	..	..
Machine Ginned Bengal.....	835	875	915	955	995	620	660	740	360	410	485
Machine Ginned Scinde.....	825	865	905	945	985	610	650	730	348	398	473
Untrivelly.....	1435	1475	1515	..	..	..	990	1030	..	715	760
Madras, Western.....	1170	1210	1250	1290	..	..	790	830	..	615	640
Madras, Northern.....	1275	..	..	..	..	..	855	..	..	..	..
M. G. Coconada, Red.....	Fr	1253	..	..	..	..	815	..	615	..	..
China, Smyrna, &c.....	..	..	..	..	..	..	..	..	..	..	..

MANCHESTER, March 22.

The market throughout the week has continued quiet. If anything, the easier tendency in raw cotton rates has accentuated the attitude of buyers in operating from hand to mouth. Whatever may be the feeling elsewhere, it is believed in Manchester that prices in the near future will be on a lower level. Only a miscellaneous business has been done in light fabrics for India, offers in grey staples being decidedly scarce. Not more than a retail turnover has occurred for China, and advices from the other side are no better. For the minor outlets, East and West odd lots have been sold to make up assortments. Certain reports from the home trade are more encouraging, and goods seem to be moving rather better in the country. American yarn quotations remain firmer, but business has been of limited dimensions. Egyptian counts have been rather quieter. Very little has been done in export yarns.

(I.) Comparative Statement of the Cotton Trade.

Description.	Price, Mar. 22, 1923.	Previous Weeks in 1923.				
		Mar. 15.	Mar. 8.	Mar. 1.	Feb. 22.	Feb. 15.
Raw Cotton—Fully Mid. American.....	1614	1677	1686	1634	1623	1595
Sakellaridis Fully Good Fair.....	1800	1795	1775	1740	1750	1750
Egyptian.....	231	234	223	221	221	221
Yarns—32's twist.....	231	234	223	221	221	221
—40's twist.....	221	223	211	211	211	211
—50's twist (Egyptian).....	29	29	28	28	28	28
32-in. Printers, 116 yds, 16 by 16, 32's and 50's.....	32	32	32	31	31	32
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's.....	35	35	35	34	34	34
32-in. ditto, 38 yds, 16 by 16, 10 lbs.....	18	19	19	18	18	19
32-in. ditto, 37 1/2 yds, 16 by 16, 10 lbs.....	17	17	17	17	17	18

(II.) Compared with Previous Years.

Description.	Price, Mar. 22, 1923.	Corresponding dates in				
		1922.	1921.	1920.	1919.	1918.
Raw Cotton—Fully Mid. American.....	1614	1101	826	1616	2476	..
Sakellaridis Fully Good Fair.....	1800	1800	1600	8300	2709	3056
Egyptian.....	231	173	171	62	25	424
Yarns—32's twist.....	231	173	171	62	25	424
—40's twist.....	221	17	162	571	251	421
—50's twist (Egyptian).....	29	28	26	142	49	521
32-in. Printers, 116 yds, 16 by 16, 32's and 50's.....	32	32	32	31	31	32
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's.....	35	35	35	34	34	34
32-in. ditto, 38 yds, 16 by 16, 10 lbs.....	18	19	19	18	18	19
32-in. ditto, 37 1/2 yds, 16 by 16, 10 lbs.....	17	17	17	17	17	18

HIDE, LEATHER, AND ALLIED TRADES.

(BY OUR OWN CORRESPONDENT.)

The hide market remained very steady at Thursday's Bermondsey auctions, best ox selling from 8d to 8 1/2d, and seconds from 6 1/2d to 6 3/4d. The opinion is general that hides have reached their maximum; in fact, some tanners are again reducing their input in view of the difficulty in obtaining an adequate return on their money. Calfskins were decidedly weaker, possibly owing to the absence of foreign orders, and best sold from 6 1/2d to 13 1/2d, decreases of 1/2d to 1d being noted. Wools sold from 5s 6d to 12s 6d each, the hogg class making from 6s to 14s 6d each. Pelts are much higher than at this time last year, and as first-class pelts are scarce, prices are not likely to be much easier. Business in imported hides remains dull, and little support has been forthcoming from British tanners. American tanners are to some extent refraining from buying saladeros in the River Plate, but, so far, this has had little effect on prices. Prices of dry River Plates are a shade firmer, and Capes have sold freely to the Continent, and the U.S.A. cables from New York report the Chicago market as steady, with best packers now selling at 18 1/2 cents.

Business in sole leather has not come up to expectations in Bermondsey this week; tanners, however, in the Northern districts have moved off fair-sized quantities of both heavy and light bends, and light weights of English are well sold forward. Tanners state that dry hides have advanced so much in price that they do not pay for tanning, in view of the low prices obtainable for cheap bends. Dressing leather is a bad seller, owing to lack of export business. Shoulders and bellies are selling fairly well, and prices of rough splits are very firm. Upper leathers and fancy leathers move off slowly, but so great has been the demand for low grades, that tanners have now little to offer, and are pushing their best selections.

There is a decided improvement in the shoe section, especially in districts devoted to ladies' work. Factors and retailers have been pressing for holiday deliveries, and the insistence for cheap lines is still very marked, in view of the high prices retailers are still obtaining from the public.

VEGETABLE OILS AND OILSEEDS.

There has been some buying of Plate linseed round £18 to £18 2s 6d, shipping, or already on passage to Hull, since when the market has had a firmer tone, and values have advanced 7s 6d to 10s per ton. Consumers, however, are proceeding very cautiously as the position of the near future is uncertain, and is complicated by the American demand. Up to the middle of the month the shipments of Plate linseed to North America this year had reached the high total of 174,000 tons, against only 32,000 tons in the same period of last year, when the domestic crop was only two-thirds of the present. The question arises whether, with large imports of seed, America will continue to be so extensive a buyer of oil on this side, though it seems pretty certain that English oil will find a steady market on the eastern seaboard, given reasonable and competitive prices. In view of the trade boom in America, and the increased spending capacity of the people, America should be able to absorb even more linseed oil than it did last year, when English mills contributed a large proportion. Importers appear to be pretty confident, and inquiries here for oil still persist, and combined with a good home demand have assisted to continued firmness. Values after a relapse are again recovered, and with spot oil quoted £40 ex Hull mill are advanced on the week. The forward positions, while steady, are perhaps not quite so firm.

The mills are busy, and have plenty of raw material to be going on with, and have substantial supplies in prospect, the quantity

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of linseed (Plate and Indian) on passage to the U.K. being 76,500 tons. That to the Continent is returned at 100,200 tons, or together 176,700 tons, against 171,500 tons a week ago, and 104,300 tons same date last year.

Egyptian cottonseed had a sharp relapse at the close of last week, and business was done in Sakellaridis at £10 15s. The market has since improved to the extent of 5s per ton. Slightly more enquiry is reported for Egyptian crude, and refined oils and prices are steady, and about unchanged. Bombay crude is very scarce, and commands fully the figure quoted for Egyptian. Other seed oils are in moderate demand, and maintain late values.

The demand for oilcakes continues very disappointing, and both linseeds and cottons are offering at reduced prices. Meals also are slightly easier. The fine open weather, and the depressed state of the agricultural industry militate against a substantial demand.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, March 23.

SUGAR.—With demand from consumers again largely restricted to wants of immediate necessity, actual transactions during the week were only moderate in extent, but prices remained very steady. All white sugars on the spot are now in very limited supply. Of British descriptions, Messrs Tate and Lyle's cubes quoted 65s 6d to 66s 6d; granulated, 60s 10 1/2d to 61s 4 1/2d; yellow crystals, 54s 10 1/2d; caster, 62s to 62s 10 1/2d; finest, 64s 7 1/2d; granulated, April, 61s; June, 61s 9d; July-August, 62s. Crystallised West India in small supply, and quoted 54s 6d to 55s 6d; white Mauritius, spot, 56s 6d. Czechoslovakian granulated, spot, 59s 6d to 60s. American granulated, spot, 60s; March-April, steamer, sold, 32s 6d, c.f. and i., London. Belgian crystals, new crop, October-December, quoted 24s 6d. f.o.b. Antwerp. Cuban basis 96 per cent., March-April, quoted 27s 6d; Brazilian ditto, 27s 6d, and ditto basis 80 per cent., 19s, c.f. and i., U.K. Cuban stocks stand at 667,000 tons, against 678,500 same time last year. Terminal market rather quieter and somewhat unsettled. White May, delivery, sold, 32s 6d to 31s 3d and 32s 3d; August, 31s 10 1/2d to 30s 9d and 31s 10 1/2d; December, 25s 4 1/2d.

COFFEE.—Apart from fair support accorded the more attractive home trade qualities and which cleared at steady prices, a quiet and weaker tone pervaded this market. Of East India, bold Mysore, sold, 16s; bold Nairobi, 10s 4d to 10s 5d for good. Costa Rica, bold sizes, 12s 7s 6d to 14s. Fancy peas reached 17s. Futures delivery market dull.

COCOA.—Market very quiet, but spot parcels were held for previous rates. Accra F/F quality, March-May, sold, 35s 9d, f.o.b. terms.

TEA.—Public sales of Indian embraced some 39,800 packages, and with active and well-distributed competition general firmness ensued. Most descriptions under 1s 7d per lb ruled fully 1/2d dearer as against the previous week. Ceylon sales of 22,830 packages, and while all the finer liquoring parcels received active support at full recent prices, common proved rather quieter and rates the turn weaker. Java and Sumatra teas sold at about steady rates.

RICE.—Quite steady on reserved offers from producing countries, but buyers on this side respond slowly. Two stars, spot, 14s 6d; March-April, 13s 6d, c.f. and i. terms. Rangoon beans, spot, 8s. Japanese peas, spot, sold, 29s 3d. Madagascar butter beans, afloat, done, 14s 9d.

SPICE.—Pepper continued quiet, but with no pressure to sell quotations maintained a steady level. Fair black Singapore, spot, quoted 44d; Aleppo, 44d; Tellicherry, 44d; white Singapore, 64d; Muntok, 64d; Singapore, black, March-May, sold, 44d; Muntok, April-June, 64d. Zanzibar cloves, spot, sold, 1s 1d; January-March and March-May, 10 1/2d to 1s, c.f. and i. Tapioca steady, but general trade quiet. Fair flake Singapore, spot, 34d; fine Java, 44d per lb. Penang, fair seed, spot, sold, 30s; March-April, 28s 6d, c.f. and i. Sago flour, February-April, sold, 13s 4 1/2d; March-May, 13s 1 1/2d to 13s 4 1/2d. Desiccated coconut, spot, halves, sold, 44s; March-April, 41s 9d to 42s 3d; April-May, 41s 3d. Ginger steadily held, but demand is quiet.

FRUIT.—There has been a steady business doing in currants at firm rates. Pyrgos, quarter cases, sold, 53s; bags, 52s; Vostizza quoted 63s to 70s. Valencia raisins quiet, and half-boxes quoted 32s to 34s. Smyrna sultanias steady, quiet, and medium to good quoted 80s to 90s; fine, 105s to 110s. Dates slow, unaltered.

JUTE.—With only quiet inquiries forthcoming from spinners, a dull and weaker condition of affairs pervaded this market. First grade, March-April, usual Continental ports, sold, £32 10s to £31; April-May, £33 to £31. Lightning grade, April-May, quoted £30 per ton. Hessians and also twills steadily held, but actual business very limited.

HEMP.—A quiet and easier tone predominated for Manila parcels, as receipts were on a liberal scale. J grade, March-May, quoted £34 10s; K and L, £33 10s; M, £33; H, on the spot, sold, £37; G, February-April, quoted £37 10s. New Zealand idle, and general situation purely nominal. African Sisal dull. No. 1 Tanganyika, March-May, quoted £37, and No. 1 Kenya, £36.

SHELLAC.—Spot market quiet, futures the turn dearer. T.N., spot, 35s 5d; May, sold, 330s; August, 312s 6d per cwt. **COFFEE.**—Market ruled quiet, and tendency easy, with moderate sales. F.M.S. Straits, February-March, to Rotterdam, quoted at £29 17s 6d; February-April, £29 12s 6d; March-May, £29 8s 9d; April-June, £29 5s; Ceylon, February-April, £31; Java, March-May, £29 15s; Cebu, February-April, £29; Dutch East Indies, £29 10s; South Sea Islands, March-May, quoted, £28 12s 6d; F.M. Straits, March-May, to Marseilles, £28 17s 6d. Mixed, excluding Padang, £28 13s 9d. Palm kernels quiet and barely steady. To Liverpool, April-June, sold at £21 per ton.

RUBBER. dull, and rates tend in buyers' favour. Plantation standard crepe and sheet, spot, sold at 1s 4 1/2d to 1s 4 3/4d; April, 1s 4 1/2d to 1s 4 3/4d; April-June, 1s 4 1/2d to 1s 4 3/4d; July-September, 1s 5 1/2d to 1s 5 3/4d, and 1s 5 1/2d; October-December, 1s 5 1/2d to 1s 5 3/4d. Wild sorta

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the circumstances, the market was not able to meet in full the amounts that fell due at the Bank of England. These inconveniences, however, were generally regarded as temporary, though it is hard to see whence fresh supplies of money are to come, unless and until official expenditure outruns revenue and obliges the Treasury to borrow from the Bank of England. Three months' bills, now a July maturity, were weak in the neighbourhood of $2\frac{1}{2}$ per cent. Yesterday the stringency was continued, and rates varying up to 3 per cent. were paid for loans until Monday. In the discount market the tone was firmer, but there was no appreciable change in quotations.

	Apr. 6, 1923.	Mar. 28, 1923.	Mar. 23, 1923.	Mar. 16, 1923.	Previous Rate and Date Changed.
Bank Rate	3%	3%	3%	3%	$3\frac{1}{2}$ (Jly. 13, '22)
Bank Deposit Rate	1	1	1	1	$1\frac{1}{2}$ (Jly. 13, '22)
Discount (Call)	1	1	1	1	$1\frac{1}{2}$ (Jly. 13, '22)
Houses (Notice)	$1\frac{1}{2}$	$1\frac{1}{2}$	$1\frac{1}{2}$	$1\frac{1}{2}$	$1\frac{1}{2}$ (Jly. 13, '22)
Market rate (3 months' bills)	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	..

The Bank return showed decreases of £341,000 in the note circulation and £3,000 in the stock of gold, the Reserve thus being £338,000 higher. Other securities were $6\frac{1}{2}$ millions lower, and Public deposits declined by 13 millions, Other deposits rising by $7\frac{1}{2}$ millions. Currency notes outstanding were increased by £2,459,200 to £288,074,900 this week, which includes £1,492,000 for notes called in but not yet cancelled. The fiduciary issue is £237,132,800, or £33,051,000 below the maximum.

THE STOCK MARKETS.

This week has belied the reputation of the short Easter week for dullness in the stock markets. The early strength which appeared when the House reassembled on Tuesday became more pronounced as the week advanced. British Government securities have made notable improvement, encouragement being provided by the size of the 1922-23 revenue surplus and revived hopes of some reduction in the income-tax in the coming Budget. There have also been sharp rises in home railway stocks; textiles and nitrate shares have benefited from provincial buying, while tobacco shares and a number of industrials shared in the liveliness. In the Kafir market, too, there has been a little animation. Altogether the short week has been a good one for shareholders and brokers, and for the moment the malign influence of the Ruhr has ceased to operate as a depressing factor.

THE COMMODITY MARKETS.

Business on the Cardiff coal market has been affected by holidays and by the labour dispute in the Rhondda district, and in consequence prices are very firm. Our Middlesbro' correspondent reports that there is a good inquiry for steel and that the outlook for the near future is good. Our Sheffield correspondent, however, mentions that conditions generally in the iron and steel markets are much quieter than a month ago, although works are well employed on contracts. Our Glasgow correspondent, in referring to a quietness in shipbuilding, puts it down to the all-round advance in costs of late. In the Manchester cotton trade, quotations for cotton and for yarn have been firm, but buyers have not been prepared to buy anything more than small lots. In the wool trade, inquiry is again very general and the tone of the market good. Linseed oil has moved upward in value. At the Bermondsey hide auction on Thursday prices slightly advanced. Other details of markets and prices will be found on later pages from our special correspondents.

FOREIGN EXCHANGES.

Holidays and general quietness of business have robbed the foreign exchange market of much interest during the past week. The main feature has been a further sagging of the American rate, which fell away steadily from \$4.68 $\frac{1}{2}$ on the 29th to just over \$4.66 $\frac{1}{2}$ on the 5th. Yesterday morning it was very slightly firmer at \$4.66 $\frac{1}{2}$.

No new factors have intervened beyond high money rates in the States, and the consequent tendency of Americans to get rid of British securities and of this side to move funds to America. On the whole this movement would seem to be slackening off somewhat, but, on the other hand, there is a tendency for an increased British demand for raw materials, and there are also indications of the anticipation which has been marked in recent years of the usual autumnal swing. The rate for forward dollars has narrowed some $\frac{1}{2}$ cent to $\frac{3}{4}$ to $\frac{1}{2}$ cents per month over spot. The Paris rate, which on the 29th closed at 70.55, has been irregular within narrow limits, but on the whole has moved upwards, and yesterday morning stood at about 71.00, while the Belgian franc has moved from 82 to 82.40. Although the official attitude is as unyielding as ever, there is more evidence that French opinion is becoming more doubtful as to the wisdom of the present Ruhr policy, and that the lack of fuel supplies is making itself increasingly felt upon industry. Forward rates have narrowed to 4 to 6 centimes per month over spot in Paris, and in Brussels have widened a little to $2\frac{1}{2}$ to $3\frac{1}{2}$ centimes per month below. At the end of last week the Berlin rate moved sharply upward to as high as 102,500 on the news of the relative failure of the dollar loan, but the authorities would seem still to have the position well in hand, and quotations are now back again at 98,500. The forward rates, however, have widened from 4,000 to 6,000 marks per month above spot. Italy has depreciated slightly from 93 on the 29th to 93 $\frac{1}{2}$ yesterday morning. Among neutral exchanges Amsterdam has moved $\frac{1}{2}$ cent against us, to 11.87 $\frac{1}{2}$, Switzerland has again depreciated a little to 25.40, and Madrid is also rather higher at 30.50. In Scandinavia, Christiania and Stockholm, at 25.82 $\frac{1}{2}$ and 17.57 $\frac{1}{2}$ respectively, have moved slightly against us, Copenhagen, at 24.48 $\frac{1}{2}$ slightly in our favour. Helsingfors, at 17 $\frac{1}{2}$, is $\frac{1}{2}$ mark higher. In Central Europe, Vienna, at rather under 330,000, has appreciated a little. Warsaw, at 195,000, shows little change. Budapest remains nominal, the position there growing rapidly worse. Prague, at 156 $\frac{1}{2}$, has fallen $1\frac{1}{2}$ points, and Bucharest has improved somewhat to rather under 900. In the East the rupee is about $\frac{1}{4}$ d dearer at 18 4 $\frac{1}{4}$ d, and the general position there, with trade better and the promise of a firm budget, is more hopeful. Japan has moved up from 28 0 $\frac{1}{4}$ d to 28 0 31-32d. The silver market has been rather weaker on the news that American Government purchasing under the Pittman Act will come to an end about July, and there has been some speculative selling from India and China. Hongkong is $\frac{1}{8}$ d lower at 28 4d, and Shanghai $\frac{1}{4}$ d lower at 38 1 $\frac{1}{2}$ d. In South America, Rio has fallen from 51 $\frac{1}{2}$ d to 5 11-32d, but is rather better than the worst on more reassuring news from Brazil. Buenos Ayres, at 43d, is 3-32d lower, Montevideo $\frac{1}{4}$ d lower at 43 $\frac{1}{2}$ d. Valparaiso has also depreciated from 36.40 to 37.20 pesetas.

THE NATIONAL ACCOUNTS.

The complete accounts for the past financial year are very much in accordance with expectations. Neither on the revenue nor on the expenditure side were the last three weeks' figures quite so big as we had anticipated. Under the heading "Special receipts" there were no considerable "sweepings" as was the case in the two previous financial years, and there was a still more notable absence of the end of the year expenditure—the result being that the surplus steadily advanced to a figure which is really over £120 millions. It is true that in the published figures the results show a surplus of £101 $\frac{1}{2}$ millions, but this is due to the fact that almost at the last moment the Government decided not to exercise the authority which Parliament gave it of borrowing to pay certain obligatory sinking funds, which up to ten days ago had cost some £22 millions. These items were therefore paid for out of revenue, and figure on the expenditure side above the line before striking the balance for the year. This transference accounts for the fact that in the last four days nearly £24 millions were added to the item "Interest, &c., on war debt," compared with less than four millions added during the corresponding period of last year. The revenue statement is reproduced in full on a later page.

FINANCIAL YEAR, 1922-23.			
	£		£
Total expenditure....	812,496,604	Raised by revenue ..	914,012,452
Net capital repayments	105,871,211	Dec. in balances	4,355,363
Total	918,367,815	Total	918,367,815
ESTIMATES for YEAR 1922-23.			
	£		£
Ordinary Expenditure	823,846,000	Ordinary Receipts ..	820,775,000
Special Expenditure...	61,223,000	Special Receipts ..	90,000,000
Contingencies	25,000,000		
Total	910,069,000	Total	910,775,000
		Surplus	706,000

NATIONAL DEBT.
(Million £.)

	Aug. 1, 1914.	Mar. 31, 1918.	Mar. 31, 1919.	Dec. 31, 1919.	Mar. 31, 1920.	Mar. 31, 1921.	Mar. 31, 1922.	Dec. 31, 1922.	Mar. 31, 1923.
Funded Debt	588	318	318	315	315	315	315	314	314
Term. Annuities	30	22	22	20	19	18	16	15	15
4½% War Stock	63	63	63	63	63	63	63	63	63
4½% War Stock	16	14	13	13	13	13	13	13	13
4 & 5% War Stock	2,091	2,068	2,047	2,040	1,995	1,953	2,071	2,071	2,071
National War Bonds	649	1,636	1,509	1,476	1,413	1,201	971	971	971
4% Funding Loan	..	..	409	409	405	401	401	400	400
4% Victory Bonds	..	..	360	357	348	335	335	335	335
5½% Conversion Loan	..	..	..	..	..	23	24	24	24
5½% Treasury Bonds	..	..	..	..	..	381	166	166	166
5% Treasury Bonds	..	..	..	..	..	..	40	40	40
Do by tender 5%	..	..	..	..	..	8	69	69	69
Do by tender 4½%	..	..	..	..	..	..	84	108	108
Do 4%, 1931-33	..	..	..	..	..	..	..	2	2
Treasury Bills	15	961	957	1,107	1,107	1,121	878	719	616
Exchequer Bonds	20	392	394	323	319	283	185	150	150
Natnl. Savings Certs.	..	138	227	267	274	285	342	350	354
War Expend. Certs.	..	23	..	..	..	..	..	..	..
Other Debt	..	944	1,241	1,306	1,181	1,132	1,087	1,071	1,070
American Loan	..	51	51	51	51	..	..	..	..
Temporary Advances	1	204	455	243	205	154	147	222	194
Unfunded Debt	654	5,872	7,435	8,033	7,829	7,574	7,655	7,768	7,662
Other Capital Liabilities	57	49	46	46	47	49	66	67	68
Total Liabilities	711	5,921	7,481	8,079	7,876	7,623	7,721	7,835	7,730

POSITION OF THE FLOATING DEBT.					Movement
Temporary Advances Out- standing—	Mar. 31, '22.	Dec. 31, '22.	Mar. 31, '23.	Mar. 31, '23.	week ended Mar. 31, '23.
Advances by Bank of England	..	16,500,000..	..	..	..
Advances by Public Deposits	147,301,500..	205,511,500..	193,897,500..	21,656,000	..
Treasury Bills outstanding ..	882,219,000..	719,040,000..	615,046,000..	14,910,000	..
Total Floating Debt	1,029,520,500..	941,051,500..	809,942,500..	6,726,000	..

THE BUDGET PROBLEM.

THE announcement of a revenue surplus of over £100 millions has produced the expected clamour for remission of taxation. Every newspaper and business organisation is running its own pet hobby, and in order to secure its object is providing the Chancellor of the Exchequer with the answer to the arguments of its rivals. The outcry was to be expected, but we hope that even if Mr. Baldwin has not waxed his ears to deaden the voice of the siren he has allowed his experts to bind him to the mast by the bonds of sound finance. His decision is one of the utmost importance, which will determine the future trend of British public finance for years to come. The serious error made last year of putting tax remission in front of a sound sinking fund policy has by good fortune rather than by design had no harmful effect so far, owing to the over-estimating of expenditure. But the choice which has to be made, and made soon, by the nation is the supremely important one of how we are to deal with the war's vast legacy of debt. Already the interest on the debt is over 40 per cent. of our annual expenditure, and as other Budget items fall will soon become nearly one half. One hundred years ago the war debt problem, which was as heavy in proportion to our then wealth as our present debt, solved itself by the increasing productivity of the nation in the 19th century, which caused the money value of the national income to rise enormously. But we cannot expect a similar development of population and of productivity to happen in the 20th century, and more definite and conscious steps are, therefore, needed to deal with the debt. We may take it for granted that pos-

terity will not shoulder in perpetuity a burden which will constantly block public expenditure on measures for social and economic amelioration, and if wise policy does not prevail now, we shall be inviting more drastic and rash measures later. If the burden is to be lightened, four courses are open:—

1. Repudiation or partial repudiation by an arbitrary lowering of the rate of interest.
2. Inflation of the currency, which, by raising prices and incomes, would increase the yield of taxes and reduce the proportionate burden on the nation.
3. A capital levy.
4. A bold and sustained Sinking Fund policy.

The first solution we may dismiss. As to the second, there are obvious objections which we have constantly discussed. We need only mention here that our debt is so large that a very considerable inflation would be needed to effect the desired result, and that when once deliberate and sweeping inflation is embarked upon, it is very difficult to stop. In any case, such a plan is a disguised form of differential taxation on capital and on people with relatively fixed incomes.

The real issue lies between the third and fourth possibilities, and we would urgently commend this point of view to those industrialists who have been so active lately in urging remissions of taxation. The third possibility is an enormously heavy form of taxation unequal, uncertain, and disturbing in its effects—an alternative which may open the door to much greater inroads on private ownership of wealth than is involved in present methods of taxation. A final decision on a capital levy cannot be taken now, but it is important to recognise that unless a drastic Sinking Fund policy is adopted either a capital levy or inflation would appear to be inevitable.

But if the last plan is to be made effective, we must reconcile ourselves to heavy taxation for the lifetime of the present generation. It is not putting the case too high to aim at paying off £5,000 millions of the debt in the next 50 years—a reduction which would reduce the interest charge by at least £200 millions a year at the end of that period. A simple calculation will show that this would require £100 millions a year, the benefit of the reduced interest charge becoming available for lower taxation throughout the period. But there is another way of treating the matter. A Sinking Fund of £50 millions would repay £5,000 millions in 38 years, provided the reduction in the interest charge as a result of the annual repayments is added to the Sinking Fund. Sinking funds are unfortunately a great temptation to Chancellors in distress, and there is no way of pledging future Governments or Parliaments. But our proposal is that it should be the declared policy of the country for the next two or three decades that, in addition to the repayments involved in the American debt settlement, a sinking fund of £50 millions a year should be established, which would rise to £100 millions as the interest charge fell. This means that for some years our debt charge, including sinking fund, would stand at £350 millions, and that remissions of taxation should only be made in proportion as the other items in the Budget fall. Fortunately these other items offer substantial prospects of reduction if a firm policy of economy is pursued.

The published accounts for last year, together with the final estimates, do not appreciably modify the view we have formed as to the coming Budget. Two considerations do, however, suggest that if it is desired to put the most favourable complexion on the situation it will be possible to budget for a larger surplus than we suggested a month ago, and that lower expenditure next year may be anticipated. The first important fact is that the estimates of the Civil Service for 1923-4 show on

balance no reduction at all compared with the current year's expenditure. When the first estimates appeared we hazarded the remark that apart from special war expenditure "the rest of the Civil Service estimates, though lower than current year's estimates, do not show much reduction from the current year's expenditure." The actual situation is as follows:—

	Estimated Expendi- ture, 1922-3. Mln. £'s.	Actual Expendi- ture, 1922-3. Mln. £'s.	Estimated Expendi- ture, 1923-4. Mln. £'s.
Army, Navy, and Air Force ..	138½	111	122
Civil Service	317	287	251½
(original estimate)			
Post Office & Revenue Depts..	66	61½	62½

Thus in the case of the military services, the final estimate of £122 millions shows a substantial increase over the actual expenditure last year of £111 millions. The Revenue Departments expect to spend £62½ millions, against £61½ millions in the year just completed, while the Civil Services are asking for £251½ millions, against an actual expenditure of £287 millions, of which some £30 millions was the final payment to the railways and £17 millions more was "Other war liquidation payments." If these abnormal items are left out of account, the figures now disclosed indicate that the civil departments are budgeting for an increased and not a decreased expenditure.

These figures indicate that the field for further economy is by no means exhausted. In the new estimates £81 millions are for pensions—a figure which will automatically fall. There still, however, remains £170 millions, against Civil Service estimates before the war of £53½ millions. With prices up by only, say, 70 per cent. and an impoverished country, £100 millions is a not unreasonable figure to aim at within the next two or three years. In view of these figures, Mr Baldwin need allow nothing for contingencies, and should be able to do without supplementary estimates.

The other consideration is that the accounts for the year suggest that special receipts have been kept back. The income under this head was very small during March, and the total is 40 millions below estimate; but it is significant that in the floating debt statement the Advances from Government Departments showed a very big increase during the month, which may merely mean that the funds of the Liquidation Commission have not been formally transferred to the Treasury. In any case, the lowness of the special receipts suggests that Mr Baldwin will be able to count on a fair income from this source next year. In view of the delay in the revenue receipts, we should be disposed to forecast a slightly better Budget than a month ago, the significant figures being roughly as follows:—

(Million £.)			
REVENUE.		EXPENDITURE.	
Customs and Excise.....	280	Debt interest.....	304
Income-tax and Estate duty	373	Other charges	30
Corporation Tax, Stamp and		Supply	373
Motor duty	55	Cost of collection	11
Miscellaneous, Interest, &c.,	37	Post Office	51
Special receipts.....	40	Margin	71
Post Office	55		
	840		840

The margin shown on this Budget has to cover the obligatory sinking funds, which are likely to need over £30 millions, plus the American debt amortisation of nearly £5 millions. But if our policy of a minimum sinking fund of £50 millions, apart from the American debt, is adopted, the margin would be only £16 millions. This we believe to be the maximum relief which the Chancellor should afford to the taxpayer this year, with promise of considerably greater relief next year as expenditure falls.

The choice of remission is an embarrassing one; but we see no reason to depart from the sound principle of equal division between direct and indirect taxation. In our view, sugar has the next claim among commodity taxes, and among direct taxes, if the surplus is too small to permit any general reduction in the income-tax, we suggest—to add to the Chancellor's confusion—that he should consider giving relief to small incomes by adjustment of abatements, family allowances, &c.

THE POSITION IN EGYPT.

We discussed the position in Egypt a year ago, when the clouds appeared to be lifting. At the beginning of March, 1922, the British Government recognised the independence of Egypt, agreed to the drafting of a constitution, and promised to terminate the régime of British martial law (by which Egypt has been governed *de facto* since the outbreak of the European War in 1914) as soon as a constitutionally appointed Egyptian Government should have passed an Act of indemnity for actions performed under this irregular and emergency administration. Meanwhile, the British Government reserved its full discretion over the four vital questions of minorities, foreign residents, British Imperial communications across Egyptian territory, and the Egyptian Sudan; but it announced its intention of taking up these questions with the new Egyptian Government, when constituted, with a view to reaching a settlement by friendly discussion. A year has now passed, and unhappily the sky is, if anything, darker than ever. British martial law remains in force, and is being vigorously exercised; British soldiers and civilians are being murdered; Zaghlul Pasha (who, whether we like him or not, is as genuinely representative of the Egyptian nation as Mustafa Kemal Pasha is of the Turkish) until the last few days has been interned as a deportee at Gibraltar, while the leaders of his organisation in Egypt are on trial before our military courts on account of outrages for which they cannot properly be held to be personally responsible, and, finally, a deadlock has been reached over the text of the draft constitution. A dispute arose as to whether the word "Sudan" could be included in the style and title of the King of Egypt without trespassing on the fourth of the "Reserved Questions." A correspondence between the Egyptian Ministry, the British High Commission at Cairo, and the London Foreign Office was terminated by an ultimatum on our side and the resignation of Nessim Pasha and his colleagues on the other; and the nominal government of Egypt has been made over to a "Cabinet of Work," consisting of obscure personalities without a political programme.

The situation is, indeed, demoralising for both parties. To rule Egypt for an indefinite period by martial law, and to call this independence, is bad for our self-respect and our good name; and it is bad for the self-respect and good name of the Egyptians to retort upon this hypocritical tyranny (as it appears to them) by outrage and assassination. It would be better for us to face the fact that, 40 years after our conquest of Egypt in the Battle of Tel-el-Kebir, we still hold that country by no other title than force; for, if we face this honestly, we shall feel uncomfortable, and shall take effective steps to change the situation.

The Turks, unlike the Egyptians, never lost the last strongholds of their independence. In 1878 Great Britain successfully prevented Russia from assuming in Turkey the position which France failed to prevent us from assuming in Egypt several years later; and even in 1918, when the Western Powers seemed to hold Turkey at their mercy, the pressure on her other flank had already been relieved by the collapse of the Tsardom and the transformation of Russia into a temporarily weak and friendly Power. We occupied Constantinople and the Straits and interned as many Turkish leaders as we could in Malta, but we could not hinder Mustafa Kemal Pasha from starting the Nationalist Movement in the interior of Anatolia and raising it from the depths of adversity to an undreamed-of success. This is a vital difference between the present position of the two leading Muslim countries, but it is a physical and not a moral one; for while the Egyptians have much less chance than the Turks of making good their claims by force, their programme is, on the whole, better justified on its merits, as we shall show in a moment by reference to the four "Reserved Questions" which are the heart of the Egyptian problem. And, sooner or later, the greater merits will counterbalance the inferiority of force. Meanwhile, we are maintaining in Egypt precisely that "ostrich attitude" by

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which we have done such harm to our interests in Turkey. Because Zaghlul's policy conflicts with ours, we persuade ourselves that its author is immoral, unpractical, and unrepresentative, just as in Turkey we talked about "Kemalists" and "brigands" when we were up against a nation in arms. The Egyptians cannot easily be up in arms against us in the literal sense, because our troops occupy not only Alexandria, Egypt, and the zone of the Canal, but the whole of the country. Sooner or later, however, they will beat us—by the Sinn Fein method or the Ruhr method, if not by that of Angora—unless we make peace with them while we are in the way with them; for the judge before whom they will otherwise bring us is that very principle of national independence which we proclaimed ourselves during the war, and duly enforced upon our beaten enemies. Our experience since the Armistice has already shown that you cannot establish such a principle in half the world and keep it taboo in the other. There cannot be self-determination for ex-enemy empires and not for ours, or for Europe and not for Asia. Whether better or worse for the majority of mankind, such a principle, once "released," will spread over the world, as surely as the sewing machine, the cinematograph, or the latest pattern of rifle. Already the "defeated" Turks have availed themselves of it, and we have accepted it grudgingly in Iraq and wholeheartedly in primitive Arabia. If not only Turkey but Iraq, Nejd, Hejaz, and Yemen are to enjoy genuine sovereign national independence, we may make up our minds that sooner or later Egypt will win the same doubtful prize. The longer we resist Egypt's reasonable demands, the more we shall have to give way to unreasonable demands later on.

It is, therefore, our business to consider promptly and seriously the four important "Reserved Questions," which will come up as soon as an Egyptian constitution in any form is passed. The questions of minorities and capitulations need not detain us, for they have been threshed out already in the case of Turkey, and in Egypt, fortunately, they are not quite so difficult to solve. The Christian Copts are not divided from the Egyptian Muslims by the same gulf that separates Greeks or Armenians from Turks. They have the link of a common language, and there is no independent Coptic national State outside Egypt for whom the Egyptian Coptic communities are "unredeemed." Thus the Copts neither look beyond Egypt, nor are feared by other Egyptians as a national danger, and thus it is comparatively easy for them to throw in their lot with their neighbours. One of the strangest testimonials to Zaghlul Pasha's party is that a number of the younger Copts are included among its supporters. Nor, again, should the status of the foreign colonies prove an insurmountable obstacle. Years ago Egypt took the edge off the capitulations by getting the Capitulatory Powers to agree to the establishment of mixed courts. These have worked satisfactorily, and although no people with an awakened national consciousness would accept such an institution as a permanency, the Egyptians are not in danger of imitating the Turks on this point, and sweeping the present régime away too suddenly and

violently. They realise that if they are to get rid of British control they must keep the other Capitulatory Powers in sympathy with them, and as the termination of British control is their main objective, the foreign communities ought to have no difficulty in bargaining for favourable terms over a long period.

There remain the more difficult questions of British Imperial communications through Egypt, and of the Egyptian Sudan, the former being practically equivalent to the question of the Suez Canal. It is recorded that when the project for a Mediterranean-Red Sea Canal was laid before Muhammad Ali by some Western engineer, the sharp-sighted Pasha remarked, "Why, when I possess an empire with no Bosphorus and Dardanelles bisecting it, should I pay to have artificial straits dug to my disadvantage?" His successor Said was not so wise. His vanity succumbed to de Lesseps' persuasions, and the finances of Egypt were crippled in order to create a waterway which was of no economic value to herself, but which rendered her of vital strategic and political importance to the British Empire. Here is the crux. The Suez Canal is now as hard a fact as the Black Sea Straits; the control of the Canal is as necessary for the internal communications of the British Empire as that of the Straits for the foreign relations of Russia, and just as Russia will never rest till she has secured control of the Straits in some form or other, so Great Britain will never willingly surrender the control of the Canal which she has now actually possessed for nearly half a century. Can Egyptian independence be reconciled with this British interest? Fortunately for the solution of this problem, the Suez Canal does not wash the walls of the Egyptian capital, like the ancient canal by which ships from the Red Sea reached the Nile just below Cairo, and then sailed down the western arm of the Delta to Alexandria. The Suez Canal zone lies apart from Egypt proper, and could be leased in perpetuity to Great Britain without deranging Egypt's internal economy. Only, if we desire this solution, we must reduce our military requirements to a minimum, and not try to maintain that the security of the Canal zone demands the maintenance of British outposts in Cairo.

The most difficult question of the four is that of the Sudan, which precipitated the recent crisis. On this question the British and the Egyptian points of view are both strong in themselves, and strongly held by the respective parties. We argue that Egypt acquired the Sudan a century ago by the bad title of a brutal conquest, mal-administered it, was ejected from it ignominiously by the native population, and was ruined in the early 'eighties largely through this disastrous experiment in Imperialism. On the other hand, the Sudan was reconquered by us a quarter of a century ago with little more than nominal assistance from the Egyptian Army; and though in theory it has been since then under an Anglo-Egyptian condominium, the whole material, moral and political regeneration of the country has been the work of British hands. How can we betray the Sudan by handing it back to Egypt, or allow Egypt to overburden herself with a task proved by experience to be beyond her powers?

The Egyptians, on their side, stand on their legal claims—the original conquest, the investiture of Muhammad Ali and his successors by the Sultan with these provinces as well as with Egypt itself, and the Anglo-Egyptian Agreement of 1899. They do not see why their own independence, which they regard as their right, should be bought at the sacrifice of what they consider to be part of their country, and in the British attitude regarding the Sudan they suspect a roundabout method of suppressing Egyptian independence in fact while establishing it on paper. They point out that the British Empire, predominant on the sea and mistress of both the Canal zone and the Sudan under one title or another, would surround an "independent" Egypt on every side except the Libyan Desert; and that on the side of the Sudan we should have the most effective means of exerting pressure on Egypt by diverting the Nile water, on which the life of Egypt depends.

These suspicions are not complimentary to us, but we must remember that we, or at any rate our Governments, have done a great deal to deserve them, and we must see what we can do to banish them from the Egyptian mind. The first obvious step is to guarantee to Egypt in perpetuity a certain minimum supply of water, whatever the future régime of the Sudan may be; the second is to guarantee that the Sudan shall not, any more than Egypt, be incorporated (as a protectorate or what not) in the British Empire, but that the condominium shall be maintained unless or until the Sudan becomes capable of independence in the full meaning of the word. In that event, the Sudanese should be free to settle for themselves what their political relations to Egypt and the British Empire should be. This, it is to be feared, will not satisfy the Egyptians, and misunderstandings are bound to continue. As the Sudanese advance in civilisation they will develop a national character and national aspirations of their own, and the Egyptians will put this down to deliberate British propaganda, even though it may patently be brought about by force of circumstances. At the same time, if we assure Egypt of her water supply and bind ourselves over not to pocket the Sudan for our own Empire, we need not despair of recovering our reputation for honesty in the Egyptians' eyes.

PEGGING THE MARK.—I.

(BY A GERMAN ECONOMIST.)

ON January 10th the pound cost in Berlin 48,100 marks, on the 18th it had risen to 107,000 marks, on the 27th to 124,500 marks, while it actually reached 227,500 marks on the last of the month. This development was entirely due to political causes. No doubt, inflation had been going on all the time, but the value in gold of the notes outstanding had fallen from 479 million gold marks on January 15th to 165 million on January 31st. At a rate of 227,500 marks to the pound, the one milliard gold marks held by the Reichsbank was equal in value to a note circulation of nearly 12,000 milliards of paper marks, whilst the Bank's total note issue at that date was not quite 2,000 milliards. The German Government had to face a very serious situation. Experience had shown that after a political crisis a flight from the mark had always set in, regardless of the note issue at the time being, with the result that foreign exchange rose rapidly. The rise of foreign exchange must at once bring about a rise in the prices of imported goods; and from these goods a general upward movement of prices of all commodities follows immediately, which in its turn is bound to lead quite mechanically to an increased issue of notes, as the Government's expenditure runs wildly ahead of revenue, whilst trade and industry want more working capital to pay wages.

The catastrophic rise of the exchange at the end of January made it almost a certainty that within a very short time the avalanche of prices would be let loose again, and with it the ever increasing spread of social dislocation. The rise of the pound from about 100,000 marks

on the 25th to 227,500 marks on the 31st, a rise of 127 per cent. within six days, showed clearly enough that the situation had nothing to do with hard economic facts, but was due to a mere panic brought about by complete loss of confidence. The Reichsbank intervened, and intervened successfully, bringing down the pound to about 90,000 marks on February 15th, a point at which it has remained ever since.

This "pegging of the mark" was done by adopting the simple expedient of selling foreign exchange. The Reichsbank did not part with its gold; no foreign loan was contracted. But the Bank did part with a considerable amount of the foreign bills which it had collected as a reserve against Reparation payments. These bills had been bought rather cheaply before the huge rise began. They were not needed, as the Reparation business had practically come to a standstill. Their purchasing power was enormous at the start, for 50 million gold marks at the rate of January 31st could buy about 600 milliard paper marks, or one-fourth of the total amount outstanding. Under these circumstances, a comparatively small amount of foreign exchange, thrown on the market not in trickles, but with the resolute will to break the back of the bear movement in marks, was bound to have a decisive effect on the situation. It succeeded completely, after a very short struggle. Acting on the spur of the panic, a great many people had been rushing into the exchange market to try to buy exchange in order to insure themselves against all contingencies. This rush immediately came to a standstill. Not only was there no more new buying, but there was even a certain amount of selling, partly from people who wanted to realise their profits, partly from people willing to cut small losses who hoped to come in again at a lower level.

The efforts of the Reichsbank and of the firms acting as its agents to get control of the market were greatly facilitated by the scarcity of marks which had been felt since the month of October last. The rise in prices and the advance in wages necessitated the use of great amounts of circulating medium. Though the printing press was hard at work, demand outstripped supply for a considerable time. Moreover, on account of the rise of the prices of raw material and wages, the working capital of many manufacturing concerns was no longer sufficient, especially as a good deal of it had been used for laying in foreign exchange against future risks. Wherever it was possible, the capital was increased—in the last quarter of 1922 the total amount of capital newly raised was 42 milliards paper marks, against only 12 in the preceding quarter. Where this could not be done people resorted to the banks. They did this partly by pledging their foreign bills as collateral against very high rates of interest (15 per cent. and more per month); or they borrowed money from the Reichsbank by having their bills discounted. Up to the beginning of 1922 the amount of private bills held by the Reichsbank was quite unimportant. On January 31, 1922, it was about 1½ milliard; on September 30, 1922, it had risen to 50 milliards, and by the end of January, 1923, it had risen to 697 milliards. The Reichsbank, moreover, had raised its discount rate to 10 per cent. in November, 1922, and to 12 per cent. in January, 1923. But in a time of quickly expanding paper circulation and of a strong tendency to further depreciation, high discount rates do not matter very much: If you pay 50 per cent. for the loan of a million marks, you may have to pay a million and a-half when the year is over; but if the value of the mark has fallen to half its former level, your creditor really only gets 750,000 marks in return for the million he lent you. Private rates, of course, were very much higher. Call money (daily) went up to ½ per cent. a day (or 45 per cent. a year), whilst the loan rates on foreign exchange went as high as 22 per cent. a month (February), when the intervention of the Reichsbank started.

This scarcity of the mark, both as circulating medium as well as capital, gave the bank its real chance. It induced the joint-stock banks to stop loans on foreign bills as collateral. It examined far more closely than it had done before the bills handed in for discount. The result was a severe restriction of credit facilities in all trades, and the only way the parties interested could obtain cash was either by selling their stocks cheaply at

a loss, or by getting the marks they needed by selling their exchange. They chose the latter way.

By these means many foreign bills came into the market. At the same time the absence of credit facilities prevented people from buying new foreign exchange; occasionally there was a real danger of the mark rising too quickly, and the bank had to sell marks to steady the exchange. Its effort had been helped to some extent by the needs of the French, who had to buy quite a considerable amount of marks, for use in the Ruhr. By selling foreign exchange liberally, and by severely reversing her credit policy, the bank succeeded in getting control both of the foreign exchange market and of the money market. It did this at a considerable monetary profit, for the foreign bills it sold had been bought cheaply before the great fall of the mark. Its original stock of bills was, of course, depleted, but in its effort to steady the exchange rate at about 100,000 marks to the pound, it was forced to buy back quite a considerable amount of foreign exchange, which it purchased at an exchange rate lower than the level it was trying to maintain. In that way the Reichsbank replenished its stock, and made some more money by doing so. It was able, without any serious disturbance of the exchange market, to pay the monthly quota of 47 million gold marks for the redemption of Treasury bills given to Belgium, which fell due on February 15th and March 15th. And there is not the slightest doubt that it will be able to redeem the instalments of about 50 millions each falling due during the next few months.

To make quite sure against future claims, the German Government is offering the public 200 million gold mark Treasury bills as a dollar loan, at par, bearing 6 per cent. interest, and redeemable after three years at 120 per cent. This loan is guaranteed by the Reichsbank. Subscribers have to pay in gold currencies (dollars, &c.) or in foreign exchange. The proceeds of this loan will go to the bank into a special fund, so that its supply of foreign exchange will have increased *pro tanto*. The loan itself is sure to be a success, especially as these Treasury bills are accepted as collateral for borrowing money by the loan banks, whilst foreign bills can no longer be used for this purpose.

OUR INDEX NUMBER.

ALTHOUGH wholesale prices of many commodities moved upwards in March, the decline shown in other articles were just more than sufficient to counteract the upward movement, with the result that our Index Number, as at the end of March, shows the small decline of 10 points as compared with the figure at the end of February. This brings the total down to 4392, which, with the exception of the previous month's figure, is still the highest since July of last year. As may be seen from the table below, there was a substantial rise in the minerals group, and subsidiary foodstuffs were a little higher, but there were declines in each of the three other groups:—

Date.	Cereals and Meat.	Other Food Products (Tea, Sugar, &c.).	Textiles.	Minerals.	Miscellaneous (Rubber, Timber, Oils, &c.).	Total.	Percentage Change.
Base (avg. 1901-5) ..	500	300	500	400	500	2200	100.0
End July, 1914	879	382	618	464	553	2865	116.6
" Dec., 1915	897	446	731	711	848	3634	165.1
" Dec., 1917	1286	686	1684	839	1348	5863	266.9
" Nov., 1918	1289	782	1848	903	1389	6212	282.6
" Dec., 1918	1303	782	1805	866	1337	6094	277.0
" Dec., 1919	1441	881	2442	1145	1453	7364	334.7
" Dec., 1919	1508	914	2975	1256	1709	8352	378.6
" Mar., 1920	1344	805	1284	1216	1275	5924	269.8
" Dec., 1921	921	636	1106	762	931	4337	198.0
" June, 1922	1000	676	1135	690	887	4399	199.8
" July, 1922	994	669	1120	712	900	4396	199.8
" Aug., 1922	880	674	1123	691	887	4257	193.5
" Sept., 1922	873	682	1116	699	818	4189	190.4
" Oct., 1922	885	700	1150	712	813	4260	193.6
" Nov., 1922	864	703	1200	704	811	4283	194.7
" Dec., 1922	861	706	1184	705	807	4264	193.8
" Jan., 1923	860	711	1205	739	808	4324	196.5
" Feb., 1923	847	746	1201	797	810	4402	200.1
" Mar., 1923	824	752	1178	840	797	4392	199.6

The rise of 42½ points in the minerals group follows an increase of 58½ points in February and 34 points in

January, all of which are to be attributed to developments arising out of the French occupation of the Ruhr. Last month a further increase of 22 points in steam coal was responsible for more than half the advance in the total for the group, while pig-iron added another 13½ points. Iron bars and steel rails are also higher, but lead lost more than the advance scored in February, while tin and copper are almost unchanged after the sharp rise recorded a month ago.

In cereals and meat, the majority of the movements were downward, though small, with the exception of pork, which fell by 13 points. In the second group rises in tea and coffee were partially offset by a drop in butter. In the textiles group the only exceptions to the general downward movement were flax and cotton cloth. In their monthly market report, Messrs Robt. Barbour and Brother, Limited, express the opinion that so long as speculation in America is encouraged by the present short supply and textile centres in that country continue to display a capacity to absorb whatever cotton is available, it is difficult to see, so far as Lancashire is concerned, where any permanent improvement is to come from. The report goes on to say that "all markets alike, especially those of the Far and Near East, are holding back, unable, one must believe, to pay current prices and looking to the new crop to afford more favourable opportunities for buying later. The possibility of such opportunities has been encouraged during the closing stages of the month by drastic liquidation. From 16.66 on the 10th inst the quotation for Middling American 'Spot' fell on the 27th inst. to 15.18, or practically 1½d per lb. A further reduction has since taken place, and the market is left in a highly nervous state, but the only solid effect has been to reduce business to a vanishing point and to make spinners even more determined in their endeavours to better their position." Wool prices are slightly lower than they were a month ago, but close above the lowest touched during the month. In the Miscellaneous group, the principal alterations are a sharp drop in indigo and a smaller decline in soda, but otherwise changes are small and mostly in an upward direction.

The changes in each commodity's index as compared with the end of February are shown in the next table, the figure 50 representing in each the average price during the basic period 1901-5:—

	Index Number.	Inc. or Dec.		Index Number.	Inc. or Dec.		Index Number.	Inc. or Dec.		
Wheat—For.	81	+	13	Cotton, A	138	—	12	Copper	51	+
English	73	+	34	Cotton, E	120	—	4	Minerals	840	+
Flour	78	—	2	Yarn	139	+	2			
Barley	53	—	4	Cloth	132	—	5	Baltic timber	101	+
Oats	77	—	14	Wool, Eng.	123	—	2	Amer. timber	86	+
Potatoes	44	—	5	do. Aust.	115	—	3	Leather	68	+
Rice	103	+	3	Silk	130	—	3	Petroleum	108	—
Beef	91	—	24	Flax	120	—	2	Oils	79	+
Mutton	107	—	13	Hemp	49	—	1	Olives	83	+
Pork	102	—	13	Jute	105	—	1	Tallow	67	+
Cereals & Meat	824	—	23	Textiles	1,178	—	22	Indigo	100	—
Tea	142	+	4	Pig-iron	137	—	13	Crystals	85	—
Coffee	98	+	8	Steel rails	87	—	4	Rubber	16	—
Sugar cane	195	+	8	Iron bars	92	—	2	Miscellaneous	797	—
Sugar beet	106	—	7	Coal, steam	170	—	22			
Butter	94	—	7	House coal	94	—	6	Total	4,392	—
Tobacco	116	—	1	Lead	115	—	1			
Other foods	752	+	6	Tin	83	+	1			

As a result of these changes, the increase shown by the total index number over the level recorded at the end of July, 1914, is now 71.2 per cent., as against 71.6 per cent. at the end of February and 66.2 per cent. at the end of last year. The position of each of the groups may be seen from the following table:—

End of—	Cereals & Meat.	Other Food.	Textiles.	Minerals.	Miscellaneous.	Total.
July, 1914	100	100	100	100	100	100.0
Dec., 1918	226	222	293	186	241	237.5
Dec., 1919	249	250	396	247	263	287.1
Mar., 1920	261	260	484	269	309	325.6
Dec., 1921	233	229	209	261	230	230.9
Dec., 1922	159	180	180	164	168	169.6
June, 1922	174	192	184	149	160	171.1
Sept., 1922	151	194	181	150	148	163.5
Dec., 1922	149	200	193	152	146	166.2
Jan., 1923	149	201	196	159	146	168.6
Feb., 1923	146	211	195	172	146	171.6
Mar., 1923	143	214	191	181	144	171.2

Thanks to the high level at which tea, sugar, and tobacco stand the second group is still by far the highest above the pre-war level. Primary foodstuffs, however, afford some compensation since they stand at only 43 per cent. above the figure of July, 1914, while miscellaneous commodities are almost at the same level.

In the final table we show the changes in the wholesale price indices of some of the principal foreign countries, the average for 1913 being taken as 100, except in the case of Germany, where the base is July, 1914:—

	United States.	France.	Italy.	Germany.	Switzerland.	Sweden.	Denmark.	Japan.
Nov., 1918....	205	358	438	..	367	322	214	322
High, 1920....	297	591	679	..	566	403	322	322
End of—	(Jan.)	(April)	(April)	(Jan.)	(June)	(Oct.)	(Mar.)	(Mar.)
Dec., 1921....	183	326	594	3,585	176	172	178	209
June, 1922....	131	326	537	9,140	161	164	180	197
July, ".....	131	326	558	13,935	163	165	180	201
Aug., ".....	131	332	571	28,919	163	163	178	195
Sept., ".....	136	330	582	44,089	163	158	176	192
Oct., ".....	144	338	601	94,492	163	155	180	190
Nov., ".....	149	354	596	156,495	171	154	182	188
Dec., ".....	148	363	580	205,417	175	155	181	183
Jan., 1923....	149	388	575	715,881	175	156	192	184
Feb., ".....	151	423	..	677,000	181	158	199	191

* Bradstreet's.

As compared with the figure at the outbreak of war, Bradstreet's index number for the United States shows an increase of 60 per cent., which compares with 71.6 per cent. in this country. Prices in France, it will be seen, were in February feeling the effects of the depreciation in the franc exchange, while German prices reacted after the violent slump recorded in January.

AGRICULTURAL CREDIT IN GREAT BRITAIN.

(BY AN AGRICULTURAL CORRESPONDENT.)

THERE can be little doubt that, in the days when private banks were scattered throughout the country districts, farmers enjoyed a wider range of credit facilities than they do to-day with great joint-stock banks dominating the country's finance.

In the former era farmers could borrow the working capital required to establish themselves as farmers more easily than they can to-day; and large numbers of men became successful farmers owing to the loans provided by the private banks. It is not intended to cast aspersions against the joint-stock banks, which have met the farming community generously in regard to overdrafts and short-term loans. Nevertheless, if a farmer wished, for instance, to double his working capital, when by so doing he could add greatly to the productive capacity of his farm and to his own income, he would find it very difficult, if not impossible, to raise money for the purpose. Of this I speak from personal experience.

The other main sources from which farmers obtain credit are auctioneers, seedsmen, manure merchants, dealers and private moneylenders. Again, without imputing anything against these men, recourse to such sources for credit is clearly undesirable.

The farmer should be in a position to buy and sell freely to his best advantage, unhampered by any obligations. He should receive cash for his produce and pay cash for the commodities he requires. The cash payment system is more general in other countries than it is here. A proper system of co-operative credit enables the farmer to pay cash who otherwise would be compelled to ask dealers, merchants, &c., for credit. Turning to the question of credit for the landowner, to enable him to effect improvements on his estate, the general method has been to raise the money by mortgage. Since a mortgage rarely provides for a sinking fund, the weight of indebtedness remains constant; in fact, generally with an unpleasant tendency to increase as time goes on. The Lands Improvements Company, founded in 1860, offers loans for estate improvements on a far sounder basis than the permanent mortgage, for the rate of interest charged by this company automatically extinguishes the loan in 40 years. Yet so firmly wedded to the mortgage system are our land-

owners that they have borrowed from the company only some £200,000 on an annual average.

The official committee on agricultural credit express their full approval of the methods of the Lands Improvements Company, and with this I agree, save for one important reservation—the costs incidental to effecting the loan are high. To give a concrete case: take a loan of £410 for building a cottage; to this has to be added the company's 5 per cent. commission and the cost of inspections, which come to £33, making a total of £443 on which interest and sinking fund has to be paid; this means an addition of over 8 per cent. to the loan.

In regard to credit to enable the tenant farmer to purchase his farm, no organised system exists in this country, and practically the first attempt to provide for this class of credit was the formation of the "Farmers' Land Purchase Company," a company which has been hampered by lack of sufficient capital. We have for years past recognised that credit is the "life blood of industry," and that agriculture has been at a great disadvantage as compared with other industries or as compared with agriculture in other countries. We have talked a great deal about it; the Ministry of Agriculture has convened many conferences to consider the problem; the Small Holdings Act of 1908 gives power to create a limited system of credit, and so does the "Land Facilities Act" of 1919; but so far nothing has been done, and we remain many years behind practically every other civilised country in this respect. There can be little doubt that this is one of the main reasons why the agricultural industry in this country remains unorganised.

For many years the importance of credit has been recognised and the necessary measures have been taken to give the cultivators of the soil access to capital. In Germany, the *Landschaften* (co-operative associations of landowners) were founded as long ago as 1700; in 1914 these associations had outstanding bonds to the value of over £140,000,000. They furnish the German landowner with loans for estate improvements, which are paid off within a period of 40 to 60 years. Directly or indirectly, out of the *Landschaften* arose other long period credit agencies to enable farmers to buy the farms they occupied. In fact, in most countries land banks have long existed in one form or another. For everywhere, except in this country, it has been regarded as essential to provide the farmer wishing to buy his farm with means of doing so under the soundest and most favourable financial conditions possible. It has been recognised that under no circumstances should a farmer be obliged to have recourse to his working capital to find part of the purchase money for the farm, since any such curtailment of the working capital not only handicaps the farmer unfairly, but is bound to reduce the productivity of the farm. The object being not so much to safeguard the interests of the farmer as those of the industry and the State. Short term credit to enable a farmer to tide over a crisis, or to provide additional capital for equipment, is provided by a number of agencies and credit societies. In Germany the *Raiffeisen* Societies alone do huge business, lending to their members over £350,000,000 in the year 1913.

A most interesting method of advancing money to the farmer was devised in Belgium during the decade before the war. Farmers' clubs were created throughout the country; 80 to 100 of these were grouped round, and affiliated with, a parent club, say, in Brussels. The parent club had a financial department, and any member of a local club wishing to borrow, paid a visit to the parent club, saw the director of the financial department, who, if satisfied with the proposal, could advance up to 80 per cent. of the applicant's assets, if an owner, or up to 60 per cent. if a tenant. The fact that the applicant had been elected to his local club constituted sufficient guarantee of his worth, and he had simply to sign a form of agreement, costing 2s 6d, and take the money. One great advantage of this system is that the applicant is not obliged to disclose his financial position to his neighbours. I understand that this system was working satisfactorily up to the war.

I entirely agree with the conclusion arrived at by the Committee on Agricultural Credit, namely, that it would be impossible to create any comprehensive system of credit without the stimulus of some form of State assistance, and that the *Raiffeisen* system would prove unworkable in this country. I cannot agree with the two main proposals—

(a) That it will suffice to provide long-term credit for the purchase of farms only for those farmers who purchased between 1917 and 1921. For every year some farmers will have to buy their farms, and it is clear that we should have the machinery, which exists in other countries, to enable all who have to buy to buy under sound conditions; and

(b) That for short-term credit, local co-operative credit societies should be formed, taking the rural district as the unit; and that the Government should contribute £1 for every £1 raised locally. If such a scheme is tried, I am unable to see how it can succeed on a scale sufficiently large to be of any material help. The suggested area is too small, and it would prove impossible to raise the needed local quota of capital.

State assistance is necessary; but I would rather see it take the form of guaranteeing the interest on the capital required for a sound scheme put forward by any existing or newly formed co-operative society. Credit is needed for the development of subsidiary industries—bacon factories, &c.—as well as for loans to the individual farmer. If agriculture is to enjoy proper credit facilities something analogous to the Industrial Bank must be created, and as in the case of this bank, a State guarantee of interest would enable the needed money to be raised in the open market.

In regard to this whole question of credit, it must be remembered that in countries where it is highly developed, the occupiers of land are in the main owners. In all countries, save ours, occupying ownership dominates, and the percentage of tenants is small; the general opinion here is still that the tenancy system best suits this country. When examined closely, it is hard to see upon what solid facts this opinion is based; the history of agriculture during the past 60 years hardly justifies it. In other countries a remarkable upward tendency in the standard, output, and organisation of the industry is evident—here the reverse. Widespread access to capital on sound lines is essential if we are to save our primary industry; yet, alas! there is little likelihood, even if adopted, that the proposals of the Credit Committee will secure an adequate system, or one at all comparable to those existing in countries which realise that a flourishing agriculture is vital to the welfare of the nation.

A QUARTER'S NEW CAPITAL.

A RUSH of borrowers to the market in the last few weeks before Easter helped to swell the total of new capital issues in London during the March quarter to a respectable figure. The aggregate of £86½ millions, it is true, looks very small compared with the figure of £286½ millions for the first quarter of 1922, but in last year's total Government borrowings played a predominant part, as will be seen from the following analysis, in which the figures for the first quarter of 1913 are given for comparison:—

CAPITAL ISSUES IN FIRST QUARTER.

Borrower.	1913.	1922.	1923.
British Government	nil	211.9	43.7
Colonial Governments	7.6	16.5	12.6
Foreign Governments	3.5	3.6	5.6
British, Colonial, and Foreign Corporations	7.0	9.4	1.5
All other issues	32.2	44.8	22.9

After allowing for the borrowings of home, colonial, and foreign Governments and public bodies, it will be seen that the new capital raised for private enterprise of all kinds was little more than half of that raised in the corresponding quarter of last year. Fuller details of the purposes to which the new capital was applied will be seen in the following table:—

	Total for First Quarters of Years.			
	1920.	1921.	1922.	1923.
British Government loans	7,460,000	17,073,800	211,893,100	43,775,300
Colonial Government loans	5,470,000	7,399,600	16,490,000	12,567,300
Foreign Government loans	nil	1,930,000	3,574,600	5,594,000
British Corporation and County loans	4,750,000	9,431,200	5,555,300	nil
Colonial Corporations	nil	500,000	960,000	1,495,500
Foreign Corporations	nil	nil	2,850,000	nil
Colonial railways	1,116,000	nil	14,687,500	1,199,700
Foreign railways	545,000	16,500	523,600	523,600
South African mines	1,603,800	233,700	nil	773,600
Other mines	1,603,800	25,000	62,500	1,790,700
Exploration, financial, and investment trust	4,719,900	1,157,500	nil	3,480,000
Breweries and distilleries	684,700	520,000	nil	3,480,000
Merchants, importers, &c.	1,050,000	nil	100,000	nil
Manufacturing	39,852,600	8,163,000	1,700,000	1,719,000
Stores and trading	1,990,000	1,000,000	170,500	960,000
Estate and land	397,500	380,300	100,000	684,800
Rubber	2,834,300	273,400	30,000	1,593,900
Oil	3,641,200	9,599,400	9,050,000	3,562,500
Iron, coal, steel, and engineering	7,978,100	380,000	3,500,000	1,793,200
Electric light, power, and telegraph	3,767,000	1,161,700	232,500	1,176,000
Tramway and omnibus	645,000	92,500	nil	nil
Motor traction & manufacturing	4,937,500	35,000	nil	53,400
Gas and water	25,000	705,700	806,600	50,000
Hotels, theatres, and entertainments	2,104,400	1,383,900	978,900	17,600
Patents and proprietary articles	645,000	2,243,200	9,797,200	550,000
Stocks, harbours, and shipping	11,425,900	4,000	290,700	230,100
Banks and insurance	14,434,100	478,400	1,569,500	1,980,500
Miscellaneous	135,094,500	63,382,100	286,207,100	86,251,500

The borrowings of the British Government in the past quarter (exclusive of Treasury Bills and Ways and Means Advances, which find no place in our figures of new capital), were made up as follows:—National Savings Certificates (net sales), £5,490,000; 4½ per cent. Treasury bonds, £24,110,189; proceeds of the issue at the end of March of £15,000,000 4 per cent. Treasury bonds at 94½, £14,175,000. Against these new borrowings in the form of longer-dated securities have to be set reductions during the quarter of £102,995,000 in the amount of Treasury Bills outstanding and of £28,114,000 in Ways and Means Advances. The quarter's issues of foreign and colonial Governments during the past quarter were as follows:—

Borrower.	Nominal Amount and Description.	Issue Price.	Yield.
Sudan	£3,250,000 4½% stock, 1939-73	93	4 17 6
New South Wales	£4,000,000 5% stock, 1932-42	98	5 2 0
South Australia (a)	£2,000,000 5% stock, 1932-42	99	5 1 0
Victoria	£670,000 4½% stock, 1932-42	99	4 18 6
Dutch East Indies	£4,000,000 6% loan, 1933-63	96	6 8 0
Austria	£1,800,000 1-year Treasury bills	95	7 10 0

(a) Issued to repay a maturing loan. † Allowing for redemption in final year of maturity.

The Colonial issues met with an excellent reception, and of special interest is the welcome accorded to the issue of Austrian Treasury Bills under international guarantee, which is a good augury for the success of the forthcoming long-dated loan contemplated under the League of Nations scheme for the rehabilitation of Austria. No British or foreign municipalities entered the market, but three Colonial corporations borrowed between them about £1½ millions. Among industrial and commercial issues, the following were the largest:—

Borrower.	Nominal Amount and Description.	Issue Price.	Yield.
Anglo-Persian Oil	850,000 £1 ordinary shares	£3/10	4 19 0
Kasala Railway	£1,290,000 4½% deb. stock, 1934-53	93	4 19 0
Nobel Industries	£1,750,000 5½% 1st mtg. deb. stock	99	5 11 6
Bolokow, Vaughan	£1,000,000 6% 1st deb. stock, 1943	99	6 1 0
John Walker	1,499,993 7½% £1 cumulative pref. shares	par	6 1 6
Dunlop Tyre and Rubber of America	£1,000,000 1st mort. 7% gold bonds, 1942	97½	7 10 0
Dingworth, Morris	£1,000,000 6% 1st mort. deb. stock	98	6 1 9
Dickins and Jones	£1,000,000 6% 1st mort. deb. stock, 1928-73	99	6 1 6
2nd Mercantile Trust	1,000,000 £1 ordinary shares	21/	..

(c) Without allowing for redemption. † Allowing for redemption in final year of maturity.

The nature of the reception accorded to these and to a large number of smaller offers revealed a large amount of funds available for investment, and a willingness on the part of the public to respond to any proposition offering good security or reasonably good speculative chances. A feature of the March quarter was the frequency of rubber plantation issues. In this class borrowers numbered fifteen, and raised about £1½ millions, mainly, of course, in the form of ordinary shares. Among oil companies, apart from the big Anglo-Persian issue listed in the above table, there were only three offers.

The aggregate of London issues, quarter by quarter, for the past 13 years is shown below:—

Year.	First Quarter.	Second Quarter.	Third Quarter.	Fourth Quarter.	Total for Whole Year.
	£	£	£	£	£
1910.....	99,355,600	88,721,400	28,111,600	51,250,500	267,439,100
1911.....	61,245,000	56,238,800	14,914,500	59,361,200	191,759,400
1912.....	47,966,100	62,377,500	48,687,100	59,819,300	210,850,000
1913.....	50,344,700	70,014,900	29,961,800	46,216,000	196,537,000
1914.....	97,610,200	54,739,100	20,265,200	339,908,100	512,522,600
1915.....	46,313,500	25,693,200	586,772,500	26,462,500	685,241,700
1916.....	156,251,200	131,022,500	111,578,000	186,584,700	585,436,400
1917.....	825,925,200	221,254,300	57,054,400	214,362,100	1,318,596,000
1918.....	475,258,700	220,921,500	329,674,000	367,527,200	1,393,381,400
1919.....	291,901,400	93,879,000	536,502,200	113,776,800	1,036,059,400
1920.....	135,094,500	98,011,700	61,195,600	73,247,800	367,549,600
1921.....	63,382,100	65,281,900	57,890,600	202,423,600	388,978,200
1922.....	286,207,100	162,567,100	61,920,200	62,981,200	573,675,600
1923.....	86,251,500	..	..	..	..

Even the substantial Government borrowings have not brought the total for the past quarter up to the level recorded in the first quarters of 1910 or 1914, when the British Government was not in the market. In a final table we examine the geographical distribution of the new capital applications in the March quarter of the past two years as compared with the corresponding period of two pre-war years:—

	DESTINATION OF NEW CAPITAL.				
	First Quarters of Years.				
	1912.	1913.	1921.	1922.	1923.
	£	£	£	£	£
United Kingdom.....	12,147,600	7,542,000	41,996,700	240,215,500	54,596,700
British Possessions ..	9,010,400	21,954,100	9,773,500	18,847,000	20,278,800
Foreign countries ..	26,808,100	20,848,600	11,611,900	27,144,600	11,376,000
Total	47,966,100	50,344,700	63,382,100	286,207,100	86,251,500

The continuance of large issues by the British Government swells the home total and so reduces to a lower level than before the war the proportion of the total new capital which is destined for employment either in British possessions overseas or in foreign countries.

ECONOMIC AND FINANCIAL SITUATION OF SWITZERLAND IN 1922.

(FROM A SWISS CORRESPONDENT.)

THE financial situation of Switzerland, although not so serious as that of some of the States that took part in the war, is nevertheless very grave. The following figures will make this point clear. Before the war the debt of the Federation was but little more than 160 millions francs. By the end of 1922, however, it had reached 2.1 milliards, to which must be added the debt of the Federal railways (2.3 milliards) and that of the Cantons and the Communes (2½ milliards approximately), which represents a total of 6½ to 7 milliards, or 2,000 per head of the population. The interest on the public debt of the Confederation, which in 1913 took 9.2 milliards, had increased by 1922, according to the last budget estimates, to 113.5 milliards, and it is probable that by 1925 this interest will demand a sum equal to the total general expenditure in the budget of 1900. We may note in passing that prior to 1914 the revenue yielded by the assets of the Confederation was sufficient to cover the interest on the public debt.

The Federal budget, which ten years ago balanced approximately, and even yielded an occasional slight surplus, showed a deficit of 100 millions in 1922 (as against 127 millions in 1921), while the annual accounts of the Cantons show a total deficit of approximately 60 millions.

The credit of the Confederation, however, has not suffered from this precarious financial position. The Swiss franc has remained quite near the gold parity, and Federal and Cantonal borrowings continued to be placed with great ease throughout the year. From 1921 to the end of 1922 the Federal Council floated five loans, the

total amounting to 1.12 milliards, of which 559.4 millions have been used to repay or to consolidate the debt of the Confederation. The considerable fiscal effort which has been made by the Confederation, the Cantons, and the Communes in order to re-establish their finances certainly contributes to a very large extent in maintaining confidence in the credit of the country. We may note in this connection that the income-tax and the revenue have tripled between 1913 and 1922 (526 millions against 177.6). The financial plan of the Government comprises for the immediate future a whole series of measures designed to tap new resources. First of all, a second so called "war" tax, which, in fifteen or sixteen years, ought to bring in 600 millions, is destined to amortise the public debt. Further, a tax on tobacco and on alcohol is planned, and the first instalments of its yield will be devoted to liquidate the initial charges of old age and health insurance for Swiss citizens.

The attempt to reduce expenditure has already given good results in 1922. Thus the postal administration, which showed a deficit of 28 millions in 1921, now at the end of 1922 has a deficit of 4.7 millions only. This improvement is due not only to the increase of postal charges, but, above all, to the reduction in staff. The telegraph and telephone services actually show a slight profit for 1922. Important economies have also been made by the military department.

The abundance of capital and the fall in the rate of interest have been the two outstanding phenomena of the Swiss financial market in 1922. The official rate of discount, which had reached the maximum of 5.32 per cent. in 1919, was reduced to 3 per cent. in August, 1922. Switzerland thus shares with England the lowest rate of discount. The downward movement of the unofficial rate continued throughout 1922, and at times even fell as low as 1 per cent. According to the annual report of the Swiss Popular Bank, from which we take these figures, this is the first time for Switzerland to have so low an unofficial rate. The Lombard rate has followed the official rate step by step, and has been brought down to 4 per cent. The current rate of bank obligations tends to approach the pre-war level, and by the end of the year was round about 4½ per cent. Both the bank clearing total and general discount business showed a decline. The fiduciary circulation has varied constantly throughout the year. After numerous fluctuations it fell to 725 millions on August 23rd, but rose almost immediately afterwards to 988 millions. This sudden increase is one of the consequences of the Socialist proposals to introduce a Capital Levy, which led to considerable withdrawals of capital from the banks. This exaggerated note circulation shows a decline in January of this year, and there is every reason for believing that it will continue rapidly for some time, because neither the exchange position nor the present state of production justifies the creation of new means of payment. The metallic cover of bank-notes in circulation (normally 85 per cent. gold) was only 67.87 per cent. at the end of 1922. The average for the year, on the other hand, is 78.71 per cent., against 72.09 per cent. in 1921.

The abundance of ready capital has enabled several foreign loans to be floated, which would not have been possible before the war. This increase in ready capital is caused partly by the influx of capital from abroad, and notably from Germany, but it is primarily an indication of the almost complete cessation of a demand for new capital on the part of industrial enterprises. Thus whereas since 1914 commerce and industry have needed on the average nearly 75 millions per annum, 18.4 millions sufficed in 1922.

For most Swiss industries the year 1922 has been exceedingly bad. Unemployment, which attained its maximum in February, diminished constantly during the course of the summer, but increased again in November and December. This diminution in the number of the unemployed is explained by the efforts which the Confederation has made to provide work, either by subsidising certain industries or by undertaking public works rather than by a real increase in business. In fact, an improvement, and that only slight, is shown of recent months only in the case of the production of chemical products, clock-making, and silk and cotton weaving. On the other hand, some important establishments have been obliged

to close down, while liquidation and bankruptcies are on the increase. Moreover, an ever-increasing number of workers have migrated abroad to profit by more advantageous conditions of production. Undertakings with a world-wide reputation, such as Brown Boveri, Sulzer, and Bally, have been obliged, for the first or second time, to pass their dividends. Other concerns, not less well known, such as the Nestlé Company and the Adolphe Saurer Works, have been obliged to set their finances straight by appropriations from their reserves and by reduction of share capital. The series of Protectionist measures undertaken by the State does not conduce to a reduction in the cost of living, which is still 59 per cent. above the pre-war level, and provides some justification for the opposition on the part of the workers to a reduction in wages.

The foreign trade statistics of Switzerland for 1922 show that, although the export value figures show a slight decline, primarily as a result of the price-fall which took place at the beginning of the year, the quantities of goods imported and exported have nevertheless increased a little. The following table gives the comparative figures for the last two years:—

	(In Millions of Swiss Francs.)	
	1921.	1922.
Imports.....	2,296	1,915
Exports.....	1,763	1,690
Excess of imports	533	225

It will be seen that the excess of imports over exports has declined considerably in 1922. These statistics, however, take no account of the export of gold bars obtained by melting down foreign currencies, though this has diminished considerably in 1922. Moreover, the money spent in Switzerland by foreign tourists is also left out of account, and this item contributes in large measure to improve the Swiss balance of payments.

THE YIELD ON INVESTMENT STOCKS.

(BY A STOCK EXCHANGE CORRESPONDENT.)

THIS week's rises in so many of the Home Railway prior-charge securities give holders of these stocks a good deal to think about in the direction of the desirability of selling or retaining such investments. Members of the Stock Exchange are being asked by trustees and other solid investors whether it is right to take advantage of the present high levels, in order to exchange their stocks for others that pay a better rate of interest. The investor who has put money into Home Railway debenture or preference stocks is not of the class which, as a rule, bothers about effecting what the more speculative-minded calls a straddle, and it shows that the rise in gilt-edged issues has created widespread attention for this question to be raised at the present time. That investors are not selling their stock is evident enough from the conditions of dealing which prevail in the market. Jobbers frankly deplore the barren state of their books in regard to these issues. The debenture stocks are particularly hard to come by, and this is the more curious because of the various changes which have taken place through the rearrangement caused by railway grouping. The amounts of existing securities, substantially supplemented by the fresh additions made in consequence of the consolidations, are larger than ever. In spite of this, the supply available falls noticeably short of the demand, with the consequence that prices creep steadily upwards as the insistent buyers endeavour to obtain what they want. Great Western debenture stocks have risen to prices at which the return on the money is barely 4½ per cent., and this is a very fair illustration of the standard of yield set by to-day's quotations for the best railway debentures in the market. London and North-Eastern guaranteed stocks return the merest shade over 4½ per cent., while Southern and North-Eastern preferences can both be bought to pay 4⅞ per cent. The War Loan affords a yield of practically 5 per cent. on the money, allowing for the fact that it will be ex-dividend at the end of April. The anomaly of railway stocks returning a less percentage on

the money than the British Government security is due, of course, to the expectation that the War Loan may be repaid at 100 in 1929, whereas the railway securities are irredeemable. The proper comparison to make is with such stocks as Conversion, which pays £4 9s per cent. on the money, Local Loans, which, after their rapid rise this week, yield only £4 7s 6d, and Consols, now at 59½ and xd, yielding no more than four guineas per cent.

It is generally regarded as axiomatic in the Stock Exchange that the prices of Home Railway debentures follow fairly closely the same lines of yield as those indicated by British Government funds. Notwithstanding the fact that on the British stocks no stamp duty is payable, and that the stockbroker's commission is less than on Home Railway registered stocks, the latter tread, as a rule, closely on the heels of the former, and the level set by the Government issues is that which has to be regarded in measuring the value of other gilt-edged securities. On this basis, therefore, taking the yields which we have already set out, it will be seen that the Home Railway debenture and other prior-charge stocks are not too high when matched against the yields obtainable from Conversion, Local Loans, Victory Bonds, Funding, and Consols. The strength of the market in British Government stocks is explained partly by reference to the hope that the Chancellor of the Exchequer may be able to afford some relief to income-tax payers when he breaks his Budget this month. There is also a considerable amount of foreign money flowing into the Consol market, where its advent is deemed to be the result of the unsettlement on the Continent and the effect produced by the British determination to repay its war debt to the United States. Without a doubt, this determination has strengthened the confidence felt in the security offered by the United Kingdom. At the same time, trade is reviving but slowly, and there is no perceptible withdrawal of money from securities in which it is at present invested, pending the time when it shall be required for commercial purposes. Were there to be a trade boom, money would be required in such a degree as might lead to an advance in money rates and a consequent dwindling in prices of gilt-edged stocks; this is a factor which must be borne in mind in attempting to gauge the outlook for all such securities. The present week's dealing in the Stock Exchange markets does nothing to create the impression that the flow of capital into gilt-edged securities will show any sign of diminution in the near future. With the rising prices of British Government funds, holders of gilt-edged securities of other classes will no doubt feel that they can comfortably hold on without being put to the trouble and expense of seeking to exchange them into higher-yielding stocks, lest there should be a fall in the values of their present investments such as would leave the holders with a regret at not having taken advantage of to-day's range of prices. The same set of conditions serves to control investment stocks and shares of all kinds; to-day's Stock Exchange difficulty is not that of being unable to give good prices to sellers; it is, rather, to supply would-be buyers with stock for which they are prepared to pay what look to be high figures.

Notes of the Week.

Incidents in the Ruhr.—Easter eve in the Ruhr saw the most serious incident that has yet occurred since the French occupation began. The scene was Essen, and the occasion a new series of raids by the French troops for the purpose of requisitioning garages, motor shops, &c. Details as to the nature of the provocation are in dispute, but the result is not. French troops fired on the crowd, killing seven and wounding thirty-five, four of whom subsequently died. A twenty-four hours' protest strike at Krupp's followed, and the German Government sent a Note on the subject of the Essen shootings to the Governments of the Allied Powers. German indignation has also expressed itself in other minor ways. Such incidents as the Essen shooting were almost bound to occur sooner or later, but they are none the less regrettable because they were expected. Inevitably the Essen affray has created an atmosphere in which progress towards a solution of the Franco-German impasse becomes very much more

difficult. It has indeed set the clock back, and although the visit of M. Loucheur to this country may be regarded as having some significance, the prospects of a *dénouement* have become darker in the past week.

Irish Finance.—With the opening of the new financial year, writes our Dublin correspondent, on April 1st Ireland is humming with discussions of her new fiscal arrangements. No new fiscal policy has yet been framed or thought out. The new arrangements, which came into full operation on April 1st, merely involve the mechanical organisation of tax and Customs collection by the Irish Free State authorities. The taxes and the Customs duties to be collected remain as before. Thus, Ireland at her Customs Houses will be collecting the same duties at the same rates as Great Britain at her Customs Houses, and not otherwise. It must be realised that, in so far as Great Britain has departed from her Free-trade gospel, Ireland will be applying to Great Britain the same treatment that Great Britain is extending to the world at large. So much has Ireland adopted the British Customs duties, that she is applying preferential rates to articles of Dominion or Empire origin. Thus, Indian tea, a most important item in Ireland, will benefit. Apparently the same preference will be extended to British goods entering Ireland, such as motor-cars, watches, clocks, musical instruments, and cinematograph films. Accordingly, British motor-cars in competition with French or American importations will retain some slight advantage. All sorts of minor difficulties are cropping up. Something of a sensation was created in Dublin by the announcement that the port and dock dues at Liverpool on Irish imports would be substantially increased, in view of the traffic becoming "foreign" instead of "coastal." The trade is of huge volume, and the increases specified were very substantial. This consequence was alleged to flow necessarily from the Statute under which the Mersey Dock Board's affairs are regulated. It was so inconvenient and, at the same time, threatened so large a diversion of traffic that the Liverpool Chamber of Shipping, the Dock Authorities, and the Steamship Owners' Association and others put their shoulders to the wheel, and to-day it is announced, to the relief of all concerned, that an Order in Council has been procured which enables the business to be conducted on the same basis as before. No such fortunate issue awaits the City of Derry, which, with a small Nationalist majority of its population, is included in North-East Ulster, but has the chief sphere of its commercial operations in the county of Donegal, which is in the Free State. The dislocation there is very serious indeed. The Exchequer returns, up to date, including those for the week ending March 24th give receipts for £25,862,188: expenditure at £24,357,861, to which temporary advances of £576,700 must be added. The credit balance in the Irish Exchequer on March 24th was £927,627. According to a White Paper, the receipts for 1922-23 are given under four headings at £31,395,589, of which £28,010,400 represents tax revenue and non-tax revenue, or, in other words, total revenue receipts. A note is appended in the following terms:—"The figures of tax revenue shown for 1922-23 represent revenue paid into the Exchequer of Saorstát Éireann, including the Exchequer of the Provisional Government, plus a sum of £1,300,000 estimated to be payable before March 31, 1923, by the British Government in respect of Inland Revenue collected in Great Britain, but attributable to Saorstát Éireann. The revenue paid into the Exchequer in 1922-23 includes an amount estimated provisionally at £3,000,000 collected in Saorstát Éireann, but attributable to Great Britain. The transfer of this amount to Great Britain is shown below under the estimate of expenditure under the head of Central Fund Services." When, however, reference is made to the particulars of expenditure for Central Fund Services, the following item is found for 1922-23 and for 1923-24 respectively:—"Payment to Great Britain for adjustment of revenue," £1,300,000 and £1,700,000. Passing over the obscurity which thus arises in this treatment of the figures, the important fact is to be observed

that the adjustment between the revenue as collected and true revenue now operates in favour of Great Britain. The Irish Revenue Commissioners have just published an announcement that the Saorstát Éireann Income-tax and Estate Duty are payable by Irish residents in respect of property derived from or held in Great Britain (including North-East Ulster), even though it may have already been subjected to the corresponding taxes in Great Britain, but that relief against such double taxation has been arranged. Income-tax will be payable once only, but at whichever of the two rates is the higher. Each country will give credit in levying Estate Duty for the amount already levied in the other country wherein the property is situate. As regards Stamp Duties, each country will recognise the other's stamping, and will merely exact a further stamp in respect of the amount, if any, by which its own rate exceeds the other. Similar arrangements are under consideration for providing relief in respect of double liability to Corporation Profits Tax.

The Dispute in the Coal Industry.—The recrudescence of industrial unrest is one of the most significant features in the internal history of this country during the last few weeks. In the coal industry two distinct issues are involved. In the South Wales coalfield the strength of the Miners' Federation has considerably diminished of recent months on account of the apathy of many of the miners, and by reason of the activities of the Mechanical Workers' Union. But with the inauguration of the movement in favour of a "100 per cent. union," large numbers of men resumed the payment of their subscriptions, while a short strike in the Mid-Glamorgan area in the third week in March led to the mechanical workers joining the Miners' Federation. In the Rhondda Valley, however, some 50,000 men came out on strike on Wednesday to force the mechanical workers into the Federation, though it has been stated that not half the men tendered the necessary fourteen days' notice. In the Tredegar area, on the other hand, the men have rejected the Executive's recommendation to strike for this purpose. In a coalfield which is dependent in large measure upon the export trade it seems regrettable that an internecine struggle of this nature should be precipitated precisely at a time when business prospects are brighter than they have been for many months past. Apart from this localised conflict, however, the whole question of miners' wages has once again come to the fore. The Miners' Federation claim that the 1921 agreement does not guarantee a living wage to the lowest grade workers when trade is depressed, and when the cost of living is greatly in excess of the pre-war figure. At the same time, present rates of remuneration leave much to be desired, particularly in some of the poorer coalfields, and at a conference of the Miners' Federation held last week various proposals were made for dealing with the whole question. Four main solutions appear to have been advocated: (1) The extremist section of the delegates declared themselves opposed, on principle, to the compromise with capitalism represented by the present system of profit-sharing and advocated the termination of the 1921 agreement. (2) Many delegates felt that the main fault of the present system lay in the low basic rates in vogue, and advocated the amendment of the Minimum Wage Act of 1912 to overcome this difficulty. There appeared, however, to be no immediate prospect of convincing the Government now in power of the necessity or desirability of this course. (3) More popular, as far as can be judged, was the proposal that direct negotiations should be entered upon with the owners without delay, though the delegates from South Wales and Lancashire advocated that the requisite three months' notice should be given to terminate the existing agreement in order to force through a revision of the basic rates. (4) Some delegates appear to have argued that the present system has not as yet been given a fair chance. With the improvement in trade and prices, the agreement now in force provides for an automatic rise in wages, and hence the wisest course would seem to be that action should be delayed for a few months. There cannot have been any very substantial agreement between the supporters of these various proposals, as

the Executive Committee was left to decide "whether they could submit a resolution to the conference." It is sincerely to be hoped that no attempt will be made to force the issue at present. If action is delayed until May, when a revision of wage rates is due, it may well be that by that time it will prove unnecessary.

The Crisis in the Building Trade.—The existing agreement which regulates wages and hours in the building trade was due to expire on April 1st, and for some time past proposals have been made by employers and operatives alike as to the future of these questions. The employers demanded, in the first place, that wages should be reduced by 20 per cent., but later made the operatives a final offer, which involved reductions of some 10 per cent. in wages, together with a demand that the weekly hours of summer work should be increased from 44 to 47. These wage proposals were rejected by the operatives by a majority of over three to one, though it is significant that not 42 per cent. of the half-million men employed voted. Their representatives argued that, according to the terms of the agreement establishing the National Wages and Conditions Council, six months' notice was necessary for a reduction in wages not agreed upon by the Council itself. On March 28th the employers decided to give a week's notice as from April 7th to enforce their proposals for wage reductions and for the establishment of a 47 hours week in summer. At the same time they declared their readiness to submit these questions to arbitration, and also indicated that the terms of reference should include the vexed question of the interpretation of the agreement. On Wednesday last the operatives made the counter-proposal that, as the matter depended in the first place upon the alleged right of the employers to propose new rates of wages without first giving six months' notice, this question alone should first be submitted to three eminent counsel, one chosen from each political party, while the remaining issues should be left for future consideration. The next day the employers reiterated their willingness to submit all the questions at issue to arbitration, but refused to isolate the question of interpretation for this purpose. Their attitude was defended on the grounds that if the decision on this one issue went against them, the other questions would necessarily stand over in the absence of six months' notice; whereas if their interpretation of the agreement were confirmed, "future consideration" would simply mean further delay, and wages and hours were in their opinion of urgent and vital importance. In their reply the representatives of the operatives state that they have no power to refer wages and hours to arbitration, and a complete deadlock appears to have been reached. In this long controversy one point seems beyond dispute. Whatever the weekly wages of the building operatives may be, the hourly rates of real wages are certainly in excess of the pre-war level when due allowance has been made for the increase in the cost of living. If we bear in mind the paramount importance of the housing problem to the people of this country, it is certainly much to be regretted that building operations should be held up at the beginning of the summer season on account of labour disputes. It is also essential that houses should be built as quickly and as cheaply as possible, and whatever the merits of the dispute as to wages may be, it is surely desirable that the hours of labour should be increased, and a 47 hour week cannot in our opinion be regarded as excessive. Unfortunately, however, it is precisely this question which arouses the greatest opposition on the part of the leaders of the operatives, who characterise the 44 hour week as a "great social reform." At present it appears as though notices of a lock-out will be served to-day unless counsels of moderation prevail and all the questions at issue are submitted to arbitration.

Great Britain's Real Trade Balance.—The current number of the *Board of Trade Journal* contains an estimate of our real trade balance in 1922 that shows a substantially larger margin available for capital investment overseas than that shown in the estimate we made in February (*Economist*, February 17th). The comparison of the two estimates is as follows:—



	(Million £'s.)	<i>Economist.</i>	Board of Trade.
Exports.....	882	882	882
Net income from investments.....	100	175	175
Shipping earnings.....	94	110	110
Financial and insurance charges.....	40	30	30
Miscellaneous.....	20	10	10
Total visible and invisible exports ..	1,136	1,207	1,207
Imports.....	1,049	1,052	1,052
Add invisible imports ..	25	..	..
Total visible and invisible imports ..	1,074	1,052	1,052
Final balance	62	156	156

The slight difference in the actual trade figures is that we omitted from our import total the value of diamonds imported from South Africa, which are not included in the official import statistics. The substantial difference, however, arises under three heads. In the first place, the Board of Trade make no allowance for invisible imports, but this is balanced by the Board's more conservative estimate of financial profits. Secondly, the Board put the earnings of shipping at a higher figure than we did. We are prepared to accept this higher figure, though in regard to both shipping earnings and interest we were anxious not to err on the side of over-statement. But in the estimate of interest from abroad, which is the item chiefly responsible for the difference, we think the Board has taken too optimistic a view. We deducted from gross interest receipts not only the interest, but the amount added to the principal of our American debt in 1922, whereas the Board only deducts the amount of interest actually paid. The essential difference, however, is between our estimate of £150 million gross and the Board's estimate of £200 million gross, compared with about £200 millions before the war. The Board's figure appears to take too little account of foreign capital sold during the war, apart from the official demobilisation scheme, of the investments lost in Russia and elsewhere, and of the loss in profits received from abroad through the depression of trade in, for example, Malaya, China, &c. The true figure can, of course, never be determined exactly, but we doubt if the reality is as large as the Board have estimated.

International Cotton Statistics.—The bulletin of the International Cotton Federation, published this week, contains the usual half-yearly statistics relating to the consumption and stocks of raw cotton throughout the world. While in the preceding half-year 132,085,210 reporting spindles consumed 5,946,711 bales of American cotton, during the half-year ending January 31st last

134,783,655 spindles reported a consumption of 6,237,645 bales. If the allowance is made for the spindles not included in the returns, it is apparent that the consumption of American cotton at the present time is equal to 13,000,000 bales per annum. This large figure is primarily due to the big requirements of users in the United States. At the end of last season the consumption of American cotton was estimated at 12,800,000 bales, and it was not thought likely that the amount used during the current twelve months would be so large. Numerous spinners in European and Asiatic countries are reducing their American consumption, and are using to a greater extent what are known as outside growths, such as Peruvian and Indian qualities. During the past half-year there has been a tendency for stocks in Europe to decrease, and the owners of many Asiatic mills have reduced their holdings considerably. The estimated total number of spindles throughout the world is practically 1,500,000 higher than on July 31, 1922. This increase is mainly accounted for by such countries as India, Japan, and China. The consuming power per spindle in those countries is much larger than in Europe. The bulletin contains interesting information relating to the extent of short time working in the leading countries of the world during the half-year ending January 31st last. The figures show that compared with the previous half-year curtailment of production has tended to increase in Great Britain, France, Italy, Austria and Norway, but the trade position appears to have improved in Belgium, Switzerland, Sweden, Denmark and Japan.

Recovery in Mexico.—Though the more detailed among the recent forecasts of the resumption of the Mexican External Debt Service have been unofficial and premature, there is no doubt that payments will begin shortly and that President Obregon's Government is making good. Light is thrown on the progress made, and on the hindrances to it, by the fourth Report of the Receiver of the Mexico North-Western Railway Company, which has just reached the British bondholders from Canada. The revolutionists in the North have been put down effectively by the Federal troops and by the Home Guards voluntarily organised by the people: and a military mutiny at Juarez last autumn was suppressed at once. But the depression in the South-Western States of the American Union has interfered with the sale of the company's timber, and the labour and agrarian laws passed by the State Legislature of Chihuahua have discouraged the investment of capital and the resumption of mining; this latter the price of silver has also hindered. The agrarian law provides for the partial expropriation of the large landowners on terms of payment favourable to the peasant purchasers and at a fixed price which sometimes will not cover existing mortgages: and though the company is on excellent terms with the authorities, and claims to be morally and legally exempt from the operation of this legislation, the law has already checked the immigration of pacifist Mennonite communities from the United States and Canada; some 3,000 of the sect had previously settled at San Antonio. The company has economised on its timber production by substituting mills in the forest district for that at Pearson, and has rebuilt the mill at Madera, burnt in 1919: it is bringing 3,000 cattle for temporary pasturage in its district, owing to a drought in New Mexico, and there is reason to hope that this will lead to a revival of the ranching industry along its lines. The road bed and rolling stock have been repaired, the bridges burnt during the revolution are being replaced, and twelve mixed trains and about twenty freight trains are being run weekly over the line. The company claims 7,000,000 dollars from the Federal Government for damage done during the revolution, but the working for 1922 shows a net loss apart from allowance for depreciation, though it is hoped that the results for 1923 will be more favourable. The Report, on the whole, is encouraging: but we may add that American investors are specially sensitive as to "Radical" legislation, and will not undertake enterprises in Mexico until its effects are seen and the stability which it aims at establishing is secured.

British Trade Corporation.—A year ago the report of the British Trade Corporation for the year 1921 showed a loss of £254,977 for the year, a sum of £359,080 having been written off for bad debts and interests in subsidiary companies. The auditors' report stated that "no provision has been made for any loss which may have accrued at the date of the balance-sheet in connection with certain of the assets, and we are unable to form an opinion as to what reserve may be necessary." This criticism was met by writing down the existing capital of £2,000,000 in £10 fully paid shares by 50 per cent, and by the creation in June last of 500,000 "A" shares, entitled to a cumulative tax free dividend of 6 per cent, and priority in distribution of assets. The report for 1922 just issued states that this writing down of the capital was insufficient to meet the anticipated losses and depreciation in the value of investments in subsidiary companies, and the directors recommend the writing down of a further £2 10s of the shares of the original issue. This, they add, is in respect of depreciation of assets existing in 1921, "and no part of it is required in connection with the business of the past year." Incidentally, the auditors in their report on the latest balance-sheet remark that "sufficient data are not yet at our disposal to enable us to form an opinion as to what further provision (for losses on certain of the assets) is necessary." The profit for the year 1922 is given as £39,412, which compares with £104,103 for 1921 before bad debts had been written off and £119,309 for 1920. The balance-sheet shows that the balance of £193,076 standing at debit of profit and loss account has been written off, while deposits are £235,100 lower and acceptances £273,800 lower. Cash and money at call have fallen by £108,600 and discounts and advances by £495,600, but investments are £19,500 higher. An analysis of the balance-sheet will be found in the usual column.

Cammell Laird's Year.—In the report of this company for the 12 months ended December 31st last, the directors point out that "trade during the past year has been notoriously bad, and the engineers' dispute, which lasted three months, added to the difficulties experienced." In the circumstances, the results shown below cannot be considered unsatisfactory. The directors then proceed to state that, in view of the large liquid resources of the company and the substantial sum standing to the credit of reserve account, they have felt justified in transferring a sum of £50,000 from that account, making the balance available £195,906, in order to enable the payment of a dividend of 5 per cent, on the ordinary shares. How the company has fared since 1913 may be seen from the following table:—

	Profit.	Debt. Int.	Prof. Div.	Appropriations.	Ord. Div.	Rate.	Carried Forward.
1913.....	£ 252,151	£ 169,126	£ 91,892	£ 68,602	£ 28,692	7½	£ 37,775
1914.....	320,924	237,899	61,261	100,000	86,075	7½	85,537
1915.....	386,866	303,841	61,261	100,000	114,768	10	51,450
1916.....	404,397	321,372	61,261	100,000	114,768	10	94,494
1917.....	391,148	308,123	61,261	150,000	114,768	10	74,889
1918.....	365,089	282,064	61,261	100,000	114,768	10	78,825
1919.....	386,031	305,006	61,261	50,000	175,033	10	93,637
1920.....	343,657	260,642	61,261	31,500	188,037	7½	71,471
1921.....	298,512	170,487	61,261	Dr. 51,000	139,660	5	38,637
1922.....	232,143	145,906	61,261				31,223

Profits are shown after providing special and ordinary depreciation and adjusting excess profits duty. Charges upon the issue of the £1,000,000 7½ per cent. notes came into the accounts for the first time in 1921, and these alone absorbed £45,000. That the picture for the year is not really so bad as the above figures would convey may be gathered from the fact that during the past twelve months £120,000 of the 7½ per cent. five-year notes have been cancelled or purchased. On turning to the balance-sheet, we find that stock-in-trade has been reduced from £1,691,148 a year ago to £735,195, while sundry debtors have fallen from £1,161,503 to £589,361, cash and bills amounting to £1,550,902, as against £95,072. These figures, though probably only of a temporary nature, are rather remarkable.

Associated Portland Cement.—The profits of the Associated Portland Cement Manufacturers, which a year ago fell heavily, have made a slight recovery. Trading

profit for 1922 rose from £477,400 to £510,700, but the income from investments was over £20,000 less, and the profit works out at £670,100, as against £658,900 for the previous year and £947,300 for 1920. The directors state that owing to the depression in the building and construction trades the home demand for portland cement was disappointing, but an increased tonnage was exported, notwithstanding difficulties experienced in various overseas markets. A summary of the company's financial history since 1901 is set out below:—

Year Ending June 30.	Profit.	Debt. & Mortgage Interest.	Preference Div.	Sinking Fund, Reserves, &c.	Balance.
1901.....	£ 226,707	£ 84,694	£ 91,213	£ 20,096	£ 30,704
1905.....	310,662	135,063	118,885	61,185	Dr. 4,471
1910.....	316,407	140,938	118,885	60,848	Dr. 4,264
1911.....	369,861	139,237	118,855	109,707	2,032
1912.....	355,507	186,974	122,324	51,751	Dr. 5,542
1913.....	585,645	235,114	124,220	116,292	109,817
1914.....	556,341	229,653	125,133	101,518	100,037
1915.....	450,712	222,335	125,660	101,262	1,455
1916.....	351,174	226,382	..	113,710	11,082
1917.....	367,612	221,381	..	126,641	19,590
1918.....	551,660	215,519	125,660	203,951	6,530
1919.....	683,761	209,859	376,979	161,478	Dr. 64,555
1919 (July to Dec.)	398,123	101,562	62,830	135,000	98,731
1920*	947,306	200,016	125,660	328,849	292,781
1921*	658,916	195,513	125,660	229,395	108,348
1922*	670,116	221,516	125,660	208,881	114,059

* Year ended December 31st.

Debt interest payments require over £25,000 more owing to the creation of £600,000 Kent 6½ per cent. first mortgage debenture stock in connection with the purchase of the works and other assets of the Kent Portland Cement Co., which was completed in May. In this connection, the ordinary share capital has also been increased by £119,900 and the 5 per cent. second debenture stock by £150,000. The ordinary dividend payment of 5 per cent., which is at the same rate as for the previous year, thus requires £3,800 more, namely £110,700, leaving £227,400, or £3,400 more to be carried forward. The general depreciation allowance is reduced from £150,000 to £125,000. The balance-sheet shows an addition of £989,400 to the property item during the year, but depreciation reserves have been transferred from the other side of the balance-sheet, and the item is £474,100 lower on balance. Stock-in-trade is £88,600 lower, debtors have fallen by £104,300 and investments by £176,100, but cash and bills have risen by £170,800. First and second debenture stock to an amount of £69,600 was redeemed and cancelled during the year. The directors mention that a considerable reduction was effected in the cost of manufacture during the year, "the benefit of which was passed on to the consumer."

U.S. Steel Corporation's Year.—Our New York correspondent writes:—According to its annual report, published this week, gross business transacted by the United States Steel Corporation in 1922 amounted to \$1,092,697,722, or nearly \$106,000,000 more than in 1921. The net income totalled \$58,840,801, as compared with \$55,957,832 in 1921. The balance available for the capital stock, after paying interest on the Steel Corporation's bonds and other items, was \$39,653,455, as against \$36,617,017 the year before. After preferred dividends, the balance left for the \$508,302,500 common stock was \$14,433,778, equivalent to \$2.84 a share, against \$2.24 per share in 1921 and \$16.62 a share in 1920. Regular quarterly dividends were paid on both the preferred and common stocks last year, as in 1921, but in order to meet such payments in 1922 the corporation was obliged to draw on its profit and loss account to the extent of \$10,081,346, as compared with \$14,017,784 withdrawn for that purpose in the preceding year, those two amounts representing the deficits reported for 1922 and 1921 respectively. The general balance-sheet, as at December 31, 1922, showed total assets of \$2,340,653,216, of which \$1,631,579,206 represented plant and equipment, less depletion and depreciation. Net current assets aggregated \$512,202,554, while net current

liabilities amounted to \$98,753,583. Regarding the inventory account, the report says that there was written off for shrinkage in inventory values the sum of \$11,250,173. Total cash and security holdings of the corporation at the close of last year were \$324,535,809, or equivalent to nearly \$64 a share on the 5,083,025 shares of common stock outstanding. Of that total, \$185,400,000, approximately, consisted of securities, chiefly of the United States Government, and about \$139,000,000 cash. The \$324,535,809 in cash and security holdings does not include the \$1,233,298 cash held by trustees, or the \$13,245,518 contingent fund and miscellaneous assets, which are believed to be in the form of cash or marketable securities. The annual report shows that \$29,500,000, in round numbers, was spent last year for new construction, bringing the total expended for that purpose since the corporation was organised up to \$1,084,901,345. The increase of nearly \$400,000,000 in working capital during that period, plus the outlay for new construction, makes a total of \$1,484,000,000, which is equivalent to more than \$290 a share on the common stock. The corporation's bonded debt was reduced by \$1,124,500 last year. In his remarks to stockholders, Judge Gary, chairman of the corporation, says that the steel industry in 1922 showed a substantial recovery from the unusually low volume of 1921, both in respect of new business offered and output. The aggregate tonnage of orders booked by the subsidiary companies during the year was slightly more than 90 per cent. of their estimated maximum capacity. The greater part of that tonnage was entered during the second half of the year, when, owing to the extended strike of coal miners and railroad shopmen, operations were conducted under difficulties. As a result, the output of the steel-making subsidiary companies for the entire year averaged only 71.3 per cent. of capacity, exceeding materially, however, the 1921 output, which averaged 47.5 per cent. Interruptions in operations caused by the strikes, as well as the increased cost of coal, together with an increase of about 20 per cent. in wages effective on September 1st, resulted in increasing costs of operation to an extent which, Judge Gary says, was not balanced by the slight advances in selling prices during the year. The earnings, therefore, were not commensurate with the investment employed. New business booked in 1923, he points out, has exceeded the rated maximum capacity of the subsidiary companies, and some improvement in selling prices has taken place. Prices received in 1922 for domestic shipments of rolled and other finished steel products were \$13.52 per ton less than the average price received per ton for an equivalent tonnage of similar products respectively shipped in 1921; on export shipments, the report states, prices received were \$19.70 per ton less than the average price obtained in the preceding year. The average daily earnings per employee in December, 1922, amounted to \$5.59, as against \$4.60 in that month of 1921.

Rio Tinto.—Our Mining correspondent writes:—In view of the declaration of an interim dividend of 10s per (£5) share in November, and of the improvement in the price of the copper, the expectation generally entertained in market circles was that the final distribution would prove to be 30s per share. Consequently the announcement of the rate at 20s occasioned a mild degree of disappointment. The directors make it clear in their report, now issued, that the rally in copper was to some extent offset by the unduly low quotation for pyrites resultant upon severe competition. No production statistics have been published by the company since those relative to 1913, but in pre-war days the pyrites sold averaged around 600,000 tons annually, and the output of copper about 22,000 tons. The revenue account for 1922 shows a balance of £670,500, as compared with only £126,900 in 1921; payment of 30s per share will leave the moderately increased balance of £448,000 to be carried forward. For each of the two preceding years the ordinary shareholders received nothing; in respect of 1919 they had £2 per share. With the price of copper considerably above the best point touched in 1922, there are grounds for the hope that the results for the current year will score a still further recovery. Such contingency is to some extent allowed for in the

THE REVENUE.

I.—An ACCOUNT of the TOTAL REVENUE of the UNITED KINGDOM in the undermentioned periods of the Year ending March 31, 1923, as compared with the corresponding periods of the preceding Year.

	Quarter from January 1 to March 31, 1923, compared with the corresponding Quarter of the preceding Year.		Year ending March 31, 1923, compared with the preceding Year.	
	Quarter ending Mar. 31, 1923.	Quarter ending Mar. 31, 1922.	Increase.	Decrease.
Customs	£ 27,844,000	£ 31,567,000	..	3,723,000
Excise	35,967,000	44,401,000	..	8,434,000
Motor Vehicle Duties	8,722,000	7,814,000	908,000	..
Estate, &c., Duties	13,050,000	15,443,000	..	2,393,000
Stamps	7,460,000	7,749,000	..	289,000
Land Tax, House Duty, and Mineral Rights Duty	2,330,000	2,080,000	250,000	..
Property and Income Tax (including Super-tax)	191,494,000	224,227,000	..	32,733,000
Excess Profits Duties, &c.	1,030,000	738,000	312,000	..
Corporation Profits Tax	5,680,000	7,226,000	..	1,546,000
Postal Service	8,820,000	11,750,000	..	2,930,000
Telegraph Service	1,700,000	1,950,000	..	250,000
Telephone Service	3,280,000	3,700,000	..	420,000
Crown Lands	190,000	250,000	..	60,000
Interest on Sundry Loans	1,708,536	4,983,210	..	3,274,674
Miscellaneous—				
Ordinary Receipts	5,228,398	8,753,216	..	3,524,818
Special Receipts	13,925,788	75,417,129	..	61,491,341
	328,449,722	448,048,555	1,170,000	121,068,833
			Net Decrease, £119,598,833.	

II.—An ACCOUNT showing the RECEIPTS into and ISSUES out of the EXCHEQUER in the Year ending March 31, 1923, as compared with the preceding Year.

RECEIPTS.	Year ending Mar. 31, 1923.		ISSUES.	Year ending Mar. 31, 1923.	
	£	£		£	£
Balances in Exchequer on April 1—			Expenditure—		
Bank of England	9,953,424	2,591,051	Permanent Charge of Debt	14,209,421	24,500,000
Bank of Ireland	1,210,106	483,455	Interest, &c., on War Debt	309,780,511	307,794,347
	11,173,530	3,074,506	Road Fund	11,772,043	10,795,000
Revenue, as shown in Account I.	914,012,452	1,124,879,873	Payments to Local Taxation Accounts, &c.	10,471,016	11,171,716
Temporary Advances Repaid—			Payments to Northern Irish Exchequer	3,322,939	1,103,393
Bullion	800,000	10,730,000	Land Settlement	1,235,874	2,647,069
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 ..	169,818	169,818	Other Consolidated Fund Services	2,704,800	1,868,102
Under the Unemployment Insurance Acts, 1921 ..	3,200,000	520,000	Supply Services—		
Money Raised by Creation of Debt—			Army, Navy and Air Force	111,000,000	189,440,000
(a) For Capital Expenditure Issues—			Civil Services	286,826,000	149,703,000
Under the Telegraph (Money) Acts, 1920 to 1922 ..	7,010,000	7,961,474	Revenue Departments and Post Office ..	61,174,000	80,167,000
Under the Post Office (London) Railway Act, 1913 ..	27,000	27,500	Total Expenditure chargeable against Revenue	812,496,604	1,079,186,627
Under the Housing Act, 1914 ..	950,000	..	Temporary Advances—		
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922 ..	1,553,300	..	Bullion	..	11,000,000
By Exchequer Bonds, under the Capital Expenditure (Money) Act, 1904 ..	5,290,000	13,950,000	Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 ..	169,818	169,818
(b) Under the Unemployment Insurance Acts, 1921 ..	2,851,096,000	3,760,073,000	Under the Unemployment Insurance Acts, 1921 ..	6,030,000	14,470,000
By Treasury Bills for Supply	60,808,000	72,305,000	Under the Telegraph (Money) Acts, 1920 to 1922 ..	7,010,000	7,961,474
By National Savings Certificates	135	75	Under the Post Office (London) Railway Act, 1913 ..	27,500	27,500
By Exchequer and National War Bonds ..	..	..	Under the Housing Act, 1914 ..	27,000	56,000
By Treasury Bonds—			Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922 ..	950,000	..
5-15 Year, 1925-35	61,707,965	333,610,220	Under Capital Expenditure (Money) Act, 1904 ..	..	..
5 per Cent., 1927	95,009,780	..	Exchequer Bonds paid off, £3,087,600 ..	1,553,300	..
4 per Cent., 1932	2,070,000	..	less paid off by the National Debt Commissioners, £1,534,300 ..	..	..
4 per Cent., 1931-35	25,259	11,923,575	Unemployment Insurance Acts, 1921 ..	2,400,000	..
By Other Debt created under the War Loan Acts, 1914 to 1919 ..	1,003,987,000	1,376,673,500	Redemption of Debt—		
(d) Ways and Means Advances	1,017,976	577,028	Treasury Bills for Supply	..	..
Anglo-Persian Oil Company—			(a) Repaid by issues under Section 59 (6) of the Finance Act, 1920 ..	3,416,425	10,578,840
Dividends on Shares Acquired	..	..	(b) Repaid otherwise	3,113,692,575	3,986,834,160
Repayments—			Securities surrendered under Section 34 of the Finance Act, 1917, and Section 3 (3) of the War Loan Act, 1919 ..	..	33,358,262
In respect of Suez Canal Drawn Shares ..	5,787	7,111	Funding Loan, Victory Bonds and Conversion Loan Sinking Funds ..	..	..
Do Cunard Loan	130,000	127,268	Principal of National Savings Certificates—		
Do East African Protectorate Loan	..	..	(a) Repaid by issues under Sec. 59 (6) of the Finance Act, 1920 ..	27,150,000	26,000,000
Do Issues under Civil Contingencies Fund Act, 1919 ..	..	7,250,000	(b) Repaid otherwise	..	10,400,000
Do Issues under Land Settlement (Facilities) Acts, 1919 and 1921 ..	291,829	63,128	Principal of Exchequer Bonds paid off, £20,887,122; less paid off by the National Debt Commissioners, £1,000,000 ..	19,887,122	42,781,133
Do Issues under Section 59 (4) of the Finance Act, 1920 ..	6,827,960	18,711,856	Principal of National War Bonds paid off ..	44,684,182	..
Interest—			Other Debt under the War Loan Acts, 1914 to 1919 ..	17,299,896	58,815,156
Received under Section 59 (5) of the Finance Act, 1920 ..	162,425	426,340	Ways and Means Advances Repaid	957,391,000	1,783,861,000
			Depreciation Fund, under the Finance Act, 1917 ..	..	29,240,245
			Anglo-Persian Oil Company ..	1,017,976	577,028
			Issues to National Debt Commissioners ..	..	..
			Reduce Debt—		
			Suez Canal Drawn Shares Repayment ..	5,787	7,111
			Cunard Loan Repayments ..	130,000	130,000
			East African Protectorate Loan Repayments ..	..	127,268
			Proceeds of National Savings Certificates ..	..	..
			Issued under Section 59 (4) of the Finance Act, 1920 ..	5,000,000	36,152,500
			Old Sinking Fund, 1910-11 ..	..	..
			Issued under Section 16 (d) (b) of the Finance Act, 1911 ..	136,304	319,620
				1923	1922
			Balances in Exchequer—	Mar. 31.	Mar. 31.
			Bank of England	5,442,665	9,963,421
			Bank of Ireland	1,375,502	1,210,106
				6,818,167	11,173,530
				5,027,326,156	6,743,247,272

MEM.—

Floating Debt outstanding March 31, 1922

£ 1,029,515,500

Ways and Means Advances outstanding—

Advances by Bank of England

Advances by Public Departments

Treasury Bills outstanding

Total Floating Debt outstanding

Net Decrease

* Includes £1,000, the proceeds of which were not carried to the Exchequer within the period of the account.

Treasury, March 31, 1923.

current market quotation of the shares—about 38, upon which the yield at last year's rate of dividend does not appreciably exceed 4 per cent. The report mentions that one-half the 50 million pesetas loan has recently been paid off. In this war-time transaction it must be remembered the company merely acted as the agent of the British Government.

Nestlé Results.—One satisfactory aspect about the accounts of the Nestlé and Anglo-Swiss Condensed Milk Company is that they are full and informative. In the figures just issued for the year ended December 31, 1922, receipts are shown as just over 65 million francs, and after deducting various items, of which the most important are selling expenses and advertising, 21½ millions, freights, 18½ millions, and interest, 15½ millions, a net profit of 3,100,900 francs for 1922 is revealed. It is now proposed to extinguish the debit balance brought forward from 1921 of 1,792,221 francs, and to carry forward 1,308,718. It may be recalled that in the recent financial reorganisation of this company the ordinary capital of the company was reduced from 160 million to 80 million francs, and the directors now state that, while the "modest profit" now shown "is far from satisfying" expectation, "it seems, at least, to indicate that the company has entered upon a more normal period of trading." The fifty-sixth annual meeting of shareholders will be held at Cham, Switzerland, on Saturday, April 21st, and we await with interest a report of its proceedings.

Cornish Mining Finance.—A considerable amount of heartburning has been occasioned by the proposal of the directors of the East Pool and Agar to issue an additional 100,000 preference shares. At the moment there are outstanding 300,000 ordinary and 235,800 preference shares of 5s each, the latter being entitled to 10 per cent. non-cumulative, plus one-half the surplus profits. It is obvious that the issue of a further 100,000 participating preference shares will diminish in an appreciable degree the rights of the existing holders of this class of capital. Those who subscribed under the impression that the shares offered in April, 1922, comprised the total, naturally feel aggrieved. The main point, however, is that the company requires more money to assist it in resuming production at an earlier stage than formerly anticipated, and it will be able to secure the additional funds more easily now than it could have done 12 months ago. Receiving an inadequate response from the members to their appeal of October last to subscribe £70,000 against a Government guarantee of £50,000, the directors of the Dolcoath Mine have arranged with the Advisory Committee to increase their guarantee to £65,000 as against £55,000 new capital raised by the company, provided the 40,000 shares held by the company in the Tehidy Minerals be deposited as additional security. This, of course, entails an amendment of the former offer to the debenture holders. Some of the latter do not care for the change, but unless the new scheme receives adequate support, the re-financing of the concern will almost inevitably fall through.

Japanese Trade and Finance.—Cabled advices from Tokyo concerning financial and commercial conditions in Japan during the second half of March record a firmer tendency in the money market owing to the absorption of floating credit by new issues, and to a big settlement of cotton import bills. Demands for accommodation for tax payments and for meeting calls on Government and municipal bonds were also heavy, and the effect on the short loan market was so pronounced that at the close of the month the rate for day-to-day money reached 11 per cent. However, borrowings from the Bank of Japan were not on a large scale. The stock markets have been practically lifeless. The market for cotton yarn has been inactively under the influence of a decline in American raw cotton, and of anxieties regarding the further development of the boycott in China against Japanese goods. Slight improvement took place in the rice market, while in the market for raw silk there were signs of a revival of demand. At March 31 the note issue of the Bank of

Japan was 1,238 million yen as compared with 1,289 million yen a year ago, and discounts and advances 350 million yen as compared with 248 million yen.

A COURSE of 18 lectures on "Industrial Psychology" will be given at the London School of Economics, by arrangement with the National Institute of Industrial Psychology, on Mondays and Wednesdays, at 5 p.m. (beginning Monday, April 23, 1923), by Cyril Burt, M.A., Eric Farmer, M.A., G. H. Miles, D.Sc., C. S. Myers, ScD., F.R.S. Fee for the course, £1 1s.

The seventh Swiss Samples Fair will be held in Basle from April 14 to 24, 1923. Information regarding travelling facilities to and from the fair may be obtained from the Swiss Federal Railways, Carlton House, 11B, Regent street, London, SW. 1.

THE Right Hon. Sir Gilbert Parker, Bart., will preside at the meeting of the Royal Colonial Institute on Tuesday, April 10th, at 8.30 p.m., at the Edward VII. Rooms, Hotel Victoria, when the Hon. Sir John Cockburn, K.C.M.G., will read a paper on "Francis Bacon as an Empire Builder."

Oversea Correspondence.

UNITED STATES.—GOVERNMENT FINANCING—STOCKS AND BONDS—TEXTILE WAGE INCREASES—FINAL RETURNS OF 1922 COTTON CROP.

(FROM OUR CORRESPONDENT.)

NEW YORK, March 24.

THE Treasury Department announced this week that subscriptions received for the new certificates of indebtedness, offered recently in connection with the Government's March financing, totalled \$538,859,000, representing an over-subscription of \$138,859,000. The Victory notes, Treasury certificates which matured March 15th, and War Savings certificates offered in payment for the new certificates, aggregated \$36,235,650, an amount smaller than had been expected. The total amount of subscriptions allotted was \$475,414,000.

The stock market has continued very active and buoyant under heavy speculative buying, based on the present and prospective expansion of business in trade and industry generally. Many industrial and railroad shares, as well as numerous "specialties," repeatedly established new high records for the year this week, and in some instances went above the highest prices recorded in 1922. The bullish demonstrations, however, have not yet attracted much buying on the part of the general public. Money rates have shown a firmer tendency, reflecting the growing demands for agricultural, trade, and industrial purposes. The bond market has been comparatively quiet and heavy. Because of the greater need of working capital in many directions, investment demand for bonds has fallen off considerably; for the same reason there has also been a certain amount of liquidation.

Perhaps the most important development in the textile industry this week was the announcement by the American Woollen Company of a wage increase of 12½ per cent. in all of its mills, to take effect on April 30th. About 45,000 operatives will receive the advance, which is the first wage change made by the company since December, 1920, when the general 22½ per cent. reduction from the war-time scale was put into effect throughout the textile industry in New England. Apparently the present increase, therefore, will bring the wages paid by the largest producer of woollen goods up to within 10 per cent., approximately, of the war levels. It is generally believed in cotton goods circles that the independent action of the leading woollen interest, which was something of a surprise, will eventually force New England cotton mills to grant an increase in wages, if a strike of operatives in such mills is to be avoided. Furthermore, it is thought that the woollen company has set a precedent which may encourage textile employees in other sections and

branches of the industry, including silk mills, knit goods mills, and southern cotton mills, to seek higher pay. In short, the step taken by the American Woollen Company seems to mark the beginning of what may prove to be a more or less general increase of textile wages in this country. Whatever other reasons may have prompted that company to raise wages at this time, it evidently deemed such action advisable in order to forestall any possible dissatisfaction or labour trouble on that score in its own organisation, especially in view of the fact that its entire available production of spring and fall goods for this year is sold up. Cotton goods manufacturers in New England, however, are not in such a comfortable position. In some lines of finished cottons they are well sold ahead for a few months, but that is not true of printcloth and grey goods mills. Several woollen and worsted goods mills have already followed the lead of the American company, and granted a like increase in wages. Eastern cotton goods manufacturers are still resisting the unions' demands for more pay; they insist that, in view of the abnormally high cost of cotton and yarns any rise in wages will necessitate further advances in cottons to levels which, they fear, will seriously retard distribution and consumption, and in that event ultimately result in curtailed production.

The 1922 cotton crop in this country amounted to 9,729,048 running bales, according to the final census report this week. That total compares with 9,964,000 bales estimated by the Department of Agriculture last December, and with the 1921 crop of 7,977,778 bales. The census figures for last year's production include 172,182 round counted as half bales, 32,786 bales of American-Egyptian, 5,125 bales of Sea Island, and 8,864 bales which ginners estimated would be turned out after the March canvass. Reduced to 500 lb bales, last year's cotton crop was 9,761,817 bales. With the exception of the 1921 crop, which it exceeded by about 22 per cent., the 1922 crop was the smallest since 1903, when 9,851,129 bales were gathered. The average gross weight of the bales last year was 501.7 pounds, as against 498.5 pounds for 1921, and 506.4 for 1920. While it is too early to make any predictions regarding this year's cotton crop—which has not even been planted yet, although preparations are under way in the extreme south—much importance is attached to the fact that the exceptionally cold weather which has prevailed throughout cotton-growing States is likely to check weevil activities, and some authorities claim that the outlook is for a much smaller infestation of this year's cotton crop than in any spring since 1920. That prospect, no doubt, has been responsible in some measure for the recent sharp declines in speculative cotton markets here.

FRANCE.—BUDGET DEBATE—WAR COMPENSATION—COAL OUTPUT.

(FROM OUR CORRESPONDENT.)

PARIS, April 5.

THE Chambers, after voting two new *douzièmes provisoires*, or Votes on Account, for April and May, adjourned at the end of the month (after a sitting that lasted until 2 a.m. on Good Friday) for the Easter recess, and will not meet again until the beginning of May. The two new *douzièmes* asked for amounted to a total of 4,579,772,915f in respect of the General Budget, and to 483,226,565f for the "Annexed" Budgets. One of the outstanding features of the long discussion that took place in both Houses was the fact that Supplementary Credits were again asked for, on this occasion amounting to 61,390,544f in respect of the Budget for 1922. In the Chamber, amid the many other subjects of interest that came up, this question of Supplementary Credits was passed over, as the *Temps* puts it, with "almost disdainful indifference." The matter was taken, as a matter of course, at the same time as the *douzièmes provisoires*, and the credits were sanctioned without a word of comment. The Senate, however, took the question much more seriously. A special report laid before the Lower

House by M. Bokanowski disclosed the fact that during the year Supplementary Credits had already been sanctioned for a total of 2,107,704,562f. As a protest, the Senate declined to discuss the new demand at the same time as it considered the request for further *douzièmes provisoires*, and adjourned its decision on the question until after the recess.

The Bill for the new *douzièmes provisoires*, too, contained many entirely new proposals, which it is held by many financial critics ought not to come up in this form, but should be embodied in the Budget Bill proper. One of these, for instance, concerned the raising of the abatement rate for income-tax payers. It was agreed, in principle, some time ago that, in view of the distaste of the French working man for any kind of direct taxation, especially when it is based on his wages, the rate of abatement should be raised by 1,000f a year for each category of persons assessable under this tax; that is to say, that the limit of abatement should be raised in the Paris area from 6,000f to 7,000f, and in communes of over 50,000 inhabitants from 5,000f to 6,000f, and to 6,500f in those of over 500,000. These and other modifications are embodied in the Budget Bill for 1923 which is now awaiting discussion by the Senate. In view of the necessity for issuing the assessment papers for 1923 without further delay, however, the Government took the unusual step of asking Parliament to enable these new modifications to come into operation immediately by including them in the Bill authorising the Votes on Account for April and May. In the circumstances the Senate adopted this proposal, although with a rather bad grace. The sequel to the raising of the limit of abatement has quickly followed in the announcement that the sale price of tobacco is to be raised forthwith by 10c the packet, in order to compensate for the loss of revenue due to the raising of the abatement rate in income-tax assessments. Another slight relief afforded to income-tax payers for the current year is that assessed persons are now permitted, in making their declarations, to deduct from the amount of their income the amount paid in income-tax during the previous year. The rate of payment for income-tax on salaries, wages, &c., is fixed at 6 per cent. on the net revenue.

In this connection it may be noted that, according to figures just published by the Ministry of Finance, the yield from the tobacco monopoly during the past three years has been as follows:—1920, 1,448,073,000f; 1921, 1,596,843,000f; 1922 (provisional figures only), 1,611,192,000f.

In reply to a written question, published a day or two before the Chamber rose for the holidays, the Minister for the Liberated Regions states that the total amount of compensation for war losses due to interested persons in the ten Departments comprised in the devastated area of France amounts approximately to a total of 85,789,631,000f. Of this amount, 41,265,276,000f had been actually paid down to December 31st last, leaving 44,524,355,000f still to be paid. These figures, of course, relate only to damage done to civilian property, and leaves out of account damage done to State property, and military and civilian pensions.

Fuller figures are given in a detailed study that has been laid before the Paris Statistical Society by M. Edmond Michel, who states that the total sum really due by Germany to France for losses incurred by her is 180,000,000,000f in respect of war losses under the various categories agreed on before the peace treaty was signed. Of this total of 180 milliards, M. Michel states that France has already raised and expended 98 milliards (or 54.4 per cent.) from her own resources, while Germany has paid only about 4 milliards (or 2.2 per cent.). The expenditure already made by France in this respect is set forth by M. Edmond Michel as follows:—

	Francs.
Damages paid to persons (pensions, &c.)	32,000,000,000
Do to property	41,354,000,000
Various interests	1,200,000,000
On account of State works	7,195,000,000
Reorganisation of public services	2,150,000,000
Aid on various accounts	1,300,000,000
Cost of administration	800,000,000
Interest on advances made by France on behalf of Germany	12,000,000,000
Total expended	98,000,000,000

The balance of 84 milliards that still remains to be expended is composed, according to M. Michel's calculations, as follows:—

	Francs.
Capital value of pensions still to be paid	35,000,000,000
Damages to property	43,645,000,000
State works	2,905,000,000
Sundries	2,450,000,000
Total outstanding	84,000,000,000

The total number of dwelling-houses destroyed or damaged was 794,040, of which 408,474 had been repaired (which was the case with the vast majority of them) or rebuilt. Factories destroyed or damaged numbered 22,900. Steam-driven appliances used in industry in 1913 in the ten departments represented a total of 1,070,700 kilowatts. In 1920 these had resumed operation to the extent of 777,069 kilowatts. Out of 85 blast furnaces damaged or destroyed a little more than half are now again in activity. M. Edmond Michel estimates that out of the total able-bodied male population of France (which numbered 12,000,000 at the Census of April 5, 1911), 8,410,000, including 475,000 "native" or coloured troops, were mobilised; in other words, two-thirds of the adult male population of France proper. Of these, 1,128,300 were killed, 265,088 "disappeared" (missing), about 690,000 were mutilated, and over 800,000 were wounded. The proportions of losses (killed and missing) in the respective belligerent armies he returns as follows:—France, one in every 30 mobilised; Germany, one in 35; Austria, one in 50; Great Britain, one in 66; Italy, one in 70; Russia, one in 107; United States, one in 2,000.

Figures are now available showing the output of the French collieries (both coal and lignite) for 1922, from which it is seen that the total amount of combustibles produced amounted to 31,940,845 tons, as compared with 28,960,000 tons in 1921, or an increase of 2,980,372 tons. These figures do not include the output from the Saar basin, where considerable improvement was also recorded, the total extracted during 1922 being 11,240,000 tons, as compared with 9,574,000 tons in 1921, or an increase of 1,666,000 tons. Including the Saar area, the total output of French coal during 1922 showed an increase of 4,646,372 tons on the year. Including the newly acquired Moselle and Saar coalfields, the 1922 output was 42,403,000 tons, or an increase of 3½ million tons, as compared with the total French output of 39 million tons in 1911 (20 millions in 1920 and 25 millions, exclusive of the Moselle and Saar pits, in 1921). This increased tonnage is due entirely to the fact that France is now able to draw on the Moselle and Saar coalfields, without which she would be still more seriously below her pre-war output. The collieries from which France drew a total of 39 million tons before the war last year produced only 26,821,032 tons, owing to damage done during the conflict. The fact that this total was about 1,800,000 tons greater than during 1921 indicates the extent to which the wrecked pits have been brought back to a working state during the year. The damage wrought by the enemy included the destruction of 212 pits of from 230 to 704 metres in depth (140 of which were wilfully dynamited), of machinery representing 380,000 horse-power, of 500 miles of railways, of 1,975 miles of galleries, 1,366 miles of which were so seriously flooded that they must be reconstituted, and 30,000 miners' cottages. The reparations, it is estimated, will not be completed for another four years.

GERMANY.—RUHR—GOLD LOAN—FINANCES—TRADE CONDITIONS.

(FROM OUR CORRESPONDENT.)

BERLIN, April 3.

THE Ruhr situation gets ever more hopeless. The massacre of workmen at Essen was only a logical development of French policy, and there is small prospect of the repetition of such events being avoided as long as the occupation lasts. During the first weeks of occupation, the French, who either honestly believed or wanted others to believe that they were attacking the German Government and the Capitalistic leaders of industry, tried with success to avoid mass collisions with the workmen; the mere threat of a strike was often sufficient to make military

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parties evacuate workshops and mines. Of late this policy has changed. The French have been increasingly raiding, removing goods from, and seizing employees of, private undertakings. The system is to march against a mine or workshop with unnecessary armaments, rifles, bayonets, machine-guns and tanks. The workmen usually stream in masses into the streets or yards, and since, although they are unarmed and perfectly peaceful, they usually outnumber largely the French attackers, the risk of a collision is great.

The Gold Treasury Bill experiment has not been a success. No returns have yet been published; but the semi-official statements imply that only about a quarter of the 200,000,000 gold marks bills have been taken up by the public. As, however, a banking syndicate guaranteed half the issue, 100,000,000 gold marks are ensured. The semi-official statements are optimistic about this result, implying that better was not expected; if so, the larger sum ought not to have been asked for. The causes of the failure are not clear. The loan, being regarded as a weapon against France, was popular. Probably the amount of foreign currencies in the public's hands was over-estimated; perhaps the industrialists, in whose hands the largest sums must be, preferred to keep their money for paying for the largely increased coal and iron imports which are now necessary. The Government declares that it will and can maintain the policy of supporting the mark. Against this must be pointed out that with the mark exchange stable and the paper circulation growing, the yield of the loan becomes every week less effective; the exchange intervention of February with small means was successful only because the circulation was low when measured by the gold depreciation of the mark. The Prussian Government announces a paper-mark loan with variable interest, to be 2 per cent. under the Reichsbank rate, but not under 7 or over 15 per cent. No limit is put on the issue. A paper-mark loan even on such favourable interest conditions would have had no chance of success two months ago, but public sentiment has been

reversed by the last weeks' mark stability; the "wertbeständig" loans in gold marks, rye, coal, &c., have suddenly lost their popularity; and the paper mark has regained a certain prestige. For the same reason, invoicing in foreign currencies in home business has almost ceased. Heavy losses have been suffered by persons who exacted dollars at around the end of January. Gold-mark dividends are still being declared by industrial companies, but the decision to do this was come to some time ago.

The increase in nominal debt and the inflation are proceeding headlong. In the month preceding the last report of the Finance Ministry (for March 20th) the total debt nearly doubled. The movement of debt, all of which except 64,423 millions is floating, has been as follows:—

	Millions of Marks.
March 31, 1914	4,918
June 30, 1921	292,659
June 30, 1922	375,993
September 30, 1922	592,793
December 31, 1922	1,886,471
January 31, 1923	2,743,936
February 28, 1923	4,692,671
March 20, 1923	6,905,266

This is not a State debt in any real sense of the word. It is merely a record of revenue extracted by currency depreciation instead of by taxation; and even for that purpose it is useless, owing to the enormous difference in value between the marks booked at different dates. The system is demoralising, but works extraordinarily easily; it is easier for Herr Cuno to balance his Budget than for Mr Bonar Law, and that is one reason why reform delays. Whether the "real" Budget, that is the relation of revenue to expenditure both expressed in buying-power, has got worse or better is hard to say; since last summer it seems to have got worse owing to the relief which the ever more rapid mark depreciation gave to large classes of taxpayers. In April-August, 1922, the first five months of the current financial year, the General Administration Budget showed monthly surpluses varying between 7½ and 10½ milliards; in the first four of these months, there were surpluses even after paying subsidies to balance the Railways and Posts Budgets; and the only deficits were on Fulfilment of the Peace Treaty. On all the three Budgets, the month's deficit in April, 1922, was 9 milliards, in August 23½ milliards, October 152.7 milliards, December 656 milliards, February, 1923 (approximate), 1,507 milliards, and March (1st-20th only) 2,325 milliards. In 1921-22 the whole expenditure on General Administration, Railways and Posts, and Peace Treaty was only 263.3 milliards. In the last reported period (March 1st-20th), expenditure at 1,559,939 millions was about six times as much as in the whole financial year 1921-22. With the Budget the same stage was long ago reached as with Foreign Trade; paper-mark statistics have ceased to have any value for comparison, and it is time to follow the Foreign Trade precedent and, even though the paper-mark has to be maintained in practice, to issue gold-mark or "buying-power" estimates of revenue and expenditure.

The Customs gold surcharge has been reduced to 509,400 per cent. Difficulties are being met with in assessing the triennial Property Tax and the Forced Loan associated therewith. The first self-assessment, which ought to have been carried through before the end of January, has been postponed until the end of April; with the result that the Government does not get its money. Income-tax for 1923 is still being paid on the assessments for 1921, although incomes have meantime risen anything from 80 to 200-fold. In a concrete case: a merchant whose income this year is 43,000,000 marks, and is, therefore, mostly subject to the maximum 60 per cent. rate, is asked in advance to pay a mere 4,500 marks for one quarter's provisional income-tax for 1923. The Finance Ministry sends round a bailiff to distrain furniture for the 4,500 marks, worth about 1s; but it will not send out the assessment forms for the Income and Property Taxes and for the Forced Loan. In part, the failure to collect "real" taxes is due to the quickness of the last currency collapse; in part it is due to the collapse of the bureaucracy.

The last Reichsbank return reflects this state of affairs. There is a record increase of 683,123 millions in circulation, and a record increase of 528,720 millions in Treasury Bill discounts. Commercial discounts increased by 181,370 millions. Outstanding Darlehns advances have passed one billion marks—to 1,001,200 millions; the limit of these

advances has now been raised to 2 billions. The bank has booked in its "Metal Reserve" the whole of its holding of new token money in base metals, so that the reserve is now 4,195 millions, after being for years somewhat over one milliard, or only a little more than the gold reserve, which it includes. The question whether this act is technically correct need not be discussed; but it is certainly misleading to the public, which has been used for years to accept the "Metal Reserve" as almost entirely gold, and now finds the total quadrupled, without anything to show that only one quarter is gold, and that together with this gold is booked aluminium, nickel, and iron, of practically no value. In the third week of March 100 million gold-marks were sent to the Swiss National Bank to be held as potential security on the same conditions as with the gold in the Bank of England. The gold held by the Reichsbank abroad is now 164,952,000 gold-marks. The bank expresses confidence in its ability to maintain the mark exchange; but its statements, unlike those of some central banks, do not show what sum in foreign bills is held. The foreign bills are booked at their paper-mark cost, together with native bills and cheques, while balances in foreign banks are booked as "Other Assets."

Building has revived, and the heavy iron and steel branches are active; but most finishing manufacturers complain of lack of orders, and conditions in the leather and textiles branches are almost critical. The cause is the public's unwillingness to buy, in expectation of a further price fall. Wholesale prices are declining almost imperceptibly. The Coal Tax has been reduced from 40 to 30 per cent., and the net price of coal has also been cut down slightly; the gross price, including tax, is thereby reduced by about 15½ per cent. Iron and steel prices have not been altered since the last week of February. The foreign trade statistics published for February are imperfect, as a result of failing returns from occupied territory. The imperfect report shows imports of 3,166,100 metric tons and exports of 1,096,100 tons; these figures are so much below normal that they give no means of estimating even roughly the true totals.

BELGIUM.—EXCHANGE FLUCTUATIONS—ATTACKS ON THE FRANC?—GERMAN PAYMENTS—THE LLOYD ROYAL BELGE AND THE MERCANTILE MARINE.

(FROM OUR CORRESPONDENT.)

BRUSSELS, March 28.

Up to 89 and down to 75, then up to 80 down to 80, up to 83 down to 80 once more, and finally back again to 84—these are the fluctuations for the £ sterling which we have experienced in Brussels during the last ten days, and between these rises and falls there have also been many smaller movements. This instability in the foreign exchanges completely paralyses international trade and causes stagnation in business at home. As the barometer rises and falls according to the state of the weather, so we see the exchanges weakening or hardening with the possibilities or impossibilities of a solution to the thorny question of the Ruhr, and as the barometer is sometimes at fault, so do we see that the probable improvements in the international situation do not always materialise, and it is this that causes a succession of violent reactions in the exchanges. Speculation further aggravates the oscillations when we are not experiencing what we call "an offensive" against the franc. These "offensives" seem to me to be indisputable, otherwise how can one explain the following:—

The closing rate for Brussels in New York gives a parity for the £ against Belgium of (say) 80.00 without any definite tendency. We are thus at 9 o'clock in the morning with only this indication from New York, and as the exchange markets in Paris and London do not open before 9.30 or 9.45, the market in Brussels should also be without any tendency. Nevertheless, we find London strongly wanted here at 80.50, 81, 81.50, 82, 82.50, without anyone knowing exactly the reason, and generally we discover that it is Holland who is selling francs at any price. Why these actions from Holland if they are not based on definite instructions from her Eastern neighbour? Sometimes the movement increases in importance, at other times it is only a flash in the pan, and more often it is

a struggle between Paris and Amsterdam, the former buying and the latter selling francs.

It is generally predicted that an appreciable improvement in the Belgian franc might be realised if the economic convention between Belgium and France, which has been under discussion for a considerable time, is concluded on a sufficiently large basis. Unfortunately, it appears that there are numerous obstacles on both sides; especially on the French side, where certain industrial groups fear the competition of this country and endeavour to maintain the Customs' tariffs affording them protection. It now appears very probable that the new economic treaty between the two countries will be very limited, and this is not very astonishing when we remember that the Customs' policies of the two countries are entirely opposed; on the one side Protection, and on the other Free-trade as far as possible.

Meanwhile, we learn with satisfaction that Germany has paid the second instalment of 50 million gold marks due in March under the Belgian priority claim. There remain a further three instalments payable monthly, which, if paid (and there is every reason to believe that they will be paid), will mean a total receipt by Belgium during the last five months, in foreign currencies, of roughly 1¼ billion francs at the present rate of exchange.

Taxation returns for February are favourable. Direct taxation received amounted to 100 millions—roughly 25 per cent. more than for the corresponding month last year, and seven times as much as the average monthly receipts before the war.

A Cabinet meeting has just been held to deal with the difficult question of the Lloyd Royal Belge. The affairs of this company, which was created by the Government, are not at all satisfactory, and the American Government has recently intervened in favour of certain American creditors by retaining all ships belonging to the company which are in American ports. This action on the part of the American Government has been much discussed here, and is considered as very unfriendly towards Belgium, especially as the Belgian Government is heavily involved in the affairs of the company, having guaranteed bonds to the extent of 100 million francs. A liquidation of the company would be a serious disaster to this experiment in maritime expansion, and would discourage all further initiative, and a complete reorganisation has consequently been proposed. The actual position is as follows:—The principal creditors are the Belgian Government and a group of banks. The claim of the former amounts to 98,000,000f (amount of bonds guaranteed), the latter 80,000,000f. It is proposed to convert the claim of the State into 40,000,000f of preference shares and 58,000,000f capital shares. The banks to receive in respect of their claim 25,000,000f preference and 20,000,000f capital. The directors of the company to subscribe 10,000,000f fresh capital as preference shares, and the actual share capital of 50,000,000f to be converted into ordinary shares with no nominal value. After applying 5 per cent. to reserve, 6 per cent. to preference shares and 5 per cent. to capital shares, the remaining profits to be divided as follows:—25 per cent. to redeem preference shares, 25 per cent. as dividend on the ordinary shares and the remaining 50 per cent. to be distributed among all the shares. It is also stated that Mr Francqui, recently elected vice-governor of the Société Générale de Belgique in succession to Baron Janssen, will be chairman of the board.

As the Lloyd Royal Belge comprises 330,000 tons of shipping navigation under the Belgian flag it would be a great disaster to allow it to fall. Although the new proposition has been discussed on Bourse, it has not been criticised too much.

An important meeting was held on Tuesday last to advocate the development and expansion of the Belgian mercantile marine. The Minister of Marine presided, and all the principal commercial and financial notabilities of the country were present. The King, in a letter addressed to the meeting, expressed his wholehearted support and desire to see the country fully equipped with a marine necessary for the maintenance of its colony and worthy of the position it now occupies in the world. Mr Fortomme, the president of the Comité Permanent de l'Exportation, in the course of his speech, impressed on the meeting the importance and benefits of the acquisition of a strong mer-

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cantile marine, and added that according to the English principle, "trade follows the flag." He reminded his audience that the war had made Belgium known to the four corners of the earth, whereas prior to 1914 the country was not considered of any importance, and he insisted on the necessity of all sacrifices being made, not only to keep its present position, but to improve it, so that in later years Belgium could claim to be independent of all other Powers. This is typical of many incidents which frequently occur to show that the country is fully alive to its present position in the world, and is ready to maintain it by sacrifices and hard work.

The Bourse has been violently agitated recently. The new French loan weighing heavily on the Paris market immediately affected the forward market in Brussels, and as the open positions during the rise were very considerable, it resulted in a severe fall in prices, which was immediately felt on the "spot" market, which consequently fell heavily, and the slump was further accentuated by the fall of foreign exchanges. Since then, however, a slightly better tone has prevailed among the first-class securities, where there is really very little paper, the rates having fallen rather from lack of buyers than from the number of sellers. The news of the forthcoming issue of a new Belgian loan has not had a favourable influence on the Bourse. It is proposed to issue in May next one billion francs "Dommages de Guerre" in shares of 500f, at 5 per cent., repayable at 550f, by monthly drawings, and with numerous lottery prizes of a maximum of 1,000,000f each.

AUSTRIA.—POLITICAL SITUATION—EXPENDITURE PROBLEMS—PRICES RISING—UNEMPLOYMENT DECLINES—NATIONAL BANK—NEW CAPITAL—MONEY AND STOCKS.

(FROM OUR CORRESPONDENT.)

VIENNA, April 1.

UNTIL recently the influence of the Social Democrat Party was decisive in matters relating to both public and private enterprises. The mere threat of strikes or public demonstrations was sufficient to remove all opposition. At present, however, since the Geneva reconstruction programme has come into force, and Dr Seipel's Cabinet has successfully obtained foreign credits, the threats of this party are no longer feared. The population wants peace, and the Social Democrats have been driven into a position of defence. This does not alter the fact, however, that they are now directing a fierce attack against Dr Zimmermann, the Commissary General of the League of Nations in Vienna, by reproaching him for his alleged interference in matters which are solely reserved to the decision of Parliament. As a reaction against the Social Democratic policy, a strong anti-Semitic movement, mainly directed against the Socialistic leaders, has been gaining ground here during the last month.

The second report made by the Commissary General of the League of Nations emphasises the fact that, although

an improvement in financial conditions can be noticed, much is still to be done. The approach to reconstruction entails reduction in the number of State officials and a decrease in the deficit of the railways and of other public enterprises. How difficult the accomplishment of these things will be is shown by the Government's decision to cut down the number of free passes on the State railways granted to post and telegraph officials, which has produced so-called "passive resistance" amongst these officials. This has been overcome only after a week's negotiations between the Government and the officials' trade unions, and has led to considerable congestion in the post-offices and to serious delays in these services. The necessity of reducing the number of free passes on the railways can be proved by the fact that in the last half of 1922 only 50 per cent. of the travellers on these railways paid the full fare, whilst the other 50 per cent. either used free passes or tickets greatly reduced in price. Under these conditions it is easily understood that the earnings of the State railways for January, 1923, were 108,000 million kronen short of the Budget's estimate. Another difficulty in reducing public expenditure is created by the increase in the cost of living which has lately set in, and which has raised the index figure by 6 per cent. This means an automatic increase of 6 per cent. in all the salaries paid by the State.

For the first time for many months signs of a decrease in unemployment are to be seen. The number of unemployed at the end of February was still very high, as 169,255 persons were receiving the unemployed dole at that date. Since then a decrease, due mainly to the improvement in industrial conditions and to the gradual renewal of building activities, is to be noticed. The Vienna Industrial Fair, held from March 18th to March 24th, was more successful than the previous two. More foreigners came to Vienna, and since both industrialists and traders endeavoured to create lasting business connections with them, they were inclined to be as obliging as possible. It is worth noticing that the Viennese merchants who asked payment in foreign currencies at the two previous fairs willingly accepted Austrian kronen at this one, since they no longer feared the krone would lose its value from day to day.

During the last three months the cost of living index number has followed an upward course, and the next figure will probably show another increase, especially since sugar, meat, fat, coal, and rents have risen. Besides this a new tax of every business transaction comes into force on April 1st, and it is expected that this will increase all prices by 3 to 4 per cent., those of luxury articles being 12 per cent. The Treasury estimates the revenue for this year to be 450,000 million kronen. This, of course, means a heavy burden for the population.

A Bill has been drafted providing for the appointment of a foreign adviser for the National Bank. Mr. Snyders, the Swiss bank director, is being considered for this position. The Government and the bank hope to increase their standing in foreign countries by the appointment of an adviser from a neutral country. At present the business of the new bank is being conducted in a very careful manner, and the former note inflation has been checked in a very decided way. On March 13th the note circulation of the bank amounted to 4,258 milliard kronen, 31 per cent. of which was covered by the gold reserve and the stock of foreign bills. Since January 7th the gold reserve has increased from 49.6 milliard kronen to 85.14 milliard kronen, and the stock of foreign bills from 1,145.5 milliard kronen to 1,266 milliard kronen. As the internal loan, which must be repaid in gold, will be due in June, negotiations have already been started in the leading foreign cities with a view to transforming these gold treasury bonds into a new international loan.

The past year, which was entirely under the influence of the note inflation, saw the foundation of a great number of industrial and financial organisations. For example, 316 Austrian joint-stock companies were founded, as against 152 in the year 1921, and 316 foreign companies, as against 12 in the year 1921, were registered in Austria. A large number of these organisations will hardly be able to carry on through the next few years. The fear of social revolutions in Austria and the further depreciation of the krone formerly caused Austrian capital to be interested exclusively in the Succession States, especially Czechoslovakia,

since shares in that country yielded a much higher profit. For the last few weeks, however, there has been a great demand for good Austrian shares on the Stock Exchange. This is due to the stabilisation of the krone, to the companies' endeavours to increase their dividends as much as possible, and the efforts of some companies to get the majority of their shares into other hands.

The latest intensification of the Hungarian emergency exchange regulations has made Austrian merchants unable to collect their outstanding debts in Hungary in recent months. They have, therefore, sustained heavy losses, because the Hungarian krone has fallen considerably in value of late. Nevertheless, Austrian merchants are endeavouring to keep up trade with Hungary, since it is an old market, and exchanged much-needed agricultural products with Austria.

The once flourishing business on the money market, caused by the fluctuations of foreign exchange, has experienced great changes. Prices for foreign money have remained unchanged since the stabilisation of the krone, and the National Bank has a firm hold on the market in consequence of the large amounts in foreign bills obtained from the credits.

SWEDEN.—NEW ISSUES—COMMODITY PRICES—TRADE BALANCE—LABOUR CONDITIONS—EFFECT OF RUHR OCCUPATION—TOBACCO TAX.

(FROM OUR CORRESPONDENT.)

STOCKHOLM, March 15.

THE money market has been loaded with several big loans lately, and their absorption has not been very difficult. The Government has made a big bond issue of 50 million crowns, with a dividend of 4½ per cent., but as the bonds will be sold at a rate of 97 per cent., the yield will be 4.63 per cent. This is the fifth Government loan issued within the country since 1914, when the foreign market was practically closed for any loans, and the total sum thus borrowed amounts to 493 million crowns. Besides this, two premium bond loans of a total of 200 million crowns have been issued and absorbed during the same period, which shows that the monetary resources within the country are considerable. Another big bond issue of 17 million crowns has been made by the shipping concern, Transatlantic of Gothenburg, carrying interest of 6½ per cent. on 14 million crowns and 7 per cent. on 3 million crowns. This loan is issued in order to consolidate the concern, and cut down the book value of the company's tonnage. The tonnage is placed as security. At the same time, the share capital will be cut down by 50 per cent. to 9.15 million crowns. This concern, which is the biggest owner of tonnage in this country, has seven motor vessels of 53,700 tons d.w. and 27 steamships of 180,000 tons d.w., most of which are very modern and up to date, several of them having been built during these last years at high prices. The board has decided to make such a drastic writing down now, because they wish to avoid passing dividends.

The fall in prices has almost ceased now. The monthly index for foodstuffs, including light and food, issued by the Board of Social Welfare shows the very slight fall of one point during February, from 166 to 165 (the prices for July 1914 being counted as 100). On the other hand, there has been a rise in the wholesale price index issued by the Svensk Finanstidning of two points since January, this figure for February being 158, against 156 the month before. The strongest rise in prices is noted in the cases of coal and coke, but for pig-iron, copper, lead and tin higher prices have also been quoted. February showed larger imports and a greater import surplus than January, but this is largely seasonal. The export of iron ore is very much bigger for January-February this year than for same period last. The pig-iron export has been fairly good, and is for February this year about the double quantity recorded same period last year. Our trade balance for 1922 showed quite favourable figures, the total import surplus not being more than 11.98 million crowns for the whole year, compared with 161.43 million crowns for 1921; the total import value for 1922 being 1,164 million crowns and the export value for same period 1,152 million crowns, while the same figures for 1921 were

1,258 million crowns and 1,097 million crowns respectively. The improvement in the trade balance for 1922 is due to the great increase of timber, paper, pulp, and iron ore exports. The total quantity of timber exports last year was 1,031,924 standards, compared with only 544,073 standards the year before. As far as the export quantity for 1922 is concerned there is nothing to complain of, but the prices were not much to boast of, and have given the exporters but a poor revenue, as a big percentage of the output was cut and sawn at top prices. The outlook for the timber trade this year is rather favourable, the total quantity sold up till the middle of March being about 300,000 standards.

The conflict which has been going on with the timber-cutters, and which has lately been settled, has very likely not done much harm to the result of the timber-cutting, as the weather is very favourable for lumbering now. The lock-out at the saw-mills, which began on February 1st, is still going on. As to the rest of the labour market, there has been uneasiness in several quarters, but some agreements have been arrived at, as for instance, in the workshop industry, which for a very long time has been working without a collective agreement. This new agreement will be in force until January 1, 1924, and the wages agreed upon are those prevailing at January 1st this year. At the paper-mills there has also been a settlement, the wages thus agreed upon being those prevailing during December last year, but at the pulp factories the lock-out continues. Unemployment figures are much better than at this period of last year, the number of unemployed then being about the double of the present number, which on February 1st this year amounted to about 55,500. February saw further improvement, but no official figures are available. There is no doubt that the Ruhr occupation is having a very bad influence on trade. Several important industries, such as shipping and mining, are suffering considerably. On the other hand, the iron and manufacturing industries, owing to labour troubles, are not in a position to take advantage of the falling off of German competition. Many traders have applied to the Foreign Office for intervention, with the view to getting their difficulties solved by diplomacy.

A Bill has been placed before Parliament embodying the proposal to prolong the temporary tax on tobacco for the next budget year, with the difference that cigars and cigarettes manufactured within the country, which at present are free from taxes, should now be charged with a small duty, while for imported cigars and cigarettes the taxes would be lowered. The tax is expected to yield the same revenue as before, or 12 million crowns.

SOUTH AFRICA.—RAND VALUATIONS—VIEWS ON "ECONOMIST" ARTICLES—AREA UNDER CULTIVATION—RAILWAY EARNINGS.

(FROM OUR CORRESPONDENT.)

JOHANNESBURG, March 6.

THE special articles published at the end of January and early in February in *The Economist* on the Rand gold mining position have attracted a good deal of attention in financial and stock exchange circles. As I was in no way responsible for them, I may, perhaps, be permitted to pass on a remark of a prominent broker that they were "very sound," though some people thought the valuation for Government Areas, namely 86s, somewhat conservative. Of course, the allowance for British income-tax, as adopted by the writer of the articles, in connection with the amortisation fund tends to reduce the valuation considerably. This bears out the view expressed that Rand shares are really worth more to the holder domiciled in South Africa. The accumulative rate of 4 per cent. was thought a little low, inasmuch as Union Sixes yield £5.7 per cent., free of Union income-tax at 1s 3d in the £.

While it is perfectly sound and conservative finance to start the amortisation fund for the redemption of capital immediately, it is shown by experience that quotations for better class Rand shares hold their prices pretty well until a few years before the end of their lives. People are inclined to ignore the incidence of sinking funds on the price of the shares until there is a sudden awakening, by a drop

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in dividend sounding a warning. Thus, I notice in a circular recently issued by a well-known firm of brokers the following remark as to Government Areas:—"In view of the long life, probably 25 to 35 years, the question of redemption need hardly be taken into consideration at the moment." As to Crown Mines, "the life is doubtless of some great length, and, therefore, the question of redemption may be left out of one's calculations for some years." Again, with New Modder, "it is hardly necessary to take into consideration the question of redemption, but should redemption be commenced now, on an assumed life of twenty years, it would be necessary to put away 2s 4d per share per annum at five per cent." Johannesburg holders rather go on the principle of buying attractive shares when the market is dull, taking dividends for a few years, and selling the scrip when the market is active, and thus incurring little, if any, capital depreciation. But, naturally, the element of "luck" enters largely into putting this policy into operation.

Local estimates agree pretty closely with those given in your series of articles. Government Areas is, according to the same circular, expected to pay 12s per annum, or £11.6 per cent. gross on the outlay; New Modder 10s, representing 13 per cent. gross and 10 per cent. net on the current price of 77s 6d. Van Ryn Deep is assumed to pay 12s a year, representing £17.6 per cent., or £13 per cent. net, with amortisation over fifteen years. It is remarked that the life may be considerably lengthened if development of the western section continues to open up payable ore, but it is of very much lower grade than the eastern and southern portion of the mine, so it cannot be expected that the same high rate of dividend can be paid when those sections have been exhausted. Modder Deep is expected to pay 7s per share annually, a gross return of £16.3 per cent., but only nine per cent. with amortisation over a life of fourteen years. The same rate of dividend is looked for at Crown Mines (which is rather more than is indicated in your series of articles), or nearly £13 per cent. gross on the present price of 55s.

New State Areas have been dealt in at a quotation verging on 40s, which appears to be a pretty long price to pay in view of the very heavy royalty payable to the Union Treasury. At a ratio of 40 per cent. profit to recovery, as, for example, on a recovery of 35s, working costs at 21s and a profit of 14s per ton, the Government would receive 61.25 per cent. of the profit after allowing for amortisation of capital. At a ratio of 50 per cent., say, 17s 6d per ton of capital. At a ratio of 50 per cent. profit, the "tribute" is 65 per cent. cost and 17s 6d per ton profit, the "tribute" is 65 per cent.; while on a ratio of 55 per cent. the Crown takes two-thirds of the net produce. This latter ratio would be shown with a grade of 40s and costs at 18s per ton. In the actual calculation the allowance for amortisation of capital, say £80,000 in equal instalments over twenty years, is deducted from the gold revenue to arrive at the ratio. This is added to the working profit, and is available for distribution. Unlike Government Areas, New States have to pay ordinary taxation in addition, which may be considered as absorbing two months' profits. Johannesburg investigators incline to the view that the shares are unattractive on a crushing basis of 50,000 tons a month, but that the position would be improved materially were this eventually increased to 100,000 tons.

Figures just issued by the Union Department of Census and Statistics show that the cultivated area of the Union has increased by ten per cent. in the past year. In April last the total area under cultivation was rather over five

million morgen, or, approximately, ten million acres. The areas in the three major provinces, the Cape, Transvaal and Orange Free State, are much the same at a million and a half morgen each, while in the much smaller province of Natal the total is about half a million. While it is gratifying to notice this improvement, it should be made clear that the proportion of the area of the provinces which is cultivated is lamentably small, although it is being dinned constantly into our ears that agriculture is the principal industry of the Union. Comparison with the total areas indicates that less than two per cent. of the Cape Colony is cultivated, about $4\frac{3}{4}$ per cent. of the Transvaal and Natal (including Zululand), while the highest proportion is 10 per cent. in the more favoured Orange River Colony, with its much superior riparian river supply. An enormous area of the Cape North-West has to be written off. Large areas in various parts of the Union consist of rocks, and unfortunately what soil there is elsewhere is being rapidly eroded by periodical torrential rains. Taking it all in all, it is most disappointing to record that only $3\frac{1}{2}$ per cent. of the entire area of the Union is under cultivation. No figures are available as to areas occupied by ranching and cattle raising. It would be instructive to know what area of the Union is regarded as cultivable, so that a comparison might be instituted with other colonies.

According to an official return by the General Manager of Railways, 39 branch lines totalling 3,208 miles showed in November a loss of £42,000, or equal to half a million a year on a capital cost of 16½ millions. Commenting on these results, *The Star* says, "The Union railway system is carried by the interior almost entirely, and if the mining zone were by any misfortune to fall to the non-paying position occupied by more than half the mileage, the whole system would crumple up."

Letters to the Editor.

MONETARY POLICY.

TO THE EDITOR OF THE ECONOMIST.

SIR,—The imminence of the return to par of the dollar sterling exchange has evoked some thoughtful contributions to your pages on certain aspects of domestic and international monetary policy.

A perfectly free gold market would not be re-established immediately parity is attained. A measure of official control would be imperative if, as is possible, the political and economic condition of the Continent is abnormal, and pending a revision of our currency system, complete convertibility would be impossible. During the period intervening between the attainment of parity and the re-establishment of a free gold market, the problem of maintaining our prices at the level of world (gold) prices will be one of importance and complexity.

The pre-war simplicity of our currency system, destroyed by the exigencies of Government war finance, enabled the Bank of England's minimum rate of discount to be effective. Events of tremendous importance have greatly impaired its power to reduce the level of prices. The clearing banks now control gigantic resources, with great power to affect prices. Their investments in Treasury bills, while convertible into currency notes, are potential sources of inflation. Often the Government can only pay the huge amounts in interest on war loans, &c., by borrowing, to some extent, from the Bank.

Thus in a period of active trade there is danger of inflation, despite a high Bank rate. But this danger could be largely avoided by the pursuit of a common policy in regard to the control of the level of prices. The Treasury, the Bank of England, and the clearing banks should closely co-operate, discouraging unhealthy speculation, and allowing only such a degree of inflation as is inevitable in periods of industrial activity. Their policy would be determined by the course of American prices, and to a lesser extent by Continental conditions. The problem of making our emergency currency amenable to central control might well form the subject of an expert inquiry, as Mr Butson suggests.

Mr Cook disdains the suggestion, because it would do little to provide work for the unemployed. Hitherto our

large urban population has been sustained because our exports (using the word in an extended sense) create credits in our favour in food-producing countries. Until, therefore, purchasing power is restored to those parts of the world in which it has perished, the whole of our population cannot be fully employed. The task of statesmanship is to give stability to the monetary systems of the world, by which sanctity of contract would be recreated. When trade had ceased to be a gamble, then the problem of unemployment would be reduced to manageable dimensions.—Yours, &c., LEONARD F. GREGORY.

Wolverhampton, March 27th, 1923.

THE APPROACH OF A FREE GOLD POLICY.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Mr H. E. Butson's letter on the above matter is written from the bankers' point of view only, and the arguments he puts forward are either totally misleading or else positively incorrect. Let us examine the first dogmatic statement as to the benefits this country will receive when the £1 reaches pre-war parity of exchange with the dollar. In 1920, when the rate of exchange of the £1 was as low as \$3.20, we had then no unemployment, and practically everyone was doing well. Now the exchange has improved to \$4.65 we have nearly 2,000,000 unemployed, and a record of bankruptcies and suicides that increases each month—a state of affairs brought about solely by the deflation forced on the country by the bankers.

Again, his statement that "there has been introduced an enormous mass of virtually inconvertible paper currency" is absolutely incorrect, as the following figures show:—1914, gold in circulation, approximately £220,000,000; 1923, Treasury notes in circulation, £270,000,000. If Mr Butson would explain how the bankers manage to lend £800,000,000 when there is only the above amount of Treasury notes (or real money) in being, he might have been able to furnish us with information more correct, and certainly more interesting than is furnished by the series of dogmatic misstatements his letter contains. A hint as to how the issue of this "enormous mass" of book entry or fiction money is regulated would be worth knowing. The suggestion as to how to deal with the existing currency note circulation is obviously a part of the policy of the bankers, as expressed at the Sound Currency Association meeting about a month ago, when the chairman stated that the Government should never have been allowed to issue the Treasury notes and intimated that powers would be sought to place this function in the hands of the Bank of England.

One would have thought that the bankers might have rested content with the enormous profits they make by lending £800,000,000 of book entry money at 5 per cent., and would at least be patriotic enough to let the country benefit by the large profits which are made by issuing the Treasury notes to the public.—Yours truly,

LOUIS H. CROSS.

May's Farm, Sharnal street, near Rochester, Kent,
April 3rd, 1923.

[Gold in circulation in 1914 was nearer £120 millions than £220 millions.—Ed., *Economist*.]

Books and Publications.

A SHORT HISTORY OF THE BRITISH COMMONWEALTH. VOL. II.*

Those who derived keen pleasure from Professor Muir's first volume have waited with eagerness, and perhaps a little anxiety, for the completion of the whole work. Even those of us with a well-developed historic sense have a livelier feeling of reality in the events that are nearer to us, the immediate progenitors of our own problems, and there is some natural impatience to see them portrayed with those graphic and masterly touches which so distinguished Professor Muir's treatment of the earlier age.

* "The Modern Commonwealth, 1763 to 1910." By Ramsay Muir, lately Professor of Modern History in the University of Manchester. George Philip and Son, Limited, 1922.

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But there was some concern lest the method of treatment which was adequate to co-ordinate the simultaneous action of earlier history should fail in marshalling and controlling the complex and diverse movements of the nineteenth century. In respect to the first anticipation, Professor Muir does not disappoint us, for it is his gift to touch sharply any well-worn theme, and to give it a new setting or suggestion of import. In this work his history tells itself, and the historian intrudes not overmuch. We can appreciate, even if we regret, his restraint when we remember his powers of generalisation and philosophical comment. As he nears the polemical of our own day he is guarded and calm without being featureless and cowardly. The skill of compression and selection is quite wonderful, and a reader who knows the full story can see a whole episode summarised in a sentence—even an adjective, magnified, is adequate to show that the author had in mind a whole series of suppressed facts and views which are there to be found in the only representation which space would allow.

Professor Muir sometimes had less in mind the powers and grasp of his reader than his own desire not to be thought to have overlooked any aspect of his subject merely because compression compelled its omission. Compression into limited space is here not achieved so much by the selection of broad and salient lines, as by the use of a kind of literary diminishing lens. It is instructive to compare the treatment of the break away by the American colonies, or of Warren Hastings' work in India in the author's "Expansion of Europe," with the corresponding chapters of this book, if one would see how much extra matter has been packed into this volume. How far it is possible to be more successful than Professor Muir in making all the world action of one time a composite whole we should not like to say, but probably it is not in any case an altogether compassable task. There is something here of the same feeling that accompanied the reading of the Victorian novel when we broke away from the heroine struggling in mid-ocean, to review the positions of the hero in a solicitor's office in Lincoln's Inn, or of the villain in a Paris intrigue. Not a few readers may prefer to read the chapters in the order that appeals to them, and to take the whole story of Ireland consecutively without distraction. For the task he has set himself, that is the presentation of the whole story of the British Empire in two volumes, Professor Muir has succeeded beyond the powers of most writers for "structure proportion and arrangement" are admirable, but we feel that he has shown us the real or absolute limitations of this type of history. A skilled synopsis is a secondary and not a primary accomplishment, and fills a minor and not a major need. He himself can show his own powers, and grip his readers to greater advantage, either in a broader and less detailed sweep, or in the fuller narrative less cramped by considerations of proportion and "giving all the players a turn." The chapters on literary and economic aspects are full of freshness and value. No lover of history or student of modern political science should fail to possess for leisureed and frequent reference, rather than for the outright reading, these two volumes of Professor Muir's matured thought.

THE MALAY PENINSULA.*

This valuable work is the joint production of a number of British officials in the Malayan Civil Services. It is admirably illustrated, and contains in a small compass an immense amount of information concerning the physical and geographical features of Malaya, its fauna and flora, its archaeology and history, its extremely complicated ethnology, its resources, industries, communications and commerce. There, as in other Eastern countries, the growing of rubber has overshadowed all other cultivation and provided "one of the greatest romances of tropical agriculture." Coconuts and rice are the other staple products, but the crops neglected for rubber since 1906 are again coming into notice, and others also, notably fibre plants, gutta percha—only recently cultivated at all, but the wild trees have become scarce—and possibly tea.

* "Malaya." The Straits Settlements and the Federated and Unfederated Malay States. Edited by R. O. Winstedt, M.A., D.Litt. Oxon. (London) Constable and Co., Limited. 1923. 12s net.

Tin mining has far outstripped that of gold, and 64 per cent. of the output is still produced from small workings by the Chinese; tungsten ores are of potential importance, monazite is widespread, and there is one coal mine and much kaolin. Historically, Malaya presents a typical and very successful example of British Empire-building with native consent; socially, it is of interest as a country with a highly composite population, rendered even more composite by the fact that nearly all the work of development is done by immigrants from China and Southern India. But, though the births in recent years have fallen below the deaths, there appears no reason to suppose that the Malay race—a very attractive one—is being crowded out.

BOOKS RECEIVED.

International Chamber of Commerce. Rome Congress. Report of General Secretary. Also Brochures 22 to 30. (Paris) International Headquarters, 33 Rue Jean-Goujon.
The Farmer's Problem. By a Farmer. With a Preface by W. T. Layton, Editor of the *Economist*. (London) John Murray. 1s net.
Financial and Commercial Review, 1921 and 1922. (London) Swiss Bank Corporation, 43 Lothbury, E.C.2.
Philip's Handy Volume Atlas of the World. (London) George Philip and Son, Limited. 4s net.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET.	ACCOUNT.
April 18.	April 19.

INSTEAD of business falling off after the first few hours of dealing when the Stock Exchange reassembled on Tuesday, activity in the markets became pronounced as the week advanced. The House is genuinely busy in some of its more popular departments. The strength of the Consol group (due to expectation of a reduction in the income-tax), the sharp rises in Home Railway stocks on account of the glorious Easter weather, the provincial buying of textiles from Manchester, of nitrates from Liverpool, the liveliness in tobacco shares and a number of other industrials, and a minor degree of animation in Kaffirs, have contributed to make the short week a pleasant one for shareholders, a profitable one for their brokers. The Ruhr as a factor of importance has lost its bad influence, and, for once in a way, the forthcoming Budget is anticipated with feelings of pleasurable hopefulness.

Consols, Conversion, the Funding Loan, Victory Bonds, Local Loans, and others of this class have been prominent in the improvements round the markets, and their robust example has certainly helped to fortify the increasing strength shown by other departments. The War Loan goes ex dividend in about three weeks' time, and this consideration has helped to give the price a moderate lift, although the possibly short-dated character of the security militates against its enjoying any pronounced advance. Conversion and Victory have spurred strongly. Amongst foreign Government bonds, the French strongly. Germans have scarcely changed; issues are moving erratically. Brazilians reflected with a general decline the low-water mark, touched by the milreis this week, while inter-Bourse stocks, such as Peruvians and Rio Tintos, have been swayed by Paris advices.

Buoyancy characterises the Home Railway group, where practically everything moved up. People are buying the stocks as much for investment as for speculation. Substantial sums have been paid this week for options to run two or three months. The Undergrounds continue their advance, and something of a feature is the way in which North-Westerns and Great Westerns have gone ahead. Grand Trunk stocks are dull, Mexican Rails wait upon fresh developments from the country, Argentines are generally better after having given way a little, and Brazilian Railway stocks have been hardly affected by the dulness of Brazilian Government bonds.

Rubber shares hardened in consequence of a steady diminution in the visible supply of stocks of raw rubber. The oil market has swung into the limelight upon purchases, largely professional, of various shares in the leading companies. Nitrates advance almost daily upon support from their constant

Mr H. L. Usher, C.A., and Mr C. E. W. Macpherson, C.A., were re-appointed to conduct the audit of the books for the current year, and a vote of thanks to the chairman terminated the meeting.

THE NATIONAL BANK OF EGYPT.

GOOD RESULTS DESPITE DIFFICULTIES. REVIEW OF CONDITIONS IN EGYPT AND SOUDAN. ADVERSE BALANCE OF TRADE CORRECTED.

The twenty-third annual general meeting of the shareholders in the National Bank of Egypt was held on March 19th at the head office of the bank in Cairo.

Mr B. Hornsby, C.B.E. (the Governor), presided.

The directors' report was as follows:—

The directors present to the shareholders the balance-sheet and profit and loss account for the year ending December 31, 1922.

The gross profit for the year, after providing for depreciation on the bank's buildings and furniture, for rebate of discount and for bad and doubtful debts, amounts to:

	£906,869 15 7
After deducting from this sum:	
For directors' fees	£11,936 14 4
For current expenses	392,839 5 1
there remains	502,093 16 2
In conformity with Article 49 of the Bank's Statutes a dividend of 4 per cent. is payable on the share capital	120,000 0 0
After this statutory distribution there remains	382,093 16 2
Adding to this the balance brought forward from last year	180,920 2 5
the amount available is	563,013 18 7
The directors consider it prudent to allocate to special reserve for contingencies a sum of	50,000 0 0
which leaves	513,013 18 7
From this amount the directors recommend the payment of an additional dividend of 11 per cent. on the share capital, which will absorb	330,000 0 0
And leave a balance to be carried forward of	£183,013 18 7

The total dividend for the year will thus be at the rate of 15 per cent., equivalent to £1 10s per share. An interim dividend of 8s having been paid on September 4, 1922, the balance remaining to be distributed will be £1 2s per share.

BALANCE-SHEET DECEMBER 31, 1922.

LIABILITIES.				
	£E	MM	£ST	s d
Share capital:—				
300,000 fully-paid shares of £10 each	2,925,000	000	3,000,000	0 0
Statutory reserve fund	1,462,500	000	1,500,000	0 0
Special reserve	731,250	000	750,000	0 0
Current, deposit, and other accounts	11,121,433	627	11,406,598	11 10
Egyptian Government	7,972,647	246	8,177,074	2 0
Mixed tribunals	1,337,695	546	1,371,995	8 8
Bankers' accounts	527,774	013	541,397	5 11
Cheques and bills payable	226,942	227	232,761	5 2
Rebate of discount on bills not yet due	19,884	518	20,394	7 7
Dividends unclaimed	10,830	008	11,107	14 0
Provision for payment of final dividend at the rate of 11 per cent. annum	321,750	000	330,000	0 0
Profit and loss account balance	178,438	580	183,013	18 7
	26,836,146	365	27,524,252	13 9

ASSETS.				
	£E	MM	£ST	s d
Government securities and securities guaranteed by the Egyptian Government	11,282,525	247	11,571,820	15 4
Sundry securities	243,195	555	249,431	6 9
Advances on merchandise	2,744,440	304	2,814,810	11 5
Advances on securities	2,058,897	169	2,111,089	8 1
Advances otherwise secured	358,407	429	367,597	7 3
Sundry other advances	499,383	271	512,187	19 5
Sudan Government	28,268	006	28,992	16 7
Bills of exchange	5,204,421	487	5,337,868	3 10
Local bills discounted	92,358	071	94,726	4 8
Cheques receivable	275	800	282	17 5
Buildings, furniture, &c.	290,336	088	297,780	12 1
Money at call and at short notice	1,287,000	000	1,320,000	0 0
Bankers' accounts	933,958	366	957,906	0 4
Cash:				
Notes	£81,491,143.750			
Gold and silver coin, &c.	£321,535,817	1,812,679	1,859,158	10 7
	26,836,146	365	27,524,252	13 9

There is a contingent liability in respect of bills rediscounted of £757,576 os 11d.

Under the heading "Bankers' Accounts" is included £508,621 15s 2d to credit with banks in Germany and Austria.

M. C. SALVAGO, B. HORNSBY,
J. SABA, Governor.
Directors.

ISSUE DEPARTMENT.

	£E	MM	£E	MM
Notes issued	33,200,000	—	33,200,000	—
Gold	3,339,572	601	16,600,000	—
* British Treasury Bills	13,260,427	309	—	—
Securities:				
Egyptian Government Securities and Securities guaranteed by the Egyptian Government	420,911	700	—	—
British Treasury Bills and National War Bonds	16,179,088	210	16,600,000	—
	—	—	33,200,000	—

* By authority of the Egyptian Government these Treasury Bills are deposited in lieu of gold. (See *Journal Official* of October 30, 1916.)

PROFIT AND LOSS ACCOUNT.

	£E	MM	£ST	s d
Dr.				
Directors' remuneration	11,638	208	11,936	14 4
Current expenses	383,018	271	392,839	5 1
Interim dividend at the rate of 4 per cent. annum	117,000	—	520,000	0 0
Transferred to special reserve	48,750	—	50,000	0 0
Provision for payment of final dividend at the rate of 11 per cent. annum	321,750	—	330,000	0 0
Balance carried forward	178,438	580	183,013	18 7
	1,060,595	149	1,087,789	18 0
Cr.				
Gross profit for the year ending December 31, 1922, after providing for depreciation of buildings and furniture, for rebate of discount, and for bad and doubtful debts	884,198	033	906,869	15 7
Balance brought forward from last year	176,397	116	180,920	2 5
	1,060,595	149	1,087,789	18 0

REPORT OF THE AUDITORS.

We have examined the books of the National Bank of Egypt, and in our opinion the above balance sheet is properly drawn up so as to exhibit a true and correct view of the state of the bank's affairs as shown by the books. We have also verified the cash, notes, and securities at the head office and the Cairo and Alexandria branches, and have found the same correct. The London returns have been audited and certified by Messrs Deloitte, Plender, Griffiths, and Co., Chartered Accountants.

F. H. RUSSELL.
W. G. CARMICHAEL.

Cairo, February 19, 1923.

GOVERNOR'S SPEECH.

CONDITIONS IN EGYPT AND THE SOUDAN.

The Governor said: Gentlemen,—We have the honour to submit to you the balance-sheet and profit and loss account for the year 1922.

You will notice that the gross profits amount to £906,869. After deducting £404,775 for expenses, there remains an available balance of £502,094, which enables us to propose to you the allocation of £50,000 to the special reserve and the payment of a dividend of 15 per cent. requiring £450,000.

The gross profits are £85,000 below those of 1921. We are pleased, however, to report a decrease of £28,000 in expenses, so that the net profit is only about £50,000 less than last year. Having regard to the shrinkage in the margin of interest which took place during the year, I think we may congratulate ourselves on this result.

The total of our balance-sheet shows an increase over last year of about seven millions, due almost entirely to the larger balance which we hold for the Egyptian Government.

It is satisfactory to note that there has been no decrease in our deposits from the general public, which remains at about the same figure as they were at the end of 1921.

Our holding of Government securities shows a large increase over last year. These securities, of which a large part falls due in the near future, appear in our books at a considerably less sum than they would realise at present-day prices.

Our advances are slightly lower, but the item of bills of exchange is much higher on account of the rapidity with which the cotton crop has been exported. These bills are of the highest class, and constitute an extremely liquid asset.

We regret to have to inform you that we have not been able to make much progress in respect of the claims against our German and Austrian debtors, and we have been obliged to institute proceedings before the Mixed Arbitral Tribunals constituted by the Peace Treaties. Our principal debtor appears to be striving to delay matters, and there is as yet no sign of this particular case being heard in the near future; we continue to do our utmost to bring matters to a successful conclusion.

NOTE ISSUE.

Our note issue, which was £37,000,000 on January 1, 1922, fell gradually till the end of August, when it touched its lowest point during the year, £26,300,000. On December 31st it was back to £33,200,000, showing a decrease for 1922 of nearly four millions.

The following figures give the highest and lowest point reached by the issue during each of the past five years. It must be remembered, however, that this was an abnormal period, and it would be incorrect to draw any pessimistic conclusions from the difference between the highest and lowest figures attained.

	£E	£E
	Highest.	Lowest.
1918	46,100,000	29,200,000
1919	68,200,000	39,900,000
1920	66,000,000	39,400,000
1921	39,900,000	30,400,000
1922	37,300,000	26,300,000

EGYPT'S FOREIGN TRADE.

The following statistics of the foreign trade of Egypt from 1917 to 1922 show that the adverse balance of the year 1920-21 has been corrected and that exports have once again exceeded imports. These figures refer, of course, only to merchandise; to obtain a true estimate of the economic state of the country account must be taken of invisible factors on both sides, such as debt charges, &c.

1st September to 31st August.	Imports.	Exports (inc. Re-exports).
	£E	£E
1917-1918	47,285,226	48,019,952
1918-1919	44,334,720	48,829,951
1919-1920	87,577,985	113,461,806
1920-1921	71,725,677	37,690,260
1921-1922	46,006,529	50,185,140

COTTON CROP.

The cotton crop of this past winter has been marketed with more than usual rapidity. Prices have again been disappointing for growers, and it is certain that the finer qualities of Sakellaridis have not obtained the same premium over American cotton as in the past. On the other hand, the lower qualities and Upper Egypt cotton have maintained their position, and during this season it has been possible to dispose of a large accumulation of low cotton which had been unsaleable for the last two or three years.

PURCHASE OF EGYPTIAN SECURITIES.

It is interesting to note that since the war this country has acquired from foreign holders a great number of Egyptian securities. England, France, and Germany, for reasons connected with their own situation, have been constant sellers, and thanks to the prosperity of previous years the Egyptian market has been able to absorb easily all that was offered.

According to the statistics published by the Caisse de la Dette, the proportion of coupons of Egyptian Unified Debt paid in Egypt, which was only 5½ per cent. in May, 1916, had risen to 37 per cent. in November, 1920. At those same dates the proportion of coupons paid in London free of income-tax rose from 18½ per cent. to 35½ per cent. Details of the payment of coupons of the Privileged Debt show a similar increase.

Account must be taken, it is true, of the shrinkage of the public fortune which has taken place owing to the depreciation of European currencies. During the war there were numerous investments of Egyptian money in War Loans of the Allies, and since the Armistice Russian roubles, Austrian crowns, and German marks have been very largely bought. It is almost impossible to estimate what the amount involved may be, but it is certainly considerable.

THE SOUDAN.

DEVELOPMENT WORK PROCEEDING.

Notwithstanding the universal trade depression, economic and financial conditions in the Sudan have been fairly satisfactory, as may be seen from the following figures of exports and imports for the last five years:—

	Imports.	Exports.	Total.
	£E	£E	£E
1918	4,024,582	4,210,384	8,234,966
1919	4,805,745	3,029,569	7,835,314
1920	7,006,865	5,075,971	12,082,836
1921	5,806,070	2,318,533	8,124,603
1922	4,252,890	2,298,770	6,551,660

The value of exports is roughly the same as in 1921. Imports show a marked decrease, owing to the suspension of work on the White Nile dam and on the Gezira Irrigation Scheme.

I alluded last year to the negotiations then in progress relative to the issue of a further loan by the Sudan Government. These negotiations have been so far successful that a 4½ per cent. loan for £3,250,000, the principal and interest of which are guaranteed by the British Government, has recently been issued, and work on the Gezira Scheme is again in full swing.

In addition to these works, the building of a new line linking up Kassala to the Khartoum-Port Sudan Railway has been started, the completion of which will greatly facilitate the transport to Port Sudan of the products of Kassala Province and further develop the country's trade.

During the past year we have had to deplore the death of two of our colleagues on the London committee, the Hon. Algernon Mills and Sir Carl Meyer, Bart. Both these gentlemen had been members of our board since the foundation of the bank, and we shall greatly miss their wide business experience and their sound judgment. We desire to express to their families our heartfelt sympathy.

NEW DIRECTORS.

Since our last general meeting we have elected H.E. Adly Pacha Yeghen to our board. The name and reputation of Adly Pacha are well known to you, and we are sure you will share the satisfaction we feel in having obtained his collaboration.

In the place of the Hon. Algernon Mills we have elected Lord Cullen of Ashbourne, whose long experience in the City will be of great value to our London committee.

In accordance with the statutes, these two nominations require your confirmation.

The directors who retire by rotation this year are Mr H. E. Barker and Mr Robert Rolo, who offer themselves for re-election.

Finally, the board desire to thank the sub-governors, the managers, and the staff for the services they have rendered during the year.

BRITISH GENERAL INSURANCE COMPANY, LIMITED.

"A WONDERFUL RECORD OF SUCCESS."

The annual general meeting of the British General Insurance Company, Limited, was held, on the 5th inst., at the Cannon street Hotel, London, Mr Henry C. Walker, M.I.M.E. (the chairman of the company), presiding.

The Chairman, in moving the adoption of the report and accounts, said that 1922 had been one of the most difficult years which insurance companies had ever experienced by reason of the unrest and disturbance created by the failure of a number of reinsurance offices formed or reconstituted during the war period. The crisis in the reinsurance market a year ago, whilst a very disagreeable incident, had, however, only served to show the inherent strength of their company. They had been able to face exceptional losses and meet them in one year, without touching their reserves; indeed, they had been able during that period to add to the reserves a substantial sum, and he could not imagine any greater test than that.

The underwriting profit in the fire and accident departments had been £83,681 and the income from investments had been £58,921 before deduction of income-tax, making a total gross profit for the year of £142,602. Appreciation of the company's investments between January 1 and December 31, 1922, had amounted to approximately £100,000, and, adding that figure, the total gross profit for the year from all sources was not far short of £250,000. That was not the usual form of presenting figures, but it would help shareholders to realise the earning power and possibilities of their company, and to show in its proper proportion the effect of the loss due to the failure of certain reinsurance companies. They could even look back on that unhappy event as a blessing in disguise, for it had once more demonstrated the soundness of the basis on which the "British General" had been built. The board had also had abundant evidence during the year of increased confidence in the company on the part of companies and brokers who had placed business with them in

HEAD OFFICES: LIVERPOOL AND LONDON

ROYAL

INSURANCE COMPANY, LIMITED

ALL CLASSES OF INSURANCE EFFECTED

greater volume than in any previous year. As to the life assurance branch, 722 new policies had been issued assuring £218,177. Those contracts were almost entirely connected with the transfer of the business of the National Benefit Assurance Company, Limited, all ordinary new life proposals being handled by the allied office, the Scottish Temperance and British General Assurance Company, Limited. The "Scottish Temperance" had had a most successful year to close their quinquennium. The profit on the fire branch had amounted to £26,624, compared with £21,762, and on the accident branch the total profit amounted to £74,045, or a reduction of nearly £12,000 as compared with 1921. The profit for the preceding year was, however, in a sense abnormal. As to the marine department, premiums had amounted to £294,143, an increase on the 1921 figure, but it was the intention of the directors to limit business in that department until conditions were more promising. Generally speaking, he could say that the company had had a wonderful record of success during its career of 19 years. Their business was growing every day, and the loss ratio over a long period proved beyond question that the business which they wrote was good, while the dividend of 20 per cent. recommended absorbed not very much more than one-half of the interest earnings. With their financial position they could safely face the future, which, although they might have ups and downs, could for the "British General" only be a very bright one. Results for the first three months of the current year had been eminently satisfactory, and he felt that the optimism he had expressed had a solid basis.

The report and accounts were unanimously adopted.

BRITISH AUTOMOBILE TRACTION COMPANY, LIMITED. ISSUE OF PREFERENCE SHARES FORESHADOWED.

The nineteenth ordinary general meeting of the British Automobile Traction Company, Limited, was held, on the 6th instant, at 88 Kingsway, London.

Mr C. Shirreff Hilton, who presided, said it was particularly gratifying to come before the shareholders with satisfactory accounts for 1922, in spite of the bad weather experienced and the continued trade depression.

In the balance-sheet loans and deposits showed a reduction of approximately £30,000, and were now within easy compass. It was the intention of the board to issue, at a convenient time, the remaining 96,239 participating preference shares *pro rata* to the shareholders to provide for these loans and further developments. The reserve had been increased by £10,000, but the directors had thought it wise to take advantage of the exceedingly strong position of the company and to write off out of reserve the balance of the costs of the issue of the participating preference shares. The fund still stood at £41,000, a little over 10 per cent. of the capital expenditure.

The revenue account, including the amount brought forward, showed a surplus of £61,171, out of which it was proposed to allocate £10,000 to reserve, and to pay dividends at the rate of 10 per cent. per annum on both the participating preference and the ordinary shares, leaving £20,824 to be carried forward, subject to corporation profits tax.

In spite of the first-class manner in which the company's London omnibuses were being maintained and run, the directors believed it would be desirable in the near future to replace the present fleet by omnibuses of a more up-to-date type. The directors had made arrangements to meet the expenditure this would involve when the time came. The Macclesfield, Buxton, and Stockport undertaking provided omnibus services in the four counties of Cheshire, Derbyshire, Lancashire, and Staffordshire. The directors felt that there was room for further development in this area. In pursuance of the general policy of the company, it had now been decided, in conjunction with Thomas Tilling, Limited, to form a separate company for this district.

With regard to the question of the taxation, there was much to be said in favour of the equity of a petrol tax, but the scheme at present put forward was an effort to transfer a considerable part of the burden from the shoulders of the pleasure car owner to those of the commercial vehicle.

The report and accounts were unanimously adopted.

ROLLS-ROYCE, LIMITED. IMPROVED FINANCIAL POSITION.

The annual meeting of Rolls-Royce, Limited, was held, on the 29th ultimo, at Derby, Lord Wargrave (the chairman) presiding.

The Chairman, in moving the adoption of the report, said that, as compared with last year, amounts owing by the company showed a decrease of £313,973, the consolidated reserve fund an increase of £28,250, and the profit an increase of £41,882. The higher profit was not alone due to the result of trading. The company had been fortunate in that, through relief in respect of excess profits, a considerable portion of the reserves was now available for dividends. Other claims had not materialised, and consequently further reserves were also available. The directors recommended that the dividend should be as last year, namely, 8 per cent., subject to deduction of tax. Sixty thousand pounds was being added to the reserve fund.

THE NEW 20-H.P. CAR.

In spite of the management's foreknowledge as to the quality of the new 20-horse-power car as the best of its kind, they had been surprised at the enthusiasm with which it had been received. All the most responsible technical experts gave the unanimous verdict that in various ways and from every conceivable point it was unapproachable among cars of moderate horse-power. It was also gratifying that the car-buying public were equally generous in their appreciation of its fine qualities. All would agree in acknowledging the genius of Mr F. H. Royce and the skill of his assistants. It was a remarkable tribute to the stability of the famous forty-fifty Rolls-Royce that the demand had in no way been curtailed by the appearance of the smaller car; on the contrary, orders had actually increased. The standard forty-fifty horse-power model, upon which the reputation of the company had been built up, remained their principal product, and retained its pride of place as the most prominent of the world's super cars.

FUTURE OF THE AERO DEPARTMENT.

During the past year the Rolls-Royce aero engines had added a remarkable feat to their already long list of achievements, having won in the reliability race round Britain for the King's Cup. The company's aero department was exceptionally equipped from the designing and the manufacturing point of view. They had the ability of Mr Royce and his designing staff, which produced the aero engines so highly thought of by the authorities that during the war a greater horse-power of Rolls-Royce engines was put into the air than that of any other make. Since then the company had secured the services of Mr A. J. Rowledge, whose name was so intimately associated with the design of aero engines. From a manufacturing point of view, the company had fine buildings, specially equipped for the making of aero engines, and having attached to them their own independent stores and testing plant run by highly-trained supervisors and men, as would be expected in any Rolls-Royce undertaking. Whether the whole of this organisation was to continue or be closed down depended on the Government's future policy as to the size and efficiency of the air fleet deemed necessary for the protection of this country. The administration of the company, in common with others, were anxious and troubled, because of the proposal which was being considered by the Government that there should in future be only one aerial transport company, and a monopoly subsidised by Government.

A DISASTROUS MONOPOLY.

Responsible officials stated that if this subsidised combination were brought into existence, it would, as a matter of economy, order engines from only one maker and 'planes from only one maker. This monopoly would practically put out of business all the other engine and 'plane makers, and it was difficult to believe that it would be otherwise than disastrous in the event of war, or rumours of war, seeing that these various organisations would not be at the Government's disposal for immediate manufacture, while the designing staffs would have been dispersed. So long as there were sufficient orders to keep these concerns going, even to a limited extent, staffs would be maintained, and interest in effecting improvements would be sustained, and the Empire would be kept at least abreast of other countries.

He was glad to note that the Air Minister was alive to the danger. The Chairman added that reports from the American Rolls-Royce Company showed a marked improvement in sales, and the American members of the board spoke with great confidence of the future of the trade.

The report was adopted after being seconded by Lord Herbert Scott.

Before the meeting concluded, Lord Herbert Scott, on behalf of the board, presented to the secretary, Mr John de Looze, a piece of silver plate in recognition of his faithful service for 30 years with the company and its predecessor.

NATIONAL BANK OF INDIA, LIMITED.

SATISFACTORY RESULTS OF YEAR'S BUSINESS.

"A VERY STRONG POSITION."

FINANCIAL AND TRADE CONDITION.

The ordinary general meeting of the National Bank of India, Limited, was held, on the 4th instant, at the Wesleyan Hall, Bishopsgate, London.

Mr Robert Williamson (deputy-chairman) presided.

Mr C. Nicoll (general manager) having read the notice convening the meeting and the auditors' report,

The Chairman said: Ladies and Gentlemen,—The report of the directors and the accounts for the year ending December 31, 1922, have been before you for some days, and I presume we may, as usual, take them as read.

We are pleased to be able to put before you such satisfactory results from our operations, for trade conditions throughout the year have not been favourable. In addition, we have had to contend with very keen competition in our business, and margins in exchange have thereby been very bare.

PROFIT AND ALLOCATIONS.

Still, our resources one way and another have been well employed, and we are able to show a net profit of £535,160 5s 5d, to which there falls to be added £104,095 12s 8d brought forward from the previous year, the total at our disposal being thus £699,255 18s 1d, which compares with the slightly larger sum of £704,095 12s 8d for the year 1921. A diminution in profits has been experienced by most banking concerns. We have provided for all bad and doubtful debts.

Our proposals to you to-day are to place £100,000 to the credit of our reserve account, raising the total to £2,700,000, or £700,000 in excess of our paid-up capital, £20,000 to the pension fund for the bank's officers, and to write down our house property account by £20,000. The remaining balance permits of our paying quite easily to the shareholders our usual dividend at the rate of 20 per cent. per annum, free of income-tax, which, with the interim dividend, will cost £400,000, and carrying forward £159,255 18s 1d undivided profits.

We have already expended some money in building new office premises at Cochin and Newera Eliya; we are now engaged in an important addition to the Bombay office, and in the future—not immediate—we shall have a considerable sum to find in connection with an entirely new office at Colombo, the cost of the site for which we have already paid. These outlays, therefore, make it essential for us to write down our property account.

I trust you will be as well pleased with these figures as we are, and be in agreement with us in the matter of disposal of profits.

BALANCE-SHEET ITEMS.

Inasmuch as there are some changes in the balance-sheet figures in comparison with those of the previous year, I may as well glance at them now.

If you will look at the liability side you will observe that current, fixed deposit, and other accounts total £32,267,601. There is some little falling off here compared with the previous year, but this is not to be wondered at considering the competition of Indian Government 6 per cent. tax-free bonds, and other issues. Bills payable show an increase, but acceptances for customers are down. This, of course, is a reflex of the smaller volume of business passing.

Turning to the assets side, I would point out that there is an increase in our holdings of both rupee and sterling securities—in the latter case the sum of £5,581,175 represents an increase of in the latter case the sum of £3,308,944 over a year ago. These are all gilt-edged, and about 90 per cent. of them are short-dated bonds. Our investments total £8,639,271, and stood in our books at December 31st well under market value. In cash and securities we held nearly £14,000,000—a very strong position—to which, moreover, there falls to be added a considerable amount representing our holding in Treasury bills included in bills of exchange, so that our cash balance could be readily augmented at any moment.

As in the case of acceptances, bills of exchange show a falling off, and this again is an indication of the smaller business passing both in imports and exports.

Discounts, loans, &c., stand at £14,247,130, and I think that on the whole our figures make a very satisfactory showing.

GOLD AND SILVER IMPORTS AND EXPORTS.

A very notable point in connection with Indian business is the persistent demand experienced for gold in the past year, which still continues, and more keenly perhaps than ever before. At times in recent weeks there were orders in the London market for two or three times more than the quantity available for sale. When I was addressing you at this time last year I gave you some

details of imports and exports and those applicable to silver as well, but they were somewhat fragmentary as regards the year 1921. I have had them looked into again for that year and also 1922, with the following result:—

GOLD—		£
Imported 1921	7,205,000	
Exported 1921	20,300,000	
Surplus of exports	13,095,000	
Imported 1922	19,700,000	
Exported 1922	50,000	
Surplus of imports	19,650,000	
SILVER—		
Imported 1921	11,300,000	
Exported 1921	2,000,000	
Surplus of imports	9,300,000	
Imported 1922	12,500,000	
Exported 1922	1,760,000	
Surplus of imports	10,740,000	

Therefore, in 1922 the surplus of imports of gold and silver combined reached the large sum of £30,000,000.

In 1921, it is believed, a considerable amount of gold was sent from Bombay to Japan, probably connected with repayment of money borrowed by our Government from that country, while there were also fairly large supplies sold to America, an unusual operation, a tempting price being offered for the metal.

In addition to these imports and exports India for the last few years has retained all the gold the produce of the Southern Indian mines, which for the years 1920, 1921, 1922 totalled 1,189,623 ounces, and also the whole of the silver from the Burmah Corporation Company's important undertaking in the Shan States.

In 1922 India must have received probably something like a quarter of the world's production of gold, and, although the mints are still closed to the coinage of silver to the public, about one-half of the output of that metal.

Since the beginning of this year the demand for gold has been stronger than ever, and for the three months up to date the value of the shipments is estimated at £10,000,000, which includes shipments from America, and of silver £3,500,000. The former figures are very big, and I would myself expect some slackening off in the demand, but at this moment there is no evidence of that.

BALANCE OF TRADE.

In the balance of trade figures for the past year—largely adverse to India for each of the two previous years, as I pointed out to you—a very gratifying change has taken place, and we find some little justification for the purchases of the previous metals in such volume, which I have been bringing to your notice. Since March of last year the balance has been in favour of India, and for the whole year the total is Rs. 11,35,00,000, or £7,600,000, but we need to see a much greater improvement, and we must all hope for an early return to pre-war conditions to bring this about. At the moment the outlook in Europe is dismal enough, and the problems to be settled are most difficult and complex.

Notwithstanding some differences among the politicians at Delhi, the country as a whole strikes me, from what I read, as more settled, and the great mass of the people more contented than two to three years ago. I assume that the large crops reaped from the sowings in the autumn and cold weather of 1921 have contributed to this improvement. In a note issued by the Viceroy a few days ago in connection with the proposed addition to the tax on salt, I was glad to read that the cost of living had fallen and that he anticipated a further decline.

FAVOURABLE CROP PROSPECTS.

A year ago I told you of the favourable monsoon of 1921, and of the abundant crops, particularly of wheat in the Punjab and in the United Provinces, which would be harvested. The ban upon exports was removed at the end of September last, and since then probably not more than 200,000 tons have been exported. There must still be a great quantity available from that harvest, but the matter of prices there and here seems to prevent business being carried through.

I believe the monsoon last year has been even more favourable than in 1921, and still larger crops are again almost a certainty. There are not lacking indications of improvement, quite definite in

this country in the case of coal, iron, and steel, probably due to the intrusion in the Ruhr, but not visible in Lancashire piece-goods, &c. The supply in India of these latter cannot be abundant, due perhaps to middling American cotton costing fully 15d per lb. Some months ago the price was between 9d and 10d per lb, on which basis the outlook for business was then really promising. Now, with the higher price of cotton, trade conditions from an Indian outlook with the outer world are decidedly "patchy." European affairs still remain very much "out of joint," and we seem yet to be some distance away from making a real all-round start on pre-war lines. We badly need large buyers for India's food supplies and raw materials, and when they are forthcoming Indians will respond by purchases from Lancashire and elsewhere. We all hope that complete success will attend the efforts of the present Government to smooth out the obstacles which block the way.

RATE OF EXCHANGE.

Throughout the greater part of last year rates of exchange ruled fairly steady in the neighbourhood of 1s 4d per rupee, but in January of this year there was something of a surprise when the rate made a rapid upward movement until it reached 1s 5½d for T.T.

The average rate for money of the Imperial Bank of India has been about 4½ per cent., but on December 14th it had risen to 6 per cent., on December 28th to 7 per cent., and on January 11th last to 8 per cent., which is still the current rate, but with some indications of ease. There was great tightness in the money market, the real foundation for which may have been due to too rapid deflation in the currency by Government. But at the time a considerable amount of financing had to be done in connection with shipments of cotton to China and Japan, and speculation, especially on the part of bullion dealers, became very active, and these factors had an influence in bringing about this sudden change. The jump has not been of very long duration, and the rate of exchange is now back to about 1s 4½d.

The matter of a return to what is called the old fixed rate of 1s 4d is still very much in the air. Apparently difficulties in Europe and with Turkey must first be disposed of, says the Finance Minister, before that matter can be tackled.

EAST AFRICA.

As regards East Africa, there is, I think, some improvement in the prospects of both trade and agriculture.

The export trade of the country is more active, and its products, such as sisal, maize, coffee, hides, &c., find a ready market. The Uganda cotton crop, although it will not realise the original estimate of about 100,000 bales, will be fairly large, and should assist in the offtake of imported goods through the buying power produced from its sale. The repeal of the Kenya income-tax and revision of Customs duties should also improve matters.

There are certain political disturbances locally almost inseparable from the growth of a young country with a mixed population such as Kenya has, which we all trust are capable of adjustment. The outlook in this direction is promising, as deputations from the disputants are coming here to interview the Secretary of State for the Colonies.

It is only fitting that, before I close my remarks, I should, on behalf of my colleagues and myself, express our hearty appreciation of the efforts of our managers and staff at home and abroad during the past year, which have enabled us to lay before you so satisfactory a result of a strenuous period.

I beg to propose:—"That the report of the directors and statement of accounts for the year ended December 31, 1922, be received and adopted, and that a dividend for the six months to December 31, 1922, at the rate of 20 per cent. per annum, be paid on the shares of the company registered at this date, the same to be payable, free of income-tax, on and after April 5, 1923."

After this resolution has been seconded by Mr Miller, if anyone wishes to ask any questions before I put it to the meeting I shall be pleased to answer them.

Mr Robert Miller: I have much pleasure in seconding the resolution which has just been proposed.

The resolution was carried unanimously, without discussion.

RE-ELECTION OF DIRECTORS.

The Chairman: Ladies and gentlemen,—I have much pleasure in proposing: "That Mr Robert Campbell be re-elected a director of the bank." I avail myself of this opportunity to say a few words about our chairman, whose absence to-day every one of you, I am sure, as deeply regrets as we his colleagues do. A year ago I thought it possible that he might again be able to preside at some of our board meetings in the past year and at to-day's meeting, but unfortunately the state of his health has made that impossible. He is still much of an invalid, but fairly well. He continues to take a keen interest in the business of the bank, and is furnished every day with copies of our telegrams. Although not

present, he is always at our disposal if and when we want to consult him, and with that we must rest satisfied.

Mr J. N. Stuart: I have great pleasure in seconding the resolution.

The motion was unanimously adopted.

The Chairman: I have now to propose: "That Mr J. D. Nimmo be re-elected a director of the bank."

Sir Charles C. McLeod: I have pleasure in seconding that.

The motion was unanimously approved.

The Chairman: I have to propose: "That Mr J. N. Stuart be re-elected a director of the bank."

Sir John P. Hewett, G.C.S.I., K.B.E., C.I.E., M.P.: I have pleasure in seconding that.

The motion was carried unanimously.

Mr J. Irwin Davis: Mr Chairman, ladies, and gentlemen,—I beg to propose: "That Messrs Cooper Brothers and Co. be re-elected auditors of the bank for the ensuing year at the remuneration of 400 guineas per annum, free of income-tax."

Mr J. D. Longmire: I have pleasure in seconding that.

The resolution was passed unanimously.

Mr W. A. Sadgrove: I beg to propose: "That Messrs W. A. Browne and Co. be re-elected auditors of the bank for the ensuing year at the remuneration of 400 guineas per annum, free of income-tax."

Mr J. M. G. Proffit: I beg to second that.

The motion was unanimously agreed to.

VOTE OF THANKS TO CHAIRMAN, DIRECTORS, AND STAFF.

Mr H. H. Nelson: I beg to propose "That a very hearty vote of thanks be given to the chairman and directors for the care and prudence exercised in conducting the affairs of the bank during the past year, and to the general manager and staff for their valuable services." I should like to say, to begin with, that I personally am delighted—as I am sure all those who know him are—that we still have the advantage of the clear intellect, the wonderful knowledge, and the splendid character as a man of business and as a gentleman of Mr Robert Campbell to assist our deputy-chairman (Mr Williamson) and the able body of directors that we have to conduct our affairs. Mr Campbell is an old colleague of mine in the days of long ago, when I was engaged in the same kind of business, and I think that the prosperity of this bank is due largely to his wisdom and knowledge in the selection of his colleagues and in the selection of his staff. There is no Eastern bank which has a better and more trustworthy directorate and staff than has the National Bank of India, and the report which we have before us to-day is one of the most satisfactory that has been issued for many years. The bank has had to overcome difficulties which have been entirely exceptional, and yet we have come out with an excellent report. I feel quite sure that all the shareholders will appreciate that fact. It is a great pleasure to me, therefore, to propose the resolution which I have already read, and after it has been seconded it will be my privilege to put it to the meeting.

Mr Frederick Tomkinson: Gentlemen, the pleasing duty devolves upon me of seconding the resolution which has been proposed by Mr Nelson. This year the resolution is a somewhat composite one; in fact, we might almost call it a tabloid resolution. Hitherto I think it has been our custom to pass one resolution with regard to the directors, and there has been a separate one with regard to the executive and the managers, both here and in India. This year, as you have heard from the resolution which has been read, we are proposing to accord our hearty thanks to the chairman, the directors, and the staff generally in one vote. I think you will all recognise that the past year has been one of exceptional difficulty, and it is owing to the exceptional merit which has been shown by our directors and the management that we have such an excellent result presented to us on this occasion. In looking at the figures I was somewhat surprised, if I may say so, at the large amount of liquid assets, to which the chairman has referred. The position seems to me to be extremely strong. The chairman remarked that he hoped the shareholders would be as pleased as the members of the board themselves were, and I should like to say, on behalf of you gentlemen, that we are distinctly pleased, and we beg to offer the directors our sincere thanks. I hope that our thanks will go forth especially to those who are working for us abroad, because they are working under difficulties which we do not feel here.

The vote was unanimously accorded.

The Chairman: On behalf of my colleagues and myself, I desire to return our thanks for the kind resolution which you have just passed, and the general manager asks me on his behalf to say the same. We will take care that the staff abroad are informed of the resolution which you have passed to-day. I should like to add how much I appreciate the kind remarks which Mr Nelson has made about our absent chairman, to whom I will take care to convey them when I see him.

The proceedings then terminated.

CHARTERED BANK OF INDIA, AUSTRALIA, AND CHINA.

SUCCESSFUL RESULTS OF THE YEAR.

CHAIRMAN ON ECONOMIC AND TRADE CONDITIONS IN THE EAST.

SIGNS OF TRADE IMPROVEMENT.

The sixty-ninth ordinary general meeting of the shareholders of the Chartered Bank of India, Australia, and China was held, on the 4th instant, on the bank's premises, 38 Bishopsgate, London, E.C., Sir Montagu Cornish Turner (the chairman) presiding.

The chief manager (Mr W. E. Preston) having read the notice convening the meeting and the report of the auditors,

The Chairman said: Ladies and Gentlemen,—The figures in our statement of accounts reflect fairly accurately the trend of business during the past year at the various points in the East and Far East covered by the operations of this institution. At no single point have we witnessed a great spurt in business, no indication of that real revival in trade which we are hoping for so keenly as the solution of many of our difficulties—social, commercial and political. On the other hand, international trade has not been entirely dead, and we might reasonably say has shown an improvement on the position of 1921. We can say, for instance, that the effect of the terrific slump in prices of commodities is gradually working itself out; that the top-heavy load of unsold or rejected goods in India, China, and the East generally has been very appreciably lightened, though at heavy cost, and that we see rays of encouraging sunshine in place of the depressing dark clouds which encircled our horizon and obscured our vision some twelve months ago. All that is to the good. A spirit, a rightful spirit, of caution prevails at the present time, and should be encouraged. Operators must work cautiously, and absolutely refrain from overloading Eastern markets with unrequired goods. We have no fear for the future. Once peace is assured—we cannot believe that the present chaos will be allowed to continue indefinitely—and the purchasing power of the consumer has been restored, we can reasonably expect an active trade between East and West.

EXPORTS.

India, for instance, with the advantage of a low exchange and the bountiful crops after two favourable S.W. monsoons, has surplus stocks of wheat, seeds, barley, rice, cotton, and other commodities, available for export as soon as the Western markets can take the goods. In regard to exports from India, it is worth noting that in the year 1922 shipments of raw cotton to Japan totalled about 263,000 tons, valued at Rs. 30,26,33,914. During the same period Shanghai took about 60,000 bales of yarn, compared with 500,000 to 600,000 bales some ten years ago, illustrating the unpleasant fact for Indian mills that the cotton mills in North China have increased with marked rapidity, and that there are to-day about 2,000,000 active spindles now at work.

Further, in connection with the trade of India, it is interesting to note that the imports of gold into India were: In 1920, £12,054,086; in 1921, £7,204,864; and in 1922, £19,678,961. Gold exports were: In 1920, £5,083,956; in 1921, £20,242,221; and in 1922, £49,365. Silver imports were: In 1920, £3,461,808; in 1921, £11,229,315; and in 1922, £12,108,845. Silver exports were: In 1920, £2,417,937; in 1921, £1,989,238; and in 1922, £1,723,905. The imports of gold for the first quarter of this year have also been unusually heavy, to meet the requirements of marriage ceremonies and perhaps for hoarding purposes. Imports of gold and silver in January, 1923, were Rs. 6,16,53,552, or £4,110,236, and in February, 1923, Rs. 10,85,00,000, or £7,233,333. Mr Findlay Shirras, in his book "Indian Finance and Banking," estimates that India in 46 years—1874 to 1919—absorbed gold coin and bullion to the amount of £250,000,000, or five times the world's average annual production in the same period.

INDIA'S FINANCIAL POSITION.

As regards India's financial position, we have heard a great deal lately about her Budget deficits. Well, it is true they do exist, or have existed, but they are due mainly to abnormal demands and abnormal conditions. India is a country of immense resources and wonderful recuperative powers, and, provided that retrenchments as suggested by the Incheape Committee are effected, the political agitator is reasonably restrained, and normal conditions prevail in Europe and America, I can see no reason why India should not be ere long in a very satisfactory financial position.

China has also products available for export to Western markets, but, unhappily, she is still greatly handicapped by internal unrest, and one almost despairs of seeing a really firm civil Government which could control the various elements of misrule and disturbance, a constant source of danger to the masses of humble traders who yearn to be let alone and given a chance of peaceful life.

As regards the position of special Eastern commodities, we must congratulate our friends engaged in the tea industry on the most satisfactory position in which they find themselves. The demand for tea of high grades and consumption of tea has increased more than we could have expected, and has, I imagine, exceeded the most sanguine expectations. The Straits and Federated Malay States have also benefited by a marked improvement in rubber and tin, though it must be remembered that in the case of rubber the improvement is in a measure due to restricted output, and before a real substantial and steady rise in the price of rubber can be looked for there must be an increased legitimate demand for that article.

Looking all round, we ought to be satisfied with the position generally, in view of the prevailing world-wide state of political unsettlement and unrest. It is earnestly to be hoped that the present position of affairs in Central Europe may not be allowed to continue, to the great detriment of civilisation, and that in England all classes will recognise that strikes must be averted, that hearty co-operation must exist between employer and employed, and that increased output and increased exports are essential if we wish to maintain the credit of this country in the world of finance.

BALANCE-SHEET ITEMS.

Turning to the figures of our balance-sheet, although our total figures for 1922, £60,153,372 15s 10d, show a reduction as against the £61,767,780 18s 8d for the same period in 1921, the decrease is more apparent than real, as our Indian figures this year have been brought into our accounts at a 1s 4d rupee instead of 1s 8d as in 1921. This more particularly applies to the items in our balance-sheet under the heading of current and other accounts, at £25,765,183 2s 4d, and bills discounted and loans at £17,456,245 17s 7d, while the latter, in addition, reflects the pleasing liquidation which has taken place in the derelict Eastern advances. Our cash in hand and at bankers, at £4,515,804 10s 9d, is down £2,135,962 1s 5d on last year's total, but our holdings of bills of exchange, including Treasury bills, have correspondingly been increased from £16,422,953 10s 10d to £17,932,445, while our holdings of Government and other securities now stand at £12,159,013 18s, against £9,432,796 8s 8d on December 31, 1921. Our fixed deposits, at £16,643,106 8s 7d, are within £5,048 15s 2d of our 1921 figures. With the exception of our bank premises account, which shows an increase of £189,888 14s 1d, due mainly to cost of our new Shanghai and Java premises, the other items in our balance-sheet do not call for comment.

TRUSTEE DEPARTMENT.

I have to remind you that at the close of this meeting an extraordinary general meeting will be held to pass certain resolutions, copies of which have already been circulated. The effect is to create a trustee department in this bank. For some time past, to meet the convenience of our constituents, we have had a special department to deal with the payment of income-tax and the recoveries of income-tax. Many of our friends who have been our constituents in the East have suggested that we should also have a trustee department, and, after consideration, the board decided to meet this reasonable request. We have every hope that it will be successful.

In conclusion, I desire, on behalf of the board, to congratulate Mr Preston, as chief manager of this bank, on the very satisfactory position disclosed in our report. We tender our thanks to him, to Mr Bruce, to Mr Miller, to the managers abroad, and to the entire staff for the excellent work they have put in and for the manner in which they have conducted our business, both at home and abroad, in these most difficult times.

I beg to move: "That the report now presented, together with the balance-sheet and profit and loss account, be approved and adopted."

Sir Alfred Dent, K.C.M.G., seconded the resolution, which was carried unanimously.

DIVIDEND AND BONUS.

The Chairman then moved: "That a dividend at the rate of 14 per cent. per annum for the half-year ended December 31st last, together with a bonus of 6s 3d per share, free of income-tax, be now declared, payable on and after the 11th inst."

The Right Hon. Lord George Hamilton, G.C.S.I., seconded the motion, and it was unanimously approved.

The Chairman next proposed the re-election of the retiring

directors, Sir Alfred Dent, K.C.M.G., Mr Thomas Cuthbertson, and Mr J. M. G. Prophit.

This was seconded by the Right Hon. Sir John N. Jordan, G.C.M.G., G.C.I.E., K.C.B., and unanimously adopted.

On the proposition of Mr Robert F. Banks, seconded by Mr Henry B. Henley, the auditors, Mr D. C. Wilson, F.C.A., and Mr H. C. K. Stileman, F.C.A., were reappointed.

VOTE OF THANKS TO DIRECTORS AND STAFF.

Mr Frederick Tomkinson proposed a cordial vote of thanks to the directors and the staff for their successful management of the bank. In doing so, he said that the shareholders were greatly indebted to all concerned in the working of the bank, from the chairman downwards, for the able way in which its affairs had been conducted during a most strenuous year. He particularly wished to mention the staff abroad, who worked often in climatic conditions which were not as favourable as those at home, and the shareholders in London owed a debt of gratitude to them for the able assistance they had given to the board. With regard to the chief manager at home, he was well known in banking circles and needed no further praise.

Mr Bernard R. Glover seconded the vote, which was unanimously accorded.

The Chairman briefly acknowledged the compliment on behalf of the board, and Mr W. E. Preston (chief manager), who responded on behalf of the staff, said that it had been their endeavour, through somewhat trying times, to be the means of presenting to the shareholders what the latter had stated to be satisfactory figures. Provided trade conditions during the next year were no worse, they could only endeavour to repeat them.

An extraordinary general meeting was then held, at which resolutions were passed approving a supplemental Royal Charter and altering the company's deed of settlement.

VOTE OF THANKS TO THE CHAIRMAN.

Mr Tomkinson said he did not think the shareholders would wish to separate without passing a very cordial vote of thanks to Sir Montagu Turner for the able way in which he had presided on the present occasion, and also for the speech he had delivered, which had been particularly interesting from various points of view. He (the speaker) would not touch upon those points, but he did wish to say how much he, and doubtless other shareholders present, appreciated what Sir Montagu had said about trade and

his statement that if the Government showed a strong hand business people would feel secure—as, indeed, had been shown since Gandhi's seclusion.

The vote was cordially approved.

The Chairman briefly acknowledged the compliment, and added that a meeting would be held about three weeks hence for the purpose of submitting for confirmation the resolutions which had just been passed at the extraordinary general meeting.

The proceedings then terminated.

SCHILL BROTHERS, LIMITED.

A GRADUAL AND STEADY IMPROVEMENT.

FREEDOM FROM POLITICAL INTERFERENCE NECESSARY.

The annual general meeting of the shareholders of Schill Brothers, Limited, was held at the Chartered Accountants' Hall, 60, Spring gardens, Manchester, on Wednesday, March 28, 1923, at 11 a.m.

Mr Charles Henry Schill (the chairman) presided.

The Chairman said: You have the figures before you, and you will be as pleased to note the improvement in the state of our affairs as your directors are to be able to record it. It is true that the result is not yet as large as we could wish, but you all know that 1922 was anything but a good year for trade in general and the export trade in particular. Nor can any real improvement set in until there is real peace in Europe and the nations settle down to some definite scheme of steady work in harmony with one another.

THE NEED FOR FREEDOM OF TRADE.

The commercial sections of all countries alone can gradually repair the past losses, but they must be free of political interference before they can do so successfully. We can only hope that this may come about before long, and we must also hope that in this, our own country, all legislation interfering with the freedom of trade will be avoided and such dangerous Bills as the Safeguarding of Industries Act and the British Dyestuffs Bill be repealed forthwith. This is nothing less than pure protection, which this country cannot do with. One instance of it, amongst many, was brought before us not long ago, when one of our branches informed us that a customer of ours had established a firm reputation for the excellence of his dyed yarns. These used to be imported in a dyed state from here, but this man found it to his advantage to set up his own dye works, to import the grey yarn, and to buy his dyes

in the best market and dye it himself. It would never have suited him to do this had he been able to procure the high-class article which he requires at competitive prices in this country, and we have, therefore, lost quite a good little trade, and with it, of course, the employment which it would have brought.

SATISFACTORY RESULTS OF THE YEAR.

But to revert to our own affairs and last year's figures. The improvement is really a more satisfactory one than the figures show, because it has been gradual and steady. We still had to make certain sacrifices during the year to help some of our customers to rehabilitate themselves, and put them in a position to do the little new business that began to show itself, and to settle their accounts with us. This was, of course, a matter of policy only, and not in any way of obligation. Most of it took place during the early part of the year, and bore fruit later on. At first our turnover was very low, and the rebates allowed must have absorbed most of the profit made in the first half. They practically ceased then, and the new business which the customers were then able to get came on to us as expected, and caused our turnover during the second half to improve considerably. Orders came in quite nicely, and are still continuing to do so, and we are, therefore, able to show the result before you. The actual bad debts during the whole year have not been at all extraordinary.

THE CAPITAL POSITION.

But the increase in good business which is now offering has made us feel the loss of our reserve capital in 1921 very keenly. We require all our available resources now to take advantage of the situation and to commence to strengthen our position again. Moreover, we still have a certain amount of capital abroad which should have returned, but has not yet done so, because customers are only paying off their old indebtedness gradually. The consequence is that, though we have made enough to begin to pay off the arrears of preference dividends, and intend to start doing so, we can only do it gradually in instalments as and when more money returns to us. We hope to be able to pay a first instalment at an early date from now, but cannot to-day either fix the date nor the actual amount.

IMPROVED PROSPECTS.

In conclusion, I am glad, at last, to be able to present a more cheery report to you, and one which seems to be the forerunner of better times again, though I confess I almost hesitate to say this in view of the unsettled state of the world and the possibility of chaos again arising as a consequence of some error of judgment in handling the European situation, and the possible consequence of a still further depreciation of the exchanges.

The report of the directors produced, together with the annexed statement of the company's accounts to December 31, 1922, were received, approved, and adopted.

Mr F. A. Morello, the retiring director, was re-elected a director of the company.

The action of the directors in co-opting Mr Walter Fielding as a director of the company was confirmed.

Messrs David Smith, Garnett and Co., chartered accountants, were re-elected auditors of the company for the ensuing year.

MONTE VIDEO WATERWORKS COMPANY, LIMITED. CANAL CONCESSION AND GOVERNMENT PURCHASE.

The forty-fourth ordinary general meeting of the Monte Video Waterworks Company, Limited, was held, on the 5th instant, at the company's offices, 52 Moorgate, London.

Mr James Anderson (chairman of the company), who presided, said that the accounts showed an improvement over those of last year in almost every respect. There was a marked growth in the number of services having risen from 40,991 to 43,035. The gross revenue was larger by £20,214. In working expenses there was an actual reduction of £2,774, notwithstanding the larger business done. The net profits for the year were £123,139, which enabled the board, after providing for the usual dividend of 8 per cent. for the year, to add £20,530 to the reserve and £2,314 to the carry forward.

The board's anxiety about the future had not decreased. Three years ago the Government granted a concession for the construction of a canal to bring water to the neighbourhood of Monte Video from the stream from which the company drew their supply. The board felt that with this threat held over them they could not advise the shareholders to raise the large amount of capital required for extensions which the action of the Government might render of little or no value. The Government appointed engineers to go into the whole question, and the report of the Government inspectors was in the nature of a recommendation that the Government should purchase the company's undertaking and do the extensions themselves. At the request of the Government, the directors named a very reasonable figure at which they would be

prepared to sell, and one which, in the opinion of the Government inspectors, was not in excess of the value of the property. The terms were practically arranged, but a new Minister came into office, decided against Government purchase, and intimated that, in his opinion, the company should proceed with the extensions, giving the Government the option of acquiring the property at a more convenient season, and at the same time suggesting that the price previously provisionally agreed upon was excessive, and that for the future the Government should have a participation in the profits. The directors refused these conditions. Meantime, the period given to the Canal Concessionaire to satisfy the Government that he had secured the capital necessary for construction had lapsed.

The report and accounts were unanimously adopted.

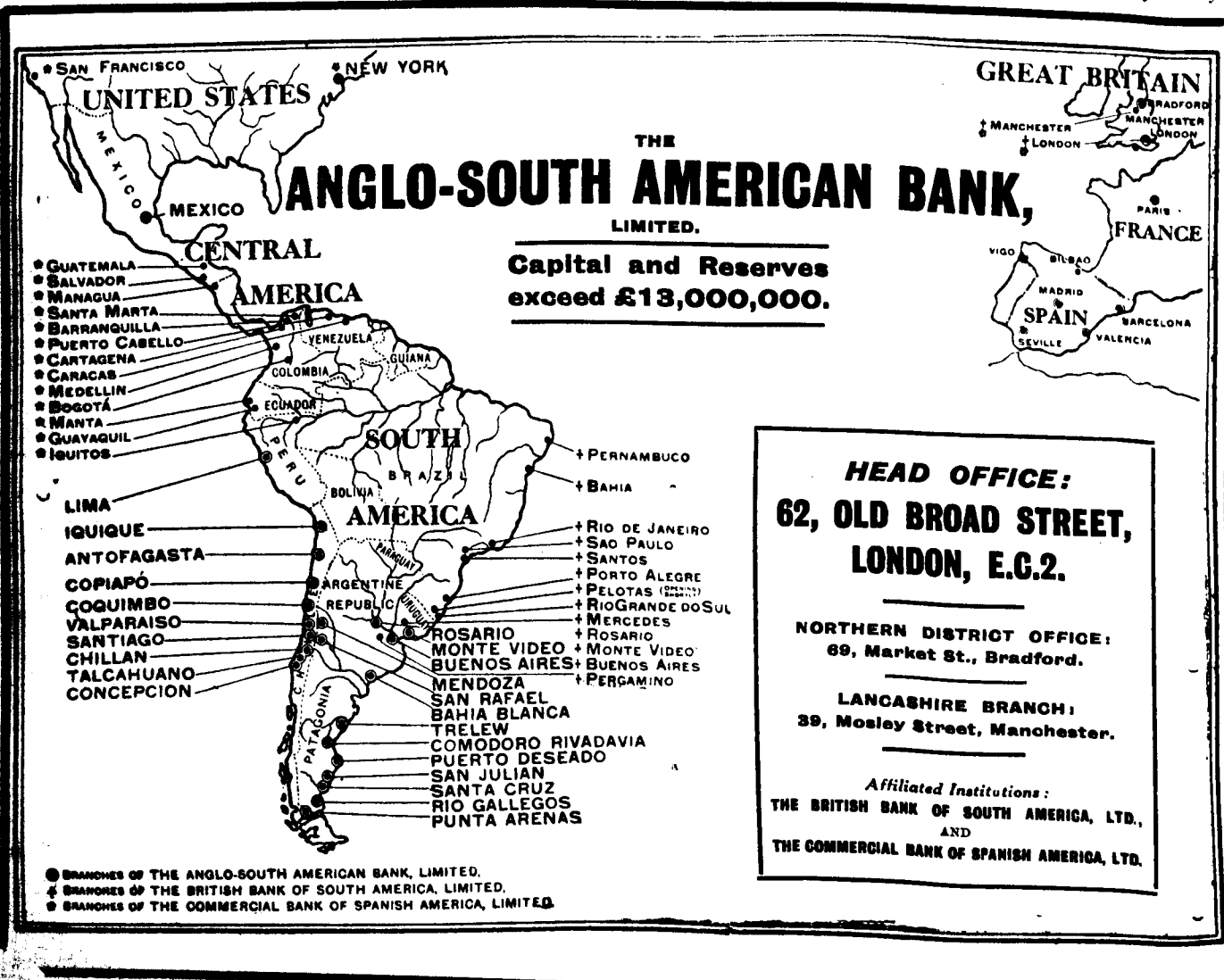
APOLLINARIS AND JOHANNIS, LIMITED. RECONSTRUCTION APPROVED.

A series of meetings of the debenture stockholders, the deferred interest certificate holders, and the preference and ordinary shareholders, of Apollinaris and Johannis, Limited, was held, on the 26th ultimo, at the Holborn Restaurant, London, to consider a scheme of arrangement and reduction of capital, in which it was proposed that the debenture holders should write down their stock by 20 per cent., the rate of interest being raised from 4 per cent. to 5 per cent., and the rate of redemption from £100 to £120; that the interest on the certificates should be reduced from 6 per cent. to 5 per cent.; that sinking funds for both debenture stock and deferred interest certificates should be constituted; that the preference shareholders should be called upon to forgo arrears of cumulative dividend, and that the preference shares should be written down from £10 to six £1 ordinary shares and the ordinary shares should be written down from £10 to two £1 ordinary shares.

Sir Bernard E. Greenwell, Bart., one of the trustees for the debenture holders, presided at the meeting of the debenture holders, at which the scheme was agreed to.

MR HOLLAND'S STATEMENT.

Mr Alfred R. Holland, who subsequently presided at the various shareholders' meetings, as well as at the meeting of the deferred interest certificate holders, said that for some considerable time past it must have been evident that some drastic form of reconstruction of the capital of the company could not be avoided. For the years prior to the war this company enjoyed good and continued prosperity. Its sales showed regular and important increases. The war, and the war alone, had changed all this. He had no hesitation in stating that the war was entirely responsible for the present unfortunate position of the company. When the war broke out in 1914 they were cut off from their source of supply, and this state of things continued until the end of July, 1919, and this state of things continued until the end of July, 1919, and this state of things continued until the end of July, 1919. When they started again untold difficulties had to be overcome; not only had their world-wide organisation suffered shattering blows, but their goodwill, the greatest asset they possessed, had suffered irreparable damage. People were no longer in the habit of drinking Apollinaris. Other waters had taken its place, and the company had to make a fresh start under the most adverse conditions. Raw material for producing bottles, timber for cases, &c., were almost unobtainable. Every country seemed to have adopted a system of export and import licences for every article imaginable, rendering business almost impossible. The wonder was not how much business was done, but rather that they did any business at all. In spite of all these difficulties, they were able to build up again a demand for Apollinaris, to put their



THE ANGLO-SOUTH AMERICAN BANK, LIMITED.

Capital and Reserves exceed £13,000,000.

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

NORTHERN DISTRICT OFFICE:
69, Market St., Bradford.

LANCASHIRE BRANCH:
39, Mosley Street, Manchester.

Affiliated Institutions:
THE BRITISH BANK OF SOUTH AMERICA, LTD.,
AND
THE COMMERCIAL BANK OF SPANISH AMERICA, LTD.

GREAT BRITAIN
MANCHESTER, LONDON, BRADFORD

FRANCE
PARIS, VIGO, BILBAO, MADRID, SEVILLE, BARCELONA, VALENCIA

SPAIN

KANSALLIS-OSAKE-PANKKI

(National Joint Stock Bank).

ESTABLISHED 1889.

Head Office: HELSINKI (Helsingfors),
FINLAND.

Capital and Reserves - - Fmk. 252,000,000

Deposits and Cheque Accounts
(31/12/22) - - Fmk. 1,420,000,000

124 BRANCHES AT ALL IMPORTANT BUSINESS
CENTRES IN FINLAND.

Telegraphic Address Kansallispankki.

finances into reasonable order, and the directors were to-day not asking for any further capital, but only urging that the company should be put upon a reasonable financial basis in proportion to its probable money-earning capacity in the future. During all those years interest on the debentures had accumulated, and the dividend on the preference shares had piled up, so that they had now to deal with figures so formidable that they could only be described as impossible. In existing circumstances, the present capital was out of all proportion to the money-earning capacity of the business. This must be remedied if the company was to be put on a sound financial and commercial basis. To achieve this, all interested must make a considerable sacrifice.

CURRENT YEAR'S TRADING.

If the scheme were adopted, the directors had every reason to believe that the company would gradually regain its prosperity, but this would take time and great efforts. It must be dependent upon no great political disturbances happening and again cutting them off from the source of supply. He would not like to attempt to forecast the result of the year's trading, which expired at the end of the present month, but, as far as could be foreseen, it should be much better than that of the previous year. Indeed, the board would be much disappointed if the profits shown were not equal to the amount required for the debenture interest, certificate interest, and the two sinking funds.

At each of the meetings there was a somewhat lengthy discussion.

Mr Rowe, speaking at the meeting of the deferred interest certificate holders, said that as the certificate holders had conceded two points, he thought they should have a concession made to them on a third. Under the scheme the directors were proposing that the interest on the certificates should be payable out of the annual profits of the company. The conditions of the existing certificates stated that the interest was a charge on the general assets of the undertaking. His point was that if they consented to allow their interest to be reduced by 1 per cent. per annum, and also to postpone the payment of the capital amount of the certificates—£238,000—which, according to present arrangements had to be discharged before the preference or the ordinary shareholders received any dividend, their interest, at any rate, should continue to rank as a charge on the assets.

After some discussion the necessary series of resolutions were adopted, with the modification agreed to at the deferred certificate holders' meeting, to the effect that the interest on the certificates should be a charge on the assets annually instead of being payable out of the profits only.

A confirmatory meeting is to be held in due course according to statutory requirements, after which application will be made to the court for confirmation of the scheme.

D. H. EVANS AND COMPANY, LIMITED.

SUCCESSFUL RESULTS—SATISFACTORY PROFITS.

The twenty-ninth annual general meeting of the shareholders of D. H. Evans and Co., Limited, was held, on the 6th instant, on the company's premises, Oxford street, London, Mr Ernest Webb (chairman and managing director) presiding.

The secretary (Mr R. Stannard) having read the notice convening the meeting and the report of the auditors,

The Chairman said: Gentlemen, when I had the pleasure of addressing you last year I felt it was necessary to utter a warning note as to the conditions then existing, and the possible effect such conditions might have on our trading in the then coming year. It is with all the greater pleasure, therefore, that I am able to present to you to-day the accounts to February 19th last, showing, I think you will agree, a record of satisfactory trading and satisfactory profits.

The past year has not been without its difficulties, but by careful purchasing we have been able to give our customers good value and good service, and by watching every item of expenditure we have arrived at the result to which I will now refer.

PROFIT AND LOSS ACCOUNT.

Dealing first with the profit and loss account, the total expenses for the year under the heading of salaries, rents, rates, taxes, insurance, &c., amounted to £232,554, showing a reduction compared with the previous year of £8,085. This reduction is partly the result of various economies which have been effected during the year, and is partly due to a welcome reduction in rates and taxes, which, however, still remain at a very high mark. Repairs show a saving of £1,191. The remaining expenses are constant items in which there has been no alteration. On the credit side of the account the gross profit on trading, transfer fees and interest received amount to £385,604, an increase of £3,188 over last year. During the year under review in many instances there has been a further fall in prices. The increase in the gross profits will satisfy you that, notwithstanding such reductions in value, the business

has been well maintained and is attracting its share of trade. The final result is a profit for the year of £129,973, being an increase over last year of £11,791.

The balance of profit is carried to the appropriation account, which shows the interim dividends paid, the reserves for taxation, the transfer to reserve fund of £11,497, and the final dividends which the directors now recommend. On the credit side of the appropriation account it will be seen that the directors have decided to transfer from the profits of the year the sum of £4,000 for the purposes of the staff pension fund, raising that fund to £25,000, as shown in the balance-sheet. Our staff have rendered the company loyal service for this and for many years, and I am sure the shareholders will approve of and share the wish of the directors to increase the amount available for provision to assist such members of the staff when they may be unable to carry on their work.

The balance of profits brought forward from last year was £15,681, and we are now carrying forward a balance of £39,623, after making provision for all taxation on the profits of the year.

BALANCE-SHEET ITEMS.

Turning now to the balance-sheet, on the debit side the issued capital and debentures remain unaltered. The reserve fund amounts to the substantial figure of £173,520, which will be increased to £185,017 by this year's contribution. The sundry creditors show a small increase of £3,531. The staff pension fund, to which I have already referred, now amounts to £25,000, and the profit and loss account I have also dealt with. On the assets side the property and fixtures accounts show reductions representing writings off in excess of additional expenditure. The stocks on hand show a decrease of £5,272, and the sundry debtors a decrease of £4,260. The investment in Victory Bonds remains the same as in the last year's balance-sheet, except that it has considerably increased in value, and the balance of cash, amounting to £143,963, represents an increase of £51,547 over the corresponding item last year.

I think I have now dealt with the details of the present account. There is, however, another matter which the directors have had under consideration, and which I wish to bring to your notice: that is, the necessity for the rebuilding of the old part of our premises, which, for convenience, we call "the Eastern block" (nearest Oxford circus), on the whole of which we hold 999 years' leases. These old buildings are the result of the conversion of a series of single shops into connecting showrooms, workrooms, and offices, and the time has now come when our present showrooms do not give us the space we require for the proper display of the goods we sell, or provide for our customers that standard of comfort when shopping which in these days is expected from a business establishment such as ours.

I now beg to move the resolution that the report and accounts be adopted.

Sir James Boyton seconded the resolution, and it was carried unanimously.

GOVERNMENT RETURNS.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £40,000,000 in three months' Treasury Bills dated from Monday to Saturday, April 9-April 14, were opened on April 6, 1923, and the total amount applied for was £78,915,000. Tenders for Monday to Saturday bills at 99 8s 10d, about 36 per cent., and above in full. For Treasury Bonds at 95 0s 0d, about 55 per cent. above in full. The average rate of discount was £2 4s 3 1/2d. The amounts allotted were as follows:—In bills at 3 months, £35,000,000; in bonds, £1,000,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills Average Rate.	4% Treasury Bonds, 1932. Average Price.
Jan. 5 1923.	£ 50,000,000	(a) £ 63,995,000	2 2 7 5/7	99 3 9 6
Jan. 12	(a) 50,000,000	(a) 76,575,000	2 3 5 5/8	99 3 3 7/2
Jan. 19	(a) 40,000,000	(a) 55,305,000	1 18 9 9/1	99 7 1 6/9
Jan. 26	(a) 40,000,000	(a) 61,530,000	2 6 3 8/7	99 7 6
Feb. 2	(a) 40,000,000	(a) 59,465,000	2 10 1 5/7	None allotted
Feb. 9	(a) 35,000,000	(a) 63,590,000	2 9 7 8/6	99 8 6 4
Feb. 16	(a) 30,000,000	(a) 49,875,000	2 6 6 3/1	99 8 4 2
Feb. 23	(a) 40,000,000	(a) 61,630,000	2 6 2 9/5	99 9 1 1/7
Mar. 2	(a) 40,000,000	(a) 57,190,000	2 2 10 3/5	99 9 9 6
Mar. 9	(a) 40,000,000	(a) 54,490,000	2 0 3 3/2	99 9 7 5
Mar. 16	(a) 30,000,000	(a) 67,230,000	2 0 3 3/2	99 9 4 8
Mar. 23	(a) 50,000,000	(a) 69,665,000	2 6 5 2	..
Apr. 6	(a) 40,000,000	(a) 78,915,000	2 4 3 4 6	95 2 0 9 1

(a) Including Treasury Bonds.

4% Treasury Bonds, 1931-33.

Tenders will be received on Friday, April 13, 1923, for Treasury Bonds and Bills to be issued to the maximum amount of £35,000,000. The amount of Treasury Bonds issued will not exceed £3,000,000, but subject to that limit, the total amount issued will be divided between Bills and Bonds in such proportions as The Lords Commissioners of His Majesty's Treasury may determine.

CURRENCY NOTES ACCOUNT.

(000's omitted.)

Date.	Notes and Certificates Outstanding.	Investments in Bank Accounts.	Advances to		Redemption Account.						
			Bankers.	Savings Banks.	Gold and Bullion.	Bank of England Notes.	Ratio to Government Securities.	Balance at Bank of England.			
1914.	£ 21,535	..	6,302	3,810	..	..	..	11,423			
Aug. 26	38,478	..	169	600	18,500	..	48 1	9,924			
Dec. 30 1915.	..	..	..	..	..	..	..	..			
Dec. 29	103,125	729	159	249	28,500	..	27 6	54,621			
1916.	..	..	..	..	..	..	..	..			
Dec. 27	150,144	2,430	64	40	28,500	..	19 0	118,102			
1917.	..	..	..	..	..	..	..	..			
Dec. 26	212,782	8,554	39	675	28,500	..	13 4	186,637			
1918.	..	..	..	..	..	..	..	..			
Dec. 31	323,241	15,529	..	570	28,500	..	8 9	305,133			
1919.	..	..	..	..	..	..	..	..			
Dec. 31	356,152	17,182	250	245	28,500	4,000	9 1	337,537			
1920.	..	..	..	..	..	..	..	..			
Dec. 29	367,626	16,962	..	..	28,500	19,450	13 0	336,504			
1921.	..	..	..	..	..	..	..	..			
Mar. 30	343,826	15,599	Silver Coin.	..	28,500	19,450	13 9	311,334			
June 29	323,884	14,965	3,000	..	28,500	19,450	14 8	287,750			
Sept. 28	314,382	14,830	3,000	..	28,500	19,450	15 2	278,119			
Dec. 28	325,584	14,658	3,000	..	28,500	19,450	14 7	289,131			
1922.	..	..	..	..	..	..	..	..			
Mar. 29	300,351	14,255	5,000	..	28,500	19,450	15 9	261,479			
June 28	295,374	13,338	6,000	..	28,500	19,650	16 3	254,312			
Sept. 27	289,127	12,648	7,000	..	27,000	21,150	16 6	246,456			
Dec. 27	301,337	12,872	7,000	..	27,000	21,150	15 9	258,922			
1923.	..	..	..	..	..	..	..	..			
Mar. 14	281,039	11,945	7,000	..	27,000	22,450	17 6	236,373			
21	280,955	11,899	7,000	..	27,000	22,450	17 6	236,246			
28	285,616	12,318	7,000	..	27,000	22,450	17 3	241,294			
April 4	288,078	12,879	7,000	..	27,000	22,450	17 2	244,352			

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £320,600,000, for 1921 at £317,555,200, for 1922 at £309,988,400, and for 1923 at £270,183,800.

The OCEAN ACCIDENT and GUARANTEE CORPORATION, Limited.

ASSETS - - - - - £7,657,433
CLAIMS PAID - - - - - £27,500,000

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

Head Office: 86-44 MOORGATE, LONDON, E.C.2.

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, March 28, 1923.

ISSUE DEPARTMENT.

£	£
Notes issued	145,433,180
Government debt	11,015,100
Other securities	8,734,900
Gold coin and bullion	125,683,180

BANKING DEPARTMENT.

£	£
Proprietors' capital ..	14,553,000
Reserve	3,704,632
Public deposits*	35,677,769
Other deposits	97,029,885
Seven-day & other bills ..	19,073
150,984,359	150,984,359

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

Week ended Wednesday, April 4, 1923.

ISSUE DEPARTMENT.

£	£
Notes issued	145,433,290
Government debt	11,015,100
Other securities	8,734,900
Gold coin & bullion	125,683,290

BANKING DEPARTMENT.

£	£
Proprietors' capital ..	14,553,000
Reserve	3,104,273
Public deposits*	22,612,335
Other deposits	104,476,032
Seven-day & other bills ..	19,129
144,764,769	144,764,769

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

COMPARISON with PREVIOUS WEEK and a YEAR AGO.

	Amount, Apr. 4, 1923.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Rest	£ 3,104,273	—	£ 8,871
Public deposits	22,612,335	+ 13,065,434	+ 1,550,570
Other deposits	104,476,032	+ 7,446,147	+ 17,889,286
Government securities	48,594,200	+ 240,000	+ 10,804,859
Other securities	73,014,620	+ 6,796,987	+ 7,363,409
Reserve	23,155,949	+ 337,397	+ 1,276,220
Note circulation	124,095,605	+ 341,005	+ 1,198,615
Coin and bullion	127,501,554	+ 3,608	+ 1,377,605
% of reserve to liabilities	18 1/2	+ 1 1/2	+ 1 1/2

THREE MONTHS' RECORD.

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve.	% of Reserve to Liabilities.
1923.	£	£	£	£	£	%
Jan. 10	127,486,217	122,454,770	136,311,140	130,844,337	23,481,447	17 1/2
17	127,491,357	122,454,770	136,311,140	130,844,337	23,481,447	17 1/2
24	127,489,154	122,454,770	136,311,140	130,844,337	23,481,447	17 1/2
31	127,491,860	122,454,770	136,311,140	130,844,337	23,481,447	17 1/2
Feb. 7	127,490,819	122,454,770	136,311,140	130,844,337	23,481,447	17 1/2
14	127,493,425	122,454,770	136,311,140	130,844,337	23,481,447	17 1/2
21	127,493,186	122,454,770	136,311,140	130,844,337	23,481,447	17 1/2
28	127,504,283	122,454,770	136,311,140	130,844,337	23,481,447	17 1/2
Mar. 6	127,507,927	122,454,770	136,311,140	130,844,337	23,481,447	17 1/2
14	127,508,777	122,454,770	136,311,140	130,844,337	23,481,447	17 1/2
21	127,511,520	122,454,770	136,311,140	130,844,337	23,481,447	17 1/2
28	127,505,162	122,454,770	136,311,140	130,844,337	23,481,447	17 1/2
Apr. 4	127,501,554	122,454,770	136,311,140	130,844,337	23,481,447	17 1/2

TEN YEARS' RECORD.

At corresponding date with the present week.	April 2, 1913.	May 27, 1914.	April 6, 1921.	April 5, 1922.	April 4, 1923.
Circulation (exclud. Bank post bills).....	29,025,020	28,933,380	129,215,415	122,896,990	124,095,605
Public deposits.....	21,088,938	19,014,809	21,495,402	24,162,905	22,612,335
Other deposits.....	40,373,009	41,248,964	124,211,608	122,355,328	104,476,032
Government securities.....	13,032,727	11,046,570	31,698,221	53,399,059	48,694,200
Other securities.....	15,032,334	14,461,280	11,416,652	80,378,029	73,014,620
Gold and silver coins.....	25,728,959	25,543,980	17,582,933	24,432,169	23,155,949
Coin and bullion.....	36,303,979	35,947,366	128,348,348	128,779,159	127,501,554
Proportion of reserve to liabilities.....	41%	42%	121%	168%	181%
Bank rate of discount.....	5%	5%	7%	4%	3%
Market rate, 3 month's bill.....	4%	4%	6 1/2	2 1/8	2 1/8
Price of Consols.....	74 1/2	74 1/2	48 1/2	57 1/2	59 1/2
Price of silver per oz.....	26 3/4	26 3/4	53 1/4	33 1/4	30 1/4
Exchanges.....	25 25 1/2	25 17 1/2	55 10 1/2	47 90 1/2	71 30 1/2
Paris.....	12 1/2	8 1/2	4 1/2	4 3/4	4 1/2
New York.....	89 3/4	12 10 1/2	11 3/4	11 6 1/4	11 8 1/2
Amsterdam.....	12 1/2	12 1/2	11 3/4	11 6 1/4	11 8 1/2
London.....	20 1/8	20 1/2	238 2 1/4	1,360 1 1/4	97,000 100,000
Clearing house return.....	574,808,000	199,913,000	281,588,000	960,408,000	676,851,000

[April 7, 1923.]

UNITED STATES FEDERAL RESERVE BANKS.
(000's omitted.)

Resources.	Mar. 30, 1923.	Mar. 23, 1923.	Mar. 16, 1923.	Mar. 31, 1922.
Total gold reserve	3,063,790	3,074,300	3,078,290	2,997,360
Legal tender notes and silver reserve	112,490	118,320	118,280	128,020
Bills discounted for member banks	700,020	629,990	613,060	635,950
Bills bought in open market	254,250	237,970	225,420	102,690
Government obligations owned	249,410	291,910	344,710	440,860
All other resources	64,630	61,490	65,750	62,420
LIABILITIES.				
Government deposits	85,430	98,630	42,440	56,030
Other deposits	1,890,840	1,886,410	1,953,350	1,749,110
Federal Reserve Notes in actual circulation	2,232,480	2,231,490	2,242,900	2,181,840
Federal Reserve Bank Notes in actual circulation	2,440	2,370	2,600	80,350
Capital and surplus	14,430	13,520	12,890	17,810
Ratio of total reserves to gross deposits and Federal Reserve note liabilities combined	75.5%	75.7%	75.4%	77.8%

STATEMENT OF CANADIAN BANKS.
(000's omitted.)

Assets.	Jan. 31, 1923.	Dec. 31, 1922.	Nov. 30, 1922.	Oct. 31, 1922.	Jan. 31, 1922.
Cash and bank balances	495,945	509,830	506,207	487,881	463,609
Bank balances abroad	59,585	71,402	104,892	104,892	61,286
Call and short loans	281,407	303,421	300,833	260,543	260,543
Securities	356,306	340,588	317,260	309,882	360,864
Loans in Canada	1,120,723	1,148,581	1,196,398	1,217,578	1,222,587
Loans abroad	158,444	157,657	149,244	153,088	148,733
Other assets	105,420	106,439	106,493	106,444	108,484
LIABILITIES.					
Note circulation	152,633	176,201	169,626	178,633	162,645
Deposits—					
Government	59,526	78,583	131,762	139,331	130,617
Public in Canada	1,896,498	1,722,516	1,712,055	1,687,933	1,730,361
Foreign	266,555	288,350	323,644	331,969	254,777
Bank balances	11,881	11,757	10,158	11,311	11,362
Canadian	37,247	38,645	40,331	33,807	38,271
Foreign	28,105	28,774	27,134	26,409	31,440
Bills payable, etc.	2,197	2,835	4,344	2,624	2,118
Other liabilities	255,980	256,966	255,585	255,274	255,748
Capital and rest.	255,980	256,966	255,585	255,274	255,748

NATIONAL BANK OF GREECE.
(000's omitted.)

Assets.	Jan. 13, 1923.	Dec. 28, 1922.	Dec. 13, 1922.	Nov. 28, 1922.	Jan. 13, 1922.
Gold and bank balances	1,398,602	1,428,548	1,417,831	1,438,929	1,373,435
Government loans	3,350,527	3,330,576	2,837,662	2,838,106	2,317,803
Discounts and loans	1,343,961	1,283,365	1,231,704	1,277,120	752,218
Loans in circulation	3,149,446	3,024,788	2,941,897	2,808,968	2,121,183
Government deposits	382,368	507,317	257,573	242,582	164,443
Private sight deposits	1,061,895	933,568	936,316	939,774	951,579
Private deposits at fixed dates	1,018,712	1,013,599	1,014,177	1,012,265	955,176

SOUTH AFRICAN RESERVE BANK.
(000's omitted.)

LIABILITIES.	Mar. 10, 1923.	Mar. 3, 1923.	Feb. 24, 1923.	Feb. 17, 1923.	Feb. 10, 1923.
Capital	1,000	1,000	1,000	1,000	1,000
Reserve	2	2	2	2	2
Notes in circulation	9,737	9,860	9,731	9,697	9,765
Bankers' deposits	5,467	5,231	5,233	5,253	5,182
Other deposits	3	4	4	4	4
ASSETS.					
Gold coin and bullion	483	483	483	423	423
Gold certificates	10,039	10,039	10,039	10,099	10,102
Subsidiary coin	125	125	125	250	250
Bills discounted (domestic)	2,475	2,304	2,268	2,094	2,077
Do (foreign)	832	888	786	835	845
Loans and advances to the Government	1,300	1,300	1,300	1,300	1,300
Other loans and advances	1,000	1,000	1,000	1,000	1,000
Ratio of cash reserves to liabilities to public	70%	70.5%	71.1%	72%	72%

BANK OF SPAIN.
(000's omitted.)

Assets.	Mar. 31, 1923.	Mar. 24, 1923.	Mar. 17, 1923.	Mar. 10, 1923.	Apr. 1, 1923.	Position May 30, 1914.
Gold	2,825,441	2,825,440	2,825,439	2,825,450	2,820,849	621,750
Silver	658,361	658,223	655,776	652,966	635,528	738,600
Loans and discounts	1,843,113	1,851,327	1,886,630	1,934,430	2,426,706	800,725
Spanish 4% stock	344,475	344,475	344,475	344,475	344,475	344,475
Spanish bills	150,000	150,000	150,000	150,000	150,000	150,000
LIABILITIES.						
Circulation	4,101,804	4,079,806	4,084,167	4,105,228	4,178,370	901,650
Deposits	1,079,010	1,051,724	1,044,677	1,054,437	1,163,177	477,600

BANK OF JAPAN.
(000's omitted.)

Assets.	Mar. 3, 1923.	Feb. 24, 1923.	Feb. 17, 1923.	Feb. 10, 1923.	Mar. 4, 1923.	Position Jan 30, 1914.
Cash and bullion	1,087,700	1,087,700	1,087,663	1,088,814	1,224,748	221,320
Of which deposited with Foreign Central Note Banks	104,855	79,576	108,715	118,463	120,994	41,740
Advances	225,299	226,312	240,572	243,261	265,280	70,540
LIABILITIES.						
Notes	1,174,455	1,179,006	1,208,101	1,193,743	1,174,637	362,270
Govt. deposits	735,780	739,084	770,153	759,361	1,302,403	87,340
Other deposits	43,571	47,226	42,608	47,202	39,616	11,440

IMPERIAL BANK OF GERMANY.
(000's omitted.)

Assets.	Mar. 23, 1923.	Mar. 15, 1923.	Mar. 7, 1923.	Mar. 23, 1922.	Position May 30, 1914.
Gold and bullion	4,195,414	4,174,165	4,074,341	4,015,799	1,635,160
Of which deposited with Foreign Central Note Banks	164,952	64,952	64,952	4,741,935	943,460
Loans and discounts	868,372,941	787,781,437	733,246,117	733,551,718	60,780
Advances	8,566,448,762	8,566,575,570	8,566,799,764	8,566,799,764	60,780
LIABILITIES.					
Notes	4,975,438,433	4,975,438,433	4,975,438,433	4,975,438,433	2,013,860
Govt. deposits	4,975,438,433	4,975,438,433	4,975,438,433	4,975,438,433	2,013,860
Other deposits	4,975,438,433	4,975,438,433	4,975,438,433	4,975,438,433	2,013,860

RUSSIAN STATE BANK.
Note-issuing Department.
(In chervonets.)

Assets.	Feb. 16, 1923.
Gold in coin and bullion	1,246,465.0
Foreign bank notes	454,846.5
Drafts in sterling	245,158.7
Bills (less 10% discount)	414,060.0
Securities covering advances on goods (less 10%)	1,139,646.0
LIABILITIES.	
Bank notes	3,500,176.2
Balance to which notes may still be issued	775,176.2
Total	3,500,176.2

(NOTE: 1 chervonetz = 10 roubles gold.)

BANK OF ITALY.
(000's omitted.)

Assets.	Mar. 10, 1923.	Feb. 28, 1923.	Feb. 20, 1923.	Feb. 10, 1923.	Mar. 10, 1922.	Position May 31, 1914.
Total cash	1,328,086	1,390,379	1,382,926	1,360,989	1,414,768	1,221,875
Inland bills	4,289,661	4,351,674	4,379,349	4,422,315	4,364,063	418,400
Foreign bills	13,198	13,180	13,153	10,666	9,462	81,300
Advances to the Treasury	6,073,513	6,074,703	6,082,762	6,090,369	6,540,964	nil
Other advances	1,922,512	2,189,981	1,679,698	2,735,369	3,434,026	79,175
Securities	407,012	406,517	406,341	406,989	533,863	205,700
LIABILITIES.						
Note circulation	12,996,689	13,134,411	13,049,862	13,291,574	13,976,433	1,556,925
Deposits & drafts	1,855,589	1,707,783	1,645,587	1,819,123	1,935,975	193,975

NETHERLANDS BANK.
(000's omitted.)

Assets.	Mar. 19, 1923.	Mar. 12, 1923.	Mar. 5, 1923.	Feb. 26, 1923.	Mar. 2, 1923.	Position May 31, 1914.
Gold	581,790	581,790	581,790	581,790	581,790	163,082
Silver	7,135	7,135	7,135	7,135	7,135	163,082
Depts. & advances	357,892	354,239	368,325	345,121	396,603	153,604
LIABILITIES.						
Notes in circulation	936,934	946,741	959,098	941,031	963,735	318,632
Deposits	36,180	33,971	33,971	29,797	36,927	6,018

NATIONAL BANK OF ROMANIA.
(000's omitted.)

Assets.	Mar. 10, 1923.	Mar. 3, 1923.	Feb. 24, 1923.	Feb. 17, 1923.	Mar. 11, 1922.	Position May 31, 1914.
Gold	533,079	533,079	533,079	533,079	495,459	495,459
Silver, etc.	791	791	791	791	791	791
Government loan	12,548,006	12,563,007	12,538,500	12,548,320	12,558,625	2,771,212
Other advances	4,804,242	4,714,717	4,794,478	4,726,663	4,726,663	2,771,212
LIABILITIES.						
Notes in circulation	15,455,060	15,390,829	15,396,171	15,378,630	13,675,953	6,291,291
Deposits	7,129,920	7,121,491	7,172,174	7,133,130	6,291,291	6,291,291

SWISS NATIONAL BANK.
(000's omitted.)

Assets.	Mar. 31, 1923.	Mar. 23, 1923.	Mar. 15, 1923.	Mar. 7, 1923.	Mar. 31, 1922.	Position May 31, 1914.
Gold	539,901	532,819	532,579	531,926	545,535	171,175
Silver	104,702	105,943	105,752	105,702	108,000	18,350
Darlehens-Kassen.	10,357	11,896	11,909	12,347	17,794	103,000
Assets & advances	489,451	475,434	478,448	480,865	308,493	103,000
LIABILITIES.						
Notes in circulation	920,231	859,676	856,295	873,424	830,859	875,925
Deposits	244,167	287,505	293,297	283,516	175,090	33,750

The Monthly Statement of the Swiss Federal Loan Bank (Darlehenskassen) shows that up to February 28, 1923, total issues were Fr. 19,787,886, of which Fr. 12,336,800 was held by the Swiss National Bank.

BANK OF SWEDEN.
(000's omitted.)

Assets.	Mar. 23, 1923.	Mar. 17, 1923.	Mar. 10, 1923.	Mar. 3, 1923.	Mar. 24, 1922.	May 24, 1914.
Gold	273,635	273,635	273,635	273,635	273,635	104,918
Balance abn. and foreign bills	92,172	102,396	103,207	107,576	96,818	112,179
Silver	136,511	127,440	122,828	122,828	53,573	38,465
Gov. securities	322,819	344,110	333,269	352,833	509,606	118,668
Discount and loans	514,221	525,926	524,694	544,224	553,861	226,555
Notes in circulation	254,790	268,113	252,325	258,231	325,267	369,660

NATIONAL BANK OF BELGIUM.
(000's omitted.)

Assets.	Mar. 29, 1923.	Mar. 22, 1923.	Mar. 15, 1923.	Mar. 8, 1923.	Mar. 30, 1922.	Position May 31, 1914.
Coin (gold & silver and bullion)	345,220	344,738	344,851	346,287	326,224	326,224
Securities	703,191	684,602	698,736	692,946	497,483	697,600
LIABILITIES.						
Notes in circulation	6,884,334	6,825,206	6,890,617	6,890,876	6,312,943	834,150
Current accounts	316,167	343,458	312,415	340,812	774,505	118,126

BANK OF NORWAY.
(000's omitted.)

BANK OF NORWAY.

(000's omitted.)

Assets.	Mar. 22, 1923. Kroner.	Mar. 15, 1923. Kroner.	Mar. 7, 1923. Kroner.	Mar. 22, 1922. Kroner.	Position May 31, 1914. Kroner.
Coin and bullion—Gold	147,289	147,289	147,289	147,289	44,224
Balance abroad and foreign bills	23,822	24,887	28,676	45,574	28,533
Norwegian & Foreign Govern- ment securities	9,404	9,404	9,404	10,085	8,816
Discounts and loans	457,066	453,628	453,247	430,245	76,911
LIABILITIES.					
Notes in circulation	356,007	352,852	353,571	366,810	113,484
Deposits at notice	171,961	172,698	171,575	151,076	7,188

Through Royal resolution of February 1923.

Comparison with the previous weeks:—

	Short Learns	Bank Bills.			Trade Bills.		
		3 Months	4 Months	6 Months	3 Months	4 Months	6 Months
Jan. 12.....	11	2	2	2	3	3	3
19.....	11	2	2	2	3	3	3
26.....	11	2	2	2	3	3	3
Feb. 9.....	11	2	2	2	3	3	3
16.....	11	2	2	2	3	3	3
23.....	11	2	2	2	3	3	3
Mar. 2.....	11	2	2	2	3	3	3
9.....	11	2	2	2	3	3	3
16.....	11	2	2	2	3	3	3
23.....	11	2	2	2	3	3	3
30.....	11	2	2	2	3	3	3
Apl. 6.....	11	2	2	2	3	3	3

IRISH BANKS' RATE.

Discount	Present Rate.	Date	Previous Rate.	Date
4	4	July 13, 1922	4	June 15, 1922
1 1/2	1 1/2	June 15, 1922	2	Feb. 16, 1922

OVERSEAS BANK RATES.

Bank Rate	Bank Rate
Changed.	Changed.
Amsterdam	July 18, 1922 .. 4
Athens	Jan. 11, 1923 .. 7 1/2
Berlin	Jan. 18, 1923 .. 12
Brussels	Jan. 22, 1923 .. 5 1/2
Bucharest	Sept. 1, 1920 .. 8
Calcutta	Jan. 11, 1923 .. 8
Christiana	Aug. 17, 1922 .. 5
Copenhagen	Apr. 25, 1922 .. 5
Helsingfors	Oct. 16, 1922 .. 8
London	Sept. 3, 1920 .. 7
New York	Feb. 21, 1923 .. 4 1/2
Paris	May 11, 1922 .. 5 1/2
Rome	Jan. 15, 1923 .. 5
Stockholm	July 14, 1919 .. 6 1/2
Swiss Bank	July 1, 1922 .. 4 1/2
Tokyo	Aug. 17, 1922 .. 3
Vienna	Nov. 18, 1919 .. 8
Warsaw	Sept. 2, 1922 .. 9

RATES OF EXCHANGE.

London on	Usance	Par.	April 7, 1922.	Mar. 28, 1923.	April 6, 1923.
Paris	francs to £1	T.T.	25-22 1/2	48-13-18	71-20-30
Berlin	marks to £1	T.T.	20-43	1340-1345	98000-99000
Vienna	krone to £1	T.T.	24-02	32500-33500	32000-34000
Prague	krone to £1	T.T.	24-02	227-230	151-158
Warsaw	zlotys to £1	T.T.	25-22 1/2	15500-17500	18000-20000
Bucharest	lei to £1	T.T.	24-02	3750-4000	20000-22000
Constantinople	piastres to £1	T.T.	110	640-660	690-710
Sofia	levas to £1	T.T.	25-22 1/2	635	625-675
Belgrade	dinas to £1	T.T.	25-22 1/2	355-365nom	440-460
Amsterdam	guilder to £1	T.T.	12-10 1/2	11-12 1/2	11-12 1/2
Brussels	francs to £1	T.T.	25-22 1/2	52-95-52 1/2	82-30-40
Stockholm	kroner to £1	T.T.	18-15 1/2	24-13-18	25-87-92
Copenhagen	kroner to £1	T.T.	18-15 1/2	16-83-85	17-59-62
Helsingfors	F. marks to £1	T.T.	25-22 1/2	230-233	171-171 1/2
Greece	drachmas to £1	T.T.	25-22 1/2	100-101	390-400
Italy	lire to £1	T.T.	25-22 1/2	83 1/2-83 1/2	95-95 1/2
Switzerland	francs to £1	T.T.	25-22 1/2	22-57-60	25-35-38
Madrid	pesetas to £1	T.T.	25-22 1/2	28-40-43	30-45-48
London	pence to £1	T.T.	53 1/2	41-41 1/2	2 1/2-3
Algeria	francs to £1	T.T.	97 1/2	7 1/2-8	97 1/2-98
New York	dollars to £1	Cable	4-68 1/2	4-38 1/2-39	4-68 1/2-67
Montreal	dollars to £1	Cable	4-68 1/2	4-51-52	4-76 1/2-77
Buenos Ayres	pesos to £1	T.T.	47-62 1/2	43 1/2-44	42 1/2-43 1/2
Rio de Janeiro	pesos to £1	T.T.	15	15	15
Santiago	pesos to £1	T.T.	13-33	39-70	36-50
Valparaiso	pesos to £1	T.T.	13-33	39-70	36-50
Calcutta	rupees to £1	T.T.	10 to 10 1/2	1s 3 1/2d-4d	1s 4 1/2d-5d
Bombay	rupees to £1	T.T.	10 to 10 1/2	1s 3 1/2d-4d	1s 4 1/2d-5d
Madras	rupees to £1	T.T.	10 to 10 1/2	1s 3 1/2d-4d	1s 4 1/2d-5d
Hong Kong	dollars to £1	T.T.	24-58 1/2	2s 1 1/2d-2 1/2d	2s 0 1/2d-1 1/2d
Shanghai	dollars to £1	T.T.	24-58 1/2	2s 1 1/2d-2 1/2d	2s 0 1/2d-1 1/2d
Yokohama	dollars to £1	T.T.	24-58 1/2	2s 1 1/2d-2 1/2d	2s 0 1/2d-1 1/2d
Manila	dollars to £1	T.T.	24-58 1/2	2s 1 1/2d-2 1/2d	2s 0 1/2d-1 1/2d
Mexico	pesos to £1	T.T.	24-58 1/2	2s 1 1/2d-2 1/2d	2s 0 1/2d-1 1/2d

† Rate for previous day.

CURRENT RATES IN NEW YORK.

The Irving Bank—Columbia Trust Company cable the following money and exchange rates in New York:—

	April 6, 1922.	Mar. 8, 1923.	Mar. 15, 1923.	Mar. 22, 1923.	Mar. 29, 1923.	April 5, 1923.
Cash money	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Time money (90 days' mixed coll)	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Bank acceptances	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Members—eligible, 90 days	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Non-mem.—eligible, 90 days	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Ineligible, 90 days	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Commercial accept., 90 days	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2

ESTHONIAN EXCHANGE RATES.

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

Reval on	Mar. 14, 1923.	Mar. 16, 1923.	Mar. 19, 1923.	Mar. 21, 1923.	Mar. 23, 1923.
London (cheque)	£1	1,597	1,594	1,594	1,594
New York	£1	339-50	339-50	339-50	339-50
Berlin	100 Rmk	1-67	1-65	1-65	1-65
Helsingfors	100 Fmk	942	939	931	916
Stockholm	100 Kr	9,025	9,015	9,040	9,040
Copenhagen	100 Kr	6,480	6,545	6,540	6,535
Paris	100 Fr	2,055	2,130	2,145	2,290
Amsterdam	100 Fl.	13-15	13-425	13-425	13-425
Riga	100 Lrb.	1-35	1-35	1-35	1-35
Prague	..	1,025	1,020	1,020	1,020
Rome	..	1,640	1,640	1,640	1,700

RATES OF EXCHANGE.

New York on—	Par Level.	Apl. 6, 1922.	Mar. 22, 1923.	Mar. 29, 1923.	Apl. 5, 1923.
London—					
60 days		4-3612	4-6731	4-6537	4-6412
Cable		4-3925	4-6956	4-6812	4-6687
Cheques		4-3887	4-685	4-6787	4-6662
Paris	Dollars for £1	4-8666	4-3925	4-6956	4-6812
Brussels	Cents for 1 franc	19-30	9-14	5-69	5-62
Switzerland	Cents for 1 franc	19-30	8-46	5-88	5-7075
Italy	Cents for 1 lire	19-30	19-43	18-55	18-475
Berlin	Cents for 1 mark	19-30	5-27	4-93	5-01
Madrid	Cents for 1 peseta	19-30	15-43	15-44	15-39
Copenhagen	Cents for 1 guilder	40-195	37-80	39-47	39-42
Christiana	Cents for 1 kroner	26-80	18-15	19-30	19-16
Athens	Cents for 1 drachma	19-30	4-45	1-10	1-16
Montreal	Cents for Can. \$1	100	97-10	97-87	98-25
Tokyo	Cents for 1 yen	49-85	47-25	48-4	48-60
Hong Kong	Cents for H. Kong \$	..	54-50	55-5	56-30
Calcutta	Cents for 1 rupee	..	73-40	75-75	76-40
Buenos Aires	Gold pesos for \$100	103-65	127-00	118-75	119-75
Rio de Janeiro	Cents for 1 milreis	32-42	13-50	11-05	10-50
Valparaiso	Cents for 1 peso	20-60	10-875	12-125	12-125

CONTINENTAL RATES OF EXCHANGE ON GERMANY.

	Par Level.	Apl. 6, 1922.	Mar. 22, 1923.	Mar. 29, 1923.	Apl. 5, 1923.
Amsterdam	Florins to 100 marks	59-26	0-855	0-0121	0-0121
Switzerland	Francs to 100 marks	123-45	1-65	0-0205	0-0260
Copenhagen	Kroner to 100 marks	88-88	1-22	0-0181	0-0179
Christiana	Kroner to 100 marks	..	1-76	0-0267	0-0264

CENTRAL AMERICAN EXCHANGE RATES.

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

Country.	Par Value.	Usance.	Year, 1923.	Rate.
Buenos Aires	Suores to £1	10-00	Sight London	Mar. 31 14-96
Venezuela	Bolivars to £1	25-25	"	Apl. 4 24-50
Colombia (Bogota)	"	100	"	Apl. 3 100-25
Nicaragua	Cordobas to £1	4-8666	"	Mar. 10 4-80
San Salvador	Colonos to £1	9-75	"	Mar. 24 9-50
Guatemala	Pesos to £1	90-23	"	Mar. 24 270
Costa Rica	Colonos to £1	10-45	"	Mar. 10 21-85
Bolivia	pesos to Boliviano	19-20	"	Feb. 24 16 1/2

LATVIAN EXCHANGE RATES.

Riga on—	Lats for	Jan. 30, 1923.	Feb. 6, 1923.	Feb. 13, 1923.	Feb. 20, 1923.	Feb. 27, 1923.	Mar. 6, 1923.	Mar. 14, 1923.
London	£1	23-57	24-01	24-12	24-17	24-17	24-10	23-12
New York	\$1	5-09	5-14	5-15	5-15	5-14	5-13	5-09
Paris	100 frs.	31-32	32-80	31-87	31-50	32-00	31-75	31-25
Brussels	100 frs.	28-08	28-84	27-97	28-00	27-90	27-55	26-80
Switzerland	100 frs.	94-89	96-80	96-71	97-15	96-53	96-06	94-85
Italy	100 lire	24-37	24-37	24-30	24-30	24-30	24-30	24-05
Stockholm	100 kr.	135-77	136-89	136-43	136-94	136-86	136-39	135-09
Christiana	100 kr.	94-00	95-66	96-27	96-25	95-50	94-25	93-10
Copenhagen	100 kr.	96-78	97-23	97-04	99-25	101-45	100-25	98-80
Prague	100 kr.	14-66	15-32	15-24	16-00	15-75	15-75	15-70
Amsterdam	100 fl.	200-85	202-70	203-46	203-71	203-45	202-66	201-09
Berlin	100 mk.	1-53	1-45	1-49	1-40	1-40	1-40	1-45
Helsingfors	100 fm.	12-74	12-94	12-94	14-00	14-25	14-80	14-75
Reval	100 mk.	1-50	1-50	1-50	1-52	1-53	1-53	1-53
Warsaw	1000 pmk.	1-85	1-85	1-85	1-50	1-50	1-50	1-50
Kovno	100 lite	50-90	51-40	51-50	52-00	52-00	52-00	52-00

Note.—The unit of Latvian money is the Lat, equal to one gold franc.

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates:—

	Union of South Africa.		Union of South Africa.	
	From Feb. 26, 1923.	From Feb. 24, 1923.	From Feb. 24, 1923.	From Feb. 24, 1923.
London on South Africa.	Buying.	Selling.	Buying.	Selling.
T.T.	1 1/2 % prem.	2 1/2 % prem.	2 1/2 % dis.	1 1/2 % dis.
Demand	1 1/2 %	2 1/2 %	2 1/2 %	1 1/2 %
30 days	1 1/2 %	2 1/2 %	2 1/2 %	1 1/2 %
60 days	1 1/2 %	2 1/2 %	2 1/2 %	1 1/2 %
90 days	1 1/2 %	2 1/2 %	2 1/2 %	1 1/2 %
120 days	1 1/2 %	2 1/2 %	2 1/2 %	1 1/2 %

* No premium allowed on amounts under £100.
(a) No discount allowed on sales of T.T.s. or demand drafts under £50.
† Plus ad valorem duty.

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

	London on Australia and New Zealand.		Australia and New Zealand on London.	
	Buying.	Selling.	Buying.	Selling.
T.T.	..	..	..	..
Sight	..	..	..	..
Cable	..	..	..	..
On demand	..	..	..	..
30 days	..	..	..	..
60 days	..	..	..	..
90 days	..	..	..	..
120 days	..	..	..	..

INDIAN TREASURY BILLS.

	March 31, 1922.	March 31, 1923.
Outstanding with public	Rs. 53,96,70,000	Rs. 21,78,25,000
In paper currency reserve	Rs. 57,89,00,000	Rs. 49,65,00,000
Total	Rs. 111,85,70,000	Rs. 71,43,25,000

India Office, April 5, 1923.

BULLION.

IMPORTS AND EXPORTS OF GOLD.

Imported into the United Kingdom.		Exported from the United Kingdom.
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COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Approximate receipts.

Cz. School of Spain		Weekends	24	104	Pail \$2965 +	\$8,047	1,363,477 +	582.
Central America	3 mths	Feb. 28	Gros	(Net)	79,963	+ 2,991	159,415	-
La Guaira & Caracas	3 mths	Mar. 31	Nel	(Grs)	37,410	+ 5,508	72,229	10.
Mexican Railway ..	Weekends		31	403	115,510		34,280	+ 2,
Dc	3 mths	Feb. 28	Gro	(Not)	+ 65,900		3,700,400	-
					\$455,000		2,386,500	114.,
					\$1124,800		498,000	19.,
					\$227,000		49,200	+
Nasajo Occarhuana	1 month	Jan. 31	.	.	12,593	+ 3,098	11,593	+
Ottoman Railway ..	2 weeks	Sep. 2	193		11,750			
Paraguay Central..	3 weeks	Mar. 24	274		1,550 -	1,710	66,470 -	68.
Puerto Cabello, Ac.	3 mths	Feb. 28	35		4,500 +	500	9,500 +	
Salvador	3 weeks	Mar. 31	100		4,607 -	1,348	142,776 -	13.
Santa Fe Province	1 mah	Feb. 28	. .		154,758	19,480		
Tamaca & Santiago	2 mths	Feb. 28	.	.	7,110 +	1,059	22,270	"1.
Bairo and Kuala ..	3 mths	Feb. 28	112	(A)	9,966 -	1,065	21,610	

1 Approximate receipts,

11,700 tons; oil purchased during 1942—
13,150 tons.

UNITED BRITISH OILFIELDS OF TRINIDAD, LIMITED.—Combined production for the week ending Wednesday, March 28, 1923, amounted to 780 tons.

ANALYSIS OF BALANCE-SHEETS.

ASSOCIATED PORTLAND CEMENT.

December 31, 1922.			
LIABILITIES.	Compared with Dec. 31, 1921.	ASSETS.	Compared with Dec. 31, 1921.
Amount.	£	Amount.	£
Ord. shares	2,257,215 .. + 119,895	Freehold and leasehold est.	7,316,756 .. - 474,139
Prof. shares	2,284,720 ..	Stock-in-trade	605,063 .. - 88,622
4% deb. stock	2,046,588 .. - 29,778	Debtors	617,338 .. - 104,268
5% second deb. stock	1,929,643 .. + 110,157	Investments at or under cost	—
Totals 6% deb. stock	118,500 .. - 8,400	and loans	1,618,781 .. - 176,135
Kent 6% deb. stock	600,000 .. + 600,000	Cash and bills	539,993 .. + 170,774
Mortgages	125,502 .. - 12,663		
Creditors	398,509 .. - 89,009		
Reserves and funds	536,325 .. - 1,369,786		
Profit and loss	400,933 .. + 7,194		
Total	10,697,931 .. - 672,390	Total	10,697,931 .. - 672,390

BRITISH TRADE CORPORATION.

December 31, 1922.			
LIABILITIES.	Compared with Dec. 31, 1921.	ASSETS.	Compared with Dec. 31, 1921.
Amount.	£	Amount.	£
Ord. shares	1,499,569 .. - 500,431	Cash	163,419 .. - 43,577
Current deposit, and other accounts	1,294,951 .. - 235,113	Money at call and notice	300,000 .. - 65,000
Acceptances	581,605 .. - 273,837	Investments	735,803 .. + 19,478
Adjustment of current ac'ts	33,220 .. - 47,890	Bills discounted, &c.	1,144,678 .. - 495,614
Profit and loss	39,411 .. + 39,411	Acceptances	581,605 .. - 273,837
		Capital in subsidiary cos.	69,150 .. + 25,850
		Shares in National Bank of Turkey	243,745 .. + 125
		Premises	117,222 .. + 9,763
		Furniture	4,444 .. - 522
		Stamps on un-insured capital	18,750 .. - 1,250
		Profit and loss	193,076 .. - 193,076
Total	3,378,816 .. - 1,017,660	Total	3,378,816 .. - 1,017,660

CAMMELL, LAIRD, AND CO.

December 31, 1922.			
LIABILITIES.	Compared with Dec. 31, 1921.	ASSETS.	Compared with Dec. 31, 1921.
Amount.	£	Amount.	£
Ord. shares	2,793,191 ..	Freehold land & buildings, &c.	3,003,301 .. - 102,630
Prof. shares	1,285,225 ..	Stock-in-trade & work in progress	735,195 .. - 955,953
Debentures	1,700,500 ..	Sundry debtors	589,361 .. - 572,202
Interest accrued	26,166 .. + 884	Investments in subsidiaries, &c.	2,066,512 .. - 138,259
7% notes	480,000 .. - 120,000	Cash and bills	1,550,902 .. + 1,455,830
Sundry creditors	818,676 .. - 136,683		
Reserve	700,000 .. - 50,000		
Profit and loss	201,513 .. - 7,415		
Total	7,945,271 .. - 313,214	Total	7,945,271 .. - 313,214

Reports and Notices.

The directors of the British General Insurance Company, Limited, have appointed as sub-manager Mr Joseph G. W. Rollason. Mr Rollason commenced his insurance career with the "Union" at Birmingham in 1893. In 1896 he entered the service of the "Caledonian," where he acted in various capacities. In 1907 he was appointed local manager at Bristol for the "Century," being promoted later to the management of the Birmingham branch, and in 1914 to the London secretaryship. In 1918 he became first managing director of the "Atlantic," which position he recently vacated, and has now taken up his duties with the "British General."

Messrs Walter Sanderson and Co., of 10 Angel court, E.C. 2, and the Stock Exchange, announce that they have admitted as a partner, Mr Herbert Victor Rubens, son of the late Mr Victor Rubens, who was admitted a member of the Stock Exchange in 1867.

We understand that Mr T. Ivor Jones, late of the firm of T. Ivor Jones and Co., chartered accountants, Swansea and London, has been elected a member of the board of Richard Thomas and Co., Limited, Swansea, with the appointment of managing director.

GOVERNMENT STOCKS, &c.

BULGARIAN 5 PER CENT. GOLD LOAN OF 1902—NOTICE TO BRITISH BONDHOLDERS.—The Bulgarian Government announces that it is prepared to pay to British bondholders the Coupon No. 41 of the above loan, maturing on March 14, 1923, at francs (French) 12.50 each, and the bonds drawn for redemption on that date at francs (French) 500 each. Holders of bonds which have been in British ownership since August 1, 1914, who are desirous of availing themselves of the offer thus made by the Bulgarian Government should present the above-mentioned coupons and drawn bonds (to which all coupons due after the date of redemption must remain attached) for payment at the counting-house of Messrs Stern Brothers, 6 Angel court, E.C. 2, between the hours of 11 a.m. and 2 p.m. (Saturdays excepted). The amount due in French francs will be paid in sterling at the sight rate of exchange in Paris on the day of presentation, less income-tax. All bonds and coupons, together with such verification of ownership as may be required, must be left seven clear days for examination.

ROUMANIAN GOVERNMENT.—Messrs J. Henry Schröder and Co. are instructed by the Roumanian Legation in London to publish the following statement:—A commission has recently arrived in London for the purpose of marking for identification the bonds of Roumanian loans held by British subjects, of which the coupon service has not yet been fully resumed. This work commenced on Thursday, April 5, 1923, and will finish on April 20, 1923. No extension will be allowed. Holders of British nationality should deposit their applications, together with the bonds and documents with Messrs J. Henry Schröder and Co., 145 Leadenhall street, E.C., before April 20, 1923.

3 PER CENT. DIPLOMATIC DEBT OF VENEZUELA, 1905.—The Council of Foreign Bondholders notify the receipt of a sight draft for £4,390 15s 4d, being the moiety of the fourth fortnightly instalment of the debt service payable to the council in respect of the half-year ending June 30, 1923.

BANKS.

BANK OF SCOTLAND.—The report and accounts for the year ended February 28, 1923, show a net profit of £345,178, to which is added £72,978 balance from last year, making £418,156 available. The dividend of 16 per cent. for the year absorbed £157,955. The sum of £125,000 is placed to reserve, £25,000 in reduction of bank premises account, £25,000 in reduction of heritable properties account. The sum of £85,201 is carried forward. All the investments of the bank are valued in the balance-sheet at or under the prices ruling at February 28th last.

CREDITO ITALIANO.—The following is the balance-sheet as at December 31, 1922:—

December 31, 1922.			
LIABILITIES.	Amount.	ASSETS.	Amount.
Capital	300,000,000	Cash and balances at call with banks	132,602,313
Reserve fund	300,000,000	Bills receivable on Italy, England, and other countries	2,579,085,034
Deposits & saving accounts	836,574,928	Loans against collateral securities	341,870,238
Current accounts	3,086,524,282	Current accounts	1,136,522,700
Acceptances on account of customers	77,959,403	Investments	104,353,283
Cheques outstanding	194,704,183	Participations	16,426,157
Sundry creditors	40,892,088	Freehold bank premises	12,500,000
Guarantees on account of customers	57,416,715	Sundry debtors	59,033,086
Rebate on bills receivable maturing next year	13,522,099	Customers' liabilities against guarantees	57,416,716
Net profit	42,215,829		
	4,739,809,527		4,739,809,526
	16,707,606		16,707,606
	4,766,517,133		4,756,517,133

At the annual general meeting held on March 27, 1923, it was decided to allocate the net profit as follows:—To reserve fund, 10,000,000 lire; to directors, 1,551,724.15 lire; to shareholders as dividend, 0 per cent., 27,000,000 lire; to balance carried forward, 3,664,104.45 lire—42,215,828.60 lire.

INSURANCE.

BRITISH OAK.—The accounts for last year show that in the fire department the premiums were £53,236, the net claims 60.74 of the premiums, and the expenses and commissions 42.14 per cent. The reserve for unexpired risks was made up to 40 per cent. of the premiums by transferring £2,565 from profit and loss; an additional fire reserve of £15,000 was provided by a transfer from the special reserve fund. In the accident and general department the premiums were £157,271, the net claims 53.91 per cent., and the expenses and commissions 41.09 per cent. After providing for unexpired risks a sum of £2,647 was carried to profit and loss. An additional reserve of £11,550 was taken from the special reserve fund. In the marine department the premiums were £89,018, and the claims and returns £59,182. The expenses were £14,012, and the funds £84,947, including £10,000 transferred from the special reserve fund. In the profit and loss account the principal item is a profit on sale of investments of £12,812. Development and sundry expenses cost £18,352, and the balance on December 31st was £9,456, against £9,357 brought forward.

UNIVERSAL AUTOMOBILE.—The report for last year shows that the net premiums were £40,811, the claims were £22,105, and the expenses £12,877. After providing for the increase in the reserve for unexpired risks, there was a profit of £3,153, against £2,551 for 1921. Interest on investments produced £1,967, against £1,614. The directors have declared a dividend of 10 per cent. and bonus of 10 per cent., both tax free. The balance at profit and loss on December 31st was £17,609, against £14,744 brought forward.

WESLEYAN AND GENERAL ASSURANCE SOCIETY.—The eighty-second annual report for the year ended December 31, 1922, shows that as regards new business the total number of policies issued in the ordinary and industrial departments was 194,514, assuring £3,452,683. The claims and surrender values paid in all departments amounted to £650,763, making a total of nearly twelve million pounds paid since the establishment of the society. The premium income amounted to £1,462,257, and the gross interest revenue was £226,136, making a total income from these two sources of £1,688,393, an increase for the year of £39,743. The assurance funds amount to £4,915,786, showing an increase on the year of £544,924. The general and investments reserves together amount to £65,000. The valuation disclosed a surplus in each department, the total surplus amounting to £97,573, including £20,792 brought forward from 1921. Of this sum, £48,687 is divided among the holders of with-profit policies in the ordinary department in the form of a reversionary bonus at the rate of £1 10s for each £100 assured, upon condition that such bonus will become an effective addition to the sum assured as soon as the policy has been two years in force, and the sum of £15,000 has been added to the general reserve. The balance of the surplus, amounting to £33,886, is carried forward undivided.

WORLD AUXILIARY.—In the fire and general account for last year the net premiums were £143,660, the claims £88,541, and the expenses £57,776. The fire and general funds on December 31st

were £67,803, against £70,459 brought forward. In the marine account the premiums were £149,758, the claims on account of 1920 and 1921 were £83,937, and of 1922 were £37,775. Expenses amounted to £6,488, and after transferring £20,000 to profit and loss the marine fund was £191,392, against £189,835 brought forward. The profit and loss account shows a transfer to reserve fund of £20,000, interest and commission earned of £24,169, profit on investments realised, &c., £33,511, and a balance on December 31st of £22,465, against £7,371 brought forward.

RUBBER, &c.

DIMBULA VALLEY (CEYLON) TEA COMPANY, LIMITED.—The report for the year 1922 shows a net profit of £43,290, as compared with £33,810 last year. The balance brought forward from 1921 amounted to £4,772, making £48,062 available. Preference dividend for the year absorbed £3,784. A dividend of 20 per cent. for 1922 has been paid on the ordinary shares, absorbing £36,035. The sum of £5,000 has been put to estates purchase reserve account, and £3,243 has been carried forward. The report states that careful plucking was continued throughout the year, and the crop amounted to 1,565,215 lbs, against, for the previous 12 months, 1,354,813 lbs, which included three months' crop only from Blairlmond Estate. The total crop (including the portion valued) realised £96,924 3s 8d net, or an average of 1s 2.86d per lb, against 1s 2.64d last year, and 10.90d for the previous season. The cost of cultivation and placing the crop on board ship was 51.70 cents, or 8.16d per lb, against 49.53 cents, or 8.11d per lb the previous 12 months. The estimate for 1923 is 1,725,800 lbs, allowing for careful plucking. The rubber crop, which was restricted for the last two months of the year in accordance with the legislation restricting exports, was 427,570 lbs, against 333,725 lbs for the previous 12 months. The total crop (including the portion valued) realised £17,797 6s 2d net, or an average of 9.99d, against 8.38d last year. The cost of cultivation and placing the crop on board ship was 27.12 cents, or 4.28d per lb, against 28.70 cents, or 4.70d per lb for the previous 12 months.

GENERAL CEYLON RUBBER AND TEA ESTATES, LIMITED.—The report for the year ended December 31, 1922, shows a trading profit of £51,355. After providing for London charges, including administration and general office expenses, taxation, and debenture interest, there remains a sum of £38,924 8s 6d at the credit of profit and loss to be carried to appropriation account. The appropriation account shows that after bringing forward a debit balance of £9,325 from the previous season there remains a credit balance of £29,599. From this £10,000 has been placed to reserve account, leaving a balance of £19,599 to be dealt with, and the directors now recommend the payment of a dividend of 5 per cent., less tax, for the year, and to carry forward the balance of £4,349 to next year.

MISCELLANEOUS.

BRITISH EMPIRE STEEL.—The report for 1922 states that the profits for the year were \$2,917,275, to which is added \$4,000,000, the balance of amounts received in settlement of claims against the Government, and \$755,926 brought forward. Sinking funds, depreciation, &c., absorbed \$3,627,799, interest on bonds and debentures \$1,676,906, and dividends on first preference shares of the corporation and preferred stocks of constituent and subsidiary companies \$1,344,299, leaving \$1,024,198 to be added to the existing surplus of \$21,784,870. The balance-sheet shows total assets of \$158,123,111.

DEBENHAMS, LIMITED.—The report and balance-sheet for the year ended January 31, 1923, shows that the net profit for the year, as shown by the balance-sheet, amounts to £618,244 12s 4d, which is divisible in the manner prescribed in clause III. of the articles of association as follows:—Dividend on cumulative first preference shares, £110,500; dividend on cumulative second preference shares, £66,600; reserve fund, 20 per cent. of balance and further allocation (subject to income-tax), £88,801; dividend on cumulative preferred ordinary shares, £100,000; participation fund 30 per cent., after deduction of preference and preferred ordinary dividends, £102,343; dividend on "A" 10 per cent. ordinary shares, £50,000; dividend on "B" ordinary shares, £100,000. When the sum of £88,801 4s 8d (less income-tax) is transferred to reserve fund the company's reserve funds (including debenture sinking fund) will stand at £526,161 19s. The report adds that "in accordance with previous practice, the whole of the company's stocks have been taken at cost or market value, whichever is the lower. The home trade during the past year has been more satisfactory, but the export trade, although showing slight signs of improvement, has, in common with the general export trade of the country, been disappointing."

FAIRBAIRN LAWSON COMBE BARBOUR, LIMITED.—The profits of the company for the year 1922 remaining after payment of interest on the debenture stock and notes, reserving £11,000 for corporation tax, and meeting all revenue charges, amounted to £179,881, to which must be added the amount brought forward from the previous year, viz., £226,469. Interim dividends of 2½ per cent. on the preference shares and 4 per cent. on the ordinary shares have already been paid, and the directors now recommend the payment of a further dividend of 2½ per cent. on the preference shares, making 5 per cent. for the year; the payment of a further dividend of 10 per cent. on the ordinary shares, making 14 per cent. for the year; the transfer of £18,000 to note redemption fund in accordance with the provisions of the note issue; the writing-off of the balance (£14,033 9s 8d) of the expenses of the new capital issue; the transfer of £20,000 to reserve fund, leaving a balance of £234,317 3s 8d to be carried forward. The report goes on to say that during the year 1922 business was at an almost complete standstill for over 13 weeks owing to the engineering lock-out. The prevailing slackness in the engineering industry also affected the company and its associates. The directors are, however, glad to be able to report signs of distinct improvement in the prospects of trade. The Indian establishment has been practically completed and production has commenced.

GORDON HOTELS, LIMITED.—The directors, in presenting to the shareholders the report on the company's affairs, with the accounts

for the seven months ended December 31, 1922, and balance-sheet at that date, state that they have pleasure in reporting that, notwithstanding the continued depression in trade, the volume of business transacted in the company's hotels shows a large and gratifying increase, and that, in spite of the very substantial reductions in tariff, the receipts in the hotels during the period under review amount to £854,349, against £822,508 for the corresponding period of 1921. The profit earned in the hotels, after deducting all central administration expenses, amounts to £116,939; the comparable figure for the corresponding period last year was £93,676, but though every care has been taken in arriving at this latter figure, it can only be considered as being approximate, as no complete annual stocktaking took place at December 31, 1921. The net profit, after provision for debenture interest, interest on notes, income-tax, &c., amounts to £30,524. After the deduction of £11,666, being the proportion for the period to be transferred to the sinking fund, in accordance with the terms of the trust deed relating to the issue of the 8 per cent. notes, there remains the sum of £18,858, which, when added to the £11,232 carried forward at May 31, 1922, leaves a balance of £30,090 10s, which it is proposed to carry forward.

J. MANDLERBERG AND CO., LIMITED.—The net profits for the year ended December 19, 1922, amounted to £67,683, to which must be added £65,936 brought forward from last year, making a total available balance of £133,619. The dividend of 7 per cent. on the cumulative preference shares for the year amounts to £4,900. There has been transferred to the depreciation fund the sum of £3,500. The directors recommend the payment of the dividend on the preferred ordinary shares of 8 per cent. for the year, less income-tax (including the interim dividend for the half-year to June 19, 1922, at the rate of 8 per cent. per annum already paid), £12,000; the payment of a dividend of 10 per cent., less income-tax, for the year on the ordinary shares (including the interim dividend for the half-year to June 19, 1922, at the rate of 10 per cent. per annum already paid), such dividend being calculated in respect of partly-paid shares on the amount for the time being paid up thereon, £46,280; and to carry forward £66,939. The whole of the company's works and machinery have been maintained in complete efficiency, the cost having been charged, as heretofore, against the revenue of the current year.

THE ROCK PERMANENT BENEFIT BUILDING SOCIETY.—The directors state that during the year £375,400 has been advanced on mortgage, against selected securities. The amount due on the mortgages held by the society at the end of the year was £983,740. Investments in preference shares amounted to £284,107, this sum exceeding by £209,554 the repayments, making the total amount under this heading £886,282. The reserve now stands at £34,150. The growth of the society during the past decade is as follows:—

	Preference Shares.	Amount Advanced.	Due on Mortgage.	Surplus
1912	358,155	35,982	404,825	17,201
1922	886,282	375,400	983,740	34,150

SCHILL BROTHERS, LIMITED.—The directors are pleased to be able to report a distinct improvement in the affairs of the company. During the first part of the year a certain amount of assistance had still to be given to help their clients to overcome their difficulties, to begin to liquidate their indebtedness to us, and to start trading again on a sound basis; but as the year went on, the fruit of this developed. Both money and orders began to come in somewhat more freely, and are still continuing to do so. In view of the difficulty of attaining a reasonable turnover during the first part of the year, it is gratifying to be able to state that there is a profit in respect of 1922 of £16,227 which, added to the balance brought forward from last year of £3,831 makes a total of £20,058, which is carried forward. As soon as liquid funds become available, the directors intend to pay some of the arrears of preference dividend.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

Drier weather conditions have prevailed during the week, which has enabled farmers to push ahead with spring sowings. In some districts field work is retarded by the agricultural labourers' dispute, but in parts of the country not affected fair progress has been made. Growing crops continue to receive favourable comment, but a spell of warmth and sunshine is much to be desired in order to hasten maturity. Business at market proved on a limited scale, while largely under holiday influences, but price ruled steady to firm for most cereals. English wheat is in lighter supply and commands steady rates. Suitable milling grade quoted at 9s 3d to 9s 6d, and inferiors 8s 3d to 8s 9d per 112 lbs free on rail. Imported descriptions again the turn dealer, in sympathy with forward firmness, but general course of trade shows no appreciable expansion. No. 1 Northern Manitoba quoted 49s 9d April-May, sold at 49s 6d to Italy, Rosafé 62½ lbs loading, 47s 4d. No. 2 mixed Durum 47s 6d, Rosafé 63 lbs 49s, all ex ship; and Australian 54s landed terms all per 49s lbs. The cargo section showed more activity, and prices on a higher level in view of improved American advices. Steamers of No. 1 Northern Manitoba April-May, sold at 49s 6d to Italy, Rosafé 62½ lbs loading, 47s 4d. Barusso, 62 lbs afloat, 46s 3d net, choice white Karachi earl April 48s 9d, ditto April-May 48s 3d, Australian on passage 51s 3d to 51s 6d all per 480 lbs c.i.f. terms. Crop reports from the principal exporting countries continue favourable, while shipments of

IRON, STEEL, AND COAL.

but it is hoped that it will not extend over the present week, and that work will be resumed at most if not at all the collieries next week. With so considerable a reduction in the supply of coal, prices are firmer than ever, and for the better quality coal 40s has been quoted for large and 30s and more for best small steams. The most active section of the market is that of Monmouthshire coals. An effort to extend the non-unionist stoppages to that district has been unsuccessful, except at one or two pits, and for the little free coal that is available top prices have been realised. Pitwood prices are easier as the result of the suspension of the demand from the Rhondda district, but otherwise the market has been featureless. Current market quotations are approximately as follows:—Best Admiralties, 37s 6d to 40s; second Admiralties, 35s 6d to 37s 6d; best drys, 35s to 37s 6d; black veins, 37s 6d to 40s; Western Valleys, 36s to 37s 6d; Eastern Valleys, 32s 6d to 35s; best bunker smalls, 30s to 31s; ordinary cargo smalls, 26s to 29s; anthracite big vein large, 45s to 47s 6d; machine made cobbles, 45s to 46s; French nuts, 40s to 47s 6d; stove nuts, 45s to 47s 6d; rubbly culm, 15s 6d to 16s; coke for export, 75s to 80s; inland blast furnace coke at ovens, 32s 6d to 35s; patent fuel, 40s to 45s; pitwood, ex ship, 27s 6d to 28s.

In consequence of the holidays, there has been no iron and steel market this week, but conditions in the tinplate and steel bar trades were as strong as they were before the holidays.

THE WOOL TRADE

Our Bradford correspondent, writing on Thursday, says :— The check to new business caused by the closing of so many business establishments for the Easter holidays has had no appreciable effect on this market. Inquiry is again very general, and the tone of the market is exceptionally good. It is manifest that a very large number of traders have full confidence in the future of merinos, and the present revival is apparently due to the strength of the raw material position rather than to a pronounced expansion in actual consumption. The fact remains, however, that in other countries, and particularly in the United States, consumption is being maintained on a big scale, and activity in consuming centres abroad, combined with the strong statistical position of merinos, is undoubtedly helping this centre to recover the ground lost in recent weeks. America is still in the market for matchings, and if she continues to buy crossbreds, it should not be difficult to maintain the improvement in these wools recorded at the last London auctions. Bradford topmakers are well sold ahead, and to-day it is more difficult to obtain any concession on quoted prices, especially in merinos and low crossbreds. Although not quotably higher on the week, all prices are very firm, and show, if anything, a hardening tendency. Spinners are in a more comfortable position, on account of the improvement in the way in which particulars are coming to hand, and most firms have enough orders on their books to keep machinery occupied for two or three months. Quotations for yarns are not quite so irregular, many of the weak sellers having dropped out since the close of the London auctions and the improvement in general conditions. Trade with the Continent, however, is still restricted, on account of the uncertainty resulting from the French occupation of the Ruhr. There is some improvement in the tone of the piece goods trade, and inquiries, both on home and export account, are rather more numerous.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

Twice in about a week Australian cables have intimated growing concern owing to the continued absence of rain over large areas of the Commonwealth, and apparently there are signs of drought. The past summer has been particularly hot, with a marked absence of rain-fall, and while there have been some fairly heavy rains re-

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EVERY DESCRIPTION OF BRITISH AND FOREIGN BANKING
BUSINESS TRANSACTED.

Our Cardiff correspondent writes:—Business on the Cardiff coal market has been held up this week, partly by the two days' official holidays, and partly by the non-union strike in the Rhondda district. All the more important steam coal colliery companies are affected by this particular stoppage. The number of persons affected is between 30,000 and 35,000, and the output over 30,000 tons per day. The duration of the stoppage is uncertain,

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1922-23, contrasted with 1921-22, 1920-21, and 1919-20:—

	1922-1923.	1921-1922.	1920-1921.	1919-1920
Estimated sales of home-grown wheat—	Cwts.	Cwts.	Cwts.	Cwts.
1 week to March 31	473,498	320,118	153,785	247,588
29 weeks to March 31	13,297,564	18,359,313	9,415,093	9,572,952
Average price of English wheat per	s d	s d	s d	s d
quarter	41 1	51 6	89 1	72 7
= per cwt	9 7	12 0	20 9	16 11

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1919 to 1922:—

		QUANTITIES SOLD.			AVERAGE PRICE PER CWT.					
		Wheat.	Barley.	Oats.	Wheat.		Barley.		Oats.	
1923.		Cwts.								
Mar. 29	412,801	133,667		51,834	s	d	s	d	s	d
31	473,484	114,337		44,580	9	5	8	6	9	8
					9	7	8	5	9	8
1919	274,993	115,557		41,605	16	11	17	6	16	11
1920	247,590	48,167		17,809	16	11	25	3	19	11
1921	355,746	57,826		24,032	20	9	13	8	12	8
1922	350,481	93,986		51,795	12	0	11	9	10	8

Europe are on a moderate scale. Flour generally quiet, but prices fully steady in sympathy with the wheat position. London standard straight run stands at 40s, patents 42s to 43s, and town householders 38s per sack delivered in the Metropolitan area. All English country straights 31s 6d-33s 6d, delivered to London stations. Imported, steady but quiet. Manitoba patents 37s 6d-41s. Minneapolis good patents 40s 6d, Australian 36s 6d-38s 6d, all per 280 lbs, ex store. Millers' offals steady. Broad bran quoted 7s 6d, ordinary 6s 9d, middlings 7s 3d, bags included ex mill. Barley quiet, English ranges from 6s 9d-12s 6d per 112 lbs, free on rail, as to quality. Imported lower. Californian 42s 6d-45s, ex-ship, Australian chevalier 46s-51s, landed both per 448 lbs. Persian 25s 3d, Danubian 29s 6d-30s 6d, Plate 28s 6d, all landed per 400 lbs. Maize firm to dearer. Plate landed 39s. American mixed ex-ship 36s 3d, ditto landed 37s 6d. East African ex ship 35s 3d, ditto landed 36s 9d, all per 480 lbs. Oats, English, steady at 8s 4d-10s 6d per 112 lbs free on rail as to sample. Imported firm. Plate f.a.q. 25s 9d, No. 2 white clipped American 36 lbs, 25s 3d; No. 2 Canadian western 29s 6d, No. 3 ditto 27s 9d, No. 2 Canadian feed 26s, New Zealand A grade 38s, B 37s per 320 lbs, all landed. Oatmeal steady. London made all cuts 17s 6d. Flaked oats 20s 6d, ex-mill, ordinary Scottish oatmeal 18s 6d-19s, and American all cuts 17s per cwt.

Holidays this week have interfered with the daily round and common task, but apparently there is a well sustained interest in the course of wool values. Nobody expects to see any important move during the next few weeks, but consumption is well maintained, and Bradford still shows an improvement on recent weeks. Home markets cannot be called at all active, but they are sound and healthy, and that is something. We understand that there is a little more interest being shown by Japanese buyers of textiles, and some decent orders have recently been placed in light-weight solid worsteds for next Spring. This certainly is a move in the right direction, and, with an improved exchange, it is also expected that Bradford manufacturers will still retain their hold of the home market in dress goods.

Description.	Com.	Same Period 1921.						Same Period 1922.						Same Period 1921.					
		Med.	Good	Med.	Fine.	Extra	Fine.	Med.	Good	Med.	Fine.	Extra	Fine.	Med.	Good	Med.	Fine.	Extra	Fine.
Sea Island.....	d	a	d	d	d	d	d	d	d	d	d	d	d	d	d	d	d	d	d
Florida do.....		nml	nml	nml	nml	nml	nml	nml	nml	nml	nml	nml	nml	nml	nml	nml	nml	nml	nml
Georgia do.....																			
American.....	Ord	1401	1431	1481	1508	1531	1586	899	984	1114				G O L M	G M	624	649	844	
Brasilian :	Mid	M	F	Fr.	G	F	Gd.	Fne											
Pernam.....		1451	1501	1576				909	1109					534	784				
Parahyba, Rio Grande, &c.		1451	1501	1576				909	1109					534	784				
Macao, &c.....		1451	1501	1576				909	1109					534	784				
Momoro, &c.....		1451	1501	1576				909	1109					534	784				
Ceara.....		1451	1501	1576				909	1109					534	784				
Maranhao, &c.....		1451	1501	1576				909	1109					534	784				
São Paulo.....		1426	1476	1516				934	1084					534	784				
Egyptian :		Fr.	G	F	Gd.	Fne		Fr.	G	F	Gd.	Fne							
Sagor.....		1575	1650	1680	1715	1740		1250	1350	1525				1050	1350				
Sakallariads.....		1575	1690	1750	1890	2025		1450	1675	2075									
Brown.....		1575	1650	1700	1780	1830		1300	1450	1675				1050	1500				
Peruvian :		M	F	Fr.	G	F	Gd.	Fne	M	F	Fr.	G	F						
Rough.....					1750	1875	1950							1300					
Moderately Rough.....					1800	1700	1750							1050	1250				
Smooth.....		1501	1576	1651	1676	1726		1034	1209	1359				484	859	944			
Tangor.....		1501	1576	1651	1676	1726		1059	1209	1409									
Madag.....					1975	1685	1675	1725						1100	1550				
West Indian, &c.....					1475	1575	1650							1050					
Do Sea Island.....					2000	3300	2630	2700						2300	2900				
African, East, &c.....	1030	1130	1330	1405	1506	1605		825	1000	1200				600	800	1000			
Do West.....					Mid	G	M	Fr	M	Fr	M	Fr	M						
					1376	1426	1451	nml						934	1009				
					G	F	Fr	Gd.	F	Fr	Gd.	F	Fr						
								1410	1450	1490				1015					
Machine Ginned Surtee.....					1180	1220	1260	1300	1340					845	885	965			
Machine Ginned Broach.....					990	940	990	1040	1090	1140				77					

	Price, Apr. 5, 1923.	Corresponding dates in				
	1922.	1921.	1920.	1919.	1918.	
Raw Cotton—Fully Mid. American . . . per lb	d	d	d	d	d	
— Bakellaridis Fully Good Fair	15-74	10-60	7-78	29-13	25-29	
— Egyptian						
Yarns—32's twist per lb	17-40	17-50	17-00	26-53	31-35	
— 40's twist per lb	23 $\frac{1}{2}$	17 $\frac{1}{2}$	16 $\frac{1}{2}$	62	27 $\frac{1}{2}$	
— 40's twist (Egyptian) . . . per lb	23	17	16 $\frac{1}{2}$	57	44	
— 80's twist (Egyptian) . . . per lb	29	28	30	145	51	
38-in. Printers, 116 yds, 16 by 16, 32's and 50's	s	d	s	d	s	
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	36	6	23	0	38	
38-in. ditto, 38 yds, 18 by 16, 10 lbs	32	6	29	0	35	
39-in. ditto, 37 $\frac{1}{2}$ yds, 16 by 15, 8 $\frac{1}{2}$ lbs	18	6	18	3	21	
	17	6	17	6	45	

ALEXANDERS DISCOUNT Co., LTD.,
24, LOMBARD STREET, E.C.3.

Telephones: 1882 & 225 Avenue. Telegrams: "Alexanders, Thread-London."

CAPITAL AUTHORISED	£1,250,000	CAPITAL PAID UP	£600,000
CAPITAL SUBSCRIBED	£1,100,000	RESERVE FUND	£400,000

Approved Mercantile Bills discounted. Money received on deposit at call and short notices at current market rates; for longer periods on specially agreed terms. The Company deals in British Treasury Bills of any maturity.

Reports so far to hand are to the effect that quite a good business has been done in boots and shoes for the holiday. Leicester makers were, in fact, unable to deliver some of their orders in time, and have resumed work to cope with the demand. If a clearance has been made, it will give the allied trades a very welcome fillip.

February-March, steamer, 28s cwt.
SPICE.—Pepper market generally slow, but sellers required steady prices. Fair black Singapore, spot, quoted, 44d; April-June, 43d; Aleppy, spot, 43d; Tellicherry, 44d; white Singapore, 63d; Muntok, 64d; ditto, April-June, 64d. Zanzibar cloves, spot, 123d; March-May, sold, 104d; May-July, at 103d. Flake tapioca steady. Fair Singapore, spot, 33d; fine Java, 44d lb. Singapore flake, March-May, Havre, sold, 33s to 33s 3d; fair Penang seed tapioca, spot, 33s;

April, sold, £20 17s 6d to £21, and £20 15s; and April-June, £20 15s; Plate, afloat, sold, £19 5s; loading, £19 5s; April-May, sold, £19 12s 6d to £19. Rapeseed easier. Toria, March-April, £18 12s 6d; real bold Ferozepore, April-May, sold, £17 10s; Jamba, April-May, £14. Cottonseed steady. Egyptian black, April, £11 17s 6d; and white, sold, £11 1s 3d. Bombay, March-April, £10. Gingly-seed firm. Large, Bombay, March-April, Continent, sellers, £24 10s. Chinese, March-April, £25 to Continent, and £26 2s 6d. Italy. Ground-nuts steady. Coromandel, machine dried, March-April, quoted £23 7s 6d. Chinese decorticated, f.a.q., March-April, £23 12s 6d. Nigerian, ditto, £24 2s 6d. Soya beans quiet. Manchurian, April-May, £11 15s. Castorseed firm. Bombay, March-April, £20 ton.

The Bank is incorporated by a Charter and is under special supervision of the Imperial Japanese Government, issues its own notes in Formosa, conducts general Banking, and acts as Agents for other Banking Institutions. Deposits are received for fixed periods on terms which may be ascertained on application.

METROPOLITAN CATTLE.—APRIL 5.									
British Beasts, per stone of 8 lbs to sink the offal. Sheep, per stone.									
	s	d	s	d		s	d	s	d
Beasts—Herefords	7	8	..	..	Sheep—Downs	12	0	..	..
Shorthorns	7	8	..	..	Ewes	7	10	to	8 0
Devons	7	nominal	..	..	Crossbred	12	0	..	..
Norfolks	7	nominal	..	..	Scotch	12	0	..	..
Scottish	7	nominal	..	..	Lamb—Downs	18	0	to	19 0
Irish	7	nominal	..	..					
Fat Cows	5	0	to	5 6					

The prices in the following list are revised with the assistance of an eminent firm in each department:

LONDON, FRIDAY.

0000A—Duty, British grown

25-45 foreign 25a. cw/1

Trinidad, per cwt.

Creosote

Guano, plantation

Guano, wild

Guano, forest

COFFEE—British grown

India, foreign 25a. cw/1

India, foreign 25a. cw/1

Do good to fine

Do good to mid

Central American, pt.

ord. to mid

Mid. to fine

Columbian, cut

Do good to low mid

Do mid. to fine

CEYLONICALS—

And, extra

Nitric

Oxalic, net

Turmeric, English

Alum lump—per ton 13/0

Do ground

Ammonia, carb.

Marble, White, ton

Marble, Blue, ton

Ammonia, lump, per ton

Powder

Ammonia, pot.

Do not

Blanching pwr. pt. 13/10

Borax, crystals

Do powder

Oreum Tartar

Ux powder

Ammonia, carb.

Acid, dry

Nitrate of Soda, per ton 13/10

Potash

Chlorate, net

Perilla

Do Foreign

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Sul

Branch of The Imperial Tobacco Co. (of Great Britain and Ireland), Ltd.

The Transfer Books will be closed from Saturday, the 14th, to Monday, the 30th April, both days inclusive.—By order of the Board,
ARTHUR BLAND-HUNT, Asst. Sec.
Offices of the Company,
3 Lombard street, London, E.C.
4th April, 1923.

Working Profit £200,41

Bolding-Corticelli, Limited, announces that the COUPONS falling due 1st May, 1923, on the above-mentioned Debentures may be PRESENTED on or after the 16th inst. between the hours of 10 and 2 o'clock (Saturdays excepted), at the Bank of Montreal, 47 Thread-needle street, E.C.2.

Three clear days required for examination. Lists may be obtained on application at the Bank.

MEYER AND CHARLTON GOLD

MINING COMPANY, LIMITED.

(Incorporated in the Transvaal.)

Government Taxes, &c. ...	£51,451	4	7	
Provincial Council of the Transvaal	1,099	0	0	
Depreciation on Investments	411	15	0	
				52,961 19 7
				£350,009 13 2
Dividends No. 65 of 50 % and No. 66 of 50 % ...				200,000 0 0
				150,009 13 2
Transfer from Revenue appropriated for Capital Expenditure				1,550 0 0
Leaving a balance unappropriated of				£151,599 13 2
Payable Ore Reserves (fully developed) at 31st December, 1922, are estimated at 326,799 mining tons, of an average value of 13.14 dwts. over an average stoping width of 56.6 inches. These reserves have been paid for out of past profits.				
The total Dividends and Bonuses paid by the Company aggregate £3,215,308 19 0				

The full Report and Accounts may be obtained from the London Secretary, T. FREDERICK THORNE, 170, Winchester House, Old Broad Street, E.C.2.

CHARTERED BANK OF INDIA, AUSTRALIA AND CHINA

HEAD OFFICE: 38 BISHOPSGATE, LONDON.

Incorporated by Royal Charter.

CAPITAL, in 600,000 Shares of £5 each - £3,000,000
RESERVE FUND - £3,800,000

COURT OF DIRECTORS.
Sir MONTAGU CORNISH TURNER, Chairman.
Sir DUNCAN CARMICHAEL.
THOMAS CUTHBERTSON, Esq.
Sir ALFRED DENT, K.C.M.G.
Sir WILLIAM HENRY NEVILLE GOSCHEN, K.B.E.

The Rt. Hon. LORD GEORGE HAMILTON, G.C.S.I.
The Rt. Hon. Sir JOHN NEWELL JORDAN, G.C.M.G., G.C.I.E., K.C.B.
WILLIAM FOOT MITCHELL, Esq., M.P.
JAMES MAXWELL GRANT PROPHIT, Esq.
LEWIS ALEXANDER WALLACE, Esq.

MANAGERS: J. S. BRUCE. **W. E. PRESTON.** **G. MILLER.**
AUDITORS: DAVID CHARLES WILSON, F.C.A. **HENRY CROUGHTON KNIGHT STILEMAN, F.C.A.**

BANKERS:
THE BANK OF ENGLAND.
THE LONDON JOINT CITY & MIDLAND BANK, LIMITED.
THE WESTMINSTER BANK, LIMITED.
THE NATIONAL PROVINCIAL & UNION BANK OF ENGLAND, LIMITED.
THE NATIONAL BANK OF SCOTLAND, LIMITED.

AGENCIES AND BRANCHES.
ALOR STAR (Malay States) BOMBAY CALCUTTA AMRITSAR BANGKOK BATAVIA CANTON CAWNPORE CEBU COLOMBO DELHI HAIPHONG HANKOW HONGKONG ILOILO IPOH KARACHI KLANG KOBÉ KUALA LUMPUR MADRAS MANILA MEDAN NEW YORK PEKING PENANG PUKET RANGOON SAIGON SEREMBAN SHANGHAI SINGAPORE SOURABAYA TAIPING (F.M.S.) TAVOY TIENTSIN YOKOHAMA ZAMBOANGA (Philippine Islands).

DIRECTORS' REPORT.

Presented at the Sixty-ninth Ordinary General Meeting, 4th April, 1923.

The Directors have now to submit to the Shareholders the Balance-Sheet and Profit and Loss Account of the Bank for the year ended 31st December last. These show a net profit, after providing for all bad and doubtful debts, of £1,004,701 4s 5d, inclusive of £215,169 15s 5d brought forward from the previous year. The Interim Dividend at the rate of Fourteen per cent. per annum paid in September last absorbed £210,000. The amount now available is therefore £794,701 4s 5d, and the Directors propose to pay a Final Dividend at the rate of Fourteen per cent. per annum, together with a Bonus of Six shillings and three pence per share, making Twenty and a quarter per cent. per annum for the whole year, free of Income-Tax; to add £100,000 to the Reserve Fund, which will then stand at £3,800,000; to add £35,000 to the Officers' Superannuation Fund; to write off Premises Account £50,000, and to carry forward the balance of £222,201 4s 5d.

Sir ALFRED DENT, K.C.M.G., Mr. THOMAS CUTHBERTSON and Mr. JAMES MAXWELL GRANT PROPHIT, the Directors who now retire by rotation, present themselves for re-election. The Auditors, Mr. DAVID CHARLES WILSON, F.C.A., and Mr. HENRY CROUGHTON KNIGHT STILEMAN, F.C.A., again tender their services. The Dividend and Bonus will be payable on and after Wednesday, the 11th April.

LIABILITIES AND ASSETS, 31st DECEMBER, 1922.

	£	s	d		£	s	d
To Capital, 600,000 Shares of £5 each, paid up	3,000,000	0	0	By Cash in hand and at Bankers	4,515,804	16	9
Reserve Fund	3,700,000	0	0	By lion on Hand and in Transit	555,691	14	7
Notes in Circulation	2,068,418	4	7	Government and other Securities	12,159,018	18	0
Current and Other Accounts, including Provision for Bad and Doubtful Debts and Contingencies	25,765,183	2	4	Security lodged against Note Issue and Government Deposits	2,090,800	0	0
Fixed Deposits	16,648,106	8	7	Bills of Exchange, including Treasury Bills	17,922,445	0	0
Bills Payable:-				Bills discounted and Loans	17,456,345	17	7
Drafts on Demand and at short sight on Head Office and Branches	22,276,890	12	2	Liability of Customers for Acceptances, per Contra	8,117,896	2	8
Drafts on London and Foreign Bankers against security, per Contra	188,218	7	10	Due by Agents and Correspondents	126,196	18	9
Acceptances on Account of Customers	3,117,396	2	8	Sundry Assets, including Exchange adjustments	1,392,867	8	10
Loans Payable, against Security, per Contra	1,831,744	8	0	Bank Premises and Furniture at the Head Office and Branches	896,081	3	8
Due to Agents and Correspondents	12,668	12	5				
Sundry Liabilities, including Rebates	1,264,570	12	10				
Profit and Loss	794,701	4	5				
	£30,158,972	15	10		£50,158,972	15	10

Liability on Bills of Exchange re-discounted, £7,045,181 7s 9d, of which £6,532,210 14s 3d has run off at 19th March, 1923.
Outstanding Forward Exchange Contracts for Purchase and Sale of Bills and Telegraphic Transfers, etc., £29,752,470 4s 0d.

PROFIT AND LOSS ACCOUNT for the year ended 31st December, 1922.

Dr.	£	s	d	Cr.	£	s	d
To Interim Dividend at 30th June, 1922	210,000	0	0	By Balance at 31st December, 1921	787,669	15	5
Balance proposed to be dealt with as follows:-				Less Dividend for half-year to 31st December, 1921	£210,000	0	0
Dividend, at the rate of 14 per cent. per annum, for the half-year to date	£210,000	0	0	Bonus of 6s 3d per share	187,500	0	0
Bonus of 6s 3d per share	187,500	0	0	Reserve Fund	100,000	0	0
Reserve Fund	100,000	0	0	Officers' Superannuation Fund	25,000	0	0
Officers' Superannuation Fund	25,000	0	0	Bank Premises	50,000	0	0
Bank Premises	50,000	0	0				
Carried forward to Profit and Loss New Account	222,201	4	5	Gross Profits for the year after providing for bad and doubtful debts, Excess Profits Duty, Corporation Profits Tax and Bonus to the Staff	£1,303,677	4	5
	794,701	4	5	Less:-			
				Expenses of Management and General Charges at Head Office and Branches	803,545	15	5
	£1,004,701	4	5		789,531	9	0
					£1,004,701	4	5

W. E. PRESTON, Chief Manager.
J. S. BRUCE, } Managers.
G. MILLER, }
CHAS. R. HYDE, } Accountants.
S. JONES, }

London, 21st March, 1923.

Examined and found correct, according to the Books, Vouchers and Securities at the Head Office, and to the Certified Returns made from the several Branches, D. C. WILSON, H. C. K. STILEMAN, } Auditors.

D. CARMICHAEL, W. H. N. GOSCHEN, GEORGE HAMILTON, } Directors.

THE ROBERT SIMPSON COMPANY, LIMITED.

PREFERENCE SHARE DIVIDEND NOTICE.
Notice is hereby given that a DIVIDEND has been DECLARED upon that portion of the Capital Stock of the Company consisting of Preference Shares, being a half-yearly dividend at the rate of six per cent. per annum upon the said Preference Shares, and that the same will be payable at the London Joint City & Midland Bank, Limited, 5 Princes Street, London, E.C.4, or at the option of the holder at the office of The Union Trust Company, Limited, Toronto, Canada, on and after the 1st day of May, 1923, to shareholders who appear on the register on the 16th day of April.

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FRANK HAY, Secretary.
Toronto, 19th March, 1923.

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APRIL 14, 1923.

The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor:

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. XCVI.

SATURDAY, APRIL 14, 1923.

No. 4,155.

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ASSURANCE COMPANY, LIMITED.

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TABLE OF CONTENTS.

The Money Market	769	Letters to the Editor—	
Leading Articles—		The Approach of a Free	
The Eve of the Budget	771	Gold Market	791
Superficial Economics	772	Sinking Fund v. Taxation	791
Railway Rates	773	Public and Private Insurance Enterprise	792
Pegging the Mark.—II.	775		
The Copper Outlook	775	Stock Exchange News—	
Revision of the Canadian Bank Act	777	The Stock Markets	793
Latin-American Notes	778	New Issues	794
Some Rand Results	778	Active Securities	794
		Company Meetings	796
Notes of the Week—		Government Returns—	
The Significance of the Government Defeat	779	Public Income and Expenditure	807
The Improvement in British Industry	779	Currency Notes Account	807
Peace Hopes and Finance in Ireland	780	Treasury Bills and Bonds by Public Tender	807
Overseas Trade in March	780	Bankers' Gazette—	
The Quarter's Shipbuilding	781	Bank of England	808
League of American Nations	781	Clearing Returns	808
Problem of Double Taxation	781	Overseas Bank Returns	808
The Electricity Commissioners' Report	781	Monthly Statement of London Clearing Banks	809
Swedish Banking Developments	782	Loan and Discount Rates	811
New Roumanian Budget	782	Overseas Bank Rates	811
Rural Credit in U.S.A.	783	Rates of Exchange	811
Business Conditions in Estonia	783	Indian Treasury Bills	812
The Stock Exchange Report	783	Imports & Exports of Gold	812
Cotton Yarn Prices	784	Gold and Silver Prices	812
Two Scottish Life Offices	784	Company News—	
Phoenix Assurance Company	785	Dividend Announcements	795
Birmingham Small Arms	785	Analysis of Balance-Sheets	795
Agricultural Conditions	785	Railway and Tramway Traffic Returns	813
Transvaal Gold Output	785	Mining Output Statistics	814
		Transvaal Gold Output	814
Overseas Correspondence—		Reports and Notices	814
United States	786	Summary of Company Profit and Loss Accounts	816
France	786	Commercial Reports—	
Germany	788	Corn Trade	816
Italy	789	Iron and Coal Trade	817
Spain	790	Wool Trade	817
Roumania	790	Cotton Trade	818
Books and Publications—		Vegetable Oils and Oilseeds	819
"Effects of the War upon French Economic Life"	792	Hides and Leather Trades	819
Story of a Great Industry	793	Overseas Produce Markets	819
Books Received	793	Price Current	821

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THE MONEY MARKET.

As was expected, the market had a difficult task in repaying the Bank of England the sums borrowed and renewed last week, and only succeeded in doing so because "special buying" of Treasury bills provided the necessary funds. In other words, the Treasury or Bank lent the market the money to pay its debts, less a week's batch of Treasury bills should cost too high a rate of discount. This performance being satisfactorily concluded,

there was rather more demand for bills, though the market was nominal and stagnant. Fine three months' bank paper was placed at $2\frac{1}{8}$ per cent. The low rate at which the Treasury bills were allotted weakened the market still further, and three months' bank bills were quoted nominally at $2\frac{1}{8}$ per cent.

	Apr. 13, 1923.	Apr. 6, 1923.	Mar. 28, 1923.	Mar. 23, 1923.	Previous Rate and Date Changed.
Bank Rate	3%	3%	3%	3%	3% (Jly. 13, '22)
Banks Deposit Rate	1	1	1	1	1% (Jly. 13, '22)
Discounts (Call)	1	1	1	1	1% (Jly. 13, '22)
Houses (Notice)	$1\frac{1}{2}$	$1\frac{1}{2}$	$1\frac{1}{2}$	$1\frac{1}{2}$	$1\frac{1}{2}$ (Jly. 13, '22)
Market rate (3 months' bills) ..	$2\frac{1}{8}$	$2\frac{1}{8}$	$2\frac{1}{8}$	$2\frac{1}{8}$	...

The Bank return was strong, showing a substantial increase in the Reserve and a considerable decline in liabilities. Notes came back from circulation to the extent of £1,185,000, and the stock of gold rose by £15,000, so that the Reserve was £1,200,000 higher. Government disbursements had also reduced the Public deposits by 6½ millions, and so the market was able to make repayments, which reduced the Other securities by four millions, and still leave the Other deposits nearly 3½ millions higher. Currency notes outstanding were reduced this week by £467,400 to £287,607,500, which includes £1,489,950 for notes called in but not yet cancelled. The fiduciary issue is £236,667,600, or £33,516,200 below the maximum.

The monthly statement of the average weekly balances of the London clearing banks for March shows signs of further substantial contraction. The detailed figures are printed on a later page; in the table below we summarise the figures for the nine English banks:—

	Dec. 1921.	June 1922.	Dec. 1922.	Jan. 1923.	Feb. 1923.	March 1923.
Capital and reserves	115.9	115.9	116.0	116.2	116.2	116.2
Acceptances	65.3	55.2	72.8	76.3	76.8	79.9
Deposits (incl. undiv. profits, &c.) ..	1,818.6	1,755.2	1,684.7	1,692.2	1,643.9	1,596.4
Total Liabilities	1,999.8	1,926.3	1,873.5	1,885.3	1,836.9	1,792.5
Coin, notes, balance at bank, and cheques in course of collection ..	273.5	251.3	253.0	246.5	234.5	232.3
Money at call	105.7	113.0	106.0	108.0	103.0	104.4
Investments	343.3	412.0	384.5	382.0	373.4	357.4
Discounts	421.3	346.2	298.3	320.0	286.4	250.4
Loans and advances	762.3	723.3	732.7	728.5	736.5	741.6
Cover for accept., premises, &c.	90.7	80.5	99.0	102.3	103.1	106.4
Total assets	1,999.8	1,926.3	1,873.5	1,885.3	1,836.9	1,792.5

The total of deposits is now £150 millions lower than it was in March of last year, this reduction being balanced by a fall of £100 millions in bills discounted, of £35 millions in investments, and of £13 millions in cash, there being a slight increase in advances as compared with a year ago. As compared with February of this year, deposits show a drop of over £47 millions, but acceptances are £3 millions higher. Bills discounted have dropped by £36 millions, and investments by £16 millions, while loans and advances are £5 millions higher.

THE STOCK MARKETS.

The outstanding feature of the Stock Exchange week has been the strength of gilt-edged stocks. Five per cent. War Loan has touched the highest price since it was issued, Indian Government stocks have risen with remarkable rapidity, while advances are the order of the day among Corporation stocks, Home Railway prior-charge stocks, Colonial Government securities, and Indian rails. In the gilt-edged sections demand has become so insistent that a shortage of supply has developed in a large number of prominent stocks. Brokers look for a continuance of this activity; and it will be noticed that the approach of the Budget has not in any way acted in the direction of restricting business. In other markets Home Rail ordinary stocks gave way on strike fears; rubber shares showed a little better tendency; there has been more activity in oil shares, while conspicuous strength has been shown by tobacco shares. The mining markets business is on a modest scale. Rubber heavy, though a few Rhodesians improved, and tin have become dull, while coppers were better towards the close of the week, and diamond issues remain firm.

THE COMMODITY MARKETS.

Most markets that are influenced by American conditions show a hardening tendency. Cotton is slightly up and wool has risen as a result of American buying in England. The American wheat market is also very bullish, but English quotations have only partially responded. In the copper market the turnover is lower, owing to a pause in American speculation, and prices are slightly weaker. Lead is also down; but tin has risen, though the rise was checked by the news that the Eastern pool is to sell 880 tons a month. Our Cardiff correspondent states that the collieries in South Wales hold so many orders for coal that there is hardly any free coal for disposal; the prices of even inferior steam coals have been increased to 40s per ton. From Sheffield it is reported that, although manufacturing fuels are in request, the demand for house coal is comparatively quiet. The output of pig-iron cannot be increased fast enough to meet requirements owing to coke shortage, and practically the only pig-iron left for sale is for the second half of the year. Our Middlesbrough correspondent reports that the demand for steel is good, although prices are unchanged. Conditions in the hide and leather trade are steady, and linseed oil is firm.

FOREIGN EXCHANGES.

On the foreign exchange market business has been restricted, but considerable interest has been provided by movements in the Paris and New York rates. From a closing rate of 70.55 on the 6th, the franc dropped to 69.30 on the 9th. On the 10th it was as low as 69, but closed at 70.25. On the following day it was down to 68, but reacted to 69.80, and on the following day, after further fluctuations, to 70.65. Yesterday morning the rate was again irregular, and at 69.45 seemed moving downwards. The Belgian rate has followed roughly the same fluctuations, being 80.50 yesterday morning, as compared with 82 a week ago. Forward rates in Paris have narrowed some two centimes to 2 to 4 centimes per month over spot; in Brussels at 2 to 3 centimes per month below spot the forward rate is also slightly narrower. The main influence this week has been rumour and expectation as to the results of M. Loucheur's visit, coupled with a certain increase in confidence in the French position which America, for no very obvious reason, is now showing. It should also be remembered that the spring season is normally favourable to the franc. Purchase of securities in New York and sale by Americans of British securities is still the main influence on the dollar quotation, which, with some fluctuations, has moved down from \$4.60½ on the 6th to \$4.65½ yesterday morning. On the whole, although no very rapid improvement can be expected, it is hardly likely that the reaction will be carried much further at present. At ½ to 1 cent per month over spot has widened a little from last week's figure of ¾ cents. After rising on Saturday to 94.10 the lira has improved quietly through the week to 93.50 as compared with 93.75 on the 6th. Apart from a slight rise on Tuesday to 98.250, the Berlin rate has remained steady at 98,000 in spite of the enormous issues of notes. At 3,000 to 5,000 per month over spot the forward rates are 1,000 narrower than in the preceding week. Among neutral exchanges the chief feature has been the further depreciation of the Swiss franc, which now stands at 25.56½, as compared with 25.41½ a week ago. Amsterdam also has moved in our favour from 11.88 to 11.89½. Madrid, on the other hand, is back at 30.40 as compared with last week's 30.49. Of the Scandinavian currencies, Copenhagen at 24.67½ and Christiania at 25.92½ have both depreciated, but at 17.50 Stockholm has moved somewhat against us. Helsingfors at 169½ is 3 points lower. In Central Europe, Vienna remains unmoved at 330,000, and rumours that the Government intend to raise the value of the krone have been categorically denied. Certainly an attempt at appreciation, when the present stability is based for the time entirely on foreign credits, would be unfortunate. Warsaw at 195,000 is a little higher than last week's 190,000, but a period of relative stability seems now to have been attained. Prague, at 156½, is ½ up on the week, Bucharest remains nominal at 995, the alarmist and incorrect reports of revolutionary troubles having had no effect. In the East, the rupee, at 1s 3-32d, has hardly moved from

last week, while Yokohama, after being rather higher, is back again at 2s 0½d. In the silver market there has been some further selling on the news that the Pittman Act selling is likely to be completed sooner than was expected, and prices have moved downwards. Hong Kong, at 2s 3½d, is nearly 1d cheaper, and Shanghai ½d cheaper at 3s 1½d. In South America, Rio has moved up a little from 5 13-32d to 5 17-32d, Buenos Ayres is unchanged at 43d, after being rather lower, and Montevideo has moved up from 43d to 43½d. Valparaiso, after moving higher, is back at 37.20 pesos, the same as the preceding week.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended April 7th:—

EXPENDITURE.	Min. £	Receipts.	Min. £
Perm. charge on Debt	3332	From Revenue	26182
Interest on War Debt, &c.	23701	Amount borrowed	2900
Supply Services	6000	Decrease in Balances	3951
	35033		33033

Revenue for the week ended April 7th at £26 millions compares with £31½ millions during the first eight days of the financial year 1922-23. Expenditure at £33 millions compares with £39 millions. The reduction in Expenditure is mainly on account of Interest on Debt being reduced from £28½ millions to £23½ millions. Receipts from Property and Income-tax amounted to £16½ millions, as against £18½ millions a year ago, while Customs produced £1½ millions, as against £1¼ millions. Excise yielded nearly £2 millions. The week's operations increased the National Debt by £2,900,467, and caused the following changes:—

	Min. £		Min. £
4% Treasury Bonds	+ 12050	National War Bonds repaid..	- 13250
Treasury Bills	+ 4334	Public Department Advances ..	- 418
Unemployment Insurance ..	+ 160		
Land Settlement	+ 004		
	+ 16548		- 13648

The floating debt was increased by £3,963,000 to £813,905,500.

FINANCIAL YEAR, 1923-24 (April 1 to April 7, 1923).

	£		£
Total expenditure	33,032,998	Raised by revenue ..	26,181,978
		Decrease in balances ..	3,950,553
		Net borrowings	2,900,467
Total	33,032,998	Total	33,032,998

FINANCIAL YEAR, 1922-23.

	£		£
Total expenditure	812,496,604	Raised by revenue ..	914,012,452
Net capital repayments	105,871,211	Decrease in balances ..	4,355,363
Total	918,367,815	Total	918,367,815

ESTIMATES for YEAR 1922-23.

	£		£
Ordinary Expenditure	823,846,000	Ordinary Receipts ..	820,775,000
Special Expenditure	61,223,000	Special Receipts ..	90,000,000
Contingencies	25,000,000		
Total	910,069,000	Total	910,775,000
		Surplus	706,000

NATIONAL DEBT.

(Million £.)

	Aug. 1, 1914.	Mar. 31, 1918.	Dec. 31, 1919.	Mar. 31, 1920.	Mar. 31, 1921.	Mar. 31, 1922.	Dec. 31, 1922.	Mar. 31, 1923.	Apr. 7, 1923.
Funded Debt	588	318	315	315	315	314	314	314	314
Term Annuities	30	22	20	19	18	16	15	15	15
4% War Stock	63	63	63	63	63	63	63	63	63
4% War Stock	16	13	13	13	13	13	13	13	13
4 & 5% War Stock	2,091	2,040	2,040	1,995	1,953	2,071	2,071	2,071	2,071
National War Bonds ..	649	1,509	1,476	1,415	1,201	971	971	958	958
4% Funding Loan ..	...	360	357	348	335	335	335	335	335
4% Victory Bonds ..	...	...	...	...	266	690	687	687	687
5% Conversion Loan ..	...	...	...	...	23	24	24	24	24
5% Treasury Bonds ..	...	...	...	...	381	166	166	161	161
5% Treasury Bonds ..	...	...	...	...	...	40	40	40	40
Do by tender 5% ..	...	...	...	...	8	69	69	69	69
Do by tender 4% ..	...	...	...	...	...	84	108	108	108
Do 4%, 1931-33 ..	...	...	...	...	...	...	...	...	...
Treasury Bills	15	961	1,107	1,107	1,121	878	719	616	621
Exchequer Bonds	20	392	323	319	289	185	150	150	150
Nat. Savings Certs.	...	133	267	274	285	342	350	354	354
War Exp. Certs.	...	...	1,306	1,181	1,132	1,087	1,071	1,070	1,070
Other Debt	...	51	51	51	...	...	...	...	...
American Loan	...	204	243	205	154	147	222	194	195
Temporary Advances ..	1	...	...	...	...	...	...	...	...
Other Capital Liabilities ..	654	5,872	8,033	7,829	7,574	7,656	7,768	7,662	7,665
	57	49	46	46	49	68	67	68	68
Total Liabilities	711	5,921	8,079	7,876	7,623	7,721	7,835	7,730	7,733

POSITION OF THE FLOATING DEBT.					Movement week ended
Temporary Advances Outstanding—	Apr. 7, '23.	Mar. 31, '23.	Apr. 7, '23.	Apr. 7, '23.	Apr. 7, '23.
Advances by Bank of England ..	8,500,000..	193,897,500..	193,897,500..	417,000	417,000
Advances by Public Departments ..	176,151,500..	615,045,000..	615,045,000..	4,380,000	4,380,000
Treasury Bills outstanding ..	825,629,000..	809,942,500..	813,905,500..	3,963,000	3,963,000
Total Floating Debt	1,010,280,500..	1,618,885,000..	1,618,885,000..		

THE EVE OF THE BUDGET.

THE defeat of the Government in Parliament on Tuesday and the interruption of business by the Opposition on Wednesday will not have encouraged the Government in courses which may seem to them to savour of unpopularity. There is no one on the Government side who is so expert at listening with his ear to the ground as the late Prime Minister; but the decline of the Government's prestige since the election, culminating in this week's fiasco, will undoubtedly strengthen their desire to regain, even if only temporarily, some of their lost credit. We are not, therefore, surprised at the persistent rumours that the Government has decided to take 6d off the income-tax and to reduce the beer duty. Mr Baldwin will no doubt strain every nerve to accomplish this without sacrificing altogether his Sinking Funds, and the margin between cautious and speculative estimating is in these days so wide that he will probably be able to do this without straining the conscience and technical pride of the Treasury too severely. This week's revenue return is very good, and confirms the opinion that no indecent haste was shown prior to April 1st to squeeze last-minute receipts due in respect of 1922-3 into the closed accounts. The carry over of both general and special receipts into the current year will help matters, but if the surplus is widened in this way it makes it the more necessary to be certain that if taxes are reduced the loss of adventitious revenue will not leave the accounts with a deficit. There could be no more regrettable step than to reduce taxation and find it necessary to reimpose it again later.

For the moment, however, we may take it for granted that Mr Baldwin will not retract his words, and copy Sir Robert Horne in providing nothing for Sinking Fund. The question is whether the amount allowed will be adequate, and whether the Budget will be so drawn as to ensure adequate debt repayments during succeeding years. In this connection our suggestion last week that a fund of at least £50 millions a year, rising to £100 millions, is necessary if a really acceptable alternative to a capital levy is to be provided, has been criticised as being too drastic to be practical politics in the present state of public opinion. Our answer is that it can only be considered as extreme in so far as public opinion has not yet realised the magnitude and significance of the debt problem. Two of our contemporaries think that a non-cumulative Fund of ½ per cent. (i.e., £37½ millions) would be adequate. But it is not a pleasant prospect to base our policy on paying off the debt in two hundred years.

It is sometimes suggested that the use of floating and short-term debt in the money market, and of long-dated Government securities as the universal medium for

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JOINT MANAGING DIRECTORS: FREDERICK HYDE EDGAR W. WOOLLEY

Subscribed Capital ..	- £28,117,103
Paid-up Capital ..	- 10,860,852
Reserve Fund ..	- 10,860,852
Deposits (Dec. 31st, 1922) ..	- 354,406,828

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"safe" investment makes the National Debt so integral a part of our financial system that it is not desirable to diminish it unduly. But this is not a serious consideration over a long period. London is looking forward to the day when the commercial bill once again comes into its own, and as to the supply of gilt-edged securities, that will take care of itself. The Railways Act has done something to make all but a small proportion of railway stocks into "safe" investments, municipal borrowings are increasing, the differentiation of industrial obligations is creating an increasing supply of debentures, and last, but not least, there will be future Government borrowings. We may hope that future generations will not have to provide for another war; but there are certain to be borrowings for new and productive purposes. The loans under the Trade Facilities Act and the suggestion of a Government guarantee in the Agricultural Credit Committee's report are a cloud like a man's hand, which may one day cover a large part of the financial firmament. The question what form of indebtedness should be reduced first is a problem to which these considerations are germane. They have no relation to our proposition that we cannot in any circumstances expect that interest on the cost of the great war, amounting to 10 per cent. of our cumulative income, will willingly be paid by the nation for what is in effect an indefinite period.

The possibility of paying off debt has also been questioned in the last few days on the ground that if this policy is adopted all hope of concessions to the taxpayer must be abandoned for years to come, since the possibility of economies is now exhausted. But this is far from the case, as the following table shows, in which the estimates are set out in detail in comparison with recent expenditure and with expenditure before the war. We have also added for comparison the final estimates for 1922-23. The figures in the top half of the table for 1923-24 are our assumptions based upon last year's expenditure, and make no allowance for sinking funds of any kind:—

	1913-14.	1920-21.	1921-22.	1922-23.	1923-24.
National Debt Services—					
Inside the fixed charge	24½	24½	24½	14	14
Outside " "	—	325	308	310	290
Road Fund	1	9	11	12	12
Payments to Local Taxation	10	11	11	10	11
N. Ireland Exchequer	—	7	2½	3½	2
Land Settlement	1	1½	2	3	3
Other Consol. Fund Services	1½	1½	2	3	2
Total Consol. Fund Services	37	378	360	353½	334
Army	28½	181½	95	62½	52
Navy	49	88½	81	65	58
Air Force	—	22	13½	11	12
Civil Services—					
I. Public Works and Bldgs.	3½	12½	11	8½	9½
II. Salaries and Expenses of	4½	19½	17	14	10½
III. Law and Justice	4½	20	22½	12½	12
IV. Education, Science, & Art	19½	59½	65½	54	49½
V. Foreign and Col. Services	1½	4½	32½	16	12½
(Inc. Middle East)	(nil)	(29)	(11)	(11)	(18½)
VI. Pensions and Miscel.	14	37	131½	119	124
(Min. of Pensions)	6	106	(93½)	(90)	(73½)
VII. Health, Labour, & Incoe.	—	49	46½	43	38½
Unclassified Services	—	147	123	66½	16
Customs and Excise and Inland Revenue	4½	12½	14	12	11½
Post Office Services	24½	62	66	54	51
Total Supply Services	160	815½	719	538	436
	197	1,193½	1,079	812½	770

Thus compared with 1913 defence expenditure has risen from £77½ millions to £122 millions, and the Post Office and Customs and Revenue departments from £29 millions to £62½ millions. The remaining Supply Services take £251½ millions, against £53½ millions in 1913. Three important items, amounting to £98 millions, are new, viz., pensions, the Middle East, and unclassified services, all of which should fall very substantially, partly through change of policy, but to some extent automatically. The remaining items show an increase from £53½ millions to £153½ millions, and even if we deduct education, which, though not outside the pale of economy, cannot be reduced as much as other items, there is still an increase from £34 millions to £103½ millions. This three-fold increase is far too large. It is probable that this level of expenditure will, in any case, not be attained, but the figures

show that there is still much room for reduction without impairing the efficiency of government. We see no reason why £100 millions should not be taken off the gross Supply Service estimates in the next two or three years, and if this is done, and trade is reasonably prosperous, there should be substantial remissions of taxation, as well as an adequate Sinking Fund, established on the scale we have suggested. Mr Baldwin would do very much to put this whole problem in its true perspective if he would give us in his Budget speech a provisional idea of the balance-sheets of the next three fiscal years.

SUPERFICIAL ECONOMICS.

BRITISH agriculture has been, since the war, the sport of hasty legislation, heedless administration, and reckless exaggeration. But, behind all this, there lies the serious question of the relation of the State to an industry which is of vital significance in the social and economic life of the nation. The land system, which, in its essential principles, has survived by reason of its adaptation from time to time to changed conditions, is challenged at the present time as unsuited to the needs of the twentieth century. Issues of grave importance and extreme complexity are raised, and any serious attempt to initiate a new national policy determining the relations of the State to the land should be made with anxious care and supported by well-considered facts and arguments. The reference of the question to reputable economists was a step hastily taken, and the instructions given to them were open to criticism. But, at least, it might have been expected that with this great responsibility placed upon them they would have risen to the opportunity of placing before the country a calm and detached analysis of the economic position of agriculture and of the fundamental factors which must determine its future as an integral part of the national organisation. Some consciousness of this fact is apparent in the Report of the Tribunal. They say at the outset that "it is impossible to survey the field and form a fully considered judgment on many of its aspects without more extensive inquiry," but "in view of the very serious crisis with which the agricultural industry in this country is faced," they have presented an interim report. They make no attempt to measure the seriousness of the "crisis," nor do they even mention the dominant fact that, in the main, the causes of it are common to all industries. They rush to the conclusion that because farmers have had serious losses during the past two years, the compulsory increase of arable land during the war has been lost, unemployment is serious (they say "growing"), and wages have fallen—therefore, on the basis of these temporary conditions, the policy adopted by the nation for the past eighty years should be abandoned. And to convince the public that this is necessary they deem it sufficient to present a series of *obiter dicta* in a document as sketchy and perfunctory as a magazine article.

There have been in living memory two "crises" in agriculture, both of which, judged by any tests that can be applied, were more serious and prolonged than that through which we are now passing. Both in the "eighties" and the "nineties" the agricultural situation was the subject of examination by Royal Commissions, and anyone who takes the trouble to refer to their Reports will find a marked contrast with the Report of the Tribunal. Those Commissions at least fortified their recommendations with ascertained facts, and presented them with detailed argument. They might be open to the charge of prolixity, but, at any rate, they could not be accused of levity or lack of thoroughness.

The recommendations of the Tribunal deal specifically with 13 subjects, and in addition they urge generally the importance of research, education and organisation. On the latter point there is common agreement, and on such questions as credit facilities, railway rates, local rates, relief of rural unemployment, and administrative machinery any controversy which may arise is concerned rather with details than principles. The challenge which the Tribunal offers to the existing policy of the country in relation to agriculture lies in their proposals for dealing

with imported products. They lay stress on the importance of maintaining the arable area, but they reject an import duty on wheat because it is a charge on the consumer, and a subsidy on wheat-growing because it is a charge on the Exchequer. They add that "it is more important to maintain the arable area generally than to maintain the area of any particular crop, even one so important as wheat." They then at once proceed to recommend special measures for maintaining the area of four "particular" crops, viz., malting barley, hops, potatoes, and sugar beet.

On the face of it this is a rather curious selection. The arable area in Great Britain in 1922 was 14½ million acres. Hops occupied 26,452 acres, potatoes 718,581 acres, and sugar beet 8,409 acres. There is, strictly speaking, no such crop grown as "malting barley." All barley, and indeed practically any cereal, may be malted. Barley best suited for malting is grown in a few counties where conditions of soil and climate are most favourable to the growth of the particular kind of grain which is preferred by maltsters and brewers. The standard of suitability varies from season to season, and a grower may find his barley saleable for malting in one year and not in another. Taking an average of years, it may be roughly estimated that not more than 50 to 60 per cent. of the barley crop is sold for malting, and on that assumption the area affected would be, say, 800,000 acres. It will be seen, therefore, that the measures proposed for maintaining the arable area would affect about one-tenth of the whole area. Under the ill-fated Agricultural Act the growers of wheat and oats were selected for favour, but the Tribunal prefer to help the growers of potatoes and a chosen few of the growers of barley. The irony of the suggestion is that malting barley makes a much higher price than feeding barley—often 50 per cent. higher—and costs practically the same to grow.

There is some indication of a method in selecting malting barley, hops and potatoes. The growers of all three crops are, in this particular year, the victims of abnormal conditions. Under normal conditions the growers of these crops—a very limited number all told—probably make larger profits than the growers of any other crops that could be mentioned. These are strange grounds on which to base a new fiscal policy. A duty of 20s per cwt on hops imported from foreign countries and of 13s 4d per cwt on hops imported from the Dominions is light-heartedly suggested, because "the serious condition of the hop-growing industry" was "put very strongly" before the Tribunal. How far this condition is due to the Hop Control foolishly established during the war, and to what extent it would be altered by the abolition of the control—which they suggest—they do not appear to have considered. They might have obtained some information as to the normal conditions of the hop industry in this country by reference to the very thorough investigation of the subject made by a Select Committee in 1908. As to potatoes, the Tribunal recognise that there was this year a home crop much in excess of the demand. This would appear to be an adequate reason for the low prices which have prevailed, which in their turn will probably lead to a reduction of acreage and high prices for the next crop. But the Tribunal cannot trust the experience of the past, which proves that on an average of seasons potatoes are profitably grown in this country.

Shrinking, with apparent regret, from recommending a duty on wheat or flour, the Tribunal have devised a scheme for penalising the import of flour and encouraging the import of offals, which displays some ingenuity. They propose that "every importer of wheat-flour should be required to send" (they presumably mean "buy," as flour importers are obviously firms in this country) "a corresponding proportion of wheat offals, e.g., 25 per cent. of offals to 75 per cent. of flour." Such a scheme is the reverse of business-like. The imports of flour last year was 674,000 tons, of which one-half came from Canada. Wheat offals are not separately distinguished, but the item which includes them, and of which they form the main bulk, was a total of 17,000 tons. It is hardly necessary to observe that flour and offals are handled by entirely different people, and that the import trade in one is quite independent of that in the other. The dislocation of commercial machinery and the administrative difficulties will be obvious enough in London and Liverpool,

though they may not be apparent in Birmingham or Oxford. It is not explained whether the flour and corresponding offals must be landed simultaneously, or whether a flour importer will be allowed a reasonable time to make up his quota. In the latter case, the Customs and Excise will have to keep surveillance over flour importers as they do over brewers. And, in the result, offals may perhaps be cheaper, but, if so, flour will certainly be dearer. The supply of offals from home mills is not, and cannot be, regulated by demand. It is determined by the demand for flour, offals being a by-product. The object being to ensure a permanent glut of offals, regardless of demand, the Tribunal, to make assurance doubly sure, propose a 10 per cent. *ad valorem* duty on all offals exported. Incidentally it may be observed that, as feeding barley is the nearest competitor with wheat offals, the unfortunate grower of non-malting barley is not only left unprotected, but may have the value of his crop still further reduced.

Space fails to deal adequately even with the most prominent features of this remarkable Report. The Tribunal state that they aim at assisting "the farmer and the labourer," but the advantage which the latter will gain from these proposals is not apparent. The difficult question of wages is not overlooked; indeed, the paragraphs in which it is briefly discussed are distinguished by an attempt at serious argument, which is not conspicuous elsewhere. The suggestion for the establishment of six District Boards, and the outline of their functions and powers, must be reserved for closer examination than can now be given to it. One observation touches the root of the matter. It is truly said that Wages Boards exist "to ensure that the standard of payment is not fixed by the inefficient farmer." In making their proposals for artificially encouraging the production of certain crops, have the Tribunal also thought of the inefficient farmer?

We are not surprised that Prof. Macgregor in a reservation expresses his doubts as to the effectiveness of these protectionist measures, and that the Ministry of Agriculture has hastened to disclaim any intention of adopting the Commission's suggestions with reference to the hop industry.

RAILWAY RATES.

THE recent but apparently inconclusive meetings of the railway managers to discuss the lowering of freights, together with the recommendation of the Agricultural Committee that railway rates on farm produce should be lowered if necessary at Government expense, raise the question of the possibility of cheaper rail transport. The demand for early and substantial reductions received a very important reinforcement in the speech which Sir Eric Geddes recently delivered at Manchester, for while perhaps the situation hardly justifies dragging in the old tag about the poacher turned game-keeper, nevertheless Sir Eric Geddes is the man mainly responsible for the agreement of 1921 under which the Government undertook to settle the railway companies' outstanding claims for £60 millions, the sum which is largely responsible for putting their balance-sheets into the strong position they show at present. When, therefore, Sir Eric, as head of the Federation of British Industries, now tells us that the time has come when the railway companies should endeavour to gain the confidence and goodwill of the public by sharing with them the burden of the restoration of industry, his opinion is one which must obviously carry great weight. Passenger fares now stand at 50 per cent. above pre-war level, having been reduced from 75 per cent. at the beginning of this year. Goods rates are put at an average of 75 per cent. above the pre-war level by Sir Eric Geddes (some are a little over 50 per cent. up and others over 80 per cent. up, Sir Eric's figures being presumably an estimated average) against an all-round advance of 116 per cent. eighteen months ago. It is clearly the turn of goods traffic once again, and though the Federation of British Industries at the time of the last negotiations promised the railway companies that they would not carry any dispute as to the level of goods rates to the Rates Tribunal until July of this year, Sir Eric Geddes proposes that the railway companies should voluntarily reduce rates to 33½ per cent. above pre-war level. If there is no change in the volume of traffic it may be estimated

at a rough guess that the reduction of passenger fares which was made in January will reduce the railway receipts by about £10 millions, while the reduction in goods rates now suggested might cost the railway companies some £25 millions. We may consider briefly in what position the companies are placed for meeting these losses. According to the preliminary statement of accounts for all the railways of Great Britain, just issued by the Ministry of Transport, the transportation account for last year was as follows:—

	Mln. £
Gross receipts	238
Working expenses	191
Net receipts	47

Of the gross receipts, £102 millions were from passenger trains, of which about one-fifth was received from carriage of mails, parcels, &c.; goods receipts (excluding live stock) produced £113 millions, the balance of income being from transport of other classes of traffic and from subsidiary undertakings. If £35 millions are lost through reduction in charges for passengers and goods, it must be made up in one of five ways: An increased volume of traffic, economies in working as a result of amalgamation or of improved efficiency, lower wages and prices of material and fuel, a reduction of reserves, or a reduction of dividend.

As regards the first of these, an increased volume of traffic does not involve a proportionate increase in working expenses. Even if it did so, there would be considerable gain, for the object of the companies is to maintain a fixed net revenue and as working expenses are less than gross receipts a 10 per cent. increase on both sides would in present circumstances give a margin of £4½ millions towards rate reduction. But in practice it is, of course, evident not only that there is a possibility of carrying more traffic without increasing the number of trains or the staff, but also that the large elements of railway cost which cannot be allocated to particular traffic would certainly not show a very considerable increase. It would not be a rash guess to suppose that an increase of 10 per cent. in traffic on the basis of 1922 rates (yielding £20 millions of gross revenue) would raise working costs by less than half this amount. Unfortunately, we have no up-to-date monthly returns showing the volume of railway traffic, but such figures as have been published so far show that the volume of traffic at the end of 1922 was considerably greater than earlier in that year, and it would not be unduly optimistic to assume that it is already nearly 10 per cent. higher than the average volume of traffic in 1922.

As regards the economies of amalgamation, Sir Eric reminds us of his estimate that these will ultimately amount to £25 millions, and he sees no reason to alter his opinion. It is true that these economies will only be realised over a number of years, but it may be assumed that an appreciable contribution towards the railway budget of 1923 will be obtained from this course.

A more certain reduction is obtainable from lower wages and prices. During 1922 two wage reductions occurred in accordance with the sliding scale arrangement, 2s per week being taken off on April 1st and a further 2s on July 1st. According to an answer given in March to a question in the House of Commons the wages bill of the companies in 1923, at the March, 1923, rates, will be £111 millions, which compares with £117 millions in 1922. This means a reduction of £6 millions, without taking into account any saving through redundant personnel or saving of overtime, &c., through the more satisfactory adjustment of the eight-hours day system. The course of prices is not very accurately calculable, particularly in view of the tendency of prices, and particularly of coal prices to rise as a result of the European situation. But even if this movement persists, it will not necessarily prevent any saving, for the bulk of railway buying for 1923 has already been done. There should be substantial automatic saving under the heads of material and fuel which together account for £33 millions of the companies' costs. In the answer in Parliament above referred to it was stated that at the February level of prices the cost of fuel this year will be roughly £14 millions, a saving of a million as compared with 1922 and

of £11 millions as compared with 1920. No accurate estimate can be made of the margin which will be produced by these three influences, viz., increased volume of traffic, whether already realised or to be stimulated by lower rates, economies of amalgamation, and lower wages and prices, but there can be no doubt that it will be a very substantial one.

The claim for lower rates, however, is strengthened by considering the balance-sheets of the companies whose reserves have increased from £30 millions to £145 millions. In view of the part which Sir Eric Geddes played in securing these reserves, his comment upon them needs no elaboration:—"It could be argued with justice that a part, at any rate, of these reserves are proper, as against arrears, renewal, and maintenance during the war years, and there are other weighty arguments upon both sides which might be advanced, but with which I have not time to deal to-day. But, on the whole, with the situation so much clearer than it was when the Act was passed, with prices below the level at which they stood, but still above the pre-war level, I think we might not unreasonably ask the railway companies to use this reserve for part, at any rate, of their high cost of maintenance to-day, and to ease their apprehension as to a reduction of rates."

There remains the question of the amount distributed to shareholders, and the possibility of a saving in this direction. From the statistics which we have compiled, and from the figures of capital conversion which have been published, we have made a rough estimate of the amount which will be available for ordinary and deferred ordinary shareholders if the companies receive their "standard" revenue and nothing more. Under the terms of the Railways Act, 1921, it may be recalled, the rates to be charged by the amalgamated companies should be such as will, with miscellaneous revenue, yield an annual net revenue equivalent to the 1913 net revenues of all the companies forming the group, and in addition, each company is allowed to earn (a) a sum equal to 5 per cent. on approved capital expenditure during the period of control, (b) such allowance as may be necessary for adequate remuneration on any additional capital expenditure since January, 1913, which, in the opinion of the tribunal, really adds to the value of the undertaking and is not included in (a), and (c) an allowance in respect of capital expenditure on works which had not become "fully remunerative" at the beginning of 1913. In the table below, the figures in which should be regarded merely as tentative estimates, we have assumed that the allowance under (c) will be the same as is allowed under (a) and (b). The standard revenue of the Midland and N.E. groups, whose net revenue in 1913 was £19,100,000 and £14,340,000 respectively, would now be about £20,160,000 and £15,340,000. Similarly the Southern and Great Western groups' standard revenue, based on £5,980,000 and £7,410,000 respectively in 1913, would be £6,310,000 and £8,800,000, making the total standard revenue £50,610,000, which compares with £50,319,000 actually earned by the four groups in 1922 and £46,897,000 in 1913. The companies have thus already earned practically their full standard, and at present wages and prices will exceed it considerably in 1923. After payment of prior charges, preference and preferred ordinary dividends, the amounts available for ordinary and deferred ordinary dividends show a considerable variation, as may be seen from the table:—

	(1) Standard Revenue.	(2) Rents, &c.	(3) Debt Interest.	(4) Guar. and Int. Interest.	(5) Pref. Ord. Dividend.	(6) Total of (2), (3), (4), and (5).	(7) Balance Available for Ordinary and Defd. Ordinary Stock.	(8) %
London, Mid. & Scott.	20-16	1-48	4-10	6-61	..	12-19	7-97	8-0
London & N. Eastern	15-34	1-52	3-33	6-84	2-09	13-78	1-56	4-4
Southern	6-31	0-42	1-42	2-29	1-37	5-50	0-81	2-3
Great Western	8-80	0-99	1-83	2-39	..	5-21	3-59	8-5

Our figures for the Southern group show a sum available for Southern deferred stock which gives less than 2½ per cent. on the capital, and compares with 8½ per cent. for the Great Western. We can only emphasise the fact that the figures are partly based on estimates, and may mention in passing that the directors of the South Western Railway, in their circular announcing the terms of the

Southern grouping scheme last October, stated that the balance of standard revenue was estimated to produce a dividend of £2 18s. per cent. on the new company's deferred stock. However that may be, it is obvious that if the companies receive only the standard revenue in 1923, they will be in a position to pay dividends at the substantial rates of 1922, which were a good deal higher than the level of recent years. Some reduction in the rates of dividend on the junior stocks could be borne without affecting the security of the prior-charge stocks. We know of no argument on which such a reduction in times of depression could be regarded as unfair, as they will doubtless be exceeded when trade is good.

When all these considerations are taken into account and the important part which railway rates play in influencing trade is borne in mind, there is clearly a very strong case for the claim put up by Sir Eric Geddes and his friends.

PEGGING THE MARK.—II.

(BY A GERMAN ECONOMIST.)

So far the policy of pegging the mark has been very successful. The bank has succeeded in reducing the price of the pound from 227,500 to 100,000 marks, and in keeping it steady for more than a month. There is not the slightest doubt that it can go on doing so for quite a long time to come. This operation has been very profitable, and has greatly strengthened the position of the bank. It has done so without losing money; on the contrary, it can be assumed that the profit it made is very considerable. It lost, it is true, part of its stock of foreign exchange, but it has been able to replenish it. It has kept its gold, it has not been forced to contract a big international loan, it has succeeded in paying back the Belgian Treasury bills. So far, the predictions of the international financial experts who met in Berlin in November last, and those few German experts who concurred with them, have been verified completely.

There has been so far no serious reduction in prices. The index of wholesale prices has fallen from 5967 on February 5th to 4750 on March 15th. This is but a small reduction, but the intervention of the bank occurred before prices had risen to the exchange level of January 31st. If no action had been taken, the mark would not have stopped at 227,500, and prices would have run up madly after it. The smallness of the price reduction achieved is mainly due to two causes. Producers are not convinced that the mark can be kept at its present level; from their egotistical point of view they go on hoping for a new rise of the exchange, and with it of prices. The manufacturers of finished goods and the retail shops are compelled, in many cases, to offer their goods at reduced prices, as this is the only way for them to get ready cash; as the public are not yet keen on buying, their situation is rather desperate. The producers of raw material and half-finished goods are in a different position. They are strong enough to hold on, in fact, in some cases, they have raised prices. But anyhow they are waiting. And as long as there is no serious reduction in basic produce, coal, &c., a strong general fall in prices is impossible. Moreover, and this is very important, the price of many commodities had not gone up to the standard of 100,000 marks a pound when the pound stood for a few days above 200,000. They are reaching the present level of prices by slow stages; this holds good especially of wages, which go on increasing slowly, as they had not yet reached the level of the index of the cost of living. The only branch of economic life where the fall of prices has been immediate—apart from imported goods, which follow automatically the movement of exchange—has been the Stock Exchange. The index of prices for the leading shares since February 7th has gone down from 545.6 to 270 on March 7th. This is partly due to the stringency of money, brought about by loan restrictions, and partly by the general gloomy economic outlook.

The occupation of the Ruhr is, of course, unsettling German economic life. Imports into Germany of English coal, for example, are increasing; but the general import trade is slack. Exports are decreasing. The rapid fall of foreign bills has wiped out the premium on exports, which existed, in many cases, through the divergency of

the level of prices in Germany and abroad; in many industries prices at home are higher now than prices abroad. The chances of cheap exports are greatly reduced. Industrial concerns are not likely to lower their costs of production by thoroughly overhauling their organisation as long as they are not sure whether the present conditions are not purely temporary.

Worst of all, all hope of balancing the Budget has gone for the time being. The total deficit of the Reich, which was estimated at 843 milliards in the autumn, has risen to over 7,000 milliards for the current year, partly on account of the consequences of a rise of the pound from 30,000 to over 100,000, partly on account of the direct and indirect expenditure due to the occupation of the Ruhr. The amount of Treasury bills outstanding on December 31st was nearly 1,500 milliards, on March 10th it had risen to 4,350 milliards. The weekly excess of expenditure over revenue is about 400 milliards. Notwithstanding all credit restrictions, the demands of private industry, especially in the Ruhr district, are enormous. As the French are practically stopping sales, produce is accumulating, but wages have to be paid. The result is an increase of commercial bills discounted by the bank from 697 milliards on January 1st to 2,100 milliards on March 15th. The floods of paper money are rising as they have never risen before. The note issue of the Reichsbank has increased from 1,280 milliards at the end of January to 4,272 milliards on March 7th. The weekly issue is about 400 milliards.

As long as this flood is not stopped, there is no hope that the pegging of the mark can lead to permanent stabilisation. On the contrary, there is grave risk that after some time the amount of marks issued will be so great as to make impossible any control by the bank. But this evil moment is farther away than people are inclined to think. The amount of gold in the hands of the bank, to which must be added the proceeds of the gold loan—leaving out of account the bank's ordinary stock of foreign bills—represents at present a value of at least six billion paper marks. As circulation is greatly hampered owing to the dislocation of transport and the necessities of the Ruhr the same quantity of money cannot serve the same needs it did formerly. Before the war the money in circulation in Germany can be estimated at about 4½ milliard gold marks. At the rate of 100,000 marks to the pound, this would amount to about 22½ billion paper marks. Assuming for the moment that there has been no essential change in credit facilities, and assuming, moreover, that on account of loss of territory, reduced transactions, &c., the monetary needs of the country are but half what they were before the war, they might be estimated at about 12 billion paper marks, or very nearly three times the amount outstanding at present. The gap between these two figures is filling rapidly. It would be widened automatically by any new fall of the mark, which would do a great deal of damage to Germany's economic life, but not half as much as must follow a complete defeat in the struggle for the economic foundations on which her life and the life of Central Europe is resting.

THE COPPER OUTLOOK.

IN an article on copper printed in these columns on December 16th last, it was stated that the outlook for the metal was decidedly better, and that copper was bound to receive its full share of attention. No spectacular lift in rates was anticipated, but it was suggested that higher prices would be seen early in 1923. Standard copper at the close of last year stood at £64 11s 3d cash and £65 11s 3d three months, while electrolytic was officially quoted at £72 per ton. Values at the end of March were £74 18s 9d for standard cash, £75 16s 3d for three months, and £82 15s for electrolytic. Thus, on the first quarter of 1923 standard rose £10 5s to £10 7s 6d, and electrolytic advanced £10 15s. Since then there has been a further improvement on these rates, but this was followed by a certain amount of fluctuation on profit-taking and larger forward offers. From the results of the first three months of the current year it is obvious that the merits of the copper position have claimed considerable attention, and the very large turnover recorded on the London Metal Exchange in standard metal may be taken as the forerunner of a big increase

in the world demand for the metal. The phenomenal increase in the American consumption as compared with the tonnage absorbed by actual users in the United States at the opening of 1922 is a clear sign of a general American industrial revival, and this is now spreading to other parts of the world. During the past year the trade potentialities in the United States were underrated on this side, presumably under the prejudicial influences which were engendered by the adverse European economic and political conditions, but during the first quarter of 1923 sentiment underwent a startling change. Copper had few friends in this country during 1922, and the price of the standard metal dropped at one time to £57 per ton, this being the lowest touched since 1914, when £49 was recorded. This figure, and £159 reached towards the end of 1916, constitute the two extremes reached for a number of years, and the table appended gives a good idea of the movements witnessed in the market compared with the pre-war year 1913:—

STANDARD COPPER—CASH DELIVERY.

	Highest.			Lowest.			Closing Value.		
	£	s	d	£	s	d	£	s	d
1913.....	77	2	6	61	15	0	65	2	6
1920.....	122	5	0	70	0	0	71	5	0
1921.....	75	12	6	65	5	0	66	2	6
1922.....	66	2	6	57	0	0	64	11	3
1923 (1st quarter)	76	17	6	63	7	6	74	18	9

Thus, within the first quarter of the present year the price of paper copper has fluctuated well into the range of values seen ten years ago, that is to say, the year 1913, when the market generally was on the down grade following on the comparatively high level of values attained during 1912, when the price crossed the £80 mark. The most potent factor responsible for bringing about the rapid strengthening of the American statistical position during 1922 was undoubtedly the satisfactory developments in the American consumptive demand, which has assumed dimensions never previously seen, chiefly in connection with the great activity experienced in all industrial branches in the United States. The deliveries of refined copper into American consumption for last year were fully 40,000 tons per month, as compared with 25,000 tons per month for 1921, and the export takings divulged an increase of close on 80,000 tons for the year. Seeing that many of the mines were idle during the former period of depression, and only resumed operations last year, it is obvious that there has been a very steady recovery from the era of uncertainty and depression which existed when the copper-producing industry had to face a big unsold surplus, and found itself badly crippled by the absence of anything like a satisfactory outlet for supplies. During that critical period very few companies connected with copper were able to pay dividends, and many were compelled to close down altogether, or curtail their operations very drastically, in order to minimise working losses. But for the fact that vast quantities of cheap scrap metal left over from the war years were absorbed by consumers in Europe and the United States during the last year or two, the demand for new copper would have been on a much larger scale. The scrap surplus was wiped out some time back, although the French Government still retains certain quantities, and this must prove, as time goes on, an additional strengthening factor. Indeed, it has already made itself felt, as can be seen from the increase in the American exports of refined copper, which, amounting to nearly 330,000 tons in 1922, are now beginning to expand again.

The key to the world's copper position is in the United States, and a close examination of the position from that point of view reveals much that is encouraging to the trade generally. The total production of American refined copper during 1922, including the quantities secured from foreign sources in the form of raw copper, amounted to 625,000 tons, in addition to which about 50,000 tons of secondary copper were turned out. Thus the total production showed close on 170,000 tons increase on the previous year. The stocks of refined copper lying at the American refineries at the close of 1922 amounted to 125,000 tons, against 205,000 tons at the end of 1921. Based on the total thus given, and making due allowance for the increased refinery production against domestic deliveries, together

with the considerably larger exports for the first two months of 1923, the surplus of refined copper in the United States on March 1st last was reduced to 115,000 tons, which total included 25,000 tons held by the American Copper Export Association. This copper has been ear-marked for export purposes, and this is not available for American home use, so that the balance ready to meet domestic needs on the date mentioned was about 90,000 tons. Considering that the total outgoings for the month of February were over 80,000 tons, against an estimated refinery output of 71,500 tons, the present statistical position of copper is remarkably sound and healthy. In the absence of official figures such as used to be published, but which were discontinued some years ago by the American Copper Producers' Association, giving the exact refinery production together with domestic deliveries and exports as well as the stocks at the refineries month by month, the exact statistical position is rather difficult to gauge, but the figures given above are based on very sound information, and may be taken as approximately correct. Private estimates of the stocks usually vary when compared with the returns issued by the United States Geological Survey, but making all allowance for such differences, it is generally recognised throughout the trade that the actual marketable surplus has been worn down to quite normal dimensions, and that the current refinery production of copper is not equal to the heavy current requirements. An indication of this became apparent to certain large consumers in the United States when the last big buying movement set in. It became difficult to place orders for early delivery, and to this fact must be attributed the rapid extension in forward buying which gave the market the appearance of being out of hand when the price was rushed up to 17½ cents per lb for electrolytic in New York. The American producers are now undoubtedly in a much stronger financial position than they have been for several years past. In any case, they are no longer burdened with the weight of the excessive stocks, and the industry as a whole is well assured of a re-establishment of prosperous conditions for a lengthy period. Developments made during the last six months or so have enabled several of the better known large world's copper producers to resume the distribution of dividends to their shareholders. The Anaconda Copper Mining Company quite recently declared the first dividend paid since November, 1920, and all copper securities have appreciated in value owing to the rise in the metal during the last few months, and the better outlook for the trade. As the world's output of copper becomes gradually restored to something like pre-war dimensions, some saving in working costs should be possible. The arrangement made by the Anaconda Company and the American Brass Company, whereby the greater part of the former's output is absorbed by the latter, and the centralisation of control in other respects as witnessed by the Anaconda Company's acquisition of the Chile Copper Company, which has an output of low-cost copper running into something like 100,000 tons per annum, are cases in point; thus even if the world's production over the next year or two shows a good expansion, there should be no sacrifice of profits. The following table shows the approximate figures relating to the American refinery production, including metal accrued from imported raw copper, &c., together with the domestic deliveries and exports and the world's copper production:—

	Total	American Production.	Domestic Deliveries.	U.S. Exports.	World's Copper Production.
1913 .. (tons)	736,000	350,000	389,000	970,000	970,000
1920 .. "	732,000	470,000	278,000	965,000	965,000
1921 .. "	507,000	304,000	265,000	539,000	539,000
1922 .. "	675,000	490,000	330,000	849,000	849,000

From this it will be seen that the American production in 1922 amounted to 168,000 tons more than the figures for the previous year, but the total domestic deliveries and exports rose by 255,000 tons, or 87,000 tons more. The increase in the world's production was 310,000 tons, and the total at 849,000 tons is still 121,000 tons under the total output of 970,000 tons for 1913. The American domestic deliveries for all last year, compared with 1913, showed an expansion of no fewer than 140,000 tons, and it is perfectly obvious that the market generally stands to benefit from the improvement that must come shortly in

European industrial conditions. England, France, and Germany will be large buyers of copper during the remainder of the present year. Stocks in all three countries are small, and it is significant that while the imports into the United Kingdom are becoming more normal, stocks at the beginning of the present month showed a decrease of 1,239 tons at 26,393 tons. This is the first reduction in stocks here since last June, and in view of trade requirements the total is a very modest one. Most of the works in this country are operating on a very slender margin, and with very heavy American deliveries for last month the outlook may be regarded as very encouraging. Buying for consumptive purposes since the Easter holidays has been rather quiet here and also on the Continent, but an improvement is looked for shortly, and this will be more than sufficient to offset the increase in the American production and the freer movement of the metal in other directions. The fluctuation witnessed this week has been largely the outcome of speculative operations due to the general lull in the demand, but the undertone both here and in the United States remains hard.

REVISION OF THE CANADIAN BANK ACT.

(BY OUR OTTAWA CORRESPONDENT.)

ON March 20th, Mr. Fielding, the Minister of Finance, introduced in draft form the new Bank Act under which the Government proposes that the chartered banks of Canada will operate for the next ten years. In a brief speech, he pronounced against any drastic changes, declared that the basic provisions of the old Act had stood the test of experience, and outlined some of the improvements which the Government proposed to incorporate in the new measure. No serious comments were offered from the opposition benches, and when the Bill had been given a first and second reading it was referred to the Banking and Commerce Committee, at whose sessions the real dissection and shaping of the Act will take place. Several of the proposed changes reflect the lessons of the Merchants' Bank debacle. A record shall be kept of the attendance at each directors' meeting, and a summary of the year's records will be sent to each shareholder with the notice of the annual meeting. No bank will be allowed to lend to any of its officials more than \$10,000, and for loans between \$1,000 and \$10,000 made to officials the consent of the directorate will be necessary. No part of any guarantee or pension fund, whether contributed out of the funds of the bank or not, shall be invested in the shares of any bank.

In the annual and special statements under "Liabilities" must be shown, in addition—

(a) Advances under the Finance Act. (b) Letters of credit outstanding. (c) Appropriation accounts. (d) Contingent reserves, including undistributed profits. Under assets must be shown, in addition, "United States and other currencies." Mr. Fielding declared that he had rejected the idea of a Government audit, which had been demanded in many quarters, on the ground that it would involve the Government in responsibility for the banks, but he proposes to strengthen the existing audit system. The Bankers' Association will, as before, prepare a panel of auditors, not less than 25 and not more than 40 in number, who must have the qualification of six years' practice as public accountants in any city in Canada in which there is the head office of a bank. After the Finance Minister has approved the panel, or exercised his right of deleting names, the shareholders shall select two auditors from the panel to audit the business of each bank, but the two auditors of a bank must not be members of the same firm. No person shall be appointed for more than three years in succession to audit the affairs of any one bank, nor shall a member of any firm be appointed if any member or members of the firm have either alone or in the aggregate acted for three years in succession as an auditor or auditors of the bank's affairs. The Finance Minister may require the auditors to report from time to time upon the adequacy of the procedure

adopted by the bank for the protection of its creditors and shareholders, and may, in his discretion, enlarge or extend the scope of the audit.

Directors who knowingly or wilfully concur in any division of profits exceeding 8 per cent. per annum, unless the bank is left with a reserve of at least 30 per cent. of its paid-up capital after making the appropriations necessary to provide for losses, shall be jointly and severally liable for the amount divided as a debt due by them to the bank. The annual return must show the fair market value of each bank's real and immovable property, whether held in its own name or in the name of a trustee, or of a corporation controlled by the bank. This change is intended to check the practice of banks forming separate companies to handle their realty holdings. The clauses in regard to responsibility for the various statements and returns about the position of the bank are sternly tightened up, and the lines of defence which secured the acquittal of the President and General Manager of the Merchants' Bank will be no longer available. All returns and statements shall be regarded as approved of and concurred in by the persons who have signed them. The president, the vice-president, or director acting as president, and the general manager or principal officer of the bank who have severally signed any such return shall be deemed to have ascertained the true position of the bank on the last day of the month last preceding the day of the declaration of any dividends.

Changes in Clause 88 will be interesting to Bradford and other merchants who have complained that their position as creditors of Canadian firms has been impaired in the past by the actions of Canadian banks. Any wholesale purchaser, shipper, or dealer who intends to give a bank security in the shape of goods under the authority of Section 88 must give notice of such intention before any loan is made or the securities taken by signing a document which may be in the form set out in Schedule K or to like effect. This document shall be registered in the office of the Assistant Receiver-General, in which the place of business, or, failing that, the place of residence, of the borrower is situated. In the case of a Canadian company "place of business" shall be construed as the place where the head office of the company is situated; in the case of a foreign corporation or firm, as the place where it receives service of civil process in the province wherein the loan is made. The Assistant Receiver-General shall number consecutively every notice received by him, and shall endorse thereon the number and the date and hour of receiving it, and shall file the notice and enter in alphabetical order in a record the name of every person who has given notice of such intention, with the number endorsed thereon opposite each name. The Assistant Receiver shall also endorse on the bank's copy of the document the date of registration and number, and the production of the copy thus endorsed shall be conclusive evidence of the registration and its date. After this provision comes into force any security subsequently taken under the authority of Section 88 of the bank will be null and void as against creditors, subsequent purchasers, or mortgagees in good faith. A notice of intention when registered shall be reckoned notice in respect of all securities taken by the bank from a borrower under the said authority during a period of three years after the date of registration. Rules are also laid down for the cancellation of such notices of intention. Every person upon payment of a fee shall have access to and be entitled to inspect the registration book and any document registered or filed pursuant to these provisions.

Much more stringent rules are laid down about the particulars which the banks must furnish in their returns. The recent failure of two small financial institutions in Winnipeg, which catered to the non-British immigrant class and did a considerable business in remitting money to Poland and the Ukraine, has called for drastic regulations about this class of establishment. They can only be licensed for a year, and that by special resolution of the local municipal body, and must deposit securities to the value of 25 per cent. of their deposits before they can do business. There are other minor changes, but they are not likely to provoke controversy. There is just a possibility that, despite its introduction, the actual

revision may be held over till next session. If the Imperial Conferences are summoned for an early date in the summer, the Prime Minister will want an early prorogation, and the Progressives will not be disposed to let the Bank Act slip through without a keen struggle for more drastic changes than Mr Fielding now proposes.

LATIN AMERICAN NOTES.

(BY OUR CORRESPONDENT.)

PAN-AMERICANISM.—While there is reason to anticipate certain advantages from holding, last month, at Santiago-de-Chile, yet another—the fifth—International Conference of American States, the object aimed at—to earn recognition of the United States as virtual autocrat of the smaller nations of Latin America—seems as far off realisation as ever. Discussions and debates upon trademarks; attempted codification of international law; propagation of sanitary conferences; policy, laws and regulations relating to inter-continental railroad, motor and aircraft, all form useful and timely subjects to scrutinise and consider. Were it, indeed, possible from the summoning of such conferences to hope for anything more practical than the passing of mere academic resolutions and solemn acceptances of conventions that are seldom observed in practice or intended ever to be carried into execution, countries other than those of the Americas—European and Far Eastern, for example—might likewise benefit directly or indirectly, and something approaching an economic Arcadia attained. Unfortunately, similar conferences organised under the same hopeful auspices—such, for example, as that held at Buenos Aires in 1910—have brought few particular advantages in their train to any one of the participating States (many of them sending representatives at an expense difficult to meet from their impoverished treasuries), while relations with the Latin-American countries, as a whole, have become little improved. Witness the present attitude of Mexico, whose Government flatly refused to participate in the Santiago assembly because “it would submit to no dictation from the United States.” Few of the ennobling objects with which the Pan-American Union has been credited since 1889, after establishment by the late American statesman, James G. Blaine, have been consummated. Each succeeding summons issued from Washington is eyed with suspicion, not wholly unaccompanied by a lurking fear regarding some new “onward march” of the Northern Colossus—resembling the forcible separation of Panama from Colombia or the compulsory privilege of constructing Nicaraguan territory a second Isthmian Waterway—which shall leave the weaker Latin-American nations straggling far behind.

Some of these smaller republics are frankly sceptical of United States benevolence—and they say so. *Timeo Danaos et dona ferentes.* El Salvador wants to know the exact definition of the Monroe Doctrine as applied to Central America; Honduras desires to learn what will happen to her, among the other small nations whose ports border on Fonseca Bay, when the United States naval station about to be built there makes of these now-free waters a *mare clausum*; Costa Rica, Guatemala, and Nicaragua express doubts regarding the establishment of this wholly unnecessary and menacing naval base, in the construction of which they can see nothing whatever suggestive of that exalted spirit claimed by Mr. John Barrett and others for the Pan-American Union.

MEXICO.—It is not difficult to understand the apprehension existing among many of the large companies and employers of Mexican labour regarding the threatened new legislation relating to compulsory insurance. A new Bill, to be presented to Congress within a few days, is in the hands of an influential labour leader, Señor Louis Morón, whose advocacy for greater control of foreign enterprises has often caused misgivings among all but the most partisan and prejudiced of critics. If the Bill bears out all—or, indeed, any—of the damaging clauses that is suspected to disclose, both employers and employees

would be bound to protest. The new ordinance would render almost impossible the conduct of any large business where considerable labour is employed. As Mexican industrial insurance is conducted to-day there is little to complain of. Indeed, rapid strides have been made along the road of modern progress without resort either to sensationalism or violence of method. Any new decree defining more clearly employers' liability and apportioning the risks justly, so far from being resented, would be generally welcomed. According to reports, however, Señor Morón's Bill is far from assuring this. It is believed to contain, *inter alia*, a clause providing that the employer shall pay compensation to all sick and injured workmen, and a lump sum to the next-of-kin in case of death or injury, as well as medicines and medical attention. The Bill will, it is believed, aim at amending the already sufficiently protective law by substituting obligations in the form of a tax on employers of 10 per cent. on the amount of their payments to employees of all kinds—even domestic servants. The large funds thus created would be held and controlled by the Ministry of Labour (at present there is no such Department of Government, but it is proposed to create one), and contributions might—the Bill does not say “will”—be supplemented by State and municipal contributions. Apparently the employees themselves are to contribute little or nothing, and the Bill will thus discourage thrift and open the door to possible fraud and malingering.

PERU.—The new Tariff Bill which the Peruvian Legislative Chambers have been discussing, and which is expected to become law and put into force at once, is likely to provoke some expressions of protest, since the high schedule adopted upon certain articles will probably adversely affect British trade. In an ordinary year before the war the value of British imports was far in advance of those from other nations, goods entering the port of Callao, which deals with between 60 and 65 per cent. of all such entries, showing a proportion of 36 per cent. British goods against 19 per cent. by the United States and 15 per cent. by Germany. Premier place was, however, forfeited even before—and more since—the war; any pronounced hope of its being resumed seems likely to be doomed to disappointment if the tariff schedule now being framed should prove as drastic as anticipated. Business circles are already dull, and a prevalent lack of confidence hampers enterprise. An unfavourable impression has likewise been created by the modification of the Dunsmuir concession, the grant of which was promised practically in its entirety. Had it been confirmed by Congress there would have been afforded a considerable and much-needed impetus to Peruvian trade, especially engineering, while at the same time many thousands of unemployed would have been absorbed into industry. In its abbreviated form the concession has lost much of its value; there is even some doubt whether Mr Robert Dunsmuir will care to proceed with its fulfilment. Anticipating such a decision upon his part, Congress, in approving the concession in its altered and attenuated shape, has authorised the Executive to offer the same terms to other interests in the event of Mr Dunsmuir withdrawing.

SOME RAND RESULTS.

(BY A MINING CORRESPONDENT.)

THE properties operated by the subsidiary companies of the Johannesburg Consolidated Investment Company are fairly well scattered along the Rand from east to west; consequently the results secured constitute a tolerably faithful reflex of the gold industry as a whole. The earnings of 1921, it may be recalled, generally fell somewhat short of those for the preceding year, owing to the decline of about 5s 6d in the gold premium, and sporadic outbreaks of labour trouble. Last year these conditions became accentuated. The currency price of gold averaged about 10s less than in 1921, while the tragic developments in connection with the white miners entailed the suspension of operations for the greater part of the first quarter. A considerable measure of compensation for these adverse factors was subsequently

found in the reduction of wages and in the charges for stores, accompanied by a marked improvement in the efficiency of labour. In these circumstances the quantity of ore milled and the revenue obtained per ton naturally declined; it is satisfactory to find that of the six more important producers of the group, three are able to register some expansion in profits last year as compared with 1921, while in four cases an expansion in the ore reserve tonnage is registered. Interest will attach to a comparison of the salient figures for the past three years:—

	Ore Crushed Tons.	Results per Ton.			Working Profit.	Divs.	Ore Reserves.	
		Yield.	Costs.	Profit.			Tonnage	Value.
Cons. Langlaagte	Tons.				£	%		Dwt.
1920	503,900	32/	24/8	7/4	185,110	12½	1,339,000	6·2
1921	484,600	31/7	24/6	7/1	172,610	12½	1,371,000	6·5
1922	406,500	25/11	22/	3/11	78,530	5	1,385,000	6·4
Govt. Areas—								
1920	1,515,000	44/9	22/2	22/7	1,709,160	50	10,291,000	8·2
1921	1,625,500	43/4	21/7	21/9	1,762,490	55	10,232,000	8·5
1922	1,357,000	40/11	18/8	22/5	1,508,030	50	10,324,000	8·8
Langlaagte Est.								
1920	465,300	33/3	26/9	6/6	152,350	10	1,016,800	6·4
1921	479,300	32/6	26/3	6/3	149,760	12½	950,000	6·4
1922	457,760	29/7	22/5	7/2	163,730	7½	830,800	6·9
Randfontein—								
1920	1,560,000	29/6	27/6	2/	158,100	..	3,593,400	6·2
1921	1,461,000	31/1	27/9	3/4	245,320	..	4,142,100	6·2
1922	1,351,300	26/11	22/	4/11	328,430	..	4,274,000	6·5
Van Ryn Deep—								
1920	583,550	58/8	25/7	33/1	964,880	65	3,260,000	9·7
1921	611,400	56/8	26/6	30/	722,920	60	3,317,000	9·2
1922	551,010	44/6	21/9	22/9	604,140	40	3,427,300	8·4
Wit. Gold—								
1920	416,200	31/3	24/10	6/5	133,760	20	774,500	6·0
1921	448,300	27/10	23/9	4/1	91,050	25	547,300	5·8
1922	422,400	23/9	19/5	4/4	92,440	20	457,400	5·5

A proposal for amalgamation of the two Langlaagte undertakings is now before the shareholders. It is strongly recommended by the consulting engineer, and certainly appears likely to result to the advantage of all concerned, especially if—as probable—some additional ground can be secured. Although the Government Areas Company last year performed about 5,000 feet of development less than in 1921, the ore reserves were fully maintained in quantity and scored an advance in value. All allowances made, the existing tonnage represents about five years' supply for the mill—a very strong position. The results of the Randfontein Central reflect the completion of the very comprehensive programme of reorganisation initiated by the present control; further improvements are foreshadowed. The capacity of the mill, which was not long ago increased to 170,000 tons per month, is to be still further expanded to 200,000 tons. During the year the company secured fresh advances from the Estate company, bringing the total up to £1,399,000. It is obvious that unless a funding scheme can be arranged, dividends are still a long way off. The Randfontein Estate Company, in turn, increased its loan from the Johnnies company by about £100,000 to £135,000. The company's holdings in the Langlaagte and Randfontein Central undertakings again figure at £1,545,000, “which is below the market value.” This is irrespective of £1,925,200 debentures in the Central Company.

At the Van Ryn Deep developments have not been quite what appears on the surface, the increase in tonnage and decline in value of the ore reserves being principally due to an expansion in the stoping width. In reference to the Witwatersrand Gold, the consulting engineer makes the significant intimation that “the mine has reached a stage when it is not possible to develop as much ore as crushed.” The two other producing companies—the Primrose and the Unified—are, of course, nearly at the end of their tether. On the other hand, the New State Areas, whose property lies in the Far-Eastern Rand, is expected to commence crushing next month on a 50,000-ton basis. At the end of 1922 the ore reserves were computed as 1,100,000 tons of an average value of 8½ dwts. This company, it may be recalled, lately made an issue of £500,000 convertible debentures. In view of the somewhat onerous nature of the terms upon which the profits are to be divided with the Union Government, there would appear ground for doubt as to whether the current quotation of the shares is likely to prove warranted.

Notes of the Week.

The Significance of the Government Defeat.—A defeat of a Government in the House of Commons may be important or unimportant. The defeat which Mr Bonar Law's Government suffered on Monday evening may be regarded as either, according to the aspect from which it is viewed. It is unimportant, in so much that it has not seriously shaken the Government's position, which, after all, is the chief point. It has merely caused the loss of two days of Parliamentary time, although it might have created far greater embarrassment to Mr Bonar Law had not the ruling of Mr Speaker on an intricate point of procedure paved the way to the practical re-introduction of the motion on which the defeat was so unexpectedly sustained. Thanks to this loophole of escape, calm has quickly succeeded the storm. But from another point of view its importance is far from being negligible. The incident shows that in the present Parliament, in contrast with the last, there is a large, organised, critical and active Opposition. Some sections of that Opposition unfortunately gave an exhibition of rowdiness in the House on Wednesday which, though not without respectable precedent, will not enhance the public appreciation of their usefulness or merit. Nevertheless, the somewhat striking reminder given this week to the Government that they are faced by formidable opponents should prove a useful stimulus to efficiency in the Government ranks, while it certainly stamps the debates in the present House of Commons with a reality which the debates could not pretend to possess in Coalition days. If the defeat has put the Government on its mettle, it has aroused a certain jealous rivalry between the Independent Liberal party and the Labour party which will spur both of them on to further efforts. Altogether, the Parliamentary proceedings of the coming months bid fair to be marked, not only by a certain liveliness, but also by a stern struggle and attention to business which, if the recurrence of rowdy scenes is avoided, should do much to restore public interest in Westminster and public faith in the reality of representative government. That it will directly and indirectly help in this direction is the chief significance of Monday's sensational division.

The Improvement in British Industry.—Decisions will shortly be taken on the question of reducing taxation and of lowering railway rates, and on both these subjects stress will quite properly be laid on the serious condition of British industry. The urgency of the need requires no continued emphasis so long as we still have more than one million of our industrial population unemployed. Such a figure is still much larger than anything in our pre-war experience. It is, however, important to keep a sense of perspective in this matter. It is difficult to give precise information as to the increasing volume of British trade, but a significant indication is the fact that not far short of a million workpeople have been reabsorbed into industry during the last 15 months. Out of the 11 to 12 million people in insured industries, who constitute the bulk of our industrial population, the number unemployed has fallen quarter by quarter as follows:—

NUMBER OF UNEMPLOYED REGISTER.	
December 30, 1921	1,934,000
March 30, 1922	1,740,000
June 30, 1922	1,503,000
September 30, 1922	1,414,000
December, 1922	1,431,000
March, 1923	1,284,000

Thus there are 650,000 fewer people registered as unemployed than 15 months ago. But in the same period there has also been an increase in the adult population of working age, which is growing at a rate between 200,000 and 250,000 a year. In 15 months the figure would certainly be 300,000. A small proportion of these will not be included in what may be called the industrial population, while some deduction, though not a large one, must also be made for net emigration. But when these qualifications have been made it is evident that between 850,000 and 900,000 more wage-earners are finding employment to-day than was the case at the end of 1921. Moreover, with certain exceptions, notably the cotton industry, which still remains one of the least satisfactory

sections of the industrial field, short time has diminished and output per head substantially increased. In the absence of more exact data these figures certainly justify the conclusion that there has been a very substantial recovery of production in this country in the last 15 months. It is, on the whole, satisfactory that this recovery has occurred without one of those excessive movements of prices which, though stimulating at the time, inevitably bring in their train a most serious reaction. It is significant also that this improvement has occurred at a time when almost all the political influences have been unfavourable, which shows how strong are the underlying economic influences making for improvement in the world generally. If the political horizon clears, such figures would justify a very optimistic outlook.

Peace Hopes and Finance in Ireland.—Our Dublin correspondent, telegraphing yesterday, says:—Recent events have shown marked progress in the restoration of peace and order in the Irish Free State. The arrest and deportation of Republican sympathisers in Great Britain proved to be a formidable blow to the organisations which furnish money and munitions to the Irregulars in Ireland, a blow reinforced by the markedly increased efficiency of the Government forces in grappling with the forces of disorder. Captured documents have spoken with eloquence and detail of the discouragement and disintegration which are manifesting themselves at the headquarters and in the ranks of the fighting Republicans. The latest blow has been the wounding, capture and subsequent death of Liam Lynch, their irreconcilable fighting chief. It is admitted that if the fight, such as it is, cannot be carried on during the summer, the end is definitely in sight. The ensuing week will probably see the initial stages of the formulation of the financial and fiscal policy of Ireland. Hitherto Ministers have been content to carry on the previously existing system with such adaptations of principles and their application as the new conditions rendered indispensable. A genuine Budget discussion is now imminent, in which revenue and capital requirements must be clearly considered, and the provisions designed for their satisfaction discussed in their bearing upon taxation and fiscal policy. It is not doubted in Dublin that actual Irish revenue as collected by Irish taxgatherers will exceed the "true," or adjusted, Irish revenue as apportioned on the basis of estimates and averages out of the joint revenue of the United Kingdom. The revenue so far collected is about twice as much as that of N.-E. Ulster, and has been by no means unsatisfactory, but the position will not be without difficulty. Extraordinary expenditure upon the Army and other forces for the maintenance of order and upon compensation for injury and damage must be met by borrowing, and the capital sum needed will have to be increased by the sums needed for the completion of land purchase. Land settlement must prove difficult. Financial conditions have altered profoundly since the cheap money of 1903 enabled Mr George Wyndham to break the back of the difficulty. The expectations which his terms of settlement aroused on the one side, and the appetites which the political revolution has evoked on the other, produce divergent views, and the difficulties are proved by the dissolution after two days of the Land Conference convened by the Cabinet to discuss terms of settlement. Doubtless, however, the discussion will be renewed in some form, and ultimately a settlement will be hammered out. The comparative equanimity with which the general public has taken the modified protective duties which have resulted in the Free State imposing the British import duties at its own Customs houses has encouraged the manufacturers to ask for more. The Federation of Irish Industries publishes a memorandum of the most orthodox Protectionist type, which presents one side and wholly ignores the other side of the picture. It is, however, but the preliminary trumpet blast which precludes the fray. The farming community, predominantly strong in Ireland, feeds itself, and its surplus produce finds a free market in Great Britain more valuable to it than its sales to urban Ireland. It may not relish increased prices for its necessary purchases of non-agricultural produce, together with the risk of less favourable

treatment for its own output of foodstuffs by Great Britain, but the consideration of the whole subject is still extremely immature. The enhancement of Ireland's national status has been brought home to the public by the request for Irish representation at the forthcoming Customs Conference organised by the Economic Commission of the League of Nations. Regard for American opinion, however, renders Ireland somewhat cautious about claiming her right to her place as a national unit in the League of Nations. Not improbably the minor step of seeking representation at the Customs Conference may be taken, as fiscal and commercial questions are beginning to arouse interest. Evidence of this can be seen in the formation of a central association of the Free State Chamber of Commerce, on the initiative of the Dublin Chamber, led by a progressive president.

Overseas Trade in March.—The official Board of Trade returns of overseas trade in March have not yet been issued, but the *Board of Trade Journal* publishes the following preliminary figures of total imports, exports, and re-exports:—

	March, 1922.	Feb., 1923.	March, 1923.
Imports	£ 87,879,424	£ 83,855,165	£ 90,022,226
Exports (British)	64,580,793	57,509,904	60,920,690
Exports (foreign and colonial) ..	10,153,612	9,823,323	9,085,642

The excess of imports over total exports is thus £20 millions, as compared with £17 millions for February, and £13 millions for March, 1922. Aggregate figures for the first quarter of the present year compare as follows with those for the corresponding periods of the previous three years:—

First quarter—	Imports.			Exports.		
	£	British.	Foreign and Colonial.	£	British.	Foreign and Colonial.
1913	196,278,738	127,310,184	31,083,630	127,310,184	31,083,630	31,083,630
1921	307,835,238	227,786,786	26,847,427	227,786,786	26,847,427	26,847,427
1922	233,742,537	186,062,852	28,786,632	186,062,852	28,786,632	28,786,632
1923	273,577,246	185,369,502	28,706,926	185,369,502	28,706,926	28,706,926

For the March quarter the import excess is nearly £59½ millions, as compared with a little under £10 millions for the first quarter of 1922, the increase being almost wholly due to larger imports. The full returns should be available for discussion in our next issue.

The Quarter's Shipbuilding.—Lloyd's Register Shipbuilding returns, for the first time since March, 1921, show an increase, as compared with the previous quarter, in the tonnage under construction in Great Britain and Ireland. The tonnage building at the end of March, viz., 1,492,138 tons, exceeds by about 23,500 tons the figures given for December 31, 1922. The total still includes a considerable amount of tonnage (181,000 tons) on which work has been suspended for some time. Deducting this amount in order to enable a comparison to be made with figures for normal times, the tonnage actually under construction in Great Britain and Ireland now amounts to 1,311,000 tons. The average tonnage under construction during the twelve months immediately preceding the war was 1,890,000 tons, i.e., 579,000 tons more than the present figures. As compared with the figures for the quarter ended December 31, 1922, there has been a decrease in the tonnage launched, but a considerable increase in the tonnage commenced in Great Britain and Ireland during the past quarter, the tonnage of vessels launched being 32,217 tons less and of those commenced 124,016 tons more. The tonnage commenced during the quarter ended December 31, 1921, amounted to 55,290 tons; a slight further reduction took place during the following quarter, and in the course of the second quarter of 1922 the figures reached the lowest level, viz., 38,877 tons. During the third quarter there was an increase of about 44,000 tons. During the last three months of 1922 the figures reached within 30,000 tons of the total launched during the same period, and for the first quarter of 1923 the tonnage commenced (355,203 tons) actually exceeds by 126,832 tons the tonnage launched. The total merchant tonnage building in other countries is 1,367,934 tons, but this includes about 148,000 tons upon which work has been suspended, leaving about 1,220,000 tons actually under

construction; the latter figure is 50,000 tons less than at the end of December, 1922. The figures for the leading countries abroad are:—Germany and Danzig, 343,027 tons; France, 209,581 tons; Italy, 185,001 tons; United States, 173,762 tons; Holland, 121,321 tons; and Japan, 83,357 tons. The tonnage of vessels launched in the world during the quarter under review amounts to 442,522 tons, of which 228,371 tons were launched in Great Britain and Ireland, 70,462 tons in Germany and Danzig, 53,212 tons in the United States, and 90,477 tons in other countries. The tonnage commenced in the world during the same period amounted to 530,621 tons, of which 355,203 tons were commenced in Great Britain and Ireland; these totals, however, do not include vessels commenced in Germany during the quarter, such information not being yet available.

A League of American Nations.—It is stated that the Pan-American Congress now in session at the Chilean capital has unanimously adopted a resolution proposed by two Chilean members, Don Alejandro Alvarez and Don Aldunate Solar, which provides for the formation of a code of international law for the nations of the American Continent, incorporating the Monroe doctrine, and contemplates the acceptance of the whole by the Governments of Europe. Now that Germany is powerless to effect the expansion under her own flag which her colonial enthusiasts formerly hoped to bring about as the result of peaceful penetration—in Ecuador and Southern Brazil in particular—and which the Kaiser probably aimed at hastening in 1902, when he induced Great Britain to join in the German blockade of Venezuela, no European Power is likely to cherish territorial ambitions in regard to the American Continent; and the Spanish-American jurists may be trusted to clear the doctrine of the implications read into it by North American imperialists, and to get rid of the fear that political subjection may arise out of the financial aid furnished from the United States. The proposed code, interpreted by a Court of Arbitration, the establishment of which is proposed by a Costa Rican member of the Conference, is regarded in Chile as a first step towards a league of American nations; and such a league would obviously prepare the way for that approach of the United States to the existing League of Nations, to which American opinion seems gradually to be coming round.

The Problem of Double Taxation.—The great rise in taxation resulting from the war has made the problem of double taxation far more urgent and more serious than in pre-war days. The problem was discussed at the Brussels Financial Conference and at Genoa, and was the subject of a number of resolutions at the recent Rome Congress of the International Chamber of Commerce. Investigation of the problem has been undertaken by the Financial Committee of the League of Nations, whose first step was to appoint a committee of experts, consisting of Professor Seligman (United States), Sir Josiah Stamp (Great Britain), Professor Bruins (Holland), and Professor Einaudi (Italy). Their report, of which a summary has been issued, begins with a full analysis of the economic consequences of international double taxation, followed by a detailed discussion of the general principles that govern international competence in taxation, in which it notes the evolution away from the principle of an individual's political allegiance to that of his economic allegiance; in other words, the consideration is not so much to what nation an individual belongs as to what State his economic interests belong. The report examines the constituent elements of economic allegiance, and comes down to the two fundamental factors of (1) the location of property (or the origin of income) and (2) residence of the individual. It makes a classification of all the important categories of wealth, and discusses in each case as to which of these two elements—origin of income and residence—seems to predominate. The report discusses four different methods of solving the problem:—(1) That an income should be taxed in the country of origin, irrespective of the residence of the taxpayer, and that the country of residence should remit the amount of such tax. The difficulty here is that

under modern economic conditions the great creditor countries might not be willing to accept such a plan. (2) That residence of the taxpayer and not the origin of his income should be the controlling consideration, and that, therefore, all countries should refrain from taxing non-residents. The difficulty here is that the debtor countries might not be willing to accept. (3) That the tax should be divided according to a fixed proportion between the country of origin and the country of residence. (4) That, instead of dividing the tax between the country of origin and the country of residence, there should be a classification of the different categories of wealth, some to be taxed according to origin and some according to domicile. The committee reach the conclusion that different considerations must apply to taxes on wealth as measured by property, and to taxes as measured by income. Regarding taxation of wealth as measured by property, the committee believe that the fourth method (classification and assignment of sources), possibly modified by the third method (division of the tax), offers a suitable basis for mutual agreement, and that its adoption would lead to immense improvement all over the world. In order to facilitate this division of the tax, and, at the same time, to diminish tax evasion, it would be desirable to enter into agreements for the mutual interchange of all relevant information, for which purpose the creation of a central clearing house might be found practicable. It is not considered possible to have a general convention to which every country could agree, but a series of agreements on the general principles outlined. With regard to modern income taxation, however, the committee explain the difficulty caused by the fact that during the past quarter of a century countries have been passing from taxation of land and capital to a system of taxation purely on the individual's whole income. This evolution is in various stages. The committee believe that ultimately, and especially as countries approach nearer to the pure income-tax and become more highly industrialised, adoption of the principle of residence will eventually become the only logical one. Their final conclusion is that for the present countries on a comparative plane of economic equality could very well afford to adopt the second principle of residence as against origin, and that where there are great difficulties in its adoption, the best plan would be to act, in a very rough way, on the principle of classification and assignment of sources, modified by the division of the tax. The committee make clear the urgency of overcoming the great and growing embarrassments in international intercourse occasioned by existing conditions.

The Electricity Commissioners' Report.—The Electricity Commissioners have now issued their annual report on the generation of electricity in Great Britain for year ending March 31, 1922. The Report gives an analysis of the fuel consumption and units generated by electricity supply undertakings, railways, and tramway authorities. The Report is primarily useful to those in the industry as giving comparative efficiencies, in regard to fuel consumption, of different sizes of generating stations, but as the figures are also grouped territorially under the different districts defined by the Electricity Commissioners, the Report shows the relative importance of each district from a coal consumption point of view, and consequently indicates where the most important coal saving can be effected through reorganisation of supply. The coal used throughout the country for steam generating plant is given as 6,577,587 tons. By far the biggest consumption occurs in the London and Home Counties district, where 1,839,720 tons is registered. The only other two districts where the consumption amounts to at all a comparative figure are in the North-East Coast district, with 659,373 tons, and the South-East Lancashire district, with 653,131 tons. It will be remembered the Coal Conservation Committee, reporting on the possible economies that might be effected nationally in coal consumption instanced the big saving which would come about through centralisation of generation of electricity, a matter which was subsequently dealt with by the Electricity Supply Acts, 1919 and 1922. Under these Acts the Electricity Commissioners have already delimited

15 electricity districts, and the schemes of reorganisation are in various stages of fruition. It was originally contemplated that a joint electricity authority would be set up for each of these districts, but the various local inquiries have shown that the creation of semi-public bodies is not viewed with much favour. The recent scheme published for the London and Home Counties District included the formation of a joint electricity authority, but vital points have been raised in connection with the constitution, and these have been referred to the courts for decision, so that the whole scheme is at present in abeyance. In the North-East Coast area no scheme has been proposed, as the Newcastle-on-Tyne Electric Supply Company and their subsidiary companies already cover the whole ground with a more or less unified system. But although no reorganisation scheme for any district has yet received legislative sanction, even in a modified form, the recent Electricity Supply Acts have by no means been a dead letter, since they have given a considerable impetus to voluntary co-operation between various undertakings, and have firmly established the ideal of centralisation of generation, an ideal which is moulding, and will mould in the future even more emphatically, the policy of undertakings throughout the country.

Swedish Banking Developments.—Our Stockholm correspondent writes:—Business as well as political circles in Sweden have lately been agitated by an event which may prove to be of the very greatest importance for the future development of Swedish banking. During the war, in 1916, a new bank, the Aktiebolaget Svenska Lantmännens Bank, was started in connection with co-operative work in the agricultural sphere. Subsequently the bank got a fully paid-up capital of 20 million Swedish crowns, and its reserves had, chiefly by means of premiums on the subscription of new shares, risen in 1921 to an amount of 3,400,000 Swedish crowns. It is evident that such an institution, created only to cater for the interests of a certain group of citizens, must suffer under the depression of agriculture. The clients of the bank consisted mainly of farmers, but the bank had also engaged in the financing of industrial concerns. During the last two years it has been a public secret that the bank had had severe losses, partly due to the devastating deflation, but also to lack of success in the management. At the beginning of this year it was evident that the position was no longer tenable; the quotation of the shares sank to about 30 per cent. of their nominal and paid-up value, and depositors began to withdraw their money. The Bank of Sweden granted the bank the help it needed by means of loans and rediscounting of bills, but eventually the bank found difficulty in raising money enough to meet their engagements. In this emergency the bank appealed to the Government, and the Government directed them, for the sake of a possible reconstruction, to approach the Aktiebolaget Kreditkassan of 1922, an institute founded through the co-operation of the State and some of the private banks in this country, in order to support and reconstruct banks which had got their credits frozen. At the examination made by the Kreditkassan it was, however, considered that the funds of the bank were gone, and that the Kreditkassan, according to its by-laws was unable to give the necessary support, which would have meant a clean loss for the Kreditkassan from the very beginning. The Government now decided to intervene, mainly for political reasons. For they regarded it as a political mistake to refuse assistance where the pecuniary interests of about 80,000 farmers and tenants were concerned. All parties thus agreed that the bank was to be helped, but as to the way in which this should be done there was a sharp struggle, from which the sitting Socialistic Government has come off victorious. Through a resolution taken by Parliament on March 22, 1923, it has been decided that a new bank is to be founded with a fully paid-up capital of 20 million Swedish crowns, of which 15 millions are to be subscribed by the State and 5 millions, under the guarantee of the Kreditkassan, by private people. This will in reality mean that the Kreditkassan will have to subscribe the whole of the last-mentioned sum. The new

bank will take over and continue the business, as it is said, in order to further a slow and consequently favourable liquidation. This is, at least, the intention of those provincial members of the Conservative party who have given their votes for the creation of the new institution. What, on the other hand, has made the Socialists go through fire and water for the new bank is their desire to get a business bank in the possession of the State. By giving help to the agriculturalists they expect to gain the help of this party in the solution of another burning question of the day in regard to the granting of unemployment doles. A less explicable fact is that the President of the Bank of Sweden has warmly supported the plan for the creation of a new bank along the above-mentioned lines. The constitution of the Bank of Sweden is dangerous in that the bank is owned and administered by Parliament, and thus is exposed to the danger of being used as an instrument in party politics. All competent people in this country agree that the new experiment is extremely dangerous, and that, at all events, it will mean heavy losses to the taxpayers.

The New Roumanian Budget.—Owing to the decision to change the old financial year of April 1st to April 1st in Roumania to the year commencing January 1st, the Budget just introduced by M. Vintila Bratianu, Minister of Finance, is for nine months—April 1, 1923, to January 1, 1924. Provision is made for an expenditure of Lei 15,406,457,918, or more than double that allowed for a similar period in the previous year. The expenditure for the past nine months and the next is compared below:—

	EXPENDITURE (in Millions of Lei).	
	Nine Months, 1922-23.	Nine Months, 1923-4.
Ministry of War	1,281	2,338
Finance	1,563	4,750.3
Education	716	1,124
Cults and Arts	167	259
Interior	342	669
Public Works	148	179
Justice	165	243
Agriculture and Domains	221	392
Industry and Commerce	164	234
Foreign Affairs	20	29
Public Health	250	450
Communications	2,391	3,932
Council of Ministers	14	1.7
Special Fund for increasing Salaries of Officials and Pensions	..	500
Supplementary and Extraordinary Credits ..	..	305
	7,429.4	15,406

The greatest increase in expenditure comes under the head of the Finance Ministry, and although no explanation has yet been given, it is presumably caused by the augmented definite commitments for interest on foreign floating liabilities, which have recently been consolidated, and arrears of interest on foreign loans. The expenditure by the War Office is practically doubled—a regrettable feature, explained by the recent news from Roumania. The only other substantial increase is in connection with roads and communications, and having regard to the inadequate and dilapidated condition of the State railways, this appears to be a wise outlay of money. To meet these heavy outgoings M. Vintila Bratianu is apparently relying on (1) a better working of the new taxes, and (2) the application of these taxes to all the new territories in place of the fiscal laws existing in Transylvania, Bucovina, and Bessarabia. Revenue estimates for the two periods compare as follows:—

	(In Millions of Lei.)	
	Nine Months, 1922-23.	Nine Months, 1923-24.
Direct taxes	555	1,557
Indirect taxes	4,143	5,885
Stamp duties and registration fees ..	772	903
State monopolies	1,445	1,770
Ministry of Communications	1,269	3,543
Various	800	1,748
	8,984	15,406

All the new taxes introduced in the previous Budget for 1922-3, such as income-tax, tax on profits, export duties, import duties, &c., yielded greater receipts than the

estimates, so that the Minister of Finance has reason for being optimistic. It was a difficult proposition last year accurately to calculate the revenue from taxes, which had never been imposed before in the history of the country. The estimates for the year 1922-3 were apparently unduly low, as the following figures suggest:—

	(In Millions of Lei.)	
	Estimated.	Yielded.
Direct taxes	489	555
Indirect taxes	2,482.5	4,142.5
Stamps and registration	428	772
Monopolies	1,220	1,446

The great surplus of 1,660 millions of actual receipts from indirect taxes over the estimates was undoubtedly due to the fact that the export taxes were payable in foreign currencies, and the value of the lei fell from 600 per £ sterling in April, 1922, to 800 on January 1, 1923. As in the case of other countries, the pre-war Budgets were insignificant in comparison to the present one. The revenue in 1907-8 amounted to 307 millions of lei, leaving a surplus of 62 millions, and in 1913-4 was 608 millions, giving a surplus of 96 millions.

Rural Credit in U.S.A.—Our New York correspondent writes:—Regulations governing the operation of the newly created intermediate credit banks, or rural credit banks as they are commonly called, have been prepared by the Federal Farm Loan Board, which is charged with the administration of those institutions, and which will exercise much the same supervision in that capacity as the Federal Reserve Board in Washington does over the Federal Reserve banking system. The Treasury Department, it is understood, has credited to the Farm Loan Board the \$60,000,000 capital authorised by the recently enacted law establishing the credit banks, and \$1,000,000 will be turned over to each of those 12 banks as soon as their charters are issued, additional funds to be supplied as needed. Temporarily, at least, the Board intends to limit loans negotiated under the new law to a maximum maturity of nine months. According to Washington advices, the more important provisions of the new Statute have been construed to mean that "direct loans cannot be made to individuals. Direct advances may be made to co-operative marketing associations, or livestock associations, secured by warehouse receipts for staple agricultural products, or by chattel mortgage on livestock. No such loan may exceed 75 per cent. of the market value of the agricultural product or livestock. Loans may be re-discounted for national and State banks, savings banks, trust companies, agricultural credit corporations, and incorporated livestock loan companies. No paper can be re-discounted upon which the borrower has been charged a rate more than 1½ per cent. in excess of the discount rate of the intermediate credit bank of the district. Ample funds will be available for loans to facilitate ordinary marketing, but none to support speculative holding of farm products." As a result of a recent conference in Washington between the War Finance Corporation and members of the farm bloc in Congress, it seems likely that further steps will be taken to extend export markets for American agricultural products. Present plans are said to contemplate a renewal of efforts, unsuccessfully made in the last session of Congress, to amend the War Finance Corporation Act so as to make it easier for foreign corporations, which purchase such products, to obtain credits; at present it is not possible to make such loans unless they are based on American security. Although the War Finance Corporation has stood ready to consider applications from foreign buyers for long-time credits, few, if any, such requests from foreign sources have been received during the past two years, owing largely, it is explained, to the fluctuations of currencies abroad. In a statement issued a few days ago the War Finance Board says that it is proceeding with its operations under the law, and will continue to do so as new applications are made, and in the matter of handling advances heretofore made. As the new banks, authorised by the Agricultural Credits Act, are organised and get under way, however, it is expected that they will gradually take the place of the War Finance Corporation, and extend and carry the loans heretofore and hereafter made. Notwithstanding the assistance that

has been given to agricultural interests, conditions confronting farmers in some sections of the country are described as very unsatisfactory. One United States senator is quoted as declaring that in the North-West 70,000,000 bushels of grain, mostly wheat, lie on the farms owing to lack of credit facilities required by farmers to move their grain to market.

Business Conditions in Esthonia.—A Reval correspondent writes:—The transit business in Reval has fallen off considerably, while the Riga transit business has increased of late, and it is feared that this is due to the heavy rates charged by the Esthonian railways from Reval to the Russian frontier. Besides, the Russians are making desperate efforts to keep the port of Petrograd open through the use of heavy icebreakers, and have partially succeeded owing to the mild weather, but the expense must be very great. Reval and Esthonia have derived very large profits from the transit trade with Russia, and the loss of this trade may affect their budget considerably. Owing to the slackness of this transit trade, the Russian Government is reported to have leased many of their Reval warehouses to Jews resident in Reval, and to have gained a substantial profit in this way, as the rents are considerably higher to-day than those arranged for at the time of construction and leasing of the property. Last year the transit business looked very promising. The commercial fleet of Esthonia consists to-day of 58 steamers with 24,420 tons, 154 motor-boats with 3,880 tons, 450 sailing vessels with 23,306 tons, and 30 ferry boats with 5,231 tons. In the course of last year the Esthonians increased their commercial fleet by one steamer, ten motors, 37 sailers, and two ferries. A great deal has been written about oil-shale in the Reval Press, but it appears that the concessions hitherto granted have yielded poor results, as the concessionaires are rather trying to pass their rights on to other parties than to exploit the concessions themselves. The lands marked out in concessions extend from Reddon to Narva, and the Estrinche Schieferöl A.g seems to be the only concern to have established distilling works for obtaining oil. Besides this, the only producing mines are the Government mines near Kochtel and the mine in Kuckers. Direct trains between Esthonia, Lettland, Lithuania, and Berlin are to commence running on April 1st, or, if not practicable, on May 1st. Already through carriages Riga to Berlin are put on to the train from Riga, but a delay of two hours occurs on the frontier, and the direct communication is thereby delayed.

The Stock Exchange Report.—Next Tuesday's meeting of the proprietors of the Stock Exchange is likely to prove a harmonious affair, writes a Stock Exchange correspondent, as the report and accounts then to be presented show a pleasant state of affairs. Upon the subscribed capital of half a million pounds sterling, in 20,000 shares, £25 paid, the Stock Exchange earned a profit of £143,742, an increase of £9,295 over the profit for the preceding twelvemonth. A dividend of £8 per share gross is to be distributed for the full year, £3 of which the shareholders received last November. This is equal to 32 per cent. upon the paid-up value of the shares, and its distribution calls for £16,200 more than was actually earned. The managers transfer, however, £15,000 from the income-tax reserve account; they take a little from the previous carry forward, which still allows of £144,700 going to the new year, or the equivalent of £7.55 per share. By degrees the mischievous system of dual control is dying a mechanical death, for out of the 3,896 members 2,273 are now shareholders as well, and in less than a couple of decades every member of the Stock Exchange should be also a proprietor, under the rule which obliges the candidate for membership to acquire one share or more. Of an original amount of £450,000 in 3 per cent. debentures £319,000 now remains, so that the capital and debenture debt of the Stock Exchange total together £819,000. Against this the freehold property of the House is valued at £503,324 and the leasehold property at £432,244—not very extravagant figures considering the situation of the building.

The largest item of the Stock Exchange expenditure is, as usual, that for salaries and wages, which takes £41,432, a reduction of £3,000 as compared with the previous year. The next two heaviest items are £22,932 for rates and taxes; £18,900 for rent paid. Both of these are also less than was paid for the same purposes in 1921-2. Maintenance and improvement of buildings called, however, for £8,971, or more than twice as much as the total in the previous year. The main source of revenue is, naturally, that derived from members' subscriptions, which brought in £156,405, while the clerks' subscription payments came to £44,945, giving a total of £201,350. Entrance fees for members yielded £35,910; for clerks, £9,705. There are 212 old members paying annual subscriptions of twenty guineas each, 1,422 men pay thirty guineas, and 1,829 pay forty guineas apiece. Only 76 pay the maximum subscription of a hundred guineas for membership. Owing to the high and increasing cost of the water rate an artesian well is to be sunk, the boring of which has already been started, and it is of interest to observe that the Stock Exchange has abandoned its own electric lighting plant, taking its current now from the City of London and the Charing Cross and City Electricity Supply Companies. At the present price of 108 cum dividend, Stock Exchange shares pay a trifle under 6 per cent. net on the money, which appears to be a very satisfactory yield in view of the excellence of the investment. The shares can be held only by members, or, for a certain time, by their executors.

Cotton Yarn Prices.—Our Manchester correspondent writes:—Since the beginning of this year more determined efforts have been made by the employers in the Lancashire cotton spinning trade to lift yarn prices on to a more profitable level. Production of American qualities is being reduced by 50 per cent., and it is likely that this short-time policy will continue for another month to the end of May. The Provisional Emergency Committee has now issued a statement giving prices which should be obtained for standard counts of yarn. The figures published have caused considerable interest, as they are 7d to 8d a lb higher than market rates. As a step towards the stabilisation of prices in the spinning section of the cotton industry, the Federation of Master Cotton Spinners' Associations has urged all members not to sell yarns below the cost of production. A sub-committee of the federation was appointed a few weeks ago to consider what action should be taken to secure a discontinuance of the practice of selling yarn at less than the cost price. The sub-committee has been instructed to collect all necessary data and consider every aspect of the matter, with a view to firms being supplied with reliable information relating to cost prices for standard American yarns. Until further inquiries have been made, spinners are being urged to carry out the following resolution adopted by the general committee of the federation:—“That the selling price of American yarn be not less than the cost of production, including all charges calculated on the basis of full-time working.” It may be mentioned that, according to the Provisional Emergency Committee, the stoppage of production to the extent of 50 per cent. means that for the yarn made 4d a lb more will have to be obtained to cover the higher standing charges in relation to the limited output of the mills. Although for over two years the depression in the weaving branch of the industry has been very acute, no attempt has yet been made to organise short time amongst cloth manufacturers. The Cotton Spinners' and Manufacturers' Association, however, has decided to ask the district associations for their views as to some system of organised short time. It is believed that much difficulty will be met with in arranging a definite scheme, as those firms who have contracts on hand cannot afford to stop looms, as in such cases there would be a danger of orders being cancelled because of late delivery.

Two Scottish Life Offices.—The Scottish Provident Institution, one of the best of the mutual life assurance societies, shows no sign of decline. The net new business for last year, though not up to the high record of

1920, exceeded that of 1921. The amount was 3,495 policies, assuring £2,299,065, against 3,389 for £2,270,235. In addition, eight capital redemption policies were issued for £233,350. The life premium income amounted to £988,008, as compared with £954,590, and the cost of expenses and commissions was 15.66 per cent. of the premiums, as compared with 15.92. The mortality experienced was, as is usual with high-class offices, considerably below that shown by the tables employed. The ratio of the actual to the “expected” claims was 72 per cent. The total funds of the Scottish Provident increased by £452,937 to £17,553,857, and yielded a net rate of interest of £4 5s per cent., after allowing for income-tax. This rate compares with £3 17s 3d per cent. before the war. At the end of the current year a valuation falls to be made; the results should be very much more favourable than at the end of 1918, when large sums had to be provided for depreciation on investments. The Scottish Widows' Fund, operated by a system different from that of the Scottish Provident, has done as well as its neighbour. The new policies issued last year numbered 3,341, assuring £2,110,253 net, as compared with 3,636 policies for £2,365,299 in 1921. The life premium income was £1,598,339, against £1,593,214, and the expenses and commissions amounted to 11.9 per cent. of the premiums, as compared with 12.48 per cent. in the previous year. The net rate of interest earned by the funds was £4 5s 8d, as compared with £4 5s 1d in 1921 and £4 0s 4d in 1921. The mortality experience was similar to that of the Scottish Provident, the actual claims being 68 per cent. of the amount allowed for. The Scottish Widows' Fund Society will also hold a valuation at the end of this year, of which the results may be expected to be a great improvement upon those of 1918.

Phoenix Assurance Company.—The accounts of this large office are complicated by the adjustments which followed the purchase of the business of the London Guarantee and Accident Company, which, though mainly concerned with accident and miscellaneous insurance in this country and America, had fire, marine, and other departments. The report of the Phoenix for last year includes the figures of the London Guarantee and Accident, as well as those of its other allied companies, the Norwich Union and the Union Marine. In the fire department the premiums showed little change; they were £4,747,557, against £4,745,020 in 1921. The fire claims were £2,722,005, or 57.3 per cent. of the premiums, against £2,627,216, or 55.4 per cent. Expenses amounted to 42.2 per cent., against 42.4 per cent. After allowing for the reserve against unexpired risks on the basis of 40 per cent. of the premiums, the fire surplus for last year was £18,337, against £27,448 in 1921. The large surplus in 1921 was due to the reduction in the premium income, and the consequent release of reserves provided for unexpired risks. A sum of £255,711 was brought into the fire account from the adjustment account of the London Guarantee and Accident, and a transfer of £274,049 made to profit and loss. In the marine department the premiums were £1,438,839, and the net claims in respect of 1922 and previous years were £1,828,007; the claims for these previous years had already been provided for by reserves brought forward. Expenses were £104,810. A transfer to the marine account of £1,279,696 was made from the adjustment account of the London Guarantee and Accident, and the funds increased from £1,163,000 to £1,908,000; £40,627 was carried to profit and loss. The accident, employers' liability, and miscellaneous department—which is now the largest of the company's accounts—showed premiums of £5,374,328, claims of £2,991,471, and expenses of £2,159,340. By a transfer of £2,970,988 from the London Guarantee and Accident adjustment account the funds were increased from £1,229,000 to £4,267,000; £156,507 was carried to profit and loss. The total transfers to profit and loss were £486,182, and the interest receipts £522,744; a refund of British taxes yielded £35,616. The directors recommend a dividend of 12s a share, less tax. A sum of £250,887 was written off the cost of business acquired, leaving

£472,000, and the credit balance at profit and loss was then £603,629. The total reserve funds, exclusive of capital, amounted on December 31st last to £23,894,640.

Birmingham Small Arms.—Again a loss is revealed in the accounts of the Birmingham Small Arms Company for the year ended January 31st last. The report of the directors states that as against a deficit of £356,000 for 1921-2, a loss of only £46,204 is now recorded. But these figures are arrived at without including any allowance for interest on the 12-year notes, which amounts to £120,466. This figure has been added to the deficits mentioned by the directors for the years 1921-2 and 1922-3 in the table which follows:—

	1914.	1917.	1918.	1919.	1920-21*	1921-22.*	1922-23.*
Net profit	190,429	427,976	435,207	373,091	566,881	Dr 469,168	Dr 206,671
Preference dividend ..	19,684	21,118	20,649	19,710	113,471	21,834	23,134
Ordinary dividend ..	115,047	230,094	230,094	234,511	140,759	Nil	Nil
15 %	20 %	20 %	20 %	10 %	5 %	Nil	..
To reserve	50,000	150,000	155,473	100,000	..	..	..
Carried forward	+ 5,698	+ 26,764	+ 28,931	+ 18,876	+ 29,265	- 291,002	- 30,010

* 18 months ending January 31, 1921. † Including £100,729 interest on short-term notes. ‡ Year ended January 31st.

On turning to the balance-sheet it is satisfactory to find that the contingent liability under guarantees to the bank in respect of overdrafts of the Aircraft Manufacturing Co., Limited (in liquidation), and Peter Hocker, Limited (also in liquidation), has been reduced during the year from £596,063 to £269,931, but “Investments” is an item concerning which we should be glad to hear more about at the annual meeting on April 20th. The words “Shares in and loans to subsidiary companies” (valued at £4,121,848) are followed by the statement that “These investments are brought forward on the same basis as in previous years, and no adjustment, in view of existing trade conditions, has been made.” We would suggest that the balance-sheet would be clearer to shareholders if the actual assets and liabilities of the subsidiary companies were shown separately, and some information offered as to whether these investments represented fairly the value of the surplus assets of subsidiary companies.

Agricultural Conditions.—The monthly report of the Ministry of Agriculture and Fisheries states that the rains of the early part of March hindered work on the land considerably, but with the finer weather that prevailed later fairly good progress was made. The lighter soils dried rapidly, and a satisfactory tilth is being obtained on this type of land, but heavy soils, as a result of the absence of frosts during the winter and the rapid drying of the surface, are working badly. In the east and south-east some of the stiffest soils had not become dry enough to cultivate by the end of March. Sowing of spring corn was proceeding in all parts of the country at the date of the reports, but this work is generally more backward than usual, especially in the districts where sowing is usually done early. None of the spring sowings are yet showing above ground, except for the comparatively small areas drilled about the beginning of February, which have come up well as a rule. The preparation of the land for potatoes is backward, and very little planting has yet been done, though a start has been made on Fen lands. In Cornwall the early potatoes are well forward, and many crops are above ground, but in other districts where early crops are grown planting is backward. It is reported that potato growers have purchased less seed than usual from other districts, as, owing to the large surplus and the shortage of money due to the low prices obtained for last year's crops, many growers propose to plant their own seed. The winter corn has improved during the recent fine weather, but such wheat and oats as lost colour during the rains still have rather a yellow appearance. On the whole, wheat and oats are strong, healthy plants, and promise well, only a comparatively small proportion on the wettest soils having an unhealthy appearance. The small areas of winter barley look well. In the east beans are making slow growth, and are still backward in most parts of the country, whilst there are some thin crops. Pastures are now fresh and green, and in many districts grass made good growth during the

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latter half of March. Cattle and sheep are healthy and are in satisfactory condition as a rule, though, owing to the poor quality of the hay, cattle have in some cases finished the winter rather lean. The supply of labour is usually more than sufficient for requirements, but with the better weather there are rather less casual workers unemployed than a month ago. At the yearly hirings in Northumberland boys and women were scarce, but men had some difficulty in finding employment. The strike among farm workers in Norfolk is still proceeding.

Transvaal Gold Output.—The output of gold of the mines of the Transvaal during the month of March amounted to 761,586 ounces of fine gold, as compared with 704,970 ounces during February. The output in the first three months of 1922 amounted to 639,728 ounces. The following table shows the production for a number of years:—

	1917.	1918.	1919.	1920.	1921.	1922.	1923.
	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.
January ..	782,634	714,182	676,059	670,503	651,593	639,728	704,469
February ..	781,321	659,759	636,728	625,330	658,137	..	704,970
March ..	787,094	696,281	712,379	707,036	671,133	..	761,586
April ..	749,778	717,000	694,944	686,979	681,383	511,336	..
May ..	779,385	741,317	724,995	699,041	687,776	629,786	..
June ..	759,724	727,696	702,379	715,957	678,490	675,697	..
July ..	757,839	736,199	725,497	736,039	689,556	730,435	..
August ..	756,658	740,210	706,669	702,083	711,546	753,490	..
September ..	736,231	708,406	696,558	682,173	691,026	747,089	..
October ..	751,290	679,764	723,722	662,472	707,535	776,156	..
November ..	722,839	658,701	677,970	633,737	704,236	764,476	..
December ..	722,419	641,245	650,191	632,215	681,847	790,713	..
Totals ..	9,018,084	8,418,292	8,330,091	8,153,685	8,114,516	7,020,111	8,231,025

The output figures continue to show satisfactory progress. The following are the number of natives employed at the end of the last eight months by members of the Witwatersrand Native Labour Association and contractors:—

	Aug., 1922.	Sept., 1922.	Oct., 1922.	Nov., 1922.	Dec., 1922.	Jan., 1923.	Feb., 1923.	Mar., 1923.
Gold mines ..	175,054	174,565	175,129	173,173	176,834	181,985	182,983	181,473
Coal mines ..	12,270	12,000	11,495	11,089	11,001	14,664	14,717	14,710
Diamond	1,219	1,234	1,218	1,237	1,253	1,222	1,227	1,273
Total	188,543	187,799	187,842	185,499	189,088	197,871	198,927	197,456

The number of natives employed at the gold mines was slightly lower on the past month.

COLONEL THE VISCOUNT BURNHAM, president of the News-vendors' Institution, will preside at the society's 84th annual general meeting, to be held at Stationers' Hall, Ludgate hill, on Tuesday evening, April 17th, at half-past six o'clock.

A COURSE of five lectures on Electoral Methods will be given by John H. Humphreys (secretary of the Proportional Representation Society) at the London School of Economics and Political Science on Wednesdays at 5 p.m. (beginning May 9th). Each lecture will be followed by a discussion class at 6 o'clock. Fee for the course, 10s.

THE Administrator of Hungarian Property (Cornwall House, Stamford street, S.E. 1) gives notice that he intends to declare a first dividend of 1s 6d in the £. All creditors who lodged their proofs of claim with the Administrator not later than March 31, 1923, and who by the Treaty of Peace (Hungary) Order, 1921, or any amending Order are entitled to benefit, may participate in the said dividend under the conditions contained in the above-mentioned rules. The first distribution of the said dividend will be made on June 30, 1923.

Oversea Correspondence.

UNITED STATES.—FINANCIAL AND ECONOMIC OUTLOOK—JAPANESE AND CHINESE BONDS OFFERED—A SILK FIRM IN RECEIVERSHIP.

(FROM OUR CORRESPONDENT.)

NEW YORK, March 30.

New financing undertaken here this week included an offering by the National City Company of \$19,900,000 external loan 30-year non-callable 6 per cent. gold debenture bonds of the Oriental Development Company, Limited, guaranteed by the Imperial Japanese Government. This is the first Japanese financing in the American market since the Russo-Japanese war. The bonds were priced to investors at 92 and interest, to yield approximately 6.62 per cent. The proceeds, it is announced, will be used to redeem 15,000,000 yen of the company's outstanding debentures, and to retire 10,000,000 yen of bank loans; the balance is to be used in developing the company's business in Japan and in the latter's colonies, principally Korea, for "economically productive purposes." Application will be made, it is stated, to quote these bonds on the New York Stock Exchange. Another foreign offering consisted of 1,500,000 of the Chinese Government 4 per cent. external gold loan of 1895, due July 1, 1931, which is well known to European institutions and investors. The bonds are secured by a first charge on the entire revenues of the Imperial Maritime Customs, and also by deposit of Custom bonds. The price to investors here was \$84 flat per 500-franc bond, including the right to participate in the 1923 drawings; at that figure the yield to average maturity is 7.20 per cent.

The award this week of \$5,000,000 5 per cent. Province of Quebec bonds to Canadian banks in competition with New York institutions seems to indicate that Canada is now in a position to finance some of her own loans on better terms than could be obtained here. The Canadian banks, which were the successful bidders, offered 98.935; at that figure it is doubtful if they can afford to sell them at a price to yield more than 5 per cent. New York bankers say that, under present conditions here, they could not possibly pay such a high price. Canadian bonds floated lately in this market have been offered to investors at a price to yield about 5.20 per cent.

In most cases offerings of new securities are meeting with a good response from investors, although the issues are not being absorbed as rapidly as was the case before the general trade and industrial expansion began a few months ago. Some offerings have moved rather slowly, including the \$50,000,000 external loan of the Republic of Cuba, which was recently put on the market here by a banking syndicate headed by J. P. Morgan and Co. It is understood that about 20 per cent. of that loan remains to be disposed of.

In a review of business conditions *Bradstreet's* will say in its issue of to-morrow: "Trade observers, merchants, and bankers will, we believe, agree that the past week or ten days have seen a slight sobering of the exuberant feeling resulting from public realisation of the great surge forward in industry, in wholesale trade and in speculation that was witnessed in the first and second months of this year. Certainly, there have been a number of cautionary signals displayed, and a number of rough and ready—especially ready—predictions have appeared in various lines setting forth in almost comically precise terms just when the present concededly active industrial situation was to wither and decay. It might be said that speculative markets showed the chief reflection of these reports, while the stock, bond, cotton, and wheat divisions all weakened sympathetically. Explanations of the reasons for the setting afloat of these hit or miss reports may be found variously in the seasonal quieting shown in many lines of wholesale trade as the peak of spring buying passed; in the quiet tone of retail trade due to exceptionally bad weather for three weeks past and the early date of Easter; in the public knowledge that prices of many commodities have been advanced greatly, which has led to misgivings as to the effect of these on final consump-

tive buying, and the reports that the national Government was working through the Department of Commerce to devise means for what might be called the regulation of the admittedly superabundant activity in, for instance, building lines so far as Federal construction was concerned. Of special interest, too, was the feeling that the present activity was bound to be reflected in higher money rates, and that the usual meeting of the heads of the Federal Reserve Banks," with the members of the Federal Reserve Board in Washington, "might result in a further stiffening of rediscount rates, with the speculative community especially interested in the liquidation of some possibly extended lines. Whatever the moving or contributing causes, there have been several outgivings, which by their very number and character have given evidence that many minds were thinking along similar lines, these having largely to deal with advice as to the handling or prevention of possible evils yet to come." The authority quoted then gives liberal extracts from expressions which have appeared recently in reviews or bulletins published by such well-known institutions as the Irving Bank-Columbia Trust Company, the Chase National Bank, the Guaranty Trust Company of New York, the Harvard Economic Service, and the Federal Reserve Board. Commenting on the views set forth by those authorities, *Bradstreet's* will say:—"It will be seen that cautionary signals have been numerous, but nothing beyond caution has been indicated; and it is submitted that this caution is not only desirable but proper, under any and all circumstances, if the present, on the whole very satisfactory, conditions are to be maintained. If, as appears to have been the case in some lines, the number of cautionary signals has led some people to an attack of 'nerves,' the results, on the whole, may be beneficial. A safe and sane weighing up of the above reports and arguments (referring to the extracts given) should be salutary, and tend to make for future safety."

A great deal of apprehension was felt by the stock market community this week over a possible increase in Federal Reserve Bank rediscount rates. While the Federal Reserve officials, at their Washington conferences, no doubt carefully considered financial and economic conditions and the outlook for the future, there have been no developments thus far that would seem to foreshadow an increase in rediscount rates in the immediate future. It can hardly be expected, however, that such rates, which are the same in all of the twelve Federal Reserve districts throughout the country, will continue indefinitely at the present level of 4½ per cent. But whatever changes may be made—and they are more likely to be in an upward direction than downward—will be governed entirely by conditions that develop in the respective districts. The money market here continues decidedly firm, although there is no sign of any stringency. Time funds command 5½ per cent. for all maturities, the bulk of commercial paper is being discounted at 5½ per cent., and call money on the Stock Exchange rules around 5½ per cent., frequently rising to 6 per cent.

Announcement of a receivership for the D. G. Dery Corporation, one of the largest broad silk manufacturers in this country, has attracted a good deal of attention in silk and allied trades, but is not regarded as a reflection of unfavourable conditions in the silk industry generally. Most silk goods mills have a large percentage of their capacity active, and are well sold ahead.

FRANCE.—M. LOUCHEUR'S VISIT TO LONDON—A BUFFER STATE—REVENUE—PRICES—TREASURY BONDS.

(FROM OUR CORRESPONDENT.)

PARIS, April 12.

The Easter holidays have brought about an almost complete cessation of activity in many directions, but the political situation in the Ruhr still dominates all other questions. Superficially, there has been little change in the outlook during the past two or three weeks, but, as a matter of fact, there has been an enormous amount of activity below the surface, and it may be predicted with a good deal of confidence that important developments will take place in the very near future. M. Loucheur's much-discussed visit to London at Easter has proved very

puzzling to a large section of French opinion, and has been commented on with about equal proportions of approval and disapproval. The real explanation appears, after careful inquiry in reliable quarters, to be quite simple.

The Poincaré Government is anxious to bring the present deadlock in regard to the Ruhr to an end before the Chamber reassembles on May 8th after the Easter recess. The German Government, it is universally believed here, is extremely desirous to open negotiations for a settlement, but finds it impossible to decide on what means to adopt to bring this about. Meanwhile, there are signs that opinion is beginning to become restless here, although less so than on the other side of the Rhine, and business interests in both countries are suffering enormously. In the circumstances M. Loucheur, who is both a great French industrial and a politician who believes he is justified in thinking that he may one day find himself at the head of the Government here, took the bold step of paying an independent visit to London, for the purpose of ascertaining exactly what British views on the present situation are. That M. Loucheur went to London with the full knowledge of M. Poincaré is undoubted; that he went as a direct emissary from the French Government is almost certainly untrue.

One important feature of the present situation is the proposal for the creation of an autonomous Rhineland Republic, in the form of a demilitarised buffer State, which shall be retained within the *cadre* of the German Empire, but which shall be for all practical purposes independent of the Berlin Government. This buffer State, it is suggested, shall include the whole of the occupied area on the left bank of the Rhine and also a substantial portion of that on the German side of the river, including a large part of the Ruhr area and particularly Essen itself. There is a growing feeling here, in non-official quarters, that in the adoption of this proposal may be found the solution of the greater part of the reparation problem, and the satisfaction of the French demand for some tangible means of ensuring the security of this country, now that the Triple Pact has been repudiated by Great Britain and the United States. The weak point in the scheme appears to be the difficulty that might arise in enforcing the suggested new régime for the Rhineland, in the event of serious differences, in regard to their respective interests in the area in question, arising between France and Germany in the future. It is recognised that to instal the League of Nations as the supreme court of appeal over the Rhineland might have the effect of transforming the autonomous area, in the German mind, into another Alsace-Lorraine, which is the one thing all parties, and especially the French, are anxious to avoid.

Rightly or wrongly, the advocates of the proposal insist that the population of the territory concerned is fully prepared to accept the suggested new régime, and I have been told on good authority that there is documentary proof in existence in Paris showing that native-born German mayors and other responsible authorities, representing 70 per cent. of the inhabitants of the Rhineland, have pledged themselves to proclaim an autonomous Rhineland Republic, within the limits of the German Empire, from the moment they are assured that they will have the moral support of the Allied Powers. They have also pledged themselves, it is asserted, to accept the burden of one-fifth, or possibly one-third, of such Reparation debt as may eventually be imposed on Germany as a whole. The widespread belief that this proposal for an autonomous Rhineland now constitutes the crux of the whole Franco-German problem has been strengthened by the fact that M. Loucheur, immediately after his return from London, saw both M. Poincaré and the President of the Republic, and that, almost simultaneously (at M. Loucheur's direct request, it is stated) Dr. Dorten, the leader of the Rhineland "separatist" movement, arrived in Paris, where he now is.

The French revenue returns for March, which have been issued to-day, show a total yield for the month of 1,674,358,200f from all sources, including income-tax, tax on war profits, and the sale of war stocks. Of this total 501,975,600f was derived from direct taxation of all kinds collected on behalf of the State (as distinct from local taxation), and included 311,918,300f from income-tax and

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162,104,100f from the special tax on war profits. The revenue from indirect taxation and State monopolies yielded a total of 1,288,701,000f, or 123,735,500f (over 10½ per cent.) in excess of Budget estimates for the month, in spite of the fact that the revenue from Customs duties was well over 66 millions (or 17 per cent.) short of expectation, owing to the high rate of exchange against this country. With the exception of the returns from these duties, from those on benzol, and from the exploitation of the telephone system (which latter showed a falling off of 120,000f as compared with the Finance Minister's estimates), indirect taxation showed an increase under every heading, that from registrations being over 43½ millions in excess of the estimate. The revenue for the first three months of the year from indirect taxation and monopolies alone (exclusive of income-tax) is returned as having been 249,145,000f in excess of Budget expectations. The most notable feature of the return, perhaps, is the improvement in the yield from the much-discussed tax on turnover, which is now becoming systematised, and steadily trending towards the figures which its inventor, M. Klotz, predicted it would reach when he first brought it into operation. The yield for March was 217,678,000f, or over 10 per cent. more than M. de Lasteyrie estimated to secure from it in his Budget forecast for 1923.

The general index figures for wholesale prices in France for March have been issued to-day, and reveal some interesting variations. The comparative detailed figures, which are based on 100 as representing the mean index figure for the period 1901-1910, are as follows:—

	February, 1923	March, 1923
	(Corrected).	(Provisional).
General index figure (45 categories)	487.6	490.2
Foodstuffs (20 categories)	465.1	459.2
Vegetable foods (8 categories)	398.2	400.1
Animal foods (8 categories)	495.1	487.6
Sugar, coffee, cocoa (4 categories)	538.9	520.7
Raw materials (25 categories)	505.7	515.0
Minerals and metals (7 categories)	478.2	510.9
Textiles (6 categories)	646.5	632.7
Sundries (12 categories)	451.3	458.6

The index figure for retail prices of thirteen categories of foodstuffs in Paris, which was returned as 3394 for the end of February (equivalent to an increase of 216 per cent. on the prices of corresponding articles in 1914) is given as 3454 for the end of March (or 221 per cent. higher than in 1914), a rise of 5 per cent. on the month. The variations in retail prices of the same 13 categories of foodstuffs for the whole of France are represented by 3320 at the end of February, 1923, as compared with 3312 at the end of November, 1922. The "Commission Régionale d'Etudes relatives au cout de la Vie à Paris" on Saturday issued a statement showing that the cost of living has risen considerably during the past three months in respect of all kinds of expenditure. The index figure representing the expenditure for food, housing, clothing, heating and lighting, for a family of four persons living in the Paris area, based on 100 for 1914, has risen from 28c at the end of September, 1922, and 300 at the end of December, 1922, to 324 at the end of March, 1923. It is still, however, considerably below the figure for the

end of December, 1920, when the cost of living reached the record figure of 370, thereby bringing about a general and substantial rise in wages and salaries of all kinds. In November, 1920, according to the index figure of the Statistique Générale, the retail prices in Paris of 13 categories of foodstuffs were represented by an index figure of 4577 (or an increase of 326 per cent. on those of 1914), as compared with 221 per cent. at the end of March, 1923.

The subscription lists for the new issue of three-, six-, and ten-year 6 per cent. Treasury bonds closed on Saturday, when it was officially announced that the reports so far received by the Ministry of Finance showed that at least 6,500,000,000 of the new issue had been subscribed. As the returns were at that time incomplete, the Treasury authorities announced that there is good reason to believe the gross subscriptions will amount to over 7,000,000,000. No information is yet available as to what proportion of this amount consists of fresh money. As one of the real objects of the new issue is to provide money to reimburse the issue of two-year Bonds which come to maturity in the immediate future, it is impossible at present to say to what extent the operation has been successful, but it is officially regarded as completely satisfactory.

GERMANY.—RUHR—FINANCES—INFLATION—PRICES.

(FROM OUR CORRESPONDENT.)

BERLIN, April 10.

M. LOUCHEUR's mission to England has provoked a great deal of comment and speculation, but it is not believed that it could have brought a Reparations settlement any nearer. The Ruhr question now dominates everything; and the public attitude here is combative, the belief being rightly or wrongly held that France will be obliged by monetary losses and damage to her prestige to retreat. It is not, however, made clear how Germany can indefinitely stand the present position, in which the most important part of her industries, whose output is needed for payment of food and of fuel and raw materials for the unoccupied provinces, are producing almost exclusively for stock. The solution so far tried is the old ere of credit and inflation. In principle the Ruhr industry is now in much the same position as the Republic's Finance Ministry; not having any longer current receipts sufficient to pay its way, it is pulling along with fictitious receipts which, in the end, are mainly supplied by the Reichsbank. Stories of impending German crashes have been so often falsified that it would be precipitate to predict a crash from the new trouble; but the effect must be increasing impoverishment and a new strain upon the classes that suffer from currency depreciation. If this is so far not visible, it is because the home currency depreciation has been so far determined exclusively by the mark exchange, and the mark still holds; but from the last Reichsbank reports it must be concluded that the relative price-stability will at a not distant date be upset by the flood of paper money. If so, the temporary stabilisation of the mark exchange by means of intervention will not have brought any benefit.

Returns of the result of the Gold Treasury Bill operation are still lacking. According to the "Deutsche Handelsdienst," only \$12,600,000 has been subscribed: this is almost exactly the quarter of the amount asked for which was reported last week. On the basis of the bankers' guarantee the Government will receive \$25,000,000, equal to about half a milliard paper marks, or one-tenth of the present circulation. The ratio of this sum and of the Reichsbank's ordinary holding of foreign bills to the circulation rapidly decreases owing to the continuance of inflation side by side with exchange stability; and the process witnessed for years, under which the exchange value of the circulating currency, despite a rapid nominal growth of circulation has declined, is being reversed. Probably one cause of the under-subscription to the Loan is the imminence of payments for Property and Income-tax and for the paper-mark Forced Loan, all of which are due by the end of this month; there was a strong motive for not bringing out secretly hoarded stocks of foreign currencies, which would be liable both for the Property tax and the Forced Loan. The Customs gold surcharge

has been raised from 494,900 to 497,900 per cent. The gold surcharge law has been altered by making the duty payable at the surcharge rate of the day of import of goods, instead of, as until now, the day of payment of the duty. Patent fees have been increased fourteen fold from the 1st April. Paper-mark loans are still being issued by municipal and other local bodies, at rates of up to 11 per cent.; and owing to the mark stability they have a prospect of success. Large new private emissions are stated to be impending. In March, increases of capital totalled 13,815 millions against 15,331 millions in February; capital raised by newly-founded concerns 6,656 millions against 4,252 millions, and bonds, in addition to the 500 milliards of the Gold Loan, 7.7 milliards against 33 milliards.

The Reichsbank report for March 31 shows circulation exceeding 5½ billions, or more than fourfold that of the end of 1922, and nearly fifty times that of the end of 1921. In spite of the stoppage in the price rise, the buying power of the currency in circulation is much less than at the end of 1921, the commodities index-figure having risen about three times as much as the nominal circulation. The statement for the 31st shows an increase of 90,110 millions in private Bills, 207,554 millions in Treasury Bills, and 562,284 millions, to a total of 5,517,919 millions, in circulation. Darlehns advances increased by 158 milliards to 1,159 milliards. The legal limit for these advances has been raised to 2 billions. The Bank continues to book new issues of token money in base metals with its "metal reserve"; the last week saw an addition of 2,859 millions of such money, so that the metal reserve is now 7,055 millions, of which 1,004,830,000 is gold. It is an anomaly that the gold should be booked at its goldmark value, and added together with a supposedly sixfold greater value of token-money, which has practically no metal value at all. The new Austrian National Bank books its gold currencies and coins at their current exchange value. The movement of circulation during the past 1½ years has been:—

	Million Marks.
December 31, 1921.....	113,639
March 31, 1922.....	130,671
June 30, 1922.....	169,211
September 30, 1922.....	316,869
December 31, 1922.....	1,280,094
January 31, 1923.....	1,984,496
February 28, 1923.....	3,512,787
March 31, 1923.....	5,517,919

The Bank has suffered considerable losses through French seizures of its money. Altogether about 30 milliards have been seized, and there is no recognised cover for the loss. The Bank maintains 5 or 6 note-printing establishments in occupied territory, the plates of some of which are in French hands. According to the "Frankfurter Zeitung," the Bank has now the help of 40 auxiliary printing firms and 20 bank-note paper firms. It is considered necessary to print notes in occupied territory, because the risk of seizure of notes in transit over the new customs frontier would be even greater. The need for money on the Ruhr is enormous; at least 1,300 milliards of 3,800 milliards issued since January 11 have gone, estimates the journal mentioned, to occupied territory.

Prices (*Frankfurter Zeitung's* wholesale index) fell in March by 5.6 per cent. against 5.4 per cent. in February, every group, except food, showing a material drop. Figures (on the basis of 1 in July, 1914) are:—

	Gold (Doll'r).	Food.	Textile and Leather.	Minerals.	Miscellaneous.	Manufactured Goods.	All 98 Wares.
January, 1920.....	19	20	26	27	11	15	20
" 1922.....	45	38	58	52	31	33	42
" 1923.....	2045	1758	3206	2622	1778	1518	2054
February, 1923.....	9524	5550	14137	9312	5347	4766	7159
March, 1923.....	5381	5361	9450	8298	6949	5614	6770
April, 1923.....	5024	5350	8349	7822	6434	5315	6393

All groups are materially above pre-war gold prices, manufactured goods being cheapest. The index figure for ten home products is 5064, against 6084 at beginning of March, and for ten imported products 6068, against 6767. At the beginning of February home goods were only 3838, against 9863 for foreign, so that, as always in times of mark stability, the disparity between prices of home and imported goods has tended to disappear. Judging by the American and English

indices, German gold prices are still well behind those of leading high-exchange countries. The official wholesale index for March is 4888, against 5585 in February, but these are average prices for the whole month. Iron prices, after remaining unchanged since late in February, have been cut to: Hematite 646,300m per metric ton, Siegerland steel-iron 843,700m, Spiegeleisen (6 to 8 per cent. mang.) 934,600m. Supplements are charged for iron smelted with foreign coal; and English hematite and foundry iron are being delivered a little cheaper than this dearer kind of native iron. The first deliveries of iron from Hungary have been made, and steel rails have been ordered from Austria. In spite of the Ruhr embargo no shortage of heavy iron is felt in the unoccupied provinces; owing to the large reserves and to considerable imports, the supply is sufficient, and the market, after being for a short time very active, is now dull. The iron and steel using finishing industries everywhere complain of bad business, in particular the small iron goods and cutlery concerns of Hagen, Remscheid and Selingen.

The unemployment reports show further increases, and as the reports are always belated, present conditions are probably worse than is shown. The number of publicly-supported unemployed on March 1st was 194,591, against 149,181 on February 1st, 85,419 on January 1st, and only 16,678 on October 1, 1922. The highest number in the last two years was 413,321 on April 1, 1921. The rate of unemployed among Trades Union members on February 24 was 5.7 per cent., against 4.4 per cent. a month earlier, the rate of men working on short time 16.5 per cent., against 13 per cent.

ITALY.—WHOLESALE PRICES—COST OF LIVING—STABILISATION OF THE LIRA—ABOLITION OF OBSTRUCTIVE TAXES AND A NEW TAX ON TURNOVER—HOTEL AND RESTAURANT TAXES.

(FROM OUR CORRESPONDENT.)

TURIN, March 27.

PROFESSOR BACHI's index number of wholesale prices, calculated on the basis of 1920's prices (100), has settled down in recent months:—

	Nov. 1920.	June 1921.	Oct. 1921.	May 1922.	Oct. 1922.	Jan. 1923.	Feb. 1923.
Vegetable foods.....	107.7	97.0	115.8	106.3	112.9	109.4	109.1
Animals.....	124.1	100.5	128.5	93.9	113.5	108.4	107.8
Chemicals.....	107.7	63.4	74.6	67.3	72.1	69.3	69.8
Textiles.....	94.0	45.8	75.6	65.7	84.6	80.8	83.0
Minerals and metals.....	101.4	60.4	64.1	57.5	69.1	62.5	64.3
Building materials.....	112.6	101.6	90.9	78.5	82.3	87.5	86.1
Miscellaneous.....	108.7	95.0	114.4	96.4	123.6	124.7	129.9
Miscellaneous.....	105.2	90.4	94.2	87.9	96.0	98.8	92.3
General index.....	107.3	81.5	95.9	83.3	96.2	96.2	93.2

In this series a seasonal movement of prices is evident, which corresponds closely to the usual strengthening of foreign exchanges in the autumn and decreases in the paper cost of purchasing foreign goods in the spring months. It seems, however, that the worst point was in the autumn of 1920, when Italy was on the brink of a Bolshevik experiment. In recent months the general index would have been better if the Ruhr affairs had not exercised an evil influence on the exchanges, and textiles had not gone up, according to a general world tendency. If the lira has not followed more strictly the vagaries of the French franc, the cause may lie in the increased hope that the public budget will balance, and that sales will be made of balances held by Italian business men in foreign centres. Not a few heads of trading firms used to hold balances in sterling or dollars as insurance against the risk of great and sudden increases in foreign exchanges. To-day they may hope that the lira will go on improving, and, by their realisations of balances, co-operate to keep down exchanges in face of the threatening international situation.

Retail prices and the cost of living are somewhat slow in following wholesale price variations. The cost of living of a working family of two parents and three sons (on the basis of the first half of 1914 = 100) is calculated as follows in Turin:—

	Food.	Clothing.	House Rent.	Heat & Light.	Miscellaneous.	General Index.
January, 1920.....	351	327	100	406	344	318
April, 1921.....	534	497	110	417	544	470
July, 1921.....	446	411	110	354	537	405
January, 1922.....	524	454	120	435	591	466
April, 1922.....	470	433	120	378	587	424
November, 1922.....	531	437	120	411	578	465
December, 1922.....	517	437	120	416	578	457
January, 1923.....	499	433	120	423	574	446
February, 1923.....	484	435	120	428	574	438

We may observe here the same tendency towards maximum in the winter and minimum in summer and spring months. The average increase in the cost of living corresponds closely with the depreciation of the lira in gold and as the gold has been depreciated itself, it seems that the purchasing power of the lira is better in Italy than in foreign countries. When the July figures are forthcoming the house rent item will rise abruptly to about 200, as the new system of rent regulation by arbitration will then begin to be applied.

At the recent meeting of the International Chamber of Commerce held at Rome, a renewed proposal by Professor Cassel for the stabilisation of exchanges met with a very cool reception by the average public opinion in Italy. The motion was shelved under the guise of a vague acceptance of the principle. Public opinion in Italy still clings firmly to the hope that in some future day the lira will be restored to the old gold parity. No proposal for fixing the lira at, say, 25 cents gold has the slightest chance of being entertained by responsible statesmen or parties, notwithstanding that no one is capable of predicting when and how the full restoration to parity will be effected, and how it will be possible to overcome the great difficulties which would arise in the balancing of the public Budget and in the dislocation of industries. Perhaps time will work its own salvation, so that when stabilisation has been reached in fact, no one will cavil at a law to sanction it.

Signor De Stefani, Minister of Finance, has taken another step in the truly gigantic task of simplifying our complicated tax system. A decree of March 18, 1923 abolishes certain taxes:—(1) On production of silk textiles, which was imposed at the rate of 10 per cent. on all natural and artificial silk goods, and greatly hampered the trade and export of this our greatest national industry; (2) on sales of gems and gold and silver goods, a progressive rate of 5 to 20 per cent. As gems and gold objects are easily smuggled, the tax was scarcely productive and encouraged the substitution of secret deals for honest and open commerce; (3) on sales of so-called luxury goods at the rate of 12 per cent. of the price. The high rate of the tax favoured collusion between dealer and clients. In its stead, Signor De Stefani has enlarged an existing tax of 0.36 per cent. on all sales of goods between producers and dealers, and dealers and dealers. Excepting foods, all goods sold will be subject to a tax every time they change hands. The tax is somewhat on the pattern of the French turnover tax, with this difference, that it will not hit sales direct to final consumers, but only sale between the original importer or producer and the last dealer. The tax will be at the rate of 0.50 per cent. on the price of raw materials and agricultural produce, and of 1 per cent. on all other products. A select list of a few luxury goods (gems, ivory, motor cars, Oriental carpets, choice furniture, &c.) will be taxed at 2 per cent. and in these cases alone the tax will also affect the sale direct to final consumers.

Foreign travellers in Italy will be interested in another decree published on March 18, 1923, concerning taxes on expenditure in hotels and restaurants. All over Europe travellers are often bewildered at the variety of taxes and stamps laid on their hotel expenses and bills. From July 1, 1923, taxes will be laid as follow, without additions:—Tax on hotels or pensions, 8 per cent. for luxury or extra category, 4 per cent. for first and second category, 0.50 per cent. every other category. Tax on restaurants (single meals):—Luxury or extra category 1 lira for every person, irrespective of amount paid every other category, inclusive of meals at clubs, &c. 20 cents, whatever the number of persons, if the amount paid is not higher than 20 lire per person; if the sum paid exceed 20 lire, a fixed tax of 20 cents and, in addition, 30 cents for every person.

SPAIN.—PUBLIC EXPENDITURE—A NEW LOAN EXPECTED—CHEAPER MONEY—LABOUR TROUBLES—QUIET STOCK MARKETS.

(FROM OUR CORRESPONDENT.)

MADRID, March 25.

For the first time since he became Minister of Finance, Señor Pedregal has made a declaration to the Press of his intentions, but in such vague terms that no one is any the wiser. The economies which were promised by the Government have not materialised, and the deficit has increased rather than diminished. The papers frequently quote the example of England and suggest that it should be followed by Spain, but the man has still to be found who could take the matter in hand with sufficient energy and tenacity to ensure success. Besides, there is a big difference between both the politicians and taxpayers in the two countries, and the same methods could not be applied. The principal difficulty lies in the violent opposition which is put up immediately any "vested interests" are touched, and this opposition is supported by many of those who are not directly interested, in the fear that their turn might come afterwards. This system of "live and let live" effectively prevents any of the promised Government economies, and the general public, which, in common with most Latin countries, takes little direct interest in the management of its affairs, only wakes up a little when extra taxation touches them; the Government then comes in for its share of abuse, which soon subsides, leaving things as they were—except the cost of living.

Of the last issue of Treasury Bonds there only remains some 25 million pesetas, and a further issue is expected shortly either of more Treasury Bonds or of a Consolidated Loan. Although it has not yet been officially announced, the discount rate of the Bank of Spain is to be reduced from 5 per cent. to $4\frac{1}{2}$ per cent. This will probably be followed by an all-round reduction of the interest allowed by local banks on current account, especially in view of the large balances held by nearly all the banks and the lack of temporary investment for them. Spanish industries have not got over the crisis, and are not asking for capital for the purpose of development. On the other hand, the workmen's syndicates have not yet fully grasped the fact that the time has come for them to give way on the question of wages, and their stubbornness has caused lock-outs to be declared in the different industries. In Barcelona there has been a revival of terrorism, and quite a number of persons have been shot in the streets, some belonging to the extremists' camp and others with moderate tendencies. Whilst this state of affairs exists, it is extremely difficult for Barcelona to produce economically or compete with other countries, even for internal trade, and this in spite of the formidable Customs tariff. Once capital and labour are able to come to terms, it is probable that the country will see a decided improvement, as Spanish finances are really on a sound basis compared with those of other European countries at the present time.

The Madrid Stock Exchange is being modernised by the installation of private telephone booths for the use of the principal banks, but the effect of this improvement is somewhat marred by the announcement that 2.50 pesetas entrance fee will be charged in future instead of 0.50 peseta, as up till now. The "Bolsa," which had already lost a great part of its animation, will now be quieter than ever, and there is a decided tendency on the part of the banks to transact the greater part of their exchange business directly over the telephone, during the mornings especially, in view of the practice of falsifying the official closing rates.

The volume of business transacted during March was smaller than usual, and no important events have occurred to break the monotony of the sessions. Should the Government decide to issue a loan, as anticipated, the resources of the market will be found more than sufficient to meet any demands that the Treasury may make upon it.

ROUMANIA.—FUNDING OF COMMERCIAL DEBTS—IMPORTS FROM GREAT BRITAIN—GRAIN EXPORTS—EXCHANGE RESTRICTIONS—FRENCH LOAN.

(FROM OUR CORRESPONDENT.)

BUCHAREST, March 23.

THE successful outcome of the visit of the Commission to Great Britain to negotiate the funding of Roumanian commercial indebtedness to British merchants contracted before January 1, 1922, has caused considerable satisfaction here, not because either side is completely satisfied with the terms obtained, but because the way has now been cleared for a restoration of mutual confidence and understanding in the commercial relations between the two countries. As the conditions of the agreement are to be carried out under the guarantee of the Banca Nationala, Parliamentary approval must be obtained before the agreement becomes effective, and the necessary "project of law" has already been drawn up and published. Mr Vintila Bratianu, the Minister of Finance, however, has let it be understood that Parliamentary sanction should not be sought until the Debt Commission has completed its negotiations with the creditors of several other European countries, including, it is understood, France, Belgium, Italy, Switzerland, and Holland. A French journal, published under semi-official auspices, has stated within the last few days that French creditors ought not to be asked to accept the terms just negotiated with British creditors, the extension of payments over a period of 20 years, apparently, not being at all to French liking.

A consideration of British trade figures with Roumania during recent years would seem to indicate that a restoration of mutual confidence cannot but have a beneficial effect. During the year 1920 British merchants shipped to Roumania goods to the value of approximately £7,500,000, and over £6,000,000 worth were shipped during 1921. But last year the total fell to only £2,600,000, and while this represents an increase of some £600,000 over a good pre-war year like 1913, the price level in 1922 was probably at least 25 per cent. higher than in 1913, so that the volume of goods shipped during 1922 was presumably less than in 1913, and Roumania, meantime, has doubled her area and population.

While some portion of the decreased value of British exports as between the years 1921 and 1922 can be accounted for by the increased purchases of Roumanian merchants in Germany, most of it is probably due to the decreased buying power of Roumania. The French occupation of the Ruhr has no doubt led to increased purchases—particularly of iron and steel products—from British sources during recent weeks; but the latter factor (decreasing buying power) is still strongly in evidence, and is directly traceable to the succession of poor grain harvests (from the point of view of the surplus available for export) in recent years. Even with the acquisition of the new provinces, the foreign commerce of Roumania is still overwhelmingly dependent on the volume of grain available annually for export. In 1913 grain exports totalled 2,939,253 metric tons from the Old Kingdom, whereas the exports of grain from Greater Roumania during the years 1920, 1921 and 1922 were only 973,094, 1,510,283 and 1,190,299 tons respectively. Lumber, petroleum and cattle exports during 1922 show substantial increases over the preceding years, but they are not sufficient to compensate for the decrease in cereals.

A further restrictive influence on the country's buying power, as well as on the general agricultural situation, is the maximum price regulation for the principal bread grains, and until the price of bread is decontrolled (which is a measure the Government could hardly attempt under present conditions), and until export taxes are considerably reduced, it is hardly to be expected that any very considerable volume of grain will be available for sale abroad. Stocks of manufactured articles (particularly textiles) throughout the country are reported to be very low, and even a slight improvement in the general situation would almost certainly lead to substantially increased purchases abroad.

The law for the control of foreign exchange transactions, which came into effect on March 1st, seems to have

kept lei fairly well stabilised for a few weeks at around 1,000 to the pound, but only at the expense of much inconvenience to persons having to buy or sell foreign exchange. If the law is to be rigidly enforced, it must be expected still further to restrict the economic life of the country.

A measure providing for a credit to Roumania of 100,000,000 (to which reference was made in the *Economist* of January 13th) was recently submitted to the French Chamber for approval. It is confirmed that all of this amount will be turned over in goods.

Letters to the Editor.

THE APPROACH OF A FREE GOLD MARKET.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Your correspondent Mr Louis H. Cross, in a letter in your issue of the 7th inst., quotes me as having stated at the recent annual meeting of the Sound Currency Association that "the Government should never have been allowed to issue the Treasury notes, and intimated that powers would be sought to place this function in the hands of the Bank of England." The latter part of this statement is correct, but your correspondent is in error with regard to the first. I recognised, as most people did during the panic of August, 1914, that some credit instrument was necessary to allay it, but was dubious as to the use which would be made of such powers of issuing paper money by the Treasury. When Mr Lloyd George, the then Chancellor of the Exchequer, introduced the Bill granting these powers to Parliament, I asked him what steps would be taken to redeem the notes. His reply was that he had no doubt when the occasion (i.e., the panic) had passed it would be to the interest of the banks to retire the notes. A little later I again repeated my question, and his answer was that it was against public policy to retire the notes, and after a third attempt to elicit an answer, he stated that he hoped they would become popular and form a part of our circulation. So easy is it for a Government, any Government, having once discovered this method of raising the wind, to desire to retain it. I pointed out at the time the evils of inflation which would follow from this action, the rise in prices, the export of gold, and derangement of the exchanges; but all in vain. My voice fell upon deaf ears, or those who did not wish to listen. We paid the penalty, and are continuing to do so. In large measure the costly strikes and industrial disputes are directly traceable to this cause. Values have been altered, and the economic foundations of the country have been disturbed. These are now gradually being restored, and it is because I do not wish to see a repetition of these misfortunes that I advocate that the control of the power of issuing paper money should be handed over to the Bank of England.—I am, Sir, your obedient servant,

D. M. MASON,
Chairman Executive Committee Sound Currency Association.
115 Cannon street, E.C. 4, April 7th, 1923.

SINKING FUNDS v. TAXATION.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Your leader in the last issue of the *Economist* is the clearest exposition I have seen published during the last two years of the serious financial and economic problems facing this country. But I cannot understand how "a sinking fund of £50 millions would repay £5,000 millions in 38 years, provided the reduction in the interest charge as a result of the annual repayment is added to the sinking fund."

A sinking fund of £50 millions per annum would repay in 38 years £1,900 millions. The reduction of the interest charge would be only £2 millions per annum, on the basis of the present average percentage of interest paid. This would mean a further repayment of £76 millions, or, say, £80 millions—total, £1,980 millions only.

On the other hand, it should be borne in mind that a considerable percentage of the debt charge is paid back to the Government as income-tax. That item of revenue

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would diminish *pro rata* to the repayment of the debt, and the reduction of the charge thereof.

You say the real issue lies between the possibilities of "a capital levy" and a "bold and sustained sinking fund." As the former is impracticable for the just reasons advanced by you, the problem is to create a sufficient revenue for the latter.

Your solution seems to be that further economies should be effected by the Government, but this can only be limited. Besides, a further decrease of revenue due to further trade depression could easily counterbalance any such economies.

You admit that we cannot expect a similar development of population and of productivity to happen in the twentieth century as was the case in the nineteenth century; in other words, we cannot expect to repay the war debt by producing sufficient goods at pre-war level of prices. If this cannot be done, then the only logical and practical conclusion, to my mind, is that the values of commodities should be brought back to the average level at which the war debt was contracted. It is within the power of the banks to accomplish this, and to control the stability of prices through the medium of credit facilities, as it has been done frequently in the past.

It is above the comprehension of any reasonably minded man that the nation should be expected to suffer a low standard of life for several decades, because the money value of the debt is practically trebled through deliberate, premature, and artificial deflation of prices of commodities.

The war debt is a fictitious credit in the sense that the goods produced thereby are wasted. So long as we have the colossal inflation of £8,000 millions war debt credit, it is idle to talk about the dangers of currency inflation; particularly when it is remembered that even in the days of the so-called "gold standard," 95 per cent. of the trade was conducted by bank credit, cheques, and other negotiable documents.

The policy of deflation through contraction of credits was a blunder of the first magnitude. It has crippled the sources and the mediums of the production and the distribution of wealth, and thereby retarded considerably the prosperity of this country.

According to your correspondents, the revival of trade has set in months ago in the United States of America, and the overseas trade of France and Germany has exceeded both in value and tonnage the 1913 figures.

This means that our competitors are increasing the production of wealth, whereas we have still nearly two millions unemployed on doles. Surely this is not sound finance?—Yours truly,

OBSERVER.

74 Princess street, Manchester, April 9th, 1923.

["Observer" has forgotten the effect of compound interest, and has only added one year's saving of interest to the debt repayment. If the saving of interest is added every year, the size of the sinking fund increases every year and the saving of interest increases with it. £50 millions a year accumulating at compound interest of $4\frac{1}{2}$ per cent., or, in effect, a cumulative Sinking Fund of £50 millions a year will amount to £5,000

millions in approximately 38 years. In the second year the sinking fund would be £52½ millions, in the tenth £74½ millions, in the twentieth £115½ millions, and in the thirtieth £180 millions. On the second point "Observer" has overlooked the fact that money taken from the taxpayer and repaid to holders of war debt is almost entirely reinvested, such taxation being, in fact, a means of ensuring that this amount of the nation's income is saved and not spent on immediate consumption. Presumably, it will be invested at a profit on which income-tax will be payable. As to the third point, apart from the saving of interest which a sinking fund policy makes possible, the Budget should further be reduced by the automatic fall of the pensions charge and by economies in Government services. In this latter connection we point out elsewhere that the Civil Services are to-day costing nearer three times than twice our war expenditure on these same services. We agree with "Observer" that in equity it would be fairest for the war debt to be repaid at the price level at which it was incurred, but if the average price level prevailing at the various dates when our war debt was raised is calculated it works out at about 80 per cent. above the pre-war level, which is not very far from our present situation. We cannot discuss the subject of deflation in a note to a letter, but would only observe that during the past twelve months, when £125 millions has been taken from the taxpayer and returned to the capital market in the form of debt repayment, there has been a steady absorption into work of about 500,000 unemployed, and that although we have not yet absorbed the increase in population which has occurred since 1914, our national production to-day is not far short of the pre-war level in most of our industries.—*Ed. Economist.*

PUBLIC AND PRIVATE INSURANCE ENTERPRISE.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Surely the writer of the note on above in your issue of March 31st is under a misapprehension regarding the salient facts of the industrial insurance industry.

The Post Office insurance department is a failure because it is prohibited by the Treasury to canvass even in the P.O. department, and because of the ignorance and apathy of the masses, who are unaware that it offers them terms 40 to 60 per cent. better than those of the private enterprise companies. Its expense ratio is only 5 per cent. on premiums, as against 44 per cent. average of the companies. It has no lapses, and it gives surrender values after two years' premiums have been paid.

The lapses in the companies cannot be placed at less than 6,000,000 policies yearly, and assessing each policy at an average of 20s, that shows six million pounds to be added to the 44 per cent. required for expenses. Thus we find that over 60 per cent. of the premiums paid are lost to the assured. Surely the economist cannot regard this waste of small savers' money as proof of the superiority of private over Government enterprise?

The industrial insurance of the private companies is a success only in so far as its shareholders, directors, and chief officials have some of them made colossal fortunes out of it.

The Onslow Bill should, in the interests of the poor and ignorant, and to redeem the character of private enterprise, be passed in its entirety.—Yours, &c.,

J. M. MACDIARMID.

10 Gillespie-crescent, Edinburgh.

Books and Publications.

"EFFECTS OF THE WAR UPON FRENCH ECONOMIC LIFE."

WE can understand Professor Gide's difficulty in finding a fitting title to this volume (which consists of five monographs by well-known authorities on the effects of the war on the French mercantile marine, textile industry, finance, commercial policy, and labour), but we think he is claiming too much when he calls it the "Effects of the War on

French Economic Life." Obviously it deals with a few aspects only, and, although the volume under review contains no announcement on the subject, we learn from another source that other important aspects—such as the effects on prices, wages, population, agriculture, metallurgical industries, &c., will be dealt with in subsequent volumes. Within their limits, however, the essays are well done. The first—that on the effect of the war on French shipping—perhaps contains for a brief essay too much statistical and too little descriptive matter. Out of 25 pages, 11 are in tabular form, of which four are devoted to the freight rates prevailing in the French merchant marine from December, 1913, to December, 1917, and the statistics are a little confusing until it is realised (which is not until page 30 is reached) that "the present" or "now" refers to November, 1919. This article also requires occasional elucidation by an editorial note, and it is unfortunate that errors occur in two of these—viz., on page 16, where the editor refers the reader for an explanation to page 32 instead of to page 34, and on page 30, where he describes c.i.f. as a "technical abbreviation for *carriage*, insurance, and freight." The essay contains no mention of the rationing of tonnage which was as necessary in the French as the British mercantile marine, nor is any account given of the work of the Inter-Allied Maritime Council. Sir John Salter's excellent book on British shipping during the war may have made us somewhat critical of other essays on the same subject.

In the introduction to the essay on French finance, Professor Nogaro reminds us that "even before the period of hostilities the status of French finance was rather abnormal; the Budget did not balance; the fiscal system was archaic; and the general income-tax, just voted, had not yet been put into effect when the war began"—but in those days "the monetary situation was excellent and the exchange favourable."

Probably the essay of most general interest is that of Professor Oualid on Labour. When the mobilisation decree was issued 3½ million reservists flocked to the military depots, rendering it necessary for factories to close down and the harvest to be gathered by old men, women, and children. Those establishments which remained open retained only one-third of their personnel. As in this country, the first problem was that of unemployment, but partly because of the predominance of agriculture and partly because the country's decreasing population "constituted an effective guarantee against chronic unemployment," the machinery for dealing with it had not been developed in France. Soon, however, the struggle for materials began, and revealed a scarcity of labour. The true nature of the struggle was apparently no better realised in France than in England, for it was thought "that the war could be conducted with the materials and supplies already on hand together with the maintenance of the necessary repairs." When it was clear that this was not the case, vigorous steps were taken to secure the necessary labour, and the number of workpeople employed in the munition factories rose from 45,000 at the beginning of the war to two million at its end. Professor Oualid describes the steps that were taken to bring this about; not only were men withdrawn from active service and women recruited to take the place of men, but over 140,000 coloured labourers were recruited from North Africa, Annam, Madagascar, and China, all of whom were employed on different kinds of agriculture and industrial work for the support of the Army. At the same time, the Minister of Munitions organised the recruiting of foreign labourers of the white race, and by the end of the war more than 100,000 foreign labourers had been brought into France through the direct efforts of the Government, in addition to those brought in by private manufacturers. Professor Oualid also describes the position with regard to wages, strikes, working conditions, &c., and has some

interesting remarks on the relative efficiency of male and female labourers.

A word of commendation must be given to the anonymous translator, whose work has, on the whole, been very well done.

THE STORY OF A GREAT INDUSTRY.*

Just a century ago, James Muspratt of Liverpool crowned a series of thrilling adventures in the Napoleonic Wars by the more fruitful adventure of manufacturing alkali from salt by the Leblanc process, whose inventor had died in poverty in France. This interesting pamphlet describes the gradual perfecting of the process and of its mechanism, the recovery of its waste products, their utilisation for the production of other chemicals indispensable to the textile, paper, aluminium, and various other industries, and the concentration of the manufacture in districts where all or most of its raw materials were at hand, chiefly on the Mersey and Tyne, and, after the discovery of salt-beds at the mouth of the Tees, at Middlesbrough. But it was gradually affected adversely, first, by the development of rival works behind tariff walls in the United States and Germany, then by the cheaper production effected by the ammonia soda process introduced by Brunner, Mond and Co., in 1881. Still, the Leblanc process had an advantage in the variety of its bye-products, and its users met the competition, first by a trade agreement, and eventually by the formation of the United Alkali Company in 1890. The great services of the company to British industries during peace, and to the nation during the war in facilitating the production of explosives, and meeting the chemical warfare introduced by Germany, are fully set forth; but the Leblanc process was finally abandoned in 1920, partly through difficulties resulting from the war, and partly through its supersession by the electrolytic process developed by the company on the Tyne. The human element in the history is supplied by interesting accounts of the Muspratt and Tennant families, whose members led the development of the industry and still take part in its direction; and the record is closed by an account of the influence of its agents in spreading chemical knowledge in such countries as Mexico and Japan. The whole pamphlet is a valuable contribution to the history of the British chemical industry, and a vindication of it against the exaggerated claims of its German rival.

BOOKS RECEIVED.

Politics and Progress. By Ramsay Muir. (London) Methuen and Co., Limited. 3s 6d net.

The Commerce of Nations. C. F. Bastable. Revised by T. E. Gregory. (London) Methuen and Co., Limited. 6s net.

The Edinburgh Review. April, 1923. (London) Longmans, Green, and Co. 7s 6d.

The Dariat Report. Ruhr, Rhineland, and Saar. (Manchester) Offices of the *Manchester Guardian*. 1s.

Mercury Ores. By Edward Halse. (London) John Murray. 5s net.

Industrial and Labour Information. (Geneva) The International Labour Office.

Institut International de Statistique. Bulletin Mensuel. Mars 1923. (La Haye) W. P. Van Stockum et Fils. Fl 1.50.

A Brief Survey of Italy's Economic Condition. (Rome) Piazza Foro Traiano, 1.

Centenary of the Alkali Industry, 1823-1923. (London) The United Alkali Industry, Limited.

Pocket Year Book of Western Australia, 1923. (Perth) Government Printer.

* "Centenary of the Alkali Industry, 1823-1923." Issued by the United Alkali Company, Limited.

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STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET.	ACCOUNT.
April 18.	April 19.

It is not difficult to single out the main feature of the Stock Exchange markets this week. The strength of all gilt-edged securities figures so prominently as to make it the outstanding object of interest, and of satisfaction, to the solid investor, who, while he has no desire to change his holdings, nevertheless is pleased to see his stock increasing in value. The War Loan attained the highest price touched since it came out 6½ years ago. India Government stocks have spurred in a manner rare in such staid issues. Dozens of rises are marked in Corporation stocks, Home Railway pre-ordinary, and Indian rails, while the supply of colonials—like that, indeed, of everything else in the gilt-edged sections—has diminished to a point at which jobbers themselves are fain to confess that their lists of stocks on offer have become almost farcical, so wide are the gaps between the names of the few stocks obtainable.

The careful investor who has been watching the trend of events, and observing the tendencies of the markets as reflected in serious financial papers, will feel no surprise at this development of a movement that has been gathering force for some time past. Not until trade revives in earnest, and money is required for commercial purposes is it likely that there will be any weakening in the robust appearance presented by all investment securities.

Rises in French railway bonds outstrip improvements in the French Government issues, but there is not much trade doing in either. Greeks have been going down, Chilians are better, the foreign market, on the whole, somewhat placid.

Home Railway ordinary stocks gave way abruptly, on the fear of a strike, which caused a good many holders to sell at prices that showed them excellent profits, but which would have been more substantial still had the stockholders not waited for the time when the market should turn downwards before they got out. A fair amount of support was forthcoming at the lower levels. Grand Trunk Pacific debentures have gone back a little; Mexican Rails are dullish. In Argentines, the feature is the strength of all pre-ordinary issues, this following upon the same lines as that indicated above in regard to British gilt-edged stocks.

The rubber market is inclined to go better, but the stickiness of the raw material offers no encouragement to prospective buyers. There is more doing in the oil market, where speculation in British Controlled shares, and in various others in companies expected to benefit by the Venezuelan oil discoveries, have fanned a little flame of optimism. Reports of revolutionary trouble in Roumania had no effect upon prices of oil shares. The main excitement this week in the industrial market centred upon Imperial Tobacco shares, the price going up with a rush, on rumours of an imminent bonus distribution of shares. The other members of the tobacco group, after being good, reacted a trifle, but have been overshadowed by the animation in Imperials. Substantial rises have taken place in the insurance market, the shares of the leading companies going up by leaps and bounds on a few increased dividends, coupled with the expectation that the future holds bright promises of dividend advances all round.

The banking market follows in the same direction, though much more quietly. Shipping shares are steady, the Cunard's 7½ per cent. dividend, the same as that of a year ago, meeting expectation. Brewery stocks have been marking time on the eve of the Budget announcement, and amongst textiles, speculation has ebbed to some extent, though prices maintained most of their recent rises. The iron and steel market is firm. Gas stocks have been better and electric lighting shares difficult to buy. Most of the newly issued stocks stand at a premium, though with some of the latest rubber companies underwriters got left with shares, and the prices drooped to a small discount.

January 31, 1923.					
LIABILITIES.		Compared with Jan. 31, 1922.	ASSETS.	Compared with Jan. 31, 1922.	
Amount.	£	£	Amount.	£	
£5,000	203,150	..	Properties and plant	2,659,010	.. 540,875
£1,000	350,580	..	Stocks	883,156	.. 10,926
£1,000	2,815,172	..	Sundry debtors	410,832	.. 423
£1,000	2,500,000	..	Investments	4,157,075	.. 97,775
£1,000	545,034	+ 144,048	Cash and bills ..	236,628	.. 113,524
£1,000	125,000	+ 580,000			
£1,000	1,466,058	+ 7,505			
£1,000	300,000	..			
£1,000	41,707	.. 189,026			
£1,000	8,346,701	.. 617,473	Total	8,346,701	.. 617,473

at Canton can, in the long run, be detrimental to this colony, and our Chinese friends may be assured that British policy in this matter is bounded by no such narrow outlook as that attributed to it.

MARITIME CUSTOMS AND SALT REVENUE.

The report of the Maritime Customs revenue collection for the year 1922 has already appeared in the newspapers, and I will not take up your time by repeating the figures here. The total net collection was Hk Tls 58,600,000; this, as already stated, beats all previous records, being Tls 4,100,000 in excess of the collection of 1921, itself a record year.

The total salt revenue paid into the group banks, after deducting administrative expenses, was \$85,633,000, which is an increase of \$5,000,000 as compared with the previous best record of 1919, and an increase of \$7,600,000 on the revenue realised in 1921. Retentions by various local authorities amounted to \$31,668,000—an increase of \$13,000,000 as compared with the amount retained in 1921. In addition to the retentions made in former years in the provinces of Kwangtung, Szechuan, Yunnan, and Hunan, revenue was retained during 1922 in the provinces of Shansi, Hupeh, Kiangsi, and Manchuria, while in the case of Fukien no revenue has been paid into the group banks during the last months of the year owing to local military action. On the other hand, a gratifying increase of revenue was obtained during the year 1922 in the majority of the districts in which the control of the chief inspectors has not been interfered with.

The actual total released for the general purposes of the Chinese Government during the year amounted to \$47,237,000, as compared with \$52,060,000 in 1921.

The reserve in the group banks, to provide for the service of the Reorganisation Loan, was maintained during the year at \$7,000,000.

ECONOMIC CONDITIONS OF EUROPE.

The economic conditions of Europe continue to give rise to grave misgivings. Very little progress is being made towards a settlement of the multitude of complicated international questions. It is very gratifying, however, that arrangements have been concluded for funding the British debt to America on mutually satisfactory terms, thus removing a fruitful source of friction between the two countries and setting an example for the rest of our Allies to follow. But it has not yet been found possible to determine the amount of German reparations, which is an indispensable preliminary to the flotation of the International Guaranteed Loan required to enable not only Germany, but France also, to arrest the depreciation of her currency and to balance her Budget. It is a matter that cannot be postponed indefinitely, and the longer a settlement is delayed the more difficult it will be to avoid a great disaster to Central Europe, the effects of which would be very far-reaching.

In England the situation has improved considerably. We are meeting our expenditure by taxation, and not by borrowing.

The premium on gold has been reduced from 25 to 8 per cent., and the New York exchange to within less than 20 cents of pre-war parity. In this matter it is the last step which counts, and it is well not to be too sanguine of an early return to the old gold standard upon which British predominance in international trade was built, but we are entitled to contemplate with satisfaction the advance already made towards its ultimate realisation.

International trade is based upon comparative cost. Prices are now relatively lower in Great Britain than in America. This is, no doubt, the fundamental cause of the improvement in the sterling exchange. It has also the effect, by stimulating our exports and discouraging our imports, of making England a better country to buy in than to sell in.

TRADE RETURNS.

The last available trade returns show that for the eleven months ended November, 1922, the unfavourable trade balance, that is the excess of imports, has been reduced by over £100,000,000. Allowing for difference in prices, it is now within measurable distance of the visible excess of imports before the war. It may fairly be said that trade appears to have turned the corner, and, assisted by returns from the £130,000,000 of savings invested during the year in foreign and colonial loans, is likely to improve if the springs of commerce are not choked at their source. The capacity and resource of the British merchant, left to himself, may safely be trusted to discover new channels of business and to launch again on the tide of commerce the freight of credit and confidence on which our international trade depends.

Early last year we issued a loan for £2,000,000 on behalf of the Royal Siamese Government. This loan was well received, being applied for many times over, and at present stands at about 8 per cent. premium, which is an indication of the high credit of the Royal Siamese Government in the London market.

MILITARY LANDS.

There is an important local matter which I feel you will expect me to refer to, and that is the question of the military lands.

Early in my speech I mentioned that land values had risen to undreamt-of heights, owing to the steady influx of Chinese from the neighbouring provinces, and to one other reason, which I will now proceed to explain.

The area in this island available for commercial purposes is, as you well know, strictly limited—it has been added to from time to time by laborious and expensive reclamations from the harbour, and a new and extensive reclamation is now in progress.

As this is the case, it must be self-evident that the best use should be made of the space available for business purposes. And yet the military establishments continue to occupy a large tract of the best commercial land in the colony, dividing the western from the eastern districts, hampering free communications and the natural development of the business area. It is well known that our Government has been for years past making efforts to remove this anomaly. There are plenty of better sites, belonging to the Colonial Government, available where the troops could enjoy more healthy and spacious surroundings, but no settlement has yet been arrived at. I believe this is not due to lack of effort on the part of the Hong-Kong Government or to obstruction by the local military authorities, who must be well aware that the present cramped situation of the garrison is detrimental to the health and efficiency of the troops. There is no question of military strategy involved, yet the obstruction to the change comes from the War Office alone.

I think it is time that the War Office realised that Hong-Kong does not exist solely in order to pay a military contribution of 20 per cent. of its revenue, and that if this senseless policy of obstruction and hampering of British trade and the natural development of the colony is persisted in, it will become a question of whether the contribution can be justified any longer.

TRIBUTE TO STAFF.

I cannot conclude without a word of commendation to the staff. In the Hon. Mr. A. G. Stephen, our chief manager, we have a man whose knowledge of business and finance is unparalleled, and whose services to the Empire and its Eastern connections are well known to all of you. During the past two years, in a period of world depression, the bank has progressed under his able direction, and its position to-day is stronger than ever. Amid the troubles and disasters throughout the world, the disorganisation and uncertainties of exchanges, our men everywhere have risen to the occasion, and have created a faith in the bank of the utmost value to trade and British prestige in the East. We are indeed fortunate in possessing a staff second to none in loyalty and devotion to the interests of their employers, and I am confident that as senior men retire their places will be taken by men of equal calibre, and the bank will continue to be a tower of strength to Eastern trade and enterprise in the future as it has been in the past. I am sure you will agree heartily with the decision of your directors to award the staff a bonus of 10 per cent. on their salaries.

I beg to propose the adoption of the report and statement of accounts. After the proposal has been seconded, and before placing the motion before the meeting, I shall be pleased to answer to the best of my ability any questions which shareholders may have to ask.

Mr. L. Dunbar said: Mr. Chairman and Gentlemen,—It is a great pleasure to me to second the adoption of the report and accounts. I think it is very gratifying in these troublous and uncertain times that the bank is able to present such a favourable report, the profits for the year exceeding all previous records. Of recent years many new competitors have appeared in the Eastern banking field, but the Hong-Kong Bank appears to thrive on competition, its reports for many years past showing a steadily increasing expansion of figures in every direction. I agree with the chairman in describing it as a tower of strength to trade and enterprise and to British prestige in the East.

I am glad the chairman touched on the question of military lands. We see the colony expanding in every direction, building going on everywhere, and the rents in the central district rising to a height that is a serious handicap to merchants. And yet the military continue to occupy the location they have held for the last 80 years, a location which, although eminently unsuitable for the troops, would be of the utmost value to the business community. Let us hope the War Office will wake up one day and discover that Hong-Kong has changed somewhat since the military took up their present quarters, when the island was first occupied.

I am sure we all join the chairman in his tribute to the staff. The bank is indeed fortunate in possessing a staff of men who began their business careers in the bank and mean to end them in the same service. The number of them who have served for over 20 years in the East is a source of strength and stability. I think you will all heartily support the directors in voting the staff a bonus of 10 per cent. on their salaries.

The motion was carried unanimously, and the meeting terminated with a vote of thanks to the directors, management, and staff.

LEVER BROTHERS, LIMITED.

"SATISFACTORY RESULT OF YEAR'S TRADING."

GOVERNMENT EXTRAVAGANCE IN WEST AFRICA.

CO-PARTNERSHIP AND TRADES UNIONS.

The twenty-ninth annual general meeting of the shareholders of Lever Brothers, Limited, was held at the Lyceum, Port Sunlight, Cheshire, on Thursday, April 12, 1923. The Right Hon. the Viscount Leverhulme (chairman of the directors) presided.

Viscount Leverhulme, in the course of moving the adoption of the report and accounts, said: My lord, ladies and gentlemen,—I rise to move that the directors' report and statement of accounts for the year to December 31, 1922, now submitted, be received and adopted, and in doing so it is again my great pleasure to be able to congratulate the shareholders upon what, I hope, they have found a satisfactory result of the year's trading, following on the most difficult period that trade and commerce of the United Kingdom have ever had to face—namely, the three years following the boom time which immediately succeeded the end of the war. You will have received with the statement of accounts the book of views of works of Lever Brothers, Limited, and associated companies, and I hope you feel, as myself and colleagues do, proud of the most valuable properties you possess in so many countries of the world. Believe me, it has always been our object to, what one may call, spread our risks. Carnegie's advice was to put your eggs in one basket and then to sit on the lid, but I like there to be a great many baskets in a great many countries.

You will be asked later to elect to the board Mr. D'Arcy Cooper, who has been intimately connected through his firm, Messrs Cooper Brothers and Co., with the business of Lever Brothers, Limited, for a great number of years. He has now completely severed his connection with his old firm of Messrs Cooper Brothers and Co., and will in future devote himself entirely to the business of Lever Brothers, Limited, and become, with Mr. Greenhalgh, a vice-chairman of the company. Myself and colleagues welcome more profoundly than words can express the addition of Mr. Cooper to the board as one that will add enormously to the strength of the company, but he is rather a bashful and retiring man, so that I must spare his blushes and refrain from saying all I would like to say about him.

THE ACCOUNTS.

Now I come to deal with the various items in the accounts.

I may say that in the preparation of the accounts, with the full concurrence of our auditors, we have for this past year adopted the principle of treating, with regard to profit and loss account, all our associated companies as if they were branches of the parent business and not separate limited liability companies. We have had, therefore, in the accounts now presented to deal with the losses that were made by certain of our companies, the most serious losses being those of our companies in West Africa and of our Margarine Company. These losses had for the two previous years been dealt with by your directors, in their valuation, placing no value on the shares of these companies. How these have been dealt with this year you will have seen from the directors' report. I think the report is quite clear, but if any shareholder wishes to address a question to me later upon the subject I will endeavour to answer it.

PREMIUMS ON SHARES.

With regard to the premiums on the shares issued during the past year to associated companies which the ordinary shareholders have returned to this company, no thanks are due to the ordinary shareholders for this surrender of premiums, because obviously the ordinary shareholders are equally benefited with the preference shareholders by the losses made in the slump years being dealt with in the manner they have been; but their rights to these premiums were agreed to by all shareholders at the time the capital of the company was increased, and a considerable number of 20 per cent. cumulative preferred ordinary shares were created in priority to the ordinary shares. The ordinary shareholders made it an absolute condition of their assent to such increase of capital that such 20 per cent. cumulative preferred ordinary shares were to be first offered to them at par before they could be dealt with by the company. It is quite obvious that the position of the ordinary shareholders in the value of the ordinary shares, in consequence of the creation of these 20 per cent. preferred ordinary shares in priority, was depreciated to the extent that these 20 per cent. shares might be issued in priority to the ordinary shares, and it was only by linking the two together in this way that the matter could be handled with advantage to the preference shareholders, and justice and equity to the ordinary shareholders.

DIVISION OF RESERVES.

Our preference shareholders will remember that only three years ago certain reserves in the business to the large amount of £3,944,412

were distributed amongst the preference shareholders, and that, in addition, the rate per cent. payable on the preference shares was increased, and that in consequence thereof the amount required to pay the dividends on the preference shares was increased by over £500,000 per annum. It was intended at that time to divide the balance of reserves amongst the ordinary shareholders, but this latter intention was never put into effect, and those reserves have been available for meeting the slump year losses of certain of our associated companies.

As far as my knowledge goes, the whole of the losses of our associated companies during the slump years have now been dealt with in the way described in the report. I want to make it quite clear that this does not affect the balance-sheets of the associated companies as such. It is merely that the parent company and certain of its associated companies have reserved out of profits, and out of these premiums and other income, for the losses made by certain associated companies.

CRITICISM ANSWERED.

To any critic taking exception to this transfer of £3,000,000 shares and premium thereon as above, I would venture to express the view that had your directors decided to ask the preference shareholders to agree to the cancellation of the bonus of £3,944,412 they received three years ago such method, if agreed to by preference shareholders, of cancellation of bonus shares issued would have achieved the same object and also have left us with £1,000,000 surplus to be added to reserves, and would have also increased by over £300,000 sterling per annum the balance of profits remaining after payment of all dividends to preference shareholders, and available for division amongst the ordinary shareholders.

Your directors believe they have dealt with slump losses of associated companies in the manner that was in the best interests of the preference shareholders and of the business as a whole, without regard to any narrow selfish view of the immediate interest of the ordinary shareholders.

There were no losses at any time incurred by the parent company, and your directors believe that those associated companies in West Africa and our Margarine Company merely reflect the universal condition of other companies in similar businesses.

NIGER COMPANY'S LOSSES.

I note in certain financial articles referring to the balance-sheet there has been some misunderstanding with reference to the Niger Company, and it has been inferred from the fact of the transfer of the 3,000,000 20 per cent. "A" preferred ordinary shares to an associated company in West Africa, that the losses shown in the Niger Company's accounts would disappear when the next balance-sheet was issued. This is entirely erroneous; the 3,000,000 shares were not transferred to the Niger Company, but to one of our West African associated companies, now an associated company of the Niger Company, but in which Lever Brothers, Limited, held the shares long before we acquired the shares we hold in the Niger Company. The Niger Company will require to make profits of itself and its associated companies to liquidate its losses, but under the new method of preparation of accounts, the losses are dealt with on the principle named of treating all associated companies as if they were branches of the business, and dealing only with the remaining profits after providing out of the profits and reserves of some companies for the losses of others.

However, as the result of the last three years' steady plodding and persistent effort, I believe that we have dealt with the situation and resulting losses successfully.

It will be of interest to you to know that the number of shareholders of the company now amounts to 141,216, and of debenture-holders to 20,020—a total of shareholders and debenture-holders of 161,236—so that the average holding per shareholder is about £300, omitting shares held by associated companies, co-partners, and the ordinary shareholders, and the average holding of the debenture-holders is about £400 each, which shows the widespread interest taken in the shares and debentures of the company.

VALUE OF HOLDINGS IN ASSOCIATED COMPANIES.

With reference to our holding of shares in West African companies and our shares in Margarine, my colleagues and myself have made a most careful valuation of the holdings of Lever Brothers, Limited, in all our 200 associated companies, and in making this valuation, but placing no value at all on our shares in our West African associated companies and no value on our shares in our Margarine Company (although we do not for a moment suggest that they possess no value, still for the purpose of valuation we put

no value thereon, in view of the fact that they have both been losing money), there is still a substantial surplus over the amount at which the shares and debentures in and loans to associated companies appear in the balance-sheet. The total number of our associated companies exceeds, as I have already mentioned, 200, scattered all over the world, so that the distribution of our capital is, we believe, very well and wisely divided.

WEST AFRICA—HIGH EXPORT DUTIES.

I would like, with your permission, to make further reference to the position in West Africa. The trade of West Africa is staggering under absolutely prohibitive high duties on exports of produce. Some of the Governors state that these duties are not having a prejudicial effect, others the contrary. I find whenever the statement is made of their non-injury to trade, it is to support the position the Governor finds himself in of requiring the duties to be maintained to support extravagantly high expenditure. I find equally that where the duties have been reduced, as on the Gold Coast on cocoa, the Governor, His Excellency General Sir Frederick Guggisberg, is able to report, and has reported, a response at once in improved trade conditions. Sir Frederick Guggisberg states that when the reduction of duty on cocoa from a half-penny a pound to a farthing was under consideration, it appeared as if the loss—if there was no response in increased volume of business—would amount to £326,000 in the year, but his trade advisers were of opinion that the reduction in duty would result in such increased business that the final loss would come down to about £23,000 in net income, and on this the export duty on cocoa was reduced from ½d to ¼d per pound. The report goes on to state that the results have fully justified the reduction in the duty; that the net income for the year was not £23,000 less than the preceding year, but £190,000 more, and he was convinced that this reduction of duty was responsible, with other factors, for the recovery of trade.

EXTRAVAGANT EXPENDITURE.

I would call attention to the fact that the produce from West Africa is in competition with produce from all over the world, practically none of which is called upon to pay any export duties, but the expenditure in Nigeria is so heavy, the Government states, that no reduction in these duties can be made. Now, with regard to this expenditure, I would like to point out that in 1913 the Government expenditure in Nigeria amounted to £2,916,801 for that year (1913), but in 1921-2 the Government expenditure in Nigeria had been inflated to the extravagantly high figure of £7,171,997, which was an increase out of all proportion to the increase of revenue, notwithstanding the duties laid on produce, for whilst in 1913 the revenue was £3,462,507, and showed a surplus of over half-a-million over expenditure, the revenue in 1921-2 amounted to only £4,876,246, and showed a deficit of over 2½ millions for the same year. The taxation and expenditure are out of all proportion to the trade of Nigeria. The cost of bringing to market the palm oil from West Africa in duty, railway freights (which themselves are out of all reason in amount), ocean freights (which latter, however, have just been greatly reduced), and the cost of casks and other expenses amounted in total to £9 1s 4d per ton in 1913 as against £15 1s 3d per ton in 1922, an increase of about £6 per ton. Of this increase the Government is responsible for £3 11s 8d—83 per cent. of which is duty. To put this matter in a form in which perhaps we can realise its effect upon the native more clearly, I may say that whilst in 1913 the exports amounted to 95 per head of the native population, of which the native received 6s, and the Government took 3s in taxes, in 1921 the value of the exports amounted to 10s 9d per head of the native population, of which the native only received 3s 3d and the Government took 7s 6d. In explanation of the high increase of expenditure it has been stated by the Under Secretary for the Colonies in Parliament that salaries of Government officials were increased in 1920 in view of the increased cost of living; that these increases, now that living is falling, cannot be reduced as salaries are permanent, but lower scales may be applied when new appointments are made. I would like to ask the Under Secretary (Mr Ormsby-Gore) whether the care and solicitude he has shown for the Government employees, being white men, should not be shared in by the native population. The cost of calico and other goods required by the natives, which make their cost of living, has advanced since the war, but so far from there being any increase of income to the native, the Government have reduced, by their taxation, the net amount received by the native to practically one-half.

This wonderful indifference to and detached view as to the welfare of the native is contrary to the best interest, the progress of our Crown Colonies.

POTENTIAL VALUE OF WEST AFRICAN INTERESTS.

Your directors have given, and are giving, the closest possible attention to our West African interests, which are of enormous potential value as the cheapest source of supply of oils and fats, for both soap and margarine manufacture, as a reference to the chart of costs entering into soap production which I shall explain

later, and which was similarly given last year, will show. The company's West African interests extend over a coast line of over 3,000 miles from Dakar to the Congo. Your directors have paid three visits to these West African properties. Myself in 1912, my son and Mr Moseley in 1921, and Mr Greenhalgh and Mr Simpson last year.

In fulfilment of the promise I gave to the shareholders at the time the debentures were created, a further £250,000 out of the profits of 1922 is added to the reserve fund, which now exceeds a million. You will also notice from the balance-sheet that we have written off out of this year's profits a further sum of £120,000 from the discount on debenture stock and expenses of issue.

I will now make a passing reference to what I called last year our "cellar" reserves, which do not appear in the balance-sheet.

ADVERTISING, DEPRECIATION, REPAIRS AND RENEWALS.

The amount we have expended in advertising (which is really maintenance and renewal of goodwill), depreciation, repairs and renewals for 1922, is the largest of any year in our history, and the total amount spent under these heads during the last 20 years now exceeds 27 millions sterling, or more than 50 per cent. of the capital of the company. It has never been the policy of your directors to carry large sums to open reserves, but we have maintained what I call the "cellar" reserves fully, amply and generously, if not extravagantly; but I do consider that the best reserve of all in the business is our co-partnership system. Our co-partners now number 15,671, and the total paid in dividends from the commencement of co-partnership to the end of 1922 exceeds 14 millions sterling. The co-partnership certificates issued to co-partners exceed two millions sterling nominal value. Believe me, myself and colleagues attach much greater importance to reserves created in the hearts and will of our co-partners than to other reserves in the business, and co-partnership forms the strongest and wisest investment of a proportion of the profit of the company that, in our opinion, we could possibly make. After all, co-partnership is merely a desire on both sides for a "square deal." It is not wise or equitable that the whole of the profits of the business should go in one golden stream to the shareholders. The stream ought to be divided fairly and equitably between the shareholders and those engaged in the business. At the same time, I want to make it quite clear that, in the opinion of myself and colleagues, the organisation of industry must follow the lines of the organisation in our mercantile marine or fishing fleets. There must be the captain; there must be the officers; and there must be the crew, each with their respective and proper places; and whilst, as in the fishing boats, the proceeds of the catch may be wisely shared, and should be shared, amongst captain, officers and crew, in just proportion to responsibility, there must be no interference by the crew in the control of the navigation of the ship by the captain and officers.

WHITLEY REPORTS.

In my opinion, founded upon my experience of 56 years in business, the so-called Whitley Report, in its recommendation of workmen's committees to take part in the control of industry, has been the most harmful suggestion ever made, and one that has created very largely the spirit of unrest now prevailing. There is something very attractive in the suggestion of the Whitley Report, but it is no more practicable in a manufacturing business than it would be on a ship navigating the ocean, and I venture to say that the authors of the Whitley Report would hesitate to trust their own lives and the lives of their wives and families to a ship on which the crew sat alongside the captain and officers as a committee to control the navigation, and I would strongly advise the members of the Whitley Committee not to invest the savings of themselves or wives or families in any industry in which the workers have any effective voice in the control and management of the industry. Bolshevik Russia tried workmen's committees to control industry. We all know the result. In these remarks I do not want you to think I am unsympathetic with advancement and progress for labour. We have always had the policy, and successfully practised it, of advancement for the members of the staff to a seat on the board of directors, but this has been a process of selection, just in the same way that a cabin boy of to-day may be the captain to-morrow, provided he has shown the requisite application and ability, and has proved his tested knowledge of navigation.

DOCKS ON BROMBOROUGH ESTATE.

We are again promoting this year a Bill in Parliament for the making of docks on our Bromborough Estate. You will remember that a few years ago we were granted powers to build wharves on the River Mersey alongside our Bromborough land. At the time that Bill was lodged in Parliament we had not acquired Messrs Prices' business. Many years ago we endeavoured to arrange with Messrs Prices to promote a joint Bill in Parliament for docks at the mouth of Bromborough Pool, but negotiations fell through. There is no doubt that both in the interests of the navigation of the River

Mersey and facilities to Lever Brothers for handling cargo the Bill we are promoting this year is a wise replacement, if approved by Parliament, of the powers granted to us for wharves alongside our land at Bromborough.

CO-PARTNERS AND TRADES UNIONS.

It will be within your recollection that the Carpenters' and Joiners' Trades Union wished to expel certain of their members employed at Port Sunlight in the event of their continuing to be co-partners in Lever Brothers. Carpenters and joiners employed by the firm who were affected by this proposed action by their union contested their right in the courts, and their case was finally decided in the House of Lords. Many of you may have read the report at the time, and know that the House of Lords decided in favour of the co-partners, and granted injunctions against the trades unions restraining the threatened expulsion.

The immediate point decided in that case was that there was nothing in the rules of either union to prohibit their members taking the benefit of our co-partnership scheme, but that was not all the case decided. There was a further point of much wider general interest to the public, which makes this case one of the most important which has ever been decided in the history of trades unionism. The trades unions argued most strenuously that a member of a trade union who has been expelled—no matter for what reason, whether the grounds of expulsion were justified under the rules of the union or not—must submit to this expulsion, and has no right of redress in the courts of law. The House of Lords rejected that contention, and decided that where a member of a union has been expelled for reasons which the rules do not justify, he can go to the courts and obtain reinstatement, and this is the law as now finally decided by the cases I am referring to.

At the Easter Conference of the National Union of Distributive and Allied Workers, held at Southport, a resolution was passed, on the motion of the Cheshire and North Wales Divisional Council, which includes Port Sunlight, expressing the opinion that the time had arrived when the general trade union movement, through its annual Congress, should declare itself against any form of capitalist co-partnership, believing that the capitalist attempts to introduce certain forms of co-partnership were designed to mislead the workers and prevent trade union solidarity.

Apparently, he is a good citizen who does not find remunerative employment for his fellow-man, and he is a bad citizen who does provide remunerative work for his fellow-man, but he is the worst type of citizen who wishes to do so on a basis of co-partnership. I believe the word used to describe this evil action of finding remunerative employment is to "exploit" the worker, whether you deal with him solely as a weekly wage-drawer or as a co-partner, and desire to raise him to the status of a capitalist holding co-partnership certificates—in the case of co-partners in this company already amounting to a nominal value of over £2,000,000 sterling, and, we hope, of increasing value each year.

Each succeeding year your chairman has been instrumental in employing a greater number of his fellow-men, until to-day the number exceeds 40,000, and each succeeding year he has found that it has entailed extra work upon himself, so that instead of getting relief from the so-called "exploitation" of his fellow-men, your chairman's opinion in his seventy-second year is that his fellow-man is exploiting your chairman, and really taking more out of him than the strength with which he was endowed by Nature has placed at his disposal. For some years now your chairman has had to get up at 4.30 in the morning, and your chairman's opinion is very strongly that, so far from your chairman exploiting his fellow-man, it is his fellow-man who is exploiting him. I would like to refer our shareholders to an anti-socialistic and very clear and able article by Mr Robert Blatchford in the *Sunday Chronicle* of April 8th, which is well worth close reading by all interested in this subject.

GROUP UNEMPLOYMENT AND LIFE INSURANCE SCHEME.

During the past year we have made a further departure with regard to the betterment of the position of our staff, by the adoption of what we call the group unemployment and life insurance scheme. Under this scheme we have arranged with the Atlas Assurance Company, Limited (which arrangement came into operation on October 1st last), for the insurance in groups of members of our staff who are co-partners. We have three groups, from the youngest co-partner of the staff up to and including the directors. Under Group 1 the insurance in case of death or disablement ranges from a minimum of £100 to a maximum of £1,000. Group 2 " " " £200 " " " £2,000. Group 3 " " " £400 " " " £4,000.

The total value of policies issued to 7,155 members of our staff who are qualified under the scheme amounts to £985,600. Unfortunately, seven deaths have resulted since the inauguration of the scheme on October 1st last, and £1,100 has been paid out thereunder, whilst £100 is outstanding yet to be paid as soon as the claim has been passed by the insurance company.

In addition to life insurance, we have unemployment and sickness relief benefits applied to co-partners—men and women—in the employment of Lever Brothers, Limited, or associated companies working within a radius of two miles from the centre of Port Sunlight. The latter scheme also came into operation on October 1st. It is our intention to extend its operations beyond the area in which we have commenced, should we be justified in doing so. The basis of both the insurance and of the unemployment and sickness relief is the grading into groups. This is according to efficiency in the particular group in which the member of the staff is employed.

UNEMPLOYMENT.

With reference to unemployment, the scheme provides that during any period of suspension from employment arising from any cause, such as slackness of trade, to which, in the opinion of the company, a co-partner has not either directly or indirectly contributed, the company will pay to such co-partner, *ex gratia*, such a sum by way of supplement to the State allowance as, together with that allowance, will yield an amount equal to half the standard weekly wages. In the case of the sickness relief scheme, provided that in the event of a co-partner being ill and thereby being prevented from working for at least seven consecutive days, and satisfying the company as to the fact, such co-partner will receive, *ex gratia*, from the company, the same weekly payment for four weeks as he or she would have received for suspension from the causes above mentioned. After the expiration of four weeks, the company will consider whether or not such benefit should be continued for any further period. We have also inaugurated a short-time relief scheme to provide against hardship caused by our working short time, by the payment of half-rates for all short time so worked, to which short time the co-partner has not either directly or indirectly contributed. I would point out that in these schemes no medical examination is necessary, that if there is any co-partner who retires on superannuation or pension after October 2, 1922, he will remain insured for a period, and that if the assured leaves the employ of the firm, he or she can continue the insurance without medical examination for a similar amount at the insurance company's ordinary table rates for the class of insurance selected. We trust that our shareholders will approve of these additional advantages being accorded to our co-partners.

PROSPECTS FOR 1923.

With reference to the prospects for 1923, it is very difficult indeed for me to express at the present moment any very pronounced opinion. On the one hand, we have advancing prices for raw materials. On the other hand, the advancing prices of raw materials will greatly help our interests in West Africa, the Solomon Islands, and elsewhere producing oil and fats. The volume and tonnage of our business for 1922 was a record in the whole of the history of the company—in fact, our increases have rather astonished even ourselves, accustomed as we are to increases in volume of business.

Our export trade is gradually recovering, although not so quickly as we would desire, owing to certain markets, due to the rate of exchange; being still closed against imports of most kinds.

TAXATION.

With reference to taxation, I would like to say this: that any relief that can be given to the heavy burden of taxation borne by the citizens of the United Kingdom would have an immediate direct effect in improving business, increasing demand, and reducing unemployment. We have already since the close of the Great War reduced our war indebtedness by a larger amount than we reduced the war indebtedness of the Napoleonic Wars during the succeeding 60 years. And it is the fact that after the Civil War in America the United States first concentrated their attention on improving the trade and commerce of their country, and actually increased their war indebtedness during the 10 years following the end of the Civil War; then, having restored trade and commerce, they set resolutely to work and speedily paid off their war indebtedness. I am certain we are wise to make every effort to pay off our war indebtedness, and, in any case, not to entertain for one moment any policy that would add to it; but equally time has always proved that the words of William Ewart Gladstone—possibly the greatest Chancellor of the Exchequer we ever had—were invariably justified when he said, in adopting a policy of reduction of taxation and slowly paying off the National Debt rather than maintaining taxation unreduced and paying off the National Debt at a speedier rate, that money fructified better in the pockets of the people than in the coffers of the State, and undoubtedly the wisdom of this policy was proved by the response by increases of trade and commerce manifested on each succeeding occasion when reduction of taxation was put into effect.

Mr H. R. Greenhalgh: My lords, ladies, and gentlemen,—After the very full statement which our chairman has given you, it only

remains for me to second the resolution, which I do with very great pleasure.

The resolution for the adoption of the report and accounts was then put to the meeting and carried unanimously.

Votes of thanks were moved by the Hon. Hulme Lever, and seconded by the Marquess of Carisbrooke, to the chairman and directors of the respective associated companies, and the staffs and agencies abroad; and by Mr J. L. Ferguson, seconded by Mr C. W. Barnish, to the management, office staff, and employees of Lever Brothers, Limited, for their zealous and efficient services during the year.

These votes were carried unanimously. This concluded the business of the meeting.

GODFREY PHILLIPS, LIMITED.

CHAIRMAN OPTIMISTIC OF THE FUTURE.

The fourteenth ordinary annual general meeting of Godfrey Phillips, Limited, was held, on the 12th inst., at Winchester House, Old Broad street, London, Mr M. David Phillips presiding.

The Chairman, in moving the adoption of the report and accounts, said that he regretted that their chairman was unable to be with them owing to his having fallen a victim to influenza. The chairman had asked him to read his speech, in the course of which he said:—

There are one or two items in the balance-sheet upon which I should like to comment. On the liability side there has been a reduction in the items "Loans—including loans from bankers" and "Sundry creditors and credit balances." These amounts vary, of course, from time to time, especially when the tobacco crop is moving, but comparing the figures in respect of these two items with the figures in the previous year's balance-sheet there is a reduction of nearly £114,000, which, I am sure, you will agree is most satisfactory. On the same side of the balance-sheet last year we had under the heading of "Special reserve fund" an amount of £51,083. This year we have transferred from this amount to profit and loss account a sum of £15,583. I want to tell you why that has been done.

Of this "Special reserve fund," £1,083 represented the amount of the first year's payment in respect of the sinking fund for the redemption of the mortgage. This sum of £1,083 was set aside out of profits, and it is confusing to set aside sums out of profits while there is a debit balance on the profit and loss account on the other side of the balance-sheet, and that amount has accordingly been transferred to the credit of the profit and loss account. The remainder of the "Special reserve fund" was created in the following way:—

PURCHASE OF "ARMY CLUB" CIGARETTES.

Some time after this company purchased the business of Messrs. S. Cavander and Co., proprietors of the well-known "Army Club" cigarettes, a business which has been in existence for three centuries, a new company was formed with a capital of £50,000, and your company have acquired the whole of the ordinary shares. On the formation of that company the nominal value of the shares was taken in our balance-sheet as an asset, and at the same time a like amount was shown as reserve in respect of that asset, so that in effect the value of the shares was treated as nil.

Cavanders, Limited, has now been in existence for five or six years; a substantial business is being done in their brands, especially abroad, and your directors are of opinion that there is an undoubted value attaching to these shares; they have assessed it at £14,500, and have transferred that amount from the "Special reserve fund" to the credit of the profit and loss account.

On the asset side of the balance-sheet, "stock" has been reduced by £70,700.

After dealing with the new extension to the Commercial street factory, the Chairman continued:

We now come to "Profit and loss account." The directors, to meet the wishes of the shareholders, decided to waive their rights and to pay income-tax in respect of their salaries from January 1, 1922, themselves.

The profit for the year 1922 is £54,058, subject, of course, to corporation profits tax, and shows an increase of nearly £40,000 on the previous year's profits. This profit of £54,058, with the appreciation of land and buildings and the transfer from special reserve, to which I have already referred, reduces the amount to the debit of profit and loss account to £4,237, and that debit, I am happy to be able to tell you, has been more than wiped out by the profits earned this year. We are very satisfied with the result of the past year's trading, the present prospects and the improved financial position of the company, and we confidently look forward to increased prosperity in the future. We hope before long to be in a position to begin payments on account of arrears of dividend—when exactly that will be must, of course, depend upon circumstances.

Mr J. Van den Bergh seconded the resolution, which was carried.

LEGAL AND GENERAL ASSURANCE SOCIETY, LIMITED.

SATISFACTORY FIGURES—INCREASE IN SOCIETY'S FUNDS.

The annual general meeting of the Legal and General Assurance Society, Limited, was held, on the 10th instant, at the head office, 15 Fleet street, London, Mr Charles P. Johnson, J.P. (deputy-chairman), presiding.

The general manager (Mr W. A. Workman, F.I.A.) having read the notice convening the meeting and the report of the auditors,

The Chairman, in the course of his speech, said: The number of policies issued in the past year in the life and general funds was 4,645, against 4,655 in 1921—a reduction of 10 only. The gross sums assured were £2,943,337, as against £3,674,680, and the new premiums £181,269, as against £192,249. Deferred annuities were granted for £50,545 per annum, as against £98,123 in the previous year. These are gross figures—that is, before deducting re-assurances—and the figures of the life and general funds have been combined for the sake of brevity. Taking the net figures—that is, after deducting re-assurances—we have for last year total sums assured £2,862,287, compared with £3,073,576 for 1921, and new premiums £179,152, compared with £159,632. It will be seen, therefore, that although the reduction in the gross sums assured is £731,343, the reduction in the net amount retained by the society is only £211,289, or about 7 per cent. of the figure for 1921, and, in view of the difficult conditions ruling throughout the year 1922, I trust, gentlemen, you will not consider these figures unsatisfactory, particularly as practically the whole represents non-profit assurance, a great deal of which is secured under severe competitive conditions.

PREMIUM INCOME AND ANNUAL REVENUE.

The total net premium income in the life and general funds increased by £66,576 to £1,376,856. That in the fire and accident funds amounted to £172,243, being an increase over the previous year of £7,375. So that the total net premium income of the society for 1922 was £1,549,099.

The total net annual revenue for 1922 amounted to £2,027,416. The consideration received for immediate annuities was £72,185. The total expenses and commission in the life and general funds amounted to 14.99 per cent. of the net premium income, as against 15.13 per cent. in 1921. This is a movement in the right direction, and, having regard to existing conditions, to the fact that the sum includes expenses in connection with the society's quinquennial valuation as at December 31, 1921, and the expenses of the extensive annuity business, I do not think it is unduly high or compares unfavourably with the average of offices generally.

The total net claims in the life assurance fund during the year, amounting to £983,203, show a considerable increase on the corresponding figure for 1921, but of this amount the sum of £532,814 is due to endowment assurances matured. This figure is much larger than usual, owing to the practice of persons effecting policies to mature in the year following a declaration of bonus, so as to secure the full benefit of the society's compounding system. The total net claims caused by the death of 286 lives assured in the year amounted to £450,389, as compared with £452,228 due to 261 deaths in 1921. The society's mortality experience during the past year was again very favourable, the claims being only 64.6 per cent., and the deaths only 61 per cent. of the expectation.

TOTAL FUNDS.

The total funds of the society have increased during the year by the sum of £471,845, and the total assets on December 31st last amounted to £14,842,300. The directors have, as usual, examined the various securities comprised in the assets, and they are pleased to be able to state that the result is satisfactory. The Stock Exchange securities have been valued by the society's brokers as at December 31st last, and the market value then exceeded the value in the books by the sum of £349,962. On March 19th last this had been increased to £439,974. A considerable profit accrued in the year from the sale of securities, and the directors have thought it desirable to apply a small portion of this to make the investment reserve fund up to a round sum of £150,000.

The average rate of interest has increased from 5 7s 6d per cent. to 5 9s 8d per cent., which is satisfactory. This is before deduction of income-tax, and the net rate of interest earned (making allowance for the special rebate made to life assurance companies on account of annuities and expenses) is 4 9s 6d per cent.

The net premium income from the fire and accident business shows an increase of £7,375, which is satisfactory in view of the difficulties of the year, and the substantial reductions effected in insurances in all directions for reasons well known to all of you. I do not think we have any special reason to complain of our results for the year in these departments. Progress in these departments must necessarily be slow, but we can look forward to the time when these departments will provide their quota of profit to the shareholders.

The report and accounts were unanimously adopted, and a dividend of 3s per share was declared.

MALAYALAM PLANTATIONS, LIMITED.

AMALGAMATION SCHEME APPROVED.

"A SATISFACTORY AND REMUNERATIVE PURCHASE."

An extraordinary general meeting of the Malayalam Plantations, Limited, was held, on the 11th instant, in the Council Room of the Rubber Growers' Association (Incorporated), 3 Idol lane, London, to consider the following resolutions:—

(1) That each of the three conditional agreements dated March 23, 1923, and respectively made between the East Indian Tea and Produce Company, Limited, the Meppadi Wynaad Tea Company, Limited, and the Wallardie Tea Estates, Limited (hereinafter called "the vendor companies"), of the one part and this company of the other part, which have been laid before this meeting and which provide for the acquisition by this company of the tea and rubber estates and certain cash and liquid assets of the vendor companies for fully-paid shares in this company, be and the same are hereby approved and sanctioned, and that the directors be and they are hereby authorised and directed to take all necessary steps and proceedings for carrying the said agreements or any of them into effect.

(2) That the articles of association be altered in manner following—namely: "That the following words be added at the end of article No. 94—namely: In addition to the remuneration hereinbefore provided for, the directors be paid as from April 1, 1923, additional remuneration at the rate of £1,000 per annum, to be divided between them as they may by a majority agree or in default of agreement equally."

Mr H. J. Welch, chairman of the company, presided.

Mr John Calderwood, representing the secretaries (Messrs Harrison and Crosfield, Limited), having read the notice convening the meeting,

The Chairman said: Gentlemen,—You have had in your hands for some days the notice of the meeting, the resolutions to be submitted for approval, and particulars of the proposed acquisitions by this company. I do not propose to weary you by repeating the information contained in the circular.

The Board is gratified by the approval of the amalgamation proposals which has been given generally by the shareholders of this and the other companies concerned and by the Press. There have only been a very small number of criticisms or questions raised, and these principally arose from the difficulty some felt in grasping all the details of the scheme.

MAIN POINTS OF THE SCHEME.

Among the main points, which you will all have appreciated, are that this company is acquiring for shares a large area of tea and a small one of rubber (all mature or nearing maturity) at a price which is lower than this company's cost per acre, and much below replacement cost, and the directors are convinced they will prove a good purchase for the company; further, that our financial position will not be weakened, as the vendors are each providing the company with cash sufficient to cover the cost of bringing their estates to maturity and a further sum per acre sold, equal to the value of the existing surplus assets per acre of our own properties.

Particulars are given in the circular of the outputs, f.o.b. cost, sale price and profits for 1922 and 1923, of the estates to be acquired, which demonstrate their value.

The Koney estate is thought to be one of the best planted estates in South India. Its output per acre of rubber is above our average output, and it produces good low country tea. It is near our Kumbazha estate, and rises from 90 to 700 feet above sea level.

The properties of the East Indian and Meppadi Companies are in the Wynaad district, Madras Presidency. They are about 3,000 feet above sea level, and form together an excellent group for combined control.

The Wallardie estates are situated in the Peermade district, Travancore, at an altitude of about 3,000 feet, and are near our Mundakayam properties.

In November and December, 1919, I personally visited all the vendors' properties, as well as most of young properties. On my return to this country I was appointed chairman of all the vendor companies and of your company.

POLICY OF FULL CULTIVATION.

Since that date a policy of full cultivation and manuring has been adopted, and is being carried out on all the properties to be acquired. This has been done under the advice of Mr Kelsey Hamber, of the Ceylon Government Department of Agriculture, who visited South India on behalf of the vendors in 1921. While the estates have already benefited, the full benefit of this cultivation in improvement of output and in other ways has not yet had time to show itself. I may mention that for the three months ended March 31st the tea crop from the vendors' estates shows an in-

crease of more than a quarter of a million pounds of tea over the corresponding period of last year.

Further, the estate managers generally have much improved the quality and market value of the tea manufactured, and in this way they have not only had valuable assistance from the agents and visiting agents, but also from a Ceylon expert in tea manufacture, who visited most of the estates late in 1921 at the request of the boards of the vendor companies. We are advised by our selling agents that the improvement in the comparative market value arising from this better manufacture is substantial.

In the Wynaad also the two vendor companies in 1921 combined in the appointment of one of their oldest and most experienced estate managers as a resident agent or adviser for all their properties. This is considered to be an improvement in their organisation, from which we shall continue to obtain better results.

In addition to the special visits of experts I have mentioned, one of your directors, Mr G. Nicol Thomson, who is an experienced planter, visited all the vendors' estates in the autumn of 1920 and the spring of 1921, and gave valuable advice as to their management and improvement.

REMUNERATIVE PURCHASE.

I mention these matters because, owing to the war and other reasons, the success of the vendors' estates has been delayed. Similarly to ourselves, they found that European management and supervision were seriously interfered with, heavy exchange losses were incurred, and Government control of the tea market adversely affected the economic administration and development of the properties. Consequently, as stated in the circular, the Board believes the past results of working the estates to be acquired are no accurate guide for their future. The improvement during the last two years illustrates this, and, as stated, the board is confident the estates will prove a satisfactory and remunerative purchase for this company.

The company is acquiring the estates at a much lower cost than it would cost it to plant and equip new areas on its own account. By the purchase we shall be about equally dependent upon the tea and rubber markets for our profits instead of being so largely dependent upon rubber alone. It is unlikely that we shall again have a simultaneous slump in both tea and rubber prices as we had recently. We may reasonably hope that when one is down in value the other will be up, and thus by depending upon two commodities instead of upon one we believe we shall secure greater steadiness of profits and dividends.

BENEFITS FOR STAFF.

We hope by reason of the increased size and importance of our company to be able to secure economies in working and improvements in our local organisation. The service of our company will be more attractive to Europeans, and not least because, in addition to security of employment for good workers, it will also give a greater scope for promotion and for utilisation in the company's service of men of various grades of managing ability. In this connection I may say that since my return from the East we have established a profit-sharing scheme for all our estate managers, which gives them a direct interest in the profits of the particular estates they are managing, and also in the profits of the company as a whole. In addition, also, we have established a scheme whereby the managers and assistants can, up to a limited percentage of their salaries each year, become shareholders of the company upon very favourable terms. These benefits will be extended to the managers of the estates to be purchased.

DIRECTORS' REMUNERATION.

Perhaps I had better say a word or two about the second resolution to be submitted to you, as one or two shareholders do not see why because planted areas of 10,000 acres (or 15 square miles) divided into 13 estates are added to the care of the directors their remuneration should be increased, although I am sure this is not the case with the great majority of you.

It is obvious that the work of the board controlling 29 estates, producing three different commodities and comprising over 26,000 acres of planted land (that is, over 40 square miles), cannot be compared with that of an ordinary plantation company of a thousand acres or so, and perhaps holding one estate. The details relating to the agricultural part of the work, the engagement, promotion, remuneration, and dismissal of staffs, the estimates of expenditure, keeping track of costs of production and prices, arrangements as to finance, exchange, &c., sales of produce, forward or otherwise, &c., all are multiplied many times for a company of this size.

Also it is important that a company of this kind should get and keep upon the board men of the necessary experience and capable of directing so large a concern, and for this adequate remuneration must be provided. Further, some directors may be called to do more work than the others in relation to the detailed administration of the company's affairs, and in such case they will require to have a larger share of the remuneration than the others.

It is, however, proposed to raise the fixed fees by £1,000 per annum. If this is done the total fixed fees will only amount to about 2s per planted acre over the combined acreage, which I think will be found very much below the average cost per acre of directors' fees paid by rubber and tea plantation companies generally. The average paid is probably nearer 5s per planted acre, and in many cases it is as much as 15s to 20s per planted acre.

I venture to suggest that amalgamations such as this should be encouraged, and that they effect a real saving in the remuneration of directors, whether calculated in relation to the acreage controlled or the capital employed, and also what, perhaps, is of more importance, help to attract and retain in the plantation industries the better and more valuable type of directors.

If there are any questions upon the scheme I shall be pleased to do my best to answer them, and I will now move the first resolution, which has been read to you, and ask my colleague, Mr C. Heath Clark, to second it.

Mr C. Heath Clark seconded the resolution.

In the course of the discussion which ensued an amendment to defer the proposed purchase was defeated, and, the Chairman having replied to questions, the resolution was carried, on a show of hands, by the requisite majority.

On the motion of the Chairman, seconded by Mr E. L. Hamilton, the second resolution was also adopted by the requisite majority, and the proceedings terminated with a vote of thanks to the chairman.

BOOTH'S DISTILLERY, LIMITED.

CONTINUED EXPANSION—ISSUE OF CAPITAL.

The 26th ordinary general meeting of Booth's Distillery, Limited, was held on the 12th instant, at the registered office of the company, 55 Cowcross street, London, Mr Charles E. Cottier presiding.

The chairman said that the gross trading profit for the past year, amounting to £133,696, indicated an eminently satisfactory increase in the company's trading, being over three times as much as the corresponding figure for the previous year. The net profit amounted to £56,840. The directors recommend a dividend of 10 per cent., less tax, on the ordinary shares, carrying forward £11,800, subject to corporation profits tax.

Referring to the fire which broke out at the Millburn Distillery in April last, he said that the opportunity had been taken of enlarging the premises and equipping them with up-to-date plant and machinery, the annual producing capacity having been increased by at least 30,000 gallons, thus bringing the possible output up to 180,000 gallons.

During the past 12 months the company had systematically and attractively advertised its products, and there was no doubt that the wisdom of this policy was fully reflected in the trading. The products of Booth's Distillery had for the better part of 200 years maintained a first-class reputation for quality, and the directors were confident that the continuation of this advertising policy was the correct course.

NEW BUSINESSES ACQUIRED.

In November last the company acquired the wholesale wine and spirit business of Messrs Style and Winch, Limited, including all

the shares in a small company which held the goodwill in the trade-mark of the well-known "Old Style" whisky. This business, which embraced a large number of customers in the United Kingdom, and export trade to foreign countries, was an important accession to Booth's Distillery, and the directors were confident that it would add materially to the future profits.

They had also entered into an agreement to acquire the whole of the share capital of Samuel Mart and Co., Limited, wholesale wine and spirit merchants, of Castle street and Paul street, Finsbury square, E.C. This was a concern of excellent repute in the trade, and was established in the year 1850. It had an extensive connection, largely among the licence holders in London and the Home Counties. This acquisition, apart from continuing the normal business of that company, would give Booth's Distillery important openings for the development of its trade, and should materially increase the company's earnings.

During the 12 months under review the outstanding debentures of the company had been reduced by £48,200, and now stood at £135,000.

The improvement shown in the accounts now presented had continued to be consistently progressive for the three months of the current year which had already elapsed, and the directors anticipated that the net earning capacity for 1923 of the various undertakings now owned and to be taken over and operated by Booth's Distillery, Limited, based upon the annual turnover of the respective concerns, would not be less than £100,000, and there was no reason why this figure should not annually increase.

ISSUE OF £500,000 DEBENTURES.

The considerable purchases and extensions, and the progressive policy embarked upon, had necessitated the expenditure of a considerable sum of money, a portion of which had been provided by a loan from the company's bankers, which at December 31st last stood at £289,892. The directors had decided that the discharge of this loan should be immediately dealt with, and the finance of the company placed on a sound and permanent footing. It had therefore been decided to issue £500,000 debentures, out of the proceeds of which the existing debentures, amounting to £135,000, would be discharged and the bank repaid. The terms of the proposed issue were that the debentures should carry 6 per cent. interest and be issued at 99. The debentures and the interest thereon would be secured by a trust deed constituting a specific first mortgage upon the freehold distilleries and other properties of the company, and, in addition, by a floating charge upon the whole of the other assets. They would be redeemable by drawings at 102 per cent. on or before April 1, 1948. In each year, commencing with the year ending December 31, 1924, £15,000 and such further sums as, together with this amount, would be equal to one-quarter of the net profits of the company after payment of the preference dividend would be set apart as a fund for the redemption of outstanding debentures. In addition the company would reserve the right to pay off all or any of the said debentures at 105 per cent. at any time after October 1, 1928, by giving six months' notice, and any debentures not redeemed would be repaid on April 1, 1948, at 102 per cent. The directors were arranging that applications from shareholders, debenture-holders, and customers would receive special consideration. Anticipating that existing debenture-holders would be desirous of retaining a debenture interest in the company to replace the 4 per cent. debentures which would be paid off, the directors had made arrangements whereby they would be prepared to receive from the holders thereof applications for a like face value of the new issue.

The report and accounts were unanimously adopted.

CORDOBA COPPER COMPANY, LIMITED.

INCREASE OF CAPITAL APPROVED.

The fifteenth ordinary general meeting of the Cordoba Copper Company, Limited (and Reduced), was held, on the 10th instant, at the Cannon street Hotel, London, Mr Edgar Taylor (chairman of the company) presiding.

The secretary (Mr G. H. Wells, F.C.I.S.) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said that during the 12 months under review a substantial and successful amount of development work had been carried out at the Mosaboni Mine in India, no less than 3,241 feet of sinking and driving, besides 14,717 cubic feet of excavation work, having been accomplished. Considerable lengths of ore of good width and value had been disclosed; the widths and assay values of the lodes in the various levels were clearly set out in the report, and the figures might be described as eminently satisfactory. The financial position of the company at the date of the balance-sheet was satisfactory, inasmuch as they had cash, Government securities, &c., amounting to £29,062. The liabilities amounted to £2,563, leaving a balance of resources of £26,499, besides stores to the value of £3,762. An engineer (Mr E. R. Woakes) had been dispatched by the managers, Messrs John Taylor and Sons, to the properties to report upon them, and information had been received from him to the effect that after a thorough examination he was most favourably impressed with the present appearance of the property and its future prospects. Mr Woakes estimated that up to the end of January last 65,000 tons of ore, assaying slightly over 3 per cent. over a stoping width of 47 inches, had been opened up, and the prospects of developing large tonnages of ore of higher grade in depth were most encouraging. He strongly recommended a programme of vigorous development, which would increase the reserves at Mosaboni to at least 300,000 tons within the next two years, the assay value of which should not be under 3½ per cent. The Indian sale price of copper was never less than 16 per cent. higher than the London price, and at times it was 24 per cent. higher. It was proposed to increase the capital to £300,000 in 3,000,000 shares of 2s each, and to issue at once 800,000 shares at par to the shareholders in the proportion of one new for each old share held. The issue had been underwritten.

The motion was carried unanimously, and the retiring directors, Mr R. E. Carr and Mr Hugh F. Marriott, and the auditors, Messrs Turquand, Youngs, and Co., were re-elected.

It was also unanimously resolved: "That the capital of the company be increased to £300,000 by the creation of 2,200,000 new shares of 2s each, ranking *pari passu* in all respects with the existing shares in the company's capital."

A vote of thanks to the chairman and directors terminated the proceedings.

WORLD AUXILIARY INSURANCE CORPORATION, LIMITED.

SUCCESSFUL INVESTMENT POLICY.

The fourth ordinary general meeting of the World Auxiliary Insurance Corporation, Limited, was held, on the 10th instant, at Winchester House, London, Sir John B. Wimble, K.B.E. (chairman of the company), presiding.

In moving the adoption of the report and accounts, the Chairman said: The premiums received in 1922 on account of fire and accident business amount to £143,660, showing a fall in income of £28,800 compared with 1921. The claims paid and outstanding amount to £8,540, to which must be added commissions and expenses of £57,775, showing that our reserve for unexpired risks is 47.19 per cent., against 40.8 per cent. for the corresponding period of 1921—a fact which, I think you will agree, is very satisfactory.

The marine account shows the net premiums for 1922 to be £149,758, or £15,210 less than 1921, and the claims for 1922 £37,775, being 25.2 per cent. With the amount brought forward at December 31, 1921, and after paying all claims on 1920 and 1921 end expenses, there remains a balance of £211,392, out of which the sum of £20,000 is transferred to profit and loss account, leaving the marine fund to be carried forward £191,392, or 127.8 per cent. of the year's premium income.

Dealing with the profit and loss account, interested amounted to £21,366, which, with commission earned of £2,803, gives £24,169. Profit on investments realised £32,945, transfer fees £114, miscellaneous receipts £453, and transfer of £20,000 from marine account, as previously stated, shows, with the amount brought forward of £7,371, a total of £85,052. From this amount is deducted sundry items as detailed in this account, amounting to £42,587, including a reserve for Government taxation of £26,000, leaving a balance of £42,465, from which is deducted £20,000, transferred to the reserve fund, leaving a balance of £22,465 to be carried forward.

As I have already stated, our profit and loss account is credited with a profit on investments realised of £32,945. This is brought about by the sale of most of our short-dated securities. At the start of the company's career your board deemed it advisable to have

considerable investments in short-dated securities to avoid possible depreciation; this policy has proved successful, for not only has there been no depreciation, but we have realised a handsome profit in their appreciation. The money so realised has been invested in securities with a longer-dated maturity.

Sir Arthur Lawley seconded the resolution, which was carried unanimously.

BRITISH TRADE CORPORATION.

REDUCTION OF CAPITAL APPROVED.

The sixth ordinary general meeting of the British Trade Corporation was held, on the 9th instant, at the Institute of Chartered Accountants, Moorgate place, London.

Lord Faringdon (the governor) said that the profit and loss account showed a credit balance of £69,434, but after making provision in respect of interest charged to debtors but unpaid, the balance was only £39,411. Profits had been particularly hard to make, and the result had fallen short of the board's expectations. It should, however, be mentioned that the corporation had obtained only small benefit during the past year from the new capital issued, the calls having been spread over periods from July to December last.

At the last meeting the policy and the necessity for the provision of new capital had been fully explained and fully endorsed by the proprietors, and in the circumstances his colleagues and himself were of opinion that it was clearly their duty to carry on, the alternative being liquidation or the contraction of operations. In June last, therefore, they had issued £500,000 of the £1,000,000 "A" shares authorised, and these had been fully subscribed. The provision of that £500,000 had put the corporation in the strong financial position he had already indicated.

Four and a-half years had passed since the Armistice, and Europe was still in an unsettled condition, and little disposed to settle down to peaceful occupations. Credit had not been re-established, and the only European country which had made any serious attempt fully to meet its annual obligations was their own, and they were suffering from heavy taxation, which made expansion of enterprise difficult. Relief from some of the burdens would stimulate trade, which was certainly showing signs of recovery from the extreme depression of last year. However desirable it might be to reduce the nation's indebtedness, it was at the present moment more important to increase the volume of our business and broaden the basis upon which future taxation could be levied.

The real trouble this corporation had had to face was the result of the political and economic conditions in the Near East and elsewhere, and the stagnation of trade and depreciation in foreign currencies which they had produced.

The report and accounts were adopted, and at a subsequent extraordinary general meeting resolutions approving the proposed reduction of capital were agreed to.

RIO TINTO COMPANY, LIMITED.

PROFITS DOUBLED—FAVOURABLE OUTLOOK.

The fiftieth ordinary general meeting of the Rio Tinto Company, Limited, was held, on the 12th instant, at 3 Lombard street, London, the Right Hon. Viscount Milner, K.C. (the chairman), presiding.

The Chairman, in the course of moving the adoption of the report and accounts, said: In regard to the revenue account, the outstanding and most satisfactory feature is that the main item of it—profit on sale of produce—amounts to £996,000, as compared with only £403,000 in the previous year. This result is all the more encouraging because it is not due to any specially favourable market conditions, but to a general recovery in our business, which has enabled us to make headway against market conditions that were in some respects very unfavourable. For though the price of copper in the later part of the year showed a steadily rising tendency, the average price which we were able to obtain throughout the twelvemonth was only £63 8s 4d a ton, and, on the other hand, severe competition kept the price of pyrites inordinately low. That, despite adverse circumstances, we have been able to come out on the whole so well is, I think, of good augury for the future.

Our operations in Spain have been carried on smoothly, without interruption or disturbance of any kind. The efficiency of labour is well maintained. We have not sought to save money by reducing wages, but in other respects costs are greatly diminished. This is due mainly to the all-round fall in the price of materials, especially pig-iron, but to some extent also to an even more gratifying cause—the economies which we have been able to effect in some branches of our business. Concurrently with this reduction of costs there has been a considerable increase in the demand for pyrites. And though competition has kept prices in this commodity very low, we have found some measure of compensation in the increased amount of our sales.

THE ANGLO-SOUTH AMERICAN BANK, LIMITED.



Capital and Reserves
exceed £13,000,000

Head Office:

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

AFFILIATED INSTITUTIONS:

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

Turning to the future, it is, of course, in the present state of the world more dangerous than ever to venture upon prophecy. But apart from adverse political influences, the outlook is favourable. The price of copper, always a factor of the greatest importance, is much higher than last year, about £75 a ton at the present time, as compared with an average of between £62 and £63 a ton in 1922, and it is not likely that, for some time to come at least, it will fall much below this figure. The situation, as a whole, therefore, seems to me, on this occasion also, to justify an attitude of "moderate optimism."

The report and accounts were unanimously adopted.

FAIRBAIRN, LAWSON, COMBE, BARBOUR, LIMITED.

PRICES REDUCED—IMPROVED PROSPECTS.

The twenty-fourth ordinary general meeting of Fairbairn, Lawson, Combe, Barbour, Limited, was held, on the 12th inst., at the Liverpool Street Hotel, London, Mr J. Campbell Inglis (the chairman) presiding.

The Chairman, in proposing the adoption of the report and accounts, said that after meeting debenture and note interest, providing for corporation profits tax, and paying or providing for all expenses, they had an available balance for the year of over £179,000. The directors were thus not only able to recommend a final dividend of 10 per cent., making 14 per cent. for the year, but also to set aside £18,000 for note redemption; to write off £14,000, the net expenses of the capital issue; put £20,000 to reserve, and carry forward a slightly increased balance. It was true that the profits showed a marked decline from those of 1921, but 1921 was an *annus mirabilis*, such as they had never enjoyed before, and such as they could only hope to enjoy again at infrequent intervals. But beyond that there was the fact that in 1922 they had to contend with factors which were non-existent in 1921, and the directors felt that they had done well to come out with so substantial a result. For over 13 weeks there was an almost complete cessation of work in the company's establishments owing to the great lock-out, and the consequent dislocation could not be repaired till a considerable time after the resumption of work. In addition to this they began to feel the effects of that great depression in the engineering industry which succeeded the post-war boom.

To meet this hesitation on the part of their customers they had reduced their prices to the lowest figures compatible with a reasonable profit, and he was glad to say that there were distinct signs of improvement in trade. Some of their friends, however, were still holding back, and seemed to expect still further reductions; in fact, it had been suggested that they ought to go back to their 1912 prices. Even if conditions were the same, those prices did not include a satisfactory margin of profit, but the conditions were not the same.

The Chairman then dealt with some of the figures in the balance-sheet, and in particular called attention to the liquid financial strength of the company. In conclusion, he remarked that the directors had had a strenuous year, but they were always encouraged by the solidity of the company's business and its amazing powers of resilience.

Mr H. L. Whalley seconded the motion, which was carried unanimously.

JAMES W. COOK AND CO., LIMITED.

GERMAN COMPETITION.

The twenty-sixth annual general meeting of James W. Cook and Co., Limited, was held, on the 11th instant, at 130-135 Minories, London, Mr W. J. Clarke presiding.

The Chairman expressed regret at the loss which the company had sustained by the death of Mr William Clarke, the late chairman and managing director of the company, and also of Mr Joseph F. Lescher, a director of the company. Proceeding, he said that the trading in 1922 had been difficult in the extreme. During the war period increases in warehouse and transport charges took place, following the increases in wages, culminating in a surcharge at one time of 150 per cent. over base rates. This percentage now stood at 62½ per cent. on labour charges in the tariff of the Port of London Authority, whose lead they followed, and these reductions had been made much in advance of the fall in labour costs secured in the Port. They had particularly suffered by the transference of the storage of one of their articles entirely to Hamburg, solely by reason of the fall in the mark.

In addition to absurdly low warehousing charges, it could be reshipped from Hamburg in steamers run on marks, so that they had there a double difficulty to contend with. We could not compete with such inflation as had occurred in Germany, but there was one thing we could do in this country immediately, and that was to recognise that it was impossible to maintain the present shortened hours of labour of 44 hours per week, and that the Port output

must be increased by lengthening the working day by an hour at least, which, without affecting the labourers' pay, would automatically help them to meet the present conditions. Other articles were affected in the same way, although, happily, not to the same extent, so that their problem had been and was to secure trades that were not subject to the same conditions. This could not be done at once, but he was very hopeful that, as the result of their present success in their fresh endeavours, they would be fully rewarded ere long. The company's investments at the moment showed a comfortable margin of profit, and they had steadily added to the value of their property during the year. The Chairman concluded by moving the adoption of the report and accounts, and the payment of a dividend at the rate of 12 per cent. per annum for the half-year on the ordinary shares, making 10 per cent. for the year, less income-tax, and a bonus of 5 per cent. on the ordinary shares, free of income-tax.

The resolution was carried unanimously, and Mr Ernest G. Devitt and Mr Robert Massey were appointed directors of the company.

TRANSVAAL AND RHODESIAN ESTATES, LIMITED.

IMPROVED PROSPECTS OF THE FRED MINE.

The adjourned ordinary general meeting and the ordinary general meeting for 1923 of Transvaal and Rhodesian Estates, Limited, were held at River Plate House, Finsbury Circus, London, on the 6th instant, Mr H. G. Latilla (the chairman) presiding.

The Chairman, in moving the adoption of the report and accounts, said that the Fred Mine continued to be the principal revenue-producer. They were long faced with a shortage of hammer boys, which, with the narrow reef width, caused the tonnage to be less than was anticipated. Costs per ton showed an increase, partly because the exploratory work on the adjoining Fernando Mine was charged to current costs. The ore reserves situation at September 30th last was higher in tonnage, but lower in value than at the end of 1920. The total number of ounces contained in the reserves was practically the same. The new development programme had been pushed ahead. It included the sinking of the 5A shaft to the eleventh level. The change of programme had fully justified the expense incurred, as results both on the tenth and eleventh levels were decidedly better, and it looked as though the mine had pulled round again.

The Turkois Mine was owned by the Gem (Rhodesia) Gold Fields, Limited, in which the company had acquired 98 per cent. of the shares. The Turkois Mine of 65 claims was in the same district as the Cam and Motor, and was spoken of as likely to become one of the biggest in Rhodesia. They were concentrating on developing at depth. The Turkois line of reef ran for over seven miles.

The company's Nigerian interests had been acquired by the Nigerian Base Metals Corporation, which owned 1,806 acres of mining leases, mining rights over about 46,000 yards, and silver lead prospecting licences over 1,533 square miles. Substantial improvement in the position of the corporation could be looked for now that tin stood at £213, provided the market remained steady. They had taken an interest in an alluvial gold prospect in Nigeria, and within the next few months they might be able to give definite information as to values and prospects. The company now had a 30 per cent. interest in the Farm Maraisdrift, in the Heidelberg district of the Far East Rand. Much had been said as to the probability of this property becoming one of the largest and most profitable gold producers in the world. The demand for land in South Africa had been very slow, and sales had consequently suffered. Satisfactory progress had been made on the ranches. Regarding the English estates, the Tube Railway to Edgware was increasing the demand for land and houses on the Canons Park Estate; and on the Walmer Estate, on the coast of Kent, a few sales of plots had been effected, and the purchasers had commenced to erect houses, which, it was hoped, might bring further inquiries for plots.

The report and accounts were adopted.

MYSORE GOLD MINING COMPANY, LIMITED.

POLICY OF DEEPENING THE MINE.

The forty-third ordinary general meeting of the Mysore Gold Mining Company, Limited, was held, on the 13th instant, at Cannon Street Hotel, London.

The Hon. Lionel Holland, the chairman, in moving the adoption of the report and accounts, said that the results shown conformed generally to anticipations. At the last meeting he had pointed out that they had to be prepared to face for a time a period of lessened profits, for the fall in the price of gold must prejudice their sales revenue, while no increase was contemplated during the 12 months in the tonnage of ore to be stoped and milled. Until their extensive programme of development work in the deeper levels was continued, or until it disclosed further reserves of payable ore sufficient to replace what they took out from the reserves, the wisdom of sub-

mitting to some curtailment of output was almost beyond argument. It rendered practicable a considerable saving in underground expenditure, and ensured that the payment of dividends to shareholders during the period of development should not be interrupted.

Sales of gold had produced during the year £565,927, and the balance of profit was £186,723, against £207,799 for 1921. The disposable balance of profit, after satisfying various allocations, was £93,282 as compared with £108,838. The final dividend of 1s. 3d. per share would complete a dividend payment for the year of 2s. per share, or at the rate of 20 per cent., and would make up a sum exceeding 9½ millions sterling paid out by way of dividend by the company since its first dividend payment 38 years ago. Generally, their financial position continued strong, having scarcely altered since last year. Their showing on the present occasion would have been less satisfactory had not a saving in mining costs been realised during the year approximating to a sum of at least £30,000. There was a vast undertaking, but because of its very vastness every economy told the more. As to future prospects, he could only repeat what he had expressed last year, that the new development work was still in too early a stage to justify any attempt at a forecast, except that the recuperative power of those Indian mines at depth had again and again confounded the sceptic and the pessimist, and that their near neighbour, the Ooregum Mine, was proving bodies of ore of high value at a greater depth than any to which the Mysore Company had attained. It was disappointing that they had failed during the year to replenish their reserves by any substantial discovery of milling ore. Rather they had during those months trencched upon them by over 100,000 tons; but their reserves were estimated upon a conservative basis, and could be relied upon to support their requirements well through the period of development.

Mr Edgar Taylor, in seconding the motion, said that the policy of deepening the mine with all possible speed had been followed. The report and accounts were unanimously adopted.

GOVERNMENT RETURNS.

PUBLIC INCOME AND EXPENDITURE.

REVENUE AND OTHER RECEIPTS.

Date.	Notes and Certificates Outstanding.	Investments Accounts.	Advances to		Redemption Account.		Ratio to Government Notes.	Ratio to Bank of England.
			Bankers.	Savings Banks.	Gold and Silver.	Bank of England Notes.		
1914.	£ 21,535	£ ..	£ 6,302	£ 3,810	£ 18,500	£ ..	48.1	11.433
Aug. 25	38,478	..	169	600	..	..	48.1	9,924
Dec. 30	103,125	729	159	249	28,500	..	27.6	54,621
1915.	150,144	8,430	64	40	28,500	..	19.0	118,102
Dec. 29	212,782	8,554	39	675	28,500	..	13.4	186,637
1916.	323,241	15,529	..	570	28,500	..	8.9	305,133
Dec. 31	356,152	17,182	250	845	28,500	4,000	9.1	337,573
1917.	367,626	16,969	..	..	28,500	19,460	13.0	336,504
Dec. 31	343,826	15,599	Silver Coin.	28,500	19,460	13.9	311,334	141
Mar. 30	323,884	14,965	3,000	28,500	19,460	14.8	287,750	128
June 29	314,382	14,830	3,000	28,500	19,460	15.2	278,119	143
Sept. 28	325,584	14,658	3,000	28,500	19,460	14.7	283,131	161
1918.	300,351	14,255	5,000	28,500	19,460	15.9	261,479	177
Mar. 29	295,374	13,338	6,000	28,500	19,460	16.3	254,312	260
June 28	289,127	12,648	7,000	27,000	22,450	17.2	241,294	190
Sept. 27	301,337	12,872	7,000	27,000	22,450	17.3	244,352	152
Dec. 31	280,955	11,892	7,000	27,000	22,450	17.2	243,415	170
1919.	285,616	12,318	7,000	27,000	22,450	17.3	241,294	190
Mar. 29	288,075	12,879	7,000	27,000	22,450	17.2	244,352	152
June 28	287,607	12,428	7,000	27,000	22,450	17.2	243,415	170

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £300,000,000, for 1921 at £317,555,200, for 1922 at £309,988,400, and for 1923 at £270,183,800.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £35,000,000 in three months' Treasury Bills dated from Monday to Saturday, April 16-April 21, were opened on April 13, 1923, and the total amount applied for was £64,256,000. Tenders for Monday to Saturday bills at £99 9s 10d, about 94 per cent., and above in full. The average rate of discount for Treasury Bills was £2 os 7.57d. The amounts allotted were as follows:—In bills at 3 months, £33,000,000; in bonds, £2,000,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills. Average Rate.	4½% Treasury Bonds, 1932. Average Price.
1923.	£	£	£ s d	£ s d
Jan. 12	(a) 50,000,000	(a) 75,575,000	2 3 5.68	99 6 3.72
Jan. 19	(a) 40,000,000	(a) 55,305,000	1 18 9.91	99 7 1.69
Jan. 26	(a) 40,000,000	(a) 61,530,000	2 6 3.87	99 7 6
Feb. 2	(a) 40,000,000	(a) 59,465,000	2 10 1.57	None allotted
Feb. 9	(a) 35,000,000	(a) 63,590,000	2 9 7.86	99 8 6.4
Feb. 16	(a) 30,000,000	(a) 49,875,000	2 6 6.31	99 8 4.2
Feb. 23	(a) 40,000,000	(a) 61,630,000	2 6 2.95	99 9 1.17
Mar. 2	(a) 40,000,000	(a) 53,770,000	2 2 10.35	99 9 9.6
Mar. 9	(a) 40,000,000	(a) 57,190,000	2 8 0.32	99 9 7.5
Mar. 16	(a) 30,000,000	(a) 54,490,000	2 6 0.32	99 9 4.8
Mar. 23	(a) 50,000,000	(a) 67,230,000	2 0 2.34	..
Mar. 30	(a) 40,000,000	(a) 69,665,000	2 6 5.2	..
Apr. 6	(a) 40,000,000	(a) 78,915,000	2 4 3.46	95 7 0.94
Apr. 13	(a) 35,000,000	(a) 64,256,000	2 0 7.57	95 3 5.13

(a) Including Treasury Bonds.

† 4% Treasury Bonds, 1931-33

† 5-15 year 1925-35, 5½%, and 5%, 1927.

Tenders will be received on Friday, April 20, 1923, for Treasury Bonds and Bills to be issued to the maximum amount of £30,000,000. The amount of Treasury Bonds issued will not exceed £3,000,000, but, subject to that limit, the total amount issued will be divided between Bills and Bonds in such proportions as The Lords Commissioners of His Majesty's Treasury may determine.

SCOTTISH UNION & NATIONAL INSURANCE COMPANY.

ESTABLISHED 1824.
ASSETS EXCEED £12,000,000
FIRE. LIFE. ACCIDENT. MARINE.
Edinburgh: 35, St. Andrew Square.
London: 5, Walbrook, E.C.4 and 4, St. James' Street, S.W.1.

The Clerical, Medical & General LIFE ASSURANCE SOCIETY.

Publishes A DETAILED LIST OF INVESTMENTS.

Apply, Chief Office: 15, St. James's Square, S.W. 1,
or
City Office: 8, King William Street, E.C. 4.

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, April 11, 1923.

ISSUE DEPARTMENT.

	£	Government debt	£
Notes issued	145,437,765	Other securities	11,015,100
		Gold coin and bullion	8,734,900
			125,687,765
	145,437,765		145,437,765

BANKING DEPARTMENT.

	£	Government securities	£
Proprietors' capital	14,553,000	Other securities	48,444,325
Reserve	3,124,471	Notes	68,884,287
Public deposits	16,116,448	Gold and silver coin	22,527,170
Other deposits	107,872,316		1,829,292
Seven-day & other bills	18,839		
	141,685,074		141,685,074

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

COMPARISON WITH PREVIOUS WEEK AND A YEAR AGO.

	Amount, Apr. 11, 1923.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Rest	3,124,471	+ 20,198	+ 3,644
Public deposits	16,116,448	+ 3,396,284	+ 1,314,509
Other deposits	107,872,316	+ 16,696,723	+ 16,696,723
Government securities	48,444,325	+ 149,875	+ 8,694,821
Other securities	68,884,287	+ 4,130,333	+ 8,789,483
Reserve	3,124,471	+ 1,800,513	+ 517,358
Note circulation	122,610,595	+ 1,185,010	+ 471,260
Coin and bullion	127,517,057	+ 15,503	+ 1,346,108
% of reserve to liabilities	198%	+ 18%	+ 24%

THREE MONTHS' RECORD.

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits	Securities in Banking Department.	Reserve.	% of Reserve to Liabilities.
1923.						
Jan. 17	127,491,357	121,236,150	144,010,109	137,342,112	24,705,207	17 1/2
24	127,489,154	120,798,570	125,803,374	118,682,858	25,140,584	20
31	127,491,860	122,018,155	120,924,209	115,027,941	23,923,705	19 1/2
Feb. 7	127,490,819	121,481,100	121,239,303	114,879,475	24,459,719	20 1/2
14	127,493,425	120,719,230	126,244,044	119,130,331	25,224,195	20
21	127,493,186	120,041,710	126,244,044	119,130,331	25,224,195	20
28	127,493,186	120,041,710	126,244,044	119,130,331	25,224,195	20
Mar. 7	127,507,927	123,368,110	127,805,931	123,789,817	27,889,817	19 1/2
14	127,508,777	123,995,975	126,118,275	119,101,680	24,262,802	19 1/2
21	127,511,630	123,196,570	126,779,490	120,965,136	24,062,950	19
28	127,505,182	124,438,410	127,707,654	128,165,807	22,818,522	17 1/2
Apr. 4	127,505,182	124,438,410	127,707,654	128,165,807	22,818,522	17 1/2
11	127,517,057	125,503,688	128,998,764	127,517,057	24,356,462	19 1/2

TEN YEARS' RECORD.

At corresponding date with the present week.	April 9, 1913.	May 27, 1914.	April 13, 1921.	April 12, 1922.	April 11, 1923.
Circulation (excl. Bank post bills)	128,738,600	128,933,380	128,537,050	122,439,345	122,910,595
Public deposits	15,076,470	19,014,809	18,316,240	17,430,957	16,116,448
Other deposits	43,838,280	41,248,964	41,284,395	42,572,039	107,872,316
Government securities	12,032,727	11,046,570	32,293,621	57,139,146	48,444,325
Other securities	37,473,362	41,461,280	99,692,685	77,673,770	68,884,287
Reserve of notes and coin	26,805,839	25,463,980	18,261,172	24,873,820	24,356,462
Coin and bullion	37,094,439	35,947,360	128,348,222	128,933,165	127,517,057
Proportion of reserve to liabilities	45%	42%	13%	17%	19%
Bank rate of discount	5%	3%	7%	4%	3%
Market rate, 3 mths' bills	4 1/2	2 1/2	6 1/2	2 1/2	2 1/2
Price of Consols	74 1/2	74 1/2	48 1/2	59 1/2	59 1/2
Price of silver per oz.	27 1/2	26 1/2	34 1/2	34 1/2	31 1/2
Exchanges (Paris)	25 23/64	25 17/20	55 17/100	47 54/100	70 25/100
on Amsterdam	84 83/100	12 05/10	85 90/100	84 41/100	84 65/100
on Berlin	20 48/100	20 49/100	242 24/100	11 22/100	11 83/100
Clearing house return	299,293,000	199,913,000	661,257,000	874,634,000	838,494,000

BANKERS' CLEARING RETURNS.

(000's omitted.)

Week Ending—	Town.	Metropolitan.	Country.	Total.
1923.				
January 1 to February 14	4,164,346	209,276	371,012	4,744,634
February 21	607,891	29,332	54,858	692,081
March 7	753,981	28,191	49,640	831,812
14	645,166	32,303	63,481	740,950
21	683,953	27,638	50,946	762,537
28	689,187	28,494	55,569	773,250
April 4	686,122	29,678	50,901	766,701
11	612,126	24,220	40,505	676,851
	737,961	33,529	67,004	838,494
Total to date 1923.	9,540,733	442,721	803,916	10,787,370
Do 1922.	10,151,627	464,554	820,366	11,436,547
Increase or decrease in 1923	610,894	21,833	16,450	649,177
	6%	4%	2%	5%
Total for year 1922	32,780,635	1,574,661	2,806,165	37,161,461
Total for year 1921	30,268,214	1,660,166	3,002,179	34,930,559
Increase or decrease in 1922	2,512,421	85,505	196,014	2,809,940
	8%	5%	6%	8%

PROVINCIAL CLEARING RETURNS.

	1922.	1923.	Inc. or Dec.
Aggregate Totals to April 7.			
BIRMINGHAM	31,346,000	33,118,000	+ 1,772,000
BRISTOL	19,948,000	16,201,000	- 3,747,000
DUBLIN	94,961,000	87,924,600	- 7,036,500
HULL	15,612,700	16,096,200	+ 483,500
LEEDS	16,394,000	15,410,800	- 983,200
LIVERPOOL	11,820,100	11,035,800	- 784,300
MANCHESTER	122,619,200	126,850,100	+ 4,230,900
NEWCASTLE-ON-TYNE	211,713,000	216,890,400	+ 5,177,400
NOTTINGHAM	26,391,500	27,602,300	+ 1,210,800
SHEFFIELD	9,777,900	9,210,500	- 567,400
	13,658,000	16,799,500	+ 3,141,500

OVERSEAS BANK RETURNS.

UNITED STATES FEDERAL RESERVE BANKS.

(000's omitted.)

	April 6, 1923.	Mar. 30, 1923.	Mar. 23, 1923.	April 7, 1923.
Resources.				
Total gold reserve	3,069,500	3,063,790	3,074,300	2,983,900
Legal tender notes and silver reserve	103,520	112,490	118,320	126,400
Bills bought in open market	695,230	700,020	629,990	624,890
Government obligations owned	259,880	254,250	237,970	98,380
All other resources	239,150	249,410	291,910	462,760
LIABILITIES.				
Government deposits	65,560	62,630	63,490	62,820
Other deposits	74,420	85,430	98,630	35,540
Federal Reserve Notes in actual circulation	1,914,180	1,890,840	1,886,410	1,768,900
Federal Reserve Bank Notes in actual circulation	2,240,950	2,232,480	2,231,490	2,198,070
All other liabilities	2,490	2,440	2,370	81,080
Capital and surplus	14,570	14,450	15,520	17,760
Ratio of total reserves to gross deposits and Federal Reserve note liabilities combined	75%	75%	75%	77%

BANK OF FRANCE.

(000's omitted.)

	April 12, 1923.	April 5, 1923.	March 29, 1923.	April 13, 1922.	Position May 28, 1914.
Assets.					
Gold coin and bullion	5,536,458	5,536,335	5,536,252	5,526,373	5,730,626
Of which held abroad	1,864,345	1,864,345	1,864,345	1,948,367	1,948,367
Silver coin and bullion	291,785	291,707	291,521	282,251	633,650
Discount and advances	4,548,533	5,276,444	4,769,157	5,053,135	2,397,776
Advances to the State	23,200,000	23,600,000	23,600,000		
LIABILITIES.					
Notes	37,296,948	37,824,852	37,187,839	36,035,467	5,811,876
Government deposits	23,392	18,164	25,387	63,792	183,700
Private deposits	2,040,603	2,372,430	2,040,597	2,134,462	845,960

BANK OF SPAIN.

(000's omitted.)

	April 7, 1923.	Mar. 31, 1923.	Mar. 24, 1923.	Mar. 17, 1923.	April 8, 1922.	Position May 30, 1914.
Assets.						
Gold	2,525,455	2,525,441	2,525,440	2,525,439	2,521,333	2,521,333
Silver	856,040	856,261	856,222	856,222	856,222	856,222
Loans and discounts	1,884,782	1,843,113	1,851,237	1,886,630	1,886,630	1,886,630
Treasury bills	150,000	150,000	150,000	150,000	150,000	150,000
LIABILITIES.						
Circulation	4,139,543	4,101,204	4,079,806	4,084,167	4,202,884	4,202,884
Deposits	1,051,591	1,079,010	1,051,724	1,044,677	1,111,054	1,111,054

MONTHLY STATEMENT OF LONDON CLEARING BANKS.

(000's omitted.)

Average Weekly Balances. March, 1923.	Bank of Liv'pool and Martins, Limited.	Barclays Bank, Limited.	Coutts and Co.	Glyn, Mills, Currie, and Co.	Lloyds Bank, Limited.	London Joint City and Midland Bank, Limited.	West- minster Bank, Limited.	National Provin- cial and Union Bank of Engl'nd, Limited.	National Bank, Limited.	Willi'ms Deacon's Bank, Limited.	Total.
ASSETS.	£	£	£	£	£	£	£	£	£	£	£
Coin, bank and currency notes, and balances with the Bank of England ...	6,738	32,998	1,443	2,437	34,802	49,772	26,929	27,866	3,637	4,199	190,821
Balances with and cheques in course of collection on other banks in the United Kingdom	1,800	6,943	482	809	7,611	10,742	8,721	7,031	89	997	45,225
Items in transit	3,471	21,373	1,970	3,265	16,223	13,709	25,778	16,566	4,124	2,108	108,587
Money at call and short notice.....	3,804	40,564	1,552	519	64,048	43,174	58,057	36,408	2,895	2,311	253,332
Bills discounted	10,072	72,453	4,612	10,623	82,436	38,387	55,220	52,175	19,518	7,271	352,767
Investments	39,262	127,324	7,278	5,813	130,895	186,021	100,355	124,661	17,202	19,981	758,792
Advances to customers and other accounts	5,678	7,569	55	1,863	15,582	29,718	11,037	7,620	215	826	80,163
Liabilities of customers for acceptances, endorsements, &c.	1,465	4,908	346	370	5,295	5,271	3,943	4,167	642	671	27,078
Bank premises account	..	7,700	..	..	7,674	3,559	2,993	2,240	..	..	24,166
Investments in affiliated banks	72,290	321,832	17,738	25,699	364,566	380,353	293,033	278,734	48,322	38,364	1,840,931
Ratio of cash to current, deposit, and other accounts	10.73	11.36	8.97	10.98	10.72	15.13	10.20	11.02	8.46	12.16	11.64
LIABILITIES.											
Capital paid up.....	2,349	15,592	800	1,000	14,372	10,860	9,004	9,309	1,500	1,875	66,662
Reserve fund.....	1,500	8,250	800	500	10,000	10,860	9,004	9,000	1,035	1,150	52,099
Current, deposit, and other accounts	62,763	290,422	16,083	22,176	324,611	328,914	263,973	252,805	42,960	34,513	1,639,220
Acceptances, endorsements, &c.....	5,678	7,568	55	1,863	15,583	29,718	11,037	7,620	215	826	80,163
Notes in circulation.....	..	..	..	160	..	..	15	..	2,612	..	2,627
Reduction of bank premises account	..	..	..	..	..	..	..	..	..	..	160
	72,290	321,832	17,738	25,699	364,566	380,353	293,033	278,734	48,322	38,364	1,840,931

SWISS NATIONAL BANK.

(000's omitted.)

Assets.	April 7, 1923.	Mar. 31, 1923.	Mar. 23, 1923.	Mar. 15, 1923.	April 7, 1922.	Position May 31, 1914.
Gold and foreign coin	533,224	532,901	532,819	532,579	545,245	171,175
Reserves	104,974	104,702	105,943	105,758	108,000	18,350
Loans and advances	474,499	489,451	475,034	478,448	304,419	103,000
Liabilities	900,879	920,231	859,676	856,295	804,296	275,925
Notes in circulation	253,979	244,167	287,505	299,297	205,186	33,750

The Monthly Statement of the Swiss Federal Loan Bank (Darlehenskasse) shows that up to March 31, 1923, total issues were Fr. 17,755,090, of which Fr. 10,356,930 was held by the Swiss National Bank.

BANK OF SWEDEN.

(000's omitted.)

Assets.	Apr. 7, 1923.	Mar. 31, 1923.	Mar. 23, 1923.	Mar. 17, 1923.	Apr. 8, 1922.	May 24, 1914.
Gold and foreign coin	273,562	273,598	273,635	273,689	274,348	104,918
Reserves	77,166	90,214	92,172	102,396	84,876	112,172
Loans and advances	145,124	136,421	136,511	127,440	63,556	32,465
Liabilities	387,892	399,602	322,819	344,110	534,811	112,668
Notes in circulation	549,220	586,990	514,223	525,926	583,620	226,555
Deposits at notice	274,661	260,254	254,790	268,113	317,133	369,660

NATIONAL BANK OF BELGIUM.

(000's omitted.)

Assets.	April 5, 1923.	Mar. 29, 1923.	Mar. 22, 1923.	Mar. 15, 1923.	April 5, 1922.	Position May 28, 1914.
Gold and silver	345,792	345,220	344,738	344,851	326,642	322,650
Reserves	671,535	703,191	684,602	698,736	448,839	697,600
Liabilities	6,900,444	6,884,334	6,825,206	6,890,617	6,320,968	934,150
Notes in circulation	323,501	316,167	343,548	312,415	731,296	112,126

AUSTRIAN NATIONAL BANK.

(000's omitted.)

Assets.	Mar. 31, 1923.	Mar. 15, 1923.	Mar. 7, 1923.	Feb. 28, 1923.
Gold and silver	85,097,404	85,142,270	85,142,312	85,142,312
Reserves	1,356,384,566	1,266,106,847	1,241,853,632	1,029,133,912
Loans and advances	820,396,210	826,023,475	826,023,475	826,023,475
Liabilities	1,080,122,487	895,770,579	736,557,765	715,936,171
Notes in circulation	4,459,117,616	4,258,053,371	4,195,926,817	4,207,991,722
Deposits	329,108,615	362,568,807	368,734,272	178,752,336
Other liabilities	727,626,876	601,601,937	444,578,052	425,022,223

HUNGARIAN BANK.

(000's omitted.)

Assets.	Mar. 31, 1923.	Mar. 23, 1923.	Mar. 15, 1923.	Mar. 7, 1923.	Mar. 31, 1922.
Gold and silver	22,718	22,672	22,702	22,757	13,315
Reserves	595	596	596	596	596
Loans and advances	71,284,230	67,146,472	63,804,971	60,339,321	24,574,455
Liabilities	2,584,380	2,583,753	2,010,039	1,944,152	1,544,684
Notes in circulation	82,205,017	76,276,436	77,007,253	75,696,746	29,326,658
Deposits	11,152,134	9,714,293	7,877,483	6,660,260	2,223,853

NATIONAL BANK OF DENMARK.

(000's omitted.)

Assets.	Mar. 31, 1923.	Feb. 28, 1923.	Jan. 31, 1923.	Dec. 31, 1922.	Mar. 31, 1922.	Position May 30, 1914.
Gold and silver	228,237	228,244	228,241	228,257	228,326	76,544
Reserves	409,785	404,445	402,186	407,599	444,618	88,470
Loans and advances	1,734	1,714	1,714	1,714	1,714	1,714
Liabilities	11,347	11,401	11,441	13,593	18,922	11,988
Notes in circulation	469,633	447,916	442,872	459,354	446,163	157,266
Deposits	66,082	70,804	164,744	163,710	132,092	6,696

IMPERIAL BANK OF INDIA.

(000's omitted.)

Assets.	Mar. 16, 1923.	Mar. 9, 1923.	Mar. 2, 1923.	Feb. 23, 1923.	Feb. 16, 1923.	Mar. 17, 1922.
Gold and silver	8,025	8,061	8,158	8,230	8,294	9,210
Reserves	1,239	1,253	1,257	1,257	1,257	1,257
Loans and advances	17,335	17,547	17,817	17,840	17,840	17,840
Liabilities	29,276	29,236	29,320	29,789	29,832	28,053
Notes in circulation	8,376	8,637	8,193	7,709	7,567	7,973
Deposits	21,99	20,86	26,58	22,91	18,32	8,42
Other liabilities	2,471	2,472	2,470	2,469	2,469	19
Capital	37,23	40,10	40,10	29,88	32,24	24,07
Reserves	76,60	71,85	72,61	71,85	71,85	71,85
Other assets	9,047	13,619	14,240	14,498	12,356	17,085
Liabilities	11,250	11,250	11,250	11,250	11,250	11,250
Capital paid up	5,625	5,625	5,625	5,625	5,625	5,625
Reserve	4,225	4,225	4,225	4,225	4,225	4,225
Public deposits	17,335	17,335	17,335	17,335	17,335	17,335
Bank deposits	55,826	54,671	55,630	55,970	54,732	56,727
Other securities	27,75	27,75	27,75	27,75	27,75	27,75
Other liabilities	62,61	78,27	73,13	57,07	56,62	61,29
Reserves	660	654	372	358	331	62
Deposits in London	402	401	403	429	585	260
Cash, &c., at other banks in London	505	474	166	114	123	88

NATIONAL BANK OF EGYPT.

(000's omitted.)

Assets.	Jan. 31, 1923.	Nov. 30, 1922.	Oct. 31, 1922.	Jan. 31, 1922.	Position May 31, 1914.
Gold and silver	3,367	3,362	3,359	3,360	1,571
Reserves	39,963	42,149	41,389	40,032	2,084
Liabilities	30,800	33,007	32,781	33,899	2,400
Notes in circulation	9,461	8,196	6,088	2,520	2,315
Deposits	12,779	12,043	12,313	12,616	2,660

By authority of the Egyptian Government British Treasury Bills were deposited in London.

BANK OF NORWAY.

(000's omitted.)

Assets.	Apr. 7, 1923.	Mar. 31, 1923.	Mar. 23, 1923.	Apr. 7, 1922.	Position May 31, 1914.
Gold and silver	147,289	147,289	147,289	147,289	147,289
Reserves	23,491	23,825	23,822	40,419	28,533
Loans and advances	9,404	9,404	9,404	10,085	8,816
Liabilities	456,105	463,959	457,066	441,711	76,911
Notes in circulation	364,411	374,773	356,007	389,313	113,484
Deposits at notice	160,437	157,665	171,961	136,236	7,188

Through Royal resolution of February 3, 1922, it has been resolved that the extraordinary right of issuing bank notes has been reduced from 50 millions to 25 millions from February 4, 1922 (this day included).

BANK OF FINLAND.

(000's omitted.)

Assets.	Mar. 31, 1923.	Mar. 23, 1923.	Mar. 15, 1923.	Mar. 31, 1922.	Position May 30, 1914.
Gold and silver	42,704	42,704	42,704	42,625	35,091
Reserves	879,061	886,922	903,663	156,713	90,379
Loans and advances	585,533	585,560	585,565	778,077	21,826
Liabilities	705,017	701,556	642,777	731,553	105,151
Notes in circulation	1,555,128	1,520,873	1,530,949	1,441,226	123,941
Deposits at notice	405,261	456,045	425,946	51,860	21,225

BANK OF PORTUGAL.

(000's omitted.)

Assets.	Dec. 27, 1922.	Dec. 20, 1922.	Dec. 6, 1922.	Dec. 28, 1921.	Nov. 29, 1921.
Gold and silver	26,823	26,778	26,778	26,755	26,797
Reserves	8,577	8,577	8,577	8,577	8,577
Loans and advances	37,829	43,495	31,522	4,480	42,561
Liabilities	159,633	156,865	160,454	131,032	164,931
Notes in circulation	860,097	860,097	860,097	860,097	860,097
Deposits	1,047,028	1,036,709	1,023,875	722,754	1,000,092
Other liabilities	56,929	61,955	58,760	59,866	63,176

NATIONAL BANK OF BULGARIA.

(000's omitted.)

Assets.	Dec. 22, 1922.	Dec. 14, 1922.	Nov. 22, 1922.	June 30, 1922.	May 31, 1922.	April 30, 1922.
Gold and silver	58,176	58,200	58,216	57,727	57,701	58,031
Reserves	1,353	1,330	1,342	1,342	1,342	1,342
Loans and advances	2,142	2,142	2,083	2,083	2,083	2,083
Liabilities	880,997	896,395	911,672	911,672	911,672	911,672
Notes in circulation	3,684,103	3,598,946	3,957,225	3,800,620	3,758,717	3,727,974
Deposits	3,753,334	3,771,320	3,877,830	3,877,830	3,877,830	3,877,830

POLISH NATIONAL BANK.

(000's omitted.)

Assets.	Mar. 20, 1923.	Mar. 10, 1923.	Feb. 28, 1923.	Feb. 20, 1923.	Mar. 10, 1922.
Gold and silver	41,492	41,440	41,358	41,254	28,561
Reserves	44,156	44,152	44,150	44,150	136,300
Loans and advances	6,157 (a)	3,221	(a) 3,270	44,445	43,310
Liabilities	(a) 35,032	(a) 39,994	(a) 40,210	(a) 38,895	880,201
Notes in circulation	1,393,000,000	1,240,500,000	1,085,000,000	950,500,000	236,600,000
Deposits	327,807,331	314,227,030	270,647,807	269,901,104	47,495,622

(a) Gold marks.

BANK OF LATVIA.

(000's omitted.)

Assets.	Mar. 27, 1923.	Mar. 21, 1923.	Mar. 14, 1923.	Mar. 7, 1923.	Feb. 28, 1923.
Gold and silver	3,537	3,421	3,421	3,421	3,569
Reserves	13,143	13,178	13,151	13,010	13,049
Loans and advances	41,296	39,151	39,900	37,415	37,415
Liabilities	15,937	13,562	13,166	12,708	12,465
Notes in circulation	1,344	1,428	1,554	1,589	1,387
Capital paid up	16,697	16,397	15,287	15,000	15,000
Government deposits	3,000	8,000	8,000	8,000	8,000
Other deposits	19,844	21,658	23,329	22,497	22,220
Other liabilities	18,700	16,521	17,876	17,482	17,741
Other assets	10,016	8,164	6,869	5,816	5,212

BANK OF LITHUANIA.

(000's omitted.)

Assets.	Mar. 31, 1923.	Mar. 13, 1923.	Feb. 28, 1923.	Feb. 15, 1923.	Jan. 31, 1923.
Gold and silver	15,818	15,812	15,780	15,780	15,652
Reserves	102	99	96	92	92
Loans and advances	28,525	27,773	26,235	23,609	22,238
Liabilities	12,887	12,711	13,448	13,388	13,064
Capital paid up	4,545	4,255	4,216	4,129	4,068
Banknotes in circulation	12,000	12,000	12,000	12,000	12,000
Deposits	42,362	38,930	40,656	39,413	37,585
Other liabilities	4,234	6,678	3,015	4,002	5,873
Other assets	3,309	3,069	4,134	1,569	1,608

NATIONAL BANK OF THE SERBS, CROATES, AND SLOVENES.

(000's omitted.)

Assets.	Mar. 31, 1923.	Mar. 15, 1923.	Mar. 8, 1923.	Feb. 28, 1923.	Mar. 31, 1922.
Gold and silver	63,141	63,136	63,619	63,612	73,643
Reserves	18,797	18,308	20,421	19,483	19,483
Loans and advances	265,384	267,632	263,079	263,720	301,894
Liabilities	1,369,582	1,412,871	1,431,118	1,435,867	848,852
Notes in circulation	4,492,340	4,492,340	4,493,840	4,493,886	4,418,521
Capital paid up	5,405,809	5,379,764	5,426,976	5,353,870	4,784,779

CONTINENTAL RATES OF EXCHANGE ON GERMANY.

		Par Level.	Apr. 11, 1922.	Mar. 27, 1923.	Apr. 5, 1923.	Apr. 12, 1923.
Amsterdam	Florins to 100 marks	59.26	0.91	0.0121	0.0121	0.0121
Switzerland	Francs to 100 marks	123.45	1.82	0.0250	0.0257	0.026
Copenhagen	Kroner to 100 marks	88.88	1.86	0.0249	0.0248	0.025
Stockholm			1.35	0.0179	0.0178	0.0178
Christiania			1.92	0.0264	0.0261	0.0264

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates:—

	Union of South Africa.		Union of South Africa.	
	From Feb. 26, 1923.		From Feb. 24, 1923.	
	Buying.	Selling.	Buying.	Selling.
T.T.	1% prem.	2% prem.	2% dis.	1% dis.
Demand	1% prem.	2% prem.	2% dis.	1% dis.
30 days	1% dis.	2% dis.	2% dis.	1% dis.
60 days	1% dis.	2% dis.	2% dis.	1% dis.
90 days	1% dis.	2% dis.	2% dis.	1% dis.
120 days	1% dis.	2% dis.	2% dis.	1% dis.

* No premium allowed on amounts under £100.

(a) No discount allowed on sales of T.T.s. or demand drafts under £50.
† Plus ad valorem duty.

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

	London on Australia and New Zealand.		Australia and New Zealand on London.	
	Buying.	Selling.	Buying.	Selling.
	Aus. tralis.	New Zealand.	Aus. tralis.	New Zealand.
T.T.	1% prem.	2% prem.	2% dis.	1% dis.
Demand	1% prem.	2% prem.	2% dis.	1% dis.
30 days	1% dis.	2% dis.	2% dis.	1% dis.
60 days	1% dis.	2% dis.	2% dis.	1% dis.
90 days	1% dis.	2% dis.	2% dis.	1% dis.
120 days	1% dis.	2% dis.	2% dis.	1% dis.

INDIAN TREASURY BILLS.

	March 31, 1923.	April 7, 1923.
Outstanding with public	21,63,45,000	21,08,00,000
In paper currency reserve	49,65,00,000	49,65,00,000
Total	71,28,45,000	70,73,00,000
India Office, April 11, 1923.		

BULLION.

GOLD STANDARD RESERVE.

Statement showing the form in which the balance of the reserve was held on March 31, 1923:—	£
In India	Nil
In England—	
Cash at the Bank of England	3,658
British Government securities—	
Value as on March 31, 1923	40,043,831
	40,047,489

SIDNEY TURNER, Accountant-General.

India Office, April 11, 1923.

IMPORTS AND EXPORTS OF GOLD.

Imported into the United Kingdom.		Exported from the United Kingdom.	
Countries from which Consigned.	Week Ended April 11, 1923.	Countries to which Exported.	Week Ended April 11, 1923.
Belgian Congo	29,494	British India	518,419
U.S.A.	148,974	France	28,300
British South Africa	718,966	Java	2,500
Other countries	1,113	Egypt	2,000
		Other countries	624
Total declared value of imports	896,537	Total declared value of exports	553,843

Messrs Samuel Montagu and Co. write on April 11th as follows:—

GOLD.

A fair amount of gold came on offer this week, and a moderate amount was taken for India. Gold valued at \$2,250,000 has arrived in New York from London. It is stated in the Press that plans to recover the bullion from the ss. "Egypt," sunk in 65 fathoms off Ushant, are nearing completion, and that the salvage premium works out at 55 per cent.

SILVER.

There has been a considerable amount of selling during the week from India, the Continent, and America, arising, no doubt, from the news as to the Pittman Act purchases being likely to be completed earlier than was generally anticipated. The Indian bazaars have been fairly good buyers for this week's—the settlement—steamer, but there has been a tendency to sell an equivalent quantity for forward delivery. There has been an outbreak of plague in the Bombay Presidency, but not yet serious enough to be a factor of real importance in the silver market. The bazaars, however, are always ready to seize anything, however slight, that confirms a view already taken, and, therefore, they would naturally consider it a bear point. China, on the whole, has been inactive, but has prolonged such bull commitments as fell due.

INDIAN CURRENCY RETURNS.

(In Lacs of Rupees.)

	Mar. 15, 1923.	Mar. 22, 1923.	Mar. 31, 1923.
Silver coin and bullion in India	17,433	17,438	17,470
Silver coin and bullion out of India	8,673	8,678	8,706
Gold coin and bullion in India	2,432	2,432	2,432
Gold coin and bullion out of India	5,743	5,744	5,748
Securities (Indian Government)	585	584	584
Securities (British Government)			

The coinage during the week ending 31st ult. amounted to 8 lacs of rupees. The stock in Shanghai on the 7th inst. consisted of about 28,600,000 ounces in sycee, 36,000,000 dollars, and 1,020 silver bars, as compared with about 28,300,000 ounces in sycee, 34,000,000 dollars, and 120 silver bars on the 3rd inst.

GOLD AND SILVER PRICES.

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

1923.	Gold.		Silver.		Date.	Silver.
	Per Ounce.	Cash, Per Ounce.	Forward, Per Ounce.			
April 7..	88 3	32 1/2	32		April 13, 1917	36 1/2
9..	88 3	32 1/2	31 1/2		17, 1918	46 1/2
10..	88 10	31 1/2	31 1/2		11, 1919	48 1/2
11..	88 6	31 1/2	31 1/2		9, 1920	60 1/2
12..	88 5	31 1/2	31 1/2		8, 1921	33 1/2
13..	88 6	32	31 1/2		7, 1922	33 1/2

NOTICES.

We understand that arrangements have been made for Sir William Carruthers to retire from the general management of Barclays Bank on September 30th next. Sir William will continue to be a member of the board, and otherwise remain closely connected with the bank.

Mr F. C. Goodenough, the chairman of Barclay's Bank and the president for this year of the British Bankers' Association, has accepted an invitation to address the executive council of the American Bankers' Association at their spring meeting. Mr Goodenough is sailing for New York by the "Berengaria" on April 14th.

Mr F. E. Steele, an assistant general manager of the Westminster Bank, Limited, is retiring on pension at the end of this month, after over 42 years' service with that bank and its constituent banks. Mr Steele is a member of the Council of the Institute of Bankers and of the London Chamber of Commerce, is the author of various financial treatises, including "Present Day Banking" and "How Our Overseas Trade is Financed," and was Gilbert Lecturer on Banking in 1921.

Barclays Bank, Limited, announce that they have opened a new sub-branch at 65 Beckenham lane, Shortlands, S.E., under the management of Mr P. J. Luck (also manager of Bromley branch). The business hitherto carried on at 42 Kirkdale, Sydenham, has been transferred to and amalgamated with their office at 13 Kirkdale, Sydenham, which is under the management of Mr E. M. Horlock. A new branch has been opened at 172 King street, Hammersmith, W.6, under the management of Mr E. W. Nix.

W. J. Fitzherbert-Brockholes, Esq., C.B.E., J.P., D.L., of Cloughton Hall, Garstang, near Preston, has joined the board of the Union Bank of Manchester, Limited.

The National Provincial and Union Bank of England, Limited, announce that a branch of the bank is now open at 53 Old Kent road, S.E. 1.

The Hongkong and Shanghai Banking Corporation announce that Sir George MacDonogh, K.C.B., K.C.M.G., has joined the London committee.

RAILWAY AND TRAMWAY TRAFFIC RETURNS.

RAILWAYS OF THE UNITED KINGDOM.

Miles Open.	Week Ended April 8, 1923.			Aggregate 14 Weeks 1923.		
	Passen- gers, &c.	Goods, &c.	Total for Week.	Passen- gers, &c.	Goods, &c.	Total Receipts.
Great Western	3,679	282,000	300,000	5,130,000	5,014,000	8,144,000
London & North-Eastern	6,661	428,000	631,000	1,059,000	1,058,000	15,718,000
Do same period 1922	6,657	429,000	770,000	1,199,000	1,092,000	16,484,000
London, Mid., & Scottish	6,962	625,000	777,000	1,042,000	1,319,000	20,785,000
Southern	2,115	344,000	96,300	440,900	3,836,300	5,536,300
Midland & S.W. Junction	63	1,155	930	2,085	15,225	17,151
Metropolitan (a)	79	33,055	3,581	254,082	446,691	52,164
Underground E.R. (a)	..	..	..	23,789	..	22,868
London & Sub. Group (a)	..	..	..	6,131	..	535,693
Belfast & Co. Down (b)	80	7,583	1,027	8,610	61,186	78,051
Dublin and S. East. (b)	160	7,115	2,896	10,011	69,471	48,580
Do same period 1922	160	5,680	3,319	8,999	71,407	52,676
Midland Gt. West. (b)	538	18,013	29,454	120,048	198,116	518,163
Do same period 1922	538	9,326	14,678	24,204	161,066	203,477

(b) Week ended April 6, 1923.

(c) Week ended April 7, 1923.

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.	Total Gross Receipts.
				1922-23. + or -	1922-23. + or -

INDIAN.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.	Total Gross Receipts.
				1922-23. + or -	1922-23. + or -
Assam Bengal	49 weeks	Mar. 10	1,043	2,46,041 + 25,297	1,22,00,646 + 33,09,928
Barelly L. Ry.	50 weeks	17 118	38,900 + 8,200	16,84,500 + 3,59,100	
Bengal & N. Western	23 weeks	10 67	6,45,450 + 82,043	1,40,44,627 + 16,08,504	
Bombay Nagpur	50 weeks	17 2,727	16,04,300 + 1,60,000	7,26,50,726 + 78,57,196	
Bombay, Bar. & C.I.	1 week	Apr. 7	4,394	25,55,000 + 2,30,000	25,55,000 + 2,30,000
Bombay, Bar. & C.I.	49 weeks	Mar. 10	1,342	7,87,626 + 19,962	3,39,13,810 + 44,47,333
Calcutta & N. Eastern	26 weeks	31 233	1,13,000	26,326 + 27,02,216	5,40,849
East Indian	1 week	Apr. 7	2,856	33,49,000 + 10,26,000	33,49,000 + 10,26,000
G. Indian Peninsula	52 weeks	31 3,121	39,32,000 + 9,67,068	15,05,17,336 + 13,14,97,45	
Madras & S. Mah.	49 weeks	Mar. 10	3,028	15,70,000 + 59,016	6,94,80,955 + 67,35,418
Rohilk. & Kumaon	23 weeks	10 259	58,641 + 11,345	11,63,526 + 61,118	
Do Lucknow-Benally	23 weeks	10 313	77,542 + 7,722	15,45,072 + 51,366	
South Indian	50 weeks	17 1,890	8,51,083 + 10,657	4,62,98,361 + 43,75,834	
Roh. Panjab (month)	3 mths	Dec. 31	717	10,99,126 + 1,13,429	26,84,246 + 3,83,542

ARGENTINE (a).

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.	Total Gross Receipts.
				1922-23. + or -	1922-23. + or -
Argentine N.E.	40 weeks	April 7	752	13,800 + 3,100	418,100 + 8,500
Argentine Trans.	40 weeks	7 111	4,530 + 1,630	130,480 + 41,015	
B. A. & Pacific	40 weeks	7 3,428	213,000 + 18,000	6,526,000 + 98,000	
B. A. Gt. Southern	40 weeks	7 3,428	213,000 + 18,000	6,526,000 + 98,000	
B. Western	40 weeks	7 1,883	100,000 + 13,000	3,574,000 + 404,000	
Central Argentine	40 weeks	7 3,306	205,000 + 9,100	7,999,000 + 755,000	
Cordoba Central	40 weeks	7 1,206	52,100 + 9,100	2,312,500 + 305,200	
Entre Rios	40 weeks	7 729	20,600 + 1,900	805,000 + 25,100	

BRAZILIAN (b).

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.	Total Gross Receipts.
				1922-23. + or -	1922-23. + or -
Brazil Gt. Southern	2 mths	Feb. 28	52	Ms 44,500 + 11,500	130,250 + 53,500
St. West. of Brazil	14 weeks	Apr. 7	1,005	10,700 + 4,100	176,000 + 25,500
Leopoldina	14 weeks	7 1,832	17,593 + 9,001	326,350 + 58,734	
San Paulo	14 weeks	7 1,534	28,821 + 1,952	392,218 + 31,916	
State of Bahia, S.W.	10 mths	Feb. 28	52	Ms 20,000 + 140,000	1,459,000 + 798,000

CHILE AND PERU.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.	Total Gross Receipts.
				1922-23. + or -	1922-23. + or -
Antofagasta	14 weeks	Apr. 8	838	35,680 + 15,255	493,020 + 240,675
Nitrate (4 monthly)	13 weeks	Mar. 31	366	30,894 + 15,590	299,260 + 16,775
Peruvian Corp.	9 mths	31 1,056	1,414,300 + 54,540	11,414,506 + 167,775	
Taitai	9 mths	31 172	20,423 + 5,773	158,162 + 73,290	

CUBAN.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.	Total Gross Receipts.
				1922-23. + or -	1922-23. + or -
Havana Central	40 weeks	Apr. 7	1,210	13,641 + 1,552	449,645 + 7,957
United of Havana	40 weeks	7 1,210	96,820 + 29,177	2,856,688 + 71,049	

URUGUAYAN.

Central Uruguay....	40 weeks	Apr. 7	273	30,549 + 3,990	1,048,639 + 23,866
O. Urug. (East Ext.)	40 weeks	7	311	7,071 + 701	214,000 + 2,844
O. Urug. (North Ext.)	40 weeks	7	186	3,560 + 38	135,088 + 3,122
O. Urug. (West Ext.)	40 weeks	7	311	7,071 + 701	214,000 + 2,844
Midland Uruguay	9 mths	Mar. 31	319	17,872 + 3,996	146,980 + 16,954
North-West Uruguay	9 mths	31	113	5,744 + 343	58,458 + 2,319
Uruguay North	9 mths	31	73	2,340 + 412	22,334 + 3,362

OTHER FOREIGN.

Alcoy and Gandia	14 weeks	Apr. 7	33	Pa 20,000 + 4,000	335,300 + 57,800
Bilbao	2 mths	Feb. 28	15	2,534 + 1,448	4,295 + 2,265
Bolivar	3 mths	Mar. 31	136	14,000 + 2,072	38,000 + 13,769
Costa Rica	3 mths	Mar. 31	183	24,587 + 3,403	167,192 + 10,500
Dorado Extension	3 mths	Mar. 31	70	13,500 + 4,000	26,700 + 13,200
Dorado Ropewy. Ext.	3 mths	Mar. 31	45	8,315 + 1,543	335,187 + 51,301
Egyptian Delta	50 weeks	20	576	8,315 + 57,114	1,482,372 + 639,480
St. Southn. of Spain	13 weeks	31	Gross 79,643	2,591	159,415 + 8,508
International of			Net 37,410	5,508	72,229 + 2,700
Central America	2 mths	Feb. 28	11,510	60	34,280 + 25,100
La Guadra & Caracas	3 mths	Mar. 31	\$268,900	5,600	2,385,500 + 114,600
Mexican Railway	14 weeks	April 7	403	\$1124,800 70,800	498,500 + 19,900
Do	2 mths	Feb. 28	Net \$227,000	2,098	11,533 + 2,098
Nasajo Occasbamm	1 month	Jan. 31	11,533	498	
Ottoman Railway	2 weeks	Sept. 2	193	2,760	
Paraguay Central	39 weeks	Mar. 31	274	2,130 + 1,190	68,600 + 69,620
Puerto Cabello, &c.	2 mths	Feb. 28	35	4,500 + 900	9,500 + 750
Salvador	40 weeks	Apr. 7	100	5,661 + 912	148,437 + 14,761
Santa Fe Province	1 mth	Feb. 28	158,758	19,480	
Manana & Santiago	3 mths	Mar. 31	6,080	833	18,350 + 923
Do	3 mths	Feb. 28	112 (a)	9,968 + 1,065	21,610 + 977

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

Wool sales have been resumed in Australia, and cables to hand from Melbourne and Sydney indicate an active and rising market. A month ago brokers in Sydney were seeking buying limits in Bradford, stating that they could pick up on a clean basis of 50d for good topmaking wools. Cables received this week are at 53d, and we are satisfied that merino values are going to be no cheaper this season. It has been announced that Victorian offerings from Easter to the end of the season are only going to be about 27,000 bales. This is a very small quantity indeed, and we expect that after this month Sydney offerings will be both small and poor. During the current month all the New England clips will be disposed of, and the season is practically over in South Africa. Cables from Port Elizabeth mention 52d to 53d as the buying basis for 10-12 months' wools, and 55d for full 12 months' combing. All this clearly indicates a strong, rising market, with merino values healthy and sound. In consuming districts there is already talk of a sensible advance in Coleman Street when the next series opens on the 24th instant, and whilst we think it unwise to adopt anything in the nature of forcing tactics, resulting in values eventually being put on to an unworkable level, supply and demand may be expected to dictate market values. The present buying movement is being brought about by competition from various important sources, Japan and America, as well as the Continent, all operating freely. Business in the West Riding is none too good to warrant higher merino values. Manufacturers are still meeting with tremendous opposition, but America is reported to be keenly inquiring for good combing merino fleeces, as well as fine crossbred matchings. The latest reports from across the Atlantic indicate renewed attention to merino fabrics, which is taken as being indicative of very healthy manufacturing conditions, as well as a good sustained demand for clothing. There is always a certain percentage of the consuming public to whom it is no financial hardship to pay an extra guinea or two for a suit of clothes, but the purchasing power of the great majority is still very limited, and it is the desire of wholesale and retail clothiers to offer goods at an attractive price, which is the real explanation for the present opposition against the excessive cost of merino fabrics. We are convinced that the rank and file of the world's consumers of clothing cannot afford any higher prices than those current to-day for all classes of fabrics, and it will do the wool textile industry the most good for present values to be consolidated. In that way a steady and progressive business will be ensured. It is remarkable that all the driving force continues to come from the raw material end of the trade. Messrs Dalgety and Co. have received a cable from their Melbourne branch stating that the exports of wool from Australia during the nine months ended March 31st amounted to 1,703,000 bales, an increase of 80,000 bales compared with the corresponding period ended March 31, 1922. The exports from New Zealand amounted to 373,000 bales, a decrease of 91,000 bales. The total exports from Australasia thus amounted to 2,076,000 bales, a decrease of 11,000 bales compared with the shipments for the corresponding period of 1921-22. It is clear from the above data that there will not be a large supply of fine wool offered in London during the remainder of the current year. It is quite true that competition will decide the actual level of values, but when all is said and done supplies will not be so reduced as to justify anything in the nature of a wild scramble.

THE COTTON TRADE.

MANCHESTER, April 12.

Since a week ago there has not been any distinct change in the conditions prevailing in the market. On the whole, however, more inquiry has come through, and in certain quarters a few more contracts have been arranged. Buyers, however, are cautious, and there is not sufficient confidence in current rates for active operations to take place. Scattered transactions have occurred in shirtings, bleaching cloths, and fancies for the several outlets of India, but dealers on the other side are slow in raising limits. Standard makes for China remain slow, but some advices from Shanghai are slightly better, and some very fair orders have been booked in special makes. A little more activity continues to show itself for Constantinople and Egypt. Buying for South America has been very irregular. Home trade buyers are purchasing from hand to mouth. American yarn quotations have been generally firm, and the turnover shows some improvement. A steady demand continues to be met with in Egyptian spinnings, and better reports are being published by Bolton mills.

(I.) Comparative Statement of the Cotton Trade.

	Price Apr. 12, 1923.	Previous Weeks in 1923.					
		Price, Apr. 5.	Price, Mar. 27.	Price, Mar. 22.	Price, Mar. 15.	Price, Mar. 8.	
Raw Cotton—Fully Mid. American . . . per lb	16-10	d	d	d	d	d	
— Sakellaridis Fully Good Fair	16-10	15-74	15-18	16-14	16-77	16-86	
— Egyptian per lb	17-75	17-40	17-50	18-00	17-95	17-75	
Yarns—32's twist per lb	24	23 1/2	23	23 1/2	23 1/2	22 1/2	
— 40's twist per lb	23 1/2	23	22 1/2	22 1/2	22 1/2	22 1/2	
— 50's twist (Egyptian) per lb	23 1/2	23	22 1/2	22 1/2	22 1/2	22 1/2	
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	33	32	32	32	32	32	
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	36	36	35	35	35	35	
38-in. ditto, 38 yds, 18 by 18, 32's and 40's	18	18	18	18	18	18	
38-in. ditto, 37 1/2 yds, 16 by 16, 32's and 40's	17	17	17	17	17	17	

(II.) Compared with Previous Years.

	Price, Apr. 12, 1923.	Corresponding dates in					
		1922.	1921.	1920.	1919.	1918.	
Raw Cotton—Fully Mid. American . . . per lb	16-10	d	d	d	d	d	
— Sakellaridis Fully Good Fair	16-10	15-74	15-18	16-14	16-77	16-86	
— Egyptian per lb	17-75	17-40	17-50	18-00	17-95	17-75	
Yarns—32's twist per lb	24	23 1/2	23	23 1/2	23 1/2	22 1/2	
— 40's twist per lb	23 1/2	23	22 1/2	22 1/2	22 1/2	22 1/2	
— 50's twist (Egyptian) per lb	23 1/2	23	22 1/2	22 1/2	22 1/2	22 1/2	
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	33	32	32	32	32	32	
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	36	36	35	35	35	35	
38-in. ditto, 38 yds, 18 by 18, 32's and 40's	18	18	18	18	18	18	
38-in. ditto, 37 1/2 yds, 16 by 16, 32's and 40's	17	17	17	17	17	17	

LIVERPOOL OFFICIAL QUOTATIONS—April 6, 1923.

Description.	Com.	Med.	Good Med.	Med. Fine.	Extra Fine.	Same Period 1922.			Same Period 1921.		
						Med.	Good Med.	Extra Fine.	Med.	Good Med.	Extra Fine.
Sea Island	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Florida do.	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Georgia do.	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Ord. G. O. L. M. F.	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
American	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Brazilian :	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Pernam	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Parahyba, Rio Grande, &c.	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Macao, &c.	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Mosoro, &c.	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Ceara	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Maranhão, &c.	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
São Paulo	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Egyptian :	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Upper	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Sakellaridis	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Brown	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Peruvian :	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Rough	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Moderately Rough	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Smooth	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Tanguts	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Mitani	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
West Indian, &c.	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Do Sea Island	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
African, East, &c.	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Do West	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Machine Ginned Surtee	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Machine Ginned Broach	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Machine Ginned Bhowmuggar	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Machine Ginned Oomra, No. 1	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Machine Ginned Oomra, No. 2	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Machine Ginned Khandeish	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Machine Ginned Comptah	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Machine Ginned Bengal	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Machine Ginned Soinde	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Tinnivelly	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Madras, Western	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Madras, Northern	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
M. G. Coconada, Rad.	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
China, Smyrna, &c.	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm

Some interesting statistics relating to the amount of cotton machinery in Lancashire are given in the new edition published this week of Messrs Worrall's "Trade Directory." The spindles are

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now given as 59,818,670, and looms 795,244. During the last few years there has been a tendency for machinery to run out of use without being replaced; in 1917 the spindles were 60,973,381, and in 1916 the looms totalled to 808,796.

VEGETABLE OILS AND OILSEEDS.

The outstanding feature of the market has again been the firmness of linseed oil, and a further rapid advance in values at both Hull and London to over 50 for spot and month oil, an advance of at least £10 inside a month. Near positions have also hardened correspondingly, while the position still further forward is firm. The strength has been derived from the position of seed and the further heavy buying of oil for shipment to America. In addition, a good demand has been met with from the home trade for future delivery. Latest reports from America are to the effect that although substantial purchases of Plate linseed have already been made on American account, they are little more than one-third of the States' requirements from this quarter over the full year. From Minneapolis it is reported that 25 million bushels (625,000 tons), or 18 million bushels more than last year, will be the year's requirements to be supplied from Argentina, which, of course, will leave a correspondingly smaller surplus to supply needs on this side of the Atlantic. In view of this, Plate prices continue very firm, but only a small trade appears to be doing on European account, English crushers having turned their attention to the Indian crop of which they have bought freely, paying up to £21 5s for Calcutta and £21 15s bold Bombay for April and April-May shipment. For Plate seed, Hull has paid up to £19 17s 6d for April-May and Rotterdam up to £20 10s for "adfloat." Egyptian cottonseed has rallied, and is 10s dearer on the week, while cotton oils are also in better demand, and are 30s to 40s dearer and firmer.

The shipments of linseed from January 1st to April 6th to the United Kingdom are: Plate 140,900 tons and Indian 27,550 tons, together 168,450 tons, against 116,500 tons a year ago; and to the Continent: Plate 187,000 tons, Indian 15,000 tons, together 202,000 tons, against 146,000 tons. The shipments to the U.K. and Europe thus total 370,450 tons, against 262,500 tons for same period of 1922. The shipments of Argentine linseed to North America are returned at 215,000 tons, against 45,000 tons a year ago, and the total including Europe and 4,000 tons to Australia at 546,900 tons, against 226,100 tons a year ago. The balance of the Argentine crop available for export is, on the basis of recently revised estimates (which are considered too conservative), 503,000 tons, while that from India is put at 354,000 tons, giving 857,000 tons yet to be shipped, against 927,000 tons at the same date last year. The possibility of shipments from Russia is not taken into account.

HIDE, LEATHER, AND ALLIED TRADES.

(BY OUR OWN CORRESPONDENT.)

Market hides remained very steady at Bermondsey auctions on Thursday, and best ox hides at 8½d to 8¾d showed no alteration. Seconds also sold at last prices. Best cows were steady at 6½d to 6¾d, but seconds dropped an eighth. Calf were unaltered, with the exception of the seconds light class, which advanced an eighth. Wools sold from 5s 6d to 12s 6d, hogs 6s to 14s 6d, and lambs from 2s 9d to 6s each. The demand for imported hides has shown an improvement of late, and the turnover has been much better than was the case a few weeks ago. Frigorifics are slightly lower in the River Plate, although this is discounted by long hair. Prices quoted are 85¢ for Argentines and 84¢ for cows. Saladeros have sold this week to the home trade, Tabarez cows selling at 8½d on spot. Dry hides are very firm, and sales are reported of Australian, West Coasts, and Cape stock. The American market is cabled as steady, with heavy native steers offered at 19 cents and packer sheepskins from 35¢ to 36¢ each. The tone of the sole leather market has much improved in Bermondsey this week, and some merchants appeared really busy. Light bends from 8 to 10 lbs are being taken by manufacturers, whilst repairers have ordered bends up to 12 lbs. Prices are fairly firm, but there are persistent rumours that tanners are shading prices to effect clearances, especially in the heavy selections. Pinned offal is in short supply, and shoulders which will cut a cheap sole are sold forward. Little American sole leather is arriving, as prices in the U.S.A. are too high, but more has been doing in the Norwich district in Australian sole, which suits the turn shoe trade.

Upper leathers are selling slightly better, and prices are very firm. Box and willow calf are wanted in the cheaper grades, but tanners say it is hopeless to attempt to compete with German prices at present. Glacé and suède are selling mainly in their cheaper grades.

The shoe section is finding the benefit of the Easter trade, and orders are coming along to replace stocks. Cheapness is still the bête-noir of the manufacturer, and it seems, no matter what profit the retailer is able to make, he wants something which will "come out cheaper" than the stock he is offering.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, April 13.

Business in most directions pursued a quiet course, and amongst fibres jute took a further downward turn owing to lack of interest shown on the part of spinners. Sugar, however, further moved upward on scarcity of offers from producing countries, and a fair business was done both on grocery and manufacturing account in spot parcels of refined at a general advance of 1s 6d per cwt.

SUGAR.—Market very firm undertone, with refined and also raws very sparingly offered. Cuban stock stands at 676,800 tons against 851,300 same time last year. Crystallised West India remains in small supply. A fair business resulted in refined on spot at full prices. Messrs Tate and Lyle's cubes, 68s to 69s; granulated, fine and coarse, 63s 10½d; No. 1, 63s 7½d; No. 2, also London, 63s 4½d; yellow crystals, 57s 4½d. Granulated, May, 62s 9d; June, 63s; July, 63s 3d; August, 62s 9d. West India crystallised ranges from 55s 9d to 58s, as to quality. American granulated, spot, 62s 6d; April, steamer, 35s 6d, c.f. and i., London. White Java, spot, 61s to 61s 6d; May-June, steamer, 32s 6d, 37s 6d paid; June-July, 30s 3d to 29s 4½d; July-August, 29s to 28s 3d, c.f. and i., London. Czecho granulated, spot, 62s; November-December, 26s, f.o.b., Hamburg. Of Dutch, W.S.R. granulated, prompt, quoted, 36s; J. 35s 6d, f.o.b., Amsterdam or Rotterdam. Belgian granulated, October-December, sold, 25s, f.o.b., Antwerp. Cuban, basis 96 per cent., April-May, 29s 6d; Brazilian, ditto, 29s 6d; ditto, 80 per cent., 19s 3d; Madras, cane, jaggery, April-May, 19s, all c.f. and i. terms, U.K. Terminal market irregular. May, quoted, 34s 3d; August, sold, 35s 3d to 34s; December, 25s 9d to 26s 4½d and 26s.

COFFEE.—Market quiet, but firm for fine Costa Rica descriptions, though otherwise rates favour the buyer. East India, middling, sold, 92s; bold, 101s to 112s; Costa Rica, mid, 104s to 105s; bold greyish, 112s 6d; fine, 142s. Future delivery market idle, and quotations quite nominal.

TEA.—During the week nearly 41,000 packages Indian were brought to auction, and generally speaking a quieter demand was experienced. This resulted in some slight irregularity, medium to fine being quite firm, while occasionally dearer for autumnal character, but common and thin liquoring descriptions proved only saleable at easier prices. 24,360 packages Ceylon were only moderately competed for, and apart from leaf sorts selling firmly on export account, a quiet and easier tone predominated. Java and Sumatra kinds experienced a quieter market, and rates favoured the buyer.

RICE.—General trade is quiet, but, with sellers equally reserved, recent rates are fully maintained. Two stars, spot, 14s 3d; adfloat, 13s 7½d; April, 13s 9d; No. 3 cleaned Rangoon, April-May, Levant, 14s 3d. Broken kinds quiet, but steady. 1 A Burma, April-May, 12s 6d; Siam C 1, 11s 6d. Rangoon beans dull, and hand-picked, spot, quoted 8s. Japanese peas quiet, and spot quoted 28s 3d; April-May, 26s. 2,500 tons bran, Rangoon, April-August, sold, £5 10s, ex ship, London-Liverpool.

SOUTH-NORWAY.

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Business
of every description.

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London County Westminster & Parr's Bank, Limited; London Joint
City & Midland Bank, Limited; Cox & Co.

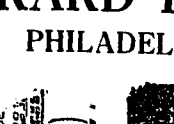
SEEDS.—Linseed opened firmer, but quieter since. Bold Bombay, afloat, £22 10s; small Bombay, ditto, £22; Calcutta, afloat.

TALLOW.—Messrs Colchesters and Woolner write on April 11th as follows:—The tallow market was firm during the week, and prices are 6d to 1s dearer to-day. Inferior sorts continued to meet with a lively demand, while good kinds also showed considerable activity. The stock in London on March 31st, as returned by the wharves, amounted to 14,858 packages, showing a decrease during the month of 97 packages. At auction to-day 1,018 casks tallow were offered and 721 were sold. Quotations are:—Australian mutton: Fine, 45s 6d; good to fair, 44s 6d to 43s; dull to dark, 40s 9d to 39s 9d; hard, 45s. Australian beef: Fine, 45s 6d; good to fair, 43s to 42s; dull to dark, 40s 6d to 39s 3d; sweet, 45s 6d. Present shipment from Australasia:—Mutton, fair coloured, 48 degs., 44s; and mixed, 43s, c.i.f., London, 44s. The market letter is unchanged for tallow, stuff is dearer. Town tallow, 37s 6d per cwt. Rough fat, per 8 lbs, 24d; melted stuff, 29s 6d per cwt. Quotations are:—Town: 38s 3d net cash, naked, ex works. Country: Frail casks, 38s; home melted, shipping casks, net, f.o.b., good coloured, 42s; fair to dull, 39s to 38s. Bone fat: White, none; pale, none; benzine, 36s; melted stuff, 36s 6d, f.o.b.

LONDON POTATO MARKETS.—APRIL 12.			
	Per Cwt.		
	s	d	s d
English Arran Chief ..	2	3	..
Great Scot ..	2	3	..
New Teneriffe (case) ..	11	0 to 12	0
Majestic.....	2	3	..
King Edwards	3	0 to 3	6

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Capital and Surplus - \$10,000,000.
Member of Federal Reserve System.

GOVERNMENT GOLD MINING AREAS (MODDERFONTEIN) CONSOLIDATED, LIMITED.

(Incorporated in the Transvaal.)

Issued Capital, £1,400,000 in 1,400,000 Shares of £1 each.

DIRECTORATE.

J. MUNRO (Deputy-Chairman). S. B. JOEL, J.P. (Chairman). J. H. CROSBY.
G. IMROTH. D. CHRISTOPHERSON, C.B.E. J. G. LAWN, C.B.E.
G. J. JOEL.

Extracted from the Annual Report to 31st December, 1922.

Tons Crushed, 1,357,000.			Per ton, based on
			Tonnage Crushed.
Total Working Revenue (including estimated premium on gold)	£2,777,874	8 11	£2 0 11
Total Working Costs	1,269,848	6 1	18 8
Working Profit	£1,508,026	2 10	£1 2 3
Rents, Interest and Sundry Revenue ...	33,890	18 11	
Balance unappropriated at 31st December, 1921	160,524	3 7	
			£1,702,441 5 4
This amount has been dealt with as follows:—			
Government of the Union of South Africa, share of profits	£737,838	11 2	
Income-Tax, Employers' Tax, Miners' Phthisis Sanatorium and Donations ...	11,869	18 9	
Strike Expenditure	72,590	17 10	
Capital Expenditure	39,085	10 9	
Dividends Nos. 10 and 11 of 20% and 30% respectively ...	700,000	0 0	
			1,561,384 18 6
Leaving a Balance unappropriated of			£141,056 6 10

The **Payable Ore Reserves** at the end of the year were estimated at **10,324,000** tons of an average value of **8.8** dwts. over stopping width of 76 inches; they included ore of a value of 4 dwts. and over.

The full Reports and Accounts may be obtained from the London Agents, The Johannesburg Consolidated Investment Company, Limited, 10/11, Austin Friars, London, E.C.2.

LANGLAAGTE ESTATE AND GOLD MINING COMPANY, LIMITED.

(Incorporated in the Transvaal.)

Issued Capital, £886,500 in 886,500 Shares of £1 each.

DIRECTORATE.

S. B. JOEL, J.P. (Chairman). J. MUNRO (Vice-Chairman).
J. G. LAWN, C.B.E. J. H. CROSBY. N. J. SCHOLTZ. G. J. JOEL.

Extracted from the Annual Report to 31st December, 1922.

Tons Crushed, 457,756.			Per ton, based on
			tonnage crushed.
Total Working Revenue (including Estimated Premium on Gold)	£676,807	3 3	£1 9 7
Total Working Costs	513,080	6 9	1 2 5
Working Profit	£163,726	16 6	7 2
Rents, Sundry Revenue, Interest, Bewaarplaat-sen Moneys, &c.	9,709	15 5	
Balance unappropriated at 31st December, 1921	86,192	8 6	
			£259,628 0
This amount has been dealt with as follows:—			
Income-tax, Dividend Tax, Employers' Tax, Miners' Phthisis Sanatorium, Donations, and Depreciation	15,211	0 0	
Strike Expenditure	39,826	11 7	
Capital Expenditure (less proceeds from sales of stands, etc.)	82,351	13 9	
Dividend No. 63 of 7½%	66,487	10 0	
			203,875 6 6

Leaving a balance unappropriated of **£55,752 13 4**

The **Ore Reserves**, which were recalculated at the end of the year, were estimated at **830,800** tons, of an average value of **6.9** dwts. over 54 inches of reef.

The full Reports and Accounts may be obtained from the London Agents, The Johannesburg Consolidated Investment Company, Limited, 10/11, Austin Friars, London, E.C.2.

VAN RYN DEEP, LIMITED.

(Incorporated in the Transvaal.)

Issued Capital, £1,196,892 in 1,196,892 Shares of £1 each.

DIRECTORATE.

J. MUNRO (Chairman). S. B. JOEL, J.P. SIR WM. DALRYMPLE, K.B.E.
J. G. LAWN, C.B.E. J. H. CROSBY. SIR ABE BAILEY, BART.
G. J. JOEL.

Extracted from the Annual Report to 31st December, 1922.

Tons Crushed, 531,010.			Per ton, based on
			Tonnage Crushed.
Total Working Revenue (including Estimated Premium on Gold)	£1,182,406	5 7	£2 4 6
Total Working Costs	578,266	12 10	1 1 9
Working Profit	£604,139	12 9	£1 2 9
Rents, Interest and Sundry Revenue ...	11,224	17 10	
Balance unappropriated at 31st December, 1921	198,217	15 10	
			£813,582 6 5
This amount has been dealt with as follows:—			
Income Tax, Dividend Tax, Employers' Tax, Miners' Phthisis Sanatorium, and Donations ...	£80,515	3 8	
Strike Expenditure	37,152	5 11	
Dividends Nos. 18 and 19 of 10% and 30% respectively	478,756	16 0	
			596,424 5 7
Leaving a Balance unappropriated of			£217,158 0 10

The **Ore Reserves** were recalculated at the end of the year, and were estimated at **3,427,300** tons, of an average value of **8.4** dwts. over 77 inches of reef. Capital expenditure for the year amounted to £13,550 9s. 0d.

The full Reports and Accounts may be obtained from the London Agents, The Johannesburg Consolidated Investment Company, Limited, 10/11, Austin Friars, London, E.C.2.

RANDFONTEIN CENTRAL GOLD MINING COMPANY, LIMITED.

(Incorporated in the Transvaal.)

DIRECTORATE.

S. B. JOEL, J.P. (Chairman). J. MUNRO (Vice-Chairman).
N. J. SCHOLTZ. J. H. CROSBY.
J. G. LAWN, C.B.E. F. L. MARX.
G. J. JOEL.

Extracted from the Annual Report to 31st December, 1922.

Tons Crushed, 1,351,300.			Per ton, based on
			tonnage crushed
Total Working Revenue (including Estimated Premium on Gold)	£1,816,460	4 6	£1 6 11
Total Working Costs	1,488,032	12 5	1 2 0
Working Profit	£328,427	12 1	4 11
Rents, Sundry Revenue, &c.	15,560	6 2	
			£343,987 18 3
This amount has been dealt with as follows:—			
Debiture Interest and Expenses	£123,602	3 2	
Miners' Phthisis Sanatorium, Donations, Interest and Depreciation ...	62,364	1 8	
Strike Expenditure	138,697	19 4	
Appropriated towards Capital Expenditure and Redemption of Debentures during 1922	19,323	14 1	
			£343,987 18 3
In addition to the Expenditure shown above further payments were made as follows:—			
Debiture Redemption	£130,000	0 0	
Capital Expenditure	206,642	13 3	
	£336,642	13 3	
Less Appropriated out of profits as above	19,323	14 1	
	£317,318	19 2	

Loan from the Randfontein Estates Gold Mining Co., **£1,399,000.**

The **Ore Reserves** at the end of the year were estimated at **4,742,000** tons, of an average value of **6.5** dwts. over a stopping width of 48 inches. This includes 439,800 tons of Battery Reef of an average value of **6** dwts. over 53 inches.

The full Reports and Accounts may be obtained from the London Agents, The Johannesburg Consolidated Investment Company, Ltd., 10/11, Austin Friars, London, E.C.2.

WITWATERSRAND GOLD MINING COMPANY, LTD.

(Incorporated in the Transvaal.)

Issued Capital, £469,625 in 469,625 Shares of £1 each.

DIRECTORATE.

S. B. JOEL, J.P. J. G. LAWN, C.B.E. J. G. JOEL. J. H. CROSBY.
J. MUNRO (Chairman). J. DALE LACE. H. NOURSE.

Extracted from the Annual Report to 31st December, 1922.

Tons crushed, 422,400.		Per ton, based on Tonnage Crushed.	
Total Working Revenue (including Estimated Premium on Gold)	£501,526 8 9	£1 3 9	
Total Working Costs	409,086 6 7	19 4	
Working Profit	£92,440 2 2	4 5	
Rents, Interest, Estate Revenue, &c. ...	21,347 13 9		
Balance unappropriated at 31st December, 1921	188,891 18 9		
	£302,679 14 8		
This amount has been dealt with as follows:—			
Income Tax, Dividend Tax, Miners' Pensions Sanatorium and Donations	£7,279 0 7		
Strike Expenditure	27,192 1 1		
Dividends Nos. 36 and 37 of 5% and 15% respectively ...	93,925 0 0		
	128,396 1 8		
Leaving a balance unappropriated of	£174,283 13 0		

The Ore Reserves at the end of the year were estimated at 457,400 tons, of an average value of 5.5 dwts. over a stopping width of 63 inches.

The full Reports and Accounts may be obtained from the London Agents, The Johannesburg Consolidated Investment Co., Ltd., 10 and 11, Austin Friars, London, E.C.2.

RANDFONTEIN ESTATES GOLD MINING COMPANY, WITWATERSRAND, LIMITED.

(Incorporated in the Transvaal.)

ISSUED CAPITAL:

£3,001,548 in 3,001,548 Shares of £1 each.
6% Debentures (Balance at 31st December, 1922), £1,257,560.

Directorate.
S. B. JOEL, J.P. (Chairman). J. G. LAWN, C.B.E. J. H. CROSBY.
J. MUNRO (Vice-Chairman). N. J. SCHOLTZ. G. J. JOEL.

BALANCE SHEET as at 31st December, 1922.		CR.	
To Issued Capital	£3,001,548 0 0	By Property	£1,393,705 11 8
6 per cent. Debentures	1,257,560 0 0	Central Power Station and Electric Plant	565,022 17 8
Reserve for Depreciation	1,882,887 13 7	Buildings, Machinery, Plant, &c. ...	36,325 16 4
Unclaimed and Unpaid Interest on Debentures	25,286 7 4	Randfontein Central G.M. Co., Ltd. Stocks and Shares ...	1,925,200 0 0
Unclaimed Dividends	2,286 2 6	£91,900 Debentures purchased for redemption on 1st March, 1923, for	1,549,900 6 0
Sundry Creditors	1,241 10 8	£280 Debentures purchased for redemption on 1st March, 1924, for	88,108 13 11
Loan from Johannesburg Cons. Inv. Co., Ltd.	134,895 0 10	Sundry Debtors and Payments in Advance	272 13 3
Income Tax, 1922	3,402 10 6	Stores on hand and in transit ...	30,140 2 10
Balance—Profit and Loss Account ...	1,036,714 15 9	Loan to Randfontein Central Gold Mining Co., Ltd. ...	20,218 0 9
	£7,048,792 1 2	Interest Accrued on Debentures held ...	1,399,000 0 0
		Cash at Bankers, London Agents and in hand	35,616 3 11
			£7,048,792 1 2

PROFIT AND LOSS ACCOUNT for the Year ended 31st December, 1922.		CR.	
To General Expenses at Property	£4,917 11 1	By Balance of Account at 31st December, 1921	£897,267 16 11
General Expenses at Head Office and London	7,995 2 1	General Revenue, Dividends and Debenture Interest	218,949 2 7
Debenture Interest	72,568 12 0	Discount on Debentures Purchased ...	11,881 11 11
Debenture Expenses	200 0 0		
Donations	300 0 0		
Income Tax	3,402 10 6		
Balance to Balance Sheet	1,036,714 15 9		
	£1,126,098 11 5		£1,126,098 11 5

The full Reports and Accounts may be obtained from the London Agents, The Johannesburg Consolidated Investment Co., Ltd., 10/11, Austin Friars, London, E.C.2.

APRIL 21, 1923.

The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor:

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. XCVI.

SATURDAY, APRIL 21, 1923.

No. 4,156.

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(Foreningsbanken)

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TABLE OF CONTENTS.

The Money Market	825	Letters to the Editor—	
Leading Articles—		Currency and Debts	847
A Compromise Budget	827	Insurance Companies' Profits	847
The Year's Accounts	828	Books and Publications—	
Mr Churchill at the Admiralty	829	Monetary Reconstruction ..	847
Industrial Profits	830	Italy Emergent	848
The Census Housing Statistics for London	831	Books Received	848
Coal Production and Costs in 1922	833	Stock Exchange News—	
More Rand Gold Mining Results	834	The Stock Markets	848
Notes of the Week—		New Issues	849
France, Germany, and the Ruhr	835	Active Securities	851
Economics in the Budget Debate	835	Company Meetings	852
Reduction in Railway Rates	835	Government Returns—	
A Tax on Betting	836	Public Income and Expenditure	856
Agreement in the Building Trades	836	Currency Notes Account ..	857
Improvement in the Labour Outlook	836	Treasury Bills and Bonds by Public Tender	857
Coal, Iron, and Steel Production	837	Bankers' Gazette—	
The Coal Industry in South Wales	837	Bank of England	857
The Stock Exchange and the Budget	837	Clearing Returns	857
British and American Shipping	838	Overseas Bank Returns ..	858
The Silver Outlook	838	Loan and Discount Rates ..	860
Indian Trade Tendencies ..	839	Overseas Bank Rates	860
The Swiss Customs Tariff ..	839	Rates of Exchange	860
Cunard Results	839	Indian Treasury Bills	861
English Electric	839	Imports & Exports of Gold	862
London Life Association ..	840	Gold and Silver Prices	862
London and Lancashire Insurance Company	840	Company News—	
Atlas Assurance Company ..	840	Dividend Announcements ..	851
Financial Conditions in Japan	840	Analysis of Balance-Sheets	862
Overseas Correspondence—		Railway and Tramway Traffic Returns	863
United States	841	Rubber Outputs and Dividends	864
France	842	Profit and Loss Accounts ..	865
Germany	843	Mining Output Statistics ..	865
Canada	844	Reports and Notices	865
Australia	845	Commercial Reports—	
Argentina	846	Corn Trade	867
		Iron and Coal Trade	867
		Wool Trade	868
		Cotton Trade	869
		The Timber Trade	869
		Vegetable Oils and Olseeds	869
		Hides and Leather Trades ..	870
		Overseas Produce Markets ..	870
		Price Current	871

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Paris: Galignani Library, 224 Rue de Rivoli; Messrs Brentano's, 37 Avenue de L'Opera.

THE MONEY MARKET.

AFTER being in fair demand in the early days of the week—so much so that brokers complained that while discount was two to under, money was two to over—the supply became more abundant later, this relaxation being explained by the figures of the Bank return showing large increases in the Government securities and Other de-

posits. Discount rates have been weak, the pronounced scarcity of bills making it impossible to keep them from slipping, even though those who fear dearer money later on were able to cite Mr Baldwin on their side, by reason of his observations in winding-up the Budget debate. Friday's Treasury Bill allotment weakened the market further, and the three months' rate was nominal at or under 2 per cent.

	Apr. 20, 1923.	Apr. 13, 1923.	Apr. 6, 1923.	Mar. 28, 1923.	Previous Rate and Date Changed.
Bank Rate	5%	3%	3%	3%	3½ (Jly. 13, '22)
Banks Deposit Rate	1	1	1	1	1½ (Jly. 13, '22)
Discount (Call)	1	1	1	1	1½ (Jly. 13, '22)
Houses (Notice)	1½	1½	1½	1½	1½ (Jly. 13, '22)
Market rate (3 months' bills)	2	2½	2½	2½	..

The Bank return showed a decrease of £530,000 in the note circulation, and increases of £4,000 in the stock of gold, and £534,000 in the Reserve. Government securities had risen by 2½ millions, while Public deposits had declined by 2 millions, and so the Other deposits were four millions higher, in spite of repayments which had reduced Other securities by 1½ millions. Currency notes outstanding were reduced by £2,042,600 to £285,564,900, which includes £1,487,900 for notes called in but not yet cancelled. The fiduciary issue is £234,627,000, or £35,556,800 below the maximum.

THE STOCK MARKETS.

The effect of the Budget upon the Stock Exchange markets as a whole has been decidedly favourable. Among most sections of high-class investment securities the activity of recent weeks received a fresh filip. In addition the interest in industrial shares has become broader and more vigorous under the dual influence of the halving of the Corporation Profits Tax and accumulating signs of improvement in industry. Many British Government stocks, Home Railway prior-charge stocks, Indian railway stocks, Colonial issues, and Corporation bonds show rises on the week, and in many cases the supply of stock on offer is insufficient to meet buyers' demand. The foreign market has, except for a sharp rise in Rio Tintos, been dull, the weakness of the franc and the new break of the mark being an unfavourable influence. Rubber shares are idle in consequence of a relapse in the price of the raw material. Favourites in the oil market have again been active. Shipping shares are heavy, but bank and insurance shares moved upwards, iron and steel shares are firmer, while tobacco shares and textiles have strong features. The brewery section was not affected by the Budget, and, apart from a rise in diamond and copper shares, the mining markets as a whole are uninteresting.

THE COMMODITY MARKETS.

Though markets do not complain of weakness, prices generally show no marked sign as yet of following the upward movement which is in progress in America. Sugar is an exception. Both spot and forward quotations have advanced in harmony with the American movement, which has been described as an "orgy" in speculation. Quotations for wheat are slightly higher, No. 1 Northern Manitoba moving from 51s 3d to 52s 6d. Copper remains quiet but steady at £74 per ton. In rubber, plantation varieties were weak, first crepe and smoked sheet selling at 1s 4d, as against 1s 4½d a week ago. Moderate inquiries but few useful contracts have been received for cotton goods, and our Manchester correspondent states that business has been impracticable in grey staples. Some fresh orders from India and more activity in fancies for China and other markets have been the noticeable movements of the week. Though wool spinning machinery is fully employed on old orders, few new orders are coming in. Our Bradford correspondent says the strength of the raw material market is making spinners cautious as to commitments.

There is a slight lull in dealings on the Cardiff coal market on account of the collieries being full of orders. Prices are 10s a ton higher than three months ago. In Scotch colliery districts orders continue to arrive from France, Germany, Belgium and Italy. Prices for pig-iron and for manufactured iron and steel remain unaltered, and demand is good; but our Sheffield correspondent states that consumers have no confidence in the current high prices being maintained. Linseed oil, after reaching the highest price since November, 1920, has weakened slightly on better crop reports. In the hide and leather trade values remain firm, tanners having to pay advanced prices at recent auctions.

FOREIGN EXCHANGES.

During the past week business on the foreign exchange market has again remained comparatively restricted, but excitement has been provided by violent fluctuations in the German mark. For about six weeks past the intervention of the Reichsbank has kept the mark very steady between about 97,000 and 99,000, after the action in the middle of February which had maintained it at a level of about 100,000 to 108,000. On Tuesday, however, there were signs of a break, and on Wednesday the rate rose at one time to 150,000, and on Thursday to 155,000. On both days there was some recovery towards the close, the final rate on the latter day being 133,500, and yesterday morning there was a further fall to 118,000. It is clear that for the time the Reichsbank intervention was allowed to lapse, and that the market in Berlin lost its head. Why this break in control, however, was permitted has not as yet been satisfactorily explained. It is said that the rise was accentuated by particularly heavy demands for sterling in payment of coal, &c., and it is also suggested that the Reichsbank permitted the movement in preparation for further stabilisation at a new and somewhat higher level. After being very much higher, forward rates are now quoted nominally at about 9,000 to 12,000 marks per month above spot. Paris, after being up to 71 on Tuesday, and above 70 on both the following days, was down yesterday morning to 69.80, as compared with 69.50 a week ago, the Brussels rate, as usual, moving in much the same way, being 80.90 yesterday morning, as compared with 80.45 a week ago. Forward rates in Paris have widened somewhat to 4 to 5 centimes per month above spot; in Brussels they are ½ centime wider at 2½ to 3½ centimes below. No new factors have intervened, and there remains the same feeling of hesitancy pending further political developments. On Monday the dollar reacted again to \$4.65½, but since then has improved slightly to \$4.66 yesterday morning. Forward rates are about the same at ¼ to ½ cents per month above spot. In view of the fact that the discrepancy between wholesale prices in the two countries is now disappearing, and the demand for American raw materials would seem to be increasing, there is not much likelihood of any decided rise in quotation. The lira has moved up again a little, from 93.30 on the 13th to 94½ yesterday, after having been rather higher in the earlier part of the week. Among neutral exchanges the chief feature has been the further depreciation of the Swiss franc, which, under the influence of withdrawals on German account, rose on Tuesday to 25.77, and at 25.62½ yesterday morning was still some 3 centimes above the quotation of the 13th. In the early part of the week Madrid showed some recovery, but yesterday was back at 30.35, about the same as last week. All three Scandinavian countries have moved somewhat against us, and Helsingfors also at 168½ is 1 mark lower. In Central Europe Vienna, Prague and Warsaw are unchanged at 330,000, 156½, and 200,000 respectively, and Budapest remains nominal. In the East the rupee is slightly dearer at 1s 4½d, while the yen has moved down from 2s 1 3/32d to 2s 1 1/8d. For the greater part of the week demand from China kept silver prices somewhat unexpectedly moving upwards, but a slight relapse has followed. Hong Kong

is 2s 3½d as compared with 2s 4d, Shanghai 3s 1½d as compared with 3s 2½d. In South America, Brazil, after some improvement, has relapsed again a little to 5½d, but is still rather dearer than 5½d a week ago. Buenos Ayres, on the other hand, is rather cheaper at 42½d, as compared with 42 31/32d. Monte Video is unchanged at 43½d, Valparaiso 20 points cheaper at 37.40 pesos.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended April 14th:—

EXPENDITURE.	Min. £	Receipts.	Min. £
Land Settlement	303	From Revenue	15,851
Interest on War Debt, &c.	2,004		
Supply Services	6,100		
Increase in Balances	994		
Repayment of Debt	7,650		
	15,851		15,851

Revenue for the week ended April 14th at £15,851,500 compares with £15,068,900 in the same period of last year. Expenditure at £8,107,700 compares with £6,777,000. The increase is due to the fact that Supply Services demanded 2 millions more this year. Interest on debt was £480,000 lower. Receipts from Property and Income-tax amounted to £6,306,000, and from Super-tax to £1,690,000, against £8,167,700 from these taxes in the same period of last year. It is worthy of note that in the accounts for the new financial year the yield from Super-tax is given under a separate head instead of being included with the Property and Income-tax as last year. Customs produced £1,830,000, as against £1,427,000, and Excise £688,000, compared with £1,372,000. The week's operations reduced the National Debt by £7,649,369, and caused the following changes:—

	Min. £		Min. £
National War Bonds repaid ..	1,500	Public Department Advances ..	5,000
Treasury Bills	12,434	4% Treasury Bonds ..	281
Interest on Exchequer Bonds ..	937	National Savings Certificates ..	250
	13,971	Unemployment Insurance ..	120
			+ 6,321

The floating debt was reduced by £7,425,000 to £806,480,500.

FINANCIAL YEAR, 1923-24 (April 1 to April 14, 1923).

	£		£
Total Expenditure ..	41,140,724	Raised by Revenue ..	42,033,494
Net Capital Repayments ..	4,748,902	Decrease in Balances ..	3,856,132
Total	45,889,626	Total	45,889,626

ESTIMATES FOR YEAR 1923-24.

	£		£
Ordinary Expenditure ..	801,013,000	Ordinary Receipts ..	778,500,000
Special Expenditure ..	15,603,000	Special Receipts ..	40,000,000
Total	816,616,000	Total	818,500,000
		Surplus	1,884,000

NATIONAL DEBT.

(Million £.)

	Aug. 1, 1914.	Mar. 31, 1918.	Dec. 31, 1919.	Mar. 31, 1920.	Mar. 31, 1921.	Mar. 31, 1922.	Dec. 31, 1922.	Mar. 31, 1923.	Apr. 14, 1923.
Funded Debt	588	318	315	315	315	314	314	314	314
Term Annuities	30	22	20	19	18	16	15	15	15
3½% War Stock	..	63	63	63	63	63	63	63	63
4½% War Stock	..	16	15	13	13	13	13	13	13
4½% War Stock	..	2,021	2,047	2,040	1,995	1,953	2,071	2,071	2,071
National War Bonds ..	..	649	1,509	1,476	1,413	1,201	971	971	956
4% Funding Loan ..	..	..	409	409	405	401	401	400	400
4% Victory Bonds ..	..	..	360	357	348	335	335	335	335
3½% Conversion Loan ..	..	..	..	..	..	266	690	687	687
5½% Treasury Bonds ..	..	..	..	..	23	24	24	24	24
5½% Treasury Bonds ..	..	..	..	..	..	381	166	166	166
5% Treasury Bonds ..	..	..	..	..	..	40	40	40	40
Do by tender 5% ..	..	..	..	..	..	8	69	69	69
Do by tender 4½% ..	..	..	..	..	..	..	84	108	108
Do 4%, 1931-33 ..	..	..	..	..	..	..	..	2	15
Treasury Bills	15	961	1,107	1,107	1,121	878	719	616	608
Exchequer Bonds ..	20	392	323	319	289	185	150	150	150
Natnl. Savings Certs. ..	..	138	267	274	285	342	350	354	354
War Expend. Certs. ..	..	..	..	..	..	..	..	..	..
Other Debt	..	944	1,306	1,181	1,132	1,087	1,071	1,070	1,070
American Loan	..	51	51	51	..	..	..	..	..
Temporary Advances ..	1	204	243	205	154	147	222	194	159
Other Capital Liabilities	654	5,872	8,033	7,823	7,574	7,655	7,768	7,662	7,657
Total Liabilities	711	5,921	8,079	7,876	7,623	7,721	7,835	7,730	7,725

POSITION OF THE FLOATING DEBT.

	Apr. 15, '22.	Mar. 31, '23.	Apr. 14, '23.	Movement week ended Apr. 14, '23.
Temporary Advances Out- standing—	£ 6,000,000	£ 193,897,500	£ 198,480,500	+ 5,000,000
Advances by Bank of England	180,301,500	615,045,000	608,000,000	- 12,425,000
Treasury Bills outstanding ..	799,899,000	809,942,500	806,480,500	- 3,462,000
Total Floating Debt	986,200,500	809,942,500	806,480,500	- 3,462,000

A COMPROMISE BUDGET.

Of all the Government's actions to date, Mr Baldwin's Budget most truly carries out the ideal which Mr Bonar Law put before the electors last November. While carefully eschewing risks or fancy remedies, and paying homage in act as well as in deed to sound financial principles, the Chancellor has contrived to conciliate popular demands sufficiently to avoid any general hostility. Very few are entirely pleased, but it is a considerable achievement that in a year when there has been more than usual interest in the details of our finance, most people will find several features to approve. Our expectation that the Budget surplus would be £71 millions proved very near the mark, the Chancellor's actual figure being £76 millions. In the disposal of this surplus the Chancellor did not go as far as we should have wished in providing for debt redemption; but in setting aside £40 millions this year he declared his intention of asking for a bill which would increase the figure to £50 millions in two years. This is an important step in the right direction, and its warm welcome by public opinion may perhaps have surprised those who did not realise how quickly the nation has come to see the serious hindrance to social progress which our war debt constitutes. We have already given our reasons for thinking this allowance is not a very adequate provision, and this view is confirmed by the Chancellor's enumeration of his statutory obligations, which shows that there is a margin of only £3 millions for all other forms of debt reduction:—

	£
Sinking Fund on Victory and Funding Loan	4,428,000
Sinking Fund on Conversion Loan	13,500,000
Death Duty	7,500,000
American Debt Sinking Fund (say)	5,000,000
Silver repayments to U.S.A.	6,500,000
	37,000,000

When asked by Sir Robert Horne what he proposed to do in respect of Sir Stafford Northcote's Sinking Fund of 1874 (the "New Sinking Fund" of pre-war days), the Chancellor returned an evasive reply; but we gather that his proposed clause in the Finance Act will supersede this fund which provided for some £10 millions of debt redemption in 1921-2. The Leader of the Opposition recalled to his notice the Treasury circular of two years ago, in which the need of a sinking fund of £100 millions was indicated. Mr. Baldwin's reply is that such figures are only called for by the War Loan, &c., depreciation funds, which come into operation when these particular loans fall below specified figures; he pointed out that this year we should have to spend some £98 millions if these stocks fell heavily, but this contingency, though possible, is not likely to arise. These considerations, however, all help to show that the present provision can by no stretch of imagination be called excessive.

Apart, however, from the arguments for and against a sinking fund, the Chancellor himself suggested a doubt as to whether remission of taxation was justified in view of the temporary character of some of the items on the receipt side of the account. Thus there is £40 millions for special receipts, which will soon disappear altogether. The tax remissions made this year will cost £23 millions more in a full year than they do this year, viz., £57 millions against £34 millions. The £12 millions from E.P.D. is only a matter of arrears, and the present year's income-tax estimate appears to include the payment of some £30 millions of arrears. If there were no compensation, this would mean that the Budget of two years hence would show a revenue, not of £818½ millions, but of £713 millions. On the other hand, the only item that will drop out of the expenditure total of £816½ millions is £15½ millions of special receipts, against which the Sinking Fund will rise by £10 millions. Thus two years hence the Chancellor

might have a deficit of nearly £100 millions. It is in this respect that Mr. Baldwin has taken risks, and has gambled on either the natural expansion of existing sources, or the development of new sources of revenue on the one hand and the reduction of expenditure on the other. The gap to be filled is a very wide one, even in these days of big figures, and the final judgment on this year's Budget will not be passed until these expectations have been put to the test of experience.

Before, however, calling attention to some of the considerations affecting the prospect of ultimately restoring equilibrium between these figures, a word must be said on the suggestion that the present surplus has been underestimated, and the deficit in future years exaggerated by underestimating the yield from existing taxation and by overestimating expenditure as was done last year.

As regards the revenue side, Mr. Baldwin has taken a conservative view of Customs and Excise receipts and of death duties, but in spite of disappointments, still hopes for something from E.P.D. On the important question of income-tax receipts, the yield is largely a matter of guesswork, since arrears amounted, even at the end of March, to no less than £94 millions. The Chancellor's estimate on the 5s basis is that £338 millions would be produced. Judging from previous experience, it would seem that this figure assumes the paying up of some £30 millions of arrears. This would appear to be a reasonable allowance. As regards expenditure, it will be remembered that the estimates for last year were £885 millions, with £25 millions added for contingencies. The whole of this margin was not needed, but supplementary estimates for nearly £19 millions were approved, making a total authorised expenditure of £904 millions. The actual expenditure, exclusive of Sinking Fund payments, which were not provided for in last year's Budget, was £791 millions. There was thus a saving of £113 millions, made up as follows:—

Lower rates of interest and reduced amount of debt	33 million
Fighting services	27 "
Post Office	4 "
Civil services	49 "

Before we draw conclusions from these figures, there is a point which needs explanation. In commenting on the reduction of expenditure, Mr. Baldwin observed that it was "partly due to over-issues in the previous year, which operated to reduce the issues in 1922-23." This remark emphasises the fact that the figures now being discussed in Parliament are not the true expenditure at all, but the issues from the Treasury. Thus in 1921-2 the Treasury issued for the Civil Services £450 millions. The actual expenditure was £438 millions. Last year the Treasury issued £286 millions on these services; but the closed accounts may show an actual expenditure of more than this. If the Chancellor's hint means that these over-issues were considerable, the actual expenditure of the past year will show a smaller saving than is indicated above. It is important that we should know how much this carry-over amounted to. This factor does not explain the error in estimating last year's expenditure, for both the Treasury and the departments were presumably aware of these balances when the estimates were framed. But it is very relevant when discussing the trustworthiness of the estimates of the current year; for it may account for the otherwise inexplicable fact that the estimates for the current year for the Civil Services are more than the apparent expenditure (issues by the Treasury) in the year just completed. We are inclined to think that the present estimates involve a definite but very small reduction on the amounts actually spent last year. While, therefore, expenditure may, and probably will, be below the estimates, it is not so certain as appears on the surface.

This, however, does not affect the consideration that in the next two years there is ample margin for further economy. The present estimates, excluding

special expenditure, compare with the pre-war situation as follows:—

	1913. (Actual).	1923. (Estimate).
Defence	77½	117
Civil Service (excluding pensions, &c., Post Office, and collecting depts.)	53½	160

Both these items should be reduced to 100 millions, and with the automatic fall in pensions this would nearly bridge the gap that we have indicated.

For the rest, the future depends on revenue prospects—not windfalls of arrears, but the regular, normal assessments of the country. In this matter the prospects are by no means discouraging. Mr. Baldwin has repeatedly suggested that, in fact, the revenue assessments are showing satisfactory results. This is confirmed by our analysis of company reports, which show that even in accounts which mainly cover the year 1922, profits have substantially recovered from the worst level of depression, and are definitely on the up grade. If this improvement is maintained, we may hope not merely that our accounts may show a balance on the right side next March, but also that Mr. Baldwin's gamble on the ultimate balancing of permanent revenue and expenditure will be as successful as Sir R. Horne's gamble last year.

THE YEAR'S ACCOUNTS.

THE financial statement circulated with the Budget has little new to tell us with regard to the past year, except with regard to the extent and nature of debt repayments, and a slightly fuller analysis of the year's expenditure. Thus the account confirms our surmise that the amount of debt repaid as an item of ordinary expenditure was £21½ millions, which, with the excess of revenue over expenditure of £101½ millions, makes the surplus for the year £123½ millions. Comparison of the actual and anticipated expenditure of last year in comparison with the current year's estimates is given in the following table:—

(000's omitted.)				
Service.	Estimate, 1922-23.	Actual Expenditure, 1922-23.	Estimate, 1923-24.	Estimate, 1923-24 or less (+) than 1922-23 Estimate.
CONSOLIDATED FUND SERVICES.				
National Debt Services, Interest, &c.	335,000	302,237	310,000	+ 25,000
Sinking Fund		21,753	40,000	+ 40,000
Total National Debt Services	335,000	323,990	350,000	+ 15,000
Payments for Northern Ireland	2,500	3,323	3,000	+ 500
Road Fund	10,000	11,772	12,500	+ 2,500
Payments to Local Taxation Accounts, &c.	9,788	10,471	10,448	+ 560
Land Settlement	5,500	1,236	1,500	+ 2,000
Other Consolidated Fund Services	2,650	2,704	2,972	+ 322
Total Consolidated Fund Services	363,438	353,496	380,470	+ 17,032
SUPPLY SERVICES.				
Army (including Ordnance Factories)	62,300	45,400	52,000	+ 10,300
Navy	64,884	56,200	58,000	+ 6,884
Air Force	10,895	9,400	12,011	+ 1,116
Civil Services	317,455	286,826	251,670	+ 65,785
Customs and Excise, and Inland Revenue				
Departments	12,275	11,317	11,591	+ 684
Post Office Services	53,822	49,857	50,874	+ 2,948
Provision for Supplementary Estimates	25,000			+ 25,000
Total Supply Services	546,631	459,000	436,146	+ 110,485
Total	910,069	812,496	816,616	+ 93,453
Estimated expenditure chargeable against capital	10,050		8,630	+ 1,420

The current estimates include the sum of £40 millions, which the Chancellor proposes to allot as Sinking Fund. The figure for interest is £8 millions more than last year's actual expenditure, the difference being approximately equal to the increase in the interest to be paid on the American debt. Thus, no credit has been taken for the interest saved by the redemption of debt, or by conversions which may be effected or further interest saved during the current year; but, as Mr. Baldwin admitted in reply, he has taken account of the probability that rising market rates for money may increase the amount he will have to pay for the floating debt.

Revenue, on the existing basis of taxation is estimated at £852½ millions, a decline of over £61 millions on last year's receipts, more than two-thirds of which is shown under the heading of tax revenue:—

(000's omitted.)			
	Receipts in 1922-23.	Estimate for 1923-24 on Basis of Existing Taxation.	Estimate for 1923-24 more (+) or less (-) than Receipts in 1922-23.
Customs	123,043	118,300	- 4,743
Excise	157,275	155,700	- 1,575
	280,318	274,000	- 6,318
Motor Vehicle Duties	12,321	13,250	+ 929
Estate, &c., Duties	56,871	52,000	- 4,871
Stamps	22,222	20,000	- 2,222
Land Tax, House Duty, and Mineral Rights Duty	2,980	3,000	+ 20
Income Tax	314,836	280,000	- 34,836
Super Tax	64,209	58,000	- 6,209
Excess Profits Duty, &c.	2,004	12,000	+ 9,996
Corporation Profits Tax	18,977	20,000	+ 1,023
	482,099	445,000	- 37,099
Total receipts from taxes	774,738	732,250	- 42,488
Postal Service	34,150	34,500	+ 350
Telegraph Service	5,500	5,250	- 250
Telephone Service	13,550	14,750	+ 1,200
	53,200	54,500	+ 1,300
Crown Lands	900	900	
Interest on Sundry Loans	10,016	12,500	+ 2,484
Miscellaneous			
Ordinary receipts	24,140	12,500	- 11,640
Special receipts	51,018	40,000	- 11,018
Total receipts from non-tax revenue	139,274	120,400	- 18,874
Total revenue	914,012	852,650	- 61,362

Out of the anticipated surplus of £36 millions, Mr. Baldwin proposes remissions of taxation of about £34 millions, leaving him with a surplus of less than £2 millions for contingencies. The proposed reductions in Customs and Excise duties are estimated to cost £13,250,000 in the current year, and £16,875,000 in a full year. They comprise a rebate in the beer duty of £1 per bulk barrel, independent of the gravity, but this is not to operate to reduce the existing duty on any beer below 24s 3d per barrel for customs and 24s for excise duties, any tendency to add water to the beverage, which might be encouraged, being thus checked. The Chancellor stated that all beers down to about 1024 degrees of gravity will receive the full 20s, but below that point the rebate will gradually diminish. The duty of 4d per gallon on cider and perry is repealed, and that on table waters, sweetened or fermented, is reduced from 4d to 2d per gallon. The reduction in the standard rate of income-tax from 5s to 4s 6d in the £ is expected to cost £19 millions this year, and £26 millions in a full year, while the halving of the Corporation profits tax, from 1s to 6d in the £, in respect of profits arising after June 30, 1923, will not affect this year's receipts, but will cost £12½ millions in a full year. Decreases in postal and telephone rates, it is anticipated, will reduce receipts by £1,900,000 this year, and £2,400,000 in a full year. The total loss to the Exchequer from tax relief is thus expected to be £34,150,000 in 1923-24, and £57,775,000 in a full year.

The final balance-sheet (in millions £) may be summarised in the following form:—

Customs and Excise	260.7	Debt (including U.S.A.)	350.0
Motor Vehicle Duty	13.3	Other Consolidated Fund	
Inland Revenue	426.0	Charges	30.5
Post Office	52.6	Defence	116.9
Other ordinary non-tax		Civil Services	241.2
revenue	25.9	Revenue Departments	11.6
Special receipts	40.0	Post Office	50.8
		Special expenditure	15.6
		Surplus	1.9
	818.5		818.5

In a further table we compare the amounts received from taxation and spent on interest, and on the supply services in each of the past three years, and in 1913-14, together with the estimates for these items for the current year:—

		(Million £'s.)		Supply Services (less Post Office and Special Payments).	
		Tax Revenue.	Interest.		
1913-14	....	162.3	19.1	135.6	
1920-21	....	1,031.7	341.7	682.6	
1921-22	....	856.7	322.4	557.6	
1922-23	....	774.8	302.0*	406.6	
1923-24 (est.)	....	700.0	310.0†	369.7	

* Of which U.S. debt about £22 millions.

† Of which U.S. debt about £30 millions.

Interest requirements for this year after deduction of the amount required for the American debt are thus unchanged at £280 millions, a figure which shows a substantial reduction from the £342 millions of 1920-21. It is, however, a much smaller reduction than the decline in supply services, which have fallen by over 45 per cent., while tax revenue has fallen by less than 33 per cent.

MR CHURCHILL AT THE ADMIRALTY.

THE naval historian of the future may perhaps divide the story of the British navy administration from 1909-1918 into three periods of war. The first broke out in 1909, reached a crisis in 1911, and ended on that quiet summer night in 1914, when the First Fleet, released from Portland, passed through the Narrow Seas and took up its war station at Scapa Flow. All danger of surprise which had oppressed the Admiralty for three years was then over. The second naval war, of surface action, ended with the Battle of Jutland, on May 31, 1916; success in that war arose directly out of the victory achieved in the bloodless war of 1909-14. The third and final war, waged against submarines which threatened our maritime communications, reached its crisis in April, 1917, and was not definitely won until the Armistice of November 11, 1918.

The bloodless war—the description was Mr Churchill's own—was in many respects more difficult and more critical than the other two. In actual war politics give place to action, but this struggle consisted of maintaining naval supremacy against strong and sincere political opposition at home. A Liberal Government, supported by a Liberal Party, does not willingly make preparations for a war in which it is reluctant to believe. The naval controversy begun by Mr McKenna with his eight battleships in the programme of 1909, became the most urgent of national problems after the Agadir Crisis of 1911. Then, for a while, even Mr Lloyd George began to believe in a potentially hostile Germany, and Mr Churchill was sent by Mr Asquith to the Admiralty to prepare the Navy for the war which seemed about to break upon us. The story of how Mr Churchill fulfilled his task is in the main the story told in his new book, "The World Crisis, 1911-1914." No one could have told it with an authority equal to his, and with a pen as adroit and convincing as his. Whatever we may think of Mr Churchill's exploits in the second part of the war, of his strategical essays at Antwerp and in the Dardanelles, even his bitterest opponents of those days cannot withhold from him the chief credit for the victory in his task upon which victory in the actual war largely depended. Had a man of less insight and vigour gone to the Admiralty as First Lord in October, 1911, and stayed there until August, 1914, the course of recent world history might have been different.

It was due to Mr Churchill, more than to any other man—except, possibly, Mr. Asquith, who put him in his place and supported him loyally throughout—that the Navy was ready for war in August, 1914, and was strong enough to do its job. It was a Navy which in its major elements, and in many also of its minor elements, was astonishingly new. The Fleet which gave us our superiority over Germany depended for its battle strength on ships launched in 1912 and later years. But for the McKenna programme of 1909 its margin of superiority would have worn away and disappeared in the first few months of war. Until 1916, until the later Churchill ships, and especially the Fast Division, reached Admiral Jellicoe at Scapa, there was always a possibility that the German High Seas Fleet might have caught the Grand Fleet at a temporary disadvantage. A Fleet which is constantly at sea sheds its units in a fashion most alarming. One battleship, the *Audacious*, was sunk by a mine,

* Thornton Butterworth. 30s net.

two battle cruisers had to go off to the Falklands, another battle cruiser, the *Princess Royal*, was twice sent across the Atlantic; ships ran into one another in the darkness of winter cruises, ships cried out for periodical refits, now and then engines broke down. Sometimes Sir John Jellicoe was not within half a dozen capital ships of his proper strength. Fortunately the Germans did not know how weak he sometimes was. That he had a margin sufficient at the beginning was Mr Churchill's principal achievement in his pre-war years at the Admiralty; that he had a margin sufficient when the clash of Jutland came was the result of his work in those years and in the first eight months of the actual war.

Let us take just a few of those outstanding deeds for which the British Empire owes Mr. Churchill a debt of gratitude. He formed a Naval Staff whose one job it was to study every aspect of the coming war, and to prepare in advance for it. He took Admiral Beatty, whom the Admiralty had rejected, and made him head of the Battle Cruiser Squadron. He put Sir John Jellicoe in command of the Grand Fleet. He laid down the Fast Division of battleships with 15-inch guns at a time when no guns of so large a calibre had ever been constructed. He turned these five ships over from coal to oil because their high speed could not be got out of coal, and he provided through the Anglo-Persian Oil Agreement for the essential supplies of oil. He so wrought upon and spurred up the Admiralty that all the lamentable personal quarrels of the Fisher-Beresford era dissolved, and enthusiastic harmony reigned throughout the Service. A crisis with his Liberal colleagues came at the end of 1913 over the naval estimates, which would have caused Mr Churchill and the whole Board of Admiralty to resign had not Mr Asquith, by suave diplomacy, saved the First Lord's position. Then at the crisis of our fate, when a sudden blow from Germany might have fallen upon us, Prince Louis—with his Chief's full concurrence—held the Fleet together at Portland; it was this Fleet which a few days later Mr Churchill despatched to Scapa, whence it dominated the seas of the world. That was the end of the bloodless war which Mr Churchill had fought and won.

It is easier to blame than to praise; especially is it easier to blame than to praise an ardent, combative, virile personality like that of Mr Churchill. It seems to us in reading this book, and in adding to it what we know from other sources of the story of 1909-1914, that the departmental work of the First Lord who held office from 1911 to 1914 was beyond praise; for although this book is necessarily in the nature of an apology, its pages make it quite clear that internal difficulties were abundantly superimposed upon the great difficulties which he encountered in the political arena. He was First Lord in a Government which hated naval estimates. He had to fight for every ship and gun. We regard Mr. Churchill's "The World Crisis" as ranking in historical value with Lord Jellicoe's "Grand Fleet," the late Sir Julian Corbett's "Naval Operations," and with Admiral Sims's "The Victory at Sea." This is high praise, yet no higher than the book deserves.

INDUSTRIAL PROFITS.

WHEN writing upon the subject of the profits of industry, three months ago, we suggested that the statistics available indicated that the worst of the depression had been left behind, and the corner turned. Figures for the first quarter of the current year not only confirm this, but show a very substantial recovery in profits. The figures to which we refer are compiled from the weekly analysis of company profit and loss accounts, published on a later page. During the past quarter the reports of 405 companies have been analysed, and these show aggregate net profits, after payment of debenture interest, &c., of £40,276,870, which compares with £28,489,993 earned by the same companies in their preceding financial year, an increase of £11,786,877, or 41.4 per cent. It is impossible to say that these profits refer to any definite

period, since the time which is allowed to elapse after the close of a financial year varies a great deal. The bulk of the accounts of these 405 companies, however, relate to the financial year ended December 31, 1922, or September 30, 1922. It will be seen from the following table that a large decline in profits was recorded at this time last year, and that in the two succeeding quarters the fall lessened, while in the last quarter of last year a small increase was shown:—

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

	Number of Companies.	Reports published in		Increase.		Decrease.	
		1921.	1922.				
First quarter	442	£ 47,368,926	£ 26,785,952	..	..	£ 20,582,974	43.4
Second quarter	401	38,044,790	25,195,690	..	..	12,849,100	33.7
Third quarter	209	15,853,920	12,120,153	..	..	3,733,767	23.5
Fourth quarter	319	23,310,452	24,228,719	918,267	3.9	..	..
1921.	1,371	124,578,088	88,310,514	..	..	36,247,574	29.0
1922.	405	28,489,993	40,276,870	11,786,877	41.4	..	..

In examining these figures it should be remembered that a great deal of the decline in profits which was recorded a year or more ago was a result of the heavy fall in prices which involved the writing down of stock-in-trade to such an extent as largely to neutralise any margin of profit there may have been on trading operations. To this extent, therefore, the substantial increase in net profits now shown is due to the absence of the necessity for further writing down of stocks owing to the greater stability of commodity prices. The average profit per company in the past quarter works out at £99,450, as compared with £70,350 in the first quarter of 1922, and less than £60,000 in the third quarter of last year. From the next table, which gives a bird's-eye view of the quarterly statistics since the beginning of 1918, it will be seen that the profits disclosed in the first quarter of this year are better than those shown in the first three months of any of the preceding five years:—

	1918.	1919.	1920.	1921.	1922.	1923.
First quarter	10	10.4	12.9	3.5	4.4	41.4
Second quarter	5.8	5.1	3.7	8.4	3.7	..
Third quarter	12.3	3.4	4.9	4.2	2.5	..
Fourth quarter	4.7	19.5	2.7	5.9	3.9	..

From an examination of this and the first table it would appear that the lowest point reached in net profits was in the third quarter of 1922, when a decrease of 23½ per cent. was shown on the profits disclosed in the third quarter of 1921, which in turn had fallen by 42½ per cent. This indicates that the lowest point of the trade depression from the profit-earning point of view was in the 12 months ended March 31, 1922, for the reports published in the third quarter of the year refer in the main to that period.

In the next table we show how the profits of the various groups of companies disclosed in the past quarter compare with those of the previous year:—

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

	Number of Companies.	Reports Published in Quarter Ended March 31.		Increase.		Decrease.	
		1922.	1923.				
Breweries	14	£ 711,030	£ 731,977	20,947	2.9	..	..
Electric light & power	27	1,906,685	2,775,014	868,329	45.5	..	..
Gas	31	1,942,427	3,250,585	1,308,158	67.3	..	..
Hotels, restaurants, &c.	9	115,913	270,281	154,368	134.5	..	..
Iron, coal, and steel	29	2,565,662	1,878,854	..	..	686,808	26.6
Land, mortgage, &c.	20	870,091	1,066,835	196,744	22.5	..	..
Motor and cycle	8	985,642	1,163,810	178,168	18.1	..	..
Rubber, &c.	32	15,566	292,229	276,663	..	..	..
Shipping	5	52,642	342,883	..	..	290,241	37.8
Shops and stores	29	1,830,106	2,891,875	1,061,769	58.0	..	..
Tea	6	70,138	65,678	..	..	4,460	6.3
Textiles	20	2,556,952	4,469,619	1,912,667	74.7	..	..
Tramways	10	734,526	757,932	23,406	2.6	..	..
Trust companies	31	4,470,039	1,553,492	83,453	5.6	..	..
Waterworks	15	346,576	524,653	178,077	51.2	..	..
Miscellaneous	119	13,783,201	19,570,773	5,787,489	41.8	..	..
405	28,489,993	40,276,870	11,786,877	41.4	..	..	..

The iron, coal, and steel and shipping groups alone show a substantial decline in profits, and apart from these and a small decrease in the tea group, the increase is general, varying from less than 3 per cent. in the case of brewery and tramway companies to 134½ per cent. for hotel and restaurant companies. The motor and cycle group still shows a net loss in the aggregate, but a very great im-

provement is shown, while the net profits of the rubber group have multiplied nearly twentyfold.

In the next table we show the method of distribution of profits in each of the past five quarters:—

DISTRIBUTION OF PROFITS.

	Net Profits.	Ordinary Dividend.	Preference Dividend.	To Reserve, &c.
1922.	£	£	£	£
First quarter	26,785,952	22,171,510	9,689,030	Dr 5,074,588
Second quarter	25,195,690	20,066,774	6,156,048	Dr 1,027,132
Third quarter	12,120,153	10,010,136	3,528,074	Dr 1,218,057
Fourth quarter	24,228,719	15,698,160	4,720,052	3,810,507
1923.	40,276,870	21,934,234	9,501,074	8,841,562

In each of the first three quarters of last year the amount distributed to shareholders exceeded the net profit earned, with the result that reserve funds or balances brought forward were reduced. In the fourth quarter the position improved, and reserves were replenished to the extent of over 15½ per cent. of profits, and in the past quarter a still larger percentage has been set aside, the proportion going to ordinary shareholders having been reduced to less than 55 per cent. The 22 per cent. of profits which is reserved, though very much better than in recent years, is not yet up to the pre-war average, which was in the neighbourhood of 30 per cent. Moreover, our figures have shown that reserves have been very much depleted in the past two years, and the loss has not yet been made good. The appropriation of net profits in each of the groups in the past quarter is shown below:—

	Net Profits.	Ordinary Dividend.	% of Profits.	Pref. Dividend.	% of Profits.	Carried to Reserve, &c.	% of Profits.
Breweries	£ 731,977	£ 364,926	49.7	£ 217,876	29.7	£ 149,195	20.6
Electric light, &c.	2,775,014	792,708	28.5	437,650	15.7	1,485,246	53.6
Gas	3,250,585	2,167,311	66.6	340,076	10.5	743,198	22.9
Hotels, restaurants, &c.	270,281	138,313	51.5	31,283	11.5	106,685	37.0
Iron, coal, and steel	1,878,854	1,582,650	84.2	344,749	18.3	*48,555	2.5
Land, mortgage, &c.	1,066,835	662,368	62.1	204,014	19.1	200,453	18.8
Motor and cycle	Dr 163,810	73,932	..	13,950	..	*253,699	..
Rubber, &c.	292,229	221,939	76.0	3,463	1.2	66,827	22.8
Shipping	342,883	327,435	95.5	145,625	42.3	*60,177	17.5
Shops and stores	2,891,875	1,844,591	63.8	885,524	30.6	721,760	25.0
Tea	65,678	54,786	83.4	4,782	7.3	6,110	9.3
Textiles	4,469,619	2,518,794	56.2	522,964	11.7	1,427,861	32.1
Tramways	757,932	416,606	55.0	158,092	20.9	183,234	24.1
Trust companies	1,553,492	850,133	54.9	526,101	33.8	177,258	11.3
Waterworks	524,653	347,385	66.2	75,943	14.5	101,325	19.3
Miscellaneous	19,570,773	10,200,567	52.0	5,589,572	28.3	3,840,634	19.7
40,276,870	21,934,234	54.4	9,501,074	23.6	8,841,562	22.0	..

* Decrease.

In the matter of reserve allocations the best showing is made by the electric light and power group, which sets aside nearly 54 per cent. of net profits. The hotel and textile groups also reserve over 30 per cent. of net profits. At the other end of the scale the motor and cycle group has had to withdraw from funds in hand a sum of over a quarter of a million. This is accounted for by three concerns, each of which carried forward a considerably larger debit balance than was brought in. In the shipping group the debit under reserve, &c., is due to a reduction of £70,000 in one company's balance forward. The small percentage of profits going to preference shareholders in the rubber and tea groups is due to the small amount of preference capital existing in these groups, as will be seen in a later table.

We next show the ratio to total ordinary and preference capital of net profits, and of amounts carried to reserve in each of the past five quarters:—

	Total Ord. and Pref. Capital.	Net Profits.	Carried to Reserve, &c.
1922.	£	£	£
First quarter	442,936,400	26,785,952	Dr 5,074,588
Second quarter	350,840,200	25,195,690	Dr 1,027,132
Third quarter	205,481,600	12,120,153	Dr 1,218,057
Fourth quarter	268,105,000	24,228,719	3,810,507
1923.	1,267,363,200	40,276,870	8,841,562
First quarter	406,793,000	40,276,870	8,841,562

The last quarter makes an exceedingly favourable comparison with the corresponding period of last year, and shows a substantial improvement on the last quarter of 1922. It may be mentioned that in the full year 1921 the

ratio of profits to total capital was 10.3 per cent., and in 1920 15.2 per cent.

The average rates paid on the three classes of capital quarter by quarter since the beginning of 1920 are set out in the next table:—

AVERAGE RATES PAID.

	On Debenture Capital.				On Preference Capital.				On Ordinary Capital.			
	1920.	1921.	1922.	1923.	1920.	1921.	1922.	1923.	1920.	1921.	1922.	1923.
1st quarter	4.25	4.43	4.70	4.61	5.1	5.0	5.3	5.7	11.2	10.3	8.5	9.2
2nd quarter	4.40	4.61	5.00	..	5.0	5.0	5.0	..	13.7	12.6	8.8	..
3rd quarter	4.12	4.45	5.21	..	5.0	5.0	5.0	..	14.2	9.7	7.6	..
4th quarter	4.43	4.52	4.83	..	5.3	5.1	4.6	..	11.6	7.6	8.8	..

The average rate of debenture interest has fallen in the last two quarters, but there is a further increase in the average rate of preference dividend, while the average rate of ordinary dividend at 9.2 per cent. is the highest recorded for 18 months. The increase compared with the corresponding quarter of last year, however, is by no means proportionate to the rise in profits. Last year's rate, however, as we have shown, was only made possible by a depletion of reserves.

The final table shows the average rates of interest and dividend paid in each of the groups during the past quarter, the average rate on ordinary capital shown in our article a year ago being given for comparison:—

	Debenture Capital.	Average Rate of Interest.	Preference Capital.	Average Rate of Dividend.	Ordinary Capital.	Average Rate of Dividend.	Average Rate of Dividend, a Year Ago.
Breweries	£ 3,664,571	4.6	£ 4,099,320	5.3	£ 11,453,329	10.3	10.3
Electric light, &c.	12,857,494	5.1	9,889,703	5.3	10,441,136	10.4	10.4
Gas	12,137,820	3.9	8,649,262	3.9	40,288,588	8.8	8.8
Hotels, restaurants, &c.	1,389,330	4.9	2,084,554	1.5	1,588,086	8.7	9.0
Iron, coal, and steel	3,912,962	6.0	7,243,532	4.7	21,498,993	9.2	9.2
Land, mortgage, &c.	4,859,073	4.1	5,548,736	3.7	7,113,630	9.3	9.1
Motor and cycle	225,000	4.7	4,039,800	0.3	5,093,705	8.8	8.8
Rubber, &c.	30,000	7.0	124,712	8.6	5,222,083	4.8	4.4
Shipping	2,950,000	6.0	2,375,000	6.1	5,065,000	6.1	5.4
Shops and stores	3,091,430	4.2	11,833,278	7.5	12,899,397	9.7	10.1
Tea	5,200	5.0	79,280	6.0	374,276	20.0	10.3
Textiles	1,847,475	4.1	9,189,410	5.7	22,597,230	11.2	8.6
Tramways	6,080,900	4.4	3,443,325	4.6	7,012,181	8.8	8.8
Trust companies	18,816,550	4.3	12,215,732	4.0	13,431,733	8.8	8.8
Waterworks	3,383,994	3.0	2,108,677	3.6	6,000,000	1.8	1.8
Miscellaneous	23,575,987	5.1	84,060,326	6.4	77,387,468	13.0	10.0
	98,028,056	4.6	167,723,328	5.7	130,000,138	9.2	9.2

The only exceptions to the increase in ordinary dividends are shown by the hotel, shipping, shops and stores, and brewery groups, the last-named showing no change. With the exception of the 20 per cent. shown in the tea group, there are no outstandingly high rates of ordinary dividend, the miscellaneous section being the highest with an average of over 13 per cent.

THE CENSUS HOUSING STATISTICS FOR LONDON.

IN discussing one of the Government Blue-Books a few weeks ago we remarked that there was a greater chance of intelligent publicity being given to figures collected and tabulated at great labour and cost if the tabulated matter were prefaced by letterpress indicating the significance of the results obtained. This point is well illustrated by the case of Part I. of the Census Volume for the County of London, which contains elaborate statistics with regard to the housing conditions in the County and in each of the Metropolitan Boroughs. Though published in October last, this volume received no attention from the Press, nor, if our memory is correct, was it referred to in any of the speeches made at the recent by-elections at which the housing question was predominant. It seems doubtful if even the late Minister of Health, whose department is responsible for the census, had heard of the volume, for some of the figures to be found there could have been used to prove that housing conditions were not quite so bad as they had been represented, but we do not recollect that he did so. Yet, "in view of the exceptional interest and importance attaching to the subject at the present time, this side of the Census inquiry was very carefully organised in advance, with a view to securing that the records should be as complete and consistent as possible, having

regard to the variety of buildings met with in practice and the conditions affecting their occupation." This quotation is taken from a volume of comment on the Census of London, just published, which, though it has received some attention, has not had the notice to which the importance of the subject entitles it.

At the Census of 1921 the authorities abandoned the use of terms such as "house," "tenement," &c., on the ground of ambiguity, in favour of the phrase "structurally separate dwelling," which is defined "as any room, or set of rooms, having separate access either to a street or to a common landing or staircase accessible to visitors." Each flat in a block of flats is, therefore, a separate unit, as is also a private house, whether occupied by one family or more, which has not been structurally divided; if a private house has been structurally divided into separate portions, each portion is regarded as a separate unit. The number of structurally separate dwellings so defined was found to be 725,419 in 1921, as compared with 725,972 in 1911, but whereas in 1911, 47,260 were vacant, in 1921 only 18,969 were vacant. The number of occupied dwellings thus increased by 4.1 per cent. in the intercensal period, but since the number of private families increased by 9.5 per cent. the average number of families per occupied dwelling increased from 1.51 in 1911 to 1.59 in 1921. On the other hand, on account of the declining birth-rate and the consequent smaller family, the number of persons per occupied dwelling declined from 6.66 to 6.35. It is unfortunate that the report does not state how many of the so-called vacant dwellings merely happened to be untenanted on the Census night, for the Census authorities have abandoned the distinction between vacant dwellings "in occupation" and "not in occupation"; the text is also silent as to the number of buildings in course of erection, but if we turn to the volume of statistics, we find that these amounted to only 3,669, of which 3,093 were undivided private houses and 233 blocks of flats.

At the date of the Census the population of the County of London numbered 4,484,523 persons, of whom 4,243,838 were grouped in 1,120,897 private families; this gives 3.79 persons per family, compared with 4.15 in 1911. Of these families 424,696, or 38 per cent., had separate dwellings to themselves, 360,758, or 32 per cent., were living two to a dwelling, and 335,443, or 30 per cent., were housed in dwellings containing three or more families each. Nearly two-thirds of the families in the county, therefore, have to share a dwelling with others; the proportion would not be quite so high but for the fact that the Census regards a single lodger boarding separately from the occupier as a separate "family," but even if allowance is made for these the proportion is still over a half.

The dwellings have also been analysed according to the number of rooms they contain, and it is found that 18.1 per cent. contained three rooms or less, 27.2 per cent. contained four or five rooms, 42.3 per cent. six to eight rooms, and 12.4 per cent. nine rooms or more.

An analysis of the private families according to the number of rooms occupied gives the following results:—

No. of Rooms.	No. of Private Families.	%	Population in Private Families.	%
3 rooms or less	647,438	57.8	2,014,556	47.5
4 or 5	303,171	27.0	1,386,353	32.7
6 or 7	104,923	9.4	502,362	11.8
8 or over	65,365	5.8	340,567	8.0
Total	1,120,897	100.0	4,243,838	100.0

Nearly half the population of London, therefore, lives in dwellings of three rooms or less, and approximately 80 per cent. in dwellings of five rooms or less.

The private families have also been analysed according to the number of persons in the family and the number of rooms occupied, and it is found that the number of rooms per person has actually improved between 1911 and 1921 from .88 rooms per person to .91, so that, on a general average of rooms per person, the London population is slightly less densely housed than in 1911. Further evidence of this is afforded by the figures for families and persons living under "over-crowded" conditions—that is,

having two or more persons per room, which are as follows (it will be noted that the average size of families living under over-crowded conditions is 6.19 compared with 3.79 in the total population):—

	1911.	1921.
Private families each living more than two persons to a room	121,591	110,495
Population in such families	758,438	683,498
Per cent. of population to total population	17.8	16.1

Sir Arthur Griffith-Boscawen might, therefore, have argued, with some measure of justification, that housing conditions had actually improved in London during the intercensal period, to which his opponents would have replied, if they also had studied the Census results, that housing conditions in London are notoriously worse than in the rest of the country, and if any improvement had occurred it would still leave London behind other large towns, and secondly that the units to be considered are not the individual on the one hand nor the room on the other, but the "family" and the "dwelling." The increase in the number of families by 9.5 per cent. and of dwellings by only 4.1 per cent. has reduced the average number of rooms per average family from 3.56 in 1911 to 3.38 in 1921, although, since the average family was smaller at the later date, the density per person has, as previously indicated, slightly improved.

A very instructive table has been compiled (Table VI.) giving the average number of rooms per person for each size of family, in which it is shown that the only families with more rooms per person in 1921 than 1911 are those consisting of only one or two persons, and that it would require 58,400 more rooms to house the families of 1921 as well as those of 1911 were housed; to house them as well as the families in the other large towns were housed in 1911 would require 901,000 more rooms, and to give them the same average number of rooms as prevailed through the whole of the country in 1911 would require 1,045,000 more rooms, equivalent to 209,000 five-roomed houses.

In the words of the Census Report:—"The regrouping of the population into smaller family units has been accompanied by a re-allocation of the available rooms. As families are now smaller, the weight of their distribution has, in consequence, moved on the density curve in the direction of the more favourable housing standards. In other words, a larger proportion of the population have become qualified for the housing advantages enjoyed by small families, and have thus absorbed out of the available pool of rooms a larger share than previously fell to the lot of families of the same size, the share remaining to the larger families being correspondingly diminished."

A very comprehensive table (Table VIII.) enables the housing conditions in the various Metropolitan Boroughs to be seen at a glance. From it can be seen, for instance, that 68 per cent. of the structurally separate dwellings in the county are undivided private houses, 21 per cent. "maisonettes, flats, tenements, &c.," and 11 per cent. "attached to shops, offices, warehouses, &c.," that the proportion of flats, &c., is over 60 per cent. in Holborn and over 40 per cent. in Westminster, Marylebone, Finsbury and Southwark; that Hampstead has an average of 7.96 rooms per dwelling, Paddington 7.53, Kensington 7.09, Stoke Newington 6.73, St Pancras 6.57, Islington 6.54, while Bethnal Green has only 4.28, Holborn 4.35, Stepney 4.40 and Southwark 4.52; that the smallest families are to be found in Holborn (3.12 persons), Westminster (3.31), Great Marylebone (3.33), Paddington (3.43), and St Pancras (3.45), and the biggest in Stepney (4.26 persons), Poplar (4.19), and Bethnal Green (4.14); that the number of rooms per person is highest in Hampstead (1.41), Lewisham (1.24), Kensington (1.23), and Westminster (1.23), and lowest in Shoreditch (0.65), Finsbury (0.67), Bethnal Green (0.68), Stepney (0.69); that the proportion of the population living more than two in a room is highest in Finsbury (34.0 per cent.), Shoreditch (32.0 per cent.), Stepney (29.0 per cent.), and Bethnal Green (27.8 per cent.), and lowest in Lewisham (4.7 per cent.), Hampstead (6.5 per cent.), and Wandsworth (6.8 per cent.), &c.

The section of the Census Report devoted to housing contains many more figures which could usefully be referred to if space permitted; enough has, however, been

said to show that in the Census records the Government possesses more complete information on the housing conditions of the people than ever before, and this information should be made available to members of Parliament, local authorities, and the public generally at the earliest possible date. It is to be regretted that information for the whole country is not available for use in the debates that will shortly take place on Mr Chamberlain's housing proposals.

COAL PRODUCTION AND COSTS IN 1922.

The years 1921 and 1922 together form one of the darkest chapters in the whole history of the coal mining industry. Soon after the termination of hostilities wages and prices alike soared to absurd levels, which could only be maintained at the height of the boom period, and the inevitable reaction, when it came towards the end of 1920, necessitated a complete shaking-down to a more normal economic level. This process involved much hardship to masters and men alike in the poorer coalfields, and the purchasing power of the average wages paid throughout the country fell considerably below the pre-war level. By the beginning of this year, however, the lowest point had already been passed, and there were welcome signs of revival in this basic industry.

Fortunately very full statistics of production and costs* are available in the case of undertakings representing some 94 to 95 per cent. of the total output of the country, and we are thus able to study the progress of events with a greater degree of accuracy than is possible in the case of any other important industry. The returns of total output and costs for 1922 in these undertakings are summarised in the following table:—

The COAL INDUSTRY in 1922.

Totals.	First Quarter.	Second Quarter.	Third Quarter.	Fourth Quarter.
Tonnage raised tons	57,633,631	53,261,024	58,717,767	64,550,171
Tonnage disposable tons	52,213,331	48,416,513	53,694,293	58,977,291
Wages	34,827,133	30,540,289	30,533,993	33,658,099
Net costs*	51,404,023	45,910,483	46,106,227	50,108,391
Proceeds	54,367,927	45,875,798	49,013,908	54,603,996
Net profit (+) or loss (—)	+2,963,904	— 34,685	+2,907,681	+4,495,605

* Total costs, less proceeds of miners' coal sold at special prices.

The outstanding feature of the year is certainly the great increase in production, except in the second quarter, when the lock-out in the engineering trade prevented fresh contracts being made. Comparisons with the previous year, however, are somewhat complicated by the fact that in the second quarter of 1921 there was a complete stoppage in all the mines on account of the strike. But even if we make allowances for this there remains a very considerable improvement to record during the period when work was actually proceeding. Thus, whereas the total output disposable commercially of the mines for which these detailed statistics are available was under 141 million tons in 1921 (this being the total for the first quarter and the second half of the year), the total for 1922 was 213,301,428 tons, and, for the corresponding nine monthly period, amounted to nearly 165 million tons. Even more gratifying than these totals is the fact that during the last quarter of the year the weekly coal output was greater than at any time since 1913.

The position of the industry and the progress made last year are more easily seen from the figures of proceeds, wages, net cost, and net profit, calculated on a tonnage basis, which we reproduce below:—

1922.	Proceeds per Ton.	Wages per Ton.	Net Cost per Ton.	Net Profit (+) or Loss (—) per Ton.
First quarter	s 20 9 90	s 13 4 08	s 19 8 28	+ 1 1 62
Second quarter	18 11 41	12 7 39	18 11 58	— 0 0 17
Third quarter	18 3 08	11 4 48	17 2 08	+ 1 1 00
Fourth quarter	18 6 18	11 4 09	16 11 50	+ 1 6 28

* For 1922 see Cmd. 1726, 1759, and 1797. The returns for the quarter ended December 31st have not yet been published.

The decline in the average selling price of coal, which was the most outstanding feature in 1921 (when proceeds per ton fell from 33s 3.25d in the first to 29s 0.76d in the third and to 23s 0.02d in the last quarter), continued, during the first eight months of last year. The figures of the last quarter, however, show that the long downward movement had at last been checked, and that a considerable increase in production coincided with a slight rise in prices before the French occupation of the Ruhr in January started a fresh—and, it is to be feared, a very unhealthy—boom in the industry.

The net cost per ton, which was over £2 in the first quarter of 1921, has continued to fall throughout the year. Comparing the figures for the first and last quarters of 1922 respectively, the net costs were 2s 8.38d per ton lower in the latter period than in the former, while it is 11.99d (or approximately 75 per cent.) of this reduction was accounted for by lower wages costs. The percentage fall in this latter item is thus slightly greater than that represented by the reduction in total costs. To appreciate justly the position of the workers in the industry, however, it is necessary to consider output and earnings in relation to the number of manshifts worked. In the following table particulars are given of the number of men employed, the total of manshifts worked, and, for purposes of comparison, the total of manshifts lost that might have been worked, together with the output of saleable coal, and the average earnings per manshift worked:—

1922.	Number Employed.	Total of Manshifts Worked.	Total of Manshifts Lost.	Output per Man-shift Worked.	Earnings per Man-shift Worked.
First quarter ..	1,020,207	63,236,314	6,171,819	Cwts. 18.23	11/0-18
Second quarter ..	1,025,592	59,831,062	4,677,252	17.80	10/2-51
Third quarter ..	1,027,853	65,446,658	5,476,180	17.94	9/3-97
Fourth quarter ..	1,068,623	71,323,137	5,696,488	18.10	9/5-25

The increase in the number of men employed during the year, gradual at first, became much more marked during the last quarter, and had risen by December to 1,073,487, so that well over 50,000 extra men were absorbed into the industry during the year. The second and third columns in our table enable us to make a rough estimate of the importance, during the twelve months, of absenteeism, which, though affected by illness, &c., is in the main voluntary, since the days when the collieries were not working are left out of the account. The proportion of manshifts lost to manshifts worked was over 10 per cent. in the first quarter; it fell off to 7.8 in the second quarter, and, after rising again to 8.4 in the summer months, fell to under 8 per cent. in the last quarter. The output per manshift was high in the first quarter (18.23 cwts., as against 17.73 cwts in the last quarter of 1921), and, though it decreased during the second quarter, there was a considerable improvement in this respect towards the end of the year, the November figure being exactly the same as the average of the first quarter.

The approximate average weekly wage in the industry declined from 58s 10d in the last quarter of 1921 to 52s 6d in the first quarter, 45s 9d in the second, and 45s 8d in the third quarter of last year. The improvement in the coal market, together with a steady increase in output and, to some extent, a falling off in absenteeism, combined to check this downward movement, and the average weekly wage during the last quarter of the year rose to about 48s 5d. The effects of the general improvement in the state of the industry will only be fully felt in the statistics for the first few months of this year, as wage rates are fixed on a two-monthly average, in accordance with the 1921 agreement. As a result of this the trade position in November and December does not influence wages until the March-April period.

It is impossible within the limits of this article to do much more than give an outline of the general average position for the whole country. There are, however, very considerable divergencies in the individual coalfields. Thus, the mining industry in Cumberland, South Staffordshire, and Kent remains in a very precarious condition. Heavy losses are still being sustained, and the future is far from bright. High costs are at present inevitable in the first

and last-named areas on account of the technical difficulties encountered, and basic wage rates seem to be very high in both cases. South Staffordshire, again, is an old field, where the mines appear to be working on diminishing returns and wages remain very low. The solution of present difficulties in these areas is by no means clear, and one may even doubt whether they can hope to pay their way at all save in times of boom activity. Some trouble seems to have been experienced in the Lancashire coalfield, which has a slight loss to register; while the position of colliery owners in North Wales, Bristol, and the Forest of Dean is by no means satisfactory. The Somerset mines are made to pay their way, though this field enjoys the unenviable distinction of recording the lowest manshift earnings figure in the kingdom.

Apart from the problem of the poorer fields, the industry seems to have passed through a period of great difficulty with a remarkable degree of success. Production, however, remains less than it was in 1913, and the output per head is below the pre-war level. Despite the marked improvement of the last quarter, the coal industry still has a certain amount of leeway to make up, though it may be doubted whether this all-important problem is capable of solution until the principle of the seven-hour day is applied with more elasticity than appears to be the case at present.

The balance-sheet of those undertakings in the coal mining industry for which returns are available (i.e., about 94 to 95 per cent. of the total) may be summarised as follows:—

COALMINING INDUSTRY in 1922.

	£	As Percentage of Total Costs (Approximately).
COSTS OF PRODUCTION.		
Wages	129,559,514	66.6
Stores and timber	24,731,945	12.6
Other costs (management, salaries, insurances, repairs, office and general expenses, depreciation, &c.)	33,226,921	17.1
Miners' welfare fund contributions	974,593	.5
Royalties (including the rental value of freehold minerals where worked by the proprietor)	6,128,550	3.2
Total costs	194,621,523	100.0
Deduct proceeds of miners' coal	1,092,399	..
Net costs	193,529,124	..
PROCEEDS.		
Commercial disposals	203,861,629	..
Credit balance	10,332,505	..

While it is to be regretted that a more detailed statement of the various items included in "Other Costs" is not given in these returns, the table does nevertheless provide a good general indication of the relative cost of the different agents of production. Public attention is most frequently called to the wages bill as compared with the remuneration on capital, and the table shows that, in 1922, whereas the average net cost of coal disposable commercially was approximately 18s 1.75d per ton, wages accounted for 12s 1.25d per ton, while the balance available as profits was 11.62d per ton.

MORE RAND GOLD MINING RESULTS.

(BY OUR MINING CORRESPONDENT.)

THE general conditions affecting the Witwatersrand gold industry in 1922 were briefly referred to in last week's article on the reports of the "Johnnies" group; one may therefore proceed direct to a discussion of the more important of the other annual statements now in the hands of the shareholders. These include the reports of two large consolidations of the Rand Mines group—the City Deep and the Crown Mines. The former in especial gives a striking impression of the improvement which has taken place in the intrinsic position. During the second half of the year, when conditions were normal and reorganisation had taken place, costs averaged 23s 10d, or 6s 10d less than in respect of 1921; and thus, despite the fall in the price of gold, the profit per ton was more than main-

tained. Indeed, for the last quarter it represented 14s 10d per ton milled, as against 14s 3d for the whole of the previous year. Similar features, although not quite so marked in extent, are shown by the Crown Mines. The appended table contrasts the results of the two undertakings for each of the past three financial periods:—

	1923.	1921.	1922.
CITY DEEP.			
Tonnage milled	862,500	995,100	840,300
Working costs per ton	30/2	29/11	27/3
Total working profit	£ 649,350	£ 711,520	£ 504,040
Dividends	£ 415,250	£ 485,630	£ 337,230
Do per cent.	32½	37½	27½
Ore reserves	3,099,200 tons	2,428,300	2,815,000
Average value	9.9 dwts	8.8	8.4
CROWN MINES.			
Tonnage milled	2,201,000	2,177,000	1,924,600
Working costs per ton	23/9	25/-	22/5
Total working profit	£ 1,093,340	£ 672,030	£ 561,320
Dividends	£ 728,580	£ 305,530	£ 369,280
Do per cent.	77½	32½	40
Ore reserves	8,131,700 tons	8,511,200	8,882,100
Average value	6.4 dwts	6.1	6.1

In the case of the City Deep the expansion, or perhaps one should rather say recovery, shown by the latest ore reserve estimate arises partly from the performance of a vigorous development programme, and partly from the re-inclusion of ore which previously had to be ruled out on account of the high level of costs. The material opened up during the year was, however, of rather lower grade than before. The tonnage represents somewhat over two years' supply at the normal rate of operations. At the Crown Mines, also, the value of the ore developed showed some decline, although not sufficient to affect the value of the reserves as a whole; on the other hand, the percentage of payability scored improvement. The "available" ore stands at 7,382,600 tons. On the general position the consulting engineer remarks that the mine has arrived at the stage where it is "no longer dependent for its profits on the so-called gold premium." An event of some importance is the acquisition of nearly 550 additional claims, which, besides increasing the "life," will facilitate the operation of the property.

As regards the other companies of the Rand Mines—Central Mining group, last year's earnings on the part of the Durban Roodepoort Deep proved insignificant, but the report makes it clear that during the latter part of 1922 the company benefited from the expenditure upon new equipment, as well as from the improved conditions. At the standard price of gold, the operations of the last half of the year showed a profit of 2s 9d per ton milled, whereas on the same basis a loss of 4s 7d would have resulted in respect of the concluding six months of 1921. The ore reserves have increased in both quantity and value, and the capacity of the reduction plant is to be expanded slightly. Just recently the shares were the subject of some speculative excitement on amalgamation rumours. Finance is the one weak point in the position. The Robinson, of course, will shortly suspend operations, and interest centres chiefly around the sum likely to be yielded by the impending liquidation. The balance-sheet shows surplus cash assets to the tune of nearly a quarter of a million, and it is conservatively calculated that the total winding-up distributions should exceed the current market price of the shares. The accounts of the Rose Deep indicate that the 1922 dividends of 11½ per cent. substantially exceeded the profit earned; and as a number of ex-enemy shares were purchased, the balance forward becomes reduced by £53,700 to £85,800. The ore reserves continue to shrink, and altogether it is apparent that the company has reached the stage where the question of "life" becomes an important factor. At the Village Deep, costs during the second half of the year averaged 22s 5d—a reduction of 7s per ton compared with the 1921 figure. Thus profits can be earned with gold at normal price. At 2,115,400 tons, value 6.1 dwts, the ore reserves show a small increase in quantity and decrease in value; they represent about three years' supply for the mill.

For practical purposes the East Rand Proprietary Mines may now be regarded as belonging to the group under discussion. From the monthly returns it must have been apparent that the company was faring badly, but the actual terms of the annual report evidently came as a shock to the general body of shareholders. Development last year, it is intimated, was again confined

to the more promising sections of the property. In the Driefontein and Comet Deep sections stretches of high-grade ore were exposed; "these, however, do not persist over any extended distance, and alternate with similar stretches of unpayable ore, which will have an adverse effect on the grade obtainable when mining commences in these areas." At 1,724,350 tons the ore reserves show a decrease of nearly a quarter of a million tons, the value being maintained at 6.7 dwts. Some proprietors are not a little puzzled at the circumstance that with the ore in reserve averaging practically 6½ dwts, the yield actually secured should barely reach 5 dwts. The explanation is that as the tonnage available is totally inadequate to the scale of operations—not greatly exceeding a year's supply—it becomes necessary to fall back upon reclamation ore for the purpose of keeping the mill going. On the financial side, despite a substantial reduction in working costs, last year's operations resulted in a mining loss of £92,600, which was expanded to £220,000 by debenture interest and redemption, taxes, &c. The question of liquidation has been unofficially mooted. Such a course would be to the advantage of the debenture-holders; the shareholders appear to stand little chance of getting anything appreciable in either case. The position is that there are now outstanding £536,860, balance of an issue of £1,500,000 debentures, redeemable by annual drawing of £90,000 at 103, or by purchase in the market at or under that figure. The bonds standing at a discount, the bulk if not the whole of the number required annually has in recent years been obtained by purchase. The balance-sheet shows cash and cash assets to the amount of £839,200, or just about sufficient to meet the liabilities, taking the debentures for convenience at the round figure of par. Consequently any liquidation dividends would represent the proceeds of the sale of the property and plant, with the yield from the final clean-up—both very uncertain quantities. The issued capital is close upon 2½ millions.

Notes of the Week.

France, Germany, and the Ruhr.—The present week appears to be closing with the Ruhr deadlock more menacing than ever. Only a few days ago there appeared to be some grounds for hoping that the atmosphere was gradually becoming more suited to the possibility of negotiation. The first indication in this direction was the visit, apparently with the unofficial approval of M. Poincaré, of M. Loucheur to this country, and his interviews with British politicians. The second was the stressed reference in M. Poincaré's speech last Sunday at Dunkirk to M. Loucheur's account of his visit, and his expression of willingness to examine German offers in conjunction with Great Britain and other signatories of the Versailles Treaty. For the rest, however, his speech was an unbending defence of the Ruhr adventure, and a renewal of the pledge not to retire therefrom except in return for actual payments of acceptable dimensions—not promises—by Germany. Unless M. Poincaré's view of what would constitute acceptable payments has changed, and of that there is no direct evidence, this declaration does not seem to carry us any farther. But some allowance should be made for the fact that the occasion—the dedication of a memorial to fallen soldiers—was more suited to patriotic rhetoric than to conciliatory words, and it is at least something to the good that he took pains to disparage the French annexationists. Moreover, M. Poincaré's consultations this week with French representatives on the Reparations Commission suggest that the possibility of a re-opening of negotiations is not entirely out of his mind. It appeared that the same interpretation could also be placed upon the speech which Dr Rosenberg, the German Foreign Minister, delivered in the Reichstag on the following day. He, like the French Prime Minister, made uncompromising defence of his Government's position and policy. He disclosed that the offer which Dr Bergmann took to Paris in January was in the neighbourhood of £1,500 millions, but stated that the Ruhr affair had so far changed the face of German economic life that the German Government could no longer pledge itself to carry out

that proposal. So far there is little sign of unbending. But Dr Rosenberg reiterated with emphasis the willingness of the German Government that Germany's capacity to pay should be assessed by an international body of financial experts. The mere fact that within the space of two days the French Prime Minister and the German Foreign Minister should think it worth while to make statements possesses some significance. But, unfortunately, M. Poincaré's speech has now to be re-read in the light of subsequent happenings, of which the most disconcerting is the arbitrary removal by the French and Belgian Governments, without British consent, of the German Rhineland Commissioner, Prince Hatzfeldt. This is an action which tends to put the clock back. The last few days have also seen a fresh break in the mark exchange, with a simultaneous weakening in the franc. Whatever may be the actual causes of this break, and the explanation of the Reichsbank's slowness in intervening, the exchange movement does not in any case indicate any belief in an improvement in the Ruhr outlook. Time drags on, and it becomes increasingly difficult to see how the British Government can afford to delay much longer a considered pronouncement of its policy.

Economics in the Budget Debate.—The Budget Debate has been noteworthy for the large number of theoretical economic questions which have been raised during its course. The tone of some of the discussions suggests that quicker progress would have been made if the House had been provided with diagrams or blackboard and chalk. A particularly interesting example to economic students is the discussion on the effect of taking off the sugar duty. Mr Baldwin argued that the conditions of supply are so restricted at the moment that if the tax were removed and consumption stimulated by the resulting fall in price, the increased demand would promptly drive up prices almost as high as they were before, including the tax. There is a familiar economic theory that when demand is elastic and supply inelastic a tax will, in the main, fall on the producer. Mr Baldwin's argument was an example of the opposite theory that, in such circumstances, if a tax is remitted the producer gets most of the benefit. Mr Ramsay Macdonald rather missed the point of the Chancellor's argument and harped upon the effect of the tax in keeping down consumption, and therefore affecting the standard of living of the working classes. Mr Baldwin recognised, and had stated, that removing the tax would increase consumption, but in the prevailing conditions of supply, the increase would be very small indeed, and the rise in prices from the old net level without the tax would be very considerable. If Mr Baldwin's assumption is true that supply is so restricted that an increase in the demand of Great Britain, though only a portion of the world's demand, could not be met without upsetting the market, his economic argument is sound in theory. We are not sure, however, that it is sound in political practice. Mr Baldwin has to consider taxation from now until next spring. His argument only applies to the conditions of the sugar market between the present time and the coming of the new crop in the summer, and it is by no means certain that the supply conditions he depicts will necessarily continue into the new sugar year. As a matter of fact, a state which economists would describe as one of inelastic supply is, on the whole, normal at a time of year which is four months before the end of the commodity season, as every manipulator knows who dreams of organising a corner in any market. But as the Budget comes in April, we should be in danger of never getting rid of our taxes on sugar and tea at all if Chancellors of the Exchequer allowed themselves to be too much influenced by this theoretical argument.

Reduction in Railway Rates.—The expected announcement by the railway companies of certain reductions in freight rates was made yesterday. Agriculture receives the largest amount of benefit. For agricultural produce the general rule (with some exceptions) is a reduction from 75 per cent. to 50 per cent. above pre-war rates; while on certain classes of livestock, such as horses, mules, calves, rams, sheep, pigs, &c., the reduction is more substantial, and is from 118 per cent. to 50 per cent. above the pre-

war charges. Rates on parcels by passenger train are reduced from 100 per cent. to 70 per cent., and on parcels by goods train from 100 per cent. to 75 per cent. above the pre-war level. As regards general traffic the reductions are less extensive than was expected. For coal and coke and iron and steel, for instance, there is no reduction. For non-agricultural traffic that has hitherto been paying 75 per cent. above pre-war rates there is a general reduction to 60 per cent. On the whole, the cuts now announced will not satisfy the demands for relief that have been so strongly voiced by industrial interests, whose hopes of further concessions will, however, be kept alive by the following paragraph in the railway companies' statement:—

The companies have endeavoured to secure the co-operation of railway labour in order to make a larger reduction, but so far without success. Negotiations are proceeding, it being apparent that, failing some substantial reduction of expenditure due to high rates of wages and costly conditions of service, there is little prospect of further considerable changes in rates and charges. In the event of the negotiations with the railway trade unions being successful, the companies will be prepared to make further reductions.

The railways estimate that the concessions now announced will cost £9 millions per annum. The calculations which we have made in recent articles upon the railway position show that in making them the companies are not taking any risk, and lead us to hope that before long the companies will see their way to making further reductions. Still, the present reduction, if disappointing, will give some slight assistance to the branches of industry to which they apply.

A Tax on Betting.—The expectation of automatic declines in revenue in the next two years is a sufficient reason why the Chancellor of the Exchequer is anxious to discover new sources of revenue which will not add to the burden on trade and industry. Under the stress of war and post-war circumstances the field of possible taxation has been so widely explored that the task of discovery is difficult. The Chancellor can only suggest one new source, and that is a tax on betting. By this idea he is "greatly attracted," and the project is to be examined at once by a Select Committee. The work of the Committee will be watched with great interest, for they are sailing uncharted seas. No one really knows to-day whether such a tax would lend itself to easy administration, while estimates of the amount of money that might be tapped by such a source vary enormously. It is already obvious that a tax on bets will meet with some political opposition, based on moral objections to any step that would involve State recognition of gambling. But an unbiased study of the present attitude of the State towards betting goes a long way towards knocking the bottom out of this moral objection. At present betting on the racecourse is legal, and although betting business elsewhere is illegal, the State does not allow bookmakers to escape payment of income-tax on profits, the larger portion of which must be derived from betting by people who never go near a racecourse. To tax the turnover of a business whose profits are already subjected to tax hardly involves any greater degree of recognition. On the other hand, the imposition of a tax on bets might possibly lead to some beneficial results in the direction of State regulation and State attempts to eliminate the worst abuses of present betting practice. We fail to see how a tax would encourage betting; on the other hand, we do not believe that a tax on anything else would ever stamp it out, and as regards the moral aspect, the open recognition involved by a betting tax would be no more objectionable than the humbug that marks the present anomalous position. For ourselves we are willing to judge a betting tax in accordance with the opinion of experts on the two simple questions, whether it would yield a large revenue, and whether it would be easy to administer.

Agreement in the Building Trades.—On April 7th last notices were served in the building trades. In our issue of that date we outlined the progress of events which had led up to what seemed like a complete deadlock, and expressed the hope that this important industry would not

be paralysed precisely at the moment when building should be in full swing. Fortunately both parties to the dispute seemed unwilling to allow matters to drift, and on April 10th negotiations were resumed, only to be broken off on the following day. At this juncture the Ministry of Labour intervened to the extent of consulting both parties, and the operatives declared their willingness to submit to arbitration both the interpretation of the agreement establishing the National Wages and Conditions Council and the question of wages. The length of the working week alone remained as the stumbling-block between the parties, but the leaders of the operatives, while still resisting the employers' demands for a 47-hour week, declared their willingness to consult their members on the principle of a "spread-over" week of 44 hours. This scheme would involve a working week of 46½ hours in summer, while for two of the four winter months weekly hours should be 44, and in the remainder 41½. This would provide increased elasticity in the regulation of the hours of labour, and represented a considerable advance on earlier demands. Towards the end of last week, therefore, Mr Ramsay MacDonald invited representatives of the employers and the operatives to meet him in the House of Commons, with the result that an ingenious formula was invented which proved acceptable to both parties. The interpretation of the agreement, or, in other words, the question as to whether the employers are entitled to demand wage reductions without first of all giving six months' notice of their intention so to do, together with the dispute as to wages are to be referred to the immediate arbitration of an arbitrator appointed by the Lord Chief Justice, assisted by two assessors, one selected by the employers, the other by the operatives. His decision must be given within seven days. The question of hours, on the other hand, is referred in the first instance to the districts for settlement. Failing agreement in this manner, regional ballots are to be taken within a month to decide whether the question should be referred to the National Wages and Conditions Council. If this in turn should prove impossible, the question of hours also will be referred to the special arbitrator appointed by the Lord Chief Justice. In the application of the "spread-over" 44-hour week, however, it is provided that there shall be no extension of hours in districts where unemployment is excessive. It will be seen that this compromise contains several important concessions on both sides, for, while the owners do not insist on their earlier demand that all the three points in dispute shall be referred to immediate arbitration, the operatives nevertheless agree that there shall be arbitration on all the points, including hours, failing previous understandings on a regional basis. Moreover, the imposition of time limits overcomes the employers' objection to further negotiations, which was based on their fear of procrastination on the part of the operatives, while these latter have succeeded in maintaining the principle of a fresh ballot on the question of hours. This week Sir Hugh Fraser was appointed arbitrator, and he and the two assessors will begin their activities at the Law Courts to-day. The final solution of the questions at issue, therefore, should not now be long delayed. This happy conclusion to what threatened to prove a disastrous dispute has also led to a settlement in East Anglia, where a long struggle has been in progress in the building trade. In this district the employers had broken away from the National Federation in order to enforce a reduction of painters' wages. It is perhaps significant, however, that on April 7th last the federation notices were posted in this, as in other parts of the country, and it appears now that the local employers will return to the National Federation. Work in this area was resumed on Thursday, and the issues involved in the recent stoppage will apparently be settled in accordance with the decisions of the special arbitrator.

Improvement in the Labour Outlook.—A fortnight ago the outlook in the labour world seemed far from bright, and strikes and rumours of strikes were the order of the day. The acceptance of arbitration in the building trades, to which we refer above, marked a turning point, and to-day the outlook is decidedly brighter. Not only have certain local disputes been terminated, but in several dis-

tricts there appear signs of a new spirit in the labour world. Thus the ironstone miners of Cleveland have reverted to the eight-hour day, and the coal miners at Ebbw Vale (Mon.) have decided to work double-shift. In these ways it is hoped to stimulate and cheapen production, while work is expected to be found for some of the unemployed in these localities. In the Potteries, where lock-out notices were due to expire to-day, a settlement was fortunately arrived at on Thursday, when the employers' modified terms were agreed to by the workers' representatives, having previously been accepted by large majorities in a ballot vote of the workers themselves. The chief outcome of this agreement, which affects nearly sixty thousand operatives, is a 10 per cent. reduction in gross wages throughout the industry. More spectacular, perhaps, is the settlement of the Norfolk farm strike, the terms of which it is expected will be ratified at Norwich to-day. This struggle had become very bitter, as the lot of an agricultural labourer can hardly be described as a happy one at the best of times, while the present slump in this oldest of industries bore very heavily on workers whose wages were already very low. A complete deadlock had been reached on Wednesday, when Mr Ramsay MacDonald decided to invite representatives of the Farmers' Union to discuss the position with him at the House of Commons. As a result of his mediation, there seems to be every indication that the new terms submitted will prove acceptable to both parties. These provide, according to the *Times* of yesterday, for a wage of twenty-five shillings for a guaranteed week of fifty hours. Overtime is to be at the rate of sixpence an hour for the first four hours in excess of the weekly minimum, and at ordinary rates thereafter. A weekly half-holiday is to be secured, and there is to be no victimization. It has been realised that an early settlement is imperative if great damage to the year's production is to be avoided, and we may hope that this distressing dispute will soon be forgotten by both parties. The dispute as to a proposed cut in the wages of railway shopmen, in which the companies propose a reduction in the war bonus which would bring the railway shops more nearly into line with the rest of the engineering shops, has not yet been settled, and is much complicated by the multiplicity of trade unions involved. In the shipyards, again, a first-class crisis seems imminent owing to the repudiation by the Boilermakers' Society and others of an agreement concluded recently by the Federation of Engineering and Shipbuilding Trades (of which these unions are members) on their behalf. The regulation of overtime provides the bone of contention, but from the larger point of view the whole question of trade union discipline is involved. The employers first tried negotiations with representatives of the dissentient unions, but as these proved abortive, on Wednesday they gave notice of a lock-out of the members of the unions in question, to take effect at the end of the month. In North Shields some men are already on strike, and have declined to accept the employers' proposal that they should return to work under protest. The attitude of the Boilermakers' Society and its allies is much to be deprecated, as it strikes at the very root of the principle of collective bargaining. We sincerely hope that trade union discipline will be enforced, for under present conditions the position of the employers is an intolerable one. Despite this threat of trouble to come, the general position in the labour world has nevertheless improved considerably during the last week, and it is hard to believe that internal troubles amongst the trade unions themselves will be allowed to prevent the return of this country to more normal industrial activity.

Coal, Iron, and Steel Production.—Coal production continued at a high level during March, and, except for the holiday weeks, consistently exceeded 5.7 million tons per week. In the week ended March 17th an output of 5,721,000 tons was recorded, a figure only once exceeded since weekly figures have been published. It will be seen from the table below that production in the first quarter of this year has been at practically the 1913 level. Exports of coal also continued high, mainly on account of the demand from Germany and the countries deprived of reparations coal. The following table compares production and exports in the first quarter of 1923 with the

first quarter of 1922, and with the quarter before the coal stoppage of 1921:—

First Quarter—	Production. Tons.	Exports.	
		Foreign. Tons.	Bunker. Tons.
1921	53,783,000	5,397,332	3,136,345
1922	62,202,000	13,236,504	4,403,262
1923	71,042,000	18,694,000	4,568,000

The exports in the first quarter of 1923 include 11,389,000 tons to Germany, France, Belgium, and Italy, an increase of 2,125,000 tons over the previous quarter, and of 4,413,000 tons compared with the first quarter of 1922. The statistics issued by the National Federation of Iron and Steel Manufacturers show that pig-iron production in March (633,600 tons) was the highest since January, 1921, and since there was a net gain of 13 in the number of furnaces in blast during the month, the April output may be expected to be higher. The production of steel ingots and castings amounted to 802,500 tons, and was the highest since September, 1920, when it was 884,700 tons. Much of this expansion is undoubtedly due to the Ruhr situation, although some improvement was confidently anticipated prior to the occupation. The following table compares production and exports of iron and steel in the same way as for coal above:—

First quarter—	Production.		Exports.	
	Pig-iron. Tons.	Steel. Tons.	Pig-iron. Tons.	All Other Iron & Steel. Tons.
1921	1,491,700	1,336,000	43,112	505,000
1922	977,900	1,295,700	118,189	654,600
1923	1,744,900	2,143,700	272,000	767,000

The exports of iron and steel in March amounted to 368,072 tons, a figure only twice exceeded since the war, but, pending the issue of the Trade Returns (delayed by a printers' strike) it is impossible to analyse the direction of the foreign trade in iron and steel.

The Coal Industry in South Wales.—The collieries are so fully sold, writes our Cardiff correspondent, that they are independent of current inquiries, and many of the salesmen are abstaining from giving forward quotations. The boom has reached the collieries producing the inferior classes of large and other steam coals, but the output of these collieries is comparatively small, and its suitability for marine consumption is very limited. Still, the collieries producing these coals have benefited from the failure of the better class steam coal collieries to supply the market, and for the first time since the collieries were decontrolled these particular mines are being worked at a profit. The docks continue in a state of congestion. At every one of them there are vessels waiting for berths not only in the docks themselves, but also in the roadsteads, and detentions are heavy. An important point has been raised under the terms of the Chamber of Shipping Welsh Coal Charter in respect of these detentions, that is, as to whether time should count from the arrival of the vessel in the roads ready to load, or from the time of her actual arrival in dock. The text of the Charter relates exclusively to the readiness of the ship "in dock," and on this ground the charterers are resisting claims of owners for demurrage. The congestion has affected the chartering of tonnage, and brokers and merchants are now giving preference to those docks where the congestion is least. The prospects of the settlement of the third shift question are not at the moment as bright as they were a week ago. The workmen's leaders agreed upon terms with the employers for the working of this shift, and undertook to recommend those terms to the acceptance of the trimmers and tippers. At Cardiff, however, the workmen have repudiated the action of the leaders and declined to work an extra shift. At the other ports, however, the trimmers and tippers are more conciliatory, and the proceedings of the Court of Inquiry have been suspended to provide further time for negotiations between the parties, with a view to a settlement that will be more favourable in the matter of wages than that provisionally agreed upon by the Negotiating Committee last week.

The Stock Exchange and the Budget.—A Stock Exchange correspondent writes:—Previously to the introduction of the Budget, the Stock Exchange had been

going for, as the House phrases it, a reduction of tax on some modest scale, the general impression being that there would be 6d in the £ removed from the income-tax. Some had expected a lowering of the duty on tobacco; others had hoped for complete remission of the Corporation tax. Mr Stanley Baldwin is respected in the Stock Exchange as a business man, and one whose legislation might conceivably be cast upon lines larger than those laid down by his predecessors during the last few years. In the expectation that taxation would be cut down, there had been substantial purchases of gilt-edged stocks, with the natural result that prices, as we have shown in our Stock Exchange news, moved steadily upwards. Some hesitation was felt in regard to the manner in which a possible lowering of the income-tax might affect the prices of stocks and shares in those companies which pay their dividends free of income-tax, it being thought that proprietors of such investments might take the view that the stocks and shares, under a lighter income-tax, would present less attraction to prospective buyers. In the event, the Budget has proved itself an unusually popular measure in the Stock Exchange markets. It aroused little criticism. To have taken a shilling in the £ off the income-tax might have been going too far, according to the theory of many of the older members. The Sinking Fund conditions are much as the Stock Exchange had expected, while the minor remissions of duties on beer and the cheapening of postal rates aroused no particular interest from the purely market point of view. There is mild regret that the Chancellor did not embrace the opportunity of taking a bolder course, and, as he professes to look forward to increasing trade in the country, trade on this in such a manner as would have enabled him to abandon the Corporation tax altogether, or to have made a deeper cut in the income-tax. This, however, did not prevent a general strengthening of securities in practically everything outside the mining markets. The prices of tax-free stocks and shares, which, it had been feared, might give way on a reduction in the income-tax, remained as firm as they were before, and on the day that the Budget appeared there were nominal rises in some 40 different gilt-edged securities, including colonial stocks, Indian railways, home and foreign corporations, and similar issues. The lifting of the income-tax incubus by 6d in the £ undoubtedly brought relief. Money is available in considerable amounts for investment, and the slight hesitation noticeable on the eve of the Budget's introduction gave way to confident purchases as soon as the terms were known. Money is pouring into the Stock Exchange. Where it comes from, brokers and jobbers alike profess their inability to discover. They are astonished at seeing the capital coming from all over the country, and so insistent is the demand that in a number of stocks which would sound exaggerated if it were to be set down in print, there is literally none on offer. Industrial shares benefited by the halving of the Corporation tax, nor did the Chancellor's helpfulness in regard to increased activity of trade prevent money from flowing into the shares of companies which might, conceivably, require to withdraw substantial sums from gilt-edged securities for the expansion of their business. In some quarters it is held that the trade revival, of which so much is heard nowadays, is taking place at a rate lower than might have been assumed from the cheerful way in which it is proclaimed. The buying of industrials, for instance, is on a sufficiently large scale to bring about strings of rises every day in the popular departments. So far as mining shares are concerned, the provisions of the Budget affect these so slightly, and so indirectly, as to lead to little additional interest being aroused in their markets, but elsewhere throughout the Stock Exchange the effect of the Budget has been to infuse a greater cheerfulness into the outlook, a greater amount of strength into investment securities, and a general loosening of purse-strings for the purchase of industrial stocks and shares, preference and ordinary alike.

British and American Shipping.—A correspondent writes:—The Ship Subsidy Bill having failed, further efforts are to be made to deal with the vexed problem of the U.S. mercantile marine. President Harding has held a conference with all the members

of the U.S. Shipping Board, and the decision has been come to that unless the 388 steamers are sold within 90 days the Government will take them over, go into the shipping business with a fund of £10,000,000, and pursue an aggressive policy in competition with the private shipping companies. Of course, it will be impossible to sell these ships in the time mentioned; thus it looks as though the American State-owned fleet will continue to be operated by the Government officials. The suggestion that "aggressive competition" may be expected has aroused some interest in shipping circles on this side, but there is at the moment no apprehension of what is usually termed a "rate war." Private capital is hardly likely to be attracted to the steamers under the American flag, as there is so little scope for employment for tonnage of this class working from the United States ports. Thus even if the U.S. Government decided to run the ships through the medium of the U.S. Shipping Board or any other Government department, the effect on British shipping would not be much, although the talk of rate cutting is rather disturbing. British shipping just now is doing much better business than it was, both in the passenger trade and the cargo markets. Most of the leading passenger steamers on the eastward route are booked up well ahead, and changes in the American immigration laws now under consideration may help the third-class traffic from this side. In the freight markets the tone has become much firmer, with a general rise in home-ward freights. The Canadian season is rather late this year, owing to the thick ice in the St. Lawrence, but a fair amount of chartering has been done. Steamers to load coal and coke from the United States ports have been in demand, and up to \$5.35 per ton has been paid this week for the latter from Philadelphia to the Antwerp-Dunkirk range. The River Plate market shows a much-improved tone, with more business doing and better rates paid. The reports about the new maize crop indicate that there will be full supplies forthcoming during the next few weeks. Numerous steamers have been fixed for May, June, and July loading, and the freight money paid from not above San Lorenzo to the U.K.-Continent has ranged from 26s up to 28s 9d, which is fully 5s per ton higher on the month and nearly 10s over the lowest recorded this year. Nitrates report more inquiry for July shipment. In the East Bombay and Karachi have been very active, with a large number of steamers fixed up for June and July loading at higher rates. Minerals from the Mediterranean and Bay are fairly active. Outward coal moves briskly.

The Silver Outlook.—Our New York correspondent writes:—Recent declines in the price of silver in New York and in foreign markets are attributed largely to the announcement by the Director of the Mint that the United States Government will discontinue its purchases of silver bullion under the Pittman Act about July 1st. That announcement came as something of a surprise, because it had been estimated that the Government's purchases, at the rate they have been made, would be continued until September or October. Thus far approximately 180,000,000 ounces have been acquired by the Mint, besides 8,000,000 ounces previously allocated for subsidiary silver coinage and turned back into the fund; therefore, about 20,000,000 ounces remain to be purchased to complete the 208,000,000 ounces, the total amount authorised by the Pittman statute. In some quarters it is suggested that the Government's decision to stop purchasing at the end of this fiscal year, or thereabouts, may have been due to the discovery that producers' stocks of silver were larger than had generally been supposed. However that may be, the belief is expressed by authorities here that the discontinuance of Government purchases at \$1 an ounce (the price which the Pittman Act stipulates must be paid for silver of American origin) will serve to depress the price of domestic silver and bring the latter down to the level of the market for foreign silver, which dropped below 67 cents an ounce last week. On the other hand, "there are certain factors in the situation," the *Wall Street Journal* remarks, "which lead bullion dealers to feel rather encouraged over the silver outlook. A prime consideration

has been the debasing of silver coinage since the war by England and certain continental countries. This threw a lot of silver on to this market, and was largely responsible for the big disparity prevailing between the two prices here. But this selling," it is added, "is pretty well over now, and the only influence that is looked for from Europe in the future is from purchases rather than sales. India, too, is expected to be in the market for the white metal, as her trade position has been growing favourable."

Indian Trade Tendencies.—The Senior British Trade Commissioner in India has forwarded to the Department of Overseas Trade some facts and figures relating to India's foreign trade in February, and in the eleven months ending with February. Statistics of imports, exports, and re-exports of merchandise for these periods compare with preceding periods as follows:—

	Feb., 1922. Rs. Lakhs.	Feb., 1923. Rs. Lakhs.	Eleven Months Ending	
			Feb., 1922. Rs. Lakhs.	Feb., 1923. Rs. Lakhs.
Imports	20.00	19.37	244.86	214.05
Exports	21.33	30.60	205.20	267.63
Re-exports	1.08	1.00	12.47	13.73
Export excess on merchandise figures.....	2.41	12.23	*27.19	67.31

* Excess of imports.

During the eleven months ended February, 1923, as compared with the corresponding period of 1921-22, the value of the imports decreased by nearly 13 per cent., while total exports rose by about 29 per cent. The following comparative figures for gold and silver are also given:—

	Eleven Months Ended Feb.	
	1922. Rs. Lakhs.	1923. Rs. Lakhs.
Gold imported	10.39	35.23
Gold exported	16.61	12
Silver imported	14.97	19.33
Silver exported	2.37	2.41

"Measured by the statistics of merchandise, treasure, Council bills, enfaced rupee paper, &c.," reports the Trade Commissioner, "the balance of trade was against India to the extent of Rs. 32 lakhs in February, 1923, as compared with a credit balance of Rs. 94 lakhs in January, 1923, and a debit balance of Rs. 45 lakhs a year ago. In the eleven months ended February, 1923, there was a favourable balance amounting to Rs. 21.11 lakhs, as against an adverse balance of Rs. 32.28 lakhs in the corresponding months of the preceding year." The most noteworthy feature of the Indian import trade in February was the large increase in the imports of cotton piece goods, which amounted to 147 million square yards, as compared with 78 million square yards in February, 1922.

The Swiss Customs Tariff.—The "Initiative" put forward by the Swiss Socialists demanding reversion to the pre-war Customs tariff was rejected last Sunday by a popular vote of 452,340 to 170,239, and by every canton except the urban half of Bâle. It was motivated by the high cost of living, and had been supported by some independent Radical leaders; and the adverse majorities, though large even in Geneva and Zurich, were enormous in the agricultural cantons—more than four to one in Vaud, six to one in the Grisons, nine to one in Freiburg, and nearly twelve to one in the Valais; so that the result was primarily a victory for agricultural Protectionism. That, however, is not its sole significance. Following on the decisive defeat of the Capital Levy and of a number of other Socialist initiatives of a political character, it indicates that Swiss Socialism is declining, and the small poll (about 65 per cent.) is put down to lassitude—an explanation which brings out one drawback to the institution of "polls of the people." One reason for the rejection was the fear that the Federation would make up the loss of revenue by new imposts encroaching on the taxable resources of the cantonal Governments. But a more serious objection was constitutional. The opponents among the Opposition parties took

pains to point out that, while not endorsing the financial policy of the Federal Executive, they would regard the success of the proposal as setting a dangerous precedent for the submission of all commercial treaties to a popular vote. The general tariff may properly undergo this ordeal, but Switzerland is surrounded by Protectionist countries, and the character of her exports necessitates that foreign markets should be kept open for them by treaties negotiated by experts; and the knowledge that these treaties might, after all, be rejected by the people would paralyse the negotiators. Finally, with a series of Budget deficits, Switzerland has no revenue to throw away.

Cunard Results.—The accounts of the Cunard Steamship Company, Limited, for the year ended December 31, 1922, show a further decline in profits. Receipts from freights, passage moneys, &c., which amounted to £9,286,027 in the previous year, declined to £8,313,316 for 1922. Working expenses fell from £8,336,256 to £7,557,714, but the real reduction in this item is greater than the figures show since in the present accounts income tax and corporation profits tax, shown as a separate item of £172,249 last year, are now included under the head of working expenses, &c. The following comparative table shows the results for the past five years. Figures for 1913 are also given:—

	1913.	1918.	1919.	1920.	1921.	1922.
Freight and passages ..	£ 3,659,774	£ 3,801,655	£ 9,201,728	£ 12,260,662	£ 9,286,027	£ 8,313,316
Working expenses	2,468,457	*2,594,530	*7,476,808	*11,079,042	8,336,256	7,557,714
Repairs and renewals ..	271,207	..	..	..	..	..
Insurance premiums....	66,736	..	..	..	..	..
Balance	853,374	1,207,125	1,724,920	1,181,620	949,771	755,600
Brought forward.....	88,964	157,552	173,237	144,187	169,075	199,800
Sundry receipts	63,249	..	..	..	..	..
Total	1,005,587	1,364,677	1,898,157	1,325,807	1,118,846	955,400
Deb. int. taxation, &c. ..	122,293	320,725	395,622	293,206	449,741	361,000
Depreciation	443,637	353,231	370,429	394,310	..	..
Insurance and reserve ..	188,528	85,403	407,298	..	..	..
Prof. dividend	56,750	135,000	135,000	135,000	135,000	135,000
(5 %)	(5 %)	(5 & 6 %)	(5 & 6 %)	(5 & 6 %)	(5 & 6 %)	(5 & 6 %)
Ord. dividend	64,002	227,081	445,521	334,216	334,216	334,216
(10 %)	(10 %)	(10 %)	(10 %)	(7 & 1/2 %)	(7 & 1/2 %)	(7 & 1/2 %)
Carry forward.....	130,378	173,237	144,187	169,075	199,800	199,800

* Including repairs and renewals and insurance premiums.

The ordinary dividend is maintained at 7½ per cent., but the carry forward is considerably less at £125,261. Depreciation is again included in the general total for expenses of the year, no figures being shown, while the reserve fund stands at the same figure as in the last balance-sheet. Steamers and shipping investments are nearly £3 millions higher at £19,287,682, and general investments slightly higher at £2,663,488. During the year the company has been able to collect a considerable part of debts owing to it, the amount under this head having been reduced from £3,555,227 to £1,492,282. Cash in hand and at bankers totals £1,593,433. An analysis of the balance-sheet will be found in our usual column. The report of the directors states that "the position of general manager has been discontinued, as the rapid growth of the company's business has rendered it desirable to decentralise the various departments of the company, which are now placed under the control of managers with personal supervision by individual directors." As to the conditions of trading during the past year, the directors state: "A fair share of the Atlantic passenger traffic was obtained, but the third-class movement continued to be limited owing to the operation of the United States law restricting immigration. The volume of freight carried shows a considerable increase over 1921 but the carrying rates, especially homeward from America have fallen to a low level owing to increased competition."

English Electric.—A considerable decline in both gross and net profits is shown in the accounts of the English Electric Company for the year ended December 31, 1922. Gross trading profit, including £55,594 brought forward amounted to £318,265, compared with £363,659 in the previous year, when £46,236 was brought forward. Net profit was down to £111,403, as against £164,530 in the previous year. An analysis of the balance-sheet will be found in our usual column. The following table com-

pares the results of the four years since the company was formed :—

	YEAR ENDED DECEMBER 31,			
	1919.	1920.	1921.	1922.
	£	£	£	£
Gross profit	410,835	312,237	363,659	318,265
Net profit	253,848	128,052	164,530	111,403
Brought forward ..	..	45,302	46,236	55,599
	253,848	173,354	210,766	167,002
Reserve	100,000	..	60,000	..
Prof. dividend	28,703	41,914	41,914	41,914
Ord. dividend	79,843	85,204	53,253	56,105
	(8%)	(8%)	(5%)	(5%)
Carried forward ..	45,302	46,236	55,599	68,983

It will be seen that 1922 was the worst year the company has had. The dividend on the ordinary shares is maintained at last year's figure of 5 per cent. (which compares with 8 per cent. in 1919 and 1920), but there is nothing for reserve for the past year, compared with £60,000 in 1921. No figures are given to show the movement of expenditure, so that one cannot judge what economies have been effected during the recent depression. In their report the directors state that depression of trade during the greater part of last year, aggravated by the engineers' strike, gravely hampered all engineering concerns. An active policy abroad and the closest economy at headquarters and in the works have been necessary to show the return they present for 1922. Owing to extension of the business geographically and technical development of the company's products, several important contracts have been secured, particularly in railway electrification and water-power development schemes. "Your directors have persevered in their policy of reducing the stocks of material on hand to the lowest workable margin. This accounts to a considerable extent for the figure in the balance-sheet which gives the value of the stocks and works in progress, and which is less by approximately £366,000 than the corresponding figure for the previous year."

London Life Association.—The accounts of this mutual life office are always of much interest; the business is conducted at the smallest cost (no commission is paid), and all through the war the bonuses to policyholders were maintained. Last year the net new assurances numbered 1,470 for £1,570,123, of which £381,311 was reassured with the allied office, The Clergy Mutual. The premium income increased by £44,074 to £760,631, and the ratio of expenses to premiums fell from £6 5s 11d per cent. in 1921 to £5 16s 5d per cent. in 1922. The funds increased by £583,335; the net rate of interest yielded by them was £4 8s 2d per cent., after deducting income-tax, and the actual death claims were no more than 60.1 per cent. of the amount expected by the mortality tables used in the valuation. The directors have increased by one the rates of reduction of premium, so that they will range, as from July 1 next, from 51 per cent. up to the equivalent of 129 per cent. Upon policies entitled to reversionary bonuses a compound bonus of 35s per cent. has been declared. According to the system adopted by this office, special reserves are always set aside which provide for the continuance of reductions of premium or of reversionary bonuses. A revaluation of Stock Exchange securities as at December 31st last showed that in the London Life funds there was a margin over book values of £252,140, and in the Clergy Mutual Fund of £160,705. A scheme is appended to the report under which the union between the London Life and the Clergy Mutual (which has existed for four years) will be made more close. Briefly, the arrangement provides that all policies of both companies shall be secured on the joint assets, and that the net rate of interest and the rate of expenses to premiums shall be the same for both. The London Life is to guarantee to participating policyholders in the Clergy Mutual a minimum bonus of 30s per cent. per annum on whole life assurances and 35s per cent. per annum on endowment assurances. This guarantee will not prevent the declaration of a higher rate of bonus in any year.

London and Lancashire Insurance Company.—Though this company has not been able to show profits up to the high level of recent years, it has, under difficult insurance conditions, again done very well indeed. The fire premium income last year was £2,904,408, as compared with £3,007,501 in 1921. The claims were 51.1 per cent. of the premiums, against 49.9 per cent. in 1921 and 40.9 per cent. in 1920. Expenses were lower at 39.3 per cent., against 41 per cent. The surplus, after allowing for unexpired risks, was £320,574, or 11 per cent. of the premiums, as compared with £538,034, or 17.9 per cent. in the preceding year. In the marine department the premiums were £1,144,399, against £1,383,306, and the claims £1,041,736, against £1,914,004. The accident insurance premiums were £1,447,519, as compared with £1,630,724. The total underwriting surplus of all departments is put at £651,149, from which falls to be deducted income-tax on profits and provision for corporation tax amounting together to £240,815. Interest on investments, less debenture interest, amounted to £338,195. After increasing the additional reserves in the fire, marine, and accident accounts by £300,000, providing £24,041 for cost of business acquired, and transferring £20,000 to the staff pension fund, the directors propose to pay a final dividend of 7s per share, less tax, making, with the interim dividend already paid, a total distribution for the year of 13s per share, less tax, and to carry forward £1,075,343, as compared with £1,026,431 brought forward. The reserve funds, excluding capital paid-up, amounted on December 31st last to £6,240,801, being 113.7 per cent. of the premium income for the year. The cost of the dividend for the year will be £355,576, of which £338,195 is provided out of interest earnings.

Atlas Assurance Company.—A good profit on the fire account, and the resumption of bonuses to life policyholders are the features of the Atlas's report for last year. In the fire account the premiums were £2,136,188, against £2,123,300. Claims amounted to £1,075,994, or 50.4 per cent. of the premiums, as compared with £1,150,312, or 54.2 per cent.; expenses were 43.4 per cent., against 45.3 per cent. The underwriting surplus, after providing for the reserve for unexpired risks, amounted to £128,158, or 6 per cent., against £97,525, or 4.6 per cent., for 1921. In the employers' liability, &c., account a premium income of £257,558, yielded a surplus of £35,829. A valuation on the life department showed a surplus of £265,841, of which £109,270 was set aside to write down securities and meet loss on investments, and £101,455 was distributed to policyholders as a reversionary bonus at the rate of 30s per cent. per annum on sums assured and existing bonuses in respect of the years 1920, 1921, and 1922. In the profit and loss account, interest on funds (other than life and capital redemption) yielded £119,105, and profits from departments £177,586. Income-tax, excess profits duty, and corporation tax absorbed £72,120. The dividend for the year of 13s a share, tax free, will absorb £143,000, leaving £145,262 to be carried forward against £124,376 brought down.

Financial Conditions in Japan.—According to cables from Tokyo, Japanese exports in March were 121,000,000 yen, and imports 197,000,000 yen, the comparable figures for March, 1922, being exports 113,000,000 yen, and imports 205,000,000 yen. At April 15th the note issue of the Bank of Japan was 1,094,000,000 yen, as compared with 1,114,000,000 yen a year ago, discounts and advances being 266,000,000 yen, against 202,000,000 yen. In the first half of the present month stringency was felt in the Tokyo money market, the rate for short loans ranging around 9 per cent. The stock markets are reported as presenting no feature. In the rice market the tone has been firm, and higher prices are anticipated in the near future. In the first ten days of April heavy business was transacted in raw silk, but the market then became quiet. No improvement has taken place in the cotton yarn position, and rumours are current that agreements to curtail working hours are under the consideration of leading spinning companies.

A MEETING of the Institute of Chartered Accountants will be held at the Hall of the Institute on April 24, at 5.30 p.m., when Mr P. D. Leake, F.C.A., will read a paper, entitled, "The Foundation of Taxable Capacity: a New Tax System."

THE Right Hon. Viscount Novar, G.C.M.G., late Governor-General of Australia, will preside at the meeting of the Royal Colonial Institute, on Tuesday, April 24th, at 4 p.m., at the Edward VII. Rooms, Hotel Victoria, when the Hon. John H. P. Murray, C.M.G., Lieut.-Governor of Papua, will read a paper on "Papua To-day."

THE Trade Facilities Act Advisory Committee, whose present address is 17 Throgmorton avenue, London, E.C. 2, will remove to 16 Finsbury circus, London, E.C. 2, on Monday, April 23, 1923. On and from that date all communications intended for the Committee should be forwarded to the latter address. The new telephone number will be London Wall 1200.

Oversea Correspondence.

UNITED STATES.—FEBRUARY RAILROAD EARNINGS—RAILWAY EQUIPMENT EXPENDITURE—FARM LOAN BOND REDEMPTION—COMMODITY PRICES—JANUARY FOREIGN TRADE—STOCK MARKETS.

(FROM OUR CORRESPONDENT.)

NEW YORK, April 9.

As foreshadowed by recent reports, the combined net operating income of all first-class railroads in the United States for February show a marked decrease as compared with January of this year and with February of 1922. Operating revenue totalled \$446,538,000, representing an increase of about 11 per cent. over the previous February, but operating expenses of \$375,707,600 were nearly 16 per cent. larger. Expenditure for maintenance of equipment alone amounted to \$112,143,600, as against \$91,901,300 in February of last year, or an increase of 22 per cent. The heavier operating expenses were due partly to severe weather conditions that prevailed in various sections of the country. During February the railroads repaired and turned out of their shops 34,692 locomotives—a new high record for any one month. Net operating income, which aggregated \$38,903,000, as against \$60,654,700 in January last and \$47,727,000 in February of 1922, was equivalent to an annual return at the rate of 3.73 per cent. on the tentative valuation of the carriers' property investment. The latter figure compares with 5.54 per cent. for January, and 4.67 per cent. for the previous February. In making the comparison it should be noted that freight rates were lower in February than they were a year ago, a 10 per cent. reduction on various commodities having become effective last July. For the first two months of this year the net operating income aggregated \$99,619,900, or an annual return of 4.66 per cent. on tentative valuation, as compared with \$77,346,500, equivalent to a return of 3.69 per cent. for the first two months of 1922. Operating deficits for February were reported by 59 railroads, of which 26 were in eastern, 1 in southern and 32 in western territory. The combined statement of all railroads for March is expected to show a return to more normal conditions. Such expectation is based largely on the fact that car loadings for last month exceeded the previous records established in March, 1920. Official statistics show that between July 1, 1922, and March 17, 1923, more traffic was moved than in any like period in the history of this country.

At its meeting here last week, the American Railway Association decided upon a comprehensive programme to facilitate the traffic movement during the remainder of this year, which is confidently expected to reach the largest volume in the annals of American railroads. In a formal statement the railroad executives said, among other things:—"The railroads have authorised since

January 1, 1922, for cars, locomotives, trackage and other facilities, the expenditure of \$1,540,000,000." Of that vast sum, they actually expended in 1922 for cars \$200,000,000, for locomotives \$45,000,000 and for trackage and other facilities \$195,000,000, a total of \$440,000,000. The carriers have authorised outlays for equipment and other facilities of approximately \$1,100,000,000 for the year 1923, divided as follows: \$515,000,000 for cars, \$160,000,000 for locomotives and \$425,000,000 for trackage and other facilities. The railway executives state that they "are raising this enormous amount of additional capital largely through borrowed money, on the abiding faith in the fairness of the American people and reliance on the continuance of the policy announced in the Transportation Act of 1920 as a measure of reasonable protection to investment in railroad property." From January 1, 1922, to March 15, 1923, the carriers purchased 223,616 new freight cars, of which 117,280 have been delivered and put into service, and 4,219 new locomotives, of which 2,106 have already been placed in service. Practically all of the new equipment still on order is to be delivered by next autumn—a period when freight traffic is always heaviest. The significance of the foregoing figures will be better appreciated when it is recalled that the average number of new cars and locomotives purchased over a period of 10 years, 1913 to 1922 inclusive, has been 101,009 new cars per year and 1,960 new locomotives.

In line with other refunding operations undertaken recently by the Government, the Federal Farm Loan Board has called for redemption on May 1st all outstanding bonds, dated May 1, 1918, which were issued by the twelve Farm Loan banks. The total amount to be redeemed is \$55,032,000. The bonds do not mature until 1938, but the Board decided to exercise its option of calling them five years after their issue, and it is not unlikely that other issues may be retired as they become subject to call under the 5-year option. This action is taken to foreshadow an early issue of new bonds, bearing an interest rate lower than the 5 per cent. rate which is carried by the bonds now called. In this connection, it is interesting to note that the twelve intermediate, or rural, credit banks recently created by an Act of Congress will rediscount agricultural and livestock paper after April 20th at the rate of 5½ per cent. The adoption of the latter rediscount rate for the intermediate credit banks, it is pointed out, means that not more than 7 per cent. will be paid by the borrower, since the law provides that where the rediscount privileges of the intermediate institutions are used the rate paid by the original borrower to any individual or organisation must not exceed 1½ per cent. above the rediscount rate of the intermediate credit bank. It is expected that this will result in a lowering of the commercial rate which farmers now have to pay, and which are said to vary from 6 to 24 per cent., with an average charge of from 8 to 12 per cent.

Prices of commodities showed irregular trends during March; some, owing to increased demand, advanced, while others, reflecting a seasonal quieting down in primary lines, declined. The net result on the level of all commodities, however, was an almost imperceptible decrease for the month according to *Bradstreet's*, whose index number as at April 1st, namely \$13.9304, compares with \$13.9332 on March 1st, representing a decline of only two hundredths of 1 per cent. The number shows a gain of 20.8 per cent. from April 1st of last year, and of 31 per cent. from the low point of June 1, 1921, but a decrease of 33.2 per cent. from the peak point of February, 1920. As compared with August 1, 1914, the increase is 59.9 per cent.

Preliminary estimates by the Department of Commerce of our import trade during January make a remarkable showing. The total value of imports for that month is placed at \$319,000,000, or some \$25,000,000 more than in December, and \$102,000,000 greater than the imports in January of 1923. Not since November of 1920 had the value of monthly imports reached \$300,000,000, and only in two months before 1919 was that figure ever recorded. The reason for the big increase in the inward movement of merchandise and commodities is found in the great expansion of trade and industry which occurred

in this country in January, and which served to stimulate importation of foreign goods and materials, despite the higher duties imposed under the Fordney Tariff. Although January's exports were unusually large, the excess of exports over imports was only \$16,893,000, or approximately \$44,700,000 less than in January, 1922.

While prices of many stocks have suffered further declines during the past week, bonds generally have displayed a firmer tone. The average price of representative domestic bonds has now rallied nearly a point from the low level of the year reached a week or so ago, while foreign bonds have recovered more than 3 points from the season's lowest. An outstanding feature recently has been the marked improvement in Liberty bonds, and some shrewd observers look for further advances during the next month or two. Their expectations are apparently based on possible purchases by the British Government. About \$80,000,000 interest on the British War Debt to the United States is to be paid on or before June 15th, and under the terms agreed upon, payment may be made in Liberty bonds at par. So long as those bonds are available at a material discount, it is thought not unlikely that the British Government may purchase them on a substantial scale, if it has not already done so.

FRANCE.—RUHR OUTPUT AND CONDITIONS—CREDIT NATIONAL—REVENUE—BOURSE.

(FROM OUR CORRESPONDENT.)

PARIS, April 19.

THE Franco-German struggle in the Ruhr shows no sign of termination, nor is there at present the slightest indication, as seen from Paris, that either side has any intention of giving way in the near future. The German demonstration during the past few days is interpreted here as indicating that nothing can be hoped for at present in the way of any further attempt to open negotiations for a settlement, and there is certainly no evidence on the French side of any tendency to weaken.

The Ministers of Finance, Public Works, and War have all paid extended visits to the Ruhr during the week, and have returned apparently in a distinctly optimistic mood. M. Le Trocquer, who is not only Minister of Public Works but a practical engineering expert, in a declaration made to-day, proclaims himself thoroughly optimistic as to the outcome, and insists that he bases his satisfaction on results that have actually been accomplished. He asserts that not only have the consignments of metallurgical coke into France and Belgium risen from 500 tons, the output from a single depot, to 8,550 tons, which were sent out yesterday, but that in another week the daily train loads sent into this country will amount to 10,000 tons. He is confident that very shortly the output will exceed the 12,000 tons a day which were delivered by the Germans in 1922. Already the shut-down blast furnaces in Lorraine have resumed work, and there is said to be enough coke in sight to relieve the metallurgists in Lorraine from anxiety for the immediate future. The removal of the huge stocks of coal that have been accumulated at the pit heads has also been resumed, and this combustible is being sent out by both barges and railway trucks. M. Le Trocquer also expresses himself satisfied with the steady improvement of railway exploitation in the Ruhr, now that matters are settling down in French hands. He cites the fact that, although the Berlin Government has threatened sentences of three months' imprisonment to all Germans who use the railway, the number of railway tickets sold at Essen station, which last week was only 60 per day on an average, numbered 232 on Tuesday, while at Treves 1,500 were sold yesterday, as compared with a daily average of 150 a fortnight ago.

M. de Lasteyrie, the Finance Minister, was equally positive. The amount paid in export taxes, which are levied in foreign currencies, has progressed, he stated, as follows:—February 7th to 20th, 2,640f (at the then current rate of exchange); February 20th to 28th, 94,016f; March, 1st to 10th, 213,638f; March 10th to 20th, 204,385f; March 20th to 31st, 432,338f. From this the Minister deduces that the boycotting of the French financial administration by the Ger-

mans is coming to an end. M. de Lasteyrie is convinced that no State can long continue the policy which Germany has adopted in the Ruhr, and that she is inevitably running to a catastrophe. When that catastrophe will come he does not venture to predict. He points out, however, that by increasing her issue of paper money from 3,558,245 marks on March 1st to 6,601,142 marks, according to German official figures on March 31st, "the Germans have beaten the Russian records," and that as a consequence the mark may so collapse within a few days that Germany will have to confess herself beaten.

The important rôle that is being played by the Crédit National, the channel through which the money that has been raised by this country to make reparation for war losses is being distributed to those entitled to compensation, renders a few details as to the present situation of the institution interesting. The Crédit National was created under the law of October, 1919, for the double purpose of assisting the *sinistrés* in the devastated regions and at the same time facilitating the resumption and development of trade and industry in that area. It is a limited company, managed by directors who are either nominated by the Government or elected by the heads of the great banks of the country, and its dividends are strictly limited in amount. Behind all its operations is the guarantee of the State. Its principal function is to pay to sufferers, on behalf of the State, the compensation due to them, and to make reimbursable advances in certain circumstances. It is also empowered to make advances to manufacturers and others, for periods ranging from three to ten years, under stringent guarantees. The extent of its field of operations in regard to reparations alone may be gauged from the official statement issued a few weeks ago, from which it appeared that "since the end of the war France has expended 54 milliards on the devastated regions, plus 41 milliards for other reparations, during which time Germany has paid less than six milliards of gold marks, of which less than two milliards have been received by France, or insufficient to pay the cost of her army of occupation."

The Crédit National has so far issued six loans respectively in December, 1919, May, 1920, October, 1921, January, 1922, June, 1922, and January, 1923, the total amount of nominal capital issued being 22,000,000,000f. Four of these issues have been in the popular form of premium or lottery bonds. For the two 1922 issues the Government adopted the form of short term bonds without lots, but returned to the long term premium bond principle in 1923. All the issues are in bonds of 500f each, and have been offered, as usual in this country, at a small discount. The rates of interest and present quotations (April 12th) of the various issues are as follows:—5 per cent., 1919, 469.25; 5 per cent., 1920, 473; 6 per cent., 1921, 507.50; 6 per cent., January, 1922, 486.75; 6 per cent., June, 1922, 486.75; 6 per cent., 1923, 495.75. The market in these bonds is large, and a substantial proportion of them is held abroad. As all are of the bearer description, they are easily negotiable. The large number of prizes offered (the first prize at each monthly drawing is 1,000,000f) and the fact that they are guaranteed by the State to a great extent explains the steadiness of the prices at which they are quoted. Since its constitution 3½ years ago, the Crédit National had effected, down to February 28th last, 5,806,918 individual payments to *sinistrés*, totalling 18,790,320,803f. Over 10,000 payments are now being made daily. Long term loans made to manufacturers and others, which amounted to 31 millions in 1920, rose to 225 millions in 1921, the total advances down to March 6th last being 364 millions.

Analysis of the revenue returns for the first three months of 1923 indicates that the Finance Minister's statement during the Budget discussion, to the effect that he hoped it might be found possible to cancel at least a large part, if not the whole, of the estimated deficit owing to the surprisingly satisfactory manner in which the revenue is exceeding his estimates, is likely to be largely justified. There was a drop of 184 millions in Customs receipts during the three months owing to the rate of exchange, but each of the other great categories of indirect taxation showed unexpected yields ranging (with few exceptions) from 10 per cent. to over 50 per cent. above the estimates. The mixed Commission, in which are included M. André

Citroen and other leading business men, which has been appointed to investigate the French tobacco and match monopolies and to draw up plans for their reorganisation and development, has definitely decided against the denationalisation of these two industries, which has been the object of attempts to open negotiations on the part of various American and other financial groups during the past three or four years. Recommendations are being drawn up for the complete overhauling of both monopolies and for their development in the immediate future on modern industrial lines.

The Bourse during the week has continued to display all the undecided tendencies that might be expected, in consequence of the present unsettled situation in the Ruhr, and has largely contented itself with marking time. One outstanding feature since the beginning of March has been the consistent fall in practically all descriptions, such as Suez Canals, Tintos, South Africans, and Oils, which are directly affected by the variations in the exchange. Price changes, on balance, were in all departments downwards.

GERMANY.—RUHR—FINANCES—REICHSBANK—EXCHANGE AND BOURSE—TRADE AND SHIPPING.

(FROM OUR CORRESPONDENT.)

BERLIN, April 17.

THE speeches of M. Poincaré at Dunkirk, and of Dr. Rosenberg to the Reichstag, have left the Ruhr position unchanged. The substance of both is resolution to fight the matter out. Dr. Rosenberg gave details of past German offers without indicating that a new offer would be made, the only difference from past declarations being that instead of making evacuation a condition of offering-making he declared that no offer could be made while the occupation made doubtful what Germany's paying ability is. This implies that the possibility of fulfilling the 30 milliard gold mark offer sent to Paris, but not discussed there, is now in doubt; but the argument that a new economic feature was introduced by the occupation is hardly correct; the occupation, it is true, does much damage, but it was not at any time plain that the 30-milliard offer could be carried out. Dr. Rosenberg's statements regarding politics, though not new, sharpen the opposition; it is repeated that no French plans designed to weaken Germany's sovereignty in the West will be considered, and that gradual evacuation would not be accepted, and the description of M. Poincaré as "obstinate and unpeaceful in his errors" indicates that the combative spirit here has not weakened. The Socialist speaker asked whether a more active foreign policy might not be pursued, and suggested that a new offer should be made, but agreed that resistance must be continued, and that no policy of securing France that took the shape of veiled annexation could be tolerated. In the past week the Ruhr has been somewhat quieter, but the imprisonments and expulsions continue. The Reichsbank has repudiated notes seized by the French at the printers, and put by them into circulation.

The financial year 1922-23, which closed on March 31st, shows the following result:—

REVENUE. (000's Omitted.)	
From Taxation	1,288,251,031
Forced Loan	12,750,347
Floating Debt	6,329,206,992
	7,630,208,370
EXPENDITURE. Marks.	
Peace Treaty fulfilment in foreign currencies	951,696,187
Administration and Peace Treaty fulfilment in marks ..	4,471,571,883
Funded Debt	4,271,020
Interest on Floating Debt	220,968,208
Interest on Funded Debt	2,718,739
	5,651,226,037
Deficits on Posts and Railways	1,978,982,171
	7,630,208,208

These figures give no idea of current revenue, expenditure, and debt. Thus in the last ten days of March receipts from taxes were 80,813 millions, from floating debt 800,210 millions, expenditure on administration and the Peace Treaty 583,314 millions, and subsidies to posts and

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President
JAMES S. ALEXANDER

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Surplus \$25,000,000
Undivided Profits over \$10,000,000

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railways 298,708 millions, the expenditure in the ten days being about one-eighth of the expenditure of the whole financial year. The floating debt on March 31st was 8,273,708 millions, having increased 3,645,400 millions in one month. At the close of the preceding financial year the floating debt was 281 milliards. The Customs gold surcharge has been raised to 499,900 per cent., and now equals the currency depreciation. The Railway Council has rejected demands to reduce freight rates. The Prussian Cabinet has approved of the opening of gold mark savings bank accounts, deposits and withdrawals to be in paper marks, which will be booked in fictional "savings gold marks" of ten American cents at an exchange to be determined by the official quotation of the new 6 per cent. dollar Treasury bills (the precise yield of this loan is still unreported, and subscription is proceeding). Gold savings accounts will be permitted only to persons with paper-mark savings accounts, and old paper-mark accounts will not be convertible into "savings gold-mark" accounts.

Taxation conditions, which ought to have been simplified by the new mark stability, are hopelessly confused. Before the end of this month self-assessments and in part payments for income-tax, property tax, forced loan, sales tax, and several minor taxes are due; and though, owing to the currency stability, it is now less necessary, taxpayers are threatened with enormous penalties if they are late. The property tax forms, which govern also the forced loan, have not yet been sent out, and the ten closely printed folio pages of instructions and threats which they contain will have to be mastered in about a week. The income-tax has become so hopeless that, unable to assess, the Finance Ministry requires citizens not only to make the usual declarations, but also to calculate their taxes, and to pay provisionally what they calculate to be due, this in a confusion of rules and prohibitions which no normal citizen can master; yet if the citizen under-pays he is subjected to the penalties. For a long time the Government had the good excuse that, with

currency rapidly changing value, it was impossible to get in direct taxes efficiently, but it is strange that after years of experience things are worse than ever. Normally, and apart from the effect of the Ruhr trouble, State finances ought now to improve owing to the present fixed buying power of the mark. These improvements have always taken place in times of relative stability.

The Republic of Thuringia has opened a State bank. The Reichsbank is stated to have made a new considerable despatch of gold to foreign countries. The last weekly statement, for April 7th, shows 164,952,000 gold marks held abroad, and not pledged. The statement reports considerable relief, both in regard to credit pressure and inflation. The smallness of the circulation increase of only 106,193 millions is probably a reaction after the heavy inflation of the two preceding weeks; commercial discounts increased by only 51,080 millions, and Treasury bills by only 246,228 millions, but the Darlehns advances rose by 153 milliards to 1,313 milliards. The bank's ability and willingness to maintain the present exchange of around 21,000 marks to the dollar is being discussed. The *Berliner Tageblatt* says that industrial circles are trying to have the dollar raised to 25,000 or 30,000 marks. A certain increase in the demand for foreign bills has created doubt about the future, but the bank is believed to stand for continued stabilisation, and the newspaper quoted states that this, if necessary, may even be done by sacrificing part of the gold reserve.

Stocks last week rose moderately. The *Frankfurter Zeitung's* index for dividend-payers for the 13th shows 1,175,665, against 1,049,015 a week earlier and 1,567,265 on February 9th. The Home Loans index shows a reaction. There was considerable foreign buying of bank shares, stated to be English or American, and to be aimed at gaining influence in Berlin banking on the lines already achieved in Vienna. Upper Silesian and some other metal stocks rose sharply on negotiations for a new trust, which, with its secondary ramifications, would be much the biggest in Germany. Primarily concerned are the Linke-Hofmann engineering concern, which recently, by gaining control of the Lauchhammer Company, obtained a new steel and brown-coal supply, and the Caro-Hegenscheidt concern, or Upper-Silesian Iron Industry Company, which has smelting furnaces, rolling mills, ore mines, coal, and finishing shops. The Kattowitz, Laurahuetten, Harpener, General Electricity Company, and, through their affiliations, the two chief shipping companies of Hamburg and Dresden, the Deutsche Werft of Hamburg, which is Germany's newest and biggest shipyard, the Otto Wolff Trust, the Augsburg-Nuernberg Machinery Company, and several other first-class companies are concerned in the deal, and Stinnes' name is mentioned as a secondary interest. The Vienna banking house Bosel, and the Weinmann interest of Aussig, are interested as leading holders of Kattowitz and Laurahuetten, also Herr Friedrich Flick of the Charlottenhuetten, and Dr Karl Skoda, formerly chief of the Austrian, now Czech, Skoda Works. The result aimed at seems to be a loose trust, similar to those of Stinnes and Wolff, but even greater in dimensions. Herr Stinnes has been conceded two seats in the Control Board of the Berlin Handelsgesellschaft Bank, in which he acquired shares last October, and this fact also is brought into connection with the trust plan. Bond prices yesterday were: War Loan 89.50, Fours 1.150, 3½ per Cents, 600, Threes 4.350, Colonial Fours 11,000, Savings and Premium 300, Prussian Threes 250, Hamburg Staats-Rente 3½ per Cents, 360, Berlin Fours 130.

Trade values in February (imperfect, owing to lack of reports from occupied territory) are: Imports 446,200,000 gold marks, exports 360,600,000 gold marks. Coal imports were 1,421,800 metric tons, pig and scrap iron 34,477 tons, both of which are less than in January. In unoccupied territory there is at present no scarcity of either, and the iron market is even dull. The Reichswirtschaftsrat has refused to recommend complete abolition of the Foreign Trade Control system, which is demanded by some interests on the ground that home prices are near foreign, but it is considering measures for increase of exports. The Hamburg-American Line's report for 1922 shows gross profits of 761,387,646 marks, net

95,125,400 marks, dividend 30 per cent., whereof 20 per cent. in shape of a bonus, against 10 per cent. without a bonus last year. The company has under construction 14 sea-going vessels, of 108,000 gross tons. Last year it bought five vessels, of six to eight thousand tons, and built 26 ships, of 98,368 tons. The company is putting Diesel motors in some of its new ships, and reports favourably. The North German Lloyd reports gross profits 733,500,000 marks, net 514,500,000 marks, dividend and bonus the same as with the Hamburg-America. The company has 30 sea-going ships, against 25 in 1921 and 116 in 1913. The Hansa Company of Bremen reports gross profits of 158,721,000 marks, net 80,548,000 marks, dividend 50 per cent., against 10 per cent. Bankruptcies increased in March, being 30, against 17 in February and 151 in March, 1922. Coming after an exchange improvement, the increase is normal. In 1922 3,033 share companies (Aktiengesellschaften) were founded, with nominal capital of 14,767 millions, against 1,132, capital 4,230 millions, in 1921, and 175, capital (gold marks) 216 millions, in 1913. The great increase in foundations is due only in part to trade activity, and mainly to the insufficiency of capital in individual hands. The number of share companies existing at the close of 1922 was 9,669, capital 104,077 millions, against 5,486, capital (gold marks) 17,356 millions, at the close of 1913. With a currency depreciation of about 1:1800th, nominal capital increased only about six-fold. Steel Syndicate prices, after being unchanged since the end of February, have been reduced to (in marks, per metr. tons): Ingots 728,000, blooms 813,000, bars 1,012,000, thin sheets (under 1 mm.) 1,596,000. Business is still dull, but the opening of the Frankfurter Fair showed a tendency towards reviving activity in textiles and leather, and prices were slightly upward.

CANADA.—BUSINESS CONDITIONS—IMMIGRATION—MINING BOOM—AGRICULTURAL ENQUIRY—SHIPPING COMBINE.

(FROM OUR CORRESPONDENT.)

OTTAWA, March 26.

THE continuance of severe wintry weather right up to the end of March has served to nullify in some degree the stimulus to trade which the annual approach of Easter and revival of outdoor work invariably brings. Wholesale trade in the larger cities is fairly satisfactory, considering general conditions, but a thaw would give an immediate fillip to buying. For the moment the turnover is moderate in volume, and retailers are purchasing in small lots only. But in the cities many of them are clearing off their stocks by sales, and trying to release funds for spring and summer operations. Prices of many commodities, especially steel, copper, and cotton, have shown a tendency to rise, but the cost of living remains practically stationary. The woollen and cotton mills declare that there can be no reduction of prices till the autumn. General conditions in the industrial world promise well; most factories are not anxious to take orders long ahead, but the majority are well booked up, and, as a result of the exodus to the United States which still continues, and is causing grave alarm, a shortage of expert mechanics is expected by midsummer. Makers of railway equipment are all well employed, and Canada's export trade in motors, which has reached considerable dimensions, bids fair to be sustained. The flour trade, both domestic and export, has been dull, but the lumber industry continues brisk, and there is no indication of any cessation of the steady demand from the United States, the Orient, and Australasia. Farmers, especially in the west, are still uncertain about the future. A late seed-time is now inevitable, and though the heavy snowfall ought to guarantee a good store of moisture, the later a crop is sown the greater are the risks which it has to face on the prairies. The grain markets continue to be dull, and considerable quantities of wheat are still in the farmers' hands. Prices for good, fat cattle and hogs remain firm, and even have risen, and the first shipment of store cattle under the new regulations has sailed for Britain. The immigration estimates produced in the House of Commons a five days' debate, and diversified

opinions were expressed about the Government's very cautious policy. Some members took the view that it was hopelessly inadequate, and that unless a stream of immigrants on the pre-war scale could be brought in, the country, with its pyramiding debt and heavy southward emigration, was on the road to ruin. Others, chiefly agrarian members from the West, took the line that until economic conditions were remedied it was wasteful folly to spend money in alluring more people to share the hardships and difficulties which the farming community at least is facing. A middle view was that no flood of immigrants should be encouraged under present conditions, but a steady increase of population was needed to make use of the superfluous railways and institutions with which the western provinces had equipped themselves. There was general condemnation of the Government's alliance with the Canada Colonisation Association, and some criticism of the plans of the Overseas Settlement Board.

There is tremendous activity in the mining areas, and rich new discoveries are announced every other day. Prospectors are flocking to new Rouyn goldfields, and the Standard Mining Exchange of Toronto now claims to be the largest of its kind in the world. On March 23rd the record number of 1,298,868 shares changed hands. In 1922 Canada's gold production totalled about 22 million dollars, and the expectation is that the end of 1923 will see the 30-million dollar mark passed. Apart from the mining boom, and possibly as a result of it, the general stock and bond markets have been dull, and many issues have lost a few points in the last week. There has been a recession in the Canadian exchanges in New York, but it is regarded merely as the swinging back of a pendulum which had swept too far in one direction. The discount, which is now about 2½ per cent., is not due to currency inflation, for the position of Canada's currency situation is steadily improving. On December 31st the ratio of gold held against paper money stood at 61.4 per cent., which compares favourably with the 66.1 per cent. of June, 1914. The trade returns for the 11 months of the fiscal year which have elapsed are also good; exports have increased over \$175,000,000, thanks largely to the abnormal grain crop, and imports have jumped \$42,000,000.

A special committee of Parliament which has been examining into agricultural conditions and grievances has unearthed some disturbing facts. It has proved by the confessions of various steamship managers the existence of a close combine to fix rates in the North Atlantic shipping trade, and the Canadian National Marine is an active participant in the combine. The further disclosure has also been made that invariably from American, and sometimes from Canadian ports, flour milled in the United States is carried to British ports at a lower rate, varying from 2 to 5 cents per 100 lbs, than flour milled in Canada. The reason assigned is that the United States Shipping Board have given a special rate to the American Millers' Association, and the other lines have to meet it. But public opinion is disturbed to find the State-owned line abetting a combine instead of trying to break it.

AUSTRALIA.—BANKING FIGURES—TRADE BALANCE.

(FROM OUR CORRESPONDENT.)

MELBOURNE, February 26.

THE quarterly average returns to December 31st of banking liabilities and assets within Australia and New Zealand (exclusive of the Commonwealth Bank of Australia) shows that deposits have increased by £1,020,144 and advances (which include Government securities) by £7,599,451 since the previous quarter, the latter movement being partly due to the increase in imports, especially in Australia. The movements as compared with twelve months previously are an increase of £13,056,754 in deposits and an increase of £5,880,379 in advances. Separating Australia from New Zealand there is a marked divergence, as in Australia deposits are larger by £11,960,569 and advances are larger by £10,121,638

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than at a year ago, but in New Zealand an increase of £1,096,185 in deposits is accompanied by a decrease of £4,241,259 in advances. Business activity in Australia has been stimulated by the advance in merino wool and by the good wheat harvest of 1921-22 following that of 1920-21, while New Zealand has simply had the benefit of a slight recovery in crossbred wool and a better demand for frozen meat and butter, without participation in the Australian advantages derived from wheat and merino wool. The large public borrowings in London, which took place late in 1921 and early in 1922, have also given a considerable stimulus to certain forms of trade and employment in Australia. The following is a comparison of the principal totals with those for the previous quarter and the December quarter, 1921:—

	December Quarter, 1921.	September Quarter, 1922.	December Quarter, 1922.
Deposits—	£	£	£
Australia	209,753,941	218,166,098	221,714,510
New Zealand	43,333,249	46,957,703	44,429,434
Total deposits	253,087,190	265,123,801	266,143,944
Advances—			
Australia	182,932,700	185,941,838	193,054,338
New Zealand	53,507,275	48,779,065	49,266,016
Total advances	236,439,975	234,720,903	242,320,354
Cash items—			
Coin and bullion (Australia and New Zealand)	27,521,008	27,565,466	27,686,456
Australian notes	25,978,540	22,856,735	23,565,130
Legal tender notes of other banks (New Zealand only)	912,619	541,806	539,592
Total cash	54,412,167	50,964,007	51,791,178

The principal figures (within Australia) of the Commonwealth Bank of Australia, not included above, compare as follows:—

	December Quarter, 1921.	September Quarter, 1922.	December Quarter, 1922.
Deposits	£	£	£
Savings Bank deposits	25,251,886	28,854,556	27,617,966
Discounts, loans, &c.	35,983,860	37,523,001	38,250,893
Government and municipal securities	14,652,186	13,043,510	13,367,064
Coin and bullion	34,537,456	35,233,595	35,684,936
Australian notes	1,955,451	2,330,619	2,543,798
	5,836,209	7,344,568	4,314,544

Both the ordinary banks and the Commonwealth Bank show a reduction in the total cash held, and consequently in the ratios of cash to liabilities, as compared with a year ago. This is the effect of the contraction of the Australian note issue, which has been carried out by the board of the Commonwealth Bank issue department without any addition being made to the amount of gold available for banking purposes. Lately the Commonwealth Bank has been purchasing new gold at a small premium from the Gold Producers' Association, but while this enlarges the gold backing of the note issue and helps to prepare for the time when it will be on a parity with gold, it has in itself no immediate effect in increasing the total supply of currency in existence for the use of the banks and for active circulation amongst the public. The latest returns of the Australian note issue, however, show a slight expansion in the total issue, which amounted to £52,449,622 on January 29th, against £51,771,431½ at a month previously and £55,337,548 on January 30, 1922.

An unofficial compilation from the Australian monthly trade returns shows total imports for 1922 amounting to £122,299,134, against £119,912,317 for 1921, or an increase of £2,386,817, and total exports £128,013,145, against £127,679,743, or an increase of £333,402. The excess of exports for 1922 was £5,714,011, an amount

much smaller than the annual interest on British capital, say, about 24 millions per annum as an approximate estimate, the balance being settled out of the proceeds of fresh borrowing. At the moment the prospect appears to be that further borrowing in London will be on a much smaller scale than during 1921-22, and that with large imports and only a moderate quantity of wheat to be exported during 1923 Australian balances in London will be drawn upon considerably this year.

ARGENTINA.—NATIONAL FINANCE—INTERNAL AND EXTERNAL LOANS DISCUSSED—TRADE CONDITIONS.

(FROM OUR CORRESPONDENT.)

BUENOS AIRES, March 16.

My last letter dealt at some length with the proposals of the Argentine Government concerning consolidation of the Republic's floating debt. Unfortunately, the prediction that nothing would be discussed until Congress meets for its ordinary sessions in May appears to have been well-founded; and in the meantime it looks very much as if a golden opportunity for internal issue of national Treasury bonds at a favourable rate of interest had been lost. For at the time of writing there is a distinctly firmer tendency in the money market, making it improbable that further renewals of short-date Treasury bills will be obtainable at the rate governing the last transaction of this sort, namely, 4 per cent. per annum. On March 19, there are \$75,000,000 Argentine paper due, and of this sum, \$5,000,000 will be cancelled owing to the holders asking for a higher rate than the Government deems it expedient to pay. It is said, with some apparent authority for the rumour, that 4½ per cent. is the lowest rate that will be accepted, especially seeing that the sum total is far too large to permit of the Treasury adopting cancellation tactics, save for a very small proportion of the bonds falling due. That this state of affairs is reflected in those circles abroad which follow Argentine finance with particular interest is perhaps but natural. Hence the frequent reference in the commercial Press cables to the likelihood that nothing can be obtained in New York under 6½ per cent. at 95, and the recent statement that a British financial group, said to be willing to find ten millions sterling—a third of the total of the proposed external loan—has suggested postponement for at least a couple of months. The most important item in connection with the whole financial position of Argentina is, however, embodied in the conclusions arrived at in a leading article of *La Nación*, the acknowledged Government organ. Under the heading of "The Future Internal Loan," referring to the suggested issue of 3 per cent. bonds to be taken by banks and held by them as part of their cash reserves—thanks to the bonds being encashable at par on presentation to the Banco de la Nación—it is pointed out that it will be to the advantage of commerce in general to accept these obligations. The proposal, as originally drafted, established that only banks and firms accepting deposits could take up the new bonds. In the article to which reference is made this limitation is stigmatised as inadvisable, since everyone with means ought to be allowed to take up the issue, seeing (so says the writer) that without risk of capital loss the holders can at any moment reimburse themselves, receiving in addition the proportion of interest due to them. A further decree subordinate to the main proposal will establish the just proportion of interest corresponding to each holder. The article concludes by saying that, if this were done, "we should very soon see how these transactions would be a daily event, and that on a scale of considerable importance, within and without the banks, the Bourse, and the various corporations and private concerns authorised to take deposits." If this modification of the original idea is accepted, it throws the door open to much that is questionable and even dangerous in currency practice; particularly when it is borne in mind that, little by little, the whole weight of the Argentine national financial system is being transferred to the shoulders of the Banco de la Nación, now working with a cash percentage of 21.5 (figures of

February 28th). Under the emergency legislation of 1914 the institution can go to the Conversion Office for funds, discounting its portfolio and receiving paper currency, a recourse which is, however, not commendable, opening up, as it does, sombre vistas, and awakening memories of past financial difficulty, whose repetition the best Argentine public opinion would sacrifice much to avoid.

With such matters pending, and no anxiety on the part of the Legislature to press forward practical administrative measures, such as the Budget estimates for 1923 and the authorisation for consolidating the short-dated loans above mentioned, the position of Dr Alvear's Government is far from comfortable. What truth there may be in the rumour that occult influence within the fold of the Radical party itself is responsible for the dilatory tactics so obviously employed, it is impossible to say. All that the business man can see is that such delay is most certainly present, and that it is prejudicial to affairs as a whole. The delicate matter of cash in hand is, however, being helped most unexpectedly by the substantial increase in Customs receipts for the first 2½ months of the year. Daily collections are close on a million dollars paper, which is some 25 per cent. over last year's average daily takings for January-February-March. To date, March 15th, \$54,787,000 Argentine paper has come in, as against \$39,323,000 Argentine paper this time last year. Being almost exclusively derived from import dues, this presupposes a large increase in the arrival of manufactured goods, of high quality, judged by a tariff standard. How far this is attributable to an effort on the part of importers to stock as heavily as possible, before the threatened increase in the percentage payable can be enforced, one cannot say, any more than one can set it down to improving trade. Probably both factors are jointly responsible, since the additional movement in business generally is far from what was expected would be witnessed at this height of the year. February failures were high, being \$12,336,000 Argentine paper in liabilities, or double January figures, and this without the total being swollen by the heavy sums which it was prophesied would be contributed by ruined cattle breeders. Indeed, there is every reason to believe that the cattle prospects have improved during the last month. Prices for fine stock, fit to prepare as "chilled" beef, are steadily rising; there is better demand for coarser steers suitable for extract, two things which, taken conjointly with the notorious liquidation of cows that has gone on for close on twelve months, may well bring about a really sharp appreciation for all types of horned stock handled by packers and freezing works. Be that as it may, the position is rapidly assuming such a shape that pleas for Government aid for ranchers look foolish, while the charges against the freezers, namely, that they had joined forces secretly for the purpose of depressing prices on this side, have fallen of their own weight.

Local rates for loans have hardened appreciably, 7 to 8 per cent. per annum being now general for most single name advances, though trade lists of commercial paper range from 5 to 6½ per cent., and against first-class collateral 4 to 4½ per cent. is about the figure. Both sterling and the United States dollar are firmer at 42½ and 119 respectively, while the franc has recovered to 13.50 Paris and 15.65 Belgium, with the Italian lira at 17.42, all the foregoing rates being telegraphic. Cereal markets are distinctly weaker, export wheat being quoted at \$11.40 Argentine paper per 100 kilos. spot, and maize at \$8.50, while linseed is \$19.55 in Rosario, with an uncertain tendency. That there is at least a million tons exportable surplus of this seed may now be considered certain, 450,000 tons having been shipped since the first of the current year. Freights show a drop of 2s when compared with last month's quotations, being 19s March loading, San Lorenzo/U.K.-Continent, and the same quotation Bahia Blanca/U.K., though 23s was obtained for a 3,000-ton steamer, San Lorenzo/Rotterdam, March loading with linseed. Parcel business is reported fairly plentiful, but rates are sluggish alike for shipments to Europe and the United States, for which latter market the chartering rate is now scarcely better than \$4.75 gold, Rosario-New York, with every probability of lower quotations ere very long.

Letters to the Editor.

CURRENCY AND DEBTS.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Mr Cook has missed the connection between his statement in the early part of his letter that the remarks he refers to "are only evidences of the variation of contracts due to the fluctuations of the currency in which they are expressed," and his question later on, "Would it not, therefore, be more profitable to apply our thoughts not so much to Bullion Conferences as to ways and means of enabling people to work and to produce real wealth?" He refers to Mr Butson's letter in your issue of the 17th ult., but although the latter gentleman was evidently not aware of the full import of one sentence which it contained, it illustrated the need, not it is true, for a bullion, but for a currency conference. Mr Butson, writing of the working of the discount rates pre-war, said: "When the exchanges were against us and gold was flowing out Bank rate was raised, and the resultant contraction of credit would steady any tendency to a rise of prices." He added, "and encourage exports of goods," but in the Cunliffe Report on the Currency question the Committee explained, in effect, that to bring about this export the rise of discount rates had first to result in all new ventures being postponed, all stocks carried on borrowed money having to be realised on a weak market, the demand for constructional materials, such as bricks, cement, steel, and iron was lessened, and in consequence of the number of people thrown out of work less food was consumed.

Mr Butson went on to point out that an enormous mass of virtually inconvertible paper currency has been introduced, "which is subject to no adequate limitations of issue, and which bears no definite relation to the needs of trade."

When cheques are included, as they must be, this is perfectly true, and the history of our gold currency system since 1873 discloses a variation in the purchasing power of the sovereign over different series of years, which has resulted in the falsification of debts alternating in favour of the creditor or the debtor.

It is difficult to suppose that a system which produces such results at home can be successfully defended, and when the facts resulting from its operation put on record by the Cunliffe Commission are remembered, I hope Mr Cook will agree that further inquiry into the currency question is imperative.

Mr Butson says that the problem will be to re-establish the connection between movements of gold and prices, but reflection should convince him that it is unsound to allow prices to be regulated by alterations in the volume of currency, the laws of supply and demand being the only factors which should operate.

The operation of the discount rates pre-war stopped the outflow of the nation's money, i.e., gold, by restricting the bankers' issues of credit money at home, so that it did in effect violate the true principle which should underlie our currency system, because it reduced prices by creating an artificial scarcity of money. Added to this, with gold as virtually international currency, a gold point was established at which our money could be taken for export instead of goods, and this placed a definite limit on the price our exporters could obtain for their drafts when selling them to would-be importers.

The free working of the laws of foreign money exchanges was therefore abrogated, and this is a factor of vital importance which alone would warrant the establishment of another Currency Commission, for it constitutes an attempt to regulate the flow of international trade by unsound artificial methods, in violation of the sound economic ones which would operate perfectly and justly under a right currency system.—I am, Sir, yours faithfully,

MARK B. F. MAJOR.

Red Lion and Three Cranes Wharf, Upper Thames street, London, E.C. 4, April 3rd, 1923.

INSURANCE COMPANIES' PROFITS.

TO THE EDITOR OF THE ECONOMIST.

SIR,—I notice in the reports of insurance companies a great divergence in practice in the allotment of profit to shareholders.

Some companies confine their distribution to the interest earnings of their various funds, placing year by year the whole of the profits to reserve; other companies distribute, in addition to the interest, a substantial proportion of the profits earned by the business.

The companies in the first category appear to me to err on the side of caution, and to treat too cavalierly the rights of shareholders to participate in profits.

A huge expenditure is incurred in the conduct of the business (including large salaries to skilled managers for the production of profit), and the shareholders are tacitly told, year by year, that the whole of the profits are required to strengthen reserves, and that they must be content with the interest earnings of the funds.

I have before me the accounts of the London Assurance Corporation for the past year.

An analysis of these accounts shows:—

Interest (less tax) available for shareholders dividends.....	204,855
Profit from the various departments (after the usual provision of 40 per cent. of the premiums for unexpired risk and an increase of £50,000 in the marine fund)	211,175
Together	416,030
The apportionment of this amount is as follows:—	
Dividend to ordinary shareholders.....	174,517
Dividend to preference shareholders	15,000
Reserves	189,517
Additions to the reserves of the various departments	88,804
Addition to contingencies account.....	40,000
Written off premises account	50,000
Premium on preference shares redemption policy	6,208
Increase in balance of profit and loss account	41,501
Together	416,030

The dividend to ordinary shareholders paid during 1922, shown above, is at the rate of 7s a share (free of tax). The dividend to be paid during 1923 is at the rate of 7s 6d a share (free of tax), an increase of £12,465.

It is to be noted that, as compared with a company which declares dividends subject to tax, the shareholders derive no benefit from the increase, 7s a share being equivalent to 10s subject to tax at 6s in the £ and 7s 6d being equivalent to 10s subject to tax at 5s in the £.—Your obedient servant,

Books and Publications.

MONETARY RECONSTRUCTION.*

MR R. G. HAWTREY'S new volume contains four essays written (and already published) since the war, and two others which date from 1915 and 1916. An introductory chapter is intended to "give unity to the collection," but Mr Hawtrey's personality and opinions are so consistent that the real unity was there already. The whole book is, in fact, an exposition of a monetary theory which is perhaps not new, but which certainly has become more and more widely accepted in recent years. Mr Hawtrey has made himself the chief exponent of its doctrine in this country; and it is commonly believed that the Treasury and the Bank of England would like to translate it into practice. "Monetary Reconstruction" is therefore a book of much more than ordinary interest and importance.

The theory which Mr Hawtrey propounds, in what must surely be its most extreme form, is in outline this, that all major economic movements can be interpreted, and are best interpreted, in terms of currency and credit; and that since currency and credit can be controlled, it would and should be possible to gain almost complete mastery over economic movements, and to eliminate those which are undesirable. The trade cycle, Mr Hawtrey believes, is a purely monetary phenomenon (p. 141); unemployment is due to a maladjustment of the monetary

* By R. G. Hawtrey. Longmans, Green, and Co. 1923. Pp. 147.

machinery (p. 145); the explanation of adverse exchange movements by reference to an unfavourable balance of trade is, except in a very limited sense, a fallacy (p. 75); and the forces which tend to raise or lower prices in general "proceed" (without qualification) "from the state of the currency" (p. 137). If seasonal movements in the exchanges are to be recognised at all, or if price movements are to be correlated with declining or accumulating stocks (p. 143), the facts have to be translated into monetary terms before Mr Hawtrey will admit that they are satisfactorily explained. In essence, the theory here put forward is an elaboration and an immense extension of the quantity theory of money.

This simple diagnosis of all economic ills is defended with all that attractive subtlety in argument of which Mr Hawtrey is an acknowledged master; but it may be that these premises will find fewer adherents than the practical conclusions which are drawn from them. Even if it is not possible to do quite everything by means of credit control that Mr Hawtrey would like to see done, it is certainly possible to do a good deal more than has been done in the past, and the chapter (v.) on the Federal Reserve System, besides being a very lucid explanation of a difficult subject, is a devastating piece of criticism. "We want to stabilise prices," says Mr Hawtrey (p. 137); there are, perhaps, two sides even to that question; but "the whole world has been plunged into the most appalling distress for nearly two years by the strain of raising the commodity value of the dollar 80 per cent." (p. 123), and that is a degree of instability which is intolerable, and which could have been avoided by a better control of credit.

But "in the control of credit what is needed, above all, is prompt action" (p. 118). It is necessary, in fact, to intervene before the event, if action is to be effective. The authorities must "anticipate, and as far as possible prevent, any movement from the normal," for "every disturbance from the normal, whether towards expansion or towards contraction, tends to magnify itself unless quickly checked by the appropriate rise or fall in the discount rate" (p. 123). Similarly, "once a high discount rate has become deterrent at all, it tends to grow more and more deterrent" (p. 111). What is required, therefore, in Mr Hawtrey's view is a discount policy which will strike once, at the psychological moment, and then desist. His criticism of past action is that the right thing was done at the wrong moment, and then done too persistently.

Having proceeded thus far by way of diagnosis and destructive criticism, Mr Hawtrey has the courage to conclude with positive and practical proposals for the future. His soaring ambitions inspired the Genoa Resolutions on Currency, which, having been unanimously adopted, "may therefore be regarded as the united voice of the Governments of Europe"! Within a week or two it will be 12 months since the Conference assembled; but the Conference of Central Banks has not yet taken place, and the American exchange is still some way from parity, and the gold exchange standard for Europe is a dream. One need not be discouraged; for, in the meantime, the credit cycle has moved on and carried us through the first stage of a new upward swing. The psychological moment is perhaps at hand, when either the efficacy of credit control will be put to the test, or the impossibility of imposing it on the trading community will be demonstrated.

One detailed criticism, in a question of fact and not of opinion, may perhaps be permitted. A trader covers himself against exchange risks in the forward exchange markets; does he thereby "merely pass on the risk to the dealers in this market?" (p. 8).

ITALY EMERGENT.*

This pamphlet of 71 pages, issued for the recent meeting in Rome of the International Chamber of Commerce, opens with a glowing description of the effects of the policy of the Mussolini Government and closes with an interesting sketch of its aims. They consist in encouraging private enterprise, by grants in aid of reconstruction in the war

* "A Brief Survey of Italy's Economic Condition." (Rome) International Chamber of Commerce, Italian Section, 1923.

zone, and of reclamation works elsewhere. (It even purports to abolish the State monopoly of life insurance, enacted in 1913.) It is striving to promote emigration—the decline of which confronts it with grave economic difficulties—to simplify taxation, to open up foreign markets by commercial treaties, to reorganise railway traffic, to electrify the lines, and to lighten the duties on food. The economic outlook is, on the whole, encouraging. Agriculture is nearly normal again, even as regards livestock in the devastated regions, and the replacement of maize and rice by wheat in the dietary of the peasants indicates a rise in the standard of life. In the textile industry cotton and jute have almost recovered, and nearly all the wool used is prepared at home. The most hopeful feature is the great development of hydro-electric power, which will soon exceed all that derived from the pre-war import of coal, while the reservoirs provided will also extend irrigation in the midlands and the backward south. The authors lay stress on the great resources of Italy and on the frugality and thrift of her people. It is in the development of these, and not of those manufactures which suffer from "insufficient Customs-protection," that her way to prosperity will be found.

BOOKS RECEIVED.

- Whither France? Whither Europe?* By Joseph Caillaux. (London) T. Fisher Unwin, Limited. 10s.
Trade Unionism and Munitions. By G. D. H. Cole. (Oxford) Clarendon Press. 7s 6d net.
Currency and Credit Before and Since 1914. By Hubert Blake. (London) Elingham Wilson. 2s 6d.
Petite Histoire Financière de l'Ancien Régime. Par Etienne Martin. (Paris) Librairie Félix Alcan. 5f.
La Politique Monétaire Anglaise d'Après-Guerre. Par George-Edgar Bonnet. (Paris) Recueil Sirey. 10f.
Exchange Rates of the World, January 1, 1914-December 31, 1921. Vol. II. (Christiania) Økonomisk Literatur, Klingenbergsgaten 9.
The Colliery Year-Book and Coal Trades' Directory, 1923. (London) The Louis Cassier Company, Limited. 21s.

The appearance of the first issue of the *Colliery Year-Book and Coal Trades' Directory, 1923*, is welcome. Here we have in a concise form not only data and statistics, which alone will be found of considerable value, but a useful survey of the industry as it is to-day.

The main feature of the book is a complete list of all the colliery owners of the kingdom arranged alphabetically, giving detailed information regarding each proprietor, such as names of mine owners, directors, managers, number of men employed, &c.

Banks and Banking, with Considerations of the Function of Credit and Currency. (Montreal) Canadian Bankers' Association.

Insurance by Industry Examined. By Joseph L. Cohen. (London) P. S. King, Limited. 5s.

Report for the Year ended February, 1923. (Manchester) Manchester Association of Importers and Exporters.

Nitrate Facts and Figures, 1923. Compiled by A. F. Brodie James. (London) Fred. C. Mathieson and Sons. 5s. net.

Stabilizing the Dollar. By Irving Fisher. (New York) The Macmillan Company.

Reprinted from "The Stabilisation of Business."

Retail Prices, 1913 to December, 1921. (Washington) Government Printing Office.

New Map of Ireland. "Imperial" Series. (London) George Philip and Son, Limited. 6s net.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET.
May 2.

ACCOUNT.
May 3.

THE effect of the Budget has been to make Stock Exchange markets better as a whole, and to give a fresh fillip to the investment departments. In addition, industrial shares have sprung into further favour, on the idea that the halving of the corporation tax and the reduction of the income-tax will make a useful contribution to their profits. At the same time, trade and industry are not recovering at a sufficiently rapid rate to cause any noticeable withdrawal of capital into commercial channels. The net result of the week is a long list of rises, many of them substantial, in most of the markets round

BARCLAYS BANK LIMITED.

Head Office: 54, Lombard Street, London.

AUTHORISED CAPITAL £20,000,000
 ISSUED CAPITAL £15,592,372
 RESERVE FUND £8,250,000
 DEPOSITS (31/12/1922) £303,185,535

FOREIGN EXCHANGE TRANSACTIONS ARRANGED.

CHIEF FOREIGN BRANCH:
 168, Fenchurch Street, London, E.C. 3.

the Stock Exchange, the foreign bond market and that for mining shares being amongst the few which have not benefited from Mr Stanley Baldwin's proposals.

New South Wales is issuing a new loan for £6,000,000 in 4½ per cents. at 94. The underwriting was rapidly subscribed.

The War Loan will be quoted ex dividend next Wednesday night, when £2 10s clear is deducted from the price. This has served, in conjunction with the Budget, to bring about a further improvement in the price. Victory bonds have spurred sharply. Numbers of British Government stocks, Home Railway pre-ordinary, and Indian railway stocks, Colonial issues, and Corporation bonds show rises on the week. Nor do these advances reflect in every case the real strength of the market, which rests in the fact that buyers are only too anxious to get the offer of stock, but find that there is little to be obtained.

The foreign market is slightly overcast by the fall in the French exchange, and French issues, after being fairly firm at the beginning of the week, went back a little within the last day or two. In Germany there is nothing doing. Brazilians are mostly higher. Chileans and Argentines remain steady, some of the loans being better. The principal feature in this market has been a violent rise in Rio Tinto, though the best price was not maintained. Paris bought largely, and other copper shares improved in sympathy.

Home Railway stocks presented a very firm front until the carry-over showed that there is something of a bull account in the popular descriptions. This disclosure had a moderate effect upon the prices. Optimism still talks of good dividends being declared on the deferred stocks of the North-Eastern and Southern groups, early days though these may appear for making such estimates. Canadian Pacifics have gained several dollars. Argentine Railway stocks show robust strength on dividend anticipations. Brazilian Railways have moved but little. Nitrate railways and nitrate-producing shares display an improving tendency.

The price of raw rubber has fallen back again, and the market in rubber shares is consequently stagnant. Activity continues in the oil market amongst such shares as those which have recently become popular as speculative counters. Of the others, Burmahs are decidedly higher, on the impression that the strike on the company's properties is on the point of settlement. The shipping market is inclined to be heavy, the Cunard report being regarded as disappointing. Banking shares, home, colonial, and foreign, have moved up steadily day by day, and the rises in insurance shares have been continued. The iron and steel market, with armament shares, leans to the firmer side, and Babcock and Wilcox enjoyed a sharp rise on the dividend and bonus declaration. The feature of the week amongst industrials has been the activity in tobacco shares, the prices of which spurred strongly, Imperials going ahead on renewed bonus talk, and British Americans being taken for New York. Courtaulds enjoyed a good deal being taken for New York. Courtaulds enjoyed a good deal being taken for New York. Courtaulds enjoyed a good deal being taken for New York.

Quiet conditions prevail in the Kaffir circus. The Cape has been doing very little, and London, if anything, rather less, the only interest in Kaffirs emanating from the provinces, whose business is, after all, comparatively slender at the present time. Nor is there any marked activity in Rhodesians, though Chartered developed strength. Diamonds have been good, De Beers more particularly, thanks to dividend hopes. To the rise in copper shares reference has been made already. Other mining markets are uninteresting, that for tin shares, for instance, being dull by reason of the lack of elasticity in the price of the metal. The introduction of a new silver share, the Keeley, was effected last Monday, and the price, after opening about 9s 9d, went back to 8s 6d towards the latter part of the week.

The Stock Exchange annual meeting of proprietors was held early this week. The satisfaction of the shareholders is best expressed by reference to the fact that the proceedings lasted just eight minutes.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded ..	£ 88,375,812	..	..	..
ISSUES OF THE WEEK—				
4 % Treasury Bonds, 1931-33 (by tender, April 13, 1923), £2,000,000 at 95½ ..	..	1,903,750	..	..

NATIONAL SAVINGS CERTIFICATES.

NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED APRIL 14, 1923.

	£	250,000	250,000
April 1, 1923, to April 14, 1923, £250,000 ..	250,000	..	250,000

To the Public—				
Porcupine Goldfields Development and Finance Co. 250,000 Shares at par (April 16)	250,000	..	250,000	.. 31,250 .. 218,750
Booth's Distillery, Ltd., £500,000 6 % Red. Debs. (red. by ann. dwgs. at 102½, 1924-48), iss. at 99 (April 16) ..	500,000	..	495,000	.. 50,000 .. 445,000
Dorman, Long, & Co., £3,500,000 5½ % 1st Mt. Deb. Stk., at 95½, red. at par May 1, 1923. Less the redemption of £387,500 5½ % Debs., to be repaid out of proceeds of this issue (April 17) ..	3,112,500	..	2,937,500	.. 311,250 .. 2,626,250
Tolgu Mines, Limited, 480,000 Shares, 5s, at par (April 17) ..	120,000	..	120,000	.. 12,000 .. 108,000
Cardiff Gas Light and Coke Co., £125,000 Cons. Ord. Stk., at par (April 17) ..	125,000	..	125,000	.. 12,500 .. 112,500
Patani Para Plantations, 861,500 Ord. Shares, 2s, at par (April 18) ..	86,150	..	86,150	.. 10,758 .. 75,382
Lambak Rubber, 145,000 Ord., £1, at par ..	145,000	..	145,000	.. 18,125 .. 126,875
Horne Brothers, Limited, 550,000 7 % Cum. Prt., £1, at par (April 23) ..	550,000	..	550,000	.. 68,750 .. 481,250
Total offered to public ..	..	4,708,650	..	514,643 .. 4,194,007
To Shareholders only—				
Alliance Trust, 50,000 £2 Ord. Shares, at £4 12s 6d ..	100,000	..	231,250	.. 231,250 ..
Cordoba Copper, 800,000 2s Shares, at par ..	80,000	..	80,000	.. 20,000 .. 60,000
Rhodesia Broken Hill Development, 840,000 Shares, 5s, at par ..	210,000	..	210,000	.. 84,000 .. 126,000
S. A. Proprietary, 300,000 Pref. Ord., 5s, at par ..	75,000	..	75,000	.. 3,750 .. 71,250
Southborough Electric Supply, £20,000 9 % Deb. Stk., at 95½ ..	60,000	..	57,000	.. 6,000 .. 54,000
Yorkshire Electric Power, 250,000 Shares, £1, at 23s ..	250,000	..	287,500	.. 62,500 .. 225,000
Total offered to shareholders only ..	..	940,750	..	407,500 .. 533,250
Total offered for subscription to date ..	..	..	..	..
1923 ..	£96,178,962	1922 ..	£87,875,812	
1921 ..	370,854,521	1921 ..	388,979,204	
1920 ..	76,241,145	1920 ..	367,549,024	
1919 ..	158,428,705	1919 ..	1,036,049,082	
1918 ..	314,038,342	1918 ..	1,285,301,461	
1917 ..	528,404,110	1917 ..	1,318,594,007	
1916 ..	877,855,178	1916 ..	585,435,553	
1915 ..	180,187,131			

Dorman, Long, and Co., Limited.—Authorised capital £7,500,000, divided into £1,500,000 8 per cent. non-cumulative preference shares and £6,000,000 ordinary shares, all of £1 each, and all issued and fully paid. Outstanding loan capital consists of £400,000 4 per cent. first mortgage perpetual debenture stock and £387,500 5 per cent. sinking fund mortgage debentures. The latter are to be repaid out of the proceeds of the present "offer for sale" of £3,500,000 5½ per cent. first mortgage debenture stock at 95, to be redeemed at par on May 1, 1923, or at 102 per cent. on or after May 1, 1943. These debentures will be secured as a first specific mortgage or charge on substantially the whole of the fixed assets of Dorman, Long, and Co., Limited (including those of its subsidiary companies which are to be liquidated and their assets transferred), except certain property of a book value of approximately £1,100,000, which is specifically mortgaged under the perpetual debentures. The trust deed will provide that further issues of debenture stock ranking *pari passu* with the new debentures may be made, but that the total, including the £3,500,000 now offered, shall at no time exceed 50 per cent. of the issued and paid-up capital. Freehold and leasehold land, buildings, minerals, fixed plant and machinery, less depreciation, are valued at £7,986,379, so that, allowing for the existing charge, the first mortgage security seems attractive. Net assets, including £3,125,000 proceeds of the present offer, are valued at £11,443,736. Profits are given for the past 10 years. Besides the redemption of the 5 per cent. debentures, the proceeds of the present offer will be applied to paying off outstanding funded debt of subsidiaries, and repayment of a loan of £918,475 by the Treasury incurred for extension of the company's works. The vendors are paying 9½ per cent. for this stock, and in turn are paying 1½ per cent. on derelicting commission and ½ per cent. overriding commission. This is a good industrial debenture, and was quickly oversubscribed.

Horne Bros., Limited.—Authorised capital £1,000,000, divided into 550,000 7 per cent. cumulative preference and 450,000 ordinary shares, all of £1 each. This is an issue of 550,000 7 per cent. preference shares at par. The business of

Horne Bros., retail hosiers, &c., was founded in 1885, and it has been developed in a progressive spirit. Profits are only given for 1920, 1922 and 1923, however. For 1921 a loss of £133,924 was made. Assets are valued at £986,336, but this sum includes £170,792 for goodwill, &c. Liabilities amount to £36,336, leaving net assets valued at £950,000. The purchase price has been fixed at this amount, and is payable as to £450,000 by the allotment of all the ordinary shares and as to £500,000 in cash. This is a clear and informative prospectus, and if the efficient administration of the business is maintained, there is no reason why the company should not continue its prosperous career.

Booth's Distillery, Limited.—Authorised share capital £520,532, divided into 19,525 5 per cent. cumulative preference shares of £10 each and 500,434 ordinary shares of 13s each, of which 377,400 are issued and fully paid, the total issued share capital being, therefore, £440,560. The authorised loan capital is £500,000, consisting of 6 per cent. debentures, the whole of which is now issued at £99 per cent. These debentures are to be redeemed by drawings at £102 per cent. on or before April 1, 1928, the company reserving the right to pay off at £105 per cent. at any time after October 1, 1928. The debenture stock will be secured by a trust deed constituting a first mortgage upon the freehold distilleries and other properties of the company, and by a floating charge upon other assets. Surplus assets are valued at £976,580, after adding the proceeds of the present issue and after paying off a bank loan of £289,892, and providing £135,000 for redemption of existing debentures. The value of properties as shown by a statement of assets and liabilities at December 31, 1922, is given as £201,641. Thus the first mortgage security is not very attractive. Amongst other assets, we notice goodwill, trade-marks, and licences, valued at £150,000. Profits are given for five years before deducting certain charges, which include interest paid to debenture-holders, bankers, and depositors. We recognise that a sound 6 per cent. debenture in a prosperous industrial undertaking in these days is difficult to obtain, but this investment does not appeal to us.

The Porcupine Goldfields Development and Finance Company, Limited.—Authorised share capital £1,000,000, divided into £1 shares, of which 475,000 are being issued and 525,000 may be issued later. This is an issue of 250,000 shares at par. This company has been formed by the National Mining Corporation and New Consolidated Gold Fields, mainly to secure the right to acquire and develop mines in the Porcupine Goldfield of Ontario and in other mining districts of Canada. The prospectus states that "the consideration payable for the transfer of 90 per cent. of the share capital of the British Porcupine Development Company, Limited, which capital consists of 50,000 ordinary and 100,000 deferred shares, is as follows:—With regard to two-ninths of such shares, £50,000 in cash, being at the rate of £5 for each two ordinary and £5 for each four deferred shares. With regard to the remaining seven-ninths of such shares, the allotment of five fully-paid shares of this company for each two ordinary or four deferred shares. Prudential Trust Company, Limited, will subscribe and pay, or find subscribers who will pay in full at par for 50,000 shares in this company (The Porcupine Goldfields Development and Finance Company, Limited), being the equivalent of the cash proportion of the price payable as above." Gold-mining is a useful industry, but as investment propositions the pitfalls are proverbial.

Cardiff Gas Light and Coke Company.—Authorised capital is £957,000, of which £629,723 has been issued and paid up as follows:—4½ per cent. preference stock, £96,410; consolidated ordinary stock, £501,860; premiums obtained on issues, £31,453. Loan capital issued amounts to £308,860, divided into £51,000 5 per cent. and £20,000 4 per cent. perpetual debenture stocks, and £237,860 7½ per cent. debentures, which are to be redeemed in 1931. Present issue is £125,000 consolidated ordinary stock at par. The company owns 256 miles of main and supplies, 46,089 consumers, and figures are given showing that demand for its gas has increased by 420,000,000 cubic feet in the past 10 years. Its total reserves—reserve fund, special purposes fund, and depreciation fund—amount to £75,694. Profits are given for 1922, when the amount available for dividends and co-partnership bonus was £42,533. Six per cent. was paid on the consolidated stock for that year. The company, it is stated, has expended considerable sums on extending its mains and plant, these works being financed by its bankers, who are to be repaid out of the present issue. The ordinary stock will have a fairly reasonable margin of profits available for distribution, and the investment is worthy of consideration, although we notice that the stock is quoted only on local Stock Exchanges.

Fred. W. Millington (1920), Limited.—Authorised capital is 250,000 6½ per cent. (tax free) cumulative preference shares and 500,000 ordinary, all of £1 each. All the preference shares have been issued, and £269,455 of the ordinary. The company, incorporated in 1920, paid in cash £225,051 for the business of F. W. Millington, Limited, which in turn was incorporated in 1903, as importers and exporters of cotton, woollen, and silk goods. There was paid £134,400 for a con-

trolling interest in James and Thomas Alexander, and £125,000, both in cash, for the whole interest in Henry Reid and Son, Limited, both at Dunfermline. Directors are authorised to borrow up to nominal amount of capital, and £60,000 has been borrowed, £20,000 secured by a first mortgage at 5½ per cent., and £40,000 by a second mortgage at 6 per cent. From 1914 to 1919 the old company paid dividends of from 10 to 20 per cent., but in 1920 nothing was paid, in 1921 there was a loss of £48,000, stated to be due to depreciation of stocks, and last year the accounts showed a profit of £33,885. These particulars are taken from an announcement made to comply with Stock Exchange regulations, but investors will require more detailed information before interesting themselves in the firm.

Lambak Rubber, Limited.—Authorised capital £200,000, divided into shares of £1 each, of which 145,000 are now issued at par. Of this issue 41,250 have already been applied for. The company has been formed to acquire a rubber estate known as Jee Hong Seng Estate, in Central Johore. The planted acreage comprises 2,460 acres, of which 1,134 acres are over six years of age. The purchase price is payable in cash, and is fixed at £88,280, plus £2,040 "paid by the vendors in respect of commission." This works out at £37 per planted acre. The estate is valued at £130,254, and the net value, "after deducting £40,132 in respect of estimated capital outlay to bring the existing planted area to maturity," at £90,122. A fairly promising speculative proposition.

Southend Gas Company.—Authorised capital £555,623, of which £381,048 has been issued and paid up as follows:—Ordinary shares, 5 per cent. standard dividend, £149,602, "B" ordinary stock £166,000, redeemable 7 per cent. preference stock £45,000, premiums (not entitled to dividend) £20,446. The company has redeemed £3,609 of this issued capital. Loan capital issued consists of £90,530 4 per cent. perpetual debenture stock. There is now offered for sale by tender £40,000 5 per cent. perpetual debenture stock, at a minimum price of £97 10s per cent. An agreement has been entered into by the company to acquire the gas undertaking supplying Leigh-on-Sea from the Corporation of Southend-on-Sea. The new capital is being raised for extensions of works, mains, &c. Net revenue last year was £50,863, and as the interest on loan capital, including that being offered, will only require £5,621, there is ample margin in this direction. Accumulated funds, including £8,139 of undivided profit after payment of December dividends, amount to £20,829. The area supplied by the company has increased in population considerably of recent years, and consumers have increased from 13,718 in 1910 to 22,211 in 1922. At the minimum price this is a good investment in its class, but regard should be paid to the narrow market for so small an issue.

Tolgus Mines, Limited.—Authorised capital £200,000, divided into 800,000 shares of 5s each. Of this number, 220,000 shares have been already issued, and 480,000 shares are now offered to the public at par. The company was formed in 1919 to work tin mines at Redruth, Cornwall. It is now proposed to sink a new shaft, the cost of which is estimated at £80,000. The property is held under grant for 21 years at a royalty of 2½ per cent. on gross ore values realised. The price paid to East Pool and Agar for the licence to work the Tolgus Mines was £1,000 in cash and £30,000 in fully-paid shares. The East Pool Company also agreed to subscribe for 24,993 shares at par, which have been allotted. An agreement has been entered into between the company and East Pool and Agar, Limited, the latter company agreeing to underwrite 360,000 of the shares now offered for a commission of 7½ per cent., and an overriding commission of 2½ per cent. Evidently the directors take an optimistic view of the future of the Cornish tin industry. Only those who share this view will, we presume, participate in this speculative enterprise.

Patani Para Plantations, Limited.—This new company has an authorised share capital of £100,000, divided into 1,000,000 shares of 2s each, of which 801,500 are now offered at par. The directors are sub-underwriting 210,000 shares, and four of the five are directors of other rubber companies. The company has been formed to acquire the Thyie Aik rubber estate in the State of Kedah, 11 miles from Sungai Patani, a town which is 24 miles from the port of Penang. The area of the estate is about 2,146 acres. At present the title to the greater portion of the land consists of provisional grants, but it is stated new grants in perpetuity are about to be issued. The annual rent is \$3,027 45c, subject to increase not exceeding 50 per cent. every 15 years. The total planted acreage is 2,020, of which 1,350 were planted during 1915, and the rest between the end of 1918 and beginning of 1921. The purchase price is £65,500, of which £5,850 is payable in fully-paid shares of the company, the remaining amount we presume being payable in cash. It is estimated that the yield in 1923-4 will be 300,000 lbs, rising to 383,640 lbs in 1927-8, and that costs will decrease from 29 cts to 20 cts in the same period. As far as one can judge, the report on the estate has been carefully prepared, and the issue seems to be as promising as the majority of its class.

ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Price Week.	Latest Price.	Rise or Fall.		Price Week.	Latest Price.	Rise or Fall.
War (3½%, 1925-28)	95½	95½	—	Aust. 6% 1931-41	105	105	—
Loans (4%, 1925-45)	99½	99½	—	Canada 4½% 1920-25	102	103	+1
4%, 1929-42	103½	103½	—	India 3½% Stock	70	70	—
Funding Loan 4%	91½	91½	—	Do 7½% 1926-31	103	103	—
Victory Bonds 4%	93½	93½	—	Do 5½% 1932	103½	103½	—
Conversion Loan 3½%	79½	79½	—	N.S.W. 5½% 1922-32	100½	100	—
Consols 2½%	59½	59½	—	Nigeria 6% 1949-79	114	114	—
Irish Land Stock 2½%	63	62½	—	U. of S.A. 6% 1930-40	105½	105	—
Local Loans 3%	68½	68½	—	Victoria 5½% 1924-34	101	101	—
				W. Aust. 6% 1930-40	105	105	—

Banks.

Barclays B. (£1, f.p.d.)	22½	22½	—	Nat. Bank of S. Africa (10)	9½	9½	—
Chartered Bk of India	19½	20	+½	Nat. Prov. & Union of England (£20, with £4 paid)	10½	11½	+½
Lloyds (£5 with £1 paid)	21½	21½	—	Standard of S. Africa (£20, with £5 paid)	12½	12½	—
London Joint City & Midland (£12 with £2½ paid)	8½	8½	—	Westminster B. & C. (£20, with £5 paid)	17½	18½	+½
Nat. Bank of Egypt (£10)	21½	21½	—				

Colonial and Foreign Railways.

Antofagasta Cons.	83½	83	—	Leopoldina	31½	33	+½
B.A. and Pacific	84½	85½	+½	Mexican Railway	14	14	—
B.A. & Gt. Southern	87	89½	+½	Do 1st Pref.	42	42	—
Buenos Ayres West.	84	86½	+½	Do 2nd Pref.	27	27	—
Canadian Pacific	161	169	+8	San Paulo	137	137½	+½
Central Argentine	75½	76	+½	United Havana	72	72½	+½

Foreign Government Securities.

Argentina 5%, 1886-7-100	100	100	—	Japanese 4½%	100	100	—
Belgian 3%	67	68	+1	Do 4½% 1910	73	75	+2
Brazil 5% Fund., 1914-73	74	74	—	Mexican Cons., 1899	62	61	—1
Chilian 4½%, 1895	81½	82	+½	Peruvian Corp. Pref.	32	32	—
Do 7½%	107½	107½	—	P.L.M. 6%	90	89	—1
Chinese 5%, 1912	75½	75	—	Portuguese (New)	31	31	—
Egyptian 4%	73½	73½	—	Russian 5%, 1906	10	10	—
French 5%	230	229	—	Spain 4½%	74½	74½	—
Do 4%	224	224	—	Siam (1907) 7%	101	101	—
Greek 4%, 1884	39½	41½	+2	Siam 7%	108	103	—

Telegraphs.

Anglo-American "A"	22½	22½	—	Marconi Canada	4½	4½	—
Marconi Wireless	2½	2½	—	Marconi Marine	1½	1½	—

British Railways.

Great Western, Ord.	115½	115	—	Southern, Ord. "A"	39½	40	+½
Do Def.	87½	87½	—	Do "B"	14	14	—
London & North-Eastern	87½	87½	—	Do Pref. Ord.	86½	87½	+½
5% Pref. Ord.	87½	87	—	Do Def. Ord.	41½	42	+½
Do Def. Ord.	368	374	+½	Underground Electric (£10)	3½	3½	—
London, Mid., and Scottish, Ord.	115	115	—	Do "A" (1)	48	48	—
Metropolitan	68½	68½	—	Do Inc. Bds. (£100)	97½	97	—
Metropolitan District	53½	55	+½				

American Railroads.

Chesapeake & Ohio	75	77	+2	Southern	35	36	+1
Prie.	13	13	—	Do Non-cum Pref.	72	72	—
Do 4½ 1st Pref.	19	20	+1				

Miscellaneous.

Aerated Bread (£1)	1½	1½	—	Imperial Tobacco (£1)	4½	4½	—
Amal. Cottons (£1)	4½	4½	—	Linggi Plants (£1)	1½	1½	—
Anglo Persian Oil (£1)	4½	4½	—	Lipton (£1)	1½	1½	—
Armstrong (Sir W.G.) and Co. (£1)	1½	1½	—	Lever Bros. 7% Cmp (£1)	1½	1½	—
Ass. Plind. Cement (£1)	1½	1½	—	Do 8% Cn A Prt (£1)	1½	1½	—
Barker, John (£1)	2½	2½	—	Do 20% Cmp Prt (£1)	1½	1½	—
Bhamo Small Arms (£1)	2½	2½	—	Lister (£1)	1½	1½	—
Brazil Traction (£100)	52½	54	+½	Lobitos Oilfields (£1)	6½	6½	—
British-American Tobacco (£1)	4½	4½	—	Lyons (J.) & Co. (£1)	4½	4½	—
Burmah Oil (£1)	5½	5½	—	Masagi Roda (£1 Ord.)	1½	1½	—
Coats (J. and P.) (£1)	3½	3½	—	Mexican Eagle (£10)	1½	1½	—
Contraulda (£1)	1½	1½	—	Pekin (2½)	1½	1½	—
Cornwall (£1)	1½	1½	—	Rubber Plantations Investment (£1)	1½	1½	—
Corman, Long (£1)	1½	1½	—	Shell Transport (£1)	1½	1½	—
Dunlop Rubber (£1)	1½	1½	—	Smithfield & Argentine Meat (£1)	1½	1½	—
Fine Cotton Spinners (£1)	2½	2½	—	United Dairies (£1)	1½	1½	—
Forestral Land (£1)	1½	1½	—	United Serdang (2½)	1½	1½	—
Furness, Withy (£1)	1½	1½	—	United Tobacco (£1)	2½	2½	—
Highlands and Lowlands Rubber (£1)	2½	2½	—	Vallambrosa (2½)	1½	1½	—
Hudson's Bay (£1)	7½	7½	—	Vickers (£1)	1½	1½	—
				Watney Def. Suk.	131	132	+1

Mines.

Brispan (£1)	3½	3½	—	Knights	3½	3½	—
Broken Hill Prop. (8)	14½	14½	—	Modderfontein (10)	3½	3½	—
Chartereds (£1)	1½	1½	—	Modderfont. "B" (5)	1½	1½	—
Cons. Gold Fields (£1)	1½	1½	—	Modderfont. Deep (5)	2½	2½	—
Crown Mines (10)	2½	2½	—	Premier Def. (2½)	7½	7½	—
De Beers Def. (£2½)	15	15	—	Rand Mines (5)	2½	2½	—
East Rand Prop. (£1)	3½	3½	—	Selukwe	1½	1½	—
Geduld (£1)	3½	3½	—	Rio Tinto (25)	35	40	+5
Gov. Gold Areas (£1)	5½	5½	—	Spring Mines (£1)	2½	2½	—

OIL OUTPUTS.

UNITED BRITISH OILFIELDS OF TRINIDAD, LIMITED.—Combined production for the week ending Wednesday, April 11, 1923, amounted to 777 tons.

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

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash. * Interim div.	Date of Payment.	Method of Payment.	Dividend for Whole Years.	Pre- Year.
Banks.					
Bank of Adelaide	3%	June 1	..	10	10
Canadian Bank of Commerce	5%	May 1	Tax free	..	..
English, Scottish, and Australian	5%	May 1	Tax free	..	..
London and Brazilian	10/ p.s.	..	Less tax	20/ p.s.	10
National of Australasia	3%	June 1	..	6	8
Rotterdamse Bankvereeniging	9 p.s.	..	..	14/ p.s.	14/ p.s.
Royal of Canada	3%	..	..	7/ p.s.	7/ p.s.
Yokohama (fully paid)	4/6 p.s.	..	..	..	..
Do (part paid)	4/6 p.s.	..	..	..	..
Railways.					
Baris Light	5%*	April 19	..	7½	5
San Paulo (Brazilian)	5%	May 3	Tax free	..	..
Taitai	3/ p.s.	May 3	Less tax	..	..
Insurance.					
Alliance	8/ p.s.	July 5	Less tax	14/ p.s.	14/ p.s.
General Accident	15%†	..	..	25	25
London	..	..	..	30	28
Scottish Union & National "A"	..	..	Less tax	8/ p.s.	6/ p.s.
Do "B"	..	..	Less tax	30/ p.s.	22/ p.s.
Mining.					
Alaska Goldfields	7½ p.s.	April 21	Tax free	..	..
Anglo-Continental	..	..	Less tax	10	nil
Broken Hill South	1/6 p.s.	May 25	..	25	25
Central Provinces	15%†	..	Tax free	..	..
Gold Fields Rhodesian	6d p.s.	May 17	Less tax 3/7 in £	..	..
Malayan Tin	1/ p.s.	May 15	Less tax 5/ in £	..	..
Mason and Barry	..	April 26	Less tax	37½	50
Premier Diamond, Delf.	300%	..	Less U.K. tax	..	..
Tea and Rubber.					
Amherst	12%†	..	..	7½	nil
Balmoral (Ceylon)	12%†	..	..	32	30
Bikam Rubber	..	..	Less tax 5/3 in £	7½	nil
Galaha Ceylon Tea	7½	..	..	12½	10
Hunagseria Tea	12%†	..	Less tax	15	15
Klanang Produce	5%	May 3	Less tax 5/3 in £	20	6
Malaysa Co.	5%	May 3	Less tax	5	5
Merton Syndicate	10%†	..	Less tax	25	25
Mount Vernon (Ceylon) Tea	5%*	April 30	Less tax 5/ in £	22	18
North Labis Rubber	15%†	..	Less tax 5/3 in £	12½	12½
Nuwara Eliya Tea	10%†	..	Less tax	6	nil
Quah Ceylon Tea	..	..	Less tax 5/3 in £	5	nil
Punahale Rubber	..	..	Less tax 5/3 in £	10	nil
Pataling Rubber	7½†	..	Less tax	4	nil
Poomudi Tea and Rubber	7½†	..	Less tax	5	2½
Rambutan	7/8 p.s.	April 21	Less tax	7½	5
Rangoon Para Rubber	..	..	Less tax 5/3 in £	35	35
Rubber Estates of Johore	..	..	Less tax 5/3 in £	35	35
Sungai Karu Rubber	27½†	..	Less tax	5	..
Sunga (Sylhet) Tea, Pref.	5%*	April 25	Less tax	5	..
Sungla (Sylhet) Tea, Pref.	3%†	April 26	Less tax 5/3 in £	..	..
Other Companies.					
A.B.C. Compler	..	..	Less tax	5	..
Acme Tea Chest	5%*	..	Tax free	..	..
Alliance Investment, Delf.	11†	..	..	8	8
African City Properties	6%†	..	..	9	8
Alabama Coal, Iron, Land	..	May 4	Tax free	14 p.s.	20 p.s.
Ange's Nitrate	5%†	May 4	Less tax	10	15
Anglo-American Telegraph	15%†	May 1	Less tax 5/ in £	10	8
Asin Reed	9%	..	Less tax	90	16
Babcock and Wilcox	10†	..	(& bonus 3%) Tax free	7	6½
Bankers' Investment Trust, Delf.	1/6 p.s.	..	..	10	10
Bell's United Asbestos Co.	1/3 p.s.	..	Tax free	5	..
Benger's Food	19%	June 1	Quarterly	7½	nil
Birmingham Districts Power	5%†	May 11	Less tax	1	10
Brazilian Light	1/ p.s.	May 11	Tax free	8	10
Bristol United Breweries	..	..	Less tax	1/ p.s.	2/ p.s.
British L. M. Ericsson Mfg.	10*	April 26	Less tax	13 p.s.	..
Burton, Son, and Saunders, Delf.	7*	May 1	Tax free	5/ p.s.	8/ p.s.
Callard, Stewart, and Watt	..	..	Less tax	75	2/ p.s.
Castle, Telford and Brox.	..	..	Tax free	..	..
Cian Line Steamers	..	..	..	..	..
Cyprusdale Investments	..	..	..	..	..
Oranston's Tea Rooms	..	..	..	..	..
Dennis Brothers	..	..	..	..	..
D. Hill, Carter, and Co.	..	..	..	..	..
Edison Electric	..	..	..	..	..
English Electric	..	..	..	..	..
Ewart and Son	..	..	..	..	..
Gas Lighting Improvement	..	..	..	..	..
Goldsmiths and Silversmiths	..	..	..	..	..
Great Northern Telegraph	..	..	..	..	..
Hoppe Brothers	..	..	..	..	..
Humber Portland Cement	..	..	..	..	..
Hyam and Co.	..	..	..	..	..
J. B. Brooks	..	..	..	..	..
John Walsh	..	..	..	..	..
Kaminitisquia Power	..	..	..	..	..
Landonist, Delf.	..	..	..	..	..
Matthew Brown	..	..	..	..	..
Meadow Dairy	..	..	..	..	..
Mercantile Marine Finance	..	..	..	..	..
Montevideo Telephone Co.	..	..	..	..	..
Montreal Light, Heat, Cons.	..	..	..	..	..
Montreal Light, Heat	..	..	..	..	..
North London Brewery	..	..	..	..	..
Nordrach-on-Dee Sanatorium	..	..	..	..	..
North British Rubber	..	..	..	..	..
Northern American Trust	..	..	..	..	..
Olympic Portland Cement	..	..	..	..	..
Packing Material	..	..	..	..	..
People's Investment House	..	..	..	..	..
Reading Company	..	..	..	..	..
Richard Wheen and Sons	..	..	..	..	..
S. de Janeiro City Improve.	..	..	..	..	..
Salador del Carmen Nitrate	..	..	..	..	..
S. and W. Berisford	..	..	..	..	..
San Antonio Brewery	..	..	..	..	..
Scottish Ontario Land	..	..	..	..	..
Second Scottish Northern Inv.	..	..	..	..	..
Spillers Milling	..	..	..	..	..
Trust and Agency of Australia	..	..	..	..	..
U.S. and S. American Invest.	..	..	..	..	..
Val de Travers Asphalt	..	..	..	..	..
Vaterton and Sons, Delf.	..	..	..	..	..
West Canadian Collieries	..	..	..	..	..
Wharfedale Silkstone Colliery	..	..	..	..	..
Wright, Layman, and Olmley	..	..	..	..	..

COMPANY MEETINGS, &c.

UNITED ALKALI COMPANY, LIMITED.

PROSPECTS OF THE INDUSTRY—ENCOURAGING FEATURES.

INCREASE OF CAPITAL APPROVED.

The adjourned annual meeting of shareholders for 1921 and the annual meeting for 1922 were held, on Wednesday, the 18th instant, at Liverpool, Sir Max Muspratt, Bart., chairman of the company, presiding over a numerous attendance.

The Chairman said the directors were now able for the first time in several years to present accounts up to date. The disturbing element of uncertain incidence of taxation had been brought to a focus, and an estimate could be formed with considerable accuracy of the company's accumulated indebtedness. He was pleased to report that the final figure was well within the provisions made from time to time on taxation account, and on the cash side had been fully liquidated. The accumulation of the over-provisions under this head amounted to something over £100,000.

ACCOUNTS COMBINED.

The year 1920, which was the last for which accounts had been issued, was good, but that year marked the height of the trade boom, and had many elements of uncertainty—labour and the effect of the final settlement of excess profits duty, in particular—and then came the great slump in trade in 1921, followed by the coal stoppage and the adjustment of excess profits duty for seven years. 1921 was a truly disastrous year, and then came the slow, steady recovery in 1922. The directors believed that the average of these two years approximated to a reasonable survey of the position of the company, and hence the accounts were presented in a combined form.

PROFIT AND LOSS ACCOUNT.

In the profit and loss account it would be noted that taxation for two years was some £25,000 less than for the single year 1920, while head office expenses averaged £26,000 per annum less than in 1920. The gross profit was at the rate of £60,000 per annum less than 1920.

BALANCE-SHEET ITEMS.

In the balance sheet there were some large changes due to the adjustment of accounts over a period of years. The debts owing by the company were reduced by no less than £1,200,000. Of this the payment of accumulations of taxation accounted for a very large sum, but £273,000 was a book settlement of current accounts with the North American Chemical Company, in which the United Alkali Company holds a controlling interest.

The great reduction in debts owing had not been effected without a considerable increase in the company's bank overdraft, namely, of £164,000, to cover which, and an appreciably higher amount if necessary, debenture stock had been issued to the bank to the extent of £300,000 as collateral security.

RESERVE FUND.

The Chairman referred to the increase of the reserve fund by £350,000. Two special reserves, totalling £88,000, being war-time provisions not now required, had been absorbed into the general profits. On the property and assets side, after additions and sales had been taken into account, there was a reduction of £113,000 in book values, and the overburden account at the mines had been reduced by £17,000. Debts owing to the company were lower by £136,000, due to the lower rate of values, but consignments were increased by £33,000, as the company was doing a much increased business on these lines in several important overseas markets.

General investments were down by £262,000, representing War Loan and similar securities purchased to meet subsequent taxation, and realised when such taxation had to be met.

GENERAL POSITION.

Surveying the general position, an encouraging feature was the steady demand for the company's alkali in almost every market of the world, and this in spite of much strenuous competition from America and other countries, even those blessed with natural deposits. The home market had not been as expansive as could be desired, although signs of improvement were not wanting.

Referring to sulphuric acid, the Chairman said the position in all parts of the world was not satisfactory, and Great Britain was no exception. This adversely affected the company's mines and copper works, and was partly due to the grave depression in the iron and steel trade. An appreciable improvement might be expected as a result of the better conditions in those industries. The company

was fully equipped with every type of plant for every form of sulphur raw material to deal with the situation as it developed.

ORGANIC PRODUCTS.

In organic products last year was very disappointing. Accumulation of stocks through over-production at home and excessive imports from abroad, coupled with the grave slump in the textile industry caused almost the entire stoppage of dye production, but instead of disbanding their large staff of chemists in this department the directors had concentrated them upon research work, and as a result had several new developments which attracted great interest at the British Industries Fair. The demand in this branch was steadily improving, and was approaching a scale where reasonably profitable business could be looked for. It was of interest to note that whereas over 80 per cent. of the dyes used in this country were imported before the war, over 80 per cent. was now manufactured in this country, and the quality and range were constantly improving.

RELATIONS WITH LABOUR.

The relations with labour remained very cordial, and, by way of celebration of the centenary of the foundation in this country of the alkali industry, the directors proposed to supplement the existing pension scheme with a scheme of composite life insurance for manual workers and the lower-paid staff. They hoped this would further cement the good relations with their employees.

The Chairman, in conclusion, referred to the election of Dr Clayton, one of the directors, as representative of the Widnes Division in Parliament. For many years Dr Clayton had given wholehearted attention to the technical side of the business, and the improved position now recorded was in no small degree due to his services. The directors would miss greatly his daily regular attention. At the same time, modern conditions required at Westminster spokesmen of the great industries, and there could be no better informed representative of the chemical industry than Dr Clayton.

ALLOCATIONS AND DIVIDENDS.

The Chairman then moved that the report and statement of accounts to December 31, 1922, be received and adopted, and that, after transferring to debenture redemption account £15,000 in 1921 and £15,000 in 1922 and to reserve £76,000 10s 1d, the following dividends be and are hereby declared out of the profits which have accrued during the two years ended December 31, 1922, such dividends to be payable on May 1st.

On the £10 preference shares a dividend of 7s per share, less income-tax, making, with the interim dividends already paid, dividends at the rate of 7 per cent. per annum for the years 1921 and 1922.

On the ordinary shares a dividend of 2s per share, less income-tax, carrying forward £386,734 15s 9d.

Dr Clayton, M.P., in seconding, said the results of the reorganisation of the company's manufacturing processes had more than justified the venture, and the shareholders were to be congratulated on the improved value of their property.

Mr J. W. Harvie, a shareholder, expressed the view that a conservative valuation of the company's assets would reveal a recovery of a great deal, if not all, of the ordinary capital written off in 1913. They were grateful for the skilful way the chairman and directors had brought the company not only through the war, but through the subsequent and more difficult years.

The motion was carried unanimously.

Dr G. C. Clayton, M.P., Mr R. M. Bewick, and Mr. Holbrook Gaskell were re-elected directors.

INCREASE OF CAPITAL.

A subsequent extraordinary general meeting approved of the capital of the company being increased to £4,500,000 by the creation of 900,000 new ordinary shares of £1 each, the splitting up of the preference shares, and certain alterations in the articles of association.

On the motion of Mr C. F. Ratcliffe, seconded by Mr L. F. Pratt, a cordial vote of thanks was tendered to the chairman and directors. Sir Max Muspratt, in reply, said the directors had worked hard, and were delighted to be able to give such a good account of themselves.

NORWICH UNION LIFE INSURANCE SOCIETY.

GRATIFYING RESULTS OF YEAR'S BUSINESS.

HIGH INTEREST YIELD—LOW EXPENSE RATIO.

The one hundred and fifteenth annual general meeting was held at Norwich on Tuesday, 17th inst., when the president (Mr Haynes S. Robinson) submitted the report and accounts for 1922.

TRIBUTE TO MR DAVIDSON WALKER.

In the course of his remarks the President said: I have again the privilege to submit to you the results of a highly successful year, but before referring to the accounts will you allow me specially to notice the last paragraph of the report, referring to the approaching retirement of our esteemed general manager? Mr Davidson Walker came to us at the close of 1891 as second officer under the late Mr Deuchar, on whose retirement in 1910 he was appointed general manager and actuary. The following figures which have been got out for me show the progress, roughly, of the office during his official life with us.

PROGRESS OF THE OFFICE.

In 1891 the new business was just short of 1 million, funds were about 2 millions, and premium income under £200,000. In 1910, when Mr. Walker was appointed general manager and actuary, the new business volume had reached fully 4½ millions, funds were about 9 millions, and premium income £1,200,000. To-day the record for 1922 stands: New business, 7½ millions; funds, 20 millions; premium income, more than 2½ millions.

Such figures, indeed, show a record of hard work and excellent management. They speak for themselves, and need no comment from me. Last year Mr Walker, feeling the strain of business was telling on his health to some extent, and having also passed the age after which, by the rules of the office, he was entitled to retire, gave notice to the board of his intention to do so at the end of next month. He has given the office more than 30 years' continuous and devoted service, and I am sure we all trust he will have good health and happiness to enable him to enjoy his well-earned rest.

Though not really a matter for the report of 1922, I think I may announce now that the directors have decided to appoint Mr Lees, our secretary, to the vacancy caused by Mr Walker's retirement. He has been with us for nearly 18 years, and the board have every confidence in thus promoting him.

THE ACCOUNTS.

Coming now to the consideration of our accounts for 1922, I see from our records of a year ago that, after analysing the notable figures of our accounts for 1921, I for once committed myself to a rather bold statement. My exact words were: "If you add to these figures the consideration that the value of our investments—permanent and redeemable alike—stands on the basis of the market prices of December, 1920, which compare so unfavourably with those now ruling, I think you will agree that I am fully justified in describing the year 1921, viewed on its own merits alone, and without reference to the years immediately preceding it, or to those which may follow, as the most prosperous year the society has ever experienced during the 114 years of its existence."

RESULTS OF THE VALUATION.

When putting forward that claim, I had not yet in my knowledge the actual results of the private valuation which we are in the habit of making every year. These figures were available a few weeks later; they excelled even our most sanguine of estimates, and would have justified me in speaking unreservedly of the prosperity of the year as a record in the society's existence, even without taking into account the important item of improved market value of invested funds since December, 1920—an asset item to which the old adage, "Light come, light go!" might, perhaps, conservatively be held to apply!

SPLENDID RESULTS FOR 1922.

A chairman who refers to some specific year as being a record in the direction of prosperity always runs the risk of handicapping himself as against the day when he has to put forward the figures of the next 12 months—figures which, according to all the laws of average, are probably destined not to stand the test of comparison with such a high standard as that set up. Well, gentlemen, I am glad to be able to tell you at once, and quite emphatically, that I labour to-day under no such handicap. I have to acknowledge a slight doubt as to the strict truth to-day of the statement that 1921 is a record year, for the simple and most pleasing reason that the accounts we have now the satisfaction of placing before you point to a prosperity for 1922 at least up to the record standard of 1921. We have not yet quite concluded our private valuation for 1922, but even without that it is an easy matter on the figures now before you to arrive at the conclusion that in the matter of profit-earning the year 1922 has held its own even with its remarkable predecessor.

In the business of life insurance, as I have so often reminded you, profits accrue in normal conditions under three headings: (1) The earning of a rate of interest in excess of the scale on which the calculation of reserves as against liabilities is made; (2) a mortality experience more favourable than that of the valuation standard table of mortality; and (3) miscellaneous sources, such, for instance, as strict economy of management.

An analysis on these lines gives one a true view of the normal prosperity of the year. One other factor—an abnormal one—was, I am glad to say, much in evidence during both 1921 and 1922. I refer to the increase of the market value of invested capital, but for the reason I have already indicated this is not an item on which we are inclined to place too much reliance in connection with an analysis such as I am now bringing under your notice.

1921 FIGURES.

Of the three sources to which I have referred, the first is by far the most important, specially where an office such as ours is concerned, whose life and endowment insurance liabilities are reserved for on the assumption of a net interest-earning rate of only 2½ per cent. The difference between the latter rate and our actual earned rate for 1921 of £4 15s 8d per cent., after deduction of tax, was the key to our notable prosperity during that year. In addition, we had a specially favourable mortality experience—only 64 per cent. of expectation—and a reduction of almost 1 per cent. in the already moderate ratio subsisting between our expenses of management and our premium income.

CORRESPONDING FIGURES FOR 1922.

Now, coming to the corresponding figures for 1922, what are the facts? An interest yield of no less than £5 1s 3d per cent. after deduction of tax (5s 7d per cent. beyond the record of 1921), a mortality experience 69 per cent. of expectation (only 5 per cent. less favourable than the striking rate of 1921), and a still further reduction of nearly 1 per cent. in our expense ratio.

An elementary calculation will show you that on a fund of nearly £20,000,000 an interest-earning excess of 5s 7d per cent. represents fully £50,000 extra profit for the year, and on a premium income of fully £2,500,000 the further reduction of expense ratio involves a sum of about £20,000, which has to be reckoned with in any comparison between 1922 and 1921. On the other hand, there is only the one slightly less favourable factor—that of a mortality experience of 69 per cent., as against 64 per cent. Therefore, although one cannot speak with any degree of confidence until the figures of our private valuation are available, it certainly looks as if the prosperity record for 1922 would replace that already set up in the immediately preceding year. Anyhow, we can safely say that the two years taken together—the first two years of our current valuation period—constitute a record of prosperity previously unequalled in the 115 years' history of the society.

PRE-WAR COMPARISON.

By way of illustration of this gratifying state of matters it occurred to me to ask our general manager to let me have a similar profit-earning analysis for the corresponding two years of our latest pre-war valuation period. He reminded me that that was not, strictly speaking, possible, as we formerly made our valuations in the middle and not at the close of the year, as is now our custom. For practical purposes, however, the accounts of the years 1907 and 1908 may be taken as supplying the answer to my question, as these were the first two complete calendar years of our valuation period ending June 30, 1911.

The interest rate (less tax) for 1907-1908 worked out, the general manager tells me, at £4 3s 11d per cent., as against £4 18s 5d per cent. for 1921-1922, the mortality record was 76 per cent. of expectation, as against 66½ per cent., and the expense ratio of 1907-1908 was slightly higher than that of 1921-1922, notwithstanding that costs all round in pre-war days were on a very different footing from what they are to-day.

The significance of this comparative analysis would be incomplete if I failed to remind you that the profit distribution of June, 1911, was on an extremely satisfactory scale, taking rank among the best of the bonus declarations made round about that pre-war period even by the other mutual life offices of this country. The president, in concluding his remarks, referred fully to the excellent figures of the year's working—a new business of 7½ millions, after deduction of re-assurances, a fund increase of over £1,400,000, and a premium income now substantially in excess of 2½ millions.

VIEWS OF THE GENERAL MANAGER.

The general manager and actuary, in acknowledging a vote of thanks to the staff, proposed by the Lord Mayor of Norwich, said, with reference to his approaching retirement, that he felt satisfied no chief officer in the field of life insurance could ever have passed on the torch of general management with an easier conscience than himself. He based that statement on the certainty that no one in his position had ever previously had the right to say that the life and endowment insurance reserves of the office he served had

been set aside on the basis of a rate of interest less than half the net rate actually earned, that the mortality experienced was well established on a footing of two-thirds of expectation, and that asset values stood on a basis of strength corresponding to all that to-day is implied in the phrase, "market values of December, 1920." Incidentally, it was a further satisfaction to realise that, in the matter of magnitude of annual new business, fund expansion, premium income, and so forth, the society had for a good many years now stood head and shoulders above all the other offices in the country which did not engage in industrial insurance business.

LAW UNION AND ROCK INSURANCE COMPANY, LIMITED.

GOOD RESULTS—SATISFACTORY PROSPECTS.

The annual general meeting of the Law Union and Rock Insurance Company, Limited, was held, on the 10th instant, at the head office, 7 Chancery Lane, London, W.C.

Mr Charles G. Hamilton, chairman of the company, presided.

The secretary and actuary (Mr James Stirling) having read the notice convening the meeting and the report of the auditors, the Chairman said: Gentlemen, I presume you will take the report as read. (Agreed.)

In the life department the net new business amounted to £1,280,227. This is not quite equal to the new business transacted last year, but as has been pointed out by the chairman at several of the recent Life Insurance Company meetings, 1922 was a difficult year for life business, owing to commercial depression. Incomes fell, and with taxation remaining very heavy, it was not unnatural that people who in happier times would have insured their lives hesitated to increase their immediate outgoings by paying premiums for new life insurance policies. Taking these facts into account, I consider the results of last year as eminently satisfactory.

The net new premiums amounted to £45,425. The total life premium income was £630,066, and the total life funds, £9,005,577, an increase during the year of £156,468.

The expense ratio of the life department was 17.17, a decrease on the figure of 1921.

The claims by death were £510,797, an amount well within the mortality expectation.

The net rate of interest earned was £4 11s 9d per cent. This is a very satisfactory rate, bearing in mind that we base our calculations on an assumed net interest of only 3 per cent.

INVESTMENT OF FUNDS.

Owing to the recent appreciation in first-class Stock Exchange securities, it is getting difficult to invest our funds at so good a rate of interest as during the last few years, but if, as I hope, there should be a real revival in trade, money will be in demand. That means higher rates of interest will have to be paid, and investments may then have to be sold by those wishing to invest their moneys in commercial enterprises, so that opportunities may arise for insurance companies to invest their surplus funds at a satisfactory rate.

I should like to emphasise the fact that the net rate of £4 11s 9d per cent. has not been earned by speculative investments.

FAVOURABLE QUINQUENNIAL PROSPECTS.

As I told you at our last meeting, the prospects of a large surplus at our next quinquennial valuation at the end of 1924 are distinctly favourable. If during this year and 1924 we can escape serious depreciation in our investments, there must be a large surplus, and a with-profit policy in the Law Union and Rock is a policy that can confidently be recommended to every would-be insurer.

FIRE DEPARTMENT.

The figures in the fire department were most satisfactory. Our loss ratio was 43.13 per cent., and the expenses of every description 38.07 per cent. of the premium income. The profit, after putting aside 40 per cent. of the premium income for unexpired risks, was £86,305.

The premium income shows a small decrease of £14,336 on the figures of the previous year. This decrease is not surprising. The year 1922 was one of commercial depression, which caused a heavy fall in values, resulting in less fire insurance being required, and consequently a lower volume of premiums. The directors have added £50,000 to the fire reserve, bringing it up to £471,490, which is considerably in excess of the premium income. That constitutes a very strong position.

ACCIDENT AND GENERAL DEPARTMENTS.

The accident and general account results were also quite satisfactory. After adding £30,000 to the reserve fund, bringing it up to £107,721, £15,061 was carried to the profit and loss account.

PROFIT AND LOSS ACCOUNT.

That account, after payment of interest on debentures and dividends amounting to £74,628, closed with a balance of undivided profit of £333,244, some £8,000 less than the balance at the end of 1921, but, as already mentioned, the reserves in the fire and

accident and general accounts have been increased by £80,000 from profits.

In considering the profit and loss account, it must be remembered that nothing has been added to that account since the end of 1914 in respect of profit made in the life department.

CURRENT YEAR'S PROSPECTS.

The prospects of the current year are fair, and the decrease in the income tax will benefit the company materially.

Our association with the London and Lancashire has proved greatly to the advantage of the business of the Law Union and Rock, and also to the old shareholders, whose investment in the London and Lancashire shows a very substantial improvement.

I have now to move "That the report be received and adopted." Mr F. W. Pascoe Rutter seconded the motion, and it was carried unanimously.

The Chairman next moved "That, in accordance with the recommendation of the directors in their report now adopted, a dividend of 8s per share, less income-tax, be paid to the shareholders for the financial year ended December 31, 1923, the dividend to be payable as usual by half-yearly instalments on the 31st day of May and on the 30th day of November next."

The Rt. Hon. the Earl of Middleton, K.P., seconded the resolution, and it was adopted unanimously.

On the motion of the Rt. Hon. the Earl of Strafford, seconded by Mr Francis Scott, the retiring directors, Mr Busick E. Pemberton and Mr Frederic Wadsworth, were unanimously re-elected.

On the proposition of Mr Hendry, seconded by the Hon. E. C. G. Cadogan, M.P., Messrs W. B. Peat and Co. were reappointed auditors.

The Chairman proposed a cordial vote of thanks to the officers and staff, and also to the agents, for their work on behalf of the company during the past year.

This was seconded by Mr F. W. P. Rutter, and unanimously accorded.

On the motion of Mr B. E. Pemberton, seconded by the Hon. Charles H. Strutt, a vote of thanks was accorded to the chairman, and a brief acknowledgment by him closed the proceedings.

APOLLINARIS AND JOHANNIS, LIMITED.

SCHEME CONFIRMED—MORE HOPEFUL FUTURE.

An extraordinary general meeting of Apollinaris and Johannis, Limited, was held, on the 20th instant, at the Holborn Restaurant, London, Mr Alfred R. Holland in the chair, for the purpose of confirming as special resolutions the resolutions passed on March 26th last in connection with the reconstruction of the company.

The Chairman expressed his gratification at the results of the poll taken at those meetings, which showed 1,827,606 in favour of the scheme and 7,320 against it. In other words, over 99 per cent. of the voting had been in favour of the scheme, and less than 1 per cent. against it.

The scheme was unanimously agreed to and confirmed at this meeting.

The Chairman mentioned that with a capital now standing at a more reasonable figure in proportion to the anticipated earning capacity of the company, a more hopeful future might be looked for generally in regard to the company's affairs.

The Chairman also stated that the accounts for the past financial year would be submitted to the shareholders at their next general meeting towards the middle of July this year.

The meeting concluded with a vote of thanks to the chairman.

JOHN BARKER AND CO., LIMITED.

SPLENDID RESULTS—RECORD PROFITS.

The 30th ordinary general meeting of the shareholders of John Barker and Co., Limited, was held, on the 17th instant, at the Town Hall, Kensington High street, London, Sir Sydney Martyn Skinner, J.P., chairman of the company, presiding.

The secretary, Mr G. Wright Bellamy, having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said that they had had another record year of business—a further expansion of their three houses, which were now being familiarly referred to as the "Barker Group." The report and accounts were interesting more from the possibilities for the future which they disclosed than for any records of achievement in the past, important as that development had been. This group of stores had reached a prominence in the national life which in the immediate years to come they hoped would be still further emphasised. Their gross profit was about £22,000 more than last year—not a very extra-

ordinary increase, perhaps, but an increase that the directors, taking all the difficulties of the year's trading into consideration, regarded as very satisfactory. Rents, rates, taxes, and insurance were £20,000 up. Repairs and renewals represented a very costly item, but were slightly less than last year. The most impressive item in the balance-sheet was the net profit, which this year stood at the substantial amount of £362,384. Not only did the gross trading profit of nearly a million and a-half establish a record, but the net profit was a record also. This result, important as it was, would have been better still but for the writing down of the fixtures. The dividend for the year was 20 per cent., and they were carrying forward the substantial surplus of £148,000. From these facts it would be seen that Barker's was fulfilling the expectations which in recent years it had been his privilege to express. The financial position of the company was one of great solidity.

SCHEMES FOR DEVELOPMENT.

A great deal had been done in the past year to make their three great shops a pleasant rendezvous for the crowds which daily came to Kensington. Their daily transactions were on a gigantic scale, and increased month by month. The extensive alterations at Pontings were now complete, and Pontings was now the expression of the most modern note in shopbuilding. They had now a store splendidly equipped for the rapid development of the class of trade for which Pontings specially catered. It was absolutely unique of its kind. Also at Derry and Toms considerable progress had been made in adapting the premises to modern shopping needs. Both Pontings and Derry and Toms were in an ideal position, having a railway station inside their very doors. Customers arriving from the provinces or from any point in the metropolis could make the journey under cover all the way, right into the department they wished to visit, and very soon they hoped to give something of the same advantage to Barker's, it being in contemplation to carry a huge covered thoroughfare along the entire length to the rear of the present line of buildings. It would be the most ambitiously devised arcade in the world. They also intended to develop the freehold property on the south side of Ball street, and the marked increase in the trade of the furnishing section also demanded considerable extension. There was also the question of the erection of a new store on the vacant land recently acquired from the Crown. They had opportunities for expansion that were unique in London. These various schemes for development had become urgent because of the increasing number of shoppers at Kensington. In the three businesses they had served several more million customers than in the previous year. Their customers reached to from 15 to 20 millions per annum.

THE BUDGET.

Turning to the Budget, he remarked that the incidence of taxation played a very important part in retail trade. They regretted that the corporation tax was not entirely removed, as they regarded it as an unnecessary piece of legislation; but they were pleased to see that some relief was given in the matter of income-tax, as the less a man paid in income-tax the more he could spend. It was to be hoped a return would be quickly made to the penny post. The parcels post concession would be of great advantage to the mail order side of the business, which was a very large one. They would have liked to have seen a restoration of the sample rate, which was discontinued in 1919, and which was of great importance to traders. He would also like to see the hours of posting at the half-penny rate extended from 4.30 p.m. to 7 p.m., but they would prefer to see the whole thing abolished as regarded the posting of printed papers before 4.30 p.m. The reduction in telephone calls was a step in the right direction.

Mr Millbourn, in seconding the resolution, said he thought he was warranted in saying they had every hope of a further successful financial year in the current year.

The report and accounts were unanimously adopted.

BIRMINGHAM SMALL ARMS COMPANY, LIMITED.

RESULTS OF A DIFFICULT YEAR.

The annual meeting of the Birmingham Small Arms Company, Limited, was held, on the 20th instant, at the Daimler Works, Coventry.

Sir Hallowell Rogers (the Chairman), in moving the adoption of the report and balance-sheet, said that their guarantee in respect of the debentures of the Aircraft Manufacturing Company and Peter Hooker, Limited, had, when the balance-sheet was signed, been reduced to £270,000. Since that date a further sum of £78,000 had been paid off, and as the main properties of both concerns were still unsold there was no risk of the B.S.A. being put to any expense. The whole of these repayments, amounting to £758,000 since January 31, 1921, had resulted from the realisation of assets belonging to the two companies in liquidation, and had not involved any charge, either for capital or interest, on the Birmingham Small Arms Company.

THE ANGLO-SOUTH AMERICAN BANK, LIMITED.

Capital and Reserves exceed £13,000,000.

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

NORTHERN DISTRICT OFFICE:
69, Market St., Bradford.

LANCASHIRE BRANCH:
39, Mosley Street, Manchester.

Affiliated Institutions:
THE BRITISH BANK OF SOUTH AMERICA, LTD.,
AND
THE COMMERCIAL BANK OF SPANISH AMERICA, LTD.

BRANCHES OF THE ANGLO-SOUTH AMERICAN BANK, LIMITED.

BRANCHES OF THE BRITISH BANK OF SOUTH AMERICA, LIMITED.

BRANCHES OF THE COMMERCIAL BANK OF SPANISH AMERICA, LIMITED.

Discussing the trading results, he said that in 1919 they prepared for a world trade by making themselves ready for the mass production of a relatively small number of individual products, a policy fully justified so long as the conditions continued which had created it; but there followed two years in which markets, both on the Continent and further overseas, were virtually closed to them. Amongst their undertakings, the Daimler Company and Daimler Hire Company had in this dark period achieved satisfactory results. Thus in the 15 months that ended in October, 1920, all their constituent companies made profits. In the 12 months 1920-1921 almost all made losses.

PERIOD UNDER REVIEW.

Their present report showed in the period under review, 1921-1922, losses made by some concerns and the profits made by others had almost balanced. This result had been achieved in spite of many unfavourable conditions. B.S.A. Guns, Limited, did as well as the general financial conditions of the country permitted with their shot-guns, match, cadet, and air rifles. The shot-gun in its various models remained without a rival, but, until purchasing power abroad improved and there was a revival of prosperity in country interests at home, it was unreasonable to expect this weapon to find the sale proportioned to its merits.

Passing to the cycles business, the Chairman said their various models fully maintained their high reputation. The period under review was, from the point of view of profits, disappointing, largely because the lock-out, by limiting output, added to the cost of production. The best results that they obtained were with the Daimler Company and the Daimler Hire Company. Last year that company put on a new model with the 20-h.p. four-cylinder car, and it was the success of that model, the whole output of which was readily taken by their customers, that afforded them a guide to the wider policy which he put before them a year ago.

The old models, the 30-h.p. and the 45-h.p. landaulets, fully maintained their position.

BETTER PROSPECTS.

The trading year 1921-1922 should be looked at less from its positive than from its negative results. The world slump thwarted all their plans, and they had to change front and avoid disaster while they did so. Of their success, in this stage, he need only remind them that they got through an exceedingly anxious period with much smaller deficit, with their trade reputation and goodwill as high, if not higher, than it had ever stood before, with their credit and resources unimpaired. The engineering group of their undertakings were necessarily dependent on exterior forces for renewed prosperity. It was gratifying that their reorganisation of these concerns had fulfilled its purpose, and, as there were, indeed, many indications that a real revival was in prospect, they had taken full advantage of them. If, therefore, they were looking forward to better times, it was because they had planned for an active business in motor cycles and motor-cars in the hope that this would successfully see them through a period during which their other investments could earn little. Pursuant to the policy he outlined last year, to extend the range of their car and motor-cycle manufacture to all the sizes which public tastes showed to be in demand, they substituted a 21 h.p. six-cylinder Daimler for the 20 h.p. four-cylinder of 1921-1922, and they supplemented the Daimler six-cylinder range by 16 and 12-h.p. cars. These three models had been so well received that they had now decided to increase the range still further to bring in two new six-cylinder Daimler coupe models, a 21 h.p. and a 16 h.p., to meet the requirements of the owner-driver.

KANSALLIS-OSAKE-PANKKI

(National Joint Stock Bank).

ESTABLISHED 1889.

Head Office: HELSINKI (Helsingfors), FINLAND.

Capital and Reserves - Fmk. 252,000,000
Deposits and Cheque Accounts (31/12/22) - Fmk. 1,420,000,000

124 BRANCHES AT ALL IMPORTANT BUSINESS CENTRES IN FINLAND.

Telegraphic Address Kansallispankki.

It was a distinct advantage that, just as the selling season was coming into full activity, they were able to begin deliveries of the new models at prices markedly below those which prospective users thought sufficiently attractive at last year's motor show. Meantime, larger models of Daimler forty-fives, thirties, and twenty-ones had an excellent market. In motor cycles, too, they had enlarged their range, and confidently expecting a greatly increased sale, they prepared for an output equal to their total capacity, and gave their customers the benefit of the resulting saving. The outcome had fully justified their enterprise.

Sir Edward Manville, M.P., deputy chairman, seconded, and after several questions had been answered the report was adopted.

GOVERNMENT RETURNS.

PUBLIC INCOME AND EXPENDITURE.
RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Total Receipts into the Exchequer from	Receipts.	
	Apr. 1, 1923, to Apr. 14, 1923.	Apr. 1, 1922, to Apr. 14, 1922.	Apr. 1, 1923, to Apr. 14, 1923.
Balances in Exchequer on 1st April:—			
Bank of England	5,442,666	9,963,434	..
Bank of Ireland	1,375,502	1,210,106	..
	6,818,167	11,173,539	..
REVENUE.			
Customs	3,048,000	3,195,000	1,830,000
Excise	2,589,000	2,780,000	688,000
Motor Vehicle Duties	999,000	690,000	263,000
Stamp Duties	1,810,000	2,941,000	780,000
Land Tax, House Duty & Mineral Rights Duty	510,000	532,000	240,000
Property & Income Tax	150,000	200,000	60,000
Super-Tax	21,082,000	26,357,735	5,275,735
Excess Profits Duties, &c.	3,300,000	104,000	100,000
Corporation Profits Tax	1,170,000	775,000	440,000
Post Office	1,500,000	1,400,000	1,000,000
Interest on Sundry Loans	2,287,196	227,091	..
Miscellaneous	1,565,684	4,650,426	554,204
Ordinary Receipts	2,022,614	2,453,400	2,000,312
Special Receipts	42,033,494	46,305,652	16,851,516
Revenue	48,851,661	57,479,182	15,068,947
Total, Inc. Balance	196,871,654	304,616,256	75,858,553
OTHER RECEIPTS.			
Temporary Advances Repaid:—			
Bullion	..	200,000	..
Under the Unemployment Insurance Act, 1921	280,000	..	120,000
Money Raised by Creation of Debt:—			
By Treasury Bills for Supply	100,035,000	126,283,000	42,486,000
By National Savings Certificates	2,000,000	21,100,000	1,200,000
By Treasury Bonds—			
5-15 year, 1925-35	..	33,943,693	..
5%, 1927	..	..	15,112,775
4%, 1932	..	..	..
4%, 1931-33	13,001,037	..	951,037
Ways and Means Advances	32,700,000	65,500,000	9,250,000
Repayments—			
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921	3,956	5,381	..
Total	196,871,654	304,616,256	75,858,553

EXPENDITURE AND OTHER ISSUES.

	Total Issues out of the Exchequer to meet Payments from	Issues.	
	Apr. 1, 1923, to Apr. 14, 1923.	Apr. 1, 1922, to Apr. 14, 1922.	Apr. 1, 1923, to Apr. 14, 1923.
EXPENDITURE.			
Permanent Charge of Debt	3,331,993	3,281,893	157
Interest, &c., on War Debt	25,706,186	31,325,341	2,484,160
Payments to Northern Ireland Exchequer	..	100,000	100,000
Land Settlement	3,545	79,312	79,312
Other Consolidated Fund Services	12,100,000	89,404	3,355
Supply Services	41,140,724	45,945,950	4,100,000
OTHER ISSUES.			
Temporary Advances	..	..	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	36,891	84,909	36,891
Under the Unemployment Insurance Act, 1921	..	820,000	480,000
Redemption of Debt—			
Treasury Bills for Supply	108,135,000	208,655,000	60,920,000
Principal of National Savings Certificates—			
(a) Repaid by Issues under Section 59 (6) of the Finance Act, 1920	800,000	1,300,000	600,000
(b) Repaid otherwise	950,000	..	950,000
Principal of Exchequer Bonds paid off	..	18,136,605	..
Principal of National War Bonds paid off	14,729,989	..	1,500,000
Other Debt under the War Loan Acts, 1914 to 1919	15	..	15
Ways and Means Advances Repaid	28,117,000	26,500,000	13,750,000
Balances in Exchequer—			
Bank of England	193,909,619	301,422,464	75,764,632
Bank of Ireland	1,855,887	2,078,147	217,079
Total	2,982,035	3,193,792	93,921

Treasury, April 17, 1923.

CURRENCY NOTES ACCOUNT.

(000's omitted.)

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Advances to		Redemption Account.						
			Bankers.	Savings Banks.	Gold Coin and Bullion.	Bank of England Notes.	Ratio to Notes.	Govern- ment Securi- ties.	Balance at End of Week.	Balance at End of Month.	
1914.	£	£	£	£	£	£	%			£	
Aug. 26.....	21,535	..	6,302	3,810	18,500	..	481	9,924	11,423		
Dec. 30.....	38,478	..	169	600	28,500	..	276	54,621	9,286		
1915.											
Dec. 29.....	103,125	729	159	249	28,500	..	190	118,102	20,536		
1916.											
Dec. 27.....	150,144	2,430	64	40	28,500	..	134	186,637	5,486		
1917.											
Dec. 26.....	212,782	8,554	39	675	28,500	..	89	305,133	4,566		
1918.											
Dec. 31.....	323,241	15,529	..	570	28,500	..	91	337,537	2,802		
1919.											
Dec. 31.....	356,152	17,182	250	245	28,500	4,000	130	336,504	134		
1920.											
Dec. 29.....	367,626	16,962	..	..	28,500	19,450	139	311,334	141		
1921.											
Mar. 30.....	343,826	15,599	Silver Coin.		28,500	19,450	148	287,750	143		
June 29.....	323,884	14,965			28,500	19,450	152	278,119	150		
Sept. 28.....	314,382	14,830			28,500	19,450	147	289,131	161		
Dec. 31.....	325,584	14,658			28,500	19,450	159	261,479	177		
1922.											
Mar. 29.....	300,351	14,255			28,500	19,450	163	254,312	250		
June 28.....	295,374	13,338			27,000	21,150	166	246,456	169		
Sept. 27.....	289,127	12,648			27,000	21,150	159	258,922	137		
Dec. 27.....	301,337	12,872			27,000	22,450	173	241,294	190		
1923.											
Mar. 28.....	285,616	12,318			27,000	22,450	172	244,352	152		
April 11.....	288,075	12,879			27,000	22,450	172	243,415	170		
18.....	287,607	12,428			27,000	22,450	173	241,335	110		
	285,565	12,330			27,000	22,450					

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £30,600,000, for 1921 at £31,555,200, for 1922 at £30,988,400, and for 1923 at £27,018,800.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £30,000,000 in three months' Treasury Bills dated from Monday to Saturday, April 23-April 28, were opened on April 20, 1923, and the total amount applied for was £59,305,000. Tenders for Monday to Saturday bills at £99 10s. 10d., about 74 per cent., and above in full. The average rate of discount for Treasury Bills was £1 16s. 6d. The amounts allotted were as follows:—In bills at 3 months, £28,050,000; in bonds, £1,950,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills. Average Rate.	4½% Treasury Bonds, 1932. Average Price.
1923.				
Jan. 19.	(a) 40,000,000	(a) 55,305,000	1 18 9 91	99 7 1 69
Jan. 26.	(a) 40,000,000	(a) 51,330,000	2 6 3 87	99 7 6
Feb. 2.	(a) 40,000,000	(a) 53,465,000	2 10 1 57	None allotted
Feb. 9.	(a) 35,000,000	(a) 63,590,000	2 9 7 86	99 8 6 4
Feb. 16.	(a) 30,000,000	(a) 49,875,000	2 6 3 31	99 8 4 2
Feb. 23.	(a) 40,000,000	(a) 51,630,000	2 6 2 95	99 9 1 17
Mar. 2.	(a) 40,000,000	(a) 53,770,000	2 2 10 35	99 9 9 6
Mar. 9.	(a) 40,000,000	(a) 57,190,000	2 8 0 32	99 9 7 5
Mar. 16.	(a) 30,000,000	(a) 54,490,000	2 0 0 32	99 9 4 8
Mar. 23.	(a) 50,000,000	(a) 67,330,000	2 0 2 34	..
Mar. 30.	(a) 40,000,000	(a) 69,665,000	2 6 5 2	..
Apr. 6.	(a) 40,000,000	(a) 78,915,000	2 4 3 46	95 2 0 91
Apr. 13.	(a) 35,000,000	(a) 64,256,000	2 0 7 87	95 3 5 131
Apr. 20.	(a) 30,000,000	(a) 59,305,000	1 16 6 04	95 5 4

(a) Including Treasury Bonds. 4½% Treasury Bonds, 1931-33.

Tenders will be received on Friday, April 27, 1923, for Treasury Bonds and Bills to be issued to the maximum amount of £40,000,000. The amount of Treasury Bonds issued will not exceed £5,000,000, but, subject to that limit, the total amount issued will be divided between Bills and Bonds in such proportions as The Lords Commissioners of His Majesty's Treasury may determine.

HEAD OFFICES: LIVERPOOL AND LONDON

ROYAL
INSURANCE COMPANY, LIMITED
ALL CLASSES OF INSURANCE EFFECTED

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, April 18, 1923.

ISSUE DEPARTMENT.

£	£
Notes issued	145,440,495
Government debt	11,015,100
Other securities	8,734,900
Gold coin and bullion	125,690,495
	145,440,495

BANKING DEPARTMENT.

£	£
Proprietors' capital	14,553,000
Reserve	3,105,139
Public deposits	14,103,368
Other deposits	111,815,398
Seven-day & other bills	19,102
	143,596,007

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

COMPARISON WITH PREVIOUS WEEK AND A YEAR AGO.

	Amount, Apr. 18, 1923.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Best	3,105,139	—	19,332
Public deposits	14,103,368	—	2,013,080
Other deposits	111,815,398	—	3,943,082
Government securities	51,299,100	—	2,854,775
Other securities	67,406,298	—	1,477,989
Reserve	24,890,609	—	534,147
Note circulation	122,380,350	—	530,245
Coin and bullion	127,520,959	—	3,902
% of reserve to liabilities	19 1/2	+	8 1/2

THREE MONTHS' RECORD.

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits	Securities in Banking Department.	Reserve.	% of Reserve to Liabilities.
1923.						
Jan. 24.	127,489,154	120,798,570	125,803,374	118,682,558	25,140,584	20 1/2
31.	127,491,860	122,018,155	120,924,209	115,027,941	23,923,705	19 1/2
Feb. 7.	127,490,819	121,481,100	121,239,903	114,879,475	24,459,719	20 1/2
14.	127,493,425	120,719,230	126,244,044	119,130,331	25,224,195	20 1/2
21.	127,499,186	122,041,710	125,827,692	121,752,212	25,207,476	19 1/2
28.	127,504,283	123,940,440	131,455,821	126,390,310	23,313,843	17 1/2
Mar. 7.	127,507,927	123,468,110	123,358,994	117,805,931	23,789,817	19 1/2
14.	127,508,777	122,995,975	125,118,275	119,101,680	24,262,802	19 1/2
21.	127,511,520	123,198,570	126,772,490	120,965,136	24,062,950	19 1/2
28.	127,505,162	124,436,610	123,707,654	128,165,807	23,118,562	17 1/2
Apr. 4.	127,501,554	124,095,605	127,088,567	121,608,820	23,155,949	18 1/2
11.	127,517,057	122,910,595	123,988,767	117,328,612	24,356,463	19 1/2
18.	127,530,959	122,360,350	125,918,766	118,705,398	24,890,609	19 1/2

OVERSEAS BANK RETURNS.

UNITED STATES FEDERAL RESERVE BANKS.

(000's omitted.)

	April 13, 1923.	April 6, 1923.	Mar. 30, 1923.	April 14, 1923.
RESOURCES.				
Total gold reserve	3,085,760	3,069,500	3,063,790	2,985,740
Legal tender notes and silver reserve	98,680	103,520	112,490	126,290
Bills discounted for member banks	622,650	693,230	700,020	573,540
Bills bought in open market	274,390	253,880	254,250	93,510
Government obligations owned	238,150	239,150	249,410	512,960
All other resources	61,030	65,560	62,630	63,700
LIABILITIES.				
Government deposits	45,220	74,420	85,430	38,630
Other deposits	1,896,910	1,914,180	1,890,840	1,764,400
Federal Reserve Notes in actual circulation	2,231,040	2,240,960	2,233,480	2,200,510
Federal Reserve Bank Notes in actual circulation	2,470	2,490	2,440	82,070
All other liabilities	15,380	14,570	14,450	17,910
Capital and surplus	327,050	327,020	326,990	319,500
Ratio of total reserves to gross deposits and Federal Reserve note liabilities combined	76.3%	75%	75.5%	77.7%

STATEMENT OF CANADIAN BANKS.

(000's omitted.)

	Jan. 31, 1923.	Dec. 31, 1922.	Nov. 30, 1922.	Oct. 31, 1922.	Jan. 31, 1922.
ASSETS.					
Cash and bank balances	445,945	509,830	506,207	487,881	465,609
Bank balances abroad	59,585	71,402	111,609	104,892	61,286
Call and short loans	281,407	284,037	303,421	300,833	260,543
Securities	356,306	340,588	317,960	309,882	360,864
Loans in Canada	1,120,723	1,148,681	1,196,398	1,217,578	1,222,587
Loans abroad	158,444	157,657	149,844	146,733	146,733
Other assets	105,490	106,439	106,293	106,444	108,484
LIABILITIES.					
Note circulation	152,632	176,201	169,626	178,633	162,645
Deposits	59,526	78,583	131,762	132,331	130,617
Government	1,696,498	1,722,316	1,712,055	1,687,933	1,720,361
Public in Canada	266,555	288,350	323,644	331,969	254,777
Foreign	11,881	11,757	10,158	11,311	11,362
Canadian	37,247	38,645	40,331	33,807	38,271
Foreign	28,105	28,774	27,134	26,409	31,440
Bills payable, &c.	2,197	2,848	4,314	2,694	2,118
Other liabilities	255,980	255,966	255,585	255,274	255,712
Capital and rest					

BANK OF FRANCE.

(000's omitted.)

	April 19, 1923.	April 12, 1923.	April 5, 1923.	April 20, 1922.	Position May 28, 1914.
ASSETS.					
Gold coin and bullion	5,536,625	5,536,458	5,536,335	5,526,631	3,730,625
Of which held abroad	1,864,345	1,864,345	1,864,345	1,848,367	1,848,367
Silver coin and bullion	291,979	291,785	291,707	292,723	639,650
Advances and advances	4,682,632	4,548,523	5,246,444	4,985,957	9,397,775
Advances to the State	22,800,000	23,200,000	23,600,000		
LIABILITIES.					
Notes	36,823,777	37,296,948	37,824,852	35,951,264	5,811,875
Government deposits	19,596	23,392	18,164	35,279	183,700
Private deposits	2,009,164	2,010,603	2,372,430	2,310,435	845,992

SOUTH AFRICAN RESERVE BANK.

(000's omitted.)

	Mar. 24, 1923.	Mar. 17, 1923.	Mar. 10, 1923.	Mar. 3, 1923.	Feb. 24, 1923.
LIABILITIES.					
Capital	1,000	1,000	1,000	1,000	1,000
Reserve	2	2	2	2	2
Notes in circulation	9,719	9,720	9,737	9,831	9,731
Bankers' deposits	5,863	6,242	5,667	5,633	6,243
Other deposits					
ASSETS.					
Gold coin and bullion	483	483	483	483	483
Gold certificates	10,039	10,039	10,039	10,039	10,039
Subsidiary coin	125	125	125	125	125
Bills discounted (domestic)	1,975	2,220	2,475	2,304	2,268
Do (foreign)	721	857	832	888	786
Loans and advances to the Government	2,300	2,300	1,300	1,300	1,300
Other loans and advances	1,000	1,000	1,000	1,000	1,000
Ratio of cash reserves to liabilities to public	68.3%	66.6%	70%	70.5%	71.1%

BANK OF SPAIN.

(000's omitted.)

	April 14, 1923.	April 7, 1923.	Mar. 31, 1923.	Mar. 24, 1923.	April 15, 1922.	Position May 30, 1914.
ASSETS.						
Gold	8,225,451	8,225,451	8,225,441	8,225,440	8,225,440	8,225,440
Reserve	657,251	656,040	658,261	658,221	631,522	728,600
Loans and advances	1,861,064	1,884,782	1,843,113	1,851,237	2,441,266	800,725
Spanish Govt. bonds	344,475	344,475	344,475	344,475	344,475	344,475
Treasury bills	150,000	150,000	150,000	150,000	150,000	150,000
LIABILITIES.						
Circulation	4,136,616	4,139,543	4,101,904	4,079,806	4,194,601	901,550
Deposits	1,047,392	1,051,591	1,079,010	1,051,724	1,116,788	477,500

NATIONAL BANK OF GREECE.

(000's omitted.)

	Jan. 27, 1923.	Jan. 15, 1923.	Dec. 28, 1922.	Dec. 15, 1922.	Jan. 22, 1922.
ASSETS.					
Gold and balances abroad	1,407,532	1,398,601	1,428,548	1,417,851	1,373,203
Government loans and securities	3,349,856	3,360,527	3,330,576	3,337,562	2,316,700
Discounts and loans	1,343,639	1,343,961	1,283,365	1,234,704	733,749
LIABILITIES.					
Notes in circulation	3,204,804	3,119,446	3,024,788	2,941,897	2,133,641
Government deposits	284,948	382,367	507,317	257,573	170,772
Private deposits	1,137,358	1,061,895	933,568	936,316	957,201
Ratio of cash to deposits	1,019,897	1,018,711	1,013,599	1,014,177	958,433

BANK OF JAPAN.

(000's omitted.)

	Mar. 10, 1923.	Mar. 3, 1923.	Feb. 24, 1923.	Feb. 17, 1923.	Mar. 11, 1922.	Position Jan. 30, 1914.
ASSETS.						
Cash and bullion	1,088,894	1,087,700	1,086,905	1,087,663	1,224,127	821,320
Discounts	68,859	104,855	79,576	108,715	87,293	41,740
Advances	216,924	225,299	226,312	240,572	85,437	70,540
LIABILITIES.						
Notes	1,088,495	1,174,455	1,179,006	1,203,101	1,097,970	362,270
Govt. deposits	804,781	735,780	739,081	770,153	1,328,840	87,340
Other deposits	47,004	43,371	47,226	42,608	64,887	11,440

IMPERIAL BANK OF GERMANY.

(000's omitted.)

	April 7, 1923.	Mar. 29, 1923.	Mar. 23, 1923.	April 7, 1922.	Position May 30, 1914.
ASSETS.					
Gold and bullion	9,131,299	7,055,358	4,195,414	1,019,017	1,635,160
Of which deposited with Foreign Central Note Banks	164,952	164,952	164,952	35,395	35,395
Treasury notes	1,300,507,806	1,147,004,307	938,372,831	4,979,747	943,460
Bills discounted	7,221,421,542	6,924,113,418	6,566,448,762	14,857,004	60,790
LIABILITIES.					
Notes in circulation	5,624,112,982	5,517,919,651	4,955,634,881	131,837,249	2,013,860
Deposits	2,687,803,664	2,636,852,621	2,253,523,530	25,842,705	812,940

RUSSIAN STATE BANK.

Note-issuing Department.

(In chervonets—000's omitted.)

	April 16, 1923.	March 1923.	Feb. 1923.	Feb. 1922.
ASSETS.				
Gold in coin and bullion	3,358	1,915	1,246	1,456
Foreign bank notes	259	458	458	458
Drafts in sterling	305	305	245	245
Bills (less 10% discount)	371	305	305	414
Securities covering advances on goods (less 10%)	1,606	1,140	1,140	1,140
LIABILITIES.				
Bank notes	4,700	3,700	2,725	2,725
Balance to which notes may still be issued	1,400	947	775	775

BANK OF ITALY.

(000's omitted.)

	Mar. 20, 1923.	Mar. 10, 1923.	Feb. 20, 1923.	Mar. 20, 1922.	Position May 31, 1914.
ASSETS.					
Total cash	1,341,703	1,328,086	1,390,379	1,342,926	1,221,875
Inland bills	4,296,596	4,289,661	4,351,674	4,379,349	4,342,881
Foreign bills	13,260	13,198	13,180	14,153	9,656
Treasury	6,070,190	6,073,513	6,071,703	6,082,762	6,555,509
Other advances	1,844,324	1,922,512	2,189,981	1,679,698	3,317,832
Securities	406,853	407,012	406,517	406,341	535,364
LIABILITIES.					
Note circulation	12,852,580	12,996,689	13,134,411	13,049,862	13,839,045
Deposits & drafts	1,621,148	1,538,148	1,855,589	1,707,783	1,866,844
					193,975

NETHERLANDS BANK.

(000's omitted.)

	April 16, 1923.	April 10, 1923.	April 3, 1923.	Mar. 26, 1923.	April 17, 1922.	Position May 30, 1914.
ASSETS.						
Gold	581,790	581,790	581,790	581,790	605,953	163,092
Silver	8,075	8,075	8,075	8,075	7,109	8,436
Depts. & advances	397,202	403,845	419,489	363,539	408,602	163,504
LIABILITIES.						
Notes in circulation	955,987	959,302	965,384	933,433	1,000,580	318,832
Deposits	38,937	41,843	55,975	33,907	26,869	6,016

NATIONAL BANK OF ROMANIA.

(000's omitted.)

	Mar. 24, 1923.	Mar. 17, 1923.	Mar. 10, 1923.	Mar. 3, 1923.	Mar. 25, 1922.
ASSETS.					
Gold	533,079	533,079	533,079	533,079	495,459
Silver, &c.	763	763	763	763	763
Government loans	12,557,660	12,556,706	12,548,006	12,563,007	12,552,796
Other advances	4,867,515	4,811,999	4,804,242	4,714,717	4,770,220
LIABILITIES.					
Notes in circulation	15,420,661	15,483,782	15,455,060	15,390,829	13,750,966
Deposits	7,239,571	7,121,395	7,129,920	7,121,491	6,231,469

SWISS NATIONAL BANK.

(000's omitted.)

	April 14, 1923.	April 7, 1923.	Mar. 31, 1923.	Mar. 24, 1923.	April 15, 1922.	Position May 31, 1914.
ASSETS.						
Gold	553,624	533,224	532,901	532,819	541,811	171,175
Silver	104,623	104,974	104,702	105,943	108,000	18,350
Deutsche-Reisen	10,220	10,201	10,357	11,896	17,620	
Assets & advances	457,380	474,199	489,451	475,034	311,685	103,000
LIABILITIES.						
Notes in circulation	872,215	900,879	920,231	859,676	787,569	875,925
Deposits	236,117	214,167	287,505	230,344	230,344	35,760

The Monthly Statement of the Swiss Federal Loan Bank (Darlehenskasse) shows that up to March 31, 1923, total issues were Fr. 17,755,090, of which Fr. 10,366,970 was held by the Swiss National Bank.

BANK OF SWEDEN.

(000's omitted.)

Assets.						
	April 14, 1923.	April 7, 1923.	Mar. 31, 1923.	Mar. 24, 1923.	April 15, 1922.	May 1914.
Gold	Kronor. 273,497	Kronor. 273,563	Kronor. 273,598	Kronor. 273,635	Kronor. 274,330	Kronor. 104,918
Balance abn. and foreign bills ..	68,420	77,166	90,214	92,172	84,586	112,112
Swedish and for. Gov. securities ..	145,036	145,124	136,421	136,511	61,366	112,112
Discounted loans Estate	376,396	387,892	39,602	322,819	495,518	236,236
Deposits in circulation Notes in notice ..	532,374	549,420	586,990	514,223	573,407	236,236

BANK OF LITHUANIA.

(000's omitted.)

Assets.	Mar. 31, 1923.	Mar. 31, 1923.	Feb. 28, 1923.	Feb. 15, 1923.	Jan. 31, 1923.
Gold	15,818	15,812	15,780	15,739	15,652
Silver	102	99	96	92	86
Dollars, & sterling, &c.	28,525	27,771	26,235	23,609	22,238
Other foreign currency	27	27	30	27	38
Discount and credit	12,887	12,711	13,448	13,388	13,064
Other assets	4,545	4,255	4,216	4,129	4,058
LIABILITIES.					
Capital	12,000	12,000	12,000	12,000	12,000
Banknotes in circulation	42,362	38,930	40,656	39,413	37,585
Deposits	4,234	6,678	3,015	4,002	3,873
Other liabilities	3,309	3,069	4,134	1,569	1,608

BANK OF ESTHONIA.

(000's omitted.)

Assets.	Feb. 28, 1923.	Jan. 31, 1923.	Dec. 31, 1922.	Dec. 31, 1921.
Gold and foreign coin	131,140	105,809	96,860	81,944
Total cash	788,540	698,726	752,572	158,656
Discounts and loans	3,582,881	3,563,631	3,052,873	1,399,774
Foreign banks	1,144,087	998,419	1,002,076	207,554
Other assets in foreign currency	246,910	237,447	217,979	..
LIABILITIES.				
Capital paid up	250,000	250,000	250,000	250,000
Reserves	37,770	37,770	37,770	10,674
Notes in circulation	1,500,000	1,500,000	1,500,000	350,000
Deposits	2,950,023	2,777,187	2,685,353	1,103,823
Surpluses	641,968	623,675	445,684	..

BANK OF CZECHO-SLOVAKIAN REPUBLIC.

(000's omitted.)

Assets.	April 7, 1923.	Mar. 31, 1923.	Mar. 23, 1923.	Mar. 15, 1923.	Mar. 7, 1923.	April 7, 1922.
Liabilities of the Bank to the Bank of the Republic	10,096,817	10,096,817	10,096,817	10,096,786	10,096,730	10,096,701
Discounts & advances	2,179,402	2,244,623	1,909,222	1,862,541	1,953,780	2,860,187
Gold & silver held	831,686	826,605	826,605	824,988	823,795	863,545
Foreign bills and balances abroad	663,672	556,255	533,240	505,046	474,725	595,696
Other assets	303,403	361,629	416,502	424,553	291,486	..
LIABILITIES.						
State notes in circulation	8,928,355	9,157,407	8,584,258	8,788,333	10,124,602	..
Deposits	3,843,564	3,540,152	3,892,339	3,836,168	3,622,859	1,917,795
Other liabilities	1,303,061	1,388,370	1,303,832	1,333,190	1,229,324	2,373,732

* Resulting from bank notes, current accounts, Exchange bills issued by the Austro-Hungarian Bank and taken over by the Banking Office.

NATIONAL BANK OF THE SERBS, CROATES, AND SLOVENES.

(000's omitted.)

Assets.	April 8, 1923.	Mar. 31, 1923.	Mar. 15, 1923.	Mar. 8, 1923.	April 8, 1922.
Gold	63,142	63,141	63,136	63,619	73,632
Other coin and notes	18,308	18,797	18,308	20,421	17,404
Foreign credits	1,365,416	1,365,384	1,365,384	1,365,384	1,365,384
Bills	4,492,340	4,492,340	4,492,340	4,492,340	4,492,340
Govt. advances	4,492,340	4,492,340	4,492,340	4,492,340	4,492,340
Notes in circulation	5,436,962	5,405,809	5,379,764	5,426,976	4,870,764
State credits	297,573	297,573	297,573	297,573	334,281
Deposits	651,403	694,624	739,510	681,411	527,470

LONDON RATES.

Bank rate (reduced from 1/2 July 13, 1923)	Apr. 13, 1923.	Apr. 14, 1923.	Apr. 15, 1923.	Apr. 16, 1923.	Apr. 17, 1923.	Apr. 18, 1923.	Apr. 19, 1923.	Apr. 20, 1923.
60 days' bankers' drafts	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
1 month's do.	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
3 months' do.	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
6 months' do.	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Discount (Treasury Bill)	12	12	12	12	12	12	12	12
1 month's do.	12	12	12	12	12	12	12	12
1 day's do.	12	12	12	12	12	12	12	12
1 hour's do.	12	12	12	12	12	12	12	12
1 minute's do.	12	12	12	12	12	12	12	12
1 second's do.	12	12	12	12	12	12	12	12
1 millisecond's do.	12	12	12	12	12	12	12	12
1 microsecond's do.	12	12	12	12	12	12	12	12
1 nanosecond's do.	12	12	12	12	12	12	12	12
1 picosecond's do.	12	12	12	12	12	12	12	12
1 femtosecond's do.	12	12	12	12	12	12	12	12
1 attosecond's do.	12	12	12	12	12	12	12	12
1 zeptosecond's do.	12	12	12	12	12	12	12	12
1 yoctosecond's do.	12	12	12	12	12	12	12	12

* Additional to those offered by tender in the preceding week.

Comparison with the previous weeks:—

	Short	Bank Bills.	Trade Bills.
	3 Months.	4 Months.	5 Months.
1922.			
Jan. 1	12	12	12
Feb. 1	12	12	12
Mar. 1	12	12	12
Apr. 1	12	12	12
May 1	12	12	12
Jun. 1	12	12	12
Jul. 1	12	12	12
Aug. 1	12	12	12
Sep. 1	12	12	12
Oct. 1	12	12	12
Nov. 1	12	12	12
Dec. 1	12	12	12
1923.			
Jan. 1	12	12	12
Feb. 1	12	12	12
Mar. 1	12	12	12
Apr. 1	12	12	12
May 1	12	12	12
Jun. 1	12	12	12
Jul. 1	12	12	12
Aug. 1	12	12	12
Sep. 1	12	12	12
Oct. 1	12	12	12
Nov. 1	12	12	12
Dec. 1	12	12	12

IRISH BANKS' RATE.

	Present Rate.	Date Changed.	Previous Rate.	Date Changed.
Discount	1/2	July 13, 1922	1/2	June 15, 1922
Deposits	1/2	June 15, 1922	1/2	Feb. 16, 1922

OVERSEAS BANK RATES.

Bank Rate	Bank Rate
Changed.	Changed.
Amsterdam	July 18, 1922 .. 4 1/2
Athens	Jan. 14, 1923 .. 7 1/2
Berlin	Jan. 18, 1923 .. 12
Brussels	Jan. 22, 1923 .. 5 1/2
Calcutta	Sept. 4, 1920 .. 6
Canton	Jan. 11, 1923 .. 5
Christiansburg	Aug. 17, 1922 .. 5
Copenhagen	Apr. 25, 1922 .. 5
Helsingfors	Oct. 16, 1922 .. 8
London	Sept. 3, 1920 .. 7
New York	Feb. 21, 1923 .. 4 1/2
San Francisco .....	.. ..
Shanghai .....	.. ..
Stockholm .....	.. ..
Swiss Bank .....	.. ..
Tokyo .....	.. ..
Vienna .....	.. ..
Warsaw .....	.. ..

RATES OF EXCHANGE.

London on	Usance	Par.	April 21, 1923.	April 15, 1923.	April 20, 1923.
Paris	francs to £1	T.T.	25.224	47.52.57	69.45.50
Berlin	marks to £1	T.T.	20.43	1225-1230	97500-98500
Vienna	krone to £1	T.T.	24.02	32000-33000	32000-33000
Prague	krone to £1	T.T.	24.02	222-227	156-157
Warsaw	zlotys to £1	T.T.	20.43	16500-17500	15600-16500
Brussels	francs to £1	T.T.	25.224	585-605	970-1010
Stockholm	krone to £1	T.T.	24.02	3400-3500	20000-21000
Constantinople	piastres to £1	T.T.	110	620-640	700-740
Sofia	levas to £1	T.T.	25.224	635	580-630
Belgrade	dinas to £1	T.T.	25.224	320-330	440-460
Amsterdam	guilder to £1	T.T.	12.107	11-634-643	11-883-892
Geneva	francs to £1	T.T.	25.224	51-58-63	80-85-90
Christiania	krone to £1	T.T.	18.159	22-22-27	25-25-26
Stockholm	krone to £1	T.T.	18.159	16-18-17-02	17-17-18
Helsingfors	krone to £1	T.T.	18.159	20-75-80	24-60-65
Greece	drachmas to £1	T.T.	25.224	238-240	169-170
Switzerland	francs to £1	T.T.	25.224	813-82	934-938
Madrid	pesetas to £1	T.T.	25.224	22-69-73	25-56-59
Lisbon	escudos to £1	T.T.	25.224	28-44-47	30-37-40
Alexandria	piastres to £1	T.T.	53.34	44-44	50-54-57
New York	dollars to £1	Cable	4.868	4-41-42	4-63-64
Buenos Aires	dollars to £1	Cable	4.868	4-51-52	4-75-76
Rio de Janeiro	pesos to £1	T.T.	47.624	43-48	42-43
Montevideo	pesos to £1	T.T.	16	44-44	51-51
Valparaiso	pesos to £1	T.T.	13.33	39-90	37-40
Calcutta	rupees to £1	T.T.	10	18-18-18	18-18-18
Bombay	rupees to £1	T.T.	10	18-18-18	18-18-18
Madras	rupees to £1	T.T.	10	18-18-18	18-18-18
Hong Kong	dollars to £1	T.T.	10	18-18-18	18-18-18
Shanghai	dollars to £1	T.T.	10	18-18-18	18-18-18
Singapore	dollars to £1	T.T.	10	18-18-18	18-18-18
Yokohama	dollars to £1	T.T.	10	18-18-18	18-18-18
Manila	dollars to £1	T.T.	10	18-18-18	18-18-18
Mexico	pesos to £1	T.T.	24.068	12-24	12-24

† Rate for previous day.

CURRENT RATES IN NEW YORK.

The Irving Bank—Columbia Trust Company cable the following money and exchange rates in New York:—

	Apr. 20, 1923.	Mar. 22, 1923.	Mar. 29, 1923.	Apr. 12, 1923.	Apr. 19, 1923.
Call money	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2
Time money (90 days' mixed coll)	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2
Bank acceptances:—					
Members—eligible, 90 days	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2
Non-mem.—eligible, 90 days	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2
Ineligible, 90 days	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2
Commercial accept., 90 days	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2

RATES OF EXCHANGE.

New York on—	Par Level.	Apr. 20, 1923.	Apr. 15, 1923.	Apr. 12, 1923.	Apr. 19, 1923.
London—					
60 days	Dollars for £1	4.8666	4.38	4.6112	4.6135
Cable		4.41	4.6687	4.66	4.6612
Cheques		4.41	4.6662	4.675	4.6587
Paris	Cents for 1 franc	19.30	9.27	6.5375	6.6225
Belgium	Cents for 1 franc	19.30	8.54	5.62	5.7825
Switzerland	Cents for 1 franc	19.30	19.45	18.42	18.19
Italy	Cents for 1 lire	19.30	5.37	4.98	4.955
Berlin	Cents for 1 mark	23.83	0.33875	0.00047	0.00046
Madrid	Cents for 1 peseta	19.30	15.53	15.31	15.36
Amsterdam	Cents for 1 guilder	40.195	37.95	39.29	39.15
Copenhagen	Cents for 1 kroner	21.23	19.03	18.92	19.20
Stockholm	Cents for 1 krona	26.80	18.85	18.08	17.95
Athens	Cents for 1 drachma	26.05	26.05	26.63	26.73
Montreal	Cents for Can. \$1	19.30	4.50	1.18	1.165
Yokohama	Cents for 1 yen	97.87	97.87	98.25	97.96
Hong Kong	Cents for H. Kong \$	49.85	47.35	48.50	48.00
Shanghai	Cents for 1 Shing. taol	..	55.90	55.00	48.64
Calcutta	Cents for 1 rupee	..	75.25	74.25	54.6
Buenos Aires	Cents for 1 peso	27.80	31.30	31.25	31.35
Rio de Janeiro	Cents for 1 milreis	103.65	124.00	119.75	119.9
Valparaiso	Cents for 1 peso	32.42	13.70	10.50	10.75

LATVIAN EXCHANGE RATES.

		ENGLISH MARKS.						
Riga on—	Late for	Feb. 27, 1923.	Mar. 7, 1923.	Mar. 14, 1923.	Mar. 21, 1923.	Mar. 27, 1923.	Mar. 31, 1923.	
		Selling.	Selling.	Selling.	Selling.	Selling.	Selling.	
London.....	£1	24.17	24.10	23.12	24.19	24.14	23.86	
New York.....	\$1	5.14	5.13	5.09	5.16	5.15	5.10	
Paris.....	100 frs.	39.00	31.75	31.25	34.00	34.25	33.35	
Brussels.....	100 frs.	27.90	27.55	26.80	29.50	29.45	28.65	
Switzerland.....	100 frs.	96.53	96.06	94.85	93.45	93.40	92.65	
Italy.....	100 lire	25.25	25.25	24.05	25.75	25.85	24.14	
Stockholm.....	100 kr.	136.36	136.39	135.09	137.09	137.08	134.25	
Copenhagen.....	100 kr.	95.50	94.25	93.10	94.25	93.65	90.45	
Prague.....	100 kr.	100.75	100.25	98.80	100.50	100.60	96.10	
Amsterdam.....	100 fl.	203.45	15.75	15.75	15.75	15.75	15.00	
Berlin.....	10,000 mk.	2.40	2.40	2.50	2.45	2.03	2.07	
Helsingfors.....	100 mk.	14.25	14.80	14.75	14.50	14.55	13.50	
Reval.....	100 mk.	1.53	1.53	1.53	1.53	1.53	1.47	
Warsaw.....	10,000 pmk.	1.30	1.40	1.50	1.65	1.65	1.40	
Kovno.....	100 lite	52.00	52.00	52.00	52.00	52.00	50.00	

AMERICAN RAILROAD GROSS AND NET RECEIPTS.
This table is extracted from the *Commercial and Financial Chronicle* of New York.

(a) Converted at par. (b) Converted at the current rate of exchange.

Name.	Period.	Ending.	Present Mileage	Receipts for Month.		Total Receipts.	
				1922-3.	+ or -	1922-3.	+ or -
Barcelona Traction, ropes, in pasas.	2 mths	Feb. 28	Gross Net Pe1949511	+ 1,077,448	3,350,675	+ 1,858,418	..
Brazilian Traction, ropes, in mil.	2 mths	Net	17,743,000	+ 3,270,000	36,401,000	+ 4,896,000	..
Brisbane Electric Light, Columbia	12 mths	Dec. 31	Gross Net ..	10,722,000	+ 2,363,000	11,749,000	+ 4,593,000
Burnah Electric	8 mths	Feb. 28	Gross Net ..	250,575	+ 1,075	127,845	+ 31.00
Trwys & Lghb.	9 mths	April 30	Gross Net ..	\$254,509	+ 5,800	2,094,415	+ 186,554
Cape Elec. Trans.	1 mth	Feb. 28	Gross Net ..	\$32,728	..	..	..
Canadian Water- Natural Gas	5 mths	28	Gross Net ..	\$117,231	- 8,659	506,334	+ 468
Carthagen and Herrerias Trans.	3 mths	Mar. 31	Gross Net ..	1,591	+ 5,686	6,082	1,931
Cities Service Co.	Year	Feb. 28	Gross Net ..	\$1,605,129	+ 339,481	15,180,470	+ 2,317,124
Cordoba Light & C.	11 mths	28	Gross Net ..	\$1,571,972	+ 372,186	14,727,078	+ 2,330,285
Elec. Spv. of Vio.	18 weeks	22	Gross Net ..	\$23,823	+ 2,902	283,158	+ 36,073
Havana Elec. Rl.	1 mth	Jan. 31	Gross Net ..	\$4,905	..	51,820	638
Light & Power	8 mths	Feb. 28	Gross Net ..	\$1,127,835	+ 12,215	..	..
International Light & Electric	1 mth	Feb. 28	Gross Net ..	\$52,623	+ 27,466	169,026	+ 3,644
Kalgoolie Electric Tramways....	1 mth	Jan. 31	Gross Net ..	\$21,636	+ 791	51,536	+ 8,620
Keystone Tele. ...	2 mths	Feb. 28	Gross Net ..	\$2,192	..	2,192	..
La Guaira Harbr. L.	1 mth	Mar. 31	Gross Net ..	\$143,827	+ 5,849	287,938	+ 11,600
La Plata Electric	3 mths	31	Gross Net ..	\$64,031	+ 1,205	166,200	+ 13,132
Lima Light, Pwr and Tramways	1 mth	Mar. 31	Gross Net ..	\$9,099	+ 1,196	..	..
Limalight, Pwr and Tramways	3 mths	31	Gross Net ..	\$7,762	+ 694	21,908	+ 1,698
Manila Electric Railroad, &c.	12 mths	Dec. 31	Gross Net ..	\$28,776	+ 3,346	823,177	+ 57,766
Puerto Rico Electric Railroad, &c.	2 mths	Feb. 28	Gross Net ..	\$36,707	+ 6,306	336,567	+ 25,720
Pura Electric	2 mths	Feb. 28	Gross Net ..	\$10,010	+ 169	619,727	+ 454
Rangoon Electric	4 mths	Mar. 31	Gross Net ..	\$141,990	+ 7,961	290,364	+ 21,288
Shanghai Electric United Electric T.	1 mth	Feb. 28	Gross Net ..	\$23,977	+ 1,402	96,331	+ 6,209
Veracruz Electric	5 mths	Mar. 31	Gross Net ..	\$9,541	+ 525	39,556	+ 4,043
Victoria Falls & Transvaal Pwr.	1 mth	Feb. 28	Gross Net ..	\$94,000	..	..	..
Winnipeg Electric	3 mths	Mar. 31	Gross Net ..	\$150,150	+ 400	..	..
Yamaguchi Electric	5 mths	31	Gross Net ..	\$1,592,150	+ 2,600	..	..
Yokohama Electric	5 mths	Mar. 31	Gross Net ..	\$56,984	+ 5,836	278,787	+ 47,328
Yokohama Electric	1 mth	Feb. 28	Gross Net ..	\$35,200	+ 9,500	72,600	+ 29,700
Yokohama Electric	Quarter	Dec. 31	Gross Net ..	\$234,803	..	..	..
Yokohama Electric	1 mth	Feb. 28	Gross Net ..	\$460,137	+ 12,720	956,914	+ 4,493
Yokohama Electric	1 mth	Feb. 28	Gross Net ..	\$140,230	+ 12,129	296,308	+ 24,657

§ Approximate receipts.

RUBBER OUTPUTS AND DIVIDENDS.

In the table below we give the March outputs, and dividends for four complete years of a number of Rubber Companies, while the latest reports of Rubber Companies are analysed under our Summary of Profit and Loss Accounts each week. The latest dividends declared appear under Dividend Announcements, and the Rubber Share Market is dealt with in our Stock Market section. Particulars as to the Market Price of the Commodity and other information will be found in our Produce Market Section.

Name. Year ends December 31, Except where Stated.	Outputs.			Output Month March, 1923.	Increase or Decrease on 1922.	3 Months 1923, Except Where Otherwise Stated in Brackets.	Increase or Decrease on 1922.	Dividends paid in Past 4 Complete Years.				
	Year 1919.	Year 1920.	Year 1921.					1919.	1920.	1921.	1922.	
	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.		%	%	%	%
Allagar	359,250	554,250	529,300	..	..	1,781,000(12)	..	1919.	..	1920.	..	1922.
Anglo-Java	2,416,470	2,101,424	1,746,500	..	..	250,095	19,519	%	17 1/2	%	nil	%
Anglo-Malay	1,458,309	1,430,807	814,209	74,656	-	662	60	%	60	%	nil	%
Anglo-Sumatra (May 31)	771,855	1,058,736	920,074	37,084	-	20,779	75,984	30(19-20)	nil(20-21)	5(21-22)	10	..
Ayer Kuning	960,175	943,803	812,127	61,000	-	9,000	43,000	50	74	10	..	..
Bah Liss (Oct. 31)	974,520	1,561,555	1,123,341	86,418	-	18,627	27,375	10(19-20)	nil(20-21)	74(21-22)	..	..
Bajoe Kidol (Mar. 31)	941,776	1,029,608	729,518	118,474	+	22,243	209,507	20(19-20)	nil(20-21)	5(21-22)	10	..
Bakap (June 30)	225,800	230,300	164,080	..	..	144,850(8)	..	nil(19-20)	nil(20-21)	nil(21-22)	..	..
Bandar Sumatra (July 31)	474,148	614,867	523,967	34,000	+	6,400	21,300	nil(19-20)	nil(20-21)	nil(21-22)	..	..
Bantam (Java) (June 30)	749,146	913,616	713,192	..	..	76,125(2)	..	15(19-20)	5(20-21)	nil(21-22)	..	..
Beatang (Selangor) (April 30)	321,271	397,686	296,140	28,463	+	5,468	75,961	25(19-20)	nil(20-21)	nil(21-22)	..	..
Batu Caves	675,534	647,153	534,893	35,900	+	462	120,683	..	..	..	..	4
Batu Tiga	784,000	765,100	510,500	57,500	+	14,750	172,000	..	4,309	150	10	..
Bekon Consolidated (June 30)	..	..	..	33,914	-	4,108	302,322(9)	..	..	10(20-21)	nil(21-22)	..
Bertam Consolidated (March 31)	1,534,416	1,269,877	1,351,255	..	..	..	..	30(19-20)	5(20-21)	5(21-22)	..	..
Bukit Choh	375,743	342,250	277,730	..	..	185,500(6)	..	74(19-20)	24	74(19-20)	..	..
Bukit Kajang (June 30)	900,681	842,362	669,000	40,397	-	9,007	480,186(9)	10(19-20)	nil(20-21)	nil(21-22)	..	..
Bukit Mertajam (March 31)	1,060,000	1,536,320	984,500	..	..	537,807(9)	14,576	10(19-20)	nil(20-21)	nil(21-22)	..	..
Bukit Sembawang	1,118,202	1,214,845	975,540	..	..	668,148(8)	..	10	nil	nil	..	3
Ceylon (Para)	655,165	653,267	504,891	..	34,552	..	89,351	40	nil	5	..	..
Cheroneese	815,285	875,814	867,033	40,800	-	1,500	153,900	..	48,838	20	64	124
Chavot	705,765	636,372	..	..	..	..	12,090	21	5	..	..	5
Cloely Ordinary (March 31)	1,002,436	1,070,989	835,118	49,200	-	10,782	168,000(3)	60(19-20)	nil(20-21)	nil(21-22)	..	..
Consolidated Malay	748,335	801,897	664,798	..	..	..	176,650	..	15,849	124	..	..
Pennantia	566,621	436,210	391,289	..	..	..	..	324	..	..	..	5
Dennistown	752,228	1,053,163	698,008	..	..	..	..	..	..	..	..	..
Dusun Durian	338,504	454,740	443,900	31,000	+	8,000	356,000(9)	10(19-20)	nil(20-21)	nil(21-22)	..	..
Eastern Sumatra (June 30)	793,000	933,000	900,300	46,700	-	16,300	169,500	15(19-20)	58,000	25	10	..
F. M. S. Planters	1,252,782	1,247,524	1,063,642	63,584	-	28,504	179,584	..	61,622	35	..	..
General Ceylon	535,934	612,403	473,041	..	..	..	..	35	..	..	..	..
Golconda Malay	376,849	461,824	233,446	26,479	+	10,673	86,786	20	35,744	25	..	5
Golden Hope	5,164,927	5,217,447	4,379,972	..	..	..	3,527,251(9)	15	24	74	..	10
Grand Central (Ceylon)	1,549,500	1,618,987	1,023,600	..	..	..	..	224	74	34	..	..
Gula-Kalumpang	423,423	454,966	320,861	97,100	-	3,900	293,400	72	30	74	..	33
Harpden	1,504,474	1,533,919	1,215,779	23,140	-	4,300	273,570(9)	45(19-20)	nil(20-21)	nil(21-22)	..	..
Highlands and Lowlands	361,180	427,039	334,688	35,000	+	18,300	244,400	20	..	..	..	..
Inch Kenneth (May 31)	937,688	932,212	882,131	89,500	-	20,700	124,400	20	..	..	..	..
Java Amalgamated	317,381	380,504	375,635	33,000	-	6,789	288,298(12)	15(19-20)	nil(20-21)	nil(21-22)	..	..
Java Rubber Plantations	319,403	298,821	233,639	25,035	+	6,789	473,660(8)	15(19-20)	nil(20-21)	nil(21-22)	..	..
Jeram (March 31)	564,325	661,950	570,879	..	..	1,762,284(7)	..	5(19-20)	nil(20-21)	..	..	..
Jong-Landor (June 30)	2,457,721	2,058,392	..	48,490	-	22,600	615,460(9)	124(19-20)	nil(20-21)	..	..	..
Jugra Land and Carey (Nov. 30)	705,772	902,605	747,769	..	..	..	..	..	99,490	40	74	5
Kamming (Perak) (June 30)	1,036,566	1,022,925	851,775	..	..	..	34,236	..	..	..	..	..
Kaper Para	549,219	610,200	474,800	..	..	..	..	20(19-20)	nil(20-21)	nil(21-22)	..	..
Kawle (Java) (March 31)	503,217	536,311	421,596	..	..	..	..	10(19-20)	nil(20-21)	nil(21-22)	..	..
Keptigalla (March 31)	412,320	750,704	483,560	44,857	-	..	139,844	65	10	..	..	..
Kepong (Malay)	700,023	633,685	604,000	43,800	-	20,600	685,454(12)	20	21,454	20(19-20)	124(20-21)	64(21-22)
Kinta Kelas (March 31)	1,579,682	1,709,537	1,350,385	86,900	-	13,900	865,400(9)	15(19-20)	nil(20-21)	nil(21-22)	..	..
Kuala Lumpur (June 30)	640,867	656,468	661,712	41,355	-	13,114	127,490	624	43,523	25	..	..
Kuala Selangor	1,133,792	1,120,230	1,120,230	64,760	-	5,630	205,400	10,770	25	5	..	..
Labu (F.M.S.)	1,245,745	1,451,209	1,097,352	97,796	+	8,159	322,822	74(19-20)	..	..	..	..
Landanor	700,222	812,728	455,034	68,300	+	10,993	434,362(7)	117,335	74(19-20)	nil(20-21)	..	..
Langen Java (Aug. 31)	467,900	451,500	370,000	25,000	-	..	90,000	4,000	24,632	35	..	..
Langkat Sumatra	703,929	685,259	434,976	26,279	-	2,072	122,793	20	4,000	..	..	..
Ledbury	2,804,900	2,804,217	2,175,728	16,160	-	18,493	468,100	51,516	25	..	..	..
Linggi Plantation, Ord.	1,615,566	1,606,830	1,419,741	162,918	+	73,253	472,026	194,053	35	..	..	..
London Asiatic	1,108,800	1,431,500	1,076,700	83,300	-	6,000	503,360(6)	33,490	124(19-20)	74(20-21)	10(21-22)	..
Lumut (Sept. 30)	4,210,746	4,122,973	3,508,340	245,900	-	87,840	56,190	173,890	30	..	..	..
Malacca, Ordinary	1,752,709	1,853,366	1,246,752	43,600	-	20,184	990,669(12)	124	5	..	..	..
Malayan (March 31)	1,002,567	1,416,558	1,141,285	111,279	+	5,984	335,948	..	32,201	15	..	..
Mandarin	1,509,080	1,646,237	1,143,456	..	..	..	..	..	..	..	..	..
Marlman	625,790	782,070	516,550	35,585	-	5,155	159,430	19,975	174	..	..	..
New Crocodile	608,753	743,464	510,286	53,833	-	1,716	151,318	10	17,955	10	..	..
Nordana (Johore)	548,392	587,880	592,981	..	..	..	..	25(19-20)	nil(20-21)	nil(21-22)	..	..
North Hummock (March 31)	339,188	303,089	264,375	18,772	-	3,083	346,122(6)	11,965	20(19-20)	nil(20-21)	nil(21-22)	..
Padang Jawa (March 31)	676,583	751,379	736,381	6,160	-	37,367	87,581	42,207	20	..	..	..
Panawatte	725,278	761,538	539,770	44,644	+	5,845	142,079	9,998	250	5	..	..
Pataling	1,067,238	1,067,238	527,110	5,967	-	..	355,817(6)	25,730	10(19-20)	..	..	..
Pegoh (Sept. 30)	578,480	587,800	544,718	33,148	-	47,302	512,804(12)	31,912	18(19-20)	..	..	..
Para Rubber (March 31)	851,318	792,782	656,030	55,180	-	9,770	769,330(12)	113,800	103(19-20)	..	..	..
Peri Dickson-Lukut (March 31)	511,142	532,365	478,893	31,000	-	9,500	113,580	8,751	15	24	..	..
Rangoon Para	883,806	793,597	701,347	..	..	..	63,900(1)	..	..	..	..	..
Raul (Travancore)	677,548	722,240	514,020	45,240	-	5,374	117,640	33,222	25	74	..	..
Rubber Estates of Johore	415,000	352,770	299,650	10,750	-	11,355	81,250	3,879	12	5	..	..
Rubber Estates of Krian	280,900	303,132	229,000	25,000	-	14,427	56,500	41,734	54	..	..	..
Rampang Java	704,198	774,293	602,828	8,900	+	6,135	8,900	6,057	10	..	..	..
Ragamaland	701,771	691,722	499,814	36,634	-	..	16,234	112,141	26,255	65	..	..
Scottish Malay	1,147,563	1,116,012	893,967	80,036	-	14,712	38,089	75	5	..	..	..
Seaford	397,500	506,000	450,000	30,000	-	11,400	378,000(9)	24,800	13(19-20)	nil(20-21)	nil(21-22)	..
Seaport (June 30)	888,830	868,833	656,554	55,843	-	2,707	171,532	1,729	10(19-20)	10(20-21)	124	164
Selangor	463,173	630,352	496,123	..	..	..	338,000(13)	..	..	..	..	..
Sembilan (July 31)	432,034	404,751	333,000	..	..	..	382,000(12)	48,900	5	124	..	..
Serdang Central	1,073,723	1,102,921	650,648									

and corporation tax, and have placed £100,000 to reserve. They will propose at the general meeting the payment of a final dividend of 2½ per cent. on the preference stock, making, with the interim dividend, 5 per cent. for the year (less income-tax), and on the ordinary stock a dividend of 5 per cent., making, with the interim dividend, 7½ per cent. for the year (free of income-tax), and to carry forward £42,254 to the next year.

BANKS.

COLONIAL BANK.—The report for the half-year ended December 31, 1922, shows a net profit for the half-year of £53,130, to which is added £28,667 brought in, making £81,797 available. Out of this sum £20,000 is set aside for provision for bad and doubtful debts. Dividend at the rate of 8 per cent. per annum absorbs £33,057, leaving £48,740 to go forward. With regard to the West Indies, the report states that the improved price of sugar is everywhere giving planters much needed encouragement. In Jamaica and Demerara the crop will be short, owing to unfavourable conditions. Banana prospects are good, but cocoa is still very depressed. The diamond industry in Demerara has had a record year, stones to the value of £800,000 having been exported. In the Gold Coast the cocoa crop proved to be a good one. There is a better demand for Nigerian palm oil, and the appreciation in the price of tin should benefit the mining districts. Improvement in West African trade generally is, however, very slow.

DAI-ICHI GINKO, LIMITED.—The gross profit for the half-year ended December 31, 1922, amounted to 16,660,736 yen, from which has to be deducted the general expenditure of the bank, 11,389,714 yen, showing net profit of 5,271,022 yen. The available balance, including the amount brought forward from last account, 2,631,267 yen, is 7,902,289 yen. To bonus for directors, 200,000 yen; to chief officers, 263,550 yen; to pension fund for officers and staffs, 105,420 yen; to be added to reserve fund, thus raising that account to 35,500,000 yen, 2,000,000 yen; to dividends at the rate of 13 per cent. per annum on 454,000 old shares at 3.25 yen per share, and 546,000 new shares at 2.03125 yen per share, 2,584,562 yen; leaving a balance to be carried forward to next account, 2,948,756 yen—7,902,289 yen.

LONDON AND BRAZILIAN BANK, LIMITED.—The accounts for the year ended January 31, 1923, show a available balance of £539,976, which includes £498,622 brought in from the preceding year. A dividend of 10 per cent. for the year absorbed £150,000. A sum of £200,000 is allocated to a special contingency account, and of £189,976 is carried forward. The total assets amount to £34,055,093, of which the following are the leading items:—Bills discounted, loans, &c., £15,454,120; bills for collection, £6,613,347; specie and cash, £8,482,141; cash in transit, £1,245,800. With regard to liabilities, deposits stand at £19,684,399 and bills for collection at £6,613,347. The meeting will be held on May 1st at 7 Tokenhouse yard, at 12.30 p.m.

ASSURANCE COMPANIES.

GENERAL ACCIDENT, FIRE, AND LIFE.—The report for last year shows that in the accident and general account the premiums were £3,517,416, the claims £1,783,671, and the expenses and commission £1,273,207. After providing for unexpired risks on the basis of one-third of the annual premiums, a sum of £141,513 was transferred to profit and loss. The total income was £4,169,436, and the net outgoings £3,869,776. After adding £175,881 to the various reserves, there remained at credit of profit and loss £296,450, including £172,672 brought forward. After paying a dividend of 5 per cent. on the preference and 25 per cent. on the ordinary shares, transferring £70,000 to the fire additional reserve fund, making this fund £100,000; £28,080 to the general reserve fund, making this fund £200,000; £30,000 to the staff pension fund, a balance of £109,660 was carried forward.

LONDON ASSURANCE.—The report for 1922 shows that in the life department new assurances were granted for £1,382,128. The net premium income amounted to £349,709, an increase of £17,330, and the total income from all sources was £529,115. The life funds on December 31st amounted to £3,380,986, an increase of £23,648. In the fire department the net premium income was £1,480,153. Claims were 51.5 per cent., and expenses 45.2 per cent. After transferring £51,552 to profit and loss, the fire fund amounted to £1,300,000, an increase of £50,000. Marine premiums were £869,278, and the fund was increased by £50,000 to £850,000, after transferring £163,235 to profit and loss. In the accident department the net sum received in premiums was £207,400, and the fund was increased from £138,389 to £155,779. The balance at the credit of profit and loss was increased by £41,501 to £249,745, after transferring £40,000 to contingencies account and writing £50,000 off premises. The directors recommend a dividend of 30 per cent., free of income-tax, representing an increase of 2 per cent., as compared with the dividend paid in respect of the preceding year.

NORWICH UNION LIFE.—During last year 9,820 new life policies were issued assuring £7,255,538 net, as compared with 10,841 policies assuring £7,512,733 net in 1921. The net premium income was £2,400,513, against £2,446,512, and the expenses were at the rate of 16.8 per cent. of the premiums, as against 17.15 per cent. in 1921. The total funds increased by £1,432,591 to £10,089,922. The yield from interest was 5.15 3d per cent., after deducting income-tax, as compared with 4.4 15s 8d. Death claims of £58,414 were £262,157 less than the amount expected by the company. It is announced that Mr Davidson Walker, the general manager, is about to retire.

OSMAN ACCIDENT AND GUARANTEE.—This company, whose accounts will be incorporated with those of the Commercial Union Assurance Company, has issued a separate statement. The total income last year was £5,415,442 and the claims £3,076,974.

After taking £210,000 from the accident department and £40,000 from the fire department, the credit balance at profit and loss was £522,508, including £213,442 brought forward. Income-tax and corporation profits tax cost £184,097. The assets amounted on December 31st last to £7,663,254.

MISCELLANEOUS.

BENGAL IRON COMPANY.—The directors, in a circular dated April 16, 1923, state that, so far as they can see, in spite of reduced prices obtainable, the final result for the year ended March 31, 1923, will show an improvement on the figures for the previous year. During the year the works have been fairly well supplied with orders, and at its close the stocks of pig-iron and iron castings carried were moderately light. Substantial progress has been made with the development and equipment of the company's Jitpur colliery, which it is hoped will be brought into full operation within the next eight months. A fourth battery of coke ovens is nearing completion. Prospects for the current year are hopeful. The greater portion of the estimated production of pig-iron up to December next has already been sold.

CANADIAN GENERAL ELECTRIC COMPANY.—The profit and loss statement for the year ended December 30, 1922, shows a profit of \$532,791. Interest charges amount to \$428,227, leaving a net profit of \$104,564. With \$557,726 brought in from the previous year, the available balance was \$662,290. Dividends at the rate of 7 per cent. per annum on the preference stock and 8 per cent. per annum on the common stock for the first quarter, and 6 per cent. per annum for the remainder of the year, were paid, absorbing \$841,879. It was, therefore, necessary to draw upon the accumulated earnings of the company to the amount of \$737,314 to provide for dividends. The report of the directors states that the trade depression which began in 1921 continued during most of 1922. In the first nine months of that year there were insufficient manufacturing orders to keep the company's works operating on an economical basis. Since the close of the year there has been a marked increase in the volume of orders. As the reserve for depreciation stands at \$5,164,923, the directors did not consider it necessary to augment it last year, but all repairs and replacements have been charged direct to expenses account.

CITY OF SANTOS IMPROVEMENTS COMPANY.—The report for the year 1922 shows that the revenue in Santos has been converted into sterling at 7.187d, the average remittance rate of exchange for the year, as against 8.281d in 1921, and the floating assets and liabilities in Brazil have been valued at 6.062d per milreis, the rate ruling at the end of the year 1922. The net revenue for the year was £87,404, which, added to £11,519 brought forward from 1921, makes a total of £98,923, as compared with £100,388 in 1921. Out of the total of £98,923 provision has been made for debenture interest £11,112, sinking funds £14,757—£25,870; dividend on 6 per cent. preference shares for the year 1922 £12,000, interim dividend of 2 per cent. on ordinary shares (paid, less tax, November 1, 1922) £16,000; and there remains a balance of £45,053. Out of this sum the directors have transferred £5,000 to reserve account, and having set aside £6,000 to tramways renewal account, they recommend the payment of a final dividend of 3 per cent. on the ordinary share capital, making 5 per cent. (less tax) for the year, leaving £10,053 to be carried forward to the next account.

HADFIELD'S LIMITED.—The report for 1922 states that adjustments may still be necessary to meet the provisions of the Munitions and Finance Acts. The directors have taken advantage of the favourable position of the money market, and, acting under the terms of the trust deed, gave notice to redeem the £1,000,000 7½ per cent. mortgage debenture stock issued in December, 1920. An issue of £1,040,000 5½ per cent. mortgage debenture stock has been arranged to take the place of the stock so paid off. By this re-issue the finances of the company have been stabilised, and a saving has been effected of £17,800 per annum. The investments of the company have been written down to their present-day values, so far as can be ascertained. A sum of £137,000 has been taken from the special reserve account for this purpose. The engineering dispute, which lasted 13 weeks (March 11 to June 13, 1922) had a very serious effect on the company's operations. The great and protracted shortage in the demand for steel and engineering products generally has also caused your directors much anxiety. There are now, however, marked signs of improvement in this direction. The directors recommend that, in addition to the interim dividend of sixpence per share paid on August 21st last on the ordinary shares, a further dividend be paid on the ordinary shares of sixpence per share, making a total dividend of 5 per cent., free of income-tax, for the year, and that the balance of £128,418 7s 7d be carried forward.

MERCANTILE MARINE FINANCE CORPORATION.—The account for the year ended February 28th last show net profits amounting to £43,570. This, with the amount brought forward, £6,043, makes a total available for distribution, after providing for taxation, of £41,734. The directors recommend the payment of a dividend of 6 per cent. per annum, less income-tax, the payment of which absorbs £30,000, and that the balance, £11,734, be carried forward. The balance-sheet shows that investments stand at £618,303, and include British Government, British Corporation, and Colonial Government securities to the amount of £517,388, the market value of these investments at the date of the closing of the books being £645,206. Bills receivable against security amount to £425,641. Sundry debtors and accrued interest, £12,445; and cash at bank, £34,105. The liabilities at the close of the year comprise loans, £419,000; sundry creditors, outstanding, and income received in advance, £20,851; bills receivable discounted £100,000, all preliminary expenses having been written off.

WHITEHALL ELECTRIC INVESTMENTS, LIMITED.—For the month of February, 1923, the approximate net operating returns of the companies in which Whitehall Electric Investments, Limited, is interested are: Operating in Chili: Cia. Chilena de Electricidad Limitada, £16,300. Operating in Mexico: Cia. Electrica de Tampico, S.A., £15,000; Puebla Tramway Light and Power Company, £9,600; Veracruz Electric Light Power and Traction, Limited, £3,600; Cia. de Luz Electrica y Fuerza Motriz de Orizaba, S.A., £1,650; Cia. Electrica de Cordoba, S.A., £550. Chilean exchange calculated at \$38.75 equals £1. Mexican exchange calculated at \$1 equals 24.5d.

Commercial Reports.

THE CORN TRADE.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1922-23, contrasted with 1921-22, 1920-21, and 1919-20:—

	1922-1923.	1921-1922.	1920-1921.	1919-1920.
Estimated sales of home-grown wheat—				
1 week to April 14.....	Cwts. 281,585	Cwts. 192,239	Cwts. 367,210	Cwts. 171,103
31 weeks to April 14.....	13,843,687	13,799,509	9,962,567	9,894,887
Average price of English wheat per quarter.....	s d 8 9	s d 5 9	s d 8 8	s d 7 2
= per cwt.....	9 9	11 10	20 7	16 11½

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1919 to 1922:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1923.						
April 7.....	Cwts. 264,548	Cwts. 71,155	Cwts. 27,086	s d 8 4	s d 8 4	s d 9 9
14.....	261,585	76,748	23,493	9 9	8 7	9 11
1919.....	309,493	77,643	44,223	17 0	17 6	16 11
1920.....	171,103	31,482	16,728	16 11	24 5	19 10
1921.....	367,210	70,661	37,627	20 7	13 6	12 11
1922.....	192,270	52,504	29,501	11 10	11 5	10 5

Mark Lane, Friday Evening.

Climate conditions have remained dull, with further showers of rain in some districts, and which continue to hamper field work. Farmers, however, have been able to drill a fair quantity of oats, while early sowings are now showing above ground. Winter wheat and oats are generally satisfactory, but a spell of fine warm weather would greatly improve agricultural prospects. English wheat is less freely offered both here and at provincial centres, and prices continue to harden in sympathy with the general position. Suitable milling grades range from 9s 9d to 10s 6d, and inferior 8s 9d to 9s 3d per 112 lbs, free on rail. Imported descriptions also very firmly held at a further advance, owing to higher forward offers. No. 1 Northern Manitoba quoted at 52s, Barusso 62½ lbs 51s, both ex-ship to arrive, and Australian landed nominally 55s 6d, all per 496 lbs. Crop news from the chief exporting countries vary, and while India confirms a good harvest, preparations for the new crops in Canada and Australia are somewhat backward. Reports from the United States indicate a slight improvement, while weather conditions are favourable for ploughing in Argentina. Arrivals at United Kingdom ports continue on a light scale, and stocks continue to decrease. In the floating and forward cargo section prices were again rather firmer in sympathy with higher foreign cables, which, however, tended to check demand. Steamers of choice white Karachi April-May changed hands at 50s, White Western and No. 2 soft Pacific July-August 49s 7½d, and Barusso 62½ lbs afloat 48s 1½d per 480 lbs. There is a fair demand for home-milled flour, and values are steadily hardening, owing to the advance in wheat, with millers showing more reserve. London standard straight run now quoted at 42s, patents 43s to 44s, and town households 40s per sack, delivered in the Metropolitan area. All English country straights 32s to 35s, delivered London stations. Imported steader. Manitoba patents range from 37s 6d to 41s 6d, Minneapolis good patents 41s, and Australian 37s to 38s per 280 lbs, ex-store. Millers' offals, firm. Broad bran quoted 7s 3d-7s 6d, ordinary 6s 6d, middlings, 7s 3d-7s 9d, bags including ex mill, light oats 6s 3d, powdered oat husks 6s 3d, feed oatmeal 8s 9d, ground oats 13s 9d per cwt, free on rail. Barley, English steady at 7s-13s per 112 lbs, free on rail, as to quality; imported, firm. Californian quoted 42s-44s, ex-ship, Australian chevalier 46s-51s, New Zealand 40s, both landed, all per 448 lbs, Plate 29s 6d, Persian 27s, Danubian 29s 6d-30s 6d, all landed 400 lbs. Maize, quiet, but firm. Plate, ex-ship, 39s 3d, landed 40s 6d, No. 2 yellow American, ex-ship, 38s 3d, landed 39s 6d, No. 2 mixed ditto, ex-ship, 38s 3d, East African landed 38s 3d, red Karachi ditto 42s 6d, all per 480 lbs. Oats, English steady at 8s 4d-10s 6d per 112 lbs, free on rail, as to sample; imported, firm. Plate f.a.q., ex-ship, 25s, ditto landed 26s 6d, No. 2

Canadian Western 30s, No. 3 ditto 28s, No. 2 Canadian feed 26s 9d, New Zealand A grade 38s 6d, B 37s 6d per 320 lbs, all landed terms. Oatmeal, firm, and in fair demand. London-made all cuts 18s, rolled oats, also whole groats, 18s, flaked oats 20s 6d, ex-mill, ordinary Scottish oatmeal, 18s 6d-19s 6d, and American all cuts 17s 6d per cwt.

IRON, STEEL, AND COAL.

Our Middlesbrough correspondent's report, dated April 19th, is as follows:—Pig-iron: Makers have no trouble in disposing of what little unsold pig-iron they have for the next couple of months, and prices are firm and unchanged. The position over the second half of the year is naturally uncertain. Manufactured iron and steel: There is a good demand for steel, with more orders. Prices remain unaltered. Steel ship plates, £10 10s; steel ship angles, £10; iron bars, £12; steel rails, £10 10s. Iron ore: Good iron ore is relatively cheap at 24s 6d for best Bilbao Rubio. Owing to the coke shortage, it is difficult to see how more hematite furnaces can be started at present.

Our Sheffield correspondent writes:—Conditions in the iron and steel trades are again quieter this week, and the tonnage of new business placed is negligible. Furnaces are still busy on old contracts, but little or nothing is coming forward to replace these when completed. Consumers have no confidence in the current high prices being maintained. Owing to reduced buying from the Continent, the position of coke is much easier, and there should be no difficulty about supplies in the future at reasonable prices. A settlement of the trouble in the Ruhr and the resumption of German competition in the steel market is generally regarded as imminent, and induces an attitude of extreme caution on the part of buyers. Apart from open hearth steel, the tendency in the heavy trades is to contract, with the single exception of the railway department. Orders continue to be booked for wagons which involve the consumption of large quantities of steel and wrought. The volume of work does not, however, suffice to find full employment for the spring and tyre plants. Prices are a shade easier, and the billets can be bought at £9 10s, or 10s less than previously. The stagnation in cutting steels and tools required in engineering and shipbuilding work is as pronounced as ever. Judging from reports from all sides, the trading of the present quarter is likely to fall considerably below the first quarter of the year. The present month is proving very unsatisfactory to makers of plate and cutlery, as

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the demand is almost confined to the cheapest classes of goods, and buying was never so keen. A lot of business is being refused because the prices offered are unremunerative. Colonial orders are rather better than of late. Arrivals of German cutlery and tools have shrunk considerably as the result of the Ruhr occupation. Nevertheless, the competition of such goods is still to be reckoned with, as the country contains large stocks of them. While there continues a brisk demand for all kinds of manufacturing fuel, and prices are firm, it is considered in some quarters that the crest of the boom in the coal trade has been passed. Steam coal sells freely, both to manufacturers and railway companies, and slacks occupy a strong position. Coke for export is reduced to 45s per ton, f.o.b.

Our Glasgow correspondent writes:—The expressed tone in iron and steel trade connections is said this week to have been a shade quieter than that which obtained a fortnight ago, and this is attributed to the feeling growing amongst merchants that the Ruhr situation is giving signs of amendment, with the consequent anticipation, should events move that way, that prices for raw materials will be modified. Indeed, here and there they have changed already. Scotch No. 1 foundry pig having yielded 2s 6d a ton at £6 2s 6d, and No. 3 also 2s 6d at £5 17s 6d a ton. Both export and home inquiry for these qualities is off a bit; at the moment American needs are about nil, with few orders standing in makers' books for execution. Last week's shipments to U.S. ports dropped to 2,696 tons. In manufactured steel connections an active trade is passing in all sections for plates, joists, girders, &c., and the promise, it is stated, is hopeful for the general outlook, on to the middle of the year at least. At the same time, no expansion falls to be noted in shipbuilding, though there are a number of steamers lying in the yards, hung up for constructional orders; and these, again, depend on the course of expenses. A moderate decline in costs would liberate a lot of tied-up tonnage. Boiler plates remain hard at £13; ship plates at £10 5s; ship sections at £10; and crown bars at £12 10s. Black sheets continue in strong request for Australia, South America, and South Africa, with ½ inch to 1 inch at £12 10s f.o.b. Glasgow. Heavy steel rails, hoops, channels, angles, &c., are in request on general export account, and are commanding fair terms, say, £10 10s for rails, £10 10s for angles, steel bars (small), £11 7s 6d; and steel channels, £10 10s. A very healthy trade is going through in steel tubes for export; and engineering shops, except probably those engaged on locomotive building (in which there is a positive lull), are well employed on specialties, such as Diesel and other engines. As the week closes rumours are current as to shipment orders having been secured for some large bridges for South Africa; and also to contracts having been secured for heavy railway waggons, trucks, &c. The trading in motors (pleasure and trade) is on the increase. A big spurt is looked for in girders and joists, which should be in considerable need for constructional purposes under the new house-building scheme. In all the colliery districts in Scotland production is on a heavy scale, and yet it is unequal to wants, which are literally flowing in from the Continent—France, Germany, Belgium, and Italy.

Our Cardiff correspondent writes:—Business on the Cardiff coal market has not been very active this week. Buyers and sellers are marking time, and there has been no appreciable movement in prices, except for best household descriptions, which on Monday were increased by 5s per ton, from 30s to 35s, at the pit head. The following are the current approximate quotations:—Best Admiralties, 40s to 42s 6d; second Admiralties, 40s to 41s; best drys, 37s 6d to 40s; black veins, 40s to 41s; Western Valleys, 39s to 41s; Eastern Valleys, 37s 6d to 40s; best bunker smalls, 30s to 32s 6d; ordinary cargo smalls, 28s to 30s; anthracite big vein, 45s to 47s 6d; machine-made cobbles and French nuts, 50s; rubbly culm, 16s to 17s; coke for export, 75s to 80s; inland blast furnace coke at ovens, 35s to 40s; patent fuel, 42s 6d to 47s 6d; pitwood, 30s to 31s. Compared with those ruling three months ago, the current quotations show an average increase of over 10s per ton, and so strong has been the effect of this rise in price, and of the activity in the export trade, that the market values of the ordinary share capital of 11 colliery undertakings have appreciated in the aggregate by over £1,762,000. In the iron and steel trades the volume of the export trade has reached unprecedented proportions, and prices, although unchanged, are firm at recent figures.

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—A moderate amount of business is being done in tops, though there are indications that most users are operating with caution. The tone of the market remains exceedingly good, and this is directly due to the pronounced strength of the wool position. For a whole month there have been no auctions in this country, but cables from the Colonies report a strong general demand for the raw material, and it is expected that when the sales are resumed in Coleman Street Wool Exchange next Tuesday values will show an upward tendency. The demand for wool, indeed, is the most striking feature of the industry at the moment, and users in this country will be forced by foreign competition to follow the market. Meanwhile, topmakers are adopting a policy of caution, and refusing to add to their already heavy commitments except at full quoted rates. Any advance in wool must, it is felt, be reflected in higher prices for tops, and it is a question whether the yarn trade will be able to meet a further advance. At present spinners complain of the

difficulty of making prices commensurate with the cost of production, and although spinning machinery is well employed on old orders there is no great volume of new business coming on to the books. Users assert that they cannot pay more money for yarns, and as both spinners and manufacturers are having to face keen competition from the Continent—imported yarns and dress goods being sold at prices greatly below those quoted by British makers—it is manifest that neither spinners nor manufacturers will welcome a further advance in wool. Their one hope is that with dearer raw material a certainty, wholesale fabric buyers might be induced to place large orders and do more forward buying.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

The third series of London sales will commence next Tuesday, when the British Australian Wool Realisation Association will offer 62,000 bales of Australian and New Zealand produce, while the quantity to be brought forward on importers' account, this being commonly known as "free" wool, amounts to 125,000 bales. With such a total of offerings, the sales will last into the fourth week, though no one will be surprised if the last few days are knocked off. A good deal will depend upon how the sales go. Expectations are entertained that merinos will appreciate about 7½ per cent., and even a 10 per cent. advance is mentioned, but it is not likely that crossbreds will appreciate more than 5 to 7½ per cent., if as much. The outlook for the sales is certainly good, and an excellent demand for the raw material is anticipated, but the trade would much prefer to see a steady opening, with a good all-round demand for wool, than an extensive rise at the beginning, followed by a decline.

If the way Australian markets have gone during the past fortnight is any guide, merinos will make the higher advance named above, but whatever actually takes place will not be solely due to home competition, but to the combined buying of the Continent and America, for West Riding firms cannot afford to pay any more money. We think circumstances justify the statement that the home trade is now worse than since last October, there being anything but satisfactory manufacturing conditions in the worsted and woollen trades. As evidence of this it may be stated that only about thirty spinners asked permission recently of the Industrial Council to run overtime, compared with one hundred who made similar application six months ago. Woollen mills are far from being fully occupied, and the spring trade has been distinctly disappointing. At the same time, the fact must be recognised that in the aggregate a big consumption of raw material is proceeding, particularly across the Atlantic. For the first time in their history the American Woollen Company are running the whole of their machinery, and we understand that, generally speaking, Continental mills are running full time. There is also considerable activity in Japan, and the demand for the raw material gives every promise of being keen and well sustained. Bradford dress goods manufacturers have been hard hit by the large importations of Continental dress goods, these being bought at 20 to 25 per cent. less than the cost of production in England. This turning of the tables is making many ardent Free-traders begin to think seriously that there is something to be said in favour of Protection, and the keen competition of Continental manufacturing firms, which they enjoy, and by the low value of the currencies, is causing serious misgivings regarding the future. However, firm wool markets everywhere have inspired Bradford topmakers to demand higher prices, whilst the recent large purchases of merino and crossbred matchings in Bradford shows that a big trade is still being done in raw and partly-manufactured articles. Besides taking virgin wool, America has absorbed large quantities of noils and wastes, and though business in these appears to have fallen off somewhat, there has not yet been any great accumulation of stock. Following the advances already made in wool, topmakers are quoting 63d for good 64s combings, and are, in some cases, indifferent about selling at this price. The sale of such large quantities of wool to America is creating some misgivings about the possibility of keeping Bradford combing machinery fully occupied, but as more manufacturing machinery is being erected at home, the prospects are that with the opening out of Continental markets, which is the need of the hour, a general boom would follow.

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THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—April 13, 1923.

Description.	Com.	Med.	Good Med.	Med. Fine.	Fine.	Extra Fine.	Same Period 1922.			Same Period 1921.		
							Med.	Good Med.	Fine.	Med.	Good Med.	Fine.
Sea Island	d	d	d	d	d	d	d	d	d	d	d	d
Florida do	d	d	d	d	d	d	d	d	d	d	d	d
Georgia do	d	d	d	d	d	d	d	d	d	d	d	d
American	1490	1520	1570	1595	1625	1680	8 66	9 51	10 61	5 29	6 54	8 79
Brazilian	1490	1520	1570	1595	1625	1680	8 66	9 51	10 61	5 29	6 54	8 79
Pernam	1505	1570	1645	1680	1720	1780	8 31	10 31	11 31	5 49	7 99	9 99
Parahyba, Rio Grande, &c.	1505	1570	1645	1680	1720	1780	8 31	10 31	11 31	5 49	7 99	9 99
Maceio, &c.	1505	1570	1645	1680	1720	1780	8 31	10 31	11 31	5 49	7 99	9 99
Mossoro, &c.	1505	1570	1645	1680	1720	1780	8 31	10 31	11 31	5 49	7 99	9 99
Ceara	1505	1570	1645	1680	1720	1780	8 31	10 31	11 31	5 49	7 99	9 99
Maranhão, &c.	1505	1570	1645	1680	1720	1780	8 31	10 31	11 31	5 49	7 99	9 99
São Paulo	1480	1530	1575	1610	1645	1680	8 31	10 31	11 31	5 49	7 99	9 99
Egyptian	Fr. G. F. for	Fr. G. F. for	Fr. G. F. for	Fr. G. F. for	Fr. G. F. for	Fr. G. F. for	Fr. G. F. for	Fr. G. F. for	Fr. G. F. for	Fr. G. F. for	Fr. G. F. for	Fr. G. F. for
Upper	1805	1860	1915	1970	2025	2080	12 25	13 25	14 25	10 00	11 00	12 00
Sakellariadis	1805	1860	1915	1970	2025	2080	12 25	13 25	14 25	10 00	11 00	12 00
Brown	1605	1660	1715	1770	1825	1880	12 25	13 25	14 25	10 00	11 00	12 00
Peruvian	MF Fr. G. F. for	MF Fr. G. F. for	MF Fr. G. F. for	MF Fr. G. F. for	MF Fr. G. F. for	MF Fr. G. F. for	MF Fr. G. F. for	MF Fr. G. F. for	MF Fr. G. F. for	MF Fr. G. F. for	MF Fr. G. F. for	MF Fr. G. F. for
Rough	1750	1805	1860	1915	1970	2025	12 25	13 25	14 25	10 00	11 00	12 00
Moderately Rough	1600	1655	1710	1765	1820	1875	10 25	11 25	12 25	7 00	8 00	9 00
Smooth	1570	1625	1680	1735	1790	1845	9 81	10 81	11 81	6 99	7 99	8 99
Tangulu	1570	1625	1680	1735	1790	1845	9 81	10 81	11 81	6 99	7 99	8 99
Midial	1600	1655	1710	1765	1820	1875	10 25	11 25	12 25	7 00	8 00	9 00
West Indian, &c.	1475	1525	1575	1625	1675	1725	10 50	11 50	12 50	7 50	8 50	9 50
Do Sea Island	2000	2300	2630	2700	2780	2860	23 00	26 00	29 00	25 00	28 00	31 00
African, East, &c.	1105	1205	1380	1480	1580	1680	7 75	8 50	9 50	6 00	7 00	8 00
Do West	GF for	GF for	GF for	GF for	GF for	GF for	GF for	GF for	GF for	GF for	GF for	GF for
Machine Ginned Surtee	1410	1450	1490	1530	1570	1610	8 01	8 56	9 51	7 55	8 50	9 45
Machine Ginned Broach	1180	1220	1260	1300	1340	1380	8 45	8 85	9 65	6 30	6 65	7 05
Machine Ginned Bhownagur	9 25	9 75	10 25	10 75	11 25	11 75	7 70	8 20	9 00	4 54	5 04	5 79
Machine Ginned Oomra, No. 1	9 35	9 85	10 35	10 85	11 35	11 85	7 80	8 30	9 10	4 60	5 10	5 85
Machine Ginned Oomra, No. 2	9 35	9 85	10 35	10 85	11 35	11 85	7 80	8 30	9 10	4 60	5 10	5 85
Machine Ginned Khandeish	11 75	12 15	12 55	13 05	13 55	14 05	8 05	8 85	9 65	5 85	6 35	7 10
Machine Ginned Comptah	11 75	12 15	12 55	13 05	13 55	14 05	8 05	8 85	9 65	5 85	6 35	7 10
Machine Ginned Bengal	7 70	8 10	8 50	8 90	9 30	9 70	6 50	7 00	7 80	3 50	4 10	4 85
Machine Ginned Solinde	7 60	8 00	8 40	8 80	9 20	9 60	6 50	6 90	7 70	3 48	3 98	4 73
Tinnivelly	1335	1375	1415	1455	1495	1535	10 15	10 55	11 35	7 30	7 55	8 35
Madras, Western	1110	1150	1190	1230	1270	1310	8 15	8 55	9 35	6 15	6 40	7 20
Madras, Northern	1215	1255	1295	1335	1375	1415	8 80	9 20	10 00	6 15	6 40	7 20
M. G. Coconada, Red	Fr. 1190	Fr. 1230	Fr. 1270	Fr. 1310	Fr. 1350	Fr. 1390	8 40	8 80	9 60	6 15	6 40	7 20
China, Smyrna, &c.	Fr. 1190	Fr. 1230	Fr. 1270	Fr. 1310	Fr. 1350	Fr. 1390	8 40	8 80	9 60	6 15	6 40	7 20

MANCHESTER, April 19.

Trade developments of any importance in the market are slow in taking place. A fair amount of inquiry has been dealt with during the week, but contracts of weight have been few and far between. In piece-goods fancy styles and specialties continue to move off more freely than common makes of coarse goods. A few more cloth bids have been received from India. In grey staples business has not been practicable, but scattered sales have occurred in printing and bleaching descriptions. Rather more activity continues to show itself in fancies for China. Cloths suitable for finishing have attracted a fair amount of attention for several minor outlets, and fine goods continue to be sold in moderate lots for the United States. Reports from the home trade are not very favourable, and the cold weather is checking developments. American yarns have been steady in quotation, with a comparatively poor turnover. Useful lines continue to be booked in Egyptian spinnings. Trade in export yarns at the moment is very disappointing.

(I.) Comparative Statement of the Cotton Trade.

Description.	Price, Apr. 19, 1923.	Previous Weeks in 1923.				
		Apr. 12.	Apr. 5.	Mar. 27.	Mar. 22.	Mar. 15.
Raw Cotton—Fully Mid. American . . per lb	15 57	16 10	15 74	15 18	16 14	16 77
— Sakellariadis Fully Good Fair Egyptian per lb	17 35	17 75	17 40	17 50	18 00	17 95
Yarns—32's twist per lb	23 1	23 1	23 1	23 1	23 1	23 1
— 40's twist per lb	23 1	23 1	23 1	23 1	23 1	23 1
— 60's twist (Egyptian) per lb	29 1	29 1	29 1	29 1	29 1	29 1
32-in. Printers, 11 1/2 yds, 16 by 16, 32's and 50's	33 3	33 3	32 6	32 0	32 6	32 6
32-in. Shirtings, 7 1/2 yds, 19 by 19, 32's and 40's	36 6	36 6	36 0	35 6	35 9	35 9
32-in. ditto, 38 yds, 18 by 16, 10 lbs	18 9	18 9	18 6	18 6	18 9	18 9
32-in. ditto, 37 1/2 yds, 16 by 15, 8 1/2 lbs	17 6	17 6	17 6	17 3	17 6	17 9

(II.) Compared with Previous Years.

Description.	Price, Apr. 19, 1923.	Corresponding dates in				
		1922.	1921.	1920.	1919.	1918.
Raw Cotton—Fully Mid. American . . per lb	15 57	10 38	18 02	27 02	18 41	22 69
— Sakellariadis Fully Good Fair Egyptian per lb	17 35	17 50	17 75	85 50	26 53	30 24
Yarns—32's twist per lb	23 1	17 1	18 1	61	28	43
— 40's twist per lb	23 1	17 1	16 1	56	28	43
— 60's twist (Egyptian) per lb	29 1	28 1	33 1	143	52	53
32-in. Printers, 11 1/2 yds, 16 by 16, 32's and 50's	33 3	29 0	38 6	101 0	45 0	56 3
32-in. Shirtings, 7 1/2 yds, 19 by 19, 32's and 40's	36 6	29 0	35 0	95 0	44 0	54 9
32-in. ditto, 38 yds, 18 by 16, 10 lbs	18 9	18 1	21 6	51 0	26 6	31 3
32-in. ditto, 37 1/2 yds, 16 by 15, 8 1/2 lbs	17 6	16 9	18 6	45 0	24 0	27 10 1/2

THE TIMBER TRADE.

(FROM OUR OWN CORRESPONDENT.)

The threatened stoppage in the building industry, now happily averted, has been a nightmare to dealers in wood. From all quarters the demand had been reduced to almost immediate requirements, buyers being apprehensive of lock-out or strike, possibly of long duration. With the undertaking between masters and men, there is now more confidence that the demand will increase, especially in view of the Government's new housing policy, and the fine open weather for outdoor work in front of the building trade. Prices of building woods on the spot are firm, and show a slight increase, but yet not up to replacement values. Stocks are fairly large, and in view of a possible brisk demand, consumers will appreciate the fact that we are within only a few weeks of the opening of the Baltic ports and what promises to be large supplies of first open water cargoes. Indeed, circumstances have proved most favourable for buyers of timber, for though there may be no fall in prices, the incoming cargoes arriving early will have the effect of keeping values from jumping should there be a sudden heavy call for building timber.

Stocks of building woods generally are of the lower grades, though the higher qualities, comparatively, are cheaper. The assurance given by the writer in the *Economist* last month that there were no "rings" or "combinations" in the foreign timber trade in this country was confirmed later in the Press by the Timber Trade Federation. There are too many operating in timber here to permit of such a proceeding. The exporters in the countries from which we draw the larger portions of our supplies, however, are well organised, and it remains to be seen whether they will be able to maintain their asking prices, or whether the cautious policy now being adopted by English importers, and restricted buying, will have the effect of reducing f.o.b. costs. The weight of the Continental demand this coming summer will also have an influence on f.o.b. prices for shipment to this country, which are now on a basis of about £27 10s for unsorted 3 x 9 Swedish red deals, and £19 10s for 7-inch battens, with Finnish from 30s to 50s cheaper. As regards the Canadian spruce market, stocks are on the light side, and spot prices have firmed up a little. Very little forward buying has yet been done this season, owing to shippers' advanced ideas, and until an improvement takes place in the consumption in the packing-case trade of Manchester and district, and in house-building work on the West Coast areas, importers are not inclined to operate. In American pitch pine timber the demand in the States has improved, and domestic consumers are ready to pay higher prices than we; hence there is no response to agents' inquiries for business here. The demand on the spot, however, has considerably improved in the northern shipbuilding centres.

For good grades of mahogany the market is very steady, and sound sizeable logs find a ready market. Inferior logs, however, are hard to place at the prices asked. For mahogany boards shipped from American ports, stocks are light, and prices have firmed up. The demand, however, for other American furniture woods is slow, stocks are large, so much so that little interest is being taken at present in shippers' quotations, which are very firm. Business in the native timber trade is showing considerable improvement, particularly in oak and ash. Prices have firmed up to show a little profit in this minor branch of the wood trade.

VEGETABLE OILS AND OILSEEDS.

per cent. more than the actual shipments of last year's crop. The shipments to date are 578,700 tons, so that the quantity remaining for export is round 625,300 tons, two-thirds of which, it is conjectured, will be needed to supply America's seed requirements over the remainder of the calendar year. Purchases of oil and other considerations may go to modify the American demand for seed. Meanwhile, there is plenty of evidence of the firmness of the market in America. Plate linseed, although it has fluctuated somewhat, is only slightly lower in value on the week, a fair trade to Hull having been done up to £20 15s; of seed shipping/shipped up to £20 10s for April-May. A good deal of Indian linseed has also changed hands, up to £22 being paid for Calcutta, April shipment to London, and £21 12s 6d April-May; and bold, Bombay to Hull, at £23, April-May.

Cottonseed has been an improved market, and higher prices have been conceded for both Egyptian and Bombay, while for Brazilian for shipment, Liverpool has paid £8 15s. The oil product, on a strong Continental demand, has substantially advanced, particularly Egyptian crude and soapmakers' grade of refined. Soyabean oil, on spot, is scarce and firm, and palm kernel oil is sparingly offered and dearer.

HIDE, LEATHER, AND ALLIED TRADES.

(BY OUR OWN CORRESPONDENT.)

Although tanners complain of the high price of hides, they seem unable to refrain from bidding more money for them, as at Thursday's Bermondsey auctions 1d per lb advance was obtained on all the more important classes. Best ox hides sold from 8 1/2d to 9d, whilst seconds made from 6 1/2d to 7 1/2d. Best cows at 6 1/2d were also 1d up on last prices, as were seconds at 5 1/2d. Calf were also firmer, best selections making from 6d to 12 1/2d per lb, two classes showing 1/2d-1d advance. Wools were steady from 5s 6d to 12s 6d, hoggs from 6s to 14s 6d, and lambs from 2s 6d to 6s each.

The imported hide market continues quiet, but River Plate hides are a shade easier, freights having been bought on American account at \$2 less money. The Continent is reported to have bought Liebig hides of March kill at 10 1/2d. All classes of dry hides are held firmly, as the demand from the Continent is well maintained.

Trade in sole leather has improved, and there has been a fair turnover with merchants of late. The demand is still for low grade bends, but makers of better class boots and shoes, of course, take their usual deliveries of recognised better-class butts and bends. Tanners are quoting a shade less money for heavy weights of butts and bends, but, as a rule, values are very firm. Little American sole is arriving, but a fair amount of Continental sole leather is selling.

Upper leathers in the lighter grades are moving off better, and prices are firm. Carriers of E.I. kips, however, are still having a hard time, as rough kips are very dear and advances on finished leathers almost impossible to obtain. Nigger brown glacé is a good seller, followed closely by patent and suedes in greys. Box-calf and willow are quiet, and German competition still a bugbear.

The boot trade is good in the localities devoted to making women's footwear, and both Leicester and Norwich are very busy. The demand for men's boots is quieter, as mere man buys footwear from necessity and not at the dictates of fashion.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, April 20.

SUGAR.—As generally anticipated in market circles, no alteration was made in the duty, as it was recognised that the statistical position is so tight as to be unable to stand any increase in consumption and which cheapening of the retail selling price would have led to. Meanwhile, general stability is the salient feature, with steady clearances of grocery whites, chiefly of British makes, owing to marked scarcity of imported descriptions. All raw refining kinds are sparingly offered, and dearer on the week. Cuban stocks stand at 727,170 tons against 930,460 same time last year. A good demand continued for refined, and prices of British were advanced 1s 6d per cwt both with regard to spot and granulated forward. Messrs Tate and Lyle's cubes now 6s 6d to 7s 6d, as to quality; crushed, 6s; nibs, 6s 6d; granulated, fine and coarse, 6s 1/2d; No. 1, 6s 1/2d; No. 2, also London, 6s 1/2d; ditto, May-June delivery, 6s; July, 6s 3/4; August, 6s 9/4; September, 6s 9/4; November-December, 6s. Pulverised, on spot, 6s 6d; caster, 6s to 6s 1/2d; finest, 6s 7/4; yellow crystals, 5s 10d. Crystallised West India in but retail supply, and ranges from 5s 6d to 5s 9d for low to good yellow. American granulated, spot, sold, 6s 9d, now 6s 1/2d asked; May, steamer, quoted, 3s, c.f. and i. terms, London. White Java, spot, 6s to 6s 6d, as to sample; ditto, May-June, steamer, changed hands at 3s to 3s 1/2; June-July, 3s 9d to 3s; July-August, 2s 9d to 2s 6d, c.f. and i., London. Czechoslovakian granulated, spot, sold, 6s 6d to 6s 9d. Star, fine, held for 6s. First-hand offers of Dutch sugars are found wanting, but from second-hands, business done in H.U.M. granulated, May-July, at 3s 3d f.o.b., Rotterdam. Czechoslovakian parcels for shipment are quite nominal, in absence of offers. Belgian granulated, October-December, quoted, 2s 6d, f.o.b., Antwerp. White Mauritius, spot, 6s 6d to 6s. Cuban, basis 96 per

cent., May shipment, quoted, 3s; Brazilian, basis 80 per cent., May, 19s; Madras, cane, jaggery, May-June, 300 tons sold, 18s 9d, all c.f. and i. terms, U.K. Terminal market showed irregularity, with dealings on a liberal scale. August delivery, sold, 36s 10d to 34s 6d and 35s 6d; October, 30s 9d to 31s 1/2d and 30s; December, 27s 4 1/2d to 27s 6d, 26s 9d, and 27s 6d; October-December, 28s 4 1/2d to 28s 3d. Liquid glucose, spot, 29s 6d cwt.

COFFEE.—A generally quiet demand prevailed for the fair quantity offered in auction, and while some really fine attractive parcels sold at a full range, all other qualities marked a downward movement. Fine bold Costa Rica, sold, 13s to 13s 6d; peaberry, 16s 6d. Future delivery market remains idle.

COCOA.—Only a retail amount of business is doing, but quotations show no essential change. Accra, for shipment, 3s 6d, f.o.b. terms.

TEA.—Indian auctions this week totalled 47,100 packages, and with increased competition for most descriptions, a steadier tone characterised the market. Only really common and thin liquoring parcels formed a weak feature. Ceylon auctions of 21,600 packages received fair competition, and fine qualities sold well, but otherwise rates disclosed a tendency to favour the buyer. Java and Sumatra were barely steady, but sold more freely.

RICE.—There is only a small trade doing on about former terms. Two stars, old crop, spot, 14s; new, 14s 3d; April-May, 13s 7 1/2d. Broken kinds dull, unaltered. Rangoon beans, spot, 8s. Japanese peas, spot, held for 27s; April-May, sold, 25s per cwt. Rangoon bran reservedly offered, and firm. April-September shipment, quoted 6 1/2d per ton, ex ship, London.

SPICE.—Pepper market quiet and featureless. Fair black Singapore, spot, 4 1/2d; March-May, 4 1/2d, value; Aleppy, spot, 4 1/2d; Tellicherry, 4 1/2d; Ceylon, 4 1/2d; white Singapore, 6d; Muntok, 6 1/2d; ditto, April-June, 6 1/2d. Zanzibar cloves quiet. Fair quality, spot, 1s; March-May, quoted 1 1/4d; May-July, buyers, 1 1/4d. Tapioca quiet, but about steady. Fair flake, Singapore, spot, 3 1/2d, sellers; fine Bendorojo, 4 1/2d per lb. Singapore flake, April-May, Havre, buyers, 3s; fair Penang, seed pearl, spot, 3s 6d; April-May, London, 29s; small sago, spot, 24s 6d; medium, 26s 6d; sago flour, May-June, quoted, 13s 9d. American starch powder, spot, 16s. Dutch farina, August, 14s 7 1/2d, c.f. and i., London. Desiccated coconut quieter. Fine cut, spot, quoted 47s; medium, 47s 6d; halves, March-April, sellers, 45s 6d; April-May, sold, 44s 6d; May-June, 44s cwt. Ginger dull, unaltered.

JUTE.—With reserve again marked on the part of sellers, coupled with fair buying orders, prices hardened. First grade, old crop, for shipment, sold to usual continental ports at £29 5s to £29 15s; new crop, August, £30; August-September, £29 10s; September-October, £29 5s 10d. Market for Hessians and twills remained in a dull state at late rates.

HEMP.—Manila quietly steady. J grade, April-June, quoted £33; K and L, £32; M, £31; G, £35; H, £34. New Zealand dull. H.P.F., dock, quoted, £33 ton. African sisal and Italian unchanged.

SHELLAC.—Market firmer forward. Fair T.N., spot, quoted, 33s; May, 31s; August, sold, 28s 6d to 28s cwt.

COPRA.—Weaker on increased pressure shown to sell. F.M.S. Straits, February-April, Rotterdam, sellers, £30 12s 6d to £30 2s 6d; March-May, sold, £30 2s 6d to £29 16s 3d; April-June, quoted £32 5s; April-May, Hamburg, sold, £30 5s. Ceylon, April-May, quoted £32 5s; Java, March-May, £30 15s; April-June, £30; Dutch East Indies, March-May, £29 17s 6d; April-June, £29 10s; Cebu, April-May, £29; South Sea Islands, £29; F.M. Straits, April-May, Marseilles, £29; May-June, £29 17s 6d; mixed, £29. Palm kernels easier. May-July, done £29 2s 6d; mixed, £29. Palm kernels easier. May-July, done £29 2s 6d; mixed, £29.

Liverpool, sold, £21 11s 3d to £21 7s 6d ton.

RUBBER.—The market was disturbed this week by larger offerings from the East, and where operators for the upward move were not prepared to take up their tenders, and same being offered in the London centre, coupled with weakness cabled from America, imparted irregularity and weakness. Standard crepe and sheet, spot, also April delivery, sold down to 1s 3 1/2d; May, 1s 3 1/2d; June, 1s 3 1/2d; July-September, 1s 4 1/2d, then later 1s 4 1/2d; October-December, 1s 4 1/2d to 1s 5 1/2d and 1s 4 1/2d. To New York, standard sheet, May-June, sold, 1s 4 1/2d to 1s 4 1/2d; June-July, 1s 4 1/2d to 1s 4 1/2d. Wild negulected and nominal. Fine hard Para, spot, 1s 1/2d.

EGG PRODUCTS.—Only limited trading at about late rates. Prime liquid yolk, spot, 9s to 10s, as to quality, April-June, 8s 6d per lb. Dried yolk, spot, 9 1/2d; albumen, spot, 3s 3d per lb.

MENTHOL.—Spot, 32s. Japanese peppermint oil, spot, 6s; aniseed, 1s 10d; slab camphor, 2 1/2 lbs, spot, 3s 8d; crude, 3s 3d.

FRUIT.—There has been a fair trade doing in currants, and market disclosed firm features. Pyrgos, quarter-cases, quoted 54s; half-bags, 53s; Panariti, 55s to 58s; good Vostizza, 67s to 70s; Australian, 72s 6d. Business in sultanas fair with prices marking a hardening tendency. Good Smyrna, sold, 80s to 82s; fine to choice, 95s to 110s; Californian, 65s. Quite a liberal quantity of raisins disposed of as prices proved attractive. Valencia, quarter-boxes, 36s to 45s. Market slow for dates, and Hallowee, spot, quoted 19s to 20s; Siar, 15s. Evaporated fruits sold quietly on about former terms. Extra choice Californian apricots quoted 145s; fancy, 160s;

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Cape apricots, 110s; Australian ditto, 130s; Californian pears, 65s to 75s. Peaches of various growths, 57s 6d to 65s. Californian apple-rings, extra choice, 56s to 58s. Canadian, 53s. Bosnian plums, 34s to 38s per cwt.

OILS.—Linseed market irregular, and a fair business transpired. Spot, net, naked, 51s 6d; April, 49s; May-August, 46s; September-December, 42s 1/2d. Rape firmer. Crude, spot, 45s; refined, 48s. Cotton dearer. Crude Egyptian, spot, 42s 6d; common edible, 47s; deodorised (in barrels), 49s. China-wood dearer. Hankow, spot (barrels), 130s; May-June, 123s. Coconut firm. Ceylon, spot, 49s; March-April, 48s; Cochinchina, ditto, quoted 53s. Soyabean. Oriental barrels, March-April, 43s 6d. Japan fish steady. April-May, cases 28s. Cod firm. English, spot, 34s to 35s. Ground-nuts quiet. English, crushed, naked, spot, 46s; deodorised, barrels, 53s. Turpentine quiet and easier. American, spot, 110s 6d; April, 110s 6d; July-December, 88s 6d. Rosin quiet. American, grade B, 13s 6d; F, 13s 9d; G, 13s 9d; H to I, 13s 9d; W.G., 17s 6d; W.W., 18s 9d. French, F/G, 13s 6d; W.W., 15s 6d per cwt. Petroleum steady. American standard, white, spot, 1s 1d; and water white, 1s 2d per gallon. Castor oil firm. First pressure, spot, to August, quoted 54s; second pressure, 53s, and pharmaceutical, 59s per cwt.

OLSEEDS.—Linseed opened firmer, but irregular since. Bold Bombay, afloat, £22 15s; small Bombay, ditto, £22 5s; Calcutta, afloat, £22 2s 6d; April, sold, £22 to £21 10s, and April-May, £21 15s to £21 10s. Plate, afloat, £20; sold, £20 15s; loading, £20 15s; April-May, sold, £20 10s, £20, and £20 7s 6d. Rapeseed quiet and easier. Toria, May-June, £18 5s; real bold Ferozepore, April, sold, £17 2s 6d; Jamba, April-May, £14. Cottonseed steady. Egyptian black, May, £12 12s 6d; and white, sold, £11 12s 6d. Bombay, March-April, £9 17s 6d. Gingly-seed quiet. Large, Bombay, April-May, Continent, sellers, £24 15s. Chinese, ditto, £25 to Continent, and £26, Italy. Ground-nuts dull. Coromandel, machine dried, April-May, quoted £23 5s. Chinese decorticated, f.a.q., April-May, £23 10s. Nigerian, ditto, £24. Soyabean steady. Manchurian, April-May, £11 17s 6d. Castorseed dearer. Bombay, March-April, £21 15s ton.

METALS.—Tin at the opening market values declined on selling pressure and lower Eastern advices, while only a small business transpired. Standard cash sold down to £214 10s, and three months at the same figure. Sales were reported in the East on the basis of £220 10s, c.i.f. Prices further gave way, but at the lower level buyers showed more disposition to operate. By the middle of the week standard cash sold at £208 5s to £209 10s, and three months £208 10s to £209 15s. Eastern advices showed further depreciation at £216 10s, c.i.f. The tendency was again easier on the following day, standard cash being dealt in at £208 10s, £208 15s, and £208 10s, and three months at £210, £211 to £209 to £209 5s. Further weakness was apparent at the final meeting, and smaller sales resulted. Standard, cash, sold at

£207 15s; and three months at £208 to £208 5s, to £208 2s 6d. English ingots, £208 to £208 10s. Copper market commenced with a firm tone, and a good demand prevailed. Standard, cash, sold at £73 6s 3d; and three months, £74 2s 6d. Subsequently slight irregularity ensued, though values on balance were fully maintained, buyers being chiefly interested in forward positions. On Wednesday standard, cash, sold at £73 12s 6d, and three months, £74 5s to £74 8s 9d. No material alteration occurred on Thursday, and fairly liberal dealings transpired in cash at £73 12s 6d, and three months at £74 12s 6d to £74 7s 6d to £74 10s. At the final session the tendency was easier. Standard, cash, sold at £73 1s 3d; and three months, £74 5s to £73 17s 6d, to £74, while finally registered at £73 18s 9d. Electros, £81 to £81 10s; best selected £76 10s to £78; strong sheets, £106; and wire bars, £81 10s per ton. Lead easier at £26 5s to £26 10s. Spelter lower at £34 to £34 5s. Antimony, ordinary brands, £30 to £32. Aluminium: Home trade, £110; export, £115.

TALLOW.—Messrs Colchesters and Woolner write on April 18th as follows:—The tallow market was easier during the week, and prices are about 6d lower to-day. Good kinds appear to have advanced too rapidly, and some falling off in the demand has ensued. At auction to-day 1,442 casks tallow were offered and 820 were sold. Quotations are:—Australian mutton: Fine, 45s 6d; good to fair, 43s 6d to 42s 6d; dull to dark, 40s 9d to 39s 9d; hard, 45s. Australian beef: Fine, 45s 6d; good to fair, 43s 6d to 42s; dull to dark, 40s 6d to 39s 3d; sweet, 45s 6d. Present shipment from Australasia:—Mutton, fair coloured, 48 degs., 44s; and mixed, 43 1/2, c.i.f., London, 47s. The market letter is unchanged. Town tallow, 37s 6d per cwt. Rough fat, per 8 lbs, 2 1/2d; melted stuff, 29s 6d per cwt. Quotations are:—Town: 38s 3d net cash, naked, ex works. Country: Fair casks, 38s; home melted, shipping casks, net, f.o.b., good coloured, 42s; fair to dull, 39s to 38s. Bone fat: White, none; pale, none; benzine, 36s; melted stuff, 36s 6d, f.o.b.

METROPOLITAN CATTLE.—APRIL 19.

British Beasts, per stone of 8 lbs to sink the offal. Sheep, per stone.

Beasts—Herefords	7 8 to 8 0	Sheep—Downs	12 0
Shorthorns	7 8 to 8 0	Ewes	7 10 to 8 0
Devons	nominal	Crossbred	11 8
Norfolks	7 13 to 0 0	Scottish	12 0
Scottish	nominal	Lamb—Downs	15 8
Irish	nominal		
Fat Cows	5 0 to 5 6		

LONDON POTATO MARKETS.—APRIL 19.

Per Cwt.	Per Cwt.
English Arran Chief	2 3
Great Scot	2 3
New Tenerife (case)	10 0
Majestic	2 3
King Edwards	3 0 to 3 6

Commercial Times.—Weekly Price Current.

The prices in the following list are revised with the assistance of an eminent firm in each department.

LONDON, FRIDAY.		DRUGS		INDIA RUBBER—lb		PROVISIONS—		SPICES—Pepper, lb	
0000A—Duty, British grown		Alas, fine E.T., p. ewt 10		Para, fine, hard spot 1		Butter—per cwt.		Singapore, fair white	
£14 4d, foreign 2nd class		Cape, good to fine. 27		Plantation crepe 1		Irish creamery		Black Singapore	
£14 4d, per cwt. 54		Balkan Peru per lb 8		Indigo 1		White Siam		Phenetic	
Ceylon, plantation 61		Capivi 8		PILANO—per lb		Australiar		Pimento	
Guayquil 53		Camphor— 8		Bengal, good red vio-		Argentine 136		Olummon—Jas	
Babla, finest 82		Japan, refined 8		to fine 5		Dutch 136		Do Ind	
		Oardamons, Ceylon 8		Mid. Ceylon, to fine 7		New Zealand 146		Do 3rd	
		Canthrid, China prib 8		Low to good ord. 4		Danish 178		Chips	
		Castor oil 8		Madras, dry leaf, good 3		Beacon, engd.—Irish 118		Caslin Ligres	
		Gum Benjam, Sum. cut 8		Low to ord. 1		Port—per 8 lbs 7		Olives—Zanzibar	
		Oilbannin, drops 10		Europe, limited to ord. 3		Canadian 91		Penang	
		fair to good 6		Low to mid. 3		American 74		Ginger—per cwt	
		Ipecacuanha 8		HEMP—per ton—		Hams—Irish		Cochin small rough	
		Must pod, China 8		Italian P.C. 56		Canadian		Do wormy	
		Oil, Casia 6		Manila, "J" Grade, 33		American 88		Japan	
		Aniseed 2		Ayur, Java 3		Large—Irish bladders 9		Jamaica, small	
		Peppermint, H.G.H. 22		Sul, Java, high fair 3		American boxes, 66 6		Mace	
		Rubbar, China, fr to fine 6		Afloat 32		Port—per 8 lbs 7		Nutmegs, good to fine	
				JUTE—		Beef—Frozen per lb 1		Small to medium	
				Native first marks, 29		Scottish 7		Oilseed—per cwt	
				Apr. May, 15		Chese-cwt—Canadian 100		TALLOW—per cwt	
						New Zealand 106		Good mutton	
						Eng. Cheddar		Beef	
						Cheshire		Do	
						Dutch 74		Do	
						Kips, per 12 1/2—English 10		Do	
						Broken 10		Do	
						SEEDS		Do	
						Flour—per 100 lb		Do	
						Eng. straight ex mill 41		Do	
						RICE—per cwt. c.i.f.		Do	
						Angoon No. 3 13		Do	
						Broken 12		Do	
						ROBIN—per ton		Do	
						American 13/10/0		Do	
						French 13/10/0		Do	
						SAGO—Pearl, per cwt 25		Do	
						Indian 18		Do	
						SHELLAC—per cwt		Do	
						Orange, first quality 370		Do	
						Second, fair to fine 345		Do	
						TN Orange 350		Do	
						Garret, Lac. AC 310		Do	
						Butter, Pure 310		Do	
						Blocky (TN) 310		Do	
						SILK—per lb		Do	
						China—Blue Elephant 25		Do	
						Canton 35		Do	
						Tussock 12		Do	
						Re-roiled 40		Do	
						Havana 38		Do	
						Italian—Baw, fr. Milan 39		Do	
						SHELLS—M-O-P, per cwt—		Do	
						Manila, bold 12/10/0		Do	
						Macassar 15/0/0		Do	
						Sydney 15/0/0		Do	
						Bombay 5/10/0		Do	
						SUGAR—per cwt duty 25s		Do	
						per cent. polarization s		Do	
						B.W. L. muscovado d		Do	
						Crystallized 56		Do	
						Java f. white, May/June 53/0		Do	
						REFINED—London—		Do	
						Yellow Crystals 58		Do	
						Onbes 69		Do	
						Crushed 67		Do	
						Granulated 64		Do	
						W. W. cream 58		Do	
						Castor 65		Do	
						Plece 59		Do	
						PORTLAND CEMENT—		Do	
						Best English, per ton		Do	
						deird, London 58		Do	

RAND MINES, LIMITED.

(INCORPORATED IN THE TRANSVAAL.)

CAPITAL - - - - - £550,000

(In 2,200,000 shares of 5s each, of which 74,005 are in reserve).

DIRECTORATE:

Sir EVELYN WALLERS, K.B.E. (Chairman),
F. RALEIGH (Managing Director).W. MOSENTHAL,
H. ROTHBARTH.Sir LIONEL PHILLIPS, Bart.
J. L. SIDDALL.J. L. JOURDAN,
F. G. C. E. ROBELLAZ.

Dr.	CONDENSED BALANCE-SHEET, 31st December, 1922.	Cr.
CAPITAL AND LIABILITIES.		
To Capital Account—		
Authorised—2,200,000 Shares of 5s each ..	£550,000 0 0	
Less—		
74,005 Shares of 5s each in reserve ..	18,501 5 0	
Issued—		
2,125,995 Shares of 5s each ..	£531,498 15 0	
Note.—Of the above Issued Capital of 2,125,995 shares, the Company has purchased and holds 75,844 ex-Enemy Shares.		
Reserve Account—		
Balance, as per Balance Sheet, 31st December, 1921 ..	2,261,909 14 4	
Deduct—Funds transferred to credit of Appropriation Account—For net amount of Funds released, being book value of investments, etc., sold, less expenditure on new investments purchased for year ..	£66,198 17 9	
Amounts written off Claims, Water-rights and Participations in Unfloated Ventures, Shares and Debentures ..	67,168 5 3	
	133,367 3 0	
	2,128,542 11 4	
	£2,660,041 6 4	
Sundry Creditors and Credit Balances—		
Unpaid and Unclaimed Dividends ..	422,681 12 3	
Sundries ..	121,551 19 10	
	544,233 12 1	
Appropriation Account—		
Balance unappropriated ..	842,135 11 10	
	£1,046,410 10 3	
Contingent Liabilities—		
There are contingent liabilities amounting to £68,807 in respect of commitments to subscribe for shares in, and to finance certain undertakings.		
	£1,046,410 10 3	
PROPERTY AND ASSETS.		
By Claims, Water Rights, Freehold Land Properties, and Freehold and Leasehold House Properties ..	£35,745 7 9	
Reveries and Pumping Plants ..	82,184 18 11	
Participations in Unfloated Ventures ..	21,792 19 10	
Shares and Debentures, etc., at or below Market Value—		
49,520 Anglo-American Corporation, Ltd. (£1); 63,944 Bantjes Consolidated Mines, Ltd. (in Liquidation) (£1); 7,750 Brakpan Mines, Ltd. (£1); 5,350 Cape Portland Cement Company, Ltd. (£1); 145,613 City Deep, Ltd. (£1); 4,323 Consolidated M.R. Mines and Est., Ltd. (£1); 687,555 Crown Mines, Ltd. (10s); 1,534 Daggafontein Mines, Ltd. (£1); 68,217 Durban Roodepoort Deep, Ltd. (£1); 14,447 East Rand Proprietary Mines, Ltd. (£1); 269,968 Ferreira Deep, Ltd. (£1); 642 Geduld Proprietary Mines Ltd. (£1); 264,893 Geldenhuis Deep, Ltd. (£1); 114,300 General Estates, Ltd. (£1); 2,548 Jupiter Gold Mining Company, Ltd. (in Liquidation) (£1); 215,260 Modderfontein B Gold Mines, Ltd. (5s); 27,211 Modderfontein Deep Levels, Ltd. (5s); 92,512 Modderfontein East, Ltd. (£1); 246,315 New Modderfontein G.M. Co., Ltd. (10s); 175,027 Nourse Mines, Ltd. (£1); 21,000 Pretoria Portland Cement Co., Ltd. (£1); 13,072 Robinson Deep, Ltd. (10s); Shares (£1); 1,400 Robinson Gold Mining Co., Ltd. (£5); 231,224 Rose Deep, Ltd. (£1); 27,150 South African Iron and Steel Corporation, Ltd. (£1); 44,356 The Hume Pipe Company (S.A.), Ltd. (£1); 45,347 The Village Main Reef G.M. Co., Ltd. (in Liquidation) (£1); 19,520 Turfontein Estate, Ltd. (in Liquidation) (£1); 50,276 Village Deep, Ltd. (£1); 4,644 West Springs, Ltd. (fully paid) (£1); 87,600 West Springs, Ltd. (18/- per share p.d.) (£1); 20,017 Witbank Colliery, Ltd. (£1); 14,120 Wolhuter Gold Mines, Ltd. (£1); Sundry Shares and Debentures ..	2,214,665 4 9	
By Debentures—		
£26,160 East Rand Proprietary Mines, Ltd., 5% Debentures ..	14,715 0 0	
£150,350 Modderfontein East, Ltd., 8% Debentures ..	135,315 0 0	
By Rand Mines, Limited, Shares—		
75,844 ex-enemy shares at cost ..	155,622 15 1	
By Machinery, Plant, Stores, Vehicles, Furniture, etc. ..	£2,660,041 6 4	
Sundry Debtors and Debit Balances ..	11,798 9 7	
Deposits, Fixed and on Call, bearing interest ..	403,942 9 11	
Cash at Bankers and on Hand ..	951,910 19 6	
	18,717 4 11	
	£4,046,410 10 3	

Dr.	CONDENSED PROFIT AND LOSS ACCOUNT for the Year ended 31st December, 1922.	Cr.
To Administration Expenses ..	£27,165 16 2	
Prospecting and other Ventures ..	4,981 14 1	
Bad Debts Reserve ..	20,778 10 7	
	£52,923 0 10	
Balance—		
Profit for the year carried to Appropriation Account ..	800,620 5 4	
	£853,549 6 2	
By Dividends on Shareholdings ..	£391,923 17 6	
Reservoirs—		
Net Revenue, less depreciation ..	£11,055 8 11	
Interest and Exchange ..	41,523 4 5	
Sundry Revenue ..	22,192 2 1	
	74,770 15 5	
Investment Realisation Account—		
Amount realised in excess of book value of Investments sold ..	386,854 13 3	
	£853,549 6 2	

Dr.	CONDENSED APPROPRIATION ACCOUNT.	Cr.
To Government Taxes ..	£12,149 7 0	
Reserve Account—		
Expenditure on investments purchased, etc. ..	286,157 4 0	
Purchase of 75,844 ex-enemy shares ..	155,622 15 1	
Dividend Account—		
Interim Dividend No. 38 of 20 per cent. on 2,050,151 shares of 5s each (£512,537 15s 0d), declared 20th June, 1922; Interim Dividend No. 39 of 80 per cent. on 2,050,151 shares of 5s each (£512,537 15s 0d) declared 19th December, 1922 ..	512,537 15 0	
Balance Unappropriated—Carried to Balance-sheet ..	842,135 11 10	
	£1,808,602 12 11	
By Balance Unappropriated—		
As per Balance-sheet, 31st December, 1921 ..	£499,424 7 4	
Balance of Profit and Loss Account—		
For the year ended 31st December, 1922 ..	800,620 5 4	
Forfeited Dividends Account ..	579 3 5	
Reserve Account—		
Book value of Investments sold, etc. ..	507,978 16 10	
	£1,808,602 12 11	

S. C. STEIL, Manager and Secretary.
Johannesburg, 12th March, 1923.E. A. WALLERS, Chairman.
J. L. JOURDAN, Director.

The Full Report and Accounts, with general plan of properties, may be obtained from the London Secretaries, A. Moir & Co., No. 1, London Wall Buildings, E.C.2.

APRIL 28, 1923.

The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor:

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. XXVI.

SATURDAY, APRIL 28, 1923.

No. 4,157.

ALLIANCE

ASSURANCE COMPANY, LIMITED.
HEAD OFFICE: BARTHOLOMEW LANE, LONDON, E.C.2.
ASSETS EXCEED £25,000,000.

The Hon. N. CHARLES ROTHSCHILD, President

The Alliance grants Insurances of all kinds.

LIFE DEPARTMENT.

Full information respecting
ESTATE DUTYand
CHILDREN'S EDUCATIONAL
POLICIESIssued by the Company may
be obtained on application
from the Head Office or any
of the Offices or Agencies
of the Company.

O. MORGAN OWEN, General Manager.

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Christiania, Norway.

Founded by 50 Norwegian and Foreign Banks and
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Tho. Joh. Heftye & Søn

(Established 1789),

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Reserve Lire 100,000,000

Head Office of the Bank: MILAN.

THE BANK HAS BRANCHES THROUGHOUT ITALY.

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Managers (D. A. HORNER,
F. N. SCHILLER.Transacts a general Foreign Banking Business, having
correspondents in all Countries, and is specially pre-
pared to grant facilities for the development of trade
between the British Empire and Italy.

Correspondent of the Royal Italian Treasury.

Telegrams: "Italocredi, Cannon, London."
Telephone: 7802-7803 City.

TABLE OF CONTENTS.

The Money Market	873	Letters to the Editor—	
Leading Articles—		Monetary Reconstruction ..	896
The Ruhr, Reparations, and		The Approach of a Free	
Inter-Allied Debts	875	Gold Market	896
An Agricultural Policy	876	Monetary Policy	896
The Investor's Dilemma ..	878	Capital and Labour	897
Income-Tax and Prices	879	Stock Exchange News—	
The Problem of Bulgarian		The Stock Markets	898
Reparations	880	New Issues	899
The Sugar Position	881	Active Securities	900
London Gas Companies ..	882	Company Meetings	901
Fire Insurance in the		Government Returns—	
United States	883	Treasury Bills and Bonds	
Notes of the Week—		by Public Tender	909
The Housing Bill	884	Currency Notes Account ..	910
The Liberation of Egypt ..	884	Public Income and Expan-	
Progress in Ireland	885	disure	910
The Chester Concession ..	885	Bankers' Gazette—	
Reparation Payments in		Bank of England	910
1922	886	Clearing Returns	911
A Quarter's Overseas Trade		Overseas Bank Returns ..	911
Cost of Living	886	Loan and Discount Rates ..	913
Employment in March	886	Overseas Bank Rates	913
March Coal Exports	887	Rates of Exchange	913
Grand Trunk Pacific Deben-		Indian Treasury Bills	914
tures	887	Imports & Exports of Gold	
Another Bank Absorption		Gold and Silver Prices	915
Scottish Union & National		Company News—	
Insurance	888	Rhodesian Gold Output ..	915
Royal Exchange Assurance		Mining Output Statistics ..	915
Babcock and Wilcox, Lim.		Dividend Announcements ..	915
General Mining Group	888	Railway and Tramway	
Rand Mines	889	Traffic Returns	916
Overseas Correspondence—		Analysis of Balance-Sheets	
United States	889	Reports and Notices	917
France	890	Profit and Loss Accounts ..	919
Germany	891	Commercial Reports—	
Norway	892	Com Trade	918
Greece	893	Iron and Coal Trade	919
Canada	894	Overseas Trade Returns ..	920
South Africa	895	Wool Trade	921
Books and Publications—		Cotton Trade	922
M. Caillaux on the Outlook		Vegetable Oils and Oilseeds	
Hungary in Reaction	898	Hide and Leather Trades ..	922
Books Received	898	Overseas Produce Markets ..	923
		Price Current	923

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37 Avenue de L'Opera.

THE MONEY MARKET.

EXTREME plethora in the short loan market was slightly
diminished as the week went on, and withdrawals by
banks had some slight effect. Nevertheless, the supply
was still large enough to puzzle borrowers, and make them
wonder how long it will last. It must be remembered,
however, that a very large amount—seven or eight mil-
lions or more, according to current gossip—was obtained
early in April from what is called the "Hidden Hand,"
by the sale chiefly of early June treasuries. In effect, the

market thus practically borrowed this amount from the Bank of England without "going to the Bank" in the usual manner, and has the use of it until the maturity of the bills disposed of. If this explanation of the present case is correct, it should last, unless disturbed by other influences, for a few weeks yet. Discount rates drooped under the pressure of much money and few bills. Yesterday's allotment of Treasury bills reflected the tone of the market, indicating that the previous decline had been overdone. Commercial bills were quoted nominally at $\frac{1}{2}$ to 2 per cent.

	Apr. 27, 1923.	Apr. 20, 1923.	Apr. 13, 1923.	Apr. 6, 1923.	Previous Rate and Date Changed.
Bank Rate	3%	3%	3%	3%	3% (Jly. 13, '22)
Banks Deposit Rate	1	1	1	1	1 (Jly. 13, '22)
Discount/Call	1	1	1	1	1 (Jly. 13, '22)
Houses/Notice	$\frac{1}{2}$	$\frac{1}{2}$	$\frac{1}{2}$	$\frac{1}{2}$	$\frac{1}{2}$ (Jly. 13, '22)
Market rate (3 months' bills)	$\frac{1}{2}$	2	2	$\frac{1}{2}$	2 8

The Bank return showed that last week's mysterious rise in the Government securities had been reversed with a decline of 3 millions, which had come off the Other deposits. A small increase in the note circulation left the Reserve £401,000 lower. Currency notes outstanding were reduced this week by £1,594,700 to £283,970,200, which includes £1,486,300 for notes called in but not yet cancelled. The fiduciary issue is £239,463,000, or £30,720,800 below the maximum.

THE STOCK MARKETS.

Business in investment stocks has continued to be very active, but there has been some contraction in the volume of transactions in speculative sections. Practically all British Government stocks have improved in quotation during the week, buying of Funding and Victory Bonds, Conversion Loan, and in the earlier part of the week of War Loan being on a heavy scale. Among Colonial, corporation, Indian railway, home railway prior charge stocks, and industrial debentures there has been a large number of advances, while the upward movement does not bring much stock to the market. Foreign bonds have been quiet, with French issues moving irregularly. Home railway ordinary stocks improved materially, while banking and insurance shares advanced each day. Bonus declarations sent up the prices of Guinness and Babcock and Wilcox, while Imperial Tobaccos were also a strong feature. The iron and steel and textile groups are firm, while in spite of substantial advances in price Trust companies' stocks are almost unobtainable. The mining markets as a whole are dull.

THE COMMODITY MARKETS.

Sugar has again been the feature in the commodity markets with an advance of 9d to 1s per cwt, supplies being limited, but in other directions there have been no special developments. Buyers of cotton manufactures are placing orders a little more freely, though prices continue too high for free operations. Our Manchester correspondent reports better demand from India for several varieties of fabrics, but the China market does not revive. American yarns sell slowly at irregular rates, but Egyptian are firm with steady demand. Jute moved sharply upward at one time, but a decline set in and sellers depressed values. Prices for raw wool have advanced at the Colonial sales, which began in London on Tuesday. Our Bradford correspondent says these increases are due to the keenness of foreign competition. The British wool industry finds it difficult to get orders either for yarns or pieces. Spinners' quotations show a tendency to harden, but manufacturers and merchants are buying cautiously. Wheat was in good demand, the market being under the influence of adverse weather reports from America.

At the Indian tea auction better competition was noticeable, and prices improved. Rubber kept fairly steady. Linseed and linseed oil experienced a sharp decline, owing to a revised estimate of the Argentine surplus. Conditions were good in the hide market, and many advances were recorded. There is very little coal available for market; business is rather inclined to be quiet in South Wales, but is brisk in South Yorkshire and good in Scotland. An easier demand for pig-iron has caused a reduction in the price of 2s 6d per ton; iron for immediate delivery, however, is as scarce as ever. The steel trade is quiet, but there are good orders on hand; our Sheffield correspondent, however, mentions "that the volume of orders booked has been steadily falling off since the end of March." Tin and copper experienced declines.

FOREIGN EXCHANGES.

In the foreign exchange market business has again been quiet, but there have been some decided movements in quotation. On the expectation of an offer from Germany consequent upon Lord Curzon's speech, the Paris rate has shown more signs of improvement than for some time past, the rate on Wednesday being for a time under 68. Since then, however, there has been a reaction to 68.50 yesterday morning as compared with 70.05 a week ago, the tendency at that time being rather up than downwards. Brussels, as usual, has moved in much the same way. Forward rates in Paris have gone back again to 4-5 centimes per month above spot; in Brussels they are unchanged at 2-3 $\frac{1}{2}$ centimes below spot. After a lower rate of 118,000 on the 20th German marks rose to 131,500 on Monday, and to just under 140,000 on the following day, and, after some fluctuations, stood yesterday morning at 137,000. As far as can be seen it would appear that the recent break was the result of no settled policy. It would seem to have been rather due to the Reichsbank suddenly losing heart on a particularly strong outburst of demand for foreign currency following on an increasing pressure for some ten days before. Negotiations between the Government and the Reichsbank would seem to have resulted in a determination to carry on the policy of stabilisation, but at a higher level, and the raising of the Bank rate to 18 per cent. shows the lengths to which the authorities are now prepared to go. Quotations for forward marks are rather wider at about 11,000-13,000 marks per month above spot. As the result of influences which have often been discussed here the dollar rate has continued to sag away, and yesterday morning the drop was rather sharper than usual down to \$4.62 $\frac{1}{2}$ as compared with \$4.65 $\frac{1}{2}$ a week ago. Forward rates are again a little narrower at $\frac{1}{2}$ - $\frac{3}{4}$ cents per month above spot. Among neutral currencies the main interest has been the rapid rise in the Norwegian kroner from 25.97 to 26.85, after being for a time at 27 or over. The cause of this movement is the uncertainty following upon fresh banking troubles, two important institutions having been forced to take advantage of the new banking legislation recently passed. It would seem doubtful also whether the position is yet clear. The reaction on the other Scandinavian countries has been slight, Copenhagen having moved on the week only from 24.65 to 24.67 $\frac{1}{2}$, while Stockholm has appreciated from 17.40 to 17.32 $\frac{1}{2}$, and Helsingfors is also $\frac{1}{2}$ points better at 167. Italy has moved up a little from 94 to 94 $\frac{1}{2}$. Amsterdam and Madrid have gone slightly against us, and Switzerland at 25.44 $\frac{1}{2}$ shows a recovery of about 20 centimes. In Central Europe Vienna at 327,000 shows a slight improvement, but Warsaw at 215,000 seems again inclined to move upwards. Prague, in spite of its recent banking troubles, remains firm at 156 $\frac{1}{2}$. Belgrade is inclined to improve, but the position in Budapest seems again worse, and the Bank rate has been raised from 8 per cent. to 12 per cent. Bucharest is about the same at 950 to 1010. In the East the rupee at 1s 4 5-32d is much the same as before; the yen has moved up $\frac{1}{4}$ d to 2s 1 $\frac{1}{4}$ d. A steady inquiry from China as the result of political fears rather than the trade position, coupled with a sudden Indian demand, has sent up the price, although the market seems again slightly less firm. At 3s 2d Shanghai is about the

same as last week, while Hong Kong is slightly lower at 2s 3 $\frac{1}{2}$ d. In South America Rio has dropped away again from the higher rates of earlier in the week, and at 5 15-32d is 3-32d below the quotation of the 20th. Buenos Ayres is 42 29-32d as compared with 42 $\frac{1}{2}$ d, and Montevideo 43 $\frac{1}{4}$ d as compared with 43 $\frac{1}{2}$ d. Valparaiso after being higher, is the same as last week at 37.40 pesos.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended April 21st:—

EXPENDITURE.	Min. £	RECEIPTS.	Min. £
Road Fund	398	From Revenue	20,813
Land Settlement	906		
Interest on War Debt, &c.	7,969		
Supply Services	6,000		
Increase in Balances	292		
Repayment of Debt	6,148		
	20,813		20,813

Revenue for the week at £20,813,200 compares with £16,718,700 for the corresponding period last year. Expenditure was £14,373,500, compared with £6,068,900. The increase was due to payments of interest on debt, which amounted last week to £7,969,000, against £1,065,600 twelve months ago. The Road Fund received £309,000 and Supply Services £1,100,000 more than in the same period of 1922. Income-tax and Super-tax brought in £3,914,000, which compares with £4,172,300. Customs produced £2,417,000 compared with £1,700,000, and Excise £8,908,000 as against £7,438,000. The week's operations reduced the National Debt by £6,148,000, and caused the following changes:—

	Min. £		Min. £
National War Bonds repaid ..	750	Public Department Advances ..	720
Treasury Bills	15,235	4% Treasury Bonds ..	1,917
		National Savings Certificates ..	450
		Unemployment Insurance ..	220
	15,985		9,837

The floating debt was reduced by £8,035,000 to £798,445,500.

FINANCIAL YEAR, 1923-24 (April 1 to April 21, 1923).

	£		£
Total Expenditure ..	55,514,185	Raised by Revenue ..	62,846,657
Net Capital Repayments ..	10,897,016	Decrease in Balances ..	3,564,544
Total	66,411,201	Total	66,411,201

ESTIMATES FOR YEAR 1923-24.

	£		£
Ordinary Expenditure ..	801,013,000	Ordinary Receipts ..	778,500,000
Special Expenditure ..	15,603,000	Special Receipts ..	40,000,000
Total	816,616,000	Total	818,500,000
		Surplus	1,884,000

NATIONAL DEBT.

(Million £.)

	Apr. 1, 1918.	Mar. 31, 1918.	Dec. 31, 1918.	Mar. 31, 1919.	Mar. 31, 1920.	Mar. 31, 1921.	Mar. 31, 1922.	Mar. 31, 1923.	Apr. 21, 1923.
Funded Debt	588	318	315	315	315	315	314	314	314
Term Annuities	30	22	20	19	18	16	15	15	15
4% War Stock	63	63	63	63	63	63	63	63	63
4 1/2% War Stock	16	13	13	13	13	13	13	13	13
4 & 5% War Stock	2,091	2,047	2,040	1,995	1,953	2,071	2,071	2,071	2,071
National War Bonds ..	649	1,509	1,476	1,413	1,201	971	971	956	956
4% Funding Loan	409	409	405	401	401	401	400	400	400
4% Victory Bonds	360	357	348	335	335	335	335	335	335
3 1/2% Conversion Loan ..	268	268	268	268	268	268	268	268	268
5-15 year Treas. Bonds ..	23	23	23	23	23	24	24	24	24
5% Treasury Bonds	381	381	381	381	381	381	381	381	381
Do by tender 5%	40	40	40	40	40	40	40	40	40
Do by tender 4 1/2%	8	8	8	8	8	8	8	8	8
Do 4%, 1931-33	84	84	84	84	84	84	84	84	84
Treasury Bills	15	961	1,107	1,107	1,121	878	719	617	593
Exchequer Bonds	20	328	323	319	289	185	150	150	150
Nat'l. Savings Certs.	133	267	274	285	342	350	354	354	354
War Expend. Certs.	23	23	23	23	23	23	23	23	23
Other Debt	944	1,306	1,181	1,132	1,087	1,071	1,070	1,070	1,070
American Loan	51	51	51	51	51	51	51	51	51
Temporary Advances	1	204	243	205	154	147	222	194	206
Other Capital Liabilities ..	654	5,879	8,033	7,829	7,574	7,655	7,768	7,652	7,651
Total Liabilities	57	49	46	47	49	56	67	68	68
Total Liabilities	711	5,921	8,079	7,876	7,623	7,721	7,835	7,730	7,719

POSITION OF THE FLOATING DEBT.

	Apr. 22, '23.	Mar. 31, '23.	Apr. 21, '23.	Apr. 21, '23.
Temporary Advances Out- standing	2,500,000	185,951,500	193,897,500	205,730,500
Advances by Bank of England ..	185,951,500	193,897,500	205,730,500	205,730,500
Advances by Public Deposits ..	767,024,000	615,045,000	692,715,000	15,285,000
Treasury Bills outstanding ..	955,475,500	809,942,500	798,445,500	8,035,000
Total Floating Debt	955,475,500	809,942,500	798,445,500	8,035,000

THE RUHR, REPARATIONS, AND INTER-ALLIED DEBTS.

THE statement which Lord Curzon made in the House of Lords at the end of last week has been taken in some quarters as ground for a belief that a *dénouement* of the Ruhr *impasse* is approaching. Nine-tenths of his long speech affords no such ground, for the Foreign Secretary concerned himself mainly with an elaborate defence of Great Britain's neutral policy, to pointing out that the implacable determination of France was met by an unexpected degree of stubborn resistance in Germany, and to arguing that to turn the question over to the League of Nations would involve a perilous risk of placing upon it a burden that it could not bear. But at the close of the statement came the passage upon which optimistic prophets have seized. Here it is:—"I think I observe, on both sides, if not a drawing-together, at least a willingness to discuss terms. We shall continue to do our best to encourage and develop those symptoms, and I am hopeful that a time will arrive—it may arrive before long—when our influence and authority may be usefully directed to the bringing together of the main parties to the dispute and the evolution of a plan which aims, not at a present solution, but at a treatment of a problem which is both a world problem and a peace problem as a whole." The view here expressed is supported to some extent by the news of the present week. There are signs that French opinion is steadily growing more and more anxious about the position, and more and more desirous of seeing some daylight through the present clouds. On the other hand, as our Berlin correspondent says on a later page, it is believed that Germany is about to make a concrete, though in all probability an unsatisfactory, offer. "As soon as a move is made," said Lord Curzon, "our help will be forthcoming to both parties." But if that help is to be of any use at all, the British Government must be ready with a carefully-thought-out plan, and a definite decision as to the lines of policy which would commend themselves to this country. We are fully aware of all the arguments in favour of open diplomacy, which is, indeed, one of the great safeguards of democracy. But there are some occasions, and this appears to us to be one of them, on which the only initial way out of complete deadlock is by private negotiations. We believe it to be no more than the truth that the Governments of both France and Germany, certainly large bodies of public opinion in both countries, would heartily welcome a way out. But the present tension is such that neither party would agree either to intervention by any individual country, or to reference to the League of Nations, unless and until both parties are satisfied as to the general principles and outlines of a settlement. So far as the League of Nations at all events is concerned this hesitation is by no means confined to France, for the German Government is undoubtedly suspicious that a settlement which the Council of the League would put forward would be as pro-French as they conceive the Upper Silesian decision to have been. So far as Great Britain is concerned, there are, in fact, two questions—(1) What

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are the outlines of the settlement which Germany and France would accept? and (2) Do these outlines furnish a scheme for which Great Britain could make itself responsible? Our chief reason for sharing Lord Curzon's optimism is that we believe there is now occurring a steady rapprochement between the underlying principles of the various parties concerned.

In the forefront is the question of security for France. There is to-day no political party in this country which would consider for a moment the giving of an unconditional military guarantee to France, but there is a large body of opinion which would favour a military undertaking by this country to assist in rendering effective a guarantee by the League of Nations. The idea of a demilitarised zone between France and Germany in regard to which the League would have the responsibility of seeing that the terms of demilitarisation were observed seems to us in principle acceptable. It is not perhaps entirely what M. Loucheur and opinion in France desires; but if, as we believe, the lesson of the Ruhr is making the policy of annexation or of going to fetch away reparations by force a little less attractive, France may be able to find in a suggestion along these lines sufficient guarantee to put her fears at rest.

Apart from this aspect of the question, we agree with Mr Goodenough, when he stated in a recent address to the American Bankers' Association, that the question of reparations in its economic aspect ought not to be insoluble. Our readers are familiar with the lines on which we believe such agreement could be reached. We need not elaborate them in detail. Briefly they are as follows:—

(1) The amount of reparations payable by Germany should be limited in accordance with her capacity to pay the figure, to be fixed once for all by an expert body.

(2) The division among the Allies of the receipts from Germany should be governed by the principle that they should be devoted in the first place to the restoration of the devastated areas, no claim to be made by Great Britain for the repayment of the Allied debts or for a share in reparations receipts, unless and until these receipts exceeded the cost of restoration.

(3) Great Britain should welcome, and, if desirable, should use her good offices to promote, a commercial agreement for bringing together on a business footing the fuel of Westphalia and the ore of Lorraine.

(4) Adequate provision should be made for the supervision of Germany's finances until the German debt can be mobilised and converted into a debt to private investors.

As far as British opinion is concerned, the second of these points is to-day perhaps the most difficult on which to get general agreement; but in our opinion it is a necessary corollary of the estimate which any neutral body would make under the first heading. We do not think that the vagaries of the mark exchange, the latest phases of which are dealt with in another column by our Berlin correspondent, have modified Germany's ultimate capacity to pay to the extent that is sometimes supposed. At the same time, it is improbable for other reasons that the amount Germany can pay would exceed the cost of restoring the devastated areas. It is significant that an important section of the Paris Press is now recognising this fact, and suggesting that the effective demand upon Germany should be limited to this amount, and that France would be willing to forgo all other claims, including pensions, if other nations would do the same. A large body of opinion in this country now accepts the argument that it was improper ever to have included this claim in our Reparations bill at all, and it would have been better for the future prospects of world peace if the claim had been deleted on grounds of equity. But it is a step forward if the claim is deleted even on practical considerations. A detailed statement of Germany's pre-war and present foreign trade balance has just been made by Dr Von Glassnapp, vice-president of the Reichsbank. In this document are repeated the familiar facts relating not only to Germany's visible, but also her invisible exports, the net result of which is to show that before the war Germany had an export surplus available for investment or other forms of payment amount of one milliard gold marks a

year, a surplus which, at present gold prices, would represent 1½ to 2 milliard gold marks. But these figures were achieved when Germany had a large and profitable mercantile marine, and before the mineral resources of Alsace-Lorraine, the Saar and Upper Silesia were lost, and at the moment this export surplus has been converted into an import surplus, which, including the payments made under the Peace Treaty in cash, but not in kind, amounted to 11 milliards of gold marks in three years. This statement shows what a very long road Germany has to travel before she can attain once more to any export surplus on her general trading account. As we have said, we do not regard the task as absolutely hopeless in the long run; but the results attained before the war and a careful consideration of the way in which a similar result might be achieved by Germany to-day with her limited resources is our main reason for discounting so heavily former ideas of Germany's possibility of payment.

If this view is sound, and confirmed, as we believe it is, by international opinion, we do not think that the people of Great Britain would attempt to enforce payment by France of her debts until the costs of restoration of the devastated areas had been made good. We are not so certain what view the United States would take, but we hesitate to think that America's attitude on the Inter-Allied debts would stand in the way of a final settlement of this European confusion.

AN AGRICULTURAL POLICY.

THE Government appear at last to have decided upon an agricultural policy. The decision has been reached by a somewhat circuitous route. The King's Speech referred only to two specific subjects for alleviating the difficulties of agriculturists—the provision of credit facilities and relief of local rates. A Departmental Committee on Prices was set up, and the fact that it was appointed by the Minister of Agriculture without reference either to the Board of Trade or the Ministry of Labour was an indication that the subject was to be investigated from the producers' point of view. During a debate in the House, the Prime Minister accepted a suggestion from Mr Lloyd George that an inquiry into the whole agricultural problem, at home and abroad, should be instigated. This appeared to indicate that the construction of a comprehensive agricultural policy was to be postponed for an indefinite period. The tribunal of economists, to which the responsible duty of inquiry was referred, suddenly produced an interim report consisting of a series of bold recommendations which they made no serious attempt to support or explain. As the Government were being strongly pressed to give the House of Commons an opportunity of discussing the position of agriculture, it was not surprising that the hurried production of this report was uncharitably attributed to a desire to meet the convenience of the Government—a political consideration from which even impartial economists may not be wholly immune. The success of this well-intentioned effort was, however, marred by the singular failure on two occasions of the plans of the Government for securing a day for the agricultural debate. The result has been that their intentions, instead of being announced as a whole, have dribbled out by instalments.

Fitting together the mosaic of piecemeal announcements, it is now possible to form an idea of the lines of a policy for agriculture to which the Government are committed. In the first place, we may summarise negatively those proposals of the Agricultural Tribunal which the Government have rejected. They are:—

1. The compulsory import of offals with flour.
2. An export duty on offals.
3. An import duty on hops.
4. The abolition of hop control.
5. The regulation of potato imports.
6. The establishment of wages boards.
7. A subsidy for the reduction of railway rates.

The recommendation of the tribunal in regard to the relief of local rates was also rejected by the Government, who have preferred to deal with the matter in a different way.

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The proposals of the Tribunal which the Government have adopted are:—

1. A duty on imported barley, with a preference to the Dominions.
2. Loans for the erection of milk-collecting depots.
3. Exemption of home-grown sugar from Excise duty.
4. Provision of credit facilities.

The latter items have been, in effect, dealt with prior to, and independent of, the Tribunal report.

The most substantial and immediate relief to agriculture is that given by the reduction of railway rates as from May 1st. The credit for securing this reduction is claimed by the Agricultural Committee of the House of Commons, but it is fairly evident that in the interview which the representatives of that Committee had with the railway managers they were forcing an open door. The concession is welcome, but the recipients of the benefit display only a moderate amount of gratitude, holding, as they do, that the reductions are overdue, and insufficient. It may be worth pointing out that the Tribunal recommended a reduction of the existing rates by 25 per cent., and that the reduction from 75 per cent. to 50 per cent. above pre-war rates—which is the general effect as regards farm products and requisites—reduces actual rates by about 14 per cent.

The decision of the Government to reduce the assessment of agricultural land from one-half, as fixed by the Agricultural Rates Act, 1896, to one-fourth is, on the face of it, a substantial relief to farmers and landowners. The details are at present not very clear, but it has been authoritatively stated that, including a contribution from funds now in the hands of the Road Board, a sum of approximately £4,000,000 will be made available to local authorities to make up the deficiency caused by the reduction of farm assessments. A Bill must be introduced to amend, or supplement, the Agricultural Rates Act, and the scheme will then no doubt be explained in detail. At present, except for the amount coming from Road Board funds, it is not apparent how, and from whence, the money is to be provided. The Chancellor made no provision in the Budget, but, on interrogation, stated that the amount would be found out of "savings"—a somewhat precarious source of revenue.

The provision of credit facilities is the subject of a report by a special committee, upon which a scheme is now in preparation by the Government. The exemption from excise duty of sugar produced from home-grown sugar-beet has been for some time in force, and the responsibility of the present Government is limited, therefore, to the decision to maintain it. The principle on which it is justified is that of the protection of infant industries, but the whole story of the prolonged attempt to establish the sugar industry by the help of the State is a tangled one which cannot here be adequately considered.

In regard to milk production, the Tribunal recommended that fresh milk and cream should only be imported under licence where there is satisfactory evidence that the conditions of their production and transport are subject to a standard of hygienic regulation equal to that

required in this country. They further recommended that imported dried milk should be certified as free from adulteration, and that tins of imported preserved liquid milk should bear a statement of the analysis of the contents. These are reasonable proposals, and merely apply, in substance, to imported articles the regulations applicable to home produce. The recommendation, which the Government have adopted, to assist from State funds the erection of milk-collecting depots is open to criticism. Many such depots exist in milk-producing districts, and, indeed, they form an essential part of the commercial mechanism of milk distribution. Why should the State intervene when private enterprise has proved its efficacy?

As noted above, the Government have declined to adopt the recommendation of the Tribunal that six district wages boards, "having executive powers within their own areas, and uncontrolled by any Central Board," should be established. The Government have announced, however, that they will introduce legislation "to make compulsory the registration of agreements arrived at by Conciliation Committees." As the law now stands, a Conciliation Committee which has come to an agreement may apply to the Minister to have it registered, and thereupon it becomes legally enforceable to the extent that the rate of wages fixed by the agreement forms an implied term of the contract of employment of every farm worker in the district. In only two or three cases have agreements been registered in the past even when the Conciliation Committees were functioning, as they did for a time. There are nominally 63 Conciliation Committees in existence, but at the present time there are agreements in not more than a dozen districts.

What reason is there to suppose that the fact that agreements will be made compulsory will revivify a system which has palpably broken down? It seems more likely to extinguish it finally.

The most significant proposal of the Tribunal, which the Government have accepted, is the imposition of a duty of 10s per quarter on imported malting barley, with a preference of one-third on barley imported from the Dominions. The duty is to be collected at the brewery, distillery, or malthouse, and the Government announce that they have arranged with the brewing industry that it shall "not involve any rise in the price of beer." They do not appear to have made any similar arrangement with the distilling industry, nor is there any indication as to the period during which the brewers have pledged themselves not to pass on the tax to the consumer. The most convinced believer in the altruism of the brewing industry cannot altogether overlook the fact that there are other means of making the consumer pay without recourse to the crude method of raising the price. There are, for example, substitutes for barley-malt, the use of which is not unknown, and may be extended. Neither the Tribunal nor the Government have made any reference to the fact that a certain quantity of malt is imported, but it may be assumed that the projected legislation will provide against so easy an evasion of the duty by placing a corresponding duty on that article.

The ultimate effects of this protective duty may be—as not unfrequently happens—very different from those intended, but, for the sake of argument, let us assume that it will achieve the object in view and stimulate the production of barley in this country. It is practically certain that any increase in the acreage of barley will be gained at the expense of wheat, and it is a singular commentary on all that has been said about the vital importance of growing more wheat that the Government should select for artificial stimulus the one corn crop which is not used for human food. The reason is obvious. It is calculated that the first step towards the re-introduction of a system of protection for agriculture may be taken without unduly alarming the public, if it can be argued that the food of the people is not taxed and that the price of their beer, which seems to be menaced, will not be increased. It is not the first time that the intelligence of the people has been under-estimated. The British nation has sound and quick political instincts, and is not easily beguiled on broad issues. The attempt to bolster-up corn-growing by protective duties cannot be disguised by shallow artifices or extenuated by the familiar plea that it is "only a little one." It will be recognised, for what it undeniably is, as a return to the fiscal policy which was abandoned in 1846.

Meanwhile, it would be interesting to know what will happen when the Tribunal present the further report, with their "fully considered judgment," which they have promised to submit at some future time. Are the present proposals of the Government to be regarded as temporary, and will they be reviewed, and possibly altered, when the Tribunal have completed their investigations?

THE INVESTOR'S DILEMMA.

Is the monetary barometer "set fair," with a long spell of 3 per cent. Bank rate ahead of us, in which securities will continue to soar? Or are the many sceptics right who regard the present state of the Consols market as a long-standing temptation to Providence? These are the questions which have to be pondered by every careful investor who wants to place his funds to the best advantage, and wonders whether he should sell his long and perpetual stocks and change into short dated, so as to be under cover when the trouble comes, or whether he should put every penny that he can save or raise into Conversion Loan or other long securities, so as to take advantage of the spell of sunshine that may be expected if cheap money is here to stay.

The problem that is covered by these questions is so manifold that it is very hard to know at which corner to begin. It is possible to argue that the gilt-edged market is already at quite exaggerated and artificial height. The present yield on Conversion Loan, if allowance is made for income-tax, is less than a quarter per cent. above the yield on Consols before the war, and the consequent multiplication of the British debt by ten and the introduction of a novelty in our finance in the shape of a foreign debt. It may be unreasonable to allow for income-tax, but it is surprising to find how many people do so, especially in the City, and take the net yield on gilt-edged stocks to-day, weigh it in the balance and find it wanting. If the prevalence of a high income-tax makes it more attractive to spend than to save, then it has an undoubted effect on the demand for securities. On the other hand, we have to consider the question of what is done with the money that the taxpayer takes; if it goes into debt redemption, it helps to put prices up by decreasing the outstanding amount of gilt-edged securities.

In the main, however, most people will be ready to admit that the most important influences on security prices are the activity of trade, and the course of commodity prices, which make so much difference to the quantity of capital required for financing trade, and so to the amount that is available for investment. Economics is sometimes accused of not being a science, because its exponents are not able to make forecasts with the certitude and accuracy attained by astronomers; but

at least we can be fairly certain that securities with a fixed yield cannot continue indefinitely to rise in price if commodities also are advancing, and more money is being spent upon them. Experience and theory agree that the Index Number of goods tends to move in the opposite direction to the price of those securities which, being least affected by risks of default, or by date of maturity, are susceptible only to monetary influences. This certainty is confirmed by the present condition of the Consols market. Although in some of its details it is puzzling, and its long-continued strength and swallowing power especially have upset the calculations of experienced judges of its movements, yet in the main it is only repeating its old lesson. Trade depression and a heavy fall in the prices of commodities were the forerunners of the advance in securities, and there is good reason to expect—though the disturbed state of things in the economic world makes one hesitate about being dogmatic—that it will only be checked by trade revival, on a sufficient scale to cause a keen demand for money for trade purposes, or by a confident expectation of trade revival on this scale. We are confirmed in this conclusion if we consider the course of the recent movement and the causes which made it possible. At first sight it was in some ways most paradoxical. At a time when the country was crying out that it was staggering under an intolerable load of taxation, and our bankers were endorsing its contention and telling us that their customers were borrowing from them in order to meet the demands of the Inland Revenue department, and when at the same time the saving habit had certainly been weakened by currency depreciation, by the after-war reaction towards irresponsibility and extravagance, and, in the minds of some, by fears of revolution or of orderly spoliation through a capital levy or otherwise, there came a great multiplication of securities accompanied by a rapid rise in their prices, with an apparently insatiable demand for them on the part of a public with more money than it knew how to use. At one time the proceedings were almost farcical, when it was necessary to provide a force of police to check the impetuous rush for prospectuses of issues of distinctly questionable merit. All these things look like topsy-turvy chaos, but they become much simpler when we remember that the *Economist* Index Number divided itself by two between March, 1920, and September, 1922, and also that debt redemption has proceeded with very considerable rapidity ever since December, 1919, when our debt touched its zenith at 8,000 millions. Since then, owing to the process of conversion which has lightened the debt charge while increasing the nominal amount of the liability, it is difficult to be precise concerning the actual market value of securities cancelled by redemption; but judging from the amount of the realised surpluses it would seem that some 500 millions' worth of securities have been taken off the market. The actual reduction has mostly been in the form of floating debt, but as a large part of the floating debt at the end of the war was held by shipping or industrial companies and firms, its redemption drove these holders into the Consols market, to compete with others who were investing there because the fall in prices and the slackness of trade had set free part of their working capital for purposes of temporary investment. And at the same time, as the Stock Exchange assures inquirers, there have been considerable purchases of our Government securities by Continental and American buyers in the course of their flight from the franc and the mark and the dollar, on the theory that sterling, as an investment or a speculation, was for the time being more attractive.

These causes of the advance in security prices having been set down, can we see our way more clearly as to its continuance? It was lately observed by a speaker at the meeting of an insurance company, that caters especially for apostles of temperance, that a healthy breath of trade wind would blow away security profits like froth from the brim of a flagon. But one of the curious features of the recent rise is its persistence in spite of the definite improvement in trade that took place last year. It would seem that there is still a good deal of slack to be pulled in before the rising trade demand gives anything like a jerk to the Consols market; but it is fairly certain that intelligent anticipation will precede actuality, and that if trade

continues to improve—a matter which is largely in the hands of the politicians—many industrial holders of Government securities will think it wise to dispose of them before they actually want the money, because they know that by the time they want money plenty of others will be wanting it likewise. It is true that there may be a slowing up in debt redemption, for we have to remember that the big surpluses which have gone into debt redemption during the past three years have been achieved out of sales of assets which are nearly at an end. Mr Baldwin hopes to secure 40 to 50 millions of debt redemption in future, but this is far below the average of what has been done since the end of 1919. But against this, there is the possibility to be reckoned with of a hardening of money rates in America, with its probable reaction on the policy of the Bank of England Court. Our Treasury wants cheap money for its financing here, but, in view of its dollar liabilities, it can hardly want a serious setback in the value of sterling, which would tend to happen if British money rates fell too far behind American rates. A rise of money rates here, following America's lead, would unquestionably encourage British firms to finance their trading requirements by disposing of their temporary investments instead of relying on bank accommodation. Again, there is the cheering fact that, owing to the gradual recovery of some of our impoverished neighbours, demands for capital that have long been clamorous may become effective, as borrowers begin to be able to show signs of solvency. Austria, Czecho-Slovakia, and Rumania are examples, and if the Reparation question really were settled, and its financing became a practical problem, the creation of competitive securities might join hands with trade revival in ending the gilt-edged advance. But this advance, being due chiefly to the indirect results of political blunders and bad temper, seems to show an almost cynical confidence in its own staying power.

INCOME-TAX AND PRICES.

The Budget debates are raising, perhaps more than usual, a number of points which, though practical in their expression, require analysis by economic theory before their degree of real validity can be determined. Much popular discussion upon the incidence of taxation, especially where "incidence" is to be distinguished from "effects," is of this order. In such discussion one often hears it stated that an increased income-tax is simply passed on in the higher cost of goods, or that a lower income-tax will bring about a reduction in prices, the case being analogous to an alteration in a beer duty or Excise duty generally. Nothing, however, can be clearer in economic analysis than the teaching as to the incidence of any tax upon a "margin" such as profit, which is held to be totally distinct from the incidence of a tax upon a unit of produce. Roughly stated, according to the doctrine held almost universally by economists, any tax which is payable upon a product or article of consumption, regardless of whether or not the commercial or industrial operations involved in manufacture and sale end in a profit, enters into the cost of production; it is one of the costs, in fact, just as much as transport or wages, and must, therefore, enter into price, which cannot in the long run sink below such costs. In the case, however, of a tax which sinks to zero whenever the profits sink to zero, there is nothing which can enter really into the costs of production. To use economic jargon: at the margin there will always be a certain number of firms producing and only just making ends meet without profit; these people will be paying no income-tax, and nothing for income-tax will enter into their costs of production; it is the costs at this margin which are really identical with the price level. In a similar manner, businesses which, as a whole, are profitable, are normally regarded in economic theory as carrying production to the point where the costs of the "last unit" of production are just covered by the price of the unit. Profits, therefore, arise in the case of all firms which are more favourably situated or are better managed than the "marginal" concern. Their product is sold at the same price—i.e., without the inclusion of income-tax—and they take as profit all



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their superiority in the matter of costs and expenses. Similarly, the profit-making business makes its profit on all units of production, down as far as the marginal unit. The doctrine is quite confident upon the point that a tax which is measured by this margin, and is only payable if the margin exists, must be paid out of the margin; that is, it cannot come out of costs. There are a number of refinements which act as limitations of this doctrine, but the main doctrine itself is clear, and sharply distinguishes income-tax from Excise and Customs duties.

It may be said that a minimum interest on the capital employed in the business must be regarded as a "cost," since no one will go on producing in the long run unless such interest is forthcoming, and that interest, therefore, does not strictly form a part of profits. If, then, income-tax falls on that interest, the net amount left after payment of income-tax will enter into costs. But income taxation is identical for interest from non-industrial sources, such as War Loan, municipal loans, &c., and if there is any kind of mobility between the two classes of capital, it is difficult to say how this effect upon costs can be worked out in practice.

What, indeed, may be regarded as happening in real life? Does the draper or the manufacturer in actual fact increase or lower his prices with the amount of income-tax that he has to pay? If a tax does enter into prices, what is that tax? Is it the small amount of tax paid by the little draper making £300 a year, or is it 8s or 9s in the £ paid by the larger draper? If each passes on his own tax, we should get such a disturbance of prices as would bring about a differential charge between the two for the same class of goods. This is *ex hypothesi* absurd, and, therefore, the only source from which the "large" draper's higher income-tax can come is his larger aggregated profit.

Those holding the opposite view do not escape the dilemma by assuming that an average flat rate is thrown into prices. If such were the case the small draper would make much larger profit owing to the average rate of tax being higher than his own, and the large draper would make a much smaller rate of profit; a differential income-tax would, therefore, tend to reverse their positions.

Those who hold that income-tax enters into prices ought to indicate clearly the kind of costing principle which can, in fact, give proper effect to it, having regard to these considerations. The incidence of a general income-tax on all classes of income is regarded in economic theory as being capable of only a very slight shifting or diffusion—that is to say, it actually falls where it appears to fall, and where it is intended to fall. The theory of a general diffusion by means of higher prices as a theory breaks down on analysis and, as an assertion of practical action, lacks evidence. Moreover, from a currency point of view it leads to an impasse. If everybody succeeds in passing on their income-tax in higher prices and higher remuneration to everyone else, then the

monetary result of a given mass of transactions and services would have to be expressed in a larger amount of currency, which is inflation. Does this in fact happen? What is the evidence for it? We are told that the way to avoid inflation is to transfer purchasing power from the individual to the State by taxation, instead of adopting money creating devices which leave the public with the same nominal purchasing power and yet put new purchasing power into the hands of the State. If, as we believe, this doctrine is true, how can the same operation of taxation both demand an increase of currency and not demand it? At which Socratic point we leave the matter.

When, however, we come to the effects of secondary magnitude—not regarded as the first effects which we call "incidence"—it is possible that a highly graduated income-tax may not fall exactly where it appears to fall, and may cause certain shifting among members of the community. Thus, if a given amount of potential saving power is taken away at the highest points, and a corresponding amount is not exercised at the lower points, it means that the redistribution of wealth brought about by the graduated tax would result in a lessened fund of savings. This, in turn, may react by reducing the flow of capital and improvements in industry below what they would otherwise have been, and thus unnecessarily keep up the prices of widely used commodities. In this manner there may be a reaction in the long run against the interests of the lower incomes, brought about by a device which was supposed to favour them. Always we must bear in mind the difference between the distribution of a given cake and the incentive to make new ones!

In the case of a large and powerful monopolist who has a considerable margin of productive advantages which he may, or may not, pass to the consumer in reduced prices, there can be little doubt that 8s 6d in the £ in income-tax and super-tax may be an important factor in retarding such reduction. When this tendency exists it may act subconsciously. But, as Dr Haig, of Columbia, said in effect in examining the excess profits duty in this country, "One has yet to meet a monopolist who refrains from charging all that the market will bear until a tax forces him to do so." On the whole, economic theory is well re-enforced by practice, and before the presumptions of a doctrine so well established can be disregarded the strongest practical evidence should be forthcoming. But no evidence beyond a blind assertion is usually available.

THE PROBLEM OF BULGARIAN REPARATIONS.

At long last there seem to be reasons for hoping that the question of Bulgarian reparations will be definitely settled in accordance with the country's ability to pay. The adoption of this principle in the case of Bulgaria is none the less interesting because the sums involved are relatively small and unimportant. The significant point is that now for the first time since the Armistice economic facts are being taken into consideration in fixing the amount due on reparations account by a former enemy State.

Article 121 of the Treaty of Neuilly stipulated that Bulgaria should pay the sum of 2,250,000,000 gold francs in thirty-seven annual instalments, the first of which was to be made on July 1, 1920. The first and second instalments were to include interest at the rate of 2 per cent., the remaining thirty-five interest at the rate of 5 per cent. per annum on the capital sum due. As this Article has never been carried out, and as it must have been apparent to any person acquainted with Bulgarian economic conditions (including the Inter-Allied Commission at Sofia) that its terms never could be carried out, it need not detain us further. We must, however, make a passing reference to the fact that considerable payments were made by Bulgaria for the upkeep of the Allied Army of Control and of various Allied Commissions, in addition to deliveries in kind to Serbia, Greece, and Roumania.*

Apart from finding suitable housing accommodation, the first important task of the Inter-Allied Commission (Re-

parations), which arrived at Sofia in March, 1921, was to devise some means of circumventing Article 121 of the Treaty without thereby establishing a sane precedent which might be applied also in the case of Germany. The long exchange of notes with the Bulgarian Government—which asked for a three years' moratorium as early as April, 1921—makes instructive rather than interesting reading. By March, 1922, however, negotiations became quite earnest. The normal annuity of 136 million gold francs on the capital sum provided for in the Treaty was to be shelved for two years, and ten million gold francs were to be paid in the Budget year 1922-23, and thirty millions in the following year. It will be remembered that talk of a moratorium for Germany was very much in evidence a year ago, and this was doubtless the reason why a complete suspension of payments was denied to Bulgaria. At the same time, the Inter-Allied Commission at Sofia demanded that Bulgaria should submit to certain measures of control in return for these concessions. Inflation of the currency was to cease, and the debt of the State towards the National Bank was to be limited. The Commission also proposed a new method for the repatriation of taxes, and asked the Government to obtain the approval of the Chamber in this matter as well as for the control over the output, management, and revenues of the mines and collieries. These latter revenues had to be affected to reparation payments, while the granting of monopolies and concessions had to meet with the previous approval of the Commission, which would have the exclusive right to dispose of the revenues arising therefrom. The exclusive control over the State Budget, its preparation and modifications, would belong also to the Commission, whose advice would have to be taken before a State foreign loan could be issued.

The Bulgarian Government accepted some of these proposals, including notably the limitation of inflation, and undertook to modify its budgetary system in accordance with the principles of sound finance. In addition, it made counter-propositions, which, however, did not accord to the Commission as full a measure of control as it had demanded, and a complete deadlock ensued. On July 21st the Inter-Allied Commission notified the Government that Article 121 of the Treaty must be strictly executed without delay, and the hopelessness of the outlook led to a downward plunge of the lev and a complete disorganisation of trade and finance.

After a period of uncertainty, which lasted down to the end of 1922, negotiations were resumed in January last. The Bulgarian Premier, M. Stambouliski, took the place of M. Daskaloff, the former negotiator; and Sir Elliot Colvin was now president of the Inter-Allied Commission in place of Prince Livio Borghese. This change of personnel seems to have had a welcome effect on the conduct of negotiations—which previously had often been far from friendly—and on March 21st last an agreement was signed by both parties. The total present value of Bulgaria's Reparation liabilities is fixed at 550 million gold francs. The payment of this sum is to be spread over sixty years, with annual instalments in accordance with the following table:—

Years.	Amount Due.
1923	2,500,000 gold francs.
1924	5,000,000 "
1925	6,000,000 "
1926	7,000,000 "
1927	8,000,000 "
1928-33	10,000,000 "
1934-83	43,230,000 "

These annuities are calculated on the basis of interest at 5 per cent. The amounts due as interest during the first ten years will, however, be compensated with the sums Bulgaria has already paid on Reparations account, and in 1933 the question of interest will be re-examined.

This settlement has been regarded as a favourable one from the Bulgarian point of view, and our Sofia correspondent informs us that a general feeling of relief and of hope is to be noticed throughout the whole country. This in turn has naturally had a marked effect on the value of the lev, which has risen at Zürich from 3 to 4.25 Swiss centimes. It must, however, be pointed out that the agreement still awaits the sanction of the Reparations Commission at Paris, as the Sofia Commission (constituted

by Article 130 of the Treaty of Neuilly) is merely a subsidiary body. It is to be hoped, however, that the question will not be allowed to remain much longer in suspense.

In considering the terms of this agreement, it must be borne in mind that Bulgaria is a country of small peasant proprietors, whose holdings are situated for the most part in the fastnesses of the Balkan mountains. Its annual coal output is under one million tons, while the production of other minerals is practically negligible. Its principal exports are cereals, tobacco, and attar of roses. The trade balance, which is almost invariably unfavourable, will probably show a slight excess of exports for 1922, thanks to the restriction of imports.* The country is overwhelmingly agricultural, and the typical Bulgarian village is practically self-sufficing.

In 1922 Government expenditure amounted to about five milliards of leva; while revenue yielded a little over four milliards, leaving a deficit of nearly 959 millions†, or about one and a-half millions sterling at present rates of exchange. It is, however, doubtful whether expenditure can be very much reduced, in view of the fact that Government officials receive salaries which barely suffice for the absolute necessities of existence. The total external debt works out at about £10 per head of the population; to which must now be added a further £4½ per head on Reparations account. The total would be very small in a country of Western Europe, but under Bulgarian conditions an annual charge of some 15s per head for the service of the external debt alone represents a heavy burden in view of the fact that revenue does not amount to much more than 35s per head (at present rates of exchange). Nevertheless, the graduated scale of annuities, combined with the general improvement in the trade situation in 1922, which should continue still further this year if the Reparations Commission see fit to ratify the Sofia agreement, will doubtless enable Bulgaria to meet her obligations under this agreement during the next ten years. Freed from the burden of armaments, which were so largely responsible for the accumulation of her pre-war debt, and with an able Prime Minister, whose overwhelming success at the recent general elections showed that his policy of loyally fulfilling the international obligations of his country is well supported by the nation he represents, the next few years should see Bulgaria well on the way to reconstruction and relative prosperity. Whether it is wise, in the interests of the principle of the sanctity of Treaties, to endeavour to bind a country for sixty years, is a question which is better left to the historian. For our part, however, we welcome the agreement, both as marking a considerable advance on the Treaty settlement and as being the first solution of a post-war reparations problem which takes into account the economic possibilities of the situation.

THE SUGAR POSITION.

THE sugar market during the past four or five weeks has followed very closely the course foreshadowed in an article dealing with the world position of the commodity which appeared in these columns on March 3rd last. It was then stated that there was ground for the apprehension of a shortage in the available supplies, and that values in this country would have to be based largely on the price of Cuban raw sugar. Since that time the estimates of the Cuban crop have undergone certain changes, and the latest figures issued by Mr Himely put the total output at 3,735,000 tons, against his first estimate of 4,102,857 tons, and an actual outturn for last season of 3,996,387 tons. Other estimates give the season's production up to the middle of the present month amounted to 3,126,000 tons, against 2,354,000 tons for the corresponding period of last year, it may now be said that the best and worst is known. The New York market has shown conspicuous strength, and notwithstanding the threat of Government action against operators on the New York Coffee and Sugar Exchange and the Clearing Associa-

* Cf. Report on the Economic and Financial Conditions in Bulgaria. Recently published by H.M. Stationery Office for a review of 1922.

† The Economist, February 24, 1923.

tion, and talk of an injunction to prevent speculation in sugar, all sugar for future delivery has moved sharply upwards. On this side the market has been very lively. Early this week the dealings in the Mincing Lane market were on a big scale at advancing rates; values on the Clyde rose sharply on Tuesday, and with heavy buying the general course of the market was upward, with retail prices to the public moving in the same direction.

The matter of the intervention of the United States Government, and talk of "sugar ramps," "sugar wars," and "gambling" may be dismissed without comment. Even if the American authorities stopped all dealings in futures they could not increase the visible supply of sugar by one single ton, and as things go now the prices that will rule from May until next October will be based largely on supply and demand. It is admitted that there has been both here and in the United States a considerable amount of speculative interest shown in sugar, but this is nothing out of the way, all commodities being subject more or less to influences of a certain character. Speculation, it may be said, resulted in values early last year falling to 10s 6d c.i.f. United Kingdom, and under 2 cents per lb cost and freight New York. The public reaped the benefit of this exceptional fall, which was due to over-confidence on the part of the American syndicate operating in Cuban sugar; thus while the mere talk of official action may warn off outsiders to some extent, no action short of Government control, such as was seen during the war years, could have the slightest effect. The world has to face a real shortage of the commodity, and while obviously the position lends itself to manipulation the whole future of the market turns on the matter of supplies. As far as the United Kingdom is concerned, the statistical situation may be regarded as fairly satisfactory. The stocks of raw sugar at the three principal ports, viz., London, Liverpool, and Greenock, are much about the same as they were a year ago at a little under 100,000 tons. The imports for the week ended April 21st amounted to 14,769 tons, against 21,989 tons in the previous week, and 34,645 tons in the corresponding week of 1922. The deliveries for the same period amounted to 18,769 tons, compared with 13,539 tons in the same week of last year. Thus there is plenty of raw sugar on hand, and no fear of an immediate shortage, but, of course, there will have to be further adjustments in prices as the third quarter of the year approaches, as home refiners must inevitably guard themselves against whatever parities are established in the American markets during the next six months. No blame whatever can be laid at the door of the British refiners. All along they have been compelled to advance their prices as a means of self-protection against the rising cost of raw sugar, and it may be stated that the action of the Chancellor of the Exchequer, who refused to meddle with the duty on the commodity, will benefit the public in the long run, as it will undoubtedly keep down the consumption. If there had been a change in the duty in favour of consumers there would have been a jump in the demand, and this would have forged another weapon for the American speculators, and the concession in the shape of duty would have gone on to the price.

From the Cuban crop and its possibilities it is interesting to turn to the other sources of supply, and examine them with a view to seeing whether any relief can be obtained. Next to the Java crop in point of view of adding to supplies, some rather hopeful forecasts have been made in connection with the sowings for the next beet crops in the United States and also in the various European countries. More sugar should be grown within the Empire. The Australian yield this season was just over 300,000 tons, which is more than domestic consumption can take care of. Queensland produced 288,000 tons of raw sugar, and both Australia and South Africa should do better with their sugar crops, although, of course, the melancholy history of sugar production in other countries within the Empire is not very encouraging. The high prices now ruling will assuredly prove a strong incentive to a material enlargement in the sowings under beet in the United States, and a considerable increase is expected on the Continent, although the latest advices suggest that there may be a setback instead of the reverse in the case of Germany, where economic con-

* With the Economist of November 18, 1922, p. 931.

ditions do not favour enterprise of that description. The season's European beet crops will probably yield something like 4,500,000 tons, as compared with a little under four million tons in the previous season. France should have an outturn of 510,000 tons, the official returns of actual production for the first seven months having been 466,000 tons, against 295,000 tons in the corresponding period of the previous season. The German production for this season was formerly estimated to yield 1½ million tons, but the actual output up to the close of February was 1,312,000 tons, against 1,254,000 tons in the previous season of 1921-22; thus it may be said that the bulk of the French and German crops have already been accounted for, and this remark may be applied to other European countries. France is seriously handicapped in the matter of importing supplies by reason of the depreciation of the franc, and reserves in that country are now very low.

The course of prices indicates that the world is short of sugar. Ample evidence of what was coming was furnished last February, when the run on Cuban sugar became so intense that the c.i.f. cost was lifted to about 26s 6d per cwt, after having dropped in the previous year to 10s 6d. Cuban raw sugar has now risen well over 30s per cwt, and British cubes early this week were put up to 71s 6d as compared with 66s two months back. American granulated sugar has been advanced from about 58s 6d to 65s for spot delivery, including duty. The wholesale cost to the grocer of the latter would be roughly 7d per pound; thus it is obvious that even at current selling prices to the public there is very little margin. The retail trade must, therefore, be prepared to face anxious times, as it is always a matter of great difficulty to explain the exact position to the buying public, and the scare headings in the lay Press do much to create unnecessary suspicion. The trouble with sugar just now is not so much the fears of an actual shortage over the remainder of the season, but the fact that the world's markets are chiefly dependent on Cuban resources to fill the gap in the absence of any great weight of supplies from other cane-growing countries, and this state of affairs cannot possibly be remedied for several months at the very least. The Java crop later on will ease the position to some extent, but in the meantime it is just as well for the trade to realise that it is up against the strong forces which will exercise control over the disposal of the very moderate Cuban surplus. Summing up the prospects of the world's crops, as based on the latest and most reliable information to hand, a total production of 18,800,000 tons may be looked for, and this would only be a little over half a million tons in excess of last season as represented by the improved Continental beet crops. The world's consumption of sugar during the past year showed an increase of well over two million tons, and may be placed at about 19,000,000 tons. Crops in all the producing countries have failed to come up to expectations, and if the consumptive demand does not undergo a considerable shrinkage owing to the high prices now asked there is bound to be a considerable shortage until the new crops come along. In any case, supply cannot overtake demand in the next six months, and with all supplies in firm hands it is difficult to see how further rises can be avoided. Should the next beet crops in the States and on the Continent come anything near the current optimistic forecasts there would be a very sudden change of sentiment towards the close of the present year, but for the time being only a very drastic check in the consumptive demand and the employment of sugar substitutes can hold back the rise. High prices should do this and also encourage production; thus the position will right itself in time, and equilibrium between supply and demand would be restored.

LONDON GAS COMPANIES.

THE change in the measurement of gas in the past two years has made our comparative statistics of the quantity of gas sold by London companies somewhat incomplete. This year we start anew, and the following table shows the total gas sold by five representative London gas companies during the year ended December 31st last, together with the comparative figures for 1921:—

	TOTAL AMOUNT OF GAS SOLD.		In. or Dec.
	1921.	1922.	
Gas Light and Coke	147,549,934	158,755,869	+ 7.6
South Metropolitan	147,551,114	158,755,869	+ 7.6
Commercial Gas	10,013,765	17,054,125	+ 70.2
South Suburban	13,356,922	13,845,888	+ 3.6
Wandsworth, Wimbledon, Epsom	13,541,936	13,375,519	- 1.2

The increase shown by the Commercial Gas Company is remarkable, although no reference is made to this in its report. The Wandsworth, Wimbledon, &c., on the other hand, experience a slight set-back. During the year all London gas undertakings were able to reduce prices and grant a certain amount of relief to consumers. At the end of 1921 the price of gas supplied by the Gas Light and Coke Company was 1s 2d per therm, at the beginning of this year it was 10d; the price per 1,000 cubic feet at the corresponding periods was 5s 6½d and 4s 2d respectively. This company increased the calorific value of its gas in June last from 475 British thermal units to 500 per cubic foot. The South Metropolitan reduced its price of gas in the year from 11½d to 10d per therm. During 1922 the Commercial Gas Company made three reductions in the price of gas—namely, 2d per therm in January, 1d per therm in April, and 2d per therm in July. They made a further reduction at the beginning of 1923, reducing the price to 9 3-5d per therm, or 3s 9 3-5d per 1,000 cubic feet. The South Suburban quotes the lowest price in its area of 11 4-5d per therm, which is equivalent to 4s 6½d per 1,000 cubic feet. This, it is pointed out, compares with 2s 3d per 1,000 feet, its lowest pre-war price. The Wandsworth, Wimbledon and Epsom Company mentions that its gas supplied was of a calorific value of 480.1 British thermal units, as against 470 declared by the company, and thus rightly claims that the company has exceeded its obligations to the public by an average margin of over 10 units. The price of its gas has been reduced by 4d per therm. The prices are 9d per therm in Wandsworth, 10d per therm in Wimbledon, and 11 1-5d per therm in Epsom.

Most companies publish statements comparing salaries and wages paid with previous years. This is certainly a step in the right direction, and we welcome the figures, which make interesting reading. We would suggest, however, that these figures should be further amplified.

In the table given below we analyse the revenue and expenditure of these five representative London gas undertakings for the past four years. The Act of 1920 provided for annual accounts and returns to be submitted to the Board of Trade. In consequence companies now publish accounts for the whole year in the place of the half-yearly accounts previously issued. The half-yearly accounts of the South Metropolitan and Wandsworth Companies for 1919 have been shown as annual returns in the undermentioned table for comparative purposes:—

Company.	Revenue.				Expenditure.			Balance Net Revenue.
	Sale of Gas.	Rentals.	Resi- duals.	Total Re- ceipts.	Manu- facture.	Distrib- ution.	Total Expen- diture.	
Gas Light and Coke—	£	£	£	£	£	£	£	£
Year ended Dec. 31, 1919	6,528,127	588,066	2,721,473	9,854,029	6,809,139	1,238,966	8,048,105	849,864
1920	7,266,351	666,873	4,839,214	12,790,821	8,920,487	1,716,496	11,877,286	913,535
1921	8,045,069	659,468	2,497,838	11,232,360	7,497,611	1,366,920	10,134,881	1,097,479
1922	7,488,848	707,968	1,886,635	10,110,354	5,903,076	1,408,173	8,590,169	1,520,185
South Metro- politan—								
Year ended Dec. 31, 1919	2,885,126	301,774	1,435,825	4,625,897	3,299,144	618,069	4,267,962	357,929
1920	3,011,926	329,300	2,143,341	5,488,081	3,675,953	811,609	5,000,534	487,547
1921	3,430,373	350,117	1,483,250	5,268,069	3,549,269	780,955	4,827,444	440,622
1922	3,459,633	360,117	1,067,149	4,891,620	2,841,341	762,011	4,149,717	741,903
Commercial—								
Year ended Dec. 31, 1919	671,359	86,613	299,985	1,058,078	712,343	145,276	963,794	94,284
1920	836,391	96,367	437,463	1,370,216	970,238	204,069	1,302,558	67,729
1921	951,743	88,378	296,734	1,336,958	875,016	204,595	1,219,972	116,986
1922	781,821	90,667	254,544	1,127,553	646,879	167,100	953,553	174,000
South Sub- urban—								
Year ended Dec. 31, 1919	588,359	54,036	185,209	827,385	574,987	134,587	772,066	56,319
1920	777,524	60,030	281,126	1,119,483	757,196	179,430	1,039,919	79,564
1921	816,025	64,123	232,098	1,113,044	752,499	166,359	918,729	78,316
1922	776,795	66,763	195,514	1,039,872	629,398	176,141	911,806	128,067
Wandsworth—								
Year ended Dec. 31, 1919	563,531	77,805	222,450	864,364	631,371	101,536	795,795	68,606
1920	675,325	99,521	361,696	1,136,544	825,868	174,806	1,000,674	65,638
1921	754,155	96,314	231,618	1,082,371	757,733	171,028	998,464	82,906
1922	648,247	127,525	200,621	976,669	588,894	193,410	872,152	105,517

Holders of gas stocks, as investors, belong to a class of their own. They are naturally of a conservative type.

Stocks usually only change hands on account of death, and in many cases transfers take place without the assistance of the Stock Exchange, except that the ruling quotation is taken into consideration.

New issues of investments of this industry offer an interesting field for survey. Even here old customs are retained, and many new issues are still offered for sale by tender. Recently the Wandsworth, Wimbledon and Epsom Company placed on the market by tender £250,000 new capital, comprising £50,000 4 per cent. irredeemable debenture stock, £100,000 5 per cent. preference stock, and £100,000 ordinary stock. The debenture stock was offered at a minimum price of £78 per £100, showing a yield of £5 2s 7d per cent., the preference stock, at £93 per £100, yielding £5 7s 6d per cent., and the ordinary stock at £95 per £100, at which figure, based on current dividend, the yield worked out at £6 9s per cent. The issue was largely oversubscribed, and tenders were from £81 down to the minimum of £78 for the 4 per cent. perpetual debenture stock, the lowest price to secure an allotment being £79 15s. For the 5 per cent. preference stock, the lowest price to secure an allotment was £94 5s 6d, and for the ordinary stock the lowest price to secure an allotment was £96 10s 6d.

We conclude with a table showing the pre-war price of London gas stocks, together with comparative dividends, prices, and yields during the past two years:—

Name of Company.	Price, July 27, 1914.	Dividends.		Price, Mar. 29, 1922.	Yield, April 25, 1923.	Yield.
		1921.	1922.			
Commercial Gas, 4% Stock	107	4 1/2	5 1/2	80	5 6/8	9 3/4
Do 3% Stock	104	3 1/2	5 1/2	80 1/2	4 15/16	9 3/4
Do 3% Debentures	70 1/2	3 1/2	5 1/2	55 1/2	5 8/16	5 5/8
Gas Light and Coke Co., Ord. Stk.	103	4 1/2	5 1/2	80	5 16/16	100
Do 3% Maximum Stock	77 1/2	3 1/2	5 1/2	58 1/2	5 19/16	66 1/2
Do 4% Cons. Pref. Stock	97 1/2	4 1/2	5 1/2	75	5 6/8	79 1/2
Do 3% Irred. Deb.	112	5 1/2	5 1/2	55 1/2	5 8/16	62 1/2
South Metropolitan Gas, Ord. Stk.	112	5 1/2	5 1/2	85	5 17/16	100 1/2
Do 5% P. Stk., Red. Dec. 31, 1924	7 1/2	5 1/2	5 1/2	96	6 18/16	97 1/2
Do 3% Perp. Deb. Stock	75 1/2	3 1/2	5 1/2	55 1/2	5 8/16	61 1/2
South Suburban Gas, Ord. Stock	115	5 1/2	5 1/2	89 1/2	5 19/16	99 1/2
Wandsworth, Wimbledon, &c.—						
"A" Stock	155	6 1/2	8	83	7 19/16	132 1/2
"B" Stock	131	5 1/2	6 1/2	67	7 13/16	117 1/2
"C" Stock	119	4 1/2	5 1/2	64	7 4/16	102 1/2
Wimbledon Stock	119	4 1/2	5 1/2	64	7 4/16	102 1/2
Epsom Stock	123	5 1/2	6 1/2	64	7 16/16	117 1/2

† Without allowing for profit on redemption.

The movements recorded above show that fixed interest bearing gas stocks moved upward in value in company with most other fixed interest bearing securities as money became cheaper. The improved prices of the ordinary stocks are evidence that the industry is still favourably regarded by investors. Dr Charles Carpenter, presiding at the annual meeting of the South Metropolitan Gas Company in February, made some interesting remarks on dividends and profit sharing. He pointed out to stockholders that "just as your employees are entitled to their standard wages, so you are entitled to a standard interest on your investment, and this has been prescribed by Parliament at 5 per cent. A basic price for gas has been fixed at 11d per therm. If, from time to time, any profit is made over and above what is necessary to provide these obligations, three-fourths of such profit is deemed the consumer's share, and automatically goes to him by way of a reduction in the price of gas, and the remaining fourth is divided equally between you and your employees." Last year the scheme provided an additional dividend of ½ per cent. on the ordinary shares, and a similar aggregate amount was placed to the co-partnership fund.

FIRE INSURANCE IN THE UNITED STATES.

CONSIDERABLE interest is always taken in the results of the operations in America of the British fire offices. By means of their subsidiary American companies, of which the already large number is constantly receiving additions by purchase, the British offices transact much more fire business in America than in all the rest of the world put together. The average rate of premium in the United States, where fire risks are relatively high, is some five times the average rate charged in Great Britain. The

result is a very large premium income, a loss ratio which varies widely between good years and bad years, and—a feature which is becoming embarrassing in its influence—a larger percentage of expenses and commissions to premium income than is either necessary or wholesome. It is obvious that if a British fire office derives, say, two-thirds of its premium income from America, at an expense ratio of 45 per cent., economies laboriously enforced upon British and other business are liable to be swamped under a torrent of American costs. The problem of fire insurance expenses and commissions has become acute, the average, which twenty years ago was about 35 per cent. of the premiums, is getting dangerously near 45 per cent., and it is a problem of which the solution must chiefly be sought upon the other side of the Atlantic. Increased salaries to staffs in Great Britain and the growing burden of State taxes in all countries also contribute to the high level of costs, which is now not much below that of fire claims in a favourable year. An examination of the figures which we give for the United States fire business of the British offices during last year shows how difficult it now is, with an expenses ratio of 45 per cent. of the premiums, to make an underwriting profit at all. When fire losses rise above the average, then all prospects of a profit vanish in smoke.

The results which we publish in this article are as nearly correct as it is possible to make them. The figures of American subsidiaries are included wherever they are certainly known, and dollars have been converted into sterling at 4s 2d. The American figures of premiums, claims, expenses, and profit or loss are not strictly comparable with those of the companies' full accounts which are published in this country. Reinsurances in America are allowed only with "admitted" companies in the States of the Union, but in some instances reinsurances are placed outside America with British or foreign re-insuring companies. None but the officials of the individual companies have knowledge of these transactions, and only then in so far as their own company is affected. What we give is the result of operations in the United States, as shown by the official accounts deposited with the State Insurance Departments in America.

It will be seen that 1922 was not a favourable year, and yet not seriously unfavourable. Out of the fourteen companies or groups in our list, seven made a surplus and seven suffered a deficiency. None of the surpluses or deficiencies are large in proportion to the business done. Taken as a whole, the fourteen companies, after providing for the unexpired risks, have come out practically "all square." Let us take the surpluses which have been arrived at after allowing 40 per cent. of the total premiums as the necessary reserve for unexpired risks. This is the recognised percentage under the Assurance Companies' Act in this country, and one which has been proved by long experience to be adequate. In American accounts the whole of the unexpired portion of the premiums has to be reserved. The North British and Mercantile has done best with a surplus of £137,570, or 3.7 per cent. of the premiums. This compares with a surplus in 1921 of £191,451, or 5.8 per cent. Next comes the Phoenix group, with a surplus of £87,522 (4 per cent.), as against a deficiency in 1921 of £7,628. At the meeting on Wednesday Sir Gerald Ryan said that "in the United States the fire-waste for the year 1922 was in excess of that of any year since the great San Francisco conflagration," but the figures give no indication of this. The London and Lancashire has made a surplus of £71,987 (4.9 per cent.), against a surplus of £58,006 (3.9 per cent.), the London Assurance a surplus of £55,239 (7.7 per cent.), against a surplus of £36,688 (4.7 per cent.), and the Commercial Union a fractional surplus of £7,407, as compared with a deficiency of £128,691 (3 per cent.) in 1921. The Scottish Union did well with a surplus of £23,811 (3.1 per cent.), against a surplus for 1921 of £48,335 (6.4 per cent.).

The largest group of all, the Royal, including the Liverpool and London and Globe, has made the largest deficiency, though the percentage to premiums is small. Its amount is £171,424 (2.2 per cent.), as compared with a

deficiency of £115,609 (1.5 per cent.) in 1921. The Northern shows a loss of £35,941 (3 per cent.), against a loss in 1921 of £42,754 (3.7 per cent.). The deficiency of the Atlas was £50,144 (5.8 per cent.), as compared with a deficiency in 1921 of £77,071 (9.5 per cent.). The Royal Exchange has a small loss of £6,114 (1.1 per cent.), against a larger loss in 1921 of £18,668 (3.6 per cent.), and the Sun comes out nearly level with £2,535 on the wrong side. A year before the Sun achieved a surplus of £19,883 (2.2 per cent.).

BRITISH RESULTS DURING 1922.

	Premiums.	Claims.	Expenses.	Surplus or Deficit.
	£	%	%	£
Atlas	856,095	57.6	39.6	Def. 50,144
Caledonian	624,179	53.2	39.6	Sur. 3,705
Commercial Union Group	4,644,091	53.5	43.7	Sur. 7,407
London	710,702	50.2	46.1	Sur. 55,239
London and Lancashire Group	1,454,472	49.6	45.9	Sur. 71,987
London and Scottish	143,400	56.7	45.3	Def. 7,862
N.B. and Mercantile Group	3,750,773	49.6	42.1	Sur. 137,570
Northern	1,180,169	57.4	44.6	Def. 35,941
Phoenix Group	2,155,047	50.6	45.9	Sur. 87,522
Royal Group	7,781,412	55.2	45.2	Def. 171,484
Royal Exchange	552,318	55.7	43.0	Def. 6,114
Scottish Union and National	759,360	51.9	44.9	Sur. 23,811
State	96,751	46.7	64.7	Def. 18,668
Sun	942,473	52.1	45.7	Def. 2,535

An examination of the column of percentage of claims to premiums shows that the year 1922 cannot be regarded as unusually severe in fire losses. The highest percentage of claims was 57.6 per cent., and the lowest 46.7 per cent. The claims experience of two important companies, the North British and the London and Lancashire, was under 50 per cent. of the premiums. The rather poor results of the year were clearly not due to heavy fire losses. The profits which should have been earned ran down the open drain of expenses and commissions, which averaged about 44 to 45 per cent. of the premiums. Until measures are successfully taken to reduce substantially that high percentage of costs, there cannot, save in exceptionally favourable years, be much margin of profit in American fire insurance.

Notes of the Week.

The Housing Bill.—Mr Neville Chamberlain has good reason to be relieved at the nature of the reception accorded to his Housing Bill. Its rejection was moved on seven separate grounds by the Labour Party, but the Government majority rose to 200. Sir John Simon perhaps struck the most reasonable attitude towards the Government proposals by pointing out their shortcomings, but refusing to take the responsibility of obstructing even such an attempt as they make to stimulate the provision of decent housing accommodation for the working-classes. Mr Chamberlain himself was careful not to claim for his Bill that it was a complete solution of the housing problem. He called it a "foundation," and, on the whole, when the bristling difficulties of the question and its great urgency are recognised, we are more inclined to search for the good points in the new scheme than to concentrate upon its obvious limitations. The Bill has, at any rate, the good intention of stimulating private enterprise and facilitating house purchase. It limits—to £6 per annum for 20 years—the liability of the State, and by so doing throws upon the local authorities the onus of insisting upon reasonable costs of construction. It provides for a revision of the scheme as relating to future building in two years' time, when conditions may have changed. It concentrates on the class of house particularly needed. It contemplates making the revision of obstructive bye-laws easier, and has other minor merits. Against all this, let us put the chief objections of the Labour Party. The first is the general attack that it fails to deal adequately with the present housing shortage; the second, that it ignores the difficulty of land purchase and transfer; the third, that it fails to provide sufficient supplies of building material at reasonable prices; the fourth, that it throws an unreasonable burden on local authorities; the fifth, that it interferes unreasonably with their administrative powers; the sixth, that it fails to reduce the "burden of interest imposed upon dwelling-houses by the present financial system"; and the seventh,

that it provides only for an unreasonably small type of house. These objections do not seem to us to go to the root of the matter. Certainly the size of the proposed house is rather surprisingly small, but the task of combining reasonable size with reasonable cost is one with which perhaps some progress may be made in the Committee stage of the present Bill. Everybody wants a copious supply of good houses; nobody is prepared to pay by means of rates and taxes the full necessary price of such immediate supply. The real crux of the problem lies in the existence of two facts—the first, that there are 300,000 less men in the building industry to-day than before the war; the second, that the industry has 130,000 men unemployed. These two facts, at a time of acute housing shortage, show that no approach towards a real housing solution will be made until some degree of certainty and confidence as regards the future is re-established, and such re-establishment cannot begin until a definite scheme of gradual decontrol is devised and put into effect. Short of such re-establishment, housing progress must be slow. It will, we fear, be slow under the present proposals, which, however, within their limits and under existing circumstances, are on tolerably sound lines.

The Liberation of Egypt.—After twenty-four centuries of subjection to foreign Powers, Egypt has been endowed by the British Government with a democratic constitution, in spite of the strange alliance of the Palace and the Nationalists to retain some features of Oriental rule. Thus the aim repeatedly avowed by Great Britain for nearly 40 years has been at last achieved. The only provisions of the constitution which are not thoroughly democratic are the composition of the Senate, two-fifths of which is nominated by the Crown, and possibly the King's share in legislation; and it is not clear whether the power of amending the Budget rests only with the popular House. But the King's powers are to be exercised through his Ministers, and special provision is made against the imposition of new financial or military burdens without Parliamentary consent. Islam is declared to be the State religion, Arabic the official language, but the right of the Christian and non-Arab minorities are expressly protected, and there is no reason to apprehend attacks on them such as those initiated by the Young Turks from the former militarist monarchies of Central Europe. Democracy is to be made safer by universal compulsory education. The establishment of this Constitution is the indispensable preliminary to the more difficult task of settling the international relations of the Egyptian State. Forced by circumstances into the position of its protector, and unfortunately for a short time of its sovereign, Great Britain can only readjust her relations with it by negotiation with a stable Government, and stability can only be attained by broadening the basis of that Government. The Constitution specially protects the obligations of Egypt to her creditors and her foreign residents, but the exact safeguards of these have still to be defined. But the external loans are now largely held by Egyptians, and their service requires only about 74 per cent. of the revenues assigned. The Capitulations, as was recently pointed out in these columns, have had their edge taken off by the system of Mixed Courts, and their abolition can only be gradual. The difficulties of the coming negotiations will have to do with the military protection of the Canal zone, which in 1921 led to a temporary deadlock, and the question of Egyptian rights in the Sudan, where British commitments are large, and which no Egyptian Government could at present either administer or hold. But here we may fairly expect a common-sense solution. The negotiations may probably proceed more smoothly if martial law is abolished before the elections, and Zaghlul Pasha and his fellow-exiles are allowed to return.

Progress in Ireland.—Liberty and order are being re-established (writes our Dublin correspondent). Each day witnesses further disintegration of the broken forces of irregularism, and vindicates the wisdom of the Government in withstanding all the tentatives and intrigues of all who sought to break the fall and save the face of the extremists. The Government demands surrender, but with a leniency towards those who submit which

deprives the peace-mongers of all leverage. It insists upon the yielding up of all arms, but in lieu of inflicting penalties, merely requires that the vanquished should sign a pledge to abstain in future from unconstitutional violence. The birth pains of the Irish Free State have been agonising, but the paroxysms are passing. To-day the main lines of a new polity are being gradually shaped, and fiscal and financial policy, though still in an embryonic stage, are slowly being incubated towards hatching point. Liberal, progressive, and democratic as the new system promises to be, the Government is displaying a prudent conservatism in the difficult circumstances of a prolonged crisis, particularly in financial and fiscal matters. Its unarmed Civic Guard, designed to replace the disbanded semi-military Royal Irish Constabulary, is everywhere making good in popular esteem. Its personnel is of an admirable stamp, and its training has been painstaking. It is the executive force to support the District Justices, whose functions and jurisdiction lie somewhere between those of a county court judge and a resident magistrate of the old régime. The District Justices' Courts are everywhere functioning throughout the Free State. Regarding financial policy, the Government is marking time. It retains the level of taxation all round without abatement so far, and if it finds it difficult to curtail expenditure, it is avoiding new and expensive schemes. There has been talk behind the scenes of Government borrowing, but if anything definite has been arranged the secret has been remarkably well kept. Savings certificates are about to be issued at 15s 6d, repayable at 20s in five years. Compensation for losses occasioned by civil strife, too, is to be paid in part by new *ad hoc* Government securities, of which particulars are still lacking; and discussion is taking place in the Dail as to how far they should be accepted at face value in payment of death duties. It is doubtless prudent as well as practicable to postpone the main Government borrowing at least until the effects of the restoration of order are increasingly felt. In the meantime, if the Government becomes short of money, there is little doubt that a well-conceived issue of premium bonds to supplement the savings-certificates would be both popular and successful. As to the fiscal policy, the Irish Free State is also marking time. It is necessary to emphasise the fact—and Irish business men, in view of many misrepresentations and misunderstandings, wish it to be emphasised—that no policy of tariff barriers against Great Britain has been adopted. In assuming fiscal independence the Irish Free State simply adopted bodily *mutatis mutandis* the British schedules and rates, and applied them to the Irish Customs houses; and where, as a Dominion, it obtains preferential treatment, it reciprocates the arrangement.

The Chester Concession.—The Chester Concession has a doubtful history, an obvious moral, and possibly an oil future. Its history, as was told in the *Economist* of December 2nd, began about 1900. Promoters frequently wait long periods for the fruition of their schemes, and, indeed, can often afford to do so seeing that they invest hope rather than money. Admiral Chester and his friends have waited 23 years, for, until the conclusion this month of the Convention between the Turkish Ministry of Public Works and their concern—the Ottoman American Development Company—they had received, it appears, nothing but promises. And they would hardly have reached, even now, the success of something in Turkish writing if it had not seemed a good opportunity to the successors in diplomacy of Abdul Hamid of playing off the Great Powers against each other on the eve of the new Lausanne Conference. The Chester Concession is said to contain clauses, such as the rebuilding of Angora, which rather appeal to Turkish pride than call for serious fulfilment. But an important feature is the construction of certain railways and ports with the grant of exclusive mining rights within a margin of 20 kilometres on each side of the railway lines, the Turkish Government receiving, apart from dues and taxes, one-third of the profits of exploitation. The railways, aggregating 4,000 kilo-

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metres (2,500 miles) in length, are to comprise five routes—(1) Angora to Sivas, (2) Samsun, on the Black Sea, to Sivas Kharput, Bitlis and Van, (3) Kharput to Yumurtalik on the Mediterranean, (4) Sivas to Mosul, Kirkuk and Suleymanieh, (5) a point on the Samsun-Sivas line to Erzerum. The time-limit for construction of these lines is altogether sixteen years and seven months. It may be mentioned in passing that French interests are definitely hurt by this agreement. In 1914 the French obtained a concession, against a loan of 1,000,000, to construct the Samsun-Sivas railway of 250 miles. Twenty-two miles of track, together with the principal bridges and tunnels, have been completed. All these works have been thrown into the Chester Concession, and the proposals of the French for a modification of their 1914 concession summarily rejected, despite the Franco-Angora treaty. Perhaps this, from the point of view of the Turkish delegates meeting the "Allies" at Lausanne, is more than an incidental part of the business. But from the British point of view the main interest in the Chester Concession lies in its oil consequences. In the first place, the oil deposits of Northern Persia are believed to extend to the Vilayets of Van, Bitlis and Erzerum, which the Chester railways would traverse. No systematic exploration for oil in these districts has yet been attempted, but seepages of oil are fairly plentiful, and the oil prospects in the Vilayets of Van and Bitlis are considered commercially good. In the Vilayet of Erzerum the region near Terdjian is regarded as equally promising. There is, of course, no question of certainty where oil is concerned, but these districts have the advantage over the Mesopotamian fields in being nearer to the Mediterranean, and they were the only potential oil-fields of importance, in proximity to Europe, which were undisposed of. In the second place, the inclusion of the Sivas to Mosul, Kirkuk and Suleymanieh line encroaches upon British mandated territory, and threatens the Mosul oil rights of the British controlled Turkish Petroleum Company. In official quarters we understand that this threat is not regarded seriously. Certainly, there is no evidence that the Turkish Government intended to prejudice the discussion of the Turco-Iraq boundaries, for it has given no guarantees to the Chester concessionaires that they will have Mosul to exploit. But here lies the danger to British interests. The American Government has never recognised the rights of the Turkish Petroleum Company, and Mr Secretary Hughes now seems inclined, in view of the French protest and the Chester pressure, to make a stand for the reference of all such conflicting claims to some court for adjudication. In that event the concession of the Turkish Petroleum Company would again be in the melting pot. It may be argued that because Standard Oil was promised a share in the Turkish Petroleum Company, the Washington Government will take no such stand; but Standard Oil is quite capable of now making terms with Admiral Chester, who has no great financial backing, and still coming in for the spoils of the Turkish Petroleum Company. It will be interesting to see what attitude the American representatives at Lausanne adopt after their former professions of "the open door" and "no monopoly" (even in railways). The moral of it all is that as long as the Governments of the Great Powers continue to play with the concession-hunting schemes of their nationals, they cannot hope to impress lofty political principles upon the opportunist Turk with any marked degree of success at peace conferences.

Reparation Payments in 1922.—The Reparation Commission has issued a statement showing the amount of deliveries in kind demanded from Germany in 1922, and the allocation (after sundry adjustments) among the Allies. The following table shows approximately for each country, in the first column, the amounts which would have been credited to Germany for deliveries in kind within the period in question had all orders placed been punctually fulfilled, and, in the second column, the amounts credited to Germany:—

	Estimated Value of Orders Placed.	1922 Credits. Gold Marks.
France	273,900,000	209,064,100
British Empire	187,200,000	167,851,700
Italy	138,200,000	107,702,300
Belgium	84,700,000	65,636,700
Greece	4,600,000	4,519,500
Serbia	139,200,000	116,882,500
Roumania	14,600,000	14,582,700
Portugal	9,400,000	9,367,300
Totals	851,800,000	695,606,800

It is explained that "in certain instances, in which from the nature of the case no order was actually placed, the value of the credits passed is taken as representing the amount which was to be delivered. The proceeds of the British Reparation (Recovery) Act, which amounted to 127,094,700 gold marks, is the most noteworthy case of the kind.

A Quarter's Overseas Trade.—The full official Board of Trade Returns of overseas trade in March and the March quarter appeared only on Wednesday, nearly a fortnight's delay having been caused by a strike. In our issue of April 14th we gave some preliminary figures, which we now supplement with a few details. A summary of the value figures for the March quarter of 1923 and 1922 reads as follows:—

MARCH QUARTER.				
	1922.	1923.	Increase or Decrease in 1923.	
	£	£	£	%
Imports	233,723,559	273,577,246	+ 39,853,687	+ 17.1
British exports	186,062,852	185,369,502	- 693,350	- 0.4
Re-exports	28,786,638	28,706,926	- 79,712	- 0.3
Total exports	214,849,490	214,076,428	- 773,062	- 0.4
Excess of imports over total exports	18,874,069	59,500,818	+ 40,726,749	+ 215.5

Exports are in value practically the same as in the March quarter of 1922, and an increase in the merchandise balance of £40 millions is almost wholly due to a large rise in imports. How the merchandise trade balance has moved in recent quarters is shown below:—

MOVEMENTS OF MERCHANDISE TRADE BALANCE.				
	Excess of Imports in—			
	First Quarter.	Second Quarter.	Third Quarter.	Fourth Quarter.
	Milln. £.	Milln. £.	Milln. £.	Milln. £.
1921	53.2	100.6	78.4	45.5
1922	18.9	61.1	36.2	63.8
1923	59.5	...	...	...

Some of the more important items in the export list for the first quarter of each of the past three years are shown by quantity in the following table:—

IMPORTS.			
	Quantity.		
	Three Months Ended March 31.		
	1921.	1922.	1923.
Raw cotton	2,917,737	3,169,042	3,891,114
Sheep and lamb's wool	23,530	73,152	157,082
Flax, hemp, and jute	79,360	57,919	89,558
Rubber	622,245	365,698	431,240
Beef	3,152,492	2,799,987	3,391,468
Mutton and lamb	1,758,601	947,132	1,872,593
Wheat	11,984,100	21,348,100	24,057,500
Sugar	5,123,488	8,295,883	6,730,721
Butter	1,006,515	1,311,200	1,401,451
Tea	119,241,684	121,089,565	120,822,560
Tobacco	62,847,211	50,252,120	56,128,529

The increase in the last quarter in the takings of wheat, meat, and textile raw materials is considerable. March exports were only £2½ millions greater than those of February, whose working days, of course, were fewer. But the following figures of quantities of leading British products exported in the March quarters of 1921, 1922, and 1923 show the figures of the past quarter in a more favourable light:—

EXPORTS (000's omitted).			
	Quantity.		
	Three Months Ended March 31.		
	1921.	1922.	1923.
Coal	5,397	13,236	18,694
Pig-iron and ferro-alloys	42	118	272
Railway material	99	159	91
Total of iron and steel and manufactures thereof	548	772	1,039
Textile machinery	42	50	42
Total machinery	146	119	114
Cotton yarns	24,494	48,470	36,726
Cotton piece-goods	726,017	894,929	1,079,958
Wool tops	81	98	99
Woollen tissues	23,119	26,599	35,905
Worsted tissues	10,421	15,783	18,099
Linen piece-goods	6,332	23,133	21,946
Boots and shoes	106	95	151
Leather	34	54	66
Paper and cardboard	462	404	1,022
Locomotives	11	13	7

Coal and iron and steel show up best in this comparison, while the cotton piece goods and woollen tissues and boot and shoe figures also show a big increase. On the other hand, machinery and cotton yarn exports were substantially lower than a year ago. As regards bullion and specie, imports in the March quarter were £15,543,868, and exports £18,697,638, the corresponding figures for a year ago being imports £9,495,464, and exports £11,942,072. The amount of shipping engaged in the foreign trade was larger than in the first three months of last year, the figures of clearances from British ports being 16,310,693 tons and 12,618,906 tons respectively.

Cost of Living.—The gradual decline in the cost of living, which has been in progress with one slight break since last July, continued in March, the *Ministry of Labour Gazette* figure for March 31st being 74 per cent. above the level of July, 1914, as compared with an increase of 76 per cent. a month earlier. Movements of this cost of living index figure month by month since 1918 are tabulated below:—

ALL ITEMS: AVERAGE PERCENTAGE INCREASE OVER JULY, 1914. (Food, Rent, Clothing, Fuel, and Light, &c.)							
	1918.	1919.	1920.	1921.	1922.	1923.	
January 1st..	85-90	120	125	165	92	78	
February ..	90	120	130	151	88	77	
March	90	115	130	141	86	76	
April	90-95	110	132	133	82	74	
May	95-100	105	141	128	81	...	
June	100	105	150	119	80	...	
July	100-105	105-110	152	119	84	...	
August	110	115	155	122	81	...	
September ..	110	115	161	120	79	...	
October	115-120	120	164	110	78	...	
November ..	120-125	125	176	103	80	...	
December ..	120	125	169	99	80	...	

Retail food prices at the end of March were 68 per cent. above the pre-war level, having fallen three points during the month. That is due mainly to a reduction in the price of eggs, but fish and bacon were also cheaper, whereas, on the other hand, sugar, tea, and cheese became decidedly dearer.

Employment in March.—The month of March saw a continuance of the gradual improvement in labour conditions which had been in evidence since the beginning of the year. At the end of March the trade union percentage of unemployment, according to the *Ministry of Labour Gazette*, was 12.3, as compared with 13.1 a month earlier and 14.0 at the close of 1922. Movements of the

trade union percentage over a number of years are shown in the following table:—

TRADE UNION UNEMPLOYMENT PERCENTAGES.								
	1913.	1917.	1918.	1919.	1920.	1921.	1922.	1923.
End of—	%	%	%	%	%	%	%	%
January ..	2.2	0.3	1.0	2.4	2.9	6.9	16.8	13.7
February ..	2.0	0.3	0.9	2.8	1.6	8.5	16.3	13.1
March	1.9	0.3	1.2	2.9	1.1	10.0	16.3	12.3
April	1.7	0.3	0.9	2.8	0.9	17.6*	17.0	...
May	1.9	0.4	0.9	2.1	1.1	22.2*	16.4	...
June	1.9	0.4	0.7	1.7	1.2	23.1*	15.7	...
July	1.9	0.4	0.6	2.0	1.4	16.7	14.6	...
August	2.0	0.5	0.5	2.2	1.6	16.3	14.4	...
September ..	2.3	1.3	0.5	1.6	2.2	14.8	14.6	...
October	2.2	1.1	0.4	2.6	5.3*	15.6	14.0	...
November ..	2.0	1.1	0.5	2.9	3.7	15.9	14.2	...
December ..	2.6	1.4	1.2	3.2	6.0	16.5	14.0	...

* Excluding coal miners.

The percentage unemployed among workers insured under the Unemployment Insurance Acts in Great Britain and Northern Ireland was 11.1 at March 26th, as compared with 11.8 at February 26th and 14.4 at the end of March, 1922. The total number of workers registered as unemployed at March 26th was 1,289,000, as compared with 1,376,000 at February 26th. We recently drew attention to the fact that not far short of a million unemployed have been absorbed into British industry in a period of 15 months. In the first quarter of the year the absorption amounted to about 142,000. As regards individual industries, the coal mining, tin-plate, and carpet industries showed up best in March, while improvement also took place in iron mining, pig-iron, engineering, shipbuilding, boot and shoe, building, wood-making, and pottery.

March Coal Exports.—The feature of the coal export returns of the United Kingdom in March was the increase in the shipments to Germany, France, and Italy. These are the three markets which have suffered most from the industrial disorganisation in the Ruhr and the suspension of German deliveries. The exports to Germany were 1,836,399 tons, compared with 467,718 tons in March, 1922; those to France 1,805,214 tons, compared with 1,237,815 tons; and those to Italy 788,205 tons, compared with 681,110 tons. In each case the shipments in March were greatly in excess of the pre-war figures. The Bristol Channel ports claimed the greater part of the increased trade with France and Italy, and the Humber, the North-East, and the Scottish ports nearly 90 per cent. of the increased trade with Germany. The total quantity exported as cargo has never been exceeded. It amounted to 7,180,102 tons, which is at the rate of over 86 million tons per annum, and the record export for any single whole year was that of 73,400,000 tons in 1913. Of the total trade last month the Bristol Channel ports claimed 38 per cent., the North-Eastern ports 31 per cent., the Scottish ports 16 per cent., the Humber ports 12 per cent., and other ports 3 per cent. The average price f.o.b. was 24s 7d, and the total revenue on the cargo and bunkers exported £10,593,112, which is the largest amount realised on the export of coal as cargo and bunkers since December, 1920, when the average f.o.b. price was 81s 2d, and the cargo and bunker trade only 3,504,173 tons. It may be of interest to point out that Germany received her supplies at an average f.o.b. price of 25s 6d, France at 23s 1d, and Italy at 26s 2d. These differences in price are attributable to the differences in the character and the quality of the coal exported. The conditions, however, were more unfavourable to Germany than to the Allied countries. In the case of the latter credits were given for payment over varying periods extending in some cases to months, but in the case of Germany sterling cash in London was insisted upon against documents, and in some cases exporters had to guarantee the payment of freight to shipowners before their vessels were allowed to sail. So far, however, the German importers have been able to finance their imports under these stringent payment conditions, and it is complained that while business with Germany is prompt and satisfactory that with France and Italy, on the other hand, is becoming increasingly irksome and costly owing to the difficulties raised by French

and Italian importers both in the arrangement of contracts and in the exactions imposed in the matter of delivery.

Grand Trunk Pacific Debentures.—We have received from the Stockholders' Committee of the Grand Trunk Pacific 4 per cent. debenture stock a letter of which the following are the main points:—(1) The Grand Trunk Pacific debenture holders remained passive while the proceedings for the acquisition of the Grand Trunk Company were going on, because repeated statements were made by the responsible Ministers, such as Dr Reid (then Minister for Railways), who said: 'When we take over the system (the Grand Trunk system) we shall assume the liabilities in connection with the Grand Trunk Pacific.' (2) The Government used before the arbitrators the liability of the Grand Trunk on its Grand Trunk Pacific debenture guarantee as an argument to prove that the Grand Trunk preference and ordinary stocks were worth nothing. Having succeeded in this contention, and having obtained £37,000,000 of these stocks for nothing, they would, if they refused also to pay interest on the Grand Trunk Pacific debentures, be 'having it both ways.' (3) The 'guaranteed' shareholders of the Grand Trunk covenanted to pay interest on the Grand Trunk Pacific debentures before they received any dividends themselves. The Government has entered into an agreement by which these 'guaranteed' shareholders are paid in full, while Grand Trunk Pacific debenture holders are left out in the cold. The injustice speaks for itself. (4) During the five months that the Canadian Government has been in possession of our representation they have been occupied in amalgamating the Grand Trunk and Grand Trunk Pacific undertakings, over which we have definite legal rights, with other large systems in their possession with which we are not concerned. This will not only make it impossible for outsiders to know what are the real earnings of the Grand Trunk system, but also make it possible, and in many cases commercially desirable, for the Government to divert traffic and, therefore, net revenue from the Grand Trunk to other portions of the amalgamated system." The letter also points out that representation was made to the Canadian Government five months ago, and that the committee has hitherto refrained, out of consideration for the Canadian Government, from circulating it to their supporters. "Up to this moment," it is stated, "the committee have not even received from Canada the courtesy of an acknowledgment, and they think that the time has come when they are bound to publish the facts." We dealt at some length with the position of holders of Grand Trunk Pacific debentures in our issue of September 25, 1920. At that time we expressed a hope that the Canadian Government would give this matter earnest consideration, and it would be to the interest of all parties concerned if the Canadian Government could issue an early reply to the representation made by the committee of stockholders, which includes prominent business men who are not likely to lend their names to assist in redressing a grievance unless there is strong *prima facie* evidence of a good case.

Another Bank Absorption.—The directors of the Westminster Bank, Limited, announce that they have acquired the business of Messrs Stilwell and Sons, the old-established firm of bankers and Navy agents, of 42 Pall Mall, S.W. The latter published for the first time a balance-sheet in November last, which reads as follows:—

MESSRS STILWELL AND SONS. BALANCE-SHEET—October 31, 1922.	
Current and other accounts	£ 117,779
Liability to customers for cash on deposit, per contra	6,841
Capital	40,000
Cash at Bank of England, with other bankers and on hand	42,792
Customers' cash on deposit at bankers	6,841
British Government securities & bank stock at market values (including £500 Console lodged for widows' fund account)	49,264
Advances to customers	45,733
Freehold premises	30,000
	164,620

It has been arranged to transfer the business at an early date to the Westminster Bank, Haymarket branch, 26 Haymarket, S.W. Mr W. C. Hodgson and Mr G. H. Stilwell have been appointed joint managers, and Mr W. B. Stilwell assistant manager.

Scottish Union and National Insurance.—In the fire department last year of this carefully-managed office the premiums were £1,091,095, against £1,088,785 for 1921. Claims amounted to 53.9 per cent. of the premiums, as against 58.2 per cent., and expenses were kept down to the comparatively low ratio of 38.1 per cent., against 38.7 per cent. After providing for unexpired risks upon the usual 40 per cent. scale (the company allows 50 per cent.), a surplus is shown of £85,733 (7.9 per cent.), against £123,325 (11.3 per cent.). The figures of the marine department have already been published in the accounts of the Maritime Insurance Company; there was a surplus of £30,000 carried to profit and loss. The profit and loss account takes credit for £343,440 on revaluation of assets, £20,000 provision for war debts not required, and £80,000 provision for excess profits duty not required. On the other side of the account £500,000 is withdrawn as a special fire insurance reserve. The available interest receipts were £92,950, and the dividend, less tax, will cost £88,500. An investigation of the life department was made without waiting for the expiry in 1924 of the usual five-year period. The total surplus shown was £1,142,278, of which £597,307 has been allocated to life policy-holders, £132,067 to profit and loss account, and £412,904 carried forward. Life bonuses are declared for each of the five years up to December 31st last. Policy-holders will remember that at the previous valuation as at December 31, 1919, no bonus distribution was made.

Royal Exchange Assurance.—This old insurance company, which dates from 1720, has had a successful year. In the fire account the premiums were £1,480,013, as against £1,533,103 in 1921. The proportion of claims to premiums was 46.1 per cent., against 54.9 per cent., and that of expenses to premiums 46.6 per cent., against 45 per cent. The result, after providing for unexpired risks, was an underwriting surplus of £129,706 (8.8 per cent.), as compared with £103,952 (6.7 per cent.). Settlement of war debts yielded £70,745. A further amount of £50,000 was added to the fire fund, making it £842,006, against £813,241. In the marine department the premiums were £369,008, against £248,364, and the claims in respect of 1922 and previous years £379,283, against £649,930. The marine fund amounted to £724,479, after the transfer of £75,000 to profit and loss. In the general accident department the premiums of £663,037 and interest of £12,608 allowed a transfer of £121,380 to profit and loss, from which £50,000 was taken to make the accident fund £494,754. After charging profit and loss with £157,653 for income-tax, corporation tax, and excess profits duty (on war debts), the credit balance was £1,015,403, as compared with £958,356 a year ago. The directors recommend a dividend of 18 per cent., less tax, for the year. This will cost £93,044, against receipts from interest of £118,521.

Babcock and Wilcox, Limited.—The year ended December 31, 1922, was the best that this company has known. Last year and in 1920 it was thought the company's prosperity was so marked that the figures of those years could not be very much exceeded. The report and balance-sheet to hand, however, show net profits of £787,601, compared with £490,181 in the preceding year, while the contribution to reserve has been increased from £150,000 to £200,000, and the grant to the staff pension fund from £10,000 to £20,000. Last year the balance-sheet contained the result of eight months' trading only of the Indian, Australian, Chinese, and Japanese branches, and no doubt the fact that the results of these branches for 13 months (to September 30, 1922) is included in the present accounts has considerably contributed to the increased profits. The following table, giving profits and appropriation since 1907, shows at a glance the succession of good years the company has experienced:—

	Manufacturing Profits (Less Depreciation)	Net Profits	To Reserve	Pension Funds	Divi- dends	Ord. Rate
1907	£ 318,261	£ 309,769	£ 125,000	£ ..	£ 172,000	20
1908	311,046	301,615	125,000	..	172,000	20
1909	365,733	360,004	125,000	10,000	205,200	24
1910	366,240	362,360	125,000	10,000	221,800	24
1911	387,029	379,224	130,000	10,000	238,400	28
1912	438,300	426,147	150,000	10,000	271,600	16
1913	452,004	446,073	150,000	10,000	276,252	16
1914	421,017	402,947	150,000	10,000	247,290	14
1915	434,246	396,551	150,000	10,000	263,918	15
1916	521,991	438,323	150,000	10,000	263,963	15
1917	518,664	444,513	150,000	10,000	263,963	15
1918	541,854	438,386	150,000	10,000	263,963	15
1919	570,671	455,089	150,000	10,000	263,963	15
1920	683,201	497,468	150,000	10,000	358,765	16
1921	693,514	490,181	150,000	10,000	358,765	16
1922	974,428	787,601	200,000	20,000	444,118	20

For the preceding ten years the reserve fund, it will be seen, regularly received £150,000, and the pensions fund £10,000. The dividend now recommended for the ordinary shares is the highest since 1911, being 17 per cent. for the year, and a bonus of 3 per cent., both free of tax. The amount carried forward is £194,125, which compares with £71,243 brought from the last accounts. In the balance-sheet investments, which are £1,958,172 compared with £1,891,595 at the end of the preceding year, are still taken "at cost." This probably means that the valuation is on a conservative basis, but it does not convey all the information that one would wish. One item of £1,350,680 embraces freehold land and leasehold property, plant, buildings, patents, and shares and debentures in subsidiary companies. A little more detailed information under these heads might be desirable. It is noteworthy that the debts owing to the company have been reduced from £1,596,507 at the end of 1921 to £744,447 at the end of the last financial year. As a whole the balance-sheet shows the company's affairs to be in a remarkably prosperous condition. In view of the growth of the business, the directors propose that the ordinary share capital be doubled, and propose that an amount equal to the paid-up ordinary share capital shall be taken from the reserve fund and the share premium account, and applied in paying up in full a corresponding number of unissued ordinary shares, and that these shall be issued to the ordinary shareholders at the rate of one new fully paid ordinary share for each ordinary share already held. They also propose an increase to £1,000 each per annum for the directors, the present remuneration for the board being £4,000 per annum; that a special payment of £2,000 shall be made to the directors forthwith; and that the company shall in future have the power to vote such sum by way of additional remuneration to the directors as it shall think proper. These proposals are to be placed before an extraordinary general meeting on May 1st.

General Mining Group.—The annual statements of the operating subsidiaries for 1922 are characterised by the segregation of the accounts, the results for the troubled first quarter being set out separately from those of the remaining nine months. This, of course, enables a better idea to be gained of the actual outcome of mining when conditions were more or less normal. The Aurora West shows a small net profit, but the cash assets still fell somewhat short of the liabilities. The distributions of the Meyer and Charlton—whose property is exceptionally rich—exceeded the earnings; hence after providing for taxation the carry forward became reduced by nearly £50,000 to £150,000. Of the ore milled last year 40 per cent. was obtained from reclamation. Nevertheless, the ore reserves show a decrease, no great amount of material remaining to be developed. At rather over one million tons, value 6½ dwts, the ore reserves of the West Rand Consolidated exhibit some decline in both quantity and value, although the present estimate is based on the standard price of gold. On December 31st the cash assets slightly exceeded the liabilities, irrespective of the debentures. The Roodepoort United did not actually close down until December, since which date a thorough clean up of the reduction works has been effected. It is intimated that the property and plant are being held intact, with a view to resuscitating the mine when some basis can be found. At the date of the balance-sheet the indebtedness amounted to £358,100, so that the outlook for the shareholders appears practically

hopeless. The New Goch made a small loss, but is in a comparatively good financial position. This undertaking, of course, is nearing the end of its career. The other four companies remain in a state of suspended animation, but the shares of one of them—the New Steyn Estate—have lately been in demand on the idea that a portion of the property held may be sold to the Durban Deep, which is acquiring an adjoining area.

Rand Mines.—The report for 1922 of this important Kallir finance house, writes our mining correspondent, makes a much better showing than might have been expected in view of the extent to which the operations of the subsidiary companies were affected by the labour trouble of the early part of the year. The explanation is that the directors took advantage of the autumn boomlet in the share market to effect realisations on a considerable scale. This does not necessarily imply any lack of confidence in the future of the concerns whose shares were realised: it is the business of a finance house to sell when markets are good and buy when they are dull. The appropriation account shows that the book value of the investments disposed of exceeded half a million. The purchases amounted to about £442,000, but this included the cost of some 70,000 ex-enemy Rand Mines shares acquired and now held by the company. Appended is a comparison of the results for each of the past three years:—

	1920.	1921.	1922.
Dividends on shareholdings.....	£ 785,548	£ 502,837	£ 391,924
Sundries	84,354	66,632	74,771
Investment realisation profits ..	32,333	36,919	386,854
Total income	902,235	606,388	853,549
Administration expenses	31,654	30,261	27,166
Taxation	..	18,878	12,149
Bad debt reserve	..	21,907	20,778
Prospecting	7,575	16,671	4,985
Net profit	863,006	518,671	788,471
Dividends	770,673	372,049	512,538
Rate per cent.	145	70	100
To reserve account	..	..	441,780
From reserve account	331,047	274,517	..
Brought forward*	886,480	627,766	300,003
Carried forward	627,765	499,424	842,136

* Including forfeited dividends.

It will be seen that the dividends on shareholdings indicate a further decrease; their total is closely approached by the investment realisation profits, which in each of the two preceding periods were unimportant. Last year's profits from this source, by the way, exceeded those of 1919. After payment of the increased dividend, a largely expanded balance goes forward. On the basis of the distributions for 1922, the yield is slightly over 9 per cent.

The forty-first annual meeting of the London Chamber of Commerce will be held at Skinners' Hall, Dowgate hill, London, E.C., on Wednesday, May 2, 1923, at 2.30 p.m., to receive the report and accounts for 1922, to elect a president and honorary auditors for the ensuing year, to fill vacancies on the council, &c. Lord Kysant, C.G.M.G. (president), will occupy the chair.

Obersea Correspondence.

UNITED STATES.—WAGE ADVANCES—MINIMUM WAGE LAW DECLARED VOID—WINTER WHEAT REPORT—FIRST QUARTER'S BOND OFFERINGS.

(FROM OUR CORRESPONDENT.)

NEW YORK, April 16.

FOR a number of reasons, the iron and steel industries have attracted more attention than usual during the past week. New high records were found to have been established in the March output of both pig-iron and steel ingots. The leading interest reported a further increase in unfilled orders, despite its unprecedented rate of production, exceeding even the peak of war time, and announcements were made that, from to-day, between 200,000 and 300,000 workers in the steel industry throughout the United States will receive wage advances, approxi-

mating 11 per cent. over the scale that has been paid since September last. According to the *Iron Age*, last month's output of pig-iron amounted to 3,521,275 tons, surpassing the previous high monthly total of 3,508,849 tons in October, 1916. For the first three months of this year production was 9,745,066 tons, representing a gain of 80 per cent. over the corresponding period of 1922, and of 4 per cent. over the first quarter of 1920. The Iron and Steel Institute announced March production of steel ingots at 3,402,007 tons, the largest monthly total ever recorded, and comparing with 2,370,751 tons in March of last year. The United States Steel Corporation reported unfilled steel orders as of March 31st as 7,403,000 tons, an increase of 119,343 tons over February, and making the total of unfinished business on hand the largest since January, 1921. Last month's shipments of finished products from the corporation's mills were much larger than expected; therefore, the gain in unfilled tonnage did not come up to some of the more optimistic estimates. Based on operations at more than 90 per cent. of capacity, the result of March operations is that the corporation shipped about 1,300,000 tons of finished products from its various manufacturing plants, while new business booked during the month probably aggregated 1,500,000 tons, approximately. The development, however, which attracted the widest interest was the Steel Corporation's action in advancing wages about 11 per cent. in all of its mills. The increase will apply to some 150,000 employees, and will add about \$25,000,000 to the annual pay roll. Practically all of the large independent steel manufacturers promptly announced a similar advance in wages, to take effect to-day. The Steel Corporation has been paying common labour 36 cents an hour, or \$3.60 for a 10-hour day. The 11 per cent. increase will bring the rate up to 40 cents an hour, or \$4 a day, which is exactly 100 per cent. above the rate paid in 1915. The highest wage reached during the war was \$5.06 for a 10-hour day, which became effective on February 1, 1920. The 11 per cent. rise in wages will mean an increase of about \$1.75 a ton in the cost of steel production, it is said, but steel prices have advanced a great deal more than that since last September, when the 20 per cent. wage increase was granted. The present average price of eight leading steel products is given at \$61.02 a ton, as compared with an average of \$53.21 last September and a low level of \$42.12 a ton last February, which marked the depth of the downward movement in the deflationary period. It is worth noting, however, that a very large percentage of shipments being made by mills, and especially by the Steel Corporation, is at the lower price level that was in effect last autumn. In view of the increased cost of production and the possibility of demand being checked by high prices, there is much speculation as to what the effect may be upon net earnings of various steel producers.

The past week also brought announcements of wage increases, varying from about 10 to 12 per cent., in the meat packing industry, to become effective immediately. Approximately 20,000 workers in Chicago and 60,000 in other cities, it is reported, will be affected, and a much larger number may eventually be benefited.

The steel and meat-packing wage advances follow those made in many other industries during the past month or two. In fact, there has been a veritable epidemic of wage increases. The number of upward wage scale revisions announced last month, according to a reliable compilation, was 218, as against the previous high record of 86 in January last. The increases occurred mainly in the textile, building, printing, metal, mining and machinery trades and industries.

It is a rather singular coincidence that, while wages for various classes of labour are being raised in all directions, the United States Supreme Court has just decided that Congress cannot legislate to fix wages for adult women in private employment. By a vote of five to three, the Court declared unconstitutional the law (as applied to adult women) passed by Congress in 1918 fixing the minimum wage for women and minor girls in the district of Columbia. The majority opinion of the court said that the statute was simply and exclusively a price-fixing law as applied to adult women, who were legally as capable of contracting for themselves as men. The law, he

added, "forbids two parties having lawful capacity—under penalties as to the employer—to contract freely with one another in respect to the price for which one shall render service to the other in a purely private employment, when both are willing, perhaps anxious, to agree, even though the consequence may be to oblige one to surrender a desirable engagement, and the other to dispense with the services of a desirable employee." In declaring that the act in question went beyond the constitutional limits, the opinion said that "the good of society as a whole cannot be better served than by the preservation against arbitrary restraint of the liberties of its constituent members." The Supreme Court's decision was rendered in two cases, and is generally regarded as one of the most important ever rendered by that tribunal, and seems likely to have far-reaching effect, since minimum wage laws are in force in many States, including New York, Kansas, California, Oregon, Wisconsin, and Michigan. A former assistant to the Attorney-General of the United States, who represented the plaintiffs, is quoted as saying that the decision would have more profound consequences than any other rendered by the Supreme Court in a generation. For obvious reasons, it is not surprising that the head of the American Federation of Labour issued a statement deploring the court's action.

The Department of Agriculture report on winter wheat conditions as of April 1st plainly shows the effect of the severe winter, and of the prolongation of the cold weather into the spring season. The condition of the winter wheat crop, as of April 1st, is given as 75.2 per cent. of normal, as against 79.5 on December 1st of last year, and 78.4 on April 1st a year ago; it is the lowest condition reported on April 1st since 1917. The exceptionally low percentage shown is attributed chiefly to dry weather in the western part of the wheat belt, from western Nebraska south to Texas, and to freezing and thawing east of the Mississippi River. The area seeded is shown to have been smaller than in the preceding year by 3.5 per cent. One of the doubtful factors, creating uncertainty as to the probable size of the crop, is that the area abandoned is still unknown; last year 5,500,000 acres were abandoned, and recent reports would seem to indicate that the abandoned acreage will be fully as large this year. Based on the April 1st condition, the Department of Agriculture estimates the winter wheat crop at 572,000,000 bushels. April crop forecasts, however, have often proved far out of line with the actual yield. A great deal can happen between now and harvest time.

During the first three months of this year new bond issues offered in the New York market totalled \$1,248,500,000, representing an increase of approximately \$145,000,000 over the aggregate for the corresponding period of 1922. These figures comprise only State and municipal, foreign, railroad, industrial, public utility, and farm loan bonds; they do not include real estate mortgage bonds, Government note flotations or new stock issues, all of which were put out in large volume. There was a striking difference in the character of this year's offerings. In the first quarter of 1922 many foreign bonds were floated here, whereas most of this year's large issues were for domestic needs, the major part consisting of industrial and public utility loans. While the increased offerings in 1923 have reflected to a considerable extent the greater demand from corporations for funds as a result of the business expansion, a substantial part of the new financing has been for the purpose of refunding, at lower rates of interest, numerous short-term bonds issued during the war.

FRANCE.—RUHR.—COAL DELIVERIES.—FOREIGN TRADE.

(FROM OUR CORRESPONDENT.)

PARIS, April 26.

THE Ruhr is still the one outstanding subject of all political and economical discussion, and promises to remain so indefinitely. The Chambers will not reassemble until May 8th, and the question that is being asked on all sides at present is whether German resistance to Franco-Belgian demands will be overcome before that date or afterwards. If before, then the political situation here

will be immensely simplified; but if no change takes place before May 8th it is more than possible that the present deadlock may prove a serious factor in French political calculations. All kinds of rumours have been prevalent during the past fortnight as to the situation of the Poincaré Cabinet, and rather more than the usual amount of political intrigue is in progress. The outstanding fact, however, is that the French *conseils généraux*, which correspond more or less to English County Councils, but whose resolutions in regard to political matters are generally a fairly sound reflection of the feeling of the country at large, have just resumed their sittings, and have—practically unanimously—adopted motions thoroughly approving the policy followed in regard to the Ruhr by the Poincaré Government. These resolutions, particularly in view of the fact that the French General Elections are due within another twelve months, are being regarded very seriously by both senators and deputies, and will undoubtedly have a very restraining effect on any incipient "revolts" against the Ministry which may have been under consideration in connection with the resumed session. Should the German Government decide to capitulate, it is quite probable M. Poincaré may decide to resign. He is no longer a young man, and the incessant strain which he has undergone since he came into office nearly eighteen months ago (as all who know anything about his untiring personal energy will confirm) might well have proved too much for any man of less sturdy constitution. As it is, the Premier makes no secret of the fact that he is anxious to leave office as soon as the object for which he returned to power has been attained—namely, the extraction from Germany of an admission that she has been beaten, and that she is willing honestly to accept such terms in regard to reparation payments as the Allies may impose.

Whether Germany is within measurable distance of capitulation, however, is quite another matter. The standard by which the world, rightly or wrongly, is estimating the success or non-success of the Franco-Belgian occupation of the Ruhr is the quantity of coal and coke which is being sent into France and Belgium as the result of the steps that have been taken. On this point a good deal of confusion exists, and anything like reliable and comparative figures are difficult to obtain. M. le Trocquer, the Minister of Public Works, who is the responsible official head of the technical side of the Ruhr enterprise, expresses himself well satisfied with the manner in which both the reorganisation of the railways and the development of the coal and coke transport services are proceeding. It is generally admitted, however, that the quantity of combustible which is being got out for the benefit of the French metallurgical industry is still very far below the amount that was being delivered by the Germans themselves prior to the occupation of the Ruhr. The average monthly deliveries of coal and coke during 1922, under the Reparation clauses, was 1,065,000 tons. According to German figures, the amount of coal and coke drawn from the Ruhr by the Franco-Belgian authorities from January 11th, the beginning of the occupation, down to the end of March was 240,000 tons, or about one-twelfth of the monthly average delivered by the Germans themselves throughout last year.

This figure, in view of the fact that no French official bulk figures are obtainable, may be accepted, I believe, as approximately accurate. It is, moreover, largely confirmed by the detailed figures published by the French authorities through representatives of their Press in the Ruhr. The *Information*, in a dispatch from its Ruhr correspondent on Monday, stated that so far 100,000 tons of coke have been sent out, and that the stocks of coke that have been seized total 410,000 tons, while another 518,000 tons are known to exist at various points. On March 3 the French were engaged in transporting coke from three depôts only. At the beginning of the present week loading for transport was in progress at 40 separate depôts. At present about 10,000 tons of metallurgical coke are being sent into France every day, which is for all practical purposes equivalent to the 300,000 tons a month sent out by the Germans under the reparations clauses prior to the occupation. At this rate, the stocks, including both those already requisitioned and otherwise, should be exhausted in three months. The stocks of coal are, of course, much

larger, and are reported as amounting to at least 1,550,000 tons, but only a trifling proportion of this class of combustible has yet been transported out of the Ruhr.

The effect of these increased deliveries of coke on the French metallurgical industry in the immediate future should be important. The critical period through which it has just passed may be judged from the fact that the number of blast furnaces in operation had fallen by April 1st from 116 to 74, and many of the latter were merely being kept warm to prevent injury to their structures. Meanwhile, the French steel industry has very few orders in hand of any importance, but it is expected that from now onwards, in view of the greatly improved deliveries of coke that now appear to be ensured, at least for the moment, orders will come in rapidly.

The French foreign trade returns for the first three months of the present year as compared with those for the corresponding period of 1922 are as follows (in francs):—

	First Three Months of		Inc. or Dec. in 1923.
	1922.	1923.	
Imports—			
Foodstuffs	1,193,697,000	1,623,062,000	+ 429,365,000
Raw materials	3,013,941,000	4,327,719,000	+ 1,313,778,000
Manufactured goods	1,026,141,000	1,023,263,000	— 2,878,000
Totals	5,233,779,000	6,974,044,000	+ 1,740,265,000
Exports—			
Foodstuffs	426,094,000	672,600,000	+ 246,506,000
Raw materials	1,152,390,000	1,892,882,000	+ 740,565,000
Manufactured goods	2,994,656,000	3,559,949,000	+ 565,293,000
Postal parcels	307,097,000	373,703,000	+ 66,606,000
Totals	4,880,237,000	6,499,134,000	+ 1,618,897,000

The values of the imports are based, as heretofore, on the declarations made by importers and controlled by the Customs authorities in connection with the assessment of the tax on turnover. Export values are based on the official scale fixed by the Permanent Commission for Customs Valuation for the year 1921.

The comparative tonnage of both exports and imports for the first quarters of 1922 and 1923 is returned as follows (in metric tons):—

	First Three Months of		Inc. or Dec. in 1923.
	1922.	1923.	
Imports—			
Foodstuffs	1,024,502	1,317,186	+ 292,684
Raw materials	10,474,826	10,341,405	— 133,421
Manufactured goods	440,807	423,908	— 16,899
Totals	11,940,135	12,082,499	+ 142,364
Exports—			
Foodstuffs	200,948	294,477	+ 93,529
Raw materials	4,008,624	5,237,496	+ 1,228,872
Manufactured goods	452,546	668,830	+ 216,284
Postal parcels	6,145	7,274	+ 1,129
Totals	4,668,263	6,208,077	+ 1,539,814

The most significant feature of the returns for the first quarter of 1923 is that, in comparison with the figures for 1913, the exports showed an increase of 1,471,497 tons in weight, and of 4,860,768,000 in value, while the imports showed an increased tonnage of 1,584,604 tons, and an increased value of 4,859,726,000. The increase on the figures for 1913 was common to all categories of imports and exports, with the exception of imports of manufactured goods (which were 52,611 tons less than during the first three months of 1913), and exports of postal parcels. The reasons for the enormous increases in values are obvious. One of the most satisfactory features of the returns, from the French point of view, is the fact that imports of manufactured goods show a falling off of 2,878,000 during the three months as compared with the corresponding period of last year, while exports of the same category of products have increased by over 565½ million francs. The trade balance against this country, which amounted in January to 448 million francs on a total volume of 4,840 millions, dropped in February to 14 million francs on a total volume of 4,681 millions, and in March to 12 millions, on total exchanges amounting to 4,861 million francs.

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GERMANY.—RUHR.—EXCHANGE AND BANK RATE —BOURSE.

(FROM OUR CORRESPONDENT.)

BERLIN, April 23.

It is understood that the Cuno Cabinet will make a new Reparations offer. Not much confidence is felt as to the result, because the Ruhr occupation, with the cessation of which the offer will be linked, is still, as from the first, looked on as primarily a political measure, and the fact that it was motivated not with the general Reparations failure, but with the imperfect delivery of coal and wood, is regarded as confirming this interpretation. Lord Curzon's speech was very well taken, but it is held to emphasise England's position as adviser, not as mediator. Of the offer which it is assumed is impending nothing is known; it may be made in a speech by the Chancellor or Foreign Minister, and it may be in a Note to the Treaty Powers.

The new fall in mark exchange and the unexpected act of the Reichsbank in raising its discount rate by another 6 per cent. have made a great sensation. In itself, and relatively, the mark drop from around 22,000 to around 30,000 to the dollar was a small thing; but although the basis of the pseudo-stability obtaining since mid-February was at best shaky, the public had got used to stable values, and there were even indications that industry, which had been threatened with dullness, would adapt itself. Several reasons are given for the heavy rise in the foreign exchanges on the 18th, but the more important only lead to what has been pointed out from here, that the stability, having ceased apparently to be threatened by international mark-selling, against which the Reichsbank still had weapons, must some day be threatened by the enormous inflation. If the collapse had not come last week, it would, presumably, have come at a not very distant date, owing to the inevitable effect upon the mark's internal value and through that upon foreign trade of the vastly increased quantity of payment means in public hands. In fact, the doubling of circulation between mid-February and mid-April had no visible effect upon home prices, which have gone back, though not much; and the reason is that the improving and, later, stable mark exchange continued, according to tradition, to govern prices; prices of imports necessarily declined, and the upward movement of home prices, which was formerly effected by a process which is here summarily, but not quite correctly, described as "sympathy," was stayed. But it was plain that this could not continue indefinitely, and that in the end home prices must be driven up for internal reasons, and then bring a mark-exchange fall.

Before there was time for this to take place, the inflation began to undermine the mark exchange in another way. It placed in private hands, in particular in the hands of the credit-takers whose record is written in the Reichsbank's weekly statements, enormous resources; and a part of these resources, instead of going into goods, and so raising prices, went into one commodity only, foreign bills and notes; and the panic purchase of foreign currencies on the 18th was the result.

Signs of this, as reported from here last week, were earlier visible. The Government and Press reproach the currency buyers; credits which were meant to sustain industry, threatened by the decline of receipts due to the Ruhr transport embargo, were used, it is charged, to speculate; and there is probably truth in this; but the inflation seems to be responsible, not only because it provided the resources, but also because, for the obvious reasons given above, it foreshadowed a new decline in mark buying power, and all those parties which had more marks than they could immediately use attempted to secure themselves against the future—just as in times of actual exchange decline—by buying stable currencies. There was further the fact that important interests wanted a moderate mark-exchange decline; the recovery of February frightened off the home buyer, and in certain branches threatened export, and to these parties the stabilisation appeared an ambiguous measure; it, indeed, checked the price rise, and thereby increased the Republic's resisting power in the conflict with France, but, at the same time, it injured business; and while it prevented wage-conflicts, it threatened, in some industries, a cessation of all wages.

The Reichsbank's policy on April 18th has been severely criticised. The Bank was undoubtedly surprised by the stormy demand for foreign bills—on the one day, it is stated unofficially, over 1½ millions sterling, in addition to large sums in other currencies, was demanded. Instead of preparing for a moderate rise in the exchanges, which was inevitable, the Bank proceeded to ration applicants, and the small proportions of the demands granted, recalling the great mark collapses of 1921 and 1922, induced panic conditions and increased the demand. When sterling rose to 115,000 marks, the Bank rationed with 20 per cent., with the result that the rate rose later to 145,000; the dollar was rationed with only 5 per cent., and ultimately passed 31,000; the gulden was rationed 10 per cent., and had a proportionate rise. Next day the Government issued a *communiqué* promising two measures: restriction of import, and compulsion to register holdings of foreign bills on a particular date, which is not yet stated. The increase of the Reichsbank's discount rate was not foreshadowed. It is surprising that restriction of import has not been earlier tried. The reason usually given is that such restrictions, being limited to certain goods, must appear to be directed against the producing countries, and that export would thereby be damaged. It is a fact, however, that there are large imports of unnecessary goods, and of goods—e.g., pottery—which Germany can herself produce almost exclusively from native raw materials.

From the registration of currency holdings not much is expected; this measure is in a class with the suspension of banking secrecy, which helped very little, did much harm, and was abandoned practically altogether this year. Compulsory registration will probably increase hoarding, and hoarded currencies will not be brought out when needed. At a conference between the Chancellor and the private banks it was estimated, according to newspaper report, that the high-exchange currencies in private hands have a value of 1½ milliard gold marks, and the high-exchange foreign notes about the same value, so that the total would be 3 milliards, or £150,000,000. A *Berliner Tageblatt* financial writer, Dr Pinner, thinks these totals too low. The first private bank report for 1922, that of the Berliner Handelsgesellschaft, which is the smallest of the great banks, shows foreign currency deposits of a value of 28,590,000 gold marks on December 31st last, which, being worth at the then exchange 50 milliards, exceeded largely the paper-mark deposits of 27,640 million marks. A year before the paper-mark deposits were 4,600 millions, and the foreign currency deposits had a value 500 million paper marks. If this bank's accounts are typical it may be concluded that the foreign currency holdings, as far as they are in native banks, have much increased of late. The writer mentioned considers that the currency holdings are larger than is required for current foreign trade purposes, and that they could be resorted to for mark exchange support. It is certainly remarkable that in one relatively small bank there should be high-exchange currencies equal to more than half the amount subscribed for the recent Gold Loan.

The increase in the discount rate from 12 to 18 per cent., advances 19 per cent., has not been well taken. On July 28th last the rate was 6 per cent., August 28th 8 per cent., November 13th 10 per cent., January 18, 1923, 12 per cent. In the last few weeks money has been easy, an increased proportion of newly discounted Treasury bills were placed with private capitalists, and the increase in circulation has been relatively small. The reason for increasing the rate has not been so much that the credit strain was abnormal as that, in view of the business dullness, part of the money was borrowed in order to finance exchange purchases. This is plain from Dr Havenstein's statement to the Bank Central Committee. Dr Havenstein appealed to the private banks not to execute orders to buy exchange where no legitimate trade interest is involved; and also asked the banks not to put up their own rates (which largely consist of so-called "commissions" on top of nominally moderate interest rates). Criticism of the Reichsbank's policy is that it will hamper industry, which is already badly hit, and that by sending up prices it will counteract the Government's own policy, and have the same effect as a rise of the foreign exchanges, to prevent which is the central point of the policy.

The Reichsbank statement for the 14th shows a new increase in the metal reserve of 2,566 millions, to 11,697 millions, due to booking of token coins. The gold deposits in foreign central banks are 184,452,000 gold marks, but it is stated that further shipments have since been made. None of this gold is yet pledged, and it is available as security for foreign bills in case of need. Noteworthy in view of the easier money situation is that the outstanding Darlehnskasse advances have fallen (by 61 milliards) for the first time for many weeks. Commercial bill discounts increased by 163 milliards, Treasury bills by 642 milliards, and circulation by 213 milliards. The Bank's note-printing capacity is stated to have been increased to 350 milliards a day, which far exceeds the need, at the present value of money. The Customs gold surcharge has been raised to 502,900 per cent. The Prussian 7 to 15 per cent. paper-mark loan has yielded so far 8 milliards, and is considered a success—no limit was placed to the total. As a great many other paper-mark loans are being floated, it must be concluded that the stabilisation restored a certain confidence in the paper mark. The Finance Ministry's report for the financial year 1922 (ending March 31st) shows the following yields of the chief sources of revenue:—

	(000's omitted.)	Marks.
Income-tax.....		533,340,556
Sales tax.....		215,867,063
Bourse tax.....		43,308,417
Railway freight tax.....		47,211,986
Customs, including surcharge.....		94,964,438
Coal tax.....		237,947,486
Tobacco tax.....		65,229,505
Export duties.....		159,917,930

The Bourse last week was firm. The *Frankfurter Zeitung's* index for home dividend-payers shows for April 20th 1,255,115, against 1,175,665 a week earlier. The Dollar Treasury bills are now admitted to quotation, although a precise total of the result is not yet known. Their quotation is a little below that of the dollar, but apparently the public accepts them as fully secured. The fusion plans referred to last week have been in so far completed that the Linke-Hofmann and Caro-Hegenscheidt concerns have united.

NORWAY.—PRINTING STRIKE—BANK REPORTS—TREATY WITH PORTUGAL—INDUSTRIAL CONDITIONS—EXCHANGES.

(FROM OUR CORRESPONDENT.)

CHRISTIANIA, April 18.

LABOUR troubles have begun again, printers having gone out on strike after futile attempts at conciliation. All the dailies at Christiania continue appearing in the regular way, because they have special arrangements, and pay higher wages than those received by the rest of the printers, and the newspapers in the provinces, after some days of difficulties, most likely will contrive to appear. But the struggle most likely will be a protracted one.

Various fresh wage agreements fall due during the coming months, and most people look ahead with some apprehension.

The preliminary reports of the private banks during 1922 disclose several interesting facts. The means at the disposal of the banks during the year were reduced by 425 millions, or somewhat under 9 per cent. The maximum was reached in October, 1920, the sum then being 5,416.5 million kroner. The total reduction since then is about 900 million kroner. This reduction, of course, is due to contraction of credits, which is, in its turn, caused by the decrease in values. The loans since the maximum—also in October, 1920—have gone down by about 1 milliard kroner, or nearly 25 per cent. At December 31st the amount was 3,081 million kroner. In October, 1920, it was 4,066 millions. The share capital of 97 Norwegian private banks on December 31, 1922, was about 621 million kroner, and reserve funds 256 millions. Some of the big banks are continually overwhelmed with deposits, while some smaller, mainly provincial, banks are getting into difficulties for lack of money, not only because new depositors go to the bigger banks, but also because old depositors are withdrawing their funds. This is very troublesome, not only for the banks themselves, but also for their districts.

The treaty with Portugal now has been arranged, and business relations begin to assume their normal aspect. The next step will be to arrive at a permanent arrangement with Spain.

The cellulose and wood-pulp mills are continuing to have a good time. For instance, moist ground wood-pulp, which at the beginning of the year cost 110 kroner per ton (in itself a very good price), to-day costs 130 to 140 kroner. Easy bleaching sulphite pulp was 360 kroner per ton, but is now at least 400 kroner. Paper, on the other hand, remains cheap, although there is a brisker sale. According to *Farmand*, the production in 1922 of ground wood-pulp was 400,000 tons, of cellulose 200,000 tons, and of paper 220,000 tons, or considerably more than in any previous year. The pulp and paper industry ranks easily first among Norwegian industries, although hardly much more than 40 years old.

The codfisheries for this year have yielded a good result. The main fisheries take place at the Lofoden islands, and the cod caught there number about 16½ millions. The fish being very fat, the quantity of cod-liver oil was large, viz., about 64,000 hectolitres. The total quantity of cod landed in the whole country is nearly 32,000,000, of which 21,000,000 have been salted and 10,000,000 dried.

The prominent feature in the exchange market to-day was the enormous fall in Reichsmark. For a long time it has remained at 0.0275 pf. per krone. To-day, suddenly, it fell to 0.0185 pf. per krone. Otherwise, the exchanges remain rather stable.

The weather is fine, but cold, and it is evident that there will be a very late spring. Mills are still idle here and there for lack of water-power.

GREECE.—NATIONAL BANK'S MEETING—THE GOVERNOR'S REPORT—A GENERAL SURVEY OF THE ECONOMIC SITUATION.

(FROM OUR CORRESPONDENT.)

ATHENS, April 12.

At the annual meeting of the shareholders of the National Bank of Greece, held on April 4th, the Governor, Mr A. Diomède, stated that the economic situation of the country is dominated by the monetary problem. The difficulties of the moment, he said, due to the depreciation of the currency, are disturbing the economic and social equilibrium. Bank-notes issued amounted to 3,670 million drachmæ on December 31, 1922, an increase of 1,150 millions as compared with the circulation of the corresponding date of the previous year. However, an important amount of this increase in bank-notes had not yet been put in circulation at the end of the year. A great part of the circulation had been issued for the needs of the State. Therefore, it was covered by State bonds only. This situation is, of course, not satisfactory, but it is confidently expected that it will improve, when the credits

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opened during the war by the Allies in favour of the Greek Government, and held still in suspense, will be realised in the end, since the right of Greece to encash them is legally unshaken. They served, as is known, as cover for a considerable part of bank-notes issued during the war. The governor declared himself in favour of taxation, wisely imposed, to meet the heavy expenditure of exceptional circumstances, and he referred to the satisfactory results so far obtained by that policy. In fact, the fiscal effort recently made is clearly shown in the revenue of the State from taxation, which has increased at a rapid rate. During the financial year 1921-22 it amounted to 920 millions, during 1922-23 to 1,588 millions, and for the period 1923-24 it is estimated at more than 2,500 millions. He uttered a warning, however, against attempting to exceed certain tolerable limits of taxation, and added that public expenditure, to cover which there existed no funds available from the country's resources, should be ruthlessly cut off, however painful such an operation might appear. A helpful sign on the economic horizon of the country is, according to him, the present situation of the public debt, the external part of which amounts to 1,700 million gold drachmæ. Interest and sinking fund on this amount require about £2,300,000 annually. The service of the debt is absolutely secured by the assigned revenues, which aggregated 463 million drachmæ in 1922, and which, he said, will yield nearly three times that amount in the current year, owing to the adjustment of the various rates with the present value of the currency. The appreciation of the efforts to secure the service of the external debt is reflected, he went on to say, in the rising price of the Greek bonds on the London market, quoted now from £40 to £45, after having dropped as low as £20. Equally significant as a proof of the economic power of the country is the fact that since 1917 the Government has contracted internal loans of no less than 2,700 millions, in actual money, borrowed from the savings of the people. With regard to the efforts repeatedly made during the past years to control the foreign exchange rates by various official measures, he was very strong in condemning any such effort as futile and incapable of preventing the rising movement of the rates. In his opinion, the rise in the foreign exchanges is due mainly to psychological factors, which account also for the conversion of a part of the people's savings into dollars and pounds sterling. On the other hand, the adoption of prohibitive measures creates a lack of confidence, and tends to keep inoperative at home or abroad the capital which would otherwise be utilised productively in the country. The diminished remittances from Greeks residing abroad and the decline in the rate of increase of the bank's deposits is attributed to the restrictions imposed from time to time. During the past year the bank's business showed appreciable increase in all the branches of its activity. The funds engaged in productive business show an increase ranging from 32 to 140 per cent., as compared with the sums employed in similar transactions during the previous year. Net profits reached the record figure of 168 millions, against 104 millions in 1921, notwithstanding the low

rate of interest charged by the bank. A sum of 85 millions has been transferred to the reserve funds, which now amount to 220 million drachmæ. Mr. Diomède ended his speech by expressing his belief that the current year will mark a new stage in the life of the country, and that the Greek people, devoting themselves with zeal and courage to peaceful pursuits, will lay those wider foundations which are necessary for the economic prosperity of the country in the future.

CANADA.—LATE WINTER—BUSINESS CONDITIONS—AGRICULTURAL AND MANUFACTURING PRICES—WHEAT-GROWING UNPROFITABLE IN MANITOBA—ATLANTIC SHIPPING COMBINE—DIFFICULTIES OF CATTLE EXPORTERS—BANK ACTS REVISION—LLOYD'S AND THE UNION BANK—THE GRATUITIES TO GRAND TRUNK DIRECTORS AND OFFICIALS—ONTARIO'S FUEL—MILLING INDUSTRY.

(FROM OUR CORRESPONDENT.)

OTTAWA, April 9.

THE welcome thaw which began last week has been temporarily checked, and winter is still lingering except in a few favoured spots. A late seeding is now inevitable, and unless a spell of really warm weather sets in and drives the frost out of the ground there will be a considerable diminution of the crop acreage. In the west there is less snow to disappear, but the farmers like to be at their seeding not later than April 20th, and in many districts this will now be impossible. The abnormal prolongation of winter has seriously militated against the business activity which was expected after Easter. Climatic conditions have offered no inducement for people to discard their heavy winter clothes, and the sale of spring and summer goods has been very disappointing. Country storekeepers, although their stocks are depleted, will only buy to meet their day-to-day requirements, and a tendency towards higher prices in many commodities has not been popular with a public which already thinks many manufactured articles too dear.

Index figures published by the Federal Department of Labour show the difficult position in which the Canadian farmer began the year 1923 as compared with 1914. The relative prices of various farm products were shown as follows:—

	Jan., 1914.	Jan., 1923.	Inc.
Grains and fodder	140.9	171.5	30.6
Animals and meats.....	189.0	207.0	18.0
Dairy products.....	179.9	232.3	52.4
Hides and tallow.....	194.0	135.0	*59.0

* Decrease.

But the comparative wholesale prices of commodities which the farmers must purchase are as follows:—

	Jan., 1914.	Jan., 1923.	Inc.
Groceries	112.9	183.0	70.1
Woolens	137.5	225.4	87.9
Cottons	145.2	284.3	139.1
Implements	106.6	230.1	123.5
Lumber	183.5	334.4	150.9
Footwear	155.7	207.7	52.0
Paints, oils, glass	140.2	286.9	128.7

Since these data were compiled most of the prices in the lower table have risen, but taken as they stand they reveal a deplorable development in the farmers' condition. The most striking anomaly occurs in the price discrepancies between hides and tallow and the finished articles in the shape of footwear. While the former are 59 points lower, the latter are 52 points above the pre-war level. To bring back the ratio of wheat to manufactured commodities in the matter of price, the latter should be selling at \$1.57 per bushel, whereas very few western farmers have secured more than \$1 for their wheat crop this season.

A special Committee of Parliament has been investigating agricultural grievances and problems with a view to suggesting remedial measures, and some of the evidence given by western witnesses confirms the tale of the index figures. Mr. H. Grant, of Winnipeg, who holds a Fellowship in Rural Economy in Manitoba University, testified that at two average points in Manitoba where crops of 17 and 18 bushels per acre had been grown, the cost of production had been respectively 98 cents and

\$1.07 per bushel. As the Bureau of Statistics shows that the average price received for Manitoba wheat was only 85 cents per bushel, obviously many farmers are conducting their operations at a serious loss. Under such circumstances their representatives at Ottawa are not disposed to encourage any great expenditure on immigration schemes until conditions improve.

But perhaps the most interesting fruit of the agricultural Committee's investigations is the revelation of the close combine which exists in the Atlantic shipping trade. The evidence offered by steamship company managers demonstrated that the basic rates from both American and Canadian ports to Britain was settled at a weekly conference held in New York, and that the Canadian lines made minor adjustments by subsidiary conferences in Montreal. The disconcerting fact was also dragged out that the Canadian National Marine participated in these rate-fixing conferences, and instead of trying to break the ring joined in combating freight rate reductions. It was also discovered that flour ground in American mills is being carried from Canadian to British ports at a cheaper rate than flour of Canadian origin. The reason for this strange anomaly is that the United States Shipping Board, anxious to get flour cargoes, guaranteed a special rate to the American Millers' Association, and the Canadian boats have to meet it if they want to get any American flour.

But what has caused even greater indignation among the farming community is the news that British buyers who have come over to take advantage of the removal of the embargo and buy Canadian store cattle have found all the available space for cattle booked up for April and May. Its holders are demanding a rate of \$25 per head, which is considered excessive. The *Manitoba Free Press* and the *Toronto Star* have both protested fiercely against this situation, and demand Governmental action to cure it. The *Free Press* declares that thousands of cattle are ready in the West for shipment, but that a disgraceful "hold-up" is being attempted, whereby the feeders of the cattle will either have to pay extravagant toll for transportation services or sell them cheaply to speculators who have had the foresight or influence to pre-empt the available shipping space. At previous Imperial Conferences there have been tentative efforts made to deal with the problem of shipping combines, but nothing but a few futile committee reports have resulted. However, the Canadian delegates are likely to call for more strenuous measures at the next Imperial Conference.

The Committee on Banking and Commerce has not got down to serious work in its task of revising the Bank Act, but now that Parliament has reassembled after the Easter vacation, regular sessions will be held and a long series of witnesses examined. The Canadian Council of Agriculture have presented a memorandum to the Government asking that, while the committee should continue its work till Parliament rises, the actual legislation which will be necessary to give it effect should be deferred till next year in order that the country should have time to digest the various reports and proposals which will emerge from it. The banking interests will not relish any such delay, but if a by-election now being fought in the West does not result in a victory for the Government's candidate the latter may be under the necessity of conciliating the Progressive party, who are backing up the request of the Council of Agriculture. There are persistent rumours abroad that Lloyds Bank are engaged in negotiations which will give them either a controlling interest in or a close working alliance with the Union Bank of Canada. This institution has its headquarters in Winnipeg, and does a large Western business.

When it was announced a week ago that the Grand Trunk directorate had in December, 1919, voted themselves five years' directors' fees and very substantial gratuities to officials both in Canada and England there was an indignant outcry, which found expression in every shade of the Canadian Press. Under the Government's agreement with the company, it was stipulated that the company could not dispose of any of its assets without the assent of the Government, and although it did not become formally operative till March, 1920, its main terms had been definitely settled when the gratuities were voted. The gratuities to the officials were paid out of the fire

insurance fund, which, having reverted to the Canadian National Railways, is simply diminished by the amount paid out. So strong has been the public outcry that all the Grand Trunk officials who, after receiving the gratuities have secured employment on the Canadian National staff, have voluntarily agreed to return them to the public treasury. The general view in Canada is that the Grand Trunk directors were simply out to get what plunder they could secure, and failed to observe the terms of the agreement which had been arrived at. So widespread has been the protest against the transaction that the King Government have decided to appoint a Royal Commission, with full powers to investigate the whole circumstances surrounding it. The five years' directors' fees, which were voted as "compensation for loss of office," amounted to \$167,800, and the total value of the gratuities voted at the time by the English and Canadian boards was \$430,200.

The people of Ontario are determined to avoid if possible a repetition of the harassing fuel scarcity of the past winter. Through the enterprise of a number of newspapers, consignments of lignite coal from Alberta will arrive this week in Ottawa and other places, and will be distributed free to selected householders, who will test its quality. The average furnace in Central Canada has been constructed for the utilisation of anthracite coal, but the people of Winnipeg have successfully managed to adapt anthracite furnaces to Alberta coal, and an old prejudice against the latter has disappeared. If the Alberta coal finds favour in the East, the proposal is that the Canadian National Railways should carry the Alberta coal eastward at a rate which will enable it to compete with Pennsylvania anthracite.

The milling industry of Canada has been very much alarmed at the suggestion that the Law Government might place a duty on imported flour for the benefit of the British milling industry. Nor is it enamoured of the suggestion of the British agricultural tribunal that only flour accompanied by its offals should be admitted free. Grain offals are very bulky, and therefore difficult to transport profitably for long distances. Moreover, there is a good demand for them in Canada, and the cattle-raisers of the Dominion will raise strenuous objections if any large quantity of their offal supplies is shipped out of the country.

SOUTH AFRICA.—THE BUDGET—UNION RAILWAY AND PROVINCIAL DEFICITS—DIVERSION OF CAPITAL REVENUES—"WORST OVER"—MR. BURTON'S MODERATE BUDGET—ENLARGED PROTECTIVE POLICY—THE "AXE" AND THE CIVIL SERVICE.

(FROM OUR CORRESPONDENT.)

JOHANNESBURG, April 4.

IN recent years the Union of South Africa, in its public finance, has developed an unpleasant capacity for piling up deficits. The accumulated deficit on the Union's budget is £2½ millions, that on the railways almost as much, namely, £2,300,000. With such a lead in the "higher command" of finance, it is not surprising that the provincial administrations should reveal deficits in their annual budgets, the Cape Province, one of £415,000, Natal £45,000, Transvaal £55,000, the Orange Free State £126,000, while the Cape School Boards are short of something like £600,000. Expensive administration, a large territory sparsely populated, and backward industrial development, are among the factors causing this unsatisfactory state of affairs.

Mr. Burton, the Minister for Finance, made his Budget speech on Wednesday last, giving members of the House of Assembly and the public the opportunity afforded by the Easter recess and holidays to ponder his remarks. Instead of a deficit as originally estimated of £349,000, and later (at the beginning of the session) revised to £900,000, latest calculations in respect of 1922-23 indicated a deficit of no less than £1,353,000, and "that after taking into revenue £800,000 properly belonging to loan funds," making in all £2,194,000 so diverted in the last three years. At April, 1922, the deficit was £1,146,000. Adding these three items, it will be observed that the real deficit in the triennium was no less than £4,693,000. Customs and Excise taken together are about up to esti-

mate, but "inland revenue has failed us badly, particularly that accruing from income-tax," the collection being approximately £16,508,000, in contrast with an estimate of £18,116,000. The deficit of £1,608,000 would undoubtedly have been greater had it not been for the revival in the diamond market, the export duty bringing in £200,000 more, and mining leases yielding £141,000 more than anticipated. Taking income-tax by itself, the short fall was no less than £1,608,000, a clear index of the depressed condition of the country.

From £650,000 to £700,000 have been saved on the expenditure side, by financing public debt by short-dated bills, reorganising public services, and in the falling cost of commodities. At £47,227,000 the value of merchandise imported reflected a decrease of £2,651,000, but it was largely a matter of values, the actual tonnage of 1,468,000 comparing with 1,317,000. Mr. Burton declared that he had not stood for pessimism, but for sober finance, and "they could reasonably hope that they had got over the worst, and look forward to a better future." There was a striking increase in imports of cotton goods, but a substantial decline in those of potable spirits. The Union's exports were valued at £13 million in excess of imports, a discrepancy which causes the present exchange position, and at £60½ millions were two millions down, a decline fully explained by the cessation of gold production on the Rand during the strike, the export of raw gold falling by over £5 millions. Similarly, coal exports, owing to lesser bulk and lower price, had fallen by £888,000. Severe drought had caused a drop of over 40 per cent. in maize exports, which were down to £1,716,000, while a bad season had affected sugar exports by nearly a million and a-half. Wool at £11 millions showed a substantial increase, although the quantity was considerably less.

The public debt is now £199½ millions, an increase of £7½ millions; fortunately, broadly, two-thirds of it is reproductive. The requirements of the railways and harbours in the current year would undoubtedly be large, as they would be for other public works. The only sinking fund provision was £400,000 a year in respect of the Transvaal and Orange Free State Guaranteed Loans. The whole question of sinking fund contributions was under consideration.

For the coming year revenue was estimated at £27½ millions, an increase of a million and a-half on the revised estimates, excluding loan receipts, while expenditure was put at £28½ millions. Current inland revenue was estimated at £15,700,000, an increase of £817,000, entirely under the head of diamond mines. It is interesting to notice that in February diamond production at £310,800 regained its position as only second to the gold output. "Now that the gold mines were on a sound basis they were in a position to meet the almost complete elimination of the gold premium," and were expected to yield £57,000 additional revenue. Allowing for a supplementary estimate of £90,000, there would be a total deficit of £896,000.

Mr. Burton eschewed the line of least resistance of taking the deficit out of the loan fund. He proposes to double the duty on matches, and to reintroduce the old Cape duties on patent medicines, these two yielding £130,000. As the result of recommendations of the Board of Trade, a series of protective duties, from detonators to confectionery, are promulgated. Boots are to pay 30 per cent., instead of 20 (British rebate 3 per cent. in each case), carbide 5s per 100 lbs, against 2s 6d, rebate 6d; paper, 3d per lb, instead of 3 per cent. Instead of the whole duty being rebated, only 3d is to be. Golden syrup is to carry 7s per 100 lbs, against 4s 6d—no rebate. Plywood is to be charged 20 per cent., asbestos-cement, manufacturers' bottles, embossed metal sheets, metal badges, paints, and colours 25 per cent., enamelled metal sheets and acetylene lamps 20 per cent. Hitherto the duty on most of these goods was 3 per cent., wholly rebated for British manufactures. Except in the case of asbestos tiles, metal badges, and paints (already protected), the increase in duty ranges from 17 to 22 per cent. The net duty revenue from these tariffs is put at £110,000. The much-criticised boot embargo is to be removed. On flour the duty is to be increased from 2s 3d

to 2s 11d per 100 lbs. A new scale of Civil Service pay is to be arranged, and until it comes into operation increments will be suspended. This is expected to save £850,000 in the course of a few years, and about £200,000 this year. "From no man will be taken a single penny he is drawing to-day." Similar procedure will apply to teachers. These measures would reduce the deficit to £436,000. The Minister claimed that his policy was "a fair, reasonable, and honest attempt, working towards the lines of sound finance, to get the country into a better and sounder financial condition."

There is a tendency in Johannesburg to think that revenue may prove more resilient than the Minister anticipates, and that the eventual deficit will be substantially less than contemplated. Let us hope that it will be so. Chemists and druggists are up in arms at the patent medicine duties, which it is said will be absorbed in expenses of collection.

Letters to the Editor.

MONETARY RECONSTRUCTION.

TO THE EDITOR OF THE ECONOMIST.

SIR,—At the end of the review of my "Monetary Reconstruction," in your issue of April 21st, your reviewer propounds the question whether a trader, who covers himself against exchange risks in the forward exchange markets, will thereby "merely pass on the risk to the dealers in this market."

If two countries are trading together, and if the exporters in each sell forward exchange upon the other, it may be that the dealers in forward exchange will assume no appreciable new liability involving an exchange risk.

But that was not the case with which I was dealing in the passage quoted by your reviewer. I referred there to the position of a great financial centre, of which the currency becomes unstable. Suppose that all the trade between two countries is financed by one of them. Exporters in both countries draw bills on only one of them, and discount the bills in the centre on which they are drawn. Exporters in this centre, being paid in their own currency, drop out of the forward exchange market. Exporters in the other country still need to sell forward exchange for the interval between their contracts to deliver goods, and their sale of bills in their own country. But if the importers in that country do not trust the currency of the other, they have to buy forward exchange for the whole period from the time that they first order the goods to be imported, down to the date at which the bills with which the goods are paid for mature. If the mutual payments of the two countries and the forward exchange requirements arising out of them were otherwise in equilibrium, the equilibrium would be upset by the need of the importers for forward exchange for the interval between the drawing and the maturity of the bills. In fact, there must be an amount of forward exchange sold, uncovered by any equivalent demand, equal at any time to the whole amount of the bills outstanding drawn upon the financial centre on behalf of importers in the other country. The whole of this uncompensated forward exchange represents an exchange risk falling on the shoulders of the dealers in the forward exchange market.

May I take this opportunity of making two other observations on your review? In the first place, the views expressed in my book have no relation whatever to those officially entertained by the Treasury or the Bank of England. They are entirely my personal opinions, written in a spirit of scientific enquiry.

Secondly, I should like to disavow the belief attributed to me that "all major economic movements can be interpreted and are best interpreted in terms of currency and credit, and that, since currency and credit can be controlled, it would and should be possible to gain almost complete mastery over economic movements, and to eliminate those which are undesirable."

I do not think there is anything in my book to support "this simple diagnosis of all economic ills." My contention is that a limited class of economic ills, those characteristic of the trade cycle, and more especially general

unemployment, can be cured through monetary stabilisation. The extremes of trade fluctuation that we have experienced in the last few years are the result of the extremes of monetary instability; they are only an exaggeration of the pre-war trade cycle, and are remediable in the same way. But grave as are the consequences of monetary instability, they are not co-extensive with "all economic ills."—Yours faithfully,

R. G. HAWTREY.

18 Elm Park gardens, S.W. 10, April 23rd, 1923.

THE APPROACH OF A FREE GOLD MARKET.

TO THE EDITOR OF THE ECONOMIST.

SIR,—It is difficult to take your correspondent Mr. D. M. Mason seriously when he relates the efforts he made to turn Mr. Lloyd George from his alleged financial unrighteousness.

Does Mr. Mason suggest that the currency notes should have been retired and the country left without any money to enable the people to make their exchanges with each other in a civilised manner?

We are all aware that under the gold currency system Mr. Mason is attempting to revive the country was left without currency when war broke out. As a return to this system was impossible, surely some alternative scheme must have been laid before Mr. Lloyd George. Apparently, therefore, Mr. Mason has left out the most important and interesting part of his interviews.

It is correct to say that values have been altered—manipulated would have been a better word—in favour of the moneyholder, but I am afraid that a great deal more than the economic foundations have been disturbed by the very manipulation, and the handwriting on the wall is shown by the representation in the House of Commons.

It is to be hoped that financial sanity will come to the class Mr. Mason represents before it is too late.

Yours, &c.

LOUIS H. CROSS.

April 18.

MONETARY POLICY.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Both Mr Gregory, in your issue of 7th inst., and Mr Mason, in that of Saturday last, agree that the Government can and does control prices by means of the issue or withdrawal of currency. The only danger is that of over-issue, and if this can be avoided stability of values would be ensured.

We are faced to-day with four problems, the solution of which is necessary to our national progress:—(1) Agricultural depression; (2) trade stagnation; (3) oppressive taxation; (4) chronic unemployment. I suggest that all of these could be greatly relieved, if not abolished, by the institution of a stable measure of value. The lines by which this could be secured were admirably indicated by the late Dr J. Ellis Powell in the course of an address to the Leeds Institute of Bankers in April, 1920. He stated:—

What was wanted was some means of establishing equilibrium in the price over time and space of that commodity (whatever it might be) which was the most vital to human existence. Stabilisation of all commodity prices was impossible, since they must fluctuate in relation to one another, but the stabilisation of one, and that the most important, in terms of currency, was probably attainable. If the volume of currency were so adjusted as to maintain wheat at a certain price per quarter, an inestimable factor of steadiness would be introduced into all business affairs. If the price of wheat went down, it would be obvious that more currency was required. If wheat went up, it would be equally clear that there was over-issue. Put the management of the volume of currency into the hands of a committee of trusted bankers and business experts, free of all political influences, like the judges. Let it be adjusted on the index number principle to the price of wheat, and you would attain stability of value in the commodity which was most vital to human existence. There would be a stabilised return, over any period of time, in the dominant food value, and that would tend to steady all other commodities, as far as steadiness was feasible amid the ebb and flow of economic evolution.

The adoption of such medium would result in the fullest measure of Free Trade, goods (exports) being exchanged against goods (imports), and in the event of gold being required for the rectification of international balances, this could be purchased in the open market, as is silver for Eastern exchange balances. Gold no longer being our nominal currency base, its withdrawal or otherwise would

cease to react on the Bank Rate, and, incidentally, on prices.

Wheat, in Great Britain, is the only substance possessed of absolute value, the potential energy it contains being the main means of subsistence. It is thus the source whence wealth is derived, whether potential or real. The adoption by the Treasury of a monetary system on the lines suggested, the volume of currency having a definite relation to the food requirements of the nation, and regulated so as to maintain our principal food product—wheat—at a fixed price when harvests were normal, would, I submit, give security to agriculture, encouragement to industry, and a just incidence to taxation, thus conducing to continuity of employment, stability of internal prices, and a recurrence of prosperity.—Yours faithfully,

W. G. REXWICK, General Secretary.

The National Currency League,
7 Queen street place, London, E.C. 4,
April 18, 1923.

CAPITAL AND LABOUR.

TO THE EDITOR OF THE ECONOMIST.

SIR,—At a time when industrial disputes are so prominent in our minds, may I be permitted to call attention to one "platform" on which a substantial measure of agreement by representatives of capital and representatives of labour has been achieved? I refer to *Current Opinion*, the official organ of the Industrial League and Council, in the April number of which men of such divergent views and experience as Viscount Burnham, Lord Blyth, Lord Rotheredean, Sir William Noble, and Sir Ernest Benn on the one side, and Mr J. R. Clynes, Mr G. N. Barnes, Mr Philip Snowden, Mr J. B. Williams, and Mr Fred Bramley on the other, unite to pay tribute to the work of the Industrial League and Council in preparing the way for a measure of real peace in industry which alone can mean a return of prosperity.

At the present time we are apt to be appalled by the magnitude of the problems that surround us. We suggest remedies, which may or may not be effective. Too often, however, they are condemned out of hand because of the quarter from which they come. To labour the remedy of the employer is suspect. To the employer the labour remedy is greeted with the same objection. Yet no section of the community has a monopoly either of wisdom or of knowledge, just as none is devoid of both sanity and judgment.

For that reason I think the endeavours of *Current Opinion* to pick a middle course between the road followed by orthodox labour and orthodox capital deserve the widest possible support. That it has the goodwill of both sides is proved by the warmth of the congratulations offered on the occasion of its first birthday by the men whose names I have quoted.

If to know all is to pardon all, then to get at the facts is to advance on the way to that knowledge which is a necessary preliminary to the understanding of the other side's point of view.—Yours very truly,

WILLIAM GRAHAM.

House of Commons, April 24th, 1923.

Books and Publications.

M. CAILLAUX ON THE OUTLOOK.*

THE reader who will put aside all presuppositions about M. Caillaux, and read his book as if it was by an unknown author, will find that it deserves attention. He will doubtless be irritated by many question-begging assertions, such as the statement on page 1 that "in 1914 the reactionaries (of all countries), ever on the lookout for such a chance, profited by the sleep of the proletariat to wreck the peace of the world." He will be amused, and his confidence in the trustworthiness of his author will be undermined, by M. Caillaux's slapdash dogmatism on subjects on which he is manifestly

* "Whither France? Whither Europe?" By Joseph Caillaux. Translated by K. M. Armstrong. T. Fisher Unwin. 10s. net.

ignorant; as when he speaks of "the English Civil Servants" as being "grouped in such organisations as the Round Table," and scheming "to restore the tottering power of their caste" by—bribing the *Figaro*; or as when he describes "the great English industrialists belonging to the independent Labour party" as meeting at Grasmere to discuss constructive industrial policy. Moreover, even readers of the *Economist* will feel that in taking stock of the problems and the prospects of European civilisation, M. Caillaux confines his attention too exclusively to the economic aspect, and disregards less tangible issues which are not less important.

But when all this is said, the book is a challenging piece of writing; its author displays himself as a man of courage, insight and imagination; and even if his outlook is too narrowly economic, it is to his credit that he tries to see the wood as well as the trees. He has undertaken a task from which most of us shrink—the task of forming a judgment upon the trend of civilisation as a whole, at all events in its economic aspect.

M. Caillaux's main thesis is that European civilisation is in peril of shipwreck, and he diagnoses two main causes of this peril. The first is that, instead of realising the economic interdependence of all peoples which is due to the development of science, industry and commerce, the nations of Europe are carried away by an insanely exaggerated "nationalism," which drives them to pursue the impossible goal of economic self-sufficiency, ruining themselves in the process. This folly, instead of being checked, has actually been accentuated by the war, because the war forced all the belligerents to equip themselves with the means of producing goods they had previously been content to import. To maintain their artificially created industries they have betaken themselves to methods of protection even more ruinous than those they employed before the war. And under the shelter of these unhealthy conditions (this is M. Caillaux's second bugbear) there are rising formidable combines, like that of Stinnes, which more and more dictate national policy. M. Caillaux is not afraid of "international finance" or of international trusts; he can conceive of an international financial dictatorship as forcing some sort of order upon the world. It is the rivalry of national combines, exploiting nationalist sentiment, and controlling national policy for their own narrow and sordid ends, that he chiefly fears.

In the light of these conceptions M. Caillaux discusses the problem of reparations. He arrives at conclusions which (though vague) closely resemble the accepted English view; much of what he writes on this subject might almost be printed editorially in the *Economist*. And readers of the *Economist* will also find themselves in sympathy with the remedies for the malady of economic nationalism which he propounds: Free-trade, the substitution of direct for indirect taxation, and the working out of a Liberal, non-Socialist solution for the problem of industrial organisation. On the latter point M. Caillaux is extremely vague, but his view is in accord with that of the younger English Liberals of to-day.

But there is one grave shortcoming in M. Caillaux's survey. It is a shortcoming which he shares with many English thinkers who sympathise with his general point of view. He fails to give due weight to the motive of fear, to the sense of insecurity created by the war, as a principal cause of the spirit he deprecates. It is because they remember the necessities of war that the nations are striving after the impossible goal of economic self-sufficiency; even Free-trade Britain—the only great State whose economic policy has been systematically based upon the recognition of the interdependence of peoples—has fallen a victim to this fear, and has adopted foolish trade-hampering devices to foster dyes and other "key-industries." The sense of insecurity lies at the root of all our international problems—the problem of reparations among the rest. No purely economic measures will ever suffice to deal with this root-problem. It can only be solved by some form of co-operative guarantee through the League of Nations, or some equivalent. It is significant that M. Caillaux has practically nothing to say about the means of attaining security; it is equally significant that he mentions the League of Nations only in the most casual and perfunctory way, and that he

discusses military organisation, with futile petulance, merely as a source of waste, and a proof of the folly of the nations. He has tried to take a broad view of the prospects of civilisation; but just because he has confined himself to the more narrowly economic aspects of his problem, his treatment of it is incomplete and unsatisfying.

HUNGARY IN REACTION.*

BEFORE the war Hungary was conspicuous for her rapid progress and for her great and well-advertised economic and industrial enterprise. To-day, shorn of nearly three-fourths of her former territory, five-eighths of her population, and perhaps even a larger proportion of her pre-war resources, she naturally attracts an increased measure of the British sympathy already ensured to her by the similarity of the constitutional development in both countries, and of the pursuits and character of their landed aristocracies. Unfortunately her fate was the result of the persistent oppression exercised by her ruling class on the non-Magyar minorities, stripped in 1868 of their former privileges through the pact with Austria, and driven into disaffection by persistent efforts to crush their languages, abolish their native place-names, convert them into Magyars, and deprive them of political representation until the conversion should be complete. Partly, indeed, the motive was fear that Austria might use these races to abridge Magyar liberties by less warlike means than in 1849; but that does not justify what was done. The process was defended by a system of propaganda often carried out, consciously or unconsciously, by Englishmen; but it was effectively exposed in 1908 by Dr Seton-Watson, whose personal observation of it destroyed his prepossessions in favour of Magyar rule. The war was welcomed by the Magyars as a means of completing their ascendancy; and, as Mr Street very ably shows, it has left them possessed by a passionate Irredentism, which bodes trouble for the new States created out of the wreck. Hungary was shorn by the Treaty of Trianon, not as a punishment, but because the non-Magyar population could no longer tolerate Magyar oppression. At the end of the war the Magyars attempted to set up a democratic Republic, as a desperate effort to put themselves right with the Allies and President Wilson. But it failed to secure democracy even for their own race, and was speedily crushed between the forces of the landed aristocracy and the Bolsheviks of Bela Kun. His four months' rule, put down not by the rival Government set up at Szeged by the Magyar aristocracy, but by the intervention of the Rumanian army, was followed by the reactionary Government of Admiral Horthy, supported, as Mr Street shows, by terrorism. Its spirit is exhibited by its grants of land to the minor gentry on condition of military service, and it is aided by, and probably inspires, unofficial organisations, which stir up the fragments of the lost nationalities across the frontiers, strive to win over the Slovak priests and lawyers as centres of influence, send out propagandists as harvesters, and maintain an active Press in Austria, Switzerland, Holland, Great Britain, and the United States. He contrasts the treatment of the isolated Magyars and Austro-Germans in Czecho-Slovakia, which is above reproach, and in Rumania, where it is less satisfactory, and where recent events seem to indicate that he understates its dangers. And he closes by appealing to the Magyar rulers of Hungary to abandon their ideas of isolation and feudal rule, and find salvation in developing their own Magyar subjects as their lost non-Magyars have developed themselves. His book is an effective presentation of one of the dangers of Europe to-day.

BOOKS RECEIVED.

The Stabilisation of Business. (New York) the Macmillan Company.

* Among the contributors to this volume are Mr John B. Andrews, Mr John R. Commons, Mr Henry S. Dennison, Mr Irving G. Fisher, and Mr E. R. A. Seligman. It is published in London by Messrs Macmillan and Co., Limited, at 2s net.

* "Hungary and Democracy." By C. J. C. Street, with a Foreword by T. P. O'Connor. (London) T. Fisher-Unwin, Limited, 1923. Pp. 207, 10s 6d. net.

L'Organisation du Crédit au Commerce Extérieur en France et à l'Étranger par Maurice Caillez. (Paris) Librairie Générale de Droit et de Jurisprudence. 20 fr.

Workshop Organisation. By G. D. H. Cole. (Oxford) Clarendon Press. 7s 6d.

Hungary and Democracy. By C. J. C. Street. With a Foreword by T. P. O'Connor. (London) T. Fisher Unwin, Limited. 10s 6d.

The Community's Credit. By C. Marshall Hattersley. (London) "Credit Power" Press, 70 High Holborn, W.C.1. 5s.

Production. By George Belt. With a Foreword by George Lansbury, M.P. (London) 2 Carmelite street, E.C.4. 3s 6d.

A guide for the production of speeches, essays, pamphlets and reports.

The Journal of the Royal Agricultural Society of England. (London) John Murray. 15s.

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STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET.	ACCOUNT.
May 2.	May 3.

Business in the Stock Exchange markets has been active as regards investment stocks; contracted as regards speculative issues. As the bulk of Stock Exchange business is usually in the latter, the position just described means that at times the House has looked tired and listless, in spite of the fact that all investment stocks are strong, and it is only with difficulty that good stock can be obtained at anything like reasonable figures.

Practically all the British Government funds are better on the week. There has been exceedingly heavy buying of Funding, Victory Bonds, Conversion, and the War Loan itself, before the last-named went ex dividend on Thursday morning. Scores of rises have occurred amongst Colonial, Corporation stocks (both domestic and foreign), Indian railways, Home Railway prior-charge issues, and industrial debentures. Prices are marked up almost automatically day by day without attracting stock to market, and, although the question of a possibility of money becoming dearer is discussed, it causes no diminution in the investment demand.

Foreign bonds are a quiet market, with French moving irregularly. Greeks recovered after being dull. There has been a fair demand for Chileans; Brazilians pursued an uneven path.

Home Railway stocks have sympathised with the strength of other investment issues. North-Westerns and Great Westerns went ahead materially, and this revived the talk about the possibility of both stocks becoming split. Other Home Railways are also harder. Argentine Rails have gone ahead by points, and San Paulo is substantially higher on the week.

After stagnating for three or four days, rubber shares turned languidly better as the price of the produce hardened up a little. The oil market is placid. Banking and insurance shares have advanced every day. The P. and O. dividend served to put up the price of the stock by a score of points, but other shipping issues are no better. The bonus on Guinness stock lifted the price by 35 points, most of which was subsequently lost, as Irish holders came to sell. Babcock and Wilcox went ahead, on declaration of a share bonus, and so did Imperial Tobacco shares, though in both cases the full extent of the rise was not maintained. Iron and steel shares are good as a whole, the chaos in the Ruhr leading to many inquiries for shares in British coal companies. The textile group is hard, though activity in Courtaulds showed some little diminution. Cable stocks are better; the wireless issues gave way. Cement and other road-making shares hold their previous rises, and the tobacco market has been exceedingly active, in consequence of the Imperial Company's bonus announcement. *Sunday Pictorial* ordinary shares were introduced to the House on

Wednesday on the basis of 4½ for the £1 share. Other newspaper shares were sold in order that these newcomers might be taken up. New issues, markets in which have been started this week, are generally at a premium. The demand for preference shares is as eager as ever. Trust companies' stocks are almost unobtainable, in spite of substantial rises that have occurred, and amongst land descriptions Hudsons Bays threw off their recent dullness and came into line with other strong shares.

The Kafir market is languishing in the doldrums. Rhodesians have been dull, with Selukwe weak, on notification of a new issue of shares at £1. The fall in the price of tin found reflection in a few of the principal tin companies' shares. The mining markets are very quiet as a whole, and diamonds, although displaying rather more activity than usual, failed to hold their best prices.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded	96,178,962			
ISSUES OF THE WEEK—				
4% Treasury Bonds, 1931-33 (by tender, April 20, 1923), £1,950,000 at £95 5s 4d		1,857,700		
NATIONAL SAVINGS CERTIFICATES.				
NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED APRIL 21, 1923.				
April 1, 1923, to April 21, 1923, £700,000		450,000		450,000

To the Public—				
New South Wales, £6,000,000 (less £1,999,300 for conversion from 5% Deb. Stk. and 5% Inscd. Stk.), 4½% Stock, red. at par 1935-45, Iss. at 94% (April 23)	4,000,700	3,760,658	200,035	3,550,623
Bridges and Co. (Proprietors), Lim., 160,000 8% Cum. Pref. Shrs., £1, at par	160,000	160,000	20,000	140,000
Do 400,000 Ord. Shrs. 1s, at par	20,000	20,000	20,000	
Do 240,000 5-yr. Regis. Notes, at 95% (April 23)	40,000	38,000	2,000	36,000
North Metropolitan Electric Power Supply, £350,000 (less 22s 18d 7½% Debts. to be paid off), red. at 102½, 1923-50, issued at par (April 23)	123,820	123,820	6,191	117,629
Port of Madras, £310,000 5½% Debts., at 97½%, red. at par May 1, 1953 (April 24)	330,000	321,750	16,500	305,250
Loa Nitrate Co., £500,000 6½% First Mort. Reg. Deb., red. at 102½, 1939-54, issued at 98% (April 25)	500,000	490,000	25,000	465,000
Barlow, Taylor, and Co., 130,000 8% Cum. Pref. Shares, 10s, at par	65,000	65,000	6,500	58,500
Do 130,000 Ord. Shares, 1s, at par (April 25)	6,500	6,500	6,500	
Kingdom of Roumania 4½% External Loan of 1922, £1,620,000 4% Sterling Bonds (red. at par 1923-42), issued at 67% (April 26)	1,620,000	1,085,400	162,000	923,400
Chagford and Devon Electric Light, 2,389 9% Cum. Pref., £1, at par	2,389	2,389	1,194	1,195
Do 3,000 7½% First Mort. Debts., at par	3,000	3,000	1,500	1,500
Total offered to public		6,418,517	485,420	5,933,097
To Shareholders only—				
Alliance Trust, 50,000 Shares, £2, issued at £1 12s 6d	100,000	231,250	131,250	100,000
General Petroleum Company of Trinidad, 1,036,210 "A" 4s Shares, at par	207,246	207,246	51,811	155,435
S. A. Proprietary, 300,000 Prefd. Ord. 5s, at par	75,000	75,000	3,750	71,250
Total offered to shareholders only		513,496	186,811	326,685
Total offered for subscription to date				
1923	£105,418,675			£573,675,650
1922	383,029,350			388,978,203
1921	76,708,145			367,549,656
1920	164,386,738			1,036,059,951
1919	322,448,296			1,393,381,441
1918	546,839,586			1,318,596,010
1917	885,189,178			585,436,853
1916	187,688,137			

New South Wales.—This is an issue by the Government of New South Wales of £6,000,000 4½ per cent. inscribed stock, 1935-1945, at 94 per cent. The principal is repayable at par on July 1, 1945, the Government of New South Wales having the option to redeem, in whole or in part, at par, on or after July 1, 1935, on giving three months' notice. Interest will be payable half-yearly in London. The loan is raised for public works and other purposes, and for the redemption of £525,000 5 per cent. debentures and £1,473,400 5 per cent. inscribed stock, due July 1, 1923. Holders of these are offered conversion in whole or in part into an equal amount of the 4½ per cent. stock, and will receive a cash payment of £6 per cent. on the amount so converted, being the difference between the nominal value of the maturing debentures or stock and the issue price of the present loan. Any portion of the maturing debentures and stock which is not converted will be paid off on July 2. The usual statement disclaiming any liability of the Home Treasury appears in the announcement of the offer. This is a trustee investment, and met with an excellent reception.

Kingdom of Roumania.—4 Per Cent. External Loan of 1922 for £2,500,000, or \$12,500,000.—This is an offer of £1,620,000 4 per cent. sterling bonds, being part of the above loan, at £67 per £100. It is stated that the bonds will be redeemed by a cumulative sinking fund of 3.3115 per cent. per annum, to be applied by half-yearly drawings at par, beginning next July, and the whole will be repaid by December 1, 1942. The Roumanian Government, however, reserve the right to repay the whole, though not in part, on June 1, 1933, at 101. The loan is a direct obligation of the Roumanian Government, and its service, it is stated, enjoys "priority over all other external or internal indebtedness, present or future." The service of this loan is a first charge against the general revenues of the State, and is, in addition, a "first special charge" against the gross proceeds of the export taxes, present and future, "so long as these remain in force." The qualifying phrase is particularly interesting. But not too great a value should be attached to the "special" security. The taxes are levied in gold or in foreign currencies, and the Roumanian Government is under obligation to transfer them as and when collected to the National Bank of Roumania. Certainly the subscribers are given a very special position as to their claims on the Roumanian revenues, &c. For the period August, 1922, when collection of export taxes on the new scale began, to March 31, 1923, the sums remitted by the Roumanian Bank amounted to approximately £1,442,316. The entire service of the present loan would amount to £182,779. If export taxes fail to meet one-twelfth of the service of this loan and the other funded external loans in any month, the Government is under obligation to make up the deficiency forthwith out of its general revenues and assets. The Roumanian Government is also under obligation to leave with the National Bank of Roumania a fund equal to three months' service of the entire external funded debt, "thus providing at the end of each financial year more than a full year's service of this loan for the ensuing year." Principal and interest are payable in London in sterling, free of all Roumanian taxes, present or future. A sum of £810,000 of the loan has been underwritten firm and will be allotted. The question of priority charges upon revenues of States is one which must be carefully considered in financial circles before long, and when this happens the case of Roumania will be an interesting one. The issue, in view of its high yield, the chance of early profit on redemption and the rich natural resources of the country appealed to the speculatively inclined investor, and the list was closed on Thursday.

Port of Madras.—Issue of £330,000 5½ per cent. debentures to bearer at 97½ per cent., to be repaid at par on May 1, 1953. The Board of Trustees have the exclusive right, under the Port Trust Act, to levy tolls, dues, rates, rents, and charges for the landing, shipping, and storage of goods and for the use of all wharves, quays, stages, &c., vested in them under the Act, and no private wharves or landing-places exist in the port, nor can any be constructed without the Board's permission. The total liabilities of the port are £994,366 (exclusive of free grants), of which £894,967 has been lent by the Government of India and £99,399 by the Government of Madras. A sum of £60,960 is annually required at present for interest and repayment. Land, buildings, quays, railways, locomotives, &c., owned by the port are valued at £2,373,252. Income and expenditure for the last five years are given. The net profit, after payment of interest and sinking fund, last year was £14,772, the decline from the £49,700 of the previous year being due, it is stated, to the withdrawal of the surcharge imposed during the war on harbour dues on imports and exports. The board's policy, it is stated, is not to earn large profits, but rather so to adjust rates as to meet liabilities. Excepting £40,000 of it, the money raised by the present issue—which is, of course, a good investment—is to be devoted to improved equipment and to works of development which are expected to be remunerative. The powers of rate adjustment, coupled with the Indian Government's interest as a creditor, constitutes a reasonable safeguard for interest payments.

Loa Nitrate Company, Limited.—Incorporated under Chilean laws. Issued share capital £1,300,000. This is an offer for sale of £500,000 6½ per cent. first mortgage registered debentures at 98 per cent., "redeemable by 1939 by 15 annual drawings at £102." The debentures which are offered are the whole of the authorised issue, and will be constituted by a trust deed in favour of specified trustees, which will provide for the creation by the company of a specific first mortgage under Chilean law over the seven oficinas, with lands and nitrate grounds comprising an area of about 37 square miles in one block, belonging to the company, situated in the province of Antofagasta, together with the buildings, fixed plant, and other immovables thereon, which are estimated to be worth £1,600,000. The amount required for interest and sinking fund is £54,000 per annum, which is amply covered by the annual rate of profit for the past twelve years. The share capital has recently been watered by the distribution of a share-for-share bonus, and profits for the past two years are less than half the average for the preceding ten years. This

Bridges and Co. (Proprietors).—Authorised share capital £180,000, divided into 100,000 8 per cent. cumulative preference shares of £1 and 400,000 ordinary shares of 1s each. These are now issued at par, with £40,000 6½ per cent. five-year registered notes of £50 and £100 each at 95 per cent. The notes are repayable at par on October 1, 1928, or earlier upon notice being given by the company. 160,000 of the ordinary shares have been subscribed in cash by subscribers to the memorandum of association, and a further 160,000 are reserved for cash applications by underwriters of the preference shares. The other 80,000 are reserved for those who apply for the preference shares. The company has been formed for the purpose of acquiring the whole of the issued ordinary shares of Bridges and Co., Limited, retail cash drapers, &c., of Leeds, Manchester, and Sheffield. A balance-sheet of that firm has been included in the prospectus, and shows its issued capital to be 30,000 7 per cent. preference shares of £1 and 60,000 ordinary shares of £1. The sum to be paid for the 60,000 ordinary shares is £202,000, which, it should be noticed, is payable wholly in cash. Profits of the subsidiary companies are given for the past five years, but before charging depreciation, income-tax, and mortgage interest. In the year ended February 17, 1922, profits, before allowing for these items, amounted to £31,013. It would appear that the company has been fairly successful, but the attraction of the present offer, which should be left mainly to local investors, depends on the assumption that at least an equal degree of success will be achieved under the new control. The issue has been oversubscribed.

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

The balance at the credit of profit and loss account amounts to £77,350, which, after deducting the half-year's preference dividend paid on February 1, 1923, and the ordinary dividend now recommended, will leave the carry-forward at £39,225, as shown in the directors' report—an increase of £6,564 over and above the amount carried forward from last year. This is a substantial unappropriated balance, in connection with which I can only repeat the remark I made last year—that we intend to use it to equalise dividends unless unforeseen circumstances should arise rendering this course inexpedient. You will agree with me, I feel sure, when I say that, however strong our position may be, and with whatever degree of confidence we may regard the future, a business such as ours is bound to be subject to fluctuations. Surely

The small trader, too, is likely again to flourish. His is a function which gives very great service to the community for the profit he receives, and the importance of this branch of British trade can hardly be over-estimated. Besides being an example

of individuality, the small trader shoulders the burden of civic life, and brings to it all the experience he has gained from his intimate association with the community; moreover, the money he makes is invariably invested in property in the district in which his business is situated. We welcome, therefore, the promised prosperity of this public benefactor—for such, indeed, he is. It has been our policy in the past—and we intend to continue it—to give generous financial facilities to the small trader of good repute.

We welcome, too, the somewhat delayed endeavour outlined in the Budget to return to more normal conditions. Not only are we grateful for the remission of taxation, but also for the reductions in the telephone and postal rates, for, although the benefits they bring cannot be closely calculated, they are very important to the introduction and development of fresh business. We shall now be able to add more space to our weekly paper, *The Produce Markets Review*, and in this way to supply the trade with more useful information and indirectly to strengthen the position of the firm.

TRIBUTE TO THE STAFF.

A loyal staff is a priceless boon to any firm, and in this respect we are happy to be able to report to you a most satisfactory state of affairs. We consider that our employees have the right to expect from us reasonable privileges which will add to their happiness, and with this end in view we are now forming an up-to-date sports club.

We would take this opportunity of expressing our thanks to our whole staff for their loyal assistance, in which we feel sure you will desire to join.

I now beg to move: "That the report, balance-sheet and profit and loss account for the year ended January 27, 1923, now laid before the meeting, be and the same are approved and adopted, and that the payment of a dividend of 17½ per cent. on the ordinary shares of the company, as recommended by the directors, be and the same is hereby ratified and declared."

Mr W. F. Travers (deputy-chairman) seconded the resolution, which was unanimously adopted.

The retiring directors (Mr S. J. Loder and Mr T. Strang) were re-elected, Messrs Price, Waterhouse, and Co. were reappointed auditors, and a vote of thanks to the chairman, directors, and staff terminated the proceedings.

THE UNION BANK OF SCOTLAND, LIMITED. SUCCESSFUL YEAR—SATISFACTORY RESULTS.

The annual meeting of shareholders was held, on the 25th instant, in Glasgow, His Grace the Duke of Atholl, K.T., chairman of the bank, in the chair.

The Chairman, in submitting the directors' report and statement of accounts, said: Since we met a year ago the country has again passed through a difficult period. There has been considerable disappointment that the trade revival has been so slow, but it is undoubtedly much better, taking the long view, that this revival should be on a sound basis rather than that it should be of a "boom" nature.

SCOTTISH INDUSTRIES.

With regard to Scottish industries, there has been a very marked improvement in the coal trade, but the better position during the past few months has undoubtedly been brought about by the shortage of coal due to the Ruhr occupation. Unfortunately, this has meant a very considerable increase in the price of coal, and that is a most serious matter for the important iron and steel industries which are carried on in Scotland.

During the period under review, there has also been a distinct improvement in the engineering trades, and, towards the end of 1922, a number of much-needed shipbuilding orders were placed on the Clyde and elsewhere. The amount of idle tonnage is now very much less.

The fishing industry is still passing through very bad times, and it is difficult to see how there can be any real revival until the foreign exchanges have improved sufficiently to enable the continental countries, which were the chief customers, to purchase freely once more. The one bright feature is that at present the unsold stocks on hand are practically negligible.

With regard to agriculture, another very important industry in Scotland, the farmers have had a none too profitable year, although they have probably done much better on the whole than in England, as there is a much smaller proportion of land under cultivation, and sheep farming plays a much more important part. Costs of labour and feeding stuffs, together with transport charges, are still very much higher than they were in 1914. The potato crop, although a good one last year, was very unsatisfactory from the point of view of profit. In addition there has been a big fall in values of stock, particularly of horses and, in a smaller degree, of cattle, but for sheep farmers it has been quite a satisfactory year.

The question of credit to the farming community has been much before the public of late, and I may say that this bank, which has a large number of farming customers on its books, has given liberal assistance in these difficult times.

Considering the outlook as a whole, one would say that everything is ready for a steady revival in trade. The danger, which one hopes will be averted, is a too rapid rise in commodity prices which would have the effect of defeating the revival we all hope for. In passing, I would like to say that, from a national point of view, it is very satisfactory that the question of our debt to the United States has been settled, although we realise that that settlement involves a very heavy burden on this country for many years to come.

The confidence of people abroad in the financial strength of Britain is very gratifying, and the period which we are considering has seen a marked improvement in the American exchange.

After dealing with the future of prices of Government securities, the chairman continued:—

THE BANK'S AFFAIRS.

Turning to our own affairs, I am glad to say that we have had a successful year, and have produced good results, and that we have again been able to strengthen our reserve fund and increase our dividend. The bank stands in an exceptionally strong position to-day, and we must thank the efficient management which has contributed materially to these satisfactory results. I am sure we would also like to place on record our most cordial thanks to the officials and staff of the bank as a whole, for their willing and efficient labours during the past year.

Particular care has been taken by the board in regard to the investment position, which has been of considerable importance, and, consistently with obtaining a satisfactory return, the maintenance of a liquid condition has been aimed at. Of our total investments, all but a comparatively small percentage—under 5 per cent.—are in British Government securities, and of these the bulk are repayable within the next seven or eight years.

Where possible, we have done all in our power to assist in financing trade, and we are in a position to take the fullest advantage of greater activity in industry. The merit of the smaller banking institutions is that very close personal touch can be maintained with their clients, and that all propositions can be considered carefully by the management and board.

As you will have observed from the report, we have lost by death our old friend Mr David Ritchie, who was associated with us for 40 years either as an ordinary director or, latterly, as an extraordinary director of the bank. Although Mr Ritchie had reached a great age, he maintained to the last a most active interest in the bank and its steady progress.

Mr Archibald R. C. Pitman, W.S., then dealt fully with the bank's figures.

The report and accounts were unanimously adopted, and a vote of thanks to the chairman terminated the proceedings.

THE LONDON ASSURANCE. CONTINUED PROGRESS—INCREASED DIVIDEND.

The annual general court of the London Assurance was held, on the 25th inst., at the offices of the corporation, 1 King William street, London, Mr Colin Frederick Campbell (the governor) presiding.

The Governor, in the course of his speech, said: Before dealing with the accounts I regret that I have to refer to three losses through death that the corporation has suffered since we last met. In the first place, Mr Otto Benecke, who had been a director of this corporation for 37 years, died on May 2nd. During that time his experience and knowledge of business affairs generally were of much service to us. Then our colleague, Rear-Admiral Stewart, died on October 28th. He represented that ancient and well-known institution, Trinity House, with which the corporation has been connected for a great many years; but, in addition to this, Admiral Stewart took a great personal interest in all the affairs of the corporation. Then on July 31st, our old and valued friend, Mr James Clunes, died. Mr Clunes had been manager of the fire department for 40 years and of the fire and life departments combined for 27 years, and his record during this long period was one of practically unbroken success. He was deeply attached to the interests of the corporation, and never spared himself in working for its welfare. In his death the corporation has lost a highly skilled and efficient manager and the directors a real personal friend. To fill these gaps we have appointed in succession to Mr Benecke Mr Michael Spencer-Smith, D.S.O., M.C., a partner in the well-known London house of Messrs H. S. Lefevre and Co., and also a director of the Bank of England; and in succession to Admiral Stewart Sir Arthur W. Clarke, K.B.E., one of the Elder Brethren of Trinity House. We have also appointed Mr Marks and Mr Durham as joint managers of the fire department and Mr Hemming, our actuary, as manager of the life department. Mr Marks and Mr Durham were joint assistant managers under Mr Clunes, and

they are both fully equipped from every point of view to assume control of this very important part of our business. Mr Hemming had been our actuary for a number of years, and he will now combine the position of manager with that of actuary.

THE ACCOUNTS—LIFE DEPARTMENT.

If you will now refer to the accounts, which have been in your hands for some days, you will find the first statement is that of the life department. The fund at the beginning of 1922 was £3,155,000, which was increased during last year by £225,000, so that it stands in the accounts now before you at £3,380,000. The new sums assured were larger than in 1921, being again well over £1,000,000, and the premium income increased to £349,000. The rate of interest on the invested funds was also slightly higher at £5 13s 9d per cent., against £5 11s 1d per cent. in 1921. On the other side of the account claims were below the expectation as worked out by our actuary, and the expenses of management were also lower at 15.80 per cent., including commission. The really satisfactory feature of the year, however, has been the steady rise in the values of securities, so that I am now in the happy position of being able to tell you that there is not a single Stock Exchange investment in the life fund worth less than the value at which it stands in the books of the corporation.

FIRE ACCOUNT.

Turning next to the fire account, we still see the prevailing depression in trade reflected in it, as, in spite of an extended and improved organisation, we have been unable to maintain the premium income at quite the same figure as in the previous year. The profit realised was a moderate one, and about what we expected, and we are satisfied that, with a revival in trade, we shall secure a fair share of the increased business activity that will result. Our experience at our New York branch was again unfavourable, though better than in the previous year, but we were fortunate in making a profit taking the United States as a whole. This was due to the very satisfactory business again transacted by our representatives in San Francisco and on the Pacific Coast. The foreign field has produced varying results, and has not been without its anxieties since we met a year ago. In some important parts of the Empire, such as Australia and South Africa, we have had nothing to complain about, but in parts of the Continent of Europe, in the Far East, and in South America the depreciation in the exchanges has rendered the transaction of profitable business almost an impossibility. Then latterly the political situation in Constantinople has been very unsatisfactory, and the position was brought to a head last month by a series of conditions which the Angora Government sought to impose on British and other foreign companies. The British companies decided, with much regret, that these conditions could not be complied with, and issued instructions to their agents in Constantinople to close down their offices and retire from that field. I can only hope that later on circumstances will permit the resumption of business under reasonably safe conditions. The fire fund now stands at £1,300,000, against £1,250,000 a year ago, after transferring £51,000 to the credit of profit and loss account.

MARINE ACCOUNT.

The marine account, which comes next, is an exceedingly good one, and its recovery from the unfavourable conditions prevailing a year ago is one of the main features of the accounts now before you, and when analysing the figures with the underwriters I was also interested to observe that the result was equally as good on the gross figures, without deducting reinsurances, as on the net. Competition for hull business has continued to be most pronounced, and it is to be hoped that both rates and values have nearly reached their lowest point, as this business cannot be con-

ducted at a profit until some improvement has been secured. We have been able to transfer £163,000 to the credit of profit and loss account, and to raise the marine fund from £800,000 to £950,000. The different branches of the accident department, which come next, call for no special comment. They continue to grow and develop, and we are extending the field of our operations every year as opportunity offers.

PROFIT AND LOSS ACCOUNT.

If you will turn now to the profit and loss account, the interest not carried to other accounts, amounting to £113,467, together with the various transfers from the departments, all appear as usual on the credit side, making a total, together with the balance brought in, of £566,000. This has been applied by appropriating £189,000 to the payment of dividends on the ordinary and preference shares, transferring £40,000 to contingencies account, £50,000 to premises account, and by increasing the balance carried forward by £41,000, thus bringing it up to £249,000. Your directors consider these figures justify an increase in the dividend this year of 2 per cent., making it 30 per cent., free of tax, instead of 28 per cent., as paid last year. Intimation of the directors' intention to recommend this increase was given in the newspapers a few weeks ago. Before leaving the accounts, I should like to draw your attention to a slight change in the wording of the auditors' certificate. The auditors now state directly that all the securities representing the investments and mortgages have been verified by them by actual inspection, or by the production of certificates from the High Court, the Bank of England, or other custodians at home and abroad. As a matter of fact, no change whatever has been made in the procedure, but as the subject was alluded to at the last annual meeting, the directors asked the auditors to make this slight alteration in their certificate, and so place the matter beyond all doubt. On the succeeding pages of the statement in your hands you will find the balance-sheets of the companies with which we are particularly associated, and of them all I can say is that they are doing a satisfactory and profitable business. It is particularly gratifying to see such a good balance-sheet as that shown by the Reinsurance Company, for, as you know, this company had to go through a very trying experience a year ago before it had had time to build up its reserves. Now that this crisis has been safely surmounted, we look forward to the company being able to develop its business under easier conditions.

OUTLOOK.

In turning away from this short review of the accounts, which are undoubtedly satisfactory, I would ask you not to carry away with you the impression that insurance business has now resumed a normal condition of prosperity, as such is by no means the case. In these days of world competition it is necessary to maintain a world-wide organisation if we are to hold and increase our business, and to do so is a very costly matter. There is no part of our business which requires greater watchfulness, both on the part of your directors and of the management, than this question of expenses, as these have an uncomfortable way of always increasing irrespective of whether times are good or bad. But beyond this, insurance business can only be really satisfactory when the political outlook is calm, and the industrial position clear, and no one can say that either of these factors is in existence to-day. A large part of our business is to afford protection to merchants and bankers against risks which they cannot gauge or provide against, and their margin of profit is such that they are only prepared to pay a relatively small sum for this accommodation. Consequently, an insurance company is only able to extend this protection to them on the assumption that world conditions are reasonably stable, for it requires very few losses in any one department of insurance business, arising from political or industrial instability, to produce an adverse balance at the end of a year.

THE ANGLO-SOUTH AMERICAN BANK, LIMITED.



Capital and Reserves
exceed £13,000,000

Head Office:

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

AFFILIATED INSTITUTIONS:

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

There is only one way in which an institution like the London Assurance can continue to maintain its sphere of usefulness in the City of London and elsewhere under such conditions and in such times as these in which we now live. It is by continuing to add to its resources year by year, and this is the policy your directors have always endeavoured to maintain, and which we have every confidence in believing is the one which meets with the full support and approval of the proprietors.

The report and accounts were unanimously adopted.

OCEAN ACCIDENT AND GUARANTEE CORPORATION, LIMITED.

CHAIRMAN OPTIMISTIC OF THE FUTURE.

The fifty-second annual general meeting of the Ocean Accident and Guarantee Corporation, Limited, was held, on the 24th instant, at 36 to 44, Moorgate, London, Mr E. Roger Owen (the chairman) presiding.

The Chairman, in presenting the report and accounts for 1922, first drew attention to the new form which had been adopted, thus giving more detailed information to the shareholders. Proceeding, he said: The assets stand at £7,663,254, as against £7,657,433. The revenue for the year amounted to £5,694,547, as against £5,827,134 in 1921. The premium income amounted to £5,415,541, as against £5,500,791, a decrease of £145,250. The claims paid and provided for amounted to £3,076,974, representing 56.8 per cent. of the premium income, as compared with 54.1 per cent. in the previous year. The amount paid for commission to agents and expenses of management (apart from taxes) was £1,964,504, being 36.2 per cent. of the premiums, against 34.6 per cent. in 1921. In taxes (exclusive of income-tax deducted at the source) we paid 5.4 per cent. of the premiums, as against 4.8 per cent. in 1921. This is a very serious burden.

LEAN YEAR.

The year has been a lean one so far as concerns profit, but we have every reason to believe and expect that better results will be experienced when more favourable general trading conditions are in operation. The decrease in premiums was not due to loss of connections. The reduction was almost entirely due to diminished volume of premiums from workmen's compensation insurances, the result of continued industrial depression. Our loss ratio increased considerably in this department, both in the United Kingdom and in America, the increase at home being nearly 9 per cent. over the ratio for the previous year. Shrinkage in values and general shortage of stocks also had the effect of curtailing the expansion we anticipated in the fire and burglary departments. Our income in the other departments showed healthy increases, despite the adverse general conditions prevailing.

The Ocean has a fully equipped organisation throughout the world, and to preserve it intact during the present period of depression in readiness to take full advantage of better times is a costly undertaking, and consequently the expense ratio, inflated by reason of diminished premium income, increased in 1922 by 1.6 per cent. While I do not think I can go so far as to promise a reduction in the immediate future, I can say that the matter is engaging the very careful attention of the board, and every effort is being made to lower the ratio without impairing efficiency.

THE OUTLOOK.

Regarding the outlook for the future, it is most difficult to arrive at a reliable forecast. The more or less distant future, when trade and commerce shall have returned to their normal condition, does not at present cause us much anxiety, for whenever that happy time arrives the organisation of the Ocean will be found to be in such a condition as will enable the corporation to make the most of the opportunities which present themselves for extending and improving the business. As to the more immediate future, I am happy to say that there are indications of improvement in various directions. As to the home business, we are in touch with every section of the community, and here, again, our experience leads us to believe that, generally speaking, there is a more hopeful feeling that trade is reviving.

Towards that end reduction of taxation will undoubtedly help, and the relief given by the Chancellor of the Exchequer, though very moderate, will be appreciated by insurance companies for two reasons. In the first place there is the lightening of the heavy burden of taxation which the companies have borne for the last few years—that is a direct benefit. There is also the indirect benefit in the encouragement given to industry, which, with the hope of future further reductions, cannot but give our traders and manufacturers greater confidence, and a stronger inducement to increase their turnover. It is to be regretted that the Chancellor could not see his way to the abolition of the corporation profits tax, which, on his own showing, he could have done without loss of revenue during the financial year 1923-4.

On the whole, we have every reason to anticipate a better year

in 1923, both in volume of business and in profits. We can only judge by our experience up to date, but at the same time it must be remembered that the period is too short in which to form a reliable estimate.

Last year I told you that the Columbia Casualty Company, which we floated in America in 1920, had secured a premium income in 1921 of nearly £400,000. For 1922 the premiums were in excess of £600,000. Under the able direction of Mr Neely, the Columbia is now firmly established, and we look forward to considerable expansion in its activities with, we hope, remunerative results.

The report and accounts were unanimously adopted.

PHOENIX ASSURANCE COMPANY, LIMITED.

CHAIRMAN CONFIDENT OF THE FUTURE.

The one hundred and forty-first annual general meeting of the Phoenix Assurance Company, Limited, was held, on the 25th instant, at Phoenix House, King William street, London. The chairman—Sir Gerald H. Ryan—presided. In moving the adoption of the report and accounts, the Chairman said: The accounts submitted to-day embody the figures, for the first time, of the London Guarantee and Accident. These are relatively small in the fire department, of greater proportionate weight in the marine department, and of marked importance in the accident department. We have endeavoured to adjust the system and basis of reserves of our new ally to our own, and this gives our accounts a somewhat unusual appearance, and takes away all strict ground of comparison with past accounts.

Our invested securities have risen largely in value, and we have a considerable hidden reserve in the appreciation over the book value of our assets. The rate of interest has also been maintained at a high level.

FIRE LOSSES IN THE STATES AND CANADA.

The most noteworthy feature in the department is the loss ratio, which stands at 57.8 per cent., the heaviest we have recorded for many years. Exceptionally heavy losses arose in the United States and in Canada. In the United States the fire-waste for the year 1922 was in excess of that of any year since the great San Francisco conflagration, and in Canada there is no record of equally heavy losses. The reduced rate of expense is a gratifying feature in this account.

The claims applicable to the marine business underwritten in 1922 were only £397,018, or 27.6 per cent. of the premiums shown in the accounts, quite a moderate first year's settlement. Unless we bear in mind the curious course of events in marine insurance during the last ten years we might draw the erroneous conclusion that a heavy loss had been made, but an investigation of accounts in which the risks have practically run off shows a small profit to have been realised.

The large business controlled by the London Guarantee has been merged with our own and the combined figures are now given. For the first time in the company's career the accident premiums exceed those of any other department. With the profit of £156,506 realised by our efforts in this department we have good reason to be pleased, but we hope to do much better. With the largely increased figures shown in this branch the additional reserve of £184,000 had lost its significance and has therefore been merged in the other accident reserves.

Last year I pointed out that the improvement in the value of our securities had greatly strengthened the position of this department, which had suffered severely by depreciation of values owing to the war. A large accretion has taken place in the sterling value of our assets. This we have not brought into account at all. Our view is that for several reasons it is wiser to leave the balance as an unexhausted fund for future fluctuations and margins. The new business in the life account reached the substantial figure of £2,171,000 in sums assured. The department progressed satisfactorily, and its prospects are certainly very favourable. The death claims occurring in the year were considerably below the expectation, according to the mortality tables. An indication of the increasing surplus in the life funds is afforded by the declaration which the board has been able to make of a larger interim bonus on participating policies. A valuation of the non-participating fund, the surplus in which belongs to the shareholders, was made at the end of the year, and a profit of £15,000 carried to profit and loss.

TEST OF STRENGTH.

It has come to be regarded as a fair test of the strength of an insurance company to analyse to what extent the dividend is provided by the interest on its free funds. Our dividends and debenture payments amounted to £473,500, whereas our free-interest yielded £522,744. The year 1922 did not bear the full annual charge for the dividends on our increased capital, hence it would be unreasonable to expect that the interest revenue will exceed the dividend payments in our next accounts, but the dividend position

is exceedingly strong and full of promise. The figures of trading results, though smaller than in past years, might be regarded as satisfactory were it not for the heavy item of colonial and foreign taxes, but we have passed through a period of abnormal strain in nearly every one of our branches of business, and a return to the conditions of a few years back would produce a very large profit. And so we look ahead with confidence and ask our shareholders to extend their patience as regards an increase in the dividend a little longer. We have written off the cost of acquiring the London Guarantee and Accident Company no less than £250,887, reducing this account to £472,000. We could have removed the item altogether by taking credit for the improvement in our securities to the required extent, and we should still have had in our shareholders' funds a large sum in reserve as unappropriated appreciation.

The report and accounts were unanimously adopted.

ATLAS ASSURANCE COMPANY, LIMITED.

"VERY STRONG FINANCIAL POSITION."

GOOD PROSPECTS FOR THE FUTURE.

The annual general court of proprietors of the Atlas Assurance Company, Limited, was held, on the 27th instant, at the Cannon street Hotel, London, Mr Francis Alexander Johnston (chairman of the company) presiding.

The general manager and secretary (Mr C. H. Falloon) read the notice convening the meeting and the report of the auditors.

The Chairman, in the course of his speech, said: Before dealing with the report and accounts which we are here to-day to consider, I wish to refer, and I do so with deep sorrow, to the loss which this company has suffered through the deaths of two of its directors, Mr Prescott and Captain Hooper. Mr Prescott was a comparatively young man of distinct character and ability, whose family had been actively associated with this company since its foundation in 1808, and he was a colleague to whom we could have confidently looked for more prominent help and guidance in the years to come. Captain Hooper, who joined the board in 1915, was a constant attendant at our weekly meetings, taking a keen interest in the company's affairs and losing no opportunity of advancing its interests in every way he could. We shall miss him and Mr Prescott very much indeed. To fill the two vacancies on the board caused by these lamentable events, the directors have appointed Sir Harold Snagge, of Messrs Edward Boustead and Co., and Mr George Finch Hotblack, of Messrs Grey, Dawes, and Co., two gentlemen whose services we are very fortunate to secure, they being not only, as you know, of proved capacity and influence in the City of London, but also very welcome and helpful colleagues to us on this side of the table. These two appointments I will with very great pleasure submit to you later on for confirmation.

Bearing in mind the difficulties to which business of all kinds is still exposed, I think you will have been not dissatisfied with the results we show to you. One of the most satisfactory features is that our fire premium income has not only been maintained but slightly increased, which compares with a fall of £216,000 in the previous year.

The fire underwriting profit last year was £128,157, against £97,525 in the previous year, or 6 per cent. profit against 4.6 per cent. in 1921, which was an exceptionally bad year for all fire companies. The loss ratio of 50.9 per cent. in 1922, which compares with 54.7 per cent. in 1921, was normal and would, had it not been for the high working charges, have shown a very handsome profit.

EXPENSE RATIO REDUCED.

Nevertheless we have got our ratio of expenses down from 44.7 per cent. to 42.8 per cent. Our vigorous economy campaign is thus bearing fruit, and the efforts of the management are not being relaxed in endeavouring to effect further savings during the current year with, I feel confident, a good prospect of success. It is, indeed, to the reduction of these working expenses that we must look for really satisfactory trading results in the future. This reduction of working costs is the great problem before the industrial and commercial concerns of this country if they are to prosper, and although the great British insurance companies are, thanks to the conservative finance they have pursued during the whole of their history, in an exceptionally favourable position, they, too, will have to leave no stone unturned to reduce their working ex-

penses to the lowest possible point consistently with the efficient conduct of their businesses.

During the year under review we purchased the stock of the Albany Insurance Company, of Albany, New York State, a company whose reputation stands very high in the United States. It was founded in 1811, and has a valuable and profitable fire premium income, amounting to some £100,000 per annum. We are confident that its acquisition is in the best interests of the "Atlas."

ACCIDENT AND MARINE FIGURES.

As regards the accident figures, we have had to face in 1922 a material loss of premium income in the workmen's compensation section. This was due to trade depression, reduced wages, and a reduction in rates. It is, however, satisfactory to be able to say that we have made up this premium loss in other directions, and that the premium income of the accident department has advanced by £6,741. The underwriting profit of £35,828 is the largest the company has so far obtained.

In the marine department we have continued the cautious policy we have pursued from its initiation in 1921. The premium income last year was £114,414, against £85,198 in the previous year. We are content that this should be so whilst the marine market continues to remain in such an unsatisfactory condition as regards rates. The second year settlements on the 1921 account amount to £36,757, making a total settlement to date of £40,812, which is equal to 58.4 per cent. We venture to think that the account will emerge with a reasonable profit. As regards the 1922 account, the first year's settlements were £34,204, which is 29.9 per cent. of the premium income.

LIFE DEPARTMENT.

The life department increases every year in importance, and the management is not only able, but enterprising and energetic. The net new life business in 1922 reached the large amount of £2,713,243, which constitutes a record, our previous highest figure being £1,972,269 in 1920. In 1921 the new business was £1,871,240. We entered during the past year into a contract with Messrs Lever Brothers to insure the lives of their co-partners, and this to a considerable extent accounts for the large increase in new business, but apart from that, our ordinary business expanded. We have been endeavouring in the life department to be progressive without sacrificing any of the essential principles of sound management, and I think we may claim a fair measure of success. Death claims in 1922 were £159,388, as compared with £133,276 in 1921. With a larger business some increase in the amount of death claims is not unreasonable, but the year 1922, so far as profit from favourable mortality is concerned, was worse than 1921 to the extent of £15,000.

I mentioned last year that the directors hoped to declare a bonus as at the end of 1922 instead of waiting until the end of the quinquennium in 1924. That hope has been realised, and bonus notices have now for some weeks been in the hands of with-profit policyholders. The result of the valuation must, I think, be regarded as exceedingly satisfactory.

A BONUS.

In respect of the triennium 1920 to 1922 a bonus has been declared at the rate of £1 10s per £100 per annum, calculated upon the sum assured and existing bonuses. A bonus at that rate compounded every three years (and we should not have declared it unless we had every hope of maintaining it in future) is really very substantial. Taking the average term of a policy as 25 years, it is equivalent to a bonus of £1 15s 6d per £100 per annum, calculated on the sum assured only.

We have declared an interim bonus at the rate of 30s on all policies which become claims or are surrendered during 1923, and towards the end of this year a declaration will be made in regard to 1924. We have distributed materially less than the total profit earned, and whereas in 1919 certain redeemable securities were not written down to their then values, that position was rectified during 1921, with the result that on December 31st last the book values of the Stock Exchange securities held by our life department were £205,000 below their then market value. The net rate of interest earned on our life and annuity fund in 1919 was £4 18 9d per cent., whereas in 1922 it was £5 0s 5d per cent.

PROFIT AND LOSS ACCOUNT.

We bring into the profit and loss account from 1921 £124,375, to which has to be added the profits and interests for the year under review of £296,814, giving us a grand total to deal with of £421,190. Of this amount income-tax, corporation tax, and excess profits duty absorb £72,119. I hope this item will continue steadily to decline, and it should, when next we meet, show a reduction. Interest on debenture stock accounts for £3,443. We have transferred £19,845 to the fire fund, bringing it up to £2,150,000; we transfer £10,000 to the "Essex and Suffolk" staff provident fund, and bring up our contingencies fund to the round sum of £50,000; pay you a dividend of 13s per share, free of tax, and carry forward to 1923 the sum of £145,262, increasing it by just

over £20,000. The dividend you will receive has thus been increased by 1s per share, and we are very glad to be in a position to give you this addition.

The financial position of the company is a very strong one. At £2,150,000 our fire fund is larger than the fire premium income, and the accident and marine funds total over £300,000. We have, in addition, a contingency fund of £50,000; the shareholders' investment fund of £79,275, which, as you will see by the auditors' certificate, is not required, and we carry forward to 1923 the substantial sum of £145,000, which is equal to a year's dividend at 13s per share.

Conditions continue difficult, but business is slowly improving, and while it would be foolish to attempt to predict what our experience in 1923 will be, I think our prospects are not unfavourable. Taxation will be somewhat lower, and the volume of goods to be insured against fire should, with improving trade, increase, and we also hope for some further reduction in working expenses, but what our fire losses may be is on the knees of the gods.

The report and accounts were unanimously adopted, and the formal business was duly transacted.

INDO-EUROPEAN TELEGRAPH COMPANY, LIMITED. THROUGH ROUTE DELAY. DIVIDEND POSITION.

The fifty-sixth ordinary general meeting of the Indo-European Telegraph Company, Limited, was held, on the 25th instant, at the offices, 18, Old Broad street, London, E.C.

Mr J. Herbert Tritton (chairman of the company) presided.

The secretary (Mr John I. Bethell) read the notice convening the meeting.

The Chairman, in moving the adoption of the report and accounts, first referred to the loss the company had sustained by the deaths since the last meeting of two of his colleagues, Mr Charles Holland and Mr Stratford-Andrews. Mr Axel W. Berg, he said, had been appointed acting managing director, and Mr Claude H. Tritton had taken Mr Charles Holland's place on the board.

As to the restoration of the company's through route, with which was bound up their capacity of earning receipts from traffic on an adequate scale, an unfortunate complication had arisen, which, so far, had had the effect of depriving them of their concession from the German Government. The directors had spared no efforts, whether in London or Berlin, to obviate this difficulty, which, however, had proved entirely beyond their power, involving, as it did, important and conflicting interests outside this company. They had been unwillingly, and it appeared unnecessarily, involved in this dispute to their great detriment. At this moment a satisfactory solution had not yet been found. It might come within a few days or it might be delayed for a few months. When it came it would carry with it the reopening of the company's through route and the power to handle international traffic exchanged with the United Kingdom, in addition to the similar traffic with the Continent already being carried. In spite of the fact that the company had been earning little or no revenue since the beginning of the war, the shareholders had nevertheless received satisfactory dividends.

This result had been, in the main, attained by the generous assistance of the company's friends and partners in the Cis-Indian Joint Purse, but the directors had been informed that this assistance could not be continued indefinitely. In the event, therefore, of the difficulties referred to being protracted over a considerable number of months, the shareholders could not expect the dividend to remain at its present level. On the other hand, if, as the directors had reason to hope, these difficulties quickly disappeared, there should be no question as to the continuance of a dividend, and the company would re-enter upon an assured and satisfactory career. It should be borne in mind that the company's capital resources, though probably still adequate for their purpose, had, as a result of the war, been reduced by £350,000.

REOPENING OF WARSAW-TEHERAN WIRE.

The disappointment of the directors at the enforced delay in the resumption of business was all the more keen because, by the most strenuous efforts on the part of all concerned, one wire had been restored between Warsaw and Teheran, and had been earning revenue by carrying in a very satisfactory manner Continental international traffic of a most varied kind, thus indicating the gap which the interruption of the route had left in the telegraph facilities of the world. The reopening of this wire had been accomplished only by the most wholehearted and indefatigable efforts on the part of all concerned. The portion of the route traversing Poland had had to be entirely rebuilt with three wires for a distance of 370 miles and repaired for a further distance of 180 miles. The difficulties in connection with this work had been enormous. The company had been greatly assisted in their work by the Polish and Soviet Governments, but, in addition,

an immense amount of co-ordination between their offices so far apart as Moscow, Warsaw, Odessa, Teheran and London had been required to bring about the result obtained, and the directors felt that great praise was due to the representatives and chiefs of stations abroad, to the chief engineer and staff, and to the management and staff in London. The work in Poland was not yet quite complete, certain sections in Poland and Russia having had to be bridged by the loan of Government wires, but there was no doubt that this summer the entire work would be completed. In the Ukraine circumstances had been more favourable. Only short sections had had to be entirely rebuilt; thorough repair had been sufficient for the remainder. East of Odessa, again, for the most part, only repair had been necessary, and the company's lines were in a fit condition to carry any traffic required. The work on all sections had involved an expenditure of about £170,000 to date, which would, no doubt, eventually be increased to £200,000, but much of this was the accumulation of repairs which, but for the intervention of the war, would have been spread over a period of eight years.

Sir William R. Brooke, K.C.I.E., seconded the resolution, which was carried unanimously, and the retiring directors (Mr Claude H. Tritton, O.B.E., and Mr Axel W. Berg) were re-elected.

NESTLE AND ANGLO-SWISS CONDENSED MILK COMPANY. IMPROVED POSITION AND PROSPECTS.

At the fifty-sixth annual general meeting, held on April 21, 1923, at Cham, Switzerland, the accounts of the company for the year ending December 31, 1922, were adopted by the shareholders.

The chair was taken by W. C. Escher, Esq., who, after referring to the very exhaustive report of the directors which had been issued to the shareholders, pointed out in the course of his speech that the year under review must be regarded as a period of liquidation, and that for that reason the trading results disclosed were too meagre to be looked upon as representing normal figures.

The programme of production for the current year, the conditions under which the purchase of raw materials had been made, and the fact that they had been able to maintain their selling prices in all their markets, enabled them to look forward to the results of the current period with greater confidence than they had last year. In addition to the great reduction in liabilities to their bankers during 1922 mentioned in the report, a further reduction of 18 millions had been effected in the first quarter of 1923, but, as the liquidation of the heavy stocks was now completed and they were working with stocks reduced to the fullest extent that their world-wide sphere of activities would permit, no further reduction in this direction could be looked for for the present.

INCREASE IN SALES.

The fact that they had not had to record a fresh drop in sales for nearly a year, and had even shown a gratifying increase in some markets, made the directors feel that the lowest point of the demand for their products had been reached, and that by constant propaganda and activity, as well as the continued uniformity and excellence of their products, they could look forward to a progressive increase in the consumption of the goods they manufactured. The part played by milk in the dietary of everybody was of continuously increasing importance, and was increasingly recommended by the medical profession.

All the company's depots were in a position to render a good account of themselves, as those of lesser importance and those which had been opened on account of the special situation created by the war and post-war period had been closed, and the directors considered that this system of depots rendered good service in facilitating direct contact with customers and the intensive and energetic development of markets.

INDIAN AND CHINESE MARKETS.

After referring to the future possibilities of such markets which were poorly supplied with fresh milk, as India and China, and when their economic situation would enable their enormous populations to purchase greater quantities of the company's products, the chairman expressed the hope that an increased demand would arise for the company's products in those countries whose currency was heavily depreciated, when their financial situation had improved. The excellent quality of their products had always been the distinguishing characteristic of the company, and, in addition to the regular analysis that was made as a matter of routine at all factories, they had instituted fully-equipped laboratories in all centres of production for bacteriological analysis, and they were fully confident, therefore, of retaining the reputation for perfection in their products that they had always enjoyed.

REORGANISATION OF SERVICES.

The directors had also devoted their efforts to the reorganisation of the company's services, the simplification and centralisation of its accountancy, and the speeding up of all its administrative departments, all of which were obviously of extreme importance to an organisation working in all corners of the globe and with fac-

ories so widespread that the constant alteration in exchange rates and variations in the cost of raw materials and labour had to be continually watched, to enable it to adapt itself to the circumstances of the moment with the least possible delay, and to continually supervise its cost and selling prices.

They were reducing their personnel to the minimum consistent with efficiency, not only in the parent company, but in all those undertakings in which they were interested, and they registered their appreciation of the capacity and zeal shown by the employees in all grades.

They recognised increasingly that articles of prime necessity like the company's products could not fail to attract serious competition, and that in view of the large capital invested in the company their efforts must continually be increasing, their decisions promptly arrived at and their contact with associated undertakings continually drawn closer. They were constantly striving to this end.

NESTLE'S FOOD COMPANY OF NEW YORK.

Dealing with the Nestlé's Food Company of New York, the Chairman remarked that the consumption of condensed milk in the United States exceeded that of the rest of the world, and that they hoped that this American concern would gradually yield satisfactory results, though, as far as could be seen, these would not attain the importance of the enormous services this organisation rendered during the war and the immediately succeeding period.

They were pleased to say that the little factory in Brazil was giving quite satisfactory results, both in the quality of its products and in output, and they looked forward with confidence to its gradual development. The directors' task was a sufficiently heavy one, and they had no intention for the present of extending their activity into new fields.

QUESTION OF RESERVES.

As shareholders were aware, owing to last year's losses, the important reserves that the company had accumulated have been absorbed, and it was desirable, from every point of view, to gradually constitute afresh a new reserve fund in consonance with the company's capital. A conservative policy was called for which would enable the company to replace the reserves which had disappeared, and, with the gradual liquidation of the bank liabilities, would put it back in the front rank to which it was daily progressing. They hoped that the losses of the participations would be gradually recovered, so that the reserve created thereagainst would thus become a real reserve fund to the company, and, in closing, the Chairman remarked that, notwithstanding their misfortunes, the company's goodwill had not suffered in any way in any part of the world.

CONSOLIDATED WATERWORKS OF ROSARIO, LIMITED. INCREASED BUSINESS AND PROFITS.

The twenty-eighth ordinary general meeting of the Consolidated Waterworks Company of Rosario, Limited, was held on the 24th inst., at 52 Moorgate, London, Mr James Anderson (the chairman) presiding.

The Chairman said that it was a great pleasure to the directors to be able to submit a report and statement of accounts showing a substantial advance in the business and profits of the company. The gross income for the past year amounted to £172,997, an increase of £14,357, or 9 per cent. over that of the previous year. Working expenses showed no increase at all, being slightly under those of last year, which was very satisfactory in view of the larger number of services in operation. For that reduction in working costs they were chiefly indebted to economy in fuel, the cost of pumping with oil alone having been found to have an economy of over 20 per cent. as compared with coal. Unless there was a substantial fall in coal, or a rise in the cost of oil, they would continue to use oil in future.

A good deal had been done in the way of capital expenditure during the year, the principal item in hand being the completion of the town tank, which they expected to finish during the current year. The question of capital expenditure had very careful consideration at hands of the board, and had special importance in view of the fact that the works reverted to the municipality without payment at the end of 35 years. They were charging the profits every year with a sum which, at compound interest, would equal the capital invested. As time went on the question would require more and more consideration.

The outlook for the current year was undoubtedly good. There had been a great deal of building going on, as was evident from the large increase in the number of services in the course of the past year. Rosario was the centre of a grain-growing and cattle-raising district. Grain harvests had been pretty good, but the cattle industry had been under a cloud for some time. The rate of exchange continued to be low. The loss they had made last



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year on remitting was £4,347, and would have been larger but for their having used some of their income locally for capital purposes. There seemed little prospect of an early appreciation of the dollar towards its par value.

The Chairman concluded with an expression of appreciation of the work of the staff.

The report and accounts were unanimously adopted.

LONDON TRUST COMPANY, LIMITED. INCREASED REVENUE AND DIVIDEND.

The thirty-fourth annual meeting of the London Trust Company, Limited, was held, on the 26th instant, at Winchester House, Old Broad street, London.

Mr W. Douro Hoare, C.B.E. (chairman of the company), who presided, said that the total revenue for the year amounted to £103,352, as compared with £94,272 in the previous year, an increase of £9,080. The balance of revenue remaining after meeting debenture interest, preferred dividend and expenses, was £45,641, and the balance available from last year was £49,499, leaving a sum of £95,140 to be dealt with. During the year there had not been so great a deduction for income-tax from their dividends as in the previous year, which accounted for a portion of the net increase in the revenue. It was proposed to transfer £10,000 to reserve account and to pay a further dividend of 8 per cent. on the deferred stock, making, with the interim dividend of 4 per cent., 12 per cent. for the year, as compared with 10 per cent. for the previous year, which would absorb £33,750, leaving a balance to be carried forward to next year of £51,390. The reserve account would then stand at £230,000. Taken at the prices ruling on March 29 last, the investments showed a surplus over the amount at which they stood in the balance-sheet, and consequently the reserve account was intact. Although it was not wise to rely too much upon the valuation prices at any given time, shareholders would agree that the present position was most satisfactory, showing as it did that the break-up value of the deferred stock worked out at over 200 per cent., as compared with 134 per cent. on last year's valuation.

There had been some improvement in commercial activity during recent months. There seemed to be some possibility of an improvement in the situation with regard to the Reparations question, and if this were placed on a satisfactory basis, undoubtedly a marked impetus to trade would result. The company was still largely interested in the Argentine, and conditions ruling there had tended to improve. As the exports of the Argentine and Brazil expanded they hoped to see an improvement in the exchange rates, with a consequent beneficial result to the various undertakings working in those countries. The Mexican situation had remained almost stationary, but there was some prospect of progression.

The report and accounts were unanimously adopted.

HOPE BROTHERS, LIMITED. CONFIDENCE IN THE FUTURE.

The 23rd annual general meeting of Hope Bros., Limited, was held, on the 26th inst., at the Cannon street Hotel, London, Mr T. Edward Goodyear (the chairman) presiding.

The Chairman, in moving the adoption of the directors' report and accounts, said he thought the shareholders would agree that the results submitted were satisfactory, though, speaking personally, he might confess to a slight feeling of disappointment that they were

not even more favourable. The conditions of the summer and the past winter were not entirely to the board's satisfaction, but still more perhaps the company had felt the effects of the diminishing spending power of the community. In the great manufacturing districts in the North—where some of the company's most important branches were situated—the reduction in spending power had been especially accentuated. He thought, however, that the general state of trade was somewhat better than for some time past, but if a steady and permanent improvement was to come about we must have more peaceful conditions both at home and abroad. In spite of the difficult conditions which had prevailed, the directors were able to submit a satisfactory balance-sheet, and one which he thought might give shareholders complete confidence in the future as regarded this company. The stock was somewhat lower than a year ago. It was taken at or under cost price, and he was assured by the company's buyers and managers that it had never been in a more healthy condition. The cash position was somewhat stronger and their liabilities were less than last year to the extent of £30,000.

The company opened a branch in Edinburgh in December last, and their Christmas trade there considerably exceeded their expectations. The premises were situated in one of the best positions in Princes street, and the directors had every confidence that the branch would prove a very satisfactory one. At Liverpool they had felt it necessary to purchase the block of buildings of which their branch formed part, and they now held the property from the Corporation of Liverpool for a term of about 49 years at a peppercorn rental. The premises were situated in perhaps the finest position in the city, and, as the owners had decided to sell, the company purchased the property in order to preserve their valuable goodwill.

Mr W. W. Greenslade (deputy-chairman and managing director), in seconding the motion, said he regarded the trading conditions at the present time as being much more favourable than last year. The motion was unanimously adopted.

ANGLO-AMERICAN OIL COMPANY, LIMITED. SUCCESSFUL RESULTS OF YEAR'S TRADE.

The 36th annual general meeting of the Anglo-American Oil Company, Limited, was held on April 25th at 36 Queen Anne's gate, Westminster, London, S.W. 1, at 3 o'clock.

Mr F. E. Powell (chairman) presided.

The secretary (Mr A. H. Hewett) having read the notice convening the meeting,

The Chairman said that owing to improved conditions the net result of the company's business shows satisfactory profits. The value of inventory is less than at the end of 1922, although the quantities in stock are approximately the same. Owing to a revival in industrial activity there has been an increased demand for lubricating oils and other products, with the exception of fuel oil, which has suffered owing to the fall in the price of coal.

DIVIDEND 15 PER CENT.

The directors made the usual provision for depreciation on steamships, plant, &c., amounting to £745,768, and after making provision for income-tax, £435,730, there is a net balance to the profit and loss account of £747,063. On this the directors proposed a final dividend of 2s per share, absorbing £300,000, which would make with the interim dividend of 1s per share in December, 1922, a total dividend of 3s per share, or 15 per cent. for the year, free of tax. The general reserve fund and surplus, amounting to £3,074,039 19s 3d, stood at a figure somewhat larger than a year ago.

FUTURE OUTLOOK.

Since the date of the balance-sheet the favourable trading conditions have continued. The company has entered the candle business by acquiring an interest in the well-known candle company of Messrs J. C. and J. Field, which thus far has given most satisfactory results. The company's fleet of tankers are fully employed, but there are no further vessels building. During the past year \$2,500,000 has been paid into the gold note sinking fund without further borrowing, and a further \$1,250,000 has been remitted this year to meet the call due on these notes due April 1st.

Providing prices and trading conditions remain normal, it is not anticipated that additional capital will be required in the near future, and no arrangements have been made for issuing the fresh capital already authorised by the shareholders. The cash reserves of the company are larger than a year ago, and are sufficient for the company's present needs.

IRISH-AMERICAN OIL COMPANY.

In consequence of the formation of the Irish Free State the company has found it necessary to form the Irish-American Oil Company, Limited, with an authorised capital of £250,000 in 7½ per cent. cumulative preference shares and £250,000 ordinary shares.

This company will absorb the business formerly handled by the parent company in the Free State.

The Chairman concluded by moving the adoption of the report and accounts.

Mr James Hamilton (vice-chairman) seconded the motion, which was carried unanimously.

BIRMINGHAM DISTRICT POWER AND TRACTION COMPANY, LIMITED. IMPROVED FINANCIAL POSITION.

The thirty-ninth ordinary general meeting of the Birmingham District Power and Traction Company, Limited, was held, on the 27th instant, at Electrical Federation Offices, 88 Kingsway, London, W.C., Mr C. Shirreff Hilton presiding.

The acting secretary (Mr P. M. Rosedale) having read the notice calling the meeting and the auditors' report,

The chairman, in moving the adoption of the report and accounts, said that the balance-sheet showed a marked improvement in the financial standing of the company. The overdraft at the bank had been paid off; their available cash resources had been considerably increased, and under the trust deed a further £10,321 of first debenture stock had been redeemed and cancelled, the discount, £2,145, being added to reserve. The total sum redeemed and cancelled was £122,488. Net receipts showed a decrease of £11,000, but the expenses had been reduced by nearly £12,000. Part of the latter was due to a reduction in loan interest and income-tax. The final result was that there was a balance on the year's working of £48,103, compared with £47,391 in 1921. They were paying 5 per cent. on the ordinary shares, and carrying forward £3,959, as compared with £2,981 brought in. Last year they were able to recommend a dividend of 6 per cent., but it would be in the recollection of some of the shareholders that one of the terms of the reconstruction of the capital of the company in 1916 was that 35,000 ordinary shares did not rank for dividend until January 1, 1922. These shares, therefore, had ranked for dividend for the first time this year, and it would have been unwise, in the present state of business, to have paid the full 6 per cent. on the increased capital. The carry forward had, however, been increased, and with the advent of better times, which they expected, there should be no difficulty in a return to a 6 per cent. dividend. When the conditions which prevailed during the year were considered, he thought that the result which the board was putting before the shareholders was a matter for congratulation.

With regard to the Shropshire, Worcestershire, and Staffordshire Electric Power Company, of which they held the main portion of the ordinary shares, there had been a distinct improvement in the latter months of the year in the demand for electrical energy for industrial purposes, and he hoped this was one of the first signs of the industrial revival which they were all so anxiously awaiting. The Electricity Commissioners had made an order establishing that company, jointly with the City of Birmingham, as a Joint Advisory Committee for the supply of electricity in the South-West Midlands Electricity District, as delimited by the Commissioners. This should ensure a further expansion of the Shropshire company's activities in the near future.

The results of the Birmingham and Midland Motor Omnibus Company, of which this company held the whole of the ordinary capital, were good but not so good as last year. The depression which affected the Tramways and Power Company also affected the receipts of the Omnibus Company. The company was paying its usual dividend of 10 per cent., but had found it necessary to reduce the bonus.

Mr R. J. Howley, C.B.E., M.Inst.C.E., seconded the resolution, and it was carried unanimously.

ENGLISH ELECTRIC COMPANY, LIMITED. COMPANY'S WORK IN FOREIGN COUNTRIES.

The fourth ordinary general meeting of the English Electric Company, Limited, was held, on April 25th, at Connaught Rooms, London, Sir Charles E. Ellis, G.B.E., K.C.B., the chairman, presiding.

In moving the adoption of the report and accounts, the Chairman stated that the past year was one of the worst the engineering trade had ever experienced, so that he thought it was a satisfactory result to show a balance on profit and loss account of £318,264, as compared with £363,659 for the previous year. It was proposed to pay a dividend of 5 per cent. on the ordinary shares and to carry forward £68,982, as compared with £55,599 brought forward from 1921. The distribution of their productive activities over a number of works made it possible more easily to adjust productive capacity to the trade situation, and had enabled them to effect with the maximum of advantage and the minimum of disturbance what might otherwise have seemed the too drastic economy of concentrating on four of their factories and temporarily closing down

the fifth. The orders received during the year were in value one-and-three-quarters times those received in the previous year, and in the first three months of this year the improvement had been more than maintained. Last year the bulk of the turnover came from public works owing to the inability of the private buyer to finance new developments, but this year there had been a most encouraging revival in the application of their standard manufactures to steel works, coal mines, and other industries.

Improvements in designs and the development of new lines of machinery had been actively continued, and had assisted the company in obtaining contracts, particularly in electric railway and water-power work. Entire satisfaction had been given by the electric locomotives now in regular operation in the Pyrenees service of the Midi Railway of France. Motor coach equipments had been tested on the Cataluna Railway in the neighbourhood of Barcelona, and others would shortly be working in France, Holland, and Japan. The Japanese Government Railways had decided to adopt the high-tension direct-current system, and had placed with this company an order for 34 electric locomotives, the largest order of the kind ever executed entirely by British manufacturers. The contract had been secured from the Great Indian Peninsular Railway for electrical equipments for the suburban lines in and near Bombay. For India they were building a 15,000 h.p. water turbine, while for Brazil they had an order for one of 25,000 h.p., with the alternator to be driven by it. In this country the steam turbine and internal combustion engine were likely to remain the principal prime movers for the generation of electricity. The report was adopted.

OOREGUM GOLD MINING COMPANY OF INDIA, LIMITED. "GOOD PROGRESS IN 1922."

The ordinary general meeting of the Ooregum Gold Mining Company of India, Limited, was held, on the 27th inst., at Cannon street Hotel, London, E.C. The Hon. Lionel Holland presided, in the absence of Mr Malcolm Low (the chairman of the company).

The Chairman said that excellent work had been done and good progress made in 1922. The tonnage of ore, slimes, and tailings dealt with was over 315,000 tons, against 314,800 tons in 1921; the underground development, 11,179 feet, showed an improvement of some 1,000 feet; very good progress was made in sinking the circular shaft, and last April work commenced on the auxiliary shaft, which, starting at the 50th level, was to go down to the 66th; and the reserves of ore at 420,779 tons showed an increase of 1,500 tons. The mining policy would not admit of further additions to ore reserves during the next two years. After completing the development work down to the 66th level they would rely upon existing reserves to supply revenue, and would proceed with no further development below that level until the circular shaft reached the 52nd and the auxiliary shaft was completed to the 66th level. The reserves were estimated on the most conservative basis, and did not take into account the rich discoveries at the 66th level. The length of the mine was 3,400 feet, and they found the remarkable and encouraging feature that at the 66th level—the deepest attained—already almost 2,000 feet of payable ore of good value existed. These richer deposits at depth could not be mined economically, however, without wholly adequate ventilation at the deepest levels. They must, therefore, now halt with development work until the shafts were completed to the depths required.

The return of fine gold was a record, exceeding by 253 ounces that of 1921. The increased production was much more than counterbalanced, however, by the heavy fall in the price of gold. Had the latter been maintained at its 1921 level the revenue of the past year would have benefited by over £60,000. It was the policy to increase the gold return so as to counteract the reduced price of gold and maintain a satisfactory scale of dividend after meeting capital expenditure. Gold sales produced £451,093, after deducting royalty and refining charges, and the total revenue was £458,569. Against this stood an expenditure of £253,489, or about £16,500 less than in 1921, leaving £205,080 to carry to profit and loss account. With dividends from the Kolar Power and Brickmaking undertakings there was a profit of £210,954 on the year's working. Capital expenditure during the year absorbed £106,329—£55,000 for machinery, plant, and buildings and £51,000 for sinking the circular and auxiliary shafts. They were writing off £20,000 under the former and £30,000 under the latter heading, and £25,000 against the current year's expenditure on mine equipment for the purchase, replacement, and upkeep of the deep mining plant. In the last year's account £60,000 was set aside, and the year before £50,000. After the current year this expenditure would be a diminishing quantity, since the bulk of the plant and equipment would have been obtained and put into use. The proposed final dividends would make the total distribution for the year 3s per share on the preference and 2s per share on the ordinary shares, or 30 per cent. and 20 per cent. respectively, and would bring up

to just under £3,180,000 the total sum paid out by the company by way of dividend since its incorporation.

Referring to their interest at Kharsawan, India, the Chairman said that in the current year they should learn whether the field would be likely to repay serious exploitation.

The report and accounts were unanimously adopted, and dividends as recommended were declared.

SCHWEPPE'S, LIMITED.

IMPROVED POSITION—SUBSIDIARY HOLDING COMPANY.

The twenty-sixth annual general meeting of Schweppes, Limited, was held, on the 26th instant, at Marble Arch House, 1 Connaught place, London.

Sir Ivor Philipps, K.C.B., D.S.O., who presided, said that the accounts showed that in the year under review the company made the largest profit in its history—a result brought about by economy and careful administration. The gross profit showed an increase of £13,000, and the net profit of £101,000 an increase of about £5,000. The summer trade was only a normal one, so that the year's results might be considered highly satisfactory. The export trade was still a restricted one, but the figures showed a slight increase on those of the previous year. The Australian trade was steadily improving. The company's financial position was better than ever it had been, but there was still much leeway to make up. In following a conservative policy of paying fair, but not excessive dividends, by making proper depreciation and setting aside substantial sums to reserve account and to writing down goodwill, the board were gradually but surely improving the property and putting the financial position on a sound footing.

Their export trade had for some years suffered from high shipping rates and foreign exchanges, and they had found it more and more difficult to sell their goods at profitable rates in Colonial and foreign markets, except Australia, where they had their own factory. To meet this difficulty they had under consideration a proposal to form a subsidiary holding company, to be known as Schweppes (Colonial and Foreign), Limited, which would organise companies in countries where they considered it advisable to manufacture locally. The present proposal was that the share capital of the new company should be taken and held by Schweppes, Limited, but if at any time the directors considered it necessary to raise additional capital from the public they would arrange that the shareholders of Schweppes, Limited, should be afforded an opportunity of participating, and be given priority, as far as it was possible, in allotment.

The new Budget, if the Finance Bill passed in its present form, would help the company in two ways—by reducing the corporation profits tax and by reducing the mineral water tax on sweet waters. The directors sincerely hoped that the Chancellor of the Exchequer would reconsider the proposal and remove the whole of the tax to the benefit of the consumer. In any case, the directors proposed to give the company's customers the full benefit of the reduction, whatever it might be, by making a reduction to the trade generally. The report and accounts were unanimously adopted.

GOVERNMENT RETURNS.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £40,000,000 in three months' Treasury Bills dated from Monday to Saturday, April 30—May 5, were opened on April 27, 1923, and the total amount applied for was £61,230,000. Tenders for Monday and Saturday bills at £99 10s 4d and above in full, and for Tuesday to Friday bills at £99 10s 2d, about 65 per cent., and above in full. The average rate of discount for Treasury Bills was £1 18s 7½d. The amounts allotted were as follows:—In bills at 3 months, £35,500,000; in bonds, £4,500,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills. Average Rate.	4½% Treasury Bonds, 1932. Average Price.
Jan. 26. 1923.	(a) 40,000,000	(a) 61,530,000	2 6 3-87	99 7 8
Feb. 2.	(a) 40,000,000	(a) 59,467,000	2 10 1-57	None allotted
Feb. 9.	(a) 35,000,000	(a) 63,590,000	2 9 7-86	99 8 6-4
Feb. 16.	(a) 37,000,000	(a) 49,275,000	2 6 6-31	99 8 4-2
Feb. 23.	(a) 40,000,000	(a) 61,630,000	2 6 2-95	99 9 1-17
Mar. 2.	(a) 40,000,000	(a) 53,770,000	2 2 10-35	99 9 9-6
Mar. 9.	(a) 40,000,000	(a) 57,190,000	2 8 0-32	99 9 7-5
Mar. 16.	(a) 30,000,000	(a) 54,490,000	2 0 0-32	99 9 4-8
Mar. 23.	(a) 50,000,000	(a) 67,230,000	2 0 2-34	..
Mar. 30.	(a) 40,000,000	(a) 69,665,000	2 6 5-2	95 2 0-94
Apr. 6.	(a) 40,000,000	(a) 78,915,000	2 4 3-46	95 2 6-13
Apr. 13.	(a) 35,000,000	(a) 64,256,000	2 0 7-57	95 5 4-1
Apr. 20.	(a) 30,000,000	(a) 59,325,000	1 16 6-04	95 5 0-1
Apr. 27.	(a) 40,000,000	(a) 61,230,000	1 18 7-85	..

(a) Including Treasury Bonds.

4½% Treasury Bonds, 1931-33

Tenders will be received on Friday, May 4, 1923, for Treasury Bonds and Bills to be issued to the maximum amount of £35,000,000. The amount of Treasury Bonds issued will not exceed £3,000,000, but, subject to that limit, the total amount issued will be divided between Bills and Bonds in such proportions as The Lords Commissioners of His Majesty's Treasury may determine.

CURRENCY NOTES ACCOUNT.

(000's omitted.)

Date.	Notes and Certificates Outstanding.	Advances to	Redemption Account.				
			Bankers.	Savings Banks.	Gold and Silver.	Bank of England Notes.	Ratio to Notes.
1914.	21,535	6,302	3,810	18,500	..	491	9,994
Aug. 26.	38,478	169	600	18,500	..	491	9,994
Dec. 30.	103,125	729	159	249	28,500	..	276
1915.	150,144	2,430	64	40	28,500	..	190
Dec. 31.	212,782	8,554	39	675	28,500	..	134
1916.	323,941	15,529	..	570	28,500	..	89
Dec. 31.	356,152	17,182	350	245	28,500	4,000	91
1917.	367,626	16,962	..	..	28,500	19,450	130
Dec. 31.	343,826	15,599	..	..	28,500	19,450	130
1918.	333,824	14,965	..	..	28,500	19,450	130
Dec. 31.	314,382	14,830	..	..	28,500	19,450	130
1919.	326,584	14,568	..	..	28,500	19,450	130
Dec. 31.	300,351	14,255	..	..	28,500	19,450	130
1920.	295,374	13,338	..	..	28,500	19,450	130
Dec. 31.	269,127	12,648	..	..	28,500	19,450	130
1921.	261,337	12,972	..	..	28,500	19,450	130
Dec. 31.	265,616	12,318	..	..	28,500	19,450	130
1922.	267,607	12,428	..	..	28,500	19,450	130
Dec. 31.	265,565	12,330	..	..	28,500	19,450	130
1923.	263,970	12,162	..	..	28,500	19,450	130

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £30,600,000, for 1921 at £317,555,200, for 1922 at £309,988,400, and for 1923 at £270,183,800.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

Balances in Exchequer on 1st April.	Total Receipts into the Exchequer from		Receipts.	
	Apr. 1, 1923.	Apr. 1, 1922.	Week Ended Apr. 21, 1923.	Week Ended Apr. 22, 1922.
Bank of England ..	5,442,665	9,963,424	..	..
Bank of Ireland ..	1,375,502	1,210,106	..	..
REVENUE.	6,818,167	11,173,530	..	..
Excise ..	5,465,000	4,896,000	2,417,000	1,760,000
Motor Vehicle Duties ..	11,497,000	10,218,000	8,908,000	7,438,000
Stamps, &c., Duties ..	1,118,000	690,000	119,000	..
Land Tax, House Duty & Mineral Rights Duty ..	2,670,000	3,951,000	860,000	610,000
Property & Income Tax ..	700,000	533,000	190,000	..
Super Tax ..	210,000	250,000	60,000	50,000
Excise Profits Duties, &c. ..	23,226,000	30,530,000	2,144,000	4,172,265
Corporation Profits Tax ..	5,070,000	1,770,000	200,000	..
Post Office ..	1,490,000	1,046,000	900,000	271,000
Crown Lands ..	2,400,000	2,300,000	..	..
Interest on Sundry Loans ..	2,287,196	227,091	..	..
Other Receipts ..	2,090,997	5,514,302	525,163	864,496
Special Receipts ..	4,624,614	2,966,400	2,600,000	513,000
Revenue ..	68,846,657	63,024,393	30,813,163	16,718,741
Total, Inc. Balance ..	69,664,824	74,197,523	..	..
OTHER RECEIPTS.	..	..	..	..
Temporary Advances Repaid ..	..	200,000	..	..
Under the Unemployment Insurance Act, 1921 ..	500,000	..	220,000	..
Money Raised by Creation of Debt ..	143,960,000	181,033,000	43,925,000	54,650,000
By Treasury Bills for Supply ..	3,150,000	21,400,000	1,150,000	380,000
By National Savings Certificates ..	..	..	..	..
5-15 year, 1925-35 ..	..	54,259,268	..	20,310,575
4%, 1927 ..	..	..	..	..
4%, 1931-33 ..	14,917,923	..	1,916,886	..
Ways and Means Advances ..	44,800,000	76,400,000	12,100,000	10,900,000
Repayments ..	..	3,956	5,381	..
In respect of Issues under Land Settlement (Facilities) Act, 1919 and 1921 ..	..	..	..	..
Total ..	774,998,703	407,575,578	80,125,049	102,959,316

EXPENDITURE AND OTHER ISSUES.

Expenditure.	Total Issues out of the Exchequer to meet Payments from		Issues.	
	Apr. 1, 1923.	Apr. 1, 1922.	Week Ended Apr. 21, 1923.	Week Ended Apr. 22, 1922.
Permanent Charge of Debt ..	3,332,198	3,281,893	205	..
Interest, &c. on War Debt ..	33,674,214	7,969,028	7,969,028	1,065,550
Road Fund ..	398,044	89,000	398,044	89,000
Payments to Northern Ireland Exchequer ..	..	100,000	..	..
Land Settlement ..	9,729	93,564	6,184	14,252
Other Consolidated Fund Services ..	..	38,404	..	..
Supply Services ..	18,100,000	16,000,000	6,000,000	4,900,000
Expenditure ..	55,514,185	51,994,252	14,373,461	6,068,902

OTHER ISSUES.	Total Receipts into the Exchequer from		Receipts.	
	Apr. 1, 1923.	Apr. 1, 1922.	Week Ended Apr. 21, 1923.	Week Ended Apr. 22, 1922.
Temporary Advances—Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 ..	36,891	84,909	..	..
Under the Unemployment Insurance Act, 1921 ..	..	1,010,000	..	190,000
Issues to Meet Capital Expenditure—Under the Housing Act, 1914 ..	..	13,000	..	13,000
Redemption of Debt—Treasury Bills for Supply ..	167,295,000	296,075,000	59,160,000	87,420,000
Principal of National Savings Certificates—(a) Repaid by Issues under Section 59 (6) of the Finance Act, 1920 ..	800,000	1,700,000	..	400,000
(b) Repaid otherwise ..	1,650,000	..	700,000	..
Principal of Exchequer Bonds paid off ..	..	18,136,605	..	..
Principal of National War Bonds ..	15,479,989	..	750,000	..
Other Debt under the War Loan Act, 1914 to 1919 ..	15	..	..	..
Ways and Means Advances Repaid ..	32,967,000	35,250,000	4,850,000	8,750,000
Balances in Exchequer—Bank of England ..	273,743,080	404,264,366	79,833,461	102,841,902
Bank of Ireland ..	1,978,591	2,133,561	22,704	55,414
Bank of Ireland ..	1,275,032	1,177,645	268,884	62,000
Total ..	3,253,623	3,311,206	291,588	117,414
Treasury, April 23, 1923.	..	..	..	..

SCOTTISH UNION & NATIONAL INSURANCE COMPANY.
ESTABLISHED 1824.
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The Bankers' Gazette.

BANK OF ENGLAND.	
Week ended Wednesday, April 25, 1923.	
ISSUE DEPARTMENT.	
Notes issued ..	145,442,670
Government debt ..	11,015,100
Other securities ..	8,734,900
Gold coin and bullion ..	125,692,670
Total ..	145,442,670
BANKING DEPARTMENT.	
Proprietors' capital ..	14,553,000
Reserve ..	3,082,370
Public deposits ..	14,066,105
Other deposits ..	108,641,070
Seven-day & other bills ..	18,446
Total ..	140,300,991

COMPARISON WITH PREVIOUS WEEK AND A YEAR AGO.	
Amount.	Inc. or Dec. on Last Week.
Rest ..	3,082,370
Public deposits ..	14,066,105
Other deposits ..	108,641,070
Government securities ..	8,734,900
Other securities ..	8,734,900
Reserve ..	3,082,370
Note circulation ..	125,692,670
Coin and bullion ..	125,692,670
% of reserve to liabilities ..	20%

THREE MONTHS' RECORD.

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve.	% of Reserve to Liabilities.	Bank Rate.
1923.	£	£	£	£	£	%	%
Jan. 31.	127,491,860	122,018,155	120,924,209	115,027,941	23,923,705	193.3	3
Feb. 7.	127,490,819	121,481,100	121,239,903	114,879,475	24,459,719	198.8	3
14.	127,493,425	120,719,230	126,244,044	119,130,331	25,224,135	200.0	3
21.	127,499,186	122,041,710	128,827,692	121,752,212	25,207,476	199.1	3
28.	127,504,283	123,940,440	131,455,821	126,390,310	23,313,843	173.2	3
Mar. 7.	127,507,927	123,468,110	123,358,994	117,805,931	23,789,817	199.1	3
14.	127,508,777	122,995,975	125,118,275	119,101,680	24,262,802	199.1	3
21.	127,511,520	123,196,570	126,772,490	120,965,136	24,062,950	199.1	3
28.	127,505,162	124,436,610	132,707,654	128,165,807	22,818,552	174.2	3
Apr. 4.	127,501,554	124,095,605	127,086,367	121,608,820	23,155,949	193.1	3
11.	127,517,057	122,910,595	123,988,764	117,328,612	24,356,462	199.1	3
18.	127,520,959	122,380,350	125,918,766	118,705,398	24,830,609	199.1	3
25.	127,519,323	122,779,825	122,647,175	115,810,893	24,490,098	200.0	3

TEN YEARS' RECORD.

At corresponding date with the present week.	April 23, 1913.	May 27, 1914.	April 27, 1921.	April 26, 1922.	April 25, 1923.
Circulation (excl. Bank post bills) ..	28,434,905	28,933,380	128,519,725	121,307,055	122,779,225
Public deposits ..	15,665,316	19,014,809	15,291,989	14,668,583	14,006,105
Other deposits ..	41,179,335	41,248,964	125,968,268	119,698,251	108,641,070
Government securities ..	12,879,827	11,046,570	54,627,043	47,534,146	48,205,684
Other securities ..	33,559,254	41,461,280	86,041,315	78,461,465	67,605,209
Reserve of notes and coin ..	28,218,387	25,463,980	128,848,445	26,015,763	24,490,098
Coin and bullion ..	38,203,292	35,947,360	128,358,165	128,372,818	127,519,323
Proportion of reserve to liabilities ..	49.8%	42.1%	13%	19.8%	20%
Bank rate of discount ..	4.5%	3%	6.5%	4%	3%
Market rate, 3 months' bills ..	3.8%	2.4%	5.1%	2.5%	1.7%
Price of Consols ..	74.3	74.4	34.8	34.8	34.8
Price of silver per oz ..	25.20-22.4	25.17-20	52.00-52.50	47.55-48.20	67.95-68.60
Exchanges ..	£4.83 1/2	£4.79	£3.94 1/2	£4.42 1/2	£4.64 1/2
on Amsterdam ..	12.24-24	12.05-10	11.27-30	11.62-66	11.87-88 1/2
Berlin ..	20.47 1/2	20.49 1/2	25.25-29 1/2	1.218-1.300	130.000-142.000
Clearing house return ..	289,804,000	199,913,000	508,408,000	821,225,000	768,919,000

BANKERS' CLEARING RETURNS.

(000's omitted.)

Week Ending—	Town.	Metropolitan.	Country.	Total.
1923.	£	£	£	£
January 1 to February 28 ..	5,526,218	266,799	475,510	6,268,527
March 7 ..	615,166	32,303	63,481	710,950
14 ..	643,953	27,698	50,946	722,597
21 ..	689,187	28,494	55,569	773,250
28 ..	686,122	29,678	50,901	766,701
April 4 ..	618,126	24,220	40,506	682,852
11 ..	737,961	33,529	67,004	838,494
18 ..	707,062	31,212	59,785	798,059
25 ..	684,471	31,070	53,378	768,919
Total to date 1923 ..	10,332,266	505,003	917,079	12,354,348
Do 1922 ..	11,401,079	518,508	915,591	12,835,178
Increase or decrease in 1923 ..	- 1,068,813	- 13,505	- 98,512	- 1,180,830
Percentage ..	- 9.3%	- 2.6%	- 10.7%	- 9.3%
Total for year 1922 ..	32,780,635	1,574,661	2,806,165	37,161,461
Total for year 1921 ..	30,268,214	1,660,166	3,002,179	34,930,559
Total for year 1920 ..	25,512,421	85,505	1,960,414	27,558,340
Increase or decrease in 1922 ..	+ 2,746,214	+ 1,574,500	+ 843,756	+ 5,164,470
Percentage ..	+ 10.8%	+ 9.5%	+ 43.0%	+ 18.7%

PROVINCIAL CLEARING RETURNS.

	1922.	1923.	Inc. or Dec.	
Aggregate Totals to April 21.	£	£	£	%
BIRMINGHAM	34,826,400	37,261,000	+ 2,434,600	6.9
BRISTOL	21,961,000	18,630,000	- 3,331,000	15.1
DUBLIN	107,588,200	101,389,300	- 6,198,900	5.7
LIVERPOOL	17,734,800	18,469,900	+ 735,100	4.1
LONDON	18,067,000	17,350,500	- 716,500	3.9
MULL	13,278,800	12,665,200	- 613,600	4.6
LEEDS	137,190,100	146,680,900	+ 9,490,800	6.9
LIVERPOOL	237,116,100	245,299,400	+ 8,183,300	3.4
NANCHESTER	29,482,900	31,203,000	+ 1,720,100	5.8
NEWCASTLE-ON-TYNE	10,907,300	10,500,200	- 407,100	3.7
NOTTINGHAM	15,089,200	19,037,500	+ 3,947,700	26.1
SHEFFIELD				

RUSSIAN STATE BANK.

Note-issuing Department.
(In chervonets—000's omitted.)

	April 16, 1923.	Mar. 16, 1923.	Feb. 16, 1923.
Assets.			
Gold in coin and bullion	3,358	1,915	1,246
Foreign bank notes	259	305	455
Drifts in sterling	305	305	245
Bills (less 10 % discount)	973	830	414
Securities covering advances on goods (less 10 %)	1,606	1,140	1,140
LIABILITIES.			
Bank notes	4,700	3,700	2,725
Balance to which notes may still be issued	1,800	947	775

BANK OF ITALY.

(000's omitted.)

	Mar. 31, 1923.	Mar. 20, 1923.	Mar. 10, 1923.	Feb. 28, 1923.	Mar. 31, 1922.	Position May 30, 1924.
Assets.						
Total cash	1,338,926	1,341,703	1,328,686	1,390,379	1,413,139	1,221,875
Italian bills	4,562,366	4,296,596	4,289,661	4,351,674	4,512,491	418,400
Foreign bills	15,362	13,560	13,198	13,180	9,713	81,300
Advances to the Treasury	6,065,262	6,070,190	6,073,513	6,074,703	6,474,341	nll
Other advances	1,870,228	1,814,324	1,822,512	2,189,981	3,317,307	79,715
Securities	407,081	406,853	407,012	406,517	535,394	805,700
LIABILITIES.						
Notes in circulation	11,065,720	12,852,580	12,996,689	13,134,411	14,049,710	1,556,925
Deposits & drafts	1,704,098	1,621,118	1,538,148	1,855,589	1,910,075	193,975

NETHERLANDS BANK.

(000's omitted.)

	April 23, 1923.	April 16, 1923.	April 10, 1923.	April 3, 1923.	April 24, 1922.	Position May 30, 1924.
Assets.						
Gold	581,790	581,790	581,790	581,790	605,889	163,092
Silver	8,281	8,075	8,075	8,075	5,608	8,436
Depts. & advances	393,405	397,202	403,845	419,489	406,101	165,504
LIABILITIES.						
Notes in circulation	940,988	955,987	959,302	965,384	987,228	316,632
Deposits	35,373	38,337	41,843	55,975	35,098	5,016

NATIONAL BANK OF ROUMANIA.

(000's omitted.)

	Mar. 24, 1923.	Mar. 17, 1923.	Mar. 10, 1923.	Mar. 3, 1923.	Mar. 25, 1922.
Assets.					
Gold	533,079	533,079	533,079	533,079	495,459
Silver, &c.	763	801	791	791	356
Government loan	12,557,650	12,556,706	12,548,016	12,563,007	12,552,798
Other advances	4,867,515	4,811,599	4,804,242	4,714,717	2,770,220
LIABILITIES.					
Notes in circulation	15,420,661	15,483,781	15,455,060	15,390,829	13,750,966
Deposits	7,239,371	7,121,395	7,129,920	7,121,491	6,231,469

SWISS NATIONAL BANK.

(000's omitted.)

	April 23, 1923.	April 16, 1923.	April 10, 1923.	Mar. 31, 1923.	April 22, 1922.	Position May 31, 1924.
Assets.						
Gold	638,544	633,694	633,224	633,901	645,162	171,176
Silver	104,424	104,623	104,724	104,702	108,020	18,360
Depts. & advances	6,365	10,220	10,201	10,357	17,562	32,466
LIABILITIES.						
Notes in circulation	862,252	872,215	900,879	920,231	765,176	875,925
Deposits	269,996	294,117	253,979	211,167	268,551	33,750

The Monthly Statement of the Swiss Federal Loan Bank (Da-lehenkasse) shows that up to March 31, 1923, total issues were Fr. 17,755,090, of which Fr. 10,356,920 was held by the Swiss National Bank.

BANK OF SWEDEN.

(000's omitted.)

	April 21, 1923.	April 14, 1923.	April 7, 1923.	Mar. 31, 1923.	April 22, 1922.	May 24, 1924.
Assets.						
Gold	273,479	273,497	273,562	273,598	274,325	104,918
Balance abt. and foreign bills	63,503	68,420	77,166	90,214	77,172	112,172
Swedish and for. Gov. securities	148,367	145,036	145,124	136,421	72,208	32,466
Discounted loans	353,695	376,326	387,892	369,632	496,719	118,668
LIABILITIES.						
Notes in circulation	513,517	532,374	549,220	586,990	543,002	226,555
Deposits at notice	270,181	279,161	274,661	260,254	317,318	369,660

NATIONAL BANK OF BELGIUM.

(000's omitted.)

	April 19, 1923.	April 12, 1923.	April 5, 1923.	Mar. 29, 1923.	April 20, 1922.	Position May 28, 1924.
Assets.						
Gold (gold & silver)	347,342	346,726	345,792	345,220	327,286	322,550
Foreign bills	668,856	686,427	671,535	703,191	446,972	697,600
Securities	6,858,492	6,913,047	6,900,444	6,884,334	6,297,288	9,34,150
Current accounts	303,110	277,806	323,501	316,167	732,176	112,126

AUSTRIAN NATIONAL BANK.

(000's omitted.)

	April 15, 1923.	April 7, 1923.	Mar. 31, 1923.	Mar. 15, 1923.	Mar. 15, 1922.
Assets.					
Gold	1,425,077,309	1,340,224,141	1,336,384,566	1,266,106,847	85,142,270
Foreign bills	825,322,865	825,322,865	820,396,210	820,396,210	686,023,475
Bills discounted	2,550,158,947	2,550,158,947	2,550,158,947	2,550,158,947	2,550,158,947
Treasury bills	1,611,933,149	1,074,183,854	1,020,122,487	995,770,579	995,770,579
Other assets	4,388,767,473	4,310,074,307	4,459,117,216	4,258,053,371	326,568,007
LIABILITIES.					
Notes in circulation	469,299,760	487,435,706	329,108,615	326,568,007	601,601,937
Deposits	869,768,361	781,948,667	727,626,876	601,601,937	601,601,937

HUNGARIAN BANK.

(000's omitted.)

	April 15, 1923.	April 7, 1923.	Mar. 31, 1923.	Mar. 23, 1923.	April 15, 1922.
Assets.					
Gold coin and bullion	22,792	22,762	22,718	22,672	13,138
Silver coin, &c.	595	595	595	595	595
Bills, warrants, drafts, &c.	73,464,691	72,499,738	71,281,230	67,146,472	24,919,945
Loans	1,861,216	1,862,791	2,584,380	2,583,753	1,639,530
LIABILITIES.					
Notes in circulation	88,104,837	83,533,926	82,205,017	76,276,436	29,972,746
Deposits	10,379,735	11,994,967	11,152,134	9,714,293	2,637,142

NATIONAL BANK OF DENMARK.

(000's omitted.)

	Mar. 31, 1922.	Feb. 28, 1922.	Jan. 31, 1922.	Dec. 31, 1921.	Mar. 31, 1921.	Position May 30, 1924.
Assets.						
Gold and bullion	228,237	228,237	228,237	228,237	228,237	76,644
Loans & discounts	409,785	404,445	482,186	467,599	444,618	88,470
Debtors abroad	1,732	3,714	9,906	5,933	18,232	24,102
Securities	11,347	11,401	11,441	13,593	18,322	11,988
LIABILITIES.						
Circulation	469,633	447,916	442,872	459,354	446,163	157,266
Deposits	66,082	70,804	164,744	163,710	132,092	6,696

BANK OF NORWAY.

(000's omitted.)

	April 16, 1923.	April 7, 1923.	Mar. 22, 1923.	April 15, 1922.	Position May 30, 1924.
Assets.					
Gold and bullion	147,289	147,289	147,289	147,289	44,224
Balance abroad and foreign bills	23,428	23,491	23,822	40,537	28,533
Norwegian & Foreign Government securities	9,404	9,404	9,404	10,085	8,816
Discounts and loans	459,842	456,105	457,066	442,645	76,911
LIABILITIES.					
Notes in circulation	363,554	364,411	356,007	390,126	113,844
Deposits at notice	165,510	160,437	171,961	133,816	7,188

Through Royal resolution of February 3, 1922, it has been resolved that the extraordinary right of issuing bank notes has been reduced from 50 millions to 25 millions from February 4, 1922 (this day included).

IMPERIAL BANK OF INDIA.

(000's omitted.)

	Mar. 30, 1923.	Mar. 23, 1923.	Mar. 16, 1923.	Mar. 9, 1923.	Mar. 2, 1923.	Mar. 26, 1922.
Assets.						
Govt. securities	8,25,39	8,17,81	8,02,55	8,00,81	8,15,88	9,03,54
Other securities	1,21,89	1,21,89	1,25,23	1,25,23	1,25,23	1,28,23
Loans	15,78,94	17,55,30	17,23,15	17,59,47	17,81,27	18,11,46
Cash credits	31,30,33	29,60,92	29,27,69	29,23,96	29,34,80	29,13,51
Inland bills	8,62,36	8,71,79	8,37,65	8,62,37	8,19,23	8,98,97
Foreign bills	23,47	24,781	24,781	20,86	26,58	3,45
Dead stock	45,26	36,50	37,23	40,10	38,71	39,81
Sundries	10,69	7,36	76,60	71,85	25,61	12,00
Balance with other banks	14,44,21	15,49,13	13,90,47	13,69,15	14,24,00	20,47,60
LIABILITIES.						
Subscribed capital	11,25,00	11,25,00	11,25,00	11,25,00	11,25,00	11,24,12
Capital paid up	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50	5,62,28
Reserve	4,22,50	4,22,50	4,22,50	4,22,50	4,22,50	4,01,79
Public deposits	20,53,17	20,71,05	17,08,11	16,62,94	16,91,35	20,07,79
Other deposits	53,61,86	52,35,71	53,85,26	54,67,16	55,60,62	57,08,44
Loans against securities	86,25	11,25	27,75	27,75	27,75	32,46
Sundries	1,05,98	86,35	62,61	78,27	73,13	89,44
The above includes—						
Deposits in London	4	232	660	6	372	59
Advances in London	872	377	402	401	403	279
Cash, &c., at other banks in London	66	43	505	474	166	74

NATIONAL BANK OF EGYPT.

(000's omitted.)

	Feb. 28, 1922.	Jan. 31, 1922.	Nov. 30, 1921.	Feb. 28, 1921.	Position May 31, 1924.
Assets.					
Gold	3,361	3,367	3,362	3,361	1,571
Government securities	39,623	39,963	42,149	38,928	2,084
LIABILITIES.					
Notes in circulation	30,085	30,800	33,007	32,549	2,400
Government deposits	9,690	9,461	8,196	2,811	2,315
Other deposits	11,894	12,279	12,043	12,281	2,660

By authority of the Egyptian Government British Treasury Bills were deposited in lieu of gold.

BANK OF FINLAND.

(000's omitted.)

	April 14, 1923.	April 7, 1923.	Mar. 31, 1923.	April 15, 1922.	Position May 30, 1924.
Assets.					
Gold	42,704	42,704	42,704	42,625	35,091
Balance abroad and foreign bills	874,884	859,321	879,061	137,451	90,379
Finland and Foreign Government securities	585,532	585,533	585,533	778,565	21,826
Discounts and loans	723,806	737,645	705,017	766,683	105,151
LIABILITIES.					
Notes in circulation	1,505,612	1,538,671	1,555,128	1,432,915	123,941
Deposits at notice	469,937	439,229	405,261	71,006	21,225

POLISH NATIONAL BANK.

(000's omitted.)

	April 10, 1923.	Mar. 31, 1923.	Mar. 20, 1923.	Mar. 10, 1923.	April 10, 1922.
Assets.	Polish Marks.	Polish Marks.	Polish Marks.	Polish Marks.	Polish Marks.
Gold.	41,697	41,681	41,492	41,440	29,134
Silver.	44,187	44,161	44,156	44,152	43,639
Foreign coin.	(a) 18,191	(a) 17,975	(a) 18,157	(a) 18,321	146,747
Foreign banks.	(a) 33,829	(a) 34,774	(a) 33,929	(a) 39,994	439,019
Advances to the Govt.	182,500,723	175,204,030	139,300,400	1,240,500,000	227,100,000
Private loans and discounts.	363,999,127	359,381,002	327,807,351	314,227,030	52,040,173
Notes in circulation.	186,905,470	184,127,5619	147,271,2199	1,301,455,361	257,334,410
Deposits.	458,250,723	417,600,344	359,234,577	356,021,076	59,278,222

CURRENT RATES IN NEW YORK.

The Irving Bank—Columbia Trust Company cable the following money and exchange rates in New York:—

	Apl. 20, 1922.	Mar. 22, 1923.	Mar. 29, 1923.	Apl. 5, 1923.	Apl. 12, 1923.	Apl. 19, 1923.
Call money.....	3 1/2	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2
Time money (90 days' mixed call).....	4 1/2	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2
Bank acceptances.....	3 1/2	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2
Members—eligible, 90 days.....	3 1/2	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2
Non-members—eligible, 90 days.....	3 1/2	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2
Insoluble, 90 days.....	3 1/2	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2
Commercial accept., 90 days.....	4 1/2	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2

CENTRAL AMERICAN EXCHANGE RATES.

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

Country.	Par Value.	Usance.	Year, 1923.	Rate.
Buenos Aires to \$1.....	10.00	Sight London	Apl. 21	14.90
Bolivia to \$1.....	25.25	"	Apl. 24	24.40
Bolivia (Bogota) to \$1.....	100	"	Apl. 17	99.50
Bolivia to \$1.....	4.8665	"	Apl. 10	4.80
Bolivia to \$1.....	9.73	"	Apl. 13	9.50
Bolivia to \$1.....	90.23	"	Apl. 21	271
Bolivia to \$1.....	10.45	"	Mar. 10	21.85
Bolivia to \$1.....	19.20	"	Mar. 17	17 1/2

ESTHONIAN EXCHANGE RATES.

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

Reval on		Apl. 9, 1923.	Apl. 11, 1923.	Apl. 13, 1923.	Apl. 16, 1923.	Apl. 18, 1923.
London (cheque).....	£1	Selling. 1.585	Selling. 1.584	Selling. 1.584	Selling. 1.584	Selling. 1.584
New York.....	\$1	339.50	339.50	339.50	339.50	339.50
Berlin.....	100 Rmk	1.64	1.64	1.63	1.63	1.52
Stockholm.....	100 Kr	9.030	9.030	9.040	9.050	9.045
Copenhagen.....	100 Kr	6.480	6.455	6.425	6.415	6.410
Paris.....	100 Fr	2.255	2.260	2.280	2.280	2.250
Amsterdam.....	100 Hfl.	13.375	13.325	13.325	13.350	13.310
Riga.....	100 Lrb	1.34	1.34	1.34	1.34	1.34
Warsaw.....	100 Zlot	1.630	1.700	1.715	1.710	1.695

LATVIAN EXCHANGE RATES.

Reval on	Lat. for	Mar. 21, 1923.	Mar. 27, 1923.	Mar. 28, 1923.	Mar. 31, 1923.	Apl. 4, 1923.	Apl. 11, 1923.	Apl. 18, 1923.
London.....	£1	24.19	24.14	23.90	23.86	24.08	23.88	23.90
New York.....	\$1	5.15	5.15	5.10	5.10	5.16	5.14	5.13
Berlin.....	100 Rmk	34.00	34.36	33.35	33.35	33.90	34.20	34.00
Stockholm.....	100 Kr	29.50	29.40	28.50	28.65	29.45	29.30	29.05
Copenhagen.....	100 Kr	95.42	95.15	94.13	94.14	95.10	94.76	92.71
Paris.....	100 Fr	25.75	25.85	24.75	25.40	26.25	26.05	25.80
Amsterdam.....	100 Hfl.	137.09	137.08	134.20	134.39	137.09	136.42	136.49
Riga.....	100 Lrb	94.25	93.65	90.45	90.45	93.70	92.95	92.55
Warsaw.....	100 Zlot	100.50	100.60	96.85	96.10	101.25	100.35	99.70
London.....	100 Rmk	15.75	15.75	15.00	15.00	15.85	15.60	15.75
Amsterdam.....	100 Hfl.	203.45	203.07	203.03	200.75	202.83	200.81	201.18
Berlin.....	100 Rmk	2.55	2.55	2.25	2.20	2.50	2.50	2.40
Stockholm.....	100 Kr	14.50	14.40	13.50	13.50	14.40	14.30	14.45
Paris.....	100 Fr	1.53	1.53	1.47	1.47	1.53	1.53	1.53
Warsaw.....	100 Zlot	1.65	1.65	1.50	1.50	1.65	1.65	1.65
Kovno.....	100 Lrb	52.00	52.00	50.00	50.00	52.00	52.00	52.00

Note.—The unit of Latvian money is the Lat, equal to one gold franc.

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates:—

	Union of South Africa.		Union of South Africa.	
	From Feb. 26, 1923.		From Feb. 24, 1923.	
	London on South Africa.		South Africa on London.	
	Buying.	Selling.	Buying.	Selling. (a)
T.T.	2 1/2 % prem.	2 1/2 % prem.	2 1/2 % dis.	1 1/2 % dis.
30 days ..	1 1/2 % " "	1 1/2 % " "	1 1/2 % " "	1 1/2 % " "
60 days ..	1 1/2 % " "	1 1/2 % " "	1 1/2 % " "	1 1/2 % " "
90 days ..	1 1/2 % " "	1 1/2 % " "	1 1/2 % " "	1 1/2 % " "
120 days ..	1 1/2 % " "	1 1/2 % " "	1 1/2 % " "	1 1/2 % " "

* No premium allowed on amounts under £100.
 (a) No discount allowed on sales of T.T. or demand drafts under £50.
 † Plus ad valorem duty.

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

	London on Australia and New Zealand.				Australia and New Zealand on London.			
	Buying.		Selling.		Buying.		Selling.	
	Aus- traill.	New Zeal'nd.	Aus- traill.	New Zeal'nd.	Aus- traill.	New Zeal'nd.	Aus- traill.	New Zeal'nd.
1891	..	..	..	..	..	..	..	..
1892	..	..	101 1/2	101 1/2	98 1/2	98 1/2	100 1/2	100 1/2
1893	96	96	100 1/2	100 1/2	98 1/2	98 1/2	99 1/2	99 1/2
1894	97 1/2	97 1/2	..	..	97 1/2	97 1/2	99 1/2	99 1/2
1895	97	97	..	..	97 1/2	97 1/2	99 1/2	99 1/2
1896	96 1/2	96 1/2	..	..	97 1/2	97 1/2	99 1/2	99 1/2
1897	..	..	..	..	97 1/2	97 1/2	99 1/2	99 1/2

INDIAN TREASURY BILLS.

Tenders for Rs. 25,00,000 three months', Rs. 25,00,000 six months', and Rs. 25,00,000 nine months' bills were opened on April 20th. Tenders for three months' bills amounted to Rs. 20,00,000, and were all rejected. Tenders for six months' bills amounted to Rs. 70,00,000. Tenders at Rs. 97.14 as per cent. (equivalent to a discount rate of 4.3423 per cent. per annum) received about 99 per cent. Tenders for nine months' bills amounted to Rs. 75,00,000. Tenders at Rs. 96.12 as per cent. (equivalent to a discount rate of 4.4789 per cent. per annum) received about 62 per cent. Intermediate bills for three months are offered for sale in India from April 21st to April 27th at Rs. 98.15 as per cent. Tenders were received on April 27th for Rs. 25,00,000 three months', Rs. 25,00,000 six months', and Rs. 25,00,000 nine months' bills for issue during the week beginning April 28th.

Outstanding with public 21,63,45,000 17,53,85,000
 In paper currency reserve 49,65,00,000 49,35,00,000

Total 71,28,45,000 67,18,85,000
 India Office, April 26, 1923.

IMPORTS AND EXPORTS OF GOLD.

Imported into the United Kingdom.	Exported from the United Kingdom.
Countries from which Consigned.	Countries to which Exported.
Belgium.....	£ 140
U.S.A.....	2,148
British South Africa.....	627,339
	£ 569,902
	2,850
	3,399
	11,685
	288
Total declared value of imports.....	629,627
	588,124

Messrs Samuel Montagu and Co. write, on April 25th, as follows:—

GOLD.

The available gold supplies were divided between America and India, the former taking the larger proportion. Gold valued at \$2,250,000 has arrived in New York from London. The following were the United Kingdom imports and exports of gold during the month of March, 1923: Imports, £4,346,442; exports, £4,635,587. India's foreign trade during March was as follows:—Imports, private merchandise, 18,54 lacs of rupees; exports, including re-exports, 32,63; net imports of private treasure, 7.19. The balance of trade, including Council bills and encased papers, is Rs. 7.06 lacs in favour of India. The following are the figures for the foreign trade of British India for the financial year 1922-23, as compared with the previous year:—

	1921-22.	1922-23.
Imports.....	26,635	23,259
Exports.....	23,138	29,885
Re-exports.....	1,406	1,516

The balance of trade in favour of India was 2,832 lacs of rupees, as compared with an adverse balance of 3,180 lacs of rupees in the previous year.

SILVER.

During the week the tendency of prices has been upward. The key to the present situation is continued inquiry from China, chiefly directed upon the American market. The speculative position in Shanghai (equivalent to bulling silver), is really large, and cannot be considered as founded upon trade requirements. Possibly some of the attitude of Chinese operators may be ascribed to a measure of uneasiness as to the political situation, the tortuous vagaries of which are perennial. As a consequence of the market being bereft of supplies from America, the moderate orders from the Indian bazaars had considerable effect upon prices. A considerable premium for immediate delivery is quoted in Bombay—the price for cash is cabled to-day as 85 1/2d, and for forward delivery 82 1/2d, per 100 only at rising rates. A further purchase of 1,500,000 ounces of silver under the Pittman Act was announced from Washington on the 13th inst., making the total amount bought under the Act up to that date 180,680,995 ounces.

INDIAN CURRENCY RETURNS.

(In Lacs of Rupees.)

	Mar. 31, 1923.	Apl. 7, 1923.	Apl. 15, 1923.
Notes in circulation.....	17,470	17,427	17,312
Silver coin and bullion in India.....	8,706	8,663	8,548
Silver coin and bullion out of India.....	2,432	2,432	2,432
Gold coin and bullion in India.....	5,748	5,748	5,748
Gold coin and bullion out of India.....	584	584	584
Securities (Indian Government).....	584	584	584
Securities (British Government).....	584	584	584

No silver coinage was reported during the week ending 15th inst. The stock in Shanghai on the 21st inst. consisted of

about 29,200,000 ounces in sycee, 39,000,000 dollars, and 410 silver bars, as compared with about 29,700,000 ounces in sycee, 37,500,000 dollars, and 1,700 silver bars on the 14th inst. The Shanghai exchange is quoted at 35 2d the tael.

GOLD AND SILVER PRICES.

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

		Gold.	Silver.		Silver.
		Per Ounce.	Cash, Per Ounce.	Forward, Per Ounce.	Cash, Per Ounce.
1923.					
April 21..	88 5	32 1/2	32 1/2	May 4, 1917	38 1/2
23..	88 8	32 1/2	32 1/2	3, 1918	49 1/2
24..	88 8	32 1/2	32 1/2	2, 1919	48 1/2
25..	88 8	32 1/2	32 1/2	April 30, 1920	64 1/2
26..	88 10	32 1/2	32 1/2	29, 1921	34 1/2
27..	89 1	32 1/2	32 1/2	28, 1922	34 1/2

NOTICES.

Messrs Guinness, Mahon and Co., bankers, of Dublin, have reopened their London office, temporarily closed during the war, at 20 Bishopsgate, E.C. 2, and cheques marked payable at 81 Lombard street should be presented at the former address for encashment on and after the 30th instant.

Barclays Bank, Limited, announce that they have transferred their office at Bridgwater from No. 1 Fore street, to No. 10 Cornhill, Bridgwater, under the management of Mr H. W. Heymer.

The National Provincial and Union Bank of England, Limited, announce that a branch of the bank is now open at 137, City road, E.C. 1, under the management of Mr S. H. Anson.

Branches of the Commercial Bank of Australia, Limited, have been opened at South St. Kilda, Victoria, and Enmore, New South Wales.

The Commercial Banking Company of Sydney, Limited, have opened branches at Copmanhurst and Tarcutta in the State of New South Wales.

Mr W. F. Sparham, who was recently appointed manager of the London office of the Union Bank of Canada, arrived on the Aquitania on Monday, April 16th.

RHODESIAN GOLD OUTPUT.

Month.	1920.	1921.	1922.	1923.
January.....	211,851	293,794	240,056	261,310
February.....	250,020	288,225	304,488	237,018
March.....	199,881	134,932	257,556	211,379
April.....	206,934	221,336	265,591	..
May.....	403,255	225,821	275,562	..
June.....	194,194	238,200	247,161	..
July.....	313,126	279,269	263,918	..
August.....	241,270	266,151	271,142	..
September.....	231,228	271,452	240,846	..
October.....	249,085	263,374	255,619	..
November.....	282,237	306,636	261,646	..
December.....	272,470	267,005	240,084	..
Total Gold.....	3,066,549	3,217,275	3,111,469	..

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

MINING OUTPUT STATISTICS FOR MARCH, 1923.

	Tons Crushed.	Gold Recovered.	Value.	Profit.
	Mill.	Crude.	Crude.	Total.
Gold.	Tons.	Tons.	Ozs.	Ozs.
Quro Preto.....	7,300	4,925	2,824	12,551
Walhi.....	16,132	4,968 (gold)	44,474 (silver)	..
	Output.	Other Notes in Return.		
Naraguta.....	45	Despatched 48 tons.		
Ranong.....	263	First half April.		
Chinese Engineering.....	85,380	Week ended April 14th.		
East Kent.....	4,225	Week ended April 21st.		
Witbank.....	55,289	..		

BRITISH AUSTRALIAN BROKEN HILL.—Cabled mill returns for the fortnight ended April 21st:—7,002 tons crude ore produced 1,150 tons lead concentrates, containing 729 tons lead and 31,050 ozs silver; also 1,000 tons zinc concentrates, assaying 85 per cent. lead, 95 ozs silver per ton, and 44 per cent. zinc. 180 tons carbonates raised. One day's stoppage.

MOUNT MORAN GOLD MINING Co.—For the four weeks ending April 17th treated 3,750 tons Mount Moran ore, 115 tons Many Peaks ore, 4,546 tons concentrates, and 3 tons of purchased ore and secondary products. Produced 422 tons of blister copper, containing 418 tons copper and 5,088 ozs gold, including 2 tons copper and 1 oz gold from Many Peaks, also 1 ton of copper and nil ozs gold from purchased ore and secondary products. Concentrator treated 14,375 tons ore for a production of 4,335 tons of concentrates, containing 249 tons copper and 2,811 ozs gold. In addition to the above production have made on hand containing 9 tons copper and 94 ozs gold. Decreased output due to Easter holidays.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash. * Interim div.	Date of Payment.	Method of Payment.	Lat's Pre-vious Years.	Dividend for Whole Years.
Railways.					
Belfast and County Down	3½	July 1	Less tax	6	5
South Indian	..	..	..	..	..
Banks.					
Agricultural Bank of Egypt, Ord. Do Deft.	..	..	..	8½	8
British Bank of S. America	10/ p.a.	May 4	Subject to tax	24/6 p.a.	20 p.a.
Farmers' Loan and Trust	6½	May 1	Quarterly	..	..
Royal of Australia	10	..	..	..	..
Union of Canada	2½	June 1	..	18	17
Union of Scotland	..	..	..	..	..
Insurance.					
City Fire Office	15½	(£ bonus 5%)	Less tax	25	15
Commercial Union	12/6 p.a.	May 15	Tax free	22/6 p.a.	20 p.a.
London	..	..	Tax free	30	28
Pioneer Life	..	..	Less tax	6½	5
Provincial	12/ p.s.†	May 29	Less tax	10	10
Royal	12/ p.s.†	May 29	Less tax	23/ p.s.	22 p.s.
Royal Exchange	10 ½	..	Less tax	18	18
South British	10 p.s.*	..	..	..	..
Standard Life	10 ½	May 15	Subject to tax	10/6 p.s.	10 p.s.
Wardens	10½	..	Tax free	15	15
Yorkshire (fully paid)	9/ p.s.†	..	..	14/ p.s.	14 p.s.
Do, Part paid	4/6 p.s.†	..	..	7/ p.s.	7 p.s.
Tea and Rubber.					
Amalgamated Rubber	24½	May 15	Tax free	7½	nil
Anglo-Dutch of Java	5½	May 15	Less tax	..	..
Anglo-Malay Rubber	4½	May 7	Less tax	..	..
Ayer-Kuning (F.M.S.) Rubber	..	..	Less tax 5/3 in £	7½	nil
Bagan Serai	..	..	..	10	10
Bandarapolo Ceylon	..	..	..	5	2½
Devilvult Rubber and Tea	..	..	..	6	nil
Eastern Crocod. and Estates	18½	..	..	23	15
East India and Ceylon Tea	..	May 31	Less tax	15	nil
Grand Central Rubber	..	..	..	5	6
Heawood Tin and Rubber	..	May 12	Less tax	12½	5½
Highlands and Lowlands	5*	May 9	Less tax 4/10½ in £	7½	2½
Lanka Plantations	..	..	..	1 p.s.	..
Map, Kacana Rubber	10½	..	Less tax 4/10½ in £	..	..
Maturate Tea	20½	(£ bonus 10%)	..	40	nil
New Sylhet Tea	10½	May 7	Less tax 4/7½ in £	..	..
Pernambang Rubber	24½	..	..	25	..
Pundaloia Tea	17½	..	..	..	..
Rosehaugh Tea	14½	..	..	18	10
Scottish Ceylon Tea	10 (£ bonus 10%)	..	Tax free	30	30
Standard Tea Ceylon	..	..	..	8	nil
Sungei Chok Rubber	..	..	..	8	nil
Sungei Choh	..	..	..	5	nil
Yam Seng, Pref.	..	..	..	..	..
Mining.					
Arizona Copper	1/ p.s.	May 31	Tax free	..	..
Arayaay Mines in Bolivia	5½*	May 1	..	1 p.s.	1/6 p.s.
Barro Colorado Mines	1/6 p.s.	May 15	Less tax	..	..
Southern Perak Dredging	1/ p.s.	June 1	..	..	..
Wahli Gold	2½	June 2	Subject to tax	..	..
Woluhuter Gold	..	..	..	..	..
Other Companies.					
A. W. Gam ge	..	May 4	Tax free	1½ p.s.	7 p.s.
Alabama Coal and Iron Land	4½	..	..	14 p.s.	27 p.s.
Andrew Knowles and Sons	10½	May 11	Tax free	15	15
Anglo-American Oil	10½	..	..	15	15
Anglo-Chilian Nitrate	3½*	May 1	Less tax	..	..
Avemore Station Hotel	..	..	..	6	..
Bickerts' Brewery	..	..	..	11	12½
Birmingham District Power	..	..	..	6	..
British Electric Transformer	..	..	..	11	6
British Thomson-Houston	1/3 p.s.	May 16	Tax free	10	11
Buenos Ayres Trams	6½	(£ bonus 1½%)	Tax free	11	11
Calcutta Electric Supply	5½	..	..	10	10
Carlton Milk Cellery	..	..	..	4	..
Catalinas Warehouses, Pref.	..	..	..	10	10
City of London Real Property	12½	..	..	16	15
Consolidated Trust, Defd.	10	April 26	Less tax	6½	..
Crosswell's Cardiff Brewery	5/ p.s.*	April 30	Less tax	..	..
De Wille and Co.	6½	June 1	..	10	9
Egyptian Delta Land	5½*	May 15	Less tax 5/ in £	..	..
Ever Ready Co. (G.B.)	5½*	May 30	Tax free	..	..
Grand Hotel, Eastbourne	..	..	..	2½	..
Horden Collieries	21½	May 1	..	5	6
International Lighting	12*	..	..	..	..
International Electricity	..	..	..	..	..
Investors' Mort. Security	..	..	..	..	..
Jabez Johnson, Hodgkinson, Defd.	1/ p.s.*	May 31	Less tax	..	..
Joshua Hoyle and Son	1/6 p.s.*	April 23	Less tax	10	10
Kenwood and Court	5½*	..	..	..	..
Windsor Property Bldg.	1/ p.s.*	..	..	7½	5
Lloyds Packing Warehouses	..	..	..	25	25
Madras Electric Trams	1/3 p.s.	May 3	Less tax	8	..
Maypole D. Iry, Def.	7/ (per 10s. free)	..	..	10	..
Mellersha and Neale	12*	May 15	Tax free	9	9
Mexican Eagle Oil, 1st Pref.	6½	..	..	7	(a) 5
North British Canadian Invest. P. and O. Steam Navigation, Pfr. ..	4½	..	..	6	7
Pacific Loan and Investment	..	..	..	..	..
Pease and Partners	..	..	..	..	..
River Plate Electricity	..	..	..	..	..
Scottish Mort. and Trust	..	..	..	..	..
Second Investors' Mort. Security ..	10 (a bonus 6 p.s.)	May 4	Less tax	7	10
Singapore and Cole	5	..	..	..	..
Southernmost Gaslight and Coke Co. (Arrears to June, 1918) ..	19½	..	..	..	..
Spillers Milling	10½	..	..	12½	(d) 15
Tarapaca and Toopilla Nitrate	..	..	..	10	10
Old	..	..	..	5	..
Do New	..	..	..	10	10
Town Properties of Bulawayo ..	24½	..	..	7½	..
Val de Travers Asphalt	1/6 p.s.†	..	..	10	10
Wearside Lead	24½*	..	..	5	nil
Wiggins, Trenches and Co.	10	May 1	Tax free	..	..
William Lowrie	40†	..	..	25	10
William McIlroy	6½*	..	..	25	25
Wilson's Brewery	35/ p.s.†	..	..	25	25
W. P. Lowrie and Co.	..	..	..	..	..

RAILWAY AND TRAMWAY TRAFFIC RETURNS.

RAILWAYS OF THE UNITED KINGDOM.

	Miles Open.	Week Ended Apr. 22, 1923.			Aggregate 16 Weeks 1923.		
		Passen- gers, &c.	Goods, &c.	Total Receipts.	Passen- gers, &c.	Goods, &c.	Total Receipts.
Great Western	3,679	232,000	408,000	640,000	1,598,000	5,800,000	9,398,000
London & North-Eastern	6,661	407,000	830,000	1,237,000	1,221,000	18,175,000	18,175,000
Do same period 1922	6,657	524,000	682,000	1,206,000	6,656,000	12,292,000	18,948,000
London, Mid., & Scottish	6,962	573,000	1,040,000	1,613,000	8,735,000	12,240,000	23,995,000
Southern	2,115	297,000	1,220,000	1,517,000	1,433,000	19,450,000	20,883,000
Midland & N.W. Joint	63	1,115	1,288	2,403	17,331	19,705	37,036
Metropolitan (e)	79	32,734	3,430	36,164	512,314	59,042	571,356
Underground E.R. (c)	..	..	..	223,629	..	..	3,441,434
London & Sub. Group (c)	..	..	..	39,183	..	..	36,578
Belmont & Co. Down (b)	80	4,562	1,394	5,956	70,444	19,643	90,087
Dublin and S. East. (b)	160	4,210	3,630	7,840	17,137	57,308	74,445
Do same period 1922	160	5,410	3,165	8,575	81,923	59,828	141,751
Midland Gt. West. (b)	538	10,796	18,709	29,505	141,675	214,346	356,021
Do same period 1922	538	11,198	11,020	22,218	181,111	229,487	410,598

(b) Week ended April 22, 1923.

(c) Week ended April 21, 1923.

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Receipts.	Gross Receipts		Total Gross Receipts.
				Week or Month.	1922-23. + or -	

INDIAN.

Name.	Period.	Ending.	Present Receipts.	Gross Receipts		Total Gross Receipts.
				Week or Month.	1922-23. + or -	
Assam Bengal	51 weeks	Mar. 24	1,044	2,48,400	+ 24,208	1,27,93,749
Bombay & N. Western	52 weeks	Mar. 31	118	1,00,400	+ 37,500	17,84,930
Bombay & N. Western	52 weeks	Mar. 31	67	6,88,060	+ 9,559	53,88,327
Bombay & N. Western	51 weeks	Mar. 24	2,727	1,75,000	+ 23,000	7,15,03,681
Bombay, Bar. & C.L.	52 weeks	Mar. 31	2,934	26,10,100	+ 2,850,000	78,75,000
Bombay, Bar. & C.L.	52 weeks	Mar. 31	1,344	7,69,985	+ 1,327	34,62,796
Bombay, Bar. & C.L.	52 weeks	Mar. 31	239	1,13,000	+ 22,300	2,28,000
Bombay, Bar. & C.L.	52 weeks	Mar. 31	2,856	33,71,000	+ 3,52,000	100,84,000
Bombay, Bar. & C.L.	52 weeks	Mar. 31	1,321	31,30,600	+ 2,222,000	62,31,800
Bombay, Bar. & C.L.	52 weeks	Mar. 31	3,028	17,00,000	+ 2,33,362	74,51,983
Bombay, Bar. & C.L.	52 weeks	Mar. 31	259	59,472	+ 6,454	12,94,686
Bombay, Bar. & C.L.	52 weeks	Mar. 31	313	83,388	+ 597	17,16,187
Bombay, Bar. & C.L.	52 weeks	Mar. 31	1,891	11,00,534	+ 42,299	48,64,289
Bombay, Bar. & C.L.	52 weeks	Mar. 31	717	10,93,126	+ 1,13,423	26,84,246

ARGENTINE (a).

Name.	Period.	Ending.	Present Receipts.	Gross Receipts		Total Gross Receipts.
				Week or Month.	1922-23. + or -	
Argentina N.E.	42 weeks	Apr. 21	753	12,800	+ 2,200	443,100
Argentina Trans.	42 weeks	Apr. 21	111	4,380	+ 1,630	139,700
B. A. and Pacific.	42 weeks	Apr. 21	3,428	212,000	+ 28,000	6,951,000
B. A. Central.	1 week	Apr. 14	960	10,500	+ 960	960
B. A. Gt. Southern.	1 week	Apr. 14	2,947	200,000	+ 26,000	7,813,000
B. Western.	42 weeks	Apr. 21	1,882	98,000	+ 1,000	3,019,000
Central Argentine.	42 weeks	Apr. 21	5,305	212,000	+ 9,000	1,354,000
Cordoba Central.	42 weeks	Apr. 21	1,205	59,000	+ 16,000	8,422,000
Entre Rios.	42 weeks	Apr. 21	729	20,300	+ 4,300	2,425,500

BRAZILIAN (b).

Name.	Period.	Ending.	Present Receipts.	Gross Receipts		Total Gross Receipts.
				Week or Month.	1922-23. + or -	
Brazil Gt. Southern.	3 mths	Mar. 31	1,005	62,500	+ 24,000	192,750
Gt. West. of Brazil.	16 weeks	Apr. 21	1,005	9,100	+ 2,800	193,100
Leopoldina.	16 weeks	Apr. 21	1,831	19,000	+ 2,680	261,381
San Paulo.	16 weeks	Apr. 21	1,534	21,633	+ 7,287	438,174
State of Bahia, S.W.	10 mths	Feb. 28	52	200,000	+ 140,000	1,459,000

CHILE AND PERU.

Name.	Period.	Ending.	Present Receipts.	Gross Receipts		Total Gross Receipts.
				Week or Month.	1922-23. + or -	
Antofagasta.	16 weeks	Apr. 21	833	34,815	+ 15,910	565,790
Nitrate (a-monthly).	15 weeks	Apr. 15	366	36,940	+ 2,072	246,205
Peruvian Corp.	9 mths	Mar. 31	1,056	1,414,300	+ 54,340	11,414,568
Talca.	9 mths	Mar. 31	172	20,423	+ 9,773	158,162

CUBAN.

Name.	Period.	Ending.	Present Receipts.	Gross Receipts		Total Gross Receipts.
				Week or Month.	1922-23. + or -	
Havana Central.	42 weeks	Apr. 21	1,184	11,840	+ 605	473,964
United of Havana.	42 weeks	Apr. 21	1,210	97,672	+ 128	3,069,554

URUGUAYAN.

Name.	Period.	Ending.	Present Receipts.	Gross Receipts		Total Gross Receipts.
				Week or Month.	1922-23. + or -	
Central Uruguay.	42 weeks	Apr. 21	273	28,793	+ 4,472	1,105,741
C. Urug. (East Ext.).	42 weeks	Apr. 21	111	7,541	+ 2,203	229,183
C. Urug. (North Ext.).	42 weeks	Apr. 21	185	3,681	+ 1,044	121,733
C. Urug. (West Ext.).	42 weeks	Apr. 21	111	2,608	+ 2	199,931
Midland Uruguay.	9 mths	Mar. 31	319	17,872	+ 3,996	146,980
North-West Uruguay.	9 mths	Mar. 31	113	5,744	+ 343	58,488
Uruguay North.	9 mths	Mar. 31	73	8,340	+ 412	22,334

OTHER FOREIGN.

Name.	Period.	Ending.	Present Receipts.	Gross Receipts		Total Gross Receipts.
				Week or Month.	1922-23. + or -	
Alcoa and Gandia.	16 weeks	Apr. 21	33	20,000	+ 4,000	382,300
Bilbao.	2 mths	Feb. 28	18	2,534	+ 1,448	4,295
Bolivar.	1 mth	Feb. 28	136	14,000	+ 2,072	39,000
Costa Rica.	3 mths	Mar. 31	183	24,587	+ 3,403	167,152
Dorado Extension.	3 mths	Mar. 31	70	13,500	+ 4,000	39,500
Dorado Ropery, Ext.	3 mths	Mar. 31	45	9,700	+ 5,200	26,700
Guayana Delta.	52 weeks	Mar. 31	675	8,601	+ 743	34,738
Gt. Southern of Spain.	15 weeks	Apr. 14	104	144,760	+ 66,339	1,761,023
International of Central America.	3 mths	Mar. 31	308	24,864	+ 2,100	253,279
La Guaira & Caracas.	3 mths	Mar. 31	312	49,511	+ 6,548	121,760
Mexican Railway.	16 weeks	Apr. 21	403	295,100	+ 51,700	4,548,800
Do.	2 mths	Feb. 28	13	112,400	+ 70,800	2,326,500
Norfolk Occasional.	2 mths	Feb. 28	13	112,400	+ 70,800	2,326,500
Oceanic Railway.	13 weeks	Sept. 2	193	12,760	+ 2,378	23,123
Paraguay Central.	41 weeks	Apr. 21	174	3,250	+ 200	74,510
Puerto Cabello, &c.	2 mths	Feb. 28	35	4,500	+ 500	9,500
Salvador.	41 weeks	Apr. 21	100	5,368	+ 1,010	153,805
Same Fe Province.	1 mth	Mar. 31	148,720	5,019	+ 933	14,350
Same & Santiago.	3 mths	Mar. 31	118	6,080	+ 933	14,350
Same and Thine.	3 mths	Mar. 31	118	6,080	+ 933	14,350

(a) Converted at par. (b) Converted at the current rate of exchange.

AMERICAN RAILROAD GROSS AND NET RECEIPTS.

This table is extracted from the Commercial and Financial Chronicle of New York.

Date.	Miles of Road.		Gross Earnings.		Net Earnings.	
	1921.	1922.	1922.	Increase or Decrease.	1922.	Increase or Decrease.
Feb.	135,653	235,625	400,430,580	+ 4,772,834	76,706,840	+ 54,882,820
Mar.	234,202	234,986	473,433,886	+ 16,059,425	113,468,843	+ 54,837,199
Apr.	234,338	234,955	416,240,237	+ 15,866,410	80,514,943	+ 23,040,383
May	235,333	234,331	447,299,150	+ 4,069,751	92,931,565	+ 28,064,928
June	235,208	235,310	472,383,903	+ 12,376,822	109,445,113	+ 28,989,678
July	234,566	235,082	412,736,397	+ 19,960,589	102,258,414	+ 1,964,485
Aug.	235,205	235,294	472,844,561	+ 31,911,051	86,566,596	+ 36,787,070
Sept.	235,1615	235,280	498,702,275	+ 17,233,772	91,381,593	+ 29,046,959
Oct.	235,228	235,872	546,759,206	+ 13,074,292	120,216,296	+ 17,833,952
Nov.	235,043	235,748	523,748,483	+ 57,618,155	113,662,987	+ 15,846,050
Dec.	236,121	235,920	512,433,733	+ 87,735,590	111,942,758	+ 35,304,666
Jan.	235,827	235,678	500,816,521	+ 10,581,364	93,279,686	+ 35,012,890
Feb.	235,625	235,399	444,891,872	+ 44,745,431	70,377,622	+ 6,242,712

CANADIAN RAILWAYS WEEKLY AND MONTHLY STATEMENTS.

Name.	Period.	Ending.	Present Receipts.	Gross Receipts		Total Gross Receipts.
				Week or Month.	1923. + or -	
Algonquin & Hudson Bay	7 mths	Jan. 31	1,115,707	+ 54,239	1,193,108	+ 133,395
Canadian Ntn. 13 weeks	Mar. 31	Gross	\$1,335,000	+ 129,825	15,776,210	+ 299,611
Canadian Ntn* 2 mths	Feb. 28	Gross	\$3,774,400	+ 125,228	8,587,279	+ 421,077
Canadian Pac. 16 weeks	Apr. 21	Gross	\$3,174,000	+ 249,000	46,893,000	+ 1,730,000
Canadian Pac.* 2 mths	Feb. 28	Gross	\$1,160,000	+ 143,000	24,309,000	+ 1,667,000
Grand Trunk. 21 weeks	Apr. 14	Net	\$495,000	+ 159,000	1,215,000	+ 77,000
Temiscouma. 1 mth	Feb. 28	Gross	\$488,984	+ 173,256	6,469,132	+ 1,089,035

*Net earnings before deducting taxes. †Railway and Steamship receipts.

OTHER BRITISH OVERSEAS RAILWAYS RECEIPTS.

Name.	Period.	Ending.	Present Receipts.	Gross Receipts		Total Gross Receipts.
				Week or Month.	1923. + or -	
Beira and Mashona-	2 mths	Feb. 28	810	92,099	+ 15,346	182,084
land.	2 mths	Feb. 28	28	11,986	+ 305	99,907
Mid. of W. Aust.	8 mths	Mar. 31	305	3,673	+ 474	38,884
New Cape Central.	13 weeks	Mar. 31	1,397	115,246	+ 2,351	241,040

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Receipts.	Gross Receipts		Total Gross Receipts.
				Week or Month.	1923. + or -	
Anglo-Argentine.	16 weeks	Apr. 22	329	283,730	+ 2,989	1,396,432

chandise in stock is substantially the same as a year ago, but as values have decreased the investment under this heading has been considerably reduced. The fall in prices also accounts for the reduction in the amount outstanding for both bills and accounts payable and receivable. The revival of industrial activity has resulted in an increased demand for lubricating oils. The sales of refined oil and motor spirit also show an encouraging increase, which is continuing. On the other hand, the sales of fuel oil have been materially reduced owing to the fall in price of coal both for ships bunkers and industrial works. The following statement shows the actual position as to the year's trading:—Profit on trading after providing for depreciation on investments amounted to £1,841,939; dividend on investments, £37,757; gain in exchange on gold notes after providing for interest and premium on notes paid off, £46,544; other interest and exchange, £2,323—£1,928,563. Deduct—depreciation on steamships, plant, &c., £745,769; provision for income-tax, £435,730; leaving a net profit of £747,064. From this amount an interim dividend of 1s per share (Coupon No. 24) amounting to £150,000 was paid on January 15th last, and your directors now recommend that a final dividend (Coupon No. 25) of 2s per share (free of tax), amounting to £300,000, be paid on May 15, 1923, leaving a balance of £297,064, subject to corporation profits tax, to be carried to surplus. The surplus fund as per our last report showed a balance at December 31st of £476,976. From this must be deducted the final dividend paid on July 15, 1922, of £300,000, leaving a balance of £176,976. Add profit for year 1922, £747,064, less interim dividend paid January 15, 1923, Coupon No. 24, £150,000—£597,064, leaving a balance at December 31, 1922, of £774,040.

BRASILIAN WARRANT COMPANY.—The accounts for the year 1922, after provision for contingencies and all bad and doubtful debts, show a net profit of £231,320, to which has to be added £42,285 brought forward from 1921, making a total of £273,605, available in appropriation account. Interim dividends of 3½ per cent. on the preference shares and 2½ per cent. on the ordinary shares were paid in October last, absorbing £42,500, and the directors have placed to reserve fund the sum of £100,000 (bringing that fund up to £150,000), leaving an available balance of £131,105. The directors recommend the payment of final dividends of 3½ per cent. on the preference shares (making with the interim dividend 7 per cent. for the year) and 5 per cent. on the ordinary shares (making with the interim dividend 7½ per cent. for the year), which together will absorb £67,500, leaving £63,605 to be carried forward. The directors deeply regret to report the death of their late chairman, Lieut.-Col. C. E. Johnston, D.S.O., who had been a director of the company since its inception, and also of Mr Reginald Eden Johnston, who had been a director since 1917. Both these gentlemen were partners in the old-established firm of Edward Johnston and Co., founded in Brazil about 80 years ago, which business was absorbed by this company as a subsidiary in 1917.

JOSEPH NATHAN AND CO.—The report for the year ended September 30, 1922, shows the available profit amounts to £20,763. The balance from last account is £86,075—£106,838. The directors do not propose to recommend to the meeting the declaration of any final dividends, but will ask the meeting to confirm the following interim dividends, all of which have been paid, less income tax:—On January 1 and July 1, 1922, half-yearly interim dividends on the paid-up "A" preference share capital at the rate of 7 per cent. per annum were paid, amounting to a total sum of £17,500; on April 29, 1922, a half-yearly interim dividend on the paid-up preferred ordinary share capital at the rate of 8 per cent. per annum was paid, amounting to £16,000; on September 30, 1922, a half-yearly interim dividend on the paid-up preferred ordinary share capital at the rate of 8 per cent. per annum was paid, amounting to £16,000; on April 29, 1922, a half-yearly interim dividend on the paid-up ordinary share capital at the rate of 8 per cent. per annum was paid, amounting to £4,544. They recommend that the balance of £48,287 be carried forward to next account. The report states that the difficulties in trading throughout the world during the year under review are quite well known, and although the company's total turnover has been more than maintained, the ratio of profit has been seriously affected by the exceptional conditions ruling. During the year under review the directors have made changes in the general operations of the company. Non-profitable departments have been closed and certain special stocks liquidated. The losses arising out of this re-organisation and liquidation have been provided for out of reserves. Depreciation of machinery, plant, and fittings and estimated liability for income-tax, both British and Colonial corporation profits tax and land tax, has been provided for in the year's trading accounts.

MAYPOLE DAIRY COMPANY, LIMITED.—The net profits for year 1922 amounted to £473,934. The directors report that the margin of trading profit in some of the company's specialty goods has been somewhat reduced during the past year owing to severe competition. Trading conditions at the company's branches in those towns where in the year 1917 the sole right to sell margarine was transferred to the registered sugar retailers (before the rationing of fats commenced) have now become normal. The directors are consequently enabled to bring back into profit the £250,000 which was set aside as special depreciation in that year to cover loss of trade, and the consequent depreciation in value of goodwill and fixtures at those branches. The directors are pleased to state that they have now come to a settlement with the Government of the company's claim for refund of excess profits duty. The credits received by this repayment of tax have been apportioned to the respective accounts of the Maypole companies. An interim dividend of 1d per share was paid on the deferred ordinary shares in February last, and the directors now recommend the payment of

a further dividend of 3d per share, payable on May 5th. A credit balance of £3,426 is carried forward, against a deficit of £52,873 brought into the accounts from preceding year.

SPILLERS MILLING AND ASSOCIATED INDUSTRIES, LIMITED.—The accounts for the year ended January 31, 1923, show a balance of profit, after providing for the fees of the chairman and directors, and after reserving the bonus to staff under co-partnership scheme, but before making provision for Inland Revenue taxation, of £308,051. Adding to this the amount brought forward from last account, £159,305, there is a total sum to the credit of profit and loss account of £467,357, less amount reserved for taxation, £105,000—£362,357. Out of this amount there have already been paid dividends for the year to January 31, 1923, on the preference shares at the rate of 6 per cent. per annum (less income-tax) £41,768; interim dividend for the year ended January 31, 1923, on the ordinary shares at 2½ per cent. (less income-tax), £33,577; leaving a balance of £287,012. The directors recommend that this should be dealt with as follows:—To pay a dividend of 10 per cent. (making 12½ per cent. for the year) on the ordinary shares, amounting (less income-tax) to £134,308; to carry forward to next account £152,704. The report states that the profits in respect of the year under review have not been sufficient, in the opinion of the directors, to enable them to recommend a dividend on the ordinary shares at a higher rate than that indicated, and consequently, as the deferred ordinary shares rank for dividend only after 15 per cent. has been paid on the ordinary shares, no distribution can be made in respect of that class on this occasion. The shareholders have approved the new co-partnership schemes for staff and workpeople, and the nominal capital of the company has accordingly been increased since the date of the balance-sheet by £200,000, which will be issuable as and when required in co-partnership shares. A new company, Spillers Trustees, Limited, has been incorporated to carry out the administration of these schemes. The directors are pleased to report that considerable progress has been made in arriving at settlements with the Flour Mills Control, and various sums of money have been received during the year and credited to profit and loss on account of claims made in respect of the period during which the flour milling industry was under Government control. There are many other claims, however, which await settlement, and it is anticipated that some time must elapse before these are finally dealt with.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

Climatic conditions marked a slight improvement, and farmers were able to push ahead with spring sowings. Standing crops present a healthy appearance, but a spell of sunshine would greatly improve agricultural prospects generally. A very firm tone continues to prevail at market, and although trade shows no appreciable expansion, full to dearer prices were again required, particularly for breadstuffs, in view of higher forward offers. Native wheat was in lighter supply, and values firmer at 10s 4d to 10s 8d for suitable milling grades, with inferior quoted at 9s 6d to 10s per 112 lbs, free on rail as to sample. Imported descriptions sparingly offered at a further advance. No. 1 Northern Manitoba quoted 53s, Rosafé 62½ lbs 52s 6d to 52s 9d, both ex ship to arrive, and Australian 55s 6d landed, all per 496 lbs. Improved inquiries in the floating and forward cargo section, combined with higher foreign advices, resulted in a firmer price-level. Steamers of Rosafé 62½ lbs on passage sold from 49s to 50s, Barusso 62½ lbs afloat 49s 3d, choice white Karachi May-June 49s 3d, Australian steamer afloat 53s 3d, and sailer of ditto afloat 53s, all per 480 lbs, c.i.f. terms. Of maize, cargoes of yellow 1a Plata afloat sold 39s, and May 15th 38s 4½d per 480 lbs, while a steamer of Black Sea barley due out to load mid May changed hands at 28s per 400 lbs. The general position of flour remains firm in sympathy with wheat, and there is a better trade passing. London standard straight run quoted 42s, patents 44s to 45s, town households 40s per sack delivered in Metropolitan area. All English country straights 34s to 35s delivered to London stations. Imported firm and sellers more reserved. Manitoba patents range from 37s 6d to 41s 6d, Minneapolis good patents 41s, and Australian 37s to 38s, all per 280 lbs ex store terms. Millers' middlings 7s 6d to 7s 9d, bags included, ex mill. Light oats 6s 3d, all per cwt free on rail. Barley firm. English ranges from 8s 9d to 10s 9d per 112 lbs free on rail as to quality. Imported maintained. Californian 45s-48s 6d, Australian Chevalier 42s to 52s, Danubian 30s-30s 6d, all landed per 448 lbs. Persian 27s, Plate 30s, Plate ex-ship 39s 3d, landed 40s 6d, No. 2 yellow American landed 39s 9d, No. 2 mixed American ex-ship 38s 3d, East African landed 38s 6d, red Karachi ditto 42s 6d, all per 480 lbs. Oats, English, firm at 9s-10s 9d per 112 lbs free on rail as to quality. Imported Western ex ship 25s 3d, landed 26s 9d, No. 2 Canadian Canadian feed ex ship 26s, landed 27s, New Zealand "A" grade 38s 6d, "B" grade 37s 6d, both landed, all per 320 lbs. Oatmeal steady, with a fair demand. London made all cuts 18s, rolled oats also whole groats 18s, flaked oats 20s 6d ex mill, ordinary Scottish oatmeal 18s 6d-19s 6d, and American all cuts 17s-17s 6d per cwt.

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution.	Appropriation.				Corresponding Period Last Year.	
					Dividend.			Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.
					Prefe.	Ordinary.	Rate.			
					Amount.	Amount.	Rate.			
Banks.										
British Bank of South America ..	Dec. 31	105,898	110,883	216,781	£	100,000	10	10,000	106,781	132,850
Union Bank of Scotland	April 2	51,188	326,362	377,550	..	180,000	18	145,000	52,550	308,480
Breweries.										
Wilson's	Feb. 28	66,230	87,278	153,508	18,300	35,500	10	33,184	66,524	90,038
Financial, Land, &c.										
Swan Land and Cattle	Dec. 31	Dr 5,078	8,769	3,691	..	..	..	..	3,691	3,144
Gas.										
Southampton Gaslight	Dec. 31	21,541	24,140	45,681	..	22,671	6	..	23,120	10,319
Iron, Coal, and Steel.										
Babcock and Wilcox	Dec. 31	71,243	787,601	858,844	14,953	429,765	20½	220,000	194,126	490,181
Clayton and Shuttleworth	Dec. 31	54,915	Dr 12,469	42,445	..	..	..	..	42,445	18,882
Nitrates.										
Salar Del Carmen	Dec. 31	18,577	58,204	76,781	..	40,562	25	20,000	16,218	55,761
Rubber.										
Anglo-Malay	Dec. 31	42,824	21,840	64,664	..	28,125	7½	10,000	26,539	Dr 4,968
Bagan Serai	Dec. 31	10,120	5,683	15,803	..	7,500	5	..	8,303	..
Bikam	Dec. 31	19,127	6,027	25,154	..	6,000	7½	..	19,154	1,363
Grand Central (Ceylon)	Dec. 31	54,591	70,415	125,006	..	61,250	5	1,000	62,756	110,894
Hewagum	Dec. 31	2,346	10,154	12,500	..	..	..	9,650	2,850	4,653
Pernambung	Dec. 31	54	9,794	9,848	..	..	..	..	9,848	Dr 4,610
Sungei Choh	Dec. 31	14,258	11,888	26,146	..	16,000	8	2,000	8,146	1,796
Trojak Estates	Nov. 30	Dr 2,606	3,261	455	..	..	..	..	455	Dr 8,609
Yam Seng	Oct. 31	14,049	Dr 3,908	10,141	..	..	..	..	10,138	3,933
Shops and Stores.										
A. W. Gamage, Limited	Feb. 28	16,865	(a) 36,903	53,768	9,625	23,750	5	7,250	13,143	40,691
Maypole Dairy	Dec. 30	Dr 52,873	357,636	410,509	17,500	90,000	20 P.O.	Dr 240,000	3,426	551,809
William Owen	Feb. 20	Dr 10,826	Dr 10,762	Dr 21,588	..	..	..	..	Dr 21,588	2,124
Tea.										
Bandaropola Ceylon	Dec. 31	1,821	16,136	17,957	..	12,500	25	3,500	1,957	7,719
Eastern Produce and Estates	Dec. 31	9,295	104,762	114,057	3,600	76,590	23	25,000	8,867	98,215
New Sylhet	Dec. 31	2,862	16,320	19,182	720	5,600	40	10,000	3,862	4,176
Rosehaugh (Ceylon)	Dec. 31	..	18,012	18,012	..	15,562	10	..	2,450	..
Scottish Ceylon	Dec. 31	78	16,339	16,417	630	9,180	18	3,000	3,607	15,398
Standard of Ceylon	Dec. 31	37,183	31,645	68,828	..	17,850	30½	19,000	31,978	56,328
Telegraphs, &c.										
Direct United States Cable	April 3	3,916	23,987	27,903	..	18,213	2	..	9,690	33,648
Trusts.										
Alliance Investment	April 15	22,121	37,324	59,445	20,250	12,000	8	5,000	22,195	38,505
Other Companies.										
Argentine Estates of Bovril	Sept. 30	Dr 107,928	Dr 10,676	Dr 178,604	..	..	..	..	Dr 178,604	..
Brazilian Warrant	Dec. 31	42,285	231,320	273,605	35,000	75,000	7½	100,000	63,605	62,305
British Electric Transformer	Dec. 31	12,708	20,429	33,137	21,000	..	..	4,000	8,137	87,155
International Lighting	Dec. 31	973	1,290	2,263	814	190	2½	..	1,269	1,048
International Linotype	Mar. 31	1,890	27,774	29,664	..	27,783	5	..	1,881	33,894
John Shannon and Son	Dec. 31	Dr 308	Dr 24,108	Dr 24,403	..	..	..	..	Dr 24,403	..
Spillers Milling and Associated Industries	Jan. 31	159,305	308,051	467,356	41,768	167,884	12½	105,000	152,704	437,294
Val de Travers Asphalt	Dec. 30	20,214	20,655	40,869	..	28,272	10	..	12,597	49,105
William McIlroy	Feb. 21	25,879	60,624	86,503	4,800	10,000	40	11,200	60,503	100,285
W. P. Lowrie and Co.	Mar. 31	108,290	103,628	211,918	18,000	50,000	25	25,000	118,918	106,285

* Half-year.

† Free of tax.

(a) For 13 months.

(k) Spillers Milling, &c.—Accounts for 43 months.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1922-23, contrasted with 1921-22, 1920-21, and 1919-20:—

	1922-1923.	1921-1922.	1920-1921.	1919-1920.
Estimated sales of home-grown wheat—				
1 week to April 21	Cwts. 349,357	Cwts. 159,310	Cwts. 296,726	Cwts. 179,574
32 weeks to April 21	14,193,044	13,968,819	10,259,293	10,074,461
Average price of English wheat per	s d	s d	s d	s d
quarter	42 6	51 3	87 3	72 8
= per cwt	9 11	11 1½	20 4	16 1½

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1919 to 1922:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1923.						
April 14	Cwts. 281,585	Cwts. 76,748	Cwts. 29,493	s d 9 9	s d 8 7	s d 9 11
21	349,357	84,613	26,440	9 11	8 5	9 10
1919	190,539	31,768	27,124	17 0	17 6	17 3
1920	179,576	34,868	21,985	16 11	23 9	20 3
1921	296,726	65,907	32,203	20 4	13 0	13 2
1922	159,319	32,061	21,079	11 11	11 3	10 7

IRON, STEEL, AND COAL.

Our Middlesbrough correspondent's report, dated April 26th, is as follows:—Pig-iron.—The easier demand for pig-iron has made certain producers rather anxious, and has caused them to reduce their selling price by 2s 6d per ton. Prompt iron is, however, as scarce as ever, and there does not seem to be any prospect of any more

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being produced at present. No. 3 Cleveland G.M.B. is now 125s. Makers of East Coast hematite are prepared to cut their forward quotation to secure business. Manufactured iron and steel.—The steel trade is quiet, but there are good orders on hand. Steel ship plates, £10 10s; steel ship angles, £10; iron bars, £12; steel rails, £10 10s. Iron ore.—Business is idle, and works have sufficient supplies bought, and will not contract for forward delivery. Best Bilbao Rubio ore is 24s 6d per ton, c.i.f. Tees, sellers.

Our Sheffield correspondent writes:—The signs of reaction in the steel trade referred to in last week's report appear to have developed, and it cannot be questioned that the volume of orders booked has been steadily falling off since the end of March. The promise of revival which the conditions of the early part of the year gave have not been fulfilled. There is plenty of work in making mild steel, several plants running full time, and with orders on hand to last several weeks and even longer. New orders, however, are scarce. An additional 60-ton open hearth furnace has been started at a local works this week, and none have been stopped. Although prices are higher, producers still assert that their operations are unremunerative. Outside mild steel a state of all-round depression exists, for which it is believed that the Ruhr trouble is largely responsible. In the important tool steel branches no one can recall so quiet a time. Many makers of crucible steel files and certain kinds of tools are carrying on their businesses at a loss. Business on any appreciable scale with the Continent is impossible. The call for railway steel is fairly brisk, as substantial orders are on hand for rolling stock. Stagnation is general in cutlery and plate. A local house is casting lavatory and bath fittings in stainless steel, which represents an important step in the movement for saving the national wastage caused by the destruction of metals by corrosion. The coal trade is brisk in all sections, and prices are firm. Coke is less scarce than of late, but makers demand 30s for blast furnace coke, early delivery. Current quotations per ton at pits are: Best South Yorkshire hards, 22s to 24s; do., Derbyshire, 21s to 23s; rough slacks, 12s to 14s; smalls, 7s to 9s; hand picked branch, 32s to 34s; best Silstone, 28s to 30s.

Our Glasgow correspondent writes:—The week is ending with a very serious industrial complication threatening in several of the leading branches of the shipbuilding trade. Unless, in the course of the next few days, the boilermakers, wood workers, plumbers, and domestic engineers in the shipyards recede from the attitude they have taken up on the questions of overtime and night shift operations they will be locked out. It is realised by all interested that the trouble will not end there, or be confined to the limited circle in which it has broken out, but will extend to all shipbuilding and engineering sections, the consequences of which will be little short of disastrous for trade in general. It is reported that already the prospects have had an adverse effect on the placing of orders for home work in iron and steel connections, but it has to be borne in mind that these relations have booked a big lot of contracts in raw and manufactured materials of late, and that they will consequently be able to pull along in their special lines in a fairly satisfactory way for a couple of months or so to come. Inquiry for Scotch ordinary irons is not as brisk as it was recently, yet local foundries are taking decent deliveries of No. 3, and makers are finding no difficulty in getting rid of their outputs, chiefly on home account. Exports to America, on old orders, are favourable. Last week quite 3,000 tons were despatched from Glasgow to U.S. Pacific ports, and some small lots were arranged for forward shipment. In the last day or two consumers here have been dealing in Cleveland, at moderate price concessions, and they also have been tempted to lay in some Belgian assortments, and probably would have done more had the foreigners been in a position to guarantee deliveries. Scotch hematite is easy in tendency at £6 7s 6d, maker's works, while No. 1 foundry iron is called, unaltered, at £6 2s 6d. No. 3 £5 17s 6d. Steelmakers have been shading ship plates for export, to about £9 15s, and boiler plates round £12 18s 9d. Steel angles are given as at £9 17s 6d, steel channels £10 10s, joists £10. Given a break in coals, there would be at once a sharp drop in most kinds of manufactured materials; that at least, is the opinion of experts. So far as disclosed, there has been only one shipbuilding contract put through—the sale to a Glasgow house of a 7,500 ton modern cargo steamer—which can burn coal or oil—at near

£65,000, and regarded as a bargain at that. Rumour has it that an inquiry for 100 locomotives for South American railways is in this market, in fact, is expected to come here. Glasgow Corporation has given an order for 5,000 tons of tramway rails (at £11 per ton) to the Cargo Fleet Iron and Steel Company. Black sheets are in fair demand near £12 10s for $\frac{3}{8}$ in., and £20 for galvanised 24 b.g. Glasgow. Bar iron in moderate inquiry at £12 10s for crown quality. Tubes keep in good request, especially on export account. A large business continues to pass in coal. Generally, Scotch coalmasters have sold their whole outputs for the next two months, May and June, and at good figures.

Our Cardiff correspondent writes:—The Cardiff coal market has shown very little animation this week. The conditions are deterrent. There is very little free coal available. The collieries have rarely—probably never—before been so much oversold as they are to-day. The commitments of some of them are from 10 per cent. to 20 per cent. in excess of their normal output capacity, and it is easy to imagine the difficulties of those collieries which, in addition to the difficulties of overselling, have to adjust the execution of their contracts to the conditions of a diminished output due to non-unionist stoppages. Foreign buyers are influenced by the view that as it was the demand from the Continent following upon the occupation of the Ruhr by France that originally gave the market its present exceptional strength, the diminution of that demand which would ensue upon a settlement of the Ruhr problem would bring about a collapse in the current quotations once the present squeeze has been removed. They are, accordingly, holding off, and consequently very few new contracts have been reported. One of the South American railways, however, has just placed an order for 100,000 tons of Monmouthshire coals, to be delivered during the second half of the year. This contract is stated to have been placed at a pit-head price of 30s per ton, which is equivalent to between 33s and 34s f.o.b. That price is roughly about 6s below the present market quotation for this class of coal, but it is 6s to 7s per ton above the price at which contracts for such coals were concluded three months ago, and is certainly a very good price for the collieries concerned. One of the French railways has also placed an order for 50,000 tons of South Wales coals for delivery over the next few months. There has been very little variation in current market quotations, but the pressure of the "bears" has been greater than the resistance of the "bulls," and prices were certainly easier for steam coals at the end of the week. Anthracite qualities, however, and particularly machine-made cobbles and stove nuts, are becoming increasingly scarce, and the best grades of anthracite cobbles have advanced rapidly to 62s 6d. Patent fuel and pitwood are a shade easier. Production in the coalfield has recovered from the effects of the recent stoppages, and the output for the week ending April 14th has only been exceeded in two other weeks since the national coal strike. The miners have not entirely abandoned their non-unionist strike policy, but the discredit into which that policy has fallen may be gathered from the fact that in the Pontypridd No. 2 district, where nearly 50,000 miners are employed, less than 20 per cent. handed in notices on Monday. The following are the current approximate quotations:—Best Admiralties, 40s to 42s 6d; second Admiralties, 38s to 40s; best dries, 38s to 40s; Black Veins, 39s to 40s; Eastern Valleys, 37s 6d to 39s; Western Valleys, 39s to 40s; best bunker smalls, 29s to 30s; ordinary cargo smalls, 27s 6d to 29s; anthracite big vein, 45s to 47s 6d; machine-made cobbles, 52s 6d to 62s 6d; French nuts, 50s to 52s 6d; stove nuts, 47s 6d to 50s; rubbly culm, 16s 6d to 17s 6d; coke for export, 70s to 80s; inland blast furnace coke at ovens, 35s to 40s; patent fuel, 40s to 45s; pitwood, ex ship, 29s 6d to 30s 6d. In the iron and steel trade employment is very active, and the output of the pig-iron blast furnaces is steadily increasing. There has been no change this week in the prices of tinplate bars and tinplates, but the shipments of tin plates are heavy, and the official returns for March establish a record in the exports of tin, terne, and blackplates. They were at the rate of over 600,000 tons per annum, compared with a pre-war record of 566,000 tons.

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—Values at the colonial wool sales in London this week have risen very much, as was generally expected, and on every side there appears to be the utmost confidence in the strength of the wool position. In this centre quotations have been advanced in sympathy with the rise in raw material prices, but it cannot be said that users have responded to any great extent. The state of trade in this country does not really warrant any advance at all, and the higher prices now being paid for wool are entirely due to the keenness of foreign competition, both in London and in the primary markets. Topmakers are protecting themselves by asking what in some cases are really prohibitive prices, and it will take some time for the market to adjust itself and find a new basis. Warp 6's tops are quoted in some quarters as high as 5s 6d, but very few users are prepared to go beyond 5s 4d, and in some instances small weights could doubtless be picked up at 1d less. However, there is a general feeling that the market is likely to continue very firm for some time to come, and in the circumstances topmakers are disposed to adopt a waiting policy, and allow spinners to adjust their ideas. Unfortunately, new business in yarns and pieces is somewhat difficult to obtain, especially in any bulk, and it remains to be seen if the strength of the raw material market can be used as a lever to induce wholesale fabric buyers to operate on a more liberal scale. Spinners are well engaged on old orders, and quotations show a hardening tendency, though it is exceedingly difficult to make more money. Both manufacturers and merchants are moving with extreme caution, and the demand for piece goods,

while showing some improvement in certain directions, still leaves much to be desired.

COLONIAL WOOL.

FROM A CORRESPONDENT.

The third series of sales of Colonial wool commenced in London last Tuesday. There was the usual large attendance of buyers, with a fair sprinkling from America. Altogether 187,500 bales are available, which should offer a good selection in all qualities of merinos and crossbreds. There is also a much larger supply of Capes, and the advance should see the bulk of these shifted into the hands of actual consumers, although with the Cape market being so high and dear throughout the recent season, a fair quantity of these Capes will, in all probability, have to be withdrawn on account of cost price and expenses not being bid. We understand that there are some staggering claims being made in Bradford and Roubaix because Cape wools are not giving the clean yield which was guaranteed when they were bought. The values paid at the Cape from October to the end of March were never justified by European or even American manufacturing conditions, and high prices for growers do not always guarantee correspondingly satisfactory selling results to the buyers. However, the all-round $\frac{7}{8}$ per cent. advance in South African wools should be of real help to importers, and they will be wisely advised to continue selling so long as first cost and expenses of shipment can be realised.

The opening sale was fully equal to expectations, and no one need be surprised if merinos make a full 10 per cent. advance in the course of a few days. All selling brokers agreed on the opening night that they showed $\frac{7}{8}$ to 10 per cent. advance compared with the close of the second series, medium combing wools displaying the most rise. We are not surprised at this in view of the hostilities of France to operate and the necessity on the part of Continental countries to buy liberally. America displayed eagerness to secure good substantial, light-conditioned parcels, and we fully expect buyers for that country to remain in the field during the whole of the series. Then the settlement of the Verviers strike is also a "bull" factor, and should lead to some good buying of carbonising merinos. In the case of crossbreds, prices were mostly $\frac{7}{8}$ to 10 per cent. dearer, the biggest rise being seen in 48-50's wools. Low crossbreds appreciated far more than the majority expected, and in view of the fact that at the second series these wools were "stinking" dear, compared with prices for the tops in Bradford, a further rise of 5 to 7½ per cent. is significant. It only serves to show that the trade has still faith in the raw material however untoward manufacturing conditions in the West Riding may be. However, the home trade will no doubt buy freely, because of the certainty that in matchings, tops or yarns a steady and progressive business will be done.

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OVERSEAS TRADE RETURNS.

IMPORTS (Value C.I.F.).

	Month Ended March 31.		Three Months Ended March 31.	
	1922.	1923.	1922.	1923.
I.—Food, Drink, and Tobacco—				
A. Grain and flour	12,113,375	7,935,660	22,781,240	25,738,998
B. Feeding stuffs for animals	447,947	467,000	1,387,019	1,719,681
C. Meat	9,614,931	9,761,028	22,958,770	29,608,577
D. Animals living, for food	188,535	187,236	351,537	368,427
E. Other food and drink, non-dutiable	11,971,747	11,865,835	33,423,597	36,513,641
F. " " dutiable	9,023,462	9,119,719	25,522,947	25,856,009
G. Tobacco	1,891,033	1,389,138	5,046,336	5,465,177
Total, Class I.	45,251,330	40,725,616	111,471,446	125,265,510
II.—Raw Materials and Articles Mainly Unmanufactured—				
A. Coal	20	..	20	..
B. Other non-metallic mining and quarry products and the like	512,301	519,737	1,225,180	1,382,447
C. Iron ore and scrap	319,764	724,509	992,562	1,737,262
D. Non-ferrous metalliferous ores and scrap	457,890	979,799	1,379,298	2,877,874
E. Wood and timber	1,716,908	1,860,686	5,675,974	5,960,564
F. Raw cotton and cotton waste	4,827,459	8,551,609	19,678,453	26,135,289
G. Wool, raw and waste, and woollen rags	6,311,694	5,029,965	16,474,702	17,191,797
H. Silk, raw, knaps and noils	197,035	176,302	574,052	529,886
I. Other textile materials	911,645	763,657	2,283,851	3,583,872
J. Oil seeds, nuts, oils, fats, resins, and gums	3,800,261	5,138,976	8,545,266	12,069,716
K. Hides and skins, undressed	1,588,614	1,391,599	4,221,519	4,676,572
L. Paper-making materials	429,331	582,812	1,586,080	2,032,462
M. Rubber	581,988	1,117,021	1,887,205	2,959,322
N. Miscellaneous raw materials and articles mainly unmanufactured	940,134	806,398	2,345,603	2,631,755
Total, Class II.	22,094,941	27,731,970	66,879,765	84,758,908
III.—Articles Wholly or Mainly Manufactured—				
A. Coke and manufactured fuel	1,758	1,655	7,552	5,520
B. Earthenware, glass, abrasives, &c. thereof	571,272	573,766	1,648,423	1,745,420
C. Iron and steel and manufactures thereof	908,591	1,064,213	2,743,620	3,463,490
D. Non-ferrous metals and manufactures thereof	1,480,273	2,106,712	4,596,780	6,096,180
E. Cutlery, hardware, implements, and instruments	640,662	582,250	1,484,979	1,597,574
F. Electrical goods and apparatus	115,610	143,616	316,662	478,210
G. Machinery	774,345	734,156	1,934,265	2,238,318
H. Manufactures of wood and timber	303,038	340,429	828,983	1,041,360
I. Cotton yarns and manufactures	678,253	779,359	1,647,896	2,166,820
J. Woollen and worsted yarns and manufactures	775,020	921,679	1,927,556	2,796,032
K. Silk and silk manufactures	2,071,301	1,769,651	5,542,745	5,432,723
L. Manufactures of other textile materials	867,057	1,121,995	2,400,688	3,141,575
M. Apparel	1,361,645	1,579,376	3,125,436	4,126,792
N. Cosmetics, drugs, dyes, & colours	1,054,711	1,252,756	2,863,079	3,621,858
O. Oils, fats, & resins, manufactured	3,549,943	2,636,504	10,406,547	8,144,152
P. Leather and manufactures thereof	1,017,521	1,151,764	2,533,024	3,153,441
Q. Paper and cardboard	1,094,545	929,325	2,508,404	2,844,293
R. Vehicles (including locomotives, ships, and aircraft)	484,050	755,119	1,554,640	2,485,774
S. Rubber manufactures	534,978	523,217	1,353,407	1,277,500
T. Miscellaneous articles, mainly or wholly manufactured	2,024,280	2,200,953	5,379,794	6,766,288
Total, Class III.	20,308,755	21,226,468	54,944,480	62,394,996
IV.—Animals, not for food	13,052	22,795	47,575	59,522
V.—Parcel Post	201,569	315,357	730,293	1,098,410
Total	87,869,635	90,022,226	233,723,559	273,577,246

EXPORTS OF PRODUCE AND MANUFACTURES OF THE UNITED KINGDOM

(Value F.O.B.).

	Month Ended March 31.		Three Months Ended March 31.	
	1922.	1923.	1922.	1923.
I.—Food, Drink, and Tobacco—				
A. Grain and flour	290,142	220,340	672,122	758,874
B. Feeding stuffs for animals	159,787	145,687	415,572	353,261
C. Meat	92,864	93,216	278,908	291,016
D. Animals living, for food	1,780	2,741	6,130	7,373
E. and F. Other food and drink	2,176,691	1,697,196	6,153,531	6,011,374
G. Tobacco	549,138	486,743	1,452,921	1,452,977
Total, Class I.	3,270,402	2,645,923	8,885,114	8,873,895
II.—Raw Materials and Articles Mainly Unmanufactured—				
A. Coal	5,785,310	8,817,851	15,015,074	21,961,486
B. Other non-metallic mining and quarry products and the like	106,753	121,497	347,831	431,579
C. Non-ore and scrap	58,594	52,140	120,503	144,827
D. Non-ferrous metalliferous ores and scrap	623,651	233,473	1,930,671	697,397
E. Wood and timber	31,117	20,527	72,055	86,710
F. Raw cotton and cotton waste	84,236	187,623	201,710	542,630
G. Wool, raw and waste, and woollen rags	652,399	921,970	1,500,917	2,542,396
H. Silk, raw, knaps and noils	3,527	6,481	7,921	20,292
I. Other textile materials	73,000	47,673	259,909	138,774
J. Oil seeds, nuts, oils, fats, resins, and gums	404,147	368,767	1,188,083	1,194,192
K. Hides and skins, undressed	209,752	222,746	599,513	815,599
L. Paper-making materials	59,083	134,605	286,826	403,759
M. Rubber	12,474	9,812	32,876	34,017
N. Miscellaneous raw materials and articles mainly unmanufactured	327,979	418,778	802,964	1,391,612
Total, Class II.	8,465,022	11,563,893	22,366,853	30,405,270
III.—Articles Wholly or Mainly Manufactured—				
A. Coke and manufactured fuel	425,969	534,955	1,145,631	1,600,789
B. Earthenware, glass, abrasives, &c. thereof	915,489	795,550	2,878,396	2,558,564
C. Iron and steel and manufactures thereof	5,757,428	5,828,933	16,282,497	17,005,138
D. Non-ferrous metals and manufactures thereof	1,003,190	1,214,844	2,989,370	3,570,448
E. Cutlery, hardware, implements, and instruments	549,145	494,171	1,579,816	1,608,672
F. Electrical goods and apparatus	623,471	652,433	2,040,443	2,065,313
G. Machinery	5,882,023	3,647,777	16,318,376	12,676,074
H. Manufactures of wood and timber	123,766	90,359	355,057	384,020
I. Cotton yarns and manufactures	15,422,453	14,488,863	45,682,319	45,594,253
J. Woollen and worsted yarns and manufactures	4,817,862	4,779,534	13,814,497	16,107,252
K. Silk and silk manufactures	181,270	127,279	514,008	435,260
L. Manufactures of other textile materials	2,552,210	2,020,534	5,813,180	5,927,953
M. Apparel	1,792,255	1,839,709	5,066,669	6,041,686
N. Cosmetics, drugs, dyes, & colours	1,692,971	1,920,777	5,264,651	6,112,008
O. Oils, fats, & resins, manufactured	500,799	518,691	1,445,449	1,644,856
P. Leather and manufactures thereof	426,520	406,282	1,231,350	1,356,367
Q. Paper and cardboard	460,882	615,551	1,463,923	2,104,267
R. Vehicles (including locomotives, ships, and aircraft)	6,140,466	3,280,336	19,880,772	8,410,398
S. Rubber manufactures	514,723	436,768	1,277,003	1,234,087
T. Miscellaneous articles, mainly or wholly manufactured	2,449,445	2,229,730	6,530,975	6,870,488
Total, Class III.	51,760,345	49,334,869	151,584,388	143,393,893
IV.—Animals, not for food	97,686	48,489	345,523	200,464
V.—Parcel Post	987,338	727,516	2,880,974	2,495,880
Total	64,580,793	60,920,690	186,063,852	185,369,520

(I.) Comparative Statement of the Cotton Trade.

(II.) Compared with Previous Years.

	Price, ¢ 26, 1923.	Corresponding dates in					
		1922.	1921.	1920.	1919.	1918.	
Raw Cotton—Fully Mid. American .. per lb	15 77	d	d	d	d	d	
— Bakelardis Fully Good Fair ..	15 77	10 35	18 28	27 52	17 55	22 04	
— Egyptian .. per lb	17 35	17 50	17 75	85 50	26 53	29 98	
Karna—32's twist .. per lb	23 32	17 18	18 81	60 64	29 43		
— 40's wafe .. per lb	23 24	16 17	16	56	28 13		
— 50's twist (Egyptian) .. per lb	23 24	27 1/2	32	140	52	53	
30-in. Printers, 116 yds, 16 by 16, 32's and 50's ..	3 3	d	d	d	d	d	
30-in. Shirtings, 75 yds, 19 by 19, 32's and 40's ..	3 3	28 0	38	61 02	0	46	56 3
30-in. ditto, 38 yds, 19 by 19, 32's and 40's ..	3 3	28 0	38	61 02	0	46	56 3
30-in. ditto, 38 yds, 18 by 16, 10 lbs ..	18	19 17	21	61 51	6	26	51 9
30-in. ditto, 37 yds, 16 by 16, 8 1/2 lbs ..	17	16	16 3	18	65	24	0 27 3

VEGETABLE OILS AND OILSEEDS.

The week has seen a sharp reaction in the market for linseed and linseed oil on lower American cables and the revised estimate of the Argentine surplus reported last week. The oil products especially experienced a marked decline, spot and month, ex Hull mill, falling from £52 to £47, the closing price on Tuesday, speculators, who have of late been very active, making haste to liquidate their commitments. Consumptive demand on both home and foreign account also fell away, but now that the market shows signs of recovering from its shock, this would appear likely to develop again. Prices in the past day or two have shown a hardening tendency, linseed oil, on Thursday, at Hull, closing at £48 15s spot, and £48 10s month. Plate linseed has steadied, and business for April-May shipment has been done at £20 to Hull, and Calcutta at £21 10s to London in the same position.

at 21 1/2 to 12 1/2 per ton. The same position.
Egyptian cotton seed has eased off to the extent of 5s per ton, 12 1/2 to 6d having been accepted for Black, and buyers bidding 11 1/2 to 12 1/2 for Sakellariadis. Demand for cotton oils has been only small, and values are somewhat easier, crude Egyptians quoting 41, and technical refined (soap makers' grade) 45. Some business has transpired in rapeseed, chiefly on Continental account. Rape oil is steady, and value lower forward. Palm kernel oil is in small supply, and only a moderate trade is doing in ground nut oil. Castor oil is firm and dearer. Linseed cakes are in good supply, but demand is not up to speculations, even though prices have been reduced. Neither is there much doing in cotton cakes.

The imports of oilseeds to the U.K. in March were 162,882 tons, against 101,632 tons in March last year, and of nuts and kernels 59,406 tons against 40,322 tons—together 223,288 tons against 141,954 tons in March last year. The total of oilseeds and nuts and kernels for the three months of January-March is 523,093 tons, comparing with 344,691 tons a year ago, an increase of over 50 per cent. The principal items in the quarter's imports were: cottonseed, 184,401 tons; linseed, 116,174 tons; soya beans, 40,664 tons; palm kernels, 65,993 tons; ground nuts, 52,925 tons; and copra 27,444 tons. The exports of unrefined oils in the quarter amounted to 21,247 tons, including linseed oil, 6,813 tons, and palm kernel oil, 4,208 tons. Last year we exported in the same period of linseed oil alone 17,684 tons, due to heavy shipments to America, but whose purchases this year are only now being shipped. The exports of refined oil last quarter were 5,353 tons, including 4,381 tons cotton oil.

HIDE, LEATHER, AND ALLIED TRADES

(BY OUR OWN CORRESPONDENT.)

The hide market was firm to an advance at Bermondsey auctions on Thursday, when best ox hides sold from 83½d to 94d. Advances of ¾d to 4d were noted, two classes of seconds also advancing ¾d on last prices. Best cows made 67½d, and seconds 54d to 54d. Calf remained steady, the only alteration being a slight fall of ½d on two classes in best, and ¾d in one class of seconds. Wools at 5s 6d to 12s 6d were unaltered, hogs at 6s to 14s 6d also showing no change. Exports of British hides for the past three months were valued at £99,174, as against £100,567 for the first three months of 1922. Business in imported hides is slightly better, and with some sorts quoted at less money tanners are entering the market. Imports of wet hides for the first three months of 1922-23 were valued at £473,858 and £457,456 respectively. The Chicago market is cabled as dull, with best heavy packers selling at 19 cents and native cows at 15 cents.

The demand for sole leather is moderate, but speculation still absent. On the whole, prices remain firm, although merchants say tanners are quite prepared to shade prices if there is a prospect of big business. The bulk of the business centres around dry hide bends at prices varying from 14d to 20d. Heavy weights in wet salted are difficult to move, and prices are sagging a little with some holders.

Carriers of kip leathers are still in a difficult position, as prices of rough kips in India are still very firm and supplies difficult to obtain. Seneschonroe sells only in very low grades, and profit is out of the question. Calf leathers are moving better, but as German box and willow have again been reduced by 1d to 2d per foot, home competition is almost out of the question. Glacé kid in black and brown is selling fairly well, whilst suedes in nigger browns and grey are wanted for women's shoes.

The boot trade shows an improvement in most directions, women's fancy wear being rapidly turned out in Norwich and Leicester. The value of exported footwear for the past month was £257,992, as against £221,788 for March, 1922, whilst the value of exports of leather and rubber footwear for the first quarter of the current year was £808,766, as against £689,184 for the same period of 1922.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, April 27.

There was a fair business doing in most directions, and the sugar market continued on a firm upward course, refined descriptions being sold to 12 per cwt dearer on the week, while supplies of all imported remain on a limited scale. Raw refining kinds also mark a substantial advance and continue to be sparingly offered. Cuban stocks stand at 754,330 tons, against 956,000 same time last year. Amongst fibres, jute took a sharp upward turn on considerable disposition shown to cover, together with buying orders cabled from Calcutta; but later a decline set in, as sellers became more prominent. Meantime, business with spinners is of a quiet character. A good deal of irregularity attended by weakness predominated for copra, as at certain periods orders to sell proved too heavy for the market to assimilate.

SUGAR.—Quite an active clearance resulted this week, chiefly British refined, owing to scarcity of foreign, and rates are again dearer. Messrs Tate and Lyle's cubes now 70s gd to 71s gd, as to quality: crushed, 68s 3d; nibs, 70s gd; granulated, fine and coarse grain, 66s 7½d; No. 1, 66s 4½d; No. 2, also London, 66s 14½d; ditto, May-June, 3d dearer, at 66s 3d; July, unaltered, at 66s 3d; August, 65s 9d; September, 64s 9d. Crystallised West India in small supply, and quoted 59s to 60s 6d. American granulated, solid, on spot, at 65s 3d to 65s 6d; April, steamer, quoted, 38s 9d; May, 38s 10½d, c.f. and l., London. White Java, spot, 63s 3d to 63s 9d; May-June,

Commercial Times. — Weekly Price Current.

The prices in the following list are revised with the assistance of an eminent firm in each department.

[illegible]

old, 33s 4½d to 33s; June-July, 31s 3d to 31s; July-August, 29s 6d, c.f.,
and i., London. Belgian granulated, October-December, 28s, f.o.b.,
Antwerp. Dutch granulated sparingly offered, and May-July, quoted,
38s, f.o.b. terms, Rotterdam. Czecho-Slovakian granulated, new crop,
November-December, sold, 28s 3d to 28s 6d, f.o.b., Hamburg. Cuban,
basis 96 per cent., May, quoted, 33s; Brazilian, ditto, 32s 6d; ditto,
basis 80 per cent., April-May, 19s 3d, c.f. and i., U.K. Madras, cane,
jaggery, May-June, sold, 18s 9d, c.f. and i., London. Terminal
market firm, though rather unsettled, with fair transactions. April,
sold, 37s; May, 37s to 37s 1½d and 36s 6d; August, 37s, 36s 9d, 37s and
36s 3d; September, 34s 6d to 33s 9d; October, 32s 7½d; December,
29s 3d to 28s 9d; October-December, 30s 3d. Liquid glucose, spot,
29s 6d cwt.

COFFEE.—Attention was again centred upon the really fine parcels, and these commanded steady prices, but common further favoured the buyer, while ruling quiet of sale. Good to fine bold Costa Rica, sold, 119s to 128s; Mysore, fine bold, 125s. Future delivery market less.

COCOA—This market remains very quiet, and of 13,600 bags offered in auction only 1,700 bags found buyers, chiefly Grenada sorts at a decline of 6d to 1s per cwt. Grenada, good to fine, 48s to 50s; St Lucia, 49s; Ceylon, fair red, 60s. Trinidad sold privately at 55s to 61s, as to quality. Accra easier forward, and down to 34s 6d, f.o.b. terms accepted for F/F quality, April-May, and 34s, June-July.

TEA.—Indian auctions during the week embraced some 40,000 packages, and with more active and better distributed competition prices for most descriptions moved against the buyer. Some invoices possessing autumnal flavour fetched high figures. 11,300 packages Ceylon received fair support, and really fine parcels commanded full rates. Inferior, however, were not so well competed for. Java and Sumatra sold at full rates for good liquoring teas.

RICE —Market remains very quiet. Two Stars, old crop, spot, 13s 9d; new, 13s 10d; afloat, 13s 6d. Broken kinds slow at about late rates.

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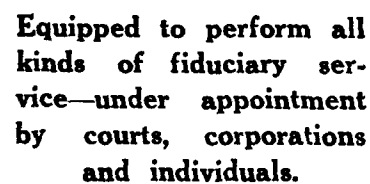
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ASSETS EXCEED £20,000,000.

MANCHESTER, April 26.

Since a week ago there has been some expansion of inquiry in the market. For some time buyers have been waiting for lower prices, and as there seems to be little prospect of their anticipations being realised, there is rather more disposition to place orders. It is doubtful whether at current prices free operations can take place. For India there has been an increased demand in grey shirtings, and lighter fabrics, such as dhooties, and fair lines have been booked for Calcutta and Madras. Printing descriptions have attracted rather more attention for Bombay. Business for China is slow in reviving, especially in grey staples, but steady buying continues to take place in fancies and specialities. In miscellaneous fabrics activity has been more prominent for the Near Eastern outlets, and certain markets in South America have done slightly better. For the home trade odd lots have been obtained out of stock, and the conditions in this section are not very favourable. American yarns for home consumption, have moved off quietly from

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Rangoon beans, on spot, 8s; Japanese peas, spot, 26s 6d; April-May, 24s 6d cwt.

SPICE.—Pepper remains generally slow, but quotations steady. Fair black Singapore, spot, 4½d; April-June, 4½d; Aleppy, spot, 4½d; Ceylon, 4½d; Tellicherry, 4½d; white Singapore, 6d; Muntok, 6d; ditto, April-June, buyers, 6d. Zanzibar cloves quietly steady. Fair quality, on spot, 1s; March-May, 1½d; May-July, buyers, 1½d. Flake tapioca quiet, and fair Singapore, spot, 3½d; fine Java, 4½d per lb. Singapore, April-May, Havre, 32s 6d; fair Penang, seed pearl tapioca, spot, 32s 6d; April-May, quoted 29s 3d to London. Singapore medium, largely nominal on spot, as supplies are found wanting, while for good, to arrive, 37s 6d, c.f. and i., asked. Sago flour, May-July, 13s 9d, sellers. American starch powder, spot, 15s 10½d. Desiccated coconut steady, and medium dearer on scarcity. Fine cut, spot, sold, 47s 9d; medium, 48s 9d to 49s; half-and-half, March-April, quoted 46s 6d; April-May, 45s; May-June, 44s. Ginger quiet, but held steadily. Calicut, brown rough, sound, 75s; fair washed rough Cochich ditto, 72s 6d cwt.

JUTE.—More reservedly offered and market firm, while a fair demand was experienced. First grade, old crop, May-June, continent, quoted £29 15s; new August-September, £29 10s; September-October, £29 5s; Lightning grade, August-September, £28 10s ton. Hessians and twills in slow request. 10-oz. spot, 30s; May-June, 30s 3d; 8-oz. spot, 25s; May-June, 24s 6d 100 yards. A twills, spot and May-June, 82s; B spot, 73s; May-June, 72s 6d; salts, May-June, 64s; sugars, spot, 82s; flour, 100s per 100 bags.

HEMP.—A moderate demand prevailed, and general steadiness governed the market for Manila. J grade, April-June buyers, £33 10s; K and L quoted £32 5s; M, £31 5s ton. New Zealand idle and nominal. African sisal, No. 1 Tanganyika, May-July, £37; No. 1 Kenya, £36 ton.

SHELLAC.—Market steady, quiet. T.N., fair quality, spot, 32s 5s; May, 31s 5s; August, 290s per cwt.

GAMBER.—Block, spot, 47s 6d, and shipment, 39s per cwt, c.f. and i.

SOAP.—Market rather unsettled, and trade moved quietly. F.M.S., Straits, February-April, to Rotterdam, quoted £29 7s 6d; March-May, sold, £29 8s 9d to £29 2s 6d; April-June, £29 2s 6d to £28 11s 3d, and £28 13s 9d; May-July, sellers, £28 10s. Ceylon, April-May, quoted £31 10s. Java, March-May, £29 10s; April-June, £29 5s. Dutch East Indies, March-May, £29 2s 6d; April-June, £28 12s 6d. Cebu, £28 5s, April-May, South Sea Islands, £28. F.M., Straits, April-May, Marseilles, £28 10s; mixed ditto, £28 7s 6d. Palm kernels quiet. May-July shipment, to Liverpool, quoted £20 per ton.

RUBBER. after a firmer opening, became easier, and the market disclosed some irregularity. Standard crepe and sheet, spot, sold, 15½d to 15½d; May, 16d to 15½d; June, 16½d to 15½d; July-September, 16½d to 16d; October-December, 16½d to 16½d and 16½d. To New York, standard sheet, afloat, sold, 16½d; May-June, 16d; June-July sold, 16½d; July-August quoted, 16½d, c.f. and i. terms. Fine hard Para, spot, 15d; soft fine, 14½d; and cauchó ball, 14½d per lb.

ESSENTIALS.—A quiet state of affairs continues in this market, and rates are somewhat nominal. Menthol, spot, quoted, 32s; April-May, 30s. Japanese peppermint oil, spot, 6s 1½d; forward, 5s 9d. Aniseed oil, spot, 1s 10d; forward, 1s 9d. Slab camphor, spot, 3s 9d; forward, 3s 5d; crude camphor, spot, 3s 4d; forward, 2s 11½d. Ceylon citronella oil, spot, 3s 2d; Java, spot, 3s 10½d; oil of lemon, spot, 2s 8d; oil of orange, Sicilian, spot, 9s; West Indian, 9s per lb.

ISINGLASS.—No. 1 Kobe strips, on the spot, 5s 8½d; No. 2, 5s 6d per lb.

EGG PRODUCTS.—Market steady, but demand shows no improvement. Prime liquid hen yolk, on the spot, quoted at 97s 6d; April-June, 82s 6d per cwt. Dried yolk, spot, 9½d; native dried whole egg nominal. Albumen, spot, 3s 3d; April-June, 3s 1d per lb.

FRUIT (dried).—There was a moderate movement in currants at steady rates. Pyrgos, quarter-cases, quoted 54s; half-bags, 53s; Panariti, 55s to 58s; good Vostizza, 67s to 71s. New arrivals of Australian, 72s 6d. With sustained inquiries for sultanas, there is quite a good volume of business doing, while prices manifest a hardening tendency. Good Smyrna, 80s to 82s; fine to choice, 95s to 115s; Californian, 65s. Valencia raisins steady, and half-boxes quoted 32s to 34s; quarters, 36s to 50s. Dates remain slow of sale, Hallowee, 19s to 21s; Siar, 15s. Evaporated fruits sold quietly, and trend of values favoured the buyer. Californian extra choice apricots quoted 145s; fancy, 160s; Cape apricots, 110s; Australian ditto, 130s; Californian pears, 65s to 75s. Peaches of various growths, 57s 6d to 65s. Californian apple-rings, extra choice, 56s to 58s. Canadian, 50s. Bosnian plums, 34s to 38s per cwt.

OILS.—Linseed market irregular after being lower. Spot, net, naked, 49s 6d; May, 45s 9d; May-August, 43s 6d; September-December, 39s 9d. Rape firm. Crude, spot, 45s; refined, 48s. Cotton dearer. Crude Egyptian, spot, 43s; common edible, 47s; deodorised (in barrels), 49s. China-wood dearer. Hankow, spot (barrels), 135s; May-June, 126s. Coconut quiet. Ceylon, spot, 48s; March-April, 47s; Cochich, ditto, quoted 50s. Soya quiet.

Oriental barrels, May-June, 43s. Japan fish steady. April-May, cases 29s. Cod firm. English, spot, 35s to 36s. Ground-nuts quiet. English, crushed, naked, spot, 47s; deodorised, barrels, nominal. Turpentine quiet. American, spot, 110s; April, 110s; July-December, 86s 6d. Rosin quiet. American, grade B, 13s 6d; F, 13s 9d; G, 13s 9d; H to I, 13s 9d; W.G., 17s 6d; W.W., 18s 9d. French, F/G, 13s 6d; W.W., 15s 6d per cwt. Petroleum steady. American standard, white, spot, 1s 1d; and water white, 1s 2d per gallon. Castor oil firmer. First pressure, spot, to August, quoted 56s; second pressure, 55s, and pharmaceutical, 61s per cwt.

OILSEEDS.—Linseed opened easier but irregular since. Bold Bombay, afloat, £22 10s; small Bombay, ditto, £21 15s; Calcutta, afloat, £21 15s; April, £21 12s 6d; and April-May, £21 5s. Plate, afloat, £20; loading, £19 10s; April-May, sold, £19 10s to £20 2s 6d and £19 15s. Rapeseed easier. Toria, May-June, £18 5s; real bold Ferozepore, April-May, sold, £16 17s 6d; Jamba, April-May, £14. Cottonseed quiet, Egyptian black, May, £12 7s 6d; and white, £11 10s. Bombay, May-June, £9 18s 9d. Gingly seed quiet. Large Bombay, April-May, Continent, sellers, £24 10s. Chinese, ditto £24 15s to Continent, and £25 15s, Italy. Ground-nuts dull. Coromandel, machine dried, April-May, quoted £23 5s. Chinese decorticated, f.a.q., April-May, £23 10s. Nigerian, ditto, £24. Soya beans steady. Manchurian, April-May, £11 17s 6d. Castorseed dearer. Bombay, March-April, £22 ton.

METALS.—Tin opened firmer in view of higher Eastern advices, combined with a good demand and reserved sellers. Standard cash sold at £209 5s to £212, and three months at £208 10s to £212 15s, c.i.f. Later, business was carried up to £218 for cash, and £217 15s for three months. A sharp reaction occurred by the middle of the week on lower Eastern cables and selling pressure, standard cash being dealt in down to £210 10s, and three months at the same figures. The downward tendency continued on the following day, and some irregularity was noticeable. Cash sold at £210 to £209 to £209 15s, and three months £210 to £209 to £209 12s 6d. At the final session rates were firmer, though inclined to be irregular at times, especially with regard to forward positions. Sales were of moderate extent, including cash at £211 5s to £212 5s to £211 and three months at £211 10s to £212 10s to £210 15s to £211. English ingots £211 to £211 10s. Copper has maintained a generally steady tone, though slightly irregular at times, while a good business transpired. Cash sold at £72 15s to £72 5s to £72 10s; June, £73 5s to £72 15s, and £72 16s 3d, and three months £73 12s 6d to £73 and £73 5s. On Thursday rates weakened slightly, and a good demand ensued. Standard cash sold at £72 7s 6d to £72 2s 6d, and three months at £73 5s to £72 17s 6d. Values ruled easier at the final meeting, but the demand proved of a liberal character. Standard cash sold at £71 15s to £71, and three months £72 10s to £72 12s 6d to £72 2s 6d. Electrolytic £80 to £80 10s, and best selected £75 to £76 10s; strong sheets, £106; wire bars, £80 10s. Antimony dull, ordinary brands, £30 to £32. Special, £36 15s to £38. Aluminium quiet: Home trade, £110; export, £115. Lead quieter at £25 7s 6d to £25 12s 6d, as to position. Spelter easier at £31 17s 6d to £32 2s 6d.

TALLOW.—Messrs Colchesters and Woolner write on April 25, 1923, as follows:—The tallow market was easier during the week, and prices are about 1s lower to-day. Supplies in Australia are very short and in New Zealand barely normal, but South American killings are expected to show some increase. Shipments of tallow from Australasia during March amounted to 5,400 tons. At auction to-day 2,038 casks tallow were offered and 242 were sold. Quotations are:—Australian mutton: Fine, 44s 6d; good to fair, 43s to 41s 6d; dull to dark, 39s 6d to 38s; hard, 44s. Australian beef: Fine, 44s 6d; good to fair, 43s to 41s; dull to dark, 39s to 37s 6d; sweet, 45s. Present shipment from Australasia:—Mutton, fair coloured, 48 degs., 44s; and mixed, 43½, c.i.f., London, 47s. The market letter is unchanged for tallow, stuff 6d lower. Town tallow, 37s 6d per cwt. Rough fat, per 8 lbs, 2½d; melted stuff, 29s per cwt. Quotations are:—Town, 37s, net cash, naked, ex works. Country: Frail casks, 37s; home melted, shipping casks, net, f.o.b., good coloured, 41s; fair to dull, 38s to 37s. Bone fat: White, none; pale, none; benzine, 36s; melted stuff, 36s 6d, f.o.b.

METROPOLITAN CATTLE.—APRIL 26.

British Beasts, per stone of 8 lbs to sink the offal. Sheep, per stone.

Beasts—Herefords	8 d	8 d	8 d	8 d
Shorthorns	nominal	nominal	12 4	8 0
Devons	nominal	nominal	11 6	12 0
Norfolks	7 8	nominal	12 4	8 0
Scottish	nominal	nominal	15 4	16 4
Irish	nominal	nominal		
Fat Cows	5 0	5 5		

LONDON POTATO MARKETS.—APRIL 26.

English Arran Chief	Per Cwt.	Majestic	Per Cwt.
" Great Root	2 3	" King Edwards	2 9
New Tenciffe (case)	8 0	New Spanish (cwt.)	24 0

MAY 5, 1923.

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WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor:

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SATURDAY, MAY 5, 1923.

No. 4,158.

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TABLE OF CONTENTS.

The Money Market	925	Letters to the Editor—	
Leading Articles—		The Approach of a Free	
The German Offer	927	Gold Market	948
A Co-operative Policy for		Income-Tax and Prices ...	949
Labour and Capital	928	Books and Publications—	
The Dominions and Treaty		Precept and Practice	949
Signature	929	Books Received	950
Oil.—I. The Development		Stock Exchange News—	
of Production and Con-		The Stock Markets	950
sumption	930	New Issues	951
Our Index Number	932	Active Securities	952
Food Supplies and Prices..	932	Company Meetings	953
Lancashire Cotton Trade ..	934	Government Returns—	
This Year's Boom in In-		Treasury Bills and Bonds	
dustrials	935	by Public Tender	962
Notes of the Week—		Currency Notes Account ...	962
Mr Lloyd George and Free		Public Income and Expen-	
Trade	935	diture	962
Iraq Treaty Modified	936	Bankers' Gazette—	
The Second Lausanne Con-		Bank of England	963
ference	936	Clearing Returns	963
New British Naval Base ..	937	Overseas Bank Returns ...	964
Irish Stocks and Irish In-		Loan and Discount Rates ..	966
vestors	937	Overseas Bank Rates	966
The Alliance Bank of Simla,		Rates of Exchange	966
Limited	937	Indian Treasury Bills	967
Currency Depreciation and		Bullion	967
Prices in Austria	938	Imports & Exports of Gold ..	967
Income-Tax in France	938	Gold and Silver Prices	967
Bawra Accounts	938	Company News—	
Industrial Art	939	Analysis of Balance-Sheets ..	968
The Mohair Outlook	939	Oil Outputs	968
Butter and Margarine	940	Reports and Notices	968
Deep Sea Fisheries	940	Railway and Tramway	
Cotton Trade Wages	941	Traffic Returns	969
White Star Line	941	Dividend Announcements ..	970
Edward Lloyd, Limited ..	941	Mining Output Statistics ..	970
Bryant and May	941	Profit and Loss Accounts ...	971
Alliance Assurance Co.	942	Commercial Reports—	
Yorkshire Insurance Co. ..	942	Corn Trade	970
British Banks in America ..	942	Iron and Coal Trade	971
Gold Coast Amalgamated ..	942	Wool Trade	972
Overseas Correspondence—		Cotton Trade	973
United States	942	Vegetable Oils and Oilseeds ..	973
France	943	Hides and Leather Trades ..	974
Germany	944	Overseas Produce Markets ..	974
Norway	946	Price Current	975
Roumania	946		
Spain	947		
Poland	947		

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THE MONEY MARKET.

There was no disturbance in money at the end of April, but, on the other hand, the extreme ease expected as the result of dividend distributions on May 1st was not experienced, presumably because the Government was able to finance them without recourse to the Bank of England. In fact, in the middle of the week there were some indica-

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tions of reduction in the market's surplus, though business is so quiet that the smallest ripple is likely to be exaggerated into undue significance. Discount rates have hardly moved.

	May 4, 1923.	Apr. 27, 1923.	Apr. 20, 1923.	Apr. 13, 1923.	Previous Rate and Date Changed.
Bank Rate	3%	3%	3%	3%	3½ (Jly. 13, '22)
Banks Deposit Rate	1	1	1	1	1½ (Jly. 13, '22)
Discount/Call	1	1	1	1	1½ (Jly. 13, '22)
Houses (Notice)	1½	1½	1½	1½	1½ (Jly. 13, '22)
Market rate (3 months' bills)	2	1½	2	2½	..

The Bank return showed an expansion of £1,412,000 in the note circulation, and a corresponding decline in the Reserve. Movements in the securities were considerable and puzzling, Government securities being £2,846,000 lower, while Other rose by £2,525,000. Public and Other deposits declined by £771,000 and £1,005,000 respectively. Currency notes outstanding were increased by £1,775,400 to £285,745,600, which includes £1,484,500 for notes called in but not yet cancelled. The fiduciary issue is £234,811,100, or £35,372,700 below the maximum.

THE STOCK MARKETS.

The Stock Exchange was closed on Tuesday for its annual May Day holiday, and the dullness of markets may be partly ascribed to this fact. War Loan has fallen from the highest point, and quiet selling of other gilt-edged stocks by those who anticipate higher money rates in the near future has been going on. Realisations, however, are readily absorbed. The effect of the German offer on the foreign market has been small, though both French and German bonds have been weaker. In the Home Railway market prices have been fairly steady, but Caledonian stocks were weak on the opening of the proceedings before the Court of Arbitration. The rubber and oil markets have been distinctly dull, but the cable group is higher, and banking and insurance shares have been good. The mining markets are without interest, but the tone is not weak.

THE COMMODITY MARKETS.

The commodity markets have this week been steady, with prices inclined in many cases to droop a little. The wheat market has been firm but quiet, but sugar prices show a further small advance. In raw cotton and cotton yarns there has been a slight downward movement of prices generally. The cloth section is unsatisfactory, and our Manchester correspondent reports that much machinery is idle for lack of contracts. High prices for the raw material are restricting business in the woollen industry. Spinners cannot get more than recent quotations for their yarns, and topmakers have no margin that would enable them to ease their prices. Our Bradford correspondent says that trade is also restricted in piece goods, and that English manufacturers are being cut out by imported goods from the Continent. Although the coal market is absorbing record outputs, our Cardiff correspondent reports a lull in the demand. Fortunately, the majority of South Wales collieries are not in any great need of orders for early delivery. At Middlesbrough rather easier prices for pig-iron have followed a slackening in the demand, and it is stated that consumers are now inclined to hold back in the expectation of some further reduction. Still, prices are unchanged, but the demand is not quite so good; our Sheffield correspondent also reports a lack of buyers. The demand for copper has been better, with quotations higher, and tin values have improved. Linseed and linseed oil, on the whole, have experienced a quiet market, the oil product at times showing signs of weakness. Rubber has dropped slightly in price. Hide values remain steady, while in the shoe trade conditions are stated to be better.

FOREIGN EXCHANGES.

In the foreign exchange market the German note and its reception by France has been the chief factor. Already at the beginning of the week it seemed clear that the Reichsbank control was not so effective as before, and by Monday already the rate was up to 149,500. After

some fluctuations, the issue of the note brought up the rate another 10,000 on Wednesday, and on Thursday the announcement of the French decision caused a rise to just under 180,000, at which rate it was quoted on Friday morning. To attempt any forecast of future movements is impossible; the outlook is gloomy, but it would seem most unlikely that much resistance can be shown to the combined pressure of continued rapid inflation and the now still more threatening external situation. Quotations for forward marks have jumped during the week from 12,000 marks to 20,000 marks per month above spot. In Paris also the rate has been unfavourably affected, moving from 68.25 on the 27th to 70 and over on the 2nd. On Thursday afternoon there was a further rise, followed by some recovery, and yesterday morning the rate was quoted again at 69.10, although there is a feeling that intervention has played a part in this recovery. There has been some considerable discussion on the Continent of late as to the real value of the franc, and it has been suggested that the true level is nearer 60 than the present rate. It is true that the trade position shows some improvement, and that the tourist season is bringing money into the country, but both the position of public finance and the political outlook are heavy factors in favour of a much less optimistic view. The Belgian franc has moved from 79.15 to 80, as usual following Paris. Forward rates in Paris and Brussels are unchanged at 45 above and 2½-3½ centimes below spot respectively for one month. Italy has moved up from 94½ to 94½, after being 95 and over on Monday. New York, during the earlier part of the week, showed a rather better tendency, but here, too, the gradual recovery was interrupted on Thursday, when the rate closed at 4.63½ as compared with 4.63½ the previous day, and yesterday morning was down at 4.62½, as compared with 4.63½ on the 27th. Forward rates, at ½-1 cent per month above spot, are slightly wider than a week ago. Among neutral exchanges Christiania, where the reaction from the recent banking troubles continues, has moved up again from 26.60 on the 27th to 27.15 yesterday morning, and both Stockholm and Copenhagen have moved slightly in our favour. Switzerland, under the continual depression due to the Ruhr policy, has moved up again from 25.60 to 25.67½, but Amsterdam has gone slightly against us from 11.85 to 11.84½. In Central Europe Vienna is unchanged at 325,000, but Warsaw is up again slightly at 229,000. Prague is practically steady at 156, while Bucharest has improved somewhat to about 965. In the East the rupee is very slightly cheaper at 1s 4½d, the yen has fallen also from 2s 1½d to 2s 1½d. Lack of supplies and orders from India and China brought up the spot price on Monday to 33½d, the highest figure for the present year, but some Chinese selling has brought it down again, and although the position is by no means clear, lower prices would seem probable. Hong Kong at 2s 4½d is unchanged, Shanghai at 3s 3d is ½d dearer. In South America Rio is slightly more expensive at 5 17-32d, as is also Buenos Ayres at 42½d. Montevideo, however, has fallen from 43½d to 42½d. Valparaiso shows an appreciation at 36.60 pesos, as compared with 37.40.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended April 28th:—

EXPENDITURE.	Min. £	RECEIPTS.	Min. £
Northern Ireland Exchequer ..	397	From Revenue	13,821
Land Settlement	101		
Interest on War Debt, &c.	1,128		
Supply Services	6,239		
Increase in Balances	124		
Repayment of Debt	6,222		
	13,821		13,821

Revenue at £13,821,400 compares with £11,489,800 in the corresponding week of last year. Expenditure was £7,475,600 compared with £9,794,300. Income-tax and Super-tax brought in £3,672,000 last week against £1,820,000 a year ago. Special Receipts were £200,000 compared with £1,444,300. The decrease on the expenditure side is accounted for by interest on War Debt, £1,128,400 against £2,363,600 in the same period of last year, and Supply Services, which are down from £7,074,500 last year to £6,239,000. Excise and Customs receipts were again large. Customs were £4,366,000 against £1,984,000 last year, and Excise £1,833,000

compared with £437,000. The week's operations reduced the National Debt by £6,222,300, and caused the following changes:—

	Min. £		Min. £
National War Bonds repaid ..	500	4% Treasury Bonds	1,858
Treasury Bills	4,130	National Savings Certificates ..	200
Public Department Advances ..	3,900	Unemployment Insurance ..	250
	8,530		2,308

The floating debt was reduced by £8,065,000 to £790,380,500.

FINANCIAL YEAR, 1923-24 (April 1 to April 28, 1923).

	£		£
Total Expenditure ..	62,989,764	Raised by Revenue ..	76,668,053
Net Capital Repayments ..	17,119,316	Decrease in Balances ..	3,441,027
Total	80,109,080	Total	80,109,080

ESTIMATES for YEAR 1923-24.

	£		£
Ordinary Expenditure ..	801,013,000	Ordinary Receipts ..	778,500,000
Special Expenditure ..	15,603,000	Special Receipts	40,000,000
Total	816,616,000	Total	818,500,000
		Surplus	1,884,000

NATIONAL DEBT.

(Million £.)

	Aug. 1, 1914.	Mar. 31, 1918.	Dec. 31, 1919.	Mar. 31, 1920.	Mar. 31, 1921.	Mar. 31, 1922.	Dec. 31, 1922.	Mar. 31, 1923.	Apr. 28, 1923.
Funded Debt	588	318	315	315	315	315	314	314	314
Term Annuities	30	22	20	19	18	16	15	15	15
4½% War Stock	63	63	63	63	63	63	63	63	63
4½% War Stock	16	13	13	13	13	13	13	13	13
4½% War Stock	2,091	2,047	2,040	1,996	1,953	2,071	2,071	2,071	2,071
National War Bonds ..	649	1,509	1,476	1,413	1,201	971	971	956	956
4% Funding Loan	..	409	409	405	401	401	400	400	400
4% Victory Bonds	..	360	357	348	335	335	335	335	335
5% Conversion Loan	..	..	..	..	266	690	687	687	687
5½% Treasury Bonds	..	..	..	..	23	24	24	24	24
5½% Treasury Bonds	..	..	..	..	..	381	166	166	166
5% Treasury Bonds	..	..	..	..	..	40	40	40	40
Do by tender 5%	..	..	..	..	..	8	69	69	69
Do by tender 4½%	..	..	..	..	..	..	84	108	108
Do 4%, 1931-33	..	..	..	..	..	..	..	..	..
Treasury Bills	15	961	1,107	1,107	1,121	878	719	616	589
Exchequer Bonds	20	392	323	319	289	185	150	150	150
Nat'l. Savings Certs.	..	138	267	274	285	342	350	354	354
War Expend. Certs.	..	23	..	..	..	..	..	..	..
Other Debt	..	944	1,306	1,181	1,132	1,087	1,071	1,070	1,070
American Loan	..	51	51	51	51	51	51	51	51
Temporary Advances	1	204	243	205	164	147	222	194	202
Other Capital Liabilities ..	654	5,872	8,033	7,829	7,574	7,655	7,768	7,662	7,645
	57	49	46	47	46	66	67	68	68
Total Liabilities	711	5,921	8,079	7,876	7,623	7,721	7,835	7,730	7,713

POSITION OF THE FLOATING DEBT.

	Out- standing	Apr. 29, '22.	Mar. 31, '23.	Apr. 28, '23.	Movement week ended Apr. 28, '23.
Temporary Advances	14,750,000	..	..	..	..
Advances by Bank of England ..	178,101,500	193,897,500	201,830,500	..	3,900,000
Advances by Public Deposits ..	758,519,000	615,045,000	588,550,000	..	4,165,000
Treasury Bills outstanding ..	..	51	51	..	..
Total Floating Debt	951,370,500	809,942,500	790,380,500	..	8,065,000

THE GERMAN OFFER.

THE omens attending the launching of the German offer, for which the world has been waiting, were decidedly evil. France could hardly have done more than she has done to create an atmosphere unfavourable to negotiation; for on the eve of the German Note's appearance she deliberately aggravated German national sentiment by the entirely tactless arrest of Herr Krupp, and worse still, allowed the semi-official voice of France to go forth that a German offer which did not amount to unconditional surrender and admit that France was justified in her occupation of the Ruhr, would be refused. Germany, on the other hand, puts into her Note a vague passage which, whatever its real intention, Frenchmen, as we feared, have apparently interpreted as meaning "clear out of the Ruhr at once, and then we will negotiate." However wrong we may judge the French advance into the Ruhr to have been, we cannot fail to admit that in leaving the Note open to such an interpretation Germany has thus gratuitously challenged the essential feelings of French national pride. All this is exceedingly unfortunate; and even if these obstacles of national pride—which obstruct a settlement now just as effectively as they always obstruct the approach to an armistice when two nations are openly at war—can be

surmounted, the actual terms of the German offer are not at first sight promising. The total sum of £1,500 millions offered is much lower than the figure which was peremptorily rejected by France when Mr Bonar Law put it forward in January. Moreover, the suggestion that £1,000 millions of the total should be raised in international loans and paid over within four years, while on paper perhaps the most attractive to France of all the points in the offer, can hardly be regarded as feasible, at all events by those experts who regard this very period of four years as the minimum needed to allow Germany to put her house in order. Above all, the Note is once again vague and indefinite on the all-important subject of guarantees. It was probably impossible politically for the Cuno Government to offer concrete assets such as her railways to foreign moneylenders at the opening of negotiations, but at the same time without precise guarantees and well-defined security there is obviously no assurance that the money markets of the world would lend a penny.

If this were all that could be said about the new German offer, immediate and curt French refusal to negotiate would command at least some degree of sympathy abroad. But in our opinion there are the strongest possible reasons why the Note should not be brushed aside on a cursory review of its unsatisfactory aspects. The first of these reasons is the German offer to submit the question of Germany's capacity to pay to an international commission, if the present offer is held to be insufficient. The second reason is contained in the following passage:—"The German Government are prepared to provide special guarantees for the proposed payment. The entire property and all sources of revenue of the German Reich and States are already pledged under the Treaty of Versailles. How this pledge can be rendered effective for the purposes of the loan, and what individual guarantees should be provided, can only be ascertained through negotiations with the international loan syndicate and the Reparations Commission." While, as we have said, this is vague and indefinite, it undoubtedly admits the necessity for specific guarantees. Subsequent discussion alone would show whether this means much or little. Another point to be noted is the absence of any suggestion that the Allies should guarantee the interest on the proposed loans—a condition which would certainly have rendered the proposal abortive. Again the German Government shows itself alive to the French demand for security, and in view of its own desire for security, which is sometimes overlooked, proposes (of necessity vaguely) a Rhine Pact and a Treaty of Arbitration. These four points, apart from any other considerations, are sufficient reason why the French Government, instead of yielding to the first impulse of immediate rejection, should make a considered reply pointing out its reasons for objection to the offer. Great significance, therefore, attaches to the belief, current as we go to press, that the French Government will couple with stern refusal at least some statement of reasons.

Some of the obvious flaws in the German proposal we have already pointed out. There are, of course, other points also which are unacceptable. In the first place, the sum offered—the present value of which is substantially less than £1,500 millions—compares with a present value in the Bonar Law scheme of about £1,750 millions. If the mark is once stabilised, either of these figures would leave Germany with a comparatively easy Budget problem. The limiting factor in the long run is not the burden on the German taxpayer, but the problem of making huge payments abroad. We think, however, that the German Government has put the possibilities in this respect on the low side; but the Note leaves open the possibility of assessment on a higher figure by the suggested reference of the question to international experts. We have frequently stated our opinion that such a body should find it quite possible to make a fair and reasoned assessment. Another flaw is the proposal that the whole of the money to be handed over should be raised in foreign loans. That interest should for the first few years be paid out of the capital of the loan is not an altogether unusual proposal. But, although Germany's capacity to make early payments

abroad must be definitely written down as a result of damage done by the French occupation of the Ruhr, Germany could surely find herself able to shoulder some part of the burden of interest forthwith out of her own resources, including her foreign balances.

But, important as such questions are, they are subsidiary to the main issue. It is not merely France and Germany that are looking for a solution of their troubles; the whole world is intimately concerned. It is surely reasonable to ask that both the main parties to the dispute should show clear recognition of that fact. Hitherto Germany, though not entirely through her own fault, has made no real attempt to produce a constructive contribution towards a solution of the Reparations problem, which is vexing and harassing the whole world. In this Note, despite its mistakes and ineptitudes, we detect a decided improvement of attitude. On the other hand, sympathisers with France are growing steadily more and more disappointed at her apparent inability to look at the question as one that concerns others as well as herself, or to realise her responsibilities to the world. By persistence in this purely selfish attitude she will before long bring herself into the unenviable position of being stigmatised by world opinion as the obstructor of world peace and recovery. The world still sympathises with her demand for money for the repair of the devastation of war, and her demand for future security. That sympathy would not be increased by an unreasoning rejection of the present offer. We earnestly hope that in the answer which is sent to Berlin the French Government will show less petulance and more dignity than it has sometimes shown of late; that it will recognise that the German Note leaves many doors open; and that, after all, the rest of the world is vitally concerned to see every possible approach to a settlement thoroughly investigated.

A week or two ago Lord Curzon made a statement in the House of Lords, the burden of which was that, although the British Government could make no move until some new offer from Germany was forthcoming, its good offices were available for both parties as soon as such an offer had been made. A fruitful occasion for these good offices has, in our opinion, arisen. We would urge the Foreign Secretary to take the German Note as the basis for addressing questions to both parties; to ask France to specify in terms the points in respect of which she finds the offer unsatisfactory; and to ask Germany for a clearer explanation of certain ambiguous passages and an amplification of certain suggestions. In this way the ball of negotiations would be set in motion, and two forces which might help to propel it towards the goal are the desire of both parties to re-establish themselves in the esteem of the world, and the yearnings of the populations of the world for the return of peace and well-being.

The German Note has, as was to be expected, been greeted with hasty anger by the French newspapers; and, indeed, we should have little hope of any progress resulting from it if the only forces at work influencing the French reply were the bigotry of the Paris Press and the restricted vision of M. Poincaré. But, fortunately, there is some reason to hope that some moderating influences will also operate. It was always open to doubt, for instance, whether Belgium would readily acquiesce in a scornful and uncompromising refusal, and there are also signs that some sections of French opinion are beginning to recognise the broader aspects of the position in which France stands. Preachers of moderation are not entirely lacking. According to the Paris correspondent of the *Times* (Wednesday, May 2nd) M. Gustave Hervé has uttered a "remarkable warning" against "the danger of excessive stiffness and a systematic distrust," and condemns "the too-great preoccupation of the French Government with preserving its reputation of intransigence in the hope of pleasing that part of the French Press that shouts the loudest." Similarly, Professor Charles Gide, one of the leading French economists, calls attention in an article in the *Progrès Civique* to the harm that has been done by futile repetition of the phrase, "Germany will pay everything," and the equally misleading complaint "that Germany has so far paid nothing." Of greater importance still is the fact that the *Petit Parisien*, the organ of M. Loucheur, finds the German offer only "partially inadequate and partially unacceptable," and regards it as a possible basis for discussion. For the sake of France her-

self and for the sake of the world, it is to be hoped that these voices represent a body of opinion powerful enough to exercise a moderating and broadening effect upon the policy of the Quai d'Orsay in this critical moment.

A CO-OPERATIVE POLICY FOR LABOUR AND CAPITAL.

We commend to our readers' attention the letter published in our last week's issue, in which Mr William Graham stresses the importance of endeavouring to reach a solution of industrial problems on lines which represent a middle course between the views of what he calls orthodox labour and orthodox capital. We are not among those who spend restless days and nights in fear of the Socialist menace, and one of our chief reasons for looking forward with some degree of assurance is that, in our opinion, the bulk of working-class opinion is steadily concentrated somewhere near the point of view which Mr Graham represents. It is quite evident that the present Government, influenced, as it necessarily is, to so large an extent by the type of Toryism which can see no need for interfering in any way with things as they are, will never satisfy the aspirations of those who are most conscious of our present industrial difficulties. But their term of office will not be altogether fruitless if the interval is used for discussing and working out the lines of future progress. The distance to which the pendulum will swing when the Government falls depends very largely on the finding of this middle course. The strengthening of moderate progressive opinion in the country, however, is by no means a purely Parliamentary affair, but will be to a much greater extent the result of economic experience, and of the relations which may be created between employers and workpeople in the conference chamber and in the workshop. The long series of economic lessons of the war, and still more of the peace, the failure of communism in Russia, and the demonstration in the last two years of the underlying factors which affect British economic prosperity, have greatly modified the destructive conceptions which were at one time prevalent in the labour world, and reconciled the mass of workpeople to the less spectacular but more useful task of making the system of private enterprise work to their advantage. But if we are to make a real success of British industry along these lines, the essential condition is to get the goodwill of workpeople enlisted in support of economical production. This in its turn depends on a number of conditions, among the most important of which are:—Confidence on the part of workpeople that they are getting a square deal, and that undue profits are not being made at their expense; the fostering of the sense of partnership; and thirdly, a reasonable degree of security. The first of these can only be achieved—as has been done in the coal industry—by disclosing to workpeople the financial state of the industry. There is no rule for applying this practice universally, but it is certain that in the future industrial peace will not be secured so long as there is any room for suspicion or uncertainty as to the profits of industry. But the spirit of partnership should not be merely negative. Experience shows that the best both of the leaders and of the rank and file in any industry will respond wholeheartedly to an appeal for co-operation in overcoming commercial difficulties if only the problems are explained to them. The fear that real frankness may be prejudicial to a business has been proved over and over again to be a complete bugbear. On the contrary, those employers who have gone furthest in disclosing their costings, profits, &c., testify to the profound regard for the secrecy of the information given on the part of the men's delegates, who have not infrequently been known to keep to themselves facts which it was intended should be passed on. We have yet to meet the employer who can complain of real damage to his business for information voluntarily given to his employees. But frankness can enlist the interest of workpeople not merely in the affairs

of a single firm, but also in those of the industry as a whole.

No one can look at the industrial record of the last four years without being struck by the fact that in wage negotiations there has been a marked tendency for the discussion to centre round large economic and very often international questions. The day has gone by when all knowledge of the economics of industry was on the employers' side of the table, and to-day the opinion among workpeople themselves and also among the public, who are often the deciding factor in such negotiations, is formed upon a much wider view of the situation than used to be the case. We believe that a sense of a common objective can be more readily aroused to-day than at any previous stage of our industrial history.

But discontent with the industrial machine will remain the predominant feeling of workpeople so long as they are harassed by the sense of insecurity of employment. The fear of being out of work, together with the suspicion that undue profits are being made from labour, has been the main cause of the restriction of output and the consequent high labour cost in many British industries. But to-day it is well understood by workpeople that low labour cost, which does not necessarily mean low earnings, is an imperative necessity if we are to regain the world's markets for our industrial products. To a considerable extent our unemployment insurance system supplemented by Poor Law relief have prevented the unexampled depression of the last few years from resulting in actual distress. But an unemployment scheme which makes no discrimination between the standards of living of various classes of labour and combines payment from various sources in a very awkward and undesirable manner is far from meeting all the needs of the case. There is ample ground for a thorough overhauling of the system. But if this is done, and particularly if it is done by collaboration and a system built up which would satisfy the worker's demand for greater security, it should be possible in return to enlist the support of labour in this country in favour of abolishing restrictive trade union practices, of extending the principle of payment by results, and generally of working for greater efficiency and output per head. This savours of a bargain, but it is really only a recognition that rapid developments in production and insecurity are commonly connected with one another. We agree with Mr Graham that there is plenty of work for men of goodwill to do in finding a policy for industry of national rather than of class interest.

This doctrine of "getting together" is relevant to one and all of the industrial discussions which are in the wind at the moment. We will merely apply it at present to the case of the railways. In connection with the conferences which are being held this week Mr Cramp, the railwaymen's industrial secretary, has made the very significant suggestion that the railway companies should make a further and more substantial reduction on freights in the hope that increased traffic would make good the loss of revenue, but that if it did not do so the matter should be submitted in a few months' time to the trade unions for consideration. The implication of this suggestion is clearly that the men's leaders recognise that the public have a strong claim for lower transport charges, that the worker's interest is to keep traffic on the railways in competition with other forms of transport, and that there is a limit to the extent to which freight reductions can be made at the expense of profits. We may remark here incidentally that this indicates a very sound view of the present level of railway rates. Although the increase in rates compared with the pre-war level is now even less than the average increase in the level of prices, the public expects that the cost of railway transport will fall much more than this. Comparisons between one country and another are always a little misleading owing to differences of circumstances; but British railway rates before the war per ton per mile were so much heavier than those prevailing among any of our commercial competitors as to be a serious handicap to our trade. The waste involved in our overlapping and complex railway system was largely responsible for this. The public accepted the principle of railway amalgamation into four large groups mainly in order that we might get more economical transport, and

not in order that the railway companies might be enabled to meet higher costs. It should be taken as axiomatic, both by railway directors and by railway men, that if prices remain at about 75 per cent. over the pre-war level railway rates should in a year or two not be more than 25 per cent. above the pre-war level. Such a reduction would go some way towards adjusting the difference in the cost of transport in Great Britain and abroad. It would, of course, improve traffic, and in the end probably give the companies more goods to handle and for longer distances than before the war; and this would partly compensate them for the lower rates. But it would also require an improvement in efficiency and a reduction in labour costs, and this in its turn would undoubtedly involve more elasticity in the application, though not the abandonment of the principle of the eight-hour day system. It might even involve temporary loss of profits and even reduction of wage rates, but it would undoubtedly pay in the end.

The discussion, however, calls for two comments bearing upon industrial relations. In the first place, the fact that the railway men propose—quite properly—to discuss with the companies the question of railway rates, emphasises one of several serious flaws in the Railways Act of 1921, which assigned the questions of railway rates and of wages and working conditions to the Rates Tribunal and the National Wages Board respectively—two bodies which have no connection with one another. The Rates Tribunal is to fix rates without any power to control costs, and the Wages Board is to determine questions vitally affecting the wages bill without having anything to say on, or even the right to examine into, the question of rates. This division perpetuates the great weakness which has existed in the past in our machinery of industrial negotiation in assuming that wage negotiations can be carried on regardless of the commercial conditions of an industry.

Our other comment is that though the Railways Act of 1921 makes provision for the supplying of a good deal more information than has hitherto been afforded, public knowledge of the state of affairs in the railway world is still much out of date owing to the fact that railway companies still persist in withholding from their periodical statements any information as to costs. Neither the stock markets, traders, railwaymen, nor the public generally will be able to follow the economic situation of the railways at the time when it is all-important that they should know what is happening, until our four big railways fall into line with other companies in various parts of the world, and publish both gross and net receipts every month. Thus we come back to our starting-point, that the real secret of a satisfactory industrial system is an adequate knowledge of the facts and the exorcising of the spirit of secrecy.

THE DOMINIONS AND TREATY SIGNATURE.

(BY A LEGAL CORRESPONDENT.)

THE incident which has occurred recently in connection with the negotiation and execution of the Halibut Fisheries Treaty between the Dominion of Canada and the United States of America is one of those affairs which, though small in themselves, raise big issues, and compel all persons interested in the right development of the Empire, to pause and think. The facts, so far as official reticence permits us to ascertain them, are that a treaty regulating the halibut fisheries in the North Pacific Ocean was negotiated between the Washington and Ottawa Governments (probably directly as has happened before), and that, when the document was ready for signature, the question of the proper signatories came under discussion between the Canadian Government and our Ambassador at Washington. The Canadian Government wanted Mr Lapointe, the Canadian Minister of Marine, who had received full powers to sign for Canada from the Imperial Government, alone to sign on the British side. Sir Auckland Geddes replied that he had been "instructed by His Majesty's Government to sign the treaty in association with Mr Lapointe," to which the Canadian

Government, through Lord Byng of Vimy, replied: "My ministers are of the opinion that as respects Canada the signature of Mr Lapointe alone should be sufficient, as it affects solely Canada and the United States." Sir Auckland, doubtless upon instructions from the Imperial Government, gave way, and the treaty was signed by Mr Lapointe alone. The incident is receiving a good deal of attention in South Africa, and doubtless in other Dominions as well.

There is a minor complication, which seems, however, to have arisen after the signature, and does not blur the issue raised between the Ottawa and the Home Governments, namely, that the United States Senate have ratified the Treaty, subject to the understanding that "none of the nationals or inhabitants or vessels or boats of any other part of Great Britain (*sic*) shall engage in the halibut fishery contrary to any provisions of the treaty." We are not concerned with this proposed extension of the scope of the Treaty to parts of the British Empire other than Canada, though had the proposal been made before signature, it is clear that Sir Auckland Geddes' claim to sign would have been greatly strengthened.

Before expressing any opinion upon the issue thus raised, it will be well to pass under review certain phases of the development of the treaty-negotiating power of the Self-Governing Dominions, and in particular of the pioneer in this matter, the Dominion of Canada. This development acquired an additional importance last year upon the ratification of the Irish Free State Treaty, whereby Dominion status on the Canadian model was granted to the Free State. (a) For many years past, certainly since 1895, the Self-Governing Dominions have been autonomous in the matter of tariff arrangements and commercial treaties with foreign countries, subject to the necessity of keeping the Imperial Government in touch with the progress of the negotiations. At first it was the practice to associate for the purpose a Dominion Minister with the British Ambassador or other representative in the country concerned, and both of them signed the treaty. In 1907, when Canada negotiated an important commercial treaty with France, the negotiations were conducted solely by the Canadian Ministers, but the treaty was signed by them and the British Ambassador jointly. (b) In 1909 the Canadian Parliament, following the lead of the Commonwealth of Australia, established a Department of External Affairs, charged with the "conduct and management of international or intercolonial negotiations, so far as they may appertain to the Government of Canada." (c) Finding even the association with the British Ambassador, and the necessity of signature and ratification by the Imperial Government embarrassing, Canada then developed a system of independent and direct negotiation on commercial matters with foreign consular officers in Canada, followed by the necessary legislation in Canada, but not requiring the conclusion of any formal treaty, or even the formal assent of the Imperial Government. This method was adopted in the case of commercial negotiations with Germany and Italy in 1910, and finally in the reciprocity agreement with the United States, which led to the downfall of the Laurier Ministry (see Professor A. B. Keith's "Responsible Government in the Dominions"). (d) Meanwhile the Dominions were securing the right of separate representation at certain international conferences of a non-political character, such as the Postal Union of 1906 and the Radio-Telegraph Conference of 1912.

Such are the principal landmarks in the development of autonomy in non-political matters. In the political sphere the development is more recent and more rapid. During the late war Dominion Ministers sat in the Imperial War Cabinet, and they were present at the peace negotiations at Versailles. They were not separate parties to the Treaty of Versailles, but their Ministers signed it on behalf of his Majesty side by side with the Ministers of the Imperial Government. At the same time the abortive Anglo-French (Defence of France) Treaty of 1919 was expressly made "to impose no obligation upon any of the Dominions of the British Empire unless and until it is approved by the Parliaments of the Dominions concerned." In addition, Canada, Australia, South Africa, and New Zealand became original members of the

League of Nations, each with a right of voting independently of the Mother Country. And within the last two years Canada has been conceded by the Imperial Government the right to appoint a Minister Plenipotentiary at Washington to represent her numerous interests there—a right which, however, she has not yet exercised.

Now, in view of these facts, the procedure which attends the actual execution of a non-political treaty negotiated by a Dominion with a foreign country is mainly a matter of form—but not entirely. There are several possible alternative modes of signature: (1) by a British Ambassador or other diplomatic representative of the Imperial Government alone—that, we may take it, is now obsolete; (2) by a Dominion Minister alone duly accredited and empowered *ad hoc* by the Imperial Government; (3) a combination of (1) and (2), that is, by joint signatures, as was suggested by Sir Auckland Geddes in the case of the Halibut Fisheries Treaty. To our mind the essence is that the Imperial Government should become cognisant of the proposed treaty during its negotiation, and should have an opportunity of pointing out any possible detriment to some other part of the Empire or any provision which might involve the Empire in a breach of an existing treaty obligation or some other infraction of international law. Whether the Imperial Government empowers a Dominion Minister or one of its own Ambassadors actually to sign the treaty is of secondary importance. But a treaty is a treaty, that is, a solemn international engagement binding an international person. The Dominions are not yet international persons except for the limited and special purposes of the League of Nations, and therefore it is the British Empire acting through the Imperial Government that must become a party to any international obligation entitled to the name and effect of a treaty. It is unlikely that a Dominion would ask for its Minister to be empowered by the Imperial Government to sign a treaty that was inimical to Imperial interests as a whole; but, as it seems to us, it is essential that such a request, or the similar request for a British diplomatic representative to sign, should be made. If the Imperial Government were unable to accede to it, then the Dominion could not enter into a "treaty," though it could conclude an informal arrangement with the other contracting party and give effect to it by Dominion legislation; in that event the Dominion would know that it had not the force of the Empire behind it, and the other party would know that the Empire had not endorsed the Dominion's cheque.

There are the strongest possible objections to rigidity in the constitutional relations between the Mother Country and the Dominions. But now that the latter are playing so important a part in world affairs (and no one more pleased to see it than the Mother Country), the time has come for a little plain thinking and frank talking round the fire-side as to the best method of giving effect to the new development in the interests of the family as a whole.

OIL.—I. THE DEVELOPMENT OF PRODUCTION AND CONSUMPTION.

THE popular and ignorant idea of oil in its economic relation to coal is well expressed by the repartee of the two eighteenth-century gentlemen on the placards who advertise respectively "The Beggar's Opera" and "Polly." The one is saying "Upstart," and the other is replying "Antediluvian," the while drawing his sword. Now, the "upstart" oil industry is popularly supposed to be preparing to annihilate the "antediluvian" coal. To this ignorant body of opinion the expert defender of the faith in coal has answered that the ratio of resource to the present rate of production in the case of oil is not comparable with that in the case of coal—that, in other words, the supplies of oil are being rapidly depleted, and that the oil industry is doomed to extinction rather sooner than later. Meanwhile, in the political world, the belief is persistent that the oil interests play the rôle of "the hidden hand" in the diplomacy of the Great, and lesser,

Powers, and that no international conference can be held without oil being discussed behind the scenes. It goes almost without saying that no one of these different views contains the exact and unadulterated truth. Indeed, each in small or large degree contains some distortion of the truth. We will therefore endeavour, as far as it is possible, to set the oil question in its true colours and proportions.

In its economic aspects, the question cannot be appreciated without some understanding of the remarkable development which has occurred in the world's production and consumption of oil. The United States began to produce oil commercially in 1859—with about 2,000 barrels, and the rapid growth in the American and world output since that date may be seen at a glance from the following figures of the total quantities produced in 10-year periods up to 1919 and in the last three years:—

CRUDE OIL PRODUCTION—In Barrels of 42 U.S. Gallons (6.6 Barrel to the Ton).			
Ten Year's Production—	World.	United States.	
1860-1869.....	29,807,720	....	27,705,534
1870-1879.....	119,978,104	....	104,161,464
1880-1889.....	409,425,470	....	272,947,976
1890-1899.....	1,033,684,920	....	535,169,704
1900-1909.....	2,188,778,783	....	1,228,324,216
1910-1919.....	4,267,644,834	....	2,817,984,027
Annual Production—			
1920.....	693,195,928	....	443,402,000
1921.....	765,064,600	....	472,183,000
1922.....	851,540,000	....	551,197,000
Grand total (1860-1922)	10,359,120,359	....	6,453,074,921

It will be observed that the world's output of crude oil, after its initial spurt, has roughly doubled itself every 10 years. The United States has accounted for about 62 per cent. of the world's total up to December 31st last year. The rate of increase in the United States production has averaged about 13 per cent. per annum from 1860 to 1880, 6 per cent. per annum from 1880 to 1900, 10 per cent. per annum from 1900 to 1920, and for the last two years has been 6.5 per cent. and 18.8 per cent. respectively. Expressing it in relation to population, the *per capita* production of oil in 1902 in the United States was one barrel, whereas in 1922 it was about 5 barrels. Comparing it with other industrial enterprises, since 1900 the production of crude oil has been proceeding at a greater rate of increase than the production of pig-iron, which latter is regarded as the best single index of manufacturing activity available in the United States.* Indeed, it may be taken that the output of oil in the world has forged ahead of the average rate of increase in the output of all other commodities.

This achievement was made possible partly because of the natural conditions peculiar to the business of oil production, partly because of the competitive conditions of that business in America. A prolific outflow of oil is continually being caused either by the chance striking of oil under strong pressure, which is marked by gushers or spouting wells, or by the competition between companies in a common oilfield forcing the pace of extraction. The classic example of "gusher" production is the "Southern Fields" of Mexico, where wells have been brought in at the terrific flow of 260,000 barrels a day, spouting a column of oil 500 to 600 feet high.† Mexican production, in consequence, rose from 1,005,000 barrels in 1907 to 55,292,770 barrels in 1917, and to 185,057,000 barrels in 1922. While production in Mexico proceeded since 1910 under natural pressure of gas or subterranean water, production in America has long proceeded under the artificial pressure of competition. The average oilfield in the United States is divided into a large number of small holdings. Whenever small holding A drills a well, small holding B adjoining must drill an off-set well to prevent his area being drained by A. If small holding A drills another well in the corner of its rectangular plot, then B, C, and D will drill off-set wells in their respective corners next to A's. So the fun goes on. Indeed, the

* "Review of Economic Statistics." Harvard University. December, 1920.

† Cerro Azul, No. 4 of the Huasteca Petroleum Company.

zest of competition in one of these chessboard oilfields of the United States is such that the worst slump in the world's markets will in no wise damp down the frenzy of off-set drilling. And when the oil is discovered under natural gas pressure as well as under such competitive conditions, the sudden rise in output can readily be imagined. Texas, Oklahoma, and California are still demonstrations. This competitive method of extraction is obviously wasteful, but it has undoubtedly served to push the rate of production of oil in advance of that of other commodities. The important fact to seize is that America is still discovering new oilfields, or new oilsands in the known fields, under the stress of competition. The world is still in the era of flush oil production.

Consider now the development in consumption. In the beginning, the outburst of oil production necessarily went ahead of demand. Indeed, it has been argued that, in the case of oil, supply shaped, if it did not create, demand, calling new uses of oil into being. When the first oil well was drilled in America in 1859, the only commercial use for oil was for lighting. The business of the oil industry became the refining of the crude oil into kerosene (lamp oil), without including therein the more volatile fractions (gasoline) which were liable to make the lamp explode. The disposal of these dangerous volatile fractions was then regarded as a necessary nuisance in the refining process. Because the supply was greatly in excess of the needs of the domestic markets of the United States, American kerosene began to be exported the world over. But it was not till the twentieth century was under way that the oil industry became assured of an outlet for its ever-increasing production—by the development of the internal combustion engine. Automotive transportation provided the use for the hitherto wasted gasoline products. Further, the heavy residual oil left over in the refining process began to be used in industrial plants, and in the merchant marine for burning under boilers for raising steam. So began and grew the present-day demand for oil as a power-producer.

This development in the world's consumption of oil products has led Mr Bedford, chairman of the Standard Oil Company of New Jersey, to declare that since 1906 a new industry has been created. The growth of the oil business, he has said, is a revolution rather than an evolution. In 1906 the oil industry existed primarily to supply the world with kerosene, which it was consuming at the rate of about 33,000,000 barrels a year, principally for burning in lamps. That entailed a crude oil output of approximately 213,000,000 barrels. In the year 1921 it produced 46,312,000 barrels of kerosene. In other words, if the industry had been called upon to increase its output to supply only the kerosene market, it would have become a "turgid backwater in the rushing flood of American commerce." But it happened differently because of the automobile engineer. In 1922 the oil industry existed primarily to supply gasoline, which it was consuming at the rate of 150,000,000 barrels per annum, and which entailed a crude oil output of 851,540,000 barrels. Such was the revolution in the oil industry.

Some misleading comparisons have been made between the respective rates of increase in production and consumption. No less an authority than Pogue, in his "Economics of Petroleum," has argued, we believe wrongly, that the consumption of oil has been increasing more rapidly than production. In support of this argument he gave the following series of index numbers:—

COMPARISON OF UNITED STATES DOMESTIC PRODUCTION AND CONSUMPTION OF CRUDE PETROLEUM IN PERCENTAGES OF THE FIGURES IN 1913. (Figures for 1913 = 100.)

	Production.	Consumption.
1917.....	135	145
1918.....	144	158
1919.....	152	161
1920.....	178	204

The data used were from the United States Geological Survey. One does not doubt their accuracy. But it is surely misleading to compare consumption of crude oil, which includes Mexican crude oil consumed, with production, which does not include Mexican crude oil imported. Moreover, it is wiser to take the actual consumption of oil products in the markets than consumption of crude oil by refineries. Index numbers based on production, plus imports, compared with consumption of all oil products, plus exports, will show a very different result.

COMPARISON OF UNITED STATES PRODUCTION plus MEXICAN IMPORTS with U.S. DOMESTIC CONSUMPTION of all OILS plus EXPORTS. (Figures for 1913 = 100.)

	Production.	Consumption.
1919.....	162	163
1920.....	207	200
1921.....	225	198
1922.....	257	223

It will be seen that supply of American and Mexican oil in the United States has been increasing more rapidly than domestic consumption and exports—the reverse of the accepted American doctrine. And 82 per cent. of the world's oil trade was handled in the United States last year. Nevertheless, one cannot deny that the growth in consumption has shown a remarkable upward course. Will production continue to meet demand? Is the turning-point near when the increasing demand for oil products can no longer be met by increasing the number of wells drilled? These are the questions, widely asked in America, which will next be examined.

(To be continued.)

OUR INDEX NUMBER.

An upward movement in wholesale prices is recorded in our Index Number as at the end of April, the total rising by 48 points to 4,440, the highest point touched since the end of November, 1921. This increase was due to the movements of two of the groups, namely, primary food-stuffs and textiles, for in other groups the changes were either very small or else (as in the case of butter and sugar) they neutralised one another. The table below shows that on balance there has been a considerable upward movement since the beginning of the year :—

Date.	Cereals and Meat.	Other Food Products (Tea, Sugar, etc.).	Textiles.	Minerals.	Miscellaneous (Rubber, Tin, etc.).	Total.	Percentage Change.
Bas. (avg. 1901-5) ..	500	300	500	400	500	2200	100.0
End July, 1914	879	382	616	464	553	2868	116.6
Dec., 1915	897	446	731	711	848	3634	165.7
Dec., 1917	1286	686	1684	839	1348	5845	265.2
Nov., 1918	1289	783	1848	903	1389	6212	282.6
Dec., 1918	1303	782	1805	866	1337	6094	277.0
Dec., 1919	1441	881	2442	1145	1453	7364	334.7
Mar., 1920	1808	919	2974	1246	1709	8352	379.6
Dec., 1920	1344	805	1284	1216	1275	5924	269.3
Dec., 1921	921	636	1106	782	931	4357	198.0
June, 1922	1000	676	1135	690	887	4389	199.5
Sept. "	873	682	1116	699	818	4189	190.4
Dec. "	861	706	1184	705	807	4264	193.8
Jan., 1923	860	711	1205	739	808	4324	196.5
Feb. "	847	746	1201	797	810	4402	200.1
Mar. "	824	752	1178	840	797	4392	199.6
Apl. "	858	752	1199	834	797	4440	201.8

In the first group there were no exceptionally large changes, but with the exception of beef and mutton each quotation moved upward, the most prominent rise being shown in wheat, potatoes, and pork. In the second group, in which no change is recorded, there was a sharp upward movement in sugar, the causes of which were discussed in last week's issue, but this was exactly offset by a decline in butter.

In the textile group changes were more irregular. American cotton and cotton yarn and cloth were a little higher, but Egyptian fell slightly. English wool was unchanged, but Australian recovered more than the previous month's fall. The largest increase was shown by silk, but hemp and jute fell a little. In the minerals group the only upward movement was a further advance in steam coal. Steel rails and iron bars were unchanged, but there was a small reduction in pig-iron prompted by an easing in the demand. Lead fell substantially for the second month in succession, and copper and tin dropped a trifle. In the miscellaneous section the only notable changes were an advance in oilseeds, which was offset by a similar decline in indigo.

The changes in each commodity's index as compared with the end of March are shown in the next table, the figure 50 representing in each the average price during the basic period 1901-5 :—

	Index Number.	Inc. or Dec.		Index Number.	Inc. or Dec.		Index Number.	Inc. or Dec.
Wheat—For.	88	+ 6	Cotton, A	143	+ 5	Copper	594	- 14
English	79	+ 5	Cotton, E	119	- 1	Minerals	834	- 6
Flour	82	+ 4	Yarn	143	+ 4			
Barley	564	+ 1	Cloth	134	+ 2			
Potatoes	80	+ 3	Wool, Eng.	123	..	Baltic timber	101	..
Rice	105	+ 1	do. Aust.	128	+ 5	Amer. timber	88	..
Beef	91	..	Flax	120	..	Petroleum	108	..
Mutton	107	..	Hemp	48	- 1	Oilseed	80	+ 6
Pork	108	+ 6	Jute	99	- 6	Tallow	67	..
Cereals & Meat	858	+ 34	Textiles	1,199	+ 20	Indigo	934	- 6
Tea	142	..	Pig-iron	134	- 2	Crystals	85	..
Coffee	98	..	Steel rails	87	..	Rubber	15	..
Sugar cane	216	+ 21	Iron bars	92	..	Miscellaneous	797	- 4
Sugar beet	106	..	Coal, steam	177	+ 7			
Butter	73	- 21	House coal	94	..	Total	4,440	+ 48
Tobacco	116	..	Lead	107	- 8			
Other foods	752	..	Tin	82	..			

The month's changes have resulted in a rise in the percentage increase over the level prevailing at the outbreak of war from 71.2 per cent. to 73.1 per cent. The increases over the pre-war level for the five groups may also be seen from the following table, in which the index at the end of July, 1914, is taken as 100 :—

End of—	Cereals & Meat.	Other Food.	Textiles.	Minerals.	Miscellaneous.	Total.
July, 1914	100	100	100	100	100	100.0
Dec., 1918	226	222	293	186	241	237.5
Dec., 1919	249	250	396	247	263	287.1
Mar., 1920	261	260	484	269	309	325.6
Dec., 1920	233	229	209	261	230	230.9
Dec., 1921	159	180	180	164	168	169.6
June, 1922	174	192	184	149	160	171.1
Sept. "	151	194	181	150	148	163.5
Dec. "	149	200	193	152	146	166.2
Jan., 1923	149	201	196	159	146	168.6
Feb. "	146	211	195	172	146	171.6
Mar. "	143	214	191	181	144	171.2
Apl. "	148	214	195	180	144	173.1

In the final table we show the latest indices of wholesale prices in some of the principal foreign countries, the average for 1913 being taken as 100 :—

	United States.	France.	Italy.	Germany.	Switz'r-land.	Sweden.	Denmark.	Japan.
Nov., 1918	205	358	438	..	325	367	292	214
Highest, 1920	227	591	679	..	325	306	403	322
End of—	(Jan.)	(April)	(April)		(Jan.)	(June)	(Oct.)	(Mar.)
Dec., 1921	123	326	594	3,585	176	172	178	197
June, 1922	131	326	537	9,140	161	164	180	197
July, "	131	326	537	13,335	163	165	180	201
Aug. "	131	332	571	28,919	163	163	178	195
Sept. "	136	330	582	44,089	163	158	176	192
Oct. "	144	338	601	94,498	163	155	180	192
Nov. "	149	354	596	166,495	171	154	182	188
Dec. "	148	363	580	205,417	175	155	181	183
Jan., 1923	149	368	575	715,881	175	156	192	184
Feb. "	151	423	582	677,000	181	158	199	191
Mar. "	151	425	..	639,300	..	162	200	195

* Bradstreet's.

The figure for the United Kingdom on the same basis is 165. A comparison of this table with the previous one indicates that while a slight upward movement in prices is general, a greater degree of stability has been reached in the United Kingdom than in any of the foreign countries named.

FOOD SUPPLIES AND PRICES.

In a previous article (March 10th) we dealt with our imports of cereals and meat. Whereas our imports of cereals rose in value last year to £98,200,000 from £80,600,000 in 1913, our imports of meat rose in the same period to £96,300,000 from £50,500,000, a very much greater increase, although we produce approximately one-half of the meat we consume, and only grow about one-fifth of the cereals necessary to feed our people. Our imports of dutiable tropical produce last year were valued at £82,000,000, as against £49,000,000 in 1913; our imports of dairy products rose to £68,700,000 from

£46,300,000; and our imports of raw fruit rose to £26,100,000 from £10,400,000. We proceed to deal with these latter classes :—

TABLE VII. DAIRY PRODUCTS.	Weight in Million Cwts.			Inc. or Dec. on 1913.		Value in Million £'s.			Inc. or Dec. on 1913.	
	1913.	1921.	1922.	1921.	1922.	1913.	1921.	1922.	1921.	1922.
Butter	4.1	3.5	4.3	-14.6	+4.9	24.1	42.4	37.3	+76.7	+54.8
Cheese	2.3	2.8	2.7	+21.7	+17.4	7.0	17.4	12.4	+136.8	+77.1
Lard	2.0	2.3	2.3	+15.0	+15.0	5.6	10.5	7.7	+87.5	+37.9
Eggs (gt.bund'ds.)	21.6	10.5	13.7	-51.4	-36.6	9.6	11.4	11.3	+17.1	+17.7

Last year our imports of butter were 4.9 per cent. greater than in 1913, but their value was 54.8 higher. Our imports of cheese were 17.4 per cent. greater than in 1913, but their value was 77.1 higher; and our imports of eggs were 36.6 per cent. less than in 1913, but their value was 17.7 higher.

TABLE VIII.	1913.			1921.			1922.		
	Milln. Cwts.	Milln. £	Price per Cwt.	Milln. Cwts.	Milln. £	Price per Cwt.	Milln. Cwts.	Milln. £	Price per Cwt.
		s	d		s	d		s	d
Butter	4.1	24.1	117 7	3.5	42.5	242 10	4.3	37.3	173 6
Cheese	2.3	7.0	60 10	2.8	17.4	124 3	2.7	12.4	91 10
Lard	2.0	5.6	58 0	2.3	10.5	31 2	2.3	7.7	66 11
Eggs (great hundreds) .	21.6	9.6	8 11	10.5	11.4	21 4	13.7	11.3	16 6

Our imports of cheese were 17.4 per cent. heavier in 1922 than in 1913, but the price per cwt was 31s, or 51 per cent., dearer than in 1913. Imported butter was 4.9 per cent. heavier, but the price per cwt was 55s 11d, or 47.6 per cent. greater in 1922 than in 1913. Eggs were 36.6 per cent. less in quantity, but were 7s 7d, or 83.3 per cent., dearer last year than in 1913. The prices (wholesale) of imported dairy products were much lower than in 1921.

TABLE IX. RAW FRUIT.	Weight in Million Cwts.			Inc. or Dec. on 1913.		Value in Million £ s.			Inc. or Dec. on 1913.	
	1913.	1921.	1922.	1921.	1922.	1913.	1921.	1922.	1921.	1922.
Oranges	5.8	5.9	7.0	+ 1.7	+ 20.7	2.5	8.0	7.4	+ 216.0	+ 196.0
Apples	3.3	4.0	4.5	+ 21.2	+ 36.4	2.2	7.4	6.5	+ 236.4	+ 195.6
Bananas (bunches)	7.5	9.5	11.0	+ 26.0	+ 45.9	2.2	6.6	5.3	+ 208.9	+ 140.9
Nuts	8	1.2	1.4	+ 50.0	+ 42.9	1.8	3.6	3.6	+ 111.1	+ 100.0

In 1919 there was a shortage of supplies of raw fruit of all kinds, except nuts. In the next year supplies were abundant, only oranges, pears, and plums falling short; and in 1921 and last year there were heavier supplies of all kinds (except plums) than in 1913. How general had become the demand for raw fruit is shown by the fact that although the supplies were so much greater in 1921 and 1922, very much greater sums were paid for them than in 1913.

TABLE X.	1913.			1921.			1922.		
	Min. Cwts.	Min. £.	Price per Cwt.	Min. Cwts.	Min. £.	Price per Cwt.	Min. Cwts.	Min. £.	Price per Cwt.
			s d			s d			s d
Oranges	5.8	2.5	8 7	5.9	7.9	26 9	7.0	7.4	21 9
Apples	3.3	2.2	13 4	4.0	7.4	37 0	4.5	6.5	28 10
Bananas	7.5	2.2	5 10	9.5	6.7	14 1	11.0	5.3	9 8
Nuts	8	1.8	45 0	1.2	3.8	63 4	1.4	3.6	51 5

Oranges rose from 8s 7d per cwt in 1913 to 21s 2d in 1922, an increase of 12s 7d, or 146.6 per cent. Apples rose from 13s 4d per cwt to 28s 10d per cwt, an increase of 15s 6d, or 116.2 per cent. Bananas rose from 5s 10d in 1913 to 9s 8d in 1922, an increase of 3s 10d per bunch, or 65.7 per cent. Nuts rose from 45s per cwt to 51s 5d, an increase of 15s 8d, or 34.7 per cent. It will be noted that the import prices of last year were much lower than those of 1921.

TABLE XI. DUTYABLE TROPICAL PRODUCE.	Weight in Million Cwts.			Inc. or Dec. on 1913.		Value in Million £'s.			Inc. or Dec. on 1913.	
	1913.	1921.	1922.	1921.	1922	1913.	1921.	1922.	1921.	1922.
Sugar	39.4	25.6	38.6	-35.0	-2.0	23.1	35.3	33.9	+52.8	+45.9
Tea	3.3	4.0	3.7	+22.7	+13.3	13.8	23.1	26.0	+66.6	+88.4
Coffee	85	6	1.1	-35.0	+29.9	2.5	4.5	4.5	+13.2	+55.2
Cocoa, Raw	7	1.2	1.3	+71.4	+85.7	2.3	2.9	2.9	+26.1	+26.1
Cocoa, Pre- parations	25	2	1	-9.0	-48.0	1.9	3.1	1.5	+66.0	-31.1
Raisins	74	74	1.2	..	+62.2	1.2	3.7	5.1	+200.8	+325.0
Currents	1.3	1.0	1.0	-23.1	-20.0	1.6	3.4	3.4	+100.0	+110.6

Sugar was imported in 1919 nearly one-fifth less in weight than in 1913, by 30 per cent. less in 1920, and by 35 per cent. less in 1921, but last year was only 2 per cent. less than the import in 1913. Tea and cocoa have been received in much greater quantities during the last four years than in 1913; but coffee has shown much smaller imports since 1919. Both raisins and currants were imported in larger quantities in 1919 than in 1913. After a 10 per cent. fall in 1920, raisins in 1921 equalled the weight of 1913, and last year rose by 62 per cent. above that weight. Currants during the last three years have shown a deficiency of imports.

When war broke out the tax upon tea was at the rate of 5d a pound. From 1919 to 1921 it was taxed at 1s a lb foreign and 10d a lb Indian and Colonial. Sugar was raised from 1s 10d a cwt to 25s 8d. The tax upon coffee and cocoa was raised in proportion, and the tax upon raisins and currants was raised to 10s 6d a cwt, the same amount being levied upon sweetened condensed milk. Our imports of this commodity rose in value from £2,100,000 in 1913 to £11,800,000 in 1919, and fell in the last three years to £10,500,000, £7,440,000, and £4,850,000. But the price of milk is still unduly high, and presses with the greatest weight upon the poorest class of consumers. The values of our imports of tropical produce were much lower last year and in 1921 than in the two previous years, with the exception of raisins, of which a much heavier importation was received in 1922.

TABLE XII.	1913.			1921.			1922.		
	Milln. Cwts.	Milln. £	Price per Cwt.	Milln. Cwts.	Milln. £	Price per Cwt.	Milln. Cwts.	Milln. £	Price per Cwt.
	s	d		s	d		s	d	
Sugar	39.4	23.1	11 9	25.6	35.3	27 7	38.6	33.9	17 7
Tea	3.3	13.8	83 7	4.0	23.1	115 6	3.7	26.0	139 0
Office	85	6	1 1	85	6	87 9	1 1	85	44 7
Cocoa, raw	7	25 1	149 7	2	31	281 10	-	1.1	220 0
Cocoa preparations	74	12	33 6	74	37	100 13	1 2	51	85 8
Raisins	1.3	1.6	24 7	1.0	3.2	64 0	1 0	34	64 8
Currents									

Owing to the policy of restricting the production of tea pursued by certain tea-planters, the smaller importation of tea last year (3,700,000 cwts) compared with that of 1921, viz., 4,000,000 cwts, was valued at a higher sum, the price per cwt averaging £6 19s, against £5 15s 6d in 1921. Currants were a trifle higher in value last year: the other tropical products show considerable falls in the price per cwt imported compared with 1921. This important point is illustrated in the following table :—

TABLE XIII.	Million Cwts.		Price per Cwt.			Million Cwts.		Price per Cwt.					
	1921.	1922.	1921.	1922.		1921.	1922.	1921.	1922.				
			s	d	s	d	s	d	s	d			
Wheat, grain ..	80.5	96.4	17	7	12	2	*Mats	1.2	1.4	63	4	51	5
Maize	36.8	37.2	10	1	8	0	*Lard	2.3	2.3	91	4	66	13
Oats and oat products ..	9.2	10.2	12	2	8	6	*Currants	1.0	1.0	64	0	64	8
Bacon	5.7	5.9	153	12	18	8	*Wheatmeal & flour	15.9	13.5	24	2	18	10
Hams	1.1	1.4	149	1	122	10	*Rice	6.9	2.7	18	8	17	8
Butter	3.5	4.3	242	10	173	6	*Beef	12.2	11.8	73	11	48	5
Eggs (ea. 100)	10.5	13.7	21	4	16	6	*Mutton and lamb	6.8	6.0	87	1	78	6
Sugar	25.6	38.6	27	7	17	7	*Cheese	2.8	2.8	124	3	116	10
Coffee	6	1	87	9	81	10	*Tea	3.7	11.5	613	9	613	9
*Cocoa, raw	1.2	1.3	49	10	45	0	*Barley	15.8	12.7	13	2	9	2
Palms	1.9	1.7	100	10	101	0	Cocoa preparations	2	1	241	10	220	5
*Apples	5.5	7.0	26	9	21	0							
*Oranges	4.0	4.5	37	0	28	10							
*Bananas	9.5	11.0	14	1	9	8							

LANCASHIRE COTTON TRADE.

(BY OUR MANCHESTER CORRESPONDENT.)

THE Lancashire cotton industry remains in a depressed condition. Owing to the scarcity of orders, most spinners and manufacturers are still curtailing production on a large scale. In the circumstances, unemployment amongst the operatives is extensive. In January there was a revival of demand, but the buying movement did not last very long, and during the last couple of months operations in all departments have been on a restricted scale. Developments of a favourable character are undoubtedly being held back by the unsettled political situation throughout Europe. The financial stringency is acute, and although since the beginning of this year there have not been quite so many failures as in the previous three months, it is well known that numerous firms are so tight for money that a policy of enterprise is quite impossible.

Since the beginning of this year raw cotton prices have shown considerable strength. On January 2nd the quotation for fully middling American on the spot in Liverpool was 15.40d. By the 25th the price had risen to 16.63d, but on February 2nd the quotation was 15.38d. A little later there was another stiff rise to 16.86d on March 8th. By the 29th, however, the price had fallen to 14.90d. On April 18th the figure was 15.65d. A decline has since been registered, and the quotation on May 2nd was 15.07d. The statistics published by the International Federation showing the cotton consumption during the six months ended January last were rather bullish, as the figures showed that users' requirements of American qualities were on the basis of 13,000,000 bales per annum. All interest is now being centred on the prospects for the new crop in the United States. An increase in the acreage of 10 to 15 per cent. is expected. Recently the weather in the growing area has not been very favourable, and it is said that farm work has been hindered by heavy rains. The critical time, however, will come later on, and the first official condition report will not be published until the beginning of June. An event of importance has been the second reading in the House of Commons of the Cotton Industry Bill, which provides for a levy of 6d a bale upon all cotton imported to this country, the fund created being for the purpose of carrying on the work of the Empire Cotton Growing Corporation. During the quarter Lancashire spinners have purchased American cotton very sparingly, but a considerable business has been done in Peruvian and Egyptian qualities. With regard to Egyptian cotton, the quotation for fully good fair Sakellaridis on the spot in Liverpool on January 2nd was 17.80d. A few days later the figure was 17.25d, but 18.25d was posted on the 18th and 17.65d on the 31st. The month of February brought very little change, the quotation on the 28th being 17.40d. There was an advance to 18.20d on March 19th, but 17.40d was the figure on the 29th, whilst 17.35d was registered on April 18th. An easier tendency has since prevailed, and 16.75d was posted on May 2nd. Rather mixed advices are coming to hand relating to the new growth in Egypt, but it is too early for reliable information. There is likely to be an increase in the acreage of about 10 per cent.

Although the amount of inquiry in piece goods during the past three months has been fairly extensive, the trade done has been very irregular. January can be described as a period of active buying. Just after the turn of the year numerous manufacturers secured big contracts, especially for India. The demand, however, fell off rather suddenly when makers had obtained a little relief and were endeavouring to obtain more remunerative prices for their productions. A hopeful feeling prevails with regard to future trade with India. On the whole, favourable clearances are being experienced in Calcutta, Bombay, and Madras. Dealers in the bazaars, however, are not prepared to replenish stocks at current rates, and latterly

operations have been of a hand-to-mouth character. Grey staples and plain goods remain very slow. On the other hand, steady buying has taken place during the past quarter in printed and dyed goods, and specialties of various kinds. Trade news from China has not been at all encouraging. The conditions in the Far East are very unsettled. Standard makes have been decidedly quiet, but a fair turnover has taken place in fancies. Useful contracts have been obtained from time to time for Java, Singapore, and the Straits Settlements. Recently there have been indications of rather more activity for Egypt. Better news is also coming through from Constantinople, and stocks of cloth in Turkey are said to be very low. Quite a healthy business continues to be done in fine goods for the United States, but makers are becoming rather chary at booking fresh contracts very far ahead. The South American outlets, after providing more orders, now seem to be rather quieter. Developments in the home trade are rather slow in taking place. The question of organised short time in the weaving branch of the industry is being considered, but there is little likelihood of any scheme receiving adequate support, and it is probable that manufacturers will continue to make their own arrangements as to the stoppage of looms.

Throughout the greater part of last year spinners of American yarns curtailed production on an organised scale, and the mills ran only 35 hours a week instead of the usual 48. This restriction of output continued up to the end of January. Partly owing to the improved demand, it was resolved to abandon concerted action in the way of limiting production. In February, however, yarn sellers experienced a distinct set-back. The position was again considered by the Masters' Federation, and it was decided to recommend users of American cotton to restrict yarn output from the beginning of March by 50 per cent. This action has not yet had the desired effect, and the short time is still going on. The accumulation of stocks is being kept down, but demand continues to run on small lots. Big attempts have recently been made to secure more profitable prices, and an agitation has started for the purpose of preventing sales at rates which do not cover the cost of production. Some success in this connection has been met with, but there are too many weak sellers about for the scheme to stop orders being accepted at a loss. In the mills using Egyptian cotton a steady improvement has shown itself during the past three months. A big business has not been done, but a fair demand has been experienced from week to week. Most Bolton firms are running full time, and the prices now ruling for yarn show a profit. There continues very little activity in yarns suitable for shipment abroad. Offers for India are very poor, and trade with European countries is thoroughly disturbed by the political situation and the unfavourable rates of exchange.

According to particulars available relating to the stock-taking results of 30 spinning companies for the half-year ending March, 22 concerns were unable to declare any dividend. The average dividend for the 30 companies was 2.5 per cent. per annum compared with 2.98 in September last and 3.73 twelve months ago. These companies have a paid-up ordinary share capital of £6,242,085.

The wages agreement between the employers and the trade unions expired at the end of April, leaving it possible for either side to give one month's notice of a further change. The situation is already receiving consideration, and the Operative Spinners' Amalgamation and the Operative Weavers' Amalgamation have proposed to the masters that the agreement be renewed for twelve months. It is important to mention that the Card-room Operatives' Amalgamation have now joined in this movement. The position of affairs was discussed by the employers and the trade union officials in Manchester last Tuesday, and at the close of the meeting it was announced that the conference had been adjourned until May 10th. It is understood that, in the event of the operatives not putting in a demand for an increase next year, the masters would seek no reduction this year. At any rate, an amicable settlement is expected. After allowance is made for the reduction in working hours present wages are 65 per cent. above July, 1914.

During the last ten days there have been indications in the Manchester market of a rather better feeling. Certain buyers of piece goods are undoubtedly displaying increased interest in prices. More inquiry is being dealt with for several outlets, especially India and China. It looks as though another buying movement is not far off. During the last couple of months customers have adopted a waiting policy in anticipation of lower rates. There is still a fear of depreciation in values if contracts of importance are arranged at the present time. It seems likely, however, that merchants in the near future will have to replenish stocks to some extent.

THIS YEAR'S BOOM IN INDUSTRIALS.

(BY OUR STOCK EXCHANGE CORRESPONDENT.)

THE Stock Exchange feature of the first four months of this year is undoubtedly the rise in gilt-edged securities of all descriptions. Following upon remarkable advances which occurred during 1922 in all such stocks, the further advances are the more noteworthy. The movement owes its inspiration to a variety of factors, most of which are apparent upon a very small amount of consideration. Credit must be also given where, possibly, it may not be directed without a closer scrutiny into the causes of the rise than casual observation may afford. The Treasury deserves well of the country for the manner in which it has handled the financing, so to speak, of the national credit over the past two years. Time was, and that not so long ago, when subscribers to the War Loan, Victory Bonds, Funding Stock, and even the Conversion Loan spoke none too respectfully of the Government in regard to the manner in which their investments had shrunk in value. The Treasury, however, pursued a level course undeterred by criticism or Stock Exchange prices. Its actions aroused mild astonishment from time to time through the way in which new British Government stocks were offered at what appeared to be, at the time, rather extravagant prices. Nevertheless, the securities became readily absorbed, and month by month the national credit has received valuable advertisement from the manner in which quotations have moved up. Another point of indirect bearing upon the situation was the determination of this country to repay its war debt to America, irrespective of what its debtors might choose to do in regard to their liabilities to ourselves. This, too, had its effect in attracting more and more capital, foreign as well as domestic, into British Government stocks, and through them into other high-class securities. So far as can be seen at present, there is no immediate likelihood of this strength of the gilt-edged market being disturbed by anything except such a boom in trade as might cause realisations of money stocks in order that the capital might be diverted into business channels.

It may seem a little anomalous that, side by side with insistent demand for the best-class securities, there should also have arisen an active demand for stocks and shares in those industrial companies whose activities, although quietly returning to life, may still be handicapped by the tardiness of the trade revival; that same tardiness which is the fount of the pressure to buy the gilt-edged stocks. Some industrial companies are, of course, doing exceedingly well, and the attractions of their shares appeal irresistibly to wide circles of more speculative investors who are looking for appreciation in capital value quite as much as for higher dividends than the War Loan and its satellites offer. It is useful at this juncture to tabulate some of the rises, amongst industrials, that have occurred since the end of last year, and taking, more or less at random, representative examples from various groups of trading and industrial shares, the following table gives a very fair idea of the way in which the buying has forced up prices of the shares in all kinds of companies:—

Share.	Price		Rise.
	Dec. 29, 1922.	May 2, 1923.	
Hongkong and Shanghai	116½	129½	12½
Lloyds	58½	61½	2/9
Westminster	17½	18½	1½
National Provincial, £4	10½	11½	1
Babcock and Wilcox	3½	4½	1½
Rolls Royce	21½	30½	9/6
Underground Incomes	87½	98	10½
P. and O. Deferred	330	340	10
Bradford Dyers	46/9	59/6	12/9
Coats	65/6	69/3	3/9
Fine Cotton Spinners	49/9	53/	11/3
Barker (John), Ord.	48/9	55/6	6/9
Courtaulds	63/3	73/	9/9
Harrods	28/6	39/	10/6
Whiteley Ord.	45/3	57/	11/9
Lyons	4½	4½	½
Guinness Ord.	440	525	85
Associated Cement	16/6	25/3	8/9
British American Tobacco	89/	95/	6/
British Oil and Cake	27/3	31/6	4/3
Gramophone	1½	35/	10/
Imperial Tobacco	73/6	88/	14/6
Marconis	2½	2½	½
Rosario Nitrate	26/	32/	6/
Salari del Carmen	50/	3½	½

What stands out more particularly in this list is the catholic character of the improvement. The banking and insurance markets benefit from the appreciation in their investments. Tobacco shares have gone ahead by reason of the huge profits which the companies are making. Textiles have caught the public imagination by reason of the dramatic rise in Courtaulds. The iron, coal, and steel group is in favour, owing to the fact that its business has received an undoubted filip from the chaos on the Ruhr. Electric lighting shares have enjoyed remarkable rises, thanks to the substantial increases in their dividends over those of 1921. The shipping market lags a little behind the rest. What are called "shop" shares, together with those in the hotel list, are enjoying popularity not only because of the better results achieved in 1922 as compared with the previous twelve months, but also because of the hope of a record London season this year. Moreover, business in the industrial market has broadened week by week. With rubber out of the running, owing to the disappointment felt with the course of the raw produce market; with oil shares attracting little general interest by reason of the inability of oil consumption to keep pace with production, the more miscellaneous markets receive the public's attention, and the public's money, in a manner which recalls to a mild degree the boom times of 1919. Fortunately, however, the present condition of business in the Stock Exchange market for industrial shares has few of the wild gambling elements that prevailed four years ago, and which had disastrous consequences for people who rushed into shares of all kinds, irrespective of the companies' merits, simply on the hope of snatching profits, dividend payments being regarded as negligible, sometimes even as undesirable, inasmuch as income-tax had to be paid on the latter. It is possible that the cautious may see in the appetite for industrials a source of danger in the present, of loss in the future, but anyone who studies the market conditions at close quarters is aware that the public purchases of to-day are directed to stocks and shares of far better character than those which wrought such widespread losses in the aftermath of the previous industrial boom.

Notes of the Week.

Mr Lloyd George and Free Trade.—We have always held that most of the talk of Liberal reunion was beside the point, because unity is not a thing that can be created by a formula or a handshake between two men. To declare that unity exists if it does not exist is mere delusion. If it does exist, no declaration is needed. Recently in the Liberal party it has not existed. If it is to exist once more it will grow into being through a community of view and programme and a correspondence of action and vote. If "National" Liberals and "Independent" Liberals in the country think alike on the great political questions of the day they will come together, and their

amalgamation in the country will, by the force of circumstances, bring into one fold at Westminster the Members of Parliament and the leaders of the two sections. The leaders, on their part, can, by their speeches and actions, stimulate or retard the rapprochement in the country. Some recent speeches of Mr Lloyd George, particularly his call for unity against Labour as the common foe, have retarded it. His speech at Manchester on Saturday, particularly the passage dealing with Free-trade, will stimulate it. Here the ex-Premier came out with an unequivocal, or, as our Tariff Reform friends would call it, a "whole-hogging," pronouncement for Free-trade. "I will tell you what I will do," said Mr Lloyd George. "If there is going to be a fight about Free-trade, and I believe it, let us clear the decks. Let us get rid of the three—the McKenna Tariff, the Paris Resolutions, and the Safeguarding of Industries Act. We had, each of us, his reasons for assenting to these propositions at the time, and I am sure neither Mr Asquith nor I would have done it without adequate cause. But, at any rate, these causes have disappeared; the occasion has gone; and let us clear the decks. If there is a fight for Free-trade, let us go forward as a united party." Into this outspoken announcement Mr Lloyd George was apparently enticed by the eloquence of Mr Oliver at a lunch preceding his meeting, wherein the speaker pronounced a warning on the danger to Free-trade, and "applied the birch" with a nice impartiality to Mr Lloyd George and Mr Asquith. We are not, perhaps, inclined to take quite so dark a view as Mr Lloyd George about the menace to Free-trade which is said to be developing. But it behoves Free-traders to be always on the look out and to close their ranks, whenever occasion serves, against all possible attacks of Protection. The mixed audience of "Nationals" and "Independents" whole-heartedly cheered Mr Lloyd George's pronouncement, and the cheers will find a clear echo among all Free-traders of both sections. Mr Lloyd George nails Free-trade once more to his mast, and even those Liberals who distrust him most will not complain too much if his cry of "peccavi" is coupled with the accusation "peccavisti." If Mr Lloyd George may be taken to have represented accurately the views of his "National" Liberal supporters, then Liberal unity is restored with regard to the single, but vital, question of Free-trade; although with regard to some of his colleagues at Westminster we should like to see their adherence to the Manchester declaration tested in the division lobby. By the same process of harmonising of voice and action will unity eventually be established with regard to the main planks of the Liberal platform. For the moment it is sufficient cause for satisfaction that Protection has displaced Labour as the "common enemy," and that Mr Lloyd George's Free-trade avowal has been made in terms that leave no room for subscription by the weak-kneed and the waverer.

Iraq Treaty Modified.—The result of the lay Cabinet deliberations on the British burden in Iraq was announced to the House of Commons on Thursday by Mr Baldwin. Last year, it will be remembered, a Treaty was signed with the King of Iraq which imposed formidable obligations upon Great Britain for a period of 20 years. Fortunately, however, this Treaty contained a clause providing for periodic revision at the desire of either party. Since the Treaty was signed the Iraq Government, according to Mr Baldwin, "has made great strides along the path of independent and stable existence, and has been able successfully to assume administrative responsibility." Modification of the Treaty has therefore become possible with the consent of both parties. This modification is carried out by means of a protocol, which stipulates that "the present Treaty shall terminate upon Iraq becoming a member of the League of Nations, and, in any case, not later than four years from the ratification of peace with Turkey." Thus, if the renewed negotiations at Lausanne fulfil the hope of speedy success, this country's costly responsibilities in Iraq will not last much more than four years as a maximum, and relief may come much earlier if the candidature of Iraq for membership of the League, which the British Government will support, is successful. Mr Baldwin made it clear that the matter will be fully debated in the House of Commons before Whitsuntide.

Pending the detailed information that will then presumably be given on various aspects of this affair, final judgment on the policy of the British Government would be premature. But, on the face of it, it would appear that the course adopted is entirely commendable; for, if the impression gleaned from Mr Baldwin's statement is correct, it promises the earliest practicable relief from responsibility without any breach of pledges given. We trust that the description of the great strides made by the Iraq Government is not over-optimistic.

The Second Lausanne Conference.—The second conference at Lausanne, writes a correspondent, may be expected to result in a peace treaty within about five weeks from the present date. That, at least, was the impression produced by a twenty-four hours' visit to the British and Turkish delegations a few days ago. The discussion of the capitulations on their financial and commercial side seems to have passed the danger point, and to have become safely immersed in detail. The French cry of alarm over alleged Turkish military concentrations towards the Syrian frontier is not being taken too tragically by other parties, and is unlikely to bring the Conference to an untimely end. The difficult questions are the juridical clauses of the capitulations; the determination of the currency in which Turkish debts are to be paid; and the Turkish claim to an indemnity from Greece for the devastation of Western Anatolia. The abolition of the capitulations on their juridical as well as on their fiscal side is one of the fundamental points in the Turkish national programme, and since the contrary Allied interest is obviously not worth a war, it is probable that the Turks will substantially obtain their demands. The utmost concession that is likely on their side is the appointment, for a limited period, of several technical advisers to the Turkish Ministry of Justice, these advisers to be citizens of countries that were neutral during the Great War. The Allied Governments will probably ask that the approval of these advisers shall be necessary in order to give validity to the judgments of Turkish courts in cases where foreigners are concerned; the Turks will insist that they shall be simply consultants and observers. At the Peace Conference the Turkish view is perhaps likely to prevail, but that does not mean that the practical problem will necessarily be settled according to Turkish desires and expectations. At present the Turks hope to establish their complete national sovereignty, and at the same time to retain the benefits of foreign capital and enterprise. But though they can dictate the conditions under which foreigners shall do business in Turkey if they remain there, to force them to remain under these conditions is beyond their power. A certain exodus is probable. The British insurance companies at Constantinople are already winding-up their business, and the supply of Western brains and money in Turkey will probably fall short of the Turkish demand for these commodities until the Turks grant, in their own interest, conditions of residence for foreigners which they are unwilling to concede now in negotiation with the Powers. The Turks also attach great importance to the currency question in connection with their liabilities, maintaining that if they are compelled to pay in gold when the Turkish lira has depreciated to a seventh or an eighth of its pre-war value, their whole national revenue will be drained out of the country. The Allies reply that gold payments are of the essence of the pre-war contracts, which are sacred, and that, even so, Turkey will be proportionately less heavily burdened than any other belligerent. The Turks rejoin that this is little comfort to them, since most belligerents are going bankrupt, and the Allied demands are sufficient to force Turkey along the same road. The debate will be obstinate, but since this is a question of quantities rather than principles, a compromise is surely possible. The Greek indemnity may be the most thorny point of all, for on this the Turkish (like the French) Government is acting under the pressure of a strong public opinion. The Greek devastations have been wide and systematic. The number of Turks who have been ruined by the loss of farms, houses, shops, goods, or cattle is very large, and they do not understand why military victory should fail to bring them compensation. The Greeks on their side have certain counterclaims for damage done by the Turkish troops in Macedonia during

the European war, but the damages suffered by Turkey are evidently far larger. Possibly the *amour propre* of both parties may be satisfied if the difference between the two claims is examined by the Conference and the amount payable determined by the Powers. But the Turks are unwilling to see Greek claims taken into account at all, since they look on the Greeks as unprovoked aggressors, while the Greeks are unwilling to figure merely as sinners, considering how much they have been sinned against in the past. It must be remarked that this question of devastations and indemnities is separate from that of the exchange of minorities and the valuation of their respective properties—a subject on which a separate convention between Turkey and Greece has already been signed.

The New British Naval Base.—The Washington Treaties have reduced naval armaments, but have also enabled the professional strategists to demand a new and costly addition to the defences of the Empire. The "Pacific Pact" between Great Britain, Japan, and the United States forbids the construction or strengthening of naval bases between the meridian of 110 deg. E. longitude and the western coast of America; so that our dockyard at Hong Kong, which lies east of the boundary, cannot be brought up to date. The Admiralty, therefore, demands a naval base at Singapore, at a cost, spread over about ten years, of £9,500,000. Its dry dock will take the largest battleships, and it will be equipped with all necessary repair works and stores for fuel. It is stated that the scheme has been under consideration for three years, and has been approved by the Imperial Defence Committee and the Imperial Conference of 1921—presumably in the strictly confidential discussions of the problems of Imperial defence. Singapore commands the chief British highway to China and Northern Australia, and the supporters of the scheme may fairly point to the resumption by Holland of the project for a large increase of her navy in order to defend her Far Eastern possessions, or, at any rate, to keep them neutral in that conflict for the supremacy of the Pacific Ocean which many observers of international politics expect in the near future. Stress was laid on its probability at the Imperial Conference, and it is universally contemplated as a possibility by the Japanese Government. But there is reason to expect that the estimated cost will be largely exceeded; moreover, the project looks like an attempt to evade the "Pacific Pact," and may be misinterpreted on the Continent; and it is based on the theory, strongly contested by many naval experts, that the "super-Dreadnought" will remain "the pivot of naval strategy," though it is even now almost too costly to be exposed to the risks of battle, and will probably soon become more costly and also more vulnerable by aerial, submarine, and chemical attacks. The coasts of Great Britain and the Channel Islands are strewn with the ruins of defensive works which, even before they were finished, had become obsolete either through political changes or alterations in the mechanism of warfare. It is a pity that the House of Commons did not take Mr Asquith's advice last Tuesday, and postpone the whole scheme till after a further discussion at the coming Imperial Conference. However, an adverse amendment was rejected by 253 to 94, and the Vote was accepted by 274 to 51.

Irish Stocks and Irish Investors.—Our Dublin correspondent writes:—In June last the *Economist* contained some observations as to the reaction of political unrest upon the prices of typical securities as quoted upon the Dublin Stock Exchange. A cursory examination of 12 leading securities of various types and of their price fluctuations for the previous 18 months pointed to the conclusion that there had been no great shrinkage of price values as a result of the destruction of capital wealth and the diminution of production during the hottest period of the "Black and Tan" campaign of Sir Hamar Greenwood and the succeeding periods under the Truce and thereafter under the Provisional Government established by the Treaty. On the contrary, it was apparent that the owners had been holding on, and that the market was generally supported by the dominant influences of the financial world. A similar comparison to-day gives



interesting results. With the progressive restoration of order and liberty a mild boom is taking place, for which the "public," as distinct from professional financiers or speculators, is responsible. There has been almost a year of disturbance and destruction by the de Valera faction, and various accounts, inspired by a variety of motives and by no means disinterested, have been given to the world of lowered national credit and dwindling resources. But comparing the prices of April 20, 1922, with May 3, 1923, representative Irish securities practically all show notable increases. Thus, Bank of Ireland stock (£100) has increased from 228 to 248½, Munster and Leinster Bank (£5 share) from 6½ to 8½, National Bank (£50 share) from 17½ to 21, Dublin Tramways Co. (ordinary £10 share) from 42 to 53, Dublin Corporation (3½ reduced) from 66½ to 72, E. and J. Burke, Limited (ordinary £5 share), from 54s to 63s 9d, Great Northern Railway (£100 stock) from 57½ to 70, Midland and Great Western Railway (£100 stock) from 29½ to 34½, Great Southern and Western Railway (£100 stock) from 50 to 51-52. Without plunging too deeply into inference or analysis, it is safe to say that this record is an indication of the public confidence that the backbone of the revolt has been broken, and of its disposition to keep its money at home and support the new system.

The Alliance Bank of Simla, Limited.—It is at least a moot point whether it would not have been wiser for the management of the Alliance Bank to have faced the inevitable when the serious position revealed by the June 30, 1922, balance-sheet became known. On the publication of the report last September several disquieting features came to light, and confidence in the institution was shaken. The considerable sum from the available balance transferred to reserve for bad and doubtful debts was apparently insufficient, and it was deemed expedient by the directors to divert also the whole of the bank's reserve fund—Rs. 42 lacs—to the same object. The directors reported that at the end of 1920 the bank's London agents, who held a controlling interest in the bank, themselves being in financial difficulties, were unable to place at the bank's disposal funds which were on deposit at call. Immediate steps were taken to protect the Alliance Bank, and a branch was opened in London. It was hoped that a considerable portion of the amount unsecured by securities and shares received as collateral might subsequently be recovered. The directors further reported a serious loss of about Rs. 6 lacs through misappropriation of securities by a European assistant in Calcutta. This loss was fully provided for, although a portion had been recovered. It was a position calling for

strong action, and although herculean efforts seem to have been made, under the skilful guidance of Sir David Yule, who joined the board without remuneration in July, 1922, it cannot be said that the bank ever recovered from the shock to its credit, and the doors closed, not to reopen again for business, on the evening of April 27, 1923. The failure seems to have been due to over-confident trading in the boom years, and to the subsequent difficulty of recovering advances when the necessity for calling them in became apparent. For some time it had been known that negotiations were in progress with a view to amalgamation, but when these failed the only course was for the bank to close its doors. It is reported that steps are being taken for the Imperial Bank of India to liquidate the Alliance Bank, and in the meantime to make payments on account of liabilities to depositors, it being estimated that the latter will possibly be enabled to draw 50 per cent. of their deposits as soon as the necessary arrangements have been completed by the Imperial Bank in India. So passes an old Anglo-Indian institution; it was established in 1874, had its head office in Simla, and 45 branches, including the London office, and 20 sub-branches and agencies. In 1916 the Punjab Banking Company, Limited, was taken over, and the Alliance Bank also acquired the Indian establishment of the Delhi and London Bank. The business of the Bank of Rangoon, Limited, was also acquired on December 31, 1917. The capital, subscribed and paid, of the Alliance Bank on June 30, 1922, was Rs. 88,94,100; reserve fund, Rs. 42 lacs; reserve against Government paper and other investments, Rs. 13 lacs; deposits, Rs. 15,73,98,045; loans against bills, &c., Rs. 1,45,50,000; bills payable, Rs. 1,02,67,215. The principal assets comprised cash in hand and at bankers, Rs. 4,50,13,779; loans, cash credits, &c., Rs. 9,65,77,256; bills receivable, Rs. 98,65,450; Government securities, Rs. 3,51,19,464; sundry assets, Rs. 20 lacs; bank premises, &c., Rs. 90,71,957. The failure, having been more or less expected both in India and London, has caused relatively little disturbance on either the money or silver markets in both places. By reason of its numerous up-country branches and its connection with the principal centres in India, the bank has a large number of small depositors; some of these are, of course, hard hit, but the possibility of an eventual liquidation has been sufficiently discounted for some time past to preclude any adverse effect on Indian banking and exchange generally.

Currency Depreciation and Prices in Austria.—In our issue of March 24th last we published an article on "Currency Depreciation, Wages, and Prices," which was based on statistics relating to Germany. For the purpose of comparison we have extracted the following figures from the first number of the *Statistische Nachrichten*, a new monthly publication of the Austrian Federal Statistical Office:—

	Cost of Living Index (July, 1914=1).	Dollar Index. 1 Gold Crown = Paper Crowns.	Share Index Number (1st Half 1914=1).	No. of Un-employed (at End of Month).	Note Circulation (000,000's Omitted).
1922.					
January	662	1,530	56	33,554	227
February ..	781	1,380	49	42,977	260
March	790	1,479	50	42,231	304
April	870	1,547	57	44,320	347
May	1,089	1,913	78	38,573	398
June	1,866	3,282	131	33,393	550
July	2,637	6,296	153	30,969	786
August	5,914	13,238	482	31,247	1,353
September ..	11,271	15,123	502	38,000	2,278
October	10,332	14,874	767	58,018	2,971
November ..	9,701	14,740	797	83,385	3,418
December ..	9,375	14,313	719	117,891	4,080
1923.					
January	9,454	14,272	893	161,360	4,054
February ..	9,601	14,387	751	169,075	4,073
March	10,151	14,414	882	155,772	4,196
April, 1st half	10,897	14,332	1,176	..	4,310

As a result of the steady depreciation of the crown, internal prices were far below world prices—a fact that

was duly appreciated by the crowds of foreigners that flocked to Vienna in 1921 and 1922. Towards the middle of last year a further sensational fall in the exchange was followed by a period of relative stability, which has lasted up to the present time. This was reflected in the Cost of Living Index, though this year there has been a marked tendency for prices to move gradually towards the world level. Our table shows, however, that this tendency has not as yet worked itself out fully, as the internal purchasing power of the crown is still considerably greater than the external. The note circulation continued to rise for some time after the exchange had been stabilised, though this increase, which is caused by the issue of crowns against foreign securities, has only been very gradual since December last. When stabilisation had become an accomplished fact producers were faced with a serious crisis, which was reflected in the growth of unemployment. Recently, however, there appear to be signs that the worst point has already been passed. As is usual in cases of currency depreciation, share prices did not rise to anything like the same extent as commodity prices. With the renewal of confidence, which has resulted from the improved financial outlook, the share index number has, however, risen considerably of late, though the greater part of this upward movement is due to a marked revival of interest in miscellaneous mining shares.

Income Tax in France.—The French Treasury authorities have recently published statistics of the number of persons assessed for income-tax, together with the yield from that tax in 1921. These are as follows:—

Categories of Assessed Income.	Number of Assessments.	Yield from (in millions of Francs).
From 6,000 to 10,000	272,274	10
" 10,000 to 20,000	320,137	36
" 20,000 to 30,000	84,464	30
" 30,000 to 50,000	55,979	56
" 50,000 to 100,000	31,015	126
" 100,000 to 200,000	12,277	191
" 200,000 to 300,000	2,794	121
" 300,000 to 500,000	1,607	150
" 500,000 to 1,000,000	641	148
Above 1,000,000	197	278
Totals	781,375	1,146

These figures disclose the fact that the 197 assessed persons who possess incomes of over a million francs pay 25 per cent. of the whole amount raised from this tax, while the 592,411 persons with incomes of less than 20,000f (or over 75 per cent. of the total number assessed) pay between them only 46 millions, or about 4 per cent. of the total yield. The rapid extension of the income-tax in France may be gauged from the fact that the number of persons assessed in 1920 was 528,971; in 1921, 781,375, or an increase of 152,404; while in 1922 the total assessments, according to a figure given by M. de Lasteyrie a few weeks ago, numbered "910,000, or an increase of 170,000 on the year." (As there is some discrepancy between the Minister's figures and the statistics given above, his statement is placed in inverted commas.) It must not be overlooked that a large proportion of these totals is composed of small wage-earners, who have shown a remarkable antagonism of late to the payment of any kind of income-tax.

Bawra Accounts.—The accounts of the British Australian Wool Realisation Association, Limited, for the year ended December 31st last show that sales of wool during 1922 brought in £7,185,374, as against £6,424,006 in 1921, while £363,574 was received for interest, premium on exchange, and sundry receipts, and £124,220 for commission on sales from the British Government. Costs of freight storage, port dues, &c., were £400,000 lower at £639,512, and after payment of administration expenses, £190,100, and other items, and making a provision of £750,000 for contingencies, there was a surplus for the year of £1,210,865, which compares with £13,823 for 1921. Stocks of wool on hand, valued

as at date of acquisition (cost, less 40 per cent.) were reduced during the year from £8,542,280 to £3,718,041, of which £2,982,760 was in the United Kingdom and £735,281 in Australia and aloft. It may be recalled that the value of the assets acquired by the association as at December 31, 1920, less liabilities, amounted to £22 millions, the consideration for which was the distribution to nominees of the Commonwealth of Australia Central Wool Committee of 11,848,036 fully-paid shares of £1 each and priority certificates £9,902,267, and the retirement of small interests and fractional payments, £249,697. On July 30, 1921, 47.5 per cent. of the priority certificates were repaid, and the balance were redeemed during 1922. The issued capital now stands in the balance-sheet at £5,924,020, the 11,848,041 shares of £1 each having been reduced in October to 10s each, a sum of £5,924,020 having been payable to shareholders on April 14th last. At the meeting to be held in Melbourne on May 17th a resolution will be submitted to reduce the 10s shares to 1s shares by returning 9s per share to the holders. If this is passed the authorised capital will be reduced from £19,075,979 to £13,744,361, there being 13,151,959 shares of £1 each unissued. The position disclosed by the balance-sheet is still more liquid than it was 12 months ago, cash, including money on deposit and at call, figuring at £7,043,361, while British Government securities stand at £2,637,686. Large floating balances are probably unavoidable, but that they have been ably handled is shown by the large amount received for interest. It will be remembered that at a special meeting held in Melbourne in December proposals were put forward for continuing the existence of B.A.W.R.A. with a permanent organisation, whose objects would include, *inter alia*, "the protection, the stabilisation, and the development of the Australian pastoral and agricultural industries," but were defeated by a large majority, which urged that the company should be wound up and dissolved as soon as the wool and other assets could be realised. To judge from the amount of stocks now remaining, it would seem that the activities of the association will cease by about the end of the current year.

Industrial Art.—A correspondent writes:—An Institute of Industrial Art was established some two or three years ago with a view to raising the standard of industrial craftsmanship in British industry. In 1921 a conference was held between representatives of this Institute and members of the Industrial Art Committee of the Federation of British Industries, and a special committee was appointed to consider and report on (1) the nature of the influence exercised on industrial art by departments of the Government concerned with the purchase of supplies, and (2) whether the Institute could usefully take any action to co-operate with the authorities concerned in improving and strengthening that influence. A report has now been published by H.M. Stationery Office (price 9d), describing the labours of this committee, and suggesting methods whereby artistic design in Government work and supplies should receive the greatest amount of practical encouragement. In view of the length of time the committee has been sitting, the number of meetings held, and the numerous conferences with high Government officials, the results can hardly be regarded as otherwise than futile and trivial. After considerable discussion of existing methods it was decided that it was not desirable to include fixed and definite designs in the specifications; and, on the other hand, it was also undesirable to give manufacturers an entirely free hand. The middle course is therefore suggested of including with the specification a model pattern or design. This model pattern and all the terms of the specification "should be worked out with the greatest care in consultation with the best technical and artistic advisers available"; but manufacturers would be allowed to submit alternative patterns if they complied with all the technical conditions of the specification, and did not raise the price. This suggestion does not appear to make for economy, or, necessarily, for a higher standard of design, and, although the result of prolonged deliberation, it is not original, for it had been already adopted by the Admiralty. And it involves also the difficult question of copyright, which is discussed at some length in the report.

On the question of Government printing and the design of medals, coins, stamps, and emblems, the gist of the committee's recommendations is that the services of the Institute of Industrial Art should be offered to departments through the medium of an advisory committee who would, presumably, give its services gratis, at least for the present. As an illustration of the value of such an advisory committee, reference is made to the Post Office, and it is pointed out that the procedure adopted some years ago in the attempt to improve the design of pillar-boxes would probably not have been followed had a recognised advisory committee been available. Whether or not the profound deliberations of an advisory committee sitting on pillar-boxes would have resulted in a very considerable improvement in their design is perhaps an open question of no very great importance; the point about pillar-boxes which most interests business men is not their more or less artistic design, but the little bit of printing near the top which states the time of the last collection. Similarly with stamps, if the 1½d on our ordinary letter stamps could be changed into 1d, we would try to tolerate a rather less artistic design. Undoubtedly there is a big field and plenty of work for a British Institute of Industrial Art if it can only get away from the committee habit, the bane of the present age, and concern itself with things that really matter.

The Mohair Outlook.—Our Bradford correspondent writes:—This month the new Turkey and South African clips of mohair will commence to come on to the market, and their arrival is being anticipated with no little interest by users in this country. In London and Bradford there are important mohair interests, particularly in the South African clip, and the season is opening with an exceedingly good outlook. During the war years mohair was placed at a serious disadvantage, both in respect of its importation into this country and the chances it stood of going into consumption even if it arrived here, because Germany, Bradford's chief customer for mohair yarns, was cut off. West Riding mohair spinners turned a very large part of their machinery on to wool, the yarn thus produced being used for khaki purposes. Since the war they have continued to use wool, with the difference that it has gone into hosiery yarn, though during the past two years they have been gradually going back to their pre-war production. During the war the output of mohair yarn dropped to 25 per cent., but something like 70 to 75 per cent. of the machinery originally engaged thereon has now got back to spinning mohair. The past year has been a particularly busy period, and prices have risen substantially, especially for the Cape article, and it is apparent that both the home and American trades are going to be more dependent upon South African mohair than they have ever been previously. Turkey mohair has always been regarded as being the best, but stocks have been seriously reduced by war in the district where most of it was produced. The British Chamber of Commerce in Constantinople recently issued a report to the effect that the new clip would only amount to 40 per cent. of the pre-war production, and would not be more than 30,000 bags of 200 lbs each. These circumstances are giving South African produce a better chance, and it is expected that a somewhat larger clip will be marketed during forthcoming months than was the case last season. The new clip will come on to the market with stocks of good quality hair practically non-existent. It has been estimated that supplies of South Africa hair of all qualities in this country amount to no more than 2,000 bales, there being very little good to superior quality hair, except in spinners' hands. Port Elizabeth is still the chief centre of supply for the South African article, and last year good summer kids sold up to 49d. Already there has been considerable speculation in South Africa, and 50d has been paid for good summer kids up country. In addition, summer firsts have been sold at up to 20d, and while such speculation is to be deprecated, it is not likely that the price will result in a loss, though at current values we fail to see why holders should not be free sellers. The comparatively limited supply of Cape summer kids is determining the price, and in view of the interest taken in mohair goods across the Atlantic, there is every prospect of all the

summer kids being eagerly absorbed. The huge business done by Bradford mohair merchants and spinners with the United States is a particularly satisfactory feature. Last month the value of the shipments of good mohair from Bradford were no less than £27,573, compared with £5,122 for the corresponding month of last year. The value of the mohair yarn exports was £92,267, compared with £39,376 in March, 1922. This, it is believed, is a record in mohair yarn shipments to America. Mohair fabrics reached £28,022, compared with £13,990 in the corresponding month of last year. The large purchases of mohair yarn by the United States are making up for the failure of German buyers to take their usual quantity. Everything points to an active market, with the full maintenance of current values both in this country and at the Cape, and prospects are made all the better by the indication of increasing interest in mohair goods in this country. Cables received this week from Port Elizabeth state that America is paying 53d to 54d for new clip summer kids.

Butter and Margarine.—Imports of butter to the United Kingdom appear roughly to have regained pre-war level, and with home supplies again about normal the consumption of this article of diet is now approximately 14½ pounds per head of the population per annum, or rather less than it was nine or ten years ago. At the same time, imports of margarine, though still substantial, are only about two-thirds of the quantity imported annually before the war, the balance of consumption of eleven pounds per head being made up by increased production in British factories. Together, butter and margarine, foreign and home-produced, give an average of 25½ pounds per head, or nearly half-a-pound per week for each man, woman, and child. The progress made in the importation is set forth in the following table taken from Board of Trade sources:—

GROSS IMPORTS OF BUTTER to the UNITED KINGDOM.

	Cwts.	Value, c.i.f. £	Average Shillings per Cwt.
1913 (pre-war)	4,139,028	24,083,685	116.3
1919	1,560,204	19,854,427	254.5
1920	1,702,203	24,518,748	288.0
1921	3,523,976	42,339,947	240.2
1922	4,268,561	37,315,536	174.8

The re-exports last year were 452,466 cwts, against only 105,670 cwts in 1913. So that the net imports are 217,263 cwts, or 5 per cent., behind 1913. Australia and New Zealand last year contributed over two million cwts, or just upon 50 per cent. of the total imports, against only 20 per cent. in 1913. Denmark, the principal source of pre-war supply, sent 1,423,796 cwts, equal to 33 per cent., comparing with 41 per cent. in 1913. These three sources thus contributed 82.5 per cent. Finland and Sweden, which formerly sent about a million cwts, or 25 per cent. annually, last year contributed only 16,554 cwts, or less than half of 1 per cent., their place, together with some of that once belonging to Denmark, having been taken by imports from Australasia. We are also getting more from Argentina and Canada, together accounting for under 12 per cent. Though the average value per cwt has declined since the years of acute shortage, last year it was 50 per cent. above 1913. The United Kingdom, which produces about 100,000 tons (or two million cwts) per annum under normal conditions, exported last year less than 15,000 cwts. Turning next to the figures of margarine imports, the course pursued since 1913 (excluding the war years) is as follows:—

GROSS IMPORTS OF MARGARINE to the UNITED KINGDOM.

	Cwts.	Value, c.i.f. £	Average Shillings per Cwt.
1913	1,518,297	3,917,701	51.6
1919	459,369	2,229,838	97.0
1920	897,972	5,514,325	122.8
1921	1,046,072	5,222,935	99.8
1922	998,970	3,870,070	77.5

There are no re-exports, and with the exception of 7,256 cwts, the whole of the imports last year were derived, as usual, from Holland. As in the case of butter, the average c.i.f. value per cwt was roughly 50 per cent. in excess of the pre-war year. Margarine imports, however, have not advanced at the same rate towards their former

bulk, and this is largely due to the fact that the factories in this country are turning out more and supplying domestic needs to a correspondingly greater extent. With butter plentiful and cheaper, and substantial imports of margarine over the last three years, the production of margarine here has declined, and though much greater than in pre-war days, is about only half of the high level of production reached during the later war years, when in ports were cut off, and butter was extremely scarce. Efforts are being made to maintain the popularity of margarine by improving its flavour by the admixture of a percentage of butter up to the limit allowed by law. The prospects of creating an export trade in margarine made in Britain do not improve. Last year such exports amounted to only 20,724 cwts, which is less than in 1913, and compares with 84,829 cwts in 1920.

Deep Sea Fisheries.—The landings of fish at the ports of Great Britain from the deep sea fisheries in the first quarter of the year fell below those of the corresponding period of last year, though those by foreign-owned vessels showed a substantial increase. The figures relating to fish caught by British-owned boats are as under:—

	January-March, 1922.	1923.	1922.	1923.
	Cwts.	Cwts.	£	£
England and Wales	2,297,414	2,136,170	3,448,898	3,348,300
Scotland	1,055,835	939,929	944,529	806,882
Total	3,353,249	3,076,099	4,393,427	4,155,182
Foreign caught	184,498	393,859	170,175	344,855

Shell fish landed had a value of £90,296, as compared with £96,763, and is in addition to the above British total. The advance in the quantity landed by foreign-owned fishing vessels (Dutch, Danish, and German) gives point to the agitation on the East Coast to prohibit the landing at British ports of at least German caught fish. In March alone the quantity was 203,495 cwts, against only 92,250 cwts in March last year, the percentage of the total (British and foreign) being 14.7, against 6.4. For the three months the percentage of foreign-caught is 11.3, against 5.2 a year ago. The proportion is regarded as considerable, and in the present state of the markets is often sufficient to depress seriously prices realised at auction to the point of making them unremunerative to British fishing vessels, the working costs of which are enormously more than a German-manned vessel, for instance. Apart from the above, Great Britain imports fairly large quantities of fresh fish from abroad, the returns for the past quarter being as under:—

	1922.	1923.	1922.	1923.
	Cwts.	Cwts.	£	£
January-March.	309,846	292,496	144,940	134,080
From Norway	83,374	187,271	225,149	477,669
„ Other countries	393,220	479,767	370,089	611,749

The imports from Norway are at present almost exclusively herrings, which are shipped to Hull by special steamers for the use of the curing industry, and are afterwards exported chiefly to Germany, Poland, and Russia. English-caught herrings are dealt with principally at Yarmouth and Lowestoft, which two ports have from the commencement of the season, on September 1st to April 7th, cured 338,849 barrels, of which 330,924 barrels have been exported. The main destinations have been:—Danzig, 90,106 barrels; Stettin, 82,202 barrels; Königsberg, 49,364 barrels; Libau, 30,996 barrels; Petrograd, 14,709 barrels; Riga, 12,678 barrels; and Reval, 11,752 barrels.

Cotton Trade Wages.—Our Manchester correspondent writes:—Conferences have been held between the several trade unions and the employers' federations with reference to the wages agreement in the Lancashire cotton industry. At the last joint meeting between the two sides the operatives signified their willingness to accept a two years' stabilisation of wages. It is understood that this course was not acceptable to the employers, and, as a counter proposal, the masters suggested that wages should remain unchanged for nine months, and at the end of that period, whilst the operatives were to be debarred from making an application for an advance, the employers could, if trade warranted, apply for a reduction in wages, any agreement

resulting to extend for the further period of nine months. The masters stated that the operatives could reserve the right to resist any decrease at the end of the first nine months. That is how the position stands at the moment. The various cotton trade unions are to meet on Monday next to discuss the masters' offer, and a further joint conference between the workers and the employers will be held in Manchester on the 10th inst. It is quite probable that the agreement will eventually provide for the stabilisation of wages for a further period of eighteen months. It might be mentioned that present wages are 60 per cent. above the pre-war rates list, that is, after taking into allowance the reduction in working hours when the 48-hour week was adopted.

White Star Line.—The report of the Oceanic Steam Navigation Company, Limited, for the year ended December 31, 1922, is, on the whole, as good as could be expected after the warning given by the directors last year that there would be a shrinkage in 1922 of the third-class Westbound passenger traffic owing to United States immigration restrictions, and that the outlook as to freights was discouraging. The present report confirms that prophecy, saying that the reduction in the third-class traffic during the past 12 months was remarkable. The report states that the "Majestic" sailed on her first voyage during the year, and that the "Doric" was launched; while, when the "Homer" has been, as proposed, converted to an oil-burner, the whole of the Southampton-New York mail service will be entirely operated by oil-burning vessels. It is clear that the company, in times when the sea-carrying business is not without difficulties, are keeping equipment up to the highest standards. Gross profits for the past 12 months at £1,448,880 compare with £1,630,037 in 1921. The following table gives the company's record for the past 15 years:—

	Profit.	Interest, &c.	Depreciation.	Reserve, &c.	Dividend.	Balance.
	£	£	£	£	£	£
1908	306,242	103,605	410,882	..	75,000 (10 %)	— 283,245
1909	620,345	118,890	366,932	..	150,000 (20 %)	+ 5,477
1910	1,070,274	106,222	370,016	360,626	225,000 (30 %)	+ 8,410
1911	1,102,756	137,580	414,141	..	450,000 (60 %)	+ 101,035
1912	919,033	146,040	527,649	100,000	225,000 (30 %)	+ 79,656
1913	1,121,268	166,445	437,168	..	487,500 (65 %)	+ 30,155
1914	887,548	255,151	398,967	..	262,500 (35 %)	+ 29,070
1915	1,568,285	256,904	628,712	500,000	487,500 (65 %)	+ 95,169
1916	2,402,758	258,138	440,752	810,000	750,000 (20 %)	+ 143,868
1917	1,534,261	401,702	318,940	210,000	750,000 (20 %)	+ 146,380
1918	1,341,542	419,469	317,793	100,000	637,500 (17 %)	+ 133,220
1919	1,746,694	387,627	397,521	128,000	750,000 (20 %)	+ 83,476
1920	1,372,158	307,673	388,112	..	750,000 (15 %)	+ 73,627
1921	1,630,037	346,510	438,967	25,000	750,000 (15 %)	+ 69,560
1922	1,448,880	349,090	512,723	..	625,000 (12½ %)	+ 37,914

Debentures have been reduced in the 12 months by £167,900, and there has been a saving in interest charges upon debentures of nearly £10,000, as compared with 1921. The allowance for depreciation, £512,723, is the highest for some years. General reserve remains unaltered at £430,000. The dividend, 12½ per cent., compared with 15 last year, is the lowest the company has paid since 1908. The balance-sheet shows a large increase in sundry creditors, £2,854,963 compared with £1,695,498; but, on the other side, steamers, &c., are given at £8,220,748, against £6,762,869 in the previous balance-sheet. General investments, which include the amount deposited with trustees for the debenture-holders, are lower by £341,000 and debtors by a quarter of a million. On the whole, the company seems to have come through a difficult period pretty well. The directors report that the "freight situation has shown some improvement, and the outlook is less depressing."

Edward Lloyd, Limited.—The two years ended December 31, 1922, are covered by the directors' report and balance-sheet to hand. At the company's annual meeting last year the chairman explained that the balance-sheet and accounts could not be presented, owing to delay in obtaining a settlement of an excess profits claim. He also announced that the company had met with serious loss, partly owing to the fall in value of stocks in hand, and would be unable to pay any dividend on the ordinary shares for 1921. The past year has been one of partial recovery. The following table giving the results for

1913, which are included for purposes of comparison, and the past seven years, shows how the company has fared:—

	1913.	1916.	1917.	1918.	1919.	1920.	2 Years 1921-22.
	£	£	£	£	£	£	£
Trading profit	152,363	123,953	151,536	177,941	223,033	119,876	194,219
Brought forward	23,629	39,304	37,195	39,923	52,690	10,977	21,464
Management exps., &c.	175,992	163,257	188,731	217,864	275,723	130,853	215,683
	9,869	23,937	24,183	40,549	5,121	7,201	11,530
Reserve, &c.	166,123	139,320	164,548	177,315	270,602	123,652	204,153
Preference dividend	20,000	20,000	20,000	20,000	20,000	..	..
Preference dividend	37,125	37,125	37,125	37,125	37,125	42,188	94,500
Ordinary dividend	67,500	45,000	67,500	67,500	67,500	60,000	75,000
Rate	(11½ %)	(7½ %)	(11½ %)	(11½ %)	(13¼ %)	(5 %)	(7½ % for 1922)
Carry forward	41,498	37,195	39,923	52,690	130,977	21,464	19,664

The directors put the position quite frankly, pointing out that while the average of profits for the two years, as compared with 1920, a year of severe depression, shows a decrease of £21,331, it shows a decrease of £126,567 as compared with 1919, a more normal year. "This decrease was chiefly due to the writing down in the value of the heavy stocks of raw material in 1921, which was greatly in excess of the amount recovered in the return of Excess Profits Duty and to reduced production in that year as the result of the coal strike." On turning to the balance-sheet, we find that the amount charged against profit and loss account for depreciation in the two years is £84,147. Stores and stock-in-trade, which stood at £1,406,883 in the last balance-sheet, are now stated at £583,596. Freehold land, dock, and water rights are valued at the figure of last balance-sheet, with an increase of £14,350 for additions in the two years, the total being £164,743. Investments have increased from £603,076 to £736,575, of which £688,778 consists of British Government bonds.

Bryant and May.—The year ended March 31, 1923, has been the most successful Bryant and May, Limited, have known. Profits reached £323,523, compared with £233,135 in the previous year. The following table gives results for the past six years:—

YEAR ENDED MARCH 31st.

	1918.	1919.	1920.	1921.	1922.	1923.
	£	£	£	£	£	£
Net profits....	127,233	149,556	226,642	215,324	233,135	323,523
Reserves, &c.	25,000	25,000	45,000	45,000	45,000	102,500
Preference div.	67,200	67,200	67,200	67,200	67,200	67,200
Ordinary div.	48,000	52,000	88,000	88,000	88,000	111,721
	(12 %)+	(9 %)+	(11 %)+	(11 %)+	(11 %)+	(12 %)+
To employees	..	..	24,000	24,417	24,854	38,620
Carried forward	12,967	5,356	2,441	9,293	8,081	3,482

† Free of tax.

After the payment of 14 per cent. on the preference shares, there is distributed to the ordinary shareholders a dividend of 8 per cent., with a further 4 per cent. under the Brymay co-partnership scheme, making 12 per cent., all free of tax. The amount for division among the employees under the scheme is £37,240, free of tax, the equivalent of 4 per cent. on the ordinary shares. The partnership shares have grown from 10,674 in 1921-1922 to 17,243 in 1922-1923. It will be seen from an analysis of the balance-sheet in another column that the £300,000 7½ per cent. notes, which the company had the option to redeem any time after July 1st last, have now disappeared from the balance-sheet. During the year under review £750,000 5 per cent. debentures were issued, and the directors now recommend that the discount of £52,500 should be written off out of profits. Further, a sum of £50,000 has been written off properties, buildings, plant, &c., which compares with £25,000 last year. Reserve stands at £260,000, compared with £240,000 in the last balance-sheet. Sundry creditors are £206,000 higher, while premises, goodwill, &c., have been entered at over half-a-million more than last year. The company, during the year, in association with two other companies, have formed the Canadian Match Company, Limited, whose first factory has been established at Pembroke, Ontario. Bryant and May have a one-third interest in the new company, which, the directors report, has made a good beginning. It is worth mention that the auditors' certificate again gives

the information that stocks-in-trade have been taken "at prices at or below cost, and not exceeding market value," and have been entered according to inventories certified by the managing director and the departmental managers. This is the kind of information one often misses from balance-sheets, and the example of this company is one which might be followed.

Alliance Assurance Company.—The fire business of this office is small by modern figures, but of the best quality, and is usually productive of sound profits. Last year the fire premiums were £1,908,611, as compared with £1,966,478 in 1921; the claims were at the rate of 46.8 per cent. of the premiums, against 48.2 per cent., and the expenses were 43.9 per cent., against 46.6 per cent. The result, after providing for unexpired risks, was a surplus of £196,754, or 10.3 per cent., against a surplus of £91,540, or 4.6 per cent. The reduction in the ratio of expenses and commissions to premiums is an important feature, as it had gone up 10 points since 1917, and was becoming oppressive. In the marine account the premiums were £509,951, against £550,819; the claims £592,796, against £855,452; and the expenses £96,518, against £123,620. The underwriting account for 1920 was closed, and the balance of £52,714, with current interest receipts of £45,956 reserved for further claims on that year's account. The premium income of the accident and miscellaneous accounts was £575,308, against £600,817 for 1921, and an amount of £114,426 was carried to profit and loss. Interest yielded altogether £288,324. The directors have resolved to declare a dividend for the year of 14s a share, less tax. The assets, of which the market value is stated largely to exceed the book value, amounted on December 31st last to £27,176,478.

Yorkshire Insurance Company.—In the fire department of this company last year the premiums were £834,455, as compared with £847,167, and the claims were 53.6 per cent. of the premiums, against 54.1 per cent. in 1921. Commissions and expenses absorbed £350,713 (42 per cent.), as against £358,679 (42.3 per cent.). The underwriting surplus, after provision for unexpired risks, was £41,479, or 4.9 per cent., as compared with £28,018, or 3.3 per cent. The marine department was less successful. The premiums were £419,919, the claims in 1922 and previous year, £542,384, and the expenses, £83,418; the marine fund was reduced by £187,876 to £512,872. The accident and general department, which is becoming an important part of the company's operations, showed premiums of £898,515 and claims of £484,758; after provision for unexpired risks, a surplus of £106,740 was carried to profit and loss. Interest receipts available for profit and loss yielded £87,404, dividends to shareholders cost £91,284, and after increasing the general reserve fund by £10,000 to £537,104, there was a profit and loss balance of £106,713.

British Banks in America.—According to a *Times* telegram the New York State Senate has passed an amendment of the banking law permitting banking corporations of foreign countries to maintain agencies in cities having 1,000,000 population or over to carry on the additional business of discounting and negotiating notes or bills, receiving deposits, and lending on real and personal property. This may lead to interesting banking developments. Hitherto British banks have been debarred from opening branches in New York and other American cities for the purpose of transacting ordinary banking business.

Gold Coast Amalgamated.—Our mining correspondent writes:—This financial undertaking fared rather better last year than in the preceding period; hence the directors are able to pay a final dividend of 7½ per cent., making a total of 10 per cent., as against 7½ per cent. for 1921-22. This, however, entails a moderate draft upon the carry-forward. Investments now stand at the slightly reduced amount of £489,000. They include interests in about 30 undertakings, some of the more important being the

American Trona Corporation, Burma Corporation, De Beers Diamond, Government Areas, Mexican Eagle, New Modder, and South American Gold and Platinum. The number of shares held in the last-named concern was reduced, and those in the Modder and Mexican Eagle increased, during the year. There is the anomaly that the current market value of "Amals" represents less than the quoted securities alone.

LONDON GAS COMPANIES. A CORRECTION.—With reference to our article on this subject in last week's issue, we are informed that the Commercial Gas Company of London sold 17,054,125 therms in 1922, as against 17,055,478 in 1921, being a decrease of 1,353 therms.

The Royal Colonial Institute announces a meeting at the Edward VII. Rooms, Hotel Victoria, W.C. 2, on May 8, 1923, at 8.30 p.m., at which an address on "Trade within the Empire and how to develop it" will be given by the Hon. J. K. Merritt, M.L.C., Honorary Minister Victorian Government. The Hon. Sir George Fuller, K.C.M.G., Premier of New South Wales, will preside.

Oversea Correspondence.

UNITED STATES.—SHIPPING BOARD POLICY— GOVERNMENT TO OPERATE STEAMSHIPS— GOVERNMENT AND SUGAR SPECULATION.

(FROM OUR CORRESPONDENT.)

NEW YORK, April 23.

At a recent conference between President Harding and the United States Shipping Board a definite attempt was decided upon to solve the difficult problem which has confronted the Administration ever since Congress, at its last session, failed to enact ship subsidy legislation. Owing to the refusal of Congress to provide a subsidy, the Shipping Board is left with its vast possession of ships, and faces heavy losses under the existing arrangement of allocated operations, under managing agents. The Government has now decided to operate itself all the ships it owns if it cannot sell them. The announcement is made that, in compliance with the Shipping Act, the Board will at once proceed to the consolidation of foreign trade lines, and then offer the sale of these lines and ships under the law, conditioned on a suitable guaranty from the purchasers that they will maintain service. If such sales, it is explained, cannot be made without unjustifiable sacrifice, then the Government "will proceed to direct Government operation, aggressively pursued." "In short," the statement continued, "there is unanimous agreement that the existing law contemplates and authorises an adequate and maintained American merchant marine, and such a course will be followed as will fully guarantee it and contemplate its larger development." In a supplementary statement, Chairman Lasker, of the Shipping Board, said that he, with the other members of the Board and the President, has been consistently opposed to Government ownership and operation, but in view of existing conditions it has been decided to go into Government operation on a larger scale in case the vessels cannot be sold. Congress, he added, has already given full authority for such operation, and there is available \$50,000,000 for the next fiscal year for Government operation of ships. That sum, in the opinion of the Shipping Board, will be sufficient to keep all trades lines open to American bottoms. "All shipping companies, under any flag," Mr Lasker remarked, "seem to be losing money now, but this Government cannot leave the seas to foreign competition." Present indications as to the action of the Board point to a consolidation of services which will reduce the trade routes to be offered for sale to about a score, and an incentive to purchasers will be given in the shape of a guarantee that the Government, if it is compelled to operate vessels on its own account, will not compete in any route taken over by private operators. That guarantee seems to have been overlooked in much of the criticism recently directed against the Government. The Government, it is understood, is willing to sell at the "market price" any of its vessels without requiring a

guarantee to maintain service. During recent months more than a score of oil tankers have been sold unconditionally by the Government at the market price. Operators who purchase below the market, however, will be obliged to give such guarantee, according to present plans. So far as is known, the proposal for Government operation primarily concerns cargo routes, and not passenger routes; the passenger business now seems satisfactorily organised by the private operators. The Shipping Board will probably call for bids shortly, but the outlook for the sale of its vessels is not considered very bright. One offer was made last week for three of its vessels at \$100,000 each, but was rejected by the Shipping Board, which refused to consider less than \$300,000 for each vessel.

The immediate effect of the extraordinary move by the Government to stop speculative dealings in sugar futures, through injunction proceedings brought against the New York Coffee and Sugar Exchange and the New York Coffee and Sugar Exchange Clearing Association, was to cause heavy liquidation of sugar options with sharp declines ranging from about ½ to ¾ of 1 cent a pound, and a decided slackening of speculative operations not only in sugar, but also in cotton and grain markets, and to a less extent in the stock market. Such unsettlement as occurred, however, which could be attributed to that unexpected development, proved only temporary. The Government's action was begun last week when, by direction of Attorney-General Dougherty (after the entire matter, it is said, had been laid before President Harding and the Cabinet), a petition was filed in the United States District Court here for an injunction against the institutions named, their officers, directors, and managers, to prevent the defendants "from further engaging in and carrying out in the United States a combination and conspiracy in restraint of trade and commerce in raw and refined sugar among the several States and with foreign nations." Details of the operation of the sugar exchange and clearing association are given to show that only a very small percentage of the transactions are actual sales for delivery, and that as a result prices have been advanced to a level not warranted by the amount of raw sugar on the market, which is placed at a figure larger than that of last year. "Sugar is a prime article of diet and a necessary of life," the petition sets forth. "The annual *per capita* consumption of sugar in the United States is 102.86 pounds," and every advance of 1 cent a pound in the price of refined sugar, it is said, costs the consumers in this country approximately \$2,000,000 a week. Figures are presented to show that of the total number of sugar contracts cleared through the defendant clearing association, only an infinitesimal percentage was consummated by delivery; the percentage for January, 1923, is given as .0010 per cent., for February .0002 per cent., and for March .0010 per cent. Although these dealings result in the actual delivery of very little sugar, they are carefully recorded, and set a price for sugar transactions all over the world the petition declares. In support of the claim that there was no reason because of inadequate supply for the increase in the price of sugar, the Government's petition asserts that from February 1, 1923, to the time of filing its suit "the situation of the United States and of the world in the matter of available stocks of raw sugar was more favourable than at any time within the last three years. The production of cane and beet sugar for 1921-22 was approximately 1,000,000 tons greater than in the preceding year, and the estimated production for 1922-23 was 521,000 tons more than for 1921-22, when the total was 17,686,000 tons. The United States Department of Commerce estimates the 1922-23 world production of sugar at 19,511,000 tons, an increase of 1,800,000 tons over 1921-22. "There existed during that period," the petition states, "no economic justification for a sudden or appreciable increase in the price of raw or refined sugar, or for any increase." The rapid advances which did take place are ascribed by the Government "to a combination and conspiracy" by the defendant institutions, which, it is alleged, sought to establish artificial and unwarranted prices, with the result that there has been "an orgy of speculation in raw sugar," based on fictitious sales.

The outcome of the Government's action will be awaited with keen interest, because of its bearing on dealings in contracts for future delivery not only of sugar, but of

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other commodities. The whole question hinges, obviously, on whether the rise in sugar prices has been due, as the Government alleges, to manipulation or to the operation of the law of supply and demand. Many authorities here believe the latter, rather than speculation, has been the chief factor. Estimates as to the size of the Cuban sugar crop still vary widely. Between the low estimate made by Cuban interests as to the probable yield and the higher estimate by authorities in this country there is a difference of some 500,000 or 600,000 tons.

FRANCE.—THE GERMAN OFFER—IRON AND STEEL— —THE USE OF CHEQUES—BOURSE.

(FROM OUR CORRESPONDENT.)

PARIS, May 2.

THE text of the German Reparations offer, which has been published here this evening, has been received with merely languid interest, as every probable proposal it would contain had been definitely rejected in advance. It has been regarded here for some weeks past as unthinkable that the German Government, in its "first offer," would make any kind of proposal that could be acceptable to this country, and the outstanding impression in the public mind has been what may be described as a form of impatience for what is universally regarded here as an inevitable but merely preliminary passage of arms to be got over and done with. Rightly or wrongly, French opinion is convinced that no practicable offer from Germany may be expected at the start. The entire absence of any suggestion of a pledge on the part of the Berlin Government that it is prepared to abandon its resistance to the occupation of the Ruhr—which it is certain the French will insist on obtaining before they will consent to open negotiations—has already proved sufficient to cause the German offer to be regarded here as stillborn from the moment of its announcement.

Two factors alone in the situation set up by the new German proposals are eliciting a certain amount of interest in this country. One is the widespread belief that Lord d'Abernon, the British Ambassador in Berlin, who has long been out of favour with the French political world, has secured the approval of the British Cabinet for the proposal that the German debt shall be definitely reduced to 30 milliard gold marks. There is consequently much curiosity as to what attitude the Bonar Law Cabinet may take in regard to the German proposals. The other factor, although a much less active one, is a certain amount of dissatisfaction as to the possibility that American financial interests may utilise the German offer, not so much for the benefit of purely selfish transatlantic ambitions, but to the detriment of this country.

Meanwhile, it must be admitted there is no symptom of any weakening on the part of French public opinion in its support of the Poincaré Cabinet's policy in regard to the Ruhr in particular, and to Germany in general. The *Matin*, a day or two ago, gave exceptional prominence to an article insisting that rumours that have been in circulation for some time past as to differences of opinion between M. Millerand and M. Poincaré are absolutely without foundation, and this denial has been accepted by the public with extraordinary unanimity. Alone M. André Tardieu, who is not only a fervent supporter of his old chief, M. Clemenceau, but who admittedly nourishes ambitions to succeed M. Poincaré as Premier, has voiced dissatisfaction with the practical results that have so far accrued from the occupation of the Ruhr. M. Tardieu has raised, in particular, the objection that, although official statements are issued in fairly rapid succession as to the number of trainloads of combustibles that on certain dates have been sent into France from the Ruhr, and as to the number of tons of fuel that have been dispatched on certain other specified days, exact information as to what is happening is difficult to obtain from the incomplete statements issued under official authority. M. Tardieu asks for definite global figures for corresponding periods in 1922 and 1923.

The Comité des Forges, the great association of French iron and steel masters, has to-day issued the following interesting statistics of the monthly output of iron and steel in France during December, January, February, and March last (which must, of course, be read in the light of the fact that the Franco-Belgian occupation of the Ruhr began in the middle of January):—

	Iron. Tons.	Steel. Tons.
December, 1922	513,288	414,597
January, 1923	486,210	407,731
February	305,526	289,787
March	316,146	315,807

March, the last month for which complete figures are available, shows an increase in the output of iron of about 26,000 tons, and of steel of rather over 10,600 tons, but it is evident, when it is recalled that February was a shorter working month, that the average output during the sixty days was approximately the same. When the figures for that part of the Lorraine area that was formerly German are taken alone, however, the impression is modified:—

	Iron. Tons.	Steel. Tons.
December, 1922	219,137	147,914
January, 1923	195,100	144,361
February	101,356	84,484
March	88,652	79,222

The falling off in Lorraine in March, however, was obviously more than compensated for in the other areas. The number of blast furnaces working on April 1st was the same as on March 1st, namely, 77, as compared with 90 on February 1st and 116 on January 1st. The number of furnaces in a position to work on April 1st was 96, while 46 were undergoing construction or under repair. The number in operation throughout the whole of the East of France (including Alsace and Lorraine) on April 1st, however, was only 46, of which some were working on reduced time. The Committee's figures show, in the last analysis, that the total number of furnaces shut down through shortage of coke during March was 39.

A curious sidelight is thrown on the hesitancy of the average French business man to utilise the system of payment by cheque by the fact that two Bills have been laid before the Chamber for the purpose, indirectly, of overcoming a portion at least of the objection to accepting or issuing cheques, which is still so widely prevalent in this country. It is almost incredible that an enormous number of important French firms even to-day persist in carrying on business without availing themselves of the advantages conferred by the possession of a banking account. One of the two Bills in question proposes to render it possible for the person in whose favour a cheque is drawn to insist, before accepting it, on having it certified by the bank on which it is drawn, thereby imposing on the banker the obligation to ensure its payment. The other proposal is to render banks, and not their customers, liable for any payments that may be wrongfully made in consequence of the loss, misappropriation, or misuse of cheques. As matters stand at present the majority, if not all, French cheque-books bear upon them a notice to the effect that "the bank assumes no responsibility" for any consequences arising from the misuse of cheques by third parties, while customers of a bank, on receiving a cheque-book, are invariably required to sign an acceptance of this stipulation. The *Temps* and other journals, curiously enough, regard both Bills as undesirable, the one on the ground that the possibility of obtaining certification of a cheque would lead to unnecessary complications, and the other on the ground that the banker who cashes a forged cheque ought not to be held responsible for "facts to which he is a stranger."

Under the influence of the expectation of proposals from Germany, the Bourse has more or less continued marking time until the situation becomes clearer. Price movements have been irregular, and, as a whole, within quite narrow limits. A good deal of irritation has been caused by the fact that, in consequence of the failure of this country to come into line with England and Belgium in regard to the adoption of summer time, the Paris Bourse now opens an hour later than the British and Belgian stock exchanges, which is naturally depriving the market here of a substantial share of its normal business, particularly in connection with arbitrage transactions. The Minister of Finance has been asked to receive a deputation of *agents de change* and bankers, with a view to the introduction of a short Bill, when the Chambers resume on May 8th, for the purpose of enabling them to begin the day's work an hour earlier.

GERMANY. — RUHR—FINANCES—EXCHANGE AND BOURSE—INDUSTRY.

(FROM OUR CORRESPONDENT.)

BERLIN, May 1.

THE condition of industry in the Ruhr is getting worse, and the French have dealt it several more blows, the last being a measure against motor traffic, by means of which many works have so far kept themselves independent of the railways. Only 15 per cent. of the coke ovens are working, and these are connected with the local light and power supply. Coal production is estimated at as low as 40 per cent., and iron production at 50 per cent. of the normal figure. The iron works are almost entirely without a market, and there is no prospect of their being able to sell the goods which are now being produced for stock to the unoccupied provinces, even after the raising of the blockade, as unoccupied Germany is not suffering from any shortage. In general the iron market is dull, and there appear to be considerable fears of a general stoppage of iron-smelting, which would have very bad results, as it would entail the production of steel and rolling mill products, in which blast furnace gases are predominantly used, coming to a standstill. French policy seems now to be directly aimed at bringing about a catastrophe in the Ruhr.

Trade statistics for all 1922 show that there was a large

import excess of coal, and of heavy iron and steel. The figures are given below:—

	(In Metric Tons.)	
1922.	Imports.	Exports.
Coal	12,598,397	5,062,021
Pig-iron	294,311	157,792
Scrap	600,983	98,467
Ingots, blooms, slabs, &c.	325,211	102,115
Bars, girders, and bands	805,600	512,313

The coal figures exclude deliveries on Reparations account.

The Finance Ministry's report for April 20th gives the total debt at 9,681,299,000 marks, of which no less than 9,616,876,000 marks is floating debt. This latter has increased by nearly 8 billions since January 1st, though the rate of accumulation has fallen off in the last few weeks. An unofficial report states that the Budget for 1923, which is now being revised, will show a deficit of 10 billions. The last estimate of the cost of fulfilment of the Peace Treaty terms shows a rise since the former estimates from 8½ milliards to 1,400 milliards for the Ordinary Fulfilment Budget, and from 122 milliards to 809 milliards in the Extraordinary Budget, the total cost being 2.2 billions, or 11 times the earlier estimate. The Customs gold surcharge has been raised from 502,900 to 551,900 per cent. The State Brandy Monopoly shows a surplus of 10,297 millions for 1921-22, against 1,704 millions in 1920-21, the net profits being 7,442 millions, as against 1,341 millions in the previous year. The bill leasing Prussia's State-owned mines and certain other State undertakings to a privately organised company has been prepared. The properties in question are coal mines employing 45,000 men and producing 9,000,000 tons of lignite, as well as potash concerns, salt mines, iron ore mines, and smelting works, limeworks, and one amber concern. The lease is for a hundred years, while the capital will be supplied by the State. The reason given for this measure is that official management has proved to be cumbersome and unadaptable.

A Darmstadt court has dealt a new blow at the validity of the currency by declaring that the repayment of a mortgage debt in paper marks may be rejected. The principal ground for this decision is that to return almost worthless paper marks for gold marks lent is a breach of "loyalty and faith." In principle this judgment resembles the decisions of the Supreme Court, which we reported recently, to the effect that a contract to deliver goods at a fixed price cannot be enforced if between the date of the contract and that of delivery the currency has depreciated unreasonably. The new decision, however, goes much further than this. The previous judgment was based on grounds of expediency, since it was not to be tolerated that a solvent firm should be ruined by being compelled to deliver goods under an old contract at perhaps 1,000th of their current price. Mortgages, however, were regarded in a different light, as a mortgagee was looked upon as being a mere non-producing capitalist on the same footing as holders of State loans. His ruin, therefore, being gradual and not affecting production, had not the same meaning in practice as the bankruptcy of a manufacturer or trader. Hence, though mortgages have of late been paid off wholesale, big properties being cleared at trivial cost of debts representing normally two-thirds of their value, the Government has refused to intervene. The court now declares that "the extinction of a gold debt by paying paper marks with only a fraction of a thousandth of the buying power of the money lent, is a violation of loyalty and faith," and therefore the lender cannot be forced to accept payment. The court makes the strange ruling that to the law of August, 1914, compelling acceptance of the paper mark at its nominal value, "an exception has been made in that the power of business has set the law out of force."

The Reichsbank statement for April 23rd shows 258,087 million marks more notes in circulation, 171,644 millions more in commercial bill discounts, and 378,672 millions more in Treasury bills discounts; while the metal holding has risen to 14 milliards. The gold reserve shows a decline of 84,921,000 gold marks, owing to the pledging of this sum abroad for loans in foreign currency. Of the gold reserve actually in Berlin a further 65,251,000 gold marks were transferred abroad, while the not-hypothecated gold deposit in foreign central banks declined by 19,670,000

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to 164,782,000 gold marks. This is the first time the Reichsbank has made use of its foreign gold deposits in order to obtain a loan. The 84,921,000 gold marks now appears at its nominal value in the item "Other assets," while the amount borrowed by the bank abroad appears also at its nominal value under "Other liabilities." The entering of gold at about 1-6,000th of its value together with paper marks is highly misleading. The Reichsbank's report for the year 1922 as compared with 1921 is as follows:—

(In Millions of Marks.)			
	1921.		1922.
Gross profits	9,778	..	64,500
Loss on war guarantees	462	..	10,000
Net profits	565	..	43,500
Share of Republic	541	..	17,200
Dividends	18	..	72
Per cent.	10	..	40

Nervousness is felt about the mark exchange. After Bourse hours yesterday the dollar rose to 33,000, which is the highest figure touched since early in February. This anxiety is caused by the growing conviction that any attempt to maintain the mark by artificial banking expedients without the simultaneous introduction of measures aimed at maintaining the real value of the currency are sooner or later doomed to failure. The dollar rise yesterday evening is stated to have been directly caused by new wage demands which are being made by coalminers in connection with a possible new rise in coal prices. That the exchange value of the mark should thus be made dependent upon considerations of its home value is a novelty; hitherto the opposite process has prevailed. The *Frankfurter Zeitung*, after dealing with the recent growth of debt and of inflation, tending to reduce the mark's real value, says: "It is astonishing that up to this point the level of the exchanges has been maintained."

The Bourse was firm last week. The index of home dividend-payers stood at 1,359.115 on April 27th, as against 1,255.115 the week previously. Yesterday shares of all kinds boomed, and large foreign purchases were made. There was a particularly strong demand for the Stinnes Rhine-Elbe Union shares, and for the allied Siemens shares, on account of company amalgamation deals. The average of home bonds dropped slightly during the week, and yesterday Federal loans were irregular, War Loan was quoted 89.50, Fours 1.140. Three and a-Halves 570, Threes 4.400, Colonial Fours 10.000, Savings and Premium 290, and Prussian Threes 235. Forced Loan closed at 29.80, which was a considerable improvement on the previous quotation of 24. In February Forced Loan stood at 70; but last week there was general selling by holders, who needed money for payment of taxes before the 30th. Forced Loan is really as good as Threes, which stand more than a hundred times higher; and although for the moment it bears no interest, Threes and the other high-quoted loans actually yield practically nothing.

Prices are rising. According to the official commodities index prices were 5,738 times the pre-war level on April 25th last, while they were only 4,923 times that level on April 14th. Pig-iron prices have already risen, and an increase in Steel Syndicate prices is expected. The important Bismarckhuetten and Kattowitz Companies have been brought into Stinnes' Rhine-Elbe Union. Hitherto the Union embraced the Deutsch-Luxemburg, Gelsenkirchen, Bochumer Verein, Siemens Schuckert, Siemens and Halske, Braunschweig Coal, Gebrüder Boehler, and the Austrian Alpine Montan.A.G., most of these concerns

having ramifications of their own. The Bismarckhuetten Works in Upper Silesia embrace all processes—from smelting to fine steel production; and the inclusion of the Kattowitz concern broadens the Union's coal basis. Herr Stinnes has also acquired control of a Roumanian aluminium company.

The Iron and Steel Wares Association demands the abolition of the Foreign Trade Control System. Export duties on a considerable number of articles have already been reduced, in some cases to 1 per cent., while on certain goods the duties have been abolished altogether.

NORWAY.—THE BANKING CRISIS.

(FROM OUR CORRESPONDENT.)

CHRISTIANIA, April 30.

TELEGRAMS before now will have informed your readers that the Foreningsbanken and Centralbanken for Norge have stopped payment. It will be remembered that both these banks were labouring under very great difficulties. Both of them—Centralbanken first and Foreningsbanken later on—last year received assistance to the extent of 50 million kroner each from the Bank of Norway and some private banks. It was confidently hoped that this assistance would suffice to help them over their difficulties; but the confidence which was absolutely essential was gone; the depositors withdrew their funds, and then, of course, the banks could go on no longer.

On March 24th this year a temporary Act designed to meet the exigencies of banks in difficulties was passed. It was provided that a bank that had to stop payment might apply to the Finance Department, which, if it was considered of importance to avoid the liquidation or bankruptcy, might, in concert with the Bank of Norway, decree that the bank concerned should be placed under public administration for one year (a period which might be prolonged). During such period no creditor who does not hold an absolute mortgage can enforce any claim, and even old depositors must rank after depositors who lodge money in the bank subsequently to the bank having become subject to such public administration. The chief object of the Act, of course, is to restore so much confidence in the bank as to attract fresh capital and business. Up till to-day 16 banks in difficulties have petitioned for treatment according to the Act; whether the latter will prove effective cannot, of course, be known till it has stood the test of time.

From the communiqué issued by the Foreningsbanken, it appears that the enormous amount to be written off as loss is about 106 million kroner. No such statement has as yet been made by Centralbanken, whose loss, however, no doubt will prove to be very great indeed. As far as can be ascertained, there cannot be a shade of suspicion of fraud on the part of any of the managers; but there seems to be good ground of reproaching them for lack of ability and circumspection. But they were acting under very difficult circumstances.

As was natural, the events caused a good deal of nervousness among the public; bank shares fell during the next two to three days about 10 per cent., and many people hastened to get their money out of the banks, no doubt hoarding it. The nervousness now seems to be over, and bank shares have gone up again. There is plenty of money in the market for the legitimate needs. The nervousness also showed itself in the quick rise in all foreign exchanges; but also in this respect equilibrium seems to be nearly regained.

After a long debate in the Storting it was decided to render State guarantee to creditors in the banks in trouble, and very extensive discretionary powers were vested in the Government to step in as occasion might be.

Two or three minor provincial banks also, on account of their relations to the two big banks, have had to follow suit with them, and there may still be some banks that will have to do so. The general opinion is, however, that the air has now been cleared so far, and that the country may be spared from further calamities of such magnitude as those just experienced.

ROUMANIA.—NEW CONSTITUTION—BUDGET—RENTING LAW—INDUSTRIAL BANK—PROPOSED BRITISH LOAN.

(FROM OUR CORRESPONDENT.)

BUCHAREST, April 25.

THE outstanding political and economic events in Roumania during an eventful month have been the enactment of the new Constitution; the voting of the Budget, with its aftermath in a general strike of Government employees; the passing of a new Rent Act; and the depositing with Parliament of a Bill for the creation of an industrial bank.

A careful study of the new Constitution shows it to be a measure that, in its political and social aspects, is sufficiently broad and elastic so that no alarm over it need be felt either by foreigners or by Roumanians themselves. Certain of its economic provisions—notably the "nationalisation of the subsoil" and the control of the Government over private property—might be distinctly prejudicial to foreign interests under a too radical or reactionary Government; but the present Government, with a full realisation of the necessity for co-operating with foreign capital in the development of Roumania's economic resources, can no doubt be relied upon to steer a middle course.

The most satisfactory feature about the Budget is that, on the basis of the estimates, it presents a comprehensive and balanced statement without any "reconstruction" or "extraordinary" Budgets lurking in the background; and what is also considered satisfactory is that the Minister of Finance seems confident that he can make revenue balance expenditure, and, at the same time, provide for the services of the external funded debt. The Budget allowance to provide a fund of 500,000,000 lei for salary advances for Government employees, however, is considered entirely inadequate to meet the pressing needs of the situation, and the result is that many thousands of Government clerks, although unorganised, are now on strike, and considerable apprehension is felt as to how far the movement may spread. Civilian employees of the Government make up probably more than 5 per cent. of the working population of Roumania, and the situation has been growing increasingly difficult for them with the cost of living mounting steadily throughout the past two years, while salaries have remained almost stationary.

The new Rent Act is, in the main, merely an attempt to relieve some of the hardships caused by a chronic housing shortage. Bucharest has now about doubled its pre-war population of 350,000, but the amount of new building since the war has been entirely inadequate. According to reliable estimates, at least 25,000 new dwelling-houses are needed to meet the present and prospective requirements of the city, while less than 2,000 houses were actually completed in Bucharest during 1922, and so far this year only about 200 building permits for new premises have been issued. This is directly due, of course, to the tight money situation and to the abnormally high prices of all building materials.

The proposed Industrial Bank which the Government has had under consideration for some time has for its principal object the rationing of the available credit resources, so that they may be used where the need is greatest and where they will do most good to the country's economic development. It is planned to start the organisation with a capital of 500,000,000 lei, to which the State and the Banca Nationala will subscribe 40 per cent.

The presence of a number of representatives of London bankers in Bucharest last week has given rise to many rumours as to the terms of the proposed British loan, which it is believed have been under discussion. The proceeds are said to be intended for railway material and similar purposes, and it is perhaps not out of place in this connection to note that Mr Vintila Bratiannu, the Minister of Finance, has recently announced that the Government is quite ready to consider the co-operation of foreign capital in the development of the oil lands to which the State now has title—provided that such co-operation leaves control in Roumanian hands.

SPAIN.—THE DEFICIT AND ECONOMY—A TRADE CONGRESS—TREASURY BOND ISSUE.

(FROM OUR CORRESPONDENT.)

MADRID, April 20.

SEÑOR VILLANUEVA, the new Minister of Finance, in a recent speech, made the usual promises of economies, and stated that the deficit (about 1,000 million pesetas) was due to a superabundance of Government officials, extraordinary expenses of the Moroccan campaign, and to the abuse of authorisations conceded with the object of reducing the cost of living. All the other Ministers manifested great willingness to help Señor Villanueva to combat these three evils in their respective Departments, but it remains to be seen how far this enthusiasm will go when internal opposition is met.

The Oversea Trade Congress was opened during the month by King Alphonso, and was carried out to programme. The delegates present numbered 825, of whom 245 were from abroad and 580 from the Peninsula, and it is hoped that the greater part of the conclusions may become effective within two or three years. Two of the difficulties which have to be solved before complete satisfaction can be given to representatives of Spain in America were mentioned by the King in his opening speech—i.e., the question of military service and that of the proper protection of agricultural interests in Spain. The Oversea delegates suggested that Spanish subjects living in America should be allowed to replace military service by some other activity in their place of residence, which would prevent their being registered as deserters. In view of the facility with which Spaniards assimilate themselves with other Latin-American nationalities, and of the very small number of those who return to Spain to accomplish their military service, it would appear that this proposition has much to recommend it. It was also suggested that a Member of Parliament should be elected by Spaniards living abroad to defend their interests in the House. This motion was opposed by the Home delegates, and it was finally decided that a permanent organisation should be founded in Spain for the purpose. It was also decided to ask the Government to support any measures tending to increase the import of frozen meat into Spain, this at the request of the Chambers of Commerce in Argentina. The question of a reduction of import duties gave rise to hot argument between the South American delegates and the representatives of Cataluña, and it looked at one time as if the harmony of the meeting was going to be spoilt; but an agreement was finally reached that a reduction should be asked for of the duties affecting South and Central America on such products as would conduce to a reduction of the cost of living in Spain. The Congress broke up in a spirit of enthusiasm and optimism that cannot fail to produce some good results, even if the whole of the resolutions passed do not, in practice, prove realisable.

On the 15th inst. the King signed a decree authorising the issue on May 4th next of 500,000,000 pesetas six months Treasury bonds, bearing interest at 4½ per cent. per annum, renewable for a further period of six months. In addition to this amount, sufficient bonds will be issued to cover those of the 5 per cent. series, which will be presented for renewal on May 4th instead of for payment. It therefore seems that the Government is inclined to continue the policy of temporary measures, in spite of the urgent necessity of a permanent consolidating arrangement. There is, however, no doubt but that the new issue will be readily absorbed by the public, and even considerably oversubscribed. A further issue has been made of 250,000,000 pesetas nominal 6 per cent. bonds of the International Railway from Tangiers to Fez. These bonds are to be reimbursed at par in 45 years from 1930, and are guaranteed, as usual, by the Spanish Government. The issue price was 95.50 per cent., or 477.50 pesetas per bond. The total amount asked for was subscribed without effort or depreciation of the Stock Exchange quotations. It is said that the Metropolitan Railway of Madrid intends to make an issue of 5 per cent. bonds direct to the public, dispensing with its usual underwriters. Although this procedure is adopted by the Banco Hipotecario and other semi-official institutions, it is quite possible that it may not work satisfactorily in the instance mentioned.

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The Stock Exchange has been very dull during the past month, and the violent fluctuations in exchange, emanating apparently from Paris, have effectively prevented any revival of business in the exchange market.

POLAND.—POLITICS—TREASURY BONDS—EXCHANGES—STOCK MARKET BOOM—NEW CAPITAL.

(FROM OUR CORRESPONDENT.)

WARSAW, April 25.

IN recent times one of the greatest drawbacks from which Poland has suffered has been the lack of a decided Parliamentary majority. The life of most Cabinets has been very precarious, and they were not able to pursue an energetic policy. General Sikorski has hitherto succeeded in maintaining his Cabinet in office with the help of the parties of the Left and small national groups (Ukrainians and White Russians). The final fixation of the Polish frontiers and the energy which he manifested in quelling disorder after the assassination of Mr Narutowicz have strengthened his position. On the other hand, his Administration is hampered by the fact that he has not behind him a stable majority on which he can count. The introduction of every new Bill makes it necessary for him to seek the support of the different Parliamentary groups.

Since the beginning of March efforts have been made to overthrow his Cabinet by forming a majority composed of the two strongest parties of the Diet—the National Christian Union and the peasant group of "Piast," with Mr Witos at its head. Though the negotiations have lasted more than six weeks, they have not yet had a positive result. This is easily explained by the great social and economic differences which divide the two parties. The National Christian Union includes among its members many landlords who, by the financial aid given during the elections, have largely contributed to the success of this party. The "Piast," on the contrary, represents the better-off-peasant class, whose principle economic aim is the division of all large estates among the small landholders. The negotiations conducted between the two parties were mainly devoted to the agrarian reform programme, and it seems that a compromise has been reached. The National Christian Union accepted in the main the postulates of the "Piast"—the fixation of a relatively low maximum of rural property, the allotment every year of 400,000 acres of land among the peasants, &c. The news of this agreement has produced a vehement protest of the Landlords' Union. It is probable that in the event of the formation of a new Cabinet the proprietors of large rural estates will not support the new Government. The political differences which make it difficult for the National Christian Union and for "Piast" to form a common Government are not smaller than the economic ones. The leaders of the National Christian Union are in favour of a political alliance with Czecho-Slovakia; the "Piast" has been hitherto strongly opposed to such a policy.

Nevertheless, it is possible that the difficulties will be overcome, and that a new Cabinet, formed of members of the National Christian Union and the "Piast," will be formed. Such Government, however, could hardly maintain itself a long time in power. Its numerical majority would be very small. Meanwhile, General Sikorski is making efforts to strengthen his Cabinet by reconstructing it. The near future will show if he will succeed or fail.

Since March the financial situation has shown signs of a marked improvement. The 6 per cent. Treasury bonds issued in zlotys (see *Economist*, March 17th, p. 598) by Mr Grabski at the beginning of this month have met with great success. The subscriptions up to April 21st amounted to 12,336,000 zlotys. On account of this sum 92 milliard Polish marks have been paid by the subscribers. Thanks to these revenues the Government could bring the printing press nearly to a standstill. While

from March 15th to April 4th 620 milliards of new Polish marks were passed into the market, this amount has been reduced during the subsequent fortnight (from April 4th to April 20th) to 34 milliards. This change produced some effect on the Polish exchange, the fluctuations of which since the beginning of this year have been as follows:—

	London.	Paris.	Zurich.	New York.	Berlin.
End of December, 1922 ..	82,600	1,335	3,400	17,800	2.55
" January, 1923 ..	150,000	2,085	6,150	32,500	1.15
" February, 1923 ..	225,000	2,915	8,900	47,000	2.08
" March, 1923 ..	197,500	2,800	7,900	42,000	2.05
April 24, 1923	229,000	3,270	8,940	49,100	1.72

On the Stock Exchange during March and April an unprecedented rise of all shares has taken place. During the last month the value of bank shares has trebled, sugar shares have increased by nearly 80 per cent., mining and iron companies' shares have appreciated at a rapid pace. As during this period the pound and the dollar have remained nearly unaltered, the rise of all shares expressed in gold corresponds to an increase in marks. This exceptional boom is probably due to the fact that since the beginning of this month the stringency on the money market has been lessened. The new trillion of paper marks put into circulation in March did not entail a fall of the mark. In consequence the circulation, which expressed in gold coinage amounted at the end of February to 20 million dollars, has been increased by nearly 25 millions. Poland possesses to-day a circulation which corresponds to nearly 45 million American dollars. Such an increase of the real value of the circulation surpassing 100 per cent. necessarily entailed a boom on the Stock Exchange. Many joint-stock companies, which during the period of capital famine were not able to obtain fresh funds, are taking advantage of the present state of the money market, and are announcing new issues.

Statistics of new capital created during the last three years show that, expressed in gold, the amount has steadily declined, as may be seen from the figures below:—

CAPITAL ISSUES OF NEWLY-CREATED and of EXISTING JOINT STOCK COMPANIES. SWISS FRANCES (000's omitted).

	1920.		1921.		1922.	
	No.	Amount.	No.	Amount.	No.	Amount.
Ind'stry & Agricult're	171	50,927	425	49,937	338	16,297.3
Commerce & Transp't	70	15,970	73	6,243.3	127	14,221
Banking	42	25,196.1	46	9,262.8	24	2,664.8
Insurance	10	1,543.1	3	64.3	10	92.8
Total	293	93,636.2	547	65,507.4	499	33,275.9

While in 1920 the newly created capital amounted to 93.6 millions, in 1922 only one-third of this sum has been floated.

Letters to the Editor.

THE APPROACH OF A FREE GOLD MARKET.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Your correspondent, Mr Cross, "hopes that financial sanity will come to the class Mr Mason represents." This class comprises every ordinary man who has neither time nor inclination to trouble himself with values as represented by scraps of paper, whether they are called Bank of England notes, Government notes, or cheques, so long as he gets the exchange equivalent of their face value. As a matter of fact, the British Government note is a fraud on everyone who is compelled by law to take it, to the extent of about 1s in the £. This state of things does not appear to Mr Mason and the class he represents as satisfactory.

Mr Mason and the class he represents believe that the greatness and power of our country is based on good faith. "An Englishman's word is as good as his bond" no longer applies while his bond remains at a discount. Gold as a medium of exchange in civilised countries nobody, sane or insane, wants; witness America, with its

bank vaults full of useless gold for which there is no demand for exchange into American currency notes. Mr Mason (and the class he represents) think that before this country or any other country can hope to re-establish a stable currency the power of the printing press at present possessed by Governments should be withdrawn and placed in the hands of banks, like our Bank of England, free and unfettered from Government control.

So far as I can make out, the total issue of Bank of England and currency notes amount to about 385 millions, while the gold in the Bank of England amounts to 126,000,000. Were the whole of these notes Bank of England notes I don't see why anyone should come along to drain this gold out of the bank by accumulating notes and demanding gold in exchange. The way to resume payment in gold is to do it, and then see how it answers. Long before the war alarmists used to write periodically to the papers showing how a combination of capitalists could withdraw the bulk of the gold (then an average of about £23,000,000) held by the Bank of England and create a financial panic at any moment; but, of course, this was never even attempted. Possibly some understanding with the New York banks about further gold withdrawals might be useful, although there is no reason to suppose that American capitalists there would combine to create a financial panic here. Should such a thing ever be attempted it would be the immediate end of the so-called capitalist system under which modern civilisation lives and works.—Your obedient servant, G. S. PAWLE.

London, May 1st, 1923.

TO THE EDITOR OF THE ECONOMIST.

SIR,—If Mr Louis H. Cross had done me the honour to read carefully my letter with reference to this subject, he would have found that what I took exception to in Mr Lloyd George's action when the Treasury currency notes were introduced was the indication that the Government (1) had no intention to redeem these notes when the "occasion" or panic had passed, and (2) that they intended to use this method—i.e., the printing press—to inflate the currency as a means of financing the war. If the notes had been retired after the panic had passed we would have reverted to our pre-war currency, which surely provided us with plenty of "money to enable the people to make their exchanges with each other in a civilised manner." The Government decided to pursue the contrary policy, with the result which I previously described.

I am not attempting to revive a gold currency system, but to restore an effective gold standard. A gold currency is a luxury which we may not be able to afford for some time, but a currency redeemable in gold on demand and a free market in gold could be introduced and made effective this year. I don't know what Mr Cross means by my "financial sanity," and that this will come, he hopes, to the class I represent before it is too late.

I am not conscious of representing any particular class, and desire to see happiness and prosperity prevail among all classes. It is no use repining over the past, and I am bound to state that Mr Lloyd George has of late years pointed out, on more than one occasion, the evil effects of inflating the currency. What many of us desire is to establish an equilibrium between gold and paper currency; to link up our paper currency, which we believe has come to stay, with gold. At present it is depreciated (as witness the gold premium) because it is still redundant. If the currency is depreciated because it is redundant, then it is obvious it will become more valuable if it is gradually reduced. We, therefore, advocate the gradual contraction of the currency until parity of exchange has been re-established with gold standard countries. I do not agree with Mr W. G. Renwick that the Government can and does control prices, provided there is a free market in gold, and that gold is the basis of the currency. Without that proviso Mr Renwick himself evidently fears an over-issue, and certainly a Government can then to a large extent control prices. I do not agree with the suggestion as to stabilising wheat and currency, and still believe that gold, with all its faults, is the best standard for the purpose we have in view.—I am, Sir, your obedient servant, May 2nd, 1923. D. M. MASON.

INCOME-TAX AND PRICES.

TO THE EDITOR OF THE ECONOMIST.

SIR,—In the interesting article on "Income-tax and Prices" appearing in your current issue, after referring to the common belief that an increased income-tax is, in the main, passed on to the consumer, while it is questionable whether this is so in the case of a tax upon income. "Nothing, however, can be clearer in economic analysis than the teaching as to the incidence of any tax upon a 'margin' such as profit, which is held to be totally distinct from the incidence of a tax upon a unit of produce." The article then goes on to show that, according to the doctrine held almost universally by economists, any tax which is payable upon a product or article of consumption—such as beer—enters into the cost of production and is passed on to the consumer, while it is questionable whether this is so in the case of a tax upon income.

It seems to me that those economists who describe an income-tax as being a tax upon a "margin such as profit" are taking far too narrow a view in limiting the meaning of the word profit to that balance, or remainder, of the profit of an undertaking which is taken by the employer. Profit of an undertaking, in its true sense, is nothing less than the reward of the whole annual service rendered by man and by capital at that point of production. It thus includes the shares of production of all the co-operators in industry—wage-earners, salary-earners, employers, and the owners of industrial capital of every kind.

If this be so, the employer's share of profit, in return for his services and risks, enters into the economic cost of production equally with the shares of his various co-operators in an industrial undertaking. Employers are, in the main, the producers of everything, and they must fix prices at a level to yield them, in the long run, not less than an average fair share of production—which is profit—otherwise it is obvious they will gradually cease to produce. If, then, before the war, after paying income-tax at the then rate of a shilling in the pound, the employers' remainder was no more than a fair share, it must by now be substantially increased in order to enable a five-fold heavier income-tax—levied, in the form of progressive taxation, almost exclusively upon employers—to be paid, and the easiest way to attain this has been to raise prices. One clear indication of substantial increase in the shares of employers and owners of capital is the higher rates of interest now payable on preference shares, mortgages, &c.

It is easier for employers to pass on increased income-tax by raising prices of production than it is for them to pass on an increased tax upon those particular products—such as beer—which are commonly selected to bear our indirect taxes. The reason is that beer, for instance, has to compete with other products which are untaxed, and which may be used alternatively, whereas our present crushing progressive taxation covers the whole field of production. There is no alternative to production—the demand can be diminished but not extinguished by high prices—because production is indispensable to supply man's wants, and the selling prices of production must ultimately leave an average fair remainder to employers to compensate them for their services and risks.

All production is, of course, finally purchased by the consumers, of whom not more than 2½ per cent. are important employers—these being, in the main, the price-fixers—and 97½ per cent. are employed, or others with small incomes; and a simple calculation shows that the latter—the 97½ per cent.—must actually purchase and consume about 85 per cent. of all production. The question raised is, therefore, one of great importance to the wage-earners, and the fact that such widely different views are held on the subject emphasises the need for an immediate inquiry into the economic effects of our whole system of taxation, which is being strongly advocated in very influential quarters.—Yours, &c., P. D. LEAKE.

25 Abchurch lane, London, E.C. 4, May 2nd, 1923.
[Mr Leake is, of course, entitled to define "profit" in any sense he thinks fit; though if he gives the word an entirely new meaning, arguments relating to "profit" in his sense have very little to do with "profit" in the ordinary sense in which we used the term. His unusual

use of words, however, does not prove that the employer's share of profit enters into the economic cost of production, or that employers can get rid of a tax on their profits by raising prices. We must leave our readers to weigh Mr Leake's assertion of these propositions against the arguments we put forward to the contrary last week.—Ed. Econ.]

Books and Publications.

PRECEPT AND PRACTICE.

WITHOUT accepting Herbert Spencer's mystical analogies between the individual and the social systems, one may perhaps distinguish among economic movements those which are controlled, so to speak, by the voluntary muscles of the community from those which are spontaneous and unpremeditated. No such distinction was made by the Assembly of the League of Nations when, just a year ago, it set on foot inquiries "as to the measures taken to ensure the application of the resolutions of the Brussels Conference." It seems to have been assumed, by implication, that when things go wrong they have to be put right by human—even perhaps by Governmental—action, and as a stimulus to progress the assumption has its uses. But the fact is that when things go wrong they very often have a tendency to come right of themselves, and the intervention of Governments may be as likely to retard as to hasten their recovery. The experiences of the war encouraged us to believe that economic forces, once thought to be as intractable as the laws of Nature, could be manipulated at will; and it is now the fashion to think that at any rate in monetary matters we are the masters of our fate, provided we can muster sufficient foresight and resolution to anticipate and direct coming events. But whether or not these things might all be done, it is tolerably clear that they are not being done; and the first impression left on the reader of the two volumes now published* by the League, reviewing the progress made since Brussels, is likely to be one of relief and satisfaction that, in spite of conferences and controls and interference, economic forces still contrive in the end to work towards some sort of equilibrium.

That is, of course, not by any means the impression which the reports collected by the League ("official in all cases with the exception of those from the Argentine and the United States of America") were intended by their authors to convey. On the contrary, where progress has been made it is generally attributed to the meritorious conduct of those in authority (except perhaps in Professor Bachi's long report on the Italian situation, contained in Vol. 2). The best measure of the credit which is actually due, and the best test of the sincerity of Governments in their attempts to carry out the Brussels resolutions, is naturally to be found in the sections dealing with "commercial measures," where what we have called the voluntary muscles really do come into play. These have been reviewed in a previous number of the *Economist*,† and found to be, on inspection, less reassuring than they were meant to appear. Under the heading "Monetary Measures" there is also not much convincing evidence of any deliberate progress or of any settled policy of reconstruction. But there is much to fortify one's faith in the eventual restoration of some kind of stable monetary system in Europe, and that result need not seem any the less satisfactory if it is due to the healing hand of Time and the natural processes of economic evolution rather than to the resolutions of the Brussels Conference and the heroic efforts of Governments to apply them.

It was "the continuing gravity of the exchange crisis" which provoked the Assembly of the League to make the inquiries of which these two volumes are the result, and here, at any rate, there is improvement to record.

* Brussels Financial Conference, 1920. The Recommendations and their Application. A Review after Two Years. Vol. I. New and Enlarged Edition. Pp. lvi. + 243. 5s. Vol. II. Italy. Pp. 95. 2s. Ref. C. 10. M. 7. 1923 II.

† *Economist*, March 17th.

"Whereas at the end of 1920 the dollar stood at a premium of over 15 per cent. compared with every other currency save that of Japan, by the third quarter of 1922 that premium was less than 5 per cent. in the case of the currencies of five, and less than 10 per cent. in the case of the currencies of six (not six other) countries.....When it is remembered that the internal purchasing power of a dollar has itself increased by 15 per cent. during this period, and that it has therefore been incumbent on the other countries of the world to climb up, not to a fixed, but to an ascending objective, it is clear that the achievement is appreciably greater than the differences between the dollar agios at different dates indicate." It would be cavilling criticism to quarrel with the word "achievement," or with the comparison between the position at the end of the last quarter in one year and the third quarter in another. Let it pass that as regards exchange the stronger countries have grown stronger, even if the weaker have grown weaker.

But the Brussels Conference, in its report, scarcely alluded to exchange depreciation except as one aspect of the evil of inflation. Eight States (all among the belligerents of the Great War) are pilloried in the Introduction to the first volume of these reports, as being still addicted to inflation, in the sense that their note circulation continues to expand (generally at an increasing rate). But "out of the 33 States quoted there has been a reduction in note circulation since the end of 1919 in 14,".....and "there has been a fall in prices in 17 out of the 21 countries for which index numbers are quoted." It is in this connection that it becomes evident how often the unhappy victims of deflation have had greatness thrust upon them; their boasted compliance with the Brussels resolutions sometimes has a bitterly ironical ring. After all, the Currency Commission at Brussels was careful to say that "deflation, if and when undertaken, must be carried out gradually and with great caution, otherwise the disturbance to trade and credit might prove disastrous." And now, in reply to a question regarding the causes and effects of deflation, Denmark writes: "The principal cause of the decline of prices in this country must be considered to be the decline in the world level of prices which commenced in the autumn of 1920.....The decline of the world prices naturally affected the price level in this country, and the decline of the latter again resulted in the increase of the international and actual value of the Danish krone. This movement, which in itself was favourable, was, however, accompanied by an exceedingly heavy depression of the entire trade of the country, and not until lately, by the settling down of the price level, has it been possible to trace slight indications of a coming improvement." At the end of a movement which "in itself was favourable" we all find ourselves, in fact, panting still for an "improvement," but giving to the word the opposite sense from that which we gave it at Brussels two years ago.

In other words, whether necessarily or not, the major economic movements are still not subject to control. That is not to say that we cannot hope to make progress by taking thought; a mariner may cope successfully with the wind and the tide. But the limits of possible improvement by deliberate action are narrow, and those limits have been ignored both by the Brussels Conference itself and by the League of Nations when it took the trouble to compile these careful and laborious summaries. They have been ignored in two ways; first, by implying that Governments can be made answerable for what Professor Bachi calls "the spontaneous action of economic forces," and, secondly (what is more important), by allowing attention to be diverted from the narrower field in which our destinies certainly can be made or marred at will. It is true enough that we ought to balance our Budgets, and it is quite interesting to know that "the current expenditure of Norway, Holland, Switzerland and India has not yet been balanced by ordinary revenue" (though there seems to be an omission from the list), or that "scarcely any Government undertakings are at present paying their way." But the causes of the continued economic disintegration of Europe lie deeper, and are perfectly well known, even if neither the Brussels Conference nor the League of Nations cares to allude to them.

The reports included in these two volumes vary greatly

in length and interest. The second volume, devoted to a summary of the Italian situation down to the middle of last year by Professor Bachi, is interesting and very thorough, but not Fascist. Whereas the Belgian report (I. 27) misquotes the Brussels condemnation of exchange control as "futile and perhaps mischievous," Professor Bachi categorically asserts that "doubtless speculation in the exchange has been widely practised during the last few years, but its effects have always been very limited. The view held in many quarters that speculation is the cause of the rise in the exchanges is devoid of foundation." It is a pity (but probably inevitable) that international courtesies should forbid any drastic editing of the reports received by the League. Presumably, whatever is received has to be printed, whether it is too long (as in the case of Czecho-Slovakia) or too short (as in the case of Norway), and even when it is disingenuous (as in the case of Belgium), or non-existent (as in the case of France), Norway, by her cavalier reply on half a sheet of note-paper, has robbed herself of the honour of being included (on p. xxxvi. of the Introduction) among the nations which have introduced some sort of capital levy. The introductory summary provided by the League is competent and useful; in fact, there is little else in the first volume that the general reader will wish to look at except for special purposes.

BOOKS RECEIVED.

- Theories Regarding the Value of Money.* By Irving Fisher. (New York) Academy of Political Science.
Economic Essays. By David Ricardo. Edited, with Introductory Essay and Notes, by E. C. K. Gonner. (London) G. Bell and Sons, Limited. 6s net.
The League of Nations To-Day. By Roth Williams. (London) George Allen and Unwin, Limited. 6s net.
The Workers' Register of Capital and Labour, 1923. (London) The Labour Publishing Company, Limited. 5s.
The Railway Year-Book for 1923. (London) 33 Tothill street, S.W. 1. 5s net.
Goteborg's Bank, 1848-1923. (Stockholm) Offices of the Bank.
How Socialists would Run Industry. By Malcolm Sparkes. (London) Independent Labour Party. 2d.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET. May 16. ACCOUNT. May 17.

This month of May includes three Stock Exchange settling days, in addition to the ordinary May Day holiday and the break at Whitsun. Some people are getting restive at the rapid way in which settlement succeeds settlement under the post-war arrangement of an equal number of days in each Account, complaint being made that this interferes with business, as well as throwing needless work upon office staffs. For in some parts of the Stock Exchange there is a great deal going on, and the hand of the investor is as obvious as ever, in spite of the fact that a few of the gilt-edged stocks have given way a trifle from the best prices touched.

For the underwriters of the six million pounds New South Wales 4½ per cent., issued at 94, to have had all the stock taken off their hands by the public is considered something of an achievement, even in these days, when investors clamour for good stocks. The price rose to 15s premium, and, amongst other new issues, the North Metropolitan Electric debenture scrip opened at 3 premium on the day when it came to market. Roumanian Government scrip, however, is still at a discount, and the new Andhra debenture is about 1 discount.

War stock has gone back a little from the top, on the discussion of the position in regard to the Money market. Experts differ considerably in their views, but evidently some who think that money is likely to become stiffer in the near future command a following who are quietly selling their gilt-edged stocks. So great is the amount of money available for investment, however, that realisations are easily absorbed, and in many cases, notably those for Colonial stocks, Corporation (both domestic and foreign), Home Railway pre-ordinary, and literally hundreds of sound industrial debentures, there is no stock on offer to supply the constant demand.

The German proposal in connection with reparations has had little effect in the foreign market, save that it has made French bonds weaker. The Stock Exchange puts no particular faith in the hope of permanent settlement arising from the present offer made by Germany. Argentine bonds are a good market, and Brazilians keep to the firmer side on balance. Paris has not been taking much of a hand in this market during the past few days. Chinese 8 per cents. are noticeably flat.

Amongst Home Railway stocks, the feature is the weakness of Caledonian deferred and ordinary stocks. The prices fell sharply on the opening of the proceedings before the court of arbitration last Tuesday. The stocks of the Heavy lines, London, Midland and Scottish and Great Western, especially, are better, though the former went back from the best when it was officially announced that no splitting scheme is in contemplation. The Undergrounds are quiet, with Income Bonds and Metropolitan better. A number of American railroad shares, including Canadian Pacifics, have fallen from 1 to 4 dollars. Argentine Railway stocks continue to rise on dividend expectation, and fresh improvement lifted the price of San Paulo, the prior-charge stocks as well as the ordinary going ahead.

Rubber shares remain in the doldrums. The Oil market is depressed and largely professional. The public just now are doing very little in oil shares, speculative interest having drifted into tobacco, where profit-taking has been in evidence; textiles, which have been a jumpy market, and newspaper shares, some of which have gone ahead strongly. The cable group is higher, more especially that which is concerned with the Eastern stocks, and Marconis, after being somewhat dismal, presented a brighter front towards the end of the week.

The Banking market is good, and insurance shares have steadily improved. In both cases the supply of stock available for investment is noticeably diminished from what it was even a month ago, and this applies not only to the London banking shares, but also to those in the Colonial and foreign companies. The Shipping market is quiet. Amongst tea shares, a very slight reaction occurred in a few of the leaders. The Nitrate market is steady, holding most of its recent substantial rise. Dunlops and some of the speculative counters hardened on speculative attention being directed to their possibilities in the future. Most of the shares in the Stores companies are decidedly firm. Breweries improved under the leadership of Watney deferred.

The Kafir market finds it difficult to throw off its inaction, for neither Paris nor the Cape are lending any aid to assist its shares. Prospects of satisfactory dividends, to be declared next month, are not enough to induce the public to take any particular hand, but the deep-level market is a little better. The tone is not unsatisfactory so far as it goes. Chartered and other Rhodesians are neglected, except by their own particular supporters. Diamond shares remain steady, and copper shares are good, though amongst tin descriptions, the only feature is the lack of energy which characterises the market in the various Cornish, Middle-East and West African shares. Mexicans are a shade better. No public attention is being directed to Russians.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded ..	£ ..	£ 105,102,425*	£ ..	£ ..
ISSUES OF THE WEEK				
4 % Treasury Bond, 1931-33 (by tender, April 27, 1923), £4,500,000 at 295 5s ..	£ 4,500,000	£ 4,286,250	£ ..	£ ..
* Adjusted figure.				
NATIONAL SAVINGS CERTIFICATES.				
NET RECEIPTS INTO THE EXCHANGERS WEEK ENDED APRIL 28, 1923.				
April 1, 1923, to April 28, 1923, £900,000 ..	£ 200,000	£ 200,000	£ ..	£ ..
To the Public—				
Bowland Tea Estates, 20,000 Shs., £1. at £1 1s (April 30) ..	20,000	21,000	4,000	17,000
Andhra Valley Power Supply, £1,000,000, 7½ % Secured Sterling Notes, at 98 % red. at par April 1, 1933 (April 30) ..	1,000,000	980,000	50,000	930,000
Mozambique Portland Cement, 50,000 Ord. Shares, £1. at par Do 8 % 1st Mt. Debs., at 95 % (£34,250), red. Dec. 31, 1926, at par ..	50,000	50,000	12,500	37,500
34,250 ..	31,788	6,850	24,930	
Total offered to public ..	£ 1,082,780	£ 73,350	£ 1,009,430	
To Shareholders only—				
Central Argentine Railway, £2,000,000 5½ % 10 yr. Notes, at 96%, red. at par July 1, 1933 (£500,000 to be utilised for repaying 6½ % 5-yr. Notes) (April 30) ..	1,500,000	1,440,000	72,000	1,368,000
Shott's Iron, £200,000 Ord., £1. at £1 10s (April 30) ..	200,000	300,000	300,000	..
South Crofty, 120,000 Shares, 5s, at 8s (April 30) ..	30,000	48,000	15,000	33,000
Tobacco of Rhodesia and Sth. Africa, £25,000 7½ % 1st Mt. Deb., at par, red. at 105 by Dec. 31, 1927 (April 30) ..	25,000	25,000	25,000	..
Total to shareholders only ..	£ 1,813,000	£ 412,000	£ 1,401,000	

Total offered for subscription to date	Total offered for subscription for whole year
1921 .. £112,484,455	1921 .. £573,675,650
1922 .. 398,619,140	1922 .. 388,978,303
1921 .. 79,151,145	1920 .. 367,549,656
1920 .. 169,718,526	1919 .. 1,036,059,551
1919 .. 330,728,769	1918 .. 1,393,391,441
1918 .. 557,894,363	1917 .. 1,318,596,010
1917 .. 926,934,178	1916 .. 585,436,853
1916 .. 195,552,137	

Andhra Valley Power Supply Company, Limited (incorporated under the Indian Companies Act).—Authorised share capital 21,000,000 rupees, equivalent, at 15 rupees to the £, to £1,400,000, divided into 5,000 preference shares and 16,000 ordinary shares, each of 1,000 rupees, of which 4,934 preference and 15,958 ordinary shares are issued and paid up, except 15,200 rupees (£1,014). There is now offered for sale £1,000,000 7½ per cent. ten-year secured sterling notes at 98 per cent., part of an issue limited to 30,000,000 rupees (£2,000,000), of which 10,000,000 rupees (£666,666) has been issued in India. The company was formed, under the auspices of Tata Sons, Limited, for the purpose of meeting the demand for electrical energy in the city of Bombay over and above the capacity of the Tata Hydro Electric Power Supply Company, Limited. From that company the Andhra Valley Company has obtained a licence granted by the Government of Bombay for the supply of electricity in the city, other municipal areas, and local areas near railway stations on the Bombay, Baroda, and Central Railway. This company will be one of three in Bombay under the agency of Tata Sons, Limited. Its works are practically completed, the estimated total capital cost being approximately £3,400,000, and the notes are issued with a view to funding unsecured temporary loans obtained during construction, except a sum of £330,000 provided by Tata Sons, Limited, which will be gradually discharged out of profits and will rank behind the debentures upon which the notes will be secured. Twenty million rupees (£1,333,333) 8 per cent. first mortgage debentures will be issued to the trustee as security for the notes, constituting a first specific mortgage or charge upon the present and future lands and buildings of the company and a floating charge upon its other assets. The notes will be repaid on April 1, 1933, at par. After providing for the debentures issued in India, the estimated value of the first mortgage security is £2,733,334. The company has been supplying power in Bombay since September last, and has contracts for 10 years with industrial consumers, and a share in a contract with the Bombay Electric Tramways. The price agreed with the issuing house is 93 per cent., the purchasers paying an underwriting commission of 2 per cent. and an over-riding commission of ½ per cent. Though a speculative issue, the rate of interest offered is rather higher than might be expected.

Grovesend Steel and Tinplate Company, Limited.—A statement published in accordance with Stock Exchange regulations shows authorised capital at £750,000, divided into £250,000 6½ per cent. cumulative preference shares and £500,000 ordinary shares, all of £1 each. Issued capital is all the preference shares and £424,000 of the ordinary. Loan capital consists of £350,000 6 per cent. first mortgage debenture stock. Incorporated as a private company in 1904 to take over existing businesses of steel and tinplate manufacturers carried on as private partnerships, the company owns (*inter alia*) a controlling interest in the Killan Collieries, Limited, and Whitford Steel Sheet and Galvanising Company, Limited, and all the capital of the Raven Tinplate Company, Limited. The capital of the company (originally £120,000) has from time to time been increased, and in 1922 the concern was converted into a public company. Of the £424,000 ordinary shares, £68,000 were allotted fully paid in 1904 to the vendors of the Grovesend Steel and Tinplate companies, £32,100 in 1913 to the vendors of the Raven Company, £24,000 in 1923 for cash at par, and the other £299,900 was allotted in 1918 and 1920, fully paid, out of undivided profits. Of the preference shares, 154,996 were allotted between 1904 and 1920, and the remaining 95,004 have now been purchased at par by a corporation, the purchasers paying all commissions and expenses incidental to acquisition and re-sale, and receiving from the company a commission of 5 per cent. Application is to be made to the Committee of the Stock Exchange for permission to deal in the 6½ per cent. cumulative preference shares. The information offered is insufficient for outside investors.

Mozambique Portland Cement Company, Limited.—The company is incorporated in the Orange Free State and registered in the Transvaal and in the Province of Mozambique. Authorised share capital is £350,000, divided into 350,000 ordinary shares of £1 each, of which 210,460 have been issued. Its loan capital consists of £100,000 8 per cent. first mortgage debentures, in 600 debentures of £100 each, and 1,600 of £25 each. Of the debentures, £65,750 have been issued, of which £60,000 "are held by His Majesty's Department of Overseas Trade under the Overseas Trade Acts, 1920-22." The present issue is of £34,250 8 per cent. first mortgage debentures (in 1,370 debentures of £25 each) at £95 per cent., and 50,000 ordinary shares at par. The debentures will rank *pari passu* in point of security with those

already issued. They are "repayable" at par on December 31, 1926. Debenture holders have a right to convert debentures into fully paid shares in the company at the rate of two shares for every nominal £3 of debentures. An interesting point in the offer is the statement that "the debentures provide that the holders of 60 per cent. of the outstanding debentures of the entire series may, by writing, under their hands sanction any agreement with the company for any modification, or alteration, of the rights of the holders as a class, and an agreement so sanctioned will be binding on all the holders of debentures of the series." The security is "a deed of mortgage and hypothecation as a first charge on the landed property of the company in the Province of Mozambique, and a collateral general bond charging the company's immovable and movable property." We do not see the value of the land and property specifically stated; the consulting engineers of the company, however, in a certificate, state that in their opinion the value of the company's freehold property, Salamanga, "about 350 acres in extent, and containing vast quantities of limestone and clay eminently suitable for the production of high-grade Portland cement, together with your exclusive manufacturing rights in the Province of Mozambique, and your factory, including the cement plant, power plant, workshops, staff quarters, offices, railway siding, &c., is £325,000." Though the offer speaks glowingly of the company's trade possibilities, this is obviously a proposition which will only interest a narrow circle of investors.

Burt, Bolton, and Haywood, Limited.—Authorised capital £470,000 in £1 fully-paid ordinary shares, of which £373,503 have been issued, and £30,000 fully paid 5 per cent. cumulative preference shares, all issued. In a statement issued in compliance with Stock Exchange regulations, the reserve and depreciation funds of the company are set down at £299,731. There are 4½ per cent. first mortgage debentures to the amount of £80,600, and arrangements have been made to pay off the whole of them on May 5, 1923. The debenture debt will then be rearranged by the creation of first mortgage 5 per cent. debentures on the company's assets, with certain exceptions, not exceeding £200,000, to be issued to and held by the company's bankers as collateral security for current overdrafts, and £50,000 6 per cent. second mortgage debentures secured as a second charge on the company's freeholds, &c. The rearrangement, it is stated, does not increase the company's interest charges. The company has very wide interests, and the record of the past ten years given in the announcement shows that it has been prosperous. In 1910 £107,001 was capitalised from reserve and distributed among ordinary shareholders in fully-paid £1 shares. Investors will naturally require more information before making a purchase of any of the securities of this company.

M.C. Mining Company of British Columbia, Limited.—The capital of this company is £100,000 in 200,000 10s shares, of which 100,000 are being issued. A statement issued in compliance with Stock Exchange regulations says the company has been formed, in the first instance, to acquire as a holding company practically the whole of the issued capital of the M.C. Mining Company, Limited, registered in April, 1922, under the laws of British Columbia, with a capital of 4,000 shares of \$125 each, of which 3,608 have been issued. The new company intends further to exercise an option on three mining claims adjoining the three claims of the M.C. Mining Company in the Portland Canal district. The six claims adjoin the Premier Mine on its eastern boundary, and each is 500 yards by 500 yards. A body of ore has been located, "which appears to be similar in every respect to that of its famous neighbour, the Premier." Samples taken from this ore body at the bottom of a shaft average about \$80 per ton of silver and gold. The announcement says that no great extent of work has been done on the property. Obviously a highly speculative proposition.

Bowlana Tea Estates, Limited.—Share capital £30,000, in £1 shares, all issued and paid up. Of these 20,000 are now offered for sale at £1 1s. each by the Eastern International Rubber and Produce Trust, Limited, part of 26,000 held by them and another shareholder in the company. A letter from the chairman of Bowlana Tea Estates, Limited, states that the company was incorporated in August, 1921, to acquire the Oolooowatte, Bowlana, and New Maddegama Tea Estates in the district of Kandy in the Central Province of Ceylon, from the liquidator of the Deltota (Ceylon) Tea and Rubber Plantations, Limited, for £23,000. The purchase price was paid in cash under an agreement dated January 25, 1922, and the estates were taken over as from March 31, 1921. The chairman states that in the ten months April 1, 1921, to January 30, 1922, profits amounted to £1,764, which amount belongs to capital, and is not available for dividend, and that in the next ten months the profits, which were audited, were £2,475. Assets are estimated at £33,157, the estates being set down at cost price, and liabilities at £2,273, as at November 30 last, since when the assets have been increased by £2,000 received for unissued shares. The estimated crop for the year ended March 31, 1924, is 275,000 lbs., at a cost, including

export duty, of 8.60d per lb., and the whole crop, it is stated, has been sold forward at 1s 2.4d per lb. An application is to be made to the Stock Exchange for permission to deal in the shares. On the information supplied, the offer at a premium of one shilling is not attractive.

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

ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Price Last Week.	Latest Price.	Rise or Fall.
War 3½%, 1925-28 .. 95½ .. 95½ ..			
Loans 4½%, 1925-45 .. 98½ .. 98½ ..			
Loans 5%, 1929-42 .. 101½ .. 101½ ..			
Funding Loan 4% .. 92½ .. 92½ ..			
Victory Bonds 4% .. 94½ .. 94½ ..			
Conversion Loan 3½% .. 80½ .. 80½ ..			
Consols 2½% .. 59½ .. 59½ ..			
Irish Land Stock 2½% .. 63½ .. 63½ ..			
Local Loans 3% .. 69½ .. 69½ ..			
Aust. 6%, 1931-41 .. 105 .. 105 ..			
Canada 4½%, 1920-25 .. 103 .. 103 ..			
India 3½% Stock .. 70½ .. 70½ ..			
Do 7½%, 1926-31 .. 120 .. 120 ..			
Do 5½%, 1932 .. 103½ .. 103½ ..			
Do 4½% .. 90½ .. 90½ ..			
N.S.W. 5½%, 1922-32 .. 100 .. 100 ..			
Nigeria 6%, 1949-79 .. 115 .. 115 ..			
U. of S.A. 6%, 1930-40 .. 105 .. 105 ..			
Victoria 5½%, 1924-34 .. 101 .. 101 ..			
W. Aust. 6%, 1930-40 .. 105 .. 105 ..			

Banks.

	Price Last Week.	Latest Price.	Rise or Fall.
Barclays B (£1, p.d.) .. 21½ .. 21½ ..			
Chartered Bk of India .. 20½ .. 20½ ..			
Lloyds (£5 with £1 paid) .. 3½ .. 3½ ..			
London Joint City & Midland (£12 with £2½ paid) .. 8½ .. 8½ ..			
Nat. Bank of Egypt (£10) .. 21½ .. 21½ ..			
Nat. Bank of S. Africa (£10) .. 9½ .. 9½ ..			
Nat. Prov. & Union of England (£20, with £4 paid) .. 11½ .. 11½ ..			
Standard of S. Africa (£20, with £5 paid) .. 12½ .. 12½ ..			
Westminster Bank (£20, with £5 paid) .. 18½ .. 18½ ..			

Colonial and Foreign Railways.

	Price Last Week.	Latest Price.	Rise or Fall.
Antofagasta Cons .. 86 .. 86 ..			
B.A. and Pacific .. 86½ .. 86½ ..			
Brazil 5% Fund., 1914-75 .. 76 .. 76 ..			
Chilian 4½%, 1895 .. 82 .. 82 ..			
Do 7½%, 1912 .. 76 .. 76 ..			
Chinese 5%, 1912 .. 76 .. 76 ..			
Egyptian 4% .. 73½ .. 73½ ..			
French 5% .. 31 .. 31 ..			
Do 4% .. 24½ .. 24½ ..			
Greek 4%, 1884 .. 44½ .. 44½ ..			
Japanese 4½% .. 101 .. 101 ..			
Do 4%, 1910 .. 76 .. 76 ..			
Mexican Cons. 1890 .. 63½ .. 63½ ..			
Peruvian Corp. Prof. .. 31½ .. 31½ ..			
P.L.M. 6% .. 89½ .. 89½ ..			
Portuguese (New) .. 30 .. 30 ..			
Russian 5%, 1906 .. 10 .. 10 ..			
Spanish 4% .. 72½ .. 72½ ..			
Seine (Dept.) 7% .. 102½ .. 102½ ..			
Siamese 7% .. 107½ .. 107½ ..			
United Havana .. 70½ .. 70½ ..			

Foreign Government Securities.

	Price Last Week.	Latest Price.	Rise or Fall.
Argentine 5%, 1886-7 .. 100 .. 100 ..			
Belgian 3% .. 68 .. 68 ..			
Brazil 5% Fund., 1914-75 .. 76 .. 76 ..			
Chilian 4½%, 1895 .. 82 .. 82 ..			
Do 7½%, 1912 .. 76 .. 76 ..			
Chinese 5%, 1912 .. 76 .. 76 ..			
Egyptian 4% .. 73½ .. 73½ ..			
French 5% .. 31 .. 31 ..			
Do 4% .. 24½ .. 24½ ..			
Greek 4%, 1884 .. 44½ .. 44½ ..			
Japanese 4½% .. 101 .. 101 ..			
Do 4%, 1910 .. 76 .. 76 ..			
Mexican Cons. 1890 .. 63½ .. 63½ ..			
Peruvian Corp. Prof. .. 31½ .. 31½ ..			
P.L.M. 6% .. 89½ .. 89½ ..			
Portuguese (New) .. 30 .. 30 ..			
Russian 5%, 1906 .. 10 .. 10 ..			
Spanish 4% .. 72½ .. 72½ ..			
Seine (Dept.) 7% .. 102½ .. 102½ ..			
Siamese 7% .. 107½ .. 107½ ..			
United Havana .. 70½ .. 70½ ..			

Telegraphs.

	Price Last Week.	Latest Price.	Rise or Fall.
Anglo-American "A" .. 22½ .. 22½ ..			
Marconi Wireless .. 24½ .. 24½ ..			
Marconi Canada .. 1½ .. 1½ ..			
Marconi Marine .. 1½ .. 1½ ..			

British Railways.

	Price Last Week.	Latest Price.	Rise or Fall.
Great Western, Ord. .. 116½ .. 116½ ..			
Do Def .. 88 .. 88 ..			
London & North-Eastern .. 14½ .. 14½ ..			
5% Pref. Ord. .. 87½ .. 87½ ..			
Do Def. Ord. .. 37½ .. 37½ ..			
London, Mid., and .. 117½ .. 117½ ..			
Scottish, Ord. .. 117½ .. 117½ ..			
Metropolitan .. 69½ .. 69½ ..			
Metropolitan District .. 54½ .. 54½ ..			
Southern, Ord. "A" .. 39½ .. 39½ ..			
Do Ord. "B" .. 14½ .. 14½ ..			
Do Pref. Ord. .. 87½ .. 87½ ..			
Do Def. Ord. .. 42½ .. 42½ ..			
Underground Electric (£10) .. 3½ .. 3½ ..			
Do "A" (1/1) .. 97 .. 97 ..			
Do Inc. Bds. (£100) .. 97 .. 97 ..			

American Railroads.

	Price Last Week.	Latest Price.	Rise or Fall.
Chesapeake & Ohio .. 77 .. 77 ..			
Erie .. 13 .. 13 ..			
Do 4% 1st Pref. .. 19 .. 19 ..			
Southern .. 36 .. 36 ..			
Do Non-cum Pref. 72 .. 70 ..			

Miscellaneous.

	Price Last Week.	Latest Price.	Rise or Fall.
Aerated Bread (£1) .. 1½ .. 1½ ..			
Amal. Cottons (£1) .. 48 .. 48 ..			
Anglo-Persian Oil (£1) .. 48 .. 48 ..			
Armstrong (Sir W.G.) .. 18½ .. 18½ ..			
As. Plind. Cement (£1) .. 1½ .. 1½ ..			
Barker, John (£1) .. 2½ .. 2½ ..			
B'ham Small Arms (£1) .. 1½ .. 1½ ..			
Brazil Traction (£100) .. 54½ .. 54½ ..			
British-American Tobacco (£1) .. 42 .. 42 ..			
Burmah Oil (£1) .. 5½ .. 5½ ..			
Cons. (J. and J.) (£1) .. 3½ .. 3½ ..			
Courtaulds (£1) .. 14 .. 14 ..			
Cunard (£1) .. 14 .. 14 ..			
Dorman, Long (£1) .. 14 .. 14 ..			
Dunlop Rubber (£1) .. 14 .. 14 ..			
Fine Cotton Spinners (£1) .. 28 .. 28 ..			
Forestal Land (£1) .. 14 .. 14 ..			
Furness, Withy (£1) .. 14 .. 14 ..			
Highlands and Lowlands Rubber (£1) .. 2 .. 2 ..			
Hudson's Bay (£1) .. 7½ .. 7½ ..			
Imperial Tobacco (£1) .. 44½ .. 44½ ..			
Linggi Plantns (£1) .. 14 .. 14 ..			
Lipton (£1) .. 14 .. 14 ..			
Lever Bros. Cmp (£1) .. 14 .. 14 ..			
Do 8% Cmp (£1) .. 14 .. 14 ..			
Do 20% Cmp (£1) .. 14 .. 14 ..			
Lister (£1) .. 14 .. 14 ..			
Lobitos Oilfields (£1) .. 14 .. 14 ..			
Lyons (J.) & Co. (£1) .. 14 .. 14 ..			
Magadi Soda (£1 Ord.) .. 14 .. 14 ..			
Mexican Eagle (£10) .. 14 .. 14 ..			
Pekin (2) .. 14 .. 14 ..			
Rubber Plantations Investment (£1) .. 14 .. 14 ..			
Shell Transport (£1) .. 14 .. 14 ..			
Smithfield & Argentine Meat (£1) .. 14 .. 14 ..			
United Dairies (£1) .. 14 .. 14 ..			
United Serdang (£1) .. 14 .. 14 ..			
United Tobacco (£1) .. 14 .. 14 ..			
Vallambrosa (2) .. 14 .. 14 ..			
Vickers (£1) .. 14 .. 14 ..			
Watney Def. Btk. (£100) .. 170 .. 170 ..			

Mines.

	Price Last Week.	Latest Price.	Rise or Fall.
Brakpan (£1) .. 3½ .. 3½ ..			
Broken Hill Prop. (8) .. 14 .. 14 ..			
Chartered (£1) .. 14 .. 14 ..			
Cons. Gold Fields (£1) .. 14 .. 14 ..			
Crown Mines (10) .. 24 .. 24 ..			
De Beers Def. (£24) .. 15 .. 15 ..			
East Rand Prop. (£1) .. 14 .. 14 ..			
Gaika (£1) .. 14 .. 14 ..			
Gov. Gold Areas (£1) .. 14 .. 14 ..			
Knights .. 4 .. 4 ..			
Modderfontein (10) .. 4 .. 4 ..			
Modderfont. "B" (5) .. 4 .. 4 ..			
Modderfont. Deep (5) .. 4 .. 4 ..			
Premier Def. (2/6) .. 4 .. 4 ..			
Rand Mines (5) .. 4 .. 4 ..			
Selukwe .. 4 .. 4 ..			
Rio Tinto (£5) .. 4 .. 4 ..			
Spring Mines (£1) .. 4 .. 4 ..			

COMPANY MEETINGS, &c.

ROYAL EXCHANGE ASSURANCE.

"EXTREMELY SATISFACTORY FIGURES."

GOOD RESULTS IN ALL DEPARTMENTS.

DIVIDEND INCREASED BY 2 PER CENT.

The annual general court of the Royal Exchange Assurance was held on the 2nd instant, at the head office of the corporation in the Royal Exchange, London. Mr Vivian Hugh Smith (the governor) presided.

The secretary (Mr Percy F. H. Hodge) having read the notice convening the meeting and the report of the auditor,

The Governor said:—Gentlemen,—As the report and accounts have been circulated and are now in your hands, I assume that you will take them as read, but before submitting them to you I am sorry to have to tell you that Mr Ernest H. Cunard, who had been a member of our court for nearly 30 years, has been compelled to retire on account of prolonged ill-health. His ready counsel and willing help are greatly missed by all of us. To fill the vacancy on the court the Hon. Rupert E. Beckett has been appointed. Mr Beckett was, as you probably know, a partner in the private banking firm of Messrs Beckett and Co., of Leeds, until it was acquired by the Westminster Bank, of which he is now a member of the board of directors. We find that Mr Beckett's influence, particularly in Yorkshire, is of marked benefit to the corporation.

GOOD RESULTS DESPITE YEAR'S DIFFICULTIES.

Some of you will remember that last year I referred to the effect which the depression in trade and the very uncertain conditions had on insurance business generally, and these factors have again, to a considerable extent, had their influence on the results for 1922. In spite of them you will, I think, have been interested in seeing that our total premium income still exceeds three million pounds, and, although there has not been much increase in this figure, it is a matter of congratulation to us all to have seen the very good results that have been obtained. You, no doubt, have also noticed that the difficult question of the expenses is being dealt with, as the total commission and expenses combined shown in the accounts are less than in the previous year, although the total premium income is slightly higher. This, I am sure you will agree, is a step in the right direction.

I will now take the results of the respective departments in the order in which they appear in the accounts which are before you.

LIFE DEPARTMENT.

In the life department 2,461 proposals were completed with new sums assured of £1,518,000. You will notice that the sums assured are about £100,000 less than the previous year, but it is interesting to see that the average sum assured per policy has increased from £581 to £617. This is a gratifying feature. The total premium income, after deducting reinsurance premiums, was £565,500, which shows an increase of nearly £20,000 over 1921. The interest earned on the life fund showed the very satisfactory figure of £5 10s 11d per cent. (gross), which was an increase of 3d per cent. over the previous year. You will remember that I referred last year to the increase which had taken place year by year in this respect, but I think it not unlikely that the figure we have now reached may prove to be the high-water mark. As a large proportion of the profits of the life department is derived from the interest on invested funds it is very satisfactory to know that this has been earned at such a high figure, without in any way infringing on the conservative lines of investment which are so important and necessary. The total claims paid and outstanding amounted to £339,000, which was considerably below the rate of mortality expected. The sum paid for surrenders amounted to £52,800; the expenses of management and commission to £99,500. The life fund has increased during the year by nearly £300,000 and now stands at £4,857,000. In the annuity department the fund has increased by £7,000, and now stands at nearly three-quarters of a million; while the capital redemption account shows an increase of £30,000 in the fund.

The trustee and executor department has again made a small profit, and we have been able to carry £2,600 from this account to our general profit and loss account. The example we set in 1905 in instituting this department has been followed by the big banks and several other insurance companies, and our experience over the past 18 years shows that it meets a real need.

FIRE DEPARTMENT.

We now come to the fire department, and I think that the results are particularly gratifying, as, with a premium income £53,000 less than in the previous year, we have been able to transfer £202,000 to the profit and loss account, of which only approximately £21,000 is on account of the decreased reserve required in respect of the smaller premium income. There are one or two points in connection with the fire account which may be of interest to you. The loss ratio has decreased from 54.9 to 46.1 per cent., which is satisfactory. You will notice that it has been felt necessary to provide a further £20,000 for claims on reinsuring companies in liquidation, but it is now hoped and believed that with the provision made in these accounts, together with that referred to in the previous year, it will be unnecessary to carry any further amount in this respect. You will also see that we have received over £70,000 through the Enemy Debt Clearing House in respect of certain transactions with the countries with which we have recently been at war, and that the funds of the department have been increased by £50,000, which had been transferred from profit and loss account to the additional reserve. After including the figures referred to, the total funds of the department have increased by nearly £30,000, and now stand at £842,000.

MARINE ACCOUNT.

In the marine account, the premiums, after deduction of reinsurance premiums, returns, commission, &c., amount to £369,000. As the market has been so uncertain, the greatest care has had to be taken in the underwriting, therefore no effort has been made to obtain a large premium income. I think we can congratulate ourselves that we have been able to transfer £75,000 from this department to our general profit and loss, and that, after doing this, the fund still stands at over £724,000, which represents nearly 200 per cent. of the premium income. This, as I think you will agree, is very satisfactory. The only other thing I wish to say about the marine account is that our arrangements in this department with the Prudential Assurance Company remain extremely cordial.

GENERAL ACCIDENT ACCOUNT.

The general accident account shows an excellent position. The premiums certainly are less, but our loss experience is considerably better, with the result that we have been able to transfer to profit and loss account over £120,000, which is nearly £50,000 more than in 1921. This figure is by far the highest that the department has shown since the corporation embarked on this class of business nearly 25 years ago. The account does not include the figures of our subsidiary companies, which, you may like to know, have all had satisfactory years, the Car and General Insurance Corporation, in particular, showing excellent results. In order to strengthen the accident fund, we have, as in the fire department, transferred £50,000 back from profit and loss as an additional reserve, and, including this amount, the fund now stands at £494,700.

PROFIT AND LOSS ACCOUNT.

In the profit and loss account the results from the departments are summarised, and you will see that we have been in the happy position of having been able to transfer more than £400,000 from the departmental accounts, in addition to which the sum of £73,300 was received in respect of interest dividends, and rents not carried to the other accounts. On the other side of the account we have our general expenses of £50,700, and the large sum of over £157,000 in respect of income-tax, together with the necessary reserve for corporation profits tax and excess profits duty, the latter being payable in connection with the sum received in settlement of war debts. Then there are the two transfers to the fire and accident accounts to which I have already referred.

WIDOWS AND ORPHANS (STAFF) FUND.

I know that the two entries appearing on this side of the profit and loss account—viz., £20,000 transferred to pension fund and £10,000 to a widows and orphans (staff) fund—will meet with your entire approval. Up to the present we have had no provision for the widows and orphans of members of our staff, although

HEAD OFFICES: LIVERPOOL AND LONDON

ROYAL

INSURANCE COMPANY, LIMITED

ALL CLASSES OF INSURANCE EFFECTED

assistance has been given when occasion required, and it was with much pleasure that the directors felt that they would be carrying out your wishes if they instituted such a fund. After making these various payments and transfers, the balance of the profit and loss account, for the first time in the history of the corporation, exceeds the sum of one million pounds.

You see in the printed accounts in front of you that our profit and loss account is also described as a "general reserve fund," which, perhaps, more clearly sets out its real function. With a world-wide business of the size which your corporation conducts, it is absolutely necessary to retain not only adequate but even generous reserves to meet all unexpected and contingent liabilities. It is the practice in some cases to augment departmental funds by transfers from general reserve funds, leaving a comparatively small balance in the profit and loss account, and, although we have to some extent adopted this practice in the fire department, and are initiating it this year to a small extent in the accident department, your directors are of opinion that the existence of a large central fund available for any class of business at any time has outstanding advantages.

THE DIVIDEND.

I referred last year to the very small effect the difficulties which had arisen in connection with certain insurance companies who had gone into liquidation were likely to have on the figures shown by the large insurance companies, and I think that our own results for 1922 strengthen my remarks. You will remember that at the same time I explained the necessity for the building up of reserves and the adoption of a conservative policy regarding the payment of dividends, but I am very glad to be able to say that without any departure from these principles your directors feel in a position to recommend an additional 2 per cent. of dividend being paid, that is, that a total dividend of 18 per cent. should be paid on account of 1922 (of which 7 per cent. was paid in November last), and a resolution to this effect will be placed before you in a few minutes.

Gentlemen, you will have noticed an alteration in this room, and it gives your directors very great pleasure to welcome you in what I might call a new court room. This is part of the general scheme of expansion which has been carried out during the past year, and which followed the acquisition of the premises vacated by our friends the London Assurance. These rooms have now been occupied by portions of our own staff, who previously were working under cramped conditions, which were neither conducive to good health nor to the best results in the interests of the corporation.

YEAR'S GOOD RESULTS.

I think you will agree that the figures put before you to-day are extremely satisfactory. With the exception of the year 1919, when our figures included an amount of £350,000 brought in from our marine department, the results of the year 1922 are the best, I believe, ever shown by the corporation. Insurance is the hand-maid of trade, and to obtain the results shown, to my mind, is a remarkable achievement in times like the present, when trade is far from good in most parts of the world, and when competition is very keen. In the opinion of your directors, the very satisfactory figures which I have to-day put before you reflect the greatest possible credit on the managers of the various departments and branches both at home and abroad and on the staff generally, and I should like to take this opportunity on your behalf of assuring these gentlemen of our appreciation, and of congratulating them on the success which has attended their efforts.

Before putting the resolution to the meeting, gentlemen, I would invite any stockholder who wishes to do so to put any questions, which I shall be happy to answer.

No questions being asked, the Governor moved, "That the printed report and accounts for the year 1922 be adopted."

The Sub-Governor (Mr Seymour Grenfell) seconded the motion, and it was unanimously passed.

The proposed further dividend of 11 per cent., less income-tax, making 18 per cent., less income-tax, on the capital stock for the year 1922, was also agreed to.

A resolution reappointing Sir Nicholas E. Waterhouse, K.B.E., as auditor to the corporation, having been carried, on the motion of Mr A. Goldberg, seconded by Mr G. J. Maunder, the court adjourned.

THE LONDON AND LANCASHIRE INSURANCE COMPANY, LIMITED.

SPLENDID RESULTS OF THE YEAR. APPRECIATION OF COMPANY'S INVESTMENTS.

The first ordinary general meeting of shareholders of the London and Lancashire Insurance Company, Limited, was held, on the 2nd instant, at the company's Chief Administration Offices, Chancery Lane, London.

Mr F. W. Pascoe Rutter, chairman of the company, presided over a numerous attendance. He said:

I assume that, as usual, you will take the report and accounts as read.

In one respect, the past year for us has been exceptionally fortunate in that no changes whatever have happened in the personnel, and the directorate remains, without exception, as it did last year. In other respects, I may describe the year as one, so far as we are concerned, of uneventful prosperity. Not that there has been any slackening of effort, for you will naturally assume that our new managers have been keen to show their mettle, but because we have been passing through a time when the tide in many cases was against us, and when it was unwise to start out upon new ventures, at a time of uncertainty and disturbance.

WORLD CONDITIONS.

Not only have the markets of the world continued in their weakened condition, but the countries which, through the war, were closed to us, have continued closed. It is not a light thing that quite half of Europe, with its busy and active commerce and industry, now for us no longer exists.

Elsewhere there has been stagnation, but there are now signs of renewed activity, and we may hope that commercially we have not only "touched bottom," but are on the way to fresh, if gradual, progress.

In our own case, we have endeavoured to make up the shortage to some extent; first, by the purchase, during the course of last year, of the shares of the Merchants Fire Insurance Company of Toronto, which puts us into a still more prominent position in the developing Dominion of Canada, and, secondly, this year, by the acquisition of the British Fire Insurance Company, of which Viscountess Rhondda has been the chairman, and which, considering the short time of its existence, and operating as it did upon non-tariff lines, had quite a prosperous record.

UNDERWRITING RESULTS.

Our fire premiums for the year amounted to £2,904,400, and, after including the interest belonging to the account, we have been able to add £100,000 to additional reserve, and to carry forward to profit and loss £310,592.

It has not been considered a good fire year, partly because, generally speaking, the contribution from the American continent was weak.

Our accident premiums amounted to £1,447,519, and, similarly, after including the interest belonging to the account, the total surplus enabled us to add £100,000 to the additional reserve, and carry forward to profit and loss £198,943. It has been the best year which our accident department has ever experienced.

The marine premiums amounted to £1,144,399, and again we have increased the additional reserve by £100,000, and carried forward to profit and loss account £50,553.

I need not dilate upon this account. The drop in premiums is entirely due to our action in refraining from accepting much Hull business, for which only inadequate rates were obtainable. Considering the difficult circumstances surrounding marine business until it has fully recovered from the indigestion and competition engendered by the war, I think you may feel well satisfied with the aggregate result.

Finally, after making provision for the increased dividend, and for minor items as specified in the profit and loss account, the balance carried forward is now £1,075,343, against £1,026,431 last year.

DIVIDEND POSITION.

As you know, it has become almost a recognised principle amongst insurance companies to, as far as possible, pay dividends out of interest.

Last year we appeared to be in a strong position in this respect, because our interest happened to be some £35,000 more than the dividend which we were paying.

There were two important factors to be borne in mind. First, our reserves had temporarily been depleted, due, particularly, to the considerable decrease in our marine premium income, which had been inflated during the war, and which had necessarily become deflated after the war. And, of course, the reduction in premiums meant a corresponding reduction in reserves to pay for the losses occurring on the old accounts.

Second, last year the income-tax was reduced from 6s to 5s. That meant a 1s, or 5 per cent. increase in the dividend payable to you,

and most of that is has accrued to you on the payments to be completed to-morrow for the year 1922. On the other hand, our interest for 1922 has received but a partial benefit from that is off the income-tax, for the relief naturally only began to operate during the second half of the year.

Hence, when we came to consider our accounts, we found that our interest for 1922 was £338,195, as compared with £337,094. But the dividend payable to you had become increased by £27,000. This left a credit margin of less than £10,000, and under the circumstances those of our shareholders who had adumbrated the true situation have, doubtless, been surprised that we should now decide to increase the dividend at all.

But, of course, in 1923 we shall get the full benefit of the 1s reduction, and the new 6d reduction will benefit both the company and the shareholders in the accounts for 1923.

LIFE PROFITS.

And there was a further point which we have had under consideration, and which I am glad to refer to. That is, the accruing profits upon the life business which we are operating through the "Law Union and Rock."

You will remember that, in acquiring a controlling interest in that company, we counted upon regular appreciable profits from their life department.

For the quinquennium ending December 31, 1919, consequent upon the serious depreciation in investments up to that date, the surplus was disappointing, but since then the appreciation which has occurred has quite rectified the position, and if their quinquennium had happened at the end of 1922, there would be a substantial surplus to divide between policyholders and shareholders.

I think, therefore, we may confidently count upon a handsome division of life profits at the end of 1924, and we are depending upon this in declaring the dividend which we have done, and which we hope, therefore, we shall be able to maintain.

You will not forget that this is a share (apart from the 1s 6d in the £ which you get through the reduction of income-tax) means a substantial outgo for the company, equivalent to 5s a share, if, three years ago, we had not split the shares by five.

INVESTMENT APPRECIATION.

There is one further feature of our finances which perhaps I should emphasise. And that is, the considerable further appreciation which has taken place in the market values of our Stock Exchange investments. It is such a pleasure to use the word "appreciation," seeing that for so many years the only term we could use was "depreciation." I told you last year that we had shared in the full benefit of the very substantial recovery in values in 1921. That improvement has continued in the same advancing ratio ever since, so that, at the present moment, we have recovered, from the beginning of 1921 to date, the bulk of the £1,400,000 which our investments had depreciated, and which had been written off in our annual accounts during the previous 25 years.

The disintegration in the capital values of securities began virtually with the beginning of the century, and, in our case, the aggregate depreciation upon the average of the funds which we possessed during those 20 years was no less than 38 per cent. But, whilst the percentage of recovery during the past two years or so is only 16 per cent., this recovery has, fortunately for us, taken place at a time when our funds have shown a very large increase, due, partly, to our prosperity, and, partly, to the funds which we have taken over from the companies with which we have become associated.

The thought may have occurred to somebody that, if we have this large inner reserve, why not take advantage of it in our accounts. My answer is that, whilst the position at present is undoubtedly abnormal, we have never done so, and there is no practical reason why we should do so. We have always aimed at something in the nature of an inner reserve of this character, and as it does not, in any way whatever, have a bearing on the income of the company, it would not in the slightest respect affect our judgment in dealing, for example, with the question of dividend. It would simply mean that we should show in our accounts 60 much more funds, but we should then be deprived of that comfortable solatium which an inner surplus of this kind provides.

INVESTMENT APPRECIATION ARGUMENT.

You may have noticed that there has been something like a debate taking place in the Press, initiated by the able chairman of a life insurance company, as to whether an appreciation in the values of investments, which has not been actually realised, represents a true, a real surplus.

Candidly, whilst one might perhaps look at the matter a little differently when one is considering life business than when it is a matter of the disposable funds of mainly a fire and accident company, I cannot see how any real quandary arises.

I have told you that our investments, as shown in the accounts which you have before you, are worth very much more—call it a million for the sake of argument. That is surely a real improvement in the assets of the company, and if anything abnormal were to happen, that surplus, which is not shown in our accounts, would be available to meet the emergency.

Now, supposing, in order to make it a realised surplus, we were to sell all our Stock Exchange investments, including millions of British Government securities, we should thereby at once realise, and have to put into our accounts this extra million of profits on sales of investments. But what should we do with the proceeds? Re-invest them! In what? In similar securities, and, therefore, it would amount to little more than a book entry. Our investments would then be worth exactly what they were stated at in the accounts, and we should bring into profit and loss and add to our reserves this extra million.

That would be the way to make this a realised surplus; but would our position be any more secure by taking such a course, supposing that something extraordinary were to happen, some cataclysm or concatenation of events, which brought about an enormous depreciation of securities? Then, instead of having this large inner surplus to play with, and to bear the brunt of the catastrophe, the funds as shown in our accounts would suffer, and we should again have to embark upon the painful process of writing off the reduction in values, as we had to do year after year, until 1920 put a stop to it.

EXPENSES.

Perhaps the most anxious matter which directors and managers of insurance companies have to face, and constantly deal with, is that of expenses. Everybody is aware that the expense of running any business nowadays is necessarily much greater than before the war. In most cases it means an actually increased outgo, bearing heavily upon a reduced income.

In our own case, it is true that our income is substantially more than it was before the war. Still, it is substantially less than it was at the apex of the war, and it has been a daily problem how to keep down the cost of the business within such reasonable bounds that there is a substantial margin left for the advantage of the company and the shareholders.

RATES OF PREMIUM.

One further word on this subject of income and outgo, and the success of our efforts to not only make ends meet, but to secure a satisfactory surplus.

The profit we have made has not been in any way due to an increase of rates. On the contrary, rates in practically every section of the business show a tendency to dwindle, and, indeed, in some classes substantial reductions have been made.

Before I resume my seat, I would like to say a word in sincere commendation of the work which has been done, and done as well when I have been away as when I have been present, by our team of management and staff. I feel that nothing has been neglected to conserve the vital interests of the company.

In the "fall" of last year I went to America with Mr Hendry, one of our managers, and the whole situation there was carefully reviewed, leaving me with the same confidence in our American managers as I have entertained ever since I began my visits 35 years ago. On our return, Mr Mills, the other manager, set off for a tour of South America, which has been more prolonged than anticipated, and, not having yet returned, he is consequently not able to be with us to-day.

This is the first time that our annual meeting has been held in this building, and to some of you it may be a revelation that we have such quarters, and that our organisation is housed under circumstances, and with such abundant light and air, that we are able to take the fullest advantages from the services rendered by the staff.

We have thus concluded another year—a year which, admittedly, has, for companies generally, been indifferent, and, in some cases, even barren. But frankly, for us, 1922 is one of the best years we have ever had, and to my mind it is particularly reassuring, because I feel that we have for some time been navigating under unprecedented conditions. We now seem to be gradually reaching a smoother sea. Nevertheless, the situation still demands much caution and circumspection. Ours is a difficult business, with many vagaries, and, realising so intensely the weight of the expenses, one is compelled to be diffident in giving vent to anything like an expression of optimism as regards the future. But, for ourselves, whatever the size of our business, we have always aimed primarily at quality, and, having regard to the manner in which we have survived the turmoil of the war's back-wash, I think, barring accidents, we may look forward to the future with reasonable confidence.

I therefore now beg to move:

"That the report, accounts, and balance-sheet be received, adopted and entered on the minutes."

by £7,000. The net interest income progressed by £16,000 in amount and 3s 2d per cent. in rate, and the annuity purchase money by £58,000. There had been paid out £48,000 additional in claims, and somewhat more by way of annuities and cash surrender values, due to the larger business, but the expenses showed a welcome reduction of £4,000. The board had been able to return to the life fund £82,000, which had been provided in the 1920 accounts to meet the depreciation on investments. The funds had been reinforced by £310,000, and now amounted to £4,085,000. This increase in funds was the largest which the office had yet secured in a single year.

CENTURY ACCOUNTS.

Referring to their associated company, the Century, the chairman said that, inasmuch as all new life and annuity proposals were being made to the Friends' Provident, the premium income of the Century was a steadily diminishing quantity, but, notwithstanding this, its life fund continued to increase, and was likely to do so for some years to come. In consequence of the recovery in investment values the £40,000 provided for depreciation in the 1920 accounts was restored to the life fund. Mortality was extremely light, and altogether it was evident that in the ordinary course a large surplus would be disclosed at the actuarial valuation at the end of 1924. This office, as holder of the proprietary interest, would be entitled to one-tenth of whatever surplus might be declared to be available for distribution at that time. The fire premium income showed a decrease of £5,000, but both claim and expense ratios were reduced as compared with 1921. Inclusive of interest, a profit of £11,000 was realised. The income in the marine account consisted almost entirely of an account of modest proportions written by the Commercial Union Assurance Company on behalf of the Century, and a small income from foreign agencies accepted in connection with the foreign fire business. The first year's settlements on the 1922 income amounted to 25.6 per cent. The accident and general account displayed a gratifying increase of £5,000 in income, although owing to adverse commercial circumstances the income of the employers' liability section of the business had shown a marked diminution. A profit of £20,000 had been transferred to profit and loss account. The sickness account continued to pursue an even course, and the reserves were now equal to nearly eight times the premium income. The profit and loss account balance of £38,000 brought forward from 1921 had been increased during 1922 to £59,000. As a result of the year's operations, the funds of the Century had increased by £169,000. All the companies associated with the Century had made excellent progress, and the amounts at which the investments therein stood in the Century books were substantially less than break-up value.

APPRECIATION OF INVESTMENTS.

With regard to the balance-sheet of the Friends' Provident, the chairman pointed out that the book values of their Stock Exchange investments amounted to £1,758,000, which was £445,000 and £300,000 in excess of the relative totals in 1921 and 1919. The amount invested in Stock Exchange holdings was 40 per cent. of the assets. The aggregate income for 1922 was £1,522,000, as compared with £1,416,000 in 1921, while the aggregate funds, excluding all items which appeared in each of two or more balance-sheets, amounted to £5,858,000, an increase of £496,000 as compared with 1921. In all respects the year's experience had been favourable. Securities had advanced in value; new business was larger in each section of the business; the net rate of interest had been increased, and was likely to rise further during 1923; expense had diminished, and would probably decrease again in 1923; while mortality profit, one of the outstanding strong points of this office, was even greater than before.

The report and accounts were unanimously adopted.

NORWICH UNION FIRE INSURANCE SOCIETY, LIMITED.

RESULTS OF A DIFFICULT YEAR.

The annual general meeting of the above society was held, on the 30th ultimo, at the head office, Surrey street, Norwich, Sir Gerald H. Ryan, Bart., in the chair.

The Chairman, in moving the adoption of the report and accounts, said: In submitting the accounts to you to-day, I would first call attention to the fact that they deal with the 125th year of the society's existence—a long space, in which the commercial and social conditions of our country have undergone a vast change, indeed, have passed through many changes, many "ups and downs," in common parlance: In our fire department the unrest of trade and the continued low level of the price of commodities have led to a reduction in our premium revenue of £138,480, and I cannot truly say that there is any very hopeful sign of recovery in this direction. We have, however, an alert and powerful organisation all over the world, which is ready to take full advantage of any revival of business. In the accident department, our

business has not been increased in the aggregate volume—indeed, there is a small falling off in our premiums—an advance in certain sections being more than counterbalanced by a reduction in our workmen's compensation business. Not only has the general rate of wages fallen in practically all industries, but unemployment and slackness of trade, unfortunately, still prevail throughout our field of work, and while this remains the case, we cannot look for any growth in our premium income. In the marine department we have to report a premium income of some £50,000 less than in 1921, and claim payments of nearly £200,000 less. This branch of our affairs is now resuming a more normal course, and the effect upon our claim payments of the much larger business transacted in earlier years is rapidly diminishing. You will observe that the board has decided to vary the old practice of declaring interim and final dividends, and to follow a course which is becoming more customary, namely, to fix the year's dividend at the ordinary general meeting, payable by equal half-yearly instalments. I have no doubt you will approve of this change in our procedure, for which, indeed, there is much to be said. On the point of finance, I ought not to omit to inform you that our securities have largely increased in value during the year, and that the appreciation has not been taken credit for in our balance-sheet. This is a great source of strength to the society's position.

The report and accounts were carried.

NORTHERN ASSURANCE COMPANY, LIMITED.

YEAR'S RESULTS "EMINENTLY SATISFACTORY."

The annual meeting of the Northern Assurance Company was held, on the 2nd instant, at Aberdeen, Sir Thomas Burnett, Bart., presiding.

The Chairman mentioned that for the past two or three years reference had been made to the difficulties experienced in the conduct of insurance business, and that 1922 was no exception. Despite, however, continued unsettled conditions at home and abroad, there was reason to be eminently satisfied with the results presented. To sum up the position briefly, the fire account showed a modest profit, the marine account had produced a satisfactory profit, while the accident account exhibited a record profit.

FIRE AND ACCIDENT DEPARTMENTS.

The fire premium income of £2,384,138 was a decrease of £191,685 on that of the previous year, this reduction being entirely due to the adjustment of American exchange from \$4 to \$4.50. The consequent release of reserves for unexpired risk had produced a net profit of £110,782 on the fire account. The accident profit of £164,145 was a record, while the premium income at £907,437 showed a reduction of £67,316 on the previous year, the decrease being almost entirely in the employers' liability section.

MARINE AND LIFE RESULTS.

It was only to be expected that the marine premiums would show a decrease, the income being £1,608,096, or a fall of £350,000. The 1921 account produced a profit of £94,046. The 1922 account showed a normal experience.

The sums assured under new life policies were £720,810, a decrease of nearly £50,000 from the previous year's total, but still well above the pre-war average. The Chairman recorded a further very gratifying appreciation in the value of Stock Exchange securities as at December 31st last.

PROFIT AND LOSS ACCOUNT.

The profit and loss account opened with a credit balance of £132,475, while on account of the operations of the past year £634,561 had been transferred from fire, accident, and marine accounts, and sundry other items produced £7,920, making a total of £774,956, out of which debenture interest, preference dividend and interim ordinary dividend had been paid. Income-tax on profits and provision for corporation profits tax amounted to £83,501. A final dividend of 9s per share was declared on the ordinary shares and a corresponding payment of 7s 1.97d per share, less tax, on the preference shares, the same as for 1921. Transfers to accident reserve and staff pension fund reduced the carry-forward to £247,000, an amount substantially in excess of that brought into the account at the beginning of last year.

BRAZILIAN WARRANT COMPANY, LIMITED.

COFFEE CROP AND SUPPLIES.

The annual general meeting of the Brazilian Warrant Company, Limited, was held, on the 30th ultimo, at Winchester House, Old Broad street, London, Mr Edward Greene (deputy-chairman and managing director) presiding.

The Chairman, in moving the adoption of the report and accounts, first dealt with the balance-sheet. He pointed out that investments in subsidiary and connected companies, which con-

stituted the nucleus of the company's business, stood at £541,225. British Government and other Stock Exchange securities, at £817,601, showed a remarkable expansion, being £556,180 up, as compared with the previous year, and at to-day's market quotations their value was considerably above the cost figure. The net profit amounted to £231,321, and the directors, after transferring £100,000 to reserve fund, recommended final dividends which brought the distribution for the year to the full 7 per cent. on the preference shares and 7½ per cent. on the ordinary shares, leaving £63,605 to be carried forward, as compared with £42,285 brought in.

On the whole he trusted that the shareholders would not be dissatisfied with the results obtained during 1922. It was, indeed, a very busy year for the company, as they had to devote most of their energies to the carrying out of the responsible work entrusted to them by the Brazilian Government and the bankers who issued the Brazilian coffee security loan of 1922—Messrs Baring, Messrs Rothschild, and Messrs Schröder—that work consisting of the marketing and selling of the coffee given as security for the loan kept the company's organisation occupied to its utmost limits in every department. It was still so occupying it, and would continue to do so for some time to come. They were proud of the confidence which had been placed in them to carry out this important work, and he ventured to believe that they had done it to the satisfaction of all those interested.

In the course of further remarks the Chairman expressed the opinion that from many points of view—which he set forth at some length—there was some justification for the steps which the Brazilian Government had taken to defend such a "key industry" as coffee-growing, and said he hoped that with a better knowledge of the situation their good intentions would be appreciated.

NEWS OF FUTURE CROP.

The directors had just received a very interesting telegram from Dr. Numa de Oliveira, the Brazilian Government delegate to the London Coffee Committee, regarding crops and supplies, from which it appears that the Government were determined to regulate supplies during the coming season to the needs of consumption. In consequence, the discounts on future months of 20 per cent. to 30 per cent. as compared with the price of actual coffee which had been ruling in certain markets, appeared quite unwarranted. To many observers the visible supplies in the United States seemed to be at a dangerously low level, and it would seem that the recent fall in price in the New York market had gone too far. Dr. Numa de Oliveira's telegram was as follows:—"More careful calculations of a future crop do not exceed 13 million bags for Santos, but it is possible that this estimate may have to be further reduced owing to untimely heavy rain which is causing berries to fall off and be lost amidst growing unseasonable weeds and vegetation. Entries of new crop in appreciable quantities should not be counted on before July, especially good qualities, because ripening of latest flowering is very backward and coffee picked before the middle of May will be spoiled by the abundance of unripe bean. The Brazilian Government will regulate receipts of new crop at Santos to 35,000 bags and at Rio de Janeiro to 12,000 bags per day, which represents more or less average quantities exported monthly for consumption. Balance will be carried forward to 1924-25 crop, which will not be larger than ten million bags for Rio de Janeiro and Santos together. Henceforth, no cause for complaint will exist with regard to restriction entries owing to the fact that the Brazilian Government are building stores in the interior so as to enable planters to ship in a fair way for all and at the same time allow the Government to keep a strict control of entries, preventing any favouritism in the order of arrival at destination."

The above telegram was of great interest to the coffee trade throughout the world, for it contained confirmation of the Government's programme, and also the views about crops of a very experienced observer.

THE FUTURE.

As regarded the future of the company's particular business the year had not opened inauspiciously for them. Every department was busy, and when the special work on which they were engaged was completed they would return to their normal business with the satisfaction of knowing that there was a plentiful coffee crop to be harvested, milled, cleaned, carted, stored, bought, sold, and shipped, and, therefore, a large field for their multitudinous activities with excellent prospects, he believed, of a steady demand for the article from consuming countries.

The report and accounts were unanimously adopted.

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

THE BRITISH THOMSON-HOUSTON COMPANY, LIMITED.

STRONG FINANCIAL POSITION.

UNLIMITED FIELD FOR PROGRESS.

The twenty-ninth ordinary general meeting of the British Thomson-Houston Company, Limited, was held, on the 2nd instant, at the offices, Crown House, Aldwych, London.

Mr H. C. Levis, chairman, presided.

The assistant secretary (Mr Alfred Clements) read the notice convening the meeting.

The Chairman, having read the auditor's report, said:

The report which has been sent to the shareholders, and which is now formally submitted, will, I think, be considered satisfactory in view of trade conditions obtaining throughout the year. The profit for the year enables us to make proper depreciations, pay the interest on debentures and loans (we have no loans outstanding at this time), the dividends on the preference shares, and recommend the same dividend on the ordinary shares as last year, and carry forward a somewhat larger amount.

INCREASED VOLUME OF ORDERS.

The volume of orders received during the year was greater than in the preceding year. This increased volume, together with the large amount of unfilled orders on hand at the beginning of the year, brought about the results appearing in the accounts. There has been no increase in the issued capital during the year. There is a slight reduction in the outstanding amount of debentures by reason of the redemptions under the respective trust deeds.

In the balance-sheet for the previous year, a large amount was shown as owing to the International General Electric Company, but at our last annual meeting I called attention to the fact that this had been liquidated in full, and there is no further liability in this connection.

COMPANY'S STRONG FINANCIAL POSITION.

A comparison between the current liabilities and the liquid assets shows that your company is in a very strong financial position. You will see from the balance-sheet that the liquid assets are about four times the current liabilities.

All of the expenditure on factories shown in the balance-sheet, amounting to about £300,000, was in connection with extensions authorised prior to the year under review. It will be necessary in the near future to make further additions to some of our factories to provide certain manufacturing facilities which are required. The value of the various factory plants as they stand on the balance-sheet is very much less than the cost of replacement. Our policy is to keep the buildings and equipment maintained in first-class condition.

CHANGE IN PREFERENCE DIVIDEND.

As stated in the directors' report, the arrangements in connection with the change in the dividend on the preference shares have been carried into effect, and the cost will be liquidated in a comparatively short time by the application of the amount saved in income-tax.

In the profit and loss account for the previous year there was set aside a reserve for contingencies of £100,000. So far it has not been necessary to encroach on this, and it now appears on the balance-sheet. A general reserve of £50,000 made this year also appears on the balance-sheet.

PROFIT AND LOSS ACCOUNT.

Turning to the profit and loss statement, it will be seen that the profit for the year, after deducting all expenses and charges other than interest on debentures and loans, is £494,592. To this there is to be added the amount brought forward from the previous year, £230,704, making the total amount to be dealt with £725,296. From this is deducted £118,614 for interest on debentures and loans, £99,386 for various depreciations, £13,125 has been written off the cost of converting the preference shares, and £50,000 has been set aside for a general reserve. This leaves to be carried to the balance-sheet £444,171.

DIVIDEND ON ORDINARY SHARES.

Dividends on the preference shares have been paid up to December 15th last, and the directors now recommend that a dividend of 6 per cent., free of income-tax, be declared and paid at once on the ordinary shares, which will absorb £120,000 and leave to be carried to the next balance-sheet £236,671.

It may be of interest to you to know that your company has now nearly 4,000 preference share and debenture-holders in this country.

POWER SECURITIES CORPORATION.

Our participation in the formation of the Power Securities Corporation, Limited, is referred to in the report. Your company and three others each subscribed for 100,000 ordinary shares. 500,000 preference shares and 100,000 ordinary shares were offered to the public, and the entire amount was taken up. The corporation

has secured the entire share capital of Messrs. Balfour, Beatty and Co., Mr George Balfour, M.P., becoming the chairman of the Power Securities Corporation, the joint managing directors being Mr A. H. Beatty and Mr William Shearer, both having been associated with Messrs Balfour, Beatty and Co. for a long time. It has commenced active operations, and we have every reason to believe that it will be successful.

THE FUTURE.

I hesitate to comment on general business conditions, as the position is somewhat obscure and uncertain. The conditions, however, appear to be more favourable than they were at the beginning of 1922, and unless something unforeseen occurs, I think we are justified in looking forward to an improvement in trade both at home and abroad, although this may be slow.

So far as the electrical industry is concerned, there seems to be an almost unlimited field for progress, and I think it is fairly safe to assume that the developments here will relatively approximate what has been done in other countries. In this progress we have every reason to believe that your company will have its full share, and it is well equipped to take advantage of any improvement in business which may occur.

The satisfactory results which are shown this year are due in large measure, as in the past, to the hearty co-operation of all of the company's employees, and to them are due the thanks of the shareholders.

MANAGING DIRECTORSHIP.

Before closing, I would like to refer to my resignation as managing director, and the appointment of Mr W. C. Lusk in my place. It is my intention to continue to take an active part in the affairs of the company, but naturally a considerable portion of the work and responsibility which has heretofore been mine will now devolve upon Mr Lusk. He has been connected with the company for a long time as a director and as manager of our commercial departments, and we can look forward with confidence to his administration of the affairs of the office of managing director.

I now beg to move: "That the report of the directors produced, together with the annexed statement of the company's accounts to December 31, 1922, duly audited, be now received, approved and adopted, and that the recommendations therein contained as to dividends or otherwise be adopted and carried out."

Earl Buxton seconded the resolution, which was carried unanimously.

On the motion of the Chairman, seconded by Mr A. R. Monks, Messrs C. A. Coffin, E. W. Rice, and Gerard Swope, the retiring directors, also Mr A. W. Burchard (who has been elected a member of the board since the last annual general meeting), were re-elected directors of the company.

Major Martindale then proposed, and Mr A. R. Monks seconded, the re-election of Messrs Price, Waterhouse and Co., the retiring auditors, their remuneration to be fixed by the directors.

The motion was carried unanimously.

A hearty vote of thanks having been accorded to the chairman, directors and staff, by Major W. Martindale, the meeting terminated.

RIO DE JANEIRO CITY IMPROVEMENTS COMPANY, LIMITED.
BOARD'S SOUND AND CONSERVATIVE POLICY.

The sixty-first ordinary general meeting of the Rio de Janeiro City Improvements Company, Limited, was held on the 2nd instant, at Winchester House, London, the Hon. Herbert C. Gibbs presiding.

The Chairman, in moving the adoption of the report and accounts, said that the sinking fund which was established to supplement the amortisation of the capital expenditure now stood at £88,000, and investments allocated to that sum amounted to only £42,650. These investments were entirely in the company's own debentures, and during the current year about £16,000 more had been invested therein. The board recommended the payment of the usual 6 per cent. dividend, free of tax, instead of less tax as heretofore, as it would show the Government more clearly the actual return which the shareholders received on their investment. That return had been extraordinarily low, considering the risks entailed, the efficient manner in which the company had always carried out its duties, and also the fact that the rate of interest obtainable on the direct obligations of the Government was in excess of that paid to the shareholders.

THE FUTURE.

Taking a broad view of the situation, the board did not consider that the present situation as shown in the accounts was any certain indication of the future. For one thing the profit and loss account had had during the past year the benefit of a considerable revenue from interest on reserves; the rate of interest on money had now fallen, and the reserves themselves would be reduced as and when they were utilised for the purposes for which

they had been created. Then the low value of the currency in which their wages were paid would no doubt prove to be only a temporary advantage, for with the fall in exchange the rate of wages in currency had greatly increased, and it might not be possible to reduce wages in proportion to any future rise in exchange. The board had thought it prudent to conserve the company's resources by adding to the reserves and by carrying forward a substantial sum to next year's accounts. The company would receive the benefit of the reduction in income-tax and corporation tax, and if, as a consequence, the profits were increased the board would probably take advantage of this to write down the cost of "Offices, workshops, &c." If the current year was successful it was possible that the board might wish to make a provision of, say, £25,000 against these assets, so that there might be no question that the balance was the permanent property of the company.

Mr Edward Greene, who visited Rio last year, referred to the improved financial position of the company, and stated that sooner or later there would be a great revival in building activity in Rio de Janeiro, for the shortage of houses there was as great as anywhere else.

The report was unanimously adopted.

ELECTRIC SUPPLY CORPORATION, LIMITED.
BRIGHTER PROSPECTS FOR THE FUTURE.

The twenty-first annual general meeting of the members of the Electric Supply Corporation, Limited, was held, on the 30th ult., at Winchester House, Old Broad street, London, Mr J. G. B. Stone (chairman of the company) presiding.

The Chairman, in the course of his speech in moving the adoption of the report and accounts, said: This is our twenty-first annual meeting, and I hope and believe that it marks the end of long years of disappointment and the beginning of a period of greater prosperity.

I think the profit figures are encouraging—1920, £9,500; 1921, £19,500; 1922, £29,500.

Let us now turn to the accounts. The additional capital expenditure for the year amounts to £10,000, compared with £2,750 in the previous year. The total working expenses, including repairs, amounted to £59,000, against £72,461 in the previous year.

On the revenue side we have a total of £82,183, as against £87,282 in the previous year; but this year Dumbarton, owing to the deplorable state of the shipbuilding industry and to a reduction in our rates consequent upon the cheaper price of coal, contributes only £22,442, as compared with £32,257 in the previous year. It appears, therefore, that with £10,000 less from Dumbarton, our revenue has fallen by £5,000. The income derived from investments shows a satisfactory increase from £4,636 in 1921 to £6,383 in 1922.

The share capital now appears as 150,000 £1 shares; that is, £150,000 as compared with £250,000 before it was reduced, the balance having been written off. The amount of our debenture stock stands as before. The reserve we hold against investments has not been altered.

On the other side of the balance-sheet you will observe how we have treated the depreciation written off when we reduced our capital. Investments at cost are stated at a figure which is amply covered by the market value of our investments, more particularly when you take into account the reserve standing on the other side of the balance-sheet. Sundry debtors for current supplies show a reduction explained by the reduced revenue in Dumbarton.

During the year we have increased our holding in our own debentures, which now stands at £22,914 of this stock.

Mr A. A. Campbell Swinton seconded the resolution, which was carried unanimously.

SALAR DEL CARMEN NITRATE SYNDICATE, LIMITED.
IMPROVED OUTLOOK FOR NITRATE INDUSTRY.

The twenty-sixth annual general meeting of the Salar del Carmen Nitrate Syndicate, Limited, was held, on the 3rd instant, at Winchester House, Old Broad street, London, Mr H. W. Sillen (the chairman) presiding.

The Chairman, in moving the adoption of the report and accounts, said that the gross profit, inclusive of an item of £3,400, representing surplus on realisation of investments, was £70,017, from which was deducted reserve for income-tax and corporation profits tax and usual expenses of administration, amounting together to £11,811, leaving a net profit of £58,204. They brought in from last account £18,576. There was thus a total at credit of profit and loss account of £76,780. They would have seen from the directors' report that they recommend this sum be dealt with as follows:—(1) provision for the interim dividend of 5 per cent. less tax paid in November last, £8,112; (2) the payment of a final

dividend of 20 per cent., less tax, absorbing £32,450; (3) transfer to general reserve, £15,000; (4) depreciation of plant and machinery, £5,000; leaving to be carried forward £16,218. They regarded the result of the year's working as satisfactory, and, in view of the substantial profits earned, coupled with the greatly improved outlook of the nitrate industry, they felt justified in recommending an increased dividend of 25 per cent., as compared with 20 per cent. for 1921. The position disclosed by the accounts was a strong one. During last winter he had paid a personal visit to the company's oficina in Chile. His general impression had been very favourable, and he felt sure that they had a property of considerable value, with a long life before it.

With regard to the position of the nitrate industry generally, shareholders were probably aware that 98 per cent. of the nitrate produced in Chile was disposed of through the Association of Producers, of which their company was a member. The association had been in existence in its present form since January, 1919, and it should come to an end in January, 1924. The association had, however, proved itself so useful in many ways that it was almost certain to be prolonged for a further term of five years. The association fulfilled a most useful purpose, and imparted a steadiness to the nitrate business which would otherwise be absent. During the year the position of the industry had developed satisfactorily. Sales had been made on a considerable scale and stocks had been reduced to nearly normal.

At April 30, 1923, the total visible supply of nitrate was 1,344,500 tons, as compared with 1,981,500 tons at the same date in the previous year, showing a considerable improvement in the stock position. Consumption in the 12 months ending June 30, 1923, would amount approximately to 2,000,000 tons, and it was not improbable that in the following 12 months it would reach 2½ million tons. Demand in the United States had been developing rapidly, and the needs of European markets were likely gradually to increase. There was practically no synthetic nitrate of soda available in Germany at the present time, the manufacture having almost ceased. So far as one could see, market conditions for Chilean nitrate should be progressively favourable.

The report and accounts were unanimously adopted.

BRITISH ELECTRIC TRANSFORMER COMPANY, LIMITED.
DIFFICULT YEAR—ENCOURAGING SIGNS.

The twentieth ordinary general meeting of the British Electric Transformer Company, Limited, was held, on the 1st instant, at Winchester House, Old Broad street, London.

Mr A. F. Berry (chairman of the company) presided, and in moving the adoption of the report said that the results of the trading for the twelve months ended December 31, 1922, poor as they might appear to shareholders, were really not so very disheartening to those of them who, although the company had to forgo any dividend on the ordinary shares, knew how great had been the difficulties with which they had had to contend.

The present found them, in common with many others in industry, dealing with the most difficult period of their existence, but he had no doubt that they would win through. It would, however, certainly be well into next year before the company was able to reach a profit-earning stage that would permit any appreciable distribution to holders of ordinary shares, for, although the company last year was able to produce a profit, that was rather the result of work carried forward than the result of the prices obtained during the year under review. During the present year it would be difficult to produce results as good as those even for the past year, for although the actual volume of business was now growing, and orders to date amounted to more than for the first four months of last year, they had virtually come very near to giving two halfpence for one penny.

Even as those who were responsible for the management of the company pursued the policy of co-operation with their friends in various sections of the industry, so could a numerous body of shareholders, such as that company possessed, help themselves and the company. He referred particularly to the fact that shareholders could now hire "Tricity" products in many towns. The country was at the dawn of greater electrical domestic developments than many imagined. The sooner shareholders inquired of their electric supply authorities as to what they could do in the way of hiring "Tricity" electric heating and cooking appliances made by the company, the sooner would they obtain the additional comfort and cash savings that were now possible in so many houses where a public supply of electricity was available. Each year the board found some shareholders helping themselves much, and this company quite a little, in the directions that he had indicated, and with some three thousand shareholders a co-operative movement of that sort was of great value. A post-card to the supply authority asking for "Tricity" service, and a word to their friends to do the same thing, would make a beginning which he was quite sure would be of much value.

The report was adopted.

PERNAMBANG RUBBER ESTATES, LIMITED.
IMPROVED POSITION—NEW ESTATES.

The third annual meeting of the Pernambuco Rubber Estates, Limited, was held, on the 4th instant, at the offices of the company, 14 Great Tower street, London, Mr Eric Macfadyen (the chairman) presiding.

In moving the adoption of the report and accounts, the Chairman said: Against a loss for 1921 of £4,609 10s 3d, we were able to make a profit last year of £9,794 4s 10d. This result was brought about by the success of our managers in bringing down estate costs by over 3d per lb, and by an improvement of over 3d per lb in the price secured for our rubber. So far as costs are concerned, you may rest assured that the reductions effected have not been at the expense of the health of the trees and the condition of the estates. The shareholders have had to go without dividends for three years, and, in view of the improved prospects, your board have not felt that they would be justified in withholding the profits actually made, and have declared an interim dividend of 2½ per cent., which you will receive next week.

At the date of our last balance-sheet, the purchase of our two Kedah properties had not yet been effected, and the only estates we then owned were Bukit Blimbing and Cashwood. The cost to us of those two estates at that date was £108 8s 7d per planted acre. Last year, as I informed you at the last annual meeting, we acquired two new estates, Kuala Ketil and Jemili, and this year we have acquired two additional estates, Sepang Road and Bukit Kosa. The effect on the balance-sheet of the earlier of these transactions is shown in the printed report. The effect of these transactions will ultimately be to raise our issued capital to £379,200. The purchase prices of the four new estates average out under £47 per planted acre. Ultimately, when all capital expenditure has been met, I anticipate that our capitalisation, without further acquisitions, will stand not higher than £77 per acre.

We should still be open to consider further amalgamations of an equally satisfactory description, but, in the improved position of the rubber market, we can scarcely hope to have such opportunities again. One thing I should like all shareholders to feel assured of is that the acreage we have added during the past two years is in every respect equal, and probably somewhat superior, to our original holdings.

In the current year our crop will be restricted to conform with the percentage of our standard of 812,624 lbs which we may be permitted to export in accordance with the Stevenson scheme. We do not anticipate any increase in our very moderate producing costs, and our view is that the present level of price is likely at least to be maintained.

The report and accounts were adopted.

CEYLON CONSOLIDATED ESTATES (1920), LIMITED.
PROMISING OUTLOOK.

The second ordinary general meeting of the Ceylon Consolidated Estates (1920), Limited, was held, on the 30th ultimo, at Cannon street Hotel, London, Mr W. J. New (the chairman of the company) presiding.

The managing director and secretary (Mr W. Fenton Pugh) read the notice of the meeting and the report of the auditors.

The Chairman, in moving the adoption of the report and accounts, said: The report and accounts which have been sub-

KANSALLIS-OSAKE-PANKKI

(National Joint Stock Bank).

ESTABLISHED 1889.

Head Office: HELSINKI (Helsingfors),
FINLAND.

Capital and Reserves - - - Fmk. 252,000,000
Deposits and Cheque Accounts
(31/12/22) - - - Fmk. 1,420,000,000

124 BRANCHES AT ALL IMPORTANT BUSINESS CENTRES IN FINLAND.

Telegraphic Address Kansallispankki.

mitted to you deal with the 12 months ended October 31st last, during which period the market price of rubber fluctuated between 6½d and 1s per lb, the average London price for the period being 8½d per lb. It was, therefore, an unprofitable year for rubber-growers, and a very difficult and trying time for all connected with the industry.

On November 1st, as you know, the restrictive measures came into force, and there being a considerable increase in the American demand for the commodity the position has changed materially for the better, and there is now reason to anticipate that remunerative prices will be maintained in the future. Our cost of production, 8½d. per lb, compares favourably with other estates with a similar output, and our costs will get lower as our permitted export increases. It would have been an unwise policy to have reduced costs by failing to maintain the estates in good order, a course which would have proved more expensive in the end.

The crop for the current year depends, under the scheme of restriction, on the market price over successive quarterly periods. For the first four months we have sold the exportable crop in the East, realising an average of 1s 3½d per lb delivered at Colombo.

We got through the year with a small profit, for which we may be thankful under the circumstances, but the deficit on realisation of the balance of the 1921 crop brought into the last account, owing to the fall in price which occurred last year when voluntary restriction was dropped, has the effect of increasing the adverse balance we have to carry forward. As against this, however, the advance in price which has taken place since last October will enable us to realise a substantial sum more than the valuation at which the balance of the 1922 crop is brought into the accounts.

During the last six months prices have been on a profitable level, and the lower stocks available should certainly affect the market favourably later in the year. I see no reason to be despondent on account of the setback in the price of rubber, which has occurred during the last few weeks. There is a good reason for confidence in the future, and, so far as our company is concerned, the results of the current year's working should be satisfactory.

The report and accounts were unanimously adopted.

NUNDYDROOG MINES, LIMITED.

FAVOURABLE OUTLOOK.

The second ordinary general meeting of Nundydroog Mines, Limited, was held, on the 1st instant, at Cannon street Hotel, London.

Mr V. Herbert Smith (chairman of the company), who presided, said that the records of the year's work were, on the whole, of a satisfactory nature. At the mill 115,002 tons of quartz were treated, yielding 54,316 ounces, and 200,705 tons of tailings and slimes were dealt with, from which were extracted 8,341 ounces, the total production being 63,129 ounces of fine gold of a value of £295,356. At the stamp battery 9,410 tons, and at the tailings and slimes works 38,215 tons more were treated than in 1921. The total return of gold for the year amounted to an increase of 107 ounces; the actual amount realised showed a decrease of £38,857 in value, caused by the reduction in the world's market price for gold. The yield of gold per ton of ore treated at the stamp battery was 9 dwts 11 grs, and the tailings and slimes dealt with produced 20 grs of gold per ton, in the first case showing a falling off of 1 dwt 2 grs, and in the latter of 2 grs per ton. The profit, £68,319, showed a decrease of £37,102, accounted for by the drop in the price of gold.

The actual costs for the year were only £1,216 in excess of those of the previous year, a fact which the directors regarded with satisfaction, especially as included in the past year's expenditure was the cost of treating an increase of 9,410 tons of quartz and 38,215 tons of tailings and slimes, as compared with the figures of 1921. Working costs showed a saving of 3s 4d per ton. The total distribution for the year was 1s per share, as against 1s 6d per share (both less income-tax) for the previous twelve months. He felt sure the shareholders would come to the conclusion that the work of the year had been the means of placing the mines in a more satisfactory condition than they were in a year ago. He desired to refer to the important discovery on the 56th level which was being driven for them into the Nundydroog property by the Ooregum Company. The satisfactory widths and values being encountered there were gratifying, and the finding of payable ore at this depth was considered of great importance to the future of the mines.

Mr Henry C. Taylor gave a detailed account of the mining developments during the year, and said that the outlook was even more promising than it was twelve months ago, when they were able to point to many distinctly favourable indications.

The report and accounts were unanimously adopted.

GOVERNMENT RETURNS.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £35,000,000 in three months' Treasury Bills dated from Monday to Saturday, May 7-May 12, were opened on May 4, 1923, and the total amount applied for was £60,965,000. Tenders for Monday to Friday bills at £99 10s 10, about 20 per cent., and above in full, and for Saturday bills at £99 10s 3d, and above in full. The average rate of discount for Treasury Bills was £1 18s 8-29d. The amounts allotted were as follows:—In bills at 3 months, £33,500,000; in bonds, £1,500,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills. Average Rate.	4½% Treasury Bonds, 1932. Average Price.
1923.				
Feb. 2.....	(a) 40,000,000	(a) 59,465,000	2 10 1-57	None allotted
Feb. 9.....	(a) 35,000,000	(a) 63,590,000	2 9 7-86	99 8 6-4
Feb. 16.....	(a) 30,000,000	(a) 49,875,000	2 6 6-31	99 8 4-2
Feb. 23.....	(a) 40,000,000	(a) 61,630,000	2 6 2-95	99 9 1-17
Mar. 2.....	(a) 40,000,000	(a) 53,770,000	2 2 10-35	99 9 9-6
Mar. 9.....	(a) 40,000,000	(a) 57,190,000	2 8 0-34	99 9 7-5
Mar. 16.....	(a) 30,000,000	(a) 54,490,000	2 0 0-32	99 9 4-8
Mar. 23.....	(a) 50,000,000	(a) 67,230,000	2 0 3-34	..
Apr. 6.....	(a) 40,000,000	(a) 69,665,000	2 4 5-2	95 2 2-0-94
Apr. 13.....	(a) 40,000,000	(a) 78,915,000	2 4 3-46	95 3 5-134
Apr. 20.....	(a) 35,000,000	(a) 64,256,000	2 0 7-57	95 3 5-134
Apr. 27.....	(a) 30,000,000	(a) 59,305,000	1 16 6-04	95 3 5-134
May 4.....	(a) 40,000,000	(a) 61,230,000	1 18 7-85	95 3 5-134
May 11.....	(a) 35,000,000	(a) 60,965,000	1 18 8-29	95 3 5-134

(a) Including Treasury Bonds.

4½% Treasury Bonds, 1931-33

Tenders will be received on Friday, May 11, 1923, for Treasury Bonds and Bills to the maximum amount of £30,000,000. The amount of Treasury Bonds issued will not exceed £3,000,000, but, subject to that limit, the total amount issued will be divided between Bills and Bonds in such proportions as The Lords Commissioners of His Majesty's Treasury may determine.

CURRENCY NOTES ACCOUNT.

(000's omitted.)

Date.	Notes and Coins Outstanding.	Investments Reserve Account.	Advances to Bankers.	Savings Banks.	Gold and Bullion.	Bank of England Notes.	Ratio to Notes.	Government Securities.	Balance at end of week.
1914.	21,535	..	8,302	3,810	..	..	..	..	11,423
Aug. 26.....	21,535	..	169	600	16,500	..	48-1	9,324	9,288
Dec. 30.....	36,478	..	159	249	28,500	..	27-6	54,621	20,538
1915.	103,125	729	159	249	28,500	..	19-0	118,102	6,668
Dec. 29.....	150,144	2,430	64	40	28,500	..	13-4	186,637	5,486
1916.	212,782	8,554	39	675	28,500	..	8-9	305,133	4,566
Dec. 31.....	323,241	15,529	..	570	28,500	..	9-1	337,537	2,802
1917.	356,152	17,182	250	245	28,500	4,000	13-0	336,504	134
Dec. 29.....	367,626	16,962	..	..	28,500	19,450	15-9	311,334	141
1918.	343,826	15,599	..	..	28,500	19,450	14-8	287,750	150
June 29.....	323,884	14,965	..	..	28,500	19,450	15-2	278,119	143
Sept. 28.....	314,382	14,830	..	..	28,500	19,450	14-7	289,131	161
Dec. 28.....	325,584	14,658	..	..	28,500	19,450	15-9	258,922	137
1919.	300,351	14,255	..	..	28,500	19,450	16-3	254,312	250
Mar. 29.....	295,374	13,338	..	..	28,500	19,450	16-6	246,456	169
June 29.....	289,127	12,648	..	..	27,000	21,150	17-3	241,294	190
Sept. 27.....	301,337	12,872	..	..	27,000	21,150	17-3	241,335	110
Dec. 27.....	285,616	12,318	..	..	27,000	22,450	17-3	241,220	144
1920.	285,565	12,330	..	..	27,000	22,450	17-3	241,220	144
Apr. 18.....	285,570	12,162	..	..	27,000	22,450	17-3	241,220	144
May 2.....	285,746	12,069	..	..	27,000	22,450	17-3	241,220	144

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £320,600,000, for 1921 at £317,555,200, for 1922 at £309,988,400, and for 1923 at £270,185,800.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Total Receipts into the Exchequer from	RECEIPTS.	RECEIPTS.
	Apr. 1, 1923, to Apr. 28, 1923.	Apr. 1, 1922, to Apr. 28, 1922.	Apr. 1, 1922, to Apr. 28, 1922.
Balances in Exchequer on 1st April:—			
Bank of England.....	5,442,665	9,963,424	..
Bank of Ireland.....	1,375,502	1,210,106	..
REVENUE.	6,818,167	11,173,530	..
Customs.....	9,831,000	6,879,000	4,366,000
Excise.....	13,330,000	10,655,000	1,833,000
Motor Vehicle Duties.....	1,118,000	821,000	131,000
Stamp, &c., Duties.....	9,040,000	5,761,000	1,370,000
Stamps.....	1,450,000	962,000	760,000
Land Tax, House Duty & Mineral Rights Duty	250,000	280,000	40,000
Property & Income Tax	25,588,000	32,350,000	2,362,000
Super-Tax	6,380,000	954,000	1,820,000
Excess Profits Duties, &c.	1,780,000	1,256,000	650,000
Corporation Profits Tax	3,150,000	3,500,000	210,000
Post Office.....	100,000	80,000	1,200,000
Crown Lands.....	..	..	80,000
Interest on Sundry Loans.....	2,287,196	290,571	..
Miscellaneous.....	..	..	63,480
Ordinary Receipts.....	2,541,243	6,314,988	450,396
Special Receipts.....	4,822,614	4,410,672	800,086
Revenue.....	76,668,053	74,514,231	1,444,272
Total, inc. Balance ..	83,486,220	85,687,761	11,489,838

	Total Receipts into the Exchequer from	RECEIPTS.	RECEIPTS.
	Apr. 1, 1923, to Apr. 28, 1923.	Apr. 1, 1922, to Apr. 28, 1922.	Apr. 1, 1922, to Apr. 28, 1922.
OTHER RECEIPTS.			
Temporary Advances Repaid:—			
Bullion.....	..	400,000	..
Under the Unemployment Insurance Acts, 1921.....	750,000	..	250,000
Money Raised by Creation of Debt:—			
By Treasury Bills for Supply.....	185,765,000	238,193,000	41,805,000
By National Savings Certificates.....	4,100,000	22,680,000	950,000
By Treasury Bonds—			
5-15 year, 1925-35.....	..	61,421,831	..
5%, 1927.....	..	..	7,162,563
4%, 1931-33.....	16,775,623	..	1,857,700
Ways and Means Advances.....	47,400,000	91,150,000	2,600,000
Repayments—			
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921.....	3,956	5,381	..
Total.....	338,280,799	499,537,973	61,284,086

EXPENDITURE AND OTHER ISSUES.

	Total Issues out of the Exchequer to meet Payments from	ISSUES.	ISSUES.
	Apr. 1, 1923, to Apr. 28, 1923.	Apr. 1, 1922, to Apr. 28, 1922.	Apr. 1, 1922, to Apr. 28, 1922.
EXPENDITURE.			
Permanent Charge of Debt.....	3,332,198	3,281,893	..
Interest, &c., on War Debt.....	34,802,646	34,754,583	1,128,432
Road Fund.....	398,044	89,000	..
Payments to Northern Ireland Exchequer.....	96,822	150,000	50,000
Land Settlement.....	9,729	172,580	79,016
Other Consolidated Fund Services.....	11,325	266,585	11,325
Supply Services.....	24,339,000	23,074,500	6,239,000
Expenditure.....	62,989,764	61,789,141	7,475,579
OTHER ISSUES.			
Temporary Advances—			
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	36,891	84,909	..
Under the Unemployment Insurance Acts, 1921.....	..	1,210,000	..
Issues to meet Capital Expenditure—			
Under the Housing Act, 1919.....	..	13,000	..
Redemption of Debt—			
Treasury Bills for Supply.....	213,230,000	361,740,000	45,935,000
Principal of National Savings Certificates—			
(a) Repaid by Issues under Section 59 (6) of the Finance Act, 1920.....	800,000	2,600,000	900,000
(b) Repaid otherwise.....	2,400,000	..	750,000
Principal of Exchequer Bonds paid off.....	..	18,636,606	..
Principal of National War Bonds paid off.....	15,979,989	..	500,000
Other Debt under the War Loan Acts, 1914 to 1919.....	15	4,751,888	..
Ways and Means Advances Repaid.....	39,467,000	45,600,000	6,500,000
Balances in Exchequer—			
Bank of England.....	334,903,669	496,425,543	71,260,579
Bank of Ireland.....	2,000,930	1,977,699	22,339
Bank of Scotland.....	1,376,210	1,134,731	101,178
Total.....	3,377,140	3,112,430	123,517

Treasury, April 30, 1923.

BANKING DEPARTMENT.

	£	Government securities	£
Proprietors' capital ..	14,553,000	Other securities.....	45,359,445
Reserve.....	3,128,190	Notes.....	70,130,283
Public deposits.....	13,234,545	Gold and silver coin..	21,251,845
Other deposits.....	107,635,894		1,827,485
Seven-day & other bills	17,429		
	138,569,058		138,569,058

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

COMPARISON WITH PREVIOUS WEEK AND A YEAR AGO.

	Amount, May 2, 1923.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Rest.....	3,128,190	+ 45,820	+ 4,887
Public deposits.....	13,234,545	— 771,560	+ 1,101,134
Other deposits.....	107,635,894	— 1,005,176	+ 24,027,768
Government securities.....	45,359,445	— 2,846,239	+ 18,165,801
Other securities.....	70,130,283	+ 2,585,074	+ 4,838,531
Reserve.....	23,079,330	+ 1,410,768	+ 2,155,368
Note circulation.....	124,191,570	+ 1,412,345	+ 2,100,390
Coin and bullion.....	127,520,900	+ 1,577	+ 1,369,978
% of reserve to liabilities	19%	— 1%	+ 1%

THREE MONTHS' RECORD.

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve.	% of Reserve of Liabilities
1923.	\$	\$	\$	\$	\$	Per Cent.
Feb. 7.....	127,490,819	121,481,100	114,879,475	24,459,719	20%	
14.....	127,493,425	120,719,230	116,244,044	25,224,195	20	
21.....	127,499,186	120,041,710	121,827,692	25,130,331	20	
28.....	127,504,283	123,940,440	131,455,821	26,390,310	20	
Mar. 7.....	127,507,527	123,468,110	123,558,994	27,805,931	19	
14.....	127,508,777	122,995,975	125,118,275	29,101,580	19	
21.....	127,511,520	123,198,570	126,772,490	30,965,136	19	
28.....	127,505,182	124,366,610	132,707,654	32,818,562	17	
Apr. 4.....	127,501,554	124,035,606	127,088,367	32,608,820	18	
11.....	127,517,057	124,910,636	128,988,784	33,638,612	18	
18.....	127,520,959	122,380,350	125,918,766	34,830,609	18	
25.....	127,519,323	122,779,225	122,647,175	35,490,098	19	
May 2.....	127,520,900	124,191,570	120,870,439	35,079,330	19	

OVERSEAS BANK RETURNS.

UNITED STATES FEDERAL RESERVE BANKS.

	April 27, 1923.	April 20, 1923.	April 13, 1923.	April 28, 1922.
Assets.				
Gold reserve	3,084,570	3,082,620	3,085,760	2,995,200
Legal tender notes and silver reserve	94,480	95,920	96,680	129,640
U.S. bills discounted for member banks	636,600	643,460	622,650	500,100
U.S. bills bought in open market	274,040	277,450	274,390	82,520
Government obligations owned	133,810	238,010	238,150	567,130
All other resources	64,200	63,750	63,030	65,760
LIABILITIES.				
Government deposits	34,690	44,940	45,220	45,190
Federal Reserve Notes in actual circulation	1,873,850	1,946,070	1,896,910	1,788,040
Federal Reserve Bank Notes in actual circulation	2,222,590	2,220,250	2,231,040	2,157,570
All other liabilities	2,290	2,440	2,470	79,500
Capital and surplus	327,230	327,000	327,050	317,710
Ratio of total reserves to gross deposits and Federal Reserve note liabilities combined	77%	75%	76%	78%

STATEMENT OF CANADIAN BANKS.

	Feb. 28, 1923.	Jan. 31, 1923.	Dec. 31, 1922.	Nov. 30, 1922.	Feb. 28, 1922.
Assets.					
Cash and bank balances	456,410	445,945	509,830	506,207	461,875
Bank balances abroad	74,854	59,585	71,402	111,609	58,442
Call and short loans	270,081	281,407	284,037	272,910	272,910
Securities	376,612	352,306	340,588	317,260	352,376
Loans in Canada	1,128,034	1,120,721	1,148,681	1,196,398	1,132,974
Loans abroad	165,987	158,444	157,657	149,244	155,706
Other assets	104,822	106,490	106,439	106,293	101,327
LIABILITIES.					
Notes in circulation	156,714	154,632	176,201	169,636	164,490
Deposits	66,960	59,526	78,583	131,762	131,715
Public in Canada	1,706,390	1,696,498	1,722,316	1,712,055	1,719,428
Foreign	284,742	266,555	288,360	321,644	267,435
Bank balances	9,806	11,881	11,757	10,158	10,545
Canadian	40,011	37,947	38,645	40,331	44,283
Foreign	24,671	28,105	28,774	27,134	29,125
Other liabilities	3,531	2,197	2,835	4,344	3,519
Capital and reserves	255,998	255,980	255,966	255,585	255,742

BANK OF FRANCE.

	May 3, 1923.	April 26, 1923.	April 19, 1923.	May 4, 1922.	Position May 28, 1924.
Assets.					
Gold coin and bullion	5,536,861	5,536,784	5,536,784	5,536,784	5,730,625
Of which held abroad	1,854,345	1,854,345	1,854,345	1,854,345	1,854,345
Silver coin and bullion	352,003	352,003	352,003	352,003	352,003
Discount and advances	5,375,621	4,803,111	4,682,632	5,249,026	5,327,775
Advances to the State	23,000,000	23,000,000	23,000,000	23,000,000	23,000,000
LIABILITIES.					
Notes	36,904,486	36,547,982	36,821,777	36,178,276	5,811,875
Government deposits	18,109	27,717	19,536	18,109	183,700
Private deposits	2,855,776	2,068,309	2,009,164	2,433,952	845,950

SOUTH AFRICAN RESERVE BANK.

	April 7, 1923.	Mar. 31, 1923.	Mar. 24, 1923.	Mar. 17, 1923.	Mar. 10, 1923.
LIABILITIES.					
Capital	1,000	1,000	1,000	1,000	1,000
Reserve	2	2	2	2	2
Notes in circulation	9,850	9,866	9,719	9,720	9,737
Bankers' deposits	5,250	5,372	5,863	6,242	5,467
Other deposits	1	1	2	3	3
Assets.					
Gold coin and bullion	483	483	483	483	483
Gold certificates	10,039	10,039	10,039	10,039	10,039
Subsidiary coin	125	125	125	125	125
Bills discounted (domestic)	2,694	2,912	1,975	2,220	2,475
Do (foreign)	632	551	721	857	832
Loans and advances to the Government	1,200	1,200	2,300	2,300	1,300
Other loans and advances	1,000	1,000	1,000	1,000	1,000
Investments	8	8	..	..	..
Ratio of cash reserves to liabilities to public	70.4 %	69.8 %	68.3 %	66.6 %	70 %

BANK OF SPAIN.

	April 28, 1923.	April 21, 1923.	April 14, 1923.	April 7, 1923.	April 29, 1922.	Position May 30, 1924.
Assets.						
Gold	2,525,461	2,525,470	2,525,455	2,525,452	2,525,452	2,525,452
Silver	663,396	660,028	667,251	656,040	639,247	728,500
Loans and discounts	1,795,897	1,814,377	1,861,064	1,884,782	3,777,622	800,725
Spanish 4% stock	344,475	344,474	344,475	344,475	344,475	344,475
Treasury bills	150,000	150,000	150,000	150,000	150,000	150,000
LIABILITIES.						
Circulation	4,105,431	4,117,219	4,136,616	4,139,543	4,179,062	901,550
Deposits	1,026,709	1,030,087	1,047,392	1,051,591	1,114,169	477,900

BANK OF JAPAN.

	Mar. 24, 1923.	Mar. 17, 1923.	Mar. 10, 1923.	Mar. 3, 1923.	Mar. 26, 1922.	Position Jan 30, 1924.
Assets.						
Cash and bullion	1,065,218	1,069,160	1,068,894	1,067,700	1,223,293	221,320
Discounts	123,367	72,821	68,859	104,855	107,917	41,740
Advances	189,363	190,951	216,924	225,299	99,384	70,540
LIABILITIES.						
Notes	1,109,898	1,077,205	1,088,495	1,174,455	1,142,696	362,270
Govt. deposits	839,756	806,732	804,781	735,780	1,331,198	87,340
Other deposits	34,054	46,777	47,004	43,371	43,227	11,440

NETHERLANDS BANK.

	April 30, 1923.	April 23, 1923.	April 16, 1923.	April 10, 1923.	May 1, 1922.	Position May 30, 1924.
Assets.						
Gold	581,790	581,790	581,790	581,790	605,889	163,092
Silver	8,099	8,281	8,075	6,355	5,575	8,436
Discounts & advances	490,445	393,405	397,902	403,845	483,352	163,504
LIABILITIES.						
Notes in circulation	991,008	940,988	955,987	958,302	1,059,786	316,828
Deposits	31,818	35,375	38,937	41,843	32,356	5,018

NATIONAL BANK OF GREECE.

	Feb. 28, 1923.	Feb. 15, 1923.	Jan. 27, 1923.	Jan. 15, 1923.	Feb. 28, 1922.
Assets.					
Gold and balances abroad	1,439,246	1,438,456	1,407,532	1,398,601	1,389,409
Government loans and securities	3,348,526	3,350,308	3,349,856	3,350,527	2,313,053
Discounts and loans	1,389,983	1,437,109	1,343,639	1,343,961	759,533
LIABILITIES.					
Notes in circulation	3,553,533	3,427,397	3,204,804	3,149,446	2,123,365
Government deposits	244,067	260,051	284,848	382,367	140,437
Private sight deposits	1,142,789	1,194,724	1,137,258	1,061,895	1,121,044
Private deposits at fixed dates	1,017,888	1,022,092	1,019,897	1,018,711	971,503

IMPERIAL BANK OF GERMANY.

	April 25, 1923.	April 15, 1923.	April 7, 1923.	April 2, 1922.	Position May 30, 1924.
Assets.					
Gold and bullion	14,014,027	11,697,642	9,131,299	1,041,169	1,636,160
Of which deposited with Foreign Central Bank	164,782	184,452	164,952	3,622,769	943,460
Treasury notes	1,363,564,697	1,239,227,239	1,300,507,866	149,563,658	60,780
Bills discounted	8,577,859,422	8,027,542,615	7,221,421,542	29,771,760	842,340
LIABILITIES.					
Notes in circulation	6,096,052,788	5,837,964,907	5,624,112,982	132,627,759	2,013,860
Deposits	3,671,853,158	3,262,747,696	2,687,803,664	29,771,760	842,340

RUSSIAN STATE BANK.

	May 1, 1923.	April 16, 1923.	Mar. 16, 1923.
Assets.			
Gold in coin and bullion	3,765	3,358	1,915
Foreign bank notes	65	259	458
Drafts in sterling	425	305	305
Bills (less 10 % discount)	114	973	830
Securities covering advances on goods (less 10 %)	2,291	1,606	1,140
LIABILITIES.			
Bank notes	6,000	4,700	3,700
Balance to which notes may still be issued	1,659	1,800	947

BANK OF ITALY.

	April 10, 1923.	Mar. 31, 1923.	Mar. 20, 1923.	Mar. 10, 1923.	April 10, 1922.	Position May 31, 1924.
Assets.						
Total cash	1,328,489	1,338,526	1,341,703	1,328,086	1,394,460	1,321,875
Inland bills	4,540,347	4,540,347	4,540,347	4,540,347	4,540,347	4,540,347
Foreign bills	13,403	13,403	13,403	13,403	13,403	13,403
Advances to the Treasury	6,060,359	6,065,262	6,070,190	6,073,513	6,458,778	all
Other advances	1,672,297	1,870,228	1,844,324	1,922,512	3,479,289	79,175
Securities	408,084	407,081	406,853	407,012	534,593	305,700
LIABILITIES.						
Notes in circulation	12,972,023	11,065,720	12,852,580	12,996,689	13,927,743	1,556,925
Deposits & drafts	1,621,263	1,709,098	1,621,148	1,538,148	1,818,542	193,975

NATIONAL BANK OF ROMANIA.

	April 7, 1923.	Mar. 31, 1923.	Mar. 24, 1923.	Mar. 17, 1923.	April 8, 1922.
Assets.					
Gold	533,082	533,079	533,079	533,079	495,460
Silver, &c.	507	527	763	801	367
Government loan	12,581,112	12,576,956	12,557,660	12,556,706	12,527,816
Other advances	4,824,481	4,820,484	4,867,515	4,861,999	2,855,643
LIABILITIES.					
Notes in circulation	15,575,970	15,469,996	15,420,661	15,483,782	13,878,054
Deposits	7,075,799	7,145,952	7,239,371	7,121,395	6,190,899

SWISS NATIONAL BANK.

	April 30, 1923.	April 23, 1923.	April 14, 1923.	April 7, 1923.	April 2, 1922.	Position May 31, 1924.
Assets.						
Gold	534,322	538,544	553,634	533,224	543,081	171,175
Silver	104,355	104,424	104,623	104,974	108,000	18,350
Darlehens-Kassen	6,367	6,365	10,220	10,201	18,263	..
Assets & advances	449,806	440,101	457,380	474,499	329,269	103,000
LIABILITIES.						
Notes in circulation	915,059	892,252	872,215	900,879	801,516	875,925
Deposits	227,858	269,956	296,117	253,979	242,936	33,750

The Monthly Statement of the Swiss Federal Loan Bank (Darlehenskasse) shows that up to March 31, 1923, total issues were Fr. 17,755,090, of which Fr. 10,856,930 was held by the Swiss National Bank.

NATIONAL BANK OF BELGIUM.

	April 26, 1923.	April 19, 1923.	April 12, 1923.	April 5, 1923.	April 27, 1922.	Position May 28, 1924.
Assets.						
Cash (gold & silver and bullion)	347,648	347,342	346,726	345,798	327,499	322,650
Securities	691,371	668,856	686,427	671,535	463,746	697,600
LIABILITIES.						
Notes in circulation	6,869,523	6,858,492	6,913,047	6,900,444	6,302,032	934,150
Current accounts	304,491	303,110	277,805	323,501	731,472	112,125

BANK OF NORWAY.

	April 23, 1923.	April 16, 1923.	April 7, 1923.	April 22, 1922.	Position May 31, 1924.
Assets.	Kroner.	Kroner.	Kroner.	Kroner.	Kroner.
Cash and bullion—Gold	147,289	147,289	147,289	147,292	44,224
Balance abroad and foreign bills	23,831	23,428	23,491	41,009	28,533
Norwegian & Foreign Government securities	9,404	9,404	9,404	9,835	8,816
Discounts and loans	465,839	459,842	456,105	441,497	76,312
LIABILITIES.					
Notes in circulation	368,933	363,554	364,411	360,129	113,464
Deposits at notice	170,199	165,510	160,437		

BANK OF ESTHONIA.

(000's omitted.)

Assets.	Mar. 31, 1923.	Feb. 28, 1923.	Jan. 31, 1923.	Dec. 31, 1922.
Gold and foreign coin	103,129	131,140	105,809	96,860
Total cash	788,540	788,540	698,726	752,672
Discounts and loans	3,606,172	3,582,881	3,363,612	3,052,873
Foreign banks	1,140,335	1,144,087	998,419	1,002,076
Other assets in foreign currency	239,964	246,910	237,447	217,979
LIABILITIES.				
Capital paid up	250,000	250,000	250,000	250,000
Reserves	37,770	37,770	37,770	37,770
Notes in circulation	1,800,000	1,800,000	1,500,000	1,500,000
Deposits	3,002,997	2,950,023	2,777,187	2,685,353
Bondries	595,839	641,968	624,675	445,684

BANK OF CZECHO-SLOVAKIAN REPUBLIC.

(000's omitted.)

Assets.	April 15, 1923.	April 7, 1923.	Mar. 31, 1923.	Mar. 23, 1923.	Mar. 15, 1923.	April 15, 1922.
Liabilities of the Bank to the Banking Office	10,096,837	10,096,817	10,096,817	10,096,817	10,096,786	10,096,701
Discounts & advances	2,152,967	2,179,402	2,244,683	1,909,222	1,862,541	2,763,975
Gold & silver holdings	842,165	831,686	826,605	825,648	824,988	..
Foreign bills and balances abroad	876,769	663,672	556,255	533,240	505,046	942,829
Other assets	481,381	303,403	361,629	415,502	424,553	601,730
LIABILITIES.						
State notes in circulation	8,847,100	8,928,355	9,157,407	8,584,258	8,544,556	9,797,213
Deposits	4,221,610	3,843,564	3,540,152	3,892,339	3,836,168	2,165,565
Other liabilities	1,381,409	1,303,061	1,388,370	1,303,832	1,333,190	2,442,467

* Resulting from bank notes, current accounts, Exchange bills issued by the Austro-Hungarian Bank and taken over by the Banking Office.

NATIONAL BANK OF THE SERBS, CROATES, AND SLOVENES.

(000's omitted.)

Assets.	April 22, 1923.	April 15, 1923.	April 8, 1923.	Mar. 31, 1923.	April 22, 1922.
Gold	62,945	63,151	63,142	63,141	70,381
Other coin and notes	17,738	20,140	18,308	18,797	17,270
Foreign credits	274,362	269,211	266,416	265,984	309,544
State advances	4,491,165	4,355,594	4,355,525	4,359,582	887,780
LIABILITIES.					
Notes in circulation	5,420,255	5,435,034	5,436,962	5,405,809	4,819,208
State credits	297,604	297,574	297,573	297,574	334,282
Deposits	723,013	705,570	651,403	694,624	577,807

LONDON RATES.

	Apr. 27, 1923.	Apr. 20, 1923.	Apr. 13, 1923.	Mar. 1, 1923.	Mar. 2, 1923.	May 3, 1923.	May 4, 1923.
Bank rate (reduced from 3 1/4% July 13, 1920)	3 %	3 %	3 %	3 %	3 %	3 %	3 %
Marked rates of discount—							
30 days' bankers' drafts—	1 1/2 %	1 1/2 %	1 1/2 %	1 1/2 %	1 1/2 %	1 1/2 %	1 1/2 %
3 months' do.	2 %	2 %	2 %	2 %	2 %	2 %	2 %
6 months' do.	2 1/2 %	2 1/2 %	2 1/2 %	2 1/2 %	2 1/2 %	2 1/2 %	2 1/2 %
9 months' do.	2 3/4 %	2 3/4 %	2 3/4 %	2 3/4 %	2 3/4 %	2 3/4 %	2 3/4 %
Discount (Treasury Bills):—							
3 months:	1 1/2 %	1 1/2 %	1 1/2 %	1 1/2 %	1 1/2 %	1 1/2 %	1 1/2 %
6 months:—Day to day	1 1/2 %	1 1/2 %	1 1/2 %	1 1/2 %	1 1/2 %	1 1/2 %	1 1/2 %
9 months:	1 1/2 %	1 1/2 %	1 1/2 %	1 1/2 %	1 1/2 %	1 1/2 %	1 1/2 %
Discount allowed on Banks:	1 %	1 %	1 %	1 %	1 %	1 %	1 %
Discount houses at call.	1 %	1 %	1 %	1 %	1 %	1 %	1 %
At notice	1 1/2 %	1 1/2 %	1 1/2 %	1 1/2 %	1 1/2 %	1 1/2 %	1 1/2 %

announce the opening of a new branch at 20 Hill road, Wimbledon, S.W. 19, under the management of Mr B. W. Rowland.

Lloyds Bank, Limited, announce that a branch of the bank is now open at Argos on Mondays from 1.15 till 3.15, under the management of Mr Bruce Mountjoy, of the Blackwood branch.

Mr F. W. Ashe, assistant general manager of the Union Bank of Canada, with headquarters in London, has retired from the bank, after 40 years' service.

The directors of Thomas de la Rue and Co., Limited, announce that at their board meeting, held on May 1st, they have appointed Mr Sydney Lamert chairman and managing director, and have accepted the resignation of Mr Stewart de la Rue from the board, and that these changes are approved by a very large majority of the shareholders.

ANALYSIS OF BALANCE-SHEETS.

BRYANT AND MAY.			
March 31, 1923.		March 31, 1922.	
LIABILITIES.	Amount.	ASSETS.	Amount.
Prof. shares	480,000 ..	Cash	128,568 ..
Ord. shares	948,254 ..	Sundry debtors ..	380,998 ..
Deb. stock	930,000 ..	Advances against ..	152,635 ..
7% notes	300,000 ..	Timber/rob's ..	212,541 ..
Reserve	2,625 ..	Stocks	371,870 ..
Reserve fund	260,000 ..	Premises, good- ..	1,574,234 ..
Insurance reserve ..	41,164 ..	will, &c.	569,014 ..
Sundry creditors ..	559,375 ..	Investments, at ..	720,914 ..
Profit and loss ..	222,823 ..	cost or under ..	56,121 ..
		Discount on 5% ..	52,500 ..
		debs.	52,500 ..
Total	3,441,625 ..	Total	3,441,625 ..
OCEANIC STEAM NAVIGATION COMPANY.			
December 31, 1922.		December 31, 1921.	
LIABILITIES.	Amount.	ASSETS.	Amount.
Share capital	5,000,000 ..	Steamers, &c. ..	8,220,748 ..
Debentures	1,448,500 ..	Plant	224,191 ..
General reserve	430,000 ..	Trade investm'ts ..	863,417 ..
Insurance fund	200,000 ..	General invest- ..	544,798 ..
General purposes ..	697,409 ..	ments	311,482 ..
Trade bills, &c.	683,893 ..	Debtors	1,447,676 ..
Creditors	2,864,963 ..	Cash	16,468 ..
Profit and loss	62,531 ..		16,049 ..
Total	11,317,296 ..	Total	11,317,296 ..

OIL OUTPUTS.

UNITED BRITISH OILFIELDS OF TRINIDAD, LIMITED.—Combined production for the week ending Wednesday, April 25, 1923, amounted to 798 tons.

APEX (TRINIDAD) OILFIELDS, LIMITED.—The estimated gross production of crude oil for the month of April was 103,956 barrels, equal to approximately 14,800 tons, and the oil delivered to Trinidad Leaseholds, Limited, amounted to about 17,000 tons.

Reports and Notices.

The Earl of Bessborough, C.M.G., and Mr Walter Durant Gibbs (of Messrs Antony Gibbs and Sons) have been elected directors of the Brazilian Warrant Company, and the Earl of Bessborough, C.M.G., has been appointed chairman.

Mr John Howard Temple, of Liverpool, has been elected a director of the Equitable Life Assurance Society.

The Liverpool and London and Globe Insurance Company, Limited, notify the following appointments:—Mr W. J. Searis, deputy assistant London manager, to be an assistant London manager; Mr H. E. Farnol, district manager at Portsmouth, to be an assistant London manager; Mr E. C. Haigh, London fire superintendent, to be an assistant London manager; Mr A. Brown, accident superintendent, to be London accident manager; Mr J. W. Berry and Mr A. E. Marsden, assistant secretaries of the Central Insurance Company, Limited, to be also London foreign fire superintendents of the Liverpool and London and Globe Insurance Company, Limited; Mr C. A. White, district manager at Reading, to be district manager at Portsmouth; Mr A. Heber Burt, district manager at Croydon.

We are informed that the Coast Lines, Limited, have acquired the London Welsh Steamship Company, Limited, and that in future this company will be operated from the offices of the Coast Lines, Limited, 1 Seething lane, E.C. 3.

The registered offices of the Rajawalla Produce Company, Limited, have been removed to 32, Bishopsgate, London, E.C. 2, and the Ceylon and Eastern Agency, Limited, have been appointed secretaries.

It is announced that Mr E. Redmayne-Jones, of 411, Tower building, Liverpool, has joined the board of the Liverpool Marine and General Insurance Company, Limited.

Branches of the Meadow Dairy Company, Limited, have been opened at 15 Carolgate, Retford, Notts, and 141 Ladypool road, Spaldwick, Birmingham.

BANKS.

CREDITO ITALIANO.—The gross profit for 1922 amounted to 206,185,698 lire, and the net profit amounted to 38,793,103 lire, to which is added 3,422,725 lire brought forward from 1921, making an available balance of 42,215,828 lire. The sum of 10,000,000 lire is to be applied to extraordinary reserve. The full amount of the reserve will then reach 100,000,000 lire. Having deducted also the quota due to the board, the remainder of the profit will allow a distribution of a dividend of 9 per cent., leaving a balance of 3,064,104 lire to carry forward. The investment account consists of 10,818,257.75 lire in Government securities and other debentures, 37,033,176.35 lire in shares of railway and transport companies and banks, 48,238,280.80 lire in shares in other commercial and industrial companies, making a total investment account of 104,353,282 lire, against 113,257,404 lire at the end of 1921.

DUTCH BANK FOR THE MEDITERRANEAN.—The report for 1922 of this bank, which is a subsidiary of the Rotterdamsche Bank-vereeniging, and has a paid-up capital of 5,000,000 fl., shows gross profits of 1,175,267 fl. (1921, 889,471 fl.). Overhead charges came to 428,555.78 fl. (as compared with 702,110 fl. the previous year), resulting in a net profit of 755,581.64 fl., which is divided as follows:—Formation of reserve fund, 250,000 fl.; balance of preliminary expenses written off, 150,000 fl.; 5 per cent. dividend, including tax, 278,000 fl.; carry forward to 1923, 77,504 fl. In view of the preference given to Spanish banking institutions in the matter of taxation, it was decided to close down the Barcelona office at the end of 1922, whilst the Genoa branch has been transferred to one of the sponsors, the Dutch Bank for South America, which has more need of an office in Genoa.

INSURANCE COMPANIES.

EXCESS INSURANCE CO.—The 30th annual report for 1922 deals with the underwriting accounts for the three years, 1920, 1921, and 1922. These accounts are conveniently set out, to enable shareholders to ascertain the complete result of any one year without reference to previous balance-sheets. At the end of last year £55,000 was transferred from the 1920 underwriting account to the credit of profit and loss. That year's account is now closed by the transfer of a further sum of £58,667 to the profit and loss account, making a total of £113,667 in all. The 1921 underwriting account is running off, and the balance of £244,462 (or over 34 per cent.) is carried forward in full to meet third-year settlements. The premium income for the 1922 underwriting account is £574,243, again showing a reduction on the premiums for the previous year. The claims settled amount to £152,139, or only slightly over 26 per cent.

STANDARD LIFE.—The report for the year to November 15th last shows that 3,873 new life assurances were granted for £2,023,495 net. This compares with 3,170 policies, assuring £2,034,831, issued in the previous year. The net premium income was £878,713, against £907,539, and the expenses and commissions absorbed 20.2 per cent. of the premiums, as compared with 20.7 per cent. The life and annuity funds amounted at the end of the year to £13,533,104, an increase of £195,835.

WORLD MARINE.—The marine account of 1921 shows premiums of £254,100, first year's claims of £47,887, second year's claims (and on previous years) £174,523, and expenses £6,383. The sum of £30,000 is transferred to profit and loss, together with last year's interest of £27,878. The premiums for 1922 were £104,520, the first year's claims £40,080, and expenses £5,082. The marine fund at the end of the year was £330,282, as compared with £395,357 a year before. In the fire and accident account the premiums were £139,244, the claims £94,262, and the expenses and commissions £56,800. The sum of £13,581, including interest, was carried to profit and loss. The balance of profit and loss account, after reserving £15,000 for Government taxes, was £10,485. The directors recommend a final dividend of 12s a share, free of tax, making 35 per cent. for the year. This dividend will cost £35,000, against receipts from interest of £37,212.

MISCELLANEOUS.

THE LAUTARO NITRATE COMPANY, LIMITED.—The Lautaro Nitrate Company proposes to increase its capital by £3,650,000 to £4,000,000, with the objective of buying the control of the Lastenia Nitrate Company, "the largest nitrate producing company in Chile." Arrangements have been made to purchase 1,500,000 shares of the Lastenia Nitrate Company for £1,500,000 in cash, and an offer will be made to the other shareholders in that company to acquire their shares on the same terms. The Lautaro Company—with a capital of £350,000—proposes to issue £150,000, in the form of 30,000 fully-paid shares of £5 each, as covering shares to existing shareholders in the proportion of three new shares for every seven held. Shareholders will also have the right to subscribe for 20,000 of the new shares at par in the ratio of two new shares for every seven held at the present time. Lautaro Nitrate £5 shares at the end of March were quoted at £7 10s, they are now round about £4 10s.

TREDEGAR IRON AND COAL COMPANY, LIMITED.—In view of the requirements of capital for the new sinkings proposed to be undertaken, and in view also of the fact that certain moneys reserved by subsidiary companies for contingencies are no longer required for these purposes, it has been decided to add these reserves to the reserve of the Tredegar Company, and to recommend to the shareholders to capitalise the whole. The directors propose, therefore, to ask the shareholders for power to issue two new shares of £1 each, fully paid, for every £5 of capital held in the company. The directors propose to maintain the same dividend for the year ended March 31, 1923, as was paid in the previous year.

RAILWAY AND TRAMWAY TRAFFIC RETURNS.

RAILWAYS OF THE UNITED KINGDOM.

	Miles Open.	Week Ended Apr. 29, 1923.				Aggregate 17 Weeks 1923.			
		Passen- gers, &c.	Goods, &c.	Total for Week.		Passen- gers, &c.	Goods, &c.	Total Receipts.	
Great Western	3,679	246,000	410,000	656,000	£	3,844,000	6,210,000	10,054,000	£
London & North-Eastern ..	6,661	424,000	836,000	1,260,000	£	6,387,000	13,048,000	19,435,000	£
Do same period 1922	6,667	489,000	829,000	1,318,000	£	7,145,000	13,121,000	20,266,000	£
London, Mid., & Scottish ..	6,962	595,000	1,013,000	1,608,000	£	9,330,000	16,257,000	25,587,000	£
Southern	2,115	307,000	122,000	429,000	£	4,741,000	2,621,000	7,362,000	£
Midland & S.W. Junc.	63	1,126	1,243	2,369	£	18,460	20,948	39,408	£
Metropolitan (e)	79	36,961	3,755	40,716	£	549,275	62,797	612,072	£
Underground R.R. (e) ..	..	..	..	41,308	£	..	..	3,677,288	£
Lon. & Sub. Group (e) ..	..	..	..	41,308	£	..	..	35,137	£
Belfast & Co. Down (b) ..	80	4,672	1,313	5,985	£	75,116	20,956	96,072	£
Dublin and S. East (b) ..	160	3,638	4,367	8,005	£	81,835	61,675	143,510	£
Do same period 1922	160	4,859	4,178	9,037	£	86,782	64,006	150,788	£
Midland Gt. West. (b) ..	538	8,350	17,742	26,092	£	150,025	252,088	402,113	£
Do same period 1922	538	7,268	15,002	22,270	£	188,379	244,489	432,868	£

(b) Week ended April 27, 1923.

(c) Week ended April 28, 1923.

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.		Total Gross Receipts.	
				1922-23.	+ or -	1922-23.	+ or -
INDIAN.							
Assam Bengal	52 weeks	Mar. 31	1,043	Rs. 2,57,776	+ 33,587	Rs. 1,30,56,525	+ 35,12,376
Barel Lk. Ry.	52 weeks	Mar. 31	118	1,004,000	+ 37,500	17,84,900	+ 3,96,600
Bengal & N. Western ..	26 weeks	Mar. 31	67	743,280	+ 31,536	1,61,31,607	+ 18,87,796
Bengal Nagpur	52 weeks	Apr. 67	2,727	17,29,000	+ 2,75,000	7,62,32,681	+ 55,24,648
Bombay, Bar. & C.L.	4 weeks	Apr. 28	2,994	25,50,000	+ 2,25,000	1,04,25,000	+ 11,24,000
Burma	52 weeks	Mar. 31	1,342	9,34,702	+ 79,103	3,64,43,258	+ 48,85,854
Dubai, Umballa, Kalka ..	3 weeks	Apr. 21	239	89,000	- 16,378	1,67,430	+ 17,158
East Indian	4 weeks	Apr. 28	2,856	33,15,000	- 9,000	133,99,000	+ 23,47,000
G. Indian Peninsula ..	3 weeks	Mar. 21	3,121	31,80,400	+ 76,200	94,12,200	+ 27,68,649
Madras & S. Mah.	1 week	Mar. 7	7,028	15,50,000	+ 1,06,651	15,50,000	+ 1,06,651
Robtlik' & Kumbon	26 weeks	Mar. 31	259	64,258	+ 11,830	13,39,941	+ 1,06,651
Do Luokw-Breilly	1 week	Apr. 7	1,898	84,118	+ 133	10,00,505	+ 58,077
South Indian	3 mths	Dec. 31	717	9,09,126	+ 1,13,429	96,84,246	+ 3,83,542

ARGENTINE (a).

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.		Total Gross Receipts.	
				1923.	+ or -	1923.	+ or -
Argentine N.E.	43 weeks	Apr. 28	763	12,600	£	300	£
Argentine Trans.	43 weeks	Apr. 28	111	5,280	£	2,460	£
B. A. and Pacific	43 weeks	Apr. 28	5,428	210,000	£	28,000	£
B. A. Central	1 week	Apr. 28	28	200,000	£	15,000	£
B. A. Gt. Southern	43 weeks	Apr. 28	3,947	200,000	£	15,000	£
B. Western	43 weeks	Apr. 28	1,883	92,000	£	4,000	£
Central Argentine	43 weeks	Apr. 28	3,305	220,000	£	21,000	£
Cordoba Central	43 weeks	Apr. 28	1,206	61,000	£	15,000	£
Entre Rios	43 weeks	Apr. 28	729	18,500	£	2,000	£

BRAZILIAN (b).

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.		Total Gross Receipts.	
				1922-23.	+ or -	1922-23.	+ or -
Brazil Gt. Southern	3 mths	Mar. 31	1,005	62,500	£	24,000	£
Gt. West. of Brazil	17 weeks	Apr. 28	1,005	8,600	£	3,100	£
Leopoldina	17 weeks	Apr. 28	1,831	21,833	£	4,480	£
San Paulo	17 weeks	Apr. 28	29	24,799	£	7,090	£
State of Bahia, S.W.	12 mths	Mar. 31	52	18,800	£	43,000	£

CHILE AND PERU.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.		Total Gross Receipts.	
				1922-23.	+ or -	1922-23.	+ or -
Antofagasta	17 weeks	Apr. 28	833	33,935	£	12,700	£
Nitrato (e)	17 weeks	Apr. 28	366	34,267	£	21,874	£
Peruvian Corp.	9 mths	Mar. 31	1,056	1,414,300	£	54,340	£
Talca	9 mths	Mar. 31	172	(b) 20,423	£	9,713	£

CUBAN.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.		Total Gross Receipts.	
				1922-23.	+ or -	1922-23.	+ or -
Havana Central	43 weeks	Apr. 28	1,137	11,377	£	334	£
United of Havana	43 weeks	Apr. 28	1,210	90,053	£	36,742	£

URUGUAYAN.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.		Total Gross Receipts.	
				1922-23.	+ or -	1922-23.	+ or -
Central Uruguay	43 weeks	Apr. 28	273	28,400	£	2,776	£
O. Urug. (East Exr.)	43 weeks	Apr. 28	311	7,706	£	1,389	£
O. Urug. (North Exr.) ..	43 weeks	Apr. 28	185	3,912	£	760	£
O. Urug. (West Exr.) ..	43 weeks	Apr. 28	311	2,385	£	265	£
Midland Uruguay	9 mths	Mar. 31	319	17,872	£	3,995	£
North-West Uruguay ..	9 mths	Mar. 31	113	5,744	£	343	£
Uruguay North	9 mths	Mar. 31	73	2,340	£	412	£

OTHER FOREIGN.

Alcoy and Gandia	17 weeks	Apr. 28	33	P.	20,000 +	1,200	402,300 +	69,000
Bilbao	2 weeks	Feb. 28	15		2,534 +	1,448	4,295 +	2,285
Bolivar	3 mths	Mar. 31	136		14,000 +	2,072	38,000 +	5,768
Costa Rica	3 mths	Feb. 28	189		24,587 +	3,403	167,192 +	15,500
Dorado Extension	3 mths	Mar. 31	70		15,500 +	4,000	39,500 +	13,500
Dorado Ropery, Ext.	3 mths	Jan. 31	45		9,700 +	5,820	26,700 +	13,200
Egyptian Delta	10 days	Apr. 10	675		1,567	7,164	1,567	
El Southn. of Spain	16 weeks	Apr. 10	104	P.	17,282 +	42,159	1,898,305 +	801,256
International of			Grs		92,864 +	2,100	253,279 +	10,608
International of	3 mths	Mar. 31	321		49,531 +	6,578	121,760 +	17,356
La Guazira and America	3 mths	Apr. 30	253		10,950 +	1,370	43,240 +	4,070
La Guazira and America	3 mths	Apr. 30	403		\$129,100 -	54,700	5,748,400 -	10,600
Mexican Railway	16 weeks	Apr. 21	403		\$235,900 +	163,300	3,718,400 +	48,700
Do	3 mths	Mar. 31	Net	Grs	\$365,700 +	144,900	862,200 +	125,000
Do	3 mths	Mar. 31	Net		11,529 +	2,378	25,122 +	4,976
Nasajo Oscarhamn	2 weeks	Feb. 28	193		12,760	300	80,860 -	70,250
Ottoman Railway	2 weeks	Sept. 2	274		3,630 +	500	9,500 +	750
Paraguay Central	43 weeks	Apr. 28	35		4,500 +	500	5,939 +	1,000
Puerto Cabello, &c.	2 mths	Feb. 28	100		5,329 +	88	163,988 +	15,153
Salvador	43 weeks	Apr. 28	35		14,720 -	5,049		
Santa Fe Province	1 mth	Mar. 31	112		6,080 +	933	38,350 +	893
Sanchez and Santiago	3 mths	Mar. 31	112		13,094 +	1,816	34,654 +	929
Sanchez and Santiago	3 mths	Mar. 31	112	(a)	13,094 +	1,816	34,654 +	929

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.	Interim Div.	Final Div.	Method of Payment.	Lat. Div.	Pre-vious.
Railways.						
Canadian Pacific	2½%	June 30	..	..	..	..
Do (from special income)	..	..	..	..	..	..
Great Northern (U.S.A.) (I. O. Certs.)	4½%	May 1	Less tax	..	..	..
Plymouth, Devonport	4½%	May 1	Less tax	..	..	..
Banks.						
Amsterdamsche	5 p.s.	June 1	Tax free	..	..	..
Anglo-Egyptian	5 p.s.	June 1	Tax free	..	..	..
Bank of Montreal	3%	June 1	..	..	..	..
Credito Italiano	12½	..	Less tax	..	..	..
Royal of Scotland	2½ p.s.	..	..	..	..	..
Western Australia	..	..	..	..	..	..
Insurance.						
Cornhill	..	..	Subject to tax	..	..	..
Lloyds and General	7½%	..	Tax free	..	..	..
London and Provincial	..	..	Tax free	..	..	..
Motor Union	6 p.s.	May 26	Less tax	..	..	..
North British and Mercantile	10 p.s.	July 2	Less tax	..	..	..
Sun	10 p.s.	May 16	Less tax	..	..	..
Tea and Rubber.						
Ayer Kuning Rubber	..	..	Less tax	..	..	..
Bukit Sembawang	..	..	Less tax	..	..	..
Ceylon Tea	20%	..	Less tax	..	..	..
Dangan Rubber, Pref.	2½ p.s.	May 16	Less tax 5/4 in £	..	..	..
Darjeeling Co.	..	..	Less tax	..	..	..
Donskande	..	..	Less tax	..	..	..
Ederapolla Tea	..	..	Less tax	..	..	..
How Sang Rubber	..	..	Less tax	..	..	..
Highlands and Lowlands	..	..	Less tax	..	..	..
Java Rubber	..	..	Less tax	..	..	..
Jagra Land and Carey	..	May 15	Less tax 5/4 in £	..	..	..
Kajang Rubber	..	..	Less tax	..	..	..
Kampung Kuan Tan	..	..	Less tax	..	..	..
Kapar Para Rubber	..	..	Less tax 5/3 in £	..	..	..
Kepong (Malay) Rubber	..	..	Less tax	..	..	..
Kimanis Rubber	..	..	Less tax	..	..	..
Kuran Rubber	..	..	Less tax	..	..	..
Limbanguri Tea	..	..	Less tax	..	..	..
Linggi	..	..	Less tax	..	..	..
Mahawale Rubber and Tea	..	..	Less tax	..	..	..
Mayfield Tea	..	..	Less tax	..	..	..
Nargolle Rubber and Tea	..	..	Less tax	..	..	..
Palmadulla Rubber	..	..	Less tax	..	..	..
Rani Travancore	..	..	Less tax	..	..	..
Rubber Estates of Bentota	..	..	Less tax	..	..	..
Sapong Rubber	..	..	Less tax	..	..	..
Sungei Buloh Rubber	..	..	Less tax	..	..	..
Tail Ayer Rubber	..	..	Less tax	..	..	..
Travancore Tea	..	..	Less tax	..	..	..
Yataderia Rubber and Tea	..	..	Less tax	..	..	..
Mining.						
Anglo-French Exploration	5%	May 31	Less tax 2/3 in £	..	..	..
Gold Coast Amalgamated	1/6 p.s.	..	Less tax	..	..	..
Hyderabad (Deccan)	1/6 p.s.	..	Less tax	..	..	..
Mount Lyell	1 p.s.	June 25	Less tax	..	..	..
Other Companies.						
African Steamship	4½%	May 10	Less tax	..	..	..
Alexander Thom	..	..	..	..	..	..
Amalgamated Trade Publications	..	..	Tax free	..	..	..
Anglo-American Debenture	7½%	..	Tax free	..	..	..
Ansell's Brewery	6%	..	Tax free	..	..	..
Antwerp Water Works	4%	..	Less tax	..	..	..
Argentine Tramways, Pref.	7½	..	Subject to tax	..	..	..
Army and Navy Co-operative	1 p.s.	..	Tax free	..	..	..
Benger's Food	1/3 p.s.	..	Less tax	..	..	..
Bombay Gas	4½%	..	Less tax	..	..	..
British Borneo Petroleum	5%	May 31	Less tax 4/9 in £	..	..	..
British Tabulating Machine	5%	..	Tax free	..	..	..
Bryant and May	..	..	Tax free	..	..	..
Colombo Gas and Water	5%	..	Tax free	..	..	..
Craigpark Electric Cable	5 p.s.	May 16	Tax free	..	..	..
Delego and Co.	4½%	May 1	Less tax	..	..	..
Dumville and Co.	4½%	..	Tax free	..	..	..
Edward Lloyd	1/3 p.s.	..	Tax free	..	..	..
Egyptian Markets	5%	..	Less tax	..	..	..
Electric Supply Corporation	5%	..	Tax free	..	..	..
Extract Wool and Merino	..	..	Tax free	..	..	..
Gatehead Tramways	2½%	..	Tax free	..	..	..
Halford Cycle	2½%	..	Tax free	..	..	..
Hedley Trust	10%	..	Less tax	..	..	..
Hornsey Tea	3%	May 2	..	..	..	..
Jagall, Parsons, Olive (Ord. and Defd.)	3%	May 1	Less tax	..	..	..
Joseph Lucas	..	May 1	Less tax	..	..	..
Kalbar-Pattinson Paper Pulp	..	..	Tax free	..	..	..
Kerr, Stuart, and Co.	4 p.s.	..	..	..	..	..
Lancashire Electric Light	..	..	..	..	..	..
Lancashire Waggon	..	..	..	..	..	..
London Scottish Amer. Trust	..	..	..	..	..	..
Do (Defd.)	4%	June 1	..	..	..	..
Lothian Coal	15%	..	Tax free	..	..	..
M. B. Foster	12½	..	Tax free	..	..	..
Mitchell and Muir	1/3 p.s.	(& bonus) 1/3 p.s.	Tax free	..	..	..
Oceanic Steam Navigation	..	..	..	..	..	..
Oriental Gas	3½%	May 31	Less tax	..	..	..
Parke's Drug Stores	5%	May 9	Less tax	..	..	..
Peterborough Elec. Trac. Pref.	14%	..	Quarterly	..	..	..
Philadelphia Company	12%	..	Tax free	..	..	..
Portfield Steamship	..	..	..	..	..	..
Richard Whelan and Sons	..	..	..	..	..	..
Richdale and Manor Brewery	5%	..	Less tax	..	..	..
"Sanitas" Co. (Cum. Pref.)	4½%	June 1	..	..	..	..
Santa Rita Nitrate	..	..	..	..	..	..
Scottish Mort. and Trust	8½	..	Less tax	..	..	..
Texas Land	..	..	Less tax	..	..	..
Vickers	..	May 31	Less tax 5/3 in £	..	..	..
Wallaroh Coal	1/3 p.s.	(& bonus) 1/3 p.s.	Tax free	..	..	..
W. B. Dick and Co.	..	..	Tax free	..	..	..
William Dixon	..	..	Tax free	..	..	..
Wilson's and Clyde Coal	2½ p.s.	..	Less tax	..	..	..

Union Insurance Society of Canton.—Final dividend of 16s per share on account of the year 1921, carrying forward £311,700 to underwriting suspense account; also an interim dividend of 24s per share and a bonus of 20 per cent. on contributory premiums on account of the year 1922.

MINING OUTPUT STATISTICS FOR APRIL, 1923.

Gold.	Tons Crushed.	Gold Recovered.	Value.	Profit.
	Mill.	Mill.	£	£
Frontino and Bolivia	2,000	..	..	..
London and Rhodesian (March)	2,744	..	2,857	..
Tin.	Output.	Other Notes in Return.		
Bisichi	40	..	..	..
Chenderiang	27.62	Est. value, £3,265.	..	..
Deebok Dredging	19	..	..	..
Idris	12	Value, £1,482; cost, £915.	..	..
Kamunting	36.3	Est. value, £4,200.	..	..
Lahat	30.1	Value, £3,947; cost, £2,241.	..	..
Malayan	125	Value, £15,599; cost, £8,134.	..	..
Rayfield	45	Shipped 39 tons.	..	..
Southern Perak	40.1	Est. value, £5,016; cost, £1,983.	..	..
Coal.				
African and European—				
Cornelia	50,855	..	..	..
Largo	40,294	..	..	..
Schoongezicht	28,226	..	..	..
South Rand	18,157	..	..	..
Chinese Engineering	86,700	Week ended April 21st.	..	..
Clydesdale	17,758	Blackhill, 18,211 tons.	..	..
Dundee	44,075	..	..	..
East Kent	4,138	Week ended April 28th.	..	..
Middleburg Steam	25,100	..	..	..
Natal Navigation	40,134	..	..	..
Northern Natal	27,020	..	..	..
South African	52,370	..	..	..
Vryheid	30,887	..	..	..
Wankie	24,960	Coke sales, 9,769 tons.	..	..
Miscellaneous.				
New Vaal River	..	Diamonds registered 877 carats, valued at £7,117.	..	..
Rhodesia Broken Hill	1,005	..	..	..

SULPHIDE CORPORATION.—During the four weeks ended on April 21st, 7,610 tons of ore and 1,802 tons of slimes were milled at the Central mine, producing 1,796 tons of lead concentrates (including 185 tons from the de-leading plant), which assayed 46 ozs silver, 67 per cent. lead, together with 2,741 tons zinc concentrates, assaying 10 ozs silver, 6 per cent. lead, 49 per cent. zinc per ton.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

With a spell of fine warm weather experienced during the week, good progress was made with spring operations, and most of the seed has now been drilled. Early-sown oats are coming up fairly well in some districts, but in others are somewhat patchy. Winter cereals present a healthy appearance, and give every promise of a full average yield. Native wheat continues in light supply, both here and at provincial markets, and prices continue to move in an upward direction in sympathy with the general position. Suitable milling grades were held for 11s to 11s 4d, with inferior at 10s to 10s 4d per 112 lbs, free on rail. Imported grades are sparingly offered, and generally firmer, though towards the close of the week top rates were not maintained owing to the indifference of buyers. No. 1 Northern Manitoba quoted 52s 9d, and Barusso 62½ lbs 51s 9d, both ex ship to arrive per 496 lbs. The demand for floating and forward cargoes shows a falling off, and though sellers showed no undue anxiety to press, recent top rates were maintained with difficulty. Steamers of South Australian expected loading sold at 52s 6d, choice white Karachi afloat at 51s, Baril 62½ lbs, shipping or shipped, 49s 3d, all to U.K., and Rosafe 62½ lbs on passage at 50s 1½d to Portugal. Crop reports from the United States show some improvement, but estimates of winter wheat have been further reduced, while Spring sowings are expected to be smaller. In other exporting countries, conditions are generally favourable. Flour ruled firm but quiet. London standard straight run quoted at 42s, town households 40s, patents 44s to 45s per sack, delivered in metropolitan area. All English country straights 35s to 36s per sack, delivered to London stations. Imported continues quiet, but firmly held. Manitoba export patents range from 37s 6d to 41s 6d as to quality. Minneapolis good patents 41s, and Australian 37s to 38s, all per 280 lbs, ex store. Millers' offals quiet, broad bran quoted 7s 3d, ordinary ditto 6s 3d-6s 6d, middlings 7s 6d-7s 9d, bags included, ex mill, light oats 6s 3d, powdered oat husks 6s 3d, feed oatmeal 8s 9d, ground oats 13s 9d, all per cwt, free on rail. Barley, English steady, while ranging from 8s 9d-11s 6d per 112 lbs, free on rail as to quality. Imported, fully steady. Californian quoted 45s to 48s 6d, Australian Chevalier 42s-52s, New Zealand 35s to 47s, all landed per 44s lbs. Persian 27s 6d, Plate 30s, Danubian 30s-30s 6d, all landed per 400 lbs. Maize steady. Plate, ex ship, 39s 6d, ditto landed 40s 6d, No. 2 yellow American landed 39s 9d, No. 2 American mixed, ex ship, 38s 3d, East African landed 38s 6d, and red Karachi ditto 42s 6d, all per 480 lbs. Oats, native steady at 9s to 10s 9d per 112 lbs, free on rail as to sample. Imported, quiet and occasionally the turn easier. Plate, f.a.q., ex ship, 25s to 25s 3d as to position, ditto landed 26s 3d, No. 2 Canadian-Western, ex ship, 28s 9d, ditto landed 30s, No. 3 ditto landed 28s, No. 2 Canadian feed, ex ship, 26s, ditto landed 27s, New Zealand A grade 38s 6d, ditto B grade 37s 6d, both landed, all per 320 lbs. Oatmeal quiet, London made, all cuts 18s, rolled oats, also whole groats, 18s, flaked oats, 20s 6d, ex mill. Ordinary Scottish oatmeal 18s 6d to 19s 6d, and American all cuts 17s to 17s 6d, per cwt.

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Pay- ment of Deben- ture Interest.	Amount Avail- able for Distri- bution.	Appropriation.				Corresponding Period Last Year		
					Dividend.			Carried to Reserve, Deprecia- tion, &c.	Balance Forward	Net Profit.	Divi- dend.
					Prefe- Amount.	Ordinary. Amount.	Rate.				
Electric Lighting and Power.		£	£	£	£	£	%	£	£	£	%
Urban Electric	Dec. 31	5,619	56,335	61,954	18,750	..	..	35,000	8,204	34,706	..
Financial, Land, &c											
Scottish Mortgage	Mar. 31	6,122	23,974	30,096	2,523	17,578	7	4,000	5,995	19,999	7
Gas.											
Bombay Gas	Dec. 31	25,824	31,081	56,905	..	22,400	8	1,482	33,023	23,853	8
Iron, Coal, and Steel.											
John Baker (Rotherham)	Dec. 31	12,945 Dr	7,658	5,287	..	..	..	9,843 Dr	4,556	..	..
Nitrate.											
Anglo-Chilian	Dec. 31	190,507	19,721	210,228	..	135,000	15½	..	75,228	152,983	15½
Santa Rita	Dec. 31	25,462 Dr	10,241	15,221	..	10,000	10	..	5,221	17,621	15
Rubber, &c.											
Ayer Kuning	Dec. 31	13,917	14,703	28,620	..	14,000	10	..	14,620	22,929	10
Bukit Sembawang	Dec. 31	34,746 Dr	7,455	33,291	..	7,389	3	..	25,902	Dr 22,838	..
Chota	Dec. 31	5,958	Dr 3,496	5,612	..	..	..	..	5,612	Dr 3,496	..
Djabong (Java)	Mar. 31	Dr 7,399	Dr 2,539	9,848	..	..	..	..	9,848	..	..
Heawood Tin, &c.	Dec. 31	8,073	18,832	26,905	..	12,500	12½	3,500	10,905	13,251	5½
Highlands and Lowlands	Dec. 31	33,161	23,419	56,580	..	23,211	7½	..	33,369	20,291	2½
Igalkande	Dec. 31	Dr 3,045	2,919	126	..	..	..	..	126	691	..
Kajang	Dec. 31	6,644	1,079	7,723	..	2,212	4	..	5,511	1,062	..
Kapar Para	Dec. 31	17,000	7,887	24,887	..	15,000	10½	..	9,887	Dr 11,637	..
Kelani Valley	Dec. 31	707	8,570	9,277	420	7,000	20	..	1,857	868	..
Kimanis	Dec. 31	8,613	3,613	12,226	..	6,415	5	3,500	2,311	10,067	..
Linggi Plantations	Dec. 31	51,560	29,099	80,659	700	34,500	7½	22,500	22,959	17,159	..
Mahawale	Dec. 31	3,881	12,316	16,197	..	12,000	7½	500	3,697	12,605	5
Nagolle (Ceylon)	Dec. 31	6,057	13,950	20,007	..	11,108	6	942	7,957	12,025	6
Palmadulla	Dec. 31	21,281	38,557	59,838	..	37,440	32½	3,345	19,053	39,530	30
Rangoon Para	Dec. 31	4,080	7,224	11,304	..	7,502	4	..	3,802	7,045	..
Rubber Estates of Bentota	Dec. 31	1,835	8,470	10,305	827	3,900	6	3,500	2,078	2,730	..
Rubber Estates of Johore	Dec. 31	27,415	7,913	35,328	..	9,375	5	..	25,953	7,851	2½
Sapong	Dec. 31	11,160	2,080	13,240	..	5,028	6	2,000	6,212	3,423	..
Sapulmakando	Dec. 31	10,865	15,044	25,909	..	12,375	7½	4,107	9,427	8,296	5
Soremban	Dec. 31	15,245	11,121	26,366	..	20,000	5	2,000	4,366	..	..
Shawlands Estates of Ceylon (year)	Dec. 31	644	3,299	4,943	..	2,500	15	1,250	1,193	7,196	5
Soengoi Rampah	Dec. 31	Dr 5,338	2,391 Dr	8,447	..	..	..	..	Dr 3,447	Dr 4,340	..
Sungei Kapar	Dec. 31	9,628	1,449	11,077	..	..	..	..	11,077	Dr 6,418	..
Tenom (Borneo)	Dec. 31	2,274	14,413	16,687	..	..	..	5,000	11,687	5,936	..
United Patani	Dec. 31	1,313	4,038	5,351	..	..	..	..	5,351	1,297	..
Yatadoria Rubber and Tea	Dec. 31	1,075	11,334	12,409	..	7,000	5	4,000	1,409	8,047	..
Shipping.											
Ocean Steam Navigation	Dec. 31	100,445	587,086	687,531	..	625,000	12½	..	62,531	819,560	15
Shops and Stores.											
Army and Navy Co-operative	Jan. 27	14,890	133,583	148,473	..	123,000	15	8,500	16,973	14,348	10
Parke's Drug Stores	Feb. 28	571	7,730	8,301	2,381	4,500	7½	992	428	6,613	7½
Tea.											
Ceylon Plantations	Dec. 31	54,642	125,903	180,545	10,578	112,800	30	15,000	42,167	167,345	30
Ederapolla	Dec. 31	1,138	5,153	6,291	..	5,075	17½	500	716	..	..
Telegraphs, &c.											
Anglo-American Telegraph	Mar. 31	66,391	193,866	260,257	147,083	9,740 30d. 36,771 1½d.	..	..	66,663	195,848	340d. 1½d.
Waterworks.											
Antwerp Waterworks	Dec. 31	31,639	47,043	78,682	..	18,050	6	46,881	13,751	..	..
Other Companies.											
Bell's United Asbestos	Dec. 31	34,013	36,851	70,864	3,600	29,353	10	..	37,911	40,843	10
Bryant and May	Mar. 31	20,830	273,523	294,353	67,200	150,341	12	52,500	24,312	208,135	11½
Craigpark Electric Cable	Mar. 31	1,797	10,842	12,639	2,850	4,687	12½	3,000	2,102	12,054	12½
Edward Lloyd	Dec. 31	21,465 (b)	182,689	204,154	94,500	90,000	7½	..	19,654	..	..
Henry Clay and Beck and Co.	Dec. 31	4,021	50,600	54,621	13,560	..	..	3,591	37,470	Dr 22,409	..
London & Globe Watson	Mar. 31*	1,702	3,015	4,717	1,225	534	10½	1,500	1,458	3,070	10½

is not far short of the maximum, as contracts placed some time ago reached the largest tonnage ever experienced in the history of the trade. These will take several more weeks to complete, and a fresh batch of orders is anticipated before the end of that period. Mills are busy on mild steel for export, and there is great activity in cold rolled strip and wire. Makers of railway steel are fairly busy. Outside mild steel the trend of business has been in a downward direction since Easter, and April operations are well below those of the preceding months of the year in fine steels, castings, forgings, tools, and cutlery and plate. The continued dullness of most of the engineering branches is a very unsatisfactory feature. Agricultural engineering is almost at a standstill owing to the loss of the great buying markets of Eastern Europe and South America, and makers have been compelled in self-preservation to direct their activities into entirely new channels. British farmers are too poor to buy implements this year, and are making their old machines serve for another season. A small proportion of the foundries are fairly well placed for work, but the rest are extremely quiet. Over a large portion of Sheffield industry there is a return to the stagnation of six months ago. There is an active market for all kinds of fuel. Coke is more plentiful for home use, but it still costs the user from 30s to 32s per ton. Steam and small coal is going into consumption as fast as it is produced, and there are no stocks at pits. Prices remain firm as previously quoted.

Our Glasgow correspondent writes:—The week ends with the general industrial position in this and other steel and iron districts as bad as it can be. The boiler-makers, as was feared, have been locked out, and all other relative producing and consuming branches are operating on restricted lines. Many thousands of hands have been already added to the unemployed list, and, from current appearances, it looks as if the numbers will be seriously augmented in the immediate future. There is still, however, a lot of work in course of execution, especially in shipbuilding and engineering, and its progress will absorb active attention for a period, gradually becoming less, unfortunately, and leading inevitably, if nothing satisfactory transpires in the interval, to an all-round stoppage of production. Before that stage is reached it is recognised that measures will be initiated for a modification of the position, but what will come of these no one can formulate a definite and conclusive opinion. Meantime, judging from the temper and attitude of the parties interested, much harm will have resulted, injuries inflicted that will not be readily, if ever, made good. As can be understood, and in the circumstances, trading in the iron and steel trades is on the quiet side, buyers and sellers in all relations waiting to see what will turn up. Scotch pig-iron makers have been fairly busy delivering material against old contracts. Amongst other despatches, they have just sent 3,780 tons of different brands to the Pacific Coast of the United States, and to replace these they have happily sold some respectable quantities. Home orders for foundry iron and hematites leave little to be desired at the moment. Quotations keep steady at about £6 7s 6d (steel works) for hematite, £6 2s 6d for No. 1 foundry, and £5 17s 6d for No. 3, each f.o.t. makers' works. Aluminium, c.i.f. Glasgow (home), is unchanged at £110, while ditto foreign has risen £5 a ton, at £110, for export. Bar iron makers are better employed, and are naming £12 10s for "crowns," Glasgow delivery. Boiler plates, Glasgow stations, £13; ship plates, 3/4 in. and up, £10 5s; sections, £10; light sections, £11; angles, £10 10s; hoops, £12; channels, £10 15s; and joists, £10 10s. Black sheet makers are pretty busy on 3/4 in. to 3/8 in. at £12 10s, and on galvanized iron, 24 b.g. (Glasgow), at £20. In the tube trade a moderate business is passing, and so is there in steel rails, wagons, rivets, bolts, and nuts, but all over consumers are operating cautiously. At Wednesday's iron market it was reported that Continental pig-iron makers were offering some parcels of medium qualities, but buyers were, on the whole, indifferent. Cleveland iron was also on offer at reduced terms, but resident consumers were not tempted. Coals were rather off demand, for home as well as export, but buyers were working for a break in values, which holders were not disposed to concede.

Our Cardiff correspondent writes:—The coal market is absorbing record outputs, but there has been an unmistakable lull in the demand during the past week or two. The majority of the collieries are not in any great need for new prompt orders. They are well sold, and, in many cases, still oversold, and they are abundantly supplied with shipping. All the docks are in a state of congestion, and demurrage cases are common. A fair quantity, however, of the contracted coal is being delivered to middlemen who are not covered, and who, in view of the comparative paucity of new business, are offering supplies at lower figures than those quoted by the collieries. The competitive scope of the middlemen is limited by conditions which, in some cases, prohibit them from re-selling on the market, and in other cases from supplying particular coals to closed foreign markets. Under conditions of depression violations of these contractual obligations are winked at, but when collieries find it difficult, under conditions of exceptional pressure, to meet all the demands made upon them, they are disposed to enforce the terms of their contracts with middlemen, and to refuse delivery when they discover violations of those contracts. Still, there has been this week sufficient free coal to produce a depressing effect on prices, and for spot or prompt shipment buyers have been able to obtain parcels at from 2s to 3s per ton less than those ruling a week or two ago. The volume of trade remains very considerable. Exports are showing record figures, and the foreign demand is being supported by record outputs from the collieries. This is usually one of the most productive periods of the year, and the pits have recently been yielding up to limits of their output capacity under a seven-hour day. Last week in the colliery owners asked the miners' representatives on the National Board to appeal to the Government to amend the Seven Hours Act to allow an extension of working hours in those

cases where employers and workmen jointly desired it. The proposal was rejected, and at Blaenavon this week Mr. Frank Hodges, the secretary of the Miners' Federation of Great Britain, stated that the men were unflinchingly hostile to a reduction in working hours, and that in their view the only way by which production could be increased was by greater mechanical and technical efficiency in the administration of the collieries. The miners' wages in South Wales have to remain at the minimum up to the end of June. The official audit certified a wage of only 20.05 per cent. on the standard rates, or 1.05 per cent. below the minimum. The miners, however, are now assured of an advance in July on the strength of the March and April audit, and the coalowners are now being practically arranged for the working of a third shift at the docks, and it is expected that the extended working hours will become operative during the next few weeks.

The approximate current quotations are as follows:—Best Admiralties, 39s to 41s; seconds, 37s 6d to 40s; best drys, 37s 6d to 40s; Black Veins, 37s to 37s 6d; Western Valleys, 36s to 37s 6d; Eastern Valleys, 35s to 37s 6d; best bunker smalls, 30s to 31s; ordinary cargo smalls, 24s to 26s; anthracite big vein, 45s to 47s 6d; machine-made cobbles, 52s 6d to 62s 6d; French nuts and stove nuts, 50s to 52s 6d; rubbly culm, 10s 6d to 17s 6d; coke for export, 70s to 80s; inland blast furnace coke at ovens, 35s to 40s; patent fuel, 40s to 45s.; pitwood, ex ship, 28s 6d to 29s 6d. In the iron and steel trade the position is slightly easier. Minimum prices are unaltered, but the market prices are a shade lower than they were a week ago, and foreign demand, and particularly that of the Continent, for tinplates is less active.

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—Wool continues to sell remarkably well in London and in the colonies, and prices remain very firm, but very little response is seen in the consuming centres here. The piece goods trade is exceedingly restricted, and both in yarns and pieces British producers are being cut out by imported goods from the Continent, which can be sold so much cheaper on account of lower conversion costs and the advantage derived from the exchange. Until there is more doing in semi and fully manufactured goods, it is difficult to see how spinners and manufacturers can afford to buy tops and yarns on to-day's basis, and it is evident from the lull in new business that most firms are simply adopting a waiting policy. Prices are too high to permit of anything in the nature of speculative purchases, and current business is therefore mostly confined to the catering of small immediate requirements. Topmakers' quotations show little change on the week. They are still firm at last Thursday's rates, and in many cases 5s 4d is the quoted price of a warp 04's top. The trouble is that spinners cannot pay that figure as a general thing, for they find it practically impossible to get any more money for their yarns. Yet current quotations for tops are by no means too high if account be taken of the cost of wool bought in London this series of auctions. New business in yarns is patchy, and lacks bulk, and the fear is expressed that short time will have to be introduced if their fears do not improve during the next three or four weeks. As it is, short time is general in the combing industry, and the production of tops is in excess of the demand. The piece goods trade is unchanged. British wools are selling well at recent rates.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

A very active week has been experienced at the sales in London, and prices have remained quite intact. Last Tuesday ample evidence was forthcoming, if such was wanted, of the great change which has come over the wool situation compared with the previous series, during which we called attention to the comparatively low prices ruling for some of the very superior clips from West Victoria. Throughout the whole of the March series only one brand (Hyde Park) touched 36d. Only after a struggle was 35d realised for such an excellent clip as EO grown upon Worriwryte. Last Tuesday the second portion of that clip was catalogued, and it realised 30d for the top line of combing, which compares very favourably with 35d made last series; broken made 35d, compared with 30d-31d in March, pieces 30d, and lambs 32d. Another excellent clip, JM/Moranghurk, touched 30d for the best parcel of combing, 34d for necks, 32d for pieces, and 31d for lambs. These prices clearly indicate a greatly improved market for these superior lines. Many lots withdrawn in March, and which have been re-catalogued this series, have made anywhere from 4d to 6d per grease lb more compared with the prices previously bid. Im-

ALEXANDERS DISCOUNT Co., Ltd.,

24, LOMBARD STREET, E.C.3.

Telephones: 1892 & 226 Avenue. Telegrams: "Alexanders, Thread-London."

CAPITAL AUTHORISED £1,250,000 CAPITAL PAID UP £800,000
CAPITAL SUBSCRIBED £1,100,000 RESERVE FUND £400,000

Approved Mercantile Bills discounted. Money received on deposit at call and short notices at current market rates; for longer periods on specially agreed terms. The Company deals in British Treasury Bills of any maturity.

porters have done better with their second-hand parcels, and prices are now often 10 per cent. higher than in March. Scoured Queensland merinos have also made exceedingly good prices, and show a decided improvement on the opening week. Several clips have sold at up to 50½d, while Dunlop touched 48d for combing, 57½d clothing, 55½d fleece, 50d broken, 44½d necks and pieces, 36d bellies and locks, and lambs 50d.

Of course, this is one of the best scoured clips from New South Wales, and was always a favourite with the Continent. Being scoured to perfection, the clip calls forth the best buying power of the entire trade. There is nothing whatever wrong with the position of merinos from the selling point of view, and though the home trade is not following prices in London, the time will come when wholesale piece buyers will be compelled to face the position and to purchase on to-day's basis of values if they intend to continue in business. Some entertain doubts about the possibility of the piece goods end rising to the occasion, stating that merinos are above an economic value from the home trade standpoint. This may be quite true, but the fact that the prices are being paid indicates that there is a demand for them even on to-day's level, and all things considered the position of merino wool is exceedingly strong.

Crossbreds are also moving well, prices being fully maintained. There is no mistaking the improvement which has taken place in this description of raw material. America is still buying moderately, for Bradford topmakers are taking the bulk of the crossbreds. Comeback wools continue to realise very big figures, while the improvement in medium crossbreds is mostly 12½ per cent. It is impossible to ignore the fact that the trade is taking crossbreds, and we do not think their confidence will be misplaced.

The annual statement of the activities of the British Australian Wool Realisation Association, issued by Sir Arthur Goldfinch, is well worth close analysis. The fact which emerges above all others in the data given is that the world's production of wool is not equal to what is being consumed, and as soon as the association's stocks are all cleared there will probably be a squeeze somewhere. It is more clearly evident than ever that consumers may look forward to having to pay more for raw wool than in the past, and however undesirable it may be at the present juncture to see high wool prices, we do not anticipate much, if any, relief in the near future.

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—April 27, 1923.

Description.	Com.	Med.	Good Med.	Med. Fine.	Extra Fine.	Same Period 1922.			Same Period 1921.		
						Med.	Good Med.	Fine.	Med.	Good Med.	Fine.
Sea Island.....	..	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Florida do.....	..	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Georgia do.....	..	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
American.....	Ord G O L M	Mid G M	Mid G M	Mid G M	Mid G M	Ord G O L M	Mid G M	Mid G M	Ord G O L M	Mid G M	Mid G M
Perman.....	..	1441	1471	1521	1546	1571	1626	891	976	1066	604
Parahyba, Rio Grande, &c.	..	1446	1511	1586	..	..	..	841	1041	..	524
Maceio, &c.	..	1446	1511	1586	..	..	..	841	1041	..	524
Mosoro, &c.	..	1446	1511	1586	..	..	..	841	1041	..	524
Cera.....	..	1446	1511	1586	..	..	..	841	1041	..	524
Maranhão, &c.	..	1446	1511	1586	..	..	..	841	1041	..	524
B36 Paulo.....	..	1421	1471	1516	..	..	..	916	1016	..	..
Egyptian.....	..	1541	1621	1640	1675	1700	1228	1300	1450	..	1000
Upper.....	..	1550	1665	1711	1855	1990	1450	1650	2025	..	1000
Bakelariadis.....	..	1545	1620	1660	1720	1791	1278	1400	1625	..	1000
Brown.....	..	..	..	..	..	..	..	..	..	..	..
Parahyba.....	..	..	..	..	..	..	..	..	..	..	..
Rough.....	..	..	..	..	..	..	..	..	..	..	..
Moderately Rough.....	..	..	..	..	..	..	..	..	..	..	..
Smooth.....	..	..	..	..	..	..	..	..	..	..	..
Tanganyika.....	..	..	..	..	..	..	..	..	..	..	..
Mitahidi.....	..	..	..	..	..	..	..	..	..	..	..
West Indian.....	..	..	..	..	..	..	..	..	..	..	..
Do.....	..	..	..	..	..	..	..	..	..	..	..
Do.....	..	..	..	..	..	..	..	..	..	..	..
African, East, &c.....	..	..	..	..	..	..	..	..	..	..	..
Do.....	..	..	..	..	..	..	..	..	..	..	..
Machine Ginned Surtee.....	..	..	..	..	..	..	..	..	..	..	..
Machine Ginned Branch.....	..	..	..	..	..	..	..	..	..	..	..
Machine Ginned Bhowanagar.....	..	..	..	..	..	..	..	..	..	..	..
Machine Ginned Oomra, No. 1.....	..	..	..	..	..	..	..	..	..	..	..
Machine Ginned Oomra, No. 2.....	..	..	..	..	..	..	..	..	..	..	..
Machine Ginned Khandeish.....	..	..	..	..	..	..	..	..	..	..	..
Machine Ginned Comptah.....	..	..	..	..	..	..	..	..	..	..	..
Machine Ginned Bengal.....	..	..	..	..	..	..	..	..	..	..	..
Machine Ginned Seinde.....	..	..	..	..	..	..	..	..	..	..	..
Tinnivelly.....	..	..	..	..	..	..	..	..	..	..	..
Madras, Western.....	..	..	..	..	..	..	..	..	..	..	..
Madras, Northern.....	..	..	..	..	..	..	..	..	..	..	..
M.G. Coconada, Red.....	..	..	..	..	..	..	..	..	..	..	..
China, Smyrna, &c.....	..	..	..	..	..	..	..	..	..	..	..

MANCHESTER, May 3.

Rather a more cheerful tone has prevailed in the Manchester market during the past week, but it cannot be said that there has been any real increase in the turnover, either with regard to yarn or cloth. A large percentage of the offers from abroad has failed to materialise into actual business, and our customers do not appear to be inclined to raise limits. Business generally has been of a hand-to-mouth character. There has been rather a larger inquiry in cloths suitable for India, and earlier in the week some fair transactions were recorded, particularly in light cloths and fancy materials. Bids in grey steaps have had to be turned down. A large amount of machinery is still at a standstill, owing to the absence of fresh contracts. The demand for China has some-

what tapered off. Advices from Shanghai read dolefully. Buyers for the outlets of the Near East, South America, and the United States have not been altogether idle. The yarn section has continued featureless. The output in American counts has been in excess of the demand. Egyptian spinnings continue the best situated. Prices, compared with a week ago, are slightly easier.

(I.) Comparative Statement of the Cotton Trade.

	Price, May 3, 1923.	Previous Weeks in 1923.				
		Price, May 26.	Price, May 19.	Price, May 5.	Price, Mar. 27.	
Raw Cotton—Fully Mid. American... per lb	15-24	15-77	15-57	16-10	15-74	15-18
— Bakelariadis Fully Good Fair	16-75	17-35	17-35	17-75	17-40	17-50
— Egyptian..... per lb	23 1/2	23 1/2	23 1/2	24	23 1/2	23
Yarns—32's twist..... per lb	23	23 1/2	23 1/2	23 1/2	23 1/2	23 1/2
— 40's twist..... per lb	29	29 1/2	29 1/2	29 1/2	29 1/2	29 1/2
— 60's twist (Egyptian)..... per lb	33	33 1/2	33 1/2	33 1/2	33 1/2	33 1/2
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	33	33 1/2	33 1/2	33 1/2	33 1/2	33 1/2
32-in. Shirtings, 75 yds, 13 by 13, 32's and 40's	36	36	36	36	36	36
38-in. ditto, 38 yds, 18 by 18, 10 lbs.....	18	18	18	18	18	18
39-in. ditto, 37 1/2 yds, 16 by 15, 8 1/2 lbs.....	17	17	17	17	17	17

(II.) Compared with Previous Years.

	Price, May 3, 1923.	Corresponding dates in				
		1922.	1921.	1920.	1919.	1918.
Raw Cotton—Fully Mid. American... per lb	15-24	11-18	8-17	27-59	17-56	21-88
— Bakelariadis Fully Good Fair	16-75	18-00	17-00	88-50	26-53	29-66
— Egyptian..... per lb	23 1/2	18	18	60	29 1/2	43
Yarns—32's twist..... per lb	23	17 1/2	16 1/2	55 1/2	29	43
— 40's twist..... per lb	29	28	28	138	52	53
— 60's twist (Egyptian)..... per lb	33	33	33	33	33	33
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	33	33	33	33	33	33
32-in. Shirtings, 75 yds, 13 by 13, 32's and 40's	36	36	36	36	36	36
38-in. ditto, 38 yds, 18 by 18, 10 lbs.....	18	18	18	18	18	18
39-in. ditto, 37 1/2 yds, 16 by 15, 8 1/2 lbs.....	17	17	17	17	17	17

VEGETABLE OILS AND OILSEEDS.

Linseed and linseed oil on the whole have been quiet, and although the former is steady at a lower level of values, the oil product has shown renewed signs of weakness, and prices have fallen away considerably. In addition to the absence of an effective demand for oil, either for home consumption or export, depressing factors have been reports of a very much larger area in America going under linseed, and a suspicion that America at the moment has overbought herself. Rumours that there were further orders on American account for oil have not been borne out by events, but the opinion is that when a favourable opportunity occurs, more business in this direction may be done. The fact that the shipments of Plate linseed to the United States so far this year have reached 300,000 tons indicates that the domestic production of oil will soon be increasing, and that there will be less dependence than heretofore on imports from Europe. Here, the market appears to be in a state of flux and suffering from the after-effects of a wave of speculation. Crushers are buying very little seed indeed, recent business for Plate being done at £20 April and £19 7s 6d April-May, and for Calcutta £21, April shipment. The latter has been done at £20 15s for shipment to London. Raw linseed oil at Hull has dropped to under £46 for spot and £45 for month.

Egyptian cottonseed is dearer, and the market fully steady. Cotton oils have been in rather disappointing demand, but are steady at lower values, and more inquiry noted for common edible and deodorised. Crude palm kernel oil is again easier, and offering at £42 10s per ton naked ex Hull mill.

The movement of linseed has continued in the past month on the substantial lines, so much so that the first four months of the year show that shipments of Plate and Indian aggregate 736,650

BARCLAYS BANK LIMITED.

Head Office: 54, LOMBARD STREET, LONDON, E.C.3.

And over 1,680 Branches in England & Wales.

Authorised Capital ... £20,000,000
Issued and Paid-up Capital ... £15,592,372
Reserve Fund... £8,250,000
Deposits (31st Dec., 1922) ... £303,185,535

EVERY DESCRIPTION OF BRITISH AND FOREIGN BANKING BUSINESS TRANSACTED.

	Per Cwt.				Per Cwt.		
	s	d	s		s	d	s
English Arran Chief ..	2	3	..	Majestic.....	2	9	..
Great Scot ..	2	3	..	King Edwards	4	0	to 4
" Teneriffe (case) ..	8	0	to 9 0	New Spanish (cwt.) ..	20	0	..

LONDON, FRIDAY.		DRUGS.		INDIA RUBBER—lb—		PROVISIONS—		SPICES—Pip.	
0000A—Foreign, British grown	42	Acid, fine E.I., per cwt	158	Para, fine, hard, per 1	2 1/2	Butter—per cwt.	nom	Black Pepper	8 1/2
2nd, foreign, 2nd, cwt.	44	Balaam Peru—per lb	8	Plantation crepe	1 3/4	Irish	nom	White Pepper	8 1/2
3rd, foreign, 3rd, cwt.	45	Capivi	1 1/2			do factory	nom	Black Pepper	8 1/2
4th, foreign, 4th, cwt.	46	Camellia	1 1/2			Australian	120	White Pepper	8 1/2
5th, foreign, 5th, cwt.	47	Japan, refined	3	INDIGO—per ton—		Argentina	130	White Pepper	8 1/2
6th, foreign, 6th, cwt.	48	Cardamom, Oeylon	2	Bengal, good red vio-	6	New Zealand	134	White Pepper	8 1/2
7th, foreign, 7th, cwt.	49	Cardamom, China	2	let to fine	6	Danish	135	White Pepper	8 1/2
8th, foreign, 8th, cwt.	50	Cardamom, Siam	2	let to fine	6	Danish	136	White Pepper	8 1/2
9th, foreign, 9th, cwt.	51	Cardamom, Siam	2	let to fine	6	Danish	137	White Pepper	8 1/2
10th, foreign, 10th, cwt.	52	Cardamom, Siam	2	let to fine	6	Danish	138	White Pepper	8 1/2
11th, foreign, 11th, cwt.	53	Cardamom, Siam	2	let to fine	6	Danish	139	White Pepper	8 1/2
12th, foreign, 12th, cwt.	54	Cardamom, Siam	2	let to fine	6	Danish	140	White Pepper	8 1/2
13th, foreign, 13th, cwt.	55	Cardamom, Siam	2	let to fine	6	Danish	141	White Pepper	8 1/2
14th, foreign, 14th, cwt.	56	Cardamom, Siam	2	let to fine	6	Danish	142	White Pepper	8 1/2
15th, foreign, 15th, cwt.	57	Cardamom, Siam	2	let to fine	6	Danish	143	White Pepper	8 1/2
16th, foreign, 16th, cwt.	58	Cardamom, Siam	2	let to fine	6	Danish	144	White Pepper	8 1/2
17th, foreign, 17th, cwt.	59	Cardamom, Siam	2	let to fine	6	Danish	145	White Pepper	8 1/2
18th, foreign, 18th, cwt.	60	Cardamom, Siam	2	let to fine	6	Danish	146	White Pepper	8 1/2
19th, foreign, 19th, cwt.	61	Cardamom, Siam	2	let to fine	6	Danish	147	White Pepper	8 1/2
20th, foreign, 20th, cwt.	62	Cardamom, Siam	2	let to fine	6	Danish	148	White Pepper	8 1/2
21st, foreign, 21st, cwt.	63	Cardamom, Siam	2	let to fine	6	Danish	149	White Pepper	8 1/2
22nd, foreign, 22nd, cwt.	64	Cardamom, Siam	2	let to fine	6	Danish	150	White Pepper	8 1/2
23rd, foreign, 23rd, cwt.	65	Cardamom, Siam	2	let to fine	6	Danish	151	White Pepper	8 1/2
24th, foreign, 24th, cwt.	66	Cardamom, Siam	2	let to fine	6	Danish	152	White Pepper	8 1/2
25th, foreign, 25th, cwt.	67	Cardamom, Siam	2	let to fine	6	Danish	153	White Pepper	8 1/2
26th, foreign, 26th, cwt.	68	Cardamom, Siam	2	let to fine	6	Danish	154	White Pepper	8 1/2
27th, foreign, 27th, cwt.	69	Cardamom, Siam	2	let to fine	6	Danish	155	White Pepper	8 1/2
28th, foreign, 28th, cwt.	70	Cardamom, Siam	2	let to fine	6	Danish	156	White Pepper	8 1/2
29th, foreign, 29th, cwt.	71	Cardamom, Siam	2	let to fine	6	Danish	157	White Pepper	8 1/2
30th, foreign, 30th, cwt.	72	Cardamom, Siam	2	let to fine	6	Danish	158	White Pepper	8 1/2
31st, foreign, 31st, cwt.	73	Cardamom, Siam	2	let to fine	6	Danish	159	White Pepper	8 1/2
32nd, foreign, 32nd, cwt.	74	Cardamom, Siam	2	let to fine	6	Danish	160	White Pepper	8 1/2
33rd, foreign, 33rd, cwt.	75	Cardamom, Siam	2	let to fine	6	Danish	161	White Pepper	8 1/2
34th, foreign, 34th, cwt.	76	Cardamom, Siam	2	let to fine	6	Danish	162	White Pepper	8 1/2
35th, foreign, 35th, cwt.	77	Cardamom, Siam	2	let to fine	6	Danish	163	White Pepper	8 1/2
36th, foreign, 36th, cwt.	78	Cardamom, Siam	2	let to fine	6	Danish	164	White Pepper	8 1/2
37th, foreign, 37th, cwt.	79	Cardamom, Siam	2	let to fine	6	Danish	165	White Pepper	8 1/2
38th, foreign, 38th, cwt.	80	Cardamom, Siam	2	let to fine	6	Danish	166	White Pepper	8 1/2
39th, foreign, 39th, cwt.	81	Cardamom, Siam	2	let to fine	6	Danish	167	White Pepper	8 1/2
40th, foreign, 40th, cwt.	82	Cardamom, Siam	2	let to fine	6	Danish	168	White Pepper	8 1/2
41st, foreign, 41st, cwt.	83	Cardamom, Siam	2	let to fine	6	Danish	169	White Pepper	8 1/2
42nd, foreign, 42nd, cwt.	84	Cardamom, Siam	2	let to fine	6	Danish	170	White Pepper	8 1/2
43rd, foreign									

THE EXCESS INSURANCE COMPANY, LTD.

Registered Office: WATERLOW HOUSE, 25, BIRCHIN LANE, LONDON, E.C.3.

CAPITAL, FULLY PAID UP	£500,000
GENERAL RESERVE FUND (including Reserve for Taxes)	£400,000
RESERVE FOR UNEXPIRED LIABILITY	£666,392

Directors: CUTHBERT E. HEATH (Chairman); GEORGE HEATH; ARTHUR BURNS; MONTAGUE EVANS.
Auditors: TURQUAND, YOUNGS & CO., 19, Coleman Street, London, E.C.2.
Secretary: F. E. JOHNSON.

UNDERWRITING OFFICE 10, ROYAL EXCHANGE, LONDON, E.C.3.
MOTOR CAR AND PERSONAL ACCIDENT DEPARTMENT 1, ROYAL EXCHANGE AVENUE, LONDON, E.C.3.
Underwriter: E. MERRICK TYLOR.

DIRECTORS' REPORT.

The Directors have pleasure in presenting to the Shareholders the 30th Annual Report of the Company, dealing with the Underwriting Accounts for the three years 1920, 1921 and 1922. These Accounts are now set out to enable Shareholders to ascertain the complete result of any one year without reference to previous Balance Sheets.

At the end of last year £55,000 was transferred from the 1920 Underwriting Account to the credit of Profit and Loss. That year's Account is now closed by the transfer of a further sum of £58,667 5s. 5d. to the Profit and Loss Account, making a total of £113,667 5s. 5d. in all. This figure, being in excess of 10 per cent. of the Premium Income for that year, is considered quite satisfactory in view of the conditions which prevailed during that period.

The 1921 Underwriting Account is running off in a normal manner and the balance of £244,462 13s. 1d. (or over 34 per cent.) is carried forward in full to meet Third Year Settlements. This should be fully sufficient for the purpose and leave a satisfactory surplus.

The Premium Income for the 1922 Underwriting Account is £574,243 15s., again showing a reduction on the Premiums for the previous year. This reduction is not unexpected and is due to the general trade conditions of the Country. The Claims settled amount to £152,139 2s. 3d., or only slightly over 26 per cent.

In respect to the alteration in the definition of our Reserve Fund, we have already paid in 1923, £175,000 for taxation. We are in dispute as to whether some of this will have to be returned, but, in any case, we think that the Shareholders must bear in mind that we shall almost certainly have to draw on our Reserve Fund for the payment of these back taxes.

It is proposed to pay a final Dividend of 2½ per cent., free of Tax, which, together with the interim Dividend of 5 per cent., free of Tax, paid in June last, makes a total of 7½ per cent., free of Tax, for the year.

The Auditors, Messrs. Turquand, Youngs & Company, retire, but offer themselves for re-election.

C. E. HEATH (Chairman),
ARTHUR BURNS,
MONTAGUE EVANS, } Directors.

Dr. UNDERWRITING ACCOUNT, 1920. Cr.			
£	s.	d.	£ s. d.
			Premiums (less Returns) received in 1920 .. 1,070,894 17 1
			Claims paid in 1920 (1st year) .. 361,897 10 5
			708,997 6 8
			Claims paid (after deduction of additional Premiums and Salvages) in 1921 (2nd year) 345,892 19 10
			363,104 6 10
			Transferred to Profit and Loss 1921 .. 55,000 0 0
			By Balance at the end of the year 1921 brought forward .. 308,104 6 10
To Claims and Returns settled during 1922, less additional Premiums and Salvages .. 249,437 1 5			
" Further and Final Transfer to Profit and Loss .. 58,667 5 5			
			£308,104 6 10

Dr. UNDERWRITING ACCOUNT, 1921. Cr.			
£	s.	d.	£ s. d.
			Premiums (less Returns) received in 1921 .. 715,119 11 9
			Claims paid in 1921 (1st year) .. 198,830 17 3
			By Balance at the end of the year 1921 brought forward .. 516,288 14 6
To Claims and Returns settled during 1922, less additional Premiums and Salvages .. 271,826 1 5			
" Balance Reserve carried forward .. 244,462 13 1			
			£516,288 14 6
			By Balance Reserve brought down .. £244,462 13 1

Dr. UNDERWRITING ACCOUNT, 1922. Cr.			
£	s.	d.	£ s. d.
To Claims settled .. 152,139 2 3			
" Fire Brigade Tax .. 175 0 0			
" Balance Reserve carried forward .. 421,929 12 9			
			£574,243 15 0
			By Premiums, less Returns .. 574,243 15 0
			By Balance Reserve brought down .. 421,928 12 9

Dr. PROFIT AND LOSS ACCOUNT for the Year ended 31st December, 1922. Cr.			
£	s.	d.	£ s. d.
To Income Tax .. 75,000 0 0			
" Corporation Profits Tax .. 5,000 0 0			
" Donations .. 1,052 16 0			
" Lloyd's Subscriptions .. 500 0 0			
" Branch Offices and other Expenses .. 12,265 0 11			
" Notarial Fees and Law Costs .. 484 19 4			
" Audit Fee .. 420 0 0			
" Bad Debts written off .. 1 15 3			
			94,724 11 6
" Loss on Exchange .. 151 13 10			
" Management Expenses for 1922 and Commission on 1920 Underwriting .. 41,366 14 6			
			136,242 19 10
" Balance carried to Balance Sheet .. 42,775 14 11			
			£179,018 14 9
			By Balance brought forward from last year .. 29,676 17 11
			Less Final Dividend paid to March .. 25,000 0 0
			4,676 17 11
" Transferred from Underwriting Account 1920 .. 58,667 5 5			
" Interest and Dividends received .. 70,672 11 6			
" Profit on Realization of Investments .. 45,001 19 11			

The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor:

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. XCVI.

SATURDAY, MAY 12, 1923.

No. 4,159.

ALLIANCE

ASSURANCE COMPANY, LIMITED.
HEAD OFFICE: BARTHOLOMEW LANE, LONDON, E.C.2
ASSETS EXCEED £25,000,000.

The Hon. N. CHARLES ROTHSCHILD, President

The Alliance grants Insurances of all kinds.

LIFE DEPARTMENT.

Full information respecting
ESTATE DUTY

and
CHILDREN'S EDUCATIONAL
POLICIES

Issued by the Company may
be obtained on application
from the Head Office or any
of the Offices or Agencies
of the Company.

O. MORGAN OWEN, General Manager.

Centralbanken for Norge

Christiania, Norway.

Founded by 50 Norwegian and Foreign Banks and
amalgamated with the Christiania Banking Houses.

Tho. Joh. Heftye & Søn

(Established 1769).

and

Sev. Chr. Andersen.

(Established 1845).

Transacts all kinds of Banking business.

Correspondents in all Norwegian places of any importance.

CREDITO ITALIANO.

Capital Fully Paid Lire 300,000,000
Reserve Lire 100,000,000

Head Office of the Bank: MILAN.

THE BANK HAS BRANCHES THROUGHOUT ITALY.

London Branch: 22 ABCHURCH LANE, E.C.4.

Managers { D. A. HORNER.
F. N. SCHILLER.

Transacts a general Foreign Banking Business, having
correspondents in all Countries, and is specially pre-
pared to grant facilities for the development of trade
between the British Empire and Italy.

Correspondent of the Royal Italian Treasury.

Telegrams: "Italooredi, Cannon, London."
Telephone: 7802-7803 City.

TABLE OF CONTENTS.

The Money Market	977	Letters to the Editor—	
Leading Articles—		A Co-operative Policy for	
The Difficulties of the		Labour and Capital....	1002
Entente	979	Income-Tax Assessments..	1002
The Savings Movement ..	980	Books and Publications—	
The Outlook in Turkey ..	981	Recent Economic Litera-	
Milk Supply and Prices ..	982	ture.—A Two Months'	
Rubber and International		Survey.....	1003
Politics	983	Books Received.....	1004
Oil.—II. The World's Re-		Stock Exchange News—	
sources	984	The Stock Markets	1004
The Foreign Trade of		New Issues.....	1005
Soviet Russia	985	Active Securities	1005
Notes of the Week—		Company Meetings....	1007
The Ultimatum to Russia	986	Government Returns—	
Revaluation of Property..	987	Public Income and Expen-	
Overseas Trade in April ..	987	diture	1016
The Case of Art O'Brien..	987	Treasury Bills and Bonds	
Conditions in Ireland	988	by Public Tender	1017
Australian Borrowings ..	988	Currency Notes Account...	1017
Cotton Trade Wages	989	Bankers' Gazette—	
The Shipping Outlook....	989	Bank of England	1017
Agricultural Conditions ..	989	Monthly Statement of	
Gilt-Edged Stocks and		London Clearing Banks	1018
Industrial Shares.....	989	Clearing Returns	1018
The Caledonian Railway		Overseas Bank Returns ..	1018
Amalgamation Terms ..	990	Loan and Discount Rates	1020
Egyptian Trade in January	990	Overseas Bank Rates	1020
and February	991	Rates of Exchange	1021
The Honduras Debt	990	Indian Treasury Bills	1021
Vickers, Limited	991	India Council Bills and	
Eagle Oil Transport Com-		Transfers	1021
pany, Limited	991	Bullion	1021
Fesse and Partners	991	Imports & Exports of Gold	1022
British Oil and Cake Mills		Gold and Silver Prices ..	1022
Stubbers' Good Year	992	Company News—	
Boots Pure Drug	992	Mining Output Statistics ..	1006
Commercial Union Assur-		Analysis of Balance-Sheets	1006
ance Company	992	Dividend Announcements	1022
North British & Mercantile		Reports and Notices.....	1023
Insurance Company....	993	Railway and Tramway	
London & Scottish Assur-		Traffic Returns	1024
ance Co.'s Valuation ..	993	Profit and Loss Accounts..	1026
Anglo-American Mining		Commercial Reports—	
Group	993	Corn Trade	1025
Waihi Gold	993	Iron and Coal Trade.....	1025
Rezene	994	Wool Trade	1027
Transvaal Gold Output ..	994	Cotton Trade	1028
Irish Stocks—A Correction	994	Hide and Leather Trades	1028
Overseas Correspondence—		Vegetable Oils and Oilseeds	1029
United States.....	994	Overseas Produce Markets	1029
France.....	995	Price Current.....	1030
Germany.....	996		
Austria	997		
The Work of the League..	998		
Italy	999		
Switzerland	1000		
Denmark	1000		
Canada	1001		

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THE MONEY MARKET.

QUITE inconvenient scarcity was produced on Wednesday, when four banks were said to be calling in money for balance-sheet or other purposes, and on Thursday the publication of the Bank return showed plenty of reason for this scarcity in the reduction of 4½ millions in the Government and Other securities, which had brought the Other deposits down to a low figure. Discount rates, which had been flabby owing to the extreme quietness of

the market, hardened appreciably, and three months' bank bills were quoted a shade under 2 per cent.

	May 11, 1923.	May 4, 1923.	Apr. 27, 1923.	Apr. 20, 1923.	Previous Rate and Date Changed.
Bank Rate	3%	3%	3%	3%	3% (Jly. 13, '22)
Banks Deposit Rate	1	1	1	1	1% (Jly. 13, '22)
Discount/Call	1	1	1	1	1% (Jly. 13, '22)
Houses (Notice	1½	1½	1½	1½	1½ (Jly. 13, '22)
Market rate (3 months' bills)	1½	2	1½	2	..

The Bank return showed that the note circulation had declined by £415,000, and there had been a small increase in the stock of gold, so that the Reserve was £416,000 higher. Decreases of three millions in the Government and a million and a-half in the Other securities, and an increase of a million and a-quarter in the Public deposits, had all combined to deplete the private deposits, which were 5½ millions lower and stood at 102 millions. Currency notes outstanding were increased by £1,303,700 to £287,049,300, which includes £1,482,800 for notes called in but not yet cancelled. The fiduciary issue is £237,616,500, or £32,667,300 below the maximum.

The monthly statement of average weekly balances for April issued by the London Clearing Banks, which is given in full on a later page, shows for the first time for three months an increase in deposits, while a further expansion in loans and advances is also recorded. The table below shows the aggregate figures for the nine English banks:—

	Dec. 1921.	Dec. 1922.	Jan. 1923.	Feb. 1923.	March, 1923.	April, 1923.
Capital and reserves	115.9	116.0	116.2	116.2	116.2	116.2
Acceptances	65.3	72.9	78.3	78.8	79.2	78.0
Deposits (incl. undiv. profits, &c.)	1,818.6	1,684.7	1,682.2	1,643.9	1,596.4	1,606.0
Total Liabilities	1,999.8	1,873.5	1,885.3	1,836.9	1,792.5	1,800.2
Cash, notes, balance at bank, and cheques in course of collection	273.5	253.0	246.5	234.5	232.3	240.0
Money at call	105.7	106.0	108.0	103.0	104.4	110.5
Investments	343.3	384.5	382.0	373.4	357.4	351.3
Discounts	421.3	298.3	320.0	286.4	250.4	249.5
Loans and advances	762.3	732.7	726.5	736.5	741.6	744.4
Cover for accept., premises, &c.	90.7	99.0	102.3	103.1	106.4	101.5
Total assets	1,999.8	1,873.5	1,885.3	1,836.9	1,792.5	1,800.2

There is a further substantial decline in investments, and bills discounted are slightly lower, but the cash item has risen by nearly £8 millions, and money at call is over £6 millions higher.

THE STOCK MARKETS.

There has been a good deal of selling on the Stock Exchange during the past week, and prices are mostly lower, the buying movement in industrials having given way to a bout of realisations. Political developments on the Continent have overshadowed the Consol market, but the early closing of the lists of the New Zealand 4 per cent. loan shows that the investor is active, and led to improvement in Home Corporation and Colonial stocks. Home Rails were good at the beginning of the week, but failed to hold their prices. A further weakening in the price of the raw material caused weakness in the rubber share market, and oil shares suffered from liquidation to which Amsterdam contributed. The brightest features of the Miscellaneous section have been bank shares, shipping issues, and electricity supply stocks. The Mining markets have been so quiet that such selling orders as have come in have had an exaggerated effect on prices.

THE COMMODITY MARKETS.

Price movements in the commodity markets this week have shown no outstanding developments, and while in the majority of cases prices show a sagging tendency there has, in some directions, been a further rise. The wheat market has been inclined to weakness, but towards the end of the week there was more strength. Business has been quieter in the sugar market, and prices are unchanged. A feature has been the sharp fall in rubber which has dropped from 15 3/4d to 15 1/4d per lb. As a result of the fall in cotton rates, dealings in yarn and cloth have been restricted; a few sellers have been prepared to

accept slightly lower prices for manufactured goods, but the majority of buyers have adopted a waiting policy pending more settled conditions. Prices at the London wool sales have been exceedingly good, and although foreign competition has been responsible for the high values it is said that the statistical position is such as to justify the belief that prices will be maintained. The pig-iron market is passing through a quiet period. The boiler makers' dispute is adversely affecting both pig-iron and steel production. The general demand for steel is fairly good, although steel for shipbuilding experiences little request. Copper is down to £68 10s per ton, while tin has fallen from £215 to £208 per ton. Quotations in the South Wales coal market at the beginning of the week were weak. On Monday best Admiralties were 37s 6d per ton; towards the end of the week the price had improved to 41s 3d, other descriptions of coals moving on similar lines. Tanners again had to pay more for hides at the Bermondsey auctions. The boot trade is improving, Leicester and Norwich especially working hard to get out Whitsuntide orders. The tone in the oil and oilseeds markets shows some improvement.

FOREIGN EXCHANGES.

The foreign exchange market has again been quiet with very restricted dealings. The main feature of the week has been the steady fall in the New York rate from \$4.62½ on the 4th to \$4.60½ yesterday, the lowest figure since the early part of December last. To some extent the fall is accounted for by the gloominess of the political outlook in Europe, but the more important factors are the adverse movement customary at this time of the year in preparation for raw material imports, and, further, the rise in English price levels which, after lagging for some time behind those in America, have now caught up if not gone beyond them. On the whole, there would seem no reason to anticipate any sharp arrest in this downward movement, as the rate is not yet sufficiently low to tempt those who have bought American securities recently to take their profits on the exchange, but at the same time the rapidity of the fall may be diminished. The outlook for Germany is reflected in a further fall in the mark, which after intervention on Saturday last was brought back to 157,500, but rose again by yesterday to 182,000 as compared with 171,000 on the 4th. Inflation continues as rapidly as before, and the chances of an understanding with France seem as remote as ever. Forward marks are quoted at 16,000 to 18,000 marks per month over spot. The Paris rate has remained quiet, but with an upward tendency, being quoted yesterday morning at 69.90 as compared with 69.45 the week before, while Brussels has moved up from 80.40 to 80.90. Forward rates in Paris remain the same at 4 to 5 centimes per month above spot, in Brussels they have narrowed ½ centime to 2 to 3 centimes below. After steadiness for some time the Italian rate has moved up sharply from 94.60 to 96.50. Of the neutral exchanges Amsterdam, as usual, moving with the American exchange, has dropped from 11.82½ to 11.80½. Madrid also has improved somewhat from 30.38 to 30.30, while Switzerland has gone in our favour from 25.61½ to 25.65½. In Scandinavia Christiania moved up rapidly again through most of the week from 27.21 to 27.70 on the 9th, but yesterday had a slight recovery to 27.62½. It would seem that, although the banking crisis is far less acute, confidence has not yet been completely restored. Stockholm is unchanged at 17.35, but Copenhagen is rather better at 24.67½. Helsingfors at 168 is ½ mark higher. In Central Europe Vienna at 325,000 is still remarkably steady, and shows a slight tendency towards improvement, although it is unlikely that any material alteration in the rate will be permitted. Warsaw at 225,000 is unchanged, and Prague at 155½ is also the same. Bucharest at 960 is rather better, and Sofia also shows a slight tendency to improve. In the East the rupee at 15 1/4d is practically the same as last

week, after being slightly higher; the yen is a little cheaper at 2s 1½d. The silver market has been dull, with not much business, but prices have been brought down somewhat by offerings from China. Hong Kong is ½d cheaper at 2s 4½d, Shanghai ¾d cheaper at 3s 2½d. In South America Rio has fallen from 5 17-32d to 5 7-16d, Buenos Ayres from 42 1/2d to 42 1/4d. Montevideo at 41 1/4d shows a sharp fall from 42 1/4d last week, while Valparaiso has recovered from 36.50 to 35.50 pesos.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended May 5th:—

EXPENDITURE.	Min. £	RECEIPTS.	Min. £
Northern Ireland Exchequer ..	075	From Revenue	14,561
Land Settlement	039	Amount borrowed	3,185
Interest on War Debt, &c.	9,062		
Supply Services	8,400		
Increase in Balances	155		
Other Consolidated Fund	015		
	17,746		17,746

Revenue was £14,561,000, compared with £12,794,000 in the corresponding period of last year. Income-tax and Super-tax brought in £4,776,000, which varies little from the figure last year—namely, £4,650,000. Special receipts were £2,256,000, against £546,000, and accounted for the increase in the week's total revenue. Expenditure at £17,591,000 compares with £15,310,000 in the same period of the previous year. Supply services absorbed £8,400,000, against £6,200,000. Interest on War Debt at £9,062,000 was nearly £30,000 lower. Customs brought in £2,705,000, against £1,337,000 a year ago, and Excise £1,485,000 against £2,576,000. The week's operations increased the National Debt by £3,185,000, and caused the following changes:—

	Min. £		Min. £
National War Bonds repaid ..	125	Public Department Advances	3,702
Treasury Bills	3,881	4% Treasury Bonds	4,280
National Savings Certificates	050	Sundries	909
Unemployment Insurance ..	750		
	4,806		7,991

The floating debt was reduced by £185,000 to £790,195,500.

FINANCIAL YEAR, 1923-24 (April 1 to May 5, 1923).

£	£
Total Expenditure .. 80,580,915	Raised by Revenue .. 91,228,974
Net Capital Repayments 13,934,271	Decrease in Balances 3,286,212
Total	94,515,186

ESTIMATES FOR YEAR 1923-24.

£	£
Ordinary Expenditure 801,013,600	Ordinary Receipts .. 778,500,000
Special Expenditure .. 15,603,000	Special Receipts 40,000,000
Total	816,616,000
	Surplus
	1,884,000

NATIONAL DEBT.

(Million £.)

	Aug. 1914.	Mar. 1918.	Dec. 1918.	Mar. 1920.	Mar. 1921.	Mar. 1922.	Dec. 1922.	Mar. 1923.	May 5, 1923.
Funded Debt	588	318	315	315	315	315	314	314	314
Term Annuities	30	22	20	19	18	16	15	15	15
3% War Stock	..	63	63	63	63	63	63	63	63
4% War Stock	..	16	13	13	13	13	13	13	13
4½% War Stock	..	2,091	2,047	2,040	1,995	1,953	2,071	2,071	2,071
National War Bonds	..	649	1,509	1,476	1,413	1,201	971	971	956
4% Funding Loan	..	..	409	409	405	401	401	400	400
4% Victory Bonds	..	..	360	357	348	335	335	335	335
3% Conversion Loan	..	..	..	..	23	24	24	24	24
5½% Treasury Bonds	..	..	..	..	..	381	166	166	166
5% Treasury Bonds	..	..	..	..	..	40	40	40	40
Do by tender 5%	..	..	..	..	..	8	69	69	69
Do by tender 4%	..	..	..	..	..	84	108	108	108
Do 4% 1931-33	..	..	..	..	..	..	2	2	2
Treasury Bills	15	392	323	319	289	185	150	150	150
Exchequer Bonds	30	138	267	274	285	342	350	354	354
Nat'l. Savings Certs.	..	..	..	..	..	..	..	..	..
War Expend. Certs.	..	23	1,306	1,181	1,132	1,087	1,071	1,070	1,070
Other Debt	..	51	51	51	51	51	51	51	51
American Loan	..	204	243	205	154	147	222	194	205
Temporary Advances	..	..	..	..	..	..	..	..	..
Total	654	5,872	8,033	7,829	7,574	7,655	7,768	7,662	7,648
Other Capital Liabilities	57	49	46	47	49	66	67	67	68
Total Liabilities	711	5,921	8,079	7,876	7,623	7,721	7,835	7,730	7,716

POSITION OF THE FLOATING DEBT.

	May 6, '22.	Mar. 31, '23.	May 5, '23.	May 5, '23.
Temporary Advances Out- standing	16,500,000	193,897,500	205,530,500	3,700,000
Advances by Bank of England by Public Deposits	172,951,500	615,045,000	584,665,000	5,885,000
Treasury Bills outstanding ..	764,334,000	809,912,500	790,195,500	185,000
Total Floating Debt	953,785,500	809,912,500	790,195,500	185,000

THE DIFFICULTIES OF THE ENTENTE.

THE statements made in Parliament by Lord Curzon and Mr Baldwin expressing regret that France and Belgium should have sent a reply to the German Note without making a serious endeavour to secure a joint reply from the Allies as a whole have created great uneasiness in Paris. This is not very surprising. To the French mind, which regards Great Britain as having abandoned France at the crisis of the Reparations problem, it appears that the country which has been left to shoulder the burden of enforcing its rights must be left a free hand to determine the basis of agreement with its debtor. This is, of course, an incomplete and illogical view of the situation. The direct interest which this country has in the problem of Reparations, and the responsibilities which Great Britain assumed in 1919 towards Europe—responsibilities which we have not either specifically or by implication disavowed—make it impossible that the problem can ever be settled without the concurrence of this country. The attempt to draw a distinction in France between the question of the occupation of the Ruhr and the Reparation settlement itself, and to say that the present exchange of Notes is related to the former problem only, is unsound, just as the attitude of Great Britain itself in refraining from either approving or disapproving the Ruhr adventure was and is untenable for any length of time.

However, in spite of the statements in the House this week, we venture to doubt whether there is, as yet, sufficient agreement between the British and French points of view to enable a real and useful reply to be made to which the Allies could have jointly put their signatures; and the possibility of restoring Allied unity which was destroyed by France's separate action in January is not brought nearer by such events as the unusually heavy sentence passed on Herr Krupp.

We have repeatedly insisted that the need of the moment is for a careful declaration by Germany's creditors of the points on which the German Note is unacceptable, and for a much clearer statement by Germany of such case as may exist for any figures she may put forward. It is possible that in the end the German figure may prove to be the maximum payable by her; but the question of amount is still in the region of speculation and estimate, and while it is a subject on which discussion can and should proceed vigorously, Germany has failed to state any reasonable grounds for the figure which she proposes. In the absence of any authoritative argument, the opinion of the world generally, and even in some quarters in France, continues to be influenced unduly by the course of events, so that the total is continually being modified by a very cumbersome and unscientific method of trial and error. On the other hand, Germany's main creditors naturally feel resentment at the too frequent assumption that, because in fact Reparations are not being paid beyond a certain amount,

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Germany therefore cannot pay. There is no prospect of a sufficient change of opinion in France on this subject except by an objective and careful study of the economic facts and possibilities. In this respect we think that Germany has done herself very great harm by suppressing such vital statistical indications of her internal situation as the output of iron and steel. The withholding of such figures naturally provokes the assumption that she is much more prosperous than she wishes the world to believe. If Germany's case for fixing the Reparation total at a sum near the British proposal of January or even at her own latest figure is a good one, and if she really wishes a settlement of the question, it is imperative that authentic information, which can be checked, as to her productivity to-day should be forthcoming.

Germany has certainly bungled. Nevertheless, in our opinion, France has also made bad use of a good opportunity. The whole world, and particularly those countries who, like Great Britain, are co-creditors of Germany, cannot afford to see good chances thrown away. The outside world is not primarily interested to-day in questions of *amour propre*. It is, first and foremost, interested to see an approach to a settlement of the reparations problem, which must be settled some day, but remains a more formidable element of international insecurity every day that it remains unsolved. It is, moreover, at least equally impatient of the blank and unhelpful *non-possumus* on the one hand, as of the inadequate and sketchy offer on the other. Germany opened a little way—clumsily and tactlessly perhaps—the door which the whole world wants to throw open wide. M. Poincaré has taken a grave responsibility in slamming it without waiting even the few hours needed for consultations with his fellow-janitors. Through him France has once again failed to show consideration for the opinions and interests of other nations, even those who helped to save her from German conquest.

The chances of good understanding are by no means improved by events in another portion of these much-disputed Rhineland marches. The administration of the Saar territory for 15 years was vested by the Versailles Treaty in a Commission placed under the authority of the League of Nations. In 1935 a plebiscite of the population will decide its future government. For some long time past there has been uneasiness as to the conduct of affairs by this Commission; but a decree put into operation by the Commission on March 12th has turned uneasiness into anxiety and indignation, which was strongly voiced in the House of Commons on Thursday by Mr Asquith, Lord Robert Cecil, and Sir John Simon. This decree provided repressive penalties for a list of offences, including such terrible crimes as criticism of the Versailles Treaty or of the League of Nations, and gave power to prohibit meetings at which such criticism might be made. Mr Asquith, whose indictment was in general endorsed by Lord Robert Cecil, said: "One might ransack the annals of the history of the Russian treatment of the question of Poland without finding a more monstrous specimen of despotic legislation, or an example more suppressive of the ordinary elementary rights of free citizenship than is here to be found." We do not find Mr Asquith's words too strong, and that such an edict should go forth with the authority of the League of Nations is a thing that cannot be tolerated. Anything more calculated to destroy that authority can hardly be imagined. As co-member of the League we cannot evade responsibility. But it appears that France has succeeded in dominating this Commission, and the blame in the first instance is hers. The one member of the Commission who has played a lone and courageous hand on behalf of proper government appears to be Mr Waugh, the Canadian delegate, to whom full credit should be given. The affair was brought to the notice of the last League Council meeting at Geneva, but no definite action was taken. The British Government are now sounding their co-members with regard to having an official inquiry made into the affair. Consultation is certainly desirable, but the matter is too serious to admit of any unavoidable delay, and, in our opinion, the British Government should insist on the matter being again brought, forthwith, before the League Council, when British disapprobation should be unequivocally and

THE SAVINGS MOVEMENT.

ALWAYS an unpopular virtue, thrift is under an especially thick cloud in these times, owing to the ineradicable delusion that by spending money people give employment, which leads to the pleasant conclusion that self-indulgence is a public duty in times when a million and a quarter of our workers are unemployed. Spending money certainly gives employment, but it does so not a whit more than saving, by means of which money, instead of being devoted to satisfying the needs and whims of individuals, is put at the disposal of industry, and is spent by it on materials and equipment and fixed capital, and so not only gives employment, but sets and keeps going the machinery by which mankind is fed and clad, and given such comforts as his quarrelsome temper gives him time to collect and consume. By means of saving, if the money saved is lent abroad, not only is our export trade helped, but our impoverished neighbours are enabled to buy goods from us that will restore their equipment, bring them back to economic health, and make them the solvent and ready customers that they were before the war.

These things being so, it is highly satisfactory that the efforts of the Savings Committee, whose success during the war was one of the bright spots in our war-time financial record, should have been continued since the war ended, with results that have been even more striking, in view of the natural reaction towards extravagance and self-indulgence, and the period of depression and unemployment. When we also remember how much of the work of the Savings Associations throughout the country is done by voluntary helpers, and how easily their effort might have been expected to wane and slacken when the incentive of "feeding the guns" was no longer present, it is certainly a remarkable evidence of widespread public spiritedness that all over the country people can still be found to continue the very thankless work of organising thrift, and to do so with the astonishing success that was shown by the figures given by Colonel Amery at the meeting at the Mansion House last Wednesday. This was a meeting organised to further the savings movement in the City, and was to have been addressed by the Chancellor of the Exchequer, who, however, was kept tied to the House of Commons owing to the absence of the Prime Minister, and so had to be represented by the First Lord of the Admiralty, who opened the proceedings with appropriate eloquence. He might, however, have been more accurately briefed when about to talk on a subject in which he naturally needed to be coached. Colonel Amery implied that the £7,000 millions of debt which is our legacy from the war represents the value of our wealth destroyed and wasted during the course of the contest, and that whatever was done by way of capital levy or otherwise to evade or avoid the burden of debt, that destruction and waste would still leave a gap in the national economy that no ingenuity could fill in except by means of the thrift and saving which the meeting had been assembled to promote. But this is surely an exaggerated view of our loss and impoverishment owing to the war. The war debt represents a mortgage on our national resources held (for the most part) by certain members of our community who during the course of the war placed more of their incomes and property than did the rest of us at the disposal of the Government to be spent on the war. If the war had not happened, it is surely certain that a large part of the money spent on it would have gone on purely frivolous and luxurious private expenditure—much of it possibly mischievous, and so would have been wasted in at least as true a sense of the word as it was when it was spent on securing our national existence, to say nothing of the "cause of liberty and justice." The true measure of our national impoverishment is, surely, not the figure of our war debt, but the extent to which our productive power has been reduced—and is it certain that our productive power would show any reduction at all if it could find solvent customers for all its output?

Opportunely enough in the week in which the Mansion House meeting was calling attention to the savings move-

ment and all that it has done and has yet to do, the report has been issued of the Committee of Inquiry into Savings Certificates and Local Loans, &c. (Cmd. 1865, 6d net). This was a Committee appointed last November to inquire into the arrangement by which half the proceeds of Savings Certificates were issued from the Exchequer to the Local Loans Fund, and to report whether, having regard to the probable future requirements of the Fund, this arrangement should be altered or continued, and further to report on future relations of the National Savings Committee, the Scottish Savings Committee, and the Post Office and Trustee Savings Banks. Originally the whole of the proceeds from the sale of Savings Certificates was received by the Exchequer, but early in 1920 the Savings Committee submitted to the Treasury certain proposals designed to link up the savings movement with the finance of local authorities, so as to enable these authorities to finance the large after-war expenditure, especially on housing, with which they were faced, and at the same time to maintain the pace of the thrift movement, which was inclined to slacken owing to the withdrawal of the war incentive. Legislation was accordingly obtained in the Finance Act of 1920, embodying a scheme under which half the gross proceeds from sales of certificates after September 30, 1920, was made available for loans for local authorities, being handed over to the National Debt Commissioners for that purpose. There is no doubt that by this arrangement the interest of local authorities in the savings movement has been markedly increased, and Lord Islington, the chairman of the Savings Committee, was emphatic in his evidence to the effect that the savings movement would not have achieved its present position, when once the war stimulus had passed, without this support and active co-operation of the local authorities; and the reporting Committee is convinced that if the savings movement is to prosper in the future as it has in the past it is essential to maintain the goodwill of local authorities and the practical assistance that results from it. At the same time, the effect of the arrangement on the Exchequer has not been fortunate. In the first six months of its currency the gross proceeds of certificates were £20,370,000. Half these proceeds, £10,185,000, had to be issued to the Local Loans Fund, and during the same period £13,450,000 was disbursed in repayments of certificates, excluding interest. Thus in the first six months of the scheme the Exchequer had to issue three and a-quarter millions more than it derived from new sales of certificates, and this position was all the worse because it appears that the Local Loans Fund does not really require the money. The Committee thinks it clearly indefensible that the Treasury should be required to invest half the proceeds of certificates in Local Loan stock if that money is not really necessary for purposes of the Fund. It accordingly suggests that the obligation of the Treasury to issue half the gross proceeds of Savings Certificates to the National Debt Commissioners should be revoked, thus making the whole proceeds of certificates applicable to the repayment of debt; at the same time, in order to maintain the goodwill of the local authorities, it is recommended that the arrangement should be continued under which an authority may apply for a loan from the Local Loans Fund up to the equivalent of half the gross sales of certificates in its area.

The question of the future relations of the Savings Committee, the Scottish Savings Committee, and the Trustee Savings Banks was referred to a sub-committee. The point in its report that is of most public interest was the contention by Sir Thomas Jaffrey, actuary of the Aberdeen Savings Bank, in a précis of evidence furnished to the Committee, that out of the total of 575,000,000 certificates sold up to March 31, 1922, the number purchased by the small investor is only some 50,000,000 or 60,000,000. He maintained that a security offering a return of 5½ per cent., as was the case of the certificate issued at 15s 6d, with immunity from income-tax, required no propaganda to secure its popularity with the income-tax payer, and he accordingly contended that it is at least doubtful whether the results achieved by the savings committees are commensurate with the cost involved. This very disconcerting contention, however, was by no means accepted by the Committee, which was able to show good reason for its belief that at least half

the certificates sold represented subscriptions by those classes of the community for whom this form of saving was primarily designed. The main Committee in concluding its report pays a handsome tribute to the "invaluable service" rendered by the national savings organisation with its thousands of voluntary workers. It states very truly that the power for good which can be exerted by an organisation of this nature is incalculable, and hopes for the beginning of a period of yet greater prosperity in the whole thrift movement. This hope we heartily endorse.

THE OUTLOOK IN TURKEY.

(BY A RECENT VISITOR.)

As fast as prestige has been lost by the British Empire in the East during the last three years it has been gained by Angora. Therefore, what Nationalist Turkey does to-day the neighbouring Muslim nations are likely to do to-morrow, and since for the last century Great Britain has invested (imprudently, perhaps, but irrevocably) in Oriental dominions, the present trend of affairs in Anatolia and Constantinople has an intimate bearing upon our "Imperial destinies."

The most striking general impression resulting from a rapid journey last month, through Constantinople to Angora and Smyrna, is that the Turks are at present more interested in economics than in politics. Two years ago questions of frontiers were absorbing their attention. By now these have been settled substantially in their favour. The only exception is the Vilayet of Mosul, and here political motives are certainly still in the foreground, for the Kurds, and not the oil, are the Turks' objective. They feel that they cannot afford to leave Kurdistan half inside and half outside the boundaries of Turkey, and in order to recover political control over the southern Kurds they are even willing to leave the economic control of the Mosul oil to British enterprise. But this is an exception that proves the rule, for the Turks still rashly hope to assimilate the Kurds to their own body-politic, while they have definitely renounced all ambitions in the Arab provinces or in the Balkans. This may be believed with some confidence, not so much because the Turks give assurances to this effect, as because their interest is visibly becoming concentrated upon questions of internal development. The ascendancy of pure Nationalism over their minds is the explanation of this recent tendency. "Pan-Islamism" and even "Pan-Turanianism" are out of fashion. The Turks are tired of fighting the battles of their co-religionists and kinsmen, and when once they have secured the national frontiers which they have marked out for themselves in their National Pact, they are not anxious for adventures beyond them. Possibly they aspire eventually to be *primi inter pares* among a group of independent Muslim national States, stretching (say) from Tunis to Afghanistan. But Turkey can hardly play this part if she remains a depopulated, poverty-stricken, and illiterate country. Even, therefore, on the grounds of her future international position, Turkey's internal national reconstruction has to be placed first on the order of the day, and—last month, at any rate—the "Chester Concession" was a more popular topic of conversation than the second Conference at Lausanne.

I was in the strangers' gallery of the National Assembly when the "Chester project" was debated. A lengthy discussion was expected, but the scheme had been previously examined by several of the standing Parliamentary Commissions; the criticisms of private members were answered in detail on the Government's behalf by the distinguished railway-engineer Mukhtar Bey; and the Bill went through. How far the leading members of the Government believe in it, it is difficult to say. The concessionaires' offer to Turkey seems almost too good to be true. There is no kilometric guarantee, though some of the projected lines (for example, Trebizond-Erzurum) could hardly repay the cost of construction, and the whole concession and installation is to revert to the Turkish State without compensation to the company after 99 years. The company's *quid pro quo* is

the monopoly of mining rights for the period of the concession in a zone extending 20 kilometres on either side of all their lines. The value of this privilege remains problematical until a systematic survey has been made. On the other hand, the company are said to have deposited only \$50,000 caution money, and if their survey is disappointing they are entitled to withdraw, so that they need not very seriously burn their fingers. It is difficult, indeed, to believe that those streams of American gold, which refuse to descend upon Europe, are going to pour down upon the still more distant and disturbed land of Anatolia. That, however, and nothing less, is evidently the expectation of a majority of the Turkish people. Whether it is their imagination or Mr Chester's eloquence that has run away with them I cannot say, but the American concessionaire has undoubtedly become a Turkish *deus ex machina*. He is to send down from heaven a new Angora, as comfortable as Washington, for the unfortunate deputies and officials who have squatted in the old Angora for the last three years; he is to restore the ruined towns and villages of the war-zone with a wave of his magic wand; he is to give the new generation technical instruction; and, meanwhile, he is to keep his accounts in Turkish and employ an almost exclusively Turkish personnel. The "Projet Chester" corresponds so aptly to the national needs and desires of the moment that the Government were bound to take it up in the Assembly, and to stand by it at Lausanne. The Turkish people—exhausted by war, massacre, eviction, and devastation, and at the same time freshly fired by the idea of economic progress—is sucking this grandiose scheme like a piece of sugar. One may laugh at their naiveté, but when one sees the state of the country one realises the pathetic side of it. No doubt every nation has to purchase its experience dearly at the beginning of its economic career.

The effect of the "Chester Concession" upon Franco-Turkish relations has been destructive, for whatever may be the legal status of the previous French railway concession, each party genuinely believes that it is being treated outrageously by the other. The Turks have concluded that the French are Shylocks, and the French that the Turks are incurable fools or knaves in economic affairs. "What can you expect of such people?" a French friend of mine at Constantinople shouted to me; and he flourished in my face a copy of the economic National Pact, the offspring of the recent Turkish economic congress at Smyrna. After glancing through the document, I suggested to him that the Turks had been studying his compatriot, Dr. Coué. The style of this Pact was somewhat as follows:—"The Turk is not lazy but industrious; the Turk is just as much interested in economics as in politics or war; the Turk is just as capable of being a good engineer as the Greek, Armenian, or European," and so on through a whole series of articles. Our Western devotees of auto-suggestion could no further go, but the Turk has shown practical faith in his spell-binding. Having decided that he must learn to swim in the mighty river of the Western economic system, and that he can do it if he tries, he has not lingered, repeating incantations, on the bank, but has thrown himself boldly into the water. He has turned out the Greek and Armenian minorities wholesale; he is frightening away Western enterprise by abolishing the Capitulations; and he is thus leaving himself no alternative but to do for himself what others did for him before.

Will he "make good"? Some light is thrown upon that question by what is happening on the railways. The traffic managers of the French and the British railways, which run into the interior from Smyrna, both told me that they had changed 90 per cent. of their staff simultaneously, and the Anatolian-Baghdad line has changed its executive as well—a revolution which must be unique in the history of railway management. The permanent way, moreover, has been systematically wrecked in the course of the recent military operations, and much rolling stock and many locomotives have been destroyed. The greater part of the system is still isolated by broken bridges from the coast, so that it is difficult to transport new material or even coal (the Anatolian railway is depending entirely upon wood fuel). Yet, with a good deal of creaking and groaning, the traffic crawls along. On the British railway instruction courses have been organised for the new

Turkish staff. In so far as technically trained Turks have been forthcoming already, they have mostly been provided by the Army (which, in Turkey for the last century, has been the principal channel of Westernisation). The English and French railway experts praised the efficiency with which the Turkish military engineers had built a temporary bridge over the Maeander, and had run a decauville round the gap where two big bridges are down between Ushag and Alasbehr. Judging by the railways, I should prophesy (if a hasty and amateur judgment has any value) that the Turk will not go under, but that, after much splashing and spluttering, he will emerge from his self-imposed ordeal as a fairly competent swimmer. But there is one thing that may hang round his neck like a millstone, and that is Constantinople.

If Anatolia were starting unencumbered, like Greece in 1831 or Bulgaria in 1878, she could afford to learn her economic lesson by half a century of trial and error, for a primitive agricultural country has always a margin of vitality to spare. Not so, however, a complex urban centre like Constantinople; and the economic life of Constantinople is being profoundly dislocated by the Anatolian Revolution. Formerly, this city of a million souls lived on the income of two classes—the Turkish officials in the Government offices in Stamboul and the foreign business community in Pera. The offices have now been closed and the officials retired without salary, owing to the abolition of the Sublime Porte and the transference of the Sultan's sovereignty to the Assembly at Angora; and, across the Golden Horn, the business interests, after being hard hit by twelve years of war and by the closing of the Russian, Balkan, and Anatolian hinterlands, are being thrown into a panic by the threatened abolition of the Capitulations. Anatolia is jealous of Constantinople, and there seems no place for the imperial capital in the new national state. Possibly, in the long run, Constantinople will reassert her ascendancy—especially if Mr Chester's town-planning schemes at Angora prove abortive. Meanwhile, she is likely to be driven along the same downward path as Vienna and Petrograd, and that is bound to react upon the entire economic life of the Turkish state, for the Constantinople area contains at least one-seventh of the total population. "We are in just the same position as the foreigners," a Constantinople Turk remarked to me a few days ago; and though this feeling will not perceptibly affect the present elections, it will certainly find political expression within the next two years. Economically, as well as politically, Constantinople will prove to be the Achilles' heel of Nationalist Turkey.

MILK SUPPLY AND PRICES.

Milk is almost as essential to human existence as bread. It is the first food of the infant, and often the last food of the aged, and throughout life, in one form or another, it is an indispensable part of the people's diet. It is humiliating to think that its supply depends on a conspiracy of petty larceny against the cow, or, more precisely, the calf. We can only plead that the production of milk in excess of the requirements of calves is the result of the enterprise of man, who has cultivated the milk-producing propensities of the cow, and regards the calf as an unfortunate but unavoidable incident. At the present time the Ministry of Agriculture calculates that, after providing for the calves, British cows produced last year 1,320 million gallons of milk, of which about one-half was consumed as milk, the rest being made into butter, cheese, and condensed milk. The consumption of liquid milk, on this calculation, amounted to an average of about one-third of a pint per day per head of the population. From the point of view of the cow the quantity is large; from that of the public it is lamentably small.

It is commonly alleged that the consumption of milk in this country compares unfavourably with that of other countries. There is practically no statistical evidence on which such a statement can be based, though there is good reason to believe that the *per capita* consumption is higher

in the United States—or, any rate, in a large part of that great country. It is, at any rate, evident—except to a few medical men—that an increased consumption of milk, especially by children, would be advantageous. Two reasons are sometimes given for the present low consumption. One is inappreciation of the food value of milk, and the other is fear of its dangers as a vehicle of disease. It is doubtful if either of these causes has much real influence. The value of milk in sickness and in health is well known to the public, and the belief in it is based on the practical experience of generations. The occasional diatribes of dietetic theorists reach only a very limited section of the community, and convince only those who are naturally sympathetic to eccentric opinions—a class, happily, which does not include many mothers. The laborious and persistent efforts of hygienic enthusiasts to demonstrate that there is "death in the cup" of milk have had, perhaps, a greater measure of success. Many timid persons, no doubt, refrain from drinking raw milk because of their conviction that it invariably contains the germs of tuberculosis, and frequently those of diphtheria. To be consistent they should refrain, on similar grounds, from breathing, or should at any rate habitually wear a protective mask or respirator. But after all, the mass of the people are not particularly credulous or timid, or, as hygienists would, no doubt, put it, not sufficiently careful. The main reason why more milk is not consumed is much more simple. The price is too high, and the distribution is elaborately ineffective.

A Report (Cmd. 1,854) recently published, on the price and distribution of milk furnishes for the first time, definite information on this subject. The public have long been curious to know the facts, and in this document they are set forth clearly and concisely. Incidentally the interim report of the Departmental Committee on the Distribution and Prices of Agricultural Produce provides a good example of perverse economy. An inquiry of wide public interest is undertaken, and a number of busy people gratuitously spent time and trouble upon it, and collect a large amount of important information. If this is worth while, as it is, the least the State can do is to ensure that the results are made readily accessible to the public. Under the present system, which still squanders tens of thousands on things which "never would be missed," the few hundreds necessary to give publicity to the information laboriously collected cannot be provided, and the public who wish to know the true results have to buy the Report at a price which is, relatively, exorbitant. The whole question of the accessibility to the public of information which is now compiled at great expense, and then to a large degree, for all practical purposes, suppressed, needs reconsideration. Such a report as this, on a subject of intimate interest to every householder, ought to be available freely (or at a merely nominal price) to every citizen who desires to read it. When that complete overhaul of the machinery of Government takes place, which is so long overdue, this is a subject which needs attention. To arouse an intelligent interest in the government and administration of the country is one of the imperative, as it is one of the most difficult, duties of a democratic State. Our present system presents every possible obstacle to those who wish to be informed.

The facts as to the price of milk during the past ten years are given in considerable detail in the Report. Briefly, they may be summarised thus:—

	Producers per Gallon.	Distributors per Gallon.	Total per Gallon.
January, 1913	0 10	0 6	1 4
December, 1918 (maximum) ..	3 4	0 8	4 0
December, 1922	1 8	1 0	2 8

These are London prices, but particulars are given for a number of other towns which are in substantial agreement. It will be noticed that these are all winter prices, and they show that compared with the pre-war level the public was paying twice as much, and also that producers and distributors alike were receiving 100 per cent. more. The Committee report that the "new and governing factor" in regard to producers' prices in England and Wales is the agreement made in September, 1922, between the National Farmers' Union and the National Federation of Dairymen's Associations. In terms this applies only to

London, but, in effect, its influence is widespread. Shortly, it gives the farmers a winter price—October to March—of 1s 8d, and a summer price—April to September—of 1s per gallon. In all cases the price includes delivery at a London station, the railway rates ranging from 0.78d per gallon up to 20 miles, to 2.34d above 150 miles. In Birmingham and some other places the winter price to the farmer, under similar conditions, was fixed at 1s 6d per gallon. The agreements include certain stipulations as to the terms on which "surplus" milk—the bugbear of the milk-selling farmer—may be disposed of. The Committee make no attempt to examine the adequacy of the price received by farmers—a very complex and thorny subject. They assume, no doubt reasonably, that the agreements would not have been made at a price which was unremunerative. In any case, a price agreed in September last is not likely to be less remunerative now. The Committee discuss pretty fully the cost and conditions of distribution. In London, as noted above, the distributive cost is 1s per gallon, of which 4d goes to the wholesaler and 8d to the retailer. They express the definite opinion that the former sum is excessive, but with regard to the retailer's margin they do not consider it more than is necessary to provide a living "for the small retailer who relies entirely on the sale of milk for his livelihood." They condemn unreservedly the system of door-to-door delivery of small quantities, and the wasteful overlapping of distributive agencies as we know it, but they conclude that, in existing circumstances, "no acceptable alternative has been devised."

The net result of what is, on the whole, a very painstaking and conscientious investigation, is that no hope of any reduction in the present price of milk is offered. The Committee refer to the limitations of our coinage system, which they suggest preclude reductions in retail prices by "smaller amounts than one penny per quart." Our coinage system, no doubt, has defects, but this assumption is hardly justified. After all, the halfpenny and farthing exist, and in the drapery business, for example, they are very much utilised. Is there any logical reason for excluding them from the milk business? Only a very small proportion of milk is sold over the counter, even in the poorer districts. Indeed, the door-to-door delivery is not a cash system, and consequently the coinage difficulty exists only to a limited extent. It does not prevent the use of farthings in the price of bread, and there is no reason why it should do so in the case of milk.

RUBBER AND INTERNATIONAL POLITICS.

(BY AN AMERICAN CORRESPONDENT.)

As rubber played its part in international politics during the war, so now again it is beginning to make its appearance in that fruitful field of difficulties and disputes. Readers of the *Economist* need not be told of the controversy between British, Dutch, and American interests over the oil industry, and the disturbing manner in which trade rivalries are permitted to involve their Governments in political discussions, apt to develop into acrimonious disputes. A similar state of affairs, arising from entirely different circumstances, is taking place in the case of rubber.

For present purposes the case of rubber can perhaps be best considered in comparison with oil. The oil industry is controlled by a comparatively few very powerful companies, who direct and superintend the whole operation from production and refining to the marketing and distribution of their products to the consuming public. These companies are therefore in a position to protect themselves and their markets, and they do not indulge in that expensive uneconomic luxury of "cut-throat" competition. Rubber, on the other hand, comes from many thousands of individual producing units of greatly varying size, situation, importance, and conditions, and under the most diverse control. As a raw material it is only sold to manufacturers, and has to pass through many technical processes before distribution to the public. The larger

producing estates are mainly controlled by British, Dutch, Belgian, and French companies, and, in addition, there are Japanese and Chinese estates in Malaya, besides a great many small gardens of a few acres only in native holdings. Between no appreciable section of the producers, nationally or otherwise, is there any practical co-operation on the most important problem on which their prosperity depends, the marketing or value of their product; there is no leadership worthy of the name, and vested interests and jealousies are so apparent that there seems little reason to expect any possible combination for any constructive purpose. They are content merely to produce, and leave to others, of whom they know little or nothing, the question of finding a market for their crops. When faced with such a crisis as has been experienced during the last two or three years, British producers could find the only possible remedy in an appeal for Government assistance, and even in that there was nothing like unanimity.

These remarks are certainly not intended as criticisms on a body of men who have done so much in the development of a great new industry; they are believed to be a correct representation of the facts, and are admitted by many. The periodical difficulties under which rubber has suffered have been almost exclusively due to the want of cohesion amongst producers, and there is no reason to suppose that matters will be different in the future. Now, for good or evil, the British producers have succeeded in securing Government assistance in enacting the Stevenson Restriction Plan. The arguments for and against that plan have been fully discussed elsewhere, and need not be dealt with here; but obviously it is a direct Government interference in an international trade, and for the express purpose of raising the price of a commodity largely owned or controlled by British interests, and consumed to a predominating extent in America.

Now, while many of the American rubber manufacturers have shown a remarkably sympathetic consideration to the troubles of the producers, and are not unwilling to give the restriction plan a fair trial, largely in the hope that it may be the means of influencing less instability in price fluctuations in the future, strong opposition is developing from others. They argue that the Restriction Enactment is an arbitrary Government interference between seller and buyer to overcome the operation of the law of supply and demand; they draw a broad distinction between protection by tariff for national revenue and support of domestic industry on the one hand and the enactment, which obviously was not intended for national revenue, but merely to raise the price of something like a British monopoly, and mainly at America's expense, on the other. But, above everything else, the American consumer fears the power that the enactment inevitably places in the hands of speculators. This is no idle fear, as bitter experiences in the past amply prove.

Naturally, there are many cross currents in all the various discussions which take place on the subject. Interests only indirectly concerned in rubber—e.g., the motor manufacturers—have taken alarm, politicians "mix in," and the American Administration is induced to appropriate \$500,000 for what is in effect an attempt at reprisals. The Press takes up the tale, and once again the main-in-the-street is regaled with accounts of the insidious and unscrupulous methods of the British Government in bolstering up their commercial advantages at the expense of others, particularly America. It is curious to note that the same consequences, politically speaking, have arisen from the operations of the highly centralised and powerful oil interests as from those of the unorganised weakness of rubber producers.

It has been said above that the American rubber manufacturers, as a body, were encouraged to regard restriction in a sympathetic spirit in the hope that it might promote stability. In spite of a certain class of politicians and Press here, there is an undoubted willingness on the part of business men in general to rely on the British word and sense of fair-play. The manufacturers, as a whole, were quite willing to accept assurances from the producers that a sufficient supply would be available as required; and if the estates required 1s 6d per lb to justify normal increase of production and planting, they were raising no serious objection. Therefore, since restriction was legalised they have been buying their normal requirements

steadily and paying current prices without complaining. Having done so, however, they are suddenly faced with the realisation that no restriction of output is apparently in force. For, notwithstanding the reduction in the London stocks, the volume of shipments from British Eastern Colonies since the restriction period is shown to be upwards of 40,000 tons in excess of the 60 per cent. of the official standard production on which they have been relying. Rubber's best friends here are bewildered, and asking themselves where they stand. Once again it appears that the speculators have scored—firstly, in raising prices on the foundation of restriction; and then, when it appears to be non-existent, breaking the market and making the manufacturer's cost prices look foolish. Instead of stability either side of 40c a lb, a weak market at little more than 30c. Naturally, he is disgruntled, and his manufacturing policy thrown into confusion just at the time when his consumption and sales to the public are proceeding at record limits. It is profoundly to be hoped that before this article appears the Colonial Office will have published a straightforward explanation of the large discrepancy between their official limitation of exports and the actual shipments. Otherwise, to the ranks of those who are always prepared to see sinister motives in British politics may be added a body of men who have proved remarkably reasonable and sympathetic to the producers' difficulties.

OIL.—II.—THE WORLD'S RESOURCES.

To recapitulate, the index numbers which we gave last week indicated that the production of oil since 1913 has been increasing at the rate of 15.7 per cent. per annum, and the consumption of oil at the rate of 12.3 per cent. per annum—taking the United States as an index of the world situation. For the purpose of considering the availability of supply to meet demand in the future, we will assume that these rates of increase in production and consumption will continue without abnormal disturbance.

Prognostications of the approaching exhaustion of the world's oil will generally be found to be based upon erroneous or misleading calculations. For example, future production has been estimated in the United States largely from the basis of the decline curves shown by existing fields. That is particularly misleading when applied to the world situation. One does not doubt that an oilfield is a wasting asset, that sooner or later the production of a well or group of wells will decline if unsupported by the bringing in of new wells, and that sooner or later even the production of new wells will fail to make up for the decrease of the old. The production of a typical group of actual wells in Oklahoma, taking over a period of ten years from 1913, showed a rate of decline of approximately 40 per cent. per annum. From the mass of production data that has been collected and analysed in the United States, it has been shown that oil decline curves are notably symmetrical, and it has been argued that these curves "can be extended (graphically) beyond the actual period of production by continuing the curves in accordance with their symmetry, and that such projections, if skillfully made, provide fairly trustworthy estimates of the future production of the well.*" All this may be true of the individual well. And it is also true that the production of the world is merely the composite of a great number of individual pools, each yielding decline curves after the drilling programme has been completed, and that logically the world's production will some day display the same declining tendency that inevitably affects the individual well, the property, the pool, and the field. But the world's future production cannot be predicated on the basis of a 40 per cent. per annum decline curve. These "declines" are the results of present methods of drilling, which are not extracting all the oil in the underground oil-bearing strata that are tapped by the drill. American geologists confess that as much oil is left in the ground in the United States and Mexico

* "Manual for the Oil and Gas Industry under the Revenue Act, 1918." By Arnold, Darnell, and Others. 1920. (New York.)

as is taken out. This is on account of the wasteful methods of competitive drilling we have described, when a number of small companies are all tapping a common pool without any common policy or scientific plan for the draining of that pool. The value of a unified scientific control of oil extraction has been demonstrated beyond question in Mexico, where, after a pool has been flooded by salt water, following upon competitive drilling, and a single company later acquires control of all the formerly producing wells, a "stripping" production has been obtained and maintained. A change in drilling methods, or control, may therefore prove that the decline which had apparently overtaken certain fields was not real, but premature; that oil fields had not in reality entered upon the period when the production of new wells fails to make up for the decrease of the old. Indeed, the likelihood of areas in these older fields "coming back" has already been shown, in fact, in parts of Pennsylvania and Texas.

How dangerous it is to estimate future supply on the basis of past production and "decline," may be illustrated from what has been described as "the oil man's Bible,"[†] which, published in 1921, gave elaborate production and decline statistics, and drew this conclusion: "These figures indicate that production in the United States is fast approaching its limit, and there is much evidence to suggest that 1921 will register the maximum rate of output this country will enjoy." Happily the author lived to read the record production figures for 1922, and witness therein his own discomfiture. Yet he was no alarmist, but the most careful student of economics, albeit a consulting engineer. "This deduction," he added, "is based upon a study of production curves, that is to say, is the result of mathematical analysis, and is not predicated upon estimates of the size of unmined supply." If mathematical analysis can do no better, what shall we say of the geologist guesswork that is quoted widely for propaganda purposes?

At this point it seems advisable to give the details of the world's production of oil in the last three years, during which we were told to expect the beginning of the decline in the United States :—

WORLD'S CRUDE OIL PRODUCTION by COUNTRIES.

In Barrels of 42 U.S. Gallons (6.6 Barrels to the Ton).

	1920.	1921.	1922.
United States.....	443,402,000	472,183 000	551,197,000
Mexico.....	163,540 000	193,397,587	185,057,000
Russia.....	25,429,600	29,150,000	35,091,000
Persia.....	12,352,665	16,672,540	21,154,000
Dutch East Indies.....	17,529,210	16,958,105	16,000,000
Rumania.....	7,435,344	8,368,000	9,817,000
India.....	7,500,000	8,000,000	7,980,000
Poland (Galicia).....	5,606,116	5,167,000	5,110,000
Peru.....	2,816,649	3,699,280	5,332,000
Japan and Formosa.....	2,139,777	2,447,000	2,004,000
Trinidad.....	1,083,027	2,354,000	2,445,000
Argentina.....	1,665,989	1,747,410	2,674,000
Venezuela.....	456,996	1,443,000	2,335,000
British Borneo.....	1,015,949	1,411,000	2,915,000
Egypt.....	1,043,000	1,255,000	1,188,000
France.....	388,700	392,000	494,000
Germany.....	212,046	200,000	200,000
Canada.....	196,397	190,338	179,000
Italy.....	34,180	34,400	31,000
Algeria.....	3,916	2,688	9,000
England.....	2,909	2,652	..

Total (incl. "others")	693,195,928	.. 765,064,600	.. 851,540,000
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All the important producing countries will normally increase their output this year, with the possible exception of Mexico, whose "Southern Fields" continue to decline with no new production yet developed to replace them, and of the Dutch East Indies, where the Royal Dutch-Shell group are restricting operations as a result of the Dutch Government's export taxes. The output of Persia, now become fourth in the production list, is only limited by the capacity of the Anglo-Persian Oil Company's pipe-line and refineries, which latter are to be increased up to 4,500,000 tons (29,700,000 barrels) by the end of the year. Popular opinion would have Venezuela ready to take the place of Mexico. Certainly Venezuelan fields, which can already boast of two gushers after the style of the prolific Mexican wells, are capable of enormous development, and are only waiting upon the provision of

† J. E. Pogue: "Economics of Petroleum."

transportation facilities. That will take anything from one to two years.

Estimates of the unmined supply of oil cannot be more than guesswork. Oil mining is not like the mining of solid minerals, which, by the sinking of so many shafts can be blocked out and measured up fairly accurately. Oil geologists have certainly arrived at more precise methods of guessing, but no two of them will agree. Five estimates of the unmined supply of oil in the United States have been made at intervals from 1908 to 1918, which show each time a tendency to increase the apparent size of the resource. In 1922 a Joint Committee of the United States Geological Survey and the American Association of Petroleum Geologists declared that American supplies would only last 20 years. Typical of this school of thought are the following estimates, compiled in 1920 by Mr Stebinger, of the U.S. Geological Survey, of the world's unmined supplies of oil:—

ESTIMATED UNMINED SUPPLY of OIL in WORLD.

Region.	Relative Magnitude.	Quantity in
		Millns. of Barrels.
United States	100	7,000
Canada	14	995
Mexico	65	4,525
N. South America, including Peru	82	5,730
S. " " " " Bolivia	51	3,550
Algeria and Egypt	13	925
Persia and Mesopotamia	83	5,820
S.E. Russia, S.W. Siberia, and the region of the Caucasus	83	5,830
Rumania, Galicia, and Western Europe	16	1,135
Northern Russia and Saghalien	13	925
Japan and Formosa	18	1,235
China	20	1,375
India	14	995
East Indies	43	3,015
Total	..	43,055

Mr David White, chief geologist of the U.S. Geological Survey, puts the total reserve at 60 billion barrels, as against Mr Stebinger's 43 billions. But one is as good or as bad as another. Oil reserves cannot safely be estimated. There is this important and paradoxical feature to remember in connection with oil—that new discoveries and developments have tended to increase rather than decrease the possibilities of its occurrence. With other minerals it is the reverse. Dr Veatch, the chief geologist of the Sinclair Consolidated Oil Corporation, stated before the American Petroleum Institute last year: "It is now known that petroleum deposits may occur in sedimentary beds of any age from the oldest to the youngest—and in any structural position. As the greater part of the earth's surface is composed of sedimentary rocks, so the problem of accurately estimating the oil reserves of the United States and the world becomes a very broad one.The conclusion may be stated proportionately: as the ultimate production of the United States is to the total area of sedimentary rocks of the country, so the total oil production of the world will be to the whole area of sedimentary rocks of the world." Because the ultimate supply of oil has a limit, it does not imply that the rate of production is limited. Indeed, the rate of production can go on increasing each year until the final decline comes. The indications are that for an indefinite time the supply of oil will be governed by the rate of drilling new wells, and, as one writer puts it, by "the intelligence shown in their location."

THE FOREIGN TRADE OF SOVIET RUSSIA.

(FROM A CORRESPONDENT.)

THE Russian trade returns for 1922 and for January last enable us to estimate the extent of the revival of business in that country. The following table gives the figures of foreign trade (excluding charity deliveries in connection with famine relief) in millions of roubles at pre-war prices:—

	1921.				1922.			
	First Quarter	Second Quarter	Third Quarter	Last Quarter	First Quarter	Second Quarter	Third Quarter	Last Quarter
Imports	38.4	71.1	49.6	51.5	39.7	114.5	70.7	50.3
Exports	1.5	1.6	6.9	10.1	7.0	16.0	27.9	28.3
Percentage of exports to imports	3.9%	2.2%	13.9%	19.6%	17.6%	14.0%	39.5%	56.3%

The total imports in 1921 were 210.6 million pre-war roubles, whereas last year the figure had risen to 273.8 millions. The rise in exports was considerably greater, the total passing from 20.1 millions in 1921 to 81.6 millions in 1922. The proportion of exports to imports, which was as low as 9.5 per cent. in 1921, rose to 29.8 per cent. last year, while the figures for January of this year show an even greater proportion of exports, though on a greatly diminished total volume. A comparison of the returns for January, 1923, and the same month last year gives the following result in millions of roubles at pre-war prices:—

Month.	Imports.	Exports.	Percentage of Exports to Imports.
January, 1922.....	11.0	2.5	22.5
January, 1923.....	6.9	4.5	65.2

Examining, in the first place, the import figures, we see that having reached their maximum in the second quarter of 1922 (in May), imports have since then been definitely decreasing, so that the figure for the last quarter of 1922 is below that of 1921. This decrease continued also in January, 1923, when imports sank to their lowest level.

It is clear that in the first half of 1922 the increase of imports was merely temporary, and arose in connection with the famine, as it was necessary to make considerable purchases abroad. No conclusion as to the growing capacity of the Russian market for foreign goods can, therefore, be deduced from this increase, and this conclusion is confirmed by the figures illustrating the nature of imports in the first and second half of 1922 (*Economicheskaja Thizn*, 1923, N. 39):—

	First Half.	Second Half.
	Miln. Roubles.	Miln. Roubles.
Foodstuffs	59.6	33.6
Textiles.....	8.2	6.0
Metal goods.....	40.3	45.1

Nearly the whole difference between the two halves of 1922 (31 million roubles) is thus accounted for by the difference in the value of imported foodstuffs (26 million roubles). Indeed, if we disregard the temporary increase in connection with the famine, Russian imports have remained more or less stationary since the beginning of 1921, though in the last quarter of 1922 and in January, 1923, they even show a tendency to fall below the level of 1921.

The export figures, however, give a different result. After a certain fall in the first quarter of 1922, they begin gradually to increase, and even reach a considerable figure, though a new reduction is recorded towards the end of 1922, which is continued in January. Nevertheless, the figure for the last quarter of the year exceeds all the preceding figures, and is nearly three times more than the corresponding figure for 1921. The net result of these movements is to make the Soviet trade balance considerably less unfavourable.

But this change does not mean, as might at first sight appear, that the economic life of Soviet Russia has become more sane, nor does it imply any serious development of the productive forces of the country. It is important to note that Soviet Russia is exporting not the surplus of her production, but the goods of which she is in dire want herself. She is forcing her exports at the expense of her own consumption. The chief articles exported in 1922 were timber (to the value of 30 million gold roubles at present prices), flax (20-25 million gold roubles), and oil (18-20 million gold roubles), the balance consisting mainly of a certain amount of manganese ore, furs, leather, coal, iron ore, asbestos, and salt. Timber, of course, is not so scarce in Russia, though the area fit for exploitation has contracted very much of recent years. As to the oil, the situation is very serious, for, owing to the almost complete exhaustion of the old stocks (only 20-30 million poods remained at the end of 1922) and a wholly inadequate production, Russia is confronted in 1922-23 with an oil deficit. Flax is in no better position. The Russian flax market, according to official Soviet sources*, could furnish in 1922-23 about 1½ million poods of flax of middle and better quality, and about 2-2½ million poods of lower quality, these figures including outstanding stocks. The whole of this quantity of middle and

better varieties is, as a matter of fact, required by Russian industry. The lower qualities remain for export, but as they are not wanted abroad, the better sorts are actually exported, in spite of the acute crisis of raw materials through which Russian industry is now passing. The same is true in the case of iron ore, leather, &c. This forcing of the export of raw materials, of which the country is itself in great need, is explained by the fact that the Soviet Government is itself in still greater need of money, as the gold reserve, out of which imports were formerly paid, is apparently drawing to an end.

The reduction in exports towards the end of 1922 is due, according to the Soviet view, to a temporary check in the realisation of Russian goods on foreign markets owing to the low quality of some of the last batches of goods, as well as to defects in assortment and packing. This in turn has led to a diminution of imports, as purchases depend now, more than ever, upon the successful realisation of exports.

The policy of encouraging exports at all costs has found expression in large exporting schemes. Legislative measures were passed favouring export activities, among them being the decree of January 11th last sanctioning the repayment of Excise duties paid on exported goods and granting a rebate of Custom duties on imported materials used for the production of export goods. It appears, however, that this policy meets with a certain amount of opposition in Soviet circles, especially on the part of the Supreme Council for National Economy which directs the nationalised industries, as this organisation is interested in retaining in the country the raw materials it itself requires. Thus we know that, in opposition to the large "exporting plan" drawn up by the Commissariat for Foreign Trade, the Supreme Council has drawn up its own scheme on a much smaller scale. It advocates the principle of "limitation"—i.e., of establishing definite limits beyond which the export of goods that are needed by home industry will not be allowed. With regard to some categories of goods limitation of this kind has already been officially recognised. Thus the State Planning Commission has established an export limit for timber (12 million cubic feet) and for hemp (1 mill. poods), though these limits appear to be very high.

The following table gives some idea of the direction of Russian foreign trade in 1922:—

	Imports.	Exports.
1922.	%	%
Germany	33.1	17.9
Great Britain	18.1	30.3
Latvia, Estonia, Finland	13.9	14.0

Great Britain appears as Russia's best customer, while Germany heads the imports. The small volume of total trade with the new Baltic States is undoubtedly to be ascribed in large measure to the efforts that are being made by the Soviet Government to develop the port of Petrograd at the expense of the entrepôt trade of the small succession States.

Notes of the Week.

The Ultimatum to Russia.—The ultimatum which has just been dispatched to the Russian Government has produced a crisis which may prove to be one of the most important of the remarkable series into which we have plunged since the Government came into power on its policy of tranquillity. The Note states that the Trade Agreement between Great Britain and Russia of March, 1921, will be terminated at the end of 10 days unless satisfaction is given in respect of three claims:—(1) Apology for and the repudiation and suppression of anti-British propaganda, particularly in Persia, Afghanistan, and India, carried on in violation of the provisions of the Agreement; (2) the admission of liability by Russia and an undertaking to pay compensation in respect of outrages on certain British subjects, and the treatment of British trawlers; (3) the withdrawal of two communications of M. Weinstein in reply to the appeal of Mr Hodgson against

the execution of Mgr Bukevich. The Memorandum setting out the grievances under these three heads presents a very strong case, and some of the points made undoubtedly demand the most vigorous protest against the truculent attitude of the Russian Government. At the same time, the British memorandum is itself not a model of moderation; it represents an abrupt change of tone, and is in some respects extremely controversial. The evidence of Russian propaganda is convincing. But the publication of documents obtained through secret service channels is not without danger, and the cases of propaganda quoted are, after all, comparatively insignificant. This is an old subject of controversy which has been discussed both by correspondence and in conferences at Genoa and elsewhere, and a case for making it a vital issue now rests upon the assertion that there has been a renewed outbreak of such propaganda. It is left to be assumed that the Foreign Office regards the cases quoted as specimens rather than an inventory. The treatment of British subjects and of British trawlers also calls for protest, but it is worth recording that the action of the Soviet Government in restricting fishing within a twelve mile limit is in accordance with the traditional policy of the Czarist Government, which, in spite of protests from the Powers, prohibited fishing within twelve miles of the shores of the White Sea. The Curzon Note is not justified in its assumption that there is international agreement on the principle of the three-mile limit. Finally, the Notes which were recently addressed to us in connection with the religious persecutions, in which the Russian representative deliberately misreads the British appeal as an attempt to interfere with the undeniable right of a Sovereign State to pass sentence according to its own legislation, considers such an attempt "to protect spies and traitors in Russia" as "an unfriendly act," and proceeds to make sweeping assertions as to the assassination in cold blood of political prisoners in Ireland, and of barbarous and inhuman treatment at the will of Great Britain, merits the description by our Foreign Office as being irrelevant and insulting. The case against the Russian Government is undoubtedly a strong one. But we doubt whether it was wise to couch the protest in terms so challenging and undiplomatic in their condemnation as to make it impossible for the Russian Government to comply promptly with the terms demanded. The Foreign Office has evidently made up its mind to bring the Trade Agreement to an end, in spite of the obvious fact that in the last two years there has been a steady evolution in the internal organisation of Russia and a marked progress which we have from time to time recorded towards a state of affairs in which it was increasingly possible to make contacts with the new Russia. We have an uneasy feeling that Lord Curzon may have fallen into the old error of supposing that we can hasten this evolution and affect the internal politics of Russia in our favour by hectoring rather than by patience. According to Russian opinion the denunciation of the Trade Agreement, not by giving the six months' notice, but on the ground that its clauses have been violated, will revive a state of war; an assumption supported by the determination of Great Britain to send a British gunboat to protect British trawlers in the region affected. The decision will mean the withdrawal of the British Trade Delegation in London, and trade with Russia will be carried on, if at all, under conditions of much greater uncertainty than before. The Agreement will put Russian assets in London presumably outside the protection of the Courts here, and will make impossible any concessions to British subjects in Russia. It is anticipated that the lead by Great Britain may be followed by certain European countries, notably by Scandinavia, but there is no reason to suppose that Germany will make any alteration in her attitude towards Russia. Indeed, it looks as though the effect of the episode will be to hand over Russian trade in a greater degree than ever to Germany.

Revaluation of Property.—The revaluation of house property for income-tax purposes is being made an occasion by several newspapers to attempt to throw dust into the eyes of the general public, but whether through ignorance or not it is difficult to say. The sudden outcry against the time limit of 21 days laid down in Schedule A, the now notorious Blue Form, is rather strange in view of the

fact that the Inland Revenue Authorities are proceeding on a long-standing practice as laid down by Parliament. Obviously, the purpose of the notice is to secure from property owners a further contribution to the Exchequer in the form of income-tax, and it is only natural that post-war values should be reflected in the fresh valuation. It is obvious, also, that a revaluation of this immense size must be undertaken on a broad principle. The normal basis of assessment is the annual value of the property. Where an owner occupies, the value of the house is considered to be that which might be obtained if let on a yearly tenancy. What constitutes annual value, no doubt, may provide interesting material for academic discussion, but the main objective of and necessity for the revaluation must not be overlooked while this is taking place. It is quite true that the greater part of the increases of rent upon a considerable amount of property were permitted on account of the heavy costs of repairs, and these increases were granted, it must be remembered, subject to such repairs being undertaken. So far as this is the case, the increase in assessment should be less than the increase in rent. But there remains a real increase in net rent, and it is certain that many people have profited by the long suspension of the regular revision of the assessment. In the present attempt to place matters in better order, it may be that on account of a staff which have not the necessary experience a large number of blunders may possibly result. Once, however, these errors have been adjusted, another attempt to distribute more evenly the burden of taxation will have been successfully achieved.

Overseas Trade in April.—The monthly trade returns, published yesterday, show a recovery in British exports in April compared with the previous month, and a falling off in imports. The comparison with a year ago offsets the less favourable impression which was given by the March returns, for exports are up by over 7 millions compared with April, 1922, while imports are up by 6 millions. The actual figures are as follows:—

	1922.	1923.	Increase or Decrease in April, 1923.
	£	£	£ %
Imports	80,633,061	86,417,017	+ 5,783,956 + 7.2
British exports	55,507,649	62,871,102	+ 7,363,453 + 13.2
Re-exports	9,199,773	12,428,500	+ 3,228,726 + 35.1
Total exports	64,707,424	75,299,602	+ 10,592,179 + 16.4
Excess of imports over total exports	15,925,638	11,117,415	— 4,808,223 — 30.1

FOUR MONTHS ENDED APRIL 30.

	1922.	1923.	Increase or Decrease in 1923.
	£	£	£ %
Imports	314,275,275	359,994,229	+ 45,718,954 + 14.6
British exports	241,570,501	248,240,604	+ 6,670,103 + 2.8
Re-exports	37,986,412	41,135,426	+ 3,149,014 + 82.9
Total exports	279,556,913	289,376,030	+ 9,819,117 + 3.5
Excess of imports over total exports	34,718,362	70,618,199	+ 35,899,837 + 103.5

In spite of prices, which, on the whole, are lower than a year ago, British manufactures show an increase of £2½ millions, but, of course, the largest change is due to increased exports of coal, which amounted to £8.9 millions, compared with £4.6 millions in April, 1922. We shall deal more fully with the returns next week.

The Case of Art O'Brien.—On Wednesday last in the Court of Appeal considered judgment was delivered by Lords Justices Bankes, Scrutton, and Atkin allowing an appeal from the decision of the Divisional Court refusing an application for a writ of *habeas corpus* made on behalf of Mr Art O'Brien. This gentleman, it will be remembered, was one of the persons arrested in London and deported to Ireland by order of the Home Secretary on March 11th last. He describes himself as "the representative in London of the Irish Republican Government," but the real interest attaching to the case arises not from the personality of the applicant, but from the whole momentous question of the liberty of the subject which it involves. The Attorney-General has announced that he will apply by way of appeal to the House of

* *Econ. Thizn*, 1922, Nos. 217, 228, 279.

† *Econ. Thizn*, 1923, No. 55; *Commerce and Industry Gazette*, No. 44.

Lords; so the case remains *sub judice*. At the same time, the importance of the issues involved makes it essential for more than a passing reference to be made to a case which will certainly claim a place among the *causes célèbres* of English constitutional history. The order for the arrest and deportation of Mr. O'Brien was made by the Home Secretary under Regulation 14B of the regulations made under the Restoration of Order in Ireland Act, 1920. Perhaps the most important legal point to be decided was, in Lord Justice Bankes' words as reported in the *Times*, "whether, since the establishment of the Irish Free State, an order can be lawfully made by the Home Secretary for the internment in that State of a person at the date of the order residing in England." The consequence of the passing of the Irish Free State Constitution Act, 1922, was held to be that "no writ of *habeas corpus* can issue out of England by authority of any Judge or Court of Justice therein into the Irish Free State." Accordingly the question arose as to whether a branch of the Executive in this country could enjoy "the absolute power of internment persons without trial, and without informing them of the nature of the details of the charge made against them," if the same authority had no power of discharge or release. Their Lordships held unanimously that the setting up of an Irish Constitution had put an end to the power of the Home Secretary to intern in the Irish Free State. Lord Justice Scrutton drew a consequence from the contention put forward on behalf of the Executive which is not devoid of piquancy. "It would probably startle the Irish Free State Government," he said, "to know that his Majesty's Ministers claim that the King, on the advice of his British Ministers, may by Order in Council impose regulations having the force of statute on the Irish Free State." His Lordship was somewhat scathing in his criticism of the manner in which many of the old Defence of the Realm Regulations were enacted by Order in Council for England under the Restoration of Order in Ireland Act. The connection between the regulation of the keeping of pigs in England, or the limitation of English season tickets on the one hand with the maintenance of law and order in Ireland on the other, is not perhaps obvious at first sight. His Lordship professed himself unable to understand "why these regulations were ever enacted in this lazy and unintelligent way." The Home Secretary had defended himself in the House of Commons against the charge that the deportees were no longer under his control in the following manner. "I maintain," he said, "that by these undertakings given me by the Free State Government we have a complete control over the position in which the internees are placed." But in Court "the Attorney-General relied on the absence of control as fatal to the applicant's motion for the writ." The apparent dilemma was overcome, in the opinion of Lord Justice Atkin, by testing the validity of the internment order according to whether or not the Home Secretary retained a legal right of control, while regarding his liability to the writ in terms of *de facto* control. In other words, while not legally competent to compel the production of Mr. O'Brien before the Court, the Home Secretary might in fact bring about the same result by an understanding with the Free State Government. Their Lordships were, in any case, unanimous that the writ should be made absolute, and the decision of the House of Lords will certainly be awaited with intense interest by a far wider circle than that of students of the Constitution. Whatever be our opinion as to the wisdom of any given policy, we conceive it to be of the utmost importance that the executive should act strictly in accordance with the law of the land, and it is this, rather than any precise intricacy of legal terminology, which gives to "*ex parte* O'Brien" an interest far transcending the merits or demerits of the "representative in London of the Irish Republican Government."

Conditions in Ireland.—Our Dublin correspondent writes:—The decision of the Court of Appeal in England on the *habeas corpus* application of Mr. Art O'Brien has astonished no one in Dublin who had occasion to study similar or cognate issues during the Anglo-Irish conflict. Whatever the decision of the House of Lords may be—whatever the merits as between British citizens and the British Government—there can be no question but that the

action of the Executive contributed materially to the disintegration of the Irregular Republicans. Cut off suddenly from a base—theretofore deemed quite secure—which was almost indispensable for munitionment, intelligence, and organisation, their movement has crumbled rapidly. It has now reached the point where surrender is seeking to save its face by a species of peace negotiation, and where the only pressure upon the Government to comply arises from a belief in clemency to the vanquished as being politic as well as humane. Of course, Irish difficulties are by no means at an end, but they are all relatively small compared with that which has now been disposed of with apparent finality. The Customs Boundary round North-East Ulster apparently involves at present the prohibition of all motor traffic from one area to the other between the hours of 5 p.m. and 9 a.m. on week-days, and from 5 p.m. on Saturday until 9 a.m. on Monday. The income-tax arrangements pursuant to the legislation and resultant agreements for the avoidance of double taxation are still unascertainable; the banks, which are bound to deduct income-tax in respect of dividend warrants, being still without instructions although May dividends are imminent. These matters will, however, be gradually adjusted, though apprehensions are felt as to how major matters of financial policy may be prejudiced by the inexperience of the new officials. An able and energetic Treasury clerk does not by any means necessarily make a good departmental chief, and the great volume of intricate and perplexing problems involving large questions of policy and of national interest places the Irish Free State officials under a severe handicap. Unemployment is also a serious difficulty, but possibly not so acute as elsewhere. In North-East Ulster there are 45,000 unemployed, as against 33,000 in the Free State, and for the last financial year the deficit in the Central Fund for Unemployment Insurance was £757,000 in the former, against £550,000 in the latter. These figures will tend to increase in both areas as prisoners of whom there are large numbers interned or imprisoned in each area are released and armed forces disbanded—as they must be sooner or later. Exchequer returns for period from April 1, 1923, to May 31 show total receipts £3,410,613, and a credit balance of £1,022,920 on the latter date. These receipts for 35 days compare favourably with £2,901,700 for the 30 days to May 6th last year, especially having regard to the respective amounts of borrowed money in each figure. In last year's figure was included £1,000,000 Ways and Means advances by public departments. This year's figure includes—an interesting and novel item—money raised by creation of debt by Irish Free State bills, £609,000. Thus revenue is coming in more abundantly than in the corresponding period of 1922.

Australian Borrowings.—Some misunderstanding has been caused by a short *Reuter's* cable from Melbourne, stating "that the borrowing requirements of the Commonwealth and the States during 1923-24 will total £45,000,000." This seems a large figure for one year's borrowing, and has been made the occasion by one of our contemporaries for reading the Commonwealth a lesson on the need of economy. But, in fact, the bulk of these borrowings are for replacement of existing loans falling due in the next financial year. A summary of loans falling due in each year is presented in the Commonwealth budget paper. It is true that the position is not shown as clearly as it might be. In 1923-4 the State loans falling due amount to approximately £11 million in London and £20½ million in Australia, but it is not clear how much of this latter figure is owed by them to the Commonwealth. The need of money for replacement purposes is now much more striking when the requirements of the Commonwealth itself are considered. Thus a 5 per cent. War Loan is due for repayment in Australia in September, 1923, for about £37½ millions, while nearly £14½ millions of 5½ per cent. bonds, representing part of the outstanding war gratuity liability, is redeemable not later than May 31, 1924. That Australia has turned the corner, and is now steadfastly attempting to follow the path of financial probity, is now generously admitted. The success of the recent New South Wales loan is strong evidence of this. It would be unfortunate if a

misleading idea of her situation were to detract from the improving credit of the Commonwealth and its component parts.

Cotton Trade Wages.—Peace has again been restored in the cotton industry with regard to the wages question. The proposal given below, writes our Manchester correspondent, will stabilise wages for a period of at least nine months. A joint conference between the representatives of the Master Spinners' Federation and the Cotton Spinners' and Manufacturers' Association, and the representatives of the various union amalgamations was held in Manchester on Tuesday, under the chairmanship of Mr. F. Holroyd, president of the Federation. The application of the operatives for an extension of the wages agreement which expired on April 25th last was considered. A long discussion took place, and it was decided to submit the following terms to the respective organisations of the employers and the operatives for approval or otherwise:—That the present rates of wages shall continue in operation until January 25, 1924. After that date the employers shall be at liberty to take whatever action they think fit on giving one month's notice. The operatives' organisations further agree not to make any application for a general advance in wages until after a period of nine months from January 25, 1924, and that after September 25, 1924, both sides shall be at liberty to take whatever action they think fit on giving one month's notice. Nearly 500,000 operatives are affected.

The Shipping Outlook.—In shipping circles considerable interest is being taken in the decision of the Supreme Court of the United States in regard to the question of intoxicating liquor on board ships, but the drastic measures talked about in some quarters are not likely to come into force. The North Atlantic Conference is dealing with the matter, and well-informed shipping opinion takes the view that a way out of the difficulty will be found. There has been a slight revision in passage rates to the East, but otherwise there is little change in fares. The freight position this month has undergone some deterioration, but this will probably be only temporary. Chartering during April was on a good scale, but the uncertainty of the political position on the Continent, added to the slow grain markets and the exchange movements, have held up business since the commencement of the present month, and the tendency of homeward freights has been against shipowners. The figures issued recently in connection with laid-up tonnage showed that British shipping is now fairly evenly distributed, and shippers for the most part are well covered over the next few weeks. There is not a great deal of tonnage out at the River Plate ready to load before the end of the month, but the interest in June-July steamers has evaporated for the time being, and there has been a set-back in values. In some cases steamers have been put on the berth. The outlook for nitrate business is not so promising as it was, and while there is a certain amount of parcel trade offering, full cargoes are difficult to place. Chartering from the Canadian ports has been seriously upset by the lateness of the season. This week a fair amount of tonnage has been taken up for May-June loading to the Continental and Mediterranean ports, but this market should show more activity later on. Navigation should be open in a few days' time. North American shippers have been doing very little lately, neither grain nor coal orders making their appearance. Steamers have been offering space rather freely and rates have moved downwards, with coal from the Northern Range ports to the Continent much cheaper. Eastern business has come to hand very slowly, with the Indian market well supplied for the time being. Rice to the Continent has taken up one or two steamers, and there are inquiries about from Java. A feature has been the reappearance of orders for tonnage to load maize from South Africa during August and September. Ore receivers in the United Kingdom have been more inclined to fix steamers for June loading from the usual Mediterranean and Bay ports, but rates still remain on a low level. There has been more inquiry for vessels on time charter after a long period of stagnation, and during the last day or two steamers have been taken in the Atlantic trade for general trading purposes.

Agricultural Conditions.—The monthly report of the Ministry of Agriculture and Fisheries states that, as a rule, the autumn-sown corn crops are satisfactory plants. The cold winds of April retarded growth, and wheat has frequently lost colour, especially on heavy land. Winter oats have not suffered so much from the cold, but in some cases these also have rather a yellow appearance. Beans are still backward in many districts, but satisfactory crops may be anticipated, although in some of the eastern counties they are rather foul with weeds. The few warmer days at the end of the month caused some improvement in the appearance of the crops. The sowing of spring corn is more forward in the north and west than in other parts of the country, a fairly large area, especially of barley, being still undrilled at the end of April in the south and east. As a result of the cold weather germination has been slow, but where showing above ground there is a regular plant. The early-sown crops have made slow growth, and generally spring corn is rather backward. Very variable progress has been made in different parts of the country with potato planting; in some districts this work was practically finished by the end of April, whilst in others it had just started, and on the whole potato planting is rather backward. As spring corn sowing started late, and heavy soils have required much extra work, the preparation of the land for root sowing is generally backward, and in some parts sowing will be delayed until heavy land has been softened by rains. Blossom has been affected by frost in some districts, but no serious damage is reported. As a rule, there is a promising show of apple blossom, and plums and cherries have flowered well. The amount of pear bloom has been below average. There is a heavy set of fruit on gooseberries, and currants are blooming well and look healthy. Many of the early-sown cabbages have bolted, but later plantings are doing well, whilst spinach is a good average crop, but shows signs of running to seed early. Autumn-sown lettuce have stood the winter well, and autumn-sown onions are also promising. Spring-sown onions and also carrots and parsnips are backward, but germination has been good. On the whole the lambing season has been quite satisfactory. The fall of lambs among lowland flocks was slightly over average, being exceptionally good in some districts in Wales and north-west. As a rule, losses have not been above average. There is a plentiful supply of labour available in practically all districts, and with spring work in progress there is less unemployment than a month ago.

Gilt-Edged Stocks and Industrial Shares.—The investor's dilemma was dealt with in the *Economist* of a fortnight ago (p. 878), when the various considerations affecting the outlook for money stocks were set out at length. This dilemma is accentuated week by week, writes a Stock Exchange correspondent, owing to the difficulty of obtaining good-class stock at reasonable prices. Added to this there are the problems that surround the outlook for money, having regard to the expansion of trade, the practical possibility of which might induce sales of stock, in advance, by large companies and corporations whose business it is to watch closely for the signs and indications of the direction in which Stock Exchange markets will trend. New Zealand is good-humouredly accused of greediness for asking 92 in payment for her new 4 per cent. stock of 1933-43. The effect of this issue has been to put up the prices of all similar securities, and to bring about rises this week in several scores of home corporation and Colonial loans. There is a touch of irony in the remembrance that underwriters of the New South Wales 4½ per cent. loan were expecting, only a fortnight ago, to be left with a fair proportion of their obligation, whereas the event proved that not only were they relieved of their liability altogether, but the price of the scrip has since risen, under the kindly influence of the New Zealand offer, to 2 premium. The investor in high-class stocks is anxious, it is no exaggeration to say, to take advantage of the present range of prices, if only he can see some method of employing money realised by the sale of such securities. What has happened is simply that everything has gone up in much about the same proportion, so that the man who sells one

stock to-day, because he is tempted by the high level, cannot find anything to replace it of the same class, except at a price which is relatively the same as that ruling in the stock which he has just sold. The only thing he can do if he sells good stock, desiring to replace it with something which will pay the same rate of interest, is to venture into lower-grade securities, the prospects of which must wait upon more speculative possibilities than those which govern what the Stock Exchange calls the money stocks. Some people are, indeed, deliberately turning their money from gilt-edged stocks into shares of industrial companies, on the presumption that, if there should be such revival in trade as would bring about a lowering of gilt-edged prices, it would be caused and accompanied by a new era of prosperity in trade circles, and, therefore, would react favourably upon the shares in companies connected with industry. On the other hand, caution is sufficiently strong in the minds of most investors to render them reluctant to make a change in the status of their stocks. The man who holds War Loan may feel he is doing despite to his conscience in selling this in order to buy, say, Imperial Tobacco shares, and a proprietor of the Conversion Loan finds it difficult to bring himself to sell this in order to put the money into shipping shares. The caution is useful, and very necessary, particularly at a time when all sorts of industrials are being sedulously puffed by a number of outside houses whose expenditure upon stationery and postage must be so substantial as to argue a willing ear on the part of the public to listen to blandishments of such nature. It may happen that the industrial shares so advertised are excellent in their way, and, possibly, may be cheap at the prices mentioned. The same caution, however, to which reference has already been made should render a man, and more especially a woman, extremely careful of taking up shares in which there is not a ready Stock Exchange market. A great many industrial concerns are only just emerging from the disastrous effects of their post-war experiences. The cutting in half of the Aerated Bread dividend, the passing of the interim dividend by Dorman, Long and Co., the non-payment of a dividend on Siemens' ordinary, and the postponing of six months' dividend on the preference, are all clear signs that should not be overlooked by the investor who may be feeling very optimistic in regard to the immediate outlook for trade. Industrials are all very well, and those people who are prepared to take risks in order to obtain a high yield on their money cannot go far wrong so long as they buy shares in good companies, and are not in too much of a hurry for profits on their purchase price. But to exchange gilt-edged securities for shares in trading concerns is a policy which may turn out to be far from profitable, and in spite of the natural desire to increase income in order to pay for the still high costs of living, the capitalist may well remember that safety first is a good motto for money as well as for motor-buses.

The Caledonian Railway Amalgamation Terms.—The Railways Amalgamation Tribunal announced on Thursday that in connection with the amalgamation of the London, Midland, and Scottish and Caledonian Railway Companies the tribunal have decided to provide in the scheme which they are framing for the following allocations out of the capital of the amalgamated company as fully constituted:—(1) To the holders of each £100 of preferred converted ordinary stock of the Caledonian Railway Company, £50 4 per cent. preference stock, 1923, and £13 6s 8d ordinary stock of the amalgamated company. (2) To the holders of each £100 of deferred converted ordinary stock of the Caledonian Railway Company, £10 ordinary stock of the amalgamated company. (3) To the holders of each £100 of (unconverted) ordinary stock of the Caledonian Railway Company, £50 4 per cent. preference stock, 1923, and £23 6s 8d ordinary stock of the amalgamated company, and so in proportion for any part of £100 in each case. They do not propose to make any allocation to the holders of deferred ordinary stock No. 1 or of deferred ordinary stock No. 2 of the Caledonian Railway Company. They have decided to adopt the proposal of the London, Midland, and Scottish Company to allot to the holders of 4 per cent. guaranteed annuities stock of the Caledonian Railway Company, an

equal amount of 4 per cent. debenture stock of the amalgamated company. The terms for the deferred stock are not so good as had been anticipated in the market, and the price of Caledonian deferred ordinary, which at one time this year have been as high as 18½, fell on Thursday from 13 to 11½, which is roughly their present exchange value.

Egyptian Trade in January and February.—The statistics of Egyptian trade for the first two months of this year show a considerable revival in the volume of business, while the trade balance is even more favourable than in the corresponding period of 1922:—

	(In Egyptian Pounds.)	
	Jan.-Feb. 1922.	Jan.-Feb. 1923.
Imports	6,962,129	7,006,620
Exports (and re-exports)	8,994,795	12,150,262
Balance	2,032,666	5,143,642

The slight rise in imports is caused primarily by an increase in cereals and agricultural produce, while the outstanding feature in the large increase in exports is accounted for above all by the figures relating to raw cotton. Whereas in the January-February period in 1922 this was 1,093,507 Egyptian quantars (1 quantar = 44.928 kilogs.), at a value of £60,808,624; the corresponding figures this year were 1,086,451 quantars and £10,397,626 respectively. The principal countries of destination were the United Kingdom with £4,505,282, or nearly 44 per cent.; the United States, with £2,565,872, or 24.6 per cent.; France, with rather more than 8 per cent.; Japan, with 6 per cent.; and Italy, with 5.7 per cent. Raw cotton alone accounts for nearly 88 per cent. of the total of Egyptian exports, the other important items being cereals and agricultural produce, and animal food produce (notably eggs, of which over 70 million, worth £257,884, were exported, almost entirely to the United Kingdom, during the two months). On the imports side, yarns and textiles occupy the first place with £2,355,128—a slight fall compared with the corresponding period in 1922. Next in importance come cereals, &c. (£912,003, as against £676,527 last year); metals and metalware (£901,172, against £942,103); and wood and coal, which shows at £601,539 a small increase over 1922. The United Kingdom is still the chief source of supply with a total of £2,204,142 (against £2,302,826 in 1922), France coming second with £630,413 (as compared with £744,388), and Italy third. Imports from Germany, which now stands fourth on the list, have risen from £411,705 in January-February, 1922, to £491,981 this year.

The Honduras Debt.—After fifty years of default and seven or eight unsuccessful efforts at a settlement, Honduras has compounded with her external bondholders on the lines foreshadowed two months ago. For the next 40 years £30,000 will be provided annually for the purchase and cancellation of bonds to be deposited with the Council of Foreign Bondholders, those of all the four external loans being treated alike, at a price per £100 bond of not more than £20 during the first 15 years, and not more than £25 thereafter. Should the number of bonds offered prove insufficient, drawings will be resorted to. It is anticipated, however, that many of the present holders, who have purchased at much less than the limit price, will tender at considerably less than £20, in which case the rest will gain by an eventual increase in the rate of amortisation. The necessary funds will be provided by an additional tax of 3 per cent. on the value of imports, which last year reached £2,000,000. This will be collected by stamps affixed to the Consular invoices and sold by bankers in the exporting countries, so that it will not pass through the hands of any Honduran Government. The settlement was nearly wrecked at the last moment by ostensibly legal and technical objections from a totally unexpected quarter, but it is understood that its unanimous acceptance by the bondholders ensures its enactment by the Honduran Congress. Honduras is to be congratulated on her return to solvency, and the Council of Foreign Bondholders on its persistence in pressing the claims of its clients and on its success in obtaining better terms than those offered at first.

Vickers, Limited.—A slight decline of profits is revealed in the report and balance-sheet of Vickers, Limited, for the year ended December 31, 1922, the amount being £683,205, compared with £708,103 in 1921. With £872,993 brought in, the available sum is £1,556,198. Preference dividends absorb £398,465. Out of the balance the directors recommend the payment of 5 per cent. on the ordinary shares, which will take £453,827, and the carrying forward of £703,907. The dividend is the same as last year. The directors report that the armament business during the year remained insignificant, but at its close "certain important orders were received from the Admiralty in connection with the two capital ships under construction." The following table summarises the company's balance-sheets since 1912. No balance-sheets were issued for 1916, 1917, and 1918:—

	Ordinary Capital.	Prof. Capital.	Reserves	Property, Plant, &c.	Subsidiary Cos.	Stock-in-Trade.	Cash and Bills.
	£	£	£	£	£	£	£
1912.....	3,700,000	1,500,000	Nil	3,757,020	4,095,602	1,120,739	261,396
1913.....	4,440,000	1,500,000	1,070,000	4,096,481	4,025,473	1,656,701	269,689
1914.....	5,549,262	1,500,000	1,764,000	4,243,326	4,706,097	914,899	792,828
1915.....	5,519,784	1,500,000	2,064,261	5,724,487	5,448,734	785,003	875,426
1919.....	12,311,548	8,351,640	6,669,159	7,314,055	17,236,517	3,911,685	3,361,958
1920.....	12,315,483	8,362,943	6,495,871	7,570,660	18,076,591	3,481,572	700,388
1921.....	12,315,483	8,362,943	6,495,871	7,660,474	18,144,967	2,689,323	1,620,345
1922.....	12,315,483	8,362,943	6,495,871	7,660,474	18,020,216	1,444,234	499,391

Again, this year the company does not issue a profit and loss account, and it is, therefore, impossible to learn what is the precise significance of the directors' statement that "the negotiations with Government Departments for the settlement of accounts alluded to in the two last reports have now been nearly concluded." Last year the directors said these accounts had been considerably reduced, and this year they state that little remains outstanding for discussion, and that it is expected that full settlements will be arrived at in the current year. The absence of information about these payments, together with the qualification which accompanies the net profit figure in the balance-sheet that it has been arrived at "after allowing for adjustments of reserves and taxation," make it quite impossible to estimate what exactly the company has earned in the year. The balance-sheet shows a very big reduction of debts owing to the company, which now stand at £3,629,945, against £6,213,704 in the last balance-sheet, while the item of marketable securities has increased from £1,044,464 to £4,028,683. Cash and bills in hand have been reduced from £1,620,345 to £499,391. Creditors are now stated at £4,157,166, against £6,084,364. These figures show a much improved position compared with that revealed in the last balance-sheet, and it would seem that the company and its subsidiaries have better times ahead. The directors, reviewing the past year, say that "only meagre profits, where profits could be earned, were to be expected.....Some slight improvement in the trade outlook became apparent towards the end of the year, and there are grounds for hoping that it may be continued."

Eagle Oil Transport Company, Limited.—Another very good year is recorded in the report of the Eagle Oil Transport Company, Limited, the net profit at December 31, 1922, as will be seen from the comparative table below, being £1,297,008, compared with £944,316 in the preceding 12 months. The dividend on the ordinary shares has been increased from 8 per cent. in the past three years to 10 per cent. Despite the larger distribution, the contributions to reserve and the carry forward are considerably increased:—

	1919.	1920.	1921.	1922.
	£	£	£	£
Issued share capital	2,240,000	4,000,000	5,000,000	5,000,000
12-year 7½ per cent. notes ..	..	..	3,000,000	3,000,000
Gross profits	349,523	530,844	1,066,440	1,502,363
Net profits	323,592	473,201	944,316	1,297,008
Reserve and depreciation ..	153,232	250,244	536,042	692,838
Preference dividend	160,000	160,000	160,000	160,000
Ordinary dividend	19,200	51,224	172,756	300,000
Rate of ordinary dividend ..	(8 %)	(8 %)	(8 %)	(10 %)
Carried forward.....	8,840	11,734	75,517	144,170

Depreciation and sinking fund reserve now stands at £1,894,934, and repair and other reserve accounts at £341,624. The company's liquid position is good.

Creditors amount to £635,412, debtors, &c., to £277,680. Bills payable, which stood at £849,358 in the last balance-sheet, have disappeared, while cash in hand and on loan against guarantee stands at £1,434,739, against £2,069,348 in the previous account. In the balance-sheet one item is made of "Cost of steamers, expenditure on account of uncompleted vessels, and purchase price of shares of subsidiary companies," which covers £9,821,040 out of total assets of eleven and a-half millions. This reduces the information given to a minimum. It would be much more satisfactory if the item were divided, and the amounts in the separate branches given with some detail. The directors say that the increase in profits is due to additions to the company's fleet, six vessels having been commissioned during the year, and to reductions in working costs.

Pease and Partners.—In the year ended March 31, 1923, Pease and Partners, Limited, have made a good recovery from the losses which attended the previous year's working. The directors report that the year on the whole has been one of increasing activity. Since June last there has been a great improvement in the demand for the company's chief products, but the directors state that, while abnormal prices are at present obtainable for fuel, the fact that a large proportion of the company's deliveries are made under contract have prevented the trading results being substantially effected except during March. Profit, after providing for taxation, depreciation, and contingencies, amounted to £218,235, which compares with a loss of £97,955 recorded in the last accounts, which covered a period of 11 months. The dividend of 6 per cent. compares with 5 per cent. paid out of reserves last year. The following table gives the company's record for 16 years:—

April 30.	Gross Profit.	Net Profit.	Dividends paid.	Rate.	Special Expenditure.	Reserve.	Carry Forward.
	£	£	£	%	%	£	£
1908.....	288,624	216,779	125,000	12½	12½	47,291	35,000
1909.....	160,389	97,782	80,000	8	8	34,278	16,000
1910.....	207,759	143,417	100,000	10	10	23,917	12,374
1911.....	233,933	158,033	90,400	8	8	27,951	30,000
1912.....	183,850	90,365	92,000	8	4	34,662	41,753
1913.....	417,005	314,802	156,000	12	12	86,384	50,000
1914.....	412,110	315,154	156,000	12	12	25,036	115,000
1915.....	285,069	171,100	130,000	10	10	45,846	62,345
1916.....	490,515	356,467	195,000	15	15	25,469	115,000
1917.....	544,151	407,046	227,500	17½	17½	17,949	150,000
1918.....	519,496	401,989	227,500	17½	17½	24,750	140,000
1919.....	465,586	348,777	191,250	12½	12½	30,852	125,000
1920.....	679,458	493,633	275,400	18	18	34,249	165,000
1921.....	657,398	506,312	308,096	14	14	69,166	110,000
1922.....	Dr 77,864	Dr 97,955	109,320	5	5	Dr 180,000	117,951
1923.....	336,186	218,235	131,184	6	6	49,670	122,128

The balance-sheet, an analysis of which will be found in the usual column, shows that, after repayment of the old 5 per cent. debentures, there is a net increase of £888,555 in debenture stock, consequent upon the issue of £1,000,000 in November last. Unpaid purchase moneys show a considerable increase, which is perhaps explained by the fact that the company has acquired a two-thirds interest in the ordinary shares of William Whitwell and Co., Limited, whose works, consisting of blast furnaces, coke ovens, &c., are at Thornaby-on-Tees. In comparison with the last balance-sheet, the one now presented reveals a notable improvement in the liquid position of the company, the bank overdraft, which stood last year at £96,000, having gone, while cash in hand is nearly £63,000 more. Reserves and investments are not appreciably different from last year. The increases under the head of minerals, &c., £116,393, rolling stock, &c., £323,808, and debtors, £233,223, are sufficiently large to merit some explanation at the annual meeting. Apparently the company has had a great deal of preparatory work on hand during the past year. They have leased, with option to purchase, the undertaking of the Skinnin-grove Iron Company, and have paid the heavy cost of re-starting the works out of revenue. They have also made good progress with the sinking of the Thorne Colliery. Since the end of the financial year they have purchased the Adelaide Colliery.

British Oil and Cake Mills.—The report for the year ended December 31, 1922, shows that, although the dividend on the ordinary shares has been maintained at 10 per cent., the British Oil and Cake Mills have not had so successful a year as during the previous 12 months. The net

profit was £335,872, compared with £351,083. On the whole, however, the company have come very well through a difficult year, in which, as the directors state, the "acute depression in the agricultural industry was reflected in a reduced demand for the company's manufactures," and in which their trading was hindered by wide fluctuations in exchange. A comparative table of the company's results for the past six years, and for 1913, is given below:—

	1913.	1917.	1918.	1919.	1920.	1921.	1922.
Trading profit	189,860	303,016	333,552	605,064	425,267	349,495	322,338
Net profit	139,041	329,591	322,008	604,733	446,994	351,083	335,872
Depreciation res., &c.	72,500	146,000	104,441	246,922	32,530	57,500	40,000
Preference dividend	34,650	40,871	40,871	40,871	40,751	40,870	40,870
Ordinary dividend	30,950	149,299	174,766	312,500	372,898	250,000	254,140
	(5%)	(15%)	(15%)	(25%)	(15%)	(10%)	(10%)
Carried forward	941	573	1,330	4,440	696	2,712	862

An increase of £82,801 in ordinary shares appears in the balance-sheet, and the directors' report tells us that during the year the business of the Hull Oil Manufacturing Company, Limited, was purchased with fully paid ordinary shares in the British Oil and Cake Company. Loans and deposits are £76,000 higher than a year ago, but the liabilities as to the current accounts of allied companies are £44,278 lower. On the other side of the balance-sheet there is an increase of £323,564 in the item of "allied companies' capital and current accounts." It is not made clear how this item comes to be so large. Properties, &c., and investments vary little from the previous balance-sheet. The stocks of raw materials and products, taken at market price or under, and stores, at cost or under, are stated at £691,320, which compares with £862,814 twelve months ago. Evidently the directors have pursued the policy, noticeable during the previous 12 months, of reducing these items to manageable proportions. Trade and other debtors have also been reduced. Cash in hand is £25,400 lower than at the end of the previous year. The directors state that the company's position in regard to liability for excess profits duty, income-tax, and corporation profits tax, has not yet been determined, "but every effort is being made to bring these matters to a final settlement." An analysis of the balance-sheet appears in the usual column.

Slubbers' Good Year.—The year ended March 31, 1923, has been a very prosperous one for the British Cotton and Wool Dyers' Association, Limited. The net profit, after deducting interest charges, administration expenses, and repairs and renewals, is £201,547, which compares with £149,641 last year. Depreciation fund is brought to £190,000 by an addition of £25,000, and the reserve fund to £225,000 by an addition of £50,000. The employers' benefit fund receives £20,000. After these substantial allocations, the ordinary shareholders receive a dividend of 10 per cent. and a bonus of 5 per cent. The carry forward is £42,382, against £28,928 brought in. The following table gives the record of the association for the past seven years:—

	1913-14.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.	1922-23.
Gross profits	110,419	227,978	240,719	300,221	270,803	258,318	318,144
Renewals, &c.	31,163	71,035	84,027	106,136	130,648	71,449	79,412
Expenses	13,810	19,104	21,558	7,994	17,146	12,228	12,185
Balance	65,446	137,839	135,154	186,091	123,009	174,641	226,547
Brought forward	19,488	47,116	43,813	36,160	33,753	21,599	22,928
Total available	84,934	184,955	178,967	222,251	156,762	196,240	249,475
Interest	31,156	25,333	25,000	33,644	25,000	25,000	25,000
Depreciation fund	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Reserve	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Ordinary dividend	15,061	38,708	38,708	58,062	58,062	58,062	87,093
	(5%)	(10%)	(10%)	(10%)	(10%)	(10%)	(15%)
Carried forward	12,737	45,914	40,259	39,003	23,700	28,178	42,382

As is customary with this company, there is enclosed with the directors' report and balance-sheet a long separate report by the auditor on the affairs of the undertaking. He gives the usual certificate, subject to the remarks contained in his report. These remarks are almost all of an explanatory nature; for instance, where the balance-sheet gives a long item of land, water rights, &c., at £1,289,510, the auditor divides the items under half a dozen heads, giving under each the valuation, and pointing out that the figures include the capital value of closed works, stated at £22,226. This practice of giving full information is greatly to be commended, and the example deserves the attention of other companies. Stock-in-trade is stated at £138,857, as certified by the managing

director and branch managers, and the auditor's report contains also a certificate from the association's secretary. The liquid position of the association is good, and the auditors point out that trade and loan creditors at £154,776 compare with £621,121 of liquid assets. At an extraordinary general meeting of the association a resolution will be proposed that £103,541, part of the undivided profits standing to the credit of the reserve fund, shall be distributed as a bonus, free of income-tax, to the holders of the issued ordinary shares of 5s each. Evidently there is confidence in the continued prosperity of the association.

Boots Pure Drug.—A year of striking success is disclosed in the report and accounts of Boots Pure Drug Company, Limited. The directors state that in the year ended March 31, 1923, a profit of £752,091 was earned, which, with transfer fees of £355, gives a total of £753,046. They transfer £59,788 to repairs and renewals, write off £36,993 as depreciation, and contribute £20,000 to the staff pension fund. Balance of income-tax, Schedule "D," and provision for corporations tax are set down at £34,944, and Stamp Duty on increase of capital at £6,500. Dividends on the preferred and preferred ordinary shares absorb £96,720, the balance available for dividends being £499,082. A dividend of 300 per cent. has been paid on the £100,000 ordinary shares in the company. The issued capital bearing fixed interest amounts to £1,400,000, and, as above stated, receives a little less than a hundred thousand pounds. The remarkable dividend does not comprise all the good fortune of the ordinary shareholders. The directors point out that certain reserves, both in this and subsidiary companies, which were built up against a fall in prices, have not all been required. Altogether there is a surplus account, amounting with the balance from the past year, to £1,413,071. An item of £45,088, for goodwill, is to be written off out of surplus. The authorised share capital of the company has been increased by £655,000 to a total of £2,400,000, and under resolution of the company passed in March last the 900,000 unissued ordinary shares will be paid up in full by the appropriation of £900,000 from the surplus account and distributed among the holders of the unissued ordinary shares. This will leave £49,798 to be carried forward. Last year the report and accounts were a combined statement for the associated companies, and it is therefore not possible to make comparisons with this year's, which refer only to Boots Pure Drug Company, Limited.

Commercial Union Assurance Company.—The Commercial Union has produced what, in these difficult times, is a very fine account for last year. In the fire department the premiums were £6,742,172, against £6,118,495 in 1921. Claims were at the rate of 49.1 per cent. of the premiums, as compared with 57.2 per cent., and expenses and commissions amounted to 40.6 per cent., against 42.7 per cent. The underwriting surplus, after allowing for the increase in unexpired risks, was £442,856, or 6.6 per cent., as compared with £238,168, or 3.9 per cent. In the marine department the premiums were £388,388, against £270,646, the claims £208,514, against £354,118, and the expenses £94,075, against £124,058. The large accident department (which includes the Ocean Accident and Guarantee Corporation) showed premiums of £6,619,965, a decrease of £200,144; the claims were £3,647,408, and the expenses £2,683,429. The underwriting surplus, after providing for unexpired risks, was £169,471. Interest receipts, less debenture interest, amounted to £664,502, and the transfers to profit and loss from the trading departments were £650,000. Income-tax, excess profits duty, and corporation tax absorbed £472,649. The balance of profit and loss was then £918,261. The directors recommend a total dividend for the year of 22s 6d a share, tax free, against 20s, tax free, for 1922. It is also proposed to transfer £295,000 from the uncalculated capital reduction fund to pay up 10s a share (making the shares then £5, £3 paid), and to divide each share into two shares of £2 10s, £1 10s paid. In 1919 and 1920 £590,000 was applied in this way

to reduce the uncalculated capital. After the completion of the new transfer the paid-up capital will be £1,770,000, as compared with £295,000 at the beginning of 1919. In the life department the valuation for the five years ended December 31st last showed a surplus of £843,810, of which £673,979 (in addition to £102,826 paid as interim bonuses) belongs to the policyholders, and £86,312 to the shareholders, £83,519 being carried forward.

North British and Mercantile Insurance Company.—At the end of 1920 the depreciation of securities for which £1,412,273 was provided prevented the distribution of other than interim bonuses to life policyholders. A new valuation was made as at December 31st last, at which the improvement in security values permitted the release of £590,000 from the investment reserve fund. There was a surplus of £1,447,990 over liabilities of £15,639,378. It is now possible to allot to with-profit policyholders of the North British and Mercantile Company a compound reversionary bonus for 1921 and 1922 at £3 10s per cent. per annum. The interim bonus payable on claims during 1923 to 1925 inclusive have been increased from £1 to £1 5s per cent. per annum. In the fire department last year the premiums were £3,740,353, as compared with £3,546,153 in 1922. The claims worked out at 49 per cent. of the premiums as against 55.1 per cent., and the expenses were 41.1 per cent. against 43.3 per cent. The result, after providing for unexpired risks, was a surplus of £282,471, or 7.5 per cent. of the premiums, as compared with £306,507, or 8.6 per cent., in 1922. In the marine department (Ocean Marine) the balance of £51,904 remaining in the 1921 account has been carried to reserve, and £150,000 has been transferred to the marine fund from profit and loss. In 1922 the marine premiums were £339,544, against £358,435 for 1921. The accident department (Railway Passengers) showed an underwriting profit of £131,690, and the Fine Art Company a profit of £35,904. Interest yielded £335,119. The directors recommend a dividend for the year of 13s a share, less tax, costing £265,707, against 11s a share, less tax, for 1921. The profit and loss balances of the allied companies on December 31st last was £3,340,987, as compared with £2,958,622 a year before.

London and Scottish Assurance Company's Valuation.—Five years ago this assurance company suspended the allotment of bonuses to life policyholders. The new valuation, as at December 31st last, shows, however, a surplus which permits the resumption of bonus distributions. The ascertained surplus on a 3½ per cent. valuation of liabilities was £272,182, from which £29,440 has been taken to place the reserves on the basis of the British Offices Om. table in place of the old Hm. The net divisible surplus was £189,792, of which the proprietors' share is one-tenth (£18,979). The balance will provide for interim bonuses paid on claims during the past five years, a deferred bonus of 30s per cent. per annum on contingent profit policies, and a reversionary bonus of 20s per cent. per annum on ordinary with-profit policies. The sum of £20,875 is carried forward.

Anglo-American Mining Group.—The South African interests of the Consolidated Mines Selection Company having been acquired by the Anglo-American Corporation of South Africa, writes a mining correspondent, the title of the group perforce becomes changed. Last year the corporation earned £325,200, as against £257,000 in 1921, and has paid 1s 6d per share dividend in place of 1s, leaving an increased balance to be carried forward. Shares, investments, &c., figure in the balance-sheet at £3,703,100. The assets total nearly 5½ millions, having been substantially expanded by the acquisition of the interests above referred to, in connection with which about half a million shares were issued. The portfolio now includes large holdings in the Consolidated Diamond and the Angola Diamond undertakings, but the batch of reports just issued relates to the Rand gold concerns. Of these, the most important at the moment are the Brak-

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pan and the Springs. Appended is a contrast of the salient results for each of the past three years:—

	1920.	1921.	1922.
Brakpan.			
Ore crushed.....tons	596,500	659,800	549,750
Yield per ton*.....	36/6	34/	37/4
Cost per ton.....	29/7	27/2	23/10
Profit per ton.....	6/11	6/10	13/6
Working profit.....£	542,380	490,250	439,840
Dividends.....	380,200	255,000	170,000
Carried forward.....	34,100	59,300	41,430
Ore reserves.....tons	2,526,500	2,423,200	2,459,300
Value.....dwt	8.88	8.61	8.23
At Springs.			
Ore crushed.....tons	465,800	484,750	424,090
Yield per ton*.....	37/10	37/2	38/
Cost per ton.....	30/8	29/8	24/2
Profit per ton.....	7/2	7/6	13/10
Working profit.....£	438,490	397,800	406,640
Dividends.....	251,400	197,600	213,110
Carried forward.....	59,300	73,400	45,900
Ore reserves.....tons	2,726,200	3,056,200	3,146,220
Value.....dwt	8.76	8.92	8.79

* At standard value. † Including £59,540 from clean-up of obsolete plant.

The statistics of both undertakings reflect, of course, the troubles of the early part of the year, and may be left to speak for themselves. There are, however, points of special interest in the position of both companies. The marked discrepancy between the sums earned and those distributed is largely due to heavy capital outlays. Last year the Brakpan appropriated £100,000 for this purpose. To render future profits available for distribution, and to provide for the purchase outright of certain claims hitherto worked on a royalty basis, 170,000 shares are to be offered to the members at 30s. The current market price being well over £3, this will represent a substantial bonus, and will furnish some compensation for the curtailed dividends of the past few years. During 1922 the capital of the Springs was increased by the subscription of further shares at £3 in pursuance of the agreement made in 1917, part of the proceeds being applied to shaft sinking and development, part to the reduction of the debenture debt; the latter now stands at £54,400 only. Out of last year's profits £76,700 was set aside for the reorganisation of the plant and equipment. As already mentioned in our columns, the directors some time ago decided to adopt the "all-sliming" process; the conversion of the works will be completed in 1924. During the current year the capacity of the reduction works is to be increased to 60,000 tons monthly. Hence, altogether, there is the prospect of enlarged returns at a lower ratio of cost, with a larger proportion of the gold contents of the ores extracted. Even now, less than half a pennyweight remains behind. By the recent debenture issue of £350,000, the West Springs, whose property adjoins that of the Springs Mines, has been placed in funds for the provision of a reduction plant. The latter is to have a capacity of 40,000 tons per month on the "all-sliming" system, and should be ready by June next year. At the end of March the "indicated" ore was computed at 1½ million tons, of a probable yield value of 32s 6d per ton. The Daggafontein still awaits an opportunity to raise fresh funds for the resumption of operations.

Waihi Gold.—Our mining correspondent writes:—Shareholders in this veteran New Zealand gold-producer—and especially those who became interested recently—will have been disappointed in the proceedings at the annual meeting, as well as in the showing made

by the report for 1922. The latter, it is true, recorded an expansion in the ore reserve tonnage—albeit the outcome of a substantial increase in the amount of development performed. In this connection £15,000 was transferred from mine development to profit and loss account. Moreover, the directors appropriated £50,000 from dividend equalisation reserve, thus providing the bulk of the 20 per cent. distributed during the year. After allowing for depreciation, the sum carried forward is practically identical with that brought in. The financial position remains strong, the surplus cash assets (irrespective of the £212,500 receivable from the New Zealand Government in 1931 for the Hora Hora hydro-electric works) being equivalent to fully 10s per 10s share, now quoted at 22s 6d. Last year a Government official made a geological examination of the Waihi district, and his report was favourable as to the possibilities of finding fresh ore at depth in the company's mine. On the strength of these views the shares became the subject of speculation, and the price rose to 36s. Several discoveries have since been made, both laterally and in depth, but the runs of pay ore have proved comparatively short. Of late the company has paid dividends half-yearly on fixed days. At the meeting the announcement was made that in future there will be only one interim distribution, the final being declared in connection with the issue of the accounts. Hence, after the receipt of 1s per share in June next, the members will get nothing for twelve months.

Bezende.—This Rhodesian enterprise last year crushed a larger tonnage than before and secured an increased working profit, but owing to some expansion in the miscellaneous expenses the net profit came out at the reduced amount of £55,100. The dividends were maintained at 40 per cent., but as the capital has in the meantime been swollen by the issue of bonus shares, the distributions, together with the directors' percentage, call for £8,000 more than the actual earnings. At 148,400 tons, value 9.85 dwts, the ore reserves show some gain under both headings; the quantity, however, represents only about two years' supply for the mill. The opening up of a small tonnage of rich ore in the Streatham section affords ground for hope regarding this area. The current price of the shares represents eight years' dividends at the recent rate.

Transvaal Gold Output.—The output of gold of the mines of the Transvaal during the month of April amounted to 743,651 ounces of fine gold, as compared with 761,586 ounces during March. The following table shows the production for a number of years:—

	1917.	1918.	1919.	1920.	1921.	1922.	1923.
January..	782,634	714,182	676,059	670,503	651,593	639,728	764,469
February..	781,321	659,759	636,728	625,330	558,137	639,728	764,469
March ..	787,094	696,281	712,379	707,036	671,123	639,728	764,469
April	742,778	717,000	694,944	686,979	681,382	511,338	761,586
May	779,385	741,317	724,995	699,041	687,776	629,786	743,651
June	759,724	727,696	702,379	715,957	678,490	675,697	...
July	757,839	736,199	725,497	736,099	689,550	730,635	...
August ..	756,658	740,210	706,669	702,083	711,526	752,490	...
Septemb'r	738,331	708,206	698,558	682,173	691,026	747,089	...
October ..	751,290	679,764	723,722	662,472	707,825	778,159	...
November	722,839	658,701	677,970	633,737	704,236	764,476	...
December	722,419	641,245	660,191	632,215	681,847	790,712	...
Totals ..	9,018,084	8,418,292	8,330,091	8,153,625	8,114,516	7,020,111	2,974,676

The following are the number of natives employed at the end of the last eight months by members of the Witwatersrand Native Labour Association and contractors:—

	Sept., 1922.	Oct., 1922.	Nov., 1922.	Dec., 1922.	Jan., 1923.	Feb., 1923.	Mar., 1923.	April, 1923.
Gold mines....	174,565	175,129	173,173	176,834	181,985	182,983	181,473	178,337
Coal mines....	12,000	11,495	11,089	11,001	14,664	14,717	14,710	15,040
Diamond	1,234	1,218	1,237	1,253	1,222	1,227	1,273	1,860
Total	187,799	187,842	185,499	189,068	197,871	198,927	197,456	195,237

A further considerable decline is recorded, but the total is still substantially higher than the average for the second half of last year.

Irish Stocks—A Correction.—In a Note of the Week in our last issue on "Irish Stocks and Irish Investors," an error occurred through a typing slip. In a list of rises in quotations over a given period, our Dublin

correspondent included "Dublin Tramways Company (ordinary £10 share), from 42 to 53." This should have read "Dublin Tramways Company (ordinary £10 share), from 7½ to 72, Arthur Guinness, Son, and Co. (ordinary £10 share), from 42 to 53."

Obersea Correspondence.

UNITED STATES.—THE PETROLEUM INDUSTRY—STEEL CORPORATION'S EARNINGS—GOVERNMENT TO SELL SHIPS.

(FROM OUR CORRESPONDENT.)

NEW YORK, April 30.

OWING to severe declines during the past fortnight in oil shares on the Stock Exchange, following reductions in prices of both crude and refined products, more attention than usual is being given to the situation and outlook in the petroleum industry of this country. A few days ago the Standard Oil Company of New Jersey cut the gasoline price 4 cent a gallon throughout its domestic territory, similar action being taken by its subsidiary, the Standard Oil Company of Louisiana, which operates in that State, Arkansas, and Tennessee. The reduction, which was the second cut of that amount in a week by the New Jersey Company, was the result of surplus production of crude oil, and was promptly met by the Standard's competitors. The Prairie Oil and Gas Company, considered the principal factor in the mid-Continent oilfields, announced a reduction last week of 10 cents a barrel in the price of various grades of crude oil produced in that section. At the lower levels thus established, quotations range from \$1.40 to \$2.50 a barrel, according to gravity. Last week's cut was the first change in Middle West oil prices since February 17th. During the month preceding that date there were six advances of 10 cents a barrel each. As indicated, heavy production is mainly responsible for the present downward price revisions. According to the Geological Survey, the output of petroleum during March continued to increase, and reached the new high record of more than 1,810,000 barrels a day. Imports also were slightly larger. Despite the fact that the indicated consumption likewise established a new high record of more than 1,867,000 barrels a day, pipe-line and tank-farm stocks of crude petroleum increased 3,353,000 barrels during the month. During the first three months of 1923, production was at the annual rate of about 624,000,000 barrels, as against 551,000,000 barrels in 1922, the increase being attributed chiefly to flush production in California; the yield in that State during the first quarter of this year was 80 per cent. greater than in the corresponding quarter of 1922. Shipments of crude petroleum from California increased from 795,000 barrels in December to 3,334,000 barrels in March. Consumption, as indicated by deliveries to consumers in the first quarter of 1923, was at the record rate of 655,000,000 barrels a year. Production, together with imports, however, continued to exceed consumption plus exports, with the result that pipe-line and tank-farm stocks showed an increase of 8,507,000 barrels during the first quarter of this year. Some authorities claim that California is responsible for the present slump in oil prices, and may be the controlling factor in oil for a number of years, because of the big production of light refinable crude for the first time in the history of that State. Heretofore, California's output has been a heavy crude, yielding little gasoline, and chiefly valuable as fuel; the light refinable crude is said to yield 30 per cent. gasoline. Furthermore, according to a reliable authority, it can be laid down in Bayonne, New Jersey, for about \$1.80 a barrel, whereas mid-Continent crude of average quality costs \$2.75 laid down in Bayonne. That wide difference in costs is held to explain the recent reduction in mid-Continent crude oil prices.

In view of the great revival which has taken place in the steel industry since the first of the year, it was generally expected that the United States Steel Corporation would make an exceptionally good showing in the matter of profits for the opening quarter of this year. Actual results, however, as disclosed in the corporation's

report, were much better than most people had anticipated. Net earnings for the first three months of 1923 amounted to \$34,780,069—the largest reported for any quarter since the period of depression which began in 1920. That total compares with \$27,552,392 for the preceding quarter, and with \$19,339,985 for the corresponding quarter of 1922. Perhaps the most striking feature of the report is the heavy increase in earnings recorded in the third month of this year. The corporation's net profits of \$10,561,241 in January compare with \$9,322,687 in December of last year, and exceeded those of any other month since 1920, with one exception. Net earnings in February, a short month, dropped to \$9,527,181, but those of March, \$14,691,647, were the largest reported for any month since November, 1920, when they totalled \$15,002,919, and were close to the monthly average for 1920. The larger earnings last month reflect not only increased production, but also better prices obtained for steel products. It is quite apparent that the corporation has reached the more profitable business on its books, that is, it is filling orders taken at higher prices than those which prevailed a while ago. The gain in March earnings over those for preceding months is believed to foreshadow a favourable exhibit for the current quarter. After taxes and other charges, the surplus available for dividends for the past quarter amounted to \$17,518,051, equivalent after the preferred dividend to \$2.20 a share earned on the \$508,302,500 common stock. That compares with \$11,283,346, or only 97 cents a share on the common stock in the preceding quarter, and with \$5,909,232, or \$1.64 a share on the \$360,281,100 preferred stock, in the opening quarter of 1922. For the first time in two years the corporation during the past quarter earned the 5 per cent. dividend on the common shares, with a wide margin; the surplus for the quarter, after all charges and dividends, amounted to \$4,859,351.

The United States Shipping Board has set May 28th for the opening of such bids as may be received for the purchase of vessels which the Government owns, but which it has decided to dispose of, if possible. It is understood that approximately 375 vessels will be offered for sale. For the purposes of the sale, the Shipping Board has regrouped the regular services, now being operated by it through agents, into 18 different routes. Every bidder is required to include in his offer a guarantee to operate for a specified period over the routes selected by him, and not elsewhere, the ships to be purchased.

FRANCE.—THE REPLY TO THE GERMAN NOTE—RUHR COKE—BOURSE.

(FROM OUR CORRESPONDENT.)

PARIS May 9.

WITH the dispatch of the Franco-Belgian reply to the German Note in regard to the Ruhr and the reassembly of the Chambers, interest in the Ruhr question itself has fallen back, for the time being, to the second place. The outstanding feature of the controversy now centres on the question as to what effect the fact that France and Belgium have thought fit to make an independent reply to the Berlin Government without really consulting their British and Italian Allies, will have in modifying the attitude of the latter—and especially of Great Britain—in regard to the future of the Reparations problem. The French official argument, of course, is that, as the whole question of the occupation of the Ruhr *per se* directly concerns France and Belgium more than any of their Allies, and as the bulk of the German Note constitutes a direct attack against the Governments of these two countries, it was imperative that France and Belgium should send in their own personal reply at the earliest possible moment, entirely without prejudice to any supplementary replies that Great Britain or Italy may think fit to make.

The more moderately-inclined sections of French opinion show a tendency to regret that the Poincaré Cabinet should have thought fit to take this course, which, it is feared, may be interpreted in England as evidence that France is anxious if not to shake off the British connection, at all events to try and settle the Reparations question on her own account, and without being obliged to pay too much

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deference to British opinion. There is also evident a tinge of nervousness as to the possibility that Italian diplomacy may take advantage of the opportunity to play off Great Britain and France against each other, in an endeavour to obtain political and economic benefits elsewhere, in exchange for Italian support in the conflict with Germany. It would be an exaggeration to state that any of these ideas ought to be taken very seriously at the present moment, but they are worthy of being placed on record as indicating certain significant tendencies on the part of some sections of French opinion to-day.

The last available weekly report on the French metallurgical industry reveals several interesting facts. The most striking of these, perhaps, in its relation to the present situation is that the Minister of Public Works, M. Le Trocquer, who is responsible for the organisation of the distribution of the combustibles that have been requisitioned in the Ruhr, has issued a circular to French iron and steel masters advising them to accumulate, out of the deliveries of coke that are being made to them from the Ruhr, reserves for the purpose of being utilised in the event of these deliveries being temporarily suspended in the future. The Minister suggests that one-third of the tonnage received from such deliveries should henceforward be utilised to create these reserves until such time as a stock of sufficient coke shall have been accumulated to enable work to continue for at least 15 days. In official quarters the issue of this circular is explained as merely a measure of ordinary prudence. There is a fear in metallurgical circles, however, that it may be interpreted, in certain quarters, as a confession that the occupying Governments are finding it impossible to do more than requisition existing stocks, and the occupying authorities are being appealed to to demonstrate that they intend in the near future to organise definitely the "rational exploitation" of the great German industrial region. By this it is obviously meant that the French authorities in the Ruhr ought by this time to be in a position themselves to ensure the actual exploitation of the coke plants, which is yet far from being the fact.

Further, there is more than a suspicion here that the Berlin Government is adopting a policy in regard to the Ruhr coke plants that may render it impossible to carry out the "rational exploitation" referred to. It is suggested that the Germans are convinced that the French, as part of any settlement that may be made, will demand that the greater part, if not all, of the coke plants connected with the fiscal mines shall be handed over to them. This, it is argued, explains why a large proportion of the ovens have deliberately been allowed to go cold, which means that they will have to be practically reconstructed before their utilisation for production is again possible. The Germans, in effect, are suspected of having adopted in this connection the tactics put into operation at the time of their retreat to the Hindenburg line, when they devastated the whole country behind them. The object is obvious. They reason that if the French eventually insist on the fiscal mines and coke plants being handed over to them, they will find themselves faced with the necessity of expending some 400,000,000 on reconstructing the plants, with the additional handicap of having to lose, perhaps, a whole year before this work could be

completed. Meanwhile the Germans would be able in much less time to reconstruct on the latest modern principles the 20-year-old ovens that would be left to them, and would be in a position again to dominate the coke market before the French could restart production. The situation of the privately owned coke plants is, of course, another matter entirely.

All this, of course—particularly when similar reasoning is also applied to the State collieries in the Ruhr—affords much food for thought when the immediate future of the French metallurgical industry and the success of the operations in the Ruhr is under consideration. In the report presented to the Chamber by the Finance Commission on March 27th, on the Bill asking for credits to meet the cost of the operations, it was stated that although 40 of the 114 blast furnaces in action on January 1st had been shut down through shortage of coke, "the programme that is being carried out will enable the whole of the furnaces to be started up again in from five to six weeks." This statement, I believe (although I have not the exact figures at hand for the moment), has been to a very large extent justified. The deliveries in France of metallurgical coke from the Ruhr, according to the latest figures available, have been as follows:—April 26th, 7,457 tons; April 27th, 5,728 tons; April 28th, 5,378 tons; April 29th, 7,054 tons; April 30th, 6,978 tons; May 1st, 5,340 tons; May 2nd, 5,821 tons, or an average of over 6,000 tons a day.

One of the most striking features in the whole situation is, perhaps, the manner in which the German resistance has reacted on the output of the French coke plants and the stimulus it has given to home producers of metallurgical coke. The output of coke from the mines in the Nord and the Pas de Calais, which was 47,000 tons in October last, rose to 97,800 tons in March (against 205,000 tons per month in 1913), an increase of over 100 per cent. in six months. Of this total, 65,000 tons went to the French metallurgical undertakings. Agreements have been made recently under which the colliery concerns of the two departments in question undertake to deliver to the French metallurgists 60,000 tons of coke per month by the end of 1923, and 110,000 tons by the close of 1924. By the latter date the northern coal field expects to be in a position to produce about 170,000 tons of coke per month, or very nearly its average in 1913. Construction of new coke plants is being put in hand on a very large scale, both in the coal field in question and in Lorraine and the Sarre. In other directions, also, there is evidence the French mean to leave no stone unturned to exploit to the utmost the opportunity that has come to them, as the result of the war, to assume a very much more important place in the steel trade of the world.

The Bourse, under the influence successively of the announcement of the new German proposals and of the Franco-Belgian reply, has remained uninteresting and characterless. French Rentes, however, where they have not remained stationary, have moved up fractionally. As a whole, all departments have shown more firmness than might have been expected, and price changes, with rare exceptions, have not been notable.

GERMANY.—REPARATIONS—FINANCES—EXCHANGE AND BOURSE—PRICES—TRADE.

(FROM OUR CORRESPONDENT.)

BERLIN, May 7.

THE rejection of the Cuno Cabinet's Reparations offer has caused no surprise. A certain unreality underlay the whole transaction. At the time of Lord Curzon's speech the German public was getting used to the idea of a long struggle of exhaustion against France, the end of which, it was imagined, would be the overthrow of the Poincaré Cabinet and admission of the failure of the Ruhr adventure. This view took into account the fact that with the Poincaré Cabinet the Ruhr raid had become an issue of prestige, but ignored the fact that it is probably so regarded by all France. Lord Curzon's speech compelled Dr Cuno to make an offer. The speech

and the Press comments on it everywhere implied that Germany ought not to sit with folded hands, and the offer was duly prepared in the belief that an offer was necessary to put Germany right in the eyes of the world, and to show that she did not want to continue the struggle for the struggle's sake. As Germans all along proclaimed that France's aim was not a Reparations settlement, but merely aggression and annexation, the offer was not made in the belief that it would be accepted; and, that being so, it seemed that the mere making of an offer, and not the terms of the offer, was the chief thing in Wilhelmstrasse's mind. The terms of the Note also had a certain unreality. The 30 milliards apparently represents an unmotivated compromise between two extremes, and is not based on any data. There is nothing in Germany's present position showing that she could pay the interest on international loans representing this sum after a four years' moratorium, and there is nothing showing that she could not pay on a larger sum. As regards the independent guarantees to be given by German private interests the Note was very vague. The earlier proposals were for guarantees by "industry" in the narrow sense; and to a foreign mind "industry" means something more concrete than the whole German "Wirtschaft," mentioned in the Note, which, according to a speech by Dr Cuno, means industry, agriculture, trade, and finance, and, according to the official translation, "the entire German business world." It is not clear how the whole of German private economic interests can be organised in such a way as to give a legally enforceable guarantee and an immediately realisable security for enormous foreign loans; but if the Cabinet had any clear scheme it ought to have been expounded in the Note. Whether a big international loan is really to be had is considered by experts here very doubtful, and some neutral newspapers have been pointing out that while in all Reparations discussions the loan is taken for granted it only the other questions are first settled, the settlement of these other questions would almost certainly be followed by difficulties in obtaining a loan. The Franco-Belgian reply to the offer is even more uncompromising than was expected, and the tone shows that the writers, like the Germans on their side, knew that they were not seeking a settlement but putting themselves right before the world by a typical war-propaganda document, which, like most such documents, contains a good many misstatements.

The Finance Ministry's report for April, the first month of the new financial year, shows revenue from taxation of 498,108 millions; receipts from Floating Debt operations of 1,840,960 millions, which is over a billion less than in March; expenditure 2,339,082 millions, of which 1,331,634 millions for general administration and Peace Treaty obligations in native currency, 89,271 millions for Peace Treaty obligations in foreign currency, and 797,288 millions for deficit on State undertakings, of which 778,099 millions is for railways. The Customs gold surcharge has been raised to 614,900 per cent. Summing up the concluded Budget for 1922-23, the Finance Minister, Dr Hermes, states that of 6,300,000 millions increase in Floating Debt, 2,600,000 millions were due to losses on Railways and Posts, 2,000,000 millions to Peace Treaty costs, and 1,600,000 millions to the deficit on the General Administration Budget. The Prussian Government, after raising about 8 milliard marks by a paper-mark loan with variable interest, announces a 5 per cent. potash loan of value 50,000 tons of potash, and a 5 per cent. rye loan of the value of 20,000 tons of rye. A law abolishing the remnants of the breadstuffs requisition system and bread cards has been submitted. In order to ensure against scarcity, the State will create a breadstuffs reserve of 3,500,000 tons. It is proposed to impose the Forced Loan a second time, and to use the yield for cheapening bread to pensioners, bondholders, unemployed, and persons with large families.

The Reichsbank statement for April 30th shows an increase in note circulation of 449.9 milliards to 6,545

milliards, in discounted Treasury bills 405.2 milliards to 6,224 milliards, and in commercial bills 227.9 milliards to 2,986 milliards. Outstanding Darlehns advances rose to 1,477 milliards, Darlehns note circulation being 12½ milliards. The statement shows the despatch abroad to foreign central banks of a further 52.5 million marks in gold, the uncharged gold deposit abroad being now 217,282,000 gold marks. The metal reserve continues to grow by the booking of base metal token money, and is now 14,517,340,000 marks, of which 919,909,000 marks is gold. The heavy fall in mark exchange which followed upon news of a bad reception of the Cuno Reparations Note was followed by a moderate recovery, due to reports of the English resolution to have the Reparations question settled by all the interested Powers, leaving the Ruhr occupation question to be settled by Germany with France and Belgium. Dr Hermes has told the Reichstag that "the Government is firmly resolved, together with the Reichsbank, to continue the mark-support action with all its power." Stocks last week had a big rise. The *Frankfurter Zeitung's* index for dividend-payers on the 4th shows 1,713,005 against 1,359,115 a week earlier; the figure for May 4th is the highest so far, the highest preceding being 1,507,265 on February 9th. May 3rd was a boom day, resembling certain days during the heavy mark falls in 1921 and 1922, but on the 4th profits were taken in connection with the mark recovery. Stinnes securities were in demand in connection with his acquisition of control of the Silesian Kattowitz and Bismarckhütte companies, the shares in which were bought from Herr Flick of the Bismarckhütte Company. The inclusion of Kattowitz materially increases the coal resources of Stinnes Rhine-Elbe Union, and the Bismarckhütte produces everything connected with steel production, from ore and blast furnaces to fine steel. Herr Stinnes has also gained control of a Roumanian (formerly Hungarian) bauxite company. Bond quotations on the 4th were: War Loan, 89.50; Fours, 1180; 3½ per cent., 565; Threes, 4575; Colonial Fours, 10,000; Savings and Premium, 310; Prussian Threes, 235.

Prices again rose in April, and passed the highest point attained on February 1st. The April rise was 28 per cent. The *Frankfurter Zeitung's* index for 98 commodities (basis 1 in July, 1914) shows:—

	Food.	Textiles and Leather.	Minerals.	Miscellaneous.	Manufactured Articles.	All 98 Wares.
January, 1920	20	26	27	11	15	20
" 1922	38	58	52	31	33	42
" 1923	1,758	3,206	2,622	1,778	1,518	2,054
April, 1923	5,350	8,854	7,822	6,434	5,135	6,427
May, 1923	7,003	14,066	10,186	6,844	5,903	8,217

As the gold index on May 1st stood at 8,869, prices were again under world-market prices; the figures for April 1st were: Gold index, 5,024; prices, 6,427. The index figure for 10 native products was 6,621, and for 10 imported products 8,819. At present gold exchange manufactured articles are again materially cheaper than in 1914.

The March trade figures, like those of the preceding months, are imperfect, owing to lack of returns from the occupied territory. The provisional report shows imports of 5,220,100 metric tons, against 3,166,100 tons in February, and exports of 938,200 tons against 1,096,100 tons. The imports increase is under all headings except manufactured goods, which have declined; but the main increase is in coal, which rose from 1,820,000 tons in January to 3,400,000 tons in March. The Prussian Trade Ministry's report on industrial conditions in April is on the whole unfavourable. The mark drop in the second half of the month brought in some branches a certain increase in activity; and in the textiles and leather branches there was a great demand. In most industries, however, orders continued to fall off. The chemical manufacturers declare that their prices are higher than those of America's, but this report probably referred to the mark stability period. A report of the Automobile Dealers' Association shows that the use of motor vehicles is rapidly increasing, one reason being that purchase of a motor-car is an obvious form of "flight from the mark." In 1922 there were in use 37,941 heavy motor cycles, against 26,666 in 1921, 82,595 private cars against 60,111, and 43,457 motor

AUSTRIA.—THE POLITICAL SITUATION—STATE FINANCES—INDUSTRIAL CONDITIONS—FOREIGN CAPITAL—MONEY, STOCKS, AND PRICES.

(FROM OUR CORRESPONDENT.)

VIENNA, May 5.

THE most recent developments here have called forth criticism of the League of Nations' reconstruction programme for Austria in business and financial circles. Until quite recently it was exclusively the Social Democrat party which obstructed the carrying out of the reforms of the League of Nations, while bourgeois circles were at one mind with the Government that Austria's salvation depended entirely on thoroughly carrying through the programme. However, within the last few days a conference of all the Austrian Chambers of Commerce has taken place in which the results of reconstruction up till now were very strongly criticised, and it was pointed out that so far the Austrian people have made one sacrifice after another without seeing the expected alleviation of conditions. It was added that, in the first place, the Government is responsible for this because it has raised taxes and fees to the highest point, though it has not been able to enforce the necessary reductions in the Budget in face of the opposition of the political parties. The Bill for allowing further control in the form of an adviser for the Austrian National Bank has also disturbed many nationalists. It can be said, therefore, that whilst a short time ago a new election would have greatly decreased the number of the Socialist members and increased the Government's majority, an election now would hardly change prevailing conditions.

As often as the representatives of the Austrian Government confer with the delegates of the League of Nations to negotiate for an advance on or the issue of the intended loan, rumours of new difficulties arise in financial circles, which, it is true, have always been denied. These same rumours were repeated recently when Doctor Seipel suddenly left for Geneva. The realisation of the big foreign loan is very urgent for Austria, since the Government must prepare to pay back the gold Treasury bonds issued in dollars in December, and which fall due in June of this year. Further, the recent increase of prices which has raised the index figure 7 per cent. in the last few months forces the Administration to increase automatically the wages of its employees. The last index figure increased the State pay rolls by 28 milliard kronen monthly. Since the Government no longer has the note printing press at its disposal it must cover these new advances by raising taxes and fees.

Industrial and economic conditions in Germany always exert a strong influence on Austria. For example, the Prussian State Railways placed large orders for railway materials in Austria because the German works asked for too extended periods of delivery, but further big orders which were already under negotiation have been withdrawn in the last few days owing to public protests in Germany against placing such orders abroad. These orders have effected a slight decrease of unemployment in Vienna and the provinces. In Vienna, for example, the number of the unemployed in the first half of April fell from 85,593 to 83,268. In purely commercial enterprises, however, the number of unemployed is still very high. This and the continuous high cost of living are the reasons why the Social Democrat party has asked for a further considerable increase of the unemployment dole,

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which has been granted after a compromise with the Christian Socialist party. Several strikes in the Styrian iron industry ended in failure on the part of the workmen, whose ranks were weakened by differences between the Christian Socialist and Social Democrat workmen.

The stabilisation of the krone, which has effected a slight reduction in foreign exchanges, has caused foreign capital to take an interest in Austria and to acquire participations in industrial enterprises and banks. This explains the fact that money conditions on the Vienna market remained easy in spite of a strong boom on the Stock Exchange. Austrian capital alone would never have been strong enough to make such great purchases of securities. It is worth noting that these purchases were not only made by capitalists in the surrounding Succession States, but also by English, American, Dutch, and Swiss capitalists.

In the last two months a general tendency towards raising the value of all securities on the Stock Exchange has set in. Compared with the prices at the beginning of the year bank shares have risen 300 per cent. and industrial securities about 380 per cent. This is to be explained mainly by the fact that until a short time ago numerous shares were at such a low level that one could get them for the price of a few tramway tickets. The balance-sheets of the Austrian banks and industrial companies also show for the first time a tendency to accommodate themselves to changed money conditions.

The cost of living index number, which in the middle of September, 1922, went down from its highest point of 100 to 83 at Christmas, has since the beginning of this year shown a continuous rising tendency and has reached 98½ this month, and shows no prospect of stopping at this figure. This movement of prices has been caused partly by the general movement of world market prices, and also, to a certain extent, by the new tax on all sales and exchanges of goods, which was introduced on April 1st.

The appointment of a foreign adviser for the Austrian National Bank is expected in a short time. His duty will be to see that the Government has no unjustified recourse to the Issue Bank. The note circulation of the Bank was 4,388 milliard kronen on April 15th, as against 4,258 milliard kronen on March 15th. The gold reserve was increased from 1,351 milliards to 1,510 milliards in the same period. Large amounts of foreign currencies have been invested abroad.

Through the influx of foreign money from abroad the National Bank has been able to hold the money market under its control. The Bank would even have been able to reduce the prices of foreign currencies, but refrained from doing so in order not to increase export difficulties for Austrian industry.

THE WORK OF THE LEAGUE.

(BY A SPECIAL CORRESPONDENT.)

GENEVA, April 30.

THIS has been a busy, controversial month for the League of Nations, and round about it two important things have been stirring. America is trying to make up her mind whether she will join the Permanent Court of International Justice, and has not yet emerged from many of her muddled misconceptions about the League; Ireland has notified officially her intention to apply for admission to the League at the next assembly—the little nation unafraid and looking to the bigger step of full League membership as a symbol of national liberty; the big nation hesitating to take the more restricted step for fear of vague entanglements, which so far, however, have not proved conspicuously inconvenient for the Powers already within the fold. In the more urgent problems pressing upon Europe there have been proposals tending to put the League to dangerous uses, but all these elements of discussion are outside the scope of actual League work. Long discussions have also taken place on the unhappy Saar problems, and some of the German commentators seem unduly satisfied with the fact that for the first time there were definite signs of remonstrance against the methods of the Governing Commission. From other quarters, particularly from Great Britain, far more serious criticisms on the Saar admini-

stration have arisen, and these I must leave to be discussed in your editorial columns.

The April session of the Council gives point to a few necessary considerations. In the first place, there were 22 States participating in the discussion, including the ten members of the Council, and the agenda concerned the interests of nearly every country in Europe, as well as several outside, excluding the more general international questions which concerned everybody. Nearly the whole of the Council's work was done in public. It was open diplomacy practically demonstrated, with real and animated debates, the significance of which is scarcely realised outside the remote quarters of Geneva. It showed the value of the League as a safety valve, even if the solutions may not always have satisfied objective observers.

The Council is frequently regarded either as a dull, judicial body from which the sting of conflict has been withdrawn and replaced by the milk of human kindness, or as a set of amiable gentlemen wasting their time in irresponsible efforts, such as are the prerogatives of pacifists and cranks of all lands. The Council, of course, is neither of these things. It is not a judicial body, but a collection of Government representatives under Government instructions, acting on diplomatic and political grounds, seeking to find agreed solutions by compromise or other means in a mediatory way, without delivering sentences like a court. It is true its members work on a code—the Covenant—and have at least to pretend to live up to its terms. This is no mean controlling force, but those who imagine that the League is the end of politics and diplomacy are living under a great illusion. What it has done is to put international relations on a higher plane, but this does not mean moral objectivity in all decisions. The greatest piece of constructive work which the League has yet done, namely, its plan for the financial restoration of Austria, has been full of practical difficulties, which have had to be settled on a political basis; nor are these difficulties yet at an end. But the League's system has made the handling of them simpler by the mere fact that they are taken on an international basis. One does not want to underestimate the League's spirit, which after all is a matter of evolution, but to put it in some reasonable and sane perspective.

Another illustration lies in the remarkably interesting case brought forward by Hungary, under Article 11 of the Covenant, against Rumania. Hungary claimed that the Rumanian expropriation law, as applied to Hungarians who have left Rumania, but whose property rights are secured by the Treaty, is contrary to the terms of the Treaty. It is not possible to enter into the complicated arguments, but the point is that the Council first suggested reference to the Court, which met with Rumanian opposition. It then proposed that the Council should ask for an advisory opinion of the Court, followed by a suggestion for adjournment under conditions, and finally reached the point upon which it secured agreement, namely, unconditional adjournment to a later session, with arrangements to enable the contestants to reach an agreed solution under the direction of a member of the Council as mediator. This may not seem bold, and it is certainly not pontifical, but it shows how the Council takes account of all kinds of political considerations, and starts by feeling its way to broadly acceptable results.

In a similar way the dispute between Bulgaria and Greece, under Article 11, concerning the expulsion of Bulgarians from Western Thrace, resulted not in immediate solution, but in a certain alleviation of the situation and the discovery of a *modus vivendi* which satisfied both parties well enough. Another instance of frank recognition of real politics was the request to the Court, on the application of Finland, for an advisory opinion as to whether under the Treaty of Dorpat the question of the autonomy of Eastern Carelia constituted for Russia obligations of an international character. While doing this, and emphasising the importance of the Russian side being heard by the Court, the Council made it quite plain that, in the present state of affairs, Finland must be under no illusions as to what the League could do, assuming that the Court decided in favour of Finland.

Yet the Council meeting, despite these necessary limitations, has shown how large are League possibilities. The

Austrian affair alone (concerning which the Council's main decision was the authorisation of the floating of a long-term loan for Austria) has demonstrated clearly the difference between separate, piece-meal assistance given without control and without a plan, and real international co-operation in enforcing a complete and comprehensive scheme of reconstruction. A similar contrast is provided by the case of Albania, whose separate existence and independence has been saved by continuous League effort over-riding the sport of a few nations thirsting for Albanian control. The final step has been the appointment by the League of a Financial Adviser, who is the first of a series of advisers for various public services, with the object of achieving the economic development of the country. The Council took this decision in accordance with a general resolution of the Assembly undertaking to consider the provision of such expert assistance to States requesting it. Another instance of the direction in which League action is developing in this respect is the consideration by the Financial Committee of the League, at the request of the Greek Government, of the terms of Greek proposals for the raising of a £10,000,000 loan for refugee purposes.

Among the other work of the Council was the settlement of the frontier dispute between Hungary and Czechoslovakia in a way acceptable to both sides. The Council took some steps forward on the disarmament question, deciding to ask America on what terms she would be willing to co-operate with other States in the control of the trade and traffic in arms, and to ask the Members of the League for their opinion on Lord Robert Cecil's mutual guarantee scheme.

Some important decisions were also taken on the control of the traffic in women and children, the chief of which was a plan for an international inquiry. A grant of 50,000 Swiss francs was made to Dr Nansen to assist him in a colonisation scheme which has been started for Asia Minor refugees in Greece.

ITALY.—BANK OF ITALY REPORT—FOREIGN TRADE BALANCE—FLUCTUATIONS OF NOTE ISSUES AND DISCOUNTS—GOLD RESERVES.

(FROM OUR CORRESPONDENT.)

TURIN, May 1.

FROM the report of Signor Stringher to the last ordinary meeting of the shareholders of the Bank of Italy one can glean some interesting figures on commerce, banking, and finance in Italy. On the adverse foreign trade balance, which may be calculated at 6,000 million lire yearly, Signor Stringher remarks that Italy can only compensate it in the usual old way of remittances of Italian emigrants and expenses of foreign travellers. These are difficult to gauge, but remittances from emigrants through the agency of the Bank of Naples were in 1920 980,756,000 lire, in 1921 711,549,000 lire, and in 1922 525,688,000 lire. The Bank of Naples handles about a quarter of the savings of the emigrants, so that it may be calculated that remittances contribute over 2,000 millions to alleviate the annual indebtedness of Italy on the score of foreign trade.

The note issue at the end of the four last half-years was as follows (in millions of lire):—

	Issued by Banks for the Account of the			Issued by the State.	Gross Total.
	Trade.	State.	Total.		
June 30, 1921.....	9,436.6	8,722.3	18,158.9	2,268.4	20,427.3
December 31, 1921..	10,704.1	8,504.8	19,208.9	2,268.3	21,477.2
June 30, 1922.....	9,773.9	8,049.1	17,823.0	2,267.0	20,090.0
December 31, 1922..	9,935.4	8,076.6	18,012.0	2,267.0	20,279.0

The maximum was reached at the end of 1921, in consequence of the collapse of the Banca Italiana di Sconto; and it is easy to see that the banking issues on account of the State were not responsible for the rise, which was wholly limited to the issues on account of trade. This unfortunate affair retarded for a year a decrease which should have taken place in the note circulation. The losses will be borne ultimately by the taxpayers, as the Government, by a royal decree of January 2, 1923, agreed that three-fourths of the tax on notes issued above a certain limit and not covered by gold, instead of being

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paid into the Exchequer, should be paid from January 1, 1922, to December 31, 1925, into a special fund, which eventually will cover the losses incurred by the banks of issues on Banca di Sconto liquidation. An indication of the pressure exercised by these extraordinary rediscounts of banking bills may be gathered from the fact that the Consortium for industrial securities, largely an offspring of the banks of issues, which rediscounts long-dated bills of industry and trade, increased its operations from 1,496 million lire in 1921 to 2,254 millions in 1922, and closed the past year with the big sum of 767 million lire in loans and discounts; to which were to be added 898 million lire of a special section of this same Consortium created for the rediscount of banking bills.

The bills discounted by the Bank of Italy increased, therefore, very largely. The following figures of such bills may give an idea of the extent to which bankers and traders had recourse to the aid of our first bank of issue (millions of lire):—

November 20, 1921.....	3,328.9	October 20, 1922.....	4,365.3
December 31, 1921.....	3,895.8	November 30, 1922.....	4,596.2
January 10, 1922.....	4,244.3	December 31, 1922.....	4,635.3
April 30, 1922.....	4,559.8	March 20, 1923.....	4,288.6
June 30, 1922.....	4,539.1		

The item of bills discounted by the Bank of Italy, which increased between November 20, 1921, and April, 1922, by the huge sum of 1,231 million lire, has fluctuated since; but at the end of 1922 was at its highest point. It is to be hoped that the decrease experienced in the New Year may not prove a merely seasonal movement. Loans on securities have done better; beginning at 3,669.5 million lire at January 31, 1922, they decreased, almost continuously, to 1,955.2 million lire at November 30, 1922, only to increase to 2,533 millions at December 31, 1922, owing to the usual end-of-the-year necessities.

While the official discount rate remained at 6 per cent. until July 10th, and was reduced to 5½ after that date, the average effective rate of discount applied was 5.55 per cent. in 1922, against 5.83 per cent. in 1921 and 5.69 in 1920.

A great deal of interest was aroused in Italy by Signor Stringher's utterance about gold reserves and the war transfer of gold to England. It appears that the reserves of the Bank of Italy varied thus (in millions of lire):—

	December 31, 1921.	December, 1922.
Gold	1,077.4 ..	883.9 ..
Silver	104.8 ..	75.8 ..
Gold credits on foreign countries	48.1 ..	320.1 ..
Various	27.9 ..	9.6 ..
	1,258.2 ..	1,289.4 ..
Deposit of gold in foreign countries' certificates	73.7 ..	381.4 ..
	1,331.9 ..	1,670.8 ..

It was always the custom of the Bank of Italy to hold a part of its gold reserve under the form of gold credits on first-rate foreign banks. It was a sort of informal gold exchange system, and was useful, in old times, for the regulation of exchanges. But the item of "deposit of gold certificates" has to-day a wholly different signifi-

cation. This sum of 381.4 million lire is a part of a greater sum of 562.3 million lire which the Italian Government deposited in London, at the request of British Government, for the sake of pegging the sterling exchanges in the common interest of the Allies. This is the sum which the British Premier proposed at Paris should pass to the British Treasury in part compensation of the cancellation of the Italian debt to Great Britain. We do not know in Italy if this same gold is counted somewhere in foreign gold reserve. If so, it would be necessary not to count it twice in figuring world gold reserves.

SWITZERLAND.—THE INITIATIVE IN CUSTOMS DUTIES—FINANCIAL POSITION OF THE FEDERAL RAILWAYS—THIRD FEDERAL RAILWAY ELECTRIFICATION LOAN.

(FROM OUR CORRESPONDENT.)

GENEVA, May 1.

THE chief event of April was the rejection of the Initiative demanding the reduction of Customs duties by a majority of nearly 300,000. The motives of the rejection were not only political, they were largely financial and economic. Under the Federal Constitution the Customs receipts form one of the principal sources of Federal revenue. Before the war they were five-sixths of the total revenue; to-day, when the Federal needs have increased immensely, they form a much smaller proportion.

The Budget for 1923 estimates the Federal receipts at approximately 426 million francs. Subtracting the 203 millions representing the revenues under separate administration and those derived from the postal, telegraph, and telephone services, the actual receipts are only 223 million francs; of this the Customs duties furnish 158 millions, the other taxes 28 millions. The abolition of the provisional tariff would have reduced the Customs revenue by at least 70 millions, and the Federal revenue would have been only 153 millions, covering only about half the ordinary expenditure, which amounts to about 300 million francs, apart from those of the separate administration above referred to. The disproportion would be still greater if the extraordinary expenditure were taken into account—e.g., on unemployment and subsidies to industry.

The passing of the Initiative would have necessitated new direct Federal taxes, and the proportion of indirect to direct taxation is much lower in Switzerland than almost anywhere else. Of the public expenditure of the Confederation, the cantons, and the communes, three-fourths is covered by direct taxes and one-fourth by indirect; and in view of the heavy deficits—Federal, cantonal, and communal—new direct taxes would have been a crushing burden to industry and trade.

In a previous letter it has been shown that the financial results of several Federal services, notably the posts, telegraphs, and telephones, and of the Military Department, had considerably improved in 1922. The accounts of the working of the Federal Railways show a marked improvement likewise. It was, indeed, only in the second half of the year that the traffic increased, but the working expenses were so reduced that the excess of receipts was 30.5 million francs, against 12 million in 1921. As in other departments of the Federal Administration, this is largely the result of the reduction in the number of employees and in the extra allowances to cover the increased cost of living, and of economies realised in railway material. The working expenses, in 1921 96.59 per cent. of the total revenue, fell in 1922 to 91.14. The number of passengers carried decreased by 0.38 per cent., the goods traffic, however, increased by 10.61 per cent. But the excess of receipts over expenditure has since 1914 been insufficient to cover the deficits caused by the payment of interest. Still there is a slight improvement, the deficits in the profit and loss account having fallen by 8.71 per cent. in 1922. The aggregate amount of war and post-war deficits to the end of 1922 is 231.4 million francs, and the profit and loss account will probably close with a deficit this year also. Judging from the figures of working of the first two months of 1923, it is possible, according to the Financial Bulletin of the Crédit Suisse for April—from which these figures are taken—

the financial position of the Federal Railways may even this year show an important change. In January and February, 1922, the deficit on working was 9.55 million francs, for the corresponding months of 1923 there is an excess of receipts of 5.45 millions. It may be hoped that the period of deficits will end in 1924 or 1925.

It is under these conditions that the Confederation has issued its third electrification loan, bearing 4 per cent. interest, and intended to consolidate the floating debts contracted for the electrification of the Federal railways. The works in question, covering a total of 2,942 kilometres, of which 412 have been electrified to date, will enable the railways to be worked in a more rational manner and render the main lines independent of foreign coal. When traffic reaches its pre-war figure, and the electrification is finished, it will be possible to save 530,000 tons of coal of the 750,000 tons employed annually before 1913, or, taking the average price as 50 francs per ton, 32 million francs. It is estimated that the electrification of the 1,529 kilometres of line to be dealt with in the next six years will cost about 750 million francs, of which 230 millions will be spent on the purchase of rolling-stock. The loan in question, 120 million francs, issued directly by the Confederation, was offered for public subscription from April 24th to April 30th at 94½. It will be repayable at par on May 15, 1928. Its yield, taking account of redemption, will, therefore, be slightly more than 4½ per cent., the rate of yield in Switzerland of first-class securities. We learn that it has been fully subscribed, but that the Federal Council did not exercise the right which it had reserved—the right of increasing the amount to 200,000,000 francs.

DENMARK.—FOREIGN TRADE—BUSINESS CONDITIONS—PRICES—LANDMANDBANK—NEW ISSUES.

(FROM OUR CORRESPONDENT.)

COPENHAGEN, April 20.

THE latest monthly report of foreign trade refers to February, and shows increased figures for exports and imports. The value of the imports during that month was 155,000,000 kr., as against 142,000,000 kr. for January. At the same time, exports of Danish goods increased from 103,000,000 kr. to 113,000,000 kr., while the re-exports of foreign goods were unchanged 5,000,000 kr. Accordingly the import surplus was 37,000,000 kr. against 34,000,000 kr. in January. The predominant part of the exports is agricultural produce, and during the winter comparatively favourable prices have been obtained for this, with the exception of eggs; this has undoubtedly affected the balance of trade in a favourable direction. As, however, the world price-level is rising for a number of import articles, which are indispensable for Denmark, especially raw materials and auxiliaries, it is now a question whether exports can increase at the same rate as imports, thereby maintaining the present balance of trade. It is expected that the shipping trade—although not enjoying exceptionally favourable conditions—will earn a sufficient surplus to influence the final financial balance.

The general feeling in trade circles is rather unsettled. The decline of the number of unemployed is a sign of the increasing initiative generally experienced with the advent of spring, and in a special, but rather important, line like the boot manufacturing industry a certain optimism is expressed. Several other Danish industries have been somewhat relieved during the last few months by the stabilisation of the mark rate, which has lessened German dumping. This factor may have contributed to the comparatively bright outlook which appears to prevail. Generally speaking, the tone has improved since the new year, but expectations are nowhere exaggerated, and, although wholesale prices are firmer, no very great increase in the volume of business can be traced.

On April 1st the wholesale price index of the "Finanstidende" showed a figure of 200 points, as against 199 points on March 1st. The paper states that as far as foodstuffs are concerned a rise has taken place in pork, meat, sugar, and potatoes, while the market has been weaker for butter, eggs, and cereals. The London market for butter and eggs is said to be irregular, but

there is reason to believe that after a decline in the course of six months from 380 to 140 egg prices have now reached bottom. A further rise has taken place in coal and iron, owing to the Ruhr occupation. The Danish wholesale prices are now on the average 12 per cent. higher than at this time last year.

From the banking world there is no news of importance. After the big events, which for a long time had such serious effects, things have again settled down. It is noted with interest that the deposits in the Landmandsbank increased during March, as this is a sign of the reassurance with regard to the bank, which is felt after the grant of the State guarantee. For the four classes of deposits the total increase is 4,400,000 kr., viz., from 727,300,000 kr. to 731,700,000 kr. Call deposits have been reduced from 43,300,000 kr. to 42,600,000 kr., and time deposits from 287,400,000 kr. to 280,000,000 kr. On the other hand, deposits on current account have increased from 243,500,000 kr. to 252,900,000 kr., and at the same time saving deposits proper have increased from 153,100,000 kr. to 156,200,000 kr., a not inconsiderable increase, and the most interesting change in the balance-sheet of the bank.

From some of the larger limited companies noteworthy reports of new establishments and increases of share capital have appeared. At the initiative of the East Asiatic Company, Limited, a new plantation company has been established in London under the style of "The East Asiatic Rubber Estates, Limited," with a capital of £600,000. That part of the capital, which had not been taken over beforehand, was over-subscribed several times. The East Asiatic Company and the East Asiatic Plantation Company have sold to the new company four plantations on the Malacca Peninsula of an aggregate area of 11,000 acres. Further, the board of Burmeister and Wain, Limited, shipbuilders, have convened an extraordinary general meeting, at which will be proposed an increase of the share capital from 10,000,000 kr. to 15,000,000 kr., in order to provide for new plant—i.e., a new floating dock and extensions required for the manufacture of the new double-action Diesel motor. The new shares will be offered to the present shareholders at par in the proportion of one new share for each holder of two old shares.

A few weeks ago Burmeister and Wain published the remarkable results of experiments, which have been carried on secretly during the last two years for the purpose of producing an entirely new type of motor—i.e., a double-action four-stroke Diesel motor. This motor will now receive its trial in practical life, as Burmeister and Wain have contracted with the Swedish-America Line to supply the machines for the big new luxury liner for the New York route, which is being built by Messrs Armstrong, Whitworth and Co., in Newcastle. The machines will be two 6-cylinder main Diesel motors, aggregating 13,500 h.p., besides a complete set of auxiliary Diesel motors.

CANADA.—CROP PROSPECTS—THE REVISION OF THE BANK ACT—THE STEAMSHIP COMBINES—THE MINING BOOM—ATTITUDE TO BRITISH FISCAL CHANGES.

(FROM OUR CORRESPONDENT.)

OTTAWA, April 23.

THE very severe and protracted winter has now come to an end, and everywhere the farmers are busy upon the land. In many localities it is still very wet, and seeding there will be delayed beyond the normal date. In Ontario the winter wheat is reported in good condition, and some pasture is beginning to be available. There has been great anxiety in business circles about the effects of the possible lateness of the western crop, but the first reports of the *Manitoba Free Press*, compiled from data procured at 50 points in the prairie provinces, are reassuring. They indicate that a very substantial acreage will be seeded by April 30th. Manitoba has usually a larger acreage seeded at this date, and heavy floods are hampering farming operations in the Assiniboine Valley, but luckily there is a large amount of summer fallow ready the moment that the land is dry enough to carry the seed drills. In some districts of Saskatchewan there will be a curtailment of

acreage, and in others the wetness of the land is a drawback. Alberta, which enjoyed a lighter snowfall, reports a larger proportion of seeding completed than its neighbours, but some points are complaining of a lack of rain. Taken all round, the moisture conditions which are most important are exceedingly satisfactory.

Since the Easter recess the Banking and Commerce Committee, which is charged with the reshaping of the Bank Act, has got down to serious work, and has been holding almost daily sessions, at which a variety of witnesses have appeared. The strong agitation for radical changes in Canada's monetary system, which has developed in the West, found vigorous expression from a number of western witnesses. In the province of Alberta there has grown up a regular school of thought, which definitely challenges the whole fundamental basis of the present banking system. Two Alberta farmers, George Bevington and Neil East, astonished the Committee and the bankers and lawyers who were present by their wide grasp of the theoretical principles of banking and finance, and launched a very formidable indictment against the present Canadian system. They were also completely conversant with the farm credits legislation lately passed at Washington, and were insistent that some parallel machinery must be devised for Canada. Mr Bevington opposed any reversion to the gold standard, and sketched a scheme for a Federal farm bank, which would be financed by the issue of Dominion notes and would operate through subsidiary provincial organisations. He was backed up by many of the Progressive members, and managed to face with success a very severe cross-examination at the hands of members who were supporters of the existing system. Mr East was more visionary, being unable, for instance, to see why the whole of the railway obligations assumed by the State should not have been met by the issue of Dominion notes. After other critics of the banking system had unburdened themselves of their views the bankers were given a turn, and it would be difficult to aver that they were fortunate in the impression created by their first champion, Sir Frederick Williams-Taylor, general manager of the Bank of Montreal and president of the Bankers' Association. Sir Frederick assumed the attitude that all was well with the most perfect banking system in the universe. He was, however, faced with some very competent young Progressive members, who did not spare him in cross-examination. He was followed by Sir John Aird, the general manager of the Canadian Bank of Commerce, who was a much more impressive witness. He was willing to recognise other points of view, and did not claim that the Bank Act was the last word in financial perfection. Other bankers, like Sir Edmund Walker, will now give their testimony, and this week there will also appear Major C. H. Douglas, who has been specially brought from London by some of the friends of credit reform. Mr H. T. Tulloch appeared to place before the Committee the views of the Bradford and other British Chambers of Commerce upon certain sections of the Bank Act, which have operated in the past to the disadvantage of British exporters, and his representations received a good hearing.

Revelations about the operations of the highly organised steamship combines which control freight rates both on the Great Lakes and the North Atlantic have aroused deep discontent in Western Canada, whose farmers feel that an unjust toll is being taken of the produce of their labours. The *Manitoba Free Press*, which is the most influential organ in the West, has opened a strenuous campaign for redress. Among other allegations, it declares that the ocean steamship companies last December lowered their rates on Canadian cattle to \$15 per head. When, however, the definite announcement was made that the British embargo on Canadian cattle would be lifted, and cattle-raisers in every quarter of Canada began preparing shipments to take advantage of the new market, the steamship companies promptly raised the rate per head from \$15 to \$22.50. British graziers arrived in Western Canada to buy cattle, but when they asked for rates for shipments they were told that no space was available because an individual in New York had contracted for practically all the space available up till June. The cattle-raisers of Canada are now confronted with the alternative of keeping their cattle at home, or of paying this

individual \$22.50, plus a profit per head. Naturally such episodes have intensified in rural communities the criticism now directed against the present economic order, and if the Canadian delegates to the forthcoming Imperial Conference do not raise the question of shipping combines and their activities, the King Government will pay the penalty at the next election.

The boom in mining stocks still continues, and there is great activity in the various mining camps in Northern Ontario, and the adjacent Quebec area. During the winter many of the leading mines have been handicapped by a lack of electric power, but with the advent of a thaw which has filled the rivers, this disability has been cured, and full production will now be assured.

The attempts to work up a gold mining boom in Labrador still continue, but grave doubts are now being cast upon the real value of the discoveries which have been made. The Mines Department at Ottawa are undertaking an investigation of the prospects of the locality, and if their pronouncement is adverse it may help to avert hardship and loss of money. Meanwhile, the Department of Mines for Quebec Province has published the following statement upon the new goldfields of North-western Quebec.

"During the summer of 1922 two geological parties under H. C. Cooke made a preliminary examination of the district, and although the report has not yet been published, it is understood that the Government geologists are favourably impressed with the conditions in this field, and the tract of country over which they went appears to warrant expectations of the development of future gold mines. Numerous large bodies of porphyry were noted, as well as syenite and granite intrusions, and taking into account the keynote of the advice of the Ontario Bureau of Mines to the prospector, which can be summed up in one sentence—for gold deposits look for feldspar porphyry and quartz-porphry intrusions, in or near great belts of pre-Cambrian sediments, particularly the Timiskaming series—this area in the Province of Quebec is most promising."

Canadian millers are much relieved that not only will no duty be imposed by Great Britain on imported flour, but that the recommendation urging a proportion of offals as a concomitant of every shipment of flour has also been rejected. There is, however, some expectation that the preference of one-third given to barley and hops imported from the Dominions may stimulate exports of these products to Britain. In the fiscal year 1922 Canada exported to Britain 9,481,888 bushels of barley valued at \$7,582,764, but the United States sent a much larger quantity, chiefly from California. With American barley faced with a duty of 10s per quarter, the Canadian farmer ought to be able to supplant it at least partially with his own product. Canada's exports of hops in 1922 were very trivial; their total value was \$377,123, and practically all went to Britain. But in the same period Canada had herself to import hops of more than twice this value, mainly from the United States, so that this particular preference is unlikely to bring much benefit.

There is just a possibility that the legislation embodying the new Bank Act may be postponed for another year: Mr Fielding admitted that he had received a number of representations to this end, and was giving the suggestion consideration. The Budget is expected next week, and very few fiscal or taxation changes are anticipated.

Letters to the Editor.

A CO-OPERATIVE POLICY FOR LABOUR AND CAPITAL.

TO THE EDITOR OF THE ECONOMIST.

SIR,—The leading article on "A Co-operative Policy for Labour and Capital," in your issue of May 5th, touches so many points of interest to this society that I am prompted to offer a brief comment. In particular, your suggestion that if the employers and workpeople would collaborate in a thorough overhaul of the whole system of the relief of unemployment, which would give a sense of security, "it should be possible in return to

enlist the support of labour in this country in favour of abolishing restrictive trade union practices, of extending the principle of payment by results, and generally of working for greater efficiency and output per head," is of special interest to us, since our membership is to be found among those salaried officials, administrative and technical, engaged in the engineering and allied industries, whose duties consist in a ceaseless search for efficiency in design, production, and distribution.

We more than any other section of the industrial community are brought face to face with the facts as to the manner in which efficiency is reduced and production limited in the workshops by a thousand details of trade union practice. Those of us whose duties bring us into daily contact with the workpeople become aware of the grounds upon which those restrictions are based, and however much we may be withheld thereby from the realisation of our own visions of efficiency we cannot but often be made to feel that the lines taken by the unions are intelligible, especially when seen in the light of their experiences in past years.

Most especially are we brought to feel that the primary need of the workers is for some reasonable degree of security, and that most trade union practices which are restrictive of efficiency are to be traced to the dread of unemployment.

We occupy a mid position between the workpeople and the employer, see something of both sides, and are therefore disposed to an attitude of mind in some sense neutral as between the protagonists of either side. We should like to see the question of the relation of output with security of employment thoroughly explored by the employers and the workpeople, because it is clear that if any practicable scheme for "enlisting the support of labour in favour of abolishing restrictive trade union practices" could be devised, it would not be easy to overestimate the beneficial results to all concerned.

There are several other points raised by you in connection with the possibility of reaching the solution of industrial problems along "a middle course between the views of orthodox labour and orthodox capital," upon which I should like to touch, but must have regard to the limits of your space.—I am, Sir, yours, &c.,

NORMAN WYLD

(Director, Society of Technical Engineers).

102 Belgrave road, London, S.W. 1.

INCOME-TAX ASSESSMENTS.

TO THE EDITOR OF THE ECONOMIST.

SIR,—In all the discussion of the Budget, both in Parliament and in the Press, I have so far observed no comment on the proposal to extend the period during which assessments may be re-opened from three years to six. May I suggest that this provision should receive some consideration before the Committee stage of the Finance Bill is reached?

There can be no sympathy with those who evade their share of the staggering burden which has in recent years been imposed on the taxpayer, but it seems doubtful whether the remedy proposed may not prove worse than the disease.

It is, I believe, the experience of most payers of income-tax and super-tax that for years past existence has been made almost intolerable not so much by the ferocious fines which public extravagance has imposed on private thrift as by the ineptitude with which they have been collected.

From the beginning to the close of the year we are harassed by an interminable stream, or deluge, of communications—applications, circulars, notices, and inquiries of every description, many of them futile, inadmissible or superfluous, emanating from a host of departmental officers, often ill-acquainted with their business, and between whom there appears to be no adequate liaison. However careful our returns, to get a correct assessment, or to obtain the statutory allowances—e.g., that on earned income or that on income taxed elsewhere, usually involves months of wearisome correspondence and repeated explanations. I believe that this experience is so general that to give any examples or details would constitute an unjustifiable encroachment on your space. But,

as a single illustration of the practice of re-opening assessments for which it is now proposed to extend the period, I may perhaps mention that I was recently asked what amount was included in my super-tax return in respect of certain dividends declared more than three years ago.

In ordinary circumstances I suppose the only reply which could be made to such a query—for which no reason was assigned—would be that the amount returned was presumably the amount received plus the addition necessary, according to the then current rate of tax, to represent the difference between net and gross income. As however, it so happened that I had not received either of the dividends specified I had no difficulty in making a "nil" return.

I was then informed that the Commissioners proposed to re-open the assessment, and demand payment in respect of these dividends, on which the amount due had presumably long since been paid by the recipient. I then sent a circumstantial letter, giving further particulars, of which I received no acknowledgment, but which I now understand was "accepted as satisfactory."

It can scarcely be expected that the ordinary private individual should preserve detailed accounts, covering several years, of matters long since adjusted. Should the extension proposed by the Chancellor be adopted without qualification, it will certainly add a new terror to the taxpayer in his passage through life and in many cases to his executors after his demise.

May I suggest that if experience shows that in certain cases some prolongation of the period in question is desirable, it should be confined to instances where there is strong *prima facie* ground for supposing that incorrect returns have been submitted, and the reason for re-opening should be clearly indicated.—Yours, &c.,

April 25th, 1923.

A HARASSED TAXPAYER.

Books and Publications.

RECENT ECONOMIC LITERATURE.—A TWO MONTHS' SURVEY.

ECONOMIC students, to judge from recent literature, are mainly engaged upon the useful and necessary task of examining, and restating, established principles. To a large extent this restatement is conditioned by reference to what one is tired of hearing described as the "chaos of Europe." That chaos occupies a lion's share of space among the recent publications of a more or less economic character that have come from the publishers in the last two months. There is an unusually high proportion of the books bearing definitely on the history of the years of the war, including four volumes in the admirable series of Economic Monographs, for which the Carnegie Endowment is responsible. In addition, there are a number devoted to the outstanding problems of the Treaty period, and of course, in the first instance, to currency questions. Another group deals with matters of what may be called domestic controversy. Of these there are likely to be more and more as the Socialist party in the House of Commons forces its theories to the front, in connection with this issue and then with that, and, in general, tries to assail the whole fortress of accepted economic theory.

Of works on pure economics, whether advanced or elementary, there are hardly any. Even Professor O. Fred Boucke's suggestive "Critique of Economics" (New York, the MacMillan Co., 9s) has a distinct political, though not partisan, bearing and interest; one can only regret the deplorably unattractive style which seems to afflict nearly all trans-Atlantic writers on any department of sociology. No such criticism lies against Mr D. H. Robertson; his *Control of Industry* (Cambridge University Press, and Nisbet, 5s) in the admirable series edited by Mr J. M. Keynes, of which it forms the fifth volume, is delightfully written, and the quotations from *Alice in Wonderland*, which form the chapter headings, are a miracle of ingenuity. They will draw the least attentive reader on. Not that they represent the principal merit of a book which is a model of arrange-

ment and of presentation. The argument is always lucid and tolerant, and the plea for a liberal policy in industry very well put, though it will not satisfy those who jib at Whitley Councils, from whichever point of view. The new edition of Mr Frank McVey's *Modern Industrialism* (Appleton, 12s 6d), which has been thoroughly revised, and, to a large extent, rewritten by the author, covers a much more extended space, but the gist of the matter is contained in Mr Robertson's modest volume and more fully expressed. Mr E. H. Lloyd's little volume on *Stabilisation* (Allen and Unwin, 4s 6d) is, in the main, a simplified statement of the Currency Reconstruction proposals put forward at the time of the Genoa Conference, with suggestions from their extension to staple raw materials. A very much more technical and authoritative examination of all the ideas underlying the terrifying word stabilisation is to be found in *The Stabilisation of Business* (MacMillan Co., New York, 12s), which contains contributions from Professor Seligmann, Professor Irving Fisher, and others.

Sir Josiah Stamp has issued a new edition of his invaluable *Wealth and Taxable Capacity* (P. S. King, 7s 6d), with some additional matter, bringing right up to date a volume which is the basis for all sound discussion of the problems of national finance. Another new edition, which is to all intents and purposes a new book, so far as the student of to-day is concerned, is the revision prepared by Mr T. E. Gregory, of the London School of Economics, of Bastable's famous *Commerce of Nations* (Methuen, 6s). It is very interesting to compare with this such a book as Mr Watson Kirkconnell's *International Aspects of Unemployment* (Allen and Unwin, 6s 6d). Take the two together, and you have a pretty clear apprehension of at least one side of the Free Trade case.

Sir Thomas Middleton's monograph on *Food Production in War* (Carnegie Endowment and Oxford University Press), which was reviewed in the *Economist* of March 24th, is pretty certain to rank as the standard work on the subject, and, further, to provide a handbook for British students of agriculture for some time to come. It contains a mass of most useful statistics, and some warnings, not too bluntly expressed, as to how not to do it, for the future. On various points the fact that Sir Thomas was an official limits his critical expression; but not to a degree that at all interferes with the utility of his work. Of course, he is not one of those amiable enthusiasts who think that Britain can, or should, try to grow all its own food. No one can maintain that position who is not prepared to feed himself, and believes that he can get his fellow countrymen to allow themselves to be fed, upon a diet of calories, irrespective of the human illusion that feeding, while necessary, can also be pleasant. With his facts in mind, one can turn, intelligently equipped, to such a brochure as *The Farmer's Problem* (John Murray, 1s, with an introduction by W. T. Layton). If the farmer who writes this were typical, the solution would be much nearer than is generally assumed.

Even more interesting is Sir Richard Redmayne's *British Coal Mining Industry During the War*. The subject is certainly more shapely and tractable, and the human aspect more constantly present, although Sir Richard's treatment is thoroughly scientific. A fascinating background is given by Mr Welbourne's scholarly *The Miners' Unions of Northumberland and Durham* (Cambridge University Press, 10s 6d), while the other side of the facts is provided in the *Colliery Year-Book and Coal Trades Directory for 1923* (Louis Cassier Company, Limited, 21s). It is to be hoped that this will now be an annual volume. It contains a useful survey of the present-day position of the industry, as well as statistical data, and a complete list of colliery owners, &c. Again in the Carnegie series there are two volumes from the indefatigable pen of Mr G. H. Cole, *Trade Unionism and Munitions* and *Workshop Organisation* (Oxford University Press, 7s 6d each). These cover a very important aspect of the history of the Home Front, and, as such, will be indispensable as works of reference. Neither can be described as "light reading."

One has definitely crossed the line that separates economic from political argument with the next group of books. M. Caillaux's *Whither Europe? Whither France?* (Fisher Unwin, 10s) reviewed in the *Economist* of April 28th, is interesting not only as the work of the man

[illegible]

Miscellaneous.

	Price Week.	Latent Price.	Rise or Fall.
Aerated Bread (11) ..	1 1/2	1 1/2	..
Amal. Cottons (11) ..	4 1/2	4 1/2	..
Anglo Persian Oil (11) ..	4 1/2	4 1/2	..
Armstrong (Sir W.G.) ..	1 1/2	1 1/2	..
and Co. (11) ..	1 1/2	1 1/2	..
Ass. Pind. Cement (11) ..	2 1/2	2 1/2	..
Barker, John (11) ..	2 1/2	2 1/2	..
Bham Small Arms (11) ..	2 1/2	2 1/2	..
British Traction (1100) ..	5 1/2	5 1/2	..
British-American ..	5 1/2	5 1/2	..
Tobacco (11) ..	4 1/2	4 1/2	..
Burmah Oil (11) ..	5 1/2	5 1/2	..
Costs (J. and P.) (11) ..	3 1/2	3 1/2	..
Courtauld (11) ..	3 1/2	3 1/2	..
Cunard (11) ..	1 1/2	1 1/2	..
Dorman, Long (11) ..	3 1/2	3 1/2	..
Dunlop Rubber (11) ..	3 1/2	3 1/2	..
Fine Cotton Spinners ..	2 1/2	2 1/2	..
(11) ..	2 1/2	2 1/2	..
Forestal Land (11) ..	1 1/2	1 1/2	..
Furness, Withy (11) ..	1 1/2	1 1/2	..
Highlands and Low ..	1 1/2	1 1/2	..
lands Rubber (11) ..	1 1/2	1 1/2	..
Hudson's Bay (11) ..	7 1/2	7 1/2	..

MINING OUTPUT STATISTICS FOR APRIL, 1923.

	Tons Crushed.		Gold Recovered.		Value.	Profit.
	Mill.	Cyande Works.	Mill.	Cyande Works.		
Gold.	Tons.	Tons.	Ozs.	Ozs.	£	£
Akoko Main Reef ..	200	246	149	57	202	706
Associated (Australian) ..	5,564	..	..	..	..	6,386
Associated Northern ..	..	..	..	..	..	..
Iron Duke ..	330	..	..	..	..	694
Balaghat ..	5,930	8,300	2,466	575	3,041	1,594
Blackwater ..	3,090	..	..	..	..	..
British Platinum and Gold ..	..	..	..	..	..	..
Cam and Motor ..	15,500	..	304 (pl. tin)	80 (gold)	7,905	14,070
Champion Reef ..	10,880	15,168	3,776	603	155,725	1,470
El Oro ..	32,950	..	..	..	..	..
Globe and Phoenix ..	6,297	..	..	..	5,993	(110,441)
Golden Horseshoe ..	5,781	..	..	..	3,753	16,001
Great Boulder Prop. ..	9,063	..	..	..	..	(d) 22,657
Hampton Props. ..	375	..	..	..	..	498
Ivanhoe ..	12,058	..	..	..	5,256	..
Leahurst Reef ..	5,600	..	..	..	3,813	(c) 7,404
Manias Cons. ..	1,430	..	..	..	..	2,865
Meyers ..	15,762	50,217	5,543	4,501	10,044	..
North Annapur ..	1,400	..	..	..	..	..
Nandiroog ..	10,085	20,235	4,459	1,001	5,460	..
Oreogum ..	14,500	15,670	7,974	1,209	9,183	..
Oriental Cons. ..	..	..	..	..	..	97,000
Resende ..	6,200	855	..	..	3,109	(a) 13,905
South Kalgarli ..	6,509	..	..	..	..	(d) 12,478
St John del Rey ..	..	..	..	..	..	42,000
Tomboy ..	17,000	..	..	..	..	77,000
Transvaal and Rhodesian ..	..	..	..	..	..	..
Prod ..	1,700	..	..	..	..	4,768
Sheba ..	2,600	..	..	..	775	..

(a) Including premium. (b) Loss. (c) 84s per fine oz. (d) Par value. (e) 89s per fine oz.

	Output.	Other Notes in Return.	
		Tons.	Blister copper.
Copper.	Tons.	..	..
Namagwa ..	213	..	..
Podocosa ..	500	..	..
Tanganyika ..	3,869	..	..
Tin.	..	..	..
Aramayo ..	217	122,000 ozs. silver.	..
Gopeng ..	60	Est. value, £7,235; est. cost, £1,925.	..
Guram River ..	10	..	..
Ipo ..	221	..	..
Jos ..	14	..	..
Kin ..	25	Shipped 26 tons.	..
Kramat Pulai ..	31	Value, £3,850; gross profit, £2,182.	..
Naraguta Ext. ..	8	Profit, including tribute, £1,564.	..
Nigerian Base Metals ..	6	Despatched 9 tons.	..
Nigerian Cons. ..	22	..	..
Northern Nigeria ..	60	..	..
Pahang Cons. ..	199	Black tin; alluvial, 18 tons.	..
Pangkajene ..	27	Est. value, £3,440; est. cost, £1,210.	..
Premier Hydraulic ..	61	..	..
Pusing Rubber and Tin ..	13	Gross mining profit, £135.	..
Rambutan ..	95	Est. value, £1,530; est. cost, £885.	..
Ropp ..	3	Despatched 2 tons.	..
Rukuba ..	79	..	..
Samase ..	46	Est. value, £5,970; est. cost, £2,970.	..
Sungel Best ..	41	Est. value, £4,760; est. cost, £1,290.	..
Tekka ..	65	Est. value, £8,340; est. cost, £2,680.	..
Tekka-Taiping ..	2	Despatched 21 tons.	..
Tin Fields of N. Nigeria ..	67	..	..
Tongkah Harbour ..	44	Value, £5,737; cost, £3,824.	..
Tronoh ..	10	..	..
Yarde Kerri Group ..	..	..	..
Coal.	..	..	..
Chinese Engineering ..	80,711	Week ended April 28th.	..
Chialet ..	3,981	..	..
Tweelton United ..	80,140	..	..
Vereeniging ..	50,855	Brick works, £7,755.	..
Miscellaneous.	..	..	..
Akim ..	..	Diamonds, 656 carats; gold, 230 ozs.	..
Kesley Silver ..	..	118,000 ozs silver.	..
Transvaal Silver ..	..	42,840 ozs fine silver.	..

BAITIAN AUSTRALIAN.—Mill returns for the fortnight ended May 5th.—7,072 tons crude ore produced, 1,170 tons lead concentrates, containing 732 tons lead and 94 tons silver per ton, and 445 per cent. zinc. 150 tons carbonates raised. One day's stoppage.

BROKEN HILL SOUTH, LIMITED.—For the four weeks ended May 5th, 14,420 tons of crude ore and 12,090 tons of dump siliceous ore were treated and produced 4,878 tons of lead concentrates, assaying 55 per cent. lead and 26 ozs silver per ton; also 2,965 tons of zinc concentrates, assaying 46 per cent. zinc.

NORTH BROKEN HILL.—Production for April, 3,050 tons lead concentrate averaging 64 per cent. lead, 29 ozs silver per ton, and 8 per cent. zinc; also 2,68 tons zinc concentrates, averaging 47 per cent. zinc, 6 per cent. lead, and 7 ozs silver per ton.

SAN FRANCISCO.—April:—Ore treated, 7,150 tons; lead concentrates produced, 1,360 tons; zinc concentrates produced, 400 tons. Estimated net smelter return on lead, \$105,830 U.S. currency; estimated net smelter return on zinc, \$14,300 total net smelter return, \$120,130. Operating expenses, \$40,660; estimate operating profit, \$79,470.

ANALYSIS OF BALANCE-SHEETS.

BRITISH COTTON AND WOOL DYERS' ASSOCIATION.

LIABILITIES.		ASSETS.	
Amount.	Compared with Mar. 31, 1922.	Amount.	Compared with Mar. 31, 1922.
Ord. shares ..	580,624 ..	Land, plant, &c. ..	1,289,510 .. + 34,67
4% deb. stock ..	620,000 ..	Stocks ..	138,857 .. - 20,56
Deb. int. accrued ..	6,200 ..	Debtors ..	253,489 .. - 25,54
Reserve ..	175,000 .. + 50,000	Cash ..	141,715 .. + 71,50
Depreciation fund ..	190,000 .. + 25,000	Trustees for debts ..	39,245 .. + 14,57
Investment ..	30,000 .. + 5,000	Investments ..	87,062 .. + 4,99
Creditors ..	148,576 .. + 63,243		
Profit and loss ..	199,476 .. + 53,236		
Total ..	1,919,876 .. + 69,993	Total ..	1,919,876 .. + 69,993

BRITISH OIL AND CAKE MILLS.

LIABILITIES.		ASSETS.	
Amount.	Compared with Dec. 31, 1921.	Amount.	Compared with Dec. 31, 1921.
Ord. shares ..	2,582,801 .. + 82,801	Properties ..	1,986,202 .. + 2,79
Prof. shares ..	74,103 ..	Expenditure on ..	1,207 .. - 87
Deb. stock ..	610,707 ..	mills ..	..
Loans & deposits ..	197,129 .. + 76,963	Allied cos. ..	1,779,314 .. + 323,56
Allied cos. ..	32,230 .. + 44,278	Investments ..	999,915 .. - 97
Sundry creditors ..	626,419 .. + 11,893	Bills receivable ..	3,585 ..
Reserve account ..	950,000 ..	Stocks ..	691,520 .. - 171,49
Profit and loss ..	175,855 .. + 5,001	Goods in transit ..	30,750 .. + 30,75
		Sundry trade ..	..
		debtors ..	316,669 .. - 35,26
		Other debtors ..	62,632 .. - 7,40
		Cash ..	46,851 .. - 25,43
Total ..	5,918,244 .. + 108,594	Total ..	5,918,244 .. + 108,594

EAGLE OIL TRANSPORT COMPANY, LIMITED.

LIABILITIES.		ASSETS.	
Amount.	Compared with Dec. 31, 1921.	Amount.	Compared with Dec. 31, 1921.
6% cum. pref., £5 ..	2,000,000 ..	Costs of Steamers, ..	9,821,041 .. + 691,478
Ord. shares, £5 ..	3,000,000 ..	Office furniture ..	.. - 25
7% 12-yr. notes ..	1921 ..	Stock of repair ..	14,598 .. - 2,26
1921 ..	3,000,000 ..	Debtors ..	277,680 .. - 89,011
Depreciation res. ..	1,891,334 .. + 661,180	Cash and loan ..	1,434,759 .. - 634,60
Repair and other ..	341,261 .. + 138,730	Expenses of note ..	.. - 36,04
reserve ..	..		
Prof. shareholders ..	45,680 .. + 2,852		
Interest ..	71,597 .. + 34,518		
Bills repayable ..	..		
Sundry creditors ..	635,415 .. + 190,591		
Profit and loss ..	559,170 .. + 140,641		
Total ..	11,548,058 .. - 70,638	Total ..	11,548,058 .. - 70,638

PEASE AND PARTNERS, LIMITED.

LIABILITIES.		ASSETS.	
Amount.	Compared with Mar. 31, 1922.	Amount.	Compared with Mar. 31, 1922.
Ordinary shares ..	2,185,399 ..	Minerals, land, &c. ..	2,962,905 .. + 116,33
4% deb. stock ..	400,000 ..	Rolling-stock, &c. ..	628,599 .. + 523,80
8% deb. stock ..	1,000,000 .. + 888,555	Coal, coke, &c. ..	186,260 .. + 88,87
Deb. int. accrued ..	20,770 .. + 11,791	Debtors ..	634,209 .. + 235,23
Unpaid purchase ..	..	Short workings ..	.. + 3,09
moneys ..	306,711 .. + 131,679	Investments ..	1,890,576 .. + 2,039
Employees' do ..	..	Discount on issue ..	..
posits ..	190,439 .. - 16,762	of 5% deb. ..	112,500 .. + 112,500
Creditors ..	880,240 .. + 16,835	Cash ..	64,702 .. + 62,815
Bills payable ..	..	Spec. expenditure ..	49,670 .. + 49,670
Wages outstanding ..	33,131 .. + 10,783		
Inse. & pensions ..	..		
fund ..	177,819 .. + 658		
Reserve ..	250,000 ..		
Dep. res. account ..	525,256 ..		
Res. for renewals ..	230,866 ..		
Res. for eq. of divs. ..	100,000 ..		
Res. for collieries ..	..		
Employees' fund ..	17,669 .. - 585		
Bank overdraft ..	..		
Res. for cottages ..	..		
Profit and loss ..	259,254 .. + 75,710		
Total ..	6,578,554 .. + 992,426	Total ..	6,578,554 .. + 992,426

VICKERS, LIMITED.

LIABILITIES.		ASSETS.	
Amount.	Compared with Dec. 31, 1921.	Amount.	Compared with Dec. 31, 1921.
Ord. shares, £1 ..	12,315,483 ..	Land, buildings, ..	..
5% cum. pref., £1 ..	6,853,807 ..	machinery, ..	..
5% pref., £1 ..	750,000 ..	tools, plant, &c. ..	7,660,149 .. - 325
4% deb. stock ..	1,250,000 ..	Interest on sub ..	..
Deb. int. accrued ..	3,185 .. + 212	sidary cos. ..	18,020,216 .. - 124,751
7% notes ..	1,500,000 ..	Marketable se ..	..
Int. accrued ..	39,375 .. + 2,625	curities ..	4,028,683 .. + 2,984,219
Creditors ..	4,157,116 .. - 1,927,198	Stocks ..	1,444,235 .. - 1,225,094
Reserve ..	6,495,871 ..	Sundry book ..	..
Res. for cottages ..	1,157,733 .. - 146,302	debits owing ..	..
Profit and loss ..	..	to co. ..	3,629,945 .. - 2,583,759
		Cash and bills ..	499,392 .. - 1,120,363
Total ..	35,282,620 .. - 2,070,663	Total ..	35,282,620 .. - 2,070,663

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

COMPANY MEETINGS, &c.

ALLIANCE ASSURANCE COMPANY, LIMITED.

GOOD RESULTS OF YEAR'S BUSINESS.

The annual general court of the Alliance Assurance Company, Limited, was held, on the 9th instant, at the head office, Bartholomew lane, London.

Mr C. E. Barnett, who presided, said that in the life department the net new business completed during the past year amounted to £1,826,496. Four years of the current quinquennium had now expired, and the profits made so far gave the directors every reason to anticipate that next year they would be able to resume the bonus on participating policies at the pre-war rates, even without taking into account the large appreciation in the values of the Stock Exchange securities on the life fund. As a result of the quinquennial valuation of the provident life fund bonuses at a satisfactory rate had been allotted to the participating policyholders. The combined life accounts premium income for the year was £1,185,665, and the combined life and annuity funds amounted to £18,648,732.

The sinking fund and capital redemption business was progressing, and the total funds were now well over £1,000,000. In the fire account the premium income showed a decrease of about £57,000, which was to be attributed to the condition of the trade throughout the world, and particularly in this country. The ratio of losses to premiums was somewhat smaller than in the previous year, and the ratio of expenditure showed some reduction in spite of the diminished income. The total fire insurance fund remained unaltered at £2,286,592.

MARINE DEPARTMENT.

The net premium income in the marine department was £509,951, after deducting the returns of premium on previous years' policies, amounting to £82,774. The claims paid were £592,796, of which £152,489 belonged to 1922, the balance being in respect of previous years. They were now closing the underwriting account for 1920. The balance remaining thereon was £52,714, but as a considerable sum would still be required to meet further claims, this amount, together with £45,055, the current year's interest on the marine insurance fund, was being carried forward, and no transfer was made to profit and loss account. They had been passing through a very difficult period for marine business, but it must not be forgotten that the three previous years showed a good profit. He hesitated to prophesy as to the results for 1921 and 1922, but there appeared to be every prospect of an ultimate profit.

Apart from workmen's compensation the business of the accident department had made satisfactory progress during the past year. In the trustee department the number of trusts administered by the company continued to grow.

From the profit and loss account it would be seen that the interest, dividends and rents not carried to other accounts amounted to £78,500. The amounts transferred from the various revenue accounts totalled £402,597, and £12,885 had been received from the Provident life account, being the shareholders' proportion of the quinquennial profit. After deducting dividends paid, expenses, &c., the balance carried forward was £1,025,422, as against £948,875 brought in.

He thought shareholders would agree that the results of the year's working had been on the whole quite satisfactory. The report of the auditors certified that the assets set forth in the balance-sheet were in the aggregate fully of the value stated therein, and that the book values of the Stock Exchange securities were in the aggregate under the market values; in fact, there was a considerable appreciation in values.

NATIONAL BOILER AND GENERAL INSURANCE PURCHASE.

Since the close of the year the directors had entered into an agreement for the purchase of the shares of the National Boiler and General Insurance Company, Limited, which agreement became absolute on January 30th. With the association of the National Boiler Company, which was one of the leading companies transacting the insurance of boilers and engineering risks, having been established in 1864, the Alliance was now equipped for handling all classes of accident business, thus meeting the demands of its extensive connections. The arrangement was for the business of the National Boiler to be transacted as hitherto from its head office in Manchester. The chairman of the National Boiler Company, Sir Christopher Needham, had been appointed to a seat on the Alliance Board.

In conclusion, the Chairman thanked the local boards, agents,

and other representatives of the company, both at home and abroad, for their valued services.

The report and accounts were unanimously adopted, and a dividend for the year of 14s per share, less income-tax, was declared.

The retiring

the world, and had in all 29 foreign representatives. They had been able to secure quite a number of influential people to represent them.

Mr J. E. Hodgkin seconded the motion.

During the course of the discussion which followed the Chairman, in reply to a question, stated that the present market value of the investments was very considerably in excess of the figure shown in the balance sheet.

The motion was then put to the meeting and carried.

The retiring director (Mr J. E. Hodgkin) and the auditors (Messrs Geo. R. Helmore, Helmore and Co., C.A.) were re-elected, and the proceedings terminated.

LONDON LIFE AND CLERGY MUTUAL.

NEW ARRANGEMENT FOR CLOSER UNION.

The ordinary general meetings of the London Life Association, Limited, and of the Clergy Mutual Assurance Society and the ordinary joint general meeting of the association and the society were held, on the 9th instant, at 81 King William street, London, Mr R. B. Jacomb, president of the association, presiding.

The Chairman, in introducing the report, said: Last year's results are too good to pass over in silence, and, although we have a great deal to get through, I must make brief allusion to some of the more important. Taking the London Life first, we have an increase in funds of no less than £583,000. The net new business of £1,570,123 has surpassed the figures for 1921, and at the same time our expenses of management show a very satisfactory decrease in proportion to premium income, namely, £5 16s 5d per cent., as against £6 5s 11d. Surely, if any justification of the system of paying no commission be needed, these figures supply it. The mortality has been very favourable, and we have been able, in addition to declaring the usual increase in the rates of reduction of premium and the usual compound reversionary bonus of 35s per cent. for policies of that class, to apply large sums in strengthening the already stringent valuation bases and in increasing the reserve.

In considering the results of the Clergy Mutual I am able to strike the same happy note, for, in company with the London Life, the society has had a most successful year. We have increased the rates of bonus on whole-life policies from 28s to 30s per cent., with a corresponding increase at ages over 65, and on endowment assurances from 32s to 35s per cent. We have applied £116,423 in strengthening the valuation basis by reducing the rate of interest from 4 to 3½ per cent., and we leave £53,449 unappropriated.

CLOSER UNION.

I will now proffer a few remarks upon the closer union of the two offices. In the opinion of the directors some such scheme as this was to be expected, and it is a natural and logical outcome of the movement of events. The only question was, when was the right moment? Let me take you back to the position of affairs when the agreement of July 3, 1918, was completed. At that time members of the Clergy Mutual were greatly disappointed with the passing of the quinquennial bonus, and it is possible that even then many of them would have welcomed a scheme for union with the London Life on the lines now proposed, but from the point of view of the London Life that was out of the question. We should have had no justification for suggesting it to the members of the London Life. At that time it was impossible to forecast what was going to happen either during the war or after it. To-day I am able to say that our hopes as to the recovery of the Clergy Mutual have been more than realised, and as directors of both companies we are proud that so great an improvement should be shown. The outline of the scheme appears in the report, and the details in the formal notices which were sent out with the report. We have endeavoured to set out the arrangement as plainly as possible, but so many technical points come up on a matter of this kind that we should try and form our judgment on broad lines and accept the advice of the eminent independent actuaries who have been consulted on the difficult actuarial points that it involves.

PRE-WAR FIGURES COMPARISON.

Sir John Barran, Bart., said he took the occasion when he received the notices of meeting to look up the figures relating to the last complete year before the war, which brought altogether abnormal conditions, in order to see exactly what the London Life Association had done since that date. The figures were so startling that he did not apologise for giving them briefly to the meeting. In 1913 the London Life Assurance issued 339 new policies; in 1922 they issued 1,470. In 1913 the total premium income was £404,000; last year it was £760,000. The interest income in 1913 was £240,000; last year it was £388,000.

The total funds in 1913 were £5,410,000; in 1922 they were £7,134,000. The interest rate earned in 1913, after deduction of income-tax, was £4 6s 7d, and last year, although the gross rate

was, of course, far higher, it was £4 8s 2d. The one and only particular in which they could not show a corresponding advance was in the rate of management expenses, for in 1913 these were £4 0s 8d per £100, and last year they were £5 16s 5d—a very heavy expense increase, but one for which no one was to blame. He questioned whether such figures as these could be brought forward by any old-fashioned office doing life assurance business in the United Kingdom. Therefore they said to their friends of the Clergy Mutual that in seeking this union they were seeking it with an association which probably stood pre-eminent for stability and solidity. He supported the proposal with the utmost assurance. He did not for a moment hesitate to say that in years to come they would look back on the arrangement to be consummated that day as a happy and fruitful arrangement for all.

Mr Hutton said he believed that every member of the Clergy Mutual with whom he had been associated felt that the question of an arrangement with the London Life was very much to the benefit of the Clergy Mutual.

The special resolutions were unanimously carried by the members of each company.

LICENCES AND GENERAL INSURANCE COMPANY, LIMITED.

STEADY PROGRESS—SUB-DIVISION OF SHARES.

The twenty-third ordinary general meeting of the Licences and General Insurance Company, Limited, was held, on the 9th inst., at the head office of the company, 24, 26, and 28 Moorgate, London, E.C., Mr A. W. Ruggles Brice (the chairman) presiding.

The secretary (Mr Victor Thomson) read the notice convening the meeting and the auditors' report.

The Chairman, in the course of his speech, said: It can be no new thing to say that the year under review has not been a good one for insurances generally, and therefore, considering the conditions of the world's trade for 1922, surely in presenting a premium income of £325,663 we can earn your commendation.

Claims payments over all are heavier than in 1921 by 5 per cent. They compare favourably with the average experience, and do not exceed our anticipations.

Coming to the management expenses, you will find a slight reduction in ratio again this year, in continuance of our policy of economical working, but we are not content—our aim is towards a lower plane. But I think you will agree that it is not possible to do otherwise than move slowly in this direction. We must base our economies practically.

Our main issue of licence insurance may not call for any material comment, but I would like to say that the virtue of properly assessing insured values is one which is gaining approval throughout the trade. During yet another year we have witnessed uneventful sessions, but we cannot regard the prospect of continued fair and unclouded skies. Several legislative measures have appeared on the horizon, and one of these has actually taken place. With long experience behind us, I am constrained to say again that, in claiming that the policy we offer is the most reasonable insurance proposition extant, we offer to-day very substantial protection, expert advice, and collaboration at no more than the minimum fire insurance rate.

THE ACCOUNTS.

In the fire department we are more than pleased with the progress made, and view the future as important to our well-being.

In the employers' section a diminution of income is evident, but it is not substantial, and the reason is patent to all, premiums being assessed on wages paid.

Refer to unemployment figures and the state of trade, and you will realise that a loss of income is inevitable. What is not quite evident, however, is that we record a normal increase of new policies and withal no loss of connections.

The general account pursues a normal course, and I should like to point out that, apart from licence and marine, this account covers motor, public liability, plate-glass, boiler, burglary, drivers, and many other forms of contingency insurance.

Turning to the financial side, our total assets this year are increased by £40,325, and the depreciation reserve, which was fully provided for last year, enables us to release to profit and loss no less a sum than £33,131. Since December 31st there is a further appreciation of our securities of £10,505. We recommend a final dividend for the year of 7 per cent., free of tax, or equivalent, with the interim already paid, to 12½ per cent. As a matter of fact, with the tax this represents 16.4 per cent. gross. This is an increase of 1½ per cent. over 1921, and I am sure will be welcomed. The total payment again comes well within our actual interest earnings, and leaves a margin for the future apart from natural increase of interest.

Turning to reserves, we are enabled to provide 45 per cent. for unexpired risks. We have transferred £50,000 to general reserve account, making this item £100,000. Excluding uncalled capital, depreciation reserve, and suspense claims, our total security

to policy holders equals 104 per cent. of the premium income—surely an attainment of which we may all be justifiably proud.

Altogether your directors are very satisfied with the position of the company, and eminently pleased with the progress made during the year. Consolidation might be a very happy word to apply in recording its passage, and I cannot conclude my remarks without a word of hearty congratulation to the general manager on his work, and the results of his second year of office. By his energy and tactful resourcefulness he is laying a very solid foundation for future success.

SUB-DIVISION OF THE SHARES.

Referring to the sub-division of the company's shares, the Chairman said that the proposition was that each present share issued and unissued of £10 be divided into ten £1 shares, the preference ranking as fully paid and the ordinary as 10s paid. The effect of this should be to obtain a freer market on the Stock Exchange, this enabling present holders more easily to negotiate, and placing the shares within the reach of the small investor. He concluded by moving the adoption of the report and the declaration of the dividend recommended.

Lord Ernest Hamilton seconded the motion, which was carried unanimously.

LONDON AND SCOTTISH ASSURANCE CORPORATION, LIMITED.

RECORD QUINQUENNIAL SURPLUS.

The sixtieth annual meeting of the London and Scottish Assurance Corporation, Limited, was held, on the 8th instant, at the Cannon street Hotel, London, E.C., Sir Vesey Holt, K.B.E., presiding.

The Chairman, in moving the adoption of the report and accounts, said that some of the adverse conditions resulting from the war had now passed away, although not all the difficulties had been entirely surmounted.

In the life department, 2,973 policies were issued for £1,334,959. The total premium income of £56,099. The total premium income of £408,875 showed an increase of £8,193. The claims amounted to £423,128. The mortality experience was satisfactory. The life and annuities funds were increased by £31,812, and now amounted to £4,471,952.

The report on quinquennial valuation showed a surplus of £272,181, which was the largest in the history of the company. Of this surplus, £43,253 had been supplied to strengthen the actuarial reserves. Then, after payment of the 5 per cent. dividend, there remained £210,667, of which it was proposed to divide £180,791, carrying forward £20,875. After crediting the proper share of the net divisible life profits, and allowing 10s per cent. of the net divisible surplus provided a deferred bonus of 30s per cent. per annum, and a reversionary bonus of 20s per cent. per annum on the sum assured to ordinary with-profit policyholders, these bonuses being in respect of each full year's premium paid during the quinquennium. The directors were gratified that they were thus able to resume the declaration of bonuses. They had further decided to allow an interim bonus in respect of each full year's premium paid during the current quinquennium at the rate of 20s per cent., and at the rate of 15s per cent. on the ordinary with-profit policies. It had been thought desirable that the valuation of the "Scottish Metropolitan" should be made at the same date. This disclosed a surplus of £32,000.

With regard to the fire insurance account, the operations were on the whole satisfactory. The premium income showed a slight reduction, but the loss ratio at 48.8 per cent. and the expense ratio at 43.3 per cent. was not unfavourable. A profit of £12,608 was carried to the profit and loss account.

The marine account showed a net premium income of £767,188, a reduction of £114,054. The claims were £237,685, being 30.98 per cent. There remained a balance of £788,623, which was carried forward. The additional marine insurance reserve fund inaugurated last year has been increased by the transfer of £100,000 from profit and loss account, and now stood at £160,000. The total marine fund was £948,623.

The premium income of the accident employers' liability and general account was £231,158, a reduction of £26,455. The claims, which amounted to 52.4 per cent., were heavy. There remained a balance of £18,429.

The profit and loss account disclosed satisfactory results. After payment of dividend, provision for taxes, &c., there was a balance of £181,463, of which £41,000 was transferred to fire insurance account and £100,000 to the marine insurance account, leaving £40,463 to be carried forward. They recommended a dividend of 25 per cent., less tax, and had also pleasure in recommending that on this their sixtieth annual meeting a bonus of 5 per cent., less tax, should be paid to the shareholders.

The report and accounts were unanimously adopted.

INCORPORATED ACCOUNTANTS.

The thirty-eighth annual general meeting of the Society of Incorporated Accountants was held, on the 10th inst., at Carpenters' Hall, London. Sir James Martin (president) occupied the chair.

The President, in moving the adoption of the report and accounts, referred to the continued progress of the society, and indicated that 299 new members were added during the year, bringing the membership at the close of 1922 up to 3,597. One thousand four hundred and forty-one candidates presented themselves for the examinations, of whom 944 passed. The President went on to refer to proceedings in Parliament affecting the accountancy profession, and particularly drew attention to the Landed Property Practitioners (Registration) Bill. While the society viewed with favour any step having for its object the development of professional organisation, the President stated that certain clauses of the Bill, if passed, would prevent accountants from carrying out professional business which for a long period of years had been entrusted to them in connection with the administration of trusts, winding-up of companies and estates in bankruptcy. The Bill was not now in a favourable position on the Order Paper of the House of Commons, and he did not think it was likely to be proceeded with without a proper effort being made on the part of the bodies indicated to meet the reasonable views and requirements of the accountants' profession.

In dealing with taxation matters, Sir James Martin referred to the Committee appointed by the Chancellor of the Exchequer to consider the simplification of income-tax and super-tax forms. The Committee requested the council of the society to submit their suggestions, and this request had been complied with. The Finance Bill was free from clauses to which the public had become accustomed during the past few years dealing with the clearing up of war taxation and finance. But some important new provisions had been introduced in the Bill with regard to a considerable increase in the time for amending or making assessments with a view, it was said, for the prevention of fraud and evasion. He considered that commercial and professional men would willingly co-operate with the Government in any well-considered proposals to prevent fraud and evasion, the result of which was only to increase the burdens of honest taxpayers who keep proper books of account audited by professional accountants.

"I cannot leave the subject of taxation," said the President, "without once again referring to the question I brought before the society in October last relating to the activities of income-tax

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agencies and associations advertising accountants and others. There is little if any improvement to report, and I regret to say that some of the banks are extending their activities in connection with income-tax work. I recognise that this is a serious matter, especially for our younger practitioners, and the council may be relied upon to take every legitimate step which they possibly can to protect the proper professional interests of our members. At the same time, the council cannot allow any of our members to join the crowd of advertisers, and participate in a course of conduct which is contrary to the ethics of a self-respecting profession."

In concluding his speech the President said that he had been actively connected with the society since its inception 38 years ago, and he claimed that their members could be favourably compared with that of any other body of professional men in the British Empire.

EXTERNAL DEBT OF HONDURAS.

SCHEME OF ARRANGEMENT APPROVED.

A general meeting of holders of bonds of the External Debt of Honduras, convened by the Council of Foreign Bondholders, was held, on the 8th instant, at Winchester House, Old Broad street, London, to consider a scheme of arrangement with the Honduras Government for the settlement of the debt.

The Right Hon. Viscount Goschen (president of the Council) occupied the chair.

Mr James P. Cooper (secretary of the Council) having read the notice convening the meeting,

The President said: All the External Loans went into default in 1873, just 50 years ago, and nothing has been paid on them since. During this long period attempt after attempt has been made to come to a settlement. We were informed during last year that the Government of Honduras were favourably disposed towards a renewed effort to arrive at a compromise, and we lost no time in again getting into touch with them. In this we were very greatly assisted by Mr. George Lyall, the British Consul at Tegucigalpa. We also received from the Foreign Office all the help they could properly give us. We sent out early this year, to Mr Lyall, a draft arrangement, accompanied by a power of attorney to sign as our representative an agreement on the bases laid down. After protracted negotiations, Mr Lyall signed an agreement with the Honduras Executive Government on March 21st, the power of attorney sent him not having at that time come to hand. The arrangement was submitted to the Honduras Congress on March 22nd, but it was not accepted. This information led us to fear that the arrangement had met with the same fate as its predecessors, but a few days ago we received a further telegram from Mr Lyall saying that Congress will accept the arrangement, provided the bondholders first approve it without reservation, and that we will send him a new power of attorney authorising him to sign on our behalf. I will, with your permission, briefly run over the principal points of the arrangement.

All the four loans which constitute the External Debt of Honduras—viz., the old Federal Loan of 1867, the Ten per Cent. Railway Loan of 1867, the Six-and-Two-thirds per Cent. Loan of 1869, known as the French Loan, and the Ten per Cent. Railway Loan of 1870—are to be treated alike.

All interest claims, past and future, are condoned, and a sum up to £1,200,000, payable in 30 years, at the rate of £40,000 per annum, is to be paid by Honduras in respect of the principal of the debt outstanding. This sum is to be applied semi-annually to the redemption of the bonds. The rate at which the amortised bonds are to be acquired by the Government is fixed at 20 per cent. for the first 15 years and 25 per cent. thereafter. Redemption will be effected if possible by purchases and, if this is not possible, by drawings. We think, however, that there can be little doubt that the Council will be able to obtain tenders or make purchases on the market at prices substantially lower than the rates mentioned, and it is a very important feature of the arrangement that the saving effected—subject to the deduction which I shall mention later—is to go to the benefit of the bondholders, by increasing the amortisation rate. Against each half-yearly remittance of £20,000 during the first 15 years, the Council has to deliver to the Government £100,000 of cancelled bonds, and thereafter, until the bonds deposited under the arrangement are all paid off, £80,000 each half-year. Beyond this, the Government of Honduras is not concerned with the method of application of the money.

As regards the important question of security, a special tax of 3 per cent. *ad valorem* is to be levied on all exports to Honduras from foreign countries. This tax is to be collected by means of adhesive stamps, affixed to the Consular invoices, and no invoice is to be valid without such stamps. The receipts from this tax, up to £20,000 in each half-year, are to be remitted by the bankers charged with the sale of the stamps direct to us. We understand that the proceeds of the tax should be amply sufficient to cover the

service of the debt, and, it seems to us, the collection of the money at this end, so to speak, affords much better security than the collection of a special impost in Honduras as was first proposed. You will see that a copy of the Projects of Decree, creating the tax, is appended to the arrangement.

We understand that this tax is to come into operation three months after the conclusion of the present arrangement, so that the first amortisation of bonds should take place early next year.

I may also mention that the existing bonds will remain in our hands, and will only be cancelled and delivered to the Government as and when the half-yearly payments have been made. In case of a failure on the part of Honduras to fulfil her engagements under the arrangement, the present rights of the bondholders are to be revived.

You will, no doubt, understand that in order to participate in the benefits of the arrangement, if it is carried into effect, bondholders who have not already done so must deposit their bonds with the Council in due course. For this, a limited period of two years is fixed by the arrangement, but, of course, until the bonds have been actually deposited with us, they will not participate in the half-yearly amortisations.

The resolution embodying the acceptance of the scheme was unanimously approved.

BELL'S UNITED ASBESTOS COMPANY, LIMITED.

A DIFFICULT TRADING YEAR.

BOARD'S CAUTIOUS POLICY JUSTIFIED.

DETAILS OF NEW COMPANY.

The thirty-fifth ordinary general meeting of Bell's United Asbestos Company, Limited, was held, on the 10th instant, at the Cannon street Hotel, London.

Mr J. Alfred Fisher, chairman and joint managing director, presided.

The secretary (Mr Frank G. Brook) read the notice convening the meeting and the report of the auditors.

Having referred to the retirement of Mr Giles as secretary and general manager, and of Mr Joseph Hawkridge as assistant secretary after over 40 years of service, and to the election of Mr Giles as a director, the Chairman said:

Turning now to the report, I cannot yet say that we have emerged from the industrial gloom to which I alluded when addressing you in May of last year. I then remarked that in some departments we were selling goods at prices which contributed little or nothing towards establishment charges, and it is my duty to tell you to-day—reluctantly, but not without hope of improvement—that there are not yet any clear indications that the tide has turned. Prices have continued to decline, and the trade profit for the year is substantially smaller than it was a year ago.

DECLINE IN PROFITS COMPARED.

This is not surprising when we bear in mind that the Asbestos trade is largely dependent upon the coal, iron, steel, engineering, and shipping industries for its turnover. Anything that adversely affects those industries is, therefore, bound to tell against us. While there has been acute depression in shipbuilding, it is common knowledge that the coal, iron, steel, and motor trades—there may have been exceptions, but, as a whole, those trades have suffered more than any others, the net profits, according to the *Times*, of some 40 important concerns having declined by 50 per cent. in 1921 compared with 1920, and by a further 44 per cent. in 1922 compared with 1921; while the net profits shown by this company's accounts in 1922 were only 45 per cent. below those of 1920, which, for us, was a very high record year. The average rate of dividends declared by the 40 representative concerns alluded to declined in the two years by 45 per cent.; ours by 20 per cent., viz., from 12½ per cent. in 1920 to 10 per cent. in 1921 and 1922.

BOARD'S SOUND AND CAUTIOUS POLICY.

This favourable comparison, ladies and gentlemen, is one of the results of a cautious policy in good times. We built up strong reserves, so that it was not necessary to bring into the accounts before you heavy charges for Imperial taxation, which had been anticipated and provided for in previous years. How far it may be necessary or prudent to avail ourselves of the liberty, which you were kind enough to reaffirm at our last meeting, to draw on our reserves in the present or future years we cannot say, for this wholly depends on the course of trade.

FOREIGN EXCHANGES AND UNEMPLOYMENT.

I have read, as no doubt many others have done, the recent speeches of financial and commercial authorities, and it is encouraging to see that they take a hopeful view of the future, but so long as exchanges remain in their present unsatisfactory state, there can be no real revival of foreign trade, and home industries cannot be prospering while considerably over a million workmen remain unemployed.

One of the most optimistic, yet practical reviews I have seen relating to general trading conditions appeared in a London paper a few weeks ago, wherein it was stated with a surprising degree of confidence that, while many new factories had been and were still being erected in overseas markets served by this country, the quality of the goods produced was decidedly inferior to the British-made article, and the writer emphatically advised British manufacturers to adopt a policy which has frequently been referred to by your directors as the policy of this company. The key-note of his review was expressed in these words: "Get the highest possible quality, lower the price to the smallest point consistent with a commercial profit, look into every item of management, and put your backs into it."

COMPANY PREPARED FOR TRADE REVIVAL.

That, ladies and gentlemen, is good advice, and it is just what we have been doing. In the past year considerable reductions have been made in standing charges, and management expenses. Our sales organisation is being improved, and, as a result, we hope, even though we may have to face another bad year or two, to find ourselves in a position to take advantage of a general revival in trade, which must come sooner or later. The requirements of an ever-increasing world population, and of an advancing civilisation in remote and undeveloped areas, must be met, and the economic advantages of the use of asbestos, in one form or another, in almost every industry are bound to become more and more universally recognised.

BELL'S POILITE AND EVERITE COMPANY, LIMITED

I referred last year to the growing need of co-operation between firms engaged in the same trade, with the object of reducing manufacturing and distributing expenses with corresponding advantages to customers and producers, and my remarks were received with approval by the shareholders. Subsequent negotiations led to the amalgamation—referred to in the report—of the "Poilite" (asbestos-cement) section of this company's business (including plant for making building slabs) with that of the British Everite and Asbestitile Works, Limited, of Manchester, under the name of "Bell's Poilite and Everite Company, Limited." Particulars of the amalgamation were sent to every holder of debentures and shares in this company in November last, but you may desire to have some further information elucidating the important changes in the balance-sheet figures which the amalgamation has rendered necessary.

In proceeding with the negotiations we considered that, although in the present state of trade, and with the low and unremunerative prices now ruling, we might be taking some risks, the position, on the whole, should be strengthened by co-ordinating the manufacturing and selling arrangements of the two concerns.

Moreover, as I reminded you a year ago, the policy of interlocking similar businesses under a united control has made great strides in recent years, and has generally been followed by good results.

ADVANTAGES OF AMALGAMATION.

One of the direct advantages of amalgamation in our case should be the saving in transport charges. When I point out that those charges on low-priced articles like "Poilite" and "Everite" building materials are frequently as much as 20 to 35 per cent. of the value of the goods, you will realise, and our customers will appreciate, that by standardising the manufactures, and giving deliveries from a factory in the North of England to customers in the North, and from another factory in the South of England to customers in the South, considerable savings to them in time and money should be effected, resulting, we hope, in increased business to the united concern, and enabling it, in normal times, to effect further savings in costs of production.

I said just now that we might, in the present unremunerative state of the trade, be taking some risks, but it is usually easier to arrive at a permanently satisfactory arrangement when both parties to the negotiations recognise that it is desirable. In such circumstances, a sounder scheme can be evolved than would be possible if one's ideas were unduly enlarged by inflated balances or doubtful schemes of aggression.

DETAILS OF SCHEME.

Our principal difficulty arose from the fact that the capital outlay on the British Everite Company's factory—which is situated near Widnes in Lancashire, is very substantially built and well equipped, and includes 35 acres of freehold land—was considerably in excess of the outlay on this company's Poilite factory at Harefield, although the profit-earning capacity of both factories was considered to be about equal.

It was, therefore, decided that each company should receive as the purchase price for the properties the same amount, namely, £120,000, in fully-paid preferred ordinary shares of the new company, part of the excess expenditure on the British Everite factory being recognised by an allotment to the British Everite Company of £56,000 in fully paid deferred shares entitled to rank for dividend only after a cumulative dividend, at the rate of 12½ per cent.

per annum, has been paid on the preferred, which are further protected by the directors having the right, before paying any dividend on the deferred shares, to place a certain amount out of annual profits to reserve, the preferred shares also having preferential rights as to repayment of capital in the event of liquidation.

This company also received £8,000 in fully-paid deferred shares in part payment for certain other buildings, adjacent to the Poilite factory, which have been transferred to the new company.

STOCK-IN-TRADE.

The stocks-in-trade of Poilite and Everite manufactured goods and raw materials taken over by the new company were paid for in the case of this company as to £68,626 in fully-paid preferred shares and as to £30,000 in debentures. The British Everite Company received for their stocks £36,797 in fully-paid preferred shares, £30,000 in debentures, and £20,000 in cash, all stock being valued on the same basis.

It was agreed that each company should discharge all liabilities and collect all accounts in respect of trading down to the date of transfer, December 1st last.

It was also part of the arrangement that this company should provide the new company with the £20,000 paid in cash to the British Everite Company on account of stocks, and an additional £30,000 as working capital, by subscribing for £50,000 of its debentures. All the debentures of the new company carry interest at 7 per cent. per annum. They constitute a first charge upon the whole of its property and assets, and are redeemable in 29 years by annual drawings commencing in 1927 at a premium of 10 per cent.

TOTAL HOLDING IN NEW COMPANY.

The total holding of this company in Bell's Poilite and Everite Company, Limited, is now, therefore, £188,626 in fully-paid preferred shares, £8,000 in deferred, and £80,000 in debentures, while the nominees of the British Everite Company hold £156,797 in preferred shares, £56,000 in deferred, and £30,000 in debentures. The whole of the shares and debentures are held by, or on behalf of, these two companies.

As the deferred shares do not carry voting rights for ordinary purposes, this company has a controlling interest in the management of the new company in all matters other than those relating to its constitution and authorised capital, which can only be altered by special resolution requiring a three-fourths majority. It follows that we have also a majority of seats on the board.

In connection with this company's cash subscription for £50,000 of the new company's debentures, it was also decided to redeem the outstanding balance of our existing 5 per cent. debentures, amounting to £42,200, and to provide the funds for both purposes, as stated in the report, by an issue of £100,000 new 5½ per cent. first debentures, which was largely over-subscribed. Although your directors might have applied £50,000 of our invested funds to this purpose, it was deemed inadvisable in the prevailing conditions of trade to weaken our available cash resources, particularly as the plan adopted was the more economical having regard to the appreciating market value of our securities.

MANAGING DIRECTORS.

You may be interested to hear that our colleague, Mr Charles S. Bell, and Mr E. Fontana Jucker are the managing directors of the new company. Mr Jucker was the managing director of the British Everite Company, and is largely interested not only in the new company, but also, as a shareholder, in this company. He is the Royal Italian Consular Agent and a past president of the Consular Association in Manchester, and, as the governing director of the old-established British firm of Felber Jucker and Co., Limited, is widely known and respected. This, I think, is a very satisfactory arrangement, as it ensures continuity of management by gentlemen who have an intimate knowledge of the requirements of the business. I hope, ladies and gentlemen, that you will approve, by your adoption of the report and accounts to-day, the terms of this amalgamation which I have endeavoured to make clear, and which we believe are equitable to both parties to the arrangement.

THE RESOLUTION.

The Chairman then alluded to the company's strong cash and investment position and to various other items in the balance-sheet, and having expressed appreciation of the services of the staff, moved the usual formal resolution that the report and accounts be approved and adopted, that a balance dividend of 7½ per cent. be paid, making, with the interim dividend already paid, 10 per cent. for the year, and that £37,910 16s be carried forward, this being £3,897 6s 11d more than in the previous year, which was carried unanimously.

The retiring directors and auditors were then re-elected, a special meeting being afterwards held, at which an alteration in the articles of association empowering nominee directors of the company to receive remuneration from the associated companies was approved.

EDWARD LLOYD, LIMITED.**RECOVERY IN SECOND HALF OF 1922 AND IMPROVED PROSPECTS FOR 1923.**

The thirty-third ordinary general meeting of Edward Lloyd, Limited, was held, on the 11th instant, at the head office of the company, 4-7 Salisbury court, Fleet street, London, Mr Frank Lloyd (the chairman and governing director) presiding.

DIRECTORS' REPORT.

The report of the directors for the two years to December 31, 1922, states that:—

The profits for the two years, after crediting the amount of excess profits duty to be refunded and allowing for depreciation, making provision for bad and doubtful debts, estimated corporation profits tax and contingencies, amount to £194,219 1 9
Making, with the balance brought forward from December 31, 1920 21,464 12 4

A total of 215,683 14 1
Deducting:—
Interest on pension account, directors' and auditors' fees, head office and transfer office expenses 11,529 18 2

Dividend on the preference shares for the two years to December 31, 1922 £94,500 0 0
Interim dividend on the ordinary shares for the year 1922 at the rate of threepence per share (free of income-tax), paid October 9, 1922 15,000 0 0

There remains a balance as per balance-sheet of... £94,653 15 11
The directors now recommend the declaration of a final dividend for the year 1922 on the ordinary shares at the rate of one shilling and threepence per share (free of income-tax), making 7½ per cent. for the year £75,000 0 0
Carrying forward to the next account 19,653 15 11

The average of the profits for the two years, after making provision for company expenses, shows a decrease of £21,330 14s 7d, as compared with 1920, a year of severe depression in trade, and a decrease of £126,566 19s 4d, as compared with 1919, a more normal year. This decrease was chiefly due to the writing down in the value of the heavy stocks of raw material in 1921, which was greatly in excess of the amount recovered in the return of excess profits duty, and to reduced production in that year as the result of the coal strike.

The secretary (Mr T. Gerald Denson) having read the notice convening the meeting and the report of the auditors, The Chairman, in moving the adoption of the report and accounts, said:—

At the general meeting, held in October last, your directors expressed their regret that they were unable to present a balance-sheet and profit and loss account for the year ended December 31, 1921, owing to the delay in obtaining a settlement of the company's claim for repayment of excess profits duty. This has only been effected within the last few weeks, so your directors are presenting a balance-sheet covering the two years to December 31, 1922.

As explained in the report, the bad result for this period was mainly due to the heavy loss resulting from the writing down of our large stocks of raw materials at the end of 1921 and to the reduced production of paper in the first half of that year owing to the coal strike. The last six months of 1922 saw a return to greatly improved results, whilst the production of paper for that year was over 20,000 tons in excess of the previous year. This enabled us to wipe out part of the loss on the working of 1921, and to show a profit of £182,689 3s 7d for the two years. We were unable to recommend any dividend on the ordinary shares for 1921, but we are now recommending a final dividend of 6½ per cent. for 1922, making with the interim dividend of 1½ per cent. paid in October last, a total of 8 per cent. for the year, equivalent to an average of 3½ per cent. per annum over the full period.

The demand for our product is now very active, and our machines are all running at their fullest capacity. Our production is larger than ever, and we look forward to a record output in 1923 and a return to normal prosperity. The pulp mills in Norway are turn-

ing out a high grade pulp, which continues to yield very satisfactory results.

THE ACCOUNTS.

A reference to the accounts reveals a very strong financial position. Stocks and book debts have decreased by no less than £581,235 18s 3d during the period under review, and creditors, bills payable, and sundry other liabilities, show a fall of £423,091 11s 9d. Cash in hand is less by £773 15s 2d. You will, therefore, see that working capital to the extent of £158,918 1s 8d has been released as the result of the fall in value of raw materials and the manufactured article, of which £133,499 15s 10d has been added to our investments and £25,418 5s 10d to our land, buildings, and machinery, after allowing for depreciation written off.

IMPORTANT EXTENSIONS.

We have recently put in hand a large addition to the mill on a suitable site, midway between the present mill and Ridham Dock, comprising two wide and fast-running paper machines, with the most up-to-date preparatory plant, embodying all the latest improvements, which we hope to put into operation early next year. The most careful study has been given to every detail in this new development, and it is hoped that it will represent the highest possible efficiency and economy in the production of "news."

CONGRATULATIONS TO THE STAFF AND EMPLOYEES.

I desire to offer our warmest congratulations to the staff and employees for their successful efforts in bringing about the present high efficiency of the mill. Fuller experience of the eight-hour day has more than confirmed our anticipations of its value, both to the employee and to improved running of the mill. Our thanks are also due to the staff and employees at Honefos and Vittingfos, at both of which production and quality have been well maintained.

Mr Harry Lloyd seconded the motion, which was unanimously adopted, and a final dividend of 1s 3d per share (free of income-tax) was declared on the ordinary shares, making, with the interim dividend already paid, 7½ per cent. for the year 1922.

The retiring directors, Lt.-Col. J. R. Garwood, D.S.O., Mr R. B. Miller and Mr Herbert W. Clarke were re-elected, and Messrs Turquand, Youngs and Co. were reappointed auditors.

The meeting concluded with a vote of thanks to the chairman, directors, and staff.

AFRICAN STEAM SHIP COMPANY.**IMPROVEMENT IN WEST AFRICAN TRADE MAINTAINED.**

The annual general meeting of the proprietors of the African Steam Ship Company was held, on the 10th instant, at the company's offices, 23 Billiter street, London, E.C.

Viscount Pirrie, K.P., P.C. (the chairman), presided.

The secretary having read the notice convening the meeting and the report of the auditors,

The Chairman said: Gentlemen, I presume you will take the report as read. (Agreed.)

In my speech to the shareholders last year I pointed out that there had been a slight recovery in the West African trade, and I had hopes that the trade would gradually improve. I am glad to tell you that the improvement generally in the trade has been maintained. Unfortunately, shipping has not altogether shared in this revival. Shipping throughout the world has not been very remunerative in 1922, and in West Africa the severe competition that exists has led, of course, to drastic cutting in the rates of freight, but I think we can fairly claim not only to have held our ground, but to have improved our position in every way. We have met the increasing volume of trade by putting into the line extra steamers and improved services, and I am confident that with our up-to-date methods and good services, and low freights, we shall continue, as in the past, to secure the bulk of the West African trade.

THE DIVIDEND.

As you see from the report, we propose to pay a dividend of 7 per cent. for the year. This is a drop of 1 per cent. as compared with the previous year, but, having regard to the difficult position which the shipping trade has had to face, I think you will agree with me it is a fairly satisfactory result. We have always pursued a policy of writing the ships well down, and the book values of our fleet stand at a satisfactory figure.

It is very gratifying that we are again able to report that no serious casualty has occurred to any of the company's vessels during the past year, and I think this reflects the greatest credit on the captains and officers of the fleet.

The directors have always had before them the question of the provision of comfortable passenger vessels, and there has been added to the fleet during the year the new motor passenger vessel "Adda," which replaces in the service the s.s. "Apapa," lost during the war. The "Adda" follows on the lines of the "Appam," which has proved such a useful vessel, and contains

all the latest improvements in passenger vessels tending to the comfort of passengers. During the short time the vessel has been on the service she has given great satisfaction.

ADDITIONS TO THE FLEET.

Since the close of the year further additions have been made to the company's fleet by the delivery of two cargo boats, the steamship "Cochrane" and the motor-ship "Ediba." The branch steamer "Uromi" has been sold, she being no longer required.

I now have pleasure in formally moving: "That the report and accounts be received and adopted."

Mr Owen Harrison Williams seconded the resolution, which was carried unanimously.

The Chairman next moved: "That a dividend of 4½ per cent. be declared for the six months ended December 31, 1922, which, with the interim dividend of 2½ per cent. paid on October 19, 1922, makes a total payment of 7 per cent. for the year 1922, less income-tax."

Mr G. W. Neville seconded the motion, which was unanimously agreed to.

The retiring director, Mr Owen Harrison Williams, was re-elected, and Messrs Cooper Brothers and Co., chartered accountants, were reappointed auditors.

A cordial vote of thanks to the chairman, the directors, the superintendents, officers, and engineers of the company concluded the proceedings.

ARMY AND NAVY CO-OPERATIVE SOCIETY, LIMITED.**GREATLY IMPROVED RESULTS.**

The annual meeting of the Army and Navy Co-operative Society, Limited, was held, on the 8th instant, at Caxton Hall, Westminster, London, the Right Hon. Lord Ebury, D.S.O., M.C. (the chairman), presiding.

The Chairman said it was a great satisfaction to the board to be able to present results which showed such a marked improvement upon those of 1921-22. The gross profit and miscellaneous revenue showed an increase of £24,319 upon the previous year's figures, while the working expenses, after providing the usual amount for depreciation of premises, showed a reduction of £94,915, with a resulting increase in net profit of £119,234. The increased gross profit was entirely accounted for by relief under the head of stock depreciation consequent upon the further very substantial reduction of £193,669 in the value of the stock-in-trade. This was not only satisfactory from a financial point of view, but the fact that the gross profit had been at a slightly lower rate of percentage than in the previous year was evidence that the shareholders' interests as purchasers had been carefully watched in accordance with the fundamental policy of the society of keeping down prices. This claim had been made by many other trading concerns, some of whom, to attract business, incurred such lavish expenditure as could hardly be regarded as conducive to low prices. Many of the shareholders needed no assurance of the advantages of dealing with this society, and those who did were recommended to make comparisons. The result would not only be convincing, but, he ventured to say, surprising, particularly in the case of articles other than groceries and fresh provisions, in regard to which the quality and value supplied by the society had always been unquestionable. From purchases they had made of a comprehensive variety of commodities for purposes of comparison throughout the past financial year, it was found that the differences were of a substantial character, and showed a considerable advantage to those who obtained their supplies from the society.

SOCIETY'S INDIAN DEPOTS.

He only returned from his second visit of inspection of their Indian depots on April 23rd. As the result of first-hand knowledge, he was glad to be able to say that the position of the society in regard to its shops was now thoroughly sound. He could also state, as the result of a careful study of conditions there, that the society had passed through the financial strain far more successfully than the majority of its competitors. It was true that since his last visit a great improvement was to be observed in the political situation, but it must be realised that conditions in India had changed greatly in the last few years, and altered conditions presented fresh problems; but their solution was receiving the most careful and earnest attention. The society's premises, resources, and organisation in India were well equipped, and when the hoped-for turn of the tide of business occurred the depots would be ready and capable of producing satisfactory results.

The total of the staff benefit funds was nearly a quarter of a million pounds, and while the employees' provident fund was contributory, the benefits the staff had received from it amounted approximately to £300,000, or more than twice the amount they had contributed. The general reserve, amounting to £353,731, showed an increase of £65,559, consequent upon the appreciation in the value of the investments, which had more than compensated for the withdrawal of £60,000 from the reserve in the previous

year, which was then necessary to provide the dividend for that year. Stock in trade had now been reduced to practically pre-war level. The investments amounted to £505,611, and, adding the mortgage debenture fund investment of £107,274, they had a total of £612,885 invested outside the business, as against the reserve fund of £353,732, or a surplus of £259,153, apart from the cash balance of £150,000. There appeared to be an unfounded impression in the minds of some members that the expenditure now being incurred upon improvements to their premises was a charge upon the profits which might be devoted either to paying larger dividends or to reducing prices. This was not the case, and he hoped it would be clear that this expenditure was an investment in their valuable premises, of which they were now the freeholders, in lieu of investments in Government or other securities.

IMPROVEMENTS TO PREMISES.

There was an increase of £19,111 under the head of freeholds in London, representing expenditure on the new bridge and subway in Howick place, and the new shop windows in Victoria street. These improvements had given general satisfaction, and were proving advantageous to the business, evidenced by the fact that they had had throughout the whole of the past year a consistent and growing increase in their orders sufficient since May last not only to counteract the fall in values, but to produce an increase in the amount of the turnover. While there was still a considerable period required to remodel the interior of the premises, every care would be taken to cause as little inconvenience to members as possible. The board was conscious of the patience with which the inconvenience so far had been accepted by members, and much appreciated the toleration which had been shown. The honorary membership scheme had been very successful, having already added over 36 per cent. to their clientele, and the numbers continued to increase daily. They had therefore every reason to hope for a satisfactory expansion of the business.

The report and accounts were unanimously adopted.

SPILLERS MILLING AND ASSOCIATED INDUSTRIES, LIMITED.**"VERY STRONG STATE OF AFFAIRS."****TAXATION AND THE MILLING INDUSTRY.**

Sir Wm. E. Nicholls, presiding at the thirty-sixth annual ordinary general meeting of Spillers Milling and Associated Industries, Limited, at Cardiff, on the 5th instant, said that the present issued capital of the company had slightly increased since last year, and was now £3,582,287, and that there was no indication that any further increase in this figure (except for co-partnership purposes) would be required for the present. The amount of the deposits received from shareholders and others stood at £489,568, being £65,000 less than last year, whereas the contingent reserves and assets account had gone up by £71,000 to £847,079. Included in this figure were ample reserves for all possible outstanding liabilities. Debit balance of account with the associated companies had been reduced from £171,841 to £1,074, and in this connection he pointed out that there was no balance owing as between one associated company and another. The guaranteed fund for associated companies and the reserve fund were respectively £100,000 and £300,000, the same figures as last year, and the insurance reserve fund had increased by £50,000 to £300,000.

YEAR'S PROFIT.

The profit for the year amounted to £308,051, and, following the principle adopted only to bring amounts into account after payments are actually made, this sum included moneys received during the year on account of claims agreed with the flour mills control. On the other side of the balance-sheet, cash in hand and at bank was slightly less at £133,279, and the investments of associated companies stood at £4488,339, as against £4,511,327 last year, the difference being accounted for by purchase and cancellation of debentures of the only associated company having such an issue. Included in the assets of the associated companies was an amount of nearly £3,000,000, representing stocks on hand and book debts. The stocks were taken at cost or value (whichever was lower), and the book debts after full provision for bad and doubtful debts. The foreign debts of the company were negligible. The investment of the British Oak Insurance Company, Limited, was taken at par value only, viz., £234,137 10s, and this contained a substantial potential reserve as the progress of this company continued to be satisfactory. Investments in British Government securities, taken at cost or value (whichever was lower), exceeded at January 31st £759,000, and since that date had been increased to over a million pounds. The increase in the freehold, leasehold, and sundry properties was accounted for by the fact that the building of the company's new London offices had commenced, and he hoped these would be completed for occupation next year.

BURDEN OF TAXATION.

Of the figure of profit of £308,051 shown, £103,000 had been set aside for inland revenue taxation, and the object of showing

this sum separately was that shareholders might appreciate the large proportion so payable under the present rate of taxation. Corporation profits tax, although reduced by the Budget now before the House of Commons, should be abolished altogether, as it was designed only to catch a few private companies who were conserving their profits in view of the high rate of income-tax, and it had been to the serious detriment of the large majority of limited liability traders.

The balance-sheet disclosed a very strong state of affairs, and this, to the company, was of prior importance to dividend variations. The directors had taken the wisest course, in his opinion, in recommending a final distribution of 10 per cent. (making 12½ per cent. for the year) on the ordinary shares. This was the first time since 1911 that this class of share had not had at least 15 per cent. for the year. The deferred ordinary capital did not rank for dividend until 15 per cent. had been paid on the ordinary, and consequently nothing would be paid on that class on this occasion.

INCREASED MILLING CAPACITY.

Since decontrol of the flour mills the milling industry had not adapted itself to free conditions; this was due to several factors—in the first place, foreign exchanges had made operations in the wheat market extremely hazardous, so much so that some importing merchants had gone out of business, thus narrowing the channels through which the raw materials were obtained.

Warehoused stocks of wheat and flour had enormously decreased in common with other goods, and there was not more than the equivalent of 640,000 quarters held outside millers' hands in the country to-day, as against 1,150,000 quarters a year ago and 1,570,000 quarters the previous year. The main difficulty, however, arose from the fact that, whereas before control there was a milling capacity in this country of about 800 sacks per hour in excess of requirements, this had been increased, owing to the operation of control, by a further 700 sacks per hour, and, allowing for increased population, the excess capacity to-day was not less than 1,200 sacks per hour. To put it in another way, whereas the total annual capacity of the flour mills in England and Wales was 40 million sacks, the consumption did not exceed 30 million sacks, and, as a consequence, competition was probably more severe than it had ever been before.

TAXATION RELIEF REQUIRED.

The recommendations of the Agricultural Tribunal of Investigation, if adopted, would have had a beneficial effect on the milling trade, but these recommendations, in so far as they affected this trade, had not been accepted by the Government. The establishment of a volume of export trade would also tend to relieve the position, but economic conditions were against this. He suggested that to enable the British exporters generally to re-establish their position manufacturers might be given some relief in direct taxation proportionate to the volume of export trade done.

In conclusion, the Chairman paid a tribute to the work of his colleagues and the staff under the very difficult conditions prevailing during the year.

The report and accounts were adopted, and the retiring directors and auditors re-elected.

LA GUAIRA HARBOUR CORPORATION. IMPROVED RESULTS—BETTER PROSPECTS.

The ordinary general meeting of shareholders was held, on the 9th instant, at Winchester House, Old Broad street, London, Mr J. G. B. Stone, the chairman of the company, presiding.

The Chairman, in moving the adoption of the report and accounts, dealing first with the revenue account, said: The figures show that we earned during the year under review a total of £24,594, as against £20,722 in 1921, an increase of £3,872, whereas last year I had to refer to a decrease of £29,292. After adding interest received from the Macute Railway with sundry receipts our total receipts amount to £25,301. From this amount we have to debit £20,999 interest on the first debenture stock and £29 interest on loan, and £7,553 for income-tax and corporation profits tax. The large debit for taxation this year is accounted for by our being assessed under the basis of three years' average of our profits, consequently we were still paying on the figures in respect of the years 1919 and 1920. You may remember that in the accounts for 1920 and 1921 there were credits of £3,831 6s 7d and £4,163 16s 3d respectively for income-tax, arrived at on the same basis. The result is that this year the net revenue account is left with a debit balance of £3,281.

Our total revenue on the tonnage shows a substantial increase, the actual tonnage handled during the year being 1,269,195 tons, against 1,036,520 in 1921, an increase of 232,675 tons, although there were decreases in both the tonnage of coffee 2,738 tons and cocoa 328 tons, amounting to 3,066 tons, due to the failure of last year's crops. Our general manager writes, regarding the crops for the current

year, as follows:—"The exportation of coffee and cocoa has been smaller lately owing to the delay in the harvests. The continued rains in the coffee and cocoa regions are hindering the gathering of the crops, and possibly only in February shall we see a liberal entry of products for exportation, which it is hoped will result in some movement in commerce in general."

Referring to the balance-sheet, there has been no expenditure on construction account, and while our plant account shows additions at a cost of £2,799 4s 10d, our stores account has been reduced by £5,724 os 11d. Of these amounts, however, £2,310 represents spare parts of plant that have hitherto figured under our stores account, but should have been included in plant.

I am sorry to say that our financial resources do not yet allow of any payment being made in respect of the deferred interest warrants and accumulated interest on the second mortgage stock, but you may be assured that we are not making any but necessary expenditure so as to resume payments as speedily as possible.

The motion was seconded and agreed to unanimously.

PHENIX OIL AND TRANSPORT COMPANY, LIMITED. THE COMPANY'S PHENOMENAL PROGRESS.

Sir Edward Manville, M.P., the chairman of the Phoenix Oil and Transport Company, Limited, presided at an extraordinary meeting of the company on the 4th instant, which was called for the purpose of increasing the company's capital to £4,500,000 in order to make the necessary exchange of shares in connection with the recent acquisition of the Societate "Orion" of Roumania, on a share basis, by the company.

In moving the resolution approving the action of the directors in connection with the acquisition, the Chairman said that as the circular informed them, the Orion Company had a regular production of about 4,000 tons monthly, and that, together with their own and that of the Consolidated Company which they recently absorbed, gave them an immediate total output of something like 10,000 tons per month.

Like their own company, the Orion had an extensive drilling programme of some 20 wells, which they would be able to increase on taking over, and as so many of both their own and the Orion wells were so near the oil sands, they thought the shareholders might safely anticipate very large increases in the combined production in the very near future.

ADVANTAGES OF THE DEAL.

It might be suggested that their board was too enterprising and was moving too swiftly, but they had his assurance that their directors had not been carried away by enthusiasm, and they would not have entered into that new business if they were not convinced it was a real acquisition for the company, and that the terms made it truly attractive and capable of returning good profits upon the price paid.

The board could confidently say that they had now in Roumania a complete organisation, with adequate refining capacity, storage equipment, as well as reserve lands in the very best proven oil districts, which, even with their own extensive drilling programme—which he believed was second to none in Roumania—would last them for very many years to come and ensure good and increasing returns upon their capital.

The speaker went on to express their thanks to Mr Cornrich for the successful outcome of the long and arduous negotiations which had culminated in the acquisition of the extremely valuable property of the Orion Company. Their first resolution that day was to increase the capital from £3,550,000 to £4,500,000, which would not only enable them to complete the deal, but would leave a very large margin of capital in reserve, which the directors considered prudent to provide for now, so as to be prepared for securing any other really advantageous opportunity which might occur.

WELLS BROUGHT INTO PRODUCTION.

The shareholders would remember that at the annual meeting last December he reported that their well No. 8 at Moreni had been brought into production, and it had since made several big flows, one carrying away the head-valves. As was usual with the Moreni wells, it had each time been blocked with sand, but that was a very healthy sign, and their management were convinced that it would equal their No. 5 well in that district, which came into production over 12 months ago and was still flowing. He was also pleased to report that on the 21st ult. well No. 12, on their Roumanian Consolidated properties at Moreni, "struck oil sand in abundance," and now arrangements were being made to handle the heavy output which the initial flow gave every proof of. Seeing that a large number of their wells were approaching the oil sands, they were looking forward to a rapid increase in their production.

UNFOUNDED RUMOURS.

Before concluding, he wished to say a word or two concerning the rumours regarding Roumania which had appeared in the

Press recently, and which might have disturbed their shareholders. One rumour was that Roumania was on the brink of a revolution, but that was quickly denied officially. Captain Masterson, who had just arrived from Roumania and was present at the table that day, expressed his utmost surprise that such absolutely false rumours had been circulated in the country. Again, prominence was given to the new taxation laws in Roumania, which came into force on April 1st last. Those were exaggerated to such an extent as to shock any investor in Roumanian securities.

In conclusion, Sir Edward warned the shareholders not to be alarmed at similar rumours, evidently calculated to shake confidence in Roumania, for he could assure them that their directors knew of no factor to alter their confidence in the future of their company and its ability to earn satisfactory profits on its increased capital.

The various resolutions were carried unanimously.

KEPONG (MALAY) RUBBER ESTATES, LIMITED.

CAPITAL INCREASED—PURCHASE OF SUNGEI TAMPAYAN.

The eighteenth annual general meeting of the Kepong (Malay) Rubber Estates, Limited, was held, on the 8th instant, at the Great Eastern Hotel, Liverpool street, London, Sir Gordon Voules (chairman of the company) presiding.

The Chairman, in moving the adoption of the report and accounts, said: Gentlemen,—Last year I had to preface my remarks with regrets that for the first time for many years we were unable to recommend the payment of a dividend. No such melancholy introduction is requisite to-day, and I hope in the future we shall maintain our reputation of being one of the safest of dividend payers.

You will see from our report that the profit for the year, added to the balance brought forward from the previous account, amounts to £19,285. From this has to be abated £4,424 for corporation profits tax and income-tax, leaving an available balance of £14,861. Your directors now recommend payment of a dividend of 10 per cent., less income-tax, and the transfer to a reserve account of £5,000, leaving a balance of £2,611 to be carried forward.

The crucial point on which I should like to dwell is that, though the gross price realised by our rubber was just under 10d. a lb as compared with nearly 1s 2d a lb in the previous year, we have still made a profit of just under £7,500. This result, I think you will agree, reflects very great credit on our general manager and his staff.

In the current year, so far as our crops are concerned, the great difficulty will be how most advantageously to keep them within the prescribed limits, i.e., something less than 500,000 lbs., plus an addition of 5 per cent., which will be allowed from May 1. From this date the export licence will be automatically increased from 60 to 65 per cent. of our standard production, in view of the price of rubber on the London market having averaged a figure between 1s 3d and 1s 6d per lb for the three months ended April 30th last.

SUNGEI TAMPAYAN ESTATE.

Now, gentlemen, just a few words with reference to our recent purchase of Sungei Tampayan Estate. It consists of 707 acres, practically all in bearing, and is situated within 15 miles of Kepong. It can consequently be supervised by our general manager, Mr Dunbar Fraser, and run by one of his assistants now working at Kepong, thus only very slightly increasing the cost of our present European staff. The purchase price is £33,000, payable by £22,000 in cash and £11,000 in 44,000 2s Kepong shares taken by the vendor at 5s a share. Our present planted area is 2,320 acres, against an issued capital of £72,000 for the combined estates of Kepong and Bujong, or £31 per planted acre. By the purchase of Sungei Tampayan the planted area will be brought up to 3,012 acres, and should you agree to the proposal we shall make after this meeting for increasing our issued capital to £95,000, our capitalisation will still be £31 per planted acre, and in addition the company will have a substantial working capital. It is very rarely so good a property in Selangor comes into the market. While we all agree that it is a difficult matter to improve on Kepong, we think that by the recent purchase we have managed to do so, and we have every confidence that our shareholders will agree with us.

POSITION OF RUBBER.

Now, before I sit down you may expect me to say a word or two with regard to the present position of rubber. There is nothing wrong with the commodity; plantation rubber still holds the field, and to-day commands a better price than the indigenous Brazilian product. I do not think we need worry about the American idea of a synthetic rubber to be made out of oil shale at a cost of 1½d per lb. The stocks in the Port of London are

being steadily reduced; to-day they are less than 59,000 tons, as compared with over 70,000 a short time ago.

Although we must regret that the price of rubber has not increased as we probably expected it would increase with the diminution in stocks, yet we should not consider that the Restriction Act, under which we have been working, has been at all a failure. Before that Act was passed rubber, you may recollect, was as low as 7d per lb; to-day it is 1s 3d—slightly below it this morning I am sorry to say, but we may take it at 1s 3d, and I am inclined to think that we ought all of us to be very grateful to the Rubber Growers' Association for the way in which they have been "applying ginger" to the authorities to enforce this limitation of output. I will not say that it has been the salvation of Kepong, because Kepong is, I think, very difficult to kill, but I do think it has been the salvation of a great number of estates, especially in the Malay States, where it did appear at one time that many estates would be unable to continue in existence.

Sir Francis Voules, C.B.E., seconded the motion, and it was carried unanimously; and at a subsequent extraordinary general meeting a resolution was passed increasing the capital from £72,500 to £100,000.

SAPUMALKANDE RUBBER COMPANY, LIMITED.

SATISFACTORY RESULTS.

The thirteenth ordinary general meeting of the Sapumalkande Rubber Company, Limited, was held, on the 10th instant, at 14 Great Tower street, London.

Mr Henry John Welch (chairman of the company) presided, and in moving the adoption of the report and accounts, said: The total cost of our properties and their development and equipment at December 31, 1922, was £185,851. After deducting from our issued capital the excess of our liquid assets over our liabilities (including the dividend to be paid to-day) our share capital represents a little under £56 per planted acre.

The restricted rubber crop harvested was 680,000 lbs, against 602,800 lbs in the previous year. The f.o.b. cost of production was 7.77d per lb, against 6.89d per lb. The increased cost was due to expenditure on cultivation, and to depreciation written off. The crop realised a net average price of 1s 0.13d per lb, as against 8.68d per lb in 1921. The tea crop harvested amounted to 218,900 lbs, against 233,700 lbs in the previous year. The smaller crop was due to unfavourable weather conditions, and to finer plucking. The f.o.b. cost of production was 9.40d per lb, against 6.34d per lb, the higher cost being due to the necessary expenditure on cultivation and to the smaller crop. The net average price realised was 1s 1.27d per lb, against 10.59d per lb in 1921. The labour force was sufficient for all requirements, and the health conditions were satisfactory. The visiting agent reports that the rubber trees are in good condition, and the estate free from weegds. The profit for the year amounted to £15,044, to which has been added the amount brought forward from last year, making £25,909, out of which the directors recommend the payment of a dividend of 7½ per cent., and that £4,106 be transferred to reserve account. This will raise our reserve to £30,000, and will leave £9,427 to be carried forward. The restricted crop of rubber to be harvested during the current year is estimated at 567,500 lbs, and the tea crop 250,000 lbs. No rubber was harvested to March 31st, but of the estimated tea crop we have harvested 57,131 lbs, against 49,292 lbs for the corresponding period of last year. We have sold forward half of the current year's tea crop at a figure which will give us a net sale price of approximately 1s 2½d per lb, as against 1s 1.27d per lb last year. The balance is being sold in the open market, and is obtaining very satisfactory prices.

Mr C. Heath Clark seconded the resolution, which was carried unanimously, and after the usual formal business had been transacted, a cordial vote of thanks was passed to the staff in the East.

BRYANT AND MAY, LIMITED.

YEAR'S EXCELLENT RESULTS.

The thirty-ninth annual ordinary general meeting of Bryant and May, Limited, was held, on the 9th instant, at 1, Fairfield Works, Bow, London.

Mr William Alexander Smith, the Chairman, presided, and, in moving the adoption of the report and accounts, said it was once more his good fortune to be able to congratulate the shareholders on an excellent year's business. Like their friends in the somewhat kindred industries of "Baccy and Beer," they had every reason to be satisfied with the result. Their Colonial factories had continued to prosper, and in that connection he would like to say that the directors and shareholders were greatly indebted to Mr Bartholomew for his prolonged and arduous labours in both Australia and Africa. He would like to refer to an approaching notable event in the history of the company, namely, the twenty-fifth anniversary of their friend and colleague,

Mr Paton, becoming a "match man." Mr Paton had done so much both for the company and for the employees that no celebration of the event would be complete without giving all an opportunity of participating in it. On behalf of the shareholders, the board had decided to ask Mr Paton's acceptance of his portrait in oils by the Hon John Collier, and it had been decided to give all the workers an opportunity of having a trip to Blackpool on June 1st next, the anniversary of the day of Mr Paton's entry into the business.

Mr George W. Paton, deputy chairman and managing director, in seconding the resolution, said that on more than one occasion the chairman had used the expression, "Good wine needs no bush." That was doubly true now, for they had never presented a better or healthier balance-sheet to the shareholders of the company. Nearly four years ago, when asking the shareholders to sanction the profit-sharing and co-partnership plan, he had said that the workers would so apply themselves to their task that the amount which might come to be distributed would be more than earned. He hoped the shareholders would agree that the results shown in the accounts abundantly justified what the directors had then asked them to do. Much of the distress from unemployment was occasioned by the constantly threatened and recurring disputes, strikes, and lock-outs in the great industries. He believed that co-partnership between capital and labour, which had identical interests, was the only means by which the distrust, unrest, and dissatisfaction could be removed.

The competition from matches imported from countries with depreciated exchanges continued very severe, but the company fully held their premier position against all comers.

The report and accounts were unanimously adopted.

CHAMPION REEF GOLD MINES OF INDIA, LIMITED. PROGRESS OF DEVELOPMENT AT BOTTOM LEVELS.

The ordinary general meeting of the Champion Reef Gold Mines of India, Limited, was held, on the 11th instant, at the Cannon street Hotel, London, Major the Hon. A. T. J. Fraser, D.S.O., the chairman, presiding.

The Chairman said this was the first meeting of the new company to review a full year's working. Shareholders would remember the objects of the directors in raising additional capital. After some 30 years of very profitable exploitation, in the course of which the workings had attained a depth of 6,000 feet, the conditions at the bottom of the mine had become far from ideal, and it became essential to remodel and amplify the ventilation especially, and to reorganise the handling of rock at the lower levels. Until this was done, rapid, efficient, and economical development at depth was impossible. A further purpose in raising new capital was to make certain additions and improvements to the machinery and plant, especially with a view to the capacity for handling accreted tailings. At the time of the last general meeting a start had barely then been made with the new scheme. By the end of July good progress had been made with the ventilation scheme, and they were in a position really to start with serious development at the bottom of the mine. Unfortunately, two very bad rockbursts occurred about the beginning of September, which badly put back work at the bottom of the mine. The position at the end of the year, therefore, was that the ventilation scheme throughout was practically completed, with extremely satisfactory results; the re-organisation of the handling facilities was well in hand, and the additions to plant were nearing completion. In fact, general progress was good, but the development at the bottom levels—really the main point—had been held back for three or four months longer than was expected by the rockbursts. Since the end of the year they had been able to "get away" at the bottom of the mine, and the results so far, he thought he could say, were distinctly satisfactory.

COMPARISON WITH DEEP LEVEL RAND MINES.

Before leaving this question of the position underground, he would point out the difference between such a mine as the Champion Reef, which had been exploited from grass roots down to 6,000 feet vertical, and one of the deep level mines of the Rand. When the latter was begun, the proprietors knew that they had a well-defined body of ore at a depth of from 3,000 to 6,000 feet. They had not to work down the whole way from the top to the bottom, but they came in, and, with heavy capital expenditure, sank their shafts, and laid out the whole of the equipment of the mine underground, including ventilation and everything, knowing just where they were. With a mine such as the Champion Reef they had, so to speak, to chase their way down to the bottom, never expecting in the early days, he supposed, that after 30 years they would be working at a depth of 6,000 feet. The point always arose in such a mine that ventilation and equipment at the bottom must require reorganisation.

Turning to milling operations, it would be seen that a small profit—approximately £10,000—had been made. This had been

possible only by strict economy. The working costs for the year were almost exactly 30s per ton, of which 6s was spent on development. In view of the circumstances, he considered that they were low costs, on which the managers and the staff on the mine were to be congratulated. In the current year, however, there was likely to be an increase in the working costs per ton. As foreshadowed in the report, they had to reduce the monthly tonnage, and although the total expenditure per month would decrease, it would not do so in proportion to the decrease in the tonnage, leading, therefore, to slightly higher costs per ton.

Another point, and an adverse one, he feared, was the gold yield. Last year the figure realised was £4 14s 1d per ounce of gold. This year it did not appear probable that they would get much more than £4 7s, or possibly £4 8s per ounce—a difference of somewhere about 6s or 7s per ounce.

The ore reserves had decreased by 12,000 tons. The extraction for the year was 96½ per cent., or slightly less than in the preceding year, when it was 97 per cent. He did not know whether the shareholders all realised how extraordinarily good it was; he thought he was right in saying that no other field in the world had such a high percentage of extraction. There was nothing much to explain in the balance-sheet. The shareholders would at once notice the very strong financial position, but they must realise that the bulk of the capital expenditure, on development especially, was still ahead of them.

The report and accounts were unanimously adopted, and the usual formal business was transacted.

GOVERNMENT RETURNS.

PUBLIC INCOME AND EXPENDITURE. RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

		Total Receipts into the Exchequer from	Receipts.	
		Apr. 1, 1923, to May 5, 1923.	Apr. 1, 1922, to May 6, 1922.	Week Ended May 5, 1923.
	£	£	£	£
Balances in Exchequer on 1st April:—				
Bank of England....	5,442,665	9,963,424	..	..
Bank of Ireland....	1,375,502	1,210,106	..	..
REVENUE.	6,818,167	11,173,530	..	..
Customs.....	12,536,000	8,216,000	2,705,000	1,337,000
Excise.....	14,815,000	13,221,000	1,485,000	2,576,000
Motor Vehicle Duties ..	1,565,000	1,234,000	447,000	413,000
Estate, &c., Duties.....	4,960,000	7,021,000	920,000	1,260,000
Stamps.....	1,620,000	1,082,000	170,000	120,000
Land Tax, House Duty & Mineral Rights Duty ..	290,000	340,000	40,000	60,000
Property & Income Tax ..	28,934,000	37,000,000	3,346,000	4,650,000
Super-Tax.....	7,810,000	37,000,000	1,430,000	1,430,000
Excess Profits Duties, &c.	..	954,000	..	..
Corporation Profits Tax ..	2,110,000	1,656,000	330,000	400,000
Post Office.....	4,500,000	4,500,000	1,250,000	1,000,000
Crown Lands.....	100,000	80,000	..	..
Interest on Sundry Loans.....	2,362,276	343,524	75,000	52,953
Miscellaneous.....	..	..	..	..
Ordinary Receipts....	2,547,907	6,694,988	6,664	380,000
Special Receipts....	7,078,791	4,956,343	2,256,177	545,671
Revenue.....	91,228,974	87,308,855	14,560,921	12,794,624
Total, inc. Balance ..	53,047,141	98,482,383	..	..
OTHER RECEIPTS.				
Temporary Advances Repaid:—				
Bullion.....	..	400,000	..	..
Under the Unemployment Insurance Acts, 1921 ..	750,000	..	..	..
Money Raised by Creation of Debt:—				
For Capital Expenditure Issues:—				
Under the Unemployment Insurance Acts, 1921 ..	..	1,210,000	..	1,210,000
For other Issues:—				
By Treasury Bills for Supply ..	236,579,000	302,026,000	50,814,000	63,833,000
By National Savings Certificates ..	4,950,000	23,130,000	850,000	450,000
By Treasury Bonds—				
5½% year, 1925-35 ..	..	61,421,831	..	..
5½% 1927 ..	..	..	..	..
4%, 1931-33.....	21,064,560	..	4,288,937	..
Ways and Means Advances.....	60,900,000	105,550,000	13,500,000	14,400,000
Repayments—				
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921 ..	36,059	7,901	32,103	2,520
Total.....	422,326,760	592,228,117	84,045,961	92,690,144

EXPENDITURE AND OTHER ISSUES.

		Total Issues out of the Exchequer to meet Payments from	Issues.	
		Apr. 1, 1923, to May 5, 1923.	Apr. 1, 1922, to May 6, 1922.	Week Ended May 5, 1923.
	£	£	£	£
EXPENDITURE.				
Permanent Charge of Debt.....	3,332,198	3,281,893	..	..
Interest, &c., on War Debt.....	43,864,734	43,845,526	9,062,088	9,080,943
Road Fund.....	39,044	89,000	..	..
Payments to Northern Ireland Exchequer ..	171,822	160,000	75,000	10,000
Land Settlement.....	48,676	172,580	38,947	..
Other Consolidated Fund Services.....	26,441	275,851	15,116	9,365
Supply Services.....	32,739,000	23,274,500	8,400,000	6,200,000
Expenditure.....	80,580,915	77,099,360	17,591,151	15,310,309

	Total Issues out of the Exchequer to meet Payments from	Issues.	
	Apr. 1, 1923, to May 5, 1923.	Apr. 1, 1922, to May 6, 1922.	Week Ended May 5, 1923.
	£	£	£
OTHER ISSUES.			
Temporary Advances—			
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	36,891	84,909	..
Under the Unemployment Insurance Acts, 1921.....	30,000	1,210,000	30,000
Issues to meet Capital Expenditure—			
Under the Housing Act, 1914 ..	..	13,000	..
Unemployment Insurance Acts, 1921—			
Repayment of amounts borrowed..	750,000	..	750,000
Redemption of Debt—			
Treasury Bills for Supply.....	267,925,000	419,775,000	54,695,000
Principal of National Savings Certificates—			
(a) Repaid by Issues under Section 59 (6) of the Finance Act, 1920.....	800,000	2,900,000	300,000
(b) Repaid otherwise.....	3,300,000	..	900,000
Principal of Exchequer Bonds paid off ..	..	19,136,605	..
Principal of National War Bonds paid off ..	16,104,989	..	125,000
Other Debt under the War Loan Acts, 1914 to 1919.....	15	5,251,888	..
Ways and Means Advances Repaid ..	49,267,000	63,400,000	9,800,000
Balances in Exchequer—			
Bank of England.....	418,794,810	588,870,752	83,891,151
Bank of Ireland.....	1,467,268	1,297,509	91,058
Total.....	3,531,950	3,357,365	154,810

Treasury, May 7, 1923.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £30,000,000 in Treasury Bonds and three months' Treasury Bills dated from Monday to Saturday, May 14-May 19, were opened on May 11, 1923, and the total amount applied for was £62,300,000. Tenders for Monday to Friday bills at 99 9s 9d, about 81 per cent., and above in full, and for Saturday bills at 99 9s 11d, and above in full. The average rate of discount for Treasury Bills was 2 1/2 1/2. The amounts allotted were as follows:—In bills at 3 months, £28,000,000; in bonds, £2,000,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills. Average Rate.	4½% Treasury Bonds, 1932. Average Price.
1923.				
Feb. 9.....	(a) 35,000,000	(a) 63,590,000	2 9 7 86	99 8 6 4
Feb. 16.....	(a) 30,000,000	(a) 49,875,000	2 6 6 31	99 8 4 7
Feb. 23.....	(a) 40,000,000	(a) 61,630,000	2 6 2 95	99 9 1 17
Mar. 2.....	(a) 40,000,000	(a) 53,770,000	2 2 10 35	99 9 9 6
Mar. 9.....	(a) 40,000,000	(a) 57,190,000	2 8 0 32	99 9 7 5
Mar. 16.....	(a) 30,000,000	(a) 54,490,000	2 0 0 32	99 9 4 8
Mar. 23.....	50,000,000	67,230,000	2 0 2 34	..
Mar. 30.....	40,000,000	69,665,000	2 6 5 2	..
Apr. 6.....	(a) 40,000,000	(a) 78,915,000	2 4 3 46	95 5 0 9
Apr. 13.....	(a) 35,000,000	(a) 64,256,000	2 0 7 57	95 3 5 13
Apr. 20.....	(a) 30,000,000	(a) 58,305,000	1 16 6 04	95 5 4
Apr. 27.....	(a) 40,000,000	(a) 61,230,000	1 18 7 85	95 5 0
May 4.....	(a) 35,000,000	(a) 60,965,000	1 18 8 29	95 6 0 8
May 11.....	(a) 30,000,000	(a) 62,300,000	2 0 4 02	95 6 10 5

(a) Including Treasury Bonds. † 4% Treasury Bonds, 1931-33.

Tenders will be received on Friday, May 18, 1923, for Treasury Bonds and Bills to be issued to the maximum amount of £30,000,000. The amount of Treasury Bonds issued will not exceed £3,000,000, but, subject to that limit, the total amount issued will be divided between Bills and Bonds in such proportions as The Lords Commissioners of His Majesty's Treasury may determine.

CURRENCY NOTES ACCOUNT.

		Advances to	Redemption Account.	
		Bankers.	Gold and Bullion.	Bank of England Notes.
Date.	Notes and Certificates Outstanding.	Reserve Account.	Notes.	Ratio to Notes.
1914.				
Aug. 26.....	21,535	6,302	3,810	..
Dec. 30.....	38,478	169	600	18,500
1915.				
Dec. 29.....	103,125	729	159	249
Dec. 27.....	150,144	2,430	64	28,500
Dec. 1917.	212,782	8,554	39	675
Dec. 1918.	323,241	15,589	..	570
Dec. 31.....	366,152	17,182	250	245
Dec. 1920.	367,626	16,962	..	28,500
Dec. 1921.	343,826	15,599	139	11,334
Mar. 30.....	323,884	14,965	3,000	28,500
June 29.....	314,382	14,830	3,000	28,500
Sept. 28.....	325,584	14,658	3,000	28,500
Dec. 28.....	300,351	14,255	5,000	28,500
Mar. 29.....	285,374	13,138	6,000	28,500
Sept. 27.....	288,127	12,648	7,000	27,000
Dec. 27.....	301,337	12,872	7,000	27,000
1923.				
Mar. 28.....	285,616	12,318	7,000	27,000
April 25.....	283,970	12,162	7,000	27,000
May 2.....	285,746	12,059	7,000	27,000
May 9.....	287,049	12,108	7,000	27,000

Since July 21, 1920, the notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £380,000,000, for 1921 at £317,555,000, for 1922 at £309,968,000, and for 1923 at £270,185,800.

SCOTTISH UNION & NATIONAL INSURANCE COMPANY.
ESTABLISHED 1824.
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FIRE. LIFE. ACCIDENT. MARINE.
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The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, May 9, 1923.

ISSUE DEPARTMENT.

	£	£
Notes issued	145,446,050	Government debt 11,015,100
		Other securities..... 8,734,900
		Gold coin and bullion 125,696,050
	145,446,050	145,446,050

BANKING DEPARTMENT.

	£		£
Proprietors' capital ..	14,553,000	Government securities	42,221,180
Res.....	3,154,363	Other securities.....	68,613,871
Public deposits*	14,602,313	Notes	21,669,920
Other deposits	102,003,385	Gold and silver coin..	1,825,894
Seven-day & other bills	17,804		
	134,330,865		134,330,865

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

COMPARISON WITH PREVIOUS WEEK AND A YEAR AGO.

	Amount, May 9, 1923.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Res.....	3,154,363	+ 26,173	+ 14,793
Public deposits	14,602,313	+ 1,367,768	+ 2,423,182
Other deposits	102,003,385	+ 5,339,509	+ 28,255,671
Government securities ..	42,221,180	+ 3,138,265	+ 16,651,466
Other securities.....	68,613,871	+ 1,516,412	+ 6,915,700
Reserve.....	23,495,814	+ 416,484	+ 2,250,440
Note circulation.....	123,776,130	+ 415,440	+ 2,184,445
Coin and bullion	127,521,944	+ 1,044	+ 1,365,995
% of reserve to liabilities ..	20½%	+ 1%	+ 2½%

THREE MONTHS' RECORD.

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve.	% of Reserve to Liabilities.	Bank Rate.
1923.	<i>\$</i>	<i>\$</i>	<i>\$</i>	<i>\$</i>	<i>\$</i>	%	%
Feb. 14.....	127,493,425	120,719,230	126,244,044	119,130,331	25,224,195	20½	19½
21.....	127,499,186	122,041,710	128,827,692	121,752,212	25,207,478	19½	19½
28.....	127,504,283	123,940,440	131,455,821	126,390,310	23,311,943	17½	19½
Mar. 7.....	127,507,927	123,468,110	123,568,994	117,805,931	23,789,817	19½	19½
14.....	127,508,777	122,995,375	125,518,275	119,101,680	24,362,800	20½	19½
21.....	127,511,583	123,198,570	126,772,490	120,986,136	24,062,950	19½	19½
24.....	127,503,162	124,436,610	127,707,654	128,165,307	22,818,552	17½	19½
Apr. 4.....	127,501,564	124,096,605	127,088,367	121,608,830	23,155,940	19½	19½
11.....	127,517,057	123,910,695	125,988,764	117,322,613	24,366,463	19½	19½
18.....	127,520,989	122,380,350	126,918,765	116,706,398	24,830,609	19½	19½
25.....	127,519,333	123,773,225	126,674,175	115,510,953	24,450,098	20½	19½
May 2.....	127,530,000	124,171,250	127,600,439	115,469,778	24,679,430	20½	20½
9.....	127,531,907	124,171,250	127,600,439	115,469,778	24,679,430	20½	20½

MONTHLY STATEMENT OF LONDON CLEARING BANKS.

(000's omitted.)

Average Weekly Balances, April, 1923.	Bank of Liverpool and Martins, Limited.	Barclays Bank, Limited.	Coutts and Co.	Glyn, Mills, Currie, and Co.	Lloyds Bank, Limited.	London Joint City and Midland Bank, Limited.	Westminster Bank, Limited.	National Provincial and Union Bank of England, Limited.	National Bank, Limited.	Williams Deacon's Bank, Limited.	Total.
Assets.	£	£	£	£	£	£	£	£	£	£	£
Coin, bank and currency notes, and balances with the Bank of England ..	6,497	33,772	1,444	2,539	37,135	51,164	27,478	28,043	3,635	4,061	195,768
Balances with and cheques in course of collection on other banks in the United Kingdom ..	2,034	7,547	511	1,033	7,630	11,276	9,204	7,503	190	1,109	48,037
Items in transit ..	4,521	21,146	1,904	4,007	18,127	14,018	26,745	18,158	3,695	1,851	114,172
Money at call and short notice ..	3,654	40,001	1,078	614	61,257	46,841	57,313	36,794	2,781	1,911	252,244
Bills discounted ..	9,442	71,407	4,662	9,485	79,933	38,373	56,794	50,705	19,258	6,371	346,430
Investments ..	39,233	130,173	7,594	5,460	132,664	187,458	98,738	123,020	17,860	20,088	762,288
Advances to customers and other accounts ..	5,068	7,669	55	1,947	14,007	29,518	11,119	7,755	206	899	78,243
Liabilities of customers for acceptances, endorsements, &c. ..	1,469	4,906	346	370	5,328	5,271	3,975	4,194	641	683	27,183
Bank premises account ..	..	7,701	..	..	7,674	3,559	2,991	2,240	..	..	24,165
Ratio of cash to current, deposit, and other accounts ..	71.918	324.322	17.594	25.455	363.755	387.478	294.357	278.412	48.266	36.973	1,848.530
LIABILITIES.	£	£	£	£	£	£	£	£	£	£	£
Capital paid up ..	2,348	15,592	800	1,000	14,373	10,861	9,004	9,309	1,500	1,875	66,662
Reserve fund ..	1,500	8,250	800	500	10,000	10,861	9,004	9,000	1,035	1,150	52,100
Current, deposit, and other accounts ..	63,002	292,811	15,939	21,848	325,376	336,238	265,216	252,348	42,985	33,049	1,648,812
Acceptances, endorsements, &c. ..	5,068	7,669	55	1,947	14,006	29,518	11,119	7,755	206	899	78,242
Notes in circulation ..	..	..	..	..	..	..	..	..	..	..	..
Reduction of bank premises account ..	..	..	..	..	..	..	..	..	..	..	..
	71.918	324.322	17.594	25.455	363.755	387.478	294.357	278.412	48.266	36.973	1,848.530

TEN YEARS' RECORD.

At corresponding date with the present week.	May 7, 1913.	May 27, 1914.	May 11, 1915.	May 10, 1916.	May 9, 1917.
Circulation (excl. bank notes bills) ..	28,895,895	28,333,380	28,363,247	28,591,685	28,776,130
Public deposits ..	14,189,282	19,014,809	14,860,622	12,179,131	14,602,313
Other deposits ..	38,762,334	41,948,964	41,560,751	40,859,056	40,003,385
Government securities ..	12,879,075	11,048,570	10,186,127	9,872,646	9,872,646
Other securities ..	31,462,418	41,461,280	78,903,266	75,529,571	68,613,871
Reserve of notes and coin ..	26,429,747	25,463,980	18,044,607	25,746,254	23,495,814
Coin and bullion ..	36,875,642	35,947,360	128,363,247	128,857,939	127,521,944
Proportion of reserve to liabilities ..	49%	42%	14%	18%	20%
Bank rate of discount ..	4%	5%	6%	4%	3%
Market rate, 3 months' bills ..	3 1/2 - 4	4 1/2 - 5	5 1/2 - 6	4 1/2 - 5	3 1/2 - 4
Price of Consols ..	73 1/2	74 1/2	74 1/2	74 1/2	74 1/2
Price of silver per oz. ..	27 1/2	26 1/2	34 1/2	35 1/2	32 1/2
Exchanges ..	25-20-22 1/2	25-17-20	46-95-48 00	48-40-70	69-70-70 00
on New York ..	84-83 1/2	84-79	83-98-4-00	84-44-45 1/2	84-60-61 1/2
on Amsterdam ..	12-24-21	12-05-10	11-16-19	11-55-87	11-80-81
on London ..	20-46	20-49 1/2	24-25 1/2	1-25-1-28 1/2	1-25-1-28 1/2
Clearing house return ..	336,177,000	199,913,000	619,322,000	798,030,000	746,485,000

BANKERS' CLEARING RETURNS.

(000's omitted.)

Week Ending—	Town.	Metropolitan.	Country.	Total.
January 1 to March 14 ..	£ 6,815,337	£ 326,800	£ 589,937	£ 7,732,074
March 21 ..	689,187	28,494	55,569	773,250
28 ..	686,122	29,878	50,901	766,901
April 4 ..	612,126	24,280	40,565	676,971
11 ..	737,961	33,599	67,004	838,564
18 ..	707,062	31,212	59,785	798,059
25 ..	684,471	31,070	53,378	768,919
May 2 ..	729,357	30,280	52,200	811,837
9 ..	646,855	33,273	66,361	746,489
Total to date 1923 ..	12,308,478	568,556	1,035,640	13,912,674
Do 1922 ..	12,819,876	584,978	1,033,498	14,438,352
Increase or decrease in 1923 ..	- 511,398	- 16,422	- 97,858	- 625,678
	= - 3.9 %	= - 2.8 %	= - 9.4 %	= - 4.3 %
Total for year 1922 ..	32,780,635	1,574,661	2,806,165	37,161,461
Total for year 1921 ..	30,268,214	1,660,166	3,002,179	34,930,559
Increase or decrease in 1922 ..	+ 2,512,421	+ 90,495	+ 193,986	+ 2,796,902
	= + 8.3 %	= + 5.4 %	= + 6.5 %	= + 8.0 %

PROVINCIAL CLEARING RETURNS.

	1922.	1923.	Inc. or Dec.
Aggregate Totals to May 5.	£ 39,714,800	£ 42,779,800	+ 3,065,000
BIRMINGHAM ..	28,842,000	21,392,000	- 7,450,000
Bristol ..	119,788,700	113,829,500	- 5,959,200
DUBLIN ..	20,148,000	20,795,300	+ 647,300
LIVERPOOL ..	19,701,800	20,446,600	+ 744,800
LEEDS ..	14,173,500	14,776,200	+ 602,700
MANCHESTER ..	15,534,200	16,249,300	+ 715,100
NEWCASTLE-ON-TYNE ..	26,670,100	27,168,400	+ 498,300
NOTTINGHAM ..	34,136,300	36,048,800	+ 1,912,500
SHEFFIELD ..	12,261,700	11,749,400	- 512,300
	17,289,200	21,767,700	+ 4,478,500

OVERSEAS BANK RETURNS.

UNITED STATES FEDERAL RESERVE BANKS.

(000's omitted.)

Assets.	May 4, 1923.	April 27, 1923.	April 20, 1923.	May 5, 1923.
Total gold reserve ..	3,080,580	3,084,570	3,082,620	2,994,780
Legal tender notes and silver reserve ..	93,810	94,880	95,920	124,040
Bills discounted for member banks ..	730,340	636,600	643,460	509,380
Bills bought in open market ..	275,430	274,040	277,450	107,280
Government obligations owned ..	184,770	193,810	238,010	609,220
All other resources ..	64,450	64,200	63,750	67,390
LIABILITIES.				
Government deposits ..	49,080	34,690	44,940	72,240
Other deposits ..	1,934,770	1,873,850	1,946,070	1,819,910
Federal Reserve Notes in actual circulation ..	2,237,510	2,222,590	2,220,250	2,173,440
Federal Reserve Bank Notes in actual circulation ..	2,300	2,290	2,440	77,410
Capital and surplus ..	15,970	16,030	15,140	18,950
Ratio of total reserves to gross deposits and Federal Reserve note liabilities combined ..	75.2 %	77 %	75.5 %	76.7 %

STATEMENT OF CANADIAN BANKS.

(000's omitted.)

Assets.	Feb. 28, 1923.	Jan. 31, 1923.	Dec. 31, 1922.	Nov. 30, 1922.	Feb. 28, 1922.
Cash and bank balances ..	456,410	445,945	509,830	506,207	461,875
Bank balances abroad ..	74,654	59,585	71,402	111,609	68,442
Call and short loans ..	270,081	261,407	284,037	303,421	272,910
Securities ..	736,612	356,306	340,588	317,260	354,376
Loans in Canada ..	1,128,034	1,120,723	1,148,581	1,156,338	1,129,974
Loans abroad ..	165,987	158,444	157,657	155,706	155,706
Other assets ..	104,822	105,420	106,439	106,293	101,327
LIABILITIES.					
Note circulation ..	156,714	152,632	176,201	169,626	164,490
Deposits—					
Government ..	66,960	59,526	78,583	131,762	131,715
Public in Canada ..	1,708,390	1,696,498	1,722,316	1,712,055	1,719,428
Foreign ..	288,742	266,555	288,350	323,644	267,435
Bank balances—					
Canadian ..	9,826	11,881	11,757	10,158	10,545
Foreign ..	40,011	37,247	38,645	40,331	44,283
Bills payable, &c. ..	28,671	28,105	28,774	27,134	29,125
Other liabilities ..	3,511	2,197	2,835	4,344	3,519
Capital and rest ..	255,998	255,980	255,966	255,585	255,742

SOUTH AFRICAN RESERVE BANK.

(000's omitted.)

LIABILITIES.	April 14, 1923.	April 7, 1923.	Mar. 31, 1923.	Mar. 24, 1923.	Mar. 17, 1923.
Capital ..	1,000	1,000	1,000	1,000	1,000
Reserve ..	9,590	9,590	9,566	9,719	9,720
Notes in circulation ..	5,464	5,250	5,372	5,863	6,242
Bankers' deposits ..	1	1	1	1	1
Other deposits ..	1	1	1	1	1
Assets.					
Gold coin and bullion ..	503	483	483	483	483
Gold certificates ..	10,069	10,039	10,039	10,039	10,039
Subsidiary coin ..	125	125	125	125	125
Bills discounted (domestic) ..	2,705	2,694	2,912	1,975	2,280
Do (foreign) ..	632	632	551	721	857
Loans and advances to the Government ..	1,200	1,200	1,200	2,300	2,300
Other loans and advances ..	1,000	1,000	1,000	1,000	1,000
Investments ..	8	8	8	8	8
Ratio of cash reserves to liabilities to public ..	71 %	70.4 %	69.8 %	68.3 %	66.6 %

BANK OF FRANCE.

(000's omitted.)

Assets.	May 5, 1923.	April 26, 1923.	April 19, 1923.	May 4, 1923.	Position May 30, 1914.
Gold coin and bullion ..	5,536,861	5,536,764	5,536,625	5,527,103	3,730,625
Of which held abroad ..	1,864,345	1,864,345	1,864,345	1,864,345	632,650
Silver coin and bullion ..	292,003	292,024	291,979	282,872	2,371,775
Discount and advances ..	5,375,611	4,803,111	4,682,632	5,249,026	..
Advances to the State ..	23,000,000	22,500,000	22,800,000	..	..
LIABILITIES.					
Notes ..	36,904,486	36,547,982	36,823,777	36,178,276	5,811,875
Government deposits ..	18,109	27,177	19,596	15,940	183,700
Private deposits ..	2,285,776	2,088,909	2,009,164	2,433,952	845,950

BANK OF SPAIN.

(000's omitted.)

Assets.	May 5, 1923.	April 28, 1923.	April 21, 1923.	May 6, 1923.	Position May 30, 1914.
Gold ..	2,525,484	2,525,481	2,525,470	2,522,258	521,775
Silver ..	658,842	653,336	660,028	657,251	728,600
Loans and debts ..	1,915,216	1,799,897	1,814,377	1,861,064	800,725
Spanish 4% stock ..	344,475	344,475	344,474	344,475	344,475
Treasury bills ..	150,000	150,000	150,000	150,000	150,000
LIABILITIES.					
Circulation ..	4,105,900	4,105,432	4,117,219	4,136,616	901,550
Deposits ..	961,293	1,026,709	1,030,087	1,017,392	477,500

NATIONAL BANK OF GREECE.

(000's omitted.)

	Mar. 15, 1923.	Feb. 28, 1923.	Feb. 13, 1923.	Jan. 27, 1923.	Mar. 15, 1922.
Assets.	Draohms.	Draohms.	Draohms.	Draohms.	Draohms.
Gold and balances abroad	1,503,094	1,439,246	1,438,456	1,407,532	1,368,187
Government loans and securities ..	3,847,455	3,348,527	3,350,308	3,349,856	2,559,711
Discounts and loans ..	1,388,335	1,389,984	1,437,109	1,343,639	782,257
LIABILITIES.					
Notes in circulation ..	3,617,207	3,553,537	3,427,397	3,204,804	2,255,180
Government deposits ..	338,459	244,067	260,051	284,848	121,514
Private silver deposits ..	1,124,451	1,142,769	1,194,724	1,137,258	1,013,476
Private deposits at fixed dates ..	1,021,281	1,017,888	1,022,092	1,019,897	990,711

IMPORTS AND EXPORTS OF GOLD.

Imported into the United Kingdom.		Exported from the United Kingdom.	
Countries from which Consigned.	Week Ended May 9, 1923.	Countries to which Exported.	Week Ended May 9, 1923.
Belgium.....	£ 90	Kenya.....	£ 3,740
British West Africa.....	730	British India.....	618,182
British South Africa.....	593,385	U.S.A.....	1,035,267
Chile.....	680	Netherlands.....	23,355
Other countries.....	1,737	Other countries.....	290
Total declared value of imports.....	596,622	Total declared value of exports.....	1,680,844

Messrs Samuel Montagu and Co. write on May 9th as follows:—

GOLD.

The Bank of England gold reserve against its note issue on the 2nd instant was £125,693,415, as compared with £125,602,670 on the previous Wednesday. This week's arrival was on a smaller scale, and most of the supplies will be shipped to America, India being but a small buyer. No arrivals of gold in New York are reported this week.

CURRENCY.

It is reported that the new Czechoslovakian gold ducat will be of the ancient fineness—.986—which exceeds that of the sovereign, the quality of which .9163 has hitherto held the pre-eminence among those of modern minted coins. The ducat, which is now being coined by the Czechoslovak Republic, has an historical tradition, not only as a coin, but also as regards its value. Like the ducat of John Luxemburg, which weighed 53.86 grains, the Czechoslovak ducat will weigh not more than 53.86 grains, with about 52 grains of pure gold. It will be coined from a mixture of roughly 986 parts of gold and 14 parts of copper. The new ducat, being a continuation of the ancient ducat, will bear on the obverse side the portrait of St Venceslaus, with the inscription "Nedej zahynouti nam ni budoucim" ("Let neither us nor our descendants perish"), and on the other side a small coat-of-arms of the Republic, with the inscription "Ceskoslovenska Republika" (the Czechoslovak Republic). The first thousand of the new ducats will be numbered, the rest will bear only the year in which they are minted. The size of the new ducat is 19.75 millimetres. It is not intended to be a circulating medium, but a coin for commercial purposes only, and its price will be fixed by those by whom it will be bought and sold.

SILVER.

The market has been dull during the week under review. This week is the last in which silver shipments can be made in time to reach Bombay for the June settlement, but, in spite of this, buying orders from India have been small. America has been inactive, and although China has both bought and sold, it was owing to offerings to-day from this quarter that prices fell to 32½d and 32½d—a drop of ½d for cash and ½d for forward delivery. The tone of the market is quiet.

INDIAN CURRENCY RETURNS.
(In Lacs of Rupees.)

	Apl. 15, 1923.	Apl. 22, 1923.	Apl. 30, 1923.
Notes in circulation.....	17,312	17,416	17,337
Silver coin and bullion in India.....	8,548	8,446	8,365
Silver coin and bullion out of India.....	2,432	2,432	2,432
Gold coin and bullion in India.....	5,748	5,753	5,755
Securities (Indian Government).....	584	585	585
Securities (British Government).....	200	200	200

The silver coinage during the week ending 30th ultimo amounted to 7 lacs of rupees. The stock in Shanghai on the 5th instant consisted of about 32,100,000 ounces in sycee, 44,000,000 dollars, and 1,230 silver bars, as compared with about 27,200,000 ounces in sycee, 41,000,000 dollars, and 710 silver bars on the 28th ultimo. The Shanghai exchange is quoted at 3s 2½d the taal.

GOLD AND SILVER PRICES.

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

1923.	Gold.		Silver.		Date.	Silver.	
	Per Ounce.	Cash, Per Ounce.	Forward, Per Ounce.			Cash, Per Ounce.	
May 5..	89 0	32½	32½	May 18, 1917	37½		
7..	89 1	32½	32½	May 17, 1918	48½		
8..	89 3	32½	32½	May 16, 1919	54		
9..	89 3	32½	32½	May 14, 1920	58½		
10..	89 6	32½	32½	May 13, 1921	54½		
11..	89 5	32½	32½	May 12, 1922	55½		

NOTICES.

Barclays Bank, Limited, announce that they have opened a new sub-branch at Lelant (Cornwall), under the management of the St. Ives branch, and a new branch at The Parade, Trowbridge, under the management of Mr. E. Bonner.

The London Joint City and Midland Bank announce the opening of new branches at 16 and 17 High Street, Maidstone (manager, Mr. H. A. Holmes); in High Street, Broadway, Worcestershire (manager, Mr. C. F. Carter); at 13 Broadway, Crouch End (manager, Mr. R. H. Seward); at 1 The Square, Holsworthy (manager, Mr. A. W. Blackall); and at 63 High Street, Lewes (manager, Mr. H. E. Hardy).

The first office to open in Bush House, Aldwych, will be that of the Kingsway office of the Guaranty Trust Company of New York, on Monday next, May 14th. The Kingsway branch of the bank will occupy premises on the right of the main entrance in Aldwych.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.	Interim div.	Final div.	Method of Payment.	Latst Dividend for Whole Year.	Pre-vious Year.
Railways.						
Barnes.....	3½%	July 2	Less tax	Quarterly	10	10
Illinois Central.....	1½%	July 2	Less tax	Quarterly	10	10
Banks.						
Banco Nacional Ultramarino.....	16%	May 9	Less Portuguese tax	Quarterly	30	20
Hambros.....	12%	May 22	Less tax	Quarterly	18	15
Ionian.....	6%	May 22	Less tax	Quarterly	6	8
Rotterdam.....	6%	May 22	Less tax	Quarterly	6	8
Insurance.						
Engle, Star, and B.D.....	8%	May 24	Less tax	Quarterly	6	5
Gresham Fire and Accident.....	8%	May 24	Less tax	Quarterly	6	5
Liverpool and London and Globe.....	8%	May 24	Less tax	Quarterly	6	5
Sun.....	10%	May 24	Less tax	Quarterly	6	5
Welsh.....	10%	May 24	Less tax	Quarterly	6	5
Tea and Rubber.						
Alor Pong Rubber.....	5%	May 28	Less tax	Quarterly	8	10
Anglo-Siam Rubber.....	5%	May 28	Less tax	Quarterly	8	10
Bengal United Tea, Pref.....	20%	May 19	Less tax 5/3 in £	Quarterly	30	15
British Indian Tea.....	20%	May 19	Less tax	Quarterly	30	15
Bukit Badang.....	20%	May 19	Less tax	Quarterly	30	15
Cachar and Doars Tea, Pref.....	6%	June 1	Less tax 5/3 in £	Quarterly	15	15
Cameron Estates.....	12%	June 1	Less tax	Quarterly	15	15
Ceylon Prop. Tea.....	12%	June 1	Less tax 5/3 in £	Quarterly	15	15
Cluny Rubber.....	12%	June 1	Less tax 5/3 in £	Quarterly	15	15
Darjeeling Tea.....	27½%	July 9	Less tax 5/3 in £	Quarterly	10	7½
Doars Tea.....	27½%	July 9	Less tax 5/3 in £	Quarterly	10	7½
Dusan Durian Rubber.....	5%	May 18	Less tax	Quarterly	26	16
Elmhurst Tea and Rubber.....	21%	July 9	Less tax 5/3 in £	Quarterly	4	11
Empire of India Tea.....	15%	June 27	Less tax	Quarterly	20	12
Glenshiel Rubber.....	30%	June 13	Less tax	Quarterly	40	18
Jaipur Tea.....	5%	May 16	Less tax 4/10 in £	Quarterly	10	10
Jhazie Tea.....	5%	May 16	Less tax	Quarterly	10	10
Jong Landor.....	5%	May 16	Less tax	Quarterly	10	10
Kampong Kuantan Rubber.....	5%	May 16	Less tax	Quarterly	10	10
Kandapola Tea.....	5%	May 16	Less tax	Quarterly	10	10
Kelantan Valley Rubber.....	5%	May 16	Less tax	Quarterly	10	10
Lanadon Rubber.....	5%	May 16	Less tax	Quarterly	10	10
Leadbury Rubber.....	5%	May 16	Less tax	Quarterly	10	10
Lochnagar (Ceylon).....	5%	May 16	Less tax	Quarterly	10	10
London Asiatic Rubber.....	5%	May 16	Less tax	Quarterly	10	10
Mambau (F.M.S.) Rubber, Cum.....	5%	May 16	Less tax	Quarterly	10	10
Fig. Pref.....	5%	May 16	Less tax	Quarterly	10	10
Nehru (Ceylon).....	5%	May 16	Less tax	Quarterly	10	10
Riverside Rubber.....	5%	May 16	Less tax	Quarterly	10	10
Rubber Plantations Investment.....	5%	May 16	Less tax	Quarterly	10	10
Scottish Malay.....	5%	May 16	Less tax	Quarterly	10	10
Shawlands Estates of Ceylon.....	5%	May 16	Less tax	Quarterly	10	10
Single Tea.....	25%	July 9	Less tax 5/3 in £	Quarterly	30	15
Strait Rubber.....	5%	May 16	Less tax	Quarterly	10	10
Sun gai Matang Rubber.....	5%	May 16	Less tax	Quarterly	10	10
United Sumatra Rubber.....	5%	May 16	Less tax	Quarterly	10	10
Tuaran Rubber.....	5%	May 16	Less tax	Quarterly	10	10
Mining.						
Arizona Copper.....	1/6 p.s.	May 21	Tax free	Quarterly	2	1/6 p.s.
Deebeck Dredging.....	1/6 p.s.	May 21	Tax free	Quarterly	2	1/6 p.s.
English Crown Spelter.....	1/6 p.s.	May 21	Tax free	Quarterly	2	1/6 p.s.
Lahat.....	1/6 p.s.	May 21	Tax free	Quarterly	2	1/6 p.s.
Mexican of El Oro.....	1/6 p.s.	May 21	Tax free	Quarterly	2	1/6 p.s.
Ouro Preto Gold.....	1/6 p.s.	May 21	Tax free	Quarterly	2	1/6 p.s.
Rand Selection.....	1/6 p.s.	May 21	Tax free	Quarterly	2	1/6 p.s.
Scottish Australian Mining.....	7½%	May 25	Less tax	Quarterly	22½	21½
Transvaal Estates & Development.....	6½%	May 25	Less tax	Quarterly	10	12½
Other Companies.						
Arcelor Electric Supply.....	12%	June 1	Tax free	Quarterly	15	15
Arcelor Broad Company.....	12%	June 1	Tax free	Quarterly	15	15
African Steamship.....	4½%	June 1	Less tax	Quarterly	7	7
Alex. Pirie and Sons.....	4½%	June 1	Less tax	Quarterly	7	7
Albania Company.....	20%	June 1	Less tax	Quarterly	40	40
Anchor Cable.....	4½%	June 1	Less tax	Quarterly	7	7
Andrew Knowles and Sons.....	4½%	June 1	Less tax	Quarterly	7	7
Anglo-American Debenture.....	6½%	June 1	Less tax	Quarterly	9	8
Argentine Tramways and Power, Pref.....	7%	June 1	Less tax	Quarterly	15	15
Asa Lees and Co.....	11 p.s.	June 1	Tax free	Quarterly	15	15
Bankers' Investment Trust, Defd.....	5%	June 1	Less tax	Quarterly	9	6½
Blantyre of East Africa.....	5%	June 1	Less tax	Quarterly	9	6½
Boots Pure Dug Company.....	10%	May 19	Less tax	Quarterly	360	1,244½
Brampton Brewery.....	10%	May 23	Less tax	Quarterly	14	14
British Foreign Gen. Securities.....	10%	May 23	Less tax	Quarterly	14	14
British Cotton and Wool Dyers.....	10%	May 23	Less tax	Quarterly	14	14
British Oil and Cake.....	10%	May 23	Less tax	Quarterly	14	14
Brunner, Mond, and Co.....	14½%	May 23	Less tax	Quarterly	11	10
Callender's Cable Co.....	14½%	May 23	Less tax	Quarterly	11	10
Castner-Kellner Alkali.....	8%	May 24	Subject to tax	Quarterly	15	15
Consolidated Trust, Defd.....	12%	June 1	Subject to tax	Quarterly	16	15
Cordoba Light, &c., Pref.....	7%	June 1	Subject to tax	Quarterly	16	15
Crosses and Winkworth, Pref.....	1/6 p.s.	July 1	Subject to tax	Quarterly	16	15
D. Jones Dickinson.....	5%	May 31	Less tax	Quarterly	10	8
Eagle Oil Transport.....	8½ p.s.	July 2	Less tax	Quarterly	10	8
Eastman Kodak of N.I.....	5½%	July 2	Less tax	Quarterly	10	12
Egyptian Markets, Ord.....	5½%	July 2	Less tax	Quarterly	10	12
Do Defd.....	5½%	July 2	Less tax	Quarterly	10	12
Ever Ready Co.....	6½%	June 1	Less tax	Quarterly	11	9
Frederick Sage.....	3%	June 1	Less tax	Quarterly	11	9
Gale (I.) and Co.....	6%	June 1	Less tax	Quarterly	12	10
Globe Shipping.....	10%	May 17	Less tax	Quarterly	10	10
Government and General Invest.....	1/3 p.s.	June 1	Tax free	Quarterly	9 p.s.	10
Defd.....	5%	June 1	Tax free	Quarterly	5	nil
Grainger and Smith.....	5%	June 1	Tax free	Quarterly	5	nil

DIVIDEND ANNOUNCEMENTS.—Continued.

Ind. Conpe, and Co.....	7½%	May 26	Less tax	12	12
Industrial and General Trust.....	16%	May 31	Less tax	6	5
J. and E. Atkins.....	3%	May 2	Less tax	5	5
John Connell and Co.....	3%	May 2	Less tax	5	5
John I. Thomson, Cum. Pref.....	6%	May 2	Less tax	5	5
Johnson & Phillips.....	15%	May 3	Tax free	10	10
Kempton Park Racecourse.....	15%	May 3	Tax free	10	10
Lancashire Electric Light.....	2%	May 19	Less tax	10	10
Lanston Monotype.....	2%	May 19	Less tax	10	10
Lascelles, Tickner, and Co.....	1/6 p.s.	May 29	Tax free	10	10
Liverpool Nitrate.....	1/6 p.s.	May 29	Tax free	10	10
Liverpool Storage.....	15%	June 1	Less tax 5/3 in £	15	(b) 15
Liverpool Warehousing.....	15%	June 1	Less tax	15	(b) 15
London Central Markets Cold Storage.....	5%	June 1	Less tax	13	7
Manore Sugar and Malt.....	5%	June 1	Less tax	13	7
Manchester Housing.....	9%	June 1	Less tax	7	7
Mansell, Hunt, Catty.....	9%	June 1	Less tax	7	7
Maritime Oilfields.....	1/6 p.s.	June 1	Tax free	4	4
Merchandise City Properties.....	1/6 p.s.	June 1	Tax free	4	4
Montevideo Gas.....	2%	June 1	Tax free	5	5
New Brunswick Gas & Oilfields.....	2%	June 1	Tax free	5	5
New Pacific & Jazampita Nitrate.....	2%	June 1	Tax free	5	5
Northern General Transport.....	2½%	June 21	Subject to tax	9	9
N.Z. Loan and Mercantile, Pref.....	6½%	June 21	Less tax 5/3 in £	6	5
Pacific Loan and Investment.....	4%	June 21	Less tax	12½	5
Pease and Partners.....	10%	June 21	Less tax	7½	5
Perforated and Spencer.....	10%	June 21	Less tax	18	8
R. and J. Hill.....	12%	May 18	Less tax	5	5
Richardson, Westgarth.....	12%	May 18	Less tax	5	5
Richard Whitaker and Sons.....	10%	May 25	Tax free (15 months)	6	6
Rosario Nitrate.....	4%	May 16	Tax free	10	10
Royal Mail Steam Packet.....	2½%	May 16	Tax free	10	10
Scottish Australian Invest.....	7%	May 16	Tax free	10	10
Strand Hotel, P. Prefd.....	10%	May 16	Tax free	10	10
Tarapaca and Tocopilla Nitrate (Old).....	10%	May 16	Tax free	10	10
Do (New).....	10%	May 16	Tax free	10	10
Third Edinburgh Invest., Defd.....	5%	June 5	Less tax	10	10
Thomas Brown and Sons.....	12½%	June 15	Tax free	30	20
Triumph Cycle.....	2½%	June 15	Tax free	10	10
Tweedales and Smalley.....	12½%	June 15	Tax free	10	10
United Kingdom Tea.....	12½%	June 15	Tax free	10	10
Vera Cruz Electric.....	12½%	June 15	Tax free	10	10
Vickers, Limited.....	3½%	June 15	Tax free	6	5
Warner Estate.....	3½%	June 15	Tax free	6	5
Whiteaway, Laidlaw, and Co.....	5%	June 15	Tax free	6	5
Wiggins, Seape (1919).....	5%	June 15	Tax free	6	5
Wilson and Clyde Coal.....	2 p.s.	June 15	Tax free	3/ p.s.	2/ p.s.

(b) Tax free.

DENT, ALLCROFT, AND Co. announce that they are unable to pay dividend on 7½ per cent. cumulative first preference shares on the preferred ordinary shares at the rate of 8 per cent. per annum, less tax, for the half-year to March 31, 1923, payable June 30th. It is decided not to make an interim distribution on the ordinary shares. No dividend was paid on the ordinary shares in respect of the previous year, which showed a profit of £160,369.

SIAM (SUMATRA) RUBBER.—The board have arranged for the postponement until January 1, 1926, of the 6 per cent. debenture stock redemption payments of £3,000 per annum.

SIXMENS BROTHERS AND Co. announce a profit for the year 1922 of £14,041, but are unable to recommend a dividend on the ordinary shares or a dividend for six months to December 31st last on the 10 per cent. cumulative preference shares. For 1921 the ordinary shares received 10 per cent. tax free.

URBAN ELECT

RAILWAY AND TRAMWAY TRAFFIC RETURNS.

RAILWAYS OF THE UNITED KINGDOM.

	Miles Open.	Week Ended May 5, 1923.			Aggregate 18 Weeks 1923.		
		Passen- gers, &c.	Goods, &c.	Total for Week.	Passen- gers, &c.	Goods, &c.	Total Receipts.
Great Western.....	3,679	237,000	371,000	608,000	4,081,000	5,581,000	10,662,000
London & North-Eastern	6,661	421,000	774,000	1,195,000	5,808,000	1,382,000	20,630,000
Do same period 1922	6,657	452,000	765,000	1,217,000	5,797,000	1,388,000	21,483,000
London, Mid., & Scottish	3,362	580,000	972,000	1,552,000	9,915,000	1,729,000	27,124,000
Southern.....	2,115	307,000	122,000	429,000	5,018,000	2,187,000	7,235,000
Midland & S.W. Joint	63	1,192	1,290	2,482	19,659	22,138	41,890
Metropolitan (e).....	79	31,753	3,875	35,628	581,028	66,672	647,700
Underground E.R. (e).....	..	..	..	..	..	..	..
London & Sub. Group (e).....	..	..	..	..	..	..	..
Belfast & Co. Down (b).....	80	4,823	1,240	6,063	79,939	22,195	102,135
Dublin and S. East. (b).....	160	6,498	4,042	10,540	88,333	65,717	154,050
Do same period 1922	160	6,183	3,878	10,061	92,965	67,884	160,849
Midland Gt. West. (b).....	538	9,142	17,671	26,813	159,167	269,759	428,926
Do same period 1922	538	7,520	17,256	24,776	195,859	261,745	457,604

(b) Week ended May 4, 1923.

(c) Week ended May 5, 1923.

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.		Total Gross Receipts.	
				1922-23.	+ or -	1922-23.	+ or -

INDIAN.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.		Total Gross Receipts.	
				1922-23.	+ or -	1922-23.	+ or -
Assam Bengal.....	1 week	Apr. 7	1,043	Rs. 224,019	+ 3,346	Rs. 2,240,191	+ 3,346
Bombay & N. Western	2 weeks	Apr. 14	118	40,700	+ 16,800	90,100	+ 17,100
Bombay, Bar. & C.I.	1 week	Apr. 7	67	6,795,510	+ 16,035	6,795,510	+ 16,035
Bombay, Bar. & C.I.	1 week	Apr. 7	2,727	15,643,000	+ 1,799,000	15,643,000	+ 1,799,000
Bombay, Bar. & C.I.	5 weeks	May 5	2,934	25,300,000	+ 99,000	129,250,000	+ 123,000
Bombay, Bar. & C.I.	1 week	Apr. 7	1,429	8,316,593	+ 51,504	8,316,593	+ 51,504
Bombay, Bar. & C.I.	4 weeks	Apr. 28	239	91,000	+ 15,527	4,081,000	+ 4,081,000
East Indian.....	5 weeks	May 5	2,836	35,040,000	+ 327,000	169,030,000	+ 267,882
G. Indian Peninsula	4 weeks	Apr. 28	5,121	31,739,000	+ 10,500	1,258,100	+ 4,082,012
Madras & S. Mah.	2 weeks	Apr. 14	3,028	15,600,000	+ 1,012,311	31,000,000	+ 2,078,882
Rohilk'd & Kumaon	1 week	Apr. 7	259	65,193	+ 3,780	66,193	+ 3,780
Do Lucknow-Breilly	1 week	Apr. 7	313	82,386	+ 4,938	82,386	+ 4,938
South Indian.....	1 week	Apr. 7	1,898	9,042,753	+ 753	9,042,753	+ 753
Shri. Punjab (month)	3 mths	Dec. 31	717	10,99,126	+ 113,429	26,84,246	+ 3,853,512

ARGENTINE (a).

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.		Total Gross Receipts.	
				1922-23.	+ or -	1922-23.	+ or -
Argentine N.E.	44 weeks	May 5	752	12,200	+ 1,000	467,900	+ 1,400
Argentine Trans.	4 weeks	May 5	111	3,380	+ 900	148,960	+ 47,905
E. A. and Pacific.....	4 weeks	May 5	3,428	195,000	+ 17,000	7,356,000	+ 1,036,000
E. A. Gt. Southern.....	4 weeks	May 5	3,947	200,000	+ 35,000	8,213,000	+ 1,005,000
E. Western.....	44 weeks	May 5	1,882	90,000	+ 10,000	3,221,000	+ 1,390,000
Central Argentine ..	44 weeks	May 5	5,305	22,000	+ 5,000	1,414,000	+ 704,000
Corrientes Central ..	4 weeks	May 5	5,305	22,000	+ 27,000	8,866,000	+ 862,000
Entre Rios.....	4 weeks	May 5	729	18,200	+ 2,800	882,200	+ 37,600

BRAZILIAN (b).

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.		Total Gross Receipts.	
				1922-23.	+ or -	1922-23.	+ or -
Brazil Gt. Southern	3 mths	Mar. 31	..	Rs. 62,500	+ 24,000	192,750	+ 77,500
S. West. of Brazil ..	18 weeks	May 5	1,028	79,900	+ 4,300	2,116,000	+ 45,700
Leopoldina.....	18 weeks	May 5	1,831	19,475	+ 3,475	405,691	+ 72,449
San Paulo.....	18 weeks	May 5	1,534	19,358	+ 10,722	482,141	+ 6,039
State of Bahia, S.W.	12 mths	Apr. 30	52	Rs. 80,000	+ 43,000	1,659,000	+ 925,000

CHILE AND PERU.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.		Total Gross Receipts.	
				1922-23.	+ or -	1922-23.	+ or -
Antofagasta.....	18 weeks	May 5	838	29,070	+ 9,060	628,855	+ 302,445
Nitrate (4-monthly)	17 weeks	Apr. 29	366	34,267	+ 21,874	280,472	+ 173,905
Peruvian Corp.	10 mths	Apr. 30	1,056	1,373,630	+ 157,580	12,788,155	+ 6,195
Talca.....	10 mths	Apr. 30	172	16,493	+ 9,743	174,655	+ 83,033

CUBAN.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.		Total Gross Receipts.	
				1922-23.	+ or -	1922-23.	+ or -
Havana Central.....	44 weeks	May 5	5	11,358	+ 259	496,699	+ 8,522
United of Havana.....	44 weeks	May 5	1,210	72,130	+ 43,356	3,251,737	+ 159,825

URUGUAYAN.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.		Total Gross Receipts.	
				1922-23.	+ or -	1922-23.	+ or -
Central Uruguay.....	44 weeks	May 5	273	28,747	+ 1,576	1,162,888	+ 40,629
O. Urug. (East Ext.) ..	44 weeks	May 5	111	7,609	+ 1,617	244,498	+ 17,220
O. Urug. (North Ext.) ..	44 weeks	May 5	185	3,056	+ 407	128,741	+ 7,318
O. Urug. (West Ext.) ..	44 weeks	May 5	211	2,863	+ 70	115,125	+ 2,491
Midland Uruguay.....	10 mths	Apr. 30	319	16,808	+ 3,847	164,251	+ 20,904
North-West Uruguay ..	10 mths	Apr. 30	113	5,319	+ 1,377	64,015	+ 843
Uruguay North.....	10 mths	Apr. 30	73	2,447	+ 702	24,825	+ 4,126

OTHER FOREIGN.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.		Total Gross Receipts.	
				1922-23.	+ or -	1922-23.	+ or -
Alloy and Gaudin ..	18 weeks	May 5	35	Rs. 12,500	+ 2,500	414,800	+ 66,500
Bilbao.....	4 mths	Apr. 30	15	3,303	+ 1,487	12,159	+ 6,213
Bolivia.....	4 mths	Apr. 30	136	12,500	+ 3,354	50,987	+ 9,077
Costa Rica.....	8 mths	Feb. 28	189	24,587	+ 3,403	167,152	+ 15,575
Dorado Extension ..	4 mths	Apr. 30	95	15,500	+ 6,700	55,000	+ 17,250
Dorado Ropewy. Ext.	4 mths	Apr. 30	70	9,500	+ 5,500	35,200	+ 18,700
Egyptian Delta.....	10 days	Apr. 30	675	8,299	+ 1,540	14,063	+ 3,107
Gt. Southern of Spain	17 weeks	Apr. 28	104	Rs. 25,543	+ 23,159	2,02,848	+ 824,915
International of	4 mths	Apr. 30	28	92,864	+ 2,100	253,279	+ 10,638
Central America.....	3 mths	Mar. 31	Net	49,531	+ 6,578	121,760	+ 17,356
La Guaira & Caracas	4 mths	Apr. 30	323	10,960	+ 1,370	43,210	+ 4,070
Mexico Railway.....	18 weeks	May 5	403	406,500	+ 38,600	4,973,300	+ 46,000
Do.....	3 mths	Mar. 31	Net	139,300	+ 163,300	3,718,400	+ 48,700
Nasog Occorshann ..	2 mths	Feb. 28	193	12,760	+ 3,378	25,122	+ 4,476
Ottoman Railway ..	3 weeks	Sept. 2	193	12,760	+ 3,378	25,122	+ 4,476
Paraguay Central ..	44 weeks	Apr. 28	274	3,520	+ 300	80,860	+ 70,250
Paraguay Cable, &c.	4 mths	Apr. 30	55	5,450	+ 750	21,000	+ 2,509
Salvador.....	4 mths	Apr. 30	100	4,188	+ 60	168,176	+ 15,087
Santa Fe Province ..	1 mth	Apr. 30	112	148,720	+ 5,049	24,840	+ 496
Semana & Santiago	4 mths	Apr. 30	112	6,490	+ 427	24,840	+ 496
Zatra and Hueva ..	3 mths	Mar. 31	112	13,044	+ 1,816	34,654	+ 899

(a) Converted at par. (b) Converted at the current rate of exchange.

AMERICAN RAILROAD GROSS AND NET RECEIPTS.

This table is extracted from the Commercial and Financial Chronicle of New York.

Date.	Miles of Road.		Gross Earnings.		Net Earnings.	
	1921.	1922.	1922.	Increase or Decrease.	1922.	Increase or Decrease.
Feb.	235,653	236,625	400,430,520	+ 4,772,834	76,706,840	+ 54,852,820
Mar.	234,202	234,986	473,433,886	+ 16,059,426	113,468,843	+ 54,637,199
Apr.	234,338	234,956	416,240,237	+ 15,866,410	80,514,943	+ 23,040,083
May	235,333	234,931	447,299,150	+ 4,069,751	92,931,565	+ 28,064,928
June	235,208	235,310	472,383,903	+ 12,376,822	109,445,113	+ 28,989,678
July	234,556	235,082	447,363,397	+ 19,960,589	102,258,414	+ 1,964,485
Aug.	235,835	235,234	472,242,561	+ 31,311,054	86,565,555	+ 36,787,070
Sept.	235,205	235,280	498,702,275	+ 1,723,772	91,381,593	+ 29,046,959
Oct.	235,228	233,872	545,759,206	+ 13,074,292	120,216,296	+ 17,683,952
Nov.	236,043	235,748	523,748,483	+ 57,618,155	113,662,987	+ 15,846,050
Dec.	236,121	235,920	512,433,733	+ 87,735,590	111,942,758	+ 36,204,666
1922.	235,827	235,678	500,816,521	+ 10,581,364	93,279,682	+ 35,012,830
1921.	235,625	235,399	444,891,872	+ 44,745,431	70,381,622	+ 6,242,712

CANADIAN RAILWAYS WEEKLY AND MONTHLY STATEMENTS.

Name.	Period.	Ending.		Receipts for Week or Month.		Inc. or Dec.	Aggregate Receipts.		Inc. or Dec.
Algoma Cent. & Hudson Bay	7 mths	Jan. 31		Gross	\$115,707	+ 54,239	1,193,108	+ 133,395	
Canadian Nat.	13 weeks	Mar. 31		Gross	\$4,397,600	+ 312,745	13,176,210	+ 299,511	
Canadian Pac.	19 weeks	May 7		Gross	\$2,978,000	+ 13,000	54,013,000	+ 2,500,000	
Canadian Pac.	3 mths	Mar. 31		Gross	\$13,586,000	+ 262,000	37,895,000	+ 1,406,000	
Grand Trunk	18 weeks	Apr. 30		Net	\$1,980,000	+ 441,000	3,196,000	+ 362,000	
Temiscouata	1 mth	Mar. 31		Net	\$717,313	+ 299,036	7,725,414	+ 1,615,684	
					\$29,633				

VEGETABLE OILS AND OILSEEDS.

(BY OUR OWN CORRESPONDENT.)

Tanners were again faced with an advance in hides at the auctions in Bermondsey on Thursday last, as the more important classes of ox hides sold from 8½d to 9½d per lb. This was a rise of ½d to ¾d on last week's prices, and tanners seem quite unable to control the position. Best cows at 7½d also showed an advance of ½d, as they sold at 7½d. In calf the tone was slightly weaker, and falls of ½d to ¾d were noted in some classes. Wools sold from 5s 6d to 12s 6d each, the hogg class selling from 6s to 14s 6d, and lambs from 2s 6d to 6s each. The slight easing in River Plate hides has led to a greater interest in this class of raw stock, and tanners have taken fair-sized parcels from this market. Smithfield ox have sold on a basis of 9½d, and it is probable that hides of this class at 9d would meet with a good market. Saladeros are firm, and sales are reported from 8½d to 9½d. Drys are very firm, as tanners are still trying to pick up low grade hides for common bends. The Chicago market is cabled as steady, with best heavy packers selling at 19 cents.

Although a fair amount of sole leather is changing hands, most merchants still report trade as quiet. Orders are for small parcels, and consumers refuse to stock bends in quantity, but the frequent repetition of this small business is clear proof that users have very little leather in stock. Prices, on the whole, are firm, but sales are reported at less money to factors who take large parcels of tanners. Rough leather is a dull sale, and at present the export trade to the Continent is quiet.

Estimated number of spinning spindles, April 30th, 56,500,000;
estimated number at work, 46,000,000.

	Price, May 10, 1923.	Previous Weeks in 1923.				
		Price, May 3.	Price, Apr. 26.	Price, Apr. 19.	Price, Apr. 12.	Price, Apr. 5.
		d	d	d	d	d
Raw Cotton—Fully Mid. American per lb	14-72	15-24	15-77	15-57	16-10	15-74
— Sakellaridis Fully Good Fair Egyptian..... per lb	15-90	16-75	17-35	17-35	17-75	17-40
Yarns—32's twist per lb	23½	23½	23½	23½	24	23
— 40's twist..... per lb	22½	23	23½	23½	23½	23
— 50's twist (Egyptian)..... per lb	28½	28	29½	29½	29½	29
32-ls. Printers, 11½ yds. 18 by 16, 32's and 50's	32	9 33	32	32	33	32
32-ls. Shirtings, 75 yds. 19 by 19, 32's and 40's	35	36	36	36	36	36
32-ls. ditto, 33 yds. 18 by 16, 10 lbs.	3	18	18	18	18	18
32-ls. ditto, 37½ yds. 16 by 16, 8½ lbs.	17	17	17	17	17	17

	Price, May 10, 1923.	Corresponding dates in				
		1922.	1921.	1920.	1919.	1918.
		d	d	d	d	d
Law Cotton—Fully Mid. American . . . per lb	14.72	11.66	8.27	27.79	17.88	22.07
— Same—Florida Fully Good Fair Egyptian	15.90	18.00	16.50	85.50	26.53	29.14
— 32's twist	224	184	18	60	30	434
— 40's twist	224	174	164	554	234	434
— 60's twist (Egyptian)	284	284	32	136	53	524
	a	d	a	d	a	d
Wm. Printers, 116 yds, 12 by 18, 32's and 50's	32	9	29	6	36	102
— Shirtings, 75 yds, 12 by 19, 32's and 40's	35	9	29	6	34	0
— ditto, 36 yds, 12 by 18, 40 lbs.	18	3	18	3	20	6
— ditto, 374 yds, 16 by 18, 44 lbs.	17	0	16	9	17	6

FREDRIKSSTAD
PRIVATBANK,
Fredriksstad.

**Paid-up Capital
and Reserves:
Kr. 21.000.000.**

**Banking and Exchange
Business
of every description.**

London Bankers:—Hambros Bank of Northern Commerce, Limited;
London County Westminster & Parr's Bank, Limited; London Joint
City & Midland Bank, Limited; Cox & Co.

Shippers of Egyptian cotton seed have failed to maintain their high quotations in the absence of demand, and prices have declined 2s 6d per ton, but have failed to attract buyers. The demand for cotton oils is far from good, and values are easier, crude Egyptian offering freely at £40 ex Hull mill. Little is doing in soya beans, and crude oil is lower. A good deal of Oriental soya oil appears to be offering for shipment at low prices. Rape oil is not so firmly held. Palm kernel oil has further eased, and offers from Hull at £41 10s. Ground nut oil is quiet, but quotations are maintained, and the same may be said of castor oil. Some improvement in linseed cakes is reported for forward delivery.

Mincing Lane, Friday, May 11.

SUGAR.—No change occurred in prices of spot refined, though business pursued a quiet course. Of British, Messrs Tate and Lyle's cubes quoted 70s 9d to 71s 9d; granulated, fine and coarse grain, 66s 7½d; No. 1, 66s 4½d; and No. 2, also London, 66s 1½d; ditto, June and July, 66s 3d; August, 65s 9d; September, 64s 9d. Yellow crystals, spot, 60s 1½d; caster, 67s 3d to 68s 1½d; finest, 69s 10d. Crystallised West India in retail supply, and quoted 60s 6d to 63s 6d. American granulated, spot, 65s; May, steamer, 37s 9d, c.f. and i., London. White Java, spot, sold, 62s 6d to 63s, as to quality; May-London, 32s 6d; June-July, 30s 6d; July-August, 29s 3d, c.f. and i., London. Czechoslovakian granulated, December, 27s 9d, f.o.b., Hamburg. Of Dutch, Dinteloor, November-December, sold, 27s 9d, f.o.b., Rotterdam; and J, ready, 37s. Cuban, basis 96 per cent., May-June, sold, 31s 6d; Brazilian, ditto, basis 80 per cent., sellers, 19s, c.f. and i., U.K. Terminal market unsettled. August, sold, 34s 1½d to 33s 3d, 35s, and 34s 6d; October, 30s 4½d to 29s 9d, 30s 9d, 30s 6d; December, 28s to 27s 3d, 27s 10d, 27s 6d. Cuban stocks stand at 753,400 tons, against 1,032,500 same time last year. Liquid glucose, spot, 20s 6d.

COFFEE.—A fair demand continued at steady prices for the finer qualities, but common further moved against sellers, while somewhat difficult of sale. Nairobi, good bold sizes, sold, 104s to 106s; Costa Rica, fancy blue, 122c. Future delivery inactive and nominal.

COCOA.—Market still very slow, and spot quotations rather nominal. Accra, for June-July shipment, sold 33s to 32s 9d, f.o.b. terms.

Accra, for June-July shipment, sold 35 packages. The following were sold in
TEA.—In auction, some 42,230 packages Indian were catalogued in
-auction; but while good to fine liquoring descriptions came in for
good support at full recent rates, competition for the commoner kinds
(and which were in full supply) ruled quiet at $\frac{1}{2}$ to $\frac{3}{4}$ cent lb decline.
17,340 packages Ceylon submitted to public sale went off, showing
features similar to those governing Indian. Java and Sumatra sold
moderately at easier rates.

RICE.—Market remains in the same inactive state, and general position of the market is purely nominal. Parcels arriving are being put into store, as buyers cannot be found. Two stars, spot, 13s 9d to 14s; Spanish, 21s 6d. Rangoon beans, spot, 8s 9d. Japanese peas, spot, sold, 25s; May-June, 23s 6d; and new crop, September-October, 24s.

248. **SPICE.**—Pepper generally steady, but trade quiet. Fair black Singapore, spot, 44d; May-July, 44d; Aleppo, spot, 44d; white Singapore, spot, 63d; Manto, 63d; ditto May-July, buyers, 64d. Zanzibar clove, spot, 10s; March-May, 10½d; May-July, buyers, 10½d per lb. Tapioca, both with regard to spot and forward, calls for no comment. Decimated coconut steady. Spot, fine cut, 47s 6d; medium, 49s 6d; halves, April-May, sold, 44s to 44s 3d; and May-June, 43s to 43s 3d per cwt.

JUTE continued in quiet support, and though sellers were not pressing to any extent, prices ruled weaker. First grade, May-June, continent, sold, £28 10s to £28 15s; new crop ditto, August-September, £28 to £28 5s; September-October, buyers, £27 15s ton. Hessians and twills dull at late lower prices.

HEMP.—Manila steadily held, but there was not much response from buyers. J grade, April-June, sellers, £32 15s; K and L quoted £31 5s; M, £30 10s ton. New Zealand quite nominal in absence of business.

SHELLAC remains slow. T.N., spot, 310s; August, 260s; October, 250s cwt.

2. COPRA quieted, and prices slightly weaker. F.M.S. Straits, March-May, to Rotterdam, sold, £28 15s to £28 7s 6d; ditto, April-June, £28 5s to £28; Ceylon, May-June, quoted £30 15s; Java, April-June, £28 7s 6d; Dutch East Indies, March-May, £28 10s; ditto, April-June, sold, £28 2s 6d; Cebu, April-May, quoted £27 10s; South Sea Islands, £27 5s; F.M. Straits, April-May, to Marseilles, £27 10s; mixed, £27 7s 6d. Palm kernels dull; June-August, Liverpool, quoted £19 10s.

RUBBER.—Dealings were on a moderate scale, while considerable irregularity was again observable. Standard plantation crepe and sheet, spot, also May delivery, sold 13½d to 13½d; June, 14d, 13½d, 14½d, and 14d; July-September, 14½d, 14d, and 14½d; October, December, 14½d, 14½d, 14½d, and 14½d; January-March, 15d to 14½d and 15d. To New York standard sheet, afloat, sold 14d per lb, c.f. and i. terms. Wild, dull of sale.

SHELLS (M.O.P.).—At periodical auctions a fair quantity was brought forward, but with a quiet demand only a small proportion found buyers. Sydneys disclosed irregularity, with defective shells cheaper. Of West Australian mostly chicken sold at limits imposed, being unaltered from last public sales. Egyptian and Bombay tended in sellers' favour. Green snail eased in price to a slight extent, with Manila barely steady despite the fact of only a limited quantity being offered.

ESSENTIALS.—Market quiet. Menthol, spot, 33s; forward, 31s. Japanese peppermint oil, spot, 6s 1d; forward, 5s 9d; aniseed, spot, 1s 10d; forward, 1s 9d; slab camphor, spot, 3s 8d; forward, 3s 5d; crude camphor, spot, 3s 3d; forward, 2s 10d; Ceylon citronella oil, spot, 3s 3d; Java, spot, 4s 1d; oil of lemon, spot, 3s; oil of orange, spot, 10s 6d; West Indian, 9s 6d per lb.

ISINGLASS.—Market dull. No. 1 Kobe strips, spot, 5s 6d; No. 2, 5s 1b.

EGG PRODUCTS.—Steady, but there is only a retail amount of trade doing. Prime liquid hen yolk, spot, 97s 6d; April-June, 82s 6d cwt. Dried yolk, spot, 94d; albumen, spot, 3s 3d; April-June, 3s 1d per lb. Native dried whole egg is scarcely mentioned.

FRUIT (DRIED).—The market for currants presented steady features, and a moderate amount of business was effected. Pyrgos, quarter cases, quoted 54s; half bags, 53s to 53s 6d; Panarit, 55s to 58s; good Vostizza, 67s to 71s; new Australian, 72s 6d. Quite a good demand ensued for sultanas, and the higher grades are now very scarce. Good Smyrna quoted 80s to 82s; fine to choice, 95s to 115s; Cretan, 63s; Californian, 65s. Valencia raisins command fair support, and general stability governed proceedings. Half-boxes quoted 32s to 34s; quarters, 36s to 46s, as to quality. Dates continue to show a very slow movement. Hallowee quoted 19s to 21s; Siar, 15s. Evaporated fruits again experienced a quiet market, and any alteration in prices proved in favour of the buyer. Cape apricots, 92s 6d to 110s; Australian ditto, 130s; Californian pears, 65s to 75s; Californian apple-rings, extra choice, 54s to 56s; Canadian, 48s to 50s.

CANNED GOODS.—Sardines came in for improved inquiries, and French 18 oz, sold, 165; quarter tins, 7s 6d; Portuguese quarters, 2s 6d to 3s 3d; ditto 12 oz, 4s 9d to 5s 6d; 18 oz, 9s 6d to 11s per dozen tins. Lobster appreciated in value owing to continued scarcity, and fancy halves, on spot, quoted 175s to 180s. Quite a brisk demand predominated for salmon, and recent rates were fully maintained, while showing a hardening tendency. 1 lb flat reds, labelled, quoted 55s to 58s; ditto talls, 40s to 42s; 1 lb flat pink, 35s; ditto talls, 23s 6d to 24s 6d; and cases of 96 half lbs, 31s 6d to 33s. Crayfish steady at 85s for cases of 96 half lbs. Crabs, quietly steady. Canned fruits disclosed a steady trade in force, and prices manifest a firmer tendency. Singapore pines, 1½ lbs, spot, quoted 6s 3d; apricots, 8s 6d to 10s 6d; peaches, 9s 6d to 11s; pears, 12s 6d to 14s 6d. Tomatoes: Spanish threees, quoted 6s 6d; Italian ditto, 7s per dozen tins. Only moderate inquiries continue for meats and also tongues, but prices show no essential alteration.

OILS.—Linseed market irregular. Spot, net, naked, 46s; May,

GIRARD TRUST COMPANY
PHILADELPHIA, PENNSYLVANIA.



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1030

THE ECONOMIST.

[May 12, 1923.]

435; May-August, 40s 9d; September-December, 37s 9d. Rape steady. Crude, spot, 45s; refined, 48s. Cotton steady. Crude Egyptian, spot, 43s; common edible, 47s; deodorised (in barrels), 49s. China-wood quiet. Hankow, spot (barrels), 135s; May-June, 120s. Coconut quiet. Ceylon, spot, 47s 6d; May-June, 46s 6d; Ceylon, ditto, quoted 50s. Soya quiet. Oriental barrels, May-June, 39s. Japan fish steady. April-May, cases 29s. Cod firm. English, spot, 35s to 36s. Ground-nuts quiet. English, crushed, naked, spot, 47s; deodorised, barrels, nominal. Turpentine lower. American, spot, 100s; May, 100s; July-December, 74s 6d. Rosin quiet. American, grade B, 13s 6d; F, 13s 9d; G, 13s 9d; H to I, 13s 9d; W, 17s 6d; WW, 18s 9d. French, F/G, 13s 6d; WW, 15s 6d per cwt. Petroleum steady. American standard, white, spot, 1s 1d; and water white, 1s 2d per gallon. Castor oil firm. First pressure, spot, to August, quoted 56s; second pressure, 55s, and pharmaceutical, 61s per cwt.

OLSEEDS—Linsed quiet and easier, but somewhat irregular. Bold Bombay, afloat, £22 5s; small Bombay, ditto, £21 5s; Calcutta, afloat, £21 7s 6d; April-May, sold, £20 5s to £20 10s; and May-June, £20 5s. Plate, afloat, £19 15s; loading, £19 12s 6d; April-May, £19 5s. Rapeseed easier. Toria, May-June, £17 15s; real bold Ferozepore, May-June, sold, £16 10s to £16 7s 6d; Jamba, May-June, £13 5s. Cottonseed firm. Egyptian black, May, £12 5s; and white, £11 10s. Bombay, May-June, £9 17s 6d. Gingelly-seed quiet. Large Bombay, April-May, Continent, sellers, £24 10s. Chinese, ditto £24 10s to Continent, and £25 15s, Italy. Ground-nuts dull. Coromandel, machine dried, May-June, quoted £22 12s 6d. Chinese decorticated, f.a.q., May-June, £23 10s. Nigerian, ditto, £24. Soya beans steady. Manchurian, April-May, £11 17s 6d, Castorseed quiet. Bombay, May-June, £21 per ton.

METALS—Tin commenced the week with an easier tone, due to lower cables from the East, while at times some irregularity was noticeable. Cash sold at £209 15s to £211 to £210 5s; June, £211 to £210 to £210 10s; and three months, £211 10s to £210. Sales were reported from the East on the basis of £216, c.i.f. Values further gave way on selling pressure though steady at the decline, and a fair business transpired. By the middle of the week standard cash stood at £206 10s to £206 15s; while three months sold at £206 5s to £206 10s. Further sales were reported in the East on the basis of £211 5s. At Thursday's session the tendency was firmer, and a liberal business occurred. Standard near dates sold at £208 5s, £208 10s; three months, £207 10s, £208 10s, £207 15s. At the final market rates ruled easier. Standard cash sold at £205 10s to £205 5s, and three months at £207 to £204 10s. English ingots quoted at £205 to £205 10s. Copper opened with a steady tone and sellers somewhat reserved, but buyers were indifferent, and only small sales occurred. Cash quoted at £70 10s to

£70 12s 6d; three months sold at £71 7s 6d to £71 5s to £71 3s 3d to £71 7s 6d. Later prices ruled easier, due to selling pressure and lower American advices; but at the decline business was on a larger scale. On Wednesday, standard cash sold at £68 10s, and three months £70 to £69 and £69 10s. Values were slightly easier on the following day, and a good demand transpired. Standard cash, sold at £68 12s 6d to £68 5s; three months, £69 15s to £69. Also easier at the final session while in good demand. Standard cash sold at £67 7s 6d, and three months at £68 10s to £68 5s to £68 15s to £68 10s. Electro, £78 to £79; best selected, £71 to £73; strong sheets, £106. Wire bars, £79. Lead easier at £25 to £24 10s. Spelter lower at £30 to £30 10s, as to position. Aluminium, home, £110; export, £115. Antimony, ordinary brands, £30 to £32.

TALLOW—Messrs Colchesters and Woolner write on May 9, 1923, as follows:—The tallow market was quiet during the week, and prices are 6d lower to-day. So far there has been very little improvement in the demand, although prices have now reached a more reasonable level. At auction to-day 1,560 casks tallow were offered and 603 were sold. Quotations are:—Australian mutton: Fine, 44s; good to fair, 42s to 41s; dull to dark, 37s 6d to 36s 6d; hard, 42s 6d. Australian beef: Fine, 42s; good to fair, 41s 6d to 39s; dull to dark, 37s to 36s; sweet, 44s. Present shipment from Australasia:—Mutton, good coloured, 46 degs., 44s; and mixed, 43s, c.i.f., London, nominal. The market letter is unchanged. Town tallow, 36s 6d per cwt. Rough fat, per 8 lbs, 2d; melted stuff, 28s 6d per cwt. Quotations are:—Town, 36s, net cash, naked, ex works. Country: Frail casks, 36s; home melted, shipping casks, net, f.o.b., good coloured, 39s 6d; fair to dull, 37s to 36s. Bone fat: White, none; pale, none; benzine, 35s; melted stuff, 34s 6d, f.o.b.

METROPOLITAN CATTLE.—MAY 10.

British Beasts, per stone of 8 lbs to sink the offal. Sheep, per stone.

Beasts—Herefords	nominal	Sheep—Downs	nominal
Shortfords	nominal	Ewes	nominal
Devons	nominal	Crossbred	nominal
Norfolks	nominal	Scottish	nominal
Scottish	nominal	Lamb—Downs	nominal
Irish	nominal		
Fat Cows	nominal		

Market closed, owing to outbreak of foot and mouth disease.

LONDON POTATO MARKETS.—MAY 10.

	Per Cwt.		Per Cwt.
English Arran Chief ..	2 0	Majestic	3 3
Great Root	2 0	King Edwards	50 0 to 80 0
New Tenerife (case) ..	9 0	New Spanish (cwt) ..	22 0
Jerseys (cwt)	28 0		

Commercial Times.—Weekly Price Current.

The prices in the following list are revised with the assistance of an eminent firm in each department.

LONDON, FRIDAY.	DRUGS—	INDIA RUBBER—	PROVISIONS—	SPICES—
40000—Duty, British grown	Alces, fine E.L. p. cwt 120	Para, fine, hard spot 1 24	Butter—per cwt	Singapore, fair White
Ex 40 foreign 20 cwt. 4 5	Cape, good to fine, 30 0	Plantation crepe 1 12	Do factory	Black Singapore
Trinidad, per cwt. 3 5	Bahia Fern, per lb 8 0		Australasia 120 0	White Siam
Granada, 38 0	Capivi 1 6		Argentine 132 0	Pimento
Ceylon, plantation 61 0	Campor 3 9		Dutch 144 0	Cinnamon—lat. 80s
Guatemala 55 0	Japan, refined 3 9		New Zealand 138 0	Do 2nd 10 0
Guatemala 55 0	Cardamom, Ceylon 2 8		Danish 114 0	Do 3rd 10 0
Bahia, 55 0	Cardamom, China 4 1		Bacon, eng. 130 0	Cassia, lignum 10 0
COFFEES—	Castor oil 86 0		Danish 116 0	Cloves—Zanzibar 0 11
British grown	Gum Benjamine, Sum. cwt 6 0		Canadian 95 0	Peanut 3 3
Ex 40 foreign 20 cwt. 110 0	Olibanum, drops 6 0		Havana 80 0	Cloves Amboy 2 0
Do good to fine 115 0	Ipecacuanha 7 0		Ham—Irish 90 0	Ginger—per cwt
Ceylon, plantation 115 0	Opium 7 0		Canadian 90 0	Do small rough 72 6
Ceylon, plantation 115 0	Opium 7 0		Cochin small rough 72 6	Do wormy 67 0
Do good to fine 115 0	Opium 7 0		Cardamom 88 0	Japan 65 0
Ceylon, plantation 115 0	Opium 7 0		Lard—Irish 84 0	Jamaica, small 1 6
Do good to fine 115 0	Opium 7 0		American boxes, 50lb 61 0	Do 2nd 1 6
Ceylon, plantation 115 0	Opium 7 0		Fork—per 5 lb 7 4	Mac 1 1
Do good to fine 115 0	Opium 7 0		Beef—Froese per 5 lb 1 9	Nutmegs, good to fine 1 1
Ceylon, plantation 115 0	Opium 7 0		Beef—Froese per 5 lb 1 9	Small to medium 1 1
Do good to fine 115 0	Opium 7 0		Beef—Froese per 5 lb 1 9	Ohlives—per cwt 93 0
Ceylon, plantation 115 0	Opium 7 0		Beef—Froese per 5 lb 1 9	TALLOW—per cwt
Do good to fine 115 0	Opium 7 0		Beef—Froese per 5 lb 1 9	Good mutton 42 0
Ceylon, plantation 115 0	Opium 7 0		Beef—Froese per 5 lb 1 9	Beef 41 0
Do good to fine 115 0	Opium 7 0		Beef—Froese per 5 lb 1 9	RAPESEED—per cwt
Ceylon, plantation 115 0	Opium 7 0		Beef—Froese per 5 lb 1 9	R 1 Flake, fair, spot 43 0
Do good to fine 115 0	Opium 7 0		Beef—Froese per 5 lb 1 9	Medium 43 0
Ceylon, plantation 115 0	Opium 7 0		Beef—Froese per 5 lb 1 9	Med. 43 0
Do good to fine 115 0	Opium 7 0		Beef—Froese per 5 lb 1 9	Secd 32 0
Ceylon, plantation 115 0	Opium 7 0		Beef—Froese per 5 lb 1 9	TKA—duty 6d, British
Do good to fine 115 0	Opium 7 0		Beef—Froese per 5 lb 1 9	foreign 8d per lb
Ceylon, plantation 115 0	Opium 7 0		Beef—Froese per 5 lb 1 9	Indian and Ceylon—
Do good to fine 115 0	Opium 7 0		Beef—Froese per 5 lb 1 9	Pekoe 1 4
Ceylon, plantation 115 0	Opium 7 0		Beef—Froese per 5 lb 1 9	Broken Pekoe 1 4
Do good to fine 115 0	Opium 7 0		Beef—Froese per 5 lb 1 9	Orange Pekoe 1 4
Ceylon, plantation 115 0	Opium 7 0		Beef—Froese per 5 lb 1 9	Broken Orange 1 4
Do good to fine 115 0	Opium 7 0		Beef—Froese per 5 lb 1 9	Pekoe Monchime 1 4
Ceylon, plantation 115 0	Opium 7 0		Beef—Froese per 5 lb 1 9	Pekoe Monchime 1 4
Do good to fine 115 0	Opium 7 0		Beef—Froese per 5 lb 1 9	Pekoe Monchime 1 4
Ceylon, plantation 115 0	Opium 7 0		Beef—Froese per 5 lb 1 9	Pekoe Monchime 1 4
Do good to fine 115 0	Opium 7 0		Beef—Froese per 5 lb 1 9	Pekoe Monchime 1 4
Ceylon, plantation 115 0	Opium 7 0		Beef—Froese per 5 lb 1 9	Pekoe Monchime 1 4
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BRAKPAN MINES, LIMITED.

(INCORPORATED IN THE TRANSVAAL.)

REPORT OF THE DIRECTORS for the Year ended 31st December, 1922, to be submitted at the Twentieth Ordinary General Meeting of Shareholders, to be held in the Board Room, "The Corner House," Johannesburg, on Friday, the 8th June, 1923, at 2.30 p.m.

To the Shareholders, BRAKPAN MINES, LIMITED.

Gentlemen.—Your Directors beg to submit their Report and the audited Financial Statements for the year ended 31st December, 1922, accompanied by the Reports of the Consulting Engineer and the Mine Manager.

CAPITAL.—The capital of your Company is unchanged at £850,000, in 850,000 shares of £1 each, fully paid and issued.

PROPERTY.—No change has taken place during the year in your Company's holdings, which remain as follows:—

Mynpacht No. 490/1919, in extent 405'754 acres, equal to ...	276'06 Claims.
Mynpacht No. 543/1906, in extent 889'996 acres, equal to ...	604'80 "
Claims on Farm Benoni No. 3, with Coal Rights on 73'326 Claims ...	201'50 "
Claims on Farm Weltevreden or Brakpan No. 5 ...	68'00 "
Claims on Farm Weltevreden or Brakpan No. 5—leased from Union Government ...	1,811'70 "
Claims on Farm Koolbult or Schapenrust No. 7 ...	424'90 "
	3,897'05 Claims.

The Undermining Rights of seven Stands and four portions of Stands on Farm Benoni No. 8.

Three Stands on Farm Benoni No. 3.

Twenty-one Freehold Stands in Brakpan Township, on which are erected quarters for the Company's employees.

OPERATIONS.—Technical matters are dealt with in the Reports of your Consulting Engineer and Mine Manager.

FINANCIAL.—From the Working Expenditure and Revenue Account it will be seen that the profit, based on the standard value of gold, amounted to £370,240 5s 6d; Add—Premium on Gold, £69,596 4s 2d—£439,836 9s 8d; Deduct—Donations and Enemy Shares Expenses, £11,045 18s 4d; Strike Expenses, £68,964 13s 8d—£80,010 12s 0d—£529,825 17s 8d; Add—Interest and Commission, Dividends on Shareholdings, Estate and Sundry Revenue, £3,610 0s 8d; Leaving a Nett Balance of Revenue over Expenditure for the year of, £968 48s 18s 4d; Add—Balance to Credit of Appropriation Account at 31st December, 1921, £44,467 13s 5d; Making a total available Credit of £407,953 11s 9d; Against which the following amount, have been appropriated:—Government Taxes, £37,147 11s 5d; Participation in Profits, £45,329 11s 5d; Funds appropriated for Capital Expenditure—Leased Area, £100,000 0s 0d; Stores and Materials—Depreciation, £14,000 0s 0d; Dividend No. 31, £170,000 0s 0d—£366,477 2s 11d; Leaving a Balance unappropriated at 31st December, 1922, of, £41,426 8s 10d. Capital Expenditure for the year amounted to £125,375 0s 5d, made up as follows:—Shaft Sinking and Equipment, as per Schedule attached to Balance Sheet, £124,568 5s 11d; Shares and Interests in Other Concerns, £708 14s 6d—£125,375 0s 5d.

The capital funds on hand at the beginning of the year amounted to £29,865 8s 2d, and in order to make provision for the balance of expenditure a sum of £100,000 was appropriated from profits.

Expenditure on development for the year amounted to £126,782 9s 8d. The fixed charge of 5s per ton milled provided £137,487, which amount was debited to working Costs. The unexpended balance of £10,654 10s 9d is carried forward.

Stores and materials on hand at the end of the year in excess of standard stock were valued at £10,450 11s 7d, of which £6,460 16s 9d represents stores and materials in stock in connection with the capital construction work on the Lease Area. The Balance of £3,989 14s 10d represents the value of current stock, and is a reduction of £40,084 9s 7d as compared with the corresponding figure as at 31st December, 1921. An amount of £14,000 was appropriated to write down stores on hand as at 31st December, 1922, to current prices.

The net premium realised on gold sales was £69,596 4s 2d. Your Company's gold has been dealt with by the Rand Refinery as from the 15th June last.

Expenditure incurred during the strike period amounting to £68,964 13s 8d, has been written off in the General Expenditure and Revenue Account.

The amount payable to the Government in terms of the Mineral Lease Agreement in respect of the year under review is estimated at £37,170 5s 0d. The percentage of profits payable under the Schapenrust Claims Purchase Agreement is estimated at £3,160 6s 6d.

During the year under review the Provincial Council of the Transvaal imposed an Employers' Tax of £1 per head on the number of persons employed, the tax being leviable in respect of both white and coloured employees. Your Company was assessed at £4,415 under this Act.

DIVIDENDS.—A Dividend (No. 21) was declared, payable to shareholders registered on the 30th December, 1922, amounting to £170,000.

You are requested to confirm your Board's action in this matter.

Owing to expenditure incurred in connection with the industrial upheaval on the Rand during the first three months of the year, practically no profit was made up to the 31st May, 1923, so that the above-mentioned Dividend is virtually in respect of the remaining portion of the year.

DIRECTORATE.—In terms of the Articles of Association, Sir Ernest Oppenheimer and Mr A. F. Lyall retire from the Board of Directors by rotation, but are eligible and offer themselves for re-election.

AUDITORS.—You are requested to fix the remuneration for the past audit, and to appoint Auditors for the ensuing year. The Auditors, Messrs A. E. Page and L. A. Whiteley, retire, but are eligible and offer themselves for re-election.

GENERAL.—During the year the ex-enemy shares in the Company vested in the Custodian were purchased and offered to shareholders pro rata to their holdings. The number of shares involved was 76,859.

The South African assets of The Consolidated Mines Selection Company, Limited, have been acquired by The Anglo American Corporation of South Africa, Limited, that Corporation has been appointed to fill the administrative offices of this Company formerly held by The Consolidated Mines Selection Company, Limited.

F. R. LYNCH, Chairman, P. M. ANDERSON, W. E. HUDSON, J. L. JOURDAN, A. F. LYALL, W. J. O'BRIEN, E. OPPENHEIMER, Per J. H. GRATTON, Directors.

ANGLO AMERICAN CORPORATION OF SOUTH AFRICA, LIMITED, Secretaries, Johannesburg, 4th April, 1923.

BALANCE SHEET at 31st December, 1922.

Dr.		
To Capital—£850,000 Shares of £1 each fully paid and issued ...	£850,000	0 0
Premium on Shares—As per Balance Sheet, 31st December, 1921 ...	913,850	10 0
Funds Appropriated for Expenditure on Equipment and Development in excess of Working Capital provided ...	733,118	8 10
As per Balance Sheet, 31st December, 1921 ...	£693,118	8 10
As at 31st December, 1922 ...	100,000	0 0

Unexpended Balance of Capital Fund brought down	2,556,968	18 10
Reserve for Reorganisation of Plant and Equipment	4,610	7 9
As per Balance Sheet, 31st December, 1921 ...	11,553	5 8
Less—Expended during the year ...	10,353	5 8

Sundry Shareholders—Unpaid and Unclaimed Dividends ...	177,848	18 4
Government of the Union of South Africa ...	68,230	7 6
Taxation under Income Tax (Consolidation) Act, 1917 ...	31,060	2 6
Participation in Profits under Mineral Lease ...	37,170	5 0

Sundry Creditors and Credit Balances ...	72,017	16 5
Development Suspense Account ...	10,564	10 9
Balance of Appropriation Account ...	41,426	8 10
Contingent Liabilities—Shares and Interests in other Concerns ...	£18,014	7 0
Machinery Orders and Construction Contracts Outstanding ...	10,164	1 8
	£28,178	8 8

	£2,992,957	8 8
--	------------	-----

CR.		
By Property ...	£346,416	16 8
Shaft Sinking and Equipment at cost ...	1,934,128	18 10
(As per attached schedule.)		

Development ...	216,226	12 2
As per Balance Sheet, 31st December, 1921 ...	£2,505,772	7 3

Shares and Interest in other Concerns, at cost ...	18,178	19 8
Office Furniture ...	1,009	8 0
Live Stock and Vehicles ...	400	1 7
Stores and Materials—Standard Stock ...	27,000	0 0

Unexpended Balance of Capital Fund carried down	46,586	8 10
	4,610	7 9

Stores and Materials on Hand and in Transit in Excess of Standard Stock ...	10,450	11 7
General ...	3,960	14 10
Construction ...	6,440	16 9

Victoria Falls and Transvaal Power Company, Limited, Compressor Account ...	8,670	8 10
Cost of Air Compressor Plant ...	36,337	0 10
Less—Amortised to date ...	17,660	12 0

Sundry Debtors and Debit Balances ...	29,517	6 6
---------------------------------------	--------	-----

Gold in Transit ...	119,308	2 7
---------------------	---------	-----

Cash—		
Deposits with Interest Accrued ...	£194,992	8 4
At Bankers ...	18,148	11 9

	208,196	0 1
	£27,344	2 8

	£2,982,957	8 8
--	------------	-----

F. R. LYNCH, Chairman, E. OPPENHEIMER, W. J. O'BRIEN, Directors.

ANGLO AMERICAN CORPORATION OF SOUTH AFRICA, LIMITED, Secretaries, Per J. H. GRATTON.

To the Shareholders, Brakpan Mines, Limited.

We report that we have examined the above Balance Sheet with the Books and Vouchers of the Company, and the audited returns from the London Office, and certify that it is in accordance therewith. We have obtained all the information and explanations we have required. In our opinion, such Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, according to the best of our information and the explanations given to us and as shown by the Books of the Company.

A. E. PAGE, L. A. WHITELEY, Auditors, (Incorporated Accountants.)

Johannesburg, 26th March, 1923.

MAY 19, 1923.

The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor:

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. XCVI

SATURDAY, MAY 19, 1923.

No 4,160.

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Reserve Funds:
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Capital, Paid Up ...	" 348,788,000
Reserve ...	" 180,000,000
Deposits ...	" 5,175,000,000

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Manager: E. CONSOLLO.

Deputy Manager: R. B. HANDLEY.

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Every description of Banking business transacted

TABLE OF CONTENTS.

The Money Market ...	1033
Leading Articles—	
Progress in the Repara-	
tions Problem ...	1035
The Direction of Overseas	
Trade ...	1036
Modern Hungary ...	1037
The Wool Trade ...	1038
London Electricity Supply	
Companies ...	1040
Latin-American Notes ...	1041
Notes of the Week—	
The Indemnity Bill ...	1042
Gr at Britain and Russia	
Overseas Trade in April ...	1042
The Trade Boards Bill ...	1043
The Pan-American Con-	
gress ...	1043
Public Trustee's Report ...	1043
Rubber Market Problems	
The New Rumanian Con-	
stitution ...	1044
Swiss Finance and Trade	
Cotton Standards ...	1045
Regulating Food Prices in	
Spain ...	1045
The Non-Ferrous Metals ...	1045
Brunner, Mond, and Co.,	
Limited ...	1046
Fine Cotton Spinners ...	1046
The Royal Insurance	
Group ...	1047
Sun Insurance Office ...	1047
Lonely Reef ...	1047
Central Mining and C.M.S.	
Farm Crops in 1922 ...	1048
A New Rubber Process ...	1048
A Textile School for China	
1923 ...	1048
Overseas Correspondence—	
United States ...	1048
France ...	1049
Germany ...	1050
Irish Free State ...	1051
Australia ...	1051
Greece ...	1052
Letters to the Editor—	
Income-Tax and Prices ...	1052
Revaluation of Property ...	1053
Books and Publications—	
Letters on Practical Bank-	
ing ...	1053
Books Received ...	1054
Stock Exchange News—	
The Stock Markets ...	1155
New Issues ...	1155
Active Securities ...	1157
Company Meetings—	
Government Returns—	
Treasury Bills and Bonds	
by Public Tender ...	1054
Currency Notes Account ...	1054
Public Income and Expen-	
diture ...	1054
Bankers' Gazette—	
Bank of England ...	1164
Clearing Returns ...	1164
Overseas Bank Returns ...	1164
Loan and Discount Rates	
Overseas Bank Rates ...	1166
Rates of Exchange ...	1166
India Council Bills and	
Transfers ...	1167
Bullion ...	1167
Imports & Exports of Gold	
Gold and Silver Prices ...	1168
Company News—	
Oil Outputs ...	1054
Dividend Announcements	
Analysis of Balance-Sheets	
Mining Output Statistics ...	1168
Transvaal Gold Output ...	1169
Railway and Tramway	
Traffic Returns ...	1169
Reports and Notices ...	1170
Profit and Loss Accounts ...	1171
Commercial Reports—	
Corn Trade ...	1171
Iron and Coal Trade ...	1172
Overseas Trade Returns ...	1172
Wool Trade ...	1173
Cotton Trade ...	1173
Hide and Leather Trades	
The Timber Trade ...	1174
Vegetable Oils and Oleoils	
Overseas Produce Markets	
Price Current ...	1176

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Paris: Galignani Library, 224 Rue de Rivoli; Messrs Brentano's, 37 Avenue de L'Opera.

THE MONEY MARKET.

It was soon discovered that the contraction of credit indicated by last week's Bank return had reduced the money market to poverty, and the early part of the week saw borrowers going to the Bank of England to borrow large amounts. With this assistance, and by some extensive sales of June Treasuries to banks and—according to some authorities—to buyers who officially come to the rescue of the market when it threatens to be too expensively firm, money became comparatively plentiful, and discount

rates eased off. Three months' bank bills had been quoted in some quarters at $2\frac{1}{2}\%$, and even $2\frac{1}{2}\%$ per cent., but slipped back to $2\frac{1}{2}\%$ per cent. Yesterday the abundance of money and the low rate at which the Treasury Bills were placed brought the market rate down to a weak and nominal 2 per cent.

	May 18, 1923.	May 11, 1923.	May 4, 1923.	Apr. 27, 1923.	Previous Rate and Date Changed.
Bank Rate	3%	3%	3%	3%	3% (Jly. 13, '22)
Banks Deposit Rate	1	1	1	1	1% (Jly. 13, '22)
Discount/Call	1	1	1	1	1% (Jly. 13, '22)
Houses (Notice)	$1\frac{1}{2}$	$1\frac{1}{2}$	$1\frac{1}{2}$	$1\frac{1}{2}$	$1\frac{1}{2}$ (Jly. 13, '22)
Market rate (3 months' bills) ..	2	$1\frac{1}{2}$	2	$1\frac{1}{2}$	2

The Bank return showed that, owing to the reflux of £299,000 notes from circulation and a small addition to the stock of gold, the Reserve was £303,000 higher. Borrowing by the market and other adjustments had added $5\frac{1}{2}$ millions to the securities, and so the deposits were $5\frac{1}{2}$ millions larger, most of the increase being in Other. Currency notes outstanding were increased this week by £366,900 to £287,416,200, which includes £1,480,300 for notes called in but not yet cancelled. The fiduciary issue is £237,985,900, or £32,197,900 below the maximum.

THE STOCK MARKETS.

Business has been quiet this week, and fits of depression and cheerfulness alternated. On the whole, it may be said that the markets closed in far more confident tone than that which prevailed early in the week. In the Consol market the tone was set by Conversion Loan, which gave way sharply in the early part of the week, but recovered equally sharply on Government support. French bonds, after a fall, picked up later in the week, but Germans are lower. A sharp break occurred in Rio Tintos, but here, too, a smart recovery restored most of the loss. In the Home Railway market the carry-over revealed unexpected scarcity of stock, and a fairly general advance took place. Argentine rail stocks came on the market, but were well absorbed. Rubber shares are stagnant and lower on the continued fall in the price of the commodity. In the oil market a fresh drop in Mexican Eagles checked activity, but there were sharp fluctuations in favourite counters. On the whole, the general industrial markets were without prominent features. Kaffirs weakened as a result of shares being offered from the Cape in a dull market.

THE COMMODITY MARKETS.

Quietness in the commodity markets has been the dominant note during the week, partly attributable, no doubt, to the prevailing holiday spirit. Although wheat values were inclined to be slightly lower, the market for sugar maintained a very steady tone. The Manchester cotton trade continues to present an unsettled appearance, fluctuations in raw cotton rates acting as a disturbing factor. Conditions are quiet but steady in the wool trade, our Bradford correspondent writing that "there is hardly enough new business passing adequately to test values." Jute was accorded but little support, and linseed values are unchanged. The tendency of prices on the Cardiff coal market has been to go still higher, and best Admiralties have again touched 45s per ton. Our Sheffield correspondent mentions that the supply of coal for home consumption is more plentiful, on account of congestion at ports. Trade is quiet in pig-iron, consumers, according to our Middlesbrough correspondent, "waiting the turn of events on the Continent." With reference to manufactured iron and steel, conditions are somewhat easier; the boiler-makers' dispute is still interfering with work in shipyards, while some steel works are expected to close for a two days' holiday next week. Rubber is a little steadier, but prices are still irregular. The tone of the Bermondsey hide market has been rather quieter, and a fair proportion of hides offered on Thursday failed to find buyers. The tendency of timber prices is upward.

FOREIGN EXCHANGES.

The foreign exchange market has been, on the whole, quiet during the week. The chief point of interest was the fall in the value of the mark consequent on the British Government's note. At the end of last week the mark stood at 185,000; but on Monday the effect of the note was felt, and at one time the rate touched 225,000 to the £1, closing finally at 208,000 middle. After a slight improvement on Tuesday, it fell again, touching 214,000 on Thursday, and is quoted at 210,000 on Friday morning. The fall was due to this political event; but it would seem probable that, in the absence of any further outside influences, some attempt will be made to keep the mark round about its present figure. The forward rate for marks is now 25,000 per month above spot. The Paris rate has remained comparatively steady this week, after a fall to 70 on Saturday, though the tendency would appear to be slightly in an upward direction, viz., from 69.70 on Monday to 69.25 on Friday. Brussels has improved from 81 on Saturday to 80.35 to-day. Forward rates on Paris are slightly lower at 3 centimes per month above spot, while in Brussels they are $1\frac{1}{2}$ to $2\frac{1}{2}$ centimes below. The New York rate has changed from 4.60 $\frac{1}{2}$ at the end of last week to 4.62 $\frac{1}{2}$ to-day. Some such reaction was not unexpected on the publication of the adverse figures of American trade, and considering the length of the fall which preceded. Some doubt, however, is expressed as to the permanency of the recovery. Forward rates do not show much variation at $\frac{1}{2}$ cent for one month, and $1\frac{1}{2}$ cents for two months above spot. Montreal is now 4.72 $\frac{1}{2}$ from 4.71 last week. The Italian rate has improved from 96 to 95 $\frac{1}{2}$. Of the neutral exchanges, Amsterdam once more follows New York, and has improved from 11.80 $\frac{1}{2}$ to 11.81 $\frac{1}{2}$. Madrid has weakened from 30.30 to 30.40, while Switzerland remains at 25.65, after touching 25.73 on Saturday. The Scandinavian centres report a quiet week, though Christiania, after weakening from 27.62 $\frac{1}{2}$ to 28.36, recovered on Thursday to 28.05. It is to be hoped that confidence will now be restored after the recent banking crisis. Stockholm is stronger at 17.32 $\frac{1}{2}$; but Copenhagen has fallen from 24.67 $\frac{1}{2}$ to 24.85. Helsingfors has fallen again from 168 to 166 $\frac{1}{2}$. In Central Europe, Vienna and Prague have remained steady at 325,000 and 155 $\frac{1}{2}$ respectively. Warsaw is unchanged at 230,000. Bucharest, at 945 is 15 points stronger than last week. Athens, however, which stood at 327, has risen remarkably, reaching 240 to-day on large forward sales of dollars by the tobacco trade, against shipment, and the report of a new loan abroad. In the East, the rupee has remained absolutely steady at 1s 4 $\frac{1}{2}$ d, and the yen at 2s 1 $\frac{1}{2}$ d. The silver market has seen a larger volume of business during the week, the falling off in the Chinese demand being more than set off by increased Indian bazaar purchases. The movement, however, was not strong enough to have any important effect on prices. Hong Kong is steady at 2s 4 $\frac{1}{2}$ d, after touching 2s 4 $\frac{1}{2}$ d, and Shanghai is $\frac{1}{2}$ d cheaper at 3s 2d. In South America, Rio has been fairly steady round 5 $\frac{1}{2}$ d, and Buenos Aires at 42 $\frac{1}{2}$ d. Monte Video has recovered from 41 $\frac{1}{2}$ d to 42. Valparaiso, after reaching 35, now stands again at 35.50.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended May 12th:

EXPENDITURE.	Min. £	RECEIPTS.	Min. £
Land Settlement	008	From Revenue	11,838
Interest on War Debt, &c.	504		
Supply Services	6,850		
Increase in Balances	328		
Other Consolidated Fund	228		
Reduction of Debt	3,920		
	11,838		11,838

Revenue was £11,838,000, which closely corresponds with the £11,963,000 in the similar period of last year. Income-tax and Super-tax brought in £3,288,000, against £2,471,000 last year. Special receipts amounted to £1,500,000, compared with £600,000 in the corresponding week of 1922. Customs and Excise were lower than a year ago, the former at £2,895,000 comparing with £4,025,000, and the latter at £1,101,000 with £1,904,000. Expenditure was £7,591,000, against

£8,614,000 in the same period of last year. Interest on War Debt was considerably lower—£504,000, against £1,374,000. Other Consolidated Fund Services appear again at £228,000, and Supply Services absorbed £6,850,000, against £6,500,000 a year ago. The week's operations reduced the National Debt by £3,920,300, and caused the following changes:—

	Min. £		Min. £
National War Bonds repaid ..	250	Treasury Bills	3,750
Public Department Advances ..	9,000	4% Treasury Bonds	1,430
		National Savings Certificates ..	150
	9,250		5,330

The floating debt was reduced by £5,250,000 to £784,945,500.

FINANCIAL YEAR, 1923-24 (April 1 to May 12, 1923).

£	£
Total Expenditure .. 88,171,836	Raised by Revenue .. 103,067,338
Net Capital Repayments 17,854,626	Decrease in Balances 2,959,224
Total	Total

ESTIMATES FOR YEAR 1923-24.

£	£
Ordinary Expenditure 801,013,000	Ordinary Receipts .. 778,500,000
Special Expenditure .. 15,603,000	Special Receipts
Total	Total
	Surplus

NATIONAL DEBT.

(Million £.)

	Aug. 1, 1914.	Mar. 31, 1918.	Dec. 31, 1919.	Mar. 31, 1920.	Mar. 31, 1921.	Mar. 31, 1922.	Dec. 31, 1922.	Mar. 31, 1923.	May 12, 1923.
Funded Debt	588	318	315	315	315	315	314	314	314
Term Annuities	30	22	20	19	18	16	15	15	15
4% War Stock	63	63	63	63	63	63	63	63	63
4% War Stock	16	13	13	13	13	13	13	13	13
4 1/2% War Stock	2,091	2,047	2,040	1,995	1,953	1,953	2,071	2,071	2,071
National War Bonds	649	1,593	1,476	1,413	1,201	1,201	971	971	956
4% Funding Loan	..	409	409	405	401	401	401	400	400
4% Victory Bonds	..	360	357	348	335	335	335	335	335
3% Conversion Loan	..	..	..	..	..	..	687	687	687
5-year Treas. Bonds	..	..	..	..	23	24	24	24	24
5% Treasury Bonds	..	..	..	..	381	166	166	166	166
5% Treasury Bonds	..	..	..	..	..	40	40	40	40
Do by tender 5%	..	..	..	..	..	8	69	69	69
Do tender 4%	..	..	..	..	..	..	108	108	108
Do 4%, 1931-33	..	..	..	..	..	..	2	2	2
Treasury Bills	15	961	1,107	1,107	1,121	878	719	616	588
Exchequer Bonds	20	392	323	319	289	185	150	150	150
Nat'l. Savings Certs.	..	138	267	274	285	342	350	354	355
War Expend. Certs.	..	..	..	..	..	..	..	..	..
Other Debt	..	944	1,306	1,181	1,132	1,087	1,071	1,070	1,070
American Loan	..	51	51	51	51	..	..	..	..
Temporary Advances	1	204	243	205	154	147	222	194	197
Other Capital Liabilities ..	654	5,872	8,033	7,829	7,574	7,655	7,768	7,662	7,644
	57	49	46	47	49	66	67	68	68
Total Liabilities	711	5,921	8,079	7,876	7,623	7,721	7,835	7,730	7,712

POSITION OF THE FLOATING DEBT.

	May 13, '22.	Mar. 31, '23.	May 12, '23.	May 12, '23.
Temporary Advances Out- standing	9,500,000	193,897,500	196,530,500	9,000,000
Advances by Bank of England ..	169,721,500	615,045,000	589,415,000	3,750,000
Advances by Public Deptms	771,009,000	809,942,500	784,945,500	5,250,000
Treasury Bills outstanding	..	..	..	..
Total Floating Debt	950,230,500	809,942,500	784,945,500	5,250,000

PROGRESS IN THE REPARATIONS PROBLEM.

SOME weeks ago the Governments of Europe appeared to be drifting aimlessly on the question of Reparations. The events of the past week have served to restore to a slight extent some sense of direction. The British reply to the German offer contained no startling surprise. It stated, in the declamatory style with which Lord Curzon is making the Chancelleries of Europe familiar, that the offer was disappointing on two grounds. In the first place, Germany was not offering enough, and what she did offer was made dependent upon the very uncertain success of large international loans; and, in the second place, no definite guarantees were given as to the security for payment. The Note declared that the Government of Great Britain had no intention of abating or surrendering its interest in Reparations, and concluded by urging the German Government to make a new offer. It appears to be accepted in Berlin that the task of submitting a second Note will be attempted, and if this happens Lord Curzon will have succeeded by this roundabout method in restoring the process of discussion and negotiation which ought

never to have been abandoned. This in itself is a great advance, and justifies a slightly more optimistic view of the European situation. It only means, however, that the gloom is a little less black, and there is no real sign as yet of an actual break in the clouds.

The British Note does not carry the question of Germany's capacity to pay any farther. Indeed, the strongest criticism in financial circles that has been made against it is that it made no reference whatever to Germany's offer to accept an independent valuation of her debt, if her present proposal is deemed inadequate. Lord Curzon says, in fact, to Germany that its offer is inadequate not because Germany can afford to pay more, but because France will not accept so small a sum, seeing that she rejected the more liberal proposals put forward by Mr Bonar Law in January. But Great Britain never gave any reasoned argument for the sum which she put forward, and if we are to stop beating about the bush, we must get down to the problem of finding out not what the creditors want, or even consider essential to their needs, but what the debtor can pay. There are those who think that a court of financial experts making an assessment without reference to politics would name a figure something like that of the present German offer. If this is so, we are as far off as ever from a settlement, so long as we try to base our arrangements on what is considered politically practicable instead of what is economically possible.

But while we regard the British reply as based upon the wrong ground, we are disposed to agree with Lord Curzon that the German offer is in fact inadequate. In a reply given in the House on Monday the Chancellor of the Exchequer states that whereas the British Paris proposal represented a present value of £2,500 millions, which would have been reduced to £1,975 millions if the second series of bonds had been proved beyond German capacity (and might have even fallen to £1,775 millions in the highly improbable event of Germany redeeming in a single payment the whole of the first series bonds in the first year), the present German offer has a maximum present value which may be either £1,500 millions or £1,300 millions according to the interpretation of an obscure passage in the Note, and a minimum value of less than £800 millions. In our opinion, we think it could be demonstrated that Germany can pay substantially more than these figures. The two limitations on the amount which she can reasonably offer are on the one hand the sum that she can put into her Budget and raise from her nationals, and, secondly, the amount which she can, in practice, succeed in paying abroad. From the first point of view the offer is obviously well within her capacity. By the process of inflation she has practically done away with her internal debt, and the Reparations total will, in fact, be the whole of the war debt which will remain to her. For a country which has very little military expenditure and a low standard of war pensions, a war debt of £1,500 millions to be distributed over a population of 60 millions is obviously not a difficult burden to bear. It is certainly much lighter than that which will be left upon the shoulders of the British and French taxpayers. The question of the amount she can pay abroad is the more difficult one. The point has been discussed freely by economists, but until either Germany or the Allies begin to put this problem into the forefront of their arguments—whether conducted by question and answer through the post—or by the method of conference, we shall not succeed in bringing the issue down to earth.

But while the British Note lacked definiteness on this issue, and equally failed to commit the British Government to the proposal to submit the question to expert consideration forthwith, it does, in fact, embody a very important break, not so much with the actual letter of Mr Bonar Law's proposal in January, as with the general idea which that unfortunate Note created in the public mind. We refer to the question of the offer by Germany of adequate guarantees. In January Great Britain contrived to give Europe the impression that she was prepared to accept Germany's note of hand; Lord Curzon to-day puts in the forefront the demand that Germany should propose some definite and specific security for the payment of her bill. The Note quite properly makes no suggestion, but, as we have repeatedly urged, it puts upon Germany the onus of suggesting her own security.

The Italian Note makes the same substantial points as the British Note, but its reasons for regarding the total as inadequate are somewhat different. The greater part of Signor Mussolini's draft is concerned with reiterating that Italy rejects the German offer, just as it rejected the total proposed by Mr Bonar Law in January, on the ground of the serious position Italy will be in if her claim upon Germany, together with that of her Allies, is very substantially written down, while she is left to pay her large inter-Allied war debts. The importance of this consideration to Italy is shown by the fact that she owes the United States £340 millions and Great Britain £475 millions. Against this big total, her claim upon Germany amounts to 10 per cent. of Germany's payments after the armies of occupation and various other charges, of which she has a very small share, have been met. Under the Bonar Law scheme, Italy might possibly have got £240 millions, and under the German offer she would probably not get more than £100 millions. These figures show at once where Italy's real interest lies. But it is obvious that this is a problem of distribution and arrangement between the Allies, and is nothing to do with Germany, whose capacity to pay quite clearly cannot be affected by the amount of money Italy owes to other people. The Italian Note, like the British Note, illustrates the indeterminateness of the problem so long as it is looked at from the point of view of what the creditors desire to receive, instead of as a simple problem of Germany's capacity to pay.

When we turn to the effect of the British and Italian Notes in France, there are several features which support our view that the nations of Europe are beginning to find a sense of direction in this problem. In the first place, there is considerable talk of an armistice in the Ruhr pending further discussion, and there is much sound sense in this suggestion, which is designed to harmonise the incompatible demand of France for surrender and the cessation of passive resistance with that of Germany for evacuation. The idea is that Germany should temporarily cease her passive resistance, while France would, for the time being, make her occupation as passive as possible, and limited to the original idea that her technicians should exercise an oversight over proceedings in the Ruhr. Clearly some such proposal as this must be adopted before the problem can be carried much further. But it is unlikely that if normal conditions are restored Germany could hope to revive passive resistance, or that opinion in France would willingly renew military action in the Ruhr, even if the discussion breaks down. It is, therefore, to be doubted whether any armistice will be brought about until there is a reasonable expectation that agreement is, in fact, in sight, and we are inclined to think that two or three further exchanges of Notes are required before this stage can be said to have been reached.

Another significant feature of French opinion is the discovery that after all France, perhaps, is not so interested as she thought in the flotation of an international loan, provided adequate annuities can be obtained from Germany. As a matter of fact, for some time past there has never been any prospect that France could, or would, spend a large sum of money if she succeeded in obtaining it. The real argument for an international loan rests on the quite different ground that the debt of Germany should as soon as possible be converted from a debt by Germany to certain Allied Governments into a debt by Germany to private individuals. Until this happens, the reparations question will remain a serious menace to the peace of the world. At the same time it is clear that a large loan in dollars or sterling would not, in fact, be the best way of meeting France's need. The francs required for restoring France are being found by the French peasant. France needs the means of assuring the payment of interest on this capital, much of which has already been spent. It is desirable that those Frenchmen who have already found this essential capital should become creditors, together with German, English, and American investors, of the German Government, rather than of the French Government, and should look to the German taxpayer for their interest. In this and many other ways French opinion is clearly beginning to face the realities of the problem, and it is equally evident that there is an increasing desire to seek

a solution of the situation, which is doing serious harm to both parties. In Germany the question of adequate and precise guarantees is being seriously discussed by all political parties. The drama is, in fact, developing towards its appointed end—whatever that may be. There remains, however, in the background the fact that when it comes to an issue, it cannot be settled, as Italy rightly urges, without a solution of the whole problem of international indebtedness.

In the meantime, precious months are passing. Great Britain and some other countries of the world have been sharing a reflected benefit from the American boom in trade, and the many factors to which we look in considering the state of industry have been increasingly favourable for the last six months. But readers of our various industrial reports will have noted that there are difficulties ahead, and that the placing of orders is not so free as a month or two ago. Most significant of all is the news from the United States. America has been buying on so unprecedented a scale that, in spite of the Fordney Tariff, her trade returns for March show for the first time for many years an actual surplus of imports. A state of affairs in which America sells raw materials at comparatively low prices and is buying manufactured goods, in spite of tariff and other hindrances, is one which European producers have dreamed about, but hardly expected to see again in practice. At the same time, our American correspondent notes a cloud on the horizon in the fact that the rise of prices appears to have been checked, the index number of wholesale prices having fallen 2 per cent. during the month of April. We clearly cannot rely indefinitely on America to keep the world busy in the face of the confusion in Europe; and if we are to avoid a further period of prolonged stagnation, it is high time that we reached finally on the reparations issue.

THE DIRECTION OF OVERSEAS TRADE.

The quarterly statistics showing the countries of origin of imports and of destination of exports and re-exports, and relating to the first three months of the current year, are published in the April returns of overseas trade. As usual, we have regrouped the figures in more detail than do the official returns, and are able to compile the following table, which shows how the visible adverse trade balance for the first quarter of each of the past three years and of 1914 is made up:—

	FIRST QUARTER. (Million £'s.)							
	1914.		1921.		1922.		1923.	
	Excess of Imports.	Excess of Exports.	Excess of Imports.	Excess of Exports.	Excess of Imports.	Excess of Exports.	Excess of Imports.	Excess of Exports.
Europe	16.1	..	..	2.8	..	15.2	..	0.8
U.S.A.	24.6	..	67.2	..	31.3	..	..	34.9
Other foreign countries ..	..	7.3	..	4.2	..	2.7	..	18.8
British Dominions	0.7	..	..	7.2	..	3.0	..	5.0
Total	41.6	..	53.0	..	18.8	..	..	59.5

The increase in the import surplus as compared with the corresponding period of 1922, which amounts to £11 millions, is accounted for partly by the disappearance of an export balance in trade with the Continent, partly by a very substantial increase in the import surplus in trade with foreign countries, and partly by a change from an export to an import balance in trade with the Overseas Dominions. In trade with the United States the adverse balance remains practically unchanged. In the table above, it should be mentioned, re-exports have been included in the calculations.

Taking first our trade with the Continent, we show in the next table our imports from and exports to the principal European countries:—

JANUARY TO MARCH (000's omitted).

	Imports From.				Exports To.			
	1914.	1921.	1922.	1923.	1914.	1921.	1922.	1923.
France	12,454	14,646	12,280	15,159	8,464	16,330	14,437	14,948
Italy	2,284	2,260	2,637	3,527	3,979	7,956	6,865	4,899
Switzerland	2,849	5,595	5,728	5,050	1,063	1,696	2,292	1,827
Spain	4,059	8,338	5,927	6,479	2,131	6,449	3,785	3,739
Portugal	811	1,723	1,581	1,437	1,498	2,340	1,815	1,968
Belgium	5,947	9,948	6,025	6,947	3,415	5,470	7,252	6,317
Germany	20,054	8,024	5,475	8,643	9,323	4,130	5,410	8,542
Austria	1,902	101	361	419	1,108	558	314	236
Hungary	346	707	782	1,148	1,033	1,709	1,114	841
Greece	871	677	453	495	822	2,573	265	616
Roumania	358	179	225	346	807	1,485	265	541
Turkey (European)	6,748	251	543	900	3,371	43	714	647
Russia	2,430	5,292	3,328	3,892	1,804	2,850	2,293	3,071
Sweden	1,868	5,574	2,644	2,991	1,718	4,172	3,964	2,299
Norway	6,037	8,714	8,055	10,436	1,585	2,857	2,565	3,338
Denmark	6,760	13,065	9,960	10,752	1,840	12,756	12,190	10,336
Netherlands	..	1,199	879	1,305	..	397	247	753
Finland	..	..	..	..	..	..	..	..
Total	75,818	84,357	65,982	80,151	44,261	73,879	65,871	64,944

The alteration in the position as compared with last year, it will be seen, is almost entirely due to an increase in our imports from Europe, our exports thither having declined by less than a million. On the import side the increase is fairly general, but, while exports to a few countries increased, these increases were offset by a larger number of small declines. The most conspicuous figure is that of exports to Germany, which is only exceeded by the totals to France and Holland, and is very little below the 1914 amount. As in 1922, imports from and exports to Germany are almost equal in value. The total of British exports compares favourably with the corresponding figure for 1914, while imports are considerably less, if price changes are taken into account.

The next table shows similar figures for other foreign countries, including the United States:—

JANUARY TO MARCH (000's omitted).

	Imports From.				Exports To.			
	1914.	1921.	1922.	1923.	1914.	1921.	1922.	1923.
United States	43,443	84,874	53,967	59,458	10,261	11,601	13,249	16,242
Cuba	960	458	2,806	1,469	488	887	276	603
Mexico	439	2,432	2,230	1,055	272	1,753	540	577
Argentina	8,337	20,040	13,943	18,542	5,209	10,213	6,292	7,310
Brazil	3,016	1,642	3,491	1,865	2,164	3,748	2,226	3,020
Chile	1,095	1,280	816	1,446	1,404	2,359	1,294	1,955
Peru	676	1,825	1,609	1,594	402	1,117	366	712
Uruguay	477	2,125	838	1,491	592	1,264	704	739
Japan	1,062	3,454	1,994	2,189	2,660	5,064	3,994	5,341
China	957	9,302	1,681	3,710	4,944	9,654	6,908	4,794
Turkey (Asiatic)	1,007	93	97	295	1,331	56	25	105
Egypt	..	..	..	11,107	..	11,107	4,922	3,811
Other countries	2,861	7,034	7,135	9,595	6,729	9,131	4,922	4,708
Total	64,329	129,335	90,207	113,800	36,456	56,847	44,573	49,417

Here again an expansion in imports is largely responsible for the change in position. There is, however, an increase of nearly £5 millions in exports, of which exports to the United States account for £3 millions, but the change made in the official returns, under which Egypt is now given under foreign countries, is responsible for an addition of nearly £4 millions to exports and of over £11 millions to imports. Of the remaining £12 millions increase in imports, America accounts for £5½ millions and Argentina for £3 millions.

Trade with the principal Overseas Dominions in the first quarter of the year is shown in the next table:—

JANUARY TO MARCH (000's omitted).

	Imports From.				Exports To.			
	1914.	1921.	1922.	1923.	1914.	1921.	1922.	1923.
Canada	4,854	11,054	8,903	9,765	4,954	5,913	5,973	6,658
Australia	12,406	25,647	15,013	19,123	9,384	15,466	15,510	15,566
New Zealand	6,745	13,314	12,002	11,580	2,373	6,677	3,976	5,530
India and Ceylon	12,368	18,966	14,739	21,534	20,015	37,238	26,185	24,338
South Africa	4,228	6,850	5,953	4,525	5,785	9,913	6,942	6,510
Egypt	1,708	3,329	2,773	3,501	2,078	3,144	3,070	2,959
West Africa	3,986	2,079	1,963	2,358	1,343	3,022	2,043	1,768
British Settlements	500	1,431	621	920	602	1,329	751	826
West Indies	2,575	6,679	5,060	6,321	3,794	10,405	7,222	6,973
Other possessions	..	..	..	..	..	..	..	..
Total	56,848	93,340	76,521	79,627	52,870	97,061	75,619	71,008

But for the transfer of the figures for Egypt to the previous table, there would here again be a very substantial increase in imports, but exports would still be slightly lower. As it is, imports show an increase of £3 millions, which is accounted for by an expansion of £7 millions in imports from India and Ceylon, and of £4 millions in imports from Australia.

The final table shows the destination of re-exports:—

RE-EXPORTS—JANUARY TO MARCH.

(000's omitted.)

To—	1914.	1917.	1918.	1919.	1920.	1921.	1922.	1923.
France	3,155	4,878	4,336	6,679	15,982	2,539	5,409	5,153
Italy	269	1,392	1,048	1,065	1,863	461	430	438
Belgium	2,410	29	2	1,285	6,611	1,773	2,931	2,468
Germany	5,669	..	..	399	6,50	5,747	4,708	4,061
Russia	2,380	1,090	9	73	1,489	14	123	159
Sweden	195	151	5	269	1,194	406	276	368
Norway	150	575	29	207	335	161	200	149
Denmark	128	572	5	738	1,119	265	251	376
Netherlands	1,330	1,743	237	3,118	4,097	2,057	1,969	1,254
United States	8,642	10,201	1,392	2,340	24,95	6,115	6,382	8,357
Japan	53	67	239	307	706	236	118	70
Other countries	1,871	1,693	484	820	4,350	3,764	2,08	2,259
Total to foreign countries	26,052	22,391	7,886	17,300	69,041	23,364	24,872	25,112
British possessions	3,310	2,602	1,236	1,329	6,059	3,481	3,914	3,595
Total	29,362	24,993	9,122	18,629	75,100	26,848	28,786	28,707

These figures show no very striking changes, but there is a welcome increase in re-exports to the United States. Re-exports to Australia fell from £1,253,500 in the first quarter of last year to £920,000, and there were also slight decreases in the figures for Canada and India and Ceylon.

MODERN HUNGARY.

(BY A CORRESPONDENT.)

ONE has a sense of isolation in Hungary, an isolation which is at once political, economic, and commercial. In part this comes of Hungary's own policy and in part from the attitude of the Succession States. Politically Hungary feels that she is menaced by her neighbours and uncared for by the Western Powers. There is some truth in this; and, indeed, it is difficult for those inside the country to think otherwise, even when they succeed in realising that the old order has gone. On the other hand, mutual suspicion is so rife throughout Central Europe, and nerves generally are so strained, that the outsider can understand, without necessarily sharing, the apprehensions of the Little Entente.

Roumania, Jugoslavia, and Czecho-Slovakia fear that Hungary will seize any moment when their attention is directed elsewhere to attack them, and, with the help of discontented minorities, to enlarge her frontiers as established by the Trianon Treaty. Colour is lent to this belief by irresponsible agitators in Hungary and Hungarian political exiles abroad. On the other hand, a large body of Hungarian opinion fully realises that irredentist aspirations are not practical politics, and knows that against the combined forces of her neighbours Hungary stands no chance in any conflict. The internal political situation is slowly improving. All parties agree that this is the case, and that both anti-Semitism and Hungarian Fascism will die away if a period of quiet consolidation can be assured. The Government is setting its face against irredentist propaganda and agitation, but among all classes there exists this fear of the neighbouring States and anxiety as to the possible consequences of the French precedent in the Ruhr. In fact, Reparations are a financial and political nightmare. Considerable deliveries in kind have been made, but nobody who has investigated the general finances of the country believes that any immediate payments are possible. If cancellation should prove possible, a lengthy moratorium should at any rate be accorded. In this matter Hungarian policy has itself been partly at fault, for the idea is current that Hungary will not pay. The State Budget, however, shows clearly that payments are at present out of the question, yet Hungary fears that the Little Entente will endeavour to follow the example of France and exact Reparations by force. These States have, in fact, been led to expect Reparations from Hungary both by the Treaty and by subsequent Allied jugglings with German payments, and an invasion of Hungarian territory would almost certainly lead to demands for frontier rectification, in the approved French style.

Former Hungary was practically a self-sufficing unit. Were the national Budget to-day free of war burdens, the country would certainly be capable of producing sufficient

to enable it to purchase such manufactured articles as have to be imported. Hungary still possesses some of the richest wheat lands, and Buda-Pest, next to Minneapolis, is said to be the greatest milling centre in the world. The fine flour produced is Hungary's greatest economic asset. Eventually, no doubt, there will arise a movement in favour of Free-trade; but, having regard to the present economic isolation of the country, this question is driven into the background, and all classes support the rigid Protectionist measures of the Government.

High export taxes (as much as 50 per cent. of the internal price in the case of flour and 25 per cent. in the case of cattle) are imposed with a view to keeping down the cost of living, while imports are restricted by a rigid control of the available foreign currency. When normal times come, and with them a free exchange, export duties will probably have to go, though until quite recently the rationing of foreign exchange by the *Divisen Zentrale* prevented the Hungarian crown from plunging after its Austrian, German, and Polish counterparts. This system has led, however, to a contraction of imports and exports which has gradually suffocated trade, and it has not been able to prevent the inevitable fall in the value of the crown, both at Zürich and in terms of internal purchasing power. There is at present an almost universal lack of confidence, and it is realised that something must shortly be done to give Hungary a fresh lease of life.

Economic isolation cannot continue because it leads to commercial seclusion, while a continuous diminution in the volume of trade must result from export taxes and exchange control. The former are a barrier to commercial agreements with the surrounding States, and the latter stifles the merchant, who is already hard hit by the disappearance of all transit trade. The new States deviate traffic through their own territories wherever possible, whilst Roumania and Yugoslavia rigidly insist on the letter of the Treaty in excluding foreign vessels from trade between their Danube ports. The Hungarian railways are heavily overstaffed, with about nine men per kilometre, and have to import sleepers and to some extent coal from abroad. At the same time, upwards of 50 new frontier stations have to be built.

Taxation in Hungary is heavier in appearance than in reality, as is the case in all countries with a depreciating currency. The export taxes, however, ensure prompt payment from the agricultural element, which would otherwise be difficult to reach. As these cannot remain in force indefinitely, it is essential that some other system of taxing the landed proprietors should be devised, though this will certainly prove difficult for political reasons.

The soil is rich and the peasant a hard worker, but despite these facts the yield per hectare of cereals in pre-war days was well below that of Western Europe. The existence of very large estates does not appear to have made for efficiency in agricultural production, and the great reduction in the acreage under cereals, which has been so prominent a feature in the economic life of South-Eastern Europe of recent years, is even more marked in the case of Hungary than in Roumania, where agrarian reform has been carried through. Up to the present the agrarian question has been shirked by the large landed proprietors who still govern Hungary; but upon its solution depends in very large measure the whole problem of social reconstruction. Indeed, the very existence of a small country of latifundia, surrounded by neighbouring States where peasant proprietorship is the rule, does much to justify the fears of the Magyar aristocracy.

Following the separation from Austria in 1867 came a period of rapid, though not altogether sound, economic development, of which railway construction figures over 25 years provide some indication. But this expansion was only possible by external borrowing, and the amount of foreign capital invested in public and private enterprises is not generally realised. Pest itself dates from this period, and in no way approaches Vienna as a capital market; while to-day there is very little Hungarian capital either inside or outside the country. As pre-war expansion was financed mainly by borrowings in London and Paris, this policy now recoils very heavily on the new State. After the indefinite sum of Reparations comes the heavy fixed external debt as the chief burden on Hungarian

State finances. There is a universal desire on the part of all statesmen and bankers to honour these public and private pre-war debts, and an eagerness to repay which loses sight of what is feasible. With the best will in the world, it is manifestly unwise for Hungary to jeopardise her Budget by paying the current interest (in the currency of the lenders), to say nothing of eight years of arrears. The solution must rather be sought in the making of some kind of funding arrangement with both public and private creditors, and at the same time, as an earnest of its good intentions for the future, the country must start putting its economic house in order, as Austria is doing.

While it is easy to offer such advice, it must not be forgotten that fulfilment will entail great sacrifices. The overstaffing of Government services is the consequence of the return (whether compulsory or voluntary) of Hungarian-speaking civil servants from the Succession States, whilst over and above those actually employed there are some 300,000 refugees with no means of livelihood. These people represent a charge on the State Budget which cannot immediately be removed. They must inevitably be a burden for some years to come, but by a system of bonus, pension, land settlement, or other device the Exchequer must contrive that they cease to be a permanent incubus.

The recent visit of the Premier, Count Bethlen, to London and Paris has brought the question of Hungary once again to the fore. The Government is prepared to accept control by the League of Nations over its finances in return for a temporary waiving of the Reparation liens. Under present conditions, however, it seems very doubtful whether a Hungarian loan could be floated on the international market even so. The only solution is to be found in self-help, difficult as this will undoubtedly prove; and it will be interesting to see whether the governing class will be prepared to make the necessary sacrifices in the interests of the nation as a whole.

THE WOOL TRADE.

(FROM OUR BRADFORD CORRESPONDENT.)

A POSITION of some complexity has been created in the wool textile industry, on account of the remarkable strength of the raw material markets of the world. Under normal conditions a keen demand for wool would manifestly imply activity in the consuming centres, but so far as this country is concerned there is at present the apparent anomaly of high and advancing wool values on the one hand, and restricted demand for the products of wool on the other. At first glance this appears to be an impossible situation, but a little reflection and a study of world conditions generally reveal the explanation of this topsy-turvy state of affairs.

It is well known that for a considerable period the raw material has dominated the whole industry, and for several months past it has been common knowledge in the industry that the farther one got away from the raw material, the more difficult it has been to sell semi- and fully-manufactured goods at a profit. The manufacturers and merchants in the piece goods trade have not yet recovered from the effects of the devastating slump which followed the brief "boom" period that reached its apex in the early part of 1920. Confidence which was then shattered has not yet been re-established, and in a general sense financial stringency in the merchanting section of the industry is as acute to-day as ever. Moreover, during the whole of the intervening period business in piece goods has been conducted on exceedingly restricted lines, so that while some firms have been fairly busy on the production of dress goods and fancy worsteds, others have experienced great difficulty in keeping even a limited number of their looms fully employed. In recent months, also, producers in this country have encountered the keenest competition from manufacturers on the Continent, lower production costs and depreciated exchanges enabling French firms to undersell their British rivals, not only in this market, but also in several foreign countries. While it is recognised that this form of competition is not

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likely to be permanent, there is no doubt that it is at present exercising a most depressing effect upon trade in the West Riding.

To a considerable extent the same influences are being felt in the spinning section. Home manufacturers are curtailing their purchases of yarn to a minimum because they cannot pay current prices, and make cloth to sell at a profit. Spinners are also feeling the effect of Continental competition in the sale of yarns, and for several weeks past it has been quite a common thing to find imported yarn offered, especially in Leicester, at prices showing, on an average, a difference of at least 8d per lb in favour of the Continental-spun yarn. Lower costs and depreciated exchanges are again mainly responsible for this, though it is necessary to remember that even before the war dry mule-spun yarn from the Continent found a very ready sale in the hosiery trade here.

At the beginning of this year most spinners were in a fairly comfortable position, and had sufficient orders on their books to keep frames busy for at least three months. The first set-back came with the occupation of the Ruhr, and this is not surprising in view of the close business connection that has always existed between the West Riding and Germany. Before the war Germany was by far the best customer of this country in tops, worsted yarns, and mohair and alpaca yarns, and it necessarily follows that anything which tends to check business development in Germany must re-act upon trade in the West Riding. The present trouble in Germany, therefore, must be regarded as being mainly responsible for the altered conditions here, for whereas at the beginning of the year there was plenty of work in sight, to-day most spinners are unable to see more than a few weeks ahead, and unless demand improves considerably during the next month, it is certain that short time will become fairly general. The absence of demand in the yarn trade is reflected in a comparatively inactive market for tops, and it is significant that combing machinery is already on short-time running. Up to a few months ago the demand for fine tops was such that all combs were kept fully employed, and practically no stock existed at any point. Now stocks are accumulating, and combers, instead of being in a position to refuse work, are open to take almost anything.

On turning to the raw material market, however, one finds evidence of great strength, demand for wool being general, with prices showing a distinct upward tendency. The apparent anomaly is explained by the extraordinary demand from America and the Continent. Notwithstanding the high tariff imposed on imported wool, American mills are to-day consuming more raw material than at any time in the history of the trade, and the American Woollen Company are working 100 per cent. of capacity. All reports agree that America is experiencing a wave of prosperity, but there is some difference of opinion as to whether this is real or artificial. Some observers express the view that the immense activity in the wool textile industry in the United States is due to some extent to inflated credit, and that sooner or later the banks will be compelled to adopt a more conservative policy. Even in America fears are expressed that over-production may

result from the present boom, though it must be confessed that there are no indications of any weakness at the moment. The all-important point is that American manufacturers are consuming huge weights of combing wool, and the operations of American buyers in London and in the primary markets constitute one of the main factors in the recent advance in wool values.

Continental mills are also exceedingly active, and, as in the United States, stocks of raw material are reported to be comparatively light. Consumption in Germany has suffered in consequence of the French action in the Ruhr, but against this may be placed the increased activity of French and Belgian mills. As mentioned above, the French manufacturers engaged in the export trade are reaping a very material advantage from the depreciated currency, but it is recognised that any favourable settlement of the reparations problem would almost certainly be followed by an appreciation in the franc, in which case much of this temporary advantage would disappear. Reports from Japan indicate a very healthy position in the textile industry of that country, and, taken all round, the British industry at the moment seems to be in the least favourable position. The great activity abroad, however, accounts for the strong demand for wool and the upward movement in values, and users in this country are being forced into the position of having to pay higher prices for their raw material, although they are unable to sell their products at anything like commensurate prices. How long this state of affairs will continue it is impossible to say, but at present there are no signs of spinners and manufacturers even attempting to follow the lead of the wool market. For the most part they profess complete inability to do business on to-day's basis of values, and so while the market for tops is nominally firm in sympathy with the wool market, there is very little actual business passing.

Notwithstanding this unsatisfactory position, however, there seems to be a very general impression that wool will remain firm. Few in this country are prepared to go all the way with Sir Arthur Goldfinch when he predicts a great scarcity of wool in the near future, but most agree that fine combing wool is not likely to depreciate much this year. Of course, if consumption throughout the world continued on the heavy scale of last year it is manifest that wool supplies would prove to be inadequate, for the surplus stocks of merino held by B.A.W.R.A. have already been absorbed, and big inroads are now being made into the surplus stock of crossbred. Unfortunately, it is impossible to obtain reliable statistics relating to actual stocks in the hands of the trade throughout the world, and it is equally impossible to say with any degree of certainty what the actual consumption is in any given period.

The preference of the public for the fine soft-handling fabrics made from merino is still very pronounced, but it seems reasonable to suppose that, just as demand has been checked in this country, so throughout the world, if values rise to a famine level, consumption will be forced on to the lower qualities, of which, at present, there are ample supplies. To sum up, the strength of the statistical position is generally admitted, and values are being largely determined by American and Continental

competition. The only possible hope of cheaper wool, therefore, would seem to depend on the inability of overseas users to continue their present heavy buying, in which case values might decline to a level more in keeping with the ideas of users in the West Riding.

LONDON ELECTRICITY SUPPLY COMPANIES.

THE Electricity Supply Bill, discussed in our annual review of London electricity supply companies, of last year, was reintroduced into Parliament in the session of 1922, and finally passed into law as the Electricity (Supply) Act, 1922.

Meanwhile, the suggestions made by the Electricity Commissioners as regards London were not satisfactory to the companies concerned, and the Commissioners thereupon made other proposals, which at present are under consideration by the companies. In the meantime, the associated companies have produced their own scheme, and, we understand, hope to present in the ensuing session of Parliament a Bill which aims at centralising the generation of electricity for supply in the London areas and adjacent districts served by companies, and seeks to extend the tenure of the companies as regards their distribution business.

In the following analysis of the results of representative London electricity supply companies we tabulate from those reports which give the information the amount of Board of Trade units generated and sold:—

B.T. UNITS SOLD (in 1,000's).

	1913.	1916.	1917.	1918.	1919.	1920.	1921.	1922.
Charing Cross, W. End.	13,270	11,776	12,390	11,591	12,649	14,563	14,949	17,224
Do City	22,603	28,397	32,209	29,985	34,349	38,358	38,511	41,771
Chelsea	4,451	4,271	4,738	4,491	4,225	4,916	4,829	5,268
City of London	29,113	28,982	29,697	26,656	31,256	36,730	35,931	42,605
County of London	25,743	35,030	37,595	40,326	42,488	49,553	51,220	58,444
Kensington & Knightsbridge	5,671	4,697	4,581	4,628	5,811	6,507	7,457	8,457
London	35,336	49,810	49,014	46,357	42,908	47,366	47,491	49,676
Metropolitan	18,109	24,595	28,446	26,761	25,127	27,799	26,945	29,624
St James' and Pall Mall	11,605	11,272	11,986	10,591	12,190	13,510	13,464	15,827
Westminster	21,906	23,499	27,813	25,211	24,676	25,659	25,254	30,261
	187,807	222,329	239,037	226,553	254,496	264,265	265,101	297,956

It is a pity, perhaps, that a little more information is not offered in these reports as to the prices charged to consumers for electricity. The Brompton and Kensington maintains its useful statistical record, which goes back to 1890; in that year the average price per unit was 7.43d, in 1914 it was 3.92d, while in 1921 it was 5.236d, moving to 5.28d for 1922. Also we find an interesting comparative statement issued by the City of London. This company reduced its charges from 4.37d in 1921 to 4.05d for 1922; in 1917 its average price per unit was 2.61d.

The next table shows gross annual earnings of the principal London companies for the past seven years. The figures for 1913 are appended for comparative purposes:—

GROSS REVENUE.

	1913.	1916.	1917.	1918.	1919.	1920.	1921.	1922.
Brompton & Kensington	56,482	55,878	61,898	56,759	74,045	103,372	110,130	121,459
Charing Cross, W. End.	151,240	150,413	165,136	193,858	265,856	311,046	318,534	333,156
Do City	149,819	176,464	212,542	238,074	331,332	339,772	339,772	429,724
Chelsea	72,602	76,314	86,602	86,698	92,629	115,404	120,416	128,742
City of London	311,822	330,752	347,979	389,859	521,116	649,391	676,456	710,158
County of London	255,670	343,066	379,836	451,811	576,116	698,625	769,834	895,783
Kensington & Knightsbridge	81,850	68,485	78,711	78,268	95,871	127,141	138,105	180,185
London	162,854	222,406	228,032	245,539	305,109	372,230	393,674	374,092
Metropolitan	217,605	277,909	318,216	348,726	413,259	516,594	538,471	597,086
St James' and Pall Mall	146,151	143,072	161,151	160,806	208,467	227,959	254,077	294,437
South Metropolitan	65,635	95,883	131,930	167,233	166,996	199,037	216,809	227,900
Westminster	256,800	262,624	306,184	286,712	362,839	404,010	437,093	458,683

The increases in gross revenue do not reveal the full story of the prosperity which the companies are now enjoying. The gains on previous years set out above are, of course, welcome, but the more important addition to net revenue has been obtained from a substantial decrease in expenditure. This is shown in the following table:—

EXPENSES, including REPAIRS and MAINTENANCE.

	1913.	1916.	1917.	1918.	1919.	1920.	1921.	1922.
Brompton & Kensington	24,984	31,940	31,580	40,272	44,684	59,469	69,089	70,239
Charing Cross, W. End.	66,866	78,831	103,268	103,267	167,242	208,314	212,116	187,007
Do City	80,639	110,909	147,153	147,153	273,721	355,061	328,493	247,920
Chelsea	35,052	44,635	51,040	56,880	59,591	73,530	76,979	69,003
City of London	139,724	199,111	209,525	249,252	341,124	434,132	445,142	421,188
County of London	120,534	186,172	226,340	272,381	358,643	454,372	427,432	374,013
Kensington & Knightsbridge	47,679	42,695	50,194	53,228	73,172	97,107	104,099	107,495
London	91,101	167,192	163,239	167,563	209,868	272,743	291,388	223,893
Metropolitan	111,317	161,009	184,543	208,112	242,623	318,638	329,291	263,902
St James' and Pall Mall	94,010	115,076	123,306	130,551	170,441	187,012	203,951	198,733
South Metropolitan	24,065	45,373	76,767	103,846	96,881	116,216	116,493	85,176
Westminster	154,254	167,055	188,067	204,259	266,188	315,726	348,829	326,668

Briefly, profits have been realised not so much by better sales of electricity as by a lower expenditure, mainly on account of decreased fuel costs. The Brompton and Kensington makes a profit of £51,221, as against £41,041 a year ago, a profit brought about by increased revenue. The Charing Cross, West-End shows a profit of £146,149, as against £100,415 for 1921, these results having been contributed to by increased revenue and reduced expenditure; the City undertaking earned £190,072, as compared with £111,279, revenue remaining round about the same figure, but expenditure falling from £328,493 to £247,920. Chelsea, with a profit of £60,738, makes a remarkable increase upon the previous figures of £43,437, expenditure falling from £76,979 to £60,003, and revenue improving from £120,416 to £129,742. The City of London followed in the same steps, only on a larger scale, with profits of £318,971 for 1922 and £231,313 for 1921. The County of London records a profit of £521,769, as compared with £342,201. As this is the most prominent company in our group, a closer examination of the accounts may prove of interest. The heavy increased earnings were the result of an increase from £709,633 to £895,783 in revenue, and a decrease from £427,432 to £374,014 in expenditure. For just under 584 million units of electricity the company obtained £858,317, as against £742,887 for approximately 514 millions. The decreased expenditure is mainly on account of coal and fuel. This item in 1921 amounted to £184,757; in this year's accounts it is down to £117,699. Salaries and wages are only slightly lower. Incidentally, the cost of the purchase of current has increased from £6,459 to £16,940. Kensington and Knightsbridge secured total receipts of £150,185, but although the expenses at £107,195 are slightly higher than those of a year ago, the net profit has risen from £34,006 to £42,690. With expenditure reduced from £329,291 to £203,903, the Metropolitan is able to show a profit of £293,184—an excellent increase on £209,180 for 1921. Expenditure of the London Electric Supply fell from £291,388 to £223,893, thus giving a profit of £150,199, as compared with £102,236. St James' and Pall Mall made £80,704, as against £50,146; the South Metropolitan £142,724, against £100,315, and the Westminster £131,906, against £88,264.

In the concluding table we show the yields obtainable from the shares of these companies calculated on recent dividend distributions. Share prices are also appended over a period of years:—

PRICES AND YIELDS.

Name of Company.	Amount of Share.	Prices of 1922.	Price July 27, 1914.	Price April 30, 1922.	Price May 17, 1923.	Present Yield.
Ch. Cross, W. End. and City	£	7 1/2	4 1/2	5 1/2	11 1/2	6 5/8
Do 4 1/2 % Cum. Pref.	5	4 1/2	3 1/2	4 1/2	4 1/2	5 5/8
Chelsea Supply	5	6 1/2	3 1/2	4 1/2	5 1/2	6 1/8
City of London	1	2 1/2	1 1/2	(1) 16	12	6 8/9
Do 6 % Cum. Pref.	1	1 1/2	1 1/2	(1) 13 1/2	1 1/2	5 3/9
County of London	1	1 1/2	1 1/2	(1) 12	1 1/2	5 6/9
Do 6 % Pref.	1	1 1/2	1 1/2	(1) 12	1	5 6/9
Kensington & Knightsbridge	5	8 1/2	5 1/2	7 1/2	6 1/2	6 13/3
London Electric Supply	5	8 1/2	5 1/2	7 1/2	6 1/2	6 6/9
Do 6 % Non-Cum.	5	5 1/2	3 1/2	5 1/2	4 1/2	5 17/9
Pref.	1	1 1/2	3 1/2	4 1/2	5 1/2	5 18/3
Metropolitan	1	1 1/2	3 1/2	4 1/2	5 1/2	4 18/9
Do 4 1/2 % Cum. Pref.	1	1 1/2	3 1/2	4 1/2	5 1/2	6 15/9
St James' and Pall Mall	5	9 1/2	6 1/2	9 1/2	11	6 15/9
Do 7 % Non-Cum.	5	5 1/2	4 1/2	7 1/2	5 1/2	6 2/9
Pref.	1	1 1/2	4 1/2	7 1/2	5 1/2	6 14/9
South Metropolitan Ord.	1	1 1/2	3 1/2	4 1/2	5 1/2	6 3/9
Do 7 % Cum. Pref.	1	1 1/2	3 1/2	4 1/2	5 1/2	6 3/9
Westminster	5	8 1/2	5 1/2	7 1/2	6 1/2	6 15/9
Do 4 1/2 % Cum. Pref.	5	4 1/2	3 1/2	4 1/2	4 1/2	5 0/9

(1) £20 shares.

Shares in electricity supply undertakings continue to be in considerable demand by the investing public. It will be noticed in our table that ordinary shares have improved

in value, as well as preference issues. This is a favourable sign, and suggests that the public are keenly alert to the very large development possible in connection with supplying London with its electrical energy.

LATIN-AMERICAN NOTES.

(BY A CORRESPONDENT.)

NICARAGUA.—Foreign control of Nicaraguan national revenues and expenditures appears to have been rather less successful than proved the case in Santo Domingo. In both Republics financial commissions, appointed by the United States, have taken complete charge of the countries' finances. Twelve years after the introduction of currency reform, Nicaragua now finds itself in a rather worse economic condition. Under pressure, and contrary to the advice of experienced local experts, the Government handed over to an American banking firm the whole of the railways and steamboat transportation of the country, as well as the control of the national bank, and the collecting of internal taxes on tobacco and liquor, together with all other custom house duties. For administering these services the Collector-General is in receipt of a salary of \$15,000 a year, representing five times the amount paid to the President of the Republic. The rate of interest charged by the bank for all advances is now between 1 1/2 and 2 per cent. per month, while in country districts the rate is as much as 4 per cent. per month. Upon such ruinous terms commercial prosperity has become almost impossible, notwithstanding the undoubted agricultural and mineral richness of the country. The effort recently made by the Nicaraguan Government to raise a loan for the purpose of constructing a new railroad, much needed, to Bluefields from Granada, to connect the Atlantic coast with several large industrial towns of the Pacific, proved unsuccessful. The only offer received was from the United States; the terms demanded, however, were so onerous that, in spite of the advice of the American High Commission to accept and certain pressure applied by the head of the Government, Congress rejected them. The suggestion was a loan for \$3,500,000 at 8 per cent., the American bankers to take the bonds at 75 cents on the dollar; interest for one year to be deducted in advance; and \$300,000 to be taken over and put into a reserve fund at the National Bank of Nicaragua.

ECUADOR.—Recent political upheavals in Ecuador have interfered very little with economic conditions in that country. Now that cacao, the chief local product, has improved in price, and the exchange on the United States has become more evenly adjusted, prospects for the current year have brightened. Late statistics tend to show that export values are still slightly above imports. A move by the Government to help the economic situation has been the abolition of the official rate of exchange, in view of the negative results obtained from the expropriation of export drafts. Various new schemes for securing increased stability in exchange are still under consideration by Congress. It is hoped that the abandonment of an official exchange rate may assist the present position, but when the large sums withdrawn from the country annually for the maintenance of Ecuadorean families resident abroad, and for the payment of interest, freight, insurance, and other services, are taken into account, it will be found that exports must be greatly increased and imports considerably decreased before any material improvement in the exchange situation can be expected. The United Kingdom plays but a small part in the trade of this South American Republic. Little more than 29 per cent. of the imports, and barely 8 per cent. of the exports, relate to the United Kingdom. On the other hand, the United States hold 49.5 per cent. of all foreign trade of the country. Improved arrangements are contemplated in place of those hitherto existing in regard to credits. It is reported that some of the Ecuadorean banks have completed arrangements whereby foreign exporters may receive guarantees from these institutions; their drafts covering sales of goods to approved customers in Ecuador

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will be paid on presentation on maturity. Of late two additional banks have been established in the Republic, at Riobamba—the Sociedad Bancaria del Chimborazo, and the Banco de los Andes, affiliated with the Banco de Descuento de Guayaquil. The Banco del Ecuador has recently granted a loan to the Government of 2,000,000 sucres, at 7 per cent., to be used exclusively for public expenditures already incurred.

MEXICO.—The persistent refusal upon the part of the United Kingdom and the United States to recognise Mexico officially is fraught with great inconvenience and occasional losses to British shareholders in Mexican undertakings. In the absence of any diplomatic representative of either country, it is impossible to approach the Mexican Government with any prospect of receiving attention. At the present time there are several matters of pressing importance deprived of any chance of remedy. For a considerable number of years the Palmarejo and Mexican Goldfields Company has awaited a settlement of its claims against the Mexican Government for compensation in connection with loss and damage caused by the revolution. This claim, amounting to £260,000, might have been settled had there been available any recognised diplomatic agent of the British Government, or, failing him, through the friendly representations of the United States Government, since the Mexican Administration, through its own valuer, appointed for the purpose, confirmed the justice of the company's valuation of loss. The Palmarejo and Mexican Goldfields Company have expended over £1,000,000 upon their property, and for years past have paid heavy taxes to the Government. Equally unfortunate has been the British Tlahualilo Colonisation Company (the Mexican Cotton Estates of Tlahualilo, Limited), whose property has recently been seized by the Agrarian Commission of the State of Durango, under the provisions of a new agrarian law, an act which the Mexican Government itself has denounced, and failed to endorse. In the face of this, and notwithstanding an injunction granted by the Mexican High Court, the Agrarian Commission has seized and divided up among the inhabitants of the neighbouring village the British company's property, extending over an area of 9,000 acres. Here, again, relief would have been certain had it been possible for a British diplomatic agent to have presented the claims of the company to President Obregón or his Minister of Agriculture. Even these two cases, however, do not fill the measure of injustice to which British companies operating in Mexico have of late been subjected. Under the present régime, foreign tenure of land has been rendered far less safe than in the days of the late President Porfirio Díaz, when British, among other foreign, companies thrived apace. News of numerous high-handed acts of despoilment and trespass has reached us. Agrarian outrages have taken place in the neighbourhood of Pachucha, where a considerable amount of British capital is invested in silver and gold mines; hydro-electric undertakings, and where there are a number of foreign-owned ranches—Santa Rosa, San Antonio Tula, El Durazno, and Zacoalco. Upon all of these agricultural damages has been caused by bands of hostile agricultural workers. The hacienda Almolonga, attacked by a band of 30 *agrarristas*, has been seized, and is still held by force of arms. These assaults upon private property have been occasioned, it would appear, by official misconception of the meaning of certain Presidential in-

structions, which have been misread so as to infer administrative approval of taking forcible possession of private lands that had failed to comply with some newly-issued rules in regard to the payment of wages, and a new ordinance as to the hours of labour.

Notes of the Week.

The Indemnity Bill.—On principle we strongly dislike indemnity bills. If Parliament were to permit them to pass too easily or too frequently, we should reach the dangerous position in which any Government with a working majority would cheerfully perform any illegal act, which seemed to them politically or otherwise expedient, and rely on their followers to see that punishment was averted by special legislation. We trust that when the Indemnity Bill, in respect of the deportations to Ireland, comes before Parliament after the Whitsuntide recess, this dislike will be freely voiced from the Government benches as well as from the Opposition. We think also that something should be done to mark the present occasion as exceptional and most regrettable. That the Home Secretary should resign is unreasonable, for presumably the decision for which Mr Bridgeman assumes responsibility was really a decision of the whole Cabinet. But the position of the Attorney-General, on whose learned advice the deportations were undertaken, is on a very different footing. He has made a blunder which has had very serious effects, and ought publicly to tender his resignation. As regards the Bill itself, however, we should not go so far as to welcome its defeat with all the consequences which defeat would involve, including, of course, the resignation of the Government as a whole. We should be content with Viscount Grey's attitude of non-opposition provided—of course an essential proviso—that the Bill confines itself purely and simply to the present case. This at first sight it appears to do. The public interest, in our view, would best be served if the Bill, indemnifying the Home Secretary in respect of this case, is passed, but only passed under a protest sufficiently powerful to make this and future Governments very chary of risking a breach of the laws of the land, especially of those laws which guard the liberty of the subject.

Great Britain and Russia.—The state of tension caused by the Curzon ultimatum seems to have been slightly relieved this week. On the one hand the arrival of M. Krassin in London, together with the apparently conciliatory tone of the Soviet Government's reply, indicate Russian unwillingness to break with this country. On the other hand, the Under-Secretary of State for Foreign Affairs stated in the House of Commons on Tuesday that Lord Curzon was prepared to see M. Krassin and to go through the whole of our claims with him, while even more significant was the addition that a reasonable extension would be granted to the time-limit stipulated in the British Note in order that M. Krassin might communicate with Moscow for instructions, should he so desire. For our part we prefer to emphasize this aspect of the case, rather than to enlarge upon the volume of the cheers which arose from the Ministerial benches when Mr MacNeil told the House that the Government had negotiated until it was sick of negotiating. If we assume the truth of all the allegations contained in the Curzon Note—and the attitude of the Soviet Government has, in fact, been most provocative—we are still forced to ask how redress would be obtained by breaking what Mr Asquith aptly described as "the only cord of friendly communication" between the two countries. Would the withdrawal of our delegation from Moscow put a stop to Bolshevik propaganda in the East or obtain compensation for Mrs. Stan Harding? It would seem more probable that such action would rather intensify the evils of which this country rightly complains, and we earnestly hope that the Government will be guided in this matter by the realities of the situation rather than by the dictates of passion and righteous indignation. The problem is a two-fold one, and involves both economic and political considerations. In a leading article last week we analysed the foreign policy of Soviet Russia, and saw that the total sums involved were relatively small. In the same number we

pointed out a fact which we still believe to be unassailable, in spite of last Tuesday's debate, and that is that British trade with Russia, small though it is, would be much more difficult to undertake if we revert to the conditions which prevailed before the negotiating of the Trade Agreement. But if we assume with the spokesmen of the present Government that this is not the case, and that trade would continue as at present, even if Soviet House were closed, then it is obvious that the denunciation of the agreement is not an effective means of bringing economic pressure to bear on Moscow. More important for the moment, however, than these economic considerations is the political aspect with which Mr Lloyd George dealt in his most eloquent vein on Tuesday night. It was not the old Czarist régime or the Bolshevik Government that counted: Russia, he declared, was the thing that mattered. The foreign policy of the present Soviet Government was tending daily to become more Imperialistic, and the time might well be near when this Government itself, based in theory upon the principles of justice and humanity, would stand in the eyes of all Russians as the representative of nationalism rampant. Russian Imperialism is the real danger, in Mr Lloyd George's opinion; and, with Europe in a state of turmoil, it behoves us not to create new enmities nor to add yet another to our many troubles and difficulties. We may add that it seems probable that a rupture would prove most acceptable to certain Bolshevik extremists, and would be a definite set-back to the "new economic policy," upon the success of which the future of Russia so largely depends. It is because we believe in the essential rightness of this diagnosis, and because we hold that the internal administration of a country is primarily a matter which each country must decide for itself, that we hope that counsels of moderation will prevail and Anglo-Russian relations be placed on a firmer footing. It is surely futile to proceed with a policy the logical outcome of which is war, unless we are at the same time prepared to have recourse, if needs be, to the arbitrament of force.

Overseas Trade in April.—We gave in our last issue a brief summary of the chief figures in the overseas trade returns for April which appeared just as we were going to press. Generally speaking, those figures at first sight appeared to counteract the disappointing effect of the March returns, for, as compared with April of last year, total exports were up by £10½ millions, as against a rise of £5½ millions in imports. However, comparisons, both as regards aggregate and detail, cannot be used for more than tentative conclusions, for in April, for the first time, the Dominion status of the Irish Free State took effect. This means that the direct trade of Southern Ireland with countries other than the British Isles was for the first time excluded from the British figures, while, on the other hand, the accounts include the trade carried on by Great Britain and Northern Ireland with the new Dominion. Further reasons why comparisons based on the April figures are dangerous and unreliable are given as follows in the *Board of Trade Journal*. Trade with the new Dominion "was not, during April, on a normal basis, as anticipatory shipments of dutiable goods are reported, and, as a further element in the confusion of accounts, the collection and transmission of returns, the making of which was a novelty to those concerned, cannot be supposed to have settled down to the regular routine established in regard to our trade with other parts of the world." All this must be borne in mind in judging the figures for April, and the effect of it cannot be gauged with accuracy. Another point to remember is that practically the entire effect of Easter fell on April this year. In former years, when Easter has fallen in April, April imports and exports fell short of those of March. This year exports are much higher in April than in March, though imports are £3½ millions lower. This import decline is more than accounted for by raw materials, and the falling off of £4,280,000 in cotton is a striking feature. In quantity, the raw cotton imports were little more than half those of March, but this decline is seasonal. Imports of crude rubber also fell away sharply in April. Irish trade is probably responsible for an increase in April of our takings of butter, eggs, bacon,

and some other articles of food; but, on the other hand, figures in many classes of imports must be decreased by the exclusion of direct imports into the ports of Southern Ireland. Four months' totals of leading British exports cannot as yet have been very greatly affected by the Irish separation, and how they compare with the past two years is shown below:—

QUANTITY OF BRITISH EXPORTS.

	Four Months Ending April 30.		
	1913.	1922.	1923.
Coal.....tons	23,589,878	17,333,082	25,535,825
Pig-iron.....tons	293,360	133,286	322,822
Railway material.....tons	257,840	213,675	145,365
Total of iron and steel and manufactures thereof.....tons	1,649,845	1,031,203	1,425,986
Textile machinery.....tons	56,941	61,436	53,619
Total machinery.....tons	224,639	149,356	148,775
Cotton yarns.....lbs	71,645,600	69,797,900	47,621,900
Cotton piece-goods.....sq yds	2,360,976,900	1,197,527,900	1,396,236,900
Wool tops.....centals	156,306	138,053	131,073
Woolen tissues.....sq yds	32,340,600	35,004,300	44,315,200
Worsted tissues.....sq yds	20,869,700	21,280,300	22,565,800
Boots and shoes.....doz. pairs	483,987	134,000	191,044
Leather.....cwt	81,791	73,299	85,008
Locomotives.....tons	13,633	14,274	11,539

* Yards.

Exports of coal and pig-iron are well in excess of the 1914 figures, and although there are one or two declines, the comparison with a year ago gives a pretty good result in the list as a whole. It would be a serious matter if the lack of truly comparable overseas trade figures, due to the establishment of the Irish Free State, were allowed to continue. The Board of Trade should, we think, be able to provide separate figures for the trade between Great Britain and the new Dominion, and also approximate figures of the extent of trade a year ago between Southern Ireland and the rest of the world. We hope they will give immediate attention to the matter.

The Trade Boards Bill.—A year ago the Cave Committee on Trade Boards after an exhaustive inquiry presented a report which, though unsatisfactory alike to those who would leave the most defenceless to the free play of competition, on the one hand, or to those who would like to see the State step in and control all wages, on the other, endeavoured to lay down the lines for the future development of the Trade Board system. The report, which was explained in the *Economist* of July 15th, p. 102, recognised the social benefits which have already been conferred in low-paid industries by Trade Boards, but endeavoured to define very carefully the field over which the compulsory powers of the State should be exercised; and the fact that the Committee, which included three Labour representatives, as well as employers and other members, was unanimous, shows that this attempt was not entirely unsuccessful. The Committee clearly desired that while the State should enforce a minimum standard in low-paid trades, it should not intrude into the whole field of wages regulation, but should encourage the development of organisation on both sides with a view to arriving at voluntary collective agreements regulating all wages in these unorganised industries; it was, therefore, proposed that under certain conditions wage rates could be fixed for other than unskilled workers by agreement between the parties. As, however, organisation is *ex hypothesi* inadequate in such trades to enforce the general adoption of these higher wage rates, they should, if approved by the Minister, become statutory and enforceable as a civil right in contrast to the minimum wages of the lowest grade which should be enforceable by criminal proceedings. But, again, seeing that the workers in such trades are often few in number, widely scattered, and unable to institute proceedings either by themselves or through their Unions, which are often non-existent, impotent or bankrupt, the Committee recommended that the Inspector of the Trade Boards Department should be empowered to take proceedings where such rates are not being paid. This is a vital point, for it is evident that without this protection the provision under which it was hoped that the Trade Boards would develop into a form of machinery for effective collective bargaining, and for

the development of organisation, would become a dead letter. It is, therefore, very much to be regretted that the Bill just introduced into the House of Commons, which proposed to give effect to most of the Cave Committee's numerous recommendations, omits this vital provision. The report of the Cave Committee has already been quite unreasonably condemned as an attack on Trade Boards by many who have not taken the trouble to master a complicated subject; but by omitting so essential a part of the scheme, the Government have given colour to these attacks, and will render much more acrimonious the discussions on their Bill which would, if unamended, undoubtedly very much diminish the appropriate and necessary functions of Trade Boards.

The Pan-American Congress.—The proceedings* of the fifth Pan-American Congress, in session from March 25th to May 3rd at the Chilean capital, have been reported somewhat inadequately in Europe, but the results have proved disappointing. Mexico, Peru, and Bolivia held aloof altogether, the first-named in view of her non-recognition at Washington, the two latter through the feud with Chile over their lost provinces, and the scheme for limiting armaments failed through the insistence of Brazil on a larger allowance of tonnage for capital ships than either Chile or Argentina would sanction. Brazil apparently contends that as her territory is nearly as extensive as that of all the other South American States together, and her population is more numerous, she is entitled to claim a proportionately large armament, if only to secure that her national unity shall be maintained. So her delegates insisted on a tonnage of 80,000, against 50,000 suggested by Argentina, and 65,000 put forward by Chile as a compromise; and the dissension was aggravated by the revelation that the Brazilian Government had negotiated separately with Chile last December, and had eventually intimated (but not with sufficient clearness) that it would only take part in the proceedings out of courtesy, in view of the rejection of its proposal for a preliminary change of views. Brazil has now no possible antagonist either in America or in Europe, and it is difficult to see the need for naval protection against the contingency of secessions. But her Navy has taken an important part in her recent history; it offers an attractive career for her upper classes, and it gives her a certain prestige abroad. The Congress has scarcely compensated for its failure in this matter by its dealings with a number of subjects of comparatively minor importance. Nearly all of these will come up again. Conventions have been signed for the protection of trade marks, the prevention of the spread of epidemics, and the intervention of a tribunal of inquiry in disputes between the participating nations, and reports have been presented on various subjects and referred to select committees for further study; some of these questions, however, may be important hereafter, especially the proposed formation of a code of international law for America, to include the Monroe Doctrine. This matter is to be dealt with by a Conference of Jurists, to meet in 1925 at Rio Janeiro. Good work is also stated to have been done by the Committees on Agriculture and Education, and further Pan-American Conferences have been arranged to deal with electrical communications, roads, and journalism. The Constitution of the Pan-American Union in Washington has apparently been so modified as to open membership in it to all American Governments whether recognised by the United States or not, and its Presidency, now permanently vested in that Power, is to be held by all the States in rotation. But the most conspicuous result of the Congress at present is the bitter strife set up between the Argentine and Brazilian Press, and President Alvear's Message to the Argentine Congress proposes to "modernise the naval material" and make additional provision for universal military service during war.

Public Trustee's Report.—The result of the year's work of the Public Trustee is a surplus of £75,000, as compared with a deficit of £41,000 for the previous year, and of £98,000 for the year 1920-21. This result, it is stated, is due not so much to the increase of revenue as to reduction in expenditure. Expenses are lower, partly due to the fall in the Civil Service bonus, but mainly on

account of "the cumulative effect of the economies resulting from re-organisation during the past three years." It is pointed out that expenditure includes all charges which an ordinary commercial enterprise would have to meet—reserve against pensions, rent, rates, sinking fund on building, maintenance, lighting, heating, telephones, postages, &c.—with the sole exception of Schedule "A" income-tax. In anticipation of the surplus, a sharp reduction was made on January 1st in the capital fees payable upon acceptance. As a few months normally elapse between the acceptance of a case and the payment of the fee, the reduction has had very little effect on the revenue of the year under review. The report shows that the aggregate value of new business during the year was £15,332,309, as compared with £19,911,220 for the previous year, when, however, the aggregate was swollen by one estate of unusually large value. The number of new cases accepted during the year was 955, as compared with 1,136 for the previous year, the ordinary trusteeships dropping temporarily about 20 per cent., but they are now showing an upward tendency. The average value of the probates accepted during the year was £17,286, and of the trusts £11,891, as compared with £14,321 (excluding one large estate), and £12,222 respectively during the previous year. The number of cases under administration was 15,600, having an estimated value of approximately £168,600,000. It is interesting to find the Public Trustee explaining that "the investment turnover for the year has been large, owing partly to the transfer of funds from short-dated to long-dated securities in trusts likely to prove of long duration. Of the first-class securities, many are virtually unprocurable, and many have gone to a prohibitive premium; selection from second-class securities, even where desirable, is far from easy, particularly when the wishes of individual co-trustees or beneficiaries have to be considered; and above all there is the difficulty of finding investments with suitable dividend dates, since a trustee cannot adjust cum-dividend or ex-dividend transactions between capital and income in the same way as an absolute owner." The Public Trustee's holdings of Home Railway stocks amount in nominal value to approximately £23,000,000, divided into nearly 18,000 holdings. It is stated that "great progress" has been made in the realisation of enemy property, the gross proceeds amounting at the end of the year to about £60 million, and "corresponding progress has been made in the delivery of accounts to ex-enemy owners." The branch offices at Manchester continue to develop steadily.

Rubber Market Problems.—In a temperately-worded statement, an American correspondent set before readers of last week's *Economist* the views on rubber which obtain in United States circles. He showed that the buyers are bewildered by the unexpected conditions which have followed upon the Restriction Enactment, and inferred the exasperation felt by rubber purchasers who, looking for stability in the produce market, find that the price steadily droops. To some extent, the British proprietor of rubber shares is in similar case. The price of rubber has fallen from nearly 1s 6d per lb. to about 5d less, and this in the face of a weekly reduction, carried on for 15 consecutive weeks, in the stock of visible supplies. Many of the recently issued reports show that British companies are abiding loyally by the Stevenson restriction scheme. Costs, too, are coming down, and rubber can be produced at 9d per lb. or thereabouts, all in. The hubbub raised not long ago, mainly by Americans, about the probability of restriction leading to acute shortage and florin-a-pound rubber, has naturally subsided. Shareholders, rather elated at the 2s prospect, are gloomily regarding the present price of 13d. Meanwhile, the bulls of raw rubber—and they are to be found in country parsonages, schoolmasters' quarters, and other unexpected places—bemoan the losses that the closing of their speculations must land them in. Their frequent sales add to the weakness of a market already disposed to be demoralised by the quantities of rubber that seem to spring up so lavishly through smuggling and other evading practices. And people ask where all this confusion is likely to end. Stock Exchange prices of rubber shares go down, yet there seems to be no quantity of supply for those who are

prepared to pick up shares at what they consider to be bargain prices. People are afraid to sell their shares, although they grumble freely at the present state of affairs. So often in the past has raw rubber taken a swift turn for the better that the likelihood of this occurring again is enough to restrain any but a thoroughly wearied holder. Some people are obliged, of course, to sell; their stock adds to the tiredness of the market, and the market situation drifts from bad to worse. So, indeed, will conditions remain until the Mincing Lane situation clears up. The underlying sentiment is not bad: hope springs more eternally in the breast of the rubber shareholder than in that of anyone else. The constant diminution of the visible stocks of raw rubber will make its effect felt in time. American buyers, full up with orders for motor-cars, will speedily abandon their present procedure of hand-to-mouth purchases directly the raw rubber market steadies. Shareholders in rubber companies are schooled by long experience to the exercise of patience, and the unceasing reduction of costs on the rubber estates will bring its own reward when the produce market resumes what the Americans call normalcy. At the meeting of the Kapar Para Rubber Company, on Monday, the chairman, Mr. A. A. Baumann suggested that what was really required in the rubber market was control of selling. He criticised the Stevenson restriction plan as "only half a scheme," and said that at present there were over 600 sellers and only four buyers, so that the buyers "really have the absolute control of the whole game." Mr. Baumann expressed the opinion that there will never be a stable market until the selling market as well as output is controlled. The point made by Mr. Baumann is attracting a good deal of attention, and the question of forming an effective selling organisation is likely to be a lively topic of discussion.

The New Rumanian Constitution.—The new Constitution of Rumania, which recently passed its final readings in both Houses of Parliament by large majorities, represents the triumph of the centralist idea which has been consistently advocated by the Liberals, and is the final consummation of Rumanian Unity as conceived and planned for many years by this historic party. It is significant, however, that the Opposition parties refrained from voting, and one may be permitted to doubt whether the differences between the Old Kingdom and the New Provinces, such as Transylvania and the Banat, which formed part of the Kingdom of Hungary for a thousand years, or Bessarabia and the Bucovina, which were separated from the old Principalities in 1812 and 1774 respectively, representing as they do varying degrees of civilisation and of economic development, would not best have been overcome by the institution of a Federalist régime. But for good or for ill the French precedent, in this as in so many other respects, has proved the most attractive, and uniformity seems to have been mistaken for unity. From the economic point of view, however, the new Constitution contains two provisions of considerable interest. Ever since the passing of the various Agrarian laws, which divided up the large estates amongst the peasantry, the future of the subsoil has been in dispute. By the Constitution, this question seems to have been definitely settled, and the subsoil is now declared to be the property of the State. This, in itself, is a logical and necessary consequence of previous Agrarian legislation, as there is no reason why the mineral wealth of the country should be handed over to the new peasant proprietors at State expense. The economic effect of this measure, however, will depend almost entirely upon the policy to be adopted by the State in relation to the granting of concessions, notably in the oil districts. Existing holdings are to be respected, but the State claims the right to decide as to how the mineral wealth of the country is to be exploited in the future. This gives a great deal of power to the executive, and might lead to considerable abuse in actual practice. Moreover, the future development of the Rumanian oil industry depends almost entirely upon the active co-operation of foreign capital, and it is much to be hoped that this fact will be borne in mind by the Government when the terms on which concessions are to be granted are definitely decided upon. It is only natural that the Rumanian people should desire to participate in the enjoyment of the natural wealth of the

country and have means of guaranteeing that its exploitation is carried out in the best interests of the country. It is equally important, however, that the great resources of Rumania—which is potentially a very rich country—should be developed, and this should not depend upon the caprice of possibly unscrupulous bureaucrats. Of considerable interest, also, is a further article of the Constitution which decrees the expropriation of the forests. Under the Agrarian legislation of 1920, the former owners retained possession of the forests, save only in Bessarabia, and in the case of the forests belonging to the Church, which were of great extent in the Bucovina. Now, however, the principle of State ownership is established through the whole kingdom, and it is hoped that communal forests will be instituted as a further step in the consolidation of the social life of rural Rumania.

Swiss Finance and Trade.—The report for 1922 of the Commercial Secretary to the British Legation at Berne, recently issued by the Overseas Trade Department, while describing very grave economic depression, indicates that the worst is over, and that the country is essentially sound. It is surrounded by neighbours with depreciated currencies, from whom it is tempted to buy, but who cannot purchase its staple exports (except cheese and cattle) because they are mainly luxuries: its industry is hampered by high cost of living and shortened hours, and has suffered from Socialist agitation, especially the proposal for a capital levy; but the defeat of this latter and of the Socialist candidates at the elections in October have somewhat revived confidence. Deficits in public finance have mounted since 1914 to a total of 500 million francs; the Federal Budget, which in 1910 was 160 millions, was brought up in 1920 to 518 millions by Federal subsidies, increased salaries and wages, extraordinary expenditure, and the debt service; and the estimated deficit in 1923, taking account of certain items not included in the Budget, is 173,900,000. The Federal railway traffics have been disappointing, though lower traffic rates may improve them: the returns should be increased by a fall in working expenses through gradual electrification and the lower price of coal. The postal receipts fell off also. The Swiss franc has recovered its strength, and, though some local banks went into liquidation, the large banks maintained their dividends. Swiss policy-holders in German insurance companies have had to be partly protected by a Federal advance to the companies of 33½ million francs; the policies will be paid partly in cash and partly in scrip, redeemable eventually at 15 per cent. discount, and one-fourth of the advance will be recovered, partly through this discount, the rest directly from the German Government. But this arrangement may have to stand the chance of a popular vote. Imports and exports were greater in volume during the first nine months of 1922 than during the corresponding period of 1921, but lower in value through the fall in the price of raw materials; the imports of textiles and metallic goods from Great Britain increased considerably, and there was a large import over the German railways of Durham coke. The exports of cheese and cattle were larger also. The trade controls are gradually being abolished. The abundant vintage led to restrictions on the importation of wine. Of the industrial exports, "fine foodstuffs" fell off, notably condensed milk and chocolate, the latter partly owing to the competition in British markets of the British product. Of embroideries, silk piece-goods, artificial silk, and dyes more was exported, especially to Great Britain, which is Switzerland's best buyer, and stands fourth among her sources of supply. The exports of watches, clocks, and their parts (except silver watches) increased likewise; but the embroidery and watch trades have had to be aided by Federal (and the former also by Cantonal) subsidies. The machinery trade is also severely depressed. The development of electric power on the railways and in industry is a hopeful sign, but at present must be slow. The working week has been extended in a number of trades to 52 hours by temporary Federal licences under a law passed last year; but unemployment had increased in November, and the Federal Executive is encouraging emigration overseas. The British Chamber of Commerce is doing useful work, notably in assisting British firms to recover debts due. Nothing (as usual) is said of the tourist industry, except

that the substitution of motor-cars for horsed diligences on the mountain routes has nearly quintupled the traffic. The report gives an immense mass of valuable detail, though unfortunately it still keeps up the unscholarly British habit of calling an initiative a referendum and German towns by French names.

Cotton Standards.—Our Manchester correspondent writes:—A controversy is taking place at the present time between the United States Government and cotton trade interests in this country. A few months ago a new law was passed in America dealing with cotton standards, and the provisions of the Act come into force on August 1st. The changes are considered so objectionable, that it has been decided to send a delegation of representatives of the Liverpool and Manchester Cotton Associations and the Federation of Master Cotton Spinners' Associations to place their views before the authorities at Washington. It may be said that the cotton exchanges in European countries agree with the opposition in Lancashire. The new American law provides that no American citizen will be permitted to enter into transactions for the shipment of cotton based on any foreign standards. Further, an American citizen, even if he sells cotton based on American standards or on a private type subject to arbitration in any foreign country, will always be entitled to appeal to Washington to have the samples of his cotton arbitrated upon by the Government Department. For over 100 years past the Liverpool standard has governed the purchase of cotton both for this country and for Europe generally. When any difficulty has arisen with regard to the quality of cotton supplied, the matter has been promptly arbitrated upon by the Liverpool Cotton Association. The effect of the new American law will be that for redress on matters of this kind action will have to be taken in the American courts. This would cause considerable delay, and involve serious expense. It is believed that as a result of the visit of the delegation from Lancashire to Washington some amicable agreement will be reached.

Regulating Food Prices in Spain.—The Spanish Government has passed a law which fixes the price of all food products, its object being "to prevent producers, merchants, and middlemen from making net profits in excess of the margin fixed by the Central Council of Provisions." In fixing prices the Government will consider the following points:—The cost of production, the type of merchandise, the cost of transportation to market centres, and the municipal taxes, if any exist. The net profit and the profit of middlemen and merchants are fixed by the council at Madrid, which establishes a minimum and maximum price according to the class of merchandise. A council will be established at each provincial capital, which will operate under the rules established for the central council, and will be presided over by the various provincial governors. The councils are allowed to name two women members to represent the consumers, as it is considered their advice might be of value in view of their intimate association with problems of domestic economy. The decisions of the provincial councils are subject to appeal before the central council, and those of the latter before the Minister of Public Works. In a statement accompanying this decree, the Minister of Public Works mentions that although he "deplores the necessity of regulating prices," and cites the unfavourable experiences of other European countries in that respect, he feels that "it is the only method by which the exorbitant difference between the price of raw materials and that of the finished product can be reduced."

The Non-Ferrous Metals.—The marked weakness displayed by the non-ferrous metals during the early part of the week would appear to have been closely allied to the extraordinary wave of pessimism which has been sweeping over most markets during the last fortnight or so, and it is difficult to account for this sudden change of sentiment. Some people can trace it to New York, where official action in connection with speculation in commodities has been the subject of much comment, but on this side the political tension and industrial unrest have been generally blamed. Last week all the markets closed lower, and early this week there was a big selling move-

ment, chiefly to liquidate, but also for bear account. The copper market broke very badly, the weakness being accelerated by easier cables from the United States, reports that the demand for the metal on German account had practically ceased, and talk of a rapidly expanding production. Trading was again very active, but sellers were always predominant, although in the late trade offers were made with a certain amount of caution, and trade buying was a feature. Standard copper at one time showed a fall of more than £10 per ton from the best of the year touched in March last, but the price still kept a few pounds above the lowest recorded in 1922, and it was also better than the bottom price reached in 1913, with a good recovery near the close. Tin was sold in a very aggressive fashion, but Eastern smelters followed the recession very unwillingly and bids round about £200 or so received very little attention. At one time about mid-week the London price of standard showed a break of more than £40 per ton compared with the high level reached two months ago, but even at the worst the price of standard was about £50 per ton above the lowest registered last year, and compared with the bottom figure touched in 1913 there was a margin of something like £25 in favour of the present year. The lull in the tin-plate trade, absence of American business, and heavy speculative selling on the part of leading operators were the chief adverse factors, the further decrease in the stocks to 3,750 tons being ignored. Dealings near the close, however, became very active, but the undertone remained nervous, although there was a strong upward reaction in prices. A lot of option buying was a feature. The lead market, after breaking to £24 7s 6d last week, closed better, and this week the metal more than held its own, despite the weakness displayed in other directions. Quite an active business was put through, and at one time values moved up rather sharply. Zinc, on the other hand, was early in the week freely offered, chiefly on Continental account, and at one time was below £29, representing a fall of nearly £10 per ton from the highest reached last March, although still well above the lowest for all 1922. The price was thus at one time this week little more than £2 better than the best figure noted in 1913, but there was a sharp upward reaction on good buying by galvanisers and others, which lifted the metal over £30 again. This was continued, and on Thursday very active buying was seen, which put the spot quotation over £31. Copper and tin in the late trade were strong and active again, with sellers remarkably scarce, the forced realisations having come to an end and confidence been restored. Private American advices were more encouraging, and there was a lot of bear covering on this side, both standard and refined being better. Tin was brought round about £193 to £195 for American account, and the firmness in the East, coupled with active bear covering, trade buying and operations by dealers who had sold to the States, caused a very sharp reaction, cash and June jumping up to £199 for standard, the undertone being very strong. Lead continued firm and sentiment generally changed for the better, all non-ferrous metals closing good in tone.

Brunner, Mond, and Co., Limited.—The year ended March 31, 1923, proved a very successful one for Messrs Brunner, Mond, and Co., Limited. The report shows net profit of £1,650,295, which compares with £1,022,000 in the previous year. On the ordinary shares a dividend of 11 per cent is declared, against 8 per cent. in the two preceding years. The following table gives a summary of the company's accounts for the past six years and for 1913-14:—

	1913-14.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.	1922-23.
Paid-up capital	4,031,870	3,244,888	3,244,888	3,244,888	3,244,888	3,244,888	3,244,888
Reserves	1,338,000	141,881	603,508	2,817,680	3,038,680	2,808,788	3,002,788
Gross profit, investment receipts, &c.	851,290	1,264,514	1,199,040	1,319,389	1,182,271	1,220,310	1,845,412
Charges, &c.	81,947	152,686	186,959	190,239	243,754	196,310	185,117
Net profit	769,343	1,111,828	1,012,081	1,129,150	938,517	1,024,000	1,660,295
Brought forward	130,179	214,131	117,072	136,315	123,703	138,308	90,293
Prof. dividend	889,520	1,325,959	1,129,153	1,265,465	1,062,220	1,160,308	1,740,588
Reserve, &c.	105,000	105,000	105,000	105,000	105,000	245,312	300,000
Out. dividend	2,500	250,000	100,000	50,000	50,000	50,797	287,215
Balance	671,102	851,907	785,753	984,224	765,912	770,908	1,061,462
	(77½ %)	(11 %)	(10 %)	(11½ %)	(8 %)	(8 %)	(11 %)
Balance	110,920	118,072	138,400	126,241	141,308	83,293	91,911

The gross profits in the table include £632,198 investment and loan revenue, but are taken after deducting £200,000 on depreciation account. From investments and loan revenue the company received last year approximately £130,000 more than in 1921-22. General reserve, which was not increased a year ago, receives £62,215. An interesting item is the contribution of £225,000 to suspense account. Last year the allocation to this account was £50,000, and the directors will probably give an explanation of the largely increased contribution now recommended at the annual meeting. At the year end the balance in the account was £9,019, a sum of £61,648 having been written off during the year. It will be seen from the analysis of the balance-sheet, which appears in our usual column, that the larger profits of this year have been earned on practically the same capital as last year. Investments in associated companies now stand at £7,504,905, against £7,225,752 a year ago. The liquid position, as a whole, has improved, creditors being £880,400 less, and stocks £316,175 less. Debtors have grown slightly. Cash is £580,945, compared with £1,209,344. The report states that at the annual meeting the shareholders will be asked "to empower the directors, from time to time, to issue to the staff and workpeople (not being directors) ordinary shares in the company to a number not exceeding 100,000, without such shares being first offered to the ordinary shareholders, in proportion to their holdings."

Fine Cotton Spinners.—The report for the year ended March 31, 1923, shows that the substantial recovery which the Fine Cotton Spinners and Doublers' Association made in the previous year was more than maintained in 1922-23. In respect of dividends, the year just ended is the best the association has had, excepting 1920. Profits, including amounts received for enemy debts—which are not specified—and after charging £180,000 for depreciation and providing for corporations tax and bonuses to management, are £943,460, which compares with £613,339 in the previous year. The dividend on the ordinary shares is 12½ per cent. The table below, giving the association's record since 1906, shows that this is the highest dividend paid, except the 20 per cent. paid for 1920:—

Year Ending March 31.	Profits.	Deb. Interest.	Prof. Dividend.	Ord. Dividend.	To Reserve, &c.	Ord. Dividend.	Ord. Div. Rate.	Carry Forward.
	£	£	£	£	£	£	%	£
1906.....	402,442	110,000	125,000	..	40,000	80,000	10	114,344
1907.....	581,337	110,000	125,000	..	150,000	140,000	10	239,490
1908.....	800,076	110,000	125,000	..	200,000	240,000	12	201,735
1909.....	357,317	110,000	125,000	..	nil	160,000	8	180,257
1910.....	433,220	110,000	125,000	..	50,000	160,000	8	136,801
1911.....	501,845	110,000	125,000	..	100,000	160,000	8	206,675
1912.....	497,567	110,000	143,708	..	50,000	179,986	8	255,477
1913.....	588,829	110,000	150,000	..	100,000	180,000	8	255,310
1914.....	609,584	110,000	150,000	16,750	150,000	180,000	8	134,858
1915.....	391,067	110,000	150,000	22,500	50,000	180,000	8	138,222
1916.....	535,853	110,000	150,000	22,500	70,000	180,000	8	140,750
1917.....	710,077	110,000	150,000	22,500	200,000	225,000	10	152,431
1918.....	701,139	110,000	150,000	22,500	170,000	237,000	10	169,591
1919.....	824,659	110,000	150,000	22,500	300,000	290,000	12	358,930
1920.....	1,247,541	110,000	150,000	43,201	265,000	490,000	20	185,307
1921.....	1,224,816	122,358	150,000	47,000	Dr 391,020	367,500	10	198,946
1922.....	611,339	110,000	150,000	47,000	294,000	8	138,222	
1923.....	943,460	110,000	150,000	47,000	165,000	458,375	12½	210,331

* Including £12,358 for expenses of new issue of shares.

The amount brought in is £198,246, making the sum available for distribution £1,141,706, or, deducting £110,000 debenture interest, £1,031,706. Reserve for equalisation of dividends receives £100,000, pension fund £50,000, and a welfare fund, which now makes its appearance in the accounts, receives £15,000. The research fund is decreased by £15,000. The balance-sheet, an analysis of which appears elsewhere, shows some changes in the liquid items. Creditors are £347,353 higher than in last year's; stocks-in-trade are up by £690,885; debtors are £141,906 lower. These figures are such as might be expected in a period of better trade; but the item of stocks and stores at £3,769,752 appears at first sight a little high, even in an industry that has to look well ahead. Investments are lower by £250,768. They include holdings in subsidiary companies. Cash is £325,359, against £32,298 in the last balance-sheet. The auditors state, as they did last year, that the position with regard to the association's investments in France is practically unchanged since the date of their last report.

The Royal Insurance Group.—The accounts of the Royal and Liverpool and London and Globe Insurance Companies may conveniently be dealt with together, although they are issued in detail separately. The Royal's fire premiums remained last year practically stationary at £6,427,122. The claims were 53.1 per cent. of the premiums, against 58 per cent. in 1921, and the expenses were 40.9 per cent., against 41.1 per cent. The underwriting result was a surplus of £382,480, or 5.9 per cent. of the premiums, as compared with a surplus of £303,550, or 4.7 per cent., in 1921. The Liverpool and London and Globe, on the other hand, with fire premiums of £4,230,020, against £4,406,804, had a claims ratio of 60 per cent., against 63.3 per cent., and expenses of 42.4 per cent., against 42.8 per cent. There was an underwriting deficit of £32,821 (.8 per cent.), as compared with a deficit of £23,295 (.5 per cent.) in 1921. The Royal's marine statement showed a profit on the 1921 account of £68,380, while the Liverpool and London and Globe, which sets out its figures on a different principle, showed a deficit for 1922 of £54,457, against a deficit for 1921 of £36,083. The employers' liability department of the Royal contributed £100,000 to profit and loss, and £400,000 was taken from the general contingencies fund. The Liverpool and London and Globe transferred to profit and loss £57,025 from the employers' liability account, £88,191 from the miscellaneous insurance account, and £250,000 from the investment fluctuation fund. The Liverpool and London and Globe received in interest on investments, less debenture interest, £363,372, and paid in dividends (to the Royal) £327,260. The Royal's receipts from interest and dividends, less debenture interest, were £859,083, and the dividends (23s a share, less tax) amounted to £955,053. The Royal's dividends for 1921 were 22s a share, less tax, and those for the current year will apparently be 24s a share, less tax. The total premium income of the joint companies amounts to £21,038,380, and the funds to £42,629,418. It is proposed to apply £279,971 from the undivided profits to pay up 5s a share, thus making the Royal's shares £5. 1s 10s paid. The paid-up capital will then become £1,679,829.

Sun Insurance Office.—This, the oldest joint-stock fire insurance company with a continuous history, shows substantial results for last year. The fire premiums were £2,207,438, as compared with £2,199,041 in 1921. The fire claims were 49.26 per cent. of the premiums, as against 52.3 per cent., and the expenses were 43.76 per cent., against 44.2 per cent. The underwriting surplus was £155,071 (7 per cent.) as compared with £143,354 (6.5 per cent.). The growth in expenses is the trouble of the Sun as of most other big insurance offices, and though the proportion to premiums is slightly lower than in 1921, the ratio of 43.76 per cent. is four points higher than in 1920 and six points higher than in 1918. The total income from investments was £144,578, and the amount paid in dividends last year was £151,200. The balance at profit and loss on December 31st last was £654,987, against £642,864 brought forward, and the dividend declared on account of 1922 will cost £168,150, leaving £486,837 unappropriated.

Lonely Reef.—As this important Rhodesian gold mining enterprise is one of the few which follow the practice of issuing quarterly ore reserve estimates, the annual report contains nothing new as to the position in this respect. It is, however, a little striking to find that the estimate of December, 1922, compared with that of 1921 shows a decrease of nearly 2 dwts in the value, as well as some reduction in the tonnage. Developments during the year were fairly good, but not good enough to replace the ore extracted. As previously pointed out in our columns, the company has crushed ore substantially above the grade of the reserves; and sooner or later this procedure requires to be paid for. In 1921 the average value of the ore milled was fully 20 dwts. Last year it equalled no more than 17.6 dwts. The effect of this reduction, in conjunction with the decline in the gold premium, has been to more than offset a marked economy in expenses. Owing to the growing shortage and high cost of wood fuel, the directors decided in 1921 to instal a gas-producer plant. This came

into operation during November of that year; consequently the report for 1922 reflects a full 12 months' results. The saving due to the new plant, together with lower charges for stores, represents 13s 7d per ton. Yet the net profit comes out at only £93,850, in place of £133,700. The dividends having been maintained at 30 per cent., the necessary provision for taxes, depreciation, &c., entails a substantial appropriation from the carry-forward. On the basis of recent distributions, the shares yield about 17 per cent.—a high rate, but none too much in the circumstances. Members are now offered one share in ten, or 30s to provide for the completion of the capital expenditure.

Central Mining and C.M.S.—The reports for 1922 of the Central Mining and Investment Corporation, and of the Consolidated Mines Selection Company have just been issued. The first-named undertaking is, of course, the premier Kaffir finance house, although in recent years its interests have become of a very diversified character. Well-informed Stock Exchange men expected that a bonus of 4s per share would be declared in conjunction with the final dividend for the past year. The anticipation proves correct; indeed, an even larger amount could have been provided, the profit showing an increase of nearly £214,000 upon that of 1921. The directors, however, transfer £100,000 to reserve, which a year ago received nothing, and still carry forward a slightly enhanced balance. Appended is an analysis of the accounts for the past three financial periods:—

	1920.	1921.	1922.
	£	£	£
Shares, investments, &c.	5,732,430	5,736,470	6,244,850
Debtors, less reserves	601,570	55,420	149,030
Creditors	3,191,170	2,565,380	4,369,100
Loan	808,900	936,450	1,983,240
Cash	327,630	77,330	334,820
Dividends, profits, &c.	506,630	444,490	650,570
Management, &c., expenses ..	37,350	41,320	68,630
Taxes	78,990	88,820	53,920
Net profit	390,280	314,360	528,030
Dividends	255,000	255,000	340,000
Do per share (tax free)	12½	12½	16½
To reserve fund	100,000	..	100,000
For income-tax	70,000	65,000	65,000
Brought forward	145,260	100,400	90,500
Carried forward	100,400	90,300	92,850

* After deduction of directors' percentage.

The whole of the receipts are lumped together, but it may be safely concluded that at any rate the greater part of the expansion in last year's earnings represents surplus on realisations; indeed, as much is indicated by a contrast of the assets in the last two balance-sheets. The expansion in the portfolio is entirely accounted for under the heading of gilt-edged securities, which comprise nearly one-third of the total. With regard to the interests other than South African, the directors intimate that the base-metal undertakings have fared better than before, and that satisfactory progress is being scored by the oil undertakings. A departure consists in the acquisition of a participation in a banking firm. When the strength of the Corporation's position was pointed out in last year's "Note," the price of the shares stood at 7½. It is now over 10, still showing a return of 8 per cent., tax free, on the basis of the distributions for 1922. The South African interests of the Consolidated Mines Selection Company, as mentioned in our columns recently, are now represented by shares in the Anglo-American Corporation; the other interests do not count for much, figuring in the balance-sheet at barely £32,000. Last year's revenue in the shape of interest and dividends naturally fell somewhat below the 1921 total, but the present accounts show a profit of about £20,000 from the sale of securities, giving a net surplus of £57,800, as against £23,700 last time. The dividend of 12½ per cent. will absorb £61,250, leaving a slightly reduced balance to be carried forward. In respect of the preceding year no distribution was made, there being a heavy writing-off, towards which the reserve of £100,000 was appropriated. Securities appearing in the balance-sheet at £756,300 are nearly all quoted, and show a large appreciation over book values. The issued capital is £600,000, and the 10s shares are quoted about 15s. The debenture issue has been reduced to £55,300.

Farm Crops in 1922.—The final crop returns which have recently been issued by the Ministry of Agriculture show that the total value of farm produce in 1922 amounted to approximately £400,000,000. The total production of wheat was over 1,000,000 quarters less than in 1921, and of barley a quarter of a million quarters; this latter crop being the smallest recorded, with one exception, since 1885. The total production of oats was about three-quarters of a million quarters less than in 1921, and was the smallest since 1912. In the case of beans there was a slight increase over 1921, but in most districts the crop was below the average, particularly in the Eastern Counties. The yield of peas was the worst on record, and, in spite of an increased area under cultivation, the total crop fell below that of 1921. The potato crop was estimated to be slightly over 4,000,000 tons, which was more than a million tons above the previous year, and 50 per cent. over the pre-war average. The yield of 7.1 tons to the acre is the highest recorded since official returns were first collected in 1885. In spite of the reduced area under turnips and swedes, the total production was greater than in 1921, and yields above the average were obtained in most parts. The yield of mangolds was considerably higher than in 1921, and about 1,000,000 tons more than the average for the previous ten years. Although the total crop of hay was less than in 1921, meadow hay produced a better crop, and the area mown was some 360,000 acres higher than the previous year. The total crop of hops was greater by 77,000 cwt. than in 1921.

A New Rubber Process.—Our New York correspondent writes:—In a special report to stockholders of the United States Rubber Company, C. B. Seger, chairman of the board of directors, announces a new method of producing crude rubber from the original latex. The process is said to insure, for the first time since rubber was discovered, "a pure and absolutely uniform product," which is described as "sprayed rubber." Heretofore all rubber produced and sold on the market, it is explained, has been coagulated out of the rubber latex by means either of smoke or chemicals. Rubber produced by the old primitive native methods of heat and astringent smoke over a slow fire is contaminated with smoke and other combustion products, and there is no assurance of uniform quality. When rubber is produced by treating latex with acetic acid, the rubber is said to contain acid residues which tend to destroy some of the valuable natural properties of the latex. By the new spraying process the latex is sprayed into a snow-white mist; the latter is brought into contact with pure superheated air, which drives out the water of the latex, but nothing else, leaving, it is claimed, 100 per cent. pure solids from the virgin latex. Mr. Seger says that sprayed rubber has greater strength because it contains all the natural strength of the rubber of the original latex unimpaired by chemicals or the destructive effect of machine working.

A Textile School for China.—To prepare for the inevitable development of the Chinese cotton industry, and to ensure that British influence and British machinery shall have their fair share in the process, it is proposed to establish a School of Textile Industry at Shanghai, in which instruction will be given both in the technical manufacturing processes and in the scientific and economic conditions governing production, including the means for promoting the efficiency and securing the welfare of the workers. The scheme is actively supported by the Textile Machinery Makers' Association, whose headquarters are at Manchester, on the ground that it would stimulate the sale of British machines in China, where American and German competition is becoming acute. Some of the machinery needed will probably be presented by its British manufacturers, and it is hoped to obtain a share of the Boxer indemnity wherewith to start the enterprise and provide part of its annual cost. The remainder will be furnished by subscriptions from Chinese manufacturers and by students' fees, and the best students will be enabled by scholarships to complete their training in England. Other British industries concerned may possibly aid in the work.

Oberzee Correspondence.

UNITED STATES.—NEW GOVERNMENT FINANCING—FEBRUARY FOREIGN TRADE—FURTHER CRUDE OIL PRICE REDUCTIONS—SUPREME COURT'S PROHIBITION DECISION.

(FROM OUR CORRESPONDENT.)

NEW YORK, May 7.

New financing by the Government this month will consist of an issue of \$400,000,000 Treasury notes, dated May 15th, maturing March 15, 1927, and bearing interest at the rate of $4\frac{1}{2}$ per cent. As heretofore, the Treasury Department reserves the right to allot notes in excess of the amount mentioned to the extent that $4\frac{1}{2}$ per cent. Victory notes may be tendered in payment. Victory notes maturing on May 20th aggregate \$765,000,000, while those which came due on December 15th last, but which have not yet been presented for redemption, approximate \$65,000,000, making a total of about \$830,000,000 outstanding. Some estimates of the amount of Victory notes that will be offered in exchange for the new Treasury notes run as high as \$200,000,000; but, as indicated, additional notes of the new offering will be allotted to whatever extent may be necessary. Furthermore, the Treasury Department has on hand an exceptionally large balance in the general fund, it is understood, which will be available, if needed, for the redemption of Victory notes. In a letter to banking institutions Secretary of the Treasury Mellon predicts that the national budget for the fiscal year ending June 30, 1923, will show a surplus of more than \$125,000,000. He believes that henceforth the budget will be balanced from year to year, and that with economy in expenditures the process of gradually reducing the public debt will be continued. Substantial progress has already been made in that direction. The gross public debt, which on April 30, 1921, totalled \$24,000,000,000, will have been reduced by June 30, 1923, to approximately \$22,400,000,000, and all of the old \$7,500,000,000 short-dated debt (consisting of Victory notes, certificates of indebtedness, and war savings certificates) will have been retired or refunded.

Import trade for February, valued at \$290,000,000 according to the Department of Commerce, was \$34,000,000 below the total for January, but showed little, if any, falling off if allowance be made for the shorter month. The February total was only slightly less than the aggregate for September, when the new tariff took effect, and was \$81,000,000, or 37 per cent. larger than in February of 1922 or 1921. Exports in February of this year, totalling \$307,208,000, represented an increase of 23 per cent. over February of last year, when the outward movement was the smallest recorded for any month since the outbreak of the war. Of the \$57,000,000 gain in all exports last February, as compared with a year ago, manufactured products accounted for \$31,000,000, crude materials \$21,000,000, and foods only \$4,000,000. For the eight months ending with February the excess of exports over imports has fallen to \$337,860,426, as against \$858,421,598 for the corresponding period of the fiscal year ending June 30, 1922, and \$2,365,447,711 in the like period of 1921. Obviously, if the swelling tide of imports continues, it will not be long before the excess of exports disappears, provided there is no marked revival in export trade. Such a turn in the balance of foreign trade against the United States would help to relieve this country, to some extent at least, from what many authorities regard as its "troublesome gold supply."

The downward movement in commodity prices, noted in March, gathered greater momentum during April. Bradstreet's index number at May 1st, namely, \$13.6665, marks a lowering in the general level of 2 per cent. during April, as compared with a decrease of only two-hundredths of 1 per cent. in March. As against May 1st of last year, the present index number is 16.7 per cent. higher, while the rise from June 1, 1921 (the low point of recent years) is 28.7 per cent. Compared with February 1, 1920, the highest point reached since the war, the May 1st index figure shows a decrease of 34.5 per cent., but it is 56.9 per cent. above the August 1, 1914, level. Last month,

as was the case in March, the sharpest declines were recorded in provisions and textiles.

Further reductions in crude oil prices have been announced during the past week, all Pennsylvania grades, with the exception of Corning, having been cut 25 cents a barrel. Wyoming grades were lowered 10 cents a barrel. At the new levels, Pennsylvania crude, Bradford district, is quoted at \$3.75, and other grades at \$3.50 a barrel. Corning crude was cut 15 cents, and is now quoted at \$2. The widespread reductions are attributed to overproduction in this country. According to the American Petroleum Institute, the total output of crude oil in the United States for the week ending April 28th averaged 1,946,500 barrels daily, as against 1,945,850 for the preceding week and 1,411,700 barrels for the corresponding week of last year. Companies operating in California, where there has been a tremendous increase in output in recent months, are now taking steps to curtail production. Additional reductions have also been made in gasoline prices, with the result that the average tank wagon price in 30 representative cities of this country is now 20.4 cents a gallon, or only one-fifth of 1 cent above the low average price of 1921.

The recent decision by the United States Supreme Court, holding that, under the prohibition law of this country, no liquor may be allowed on foreign or domestic ships within the three-mile limit, although permitting American vessels to carry it on the high seas, came as a distinct surprise to all steamship interests here. This decision has been heralded as a victory for American steamship companies. But it is favourable to them only to the extent that it places American ships on a parity with foreign vessels plying to and from United States ports. It has met with a great deal of adverse criticism here. Whatever the legal aspects may be, a very substantial part of public opinion in this country is that prohibition enforcement is being carried to ridiculous extremes. It may be well, however, to reserve judgment until the Treasury Department issues regulations which are now being prepared, and which may be sufficiently liberal to overcome difficulties, at least so far as foreign ships are concerned.

FRANCE.—REVISING THE BUDGET—SENATE COMMISSION'S REPORT—REVENUE RETURNS—PRICES FALLING.

(FROM OUR CORRESPONDENT.)

PARIS, May 16.

WITH the resumption of the session, after the Easter recess, the Finance Commission of the Senate has presented its report on the Budget Bill as sent up to the Upper House from the Chamber. The Bill, it will be recalled, leaves a deficit of over 3,700,000,000 in the estimates of revenue and expenditure for the current year, to be got rid of. This problem the Senate Finance Commission has resolutely faced, and in the report it has presented it proposed not only to get rid of nearly one-half of the deficit by a further drastic cutting down of the estimated expenditure for the year, but also to wipe out the balance by taking advantage of the increased yield from taxation, as compared with the Finance Minister's estimates.

In his report M. Henry Bérenger states that, as the result of hard work by the Commission, the budgets of the various Government departments have been carefully re-examined, and, after taking into consideration the actual situation on March 31st last (three months after the current financial year had begun), it feels justified in recommending a cutting down of proposed expenditure during the present year by a total of 1,150,000,000. The second important factor in bringing about the balancing of the Budget the Commission finds in the fact that the revenue from taxation has proved to be enormously greater since the beginning of the year than had been estimated. The Commission, basing its conclusions on the figures actually reached during the first four months of the present year, estimates that the Treasury may rely on receiving, before the end of the year, a total of 2,300,000,000 more than M. de Lasteyrie expected to

secure from taxation during the current financial year. The Commission suggests that if to this be added the 500,000,000 which the railway companies, now that they are on their feet again, may reasonably be called on to hand over to the Government during the present year, in payment for rolling stock and other material transferred to them after the Armistice, the Budget will not only balance, but actually show a surplus of 260,000,000. The Budget, therefore, as modified by the Senate, may be expressed in tabular form as follows:—

EXPENDITURE.	Frs.	REVENUE.	Frs.
As proposed by Chamber	23,971,000,000	As proposed by Chamber	20,281,000,000
Less economies suggested	1,150,000,000	Estimated increased yield from taxation	2,300,000,000
By Senate	22,821,000,000	Due from railway companies	500,000,000
Estimated surplus	260,000,000		
	23,081,000,000		23,081,000,000

This surplus, the *Rapporteur* states, would be further increased, in view of the fact that, supposing the economies in question are realised, it will no longer be necessary to raise the loan of 3,800,000,000, by which the Chamber proposes the deficit shall be met, consequently the expenditure in the form of interest, &c., in connection with this loan would not be required. This would mean a further saving of 164,000,000 at least, the final figures of the modified Budget therefore being:—

	Frs.
Estimated revenue	23,081,000,000
Estimated expenditure	22,656,000,000
Estimated surplus	425,000,000

In his report, however, M. Henry Bérenger goes still further, and urges that the greater part of the interest charges on the floating debt, amounting to over 3,000,000,000 for the current year, should be transferred from the Ordinary Budget to the Budget for Expenditure Recoverable from Germany. These charges, he argues, have hitherto been wrongly included in the general Budget. M. Bérenger raised the same question a year ago, it may be remembered, in his report on the Budget for Recoverable Expenditure, and his proposal was on that occasion approved by the Senate, as there is little doubt it will again be on the present occasion. The Government itself has approved and adopted the principle advocated by the Senate last year, as it has included in this year's Budget for Recoverable Expenditure a sum of 589,000,000, representing the interest charges payable during the current twelve months in respect of the 6,000,000,000 of National Defence Bonds, the produce of which has this year been advanced in payment of Reparation claims.

In a statement made to the Finance Commission of the Chamber a few days ago, M. de Lasteyrie reported that the recent issue of three-, six-, and ten-year Treasury bonds resulted in a total subscription of 9,778,000,000, of which about 2,200,000,000 represented entirely fresh money, the balance being in the form of exchanges of previous issues, &c., for the new bonds.

That the Senate Finance Commission's optimistic views as to the yield from taxation during the present year are justified is evident from the returns that were published on Monday showing the amounts actually recovered during April. The return establishes an entirely new record for this country. The total amount received by the French Treasury for the month in question, including direct and indirect taxation, income-tax, the yield from the State monopolies, the special tax on war profits, and the sale of war stocks, was 2,018,744,900. In this total the yield from income-tax figures for 237,144,700, and that from the special tax on war profits (which is merely a temporary impost) for 112,817,000, while sales of war stocks, another exceptional source of revenue, produced 92,676,000. The yield from indirect taxation and the State monopolies during the month was 1,549,832,000, or 12 per cent. more than in the corresponding month last year. The revenue for the month from these sources alone exceeded the Finance Minister's estimates by 179,436,500, which, added to the surplus received during the three previous months, brings the total received since the beginning of the year in excess of Budget estimates to 428,581,500.

The index figures for wholesale prices for the month of April (based on 100 for 1901-1910) have now been pub-

lished by the Statistique Générale, and are as follows, in comparison with those for the previous month:—

	March	April
	(Corrected)	(Provisional)
General index figure for 45 categories	490.2	479.5
Foodstuffs, index figure for 20 categories ..	459.2	451.5
Vegetable foods (8 categories)	400.1	386.0
Animal foods (8 categories)	487.6	486.7
Sugar, coffee, cocoa (4 categories)	520.7	527.3
Raw materials, index figure for 25 categories ..	515.0	499.4
Minerals and metals (7 categories)	510.9	467.8
Textiles (6 categories)	632.7	619.6
Sundries (12 categories)	458.6	457.4

As will be noted, the figures show a fall in prices in all categories, with the exception of sugar, coffee and cocoa (which may be interpreted as meaning sugar alone). The most striking fall recorded is that of 43 points in the quotations for ores and metals, which is significant, in view of the present situation in the Ruhr, while textile prices have also dropped 13 points. Retail prices in Paris naturally did not feel the effects of the drop in wholesale quotations immediately, but here also the downward tendency was visible even before the month had closed. The index figure for the retail price of 13 categories of foodstuffs in Paris for April is returned as 3439, or 220 per cent. higher than the prices of the same commodities in 1914 (as compared with 3454 in March, when the figures showed an increase of 221 per cent. on those for the corresponding period of 1914).

GERMANY. — REPARATIONS — FINANCES — EXCHANGE DECREE — PRICES.

(FROM OUR CORRESPONDENT.)

BERLIN, May 15.

THE British and Italian Notes rejecting Herr Cuno's Reparations plans caused some disappointment at first, because while the refusal was discounted in advance it was in sharper terms than were expected. The present attitude, however, is that a new offer must be made. Only the extreme Right is solidly against this, on the grounds of its general policy that no Reparations should be paid at all. The People's Party, which counts most when it comes to concrete measures for organisation of an industrial guarantee, seems to be divided. Herr Stinnes' chief organ holds that it is not possible to offer more, but other journals of this party declare that the British Note gives an opportunity for making a new offer which should not be lost; and the Left parties' organs demand an offer. The criticism in the Ally Press and Notes of the vagueness of some of the last Note, in particular the vague handling of the private guarantee, is repeated by a good many writers. Underlying this there remains the feeling mentioned from here last week, that the making of suggestions is rather more a move in the game of putting one's self right with the world by showing reason and conciliation than a measure likely to bring settlement. The present nature and the tradition of the Reparations question, which is mostly prestige, complicated by unwise promises and boasts, almost make it impossible for the Ally Governments to accept any German offer; all dealings with Germany since 1918 have been on the basis of dictation, which is inevitably a bad basis when the dictation admittedly runs up against material obstacles, as was the case with the Ultimatum of two years ago. As the Ally Governments have admitted that the terms of that Ultimatum cannot be carried out, but still maintain the claim, based on the Peace Treaty, that they alone shall fix the Reparations liability, it would probably help towards settlement if they stated—this time after consideration—what are their own new terms. It must be repeated that no one in Germany has any notion what Germany can pay; pay anything in the present state of the foreign payment balance she presumably cannot, and as to what would happen after a four years' moratorium any calculations are legitimate. Herr Franz Urbig, the chief of the Disconto-Gesellschaft Bank, has published an article to show that 20 milliards of gold marks as the capital Reparations sum would impose an impossible burden; the whole profits of such part of industry as is organised in share companies amounts only, he attempts to show, to 433,000,000 gold marks, of which, of course, all is not available for

Reparations; and as the capital sum mentioned would involve annual payments of 1,250,000,000 gold marks, industry would not nearly produce enough. These kinds of calculations appear almost daily in the German Press; they are usually made by correctly converting paper mark figures into gold mark at current exchange; but are, as a rule, unreliable owing to blunders of principle, one of which is taking paper-mark profits over a long term, usually a year, and converting them to gold at the latest and worst exchange, although the greater part of the profits were earned in marks of a much higher gold value. It is very hard to believe that German industry, which has been working until lately smoothly and abundantly, and which has charged what prices it liked, is not earning considerable profits; and it is wholly impossible to believe that it would be harder for Germany, which pays very little for debt and has very small and cheap armaments, to raise 1½ milliards of gold marks, or about £60,000,000, than it is for Great Britain to raise £470,000,000 this year for debt and armaments.

There is every day better reason to believe that Germany's difficulty with Reparations does not lie in any insufficiency of real substance, but in the chaos in the distribution of values caused by the currency depreciation. The creation of an export surplus by means of taxation is impossible as long as the decaying currency automatically reduces to very little the nominally enormous burden of direct taxes, to the loss of the State. Effective direct taxation would enforce economy in consumption, and so make for an active payment balance; but as long as the currency is getting worse the State will not get the substance of direct taxation, and the taxpayer who is thereby spared will not save even for himself what he is spared. If a moratorium and a satisfactory Reparations settlement established general confidence, the mark selling due to distrust would no doubt cease; and the other factor in mark depreciation, the passive trade balance, would tend to be removed by the increased real burden of taxes and the economy thereby induced. It does not therefore seem that the total of Reparations, whether 30, 40, or even more milliards, is such a vital factor as the German public believes; if things went ill the smaller burden would remain impossible, but if they went well, as Germans expect in case of a settlement, the larger burden might easily be borne. The only certainty is that no burden will be borne as long as the present instability and lack of confidence prevail.

The floating debt increased in April by only 2,017 milliards, as against 3,645 milliards in March. The improvement is largely due to the stability of values; the April returns show a large revenue increase without an increase of expenditure. The floating debt on April 30th totalled 10,291 milliards, of which more than 8,000 milliards were accumulated in the four months of the year. The Customs gold surcharge has been raised to 740,000 per cent. The completed accounts for Posts and Railways for the financial year 1922 (ending March 31, 1923) with those of 1921 for comparison, are as follows:—

	Milliards of Marks.	
	1921.	1922.
Posts, telegraphs, and telephones ..	10,286	255,247
Railways	42,118	1,853,199
Whereof goods traffic	31,917	1,600,239

The relative cheapening of the postal service and of passenger fares as compared with freight rates is shown by this table.

The foreign exchanges had another big rise immediately before and immediately after the publication of the Government measures which are supposed to protect the mark. The new "exchanges emergency decree" has therefore had no more effect than experts anticipated; but it meets a demand from the part of the public (based on the belief that the mark declines are due to speculation) that something shall be done. The decree repeats some of the regulations in Dr Wirth's decree of October, and contains important new provisions. A class of "exchange banks" alone authorised to conduct exchange business is created. In home business foreign currency payments may not, with certain exceptions, be asked for, paid or taken. Permission of the local offices of the Finance Ministry is required for purchase of exchange abroad, where the buyer is not a registered trader. The

exchange banks must report exchange deals of certain kinds to a department of the Reichswirtschafts Ministry. Marks must not be lent on security of foreign coins or notes. The Reichsbank can demand from anyone a statement of the amount of foreign currency held, and can requisition such currency as it considers is not required for legitimate trade; and persons suspected of speculating in currency to the detriment of the nation may be required to obtain the Reichsbank's permit for every single deal. The decree is accompanied by elaborate official instructions for its execution. It invests the Reichsbank, which is a private institution, with official powers, and its execution will involve a great expenditure of time and money.

Commodity prices are still moving upward. Hematite pig has been raised to 744,000 marks per metric ton, ingots to 899,000 marks, bars 1,250,000 marks, and other sorts in proportion. Export duties are still being reduced, although the mark exchange is falling. This has always been the experience, it being impossible to alter the duties sufficiently quickly to keep pace with the mark. Hamburg shipping in April was:—Arrivals, 1,165 vessels, of 1,319,240 net tons; departures, 1,438 vessels, of 1,323,804 tons. For the first four months of the year Hamburg shipping material exceeded that of 1913, arrivals being 4,889,802 tons, against 4,518,548 tons, and departures 4,878,136 tons, against 4,595,020 tons. The Badische Aniline Company, a chief member of the Aniline Trust, reports profits in 1922 3,901 millions, against 168 millions last year, with a dividend of 300 per cent., against 30 per cent.

IRISH FREE STATE.—BORROWING PROBLEMS AND THE CREDIT POSITION.

(FROM OUR DUBLIN CORRESPONDENT.)

WITH the re-establishment of order there is a good deal of discussion in semi-official and business circles of prospective borrowings on the credit of the Irish Free State. Once confidence is felt in the stability of its new political institutions, there is no reason why Ireland should not be able to borrow such capital as she may need upon advantageous terms. She has many points in her favour. During the past year of most formidable domestic unrest, she actually collected a revenue of some twenty-six millions sterling, or roughly twice the amount of the pre-war cost of administration for the whole of Ireland at its maximum level. She has no existing debt save such claim as Great Britain may be able to sustain under Article 5 of the Treaty after the consideration of counter-claims therein expressly preserved. Whatever the claim may amount to (and instructed Irish opinion does not believe that it can or will be sustained for any large amount), it can scarcely be utilised to affect Ireland's credit and borrowing power. According to Mr Ormsby-Gore, speaking officially in Parliament, it is the considered policy of the British Government to support the credit of the Irish Free State for the purpose of its projected borrowings.

Again it is well known that Ireland is very backward in development, both agricultural and industrial, and that she is relatively rich in hoarded and invested savings. She has all the incentive to progress which national liberty has recently created, and she has fiscal and financial independence for a borrowing upon most favourable terms. Therefore, it only remains to inquire whether there is confidence in Ireland itself, or, in other words, whether Irish credit stands high in Ireland; for every other condition exists for the maintenance abroad of her credit at a high level. It is known that there is British money to be had for the asking, and it is also known that there is American money equally if not more ready. In any discussion of terms the important issue is how high Irish credit stands in Ireland or, otherwise put, how far Irish investors would relieve the lenders of the burden of maintaining the new securities at or about par in the stock exchanges? An Irish confidence in Irish credit will mean cheaper money and easier terms generally. The best course, as was pointed out in this column six months ago, would be for Ireland to finance her own capital requirements at present, and a close co-operation of the Irish

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banks and other monied interests with the Government in regard to its borrowings is obviously necessary. The Government has wisely been holding back its main loan, and is relying in the interval on saving certificates and compensation bonds and discounting bills for temporary requirements. No final decision has been arrived at as to the ultimate borrowing, and at the moment the crucial point is to ascertain the value of Irish credit in Ireland, on which so much depends. In this view bankers and business men are deploring a quite extraordinarily indiscreet interview given to the Press by the recently elected president of the Stock Exchange, in which he cried down Irish credit and Irish confidence in the stability of its own institutions. As the Government had been in confidential discussion with the Stock Exchange Committee, there can have been no real object to serve; but perhaps his action was valuable in eliciting the immediate protests of other stockbrokers. The latter have emphasised the fact that there is so keen a demand amongst Irish investors for Irish securities that price levels have risen substantially. The yield on Dublin Corporation 3½ per cent. stock at its present quotation is barely 4½ per cent., and on Great Northern Railway 4 per cent. debentures not more than 5 per cent.

AUSTRALIA.—CONVERSION LOAN—AGRICULTURAL CONDITIONS—POPULATION.

(FROM OUR CORRESPONDENT.)

MELBOURNE, April 16.

THE Commonwealth Government has issued the prospectus of a conversion offer to holders of the 5 per cent. loan maturing on September 15 next, the original amount of which was £44,072,640, reduced to £38,723,950 as at December 31, 1922, by repurchases on account of sinking fund, and by conversions into other issues. The conversion loan is at 5 per cent., with a currency of 25 years, being repayable on September 15, 1948, and is offered at £99 per cent., the difference of £1 being payable by the Government as a cash bonus to those who convert. The yield, inclusive of redemption, is about £5 1s 5d per cent. The maturing loan was floated in October, 1918, on terms giving a yield of £5 4s 11d per cent., and was the seventh of the series of ten war and repatriation loans issued in Australia from 1915 to 1921 for an aggregate of £250,172,440 (reduced to £241,746,090 at December 31, 1922). The number of subscribers to the maturing loan was 243,181, or nearly 100,000 greater than in any other instance. Cash subscriptions to the present conversion loan are not invited, and no definite announcement is made as to the manner in which money is to be raised to redeem the unconverted portion, though in urging the advantages of conversion the Treasurer, Dr Earle Page, refers to the possibility of raising the money overseas. Whatever may be done in the form of raising money overseas, the large revenue is placing the Treasury in a favourable position as regards cash, which should also help to facilitate the repayment operation. Business comment on the conversion offer is that the long currency, 25 years, is better suited to insurance offices, and some other classes of large investors, than to the average investors, who are accustomed to relatively short terms for public securities. On the other hand, the rate of interest, 5 per cent. (subject to Federal income-tax, but free of State income-taxes), is regarded as rather high for the long currency to which the Government commits itself.

The weather is now causing much anxiety amongst farmers and graziers throughout Australia. So far this year there has been little rain in most districts, and at the moment the weather has a settled aspect of the sort usually leading to a drought. Wheat-growers would be satisfied with April rains as a start for the new season, but for pastoralists the position is becoming urgent.

The Australian population at the end of 1922 was 5,634,552, or an increase of 124,323 on the year, of which 38,138 was due to excess of arrivals over departures. This shows a substantial improvement in immigration as compared with recent years, and although it is below the rate reached during the last few years before the war, it is now hoped that increased progress is about to be made.

GREECE. — EXCHANGE REGULATIONS — AGRICULTURAL PRODUCTION — FOREIGN TRADE — COST OF LIVING.

(FROM OUR CORRESPONDENT.)

ATHENS, April 28.

By a law recently published in the *Government Gazette*, the regulations concerning the import and export of foreign exchange, and reported in the *Economist* of October 21 and December 30, 1922, are maintained, with some modifications, the most important of which are given hereafter. Instead of the obligatory cession to the State, against payment in drachmæ, of the whole or of part of the foreign exchange, representing the value of articles exported abroad, an export duty is imposed on the principal articles of export, except as regards black Corinthian currants, which continue to be subjected to the same regulations as before. The duty is levied and collected at the moment of export of each dutiable article, and is payable in pounds sterling, by cheque on London or in English banknotes. The minimum rate of duty payable is 3 per cent., and the maximum 25 per cent., according to the article exported. The value of the merchandise on which the duty is payable is given in pounds sterling, and is declared by the exporter to the Custom house authorities. The latter must proceed to a valuation of the goods in the manner prescribed by the law, and if the exporter disagrees, he may have recourse to the Minister of Finance, whose decision is final. The Minister of Finance may set up a committee for the purpose of fixing the price of some of the dutiable articles. The prices thus fixed serve for the appraisal of the corresponding goods when exported, and for the assessment of the export duty.

The agricultural production of 1922 was generally poorer than that of 1921. The value of the crops is estimated at some 5 milliards drachmæ. The principal products are cereals, currants, olive oil, and tobacco. Production of these four articles was as follows for the last two years:—

	1921. Tons.	1922. Tons.
Wheat	300,000	240,000
Currants	118,000	107,000
Olive oil	45,000	98,000
Tobacco	25,000	20,000

Though Greece is an agricultural country, one-third of the wheat needed by the country annually is imported from abroad. During 1922 purchases abroad amounted to 372,000 tons of wheat and 25,000 tons of flour, while not less than £5,400,000 have been paid during the same period for this purpose. The wave of refugees that has flooded the country since September last will increase considerably the quantities to be imported from abroad in the current year. Yet the country might become at least self-supporting, if only it were properly and sufficiently cultivated.

Foreign trade in 1922 shows the following changes as compared with the previous year:—

(In millions of drachmæ.)

	Imports.	Exports.	Excess of Imports.
1921.....	1,726	948	778
1922.....	3,079	2,462	617
Difference +	1,353	+ 1,514	— 161

The increase in the value, both of imports and exports, is easily explained, if account be taken of the depreciation of the drachma during the past year. Unfortunately quantity figures are not yet available.

Corrected figures for the minimum cost of living in Athens for an average individual before and after the war show the following increase since 1914:—1914, 100; 1922, December, 1034.2; 1923, April, 1357.8.

Letters to the Editor.

INCOME-TAX AND PRICES.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Your note to Mr Leake's letter opens the door to an interesting controversy as to the effect of the income-tax on profits, i.e., whether the tax actually raises prices to the consumer. If the driving forces of industry are examined they can fairly be placed in three broad classifications—(1) Thrift, (2) dexterity, (3) the spirit of adventure. The first creates capital; the second represents the most essential quality of labour; the third is the source of enterprise, invention, organising and originating power. Thrift will certainly not prosper equally on unequal terms, as is shown by the high rates of interest that are paid nowadays as compared with the rates before the war. Nor will superior dexterity long be satisfied to accept terms not compatible with its superiority or with the cost incurred in training. Is it, then, possible to argue that the third of these classifications is exempt from the laws that govern the others; that the risk-bearers of industry can forgo a substantial part of their gains without any reaction on their activities?

It seems to me that the proof of this lies in the state of British enterprise to-day. The figures you published on April 7th show that the total amount of investment in British, foreign, colonial, or other industrial issues in the first quarter of 1923 was only £24.4 million compared with £39.2 million for the corresponding period of 1913, notwithstanding a Government revenue surplus of £130 millions which was applied to the payment of public debt (£85 millions of it in the last five weeks of the financial year), and which, therefore, as suggested by you in a recent issue, would become available for re-investment in industry. To make the comparison fair also, it must not be forgotten that the purchasing ratio of the pound in 1922 is only four-sevenths of its value in 1913 on the basis of the *Labour Gazette* cost of living. The inference is that enterprise is subject to the same law as capital and labour. It must have its reward; and it seems clear from the evidence before us that the springs of enterprise are drying up under present conditions. The important question is not whether profits can temporarily be raided without re-acting on production, but rather whether the present heavy levies on profits do not in the long run fall upon the consumer. Should this prove to be the case it may necessitate an examination of our fiscal system from a new point of view.

If any further proof were needed of the failure of enterprise to make good under present conditions, it will be found in the ease of the money market and the strength of the gilt-edged market, simultaneously with an excessive degree of unemployment amongst our working classes, who find that neither the sincerest desire on their part to work, nor super-abundant funds in the money market, nor the goodwill of a benevolent and well-supported Government, can fill the gap that means unemployment to them when enterprise fails.

The risk-bearer has been hard hit in the last few years. Probably it is true that he has not been able to pass on his burden in sufficient measure to give him an adequate return on his risk during the last few years. Certainly his struggle to retain his export markets has been a stern one. The period of deflation hit him hard by increasing the real cost of wages and the real cost of capital, and stifled too many of his ventures. His successes may make a brave showing sometimes, though even in your valuable Quarterly Summary of public companies' returns the strain is shown. But these represent the "survival of the fittest." How many have fallen by the wayside unnoticed and forgotten? This section of the business world is a stern battle-ground with many and continuous casualties, and it is therefore simply a question of degree when taxation on the profits derived from mercantile ventures takes on the character of a "heads I win, tails you lose" bargain. And how otherwise are we to explain the fact that notwithstanding an admitted shortage of houses, and the ease of the money market through the large repayments of the Government, there are still 141,500 men unemployed in the building trade?—Yours faithfully,

FREDERICK WIGGLESWORTH.

82, Fenchurch street, London, E.C. 3, May 8th, 1923.

REVALUATION OF PROPERTY.

TO THE EDITOR OF THE ECONOMIST.

SIR,—The Press campaign against the new Schedule A assessments to income-tax is even less justified than appears from the note on the above subject in your issue of May 12th, for it is not the case that "the increase in the assessment should be less than the increase in the rent," so far as the increase of rent is on account of heavy cost of repairs.

By the Finance Act, 1919, the limit of annual value of property, in respect of which the taxpayer might claim relief where the actual cost of repairs, &c., on the average of the preceding five years, exceeded the statutory allowance for repairs, was raised from £12 to £70 in the Metropolitan Police District, £60 in Scotland, and £52 elsewhere; the Finance Act, 1920, raised these limits to £105, £90, and £78 respectively, and the Finance Act, 1922, abolished all limits as from April 6, 1923. The new statutory allowances for repairs of one-fourth, one-fifth, and one-sixth part of the gross assessments (according to the value of the property) are only minimum allowances granted whether that amount is expended or not, but they can be increased now to any amount on proof of actual outlay for repairs, insurance, and management on the five-year average.

The grant of this relief will result in many cases, if my experience is at all typical, in the ultimate net amount assessed to tax being less than under the old assessments. It would appear that newspaper editors would be very much better advised were they to draw their readers' attention to this important relief, instead of making unjustifiable attacks on the moderate increases in the gross assessments.

Nevertheless, the Inland Revenue Commissioners' estimate of the increased revenue to accrue from the new valuations is probably conservative enough, for it is certain that, in spite of the fact that the taxpayer's attention is drawn to this relief by words in heavy type on every assessment form, comparatively few will notice them, and still fewer trouble to make a claim.—Yours, &c.,

W. L. SELBY.

22 Oaklands road, Bromley, Kent,
May 14, 1923.

Books and Publications.

LETTERS ON PRACTICAL BANKING.*

TIMES change, and we change with them, and as Bagehot himself said: "Banking in England goes on growing, multiplying, and changing. The effects of it are one thing to-day and another to-morrow. Everything changes." The banker of to-day has to grapple with far more intricate problems than those with which his predecessors were faced; his lot is cast in less pleasant places—in the City of London especially. Outside London branch banking is still very much akin to the business that existed years ago, and it is to the branch manager that the book before us is presumably addressed. He must be efficient in his calling, for second only in importance to the financial strength of banking is the efficiency of its executive officers, and Mr Brunton has certainly laid his hand on many a spot which, in the absence of a trusty guide, may contain traps for the unwary. We are not so sure that he has done the wisest thing in building his book up on a series of letters, all purporting to be from an inspector to a manager. It is an unusual form for a book of the kind, and, generally speaking, does not make for either good or easy reading. Further, he seems to assume in the early letters a lack of knowledge of some of the most elementary principles of banking, which might be excusable in a junior, but would be appalling in a manager who has to deal with men, money, and affairs. In the view

* By John Brunton. Pp. 144. (London) Edward Arnold and Co. Price 7s 6d net.

of some inspectors it is good to damn a manager with faint praise; but however correct that may be in a confidential report, it is hardly politic to practise the art in a book that he who runs may read. Probably the little digs the imaginary inspector has at the manager are a quaint vein of humour; but it would have been better had the tendency been avoided, and in letters it is best "just to hint a fault" and leave it at that. In reading the letters, too, we wonder whether it really was necessary for the author to instruct the manager in the principles to be observed in opening new accounts, or in closing them for that matter.

We are not quite sure that the writer of the letters appreciates the effects of banking amalgamations, since in his view this policy has made competition in banking keener than ever. We had rather considered that the amalgamation of interests made for the elimination of competition. Granted that there is still enough competition between the big banks to preserve something of a free market, yet, undoubtedly, the ultimate effect of amalgamations will be *pro tanto* to diminish competition. That this is no idle statement is clear enough, for the rates offered for deposits and advances by the existing banks rise and fall together, and it seems that by common consent they do not outbid each other in other directions. Rather quaint, too, is the author's advice to the manager to exert pressure on farmers who have fallen on bad times to sell out before the position becomes hopeless. It may be the wisest course to pursue; but who will buy farms at such times, and how much would the banker to whom the farmer is indebted get out of the wreck if the advice be followed? Again, on page 35, it may be admirable counsel to advise the manager to endeavour to induce a shaky draper to offer his account to another bank, but one can hardly imagine the other banker being so foolish as to accept the account. In fact, we go so far as to say that no reputable bank would lend itself to an attempt to pass on a bad account to another bank. It might close the account, but that is another matter. In fact, on the very next page Mr Brunton says: "I am sure that you, even in order to protect yourself from loss, would not take any action which would reflect on your reputation as a banker." It will be plain to the reader that the advice given on the previous page would reflect very seriously on a banker's reputation.

Such are a few points that strike one in reading the letters contained in the book, the title of which is really a misnomer, since it deals more particularly with loans and advances, and the provision and lack of security for the accommodation, though, as we have shown, there are letters on opening and closing the account. There is also a very good letter on the analysis of balance-sheets, and equally good pages on branch management and staff training; but on cheques, bills of exchange, and the like there is singularly little information. It is a defect which might well be remedied in any future edition. For the rest, Mr Brunton does, as he says in his preface, appear to saddle the manager with responsibilities which in practice ultimately rest with the board of directors. We go so far as to say that many of the advances, loans, and overdrafts that he has described are such as most branch managers would not be allowed to grant without reference to the general managers at head office. For example, on page 52 he refers to a manager's having allowed large overdrafts to municipalities; in the one case £50,000 on gas revenue account, and in another instance £40,000 for the provision of small holdings. In still another case the poor manager appears to have committed himself to an advance which may run up to £70,000. Well, we imagine that any branch manager who had entered into such liabilities on behalf of his bank without the special permission of his head office would very soon find himself in the ranks of the unemployed.

In the opinion of the reviewer the book needs recasting. Split up into chapters with proper headings, the letter form dropped, and the matter put into the third person, there is in it the elements of a sound book for the use of the practical banker, and it might even form a good addition to the general manager's bookshelf. In its present form it is unlikely to commend itself to either the branch manager or the higher officials.

BOOKS RECEIVED.

The Making of an Executive. By A. Hamilton Church. (New York) D. Appleton and Co.
Obtainable from Messrs Appleton and Co., London, 10s. net.
Report on an Enquiry into Working-class Budgets in Bombay. By G. Findlay Shirras. (Bombay) Government Central Press.
An Essay on Gold. By M. K. Graham. (Graham, Texas) M. K. Graham.
The British Chamber of Commerce, Paris (Incorporated). Annual Report for 1922. (Paris) 6 Rue Halévy.
Annuario Para, 1923. (Barcelona) Banca Marsano, S.A.

OIL OUTPUTS.

LOBITOS OILFIELDS, LIMITED.—The production for April is cabled as 9,493 tons.
THE STEAVA ROMANA (BRITISH), LIMITED, are advised that their fields' gross production during April was 18,900 tons.
UNITED BRITISH OILFIELDS OF TRINIDAD, LIMITED.—Combined production for the week ending Wednesday, May 9, 1923, amounted to 821 tons.

GOVERNMENT RETURNS.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £30,000,000 in Treasury Bonds and three months' Treasury Bills dated from Tuesday to Saturday, May 22-May 26, were opened on May 18, 1923, and the total amount applied for was £52,979,300. Tenders for Tuesday to Friday bills at £99 10s 6d, about 67 per cent., and above in full, and for Saturday bills at £99 10s 8d, and above in full. The average rate of discount for Treasury Bills was £1 17s 1 1/2d. The amounts allotted were as follows:—In bills at 3 months, £30,000,000; in bonds, nil.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills. Average Rate.	4% Treasury Bonds, 1923. Average Price.
Feb. 15, 1923.	£ 30,000,000	(a) 49,875,000	2 6 6 31	99 8 4 2
Feb. 22, 1923.	(a) 40,000,000	(a) 61,630,000	2 6 2 95	99 9 1 17
Mar. 2, 1923.	(a) 40,000,000	(a) 53,770,000	2 2 10 35	99 9 9 5
Mar. 9, 1923.	(a) 40,000,000	(a) 57,190,000	2 8 0 32	99 9 7 5
Mar. 16, 1923.	(a) 40,000,000	(a) 54,490,000	1 0 0 18	99 9 4 8
Mar. 23, 1923.	50,000,000	(a) 67,230,000	2 0 0 34	..
Mar. 30, 1923.	40,000,000	69,665,000	2 6 5 2	..
Apr. 6, 1923.	(a) 40,000,000	(a) 78,915,000	2 4 3 46	95 2 0 91
Apr. 13, 1923.	(a) 35,000,000	(a) 64,256,000	2 0 7 57	95 3 5 131
Apr. 20, 1923.	(a) 30,000,000	(a) 59,305,000	1 16 5 04	95 5 5 41
Apr. 27, 1923.	(a) 40,000,000	(a) 61,230,000	1 18 7 85	95 5 5 41
May 4, 1923.	(a) 35,000,000	(a) 60,965,000	1 18 8 29	95 6 0 81
May 11, 1923.	(a) 30,000,000	(a) 62,300,000	2 0 4 02	95 6 10 51
May 18, 1923.	(a) 30,000,000	62,979,300	1 17 1 47	nil

(a) Including Treasury Bonds. 4% Treasury Bonds, 1923 33

Tenders will be received on Friday, May 25, 1923, for Treasury Bonds and Bills to be issued to the maximum amount of £40,000,000. The amount of Treasury Bonds issued will not exceed £5,000,000, but, subject to that limit, the total amount issued will be divided between Bills and Bonds in such proportions as The Lords Commissioners of His Majesty's Treasury may determine.

CURRENCY NOTES ACCOUNT.

(000's omitted.)

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Advances to					Redemption Account.				
			Bankers.	Savings Banks.	Gold and Coin in Circulation.	Bank of England Notes.	Ratio to Notes.	Government Securities.	Balance of Bank of England.			
Jan. 1, 1923.	21,432	..	6,302	3,210	..	..	..	..	11,423			
Jan. 31, 1923.	21,479	..	169	600	19,500	..	49 1	9,394	9,395			
Feb. 28, 1923.	103,126	799	189	249	28,500	..	27 6	64,821	20,538			
Mar. 31, 1923.	150,144	2,430	84	40	28,500	..	190	118,102	6,868			
Apr. 30, 1923.	212,793	6,554	39	875	28,500	..	134	186,637	5,498			
May 31, 1923.	323,941	15,538	..	870	28,500	..	89	305,133	4,568			
Jun. 30, 1923.	358,158	17,182	250	945	28,500	4,000	91	337,537	2,808			
Jul. 31, 1923.	367,686	18,962	..	..	28,500	19,450	130	336,504	134			
Aug. 31, 1923.	343,826	15,598	Silver Coins.	..	28,500	19,450	139	311,334	141			
Sep. 30, 1923.	323,894	14,965	..	..	28,500	19,450	148	287,750	150			
Oct. 31, 1923.	314,382	14,830	..	..	28,500	19,450	152	278,119	143			
Nov. 30, 1923.	305,584	14,658	..	..	28,500	19,450	147	289,131	161			
Dec. 31, 1923.	300,351	14,255	..	..	28,500	19,450	159	261,479	177			
Jan. 31, 1924.	295,374	13,338	..	..	28,500	19,650	163	254,312	250			
Feb. 28, 1924.	289,127	12,648	..	..	27,000	21,150	166	246,456	169			
Mar. 31, 1924.	301,337	12,872	..	..	27,000	21,150	159	258,922	137			
Apr. 30, 1924.	285,616	12,318	..	..	27,000	22,450	173	241,294	190			
May 31, 1924.	285,746	12,069	..	..	27,000	22,450	173	241,220	144			
Jun. 30, 1924.	287,069	12,100	..	..	27,000	22,450	172	242,557	144			
Jul. 31, 1924.	287,016	12,163	..	..	27,000	22,450	172	242,915	213			

Since July 21, 1920, notes and certificates outstanding include notes called in and not yet cancelled. Maximum fiduciary issue for 1920 fixed at £380,800,000, for 1921 at £317,555,200, for 1922 at £308,988,400, and for 1923 at £270,183,800.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Total Receipts into the Exchequer from	Apr. 1, 1923, to May 12, 1923.	Apr. 1, 1922, to May 12, 1922.	RECEIPTS.	
				Week Ended May 12, 1923.	Week Ended May 13, 1922.
Balances in Exchequer on 1st April:—	£	£	£	£	£
Bank of England.....	5,442,665	9,963,424	..	..	..
Bank of Ireland.....	1,375,502	1,210,106	..	..	..
..	6,818,167	11,173,530	..	..	..
REVENUE.	£	£	£	£	£
Customs.....	15,431,000	12,241,000	2,895,000	4,025,000	..
Excise.....	15,916,000	15,115,000	1,101,000	1,904,000	..
Motor Vehicle Duties.....	1,679,000	1,354,000	114,000	120,000	..
Stamps.....	5,820,000	7,801,000	860,000	780,000	..
Land Tax, House Duty & Mineral Rights Duty.....	1,330,000	1,332,000	310,000	250,000	..
Property & Income Tax.....	330,000	360,000	40,000	20,000	..
Super-Tax.....	31,132,000	39,471,000	2,198,000	2,471,000	..
Excess Profits Duties, &c.....	8,900,000	954,000	..	..	..
Corporation Profits Tax.....	2,640,000	2,057,000	530,000	401,000	..
Post Office.....	5,700,000	5,500,000	1,200,000	1,000,000	..
Crown Lands.....	100,000	80,000	..	..	..
Interest on Sundry Loans.....	2,362,276	343,524	..	..	..
Miscellaneous.....	2,548,271	7,077,933	364	392,945	..
Ordinary Receipts.....	8,578,791	5,556,343	1,500,000	600,000	..
Special Receipts.....	103,067,138	99,272,800	11,838,364	11,963,945	..
Revenue.....	105,885,505	110,446,330	..	..	..
OTHER RECEIPTS.	£	£	£	£	£
Temporary Advances Repaid:—	..	550,000	..	150,000	..
Bullion.....	..	..	..	..	..
Under the Unemployment Insurance Act, 1921.....	750,000	..	..	..	..
Money Raised by Creation of Debt:—	..	..	..	..	..
For Capital Expenditure Issues:—	..	..	..	..	..
Under the Unemployment Insurance Act, 1921.....	..	1,210,000	..	..	..
For other Issues:—	..	..	..	..	..
By Treasury Bills for Supply.....	290,669,000	366,310,000	54,090,000	64,284,000	..
By National Savings Certificates.....	5,900,000	23,730,000	950,000	600,000	..
By Treasury Bonds:—	..	..	..	..	..
5-15 year, 1925-35.....	..	61,421,831	..	..	..
5%, 1927.....	..	..	1,429,550	..	..
4%, 1931-33.....	22,494,110	..	..	..	..
Ways and Means Advances.....	62,650,000	117,900,000	1,750,000	12,350,000	..
Repayments:—	£	£	£	£	£
In respect of Issues under Land Settlements (Facilities) Act, 1919 and 1921.....	36,059	7,901	..	..	..
Do Issues under Section 59 (4) of the Finance Act, 1920.....	..	265,460	..	265,460	..
Interest received under Section 59 (5) of the Finance Act, 1920.....	..	87,358	..	87,358	..
Total.....	492,384,674	681,928,880	70,057,914	89,700,763	..

EXPENDITURE AND OTHER ISSUES.

	Total Issues out of the Exchequer to meet Payments from	Apr. 1, 1923, to May 12, 1923.	Apr. 1, 1922, to May 12, 1922.	ISSUES.	
				Week Ended May 12, 1923.	Week Ended May 13, 1922.
EXPENDITURE.	£	£	£	£	£
Permanent Charge of Debt.....	3,332,198	3,428,284	..	146,391	..
Interest, &c., on War Debt.....	44,368,881	45,219,611	504,147	1,374,115	..
Road Fund.....	398,044	633,000	..	544,000	..
Payments to Local Taxation Accounts, &c.....	..	50,000	..	50,000	..
Payments to Northern Ireland Exchequer.....	171,822	160,070	..	..	..
Land Settlement.....	57,574	172,580	8,898	..	..
Other Consolidated Fund Services.....	254,317	275,851	227,876	..	..
Supply Services.....	39,589,000	35,774,500	6,850,000	6,500,000	..
Expenditure.....	88,171,836	85,713,856	7,590,921	8,614,506	..
OTHER ISSUES.	£	£	£	£	£
Temporary Advances under Interest Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	36,891	84,909	..	..	..
Under the Unemployment Insurance Act, 1921.....	30,000	1,210,000	..	..	..
Issues to meet Capital Expenditure under the Housing Act, 1914.....	..	13,000	..	..	..
Unemployment Insurance Act, 1921.....	750,000	..	..	..	..
Repayment of amounts borrowed.....	318,265,000	477,305,000	50,340,000	57,530,000	..
Treasury Bills for Supply.....	..	..	..	..	..
Principal of National Savings Certificates:—	..	..	..	..	..
(a) Repaid by Issues under Section 59 (6) of the Finance Act, 1920.....	800,000	3,400,000	..	500,000	..
(b) Repaid otherwise.....	4,100,000	..	800,000	..	..
Principal of Exchequer Bonds paid off.....	..	19,136,605	..	..	..
Principal of National War Bonds paid off.....	16,344,989	..	250,000	..	..
Other Debt under the War Loan Act, 1914 to 1919.....	15	5,251,988	..	100	..
Ways and Means Advances Repaid.....	60,017,000	85,980,000	10,750,000	22,580,000	..
Old Sinking Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911.....	..	55,656	..	55,656	..
Balances in Exchequer—	£	£	£	£	£
Bank of England.....	488,525,731	678,151,014	69,730,921	69,282,263	..
Bank of Ireland.....	2,209,675	2,150,357	144,993	90,501	..
..	1,649,268	1,687,509	182,000	430,000	..
Total.....	3,858,943	3,777,868	3,6993	430,501	..

Treasury, May 14, 1923.

The Economist

BANKING NUMBER.

Vol. XCVI.]

SATURDAY, MAY 19, 1923.

[No. 4,160.]

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ENQUIRIES INVITED.

The Economist Banking Number

A SURVEY OF BRITISH AND FOREIGN BANKING

Vol. XCVI.]

SATURDAY, MAY 19, 1923.

[No. 4,160.

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CONTENTS.

	Page
The Monetary Puzzle	1058
The Bank Accounts of the United Kingdom	1059
Banking Profile	1061
Profits of Banks for Last Completed Financial Year	1062
Bank Shares	1063
American Banking	1064
German Banking	1065
Comparative Statements	1067
Bank of England	1069
Statement of Bank Accounts in a Summarised Form	1069
Joint Stock Banks of the United Kingdom	1070

JOINT STOCK BANKS OF ENGLAND AND WALES.

Bank of Liverpool & Martins, L.	1072	Union Bank of Manchester, Lim.	1082
Barclays Bank, Limited	1072	Westminster Bank, Limited	1082
Baring Brothers and Co., Lim.	1073	Williams Deacon's Bank, Lim.	1084
British Mutual Banking Co., L.	1073	Yorkshire Penny Bank, Limited.	1084
Coutts and Co.	1073	Baker, Duncombe, and Co., Lim.	1084
Equitable Bank, Limited	1074		
Glyn, Mills, Currie, and Co.	1074	PRIVATE BANKS.	
Isle of Man Banking Co., Lim.	1074	B.W. Blydenstein and Co., London	1086
Lloyds Bank, Limited	1075	Child and Co.	1086
London Joint City and Midland	1076	Cox and Co.	1086
Bank, Limited	1076	Messrs Drummond	1086
Lancashire & Yorkshire Bank, L.	1076	Grindlay and Co.	1086
London Merchant Bank, Limited	1078	Hoare (Chas.) and Co.	1088
London and Liverpool Bank of	1078	Holt and Co.	1088
Commerce, Limited	1078	S. Japhes and Co., Limited.	1088
Manchester and County Bank, L.	1080		
Manchester & Liverpool District	1080	LONDON DISCOUNT COMPANIES.	
Banking Company, Limited	1080	Alexanders Discount Co., Lim.	1088
National Provincial and Union	1082	National Discount Co., Limited.	1090
Bank of England, Limited	1082	Union Discount Co. of London, L.	1090

JOINT STOCK BANKS OF SCOTLAND.

Bank of Scotland	1090	North of Scotland and Town and	1094
British Linen Bank	1092	County Bank, Limited	1094
Clydebank Bank, Limited	1092	National Bank of Scotland, Lim.	1096
Commercial Bank of Scotland, L.	1094	Royal Bank of Scotland	1096
		Union Bank of Scotland, Lim.	1096

JOINT STOCK BANKS OF IRELAND.

Bank of Ireland	1098	Northern Banking Co., Limited	1102
Belfast Banking Co., Limited.	1098	Provincial Bank of Ireland, Lim.	1102
Hibernian Bank, Limited	1100	Royal Bank of Ireland	1104
Munster and Leinster Bank, Lim.	1100	Ulster Bank, Limited.	1104
National Bank, Limited	1102		

LATEST BALANCE-SHEETS OF COLONIAL AND FOREIGN BANKS HAVING LONDON OFFICES.

AFRICAN BANKS.		CANADIAN AND W.I. BANKS.	
Anglo-Egyptian Bank, Limited	1106	National Bank of New Zealand, L.	1114
Bank of British West Africa, L.	1106	Queensland National Bank, Lim.	1114
National Bank of Egypt	1106	Royal Bank of Australia, Lim.	1114
National Bank of S. Africa, Lim.	1108	Union Bank of Australia, Lim.	1115
Netherlands Bank of S. Africa.	1108		
Standard Bank of S. Africa, L.	1108	AUSTRALASIAN BANKS.	
		Australian Bank of Commerce, L.	1108
		Bank of Adelaide.	1110
		Bank of Australasia	1110
		Bank of New South Wales	1110
		Bank of New Zealand.	1112
		Bank of Victoria, Lim.	1112
		Commercial Bank of Australia, L.	1113
		Commonwealth Bank of Australia	1113
		Commercial Banking Company of	1113
		Sydney, Lim.	1113
		English, Scottish, and Australian	1114
		Bank, Lim.	1114
		National Bank of Australasia, L.	1114
		INDIAN BANKS.	
		Chartered Bank of India, Aus-	1118
		tralia, and China.	1118
		Eastern Bank, Limited.	1118
		Imperial Bank of India.	1120
		Mercantile Bank of India, Lim.	1120
		National Bank of India, Limited	1120
		The Tata Industrial Bank, Lim.	1120

LATEST BALANCE-SHEETS OF FOREIGN BANKS HAVING LONDON OFFICES AND OF BRITISH BANKS TRADING ABROAD.

Anglo-Baltic and Mediterranean	1122	Credito Italiano	1128
Bank, Limited	1122	Credit Lyonnais	1130
Anglo-South American Bank, L.	1122	Equitable Trust Co. of New York	1130
Banca Commerciale Italiana	1122	Farmers' Loan and Trust Co.	1130
Banco de Bilbao	1122	Guaranty Trust Co. of New York	1130
Banco di Roma	1122	Hambros Bank, Limited	1130
Bank of Athens	1124	Hongkong & Shanghai Bkg. Corp.	1130
Banco de Chile	1124	Imperial Ottoman Bank	1132
Banco Espanol del Rio de la Plata	1124	Imperial Bank of Persia	1132
Bank of Roumania, Limited	1124	International Bkg. Corporation	1132
Bank of Taiwan, Limited	1124	Italo-Belgian Bank	1132
Banco Nacional Ultramarino	1124	Ionian Bank, Limited	1132
Banque du Congo	1124	London and Brazilian Bank, L.	1134
Banque Nationale de Credit	1124	London and River Plate Bank, L.	1136
British Bk. for Foreign Trade, L.	1126	Mitsubishi Bank, Limited	1134
British Bk. of South America, L.	1126	Moscow Narodny Bank, Limited	1136
British Italian Corporation, Lim.	1126	National City Bank of New York	1136
British North European Bank, L.	1126	The P. & O. Bkg. Corporation, Lim.	1136
British Overseas Bank, Limited	1126	Swiss Bank Corporation	1136
British Trade Corporation	1126	Société Belge de Crédit Industriel	1136
Com. Bank of the Near East, Lim.	1128	et Commercial et de Dépôts	1136
Comptoir Natl. d'Escompte de Paris	1128	Société Générale de Crédit Indus-	1136
Com. Bank of Spanish America, L.	1128	trial et Commercial.	1136
Credito Foncier d'Algerie et de	1128	Société Générale	1136
Tunis.	1128	Sunabono Bank Limited.	1136
		Yokohama Specie Bank, Limited	1136

THE MONETARY PUZZLE.

A YEAR ago, in our Banking Number of May 20, 1922, attention was called to the "curious, and at first sight, unaccountable phenomenon of the extraordinary clamour for investments which has shown itself at a time when the country was continually complaining that it was being taxed to the bone." As our readers are aware, this curious phenomenon has been with us, with occasional setbacks and seasonal disappearances, ever since. The year 1922 saw no important changes in the general conditions under which banking was carried on, the period being one of consolidation after the preceding tempests. The monetary situation has, however, been by no means free from obscurity, and it is well worth the study of our readers.

If banking figures could be taken as a plain and safe guide to the monetary position, we ought, with their help, to be able to walk quickly and with confidence to the solution of the puzzle. Banking figures being what they are—very informing to those who know what is behind them, and as unsafe as most other statistics if they are taken without the most rigorous inquiry and examination—we can only grope our way with much doubt and many guesses, and finally reach a point which may, or may not, be firm ground. The figures must, of course, be read in conjunction with those furnished by the governmental statements of income, expenditure, &c., and if we take the past quarter—the first of the calendar year and the last of the official financial year—its statistics may, perhaps, give us some light, thanks to the large movements that take place at that time of the year.

At first, the figures of this period go far to account for the demand for securities that has marked its course, and seem to bear out two popular explanations of it. For their outstanding features are the large amount of debt redeemed by the Government, and the large decrease in bank deposits. And so it is quite easy to be convinced that securities have been wanted for the re-investment of money paid to holders of redeemed debt, until we are pulled up short by asking ourselves where the Government got the money for redeeming debt, and then we remember that the Government got it out of our pockets through the vacuum cleaner applied by the Inland Revenue Department. And as for the question of deposits, which some people suppose to have declined because the money has "gone into investments," it has to be observed that investments made by ordinary individuals do not affect deposits. The buyer draws a cheque and hands it to the seller; it transfers a deposit, but does not cancel one.

Let us go back to the Government figures for a fresh lead. During the March quarter it had a revenue surplus of £110 millions, and received £31 millions by the issue of new securities—£5 millions of Saving Certificates and £26 millions of Treasury bonds. It was thus enabled to pay off £103 millions of Treasury bills, £28 millions of Ways and Means Advances, of which £16½ millions were from the Bank of England, and £6½ millions from public departments, and then add £3½ millions to its balance at the Bank of England. As soon as we begin to try to draw inferences from the figures, we find that we have to move with so much caution that it is hardly safe to stir. One would naturally suppose that with regard to the 30 odd millions of debt redeemed out of the proceeds of new debt issued, this would be a mere balancing transaction, and that the problem might be narrowed by eliminating new debt issued and old debt cancelled to a like amount on each side of the balance-sheet. But this is by no means necessarily so, and this is a striking example of the ease with which one may be misled by figures if we take them at their face value, without first making sure that we know enough about them to justify us in doing so. For in this case everything depends on who are the holders of the new debt issued and of the old debt redeemed. Holders of debt have to be divided into two main bodies—banks and private investors, who include companies and trustees and all other holders besides banks. When a

bank invests it makes a deposit, equal in amount to the sum invested, for itself or another bank, and so adds to the aggregate of bank deposits; when a bank's investments are reduced by the redemption of securities held by it, a deposit is cancelled in its books, or those of another bank, and so the aggregate of bank deposits is reduced; and in each example the aggregate of the bank's cash remains unaltered. So far, in speaking of the banks, we have meant only the ordinary banks, with which the man in the street keeps his account. A quite new set of circumstances arises if the Bank of England is a party to the transaction. For it also, when it makes an investment or an advance, increases its own deposits, and when a security held by it or a loan made by it is paid off or repaid, its own deposits are decreased; but when these movements take place, it is nearly always the deposits of the other banks that are increased or decreased, and so their "cash at the Bank of England," part of the cash foundation of their credit fabric waxes and wanes as the Bank of England's securities expand or contract. So that before we can make approximately correct guesses about the effect of the Government's repayments of debt during the March quarter, we want to know whether the securities redeemed were held, and whether the new securities issued were taken up by the public, the banks, or the Bank of England; and on these points the only thing that the official figures tell us is that Ways and Means Advances from the Bank of England to the extent of £10½ millions were paid off during the period. Perhaps the figures published by the Bank of England and the other banks will throw some light on the problem. Taking the Bank of England first, we find the following movements:—

BANK OF ENGLAND RETURN.

	Jan. 3, 1923.	March 28, 1923.	Increase (+) or Decrease (—) in March Quarter.
	Mln. £.	Mln. £.	Mln. £.
Public deposits	12.9	35.7	+ 22.8
Other deposits	144.9	97.0	— 47.9
Government securities	59.7	48.3	— 11.4
Other securities	94.2	79.8	— 14.4

Precise agreement with the Government's figures is not to be expected, because the period covered is not exactly the same. But it will be noted that the Government securities have declined £11½ millions, a figure that is not too wildly discordant with the £10½ millions of the Exchequer return. Other securities, which are always pulled out to a gargantuan size at the end of December, when the great window-dressing effort takes place, are down by £14½ millions, and as Public deposits have been piled up by the tax-gatherer to the extent of nearly £23 millions, we find a fall of nearly £48 millions in the Other deposits, causing probably a roughly corresponding decline in the "cash at the Bank of England" of the other banks. The monthly statements of the London clearing banks show that during the same period (though here again we have to remember that dates of statements do not exactly agree)—

Deposits fell by	£88.3 millions
Investments fell by	27.1 "
Discounts fell by	47.9 "
Cash fell by	21 "
Loans and advances rose by	8.9 "

It will be noted that "cash," which, of course, includes the balances at the Bank of England, only fell by £21 millions, as compared with a decline of £48 millions in the "Other deposits." This discrepancy is wide, but Other deposits include other accounts besides the balances of the clearing banks; and it is also possible that the banks may have to some extent replaced balances at the Bank of England by larger holdings of currency notes. The fall in discounts was presumably due to repayments of Treasury bills, which has been seen to be one of the great features of the quarter's history. In fact, it seems likely that of the £103 millions paid off, quite half were held by banks, since there must surely have been some increase in the banks' holdings of commercial bills, in view of the extent to which

London has lately regained her old business of financing foreign trade by acceptances. Another interesting feature is the large decline in investments. It will be remembered that Mr McKenna is his speech at the London City and Midland meeting charged the Government with having caused depression by carrying out a policy of deflation by paying off Treasury bills held by the banks, and so reducing their deposits. It was then suggested that the banks might have countered the movement by increasing their investments, and so corrected the deflation, if it was really a cause of unemployment. It now appears that the banks have been, on the contrary, emphasising the deflation by selling securities. At the same time, however, a small increase in loans and advances may perhaps be taken, very cautiously, as a symptom of improving trade—or is it a consequence of Stock Exchange activity, financed with the help of the banks? When the reaction in Stock Exchange prices came a few

days ago, some of the selling was said to be caused by the calling in of bank loans.

We emerge from this tortuous maze of figures with the impressions (1) that in so far as the Government took money from taxpayers and paid off securities held by ordinary investors, it stimulated the demand for securities, thus showing that taxation, if spent on debt redemption, is good for business and prices on the Stock Exchange; (2) that in so far as money was used to pay debt held by the Bank of England, it caused real deflation and a decline in the "cash" of the other banks; and (3) that in so far as the debt redeemed was held by the other banks, the repayment reduced their deposits and their investments, or discounts, and left their cash unaltered, with the result that their proportion of cash to liabilities was higher, and they were more ready and able to finance active trade if and when it comes.

THE BANK ACCOUNTS OF THE UNITED KINGDOM.

THE banking figures of the United Kingdom at the end of 1922 showed some noteworthy changes as compared with the two preceding Decembers. The expansion of deposits, begun during the war, continued to some extent in 1921, but in the past year a movement in the opposite direction took place, and the banking accounts for the year show a decrease of bank deposits other than those of the Bank of England, from £2,527 millions at the end of 1921 to £2,362 millions at the end of 1922. This total is very similar to the total for 1919, when deposits amounted to £2,356 millions, but in that year the Treasury and other note circulations were considerably larger than in the past year. As will be seen from figures given later on, the rate of decrease in deposits was 6.5 per cent., and the amount £164,631,000. At the same time, the decline in legal tender currency has been continued.

The table below gives a comparison of the total amount of currency and credit of all kinds at the end of each of the past five years, in comparison with 1913:—

	End of						Inc. on 1913.
	1913.	1918.	1919.	1920.	1921.	1922.	
Bank of England deposits	71	172	199	189	122	133	+ 62
Other banks' deposits	1,032	1,988	2,356	2,492	2,527	2,362	+ 1,330
Bank of England circulation	30	70	91	133	127	125	+ 95
Scottish note circulation	8	25	28	29	25	21	+ 17
Irish note circulation	8	31	29	25	19	17	+ 9
Currency note circulation	..	323	356	368	326	301	+ 301

English banks have no note issues outstanding other than those in the Isle of Man. The table shows that in the year legal tender currency decreased by £31 millions, of which £25 millions were represented by the reduction of currency notes. Scottish and Irish banks' circulations fell by £2 millions each, as did also the Bank of England's. The currency note contraction compares with a decrease of £42 millions in 1921, and the £6 million fall in circulation of bank notes with one of £16 millions. The total note circulation at the end of the year was £466 millions, against £497 millions at the end of 1921. If we compare these figures with those for 1913 we find that the increase in the circulating medium amounts to about £296 millions, since in that year the total note circulation in the United Kingdom was £46 millions, and the official estimate of gold held by banks, and in circulation, was £123 millions. In 1921, the peak year, the total circulating medium was £555 millions.

The bearing of these figures on trading conditions may be inferred if we consider them in conjunction with the returns for the year of the Bankers' Clearing House. The total clearings for 1922 were 6.3 per cent. higher than in the preceding year, which year, compared with 1920, showed a decrease of 10 per cent. Town clearings, which are, of course, very largely affected by Stock Exchange and City dealings, increased by 8.3 per cent. The item in the Clearing House returns, which offers a criterion of trading conditions—the country clearings—may be considered dis-

tinctly favourable, for in 1922 it showed a decline of only 6.5 per cent., against one of 25 per cent. in 1921. When it is taken into account that prices were lower in 1922, and that, therefore, a greater quantity of commodities could be purchased with the same amount of money, it seems evident that last year, on the whole, saw an upward movement of trade; and this conclusion is supported by evidence as to the absorption of a number of the unemployed, increased railway traffics, and the very much-improved profits disclosed in the majority of company balance-sheets so far to hand for the year 1922.

There can be little doubt that the year under review has been one of stabilisation in banking affairs, as in trading conditions. A broad view of the figures for recent years shows that the period of quick change which accompanied war has been followed by one of slower, but not less important, adjustment to peace time conditions of a new order, the worst period of which came with the fall of prices in 1920-21. In the year 1922 conditions have been made stable to an unexpectedly large extent, and it seems evident that the measures taken by the banks to protect their position, and to keep themselves in a good way for meeting demands of reviving trade, have been wholly successful. As will be seen from the following table, there have been no changes in capital during the past year by the English, Scottish, or Irish joint-stock banks. The substantial increase in the figures of the private banks in this and in later tables is due not to a sudden expansion on their part, but to the fact that three private banks—Messrs Drummond, Grindlay, and Holt—have, for the first time, made public their balance-sheets. A later article on banking profits shows that the English banks have set aside over £1½ millions to reserve and contingency funds, but owing to the different methods in which these allocations are treated in the books, the reserve funds shown in the balance-sheets of the English banks have only increased very slightly, whereas those of the Scottish and Irish banks are very substantially higher:—

CAPITAL AND RESERVES.

	1921.	1922.	Increase.
	£	£	£
English joint-stock { Capital ..	72,477,400	72,477,400	..
Reserves ..	56,653,200	56,695,100	+ 41,900
English private (capital and reserves)	3,186,700	3,813,400	+ 626,700
Scottish { Capital	10,077,000	10,077,000	..
Reserves	8,443,800	9,653,700	+ 1,209,900
Irish.. { Capital	7,609,200	7,609,200	..
Reserves	5,545,000	6,170,000	+ 625,000
	163,992,300	166,495,800	+ 2,503,500

The banks, it must be remembered, have admittedly very large reserves, in addition to those figuring in the balance-sheets. During the past decade an enormous amount has been written off the book value of invest-

ments. The latter, mostly British Government securities, have greatly appreciated in value during the past two years, but, as far as we are aware, no bank has written up its investments. Here, therefore, is a very substantial "hidden" reserve, to which may be added the fact that premises, from which large amounts have been steadily written off year by year, must be now worth a great deal more than the figures at which they appear in the balance-sheets.

From the table below it will be seen that the decrease of deposits in the case of the English joint-stock banks was 7.1 per cent., which compares with an increase of 0.7 per cent. in 1921. The private banks show an increase of 5.5 per cent. for the reason mentioned above. The deposits of Scottish banks fell by 8 per cent., which compares with an increase of 4.2 in the preceding year. In the case of the Irish banks, the shrinkage was less pronounced, there being a decrease of 1.4 per cent. compared with an increase of 6.2 per cent. in 1921:—

CURRENT AND DEPOSIT ACCOUNTS.

	1921.	% of Assets	1922.	% of Assets	Inc. or Dec.	%
English joint-stock banks	1,974,838,400	90.1	1,833,971,200	89.0	-140,867,200	-7.1
Private banks	48,506,800	92.0	50,955,700	91.2	+2,448,900	+5.5
Scottish banks	291,060,300	84.6	267,792,700	83.2	-23,267,600	-8.0
Irish banks	212,860,200	86.4	209,777,100	85.5	-3,083,100	-1.4
Total	2,527,255,700	89.2	2,362,496,700	88.2	-164,759,000	-6.5

The total of acceptances, usually taken as a fairly reliable foreign trade indicator, shows an increase of £13½ millions, which follows a decline of £30 millions a year ago. The acceptances of the English banks are £11½ millions higher, those of the Scottish banks one million higher.

Cash in hand and at the Bank of England, cheques in course of collection, balances with other banks, and money at call and short notice, taken together, show a fall of 5.8 per cent., which follows decreases of 3.5 per cent. in 1921, 1.1 per cent. in 1920, and over 4 per cent. in 1919:—

CASH IN HAND AND AT BANK OF ENGLAND, AND MONEY AT CALL AND SHORT NOTICE.

	1921.	% of Assets	1922.	% of Assets	Inc. or Dec.	%
English joint-stock banks	438,519,100	20.0	423,091,700	20.6	-15,427,400	-3.5
Private banks	8,484,700	16.2	8,593,000	15.4	+108,300	+1.3
Scottish banks	70,232,200	21.0	63,814,200	19.8	-6,418,000	-9.1
Irish banks	42,886,700	17.4	31,833,900	13.2	-11,052,800	-25.8
Total	560,122,700	19.8	527,332,700	19.7	-32,790,000	-5.8

The decline in the total corresponds closely, it may be mentioned, to the decrease in legal tender currency. There has again been a large fall in this item in the case of the Irish banks, and the ratio to total liabilities is now lower for them at 13.2 per cent. than for any of the other groups. In the case of the English joint-stock banks, the percentage of cash, &c., to assets has moved up slightly, the figure now being 20.6, against 20.0 at the end of 1921. The Scottish banks in 1920 showed an increase of 11½ per cent. in this item, but in 1921 there was a decline of 3.8 per cent., and last year of 9.1 per cent. The ratio to liabilities for the whole of the banks is almost identical with the preceding year, being 19.7 compared with 19.8.

A comparison of the cash and short money to notes and deposit liabilities shows a similar movement to that recorded in the previous table, the English banks having increased the ratio to 23.1 per cent., against 22.1 at the end of 1921, and the Scottish and Irish banks showing a decline, the former to 21.9 per cent. from 22.2 per cent., and the latter to 14.0 per cent. from 18.5 per cent.:—

(In £1,000's.)

	1921.			1922.		
	Deposits and Notes.	Cash.	%	Deposits and Notes.	Cash.	%
English joint-stock banks	1,975,070	458,519	23.1	1,834,141	423,092	23.1
Private banks	316,248	70,232	22.2	291,112	63,814	21.9
Scottish banks	231,912	42,887	18.5	227,098	31,834	14.0

The next table shows at a glance how much of the cash is in hand, and what proportion is at call or short

notice. Some banks still include money at call or short notice with cash in hand in their balance-sheets. Of English banks, those holding 0.5 per cent. of the total amount make a distinction between the items:—

EXCLUDING BANK OF ENGLAND.

Year, December 31.	(1) Total Cash in Hand and Money at Call and Notice.	(2) Together.	(3) Per Cent. of (1).	(4) Cash in Hand and Money at Call and Notice.	(5) Per Cent. of (2).
1908.....	194,134,000	172,774,600	89.2	91,710,600	53.1
1913.....	255,978,000	212,722,700	83.1	15,489,100	7.2
1914.....	276,045,900	230,722,700	83.6	169,520,500	77.5
1915.....	262,453,200	217,313,700	82.8	178,919,500	82.3
1916.....	369,459,900	343,494,000	93.0	177,973,500	72.2
1917.....	427,855,200	404,036,700	94.4	184,556,300	45.3
1918.....	481,220,000	454,701,200	94.5	170,135,000	37.4
1919.....	452,765,400	424,569,100	93.8	170,135,000	37.4
1920.....	449,153,400	428,678,800	95.3	104,510,400	24.4
1921.....	438,519,100	413,735,100	95.4	104,510,400	25.3
1922.....	423,091,700	402,081,300	95.0	111,068,100	27.6

The changes in the table are such as might be expected in view of the fact that the figures of banking business as a whole during the year were on a smaller scale than in the years immediately preceding it. A fall of £15½ millions is recorded in the general total compared with 1921. A little alteration in the distribution of the money is revealed by the accounts of the banks which separate the items, the ratio of cash in hand and at the Bank of England to the total having decreased from 73.4 per cent. to 71.9 per cent., while there was an increase of money at call or short notice from £109 millions in 1921 to £113 millions in 1922—28.1 per cent. of the total last year, against 26.6 in the previous year.

Large increases are shown under investments, which are compared with the previous year in the following table:—

INVESTMENTS.

	1921.	% of Assets	1922.	% of Assets	Inc. or Dec.	%
English joint-stock banks	375,564,400	17.2	424,413,200	18.2	+48,848,800	+12.9
Private banks	6,108,600	11.6	11,524,700	20.6	+5,416,100	+88.6
Scottish banks	114,530,800	32.2	126,024,700	39.2	+11,493,900	+10.0
Irish banks	81,670,200	33.1	103,019,300	42.5	+21,349,100	+26.1
Total	577,874,000	24.0	665,981,900	24.9	+88,107,900	+15.2

The increase in investments of 15.1 per cent. represents a total of £87 millions, and has been spread over all the groups. Last year an increase of 3.4 per cent. was shown, for more than half of which the Scottish banks were responsible. This compared with a total decrease in 1920 of 7½ per cent., the investments of English banks having declined by 7½ per cent. in that year. From an examination of the monthly statements of the clearing banks, it is clear that the whole of this increase in investments occurred in the first few months, when Treasury bills, which are included under discounts, were being exchanged for Treasury bonds, which figure under investments.

Discounts and advances, as will be seen from the table below, last year moved more markedly than in 1921. The meaning of the figures is not as clear as could be wished since Treasury bills are included under discounts, and the correspondence of the two items, with conditions of trade, is therefore disturbed:—

DISCOUNTS AND ADVANCES.

	1921.	% of Assets	1922.	% of Assets	Inc. or Dec.	%
English joint-stock banks	1,280,170,800	58.7	1,102,647,800	53.6	-177,523,000	-13.8
Private banks	36,214,400	9.0	33,307,800	5.9	-2,906,600	-8.0
Scottish banks	150,849,700	43.9	122,366,100	38.1	-28,483,600	-18.8
Irish banks	119,271,700	48.4	104,554,400	43.0	-14,717,300	-12.3
Total	1,586,506,600	56.2	1,362,876,100	51.0	-223,630,500	-14.1

Decreases are common to all the groups, and on a considerable scale. In the English joint-stock banks the decrease of £177½ millions compares with an in-

crease in 1921 of £17 millions. Practically the whole of the English banks now show bills discounted and advances as separate items, and from the following table, which applies to English banks only, we get a clearer idea of the nature of the movements:—

	1921.	1922.	Decrease.
Discounts	445,526,100	301,313,300	-144,212,800
Advances	834,644,700	801,329,500	-33,315,200
Total	1,280,170,800	1,102,642,800	-177,528,000

In this table it is seen that the decrease in discounts for the English banks was no less than £144 millions, for which the decline in Treasury bill holdings is undoubtedly mainly responsible. Under advances the English banks show a decrease of £33 millions, compared with a decrease last year of £95 millions. The fall in trade accommodation is not serious, since it applies to a period in which prices were on a lower level than in the period with which it is compared. The ratio of the two items of discounts and loans is not markedly dissimilar to that which we find in the figures for 1920.

In the following table the aggregate liabilities and assets of the banks of the United Kingdom, excluding the Bank of England, are shown. In the large summary table of the individual balance-sheets which appears on another page we have, for consideration of

space, included, as heretofore, cover for acceptances with premises and sundry items:—

LIABILITIES.—(000's omitted.)

	1913.	1921.	1922.	Inc. or Dec.
Capital and reserves	114,076	163,992	166,496	+2,504
Undivided profits	6,457	8,547	8,800	+253
Deposits	1,032,986	2,527,126	2,362,491	-164,632
Acceptances	67,534	78,870	92,140	+13,270
Notes, drafts, &c.	24,984	50,251	46,185	-4,066
Total	1,246,033	2,828,786	2,676,115	-152,671

ASSETS.—(000's omitted.)

	1913.	1921.	1922.	Inc. or Dec.
Cash in hand and money at call and notice	293,576	560,123	527,333	-32,790
Investments	191,041	577,874	664,982	+87,108
Discounts and advances	682,966	1,586,509	1,362,865	-223,644
Premises and cover for acceptances	78,450	104,280	120,935	+16,655
Total	1,246,033	2,828,786	2,676,115	-152,671

Very little comment need be made on this table, but it is noteworthy that the item of undivided profits, which last year was decreased by £311,000, as compared with 1920, has been increased by £253,000, as a result of the past year's transactions.

BANKING PROFITS.

The principal factors affecting the profit and loss accounts of the banks in 1922 were the stagnation in trade and low money rates on the one hand, and the great appreciation in the market value of gilt-edged securities. The first affected the amount of the profits earned, and, in the case of the English banks, reduced them, but the rise in market values obviated the necessity for withdrawing large amounts from profits to meet investment depreciation, and as a result, although profits in many cases fell, dividends were maintained. Other sources of profit, apart from loans and advances, which are the main source, such as acceptance business, foreign exchange, and so on were also affected by the slackness of trade and to some extent by the fall in commodity prices, while bad debts were no doubt a substantial item. The table below shows the striking fall in average money rates as compared with recent years:—

	Average Bank Rate.	Average Market Rate (3 months).	Average Short Loan Rate.	Average Deposit Rate.
1910.....	£ s d 3 14 5	£ s d 3 3 7	£ s d 2 14 10	£ s d 2 4 4
1911.....	3 9 4	2 18 5	2 6 8	1 19 4
1912.....	3 15 5	3 12 7	2 19 11	2 5 5
1913.....	4 15 5	4 7 5	3 15 10	3 5 3
1914.....	4 0 9	2 17 7	2 4 3	2 2 4
1915.....	5 0 0	3 14 1	2 18 4	2 12 0
1916.....	5 9 3	5 4 3	4 12 8	3 14 4
1917.....	5 3 0	4 16 2	4 8 3	4 0 0
1918.....	5 0 0	3 11 9	3 5 6	3 1 3
1919.....	5 3 0	3 18 10	3 9 7	3 3 10
1920.....	6 14 4	6 7 11	5 3 7	4 14 4
1921.....	6 2 4	5 4 3	4 12 8	4 2 4
1922.....	3 13 10	2 13 0	2 5 11	1 13 10

The volume of commercial bills has been small, and bankers have also complained of their inability to find industrial borrowers to anything like a sufficient extent. They have partly recouped themselves, however, by maintaining the margin of 2 per cent. between Bank rate and deposit rate, the latter having been at 1 per cent. for nearly six months out of the twelve. The margin between the rate charged for loans and advances and deposit rate has also been the same as in 1921, since the former varies with Bank rate. The margins between the various rates are shown below:—

	Bank Rate and Market Rate.	Deposit Rate and Market Rate.	Deposit Rate and Short Loan Rate.
1910.....	£ s d 0 10 10	£ s d 0 19 3	£ s d 0 10 6
1911.....	0 10 11	0 19 1	0 7 4
1912.....	0 2 10	1 7 2	0 14 6
1913.....	0 8 0	1 2 2	0 10 7
1914.....	1 3 2	0 15 3	0 1 11
1915.....	1 5 11	1 2 1	0 6 4
1916.....	0 5 0	1 9 11	0 18 4
1917.....	0 6 8	0 16 2	0 8 3
1918.....	1 9 3	0 10 6	0 4 3
1919.....	1 4 2	0 15 0	0 5 9
1920.....	0 6 5	1 12 7	0 9 3
1921.....	0 18 1	1 1 11	0 10 4
1922.....	1 0 10	0 19 2	0 12 1

Very few of the banks disclose their gross profits and expenses, and it is therefore impossible to tell how far the slow rate at which the latter have decreased is responsible for the decline in the net figure. In the table on the next page the net profits and appropriations for 1922 for the individual English, Scottish, and Irish banks are set out. It will be seen that in no instance was an allocation for investment depreciation made from profits. From the smaller tables, in which aggregate profits for a number of years back are shown, it will be seen that the profits of the Scottish and Irish banks were higher in 1922 than in 1921:—

ENGLISH.

Year.	Profits.	Per Cent. of Resources.	Dividends.	Per Cent. of Profits.	Investments.	Reserve Funds.	Premises.	Staff.	Movement of Carry Forward.
1908.....	7,743,491	96.6	9,254,254	89	14,350	395,74	295,960	177,153	+25,832
1909.....	7,453,621	91.6	7,721,554	90	92,700	235,689	162,008	76,324	+76,324
1910.....	8,241,490	91.6	7,760,889	82	1,105,766	222,57	237,000	107,500	-192,182
1911.....	8,214,213	91.6	8,181,122	83	242,25	116,138	240,404	91,204	+105,089
1912.....	9,124,32	99.6	8,843,434	75	1,578,056	111,606	67,81	120,000	+63,944
1913.....	10,377,225	103.6	9,338,720	67	2,187,535	59,12	406,811	243,000	+18,168
1914.....	9,120,666	94.6	6,972,955	73	1,190,900	317,20	102,728	40,687	+69,533
1915.....	9,828,73	86.6	2,884,456	64	3,647,607	201.0	132,500	4,687	-300,618
1916.....	10,734,800	82.5	5,937,606	55	4,40,101	18,000	21,500	66,592	+50,061
1917.....	11,678,479	73.5	5,171,513	46	244,000	3,354,500	417,500	2,400,000	+148,744
1918.....	12,578,194	71.5	5,106,498	48	167,500	4,241,900	747,000	740,100	+561,468
1919.....	14,639,643	69.7	7,014,262	48	3,421,500	1,103,896	742,500	857,000	+489,986
1920.....	17,399,028	79.8	4,246,466	49	4,930,000	1,930,718	945,000	520,000	+646,944
1921.....	13,740,616	63.8	6,642,260	63	..	3,153,560	1,445,000	320,000	+179,796
1922.....	12,248,280	58.8	8,934,266	74	..	1,514,868	1,225,000	270,000	+84,146

SCOTTISH.

Year.	Profits	Per Cent. of Resources	Dividends	Per Cent. of Profits	Investments Depreciation	Reserve Funds	Premises	Staff	Movement of Carry Forward
£	£	£	£	£	£	£	£	£	£
1908.....	1,737,373	1.26	1,395,853	80	42,000	175,750	47,500	17,500	+ 58,770
1909.....	1,773,301	1.27	1,375,897	81	65,000	166,750	51,500	29,146	+ 24,269
1910.....	1,779,664	1.29	1,436,620	81	192,849	108,750	54,000	31,500	+ 41,095
1911.....	1,796,794	1.31	1,497,787	81	153,798	115,750	51,500	31,517	+ 317
1912.....	1,807,524	1.32	1,467,835	78	308,081	97,500	59,000	19,000	+ 81,891
1913.....	1,886,414	1.38	1,437,203	76	229,931	87,500	70,500	49,000	+ 11,790
1914.....	1,907,071	1.41	1,432,075	71	269,118	20,000	46,500	30,000	+ 189,384
1915.....	1,919,951	1.42	1,488,967	61	684,779	..	46,500	38,925	+ 19,429
1916.....	2,015,144	1.50	1,508,141	5	690,132	80,000	51,500	30,000	+ 55,981
1917.....	2,167,071	1.68	1,675,015	49	140,000	557,500	135,000	65,000	+ 154,561
1918.....	2,204,466	1.72	1,744,884	48	40,000	795,000	170,000	85,300	+ 96,778
1919.....	2,367,941	1.85	1,886,424	46	646,085	383,806	100,000	100,000	+ 71,627
1920.....	2,392,975	1.87	1,886,424	47	986,991	50,000	120,000	105,000	+ 4,660
1921.....	2,437,024	1.91	1,886,424	49	..	877,501	170,000	140,000	+ 46,093
1922.....	2,545,377	1.99	1,886,424	50	..	861,959	220,000	170,000	+ 16,308

IRISH.

Year.	Profits	Per Cent. of Resources	Dividends	Per Cent. of Profits	Investments Depreciation	Reserve Funds	Premises	Staff	Movement of Carry Forward
£	£	£	£	£	£	£	£	£	£
1908.....	968,500	1.24	846,262	87	10,000	38,953	6,259	25,576	+ 25,576
1909.....	918,241	1.20	846,262	98	15,000	37,500	29,164	5,145	+ 33,177
1910.....	989,459	1.29	837,311	85	35,000	31,000	14,471	12,921	+ 1,844
1911.....	1,008,860	1.31	807,452	80	93,000	73,500	22,545	19,48	+ 9,621
1912.....	1,053,684	1.32	761,576	72	170,000	123,500	17,757	5,220	+ 24,169
1913.....	1,010,041	1.21	759,964	64	184,000	125,000	13,253	3,700	+ 16,720
1914.....	1,104,336	1.33	750,033	68	150,000	165,000	22,678	10,600	+ 6,520
1915.....	1,225,561	1.47	712,964	58	63,000	81,500	6,259	6,380	+ 18,186
1916.....	1,203,499	1.45	630,600	52	361,000	75,000	8,200	13,100	+ 7,109
1917.....	1,191,134	1.44	616,371	51	11,000	370,000	30,318	5,000	+ 61,496
1918.....	1,401,660	1.79	662,437	47	15,000	537,500	12,000	64,630	+ 11,290
1919.....	1,444,444	1.84	691,211	47	29,000	365,309	14,920	65,000	+ 2,336
1920.....	1,701,534	2.17	699,946	41	383,000	516,003	25,781	40,000	+ 36,804
1921.....	1,632,958	2.06	729,330	45	102,500	627,299	69,429	50,000	+ 54,410
1922.....	1,827,227	2.35	768,754	42	..	923,502	119,907	52,000	+ 36,940

The English banks show a decline for the second year in succession, but the amount distributed in dividends continues to rise, and in 1922 equalled 74 per cent. of profits. This figure, however, is well below the aver-

age for the five years preceding the war. Investment depreciation has made no call on profits in the past two years, and for 1922 reserve allocations were less than half the amount set aside at the end of 1921. Premises and staff funds get slightly less than a year ago, but a further addition is made to balances carried forward.

The table of profits of the Scottish banks shows an unbroken record of expansion, and although dividend rates have in several instances been raised, the percentage of profits distributed to shareholders is only slightly higher at 50 per cent., which makes a very favourable comparison with the 74 per cent. shown for the English banks. Reserve allocations are almost as large as in 1921, and the transfers to premises and staff funds are increased, balances forward being also expanded by over £16,000. The profits of the Irish banks have not moved so steadily as those of the Scottish banks, but for 1922 the total is the highest in the table, while the proportion paid to shareholders is almost the lowest. Reserve allocations were increased in 1922 by nearly 50 per cent., and a substantially larger amount was transferred to premises accounts, but the aggregate balance carried forward was reduced.

On the whole, the figures show that the banks, while suffering to some extent from the trade depression, have been able to employ their resources fairly remuneratively, while the steady rise in gilt-edged security values has strengthened their internal positions. An increase in profits, however, cannot be expected with any confidence unless activity in general trade develops more strongly in the remainder of the year than it has already done.

PROFITS OF BANKS FOR LAST COMPLETED FINANCIAL YEAR.

BANK.	Year Ended.	Profits.	Dividend	Rate.	Investments.	Reserve.	Premises.	Staff.	To Carry Forward.
£	£	£	£	%	£	£	£	£	£
ENGLISH.									
Bank of Liverpool and Martins	Dec 31	504,802	375,822	16	..	100,000	50,000	..	21,090
Barclays	Dec 31	1,878,791	1,508,717	13 1/4	..	250,000	100,000	50,000	34,986
British Mutual	Dec 31	9,917	6,000	10	..	3,000	..	..	317
Equitable	Dec 31	9,424	7,040	16	..	8,000	..	..	616
Lancashire and Yorkshire	Dec 31	286,843	201,812	20	..	25,000	..	10,531	47,800
Lloyds	Dec 31	2,068,875	1,766,875	16 1/2	..	250,000	100,000	..	707
London and Liverpool of Commerce	Dec 31	16,993	17,700	4	..	..	..	..	..
London Joint City and Midland	Dec 31	2,253,492	1,441,778	18	..	500,000	800,000	..	11,714
London County Westminster & Parr's	Dec 31	1,888,021	1,231,144	20 1/2	..	300,000	350,000	..	16,877
London Merchant	Dec 31	36,876	18,750	24	..	36,000	..	..	18,768
Manchester and County	Dec 31	226,108	177,457	16 1/2	..	50,000	..	..	1,849
Manchester and Liverpool District	Dec 31	465,245	347,600	18 1/2	..	..	..	..	117,645
National Provincial and Union	Dec 31	1,854,190	1,489,006	16	..	121,959	100,000	100,000	4,725
Union of Manchester	Dec 31	247,188	110,625	20	..	100,000	20,000	20,000	3,487
William's, Deacon	Dec 31	337,175	244,140	18 1/2	..	50,000	30,000	..	13,035
Totals	..	12,028,280	8,984,266	..	..	1,511,868	1,225,000	270,000	84,146
SCOTTISH.									
Bank of Scotland	Feb 28	345,178	157,955	16	..	125,000	50,000	..	12,223
British Linen	Jan 15	294,340	147,767	16	..	10,000	50,000	..	..
Glydeedale	Dec 31	384,855	180,000	18	..	100,000	20,000	20,000	4,855
Commercial of Scotland	Oct 31	349,600	182,285	16 1/2	..	125,000	20,000	28,000	2,685
National of Scotland	Nov 1	291,063	128,263	16	..	100,000	20,000	45,000	2,200
North of Scotland, &c.	Sep 30	202,020	110,840	17	..	50,000	20,000	15,000	6,180
Royal of Scotland	Oct 2	401,959	190,000	18	..	181,959	20,000	30,000	..
Union of Scotland	Apr 2	326,862	180,000	18	..	100,000	20,000	26,000	1,862
Totals	..	2,545,377	1,277,110	..	..	861,959	220,000	170,000	16,308
IRISH.									
Bank of Ireland	Dec 31	633,943	265,848	18	..	260,000	..	..	8,097
Belfast Banking	Dec 31	110,580	43,948	20	..	70,000	..	..	3,363
Hibernian	Dec 31	107,422	47,500	24	..	53,502	5,000	..	1,420
Munster and Leinster	Dec 31	182,637	59,000	20	..	100,000	20,000	..	3,637
National	Dec 31	294,514	132,760	19	..	160,000	..	..	236
Northern	Aug 31	238,682	66,190	17 1/2	..	200,000	9,907	..	37,415
Provincial	Dec 31	117,193	53,774	13 1/2	..	60,000	10,000	..	6,571
Royal	Aug 31	54,011	21,900	10	..	20,000	..	12,004	107
Ulster	Nov 30	190,245	77,861	21 1/2	..	75,000	40,000	..	2,616
Totals	..	1,827,227	768,754	..	..	923,502	119,907	62,004	36,940

BANK SHARES.

THE past twelve months have seen a rise in Bank shares, which, although of substantial dimensions, did not approach in extent that which took place in 1921-1922. As a rough generalisation, it may be said that the chief influences affecting this particular section of the Stock Exchange markets were similar to those that operated in the previous year. Until the autumn, trade depression showed small signs of lifting, and although since October last evidence has on all hands accumulated that the worst of the bad period has been left behind, the betterment so far has not gone far enough to raise monetary rates, or to make any very pronounced increase in the demand of industry and commerce for the credit which the banks have to lend. As has been pointed out in a previous article, Bank profits for 1922 in many cases suffered a further decline, but as in the previous year, profits were not drawn upon for writing down investment holdings. On the contrary there has been, as everybody knows, a renewed advance in gilt-edged stocks. Thus banks were, generally speaking, able to maintain last year's dividends—a few even raised the rate—while the continued gilt-edged rise increased balance-sheet strength by adding to the hidden reserves which are created when investment holdings rise above the level at which they are entered in the books. Thus conditions have continued to be such as to reinforce investors' confidence in the great banks, and, in addition, the bank share market has had some share of benefit from the strong demand, which has persisted during a considerable period of the past 12 months, for all kinds of well-secured investments. With these influences at work, it would be strange indeed if bank share quotations had not risen. The extent to which they have done so is indicated in the following table, in which we give a calculation of the average market price at April 30th in each of the past 15 years of the shares of English, Scottish, and Irish bank shares, adding, for purposes of a standard of comparison, the yearly movements in the price of Consols:—

	Average Price of Bank Shares.					Price of Consols	% of 1909.
	English	% of 1909.	Scottish	% of 1909.	Irish	% of 1909.	
1909.....	322	100	364	100	282	100	100
1910.....	316	98	369	101	279	99	96
1911.....	315	98	359	99	278	99	96
1912.....	299	93	354	97	248	88	78
1913.....	286	92	343	94	226	80	74
1914.....	281	87	319	88	220	78	71
1915.....	239	74	235	65	190	67	58
1916.....	241	75	237	65	187	66	55
1917.....	257	79	256	70	203	72	55
1918.....	282	88	269	74	161	57	47
1919.....	229	71	211	58	159	57	47
1920.....	280	87	240	66	173	61	59
1921.....	297	92	258	71	187	66	59
1922.....	297	92	258	71	187	66	59

It will be seen that the rise in bank shares of all the three countries has been proportionately far greater than that recorded by Consols, which between April 30, 1922, and April 30, 1923, advanced in price by less than 1 1/2 per cent., as compared with advances of over 6 per cent. in English bank shares, of 7.5 per cent. in Scottish bank shares, and 8.1 per cent. in Irish bank shares. The last-mentioned percentage is encouraging. In 1921-22 Irish bank shares, owing to political instability, had not risen relatively so much as those of the banks of Scotland and England. In the past year the slow but steady success of the Free State Government in suppressing the forces of rebellion has improved the position of the banks, and increased the confidence of the Irish investor in Irish stocks and shares, whether of banks or of other concerns.

With the rise in quotations continuing, and dividends either remaining steady or being increased, the yields obtainable have declined. The three following tables show for English, Scottish, and Irish bank shares the yields obtainable now and a year ago. The first table shows the figures for the English:—

ENGLISH BANKS.

Banks.	Share.		End of April, 1922.					End of April, 1923.				
	Am't.	Paid Up.	Div. inc. Bonus.	Price.			Yield.	Div. inc. Bonus.	Price.			Yield.
				£	s	d			£	s	d	
Bank of England ..	Stock	100	11	246½	4	9	3	11½	255	4	10	3
Bank of Liverpool ..	20	2½	16	63	5	18	6	16	72	5	10	3
and Martin's ..	4	4	10	7½	5	3	0	10	8	5	0	0
Barclays, A.	20	1	14	2½	5	9	13	24½	5	1	0	0
Do B.	20	10	20	34½	5	15	0	20*	37½	5	7	3
Lancashire and ..	20	5	1	24½	5	13	0	16½	33½	5	9	9
Yorkshire	20	10	6	5½	10	18	0	2½	4½	5	4	0
Lloyds	12	2½	18	8½	5	9	0	18	8½	5	3	6
London Merchant ..	2½	2½	18	9	5	0	0	18	9½	4	14	9
London Joint City ..	20	4	16½	10½	6	1	3	16½	11½	5	10	9
and Midland ..	15	3	18½	9½	5	18	0	18½	9½	5	12	9
Ditto	25	3½	16	9½	6	0	3	16	10	5	12	0
Manchester and ..	20	4	16	10½	5	14	0	20	11½	5	13	0
County	20	5	20	17½	5	2	6	12½	18½	4	16	3
Liverpool District ..	1	1	12½	2½	5	2	6	12½	2½	5	12	9
National Provincial ..	5	1	12½	2½	5	4	0	12½	2½	5	12	9
& Union of Eng.	20	4	16	10½	5	14	0	20	11½	5	13	0
Ditto	20	5	20	17½	5	2	6	12½	18½	4	16	3
Westminster	1	1	12½	2½	5	2	6	12½	2½	5	12	9
Ditto	5	1	12½	2½	5	4	0	12½	2½	5	12	9
Williams, Deacon's, ..	1	1	12½	2½	5	4	0	12½	2½	5	12	9
"A"	5	1	12½	2½	5	4	0	12½	2½	5	12	9
Do "B"	1	1	12½	2½	5	4	0	12½	2½	5	12	9

In view of the fact that uncalled liability is a frequent deterrent to investors in the case of bank shares, it may be as well to point out that the lists given above include nine fully paid stocks or shares, namely, Bank of England (£100 stock), Barclays "A" (£4 share), Barclays "B" (£1 share), London Joint City and Midland (£2 10s share), Westminster Bank (£1 share), Williams, Deacon's "B" (£1 share), British Linen

(£100 stock), Commercial of Scotland (£1 share), Bank of Ireland (£100 stock). On some others the uncalled liability is small. During the past 12 months the market has shown a steady upward trend, without any periods of serious set-back, but the rise is attributable more to the effects of the gilt-edged rise than to any very great expansion in business.

AMERICAN BANKING.

(BY OUR NEW YORK CORRESPONDENT.)

ACCORDING to the Federal Reserve Board's latest index figures, based on returns from all sections of the country and from all the more important branches of trade and industry, production in basic industries of the United States showed a further increase of 4 per cent. in March to a level 8 per cent. above the 1920 peak, and 67 per cent. above the low point reached in July, 1921. March sales by department stores were 22 per cent. greater than in the corresponding month of last year. Sales by mail-order houses were larger than in any month since November, 1920, and exceeded by 35 per cent. those of March, 1922. Wholesale and retail trade showed a marked expansion in all lines, employment increased, and wages of both skilled and unskilled labour were sharply advanced. The business revival, indicated by the foregoing data, has occurred for the most part in the past six or eight months. During the first quarter of this year, the Reserve Board remarks, the volume of goods produced and passed into consumption "probably exceeds that of any similar period" in the history of the country. Naturally, the tremendous trade and industrial expansion greatly increased demands upon banks. They have not only met all requirements without any undue strain, but have so strengthened their position that the present lending capacity of the American banking system as a whole is officially stated to be far in excess of the credit needs of the country's productive capacity.

Convincing evidence of the improved banking situation is found in recent statements covering the entire Federal Reserve system. Comparisons, for instance, between dates when low points were reached and April 11th, of this year show that loans and investments of member banks in leading cities increased \$1,974,000 since March 8, 1922, or 14 per cent. Since August 30, 1922, commercial loans increased \$783,000,000, or 11 per cent. The marked growth of total loans and investments since the first of this year is attributed entirely to the rapid increase in commercial loans, since loans on stocks and bonds and the investment holdings of the member banks have actually declined. This change in the form of bank credit probably reflects the growing demand for credit in commercial and industrial undertakings.

Aggregate loans and discounts of 777 leading banks reporting to the Federal Reserve Board in Washington amount to \$11,821,111,000. From the low point of last July, the present volume represents an increase of \$1,081,975,000, although there has been a decrease of about \$58,500,000 during the past fortnight. Since January 1 there has been a gain of \$223,600,000, approximately, whereas for the corresponding period a year ago there was a decrease of nearly \$360,000,000.

Total cash reserves of the Federal system amounted to \$3,179,042,000, as on April 25th. Such holdings have been well stabilised; the aggregate represents an increase of about \$54,000,000 compared with a year ago. Combined earning assets of the Federal Reserve system on April 25th stood at \$1,104,489,000, representing an increase of approximately \$138,000,000 since August, 1922, or 14 per cent., but a decrease of \$45,000,000 from the total a year ago. The earning assets consist of loans, discounts, and investments, and the increase in such assets since last summer reflects to a considerable extent the wider use of reserve bank credit, notably in the industrial sections of the United States. Federal Reserve notes in circulation on April 25th totalled \$2,222,588,000, or about

\$65,000,000 more than a year ago, the increase being due to the greater business activity.

There has been considerable talk lately about the bank loan situation in this country, and warnings have been given by various interests, including Federal Reserve officials, that caution should be exercised by both lenders and borrowers. In other words, that every precaution should be taken by all concerned to avoid over-extension. Bankers generally have been guarding against any possible repetition of the experiences of 1919 and 1920. Such warnings have evidently been heeded. But, as previously indicated, there is really no cause for the slightest concern in regard to the loan situation or the lending capacity of banks. Rediscunts, it is true, have lately shown heavy increases. During the past week they have shown a gain of \$93,700,000, bringing the total for the entire system up to \$730,340,000—a new high record for this year. Still, that total might be described as very small compared with the peak reached in the winter of 1920, when rediscunts amounted to \$2,826,825,000. The present total is more than \$2,000,000,000 below that high point. Each of the 12 central Reserve institutions has greatly reduced the total of its rediscunts from the maximum amounts in 1920. The New York Federal Reserve Bank, for instance, then showed a total of almost one billion dollars; the figure last week stood at only \$154,000,000. Rediscunts with the Chicago Federal Reserve Bank, at the peak, exceeded \$493,000,000; a week ago they aggregated only \$90,000,000 approximately. It is evident that member banks, in meeting demands of their customers for increased credit and currency, have not been seeking or receiving so much loan co-operation as formerly from the Federal Reserve Banks. By withdrawing funds from investments, and because of the further inflow of gold, they have been able to meet requirements quite independently of the Reserve institutions.

Meanwhile the Federal Reserve system has been accumulating a tremendous reserve of lending power, largely as a result of the continued influx of gold. On April 1st the stock of gold in the United States reached a new high record, \$3,099,193,743, which compares with \$3,750,671,539 on the corresponding date of 1922, and shows an increase during that period of \$218,576,204. Gold holdings of the Federal Reserve system on April 1st, this year, amounted to \$3,060,495,000, representing an increase over April 5th, 1922, of \$86,294,000. The present gold holdings alone give the Federal Reserve system a credit expanding power of approximately \$30,000,000,000.

The following table gives the ratios of total reserves to net deposit and Federal Reserve note liabilities combined, for the 12 Federal Reserve banks and for the entire system, as on April 25th, compared with a year ago:—

	April 26, 1922.	April 25, 1923.
Boston.....	75.5	82.6
New York.....	86.5	86.4
Philadelphia.....	78.8	73.8
Cleveland.....	77.9	76.4
Richmond.....	63.0	60.4
Atlanta.....	78.4	70.4
Chicago.....	75.6	80.0
St. Louis.....	74.8	66.3
Minneapolis.....	71.3	70.8
Kansas City.....	58.1	60.1
Dallas.....	62.4	47.7
San Francisco.....	74.4	65.5
Total.....	78.3	77.0

The Federal Reserve ratio of 77 per cent. is the high point of this year, and within 3.4 points of last year's top record. It is also more than 1 point above the ratio on February 21st, when the New York and Boston Federal Reserve Banks raised their rediscount rates. As compared with that date the ratios of both the New York and Boston Reserve Banks are about 6 points higher, which would seem to indicate that whatever inflationary tendencies there may have been several weeks ago in the eastern reserve districts have been checked. The ratio for the entire Federal Reserve system at present (May 3rd) is 75.2 per cent. The past week's decline from 77 per cent. should not be construed as indicating any material impairment of banking strength; the decline is due chiefly to the fact that member banks have been increasing their reserve accounts with regional institutions, which had recently been reduced. It is pointed out by one of the Federal Reserve bank governors that by selling investments owned the 12 Reserve institutions could put the combined reserve ratio well above 80 per cent.

The relatively low ratio (47.7 per cent.) reported by the Federal Reserve Bank at Dallas, Texas, is attributed largely to investments in bankers' acceptances and United States obligations, and not to heavy loans to member banks in that district. The head of the Dallas institution explains that by disposing of its investments, which were made to employ funds not otherwise in demand at the time, the bank's ratio could have been brought up above 76 per cent. To a certain extent that

applies to all of the 12 Federal Reserve Banks, which, theoretically, could augment their cash holdings by more than \$500,000,000 by disposing of acceptances and United States Government obligations.

In this connection it is interesting to note that approximately \$523,700,000 bankers' acceptances were outstanding in the United States on April 1st, as against \$416,400,000 on that date a year ago; the increase, amounting to \$107,300,000, in such acceptances plainly reflects the business revival during the past 12 months.

Money conditions generally throughout this country are reported as comfortable. Although bankers are advancing loans cautiously, for reasons stated, funds are in abundant supply for all legitimate requirements. Time-money is now available for all maturities up to five months, on both mixed and all industrial collateral, at 5½ to 5¾ per cent., while commercial paper discounts at 5 per cent. for prime and 5½ per cent. for other names. The rediscount rate of all Federal Reserve Banks throughout the country remains at 4½ per cent., and there is nothing in the present situation or outlook that foreshadows an increase in the rate in any district. It is, perhaps, worth mentioning that, owing largely to the recent heavy liquidation in the stock market, Wall Street brokers' loans have fallen to the lowest point of the current year. The total of such accommodations is now estimated at approximately \$1,750,000,000, as compared with the high point in February last, when the aggregate was about \$2,000,000,000.

GERMAN BANKING.

(BY OUR BERLIN CORRESPONDENT.)

BANKING in the last six months has continued on the same lines as in the first post-armistice years, with numerous fusions and large increases of capital. A new feature, which has not yet touched the more important banks, is the entry of the fictitious gold-mark or "currency in kind" (usually coal or rye) into banking. Although the Berlin Bankers' Association has formally condemned the keeping of gold-mark accounts, mainly on the ground that this would compel the banks to put part of their resources into dollars, such accounts have made a certain progress; a "gold-bank" has been started, gold-mark savings accounts have been regulated by the Prussian Government, and "currency in kind savings" are recognised, and a Rye Renten Bank exists at Berlin. This development arose inevitably out of the issue of loans in gold-marks or in rye or coal currency. The inconveniences for trade of the simultaneous circulation of several currencies are not as great as is generally believed, and the movement seems to prepare the way for the extinction altogether of the old currency, leaving the question of secured debts, mortgages, bonds, &c., to be regulated by legislation.

The reports for 1922 of the biggest Berlin banks have not yet appeared. Judging by those reports which have appeared, the coming reports will show enormous increases in all transactions and in nominal profits. Owing to the great industrial activity, to the wild Bourse boom accompanying the mark depreciation, and to the flood of emissions due to the same cause, banking has been very profitable. Dividends are expected to be 100 per cent. or more. The Berliner Handelsgesellschaft, the first bank to publish its report for 1922, has declared a 200 per cent. dividend, against 16 per cent. in 1921. This bank is in an exceptional position because it is working still with its pre-war capital, but in other respects the following figures of its activities are probably typical of all the bigger banks:—Gross profits 2,654,662,398 marks against 151,558,922 marks in 1921, of which 1,685,979,174 marks (against 67,984,329 marks) came from bill and exchange transactions; net profits 680,030,988 marks, against 61,967,725 marks. Administration cost was 1,724,195,569 marks against 53,080,830 marks, and taxes 250,435,841 marks against 15,240,837 marks. The liabilities of the bank on December 31st were 27,598 millions against 4,294

millions, or 13,827 per cent. of capital and reserves, against 2,081 per cent. Liquid assets were 18,169 millions, or 65.70 per cent. of liabilities, against 3,104 millions, or 66.10 per cent. The capital of the bank remains at 110 millions, reserves being 90 millions, against 50 millions at the close of 1921. Despite recent big increases, the capitalisation of the other big banks bears an ever smaller proportion to the totals of business done. One large Berlin bank reports that its expenditure in two days exceeds its whole share capital. The banks are still heavily burdened with information work for the Government, but they were relieved by partial restoration last winter of secrecy. They lose badly on dealings in bonds and mortgage bonds, which have ceased to represent any appreciable values, but which cost as much as big accounts to administer; and there is a growing agitation for the buying back of the small units of war and other loans, the whole capital value of which would sometimes only pay for a postage stamp.

Increases of capital have continued. The motive is partly to have greater resources, though even the biggest capitalisation increases are insignificant in proportion to the increase in the nominal value of business done. Partly the reason given is the need for protecting the banks against foreign control. This is achieved either by giving the new shares double, treble, or even five-fold voting power, and ensuring their being in firm hands, or by issuing the shares to a syndicate. The capitalisation of the chief banks at present is:—

	Mln. M.		Mln. M.
Deutsche	1,500	Darmstädter und	
Dresdner	1,100	National	600
Disconto	900	Mitteldeutsche Kredit ..	510
Commerz	700	Berl. Handelsges.	110

Some provincial banks fell, in regard to capital, into the first rank. The Barmer Bankverein has a capital of 1,000 millions; the Allgemeine Kreditanstalt of Leipzig 800 millions, and the Bayerische Vereinsbank lately decided to raise its capital to 870 millions. The Dresdner Bank doubled its capital in January, giving as one reason the need for protection against foreign control. The agitation for protection was greatly strengthened last autumn when Herr Stinnes got into the Berlin Handelsgesellschaft in connection with a deal by a foreigner. Stinnes has been given two seats in the control board of the bank. The Mitteldeutsche Kredit-

bank decided to treble its capital in November; in the same month the Disconto to raise its capital from 600 to 900 millions. The Deutsche Bank's last increase, from 800 to 1,500 millions, was announced in February. Many mortgage banks and unions of such banks have also increased their capital, the Gemeinschaftsgruppe deutsche Hypothekenbanken having doubled its capital last month in connection with a plan of further expansion. Quotations of bank shares have risen very much:—

	Dec. 30, 1921.	Dec. 12, 1922.	April 5, 1923.
Deutsche	507 ..	7,800 ..	31,750
Dresdner	398 ..	3,100 ..	20,000
Disconto	430 ..	3,800 ..	22,250
Darmstadt und National ..	303 ..	2,400 ..	22,100
Commerz und Privat	302 ..	1,800 ..	18,500
Berl. Handelsge.	460 ..	16,900 ..	82,000
Mitteldeutsche Kredit	303 ..	1,500 ..	10,250

The fusion policy continues, though there has been nothing as important as the union of the Darmstadt and National Banks, which took place in 1921. Last year chiefly brought combinations between Berlin and provincial, in particular South-German, banks. One such deal was between Mendelssohns and the Bavarian Vereinsbank, which had already associations with the Bavarian Handelsbank and the Nürnberg Vereinsbank. The Deutsche Bank extended its influence in the same direction by fusing its dependent, the Rhenish Creditbank with the Pfälzische Bank, and the Commerz und Privatbank fused altogether with the Chemnitz Bankverein and certain associated banks, doubling its capital in this connection. After this deal the Commerz und Privatbank controlled or was associated with 8 provincial banks with 178 branches, and a capital (November, 1922) of 185,500,000 marks. The Freiberg Bankverein, which is among the eight, is to be wholly taken over by the Commerz Bank. The Darmstadt und National Bank is reported to be negotiating for union with Königsberg and Danzig banking institutions with interests in East Europe. Last month a union of South German mortgage banks, under the title "Arbeits-

gemeinschaft süddeutscher Hypothekenbanken" was founded on lines similar to the combinations of mortgage banks in North and Central Germany.

The chief new foundation in recent months is the Thuringian State Bank, for whose liabilities Thuringia is responsible. This is an outcome of the union of the small Thuringian States. In 1922 70 banks were founded with capital of 1,222,792,000 marks. The majority are small institutions, and many of them have no reason for existence except the inability of the big banks to handle their enormous business rapidly. The new banks appeal to the floating and speculative public, especially for exchange transactions. In Berlin, with the support of important provincial banks, the Standard Bank has been formed with 500 million marks capital, and in Munich is another new bank of importance, the Sued-Nord Bank A.G., capital 525 million marks. This bank proposes to increase its capital to 1 milliard, and to open branches in Berlin and Mannheim.

Of the position of the banks from the point of view of security, little can at present be said. Most experts agree, and nothing has happened to shake their opinion, that the banks are in a sound condition, and would be able to meet any demands caused by a possible political or other crisis. Currency depreciation does not in itself make for insecure banking, and the worst banking crises of late have been in countries with good and almost stable currencies. Such part of the German banks' assets as are in Treasury bills are ideally liquid, and the banks' claims upon trade and industry seem to be well secured by the steady rise in values, which has practically extinguished bankruptcies. Naturally in this process there is a constant loss of substance, but it does not fall upon the banks, which can, much better than some institutions and individuals, work on the official principle that "a mark is a mark." Any serious price-fall due to a radical change in foreign exchange tendencies, or to an incautious currency reform, would provide a new test for the soundness of the banking system.

COMPARATIVE STATEMENTS.

JOINT-STOCK BANKS OF ENGLAND AND WALES (EXCLUDING BANK OF ENGLAND).

Year.	Rank.	No. of Branches.	Capital and Reserves.	% of Liabilities.	Deposits.	% of Liabilities.	Acceptances.	% of Liabilities.	Total Liabilities.	Cash in Hand, and Money at Call and Notice.	% of Liabilities.	Investments.	% of Liabilities.	Discounts and Advances.	% of Liabilities.
1890	104	2,208	87,826,000	14.5	368,663,000	79.4	22,693,000	4.9	484,075,000	83,955,000	18.0	82,816,000	17.8	269,507,000	56.0
1895	99	2,690	69,218,000	12.4	455,561,000	81.6	28,724,000	4.2	558,744,000	111,308,000	19.9	107,498,000	19.2	311,678,000	56.7
1900	77	8,757	79,847,000	11.8	586,726,000	84.0	21,580,000	3.0	698,762,000	144,400,000	20.7	127,766,000	18.3	395,313,000	56.6
1905	59	4,558	82,010,000	10.8	627,529,000	82.6	39,225,000	5.2	768,712,000	179,530,000	23.6	131,731,000	17.3	401,485,000	52.9
1906	55	4,723	82,186,000	11.0	647,890,000	82.6	41,715,000	5.3	782,353,000	178,710,000	22.8	130,980,000	16.8	425,559,000	54.3
1907	52	4,822	81,551,000	10.4	648,596,000	82.8	44,433,000	5.7	782,813,000	174,491,000	22.1	125,772,000	16.1	431,209,000	55.1
1908	50	4,903	82,248,000	10.2	674,660,000	83.5	42,244,000	5.2	806,727,000	194,134,000	24.1	136,765,000	17.0	427,739,000	53.0
1909	46	5,022	81,255,000	9.9	685,040,000	84.0	41,303,000	5.0	815,787,000	199,749,000	24.4	137,268,000	16.8	433,895,000	53.1
1910	45	5,202	80,946,000	9.4	720,687,000	83.6	52,268,000	6.0	862,134,000	199,724,000	23.0	137,711,000	16.0	467,880,000	54.8
1911	44	5,410	79,775,000	9.0	748,641,000	84.6	48,839,000	5.5	885,058,000	211,064,000	23.8	133,757,000	15.1	485,415,000	55.0
1912	44	5,577	81,154,000	8.9	773,974,000	83.6	61,295,000	6.6	925,927,000	216,110,000	23.4	127,645,000	13.7	515,902,000	55.7
1913	43	5,797	82,068,000	8.5	809,852,000	84.0	61,705,000	6.4	963,031,000	235,958,000	24.5	121,238,000	12.6	539,800,000	56.0
1914	38	5,869	81,904,000	7.9	895,561,000	86.6	47,802,000	4.6	1,034,485,000	276,046,000	27.6	146,493,000	14.2	553,499,000	53.5
1915	37	6,027	81,781,000	7.1	992,555,000	86.4	62,512,000	5.5	1,146,807,000	262,453,000	22.9	130,771,000	11.6	503,617,000	43.9
1916	35	5,998	81,039,000	6.2	1,154,877,000	87.9	68,726,000	5.2	1,316,220,000	369,460,000	28.0	132,002,000	10.1	542,778,000	41.4
1917	34	6,004	84,475,000	5.5	1,365,297,000	89.2	63,775,000	4.3	1,528,631,000	427,855,000	28.0	139,631,000	9.1	685,677,000	44.9
1918	26	6,285	92,932,000	5.3	1,583,412,000	90.9	58,850,000	3.4	1,742,724,000	481,220,000	27.6	134,730,000	7.7	834,668,000	47.9
1919	21	6,928	106,279,000	5.0	1,874,184,000	87.9	131,198,000	7.1	2,137,908,000	452,755,000	21.3	139,611,000	6.4	1,129,582,000	53.4
1920	20	7,257	128,154,000	5.8	1,961,527,000	89.0	102,920,000	4.7	2,200,317,000	449,153,000	20.4	136,734,000	6.2	1,263,091,000	57.8
1921	20	7,606	129,131,000	5.9	1,974,898,000	90.0	74,166,000	3.4	2,185,438,000	438,519,000	20.0	137,564,000	6.2	1,290,171,000	58.8
1922	20	7,840	129,173,000	6.3	1,838,971,000	89.0	85,687,000	4.2	2,056,242,000	428,092,000	20.6	142,413,000	7.0	1,102,648,000	53.7

BANK OF ENGLAND.

The Bank of England received its first charter in 1694. Its capital is now £14,553,000, in fully-paid stock, which is a "trustee" security. For each year from 1904 to 1913 the dividend was 9 per cent., paid in equal instalments, free of income-tax, in April and October. From April, 1914, the dividend has been at the rate of 10 per cent. per annum, less income-tax. The price of the stock on April 30th, 1923, was 255, giving a yield of £4 10s 3d per cent. The

authorised note issue against securities is now £19,750,000, having been increased by £1,300,000 in February last in accordance with an Order in Council. The Government Debt of £11,015,100 forms part of the security. All notes issued in excess of this amount must be covered by an equal amount of gold, except in so far as the Currency and Bank Notes Act, 1914, abrogates the provision of the Bank Act, 1844, in this connection.

Last Return of Year.	Number of Branches.	LIABILITIES.										ASSETS.						
		Capital.		Rest.		Note Circulation.		Post Bills.		Deposits.		Total Liabilities or Assets.	Coin and Bullion.		Govt. Securities.	Other Securities in Banking Department.		
		Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.		Per Cent.	Per Cent.				
		£.		£.		£.		£.		£.		£.		£.		£.		
1890	11	14,553,000	17.6	3,241,083	3.9	25,114,170	30.4	178,281	0.2	39,814,589	47.9	82,901,123	23,465,834	28.3	26,256,433	31.7	33,178,856	40.0
1895	11	14,553,000	13.1	3,111,056	2.8	26,468,425	23.8	88,775	0.1	56,460,839	60.2	110,682,095	44,960,056	40.5	31,735,164	28.7	33,995,875	31.0
1900	11	14,553,000	15.9	3,215,471	3.5	28,113,280	32.5	153,097	0.2	43,797,846	47.9	91,532,694	28,541,163	31.1	33,962,060	28.7	32,029,471	31.9
1904	11	14,553,000	14.6	3,193,909	3.2	28,204,210	28.4	70,180	0.1	53,424,743	53.7	99,451,042	29,927,472	30.0	34,659,872	34.3	35,448,068	35.8
1905	11	14,553,000	14.6	3,273,248	3.3	29,351,060	29.5	99,413	0.1	52,038,005	52.5	99,314,726	28,530,251	28.7	31,348,989	31.4	30,535,486	30.8
1906	11	14,553,000	14.9	3,242,437	3.4	29,514,250	30.6	81,377	0.1	49,131,248	50.8	96,562,826	30,745,846	31.8	32,034,244	34.0	34,122,599	35.2
1907	11	14,553,000	15.1	3,282,951	3.4	29,751,030	27.3	35,548	..	61,586,866	56.4	108,999,367	30,732,402	28.3	33,182,133	30.5	35,086,432	34.2
1908	11	14,553,000	13.5	3,182,824	2.9	28,858,325	26.9	16,601	..	60,992,787	56.7	107,559,537	32,628,075	30.4	33,161,788	31.0	34,769,674	36.8
1909	11	14,553,000	14.2	3,187,804	3.1	28,610,215	28.0	24,848	..	55,962,860	54.7	102,338,727	31,355,545	30.6	34,349,568	33.3	34,349,568	35.8
1910	11	14,553,000	13.5	3,173,994	3.0	29,192,790	27.1	31,408	..	61,122,628	56.4	108,073,820	32,438,162	30.0	33,721,183	31.2	34,914,475	38.6
1911	11	14,553,000	12.8	3,315,847	2.9	29,200,255	25.5	27,021	..	67,119,687	58.8	114,215,810	31,300,487	27.4	33,285,422	29.2	35,639,301	43.4
1912	11	14,553,000	12.5	3,252,192	2.7	29,607,635	25.0	13,568	..	71,343,555	60.0	118,769,560	34,983,149	29.4	31,649,022	26.7	32,917,739	44.0
1913	11	14,553,000	7.0	3,283,353	1.5	36,139,180	17.3	23,844	..	154,987,891	74.1	208,987,268	69,493,610	33.2	33,257,551	15.9	106,036,101	50.9
1914	10	14,553,000	6.8	3,312,122	1.5	35,309,255	16.5	17,882	..	161,649,874	75.2	214,842,133	51,476,407	24.0	51,290,016	23.9	112,275,770	52.1
1915	10	14,553,000	6.1	3,301,501	1.4	35,675,535	16.7	21,952	..	178,843,038	75.8	236,404,026	54,304,915	23.0	56,377,707	23.0	106,461,494	45.0
1916	10	14,553,000	6.3	3,301,135	1.4	45,943,965	20.0	10,335	..	166,170,777	72.3	229,979,212	58,337,469	25.4	76,753,020	33.4	126,334,736	45.0
1917	10	14,553,000	5.6	3.2.7.496	1.2	70,306,940	27.0	9,551	..	172,679,658	66.2	260,806,635	79,110,764	30.3	89,555,744	34.4	120,401,137	35.3
1918	10	14,553,000	4.7	3,272,195	1.1	91,349,990	29.5	12,631	..	199,851,122	64.7	309,038,539	91,349,155	29.6	110,919,807	35.9	160,777,576	34.5
1919	10	14,553,000	4.3	3,335,587	1.0	128,851,150	39.0	7,639	..	189,839,334	57.9	406,017,010	178,267,670	37.6	126,334,736	37.4	162,028,342	35.2
1920	10	14,553,000	5.4	3,334,313	1.2	126,500,425	47.4	14,362	..	128,589,335	46.0	267,011,255	128,434,359	48.1	55,411,987	20.7	181,594,393	32.1
1921	10	14,553,000	5.2	3,345,073	1.2	124,877,670	45.1	16,064	..	133,227,231	48.5	276,019,038	127,443,007	46.1	70,417,900	25.5	176,158,131	31.2

POSITION OF THE BANK OF ENGLAND FROM MAY 3, 1922, TO APRIL 25, 1923.

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bill).	Deposits.	Securities in Banking Department.	Reserve.	% of Reserve to Liabilities.	Bank Rate.	Date.	Coin and Bullion.	Circulation (excluding Bank Post Bill).	Deposits.	Securities in Banking Department.	Reserve.	% of Reserve to Liabilities.	Bank Rate.
1922.	£	£	£	£	£	%	%	1922.	£	£	£	£	£	%	%
May 3.	128,873,878	122,091,180	146,049,335	138,511,460	25,232,698	17.1	4.5	Nov. 1.	127,435,322	123,158,840	123,879,002	118,854,444	22,726,482	18.3	4.5
10.	128,887,939	121,591,685	142,438,187	134,402,217	25,746,254	17.2	4.5	8.	127,437,711	122,519,300	122,617,564	116,974,945	23,368,106	19.0	4.5
17.	124,879,227	121,070,755	139,061,838	130,549,595	26,258,472	18.4	4.5	15.	127,441,016	121,901,980	122,360,827	116,110,795	23,985,066	19.9	4.5
24.	128,881,842	120,889,997	132,436,093	123,780,787	26,400,867	20.0	4.5	22.	127,445,261	121,497,130	122,414,918	116,706,943	24,488,111	20.9	4.5
31.	128,881,000	122,715,860	130,221,778	123,556,836	26,615,149	18.7	4.5	29.	127,446,447	123,161,310	124,885,243	120,050,341	22,736,137	18.7	4.5
June 7.	128,881,000	122,715,860	130,221,778	123,556,836	26,615,149	18.7	4.5	Dec. 6.	127,446,447	123,161,310	124,885,243	120,050,341	22,736,137	18.7	4.5
14.	128,881,000	122,715,860	130,221,778	123,556,836	26,615,149	18.7	4.5	20.	127,446,447	123,161,310	124,885,243	120,050,341	22,736,137	18.7	4.5
21.	128,881,000	122,715,860	130,221,778	123,556,836	26,615,149	18.7	4.5	27.	127,446,447	123,161,310	124,885,243	120,050,341	22,736,137	18.7	4.5
28.	128,881,000	122,715,860	130,221,778	123,556,836	26,615,149	18.7	4.5	Jan. 3.	127,446,447	123,161,310	124,885,243	120,050,341	22,736,137	18.7	4.5
July 5.	128,881,000	122,715,860	130,221,778	123,556,836	26,615,149	18.7	4.5	10.	127,446,447	123,161,310	124,885,243	120,050,341	22,736,137	18.7	4.5
12.	128,881,000	122,715,860	130,221,778	123,556,836	26,615,149	18.7	4.5	17.	127,446,447	123,161,310	124,885,243	120,050,341	22,736,137	18.7	4.5
19.	128,881,000	122,715,860	130,221,778	123,556,836	26,615,149	18.7	4.5	24.	127,446,447	123,161,310	124,885,243	120,050,341	22,736,137	18.7	4.5
26.	128,881,000	122,715,860	130,221,778	123,556,836	26,615,149	18.7	4.5	31.	127,446,447	123,161,310	124,885,243	120,050,341	22,736,137	18.7	4.5
Aug. 2.	128,881,000	122,715,860	130,221,778	123,556,836	26,615,149	18.7	4.5	Feb. 7.	127,446,447	123,161,310	124,885,243	120,050,341	22,736,137	18.7	4.5
9.	128,881,000	122,715,860	130,221,778	123,556,836	26,615,149	18.7	4.5	14.	127,446,447	123,161,310	124,885,243	120,050,341	22,736,137	18.7	4.5
16.	128,881,000	122,715,860	130,221,778	123,556,836	26,615,149	18.7	4.5	21.	127,446,447	123,161,310	124,885,243	120,050,341	22,736,137	18.7	4.5
23.	128,881,000	122,715,860	130,221,778	123,556,836	26,615,149	18.7	4.5	28.	127,446,447	123,161,310	124,885,243	120,050,341	22,736,137	18.7	4.5
30.	128,881,000	122,715,860	130,221,778	123,556,836	26,615,149	18.7	4.5	Mar. 7.	127,446,447	123,161,310	124,885,243	120,050,341	22,736,137	18.7	4.5
Sept. 6.	128,881,000	122,715,860	130,221,778	123,556,836	26,615,149	18.7	4.5	14.	127,446,447	123,161,310	124,885,243	120,050,341	22,736,137	18.7	4.5
13.	128,881,000	122,715,860	130,221,778	123,556,836	26,615,149	18.7	4.5	21.	127,446,447	123,161,310	124,885,243	120,050,341	22,736,137	18.7	4.5
20.	128,881,000	122,715,860	130,221,778	123,556,836	26,615,149	18.7	4.5	28.	127,446,447	123,161,310	124,885,243	120,050,341	22,736,137	18.7	4.5
27.	128,881,000	122,715,860	130,221,778	123,556,836	26,615,149	18.7	4.5	April 4.	127,446,447	123,161,310	124,885,243	120,050,341	22,736,137	18.7	4.5
Oct. 4.	128,881,000	122,715,860	130,221,778	123,556,836	26,615,149	18.7	4.5	11.	127,446,447	123,161,310	124,885,243	120,050,341	22,736,137	18.7	4.5
11.	128,881,000	122,715,860	130,221,778	123,556,836	26,615,149	18.7	4.5	18.	127,446,447	123,161,310	124,885,243	120,050,341	22,736,137	18.7	4.5
18.	128,881,000	122,715,860	130,221,778	123,556,836	26,615,149	18.7	4.5	25.	127,446,447	123,161,310	124,885,243	120,050,341	22,736,137	18.7	4.5
25.	128,881,000	122,715,860	130,221,778	123,556,836	26,615,149	18.7	4.5								

JOINT-STOCK BANKS OF SCOTLAND.

Year.	Banks.	No. of Branches.	Capital and Reserves.	% of Liabilities.	Deposits.	% of Liabilities.	Notes.	% of Liabilities.	Total Liabilities.	Cash in Hand and Money at Call.	% of Liabilities.	Investments.	% of Liabilities.	Discounts and Advances.	% of Liabilities.
1890..	10	975	14,755,000	12.6	31,610,000	77.9	6,468,000	5.5	117,874,000	21,427,000	18.2	29,349,000	24.9	60,103,000	51.4
1895..	10	1,013	15,090,000	12.8	34,592,000	77.8	7,264,000	5.9	122,525,000	22,795,000	18.6	30,770,000	25.3	62,241,000	51.1
1900..	10	1,075	16,217,000	11.8	107,154,000	77.9	8,056,000	5.9	137,438,000	26,438,000	19.2	33,401,000	24.3	70,395,000	51.2
1905..	11	1,159	17,246,000	13.0	100,643,000	76.1	7,545,000	5.7	132,261,000	23,937,000	19.1	31,396,000	23.7	68,714,000	51.9
1906..	11	1,176	17,389,000	12.6	105,232,000	76.5	7,569,000	5.5	137,556,000	26,107,000	19.0	31,195,000	22.8	71,203,000	52.0
1907..	10	1,155	17,069,000	12.1	108,723,000	77.2	7,411,000	5.3	141,054,000	26,973,000	19.0	31,954,000	22.6	73,023,000	51.9
1908..	10	1,178	17,280,000	12.5	105,787,000	76.5	7,162,000	5.2	137,562,000	25,695,000	18.7	33,456,000	24.2	69,478,000	50.3
1909..	9	1,185	17,472,000	12.5	106,736,000	77.5	7,192,000	5.2	139,246,000	25,749,000	18.6	34,479,000	24.7	69,411,000	49.9
1910..	9	1,221	17,559,000	12.7	106,352,000	77.5	7,126,000	5.2	137,850,000	25,604,000	18.6	33,322,000	24.2	70,661,000	51.5
1911..	9	1,225	17,670,000	12.2	112,209,000	77.5	7,331,000	5.0	145,043,000	30,129,000	20.8	33,944,000	23.4	71,559,000	49.5
1912..	9	1,235	17,350,000	11.9	118,795,000	77.6	7,651,000	5.0	153,228,000	33,882,000	22.1	36,617,000	23.9	72,437,000	47.3
1913..	9	1,240	17,296,000	10.8	125,887,000	78.8	7,744,000	4.8	159,803,000	33,361,000	21.3	38,049,000	23.5	77,764,000	48.7
1914..	9	1,253	16,684,000	10.0	132,504,000	79.0	9,502,000	5.7	167,341,000	34,598,000	20.6	41,815,000	26.8	78,363,700	46.7
1915..	9	1,251	16,205,000	9.1	140,569,000	82.0	12,555,000	7.1	177,001,000	36,730,000	20.7	67,019,000	37.9	61,621,000	36.5
1916..	8	1,243	15,631,000	7.5	166,620,000	80.2	15,461,000	7.5	207,376,000	42,026,000	20.3	69,693,900	33.5	85,136,000	41.1
1917..	8	1,242	16,064,000	6.7	196,438,000	81.7	19,023,000	7.9	240,550,000	47,788,000	19.9	71,581,000	29.6	112,169,000	46.5
1918..	8	1,249	16,577,000	6.6	222,055,000	81.1	25,141,000	9.2	273,658,000	57,250,000	20.9	93,859,000	31.3	113,961,000	41.6
1919..	8	1,264	17,009,000	5.3	259,610,000	81.2	28,032,000	8.8	318,734,000	65,566,000	20.6	111,985,000	36.0	129,962,000	40.6
1920..	8	1,288	17,911,000	5.3	279,228,000	82.1	29,363,000	8.7	339,167,000	72,974,000	21.5	102,968,000	30.4	153,122,000	45.0
1921..	8	1,308	18,521,000	5.4	291,060,000	84.6	25,188,000	7.3	344,974,000	76,232,000	21.0	114,531,000	32.2	150,850,000	43.9
1922..	8	1,423	19,731,000	6.1	267,791,000	83.2	23,321,000	7.3	321,781,000	63,814,000	19.8	126,025,000	39.2	122,366,000	38.1

THE BRITISH OVERSEAS BANK LIMITED.

33, GRACECHURCH STREET, LOMBARD COURT, LONDON, E.C.3

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JOINT STOCK BANKS OF IRELAND.

Year.	Banks.	No. of Branches.	Capital and Reserves.	% of Liabilities.	Deposits.	% of Liabilities.	Notes.	% of Liabilities.	Total Liabilities.	Cash in Hand and Money at Call & Short Notice.	% of Liabilities.	Investments.	% of Liabilities.	Discounts and Advances.	% of Liabilities.
1890..	9	456	10,374,000	18.5	38,521,000	68.8	6,642,000	11.8	56,132,000	9,086,000	16.1	17,144,000	32.2	28,791,000	51.0
1895..	9	496	10,300,000	16.5	44,390,000	72.0	6,143,000	9.9	61,663,000	11,253,000	18.3	17,934,000	29.1	31,192,000	50.5
1900..	9	543	10,694,000	16.0	49,449,000	72.8	6,708,000	9.9	67,988,000	11,697,000	17.2	17,719,000	26.1	37,464,000	55.0
1905..	9	627	11,320,000	15.7	53,556,000	74.4	5,966,000	8.3	71,967,000	10,396,000	14.4	18,961,000	26.3	41,568,000	57.7
1906..	9	631	11,359,000	15.4	54,697,000	74.1	6,379,000	8.7	73,707,000	11,182,000	15.2	19,262,000	26.1	42,097,000	57.1
1907..	9	639	11,301,000	14.8	57,487,000	75.0	6,583,000	8.6	76,527,000	11,528,000	15.1	19,666,000	25.6	44,226,000	57.8
1908..	9	613	11,372,000	14.6	59,253,000	76.1	6,449,000	8.2	78,040,000	12,217,000	14.4	21,008,000	27.1	48,679,000	56.0
1909..	9	655	11,422,000	14.4	60,463,000	76.1	6,628,000	8.4	79,497,000	13,094,000	16.5	23,128,000	29.2	42,160,000	53.0
1910..	9	663	11,475,000	13.9	62,508,000	76.0	7,211,000	8.8	82,150,000	13,762,000	16.7	23,215,000	28.2	44,127,000	53.7
1911..	9	679	11,443,000	13.4	65,465,000	77.0	7,058,000	8.3	85,014,000	14,516,000	17.0	24,362,000	28.5	44,991,000	52.7
1912..	9	683	11,164,000	12.9	66,901,000	77.1	7,228,000	8.4	86,363,000	14,030,000	16.3	24,026,000	27.8	47,161,000	54.7
1913..	9	710	11,095,000	12.2	70,857,000	77.9	8,074,000	8.9	90,905,000	17,139,000	19.0	23,935,000	26.8	48,800,000	53.5
1914..	9	693	11,203,000	11.5	74,501,000	76.3	10,918,000	11.2	97,909,000	22,382,000	22.9	25,970,000	26.6	48,149,000	49.9
1915..	9	703	11,013,000	10.5	77,722,000	74.0	15,000,000	14.3	104,799,000	23,313,000	22.2	35,330,000	33.6	44,706,000	42.6
1916..	9	708	10,844,000	9.4	83,746,000	72.8	19,113,000	16.6	115,205,000	32,561,000	28.3	38,148,000	33.2	42,972,000	37.2
1917..	9	773	11,262,000	9.4	99,310,000	73.8	22,336,000	16.6	134,515,000	40,088,000	29.8	42,113,000	31.4	50,622,000	37.5
1918..	9	848	11,837,000	6.7	131,610,000	74.9	30,896,000	17.6	175,739,000	56,813,000	31.8	65,307,000	37.2	51,993,000	29.6
1919..	9	869	12,632,000	6.1	166,231,000	79.2	29,054,000	13.9	209,632,000	55,090,000	26.3	77,242,000	37.0	75,303,000	36.0
1920..	9	912	12,899,000	5.4	190,441,000	83.2	34,717,000	10.3	240,391,000	46,693,000	19.4	80,959,000	33.5	109,623,000	45.5
1921..	9	947	13,154,000	5.3	192,860,000	86.1	19,052,000	7.7	246,881,000	42,887,000	17.4	81,670,000	33.0	119,275,000	44.1
1922..	9	986	13,779,000	5.7	209,777,000	86.0	17,321,000	7.1	242,149,000	51,834,000	21.1	103,019,000	42.5	104,554,000	43.1

PRIVATE BANKS.

Year.	Number of Banks.	LIABILITIES.								ASSETS.							
		Capital and Reserves.	Per Cent. of Liabilities.	Notes.	Per Cent. of Liabilities.	Miscellaneous.	Per Cent. of Liabilities.	Deposits.	Per Cent. of Liabilities.	Total Liabilities or Assets.	Cash in Hand and Money at Call and Notice.	Per Cent. of Liabilities.	Investments.	Per Cent. of Liabilities.	Discounts and Advances.	Per Cent. of Liabilities.	
		£		£		£		£		£	£		£		£		
1895 ..	38	11,834,400	13.9	412,600	0.5	2,864,800	3.4	70,372,000	82.2	85,488,700	20,476,300	23.9	25,099,700	29.4	36,320,000	42.5	
1900 ..	19	6,192,800	12.8	151,750	0.3	1,264,100	2.6	40,420,500	84.3	48,039,200	10,523,400	21.8	14,688,700	30.5	20,919,800	43.5	
1905 ..	12	4,398,900	18.2	83,500	0.3	1,018,000	3.1	27,775,000	83.4	33,270,400	7,371,500	21.8	10,150,500	30.5	14,788,600	44.8	
1906 ..	11	4,225,100	13.1	74,024	0.2	1,061,800	3.8	26,749,000	83.4	32,139,900	6,662,100	20.6	9,076,600	28.2	15,288,400	47.4	
1907 ..	11	4,166,600	12.9	75,230	0.2	1,048,900	3.2	26,957,700	83.7	32,238,400	7,350,800	22.8	8,647,400	26.8	15,049,000	46.8	
1908 ..	10	3,474,800	12.3	66,940	0.2	968,900	3.4	23,634,200	84.1	28,144,800	6,469,200	22.9	7,994,000	26.2	13,247,200	47.0	
1909 ..	9	3,507,100	11.6	62,860	0.2	1,110,000	3.7	25,690,100	84.5	30,869,900	7,017,600	22.3	8,119,000	26.8	14,334,300	47.2	
1910 ..	9	3,535,100	11.2	57,920	0.2	1,096,700	3.5	26,808,000	85.1	31,497,700	6,478,000	20.6	8,113,100	25.8	15,912,700	50.3	
1911 ..	9	3,561,000	11.1	54,920	0.2	1,309,000	4.1	27,089,800	84.6	32,034,500	6,865,700	21.4	7,975,100	24.8	16,071,700	50.1	
1912 ..	9	3,637,760	11.4	55,900	0.2	1,473,900	4.6	26,763,380	83.8	31,920,940	7,113,380	22.4	7,243,510	22.7	16,403,540	61.3	
1913 ..	8	3,616,590	11.9	45,810	0.1	1,522,370	4.7	27,089,810	84.0	32,274,570	6,468,700	20.0	7,819,440	24.2	16,803,530	52.0	
1914 ..	8	3,269,406	8.8	58,990	0.2	955,795	2.6	32,874,035	88.4	37,158,216	6,641,997	17.8	8,018,573	21.5	21,860,580	57.1	
1915 ..	7	3,180,707	8.6	60,400	0.2	786,018	2.1	32,890,739	89.1	36,917,864	8,038,863	21.7	8,879,329	24.0	18,635,160	50.7	
1916 ..	7	3,192,584	7.4	77,495	0.2	591,666	1.4	39,183,354	90.8	43,035,099	10,176,174	23.6	8,785,019	24.3	22,555,849	50.7	
1917 ..	7	3,189,219	6.6	93,755	0.2	675,379	1.4	44,696,800	91.9	48,655,153	12,007,542	24.5	10,190,513	21.0	26,135,088	51.7	
1918 ..	7	3,735,682	6.7	122,930	0.3	821,153	1.5	51,271,320	91.6	55,950,395	15,249,868	29.0	13,356,332	23.9	24,625,406	44.0	
1919 ..	6	3,536,591	5.8	153,690	0.3	1,188,326	1.9	56,324,064	93.4	61,124,571	13,188,181	21.4	14,325,997	23.4	31,798,398	52.7	
1920 ..	6	3,123,098	5.7	..	..	1,024,656	1.9	50,864,631	93.4	55,012,385	11,537,610	21.3	6,186,350	11.2	35,501,368	64.0	
1921 ..	5	3,188,738	6.1	..	..	970,412	1.9	48,306,822	92.0	52,463,972	8,484,742	16.2	6,108,554	11.6	36,314,423	69.2	
1922 ..	8	3,813,420	6.8	..	..	1,124,454	2.0	50,955,682	91.2	55,898,356	8,894,048	15.4	11,524,744	20.6	33,801,819	59.0	

JOINT STOCK BANKS OF THE UNITED KINGDOM.

ENGLISH BANKS.

1	2	3	4	5	6	7	8	9	10		
Name of Bank.	Date.	No. Branches & sub-brs.	Capital Subscribed.	Unallocated Capital.		Capital Paid up.	Reserve Funds.	Un-divided Profits.	Notes in Circulation	Drafts, &c.	Acceptances and Endorsements.
				Callible.	Reserved.						
			£	£	£	£	£	£	£	£	£
1 Bank of Liverpool & Martins	Dec 31	335	18,791,180	5,167,559	11,271,679	2,348,890	1,500,000	315,028	..	..	7,290,041
2 Barclays Bank	Dec 31	660	A 3,430,356 B 11,760,811 C 491,205	Nil Nil Nil	Nil Nil Nil	15,593,372	8,250,000	..	..	..	5,458,601
3 Baring Bros. and Co.	Dec 31	1	1,025,000	Nil	Nil	1,025,000	1,000,000	13,766	..	..	6,642,321
4 British Mutual Banking Co.	Dec 31	None	800,000	129,397	Nil	70,808	87,000	7,956	..	..	..
5 Coutts and Co.	Dec 31	2	800,000	unlimited	..	800,000	800,000	..	..	..	68,741
6 Equitable Bank	Dec 31	5	93,000	43,000	Nil	44,000	50,000	12,999	..	..	..
7 Glyn, Mills, Currie, and Co.	Dec 31	None	1,000,000	Nil	Nil	1,000,000	500,000	..	..	..	..
8 Guernsey Banking Co.	Dec 31	1	254,000	75,000	125,000	50,000	70,000	26,586	48,973	..	..
9 Isle of Man Banking Co.	Dec 31	7	150,000	30,000	100,000	30,000	72,000	7,981	88,299	4,860	..
10 Lancashire & Yorkshire Bank	Dec 31	186	2,013,181	1,006,560	Nil	1,006,560	1,006,560	22,722	(d) 18,459	..	365,349
11 Lloyds Bank	Dec 31	1,813	71,864,730	3,393,439	3,898,583	14,872,956	10,000,000	139,663	..	..	15,560,148
12 London & Liverpool Bank of Commerce	Dec 31	None	600,000	Nil	Nil	800,000	100,000	31,095	..	..	791,962
13 London Joint City & Midland	Dec 31	1,670	28,117,103	7,179,693	20,937,410	10,860,858	10,860,852	522,775	..	..	25,861,841
14 Lond. County Westminster and Parr's	Dec 31	915	29,716,648	7,071,990	14,141,880	9,008,718	9,003,718	115,706	(d) 14,316	..	9,923,238
15 London Merchant Bank	Dec 31	None	1,500,000	750,000	Nil	750,000	..	..	..	..	1,608,687
16 Manchester & County Bank	Dec 31	158	5,160,201	273,010	4,095,150	1,092,040	950,000	235,193	..	..	337,784
17 Manchester and Liverpool District	Dec 31	343	9,480,000	1,264,000	6,320,000	1,896,000	1,680,000	441,634	..	..	1,601,899
18 National Provincial & Union of England	Dec 31	675	43,147,080	5,839,411	18,298,053	9,300,416	9,000,000	991,974	..	..	7,909,282
19 Union Bank of Manchester	Dec 31	149	1,500,000	750,000	Nil	750,000	875,000	17,346	..	..	1,524,181
20 Williams, Deacon's Bank	Dec 31	170	8,123,600	1,562,500	4,687,500	1,875,000	1,160,000	179,498	..	..	751,121
Totals	..	7,840	249,725,463	34,723,363	143,044,692	71,477,408	56,085,180	651,591	170,047	4,860	86,686,612

(d) In Isle of Man.

SCOTTISH BANKS.

1 Bank of Scotland	Feb 28	175	1,987,800	668,500	Nil	1,325,000	800,000	161,702	8,339,404	548,198	653,019
2 British Linen Bank	Jan 15	149	1,250,000	Nil	Nil	1,250,000	1,450,000	12,076	2,890,140	341,979	208,001
3 Clydesdale Bank	Dec 31	183	5,000,000	Nil	4,000,000	1,000,000	1,900,000	232,327	8,018,721	671,080	1,081,958
4 Commercial Bank of Scotland	Oct 31	277	5,000,000	1,750,000	3,000,000	1,750,000	1,600,000	158,802	8,471,381	1,004,499	1,040,927
5 National Bank of Scotland	Nov 1	188	5,000,000	900,000	3,000,000	1,100,000	1,200,000	192,524	2,654,690	84,797	1,210,897
6 North of Scotland Town and County Bank	Apr 30	156	3,360,000	652,000	1,358,000	652,000	700,000	246,324	2,241,933	279,191	..
7 Royal Bank of Scotland	Oct 2	146	2,000,000	Nil	Nil	3,000,000	1,408,736	12,000	3,036,687	1,327,975	438,435
8 Union Bank of Scotland	Apr 1	164	5,000,000	Nil	4,000,000	1,000,000	1,200,000	257,530	2,607,904	249,539	360,166
Totals	..	1,423	28,997,500	3,964,500	14,356,000	10,077,000	9,633,736	149,340	23,320,662	4,421,972	4,382,915

IRISH BANKS.

1 Bank of Ireland (capital £3,000,000 Irish)	Dec 31	82	2,769,331	(?)	(?)	2,769,331	1,400,000	197,107	7,637,295	..	..
2 Belfast Banking Co.	Dec 31	67	625,000	125,000	375,000	500,000	550,000	63,884	1,267,618	..	..
3 Do New	Dec 31	58	1,875,000	375,000	1,125,000	500,000	400,000	44,219	..	..	..
4 Hibernian Bank	Dec 31	194	2,000,000	500,000	1,000,000	500,000	400,000	71,032	..	..	..
5 Munster and Leinster Bank	Dec 31	244	1,000,000	200,000	400,000	400,000	1,000,000	179,669	2,724,445	..	217,729
6 Northern Banking Co., A.	Aug 31	86	1,750,000	350,000	1,050,000	600,000	600,000	50,043	1,643,26	..	125,258
7 Do B Shares	Dec 31	131	4,000,000	1,500,000	2,000,000	540,000	500,000	69,623	1,970,231	..	..
8 Provincial Bank of Ireland	Aug 31	20	1,500,000	300,000	900,000	300,000	120,000	13,456	..	..	..
9 Ulster Bank	Nov 3	114	3,000,000	500,000	2,000,000	500,000	700,000	90,397	2,089,189	..	2,945
Totals	..	985	27,349,331	5,100,000	14,040,000	7,609,431	6,170,000	791,645	17,341,02	..	345,932

JOINT STOCK BANKS OF THE UNITED KINGDOM.

ENGLISH BANKS.

11	12	13	14	15	16	17	18	19			
Miscellaneous Credits, Rebates, Staff Funds, &c.	Deposit and Current Accounts.	TOTAL LIABILITIES.	Cash.	Investments.	Discounts and Advances.	Buildings and Sundries.	TOTAL ASSETS.	Name of Bank.			
			In Hand, and at Bank of England.	At Call and Short Notice.	British Govt. Secs. Where Stated Separately.	Bonds, Stocks, and Other Investments.	Discounts Where Stated Separately.	Advances, Loans, &c.			
£	£	£	£	£	£	£	£	£			
..	68,301,352	79,755,319	11,261,658	6,041,418	10,597,448	1,902,977	4,459,005	36,759,400	Bk. of L'pool.		
..	303,185,535	332,486,510	53,611,311	19,950,450	65,309,541	13,296,641	43,568,119	126,374,955	Barclays.		
..	18,255,806	26,936,797	c 7,046,782	..	..	2,007,210	9,793,788	a 7,962,017	28,936,797	Barings.	
..	544,90	680,460	102,242	..	95,622	73,798	..	404,908	8,890	680,460	Brish. Mutual
..	17,189,879	19,148,624	2,773,721	2,717,750	3,363,335	697,253	1,395,358	7,196,032	a 405,175	19,148,624	Coutts & Co.
..	1,184,459	1,291,488	862,303	..	381,266	27,700	14,042	506,177	..	1,291,488	Equitable Bk.
167,387	26,435,294	28,092,681	6,132,686	7,741,500	8,144,158	527,714	483,519	4,686,104	370,000	28,092,681	Gin. Mill, Cur.
90,100	626,775	652,434	102,526	..	40,000	467,233	23,288	211,337	8,000	852,434	Guernsey.
..	2,154,463	2,357,603	302,445	..	1,292,878	307,247	..	425,033	30,000	2,357,603	I. of Man Bk.
..	28,525,323	31,147,973	c 6,334,413	..	9,502,179	4,612,240	9,888,792	810,349	a 20,462,033	31,147,973	Lancs. & York.
..	330,556,915	371,686,572	47,234,842	17,310,497	89,684,338	9,400,931	64,405,252	123,388,679	100	371,686,572	Lloyds.
..	169,103	1,692,160	44,824	105,000	420,143	56,035	32,969	1,033,089	..	1,692,160	Lond. & Lpool Bk. of Com.
..	354,406,336	403,512,457	67,803,469	17,187,018	53,479,984	5,534,533	46,066,631	182,307,521	a 31,133,301	403,512,457	L. Jt. C. & Mid.
262,326	280,820,292	310,185,114	42,501,014	19,816,167	52,795,661	5,589,862	69,327,505	106,326,009	a 13,828,396	310,185,114	L. Onty. West & Parr's.
270,942	818,252	3,447,911	135,590	350,000	33,117	52,951	276,445	991,123	a 1,608,687	3,447,911	L. Merchant.
..	23,760,827	26,375,844	c 4,841,103	..	5,648,446	339,665	1,595,902	13,212,944	a 787,784	26,375,844	Manch. & Lpl.
..	56,549,059	62,139,592	8,431,414	5,003,490	17,138,029	337,749	5,073,270	24,052,741	a 2,102,899	62,139,592	Manch. & Lpl. District.
..	263,037,483	290,168,155	41,613,577	13,900,102	43,175,447	12,142,458	45,581,858	121,752,908	a 12,021,805	290,168,155	Nat. Provinel. & Union.
..	19,522,479	22,498,906	c 2,425,802	..	2,434,242	161,586	1,016,288	14,526,307	a 1,924,181	22,498,906	U.Bk. of Mnch.
..	37,622,708	41,575,327	6,964,704	2,384,895	6,409,722	944,058	3,587,815	19,322,868	a 1,411,265	41,575,327	Wms. Deacon.
720,755	183,937,1204	205,624,1927	310,033,426	118,058,282	361,043,377	63,869,785	301,313,292	801,329,494	106,094,271	205,624,1927	Totals.

SCOTTISH BANKS.

..	34,695,037	41,539,715	6,174,005	2,824,731	16,264,311	729,738	4,371,316	9,925,374	1,250,280	41,539,755	Bk. of Scotlnd.
..	28,841,219	35,115,045	6,732,003	16,154,165	842,221	10,421,576	965,081	35,115,045	1,689,840	35,115,045	British Lin. B.
..	34,102,032	41,406,230	5,880,696	2,610,000	10,099,032	701,045	3,556,218	17,469,599	1,689,840	17,469,599	Clydesdale Bk.
..	40,071,556	49,031,595	6,125,878	5,185,315	14,733,068	1,802,532	6,695,353	13,352,772	1,746,737	49,091,595	Com. of Scotl.
..	35,638,251	42,080,599	3,610,680	4,820,088	15,484,088	231,532	4,634,131	11,922,883	1,827,197	42,080,599	Nat. of Scotlnd.
41,554	22,428,517	26,590,417	3,001,440	..	16,883,098	748,798	5,719,145	237,936	26,590,417	26,590,417	N. of Scot., &c.
..	40,263,016	48,481,739	5,133,175	5,643,111	14,648,622	1,115,006	7,222,773	13,854,743	964,309	48,481,739	Royal of Scotl.
..	31,740,397	37,475,575	3,048,875	4,174,224	15,424,497	762,910	5,426,132	7,744,110	864,767	37,475,575	Union of Scotl.
41,552	267,760,715	321,780,955	39,206,762	24,607,469	119,590,821	6,433,842	31,955,923	90,410,201	9,575,947	321,780,955	Totals.

IRISH BANKS.

											Bank of Ire-land.
..	41,026,180	53,029,753	4,709,498	1,900,079	26,165,082	4,204,977	1,750,000	13,724,095	576,022	53,029,753	Belfast Bnkg. Do New.
..	17,908,049	20,285,551	3,053,343	..	5,212,598	243,183	1,527,723	10,177,062	71,644	20,285,551	Hibern. Bank.
51,723	15,894,514	16,890,169	1,710,046	..	9,021,885	150,467	..	5,829,933	178,137	16,890,468	Mns. and Lns.
..	30,333,271	31,704,303	2,292,716	1,450,000	11,852,396	145,125	4,281,751	1,395,274	287,047	31,704,303	National.
..	43,472,962	49,095,005	4,233,260	4,878,941	18,787,684	432,136	3,054,036	17,299,997	863,951	49,095,005	Nthn. Bkg. A Do B shrs
53,553	15,739,440	18,811,560	2,247,027	..	5,024,340	762,187	..	10,412,748	866,258	18,811,560	Prov. of Irl. Do New
..	17,570,430	20,650,290	1,626,733	1,070,000	..	7,379,870	3,407,648	6,984,086	181,953	20,650,290	Royal of Irl. Do New
..	4,733,215	5,232,671	244,077	..	1,475,471	182,719	117,219	3,138,185	75,000	5,232,671	Ulster Bank.
78,779	23,039,108	24,499,411	2,873,133	..	11,531,514	447,639	..	11,454,623	192,502	24,499,411	Totals.
184,057	203,777,119	242,139,012	23,039,533	8,794,020	89,070,962	13,948,308	14,138,377	90,416,003	2,791,614	242,199,012	

JOINT STOCK BANKS OF ENGLAND AND WALES.

BANK OF LIVERPOOL & MARTINS, LIMITED.

1918—Bank of Liverpool, Limited, amalgamated with Martins Bank, Limited.

1919—Absorbed Cocks, Biddulph, and Co. and Palatine Bank, Limited.

1920—Absorbed Halifax Commercial Banking Co., Limited.

CAPITAL					PROFITS AND DIVIDENDS									
Subscribed.	Paid-up.	Callible.	Reserve.	Market Value.	Year ended June 30.	Net Profit.	Per Cent. of Resources.	Dividends Amount.	Rate.	Reserve, Investments, &c.	Carried Forward.			
£	£	£	£	£	£	£	%	£	%	£	£	£	£	£
18,791,120	2,348,890	5,167,558	11,774,672	6,811,800	1919	494,416	0.68	327,422	16	250,000	110,879			
					1920	325,320	0.38	171,911	8	150,000	114,988			
					1921	735,948	0.80	375,822	16	150,000	124,414			
					1922	548,828	0.63	375,822	16	150,000	147,119			
					1922	504,802	0.63	375,822	16	150,000	186,099			
Per Share.	Per Share.	Per Share.	Per Share.	Per Share.										
£20	£2 10s	£5 10s	£12	£7 1										

BARCLAYS BANK LIMITED.

INCORPORATED 1896.

1896—Formed by amalgamation of 15 private banks.

1897—Absorbed Woods and Co.

1899—Swaile and Wensleydale Banking Co., Limited, taken over.

1900—Milbank, Woodbridge, and Co., Woodbridge, Lacey, and Co., and Parsons and Co. absorbed.

1902—York Union Banking Co., Limited, Marten Part and Co., J. and J. W. Pease, and Roper and Priestman absorbed.

1904—Absorbed Thomas Ashby and Co., Staines, &c.

1905—Absorbed Bolitho, Williams, Foster, Coode, Grylls, and Co., Limited, Hammond and Co., Newmarket.

1906—Absorbed Leatham, Tew, and Co.

1909—Wootton and Co., Oxford, absorbed.

1911—Stamford, Spalding, and Boston Banking Co., Limited, acquired.

1913—Absorbed Messrs. J. and C. Simonds and Co.

1914—Messrs. Nevile, Reid, and Co. acquired.

1916—Absorbed United Counties Bank, Limited.

1918—Absorbed London Provincial and South-Western Bank, Limited.

1919—Absorbed Gillett and Co., Oxford, &c.

1920—Affiliated with Union Bank of Manchester, Limited, and The British Linen Bank.

1922—Purchased Messrs Cox and Co.'s interest in Cox and Co. (France), Limited, and business now conducted by Barclays Bank (Overseas), Limited.

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1922—Purchased Messrs Cox and Co.'s interest in Cox and Co. (France), Limited, and business now conducted by Barclays Bank (Overseas), Limited.

BARING BROTHERS AND CO., LIMITED.

ESTABLISHED 1890.

CAPITAL.																					
		Subscribed.		Paid-up.		Callable.		Reserved.													
		£		£		£		£													
		25,000		25,000		Nil.		Nil.													
Ordinary		500,000		500,000		Nil.		Nil.													
5% Pref.		500,000		500,000		Nil.		Nil.													
6% 2nd Pref.		500,000		500,000		Nil.		Nil.													
LIABILITIES.																					
Year Ended Dec. 31.	Number of Branches.	Capital and Reserves.	Per Cent.	Balance Carried Forward.	Per Cent.	Acceptances.	Per Cent.	Deposit Current Accounts.	Per Cent.	Total Liabilities or Assets.	Cash in Hand, at Call and Short Notice.	Per Cent.	Investments.	Per Cent.	Bills Receiv- able.	Per Cent.	Advances & Loans on Acceptance.	Per Cent.	Premises.	Per Cent.	
1895	1	1,125,000	130	75,191	0.9	4,912,729	56.7	2,554,091	23.4	8,667,011	1,318,993	15.2	902,894	10.4	2,394,975	27.6	3,923,189	45.3	127,000	1.5	
1900	1	1,125,000	11.7	83,454	1.0	4,932,186	47.3	3,826,175	40.0	9,566,851	2,294,171	24.0	1,428,737	15.0	1,477,840	15.4	4,239,607	44.3	127,000	1.5	
1905	1	1,125,000	69	10,462	0.9	7,422,390	48.1	7,899,925	48.0	16,458,377	3,487,999	21.2	2,040,290	12.2	2,746,823	13.8	8,518,265	51.4	127,000	0.8	
1910	1	1,125,000	54	10,911	0.9	7,376,446	35.5	12,304,939	59.1	20,816,396	3,354,729	16.1	2,446,107	11.7	4,755,310	22.8	10,133,250	48.7	127,000	0.6	
1907	1	1,125,000	9.3	11,397	0.9	6,395,252	49.1	5,463,709	45.6	11,991,353	2,394,203	20.0	1,594,498	13.2	1,976,253	16.5	5,909,961	54.3	127,000	1.0	
1908	1	1,125,000	7.9	13,753	0.9	6,338,568	49.1	6,258,102	43.7	12,535,925	2,138,214	15.3	1,674,624	11.8	2,073,709	12.0	3,311,678	21.0	127,000	1.0	
1909	1	1,125,000	7.9	13,753	0.9	7,771,614	48.2	7,213,705	44.8	16,121,665	2,255,771	20.2	1,145,907	7.0	3,827,962	24.0	7,764,991	48.1	127,000	0.7	
1910	1	1,125,000	44	12,481	0.9	7,498,544	42.1	9,177,763	51.5	17,813,788	2,728,345	15.5	2,370,125	13.3	4,722,952	26.5	7,865,366	44.7	127,000	0.7	
1911	1	1,125,000	69	11,232	0.9	6,049,830	37.1	9,096,558	55.0	16,282,620	3,077,792	18.9	2,047,642	15.2	3,388,793	20.8	7,218,433	44.2	127,000	0.4	
1912	1	1,125,000	69	12,356	0.9	6,584,794	40.0	8,693,647	53.9	15,812,797	2,968,915	18.0	1,464,999	9.3	3,928,225	23.8	7,926,663	48.6	127,000	0.8	
1913	1	1,125,000	69	11,121	0.9	6,635,589	40.0	8,949,299	55.0	15,812,797	2,968,915	18.0	1,464,999	9.3	3,928,225	23.8	7,926,663	48.6	127,000	0.8	
1914	1	1,125,000	69	12,332	0.9	7,723,683	22.9	11,377,869	70.1	16,238,783	7,378,471	45.4	1,489,299	9.2	1,491,550	9.2	8,750,443	35.4	127,000	0.8	
1915	1	1,125,000	49	11,009	0.9	6,781,991	29.1	15,275,245	66.0	23,193,245	4,630,533	18.6	1,699,023	7.3	8,095,535	34.0	9,972,154	36.8	127,000	0.5	
1916	1	1,125,000	48	12,110	0.9	4,621,591	29.8	17,602,610	75.3	23,353,311	7,611,963	32.6	1,651,942	7.1	7,031,403	30.4	6,331,003	29.4	127,000	0.5	
1917	1	1,125,000	40	12,399	0.9	5,939,554	21.2	20,934,869	74.8	28,011,822	5,587,500	19.9	1,656,941	5.9	12,291,060	43.9	8,439,321	29.8	127,000	0.5	
1918	1	1,125,000	48	12,658	0.9	3,664,047	13.0	18,243,252	82.1	24,466,357	5,385,994	22.0	1,607,596	6.9	11,517,559	48.3	6,008,696	21.4	127,000	0.5	
1919	1	1,125,000	29	12,923	0.9	6,635,589	40.0	15,812,799	55.0	18,884,835	6,988,915	37.0	2,011,257	10.9	15,661,722	83.1	137,000	0.5			
1920	1	1,125,000	29	13,786	1.5	15,800,885	66.2	24,271,311	66.3	24,271,311	6,639,984	27.3	830,431	3.4	10,468,877	43.0	6,204,939	25.8	127,000	0.6	
1921	1	2,025,000	68	13,856	0.6	8,101,960	27.2	19,621,855	66.0	26,763,651	6,572,500	22.0	984,073	3.3	12,139,467	46.0	9,965,055	33.7	127,000	0.4	
1922	1	2,025,000	7.5	13,766	0.1	6,642,232	24.8	18,255,809	67.8	26,336,797	7,046,782	26.2	2,007,210	7.5	7,935,788	36.3	7,962,017	29.6	127,000	0.4	

BRITISH MUTUAL BANKING COMPANY, LIMITED.

ESTABLISHED 1857.

CAPITAL					PROFITS AND DIVIDENDS									
Subscribed.	Paid-up.	Callible.	Reserve.	Market Value.	Year ended Dec. 31.	Net Profit.	Per Cent. of Resources.	Dividends Amount.	Rate.	Reserve, Investments, &c.	Carried Forward.			
£	£	£	£	£	£	£	%	£	%	£	£	£	£	£
100,000	70,605	124,397	Nil.	1,125,000	1910	5,584	0.75	3,600	6	2,000	2,194			
					1911	4,568	0.66	3,600	6	2,000	1,162			
					1912	5,328	0.77	3,600	6	2,000	1,889			
					1913	4,704	0.68	3,600	6	2,000	1,994			
					1914	5,535	0.75	3,600	6	2,000	1,428			
					1915	5,535	0.75	3,600	6	2,000	1,351			
					1916	4,438	0.62	3,600	6	2,000	1,189			
					1917	5,623	0.90	3,600	6	2,000	1,712			
					1918	5,178	0.76	3,600	6	2,000	1,790			
					1919	6,654	0.99	3,600	6	2,000	1,544			
					1920	7,333	1.09	3,600	6	2,000	1,497			
					1921	8,141	1.17	3,600	6	2,000	1,839			
					1922	9,317	1.37	3,600	6	2,000	1,956			

This Bank has no branches.

* Free of income-tax.

LIABILITIES.												ASSETS.											
Year Ended December 31.												Total Liabilities or Assets.	Cash in Hand and at Bankers.	Investments.	Loans and Advances.	Premises.							
Capital and Reserves.	Per Cent.	Un-divided Profits.	Per Cent.	Deposit and Current Accounts.	Per Cent.							Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.							
£		£		£		£		£		£		£		£		£							
1000.	70,652	162	1.7	357,047	82.1	435,072	27,099	6.2	20,000	4.6	364,709	83.9	23,394	5.3	24,009	5.3							
1006.	74,080	182	2.764	353,818	86.4	617,662	78,460	12.8	20,000	3.7	502,193	81.2	24,009	5.3	24,009	5.3							
1007.	87,080	141	3.907	532,858	85.3	623,946	60,689	9.7	50,000	8.0	605,966	81.2	7,190	1.1	7,190	1.1							
1905.	124,137	162	4,860	639,580	83.9	768,527	67,580	8.8	122,040	15.6	747,487	96.5	6,440	0.8	6,440	0.8							
1906.	126,379	168	5,724	703,457	88	830,235	117,876	14.2	119	0.01	830,116	99.9	6,440	0.8	6,440	0.8							
1910.	117,350	168	4,762	675,441	82.5	697,553	59,304	8.5	123,883	17.7	506,366	73.0	5,540	0.8	5,540	0.8							
1911.	115,512	166	5,489	572,432	62.6	693,434	80,562	11.6	112,106	16.2	496,377	71.4	5,390	0.8	5,390	0.8							
1912.	120,543	157	5,594	587,743	83.5	703,880	74,954	10.6	106,106	15.0	517,984	73.7	5,390	0.8	5,390	0.8							
1913.	113,104	159	5,028	591,965	63.4	710,097	48,630	7.0	172,370	24.7	481,826	68.0	4,940	0.7	4,940	0.7							
1914.	115,105	157	4,351	535,425	82.3	565,812	66,847	8.4	158,672	23.6	455,386	67.1	3,940	0.7	3,940	0.7							
1915.	126,104	181	4,789	521,854	81.2	642,747	64,867	10.1	147,450	22.9	426,640	66.3	4,740	0.7	4,740	0.7							
1916.	117,603	188	5,312	503,490	80.3	626,405	63,997	10.2	144,666	23.1	411,502	66.0	4,490	0.7	4,490	0.7							
1917.	119,103	175	5,390	557,180	81.7	681,673	113,697	16.5	171,926	25.2	392,560	57.6	4,490	0.7	4,490	0.7							
1918.	115,105	187	5,464	546,776	81.7	674,325	67,622	10.1	184,622	27.4	369,561	54.3	4,340	0.6	4,340	0.6							
1919.	120,605	182	5,894	545,777	80.8	675,336	62,117	9.3	152,331	22.5	363,349	53.5	4,190	0.6	4,190	0.6							
1920.	124,603	186	7,639	535,682	80.3	667,324	91,880	13.8	124,923	18.6	44,081	6.70	4,040	0.6	4,040	0.6							
1921.	127,603	187	7,956	544,901	80.1	680,450	102,242	15.0	169,420	24.9	404,908	59.5	3,890	0.6	3,890	0.6							

COUTTS AND COMPANY,

440 Strand, W.C.

(Members of London Clearing.)

(Affiliated with National Provincial and Union Bank of England, Limited.)

Branches: 15 Lombard street (formerly Roberts, Lubbock, and Co.), and 1 Park lane.

Established 1692, and incorporated 1892 as a Joint Stock company, with unlimited liability. The businesses of

Coutts and Company and Roberts, Lubbock, and Co. were amalgamated in 1914.

LIABILITIES.											ASSETS.										
Year Ended Jan. 18.	Partners' Capital and Reserve.	Per Cent.	Accept- ances.	Per Cent.	Deposit and Current Accounts.	Per Cent.	Total Liabilities or Assets.	Cash in Hand and at Bank.	Per Cent.	Cash at Call and Short Notice.	Per Cent.	Invest- ments.	Per Cent.	Discounts and Advances.	Per Cent.	Buildings & Land, Machinery, Hauling Gear, Cover for Acceptance	Per Cent.				
£	£	%	£	%	£	%	£	£	%	£	%	£	%	£	%	£	%				
1901.	1,000,000	11.6	..	..	7,622,611	88.4	8,622,611	643,601	7.5	1,402,000	16.2	2,871,800	33.3	3,705,410	43.0	..	..				
1906.	1,000,000	10.9	..	..	8,204,579	89.1	9,204,579	649,608	7.0	1,600,000	17.4	2,734,078	29.7	4,000,893	43.5	230,000	2.4				
1907.	1,000,000	9.8	391,202	3.8	8,795,886	85.4	10,192,087	730,574	7.2	1,584,657	15.5	2,736,424	26.9	4,326,433	44.4	613,201	6.1				
1908.	1,000,000	10.7	361,035	3.8	8,840,365	85.5	9,394,365	719,510	7.0	1,585,315	15.5	2,735,944	26.9	4,321,718	44.4	613,201	6.1				
1909.	1,000,000	10.7	361,035	3.8	8,840,365	85.5	9,394,365	719,510	7.0	1,585,315	15.5	2,735,944	26.9	4,321,718	44.4	613,201	6.1				
1910.	1,000,000	10.7	337,487	3.6	8,031,263	85.7	9,368,750	736,619	8.5	1,510,000	14.6	2,306,266	24.6	4,399,378	47.0	557,487	5.9				
1911.	1,000,000	10.4	176,231	1.8	8,444,681	87.8	9,680,912	964,884	10.0	1,270,000	13.2	2,547,077	26.5	4,443,116	46.2	396,231	4.1				
1912.	1,000,000	10.3	165,931	1.7	8,572,404	88.0	9,738,335	1,009,326	10.4	1,126,397	11.2	2,653,707	27.1	4,562,485	46.9	386,931	3.9				
1913.	1,000,000	9.9	120,907	1.1	9,003,633	89.0	10,134,310	1,160,387	11.5	1,448,213	14.2	2,540,496	26.8	4,307,307	45.0	330,907	3.5				
1914.	1,000,000	10.7	140,663	1.4	8,792,230	88.9	9,932,893	1,142,663	10.7	1,163,879	11.8	2,693,710	28.1	4,561,006	46.8	386,663	3.9				
1915.	1,000,000	10.7	385,744	3.7	12,666,393	87.0	14,553,137	2,064,964	14.2	2,234,407	15.6	3,515,774	22.8	6,112,948	42.0	727,004	5.0				
1916 (Dec. 31)	1,500,000	9.9	243,914	1.6	13,385,762	88.5	15,295,676	2,366,702	15.6	2,078,439	13.8	4,705,530	31.2	5,984,914	39.6	584,214	3.9				
1917 (Dec. 31)	1,500,000	8.3	419,056	2.5	16,145,790	89.4	18,064,846	2,956,304	16.4	3,443,018	19.1	5,739,465	31.6	5,945,765	32.7	759,366	4.2				
1918 (Dec. 31)	1,500,000	8.0	404,500	2.6	16,852,100	89.8	18,756,600	3,056,363	16.4	3,093,815	16.6	5,404,500	29.3	5,940,653	31.0	744,800	4.0				
1919 (Dec. 31)	1,500,000	7.4	385,241	1.7	18,426,500	89.8	20,311,748	3,616,010	17.8	3,312,021	16.3	6,057,667	29.9	6,000,916	30.6	725,543	3.6				
1920 (Dec. 31)	1,500,000	7.0	690,207	2.2	19,153,247	89.8	21,34,454	3,500,550	16.4	2,281,585	10.7	7,074,526	33.1	7,456,486	36.0	1,030,507	4.8				
1921 (Dec. 31)	1,500,000	6.8	599,118	2.5	21,265,797	90.7	23,621,895	3,103,702	13.2	2,656,222	12.2	9,236,787	39.5	7,593,474	31.0	936,148	4.0				
1922 (Dec. 31)	1,600,000	7.6	193,666	1.9	19,283,951	91.1	21,077,617	2,430,623	11.5	3,503,025	16.6	4,581,890	21.6	8,022,583	37.8	540,996	2.5				
1923 (Dec. 31)	1,600,000	8.4	55,745	0.3	17,489,979	91.3	19,146,817	2,771,721	14.5	2,717,750	14.2	4,660,588	24.4	10,591,393	44.8	405,175	2.1				
Weekly Average, April, 1923	1,600,000	9.1	55,000	0.3	15,912,000	90.6	17,594,000	1,955,000	11.1	1,904,000	10.9	4,662,000	26.5	8,672,000	49.2	402,000	2.3				

THE EQUITABLE BANK, LIMITED.

(Late Halifax Equitable Bank.)

ESTABLISHED 1900.

CAPITAL.				PROFITS AND DIVIDENDS.									
Subscribed.	Paid-up.	Callab.	Reserved.	Year ended Dec. 31.	Net Profit.	Per Cent. of Resources.	Dividends Amount.	Rate.	Reserves, &c.	Carried Forward.			
£	£	£	£	£	£	%	£	%	£	£			
93,000	44,000	49,000	Nil.	1912	2,253	1.09	1,441	11	800	625			
				1913	2,447	1.18	1,441	11	1,000	631			
				1914	2,212	0.8	1,441	11	1,000	401			
				1915	3,084	0.91	1,692	12½	1,100	693			
				1916	2,855	0.72	1,980	15	1,000	1,061			
				1917	2,866	0.57	1,980	15	1,000	1,442			
				1918	3,867	0.66	2,260	16	1,000	2,149			
				1919	6,220	0.67	5,340	16	...	3,029			
				1920	8,564	0.75	6,400	16	...	5,193			
				1921	8,943	0.61	7,040	16	...	7,096			
				1922	9,424	0.75	7,040	16	3,000	6,479			

LIABILITIES.										ASSETS.									
Year Ended December 31.	Number of Branches.	Capital and Reserves.	Per Cent.	Un- divided Profits	Per Cent.	Accept- ances.	Per Cent.	Deposit and Current Accounts.	Per Cent.	Total Liabi- lities or Assets.	Cash in Hand and at Call and Short Notice.	Per Cent.	Invest- ments.	Per Cent.	Advances and Loans.	Per Cent.	Discounts.	Per Cent.	
1910	2	£ 10,300	6.9	1,463	1.0	£	..	136,423	92.1	148,186	£ 93,216	62.9	£	..	54,970	37.1	£	..	
1911	2	22,060	11.7	1,808	1.0	..	..	164,558	87.3	188,426	112,433	59.8	..	..	75,994	40.2	..	..	
1912	2	22,300	10.8	2,211	1.1	..	..	182,453	88.1	206,964	108,745	52.6	..	..	98,219	47.4	..	..	
1913	3	23,100	9.9	2,416	1.0	..	..	208,953	89.1	234,469	96,404	41.2	..	..	133,002	56.6	5,063	2.2	
1914	4	24,100	8.7	2,187	0.8	..	..	248,887	90.5	275,174	102,212	37.9	28,346	10.3	139,725	50.9	4,891	1.8	
1915	4	25,100	7.4	2,721	0.8	..	..	311,122	91.8	338,943	137,418	40.6	72,038	21.2	122,625	36.2	6,862	2.4	
1916	4	26,400	6.6	3,161	0.8	..	..	370,913	92.6	400,474	126,924	31.6	123,887	30.8	147,200	37.0	2,463	0.6	
1917	4	27,400	5.4	3,432	0.7	..	..	474,121	93.9	504,953	192,868	38.1	121,850	24.1	190,235	37.8	..	..	
1918	4	29,075	4.9	4,296	0.7	..	..	558,872	94.4	592,213	179,283	30.2	234,705	39.7	178,225	30.1	..	..	
1919	5	30,000	9.7	6,229	0.7	..	..	826,870	89.6	921,099	278,806	30.1	350,563	39.0	320,941	27.3	31,012	2.6	
1920	5	30,000	7.7	8,393	0.7	..	..	1,077,700	91.6	1,176,093	472,880	40.2	351,260	29.9	452,997	24.2	274,687	18.7	
1921	5	30,000	6.4	10,616	0.7	4,280	0.3	1,351,853	92.6	1,460,749	430,699	29.5	402,366	27.6	545,997	37.2	14,042	1.1	
1922	5	30,000	7.3	12,999	1.0	..	..	1,184,489	91.7	1,291,488	362,303	28.1	408,966	31.6	506,177	39.2	14,042	1.1	

* Includes Treasury Bills.

GLYN, MILLS, CURRIE, AND CO.

FORMED 1753. Incorporated as Unlimited Liability Company, 1885.

1923—Absorbed Holt and Co.

Members of London Clearing.

Capital Subscribed and Paid-up £1,000,000

Number of partners 8

Year Ended December 31.	LIABILITIES.										ASSETS.									
	Capital and Reserve.	Per Cent.	Reduction of Premises Account.	Per Cent.	Deposit and Current Accounts.	Per Cent.	Total Liabilities or Assets.	Cash in Hand and at Bank.	Per Cent.	Cash at Call and Short Notice.	Per Cent.	Investments.	Per Cent.	Discounts Loans and Other Securities.	Per Cent.	Premises.	Per Cent.			
1885.....	£ 1,500,000	13.7	£ ..	..	9,459,627	86.3	10,959,627	1,313,573	12.0	1,564,000	14.3	2,757,785	25.2	5,224,269	47.6	100,000	0.9			
1890.....	1,500,000	9.7	60,000	0.4	13,935,988	89.9	15,496,988	1,422,928	9.2	3,010,000	19.5	3,573,937	23.1	7,309,123	47.0	180,000	1.7			
1895.....	1,500,000	10.8	60,000	0.4	12,325,401	88.8	13,885,401	1,662,741	12.0	2,654,750	19.1	3,172,018	22.8	6,215,892	44.8	180,000	1.3			
1900.....	1,500,000	9.6	60,000	0.4	13,998,068	90.0	15,558,068	1,663,449	10.7	2,012,000	13.0	3,092,803	19.9	8,609,816	55.2	180,000	1.7			
1905.....	1,500,000	8.9	10,000	..	15,457,875	91.1	16,967,875	2,702,769	16.0	6,052,527	35.7	2,709,402	16.0	5,133,177	30.1	370,000	2.2			
1910.....	1,500,000	9.2	20,302	0.1	14,863,606	90.7	16,383,910	2,312,934	14.2	4,556,144	27.9	2,701,090	16.6	6,444,742	39.0	370,000	2.3			
1915.....	1,500,000	9.5	30,960	0.2	14,247,921	90.3	15,778,871	2,402,012	15.3	3,553,291	22.6	2,666,084	16.9	6,797,484	42.8	370,000	2.3			
1920.....	1,500,000	8.9	41,847	0.2	15,301,057	90.9	16,842,944	2,064,020	12.2	5,251,750	31.0	2,644,879	15.6	6,512,295	39.0	370,000	2.2			
1925.....	1,500,000	8.9	53,119	0.3	15,326,391	90.8	16,879,510	2,685,931	15.9	4,190,800	24.8	2,646,590	15.9	5,286,189	31.5	370,000	2.3			
1930.....	1,500,000	8.3	65,158	0.4	16,590,995	91.3	18,156,153	2,775,805	15.3	4,716,794	26.1	3,730,334	20.6	6,561,220	36.0	370,000	2.0			
1935.....	1,500,000	8.0	77,757	0.4	17,095,208	91.6	18,672,965	2,809,722	15.0	4,012,620	21.5	3,917,606	21.0	7,565,018	40.5	370,000	2.0			
1940.....	1,500,000	8.5	93,486	0.5	16,021,740	91.0	17,612,648	2,500,225	14.7	3,394,130	19.2	2,918,671	16.5	6,829,422	47.5	370,000	2.1			
1945.....	1,500,000	8.0	104,745	0.6	17,194,359	91.4	18,799,104	2,344,374	17.2	4,729,030	25.2	2,849,589	15.1	7,606,011	40.5	370,000	1.9			
1950.....	1,500,000	7.1	119,229	0.6	19,422,903	92.3	20,955,473	2,055,473	19.2	5,023,000	23.9	3,537,722	17.2	7,965,937	37.9	370,000	1.9			
1955.....	1,500,000	8.0	123,967	0.7	17,193,471	91.3	18,817,138	3,181,023	16.9	3,337,200	17.7	5,659,895	30.0	6,269,320	33.4	370,000	2.0			
1960.....	1,500,000	6.9	128,330	0.6	19,922,138	92.5	21,620,468	3,880,343	17.9	6,019,000	27.7	5,621,418	25.9	7,729,707	26.8	370,000	1.7			
1965.....	1,500,000	5.7	133,102	0.5	24,781,965	93.8	26,415,067	4,650,405	17.6	8,120,000	30.8	7,363,751	28.0	9,910,912	22.2	370,000	1.4			
1970.....	1,500,000	5.4	137,736	0.5	26,346,874	94.1	27,984,610	4,805,248	17.2	6,705,000	23.6	10,747,764	38.4	5,461,238	19.5	370,000	1.3			
1975.....	1,500,000	4.7	142,456	0.4	30,559,059	94.9	32,201,515	5,467,410	17.0	6,638,750	20.9	8,986,983	31.0	9,738,372	30.3	370,000	1.1			
1980.....	1,500,000	4.9	147,311	0.5	29,007,506	94.6	30,654,817	6,852,997	22.4	7,199,750	23.5	6,430,246	20.9	9,801,824	31.9	370,000	1.2			
1985.....	1,500,000	5.5	152,369	0.6	25,625,242	93.9	27,277,611	6,638,310	20.7	6,258,500	22.9	8,245,884	30.2	6,744,917	24.8	370,000	1.4			
1990.....	1,500,000	5.3	157,387	0.6	26,435,294	94.1	28,092,681	6,139,686	21.8	7,741,500	27.5	8,671,873	30.7	5,169,622	18.7	370,000	1.3			
Weekly Averages, April, 1923	1,500,000	6.4	160,000	0.7	21,848,000	92.9	23,508,000	3,572,000	15.2	4,007,000	17.0	9,485,000	40.4	6,074,000	25.8	370,000	1.6			

ISLE OF MAN BANKING COMPANY, LIMITED.

ESTABLISHED 1865. Incorporated in the Isle of Man.

CAPITAL.				PROFITS AND DIVIDENDS.									
Subscribed.	Paid-up.	Callab.	Reserved.	Year Ending Dec. 31.	Net Profit.	Per Cent. of Resources.	Dividends Amount.	Rate.	Reserves, Invest-ments, &c.	Carried Forward.			
£	£	£	£	£	£	%	£	%	£	£			
150,000	30,000	20,000	100,000	1910	8,000	0.89	4,500	15	5,000	1,715			
				1911	8,151	0.87	4,500	15	5,000	2,367			
				1912	8,262	0.86	4,500	15	4,000	2,129			
				1913	8,610	0.85	4,500	15	4,000	1,839			
				1914	8,464	0.85	4,500	15	4,000	1,803			
				1915	9,197	0.92	4,500	15	4,500	2,000			
				1916	10,038	0.93	4,500	15	5,000	2,538			
				1917	12,355	0.96	4,500	15	7,500	2,893			
				1918	14,991	0.99	6,000	20	8,500	3,779			

LANCASHIRE AND YORKSHIRE BANK, LIMITED.—Continued from page 1076.

Year Ended Dec. 31.	Number of Branches.	LIABILITIES.										ASSETS.										
		Capital and Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Notes in the Hand of Bank.	Per Cent.	Accept- ances and Endorse- ments.	Per Cent.	Rebate Ac- count.	Per Cent.	Deposits and Current Accounts.	Per Cent.	Total Liabilities or Assets.	Cash in Hand and at Call and Short Notice.	Per Cent.	Invest- ments.	Per Cent.	Dis- counts and Ad- vances.	Per Cent.	Buildings and Furniture including Cover for Acceptances.	Per Cent.
1890	34	\$ 611,270	16.9	44,247	1.2	...	...	105,000	3.0	3,624	...	2,843,074	78.9	3,607,215	816,729	22.7	128,472	3.5	2,453,114	68.0	208,900	6.0
1895	45	653,000	15.9	40,757	1.0	...	...	58,339	1.4	3,966	...	3,547,412	81.7	4,103,494	923,483	22.5	421,239	10.3	2,557,246	62.3	201,526	5.5
1900	63	990,000	14.6	295	1.0	...	...	116,920	1.8	7,031	...	5,608,003	82.6	6,786,249	1,018,220	15.0	544,824	8.0	4,876,285	71.8	346,920	5.0
1905	123	1,447,660	13.5	91,260	0.9	4,692	...	53,387	0.5	6,074	...	9,136,462	85.1	10,739,535	2,247,492	20.9	2,300,120	21.4	5,763,536	53.7	459,840	4.3
1910	126	1,497,660	12.9	104,357	0.9	5,123	...	74,840	0.6	7,196	...	9,896,430	85.5	11,585,625	2,287,779	19.7	2,514,549	21.7	6,324,437	54.6	475,183	4.0
1911	126	1,502,660	12.2	99,746	0.9	4,959	...	90,183	0.7	9,504	...	10,627,402	86.2	12,334,454	2,379,588	24.1	2,534,102	20.6	6,345,581	51.5	526,298	4.4
1912	129	1,507,660	11.7	100,038	0.8	4,786	...	141,298	1.1	14,723	0.1	11,104,675	86.3	12,873,180	2,832,207	21.9	2,471,832	19.2	7,042,843	54.8	526,298	4.4
1913	129	1,512,660	11.2	103,654	0.8	5,104	...	151,219	1.0	15,219	0.1	11,793,738	86.9	13,566,287	3,170,486	23.5	2,358,952	17.3	7,515,937	55.4	520,912	4.3
1914	128	1,517,660	10.8	96,061	0.7	8,525	...	143,438	1.0	15,312	0.1	12,305,479	87.4	14,085,475	3,048,540	21.6	3,084,426	21.9	7,424,070	52.8	526,298	4.4
1915	127	1,422,660	9.6	106,451	0.7	9,804	...	227,860	1.5	6,557	...	13,358,112	88.2	15,130,444	2,768,118	18.3	4,875,824	32.2	6,873,642	45.4	612,860	4.3
1916	125	1,427,660	8.0	120,681	0.7	9,638	...	520,892	3.9	10,063	0.1	15,763,230	88.3	17,852,154	4,862,517	27.2	4,718,824	26.4	7,364,922	41.4	850,594	6.0
1917	125	1,432,660	7.2	148,688	0.7	9,668	...	203,990	1.0	30,124	0.2	18,045,419	90.9	19,870,559	4,592,590	23.4	4,347,444	21.8	10,341,534	52.3	876,119	6.1
1918	124	1,442,660	6.1	193,144	0.8	12,464	...	491,118	3.4	40,305	0.2	21,650,311	90.8	23,330,502	6,762,991	28.9	4,618,799	19.9	11,725,935	48.5	850,594	6.0
1919	120	1,858,585	6.6	222,763	0.8	15,494	...	460,594	1.6	45,000	0.2	25,611,046	90.8	28,213,212	5,441,125	19.3	6,264,051	22.2	15,657,442	55.5	1,511,723	8.1
1920	123	1,881,566	5.7	239,768	0.7	17,245	...	1,106,723	3.4	...	...	29,591,220	90.2	32,836,516	5,896,893	17.9	6,218,451	18.9	19,209,449	58.6	690,084	3.9
1921	135	2,013,120	6.1	190,190	0.6	17,890	...	285,084	0.9	...	...	30,296,398	92.4	32,802,682	7,385,989	22.5	7,570,749	23.1	17,156,860	52.3	810,349	4.1
1922	136	2,013,120	6.4	225,722	0.7	18,459	...	365,349	1.2	...	...	28,525,323	91.7	31,147,973	6,334,413	20.3	9,502,179	30.5	14,501,032	46.6	...	...

* Includes Treasury Bills.

LONDON MERCHANT BANK, LIMITED.

LATE LONDON AND HANSEATIC BANK, LIMITED.

ESTABLISHED 1873.

The Bank has no Branches.

By a special resolution passed on February 3, 1916, the minimum number of directors was reduced from 12 to 4.

Subscribed.	Paid-up.	Callable.	Reserved.	Market Value, April 30, 1923.	PROFITS AND DIVIDENDS.					Reserve, £.	Carried Forward £.
					Year Ended Dec. 31.	Net Profits.	Per Cent. of Resources.	Dividends Amount.	Rate.		
£	£	£	£	£	1910	68,704	1.19	50,000	8	16,000	19,800
					1911	71,499	0.99	50,000	8	21,000	20,299
					1912	83,987	1.07	50,000	8	33,000	21,298
					1913	87,355	1.05	56,250	8	27,000	25,343
					1914	45,051	0.83	45,000	6	...	26,432
					1915	38,989	0.92	37,500	5	...	29,255
					1916	39,843	0.99	37,500	5	...	30,084
					1917	40,329	1.11	37,500	5	...	35,811
					1918	41,227	...	37,500	5	...	39,544
					1919	61,733	1.69	45,000	6	...	67,588
					1920	60,044	1.46	45,000	6	...	18,783
					1921	46,195	1.21	45,000	6	50,000	...
					1922	36,876	1.07	18,750	23	36,909	nil

LIABILITIES.

ASSETS.

Year Ended Dec. 31.	Capital and Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Accept- ances.	Per Cent.	Rebate.	Per Cent.	Deposits and Current Accounts.	Per Cent.	Total Liabilities or Assets.	Cash in Hand and at Call and Short Notice.	Per Cent.	Invest- ments.	Per Cent.	Dis- counts and Ad- vances.	Per Cent.	Furni- ture.	Per Cent.
1890	497,000	20.1	25,015	1.2	...	...	1,581	...	1,899,018	78.7	2,412,614	42,893	1.8	225,000	9.3	221,450	9.1	1,921,169	79.7
1895	490,000	15.7	31,503	1.0	...	...	431	...	2,610,163	83.3	3,132,097	59,289	1.9	96,000	3.0	282,464	9.0	2,694,944	86.1
1900	880,000	13.2	38,590	1.3	...	...	1,155	...	2,323,254	80.5	2,887,990	49,456	1.7	301,600	10.5	211,179	7.3	2,425,794	80.9
1905	880,000	17.4	28,136	0.9	2,504,629	79.0	1,362	...	89,162	1.7	3,173,289	68,930	2.2	315,000	9.9	209,072	6.6	2,580,277	81.8
1910	880,000	14.9	67,051	1.2	4,136,683	79.9	1,676	...	127,794	1.1	5,765,194	42,765	0.7	509,000	8.8	284,380	4.9	4,990,049	85.6
1911	875,000	12.0	72,549	1.0	5,120,006	70.6	1,777	...	1,198,164	16.4	7,266,996	33,925	0.5	640,000	8.8	307,199	4.2	6,285,872	86.9
1912	868,000	11.4	65,536	1.1	5,447,003	69.7	2,979	...	1,391,755	17.9	7,822,273	103,002	1.3	632,600	8.1	276,005	3.5	6,810,661	87.1
1913	1,100,000	13.2	64,891	0.8	5,749,636	68.5	3,616	...	1,460,054	17.5	8,378,397	52,867	0.6	532,700	6.4	311,217	3.7	7,481,613	89.3
1914	1,100,000	20.1	47,943	0.9	4,126,411	75.5	2,155	...	192,653	3.5	5,469,166	47,638	0.9	398,540	7.3	340,742	6.2	4,682,246	85.6
1915	1,100,000	26.0	45,682	1.1	2,877,236	68.6	1,478	...	182,147	4.3	4,206,513	39,272	0.9	183,000	4.4	309,958	7.3	3,674,275	87.6
1916	1,100,000	27.4	48,005	1.2	2,471,213	61.5	2,888	...	393,638	9.6	4,468,444	54,608	1.0	160,000	3.6	286,903	7.1	3,514,933	87.5
1917	1,100,000	30.3	50,834	1.4	2,131,601	58.6	2,221	...	352,490	9.7	3,635,147	54,484	1.5	160,000	4.4	250,500	6.9	3,170,163	87.2
1918	1,100,000	31.9	73,312	2.1	1,911,49	55.2	328	...	374,851	10.1	3,469,988	63,706	1.8	145,000	4.2	188,547	5.5	3,062,736	88.4
1919	1,100,000	30.4	78,794	2.2	1,988,346	54.6	1,001	...	464,492	12.8	3,632,627	46,944	1.3	186,000	5.1	114,924	3.1	3,244,709	90.5
1920	1,400,000	26.4	93,838	2.2	2,259,618	54.0	2,418	...	71,967	17.4	4,174,831	108,000	2.5	136,000	3.2	106,932	2.5	3,746,899	91.8
1921	1,400,000	28.7	45,033	1.2	1,562,314	41.0	...	...	1,117,547	29.1	3,684,894	106,999	2.8	150,000	5.9	72,568	1.9	1,933,013	50.4
1922	1,500,000	21.8	...	...	1,608,687	46.6	242,227	7.0	846,997	24.6	3,447,911	136,599	3.9	350,000	10.2	86,008	2.5	1,267,566	36.8

* Includes acceptances.

† Cover for acceptances.

‡ Advances under Government Scheme of 8 pt., 1914, since liquidated.

LONDON AND LIVERPOOL BANK OF COMMERCE, LIMITED.

ESTABLISHED 1871. RECONSTRUCTED 1879.

The Bank has no Branches.

The Bank has no Branches.					PROFITS AND DIVIDENDS.					Reserve, Invest-	Carried
					Year ending Dec. 31.	Net Profits.	Per Cent. of Resources.	Dividends Amount.	Rate.	ments, &c.	Forward
CAPITAL					£	£	£	£	%		£
Subscribed.	Paid-up.	Callable.	Reserved.		1909	36,179	1.26	24,000	6	7,000	10,043
					1910	33,444	1.28	24,000	6	8,000	11,488
					1911	31,636	1.15	24,000	6	8,000	11,128
					1912	33,439	1.12	24,000	6	10,000	10,561
					1913	36,991	1.25	32,852	6	5,000	9,700
					1914	27,608	0.90	23,250	4		14,066
					1915	20,819	0.70	20,813	4		14,063
					1916	18,771	0.71	18,638	4		14,196
					1917	19,152	0.69	18,000	4		15,358
					1918	18,338	0.79	17,119	4		16,577
					1919	15,243	0.54	16,800	4		19,090
					1920	17,407	0.64	16,800	4		20,096
					1921	18,894	0.81	16,800	4		20,740
					1922	16,993	1.01	17,700	4		20,033
£10	£10	Nil.	Nil.								

THE MANCHESTER AND LIVERPOOL DISTRICT BANK, LIMITED.

ESTABLISHED 1862.

1866—Absorbed Saddleworth Banking Co.
1871—Absorbed the Bank of Stockport.
1897—Absorbed Bank of Bolton, Limited.

CAPITAL					Market
Subscribed.	Paid-up.	Callable.	Reserved.		Value.
£	£	£	£		April 30, 1923.
5,460,200	1,092,040	273,010	4,095,150		£3,241,994

CAPITAL					Market
Subscribed.	Paid-up.	Callable.	Reserved.		Value.
£	£	£	£		April 30, 1923.
5,460,200	1,092,040	273,010	4,095,150		£3,241,994

PROFITS AND DIVIDENDS.					Reserves, &c.	Carried Forward.
Year Ended Dec. 31.	Net Profit.	Per Cent. of Resources.	Dividends Amount.	Rate.		
1910.	182,296	1.50	149,906	154	35,000	23,771
1911.	186,320	1.45	150,156	162	42,500	17,346
1912.	192,378	1.43	154,706	154	32,806	21,302
1913.	193,930	1.43	154,706	154	35,000	25,596
1914.	171,043	1.27	150,155	134		46,413
1915.	166,901	1.20	145,606	131		67,708
1916.	196,044	1.18	145,606	134	57,951	60,197
1917.	197,952	1.12	154,706	144	40,000	63,443
1918.	206,415	1.04	163,806	15	40,000	66,052
1919.	240,372	0.82	163,807	15	70,000	72,618
1920.	298,077	0.95	177,457	161	100,000	106,238
1921.	260,973	0.90	177,456	161		89,735
1922.	226,108	0.86	177,456	161	50,000	88,386

* After bonus to staff.

LIABILITIES.					ASSETS.				
Year Ended Dec. 31.	Capital & Reserves.	Per Cent.	Un-divided Profits.	Per Cent.	Acceptances.	Per Cent.	Rebates.	Per Cent.	Deposits and Current Accounts.
1910.	1,249,000	15.5	84,818	1.1	13,635	0.2	6,187,980	76.5	8,078,555
1911.	1,615,000	16.6	72,523	0.7	11,805	0.1	7,427,526	76.5	9,716,016
1912.	1,803,632	15.0	177,661	0.9	17,793	0.1	9,811,753	78.7	11,975,011
1913.	1,508,234	15.6	98,272	0.8	13,321	0.1	9,378,480	76.6	12,242,280
1914.	1,538,234	15.0	114,644	0.9	10,493	0.1	9,708,471	75.6	12,333,637
1915.	1,558,234	15.6	114,123	0.9	575,968	4.7	9,701,553	78.6	12,349,978
1916.	1,568,234	16.8	114,983	1.0	339,779	2.9	9,225,441	79.3	11,648,447
1917.	1,548,234	16.3	119,538	1.0	728,268	6.9	9,339,025	76.7	12,175,065
1918.	1,598,234	15.6	131,489	1.0	689,681	5.3	10,052,155	78.7	12,865,539
1919.	1,608,040	14.9	92,261	0.7	685,383	5.1	10,701,060	79.3	13,488,234
1920.	1,948,040	14.9	103,387	0.8	718,389	5.9	13,480,165	79.8	15,639,335
1921.	1,948,040	14.4	121,282	0.9	369,452	2.7	11,047,391	82.0	13,639,335
1922.	1,948,040	14.0	141,302	1.0	428,594	3.1	11,431,430	81.9	15,943,366
1923.	1,948,040	11.6	183,539	1.1	1,299,795	7.8	13,181,812	79.5	16,607,186
1924.	1,948,040	11.0	185,346	1.1	1,017,700	5.8	14,506,660	82.1	17,651,746
1925.	1,948,040	9.5	189,129	0.9	506,126	2.4	17,679,775	87.2	20,317,070
1926.	1,948,040	8.5	325,818	0.8	3,012,230	10.3	24,071,009	82.3	29,211,097
1927.	1,948,040	6.6	283,063	0.9	1,325,358	4.9	27,635,122	88.7	31,223,187
1928.	1,948,040	6.2	286,598	1.0	323,119	1.1	26,578,177	91.2	28,929,932
1929.	2,042,040	7.8	235,193	0.9	337,784	1.3	23,760,827	90.0	26,575,844

* Includes bills of exchange.

MANCHESTER AND LIVERPOOL DISTRICT BANKING COMPANY, LIMITED.

ESTABLISHED 1829.

1863—Business of Lloyd, Entwistle, Bury, and Jervis, of King street, Manchester, acquired.

1891—Business of Wm. John and Thos. Brocklehurst, Macclesfield, taken over.

1907—Amalgamation with Lancaster Banking Co., Limited.

1916—Absorbed Bank of Whitehaven.

CAPITAL					Market Value.
Subscribed.	Paid-up.	Callable.	Reserved.		April 30, 1923.
£	£	£	£		£
9,480,000	1,896,000	1,264,000	6,320,000		6,162,000

Per Share.	Per Share.	Per Share.	Per Share.	Per Share.
£15	£3	£2	£10	£9

LIABILITIES.					ASSETS.				
Year Ended Dec. 31.	Capital & Reserves.	Per Cent.	Un-divided Profits.	Per Cent.	Acceptances.	Per Cent.	Deposits and Current Accounts.	Per Cent.	Total Liabilities or Assets.
1910.	2,015,000	13.2	109,898	0.8	341,108	2.2	12,691,257	83.8	15,157,263
1911.	2,060,000	11.6	116,892	0.7	977,808	5.5	14,599,590	82.2	17,754,290
1912.	2,695,000	12.6	138,713	0.6	1,737,178	8.1	16,815,019	78.7	21,385,910
1913.	3,325,000	15.8	168,897	0.8	1,679,778	8.0	15,899,253	75.4	21,042,728
1914.	3,581,000	13.4	217,614	0.8	1,668,486	6.2	12,443,822	79.6	19,672,663
1915.	3,601,000	13.2	220,644	0.8	1,231,683	4.5	12,443,822	79.6	19,672,663
1916.	3,621,000	13.1	224,631	0.8	1,361,281	4.9	12,443,822	79.6	19,672,663
1917.	3,646,000	12.6	177,588	0.6	2,402,032	8.4	12,443,822	79.6	19,672,663
1918.	3,566,000	12.1	195,679	0.6	2,168,551	7.4	12,443,822	79.6	19,672,663
1919.	3,576,000	11.7	210,129	0.7	2,950,356	9.3	12,443,822	79.6	19,672,663
1920.	3,496,000	10.8	215,365	0.7	2,690,116	8.3	12,443,822	79.6	19,672,663
1921.	3,506,000	10.6	219,065	0.7	2,052,962	6.2	12,443,822	79.6	19,672,663
1922.	3,470,000	10.2	281,470	0.8	2,795,954	6.7	12,443,822	79.6	19,672,663
1923.	3,396,000	8.1	268,040	0.6	3,261,935	6.8	12,443,822	79.6	19,672,663
1924.	3,446,000	7.2	305,814	0.6	1,567,079	3.2	12,443,822	79.6	19,672,663
1925.	3,446,000	6.9	300,189	0.6	5,249,016	7.7	12,443,822	79.6	19,672,663
1926.	3,446,000	5.3	437,952	0.7	1,596,659	2.4	12,443,822	79.6	19,672,663
1927.	3,359,000	5.2	410,206	0.6	1,493,834	2.2	12,443,822	79.6	19,672,663
1928.	3,446,000	5.7	441,634	0.7	1,602,899	2.6	12,443,822	79.6	19,672,663

* Includes bills of exchange.

THE NATIONAL CITY BANK OF NEW YORK AND AFFILIATED INSTITUTIONS

34-36, Bishopsgate, E. C. 2, LONDON

THE NATIONAL CITY BANK OF NEW YORK

TOTAL RESOURCES MORE THAN \$800,000,000

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Foreign Branches			PERU		
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BELGIUM	ANTWERP	BRUSSELS	CITY BRANCH	SAN JUAN	URUGUAY
BRAZIL	PERNAMBUCO	RIO DE JANEIRO	WEST END BRANCH	MONTEVIDEO	Sub-branch—
	SANTOS (AGENCY)	SAO PAULO	FRANCE	CALLE RONDEAU	VENEZUELA
			PARIS	GENOA	CARACAS

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[OWNED BY THE NATIONAL CITY BANK OF NEW YORK]

TOTAL RESOURCES MORE THAN \$100,000,000

Head Office: 60 WALL STREET, NEW YORK

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HONGKONG	PEKING	SHANGHAI	TIENTSIN	JAVA	BATAVIA
				SOURABAYA	PHILIPPINE ISLANDS
					CEBU
					MANILA
					BARCELONA
					MAJOR
					STRAITS SETTLEMENTS
					SINGAPORE
					CALIFORNIA
					SAN FRANCISCO
					DOMINICAN REPUBLIC
					SANTO DOMINGO CITY
					AND OTHER
					PRINCIPAL CITIES
					FRANCE
					LYONS
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THE NATIONAL PROVINCIAL AND UNION BANK OF ENGLAND, LIMITED.

ESTABLISHED 1833.—(Member of London Clearing.)

1918—National Provincial Bank of England, Limited, amalgamated with Union of London and Smiths Bank, Limited.
New title—The National Provincial and Union Bank of England, Limited.
Absorbed Bradford District Bank, Limited, as from January 1, 1919. Absorbed Sheffield Banking Company, Limited, as from December 31, 1918. 1920—Messrs Coutts and Co., affiliated as from January 1st. Absorbed Northamptonshire Union Bank, Limited.

CAPITAL					Market Value.	PROFITS AND DIVIDENDS.							Reserves, £.	Carried Forward.
Subscribed.	Paid-up.	Callable.	Reserved.	Year Ended Dec. 31.		Net Profits.	Per Cent. of Resources.	Dividends Amount.	Rate.	£.				
43,447,080	9,309,416	5,839,611	28,298,053	1918..	1,821,383	0.84	876,501	16	850,000	487,318				
Per Share.	Per Share.	Per Share.	Per Share.	1919..	2,265,483	0.83	1,121,942	16	1,000,000	530,859				
£25	£3 10s	£2 15s 4d	£16 13s 4d	1920..	2,762,513	0.92	1,369,302	16	1,200,000	824,070				
£20	£5	£2 13s 4d	£13 6s 8d	1921..	2,054,686	0.70	1,489,507	16	500,000	389,250				
£5	nil.	nil.	nil.	1922..	1,854,190	0.64	1,389,507	16	321,959	311,975				

LIABILITIES.										ASSETS.										
Year Ended Dec. 31.	Number of Branches.	LIABILITIES.						Total Liabilities or Assets.	ASSETS.											
		Capital Reserves.	Per Cent.	Undivided Profits.	Per Cent.	Accept- ances.	Per Cent.		Deposit and Current Accounts.	Per Cent.	Cash in Hand and at Bank.	Per Cent.	Cash at Call and Short Notice.	Per Cent.	Invest- ments.	Per Cent.	Discounts and Advances.	Per Cent.	Buildings & Bundries, including Cover Stores & Accessories.	Per Cent.
1918.....	492	£ 10,326,894	4.8	£ 487,318	0.2	£ 3,891,343	1.8	£ 200,864,639	93.2	£ 215,570,184	33,776,003	15.6	£ 13,221,591	6.1	£ 44,925,251	20.8	£ 117,359,508	54.4	£ 6,487,813	3.1
1919.....	613	£ 15,045,905	5.5	£ 630,859	0.2	£ 5,968,448	2.2	£ 251,751,125	92.1	£ 273,396,337	35,685,632	13.1	£ 10,997,504	4.0	£ 53,531,285	19.6	£ 164,305,656	60.1	£ 8,876,360	3.2
1920.....	648	£ 18,187,457	6.0	£ 824,070	0.3	£ 4,404,104	1.5	£ 278,335,366	92.2	£ 301,750,997	41,954,106	13.9	£ 11,850,947	3.9	£ 56,437,173	18.7	£ 183,439,432	60.8	£ 8,069,340	2.7
1921.....	648	£ 18,187,457	6.2	£ 889,250	0.3	£ 2,863,921	1.0	£ 272,933,344	92.5	£ 294,873,972	45,050,674	15.3	£ 12,294,328	4.2	£ 48,109,727	16.4	£ 182,666,169	61.8	£ 6,753,074	2.3
1922.....	655	£ 18,309,416	6.3	£ 931,974	0.3	£ 7,909,282	2.7	£ 263,037,483	90.7	£ 290,188,155	41,613,577	14.3	£ 13,900,102	4.8	£ 55,317,905	18.9	£ 167,394,766	57.8	£ 12,021,805	4.2
Weekly Average, April, 1923.	655	£ 18,309,000	6.6	£ 7,755,000	2.8	£ 252,348,000	90.6	£ 278,412,000	35,546,000	12.8	£ 18,158,000	6.6	£ 52,945,000	19.0	£ 159,813,000	57.3	£ 11,948,000	4.3		

WESTMINSTER BANK, LIMITED.

(Formerly London County Westminster and Parr's Bank, Limited.)

ESTABLISHED 1836.—Member of London Clearing.

1918—London County and Westminster Bank, Limited, amalgamated with Parr's Bank, Limited. New title.
London County Westminster and Parr's Bank, Limited.

CAPITAL										Market Value.		Year Ended		Net Profits.		PROFITS AND DIVIDENDS.				Carried Forward.	
Subscribed.	Paid-up.	Callable.	Reserved.		Dec. 31.		Per Cent.	Dividends.	Rate.	Reserves.			Per Cent.	Amount.	Rate.	Reserves.					
£	£	£	£	£	April 30, 1923.	£	%	£	%	£	£	£	%	£	%	£	£	£	£		
26,383,960	7,070,990	7,070,990	14,141,980	26,162,700	1918.	2,206,202	0.77	973,240	20	900,000	377,580										
1,932,728	1,932,728	Nil	Nil	25,013,000	1919.	2,455,007	0.71	1,052,620	20	1,365,721	414,286										
Per Share.	Per Share.	Per Share.	Per Share.	Per Share.	1920.	2,915,708	0.85	1,115,302	20	1,753,718	460,914										
£20	£5	£5	£10	£18½	1921.	2,167,846	0.61	1,159,052	20	950,000	519,708										
£1	£1	Nil	Nil	£24½	1922.	1,888,021	0.61	1,221,144	20	650,000	536,585										
										For half-year.											

LIABILITIES.										ASSETS.												
Year Ended Dec. 31.	Number of Branches.	Capital and Reserves.	Per Cent.	Undivided Profits.	Per Cent.	Acceptances and Endorsements.	Per Cent.	Miscellaneous Credits, Rebates, &c.	Per Cent.	Deposit on Current Accounts.	Per Cent.	Total Liabilities or Assets.	Cash in Hand and at Bank.	Per Cent.	Cash at Call and Short Notice.	Per Cent.	Investments.	Per Cent.	Discounts and Advances.	Per Cent.	Buildings and Sundries including Cover for Acceptances.	Per Cent.
1918.	694	14,261,076	5.0	855,735	0.3	9,276,488	3.2	289,369	0.1	262,857,781	91.4	287,540,444	47,476,604	18.5	36,970,159	12.8	49,384,942	17.2	141,501,913	49.2	12,206,826	4.3
1919.	779	17,253,718	5.0	971,877	0.3	23,704,366	6.8	318,698	0.1	304,547,726	87.8	346,796,385	58,766,916	16.9	18,794,487	5.4	65,068,998	18.8	177,442,468	51.2	26,733,532	7.7
1920.	873	17,507,436	5.1	1,018,566	0.3	19,034,317	5.6	492,842	0.1	305,380,814	88.9	343,433,975	49,124,181	14.3	22,937,762	6.7	79,981,694	16.8	190,874,245	55.6	22,513,157	6.6
1921.	898	18,007,436	5.1	1,099,234	0.3	16,755,101	4.7	505,452	0.1	317,655,838	89.8	354,023,061	44,491,239	12.6	19,814,891	5.6	66,931,120	16.0	212,120,835	59.9	20,664,177	5.9
1922.	918	18,007,436	5.1	1,157,506	0.4	9,923,238	3.2	276,642	0.1	280,820,297	90.6	310,185,114	42,501,011	13.7	19,816,167	6.4	96,385,253	18.8	175,053,514	56.5	13,836,896	4.6
Weekly Average, April, 1923.	918	18,008,000	6.1			11,119,000	3.8	14,000		265,216,000	90.1	294,357,000	36,682,000	12.4	26,745,000	9.1	95,785,000	20.1	166,051,000	53.1	15,094,000	5.1

UNION BANK OF MANCHESTER, LIMITED.

ESTABLISHED 1836.

1888—Sewell and Nephew absorbed.
1904—E. W. Yates and Co., Liverpool, absorbed.
1906—Blackburn Bank absorbed.
1907—Downes and Co. (Nantwich) absorbed.
1917—Halifax and District Permanent Banking Company absorbed.

Subscribed. £	Paid-up. £	CAPITAL		Market Value. £
		Callable. £	Reserved. £	
1,500,000	750,000	750,000	Nil.	
Per Share.	Per Share.	Per Share.	Per Share.	
£5	£2 10s	£2 10s	Nil.	

1918—East Morley and Bradford Deposit Bank, Limited, acquired.
1919—Affiliated with Barclays Bank.

Year Ended Dec. 31.	Net Profits. £	Per Cent. of Resources.	PROFITS AND DIVIDENDS.		Reserves, £	Carried Forward. £
			Dividends. Amount. £	Rate. %		
1910..	83,905	1.24	62,370	10.19	24,000	5,128
1911..	86,632	1.15	64,740	12.9	19,000	8,080
1912..	95,895	1.27	64,740	12.9	19,000	30,175
1913..	108,984	1.34	64,740	12.9	48,000	12,113
1914..	100,948	1.22	63,379	12.9	35,000	8,188
1915..	120,821	1.38	59,583	12.9	25,000	25,919
1916..	152,025	1.30	68,750	12.9	50,000	40,448
1917..	178,254	1.37	75,000	18.7	38,500	18,670
1918..	191,035	1.08	97,812	20	90,000	15,918
1919..	277,248	0.90	105,000	20	175,000	11,946
1920..	341,027	1.25	105,000	20	240,000	30,683
1921..	293,738	1.11	105,000	20	180,000	17,246
1922..	247,188	1.10	110,625	20	140,000	

* Free of income-tax.

Continued on page 1084.



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CONTENTS.

Alphabetical List of British, Colonial, and Foreign Private and Joint Stock Banks, Discount Houses, etc.

Alphabetical List of Directors of Banks and Kindred Companies, Telegraphic addresses of all Banks.

List of Towns in the United Kingdom and abroad, with names of Banks and Bankers in each, with their London Agents.

Transfer Days, Dividends, &c. (Bank of England).

Foreign Exchange Tables.

Income Tax Table, &c., &c., &c.

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UNION BANK OF MANCHESTER, LIMITED—Continued from page 1082.

Year Ended Dec. 31.	Number of Branches.	LIABILITIES.										Total Liabilities or Assets.	ASSETS.									
		Capital and Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Accept- ances, &c.	Per Cent.	Deposit and Current Accounts.	Per Cent.	Cash in Hand, at Call, and Short Notice.	Per Cent.		Invest- ments.	Per Cent.	Bills of Ex- change.	Per Cent.	Advances.	Per Cent.	Buildings & Sundries, including Cover for Accidents.	Per Cent.		
1890*	43	£ 530,000	16.9	£ 38,487	1.2	£ 53,217	1.7	£ 2,526,868	80.2	£ 3,148,572	16.6	£ 213,593	6.8	£ With Advances	..	£ 12,317,479	73.6	£ 93,390	3.0			
1895*	49	610,000	16.8	39,290	1.1	82,667	2.3	2,900,376	79.8	3,632,333	13.4	42,130	1.1	Do	..	12,951,540	81.3	151,921	4.2			
1900*	62	925,000	16.8	48,524	0.9	320,329	5.9	4,195,229	76.4	5,489,082	10.6	172,175	3.1	Do	..	14,216,459	76.8	517,694	9.4			
1905*	72	874,000	15.5	34,298	0.6	417,378	7.4	4,317,193	76.5	5,642,868	15.0	620,336	11.0	Do	..	2,770,960	49.1	667,355	11.8			
1906*	75	882,000	14.0	42,064	0.7	467,567	7.4	4,915,586	77.9	6,307,487	11.4	700,236	11.1	Do	..	3,085,050	48.9	725,691	11.5			
1907*	78	892,000	13.8	40,046	0.6	479,276	7.4	5,035,101	78.2	6,446,423	11.2	692,224	10.8	Do	..	3,099,491	48.1	755,709	11.4			
1908*	80	905,000	14.5	40,057	0.6	374,160	6.0	4,901,361	78.3	6,221,178	12.3	1,016,288	16.3	Do	..	3,065,254	49.4	667,545	10.7			
1909*	83	915,000	14.6	37,593	0.5	340,363	5.5	4,968,076	79.3	6,261,632	11.4	1,071,071	18.4	Do	..	3,167,087	50.6	629,372	10.8			
1910*	85	920,000	13.6	37,498	0.6	596,344	8.8	5,213,193	77.0	6,767,035	16.6	829,968	12.2	Do	..	3,304,644	48.8	890,248	13.2			
1911*	88	880,000	13.0	40,390	0.6	332,663	4.9	5,530,732	81.5	6,783,785	20.6	713,193	10.5	Do	..	3,468,003	51.1	623,887	9.3			
1912*	85	890,000	11.8	52,545	0.7	610,929	8.1	6,009,553	79.4	7,563,027	15.0	743,996	9.8	Do	..	3,617,223	47.6	705,108	12.1			
1913*	88	900,000	11.2	44,483	0.6	674,181	8.4	6,428,858	79.8	8,047,522	19.8	801,779	10.0	Do	..	3,884,297	48.2	713,108	12.1			
1914*	88	905,000	11.0	39,334	0.5	665,556	8.1	6,594,015	80.4	8,203,905	16.4	736,095	9.0	Do	..	4,440,240	54.2	956,310	11.7			
1915*	88	905,000	10.3	54,709	0.6	764,545	8.7	7,053,582	80.4	8,777,738	9.3	2,156,738	24.6	Do	..	4,204,289	48.1	1,064,398	12.1			
1916*	88	905,000	7.7	60,069	0.5	1,556,936	13.3	9,117,392	78.5	11,639,397	24.5	876,968	7.8	Do	..	5,999,731	54.8	1,848,119	15.8			
1917*	97	905,000	6.9	77,948	0.6	901,654	6.9	11,127,088	85.6	13,011,690	13.1	4,026,180	30.9	Do	..	5,113,620	39.5	2,011,654	9.2			
1918*	111	1,275,000	7.2	71,170	0.4	1,150,084	6.5	15,212,193	85.9	17,708,447	13.5	7,212,890	40.7	Do	..	6,508,530	31.1	1,500,084	9.5			
1919*	130	1,325,000	4.3	68,418	0.2	3,896,157	12.7	25,378,022	82.8	30,667,597	9.9	4,417,171	14.4	Do	..	17,600,880	57.5	2,000,000	14.0			
1920*	139	1,425,000	5.2	64,445	0.2	3,424,881	12.6	22,294,412	82.3	27,208,738	8.8	3,367,106	12.3	Do	..	16,110,589	59.4	2,824,881	14.0			
1921*	145	1,425,000	5.4	75,183	0.3	1,990,302	7.5	23,002,017	86.8	26,490,502	16.0	2,799,702	10.6	Do	..	15,827,607	59.6	2,390,302	14.5			
1922*	149	1,425,000	6.4	17,246	0.1	1,524,181	6.8	19,522,479	86.7	22,488,906	10.8	2,595,828	11.5	Do	..	14,526,807	64.6	1,920,181	8.6			

* Year ended June 30th.

† Includes bills.

WILLIAMS DEACON'S BANK, LIMITED.

ESTABLISHED 1836.—Member of London Clearing.

1874—Absorbed Heywood Brothers and Co., Manchester.

1878—Absorbed Hardcastle, Cross, and Co., Bolton.

1881—Absorbed Clement Roys and Co., Rochdale.

1890—Manchester and Salford Bank amalgamated with Williams, Deacon and Co. New title—Williams Deacon and Manchester and Salford Bank, Lim.

Subscribed.		Paid-up.		Capital.		Callable.		Reserved.		Market Value.	
£		£		£		£		£		£	
8,125,000	1,875,000	1,562,500	4,687,500	4,492,186							
Per Share.	Per Share.	Per Share.	Per Share.	Per Share.	Per Share.						
A £5	A £1	A £1	A £3	A £3	A £3						
B £1	B £1	B nil	B nil	B £2	B £2						

1901—Title changed to Williams Deacon's Bank, Limited.
1907—Sheffield and Rotherham Joint Stock Banking Co., Limited, absorbed.

Year Ended Dec. 31.	Net Profits.	Per Cent. of Resources.	PROFITS AND DIVIDENDS.		Reserves &c.	Carried Forward.
			£	%		
1910	211,958	1.17	187,500	15	20,000	26,059
1911	221,011	1.23	187,500	15	30,000	29,600
1912	231,542	1.20	187,500	15	40,000	33,642
1913	243,286	1.23	187,500	15	55,000	34,429
1914	221,480	1.06	181,250	14	125,000	74,659
1915	238,048	1.06	175,000	14	125,000	12,708
1916	280,188	1.01	175,000	14	100,000	17,896
1917	297,916	0.79	175,000	14	120,000	20,811
1918	319,191	0.91	185,156	14	125,000	29,846
1919	399,481	0.95	234,375	12	175,000	19,932
1920	463,653	1.07	234,375	12	225,000	24,230
1921	365,231	0.83	234,375	12	125,000	30,086
1922	337,175	0.81	244,140	12	80,000	43,121

* Free of income-tax. † Equivalent to 15% on the old shares.

Year Ended Dec. 31.	Number of Branches.	LIABILITIES.						Total Liabilities or Assets.	ASSETS.					
		Capital & Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Accept- ances, &c.	Per Cent.		Cash in Hand and at Bank.	Per Cent.	Cash at Call and Short Notice.	Per Cent.	Invest- ments.	Per Cent.
1890	51	£ 1,360,000	12.0	£ 65,001	0.6	£ 694,223	6.1	£ 22,980	£ 9,207,222	81.1	£ 11,349,426	1.14	£ 1,187,625	16.6
1895	67	1,460,000	10.8	77,534	0.6	592,232	4.4	18,773	11,394,379	84.1	13,542,918	1.14	1,539,552	11.4
1900	75	1,575,000	10.9	103,506	0.7	340,595	2.4	23,651	12,342,046	85.8	14,584,798	1.37	1,326,143	9.3
1905	82	1,650,000	12.1	86,417	0.6	317,058	2.3	23,521	11,531,776	84.8	13,608,775	1.29	1,743,468	12.9
1910	106	2,000,000	11.1	120,994	0.7	737,494	4.1	30,712	15,156,575	83.9	18,045,775	1.28	1,698,536	9.4
1911	108	1,950,000	10.9	125,036	0.7	797,728	4.4	31,006	15,065,199	83.8	17,958,969	1.25	1,794,084	10.0
1912	110	1,950,000	10.1	129,651	0.7	850,847	4.4	32,207	16,335,822	84.6	17,958,969	1.25	1,794,084	10.0
1913	115	1,900,000	9.6	129,651	0.7	599,556	2.8	32,470	17,188,009	86.7	19,799,572	1.54	2,418,332	12.2
1914	118	1,900,000	9.1	163,988	0.8	407,503	2.0	32,029	18,349,552	87.9	20,853,072	1.41	3,314,042	15.9
1915	118	1,900,000	8.4	102,299	0.5	623,665	2.8	31,944	19,855,853	88.2	22,513,761	1.49	3,356,432	14.9
1916	115	1,900,000	6.8	107,002	0.4	1,327,834	4.8	68,803	24,419,301	87.8	27,822,940	1.21	3,928,508	6.9
1917	115	2,000,000	6.2	110,931	0.3	1,443,159	4.5	50,948	22,443,616	89.1	32,047,814	1.19	4,130,644	19.1
1918	120	2,100,000	6.0	129,320	0.3	941,029	2.7	58,768	23,177,651	90.8	35,007,768	1.61	5,209,730	16.9
1919	138	2,775,000	6.6	138,997	0.3	2,150,023	5.1	46,391	31,001,415	87.9	42,111,829	1.58	7,904,150	18.8
1920	151	2,875,000	6.6	143,588	0.3	1,539,191	3.5	...	38,870,845	89.6	43,428,624	1.71	5,585,269	8.3
1921	162	2,975,000	6.7	149,343	0.3	1,243,847	2.8	...	39,917,598	90.2	44,285,788	1.63	4,930,831	11.1
1922	170	3,025,000	7.3	172,498	0.4	751,121	1.8	...	37,626,708	90.5	41,575,327	1.67	2,934,895	7.1

* Includes money at call and short notice.

YORKSHIRE PENNY BANK, LIMITED.

BALANCE-SHEET—December 31, 1922.

LIABILITIES.		ASSETS.	
Share capital—250,000 shares of £5 each, £3 paid.....	750,000	Cash in hand, at Bank of England, and at short notice	8,413,714
Reserve fund	750,000	British Government Treasury bills	2,085,000
Amount due to depositors and other accounts	29,468,023	British Government securities	15,978,729
Uncalled capital, £500,000.		Other securities	1,069,866
		Loans on security and other accounts	2,930,378
		Bank premises	490,336
			30,968,023

BAKER, DUNCOMBE, AND CO., LIMITED.

BALANCE-SHEET—March 31, 1923.

LIABILITIES.		ASSETS.	
Capital—32,000 fully-paid "A" shares of £5 each	160,000	Investments—5 and 4½ per cent. Treasury Bonds	900,000
8,000 fully-paid "B" shares of £5 each	40,000	Bills discounted (including re-discounts)	6,256,237
Reserve	50,000	Loans on security and sundry accounts	33,322
Liability on deposits and loans and bills re-discounted (including rebate and sundry accounts)	7,041,179	Assets to the value of £6,984,160 are held by bankers and others as cover for liabilities, per contra.	
		Cash in hand and at bankers	101,620
			7,291,179

ESTABLISHED 1809.

NORTH BRITISH
& MERCANTILE

INSURANCE COMPANY, LTD.

FIRE LIFE

BURGLARY ACCIDENT ANNUITIES MARINE

FUNDS - - - £28,385,000
INCOME - - - £8,435,000

CHIEF OFFICES:

LONDON: 61, Threadneedle St., E.C.2. EDINBURGH: 64, Princes St.

PHOENIX
ASSURANCE COMPANY, LIMITED.

Chairman: Sir Gerald H. Ryan, Bart.

Total Assets: £30,000,000
Claims Paid: £175,000,000

FIRE-LIFE-ACCIDENT-MARINE

Branches and Agencies
throughout the world.

Head Offices:

PHOENIX HOUSE, King William St., London, E.C.4.

General Manager: R. Y. Sketch.

ROYAL EXCHANGE
ASSURANCE

Incorporated A.D. 1720.

Fire, Life, Sea, Accident.
Motor Car, Plate Glass,
Burglary, Third Party,
Employers' Liability,
Lift, Boiler, Machinery,
Annuities, Live Stock,
Trustee and Executor.

FIDELITY GUARANTEES.

Head Office—ROYAL EXCHANGE, E.C.3.

West End Branch—44, Pall Mall, S.W.1.

PRIVATE BANKS OF ENGLAND AND WALES.

B. W. BLYDENSTEIN AND CO., LONDON.

Year Ended Dec. 31.	LIABILITIES.					ASSETS.				
	Partners' Capital and Reserves.	Per Cent.	Miscellaneous.	Per Cent.	Deposit and Current Accounts.	Per Cent.	Total Liabilities or Assets.	Cash in Hand and at Bank.	Per Cent.	Investments.
1905.....	£ 260,000	16.9	£ 1,174,237	76.2	£ 106,948	6.9	£ 1,541,185	£ 70,462	4.6	£ 367,130
1906.....	500,000	21.3	530,696	22.7	1,313,832	56.0	2,344,527	111,064	4.8	851,898
1907.....	500,000	11.9	736,473	17.3	2,969,441	70.8	4,196,914	126,571	3.0	1,260,439
1908.....	566,000	7.9	763,699	10.7	5,836,767	81.4	7,166,466	129,904	1.8	1,202,478
1909.....	594,000	8.4	926,794	13.0	5,580,003	78.6	7,100,797	109,060	1.5	1,119,636
1910.....	621,000	9.3	1,044,932	15.4	5,092,548	75.3	6,760,280	227,844	3.4	792,996
1911.....	625,000	7.6	1,064,829	12.9	6,544,282	79.5	8,234,111	361,184	4.4	1,887,473
1912.....	625,000	8.3	1,048,543	13.8	6,446,590	85.9	7,510,433	267,678	3.6	1,287,729
1913.....	625,000	12.3	27,431	0.5	4,447,703	87.2	5,100,134	137,255	2.7	1,202,229
1914.....	625,000	8.3	61,907	0.8	6,815,307	90.9	7,502,214	78,817	1.1	7,395,549
1915.....	625,000	7.9	60,396	0.8	7,216,015	91.3	7,901,311	69,931	0.9	7,804,598
1916.....	625,000	6.2	63,909	0.6	9,439,590	93.2	10,128,499	1,861,597	18.4	882,142
1917.....	625,000	5.6	118,994	1.0	10,378,973	93.4	11,122,967	57,082	0.5	1,217,981
1918.....	625,000	4.7	194,719	1.5	12,442,235	93.8	13,261,964	94,674	0.7	1,675,548
1919.....	625,000	4.6	155,302	1.1	12,810,760	94.3	13,591,062	90,461	0.7	362,598
1920.....	625,000	4.7	65,104	0.5	12,525,787	94.8	13,215,891	122,380	0.9	2,348,170

* Includes Treasury Bills.

CHILD AND CO.

Year Ended July.	LIABILITIES.					ASSETS.				
	Partners' Capital and Reserves.	Per Cent.	Acceptances.	Per Cent.	Deposit and Current Accounts.	Per Cent.	Total Liabilities or Assets.	Cash in Hand, at Bank, and at Call and Short Notice.	Per Cent.	Investments.
1905.....	£ 636,239	22.9	£ ..	..	£ 2,131,998	77.1	£ 2,768,237	£ 806,066	29.1	£ 1,094,544
1906.....	622,262	20.8	..	..	2,364,285	79.2	2,986,547	672,787	22.5	1,147,010
1907.....	615,577	20.5	..	..	2,382,085	79.5	2,997,662	886,735	29.6	1,118,999
1908.....	608,807	19.6	..	..	2,480,741	80.4	3,089,548	1,163,454	34.6	1,066,532
1909.....	604,844	18.1	..	..	2,756,697	81.9	3,361,541	1,163,454	34.6	1,017,822
1910.....	604,120	18.7	..	..	2,623,435	81.3	3,227,555	1,050,908	32.8	1,122,729
1911.....	602,048	19.5	..	..	2,477,984	80.5	3,080,032	975,011	31.7	1,118,322
1912.....	599,755	19.9	..	..	2,423,926	80.1	3,023,681	827,721	27.3	1,105,253
1913.....	596,586	20.4	..	..	2,318,171	79.6	2,914,757	598,057	20.5	1,019,610
1914.....	599,406	18.6	..	..	2,623,435	81.4	3,227,555	1,050,908	32.8	1,122,729
1915.....	590,707	18.7	..	..	2,623,435	81.3	3,227,555	1,050,908	32.8	1,122,729
1916.....	582,584	19.2	25,000	0.8	2,424,549	80.0	3,032,133	999,706	33.0	1,118,427
1917.....	579,219	22.3	25,000	1.0	2,593,184	82.7	3,197,403	907,034	28.7	1,083,007
1918.....	580,082	19.4	..	..	2,413,564	80.6	2,993,646	1,071,648	35.8	1,187,407
1919.....	581,581	16.2	..	..	2,996,231	83.8	3,577,812	1,416,483	39.5	1,246,236
1920.....	573,098	13.1	..	..	3,118,832	86.9	3,691,930	1,346,236	36.7	1,246,236
1921.....	576,738	13.4	..	..	3,713,828	86.6	4,290,566	1,077,647	25.1	1,538,628
1922.....	588,420	15.5	..	..	3,208,438	84.5	3,796,858	938,242	25.0	1,424,827

COX AND COMPANY.

Now amalgamated with Lloyds Bank Limited.

Incorporated as a joint-stock company 1909. Capital £650,000 in 1,500 4 per cent. cumulative preference shares of £100 each, £150,000, and 5,000 ordinary shares of £100 each, £500,000. Liability unlimited.

Year Ended April.	Number of Branches.	LIABILITIES.					ASSETS.				
		Capital and Reserves.	Per Cent.	Miscellaneous.	Per Cent.	Deposit and Current Accounts.	Per Cent.	Total Liabilities or Assets.	Cash in Hand, at Bank, and at Call and Short Notice.	Per Cent.	Investments.
1906.....	..	£ 400,000	13.2	£ 1,830	0.1	£ 2,624,106	86.7	£ 3,025,936	£ 621,929	20.6	£ 665,000
1907.....	..	400,000	8.5	1,420	0.1	4,346,541	91.4	4,747,961	1,722,344	36.5	665,000
1908.....	..	400,000	11.1	490	..	3,208,253	88.9	3,608,743	878,306	24.2	762,350
1909.....	..	400,000	9.9	9,416	0.2	3,646,257	89.9	4,055,673	917,652	22.6	698,400
1910.....	..	400,000	9.7	16,759	0.4	3,698,228	89.9	4,114,987	803,458	19.5	693,150
1911.....	..	480,000	10.2	130,837	0.3	3,825,202	86.8	4,406,839	974,190	22.1	610,550
1912.....	..	450,000	9.8	104,827	0.3	4,036,986	87.9	4,591,813	1,303,435	28.4	379,230
1913.....	..	530,000	11.2	121,123	0.6	4,088,811	86.2	4,739,934	1,200,444	25.4	368,383
1914.....	..	530,000	6.8	139,201	1.5	4,871,040	92.7	5,140,242	2,361,707	46.1	481,500
1915.....	..	530,000	4.3	541,670	4.4	11,166,130	91.3	12,237,800	4,790,876	39.1	1,054,536
1916.....	..	530,000	3.7	219,592	1.5	13,497,832	94.8	14,247,424	5,939,538	41.6	1,593,879
1917.....	..	530,000	3.0	256,624	1.4	16,921,409	95.6	17,708,033	7,637,185	43.1	2,963,735
1918.....	..	1,075,000	5.2	447,641	2.2	19,265,409	92.6	20,788,050	9,987,531	47.9	3,604,459
1919.....	..	1,075,000	4.4	543,800	2.2	22,552,363	93.4	24,171,163	9,062,253	37.4	3,622,300
1920.....	..	1,250,000	5.1	829,937	3.4	22,237,472	91.5	24,317,409	9,948,916	36.9	678,458
1921.....	..	1,250,000	6.1	815,110	4.0	18,348,365	89.9	20,413,475	6,223,928	30.6	1,094,505
1922.....	..	1,250,000	6.6	1,069,190	5.6	16,643,725	87.8	18,952,875	4,509,624	23.8	1,340,210

GRINDLAY AND CO.

BALANCE-SHEET—December 31, 1922.

LIABILITIES.		ASSETS.	
Capital.....	£ 100,000	Cash—	£ 138,70
Amounts due on current, deposit, and other accounts.....	1,844,094	In hand and at bankers.....	93.33
		At short notice.....	
		Investments—	
		National War and Treasury bonds.....	297,400
		Indian Government War bonds.....	186,796
		Colonial Government stocks.....	204,065
		Indian railway debentures (short dated).....	83,000
		Municipal stocks.....	28,657
		Railways in British Possessions.....	10,180
		South American railway debentures (short dated).....	10,290
		Other investments.....	42,010
			863.39
		* Of these £52,946 in all is deposited with the Indian Government.	
		Loans, bills discounted, &c.....	806.65
		Bank premises.....	43.00
			1,914.09

THE LONDON ASSURANCE

(INCORPORATED A.D. 1720)

1, KING WILLIAM STREET, E.C.4.

Marine Dept.—7, ROYAL EXCHANGE, E.C. 3.

FIRE
MARINE
BURGLARY
WORKMEN'S
COMPENSATION
PUBLIC
LIABILITY
PLATE GLASS



LIFE
ACCIDENT
MOTOR
LIVE STOCK
FIDELITY AND
GOVERNMENT
BONDS, &c., BOILER
ENGINEERING, &c.

TOTAL ASSETS EXCEED £9,000,000.

Third Century of Active Business.

West End Branch: TRAFALGAR HOUSE, 11, WATERLOO PLACE, S.W.1.
BRANCHES AND AGENCIES THROUGHOUT THE WORLD. APPLICATIONS FOR AGENCIES INVITED.

REFUGE ASSURANCE COMPANY Limited.

CHIEF OFFICE:
OXFORD ST., MANCHESTER.

(For the year ending Dec. 31st, 1922.)

Annual Income Exceeds

£7,100,000

Assets Exceed
£23,900,000

Claims Paid Exceed
£37,500,000

Head Offices:

LIVERPOOL
NORTH JOHN ST.LONDON
LOMBARD ST.

ALL CLASSES OF INSURANCE EFFECTED

EXPERIENCED AND FULLY EMPOWERED
REPRESENTATIVES THROUGHOUT THE WORLD

TOTAL FUNDS £26,660,665

MESSRS DRUMMOND.
BALANCE-SHEET—January 10, 1923.

LIABILITIES.		ASSETS.	
Current and deposit accounts.....	£ 3,657,311	Cash in hand and at bankers'.....	£ 383,869
Capital.....	400,000	Money at call.....	680,000
		British Government securities, at or under market value.....	677,296
		Colonial Government, railway, and other trustee securities, at or under market value.....	344,918
		Other securities, do.....	9,718
		Advances to customers.....	1,501,519
		Bank and adjoining freehold premises.....	460,000
	4,057,311		4,057,311

HOARE (CHAS.) & CO.

Year Ended July.	LIABILITIES.				Total Liabilities or Assets.	ASSETS.							
	Partners' Capital and Reserves.	Per Cent.	Deposits and Current Accounts.	Per Cent.		Cash in Hand, at Bank, and at Call and Short Notice.	Per Cent.	British Government Securities.	Per Cent.	Other Securities and Investments.	Per Cent.	Discounts and Advances.	Premises, &c.
1895.....	£ 435,805	13.7	£ 2,750,221	86.3	£ 3,186,026	£ 552,801	17.4	£ 282,000	8.8	£ 751,610	23.7	£ 1,499,615	47.0
1900.....	475,000	13.4	3,075,875	86.6	3,550,875	876,699	24.7	325,500	9.1	950,580	26.9	1,298,096	36.5
1905.....	485,000	15.6	2,618,050	84.4	3,103,050	941,622	30.3	275,000	8.9	744,853	24.1	1,040,755	33.5
1910.....	485,000	16.8	2,413,143	83.2	2,898,143	801,639	27.8	275,000	9.4	521,704	18.0	1,201,800	41.3
1915.....	485,000	14.6	2,438,602	85.4	2,923,602	1,044,874	31.4	276,450	8.3	518,082	15.5	1,384,196	41.8
1920.....	485,000	16.5	2,447,338	83.5	2,932,338	785,648	26.7	277,000	9.5	521,532	17.8	1,248,158	42.6
1925.....	485,000	15.2	2,710,611	84.8	3,195,611	1,058,315	33.1	288,000	9.1	659,968	20.6	1,089,328	34.1
1930.....	485,000	14.7	2,818,680	85.3	3,303,680	926,226	28.1	285,000	8.6	727,083	22.0	1,264,771	38.3
1935.....	485,000	14.7	2,813,554	85.3	3,298,554	970,729	29.5	252,100	7.7	743,654	22.5	1,331,871	37.3
1940.....	485,000	14.3	2,908,147	85.7	3,393,147	1,002,860	29.6	*	*	537,852	27.5	1,352,425	39.9
1945.....	485,000	15.4	2,670,835	84.6	3,155,835	922,658	29.2	*	*	780,965	24.6	1,352,212	43.0
1950.....	485,000	15.0	2,752,753	85.0	3,237,753	988,704	30.5	*	*	719,513	22.1	1,429,536	44.3
1955.....	485,000	15.3	2,683,411	84.7	3,168,411	1,070,766	33.7	*	*	618,945	19.4	1,378,700	43.7
1960.....	485,000	17.1	2,348,755	82.9	2,833,755	842,805	29.7	*	*	844,142	29.8	1,046,808	37.0
1965.....	485,000	18.8	2,089,841	81.2	2,574,841	661,581	25.7	*	*	544,703	21.1	1,288,550	49.3
1970.....	485,000	15.3	2,688,628	84.7	3,173,628	571,587	18.0	*	*	715,283	22.5	1,786,756	56.3
1975.....	485,000	13.1	3,213,975	86.9	3,698,975	882,394	23.9	1,323,274	36.0	83,723	2.3	1,508,884	35.1
1980.....	485,000	10.3	4,221,675	89.7	4,706,675	1,051,158	22.3	2,173,685	46.1	179,471	3.8	1,202,361	25.7
1985.....	500,000	11.4	3,889,230	88.6	4,389,230	993,370	22.6	1,812,349	41.3	232,486	5.3	1,251,025	28.5
1990.....	500,000	11.7	3,791,627	88.3	4,291,627	1,029,307	24.0	1,701,669	39.6	185,964	4.3	1,274,587	29.8

* Not shown separately.

HOLT AND COMPANY.
BALANCE-SHEET—September 30, 1922.

LIABILITIES.		ASSETS.	
Current and deposit accounts.....	£ 2,243,521	Cash at bankers, and in hand.....	£ 295,969
Capital.....	100,000	C sh at call against British Treasury bills and floaters.....	240,000
		Bills discounted.....	475
		British Government securities, at or under market value.....	1,426,337
		Shares and other investments, at or under market value.....	38,036
		Advances on current and other accounts.....	284,508
		Freehold premises, fittings, and furniture.....	58,196
	2,343,521		2,343,521

S. JAPHET AND CO., LIMITED.
BALANCE-SHEET—December 31, 1922.

LIABILITIES.		ASSETS.	
Share capital issued—750,000 shares of £1 each, fully paid.....	£ 750,000	Cash in hand and at bankers in United Kingdom, £283,058; cash at call and short notice, £612,551.....	£ 895,609
Deposits, current, and other accounts.....	3,825,469	Treasury bills and other British Government securities.....	903,677
Acceptances for customers, per contra.....	888,502	Colonial, Foreign Government, and other securities.....	180,236
		Bills discounted.....	287,736
		Advances to customers, balances at bankers abroad, and other accounts.....	2,308,211
	5,463,971	Liability of customers for acceptances, per contra.....	888,502
			5,463,971

LONDON DISCOUNT COMPANIES.

ALEXANDERS DISCOUNT COMPANY, LIMITED.

(Formerly Alexanders and Company, Limited.)

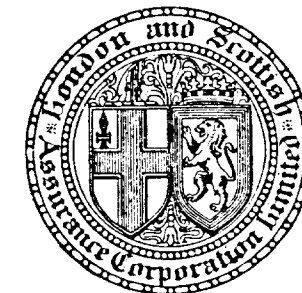
ESTABLISHED 1810. REGISTERED 1891.

CAPITAL.				PROFITS AND DIVIDENDS.									
Subscribed.	Paid-up.	Callable.	Reserved.	Year Ended Dec. 31.	Net Profit.	Per Cent. of Resources.	Ordinary Dividends.	Rate.	Reserves.	Carried Forward.	Year Ended Dec. 31.	Net Profit.	Per Cent. of Resources.
£	£	£	£	1913.....	66,925	0.54	40,000	10	£ 12,050	£ 12,050	1913.....	66,925	0.54
Ordinary.....	1,000,000	500,000	Nil	1914.....	68,380	0.56	40,000	10	20,000	15,030	1914.....	68,380	0.56
Preference.....	100,000	100,000	Nil	1915.....	69,930	0.46	40,000	10	17,020	17,020	1915.....	69,930	0.46
				1916.....	67,007	0.52	40,000	10	18,027	18,027	1916.....	67,007	0.52
				1917.....	89,002	0.60	48,000	12	23,029	23,029	1917.....	89,002	0.60
				1918.....	89,992	0.54	52,000	13	25,021	25,021	1918.....	89,992	0.54
				1919.....	75,860	0.41	50,000	13	25,681	25,681	1919.....	75,860	0.41
				1920.....	115,941	0.56	74,250	16	30,087	30,087	1920.....	115,941	0.56
				1921.....	141,015	0.63	76,500	17	30,087	30,087	1921.....	141,015	0.63
				1922.....	188,202	0.91	100,000	20	32,289	32,289	1922.....	188,202	0.91

Price of Ordinary Shares, April 30, 1923, £15½; Market Value, £1,525,000.

Year Ended Dec. 31.	LIABILITIES.				Total Liabilities or Assets.	ASSETS.							
	Capital and Reserves.	Per Cent.	Un-divided Profits.	Per Cent.		Cash at Bankers.	Per Cent.	Investments.	Per Cent.	Bills Discounted.	Per Cent.	Loans and Sundry Accounts.	Per Cent.
1911.....	£ 870,000	4.9	£ 33,793	0.3	£ 903,793	£ 70,307	0.6	£ 11,573,838	27.7	£ 1,024,777	8.8	£ 9,878,739	85.4
1912.....	880,000	4.8	34,126	0.3	914,126	71,392	0.7	12,112,553	28.4	1,081,005	9.9	10,416,353	85.0
1913.....	890,000	4.9	35,050	0.3	925,050	72,800	0.7	12,112,553	28.4	1,081,005	9.9	10,416,353	85.0
1914.....	900,000	4.9	36,030	0.3	936,030	73,830	0.7	12,112,553	28.4	1,081,005	9.9	10,416,353	85.0
1915.....	910,000	4.9	37,010	0.3	947,010	74,860	0.7	12,112,553	28.4	1,081,005	9.9	10,416,353	85.0
1916.....	920,000	4.9	38,000	0.3	958,000	75,890	0.7	12,112,553	28.4	1,081,005	9.9	10,416,353	85.0
1917.....	930,000	4.9	39,000	0.3	969,000	76,920	0.7	12,112,553	28.4	1,081,005	9.9	10,416,353	85.0
1918.....	940,000	4.9	40,000	0.3	980,000	77,950	0.7	12,112,553	28.4	1,081,005	9.9	10,416,353	85.0
1919.....	950,000	4.9	41,000	0.3	991,000	78,980	0.7	12,112,553	28.4	1,081,005	9.9	10,416,353	85.0
1920.....	960,000	4.9	42,000	0.3	1,002,000	79,010	0.7	12,112,553	28.4	1,081,005	9.9	10,416,353	85.0
1921.....	970,000	4.9	43,000	0.3	1,013,000	80,040	0.7	12,112,553	28.4	1,081,005	9.9	10,416,353	85.0
1922.....	980,000	4.9	44,000	0.3	1,024,000	81,070	0.7	12,112,553	28.4	1,081,005	9.9	10,416,353	85.0
1923.....	990,000	4.9	45,000	0.3	1,035,000	82,100	0.7	12,112,553	28.4	1,081,005	9.9	10,416,353	85.0

ESTABLISHED 1862.

LONDON AND SCOTTISH
ASSURANCE CORPORATION, LIMITED.LIFE
ACCIDENTFIRE
MARINE

Total Income - - - - £2,000,000

Total Funds and Assets exceed - £6,750,000

Head Office: 66 & 67, CORNHILL, LONDON, E.C.3. Branches throughout the Country

Prospectuses and all information may be had on application.

General Manager: WM. AENEAS MACKAY.

FRIENDS' PROVIDENT
& CENTURY LIFE OFFICE
and
CENTURY INSURANCE
COMPANY, LTD.LIFE SICKNESS
FIRE ACCIDENT

Aggregate Funds exceed £5,500,000

HEAD OFFICES:

42, Kingsway - LONDON, W.C.2
18, Charlotte Square - EDINBURGHHEAD OFFICE:
1, DALE ST.,
LIVERPOOL.LONDON
Chief Office:
1, CORNHILL, E.C.3BRANCHES
AND
AGENCIES
THROUGHOUT THE
WORLD.THE COMPANY'S
WORLD WIDE REPUTATION
FOR PROMPT, LIBERAL
SETTLEMENT OF CLAIMS,
WHICH TOTAL TO DATE
OVER
£112,000,000
AND ITS LARGE RESOURCES
WHICH EXCEED
£20,000,000
ARE POINTS OF VITAL
INTEREST TO INSURERS.

FIRE

LIFE

ACCIDENT

MARINE

NATIONAL DISCOUNT COMPANY, LIMITED.

ESTABLISHED 1856.

CAPITAL					Market Value.	PROFITS AND DIVIDENDS.					Reserves, &c.	Carried Forward.
Subscribed.	Paid-up.	Callable.	Reserved.	Value.		Year Ended Dec. 31.	Net Profit.	Per Cent. of Resources.	Dividend Amount.	Rate.		
£	£	£	£	£	£	1913.	104,787	0.45	84,666	10	20,000	21,685
1,693,330	846,665	846,665	Nil.	2,158,995	£	1914.	86,517	0.52	82,109	10½	..	26,093
					£	1915.	80,072	0.47	73,378	10	..	32,787
					£	1916.	66,681	0.26	65,617	10	..	33,852
					£	1917.	81,733	0.25	69,850	11	..	45,735
					£	1918.	120,906	0.43	69,321	11½	50,000	47,320
					£	1919.	136,050	0.40	71,120	12	64,000	47,250
					£	1920.	123,005	0.35	82,973	14	10,000	77,282
					£	1921.	165,305	0.42	94,826	16	10,000	137,760
					£	1922.	190,682	0.47	100,330	16	15,000	213,112

* Free of tax.

LIABILITIES.

ASSETS.

Year Ended Dec. 31.	Capital and Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Deposits and Sundry Balances.	Per Cent.	Bills Redis- counted.	Per Cent.	Re- bate.	Per Cent.	Total Liabilities or Assets.	Cash at Bankers.	Per Cent.	Sec- urities.	Per Cent.	Loans at Call and Fixed Dates.	Per Cent.	Bills Dis- counted.	Per Cent.	Buildings and Sundries.	Per Cent.
1900	1,306,665	100	52,161	0.4	18,757,155	67.6	2,833,197	22.0	..	..	12,949,178	11,829,994	14.1	..	..	1,725,544	13.4	9,262,729	71.5	130,910	1.0
1905	1,246,665	83	54,109	0.4	10,420,018	69.5	3,263,481	21.8	..	..	14,884,276	171,500	1.1	1,831,387	12.2	2,369,945	15.8	10,448,539	69.8	162,903	1.1
1910	1,296,665	89	62,229	0.3	14,312,203	75.9	3,051,121	16.2	129,033	0.7	18,851,248	311,670	1.6	2,631,868	14.0	1,524,683	8.1	14,178,757	75.2	204,269	1.1
1915	1,351,665	99	64,018	0.3	15,757,480	68.5	5,656,538	24.5	178,274	0.8	23,007,975	503,251	2.2	1,851,125	8.0	669,501	2.9	19,785,395	86.0	198,703	0.9
1916	1,351,665	80	64,546	0.4	13,010,539	77.0	2,285,466	13.5	186,603	1.1	16,898,819	427,865	2.5	1,851,902	11.0	761,450	4.5	13,690,459	81.1	167,143	0.9
1917	1,351,665	79	68,241	0.4	11,667,210	68.7	3,705,487	21.6	238,697	1.4	17,031,300	464,144	2.7	1,375,907	8.1	328,608	1.9	14,702,812	86.4	159,829	0.9
1918	1,296,665	50	65,602	0.3	16,784,916	64.9	7,361,649	28.6	320,906	1.2	25,829,738	490,045	1.9	1,038,146	4.0	1,960,165	7.6	22,104,645	85.6	236,737	0.9
1919	1,296,665	40	83,835	0.3	21,141,491	65.0	9,597,240	29.5	404,499	1.2	32,523,739	653,424	2.0	1,153,226	3.5	2,393,287	7.4	28,000,608	86.1	323,186	1.0
1920	1,346,665	40	82,880	0.3	17,973,136	63.9	8,388,887	29.8	323,783	1.2	32,115,151	515,646	1.8	2,368,987	8.4	1,446,296	5.2	23,491,363	83.6	292,860	1.0
1921	1,346,665	38	124,695	0.4	21,231,476	60.0	12,174,743	34.4	507,146	1.4	35,384,725	614,179	1.7	575,855	1.6	1,682,161	4.8	34,406,636	91.6	106,895	0.3
1922	1,346,665	34	197,027	0.5	22,412,026	57.2	14,703,190	37.5	547,243	1.4	39,206,151	530,082	1.3	1,890,717	4.8	2,223,457	5.6	34,125,925	87.2	135,970	1.1
	1,346,665	33	276,612	0.7	21,852,475	53.4	16,911,235	41.4	491,332	1.2	40,878,319	644,119	1.6	3,138,439	7.7	1,465,118	3.6	35,497,409	86.8	133,234	0.3

* Includes rebate.

† Includes investments.

UNION DISCOUNT COMPANY OF LONDON, LIMITED.

ESTABLISHED 1885.

CAPITAL					Market Value.	PROFITS AND DIVIDENDS.					Reserves, &c.	Carried Forward.
Authorised and Subscribed.	Paid-up.	Callable.	Reserved.	Value.		Year Ended Dec. 31.	Net Profit.	Per Cent. of Resources.	Dividend Amount.	Rate.		
£	£	£	£	£	£	1913.	143,350	0.45	93,750	13	35,000	98,915
2,000,000	1,000,000	1,000,000	Nil.	3,360,000	£	1914.	123,975	0.58	100,961	13	80,000	121,929
					£	1915.	147,259	0.61	95,767	13	80,000	93,421
					£	1916.	118,251	0.45	94,138	14*	10,000	107,534
					£	1917.	125,390	0.45	91,375	14*	25,000	116,549
					£	1918.	116,779	0.34	87,231	14*	25,000	121,096
					£	1919.	155,579	0.39	100,650	14*	50,000	126,025
					£	1920.	197,019	0.42	118,000	16†	115,000	155,644
					£	1921.	245,606	0.50	135,000	18†	115,000	149,651
					£	1922.	316,070	0.72	160,625	20**	138,596	166,499

* Bonus of 1 per cent., free of tax.

† Bonus of 2 per cent., free of tax.

** Bonus of 5 per cent., free of tax.

LIABILITIES.

ASSETS.

Year Ended Dec. 31.	Capital and Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Loans and Deposits.	Per Cent.	Bills Redis- counted.	Per Cent.	Re- bate.	Per Cent.	Total Liabilities or Assets.	Cash at Bankers.	Per Cent.	Invest- ments.	Per Cent.	Loans at Call and Other Accounts.	Per Cent.	Bills Dis- counted.	Per Cent.	Buildings and Sundries.	Per Cent.
1900	1,144,600	57	82,446	0.4	12,605,208	62.2	6,414,149	31.7	..	..	20,246,403	417,241	2.0	2,084,728	10.3	1,941,523	9.6	15,692,206	77.5	110,705	0.6
1905	1,211,619	55	105,020	0.5	14,957,518	67.5	5,865,486	26.5	..	..	22,139,643	480,289	2.2	2,798,292	12.7	2,926,802	13.2	15,826,984	71.4	107,276	0.5
1910	1,421,928	57	126,617	0.5	17,163,143	68.5	6,321,697	25.3	..	..	25,033,385	829,556	3.3	3,449,238	13.8	1,782,289	7.1	18,854,427	75.3	117,875	0.5
1913	1,549,147	49	152,665	0.5	20,662,330	65.6	8,966,329	28.3	229,830	0.7	31,560,301	886,339	2.8	2,213,542	7.0	954,500	3.0	27,363,391	86.7	142,529	0.5
1914	1,758,968	82	172,574	0.8	16,223,359	75.4	3,113,506	14.6	209,979	1.0	21,478,386	918,652	4.3	2,786,718	13.0	980,741	4.6	16,534,946	77.4	157,329	0.7
1915	1,763,976	73	139,693	0.6	17,836,515	73.7	4,155,122	17.2	280,937	1.2	24,176,243	965,685	4.0	2,184,397	9.0	576,082	2.4	20,286,413	83.9	163,666	0.7
1916	1,769,154	67	157,471	0.6	19,261,601	73.3	4,765,204	18.1	335,380	1.3	26,288,806	1,040,703	4.0	1,975,879	7.5	807,554	3.1	22,302,551	84.8	162,119	0.6
1917	1,799,508	60	166,486	0.6	23,343,383	77.5	4,450,769	14.9	326,822	1.1	30,086,968	1,043,251	3.5	2,655,404	8.8	363,730	1.2	25,868,582	86.0	156,001	0.5
1918	1,830,304	53	168,271	0.5	27,577,516	79.6	4,82,455	13.9	243,918	0.7	34,643,463	1,065,677	3.1	2,429,108	12.3	2,491,569	7.2	25,657,036	76.9	180,071	0.5
1919	2,132,138	53	185,025	0.5	30,792,022	76.5	6,723,646	16.6	345,150	0.9	40,177,981	1,173,981	2.9	3,796,422	9.4	1,307,943	3.2	33,689,891	84.0	299,744	0.5
1920	2,148,666	45	224,044	0.5	36,669,301	67.3	12,661,765	26.8	424,480	0.9	47,118,229	1,299,557	2.7	3,019,944	6.4	1,558,415	3.3	41,079,453	87.2	200,890	0.4
1921	2,254,609	46	235,651	0.5	33,417,986	67.8	12,660,346	25.8	643,535	1.3	49,212,127	1,256,490	2.6	4,517,666	9.2	2,339,478	4.8	40,882,932	82.4	215,561	0.4
1922	2,377,005	54	272,749	0.6	34,139,416	77.1	6,795,272	15.4	393,404	0.9	43,977,846	1,274,375	2.9	4,819,974	11.0	230,940	0.5	37,484,422	85.2	168,135	0.4

* Includes rebate.

JOINT STOCK BANKS OF SCOTLAND.

BANK OF SCOTLAND.

ESTABLISHED 1695.

1858—Amalgamated with Central Bank of Scotland.

1907—Absorbed Caledonian Banking Co., Limited.

CAPITAL					Market Value.	PROFITS AND DIVIDENDS.					Reserves, Invest- ments, &c.	Carried Forward.
Subscribed.	Paid-up.	Callable.	Reserved.	Value.		Year Ended Feb. 28.	Net Profit.	Per Cent. of Resources.	Dividend Amount.	Rate.		
£	£	£	£	£	£	1910.	288,160	1.28	231,875	17½	55,000	13,547
1,987,500	1,325,000	662,500	Nil.	4,173,750	£	1912.	306,145	1.16	251,750	19	55,000	12,646
					£	1914.	330,825	1.00	265,000	20	55,000	12,030
					£	1915.	294,099	1.04	219,707	18	75,000	11,422
					£	1916.	267,255	0.97	181,613	16	85,000	12,064
					£	1917.	258,369	0.78	161,208	16	85,000	24,224
					£	1918.	285,508	0.82	159,000	16	115,000	35,732
					£	1919.	312,327	0.79	149,447	16	145,000	53,612
					£	1920.	309,623	0.71	148,400	16	170,000	54,934
					£	1921.	320,142	0.71	148,400	16	140,000	76,137
					£	1922.	345,178	0.83	157,955	16	175,000	85,202

Authorised note issue, £396,852.

* Free of income-tax.

Continued on page 1092.

The most desirable form of INVESTMENT is one in which the CAPITAL is guaranteed, and one which gives an adequate return on the money invested.

AN ENDOWMENT ASSURANCE IS AN INVESTMENT OF THIS NATURE

The capital is assured from the moment the first premium is paid, the benefits are secured by an annual charge on income, and the return is always adequate. Rebate of income tax at half the standard rate is allowed on premiums paid up to 1/6th of assessable income and on a premium not exceeding £7%

BANK OF SCOTLAND—Continued from page 1090.

End of Year Feb. 28	Number of Branches.	LIABILITIES.										ASSETS.										
		Capital and Reserve.	Per Cent.	Un- divided Profits.	Per Cent.	Notes.	Per Cent.	Accept- ances.	Per Cent.	Miscel- laneous Credits, &c.	Per Cent.	Total Liability or Assets.	Cash in Hand and at Bank.	Per Cent.	Invest- ments and Money at Call.	Per Cent.	Discounts and Advances.	Per Cent.	Buildings & Furniture, including Cover for Acceptance's.	Per Cent.		
1891..	113	2,050,000	10.3	102,154	0.5	937,165	4.7	1,131,560	5.8	223,713	1.1	15,516,050	77.6	19,960,642	1,312,095	6.6	7,690,983	38.5	9,433,789	47.2	1,523,775	7.7
1896..	117	2,050,000	10.8	108,563	0.6	1,012,494	5.3	1,147,030	5.9	186,729	1.0	14,415,554	76.2	18,920,370	1,431,051	7.6	5,784,622	30.5	9,357,622	52.7	1,747,075	9.2
1901..	129	2,025,000	9.9	86,116	0.4	1,073,520	5.2	1,213,022	5.9	201,198	1.0	15,587,979	77.6	20,487,228	1,610,824	7.9	7,877,159	38.5	9,167,175	44.6	1,832,070	9.0
1906..	130	2,250,000	11.0	106,784	0.5	1,067,088	5.2	1,509,631	7.4	493,287	2.1	15,097,363	73.8	20,454,213	1,535,556	7.5	7,191,180	35.2	9,599,374	46.9	2,128,103	10.4
1908..	163	2,425,000	10.2	123,101	0.5	1,141,613	4.8	1,954,759	8.2	525,256	2.2	17,653,896	74.1	23,829,625	1,607,747	6.7	8,124,080	34.0	11,441,108	48.2	2,656,690	11.1
1909..	164	2,475,000	10.6	124,887	0.5	1,118,838	4.8	1,650,738	7.0	415,641	1.8	17,637,830	75.3	23,422,934	1,547,782	6.6	8,367,307	35.6	11,663,664	47.8	2,344,181	10.0
1910..	164	2,525,000	10.2	132,797	0.5	1,193,736	4.9	1,626,823	6.6	204,010	0.8	19,030,228	77.0	24,712,594	1,448,571	5.8	9,160,057	37.1	11,788,551	47.7	2,515,415	9.4
1911..	164	2,575,000	10.9	132,501	0.6	1,172,060	5.0	1,676,828	7.1	314,625	1.3	17,648,362	75.1	23,519,376	1,773,740	7.5	8,096,915	34.5	11,283,951	48.0	2,364,770	9.4
1912..	165	2,625,000	10.0	145,146	0.6	1,180,669	5.0	1,849,436	10.8	221,834	0.8	19,249,180	73.5	26,271,324	1,763,286	6.7	9,109,529	34.7	11,864,891	45.2	2,535,648	13.4
1913..	165	2,675,000	9.8	143,104	0.5	1,296,789	4.7	2,742,799	10.1	311,984	1.1	19,172,270	73.8	27,342,554	1,876,999	8.9	9,800,440	36.0	12,943,448	41.6	3,122,567	12.5
1914..	165	2,725,000	10.2	144,530	0.5	1,234,666	4.6	2,609,030	9.8	420,989	1.6	19,539,635	75.3	26,777,850	1,808,776	8.8	9,843,567	36.0	12,028,203	44.0	3,297,304	12.3
1915..	165	2,595,000	8.9	106,910	0.4	1,556,979	5.5	2,522,997	9.9	566,184	2.0	19,103,759	74.3	28,381,829	2,165,207	7.6	11,694,313	41.5	11,309,582	39.7	3,212,727	11.4
1916..	165	2,375,000	8.7	100,043	0.4	2,119,702	7.7	1,052,042	3.8	284,764	1.0	21,552,004	78.4	27,483,555	3,217,395	11.7	12,547,245	45.6	9,981,646	36.4	1,737,271	6.3
1917..	165	2,075,000	6.3	103,724	0.3	2,492,623	7.5	1,184,764	3.6	248,407	0.7	26,912,606	81.6	33,017,124	3,821,053	11.6	13,907,055	42.1	13,424,172	40.7	1,864,844	5.6
1918..	165	2,075,000	6.0	115,232	0.3	3,074,872	8.8	996,398	2.8	234,943	0.7	28,456,735	81.4	34,953,180	4,582,375	13.1	15,450,213	44.3	13,254,548	37.9	1,666,044	4.7
1919..	166	1,875,000	4.8	127,812	0.3	4,022,757	10.1	676,162	1.8	292,686	0.8	32,275,869	82.2	39,270,226	5,863,229	15.0	19,681,684	50.2	12,587,539	31.6	1,337,974	3.2
1920..	167	1,875,000	4.1	129,134	0.3	4,228,625	9.3	673,307	1.5	1,446,659	3.9	35,943,963	81.6	45,206,618	6,565,604	14.5	19,345,243	42.6	18,064,236	40.0	1,321,835	2.9
1921..	167	1,875,000	4.1	150,337	0.3	4,328,175	9.6	841,751	1.9	415,979	0.9	37,687,358	83.5	45,298,640	6,574,003	14.8	16,822,834	37.4	20,362,823	44.1	1,478,940	3.2
1922..	170	2,000,000	4.4	147,178	0.3	3,575,429	7.9	276,426	0.6	698,000	1.5	38,624,814	85.3	45,321,847	5,970,654	13.2	20,711,141	45.7	17,762,485	39.2	877,567	1.9
1923..	175	2,125,000	5.1	164,702	0.4	3,338,804	8.0	653,019	1.6	563,193	1.4	34,695,037	83.5	41,539,755	6,174,005	14.8	19,818,780	47.8	14,296,690	31.1	1,250,280	3.0

THE BRITISH LINEN BANK.

ESTABLISHED 1746. 1919—AFFILIATED WITH BARCLAYS BANK.

Year ended Jan. 15	Number of Branches	CAPITAL.				Market Value.	PROFITS AND DIVIDENDS.										RESERVE.				Carried Forward.
		Subscribed.	Paid-up.	Callab.	Reserved.		Year ended Jan. 15.	Net Profits.	Per Cent. of Resources.	Dividends Amount.	Rate.	Investments.	Rate.	Rate.	Rate.	Rate.	Rate.	Rate.	Rate.	Rate.	
1891..	113	2,050,000	1,250,000	Nil.	Nil.	3,675,000	1911..	276,798	1.67	250,000	20	32,889	20	32,889	20	32,889	20	32,889	20	32,889	32,063
1896..	117	2,050,000	1,250,000	Nil.	Nil.	3,675,000	1912..	269,305	1.62	250,000	20	3,797	20	3,797	20	3,797	20	3,797	20	3,797	47,570
1901..	129	2,025,000	1,250,000	Nil.	Nil.	3,675,000	1913..	267,916	1.51	237,500	19	40,442	19	40,442	19	40,442	19	40,442	19	40,442	37,545
1906..	130	2,250,000	1,250,000	Nil.	Nil.	3,675,000	1914..	257,675	1.46	225,000	18	40,981	18	40,981	18	40,981	18	40,981	18	40,981	29,942
1908..	163	2,425,000	1,250,000	Nil.	Nil.	3,675,000	1915..	256,182	1.34	207,500	18	25,227	18	25,227	18	25,227	18	25,227	18	25,227	62,827
1909..	164	2,475,000	1,250,000	Nil.	Nil.	3,675,000	1916..	280,585	1.33	172,980	16	140,922	16	140,922	16	140,922	16	140,922	16	140,922	29,509
1910..	164	2,525,000	1,250,000	Nil.	Nil.	3,675,000	1917..	266,047	1.07	154,466	16	85,712	16	85,712	16	85,712	16	85,712	16	85,712	55,378
1911..	164	2,575,000	1,250,000	Nil.	Nil.	3,675,000	1918..	296,234	1.02	150,000	16	120,000	16	120,000	16	120,000	16	120,000	16	120,000	81,612
1912..	165	2,625,000	1,250,000	Nil.	Nil.	3,675,000	1919..	297,873	0.89	142,233	16	170,000	16	170,000	16	170,000	16	170,000	16	170,000	67,252
1913..	165	2,675,000	1,250,000	Nil.	Nil.	3,675,000	1920..	307,215	0.85	140,000	16	185,086	16	185,086	16	185,086	16	185,086	16	185,086	48,382
1914..	165	2,725,000	1,250,000	Nil.	Nil.	3,675,000	1921..	340,428	0.89	140,000	16	220,352	16	220,352	16	220,352	16	220,352	16	220,352	28,457
1915..	165	2,595,000	1,250,000	Nil.	Nil.	3,675,000	1922..	285,646	0.73	140,000	16	180,000	16	180,000	16	180,000	16	180,000	16	180,000	54,104
1916..	165	2,375,000	1,250,000	Nil.	Nil.	3,675,000	1923..	294,340	0.84	147,767	16	150,000	16	150,000	16	150,000	16	150,000	16	150,000	50,676

Fully-paid stock. Price £294.

Note issue, £438,024.

Year ended Jan. 15.	Number of Branches.	LIABILITIES.										ASSETS.										
		Capital and Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Notes.	Per Cent.	Accept- ances. ^a	Per Cent.	Miscel- laneous Credits, &c.	Per Cent.	Total Liabilities or Assets.	Cash in Hand, at Bankers, and at Call or Notice.	Per Cent.	Invest- ments.	Per Cent.	Discounts & Advances including Short Loans. ^b	Per Cent.	Buildings & Furniture, including Cover for Acceptances. ^c	Per Cent.		
1890*	117	1,825,000	12.5	89,097	0.6	753,274	5.2	86,723	0.6	206,666	1.4	11,609,223	79.7	14,569,983	2,345,363	16.1	3,464,034	23.8	8,331,596	57.1	428,990	3.0
1895*	118	1,850,000	16.2	153,967	1.0	838,662	5.0	268,351	1.7	143,806	0.9	12,268,720	75.2	16,323,506	2,504,181	15.3	4,489,458	27.5	8,682,077	53.3	647,790	3.9
1900*	125	1,950,000	16.2	142,723	0.8	918,670	5.1	598,742	3.3	160,566	0.9	13,415,885	73.7	18,186,586	2,809,669	15.4	3,963,401	21.8	10,327,187	56.8	1,086,339	6.0
1905*	132	2,050,000	18.2	170,561	1.0	840,105	5.0	562,434	3.4	203,186	1.2	13,917,009	71.2	16,743,295	2,873,179	11.2	4,037,149	24.1	9,238,241	55.2	1,594,726	9.5
1908..	141	2,000,000	17.0	170,544	1.0	805,434	4.5	370,029	2.1	257,604	1.5	13,107,944	73.9	17,711,111	2,773,179	15.7	4,376,073	24.8	9,149,519	51.5	1,406,786	9.0
1909..	141	2,000,000	17.0	170,544	1.0	805,434	4.5	370,029	2.1	257,604	1.5	13,107,944	73.9	17,711,111	2,773,179	15.7	4,376,073	24.8	9,149,519	51.5	1,406,786	9.0
1910..	141	2,000,000	17.0	170,544	1.0	805,434	4.5	370,029	2.1	257,604	1.5	13,107,944	73.9	17,711,111	2,773,179	15.7	4,376,073	24.8	9,149,519	51.5	1,406,786	9.0
1911..	141	2,000,000	17.0	170,544	1.0	805,434	4.5	370,029	2.1	257,604	1.5	13,107,944	73.9	17,711,111	2,773,179	15.7	4,376,073	24.8	9,149,519	51.5	1,406,786	9.0
1912..	141	2,000,000	17.0	170,544	1.0	805,434	4.5	370,029	2.1	257,604	1.5	13,107,944	73.9	17,711,111	2,773,179	15.7	4,376,073	24.8	9,149,519	51.5	1,406,786	9.0
1913..	141	2,000,000	17.0	170,544	1.0	805,434	4.5	370,029	2.1	257,604	1.5	13,107,944	73.9	17,711,111	2,773,179	15.7	4,376,073	24.8	9,149,519	51.5	1,406,786	9.0
1914..	141	2,000,000	17.0	170,544	1.0	805,434	4.5	370,029	2.1	257,604	1.5	13,107,944	73.9	17,711,111	2,773,179	15.7	4,376,073	24.8	9,149,519	51.5	1,406,786	9.0
1915..	141	2,000,000	17.0	170,544	1.0	805,434	4.5	370,029	2.1	257,604	1.5	13,107,944	73.9	17,711,111	2,773,179	15.7	4,376,073	24.8	9,149,519	51.5	1,406,786	9.0
1916..	141	2,000,000	17.0	170,544	1.0	805,434	4.5	370,029	2.1	257,604	1.5	13,107,944	73.9	17,711,111	2,773,179	15.7	4,376,073	24.8	9,149,519	51.5	1,406,786	9.0
1917..	141	2,000,000	17.0	170,544	1.0	805,434	4.5	370,029	2.1	257,604	1.5	13,107,944	73.9	17,711,111	2,773,179	15.7	4,376,073	24.8	9,149,519	51.5	1,406,786	9.0
1918..	141	2,000,000	17.0	170,544	1.0	805,434	4.5	370,029	2.1	257,604	1.5	13,107,944	73.9	17,711,111	2,773,179	15.7	4,376,073	24.8	9,149,519	51.5	1,406,786	9.0
1919..	146	2,000,000	7.7	118,385	0.9	3,989,800	9.4	653,425	3.3	486,135	2.0	12,586,996	75.3	19,982,041	2,922,847	14.6	6,302,745	32.0	10,147,641	40.7	1,835,286	7.4
1920..	146	2,000,000	7.7	118,385	0.9	3,989,800	9.4	653,425	3.3	486,135	2.0	12,586,996	75.3	19,982,041	2,922,847	14.6	6,302,745	32.0	10,147,641	40.7	1,835,286	7.4
1921..	146	2,000,000	7.7	118,385	0.9	3,989,800	9.4	653,425	3.3	486,135	2.0	12,586,996	75.3	19,982,041	2,922,847	14.6	6,302,745	32.0	10,147,641	40.7	1,835,286	7.4
1922..	146	2,000,000	7.7	118,385	0.9	3,989,800	9.4	653,425	3.3	486,135	2.0	12,586,996	75.3	19,982,041	2,922,847	14.6	6,302,745	32.0	10,147,641	40.7	1,835,286	7.4
1923..	146	2,000,000	7.7	118,385	0.9	3,989,800	9.4	653,425	3.3	486,135	2.0	12,586,996	75.3	19,982,041	2,922,847	14.6	6,302,745	32.0	10,147,641	40.7	1,835,286	7.4
1924..	146	2,000,000	7.7	118,385	0.9	3,989,800	9.4	653,425	3.3	486,135	2.0	12,586,996	75.3	19,982,041	2,922,847	14.6	6,302,745	32.0	10,147,641	40.7	1,835,286	7.4
1925..	146	2,000,000	7.7	118,385	0.9	3,989,800	9.4	653,425	3.3	486,135	2.0	12,586,996	75.3	19,982,041	2,922,847	14.6	6,302,745	32.0	10,147,641	40.7	1,835,286	7.4
1926..	146	2,000,000	7.7	118,385	0.9	3,989,800	9.4	653,425	3.3	486,135	2.0	12,586,996	75.3	19,982,041	2,922,847	14.6	6,302,745	32.0	10,147,641	40.7	1,835,286	7.4
1927..	146	2,000,000	7.7	118,385	0.9	3,989,800	9.4	653,425	3.3	486,135	2.0	12,586,996	75.3	19,982,041	2,922,847	14.6	6,302,745	32.0	10,147,641	40.7	1,835,286	7.4
1928..	146	2,000,000	7.7	118,385	0.9	3,989,800	9.4	653,425	3.3	486,135	2.0	12,586,996	75.3	19,982,041	2,922,847	14.6	6,302,745	32.0	10,147,641	40.7	1,835,286	7.4
1929..	146	2,000,000	7.7	118,385	0.9	3,989,800	9.4	653,425	3.3	486,135	2.0	12,586,996	75.3	19,982,041	2,922,847	14.6	6,302,745	32.0	10,147,641	40.7	1,835,286	7.4
1930..	146	2,000,000	7.7	118,385	0.9	3,989,800	9.4	653,425	3.3	486,135	2.0	12,586,996	75.3	19,982,041	2,922,847	14.6	6,302,745	32.0	10,147,641	40.7	1,835,286	7.4
1931..	146	2,000,000	7.7	118,385	0.9	3,989,800	9.4	653,425	3.3	486,135	2.0	12,586,996	75.3	19,982,041	2,922,847	14.6	6,302,745	32.0	10,147,641	40.7	1,835,286	7.4
1932..	146	2,000,000	7.7	118,385	0.9	3,989,800	9.4	653,425	3.3	486,135	2.0	12,586,996	75.3	19,982,041	2,922,847	14.6	6,302,745	32.0	10,147,641	40.7	1,835,286	7.4
1933..	146	2,000,000	7.7	118,385	0.9	3,989,800	9.4	653,425	3.3	486,135	2.0	12,586,996	75.3	19,982,041	2,922,847	14.6	6,302,745	32.0	10,147,641	40.7	1,835,286	7.4
1934..	146	2,000,000	7.7	118,385	0.9	3,989,800	9.4	653,425	3.3	486,135	2.0	12,586,996	75.3	19,982,041	2,922,847	14.6	6,302,745	32.0	10,147,641	40.7	1,835,286	7.4
1935..	146	2,000,000	7.7	118,385	0.9	3,989,800	9.4	653,425	3.3	486,135	2.0	12,586,996	75.3	19,982,041	2,922,847	14.6	6,302,745	32.0	10,147,641	40.7	1,835,286	7.4
1936..	146	2,000,000	7.7	118,385	0.9	3,989,800	9.4	653,425	3.3	486,135	2.0	12,586,996	75.3	19,982,041	2,922,847	14.6	6,302,745	32.0	10,147,641	40.7	1,835,286	7.4
1937..	146	2,000,000	7.7	118,385	0.9	3,989,800	9.4	653,425	3.3	486,135	2.0	12,586,996	75.3	19,982,041	2,922,847	14.6	6,302,745	32.0	10,147,641	40.7	1,835,286	7.4
1938..	146	2,000,000	7.7	118,385	0.9	3,989,800	9.4	653,425	3.3	486,135	2.0	12,586,996	75.3	19,982,041	2,922,847	14.6	6,302,745	32.0	10,147,641	40.7	1,835,286	7.4
1939..	146	2,000,000	7.7	118,385	0.9	3,989,800	9.4	653,425	3.3	486,135	2.0	12,586,996	75.3	19,982,041	2,922,847	14.6	6,302,745	32.0	10,147,641	40.7	1,835,286	7.4
1940..	146	2,000,000	7.7	118,385	0.9	3,989,800	9.4	653,425	3.3	486,135	2.0	12,586,996	75.3	19,982,041	2,922,847	14.6	6,302,745	32.0	10,147,641	40.7	1,835,286	7.4
1941..	146	2,000,000	7.7	118,385	0.9	3,989,800	9.4	653,425	3.3	486,135	2.0	12,586,996	75.3	19,982,041	2,922,847	14.6	6,302,745	32.0	10,147,641	40.7	1,835,286	7.4
1942..	146	2,000,000	7.7	118,385	0.9	3,989,800	9.4	653,425	3.3	486,135	2.0	12,586,996	75.3	19,982,041	2,922,847	14.6	6,302,745	32.0	10,147,641	40.7	1,835,286	7.4
1943..	146	2,000,000	7.7	118,385	0.9	3,989,800	9.4	653,425	3.3	486,135	2.0	12,586,996	75.3	19,982,041	2,922,847	14.6	6,302,745	32.0	10,147,641	40.7	1,835,286	7.4
1944..	146	2,000,000	7.7	118,385	0.9	3,989,800	9.4	653,425	3.3	486,135	2.0	12,586,996	75.3	19,982,041	2,922,847	14.6	6,302,745	32.0	10,147,641	40.7	1,835,286	7.4
1945..	146	2,000,000	7.7	118,385	0.9	3,989,800	9.4	653,425	3.3	486,135	2.0	12,586,996	75.3	19,982,041	2,922,847	14.6	6,302,745	32.0	10,147,641	40.7	1,835,286	7.4
1946..	146	2,000,000	7.7	118,385	0.9	3,989,800	9.4	653,425	3.3	486,135	2.0	12,586,996	75.3	19,982,041	2,922,847	14.6	6,302,745	32.0	10,147,641	40.7	1,835,286	7.4
1947..	146	2,000,000	7.7	118,385	0.9	3,989,800	9.4	653,425	3.3	486,135	2.0	12,586,996	75.3	19,982,041	2,922,847	14.6	6,302,745	32.0	10,147,641	40.7	1,835,286	7.4
1948..	146	2,000,000	7.7	118,385	0.9	3,989,800	9.4	653,425	3.3	486,135	2.0	12,586,996	75.3	19,982,041	2,922,847	14.6	6,302,745	32.0	10,147,641	40.7	1,835,286	7.4
1949..	146	2,000,000	7.7	118,385	0.9	3,989,800	9.4	653,425	3.3	486,135	2.0	12,586,996	75.3	19,982,041	2,922,847	14.6	6,302,745	32.0	10,147,641	40.7	1,835,286	7.4
1950..	146	2,000,000	7.7	118,385	0.9	3,989,800	9.4	653,425	3.3	486,135	2.0	12,586,996	75.3	19,982,041	2,922,847	14.6	6,302,745	32.0	10,147,641	40.7	1,835,286	7.4
1951..	146																					

THE CLYDESDALE BANK, LIMITED—Continued from page 1092.

Year ended Jan. 1st.	Number of Branches.	LIABILITIES.										ASSETS.										
		Capital and Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Notes.	Per Cent.	Accept- ances.	Per Cent.	Miscel- laneous Credits, &c.	Per Cent.	Deposits and Current Accounts.	Per Cent.	Total Liabilities or Assets.	Cash in Hand and at Bank.	Per Cent.	Invest- ments and Money at Call.	Per Cent.	Discounts and Advances.	Per Cent.	Buildings and Sundries, including Cover for Acceptances.	Per Cent.
1920..	107	1,450,000	11.8	141,146	1.2	741,960	6.5	1,088,845	8.9	140,439	1.1	8,642,684	70.5	12,205,074	1,336,175	11.0	3,633,978	29.8	5,766,427	47.2	1,468,494	9.0
1921..	107	1,450,000	11.8	141,146	1.2	741,960	6.5	1,088,845	8.9	140,439	1.1	8,642,684	70.5	12,205,074	1,336,175	11.0	3,633,978	29.8	5,766,427	47.2	1,468,494	9.0
1922..	107	1,450,000	11.8	141,146	1.2	741,960	6.5	1,088,845	8.9	140,439	1.1	8,642,684	70.5	12,205,074	1,336,175	11.0	3,633,978	29.8	5,766,427	47.2	1,468,494	9.0
1923..	107	1,450,000	11.8	141,146	1.2	741,960	6.5	1,088,845	8.9	140,439	1.1	8,642,684	70.5	12,205,074	1,336,175	11.0	3,633,978	29.8	5,766,427	47.2	1,468,494	9.0
1924..	107	1,450,000	11.8	141,146	1.2	741,960	6.5	1,088,845	8.9	140,439	1.1	8,642,684	70.5	12,205,074	1,336,175	11.0	3,633,978	29.8	5,766,427	47.2	1,468,494	9.0
1925..	107	1,450,000	11.8	141,146	1.2	741,960	6.5	1,088,845	8.9	140,439	1.1	8,642,684	70.5	12,205,074	1,336,175	11.0	3,633,978	29.8	5,766,427	47.2	1,468,494	9.0
1926..	107	1,450,000	11.8	141,146	1.2	741,960	6.5	1,088,845	8.9	140,439	1.1	8,642,684	70.5	12,205,074	1,336,175	11.0	3,633,978	29.8	5,766,427	47.2	1,468,494	9.0
1927..	107	1,450,000	11.8	141,146	1.2	741,960	6.5	1,088,845	8.9	140,439	1.1	8,642,684	70.5	12,205,074	1,336,175	11.0	3,633,978	29.8	5,766,427	47.2	1,468,494	9.0
1928..	107	1,450,000	11.8	141,146	1.2	741,960	6.5	1,088,845	8.9	140,439	1.1	8,642,684	70.5	12,205,074	1,336,175	11.0	3,633,978	29.8	5,766,427	47.2	1,468,494	9.0
1929..	107	1,450,000	11.8	141,146	1.2	741,960	6.5	1,088,845	8.9	140,439	1.1	8,642,684	70.5	12,205,074	1,336,175	11.0	3,633,978	29.8	5,766,427	47.2	1,468,494	9.0
1930..	107	1,450,000	11.8	141,146	1.2	741,960	6.5	1,088,845	8.9	140,439	1.1	8,642,684	70.5	12,205,074	1,336,175	11.0	3,633,978	29.8	5,766,427	47.2	1,468,494	9.0
1931..	107	1,450,000	11.8	141,146	1.2	741,960	6.5	1,088,845	8.9	140,439	1.1	8,642,684	70.5	12,205,074	1,336,175	11.0	3,633,978	29.8	5,766,427	47.2	1,468,494	9.0
1932..	107	1,450,000	11.8	141,146	1.2	741,960	6.5	1,088,845	8.9	140,439	1.1	8,642,684	70.5	12,205,074	1,336,175	11.0	3,633,978	29.8	5,766,427	47.2	1,468,494	9.0
1933..	107	1,450,000	11.8	141,146	1.2	741,960	6.5	1,088,845	8.9	140,439	1.1	8,642,684	70.5	12,205,074	1,336,175	11.0	3,633,978	29.8	5,766,427	47.2	1,468,494	9.0
1934..	107	1,450,000	11.8	141,146	1.2	741,960	6.5	1,088,845	8.9	140,439	1.1	8,642,684	70.5	12,205,074	1,336,175	11.0	3,633,978	29.8	5,766,427	47.2	1,468,494	9.0
1935..	107	1,450,000	11.8	141,146	1.2	741,960	6.5	1,088,845	8.9	140,439	1.1	8,642,684	70.5	12,205,074	1,336,175	11.0	3,633,978	29.8	5,766,427	47.2	1,468,494	9.0
1936..	107	1,450,000	11.8	141,146	1.2	741,960	6.5	1,088,845	8.9	140,439	1.1	8,642,684	70.5	12,205,074	1,336,175	11.0	3,633,978	29.8	5,766,427	47.2	1,468,494	9.0
1937..	107	1,450,000	11.8	141,146	1.2	741,960	6.5	1,088,845	8.9	140,439	1.1	8,642,684	70.5	12,205,074	1,336,175	11.0	3,633,978	29.8	5,766,427	47.2	1,468,494	9.0
1938..	107	1,450,000	11.8	141,146	1.2	741,960	6.5	1,088,845	8.9	140,439	1.1	8,642,684	70.5	12,205,074	1,336,175	11.0	3,633,978	29.8	5,766,427	47.2	1,468,494	9.0
1939..	107	1,450,000	11.8	141,146	1.2	741,960	6.5	1,088,845	8.9	140,439	1.1	8,642,684	70.5	12,205,074	1,336,175	11.0	3,633,978	29.8	5,766,427	47.2	1,468,494	9.0
1940..	107	1,450,000	11.8	141,146	1.2	741,960	6.5	1,088,845	8.9	140,439	1.1	8,642,684	70.5	12,205,074	1,336,175	11.0	3,633,978	29.8	5,766,427	47.2	1,468,494	9.0
1941..	107	1,450,000	11.8	141,146	1.2	741,960	6.5	1,088,845	8.9	140,439	1.1	8,642,684	70.5	12,205,074	1,336,175	11.0	3,633,978	29.8	5,766,427	47.2	1,468,494	9.0
1942..	107	1,450,000	11.8	141,146	1.2	741,960	6.5	1,088,845	8.9	140,439	1.1	8,642,684	70.5	12,205,074	1,336,175	11.0	3,633,978	29.8	5,766,427	47.2	1,468,494	9.0
1943..	107	1,450,000	11.8	141,146	1.2	741,960	6.5	1,088,845	8.9	140,439	1.1	8,642,684	70.5	12,205,074	1,336,175	11.0	3,633,978	29.8	5,766,427	47.2	1,468,494	9.0
1944..	107	1,450,000	11.8	141,146	1.2	741,960	6.5	1,088,845	8.9	140,439	1.1	8,642,684	70.5	12,205,074	1,336,175	11.0	3,633,978	29.8	5,766,427	47.2	1,468,494	9.0
1945..	107	1,450,000	11.8	141,146	1.2	741,960	6.5	1,088,845	8.9	140,439	1.1	8,642,684	70.5	12,205,074	1,336,175	11.0	3,633,978	29.8	5,766,427	47.2	1,468,494	9.0
1946..	107	1,450,000	11.8	141,146	1.2	741,960	6.5	1,088,845	8.9	140,439	1.1	8,642,684	70.5	12,205,074	1,336,175	11.0	3,633,978	29.8	5,766,427	47.2	1,468,494	9.0
1947..	107	1,450,000	11.8	141,146	1.2	741,960	6.5	1,088,845	8.9	140,439	1.1	8,642,684	70.5	12,205,074	1,336,175	11.0	3,633,978	29.8	5,766,427	47.2	1,468,494	9.0
1948..	107	1,450,000	11.8	141,146	1.2	741,960	6.5	1,088,845	8.9	140,439	1.1	8,642,684	70.5	12,205,074	1,336,175	11.0	3,633,978	29.8	5,766,427	47.2	1,468,494	9.0
1949..	107	1,450,000	11.8	141,146	1.2	741,960	6.5	1,088,845	8.9	140,439	1.1	8,642,684	70.5	12,205,074	1,336,175	11.0	3,633,978	29.8	5,766,427	47.2	1,468,494	9.0
1950..	107	1,450,000	11.8	141,146	1.2	741,960	6.5	1,088,845	8.9	140,439	1.1	8,642,684	70.5	12,205,074	1,336,175	11.0	3,633,978	29.8	5,766,427	47.2	1,468,494	9.0
1951..	107	1,450,000	11.8	141,146	1.2	741,960	6.5	1,088,845	8.9	140,439	1.1	8,642,684	70.5	12,205,074	1,336,175	11.0	3,633,978	29.8	5,766,427	47.2	1,468,494	9.0
1952..	107	1,450,000	11.8	141,146	1.2	741,960	6.5	1,088,845	8.9	140,439	1.1	8,642,684	70.5	12,205,074	1,336,175	11.0	3,633,978	29.8	5,766,427	47.2	1,468,494	9.0
1953..	107	1,450,000	11.8	141,146	1.2	741,960	6.5	1,088,845	8.9	140,439	1.1	8,642,684	70.5	12,205,074	1,336,175	11.0	3,633,978	29.8	5,766,427	47.2	1,468,494	9.0
1954..	107	1,450,000	11.8	141,146	1.2	741,960	6.5	1,088,845	8.9	140,439	1.1	8,642,684	70.5	12,205,074	1,336,175	11.0	3,633,978	29.8	5,766,427	47.2	1,468,494	9.0
1955..	107	1,450,000	11.8	141,146	1.2	741,960	6.5	1,088,845	8.9	140,439	1.1	8,642,684	70.5	12,205,074	1,336,175	11.0	3,633,978	29.8	5,766,427	47.2	1,468,494	9.0
1956..	107	1,450,000	11.8	141,146	1.2	741,960	6.5	1,088,845	8.9	140,439	1.1	8,642,684	70.5	12,205,074	1,336,175	11.0	3,633,978	29.8	5,766,427	47.2	1,468,494	9.0
1957..	107	1,450,000	11.8	141,146	1.2	741,960	6.5	1,088,845	8.9	140,439	1.1	8,642,684	70.5	12,205,074	1,336,175	11.0	3,633,978	29.8	5,766,427	47.2	1,468,494	9.0
1958..	107	1,450,000	11.8	141,146	1.2	741,960	6.5	1,088,845	8.9	140,439	1.1	8,642,684	70.5	12,205,074	1,336,175	11.0	3,633,978	29.8	5,766,427	47.2	1,468,494	9.0
1959..	107	1,450,000	11.8	141,146	1.2	741,960	6.5	1,088,845	8.9	140,439	1.1	8,642,684	70.5	12,205,074	1,336,175	11.0	3,633,978	29.8	5,766,427	47.2	1,468,494	9.0
1960..	107	1,450,000	11.8	141,146	1.2	741,960	6.5	1,088,845	8.9	140,439	1.1	8,642,684	70.5	12,205,074	1,336,175	11.0	3,633,978	29.8	5,766,427	47.2	1,468,494	9.0
1961..	107	1,450,000	11.8	141,146	1.2	741,960	6.5	1,088,845	8.9	140,439	1.1	8,642,684	70.5	12,205,074	1,336,175	11.0	3,633,978	29.8	5,766,427	47.2	1,468,494	9.0
1962..	107	1,450,000	11.8	141,146	1.2	741,960	6.5	1,088,845	8.9	140,439	1.1	8,642,684	70.5	12,205,074	1,336,175	11.0	3,633,978	29.8	5,766,427	47.2	1,468,494	9.0
1963..	107	1,450,000	11.8	141,146	1.2	741,960	6.5	1,088,845	8.9	140,439	1.1	8,642,684	70.5	12,205,074	1,336,175	11.0	3,633,978	29.8	5,766,427	47.2	1,468,494	9.0
1964..	107	1,450,000	11.8	141,146	1.2	741,960	6.5	1,088,845	8.9	140,439	1.1	8,642,684	70.5	12,205,074	1,336,175	11.0	3,633,978	29.8	5,766,427	47.2	1,468,494	9.0
1965..	107	1,450,000	11.8	141,146	1.2	741,960	6.5	1,088,845	8.9	140,439	1.1	8,642,684	70.5	12,205,074	1,336,175	11.0	3,633,978	29.8	5,766,427	47.2	1,468,494	9.0
1966..	107	1,450,000	11.8	141,146	1.2	741,960	6.5	1,088,845	8.9	140,439	1.1	8,642,684	70.5	12,205,074	1,336,175	11.0	3,633,978	29.8	5,766,427	47.2	1,468,494	9.0
1967..	107	1,450,000	11.																			

COMMERCIAL BANK OF SCOTLAND, LIMITED.
ESTABLISHED 1810.

Year ended Oct. 31.	Number of Branches.	CAPITAL.					Market Value.	PROFITS AND DIVIDENDS.					Reserves, &c.	Carried Forward.
		Subscribed.	Paid-up.	Callable.	Reserved.	Value.		Year ended Oct. 31.	Not Profits.	Per Cent. of Resources.	Dividends. Amount.	Rate.		
1920..	136	1,000,000	1,250,000	1,750,000	2,000,000	3,625,000		1920..	226,893	1.22	200,000	20	45,000	22,465
1921..	136	1,000,000	1,250,000	1,750,000	2,000,000	3,625,000		1921..	230,456	1.23	200,000	20	40,000	24,588
1922..	136	1,000,000	1,250,000	1,750,000	2,000,000	3,625,000		1922..	239,250	1.20	200,000	20	40,000	20,505
1923..	136	1,000,000	1,250,000	1,750,000	2,000,000	3,625,000		1923..	240,569	1.10	200,000	20	50,000	22,741

Note issue, £3,471,381. Authorised issue, £3,74,880.

* Free of income-tax.

		LIABILITIES.										ASSETS.										
Year ended Oct. 31.	Number of Branches.	Capital and Reserves.	Per Cent.	Notes.	Per Cent.	Accept- ances and Sunder- ments.	Per Cent.	Miscel- laneous Credits, Sund Fund, &c.	Per Cent.	Deposits and Current Accounts.	Per Cent.	Total Liabili- ties or Assets.	Cash in Hand and at Bank.	Cash at Call and Short Notice.	Per Cent.	Invest- ments.	Per Cent.	Discounts and Advances.	Per Cent.	Buildings and Sundries, including Cover for Acceptance's.	Per Cent.	
		£		£		£		£		£		£	£	£		£		£		£		
1900..	136	1,600,000	11.0	912,305	6.2	149,776	1.0	227,634	1.6	11,499,591	79.7	14,464,402	1,335,909	9.2	2,712,316	18.8	2,757,124	19.0	6,378,598	48.3	690,461	4.7
1905..	146	1,800,000	10.8	949,847	5.7	184,702	1.1	237,449	1.4	13,363,536	80.4	16,626,033	1,518,929	9.1	2,802,418	16.8	3,933,649	23.7	7,727,466	46.5	642,571	3.9
1909..	146	2,000,000	11.1	1,077,959	6.0	164,049	0.9	220,924	1.2	14,418,109	80.1	18,001,462	1,827,067	10.2	2,303,643	12.8	3,475,536	19.3	9,731,070	54.1	664,146	3.6
1910..	153	2,000,000	11.1	1,008,934	5.6	295,913	1.7	434,244	2.4	14,024,773	78.8	17,885,210	1,734,579	10.2	2,706,935	15.9	3,142,651	19.3	9,309,199	52.5	811,863	4.6
1911..	153	2,000,000	10.8	997,329	5.4	404,421	2.2	431,700	2.3	13,687,812	79.1	18,543,627	1,949,214	9.9	2,872,352	15.5	3,880,769	23.9	9,332,212	50.9	918,079	5.0
1911..	167	1,900,000	10.2	994,630	5.3	352,616	1.9	448,132	2.4	14,861,366	79.6	18,675,469	2,151,194	11.5	3,397,589	17.8	3,623,503	19.4	8,706,771	46.6	866,408	4.7
1912..	167	1,900,000	9.6	1,017,495	5.1	388,956	2.0	410,673	2.1	16,059,867	80.9	19,926,663	2,131,999	10.7	3,512,790	17.2	4,065,919	20.4	8,510,822	41.7	904,603	4.5
1912..	170	1,900,000	9.6	1,017,495	5.1	216,399	1.1	396,516	2.1	16,059,867	80.9	19,926,663	2,131,999	10.7	3,512,790	17.2	4,065,919	20.4	8,510,822	41.7	904,603	4.5
1913..	174	1,900,000	9.7	1,076,133	5.6	396,516	2.1	376,516	2.2	18,953,327	81.9	22,723,351	2,458,663	10.8	3,382,004	15.3	4,345,219	20.0	9,942,623	45.2	734,394	3.4
1914..	174	1,900,000	9.7	1,076,133	5.6	396,516	2.1	376,516	2.2	18,953,327	81.9	22,723,351	2,458,663	10.8	3,382,004	15.3	4,345,219	20.0	9,942,623	45.2	734,394	3.4
1915..	174	1,900,000	9.7	1,076,133	5.6	396,516	2.1	376,516	2.2	18,953,327	81.9	22,723,351	2,458,663	10.8	3,382,004	15.3	4,345,219	20.0	9,942,623	45.2	734,394	3.4
1916..	178	1,900,000	9.7	1,076,133	5.6	396,516	2.1	376,516	2.2	18,953,327	81.9	22,723,351	2,458,663	10.8	3,382,004	15.3	4,345,219	20.0	9,942,623	45.2	734,394	3.4
1917..	178	1,900,000	9.7	1,076,133	5.6	396,516	2.1	376,516	2.2	18,953,327	81.9	22,723,351	2,458,663	10.8	3,382,004	15.3	4,345,219	20.0	9,942,623	45.2	734,394	3.4
1917..	178	1,900,000	9.7	1,076,133	5.6	396,516	2.1	376,516	2.2	18,953,327	81.9	22,723,351	2,458,663	10.8	3,382,004	15.3	4,345,219	20.0	9,942,623	45.2	734,394	3.4
1917..	178	1,900,000	9.7	1,076,133	5.6	396,516	2.1	376,516	2.2	18,953,327	81.9	22,723,351	2,458,663	10.8	3,382,004	15.3	4,345,219	20.0	9,942,623	45.2	734,394	3.4
1917..	178	1,900,000	9.7	1,076,133	5.6	396,516	2.1	376,516	2.2	18,953,327	81.9	22,723,351	2,458,663	10.8	3,382,004	15.3	4,345,219	20.0	9,942,623	45.2	734,394	3.4
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1917..	178	1,900,000	9.7	1,076,133	5.6	396,516	2.1	376,516	2.2	18,953,327	81.9											

NORTH OF SCOTLAND AND TOWN AND COUNTY BANK, LIMITED.
ESTABLISHED 1825.

1908—North of Scotland Bank amalgamated with Town and County Bank, Limited, and title changed to present one.

Year ended Sept. 30.	Number of Branches.	CAPITAL.					Market Value.	PROFITS AND DIVIDENDS.					Reserve, &c.	Carried Forward.
		Subscribed.	Paid-up.	Callable.	Reserved.	Value.		Year ended Sept. 30.	Not Profits.	Per Cent. of Resources.	Dividends. Amount.	Rate.		
1920..	146	1,000,000	652,000	652,000	1,956,000	2,159,750		1920..	106,254	1.16	81,500	12.1	21,000	11.8
1921..	146	1,000,000	652,000	652,000	1,956,000	2,159,750		1921..	107,372	1.16	81,500	12.1	21,000	11.8
1922..	146	1,000,000	652,000	652,000	1,956,000	2,159,750		1922..	108,581	1.10	81,500	12.1	21,000	11.8
1923..	146	1,000,000	652,000	652,000	1,956,000	2,159,750		1923..	109,422	1.04	81,500	12.1	21,000	11.8

* Free of income-tax. † Second half loss income-tax.

Year ended Sept. 30.		Number of Branches.	LIABILITIES.										ASSETS.										
			Capital and Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Notes.	Per Cent.	Miscel- laneous Credits, &c.	Per Cent.	Deposits and Current Accounts.	Per Cent.	Total Liabilities or Assets.	Cash in Hand and at Bank.	Per Cent.	Cash at Call and Short Notice.	Per Cent.	Invest- ments.	Per Cent.	Discounts and Advances.	Per Cent.	Buildings and Sundries.	Per Cent.
1920..	146		1,039,500	11.4	\$ 74,788	0.8	749,368	8.2	226,981	2.5	7,033,931	77.1	9,124,568	1,152,881	12.7	961,227	9.9	1,738,269	19.6	5,051,917	54.8	276,274	3.0
1921..	147		1,064,500	11.3	77,659	0.8	756,579	8.1	142,822	1.5	7,252,324	78.1	9,282,894	1,083,669	11.7	1,737,040	19.6	1,737,040	19.6	4,970,688	53.5	278,497	3.0
1922..	146		1,064,500	10.9	81,740	0.8	780,667	8.0	120,337	1.2	7,738,960	79.1	9,791,204	1,164,016	11.9	1,615,000	16.5	1,615,000	16.5	4,970,688	53.5	281,960	3.0
1923..	146		1,064,500	10.9	81,740	0.8	780,667	8.0	120,337	1.2	7,738,960	79.1	9,791,204	1,164,016	11.9	1,615,000	16.5	1,615,000	16.5	4,970,688	53.5	281,960	3.0
1924..	146		1,104,500	10.2	92,826	0.8	903,277	8.1	100,693	0.9	8,750,589	79.9	10,467,992	1,246,251	12.9	2,019,992	19.2	1,817,257	17.3	5,204,848	49.0	263,736	2.6
1925..	146		1,104,500	9.3	128,156	1.1	1,104,500	9.9	910,947	1.8	9,406,915	79.9	10,871,876	1,451,213	13.3	1,886,730	17.4	1,361,541	17.9	5,323,849	49.0	258,443	2.4
1926..	146		1,104,500	7.6	182,529	1.3	1,354,308	9.9	197,478	1.6	11,611,969	80.1	14,450,798	1,664,065	14.0	805,568	6.7	4,518,611	30.0	4,660,958	32.5	256,113	1.8
1927..	146		1,104,500	6.7	230,894	1.4	1,546,002	9.9	177,746	1.5	13,416,415	81.4	16,475,547	1,936,078	15.6	2,282,658	15.9	4,518,611	30.0	4,660,958	32.5	254,307	1.8
1928..	146		1,152,000	5.6	264,664	1.2	1,244,103	10.1	681,532	1.2	16,845,707	80.0	20,048,025	3,400,181	16.6	1,429,375	26.1	13,361,543	63.0	4,121,479	19.6	264,822	1.0
1929..	146		1,152,000	4.7	281,740	0.9	1,513,741	10.1	248,450	1.0	17,231,082	80.0	20,885,323	3,431,551	13.1			14,958,138	59.6	4,515,243	22.5	247,500	0.8
1930..	146		1,152,000	4.7	281,740	0.9	1,513,741	10.1	248,450	1.0	17,231,082	80.0	20,885,323	3,431,551	13.1			14,958,138	59.6	4,515,243	22.5	247,500	0.8
1931..	146		1,304,000	4.7	300,893	0.7	1,244,103	10.1	248,450	1.0	17,231,082	80.0	20,885,323	3,431,551	13.1			14,958,138	59.6	4,515,243	22.5	247,500	0.8
1932..	146		1,304,000	4.6	220,065	0.8	1,436,277	8.9	258,954	0.9	17,359,185	79.9	20,885,323	3,431,551	13.1			14,958,138	59.6	4,515,243	22.5	247,500	0.8
1933..	146		1,352,000	5.1	246,294	0.9	246,294	0.9	246,294	0.9	17,359,185	79.9	20,885,323	3,431,551	13.1			14,958,138	59.6	4,515,243	22.5	247,500	0.8

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THE NATIONAL BANK OF SCOTLAND, LIMITED.

ESTABLISHED 1825.

CAPITAL					Market Value.	PROFITS AND DIVIDENDS.					Reserve, &c.	Carried Forward.
Subscribed.	Paid-up.	Callable.	Reserved.	Value.		Year Ended Nov. 1.	Net Profits.	Per Cent. of Resources.	Dividends Amount.	Rate.		
£	£	£	£	£	£	1910.	222,685	1.13	188,333	20	32,500	65,917
5,000,000	1,100,000	900,000	3,000,000	3,245,000	£	1911.	228,068	1.14	188,333	20	65,000	40,641
						1912.	230,580	1.15	188,333	20	50,000	32,888
						1913.	232,050	1.08	169,500	18	60,000	35,438
						1914.	237,045	1.05	169,069	18	15,000	88,413
						1915.	250,960	1.01	140,547	16	135,000	63,847
						1916.	266,541	0.92	126,800	16	140,000	54,365
						1917.	288,597	0.84	120,000	16	160,000	62,962
						1918.	284,867	0.77	115,400	16	160,000	72,429
						1919.	326,664	0.79	112,000	16	120,000	167,093
						1920.	295,510	0.67	125,300	16	175,000	64,203
						1921.	285,458	0.63	123,200	16	160,000	66,461
						1922.	291,063	0.69	128,263	16	165,000	64,261

LIABILITIES.					Total Liabilities or Assets.	ASSETS.					Total Liabilities or Assets.
Year Ended Nov. 1.	Capital and Reserves.	Notes.	Accept- ances.	Deposits and Current Accounts.		Cash in Hand and at Bank.	Cash at Call and Short Notice.	Invest- ments.	Dis- counts and Advances.	Buildings and Sundries, including Acceptances.	
1910.	1,725,000	760,015	790,944	143,350	17,287,859	1,175,139	3,746,567	216	8,557,240	1,047,544	61
1911.	1,820,000	901,225	609,358	93,884	17,428,503	1,340,010	3,409,877	196	8,353,951	960,958	55
1912.	2,000,000	953,468	742,814	124,920	19,776,326	1,568,583	4,297,675	217	9,425,236	1,176,814	58
1913.	2,030,000	831,527	710,424	67,640	18,072,990	1,396,167	2,270,402	126	9,305,518	1,240,324	69
1914.	1,900,000	836,720	705,162	76,685	19,866,039	1,494,332	3,315,914	169	9,178,597	1,317,562	68
1915.	1,900,000	859,631	531,060	55,878	20,049,292	1,510,794	3,862,104	193	9,400,548	1,137,760	57
1916.	1,900,000	923,508	899,526	123,369	21,508,656	1,823,110	3,690,639	184	10,138,126	1,512,626	75
1917.	1,900,000	910,084	1,019,688	47,285	21,742,661	2,150,656	3,824,837	178	10,307,798	1,627,338	75
1918.	1,900,000	1,096,453	1,210,380	46,441	22,629,070	2,036,110	3,811,697	160	10,204,441	1,368,374	80
1919.	1,900,000	1,531,533	763,774	43,703	24,785,429	2,468,556	2,997,335	121	11,185,503	1,775,009	52
1920.	1,700,000	1,851,085	1,150,510	44,781	28,884,657	2,884,657	3,383,792	117	12,006,746	1,749,425	47
1921.	1,800,000	1,854,494	1,171,909	55,452	34,772,144	4,324,005	2,699,733	78	12,072,247	2,078,868	50
1922.	1,800,000	1,854,494	1,171,909	55,452	34,772,144	4,324,005	2,699,733	78	12,072,247	2,078,868	50

ROYAL BANK OF SCOTLAND.

ESTABLISHED 1727.

CAPITAL					Market Value.	PROFITS AND DIVIDENDS.					Reserve, &c.	Carried Forward.
Subscribed.	Paid-up.	Callable.	Reserved.	Value.		Year Ended October.	Net Profits.	Per Cent. of Resources.	Dividends Amount.	Rate.		
£	£	£	£	£	£	1911.	247,167	1.20	207,167	11	40,000	1,013,565
2,000,000	2,000,000	Nil.	Nil.	5,008,000	£	1912.	267,809	1.30	207,167	11	60,642	961,266
						1913.	275,932	1.27	207,167	11	59,700	960,630
						1914.	266,308	1.22	206,667	11	59,641	960,630
						1915.	293,732	1.19	206,667	11	59,641	960,630
						1916.	338,480	1.21	157,500	10	180,920	800,986
						1917.	303,362	0.93	150,000	10	40,000	914,968
						1918.	310,503	0.86	145,000	10	50,000	1,030,471
						1919.	325,805	0.74	154,000	11	120,000	1,082,276
						1920.	375,139	0.79	154,000	11	221,139	1,082,276
						1921.	377,501	0.78	168,000	12	209,501	1,241,777
						1922.	401,959	0.83	190,000	13	50,000	1,403,736

Fully-paid stock. Market price on April 30, 1923, £254.

LIABILITIES.					Total Liabilities or Assets.	ASSETS.					Total Liabilities or Assets.
Year Ended October.	Capital and Reserves.	Notes.	Accept- ances.	Deposits and Current Accounts.		Cash in Hand and at Bank.	Cash at Call and Short Notice.	Invest- ments.	Dis- counts and Advances.	Buildings and Sundries, including Cover for Acceptances.	
1910.	2,794,691	843,996	327,491	336,200	17,236,646	1,101,906	2,659,414	148	2,652,508	1,012,044	46
1911.	2,757,638	910,079	295,582	201,061,342	17,449,473	1,320,303	2,591,519	110	3,519,168	950,962	54
1912.	2,844,079	1,056,670	550,655	381,627	19,100,153	1,530,848	2,591,519	136	3,052,480	1,007,892	56
1913.	2,933,440	998,431	547,313	251,608,172	18,660,453	1,390,233	2,596,935	141	2,823,889	1,111,414	61
1914.	3,013,565	994,036	511,326	694,572	18,501,829	1,402,607	3,177,043	172	3,593,051	1,165,028	61
1915.	3,013,565	994,036	511,326	694,572	18,501,829	1,402,607	3,177,043	172	3,593,051	1,165,028	61
1916.	3,013,565	994,036	511,326	694,572	18,501,829	1,402,607	3,177,043	172	3,593,051	1,165,028	61
1917.	3,013,565	994,036	511,326	694,572	18,501,829	1,402,607	3,177,043	172	3,593,051	1,165,028	61
1918.	3,013,565	994,036	511,326	694,572	18,501,829	1,402,607	3,177,043	172	3,593,051	1,165,028	61
1919.	3,013,565	994,036	511,326	694,572	18,501,829	1,402,607	3,177,043	172	3,593,051	1,165,028	61
1920.	3,013,565	994,036	511,326	694,572	18,501,829	1,402,607	3,177,043	172	3,593,051	1,165,028	61
1921.	3,013,565	994,036	511,326	694,572	18,501,829	1,402,607	3,177,043	172	3,593,051	1,165,028	61
1922.	3,013,565	994,036	511,326	694,572	18,501,829	1,402,607	3,177,043	172	3,593,051	1,165,028	61

UNION BANK OF SCOTLAND, LIMITED.

ESTABLISHED 1830.

CAPITAL					Market Value.	PROFITS AND DIVIDENDS.					Reserve, &c.	Carried Forward.
Subscribed.	Paid-up.	Callable.	Reserved.	Value.		Year Ended April.	Net Profits.	Per Cent. of Resources.	Dividends Amount.	Rate.		
£	£	£	£	£	£	1912.	202,786	1.27	150,000	15	50,000	33,392
5,000,000	1,000,000	Nil.	4,000,000	3,125,000	£	1913.	206,731	1.06	150,000	15	55,000	35,124
						1914.	209,886	1.02	150,000	15	50,000	45,010
						1915.	225,873	1.03	150,000	15	20,000	100,883
						1916.	229,507	1.08	150,000	15	78,336	101,456
						1917.	279,167	1.12	150,000	15	140,000	61,286
						1918.	279,167	0.97	150,000	15	130,000	50,452
						1919.	284,349	0.87	160,000	16	140,000	50,401
						1920.	310,775	0.79	160,000	16	140,000	35,576
						1921.	312,132	0.80	160,000	16	140,000	47,708
						1922.	308,480	0.76	170,000	17	135,000	51,188
						1923.	326,362	0.87	180,000	18	145,000	52,550

Authorised note issue, £454,346.

THE YOKOHAMA SPECIE BANK,

(REGISTERED IN JAPAN.)

LIMITED.

ESTABLISHED 1880.

Capital Subscribed and Fully Paid -
Reserve Fund -

Yen 100,000,000
" 69,000,000

Head Office - YOKOHAMA.

BRANCHES AT

BATAVIA.
BOMBAY.
BUENOS AYRES.
CALCUTTA.
CHANGCHUN.
DAIREN (Dairen).
FENGTIEN (Mukden).
HAMBURG.
HANKOW.
HARBIN.

HONOLULU.
HONG KONG.
KAI YUAN.
KOBE.
PEKIN.
RANGOON.
RIO DE JANEIRO.
SAIGON.
SAN FRANCISCO.
SEATTLE.
NAGOYA.

NEWCHANG.
NEW YORK.
OSAKA.
RENGOON.
RIO DE JANEIRO.
SAIGON.
SAN FRANCISCO.
SEATTLE.
NAGOYA.

SHANGHAI.
SHIMONOSEKI.
SINGAPORE.
SOURABAYA.
SYDNEY.
TIENTSIN.
TOKYO.
TSINANFU.
TSINGTAU.
VLADIVOSTOCK.

The Bank buys and receives for collection Bills of Exchange, issues Drafts and Telegraphic Transfers and Letters of Credit on above places and elsewhere, and transacts General Banking Business.

Deposits received for fixed periods at rates to be obtained on application.

LONDON OFFICE :

7, BISHOPSGATE, LONDON, E.C.2.

K. YANO, Manager.

IMPERIAL BANK OF INDIA

Constituted under the Imperial Bank of India Act, 1920.

For the purpose of taking over the undertakings and business of the Bank of Bengal, the Bank of Bombay, and the Bank of Madras.

BANKERS TO THE GOVERNMENT OF INDIA.

AUTHORISED CAPITAL: 225,000 shares of Rs. 500 each ... Rs. 11,25,00,000
PAID-UP CAPITAL as on 31st December, 1922: 75,000 Shares of Rs. 500 each—Fully Paid... Rs. 3,75,00,000
150,000 Shares of Rs. 500 each—Rs. 125 Paid ... Rs. 1,87,50,000

RESERVE FUND as on 31st December, 1922... Rs. 4,32,50,000
RESERVE LIABILITY OF SHAREHOLDERS as on 31st December, 1922 ... Rs. 5,62,50,000

Managing Governors:—Sir ROBERT AITKEN, Sir BERNARD HUNTER.

Local Head Offices: CALCUTTA, BOMBAY, MADRAS.

London Office:—5, Whittington Avenue, E.C.3.

Sir NORCOT WARREN, K.C.I.E., Manager.

BRANCHES.

Burra Bazaar, Calcutta
Cuttack, Calcutta
Park Street, Calcutta
Byculla, Bombay
Mandvi, Bombay
Sardar Road, Bombay
Mount Road, Madras
Agra
Ahmedabad
Ahmedabad City Branch
Ahmednagar
Akola
Akyab
Allahabad
Alipore
Amritsar
Amritsar
Amritsar
Amritsar

Bassein
Bellary
Benares
Benhar
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UNION BANK OF SCOTLAND, LIMITED—Continued from page 1096.

Year Ended April.	Number of Branches.	LIABILITIES.										ASSETS.										
		Capital and Reserves.	Per Cent.	Notes.	Per Cent.	Accept- ances.	Per Cent.	Drafts on London.	Per Cent.	Deposit and Current Accounts.	Per Cent.	Total Liabilities of Assets.	Cash in Hand and at Bank.	Per Cent.	Cash at Call and Short Notice.	Per Cent.	Invest- ments.	Per Cent.	Dis- counts and Advances including Short Loans on Stocks.	Per Cent.	Buildings & Furniture, Sundries, Cover for Acceptances.	Per Cent.
£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
1891 ..	132	1,440,000	10.4	820,702	6.0	60,061	0.4	52,513	0.4	11,237,632	82.0	13,758,093	1,062,583	7.7	1,827,612	13.3	4,168,376	30.4	6,271,695	..	424,824	..
1896 ..	134	1,515,000	10.6	949,244	6.6	74,263	0.5	94,745	0.7	11,443,482	80.5	14,235,357	1,362,186	9.6	2,464,572	17.3	3,207,583	22.5	6,770,539	47.6	430,477	3.0
1901 ..	144	1,660,000	10.2	1,039,266	6.4	105,571	0.6	88,469	0.5	13,253,604	82.8	16,343,669	1,426,119	8.7	3,185,485	19.5	2,950,120	18.1	8,349,995	51.1	431,950	2.6
1906 ..	151	1,875,000	11.7	981,811	6.2	20,463	0.1	131,324	0.8	12,740,000	79.9	15,913,988	1,632,440	10.2	3,230,609	20.3	2,933,414	18.4	7,779,322	49.0	338,203	2.1
1910 ..	156	2,000,000	12.4	866,795	5.3	246,364	1.5	99,945	0.6	12,833,038	79.4	16,220,354	1,633,501	10.1	2,967,173	18.2	3,396,544	21.0	7,569,668	46.6	663,468	4.1
1911 ..	158	2,000,000	12.6	883,747	5.6	134,587	0.9	67,616	0.4	12,586,538	79.0	15,853,094	895,589	5.6	3,164,915	20.0	3,233,142	20.4	7,980,500	50.3	579,148	3.7
1912 ..	161	2,000,000	11.1	912,794	5.0	320,139	1.8	71,361	0.4	14,573,356	80.2	18,070,972	1,299,978	7.2	3,748,135	20.8	3,067,256	17.0	9,193,989	50.8	761,614	4.2
1913 ..	162	2,000,000	10.3	931,909	4.8	729,784	3.7	240,069	1.2	15,409,195	79.0	19,496,081	1,170,499	6.0	4,817,782	24.7	3,106,351	15.9	9,218,749	47.3	1,182,725	6.6
1914 ..	162	2,000,000	9.7	945,432	4.6	889,972	4.3	137,020	0.7	16,458,022	79.9	20,650,456	1,231,406	6.0	4,009,781	19.5	3,617,892	17.6	10,454,922	50.4	1,336,455	6.5
1915 ..	160	1,800,000	8.4	1,217,971	5.6	401,845	1.9	97,893	0.5	17,751,946	82.3	21,530,539	1,570,532	7.3	4,427,429	20.6	4,948,724	22.9	9,726,851	45.2	857,003	4.0
1916 ..	160	1,800,000	8.5	1,594,494	7.5	691,890	3.3	176,934	0.8	16,739,330	77.2	21,264,104	1,755,536	8.2	3,780,048	17.8	7,281,138	34.2	7,239,515	34.4	1,147,889	5.4
1917 ..	158	1,800,000	8.1	1,895,883	8.5	955,362	4.3	213,649	1.0	23,648,883	82.1	28,803,278	1,613,006	11.0	3,272,810	11.4	6,708,027	23.5	14,813,168	51.4	846,267	2.9
1918 ..	159	1,900,000	6.6	2,535,731	9.9	373,725	1.3	124,485	0.4	26,265,016	80.7	32,552,302	3,362,649	10.3	3,816,321	11.7	7,875,340	24.2	16,525,790	50.8	972,202	3.0
1919 ..	160	2,000,000	6.1	2,587,221	9.9	418,547	1.3	666,717	1.0	32,495,518	82.2	39,499,787	4,258,644	10.8	4,338,481	11.0	9,947,705	25.3	19,508,755	49.2	1,446,202	3.7
1920 ..	160	2,000,000	5.1	3,480,280	8.8	907,566	2.3	410,847	0.9	32,702,256	84.1	38,882,709	3,736,640	9.6	3,631,093	9.5	9,273,312	23.8	21,193,369	54.5	936,286	2.4
1921 ..	161	2,000,000	5.1	3,365,092	8.7	397,566	1.0	209,047	0.7	33,021,165	85.3	40,800,522	3,297,867	8.1	4,710,250	11.6	16,669,451	41.0	15,110,727	36.9	812,233	2.0
1922 ..	164	2,100,000	5.1	2,840,934	7.0	273,423	0.7	138,018	0.3	33,741,997	84.9	37,475,575	3,048,875	8.1	4,174,224	11.2	16,187,467	43.1	13,170,242	35.2	894,707	2.4
1923 ..	164	2,200,000	5.9	2,667,304	7.1	360,186	1.0	249,538	0.7	31,740,997	84.9	37,475,575	3,048,875	8.1	4,174,224	11.2	16,187,467	43.1	13,170,242	35.2	894,707	2.4

JOINT STOCK BANKS OF IRELAND.

BANK OF IRELAND.

ESTABLISHED 1783.

CAPITAL.					Market Value.	PROFITS AND DIVIDENDS.									
Subscribed.	Paid-up.	Callible.	Reserved.	Value.		Year Ended Jan. 31.	Net Profits.	Per Cent. of Resources.	Dividends Amount.	Rate. %.	Reserves, &c.	Carried Forward.	Rate. %.	Reserves, &c.	Carried Forward.
£	£	£	£	£	£	1911..	34,214	1.57	299,884	11.4	46,000	20,395	11.4	46,000	20,395
2,769,231	2,769,231	2,769,231	2,769,231	6,590,700	6,590,700	1912..	372,944	1.57	299,884	11.4	46,000	20,395	11.4	46,000	20,395
						1913..	398,233	1.79	260,769	10.0	110,000	22,570	10.0	110,000	22,570
						1914..	376,784	1.49	255,577	10.0	120,000	24,240	10.0	120,000	24,240
						1915..	420,820	1.55	240,000	10.0	180,000	25,071	10.0	180,000	25,071
						1916..	350,853	1.35	214,615	10.0	175,000	26,519	10.0	175,000	26,519
						1917..	350,853	1.35	214,615	10.0	175,000	26,519	10.0	175,000	26,519
						1918..	435,984	1.96	207,692	10.0	200,000	42,066	10.0	200,000	42,066
						1919..	479,802	1.05	232,615	12.0	220,000	41,348	12.0	220,000	41,348
						1920..	546,540	1.07	232,616	12.0	250,000	38,535	12.0	250,000	38,535
						1921..	513,166	0.97	252,000	13.0	260,000	43,626	13.0	260,000	43,626
						1922..	533,943	1.01	265,846	13.0	260,000	51,723	13.0	260,000	51,723

Authorised Note issue, £3,738,428.

Year Ended Dec. 31.	Number of Branches.	LIABILITIES.										ASSETS.										
		Capital and Reserves.	Per Cent.	Balance of Profit and Loss.	Per Cent.	Notes.	Per Cent.	Deposit and Current Accounts.	Per Cent.	Total Liabilities of Assets.	Per Cent.	Cash in Hand and at Bank.	Per Cent.	Cash at Call and Short Notice.	Per Cent.	Invest- ments.	Per Cent.	Dis- counts and Advances.	Per Cent.	Premises.	Per Cent.	
		£		£		£		£		£		£		£		£		£		£		
1890....	58	3,803,231	23.6	164,558	1.0	2,713,594	16.9	9,403,640	67.5	16,085,023	1,179,660	7.3	162,483	1.0	9,208,194	57.3	5,435,538	33.8	99,148	0.6		
1895....	59	3,803,231	22.0	154,736	0.9	2,496,969	14.4	10,816,780	62.7	17,371,706	1,206,471	7.0	1,087,478	6.3	9,225,166	53.4	5,643,223	32.8	109,368	0.6		
1900....	73	3,803,231	20.8	180,322	1.0	2,768,068	15.2	11,498,960	63.0	18,250,581	1,145,271	6.3	439,784	2.4	8,504,009	46.6	8,058,630	44.1	102,887	0.6		
1905....	86	3,803,231	20.9	172,830	1.0	2,420,862	13.1	12,032,376	65.3	18,429,299	1,101,017	5.8	684,767	3.7	8,139,596	44.3	8,398,347	45.6	105,573	0.6		
1906*....	88	3,803,231	20.3	177,977	1.0	2,578,086	13.7	12,205,209	65.0	18,764,503	1,240,369	6.6	551,625	3.0	8,096,171	43.1	8,766,101	46.7	110,237	0.6		
1907*....	90	3,803,231	19.3	179,650	1.0	2,699,580	13.6	13,048,213	66.1	19,730,674	1,492,307	7.6	738,939	3.7	8,040,455	40.7	9,346,272	47.4	112,701	0.6		
1908*....	92	3,803,231	18.5	179,809	0.9	2,703,209	13.2	13,826,750	67.4	20,512,995	1,625,618	8.0	902,906	4.4	8,122,489	40.0	9,643,139	47.0	118,847	0.6		
1909*....	95	3,803,231	18.4	180,461	1.0	2,817,808	13.6	14,812,548	67.0	20,614,032	1,533,109	7.5	1,274,376	6.0	9,250,187	44.9	8,435,620	41.0	120,240	0.6		
1910*....	96	3,798,231	18.0	177,527	0.8	3,000,369	14.2	14,096,663	67.0	21,070,732	1,668,565	7.9	1,161,531	5.5	8,953,778	42.5	9,163,248	43.5	123,608	0.6		
1911*....	99	3,795,231	17.0	163,418	0.7	2,954,607	13.5	15,064,003	68.8	21,907,665	1,706,018	7.9	1,308,069	5.9	9,510,927	43.4	9,255,622	42.2	126,223	0.6		
1912*....	103	3,824,231	16.9	153,956	0.7	3,046,784	13.9	14,758,329	68.4	21,612,399	1,696,736	7.8	1,303,437	6.0	9,125,842	42.2	9,348,335	43.4	138,949	0.6		
1913*....	105	3,619,231	15.8	153,418	0.7	3,360,546	15.1	15,233,406	68.4	22,596,600	1,748,321	7.9	1,674,434	7.5	9,106,927	41.1	9,581,809	42.8	145,109	0.7		
1914*....	108	3,679,231	14.2	149,721	0.6	5,087,564	20.2	16,360,317	69.0	25,176,833	3,781,743	15.0	1,715,026	6.8	10,488,207	41.6	9,045,596	36.0	146,269	0.6		
1915*....	110	3,380,231	12.4	141,032	0.5	7,415,588	27.4	16,096,585	59.7	27,024,536	4,786,614	17.6	1,940,511	7.2	11,833,191	44.1	8,079,830	29.7	382,590	1.4		
1916*....	113	3,268,231	11.3	130,165	0.5	9,893,961	33.4	15,899,049	54.8	28,922,392	9,536,531	28.2	2,633,388	9.1	11,308,468	39.0	7,543,761	26.1	390,014	1.3		
1917*....	116	3,686,231	10.5	145,809	0.4	11,926,611	35.3	16,297,441	54.6	33,338,186	14,069,928	32.4	2,084,929	5.5	12,999,400	36.9	10,077,443	28.1	500,000	1.4		
1918*....	118	3,738,231	9.2	154,842	0.4	16,390,339	37.5	23,299,556	59.8	43,436,180	17,116,765	24.5	2,633,388	9.1	11,308,468	39.0	7,543,761	26.1	390,014	1.3		
1919*....	120	3,738,231	8.2	154,842	0.4	13,310,164	29.1	28,542,862	62.4	45,747,062	10,951,483	23.9	1,999,400	4.6	18,943,496	45.6	8,061,640	18.8	386,847	0.9		
1920*....	122	3,738,231	7.3	154,842	0.4	10,926,457	24.1	36,355,856	71.0	51,180,311	8,602,365	16.8	820,740	1.6	20,487,397	45.5	11,512,613	25.2	409,517	0.9		
1921*....	124	3,738,231	6.3	154,842	0.4	8,906,340	16.8	40,018,828	75.5	53,012,717	6,442,853	12.2	1,992,272	3.8	25,520,523	47.7	18,821,805	34.8	454,516	0.9		
1922*....	125	3,738,231	5.3	154,842	0.4	7,837,285	14.4	41,026,130	77.4	53,029,753	4,709,498	8.9	1,902,079	3.6	30,370,059	57.3	15,474,076	29.3	525,777	1.1		

BELFAST BANKING CO., LIMITED—Continued from page 1098.

Year Ended July 31.	Number of Branches.	LIABILITIES.										ASSETS.													
		Capital and Reserves.		Per Cent.	Un- divided Profits.		Per Cent.	Notes.	Per Cent.	Bills for Collection.	Per Cent.	Staff Funds.	Per Cent.	Deposits and Current Accounts.	Per Cent.	Total Liabili- ties or Assets.	Cash in Hand and at Call.		Per Cent.	Invest- ments.	Per Cent.	Discounts and Advances.	Per Cent.	Build- ings.	Per Cent.
		£	Per Cent.		£	Per Cent.											£	Per Cent.							
1890.	37	700,000	17.8	65,984	1.7	473,191	12.0	...	...	10,025	0.2	2,691,731	68.3	3,940,931	554,260	14.1	1,117,786	28.3	2,221,813	56.4	77,072	1.2			
1895.	40	775,000	16.5	56,309	0.8	511,654	10.9	...	...	14,670	0.3	3,541,587	71.5	4,679,226	804,478	17.2	790,679	17.0	3,011,151	64.3	72,912	1.5			
1900.	43	800,000	14.8	52,283	1.0	523,434	9.7	...	...	28,011	0.5	4,000,246	74.0	5,403,973	734,625	13.6	1,157,573	21.4	3,433,371	63.5	78,404	1.5			
1905.	46	1,000,000	17.2	18,322	0.3	479,492	8.2	37,507	0.6	37,256	0.6	4,257,684	73.1	5,830,271	832,703	14.2	1,255,466	21.5	3,666,035	63.0	76,067	1.3			
1906.	46	1,000,000	16.8	27,007	0.4	499,449	8.4	35,672	0.6	37,645	0.6	4,360,242	73.2	5,960,015	703,268	11.8	1,330,192	22.3	3,853,158	64.6	73,397	1.3			
1907.	46	950,000	14.8	25,147	0.4	510,586	8.0	40,795	0.6	38,166	0.6	4,834,740	75.6	6,399,434	862,063	13.5	1,497,118	23.4	3,967,593	62.0	72,660	1.1			
1908.	46	950,000	14.6	40,230	0.6	491,098	7.5	33,767	0.5	38,497	0.5	4,981,590	76.2	6,535,182	653,711	10.0	1,530,405	23.4	4,276,739	65.5	74,327	1.1			
1909.	46	950,000	14.3	53,636	0.8	495,792	7.5	39,945	0.6	38,670	0.6	5,044,773	76.2	6,622,866	778,386	11.8	1,529,796	23.1	4,241,128	64.0	73,508	1.1			
1910.	46	950,000	13.9	42,889	0.6	543,104	8.0	35,921	0.5	38,772	0.6	5,215,246	76.4	6,825,332	732,992	10.7	1,400,993	20.5	4,620,659	67.7	71,288	1.1			
1911.	47	950,000	12.9	41,858	0.6	560,166	7.7	29,766	0.4	48,097	0.7	5,692,655	77.7	7,322,542	1,328,410	18.1	1,439,166	19.7	4,480,243	61.2	74,723	1.0			
1912.	47	950,000	12.4	30,411	0.4	565,702	7.4	38,756	0.5	47,257	0.6	6,045,837	78.7	7,677,963	1,420,590	18.5	1,469,846	19.2	4,713,552	61.3	73,975	1.0			
1913.	47	950,000	11.6	47,802	0.6	631,257	7.8	35,402	0.4	45,892	0.6	6,428,194	79.0	8,138,547	1,720,494	21.1	1,536,957	18.8	4,811,034	59.2	70,062	0.9			
1914.	49	950,000	11.4	46,729	0.6	656,288	7.9	27,603	0.3	47,779	0.6	6,636,032	79.2	8,364,431	2,028,097	24.3	1,485,606	17.8	4,782,061	57.1	68,667	0.8			
1915.	49	950,000	10.6	33,546	0.4	686,368	11.0	31,417	0.4	47,926	0.5	6,945,533	77.1	8,994,790	1,617,206	18.0	2,817,236	31.4	4,485,378	49.8	74,970	0.8			
1916.	49	950,000	8.7	24,967	0.2	1,378,990	12.6	47,331	0.9	48,112	0.4	8,103,492	74.2	10,932,892	3,199,605	29.2	2,855,734	26.1	4,802,897	44.0	74,556	0.7			
1917.	49	950,000	7.8	49,150	0.4	1,664,591	13.7	228,273	1.9	48,276	0.4	9,258,176	77.8	12,198,466	2,946,392	24.1	2,850,385	23.5	6,326,979	51.8	74,110	0.6			
1918.	60	1,000,000	6.5	86,255	0.6	2,233,720	14.6	77,617	0.5	46,343	0.3	11,947,054	77.5	15,412,989	6,705,843	40.3	2,875,984	18.6	6,259,624	40.6	71,538	0.7			
1919.	66	1,050,000	5.2	63,159	0.3	2,108,389	10.4	...	...	...	...	17,001,818	84.1	20,222,966	4,054,562	20.0	4,694,765	23.2	11,409,619	56.5	64,020	0.3			
1920.	67	1,050,000	4.9	73,854	0.3	2,161,679	7.7	...	...	...	...	18,742,243	87.1	21,527,776	3,970,972	18.4	3,038,190	14.1	14,452,097	67.2	66,517	0.3			
1921.	67	1,050,000	4.9	73,247	0.3	2,174,655	5.9	...	...	...	...	19,142,592	88.9	21,540,494	5,309,157	24.6	3,021,649	14.0	13,142,598	61.1	67,090	0.3			
1922.	67	1,050,000	5.2	69,884	0.3	2,127,618	6.2	...	...	...	...	17,908,049	88.3	20,285,551	3,053,343	15.0	5,455,779	27.4	11,704,785	57.2	71,644	0.4			

THE HIBERNIAN BANK, LIMITED.
ESTABLISHED 1825.

Year Ended Dec. 31.	Number of Branches.	CAPITAL.				Market Value.	PROFITS AND DIVIDENDS.										Reserves, &c.	Carried Forward.
		Subscribed.	Paid-up.	Callable.	Reserved.		Net Profit.	Per Cent. of Resources.	Dividends.	Amount.	Rate.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.		
1891	...	47,870	...	1.03	...	30,000	...	...	...	...	...	...	...	...	...	...	18,000	3,318
1912	...	48,671	...	1.02	...	30,000	...	...	...	...	...	...	...	...	...	...	18,500	3,490
1913	...	49,182	...	1.03	...	30,000	...	...	...	...	...	...	...	...	...	...	18,500	3,490
1914	...	49,182	...	1.03	...	30,000	...	...	...	...	...	...	...	...	...	...	18,500	3,490
1915	...	48,333	...	0.92	...	30,000	...	...	...	...	...	...	...	...	...	...	17,500	3,021
1916	...	50,124	...	0.84	...	30,000	...	...	...	...	...	...	...	...	...	...	14,500	3,754
1917	...	54,208	...	0.81	...	32,500	...	...	...	...	...	...	...	...	...	...	21,000	10,087
1918	...	62,105	...	0.63	...	35,000	...	...	...	...	...	...	...	...	...	...	27,500	9,692
1919	...	69,804	...	0.56	...	40,000	...	...	...	...	...	...	...	...	...	...	20,000	17,296
1920	...	72,992	...	0.56	...	40,000	...	...	...	...	...	...	...	...	...	...	45,000	15,288
1921	...	90,021	...	0.53	...	45,000	...	...	...	...	...	...	...	...	...	...	47,500	12,809
1922	...	107,422	...	0.54	...	47,500	...	...	...	...	...	...	...	...	...	...	58,502	14,229

* Free of income-tax.

Year Ended Dec. 31.	Number of Branches.	LIABILITIES.										ASSETS.										
		Capital and Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Staff Fund.	Per Cent.	Re- bate.	Per Cent.	Deposits and Current Accounts, &c.	Per Cent.	Total Liabili- ties or Assets.	Cash in Hand and at Bankers.	Per Cent.	Invest- ments.	Per Cent.	Bills Dis- counted.	Per Cent.	Loans and Ad- vances.	Per Cent.	Buildings and Sundries.	Per Cent.
1890.	35	500,000	22.3	17,983	0.8	605	0.1	5,289	0.2	1,716,111	76.6	2,239,988	432,345	19.2	252,925	11.3	677,351	30.2	754,423	33.6	122,944	5.7
1895.	38	500,000	18.3	31,682	1.2	2,245	0.1	7,770	0.3	2,192,394	80.1	2,734,061	251,441	9.2	312,740	11.5	882,026	32.3	1,065,521	38.9	222,331	8.1
1900.	40	590,000	18.3	23,843	0.7	7,785	0.2	8,890	0.3	2,947,548	82.5	3,558,066	370,566	10.4	401,350	11.3	1,026,513	28.9	1,632,642	43.8	126,996	3.6
1905.	44	650,000	15.4	26,023	0.6	18,783	0.5	9,589	0.4	3,509,152	83.3	4,115,590	192,370	4.5	695,439	16.9	1,085,809	25.8	2,122,642	50.4	117,330	2.8
1906.	44	645,000	15.2	22,564	0.5	20,580	0.5	8,332	0.3	3,595,162	83.3	4,223,040	200,280	4.8	767,170	18.2	997,856	23.6	2,104,334	50.0	143,400	3.4
1907.	44	655,000	15.5	24,481	0.6	22,454	0.6	7,085	0.2	3,509,677	83.1	4,218,697	201,582	4.9	767,170	18.2	997,856	23.6	2,104,334	50.0	143,400	3.4
1908.	44	660,000	15.6	24,826	0.6	24,228	0.6	7,899	0.2	3,502,062	83.0	4,219,015	312,813	7.4	810,062	19.2	873,927	20.7	2,107,637	49.0	154,586	3.7
1909.	45	677,500	15.5	22,148	0.5	26,186	0.6	7,348	0.2	3,656,851	83.2	4,390,033	334,490	7.6	1,023,706	23.3	819,194	18.7	2,066,304	46.8	156,330	3.6
1910.	45	692,500	15.3	19,547	0.4	27,185	0.6	7,326	0.2	3,775,854	83.5	4,522,413	279,451	8.2	1,173,380	26.0	800,581	17.7	2,102,322	46.4	166,679	3.7
1911.	45	707,500	15.2	20,318	0.4	29,257	0.7	7,688	0.2	3,903,886	83.6	4,668,649	199,159	4.3	1,301,129	27.9	795,466	17.0	2,308,467	47.4	164,428	3.4
1912.	48	675,000	14.1	18,490	0.4	31,411	0.7	7,197	0.2	4,061,533	84.6	4,793,631	223,327	4.7	1,201,746	25.1	789,701	16.4	2,434,274	50.9	141,583	2.9
1913.	48	695,000	14.1	17,672	0.4	32,605	0.7	7,218	0.2	4,165,459	84.7	4,917,964	388,573	7.9	1,237,232	25.1	780,193	15.9	2,599,751	47.8	162,205	3.3
1914.	48	710,000	13.7	18,021	0.4	34,852	0.7	6,293	0.1	4,510,609	85.4	5,279,775	843,068	16.0	1,275,585	24.1	704,826	13.4	2,291,814	43.4	164,545	3.1
1915.	48	612,500	11.5	18,754	0.4	36,541	0.7	5,872	0.1	4,552,292	87.1	5,225,959	675,971	12.9	1,489,765	28.4	660,798	12.6	2,218,023	42.6	181,402	3.5
1916.	48	625,000	10.5	25,379	0.4	37,782	0.6	7,176	0.1	5,286,637	88.4	5,981,974	1,503,864	25.2	1,478,102	24.7	618,508	10.3	2,185,084	36.5	196,419	3.3
1917.	51	635,000	8.4	27,579	0.4	39,251	0.5	7,820	0.1	6,875,297	90.6	7,584,955	2,117,868	20.0	2,687,791	35.4	531,974	7.0	2,106,192	27.7	141,130	1.9
1918.	52	640,000	6.6	27,192	0.3	40,700	0.4	5,076	...	9,053,566	92.7	9,766,534	1,120,497	11.5	5,507,880	56.4	577,438	5.9	2,418,645	24.8	142,074	1.4
1919.	53	650,000	5.4	37,396	0.3	42,190	0.3	5,674	...	11,607,492	94.0	12,352,652	1,485,146	12.0	6,037,880	56.4	777,438	5.9	2,418,645	24.8	142,074	1.4
1920.	55	680,000	4.5	35,288	0.2	43,693	0.3	12,422	...	14,436,307	99.7	15,007,710	2,743,347	18.2	5,882,480	39.1	777,438	5.9	2,418,645	24.8	142,074	1.4
1921.	56	710,000	4.2	40,309	0.2	...	...	12,792	...	15,181,223	99.3	16,994,324	1,692,769	12.0	7,751,350	45.8	1,500,000	5.0	5,760,839	29.9	236,141	1.1
1922.	58	900,000	5.3	44,309	0.3	...	...	8,772	...	15,437,263	95.6	16,940,468	1,710,046	10.1	9,172,352	54.2	...	...	5,829,933	34.6	178,137	1.1

THE NATIONAL BANK, LIMITED.
ESTABLISHED 1835.

CAPITAL					Market Value.	PROFITS AND DIVIDENDS										Reserves, &c.	Carried Forward.					
Subscribed.	Paid-up.	Callable.	Reserved.			Year Ended Dec. 31.	Net Profits.	Per Cent. of Resources.	Dividends Amount.	Rate.												
£	£	£	£	£	£																	
7,500,000	1,500,000	1,000,000	5,000,000	2,775,000		1911	183,761	1.07	148,313	10.8	37,000	26,002										
						1912	193,932	1.15	141,250	10	50,000	23,184										
						1913	188,556	1.04	141,250	10	50,000	20,491										
						1914	207,485	1.06	138,438	10	65,000	24,538										
						1915	258,957	1.21	130,001	10	130,000	23,494										
						1916	183,885	0.81	116,250	10	70,000	21,129										
						1917	224,988	0.84	112,500	10	110,000	23,617										
						1918	273,746	0.80	128,250	12	145,000	24,113										
						1919	243,677	0.58	126,000	12	115,000	26,790										
						1920	266,924	0.55	126,000	12	140,000	27,714										
						1921	265,890	0.53	126,000	12	140,000	27,604										
						1922	292,514	0.60	132,750	12	160,000	27,368										
Authorised note issue, £852,269.																						
LIABILITIES.													ASSETS.									
Year Ended Dec. 31.	Number of Offices.	Capital and Re- serves.	Per Cent.	Notes.	Per Cent.	Accept- ances.	Per Cent.	Rebate.	Per Cent.	Deposit and Current Ac- counts.	Per Cent.	Total Liabi- lities or Assets.	Cash in Hand and at Bank.	Per Cent.	Cash at Call and Short Notice.	Per Cent.	Invest- ments.	Per Cent.	Dis- counts and Ad- vances.	Per Cent.	Buildings & Furniture, Plant, &c. Cover for Acceptances.	Per Cent.
£		£		£		£		£		£		£	£		£		£		£		£	
1890	104	1,753,438	12.9	1,418,243	10.4	274,400	2.0	14,124	0.1	10,058,151	73.9	13,611,654	1,834,836	13.5	1,835,926	13.5	1,891,626	13.9	7,467,792	54.9	581,474	4.2
1895	104	1,790,522	13.0	1,417,505	8.4	313,100	2.3	12,554	0.1	10,354,437	75.4	13,698,205	1,750,446	12.8	1,949,052	14.2	1,670,855	12.2	7,708,752	56.3	619,990	4.5
1900	110	1,945,522	13.2	1,206,161	8.2	156,642	1.1	12,166	0.1	11,252,725	76.6	14,630,623	1,611,189	11.5	2,590,376	17.6	1,510,444	10.3	8,417,100	57.3	481,514	3.3
1905	127	2,020,000	13.3	1,039,345	6.8	141,900	1.0	11,652	0.1	11,869,897	78.2	15,194,354	1,582,845	10.4	2,004,373	13.1	1,630,053	10.7	9,530,684	62.8	446,399	3.0
1910	134	2,080,000	12.3	1,255,023	7.4	105,908	0.6	10,025	0.1	13,371,271	78.8	16,926,968	2,050,284	12.1	2,506,766	14.8	2,448,285	14.5	9,518,249	56.2	403,384	2.4
1915	134	2,110,000	12.3	1,187,042	6.9	202,448	1.2	9,626	0.1	13,573,888	79.1	17,186,132	2,009,051	11.7	2,616,966	15.3	2,406,739	14.0	9,655,579	56.2	497,697	2.8
1917	136	1,900,000	11.1	1,206,957	7.0	194,764	1.1	9,924	0.1	13,689,799	80.7	17,120,183	2,036,129	11.9	2,427,914	14.2	2,320,451	13.6	9,849,701	57.5	485,988	2.8
1918	143	1,900,000	10.5	1,344,039	7.4	197,523	1.1	9,852	0.1	14,445,741	80.6	18,063,274	2,244,882	12.4	1,147,883	17.4	2,360,769	13.1	9,822,513	54.4	487,227	2.7
1919	151	1,925,000	9.9	1,887,336	9.7	304,233	1.6	9,870	0.1	15,283,930	78.4	19,537,875	2,924,867	15.0	2,937,505	15.4	2,671,422	13.7	10,343,259	52.8	600,827	3.1
1920	155	2,030,000	9.5	2,306,267	10.8	175,000	0.8	8,160	0.1	16,718,543	78.2	21,384,277	3,201,281	15.0	2,947,063	13.8	4,627,640	21.6	10,123,118	47.4	479,175	2.1
1921	156	2,115,000	9.3	2,724,028	12.0	225,000	1.0	8,160	0.1	17,421,130	77.0	22,607,517	3,854,296	17.0	4,377,341	19.3	4,580,801	20.2	9,268,147	40.9	526,932	2.3
1922	183	2,220,000	8.5	2,778,116	10.4	452,497	1.7	8,160	0.1	21,333,322	79.6	26,913,802	4,469,544	16.6	5,588,750	24.4	4,548,993	16.9	10,550,598	39.3	755,919	2.8
1918	199	2,345,000	6.8	3,238,154	9.4	277,600	0.8	8,160	0.1	28,270,257	82.5	34,288,124	4,791,897	14.0	12,441,504	36.3	4,902,230	14.3	11,464,725	33.4	684,768	2.0
1919	222	2,460,000	5.8	4,365,871	10.3	523,280	1.2	159,790	0.4	34,825,774	82.3	42,334,715	6,318,733	14.9	12,976,920	30.6	6,587,810	15.5	15,491,489	36.7	959,763	2.3
1920	232	2,480,000	5.1	3,967,728	8.1	531,000	1.1	160,714	0.3	41,706,785	84.4	48,846,227	6,023,068	12.4	6,268,874	12.8	11,490,289	27.6	22,100,948	45.2	963,048	2.0
1921	232	2,480,000	4.9	3,043,190	6.0	499,881	1.0	8,160	0.1	44,645,678	88.1	50,829,353	4,814,158	9.5	7,994,909	15.6	15,381,689	30.4	21,578,454	42.2	1,060,143	2.1
1922	244	2,500,000	5.1	2,724,445	5.6	217,729	0.4	8,160	0.1	43,472,962	88.1	49,095,005	4,283,260	8.7	14,373,941	8.9	19,219,820	39.1	20,324,033	41.5	863,951	1.8
Weekly Averages April 1923.		2,535,000	5.3	2,540,000	5.3	206,000	0.4	8,160	0.1	42,985,000	89.0	48,266,000	3,825,000	7.9	3,695,000	7.7	19,258,000	39.9	20,641,000	42.7	847,000	1.8
* Undivided Profits.													+ Includes Treasury Bills.									

* Undivided Profits.

† Includes Treasury Bills.

NORTHERN BANKING COMPANY, LIMITED.

ESTABLISHED 1824.

1888—Absorbed Ball and Co., Dublin.

CAPITAL					Market Value.	PROFITS AND DIVIDENDS										Reserves, &c.	Carried Forward.
Subscribed.	Paid-up.	Callable.	Reserved.			Year Ended Aug. 31.	Net Profits.	Per Cent. of Resources.	Dividends Amount.	Rate.							
£	£	£	£	£	£												
3,000,000	600,000	600,000	1,800,000	1,138,286		1911	62,920	0.96	51,000	12.2	21,931	18,381					
						1912	65,108	0.95	51,000	12.2	21,931	18,381					
						1913	70,753	1.05	51,000	12.2	21,931	18,381					
						1914	75,388	1.00	51,000	12.2	21,931	18,381					
						1915	78,342	0.94	49,701	13	26,299	20,106					
						1916	75,545	0.83	44,153	13	31,230	20,269					
						1917	81,420	0.81	41,435	13	36,318	23,935					
						1918	90,399	0.67	43,856	14.4	43,108	27,370					
						1919	94,433	0.57	48,344	16.2	30,920	42,538					
						1920	146,764	0.68	61,417	17.3	80,781	47,104					
						1921	134,099	0.67	64,317	17.3	29,429	87,457					
						1922	238,682	1.26	66,190	17.3	209,907	50,043					
Authorised note issue, £243,440.																	

* Free of income-tax.

Year Ended Aug. 31.	Number of Branches.*	LIABILITIES.										ASSETS.																	
		Capital and Reserves.		Per Cent.	Undivided Profits Carried Forward.	Per Cent.	Notes.	Per Cent.	Staff Funds.	Per Cent.	Deposit and Current Accounts, &c.	Per Cent.	Total Liabili- ties or Assets.	Cash in Hand and at Bankers.		Per Cent.	Invest- ments.	Discounts and Advances.		Per Cent.	Premises.								
		Per Cent.	Per Cent.											Per Cent.	Per Cent.			Per Cent.	Per Cent.		Per Cent.	Per Cent.							
1895....	51	£	690,000	15.2	£	16,726	0.3	£	512,387	11.3	£	21,960	0.5	£	3,298,911	72.7	£	4,539,984	802,853	17.7	£	969,931	21.3	£	2,652,200	58.4	£	125,000	2.7
1900....	53	800,000	15.0	25,040	0.5	570,501	11.4	32,970	0.7	3,573,533	71.4	5,002,044	823,212	16.4	1,086,685	21.7	2,997,147	60.0	95,000	1.9									
1905....	55	800,000	14.7	27,000	0.5	500,178	9.2	48,631	0.9	4,069,228	74.7	5,445,037	846,784	15.6	1,296,730	23.8	3,191,523	58.6	110,000	2.0									
1906....	57	800,000	14.3	21,882	0.3	548,108	9.8	51,153	0.9	4,195,765	74.7	5,616,908	916,546	16.3	1,421,493	25.3	3,168,869	56.4	108,000	2.0									
1907....	57	800,000	13.7	15,969	0.3	572,790	9.8	53,210	0.9	4,400,253	75.3	5,842,247	751,044	12.8	1,535,973	26.3	3,444,250	58.9	111,000	2.0									
1908....	58	800,000	13.3	18,101	0.3	525,936	8.7	56,334	0.9	4,616,531	76.7	6,015,902	902,794	15.0	1,591,243	26.5	3,413,866	56.7	108,000	1.9									
1909....	59	800,000	13.0	23,639	0.4	552,112	9.0	57,701	0.9	4,700,724	76.6	6,134,176	871,199	14.2	1,741,312	28.4	3,417,665	55.7	134,000	1.7									
1910....	59	805,000	12.7	28,392	0.4	624,994	9.9	59,575	0.9	4,834,552	76.1	6,352,463	1,021,963	16.1	1,750,186	27.6	3,477,314	54.7	103,000	1.6									
1911....	60	805,000	12.2	18,381	0.3	621,279	9.4	62,413	0.9	5,053,697	77.0	6,560,770	994,475	15.2	1,951,615	29.7	3,511,680	53.5	103,000	1.6									
1912....	62	820,000	12.0	15,732	0.2	634,501	9.3	64,299	0.9	5,320,180	77.6	6,854,708	1,061,799	15.5	2,053,972	30.0	3,629,937	52.9	109,000	1.6									
1913....	62	840,000	11.4	14,052	0.2	637,023	10.1	65,996	0.9	5,687,238	77.4	7,344,308	1,233,891	16.8	2,047,968	27.9	3,949,449	53.8	113,000	1.5									
1914....	62	860,000	11.4	17,763	0.2	828,334	10.9	70,206	0.9	5,811,803	76.6	7,588,166	1,666,413	22.0	2,036,586	26.8	3,701,167	49.7	115,000	1.5									
1915....	62	885,000	10.6	20,106	0.2	996,826	11.1	71,808	0.9	6,184,633	77.2	8,322,373	1,431,627	17.2	2,421,139	31.1	3,564,607	40.3	115,000	1.4									
1916....	62	915,000	10.1	20,268	0.2	1,258,942	13.7	73,588	0.8	6,875,169	75.2	9,142,944	1,847,653	20.2	4,083,573	44.7	3,096,738	35.8	115,000	1.4									
1917....	73	945,000	9.4	23,935	0.2	1,355,851	13.6	75,453	0.7	7,610,176	76.6	10,040,416	2,385,099	23.8	3,258,338	32.6	4,253,990	42.5	112,000	1.1									
1918....	75	985,000	8.5	42,538	0.3	2,043,604	16.1	79,470	0.7	10,341,665	78.1	12,997,049	3,039,796	23.5	4,120,493	45.5	4,120,493	45.5	122,000	0.9									
1919....	82	1,080,000	5.0	47,104	0.2	2,572,945	12.0	88,627	0.4	17,675,181	82.4	21,663,857	3,570,428	21.4	6,819,033	40.9	6,176,578	36.9	130,000	0.8									
1921....	84	1,100,000	5.5	47,857	0.4	1,794,866	9.0	52,204	0.3	16,843,909	84.8	19,878,436	3,255,447	16.4	4,390,432	22.1	11,673,121	58.7	159,436	2.8									
1922....	86	1,200,000	6.4	50,043	0.3	1,643,266	8.7	53,553	0.3	15,864,697	84.3	18,811,560	2,247,027	11.9	5,786,527	30.6	10,412,748	55.6	165,258	1.9									

PROVINCIAL BANK OF IRELAND, LIMITED—Continued from page 1102.

Year Ended Dec. 31	Number of Branches	LIABILITIES.						Total Liabilities or Assets.	ASSETS.					
		Capital and Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Notes.	Per Cent.		Cash in Hand and at Bank.	Per Cent.	Cash at Call and Short Notice.	Per Cent.	Invest- ments.	Per Cent.
1890	57	714,000	12.5	33,154	0.6	850,406	14.8	4,138,053	72.1	5,735,613	474,367	8.3	776,109	13.5
1895	61	765,000	12.7	35,172	0.5	739,770	12.2	4,509,153	74.6	6,049,095	486,913	8.1	802,543	13.3
1900	70	848,000	13.2	45,160	0.7	779,844	12.1	4,742,902	74.0	6,415,905	472,754	7.4	915,000	14.2
1905	74	905,000	13.6	45,572	0.7	700,524	10.7	4,928,910	75.0	6,580,006	349,104	5.3	525,000	8.0
1910	84	905,000	12.3	46,923	0.7	737,628	10.1	5,608,973	77.0	7,293,024	358,470	5.0	529,062	7.2
1911	86	910,000	12.2	46,177	0.6	708,871	9.5	5,807,197	77.7	7,479,955	400,893	5.4	510,000	6.8
1912	88	915,000	11.9	45,079	0.6	718,852	9.3	6,031,978	78.2	7,710,909	447,460	5.8	510,000	6.8
1913	88	915,000	11.1	45,658	0.6	790,530	9.7	6,427,172	78.6	8,163,360	680,546	8.3	475,000	6.2
1914	90	915,000	10.3	51,629	0.6	1,151,927	13.0	6,752,422	76.1	8,870,978	1,045,881	11.8	439,900	5.8
1915	90	915,000	9.8	40,359	0.4	1,655,355	17.7	6,757,577	72.1	9,368,251	1,205,704	12.9	791,600	8.5
1916	90	870,000	8.7	40,653	0.4	1,638,755	16.4	7,467,207	74.5	10,006,615	1,365,756	13.6	833,000	8.3
1917	109	915,000	7.7	44,301	0.4	1,717,577	14.5	9,168,958	77.4	11,845,836	1,435,938	12.3	622,500	5.3
1918	114	955,000	6.3	43,243	0.3	2,264,951	15.0	11,816,699	78.4	15,079,893	2,120,873	14.0	945,270	6.3
1919	120	975,000	5.4	41,340	0.2	2,305,557	12.8	14,802,721	81.6	18,124,618	2,314,460	12.7	1,105,000	6.1
1920	129	990,000	4.9	50,295	0.2	2,058,690	10.2	17,110,155	84.7	20,805,140	2,122,742	10.5	1,560,000	7.7
1921	131	1,045,000	4.8	74,777	0.4	1,958,622	9.3	17,890,594	85.5	20,928,583	1,988,272	9.5	1,085,000	5.2
1922	131	1,040,000	5.0	69,628	0.3	1,970,332	9.5	17,570,430	85.2	20,650,290	1,896,733	7.9	1,070,000	5.2

ROYAL BANK OF IRELAND.

ESTABLISHED 1836.

Year Ended Aug. 31	CAPITAL.				Market Value.	Year Ended Aug. 31.	Net Profit.	PROFITS AND DIVIDENDS.			Reserves, £.	Carried Forward
	Subscribed.	Paid-up.	Callable.	Reserved.				Per Cent. Resources.	Dividends. Amount.	Rate. %		
1890	1,500,000	300,000	300,000	900,000	360,000	1910	36,120	1.33	36,000	1.50	13,065	13,065
1911	36,257	1.47	31,075	1.1	5,000	1911	36,257	1.47	31,075	1.1	5,000	13,237
1912	37,149	1.50	29,662	1.04	7,500	1912	37,149	1.50	29,662	1.04	7,500	13,224
1913	39,201	1.58	28,250	1.0	11,000	1913	39,201	1.58	28,250	1.0	11,000	13,176
1914	38,038	1.47	28,188	1.0	10,000	1914	38,038	1.47	28,188	1.0	10,000	13,026
1915	43,187	1.55	26,750	1.0	15,000	1915	43,187	1.55	26,750	1.0	15,000	13,463
1916	37,576	1.46	23,875	1.0	14,000	1916	37,576	1.46	23,875	1.0	14,000	13,164
1917	38,686	1.08	22,500	1.0	11,000	1917	38,686	1.08	22,500	1.0	11,000	8,350
1918	36,367	1.02	21,875	1.0	14,500	1918	36,367	1.02	21,875	1.0	14,500	8,342
1919	45,159	1.22	21,800	8	30,309	1919	45,159	1.22	21,800	8	30,309	6,393
1920	48,293	1.02	18,900	8	31,003	1920	48,293	1.02	18,900	8	31,003	6,383
1921	50,165	1.01	18,900	9	32,299	1921	50,165	1.01	18,900	9	32,299	5,849
1922	54,011	1.03	21,900	10	32,004	1922	54,011	1.03	21,900	10	32,004	5,966

Year Ended Aug. 31	Number of Branches	LIABILITIES.						Total Liabilities or Assets.	ASSETS.					
		Capital and Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Staff Fund.	Per Cent.		Cash in Hand and at Bank.	Per Cent.	Invest- ments.	Per Cent.	Bills Discounted.	Per Cent.
1890	7	500,000	21.6	34,165	1.5	11,707	0.5	17,738	0.8	1,754,659	75.6	2,314,269	187,371	8.0
1895	7	500,000	20.4	31,725	1.3	16,162	0.7	12,820	0.5	1,898,264	77.1	2,548,971	328,151	13.3
1900	7	500,000	19.8	40,776	1.6	22,539	0.9	30,264	1.2	1,938,143	76.5	2,531,722	801,536	8.0
1905	10	500,000	20.5	33,742	1.4	28,866	1.2	9,465	0.4	1,869,156	76.5	2,441,229	149,338	6.1
1910	11	500,000	21.2	32,555	1.4	31,843	1.4	10,028	0.4	1,781,988	75.6	2,356,414	185,793	7.9
1911	11	511,000	20.0	38,301	1.5	29,024	1.1	3,584	0.2	1,972,768	77.3	2,584,472	202,833	7.9
1912	12	531,000	20.4	37,089	1.4	27,861	1.1	4,854	0.2	1,993,668	77.3	2,584,472	202,833	7.9
1913	12	531,000	19.6	41,713	1.5	25,151	0.9	5,305	0.2	2,111,600	77.8	2,714,769	131,185	4.8
1914	12	400,000	15.5	38,601	1.5	23,794	0.9	9,048	0.4	2,104,003	81.7	2,575,446	263,974	10.2
1915	12	412,500	15.0	33,100	1.2	22,611	0.8	6,062	0.2	2,190,398	82.3	2,664,671	319,912	12.0
1916	12	422,500	12.0	33,467	0.9	20,532	0.6	...	...	3,066,361	86.5	3,539,860	517,883	14.6
1917	12	363,000	9.7	14,793	0.4	23,560	0.6	...	...	3,338,435	89.3	3,739,788	278,793	7.5
1918	12	380,000	8.1	15,283	0.3	23,383	0.5	...	...	4,285,371	91.1	4,704,037	161,257	3.4
1919	12	400,000	8.1	16,349	0.3	22,845	0.5	...	...	4,510,214	91.1	4,549,409	299,989	6.0
1920	20	420,000	8.0	19,456	0.4	...	...	...	...	4,793,215	91.6	5,232,671	244,077	4.7

ULSTER BANK, LIMITED.

ESTABLISHED 1836.

Affiliated with London County and Westminster Bank, Limited, in October, 1917.

Year Ended Aug. 31	CAPITAL.				Year Ended Aug. 31.	Net Profit.	PROFITS AND DIVIDENDS.			Reserves, £.	Carried Forward
	Subscribed.	Paid-up.	Callable.	Reserved.			Per Cent. Resources.	Dividends. Amount.	Rate. %		
1911	115,975	1.10	100,000	15,500	1911	115,975	1.10	100,000	15,500	37,566	37,566
1912	116,641	1.10	100,000	16,641	1912	116,641	1.10	100,000	16,641	21,207	21,207
1913	121,943	1.06	100,000	21,943	1913	121,943	1.06	100,000	21,943	26,130	26,130
1914	122,940	0.96	100,000	22,940	1914	122,940	0.96	100,000	22,940	15,540	15,540
1915	130,484	0.95	95,589	34,895	1915	130,484	0.95	95,589	34,895	15,436	15,436
1916	134,083	0.87	84,891	49,192	1916	134,083	0.87	84,891	49,192	23,028	23,028
1917	135,181	0.74	79,688	55,493	1917	135,181	0.74	79,688	55,493	36,561	36,561
1918	206,359	0.93	96,147	110,212	1918	206,359	0.93	96,147	110,212	108,734	108,734
1919	174,816	0.62	74,375	100,441	1919	174,816	0.62	74,375	100,441	103,875	103,875
1920	210,306	0.71	74,375	135,931	1920	210,306	0.71	74,375	135,931	106,806	106,806
1921	195,581	0.70	74,375	121,206	1921	195,581	0.70	74,375	121,206	93,013	93,013
1922	190,245	0.72	77,861	112,384	1922	190,245	0.72	77,861	112,384	90,397	90,397

Year Ended Aug. 31	Number of Branches.	LIABILITIES.										Total Liabilities or Assets.	ASSETS.									
		Capital and Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Notes.	Per Cent.	Bills for Collec- tion.	Per Cent.	Deposit and Current Accounts.	Per Cent.		Cash in Hand and at Bankers.	Per Cent.	Invest- ments.	Per Cent.	Dis- counts, Advances and Short Loans.	Per Cent.	Premia.	Per Cent.		
1890	56	1,000,000	16.6	14,378	0.2	672,025	11.2	62,907	1.0	4,251,850	71.0	6,001,160	694,240	11.6	1,238,654	20.6	4,018,130	60.1	50,136	0.9		
1895	61	1,000,000	14.1	19,010	0.3	699,367	10.0	66,614	1.0	5,229,294	74.6	7,014,285	1,256,132	17.6	1,511,716	21.5	4,214,309	60.0	52,128	0.8		
1900	63	1,000,000	15.2	30,065	0.4	860,100	11.0	59,094	0.7	5,748,186	72.7	7,897,445	1,222,938	15.3	1,070,070	22.3	4,877,447	62.0	30,000	0.3		
1905	70	1,000,000	13.4	18,489	0.2	825,537	9.2	85,669	1.0	6,832,159	76.2	8,962,496	1,476,349	14.3	1,276,636	22.4	4,877,447	62.0				
1910	73	1,000,000	11.3	37,091	0.4	1,042,394	9.8	135,995	1.3	8,182,556	77.2	10,598,036	1,617,327	15.3	2,797,132	26.3	5,614,755	62.6				
1911	75	1,000,000	10.9	37,566	0.3	1,025,661	9.4	149,471	1.4	8,567,213	78.0	10,979,911	1,633,184	14.9	2,855,742	26.3	6,183,577	58.3				
1912	75	1,000,000	10.5	21,807	0.2	1,054,895	9.2	154,002	1.4	8,972,287	78.7	11,402,391	1,556,808	13.6	2,492,985	25.0	6,492,985	59.1				
1913	76	1,000,000	9.9	26,150	0.2	1,221,042	10.1	150,137	1.2	9,535,961	78.6	12,131,290	1,919,257	15.8	2,892,534	23.8	7,319,499	60.9				
1914	78	1,000,000	9.5	15,541	0.1	1,306,488	10.3	141,635	1.1	9,829,187	79.0	12,612,853	2,583,904	20.3	2,883,892	23.0	7,165,057	56.4				
1915	79	1,000,000	8.8	15,436	0.1	1,709,803	12.5	148,583	1.0	10,553,480	79.6	13,627,302	2,758,126	20.1	4,897,599	36.0	5,971,577	43.9				
1916	80	1,000,000	7.8	23,028	0.2	2,417,187	15.7	194,858	1.3	11,544,114	75.0	15,379,187	3,706,594	24.1	4,684,752	30.2	5,187,511	33.6				
1917	83	1,000,000	7.0	36,562	0.2	2,883,831	16.6	175,421	1.2	12,777,151	75.2	17,172,965	4,173,029	24.3	6,524,383	38.0	6,475,553	37.7				
Feb. 30, 1918	98	1,000,000	4.9	108,734	0.4	4,804,918	19.9	171,273	0.8	17,892,704	74.0	24,177,638	6,322,771	25.7	11,933,541	46.1	6,821,161	28.2				
1919	106	1,000,000	4.2	103,875	0.4	4,492,374	15.8	138,658	0.5	22,823,850	79.1	26,447,957	6,324,530	24.0	11,974,698	44.0	10,244,785	36.0				
1920	112	1,000,000	4.0	106,806	0.4	3,530,334	11.9	104,125	0.4	24,800,893	83.3	29,742,168	5,577,857	18.7	10,946,765	34.5	10,244,785	36.0				
1921	113	1,000,000	4.3	93,013	0.3	2,075,418	7.5	99,736	0.4	24,287,432	87.5	27,755,598	3,660,175	13.2	9,736,765	35.1	11,416,887	46.3	135,042	0.5		
1922	114	1,000,000	4.5	90,397	0.3	2,068,182	7.9	81,724	0.3	23,039,108	87.0	26,499,411	2,877,133	10.9	11,979,153	45.0	11,454,631	46.3	189,691	0.7		

LATEST BALANCE-SHEETS OF COLONIAL AND FOREIGN BANKS HAVING LONDON OFFICES.

(1) COLONIAL BANKS.

AFRICAN BANKS.

ANGLO-EGYPTIAN BANK, LIMITED.

The report presented at the meeting, held on November 28, 1922, states that the gross profits for the year ended August 31st last, including adjustment of taxation, and after making full provision for all bad and doubtful debts, are £436,576, and deducting the expenses, amounting to £316,877, there remains a balance of £119,699 net profit for the year. To this amount must be added £52,304, the balance carried forward on the August 31, 1921, making £172,003, which the directors propose shall be dealt with in the following manner:—Contribution to staff provident fund, £7,270; interim dividend of 5s per share paid, free of income-tax, June 1st, £30,000; dividend of 10s per share, free of income-tax, to be paid on December 1st, making, with interim dividend 15 per cent. for the year, £60,000; written off premises account, £22,000; balance carried forward, £52,733—£172,003.

BALANCE-SHEET—August 31, 1922.

LIABILITIES.	£	ASSETS.	£
Capital—120,000 shares of £15 per share, £5 per share paid up.....	800,000	Cash in London, at branches, in transit, and at call.....	1,758,619
Reserve fund.....	720,000	British Government securities at cost or under.....	3,459,710
Provision reserve fund.....	112,508	Other investments at market price.....	237,579
Bills payable.....	355,184	Advances and other accounts receivable.....	4,866,288
Acceptances for account of clients, per contra.....	198,752	Liabilities of clients for acceptances, per contra.....	198,752
Deposits, current, and other accounts, including contingency account.....	10,853,975	Bills receivable.....	1,985,748
Balance of profit and loss.....	120,003	Freehold and leasehold premises.....	254,026
Liability on bills of exchange rediscounted, £26,548 11s 8d.....			
	12,760,722		12,760,722

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Interim dividend at 5s per share paid, free of income-tax, June 1, 1922.....	30,000	Balance brought forward from August 31, 1921.....	52,304
Written off premises account.....	22,000	Gross profits for the year ending August 31, 1922, after making full provision for all bad and doubtful debts and taxation, £436,576; less expenses in London and at the branches, £316,877.....	119,699
Balance, proposed to be dealt with as follows:—Dividend of 10s per share, free of income-tax, to be paid December 1st, making with the interim dividend 15 per cent. for the year, £60,000; staff provident fund, £7,270; balance carried forward, £52,733.....	120,003		
	172,003		172,003

BANK OF BRITISH WEST AFRICA, LIMITED.

BALANCE-SHEET—March 31, 1922.

LIABILITIES.	£	ASSETS.	£
Capital—300,000 shares of £10 each, on which £4 per share has been paid up.....	1,200,000	Cash in hand and at bankers, including branches and agencies, £2,551,276; cash in transit, £48,666.....	2,602,942
Reserve.....	400,000	Investments—Government securities, £1,092,688; other securities, £24,657; West Africa Buildings Co., Ltd. (50,000 shares of £1 each, fully paid) £50,000.....	1,167,345
Current, deposit, and other accounts.....	7,602,564	Bills of exchange—Treasury bills, £485,000; other bills, £2,739,947.....	3,279,947
Drafts issued.....	563,484	Loans, advances, and other accounts.....	2,401,151
Bills for collection.....	1,814,839	Bills for collection, contra.....	1,814,839
Rebate on bills.....	11,021	Liability of customers for acceptances.....	632,786
Liability on acceptances for customers.....	632,786	Premises and furniture.....	395,820
Final dividend, payable 14th July, 1922.....	36,000		
Balance of profit carried forward.....	34,116		
Liability on bills rediscounted £397,367, of which £349,914 have run off. Outstanding forward exchange contracts for purchase and sale of foreign exchange, £3,235,676, of which £5,026,868 have run off.....	12,294,810		12,294,810

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Interim dividend paid 1st December, 1921, £36,000; final dividend payable 14th July, 1922, £36,000.....	72,000	Balance of undivided profit, 31st March, 1921.....	50,180
Transfer to contingency fund.....	50,000	Balance for the year ending 31st March, 1922.....	105,936
Balance carried forward.....	34,116		
	156,116		156,116

NATIONAL BANK OF EGYPT.

The report presented at the meeting, held in Cairo, on March 19th, states that the gross profit for the year ending December 31, 1922, after providing for depreciation on the bank's buildings and furniture, for rebate of discount and for bad and doubtful debts, amounts to £906,870. After deducting from this sum, for directors' fees, £11,937; for current expenses, £302,830; £404,770, there remains £502,094. In conformity with article 40 of the bank's statutes, a dividend of 4 per cent. is payable on the share capital, £120,000. After this statutory distribution there remains £382,094. Adding to this the balance brought forward from last year, £180,920, the amount available is £563,014. The directors consider it prudent to allocate to special reserve for contingencies a sum of £50,000, which leaves £513,014. From this amount the directors recommend the payment of an additional dividend of 11 per cent. on the share capital, which will absorb £330,000, and leave a balance to be carried forward of £183,014. The total dividend for the year will thus be at the rate of 15 per cent., equivalent to £1 10s per share. An interim dividend of 8s having been paid on September 4, 1922, the balance remaining to be distributed will be £1 2s per share.

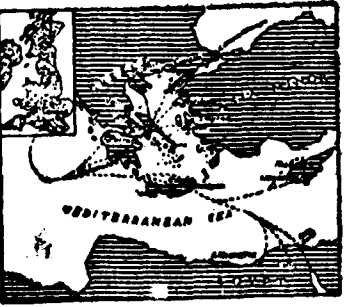
BALANCE-SHEET—December 31, 1922.

LIABILITIES.	£	ASSETS.	£
Share capital—300,000 fully paid shares of £10 each.....	3,000,000	Government securities and securities guaranteed by the Egyptian Government.....	11,571,821
Statutory reserve fund.....	1,500,000	Sundry securities.....	249,431
Special reserve.....	750,000	Advances on merchandise.....	2,814,811
Current, deposit, and other accounts.....	11,406,599	Advances on securities.....	2,111,689
Egyptian Government.....	8,177,074	Advances otherwise secured.....	367,597
Mixed tribunals.....	1,371,995	Sundry other advances.....	512,188
Bankers' accounts.....	541,307	Sudan Government.....	28,993
Cheques and bills payable.....	232,761	Bills of exchange.....	5,337,868
Rebate of discount on bills not yet due.....	20,394	Local bills discounted.....	94,725
Dividends unclaimed.....	11,108	Cheques receivable.....	283
Provision for payment of final dividend at the rate of 11 per cent. per annum.....	330,000	Buildings, furniture, &c.....	297,781
Profit and loss account balance.....	183,014	Money at call and at short notice.....	1,320,000
	27,524,252	Bankers' accounts.....	957,906
		Cash: Notes, £1,491,143; gold and silver coin, &c., £2,521,535.....	1,859,158
			27,524,252

There is a contingent liability in respect of bills rediscounted of £757,576. Under the heading "Bankers' accounts" is included £568,621, to credit with banks in Germany and Austria.

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ISSUE DEPARTMENT.

	£	£s
Notes issued	33,200,000	
Gold		3,339,573
* British Treasury bills		13,260,427
Securities—		
Egyptian Government securities and securities guaranteed by the Egyptian Government	420,912	
British Treasury bills and National War bonds	16,179,088	
	33,200,000	33,200,000

* By authority of the Egyptian Government these Treasury bills are deposited in lieu of gold

NATIONAL BANK OF SOUTH AFRICA, LIMITED.

BALANCE-SHEET—March 31, 1922.

LIABILITIES.	£	ASSETS.	£
Subscribed capital	2,965,000	Cash on hand and with bankers	8,842,825
296,500 shares of £10 each (fully paid)		Remittances in transit	2,107,715
Reserve fund	1,000,000	Native gold on hand and in transit	57,435
Notes in circulation	4,426,038	Money at call and short notice against securities	3,109,172
Deposits, current, and other accounts	41,502,969	British and Colonial Government and other securities (including stock lodged with the Government of the Union of South Africa), at or under market prices at March 31, 1922	4,387,398
Drifts issued on branches and agents, and acceptances outstanding at date	1,369,637	Bills of exchange purchased and current at this date	5,780,300
Rebate on bills not yet due	52,800	Bank premises and other properties in South Africa	853,934
Bills receivable on account of customers	10,114,138	Bills discounted, advances, &c.	25,909,994
Profit and loss account—balance, £193,425; less interim dividend paid December 30, 1921, £116,600	74,825	Bank furniture and fittings, stationery and stamps	343,296
		Bills for collection	10,114,138
	61,505,507		61,505,507

STANDARD BANK OF SOUTH AFRICA, LIMITED.

BALANCE-SHEET—September 30, 1922.

LIABILITIES.	£	ASSETS.	£
Capital subscribed, 445,833 shares of £20 each, called up 85 per share	2,229,165	Cash in hand and with bankers (including deposit of £2,469,227 with South African Reserve Bank in terms of the Union of South Africa "Currency and Banking Act, 1920")	3,145,000
Reserve fund	2,893,335	Remittances in transit	1,290,345
Notes in circulation	1,236,436	Native gold in hand and in transit	303,052
Deposits, current, and other accounts, including profit and loss account, and provision for contingencies	50,947,024	* Investments—	
Drifts outstanding, acceptances under credits, and bills of exchange re-discounted	1,243,461	British Government securities, Colonial Government, municipal, and other securities (including deposits of stock with the Union Government), £4,569,638; Bank of British West Africa, Ltd., 33,334 £10 shares, £4 paid, £145,836; South African Reserve Bank stock, £115,000 fully paid, £115,000	4,830,474
Customers' bills for collection, per contra	7,350,083	Bills of exchange purchased and current at this date	4,688,153
		Bills discounted, advances to customers, and other accounts	36,336,515
		Customers' bills for collection, per contra	7,350,083
		Bank property and premises (including furniture and fittings) at cost, less amounts written off	1,028,982
		Stamps, stationery, and open policies	33,054
	65,899,504		65,899,504

* These investments, standing at or under cost, are taken below market values as at September 30, 1922.

NETHERLANDS BANK OF SOUTH AFRICA.

BALANCE-SHEET—December 31, 1921.

LIABILITIES.	£	ASSETS.	£
Capital—12,500 shares at £60 each—£750,000—of which have been issued 4,000 shares fully paid	240,000	Cash in hand and with bankers	215,591
Reserve fund	44,990	Balance with South African Reserve Bank	102,033
Special reserve fund	5,000	Investments and securities	266,490
Notes in circulation	72,671	Remittances in transit	25,201
Current accounts & deposits, acceptances, and other liabilities	1,119,296	Bills discounted & purchased, loans, advances, &c.	863,704
Bills held for collection	206,880	Properties in South Africa	2,191
Pension fund	10,871	Bank premises	37,701
Profit and loss account, balance	24,888	Safe deposit, furniture, and stationery	3,896
	1,724,596	Bills held for collection, per contra	206,880
		Investments for pension fund	909
			1,724,596

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Expenditure, including rent, taxes, salaries, and all other expenses at head office and branches	73,408	Gross profits, after deducting interest on fixed deposits, rebate on bills not yet due, depreciation on bank premises and furniture, and providing for bad and doubtful debts	98,296
Reserve for taxes	2,500		
Pension fund	10,000		
Dividend	9,600		
Balance carried forward to next account	2,788		
	98,296		98,296

AUSTRALASIAN BANKS.

AUSTRALIAN BANK OF COMMERCE, LIMITED.

The accounts for the year ended June 30, 1922, show the following results:—The balance of profit and loss for the year, after making full provision for all bad and doubtful debts, deducting rebate on current bills, and expenses of management, directors' and auditors' fees, interest on fixed deposits, rates, &c., amounts to £235,007; less graduated land and income taxes for the year, £45,001; £190,846; from which deduct interest paid on inscribed deposits, £53,650; profit for the year, £137,196. From this amount the following appropriations have been made: Transfer to reserve fund, £40,000; transfer in reduction of bank premises account, £10,000—£50,000. Out of the taxable portion an interim half-yearly dividend at the rate of 7 per cent. per annum was paid in January last, absorbing £42,000, and a final half-yearly dividend at the rate of 7 per cent. per annum is now recommended, amounting to £42,000. £84,000; £134,000; balance, £3,196; brought forward from last year, £30,301; leaving to be carried forward £33,587.

BALANCE-SHEET—June 30, 1922.

LIABILITIES.	£	ASSETS.	£
Capital subscribed and paid up 1,200,000		Coin and bullion	728,880
Reserve fund	290,000	Australian notes	656,016
Inscribed deposits	1,350,507	Cash at London bankers and at short call in London	568,493
Customers' deposits and other liabilities	9,202,501	government and municipal securities	431,455
Government deposits	200,610	Balances due by other banks	246,890
Bills in circulation and other amounts payable	883,791	Bills receivable in London and remittances in transit	1,814,867
Balances due to other banks	86,798	Advances against War Loan and under Government guarantee	195,072
Profit and loss account: Balance, £45,196; brought forward from June 30, 1921, £30,391	75,587	Bills discounted, loans, advances, all other debts due to the bank, and other assets, including provision, £15,000 in terms of clause 163 of the bank's articles of association	8,172,958
Contingent liabilities, consisting of letters of credit, &c., for which customers are responsible to the bank, £808,044		Bank premises, £475,163; less appropriation from profits	465,163
	13,269,794		13,269,794

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AT 31st DECEMBER, 1922:

Savings Bank balances	£39,494,117
General Bank balances	30,438,877
Note Issue Department	51,971,432
Other Items	4,534,291
Total	£126,438,717

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BANK OF ADELAIDE.

The report shows that the balance of profit and loss for the year ended March 27, 1922 (including the balance brought forward from previous year, £22,179), amounts to £114,812; out of which an interim dividend at the rate of 10 per cent. per annum was paid in November last, £31,250; leaving available £83,562, from which it is proposed to pay a dividend at the rate of 10 per cent. per annum, £31,250; to transfer to reserve fund, £30,000—£61,250; leaving a balance to carry forward of £22,312.

BALANCE-SHEET—March 27, 1922.

LIABILITIES.	£	ASSETS.	£
Capital paid up	625,000	Specie, bullion, and cash balances	290,005
Reserve fund	620,000	Australian notes	1,130,789
Profit and loss	83,562	Government debentures	531,759
Notes in circulation	7,216	Imperial Government Treasury bills	1,380,000
Bills in circulation	143,255	Municipal debentures	900
Balance due to other banks	124,510	Money at short call	260,000
Deposits	6,545,112	Balance due from other banks	121,959
Interest accrued on fixed deposits and rebate on bills discounted	83,167	Notes of other banks	900
		Remittances in transit	370,817
		Bank premises and furniture	153,114
		Bills receivable and all other advances	3,991,579
			8,231,822

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Reserve fund	20,000	Balance, March 28, 1921	73,428
Dividend in May, 1921	31,250	Net profit, including recoveries, and after making provision for bad and doubtful debts, reduction of bank premises, interest accrued on fixed deposits and rebate on bills discounted, and deducting expenses at head office and 53 branches, including salaries, rents, taxes, &c.	92,634
Dividend in November, 1921	31,250		
Balance	83,562		
			166,062

BANK OF AUSTRALASIA.

The profit account from October 11, 1921, to October 16, 1922, shows:—Balance brought forward from October, 1921, £121,763; profit for the year to October 16, 1922, after deducting rebate on bills current at balance date (£4,448 19s), and making provision for all bad and doubtful debts, and for other contingencies and for a bonus to the staff, £1,520,467; less (i.) charges of management—Australia: Salaries and allowances to the staff, including the superintendent's department, and 205 branches and agencies, £394,079; general expenses, including rent, repairs, stationery, travelling, &c., £94,551; London: Salaries, £31,835; general expenses, £12,284—£532,749; (ii.) rates and taxes—Australasia, £178,389; London, £180,224—£367,613—£900,362; total amount of net profit for the year to October 16, 1922, £620,105—£741,869; from which deduct dividend and bonus paid October 6, 1922, £260,000; transferred to dividend and bonus account, payable March 23, 1923, £260,000; transferred to reserve fund, £100,000—£620,000; balance carried forward per balance-sheet, £121,869.

BALANCE-SHEET—October 16, 1922.

LIABILITIES.	£	ASSETS.	£
Circulation	344,085	Specie, bullion, Government notes, and cash balances	6,456,892
Deposits	25,661,481	Loans at call and at short notice, including provision for contingencies	1,821,000
Bills payable, and other liabilities, including provision for contingencies	3,668,379	British Government securities	1,813,042
Capital £4,000,000; reserve fund, £3,525,000; dividend and bonus payable, March 23, 1923, £260,000; profit account balance, £121,869	7,906,869	Government securities of Australasia and other investments	626,136
		Bills receivable and remittances in transit	3,838,978
		Advances on securities, and other assets	23,006,710
		Bank premises in Australia, New Zealand, and London	18,066
			37,580,814

BANK OF NEW SOUTH WALES.

The report states that the net profits for the half-year ended September 30th last, after deducting rebate on current bills, interest on deposits, paying income, land and other taxes, amounting to £140,145 (making in all £292,130 for the year), reducing valuation of bank premises, providing for bad and doubtful debts and fluctuations in the value of investment securities, and including recoveries from debts previously written off as bad, amount to £338,014; to which is added undivided balance from last half-year, £160,133—£499,047. An interim dividend at the rate of 10 per cent. per annum for the quarter ended June 30th last was paid on August 25th, out of the half-year's profits in terms of clause cv. of deed of settlement, £125,000; leaving a balance of £374,047, which the directors recommend to be dealt with as follows:—To payment of a quarter's dividend to September 30, 1922, at the rate of 10 per cent. per annum out of the half-year's profits, £140,609; to augmentation of the reserve fund, £75,000; to balance carried forward, £152,438—£374,047.

BALANCE-SHEET—September 30, 1922.

LIABILITIES.	£	ASSETS.	£
Notes in circulation	565,048	Coin, bullion, Government legal tender notes and cash at bank	13,111,148
Deposits, including interest and rebate	50,559,271	Notes of other banks	81,824
Bills payable and other liabilities (which include reserves held for doubtful debts, amount at credit of investment fluctuation account, and amounts due to other banks)	9,248,640	Money at short call in London	1,870,000
Paid-up capital bearing 6 months' div., £5,000,000; 3 months' div., £864,360	5,864,360	Short-dated British Treasury Bills	2,325,000
Reserve fund	3,600,000	Investments—	
Profit and loss, £499,047; less interim dividend to June 30, 1922, £125,000	374,047	British and Colonial Government securities	8,152,684
Contingent liabilities—		Municipal and other securities	564,634
Outstanding credits, as per contra	2,914,382	Due by other banks	671,088
		Bills receivable in London and remittances in transit	4,788,993
		Advances under Government War gratuities scheme	921,700
		War Loan advances (Australia and New Zealand)	80,140
		Bills discounted, and loans and advances to customers	36,852,155
		Bank premises	800,000
		Liabilities of customers and others on letters of credit, as per contra	2,914,382
			73,125,748

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Condensed Statement March 27, 1923.

RESOURCES.	LIABILITIES.
Stockholders' Uncalled Liability	Subscribed Capital and Surplus
Ca-h on hand and Due from Banks	Capital paid in
Acceptances of other Banks	Undivided Profits
U.S. Government Securities	Reserve for Taxes, etc.
Collateral Loans	Due to Banks and Customers
Other Loans and Advances	Acceptances Outstanding (less held in portfolio \$1,038,629.28)
Customers' Liability	Letters of Credit
Acceptances (less Anticipations \$2,352,169.70)	
Customers' Liability under Letters of Credit	
Total	Total

International Financing, Commercial Credits, Foreign Exchange, Collections, Securities, Bullion.

DIRECTORS

PAUL M. WARBURG *Chairman of the Board*DANIEL G. WING
Pres. First National Bank of BostonROBERT F. HERRICK
Herrick, Smith, Donald & Farley, BostonPHILIP STOCKTON
Pres. Old Colony Trust Co., BostonF. ABBOT GOODHUE
PresidentL. NACHMANN
Vice PresidentCHAS. A. STONE
American International Corporation, New YorkNEWCOMB CARLTON
Pres. W. U. Telegraph Co., N.Y.JOHN T. PRATT
New YorkHENRY TATNALL
Vice President Pennsylvania Railroad Co., PhiladelphiaEMORY W. CLARK
Pres. First National Bank in DetroitLAWRENCE H. SHEARMAN
W. R. Grace & Co., New YorkFELIX M. WARBURG
Kuhn, Loeb & Co., New YorkWALTER E. FREW
Pres. Corn Exchange Bank, New YorkWILLIAM SKINNER
William Skinner & Sons, New YorkTHOS. H. WEST, JR.
President Rhode Island Hospital Trust Co. Providence, R.I.H. C. SONNE
Huth & Co., New York

IMPERIAL OTTOMAN BANK

Founded 1863.

Capital - £10,000,000. Paid-up - £5,000,000.
Reserve - £1,250,000.

GENERAL COMMITTEE:

LONDON.
THE VISCOUNT GOSCHEN, C.B.E.
E. W. H. BARRY.
THE EARL OF BESSBOROUGH C.M.G.
THE EARL OF CHICHESTER, O.B.E.
SIR W. GUY GRANET
SIR JOHN P. HEWITT, G.C.S.I., K.B.E.
C.I.E., M.P.The Lord HILLINGDON.
General the HON. SIR HERBERT A. LAWRENCE, K.C.B.
The Lord ORANMORE & BROWNE, K.P., P.C.
Lieut.-Col. SIR ALBERT STERN, K.B.E., C.M.G.PARIS.
LE BARON DE NEUFVILLE, C.V.O.
JEAN BOISSONNAS.
CHARLES DE CERJAT.
HORACE FINLAY.
GEORGES HEINE.ARSENE HENRI, G.C.V.O.
LE BARON HENRI HOTTINGUER.
RAOUL MALLE.
LE COMTE FREDERIC PILLET-WILL.
FELIX VERNES.

London Office: 26, THROGMORTON STREET, E.C.2.

Manager: E. W. H. Barry. Assistant Manager and Secretary: C. E. L. Corthorn.
Assistant Manager and Deputy Secretary: R. S. C. Pearce. Assistant Manager: W. P. Sheppard.MANCHESTER:
56-60, Cross Street.PARIS:
7, Rue Meyerbeer.MARSEILLES:
41-43, Rue Grignan.

CONSTANTINOPLE (Galata, Pera & Stamboul).

EGYPT.
Alexandria.
Cairo.
Mansourah.
Minieh.
Port Said.PALESTINE.
Jerusalem.
Jaffa.
Cairo.
Mansourah.
Bethlehem.
Nablous.CYPRUS.
Famagusta.
Larnaca.
Limassol.
Nicosia.
Paphos.PERSIA.
Teheran.
Hamadan.
Kermanshah.MESOPOTAMIA.
Ashar.
Bagdad.
Bassorah.
Mossoul.

SALONICA.

SMYRNA.

TUNIS.

(Banque de Syrie—Affiliated Bank.)

Aleppo.
Alexandretta.
Beyrout.
Damascus.
Hamah.
Homs.
Latakia.Saida.
Tripoli.
Zahle.The Bank has its own Branches or Agents in every important commercial town in the Near East.
Drafts and Telegraphic Transfers issued. Letters of Credit granted.
Exchange and Merchandise operations effected.UNITED KINGDOM
PROVIDENT INSTITUTION
FUNDS OVER £11,000,000

Chairman: The Rt. Hon. WALTER RUNCIMAN

TRIENNIAL BONUSES

ALL WITH-PROFIT POLICIES
effected during the current year will share in the division of surplus to be made as at

31st DECEMBER NEXT

196, STRAND, LONDON, W.C.2

BANK OF NEW ZEALAND.

The report for the year ended March 31st last states that the profits, after providing for expenses of management, all bad and doubtful debts, and other contingencies, and after making provision for the annual donation to the provident fund, for special grant to increase pension benefits, also for bonus to staff, are £703,242. From this has to be deducted interest on guaranteed stock, £21,199—£682,043. Of this sum the directors have allocated in reduction of bank premises and furniture, £50,000; leaving balance of profit for the year £632,043, to which has to be added balance brought forward from last year, £361,276—£993,319, from which there has been paid:—Dividend on preference "A" shares, £50,000; interim dividend on preference "B" shares, £21,875; interim dividend on ordinary shares, £131,250—£203,125; leaving available for distribution £790,194. This the directors propose should be disposed of as follows:—Dividend on preference "B" shares, making £62,500 for the year, equal to 2s per share, £40,625; dividend on ordinary shares, making £300,000 for the year, equal to 2s 8d per share, £168,750; transfer to reserve fund (making reserve fund £1,675,000), £150,000; leaving balance to be carried forward £430,819—£790,194.

BALANCE-SHEET—March 31, 1921.

LIABILITIES.	£	ASSETS.	£
Capital—		Coin, cash balances and	
Four per cent. guaranteed		deposits with bankers	7,427,410
stock	529,989	Government notes—Com-	
Preference "A" fully paid		monwealth, Fijian, and	
£1 shares, issued to the		Samoa Administration	105,944
New Zealand Government		Bullion on hand and in transit	2,858
Preference "B" fully paid	800,000	Money at call and short	
£1 shares, issued to the		notice, Government securi-	
New Zealand Government		ties, and other securities in	
Ordinary shares of £1 fully		London	4,105,403
paid	2,250,000	Bills receivable in London	
Reserve fund	1,525,000	and in transit	2,869,861
Notes in circulation	4,894,330	Investments in the	
Deposits	28,676,603	Dominion—	
Bills payable and other		New Zealand Government	
liabilities (including pro-		securities	3,128,152
vision for doubtful debts		Municipal securities	287,114
and for depreciation in in-		Australian Government	
vestment securities, also		securities	136,751
contingencies)	3,713,175	Bills discounted	1,471,430
Reserve for taxes	485,000	Other advances and secu-	
Balance of profit and loss	750,194	rities and debts due to the	
		bank	23,312,130
		Landed property, premises,	
		&c.	296,473
			43,330,191

BANK OF VICTORIA, LIMITED.

The report for the year ended June 30, 1922, shows:—Balance brought forward from June 30, 1921, £35,845; net profits for the past year, £179,930—£215,775; interim dividend at 9 per cent. for half-year July to December, 1921—preference shares, £18,754; ordinary shares, £47,756—£66,510; to officers' provident fund, £3,000—£69,510; balance, £146,265. The directors recommend that the remaining profits for the year be apportioned as follows:—To dividend on preference shares, at 9 per cent. per annum, for half-year ending June 30, 1922, £18,754; to dividend on ordinary shares, at 9 per cent. per annum, for half-year ending June 30, 1922, £47,756—£66,510; to reserve fund (making it £650,000), £50,000; to balance to be carried forward, £29,755—£146,265.

Australian Mutual Provident Society

Estab. (A.M.P.)

1849.

THE LARGEST BRITISH MUTUAL LIFE OFFICE.

SOME FIGURES from the SEVENTY-FOURTH ANNUAL REPORT, sent 31st DECEMBER, 1922

ORDINARY DEPARTMENT.

NET NEW BUSINESS.—25,106 Policies Assuring £10,767,776, with Annual Premiums of £336,580.
DEATH CLAIMS.—£1,414,833, including Bonus Additions of £461,914. This is only 53 per cent. of the "Expected."
MATURITY CLAIMS.—£1,152,395 including Bonus Additions of £315,475.
ACCUMULATED FUNDS (including Industrial) have increased by £2,736,997 and amount to £49,448,175.
WAR AND REPATRIATION LOAN SUBSCRIPTIONS total over £13,660,000.
THE DIVISIBLE SURPLUS (after strengthening the Reserves by the application of £175,000) is £1,756,738, which represents a return of 47.3 per cent. of the premiums received under participating policies. The corresponding Reversionary Additions amount to about £3,000,000.
THE VALUATION (on a Pure Premium Basis) has been made at 3 per cent.
THE EFFECTIVE RATE OF INTEREST (after deducting Income Tax) was £5 7s 3d per cent. There is therefore an Interest Margin of nearly 2½ per cent.
THE EXPENSE RATE (excluding Taxes) was only 12.95 per cent. of the Premium Income. This is only about two-thirds of the provision for expenses included in the Premiums.
THE TOTAL ASSURANCES issued in 74 years amount to £227,702,775, of which £122,607,257, or 53.8 per cent., are still in force.

LONDON OFFICE: 73-76, KING WILLIAM STREET, E.C.4.
 W. C. FISHER, Manager for the United Kingdom.

BALANCE-SHEET—June 30, 1922.
(Including London Branch at May 29, 1922.)

LIABILITIES.	£	ASSETS.	£
Capital paid up, viz.: 41,676		Coin, bullion, Australian	
preference shares of £10		notes, and cash at bankers	2,108,405
each, fully paid up in cash,		Money at short call and	
£416,760; 212,250 ordinary		Treasury bills in London	1,173,095
shares of £10 each, paid up		Commonwealth of Australia	
to £5, £1,061,250	1,478,010	War Loan stock and debon-	
Reserve fund	600,000	tures, Victoria Government	
Profit and loss	146,265	stock and debentures, and	
Notes in circulation	6,539	municipal debentures	1,086,789
Bills in circulation	533,527	Bills and remittances in	
Government deposits—		transit and bills receivable	
Not bearing interest	73,862	in London	675,190
Bearing interest	1,241,808	Notes and bills of other	
Other deposits and interest		banks	184,456
secured—		Balances due from other	
(Including rebate on bills		banks	31,368
discounted)—not bear-		War gratuity advances	267,035
ing interest	4,217,721	Stamps	6,415
(Including officers' guar-		War Loan advances	155,177
antee and provident		Real estate, consisting of bank	
funds)—bearing interest	4,859,258	premises	356,311
Balances due to other banks	223,781	Other real estate	3,925
Contingent liabilities, as per		Bills discounted, and other	
contra	674,456	advances, exclusive of pro-	
		vision for bad and doubtful	
		debts	7,533,607
		Liabilities of customers and	
		others in respect of contin-	
		gent liabilities, as per	
		contra	674,456
			14,055,227

COMMERCIAL BANK OF AUSTRALIA, LIMITED.
BALANCE-SHEET—June 30, 1922.

LIABILITIES.	£	ASSETS.	£
211,735 preference shares,		Coin, bullion, Australian	
paid in cash to £10		notes, and cash at bankers	3,391,203
£211,735; 583,671 ordinary		Money at call and short notice	
shares, paid in cash to 10s,		in London	2,805,000
£291,836; 119,293 ordinary		Government, municipal, and	
shares, paid in cash to 7s 6d,		other public stocks and	
£44,735; 90 ordinary shares		funds, and other debentures	
paid in cash to 5s, £22	2,453,943	Bills receivable in London &	
Profit and loss account	105,897	balance of remittances and	
Notes in circulation	59,089	drafts in transit	1,039,542
Bills payable and other		Notes and bills of other banks	243,076
liabilities, including reserves		Balances due from other	
for contingencies	1,104,774	banks	69,950
Government deposits—		Stamps	12,484
bearing interest, £76,427;		Advances under Government	
bearing interest, £1,039,774;		Wheat schemes	39,925
other deposits—		Advances under Government	
bearing interest, £8,644,942;		War Gratuity scheme	328,400
bearing interest, £6,486,578	16,187,721	War Loan advances	367,524
Balances due to other banks	18,532	Bills discounted, and other	
Contingent liabilities, as per		advances, exclusive of pro-	
contra	641,499	vision for bad or doubtful	
		debts	10,569,092
		Real estate, consisting of	
		bank premises	529,445
		Liabilities of customers and	
		others in respect of contin-	
		gent liabilities, as per contra	641,499
			20,571,455

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Salaries and allowances—head		Balance from last year	13,322
office and 353 branches and		Amount of profits, after de-	
receiving offices	317,581	ducting interest accrued on	
Rent and other charges	102,400	deposits, and rebate on	
Reinstatement of capital	66,726	bills current; paying in	
Reduce bank premises	10,000	come, land, and other taxes,	
Interim dividend at 4% on		and providing for bad and	
preference shares paid		doubtful debts, and other	
February, 1922	42,347	contingencies	648,062
Interim dividend at 15% on			
ordinary shares paid Feb-			
ruary, 1922	16,430		
Balance	105,897		
	661,384		661,384

The report for the year ended June 30, 1922, is as follows:—The net profits amount to £228,081, to which is added amount brought forward, £13,322, making a total of £241,403. From this amount the directors have made the following appropriations, viz.:—To reinstatement of capital, £66,726; to reduction of bank premises, £10,000; to interim dividend on preference shares paid February, 1922, £42,347; to interim dividend on ordinary shares paid February, 1922, £16,433—£135,506; leaving a balance of £105,897, which it is proposed to apportion as follows:—To dividend for six months on the preference shares at 4 per cent. per annum, £42,347; to dividend for six months or from the due dates of instalments on the ordinary shares at 15 per cent. per annum, £21,341; to carry forward to next year, £42,209—£105,897.

COMMONWEALTH BANK OF AUSTRALIA.

BALANCE-SHEET—December 31, 1922.

LIABILITIES.	£	ASSETS.	£
Deposits, accrued interest,		Coin, bullion & cash balances	6,819,926
and rebate	27,543,582	Australian notes	1,970,809
Bills payable and other		Money at short call in	
liabilities	2,895,295	London	9,210,000
Savings bank department—		Investments—	
depositors' balances		British, Colonial and Gov-	
£38,886,871; with interest		ernment securities (face	
accrued £607,247	39,494,117	value £25,894,703 18s 3d)	25,717,172
Capital—debentures issued		Commonwealth Govern-	
Reserve fund	2,099,483	ment securities (face	
Redemption fund	2,099,483	value, £9,768,570 5s 7d)	9,705,653
Contingent liabilities—Out-		Fixed deposits of other	
standing credits, per		banks	954,000
contra	335,326	Bills receivable in London	
Total General Bank and		& remittances in transit	
Savings Bank Departments	74,467,286	Bills discounted, and other	
Note issue department	51,971,431	debts due to the bank	17,339,318
		Advances to Commonwealth	
		Government on account of	
		war gratuities	581,000
		Bank premises, furniture, &c.	794,926
			38,902,633

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Interim dividend for the		Amount brought forward from	
half-year ended December		last year	85,185
31, 1921, at the rate of 10		Profit for year ended June 30,	
per cent. per annum, paid		1922	397,885
on January 20, 1922, out of			
the year's profits	147,335		
Balance, proposed to be			
dealt with as follows:			
Dividend for past half-year			
at the rate of 10 per cent.			
per annum out of the year's			
profits, £149,314; reserve			
fund, £100,000; balance			
carried forward, £86,421	335,735		
	483,070		483,070

THE MITSUI BANK, LTD., TOKYO

(The oldest Banking Institution in Japan—Founded in 1880.)

Capital Subscribed... Yen 100,000,000.00 Reserve Fund ... Yen 25,000,000.00
 Capital Paid up ... 60,000,000.00 Special Reserve Fund ... 9,600,000.00
 Reserve Fund for Dividend ... 2,000,000.00

HEAD OFFICE: No. 1, SURUGACHO, TOKYO, JAPAN.

LOCAL BRANCHES:

FUKUOKA, HIROSHIMA, KAWAGUCHI (Osaka), KOBE, KYOTO, MARUNOUCHI (Tokyo), MOJI, NAGASAKI, NAGOYA, NAKANOSHIMA (Osaka),
 NIHONBASHI (Tokyo), OSAKA, OSAKA NISHI (Osaka), OTARU, SHIMONOSEKI, WAKAMATSU, YOKOHAMA.

FOREIGN BRANCHES:

NEW YORK—THE NATIONAL CITY BANK OF NEW YORK.
 LONDON—HARCLAYS BANK, LTD.
 LONDON JOINT CITY & MIDLAND BANK, LTD.
 BANKERS TRUST COMPANY. THE CHASE NATIONAL BANK.
 PARIS—COMPTOIR NATIONAL D'ESCOMPTE DE PARIS.
 BANQUE DE L'UNION PARISIENNE.
 HAMBURG—COMMERZ-UND PRIVAT-BANK.
 BOMBAY—NATIONAL BANK OF INDIA, LTD.
 COX & COMPANY.

BALANCE SHEET.
31st December, 1922.

Dr.	Yen	Cr.	Yen
LIABILITIES.		ASSETS.	
Capital	100,000,000.00	Capital unpaid	40,000,000.00
Reserve Fund	25,000,000.00	Cash in hand and at Bank of Japan	26,460,791.30
Special Reserve Fund	2,000,000.00	Money at call and short notice	29,000,000.00
Reserve Fund for Dividend	1,000,000.00	Japanese and Foreign Government Bonds	61,745,806.00
Pension and Provident Funds	1,372,452.77	Japanese and Stock	46,307,807.00
Deposits (current, fixed, etc.)	439,130,693.84	Foreign Bills of Exchange Purchased	42,184,394.16
Foreign Bills of Exchange sold	10,024,458.97	Customers' Liabilities under L/C per contra, etc.	7,761,928.94
Due to Foreign Correspondents (including Discount)	7,751,935.34	Due from Foreign Agents and Correspondents	865,919,731.80
Liabilities under L/C, etc.	811,092.10	Loans and Discounts	125,896.86
Due to local Banks	4,719,640.51	Provisional Payments	897,168.30
Interest accrued on deposits not due	3,634,632.11	Bank Premises and Real Estates	8,615,806.91
Rebate on Bills not due	1,071,469.80		
Provisional Receipts	1,848,379.81		
Balance from last account	7,668,591.30		
Net profit for the half year	622,399,377.00		622,399,377.00

APPROPRIATION OF PROFIT.

Dr.	Yen	Cr.	Yen
Reserve Fund	1,700,000.00	Net profit for the half year	7,068,691.84
Reserve Fund for Dividend	1,000,000.00	Balance brought forward from last half-year	1,968,878.61
Pension and Provident Funds	172,000.00		
Bonus	494,800.00		
Dividend to Shareholders	8,600,000.00		
Balance carried forward to next half year	2,045,165.17		
	9,061,965.17		9,061,965.17

The Bank sells Drafts and Telegraphic Transfers, buys approved inward and outward Bills, grants Commercial Credits, issues Travellers' Letters of Credit available in all important places of the World, and makes collections.

ENGLISH, SCOTTISH AND AUSTRALIAN BANK, LIMITED.

The report to the meeting, held on November 16, 1922, states that the profits for the year ended June 30, 1922, after making provision for bad and doubtful debts and other contingencies, amount to £1,094,686, less expenses of management, £566,326, income and other taxes, £182,885, £749,211—£345,475. From this the following deductions have been made:—An interim dividend of 5 per cent., free of income-tax, £65,994; reserve fund, £15,000—£80,994—£264,481; and it is proposed to make further appropriations as follows:—To reserve fund, additional, making £150,000 for the year, when the fund will stand at £1,450,000, £135,000; to the E. S. and A. Bank Officers' Guarantee and Provident Fund, £15,000; to the payment of a further 5 per cent., making a dividend of 10 per cent. for the year, free of income-tax, £65,995; to the purchase and cancellation of deferred inscribed deposit stock in accordance with the articles of association, £43,906—£259,991; unappropriated from the profits of the year, £4,490; brought forward from June 30, 1921; £102,604; leaving a balance to be carried forward of £107,094.

BALANCE-SHEET—June 30, 1922.

LIABILITIES.	ASSETS.
Capital paid up—£105,591	Cash and bullion..... 4,710,801
Reserve fund..... 1,319,887	Cash at bankers and at short notice..... 1,400,500
Perpetual stocks—	Investments (British and Colonial Government securities)..... 1,230,825
Debenture stock, £983,547; preferred inscribed deposit stock, £289,418; deferred inscribed deposit stock, £517,800..... 2,390,466	Bills receivable and remittances in transit..... 3,799,507
Deposits at interest (including Government balances)..... 12,621,395	Advances and other assets (after making provision for bad and doubtful debts and contingencies)..... 18,950,421
Current accounts..... 11,152,036	Security for note issue (Colonial Government securities)..... 3,625
Notes in circulation..... 1,528	Bank premises and furniture..... 807,652
Bills payable, rebate on bills, and other liabilities..... 1,736,144	
Profit and loss..... 367,085	
	30,903,331
	30,903,331
PROFIT AND LOSS ACCOUNT.	
Dr.	Cr.
Expenses of management in London and Australia, including directors' and auditors' fees, &c..... 566,326	Profit, after deducting interest on perpetual stocks and making provision for bad and doubtful debts and contingencies..... 1,094,685
Income and other taxes..... 182,885	
Interim dividend..... 65,994	
Reserve fund..... 15,000	
Balance..... 264,480	
	1,094,685
	1,094,685

NATIONAL BANK OF AUSTRALASIA, LIMITED

The report for the year ended March 31, 1922, states that the net profit, after deduction of all expenses, &c., including £77,926 for income, land, and note taxes, amounted to £350,168; add balance brought forward from previous year, £56,625; leaving available £406,793. From this sum the following appropriations have been made:—Interim dividend of 10 per cent. per annum, paid in November last, out of Australian profits for the six months ended September 30th preceding, £100,000; transfer to reserve fund account, £110,000; reduction of bank premises, £25,000—£335,000; and it is recommended that a dividend be paid on the fully-paid and ordinary shares at the rate of 10 per cent. per annum out of the Australian profits up to March 31, 1922, £103,050—£338,050; carry forward, £68,743—£406,793.

BALANCE-SHEET—March 31, 1922.

LIABILITIES.	ASSETS.
Capital—£100,000 shares fully paid up, £93,000; 401,547 shares paid up to £5, £2,007,735; 287 shares paid up to £315s. 6d.; 11,994 shares paid up to £3 10s. 6d.; 3,583 shares paid up to £1 5s. 6d..... 2,661,125	Coin, bullion, Australian notes, and cash at bankers, Government, municipal, and other public stocks, debentures, and funds..... 4,186,110
Reserve fund account..... 1,583,161	Bills and remittances in transit..... 1,949,278
Profit and loss account..... 171,793	Notes and bills of other banks..... 29,820
Notes in circulation..... 49,003	Balances due from other banks..... 133,037
Government deposits—	Duty stamps..... 15,129
not bearing interest, £301,465; bearing interest, £12,517; other deposits—	Real estate, consisting of bank premises..... 667,119
not bearing interest, £11,524,855; bearing interest, £12,481,225..... 27,467,593	Other real estate..... 83,896
Interest accrued and rebate on current bills..... 307,157	Bank furniture..... 37,985
Balance due to other banks..... 257,332	Bills discounted and other advances, exclusive of provision for bad and doubtful debts..... 19,605,619
	33,195,076
	33,195,076

NATIONAL BANK OF NEW ZEALAND, LIMITED

The report for the year ended March 31, 1922, is as follows:—The net profit, after paying a bonus to the staff of £15,000, providing for bad and doubtful debts, and including £115,804 brought forward from the previous year, amounts to £328,621. The interim dividend at the rate of 12 per cent. per annum, paid in January last, absorbed £60,000. The sum of £30,000 has been placed to premises account, leaving now available for distribution £238,621, which the directors propose to allocate as follows:—In payment of a dividend at the rate of 12 per cent. per annum for the

half-year ended March 31st, £60,000; in payment of a bonus of 2 per cent., £20,000 (both free of income-tax)—£80,000; to reserve fund (which will then stand at £1,050,000), £10,000; to pension and gratuity funds, £6,500; balance to be carried forward, £142,121—£238,621.

BALANCE-SHEET—March 31, 1922.

LIABILITIES.	ASSETS.
Capital issued—400,000 shares of £7 10s each, £2 10s paid..... 1,000,000	Coin and bullion at head office and branches..... 1,029,454
Reserve fund..... 1,040,300	Cash at bankers, and money at call and short notice..... 490,549
Notes in circulation..... 2,031,451	Investments in British and New Zealand Government War Loans and Treasury bonds..... 1,549,483
Deposits and current accounts..... 8,243,238	Bills discounted..... 664,563
Bills payable and other liabilities (including provision for doubtful debts and depreciation of investments)..... 1,622,070	Bills receivable in London and remittances in transit..... 1,519,254
Profit and loss account..... 238,621	Advances on securities and current accounts..... 8,880,232
	Landed property, premises, and furniture..... 241,845
	14,175,380
	14,175,380

QUEENSLAND NATIONAL BANK, LIMITED.

The report is as follows:—The net profit for the year ended June 30, 1922, after allowing for rebate on bills current, income-taxes, land taxes, interest accrued on deposits and interminable inscribed deposit stock, making provision for bad and doubtful debts, and including recoveries, amounts to £128,819; to which is to be added amount brought forward from year ended June 30, 1921, £10,957, making a total of £145,778, out of which interest dividends at the rate of 10 per cent. per annum were paid for the quarters ended September 30, 1921, December 31, 1921, and March 31, 1922, on the following dates respectively:—November 17, 1921, £19,974; February 16, 1922, £19,984; May 18, 1922, £10,993—£50,951—£85,827; and a transfer made to reserve fund of £35,000, leaving for distribution £50,827, which it is proposed to deal with as follows:—Dividend at the rate of 10 per cent. per annum for the quarter ended June 30, 1922 (making a total dividend of 10 per cent. for the year, free of Queensland income-tax), £20,000; jubilee bonus of 2s 6d per share (free of Queensland income-tax), £20,000; special contribution to officers' provident fund, £2,000; balance to be carried forward, £8,826—£50,827.

BALANCE-SHEET—June 30, 1922.

LIABILITIES.	ASSETS.
Capital paid up..... 800,000	Coin, bullion, Australian notes, and cash at bankers..... 1,199,491
Reserve fund..... 350,000	British Treasury bills..... 150,000
Profit and loss..... 50,827	Commonwealth War Loan (at or under market value)..... 539,760
Interminable inscribed deposit stock..... 3,091,669	Government stocks—
Bills payable and other liabilities..... 350,078	Victorian Government (short dated)..... 300,000
Deposits..... 6,898,730	New Zealand Government (short dated)..... 700,000
	Cash balances..... 187,241
	Bills remitted and in transit..... 875,129
	Money in London at call, and on short notice..... 105,000
	Advances to customers on current account, bills discounted, and other debts due to the bank..... 6,994,272
	Bank premises, furniture, and stationery..... 500,411
	11,551,304
	11,551,304

ROYAL BANK OF AUSTRALIA, LIMITED.

BALANCE-SHEET—September 30, 1922.

LIABILITIES.	ASSETS.
Capital paid up—	Coin, bullion, Australian notes, and cash at bankers..... 1,137,155
270,000 shares paid up to £1..... 270,000	Money at call and short notice..... 31,614
120,000 shares paid up to £4..... 480,000	Notes and bills of other banks..... 1,848
Reserve fund..... 475,000	Balances due from other banks..... 25,544
Profit and loss account..... 91,249	Bills and remittances in transit, and payable in London..... 301,764
Notes in circulation..... 840	Government, municipal, and other public stocks, debentures, and funds..... 352,631
Bills in circulation..... 279,473	Real estate, consisting of—
Government deposits—	Bank premises..... 150,600
not bearing interest, £51,944; bearing interest, £65,013..... 714,957	Bills discounted and other advances, exclusive of provision for bad and doubtful debts..... 4,354,892
Other deposits—Rebate and interest accrued: not bearing interest, £2,493,136; bearing interest, £1,553,407..... 4,046,543	Bank furniture, fittings, stationery, &c..... 650
Contingent liabilities, as per contra..... 297,722	Liabilities and securities of customers and others in respect of contingent liabilities, as per contra..... 297,722
	6,655,784
	6,655,784

The report for the half-year ending September 30 states that the net profits amount to £58,302, which it was proposed to deal with as follows, viz.:—To pay a dividend at the rate of 10 per cent. per annum, £37,500; transfer to the reserve fund, £20,000—£57,500; leaving a balance of £892 to be added to the amount previously carried forward.

£32,857—£33,749; and from this sum it is proposed to transfer to the reserve fund a further sum of £5,000, leaving a balance to be carried forward to next half-year of £28,749.

UNION BANK OF AUSTRALIA, LIMITED.

BALANCE-SHEET—February 28, 1922.

LIABILITIES.	ASSETS.
Capital issued, £9,000,000; less reserve liability thereon, £6,000,000; paid up..... 3,000,000	Specie on hand and cash balances..... 7,307,845
Reserve fund..... 3,250,000	Bullion and advances on bullion..... 54,317
Balance of undivided profits..... 311,818	Money at call and short notice in London..... 1,125,000
Circulation..... 559,186	Investments—On account of reserve fund: British Government securities..... 1,000,000
Deposits..... 29,187,724	Other investments—British Government securities..... 1,173,750
Bills payable and other liabilities (including reserves held against contingencies)..... 4,037,788	Balance of remittances and drafts in transit, and bills receivable at London office..... 4,319,274
	Bills discounted, loans, and other securities at the branches and in London..... 24,970,960
	Bank premises in Australia and New Zealand..... 286,600
	London leasehold premises..... £12,304; reserves against same and accrued interest, £33,534..... 108,770
	40,346,516
	40,346,516

CANADIAN AND W.I. BANKS.

BANK OF MONTREAL.

The statement of the result for the year ended October 31, 1922, is as follows:—Balance of profit and loss account, October 31, 1921, \$1,501,647; profits for the year ended October 31, 1922, after deducting charges of management and making full provision for all bad and doubtful debts, \$4,756,668—\$6,258,315; quarterly dividend 3 per cent. paid March 1, 1922, \$600,000; quarterly dividend 3 per cent. paid June 1, 1922, \$817,500; quarterly dividend 3 per cent. paid September 1, 1922, \$817,500; quarterly dividend 3 per cent. payable December 1, 1922, \$817,500; bonus 2 per cent. payable December 1, 1922, \$545,000—\$3,657,500; provision for taxes Dominion Government, \$492,000; reservation for bank premises, \$500,000—\$4,649,500—\$1,608,815; capital stock of the Merchants' Bank of Canada in excess of the value at par of the capital stock of the Bank of Montreal issued and

cash paid therefor, \$4,200,000; transferred to rest account, \$4,200,000; amount transferred from profit and loss account to rest account, \$1,050,000; balance of profit and loss carried forward, \$558,815.

BALANCE-SHEET—October 31, 1922.

LIABILITIES.	ASSETS.
Capital stock..... 27,250,000	Gold and silver coin current..... 47,244,865
Rest..... 27,250,000	Dominion notes..... 77,293,325
Balance of profits carried forward..... 558,815	Deposit in the central gold reserves..... 16,000,000
Unclaimed dividends..... 10,765	Balances due by banks and banking correspondents elsewhere than in Canada..... 54,490,393
Quarterly dividend, payable December 1st, 1922..... 817,500	Call and short (not exceeding 30 days) loans in Canada, on bonds, debentures and stocks..... 7,470,419
Bonus of 2% payable December 1st, 1922..... 545,000	Call and short (not exceeding 30 days) loans in Great Britain and United States..... 127,221,436
Notes of the bank in circulation..... 41,552,882	Dominion and Provincial Government securities, not exceeding market value..... 33,484,231
Deposits not bearing interest..... 164,747,019	Railway and other bonds, debentures and stocks, not exceeding market value..... 3,019,782
Deposits bearing interest, including interest accrued to date of statement..... 440,870,730	Canadian Municipal securities, and British, foreign, and Colonial public securities other than Canadian..... 21,714,462
Deposits made by and balances due to other banks in Canada..... 3,256,481	Notes of other banks..... 3,831,397
Balances due to banks and banking correspondents elsewhere than in Canada..... 571,277	Cheques on other banks..... 26,049,183
Bills payable..... 918,005	Current loans and discounts in Canada (less rebate of interest)..... 244,374,881
Acceptances under letters of credit..... 4,032,964	Loans to cities, towns, municipalities, and school districts..... 18,258,419
Liabilities not included in the foregoing..... 1,188,128	Current loans and discounts elsewhere than in Canada (less rebate of interest)..... 11,870,400
	Overdue debts, estimated loss provided for..... 1,038,712
	Bank premises at not more than cost (less amounts written off)..... 10,500,000
	Real estate, other than bank premises..... 457,451
	Mortgages on real estate held by the bank..... 2,050,779
	Liabilities of customers under letters of credit (as per contra)..... 4,032,964
	Deposit with the Minister for the purposes of the Circulation Fund..... 1,620,000
	Other assets not included in the foregoing..... 1,446,467
	713,569,566
	713,569,566

* This amount includes \$923,000 bonds of the Merchants Realty Corporation held by the bank that were not issued to the public.

Cable Address:
"KANEYAMA, OSAKA."

Codes:
A.B.C. 5th & 6th: Leiber's & Bentley's
Complete Phrase Codes.

YAMASHITA SHOTEN

IMPORTERS, EXPORTERS & GENERAL MERCHANTS.

10, KITAKYUTARO-MACHI, OSAKA, JAPAN.

(INCORPORATED 1832.)

BALANCE-SHEET—December 30, 1922.

COLONIAL BANK.

BALANCE-SHEET—December 31, 1922

PROFIT AND LOSS ACCOUNT.

Out of the preceding balance, amounting to £81,796, the directors recommend that there be carried to provision for bad and doubtful debts £20,000; that a dividend at the rate of 8 per cent. per annum, less income-tax, for the half-year ended December 31st last be paid, absorbing £33,056 - £53,056, leaving £28,740 to be carried forward.

CANADIAN BANK OF COMMERCE

The statement of the result of the business of the bank for the year ending November 30, 1922, shows: Balance at credit of profit and loss account, brought forward from last year, £400,016; net profits for the year ending November 30, 1922, after providing for all bad and doubtful debts, £616,939—£1,016,955. This has been appropriated as follows:—Dividends Nos. 140, 141, 142, and 143, at 12 per cent. per annum, £369,863; bonus of 1 per cent., payable December 1, 1922, £30,822; Dominion and Provincial Government taxes and tax on banknote circulation, £66,781; written off bank premises, £82,102; transferred to pension fund, £36,304; balance carried forward, £430,095.

BALANCE-SHEET—November 30, 1922.

(Canadian currency converted into sterling at par of exchange.)

UNION BANK OF CANADA

BANK OF CANADA
BALANCE-SHEET—November 10, 1922.

DOMINION BANK.

The statement of the result for the year ended December 30, 1922, is as follows:—Balance of profit and loss account, December 31, 1921, \$715,481; profits for the year, after deducting charges of management and making full provision for bad and doubtful debts, \$1,175,478—\$1,890,959, which amount has been disposed of as follows:—Dividends, (quarterly) at 12 per cent. per annum, \$720,000; bonus, 1 per cent., \$60,000; total distribution to shareholders of 13 per cent. for the year, \$780,000; contribution to officers' pension fund, \$45,000; Dominion and Provincial Government taxation, \$157,796; written off bank premises, \$150,000; balance of profit and loss account carried forward, \$758,163—\$1,890,959.

ESTABLISHED 1815.

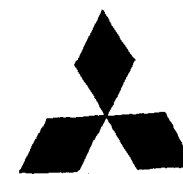
Current Accounts in London, Naples, New
York, Paris, Madrid, Cologne, Hamburg,
Basle, Lisbon, Oporto, Prague, Amsterdam,
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THE MITSUBISHI BANK, LTD.

(Incorporated in Japan.)

Subscribed Capital: Yen 50,000,000.

Paid-up Capital: Yen 30,000,000. Reserve Fund: Yen 10,000,000.

General Banking and Exchange Business. Deposit Rates on Application.

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**Branches: TOKYO, OSAKA, KOBE, KYOTO, NAGOYA, OTARU,
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CAPITAL, SURPLUS AND UNDIVIDED PROFITS				\$16,500,000
DEPOSITS				\$110,000,000
TOTAL RESOURCES				\$135,000,000

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Barclays Bank, Ltd.
Lloyds Bank, Ltd.

Westminster Bank, Ltd.

London Joint City and Midland Bank, Ltd.

National Provincial and Union Bank of England, Ltd.

BALANCE-SHEET—December 30, 1922.

LIABILITIES.	ASSETS.
Capital stock paid in	Gold and silver coin
Reserve fund	Dominion Government notes
Balance of profit and loss account carried forward	Deposit with central gold reserves
Dividend No. 161, payable January 2, 1923	Notes of other banks
Bonus 1 per cent., payable January 2, 1923	Cheques on other banks
Former dividends unclaimed	Balances due by other banks in Canada
Notes in circulation	Balances due by banks and banking correspondents elsewhere than in Canada
Due to Dominion Government	Dominion and Provincial Government securities, not exceeding market value
Deposits not bearing interest, \$20,119,810; deposits bearing interest, including interest accrued to date, \$78,234,187	Canadian municipal securities and British, foreign, and Colonial public securities other than Canadian, not exceeding market value
Balances due to other banks in Canada	Railway and other bonds, debentures, and stocks, not exceeding market value
Balances due to banks and banking correspondents elsewhere than in Canada	Call and short (not exceeding 30 days) loans in Canada on bonds, debentures, and stocks
Bills payable	Call and short (not exceeding 30 days) loans elsewhere than in Canada
Acceptances under letters of credit	Other current loans and discounts in Canada (less rebate of interest)
Liabilities not included in the foregoing	Other current loans and discounts elsewhere than in Canada (less rebate of interest)
	Liabilities of customers under letters of credit, as per contra
	Real estate, other than bank premises
	Overdue debts (estimated loss provided for)
	Bank premises at not more than cost, less amounts written off
	Deposit with the Minister of Finance for the purposes of the circulation fund
	Mortgages on real estate sold
	Other assets not included in the foregoing
130,064,364	130,064,364

ROYAL BANK OF CANADA.

BALANCE-SHEET—November 30, 1922.

LIABILITIES.	ASSETS.
Deposits not bearing interest	Current coin
Deposits bearing interest, including interest accrued to date of statement	Dominion notes
Notes of the bank in circulation	United States currency and other foreign currencies
Balance due to Dominion Government	Deposit in the central gold reserves
Balances due to other banks in Canada	Notes on other banks
Balances due to banks and banking correspondents in the United Kingdom and foreign countries	Cheques on other banks
Bills payable	Balances due by other banks in Canada
Acceptances under letters of credit	Balances due by banks and banking correspondents elsewhere than in Canada
Capital stock paid up	Dominion and Provincial Government securities, not exceeding market value
Reserve fund	Canadian municipal securities and British, foreign, and Colonial public securities other than Canadian, not exceeding market value
Balance of profit carried forward	Railway and other bonds, debentures, and stocks, not exceeding market value
Dividends unclaimed	Call loans in Canada, on bonds, debentures, and stocks
Dividend No. 141 (at 12 per cent.), payable Dec. 1, 1922	Call and short (not exceeding 30 days) loans elsewhere than in Canada
Bonus of 2%, payable Dec. 1, 1922	Other current loans and discounts in Canada (less rebate of interest)
	Other current loans and discounts elsewhere than in Canada (less rebate of interest)
	Overdue debts (estimated loss provided for)
	Real estate other than bank premises
	Bank premises, at not more than cost, less amounts written off
	Liabilities of customers under letters of credit, as per contra
	Deposit with the Minister for the purposes of the circulation fund
	Other assets not included in the foregoing
479,362,366	479,362,366

The report for the year ended November 30, 1922, is as follows:—Balance of profit and loss account, November 30, 1921, \$905,045; profits for the year, after deducting charges of management, accrued interest on deposits, full provision for all bad and doubtful debts, and rebate of interest on unmatured bills, \$3,958,469—\$4,863,514. Appropriated as

follows:—Dividends Nos. 138, 139, 140 and 141, at 12 per cent. per annum, \$2,448,000; bonus of 2 per cent. to shareholders, \$408,000; transferred to officers' pension fund, \$100,000; appropriation for bank premises, \$400,000; reserve for Dominion Government taxes, including war tax on banknote circulation, \$500,000; balance of profit and loss carried forward, \$1,007,514—\$4,863,514.

INDIAN BANKS.

CHARTERED BANK OF INDIA, AUSTRALIA, AND CHINA.

The accounts for 1922 show a net profit, after providing for all bad and doubtful debts, of £1,004,701, inclusive of £215,170 brought forward from the previous year. The interim dividend at the rate of 14 per cent. per annum paid in September last absorbed £210,000. The amount now available is therefore £794,701, and the directors propose to pay a final dividend at the rate of 14 per cent. per annum, together with a bonus of 6s 3d per share, making 20½ per cent. per annum for the whole year, free of income-tax; to add £100,000 to the reserve fund, which will then stand at £3,800,000; to add £25,000 to the officers' superannuation fund; to write off premises account £50,000; and to carry forward the balance of £222,201.

BALANCE-SHEET—December 31, 1922.

LIABILITIES.	ASSETS.
Capital, 600,000 shares of £5 each, paid up	Cash in hand and at bankers
Reserve fund	Bullion on hand and in transit
Notes in circulation	Government and other securities
Current and deposit accounts, including provision for bad and doubtful debts and contingencies	Security lodged against note issue and Government deposits
Fixed deposits	Bills of exchange, including Treasury bills
Bills payable—Drafts on demand and at short sight on head office and branches	Bills discounted and loans
£2,276,831; drafts on London and foreign bankers against security, per contra	Liability of customers for acceptances, per contra
Acceptances on account of customers	Due by agents and correspondents
Loans payable against security, per contra	Sundry assets, including exchange adjustments
Due to agents and correspondents	Bank premises and furniture at the head office and branches
Sundry liabilities, including rebates	
Profit and loss	
60,153,373	60,153,373

EASTERN BANK, LIMITED.

BALANCE-SHEET—December 31, 1922.

LIABILITIES.	ASSETS.
Capital authorised and subscribed, 200,000 shares at £10 each, £2,000,000; paid up, £5 per share	Cash on hand and at bankers
Reserve fund	Money at call
Current and deposit accounts	Bullion on hand and in transit
Bills payable	British Government, Indian Government and other securities, of which £35,000 London County Council 3½ per cent. stock has been deposited as security for Indian Government accounts—valued at, or under, prices current on Dec. 31, 1922
Acceptances on account of customers	Bills receivable
Loans payable against bills and securities	Customers' liability for drafts against shipments, per contra
Sundry accounts, including exchange adjustments	Loans receivable and advances
Profit and loss account	Due by agents and correspondents
Bills receivable, rediscounted, £296,864, all of which on March 7, 1923, had run off. Forward contracts outstanding for the purchase and sale of sterling bills and telegraphic transfers, £6,938,155	Sundry accounts, including exchange adjustments
	Premises and furniture
9,229,824	9,229,824

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Capital Paid up - - Fr. 70,000,000
Reserves - - - - Fr. 16,000,000

ESTABLISHED 1871.

THE DOMINION BANK.

Head Office: TORONTO

TOTAL ASSETS - - - \$130,000,000

SIR EDMUND B. OSLER, President.

A. W. AUSTIN,
SIR A. M. NANTON, Vice-Presidents.

CLARENCE A. BOGERT, General Manager.

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Subscribed Capital Lire 100,000,000
Paid-up Capital " 90,000,000

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(Nippon Kogyo Ginko)

Incorporated by the Special Charter of the Imperial Government of Japan, 1902.

SUBSCRIBED CAPITAL - Yen 50,000,000

Head Office: No. 1 ZENIGAME-CHO, KOJIMACHI-KU, TOKYO. Cable Address: "KOGIN, TOKYO."
Branch Office: TOKYO, OSAKA, KOBE.

Court of Directors:—Y. ONO, Esq., President.
K. MATSUMOTO, Esq., Director.

T. IWASA, Esq., Director.
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GUARANTY TRUST COMPANY OF NEW YORK.
YOKOHAMA SPECIE BANK, LIMITED.

Correspondents also in
PARIS, LYONS, NEW YORK, SAN FRANCISCO,
PEKING and DALNY, etc.

PROFIT AND LOSS ACCOUNT.		
Dr.	Cr.	£
Interim dividend paid October 3, 1922	Balance brought forward	31,181
Balance	Net profits for the year ended December 31, 1922, after deducting expenses of management and general charges at head office and branches, and providing for bad and doubtful debts, depreciation, income-tax, and corporation tax	120,320
		151,501

The report presented at the meeting on March 21st is as follows:—The net profits to December 31, 1922, after providing for contingencies and including the balance brought forward from the last account, as shown by the annexed statements, amount to £151,501. An interim dividend at the rate of 4s a share was paid in October last, absorbing £40,000, and the directors now recommend a final dividend of 5s a share, less income-tax at 3s 9d in the £ (after allowing for relief in respect of Indian taxation). They propose to add £20,000 to the reserve fund, which will then stand at £320,000, and to write £10,000 off premises account, leaving a balance of £31,501 to be carried forward to the next account.

IMPERIAL BANK OF INDIA.

BALANCE-SHEET—December 31, 1922.

LIABILITIES.	Rs.	ASSETS.	Rs.
Capital paid up	5,625,000	Government securities	8,53,27,925
Reserve	4,225,000	Other authorised securities under the Act	1,25,63,748
Public deposits	1,415,73,181	Loans	19,30,55,086
Other deposits	57,00,57,115	Cash credits	28,99,27,568
Loans against securities, per contra	88,50,000	Inland bills discounted and purchased	6,19,01,388
Loans from the Government of India under Section 15A of the Paper Currency Act, against inland bills discounted and purchased, per contra		Foreign bills discounted and purchased	1,99,988
Contingent liabilities	29,19,748	Bullion	2,45,02,906
Sundries		Dead stock	32,33,780
		Liability of constituents for contingent liabilities, per contra	4,40,671
		Sundries	15,07,46,984
		Balances with other banks	82,19,00,044
		Cash	82,19,00,044

The above balance-sheet includes—		
Deposits in London	£	168,999
Advances in London	£	758,833
Cash and balances at other banks in London	£	23,656

PROFIT AND LOSS ACCOUNT.

Dr.	Cr.	Rs.	Rs.
Amount brought forward		16,28,435	
Amount received in interest, discount, exchange, commission, &c.		1,16,17,512	
			1,32,45,947
EXPENDITURE.			
Establishment		42,46,338	
Governors and local board members' fees		74,381	
Auditors' fees		22,500	
Rent, taxes, insurance, lighting, &c.		4,22,843	
Pay of guards		90,209	
Depreciation on bank property		6,76,836	
Law charges		11,079	
Postages and telegrams		2,99,767	
Stationery		3,80,490	
Miscellaneous expenses		63,28,948	
Net available balance		69,16,999	
Amount set aside for payment of a dividend at the rate of 10 per cent. per annum (free of income-tax)		44,99,700	
Amount transferred to reserve fund		10,60,649	
Amount transferred to pension funds		3,00,000	
Balance carried forward		10,56,650	
		69,16,999	

NATIONAL BANK OF INDIA, LIMITED.

BALANCE-SHEET—December 31, 1922.

LIABILITIES.	£	ASSETS.	£
Capital—Subscribed, 160,000 shares of £25 each, paid up £12 10s per share	2,000,000	Cash on hand, at call, and at bankers £4,996,332; bullion on hand and in transit, £339,431	5,335,763
Reserve fund	2,600,000	Indian Government rupee securities	3,058,096
Current, fixed deposit and other accounts, including provision for bad and doubtful debts and contingencies	31,267,602	British Government securities, Indian Government guaranteed debentures, and other securities (of which £16,350 War Loan lodged with Bank of England as security for Government accounts)	5,581,176
Bills payable	1,461,736	House property and furniture	417,053
Acceptances for customers	1,535,426	Bills of exchange, including Treasury bills	10,209,375
Profit and loss account, as under	499,256	Discounts, loans receivable, and other sums due to the bank	14,247,131
		Customers for acceptances, per contra	1,535,425
			40,384,019
		Bills receivable, re-discounted, £5,225,746, of which up to March 22, 1923, £4,526,008 have run off. Forward contracts outstanding for the purchase and sale of sterling bills and telegraphic transfers, £9,912,564. The rupee assets and liabilities have been converted at the rate of 1s. 4d. per rupee.	

PROFIT AND LOSS ACCOUNT.

Dr.	Cr.	£	£
Ad interim dividend at the rate of 20 per cent. per annum for the half-year ended June 30, 1922	200,000	Balance brought forward	164,096
Expenses of management at head office and branches	580,187	Gross profits for the year ended December 31, 1922, after providing for all bad and doubtful debts	1,115,347
Balance	499,256		1,279,443

The report for the year ended December 31st last states that the net profits for the year, after providing for all bad and doubtful debts, amount to £535,160, and adding £104,096 brought forward, the available total is £639,256. An ad interim dividend at the rate of 20 per cent. per annum, free of income-tax, was paid on September 10th last, amounting to £200,000. The directors now recommend a further dividend at the same rate, and an addition of £100,000 to the reserve fund, raising it to £2,700,000. They propose to write £20,000 off house property account, and to add £20,000 to the officers' pension fund, leaving a balance of £159,256 to be carried forward.

THE TATA INDUSTRIAL BANK, LIMITED.

BALANCE-SHEET—September 30, 1922.

LIABILITIES.	Rs.	ASSETS.	Rs.
Paid-up capital, 10,00,887 shares at Rs.22.8 each, Rs.225,19,958; add sums received in respect of 12,116 shares forfeited, Rs.154,710	2,26,74,668	Cash on hand	66,51,571
(The reserve liability of the shareholders for uncalled capital is Rs.5,25,46,567.8.0)		Cash with bankers	1,15,47,824
Unclaimed dividends	1,02,965	Investments—	
Reserve fund	18,50,000	Government securities & improvement Trust debentures, at or under market value	3,41,56,680
Due to agents and correspondents (of which Rs. 1,44,44,500 is covered by securities, as per contra)	2,05,42,157	(Of the above, securities of the value of Rs.1,48,69,700 have been lodged as collateral, as per contra)	
Demand and fixed deposits—		Industrial investments, at or under cost (including 16,200 fully-paid shares of Rs.100 each in Industrial Finance, Ltd.)	37,37,656
(a) Current accounts	3,30,13,765	(There is no liability on these investments for uncalled capital, but as regards Industrial Finance, Ltd., calls may be made from time to time by companies whose partly-paid shares that company holds. If such calls are made, further shares will have to be subscribed for in Industrial Finance, Ltd., by the bank.)	
(b) Savings bank deposits	54,86,131	Due by agents and correspondents	1,08,438
(c) Fixed deposits	3,35,00,924	Bills receivable	90,17,394
(d) Staff provident fund account (securities to the value of Rs.4,25,000 have been earmarked by the bank to cover this account, as per contra)	4,17,715	Bills discounted	27,99,937
Bills and drafts payable & other sums due by the bank	21,58,026	Demand advances	2,47,93,892
Bills re-discounted, acceptances and guarantees, as per contra	36,34,459	Cash credits and fixed loans	2,36,38,711
Profit and loss account—		Office furniture & fittings, Rs.4,09,393; less amount written off for depreciation, Rs.2,33,296	1,76,097
Balance brought forward, April 1, 1922, Rs. 1,91,136; add profit for 6 months ending Sept. 30, 1922, Rs.7,28,573—Rs.3,18,798; less amount reserved as provision for income and super tax, Rs.1,00,000	8,19,709	Clients' liability for acceptances, guarantees, &c., as per contra	36,34,459
	12,42,00,519	Landed property and bank premises, at cost	39,38,076
			12,42,00,519

PROFIT AND LOSS ACCOUNT.

Dr.	Cr.	Rs.	Rs.
Charges at head office and branches, including rent, taxes, law charges, telegrams, postages, and miscellaneous charges		2,20,333	
Salaries		5,75,138	
Directors' and auditors' fees		7,940	
Bombay Directors' and auditors' fees, branches		6,892	
Stationery and printing		29,960	
Amount reserved as provision for income-tax & super-tax		1,00,000	
Balance		8,19,709	
		17,59,872	

MERCANTILE BANK OF INDIA, LIMITED.

BALANCE-SHEET—December 31, 1922.

LIABILITIES.	£	ASSETS.	£
Capital issued—		Cash in hand, at call, and at bankers £2,040,783; bullion, £115,678	2,756,461
30,000 "A" shares, £12 10s paid, £375,000; 30,000 "B" shares, £12 10s paid, £375,000; 60,000 "C" shares, £5 paid, £300,000	1,050,000	Securities and coin deposited against note issue	211,200
Reserve fund	1,200,000	Government and other stocks	3,164,416
Notes in circulation	290,627	Treasury Bonds, National War Bonds, Indian Government rupee paper, and other securities	5,104,750
Current, fixed deposit, and other accounts, including rebates and provision for bad and doubtful debts	13,112,374	Bills receivable	89,306
Bills payable—		Loans receivable and advances	4,406,191
Drafts on London bankers against cash and security, per contra, £26,562; drafts on head office and branches, £489,508; drafts on Continental bankers and other agents, £30,826	546,896	Freehold banking premises	206,691
Acceptances on account of customers, per contra	207,698	Liabilities of customers for acceptances, per contra	207,698
Profit and loss account	236,105	Sundry accounts, including amounts due by agents	496,988
	16,643,701		16,643,701

Contingent liability on bills receivable re-discounted £2,675,517, of which up to March 12, 1923, £2,361,439 have run off. Forward exchange contracts outstanding for purchase and sale of bills and telegraphic transfers, £11,955,700. The rupee assets and liabilities included in the above are converted at 1s 4d per rupee.

FERRIER LULLIN & CIE.

GENEVA.

Established 1795.

Partners: A. LULLIN, F. BOISSIER, J. STRAESSLE, M. FERRIER.

Telegraphic Address: "FERULIN, GENEVA."

London Correspondents:

THE LONDON JOINT CITY & MIDLAND BANK, Ltd.
SWISS BANK CORPORATION
BANCA COMMERCIALE ITALIANA
Messrs. BARING BROTHERS & CO., Ltd.
Messrs. HELBERT WAGG & CO., Ltd.
Messrs. S. JAPHET & CO., Ltd.
Messrs. SELIGMAN BROTHERS

New York Correspondents:

NATIONAL CITY BANK OF NEW YORK
Messrs. HALLGARTEN & CO.
Messrs. A. ISELIN & CO.

All kinds of banking business transacted.

CREDIT FONCIER D'ALGERIE ET DE TUNISIE.

ESTABLISHED 1880.

CAPITAL - - - - - Fcs. 125.000.000

REGISTERED OFFICE - ALGIERS. HEAD OFFICE - PARIS.
LONDON OFFICE : 18, ST. SWITHIN'S LANE, E.C.4.

Telegrams: Foncalton, Cannon, London.

Telephones: Central 6276, 6277.

FRANCE: Paris, Bordeaux, Lyons, Marseilles, Nantes.

ALGERIA: Algiers, Blida, Bona, Constantine, Oran, Setif, Sidi-Bel-Abbes and 58 Sub Branches.

TUNISIA: Tunis & 18 Sub Branches.

MOROCCO: Casablanca, Tangiers & 12 Sub Branches.

BEYROUTH GIBRALTAR MALTA SMYRNA.

ALL BANKING AND FOREIGN EXCHANGE BUSINESS TRANSACTED. Accounts in English and French money opened at call or at short notice.

THE DISTRICT BANK.



The Manchester and Liverpool District Banking Company Limited. (Established 1829.)
Chairman: SIR CHRISTOPHER T. NEEDHAM.
Managing Directors: ANGUS A. G. TULLOCH, Esq., D.L. (Deputy Chairman). WILLIAM ROLPH EASTERBY, Esq.
Paid-up Capital, £1,896,000. Reserve Fund, £1,650,000. Deposits, £56,549,059. Total Assets, £62,139,591
30th December, 1922.
HEAD OFFICE: SPRING GARDENS, MANCHESTER.
Foreign Department: 13, Spring Gardens Manchester; 3, Water Street, Liverpool; 76 and 77, Cornhill, London, E.C.3.
LONDON OFFICE: 75, CORNHILL, E.C.3. LIVERPOOL OFFICE: WATER STREET.
And 341 Branches and Sub-Branches in Lancashire, Cheshire, Staffordshire, Shropshire, Yorkshire, Derbyshire, Cumberland, Westmorland and North Wales.
EVERY BANKING FACILITY AFFORDED.

ESTABLISHED 1837
SPEYER & CO.
New York
FOREIGN & DOMESTIC
INVESTMENT SECURITIES
Foreign Exchange Cable Transfers
LETTERS OF CREDIT

BANK OF ATHENS.

BALANCE-SHEET—December 31, 1922.

LIABILITIES.	Drs.	ASSETS.	Drs.
Capital fully paid	48,000,000	Cash in hand, at banks, and Treasury bills	142,498,152
Reserves	21,952,372	Balances due from banks abroad	146,144,920
Current, deposit, and other accounts	706,204,032	Bills receivable	29,269,081
Interim dividend	1,039,982	Loans, advances, bills discounted, and other ac'ts.	458,680,284
Profit and loss	11,853,381	Investments	193,185
		Premises	7,580,115
		Property	4,883,993
		Furniture	40
			789,049,770

BANCO DE CHILE.

BALANCE-SHEET—December 31, 1922.

LIABILITIES.	Currency.	Gold Dollars of 18d.
Deposits	313,006,921	11,297,083
In current account and at sight (gold) of 18d.		1,420,347
In current account in London at 18d.		187,881
Bank bills at sight	3,602,123	
Deposits of bonds and documents	345,646,884	
Various creditors	17,345,070	16,300,454
Suspense account	5,792,054	
Interest and discount		211,332
Paid-up capital	100,000,000	
Reserve fund	58,000,000	13,333,333
Carry forward from last account	4,710,607	
Unpaid dividends	110,329	
Profit and loss account	10,002,612	
	858,216,600	42,750,430

ASSETS.	Currency.	Gold Dollars of 18d.
Cash—		
Fiscal and Treasury notes	31,073,884	
Gold disposable in Chile and London		12,759,795
Silver	908,057	
Cheques and balances disposable in other banks in Chile and abroad	6,760,566	471,669
Bonds and letters of credit	4,707,453	5,269,333
Government bonds	92,325,000	
Bonds and shares in custody and guarantee	345,646,884	
Real estate	13,964,793	
Furniture	89,159	2,107
Books and stationery	744,350	
Advances and other documents	328,515,800	
Do in gold in Chile and London at 18d.		19,362,138
Do (Clause 10 of Bank Act)	4,069,024	
Do (Art. 14, Law 1054 of July 31, 1898)	137,758	
Bills discounted, Law 3795, Sept. 13, 1921	10,564,961	
Agencies and branches	12,418,700	2,665,210
Suspense account	5,481,201	2,220,178
Interest, discount, &c.		
	858,216,600	42,750,430

BANCO ESPANOL DEL RIO DE LA PLATA.

BALANCE-SHEET—June 30, 1922.

LIABILITIES.	£	ASSETS.	£
Capital subscribed	8,730,158	Cash	13,953,062
Deposits—Current accounts and deposits at fixed term; gold dollars, \$342,836.39 at 80.44	47,392,618	Branches	6,283,609
Rebate—Corresponding to next half-year	225,699	Shareholders' liability on uncalled capital	88,059
Reserve fund	4,359,655	Bills discounted and advances in current account	33,557,694
Sundry—Gold dollars	898,515	Securities	793,867
Profit and loss, less dividend of 3 per cent. distributed in January last	553,794	Bank premises	1,129,204
		Furniture and fittings	223,845
		Mortgages against credits	2,091,978
		Freehold properties received in payment of advances	2,313,711
		Sundry—Account in process of liquidation	1,730,291
			62,160,369

BANK OF ROUMANIA, LIMITED.

BALANCE-SHEET—December 31, 1921.

(Lei calculated at 550 to £ sterling.)

LIABILITIES.	£	ASSETS.	£
Capital	300,000	Cash in hand and at bankers—	
Reserve account, old, £19,693; reserve account, new, £56,607	76,300	London	61,225
Current accounts, bills payable, &c.—Sterling, £356,081; lei 287,280,710.39 at 550 per £, £1,031,438	1,387,522	Money on deposit with bankers at short notice, London	385,000
		Cash in hand and at bankers, Bucharest, lei 439,791,947.81 at 550 per £	799,622
		British Government securities	6,630
		Bills receivable, loans, current, and other accounts—Sterling, £261,408; lei 137,465,532.34 at 550 per £, £249,937	511,345
			1,763,822

BANK OF TAIWAN, LIMITED.

(TAIWAN GINKO.)

BALANCE-SHEET—June 30, 1922.

LIABILITIES.	£	ASSETS.	£
Subscribed capital	6,000,000	Cash in hand	1,365,301
Reserve fund	1,178,000	Cash at bankers	1,043,948
Notes in circulation	5,418,008	Bullion and foreign money	1,114,069
Current accounts, fixed deposits, &c.	22,023,064	Bills discounted, loan, and overdraft	35,058,486
Bills payable	25,447,024	Interest bills and exchange bought	15,351,448
Bills re-discounted	1,348,611	Customers' liabilities	10,910,789
Exchange sold	2,218,750	Government securities	7,380,261
Acceptances	20,910,789	Correspondents	395,173
Correspondents	552,670	Suspense account	143,793
Suspense account	774,093	Premises and property, furniture, &c.	675,505
Net profit	320,677	Capital uncalled	756,958
Dividends unclaimed	4,035		74,195,721
			74,195,721

BANCO NACIONAL ULTRAMARINO.

BALANCE-SHEET—December 31, 1922.

LIABILITIES.	Esc.	ASSETS.	Esc.
Capital paid up—For general operations—		Cash in hand	28,758,582.43
Head office	14,825,000.00	Cash with other banks	21,755,676.32
Home branches	3,800,000.00	Investments—Stocks (at actual value)—	
Abroad—£750,000	3,375,000.00	Quoted in escudos	14,293,349.31
Guarantee fund for predial operations	2,000,000.00	Quoted in foreign currencies—Esc.	
Permanent reserve fund	22,200,000.00	7,327,412, 1682,373, 1418,13,521, Pts.	
Extra reserve fund	5,000,000.00	468,500, Rps.858,396 (at par of ex change)	4,776,785.83
Cash deposits	156,802,112.84	Foreign bills	1,099,884
Fixed deposits	122,444,500.42	Inland bills discounted	97,180,326.05
Current accounts	321,570,219.36	Bills receivable	105,359,292.85
Do agents and correspondents	4,869,047.85	Current accounts	373,131,435.74
Do credit balances of loan accounts	1,632,744.37	Do agents and correspondents	17,680,049.71
Cheques and bills payable	31,728,399.97	Advances against bills, &c.	61,809,326.85
Sundry impersonal accounts, as per contra	285,528,653.97	Head office & branches—amounts in transit	4,082,681.62
Government Treasury account, as per contra	22,051,928.02	Mortgage and municipal loans	615,750.96
Securities deposited in guarantee of advances and/or for safe custody, as per contra	311,150,346.44	Predial mortgage loans (Law April 27, 1901)	668,093.72
Obligations 4½ per cent, &c.	942,579.00	Sundry impersonal accounts, as per contra	285,528,653.97
Predial colonial obligations 6 per cent. (Law 27 April, 1901), &c.	779,951.25	Government Treasury account, as per contra	22,051,928.02
Sundry accounts	5,483,215.845	Securities, as per contra	311,150,346.44
Unclaimed dividends	219,305.855	Bank premises	1,865,095.78
Pension fund	524,868.46	Payments made on account of interim dividends for 1922	27,223.79
Vales for Customs duties	29,626.817		
Notes in circulation	54,077,371.883		
Profit and loss	10,880,351.879		
	1,382,015,291.894		1,382,015,291.894

* Par of exchange Esc. 4.50 = £1. Rate on December 31, 1922, Esc. 100 = £1.
† Against the capital account are entered on the assets side gold values representing the capital set aside for the London, Paris, and New York offices (£750,000), which gold values are calculated in the balance-sheet at the par of exchange.

BANQUE BELGE POUR L'ETRANGER.

SOCIETE ANONYME.

(Affiliated to the Société Générale de Belgique.)

BALANCE-SHEET—June 30, 1922.

(Frs 25 to the £.)

LIABILITIES.	£	ASSETS.	£
Capital	4,000,000	Shareholders' liability	999,990
Statutory reserve	78,463	Cash in hand and with bankers	5,763,500
Special reserve	720,028	Loans	1,490,728
Sundry creditors	25,067,048	Sundry debtors	9,756,784
Acceptances	1,067,493	Liability of customers on acceptances	1,067,493
Obligations	192,000	Investments—	
Note issue in China	67,150	Government and Government guaranteed stocks	557,774
Profit and loss account	320,348	Treasury bills	650,355
		Other securities	1,589,753
		Financial participations	86,616
		Bills receivable	9,160,515
		Bank premises, &c.	388,992
			31,512,540

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
General expenses	613,979	Balance on July 1, 1921	8,360
Staff pension fund	18,976	Interest, commission, &c.	944,943
Net profit	320,348		
	953,303		953,303

BANQUE DU CONGO BELGE.

BALANCE-SHEET—June 30, 1922.

LIABILITIES.	France.	ASSETS.	France.
Capital	12,000,000	Property and premises	2,342,000
Reserves	1,220,315	Furniture and fixtures	367,000
Notes	31,475,957	Uncalled capital	6,000,000
Due to the Colonial treasury	1,106,738	Cash in hand and at bank	39,701,871
Creditors	111,389,160	Government securities	13,218,750
Bills payable	2,074,891	Bills receivable	46,708,276
Profit and loss	735,280	Debtors	52,274,444
	160,602,341		160,602,341

BANQUE NATIONALE DE CREDIT.

BALANCE-SHEET—December 31, 1922.

LIABILITIES.	France.	ASSETS.	France.
Capital	500,000,000	Cash	215,702,867
Reserves	91,871,836	Due from banks	209,233,056
Current and deposit accounts	2,439,911,541	Bills and Treasury bills	1,627,462,120
Bills payable	56,246,436	Coupons	30,917,015
Acceptances	38,728,242	Loans against securities	264,336,930
Sundry accounts	23,913,482	Current accounts	387,441,502
Profit and loss	32,075,917	Discounts	50, 67,005
		Investments	12,071,470
		Cover for acceptances	38,728,242
		Sundry accounts	21,861,442
		Premises	86,756,465
		Uncalled capital	258,034,250
			3,182,747,454

CANADIAN

GOVERNMENT MUNICIPAL

AND

CORPORATION

BONDS

■ ■ ■

R. A. DALY & Co.

BANK OF TORONTO BUILDING
TORONTO, CANADA.

MEMBERS TORONTO STOCK EXCHANGE.

CABLE ADDRESS: "RADALYCO."

The ANGLO-EGYPTIAN
BANK, LIMITED.

Subscribed Capital £1,800,000

Paid up - £600,000

Reserve Fund - £720,000

Head Office: 37 to 39 King
William St., London, E.C.4.

BRANCHES:

EGYPT: Alexandria, Cairo, Port Said, Suez,
Tantah, Zagazig, Mansourah, Assiut, Beni-Suef.
SUDAN: Omdurman, Khartoum, Port Sudan,
Makwar, Wad Medani.
PALESTINE: Haifa, Jaffa, Jerusalem, Ramallah,
Nazareth.
MEDITERRANEAN: Malta, Gibraltar.
TRANS-JORDANIA: Amman.

THE Bank transacts every description of Banking
Business in Egypt, grants Letters of Credit,
and affords facilities to Travellers proceeding to
Egypt and elsewhere.

Deposits received for fixed periods at rates to be
obtained on application.

On current accounts Interest at the rate of 2 per
cent. per annum allowed on minimum monthly
balances provided they do not fall below the sum
of £200.



1869—Local Institution.
1923—An International Force.

BORN a little over fifty years
ago with total resources of
\$729,163, this Bank has to-
day—through sound business
principles, enterprise and service
—a history of phenomenal
growth to its credit, and resources
of over 470 Million Dollars.

With 572 branches in Canada and
Newfoundland and over 100 in Cuba,
the West Indies, Central and South
America, in addition to London, Paris,
New York and Barcelona, complete
banking facilities are placed at your
disposal.

THE ROYAL BANK
OF CANADA

"Ask us about Canada."

The IMPERIAL
BANK OF PERSIA

25 Abchurch Lane, London, E.C.4.

Incorporated by Royal Charter, 1889.

Capital fully paid up - £650,000
Reserve - £340,000
Reserve Liability of Proprietors - £1,000,000

Bankers:

Messrs. Glyn, Mills, Currie & Co.
Westminster Bank, Limited.
Lloyds Bank, Ltd.

OFFICES AND AGENCIES:

Ahwaz, Bagdad, Bombay, Bunder Abbas, Bushire,
Basra, Duzdab, Hamadan, Ispahan, Kazvin,
Kerman, Kermanshah, Maidan Naftum, Meshed,
Mohammerah, Nasratabad (Seistan), Resht, Shiraz,
Shushtar, Sultanabad, Tabriz, Teheran (Chief
Office), Yezd.

This Bank is prepared to transact Banking Business of
every description in and connected with Persia and
Mesopotamia; and in London grants Drafts, Telegraphic
Transfers and Letters of Credit, and negotiates and collects
Bills on Persia and the Near East.

BRITISH BANK FOR FOREIGN TRADE, LIMITED.

BALANCE-SHEET—April 30, 1922.

LIABILITIES.	£	ASSETS.	£
Capital, 240,000 shares of £1	240,000	Cash in hand, at bankers and at call	77,975
Current deposits, and other accounts	368,223	Investments	293,394
Profit and loss	50,161	Loans to customers	235,835
		Premises account	51,180
	658,384		658,384

BRITISH BANK OF SOUTH AMERICA, LIMITED.

The report for the financial year ended December 31st last states that the gross profits, after allowing for rebate of interest on current bills and drafts, for interest on deposits, and making ample provision for bad and doubtful debts and contingencies, amount to £525,076; this, with the balance of £105,897 brought forward from the previous year, makes £630,973. After deducting all charges of the head office and branches, amounting to £399,175, and Government taxes in Brazil and the River Plate, £15,017, there remains £216,781 available. Out of this sum the directors have transferred £10,000 to pension and benevolent fund, which, with interest at 5 per cent., now amounts to £153,732. A dividend on account of 10s per share, amounting to £50,000, was paid in September last, and it is recommended that a further dividend of 10s per share, amounting to £50,000, be now declared, payable on May 4th, making for the year a distribution of 20s per share, or 10 per cent., subject to income-tax, on the paid-up capital of the bank of £1,000,000. After making this transfer and paying this dividend, there will remain the sum of £106,781, which the directors propose to carry forward.

BALANCE-SHEET—December 31, 1922.

LIABILITIES.	£	ASSETS.	£
Capital—100,000 shares of £20 each—Paid up £10 per share	1,000,000	Cash in hand, at bankers and at call	5,230,939
Reserve fund, as per balance-sheet of Dec. 31, 1920	1,000,000	Bills receivable in hand, and deposited with the company's bankers, £5,573,908; other accounts, £5,642,767	12,216,675
Of this sum £489,338 would be required to make good the depreciation in sterling value of the capital employed in South America, calculated at the rates on London ruling as on December 31, 1922		Liability of customers for acceptances, as per contra	997,659
Freehold and leasehold premises in London and South America at cost, less amounts written off		Bills for collection, as per contra	3,148,817
Pension and benevolent fund	153,732		
Amount due on current and deposit accounts	11,492,434		
Bills payable	1,683,141		
Other accounts on account of customers	2,406,087		
Acceptances on account of customers	997,660		
Bills for collection	3,148,817		
Profit and loss account, as per statement below	156,781		
	22,038,652		22,038,652

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
General charges at head office and the branches, including directors' remuneration	399,175	Balance from last account	105,897
Government taxes in Brazil and the River Plate	15,017	Gross profits, after allowing for rebate of interest on current bills and drafts, interest on deposits, and ample provision for bad and doubtful debts and contingencies	525,076
Dividend on account for the half-year ended June 30, 1922	50,000		
Pension and benevolent fund—amount added	10,000		
Balance carried down	156,781		
	630,973		630,973

BRITISH ITALIAN CORPORATION, LIMITED.

BALANCE-SHEET—December 31, 1922.

LIABILITIES.	£	ASSETS.	£
Capital—Authorized and issued, 50,000 shares of £20 each, fully paid	1,000,000	Cash in hand	6,378
Reserve account	233,418	Cash at call and short notice	345,000
Current deposits, and other accounts	233,418	Balances with bankers in London	146,255
Provision for contingencies	1,336,636	Balances with Banca Italo-Britannica	194,330
Acceptances, guarantees, and endorsements	711,438	Balances with other bankers abroad	55,950
Guarantees	2,565,502	Bills receivable	416,171
Endorsements	329,804	Investments at cost—Banca Italo-Britannica—1,500 shares of Lit. 5,000 each, fully paid; 2,000 shares of Lit. 5,000 each, Lit. 1,000 paid; Societa Immobiliare Italo-Britannica—6,000 shares of Lit. 1,000 each, fully paid	174,111
Profit and loss account—Balance at 31st December, 1921, £27,724; add net profit for the year 1922 as per profit and loss account, £41,016	68,740	Advances to customers and other accounts	458,524
		Advances to Banca Italo-Britannica	803,332
		Liabilities of customers for acceptances, guarantees and endorsements, as per contra—Banca Italo-Britannica	96,234
		Other Italian banks	2,570,306
		Other customers	941,604
		Premises account	40,742
		Office furniture	1
	6,247,538		6,247,538

The report presented to the meeting, held on March 28th, states that the balance shown by the profit and loss account for the year 1922 amounts to £41,016. Deducting the additional remuneration of the directors in accordance with the articles of association, viz., £2,051—£38,965, and adding the undivided balance carried forward from 1921,

£27,724, a total profit of £66,689 becomes available for allocation. The directors recommend, as last year, the distribution of a dividend of 4 per cent., free of income-tax, absorbing £40,000, and that the balance of £26,689 be carried forward to new account—£66,689.

BRITISH AND NORTH EUROPEAN BANK, LIMITED.

BALANCE-SHEET—June 30, 1922.

LIABILITIES.	£	ASSETS.	£
Capital, 500,000 shares of £1 each, fully paid	500,000	Cash at banks and in hand	259,781
Deposits, current accounts, &c.	466,911	Bills of exchange	116,465
Acceptances, endorsements, &c.	366,563	Investments	43,831
		Advances to customers	422,933
		Sundry debtors and debit balances	108,030
		Liabilities of customers for acceptances, endorsements, &c.	366,563
		Office furniture, lease, and preliminary expenses of formation of company	16,171
	1,333,774		1,333,774

BRITISH OVERSEAS BANK, LIMITED.

The report to the meeting, held on December 15, 1922, states that the profit, after allowing for rebate of interest and providing for all bad and doubtful debts, income-tax and other taxation for the year ended October 31, 1922, amounts to £75,287; balance available from last account, £57,527; making a total of £132,814. Interim dividend on "A" ordinary shares at the rate of 6 per cent. per annum for the half-year ended April 30, 1922, and income-tax thereon, £30,000; leaving a balance of £102,814, which the governing council recommends should be dealt with as follows:—In payment of a dividend on the "A" ordinary shares at the rate of 6 per cent. per annum (less income-tax) for the half-year ended October 31, 1922, which, together with income-tax thereon, amounts to £30,000; to reserve fund against shareholding interests in foreign banks, £10,000; to reduction of premises account, £5,000; leaving a net balance to be carried forward to next year of £57,814—£102,814.

BALANCE-SHEET—October 31, 1922.

LIABILITIES.	£	ASSETS.	£
Capital subscribed and paid in full—200,000 "A" ordinary shares of £5 each	1,000,000	Cash in hand and at bankers	314,185
200,000 "B" ordinary shares of £5 each	1,000,000	Money at call & short notice	1,019,431
Current deposit, and other accounts	1,511,511	Balances with bankers abroad	574,965
Reserve against shareholding interests in foreign banks	20,000	Bills discounted	106,405
Acceptances and endorsements for account of customers (per contra)	932,421	Government securities—£300,000 Treasury bills	298,495
Balance of profit and loss account	102,814	Shareholding interests in foreign banks, at cost	46,785
	4,566,746	Other investments	33,243
		Advances to customers and other accounts	905,075
		Liability of customers for acceptances and endorsements (per contra)	932,421
		Premises account	335,741
			4,566,746

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Interim dividend on the "A" ordinary shares at the rate of 6 per cent. per annum and income-tax thereon	30,000	Balance brought forward	57,527
Balance carried to balance-sheet	102,814	Net profit, after allowing rebate of interest and providing for bad and doubtful debts, income-tax and other taxation for the year ended October 31, 1922	75,287
	132,814		132,814

BRITISH TRADE CORPORATION.

BALANCE-SHEET—December 30, 1922.

LIABILITIES.	£	ASSETS.	£
Capital issued—200,000 shares of £5 each, fully paid, £1,000,000; 500,000 "A" shares of £1 each, fully paid, £499,569 (less calls in arrears, £431 5s)	1,499,569	Cash in hand and at bankers	161,419
Current deposit, and other accounts (including rebate of interest on bills discounted)	1,224,951	Money at call and short notice	300,000
Acceptances on account of customers	581,605	Investments (including £500,000 National War Bonds or other Government stocks) at or under cost	735,803
Adjustment of current accounts with branches, between Sept. 30 and Dec. 30, 1922	33,279	Bills discounted, loans, advances, and sundry debtors, after deducting reserve for doubtful debts	1,144,678
Profit and loss account as per account	39,412	Liability of customers for acceptances, as per contra	581,605
		Interests in subsidiary companies at or under cost	69,150
		National Bank of Turkey, 97,060 shares of £10 each, £2 10s paid, at cost	943,744
		Premises	117,222
		Furniture, less depreciation	4,445
		Stamp duty on unissued capital	18,750
	3,378,816		3,378,816

NOTE.—There is a contingent liability of £185,000 in respect of guarantees, of £46,297 in respect of bills re-discounted and £69,725 in respect of uncalled capital on investments held.

THE CHASE NATIONAL BANK
of the City of New York, 57 Broadway

Capital	- - - - -	\$20,000,000
Surplus and Profits	- - - - -	22,057,000
Deposits (Dec. 29, 1922)	- - - - -	466,350,000

OFFICERS:

ALBERT H. WIGGIN, President.

Vice-Presidents:

SAMUEL H. MILLER	HENRY OLLESHEIMER
CARL J. SCHMIDLAPP	ALFRED C. ANDREWS
REEVE SCHLEY	ROBERT I. BARR
	SHERRILL SMITH

Assistant Vice-Presidents:

EDWIN A. LEE	M. HADDEN HOWELL
WILLIAM E. PURDY	ALFRED W. HUDSON
GEORGE H. SAYLOR	GEORGE HADDEN
	JAMES L. MILLER

Comptroller:

THOMAS RITCHIE

Cashier:

WILLIAM P. HOLLY

DIRECTORS:

HENRY W. CANNON	FREDERICK H. ECKER
ALBERT H. WIGGIN	EUGENE V. R. TRAYER
JOHN J. MITCHELL	CARL J. SCHMIDLAPP
GUY E. TRIPP	GERHARD M. DAHL
DANIEL C. JACKLING	ANDREW FLETCHER
CHARLES M. SCHWAB	REEVE SCHLEY
SAMUEL H. MILLER	H. WENDELL ENDICOTT
EDWARD R. TINKER	WILLIAM M. WOOD
EDWARD T. NICHOLS	JEREMIAH MELMAN
NEWCOMB CARLTON	HENRY OLLESHEIMER
	ARTHUR G. HOFFMAN

WE RECEIVE ACCOUNTS OF BANKS, Bankers, Corporations, Firms or Individuals on favourable terms, and shall be pleased to meet or correspond with those who contemplate making changes or opening new accounts.

FOREIGN DEPARTMENT.

THE EQUITABLE
TRUST COMPANY
OF NEW YORK.

ALVIN W. KRECH, President.

Capital, Surplus and Undivided
Profits (Dec. 30, 1922), \$28,479,123
Deposits (Dec. 30, 1922), \$270,544,399

BANKING BUSINESS TRANSACTED IN ALL PARTS OF THE WORLD.

Deposits received at fixed periods at rates which may be ascertained on application.

Every facility afforded for the development of trade with United States of America and the Continent of Europe.

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PARIS.
23 RUE DE LA PAIX.

MEXICO.
48, CALLE DE CAPUCHINAS.

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GOLDMAN, SACHS & Co.

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BOSTON LOS ANGELES
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Foreign Exchange, Commercial
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THE NATIONAL
SHAWMUT BANK

OF BOSTON,
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Correspondents in all large cities in the United States of America.

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Issues Commercial Letters of Credit and Travellers' Letters of Credit.

Buys and sells Foreign Exchange.

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Makes Advances against Merchandise stored at home or abroad.

Check Accounts solicited.

London Agents:
London Joint City and Midland Bank, Ltd.
Barclays Bank, Ltd. Lloyds Bank, Ltd.
Guaranty Trust Company of New York.

PROFIT AND LOSS ACCOUNT.		£
Dr.	Cr.	
Provision in respect of interest charged to debtors but unpaid	30,022	
Balance, being profit carried to balance-sheet	39,412	
	69,434	69,434

The report presented at the meeting on April 9th states that the profit and loss account for the past year, during which conditions were specially unfavourable, shows a net balance of profit amounting to £39,412. The provision made last year by the writing down of capital, for anticipated losses, and for depreciation in the value of investments in subsidiary companies, has proved to be insufficient. The unsettled political and economic conditions in the Near East have been prejudicial to the operation of those companies, and have retarded the resumption of normal and profitable business after the crisis of 1921. The directors now find it necessary to recommend the writing down of a further £2 10s on each of the 200,000 shares of the original issue. This further provision is in respect of depreciation of assets existing in 1921, and no part of it is required in connection with the business of the past year.

COMMERCIAL BANK OF THE NEAR EAST, LIMITED.

The company was incorporated on October 17, 1922, and the report for the period ended December 31, 1922, shows an excess of expenditure over income of £396, which may be considered as part of the cost of the organisation and development of the business.

DRAFT BALANCE-SHEET—December 31, 1922.		£
LIABILITIES.	Assets.	
Share capital issued and fully paid: 21,345 shares of £5 each	Cash in hand and at Lloyds Bank, Limited	33,460
Current deposit, and other accounts	Money at call and at short notice	180,740
129,500	Balances with foreign bankers and correspondents	294
18,390	Investments—British Government securities	29,905
4,678	Advances to customers and other accounts	5,728
	Bills for collection, per contra	4,678
	Lease, alterations, and furniture	1,534
	Preliminary expenses	2,458
	Profit and loss account—Excess of expenditure over income from November 6, 1922, to date	396
259,193		259,193

COMPTOIR NATIONAL D'ESCOMPTE DE PARIS.

BALANCE-SHEET—December 31, 1921. (25 francs to the £.)		£
LIABILITIES.	Assets.	
Current and deposit accounts	Cash in hand and at bank	15,930,850
133,633,530	Bills of exchange discounted and French Treasury bills	106,051,677
1,058,286	Credit balances with banking correspondents	6,950,664
2,912,184	Branches abroad	6,639,404
2,016,504	Advances against collateral	223,897
2,988,646	Investments	13,201,086
1,147,657	Current accounts	2,899,359
10,000,000	Liability of customers on acceptances	596,369
	Sundry accounts	600,000
	Bank premises	
153,756,816		153,756,816

COMMERCIAL BANK OF SPANISH AMERICA, LIMITED.

The report for the year ending June 30, 1922, is as follows:—Having regard to the unsatisfactory state of

trade and the adverse conditions which have prevailed during the period covered by this balance-sheet, the directors, after carefully reviewing the position, consider it advisable to create a "contingency account" as a provision for bad and doubtful debts by transferring the amount of £77,750 from reserve fund and crediting thereto £60,000 from profit and loss account.

BALANCE-SHEET—June 30, 1922.		£
LIABILITIES.	Assets.	
Capital issued—500,000 shares of £1 each, fully paid	Cash at bankers and in hand	497,013
500,000	Investments taken at market value at June 30, 1922, where quoted, otherwise at valuation	20,795
Contingency account—Transfer of reserve fund, £77,750; transfer from profit and loss account, £60,000	Bills receivable	245,024
137,750	Loan and other accounts (less contingency account, as per contra)	2,841,240
2,851,653	Properties and furniture	47,799
299,877	Bills for collection (per contra)	648,913
648,913	Profit and loss account balance	4,300,784
39		
302		
4,300,784		4,300,784

PROFIT AND LOSS ACCOUNT.		£
Dr.	Cr.	
Expenses of head office and branches, including taxes, directors' fees, salaries, &c.	Balance brought forward	11,610
181,330	Gross profits for the year	238,261
Income tax		
4,606		
Rebate of interest on bills not due		
39		
Transfer to pension fund		
3,600		
Transfer to contingency account		
60,000		
Balance carried to balance-sheet		
302		
249,877		249,877

CREDIT FONCIER D'ALGERIE ET DE TUNISIE.

BALANCE-SHEET—December 31, 1921.		Francs.
LIABILITIES.	Assets.	
Capital	Uncalled capital	5,568,500
125,000,000	Cash	54,363,491
20,433,292	Bills	358,993,506
Superannuation fund	Investments	25,617,558
200,000	Special advances	1,000,000
99,784,052	Premises, &c.	23,258,940
Crédit Foncier de France	Loans and advances	174,273,211
2,427,747	Correspondents	35,051,852
Caisse Hypothé. d'Egypte	Current accounts	125,521,977
5,000,000	Syndicates	37,263,805
449,235,932	Cover for acceptances	11,348,439
Deposits	Exchange operations	8,392,500
38,817,657	Preliminary expenses	6,504,702
Correspondents & creditors		
79,536,722		
Acceptances, &c.		
19,337,131		
Exchange operations		
8,392,500		
Sundry accounts		
1,560,114		
Profit and loss		
7,045,334		
867,159,481		867,159,481

CREDITO ITALIANO.

At the annual general meeting held on March 27, 1923, it was decided to allocate the net profit as follows:—To reserve fund, 10,000,000 lire; to directors, 1,551,724 lire; to shareholders as dividend 9 per cent., 27,000,000 lire; to balance carried forward, 3,664,104 lire—42,215,828 lire.

BALANCE-SHEET—December 31, 1922.		Lire.
LIABILITIES.	Assets.	
Capital	Cash and balances at call with banks	432,602,313
300,000,000	Bills receivable on Italy, England, and other countries	2,579,085,034
Reserve fund	Loans against collateral securities	341,870,238
90,000,000	Current accounts	1,136,522,700
Deposits and saving accounts	Investments	104,353,283
836,574,928	Participations	16,426,157
3,086,524,282	Freehold bank premises	12,500,000
Current accounts	Sundry debtors	59,033,086
77,959,403	Customers' liabilities against guarantees	57,416,716
Cheques outstanding	Securities belonging to clerks' provident fund	4,739,809,527
194,701,183		
Sundry creditors		
40,892,088		
Guarantees on account of customers		
57,416,715		
Rebate on bills receivable maturing next year		
13,521,099		
Net profit		
42,215,829		
4,739,809,527		4,739,809,527
Clerks' provident fund, as per contra		
16,707,606		
4,756,517,133		4,756,517,133

British Trade Corporation.

Telegrams—"TRABANQUE, LONDON."

(INCORPORATED BY ROYAL CHARTER.)

Telephones—LONDON WALL 2947-2948.

13/14, AUSTIN FRIARS, LONDON, E.C.2.

CAPITAL:

AUTHORISED .. £2,000,000.

SUBSCRIBED .. £1,500,000.

Governer ..

THE LORD FARINGDON.

Deputy Governer ..

SIR HENRY BASINGTON SMITH, G.B.E., K.C.B., C.S.I.

London Manager: P. C. WEST.

Secretary: G. DE B. BROWNLEE.

The Corporation is prepared to assist in the development of the Trade of the British Empire in every part of the world, and offers exceptional financial facilities to British Manufacturers and Merchants for the increase of their export and import trade.

It has Agents and Correspondents in all parts of the world, and transacts Banking business of every description.

It invites enquiries, and will endeavour, where necessary, to put expert advice at the disposal of correspondents regarding the financing of their foreign and overseas business.

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Established for the assistance of British Trade by the Insurance of Accounts.

THE UNION BANK OF AUSTRALIA Limited.

Established 1837. Incorporated 1880.

CAPITAL AUTHORISED AND ISSUED £9,000,000
Capital Paid-up .. £3,000,000
Reserve Fund .. £3,250,000

Reserve Liability of Proprietors £8,000,000

DIRECTORS:

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The Rt. Hon. LORD CARMICHAEL, SOMERVILLE R. LIVINGSTONE, G.C.S.I., LEARMONTH, Esq.
The Rt. Hon. THE EARL OF ROBERT C. NESBITT, Esq., M.P.
CHICHESTER, FREDERICK G. PARBURY, Esq.
JOHN DENNISTOUN, Esq. The Hon. EDMUND W. PARKER.
HUGH D. FLOWER, Esq. Sir WESTBY B. PERCEVAL, K.C.M.G.
The Rt. Hon. LORD HILLINGDON. ARTHUR C. WILLIS, Esq.

HEAD OFFICE:

71 Cornhill, London, E.C.3.

Manager—W. J. ESSAME. Assistant Manager—W. A. LAING.
Secretary—F. H. MCINTYRE.

BRANCHES THROUGHOUT AUSTRALIA AND NEW ZEALAND, viz.:

In VICTORIA	43
.. SOUTH AUSTRALIA	14
.. NEW SOUTH WALES	42
.. WESTERN AUSTRALIA	20
.. QUEENSLAND	19
.. TASMANIA	8
.. NEW ZEALAND	46
	187

Drafts upon the Branches are issued by Head Office, and may also be obtained from the Bank's Agents throughout England, Scotland, and Ireland. Commercial and Circular Travelling Credits issued—available throughout the World. Telegraphic Remittances are also made. Bills on the Australian States and Dominion of New Zealand are purchased or sent for collection. Deposits are received at Head Office at rates of interest and for periods which may be ascertained on application.

Harrods LTD LONDON

Authorised Capital
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Issued and Fully Paid
£5,915,000

Reserve Fund
£669,097

DIRECTORS

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Chairman & Managing Director.
F. H. HARVEY-SAMUEL
EDGAR COHEN
SIR H. K. NEWTON, BART.
FRANK R. CHITHAM
ALLAN HEPPWORTH

CHIEF ACCOUNTANT

ALLAN HEPPWORTH
SECRETARY
R. H. GRIFFITH
BANK MANAGER
F. W. ATKINSON

BANKING DEPARTMENT

Current Accounts are opened for Shareholders and Customers or Friends introduced by them. Interest at the rate of 2½ per cent. per annum, credited annually, is allowed upon the minimum monthly balance, provided it is not under £20. No commission charged for keeping Accounts, but the opening lodgment must not be less than £20, nor the minimum balance less than £10.

Money is received on Deposit in sums of £1 up to £500 subject to seven days' notice of withdrawal. Amounts over £5 0 are received on special terms as to notice. Interest is allowed from date of deposit to date upon which withdrawal notice expires, and is credited or paid half-yearly, viz., 30th June and 31st December.

The Directors reserve to themselves the power to return Deposits or change the rate of interest.

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Head Office BROMPTON ROAD LONDON SW1



THE

COLONIAL BANK

Established in 1836.

Sanctioned by Royal Charter and under the Authority of Parliament.

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Paid-up Capital - £900,000

Reserve Funds - £300,000

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City Branch: 30, GRACECHURCH STREET, E.C.3.

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Liverpool, Manchester, Hull
and Hamburg.

Agency in New York.

English, Scottish & Australian Bank, Limited.

Head Office: 5, GRACECHURCH STREET, E.C.3,
and 333 Branches and Agencies throughout Australia.

Authorised Capital - £3,000,000 0 0
Paid-up Capital - £1,319,887 10 0
Uncalled Capital - £1,319,887 10 0
Reserve Fund - £1,450,000 0 0

Board of Directors:

A. WILLIAMSON, Esq., Chairman.
JOHN ANNAN BRYCE, Esq. HON. SIR ARTHUR LAWLEY, G.C.S.I.
HON. SIR JOHN A. COCKBURN, JOHN PATERSON, Esq.
K.C.M.G. GEORGE SLADE, Esq.
THE RT. HON. VISCOUNT SIDNEY M. WARD, Esq.
KNUTSFORD. SIR FREDERICK W. YOUNG.

Manager—E. M. JANION.
Assistant Manager—JOS. GRIEVE.
Sub-Manager—A. A. SHIPSTON.
Accountant—WALTER PHILLIPS.

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WESTMINSTER BANK, LIMITED.

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CREDIT LYONNAIS.

BALANCE-SHEET—February 28, 1923.

LIABILITIES.	Assets.
Deposits at call	Cash in hand and at banks
Current accounts	Bills discounted & French Treasury bills
Accounts payable after collection	Loans and advances
Exchange for forward delivery	Current accounts
Acceptances	Exchange for forward delivery
Deposits for fixed periods	Investments
Sundry liabilities	Sundries
Profit and loss	Premises
Reserve fund	
Capital fully paid	

EQUITABLE TRUST COMPANY OF NEW YORK.

BALANCE-SHEET—March 27, 1923.

LIABILITIES.	Assets.
Capital	Cash on hand and in banks
Surplus and undivided profits	Exchanges for clearing
Deposits (including foreign offices)	House
Acceptances (less in port folio)	Due from foreign banks
Notes payable and discounts	Bonds and mortgages
Accrued interest payable, reserve for taxes, and other liabilities	Public securities
	Short term investments
	Other stocks and bonds
	Demand loans
	Time loans
	Bills discounted
	Customers' liability on acceptances (less anticipations)
	Real estate
	Foreign offices
	Accrued interest receivable, and other assets

FARMERS' LOAN AND TRUST COMPANY.

BALANCE-SHEET—March 27, 1923.

LIABILITIES.	Assets.
Deposits	Cash on hand and in bank
Accrued interest, reserve for taxes, dividends, &c.	U.S. Government bonds and certificates
Acceptances sold with our endorsement	Bills purchased
Domestic and foreign acceptances	Call loans—Collateral
Capital stock	Time loans—Collateral
Surplus and undivided profits	Accrued interest
	Bonds and stocks
	Bonds and mortgages
	Liabilities of customers for acceptances
	Real estate

GUARANTY TRUST COMPANY OF NEW YORK.

BALANCE-SHEET—March 27, 1923.

LIABILITIES.	Assets.
Capital	Cash on hand, in Federal Reserve Bank, and due from banks and bankers
Reserve fund	U.S. Government bonds and certificates
Undivided profits	Public securities
Accrued dividend	Other securities
Accrued interest payable and reserve for taxes and expenses	Loans and bills purchased
Due for exchange bought	Real estate bonds and mortgages
Miscellaneous liabilities	Foreign exchange
Acceptances	Credits granted on acceptances
Outstanding treasurer's cheques	Real estate
Deposits	Accrued interest and accounts receivable

HAMBROS BANK, LIMITED.

The report to be submitted at the meeting on May 24th states that, after payment of all expenses, making provision for rebate on bills discounted, bad and doubtful debts, income-tax, and corporation profits tax, the accounts for the year ending March 31, 1923, show a profit of £359,088, to which falls to be added the balance brought forward from last year of £79,413, making an available total of £438,501. After setting aside the sum of £150,000 to contingency reserve account, £25,000 to pensions fund,

and allowing the sum of £60,000 for the interim dividend of 6 per cent., free of income-tax, paid on October 23, 1922, the directors now recommend the payment of a further dividend of 12 per cent., making a total of 18 per cent. for the year, free of income-tax, and that the balance of £83,501 be carried forward.

BALANCE-SHEET—March 31, 1923.

LIABILITIES.	Assets.
Paid-up capital—£2 10s per share on 400,000 shares ..	Cash in hand, at bankers, and at call
Reserve	Bills of exchange
Profit and loss account ..	Investments—Valued at or below prices current at March 31, 1923—
Current, deposit, and other accounts	British Government securities, £4,197,066; other investments, £653,532
Acceptances	Loans, advances, and other accounts
	Liabilities of customers for acceptances, as per contra Bank premises

Memorandum—Contingent liability as endorser of bills discounted, £700,204, and on guarantees given covered by counter guarantees or securities, £769,540.

HONGKONG AND SHANGHAI BANKING CORPORATION.

BALANCE-SHEET—December 31, 1922.

LIABILITIES.	Assets.
Issued and paid-up capital—160,000 shares of \$125 each	Cash (including \$24,700,000 coin lodged with the Hongkong Government against authorised and/or excess note circulation)
Reserve liability of proprietors—\$125 per share on 160,000 shares issued, \$20,000,000	Bullion in hand and in transit
Sterling reserve	British Government, Indian, Colonial, and other securities
Silver reserve	Bills discounted, loans and credits
Marine insurance account	Bills receivable
Notes in circulation	Liabilities of constituents for acceptances, per contra Bank premises
Current accounts	
Fixed deposits	
Bills payable	
Acceptances on account of constituents	
Profit and loss account ..	
Liability on bills of exchange rediscounted, £4,682,375, of which £3,811,318 have since run off ..	

PROFIT AND LOSS ACCOUNT.

Dr.	Cr.
Interim dividend—	Balance of undivided profits, December 31, 1921 ..
Paid on August 8, 1922, of £3 per share on 160,000 shares = £480,000 at 2s 7½d ..	Amount of net profits for the year ending December 31, 1922, after making provision for bad and doubtful debts and contingencies, deducting all expenses and interest paid and due
Balance to be appropriated ..	
—£11 dividend of £3 per share on 160,000 shares = £480,000 at 2s 2½d = £4,306,542; bonus of £2 per share on 160,000 shares = £320,000 at 2s 2½d = £2,871,028	
Transfer to silver reserve ..	
Transfer to bank premises account	
Balance forward to next year	

The report to the meeting held on February 24, 1923, states that the net profits for the year ending December 31, 1922, including \$3,331,778, balance brought forward from last account, after paying all charges, deducting interest paid and due, and making provision for bad and doubtful accounts and contingencies, amount to \$16,264,182. The directors recommend the transfer of \$1,000,000 from the profit and loss account to credit of the silver reserve, which will then stand at \$24,500,000. They also recommend writing off bank premises account the sum of \$1,000,000. After making these transfers, deducting the interim dividend of £3 per share, paid on August 8th last—viz., £480,000

ANGLO-CZECHOSLOVAKIAN BANK.

Head Office - PRAGUE.

London Office :
24 - 28, LOMBARD STREET, E.C.3.Branches in all
the principal towns
of Czecho-Slovakia.Capital fully paid :
CzechKronen 120,000,000GENERAL BANKING BUSINESS
TRANSACTED.ANGLO-AUSTRIAN BANK,
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Czernowitz. Nagyvarad. Suczawa.Correspondents in Czecho-Slovakia :
Anglo - Czechoslovakian Bank,
Prague and Branches.CAPITAL :
Authorised - - - £2,000,000
Paid up - - - £1,406,370GENERAL BANKING BUSINESS
TRANSACTED.THE
MERCANTILE
BANK OF INDIA, LTD.HEAD OFFICE :
15, Gracechurch St., London, E.C.3.Capital Authorised ... £3,000,000
Capital Paid Up ... £1,050,000
Reserve Fund and Undivided
Profits ... £1,352,105Branches and Agencies in :
INDIA, CEYLON, BURMAH,
STRAITS SETTLEMENTS, CHINA,
and PORT LOUIS (MAURITIUS).The Bank buys and sells Bills of Exchange, issues
Letters of Credit and conducts every description of
Banking Business in connection with the East.FIXED DEPOSIT RATES
will be quoted upon application.On CURRENT ACCOUNTS interest is allowed at
2 per cent. per annum on daily balances, provided
interest for the half year amounts to £1.

THE BANK OF CHOSEN

Subscribed Capital Yen 80,000,000
Paid up „ 50,000,000Governor: S. MINOBE, Esq. Deputy Governor: T. KANO, Esq.
Directors: S. SUDZUKI, Esq., S. KAKEI, Esq., Y. KATAYAMA, Esq.Head Office - - - - - SEOUL, CHOSEN
Foreign Department - - - - - TOKYO, JAPAN,

PRINCIPAL BRANCHES:

CHOSEN—Chemulpo, Pyengyang, Wonsan, Fusan, Taiku.
MANCHURIA—Antung, Mukden, Dairen, Yingkow (Newchwang), Changchun, Harbin.
CHINA—Shanghai, Tsingtao, Tientsin, Tsinan. JAPAN—Tokyo, Osaka, Kobe, Shimonoseki. EASTERN SIBERIA—Vladivostok.
NEW YORK AGENCY—165, Broadway, New York City.

Every description of General Banking and Exchange Business Transacted.

London Bankers: London Joint City and Midland Bank, Ltd.

London Representative: MR. T. HATTORI, Palmerston House, 34, Old Broad street, London, E.C. 2.

BALANCE-SHEET—August 31, 1922.

The exchange for draochmas is taken at 140 per £ and for £ at 97.50 per £100.

LIABILITIES.	£	ASSETS.	£
Capital—97,116 shares of £5 each, fully paid	485,580	Cash in hand and at bankers Money at call with National Bank of Greece and National Bank of Egypt ..	243,555
Reserve fund	155,000	Investments at market prices or under—Securities of, or guaranteed by, the British Government, £1,440,355; British Dominions, Colonial and foreign Government securities and other investments, £140,228	1,581,184
Current accounts, including interest, £3,315,301; deposits bearing interest, £516,492	2,831,793	Bills discounted	431,779
Other liabilities and credit accounts, including outstanding advances, exchange contracts, letters of credit, documentary credits, unclaimed dividends, and other credit balances	922,223	Advances on securities	928,323
Bills payable	91,349	Loans and current accounts Other assets, including outstanding advances, exchange contracts, letters of credit, documentary credits, and other advances	223,914
Premises redemption fund ..	10,000	Current accounts secured by mortgages	1,342
Rebate on bills discounted not due	4,259	Advances on mortgages	67,920
Profit and loss, balance of account	24,762	Mortgaged property taken possession of	4,855
Contingent liability on bills of exchange discounted, £28,240 ..		Freehold bank premises at Athens, Corfu, Cephalonia, Patras, Piræus, Zante, and bank furniture	88,957
	4,524,966		4,524,966

LONDON AND BRAZILIAN BANK, LIMITED.

BALANCE-SHEET—January 31, 1923.

LIABILITIES.	£	ASSETS.	£
Capital—150,000 shares issued, £30 each, paid up, £10 per share	1,500,000	Specie and cash at head office and branches	8,482,141
Reserve fund	1,500,000	Bills receivable	1,858,033
Current accounts and deposits in currency at branches, £19,340,027; current accounts and deposits at head office, £344,302	19,684,399	Bills discounted, loans, &c.	15,454,120
Bills payable	3,282,563	Cash and remittances in transit, &c.	1,245,799
Agents and sundry accounts 1,010,619		Bills for collection, as per contra	6,613,347
Bills for collection on account of customers	6,613,346	Bank premises at head office and branches	376,186
Profit and loss, £539,976; interim dividend (interim) paid to July 31, 1922, £75,000	464,976	Furniture at head office and branches	25,277
	34,055,903		34,055,903

(Staff pension and benevolent fund trust £179,136, 5% War Loan, 1922-1947)

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Charges at head office and branches	392,385	Balance brought down	498,622
Taxes at home and abroad	39,897	Profit to Jan. 31, 1923, after providing for rebate of interest on bills discounted not due, and bad and doubtful debts	473,636
Dividend (interim) for the half-year ending July 31, 1922	75,000		
Balance carried down	464,976		972,258
	972,258		972,258

The report for the year ended January 31st last shows an available balance of £539,976 (including £498,622 brought forward from last year). An interim dividend of 10s per share, amounting to £75,000, was paid in October last. The directors now recommend a further payment of 10s per share, being a dividend at the rate of 10 per cent. per annum, less income-tax. The above payments will absorb £150,000, leaving a balance of £389,976, with which it is proposed to deal as follows:—£200,000 to special contingency account, and £189,976 to the credit of profit and loss new account.

MITSUBISHI BANK, LIMITED.

BALANCE-SHEET—June 30, 1922.

LIABILITIES.	Yen.	ASSETS.	Yen.
Capital	50,000,000	Uncalled capital	20,000,000
Reserve funds	11,350,000	Loans and bills discounted	181,551,455
Deposits	257,828,732	Foreign bills bought	8,331,627
Bills payable	2,171,717	Interest-bearing foreign bills	8,791,526
Foreign bills sold	357,994	Due from other banks	648,834
Due to other banks	827,283	Acceptances and guarantees	6,123,931
Acceptances and guarantees	6,123,931	Interest accrued on deposits	35,929,388
Interest accrued on deposits	1,902,337	Government bonds	45,731,782
Rebate on bills discounted not yet due	1,608,457	Other bonds and securities	7,778,795
Suspense accounts	137,407	Office premises	8,499
Accounts en route	1,407,958	Suspense accounts	21,992,126
Balance brought forward from last profit and loss account	926,461	Cash on hand and in banks	
Net profit for the current half-year	4,179,496		336,893,763
	336,893,763		336,893,763

PROFIT AND LOSS.

Dr.	Yen.	Cr.	Yen.
Legal reserve fund	500,000	Not profit for the half-year	4,179,496
Sp. cal re-serve fund	1,500,000	Balance brought forward from last profit and loss account	926,461
Pension reserve fund	200,000		
Bonus	200,000		
Dividend at 10% per annum	1,500,000		
Balance carried forward to the next half-year	1,205,957		5,105,997
	5,105,957		5,105,997

LONDON AND RIVER PLATE BANK, LIMITED.

The report states that the balance available, after making ample allowance for bad and doubtful debts, income-tax, and £87,591 rebate of interest on bills not due, amounts to £424,992, including £317,524 brought forward from last year. The directors recommend the following distribution:—To dividend, £81,600, being 4 per cent., subject to income-tax, payable December 23, 1922, making, with £122,400, the interim dividend paid in June last, a distribution of 10 per cent. for the year on the paid-up capital of the bank; to profit and loss new account, £220,992, to be carried forward.

BALANCE-SHEET—September 30, 1922.

LIABILITIES.	£	ASSETS.	£
Capital, 120,000 shares of £25 each, on which £17 per share has been paid	2,040,000	Cash on hand, at bankers, and at branches	11,099,110
Reserve fund	2,100,000	Bills receivable, discounted, advances, securities, &c. (including depreciation arising on conversion of currency capital into sterling—see Directors' Report) after deducting provision for contingencies	25,914,510
Acceptances—account branches	3,117,213	Bills for collection	5,093,224
Acceptances—customers' drafts under merchandise credits, &c.	1,430,360	Bank premises, including furniture	1,036,299
Bills advised—drafts in transit	1,383,452		
Current accounts, &c., and deposits in currency at branches	26,950,352		
Current accounts and deposits at head office	631,560		
Monte Video branch—Local currency emission	6,799		
Bills for collection on account of customers, per contra	5,093,224		
Rebate of interest on bills not due	87,591		
Profit and loss account, as per statement below	302,592		
	43,143,143		43,143,143

Note—Contingent liability as endorers of foreign bills discounted, £2,761,311—of which £1,734,331 has since run off.

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Charges at head office and branches, including rent and taxes	665,635	Balance brought forward ..	317,524
Interim dividend	122,400	Gross profit, after providing for bad and doubtful debts ..	773,103
Balance carried down	302,592		
	1,090,627		1,090,627

MOSCOW NARODNY BANK, LIMITED.

BALANCE-SHEET—December 31, 1922.

LIABILITIES.	£	ASSETS.	£
Capital issued—25,000 shares of £10 each, fully paid	250,000	Cash at bankers and in hand	133,329
Current accounts	63,714	Loan at short notice secured by British Government securities	50,000
Deposit accounts	80,055	Clients' current accounts ..	3,865
Correspondents	7,311	Correspondents of the bank ..	17,768
Transfers to be effected by this bank	2,123	Bills discounted	36,003
Miscellaneous creditors and accrued charges	28,449	Advances against goods and documents	135,110
Profit and loss account	125	Miscellaneous debtors, accrued interest and prepaid charges	1,758
	431,787	Moscow Narodny Bank—London branch	42,836
		Office furniture and fittings, less depreciation	1,498
		Donation to the Russian Famine Fund, to be written off over a period of five years ..	9,122
		Preliminary expenses—less amount written off	498
			431,787

NATIONAL CITY BANK OF NEW YORK.

BALANCE-SHEET—April 3, 1923.

LIABILITIES.	\$	ASSETS.	\$
Capital	40,000,000	Cash in vault and in Federal Reserve Bank	86,029,088
Surplus	45,000,000	Due from banks, bankers and United States	75,322,607
Undivided profits	5,984,330	Loans, discounts and acceptances of other banks	495,835,847
Deposits	651,682,357	United States Government and other bonds	145,106,500
Due to Federal Reserve Bank	14,000,000	Stock in Federal Reserve Bank	2,560,000
Acceptances of other banks and foreign bills sold with our endorsement	53,731,395	Ownership of International Banking Corporation	8,500,000
Anticipated by customers	2,201,222	Bank buildings	13,031,843
Circulation	2,124,195	Items in transit with branches	2,568,919
Bonds borrowed	1,958,000	Customers' liability account of acceptances ..	34,234,305
Reserves for—		Other assets	1,087,905
Accrued interest and unearned discount ..	2,807,968		
Taxes, accrued expenses, &c.	5,148,683		
Contingencies	5,393,551		
	864,266,014		864,266,014

Los Angeles,
California, U.S.A.

THE FIRST NATIONAL BANK OF LOS ANGELES and the PACIFIC-SOUTHWEST TRUST & SAVINGS BANK are under one ownership. Under the statements of condition as of April, 3, 1923, the aggregate totals of the two Banks were as follows:

Deposits	\$214,898,554.89
Capital, Surplus and Undivided Profits	\$19,927,577.40
Cash and Sight Exchange	\$52,233,313.50
Resources	\$243,057,084.80

The Foreign Departments of both Banks are especially well equipped for conducting all classes of Foreign business. Officers invite correspondence and wish to assure prompt and efficient service in every respect.

F. A. Sumption is Assistant Manager of the Foreign Department of The First National Bank of Los Angeles, and F. H. Chapman is Manager of the Foreign Department of the Pacific-Southwest Trust & Savings Bank.



FIRST NATIONAL BANK
IN ST. LOUIS, U. S. A.
Largest Bank West of the Mississippi River
Capital and Surplus \$15,000,000.00
Resources \$177,000,000.00
"Serves Every State in the United States" and can serve "Every Country in the World" as well, because
OUR FOREIGN DEPARTMENT
Like all our other departments is well organized, to render complete and efficient service. You are invited to consult us.

ITALO-BELGIAN
BANK

(Banque Italo-Belge, Société Anonyme).

Capital subscribed and paid - Frs. 50,000,000
Reserve Funds - Frs. 26,000,000

Head Office: ANTWERP.

London Office:
50 OLD BROAD STREET, E.C.2.

Branches:
FRANCE—Paris.
ARGENTINE—Buenos Aires.
URUGUAY—Montevideo. CHILI—Valparaiso.
BRAZIL—Sao Paulo, Rio de Janeiro, Santos, Campinas.

Correspondents in all the Principal Places in South America.

The Bank transacts every description of Banking Business. Bills and Documentary Bills negotiated, advanced upon, or sent for collection. Drafts and Letters of Credit issued and Cable and Mail Transfers effected on Branches and Correspondents. Documentary Credits opened or Confirmed. Sale and Purchase of Stocks and Shares undertaken. Coupons and Drawn Bonds collected and negotiated.

Telegrams: "Itabelban, London."
Telephone: London Wall 1157, 1158.

B.W. BLYDENSTEIN & Co.,

55-56, Threadneedle Street,
London, E.C.2.

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Discounting Agents

ALL BANKING AND DISCOUNT
BUSINESS TRANSACTED.

Dealers in British Treasury Bills of any
Maturity.

Special Facilities for Business with
Holland.

FORWARD CONTRACTS IN DUTCH
GUILDERS.

THE P. & O. BANKING CORPORATION, LIMITED.

BALANCE-SHEET—March 31, 1922.

LIABILITIES.	£	ASSETS.	£
Capital issued, 259,416 shares of £10 each, fully paid up	2,594,160	Cash at bankers and in hand	1,069,007
Reserve fund, viz.: Refund of stamp duty on authorised capital, £37,500; balance of share premium account after charging additional preliminary expenses, £272; transferred from profit and loss account, £52,328	90,000	Bullion in transit	219,789
Current deposit, and other accounts, including exchange adjustment account, rebate on bills not due, provision for bad and doubtful debts, income and corporation profits taxes, &c.	6,316,930	Money at call and short notice	1,630,000
Loans against security	2,675,000	Investments—British Government securities at market value, £197,109; Indian Government securities at market value, £76,890; Allahabad Bank—23,413 ordinary shares of Rs.100 each, of which 14,675 are fully paid and 8,738 are paid up to the extent of Rs.50 per share, at cost, £589,864	861,863
Liabilities for acceptances, endorsements, &c., as per contra	1,008,527	British and Indian Government Treasury bills	3,712,164
Liabilities to customers on account of bills receivable for collection, as per contra	111,432	Liabilities of customers for acceptances, endorsements, &c., as per contra	1,008,527
Profit and loss account—Balance brought forward from March 31, 1921, £8,846; net profit for the year ended March 31, 1922, £159,300—£166,146; deduct transferred to reserve fund, £52,328	113,918	Bills receivable for collection, as per contra	111,432
Notes.—There is a contingent liability in respect of bills re-discounted amounting to £14,830,374, of which £10,392,160 had run off by June 29th.		Advances to customers on current & other accounts	3,490,758
Outstanding forward exchange contracts for purchase and sale of bills and telegraphic transfers, &c., £11,326,295.		Remittances, &c., in transit	793,276
	12,909,967	Furniture at head office and branches	11,151
			12,909,967

SWISS BANK CORPORATION.

The report presented to the meeting held at Basle on March 23rd states that, after deduction of expenses and taxes and making provision for bad and doubtful debts, &c., the net profit for the year ended December 31, 1922, amounts to £421,084. The board propose to allocate to pension fund £20,000, to pay a dividend of 5 per cent. on the paid-up

capital (according to article 36 of the articles of association), £240,000—£260,000, leaving a balance of £161,084, less statutory participation of directors, £16,108; the remainder, £144,976, together with the amount carried forward from last year, £39,285—£184,261—is at the disposal of the general meeting; and the board propose to pay a further dividend of 3 per cent. (making in all 8 per cent. for the year 1922), which will absorb £144,000, and to carry forward £40,261.

BALANCE-SHEET—December 31, 1922.
(£1 = 25 Francs.)

LIABILITIES.	£	ASSETS.	£
Share capital	4,800,000	Cash	2,973,298
Reserves	1,320,000	Banks and bankers	5,046,066
Fixed deposits	4,956,816	Bills receivable	11,282,995
Current accounts, &c.	27,323,291	Loans at short dates on securities	76,952
Bills payable and acceptances	1,922,399	Current accounts	16,674,024
Profit	460,369	Permanent investments	328,861
		Government, railway, and other securities	3,703,375
		Syndicates	142,357
		Bank premises and other property	556,947
			40,782,875
	40,782,875		40,782,875

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
General expenses and taxes	933,238	Balance from 1921	39,285
Provision for bad and doubtful debts (less return of amounts previously written off), and writing down new premises, &c.	59,749	Discounts	735,433
Net profit available	460,369	Interest	194,956
		Commissions	308,695
		Investments and syndicates	109,090
		Coupons and foreign moneys	65,917
	1,453,356		1,453,356

SOCIETE BELGE DE CREDIT INDUSTRIEL ET COMMERCIAL ET DE DEPOTS.

BALANCE-SHEET—December 31, 1921.

LIABILITIES.	Francs.	ASSETS.	Francs.
Subscribed capital	20,000,000	Premises	1,000,000
Statutory reserve	1,346,018	Uncalled capital	15,300,000
Special reserve	400,000	Cash	1,254,458
Deposit accounts	22,395,718	Current accounts	10,914,270
Current accounts	27,796,312	Coupons for collection	17,284
Other accounts	274,840	Bills receivable	35,299,831
Profit and loss	808,999	Short loans	2,700,235
		Advances	5,255,130
		Other assets	189,679
	73,021,887		73,021,887

NIPPON KWANGYO GINKO

(THE HYPOTHEC BANK OF JAPAN, LTD.)

Head Office

TOKYO, JAPAN.

GOVERNOR ... NAKAJI KAJIWARA.

VICE-GOVERNOR ... USABURO YANAGIYA.

MANAGING DIRECTORS ...

NAONOSUKE KAWAKAMI.
KEIZABURO KATO.
TAMESHIGE YAMADA.
UMAO ABE.

DIRECTORS...

TETSUJIRO SHIDACHI.
SHINTARO OHASHI.
HITOSHI DOKE.
EIZABURO HITAKA.

AUDITORS ...

KAHEI OTANI.
KATSUOKI MIZUNO.
GISABURO TAGA.

BALANCE SHEET,

December 31st, 1922. 51st REPORT.

LIABILITIES.	Yen	ASSETS.	Yen
Capital Subscribed	59,734,750.000	Loans Redeemable in Annual Instalments or in one Sum	526,490,404.022
Reserve Funds	22,793,354.696	Bills Discounted	11,333,213.000
Dividends Unclaimed	237,557.230	Agricultural and Industrial Bank Debentures and other Debentures	27,557,141.500
Kwangyo Saiken (Hypothec Debentures) Outstanding	482,837,890.000	National Loan Bonds	9,715,926.750
Savings Debentures Outstanding	13,226,755.000	Foreign Loan Bonds	287,000.000
Deposits and Current Accounts	52,577,588.829	Other Securities	2,602,430.000
Interest and Premiums of Kwangyo Saiken Unclaimed	10,997,869.070	Deposits at the Deposit Bureau of the Treasury	11,996,440.000
Interest and Premiums of Savings Debentures Unclaimed	736,997.160	Call Loans	5,650,000.000
Funds for the payment of Premiums of Kwangyo Saiken	906,906.920	Other Deposits	27,092,502.164
Funds for the payment of Premiums of Savings Debentures	275,526.250	Agencies Accounts	24,619,541.739
Provisional Receipts and Sundry Accounts	2,369,609.518	Bank Fixtures and Buildings	2,589,892.172
Amount brought forward and Net Profit	5,916,889.782	Immovable Properties	1,888,551.154
		Sundry Accounts	674,221.159
		Cash on hand	
Total	652,611,694.455	Total	652,611,694.455

ORGANISATION.

Nippon Kwangyo Ginko (The Hypothec Bank of Japan) is a joint stock company established by Law No. 82, of 1896. The Bank has a capital of Yen 59,734,750 (£5,973,475), divided into 1,194,695 shares of Yen 50 (£5) each. This amount may be increased, however, subject to the approval of the Government, by the decision of a general meeting of shareholders. The Bank is incorporated for a period of one hundred years from the date of its establishment, 1897; but this period may be extended, subject to the approval of the Government, by the decision of a general meeting of shareholders. (Chapter I., Law of Nippon Kwangyo Ginko.)

OFFICERS.

The Governor and the Vice-Governor are appointed by the Government for a term of five years from among shareholders owning at least four hundred shares. The Managing Directors and Directors are appointed by the Government for a term of five years from among shareholders owning at least two hundred shares who have been elected as candidates at a general meeting of shareholders.

BUSINESS OF THE BANK.

The business of the Bank is as follows:—

- (1) To make loans, on the security of immovable property, redeemable in annual instalments within a period of fifty years.
- (2) To make loans redeemable in one sum within a period of five years on the security of immovable property or fishery rights.
- (3) To make loans, on the security of "the mass of property" belonging to factories, light railways or tramways, redeemable in annual instalments within a period of fifty years, or redeemable in one sum within a period of five years.
- (4) To make loans redeemable in annual instalments, or in one sum without security to prefectures, counties, cities, towns, villages and other public bodies organised by law.
- (5) To make loans without security to Arable Land Readjustment Associations, Co-operative Societies, Fishery Associations, Forestry Associations, Livestock Associations, or Unions thereof.

The rate of interest on all loans is determined by the Governor within the limits approved by the Minister of Finance.

The Bank is also assigned by the Government to make special loans to the public bodies and associations mentioned above (clauses 4-5), at particularly low rates of interest, for which special funds are furnished to the Bank from the Treasury.

To make loans of every kind mentioned above through the Agricultural and Industrial Banks, the Bank of Taiwan, the Colonial Bank of Hokkaido, the Industrial Bank of Chosen and the Oriental Development Company, acting as sureties.

- (7) To make loans redeemable in annual instalments, against loans made by Agricultural and Industrial Banks, on the security of mortgages created by said banks.
- (8) To take up debentures of Agricultural and Industrial Banks, the Colonial Bank of Hokkaido and the Industrial Bank of Chosen.
- (9) To receive deposits and to apply them to loans redeemable in one sum as mentioned above, and to the advancement of loans on, or the purchase of, negotiable instruments, and to the discounting of bills drawn against agricultural, industrial and aquatic products.
- (10) To act as the depositary of public bodies.
- (11) To engage in other kinds of business prescribed for this Bank by Law. (Chapter IV., Law of Nippon Kwangyo Ginko.)

DEBENTURES.

In order to carry on its business, the Bank is authorised by law to issue special Debentures (Kwangyo-Saiken), with or without premiums, up to an amount not exceeding fifteen times its paid-up capital, provided such debentures do not exceed the combined total value of loans redeemable both by annual instalments, and in one sum and debentures of Agricultural and Industrial Banks and other debentures actually taken up by the Bank. The debentures are issued in denominations of Yen 10 (£1) and upwards, and bear interest at the rate of from 3.6 to 7.2 per cent. per annum. They are redeemed by semi-annual drawings within a period fixed in the case of each issue, but not in any case exceeding fifty years. Premiums are paid on 10 yen (£1) and 20 yen (£2) debentures, and are divided into several classes, the highest being Yen 5,000 (£500), and the lowest Yen 3. (Chapter V., Law of Nippon Kwangyo Ginko.)

GOVERNMENT SUPERVISION.

The Minister of Finance exercises a general control over the business operations of the Bank, and may suspend such operations as he deems contrary to Laws or Ordinances, or to the Articles of Association of the Bank, or injurious to the public interest. The Bank must obtain the sanction of the Minister of Finance in making any alteration in its Articles of Association, and in fixing the rate of dividend to be distributed among its shareholders.

The Minister of Finance appoints special Government officials to supervise the business operations of the Bank. (Chapter VII., Law of Nippon Kwangyo Ginko.)

AMALGAMATION WITH AGRICULTURAL AND INDUSTRIAL BANKS.

In April, 1921, the Law authorising the Bank to amalgamate the Agricultural and Industrial Bank of each prefecture was passed. By March, 1923, nineteen such banks came under the vast organisation of the Bank, and are already conducting business as branches of the Bank.

FREDRIKSSTAD
PRIVATBANKFredriksstad
(NORWAY).

Established 1891.

Capital and Surplus,
Kr. 19,000,000.General
Banking
Business

Telegraphic Address: PRIVATBANK, FREDRIKSSTAD.

LEU & CO.'S BANK,
LIMITED.

ZURICH " " " Switzerland.

ESTABLISHED 1755.

Paid-up Capital - - Fr. 40,000,000

Affiliated Banks:

BANQUE COMMERCIALE DE BERNE.
BANQUE COMMERCIALE DE SOLEURE.BANKING BUSINESS OF EVERY
DESCRIPTION TRANSACTED.Special facilities extended for
Trade.

SOCIETE GENERALE DE CREDIT INDUSTRIEL
ET COMMERCIAL.

BALANCE-SHEET—December 31, 1921.

LIABILITIES.	£	Assets.	£
Deposit accounts	3,843,800	Cash in hand	1,249,141
Current accounts	14,071,265	Due from other banks	252,451
Fixed deposits	3,154,088	Coupons for collection	78,252
Acceptances guaranteed	120,000	Bills receivable, "Bons de la Défense Nationale"	17,248,943
Foreign exchange business guaranteed	1,247,452	Current accounts	1,780,267
Unclaimed interest and dividends	4,190	Advances against stock	85,438
Transitory and sundry accounts	586,245	Advances guaranteed	879,473
Rebate	139,201	Acceptances guaranteed	120,000
Reserve fund	1,160,000	Foreign exchange business guaranteed	1,247,452
Capital subscribed	4,000,000	Payments made on account of interest and dividends for 1921	47,411
Brought forward from 1920	1,688	Transitory accounts	1,198,629
Profit and loss account for 1921	254,274	Investments	1,455,942
		Shares of affiliated societies	240,000
		Bank premises	2,688,450
		Uncalled capital	28,582,203
			28,582,203

SUMITOMO BANK, LIMITED.

BALANCE-SHEET—December 31, 1922.

LIABILITIES.	Yen.	Assets.	Yen.
Subscribed capital	70,000,000	Capital unpaid	20,000,000
Reserve funds	21,500,000	Loans, bills discounted and exchange purchased	307,626,797
Pension reserve	1,600,000	Due from other banks	4,146,152
Deposits	331,919,450	Customers' liabilities on foreign credits, acceptances and guarantees	8,914,782
Exchange sold and bills payable	7,298,983	Government bonds	50,318,341
Exchange adjustment	1,025,123	Municipal and other securities	17,529,280
Due to other banks	9,759,178	Foreign currencies	3,681
Foreign credits, acceptances and guarantees	8,914,782	Bank premises and furniture	7,531,613
Dividends not yet paid	1,919	Cash in hand	48,838,558
Rebate on bills not yet due and interest accrued on deposits	5,763,737		
Balance brought forward from last half-year	996,311		
Net profit for the half-year	4,129,701		
	464,909,204		464,909,204

PROFIT AND LOSS ACCOUNT.

Dr.	Yen.	Cr.	Yen.
Reserve funds	1,300,000	Balance brought forward from last half-year	996,311
Dividends	2,500,000	Net profit for the half-year	4,129,701
Pension reserve	100,000		
Bonus	120,000		
Balance carried forward to next half-year	1,106,032		
	5,126,032		5,126,032

SOCIETE GENERALE.
(Pour Favoriser le Développement du Commerce et de l'Industrie en France.)

BALANCE-SHEET—December 31, 1922.

LIABILITIES.	Francs.	Assets.	Francs.
Capital	500,000,000	Cash in hand and at bank	636,132,466
Reserve	54,324,885	Bills receivable	3,618,548,930
Drawing accounts	1,233,631,003	Coupons for collection	65,340,978
Deposit accounts	122,449,000	Short loans	17,567,730
Bills payable	75,311,796	Loans on security	202,214,554
Current accounts	3,762,939,069	Current accounts	915,469,887
Sundry creditors	201,505,633	Investments	43,424,741
Interest and dividends	1,865,336	Syndicates	34,793,086
Profit and loss	30,178,950	Premises, &c.	56,397,039
	5,982,205,672	Sundry debtors	142,316,261
		Uncalled capital	250,000,000
			5,982,205,672

YOKOHAMA SPECIE BANK, LIMITED.

The net profit of the bank for the half-year ended December 31, 1922, after providing for all bad and doubtful debts, rebate on bills, &c., was 15,015,825 yen, inclusive of 4,902,694 yen brought forward from last account. The directors propose that 4,000,000 yen be added to the reserve fund, and recommend a dividend at the rate of 12 per cent. per annum, which will absorb 6,000,000 yen. The balance, 5,015,825 yen, will be carried forward to the credit of next account.

BALANCE-SHEET—December 31, 1922.

LIABILITIES.	Yen.	Assets.	Yen.
Capital	100,000,000	Cash in hand and at bankers	70,951,974
Reserve fund	65,000,000	Investments in public securities and debentures	199,335,680
Notes in circulation	2,136,618	Bills discounted, loans, advances, &c.	259,120,581
Deposits (current, fixed, &c.)	473,616,462	Bills receivable and other sums due to the bank	530,594,565
Bills payable, bills rediscounted, acceptances, and other sums due by the bank	425,625,182	Bullion and foreign money	15,494,177
Dividends unclaimed	35,240	Bank's premises, properties, furniture, &c.	11,764,947
Balance of profit and loss brought forward from last account	4,902,694		
Net profit for the past half-year	10,113,131		
	1,087,261,924		1,087,261,924

PROFIT AND LOSS ACCOUNT.

Dr.	Yen.	Cr.	Yen.
Reserve fund	4,000,000	Balance brought forward, June 30, 1922	4,902,694
Dividend—6.00 yen per share for 1,000,000 shares	6,000,000	Net profit for the half year ended December 31, 1922	10,113,131
Balance carried forward to next account	5,015,825	(After making provision for bad and doubtful debts, rebate on bills, &c.)	
	15,015,825		15,015,825

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Established 1826.

Affiliated with Lloyds Bank Limited.

Capital Subscribed, £5,000,000. Paid-up, £1,100,000. Uncalled, £3,900,000.

RESERVE FUND, £1,200,000.

DEPOSITS 1st November, 1922, £35,638,251.

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DEPOSITS (Ditto) ... 40,265,016

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DEPOSITS and CREDIT BALANCES as at 28th February, 1923 £34,695,037

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RESERVE LIABILITY OF PROPRIETORS	5,864,360
	£15,403,720

Aggregate Assets to 30th September, 1922, £73,125,747 14s. 0d.

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EGYPT.—PRINCIPAL OFFICE: ALEXANDRIA. Branches throughout the cotton districts. Specialises in all operations connected with the moving of the cotton crop.

COMMERCIAL BANK OF BOHEMIA

(Česká komerční banka).

Head Office: Prague, Czechoslovakia.

Paid-up Capital	-	Czechoslovak crowns	75,000,000
Reserves	-	"	31,000,000
Total Resources	-	"	880,000,000

21 Branches throughout Czechoslovakia.

Correspondents in every town of the Republic.

Foreign Affiliations:

"Mercurbank," Vienna, Austria.
"Merkur" Exchange Offices, Ltd., Budapest, Hungary.
Banca Comerciala Nationala, Czernauti, Roumania.
Bank Komerční, Gracow, Poland.

Every facility afforded for the development of Foreign Banking Business in Central and South-Eastern Europe. Every description of Banking Business transacted. Correspondents from all parts of the world invited. Reliable information about Czechoslovakia furnished.

MORAVSKÁ AGRÁRNÍ A PRŮMYSLOVÁ BANKA.

MORAVIAN AGRICULTURAL AND INDUSTRIAL BANK.

BRNO Czechoslovakia PRAGUE

Paid up Capital	....	Kč	120,000,000
Reserve Fund	....	Kč	75,000,000
Deposits	....	Kč	1122,000,000

Telegraphic Address: Moravobanka

Branches at:

BOSKOVICE, BRATISLAVA, BŘECLAV, HOLEŠOV, HLUCÍN, CHRUDIM, JABLONEC, KROMĚŘÍŽ, LOMNICE N.P., MORAVSKÁ OSTRAVA, NĚMECKÝ BROD, OLOMOUC, OPAVA, PLZEŇ, PRAHA, PROSTĚJOV, PREROV, TÁBOR, TELČ, TREBIČ, UHERSKÝ BROD, VALASSKÉ MEZIRÍČÍ, VSETÍN, and LUHAČOVICE (during the summer season only).

ALL BANKING BUSINESS TRANSACTING.

Česká Průmyslová a Hospodářská Banka INDUSTRIAL AND AGRICULTURAL BANK OF BOHEMIA

Banque Industrielle et Agricole
de Bohême.Böhmische Industrial und Land-
wirtschaftliche Bank.

Head Office and Six Sub-Branches:

PRAGUE, CZECHOSLOVAKIA.

Paid up Capital	....	Kč	210,000,000
Reserves over	....	Kč	60,000,000
Resources over	....	Kč	2,650,000,000

66 Branches in Czechoslovakia.

Foreign Branch: Ljubljana, Yugoslavia.

Foreign Affiliations:

Hungarian-Bohemian Industrial Bank, Budapest, Hungary. Prva Hrvatska Obrtna Banka, Zagreb, Yugoslavia.
Cable Address: INDUSBANK. Anglo-Roumanian Bank, Bucarest, Roumania.

FINKLESTONE BROS.,

Merchant Bankers,

87, BISHOPSGATE, LONDON, E.C.2.

Banking Business of Every Description Transacted. Bills Negotiated and Collected. Drafts Issued. Mail and Telegraphic Remittances Made. Letters of Credit and Commercial Credits Established. Current and Deposit Accounts.

AGENTS AND CORRESPONDENTS ALL OVER THE WORLD.
FOREIGN CURRENCIES BOUGHT AND SOLD.

Spot as well as Forward Deliveries.

Telephones: LONDON WALL 2357-8-9.

Telegraphic Address: "FINKLESTON, STOCK, LONDON."

LONDON & BRAZILIAN BANK, LIMITED.

ESTABLISHED 1862.

Capital Subscribed	-	-	£3,000,000
Capital Paid up	-	-	1,500,000
Reserve Fund	-	-	1,500,000

Head Office:

7, Tokenhouse Yard, London, E.C.2.
MANCHESTER—(Agency) 36, Charlotte Street

BANKING BUSINESS OF EVERY
DESCRIPTION TRANSACTED IN

**BRAZIL, ARGENTINE,
URUGUAY, PORTUGAL.**

CONTINENTAL TRADE FACILITIES.

PARIS BRANCH—5, Rue Scribe.

AMERICAN TRADE FACILITIES.

NEW YORK—(Agency) 66, Wall Street.

The Bank issues **TRADE REPORTS** embracing business
Conditions and Opportunities for Expansion of Trade.

There are also extensive Files of **INFORMATION AND
STATISTICS** at the disposal of Clients.

FOREIGN EXCHANGE DEPARTMENT.

Cable Transfers and Drafts bought and sold on Brazil, River Plate,
Portugal and U.S.A.; also on all principal European Cities.

Currency Accounts and Forward Contracts
a special feature.

THE BANK OF ADELAIDE

(Established 1865).

Paid-up Capital	-	-	£875,000
Reserve Fund	-	-	720,000
	-	-	1,595,000
Reserve Liability of Proprietors	-	-	875,000
	-	-	£2,700,000

Head Office—Adelaide, South Australia.

MELBOURNE OFFICE—267 COLLINS STREET.

SYDNEY OFFICE—105 PITT STREET.

PERTH OFFICE—SURREY CHAMBERS, ST.
GEORGE'S TERRACE.

LONDON OFFICE—11 LEADENHALL ST., E.C.3.

Bills on Australasia purchased or collected.
Drafts and Letters of Credit issued and Remit-
tances cabled.

Deposits received for fixed periods at rates to be ascertained
on application, and every other description of banking and
exchange business transacted.

THE WESTERN AUSTRALIAN BANK.

(Established 1841.)

PAID-UP CAPITAL	...	...	£347,790
RESERVE FUND	...	...	£710,238
RESERVED PROFITS	...	...	£27,948
RESERVE LIABILITY OF SHAREHOLDERS	...	...	£378,000

Head Office—Perth, Western Australia.

Drafts issued, Remittances cabled, Bills negotiated or collected, Deposits
received for fixed periods at rates to be ascertained on application, and all
Banking and Exchange Business connected with Western Australia conducted
through the

Agents:

THE BANK OF ADELAIDE, 11 Leadenhall Street, London, E.C.3

UNION BANK OF SCOTLAND, Limited.

ESTABLISHED 1830.

SUBSCRIBED CAPITAL	-	-	£5,000,000
PAID-UP	-	-	£1,000,000
RESERVE FUND	-	-	£1,200,000
DEPOSITS	-	-	£31,740,996

Chairman.

HIS GRACE THE DUKE OF ATHOLL, K.T.

Deputy Chairman.

JOHN Y. BUCHANAN, F.R.S.

Ordinary Directors.

ROBERT CLARK, Esq., Shipowner, Glasgow.
ROBERT ELMSALL FINDLAY, Esq., Merchant, Glasgow.
ARTHUR C. D. GAIRDNER, Esq., Banker, 33, Gracechurch Street,
Lombard Court, London, E.C.3.
HENRY E. GORDON, Esq., of Aikenhead, Cathcart.
JAMES NOBLE GRAHAM, Esq., Merchant, Glasgow.
Sir LUDOVIC JAMES GRANT, Bart., LL.D., Edinburgh.
WILLIAM HUTTON, Esq., Actuary, Glasgow.
ARCHIBALD R. C. PITMAN, Esq., Writer to the Signet, Edinburgh.
PETER RINTOUL, Esq., Chartered Accountant, Glasgow.
Sir H. ARTHUR ROSE, D.S.O., Merchant, Edinburgh.
The Right Honourable J. PARKER SMITH, of Jordanhill.
NORMAN L. HIRD, Esq., General Manager, Glasgow.

ADAPTED IN EVERY WAY TO CARRY THROUGH ALL FORMS OF
BANKING BUSINESS IN LONDON AND SCOTLAND.

Every description of HOME and FOREIGN Banking transacted.
Letters of Credit on all places at home and abroad; Cable
remittances arranged; Freight Collections; Ships' Disbursements
Credits; Commercial Credits, etc., arranged; Bills of Exchange and
Shipping Documents collected or negotiated subject to approval.
The Bank also undertakes the duties of Trustee and Executor.
At London Office Current Accounts and other business
conducted on the usual terms of London Banks.
Deposits received at interest.

NORMAN L. HIRD, General Manager.

HEAD OFFICES:

GLASGOW—Ingram Street. EDINBURGH—George Street.

LONDON OFFICE—62, Cornhill, E.C.3. John Alexander, Manager
WITH FOREIGN EXCHANGE DEPARTMENT.
164 BRANCHES THROUGHOUT SCOTLAND.

ALEXANDERS DISCOUNT CO. LIMITED,

24 Lombard Street, E.C.3.

Capital Authorised	-	£1,250,000
Subscribed	-	1,100,000
Paid up	-	600,000
Reserve Fund	-	400,000

DIRECTORS.

COLIN FREDERICK CAMPBELL, Chairman.
ROBERT ERNEST ALEXANDER.
GEORGE CLEVERLY ALEXANDER.
SIR AUSTIN EDWARD HARRIS, K.B.E.

Manager—F. NEWCOMB.

Sub-Manager—E. D. SPRING RICE.

Secretary—A. K. BRUCE.

Approved Mercantile Bills discounted. Loans
granted on negotiable securities. Money received
on deposit at call and short notices at current market
rates, as advertised from time to time in the daily
papers. For longer periods on specially agreed terms

The Company deals in British Treasury Bills
of any maturity.

Mellon National Bank PITTSBURG, PA., U.S.A.

Statement of Condition at the Close of Business,
April Third, Nineteen Hundred Twenty-Three.

RESOURCES.

Loans and Discounts	...	...	\$42,893,166.38
United States Obligations	...	...	44,327,970.49
Other Bonds and Investments	...	...	25,245,924.70
Overdrafts	...	...	None
Cash and Due From Banks	...	...	27,016,352.49

\$139,483,414.06

LIABILITIES.

Capital	...	...	7,500,000.00
Surplus and Undivided Profits	...	...	5,297,597.50
Reserves	...	...	3,984,449.54
Borrowed from Federal Reserve Bank	...	...	3,000,000.00
Circulating Notes	...	...	7,013,500.00
Deposits	...	...	...
Banks	...	...	\$33,967,389.35
Individuals	...	...	78,720,477.67

112,687,867.02

\$139,483,414.06

CABLE ADDRESS: "MELLONSON, PITTSBURGH"

Thorough facilities for every phase of Banking.
Direct connections with all parts of the U.S.

London Agents: The NATIONAL PROVINCIAL
AND UNION BANK OF ENGLAND, LTD.

Hongkong and Shanghai Banking Corporation

CAPITAL ALL PAID UP	...	...	\$20,000,000
SILVER RESERVE	...	...	\$24,500,000
STERLING RESERVE, held in London	...	...	£4,500,000
RESERVE LIABILITY OF PROPRIETORS	...	...	\$20,000,000

Head Office - - HONGKONG.

Chief Manager - Hon. Mr. A. G. STEPHEN.

BRANCHES AND AGENCIES:

Amoy, Bangkok, Batavia, Bombay, Calcutta, Canton, Chefoo,
Colombo, Dairen (Dalny), Foochow, Haiphong, Hamburg,
Hankow, Harbin, Hongkew (Shanghai), Ipoh, Johore, Kobe
(Hiogo), Kuala Lumpur, London, Lyons, Macao, Manila,
Nagasaki, New York, Peking, Penang, Rangoon, Saigon, San
Francisco, Shanghai, Singapore, Sourabaya, Sung-i Patani,
Tientsin, Tsingtao, Vladivostok, Yloilo, Yokohama.

COMMITTEE IN LONDON:

Sir Charles Addis, K.C.M.G., Chairman.
Hon. Cecil Baring. C. A. Campbell.
David Landale. Sir George Macdonagh, K.C.B., K.C.M.G.
Sir George Sutherland. A. M. Townsend.
C. F. Whigham.

MANAGERS IN LONDON:

SIR NEWTON J. STABB. H. D. C. JONES.
Sub-Manager, E. W. Townend. Accountant, A. Moncur.

9, GRACECHURCH STREET,
LONDON, E.C.3.

THE SUMITOMO BANK, LIMITED, OSAKA, JAPAN.

ESTABLISHED 1895.

(Successors to the Sumitomo Bank.)

Capital Subscribed	-	-	Yen 70,000,000.00
Paid-up Capital	-	-	Yen 50,000,000.00
Reserve Fund	-	-	Yen 23,100,000.00
Deposits (Dec. 1922)	-	-	Yen 334,000,000.00

BARON K. SUMITOMO, President.
K. YUKAWA, Esq., Managing Director.
S. YOSHIDA, Esq., " "
N. YATSUSHIRO, Esq., " "

HOME BRANCHES.—Tokyo, Yokohama, Nagoya, Kyoto,
Kobe, Hyogo, Onomichi, Niihama, Kure, Hiroshima, Yanai,
Shimonoseki, Moji, Kokura, Wakamatsu, Hakata and
Kurume.

FOREIGN BRANCHES.—Shanghai, Hankow, Bombay, London,
New York, San Francisco, Seattle, and Honolulu.
LONDON BANKERS.—Lloyds Bank Limited.

Correspondence in all important places at
Home and Abroad.

The Bank buys, sells and receives for collection Drafts and
Telegraphic Transfers; issues Commercial and Travellers'
Letters of Credit available in all important parts of the world,
besides doing general Banking Business.

LONDON OFFICE:

67, BISHOPSGATE, E.C.2.

J. MATSUSHIMA, Manager.

Cable Address: Oksumitban, London.

NATIONAL DISCOUNT COMPANY, LIMITED.

ESTABLISHED 1856.

35 CORNHILL, LONDON, E.C.3.

Telegraphic Address: "NATDIS, LONDON." No. 1464 AVENUE (2 lines).
No. 11948 CENTRAL.

SUBSCRIBED CAPITAL	..	..	£1,693,380
PAID-UP CAPITAL	..	..	£846,665
RESERVE FUND	..	..	£500,000

DIRECTORS.

Col. The Hon. SIDNEY PEEL, D.S.O., Chairman.
LAWRENCE E. CHALMERS, Deputy-Chairman.

FREDERICK W. GREEN.

Sir SIGISMUND F. MENDL, K.B.E.

The Rt. Hon. F. LEVERTON HARRIS.

CHARLES D. SELIGMAN.

WALTER J. HERIOT.

PHILIP H. WADE.

Manager.—PHILIP H. WADE.

Sub-Manager.—FRANCIS GOLDSMITH.

Secretary.—CHARLES H. GOUGH.

Auditors.

FRANCIS W. PIXLEY (Jackson, Pixley & Co.).
SIR ALBERT WYON, K.B.E. (Price, Waterhouse & Co.).

Bankers.

BANK OF ENGLAND.
NATIONAL PROVINCIAL AND UNION BANK OF ENGLAND, LIMITED.

Bank and Approved Mercantile Bills Discounted.
Money received on Deposit at Call and Short Notice, and Interest
allowed at the Current Market Rates; and for longer periods upon
specially agreed terms.
Loans granted upon negotiable securities.
Investments and Sales of all descriptions of British and
Foreign Securities effected. All communications on this subject
to be addressed to the Manager.

BANCO DE CHILE**94 GRACECHURCH STREET, E.G.**

PAID-UP CAPITAL	- - - -	\$100,000,000	
RESERVE FUND	- - - -	58,000,000	Chilian Dollars
RESERVE LIABILITY OF SHAREHOLDERS	- - - -	100,000,000	
RESERVE FUND IN GOLD OF 18d	- - - -	13,333,333	
		= \$1,000,000	

Head Offices—SANTIAGO & VALPARAISO.**BRANCHES.**

Santiago (Estacion), Santiago (Matadero), Santiago (San Pablo), Santiago (Bella Vista), Santiago (Bandera), Valparaiso (Almendra), Ancud, Antofagasta, Arica, Chillan, Concepcion, Copiapó, Coquimbo, Curicó, Illapel, Iquique, La Calera, Lebu, Ligua, Linares, Los Andes, Los Angeles, Mulchen, Nueva Imperial, Osorno, Ovalle, Puerto Montt, Quillota, Rancagua, Rengo, Rio Bueno, San Antonio, San Carlos, San Fernando, San Felipe, San Javier, Santa Cruz, Serena, Tacna, Talca, Talcahuano, Taltal, Temuco, Tomé, Tocopilla, Traiguén, Valdivia, Vallenar, Vicuña, Vina del Mar.

The London Agency transacts every class of Banking business with Chile. Current Accounts also opened and Deposits received.

DAVID BURNS, Manager.**NETHERLANDS BANK OF SOUTH AFRICA.**

AUTHORISED CAPITAL - - - £750,000
SUBSCRIBED & PAID-UP CAPITAL - 240,000

HEAD OFFICE:**AMSTERDAM, Keizersgracht 389.****LONDON AGENCY:**

2, Great Winchester-street, E.C.2.
 London Manager: J. Cost-Budde.

BRANCHES IN SOUTH AFRICA:

Cape Town, Bethlehem, Bloemfontein, Brits, Bronkhorstspuit, Dullstroom, Durban, Ermelo, Hartebeestfontein, Johannesburg, Pietersburg, Potchefstroom, Port Elizabeth, Premier Mine, Pretoria, Witbank.

The Bank is prepared to grant Drafts and Letters of Credit, and to make Telegraphic Transfers upon its Branches as well as upon its Agencies in Cape Colony, Natal, Orange River Colony, and Transvaal.

Bills negotiated and collected, and every description of Banking Business transacted in connection with South Africa.

Current Accounts kept and Deposits received for fixed periods.

The Bank acts in South Africa as Agents for the

PRETORIA HYPOTHEEK MAATSCHAPPY
 (Pretoria Mortgage Company).

ESTABLISHED 1889.

Money advanced on loan on the security of landed property.

Telegraphic Address: "Compdebury, Amsterdam."

Handel-Maatschappij
H. Albert de Bary & Co.
AMSTERDAM

Merchant Bankers**Capital Fl.6,000,000**

(FULLY PAID)

THE
**Commercial Banking
 Company of Sydney,**

LIMITED.

ESTABLISHED 1834.

INCORPORATED IN NEW SOUTH WALES.

Capital Paid Up £3,000,000. 0. 0**Reserve Fund £2,460,000. 0. 0**

**Reserve Liability of
 Shareholders £3,000,000. 0. 0**

Drafts payable on demand and Letters of Credit on Australasia are issued by the London Branch. Bills on Australasia negotiated or collected. Remittances cabled.

London Offices:

18 BIRCHIN LANE, LOMBARD STREET, E.C.3.**F. A. SCRIVENER, Manager.****FINLANDS BANK****HELSINGFORS.**

The only Bank authorized to issue
 Bank Notes in Finland.

ESTABLISHED 1811.

Governor: AUGUST RAMSAY.

Managing Directors:

K. BASILIER, ERNST GRÄSTEN,
 L. af HEURLIN, A. BROBERG.

CAPITAL Fmk.150,000,000

Branches at: Björneborg, Joensuu,
 Jyväskylä, Kotka, Kuopio, St. Michel,
 Sordavala, Tammerfors, Tavastehus,
 Uleåborg, Wasa, Wiborg, and Åbo.

THE CANADIAN BANK OF COMMERCE.

Paid-up Capital - \$15,000,000 (£3,082,192).
 Reserve Fund - \$15,000,000 (£3,082,192).

Head Office: TORONTO.

Sir EDMUND WALKER, C.V.O., LL.D., D.C.L., President
 Sir JOHN AIRD, Vice-President and General Manager
 Rt. Hon. Sir THOMAS WHITE, K.C.M.G., Vice-President.
 H. V. F. JONES, Assistant General Manager.

500 Branches throughout CANADA and
 NEWFOUNDLAND.

FOREIGN BRANCHES:

BRIDGETOWN (Barbados). HAVANA (Cuba).
 KINGSTON (Jamaica). PORT OF SPAIN
 and SAN FERNANDO (Trinidad). RIO de
 JANEIRO (Brazil). Mexico, MEXICO CITY;
 St. Pierre et Miquelon, ST. PIERRE; United
 States, NEW YORK, SAN FRANCISCO, PORT-
 LAND (OREGON), and SEATTLE.

AGENTS IN ALL THE PRINCIPAL
 CITIES OF THE UNITED STATES.

London Office: 2 LOMBARD STREET, E.C.3.
 CHARLES GAMBIE, Manager. A. R. PHIPPS, Assistant Manager.

THE DAI-ICHI GINKO, LIMITED

(FORMERLY THE FIRST NATIONAL BANK)
 ESTABLISHED 1873.

SUBSCRIBED CAPITAL - Yen 50,000,000.00
 PAID-UP CAPITAL - Yen 43,175,000.00
 RESERVE FUND - Yen 35,500,000.00

Y. SASAKI, President.

K. ISHII, Managing Director.

Y. NOGUCHI, Managing Director.

S. SUGITA, Managing Director.

HEAD OFFICE:

No. 1, KABUTO-CHO, NIHONBASHI-KU, TOKYO.

T. AKASHI, Manager.

CITY BRANCHES:

Isecho, Shin-Osakacho, Fukagawa, Marunouchi.

HOME BRANCHES:

Yokohama, Nagoya, Tamayacho (Nagoya), Yokkaichi,
 Kyoto, Nishijin (Kyoto), Gojo (Kyoto), Fushimi, Osaka,
 Nishiku (Osaka), Minamiku (Osaka), Honmachi (Osaka),
 Kobe, Hyogo, Kyomachi (Kobe), Hiroshima, Shimonoseki,
 Chofu, Moji, Fukuoka, Kurume, Kumamoto, Hakodate,
 Otaru, Sapporo, Muroran.

BRANCHES IN COREA:

Seoul, Fusan.

LONDON & NEW YORK BANKERS:

LONDON: NEW YORK:
 Westminster Bank, Ltd. The National City Bank of
 The London Joint City & New York.
 Midland Bank, Ltd. The National Bank of Com-
 The Yokohama Specie Bank, merce in New York.
 Ltd. The Yokohama Specie Bank,
 Ltd.

CORRESPONDENTS:

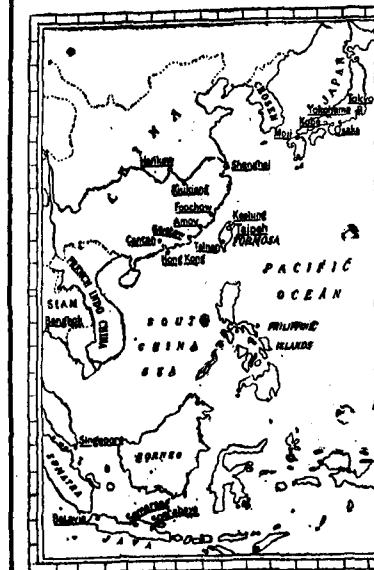
The Bank, in addition to its own Branches, has numerous
 Agencies or Correspondents in the principal Cities and
 Towns at Home and Abroad.

THE BANK OF TAIWAN, LIMITED.

(REGISTERED IN JAPAN, 1899.)
 Head Office - TAIPEH, FORMOSA

Capital Subscribed ... Y. 60,000,000.00
 Capital Paid Up ... Y. 52,500,000.00
 Reserve Funds ... Y. 12,180,000.00

Map showing distribution of branches
 in the Far East.
 Other Branches: NEW YORK and
 BOMBAY.



The Bank is incor-
 porated by special charter
 of the Imperial Japanese
 Government, and is
 authorized to issue notes
 in Formosa, being under
 the special supervision of
 the Government.

The Bank transacts
 General Banking and
 Foreign Exchange Busi-
 ness, undertakes Trust
 Business, and acts as
 Business Agents for
 other Banks.

Deposits are received
 for fixed periods on terms
 which may be ascertained
 on application.

TOKYO OFFICE:

YEIRAKUCHO.

KOHJIMACHI-KU, TOKYO.

LONDON OFFICE:

25, OLD BROAD STREET,

LONDON, E.C.2.

Correspondents in every
 principal town in the
 World.

THE P. & O. BANKING CORPORATION, LIMITED.

Head Office: 122 LEADENHALL ST., LONDON, E.C.3.

AUTHORISED CAPITAL £5,000,000.
SUBSCRIBED CAPITAL £2,594,160.
PAID-UP CAPITAL £2,594,160.
RESERVE FUND £90,000.

BRANCHES:

16 Cockspur Street, London, S.W.1;
Bombay; Calcutta; Colombo;
Hongkong; Karachi; Madras;
Shanghai; Singapore.

AFFILIATED BANK: **THE ALLAHABAD BANK, Ltd.**

Head Office: CALCUTTA; with 33 Branches and Sub-Agencies in India.

AUTHORISED CAPITAL Rs. 40,00,000
SUBSCRIBED CAPITAL Rs. 40,00,000
PAID-UP CAPITAL Rs. 35,50,000
RESERVE FUND Rs. 35,50,000
CONTINGENCY FUND Rs. 8,00,000

Every description of Banking Business transacted.
Correspondents in all parts of the World.

DEN NORSKE CREDITBANK

ESTABLISHED 1857.

CHRISTIANIA, NORWAY

BRANCHES:

ARENDAL : LILLESAND : RISØR

Capital paid up and Reserves:
Kr. 73.000.000

Every Description of Banking Business Transacted. Collections without Loss of Exchange. Documentary Credits. Payments under Letters of Credit and Travellers' Cheques.

FOREIGN EXCHANGE DEPARTMENT
STOCK EXCHANGE DEPARTMENT

COUPONS AND DIVIDENDS COLLECTED

CORRESPONDENCE INVITED.
Telegraphic Address: "CREDITBANK."

THE CENTRAL BANK OF INDIA, LTD.

ESTABLISHED 1911.

Head Office: BOMBAY.

Branches:

CALCUTTA (with Sub-Branch Office), KARACHI, AMRITSAR, LAHORE (with Sub-Branch Office), LYALLPUR, JHARIA AND KASUR.

London Agents:

THE LONDON JOINT CITY AND MIDLAND BANK, LIMITED.

Agents in America:

THE EQUITABLE TRUST CO. OF NEW YORK

Agents in Germany:

THE DEUTSCHE BANK, BERLIN.

Subscribed Capital Rs. 1,00,00,000
Paid-up Capital - Rs. 50,00,000
Reserve Fund - Rs. 30,00,000

S. N. POCHKHANAWALA, Managing Director.

CHARTERED BANK OF INDIA, AUSTRALIA AND CHINA,

38, BISHOPSGATE, LONDON, E.C.2.

Incorporated by Royal Charter.

CAPITAL - £3,000,000
RESERVE FUND - £3,800,000

COURT OF DIRECTORS.

Sir MONTAGU CORNISH TURNER, Chairman.
Sir DUNCAN CARMICHAEL, THOMAS CUTHBERTSON, Esq., Sir ALFRED DENT, K.C.M.G., Sir WILLIAM HENRY NEVILLE GOSCHEN, K.B.E., The Right Hon. LORD GEORGE HAMILTON, G.C.S.I., The Right Hon. Sir JOHN NEWELL JORDAN, G.C.M.G., G.C.I.E., K.C.B., WILLIAM FOOT MITCHELL, Esq., M.P., JAMES MAXWELL GRANT PROPHIT, Esq., LEWIS ALEXANDER WALLACE, Esq.

W. E. PRESTON, Chief Manager. J. S. BRUCE, G. MILLER, Managers.

AGENCIES AND BRANCHES.

ALOR STAR (Malay States)	HONG KONG	PUKET
AMRITSAR	ILOILO	RANGOON
BANGKOK	IPOH	SAIGON
BATAVIA	KARACHI	SEREMBAN
BOMBAY	KLANG	SHANGHAI
CALCUTTA	KOBE	SINGAPORE
CANTON	KUALA LUMPUR	SOURABAYA
CAWNPORE	MADRAS	TAIPING (F.M.S.)
CEBU	MANILA	TAVOY
COLOMBO	MEDAN	TIENTSIN
DELHI	NEW YORK	YOKOHAMA
HAIPHONG	PEKING	ZAMBOANGA (Philippine Islands)
HANKOW	PENANG	

BANKERS.

THE BANK OF ENGLAND.
THE LONDON JOINT CITY AND MIDLAND BANK, LIMITED.
THE WESTMINSTER BANK, LIMITED.
THE NATIONAL PROVINCIAL AND UNION BANK OF ENGLAND, LIMITED.
THE NATIONAL BANK OF SCOTLAND, LIMITED.

The Corporation buy and receive for collection Bills of Exchange, grant Drafts payable at the above Agencies and Branches, and transact general Banking business connected with the East. Deposits of Money are received for fixed periods at terms which may be ascertained on application; interest payable half-yearly, 30th June and 31st December. On Current Accounts interest is allowed at 2 per cent. per annum on the minimum monthly balances provided they do not fall below £200.

BANCO DE BILBAO

ESTABLISHED 1857.

Head Office, BILBAO.

Branches: MADRID, BARCELONA, VALENCIA,
SAN SEBASTIAN, VITORIA, SEVILLA,
TANGER, ZARAGOZA.
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STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET. ACCOUNT.
May 30. May 31.

Stock Exchange markets have been almost as variable this week as the weather. Buyers and sellers were alike capricious. The tone of the House changed literally from hour to hour, with sunshine, depression, cheerfulness, and heaviness following each other in quick alternation. Minor financial difficulties are known to have arisen in Glasgow, Mincing Lane, and other directions. The "hammer" fell in the House for the first time in nine years. These have played their part in the sentiment rather than in the business of the House. The week winds up with a more confident tone than prevailed before the Settlement started, and members separated on the eve of the Whitsun holidays with pious expressions of hope that business, so quiet this week, would be better after Whitsun.

Conversion Loan has assumed the place of leadership in the stock markets which in bygone days used to be occupied by Consols, and later by the 4½ per cent. War stock, which in its turn was superseded by the present 5 per cent. War Loan. The latter has come to be regarded as a short-dated security, and most of the speculation in gilt-edged stock seeks Conversion for its expression. The price gave way sharply, to recover with equal abruptness, the Government supporting the market. This had the effect of reintroducing strength into other British Government securities. New Zealand's success in getting her four million pounds in 4 per cents. at 92 evidenced the public's willingness to take stock even so high-priced as this. Underwriters were left with 51 per cent. of the new Indian Government loan, but dealing in the scrip started yesterday at ½ premium.

French bonds, after a fall, picked up again later in the week, taking French Railway bonds along with them. Germans are lower. Several of the Chinese Railway bonds improved, and Brazilians assumed a better complexion. A bad break in Rio Tintos led to gossip of financial difficulties in Paris, but a subsequent recovery, on a rise in copper, restored most of the previous loss.

In the Home Railway market, the carry-over revealed an unexpected bareness of supply, and prices responded to the easing-off of contango rates by a fairly general advance, the Scottish stocks participating. Argentine Rails were sold by tired holders, whose places, however, were taken by a fresh set of purchasers, and the market left off with a good tone, this dividend hopes being responsible for the cheerfulness in this department. Other foreign railway stocks are steady, United of Havana recovering briskly from its recent flatness.

Rubber shares are stagnant and lower, in consequence of a further shrinkage in the price of the produce. In the oil market, the favourable effect produced by a fresh drop dividend has been neutralised to some extent by a fresh drop in Mexican Eagles, due to dividend fears. This influenced Shells, and served to keep the public away from the market. The speculative counters have undergone sharp fluctuations, fairly general liquidation on the part of weaker holders being followed by prompt recoveries after the contango account had been arranged. A number of tea shares are materially better, by reason of a batch of first-rate dividends declared by some of the leading companies. In the textile market, the changes are narrow and irregular. Shipping shares are quiet. The banking market shows no particular alteration except in some of the Colonial and Foreign shares, which have become rather more difficult to sell. The insurance group weakened a little after its long and substantial rise. Shares in the Stores and Hotel companies are fairly well maintained, though Harrod's Buenos Aires issues gave way on disappointment at the dividend on the preference shares being postponed again. Siedend and other electric manufacturing shares lean to the heavy side, in consequence of the ordinary, and six months' preference dividends, being passed by the first-named company. The cable group is hard, and Marconis managed to give a better account of themselves. A few rises in brewery shares and erratic movements in newspaper issues served to keep their markets interesting. Most of the new issues have been readily taken, and it is known that half-a-dozen fresh prospectuses are to be launched immediately after the holidays.

Kaffirs were as a result of shares being offered for Cape account on a dull London market. A break in Selukwes was the feature amongst Rhodesians. Diamond shares have been swaying according to the Paris mood of the moment. Tin fell violently, and an upward turn on Thursdays failed to restore losses incurred by tin shares. East Pools make a bright exception, good developments being reported from the property. Russians went up a little on account of the political outlook being read as clearer. Professional dealings were mainly responsible for narrow movements amongst Mexican mining shares.

We are officially informed that Mr. John William Haselden and Mr. Sydney Cornelius Blair Levett, trading as J. W. Haselden and Co., have been declared defaulters upon the Stock Exchange.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded	£117,692,543	£	£	£
ISSUES OF THE WEEK—				
4 % Treasury Bonds, 1931-33 (by tender, May 11, 1923), £2,000,000 at £95 6s 10d %	£2,000,000	£1,907,000	£	£
NATIONAL SAVINGS CERTIFICATES.				
NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED MAY 12, 1923.				
April 1, 1923, to May 12, 1923, £1,000,000	£150,000	£150,000	£	£

To the Public—				
Government of India, £20,000,000 4½ % Stock at 90 % red. at par 1950-May 15, 1955 (May 14/20,000,000) ..	18,000,000	£1,000,000	£17,000,000	
Smith, Bulmer, and Co., £600,000 7 % Cum. Pref., £1, at par (May 15) ..	600,000	£600,000	£75,000	£525,000
South Wales Power Co., £600,000 6 % 1st Mt. Deb. Stk., at 98 % repayable 1927-June 1, 1950, at 103 % (May 15) ..	600,000	£588,000	£30,000	£558,000
Batura Monguna Tin, £50,000 Shares, 4s, at par (May 15) ..	150,000	£150,000	£37,500	£112,500
Delagou Bay Development Corporation, £5,200 7 % Cum. Pref. Stk., 5s, at par (May 16) Do £110,000 7 % Second Debts, £50, at £37½ red. at par 1924-Dec. 31, 1939 ..	16,300	£16,300	£8,150	£8,150
John Bright and Brothers, £1,000,000 6 % Guar. 1st Mt. Deb. Stk., at 98½ % red. at 103 % June 1, 1963 (May 16) ..	1,000,000	£985,000	£100,000	£885,000
Total offered to public	£20,421,800	£1,256,150	£19,165,650	
To Shareholders only—				
Industrial and General Trust, 300,000 Ord. Shares, £1, at £2 8s (May 14) ..	300,000	£720,000	£720,000	
Kepong (Malay) Rubber, 181,000 Shares, 2s, at 4s (May 14) ..	18,100	£36,200	£9,050	£27,150
Total to shareholders only	£756,200	£729,050	£27,150	
Total offered for subscription to date	£21,178,000	£1,985,200	£19,192,800	
Total offered for subscription for whole year—				
1923	£140,927,543		£573,675,650	
1922	407,891,223		588,978,203	
1921	88,032,418		367,549,656	
1920	183,159,762		1,036,059,953	
1919	340,616,832		1,393,381,441	
1918	580,605,459		1,318,696,010	
1917	946,093,178		686,436,953	
1916	216,532,137			

Government of India 4½ per Cent. Stock.—This is a further issue, at £90 per cent., of £20,000,000, which will be consolidated with the existing India 4½ per cent. stock. The proceeds will be utilised for Indian railway and general purposes, and if not previously redeemed the stock will be repaid at par on May 15, 1955, the Secretary of State for India reserving, however, the right to redeem the loan at par on, or on any half-yearly interest date after, May 15, 1950. It will be recalled that the Indian Government proposed to spend £100,000,000 during a period of five years upon its railway systems, and this issue is the third of a series of which part of the proceeds are to be devoted to this specific purpose. The prospectus, it should be noticed, states that the proceeds of the loan may also be utilised for "general purposes." The yield of the last issue, which was also for £20,000,000, calculated at the latest date of redemption and allowing for profit at maturity, worked out at approximately £5 10s per cent. The present issue shows a return of £5 per cent. The previous issue to these two loans was for £12,500,000, and gave a yield of £6 1s per cent., but this was a short-dated loan running for but ten years, while the present issue is redeemable at the earliest in 1950 and at latest in 1955. Thus, when the comparatively generous offer of the 7 per cent. Indian loan and the subsequent successes of the various issues following are considered, it must be admitted that the Indian Government has been able to take considerable advantage of cheaper money rates. Assuming that the political risks in India are not of serious moment, and that the Budget deficit is only a passing phase, the issue, when considered in relation to yields of home gilt-edged securities, looks cheap at the price offered.

John Bright and Brothers, Limited.—Authorized share capital is £1,050,000, divided into 1,050,000 ordinary shares of £1 each; issued £972,000, all held by Crosses and Winkworth Consolidated Mills, Limited. Loan capital is £1,000,000, and the whole of this is now offered for sale in 6 per cent. guaranteed first mortgage debenture stock at 95½ per cent., repayable on June 1, 1963, at 103 per cent., or redeemable in whole or part on any interest date on six months' notice at 105 per cent. Crosses and Winkworth, Limited, guarantee the stock as to principal, interest, and premium. The stock, which is limited to £1,000,000, will be secured by a trust deed giving a specific first charge on the company's

fixed assets and a first floating charge on other assets. The company is restricted from creating any charge ranking in priority to or *pari passu* with this stock, "except upon its raw materials or upon any documents of title to goods and merchandise in the ordinary course of business." The business consists of spinning, weaving, manufacturing, &c., and was established in Rochdale 114 years ago. Its properties, machinery, and plant were valued in January, 1921, at £993,528, but these assets now stand in the books at £605,025. Cash in hand, investments, trade debts, &c., amount to £867,502. After deducting creditors, the total of liquid assets is £696,947. Profits are given for five years. The security offered as first mortgage appears to be inadequate. With reference to the guarantee by Crosses and Winkworth Consolidated Mills, Limited, it would be interesting to know the full terms of the document. Is this simply an open guarantee, or is the guaranteeing company to be restricted in its commitments?

Smith, Bulmer and Co., Limited.—This company has been formed to acquire the business of Sir James William Bulmer, carried on under the title Smith, Bulmer and Co., worsted spinners, wool combers, and top-makers, at Halifax and Bradford. The share capital is 600,000 ordinary shares and 600,000 7 per cent. cumulative preference shares, all of £1 each. Of the ordinary shares, 521,040 will be allotted to the vendor in part payment of the purchase consideration, and 304 to three directors and the subscribers to the memorandum. The balance of 78,656 shares will remain unissued. Of the preference shares, 500,000 are offered for subscription at par, and applications for 100,000 have been made by directors and their friends. Founded in 1912, the original company owns five worsted spinning mills, a combing mill, and a wool warehouse. Properties, plant, &c., are valued at £756,765, stock-in-trade at £940,569, and debts at £376,516. Including investments of £45,750, the total is £2,119,500. Creditors and loans amount to £1,568,346, leaving a balance of £551,244. The purchase consideration of £551,244 is to be satisfied as to £521,040 by the issue of 521,040 fully-paid ordinary shares of £1 each, and as to £30,204 in cash. Profits average for the past four years £119,955, but they are taken before charging income-tax, depreciation, vendor's salary, interest on capital, borrowed moneys, &c., although after charging £104,806 renewals and repairs and after writing off bad debts £166,607. The articles provide that no mortgages on the existing freehold and leasehold premises, and no debentures or debenture stock, shall be created unless approved by a three-fourths majority of the preference shareholders, and that until a reserve fund of £126,000 has been created the dividends on the ordinary shares shall not exceed 5 per cent. Sir W. Bulmer will become governing director for ten years, with powers to appoint other directors and fix their remuneration. The prospectus is frank and full, but the investment is evidently one for those who are intimate with the conditions of the industry. The list was closed on Wednesday.

South Wales Power Company, Limited.—Authorised capital £600,000; issued and converted into ordinary stock, £278,344. Issue of £600,000 first mortgage debenture stock at 98 per cent., repayable at 103 per cent. on June 1, 1950, or in whole or in part after June 1, 1927, at 103 per cent., at the option of the company. This is part of a total authorised issue of £750,000. The stock will be secured by a specific first mortgage upon 5 per cent. prior lien debenture stock of the South Wales Electrical Power Distribution Company to the nominal amount of the stock outstanding, with a margin of at least £276,000, and by a first floating charge on the undertaking, &c. There will be a cumulative sinking fund for redemption. Formed in 1907 as the Treforest Electrical Consumers Company, Limited, to manage and operate the South Wales Power Distribution Company, the company has financed and managed that concern up to the present time. It will be covenanted that no further prior lien stock of the distributing company shall be issued unless the same is to be deposited as security for the debenture stock of the operating company. Since its formation the South Wales Power Distribution Company has not paid a dividend on the ordinary stock, having so far been "operated mainly in the interests of its chief consumers." Under recent arrangements, 70 per cent. of the total consumers have entered into agreements running to December 28, 1923, at least, to take supplies at a price of over 50 per cent. above pre-war prices. Considering the past financial history of the enterprise, we do not consider this issue an attractive proposition. The issue was, however, underwritten on reasonable terms.

Delagoa Bay Development Corporation, Limited.—Share capital £166,300, divided into 267,400 ordinary shares, all issued and paid up, and 130,400 7 per cent. cumulative preference and participating shares, the first block of which is now offered. First debentures for £144,400 are still outstanding. This is an issue of £110,000 7 per cent. second debentures of £50 each at £37 10s per debenture, and 65,200 7 per cent. cumulative preference and participating shares of 5s each at par. The Delagoa Bay Development Corporation, Limited,

holds concessions covering the waterworks, electric tramways, electric light, &c., in Lourenco Marques, Portuguese East Africa. These, with sundry other assets, are valued in the balance-sheet of the corporation, as at June 30, 1922, at £513,617. The shares can be subscribed for only by shareholders in the corporation. The second debentures will be secured by a floating charge on assets, subject to a floating charge in respect of the first debentures, with the right reserved to issue £20,000 unissued first debentures. The second debentures will be repayable at par in 1939, and will be redeemable by a fund commencing in 1924, which is to be applied in redemption by purchase or by tender at not exceeding par, or by yearly drawings at par. The corporation may also redeem the debentures at par in whole or in part at any time on six months' notice. The rate of interest offered indicates the speculative nature of the debentures.

The National Bank of Australasia, Limited.—The board of directors propose to recommend at the annual general meeting to be held in Melbourne on the 30th inst., that 88,000 of the unissued preference shares be cancelled and a similar number of fully-paid £10 shares be created. It is intended to issue 41,750 of these new fully-paid £10 shares, and to make them available to shareholders on the basis of:—(a) One new share for every seven fully-paid £10 shares held on May 17, 1923; (b) one new share for every 14 ordinary shares of £8 each, paid up to £5, held on May 17, 1923. The price of issue of the new shares will be £13 per share. It is also proposed to recommend that 16,500 ordinary shares of £8 each, paid up to £5, be offered by tender to shareholders registered on May 17, 1923. Allotments will be at the discretion of the directors, but not more than 2,000 of these ordinary shares will be allotted to any one applicant. All premiums in respect of these issues will be credited to the bank's reserve fund.

Bank Holdings, Limited.—Authorised capital £100,000, divided into 400,000 shares of 5s. each, of which there have been issued 300,800 shares at par, in respect of which 5s per share has been paid. The company has been formed for the primary purpose of acquiring and holding stocks, shares, debentures, debenture stock, and other securities, and has acquired 150,000 shares of the Niederösterreichische Escompte Gesellschaft Bank of 400 Austrian gold crowns each for a cash payment of £75,000. Under its memorandum the company has power to borrow money, and under its articles of association this power is exercisable by the directors up to an amount at any one time outstanding not exceeding the authorised capital of the company. The borrowing powers have not been exercised. The preliminary expenses were estimated at £1,200, which has not been exceeded. No commission has been paid for subscribing or procuring subscriptions for shares. These details have been taken from an advertisement issued in accordance with the regulations of the Committee of the London Stock Exchange.

Stableford and Co., Limited.—Authorised capital £500,000, in shares of £1 each, of which 242,000 have been issued. First mortgage debentures, carrying interest at 6½ per cent., for £180,000 have been issued. These debentures constitute a specific first mortgage on the company's properties and fixed assets, and a floating charge upon all the other assets. Redemption is to be made, on or before January 1, 1948, at par, by annual drawings, commencing in 1924, power being reserved to repay whole or part, at par on six months' notice. The company was incorporated in 1900 to acquire the carriage and wagon builders at Coalville, Leicestershire. Surplus assets are valued at £407,449, fixed assets appearing at £234,820. Profits given from 1900 form a remarkable record. These details are taken from a Press announcement made to comply with Stock Exchange regulations, but they are information enough to indicate that the company has been sufficiently prosperous to give its full record.

The Union Oil Trust, Limited.—Authorised capital £135,000, divided into 188,000 ordinary shares of 5s each and 352,000 preferred ordinary shares of 5s each. Ordinary shares to the number of 187,464, and 352,000 preferred ordinary, have been issued, making the issued capital £134,866. The preferred ordinary shares are entitled to receive two-thirds of the profits available for dividend each year, until 100 per cent. in dividends in all has been paid, and after to a 20 per cent. non-cumulative dividend in priority to the ordinary shares. This company was incorporated as "The Union Oil Company of South Africa, Limited," on May 7, 1914. In June, 1915, South Africa, Limited, to prospect for oil in Cape Colony, in consideration of the allotment to the shareholders in the latter company of five ordinary shares of 5s each, credited as 4s per order "to acquire certain oil-bearing properties and productive wells in Galicia, Poland," it was decided to convert and issue £88,000 of the company's share capital into 352,000 preferred ordinary shares of 5s each, and to change the name of the company to "The Union Oil Trust, Limited." The purchase consideration for the Galician properties was £74,000 in cash.

This and other information is given in the Press in order to comply with Stock Exchange regulations. A speculative enterprise.

Batura Monguna Tin, Limited.—Nominal capital of the company is £150,000, divided into 750,000 shares of 4s each, now offered for subscription at par. The whole of the issue has been underwritten by the Niger Minerals Development Company, Limited, for a cash commission of 2½ per cent., and the underwriters have applied firm for 250,000 of these shares. The prospectus states that the company has been formed particularly to acquire and work 23 tin properties, and about 92 square miles in extent, in the Monguna, Mama, and Jos districts of Northern Nigeria. Tin concentrates so far developed amount to 2,800 tons, and are from an aggregate of one square mile. A highly speculative venture.

ACTIVE SECURITIES.

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

British and Colonial Government Securities.

Name of Security	Price	Week	Latest	Rise or
				Fall
War 3½%, 1925-28 .. 95½	95½	95½	95½	..
Loans 5%, 1925-45 .. 88½	88½	88½	88½	..
4%, 1929-42 .. 101	101	101	101	..
Funding Loan 4½ .. 92½	92½	92½	92½	..
Victory Bonds 4½ .. 93½	93½	93½	93½	..
Conversion Loan 3½ .. 80½	80½	80½	80½	..
Consols 2½ .. 68	68	68	68	..
Irish Land Stock 2½ .. 62½	62½	62½	62½	..
Local Loans 3½ .. 68½	68½	68½	68½	..

Name of Security	Price	Week	Latest	Rise or
				Fall
Barclays B (£1, f.p.d.) 2½ .. 23½	23½	23½	23½	..
Chartered Bk of India 192 .. 193	193	193	193	..
Lloyds (£5 with £1) .. 3	3	3	3	..
London Joint City & Midland (£12 with £2½ paid) .. 8½	8½	8½	8½	..
Nat. Bank of Egypt (£10) .. 21½	21½	21½	21½	..

Name of Security	Price	Week	Latest	Rise or
				Fall
Antofagasta Cons .. 85	85	85	85	..
B.A. and Pacific .. 85	85	85	85	..
B.A. & Southern .. 89	89	89	89	..
Buenos Ayres West .. 86	86	86	86	..
Canadian Pacific .. 166	166	166	166	..
Central Argentine .. 76	76	76	76	..

Name of Security	Price	Week	Latest	Rise or
				Fall
Argentine 5%, 1886-7 .. 100	100	100	100	..
Belgian 3½ .. 68	68	68	68	..
Brazil 5% Fund, 1914-75 .. 76	76	76	76	..
Chilean 4½, 1895 .. 83	83	83	83	..
Do 7½ .. 107½	107½	107½	107½	..
Chinese 5%, 1912 .. 74	74	74	74	..
Egyptian 4½ .. 70½	70½	70½	70½	..
French 5% .. 23	23	23	23	..
Do 4% .. 23	23	23	23	..
Greek 4%, 1884 .. 46½	46½	46½	46½	..

Name of Security	Price	Week	Latest	Rise or
				Fall
Anglo-American "A" 22½ .. 22½	22½	22½	22½	..
Marconi Wireless .. 2½	2½	2½	2½	..
Great Western, Ord. .. 115½	115½	115½	115½	..
Do Def .. 88	88	88	88	..
London & North-Eastern .. 87½	87½	87½	87½	..
Do Def, Ord. .. 36½	36½	36½	36½	..
Scottish, Ord. .. 114½	114½	114½	114½	..
Metropolitan District .. 54½	54½	54½	54½	..

Name of Security	Price	Week	Latest	Rise or
				Fall
Chesapeake & Ohio .. 72	72	72	72	..
Eric .. 12	12	12	12	..
Do 4½ 1st Pref. .. 18	18	18	18	..
Aerated Bread (£1) .. 1½	1½	1½	1½	..
Amal. Cottons (£1) .. 1½	1½	1½	1½	..
Anglo-Persian Oil (£1) .. 4	4	4	4	..
Armstrong (Sir W.G.) .. 1½	1½	1½	1½	..
and Co. (£1) .. 1½	1½	1½	1½	..
Asa. Plind. Cement (£1) .. 1½	1½	1½	1½	..
Barker, John (£1) .. 2½	2½	2½	2½	..
B'ham Small Arms (£1) .. 1½	1½	1½	1½	..
Brazil Traction (£100) .. 51½	51½	51½	51½	..
British-American Tobacco (£1) .. 4½	4½	4½	4½	..
Burmah Oil (£1) .. 5½	5½	5½	5½	..
Costa (J. and P.) (£1) .. 3½	3½	3½	3½	..
Courtauld (£1) .. 3½	3½	3½	3½	..
Gunard (£1) .. 1½	1½	1½	1½	..
Dorman, Long (£1) .. 1½	1½	1½	1½	..
Dunlop Rubber (£1) .. 1½	1½	1½	1½	..
Fine Cotton Spinners (£1) .. 2½	2½	2½	2½	..
Forestal Land (£1) .. 1½	1½	1½	1½	..
Furness, Withy (£1) .. 1½	1½	1½	1½	..
Highlands and Lowlands Rubber (£1) .. 1½	1½	1½	1½	..
Hudson's Bay (£1) .. 7½	7½	7½	7½	..

Name of Security	Price	Week	Latest	Rise or
				Fall
Imperial Tobacco (£1) .. 4½	4½	4½	4½	..
Linggi Plantations (£1) .. 1½	1½	1½	1½	..
Lipton (£1) .. 1½	1½	1½	1½	..
Lever Bros 7% Cmp (£1) .. 1½	1½	1½	1½	..
Do 8% Cmp (£1) .. 1½	1½	1½	1½	..
Do 10% Cmp (£1) .. 1½	1½	1½	1½	..
Do 12% Cmp (£1) .. 1½	1½	1½	1½	..
Do 14% Cmp (£1) .. 1½	1½	1½	1½	..
Do 16% Cmp (£1) .. 1½	1½	1½	1½	..
Do 18% Cmp (£1) .. 1½	1½	1½	1½	..
Do 20% Cmp (£1) .. 1½	1½	1½	1½	..
Do 22% Cmp (£1) .. 1½	1½	1½	1½	..
Do 24% Cmp (£1) .. 1½	1½	1½	1½	..
Do 26% Cmp (£1) .. 1½	1½	1½	1½	..
Do 28% Cmp (£1) .. 1½	1½	1½	1½	..
Do 30% Cmp (£1) .. 1½	1½	1½	1½	..
Do 32% Cmp (£1) .. 1½	1½	1½	1½	..
Do 34% Cmp (£1) .. 1½	1½	1½	1½	..
Do 36% Cmp (£1) .. 1½	1½	1½	1½	..
Do 38% Cmp (£1) .. 1½	1½	1½	1½	..
Do 40% Cmp (£1) .. 1½	1½	1½	1½	..
Do 42% Cmp (£1) .. 1½	1½	1½	1½	..
Do 44% Cmp (£1) .. 1½	1½	1½	1½	..
Do 46% Cmp (£1) .. 1½	1½	1½	1½	..
Do 48% Cmp (£1) .. 1½	1½	1½	1½	..
Do 50% Cmp (£1) .. 1½	1½	1½	1½	..
Do 52% Cmp (£1) .. 1½	1½	1½	1½	..
Do 54% Cmp (£1) .. 1½	1½	1½	1½	..
Do 56% Cmp (£1) .. 1½	1½	1½	1½	..
Do 58% Cmp (£1) .. 1½	1½	1½	1½	..
Do 60% Cmp (£1) .. 1½	1½	1½	1½	..
Do 62% Cmp (£1) .. 1½	1½	1½	1½	..
Do 64% Cmp (£1) .. 1½	1½	1½	1½	..
Do 66% Cmp (£1) .. 1½	1½	1½	1½	..
Do 68% Cmp (£1) .. 1½	1½	1½	1½	..
Do 70% Cmp (£1) .. 1½	1½	1½	1½	..
Do 72% Cmp (£1) .. 1½	1½	1½	1½	..
Do 74% Cmp (£1) .. 1½	1½	1½	1½	..
Do 76% Cmp (£1) .. 1½	1½	1½	1½	..
Do 78% Cmp (£1) .. 1½	1½	1½	1½	..
Do 80% Cmp (£1) .. 1½	1½	1½	1½	..
Do 82% Cmp (£1) .. 1½	1½	1½	1½	..
Do 84% Cmp (£1) .. 1½	1½	1½	1½	..
Do 86% Cmp (£1) .. 1½	1½	1½	1½	..
Do 88% Cmp (£1) .. 1½	1½	1½	1½	..
Do 90% Cmp (£1) .. 1½	1½	1½	1½	..
Do 92% Cmp (£1) .. 1½	1½	1½	1½	..
Do 94% Cmp (£1) .. 1½	1½	1½	1½	..
Do 96% Cmp (£1) .. 1½	1½	1½	1½	..
Do 98% Cmp (£1) .. 1½	1½	1½	1½	..
Do 100% Cmp (£1) .. 1½	1½	1½	1½	..

Name of Security	Price	Week	Latest	Rise or
				Fall
Brakpan (£1) .. 3½	3½	3½	3½	..
Broken Hill Prop. (8) .. 1½	1½	1½	1½	..
Chartered (8) .. 1½	1½	1½	1½	..
Cons. Gold Fields (8) .. 1½	1½	1½	1½	..
Crown Mines (100) .. 1½	1½	1½	1½	..
De Beers Def. (£24) .. 1½	1½	1½	1½	..
East Rand Prop. (£1) .. 1½	1½	1½	1½	..
Geduld (£1) .. 1½	1½	1½	1½	..
Gov. Gold Areas (£1) .. 1½	1½	1½	1½	..

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company	Rate % per Annum, except where marked % or stated in Cash	Date of Div.	Method of Payment	Last Div. Year	Pre-vious
Railways.					
Alabama Great Southern .. 3½	June 28	..	..	2	2
Bolivar, Pref. .. 3	July	Less tax	..	6	6
Bombay, Baroda .. 6	July 1	Less tax	..	..	..
Madras and Southern Mahratta .. 6	..	..	..	..	..
Banks.					
Bank voor Indie .. 11	..	..	..	11	11
Commercial Bank of Finland .. 16	..	..	..	..	..
Commercial of Scotland "A" .. 10	..	..	..	..	..
Do "B" .. 10	..	..	..	..	..
London and River Plate .. 4½	June 15	Less tax 5/ in £	..	72s	15s
Netherlands .. 12	..	..	..	..	..
Yokohama Specie .. 12	..	..	..	..	..
Insurance.					
Canton .. \$22 p.s.†	..	For 1921	..	\$40 p.s.†	\$35
Do .. \$18 p.s.†	..	For 1922	..	..	..
Consolidated .. 10½	..	bonus 5% Less tax	..	25	25
Guardian .. 4½	..	Subject to tax	..	7½	6½
Legal .. 3½	..	Less tax	..	6	5
Western Alliance Re-Insurance .. 3½	..	Less tax	..	..	..
Tea and Rubber.					
Amalgamated Tea and Lands .. 10½	June 7	..	..	15	5
Assam Co. .. 10½	May 31	Less tax	..	..	..
Do Bonus .. 24 p.s.	July 2	Tax free	..	40	20
Balijian Tea .. 10½	..	20% p.a. Less tax	..	7½	2½
Bukit Panjong .. 2½	..	Tax free	..	..	..
Caledonian (Selangor) Rubber .. 2½	..	..	..	10	12½
Chersonese (F.M.S.) .. 20	..	..	..	25	10</

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

COMPANY MEETINGS, &c.

THE LIVERPOOL AND LONDON AND GLOBE INSURANCE COMPANY, LIMITED.

SOUND FINANCIAL POSITION.

The annual meeting of the Liverpool and London and Globe Insurance Company, Limited, was held in the board room, at No. 1 Dale street, Liverpool, on Tuesday, the 15th instant, the chairman, Mr A. Kentish Barnes, presiding.

On moving the adoption of the report and accounts, the Chairman said that while they had had a good year in the life and accident departments, results in the fire and marine departments were still far from normal.

While declining to make any prophecy as to what the future had in store, Mr Barnes said that there were indications of a gradual emergence of trade and industry from its long period of depression, which gave rise to the hope that at their next meeting there would be a more cheerful tale to tell.

YEAR'S FIGURES.

Dealing with the figures for 1922, the Chairman remarked that there was a welcome cessation in the fall of premium income as a whole, and a considerable improvement in respect to losses during the latter months of the year by comparison with the earlier period thereof. The general ratio of expenses for the fire, accident, and marine departments at 40.04 per cent., compared with 40.77 per cent. in the preceding year, continued higher than in pre-war times, and required time for adjustment, whilst the taxation in foreign fields remained a cause of sustained anxiety.

FIRE DEPARTMENT.

Turning to the individual accounts, Mr Barnes said that in the fire department there had been a shrinkage in the net premium income of £176,784, reducing it to £4,230,020, but, on the other hand, the losses were down by £248,216 to £2,540,248. He reported a loss of £32,821 on the account, but in so doing pointed out that, following their custom, foreign and colonial taxes were debited against underwriting results, and interest omitted from the account. If this had not been done—and the practice of many other companies followed as regards these items—there would have been a credit of £203,628. So far as the Home and General foreign business was concerned, i.e., excluding the U.S.A. and Canada, a satisfactory profit in both these sections had been made.

LIFE DEPARTMENT.

The volume of new sums assured in the life department after deducting reassurances was £1,374,891, showing an increase of £135,342 over the previous year. This was more than double the business of any pre-war year, and with the exception of 1919 and 1920 was the highest in the history of the company. Undoubtedly the unique bonus record had largely contributed to these results.

The total life and annuity funds on December 31st last stood at £5,815,179, and showed an increase of £364,434 during the year. The claims by death and maturity amounted to £326,522.

The year 1923 was the last year of the current quinquennium, and the actuarial valuation fell to be made at December 31st next. Mr Barnes said he looked forward to being able to present next year a favourable valuation report.

ACCIDENT AND MARINE DEPARTMENTS.

In the accident account the premium income was increased by £82,387 to a total of £3,412,632. The claims experience was satisfactory, and the net amount carried to profit and loss account from the accident underwriting account was £133,220.

The marine department was passing through an epoch of severe depression, and it had not been possible to do much more than mark time, but even so, an underwriting loss of £54,457 had to be reported. The Chairman said that what was a matter of concern was the apparent absence of any real effort on the part of many underwriters to modify the evils of unrestricted competition.

PROFIT AND LOSS ACCOUNT.

The transfers to profit and loss account totalled £415,130. This included £250,000 taken from the investment fluctuation fund, to which reference would be made later. Adding to this sum interest at £390,389 not otherwise dealt with (which compared with £370,214 in 1921), together with the balance brought forward from last year, a total of £1,035,519 was reached. Against this had to be set the various amounts shown in the report, which included a provision of £149,949 for British Government Taxes, £132,095 for loss on realisation of securities, and £50,000 transferred to staff pension fund.

THE DIVIDEND.

In November last an interim dividend of 8s 6d, less tax, was declared, and the Chairman announced that the directors now recommend a similar payment, making 17s per share, less tax, for the year, after which payment there remained in the profit and loss account a balance of £223,135 to be carried forward, as compared with £230,000 brought into the account at the beginning of the year.

Continuing, he explained that as the company's Stock Exchange securities were fully of the value stated in the balance-sheet without taking the investment fluctuation fund into account, the amount £1,250,000 in this fund was, therefore, available to meet any depreciation which might possibly occur in the future, and for any contingencies which may arise.

Mr Barnes mentioned that the company celebrates this year the completion of its 75th year in the States, and spoke of the way that country had come to regard it as almost one of their own institutions.

TRIBUTE.

In concluding, the Chairman expressed the appreciation of the board of the service rendered to the company by the staff throughout the world. They had passed through another trying year, and the duties falling to their officials and particularly to their capable executives in consequence had been more than usually onerous, but they had responded to the calls made upon them with an energy and loyalty worthy of the fullest commendation.

The motion was duly carried.

The directors of the Liverpool and London and Globe Insurance Company, Limited, have re-elected Mr A. Kentish Barnes and Mr R. Q. Wilson as chairman and deputy-chairman respectively of the company.

EAGLE STAR AND BRITISH DOMINIONS INSURANCE COMPANY, LIMITED.

IMPROVED RESULTS DESPITE DIFFICULTIES.

CONDITIONS OF MARINE INSURANCE MARKET.

The annual general meeting of the Eagle Star and British Dominions Insurance Company, Limited, was held, on the 17th instant, at the Moorgate offices of the company, Moorgate street, London, Sir Edward M. Mountain, Bart., J.P., presiding.

Mr J. Gardiner (the secretary) read the notice convening the meeting and the auditors' report.

The Chairman said that during the last fortnight the reports and accounts of most of the leading insurance companies had been issued, and they would have seen from the speeches of the various chairmen that the year 1922 had again been a difficult one for insurance companies. It could not very well be otherwise when trade throughout the whole world had been going through such a bad time. He would go further than this, and say that it would not be to the advantage of insurance companies if it had been otherwise. Their good friends and best clients consisted of ship-owners, merchants, and manufacturers, importing and exporting firms. Every business man knew the adverse period through which they had been passing, and if insurance companies had been having a very prosperous time while their clientele had been having such a bad time, it would, in his opinion, have shown a lack of judgment on the part of those who controlled insurance companies. Taking into consideration the world-wide difficulties that existed, he thought their company had every reason to congratulate itself on the very satisfactory accounts it was able to present. During the course of the year they had absorbed the Threadneedle Insurance Company, Limited, and the Premier Motors, Limited, with both of which bargains the directors were well satisfied.

THE FIGURES.

They would see from the figures before them that they brought forward £394,921; that their net premium amounted to £664,004; together, £1,058,926, against which they had settled for the year 1922, and all previous years, £407,154. The expenses of management, including income-tax, amounted to £75,200. They had transferred to profit and loss account £65,000, and the marine fund at the end of the year was £511,570, which fund, from their previous experience, was more than sufficient to cover all liabilities—the bulk of their business consisting of risks of a short nature. Although the net premium appeared larger than in 1921, it was not really so, because it included Threadneedle figures, and the 1921 year's premium income was reduced owing to so many "time risks" being cancelled during that year, the returned premiums for which came out of last year's income, although the premiums had been received in 1920.

MARINE MARKET CONDITIONS.

After referring to their very conservative policy in regard to the writing of Hull risks, and mentioning in regard to the cargo

business that the year under review had been in a very difficult one owing to the competition in this class of risk being very keen, he went on to say that the first year's settlement in this section was the lowest they had ever had. This was the outcome of their very careful underwriting. As he said last year, their underwriting had been done with extreme care, and this was certainly true of the year under review. There was no doubt, in his opinion, the marine insurance market was in a very unsatisfactory condition, and he did not think they had very far to go to seek the cause. Owing to world-wide depression there was, to start with, less business to go round, and, although the large number of "mushroom" companies which sprang up during the war had ceased to exist, many large and wealthy companies had during the last few years entered this market. Not only in this country, but in America, there had been a great desire among the leading insurance companies to secure a large premium income in all departments; firstly, so that interest would more than pay their dividend to shareholders, and, secondly, so that their expenses might not show a higher ratio than they already did. Both these principles were fundamentally sound, but they ceased to be so, and might become a "fetish" when a large income was kept up on unprofitable business. The losses which some companies had made in the marine market had been very heavy. That they have not been heavier was due, in his opinion, more to luck than judgment. At any rate, it was their considered policy, whilst times were as they were, to continue on the same, or even more, conservative lines, with regard to this department.

FIRE AND GENERAL INSURANCE.

Last year he had to report a slight reduction in their premium income amounting to £5,000 odd, and this was very much smaller than the reduction disclosed by many other leading insurance companies. Although trade continued to show very little improvement, the increase in these departments this year amounted to £152,444.

The net premium income was £2,401,659 16s 8d. The claims paid and outstanding amounted to £1,238,237 11s 10d., which was 51.5 per cent., or 5.1 per cent. less than last year. That figure he had quoted did not agree with the figure in the revenue account under claims paid and outstanding. The difference was £17,201, and this was accounted for by the fact that the outstanding claims brought forward on account of employers' liability section were greater in 1921 than the amount required in 1922 by this amount. Commission and brokerage amounted to £494,984 8s 1d, whilst expenses of management, including income-tax, amounted to £488,928 11s., which gave a ratio of 40.9 per cent.

After providing a full reserve of 40 per cent. of the total premium income, including increase in premiums, they had been able to transfer to profit and loss account the sum of £114,631 8s 7d, as against £95,093 4s 3d last year. This was better even than it looked, because last year they credited the account with £35,369 of interest and this year they had carried all interest direct to profit and loss account.

Fire business in America showed no improvement last year, and Canada shows very poor results. The experience was universal with all our leading insurance companies, but the business had passed through the same phases before, and he thought they could look forward to better times. Because of this their own fire profit had been small for the year, but otherwise it had shown very good results, more especially the home business, which, he thought, would compare more than favourably with that of most other companies.

LIFE DEPARTMENT.

Having referred to their accident and motor vehicle departments, he said their life department was in a very prosperous condition. The sums assured under new life policies issued amounted to £1,864,483, which was somewhat less than the corresponding figure for the previous year. On the other hand, the average sum assured under new policies continued to increase, and for 1922 amounted to £573, as against £558 for 1921. Their total life fund continued to grow; their mortality experience was very favourable, and their interest yield was such as to show a substantial margin of profit. The net yield, after allowing for income-tax on the combined life and annuity account, amounted last year to £4 12s 8d, and their expenses were very moderate. These features must be reflected in the profit from time to time divisible. The quinquennial investigation of the "Star" and "Sceptre" closed funds would be made at the end of the present year, and there was every indication that the results would be eminently satisfactory to all parties concerned.

PROFIT AND LOSS ACCOUNT.

Turning to the profit and loss account, they would see that to maintain their dividends of £250,000 it had cost them, out of their trading profits, in round figures, £60,000, considerably less than in 1921. This, in a normal year, would only be about 25 per

cent. of their profits, and in the opinion of the directors was a very reasonable proportion, especially in view of the fact that they had established such powerful reserves. To sum up, they would see from the balance-sheet that the year 1922 was a considerable improvement on 1921, and in spite of the difficult times to which he had referred it was an indication that trade and conditions in the world were slowly but steadily improving. He knew they would be pleased to hear that 1923 had opened well, and, although it was early days to prophesy, he should be disappointed if it was not an improvement on 1922. There had been a further upward move in the value of their Stock Exchange securities since the end of the year, and although it seemed doubtful how far the present level of prices would be maintained, the appreciation to date was very considerable. In conclusion, he said that he would like to record the great appreciation of himself and colleagues for the excellent work done for the company by their general manager—Mr S. A. Bennett—the managers of the various departments, and their staff who had all done so well in very difficult times. Their thanks were also due to their representatives abroad and to all the agents of the company who continue so loyally to support them. He moved the adoption of the reports and accounts.

Mr J. Douglas Watson, F.I.A., F.A.S., seconded the resolution, which was carried unanimously.

The retiring director, Mr Charles Williams, was unanimously reappointed, and the auditors, Messrs Edwin Guthrie and Co., were re-elected.

Mr A. Goldberg, in proposing a hearty vote of thanks to the chairman and the directorate, observed that they, the shareholders, were very grateful to the chairman, the board, the managers, and staff for having placed the company in the foremost ranks of British insurance companies.

The resolution was carried with acclamation, and the Chairman having responded, the proceedings terminated.

MOTOR UNION INSURANCE COMPANY, LIMITED.

FIRST QUINQUENNIAL VALUATION—STRONG POSITION.

The ordinary general meeting of the Motor Union Insurance Company, Limited, was held, on the 15th instant, at the head office, 10 St James's street, London, Mr C. H. Dodd (the chairman of the company) presiding.

The general manager and secretary (Mr H. F. Baker) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said that the premiums in the fire insurance account showed a reduction at £452,719, as against £509,000 for 1921. That was accounted for by the decrease in the values insured; as a fact, they had written a larger number of policies than in the previous year. The claims experience was better than in 1921 at 55.36 per cent., as compared with 63.60 per cent., and as a result they were able to transfer to profit and loss account the sum of £15,986, as against a transfer from profit and loss account last year of £14,824. Their most important account and the mainstay of their business was the motor and general insurance account.

GOOD RESULTS IN MOTOR DEPARTMENT.

As to that, he was happy to be able to again say that they did the largest motor insurance business in the world, and looked like maintaining that position. In this account the premium income had risen, the figures being £1,030,182, as against £1,016,710. The claims showed a considerable decrease, and the result of the year's working of that account was really extremely good. They were able to transfer to profit and loss the sum of £40,814, as against £4,287 last year. As to the marine insurance account, the board had been endeavouring steadily to decrease the premium income there. Nothing had been transferred from that account to profit and loss, and they left the fund at £470,766.

The life assurance and annuity account this year was of special interest, because it marked the end of the company's first quinquennium. During the year 408 policies had been issued by the life department. Of those, 401 were for life assurances, three for life annuities, and four for capital redemption assurances. The net amount of new life assurances retained at the company's risk was £158,956, and by the operations of the year the life assurance and annuity fund had increased by £21,914 to £83,431, and the capital redemption fund by £1,159 to £2,141. The actuary's report made at the end of the quinquennial valuation disclosed a very strong position. The board had set aside reserves on bases of exceptional stringency, and had allocated a bonus of £1 10s per cent. per annum to participating policyholders in the ordinary section, while those in the abstainers' section received a bonus of £1 15s per cent. per annum.

The liabilities under life assurance contracts had been valued by the British Offices On Table, interest being taken at 3 per cent., and to the value thus ascertained supplementary reserves

to an amount exceeding £6,000 were added, producing a net liability of £56,382. Life annuities valued by the British offices select annuity experience, with interest at the very low rate of 2½ per cent. per annum, called for a reserve of £6,348. The total estimated net liability under life assurance and annuity business was thus £62,730, against which the amount of the life fund was £83,430.

DIVIDEND OF 50 PER CENT.

Those results were highly gratifying. The first quinquennial period in a life company was rather a critical period, and the figures showed that their company had come through, in spite of the bad times through which they had been passing, uncommonly well. They had earned the very substantial bonus of £1 10s per cent., which had been guaranteed, and the fund was in a very sound financial condition. In view of the favourable outlook the directors had resolved that all participating policies which were in force at the date of the next valuation—December 24, 1927—or became claims before that date, should be guaranteed an addition of bonus at the rate of £1 10s per cent. on the sum assured for each year's premium due and paid during the quinquennium. Results had been so good that they felt they could again safely guarantee that bonus, and he hoped that that would have the effect of increasing the company's life business. Dealing with the general results of the year, the Chairman said that they had a balance available of £165,178, as against £132,135 last year, or a substantial increase of something like £33,000. The preference dividend and an interim dividend of 4s per share on the ordinary shares had already been paid, and from the balance remaining the board proposed a final dividend of 6s per share on the ordinary shares, making 50 per cent. for the year. They also recommended a grant of £2,500 to the staff pension fund, leaving £81,848 to be carried forward, as against £38,475.

Mr J. E. Hodgkin seconded the motion, and the Chairman having replied to questions it was carried unanimously.

RICHARDSONS, WESTGARTH, AND CO. LIMITED.

SATISFACTORY YEAR—DIVIDEND AND BONUS.

RESEARCH WORK IN MARINE ENGINES.

The twenty-second annual meeting of Messrs Richardsons, Westgarth, and Co., Limited, the well-known marine, electric power, and land engineers, of Hartlepool, Middlesbrough, and Sunderland, was held, on the 17th instant, in Hartlepool, when accounts were submitted showing a profit for the year 1922 of £329,547, out of which, after making certain reserves, a dividend of 8 per cent. and a bonus of 10 per cent. were declared on the ordinary shares.

Mr D. B. Morison (chairman and managing director) presided. Reviewing the salient points in the balance-sheet, he stated that the policy of the directors had been to build up a strong financial position, and provide a sufficiency of working capital to meet the requirements of possible difficult times ahead.

PROTECTION OF CUMULATIVE PREFERENCE DIVIDEND.

Referring to the £100,000 invested in 5 per cent. War Stock, for the protection of the cumulative preference dividend, Mr Morison emphasised the value of this provision in times of depression, when dividends might not be earned, and pointed out that such a reserve materially increased the stability of the ordinary shares by reducing the possibility of the preference dividend arrears accumulating as a prior charge against profits.

Directing attention also to the sum of £100,000 which has now been set aside for the development of the internal combustion oil engines manufactured by the company, Mr Morison remarked that never before in the history of marine engineering had there been so many competitive types of propelling machinery as at present, and, to ensure to the shipowner reliability in working at a minimum cost for fuel and labour, both at sea and in port, the engine builder must perform constantly be engaged in that first essential of engineering success—practical research. Hence it was impossible to over-estimate the latent potentialities of the sum to which he had just referred.

BEARDMORE-TOSI OIL ENGINES.

Observing further that it gave the shipowner confidence when he knew that no expense had been spared to prove his machinery before it was put on board ship, Mr Morison stated that the Beardmore-Tosi oil engines of which he spoke last year were now approaching completion, and would be officially tested in the near future under the auspices of the Institution of Mechanical Engineers and the Institution of Naval Architects. The results would be published by those institutions in the interests of engineering progress generally.

DOXFORD OIL ENGINE.

The Chairman also made the important intimation that Messrs Richardsons, Westgarth, and Co. had recently taken a licence to

manufacture the Doxford opposed-piston oil engines, which, he said, had given such excellent results in high-power cargo boats. In fact, no effort was being spared by the company in the development of the internal combustion oil engine for the economical propulsion of ships.

As to the future, Mr Morison stated that, pending a revival in shipbuilding, remunerative contracts could not be obtained, the political tension in Europe and the recent rise in steel prices having effectually damped down inquiries. In the meantime, cost of production could only be reduced by an aggregation of small economies, the dominant elements of cost being wages and labour efficiency.

STAFF BENEVOLENT FUND.

Alluding, in conclusion, to the staff benevolent fund, Mr Morison stated that, though it was impossible to consult all the shareholders regarding the reserve of £10,000 which it was now proposed to place to that fund, he had the pleasure of laying the whole matter before those who had recently acquired the majority of the ordinary shares, and their sympathetic approval was immediate.

Adding that he was retiring from his position of sole managing director some time next year, Mr Morison said: "Since my appointment to that position in 1912, nothing I have accomplished has given me greater pride and pleasure than the inauguration of the staff benevolent fund of Messrs Richardsons, Westgarth, and Co."

Mr Morison then moved the adoption of the directors' report and statement of accounts.

Mr C. T. Watson seconded the motion, which was carried unanimously.

Mr Magee, Mr Crosby, and other critics of previous years congratulated the chairman and directors on the results achieved.

As an expression of appreciation the meeting decided to double the directors' remuneration for the year, and add £2,500 to the staff benevolent fund.

The appointment of Sir George Goodwin as a director was confirmed, and the proceedings terminated.

JUGRA LAND AND CAREY, LIMITED.

UNIQUE POSITION FOR CHEAP PRODUCTION.

The third annual general meeting of shareholders was held in the hall of the Institute of Accountants and Actuaries, 218 St Vincent street, Glasgow, on Monday, May 14, 1923, at 12 o'clock noon, Mr Wishart presiding.

Mr Stewart, for the secretaries, having read the notice calling the meeting, the Chairman said:—

Gentlemen,—I am sorry that, on account of illness, Mr Macdonald is unable to be present to-day, but you will be glad to know that he is now making good progress towards recovery.

With your permission the directors' report and statement of accounts, which you have had before you for more than the statutory period, will be held as read.

VISITING AGENT'S REPORTS.

It is gratifying to note that the visiting agent's reports in regard to the Island and to Paradise Estate continue to be thoroughly satisfactory. The planted area has been considerably increased, and a recent report shows that a further area of 132 acres has been planted in coconuts since the close of the year. I should like to say that we have again to congratulate ourselves on the thoroughly efficient manner in which our interests have been looked after by Mr French and his assistants, to whom our thanks are again due.

You will observe that the policy of economy to which I referred last year has resulted as anticipated in a considerable reduction of the "all-in" cost of rubber, which works out at 5.61d per lb. or almost 3½d per lb less than last year.

The average price received for the rubber sold was 11.34d per lb, and notwithstanding the severe depression in the industry during the financial year, this shows a profit which I trust may be considered satisfactory.

RUBBER PRODUCTION UNDER RESTRICTION.

As the result of recent legislation, the quantity of rubber this company is permitted to export during the current year is 1,599,924 lbs, being 60 per cent. of its 1920 standard production, subject to any alteration in the percentage, such as the increase to 65 per cent. allowed for the quarter beginning May 1st current. It remains to be seen what the general result of the Government restriction policy will be, but I am hopeful that it will promote confidence and prevent violent fluctuations in the price of the commodity. While the reduced output will increase the cost per lb, the present selling price is considerably better than last year's, yet we cannot look for the same total profit from rubber. On the other hand, this may exceed our expectations, according to economy in cost or increase of the export allowed.

As to copra, the output has increased during the year by 47

tons, and the cost during the previous year of £19 11s 10d per ton has been reduced to £10 18s 7d. The average price realised was £24 7s 8d, and it is expected that during the current year the profit will be increased considerably.

During the year the company appealed against the income-tax assessment for 1921-22, on the ground of "specific cause," and claimed to be assessed on the actual results instead of on the three years' average. In November last the case came before the Commissioners, and in February they gave their decision in our favour. The Inland Revenue have intimated an appeal. We are advised that we could hardly have a stronger case. The amount involved is £23,839.

The water scheme is now in operation. The cost may appear high, but the work was absolutely essential. There is a population of almost 4,000 on the island, and pure water which is now being supplied is the surest preventative of tropical diseases.

CONFIDENCE IN THE FUTURE.

I do not think everybody realises our enormous advantage in the question of cheap production, as compared with other companies, in possessing, as we do, on the island alone, rubber and coconut plantations with a total planted area of over 12,000 acres, worked under the supervision of one general manager. This, with our reserve area of over 15,000 acres, makes our position unique, and I therefore look forward to the future with great confidence.

The report and accounts were adopted, and it was decided to pay a dividend of 5 per cent. to shareholders registered in the books of the company on Wednesday, May 2, 1923, warrants to be posted on Tuesday, 22nd, payable on Wednesday, May 23, 1923.

Mr Dougal was re-elected a director, and Messrs Gibson and Anderson, C.A., auditors.

KAPAR PARA RUBBER ESTATES COMPANY, LIMITED.

RESTRICTION SCHEME—CENTRAL SELLING AGENCY.

The seventeenth annual ordinary general meeting of the shareholders of Kapar Para Rubber Estates Company, Limited, was held, on the 14th instant, at the London Chamber of Commerce, Oxford court, London.

Mr A. A. Baumann (chairman of the company) presided.

The Chairman said that the balance available, out of which

corporation profits tax for 1922 was payable, was £24,886, and it was proposed to pay a dividend of 10 per cent. for the year, carrying forward £9,886. The output of rubber amounted to 848,610 lbs, the cost of production being 5.41d per lb, as against 6.44d for 1921, and the net average price realised, 9.08d per lb, compared with 8.02d. The standard production of the company's property under the Rubber Restriction Ordinance had been fixed at 1,085,808 lbs, and on the basis of the present rate of restriction the company would be allowed in 1923 to export 651,500 lbs, which had been estimated to cost 7.04d per lb f.o.b.

Proceeding, he said: I would like to say one or two words about the restriction scheme. It is quite evident to me that there are some defects either in the scheme itself or in its administration. I hear all kinds of reports about licences being improperly given, about smuggling rubber from the British Colonies to the Dutch Colonies, about undisclosed supplies in the East; and we also hear a great many execrations heaped upon the head of that very necessary individual, the speculator. If it were not for speculation there would be no free market in any commodity.

What I do say about the whole scheme, however, is that it is only half a scheme. I do not myself see that you will ever get a stable market and a satisfactory profit unless you can control the selling market as well as restricting the output. The present position is that there are about six hundred sellers and four buyers. Therefore, the four buyers really have the absolute control of the whole game, and you will never, in my opinion, settle this matter satisfactorily until you can get a central selling agency which shall be able to deal with the market as well as control the output in the East. Most of you know that about ten years ago a proposal was made to create a selling agency. Mr Harrison, myself, and several other gentlemen in the City proposed that scheme. The Rubber Growers' Association in their wisdom turned it down; they said that it was not feasible, because you could not get the six hundred British companies to act in concert. Well, the six hundred British companies have had ten years' experience in which to reflect upon the desirability of controlling the selling market. I can only hope that after the ten years we have gone through the Rubber Growers' Association may make another attempt to complement their scheme by trying to get control of the selling market, which, I am quite convinced, is the real solution of the difficulty.

The report was unanimously adopted.

THE ANGLO-SOUTH AMERICAN BANK, LIMITED.

Capital and Reserves exceed £13,000,000.

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

NORTHERN DISTRICT OFFICE:
69, Market St., Bradford.

LANCASHIRE BRANCH:
39, Mosley Street, Manchester.

Affiliated Institutions:
THE BRITISH BANK OF SOUTH AMERICA, LTD.,
AND
THE COMMERCIAL BANK OF SPANISH AMERICA, LTD.

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

EAGLE OIL TRANSPORT COMPANY, LIMITED.**INCREASED PROFITS—DECREASED OPERATING COSTS.**

The twelfth ordinary general meeting of the Eagle Oil Transport Company, Limited, was held, on the 15th instant, at Winchester House, Old Broad street, London, the Hon. Clive Pearson (the chairman) presiding.

The secretary (Mr C. H. M. C. Wilson) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said: After providing for note interest the net profit of £1,237,277 shows an increase of some 30 per cent. over that of the previous year. This increase is primarily due to the additional tonnage which has been brought into commission during the year, the tonnage in commission now amounting to some 420,000 deadweight tons. I am pleased to report a further satisfactory decrease in operating costs, and that during the year your fleet has run efficiently with a minimum of lost time for repairs and overhauls. It would be well to remind the shareholders of the circumstances under which this company is able to make good profits at a time when most shipowners are suffering from high operating costs and low freights. Our vessels are, as you know, all under long-term charters to the Mexican Eagle Oil Company at rates which do not vary with the ups and downs of the freight market. As a result the charterers were able to obtain the advantages of high freights such as prevailed up to two years ago, although we derived no benefit therefrom; on the other hand, during periods such as have been experienced recently the terms of our charters, onerous to the charterers during the year under review, have afforded protection to us, so that we have not suffered during the period of low freights.

WRITING DOWN BOOK VALUE.

In transferring the amount of £617,837 to depreciation and sinking fund reserve, your directors have followed the course pursued last year in utilising a substantial portion of the available balance of profits for writing down the book value of the vessels at a rate considerably in excess of previous years, the writing down of values as quickly as possible being the wise policy. You will also note that we have, as in the last two years, made a special transfer of £75,000 to the repair reserve, which will thus stand at a figure of over £400,000.

There has already been paid the fixed dividend of 6 per cent. on the preference shares, and you will later be asked to sanction a further dividend of 2 per cent., making 8 per cent. for the year. You will remember that the articles provide that no greater dividend than 8 per cent. be paid on the ordinary shares till our reserves reach the figure of £1,000,000, but now that these will, with the transfers above, total over £2,000,000, your directors feel justified in declaring a dividend of 10 per cent. on these shares, a proposal which will no doubt receive your approval. These payments will leave £144,170, subject to corporation profits tax, to be carried forward.

BALANCE-SHEET ITEMS.

Turning to the balance-sheet, the depreciation and sinking fund reserve at £1,894,934 shows an increase of some £661,000. The repair and other reserve accounts are increased by some £139,000, and will be further increased by the allocation of the £75,000 to which I have already referred. Creditors show a decrease of some £200,000, and the item of bills payable, £849,358, appearing in the last year's balance-sheet, has disappeared, and thus the whole of your fleet is now free of mortgage.

On the credit side, cost of steamers, &c., shows an increase of nearly £700,000, and according to our present programme expenditure under this head will be completed during the current year. Debtors and payments in advance are down some £90,000, and cash shows a decrease of some £600,000.

In his presidential address at the annual meeting of the Chamber of Shipping in March last, Sir Ernest Glover expressed the hope that something would be done in the future to ensure more steady and continuous employment for the men of the mercantile marine. The uncertainty as to the length of voyage and the fact that the tramp steamer has no regular home port are big difficulties in the way of a practical scheme. The company have always held out inducements to their men to remain in its service, and I am glad to say that our efforts have met with a good measure of success, a large proportion of the petty officers and many of the men having remained long periods in our employ. In the case of our officers and engineers the difficulties of continuous employment do not arise to the same degree, and we are proud that their records of length of service are extremely good.

In conclusion, I have much pleasure in expressing the board's appreciation to the management and staff ashore and afloat of their good services, which have so largely contributed to the present successful position of the company.

Mr Clive Bowring seconded the resolution, which was carried unanimously.

ANGLO-AMERICAN DEBENTURE CORPORATION, LIMITED.**GOOD RESULTS—INCREASED DIVIDENDS.**

The thirty-third ordinary general meeting of the Anglo-American Debenture Corporation, Limited, was held, on the 17th instant, at the Cannon street Hotel, London, Sir Vesey Holt, K.B.E. (the chairman), presiding.

Mr A. Waller Hall, one of the joint secretaries, read the notice convening the meeting and the auditors' report.

The Chairman, in the course of his speech, said: It is a pleasure to me to submit the report and accounts, as, not only do we recommend an increase of dividend to 9 per cent., but are also able to show you that the company has further improved its position and has a reserve account which is practically intact. Interest and dividends from investments amounted in the past year to £95,872, and after adding the sundry items shown in profit and loss account "A," the gross revenue amounted to £99,950, which compares with £99,623 for the previous year. This increase would have been larger had it not been for profit on exchange, which fell from £2,808 in 1922 to £1,217 in the past year. Interest and dividends from investments show the satisfactory increase of over £3,000, in spite of the fact that this year we have deducted from gross revenue the American income-tax, whereas last year we showed that charge as a separate item. After deducting the expenses, which are less than last year, the interest on the 4 per cent. debenture stock and the dividend on the 4½ per cent. preference stock, which shows an increase of £2,820 owing to the capitalisation of the special reserve account carried through last year, there is £41,551 to carry to the appropriation account, or an increase of £2,400 compared with last year. We have transferred to reserve £9,424, and now recommend a dividend of 9 per cent., compared with 8 per cent. last year. There will be a sum of £10,678 to carry forward.

We hope to continue the 9 per cent. dividend. Otherwise your directors would not have recommended the increase this year. Provided conditions justify it at the time, we propose in November to increase the interim dividend to 4 per cent., and this will leave a final dividend of 5 per cent., to be paid if, as I sincerely trust, we are able to continue the 9 per cent. dividend.

Last year I reported the working arrangement that we had made with the Railway Debenture and General Trust Company, Limited, and the Railway Share Trust and Agency Company, Limited. I am very glad to record that the association of these three companies has been of benefit to each. We have the same staff for the three companies, and it is very gratifying to find that the merging of the offices has been carried out so harmoniously.

The Deputy-chairman, Mr Richard S. Guinness, seconded the motion, which was unanimously adopted.

CALLENDER'S CABLE AND CONSTRUCTION COMPANY, LIMITED.**GRATIFYING RESULTS—INCREASED PROFIT.**

The twenty-seventh ordinary general meeting of this company was held, on the 17th instant, at the Institute of Journalists, Tudor street, London, E.C., Sir J. Fortescue Flannery, Bart., M.Inst.C.E. (chairman of the company), presiding.

The secretary (Mr Howard Foulds, F.C.I.S., Assoc.I.E.R.) read the notice and the auditors' report.

The Chairman, in moving the adoption of the report and accounts, said that, although general conditions during the past year had been bad for British trade, this company, which had been fortunate enough to do better each year since the war, had been

KANSALLIS-OSAKE-PANKKI

(National Joint Stock Bank).

ESTABLISHED 1889.

Head Office: HELSINKI (Helsingfors), FINLAND.

Capital and Reserves - - - Fmk. 252,000,000

Deposits and Cheque Accounts (31/12/22) - - - Fmk. 1,420,000,000

124 BRANCHES AT ALL IMPORTANT BUSINESS CENTRES IN FINLAND.

Telegraphic Address Kansallispankki.

able again to improve upon the results of the previous year. At the commencement of last year they had in hand substantial orders, which gave them a good start, and during 1922 they had reaped a full year's benefit of the new plant and reorganisation in the works, begun half-way through the previous year. The volume of orders secured during the year was fairly maintained, and, as a consequence, in spite of a fall in prices, they had been able to improve upon the trading results, as the profits for 1922 was approximately £34,000 more than those for 1921. With the balance brought forward from the previous year, they had an available total of £301,901. Having dealt with the balance-sheet, and emphasised the increasingly liquid position of the company, the Chairman said that the directors considered it prudent to maintain the dividend at the same rate as had been paid for several years past, namely, 15 per cent. per annum, and to carry forward £226,901. This balance would be employed in strengthening and developing the business, in meeting the competition which was always with them, and generally in furthering the interests of the shareholders.

Coming to the general outlook, he said that the expectation of the board in the manufacture of super-tension cables had been only partially realised. The development has been much slower than they had thought would be the case. The interlinking of neighbouring power systems, a process which sooner or later must become universal, had developed slowly, but there were indications that this very necessary feature in the distribution of electrical energy was likely to be largely adopted.

The electrification of our railways was reaching practical fulfilment; and the consequent demand for super-tension cables would, he trusted, be reflected in the orders which this company would thus obtain. The present unsettled condition of affairs in Europe was seriously reflected in the trade of this country, rendering it difficult to obtain orders from the Continent, but in India, South America and several of our Colonies the work they had carried out had been substantial. They had recently opened out in the Far East, and had every reason to believe that their adventure in China would bring satisfactory business to their factories at home.

Sir T. O. Callender, J.P. (managing director), in seconding the motion, referred to the visit which he had paid to India, and said he had been able to build up and strengthen many of the connections which his previous visits to that great country had enabled him to commence.

The motion was carried unanimously.

POTTERIES ELECTRIC TRACTION COMPANY, LIMITED.**RESULTS OF A DIFFICULT YEAR.**

The twenty-fifth ordinary general meeting of the Potteries Electric Traction Company, Limited, was held, on Friday, the 18th instant, at 88 Kingsway, London.

Mr R. J. Howley, C.B.E., M.Inst.C.E., chairman of the company, presided.

The secretary (Mr H. Kingsbury) having read the notice convening the meeting and the auditors' report,

The Chairman, in moving the adoption of the report and accounts, said that the result of the year's working had been unsatisfactory, and the accounts showed a very serious decrease in net revenue. The traffic receipts for the year under review amounted to £237,504, a decrease of £44,863, while, on the other side of the account, working expenses, &c., showed a decrease of £24,898.

The pottery industry had been through hard times during the past 18 months, many of the factories had only been working three or four days a week, and unemployment had been considerable. The effect was shown very clearly in the sale of workmen's weekly tickets on the tramways. During the year 1922 the number of such tickets sold showed a reduction of 1,179,000. The keen competition experienced from motor vehicles was responsible for the greater part of the decreased revenue. A large number of licensed vehicles had been competing directly with the tramway services, and in order to meet that competition fares had been reduced. Many of them were down to pre-war rates, although the average cost per mile of operating was two to two and a half times greater than in 1913.

The amount available for distribution, including £6,873 brought forward, was £17,626, which the directors recommended should be applied in payment of the cumulative preference dividend for the year, amounting to £12,250, leaving £5,376 to be carried forward.

A Bill had been introduced into Parliament providing that if the local authorities did not purchase the whole of the tramways and light railways in 1925, they could not purchase, otherwise than by agreement, until 1950. A clause had been included in the Bill, as lodged, seeking power to restrict competition by motor vehicles with the tramway services of the company, but it had

met with such serious opposition in the House of Commons on second reading that the clause had to be withdrawn. A Bill had, however, been introduced into Parliament by the Corporation of Stoke-on-Trent, in which the corporation sought powers of control over the number of omnibuses which might apply for hire on any route within the borough. The corporation therefore would, if they obtained powers, be in a position to regulate to some extent competition over the tramways. There was still a very hard fight in front of the company, but they had confidence in the future of the business. The policy of the board was a forward one—there was to be no standing still. The company had undertaken to provide for the passenger transport needs of the district, and they would do so by the best means possible. That would necessitate considerable expenditure, but a sound, honest policy of that sort, coupled with the efficient administration and management, would succeed.

Mr F. W. Chanter seconded the motion, which was carried unanimously.

WHITEAWAY, LAIDLAW, AND CO., LIMITED.**IMPROVED RESULTS DESPITE UNFAVOURABLE CONDITIONS.**

The 15th annual general meeting of Whiteaway, Laidlaw, and Co., Limited, was held, on the 18th instant, at the offices of the company, 3 Cripplegate buildings, London, Mr Mence Wilkinson, chairman and managing director, presiding.

The Chairman, in the course of his remarks, said: We are glad to be able to lay before you accounts which show a substantial improvement on the figures we had to submit a year ago; and this, although conditions all over the world, and not least in the areas which are of most interest to us, have been distinctly unfavourable to trade. It is satisfactory that in spite of all these difficulties we have been able to turn the loss of £32,761, which we had to report to you last year, into a profit of £173,826.

The trading profits, rents, &c., amount to £173,826. We propose to pay a final dividend of 5 per cent., making 7½ per cent. per annum, free of tax, on the ordinary shares, £29,469; to pay to the trustees of the employees' provident fund £1,000, and to carry forward the balance, £19,568, to the next account, subject to the payment of corporation profits tax.

The recent increase in import duties imposed by the Indian Government are undoubtedly detrimental to both the retailer and the consumer, and, to my mind, benefit only a comparatively small number of Indian manufacturers, who, by the imposition of high duties on imported goods, are able to make higher profits. In other words, our European and native customers are both penalised by the protection afforded to those who should be well able to compete on even terms with English producers. While I am not too sanguine about an early improvement in India, I am glad to be able to tell you that the returns of the past two months, that is, since the accounts were closed, are such as to justify this view.

Difficult as business has been in the Malay Peninsula during the year under review, the outlook to-day is brighter than it has been for some time, and we have the right to expect that all our branches in that territory will show improved returns and profits during the current year.

As regards Java, there seems reason to hope that conditions are again favourable for trading in Sumatra and Java, and your directors feel confident that this important unit of the company's business will justify its existence this year.

I have now only to refer to Kenya Colony and Uganda. The present political trouble in Kenya is only too well known to all of us, and, together with the recent Government interference with the currency, still renders business difficult to do.

Mr A. F. Lake seconded the motion, and it was unanimously carried.

THE BANK OF TAIWAN, LIMITED.

(Registered in Japan, 1895.)

Capital Subscribed	Y60,000,000
Capital Paid Up	Y52,500,000
Reserve	Y12,180,000

Head Office - - - TAIPEH, FORMOSA.
London Office 25 OLD BROAD STREET, E.C.2

BRANCHES: Amoy, Batavia, Bangkok, Bombay, Canton, Foochow, Hankow, Hongkong, Kluang, Keelung, Kobe, Moji, New York, Osaka, Semarang, Shanghai, Singapore, Soerabaya, Swatow, Tainan, Tokyo, Yokohama, &c., &c., and Correspondents in every principal town in the World

The Bank is incorporated by a Charter and is under special supervision of the Imperial Japanese Government, issues its own notes in Formosa, conducts general Banking, and acts as Agents for other Banking Institutions. Deposits are received for fixed periods on terms which may be ascertained on application.

By authority of the Egyptian Government British Treasury Bills were deposited in lieu of gold.

BANK OF FINLAND.

(000's omitted.)

Assets.	April 30, 1923.	April 23, 1923.	April 14, 1923.	April 29, 1922.	Position May 30, 1914.
Gold	F. mk. 42,704	F. mk. 42,704	F. mk. 42,704	F. mk. 42,625	F. mk. 35,091
Balance abroad and foreign bills	827,620	681,896	874,884	208,088	90,379
Finnish and Foreign Government securities	584,902	585,576	585,532	768,554	21,826
Discounts and loans	694,943	717,768	723,806	716,831	105,151
LIABILITIES.					
Notes in circulation	1,490,811	1,460,214	1,505,612	1,415,447	123,941
Deposits at notice	438,799	499,368	469,937	102,213	21,225

BANK OF PORTUGAL.

(000's omitted.)

Assets.	Dec. 27, 1922.	Dec. 20, 1922.	Dec. 6, 1922.	Dec. 28, 1922.	Nov. 29, 1922.
Gold and bullion	Escondos. 26,823	Escondos. 26,799	Escondos. 26,778	Escondos. 27,355	Escondos. 26,797
Of which gold	8,577	8,577	8,577	8,577	8,577
Balance abroad	37,829	43,495	31,532	4,480	42,561
Discounts	159,633	156,865	160,454	131,032	164,931
Government loans	860,097	860,097	860,097	860,097	860,097
Notes in circulation	1,047,028	1,036,709	1,023,875	722,754	1,000,092
Deposits	56,929	61,955	58,760	58,866	63,176

NATIONAL BANK OF BULGARIA.

(000's omitted.)

Assets.	Dec. 22, 1922.	Dec. 14, 1922.	Nov. 22, 1922.	June 30, 1922.	May 31, 1922.	April 30, 1922.
Gold and silver	Levs. 58,756	Levs. 58,200	Levs. 58,216	Levs. 57,727	Levs. 57,701	Levs. 58,031
Foreign bank notes	1,353	1,330	1,342	..	..	..
Foreign bills	2,142	2,142	2,083	..	..	..
Balance abroad	880,997	896,397	911,872	..	..	..
Notes in circulation	3,894,103	3,968,946	3,957,225	3,800,620	3,758,717	3,727,974
Advances to the State	3,753,334	3,771,330	3,877,830	..	..	..

POLISH NATIONAL BANK.

(000's omitted.)

Assets.	April 30, 1923.	April 20, 1923.	April 10, 1923.	Mar. 31, 1923.	April 30, 1922.
Gold	Polish Marks. 41,875	Polish Marks. 41,763	Polish Marks. 41,697	Polish Marks. 41,681	Polish Marks. 29,495
Silver	41,875	41,763	41,697	41,681	43,875
Foreign coin	(a) 8,304	(a) 8,203	(a) 8,191	(a) 7,975	146,090
Foreign bills	(a) 31,064	(a) 31,197	(a) 31,829	(a) 34,741	662,006
Advances to the Govt.	216,150,000	1,869,000,000	18,250,000,000	17,500,000,000	220,000,000
Private loans and discounts	461,540,793	412,723,994	363,999,127	369,981,002	54,734,501
LIABILITIES.					
Notes in circulation	2,332,967,974	2,083,928,689	1,869,054,770	1,841,205,619	260,553,764
Deposits	463,154,073	459,179,442	458,250,723	412,000,342	55,201,567

BANK OF LATVIA.

(000's omitted.)

Assets.	April 18, 1923.	April 11, 1923.	April 4, 1923.	Mar. 27, 1923.	Mar. 21, 1923.
Total cash	Lat. 3,538	Lat. 5,464	Lat. 4,435	Lat. 3,537	Lat. 3,421
Gold coin and bullion	14,442	14,469	14,532	13,143	13,178
Foreign banks	42,233	42,470	40,976	41,536	39,151
Discounts and loans	15,108	14,395	14,586	13,577	13,562
Other assets	1,566	1,267	1,594	1,344	1,428
LIABILITIES.					
Notes in circulation	18,497	18,197	17,537	16,697	16,397
Capital paid up	8,000	8,000	8,000	8,000	8,000
Government deposits	22,824	23,680	18,684	19,844	21,658
Other deposits	18,268	18,852	19,639	18,790	16,521
Other liabilities	9,488	9,336	12,263	10,016	8,164

BANK OF LITHUANIA.

(000's omitted.)

Assets.	April 30, 1923.	April 15, 1923.	Mar. 31, 1923.	Mar. 13, 1923.	Feb. 28, 1923.
Gold	Lat. 15,778	Lat. 15,823	Lat. 15,818	Lat. 15,812	Lat. 15,798
Foreign coin and bullion	108	108	108	93	96
Foreign banks	31,469	28,590	28,825	27,773	26,325
Discount and credit	28	33	27	27	30
Other assets	14,217	13,635	12,887	12,711	13,448
LIABILITIES.					
Notes in circulation	4,982	5,125	4,545	4,255	4,216
Capital	13,000	12,000	12,000	12,000	12,000
Banknotes in circulation	44,232	43,271	42,369	38,930	40,656
Deposits	6,400	4,631	4,234	6,678	5,015
Other liabilities	3,951	3,510	3,309	3,069	4,134

BANK OF ESTHONIA.

(000's omitted.)

Assets.	Mar. 31, 1923.	Feb. 28, 1923.	Jan. 31, 1923.	Dec. 31, 1922.
Gold and foreign coin	E. Marks. 703,745	E. Marks. 708,540	E. Marks. 705,809	E. Marks. 702,672
Total cash	703,745	708,540	705,809	702,672
Discounts and loans	3,806,172	3,582,881	3,363,631	3,052,873
Foreign banks	1,140,335	1,144,087	998,419	1,002,076
Other assets in foreign currency	239,964	246,910	237,447	217,979
LIABILITIES.				
Capital paid up	250,000	250,000	250,000	250,000
Reserves	37,770	37,770	37,770	37,770
Notes in circulation	1,800,000	1,800,000	1,500,000	1,500,000
Deposits	3,002,997	2,950,023	2,777,187	2,685,353
Sundries	595,839	641,968	628,675	445,684

NATIONAL BANK OF THE SERBS, CROATES, AND SLOVENESES.

(000's omitted.)

Assets.	May 8, 1923.	April 30, 1923.	April 22, 1923.	April 15, 1923.	May 8, 1922.
Gold	Dinars. 63,023	Dinars. 62,952	Dinars. 62,945	Dinars. 63,151	Dinars. 70,377
Other coin and notes	19,358	19,503	17,738	20,140	17,870
Foreign credits	270,084	270,324	274,322	269,211	282,802
Bills	1,367,661	1,354,501	1,346,248	1,355,594	874,319
Govt. advances	4,491,566	4,490,966	4,491,165	4,490,790	4,418,533
LIABILITIES.					
Notes in circulation	5,534,108	5,459,173	5,420,355	5,435,034	4,846,498
Banknotes in circulation	297,994	297,604	297,604	297,574	334,282
Deposits	656,961	698,512	723,013	705,570	502,336

BANK OF CZECHO-SLOVAKIAN REPUBLIC.

(000's omitted.)

Assets.	April 30, 1923.	April 23, 1923.	April 15, 1923.	April 7, 1923.	Mar. 31, 1923.	April 30, 1922.
LIABILITIES of the Bank to the Bank of the Austro-Hungarian Empire	Cz. K. 10,096,842	Cz. K. 10,096,837	Cz. K. 10,096,837	Cz. K. 10,096,817	Cz. K. 10,096,817	Cz. K. 10,096,701
Gold and silver	2,133,734	2,029,048	2,152,567	2,179,402	2,444,623	2,537,995
Discounts and loans	845,934	843,238	842,165	831,586	826,605	..
Foreign bills and balances abroad	1,172,849	1,080,074	876,769	663,672	556,255	1,072,421
Other assets	790,231	604,339	481,381	303,403	361,629	682,355
LIABILITIES.						
State notes in circ'n	9,567,369	8,931,960	8,847,100	8,928,355	9,157,407	10,075,757
Deposits	3,772,192	4,234,992	4,221,610	3,843,564	3,540,152	1,875,171
Other liabilities	1,698,029	1,486,581	1,381,409	1,303,061	1,388,370	2,438,598

* Resulting from banknotes, current accounts, Exchange bills issued by the Austro-Hungarian Bank and taken over by the Banking Office.

LONDON RATES.

Bank rate (reduced from 3½% July 13, 1922)	May 11, 1923.	May 12, 1923.	May 14, 1923.	May 15, 1923.	May 16, 1923.	May 17, 1923.	May 18, 1923.
Market rates of discount:							
60 days' bankers' drafts	2½	2½	2½	2½	2½	2½	2
3 months' do.	2½	2½	2½	2½	2½	2½	2
6 months' do.	2½	2½	2½	2½	2½	2½	2
Discount (Treasury Bills):							
3 months	1½	1½	1½	1½	1½	1½	1½
Loans:—Day to day	1½	1½	1½	1½	1½	1½	1½
Short	1½	1½	1½	1½	1½	1½	1½
Deposits allowances: Banks	1	1	1	1	1	1	1
Discount houses at call	1	1	1	1	1	1	1
At notice	1½	1½	1½	1½	1½	1½	1½

1 Additional to those offered by tender in the preceding week.
Comparison with the previous weeks:—

		Short Loans.	Bank Bills.			Trade Bills.		
			3 Months.	4 Months.	6 Months.	3 Months.	4 Months.	6 Months.
	%		%	%	%	%	%	%
Feb. 23, 1923.	1 1/2	2 1/2	2 1/2	2 1/2	2 1/2	3	3	3 1/2
Mar. 2	1 1/2	2 1/2	2 1/2	2 1/2	2 1/2	3	3	3 1/2
9	1 1/2	2 1/2	2 1/2	2 1/2	2 1/2	3	3	3 1/2
16	1 1/2	2 1/2	2 1/2	2 1/2	2 1/2	3	3	3 1/2
23	1 1/2	2 1/2	2 1/2	2 1/2	2 1/2	3	3	3 1/2
Apr. 6	1 1/2	2 1/2	2 1/2	2 1/2	2 1/2	3	3	3 1/2
13	1 1/2	2 1/2	2 1/2	2 1/2	2 1/2	3	3	3 1/2
20	1 1/2	2 1/2	2 1/2	2 1/2	2 1/2	3	3	3 1/2
27	1 1/2	2 1/2	2 1/2	2 1/2	2 1/2	3	3	3 1/2
May 4	1 1/2	2 1/2	2 1/2	2 1/2	2 1/2	3	3	3 1/2
11	1 1/2	2 1/2	2 1/2	2 1/2	2 1/2	3	3	3 1/2
18	1 1/2	2 1/2	2 1/2	2 1/2	2 1/2	3	3	3 1/2

RATES OF EXCHANGE.

London on	Usance	Par.	May 19, 1922.	May 11, 1923.	May 19, 1923.
Paris	francs to £1	T.T.	25-22	49-00-05	69-90-95
Berlin	marks to £1	T.T.	20-45	1324-1327	18000 19000
Vienna	krone to £1	T.T.	24-08	42000-43000	32000-33000
Prague	krone to £1	T.T.	24-08	230-233	300-300
Warsaw	P. marks to £1	T.T.	20-43	17500-18500	155-156
Belgrade	lei to £1	T.T.	25-22	300-300	2150-23000
Budapest	kr. to £1	T.T.	24-02	3375-3500	20000-25000
Constantinople	liras to £1	T.T.	110	650-670	760-770
Sofia	levas to £1	T.T.	15-12	580-630	550-600
Belgrade	dinas to £1	T.T.	25-22	285-295	425-445
Amsterdam	guilder to £1	T.T.	19-107	11-47-48	11-79-80
Brussels	francs to £1	T.T.	25-22	53-62-67	87-93-98
Christiansia	kroner to £1	T.T.	18-159	24-02-07	27-75-85
Copenhagen	kroner to £1	T.T.	18-159	17-29-32	17-31-35
Helsingfors	F. marks to £1	T.T.	18-159	20-85-88	24-60-65
Greece	drachmas to £1	T.T.	25-22	214-216	167-168
Italy	lire to £1	T.T.	25-22	172-178	330-340
Switzerland	francs to £1	T.T.	25-22	23-28-31	95-96
Madrid	pesetas to £1	T.T.	25-22	28-19-22	30-28-31
Lisbon	pence to £1	T.T.	53-4	4-4-4	4-4-4
Alexandria	pence to £1	T.T.	53-4	4-4-4	4-4-4
Montreal	dollars to £1	T.T.	4-8-8	4-4-4	4-4-4
Buenos Ayres	pence to £1	T.T.	47-62	4-4-4	4-4-4
Rio de Janeiro	pence to £1	T.T.	47-62	4-4-4	4-4-4
Montevideo	pence to £1	T.T.	47-62	4-4-4	4-4-4
Valparaiso	pence to £1	T.T.	47-62	4-4-4	4-4-4
Calcutta	rupees to £1	T.T.	10 to	17% prem.	84% prem.
Bombay	ster. to rupee	T.T.	10 to	17% prem.	84% prem.
Madras	ster. to rupee	T.T.	10 to	17% prem.	84% prem.
Hong Kong	ster. to dollar	T.T.	10 to	17% prem.	84% prem.
Shanghai	ster. to dollar	T.T.	10 to	17% prem.	84% prem.
Singapore	ster. to dollar	T.T.	10 to	17% prem.	84% prem.
Yokohama	ster. to yen	T.T.	24-58	2-4-4	2-4-4
Mexico	pence to £1	T.T.	24-58	2-4-4	2-4-4

† Rate for previous day.

OVERSEAS BANK RATES.

Bank Rate	Bank Rate
Amsterdam	July 18, 1922
Athens	Jan. 14, 1923
Berlin	Apr. 23, 1923
Brussels	Jan. 22, 1923
Bucharest	Sept. 4, 1920
Calcutta	Apr. 25, 1923
Canton	Jan. 11, 1923
Cebu	May 1, 1923
Christiansia	Oct. 16, 1922
Copenhagen	Sept. 3, 1920
Helsingfors	Feb. 21, 1923
Lisbon	..
New York Federal Reserve	..
Madrid	Mar. 23, 1923
Paris	Mar. 11, 1922
Rome	Jan. 15, 1923
Sofia	July 11, 1922
Stockholm	June 14, 1

also sold silver for forward delivery. About 12,000,000 ounces have still to be purchased under the Pittman Act, and about 26,000,000 ounces of the total amount required are not yet delivered. The director of the United States Mint announced in March last that silver purchased by him could be delivered as late as October 1, 1924, but we hear, from private advices, that delivery might even be extended to a later date if the sellers so desire.

INDIAN CURRENCY RETURNS.

(In Lacs of Rupees.)

	Apl. 22, 1923.	Apl. 30, 1923.	May 7, 1923.
Notes in circulation	17,416	17,337	17,300
Silver coin and bullion in India	8,446	8,365	8,326
Gold coin and bullion in India	2,432	2,432	2,432
Gold coin and bullion out of India	5,753	5,755	5,757
Securities (Indian Government)	585	585	585
Securities (British Government)	200	200	200
Bills of exchange			

The silver coinage during the week ending the 7th inst. amounted to 6 lacs of rupees. The stock in Shanghai on the 12th inst. consisted of about 26,400,000 ounces in sycee, 43,500,000 dollars, and 730 silver bars, as compared with 32,100,000 ounces in sycee, 44,000,000 dollars, and 1,230 silver bars on the 5th inst.

GOLD AND SILVER PRICES.

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

1923.	Gold.	Silver.	Silver.
	Per Ounce.	Cash, Per Ounce.	Forward, Per Ounce.
May 12..	89 5	32 1/2	32 1/2
14..	89 2	32 1/2	32 1/2
15..	88 11	32 1/2	32 1/2
16..	88 11	32 1/2	32 1/2
17..	89 1	32 1/2	32 1/2
18..	89 1	32 1/2	32 1/2

NOTICES.

The London Joint City and Midland Bank announce the opening of new offices at 5-11 Denmark hill, Camberwell Green, S.E. 5, and at 2 High street, Polegate, Sussex.

The Mercantile Bank of India, Limited, having secured premises in Simla, will shortly open a branch there.

ANALYSIS OF BALANCE-SHEETS.

BRUNNER, MOND, AND CO.

LIABILITIES.	March 31, 1923.	ASSETS.	March 31, 1923.
Ord. shares	9,649,651	Properties	6,655,307
Prof. shares	4,000,000	Investments	7,504,306
Capital reserve	1,000,000	Patent, account.	279,152
Reserve	8,979,885	Stocks	1,761,340
Debt, incl. a/c	1,165,000	Debtors	4,023,911
Debt, incl. a/c	9,019	Cash	589,945
Savings banks	107,066		
Debtors	2,536,107		
Dividends	3,054		
Profits and loss	1,222,726		
Total	20,536,408	Total	20,536,408

FINE COTTON SPINNERS' AND DOUBLERS' ASSOCIATION.

LIABILITIES.	March 31, 1923.	ASSETS.	March 31, 1923.
Ord. shares	3,000,000	Properties, &c.	5,414,467
Prof. shares	900,000	Investments	4,185,367
Ord. shares	3,675,000	Furniture, &c.	11,552
4% deb. stock	2,000,000	Stock-in-trade	3,769,752
4% ext. deb. stock	750,000	Debtors	1,363,396
Deb. interest	41,250	Cash	325,359
Reserves	1,692,959		
Insurance	154,277		
Pension fund	117,609		
Research fund	10,000		
Welfare fund	15,000		
Superann. fund	36,224		
Loans	220,797		
Creditors	1,69,871		
Profit and loss	721,206		
Total	15,070,493	Total	15,070,493

MINING OUTPUT STATISTICS FOR APRIL, 1923.

	Tons Crushed.		Gold Recovered.		Value.	Profit.
	Mill.	Cyanide Works.	Mill.	Cyanide Works.		
Gold.						
Abbotiakoona	7,120	..	..	..	£ 12,679	..
Ashanti	6,940	..	..	..	£ 24,392	..
Hampton Celebration	575	..	..	..	£ 118,454	..
Mexico of El Oro	101,903	..	..	..	£ 258,920	£102,740
Mining Corp. of Canada	14,453	..	..	..	183,513	..
Oroville Dredging (Pato)	..	..	..	..	£ 33,703	..
Oroya Links	..	..	..	..	£ 14,734	868
Planet Areturus	5,900	..	..	..	1,988	..
Santa Gertrudis	6,901	4,390	..	..	£ 12,913	..
Do El Bordo	10,481	..	..	..	33,831	..
Taqaah and Abosso Cons.	12,100	..	..	..	6,210	£ 27,479
Wahai Grand Junction	6,300	..	1,579 (gold)	4,102 (silver)	4,102	..

(a) Par value. (b) Gold at 88s per oz. (c) 88s 6d per oz.

	Output.	Other Notes in Return.	
		Tons.	
Tin.			
Briseis	20	Black tin.	..
Kaduna Prospectors	9	..	..
Kaduna Syndicate	20	..	..
South Bukuru	10	..	..
Coal.			
Chinese Engineering	90,453	Week ended May 12th.	..
Chislet	4,972	Week ended May 12th.	..
East Kent	4,971	Week ended May 12th.	..
Natal Navigation	..	Profit for quarter ended March 31st.	£12,000.
Miscellaneous.			
Burma Ruby	..	Rubies, Rs30,000; royalties, Rs14,000; sluices, Rs5,400.	..
Electrolytic Zinc	3,227	Zinc; silver, 75,000 ozs; lead, 550 tons.	..

BROKEN HILL PROPRIETARY.—Cabled report for four weeks ended April 25th:—“Iron and steel works—Coke ovens—Produced 23,219 tons of coke. No. 2 blast furnace—Produced 9,228 tons of pig-iron. No. 3 blast furnace Produced 11,850 tons of pig iron. Open hearth—Produced 16,902 tons. Blooming mill—Produced 14,914 tons. Rail mill—Produced 11,137 tons. Merchant mills—12 in mill and 8 in mill resumed operations April 4th. 18 in mill—Produced 1,574 tons. 12 in mill—Produced 1,361 tons. 8 in mill—Produced 890 tons. Steel foundry Produced 302 tons of castings. Iron Knob—Shipped 6,204 tons. Broken Hill—U derground—Position unchanged. Ore dressing mills—Produced 205 tons of lead concentrates and 4,250 tons of slimes. Zinc separation plant—Produced 1,242 tons of zinc concentrates. Slimes flotation plant—Produced 1,490 tons of lead concentrates and 3,644 tons of zinc concentrates.”

BURMA CORPORATION.—April: 18,137 tons of ore were mined; 21,620 tons of ore were milled in the treatment plant, producing 10,955 tons of lead concentrate; 12,286 tons of lead-bearing material were smelted in the blast furnaces, producing 4,302 tons of lead for treatment in the refinery. Refinery products were 3,631 tons refined lead and 367,531 ozs refined silver. Tonnage milled includes re-treatment 1,490 tons tailings.

CORNISH KALIN.—Production of china clay for April:—Washed, 1,230 tons; dried, 1,375 tons; despatched, 1,888 tons.

ELECTROLYTIC ZINC.—Production during four-weekly period ended May 2nd, 3,227 tons zinc; silver-lead product for shipment to Port Pirie for realisation containing 550 tons lead, 75,000 ozs silver.

FALCON.—April: Crushed 15,316 tons of ore, producing 255 short tons of blister copper, containing 2,165 ozs of gold, 4,950 ozs of silver; estimated value, £27,235 (taking copper at 88s per short ton, gold at 88s per oz, and silver at 26d 6d per oz).

THIBDI MINERALS.—Production of china clay for April:—Washed, 1,000 tons; dried, 630 tons; despatched, 956 tons.

ZINC CORPORATION.—April: “Lead concentrator treated 14,799 tons of ore, producing 3,116 tons of lead concentrates, assaying 63.1 per cent. lead and 4,620 tons of zinc middlings.”

TRANSVAAL GOLD OUTPUT STATISTICS.

Name of Mine.	March, 1923.			April, 1923.		
	Ore.	Est. Yield.	Est. Profit.	Ore.	Est. Yield.	Est. Profit.
Aurora W. United (10s shares)	13,300	£ 4,804	£ 2,019	12,850	£ 4,606	£ 2,006
Brakpan	56,000	£ 103,970	£ 5,410	60,500	£ 106,329	£ 40,020
City Deep	96,000	£ 169,624	£ 5,410	95,000	£ 162,172	£ 53,887
Consolidated Langlaagte	46,000	£ 56,887	£ 9,505	45,000	£ 54,096	£ 10,047
Consolidated Main Reef	51,000	£ 81,620	£ 11,564	50,700	£ 73,586	£ 6,642
Modderfontein (10s shares)	221,000	£ 296,600	£ 73,968	212,000	£ 285,599	£ 72,950
Durban Roadstead Deep	33,500	£ 48,263	£ 4,628	33,000	£ 44,279	£ 6,644
East Rand Proprietary	137,000	£ 137,107	£ 9,128	133,000	£ 130,111	£ 3,071
Ferreira Deep	32,500	£ 39,392	£ 5,813	32,000	£ 38,315	£ 5,264
Geduld Proprietary	47,000	£ 77,638	£ 9,930	46,000	£ 76,700	£ 9,930
Geldenhuis Deep	56,970	£ 60,635	£ 814	55,140	£ 58,840	£ 2,006
Gosh, New	18,000	£ 18,351	£ 879	17,200	£ 17,561	£ 649
Government Areas	145,000	£ 269,496	£ 137,889	144,500	£ 265,776	£ 140,160
Kleinfontein, New	44,100	£ 47,392	£ 1,232	40,000	£ 44,876	£ 3,782
Knight Central	35,000	£ 41,176	£ 4,455	32,700	£ 37,532	£ 3,360
Langlaagte Estate	51,000	£ 74,555	£ 19,494	51,700	£ 74,653	£ 20,782
Luipaards Vlei	21,320	£ 19,113	£ 987	20,000	£ 18,727	£ 2,136
Meyer and Charlton	16,100	£ 36,330	£ 6,577	15,800	£ 35,136	£ 6,035
Modderfontein B.	64,500	£ 137,661	£ 68,359	64,000	£ 139,130	£ 74,623
Modderfontein Deep Levels	43,500	£ 101,972	£ 63,663	42,100	£ 97,595	£ 60,325
Modderfontein East	27,800	£ 52,670	£ 12,643	26,100	£ 47,333	£ 14,027
Modderfontein, New (& shares)	113,000	£ 226,870	£ 132,643	110,000	£ 222,216	£ 131,921
New Unified	12,500	£ 11,033	£ 818	12,000	£ 10,628	£ 850
Nourse Mines	49,000	£ 61,562	£ 6,810	48,500	£ 61,266	£ 6,259
Primrose, New	21,500	£ 21,217	£ 2,304	20,000	£ 19,267	£ 1,957
Randfontein Central	175,500	£ 216,125	£ 34,419	186,000	£ 216,387	£ 35,780
Robinson Deep	15,600	£ 19,038	£ 5,955	14,700	£ 14,711	£ 3,007
Robinson Deep	73,100	£ 99,524	£ 30,774	70,000	£ 99,497	£ 33,934
Simmer and Jack	61,500	£ 59,157	£ 11,335	55,400	£ 59,215	£ 13,071
Spring Mines	50,200	£ 58,692	£ 13,362	48,800	£ 57,844	£ 13,016
Sub-Nigel	8,100	£ 22,915	£ 5,428	8,000	£ 20,429	£ 4,425
Transvaal Gold Mining Estates	14,900	£ 21,311	£ 2,514	14,700	£ 20,405	£ 2,519
Van Ryn	3,080	£ 38,884	£ 6,467	3,180	£ 39,801	£ 8,016
Village Deep	57,000	£ 117,818	£ 56,981	56,500	£ 114,132	£ 56,365
West Rand Consolidated	57,000	£ 42,717	£ 7,092	55,500	£ 40,782	£ 7,638
Witwatersrand Deep	36,000	£ 42,217	£ 2,051	35,500	£ 41,500	£ 3,017
Witwatersrand (Knight's)	50,200	£ 52,739	£ 11,642	45,500	£ 48,985	£ 10,243
Wolhuter	34,400	£ 54,855	£ 2,433	33,600	£ 53,589	£ 3,922

d £ 4s net per fine oz. e £ 4s 6d per fine oz. f £ 4s 9d net per fine oz.

RAILWAY AND TRAMWAY TRAFFIC RETURNS.

RAILWAYS OF THE UNITED KINGDOM.

	Miles Open.	Week Ended May 13, 1923.			Aggregate 19 Weeks 1923.		
		Passengers, &c.	Goods, &c.	Total for Week.	Passengers, &c.	Goods, &c.	Total Receipts.
Great Western	3,679	223,000	364,000	587,000	4,304,000	6,945,000	11,249,000
London & North-Eastern	6,661	383,000	780,000	1,163,000	7,191,000	14,602,000	21,793,000
Do same period 1922	6,667	434,000	803,000	1,237,000	8,031,000	14,689,000	22,720,000
London, Mid., & Scottish	5,962	574,000	963,000	1,537,000	10,489,000	18,172,000	28,661,000
Southern	2,115	293,500	110,200	403,500	5,342,000	2,297,400	7,639,400
Midland & S.W. Junc.	63	1,042	1,240	2,282	20,694	23,478	44,172
Metropolitan (e)	31,967	3,861	35,828	61,295	70,533	683,528	754,346
Underground E.R. (e)	..	..	..	..	..	1,418,012	1,418,012
Lon. & Sub. Group (e)	..	..	..	..	..	51,856	51,856
Belfast & Co. Down (b)	80	4,743	1,252	5,995	84,682	23,448	108,130
Dublin and R.-East. (b)	160	5,164	3,390	8,554	93,497	69,107	162,604
Do same period 1922	160	5,149	3,589	8,738	98,114	71,473	169,587
Midland Gt. West. (b)	538	9,145	19,060	28,205	164,312	288,819	453,131
Do same period 1922	538	8,967	18,406	27,373	204,866	280,151	485,017

(b) Week ended May 11, 1923.

(c) Week ended May 12, 1923.

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week or Month.	Total Gross Receipts.
				1922-23. + or -	1922-23. + or -
INDIAN.					
Assam Bengal	1 week	Apl. 7	1,043	2,24,019	3,346
Barak Lt. Ry.	3 weeks	21	118	29,700	6,700
Bengal & N. Western	2 weeks	14	67	6,33,700	58,895
Bombay, Bar., & C.O.	2 weeks	14	2,727	15,91,000	1,30,000
Bombay, Bar., & C.O.	6 weeks	May 12	2,934	24,38,000	7,000
Bombay, Bar., & C.O.	5 weeks	May 14	1,544	7,83,436	3,281
Bombay, Bar., & C.O.	5 weeks	May 5	239	1,90,000	2,107
Bombay, Bar., & C.O.	6 weeks	May 12	2,856	32,81,000	1,55,000
Bombay, Bar., & C.O.	5 weeks	May 5	3,721	30,77,700	1,07,600
Bombay, Bar., & C.O.	3 weeks	Apl. 21	3,028	15,60,000	1,419
Bombay, Bar., & C.O.	2 weeks	14	259	60,344	4,324
Bombay, Bar., & C.O.	2 weeks	14	313	79,488	6,162
Bombay, Bar., & C.O.	3 weeks	21	1,893	9,17,581	59,669
Bombay, Bar., & C.O.	3 mths	Dec. 31	717	10,99,126	1,13,429
Bombay, Bar., & C.O.				26,84,246	3,83,542

ARGENTINE (a).						
			£	£	£	£
Argentine N.E.	45 weeks	May 12	752	12,600	1,100	480,450 —
Argentine Trans.	45 weeks	12	111			47,505
B. A. and Pacific.	45 weeks	12	3,422	189,000	13,000	754,500 + 1,049,000
B. A. Gt. Southern.	45 weeks	12	3,947	183,000	22,000	8,396,000 + 1,028,000
			Net	69,000	21,000	3,290,000 + 4,411,000
B. Western.	45 weeks	12	1,822	85,000	1,000	4,040,000 + 433,000
			Net	25,000	6,000	1,439,000 + 698,000
Central Argentina.	45 weeks	12	225	39,000	39,000	2,995,000 + 901,000
Cordoba Central.	45 weeks	12	1,205	56,000	5,000	2,603,800 + 366,500
Rio de la Plata.	45 weeks	12	729	18,100	1,500	900,300 + 38,900

Reports and Notices.

Mr Martin Luther Saunders has been appointed a director of the General Life Assurance Company.

At the annual general meeting of the Insurance Officials' Society, held on May 15th, Mr E. Roger Owen, the deputy-chairman of the Commercial Union Assurance Company, Limited, was re-elected president.

The San Paulo (Brazilian) Railway Company, Limited, announce that, in accordance with the terms of the quarterly adjustment of tariffs under the sliding scale, an increase of 76 per cent. on basic tariffs will come into force on the 1st prox. in place of the 66 per cent. increase at present in force.

The council of the Society of Incorporated Accountants and Auditors have elected Mr George Stanhope Pitt (Bolton, Pitt, and Breden), London, and Major Gwilym Arnold Evans, J.P. (G. A. Evans and Evans), Cardiff and London, to the respective offices of president and vice-president for the ensuing year.

BANKS.

BANK VOOR INDIE.—The Bank Voor Indie, which commenced operations on January 1, 1921, with a paid-up capital of 12,600,000 fl, and which is a subsidiary of the Rotterdamsche Bankvereniging, has just published its results for 1922. The total income for 1922 amounts to 2,683,013.13 fl, which has been utilised as follows:—General expenses, 1,202,978.60 fl. Written off doubtful debtors, 226,052.20 fl; premises account, 144,225.01 fl; balance of outstanding establishment expenses, 76,583.39 fl. Formation of reserve fund, 500,000 fl; 5 per cent. preference dividend, 5,000 fl; 4 per cent. ordinary dividend, 500,000 fl; carried forward 1923, 28,173.84 fl. Moneys entrusted to the bank increased with 1,107,012.11 fl to a total of 27,964,375.25 fl, whilst on the other side of the balance-sheet the improvement in trade in the Dutch East Indies is shown by an increase in advances of some nine million guilders to a total of 31,299,679.85 fl, over thirty-one millions of which are against satisfactory security. The cash in hand and at bankers amounts to 8,261,688.12 fl.

THE YOKOHAMA SPECIE BANK, LIMITED.—The net profit of the bank for the half-year ended December 31, 1922, after providing for all bad and doubtful debts, rebate on bills, &c., shows 15,015,825 yen, inclusive of 4,902,694 yen brought forward from last account. The directors propose that 4,000,000 yen be added to the reserve fund, and recommend a dividend at the rate of 12 per cent. per annum, which will absorb 6,000,000 yen. The balance, 5,015,825 yen, will be carried forward to the credit of next account. The capital of the bank is 100,000,000 yen, and the reserve fund stands in the balance-sheet at 65,000,000 yen. Reserve for doubtful debts is 2,136,638 yen. Deposits amount to 473,616,462 yen, and notes in circulation to 5,832,577 yen. Bills payable are at 425,625,181 yen. Cash stands at 70,951,974 yen, investments at 199,335,680 yen. Bills discounted, loans, &c., are at 259,120,580 yen, and bills receivable amount to 530,594,565 yen.

MISCELLANEOUS.

ARTHUR GUINNESS, SON, AND CO.—A circular issued by this company states that "the development of the company's business has rendered it necessary from time to time to reserve out of profits large sums to meet additional expenditure, and to form a reserve available for contingencies as they arise, and this policy it will no doubt be necessary to continue in the future. In these circumstances, the directors recommend—and they believe the proposal will be approved by the ordinary stockholders—that a portion of the present reserve should be made a permanent addition to the ordinary capital of the company, which at present stands at £5,000,000. The board proposes, therefore, with the sanction of the ordinary stockholders, to transfer £2,500,000 from reserve to the ordinary capital account, and to issue to the ordinary stockholders who are on the register on May 28th instant (in satisfaction of a bonus of 50 per cent., free of income-tax) new fully paid-up ordinary shares, to be subsequently converted into ordinary stock, for an amount representing one-half of their holdings (any fractions arising being satisfied in cash, at stated in the resolutions), thus increasing the paid-up ordinary capital to £7,500,000. This operation, while capitalising a portion of the reserve, will not alter the position beyond increasing (as aforesaid) the amount of ordinary capital held by each ordinary stockholder. Assuming it possible to distribute in the future by way of dividend the same amount of profits, as in previous years, each ordinary stockholder would receive in dividend on his or her increased holding the same amount

as paid on his or her present holding, although the rate of dividend calculated on the increased capital would be reduced by one-third. The new capital will rank for dividend and bonus (if any) rateably with the present stock in respect of the current year ending June 30, 1923 (except as regards the interim dividend already paid on account thereof and the present bonus), and in respect of subsequent years rateably and on an equal footing with the existing ordinary stock of £5,000,000."

HOULDER BROTHERS AND CO., LIMITED.—The revenue account for the year 1922, after provision for taxation, &c., shows a credit balance of £106,987, to which must be added the carry forward from last year of £19,740, giving a total of £126,727. After making provision for remuneration of managing directors, payment of debenture interest, preference dividend, and transfer of £25,000 to general reserve account, there remains a disposable balance of £80,601. An interim dividend on the ordinary share capital of 4 per cent. was paid on July 25, 1922, and it is now recommended that a final dividend of 4 per cent., free of tax, be distributed, leaving £16,601 to carry forward. The new office premises of the company at Buenos Ayres are now entirely completed, the lower floor accommodation being reserved for the company's own use, and practically the whole of the remaining accommodation has been let out on favourable terms. The new office premises at Monte Video are also now completed, and the office staff has moved into the new building.

MONTEVIDEO GAS AND DRY DOCK COMPANY.—The report for 1922 shows that, after providing for interest on debenture stock and other charges, and including £14,010 brought forward from the previous year, the balance at the credit of profit and loss available for dividend is £35,753. An interim dividend of 2 per cent., free of income-tax, was paid on December 1, 1922, in respect of the half-year ended June 30th, and the board now recommend the payment on June 1st next of a further dividend of 2 per cent., free of income-tax, making together a dividend of 4 per cent. for the year, carrying forward a balance of £14,076. The balance at the credit of reserve account remains at £52,500, the deferred maintenance account at £15,000, and the contingency account at £17,739. Compared with the previous year, the total gas sales show an increase of 1.09 per cent. The dock and workshops department shows a large falling off in the amount of work done. Mr T. F. Lane has retired from his position as general manager at Montevideo, which he had held with distinction for 33 years; in recognition of which, and of his long service of 50 years with the company, the directors have elected him to a seat on the board. The company's plant and property have been maintained in a state of efficiency.

SIEMENS BROTHERS AND CO., LIMITED.—Net profit for the year ended December 31, 1922, is £14,041, compared with £71,894 last year. Adding £334,112 brought forward, there is an available balance of £348,153. Dividend for the half-year to June 30, 1922, on the 10 per cent. cumulative preference shares absorbs £15,000, payments on account of excess profits duty £100,000, interest on and redemption of 4½ per cent. debentures £67,439, and income-tax for 1922 £38,405. The directors recommend that the balance of £127,309 should be carried forward. The preference dividend was last year paid for the whole year, and on the ordinary shares, which receive no dividend this year, 10 per cent., free of income-tax, was paid in the previous year. The balance-sheet shows creditors at £185,649, and debtors at £647,291. Debenture redemption fund is at £95,988, sundry reserves £44,871, building reserve £45,000, pensions fund (which receives £8,150 this year) £48,891, and general reserve £75,000. Scarcity of orders at greatly reduced prices and decrease in the value of stocks are, the directors state, responsible for the diminished profits. Establishment charges have been reduced wherever possible.

WHITEHALL ELECTRIC INVESTMENTS, LIMITED.—For the month of March, 1923, the following are the approximate net operating returns of the companies in which Whitehall Electric Investments, Limited, is interested:—Operating in Chili: Cia. Chilena de Electricidad, Limitada, £23,500. Operating in Mexico: Cia. Electrica de Tampico, S.A., £14,000; Puebla Tramway Light and Power Company, £9,900; Vera Cruz Electric Light, Power, and Traction, Limited, £2,700; Cia. de Luz Electrica y Fuerza Motriz de Orizaba, S.A., £1,420; Cia. Electrica de Cordoba, S.A., £480. Chilian exchange calculated at \$36.70 = £1. Mexican exchange calculated at \$1 = 24.5d.

RUBBER, &c.

HIGHLANDS AND LOWLANDS.—The year's working to December 31, 1922, resulted in a profit of £23,419, and the available balance, including £33,161 brought forward, is £56,580. The directors recommend a dividend of 7½ per cent., absorbing £23,211, which leaves £33,369 to be carried forward. A restricted output of 1,171,977 lbs of rubber was harvested, and the average net sale price, including the estimated value of the unsold portion of the crop, was 9.73d per lb. The managers' report states that the correct area of the estate is:—Total, 7,979 acres; planted, 4,914; mature, 4,381; unplanted, 3,065. Condition is reported to be good. The company's standard of production is fixed at 1,800,974 lbs, and at the present time a crop of 60 per cent. of the standard is being worked to. The gross proceeds from sales of rubber, with a surplus of £549 on the 1921 crop, amounted to £52,620. Eastern expenses were £28,154, selling expenditure £4,555, and home expenses £1,284, leaving a balance of profit of £18,627, to which is added £3,344 received from investments and some minor receipts. Expenditure on the estate and buildings during the year amounted to £2,154. A deduction of £2,000 is made for depreciation. The company's investments (including £35,000 5 per cent. War Loan and £10,000 National War Bonds) stand at £71,449.

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution.	Appropriation.				Corresponding Period Last Year.	
					Dividend.		Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.	Dividend.
					Prefce.	Ordinary.				
					Amount.	Amount.	Rate.		£	%
Electric Lighting and Power.										
Cawnpore Electric.....	Dec. 31	£ 3,279	£ 16,104	£ 19,383	7,897	13,166	10	Dr 2,347	£ 667	24,170 10
Financial Land.										
City of London Real Property ..	April 12	45,361	450,083	495,444	17,438	200,000	10½	200,000	78,006	369,640 10½
South Australian Land Mortgage.	Dec. 31	1,636	12,693	14,329	..	10,432	7½	..	3,897	5,831 7½
Nitrate.										
Lagunas	Dec. 31	40,788	Dr 8,435	32,353	..	18,000	2½	..	14,353	21,133 2½
Rosario	Dec. 31	62,648	25,966	88,614	..	60,000	10½	..	28,614	99,442 10½
San Sebastian.....	Dec. 31	7,247	807	8,054	..	..	..	..	8,054	5,881 ..
Rubber.										
Consolidated Malay	Dec. 31	329	8,166	8,495	..	4,688	6½	..	3,806	Dr 16,509 ..
F.M.S. Planters	Dec. 31	11,719	7,986	19,705	..	11,250	7½	6,014	2,441	21,686 7½
London Asiatic	Dec. 31	89,314	17,582	106,896	..	37,743	10	15,973	53,180	5,761 nil
Lubok	Dec. 31	179	933	1,112	..	..	..	..	1,112	Dr 3,656 ..
Panawatto Tea and Rubber	Dec. 31	Dr 1,374	8,405	7,031	..	8,625	5	Dr 2,500	906	12,641 ..
Telogoredjo, Limited.....	Dec. 31	31,048	28,239	59,287	..	31,860	12½	10,000	17,427	3,864 nil
Shipping.										
Houlder Brothers and Co.	Dec. 31	19,740	91,362	111,102	5,500	64,000	8½	25,000	16,602	.. ..
India General Navigation	Dec. 31	10,215	34,466	44,681	12,202	19,667	4½	3,500	9,312	19,446 4½
Tea.										
East India and Ceylon	Dec. 31	12,684	24,655	37,339	9,000	15,000	15	5,000	8,339	16,006 nil
Jottinga Valley.....	Dec. 31	4,890	22,749	27,639	£7,670	10,586	20	7,250	2,133	4,966 nil
Lehong	Dec. 31	7,104	21,063	28,167	..	19,697	30	1,026	7,444	14,206 15
Lunuvu (Ceylon)	Dec. 31	3,914	39,531	43,445	..	25,149	12½	11,031	7,265	60,032 15
Yatiantota (Ceylon).....	Dec. 31	Dr 13,969	8,190	Dr 5,779	2,700	..	..	Dr 6,500	Dr 1,979	14,956 ..
Telegraphs, &c.										
Great Northern Telegraph	Dec. 31	302,679	370,416	673,095	..	330,000	22	33,333	309,762	438,676 22
Textiles.										
Anglo-French	Dec. 31	3,983	69,308	73,291	2,922	50,000	50½	15,000	5,369	66,819 30½
Fine Cotton Spinners'	Mar. 31	198,246	833,460	1,031,706	197,000	459,375	12½	165,000	210,331	503,339 8
Sir Elkannah Armitage and Sons	Mar. 31	13,137	33,773	46,910	..	25,000	10	..	21,910	Dr 5,411 10
Tramways.										
Pernambuco	Dec. 31	1,128	Dr 17,202	Dr 16,074	..	..	..	1,500	Dr 17,574	Dr 6,761 ..
Rangoon Electric	Dec. 31	12,970	55,258	68,228	15,000	25,000	10½	10,000	18,228	73,666 10½
Trust.										
Industrial and General.....	Mar. 31	26,841	163,683	190,524	37,125	99,000	12	25,000	29,399	155,010 12
Other Companies.										
Brunner, Mond, and Co.	Mar. 31	90,293	1,650,295	1,740,588	300,000	1,061,462	11	287,215	91,911	1,022,000 8
Denny, Mott, and Dickson	Mar. 31	41,463	119,835	161,298	12,000	48,000	12 PO.	50,000	15,298	66,547 7 P.O.
Havana Cigar and Tobacco	Dec. 31	40,204	12,840	53,044	18,900	..	..	..	34,144	17,347 ..
John Shields and Co.	Dec. 31	2,158	5,724	7,882	5,750	..	..	1,000	1,132	17,347 ..
Siemens Brothers	Dec. 31	334,112	Dr 192,802	142,310	15,000	..	..	..	127,310	71,894 10½
W. and A. McArthur	Jan. 31	3,560	35,068	38,628	7,274	10,000	10	13,096	8,258	5,463 6

† Tax free. § Including dividend for 18 months to Dec., 1921.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

Weather conditions have been unsettled, with further rains, and a spell of warmth and sunshine is needed in order to germinate seedlings, and bring winter crops to maturity. Spring sowings are completed, while early-sown fields do not give general satisfaction. Offerings of native wheat were on a lighter scale, but prices showed a declining tendency in sympathy with foreign descriptions. Suitable milling samples sold up to 10s 10d, with inferior at 9s 9d to 10s 12d, free on rail. Imported qualities met a slow demand and rates were the turn easier in view of lower forward offers. No. 1. Northern Manitoba quoted 52s, Rosafé 62½ lbs, 51s 9d, Barusso 62½ lbs, 51s 3d, and choice white Karachi 52s 6d, all per 49½ lbs, ex ship terms. The floating and forward section remained dull, apart from a small inquiry on Continental account, and rates displayed weakness owing to easier foreign cables. Cargoes of Barusso 62½ lbs afloat sold 47s 6d, No. 2 white Pacific expected to load June 10th 51s 9d to U.K., Rosafé 62½ lbs, June-July, 47s 3d, and No. 2 hard winter, July-August, 46s 9d, both to Germany. Crop prospects in the principal exporting countries are maintained, and the improvement with regard to the United States winter wheat is officially confirmed. United Kingdom port stocks continue to decrease owing to small arrivals. Flour remains quiet of sale, and prices barely steady. London standard straight-run quoted at 41s, patents 43s to 44s, town households 39s per sack, delivered in Metropolitan area. All English country straights 33s 6d to 35s, delivered to London stations. Imported dull, and prices largely nominal. Manitoba patents range from 37s 6d to 41s 6d as to sample, Minneapolis good patents 41s, Australian 37s to 38s per 28½ lbs, ex store. Millers' offers steady. Broad bran quoted at 7s. ordinary ditto 5s 9d; middlings 7s 6d bags included, ex mill; light oats 6s 3d, powdered oat husks 6s 3d, feed oatmeal 8s 9d, ground oats 13s 9d, all per cwt free on rail. Barley.—English quiet and ranges from 8s to 11s 6d, with best malting samples in fair demand at 10s to 12s per 112 lbs, free on rail. Imported dull, and values weak. Californian quoted 44s 6d to 46s 6d, Australian Chevalier 42s to 48s, New Zealand 33s to 47s as to quality, all landed, per 44½ lbs;

Persian 27s, Plate 30s, Danubian 30s, American malting 48 lbs 28s 6d, No. 4 Canadian Western 28s 6d, Karachi 28s 3d, all landed, per 400 lbs. On c.i.f. terms a cargo of Danube-Bessarabian due out to load sold 26s 9d. Maize.—Steady but quiet. Plate, landed, 30s 6d; No. 2 Yellow American ditto, 30s; East African, ex ship 36s 6d, landed 37s 6d; all per 48½ lbs. Oats.—English quiet, while ranging from 8s 2d to 10s 6d per 112 lbs, free on rail as to sample and descriptions. Imported lower. Plate, f.a.q., ex ship 23s 6d, landed 24s 9d; No. 2, Canadian Western, ex ship 27s 6d, landed 28s 9d; No. 3 ditto, landed 27s 3d; No. 2 Canadian feed, ex ship 25s 3d, landed 26s 3d; New Zealand A grade 38s, B grade 37s, both landed; all per 320 lbs. Oatmeal.—Quiet at late rates. London made, all cuts quoted at 18s; rolled oats, also whole groats, 18s; flaked, 20s 6d, ex mill; ordinary Scottish oatmeal, 19s 6d, 20s 6d; American, all cuts, 17s 6d per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1922-23, contrasted with 1921-22, 1920-21, and 1919-20:—

	1922-1923.	1921-1922.	1920-1921.	1919-1920.
Estimated sales of home-grown wheat—	Cwts.	Cwts.	Cwts.	Cwts.
1 week to May 12	342,617	273,827	289,212	82,761
35 weeks to May 12	15,183,793	14,723,937	11,241,134	10,458,224
Average price of English wheat per cwt.	s d 10 10	s d 12 11	s d 20 1	s d 16 11

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1919 to 1922:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
May 5	Cwts. 332,687	Cwts. 98,621	Cwts. 55,099	s d 10 8	s d 8 11	s d 10 9
May 12	342,617	70,624	29,597	10 10	9 0	10 8
1923	313,140	31,175	31,779	17 1	17 5	17 2
1919	82,761	17,946	17,500	16 11	15 11	15 10
1920	289,212	42,000	29,027	20 1	19 11	19 10
1921	273,827	31,489	43,950	12 11	11 5	11 4

IRON, STEEL, AND COAL.

Our Middlesbrough correspondent's report, dated May 17th, is as follows:—Pig-iron: Trade is quiet, but not weak. Consumers are holding off waiting the turn of events on the Continent, and if no change of importance occurs then further orders will be placed. No. 3 Cleveland G.M.B. is now at 124s per ton, and mixed numbers East Coast hematite at 122s 6d per ton. Manufactured iron and steel: The boiler-makers' dispute is still interfering with work at our shipyards, and local steel works are expected to close down for a two days' holiday next week. Steel ship plates, 10 to 10s; steel ship angles, 10 to 10s; iron bars, 12 to 12s; steel rails, 10 to 10s. Iron ore: No forward buying, and very little inquiry for prompt. Good deliveries of ore are being made. Best Bilbao Rubio is nominally 24s 6d per ton, c.i.f. Tees.

Our Sheffield correspondent writes:—The position of crude basic steel has recovered its strength this week, and current prices, although not altered, are firmer, notwithstanding offers of cheaper Continental material. Practically all the furnaces producing such steel are on full time. Business in acid steel has contracted of late, both as regards specifications to contracts and new orders. Firms producing such steel for their own requirements have been compelled to reduce output, although the railway steel departments are doing fairly well. There is slackness at the heavy steel forges and foundries, and in heavy engineering. Pig-iron has weakened of late, and there is very little buying. Prices would be shaded to secure an order. Hematite has dropped several shillings from the highest level, and supplies are now ample. The rise in the iron market has necessitated an advance of 10 per cent. on castings used in building construction. All branches of crucible steel trade are quiet, nor is any prospect of revival in sight. In plate and cutlery extreme depression is being experienced, accompanied by severe competition and underquoting. In consequence of congestion at the ports domestic supplies of steam coal are more plentiful, but demand is good and prices firm. Nuts and slacks

are also a brisk market. House coal has experienced a poor season. Prices are generally as previously quoted.

Our Glasgow correspondent writes:—A rather better business has been transacted this week in the superior brand of Scotch pig-iron, thanks to the revived demand in force for shipments to the Pacific coast of the United States. Makers advise that generally stocks of Scotch foundry are exceedingly light, and they feel satisfied that the furnaces now being rapidly overhauled in Ayrshire and Lanarkshire will be fully required to meeting the working exigencies of the coming season. Values are steady, Scotch hematite standing at £6 7s 6d (f.o.t.) at works; No. 1 foundry, 117s 6d; and No. 1 foundry, £6 2s 6d per ton. Big quantities of ordinary plates, sections, and general constructive material are being turned out, and in nearly all the leading establishments operations are assured for a couple of months or so, and that explains in a measure for the hardness of prices. Iron castings, such as go largely into house building, have been advanced in the last day or two by 10 per cent. Some of the other standard terms are, for home business:—Crown bars, £12 10s a ton; boiler plates (being made for stock), £13; ship plates, 1/2 inch and up, £10 5s; sheets, 1/2 inch, £12 10s; gal. cor., 24 B.G. (export), £20; best bar iron, £13; B.B., £13 10s; extra best, £14; best horseshoe bars, £13 2s 6d; ditto extra, £16 2s 6d; best cable, £14 5s; rivet, £12 10s; best scrap rivet, £14—all net free on trucks Glasgow. Tube makers, wire-ropes makers, founders, and nailmakers are fully engaged; bridge builders have several excellent contracts on hand. Shipments of coal are lighter than they have been for weeks, and the inclination of prices is to ease. Since the beginning of April quotations have given way by from 1s to 2s a ton, and consumers are operating on the basis of a further series of brakes.

Our Cardiff correspondent writes:—The great strength which the Cardiff coal market developed somewhat unexpectedly towards the end of last week has been fully maintained this week. The tendency of prices has been to even slightly higher levels, and

best Admiralties have once again touched 45s. Several new forward contracts have been arranged with foreign railways for delivery over the second half of the year, but the firmness of the market this week has been due to the exceptionally heavy commitments of colliery companies and the pressure of the demand for cargoes and parcels for shipment before or immediately after the holidays. The collieries have continued to be favoured by an abundant supply of tonnage. The export trade is maintaining record figures, and the completed returns for April justify the prediction of a substantial advance in wages and a big increase in profits under the next audit. That audit will deal with the financial results of the working of the collieries in March and April. The f.o.b. proceeds of the coal exported in those two months was nearly £1,100,000 greater than the proceeds in January and February, and as the proceeds in the first two months of the year were almost enough to pay the minimum wage without the surrender of standard profits the addition of over £1,000,000 to the revenue creates a surplus which may be enough to certify for July and August next a general wage rate of from 13 per cent. to 15 per cent. above the minimum, and a 15 per cent. increase would be equivalent to over 8s per week.

The current approximate quotations are as follows:—Best Admiralties, 42s 6d to 45s; second Admiralties, 40s to 41s; best dries, 38s to 40s; black veins, 39s to 40s; Eastern Valleys, 37s to 37s 6d; Western Valleys, 39s to 40s; best bunker smalls, 32s to 32s 6d; ordinary cargo smalls, 29s to 30s; anthracite big vein, 47s 6d to 50s; machine-made cobbles, 57s 6d to 60s; French and stove nuts, 52s 6d to 55s; rubble culm, 17s to 17s 9d; coke for export, 67s 6d to 75s; inland blast furnace coke at ovens, 35s to 40s; patent fuel, 40s to 43s 6d; pitwood, ex ship, 30s to 31s.

The position in the iron and steel trades is easier. The minimum prices of steel bars have been reduced from £10 to £9 2s 6d, less a rebate of 7s 6d per ton for consumption at the local tinplate works, and that of tinplates from 24s per basis box to 23s 1d. The volume of business, however, shows little, if any, contraction, but inquiries from the Continent are less active.

CUMBERLAND IRON.

(FROM OUR WORKINGTON CORRESPONDENT.)

Business in the Cumberland and North Lancashire hematite pig-iron market has slowed down substantially of late, and consumers both on the Continent and at home, who in February and March exhibited such anxiety to cover their requirements to the end of June, are as yet showing little, if any, disposition to enter into commitments for the third quarter of the year. The menacing situation in the Ruhr has given a check to trade, and the outlook is regarded as far from reassuring. There is again uppermost the feeling of uncertainty, which is so bad for trade of any character whatever, and it would not be at all surprising if users were to stave off until the last possible moment any movement to make arrangements as regards their future needs. The result of the lull that has been produced has been, of course, to shade prices, and Bessemer mixed numbers are now down to £6 12s 6d per ton, delivered at Glasgow and Sheffield, to £6 15s per ton for export. The squeeze in ferro has sent up the price of this metal to £18 per ton delivered at home ports and to £20 f.o.b. for export, while spiegel is higher at £10 per ton delivered at home works and at £9 10s per ton, f.o.b., for export. There has been not the slightest improvement in the steel trade. The rail mills at Workington have worked intermittently on old contracts, and the tyre mill has been fairly well employed; but there is no new business coming in, and the prospects are far from good. Heavy rails are £10; lighter sections from £11 to £12 per ton; and billets from £10 to £11 per ton. The local requirements for native ore are such as to necessitate a normal production at the mines in the West and South of Cumberland, and small lots are being sold to Scotch and Yorkshire smelters. The best kinds of ore command from 26s to 28s per ton, and ordinary sorts from 22s to 24s 6d per ton. The coal trade is very brisk, Irish needs being larger than can be satisfied, in spite of the fact that a smaller tonnage is now reserved for the local land sale market. Best house coal for shipment across Channel is 27s 6d per ton; house nuts, 27s; and washer nuts, 24s per ton. Local industrial wants are considerable, and best steam is 30s and washed steam 29s per ton. Best house coal locally is 38s per ton at works. Coke is in big demand, the furnaces on ordinary iron in West Cumberland absorbing almost the entire output of the 300 ovens that are working at maximum pressure. The local price is 25s to 30s, according to carbon content. Continental inquiry has fallen off greatly. By-products are all being disposed of readily, and in the chemical industry a sharp demand is being experienced for creosote, pitch and tar acids.

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—Complaints are general regarding the paucity of new business in tops, yarns, and pieces, but the market shows no sign of real depression. There seems to be a feeling of quiet confidence in most quarters, and it is felt that any improvement in conditions in Germany would immediately be reflected here in an increased demand for tops and yarns. Meanwhile, things are just steady, and quotations for tops remain firm. There is hardly enough new business passing adequately to test values, but it is recognised that the wool position is sound, and the immediate future is not regarded with anxiety. The only fear is that firms may be tempted to get rid of their wool when they see a profit, and that between seasons there will be little wool for the combs, with, perhaps, a scarcity of tops later in the year. Spinners are not in a very happy position at the moment. The advance in wool values has

not brought out any more business in piece goods, and many manufacturers assert that they can do nothing on to-day's basis of values. Spinners of white Botany yarns are beginning to feel the pinch, and the outlook as regards employment in this section is none too promising. Several mills will take advantage of the Whit-tide holidays to close down for a full week. Yarn quotations show great irregularity, and a good deal of price-cutting is being indulged in. The fact of the matter is that between high wool prices on the one hand and keen Continental competition in yarns and pieces on the other, spinners and manufacturers are having rather a bad time. There is no new feature in the cloth trade. Home demand is restricted, but some of the export markets are doing rather better. Dress goods and fancy worsteds continue to sell fairly well, but the ordinary plain "bread-and-butter" lines continue to stick.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

The London sales finished last Friday in a way which cannot but have satisfied everyone associated with the selling end of the trade. Importers and selling brokers admit making prices which they never expected, and this speaks well for the soundness of the position of the raw material. Obviously, selling brokers are not the people to give publicity to any list of offerings withdrawn at the previous series, along with the prices then bid, and showing also what prices were paid when the same lots were re-offered at the third series. Everybody knows that anything from 2d to 8d per grease lb was the difference between the bids on the former occasion and the prices paid on the latter. Either one was much below the market level, or the other showed an extraordinary advance. The improvement in the prices for the lots withdrawn in March and then sold at the last series was anywhere up to 20 per cent., and for rank and file wools, a good 10 per cent. advance was shown. It must be acknowledged that the present level of wool prices is remarkably high, far higher than anyone expected to see. Great confidence was, and is still, felt in merino values, in which it was never expected that the improvement recorded would actually take place. We are satisfied that much can be said in favour of the present position of merinos and fine crossbreds, though already some are doing their best to flog the market in the hope of getting prices down. Attempts have been made to make capital out of a cable received from the United States announcing the cancellation of orders for piece goods, the illogical conclusion being drawn that these cancellations indicate a coming setback in wool values. It is quite true that some colossal buying has been done across the Atlantic, there being a remarkable boom in manufacturing circles.

A far greater service would be done to the industry if the public could be brought to realise that merino and crossbred wool are not on a relatively economic basis. This is largely due to the scarcity of merino supplies. During recent months it has been claimed that an increase was taking place in the consumption of crossbreds, but so far as the maintenance of values is concerned, there is much more confidence in fine wools than in coarse, and the movement of the latter at the last London sales indicates that these have for the time being reached high water mark.

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—May 11, 1923

Description.	Com.	Med.	Good Med.	Med. Fine.	Fine.	Extra Fine.	Same Period 1922		Same Period 1921	
							Med.	Good Med.	Med.	Good Med.
Sea Island.....	d	d	d	d	d	d	d	d	d	d
Florida do.....	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Georgia do.....	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
American.....	Ord	9	10	11	12	13	10	11	12	13
Burmese.....	Med	13	14	15	16	17	13	14	15	16
Paraguay, Rio Grande, &c.....	13	13	13	13	13	13	13	13	13	13
Macao, &c.....	13	13	13	13	13	13	13	13	13	13
Mossoro, &c.....	13	13	13	13	13	13	13	13	13	13
Ceara.....	13	13	13	13	13	13	13	13	13	13
Maranhão, &c.....	13	13	13	13	13	13	13	13	13	13
São Paulo.....	13	13	13	13	13	13	13	13	13	13
Egyptian.....	14	14	14	14	14	14	14	14	14	14
Upper.....	14	14	14	14	14	14	14	14	14	14
Sakellaris.....	14	14	14	14	14	14	14	14	14	14
Brown.....	14	14	14	14	14	14	14	14	14	14
Peruvian.....	14	14	14	14	14	14	14	14	14	14
Rough.....	14	14	14	14	14	14	14	14	14	14
Moderately Rough.....	14	14	14	14	14	14	14	14	14	14
Smooth.....	14	14	14	14	14	14	14	14	14	14
Pangu.....	14	14	14	14	14	14	14	14	14	14
Mitafi.....	14	14	14	14	14	14	14	14	14	14
West Indian, &c.....	14	14	14	14	14	14	14	14	14	14
Do Sea Island.....	14	14	14	14	14	14	14	14	14	14
African, East, &c.....	14	14	14	14	14	14	14	14	14	14
Do West.....	14	14	14	14	14	14	14	14	14	14
Machine Ginned Surtee.....	14	14	14	14	14	14	14	14	14	14
Machine Ginned Broach.....	14	14	14	14	14	14	14	14	14	14
Machine Ginned Bhowmuggar.....	14	14	14	14	14	14	14	14	14	14
Machine Ginned Oomra No. 1.....	14	14	14	14	14	14	14	14	14	14
Machine Ginned Oomra No. 2.....	14	14	14	14	14	14	14	14	14	14
Machine Ginned Khandesh.....	14	14	14	14	14	14	14	14	14	14
Machine Ginned Comptah.....	14	14	14	14	14	14	14	14	14	14
Machine Ginned Bengal.....	14	14	14	14	14	14	14	14	14	14
Machine Ginned Soinda.....	14	14	14	14	14	14	14	14	14	14
Tinnivelly.....	14	14	14	14	14	14	14	14	14	14
Madras, Western.....	14	14	14	14	14	14	14	14	14	14
Madras, Northern.....	14	14	14	14	14	14	14	14	14	14
M.G. Coconada, Red.....	14	14	14	14	14	14	14	14	14	14
China, Smyrna, &c.....	14	14	14	14	14	14	14	14	14	14

OVERSEAS TRADE RETURNS.

IMPORTS (Value C.I.F.).

	Month Ended April 30.		Four Months Ended April 30.	
	1922.	1923.	1922.	1923.
I.—Food, Drink, and Tobacco—				
A. Grain and flour.....	10,894,953	6,520,135	33,676,193	32,257,133
B. Feeding stuffs for animals.....	387,330	388,021	1,774,349	2,107,702
C. Meat.....	8,561,806	10,147,847	31,520,575	39,754,424
D. Animals, living, for food.....	133,036	1,231,955	484,573	1,600,362
E. Other food and drink, non-dutiable.....	11,212,407	12,391,577	44,636,004	48,935,216
F. " " dutiable.....	7,145,497	9,995,312	32,602,619	35,851,287
G. Tobacco.....	1,733,419	1,097,466	6,764,235	6,562,643
Total, Class I.....	40,068,447	41,772,293	151,458,548	167,037,769
II.—Raw Materials and Articles Mainly Unmanufactured—				
A. Coal.....	..	1,125	20	1,125
B. Other non-metallic mining and quarry products and the like.....	340,963	482,515	1,566,143	1,864,926
C. Iron ore and scrap.....	365,804	869,999	1,358,366	2,607,251
D. Non-ferrous metalliferous ores and scrap.....	395,070	942,544	1,774,368	3,810,418
E. Wood and timber.....	1,617,644	2,029,084	7,293,618	8,989,648
F. Raw cotton and cotton waste.....	5,639,557	4,271,043	25,318,010	30,406,332
G. Wool, raw and waste, and woollen rags.....	6,241,513	6,276,633	22,716,915	23,468,435
H. Silk, raw, knubs and noils.....	172,577	104,443	746,629	334,329
I. Other textile materials.....	719,788	818,743	3,013,639	4,402,615
J. Oil seeds, nuts, oils, fats, resins, gums, and skins, undressed.....	2,984,788	3,552,089	11,530,054	15,621,805
K. Hides and skins, undressed.....	1,142,646	1,303,527	5,364,155	5,980,099
L. Paper-making materials.....	553,467	554,842	2,139,547	2,587,304
M. Rubber.....	574,964	835,215	2,462,169	3,794,537
N. Miscellaneous raw materials and articles mainly unmanufactured.....	655,513	896,980	3,001,116	3,528,735
Total, Class II.....	21,404,284	22,938,782	88,284,049	107,697,590
III.—Articles Wholly or Mainly Manufactured—				
A. Coke and manufactured fuel.....	1,345	29	8,897	5,549
B. Earthenware, glass, abrasives, &c.....	564,366	587,507	2,212,789	2,333,927
C. Iron and steel and manufactures thereof.....	816,508	1,160,736	3,560,128	4,624,226
D. Non-ferrous metals and manufactures thereof.....	1,289,216	2,313,004	5,885,996	8,409,184
E. Cutlery, hardware, implements, and instruments.....	569,765	679,572	2,054,744	2,277,145
F. Electrical goods and apparatus.....	100,530	223,563	417,192	701,773
G. Machinery.....	652,283	931,474	2,586,548	3,159,792
H. Manufactures of wood and timber.....	348,505	386,693	1,177,488	1,426,729
I. Cotton yarns and manufactures.....	591,692	688,154	2,238,988	2,854,974
J. Woollen and worsted yarns and manufactures.....	788,518	730,724	2,716,074	3,526,756
K. Silk and silk manufactures.....	1,691,761	1,430,520	7,234,506	6,863,243
L. Manufactures of other textile materials.....	857,326	1,184,845	3,258,014	4,326,420
M. Apparel.....	1,245,561	1,517,855	4,370,997	5,644,647
N. Chemicals, drugs, dyes, & colours.....	943,405	1,187,466	3,606,484	4,811,324
O. Oils, fats, and resins, manufactured.....	3,809,102	3,070,942	14,215,649	11,215,94
P. Leather and manufactures thereof.....	894,329	882,456	3,417,353	4,045,897
Q. Paper and cardboard.....	785,203	983,247	3,293,607	3,827,540
R. Vehicles (including locomotives, ships, and aircrafts).....	585,485	646,186	2,140,125	2,891,960
S. Rubber manufactures.....	535,851	644,223	1,889,258	1,921,723
T. Miscellaneous articles, mainly or wholly manufactured.....	1,891,631	2,206,914	7,271,425	8,973,202
Total, Class III.....	18,961,782	21,446,110	73,556,262	83,841,106
IV.—Animals, not for food.....	55,070	104,599	102,645	164,121
V.—Parcel post, non-dutiable articles.....	143,478	155,233	873,771	1,253,643
Total.....	80,633,061	86,417,017	314,275,275	369,994,229

EXPORTS OF PRODUCE AND MANUFACTURES OF THE UNITED KINGDOM

(Value F.O.B.).

	Month Ended April 30.		Four Months Ended April 30.	
	1922.	1923.	1922.	1923.
I.—Food, Drink, and Tobacco—				
A. Grain and flour.....	423,557	311,703	1,035,679	1,070,577
B. Feeding stuffs for animals.....	196,731	155,797	612,333	509,153
C. Meat.....	70,521	95,050	349,429	386,066
D. Animals living, for food.....	1,529	4,346	7,659	11,719
E. and F. Other food and drink.....	1,865,938	2,134,624	8,019,469	8,145,898
G. Tobacco.....	452,238	522,060	1,811,159	1,974,157
Total, Class I.....	3,010,514	3,223,575	11,895,628	12,097,470
II.—Raw Materials and Articles Mainly Unmanufactured—				

MANCHESTER, May 17.

The market continues to present an unsettled appearance. Much uncertainty prevails as to future prices, and the many ups and downs in raw cotton rates are very disturbing. In the cloth section a feature of interest has been the revival of inquiry for China. More contracts have been arranged in grey shirtings and sheetings than for some time back. It remains to be seen whether this is the beginning of extensive buying for the Far East in standard makes. Useful lines have also been booked in fancies for Shanghai and Hong Kong. Demand for India remains disappointing, especially for Calcutta, and operations have been confined to moderate lots in bleaching styles. A sorting-up business has been done for Egypt, the Levant, and South America. Clearances in the home trade continue to be adversely affected by the unseasonable weather for the time of the year. American yarns for home use have moved off quietly at irregular rates. There has not been much activity in Egyptian spinnings.

(I.) Comparative Statement of the Cotton Trade.

	Price, May 17, 1923.	Previous Weeks in 1923.				
		May 10.	May 3.	May 26.	May 19.	May 12.
Raw Cotton—Fully Mid. American .. per lb	14.83	14.72	15.24	15.77	15.57	16.10
—Sakellaridis Fully Good Fair .. per lb	15.70	15.90	16.75	17.35	17.35	17.75
Yarns—32's twist .. per lb	23	23½	23½	23½	23½	24
—40's twist .. per lb	22½	22½	23	23½	23½	23½
—60's twist (Egyptian) .. per lb	28½	28½	29	29½	29½	29½
22-in. Printers, 116 yds, 16 by 16, 32's and 50's ..	32 3/4	32 9/16	33 1/8	33 3/8	33 3/8	33 3/8
22-in. Shirtings, 75 yds, 19 by 19, 32's and 40's ..	35 6/16	35 9/16	36 1/8	36 3/8	36 3/8	36 6/16
22-in. ditto, 38 yds, 18 by 16, 10 lbs ..	18 1/8	18 3/8	18 1/2	18 3/4	18 3/4	18 9/8
22-in. ditto, 37½ yds, 16 by 15, 8½ lbs ..	16 6/16	17 1/16	17 3/16	17 5/16	17 5/16	17 9/16

(II.) Compared with Previous Years.

	Price, May 17, 1923.	Corresponding dates in				
		1922.	1921.	1920.	1919.	1918.
Raw Cotton—Fully Mid. American .. per lb	14.83	12.15	8.12	27.52	19.15	21.4
—Sakellaridis Fully Good Fair .. per lb	15.70	18.75	16.00	76.50	26.59	29.14
Yarns—32's twist .. per lb	23	19	18	59	32½	44½
—40's twist .. per lb	22½	18½	16½	54½	32	44½
—60's twist (Egyptian) .. per lb	28½	29	32	127	53	75
22-in. Printers, 116 yds, 16 by 16, 32's and 50's ..	32 3/4	30 3/8	36 1/8	100 6/8	49 1/8	57 3/8
22-in. Shirtings, 75 yds, 19 by 19, 32's and 40's ..	35 6/16	29 3/8	34 1/8	94 3/8	48 6/16	55 9/16
22-in. ditto, 38 yds, 18 by 16, 10 lbs ..	18 1/8	18 3/8	20 1/8	50 6/8	27 9/16	31 9/16
22-in. ditto, 37½ yds, 16 by 15, 8½ lbs ..	16 6/16	17 1/16	17 3/16	44 1/8	25 6/16	28 3/16

THE TIMBER TRADE.

(FROM OUR OWN CORRESPONDENT.)

Taking a broad view of the market for wood for building and construction work generally it must be stated that f.o.b. and c.i.f. prices for timber are increasing, forcing up values on the spot, though the latter cannot yet rise to the former's level.

The weather in the North of Europe has been very cold during the past month, consequently navigation has been delayed. For the first four months of this year, therefore, arrivals from Finland are not so large as January to April, 1922, but Swedish imports, from the southern district of that country, are about the same. Within the next few weeks cargoes will be arriving freely, as the United Kingdom has bought largely for June and later shipment.

As regards the spot market the demand is better than last year. House building still provides keen hopes on the part of timber traders, and now that arbitration has been settled on the wages question master builders may be able to make a real start. The combined railway companies seem to be very keen in adding to and repairing of their enormous equipments, which is most welcome to the merchant whilst shipbuilding is so quiet and also so troubled. The packing case makers, who use in busy times such huge quantities of lower quality European and Canadian spruce, are not large buyers at present, but there is an optimistic feeling prevalent among them that the demand will improve. This latter opinion is not confined to box and case makers—it is that of nearly all trading in timber for building and engineering work.

In the furniture woods market, however, the general tone is still disappointing on the spot, quite different to the optimistic assurances from America that the domestic demand across the Atlantic is good and c.i.f. values are advanced accordingly. At the mahogany log auction, held in London this week, considerable quantities of Cuba, St Domingo, African, and Honduras wood was withdrawn from sale, it being held at too high a limit for buyers. Wholesale prices made as follows:—Cuba, 7d and up per foot super; St Domingo, 6½d up; African, 5d up; Honduras, 9d up.

VEGETABLE OILS AND OILSEEDS.

(FROM OUR OWN CORRESPONDENT.)

Markets have on the whole been quiet, and in the uncertain outlook there has been no disposition to do business to any extent. Linseed, though inclined to fluctuate, has remained at about the same level of values as a week ago. A small business has been done in Plate to Hull at £19 11s. 3d. on passage, £19 10s April-May, and £18 17s 6d June-July. The chief attention has been devoted to Indian linseed, and Hull has paid up to £21 for Calcutta on passage, £20 10s April-May, and £20 5s for May-June; while London has been a buyer at £20 7s 6d April-May and £20 5s May-June. Generally, however, the market lacks life, but is otherwise steady. With regard to the oil product there is a better tone, and values advanced 20s on reports of America being in the market, but are only moderately steady at £45 for spot and month ex-Hull mill. Forward positions, however, lack strength, and are quoted lower.

The poor demand for cottonseed is a reflex of the slow trade in oil, and crushers are buying very sparingly, if at all, though shippers of Egyptian appear more ready to discount late values. Very little movement is recorded in cotton oils, crude Egyptian offering at £39 10s and technical refined (soap makers' grade) at £43 without attracting substantial trade. Palm kernel oil has further receded to £40, and crude soya bean oil to £42 12s, but rape, castor and ground nut oils remain steady, though quiet. A better demand for linseed cakes is reported, but supplies are more than ample. Some preference is given for cotton cakes on account of their comparative cheapness.

HIDE, LEATHER, AND ALLIED TRADES.

(FROM OUR OWN CORRESPONDENT.)

The tone of the hide market was rather quieter in Bermondsey on Thursday, as quite a fair proportion of the hides offered failed to find buyers. Best ox sold from 8½d to 9½d, a decline of ½d being noted on two selections. Seconds sold badly, only two classes finding support at last prices: Cows, best, were steady at 7½d, seconds at 5½d dropping a ½d. Best calf sold from 6½d to 11d, declines of ½d to 1d being noted. Wools sold from 5s 6d to 12s 6d, hogs from 6s to 14s 6d, and lambs from 2s 3d to 6s each. The drop in values in the River Plate market has attracted business with home tanners, and sales of fregorifos are reported at round about 9d per lb. At the same time, importers consider the business should have been larger in view of the fall in prices. Dry hides are firm in price, and dry Montevideo Americans have sold at 12½d re-weights, whilst Cuyabano for shipment brought 8½d c.i.f. This week's cables report that America's market is weaker, with best heavy hides selling at 10 cents.

The trade in sole leather has slowed down this week, the proximity of the holiday and the unseasonable weather both being blamed. Prices show no material alteration, although sales are reported to have been made of bends at below schedule rates. Better class sole leather is now often asked for, owing to the bad wearing qualities of some of the leather made from cheap dry hides. Pinned offal is firm, and prices of good quality shoulders very firm indeed, with short stocks. Split hides are selling more freely, as motor-car hides are wanted by makers almost as fast as they can be produced.

Upper leathers have sold fairly well at firm prices, and in some cases advances have been obtained. Glacé kid in colours is wanted, but business is flat in black selections. Imports of glacé kid from Germany for the first four months of this year were valued at £36,314, and patent £30,455.

The boot and shoe section is better employed, and reports from districts where men's boots are made are better. Ladies' shoes are selling briskly, and Leicester makers have been working hard to cope with orders for home and export.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, May 18.

Quietness was again apparent in most directions, but more particularly so with regard to raw materials, while consumers show no disposition to depart from the hand-to-mouth policy followed for some considerable time past. The market for sugar maintained a very steady tone for actual parcels, as available quantities remain small, and this fact counteracts any slackness of demand felt at the moment. All the finer liquoring descriptions of tea were readily saleable at full recent rates, but undergrades disclosed slight weakness.

ALEXANDERS DISCOUNT Co., Ltd.,
24, LOMBARD STREET, E.C.3.

Telephones: 1332 & 225 Avenue. Telegrams: "Alexanders, Thread-London."

CAPITAL AUTHORISED £1,250,000 CAPITAL PAID UP £800,000
CAPITAL SUBSCRIBED £1,100,000 RESERVE FUND £400,000

Approved Mercantile Bills discounted. Money received on deposit at call and short notices at current market rates; for longer periods on specially agreed terms. The Company deals in British Treasury Bills of any maturity.

ness. Jute was accorded but little support, and it seems that demand for manufactured goods will have to improve considerably if spinners are to interest themselves more freely upon the question of stocks. Favourable rains were recorded by cable from Calcutta for Daisee sowings. Copra continued to show irregular movements, with business confined to a moderate compass. Rubber depressed and quietly dealt in, the market at the moment being disturbed by financial considerations.

SUGAR.—No change occurred in British refined, and a moderate amount of business was effected. Messrs Tate and Lyle's cubes, 70s 9d to 71s 9d; granulated, 66s 1½d to 66s 7½d, as to quality, in 1 cwt bags, and 1½d less money 2 cwt bags; yellow crystals, 60s 1½d and 60s respectively; caster, 1 cwt bags, 67s 3d to 68s 1½d; finest, 69s 10½d; pieces, yellow to fine white, 55s 6d to 60s 9d; granulated, June and July, 66s 3d; August, 65s 9d, and September, 64s 9d. Crystallised West India in limited supply, and quoted 62s to 63s 6d. American granulated, spot, 64s 9d; May steamer, 37s; June, 37s 6d, c.f. and i., London. Canadian, spot, sold, 64s 6d. Czechoslovakian, granulated, 64s 6d to 64s 9d; ditto, November-December, sold, 27s 6d to 26s, f.o.b. terms, Hamburg. Of Dutch, Dinteloord, November-December, 27s, f.o.b., Rotterdam. White Java, spot, sold, 61s 6d to 62s; May-June, steamer, sold, 32s to 30s 3d and 31s; June-July, 30s to 29s and 29s 4½d; July-August, 28s 9d, 28s paid, c.f. and i., London. Cuban basis, 96 per cent., May-June, quoted 31s 6d. Brazilian basis, 80 per cent., May, 19s, c.f. and i., U.K. Madras, cane-jaggery, July-August, 18s 6d, c.f. and i., London. Terminal market generally quiet, and at times unsettled. August delivery, sold, 33s 9d to 32s 1½d and 32s 7½d; December, 26s 10½d to 25s 9d and 26s 3d. Cuban stocks stand at 751,200 tons, against 1,046,700 tons at corresponding period last year. Liquid glucose, spot, 29s 6d per cwt.

COFFEE.—A steady but generally quiet tone pervaded the market during the greater part of the week. Good bold Nairobi, sold, 98s to 104s; peas, up to 105s 6d; Costa Rica, bold sizes, 110s to 122s 6d; fine blue peas up to 172s. Future delivery market idle and quite nominal.

COCOA.—Market remains quiet, and trend of values against sellers. 1,000 bags Grenada, sold, 47s to 48s, chiefly at latter figure. Accra, F/F quality, June-July, sold, 32s to 31s 6d and 32s, f.o.b. terms.

TEA.—About 45,000 packages Indian were brought forward this week, and with general competition showing more activity, recent rates were supported, except for the commoner grades, and these marked a fractional decline. All good to fine qualities of the 20,570 packages Ceylon offered sold well, but in the case of common a reduction of ½d to ¾d per lb took place in order to effect business. Java and Sumatra rather quiet, and prices against sellers for common, fine being steady.

RICE.—With continued marked reticence on the part of buyers, a more or less nominal state of affairs prevails. Broken kinds also dull of sale. Rangoon beans, spot, 9s. Japanese peas unsettled, and general tone of market weak. Afloat parcels, sold, 22s; May-June, London and Liverpool, 21s 9d; September-October, quoted, 23s cwt.

SPICE.—Only quiet trading resulted in pepper, and prices in some cases favoured the buyer. Fair black Singapore, spot, quoted, 4½d; May-July, 3½d; Aleppo, spot, 4½d; Tellicherry, 4½d; white Singapore, spot, 6d; Muntok, 6½d; ditto, May-July, sold, 6d. Cloves quiet. Zanzibar, spot, quoted, 11½d; March-May, at 10½d; and May-July, 10½d, buyers. Tapioca dull. Fair flake Singapore, spot, 3½d; fine Java, 4½d per lb. Fair Penang seed pearl, spot, 31s 6d. Sago flour, May-July, quoted, 13s 7½d. Desiccated coconut quiet. Fine cut, spot, 47s 6d; medium, 49s 9d; halves, March-April, 46s; April-May, 44s; May-June, 42s 6d. Ginger firm, quiet. Calicut, B/C cut, spot, sold, 102s 6d; fair washed rough Ceylon, in sound condition, sellers, 75s; brown rough Calicut, spot, 75s cwt.

JUTE. Steadier, with more reserve shown by sellers, while cables from Calcutta recorded an improvement from recent depression, but closed easier. First grade, May-June, Continent, sold, £27 15s to £27 5s; new crop, August-September, sold, £27 10s to £27; and September-October, £27 5s to £26 15s ton. Lightning quality fails to engage much attention. Hessians steady, but quiet. 12 oz, spot, 28s; May-June, 27s 6d; July-September, 27s; 8 oz, May-June, 21s 6d per 100 yards. Twills unaltered.

HEMP.—Manila grades remained quietly steady. J, April-June, sellers, £32 10s; K and L, £30 15s; and M, £30 ton. New Zealand nominal in absence of business.

SHELLAC.—Market dull and easier. T.N., spot, 295s to 300s; August, 245s; October, sold, 235s to 240s cwt.

COPRA.—Steadier, with moderate inquiries, mainly confined to F.M.S. Straits. This quality, March-May shipment to Rotterdam, sold, £28 12s 6d; April-June, £27 17s 6d to £27 18s 9d, £27 17s 6d, and £28 5s; Ceylon, April-May, quoted £30; Java, April-June, £28 10s; Dutch East Indies, £28 5s; Cebu, £27 12s 6d; South Sea, £27; F.M. Straits, April-June, Marseilles, £27; mixed, £26 17s 6d. Palm kernels, June-August, Liverpool, sold, £19 1s 3d to £19 7s 6d per ton.

RUBBER.—Steadier, though slightly irregular, with fair covering orders in force. Standard plantation crepe and sheet, spot, and May delivery, sold, 13½d to 13½d, 13½d, and 14d; June, 13½d, to 13½d, 13½d, and 14d; July-September, 14d to 14½d, 14d, 14½d, and 14½d; October-December, 14½d to 15d, and 14½d; January-March 14½d to 15d. To New York standard sheet, June-July, quoted 14½d, c.f. and i. terms. Fine hard Para, spot, 14½d per lb.

EGG PRODUCTS.—Quiet. Prime hen liquid yolk, spot, 85s cwt. Albumen, spot, 3s 3d; April-May, 3s 2d per lb.

ESSENTIALS.—Menthol, spot, quoted 34s; shipment, 32s 6d. Japanese peppermint oil, spot, 6s 3d; shipment, 6s; aniseed oil, spot, 1s 1½d; shipment, 1s 1½d; slab camphor, spot, 3s 7d; crude, 3s 1½d; Ceylon citronella, spot, 3s 2d; Java, 4s; cinnamon leaf oil, spot, 4d; cassia oil, spot, 8s 6d; oil of lemon, 3s 2d; oil of orange, 11s for Sicilian; and 9s West Indian per lb.

EGG PRODUCTS. in quiet request, but sellers adhered to steady asking rates. Prime hen liquid yolk, spot, 85s per cwt. Dried yolk,

spot, 10d; hen albumen, spot, 3s 3d; and June-July shipment, 3s 1½d per lb.

FRUIT (DRIED).—There was no new feature to note, trade in currants, raisins, and also sultanias being of small dimensions. Of currants, Pyrgos quarter-cases, quoted 54s; half-bags, 53s to 53s 6d; Panaritii, 55s to 58s; good quality Vostiza, 67s to 71s; Australian, 71s. Sultanias: Smyrna, good, 80s to 82s; fine to choice, 95s to 115s; Californian, 65s. Valencia raisins, half-boxes quoted 32s to 34s; quarters, 36s to 46s. Dates continue to move off slowly. Hallowee, f.a.q., 20s to 21s; inferior, 17s to 18s; Siar, 15s. Evaporated fruits steadily held, and a moderate demand predominated. Cape apricots quoted 92s 6d to 110s. Californian pears, 65s to 75s. Extra choice apple-rings, 54s to 56s. Australian apricots, 120s. Plums slow.

CANNED GOODS.—A spell of favourable weather created quite a good demand, especially in the case of salmon. All the finer qualities of sardines were steadily inquired for. French 18-oz quoted 16s; ½-tins, 7s 6d; Portuguese quarters, 2s 6d to 3s 3d; ditto, 12-oz, 4s 9d to 5s 6d; 18-oz, 9s 6d to 11s per dozen tins. Lobster commands very full rates on continued scarcity. Fancy halves, on spot, quoted 175s to 180s. Salmon, 1 lb flat reds, labelled, quoted 55s to 58s; ditto, tall, 41s to 42s; 1 lb flat pink, 25s; ditto, tall, 23s 6d to 24s 6d; and cases of 36½ lbs, 31s 6d to 33s. Crayfish, cases of 96 halves, quoted 85s. Canned fruits: Singapore pines mark fair trading, and market firm. 1½ lb, on spot, quoted 6s 3d; apricots, 8s to 12s; peaches, 8s 6d to 12s; pears, 12s 6d to 14s 6d. Tomatoes remain a quiet sale. Spanish three quoted 65d; Italian, ditto, 7s per dozen tins. Only moderate inquiries were in force for meats, but prices show no essential alteration.

ISINGLASS.—At periodical auctions a fair proportion of the 606 packages found buyers at prices marking a good deal of irregularity. Saigon, good to fine leaf, advanced 1s to 2s per lb; inferior, 3d to 9d; round leaf, 3d to 9d. Brazilian lump declined 3d to 4d, but tongue was firm to a shade dearer. Karachi leaf declined 3d to 6d against last sales, tongue, purse, and bladderpipe being unaltered. West Indian fully supported. Russian withdrawn.

OILS.—Linseed in fair demand, and prices somewhat irregular. Spot, net, naked, quoted 47s; May, 45s 9d; May-August, 43s 3d; September-December, 39s. Rape easier. Crude, spot, 43s 6d; refined, 46s 6d. Cotton quiet. Crude Egyptian, spot, 43s; common edible, 47s; deodorised (in barrels), 49s. China-wood quiet. Hankow, spot (barrels), 130s; May-June, 118s. Coconut quiet. Ceylon, spot, 47s; May-June, 46s; Ceylon, ditto, quoted 48s 9d. Soya quiet. Oriental barrels, May-June, 38s 6d. Japan fish steady. May-June, cases 29s. Cod firm. English, spot, 35s to 36s. Ground-nuts quiet. English, crushed, naked, spot, 47s; deodorised, barrels, 56s. Turpentine dearer. American, spot, 116s 6d; May, 116s 6d; July-December, 82s 9d. Rosin quiet. American, grade B, 13s 6d; F, 13s 9d; G, 13s 9d; H to I, 13s 9d; WG, 17s 6d; WW, 18s 9d. French, F/G, 13s 6d; WW, 15s 6d per cwt. Petroleum steady. American standard, white, spot, 1s 1d; and water white, 1s 2d per gallon. Castor oil firm. First pressure, spot, to August, quoted 56s; second pressure, 55s, and pharmaceutical, 61s per cwt.

OILSEEDS.—Linseed quiet, and prices irregular after a firm opening. Bold Bombay, May-June, £21; small Bombay, ditto, £20 2s 6d; Calcutta, afloat, £21; April-May, sold, £20 12s 6d to £20 7s 6d; and May-June, £20 5s to £20 2s 6d. Plate, afloat, £19 15s; loading, £19 12s 6d; April-May, £19 7s 6d; May-June, £19 5s. Rapeseed easier. Toria, May-June, £17 10s; real bold Ferozepore, May-June, £16 5s; Jamba, May-June, £12 15s. Cottonseed quiet. Egyptian black, June, £12 2s 6d; and white, £11 7s 6d, paid to Hull. Bombay, May-June, £9 17s 6d. Gingelly-seed quiet. Large Bombay, April-May, Continent, sellers, £24 5s. Chinese, ditto, £24 15s to Continent, and £25 15s, Italy. Ground-nuts dull. Coromandel, machine dried, May-June, quoted £22 10s. Chinese deodorated, f.a.q., May-June, £23 7s 6d. Nigerian, ditto, £24. Soya beans steady. Manchurian, May-June, £12. Castorseed quiet. Bombay, May-June, £21 per ton.

METALS.—Tin opened flat, and values showed a decline of £6 6s to £7 per ton on last week's closing rates, the tendency being influenced by lower Eastern advices and pressure to sell. Standard cash sold at £199 and three months at £194 15s and £196 15s. Business in the East was reported on the basis of £206 c.i.f. The down movement was continued, due to lower foreign cables, though buyers showed more interest at the lower rates established. By the middle of the week standard cash sold down to £192 5s and three months £191 10s to £192 7s 6d. Further sales occurred in the East at £200 c.i.f. A firmer tone transpired at Thursday's session, and a good demand ensued. Standard cash sold at £195 15s to £196 10s; three months, £196 10s to £197 15s to £198 10s to £198. On the following day the tendency was firmer. Standard cash sold at £203, and three months at £201 to £202 10s to £201 10s to £202 15s to £202 5s, while later at £202 10s. English ingots £203 to £203 10s. Copper also opened easier on lower American cables and liberal offerings, with slight irregularity noticeable at times. A good business, however, transpired, including standard, cash, at £65, and three months £66 to £65 10s to £66 15s. Values further gave

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way on continued selling desire and weaker American markets. On Wednesday standard cash, sold at £64 10s, and three months £65 10s to £65 5s and £65 7s 6d. Active and dearer at Thursday's meeting, though rates closed below the best. Standard, cash, sold at £65 15s to £65 7s 6d to £66 7s 6d to £65 17s 6d; three months, £66 10s to £66 5s to £67 5s, while finally registered £66 15s. At the final session the market ruled active and dearer, though prices closed below the top points reached. Standard cash sold at £68 15s to £69, £68 2s 6d, and three months £69 to £69 15s to £68 7s 6d to £68 10s. Electros, £77 to £78. 1st selected, £71 to £73; strong sheets, £104; and wire bars, £78 per ton. Antimony steady. Ordinary brands, £30 to £32. Aluminium firm. Home trade, £115; export, £120. Lead firmer at £26 7s 6d to £25 10s, as to position. Spelter firmer at £31 17s 6d to £31 10s, according to position.

Commercial Times.—Weekly Price Current.

LONDON, FRIDAY.		DRUGS—		INDIA RUBBER—		PROVISIONS—		SPIICES—	
00000—Duty, British grown	8 15 0	Aloes, fine E.I., p. cwt	150 0 0	Para, fine, hard spot	24 0 0	Butter—per cwt.	140 0 0	Singapore, fair White	0 4 0
24 44 foreign 25a cwt.	8 15 0	Cape, good to fine	30 0 0	Plantation crepe	1 2 0 0	Irish creamery	140 0 0	Black Singapore	0 4 0
Trinidad, per cwt.	8 15 0	Batam Fern	1 0 0	INDIGO—per lb.		Do factory	116 0 0	White Siam	0 4 0
Sumatra, per cwt.	8 15 0	Capivi	1 0 0	Benigal, good red vilo	6 0 0	Argentine	120 0 0	Do 2nd	0 4 0
Ceylon, plantation	61 0 0	Camphor	3 0 0	Mid. ord. vilo, to good	6 0 0	Dutch	142 0 0	Do 3rd	0 4 0
Quayquil	53 0 0	Japan, refined	3 0 0	Low to good ord.	4 0 0	Denmark	134 0 0	Do 4th	0 4 0
Saba, insect	51 0 0	Cassia, Ceylon	8 0 0	Madras, dry leaf, good	3 0 0	Swedish	114 0 0	Do 5th	0 4 0
OFFER—British grown		Cashimuns, Ceylon	8 0 0	Do low to ord.	1 0 0	Canadian	95 0 0	Do 6th	0 4 0
24 44 foreign 25a cwt.	8 15 0	Cashimuns, Ceylon	8 0 0	Kurrah, good mid. to ad.	3 0 0	American	60 0 0	Do 7th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 8th	60 0 0	Do 8th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 9th	60 0 0	Do 9th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 10th	60 0 0	Do 10th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 11th	60 0 0	Do 11th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 12th	60 0 0	Do 12th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 13th	60 0 0	Do 13th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 14th	60 0 0	Do 14th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 15th	60 0 0	Do 15th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 16th	60 0 0	Do 16th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 17th	60 0 0	Do 17th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 18th	60 0 0	Do 18th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 19th	60 0 0	Do 19th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 20th	60 0 0	Do 20th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 21st	60 0 0	Do 21st	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 22nd	60 0 0	Do 22nd	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 23rd	60 0 0	Do 23rd	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 24th	60 0 0	Do 24th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 25th	60 0 0	Do 25th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 26th	60 0 0	Do 26th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 27th	60 0 0	Do 27th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 28th	60 0 0	Do 28th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 29th	60 0 0	Do 29th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 30th	60 0 0	Do 30th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 31st	60 0 0	Do 31st	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 32nd	60 0 0	Do 32nd	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 33rd	60 0 0	Do 33rd	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 34th	60 0 0	Do 34th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 35th	60 0 0	Do 35th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 36th	60 0 0	Do 36th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 37th	60 0 0	Do 37th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 38th	60 0 0	Do 38th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 39th	60 0 0	Do 39th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 40th	60 0 0	Do 40th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 41st	60 0 0	Do 41st	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 42nd	60 0 0	Do 42nd	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 43rd	60 0 0	Do 43rd	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 44th	60 0 0	Do 44th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 45th	60 0 0	Do 45th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 46th	60 0 0	Do 46th	0 4 0
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Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 48th	60 0 0	Do 48th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 49th	60 0 0	Do 49th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 50th	60 0 0	Do 50th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 51st	60 0 0	Do 51st	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 52nd	60 0 0	Do 52nd	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 53rd	60 0 0	Do 53rd	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 54th	60 0 0	Do 54th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 55th	60 0 0	Do 55th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 56th	60 0 0	Do 56th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 57th	60 0 0	Do 57th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 58th	60 0 0	Do 58th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 59th	60 0 0	Do 59th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 60th	60 0 0	Do 60th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 61st	60 0 0	Do 61st	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 62nd	60 0 0	Do 62nd	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 63rd	60 0 0	Do 63rd	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 64th	60 0 0	Do 64th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 65th	60 0 0	Do 65th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 66th	60 0 0	Do 66th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 67th	60 0 0	Do 67th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 68th	60 0 0	Do 68th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 69th	60 0 0	Do 69th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 70th	60 0 0	Do 70th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 71st	60 0 0	Do 71st	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 72nd	60 0 0	Do 72nd	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 73rd	60 0 0	Do 73rd	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 74th	60 0 0	Do 74th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 75th	60 0 0	Do 75th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 76th	60 0 0	Do 76th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 77th	60 0 0	Do 77th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 78th	60 0 0	Do 78th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 79th	60 0 0	Do 79th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 80th	60 0 0	Do 80th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 81st	60 0 0	Do 81st	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 82nd	60 0 0	Do 82nd	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 83rd	60 0 0	Do 83rd	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 84th	60 0 0	Do 84th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 85th	60 0 0	Do 85th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 86th	60 0 0	Do 86th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 87th	60 0 0	Do 87th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 88th	60 0 0	Do 88th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 89th	60 0 0	Do 89th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 90th	60 0 0	Do 90th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 91st	60 0 0	Do 91st	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 92nd	60 0 0	Do 92nd	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 93rd	60 0 0	Do 93rd	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 94th	60 0 0	Do 94th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 95th	60 0 0	Do 95th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 96th	60 0 0	Do 96th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 97th	60 0 0	Do 97th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 98th	60 0 0	Do 98th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 99th	60 0 0	Do 99th	0 4 0
Do good to fine	115 0 0	Cashimuns, Ceylon	8 0 0	Low to mid	3 0 0	Do 100th	60 0 0	Do 100th	0 4 0

MAY 20, 1923.

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No 4,161.

ALLIANCE

ASSURANCE COMPANY, LIMITED.
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the market was comfortable but suspicious, hinting at manipulation, which was going to deprive it of the benefit, next week, of the War Loan interest. Discount rates were weak, with three months' bank bills at $1\frac{1}{8}$ per cent.

	May 25, 1923.	May 18, 1923.	May 11, 1923.	May 4, 1923.	Previous Rate and Date Changed.
Bank Rate	3	3	3	3	$3\frac{1}{4}$ (Jly. 13, '22)
Banks Deposit Rate	1	1	1	1	$1\frac{1}{4}$ (Jly. 13, '22)
Discount (Call)	1	1	1	1	$1\frac{1}{4}$ (Jly. 13, '22)
Houses (Notice)	$1\frac{1}{4}$	$1\frac{1}{4}$	$1\frac{1}{4}$	$1\frac{1}{4}$	$1\frac{1}{4}$ (Jly. 13, '22)
Market rate (3 months' bills) ..	$1\frac{1}{8}$	2	$1\frac{1}{8}$	2	..

The Bank return showed a decrease of £197,000 in the note circulation, a small increase in the stock of gold, and a total increase of £198,000 in the Reserve. The total securities declined by four millions, and likewise the total deposits; Public deposits suffered three-quarters of the loss. Currency notes outstanding were increased by £503,100 to £287,919,300, which includes £1,478,900 for notes called in but not yet cancelled. The fiduciary issue is £238,490,300, or £31,693,500 below the maximum.

THE STOCK MARKETS.

Business in the Stock Exchange, which in any case would probably have been on the quiet side after the Whitsuntide holiday, was further checked by both domestic and international political developments and by the weakness of the Continental exchanges. There has been some talk of forced liquidation. The Consol market has been dull, and the foreign bond market has been particularly affected by movements in the exchanges, but Mexican Government bonds have improved on the official publication of the debt arrangement. Home Rails, though fairly firm, are a little lower on balance. A rise in the price of the raw material helped rubber shares a little, but the improvement was not maintained; oil shares have been weak, following a further drop in Mexican Eagles. In the miscellaneous section, shipping, electric, and gas stocks were exceptionally firmer, but otherwise prices were inclined to slip back. Mining markets have lacked support.

THE COMMODITY MARKETS.

On account of the Whitsuntide holidays there has been very little business in markets during the week. The demand for wheat continues inactive, and quotations are unchanged. Sugar values remain round about the same level. Our Manchester cotton trade correspondent mentions that the market was open only one day of the week, Tuesday, and in consequence business done is of comparatively little importance. Although confidence in wool values remains unabated, there is practically no buying to impart activity to the industry. Our Middlesbrough correspondent reports that there was no iron market this week, while from Sheffield we learn that the resumption of work revealed quieter conditions. Copper has advanced £2 per ton, and tin improved on account of firmer advices from the Straits and America. The Cardiff coal market was officially opened on Wednesday, and though the actual business transacted was small, prices were firm. The demand for hides of all kinds remains as firm as ever, but there have been no Bermondsey sales this week.

FOREIGN EXCHANGES.

The past week has been uneventful in the foreign exchange market, owing to the holidays and the absence of political excitements abroad. The New York rate rose steadily from 4.62 $\frac{1}{2}$ to 4.63 $\frac{1}{2}$ —the quotation on Tuesday—but has since declined to 4.62 $\frac{1}{2}$. The rise was chiefly due to pressure in New York, but there is no suggestion of any sharp movement in either direction at the moment. The forward rate is slightly under 1 cent per month

above spot. On the Continent, the hopelessness of the German situation is well illustrated by the mark rate, which rose steadily during the earlier part of the week, reaching its highest point of 270,000 on Tuesday. A slight improvement, however, took place, and on Friday it stands at 250,000. The forward quotation is 30,000 per month above spot, but very few deals are being carried out. The Paris rate is quiet, but with a tendency to weakness, having risen, with intermediate fluctuations, from 69.25 to 69.90 during the week. Brussels is similarly affected, having moved from 80.35 to 81.25 today. Forward rates on Paris are steady at three times per month above spot, while on Brussels they have narrowed $\frac{1}{2}$ centime to 1.2 centimes below. The Italian rate has reacted again to 96 from 95 $\frac{1}{2}$. Of the neutral exchanges, Amsterdam moved up from 11.81 $\frac{1}{2}$ to 11.83 $\frac{1}{2}$ on Tuesday, but is now steadier again at 11.82. Madrid is slightly stronger at 30.37, while Switzerland has moved from 25.65 to 25.67. Of the Scandinavian exchanges Christiania showed a steady rise from 28.05 to 29.20 while Stockholm moved from 17.32 $\frac{1}{2}$ to 17.35, and Copenhagen from 24.85 to 24.92. Helsingfors is $\frac{1}{2}$ mark weaker at 167. In Central Europe, Vienna and Prague have remained steady at 325,000 and 155 respectively, while Warsaw is practically unchanged at 225,000. The Bucharest rate, however, had fallen steadily from 945 to 835 on Thursday, though a slight reaction to 855 was reported yesterday. Athens, after fluctuating during the week between 235 and 265, now stands at 240, at which rate it was quoted last Friday. In the East, the rupee is slightly lower at 18 4 $\frac{1}{2}$ d, while the yen is a little cheaper at 28 1 $\frac{1}{2}$ d. The silver market has been dull during the week. The Indian demand has been less keen, but inquiries from China for future purchases have helped to maintain the market. Fluctuations in price have only been small and temporary. Hong Kong, after standing at 28 4 $\frac{1}{2}$ d during most of the week, is now at 28 4d, which is $\frac{1}{2}$ d cheaper than the quotation last Friday, while Shanghai is steady at 35 2d. Of the South American exchanges, Rio has fallen from 5 1 $\frac{1}{2}$ d to 5 3 $\frac{1}{2}$ d, and Buenos Aires from 42 $\frac{1}{2}$ d to 42d. Montevideo has remained steady at 42d, but Valparaiso has recovered from 35.50 to 34.90 pesos.

NATIONAL ACCOUNT

The following table shows the national income and expenditure during the week ended May 19th:—

EXPENDITURE.	Min. £	RECEIPTS.	Min. £
Land Settlement	507	From Revenue	15,444
Interest on War Debt, &c.	5,509		
Supply Services	6,500		
Increase in Balances	940		
Road Fund	680		
Reduction of Debt	2,708		
	15,444		15,444

Revenue at £15,444,000 compares with £18,100,000 in the corresponding week of 1922. The principal fall was in the item of special receipts, which were down to £5,900, against £2,876,000 a year ago. Income-tax and Super-tax brought in £2,841,000, against £2,068,000 twelve months ago. Customs at £2,180,000 compares with £3,015,000, and Excise at £7,107,000 with £7,025,000. Expenditure was £12,607,000, against £11,265,000 in the corresponding period of last year. Interest on War Debt rose to £5,509,000, compared with £3,184,000 a year ago. Supply Services, which absorbed £6,500,000 last week, were £8,000,000 in the corresponding week of 1922. The week's operations reduced the National Debt by £2,708,200, and caused the following changes:—

	Min. £		Min. £
National War Bonds repaid ..	9850	Treasury Bills	1,275
Public Department Advances ..	390	4% Treasury Bonds	1,907
Sundries	6,490	National Savings Certificates ..	300
			3,782

The floating debt was reduced by £4,275,000 to £780,670,500.

FINANCIAL YEAR, 1923-24 (April 1 to May 19, 1923).

	£		£
Total Expenditure ..	100,868,453	Raised by Revenue ..	118,511,813
Net Capital Repayments ..	20,562,850	Decrease in Balances ..	2,919,490
Total	121,431,303	Total	121,431,303

ESTIMATES FOR YEAR 1923-24.

	£		£
Ordinary Expenditure ..	801,013,000	Ordinary Receipts ..	778,500,000
Special Expenditure ..	15,603,000	Special Receipts	40,000,000
Total	816,616,000	Total	818,500,000
		Surplus	1,884,000

NATIONAL DEBT. (Million £.)

	Aug. 1, 1914.	Mar. 31, 1918.	Dec. 31, 1919.	Mar. 31, 1920.	Mar. 31, 1921.	Mar. 31, 1922.	Dec. 31, 1922.	Mar. 31, 1923.	May 19, 1923.
Funded Debt	588	318	315	315	315	314	314	314	314
Term Annuities	30	22	20	19	18	15	15	15	15
3% War Stock	63	63	63	63	63	63	63	63	63
4% War Stock	16	13	13	13	13	13	13	13	13
4 & 5% War Stock	2,091	2,047	2,040	1,995	1,953	2,071	2,071	2,071	2,071
National War Bonds ..	649	1,509	1,476	1,413	1,201	971	971	971	956
4% Funding Loan ..	409	409	405	401	401	401	400	400	400
4% Victory Bonds ..	360	357	348	335	335	335	335	335	335
3% Conversion Loan ..	23	24	24	24	24	24	24	24	24
5-year Treasury Bonds ..	381	166	166	166	166	166	166	166	166
5% Treasury Bonds ..	40	40	40	40	40	40	40	40	40
5% Treasury Bonds ..	8	69	69	69	69	69	69	69	69
Do by tender 5% ..	84	108	108	108	108	108	108	108	108
Do 4%, 1931-33	2	2	2	2	2	2	2	2	2
Treasury Bills	15	961	1,107	1,107	878	719	616	590	590
Exchequer Bonds	30	392	323	319	285	150	150	150	150
Nat'l. Savings Certs. ..	138	267	274	285	342	350	354	355	355
War Expend. Certs.	944	1,306	1,181	1,132	1,087	1,071	1,070	1,070	1,070
Other Debt	51	51	51	51	51	51	51	51	51
American Loan	1	204	243	205	154	147	194	191	191
Temporary Advances ..	654	5,872	8,033	7,829	7,574	7,655	7,768	7,662	7,641
Other Capital Liabilities ..	49	46	47	49	68	67	68	68	68
Total Liabilities	711	5,921	8,079	7,876	7,623	7,721	7,835	7,730	7,709

POSITION OF THE FLOATING DEBT.

	Out.	May 20, '22.	Mar. 31, '23.	May 19, '23.	Movement week ended May 19, '23.
Temporary Advances ..	161,601,500	193,897,500	190,680,500	—	5,850,000
Advances by Bank of England ..	781,839,000	615,045,000	589,990,000	—	1,575,000
Advances by Public Deposits ..	—	—	—	—	—
Treasury Bills outstanding ..	943,440,500	809,942,500	780,670,500	—	4,275,000

THE CHANGE OF GOVERNMENT.

THE retirement of Mr Bonar Law severs yet another and almost the last of the links which connected the Cabinet of to-day with the Governments of the war era. The transition has been effected with despatch and an absence of fuss which has aroused pride in the forms of our smooth working Constitution and admiration for the efficiency and tact with which the King discharges his important functions. Mr Baldwin has been chosen in preference to Lord Curzon on the sound ground that in these days, when real power and the strife of politics is increasingly centred in the Lower House, the Prime Minister should be a House of Commons man. But the choice has commended itself to the country for the added reason that whatever Lord Curzon's claims to the chief office under the Crown may be—and his claims are very great—there is a personal objection to him as head of the State. The fact that, rightly or wrongly, Lord Curzon has come to be regarded as the embodiment of the aristocratic tradition of government is a real objection to a Curzon Premiership, for it would undoubtedly tend to emphasize the class character of the struggle in the political arena. There is a partial truth in this view of politics, but it is far from the whole of the truth. Political differences are the outcome partly of the variations of temperament and outlook to be found in every society and partly of divergent economic interests. Political life is the healthiest where the former predominate.

Mr Baldwin, on the other hand, has been accepted as a representative figure in a much wider sense. A man of insight, culture, and modesty of character, he has struck the imagination of the public by his humanity. Fond of home life rather than ambitious of advancement, his quiet request for the prayers rather than the congratulations of the Press men who met him after leaving Buckingham Palace will have stimulated a sympathetic reflex among serious minded people. Mr Baldwin therefore starts with a substantial credit balance of personal goodwill. The settlement of the American debt and this year's Budget are also substantial grounds for confidence in his

ability and statesmanship. At the same time, the appointment of a comparatively inexperienced Premier is undoubtedly something of an experiment. Nor can the future be very clearly foreseen with a leader whose political views are to the public more a matter of hearsay than of knowledge. Mr Baldwin is believed to be genuinely friendly to the League of Nations; but his appreciation of the importance of Free-trade, not merely as the foundation-stone of Britain's economic life, but also as the only possible basis of closer economic co-operation between the nations is much more open to question. The House of Commons never quite made up its mind how far Mr Baldwin's heart was in the Safeguarding of Industries Act; but, at any rate, his record is that of a convinced Tariff Reformer. Time will, however, rapidly resolve these uncertainties, and we shall have many occasions on which to follow Mr Baldwin's path through the jungle of contemporary history.

In the meantime we take our leave for the moment of Mr Bonar Law, with respect and sincere wishes for restored health. These sentiments are no mere matter of form. The late Prime Minister has long had a very firm hold over the affections of his own party, and there is no feature of his short administration more striking than the rapidity with which he won the esteem of both sections of a high-spirited and critical Opposition. When we come to assess Mr Bonar Law's contribution to the political history of his generation, it is by the qualities of sincerity and of integrity which he has brought into public life that he will be remembered rather than for actual achievement. To some extent this is due to the course of events. But it is doubtful whether his qualities equipped him for creative statesmanship even if the opportunity had befallen him. His public career falls into three periods. From the time when he was elected successor to Mr Balfour as leader of the Conservative party, as a compromise candidate between the rival claims of Mr Austen Chamberlain and Mr Walter Long, until the outbreak of war, his task was that of clogging the progress of Liberal legislation. In the light of subsequent events we may, perhaps, doubt whether he looks back with entire satisfaction on his resistance to progressive taxation, social insurance, and the democratisation of the franchise, or the support of the prerogatives of the House of Lords. Indeed, in connection with the greatest fight of all—Home Rule for Ireland—he observed with characteristic detachment during the debates on the Irish Treaty that "it is quite possible, if we chose to turn our minds back, that if the country had followed Gladstone in 1886 this terrible misfortune, for it is nothing less, would have been cured, at any rate, a generation ago." This first chapter came to an abrupt end when Mr Bonar Law gave Mr Asquith the assurance, on August 1, 1914, that he could rely on the support of the Conservative party in the event of war with Germany.

Mr Bonar Law's war service really starts when he joined the first Coalition Government in May, 1915. During the war years and in the year succeeding the Armistice he carried a heavy burden of administration. In this task his exceptional memory and his quickness in picking up his subject were invaluable. But throughout this period he was overshadowed by certain of his colleagues, and in particular by the more spectacular and imaginative figure of Mr Lloyd George. But, though there is little that stands out in the public mind as his distinctive contribution to Government during the war, he set a notable example to the world of loyal co-operation and an absence of desire for self-advertisement in pursuing the common aim.

Finally, we have, as the last phase, his short Administration. For an appreciable part of that time his health kept him from taking part in debate. He was returned with the object of carrying on for a period a quiet and sound administration, and to save the country as far as possible from excursions and alarms. But fate otherwise ordained. It fell to him to bring to a head our differences with France, three of his Ministers for whom seats had to be found after the General Election were wrecked in the violent storm which arose over housing, and in the last month his Home Secretary has been defeated in the Courts, and has become liable to severe penalties for interning suspected persons without trial. But, after all, we are perhaps doing Mr Bonar Law less than justice, for

he has to his credit the taking of the decisive step which overthrew the late Coalition. By this action he restored our political life to party lines at a time when it was a delusion and a sham to pretend that no differences existed.

The division into political parties is, as we have said, the natural and proper expression of real differences of outlook which must take effect in divergent action if politics are to be honest and sincere. Mr Bonar Law will be known to history as the man who restored party government when the national unity which was required to win the war had become no longer an overriding necessity.

GREAT BRITAIN AND THE EAST.

IN spite of alarms and excursions, the signature of peace at Lausanne still appears more likely than a fresh Græco-Turkish war along the Maritsa. If peace comes we can at length begin to reconstruct our position in the East, and it is already time to take stock of it. It has changed so profoundly during the last eight years that it requires some imagination to think ourselves back into what it was in 1914, on the eve of the European War, or in 1918, on the morrow of the Armistice.

In 1914 it was clearly defined from almost every point of view. Geographically, our Oriental Dependencies were then sheltered on the land side from any serious menace on the part of great military Powers, and were practically defensible by sea-power alone. Egypt was encompassed by desert and water; India was isolated from the rest of Asia by the Himalayas and Afghanistan, more effectively than Italy from Europe by the Alps and Switzerland. Within these well-fenced domains (which coincided with the richest and most populous portions of the Near and Middle East) we ruled partly by a tradition of military prestige; more by the living fact of our administrative and economic efficiency; and most of all by the justice and impartiality with which we conducted ourselves in our dealings. We believed in our moral ascendancy, and we were justified in this belief by the apparent assent of the great majority of the governed. We also believed that this state of affairs, though its origins had been sudden and almost miraculous and it was not yet a century old, was destined to endure for ever. Apparently the "Unchanging East" had been waiting for us since the Creation to take it in hand, and presumably it would remain in our safe keeping until the Day of Judgment, when we should render a gratifying account of our stewardship.

By 1918 the outlines had become less clear—particularly on the map, where the military necessities of the war had drawn us out into the open. Beyond the glaciis of Egypt, General Allenby (holding supreme command over our French and Syrian Allies) was occupying Palestine, Syria, Cilicia, and the passes of the Taurus. Beyond the glaciis of India, the Mesopotamian Expeditionary Force was occupying the plains of Iraq as far as Mosul, feeling its way into the Kurdish mountains, and stretching out a long arm across Persia to the Caspian. A third force—the "Army of the Black Sea"—was assisting the Navy to hold Constantinople and the Straits, and the two wings had joined hands across Trans-Caucasia, where a cordon of British troops was holding the railway between Batum and Baku. In Trans-Caspia another British force, linked by costly lines of communication with India, was warning the Russian Soviet troops off the left bank of the Oxus. And in Cis-Caucasia, the Murman Peninsula and Siberia, British munitions, money and men were being thrown into the scales of the Russian civil war. Geographically, the entire Middle East, including Russia's former holdings there, seemed in process of incorporation into our system, with the exception of one or two French enclaves; and Russia herself, our former rival, had become a carcass disputed by half-a-dozen client or pariah governments. Our Empire seemed expanding over the whole face of Asia, and though the military experts were already shaking their heads at the dispersal of our energies and the indefinite increase in our commitments, the Government and the public (only just relieved from

the fear of Germany) were refusing to take alarm. The financial drain of our new position in the East was still an imperceptible fraction of the gigantic drain of the War; we had become a first-class military power, as well as the chief power on sea; we had demonstrated our efficiency by improvising a victorious resistance to the German attack, by mobilising our economic energies for the struggle, and by carrying on the administration of our vast Empire, meanwhile; and, as for our moral position, had we not been fighting for the liberty of small nations and the cause of international right? Our Oriental dependents, at any rate, had testified both actively and passively to our righteousness. The rebellions *en masse*, which the Germans had expected and incited, had not come to pass. On the contrary, hundreds of thousands of Indian soldiers had volunteered for active service in Iraq and France, and hundreds of thousands of Egyptian labourers for work behind the front in Palestine. The former vassals of Turkey in the Arabian Peninsula had become our Allies; the Nationalists of Iraq, Syria, and Palestine had received us as liberators; the Amir of Afghanistan had stood by his treaty engagements, and a Persian Government was negotiating a treaty with us that was to supersede our agreement with Russia in 1907, and to give us an exclusive position; the Turks, prostrated by a crushing defeat after seven years of war, were asking for nothing better than a British protectorate, and were allowing a handful of British control officers to govern Anatolia; and finally there was the Greek army, trained without being exhausted by its participation in the last phase of the War, which Mr Venizelos was offering to place at our disposal if any part of the Eastern peace settlement needed to be carried through by force. The "Unchanging East" seemed to be watching our new aggrandisement in the same spirit of acquiescence as had made possible the foundation of our rule. This aggrandisement might or might not prove to be good business, but, with Germany and Russia out of the way, we could afford to test that at leisure, and if, on trial, we found our new line uncomfortably "far-flung," we could always (we thought) retire with safety and dignity into our well-tried pre-war frontiers.

By 1923 the position has changed again, and this time almost beyond recognition. The great armies that overthrew Turkey have not only ebbed away from the high water mark of 1918, they have been withdrawn and demobilised. We are almost back to the frontiers of 1914, and our security, even at the vital strategical points of our pre-war position, will now depend not only upon our military power to hold them, but on our success in securing the goodwill of the local governments and peoples. We shall not know how we stand at the Suez Canal until we have made friends with Egypt, or on the North-West frontier till we have made friends with Afghanistan, or in Iraq till we have made friends with Turkey, or in the Persian Gulf till we have pacified our rival clients in Arabia, or in Palestine till we have allayed the mutual suspicions and prejudices of the Arabs and Jews, the Catholic and the orthodox churches. In Persia, the Parliament has refused to ratify the Treaty signed by the ex-Government, and our last troops have left the country. Afghanistan has made war against us, and in recognition we have restored her to complete independence. Russia has again become a united and therefore a great Power; her troops have replaced ours in Trans-Caspia and Trans-Caucasia; our old competition with her for supremacy in the East has started again, and our relative positions during the last phase have (at least temporarily) inclined the sympathies of the Oriental world to her side. Her greatest triumph, and our greatest blow, has been the resuscitation of Turkey and her army. Instead of British officers controlling the Turkish forces in the interior of Asia Minor, the Turks themselves are now threatening the British garrisons in Iraq and at Constantinople; while the intervention of Mr Venizelos's army, which Mr Lloyd George duly brought into action, has merely stimulated Turkish nationalism, and made its triumph more complete. Worst of all, the outbreaks in Egypt and India, which Germany expected to contribute towards her victory, have occurred illogically after her defeat, with consequences hardly the less serious to the British Empire than if they had come upon us during the war.

Our most serious losses of all, however, cannot be stated in terms of territory or military power. They affect our moral standing, on which our whole position ultimately depends, and unhappily they are extensive. The Turks who have lived under our military occupation at Constantinople, or in our places of internment at Malta, have ceased to believe in our justice, incorruptibility or *savoir faire*; the Egyptians think us cheats for having tried to slip their country into our Imperial pocket after the string of protestations that we made between 1882 and the war, and hypocrites for maintaining martial law after conceding them independence in name; the Indians consider that we have broken faith with their soldiers who fought for us by failing to abide by declarations regarding the future of Turkey and the Holy Places, which we published during the war; King Hussein of the Hejaz and the Nationalists of Iraq, Palestine, and Syria deny that we have kept the pledges concerning Arab independence, which we gave them between 1916 and the Armistice; the Zionists quarrel with our interpretation of the Balfour Declaration, and the Cypriots with our interpretation of the rights of small nations. The Armenians are not grateful to us for extracting "propaganda value" out of their corpses during the war, and leaving them after the Armistice without even six feet of earth to rest in. The Greeks are sorry that they made themselves our pawns. It remains for us to disillusion the Assyro-Chaldeans, which we shall probably achieve in the process of settling the problem of Mosul.

Can we recover our moral prestige in the East? Our future there depends on the answer to this question, and though the present position is discouraging, it is certainly not irretrievable if we set about reconstructing it in the right way. In the first place, we have to realise that the East, which never has been unchanging when studied with the microscope, is now in a revolutionary state of transformation, which ought to be plain to the dullest eye. Secondly, we have to understand this state of mind, and the direction in which it is tending. And then, thirdly, we have to adapt our position to these realities, instead of continuing obstinately to orient ourselves by an imaginary picture of the past. The developments that have now broken through to the surface were, in fact, preparing themselves underground in the period before 1914, though we chose to ignore the symptoms. They have been greatly accelerated by the war, and most of the troubles that have happened to us after the war are legacies from it. In these critical circumstances we have yielded to the lassitude which is the inevitable reaction after abnormal exertions, and have displayed special indifference towards our Eastern interests at a time when they needed our special attention. Here is the point of departure for our new policy; for, whatever this is to be, we cannot begin to carry it out till we get into mental touch with the Oriental peoples whose destinies are bound up with our own.

JUVENILE UNEMPLOYMENT.

(BY A LABOUR CORRESPONDENT.)

THE announcement that the juvenile unemployment centres now in existence may shortly be compelled to close their doors draws attention to an important industrial problem which has been too long neglected. It does not appear to be realised that juvenile unemployment is a problem of some gravity. Even in normal times there is a good deal of unemployment amongst young people, and during a trade depression it becomes very considerable.

About 600,000 young people leave school every year, the vast majority of them to seek wage-earning employment. In a time of normal trade they are absorbed into industry and commerce with relatively little difficulty. But in a time of slump the demand for labour shrinks, and as the supply in the market is, in effect, constant there is a surplus. The entry of young, immature, and inexperienced workers into the labour market in these circumstances intensifies the problem. Either the new entrants get jobs or they do not. If they fail to get a job, they swell the army of the unemployed. If they succeed in getting jobs, then,

in general, it will be at the expense of others, and therefore, indirectly, each new juvenile who finds work adds to the volume of unemployment. It is not suggested that inexperienced boys take men's jobs. What, in fact, happens is that the cheaper, though less experienced, juvenile of fourteen may get a situation by ousting from it a youth of fifteen or sixteen, or securing it in competition with an older person already in the labour market. Young persons with some experience may, in their turn, maintain a foothold in the economic system by directly or indirectly displacing persons of eighteen or nineteen, who may drive out of jobs, or keep out of jobs, adult workers. This process, of course, is not put into operation by every lad or girl who has just left school; but it undoubtedly takes place in scores of thousands of cases. It is, indeed, inevitable that unemployment should be intensified during a period of diminished demand for labour if the supply of labour is automatically and regularly increased.

Now, suppose that the entry of boys and girls into the labour market were in some way barred during a period of trade depression. Several results would follow. In the first place, the dislocation and waste resulting from changes of jobs as younger and cheaper workers displaced those who are older would be avoided. Secondly, the volume of unemployment amongst youths, men, and women would be diminished and a large amount of loss of skill and a considerable amount of deterioration would be avoided. Thirdly, the State Insurance Fund would not be drained to the same degree by payments of unemployment benefit to workers and additional benefit to their dependents. Finally, the young persons who had been kept out of industry, provided adequate arrangements for their care had been made, would not have been subject to the demoralisation of periods of unemployment.

The only way in which a dam could be placed across the stream of new competitors for employment would be by legislation prohibiting boys and girls from leaving school when the volume of unemployment was abnormal—except, perhaps, in exceptional cases. Had this course been followed, probably nearly a million and a-half, and certainly over a million, juveniles could have been kept out of the labour market during the present trade depression. It can hardly be denied that the effect of this on the unemployment situation would have been appreciable. As these juveniles are the least valuable workers, their services might well be dispensed with during periods of unemployment, more especially as such a period is hardly an opportune time for immature youths to embark on wage-earning employment. There should be a large measure of agreement for legislation which would require all boys and girls to continue some form of full-time school attendance when there is more than, say, 5 per cent. of unemployment.

We have not, however, chosen to follow this course. Nor have we made provision against juvenile unemployment through the National Insurance scheme. Between the ages of fourteen and sixteen workers are excluded from the operation of the Unemployment Insurance Acts. At the latter age, if they are employed in industries and callings which are within the scope of the scheme, they become insured; but only 10 per cent. of the boys and girls between 16 and 18 years of age are qualified to receive benefit in the event of unemployment. It will be seen, therefore, that only a fraction of the workers under 18 receive unemployment benefit. Yet, so far as can be ascertained, the percentage of unemployment amongst juveniles is fully as high as the general percentage for all ages. Our unemployment records are incomplete, but more especially so as regards juveniles. It has been estimated that there were in January between 200,000 and 300,000 unemployed juveniles. This, however, is probably a conservative estimate, and the true figure in all likelihood exceeds 300,000. Of this number but a relatively small proportion are in receipt of unemployment benefit.

The only other way in which an attempt has been made to cope with juvenile unemployment is through the establishment of centres of an educational and recreational character. At the end of the war, when serious industrial dislocation and unemployment were

anticipated, in consequence of the cessation of war work, the Government, as part of its policy, provided the entire cost of juvenile unemployment centres for young people out of work. When, however, less generous provision was made by the State, most of the centres were closed, though in the meantime the general industrial situation had improved. It was not until the end of last year that an attempt was made to re-establish unemployment centres. The present Government shortly after it assumed office decided to make a grant, through the Ministry of Labour, equivalent to 15 per cent. of the cost of approved centres, the remainder of the expenditure falling upon the local education authorities. It was some time before the policy could be put into operation. The Ministry of Labour asked that schemes should be submitted by February 1st of this year. By February 21st 67 local authorities had submitted schemes, and of these 42 had been approved. The average total attendances at juvenile centres during March were 7,980, and there were 70 centres in action. The attendance during the week ended May 2nd—the latest date available—was 8,610 at 89 centres.

Unfortunately, instead of extending these centres and making attendance obligatory, there is a fear that the existing centres may come to an untimely end. The centres were recognised for three months ending May 31st. The period has, however, been extended to June 30th, and in the case of centres more recently established to July 21st. Then, unless there is a change of policy, no more money will be forthcoming from State funds, and the centres will therefore collapse.

It is a great misfortune that there has never been a coherent and comprehensive policy for dealing with the problem of juvenile unemployment. It is improbable that such a policy will be formulated and put into operation during the present period of unemployment. But the lessons of the last two years are obvious. Whether the question be regarded from the industrial point of view or from the wider national point of view, unemployment amongst juveniles is too serious a problem to be neglected. Any expenditure of public money which would be incurred by a constructive policy would offset a good deal of the present expenditure on unemployment benefit, whilst the effect on the juveniles themselves, though incommensurable, would be substantial from both the social and economic points of view.

OIL.—III.—THE TREND OF DEMAND.

CONSIDERING broadly the world's fuel consumption, it is foolish to describe the present as "the oil age." Even reckoning that four barrels of oil are the heat equivalent of one ton of coal, the world's present output of oil could not replace more than 11 per cent. of the quantity of coal consumed. It is estimated that to substitute fuel oil for the coal consumed annually in the United States alone would require an annual crude oil production in that country of over 3 billion barrels, as against the present production of something over half a billion barrels. The "oil age" is still upon us. Indeed, while a continuance of the progressive output of oil may be conditional, as we have suggested, only upon the progressive drilling of new wells, a continuance of the rate of increase in the consumption of oil (12.3 per cent. per annum since 1913 in America) is conditional upon many variable factors. It is only certain that the crude oil commodity in the future will be more economically and efficiently utilised, and that to some extent increases in the demand for oil products will be met without proportionately increasing the crude oil production. It is therefore possible to argue, as much from consideration of the trend of the world's oil consumption as from consideration of the world's oil resources, that supply should continue to meet demand.

Let us begin by analysing the past and present demand for oil in some detail. In the United States, where more than half the world's oil is consumed, the position may be summarised thus:—

PRINCIPAL OIL PRODUCTS PRODUCED FROM CRUDE OIL RUN TO STILL IN THE UNITED STATES IN APPROXIMATE QUANTITIES AND PERCENTAGES.

	(Millions of Gallons.)				
	Crude Oil.	Gasoline.	Kerosene.	Lub. Oil.	Gas and Fuel Oil.
1899—Run to stills	2,180	281	1,259	170	305
Percentages	..	13	58	8	14
1904—Run to stills	2,810	291	1,357	315	360
Percentages	..	10	48	10	13
1909—Run to stills	5,070	540	1,675	537	1,702
Percentages	..	10	33	10	34
1914—Run to stills	8,040	1,500	1,935	517	3,734
Percentages	..	18	24	6	46
1919—Run to stills	15,200	3,958	2,342	847	7,627
Percentages	..	26	15	6	50
1922—Run to stills	21,029	6,202	2,306	978	10,706
Percentages	..	19	11	5	50

The remarkable shifting of demand from one oil product to another illustrates the revolution which, as we have mentioned, the oil industry happily suffered at the hands of the automotive industry. The demand for kerosene, which required 58 per cent. of the total quantity of crude oil refined in 1899, has so decreased, with the competition of gas, electricity, and other forms of lighting, that it is now satisfied by only 11 per cent. of the present total. It will be observed that 69 per cent. of the total quantity of crude oil refined last year was required by the demand for oil as a power-producer—19 per cent. as gasoline for the motor engine and 50 per cent. as fuel oil, either for steam raising or for the Diesel type of engine. Indeed, with the new use for kerosene in the internal combustion engines of the farm tractor, the fishing vessel, and the like, together with the increasing use of gasoline for road and air transport, a still greater percentage of the crude oil supply will be utilised in the production of power. This is the consideration that has caused the oil business man to declare, whenever there is a boom in trade, that the demand for oil will go ahead too fast for production. To appreciate the unwisdom of this view, let us examine the demand for fuel oil and gasoline more closely.

The bulk of the fuel oil produced is required for burning under boilers for raising steam. It is not an exaggeration to say that this consumption of fuel oil under boilers is, except in certain industries, a passing economic phase. Fuel oil burning will disappear generally as soon as the use of heavy oils in the Diesel type of internal combustion engine becomes widespread enough to raise the price of fuel oil above its economic ratio to the price of coal—which is about 8:14. Up to the present time furnace oil has been able to compete with coal in the matter of price for two reasons—first, because the economic focus of the complete oil refinery is the production of gasoline, which leaves a fuel oil residue that the refiner can afford to sell cheaply (the gasoline accounting for 44.5 per cent. of the total return on the refining process); and, secondly, because in the era of flush production there are producers anxious to dispose of their heavy crude oil output as rapidly as possible, that is, by taking off the light distillates ("topping"), and disposing of the remainder as fuel oil. Even so, fuel oil very often fails to compete economically with coal. For instance, in England it has been plainly demonstrated that it needs a prolonged coal strike to turn industrial consumers to fuel oil. Even in America the consumption of fuel oil industrially is small in comparison with that of coal, except west of the Rockies, and is chiefly centred in the metallurgical industries, where oil burning serves a distinct and unique purpose. It must be remembered that economy in handling is possible even with solid coal. There are large electric power stations in America which handle their coal fuel entirely by machinery from the moment it leaves the mines, unloading it at the rate of eight tons a minute, and feeding it to the boilers on moving belts and automatic grates. The following statistics of the consumption of fuels in America in the production of electricity from 1919 to 1922 are instructive:—

FIGURES OF U.S. GEOLOGICAL SURVEY.

Fuel Consumed in Production of Electricity	1919.	1920.	1921.	1922.
Coal, tons	35,100,000	37,124,000	31,585,000	34,176,000
Oil, tons	1,674,000	1,988,000	1,823,000	1,999,700
Gas, 100 cubic feet	21,406,000	24,724,000	23,722,000	27,172,000

There are, of course, in some directions peculiar advantages in oil-burning as against coal—as, for instance, in ships, which can bunker more quickly with oil and save valuable cargo space, and particularly in the large passenger ships, which can secure extra voyages in the year and greatly reduce operating expenses, or in the palatial hotels and stores, or in food factories, which have as much regard for the cost of cleanliness as for the cost of heat units. But for the rest the price is the governing factor. Even in the British merchant marine the demand for fuel oil falls flat whenever the price exceeds, roughly, twice that of coal.

In any case, both fuel oil and coal burning are forms of economic waste. In average practice the steam engine utilises less than 10 per cent. of the heat in oil or coal, while the internal combustion engine makes use of over 30 per cent. With Diesel engines a ship can obtain the same power, or the same range, on one-third the quantity of the fuel which would be required for oil-fired furnaces. The important fact to seize is that heavy oil or fuel oil can be, and has been, used in the Diesel engine, although "Diesel oil" is presently required to be much lighter than "fuel oil" for the type of engine in vogue. In the merchant marine the number of Diesel-engined vessels is increasing steadily. There is no doubt that the internal combustion engine using heavy oil is the power unit of the future. The fact that the number of oil-burning vessels appears to be multiplying more rapidly than the number of Diesel-engined vessels means nothing, seeing that the oil-fired furnace can be, and is, converted back without much trouble to coal-burning whenever the relative prices of fuel oil and coal demand it. If, then, the demand for power units, either by the merchant marine or by the industrial plant, is to be met more economically by the consumption of heavy oil in the internal combustion engine than by burning it under boilers, one will readily appreciate how vastly that affects the ratio of oil supply to demand. One-third the quantity of heavy oil would serve the same power-purpose.

If we examine the demand for that other power-producing product of the crude oil—namely, gasoline—we find the same tendency for supply to go further; that is, to be utilised more economically. In this case it comes about through progress in the science of oil refining. The increasing demands for gasoline have been met, for example, without proportionately increasing the production of the crude oil. In other words, the production of natural gasoline (called "straight-run") in the refining process has been supplemented by a growing volume of "casing-head" gasoline and "cracked" gasoline, which are generally blended together. "Casing-head" is the highly volatile gasoline recovered from natural gas, while "cracked" gasoline is manufactured from the heavy oil fractions (fuel-oil) by processes of "cracking" distillation, whereby the heavy hydro-carbons are decomposed or "cracked" into lighter, more volatile, components. This supplementary production now accounts for about 20 per cent. of the total gasoline supply in America. At the same time, another supplement to supply has been increasingly utilised—that is, the inclusion of the lighter ends of kerosene, which has the effect of raising the "end point" of the gasoline product; in other words, of lowering its volatility—to the annoyance, hitherto, of the motor-engineer and driver. By this latter means about 15 per cent. of the total commercial supply in the United States is accounted for. In this direction far-reaching changes are developing.

Progress in oil technology is being made in other ways—to the same end of conservation of supply. Sir John Cadman has said: "I believe that before any danger arises of a world shortage of petrol, science will have perfected a method of hydrogenation to supersede the relatively wasteful and unsatisfactory 'cracking' processes. By this means the abundant supplies of kerosene, gas and fuel oils could be built up into petrol, and an immense addition made thereby to the quantity available." As a matter of fact, two inventors already claim to have solved the problem of hydrogenation—Dvorkovitz and Bergius—and Sir John Cadman must have been aware of the latter's invention when he made that prophecy. In the hydrogenation of coal cannot yet be said to be a commercial success has been applied on a semi-commercial scale to the

hydrogenation of heavy oils by a German company near Mannheim, whose plant is said to be capable of treating 50 tons of heavy oil per day. Mexican crude oil and German shale and lignite oils have there been successfully converted into oil products of low-boiling points. The importance of this invention can hardly be over-estimated.

Clearly, the theory of an impending oil famine cannot be predicated on the basis of the past consumption for oil products. The trend of demand is towards a much fuller utilisation of supply.

INDIAN GOLD MINING RESULTS.

(BY OUR MINING CORRESPONDENT.)

IN reviewing the results for 1921 of the group of gold mining companies operating in the Kolar field, India, we laid stress upon the significance for the then current year of the sharp decline in the gold premium. The reports for 1922, now all in the hands of the shareholders, make special reference to the difference in the price received—about 8s per ounce, although the whole of the gold was sold in India as a better market prevailed there, while shipping and insurance charges were saved. Moreover, nearly all the companies were under the necessity of using lower-grade ore than before. The outcome of these conditions in combination is a fairly substantial falling off in the profits, despite a distinct economy in costs. In several cases the market quotation of the shares now stands appreciably below what it did twelve months ago. Appended is a summary of the results for the past two years of a quartette of the companies:—

BALAGHAT.	1921.	1922.
Tons of ore milled	38,750	42,550
Mill yield per ton	12	11½
Working profit	36,530	36,340
Dividends	20,280	18,920
Rate per (ordinary) share	1/3	1/
Carried forward	4,820	4,160
Ore reserve tonnage	80,290	116,140
MYSORE.		
Tons of ore milled	202,290	218,080
Mill yield per ton	8½	8
Working profit	207,800	186,720
Dividends	152,500	122,000
Rate per share	2/6	2/
Carried forward	17,540	17,030
Ore reserve tonnage	837,000	712,000
NUNDYDROOG.		
Tons of ore milled	105,680	115,090
Mill yield per ton	10½	9½
Working profit	105,420	68,320
Dividends	42,400	28,300
Rate per share	1/6	1/
Carried forward	16,720	8,850
Ore reserve tonnage	175,200	191,300
OOREGUM.		
Tons of ore milled	154,000	155,000
Mill yield per ton	11½	11½
Working profit	246,400	205,080
Dividends	93,170	84,150
Rate per (ordinary) share	2/3	2/
Carried forward	17,180	16,340
Ore reserve tonnage	419,240	420,770

* Subject to corporation profits tax and directors' percentage.

On the whole, the best showing is made by the first company scheduled—the Balaghat. The profits were practically maintained at the previous year's level, although a small cut was made in the dividend; the ore reserves score a substantial increase, now representing nearly three years' supply. The saving in costs amounted to as much as 7s 4d per ton. A curious point comes to light in connection with the milling results of the Mysore. The 1921 report mentions separately the yield from the mill and from the residues, the former being 8.4 dwts. The 1922 report states that the average assay value of the ore milled was 10 dwts 3½ grs, and that the extraction equalled 98.15 per cent. Yet the crushing of a somewhat increased quantity of ore gave only 74,530 ounces as against 84,700 ounces previously. It will be noticed that the ore reserves show a fairly substantial decrease; the tonnage at the end of 1922 represents rather over three years' supply for the mill. With both the Nundydroog and Ooregum companies—especially the latter—a large proportion of the 1922 earnings was swallowed up by capital expenditure. Mainly with a view to improving

the ventilation the management of the Ooregum is temporarily suspending development at depth and concentrating upon shaft sinking. An interesting point is that a level from this property, extended into the Nundydroog 1,130 feet below the deepest workings of the latter, showed a fair run of payable ore. The Nundydroog last year opened up rather more ore than it milled.

The report of the Champion Reef is the first to cover the twelve months ended December 31st, the financial year having lately been altered so as to correspond with that of the other companies in the group. The results shown are far from exhilarating. Economy in costs did not go far towards compensating for the decline in the gold premium, the net profit coming out at barely £11,000. The financial position is strong, the net cash assets considerably exceeding the present market price of the shares. But, of course, the funds are not available for distribution—and may, indeed, be expended without adequate results in the way of ore supplies. For several reasons development was restricted last year, and the ore reserves show a decrease. In view of this, the tonnage of ore crushed monthly is to be curtailed by about one-quarter.

Appended is a comparison of market prices a year ago and now, and the return to the investor on the basis of the 1922 dividends:—

	Price of 10s Share.		Yield
	May, 1922.	May, 1923.	per Cent.
Balaghat Pref.	13/-	13/-	15
Do Ordinary.....	8/-	8/-	12½
Mysore	12/6	10/-	20
Nundydroog	9/-	8/6	12
Ooregum Pref.	22/-	20/-	15
Do Ordinary.....	14/6	13/-	15½

It will be seen that there are considerable variations and some anomalies.

LEAD MARKET PROSPECTS.

(FROM A CORRESPONDENT.)

IT was very striking during the recent rapid decline in values relating to the non-ferrous group of metals that pig-lead not only held its position but actually hardened a little, although dealings were small and largely confined to professional operators. This in the face of increasing supplies speaks well for the way the market and the course of prices are controlled, but users not only in this country but abroad as well are not inclined to pay much attention to this show of strength, and look for a lower level in selling rates during the next few months. The dispersal of the war surplus and the shrinkage in the world's lead production from 1918 onwards did much to aid manipulation, but a close analysis of the present position suggests that the figures now current are much too high, and that as time goes on the law of supply and demand will operate without hindrance in fixing world selling rates. London prices are usually below American parity, but it cannot be claimed that the market here is altogether free, and users all over the country greatly resent this price manipulation, which they claim is very detrimental to the manufacturing trade of Great Britain. As an instance of this it may be stated that foreign lead sheets and pipes are obtainable at several pounds per ton below home prices, and lead rollers and corrodors are thus under a very severe handicap in competing for overseas business. They claim that it is absolutely essential that they should have at their command ample supplies of raw material at competitive prices, and there is a lot of feeling among consumers at the way ordinary users are deliberately kept short of supplies, and in many cases forced to pay a premium of 10s to 20s per ton for spot or prompt metal.

Before the war, as is well known, the lead market was more or less under German control. The Lead Convention had full power, and prices were manipulated with impunity. Germany owned the lead mines in Upper Silesia, had large interests in the lead mines of Spain and other countries, and as prime producers of metallic ores

in all parts of the world, including Australia, Mexico, China, &c., it was comparatively easy for the Convention to manipulate the market and fix values as they pleased. Lead manufacturers and other consumers in this country did not like the arrangement at all, but they were compelled to pay what was asked. It was the aim of the Germans as prime producers to secure high prices for all lead marketed, and, generally speaking, an increase in world production did not lead to any fall in values. Thus while the world's production of lead increased from 1,092,000 metric tons in 1909 to 1,186,700 tons in 1913, the London selling price rose from an average in 1910 of £12 19s 1d to £17 15s 10d in 1912 and £18 10s 4d in 1913. In 1912 and 1913 the world's lead output rose to the very highest, but the imports into the United Kingdom dropped to 205,000 tons, and from this it is obvious that the markets were under very close control. The average London selling price of lead from 1903 to 1912 was £14 10s per ton, and this while the market was under German control, but the average for the ten years from 1913 to 1922 was no less than £26 19s 6d. Allowance must be made for the fact that in 1920 lead was phenomenally high with a range from £52 7s 6d down to £21 10s, but nevertheless it is a striking fact that the average price of lead last year was kept within a few shillings per ton of the average for the period from 1916 to 1919, and this certainly needs some explanation. The world's production of lead, which in 1913 amounted to 1,186,700 tons, stood at 1,312,552 tons in 1918 and then began to fall away rather rapidly, the output for 1921 amounting to 941,119 tons. This comparatively small production no doubt laid the markets open to manipulative tactics, and it is an undoubted fact that while the stocks of lead in the warehouses in the United Kingdom since the end of 1921 have never once exceeded 700 tons, the imports into the country have been on a full scale, running for the first four months of this year to 15,000 tons per month, against a similar tonnage for the same period of 1922. Thus it seems pretty certain that there must be secret stocks held somewhere. That they are rigidly controlled is proved by the backwardation of 15s to 20s per ton and the shortness of prompt lead. Not so long ago it was freely stated that lead, that is to say, of course, soft foreign pig-lead, was going to fall to under £23 per ton, and buyers have been making their purchases and covering their future commitments accordingly. When values were on the up-grade, they refused to believe in the higher level, and the rise to £29 15s in March last created a very suspicious feeling, which is still in evidence. In the second week in May London values dropped to about £24 for a brief period, but there has since been a steady upward movement again, and this, in the face of the apathetic trade demand, is certainly a very striking factor in the situation. There was a lot of bear selling when the market looked like falling, and naturally the subsequent rise induced some covering, but, all the same, the metal keeps on arriving in excess of trade requirements; thus it cannot be said that the present level of prices represents the exact value of lead, and it remains to be seen how long holders can maintain their position if consumers hold back.

Everything points to an increase in supplies over the remainder of the year, this remark applying to Spain, Australia, and South Africa, but more particularly to Mexico. The latter country is reported to be producing lead at the rate of 16,000 tons per month just now, and it is perfectly obvious that if a Mexican lead output of something like 200,000 tons per annum has to be reckoned with world values of the metal will be influenced very considerably. The Mexican production in the year 1912 was about 120,000 tons, and in 1913 there was a fall to 70,000 tons. From 1914 to 1917 the output ranged from 22,000 to 50,000 tons, as near as can be gathered, but in 1918, helped by the high selling prices, the production jumped up to close on 100,000 tons. Thus, if Mexico is about to produce lead even in excess of its normal pre-war output, the world value of the metal is bound to be influenced. Most of the Mexican lead is shipped to the United States and refined in bond, and usually re-exported to Europe. The lead production in the United States is also steadily expanding again, and while the demand for the metal for American domestic use is good at the rate of 500,000 tons per annum, it is not likely to exceed this.

Thus, with an American lead production from domestic ores of fully 475,000 for all this year, there would be a full supply available for export, and this must be taken into account in seeking to gauge the future course of the market. In 1913 Spain was producing lead at the rate of about 200,000 tons per annum. In 1921 the output had fallen to about 115,000 tons, but it is quite likely that there will be an improvement this year, as the labour position is somewhat more satisfactory, and the high rates recorded last year did much to stimulate mining enterprise. The Australian production, which in 1918 was over 150,000 tons, has been seriously disturbed by labour difficulties, and in 1920 the output was very small, but here again the position has improved, and a better production has to be reckoned with. The African and Burma lead outputs will also make a good showing this year if expectations are realised, and this, in the face of a very limited trade outlet for supplies in this country and throughout Europe, must inevitably influence the trend of prices. The lead production of the whole world has been increasing during the last year or so at a very rapid rate, and had it not been for the exceptionally heavy trade demand in the United States during recent months, a fall could not have been held back. The cost of producing lead is still very high compared with pre-war figures, but this is now falling, and it certainly would be surprising if selling rates could be maintained at present level if the production keeps up. Lead buyers in all parts of the country are taking as little as possible; thus, very narrow markets, apart from mere speculative transactions and kindred operations, must continue for some time to come until it is seen how the position is going to turn. Well-informed opinion favours the view that there must be a downward adjustment in world lead values during the next few months unless industrial conditions change very suddenly for the better, and this would certainly do much to help various trades. The cable makers are fairly busy, but makers of lead sheets, pipes, and the usual compounds are faced with very serious competition, and thus the matter of securing ample supplies of raw material at reasonable rates is now of immense importance to them. The world lead production is not likely to expand to the 1913 level of 1,186,700 metric tons yet awhile, but it is moving that way, and with consumption everywhere feeble, the outlook cannot be regarded with any degree of confidence. Statistically the metal is fairly healthy, but the accumulation of supplies cannot be disregarded, and producers would be well advised to consider their attitude to users very carefully, as something akin to a "buyers' strike" in lead is developing, and this, if allowed to go on, would be detrimental to the whole industry.

STOCK EXCHANGE REFLECTIONS.

(BY A STOCK EXCHANGE CORRESPONDENT.)

THE Stock Exchange has just celebrated its 122nd birthday, the foundation-stone of the present building having been laid in 1801. The stone itself was discovered about 40 years ago during some alterations that were being made to the strong-room. It contains a plate with suitable inscription, praying that the blessing of the constitution may be preserved to the latest posterity. This constitution, in its essential details, has been handed down to the present day. Various modifications have occurred from time to time, but mostly of a minor character. The Stock Exchange continues to be governed by managers as representing proprietors, and by a committee on behalf of members as such, in the same way as was the case over a hundred years ago. The main criticisms directed against the House at the present time are invariably aimed at what is termed the archaic nature of its legislation, and the fine flavour of antiquity which hangs about its rules. Those rules themselves are founded upon the original set that were drawn up by the men who formed the first Stock Exchange, and who banded themselves together for the conduct of public business in stocks and shares. At that day they were under the yoke of the Lord Mayor and Corporation, nor were they able to shake this off

until the Brokers' Relief Act came into force in September, 1886. The term licensed broker, or sworn broker, is still seen on the old-fashioned Stock Exchange lists, which, by the way, contain information as to the prices of grain and other produce, of the numbers of births and deaths, the fluctuations in coal prices, and similar information which is lacking from the existing publication. There can be no doubt that a thorough revision of the Stock Exchange rules would be of sensible advantage to the House and to the public. Some of the rules may be read as contradictory; others are couched in language which baffles even the wit of experienced members to understand. In matters relating to Stock Exchange business, the plainer and the more definite the language in which rules and regulations are laid down, the better for everyone concerned. To undertake a re-casting of the rules would be admittedly a heavy task, and would require a judicious mixture of Stock Exchange and legal knowledge that might be difficult to find now, or at any other time. Nevertheless, the task would seem to be one that is worth attempting, for unless the House keeps abreast of modern tendencies, the competition which unceasingly threatens it will eat, little by little, into the business which hitherto has been regarded as practically its own. In the matter of making prices, for instance, the Stock Exchange is claimed by its members to have an instinct which has been cultivated by over a century of dealing in this manner and which is not to be found in any other Stock Exchange in the world, provincial, foreign, colonial, or American.

Although much has been done of late years, especially during the past quarter of a century, to popularise markets—the movement having come about partly automatically, partly by reason of the war, and partly by enterprise on the part of its members—a great deal of mystery and misunderstanding continues to drape Stock Exchange affairs in the eyes of the public. To remove this obscurity, a more modern rendering of the rules would contribute in no small degree. It may also be questioned whether the House is well advised to maintain some of its older traditions. No doubt the average member would regard with horror the suggestion that hammering should be abandoned, and some less dramatic manner found for announcing defaults in the Stock Exchange, but it is a fact that the fall of the hammer acts as a bad advertisement for the House, drawing attention to weakness which is bound to occur every now and then as a result of clients' defaults or other reasons. Markets have been a good deal upset during the past few business days by what is described as forced liquidation, and, while it would be as impossible as undesirable to take any steps to prevent this state of affairs from being reflected in the newspapers, the mild sensation produced by any possible hammering is of very doubtful value to the House at large. By painfully slow degrees the day approaches when the clash of interests between the proprietors of Stock Exchange shares and of members *qua* members will no longer be felt, owing to the operation of the rule which insists that new members shall acquire shares. It is easy enough to cry over the modernisation of an institution like the Stock Exchange, which has lasted for so long, and whose Official List can be traced back, in the Stock Exchange Reading Room, to the year 1697. Tradition and precedent make a formidable pair of opponents to those who would lay revolutionary hands upon Stock Exchange rules, customs, and usages, and it is worth remembering that the Royal Commission appointed in the year 1877 to look into the affairs of the Stock Exchange offered very few suggestions that might be called novel, and none, in fact, that were actually accepted. That, however, was 45 years ago. There is no avoiding the fact that the Stock Exchange and its clients would be well served if a start were to be made in the direction of removing some of the venerable excrescences which have fastened upon House business, and that these should be replaced by conditions more in keeping with the interests and the spirit of the times.

Notes of the Week.

The Soviet Reply.—We cannot agree with those who profess to regard the Soviet Note handed to Lord Curzon by Mr Krassin on Wednesday as meriting nothing better than contemptuous rejection. No reasonable person looks for complete and grovelling surrender in a document of this kind, and we are disposed, on the whole, to regard the Note as surprisingly conciliatory. A convention is offered giving rights of fishing outside the three-mile limit, pending the definite settlement of the question internationally—which is precisely the attitude taken by the Czarist Government before the war. Compensation is offered for cases where trawlers have been interfered with, and also for the execution of Mr Davison and the arrest of Mrs Stan Harding. This is a very practical form of *amende*, and we do not think the British interests really require that we should push matters to the point of rupture, and demand that Russia should make an obviously insincere declaration repudiating the validity of their action in these cases. The two truculent letters of Mr Weinstein are withdrawn. As regards the charges of anti-British propaganda, the Soviet offers to have the whole question investigated by delegates of the two countries. Further than that one could hardly expect the Russian Government to go. That they have gone so far is a surprise due, apparently, to the fact that a high value is attached to the Anglo-Russian trade agreement, and a serious view taken of the consequences of a breach. The change of Government in this country has delayed the British reply. That is all to the good, for, given a few days for calm reflection, we do not see how Mr Baldwin and his Cabinet can do otherwise than treat the Note as opening the door to continued diplomatic discussion of outstanding differences.

Hungarian Reparations.—On Wednesday last the British-Italian plan of suspending the liens on certain revenues held in respect of Reparation payments, in order to enable Hungary to raise foreign loans, was rejected by the Reparation Commission on the casting vote of its chairman—the French delegate. The suspension of these liens was regarded in British and Italian circles as a necessary preliminary to the establishment of a general system of supervision by the League on the Austrian model. The decision actually arrived at by the Reparation Commission, however, admitted the desirability of a concession on the question of liens, but "only in certain cases, and for definite loan schemes which the Hungarian Government might submit for the approval of the Reparation Commission, a fixed part of which would be assigned to Reparations." Even this "concession," however, carried with it the proviso "that the necessary guarantees and facilities for supervision must be given, so that the Commission may be assured that the portion of the loans left at the disposal of the Hungarian Government shall be applied exclusively to the financial restoration of Hungary with a view to putting that country in a position to meet her Reparation obligations." It would appear, at first sight, improbable that an international loan could be floated under such conditions, though the question of Hungary's capacity to pay Reparations certainly needs fuller exploration. With this end in view the Reparation Commission decided to send a mission to Hungary "to examine the financial and economic constitution of the country." The fundamental economic conditions of Hungary are by no means so unbalanced, nor is the country saddled with so large a redundant population as Austria, and the restoring of a stable economic régime may well take a somewhat different form. The real problem in Hungary appears to be political rather than economic. The intentions of the present Government we believe to be sincere, but more influential are organisations such as the Society of Awakening Magyars, whose lack of responsibility certainly does not make for moderation. From the financial point of view, the first necessity is clearly to restore the authority of the Finance Minister, and it is by no means certain that this could be achieved by international supervision. It should not be forgotten that Hungary is predominantly an agricultural country, and

a depreciated exchange does not imply the same degree of disorganisation as in the case of a highly-industrialised country. The great sacrifice of fiscal independence which has been made by Austria was the result of acute economic pressure, and an almost universal recognition of the need for foreign support and control. It is by no means certain that Hungary has reached, or will reach, this chastened frame of mind.

The Betting Tax.—It is probable that the ultimate fate of the Betting Tax proposal will be decided on political, and not on financial grounds, but as the inquiry that is now taking place can hardly cover the wider issues which the proposal raises, we anticipate, in fact, that its energies will be devoted to the question of the practicability of administration. The tax has much to commend it. Imposts on luxury expenditure are always less irritating to the payer than direct taxes, and in the case of the Betting Tax the State will take its tithe at a moment when the public are in an expansive frame of mind. We do not pretend to know what effect it will have on betting, or what its incidence or its yield will be, but in our opinion it has the merits of the taxes on alcohol, namely, that if the public insist upon drinking and betting in spite of the tax the Revenue will prosper; but if, on the other hand, the tax proves too burdensome for the liking of the patrons of the racecourse and the public-house, and the revenue fails to materialise, the State will have checked, and possibly reduced, two forms of expenditure which undoubtedly bring in their train a very great amount of social evil. We do not attach very much importance to the fear of those who urge that by putting a tax on betting the Government will give its stamp of approval to an undesirable practice. Betting undoubtedly has a greater hold in this country than elsewhere, and the State approval which control of betting involves in France and Australasia, where various forms of betting taxes are enforced, does not appear to have given special stimulus to betting. Indeed, we are disposed to agree that the tax will check betting to some extent, and possibly to a very large extent, if the 10 per cent. tax on turnover is ever put into force. Various estimates have been made of the amounts spent in betting, but all are very speculative, and vary from one hundred million upwards. The effect of the tax, however, must be judged, not so much by considering the total turnover, as by considering the amount of money spent in betting and the number of times that the new money, brought in by the public, changes hands. A good many people will, no doubt, bet once only in a year, but the regular race-goer will turn over a given amount of money very many times, his winnings and losings being set off one against the other, leaving profit or loss at the end, as the case may be. The problem may be stated by taking quite fanciful assumptions. Let us assume, for example, that the amount of money spent by the public in betting in a year is £50 millions, and the betting turnover £150 millions. The distribution of this money at the end of the year may be that £15 millions remains as the profit of the bookmaking fraternity, and the rest, viz., £35 millions, will be redistributed among those who originally provided it. Now, if the tax on turnover of 10 per cent. is imposed, the State will take a second £15 millions. In order to keep business going the bookmakers may provide a share of this, but this would only be a small amount, and far the greater part, say 80 per cent. of it, will be supplied by the public. In other words, the public will retain at the end of the year only £23 millions out of the £50 millions originally put up. This is a very small proportion, and it would be less if, in fact, money employed in betting is turned over more frequently than we have estimated. In other words, the regular better will find it much harder to balance his books at the end of the year, and will either have to restrict his betting to smaller amounts or to make heavier losses out of his general income. We should ourselves expect the result to be that a certain amount more money would be found by the betting public on the one hand, and, on the other, that to a certain extent the betting turnover will be reduced through people coming to the end of their resources quicker than they otherwise would.

Employment in April.—A further decline in unemployment during April is recorded by the *Ministry of Labour Gazette*. Between March 26th and April 30th the total number of registered unemployed fell from 1,289,000 to 1,269,000. The comparable figure for the end of April, 1922, was 1,699,000, so that the past 12 months have seen a fall of 430,000. The trade union unemployment percentage fell one point in April, from 12.3 to 11.3, this percentage having fallen for five consecutive months. How it has moved month by month over a number of years is shown below:—

TRADE UNION UNEMPLOYMENT PERCENTAGES.

	1913.	1917.	1918.	1919.	1920.	1921.	1922.	1923.
End of—	%	%	%	%	%	%	%	%
January ..	2.2	0.3	1.0	2.4	2.9	6.9	16.8	13.7
February ..	2.0	0.3	0.9	2.8	1.6	8.5	16.3	13.1
March	1.9	0.3	1.2	2.9	1.1	10.0	16.3	12.3
April	1.7	0.3	0.9	2.8	0.9	17.6*	17.0	11.3
May	1.9	0.4	0.9	2.1	1.1	22.2*	16.4	..
June	1.9	0.4	0.7	1.7	1.2	23.1*	15.7	..
July	1.9	0.4	0.6	2.0	1.4	16.7	14.6	..
August	2.0	0.5	0.5	2.2	1.6	16.3	14.4	..
September ..	2.3	1.3	0.5	1.6	2.2	14.8	14.6	..
October	2.2	1.1	0.4	2.6	5.3*	15.6	14.0	..
November ..	2.0	1.1	0.5	2.9	3.7	15.9	14.2	..
December ..	2.6	1.4	1.2	3.2	6.0	16.5	14.0	..

* Excluding coal miners.

A smaller reduction in the percentage unemployed—namely, from 11.1 to 10.9—is shown by the figures of unemployed among all workpeople covered by the Unemployment Insurance Acts in Great Britain and Northern Ireland. A gradual improvement in a number of large industries is recorded, and the figures for April would have been better had it not been for a decided slackening in the cotton, hosiery, and worsted industries.

Cost of Living.—The "cost of living" index number compiled by the *Ministry of Labour Gazette* shows a drop of four points in April, the largest decline shown in any individual month since March, 1922. On May 1st the figure indicated a cost 70 per cent. above the pre-war level, as compared with a cost at March 31st 74 per cent. above that level. Movements of this figure month by month over recent years are traced in the following table:—

ALL ITEMS: AVERAGE PERCENTAGE INCREASE OVER JULY, 1914.
(Food, Rent, Clothing, Fuel, and Light, &c.)

	1918.	1919.	1920.	1921.	1922.	1923.
January 1st..	85-90	120	125	165	92	78
February ..	90	120	130	151	88	77
March	90	115	130	141	86	76
April	90-95	110	132	133	82	74
May	95-100	105	141	128	81	70
June	100	105	150	119	80	..
July	100-105	105-110	152	119	84	..
August	110	115	155	122	81	..
September ..	110	115	161	120	79	..
October	115-120	120	164	110	78	..
November ..	120-125	125	176	103	80	..
December ..	120	125	169	99	80	..

For food alone the increase at May 1st over July, 1914, was 62 per cent., as compared with 68 per cent. a month earlier. This substantial drop during April was mainly due to seasonal causes. The introduction of summer prices for milk caused the price to fall by 1d or 2d per quart in most towns. There was also a heavy fall, averaging about 4d per lb in butter prices, while there were important reductions also in the prices of cheese and eggs. On the other hand, the average price of granulated sugar rose by 3d per lb in April. In other articles of food movements were small. It will be seen that the cost of living figure has fallen 10 points in the past five months, each month having contributed to a continuous decline.

The World's Iron and Steel Markets.—Since the export trade is of such vital importance to the iron and steel industry, it is not surprising that the National Federation of Iron and Steel Manufacturers should have found it desirable to issue a special "Foreign Trade" Supplement to their monthly statistical bulletin, devoted entirely to

the foreign trade in iron and steel of this and the other steel-producing countries. The latest figures from which comparison can be made are for January last, but the figures are the more instructive seeing that the exports had practically not been affected by the occupation of the Ruhr. This is shown by the fact that Germany's monthly exports of iron and steel in 1922 averaged 210,000 tons, and in January, 1923, were 211,000 tons. The exports of America were 60,000 tons less than the average for 1922, owing to the big home demand in the United States, while British exports were 70,000 tons higher than the average for 1922. The analyses by countries in the trade returns of Great Britain, America, and Germany respectively are not in all cases the same, and it is not, therefore, possible to give a completely comparable statement for each of these. In the following table, however, there are a number of markets which can be separately distinguished for each of these three steel-producing nations, and the table is sufficiently detailed to show where each is selling the greater part of its products:—

EXPORTS OF IRON AND STEEL TO VARIOUS MARKETS IN JANUARY, 1923.

	(In Tons.)		
Destination.	From U.K.	From U.S.A.	From Germany.
United Kingdom	50,606	4,470	17,731
U.S.A.	6,341	..	2,143
Germany	..	122	..
Europe (other than U.K. and Germany)	56,014	3,579	114,030
Canada	5,860	56,506	..
India	55,429	1,804	9,325
Australasia	67,226	4,331	..
British South Africa	12,985	804	2,276
Other British possessions	13,091	5,719	167
South America	18,321	14,091	19,788
Japan	14,358	9,429	16,006
Other countries	53,158	21,901	32,960
Total	353,389	122,756	214,450
Total exports in 1913 (monthly average)	414,100	241,000	516,900

* Figures not being separately available, are included under "Other countries."

The figures bring out the enormous importance to Great Britain of India and Australasia, but it is also significant that under the conditions prevailing immediately before the Ruhr occupation produced a new state of affairs, Great Britain was sending iron and steel in large quantities both to the United States and to Europe. America holds the bulk of the Canadian market (though subsequent months' figures show this hold is weakening somewhat); the three countries are not unevenly balanced in South America, while in Japan Germany holds a slight lead. The figures for Europe need interpretation, for, so far as Great Britain is concerned, a large item is pig-iron, which we have always supplied in considerable quantities to Italy, Belgium, and other European countries. The export figures analysed above include nearly 89,000 tons of pig-iron in the case of the United Kingdom, 2,600 tons in the case of America, and 16,860 in the case of Germany. Out of British pig-iron exports of 89,000 tons, 34,900 tons went to Europe. On the other hand, the exports to Europe from Germany include nearly 40,000 tons sent to the Netherlands. It is fairly certain that a considerable amount of this material was sent for resale to other destinations which are not indicated. Turning to production, the monthly statistics for this country show a further increase in pig-iron output in April, the total amounting to 652,200 tons, which compares with 633,600 tons in March, and a monthly average of 408,300 tons in 1922, and of 855,000 tons in 1913. The furnaces in blast at the end of the month numbered 216, an increase of 14 during the month. The April production includes 226,400 tons of hematite, 207,200 tons of basic, 144,700 tons of foundry, and 38,800 tons of forge pig-iron. The output of steel ingots and castings in April amounted to 749,400 tons, compared with 802,500 tons in the previous month, the decrease being due to the incidence of the Easter holidays. The monthly average in 1922 was 486,000 tons, and in 1913 638,600 tons.

Mexican Debt and Foreign Investors.—Under date of June 16, 1922, the International Committee of Bankers on Mexico concluded an arrangement with the Mexican Minister of Finance for the resumption of payment of interest on various bonds and other securities. Follow-

ing this arrangement the International Committee announces that it has been agreed that with reference to interest payments from January 3, 1923, to December 31, 1927:—"The Mexican Government during the first five years covered by the plan undertakes to set aside certain prescribed revenues, starting the first year with a minimum of 30,000,000 pesos (\$15,000,000 United States of America gold), this minimum increasing by 5,000,000 pesos (\$2,500,000 U.S. gold) per annum for each of the ensuing four years, reaching 50,000,000 pesos (\$25,000,000 U.S. gold) in the fifth year. Out of this fund payments in cash are to be made to bondholders.The difference, if any, between the full interest on the bonds and the amounts provided to be paid in cash is to be dealt with in 20-year scrip, not bearing any interest during the first five years, but bearing interest at the rate of 3 per cent. per annum for the balance of 15 years." With regard to arrears of interest up to January 2, 1923:—"The coupons maturing on or before January 2, 1923, are to be lodged with a depositary against the issue of non-interest bearing receipts. Such receipts are to be purchased or redeemed by the Government from a fund sufficient to retire them in full, during a period of 40 years, beginning January 1, 1928. The receipts will be of two classes—Class 'A' and Class 'B' (Class 'A' to be retired completely prior to Class 'B')." A list of the Mexican issues affected by the arrangement is given, together with a table showing the proposed settlement of interest in arrears, and the percentages of current annual interest to be paid in cash over five years. The statement concludes:—"As soon as the necessary documents have been printed and distributed, a call will be issued for the deposit of the bonds, and the names of the depositaries with which the bonds are to be lodged will be published."

British Cotton Growing.—What may be considered a satisfactory annual report is that just issued by the British Cotton Growing Association. The number of bales marketed, namely, 67,386, was the largest in its history. The value of the cotton was £1,628,788, and that, with the exception of 1920, was higher than in any other of the 25 years' history of the association. The estimated amount of cotton grown in new fields in the British Empire during 1922 was 103,400 bales, as compared with 165,100 bales in 1921 and 72,600 bales in 1917. Commenting on the falling off of the production as compared with the previous year, the report states that the prospects for the future are distinctly promising, but temporary set-backs, caused by climatic and economic conditions, occasionally arise, and cannot be avoided. It is now certain that within the next few years large quantities of suitable cotton will be produced within the Empire, and those new areas which at the present time give the greatest promise are the Sudan, Northern Nigeria, and Uganda. By careful management of "hedger" the year's working has yielded a surplus of £33,088, which increases the excess of income over expenditure to £59,522. There is no doubt that that money will be very useful, as there is still a great deal of work to be done in fostering the growth of cotton within the Empire. It was only to be expected that, owing to the violent fluctuations which have taken place in raw cotton rates during the last two years, the native cotton growing industry in some colonies and protectorates would suffer a set-back, as it is difficult for the natives to understand fluctuations in values. According to the report, this has especially been the case in the southern provinces of Nigeria and in Uganda. The demand for African cotton during the greater part of the year was quite satisfactory, and there are now adequate shipping facilities from the African ports.

Scotch Whisky Trade.—It is safe to predict that the latest of many big deals in the Scotch whisky trade—the acquisition of the stock-in-trade of James Watson and Co., Limited, of Dundee, by Messrs Buchanan-Dewar, Limited, and Messrs John Walker and Sons, Limited—will prove most unpalatable to the trade as a whole, writes an Edinburgh correspondent. Those successive

absorptions have all been due primarily to the fact that there is a severe shortage of fine old matured whiskies, with the result that the prices of those have been pushed up to a ridiculously high level. Firms with stocks insufficient to assure that they would be able to meet all demands upon them were, therefore, in the happy position of being able to sell out on terms which left them a very handsome surplus indeed without running the risks of a more than usually uncertain future. On the other hand, the bigger distributors of proprietary blended whiskies have been able to acquire, albeit at high prices, additional stocks wherewith to eke out their previously existing supplies, which, large though they may appear, are still inadequate when the demands of the next few years are taken into account. But, satisfactory as those deals have undoubtedly been to the parties directly concerned, they are far from being so to the customers of the firms selling out, as the almost inevitable result is to deprive them of their source of supply, because it is evident that if the purchasing firm entered into an obligation to supply the selling firm's customers there would be little advantage in the deal to the former, who require the additional stocks for the needs of their own customers. In addition, the effect of the disappearance of so many wholesale distributing firms is to create a virtual monopoly in the distributing trade, for the two or three big firms who have been conspicuous in buying up all the stocks of matured whiskies they could lay their hands on. Hence the trade as a whole has received the announcement of this latest deal with something like consternation, as James Watson and Co. was one of the largest and most active of the remaining distributing firms outside of the "Big Three," who are being credited in the trade with the benevolent intention of establishing a monopoly in the distribution of proprietary whiskies. The stock involved in this latest transaction aggregates 5,500,000 gallons, of which only a comparatively small proportion is fine old matured whisky, and the purchase price amounts to something over two millions sterling. The already complex situation is further complicated by the fact that despite the marked shortage of old whiskies there are now available ample supplies of three-year-old whisky, with the result that while in the former prices are very firm, with, if anything, an upward tendency, the values of the latter tend to fall. This latter movement is accentuated by the fact that under the handicap of a preposterously high spirit duty the consumptive demand still tends to decline, and now amounts, both at home and abroad, to less than 50 per cent. of what it was in 1913. Production is still being maintained at a rate considerably in excess of the consumption, and stocks are rapidly accumulating. Of course, a stock larger than was customary in pre-war years is now required by reason of the three years' age limit, but even when this is taken into account it is feared that a surplus of post-war whisky has been bonded unless the high spirit duty is substantially reduced.

Two Economic Reports on France.—The very full report just issued by the Overseas Trade Department, and the particulars published by the French National Bank of Foreign Commerce, show that French thrift, industry and method are bringing up production to its pre-war level and preparing for a large future increase. In 1922 the output of coal exceeded that of 1921 by 10 per cent., that of iron-ore by 50 per cent.; the production of pig-iron, in spite of a coke shortage, was 50 per cent. greater, that of steel 41 per cent.; the textile trades—except linen, which is concentrated in the war zone and behind it—showed a large increase in output and (in most branches) in export, though latterly the uncertainty of the foreign exchanges reduced orders from abroad. The daily average of loaded trucks was 16 per cent. higher; the railway receipts, excluding the Alsace-Lorraine lines, were 14 per cent. more than in 1921; the unemployed, so far as shown by the statistics in March, 1921, numbered 91,225; in December, 1922, 2,644. New industrial districts arose during the war, some of them using hydro-electric power; the devastated regions are restarting with modern machinery and increased capacity for production. The great metallurgical, electrical and chemical companies have been largely combined by interlocking alliances or otherwise. The first-named have acquired interests in

subsidiary trades and foreign concerns; and other industries show a tendency to combination. Inland waterways are being enlarged and extended, partly to facilitate traffic from Alsace-Lorraine and the North-Eastern mines to Central France; a new seaport and industrial region is being created at the Etang de Berre by the great canal from the Rhone at Arles to Marseilles. The ports have been brought up-to-date in equipment; the Midi, the Paris-Orleans, and the P.L.M. railway systems are being extensively electrified; new lines are being constructed and existing lines doubled to give more direct routes from Alsace-Lorraine and Switzerland to the Atlantic. Agriculture lost 1,250,000 workers killed or disabled in the war; it is using more machinery and (near the frontier) Italian and Spanish labour; Italian and Belgian labour is also largely employed in manufacture, and the three nationalities together constitute by far the largest foreign element (nearly 1,190,000) in the population, which, even with Alsace-Lorraine, is still some 400,000 below the 1911 figures (39,604,992). The restoration of the devastated districts is nearly complete; the cost has been met by internal loans. In spite of the grave financial situation, the future, given peace in Europe, is hopeful.

Norwegian Bank Affairs.—Our Christiania correspondent writes:—Since my last letter there has been little development in the bank crisis. One or two minor provincial banks have applied for treatment, according to the March Act, and there has been the general meeting of the shareholders in Foreningsbanken. Nothing new came to the light, but many strong words were used of the manner in which the former board had acquitted themselves of their task. Mr Chr. Michelsen, the ex-Premier, who, about six months ago, consented to put himself at the head of the Bergen branch, but who, of course, cannot be blamed for the trouble, made a lengthy explanatory speech, and, naturally, wanted full light to be thrown into all the details of the management that brought such unhappy results. Both in the Press and among the public there are unmistakable signs that the anxiety and nervousness caused by the difficulties of the two banks are subsiding and giving place to a decision to set to work to repair the damages done. Bank shares generally, which fell rapidly during the period following the bad news, very soon began to rally, and although there have again been some relapses, a firmer tone and stiffened prices, with an increased turnover, have set in, and, it is hoped, will continue. Much diversity of opinion has existed as to the wisdom of the step taken by the Bank of Norway, when, on the 2nd inst., it increased the rate of interest by 1 per cent. to 6 per cent. It is argued that the commercial life of the country is working under circumstances so disadvantageous that it needs the assistance which cheap money can render. On the other hand, the bank can point to its strained position, and also to the danger of money being transferred to Denmark, where, a month earlier, the rate was increased to the same level—6 per cent.

Poland and Danzig.—Our Warsaw correspondent writes:—The statistics of the port of Danzig, which have been recently published, reveal a great progress in comparison with the pre-war figures, as shown below:—

	Entered		Cleared		Total
	Ships.	Tonnage.	Ships.	Tonnage.	Tonnage.
1913....	2,854	918,097	2,836	931,509	1,849,606
1919....	1,435	535,466	1,413	567,099	1,102,565
1920....	1,951	987,750	1,935	975,178	1,962,928
1921....	2,631	1,567,633	2,623	1,603,709	3,171,342
1922....	2,690	1,414,000	2,718	1,437,000	2,851,000

Taking the year 1913 as basis (100) of the total tonnage, we obtain for 1920 an index of 106.1, for 1921 of 171.4, and for 1922 155.5. The comparison with the pre-war level gives less favourable results if, instead of the tonnage, we take the quantities of imported and exported goods. While for 1913 we have a total of 2,172,000 tons, the respective figures are for 1920 1,838,000 tons, for 1921 1,405,000 tons, for 1922 1,300,000 tons. There is a marked decline not only in comparison with 1913 but also with 1920, Danzig being affected by the crisis from which the whole world has been suffering during the last two years. The political relations with Danzig are far

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from being satisfactory. In the Diet, in the Polish Press, and in speeches of leading politicians complaints are frequently uttered that the Free City tries to deprive Poland of the benefits guaranteed by the Treaty of Versailles. It is alleged that Polish citizens, instead of possessing a privileged position, are subject to worse treatment than English, French, German, and other foreign merchants. The Polish authorities are prevented from exercising a control over the port and the administration of the Customs, so that Danzig has become a kind of hole through which it is possible to evade the Polish import and export regulations. The occupation by the Danzig police of a building acquired for the foundation of a Polish Commercial School led to the breaking off of the negotiations which were conducted in Warsaw between the representatives of the Free City and of the Polish Republic. In a speech in Pomerania the President, Wojciechowski, threatened Danzig with an economic blockade, and the Minister of Foreign Affairs declared a few days ago in the Diet that a policy of retaliation will be applied.

R.M.S.P. Profits.—The report of the Royal Mail Steam Packet Company for the year 1922 shows a recovery in profits following the sharp drop recorded twelve months ago. The latter was ascribed by the directors to the effect on passenger traffic to and from South America of adverse exchange, and of competition from foreign lines, subsidised in many cases by their Governments. In the latest report the directors state that the general conditions of the trades in which the company is specially interested have continued to be difficult, and both passenger traffic and freights have shown decreased earnings. Close attention, however, has been devoted to securing "the utmost economy in working expenses." But how far these have been successful it is, unfortunately, impossible to ascertain from the accounts, which merely show the profit, including dividends on holdings in other companies, after deducting fleet depreciation, &c. As will be seen from the table below, the figure disclosed is over £60,000 higher at £771,880, but whether this is due to a smaller allowance for depreciation or to a reduction in expenditure we are not told:—

	Profit.	Deb. Int. &c.	To Incoe. Fund.	To Reserve Fund, &c.	Prof. Div.	Ord. Div.	Rate.	Carried Forward.
	£	£	£	£	£	£	%	£
1905.....	57,558	13,750	35,000	..	9,000	nil	..	£ 6,076
1906.....	96,845	17,566	47,000	..	23,815	nil	..	16,340
1907.....	138,146	33,588	52,000	..	30,000	22,500	24	16,398
1908.....	136,206	43,982	33,500	20,000	30,000	18,300	2	2,979
1909.....	180,369	45,193	41,792	30,000	30,000	27,000	3	3,968
1910.....	176,893	66,983	..	30,000	30,000	36,000	4	4,039
1911.....	291,211	107,500	40,000	40,000	32,250	45,000	5	8,840
1912.....	481,540	15,000	47,073	130,000	45,000	97,343	6	7,570
1913.....	436,470	187,011	37,113	45,000	45,000	151,299	6	23,900
1914.....	98,232	249,265	8,945	Dr 800,000	45,000	nil	nil	16,921
1915.....	808,731	312,932	..	225,000	45,000	198,000	6	46,719
1916.....	791,097	242,037	..	225,000	45,000	273,536	7	52,502
1917.....	764,446	218,000	..	225,000	45,000	287,000	7	62,068
1918.....	706,472	218,000	..	160,000	45,000	287,000	7	48,541
1919.....	953,600	218,000	..	360,000	45,000	328,000	8	51,141
1920.....	922,224	218,000	..	270,000	62,162	312,375	7	110,828
1921.....	710,935	314,336	..	..	103,500	300,000	6	105,927
1922.....	771,752	281,651	..	..	168,500	300,000	6	125,528

The balance-sheet shows an addition of £74,900 to the insurance fund as against £172,600 a year ago, and although no mention of this item is made in the profit and loss account the difference in the two years more than accounts for the increase shown in the profit figure. Unfortunately, however, the directors still keep the traditional obscurity which seems to be the main characteristic of the accounts of shipping companies.

Debt interest remains unchanged at £218,000, but "interest and discount" requires only £63,700 as against £96,300 a year ago. An issue of £2,000,000 of 6½ per cent. cumulative preference stock was made in July, and this accounts for the increase of £63,000 in the amount required for preference dividend. The ordinary dividend is maintained at 6 per cent. and an addition of over £21,000 made to the carry forward, but no allocation is made for the second year in succession to the reserve fund, which stands at £1,600,000. The assets side of the balance-sheet contains a larger number of items than are usually given by shipping companies, but of a total of less than £23 millions nearly £19 millions figures as one item, the company's fleet and investments being lumped together. The tonnage of the fleet is given as 378,964 tons, which compares with 347,829 tons a year ago, while the fleets of affiliated companies are shown as 1,774,122 tons against 1,797,048 tons. An analysis of the balance-sheet will be found in a later column.

Rubber Plantations Investment, Limited.—A marked improvement is shown by the report and accounts for the year ended December 31, 1922. Accurate comparison with the preceding 12 months cannot be made, owing to the fact that a year ago the company's accounts, through a change in the financial year, while including income from the properties for the full 12 months, could show income from other sources for nine months only. The change for the better then indicated has been realised in the past year. Net profit for the year, including the directors' remuneration of 2½ per cent. on the dividend, was £108,568, against £4,598 in the last accounts. With £98,918 brought forward, there is an available balance of £207,486, and the company, after two years without dividend, is able to pay 6 per cent., absorbing £88,371, after income-tax has been deducted, and to make moderate provisions for the future. The following table gives the results of the past seven years:—

	1916-17.	1917-18.	1918-19.	1919-20.	1920-21.	1921.	1922.
Dividends, Int., &c.	46,550	44,299	29,652	58,394	49,632	11,020	13,963
Produce account, &c.	74,526	31,820	Dr. 106,690	152,216	749	5,558	91,907
Transfer of taxation reserve	..	..	..	..	..	..	12,900
Expenses & interest	121,076	76,119	Dr. 76,908	210,600	50,381	16,578	118,770
	8,734	15,344	37,107	35,678	62,531	11,980	10,202
Brought forward....	112,342	60,775	Dr. 114 07	174,922	Dr. 19,150	4,598	108,568
	16,592*	56,600†	117,375	3,300	106,471	94,321	98,918
Dividend	128,934	117,375	3,300	178,222	94,321	98,919	207,486
	63,361	..	..	62,782	..	..	88,371
Directors	6,448	nil	nil	..	..	..	2,995
Depreciation and re-serve	..	..	..	..	..	..	73,500
Carried forward	57,125	117,375	3,300	106,471	94,321	98,919	42,680

* £121,233, less £104,641 transferred to reserve.
† £57,125, less £525 in donations to war charities.

The total sum appearing under the headings of properties and investments is £2,314,884, and tea is still, despite the company's title, the principal product, the distribution of the interests of the company being, in tea 52½ per cent., rubber 38½ per cent., other products and land 8½ per cent. It will be noticed in the analysis of the balance-sheet which appears in our usual column that a separate entry is made this year of an investment of £90,000 5 per cent. War Loan, 1929-47, at cost—namely, £89,214. Tea crop costs were 7.81d per lb, against 8.25d in the previous year, and the net sale price was 9.55d. Rubber production costs were brought down to 7.12d per lb, against 9.87d in the previous year, while the net sale price was 1s 0.66d per lb, which compares with 8.82d in the preceding year. There was thus a satisfactory margin in both products, the rubber figures being particularly good. The directors set aside £60,000 as a loans reserve account, explaining that the loans of £131,331 represent advances to companies in which this concern is largely interested. The reserve, they think, will be sufficient to provide for any loss in respect of loans. A sum of £13,500 is transferred from profits to meet depreciation of the Sumatra properties, this being additional to £31,838 written off for depreciation of buildings, &c., during the year. At the general meeting a resolution will be brought forward in favour of increasing the company's capital from £2,000,000 to £2,500,000 by the creation of 500,000 new shares of £1 each.

Crosses and Winkworth.—From a loss of £539,323 for 1922 to a profit of £274,148 for the year ended March 28, 1923, is the striking change shown in the accounts issued by Crosses and Winkworth. It should be noticed, however, that their figure of earnings, amounting to £274,148, include "transfer from reserve for contingencies." A year ago "reserve for contingencies, including taxation" was £363,235. This year the item has disappeared, but we notice that reserve for excess profits duty is shown at £125,000. In the auditors' report it is stated that "the profit and loss account includes £100,000 taken from 'cotton stock reserves for depreciation.'" But exactly what the trading profit has been during the year is not clear. But still, the payment of the 10 per cent. half-year dividend on the cumulative preference shares, which will absorb £150,000, is recommended, leaving £155,076 "balance available for liability to income-tax and carry forward." Premium on shares remain as before in a reserve account at £750,000—a comfortable nest-egg, but there is still £550,121 owing to bankers. Total assets are down from £6,970,544 to £6,322,284, mainly on account of investments—securities in the Heaton undertaking being valued at £381,500 as against £1,004,064 a year ago. Stock at £869,132 is slightly higher; the separating in the last balance of this item under four headings was useful additional information which the present accounts deny us.

Southern Pacific Report.—The report of the Southern Pacific Company for the year 1922 shows that a decline in operating revenue was accompanied by a much more substantial reduction in operating expenses, with the result that net operating income increased by nearly 21 per cent., while operating income rose in a similar proportion, as may be seen from the following summary:—

	1921.	1922.	Ino. or Dec.
Operating revenues ..	269,494,365	262,519,169	- 6,975,196
Operating expenses ..	212,752,263	193,664,456	- 18,907,807
Net operating revenue	56,922,102	68,854,713	+ 11,932,611
Railway tax, &c.....	15,664,035	18,986,949	+ 3,322,914
Operating income	41,258,067	49,867,764	+ 8,609,697

In the first half of the year, it is stated, the business depression was responsible for a decline of over \$10 millions in operating revenue; but in the second half, after a general reduction in freight rates, some of the loss was recovered, the year's decline being less than \$7 millions. The principal reductions in expenses occurred under maintenance (—\$6½ millions) and transportations (—\$12½ millions). As regards the latter, total train mileage decreased by 0.53 per cent., the net tons of all freight per ton increased by 4.69 per cent., and the average number of passengers per train increased by 0.32 per cent. Continued increase in efficiency in the use of fuel also contributed to the reduction in expenses. Net operating income was \$10½ millions, or 25½ per cent. higher at \$46½ millions, thanks to a substantial reduction in equipment rents, but non-operating income dropped from \$19½ millions to \$9½ millions, partly owing to a decline of nearly \$5 millions in dividend income and partly through the absence of the U.S. Government guarantee, which in 1921 produced over \$3½ millions. Deductions from gross income were slightly lower, and the income balance transferred to profit and loss account was \$31,472,034 against \$29,515,218. The 6 per cent. dividend absorbs \$20,663,140, and the profit and loss balance is increased by \$11,467,900. The directors complain that the reduction in rates reduced revenues by \$16,350,000, an amount almost equal to the saving from lower wages and fuel costs. "In consequence substantially all the reduction in expenses, which should have lodged in the company's Treasury (inasmuch as the return on the property devoted to the service of the public was but 4.29 per cent. instead of 5.75 per cent. contemplated by Statute) was extracted therefrom and given to the public. Nor was this all. \$18,859,356 was taken from you by the public in taxes, which are \$3,320,000, or 21.36 per cent. higher than in 1921." They further add that the railroads are paying wages, which constitute about 60 per

cent. of operating expenses, 120 per cent. higher than in 1913; that materials cost 56 per cent. more; while for the sale of their freight transportation they receive only 53 per cent. more than in 1913—a position not very dissimilar to that in which the British railways find themselves. The report states that in December last a complete and final settlement of all claims and accounts growing out of the Federal control of railroads was made, the company receiving a balance due of \$9,250,000. Under the provisions of the Transportation Act of 1920 plans are being discussed for the consolidation of systems in the district served by the company. Under the existing Statute the proposed consolidations must be voluntary, but supplemental legislation to make them compulsory is being seriously discussed.

Equitable Life Office.—After emerging from the troubles of the war the "Old Equitable" has resumed its even course. Last year 637 new policies were issued, assuring £600,385 net, an amount larger than in any recent year. The claims paid under whole life with-profit policies showed that, on the average, every £1,000 of original assurance had been increased to £2,062. The funds were increased by £327,991 to £5,381,394, of which £15,827 was contributed by profits on securities realised. The interest earnings were £4 3s 10d per cent. net, after deducting tax, and the expenses of management amounted to 6.8 per cent. of the premiums. The Equitable pays no commission for the introduction of business, and now that the temporary suspension of bonuses has ended, the prospects before policyholders should be almost as good as ever in the society's history.

Guardian Assurance Company.—This office, which many years ago gave up fire business in the United States, continues to progress favourably on its own selected course. Last year the fire premium income was £964,199, against £1,013,734 in 1921. The claims were at the rate of 54 per cent. of the premiums, against 54.2 per cent., and the expenses were 42.9 per cent., against 40.5 per cent. After providing for all outgoings and for unexpired risks on a generous scale a trading profit of £34,434 is brought out. In the accident, &c., department the premiums were £475,765, against £519,565. The claims were at the low rate of 43.8 per cent., and the expenses 42.5 per cent. The trading surplus was £83,921. The interest receipts available for profit and loss were £141,768, and the amount provided for dividends on preference and ordinary shares was £139,415. The credit balance at profit and loss after meeting the dividends for last year was £104,933, as compared with £122,629 a year before.

Esperanza.—The Mining department of the Stock Exchange, writes our Mining Correspondent, has this week provided a small sensation in the shape of a virtual collapse in the price of Esperanza shares. The undertaking is one which in its time has made history. Some 15 to 20 years ago very high-grade ore was worked, and dividends ranging from 30 to as much as 160 per cent. per annum were paid. The last two distributions, however—in respect of 1917 and 1918—only amounted to 5 per cent. each. For some time past the company has been developing on a restricted scale and earning small profits. In 1920 a patch of rich ore was discovered, upon the strength of which the shares were run up to £2 10s. Of late speculative interest has ruled on a small scale. The proposal to reconstruct came as a complete surprise to the market, the secret having been well kept. In effect, the shareholders are asked to provide 5s. per share, the scheme being to allot five 10s. shares credited share, the scheme being of every two existing £1 shares. A 8s paid in respect of the extensions to the circular states that on completion of the extensions to the plant 30,000 tons per month of low-grade ore can be treated for a profit of 50 cents per ton; the quantity of this material available is placed at 1,000,000 tons. If all the new shares are subscribed, £113,750 additional resources will be provided; in any case, £65,000 has been provisionally guaranteed. Those shareholders who go into the reorganisation will probably do so more on the chance that another rich discovery may be made than on

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the profits likely to be earned with such a narrow surplus. In this connection it may be noted that important developments in the adjoining Mexico El Oro property are near the Esperanza boundary.

SIR ROBERT CORYNDON, K.C.M.G., Governor of Kenya, will preside at a meeting of the Royal Colonial Institute on Tuesday, May 29th, at 4 p.m., at the Edward VII. Rooms, Hotel Victoria, when Captain J. Pulteney Tolland, Deputy-Director of Lands, Survey and Mines Department, Tanganyika, will give an illustrated lecture on Tanganyika Territory.

Oversea Correspondence.

UNITED STATES.—GOVERNMENT CROP REPORT—CHAMBER OF COMMERCE CONVENTION—PROSPECTS OF GOLD EXPORTS—MAROH RAILROAD EARNINGS—UNFILLED STEEL ORDERS DECREASE.

(FROM OUR CORRESPONDENT.)

NEW YORK, May 14.

THE Government's report, as of May 1st, shows that crop conditions generally improved during April. The condition of winter wheat on that date is given as 80.1 per cent., as compared with 75.2 on April 1st and 83.5 on May 1, 1922. With the exception of 1920 and 1917, the condition on the first of this month was the lowest reported on that date for the past decade. The report also confirms predictions that an extensive area, planted to winter wheat, had been abandoned on account of winter-killing. The total, according to the Department of Agriculture figures, amounted to 6,629,000 acres, or more than 14 per cent. of the acreage planted last autumn. Such a heavy loss has been exceeded in only two years, namely, 1912 and 1917. The crop area is now placed at 39,750,000 acres, which is 2,377,000 acres, or 5.6 per cent., less than was actually harvested last year. Despite the comparatively low condition of winter wheat and the smaller area still under the crop, the Government's forecast points to a yield of 578,287,000 bushels, which would be only 8,000,000 bushels less than last year's harvest. Although the farming season is late in practically all sections of the country, the Government's report shows that nearly 69 per cent. of spring ploughing has been completed, as against 63.5 per cent. a year ago, while 55.4 per cent. of spring planting has been finished, as compared with 53.6 per cent. at this time last year.

The eleventh annual convention, held here last week, of the United States Chamber of Commerce (whose membership consists of Chambers of Commerce in all sections of the country, and represents every important branch of trade and industry) attracted a great deal of attention. One of the principal speakers was Secretary of Commerce Hoover, who dwelt at considerable length upon the American banking position, the vast accumulation of superfluous gold now held by the Federal Reserve

system, and its latent possibilities of producing undue inflation and speculation. Gold reserves, he pointed out, had increased from about \$2,000,000,000 in 1920 to the present huge total of \$3,000,000,000, approximately, but "this additional billion," he remarked, "has not been trenched upon, and our present reserve against credit and currency is about 77 per cent." Three months ago, he said in substance, the outstanding notes and deposit liabilities of the Federal Reserve system required a legal reserve of \$1,500,000,000, yet the Federal Reserve Banks' actual cash holdings amounted to \$3,200,000,000, which made it theoretically possible to more than double the \$2,217,000,000 Federal Reserve notes then in circulation, and the \$1,964,000,000 deposits, and still maintain the full reserve ratio required by the Federal Reserve banking law. In other words, without the additional billion in gold received since 1920, the Federal Reserve system would still be well above the legal safety limit in the matter of reserves. "Some of this new importation (of gold)," he went on to say, "yields no return to us in earnings or security. It would serve us much better if we were getting returns from it by its export to foreign countries. If it aided in making foreign currencies convertible into gold, it would also contribute to stabilise foreign exchange and improve foreign commerce. In fact, for us it contains an element of insecurity. There seems to be heard," he continued, "a sort of chortle in parts of Europe over the commercial strategy in shipping gold to us. It is assumed that we will incorporate this gold in our credit system, and be put out of action by the price rises resulting from it. If we retain our normal commercial intelligence this will not happen. I am convinced that the surplus of gold will eventually flow outward in an orderly way without any necessary increase in price levels, and its flow need make no disturbance in our business life." Although foreign trade in commodities in 1922 showed a balance to the credit of the United States of about \$700,000,000, Secretary Hoover said that "if we would add to the balance-sheet the movement of invisible items, we would find the balance turned one or two hundred millions against us, even without the gold imports. Indications for 1923," he added, "make it seem probable that the very considerable increase in imports due to our increased buying power, the probable larger volume of immigrant earnings sent abroad from our large employment, and the increased volume of tourist traffic may again leave us an adverse balance. I believe that in time these adverse balances will begin to force gold from us without the impulse of inflation."

The Chamber, at its convention, went on record as strongly opposed to the Government's recently announced policy of operating the Shipping Board's vessels if it cannot sell them. A resolution was adopted urging that further efforts be made to evolve a plan whereby ships necessary to the maintenance of official services shall be operated by private citizens, with a view to their acquisition by citizens of the United States as soon as the vessels can be made self-sustaining. The Chamber also indorsed the draft of a uniform ocean bill of lading prepared by the Brussels International Convention as an improvement on the Hague Rules of 1921. With respect to immigration, it was recommended that a 2 per cent. quota on a selective basis be added to the present 3 per cent. quota. A resolution was also passed declaring in favour of a general economic conference to solve the pressing financial and economic problems now disturbing Europe, and approving adhesion by the United States to the protocol establishing the world court.

According to the Bureau of Railway Economics, net operating income of 194 first-class railroads of the United States amounted in March to \$83,568,000, equivalent to an annual return on property valuation at the rate of 5.84 per cent. This compares with \$38,903,000, or 3.73 per cent. in February of 1923, and with \$83,487,000, or 5.96 per cent. in March of last year. The lower rate of return in March of this year, despite a slight increase in net operating income as compared with the same month a year ago, is attributed to additional investment in railroad property in 1922. Returns are not complete, but those now available indicate that March freight traffic approximated 39 billion net ton miles, the highest record for that month in the history of American railroading.

The reduction of 114,823 tons during April in the amount of forward business on its books is the first decrease in unfilled tonnage to be reported by the United States Steel Corporation since last December. The falling off, however, has occasioned no surprise in view of the fact that new buying has slackened somewhat lately, and that the corporation's plants are now operating at about 97 per cent. of capacity. Productive capacity, furthermore, has been increased considerably in recent years. At the end of April unfilled orders totalled 7,288,509 tons. Even should there be another reduction during the present month, it is apparent that the corporation's mills can continue to run at the present high rate of capacity for a number of months.

FRANCE.—COST OF RUHR OCCUPATION—COAL AND COKE DELIVERIES—IRON.

(FROM OUR CORRESPONDENT.)

PARIS, May 23.

THE Ruhr remains the vital point of French political and economic policy, and for this reason it merits closer attention than any other aspect of current affairs. It would not be going too far, indeed, to insist that in the Ruhr, at the present moment, from the point of view of, perhaps, ninety per cent. of the people of this country, France is straining every nerve to win back that large proportion of the fruits of victory which was taken from her by the operation of certain of the clauses of the Treaty of Versailles. The extent to which she is succeeding in this task may be gauged to some extent—although, of course, only from the French point of view, even then—by the statement of what she has accomplished since the occupation began in January last, which was made by M. Poincaré last Thursday before the Commissions for Finance and for Foreign Affairs, in the Chamber. The statement was made in connection with the Bill to authorise credits to meet the cost of the occupation of the Ruhr.

M. Poincaré informed the Commissions that the additional cost of maintaining the troops down to May 1 (after deducting the amount that would have had to be spent in any case in this connection if the men had remained on this side of the frontier) was 61,000,000f, while the civil expenses had amounted to 2,650,000f, making a grand total of 63,650,000f. Against this, in presenting what was for all practical purposes a balance-sheet of the operation, M. Poincaré showed revenue from customs, forests, permits, fines, &c., amounting to about 36,000,000f, plus 36,680,000f representing the value of coke and coal requisitioned in the Ruhr and transported to France. On balance, therefore, it would appear that the Ruhr operation, so far, has resulted in a credit balance of slightly over 9,000,000f. M. Poincaré pointed out that, in view of the fact that deliveries of coal and coke to France began only about the middle of March, whereas the overhead charges of the operation began two months earlier, the results achieved may be expected to be much more satisfactory in the future, thereby suggesting that merely as a commercial affair the occupation will be found ultimately to be entirely justifiable. In support of this he put forward the facts that the yield from the railways was steadily increasing. Train mileage has increased from 31,000 train-kilometres per day on March 18 to about 50,000 per day on May 1, while the number of passengers had risen from 17,000 per day on April 15 to 28,000 on May 1. From the political point of view the most important statement made by M. Poincaré, perhaps, was in answer to a question by a deputy, who asked him if the security of France depends on the continued occupation of the Ruhr. The Prime Minister replied in the negative, explaining that the occupation of the left bank of the Rhine would alone be sufficient to assure the security of France. This clear statement, it is felt here, will remove some, at least, of the suspicion that has been set up abroad as the result of the occupation of the Ruhr. Satisfaction will also be felt at the disclosure that the cost of the occupation has been so much less than had been feared.

There has been a tendency in certain organs identified with the French metallurgical industry to complain that the amount of coke and coal that is being received from

the Ruhr is proving insufficient to meet the needs of the blast furnaces. It may be admitted that this criticism dates from some weeks ago, when the French organisation in the Ruhr had not reached its present developments, and when there may have been some justification for the view expressed. It was, perhaps, with a view to silence such criticisms that the "Journal Officiel" published a day or two ago the text of a supplementary report in regard to the situation in the Ruhr which has been drawn up by M. Eymond on behalf of the Finance Commission of the Chamber. M. Eymond states, in addition to the facts mentioned by M. Poincaré, that the daily output of coke in the Ruhr (or, rather, the average amount daily sent out of the Ruhr) has now risen from 1,000 tons to 11,000 tons. As three-quarters of this total comes to France, whose metallurgical industry requires only 6,000 tons a day from the Ruhr (in view of its other resources), it is obvious that the French metallurgical industry is now receiving at least 8,000 tons a day, or more than is required. Down to the present, the report states, 700,000 tons of coke have been seized, and of this over 300,000 have been delivered to France. The stocks actually seized, therefore, represent sufficient to meet the needs of the French iron and steel concerns down to the end of August. There still remains, according to M. Eymond, a further accumulation of over a million tons of coke which has not yet been seized, and of this 750,000 tons would come to France, in the ordinary course. The stocks in hand and in sight, therefore, if delivered at the rate of 6,000 tons a day, will suffice to meet the needs of the French metallurgists until the end of January.

The report states further that the French output of cast-iron is again appreciably approaching the total at which it stood before the occupation of the Ruhr began. The average monthly output during 1922 was 420,000 tons. The total in February last was 305,000 tons. This rose in March, when the deliveries from the Ruhr began, to 316,000 tons, and in April to 335,000 tons. The only obstacle that may prevent a return in the near future to the average monthly output achieved last year, the report states, is the diminution in the number of orders from which the industry is at present suffering. (Information from various other sources indicates that this absence of orders is likely to be remedied in the near future, now that the situation in the Ruhr appears to be becoming stabilised.)

M. Eymond takes an equally rosy view of the situation as regards coal. Deliveries from the Ruhr, he asserts, have now risen to 10,000 tons a day, and he foresees that in the near future this figure will be increased to 85,000 in the near future this figure will be increased to 85,000 tons daily, of which one-third will be water-borne. The seizable stocks now accumulated in the Ruhr total, he states, 2,000,000 tons. At the same time the output of the French pits, which varied between 2,000,000 and 2,500,000 tons a month during 1922, rose to over 3,000,000 tons in March, and will probably exceed 3,500,000 tons during the coming summer. An increase of 100,000 tons a month is also expected to be attained in the Loire field. In spite of these increases, however, France will still have to continue to purchase an appreciable portion of her combustible abroad. Ruhr coke is being sold to manufacturers here at around 90f per ton, whilst the net amount received by the French Government from the sale of coal drawn from the Ruhr is in the neighbourhood of 50f a ton. The daily revenue received by the Government from the sale of coke, coal and colliery by-products (not including the merchandise seized from the Badische Anilin works) is, in round figures, 1,500,000f per day.

GERMANY.—REPARATIONS—FINANCES—EXCHANGE AND BOURSE—PRICES—BUSINESS.

(FROM OUR CORRESPONDENT.)

BERLIN, May 22.

No decision has yet been come to as to the Cuno Cabinet's measures in regard to Reparations. The decision may be expected this week. The Cabinet has taken various steps to sound opinion in Ally countries. The Socialists and to some extent the centre parties last week made clear to Dr Cuno that they considered Germany must continue her attempt to bring

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the whole question, including the Ruhr, again into the domain of negotiations; in particular the Socialists emphasise the guarantees question, requiring precise proposals for making industry and agriculture direct guarantors of foreign Reparations loans. This view is also supported in principle by the leader of the industrial German People's Party, Dr. Stresemann. In practice there are difficulties; it is very hard to distribute the burden in a way which all interests will consider equitable; and apart from that is the consideration that pledges, if they are to attract foreign lenders, must be directly and easily realisable in case of default; and the realisability of a vast guarantee by practically the whole private property of Germany would, if at all practicable, depend upon stability of German social and political conditions. Given this stability it would probably be easy for the German State to meet the Reparations liabilities by the ordinary path of taxation. The Note of May 2 is now generally recognised to have been inadequate. The Foreign Minister, Dr. Rosenberg, confirms what has been stated from here that the Note was intended to put Germany right with the world as a reasonable party rather than to supply a basis for negotiations, by telling a Vienna newspaper that the most important thing in the Note was neither its form nor its contents, but the fact that Germany showed sufficient self-mastery "to take the first step towards reconciliation" at a time when the enemy had invaded German territory.

The Customs gold surcharge has been raised to 855,900 per cent. Both gold and "wertbeständig" loans are being issued. The Main-Danube Canal Company gold loan was heavily oversubscribed, and a gold loan of 1,000,000 gm is announced for the construction of a power station in connection with the canalisation of the Neckar. The Prussian Potash Loan was equally successful, and Prussia announces a second loan of the same kind, with a value of 50,000 tons of potash. The Third Civil Court of Cologne has ruled that mortgages, as has hitherto been done, may be paid off in paper marks, and has thus gone against the decision of a Darmstadt court recently reported. The Cologne Court has in general held to the doctrine that "a mark is a mark"; legislators made it so; it would be bad law and in practice impossible for a court to correct the inevitable hardships following the doctrine; and a secured mark debt does not differ from an unsecured debt, the fact that the security has risen in paper mark value while the debt has remained unchanged being a matter with which the creditor has nothing to do.

The foreign exchanges have now touched about the lowest level of January 31; so the attempt to keep them on a basis of about 20,000 marks to the dollar must be considered at an end and unsuccessful. There is no sign that the intervention policy, which will be maintained to prevent if possible a further fall, will be pushed so far as to raise the mark again; and the price-rise which has taken place in the last weeks would make such an attempt unwise. The Reichswirtschafts-Minister last week held discussions with financial experts on the practicability of

concentrating exchange dealings in the Reichsbank or under its control; but the discussion was broken off, and it is believed that the Bank opposes the plan for reasons of organisation and cost. The last exchange decree is being generally violated. Stocks last week were very active, and on the last Bourse day, the 18th, there was a boom, some papers rising 100,000 points. The "Frankfurter Zeitung's" dividend-payers' index for the 18th shows 2,211,665 against 2,095,605 on the 11th, a high point of 1,567,265 during the early February boom, 376,685 on January 5, and 27,340 on January 4, 1922. Since the beginning of last year, stocks have risen on an average eighty-fold, while the gold exchange has risen over two hundred-fold; in part this disparity may be due to increases of capital, in part to the ever-smaller gold value of dividends. Bonds on the 18th were quoted: War Loan 90, Fours 1240, 3½ per cent. 499, Threes 5,000, Colonial Fours 9,000, Savings and Premium 315, Forced Loan 35.50, Prussian Threes 208, Hamburg Staats-Rente 3½ per cent. 360, Berlin Fours 1912, 150.

Prices are moving steadily upwards. The Railways Council has decided to increase fares by 40 per cent., and freight rates by an unstated percentage which will be sufficient to cover operating costs. Coal prices were raised all round from the 16th, standard Ruhr (*Foederkohle*) from 114,117 marks to 143,510 marks per metric ton, foundry coke from 175,871 marks to 220,570 marks. The new pig prices are: hematite 804,000 marks, foundry iron I. 774,000, ditto No. III. 771,000, Siegerland steel-iron 844,000 marks, Spiegeleisen (6 to 8 per cent. manganese) 935,000 marks. Ingots have been raised to 965,000 marks, bars to 1,348,000 marks, and thick plates (5 mill. and over) to 1,519,000 marks.

Measures for facilitating export continue. A decree is impending abolishing export licences for large categories of goods, which will in future be exportable on condition that the export is simply registered and that proof is given that the goods were invoiced in a high currency, and that 40 per cent. of the currency was delivered to the Reichsbank. Foreign trade values in March were: imports 503,100,000 gm against 446,200,000 gm in February; exports 435,800,000 gm against 360,600,000 gm. The increase in import values was expected, being mainly due to the more than doubled imports of fuel; but it is remarkable that exports of textiles, paper, paper wares, chemicals and some sorts of machines increased despite the conditions in occupied territory. Patent fees have been increased. The limit for a patent is fifteen years. The application fee is 21,000 marks, annual fee 21,000 marks for the first year, rising to 49,000 marks for the fifth year, 210,000 marks for the tenth year, and 1,400,000 marks for the fifteenth year. Business continues dull; reports from individual industries show that the mark-exchange drop had a certain animating effect, particularly in the boot branch. In the Metal Workers' Trade Union the unemployed rose during April from 2.30 to 6.49 per cent.

ITALY. — SIGNOR DE STEFANI'S SPEECH — AN ITALIAN GEDDES COMMITTEE—THE DEFICIT FOR 1923-24 — NEW DEBTS AFTER 1914 — TREASURY CONTROL — ECONOMIC IMPROVEMENT.

(FROM OUR CORRESPONDENT.)

TURIN, May 20.

THE great financial event of the week has been the speech of Signor De Stefani, Minister of Finance, at the Scala Theatre, in Milan. The interest centred in the final figure of the reduction of the deficit, which was the avowed aim of the Fascist Government to reach. The results of the work of a small committee may be summed up as follows:—Net decrease in expenditure, 1,305 million lire; increased yield of revenue, 442 million lire; net reduction in the deficit, 1,747 million lire. The totals of revenue and expenditure estimated for the financial year 1923-24 are now, therefore, as follow:—

	(Millions.)	Revenue.	Expenditure.	Difference.
Ordinary budget	14,332.5	12,368.8	..	+ 1,963.7
Extraordinary budget....	1,233.0	5,812.8	..	+ 4,579.7
Total	15,565.5	18,181.6	..	— 2,616.0

These figures call for comment. In the extraordinary revenue are included 1,000 millions for German reparations, a more than doubtful item, from which it may be expedient to deduct 750 millions. On the other side, in the ordinary expenditure there are included 1,153 millions as interest on the sums due to Great Britain and the United States. It may safely be assumed that not a penny will be paid on this score, at least in the next financial year. This is a matter which will be eventually arranged between interested Powers, but it seems useless to budget next year for payments which will not be made.

The deficit of State Railways is estimated for 1923-24 at only 374 million lire. This may be, perhaps, too sanguine. And it may be that new unavoidable expenses may arise, which will add something to the deficit. Summing up, it seems probable that, with 750 millions less income than budgeted and 1,153 millions less cash expenditure, the Budget, even allowing for 400 millions unforeseen expenditure, will close with a deficit of about 2,616 million lire, as estimated by Signor De Stefani. Up to 1,500 millions, the ways and means to pay for this deficit are already provided, as the Government has announced its intention to pay no more war damages compensation in cash. Next year the sum of 1,500 millions, which is included in the above estimates of extraordinary expenditure, will be paid in the form of 25-year 3½ per cent. bonds compulsorily given at par. The remaining 1,100 million lire deficit will be easily covered by nine-years Exchequer 5 per cent. premium bonds, which find in Italy a ready market at an issue price of 99 or 99½. The new internal debt created in Italy every year since the war may then be calculated as follows (in millions of lire):—

1914-1915	2,629.3	1919-1920	13,117.5
1915-1916	5,643.0	1920-1921	13,513.5
1916-1917	9,555.2	1921-1922	6,286.1
1917-1918	14,012.5	1922-1923 (estimated) ..	4,000.0
1918-1919	11,961.0	1923-1924 (estimated) ..	2,616.0

The greatest decrease took place from 1920-21 to 1921-22, when Signor Giolitti abolished the bread subsidy, the greatest scourge of our Budget. After that great feat the betterment was continuous. The last billions are diehards indeed; and Signor De Stefani deserves great credit for the valiant efforts to eliminate the causes which compel the Treasury to incur new debts.

He is distinctly optimistic; and, truly, the fact that the ordinary Budget shows a surplus gives stimulus to hopes. But are extraordinary expenses bound to decrease? Of the huge sum of 5,812.8 millions, the greatest item, 1,500 millions yearly for war damages in invaded provinces, will disappear in about six years. Another formidable item—1,318 millions of war pensions—will disappear also, if more slowly; it is estimated that the expenditure will fall below 1,000 millions in 1929-30, and below 500 millions in 1946-47. The railway deficit, estimated at 374 millions in 1923-24, should be cancelled in three years; and so will be cancelled the postal deficit of 81 million lire.

Signor De Stefani laid great stress on the efficacy of the British Treasury in checking expenses and controlling expenditure departments. All efforts to increase the powers of the Italian Treasury over spending departments are meritorious; and to that end Signor De Stefani has decreed that the departmental accountants shall no more be appointed by the spending Ministers, but by himself as head of Treasury, and shall be the subordinates of the Accountant-General of the State. Ministers shall no more have authority to order departmental accountants to countersign an order of payments or expenditure. Expenditure will be authorised only when bearing the consent of the Accountant-General of the State and his subordinate officials. Perhaps this seemingly little reform will be the greatest achievement of the new Government in financial matters.

Economic conditions in Italy, as seen by Signor De Stefani, are improving. Unemployed, after increasing from 88,101 at July 31, 1920, to a maximum of 606,810 at February 1, 1922, decreased to 498,606 at April 1, 1922; reached bottom with 304,242 at August 1, 1922; increased as usual in the winter to a maximum of 391,974 at February 1, 1923, only to decrease to 280,201 at April 1, 1923.

Imports decreased from 17,267 million lire in 1921 to 15,728 in 1922, while exports increased from 8,275 to

9,293 millions, the adverse balance thus falling from 8,992 in 1921 to 6,435 millions in 1922. In the last three months for which figures are available—December, 1922, to February, 1923—imports increased by 296 million lire, chiefly owing to larger takings of raw materials—e.g., cotton, wool, coal, and metals; but exports increased 352 million lire, silk and cotton textiles and agricultural products contributing largely.

Railway traffics are also increasing; in the first quarter of 1923 11.8 million tons of goods were carried, against 9.5 million tons in the corresponding months of last year. Passengers were decreasing in numbers in the last two months of 1922, but the total was gaining ground in the first two months of 1923.

HOLLAND.—AUSTRIAN RECONSTRUCTION LOAN—POSTAL GIRO SERVICE—BANKING AFFAIRS.

(FROM OUR CORRESPONDENT.)

AMSTERDAM, May 18.

THE Second Chamber has not yet come to a decision whether this country should or should not participate in the guarantee of the Austrian reconstruction loan. The general feeling, even of the Socialist party, is that Holland should not stand aloof from this united action which may have far-reaching effects in reconstruction work over a wider field. The attention of one of our leading banks was directed some years ago to the reconstruction of Austria: in fact, in 1920, the Rotterdamsche Bankvereniging formed the Reconstruction Bank for Austria. On the other hand, Holland has already lost some money to Austria in recent years—apart from the serious loss in Austrian securities caused by the fall of the crown. But some years ago we lent 24,000,000 fl to Austria for the import of foodstuffs, and although the loan was guaranteed by all the principal banks, 9,000,000 fl were not paid back. The chief objection to the guarantee in question is Protocol I, because this has the political effect of forbidding Austria to unite with Germany. People here ask why they should meddle with Austria's sovereignty, and are not impressed by Austria's consent to this condition. The question of participating in the Austrian reconstruction loan has one difficult side. It may be expected that the banks will in the first place be invited to lend their assistance. Now the banks have as a whole a bad year behind them, and moreover, the general feeling in the banking world is that the investing public will be extremely cautious as to putting further money in a country where it has had such bad experiences. The banks are afraid of being saddled with too big a parcel of reconstruction loan which they cannot afford in view of their liquidity.

Among bankers there is a growing dissatisfaction against the Postal Cheque and Giro Service because large amounts of liquid money which used to go to the banks in the shape of deposits and balances in current account are now attracted by this governmental service which allows interest in competition with the banks. It is argued that the service should not allow any interest, or only up to a certain limited balance, since its chief activity should consist of rendering easy the transfer of sums due by one current account holder to another, but not of competing with the banks. This giro system has developed remarkably since its establishment in 1918. At the end of that year it had 4,000 accounts, and now after five years it has 90,000. The aggregate balances of all the accounts amounted to 38,000,000 fl at the end of 1918, and 207,000,000 fl at the end of 1922. In the latter year the giro service effected over 14,000,000 transactions, the giro service effected over ten milliards of florins. Whereas involving an amount of ten milliards of florins in the use of paying by bank cheques, as it is in vogue in your country has never developed quite satisfactory here—especially not for payments of minor amounts for household bills and the like—the giro system has been a great success. Another source of trouble to the banks are the treasury bills, which have more and more become a form of investment of liquid means of industrial companies, &c. It will hardly prove possible to suppress either form of competition. It should not be forgotten that, quite naturally, the public has been a little scared by some defaults among the banks.

The banks have, on the whole, had a rather disadvantageous year, and the accounts show that important losses have again been suffered in 1922. In this connection it was rather a surprise to the banking world that the Disconto Maatschappij in Rotterdam had to write off 30 per cent. of its capital. A year ago this little bank had to tide over a difficult time, but managed to make its position more liquid; and as the direction had always rested in conservative hands, the feeling was that the bank should surmount the difficulties without losing a feather in the fight, but this had not been so.

CANADA. — AGRICULTURAL CONDITIONS — ROYAL COMMISSION ON GRAIN TRADE—TAX ON GRAIN FUTURES — THE MERCHANT MARINE—BANK ACT REVISION—TRADE RETURNS.

(FROM OUR CORRESPONDENT.)

OTTAWA, May 7.

FROM end to end of Canada farmers are now busy upon the land. On an average, seeding is a fortnight later than usual, but it is held that the very moist and satisfactory condition of the seed-bed in most districts will compensate for the delay. In the West seeding is now general everywhere, and indications are that there will not be any curtailment of wheat acreage in Alberta, and the decline in the acreage in Saskatchewan and Alberta due to lateness, and water on the land, will be considerably less than was feared a fortnight ago. Land, especially in Manitoba, which is not dried off in time for wheat will probably be seeded down with flax, which can be planted with safety up till June 8th, and for which the world outlook is good. By May 5th Alberta had seeded 75 per cent. of its normal wheat acreage, and anticipated a substantial increase in the area planted with oats and fodder maize. The latter crop, as well as sunflowers, sweet clover, and lucerne, will be much more extensively planted in all three prairie provinces, because large numbers of farmers, in disgust with the recent results of growing grain for export, are determined to transform the produce of their land into beef and pork, for which the markets are now reasonably satisfactory. Stock has emerged from the winter in very good condition considering its severity, and pastures, especially in Eastern Canada, are already abundant, the change wrought in the last week being amazing. Western cattle raisers are encouraged by the news that agricultural opinion in the middle Western States of the Republic is convinced that the tariff barriers now maintained against Canadian cattle are quite futile, and have simply served as an impediment to a very profitable trade, whereby Canadian store cattle were sent south each autumn in thousands to be fattened on the maize crops of Iowa and Nebraska. Many agrarian leaders in the United States profess a willingness to see the old arrangement restored, and if this occurs, the export of Canadian store cattle to Britain is never likely to reach very large dimensions. Meanwhile, the Federal Government has announced the personnel of the Royal Commission on the Grain Trade, which they have appointed on the recommendation of the special agricultural committee of Parliament. As it includes no practical farmer or member of the Western grain trade, it does not command any great enthusiasm. On May 1st a new tax on grain futures imposed by the Provincial Government came into force in Manitoba. It is levied on sales, and not on purchases, and the grain trade has never seriously opposed it. A buyer of 10,000 bushels of wheat for future delivery will pay no tax, but if he sells it without taking delivery he must pay on wheat 6 cents per 1,000 bushels, on flax 12 cents, and on oats, barley, and rye 3 cents. On the basis of last year's trading, it is expected to yield about \$2,000,000. Some proof of the magnitude and stability of the Winnipeg grain market can be gleaned from the fact that 12,670,000 bushels of wheat were delivered through the clearing house on May 1st, and yet the market broke less than one cent. Navigation on the Great Lakes is late in opening, and there are very heavy stocks of wheat piled up at the Thunder Bay ports.

The official statement of the operations of the Canadian

Mercantile Marine last year shows a total deficit, including interest and depreciation, of \$9,649,478. The operating deficit was \$2,384,189, and to this there had to be added \$4,078,277 for interest on notes due the Government, \$2,932,130 for depreciation and other small items. The report states that outward tonnage was well maintained, but inward business, especially from the United Kingdom and Australian ports, was difficult to secure, and most of the voyages resulted in a loss. The Canadian National Railway directorate, who now manage the Government ships, recommend that the fleet be kept in operation as an ally of the C.N.R., but that only 37 of the larger ships be retained, and that the balance be disposed of. They also urge that the capital cost of the vessels be written down to what may be considered replacement value, and the figure of \$50 per ton, which is about one-fourth of their average original cost, is being suggested.

Since the Easter recess the Banking and Commerce Commission has held two sittings on almost every Parliamentary day, and have been able to make very substantial progress. During the past fortnight a long string of witnesses have appeared. The case for the existing system was put most effectively by Sir Edmund Walker, the president of the Bank of Commerce, and other bankers who gave evidence were Mr C. E. Neill, general manager of the Royal Bank, and Mr H. O. Powell, of the Weyburn Securities Bank. Major C. H. Douglas, who has been brought over by the Progressives, outlined his scheme of credit reform, and a most interesting witness was Professor Irving Fisher, of Yale, who unfolded his scheme for the stabilisation of the dollar. A number of other economists, accountants, farmers, and detached critics of the banks have also given evidence. The Progressives, however, have made private representations to the Cabinet, where their plea for postponement has some support, and if these fail they plan to start a regular blockade of the Act, which in view of its length and the Parliamentary rules at Ottawa would be easy to make effective. They have the support of most of the Western papers, and resolutions urging postponement are pouring into Ottawa from agrarian associations. Under such circumstances there is no certainty that the new Bank Act will become law this year.

Brief particulars of the trade returns for the full fiscal year 1922-23, which ended March 31st, are subjoined:—

	1921.	1922.	1923.
Total imports.....	1,240,158,882	747,804,332	802,465,043
Total exports.....	1,189,163,701	740,240,680	931,451,443
Foreign exports	21,264,418	13,686,329	13,844,394

The distribution of trade between Canada and the United Kingdom and the United States is as follows:—

Imports for Consumption.		Exports (Canadian.)	
From U.K.	From U.S.	To U.K.	To U.S.
141,287,671	540,917,432	379,067,445	369,080,218

While far below the figures of 1921, they show a gratifying increase over the 1922 returns both in exports and imports.

SOUTH AFRICA.—SHOULD THE UNION RETURN TO THE GOLD BASIS?—VARYING VIEWS.

(FROM OUR CORRESPONDENT.)

JOHANNESBURG, May 2.

The Select Committee of the Union House of Assembly on Public Accounts has been considering the Currency and Banking Act Amendment Bill. Some highly interesting evidence was given by prominent bankers and others on several points, chief among which was the desirability or otherwise of South Africa returning to the gold basis of currency. Mr W. H. Clegg, Governor of the South African Reserve Bank, was the first witness, and others were the general managers of the three commercial banks, the Standard, the National, and the Netherlands; directors of the Reserve Bank, and the Secretary for Finance.

Clause two of the Currency and Banking Act Amendment Bill provides for the extension of the period of suspension of the redemption of gold certificates by two years to June, 1925. The general recommendation was made by the Board "off their own bat," to repeat the

colloquial expression used by the governor of the South African Reserve Bank, without any instigation whatever from the Government. Mr Clegg explained that gold had reached a point very close to parity, but it was an extremely uncertain thing whether when parity was reached London would establish a free gold market. The advantages of maintaining a stable rate with Great Britain were greater than any advantages that could be obtained by taking what might be called "a plunge and starting off on its own basis." In any case, it would be extremely difficult for a small country like South Africa, between 57 and 60 per cent. of whose trade is with Great Britain, to maintain itself on a gold basis if Great Britain did not, and, therefore, it was far better at present to wait and see how things would develop.

Among the points made by Mr Clegg in his evidence were the following:—The fact that the Union was a gold-producing country did not in any way give her an advantage, as the gold produced on the Rand was one of the commodities sold in order to pay for imports. A premium existing on gold in any other part of the world would attract gold to that country, unless the Government is prepared to pay the premium so as to keep the gold in the Union. The embargo on the export of gold lapsed in June last year, but people could not get hold of gold to export. The amount of gold held in South Africa as gold specie is very small, a mere "fleabite" in the world's market. The example of South Africa in going on to gold coinage would have no effect whatever on any other country. Trade relationships between Great Britain and South Africa are so strong that the two currencies move *pari passu*. If gold left the Union, causing a visible continuous diminution of the base upon which credit is erected, a panic would ensue, and the only way would be to go back to the Act again. It was in the interests of every bank in the country to have a central bank, which gave far more elasticity, and, therefore, the commercial banks should welcome it.

Mr L. P. Gibson, senior general manager of the Standard Bank, explained in a memorandum his objections to the revised constitution of the Board of the South African Reserve Bank, which provided for the non-continuance of representatives of the commercial banks, but this memorandum is not published. South Africa, Mr Gibson contended, was not in a position to revert to the gold basis, as she would lose her gold in a month. The fact that South Africa was a gold-producing country did not alter the position at all. If her debts were paid out in gold, it would simply go out in a flood. Gold was produced as a commodity and sold in the world's markets. "You cannot help it if the price is against you." Gold operations are very large, and all South Africa has got could go out in one operation.

Mr H. C. Hull, a director of the Reserve Bank, and for several years Minister of Finance in the Transvaal, advocates a return to the gold standard as soon as possible. Mr William Dunlop, general manager of the National Bank of South Africa, on the other hand, said that while it was the ideal thing to get on to a gold basis, it was neither practicable nor desirable at present.

Sir Ernest Chappell, K.B.E., another director of the Reserve Bank, said in South Africa the practice existed of doing business in loan credit, and a good deal of effort was required to get a sufficiency of bills (for note cover). Bills increased enormously, but as the established practice of the country was difficult to move, and because of the heavy falling off in business, the Reserve Bank did not get the bills they wanted and expected. His opinion was that direct discounting should be extended. If they could educate South Africa to the same point of business which prevails in older countries, of business being done on bills, the necessity for Treasury bills (to constitute 35 per cent. of the note cover, besides 25 per cent. bills and 40 per cent. gold) will fall away; the banks themselves are seeing the wisdom and convenience of the bill system.

Mr J. Postmus, general manager of the Netherlands Bank of South Africa, differing from his colleagues, was not in favour of extending inconvertibility of notes for a further two years. There was, in his opinion, no indication that people who advocated that South Africa should not go back to gold were right. Drainage of gold, he thought, would be prevented by

the banks arranging their exchanges. Even if it did drain away, it would not matter. "We produce gold," he said, "and cannot eat it. We must export it. Why not, then, export it to a country which is prepared to give us goods in exchange? Those who produce gold should have the right to sell their product in the best market. Our monetary position is so strong that we could be on a level with America." The possibility of the British sovereign going higher than its gold value, as suggested by Mr Hirst, was, he thought, very remote. He could not see it would make any difference to the banks if the gold standard were reverted to immediately.

Mr Clegg, in his final examination, said he would not advocate South Africa going back to the gold standard by herself in existing circumstances. Great Britain was so uncertain of what the effect might be of going back to gold, in view of her enormous debt to America, she will be very careful of going back until she knows she can remain there. Nothing would be worse for the business world than uncertainty. "I think," he said, "there is more possibility of our getting on to the gold standard in conjunction with Great Britain without loss to the country than our attempting, at present, to act on our own."

On behalf of the Gold Producers' Committee of the Transvaal Chamber of Mines, Mr W. Gemmill, actuary and labour adviser, discussed the possibilities, indicated by Mr Hirst, of the British Government endeavouring to depreciate the value of gold, as measured in British currency, so as to reduce the burden of the annual debt charge to America, and of advantage being taken of any further depreciation in the dollar to inflate British currency maintaining the Bradbury on a par with the dollar, and simultaneously increasing commodity prices in the United Kingdom. "In either event, gold would be depreciated in terms of commodities with serious consequences to the gold mines. Dangers of this description would continue to arise until the United Kingdom has returned to a gold basis; indeed, the sooner the world generally returns to a gold basis the better, from the point of view of gold mining."

ARGENTINA.—TRADE RECOVERY—THE FINANCIAL POSITION.

(FROM OUR CORRESPONDENT.)

BUENOS AIRES, April 23.

ARGENTINE commercial movement, considered as a whole, is at the moment distinctly satisfactory, both import and export trade showing a healthy tone and a larger turnover than has been seen for a very long time. The recovery is to a certain extent sudden. For, though at the opening of 1923 expectations were high, slow movement and poor prices in the export trade led to a reaction. To-day all Argentine produce is in demand. Maize is turning out much better than was expected, both as to quantity and quality, while the phenomenally large crop of linseed is being sold as fast as it can be shipped, not only to the United States, but also to Europe, the local quotation being over \$22 Argentine paper per 100 kilos, as against the quotation given in December of \$17.80, April-May delivery. Import business is brisk owing to the desire of merchants to forestall probable increases of duties. Customs dues collected in Buenos Aires port to date, for the current year, are \$84,300,000 Argentine paper, or, in the current year, are \$84,300,000 Argentine paper, or, in round figures, some twenty-eight millions more than was collected during the corresponding period of 1922.

Unfortunately, there are as yet no signs of any determination to tackle the problem of national finance as a whole. In plain language, it costs \$600,000,000 Argentine paper per annum to administer Argentina to-day, in so far as the national Government is concerned; while the far as the national Government is concerned; while the actual budgetary sanctions only amount to some five hundred millions, in cash and in credits. Something must be done, or the great consolidation schemes, upon which Congress will be asked to pronounce directly the 1923 Budget has been dealt with, cannot have more than a temporary effect on the stability of the national finances. Pending such pronouncement the Government, officially at any rate, is refusing to consider loan proposals. But

there is a belief in financial circles that there are various offers in hand. Both London and New York are ready, and, provided Congress is expeditious and businesslike, no time is likely to be lost in putting the matter through. As for the internal part of the plan, all one can say is that the trend of the local money market does not seem to be veering in favour of large lock-up investments, and with increasing demand at better rates for their funds the banks may be less anxious to take up the five hundred million dollars worth of 3 per cent. bonds allocated to them in the original proposal than was the case six months ago.

The question of differential treatment for Argentine as opposed to foreign companies is again to the fore. Not only have the additional rates of taxation been again mooted, but there is also a proposed increase in the amount of the licences payable annually by the foreign insurance companies working in this Republic. Their present scale of licences ranges from \$4,000 to \$10,000 Argentine paper; if the suggestion of the Budget Committee be passed by Congress, the range will be from \$6,000 to \$15,000. Coupled with a 7 per cent. tax on fire and general premium income, and 2 per cent. on life, as opposed to \$1.40 per cent. and ½ per cent. payable by companies whose directorates and domicile are Argentine, this latest charge is not encouraging. Indeed, as the Association of Foreign Insurance Companies in Argentina has pointed out in a very pertinent memorandum addressed to the chairman of the Budget Committee, differential taxation is already reducing their business. Between 1919 and 1922 the drop in fire business alone was 20 per cent., while in marine the diminution is as much as 50 per cent. The rights of the foreign companies to consideration are unquestionable, but inasmuch as it has been said on many occasions of recent years, both in and out of Congress, that nationalisation of the insurance business throughout Argentina is eminently desirable, there is not much hope for the petitioners. It is, indeed, but another manifestation of the new spirit which seeks to limit as far as it can the remission of profits made here to proprietors abroad. The illogical nature of such a view is patent at once, yet precisely the same reasons are at the bottom of the unexpected treatment of the Anglo-Argentine Tramway Company, Limited, in the matter of the fares chargeable under the municipal concession. Reduction from 12 cents to the old rate of 10 cents paper, having regard to the additional charges—contribution to Pension Fund, increased wages, &c., imposed when the 12-cent rate was sanctioned in 1919—means indefinite postponement of dividends on the ordinary shares of the company, in arrears since 1914, and is patently opposed to the facts as stated by the investigatory committee appointed by the Municipal Commission. This committee, made up of a group of young men having theoretic minds and a firm belief in the advisability of nationalising all Argentine public services, certified in their report that the information they sought was rapidly obtainable from the company's books, and that not only did the balance-sheets published in London and Buenos Aires coincide, but that they faithfully reflected the true position of the company's affairs. Yet, after stating that "the capital of the company with last year's profits produced 6 per cent. interest," i.e., with a 12-cent fare, they recommend a return to the old tariff, the ostensible reason being that prospects in general are better, and working costs likely to decline. Granted that the final acceptance of the Committee's recommendations was largely based on political considerations, Radicals and Socialists striving to be first in showing the voting public which party could be relied on to give tangible results, the main fact to be borne in mind is the tendency to believe that national interests benefit by restricting as much as possible all outgoings that take the form of dividends, interest on mortgages, and other monetary profit generally considered as appertaining to capital investment. One cannot imagine that the question of the Anglo-Argentine Tramway Company will rest where it is at present. A more likely supposition is that it will follow, *mutatis mutandis*, a somewhat similar course to that of the railway tariffs, with, it may be hoped, greater celerity.

A motion has been laid before Congress which, if passed, would permit the Treasury to draw gold from the

Conversion Office, against a delivery of the statutory equivalent in paper money, for the purpose of meeting services on external debts. That it would be an exceedingly profitable operation for the Government is clear, but more than mere mention of the matter is inadvisable, since it perforce connects with the whole question of the state of the national finances and currency outlook in general. One may add, however, that as an isolated factor acting on the local exchange market, the periodic effect on rates, should the proposal take concrete shape, would be but small.

JAPAN.—THREE MONTHS' FOREIGN TRADE.

(FROM OUR CORRESPONDENT.)

TOKYO, April 10.

THE unfavourable balance of trade which marked the close of last year in Japan has continued during the first three months of the present year, and now reaches a total of over 164,000,000 yen. The figures for the quarter may be summarised as follows:—

	January to March—	
	1922.	1923.
	Yen.	Yen.
Exports	302,641,000	339,764,000
Imports	582,964,000	503,794,000
Total	886,605,000	843,561,000
Adverse balance	279,328,000	164,033,000

The main cause of the persistence in an unfavourable trade balance is the steady decline in demand for exports of cotton goods and silk fabrics, together with an equally steady increase in raw cotton imports. In the export trade 18 out of 30 principal articles showed a decrease, the principal items being starch, tea, waste silk and silk fabrics, coal, lumber, cottons, iron, matches, cement, tyres, and machinery. Ten articles registered small gains. On the import list 19 out of 30 chief articles of trade experienced a decline, of which the following may be mentioned:—Rice, wheat, eggs, sugar, sulphate of ammonia, ores, lumber, dyes, woollen yarn, pulp, iron and steel, woollen cloth, and paper, the principal gains being raw cotton, beans, coal, and machinery. The general trend of trade has been the reverse of what business circles appear to have expected. Trade with China and Germany shows a tendency to increase.

The efflux of gold from Japan continues to increase, and the total of the national reserve has been reduced by as much as 2,000,000 yen in the last few weeks, owing largely to sales of bullion. The total gold holdings now stand at 1,803,000,000 yen, of which £46,000,000 yen is held by the Government and 1,157,000,000 yen by the Bank of Japan; and of the total 1,208,000,000 yen is in Japan and 595,000,000 yen abroad, mainly in England and the United States. The note issue of the Bank of Japan on April 6th amounted to 1,131,297,000 yen, against a gold reserve of 1,057,176,000 yen.

Letters to the Editor.

THE OUTLOOK IN TURKEY.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Your readers who have intimate commercial ties with the East and are longing for a sane régime in Turkey will heartily welcome the admirable and illuminating article in your issue of the 12th inst., which entirely confirms the private intelligence which reaches me from Asia Minor correspondents.

Mr Bonar Law and Lord Curzon have chances of regaining British influence in Ottoman Councils if they follow the dictum of Lord Currie in dealing with the Turk—"Always pursue an open and honest policy: act with courage and wisdom."

It is, Sir, not the least of the avoidable tragedies of the past 10 years that, owing to a mixture of arrogance, evasion, crookedness, and ignorance, our political over-seers have lowered the prestige of our nation in the East, gone out of their way to make enemies, checked British trade and progress, and well-nigh ruined our "Imperial

destinies" in every corner of the world. In Constantinople and Cairo (where we had many loyal friends amongst the notables) our weakness and vacillation has filled true allies with despair. Those who look to Lausanne for a settlement will, I fear, look in vain, because it is plain from the reports in the Press that the delegates are blind to the teachings of history and have overlooked the records of the past. Take, for example, the question of the capitulations. These were voluntary, unilateral, and gratuitous. In the sixteenth century the Sultans, to suit their own pleasure and to encourage trade with Europe, made certain defined concessions to foreign traders and settlers simply because Ottoman polity, social customs, the laws of inheritance, procedure, and civil jurisprudence were unsuited for dealing with the affairs of aliens. All who have resided in Constantinople, Smyrna, or Cairo know that the same legal conditions exist to-day as in the reign of Queen Elizabeth, because of the operation of the unchangeable Law of Islam. We do not complain of this, but simply recognise the fact. But Turks and Egyptians have ample grounds for demanding the repeal of scandalous exemptions from local taxation (never contemplated by the Imperial Firmans of the sixteenth century), which have been tacked on wrongfully to the original concessions, and as our financial interests in Turkey, built up slowly and involving many millions sterling, entirely outweigh those of any other nation, we have an equitable right to make our voice heard in advising Turkey. Lord Currie has left us a guide—in his experience as Ambassador a valuable guide—which his Majesty's Government would do well to follow.—Yours obediently,

EDWARD ATKIN.

1 Paper buildings, Temple, E.C. 4, May 14th, 1923.

Books and Publications.

STATISTICAL ANALYSES OF SELLING EXPENSES.*

IN the United States, during the decade before the war, there had originated a systematic examination of the conditions of production, selling, and distribution, which experience in the war and since has but intensified. Its avowed purpose is to promote greater efficiency in every department. Its outward manifestation is to be found in the campaign for scientific management; in the establishment of elaborate systems of cost-analysis, joined to which will generally be found mechanism for studying the internal statistics of the business; in the initiation of statistical bureaux which place at the disposal of the small business the same facilities for collecting and discussing both internal and external statistics as the larger business is able to organise for its own use; and in the foundation of commercial departments in the universities. These departments are not contented with the provision of more or less elaborate courses in the theory of commerce, but push their activities into the field of research. Of late years there has been an awakening to the necessity of similar study in this country, and though a good start has been made in the London School of Economics, the commercial departments of our universities, the increasing study on systematic lines by our Press, and other ways, still we are far behind the States in our convinced ardour for the crusade. It is possible that our late start may yet redound to our advantage, by enabling us to avoid some of the errors into which our trans-Atlantic friends have fallen from time to time, just as our own experience in railway construction enabled those who followed us to profit by our failures and errors. The book under review is a case in point. It presents the second of two studies on commercial practice in the retail distribution of clothing in the United States. The present study was undertaken to find out what it costs to sell clothing in stores, and also, if possible, the principles governing these costs, and the methods by which they may be controlled. The study was carried out by the Bureau of Business Research of the

* "Selling Expenses and Their Control." A Study in the Retail Distribution of Clothing. By North-Western University School of Commerce Bureau of Business Research, Horace Secrist, Director, in Co-operation with the National Association of Retail Clothiers. Prentice-Hall, Inc., New York City, 1922.

North-Western University School of Commerce, under the direction of Mr Horace Secrist, who is already known as the author of a handbook of statistics treated from the business point of view. The book claims to have shown "that the relations of selling expense to sales and to total operating expense are governed by conditions which, to a large extent, are subject to effective merchandising control; that they vary according to clearly defined principles, and that these principles can be stated, and the conditions of expense distribution under them measured." An immense amount of labour has evidently been expended on the study, and the book is got up in a style befitting the expenditure of labour, but it is difficult to admit that the results obtained are commensurate with this output. Here and there, no doubt, interesting and sufficiently important results are obtained. Thus one learns that wages and salaries per \$100 of net sales increase with the size of the turnover, in each of the three years, 1914, 1918, and 1919, considered, and that the percentage of advertising expense decreases at first, but afterwards increases with the size of the turnover. Further, there has been a small but general reduction of the ratio of selling cost to net sales from 1914 to 1918, and again to 1919. Perhaps the explanation of this lies in the movement towards efficiency to which reference has been made above, though no explanation is attempted by the authors themselves. Indeed, the want of any attempt to identify tendencies elicited by statistical methods with causal sequences, and to discuss them in that light, is a cardinal weakness of the work. Another source of weakness lies in the unfortunate selection of units employed. Of these there are some 41 in all, 20 simple, 21 complex. Of the former some, such as the ratio of various selling expenses to total net sales, are legitimate, and others, such as selling expense per 100 square feet of floor space, while perhaps legitimate enough, do not appear to be very relevant, in the absence of any explanation as to what physical conception they are intended to measure; but of most of the complex units one can only say that the ordinary mind cannot grasp quite what they mean. What, for example, is the physical meaning of "Expense per \$100 of total net sales per sales per square foot of floor space?" Not only are these complex units difficult to interpret physically, but their use is dangerous, since it may, and in some cases does, introduce spurious correlations amongst quantities that may be entirely independent of causal connection, or at least are much less strongly correlated. As a case in point, take Table 162, where first the ratio of wages to sales, and then the "wages per \$100 of total net sales per \$1,000 of sales per full-time sales person" (i.e., the wage ratio per unit of staff efficiency) are compared with the staff efficiency. There is a small but not invariable inverse correlation between the wage ratio and the efficiency ratio, which is converted into a high (inverse) correlation on division of the former by the latter, but this correlation is almost entirely spurious, and no useful conclusion can be drawn from it. Used with caution, the work may be of benefit to trained statisticians, but it is doubtful how far it will prove of use to the general run of business man, who is unable to separate the grain from the chaff. To have obtained the collaboration of a large business association is much, but one feels that the discussion might have been worthier of the opportunity.

THE LEAGUE AND ITS WORK.*

ONE of the misfortunes of the League of Nations is that its shortcomings always get into the limelight, whereas its merits and achievements attract inadequate notice. We should, therefore, like to see this book of Mr Roth Williams widely read by the British public. The author is obviously impregnated with the League spirit, but he is not a mere up-in-the-air idealist. He tells in plain straightforward language what the League has done and is doing, and there is much in the record that will surprise scoffers. He traces the process of constitutional evolution that the League has undergone since its formation; he explains League machinery, and discusses the attitude of the three great States that are not yet members. Finally, he makes a number of practical suggestions "for equipping our own

* "The League of Nations To-Day." By Roth Williams. (London) George Allen and Unwin, Limited. 6s net.

country to take the lead in getting all countries into the League, and transacting all international questions through the League system, as part of a bold and consistent peace policy in Europe and the world." The League is frequently voted a dry subject. But Mr Williams makes it interesting, as well as instructive. Many people are fond of asking what the League has done, what it is doing, and why it doesn't do more towards solving Europe's troubles. If they will read this book they will find their ignorance dispelled, and their questions fully and capably answered.

BOOKS RECEIVED.

The Development of International Law After the World War. By Otfried Nippold. (Oxford) Clarendon Press. 7s 6d.

Restoration of the World's Currencies. By R. A. Lehfeldt. (London) P. S. King and Son, Limited. 6s.

Social and Economic Conditions in the Dominion of Canada. (Concord, N.H.) The Annals of the American Academy of Political and Social Science.

The New Argentina. By W. H. Koebel. (London) T. Fisher Unwin, Limited. 15s net.

Hispanic-American Relations with the United States. By William Spence Robertson. (New York) Oxford University Press.

Obtainable in London from Mr. Humphrey Milford.

Income-Tax, Excess Profits Duty, Super-Tax, and Corporation Profits Tax. By Chas. H. Tolley. (London) Waterlow and Sons, Limited. 6d net.

A Quaker Centenary. By Sir George Newman. (London) British Periodicals, Limited. 1s.

An interesting address delivered by Sir George Newman at the celebration of the centenary of Bootham School, York, May 21, 1923. *Report on Commerce, Industry, and Agriculture in the Netherlands East Indies During 1922.* (Buitenzorg, Java) Division of Commerce.

BARCLAYS BANK LIMITED.

Head Office: 54, Lombard Street, London.

AUTHORISED CAPITAL	£20,000,000
ISSUED CAPITAL	£15,592,372
RESERVE FUND	£ 8,250,000
DEPOSITS (31/12/1922)	£303,185,535

FOREIGN EXCHANGE TRANSACTIONS ARRANGED.

CHIEF FOREIGN BRANCH:

168, Fenchurch Street, London, E.C.3.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET.
May 30.

ACCOUNT.
May 31.

A variety of reasons conspired against revival of Stock Exchange business when the House returned after the Whitsun holidays. The resignation of Mr Bonar Law, greatly regretted as it is throughout the Stock Exchange, is held to constitute a reason for caution amongst investors, although the appointment of Mr Stanley Baldwin as Premier has given general satisfaction. The utter chaos of the mark and the movements in the franc are responsible for weakness in various directions, more especially, of course, in connection with foreign stocks. Both the Cape and Paris have been sellers on balance of South Africans, while the oil market suffered a fresh spasm of apprehension by reason of another drop in Mexican Eagles. There has been talk of forced liquidation, and possibly a substratum of truth lurks in the rumour that certain people had got out of their financial depth.

The Consol market has scarcely recovered from the surprise which was experienced upon the new India 4½ per cent. scrip being so substantially bought that a premium of ½ was established on the price, in spite of the fact that underwriters were left with 51 per cent. of the stock. This premium gave way

Kaffirs are a dull market, though the pressure to sell from Johannesburg has been slightly relaxed. Nevertheless, the Cape seems to be a seller on balance, and Paris left no support to Diamonds, nor to copper shares. The last-named have been flat, for which the fall in the metal is, of course, partly responsible. Tin went above £200 per ton, but failed to stay there, and upon the price sinking back the markets for Cornish, Malayan, and West African tin shares relapsed into heaviness and inanition. The slump in *Esperanzas*, which lowered the price from 11s to 4s 6d in a day, followed the directors' announcement of reconstruction. This affected, to some extent, kindred shares in the Mexican mining group. Other mining shares have fallen upon quietude, their markets commanding even less attention than is directed to others in different parts of the House. But next week is expected to throw a brighter complexion upon the aspects of business and prices.

Foreign Securities.			
Argentine 5%, 1886-7	101	101	
Belgian 3%	68	68	
Brazil 5% Fund., 1914	76	75	-1
Chilian 4%, 1895	84	84	
Do 7 1/2%	107 1/2	107 1/2	
Chinese 5%, 1912	74	73	-1
Egyptian 4%	70 1/2	70	
French 5%	304 1/2	293	
Do 4 1/2%	24	23 1/2	
Greek 4%, 1884	45 1/2	43 1/2	-2
Japanese 4 1/2%	102	102	
Do 4%, 1910	74	74	
Mexican Cons. 1899	63 1/2	63 1/2	
Peruvian Corp. Pref.	294	291	
Portuguese 6%	88	88	
Russian 5% (New)	304	304	
Spanish 4%, 1906	8	8	
Do 4 1/2%	71 1/2	71 1/2	
Seine (Dept.) 7%	108	101	-7
Siamese 7%	108	108	

Brakpan (£1).....	5s.	3s.	..	Knights	2s.	3s.	..
Broken Hill Prop. (8)	1s.	1s.	..	Modderfontein (10) ..	3s.	3s.	..
Chartered Ed. (10) ..	1s.	1s.	..	Modderfont. "De" (5)	2s.	1s.	..
Cons. Gold Fields (£1)	1s.	1s.	..	Modderfont. Prem. (5)	2s.	1s.	..
Crown Mines (10) ..	1s.	1s.	..	Modderfont. (2/6) ..	2s.	1s.	..
De Beers Deft. (2s.)	14s.	1s.	..	Rand Mines (5) ..	2s.	2s.	..
East Rand Prop. (£1)	3s.	3s.	..	Selukwe	2s.	2s.	..
Geduld (£1)	3s.	3s.	..	Rio Tinto (5s) ..	3s.	3s.	..
Geduld Gold Areas (£1)	5s.	5s.	..	Spring Mines (£1) ..	2s.	2s.	..

LIABILITIES.		Compared		ASSETS.		Compared	
		March 28, 1923.				with Mar	
		31, 1922.		Amount.		31, 1922	
		Amount.	£			£	
Land, bldgs, &c.	4,720,844	—	137,0				
Debtors	335,156	+	46,9				
Stock	869,138	+	66,3				
Cash	335	+	2,0				
Bills receivable	—	—	—				
Shares and share	—	—	—				
of reserve fund	15,307	—	—				
Investments	381,900	—	622,5				
Total	6,322,284	—	648,2				
Prof. shares.....	3,000,000	..	—				
Ord. shares.....	1,000,000	..	—				
Premium on shs.	750,000	..	558,510				
account.....	717,087	..	661				
Creditors	550,121	..	—				
Owing to bankers	—	..	—				
Reserve for con-	—	..	363,235				
tingencies	305,076	..	274,147				
Profit and loss	6,322,284	..	648,259				
Total	6,322,284	..	648,259				

Name of Company.	Rate % per Annum, except where marked % or stated in Cash. * Interim div. † Final div.	Date of Payment.	Method of Payment.	Latst Pre- Year-vious.	Dividend for Whole Years.
Railways.					
Antofagasta	..	..	Less tax 5/3 in £	5	3
Delaware and Hudson	2½%	June 20	Quarterly	..	..
Great Indian Peninsula	1½%	..	Less tax	..	..
Southern Pacific	1½%	July 2	..	..	..
United of Havana	2 %	June 7	Less tax	..	..
Banks.					
Banca Commerciale Italiana	8½%	..	..	12	12
Bank of Toronto	3 %	June 1	Quarterly	..	..
Mitsubishi.	10 %	..	..	14	14
Standard of South Africa	14†	..	Subject to tax	8 a.p.	16 a.p.
Tata Industrial	..	..	..	..	..
Insurance.					
General Life	..	..	Tax free	12½	..
Gresham Fire and Accident	..	..	Less tax	6	5
Reliance Marine	6/ p.a.†	..	..	30	..
Tea and Rubber.					
Amalgamated Tea Estates	..	..	..	15	5
Bambrakelly Tea and Rubber	..	..	..	20(d)	10
Bangawan Rubber	..	..	..	3	nil
Do	3 %	..	Less tax	5	nil
Batu Tiga	5%*	..	Less tax	..	..
Do	..	June 30	Less tax	25	5
Chargota Tea	..	..	..	15	nil
Doloswella Rubber and Tea	..	..	Less tax	15	nil
East India and Ceylon Tea	..	..	Less tax	15	nil
Java Rubber and Produce	15%†	..	Less tax	22½	10
Nedem Tea	..	..	Less tax 5/3 in £	5	nil
Norional Rubber	..	..	Less tax 25% (bonus)	50	35
Pebbitts Tea	15 %†	..	Less tax 5/3 in £	6	nil
P.P.K. (Ceylon) Rubber	..	..	Less tax 5/3 in £	2	nil
St George Rubber	..	..	..	5	10
Sungei Salak Rubber	..	..	..	40	25
Tata Tea	30 %†	..	Less tax	..	..
Mining.					
Cassell Cyanide	1/3 p.a.*	June 4	Less tax 4/6 in £	..	..
Central Mining and Invest.	6/ p.a.†	June 30	4/ p.a.) Tax free	6	5
Lake View Investment.	..	..	Less tax	10	nil
New Goch Gold	1/3 p.a.*	June 29	Less tax	..	..
Oroville Dredging	8000 p.a.	June 15	..	..	..
Utah Apex	81 p.a.	June 30	..	..	..
Utah Copper	..	July 2	Less tax	1/ p.a.	nil
Zinc Corporation	..	..	..	..	..
Other Companies.					
Aberdeen, &c., Steam	10*	..	Tax free	..	..
A.B. Fleming	12/ p.a.	..	Less tax	12½	12½
Albert Baker and Co.	2/ p.a.†	June 14	Less tax	7½	7½
Allen, Everitt, and Sons	..	..	Tax free	4	6
Anglo American Nile	3%	..	Tax free	50	..
Anglo French Textile	..	..	Less tax	10	15
Baltic M. and S. Exchange	..	..	..	1/3 p.a.	4½
Becker and Co.	3 %†	..	Tax free	15	7½
British Electric Traction	4½ p.a.	..	Tax free	25	35
Brooks and Dooxey	..	..	Tax free	30	30
Broxburn Oil	4/ p.a.†	June 22	Tax free	30	30
Butler's Wharf	15*	June 19	Tax free	..	..
Burnall Oil	6	June 2	Less tax	10½	7½
Carreras, Limited	..	..	Tax free	15	15
Cheltenham Orig. Brewery	..	..	..	10½	7½
City and West End Properties	..	..	Tax free	15	15
Colombo Electric Tramways.	82 p.a.	July 2	..	..	..
Cons. Gas of Baltimore	6%†	..	(6 p.a.) Less tax	..	..
Cops & Brothers	12%	July 2	Less tax	10	10
Dominion Glass	9†	..	(bonus) 24% Less tax	15	15
Electric Construction	7½%†	..	Less tax	5	7½
Gartside (Brookside Brewery)	..	..	..	7	6½
Glenfield and Kennedy	14/ p.a.†	..	Tax free	..	..
Hazell, Watson, and Viney	..	..	Less tax	7	6½
Henry Gardner	6%†	..	(bonus) 6d p.a.) Tax free	10	10
Hobrooks	12†	..	..	10	10
Indian and General Trust, Defd.	2 %	June 1	..	16	15
Ingersoll-Rand Co.	9½%†	June 6	..	10	10
Investment Trust Corp., Defd.	28%†	..	Tax free	10	10
J. & E. Hall	7½%†	..	Less tax 5s in £	6	6
John Rowell and Son	6†	..	Less tax	6	6
Knightbridge & Bradford Estate	..	..	..	6	6
Land and Mortgage of Egypt.	..	..	..	6	6
Lichfield Brewery	18 p.a.†	June 2	Less tax	6	6
Malta and Mediterranean Gas.	3½%†	..	Tax free	15	..
Manor Power Coal	10†	..	Less tax	7½	5
Mirrlees, Bickerton, and Day	..	..	Less tax	15	..
Montgomery and Co.	..	..	Less tax	15	..
Moore's and Robson's Breweries	10	May 23	Tax free	5	..
New Inv. Incandescent					

(d) Nine months. (e) And share bonus 60 per cent.

ROYAL EXCHANGE ASSURANCE.—The directors have decided to increase the rate of interim bonus paid on claims arising and policies maturing within the present quinquennium from 50 per cent to 30s per cent in respect of each full year's premium paid from 1912 to 30s per cent in respect of each full year's premium paid on or before December 31, 1922. In future, therefore, the interim bonus on claims secured at the rate of 25s per cent, for each of the full annual premiums paid in respect of the years 1921 and 1922, and at 30s per cent, for every subsequent full year's premium paid.



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COMPANY MEETINGS, &c.

GRESHAM FIRE AND ACCIDENT INSURANCE SOCIETY, LIMITED.

CONTINUED PROGRESS.

ESTABLISHMENT EXPENSES REDUCED.

DIVIDEND INCREASED.

The thirteenth annual general meeting of the Gresham Fire and Accident Insurance Society, Limited, was held, on Thursday, May 24th, at the head offices of the society, St Mildred's House, Poultry, London, E.C., Sir Reginald Macleod (of Macleod), K.C.B. (chairman of the society), presiding.

The general manager and secretary (Mr T. Brand Miller) having read the notice convening the meeting and the report of the auditors,

The Chairman, after expressing regret at the loss which the society had sustained by the death of Mr C. C. Macrae, said: I presume, gentlemen, you will take the report and accounts, which are in your hands, as read. When I addressed you a year ago the country was passing through a difficult and trying period of depression in trade, and I fear it must be admitted there was no material improvement in 1922 over the previous year. While the unemployed, varying in number from 1,250,000 to 1,500,000, were in one form or another artificially supported, while our factories were largely idle and our warehouses only partly filled, insurance business must suffer, and it is therefore in no way surprising that our premium income does not show expansion. It were ungracious not to acknowledge the relief given to taxation by reduction of income-tax from 6s to 5s and again to 4s 6d, and by the reduction of one-half in the corporation profits tax from June 30th. That means that for the year now current one-quarter of that burden will be removed, and I trust it means also that by the next Budget the tax will be finally abolished as being the most illogical, the most partial, and the most unjust of all. The tax as now provided for in our accounts is equivalent to a dividend of 1 per cent. on your capital, and I cannot conceive why shareholders in a company like this are required not only to pay income-tax like other people, but to suffer a diminution of the sum which would be available for their service by the imposition of this peculiar and, so to speak, personal tax upon ordinary shareholders in any business concern. We have no doubt that the country will emerge from its present financial and commercial difficulties gradually but surely, and that our organisation will profit by the improvement as it comes. We are well equipped and ready to take advantage of the tide when it begins to flow. In the meantime, it is gratifying to be able to say that the general financial results of the year's operations find the society in a stronger position than it was twelve months ago.

Taking the accounts for last year, you will notice that the fire premium income amounted to £140,918, and is about £10,000 less than the previous year. The fire claims ratio is 57.6 per cent., and is less by 12.1 per cent. than it was a year ago. The commission and management expenses, taken together, amount to 41.9 per cent., compared with 41.5 per cent. for 1921. The amount required to maintain our reserve at 35 per cent. is somewhat less than in the previous year, and this gives us a balance of £3,468 10s 11d, which has been carried to the credit of the profit and loss account. Coming to the accident account, the premium income

amounted to £111,186, compared with £102,270 in 1921, being an increase of £8,916. The claims paid and outstanding are 42.1 per cent. of the premium income in this department, against a ratio of 44.9 per cent. in the previous year, an improvement of 2.8 per cent. in the claims. The commission and management expenses, taken together, show a ratio of 46.2 per cent., compared with 45.7 per cent., showing a slight increase in the expenses, which the directors trust will be rectified during the present year. As income grows expenses, we may definitely hope, will become lower. Combining the results of the society as a whole, you will find that the total income received was £267,504, and, adding the sum of £427 released from the reserve for unexpired risks, the total is increased to £267,931.

The total claims paid and outstanding represent 50.74 per cent. of the premium income, against 59.60 per cent. for 1921, showing a reduction in the total claims of nearly 9 per cent. The expenses of management and commission accounted for 43.82 per cent. of the premium income, compared with 43.24 per cent., being an increase of 0.58 per cent. over the previous year. The excess of receipts over expenditure is £23,168, which is increased by adding £7,702, the amount brought forward in the profit and loss account from the previous year, to £30,870, which compares with £21,702 in 1921. Our income from investments now amounts to over £10,000, and your directors, having carefully considered the present satisfactory condition of the society, have decided to recommend an increase in the dividend from 5 per cent. to 6 per cent., less income-tax. The amount which will now be required to meet the dividend, £8,850, is still within our interest earnings. The directors have also set aside £12,000 for the reduction of the establishment of business account, which they are desirous of seeing extinguished as soon as practicable. The balance to be carried forward to next year is £10,020. Turning to the balance-sheet, there is, I think, only one item I might refer to, and that is the shares we have in the Dominion Gresham Company of Canada. Our allied society, the Gresham Life Office, and ourselves, have held practically all the shares in that company for some years. During the past year we have considered it desirable to place the Canadian company in sufficient funds to enable the directors in Montreal to apply for the necessary license from the Canadian Government to commence fire business, and we therefore supplied the additional capital required, amounting to just over £10,000, in exchange for which we hold fully-paid 5 per cent. cumulative preference shares, thus increasing our holding in the company to £35,945. The company has a very valuable agency organisation throughout Canada, and it will, we believe, prove a profitable investment for us.

SUMMARY OF RESULTS.

I may summarise the result of the year's operations as follows:—1 per cent. more paid in dividends, establishment of business account reduced by £12,000, and the carry forward is increased from £7,700 to £10,000. In attaining this measure of success in a year so full of difficulty in assurance business, I desire to express our appreciation of the skill and devotion to your interests shown by the general manager, and, under him, by his assistants at the head office and branches.

I may say one word about the future. At the moment our prospects are better than they have been during the last two years. We have every reason to believe that the present year will show distinct progress in our income. The society's business has been built up on sound lines, and we look forward to the future with every confidence of success.

Before concluding, I have an important announcement to make with regard to our head office premises known as St Mildred's House. The building has been found quite inadequate for the requirements of our allied society, the Gresham Life Office, and ourselves, involving the lodgment of sections of our staff in neighbouring buildings, and in consequence the Gresham Life Office, who are the owners of this building, have disposed of it and arranged for the erection of a new building at 188 and 190 Fleet street, which is to be completed by the end of this year, and to which it is intended to transfer the head office organisations of both societies. I trust, therefore, it may be my pleasure to welcome you to our new premises at our next annual meeting. I should also like to say that we intend to open a branch office as near our present offices as possible, for the convenience of the many agents and friends of the Fire and Accident Society in this part of the City. I now move: "That the directors' and auditors' reports be approved and adopted, and that a dividend at the rate of 6 per cent., less income-tax, be paid upon the paid-up capital of the society."

Mr Courtenay C. S. Fooks (deputy-chairman) seconded the motion, and it was carried unanimously. The retiring directors, Mr Laurence Currie and Mr C. H. Beadnell, were re-elected, and the auditors, Messrs Price, Waterhouse and Co., were re-appointed, the proceedings terminating with a cordial vote of thanks to the chairman.

HAMBROS BANK, LIMITED. INCREASE OF LOANS AND ACCEPTANCES.

The eleventh annual ordinary general meeting of the shareholders of Hambros Bank, Limited, was held, on the 24th instant, at the registered offices of the company, 43, Bishopsgate, London, Sir Everard Hambro, K.C.V.O. (the chairman), presiding.

The secretary (Mr J. H. Roscoe) having read the notice convening the meeting and the report of the auditors,

The Chairman said: Gentlemen,—You will find laid on the table the directors' report and the statement of accounts for the year ended March 31 last, and I will assume that, according to our usual custom, we may take them as read.

In comparing shortly our balance-sheet figures with those of last year, the chief features are the increase of loans and acceptances, which reflect to a large extent the increased exports to this country from the northern countries which require financing during the late winter and early spring. It has become a practice that the exporter to this country, when making his contract, has, in order to avoid speculation, to secure his exchange, this being the only way he can determine the price at which he can sell; hence the considerable demands upon us during the first few months of the year, which are liquidated by the shipments during the summer.

The banking difficulties in Denmark and Norway have been wisely and ably met, I believe with success, and we may hope to see the result in a steady improvement in the position, with a return to the normal.

Before formally moving the adoption of the report and accounts, I shall be pleased to reply to any questions or observations from any shareholder.

No questions being asked, the Chairman formally moved: "That the report of the directors and audited statement of accounts to the report of the directors and audited statement of accounts to the March 31, 1923, already printed and circulated among the shareholders, and as presented to this meeting, be received, adopted, and entered upon the minutes."

Mr H. C. Hambro seconded the resolution, which was carried unanimously.

The Chairman next moved: "That a final dividend of 12 per cent. for the year ended March 31, 1923, free of income-tax, be declared on the capital paid up, and that such dividend be made payable on and after May 25, 1923."

Mr W. J. Heriot seconded the motion, which was unanimously adopted.

Sir Eric Hambro, K.B.E. (vice-chairman and managing director) I beg to move: "That Sir Everard Hambro, K.C.V.O., Mr H. C. Hambro, Mr W. J. Heriot, Mr J. Jorgensen, and Mr J. C. Priestley, K.C., be and they are hereby re-elected directors of the company."

The proposition was seconded by Mr H. Rendixson (vice-chairman), and unanimously approved.

The auditors having been re-elected, the proceedings terminated.

LUNUYA (CEYLON) TEA AND RUBBER ESTATES, LIMITED SATISFACTORY RESULTS OF THE YEAR.

The sixteenth ordinary general meeting of the Lunuya (Ceylon) Tea and Rubber Estates, Limited, was held, on the 25th instant, in the council room of the Rubber Growers' Association (Incorporated), 3, Idol lane, London, Mr H. J. Welch, chairman of the company, presiding.

Mr John Calderwood, representing the agents and secretaries (Messrs Harrison and Crosfield, Limited), having read the notice convening the meeting and the report of the auditors,

The Chairman said: Gentlemen, our issued capital has been increased during the year to £272,800 by the issue of 48,000 shares in respect of the estates purchased in 1921 and by 24,800 shares issued for cash to the shareholders. Our reserve account stands at £30,878. The total cost of our properties and their development and equipment at December 31 last was £290,988. After deducting from our issued capital the excess of our liquid assets over our liabilities, including the dividend to be paid to-day, our issued share capital represented a little over £45 per planted acre, without allowing any value for our reserve land.

TEA AND RUBBER CROPS.

The tea crop harvested amounted to 2,308,951 lbs, against 2,248,427 lbs in the previous year. The f.o.b. cost of production was 8.62d per lb, against 6.52d per lb. The higher cost was principally due to increased expenditure on cultivation and labour. The net average price realised was 1d per lb lower than in the previous year. A little more than half the crop was sold forward under contracts made early in January, 1922, for what were considered then to be satisfactory prices. The remainder of the crop was sold on the open market, and realised less than 1d per lb more than that sold under forward contracts.

The restricted rubber crop harvested was 69,639 lbs, against a

crop of 20,005 lbs in the previous year. The cost of production f.o.b. was reduced by almost 2d per lb, and the net average price realised was 4.36d higher than in the previous year. 2,467,442 coconuts were gathered during the year, of which 2,444,561 nuts were converted into 455 tons of copra. The f.o.b. cost of production was equivalent to £12 6s 3d, and the net average price realised was equal to £20 1s 7d per ton. The details of the planted areas are set out in the report. Except for 43 acres of tea, our areas are all mature. The labour force was sufficient for all requirements, and the general health conditions were satisfactory. The visiting agents report that the estates are all in good condition.

PROFIT AND ALLOCATIONS.

The profit for the year amounted to £39,872, to which has been added the amount brought forward from last year, making £43,785. After deducting the interim dividend of 5 per cent. paid in October, there remains a balance of £33,726. The directors recommend that the balance of outstanding labour advances, amounting to £10,000, and the increase of capital expenses, £1,031, be written off, and that a final dividend of 7½ per cent., less income-tax, be paid for the year, leaving £7,265 to be carried forward. Having regard to the liberal depreciation written off in previous years, and the heavy amounts written off labour advances this and last year, the directors have not thought it necessary to make further provision for depreciation this year. The directors believe the buildings, machinery, plant, &c., stand in the balance-sheet at below their real value, and they propose making an investigation into the matter in the course of the current year.

With the writing off of the labour advances, and the increase of capital expenses, which is proposed out of last year's available balance, all the items not represented by real assets will be removed from the balance-sheet. Our restricted rubber crop for the current year is estimated at 96,500 lbs, and of this we have harvested to April 30th, 24,181 lbs, against 23,756 lbs for last year. Our coconut crop is estimated at 2½ million nuts, of which we have harvested to April 30th, 439,721 nuts, against 468,462 nuts in the previous year. The estimated tea crop for the current year is 2,460,000 lbs, of which we have harvested to April 30th 892,729 lbs, against 827,004 lbs for last year, an increase of over 65,000 lbs. We have sold forward approximately 57 per cent. of our estimated crop at prices which will give us a net average price of approximately 1s 3¼d per lb, as compared with 1s 0.66d per lb last year. The balance is being sold on the open market, and is obtaining satisfactory prices. In conclusion I wish to acknowledge the valuable services rendered during the year by our agents, visiting agents and various members of our estate staffs. I now beg to move: "That the directors' report and statement of accounts for the year ended December 31, 1922, as now submitted, be and they are hereby approved and adopted."

Mr C. Heath Clark, J.P., seconded the resolution, and it was carried unanimously.

A final dividend of 7½ per cent., less tax, making 12½ per cent. for the year, was declared, the retiring directors, Mr C. Heath Clark, J.P., and Mr C. H. Bagot, were re-elected, and the auditors, Messrs McAuliffe, Davis and Hope, were re-appointed.

VICKERS, LIMITED.

RESULTS OF A DIFFICULT YEAR.

The fifty-sixth annual general meeting of the members of Vickers, Limited, was held at River Don Works, Sheffield, on the 24th instant, Mr Douglas Vickers, chairman of the company, presiding.

The secretary read the notice convening the meeting and the auditor's report.

The Chairman dealt in detail with various items in the balance-sheet, and in the course of his remarks he pointed out that the reserve accounts stood at the same figure as last year. Referring to the question of depreciation, he said it would be noticed that again for 1922 nothing had been written off the plant of the parent company. In view of the figure of £3,200,000 standing on the other side of the balance-sheet to works reserve account, it was the directors' opinion that the question of depreciation might with perfect safety be left till conditions became more normal.

Proceeding, he said:

Interests in subsidiary and connected companies.—These stand in the balance-sheet at a figure about £124,000 below that of 1921, due mainly to reserves made out of profits.

PROFIT AND LOSS ACCOUNT.

Turning to the profit and loss account, the profits for 1922 are £683,204, a decrease of nearly £25,000 as compared with the previous year. By drawing upon the carry-over to the extent of a little over £169,000, your directors are able to recommend the same dividend on the ordinary shares as for 1921, after paying the usual preference dividends in full. The carry-forward still stands at the substantial figure of £703,907. The final settlement of certain taxation questions has contributed partly to this result by

allowing reserves which had previously been made to be brought in. Shipbuilding was depressed all the time, and shipbuilders all over the country, in their eagerness to obtain work to keep their yards going, were not only prepared to quote prices which included no profit and even only a part of their proper charges, but also to accept deferred payments. We have succeeded in obtaining an order for a first-class liner from a new customer, the Orient Company, as well as a few ships of smaller importance, one fitted with internal combustion engines of the company's type. These engines, which are the result of application to merchant ships of the company's very large experience gained in the construction of engines for submarines, have shown great reliability and extremely economical results in actual work. The attention of ship-owners has been fixed on the internal combustion engine for some time, and now that they have been proved successful it is probable that a large proportion of the ships of moderate size of the future will be fitted with this type of engine.

LAND BOILERS—NEW FIELD.

The substitution of the internal combustion engine for the steam engine, and the small prospect of orders for warships with the large engines, make it clear that there will be great difficulty in the future in filling the large boiler shops at Barrow with work. We, therefore, soon after last year ended, decided to break into a new field—that of land boilers. We thought the best course was to make a working arrangement with a firm which already carries a good name in the land boiler trade, and we have, therefore, made such an arrangement with the Spearing Boiler Company, the well-known boiler designers, by which we enter that organisation. We shall manufacture for them and start with the advantage that is obtained by using a recognised and well-known type. One interesting point is that the combination will put the company in the position of being able to equip a complete electrical power station from the boilers to the turbines and generators, and the switch-board and cables distributing the current.

As to these works, railway work was also to be had only in small quantities, and there was little armament work beyond the armour for Japan, which was finished about the middle of the year. Towards the end of 1922 the Government placed orders for supplies for two battleships, of which we got our fair share. Some expenditure on capital account has been incurred in this factory to enable it to satisfy new requirements in connection with these orders. The spring department, which was originally confined to motor-car springs, has been extended with success to railway springs.

The company's carriage and wagon interests were slack, the Ashbury works (near Manchester) having even been closed down the whole of the year. Fortunately, an order of some magnitude for wagons from the East Indian Railways made it possible to keep the Birmingham works going. There were also a few orders for carriages. The year of the Metropolitan Carriage Company only ends on March 31st, but a sum on account has been brought into the profits of the parent company.

The Wolsley Company's accounts for the year ending in September last are not yet closed, but we know that the results were unsatisfactory for reasons which I gave last July. Their output was disorganised by the engineers' strike, coming on top of the moulders' strike not many months before. Orders have, however, come along in larger numbers, and the deliveries of the last few months, particularly of the medium types, have been considerably higher than they ever reached before.

THE OUTLOOK.

Speaking to you last July, I said that there were points which indicated that the skies might clear. If to-day's meeting had been held a few months ago, I think I should have said that my hopes

were then on the point of being fulfilled. Unfortunately, about that time the French occupation of the Ruhr district began; the production of coal and steel in that district was reduced and diverted from its natural course, with the result that prices of coke and coal rose here, and those of steel followed, with the natural result that the costs of these rose to a price which holds off those buyers who have not already been frightened away by the uncertainty of the political situation. Coal and coke companies, and makers of raw steel of ordinary qualities, have gained a passing advantage, but, on the whole, the French occupation of the Ruhr is causing a considerable loss to the engineering trades of this country.

Under these circumstances, it is not easy to forecast the results of 1923. I can only say that, unless there is a definite change, the year is not likely to be very different from 1922.

The report and accounts were adopted.

BOOTS PURE DRUG COMPANY, LIMITED.

GOOD RESULTS—INCREASED DIVIDEND.

OFFER OF ORDINARY SHARES.

The thirty-fifth annual meeting of Boots Pure Drug Company, Limited, was held, on the 19th instant, at Station street, Nottingham, Mr J. C. Boot (the vice-chairman) presiding.

The secretary (Mr A. L. Milne) read the notice convening the meeting, and Mr J. C. Parsons (Sharp, Parsons and Co.) read the auditors' report.

The Chairman said:

Gentlemen,—I rise to propose that the directors' report and statement of accounts for the year ending March 31, 1923, be received and adopted. I am sorry that Sir Jesse Boot's health does not permit him to be here to-day, but I have seen him this week, and am pleased to say he is a good deal better than he was.

As you know, when building anything, a lot of hard work has to be done before there is much to show for it, but a time comes when the same amount of work gives far bigger visible results, and so it has been with this business.

No business without solid foundations could have shown the satisfactory results through the last few years that we have done.

FUNDING OF RESERVES.

Turning to the accounts, you will notice that the capital of the company has undergone a certain amount of reconstruction. As you are aware, the ordinary share capital for many years has been merely nominal, and it has in no way represented the true value of the ordinary shares. Large reserves have been kept in the business, and it has now been considered advisable to fund permanently a portion of these. This will mean that the security of the preference and preferred ordinary shareholders will be increased, as previously these reserves could have been distributed in cash to the ordinary shareholders, but this is now no longer possible.

The authorised share capital has been increased by £650,000 to the sum of £2,400,000, and 900,000 unissued ordinary shares will be paid up in full, and issued to the holders of the original ordinary shares by the appropriation of £900,000 from surplus account. The preference dividends amounted to £96,729 for the year, and the dividend on the ordinary shares £360,000, both less income-tax at 5s in the £1. This is a slight increase over the dividends last year, when that paid on the ordinary shares amounted to £349,713, less tax. After payment of these dividends, the satisfactory sum of £139,082 6s 7d is left over as undivided profits for the year, and the whole amount has been carried to surplus account. When the capitalisation referred to above has been carried into effect, the surplus account will stand at £543,071 10s 9d.

ASSETS.

On the assets side of the balance-sheet, the freehold and leasehold land and buildings stand at over £1,000,000. It has always been

the policy of your directors to write down any properties which they consider have depreciated in value, but appreciation in others has never been taken into account. You will observe that the depreciation fund on fittings and plant amounts to over 50 per cent. of the amount standing on the balance-sheet.

From the merchandise point of view, the year has been exceedingly satisfactory. Stocks were cleaned up so thoroughly in the previous year that far fewer losses have had to be taken. Now that prices are more stable, your directors have put back to surplus account £148,189, which was held in reserve against further losses through the fall in the value of merchandise.

For many years goodwill has stood at £45,088 19s 1d, and as this is such a small fraction of what the goodwill of the business is worth, your directors have decided to write it off out of surplus, and to show the asset side of the balance-sheet consisting of tangible assets only.

Your directors have always realised that they have a triple duty to perform. Firstly to the public, in giving the best possible service and value, and in this respect the policy has always been to make a large number of sales at a small profit, and your directors have no intention of departing from this policy.

CARE OF STAFF.

Secondly, our duty to our employees, to whom we pay good wages. In spite of the reductions during the last year, in nearly every case we are paying more than the standard union rate, and, where there is no fixed minimum, we are paying considerably more than the rates paid for similar work. Boots Health Insurance Society is approved under the National Insurance Act, and has a membership of 8,000. The firm pays the costs of administration, and this has enabled the society to show a surplus of £10,000 at the first valuation. A portion of this money is being spent on two convalescent homes, one at Skegness and the other at Llanfairfechan. Commencing in 1897, certain amounts were set aside each year to form a capital sum, the interest of which would enable us to pay pensions to qualified chemists. By 1918 this fund stood at £120,000, and the scheme was started and has now approximately one thousand members, and costs the company about £8,000 a year. This year we are asking you to agree to vote £20,000 to commence building up a capital sum which, when it reaches the required amount, will enable us to start a pension fund for the whole of our employees. This will of necessity take a considerable time, but I can assure you that, in the meantime, our old employees are not being neglected, for during the past year we have paid £7,000 in gratuities and pensions for long service.

ISSUE OF ORDINARY SHARES.

Thirdly, our duty to our shareholders, by ensuring them, as far as we possibly can, a good return on the money they have entrusted to us by building the business on the broadest possible basis. Our conservative cash policy enables us to take advantage of every suitable opening for profitable business.

In the past we have tried very successfully to get a large number of customers holding our shares. In continuance of that policy the owners of the ordinary shares have decided to place on the market a portion of their holding, and this I am sure will greatly benefit our company by giving still more of our employees and customers the chance to hold shares.

We have a magnificent staff, and when I tell you that, in spite of all difficulties, our trade last Christmas was a record one, you will realise how wholeheartedly they work for the firm, and our best thanks are due to them all.

In view of the trade conditions, I think the results of last year's trading must be considered satisfactory, and I have pleasure in moving that the directors' report and statement of accounts for the year ending March 31, 1923, be received and adopted.

This motion was seconded by Mr J. E. Greenwood, and carried unanimously.

The retiring directors—Sir Jesse Boot, Bart., and Mr L. K. Liggett—were re-elected directors of the company, and the auditors (Messrs Sharp, Parsons and Co.) were re-appointed. A vote of thanks to the chairman and staff concluded the proceedings.

CAWNPORE ELECTRIC SUPPLY CORPORATION, LIMITED.

A PERIOD OF TRANSITION.

The annual ordinary general meeting of shareholders was held, on the 23rd instant, at Winchester House, London, Mr John G. B. Stone, the chairman, presiding.

The Chairman, in moving the adoption of the report and accounts, said: I wish to point out that the accounts cover a period of transition from the closing down of the old power station to the opening of the new one at the river side, and consequently the results shown are not a true indication of the position as it stands to-day. The period under review has had to carry the capital charges incidental to the construction of these new

works, which did not come into full operation until towards the end of the year. It has also had to bear charges arising out of the issue of debentures in May last year, for the purpose of making still further additions to our generating plant. Another feature is that in spite of lower profits in 1922 we have had to pay £745 more income-tax in India than we did in the previous year.

The accounts are presented to you in what we consider to be an improved form, but the alteration makes comparison difficult. For your information, however, I may say that the real difference between this year and last year is, before allowing for the income-tax above referred to, a reduction of £4,200 in profit on working. These accounts show a net revenue of £16,104 6s 6d, and if this was a true guide to the state of the undertaking we should not recommend withdrawing £2,347 11s 9d from reserve to maintain the 10 per cent. dividend. After doing so and including the sum brought in from 1921 the net amount for disposal is £21,731 0s 6d. Of this amount £12,238 0s 4d has been disbursed in dividends, leaving a balance of £10,075 15s 5d, with which we propose to pay a final dividend of 7 per cent., making 10 per cent. for the year.

You will observe that during the year under review holders of a further 33,732 preference shares exercised their option to convert into ordinary shares, making in all at the date of expiry of the option 38,507 shares so converted. A further issue of £250,000 5 per cent. tax-free debentures was made during the year, and of this amount £224,194 had been received by the end of the year. The balance has since been paid up. The 6 per cent. debentures outstanding in 1921 amounted to £49,600, of which £34,300 has been converted into the new issue. The other side of the balance-sheet shows an investment of £95,000; £15,500 of this has been deposited with the trustee of the 6 per cent. debentures to provide for the interest and redemption of the outstanding debentures of that issue at or before maturity. Our report mentions a considerable increase in the company's revenue since the close of the year, and we anticipate a marked saving in working costs.

Mr Scott Moncrieff seconded the motion, which was carried.

BALAGHAT GOLD MINES, LIMITED.

The third ordinary general meeting of this company was held, on the 23rd instant, at 6 Queen street place, London.

Lieut.-Colonel Sir Donald Robertson, K.C.S.I., who presided, said that the total return for the past year was 32,820 ounces of fine gold, as compared with 28,842 ounces in 1921, an increase of 3,978 ounces. The average market price of the gold was £4 13s 8.4d per fine ounce, as compared with £5 5s 4.4d, the sum realised being only £1,923 more than in 1922. There had been a reduction in working costs of 7s 4d per ton, and the profit for the year was £36,338, or practically the same as in the preceding year, notwithstanding the appreciable fall in the price of gold. The preference shareholders had received 2s and the ordinary shareholders 1s per share by way of dividend, and £4,163 was being carried forward, subject to corporation profits tax. At the close of the financial year the company possessed cash and other liquid assets amounting to £60,527, and there were liabilities to the amount of £21,859, leaving a balance of assets of £38,667, in addition to which there were materials and stores at the mine valued at £26,329, and goods in transit which had cost £3,222. There had been an increased footage in the underground development work during the year, and he was glad to say that the reserves of ore at December 31st last, which were estimated at 116,139 tons, were 35,845 tons more than at the end of 1921. The superintendent reported that "as development generally disclosed excellent values, if nothing of an unforeseen nature occurs, the output of gold for the current year should exceed that of the one under review."

The report and accounts were unanimously adopted.

GOVERNMENT RETURNS.

CURRENCY NOTES ACCOUNT.

(000's omitted.)

Date.	Notes and Certificates Outstanding.	Investments Account.	Advances to		Redemption Account.				
			Bankers.	Savings Banks.	Gold and Coin and Bullion.	Bank of England Notes.	Ratio to Notes.	Government Securities.	Balance at end of Period.
1922.									
Mar. 29.	300,361	14,255	£13,000		28,500	19,450	15.9	261,478	177
June 28.	295,374	13,338	6,000		28,500	19,650	16.3	264,312	250
Sept. 27.	283,121	12,649	7,000		27,000	21,150	18.6	244,456	169
Dec. 31.	301,537	12,872	7,000		27,000	21,150	15.9	254,922	137
1923.									
Mar. 28.	285,616	12,318	4,000		27,000	22,450	17.3	241,294	190
May 9.	287,049	12,102	7,000		27,000	22,450	17.3	241,557	144
16.	287,416	12,162	7,000		27,000	22,450	17.3	242,815	213
23.	287,919	12,164	7,000		27,000	22,450	17.3	243,445	154

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum statutory issue for 1920 fixed at £200,000,000, for 1921 at £117,555,000, for 1922 at £300,000,000, and for 1923 at £770,125,000.

THE ANGLO-SOUTH AMERICAN BANK, LIMITED.



Capital and Reserves
exceed £13,000,000

Head Office:

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

AFFILIATED INSTITUTIONS:

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

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £40,000,000 in Treasury Bonds and Treasury Bills dated from May 25-June 2 were opened on May 25, 1923, and the total amount applied for was £64,851,100. Tenders for Monday to Friday bills at £99 10s, about 99 per cent., and above in full, and for Saturday bills at £99 10s 2d, and above in full. The amounts allotted were as follows:—In bills at 3 months, £36,500,000; in bonds, £3,500,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.	4% Treasury Bonds. Average Price.
Apr. 20, 1923.	30,000,000	59,305,000	1 16 6/4	95 5 4
Apr. 27, 1923.	40,000,000	61,230,000	1 18 7/8	95 5 0
May 4, 1923.	30,000,000	60,965,000	1 18 8/29	95 6 0-8
May 11, 1923.	30,000,000	62,300,000	2 0 4/2	95 6 10-5
May 18, 1923.	30,000,000	52,979,300	1 17 1/47	nil
May 25, 1923.	40,000,000	64,851,000	1 19 3/87	95 6 7-6

Tenders will be received on June 1, 1923, for Treasury Bonds and Bills to be issued to the maximum amount of £40,000,000. The amount of Treasury Bonds issued will not exceed £5,000,000.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Total Receipts into the Exchequer from	Receipts.	Week Ended	Week Ended
	Apr. 1, 1923, to May 19, 1923.	Apr. 1, 1922, to May 19, 1922.	May 19, 1923.	May 20, 1922.
Receipts in Exchequer on 1st April:				
Bank of England	5,442,665	9,963,424	..	..
Bank of Ireland	1,375,502	1,210,106	..	..
REVENUE.	6,818,167	11,173,530	..	..
Customs	17,611,000	15,256,000	2,180,000	3,015,000
Excise	25,083,000	22,160,000	7,167,000	7,095,000
Motor Vehicle Duties	1,679,000	1,354,000	..	..
Stamps, &c., Duties	7,240,000	8,361,000	1,420,000	1,160,000
Postage	2,100,000	1,377,000	170,000	40,000
Land Tax, House & Land Tax	350,000	390,000	30,000	30,000
Property & Income Tax	33,203,000	41,535,000	2,071,000	2,068,000
Super Tax	9,670,000	770,000	..	..
Business Profits Tax, &c.	3,140,000	854,000	500,000	351,000
Corporation Profits Tax	6,700,000	6,500,000	1,000,000	1,000,000
Post Office	100,000	80,000	..	..
Crown Lands	..	..	..	..
Interest on Loans	2,362,276	343,594	..	..
Miscellaneous	..	..	..	..
Ordinary Receipts	2,688,824	7,631,979	140,553	543,946
Special Receipts	8,584,713	8,432,343	5,922	2,876,000
Revenue	118,511,813	117,781,746	15,444,475	18,108,946
Total, Inc. Balance	125,329,980	128,555,276	..	..
OTHER RECEIPTS.				
Temporary Advances Repaid:—				
Bullion	..	550,000	..	..
Under the Unemployment Insurance Act, 1921	960,000	..	210,000	..
Money raised by Creation of Debt:—				
(a) For Capital Expenditure Issues: Under the Telegraph (Money) Act, 1921 to 1922	..	..	..	..
(b) Under the Unemployment Insurance Act, 1921	..	1,210,000	..	..
(c) For other issues: By Treasury Bills for Supply ..	332,244,000	421,631,000	41,575,000	55,381,000
By National Savings Certificates ..	6,900,000	24,280,000	1,000,000	550,000
By Treasury Bonds ..	..	..	..	..
By 15 year, 1925-35 ..	..	..	..	..
By 4% ..	..	61,543,539	..	121,708
By 4% 1931-33 ..	24,400,986	..	1,906,876	..
Ways and Means Advances	62,650,000	120,170,000	..	2,270,000
Anglo-Persian Oil Company Dividend on Shares acquired	..	243,012	..	243,012
Repayments:—				
In respect of issues under Land Settlement (Facilities) Act, 1919 and 1921	36,069	7,901	..	..
Do issues under Section 58 (4) of the Finance Act, 1920 ..	..	365,460	..	..
Subsidies received under Section 58 (5) of the Finance Act, 1920 ..	..	87,358	..	..
Total	559,521,025	758,543,546	60,136,351	76,614,666

EXPENDITURE AND OTHER ISSUES.

	Total Issues out of the Exchequer to meet Payments from	Issues.	Week Ended	Week Ended
	Apr. 1, 1923, to May 19, 1923.	Apr. 1, 1922, to May 20, 1922.	May 19, 1923.	May 20, 1922.
EXPENDITURE.				
Permanent Charge of Debt	3,332,767	3,434,757	569	6,473
Interest, &c., on War Debt	49,977,709	48,403,924	5,508,828	3,184,283
Road Fund	1,078,044	633,000	..	..
Payments to Local Taxation Authorities, &c.	..	50,000	..	..
Payments to Northern Ireland Exchequer	171,822	180,000	..	..
Land Settlement	64,794	246,782	7,220	74,302
Other Consolidated Fund Services	254,317	275,919	..	..
Supply Services	46,089,000	43,774,500	6,500,000	8,000,000
Expenditure	100,868,453	96,978,823	12,696,617	11,265,938

OTHER ISSUES.

	Total Issues out of the Exchequer to meet Payments from	Issues.	Week Ended	Week Ended
	Apr. 1, 1923, to May 19, 1923.	Apr. 1, 1922, to May 20, 1922.	May 19, 1923.	May 20, 1922.
TEMPORARY ADVANCES.				
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1924	36,891	84,909	..	..
Under the Unemployment Insurance Act, 1921	30,000	1,210,000	..	..
Issues to meet Capital Expenditure Under the Telegraph (Money) Act, 1921 to 1922	600,000	..	600,000	..
Under the Housing Act, 1914	..	13,000	..	..
Unemployment Insurance Act, 1921	750,000	..	..	..
Repayment of amounts borrowed	..	..	..	..
Redemption of Debt:				
Treasury Bills for Supply	358,265,000	521,855,000	40,000,000	44,550,000
Principal of National Savings Certificates	..	..	..	..
(a) Repaid by Issues under Section 59 (5) of the Finance Act, 1920	800,000	4,000,000	700,000	600,000
(b) Repaid otherwise	4,800,000	..	..	..
Principal of Exchequer Bonds paid off	..	19,236,605	..	100,000
Principal of National War Bonds paid off	16,604,989	..	250,000	..
Other Debt under the War Loan Act, 1914 to 1919	15	5,251,988	..	..
Ways and Means Advances Repaid	65,867,000	105,870,000	5,850,000	19,890,000
Old Sinking Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911	548,662,348	751,656,040	60,096,617	76,405,026
Balances in Exchequer:				
Bank of England	2,076,756	2,000,517	132,919	149,840
Bank of Ireland	1,821,921	1,986,980	172,653	359,480
Total	3,898,677	3,987,506	39,734	209,640

Treasury, May 22, 1923.

SCOTTISH UNION & NATIONAL INSURANCE COMPANY.

ESTABLISHED 1824.
ASSETS EXCEED £12,000,000
FIRE. LIFE. ACCIDENT. MARINE.
Edinburgh: 35, St. Andrew Square.
London: 5, Walbrook, E.C.4 and 4, St. James' Street, S.W.1.

The
Clerical, Medical & General
LIFE ASSURANCE SOCIETY.
Publishes A DETAILED LIST OF INVESTMENTS.
Apply, Chief Office: 15, St. James's Square, S.W.1,
or
City Office: 8, King William Street, E.C.4.

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, May 23, 1923.

ISSUE DEPARTMENT.

Notes issued	145,447,975	Government debt	11,015,100
		Other securities	8,734,900
		Gold coin and bullion	125,697,975
	145,447,975		145,447,975

BANKING DEPARTMENT.

Proprietors' capital	14,553,000	Government securities	42,576,180
Reserve	3,224,606	Other securities	69,604,314
Public deposits	12,577,058	Notes	22,167,626
Other deposits	105,805,770	Gold and silver coin	1,828,572
Seven-day & other bills	16,257		
	136,176,691		136,176,691

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

	Amount, May 23, 1923.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Rest	3,224,606	+ 22,209	+ 10,135
Public deposits	12,577,058	+ 3,083,197	+ 5,985,247
Other deposits	105,805,770	+ 917,542	+ 8,068,018
Government securities	42,576,180	+ 1,555,000	+ 6,511,466
Other securities	69,604,314	+ 2,622,032	+ 4,988,827
Reserve	23,996,197	+ 197,688	+ 2,444,670
Note circulation	123,280,547	+ 196,145	+ 2,390,375
Coin and bullion	127,526,547	+ 1,543	+ 1,354,295
% of reserve to liabilities	204%	+ 2%	+ 4%

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve and % of Reserve to Liabilities.	Bank Rate.
1923.						
Apr. 18	127,520,959	122,380,350	125,918,766	118,705,398	24,830,609	19 1/2
25	127,519,323	122,647,175	115,810,893	115,489,728	23,079,330	19 1/2
May 2	127,520,900	124,191,570	120,870,439	115,489,728	23,079,330	19 1/2
9	127,521,944	123,776,130	116,605,698	110,835,051	23,495,814	20 1/2
16	127,525,004	123,476,495	122,383,567	116,357,526	23,798,509	19 1/2
23	127,526,547	123,280,350	118,387,828	112,180,494	23,996,197	20 1/2

BANKERS' CLEARING RETURNS (000's omitted).

Week Ending—	Town.	Metropolitan.	Country.	Total.
1923.				
January 1 to April 18	10,247,795	475,933	863,701	11,585,429
April 25	684,471	31,070	53,378	768,919
May 2	729,357	30,280	52,820	812,457
9	646,865	33,273	66,361	746,499
16	591,416	30,095	57,462	678,973
23	506,184	25,745	45,980	577,909

Total to date 1923.	13,406,078	624,396	1,139,082	15,169,556
Do 1922.	14,089,811	644,220	1,144,444	15,878,475
Increase or decrease in 1923.	- 683,733	- 19,824	- 5,362	- 708,919
	= 4 3/4 %	= 3 1/4 %	= 0 4 %	= 4 3/4 %
Total for year 1922	32,780,635	1,574,661	2,806,165	37,161,461
Total for year 1921	30,268,214	1,660,165	3,002,179	34,930,558
Increase or decrease in 1922	+ 2,512,421	- 85,505	- 196,014	+ 2,230,902
	= 8 3/4 %	= 5 1/4 %	= 6 5/8 %	= 6 3/4 %

PROVINCIAL CLEARING RETURNS.

	1922.	1923.	Inc. or Dec.
Aggregate Totals to May 19.			
BIRMINGHAM	44,180,700	47,365,090	+ 3,184,390
BRISTOL	13,150,800	12,767,700	- 383,100
DUBLIN	23,342,700	23,131,900	- 210,800
HULL	21,582,200	22,378,800	+ 796,600
LONDON	15,921,900	16,342,300	+ 420,400
LEICESTER	174,180,600	183,161,200	+ 8,980,600
LIVERPOOL	297,682,400	307,493,400	+ 9,811,000
MANCHESTER	38,186,700	40,575,200	+ 2,388,500
NEWCASTLE-ON-TYNE	13,680,700	13,086,600	- 594,100
NOTTINGHAM	18,900,600	23,652,200	+ 4,751,600
SHEFFIELD	..	..	..

OVERSEAS BANK RETURNS.

UNITED STATES FEDERAL RESERVE BANKS.—In \$'s (000's omitted).

	May 18, 1923.	May 11, 1923.	May 4, 1923.	May 19, 1922.
RESOURCES.				
Total gold reserve	3,087,890	3,088,860	3,080,580	3,005,140
Legal tender notes and silver reserve	83,170	92,560	93,810	125,380
Bank tender notes and silver reserve	697,330	695,020	730,340	468,700
Bills discounted for member banks	281,610	266,990	275,430	571,120
Bills bought in open market	189,890	185,810	184,770	594,980
Government obligations owned	64,730	64,160	64,450	68,040
All other resources	56,060	22,620	49,080	39,280
LIABILITIES.				
Government deposits	1,937,630	1,915,050	1,934,770	1,846,770
Other deposits	2,233,000	2,241,820	2,237,510	2,146,660
Federal Reserve Notes in actual circulation	1,880	2,070	2,300	72,470
Federal Reserve Bank Notes in actual circulation	16,990	16,830	15,970	19,060
All other liabilities	327,640	327,400	327,190	320,050
Capital and surplus	..	..	..	..
Ratio of total reserves to gross deposits and bills of total reserves	75.3%	76.1%	75.2%	77.6%
Federal Reserve note liabilities combined	..	..	..	..

STATEMENT OF CANADIAN BANKS.—In \$'s (000's omitted).

	Mar. 31, 1923.	Feb. 28, 1923.	Jan. 31, 1923.	Dec. 31, 1922.	Mar. 31, 1922.
ASSETS.					
Cash and bank balances	450,070	456,410	445,945	509,830	447,024
Bank balances abroad	65,263	74,654	59,585	71,402	64,314
Call and short loans	222,130	270,081	281,407	284,037	267,418
Securities	385,426	376,612	356,306	340,589	353,663
Loans in Canada	1,150,302	1,128,034	1,120,723	1,148,681	1,239,496
Loans abroad	161,527	165,987	158,444	157,657	151,969
Other assets	104,465	104,822	105,420	106,439	98,870
LIABILITIES.					
Note circulation	173,258	156,714	152,632	176,201	162,

NATIONAL BANK OF BELGIUM.—In francs (000's omitted).

Assets.	May 17, 1923.	May 10, 1923.	May 3, 1923.	April 26, 1923.	May 18, 1922.	Position May 28, 1921.
Coin (gold & silver and bullion)	347,823	347,633	347,079	347,648	327,572	322,650
Securities	716,227	714,265	696,630	691,371	444,388	697,600
LIABILITIES.						
Notes in circulation	6,814,581	6,843,230	6,846,949	6,869,523	6,168,556	934,150
Current accounts	288,220	269,643	309,343	504,491	864,574	112,126

BANK OF NORWAY.—In kroner (000's omitted).

Assets.	May 15, 1923.	May 7, 1923.	April 30, 1923.	May 15, 1922.	Position May 31, 1921.
Coin and bullion—Gold	147,289	147,289	147,289	147,292	44,224
Balance abroad and foreign bills	18,270	24,058	24,887	42,239	28,533
Norwegian & Foreign Government securities	9,404	9,404	9,404	9,835	8,816
Discounts and loans	499,581	501,074	500,959	443,014	76,911
LIABILITIES.					
Notes in circulation	399,010	404,302	408,864	371,572	113,484
Deposits at notice	161,814	163,108	162,494	150,803	7,188

Through Royal resolution of February 3, 1922, it has been resolved that the extraordinary right of issuing bank notes has been reduced from 50 millions to 25 millions from February 4, 1922 (this day included).

IMPERIAL BANK OF INDIA.—In rupees (000's omitted).

Assets.	April 27, 1923.	April 20, 1923.	April 13, 1923.	April 6, 1923.	Mar. 30, 1923.	April 28, 1922.
Govt. securities	8,35,06	8,39,18	8,42,69	8,43,33	8,25,39	8,62,70
Other securities	1,21,89	1,23,89	1,23,89	1,23,89	1,23,89	1,23,89
Loans	18,80,33	19,04,82	19,33,56	19,27,74	18,78,94	16,09,25
Cash credits	29,40,69	29,59,30	29,97,72	29,51,52	31,30,33	28,25,72
Inland bills	8,18,84	8,34,27	7,88,94	8,13,98	8,62,56	7,70,20
Foreign bills	17,70	12,77	14,52	14,74	25,47	4,01
Dead stock	2,48,66	2,48,40	2,48,04	2,47,72	2,47,52	2,44,66
Bankers' bills	47,42	42,26	41,63	42,14	45,26	42,58
Bank with other banks	16,10	13,33	13,33	13,80	10,69	30,01
Cash	16,52,64	14,70,27	12,27,21	14,46,73	14,44,21	18,04,55
LIABILITIES.						
Subscribed capital	11,25,00	11,25,00	11,25,00	11,25,00	11,25,00	11,24,12
Capital paid up	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50	5,62,28
Reserve	4,22,50	4,22,50	4,22,50	4,22,50	4,22,50	4,01,80
Public deposits	14,82,62	14,54,13	15,03,14	17,41,62	20,53,17	14,46,63
Other deposits	57,63,32	56,31,87	55,47,14	55,01,96	53,61,86	51,48,08
Loans from Govt.	11,25	6,25	7,875	8,625	8,625	2,00,00
Deposits	2,00,00	2,00,00	1,17,50	1,10,76	1,05,98	1,09,59
Deposits in London	502	325	319	323	320	70
Advances in London	550	682	809	869	872	286
Cash, etc., at other banks in London	85	102	84	86	66	53

NATIONAL BANK OF BULGARIA.—In leva (000's omitted).

Assets.	Jan. 14, 1923.	Dec. 29, 1922.	Dec. 14, 1922.	Nov. 22, 1922.	June 30, 1922.	May 31, 1922.
Gold and silver	57,402	58,176	58,200	58,216	57,727	57,701
Foreign bank notes	595	1,353	1,330	1,342	..	..
Foreign bills	50	2,142	2,142	2,083	..	..
Balance abroad	729,068	880,997	896,395	911,672	..	..
Notes in circulation	3,794,195	3,844,103	3,968,946	3,967,225	3,800,620	3,758,717
Advances to the State	3,854,569	3,763,334	..	..	..	..

POLISH NATIONAL BANK.—In Polish marks (000's omitted).

Assets.	May 10, 1923.	April 30, 1923.	April 10, 1923.	April 1, 1923.	March 1, 1923.	February 1, 1923.
Gold	41,889	41,875	41,763	41,697	41,697	29,649
Silver	44,207	44,201	44,191	44,187	44,187	43,594
Foreign coin	(a) 6,205	(a) 6,304	(a) 6,304	(a) 6,304	(a) 6,304	146,302
Foreign bills	(a) 26,136	(a) 31,064	(a) 31,064	(a) 31,064	(a) 31,064	640,820
Advances to the Govt.	214,000,000	214,000,000	214,000,000	214,000,000	214,000,000	220,000,000
Private loans and discounts	513,116,061	461,540,793	412,723,994	363,999,127	56,227,569	..
LIABILITIES.						
Notes in circulation	24,565,229	23,329,974	20,813,288	18,904,770	266,547,602	..
Deposits	417,973,752	463,154,073	459,179,442	458,250,723	54,503,177	..

BANK OF LITHUANIA.—In lt. (000's omitted).

Assets.	May 15, 1923.	April 30, 1923.	April 15, 1923.	Mar. 31, 1923.	Mar. 15, 1923.	Mar. 1, 1923.
Gold	15,779	15,778	15,823	15,818	15,812	..
Silver	111	108	105	102	99	..
Foreign coin	38,327	31,469	28,590	28,585	27,773	..
Other foreign currency	44	28	33	27	27	..
Discount and credit	14,076	14,137	13,635	12,887	12,711	..
Other assets	6,676	4,982	5,126	4,545	4,456	..
LIABILITIES.						
Capital	12,000	12,000	12,000	12,000	12,000	..
Notes in circulation	46,015	44,212	43,271	42,362	38,530	..
Deposits	7,383	6,400	4,531	4,234	6,078	..
Other liabilities	5,614	3,951	3,510	3,509	3,069	..

NATIONAL BANK OF THE SERBS, CROATES, AND SLOVENES.—In dinars (000's omitted).

Assets.	May 15, 1923.	May 8, 1923.	April 30, 1923.	April 22, 1923.	May 15, 1922.
Gold	63,093	63,093	62,952	62,945	69,374
Other coin and notes	20,463	19,358	18,503	17,738	17,052
Foreign credits	288,201	272,084	270,994	274,362	288,824
Balance	1,368,134	1,367,656	1,354,201	1,346,248	857,894
Govt. advances	4,491,875	4,491,556	4,490,966	4,491,165	4,418,533
LIABILITIES.					
Notes in circulation	5,480,539	5,534,108	5,459,173	5,420,255	4,773,748
Govt. credits	293,114	297,994	297,604	297,604	324,262
Deposits	702,148	658,861	698,512	723,013	535,683

BANK OF CZECHO-SLOVAK REPUBLIC.—In Cz. K. (000's omitted).

Assets.	May 15, 1923.	May 7, 1923.	April 30, 1923.	April 23, 1923.	April 15, 1923.	May 15, 1922.
Liabilities of the Austro-Hungarian Bank to the Banking Office	10,096,842	10,096,842	10,096,842	10,096,837	10,096,837	10,096,710
Discounts & advances	1,999,868	2,097,641	2,133,734	2,029,048	2,152,967	2,250,033
Gold & silver holdings	904,260	903,274	843,934	843,238	842,165	..
Foreign bills and balances abroad	1,329,530	1,218,810	1,172,849	1,080,074	876,769	897,262
Other assets	601,279	632,947	790,231	604,339	481,381	591,922
LIABILITIES.						
Notes in circulation	8,997,986	9,292,913	9,567,369	9,931,960	8,847,100	9,488,437
Deposits	4,241,155	3,983,918	3,772,192	4,234,992	4,216,610	1,381,680
Other liabilities	1,686,638	1,682,683	1,698,029	1,486,584	1,381,409	2,355,811

* Recalling from banknotes, current accounts, Exchequer bills issued by the Austro-Hungarian Bank and taken over by the Banking Office.
 Notes.—The latest returns of the Banks of Russia, Netherlands, Roumania, Sweden, Austria, Denmark, Egypt, Portugal, Latvia and Estonia will be found in the Supplement of May 19th, 1923.

LONDON RATES.

	May 18, 1923.	May 19, 1923.	May 21, 1923.	May 22, 1923.	May 23, 1923.	May 24, 1923.	May 25, 1923.
Bank rate (reduced from 3½% July 13, 1922)	5%	5%	5%	5%	5%	5%	5%
Market rates of discount:							
60 days' bankers' drafts	2	1½	2	1½	2	1½	2
3 months' do.	2	1½	2	1½	2	1½	2
6 months' do.	2	1½	2	1½	2	1½	2
Discount (Treasury Bills):							
3 months'	1½	1½	1½	1½	1½	1½	1½
Loans:—Day to day	1½	1½	1½	1½	1½	1½	1½
Short	1½	1½	1½	1½	1½	1½	1½
Deposit allowances: Banks	1	1	1	1	1	1	1
Discount houses at call	1	1	1	1	1	1	1
At notice	1½	1½	1½	1½	1½	1½	1½

† Additional to those offered by tender in the preceding week.

Comparison with the previous weeks:—

	1923.	3 Months.	4 Months.	6 Months.	3 Months.	4 Months.	6 Months.
Apr. 20	1½	1½	2	2	2½	2½	3
May 4	1½	1½	2	2	2½	2½	3
11	1½	1½	2	2	2½	2½	3
18	1½	1½	2	2	2½	2½	3
25	1½	1½	2	2	2½	2½	3

OVERSEAS BANK RATES.

	Changed.	%		Changed.	%
Amsterdam	July 18, 1922 ..	..	Madrid	Mar. 23, 1923 ..	5
Athens	Jan. 14, 1923 ..	7½	Paris	Jan. 15, 1923 ..	5
Berlin	Apr. 23, 1923 ..	18	Prague	July 11, 1922 ..	5½
Brussels	Jan. 22, 1923 ..	5½	Rome	July 11, 1922 ..	5½
Bucharest	Sept. 4, 1920 ..	6	Sofia	June 14, 1919 ..	6½
Budapest	Apr. 25, 1923 ..	12	Stockholm	July 1, 1922 ..	4½
Calcutta	Jan. 11, 1923 ..	8	Swiss Bank	..	..
Canton	May 1, 1923 ..	6	Tokyo	Aug. 17, 1922 ..	3
Copenhagen	May 1, 1923 ..	6	Vienna	Nov. 18, 1919 ..	8
Helsingfors	Oct. 16, 1922 ..	8	Warsaw	Sept. 3, 1922 ..	9
Lisbon	Sept. 3, 1920 ..	7	..	..	..
New York Federal Reserve	Feb. 21, 1923 ..	4½	Irish	July 13, 1922 ..	4

RATES OF EXCHANGE.

London on	Usance	Par.	May 26, 1922.	May 18, 1923.	May 25, 1923.
Paris	francs to £1	T.T.	25/22	48-78-83	69-35-45
Berlin	marks to £1	T.T.	20/43	1295-1298	220-00-200-00
Vienna	krone to £1	T.T.	34/02	42000-44000	32-00-32000
Prague	krone to £1	T.T.	34/02	231-233	155-156
Warsaw	P. marks to £1	T.T.	30/43	18000-19000	2150-2150
Bukarest	lei to £1	T.T.	25/24	640-650	930-940
Budapest	for. to £1	T.T.	34/02	3550-3750	22000-27000
Constantinople	liras to £1	T.T.	11/10	665-685	735-755
Sofia	levas to £1	T.T.	35/24	575-625	550-600
Belgrade	dinas to £1	T.T.	35/24	11-11	434-44
Amsterdam	florin to £1	T.T.	18/107	11-11	80-81
Brussels	francs to £1	T.T.	35/24	53-73-78	80-81
Christiana	kroner to £1	T.T.	18/159	24-32-37	28-35-40
Stockholm	kroner to £1	T.T.	18/159	17-23-26	17-29-32
Copenhagen	kroner to £1	T.T.	18/159	20-32-37	24-30-34
Helsingfors	mark to £1	T.T.	35/24	214-215	166-166
Greece	drachmas to £1	T.T.	35/24	108-109	250-260
Italy	lire to £1	T.T.	35/24	84-85	90-94
Switzerland	francs to £1	T.T.	35/24	23-32-35	25-26-27
Madrid	pesetas to £1	T.T.	35/24	28-17-20	30-37-40
Lisbon	escudos to £1	T.T.	53/4	4-4	2-2
Alexandria	pounds to £1	Sight	97	97-98	97-98
New York	dollars to £1	Cable	4/8	4-44-44	4-44-44
San Francisco	dollars to £1	Cable	4/8	4-44-44	4-44-44
Manila	pesos to £1	T.T.	47/22	44-44	42-42
Buenos Ayres	pesos to £1	T.T.	47/22	44-44	42-42
Rio de Janeiro	pesos to £1	T.T.	47/22	44-44	42-42
Santiago	pesos to £1	T.T.	47/22	44-44	42-42
Valparaiso	pesos to £1	T.T.	47/22	44-44	42-42
Calcutta	rupees to £1	T.T.	10/10	117-00 prem.	84-84 prem.
Bombay	rupees to £1	T.T.	10/10	1s 3d-4d	1s 4d-4d
Madras	rupees to £1	T.T.	10/10	1s 3d-4d	1s 4d-4d
Hong Kong	rupees to £1	T.T.	10/10	1s 3d-4d	1s 4d-4d
Shanghai	taels to £1	T.T.	10/10	2s 3d-4d	2s 4d-4d
Singapore	taels to £1	T.T.	10/10	2s 3d-4d	2s 4d-4d
Cebu	taels to £1	T.T.	10/10	2s 3d-4d	2s 4d-4d
Manila	taels to £1	T.T.	10/10	2s 3d-4d	2s 4d-4d
Mexico	pesos to £1	T.T.	10/10	2s 3d-4d	2s 4d-4d

BANCA COMMERCIALE ITALIANA.—The report and accounts of this bank for the year ended December 31, 1922, is prefaced by a review of political and financial events in Italy, in which the directors state that "the new Government aims with great determination at a reduction of the deficit, with a view to making possible the balancing of the national Budget at an early date." The

TATA INDUSTRIAL BANK.—The profit earned for the year ended March 31, 1923, after making provision for all known liabilities and bad and doubtful debts, amounts to Rs 16,31,001. Add balance brought forward from last year Rs 1,91,136, making Rs18,22,137. The directors have appropriated out of this sum as follows:—(1) In payment of an interim dividend of 8 annas per share, free of income-tax, payable December 1, 1922, Rs.5,00,443. (2) Provision for income-tax and super-tax, Rs1,00,000. Balance at credit of profit and loss account, Rs12,21,694. The report states that the profit earned from the ordinary banking side has been well maintained, and in normal circumstances it should have been possible to pay a final dividend after placing a substantial sum to reserve. A year ago the activities of the industrial department were suspended owing to the depression and the uncertainty then prevailing in regard to the future of all industrial undertakings in India. These conditions continue to-day, and the directors have decided to transfer Rs1,50,000 from profit and loss account to writing down industrial investments, carrying forward the balance of Rs71,694-2-7 remaining at credit of profit and loss account to next account. The directors regret being unable to recommend a final dividend, but feel confident that they will have the support of the shareholders and public in the action they have taken. It is pointed out that very considerable economies have been effected in the charges of the bank. The

directors state that, having regard to the difficult times through which trade has been passing, the result for the year will be considered satisfactory, and they are confident that with the return of better times the bank has a good future before it.

ASSURANCE COMPANIES.

CONSOLIDATED ASSURANCE COMPANY.—In the fire account last year the premiums were £844,091, the claims £580,045, and the expenses and commissions £206,204. After allowing for the increased reserve for unexpired risks, £74,579 was transferred to profit and loss. In the marine account the premiums were £400,101, the claims £550,998, and the expenses £49,242. The sum of £121,250 was taken from profit and loss to make the marine fund up to £290,268, against £369,158 a year before. Interest receipts yielded £52,707, and there was £197,332 received as the net premium on the issue last year of new shares. The dividend for the year is 20 per cent. and a bonus of 5 per cent., all less tax (costing £50,702), £100,000 was transferred to general reserve, and £77,632 carried forward. The total funds, including paid-up capital, amount to £1,370,443, of which £644,233 is invested in British Government securities.

WESTERN ALLIANCE REINSURANCE COMPANY.—The report for last year shows fire premiums of £319,798, claims of £196,485, and expenses and commissions of £111,033. The fire fund was £128,274, against £115,994 a year before. In the marine account the premiums were £227,018, the claims £185,574, and expenses and commissions £36,498. After transferring £15,000 to profit and loss, the marine fund was £200,038, against £210,092 a year before. Interest, dividends, &c., yielded £37,184, and the balance at profit and loss on December 31st was £53,108, against £18,109 brought forward. The total dividend for the year (6 per cent., less tax) absorbed £13,312. The funds, including paid-up capital, amounted on December 31st to £681,421, of which £441,015 was invested in British Government securities.

MISCELLANEOUS.

WHITEHALL ELECTRIC INVESTMENTS, LIMITED.—The report and accounts for the first year's operations of the Whitehall Electric Investments, Limited—up to March 31, 1923—show a gross income of £538,764. The net income, after charging expenses (directors' and trustees' fees, £2,925; office and general expenses, £5,205), debenture interest, £150,000; income-tax, £36,675; and corporation profits tax, £25,172; was £318,786. The whole of the preliminary expenses amounting to £70,029, and discount on debenture stock to the amount of £36,257 are written off out of the profits. The preference dividends absorb £112,500. A dividend of 2 per cent. is declared on the ordinary shares, which takes the whole of the £100,000 left, so that there is nothing carried forward to next year. In the balance-sheet the total discount on the issue of debenture stock is stated at £492,500. Less the amount written off, it is now £456,243. Investments, at cost, are given at £8,252,621, and the income from investments for the year was £535,802. Debtors and debit balances are £24,634, and cash at bank and on deposit £491,565. Creditors and credit balances are £26,630. The directors state that the undertakings in which the company is interested have in the aggregate shown satisfactory results.

MINING OUTPUT STATISTICS FOR APRIL, 1923.

	Tons Crushed.		Gold Recovered.		Value.	Profit.
	Mill.	Cyande Works.	Mill.	Cyande Works.		
Gold.	Tons.	Ozs.	Ozs.	Ozs.	£	£
Jumbo-Tip-Top	1,300	495	495	495	..	661
North White Feather	271	..	..	240	..	..
Oriental Cons. (March)	20,940	..	..	..	£95,769	£17,113
Ouro Preto	7,400	..	..	2,532	11,307	..
Wahai	15,635	4,721 (gold)	43,693 (silver)	..	..	..
Quarter ended April 30th—	..	..	..	..	104,121	10,068
Welshwater	99,600	..	..	..	..	..

	Output.	Other Notes in Return.	
		Tons.	Other Notes in Return.
Tin.			
Leeswopert	46	..	Concentrates average grade 60%; quarter to March 31st.
Nigerian Base Metals.			
Banong	241	..	First half May.
Coal.			
East Kent	4,530	..	Week ended May 19th.
Chinese Engineering	81,892	..	Week ended May 19th.
South African	143,838	..	Profit £10,974; quarter ended March 31st.
Witbank	59,002	..	..
Miscellaneous.			
West End Diamonds	..	5,662½ carats	quarter to March 31st.

BRITISH AUSTRALIAN BROKEN HILL.—Fortnight ending May 19th: 6,458 tons crude ore produced 1,090 tons lead concentrates, containing 674 tons lead and 30,307 ozs silver; also 985 tons zinc concentrates, assaying 8.4 per cent. lead, 9.5 ozs silver per ton, and 45 per cent. zinc. 165 tons carbonates raised. Two days' stoppages.

BROKEN HILL SOUTH.—Four weeks ended April 7th:—Crude ore treated, 14,100 tons, assaying 15 per cent. Pb, 6.5 ozs Ag, 1.3 per cent. Zn, producing the following concentrates:—Lead conc. mill: 2,036 tons, assaying 70 per cent. Pb, 20 ozs Ag, 5.4 per cent. Zn. Current slime: 682 tons, assaying 59.6 per cent. Pb, 32.1 ozs Ag, 5.2 per cent. Zn. Total: 2,718 tons, assaying 67.4 per cent. Pb, 23 ozs Ag, 6.1 per cent. Zn. Slime zinc flotation plant: 10,389 tons residues, assaying 2.5 per cent. Pb, 1.4 ozs Ag, 1.2 per cent. Zn, producing the following zinc concentrates:—2,350 tons, assaying 67 per cent. Pb, 4.9 ozs Ag, 45.2 per cent. Zn. Dump slime treated: 10,666 tons, assaying 11.3 per cent. Pb, 6.8 ozs Ag, 13.8 per cent. Zn, producing the following lead concentrates:—2,169 tons, assaying 44.1 per cent. Pb, 2.8 ozs Ag, 17.7 per cent. Zn. In addition to the above, 686 tons of classified sands from dump slime, assaying 4.1 per cent. Pb, 3.1 ozs Ag, 12.9 per cent. Zn, were treated in the table sections, producing the following lead concentrates:—15 tons, assaying 47 per cent. Pb, 31 ozs Ag, 6.3 per cent. Zn. Despatches of zinc:—Amalgamated Zinc, 5,518 tons net.

MOUNT MORGAN.—Four weeks ended May 15th:—Treated 5,616 tons Mount Morgan ore, 531 tons Many Peaks ore, 4,655 tons concentrates and 1 ton of purchased ore and secondary products; produced 470 tons blister copper, containing 465 tons copper and 5,435 ozs gold, including 7 tons copper and 6 ozs gold from Many Peaks; concentrator treated 13,897 tons ore for a production of 5,395 tons of concentrates, containing 270 tons copper and 3,027 ozs gold. In addition to above production have matte on hand containing 9 tons copper and 92 ozs gold. Output has been affected by shortage competent miners; also two statutory holidays.

OIL OUTPUTS.

UNITED BRITISH OILFIELDS OF TRINIDAD.—Combined production for the week ending May 16, 1923, amounted to 791 tons.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

Climatic conditions have remained cold and unsettled, with further rains, and farmers are hoping for a spell of warm weather, as spring cereals are suffering from a lack of sunshine. Business during the week was on a limited scale, the markets being still largely under holiday influences, with price changes unimportant. Supplies of home-grown wheat continue to show a falling off, but trade very slack, though prices were fully maintained in sympathy with the firm tone of imported varieties. Best milling samples ruled up to 11s 3d, with lower grades down to 11s 3d per 112 lbs free on rail. Foreign descriptions quiet, but firmly held, especially for near at hand lots. No. 1 Northern Manitoba quoted 52s to 53s as to position, Rosafé 62½ lbs 51s 6d, Barusso 62½ lbs 51s 6d, choice white Karachi 52s 6d, all ex ship per 400 lbs. The cargo section ruled fully steady, but demand shows no general expansion, the small inquiry in evidence being chiefly on Continental account. Steamer of No. 2 hard winter July-August sold 47s to Germany. World's shipments to the United Kingdom are on a fair scale, while crop prospects in the principal exporting countries are mostly favourable. The flour market exhibited quiet features, but late rates were maintained. London standard straight run quoted at 41s, town households 39s, patents 43s to 44s per sack delivered in the Metropolitan area. Imported dull and prices largely nominal on the spot, while forward quotations are the turn easier for Canadian and Australian parcels. Manitoba patents range from 37s to 41s, Minneapolis good patents 40s 6d, and Australian 37s to 38s ex store per 280 lbs. All English country straights move off quietly at 33s 6d to 35s per sack delivered to London stations. Millers' offers: Easier. Broad bran quoted at 6s 9d to 7s ordinary ditto 5s 6d, middlings 7s 6d, bags included, ex mill. light oats 6s 3d, powdered oat husks 5s 9d, feed oatmeal 7s 9d, ground oats 13s 9d, all per cwt, free on rail. Barley: English quiet and ranges from 8s to 11s 6d, with malting samples in fair demand at 10s to 12s per 112 lbs, free on rail. Imported, dull. Californian quoted 44s 6d to 46s 6d, Australian chevalier 42s to 48s, New Zealand 33s to 47s as to quality, all landed per 48 lbs. Persian 27s, Plate 30s, Danubian 30s, American malting 48 lbs 28s 6d, No. 4 Canadian Western 28s 6d, Karachi 28s 3d, all landed per 400 lbs. Maize: Steady, but quiet. Plate landed 30s 6d, No. 2 yellow American ditto 30s, East African ex ship 30s 6d, landed 37s 6d, all per 480 lbs. On c.i.f. terms a steamer of La Plata May 31st shipment sold 36s 9d, if by June 5th 36s 6d, to Ireland. Oats: English quiet, while ranging from 8s 2d to 10s 6d per 112 lbs, free on rail as to sample and description. Imported quiet. Plate f.a.q. ex ship 23s 6d, landed 24s 9d, No. 2 Canadian Western ex ship 27s 6d, landed 28s 9d, No. 3 ditto landed 27s 3d, No. 2 Canadian feed ex ship 25s 3d, landed 26s 3d, New Zealand A grade 38s, B grade 37s, both landed all per 320 lbs. Oatmeal: Firmer for home milled. London made all cuts quoted at 18s 6d, rolled oats, also whole groats, 18s 6d, flaked 21s, ex mill. Ordinary Scottish oatmeal 10s 6d to 20s 6d, American all cuts 17s 6d per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1922-23, contrasted with 1921-22, 1920-21, and 1919-20:—

	1922-1923.	1921-1922.	1920-1921.	1919-1920.
Estimated sales of home-grown wheat—				
1 week to May 19	Cwts. 338,579	Cwts. 226,834	Cwts. 216,673	Cwts. 62,734
36 weeks to May 19	15,522,392	14,950,771	11,457,807	10,580,948
Average price of English wheat per	s d	s d	s d	s d
cwt.	10 11	13 0	20 5	16 11

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1919 to 1922:—

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution.	Appropriation.				Corresponding Period Last Year.	
					Dividend.		Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.	Div den
					Prefce.	Ordinary.				
		£	£	£	Amount.	Amount.	Rate.	£	£	%
Breweries.										
Chester's	Mar. 31	58,256	108,559	166,815	8,218	58,687	22½	32,500	67,410	101,219
Electric Lighting and Power.										
Whitehall Electric Investments ..	Mar. 31	..	318,786	318,786	112,500	100,000	2	106,286	..	..
Financial, Land, &c.										
Land and Mortgage Co. of Egypt ..	Mar. 31	11,651	8,142	19,793	..	9,000	6	10,793	9,709	6
Gas.										
Malta and Mediterranean	Mar. 31	3,499	15,919	19,418	3,450	4,500	6½	4,000	7,468	17,109
Iron, Coal, and Steel.										
Mirreles, Bickerton, and Day	Mar. 31	2,858	22,523	25,381	2,929	14,062	7½	5,000	3,390	Dr 10,552
Niddrie and Benhar Coal	Mar. 31	931	28,847	29,778	..	20,000	10½	9,778	..	..
Oil.										
Scottish Oils	Mar. 31	18,280	168,761	187,041	155,575	..	..	31,466	160,870	..
Rubber.										
Anglo-Java	Dec. 31	Dr 9,529	31,277	21,748	..	..	..	10,000	11,748	Dr 17,601
Bambrakelly Tea and Rubber	Dec. 31	5,601 (k)	9,237	14,838	..	12,000	20	..	2,838	8,468
Chersonese (F.M.S.)	Dec. 31	18,177	22,330	40,507	..	22,500	10	3,000	15,007	34,208
Doloswella Rubber and Tea	Dec. 31	Dr 5,776	21,275	15,499	..	11,520	5	200	3,779	..
Java Rubber and Produce	Dec. 31	10,452	8,361	18,813	..	8,211	15	4,027	6,575	3,025
Nordana (Johore)	Dec. 31	17,515	8,237	25,752	..	14,000	5	..	11,752	5,890
St George	Dec. 31	3,446	12,543	15,989	..	14,000	20	..	1,989	899
Sungei Salak	Dec. 31	8,257	1,191	9,448	..	3,500	5	2,500	3,448	7,367
Tangga Batu	Dec. 31	897	833	1,730	..	..	..	..	1,730	Dr 2,299
United Sata Betong	Dec. 31	39,975	29,421	69,396	..	28,852	17½	7,000	33,544	39,549
Steamship Companies.										
Nitrate Producers' Steamship ..	Apr. 30	29,414	42,909	72,323	..	15,630	10½	25,000	31,693	102,859
Royal Mail	Dec. 31	103,927	496,101	594,029	168,500	300,000	6	..	125,528	396,599
Tea.										
Amalgamated Estates	Nov. 30	22,872	135,233	158,105	21,000	71,752	15	25,000	40,353	55,954
Anglo-American Direct	Nov. 30	3,505	92,661	96,166	16,543	63,434	10	7,000	9,189	60,218
Consolidated Tea and Lands	Nov. 30	139,464	368,065	507,529	78,000	150,000	25	100,000	179,529	148,036
Eastern Assam	Dec. 31	65,450	68,939	134,389	..	49,310	50	..	85,079	40,947
Kanan Devan Hills	Nov. 30	57,150	209,994	267,144	33,000	112,500	15	50,000	71,644	88,095
Telegraphs and Telephones.										
Anglo-Portuguese Telephone	Dec. 31	Dr 9,940	Dr 6,261	Dr 16,201	..	..	..	..	Dr 16,201	..
Textiles.										
Crosses & Winkworth Cons. Mills ..	Mar. 28	30,928	274,148	305,076	150,000	..	..	155,076	Dr 559,324	..
Porritts and Spencer	Mar. 31	22,224	84,627	106,851	9,000	35,156	12½	35,000	27,695	22,373
Trusts.										
Rubber Plantations & Investment ..	Dec. 31	98,918	105,573	204,491	..	88,371	6	73,500	42,620	4,597
Trust and Loan Co. of Canada ..	Mar. 31	21,451	106,510	127,961	..	91,250	7½	12,756	13,955	146,571
Other Companies.										
City and West-End Properties ..	Mar. 25	4,242	43,573	47,815	15,357	15,150	10(½)	1,023	7,285	37,057
Hazell, Watson, and Viney	Mar. 31	22,380	30,545	52,925	4,500	25,474	9½	5,000	17,951	29,879
New Inverted Incand. Gas Lamp ..	Mar. 31	9,619	8,024	17,643	..	5,413	5½	5,000	7,230	2,156
Pillsbury-Washburn Flour Mills ..	Dec. 31	6,420	62,651	69,071	..	..	..	..	69,071	..
Thomas Owen and Co.	Mar. 31	4,669	29,449	34,118	12,000	15,000	10	..	7,118	3,063

(t) Including bonus of 7½ per cent., free of income-tax. Last year's dividend includes bonus 5 per cent., free of tax.
(k) Nine months. † Tax free.

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
May 1923.	Cwts. 342,617	Cwts. 70,624	Cwts. 22,426	s d 10 10	s d 9 0	s d 10 6
May 19	338,529	42,122	..	10 11	8 11	10 6
1919	276,861	29,725	22,456	17 0	17 6	17 2
1920	62,726	14,704	12,513	16 11	24 1	21 6
1921	216,673	28,646	21,391	30 5	12 4	13 8
1922	226,834	27,186	41,986	13 0	11 7	11 7

IRON, STEEL, AND COAL.

Our Middlesbrough correspondent's report, dated May 24th, is as follows:—Pig-iron: There was no market this week, and there is very little change to report. It is expected that efforts will be made to increase the output of Cleveland pig-iron; the shortly be made to increase the output of Cleveland pig-iron; the coke supply is, however, still very difficult. No. 3 Cleveland G.M.B. is now quoted 122s per ton. East Coast mixed numbers hematite is still 122s 6d per ton. Manufactured iron and steel: The steel rolling mills have now resumed after the holidays, and it is expected that the steel works will recommence operations next week. Steel ship plates, £10 10s; steel ship angles, £10; iron bars, £12; steel rails, £10 10s. Iron ore: With consumers still holding off buying, there is no new business to report. Deliveries of ore are good.

Our Glasgow correspondent writes:—Conditions in the Scotch steel and iron trades have remained without material change on the week. Quotations just now hover round 120s for Scotch No. 1 and 116s for No. 3 (both at the works). No. 3 G.M.B. Scotch is and bringing 120s f.a.s. Local inquiry is as respectful as generous inquiry from the States (particularly the Pacific) is as generous as could be expected in current circumstances. Last week-end 1,000 tons Scotch were despatched from here to South America, and a lot of 500 tons went out yesterday (Wednesday), and moderate export amounts have been fixed upon, on to the middle of July. The coal trade is quieter, and prices for all Scotch qualities have eased another sixpence to one shilling a ton.

Our Sheffield correspondent writes:—The resumption of industrial activity revealed quieter conditions generally, although there is still great activity in the lower grades of steel, wire rods, wire

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steel strips, and colliery equipment. Makers of the better qualities of steel report an absence of fresh bookings, while work in hand tends to decrease. This applies particularly to heavy steel castings and forgings, heavy engineering and agricultural engineering, as well as the best tool steels, sales of which have been negligible for several years owing mainly to the absence of overseas buying. The plants making railway steel continue to book orders for axles, tyres, and springs from South America and India. The home demand, however, has fallen off since the beginning of the present quarter. No changes have taken place in the prices of pig-iron and crude steel, and the feeling is growing that these are not likely to fall below the present level as costs cannot be reduced further. Fuel, the dominating factor in this connection, remains firm, and the large users are contracting for supplies to the end of the year at the current quotations. The coal and coke trades continue busy in most departments, and prices are firm. Best South Yorkshire steams are quoted 22s to 24s at pits, and best Blyth steams at from 32s to 34s f.o.b.

Our Cardiff correspondent writes:—In the South Wales coalfield all the mines were idle until Wednesday night, and as the output will be restricted to three days' partial working, it is not expected to reach more than about 500,000 tons. The coal market was officially opened on Wednesday, but in view of the idleness of the collieries, and the very restricted amount of free coal at the disposal of the salesmen, very little business has been transacted.

The current approximate quotations are as follows:—Best Admiralties, 42s 6d to 45s; second Admiralties, 40s to 41s; best dries, 38s to 40s; Western Valleys, 39s to 40s; Eastern Valleys, 37s 6d to 39s; best bunker smalls, 32s 6d to 33s; ordinary cargo smalls, 30s to 31s; anthracite big vein, 47s 6d to 50s; machine-made cobbles, 57s 6d to 60s; French nuts, 55s to 57s 6d; stove nuts, 52s 6d to 55s; rubbly culm, 17s 6d to 18s; coke for export, 65s to 75s; inland blastfurnace coke at ovens, 35s to 40s; patent fuel, 40s to 43s 6d; pitwood, ex ship, 30s to 31s.

In the tinplate trade production was reduced by the holidays, but the market was steady at last week's prices, and a meeting has been convened for the consideration of the question of extending the price stabilisation agreement for another period of three months. It is regarded as a foregone conclusion that the decision to prolong the agreement will be a unanimous one.

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—May 17, 1923

Description.	Com.	Med.	Good Med.	Med. Fine.	Extra Fine.	Same Period 1922.	Same Period 1921.
Sea Island.....	d	d	d	d	d	d	d
Florida do.....	nm	nm	nm	nm	nm	nm	nm
Georgia do.....	nm	nm	nm	nm	nm	nm	nm
American.....	Or G	O L M	Mid G	M F	G O L M	G O L M	G O L M
Brazilian.....	1368	1398	1448	1473	1493	1548	1063
Peruvian.....	1363	1428	1503	1533	1583	1613	1053
Paraguay, Rio Grande, &c.	1363	1428	1503	1533	1583	1613	1053
Macao, &c.	1363	1428	1503	1533	1583	1613	1053
Mosoro, &c.	1363	1428	1503	1533	1583	1613	1053
Coara, &c.	1363	1428	1503	1533	1583	1613	1053
Maranham, &c.	1363	1428	1503	1533	1583	1613	1053
845 Paulo.....	1363	1428	1503	1533	1583	1613	1053
Egyptian.....	Fr. G	F	For Gd.	Fne	Fr. G	F	For Gd.
Upper.....	1430	1505	1526	1560	1585	1620	1150
Sakellaridis.....	1430	1520	1570	1710	1845	1875	1275
Brown.....	1430	1505	1545	1605	1675	1700	1225
Peruvian.....	MF	Fr.	Gd.	Fne	MF	Fr.	Gd.
Rough.....	1750	1875	1950	2000	2050	2100	1300
Moderately Rough.....	1500	1600	1650	1700	1750	1800	1200
Smooth.....	1428	1503	1553	1603	1653	1703	1153
Tangals.....	1428	1503	1553	1603	1653	1703	1153
Midland.....	1524	1575	1625	1675	1725	1775	1225
West Indian.....	1325	1425	1500	1550	1600	1650	1100
Do.....	1300	1350	1400	1450	1500	1550	1050
African, East, &c.	955	1055	1105	1155	1205	1255	755
Do.....	1303	1353	1403	1453	1503	1553	1053
Machine Ginned Surtee.....	G F	For	Gd.	F	G F	For	Gd.
Machine Ginned Broach.....	1055	1095	1135	1175	1215	1255	755
Machine Ginned Brownugar.....	840	890	940	990	1040	1090	590
Machine Ginned Oomra, No. 1.....	850	900	950	1000	1050	1100	600
Machine Ginned Oomra, No. 2.....	850	900	950	1000	1050	1100	600
Machine Ginned Khandesh.....	1050	1090	1130	1170	1210	1250	750
Machine Ginned Comptah.....	1050	1090	1130	1170	1210	1250	750
Machine Ginned Bengal.....	750	790	830	870	910	950	450
Machine Ginned Soinde.....	740	780	820	860	900	940	440
Tinnivelly.....	1210	1250	1290	1330	1370	1410	870
Madras, Western.....	985	1025	1065	1105	1145	1185	685
Madras, Northern.....	985	1025	1065	1105	1145	1185	685
M. G. Coconada, Red.....	Fr.	1065	1105	1145	1185	1225	725
China, Smyrna, &c.	1065	1105	1145	1185	1225	1265	765

MANCHESTER, May 23.

Owing to the majority of traders being absent celebrating the Whitsuntide holidays, there has been very little business done in the market during the past week. As a matter of fact, the market was only open on one day of the week, Tuesday. Naturally, the attendance then on 'Change was very thin. Speaking generally, traders are hopeful with regard to future developments. Recently there has been a larger inquiry in piece goods for China, and the turnover has been better. It is expected that there will be an encouraging accumulation of orders for that outlet on the resumption of business after the holidays. No attempts have been made at business with regard to yarns.

(I.) Comparative Statement of the Cotton Trade.

	Price, May 23, 1923.	Price, May 17, 1923.	Price, May 10, 1923.	Price, May 3, 1923.	Price, Apr. 26, 1923.	Price, Apr. 19, 1923.
Raw Cotton—Fully Mid. American.....	14.94	14.83	14.72	15.24	15.77	15.57
— Sakellaridis Fully Good Fair.....	15.70	15.70	15.90	16.75	17.35	17.35
Yarns—32's twist.....	23	23	23	23	23	23
— 40's twist.....	22	22	22	22	22	22
— 60's twist (Egyptian).....	28	28	28	29	29	29
32-in. Printers, 116 yds, 16 by 16, 32's and 50's.....	32	32	32	33	33	33
32-in. Shirts, 75 yds, 19 by 19, 32's and 40's.....	35	35	35	36	36	36
32-in. ditto, 38 yds, 18 by 18, 10 lbs.....	18	18	18	18	18	18
32-in. ditto, 37 1/2 yds, 16 by 15, 8 1/2 lbs.....	16	16	16	17	17	17

(II.) Compared with Previous Years.

	Price, May 23, 1923.	1922.	1921.	1920.	1919.	1918.
Raw Cotton—Fully Mid. American.....	14.94	12.04	8.18	26.83	21.04	21.85
— Sakellaridis Fully Good Fair.....	15.70	18.75	16.00	75.50	26.53	26.14
Yarns—32's twist.....	23	19	18	58	35	46
— 40's twist.....	22	18	16	54	34	45
— 60's twist (Egyptian).....	28	29	32	126	53	56
32-in. Printers, 116 yds, 16 by 16, 32's and 50's.....	32	31	35	100	50	58
32-in. Shirts, 75 yds, 19 by 19, 32's and 40's.....	35	36	33	91	50	56
32-in. ditto, 38 yds, 18 by 18, 10 lbs.....	18	18	19	6	9	32
32-in. ditto, 37 1/2 yds, 16 by 15, 8 1/2 lbs.....	16	17	17	44	28	29

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—There has been very little of an encouraging nature during the last week, but as several mills have been idle the whole-time improvement could hardly be expected. The whole industry appears to be suffering from stagnation at the moment, so that although confidence in wool values is still generally expressed, there is practically no buying movement to impart activity to the market. Nominally tops are unchanged, but slight concessions are obtainable in most cases, and in a few instances second-hand lots have been sold at prices well under the general level. The lack of new business, however, is most noticeable in the yarn section of the trade, and the outlook is causing some anxiety. Where orders can be placed with particulars down, some spinners are prepared to accept what look like ridiculous prices, but they are faced with the problem of keeping their machinery running or going on to short time. The keen Continental competition is largely responsible for the present unsatisfactory position of the yarn trade, imported yarns being offered in many cases at anything from 8d. to 1s below prices quoted by spinners in this country. Lower conversion costs, and the depreciated currencies, are responsible for this anomalous state of affairs. There is not much change in the piece goods trade.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

The pastoral prospects in Australia will have been somewhat improved by the rains that have fallen during the past week, and it is understood that the situation in Victoria has been relieved. We should be glad to receive news to the same effect from New South Wales and Queensland. Though the rain reported is welcome, it has come a little too late to help the pastoral situation to any material extent, for after a very dry summer, feed and water had become scarce over very large areas, and this is the prelude to a smaller clip next year.

A good deal has been made in certain circles in Yorkshire about the cancellation of piece goods orders in America and the reported offering in Bradford of wool on Boston account. We do not attach much importance to either incident. Some American clothiers placed orders without paying adequate regard to whether they would need them all. The spring trade in the United States is as backward as in this country, and sales of spring and

summer goods are being delayed. Consequently some clothiers have resorted to the cancellation of a certain amount of goods, and this has given rise to some rather exaggerated statements. With regard to the offering of wool, it is well known that America bought very extensively in South America, taking no less than 77,500 bales from Buenos Ayres and 40,700 bales from Monte Video up to the end of April. This quantity was greatly in excess of what was purchased a year ago, and as low crossbreds are not in favour across the Atlantic, some of the dealers have tried to lighten their stocks by offering them in Bradford and Germany. Some fair shipments have been made to Hamburg, but we cannot ascertain that any wool above 46's quality has been offered in England. We regard the American situation as generally sound, and while higher prices are undesirable, we think that both America and Japan can carry on at to-day's level of values. The home trade is the section which is most seriously disorganised and which offers the least encouragement.

HIDE, LEATHER, AND ALLIED TRADES.

(BY OUR OWN CORRESPONDENT.)

The hide market remains firm at last prices, and as no sales were held in Bermondsey this week there is no alteration in values to report. The demand for hides of all kinds remains as keen as ever, and it is difficult to reconcile tanners' talk of loss with their desire to work in more hides at higher prices! Trade in foreign hides has opened up fairly well after the holidays, and several large tanners have covered their wants for some time ahead. River Plate hides have sold fairly well, and sales of San Paulo ox have been made at 8 1/2 d, and Liebig Colon ox at 9d to 9 1/2 d. Dry hides do not seem to be wanted much at the moment, tanners waiting for lower prices before operating on a large scale. Cables from New York report the American hide market as weak, with heavy Chicago packers now selling at 18 1/2 cents and native cows at 14 1/2 cents.

Upper leathers have met with little demand this week, but there has been a certain amount of business done in filling up lines. Prices are gradually advancing for calf and sheep leathers, but complaints are still heard of the unfair competition of German and other leathers—some of the former probably coming via Holland and paying no duty.

The cold and wet weather prior to the Whitsun holiday had rather a bad effect on the shoe retailer's business. It is early yet, however, to talk of future orders, but the outlook is regarded as much brighter, especially as export trade has taken a turn for the better.

VEGETABLE OILS AND OILSEEDS.

Apart from the intervention of the holiday, the market for oilseeds is very quiet all round, and with the oil demand within narrow compass, crushers, whose commitments are well covered, show little disposition to take up further supplies of seed. In view of the present outlook in Europe, there appears every probability that the supplies of seed will be ample to meet world requirements. So far shipments of Plate and Indian total 875,600 tons, leaving a balance of 721,000 tons yet to be exported, even if there be no revision in an upward direction as is suggested when the final estimate of the Argentine yield makes its appearance, as it will do within the next few days. Crop reports indicate larger areas under linseed in both the United States and Canada.

What little business has been done in linseed this week is either of a speculative or covering character, current value of Plate afloat and for early shipment being £19 15s to £20, while Calcutta, which has engaged some little attention, is worth up to £21 for afloat. With regard to the oil product prices steadied on a better demand for home consumption and small buying on American account for prompt shipment, but have since eased off again to £44 to £44 10s. spot and month, ex Hull mill.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, May 25.

SUGAR.—With some recovery in demand for refined goods, a fair amount of business was effected at full prices. British firm. Messrs Tate and Lyle's cubes, 70s 9d to 71s 9d; granulated, fine and coarse grain, 67s 1 1/2 d; No. 1, 66s 10 1/2 d; No. 2, also London, 66s 7 1/2 d; ditto, one month, 66s 6d; July, 66s 6d; August, 65s 9d; September, 64s 9d. Crystallised West India, nominally 61s 6d to 63s 6d. American granulated, spot, sold, 64s 6d; May, steamer, quoted 37s 3d; June, 37s 6d, c.f. and i. terms, London. White Java, spot, sold, 61s 6d to 62s; May-June, steamer, 32s 3d; June-July, 30s to 30s 6d; July-August, 29s, c.f. and i. terms, London. Belgian granulated,

October-December, quoted 26s 9d, f.o.b., Antwerp. Czecho-Slovakian granulated, November-December, quoted 27s, f.o.b., Hamburg. Dutch sugars sparingly offered. Cuban basis, 96 per cent., May-June, quoted 31s 9d; Brazilian ditto, 31s 9d; ditto, basis 80 per cent., 19s; and West India basis 96 per cent. preferential, 34s 6d, all c.f. and i. terms, U.K. Terminal market firmer. August delivery, sold, 33s 6d to 34s 4 1/2 d; October-December, 27s 3d to 27s 6d; December, 26s 7 1/2 d to 27s 1 1/2 d cwt. Cuban stock, 733,700 tons, against 1,060,700 last year.

COFFEE.—Spot market steady, unaltered, but trade quiet. Futures remain in a dull state. July quoted 55s 6d; September, 56s 6d; December, 56s per cwt.

COCOA.—Spot market very slow, and quotations largely nominal. Accra, F/F quality, June-July, sellers, 31s 6d per cwt, f.o.b. terms.

TEA.—Private contract market quite unchanged, pending resumption of public sales.

RICE.—Burma grain quite neglected and market nominal, but a steadier tone prevails for Spanish and also American. Two Stars, Rangoon, spot, 13s 9d; Spanish, spot, 21s 6d; forward, 20s 6d; American, fancy Blue Rose, May-June, 24s, c.f. and i. terms. Broken kinds idle. Rangoon beans scarce, on spot and hand-picked quoted 9s 6d. Japanese peas dull. Spot, 22s; May-June sold 21s 6d; September-October, new crop, quoted 23s 6d per cwt.

SPICE.—Pepper market remained quietly steady. Fair black Singapore, spot, 4 1/2 d; May-July, 4d; Aleppo, spot, 4 1/2 d; Tellicherry, 4 1/2 d; white Singapore, 6d; Muntok, spot, 6 1/2 d; ditto May-July, 6 1/2 d. Zanzibar cloves firm. Spot quoted 11 1/2 d; March-May, sold, 11 1/2 d; and May-July, 11 1/2 d to 11 1/2 d. Tapioca quiet. Fair flake Singapore, spot, 3 1/2 d; fine Java, 4 1/2 d lb. Fair Penang seed pearl tapioca, spot, 3 1/2 d. Sago flour, May-July, sellers, 13s 6d. Desiccated coconut, spot, fine cut, 47s 6d; medium, 49s 6d; halves, May-June, 42s; June-July, 41s 6d. Fair washed rough Cochinchina ginger, in sound condition, on the spot, quoted, 80s; Calicut, B/C, 102s 6d cwt.

JUTE.—Market steady, and business was on a moderate scale. First grade, May-June, continent, sold, £25 15s to £26 10s; ditto new crop, August-September, £26 to £26 10s; September-October, £25 15s to £26 5s, and £26. Hessians remain very dull. 10 oz. spot, 27s 6d; 8 oz, 22s per 100 yds. A twills, spot, 80s; B, 70s per 100 bags.

HEMP.—Manila dull, and barely steady. J grade, May-July, value, £32; K and L, £30; M, £29 5s. New Zealand idle and nominal. African Sisal, No. 1 Tanganyiki, May-July, sold, £35 15s; No. 1 Kenya due steamer, £37 for brushed per ton, c.f. and i.

SHELLAC.—Market dull. T.N., spot, 290s; August, sold, 240s; October, 235s cwt.

COPRA.—Market rather quiet and somewhat unsettled. F.M.S. Straits, March-May, Rotterdam, sold, £28 15s, £28 7s 6d; April-June, £28 to £27 16s 3d; May-July, £27 12s 6d. Ceylon, May-June, sellers, £30; Java, April-June, quoted £28 7s 6d; Dutch E.I., April-June, £28; Cebu, £27 15s; South Sea, May-June, sold, £27 5s. Palm kernels quiet. May-June and June-August, Liverpool, quoted £19 2s 6d.

RUBBER steady, with fair trading in force. Standard plantation crepe and sheet, spot, and May, sold, 14d to 14 1/2 d; June, 14d to 14 1/2 d; July-September, 14 1/2 d to 14 1/2 d; October-December, 14 1/2 d to 15 1/2 d; January-March, 15 1/2 d to 15 1/2 d. To New York standard sheet, May-June, buyers, 14 1/2 d; June-July, 14 1/2 d; July-August, sold, 14 1/2 d to 14 1/2 d, c.f. and i. Fine hard Para, spot, 14 1/2 d; soft fine, also ball, 14d per lb.

EGG PRODUCTS.—Apart from sustained inquiries for albumen, the market continues to show very quiet features. Chinese hen liquid yolk, spot, 85s; shipment, May-June, 80s per cwt. Dried yolk, spot, 10 1/2 d; albumen, spot, 3s 3 1/2 d; May-June, 3s 2 1/2 d; June-July, 3s 2d per lb.

FRUIT (DRIED).—General quietness characterised this market, but prices on balance manifest but little alteration. Of currants, Pyrgos quarter-cases, quoted 54s; half-bags, 53s to 53s 6d; Amalias, 55s to 57s; Panariti, 58s to 60s; good quality Vostizza, 67s to 71s; Australian, 71s. Sultanias: Smyrna, good, 80s to 82s; fine to choice, 95s to 115s; Californian, 65s. Valencia raisins, half-boxes quoted 32s to 34s; quarters, 36s to 46s. Dates in very poor support, but sellers adhered to previous asking prices. Hallowes, f.a.q., 19s to 20s; inferior, 17s; Siar, 14s to 15s. Evaporated fruits steady in most cases, but trade confined to moderate limits. Cape apricots quoted 90s to 110s; Californian pears, 65s to 75s; extra choice apple-rings, 54s to 56s. Australian apricots, 100s to 110s. Of plums, Bosnian

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equipment to move the loads, the strike, including payments for watchmen, protection of life and limb of employees and of the company's property, housing and caring for employees continuing in its service, bonus payments to loyal men who remained at their posts and performed extra service, etc., amounting to \$1,565,000. As a result, the company has had to employ 1,500 men, besides the full force of loyal employees, with whom it has, as to terms of employment, through their own organisation, work under the wage rates and rules established by the United States Railroad Labor Board, and pledge obedience to its findings.

The Labor Board, in fixing new wage rates for the watchmen, also readjusted compensation for the employees of the company's employees. The effect of these various changes in wage rates was to reduce operating expenses by \$5,562,000; lower prices of material were responsible for a saving of \$1,986,000; and lower

SOUTHERN PACIFIC COMPANY AND PROPRIETARY COMPANIES COMBINED—continued.

prices of fuel oil, mainly in California, reduced expenses by \$6,906,000; a combined saving in operating expenses of \$16,776,000. The strike expenses, as stated above, were \$3,500,000, and the loss in freight revenue through reductions in rates amounted to \$16,550,000. These two items more than absorbed the effect of reduced wages and material prices. Consequently the improvement in operating results, reflected by the increase of \$11,932,619.58, or 20.96 per cent. in net revenue from railway operations, may be attributed principally to increased efficiency of operation, as better relations are being established with employees, and the normal conditions which applied previous to Federal control are being more nearly approached.

Maintenance of Way and Structures decreased \$5,392,753.84, or 12.78 per cent. The properties were maintained in good condition and up to the company's standards during the year. The following table shows the amount of material used in repairs and renewals during each of the past five years:

	1922	1921	1920	1919	1918
New steel rail, miles ..	298.16	497.43	527.76	474.73	498.44
Ties, number ..	4,022,549	4,791,542	4,987,913	4,173,774	3,889,768
Tie-plates, number ..	3,866,090	4,112,475	3,916,915	3,672,221	1,910,311
Piling, lineal feet ..	341,416	817,817	737,731	94,455	75,478
Lumber, feet b.m. ..	22,958,492	23,537,715	23,710,532	15,402,035	6,354,663

Maintenance of equipment decreased \$924,075.09, or 1.88 per cent. Charges for depreciation and retirements increased \$1,118,452.49, or 22.83 per cent., and other maintenance charges decreased \$2,042,527.58, or 4.61 per cent. Transportation service locomotive mileage decreased 0.46 per cent., and total car mileage increased 2.90 per cent. The progress of restoring to normal the freight cars, the condition of which had deteriorated because of neglected repairs, due to their absence on other railways during Federal control, is indicated by the following table showing the number of freight cars in shops or awaiting shipping on September 1, 1921, following the re-location of equipment to owners after Federal control; also at the close of 1921; at the close of 1922; and on April 1, 1923, covering the latest data available. This shows a reduction in shopped cars from 8,341 on September 1, 1921, to 3,440 on April 1, 1923.

INCOME ACCOUNT.—SOUTHERN PACIFIC COMPANY AND PROPRIETARY COMPANIES, COMBINED.
(Excluding offsetting accounts.)

	Year ended December 31, 1922.	Year ended December 31, 1921.	+Increase, -Decrease.	Per Cent.
OPERATING INCOME.				
RAILWAY OPERATING REVENUES:				
1. Freight ..	\$180,438,951.63	\$181,409,691.87	-\$970,740.24	.54
2. Passenger ..	59,003,549.86	63,442,251.17	-4,438,701.31	7.00
3. Mail ..	3,581,754.51	3,617,146.23	-35,391.72	.98
4. Express ..	7,653,471.25	6,644,984.94	1,008,486.31	15.19
5. All other transportation ..	5,797,644.88	5,638,563.36	159,081.52	2.82
6. Incidental ..	5,878,419.44	6,958,343.55	-1,079,924.11	15.52
7. Joint facility—Credit ..	216,139.06	166,168.78	49,970.28	30.07
8. Joint facility—Debit ..	50,763.13	56,257.82	-5,494.69	9.77
9. Total Railway operating revenues ..	\$262,519,169.50	\$269,494,365.33	-\$6,975,195.83	2.59
RAILWAY OPERATING EXPENSES:				
10. Maintenance of way and structures ..	\$36,806,129.25	\$42,198,882.59	-\$5,392,753.34	12.78
11. Maintenance of equipment ..	48,264,068.26	49,188,143.35	-924,075.09	1.88
12. Total Maintenance ..	\$85,070,197.51	\$91,387,025.94	-\$6,316,828.43	6.91
13. Traffic ..	4,417,409.00	4,182,340.14	235,068.86	5.62
14. Transportation ..	92,454,184.73	104,744,036.41	-12,289,851.68	11.73
15. Miscellaneous operations ..	3,928,318.82	4,153,650.67	-225,331.85	5.42
16. General ..	8,323,358.92	8,521,539.30	-198,180.38	2.33
17. Transportation for investment—Credit ..	589,012.60	416,329.67	172,682.93	27.07
18. Total Railway operating expenses ..	\$193,664,456.38	\$212,572,262.79	-\$18,907,806.41	8.89
19. Net revenue from railway operations ..	\$68,854,713.12	\$56,922,102.54	\$11,932,610.58	20.96
20. Railway Tax accruals ..	18,859,356.11	15,539,469.20	3,319,886.91	21.36
21. Uncollectible Railway Revenues ..	127,593.25	124,565.60	3,027.65	2.43
22. Equipment rents—Net ..	3,815,727.68	5,544,543.91	-1,728,816.23	25.97
23. Joint facility rents—Net ..	170,810.11	327,542.71	-156,732.60	44.78
24. Net railway operating income ..	\$46,222,846.19	\$35,946,791.14	\$10,276,055.05	28.59
NON-OPERATING INCOME.				
31. Income from lease of road—Standard return ..	\$1,586.98	\$852,740.80	-\$851,153.82	99.81
32. Other income from lease of road ..	159,052.67	45,436.51	113,616.16	250.05
33. Miscellaneous rent income ..	883,317.32	1,153,023.15	-269,705.83	23.39
34. Miscellaneous non-operating physical property ..	281,620.95	370,177.59	-88,556.64	31.92
35. Separately operated properties—Profit ..	30,510.04	49,561.01	-19,050.97	38.44
36. Dividend income ..	3,174,044.10	7,996,537.76	-4,822,493.66	60.31
37. Income from funded securities—Bonds and notes—Affiliated and other companies ..	2,869,225.33	2,339,489.76	529,735.57	22.64
38. Income from funded securities—Investment advances—Affiliated companies ..	382,818.52	217,658.79	165,159.73	75.88
39. Income from unfunded securities and accounts ..	875,035.45	1,965,145.38	-1,090,109.93	55.47
40. Income from sinking and other reserve funds ..	848,925.43	803,605.66	45,319.77	5.64
41. Miscellaneous income—U. S. Government Guaranty ..	—	3,648,602.47	-3,648,602.47	100.00
42. Other miscellaneous income ..	86,395.84	91,893.07	-5,497.23	5.99
43. Total non-operating income ..	\$9,592,532.63	\$19,350,585.81	-\$9,758,053.18	50.43
44. Gross income ..	\$55,815,378.82	\$55,297,376.95	\$518,001.87	.94
DEDUCTIONS FROM GROSS INCOME.				
45. Rent for leased roads ..	\$238,399.06	\$204,436.26	\$33,962.80	16.61
46. Miscellaneous rents ..	656,087.54	639,525.64	16,561.90	2.59
47. Miscellaneous tax accruals ..	478,234.27	680,009.91	-201,775.64	29.67
48. Interest on funded debt—Bonds and notes ..	20,184,558.30	20,404,924.12	-220,365.82	1.08
49. Interest on funded debt—Non-negotiable debt to affiliated companies ..	1,018,114.32	2,075,222.71	-1,057,108.39	50.94
50. Interest on unfunded debt ..	107,103.91	159,432.30	-52,328.39	32.82
51. Amortization of discount on funded debt ..	87,418.73	100,490.36	-13,071.63	13.01
52. Maintenance of investment organization ..	23,389.93	25,368.30	-1,978.37	7.80
53. Miscellaneous income charges ..	421,922.69	389,189.10	32,733.59	8.41
54. Total deductions from gross income ..	\$23,215,228.75	\$24,678,599.30	-\$1,463,370.55	5.93
55. Net income ..	\$32,600,150.07	\$30,618,777.65	\$1,981,372.42	6.47
DISPOSITION OF NET INCOME.				
56. Income applied to sinking and other reserve funds ..	\$1,128,115.87	\$1,081,559.39	\$46,556.48	4.30
57. Income appropriated for investment in physical property ..	—	22,000.00	-22,000.00	100.00
58. Total appropriations ..	\$1,128,115.87	\$1,103,559.39	\$24,556.48	2.23
59. Income balance transferred to credit of Profit and Loss ..	\$31,472,034.20	\$29,515,218.26	\$1,956,815.94	6.63
60. Per cent. of net income on average amount of outstanding capital stock of Southern Pacific Co.:				
(a) Railroad income ..	7.83	6.12	+ 1.71	27.94
(b) Other income ..	1.64	2.81	- 1.17	41.64
(c) Total ..	9.47	8.93	+ .54	6.05

* Debit. † Credit. ‡ In arriving at the figures for per cent. of railroad income and per cent. of other income on outstanding capital stock (line No. 60), an estimated apportionment of net income was made by allocating, as nearly as possible, to railroad income the items relating solely to that class, and to other income the items relating solely to that class, the remaining items being apportioned between the two classes on an estimated basis.

NON-OPERATING INCOME.

The item of \$869,740.80, shown in the 1921 column as Income from Lease of Road—Standard Return (line No. 31) is made up of \$1,859,646.63, representing the approximate amount of additional compensation for the use of additions and betterments, new equipment, and road extensions completed during the period of

Federal control, less \$1,006,905.83, representing the net deduction from the standard return rental (as fixed in the agreement with the Director General of Railroads and taken into account by the Company during the period of Federal control) resulting from changes and corrections made by the Interstate Commerce Commission in the accounts for the test period, which were used as a basis for the standard return. The item of \$1,869.98, shown in the 1922 column (line No. 31),

SOUTHERN PACIFIC COMPANY AND PROPRIETARY COMPANIES COMBINED—continued.

represents corrections made during the year in the amount of additional compensation taken into account last year.

The increase of \$119,616.16 in Other Income from Lease of Road (line No. 32) is due, principally, to an increase in the rental rate for lines leased to non-affiliated companies.

The decrease of \$269,705.83 in Miscellaneous Rent Income (line No. 39) is due, principally, to a decrease in the rental received for use of the oil pipe line formerly used by the Fuel Oil Department, resulting from the sale last year to the Pacific Oil Company of an interest therein.

The decrease of \$1,090,109.93 in Income from Unfunded Securities and Accounts (line No. 39) is the result, principally, of the liquidation during the year of short term securities, the income from which was credited last year to this account; and of the investment of the proceeds of such securities in U. S. Treasury Notes and Liberty Loan bonds, the income from which is included this year in the account Income from Funded Securities—Bonds and Notes.

The item of \$3,648,602.47, shown in the 1921 column as Miscellaneous Income—U. S. Government Guaranty (line No. 41), represents adjustments made last year in the estimated amount due from the Government under its guaranty for the six months ended August 31, 1920, as explained in last year's report.

The increase in Other Miscellaneous Income (line No. 42) is the result, principally, of including in the account last year charges, made by the U. S. Railroad Administration, representing adjustments on account of revenues prior to January 1, 1918, credited to the Company during Federal control.

DEDUCTIONS FROM GROSS INCOME.

The decrease of \$201,775.64 in Miscellaneous Tax Accruals (line No. 47) represents, principally, taxes on Central Pacific Railway Company Lands that were sold last year to the Central Pacific Land Company.

BALANCE SHEET.—SOUTHERN PACIFIC COMPANY AND PROPRIETARY COMPANIES, COMBINED.
ASSETS—DECEMBER 31, 1922, COMPARED WITH DECEMBER 31, 1921, EXCLUDING OFFSETTING ACCOUNTS.

ASSETS.	Dec. 31, 1922.	Dec. 31, 1921.	Increase.	Decrease.
INVESTMENTS.				
Investment in road and equipment ..	\$1,064,914,308.43	\$1,055,929,559.56	\$8,984,748.87	
Improvements on leased railway property ..	4,463,538.03	4,365,285.80	98,252.23	
Sinking funds ..	17,471,158.11	16,669,768.59	801,389.52	
Deposits in lieu of mortgaged property sold ..	74,975.42	1,556,212.61	-1,481,237.19	
Miscellaneous physical property ..	14,630,728.10	13,659,969.73	1,070,758.37	
Investments in affiliated companies:				
Stocks ..	281,342,008.59	282,753,616.78	—	1,411,608.19
Bonds ..	143,460,537.58	149,365,499.94	—	5,904,962.36
Stocks } Cost inseparable ..	10,151,701.70	10,728,251.70	—	576,550.00
Bonds } ..	29,441,986.17	29,849,498.81	—	407,512.64
Notes ..	128,900,854.96	121,249,766.21	7,651,088.75	
Advances ..	—	—	—	—
Other investments:				
Stocks ..	1,575,793.01	154,384.04	1,421,408.97	
Bonds ..	52,484,406.60	19,041,736.05	33,442,670.55	
Notes ..	1,613,737.74	1,740,538.99	—	126,801.25
Advances ..	223,261.59	251,410.42	—	28,148.83
Miscellaneous ..	221,974.42	251,972.90	—	29,998.48
Total ..	\$1,750,970,970.45	\$1,707,465,492.13	\$43,505,478.32	
CURRENT ASSETS.				
Cash ..	\$23,030,463.21	\$15,047,421.02	\$7,983,042.19	
Demand loans and deposits ..	4,590,224.49	4,044,702.97	545,521.52	
Special deposits ..	305,041.78	378,993.66	—	\$73,951.88
Loans and bills receivable ..	127,562.39	11,665,085.31	—	11,537,522.92
Traffic and car-service balances receivable ..	2,689,564.04	2,468,475.21	221,088.83	
Net balances receivable from agents and conductors ..	4,001,613.60	3,517,339.84	484,273.76	
Miscellaneous accounts receivable ..	7,177,480.85	3,379,727.57	3,797,753.28	2,202,246.72
Material and supplies ..	29,781,719.17	36,039,533.02	—	6,257,813.85
Interest and dividends receivable ..	2,777,041.08	2,555,537.97	221,503.11	
Rents receivable ..	237,668.02	237,191.62	476.40	
Other current assets ..	493,034.21	372,791.13	120,243.08	
Total ..	\$75,211,412.84	\$85,706,599.32	-\$10,495,186.48	
U. S. RAILROAD ADMINISTRATION.				
Accounts with U. S. Railroad Administration ..	—	\$104,391,360.93	—	\$104,391,360.93
U. S. GOVERNMENT.				
U. S. Government—Deficit in guaranteed income ..	\$26,120,156.10	\$26,120,156.10	—	
DEFERRED ASSETS.				
Working fund advances ..	\$277,039.04	\$233,861.06	\$43,177.98	
Insurance and other funds ..	25,360.00	—	25,360.00	
Other deferred assets ..	12,022,096.52	10,352,522.89	1,669,573.63	
Total ..	\$12,324,495.56	\$10,586,383.95	\$1,738,111.61	
UNADJUSTED DEBITS.				
Rents and insurance premiums paid in advance ..	\$131,540.96	\$145,197.26	—	\$13,656.30
Discount on capital stock ..	3,988,600.00	3,988,600.00	—	
Discount on funded debt ..	1,870,481.60	1,957,900.33	—	87,418.73
Other unadjusted debits ..	17,102,217.81	10,031,362.16	7,070,855.65	
Securities issued or assumed—Unpledged ..	3,238,425.00	5,978,425.00	—	2,740,000.00
Securities issued or assumed—Pledged ..	102,750.00	102,750.00	—	
Total ..	\$23,092,840.37	\$16,123,059.75	\$6,969,780.62	
Total assets ..	\$1,887,719,875.32	\$1,950,393,052.18	-\$62,673,176.86	

(*) Excluded from total assets, and a corresponding amount excluded from outstanding funded debt, in accordance with regulations of the Interstate Commerce Commission.

LIABILITIES—DECEMBER 31, 1922, COMPARED WITH DECEMBER 31, 1921, EXCLUDING OFFSETTING ACCOUNTS.

LIABILITIES.	DECEMBER 31, 1922.	DECEMBER 31, 1921.	INCREASE.	DECREASE.
STOCK.				
Capital stock of Southern Pacific Company ..	\$344,380,905.64	\$344,380,905.64	—	
Capital stock of Proprietary Companies ..	346,832,400.00	346,832,400.00	—	
Total stock outstanding ..	\$691,213,305.64	\$691,213,305.64	—	
Premium on capital stock of Southern Pacific Company ..	\$6,304,440.00	\$6,304,440.00	—	
Total ..	\$697,517,745.64	\$697,517,745.64	—	
LONG TERM DEBT.				
Funded debt unmatured ..				
Book liability ..	\$575,843,341.17	\$581,566,643.47	—	\$5,723,302.30
Less held by or for companies ..	3,381,175.00	6,081,175.00	—	2,700,000.00
Actually outstanding (Table No. 15):				
Southern Pacific Company ..	\$137,148,380.00	\$139,183,080.00	—	\$2,034,700.00
Proprietary Companies ..	435,353,808.17	436,302,408.47	—	948,620.30
Total funded debt ..	\$672,502,168.17	\$675,485,468.47	—	\$2,983,302.30
Non-negotiable debt to affiliated companies:				
Open accounts ..	26,237,528.16	25,004,008.35	\$1,233,519.81	
Total ..	\$698,739,796.33	\$680,489,476.82	\$18,250,319.51	

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SATURDAY, JUNE 2, 1923.

No. 4,162.

SOUTHERN PACIFIC COMPANY AND PROPRIETARY COMPANIES COMBINED—continued.

BALANCE SHEET—LIABILITIES—continued.

LIABILITIES.	DECEMBER 31, 1922.	DECEMBER 31, 1921.	INCREASE.	DECREASE.
CURRENT LIABILITIES.				
Traffic and car-service balances payable	\$5,433,695 67	3,922,967 27	\$1,510,728 40	
Audited accounts and wages payable	15,206,336 43	14,862,407 42	343,929 01	
Miscellaneous accounts payable	1,311,845 17	1,724,373 58		\$412,728 41
Interest matured unpaid	4,478,051 63	4,449,552 62	128,499 01	
Dividends matured unpaid	5,256,729 81	5,254,932 49	1,737 32	
Funded debt matured unpaid	24,713 92	16,213 92	8,500 00	
Unmatured interest accrued	4,758,550 73	4,832,493 21		74,392 48
Unmatured rents accrued	310,805 54	308,102 25	2,703 29	
Other current liabilities	1,436,856 38	395,500 99	1,041,355 39	
Total	\$38,217,395 28	\$35,667,059 75	\$2,550,335 53	
U.S. RAILROAD ADMINISTRATION.				
Accounts with U.S. Railroad Administration	—	\$101,616,789 13	—	\$101,616,789 13
DEFERRED LIABILITIES.				
Other deferred liabilities	\$83,144 55	\$88,585 60	—	\$5,441 05
UNADJUSTED CREDITS.				
Tax liability	\$9,790,760 31	\$5,795,175 25	\$3,995,585 06	
Insurance and casualty reserves	2,285,782 55	1,877,021 70	408,760 85	
Operating reserves	6,318,106 66	5,619,793 03	698,313 63	
Accrued depreciation—Road	1,800,816 00	1,643,756 86	157,059 14	
Accrued depreciation—Equipment	62,550,708 81	58,205,617 84	4,345,090 97	
Other unadjusted credits (b)	132,135,019 26	116,483,389 46	15,651,629 80	
Total	\$214,881,263 59	\$189,624,794 14	\$25,256,469 45	
CORPORATE SURPLUS.				
Additions to property through income and surplus	\$1,671,197 62	\$1,773,020 11	—	\$101,822 49
Funded debt retired through income and surplus	24,673,801 74	23,795,752 09	878,049 65	
Sinking fund reserves	13,218,254 44	12,570,482 63	647,771 81	
Appropriated surplus not specifically invested	3,818,177 83	3,818,177 83	—	
Total appropriated surplus	\$43,381,431 63	\$41,957,432 66	\$1,423,998 97	
Profit and loss—Balance	294,899,110 30	283,431,168 44	11,467,941 86	
Total corporate surplus	\$338,280,541 93	\$325,388,601 10	\$12,891,940 83	
Total liabilities	\$1,887,719,875 32	\$1,950,393,052 18		\$62,673,176 86

(a) The outstanding capital stock and funded debt include capital stocks and funded debt of system companies of the par value of \$346,770,400.00 and \$114,257,417.57, respectively, a total of \$461,027,817.57, which securities are owned by the Southern Pacific Company or by Proprietary Companies, or are held in sinking funds of Proprietary Companies. The cost of these securities is included in the investment assets. Of the said amount, stocks of the par value of \$249,653,161.00, which stand charged on the books at \$252,332,667.41, are pledged against the issue of Southern Pacific Company stock and bonds. (b) Represents principally, interest on construction advances which have not been repaid, as explained in the last paragraph but one under the heading "Income Account."

EQUIPMENT.

To provide for increased requirements and to replace vacated equipment, arrangements were made during the year for the purchase from outside builders, or for the construction at company shops, of rolling stock as follows:—

	Ordered from Builders	Built or Building at Company Shops	Total
Locomotives—steam	59	7	66
Locomotives—electric	3	—	3
Freight-train cars	7,900	427	8,327
Passenger-train cars	—	6	6
Electric motor cars	60	—	60
Company service equipment	45	4	49
Total estimated cost	\$24,150,900		

In addition to the above rolling stock the Pacific Fruit Express Company (which is owned one-half by Southern Pacific Company and one-half by Union Pacific R. R. Co., and which furnishes cars to, and operates along stations for, the Southern Pacific and Union Pacific Systems) ordered during the year 8,630 refrigerator cars, the estimated cost of which is \$26,437,000.

Including the Southern Pacific's one-half of the Pacific Fruit Express equipment, the total estimated cost of rolling stock provided for during the year for use on Southern Pacific lines amounted to \$50,587,900.

THE CONTROL BY THE SOUTHERN PACIFIC OF THE CENTRAL PACIFIC THROUGH LEASE AND STOCK OWNERSHIP.

In last year's report it was stated that the Supreme Court of the United States had decided that the common control of the Central Pacific and other Southern Pacific lines was in violation of the Sherman Anti-trust Act of 1890, and that the provisions of that Act required the termination of such control. A later Act of Congress, however, known as the Transportation Act, 1920, conferred power upon the Interstate Commerce Commission to authorize any carrier to acquire control over another carrier by lease or stock ownership, whenever the Commission should find, after investigation, that such acquisition of control was in the public interest. That Act further provided that a control so acquired under the authority of the Commission should be relieved from the operation of the Sherman law, as well as from the prohibition of other laws, state or federal, so far as might be necessary for the exercise of the control so authorized. This later legislation was not involved in the litigation which gave rise to the above referred to decision of the Supreme Court.

Believing that a common control of the properties in question was in the public interest, the Southern Pacific in October last applied to the Commission for authority to acquire control of the Central Pacific by lease and stock ownership. After an extended hearing, at which were represented the states of California, Nevada, Utah, Oregon, Arizona, Colorado, Idaho, Nebraska, and Wyoming, and also numerous civic associations, commercial organizations, and individuals, the representation including practically every interest concerned in transportation over the lines in question, the Commission, on February 6, 1923, approved and authorized the control applied for, and, as empowered by the statute, imposed certain conditions. The object and effect of the conditions were to prevent the control authorized from being exercised in such manner as to prevent the normal flow of traffic over the Southern Pacific Union Pacific lines through the Ogden gateway. The Commission found that the control applied for, subject to these conditions, was in the public interest, and that a separation of the properties was against the public interest. So much publicity has been given to the Commission's report and order that it is not necessary in this report to go further into details. It suffices to say that the Commission's order of approval and authorization, with the accompanying conditions, is satisfactory to the Southern Pacific and to the states and communities which were interested in preventing the threatened disintegration of the Southern Pacific System and is also satisfactory to the Union Pacific and to those who, mainly interested in the preservation of the Ogden route, had opposed the application on account of a possible use of the control applied for, to the detriment of transportation service by way of the Ogden gateway.

The Southern Pacific Company has re-acquired control of the Central Pacific pursuant to the Commission's order and subject to the conditions thereby imposed. It expects at an early date to bring the Commission's order and the Company's action thereunder to the attention of the District Court of Utah charged with entering a final decree pursuant to the opinion of the Supreme Court and the laws of the United States. As the Transportation Act emanates from the same source as the Sherman law and is equally binding upon the courts, it is expected that the District Court in rendering a final decree pursuant to the mandate of the Supreme Court, will recognize the fullness of the control acquired under authority of the Transportation Act and found to be in the public interest, and will treat the executive provision of the mandate, looking to separating and keeping separate the properties of the two Companies, as having been rendered inoperative by

subsequent legislation. In other words, it is not expected that the Court will reverse the will of Congress and subordinate the provisions and policy of the Act of 1920 to those of the Act of 1890.

It will be seen from the foregoing that, through the action of the Interstate Commerce Commission and the resulting application of the Transportation Act, 1920, to the case, we are on the eve of solving the question of the Southern Pacific's ownership and control of the Central Pacific in a way which is in the public interest and in harmony with the latest expression of legislative policy, and which at the same time, avoids the evils of a separation of the properties.

CONTROVERSY ARISING OUT OF THE OREGON AND CALIFORNIA RAILROAD'S LAND GRANT.

This is an accounting suit brought in 1917 by the United States seeking to offset against the compensation of \$2.50 per acre, due to the Company for the unsold lands, moneys received by the Company, in excess of \$2.50 per acre, by reason of past sales, leases, and otherwise, as well as taxes levied since the forfeiture decision in 1913 and voluntarily paid by the Federal Government to the State of Oregon. The trial of this case in the Federal District Court of Oregon is now at its last stage. It is expected that by the time this report is received by the stockholders the case will have been argued and submitted in the lower court.

SOUTHERN PACIFIC RAILROAD COMPANY OF MEXICO

In the annual report for 1921 the total of the claims against the Mexican Government was stated at \$2,840,272 pesos. Included in this amount, however, was an aggregate of 4,852,032 pesos, representing principal, 3,591,354 pesos, and interest, 1,260,678 pesos, on account of unpaid portion of subsidy provided for in the concession under which the company's line was constructed. Our requests that the Government pay this subsidy have been met with the reply that the completed line for which the subsidy is claimed contains a number of structures characterized as "temporary" by the Government inspecting engineers, and that the subsidy will not have been earned, and, therefore, will not become payable until such temporary structures shall have been replaced with permanent structures. It is therefore proper to exclude this subsidy from the claims subject to current settlement. The exclusion of this item and other reductions on account of payments, correction of claims, etc., up to March 2, 1923, have reduced the claims subject to current settlement to 24,065,000 pesos, equivalent in U. S. currency to \$12,032,500.

As a result of negotiations between the representatives of the Southern Pacific Railroad Company of Mexico and the President of the Republic, looking to a settlement of all matters at issue between the Railroad Company and the Government, an agreement was executed on March 2, 1923 which provides for:

(a) The settlement of the Railroad Company's claims against the Mexican Government.

(b) Suitable amendments to the original concessions in favour of the Railroad Company, including extensions of time for the completion of the lines upon which work was suspended on account of revolutionary disturbances.

(c) Completion by the Railroad Company within a period of four years of the 100 mile gap in the main line between Tepic and La Quemada; and

(d) The rehabilitation by the Railroad Company within a period of two years of the branch line between Corral and Tonichi, about 90 miles in length, and the branch line between Navojoa and Alamos, about 40 miles in length, the operations of which were abandoned in the spring of 1913 because of the partial destruction thereof by revolutionary forces.

The Company receives at once in notes of the Mexican Government 13,600,000 pesos bearing an average rate of interest of 3.7 per cent. per annum, which are to be paid at the rate of 3,000,000 pesos per annum; and the Government pledges itself to study and settle with a spirit of absolute equity and reasonable promptness the balance of the claim, amounting to 10,465,000 pesos, the amount to be paid to be based on adequate evidence, and when agreed upon, to be covered by notes.

Under the terms of the agreement the Company is required to begin the work of constructing the main line between Tepic and La Quemada, and also the work of reconstructing the Alamos and Tonichi branches, within 90 days from the date of the amended concession. Work on the main line was begun on March 6, 1923, and the work of reconstructing the branches will be commenced promptly.

The country through which the line already operates is susceptible of greatly increased production, but a number of its products are the same as produced in the United States, and the duties and other restrictions imposed upon imports from Mexico limit the available markets in this country for the Mexican products, while on the other hand the present termination of the Mexican line at Tepic affords no outlet for these products to the consuming markets of the Republic of Mexico. The proposed completion of the line to a connection with the National Railway of Mexico will give these products access to the Mexican consuming markets, and is expected to encourage and develop increased production and a corresponding increase in the business to be transported and the net revenue accruing therefrom.

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Every description of Banking business transacted.

TABLE OF CONTENTS.

The Money Market 1221

Leading Articles—

The New Team and the

Alignment of Parties .. 1223

Amending Workmen's

Compensation 1224

A Bovine Bungle 1225

The State of the Repara-

tion Account 1226

The National Credit of

Ireland 1227

Our Index Number 1228

The Sea Carriage Bill .. 1229

Motor Manufacturing

Companies 1230

Notes of the Week—

The Government of Pales-

tine 1231

The World's Chief Navies

Grand Trunk Pacific

Debentures 1232

Speculation and Sweep-

stakes 1232

Trade Recovery in Norway

Exchange Movements in

Jugoslavia 1233

Cotton Yarn Prices 1233

The World's Maize Crop .. 1234

American Shipping Sale .. 1234

Finnish Finance & Trade .. 1234

Agriculture and Taxation

in Russia 1234

Conditions in Ecuador .. 1235

The Finances of Santo

Domingo 1235

Overseas Correspondence—

United States 1236

France 1236

Germany 1238

Canada 1239

Poland 1240

Sweden 1240

Roumania 1241

Letters to the Editor—

The Viceroy & the Salt Tax 1241

A Tax on Betting 1242

Books and Publications—

Ricardo's Economic Essays 1242

Books Received 1242

Stock Exchange News—

The Stock Markets 1242

New Issues 1243

Active Securities 1244

Company Meetings 1245

Government Returns—

National Debt 1269

Currency Notes Account .. 1269

Treasury Bills and Bonds

by Public Tender 1269

Public Income and Expen-

diture 1269

Bankers' Gazette—

Bank of England 1270

Clearing Returns 1270

Overseas Bank Returns .. 1270

Loan and Discount Rates 1272

Overseas Bank Rates .. 1272

Rates of Exchange 1272

Indian Treasury Bills .. 1272

India Council Bills and

Transfers 1272

Bullion 1273

Imports & Exports of Gold 1273

Gold and Silver Prices .. 1273

Company News—

Dividend Announcements 1273

Weekly Traffic Returns .. 1274

Reports and Notices .. 1274

Mining Output Statistics .. 1275

Rhodesian Gold Output .. 1275

Profit and Loss Accounts .. 1276

Commercial Reports—

Corn Trade 1275

Iron and Coal Trade .. 1276

Wool Trade 1277

Cotton Trade 1278

Vegetable Oils and Oilseeds 1278

Chemicals 1278

Hides and Leather Trades 1279

Overseas Produce Markets 1279

Price Current 1280

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THE MONEY MARKET.

MONEY was wanted in the early part of the week, owing to the usual demands for balance-sheet and other purposes at the end of a month; nevertheless, the amounts borrowed from the Bank of England were not very considerable, and in the middle of the week a better supply was attributed to relief semi-officially given. Business

however, to the large number of early June Treasury bills believed to have been bought some time ago by the "hidden hand," there is a good deal of doubt as to the extent of the effect of this interest payment, much of which has, in effect, been in the hands of the market for a long time.

	June 1, 1923.	May 25, 1923.	May 18, 1923.	May 11, 1923.	Previous Rate and Date Changed.
Bank Rate	3%	3%	3%	3%	3½ (Jly. 13, '22)
Banks Deposit Rate	1	1	1	1	1½ (Jly. 13, '22)
Discount (Call)	1	1	1	1	1½ (Jly. 13, '22)
Houses (Notice)	1½	1½	1½	1½	1½ (Jly. 13, '22)
Market rate (3 months' bills) ..	1½	1½	2	1½	2

The Bank return showed a decrease of £1,272,000 in the reserve, almost entirely due to expansion in the note circulation. Government and other securities rose by £391,000 and £1,652,000 respectively, and there was thus an increase of nearly a million in the total deposits; but transfers preparatory to the War Loan payment left Public Deposits eight millions higher and Other 7½ millions lower. Currency notes outstanding were reduced this week by £437,800 to £287,481,500, which includes £1,477,500 for notes called in but not yet cancelled. The fiduciary issue is £238,054,000, or £32,129,800 below the maximum.

THE STOCK MARKETS.

The week has seen some recovery in the Stock Exchange, but attention has been largely concentrated on the gilt-edged market. Conversion Loan has been active, and has risen in price, but many other Government issues, including Consols, have been strong. In the Foreign market French issues have fluctuated, but some of the Chinese issues improved, and Finland and Helsingfors prices are better. Home rails, though quiet, have been fairly steady, but Argentine stocks weakened on the fall in the exchange. The Rubber market is slightly better, but oils remain heavy. Among industrials, tobacco shares have been buoyant, cement shares have attracted some attention, and business in Marconis has been fairly good. There has been a firmer tendency in the Kafir market, but the Mining markets, as a whole, lack support.

THE COMMODITY MARKETS.

There has been no appreciable quickening in demand in the commodity markets, and prices both of manufactured goods and of raw materials show, on the whole, a weakening tendency. Sugar has been quieter, with prices inclined to droop, but there was fair competition at the tea auctions. Rubber prices have shown a slight improvement. The wheat market has been dull, with some pressure to sell Indian wheat on the expectation of a large exportable surplus. Raw cotton prices have hardened a little, and our Manchester correspondent reports a slightly better demand for yarn and cloth. Raw wool prices remain firm, but business in tops and yarns is still much restricted. The piece trade is steady. Business in the pig-iron market is very quiet, and our Middlesbrough correspondent suggests that makers would reduce prices for genuine business. There is no change to report in the steel trade, orders being still difficult to obtain. With a recovery in output in South Wales, there has been a weakening in the prices of steam coal. Prices of tin and copper were irregular at first, but became firmer towards the end of the week. Lead has been easier. Business in the vegetable oil and oilseeds markets has been unusually slack, and prices have relapsed further. The hide market has weakened, but leather is firm; orders for boots and shoes are scarce.

FOREIGN EXCHANGES.

In the foreign exchange market business has continued very quiet, although in the case of some currencies there have been sharp movements in the rates. As was to be expected after the discussion in the Reichstag in which

it was made clear that the Reichsbank had given up in despair its attempt to steady rates, the mark has continued to depreciate rapidly, and from 250,000 on the 25th reached 325,000 on Thursday, for the first time standing at the same figure as the Austrian krone, with considerably less prospect of stability. Yesterday morning the rate had risen further to 330,000, while on the week the forward rate has risen another 10,000 to 40,000 marks above spot for one month ahead. At the end of last week the Paris rate was affected for the time by M. Poincaré's offer of resignation, and went up to 70, but this was followed by a recovery, and on Tuesday the quotation was back at 69.50. Since then, however, the German situation has reacted more severely than usual, and by yesterday morning the rate was up to 71.00, although at this figure there were signs of some recovery. It should be noted in connection with this rise that for the first time for some little period the Bank of France return shows an increase both in Government advances and in note circulation. The Brussels rate continues at about the same figure above Paris, and was quoted yesterday at 82.90, as compared with 81.40 a week ago. The strike continues to have a most adverse influence on trade conditions. Forward rates have widened somewhat on the week to 4½ centimes per month above spot in Paris, and 2 centimes below in Brussels. The New York rate has remained dull but fairly steady, with a slight movement against London, the quotation having moved from \$4.63 on the 25th to \$4.62½ yesterday morning. The rate for forward dollars is about the same at ¼ cents per month above spot. Among the other exchanges the chief feature has been the further sensational improvement in the drachma, which has fallen during the week from 230 to 160, after being about 400 a month ago. This movement, which is causing great confusion in Greece, would seem to be due to speculation on the possibility of a loan under the auspices of the League of Nations, and it is said that purchases, after having been confined mainly to Greece, have now spread to New York. Another remarkable recovery is that of the Bulgarian leu, which has dropped from 550 to 475, a recovery which is causing equal inconvenience to Bulgarian exporters. In Norway there has been a further satisfactory improvement from 28.75 to 27.82½, and it would seem that the lack of confidence occasioned by the recent banking crisis is being gradually overcome. In Helsingfors the rate at 167 shows a slight tendency to harden as this month is known always to be the most difficult for Finnish exchange. At the same time, the Bank of Finland has such a satisfactory reserve of foreign currency that this pressure is not likely to find much reflection in the rate. Amsterdam at 11.80½ has moved slightly against us, and Switzerland has also moved down a little to 25.62½, but Madrid has depreciated slightly to 30.44, and Italy has also moved up from 96½ to 98½. Vienna has, as usual, remained steady at 325,000, a satisfactory indication that the rate is not being allowed to be influenced by the general optimism in respect to this country, but Warsaw is up to 250,000, after being rather higher. Prague at 155 is unchanged. In the East the rupee is slightly cheaper at 1s 4½d, the yen rather dearer at 2s 1½d. The silver market has been dull, although the price has remained fairly steady. The announcement that the purchases by the American Government under the Pittman Act have been practically completed is tending to keep off buyers, and the Continent is again selling. Hong Kong has moved down from 2s 4½d to 2s 3½d, and Shanghai from 3s 2½d to 3s 1½d. In South America Buenos Ayres has been much weaker than for some time past, and stands at 41½d as compared with 42d a week ago, after being just below 41d on Wednesday. The general explanation would seem to be the falling off in European demand, mainly as the result of the German difficulties. The same influences are being felt in Brazil, but the Rio rate has been better maintained, and still stands at 5½d. Montevideo has fallen from 42d to 41½d, but Valparaiso has appreciated a little from 34.90 to 34.80 pesos.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended May 26th:—

EXPENDITURE.	Min. £	RECEIPTS.	Min. £
Supply Services	657	From Revenue	10,050
Northern Ireland Exchequer ..	380	Decrease in Balances	141
Reduction of Debt	4,477		
	10,191		10,191

Revenue, at £10,050,400, was about £430,000 less than in the corresponding week last year. Property and Income-tax yielded £1,471,000, and Super Tax £820,000, against a combined total of £2,284,000 last year. Special Receipts brought in £1,026,600, against £515,000. Customs yielded £2,599,000, against £3,095,000. Expenditure on Supply Services was about £1,000,000 lower at £4,677,000, and interest on War Debt about £900,000 lower at £657,200. The week's operations reduced the National Debt by £4,477,000, and caused the following changes:—

	Min. £		Min. £
Public Department Advances ..	6,400	Treasury Bills	1,723
		National Savings Certificates ..	100
		Unemployment Insurance ..	100
	6,400		1,923

The floating debt was reduced by £4,665,000 to £776,005,500.

FINANCIAL YEAR, 1923-24 (April 1 to May 26, 1923).

	£		£
Total Expenditure ..	106,583,381	Raised by Revenue ..	128,562,182
Net Capital Repayments ..	25,039,850	Decrease in Balances ..	3,061,049
Total	131,623,231	Total	131,623,231

ESTIMATES FOR YEAR 1923-24.

	£		£
Ordinary Expenditure ..	801,013,000	Ordinary Receipts ..	778,500,000
Special Expenditure ..	15,603,000	Special Receipts	40,000,000
Total	816,616,000	Total	818,500,000
		Surplus	1,884,000

Our usual table of the National Debt will be found on page 1269.

THE WEEK IN PARLIAMENT.—The chief work of the new Government's first Parliamentary week has been the passage of the Restoration of Order in Ireland (Indemnity) Bill through all its stages in the Commons. Among other business transacted were the second readings of the Agricultural Credits Bill, the Workmen's Compensation (No. 2) Bill, and an L.C.C. Money Bill. Thursday was mainly occupied with the discussion of the Education Vote. On Wednesday the Indemnity Bill kept the Commons up all night. The Lords completed the Committee stage of the Mental Treatment Bill and the Freshwater Fisheries Bill. In the person of Lord Chaplin there has passed away this week a familiar Parliamentary figure, who was one of the few remaining links with the Parliamentary history of the Victorian era.

COMPANY MEETINGS OF THE WEEK.—On later pages of this issue will be found reports of the following company meetings:—Fine Cotton Spinners; Central Mining and Investment; Royal Insurance; Western Alliance Reinsurance; Gresham Life Assurance; Consolidated Assurance; Guardian Assurance; Equitable Life Assurance; Brunner, Mond; Royal Mail Steam Packet; Rubber Plantations Investment Trust; Bambra-kelly Tea and Rubber; India General Navigation and Railway; Crosses and Winkworth; Whitehall Electric Investments; Nitrate Producers' Steamship; Consolidated Mines Selection; and Lonely Reef Gold Mining. Among the features of the speeches were:—The references of Mr Thomas Woodsend (Royal Insurance) to insurance company investment policy; Mr Roscoe Brunner's explanation of the new scheme for allotting shares to Brunner, Mond's employees; the optimistic view of the future of the cotton industry taken by Mr Herbert W. Lee, of the Fine Cotton Spinners; the attack on nationalisation by Sir Lionel Phillips, of the Central Mining; the Duke of Argyll's review of the good bonus result of the Scottish Equitable; the reference to shipping companies and double taxation by Lord Kysant, of the Royal Mail; the confidence as to

bonus prospects expressed by the Hon. Evelyn Hubbard, of the Guardian Assurance; the defence of the rubber restriction scheme by Mr H. J. Welch, of the London Asiatic Rubber, who also reviewed the position of the tea industry at the meeting of the Rubber Plantations Investment Trust.

THE NEW TEAM AND THE ALIGNMENT OF PARTIES.

THE new Government, the personnel of which was still unsettled when we wrote last week, is starting its career under favourable auspices. The Prime Minister has had an exceptionally favourable Press, he has managed to include in his Cabinet one of the dissentient group of Conservative ex-Ministers, and he has added two other distinguished names to its roll. Thus his team is stronger than that of his predecessor, the prospect of a breakaway of a section of his majority is diminished, and he has on the whole a friendly public. The breach in the party is not, it is true, completely healed, for the influence of certain members of the caucus was strong enough to prevent the Prime Minister from extending an invitation to Mr Austen Chamberlain, the result being that Mr Baldwin also lost Sir Robert Horne. But at the eleventh hour he secured Sir Laming Worthington-Evans, who brings much-needed experience of administration, and is to some extent a guarantor of support from the group with whom he has been acting. But in any case this support was assured by Mr Chamberlain's magnanimous speech in the House on Tuesday.

The inclusion of Lord Robert Cecil and the prospective appointment of Mr McKenna as Chancellor of the Exchequer are even more important as bringing strength to the Government from new quarters. Lord Robert Cecil lost no time in buckling on his armour, and broke his first lance for his new chief over the Indemnity Bill, which he helped to pilot through the House. His conduct of the debate showed what an important Parliamentary asset Mr Baldwin has acquired. But it is not as a Parliamentary gladiator that Lord R. Cecil has joined the Government. His purpose is to see that the League of Nations plays what he conceives to be its proper rôle in our foreign diplomacy, and it is generally assumed that he has secured the necessary assurance of support from the Prime Minister on this point. He must, however, have accepted the invitation with some misgiving, for no one has urged more convincingly in the past that the League can only become the pivot of our foreign relations if it is taken as such by the Foreign Office, and used by the Foreign Minister as a substitute for the old methods of diplomacy. Any other plan raises the danger—so patent under the Coalition—of divided counsels. Lord Balfour, with his wide experience, tact, and aptitude for compromise, made the dualism work as smoothly as could be expected. But there may be room for doubt whether the necessary sympathy of outlook exists between Lord Curzon and Lord R. Cecil to prevent friction. The latter must accept his full share of responsibility in the House of Commons for the foreign policy of the Government without, in fact, having any control over the Department in which it is initiated. The minor activities of the League will, however, have secured a doughty, and probably an effective, champion in the Cabinet.

In view, however, of the overriding importance of financial policy, both international and domestic, the promise that Mr McKenna will shortly join the Government as Chancellor of the Exchequer is perhaps the most significant of Mr Baldwin's moves. Mr McKenna's record is a very exceptional one, his passing from the Treasury to the headship of one of the great joint-stock banks and back again to the Treasury being quite unique in our history. The sequence of appointments even suggests that the office of Chancellor of the Exchequer may be looked upon as a technical one in the same way that in various quarters people are urging that the position of Postmaster-General should be held on business merits irrespective of the politics of the Government of the day. But, of course, this argument can never really be applied to

the Exchequer. Finance has always been, and is particularly to-day, one of the chief factors influencing policy, and it is only when the country is in an extreme plight, as Austria has recently been, that its politicians would dream of surrendering the direction of financial policy to experts. Mr McKenna must not, therefore, be regarded simply as having joined the Government as its financial adviser, but as one who feels himself in harmony with the policy of the Conservative Party. Events will show how far he has, in fact, abandoned his former radical instincts—a matter on which, of course, he alone is sole judge. His acceptance, however, to those who know him has been to some extent a surprise, in spite of the general support which he proffered to Mr Bonar Law six months ago.

But though Mr McKenna's present political leanings have been kept in the background, his economic views have been constantly before the public in the last two years. His speeches have sometimes brought him into conflict with economists. For example, in his reference to deflation at the beginning of this year his criticism of Treasury policy in converting floating debt into Treasury bonds met with general criticism, both in regard to the arguments with which he supported his thesis, and also in respect of the policy which he was advocating. Again last autumn Mr McKenna, in a speech to the American bankers, put Germany's ability to pay on a basis lower than any other authority, and his suggestion that we cannot fix any reparation sum until Germany is producing an export surplus is a doctrine which quite clearly postpones all prospect of reparations to the Greek Calends. But against any misgivings that these utterances may have aroused, there are several points on which he carries City opinion with him. In the first place he keenly appreciates the interdependence of nations in commerce, and has illustrated this doctrine with very great effect. He is fully aware of the world-wide effects of the continued deadlock on the Continent. Secondly, he has made himself the champion of the doctrine that whatever may be done in regard to the revenue side of the Budget, the key which will release us from our financial difficulties is to be found on the side of public retrenchment. Again, Mr McKenna was a signatory of the bankers' appeal for free trade against the Safeguarding of Industries Act, and he also brings to his new office personal experience of the City and of our fiscal apparatus. The Federation of British Industries will also welcome Mr McKenna for his strong views on the evil of very high taxation, but we should qualify our approval on this ground by the consideration that the remission of taxes would be too dearly purchased if it is at the expense of a sound policy of dealing with our debt. In the City he has built up a high reputation. City circles would regard him as one who is essentially "*capax imperii*." Let us hope that they will never have to add the fatal qualification "*nisi imperasset*." Although certain of his views arouse nervousness, the Government certainly receive in Mr McKenna a strengthening of their technical equipment for dealing with business problems.

The new team has been afforded an excellent initial opportunity of showing its form in the debates on the Indemnity Bill, which formed the *pièce de résistance* of the week in the House of Commons. Liberal and Labour amendments were pressed with such persistence that the House was compelled to endure an all-night sitting on Wednesday. After the Government had accepted amendments confining the application of the measure more definitely to the single case of the deportations, the Bill passed its third reading yesterday. On the whole, the debates on this Bill have taken the course which we suggested last week it was desirable that they should take, namely, that the Bill should pass under a protest sufficiently strong to mark the occasion as a precedent to be avoided in future.

In the meantime, the "May meetings" being over, the Independent Liberals on Wednesday opened the season of annual political conferences at Buxton. But up to the moment of writing they have shown little sign of having anything either new or inspiring to say to the country, and have devoted their energies to a sorry wrangle on the question of reunion. Over this task the

party is making very heavy weather. The difficulties of Liberal reunion have much more substance than the obstacles which are preventing the reuniting of the Conservative party. The latter are purely questions of personal loyalty, and in respect of those affecting himself, Mr Lloyd George has recently in effect released his late colleagues from any obligations. The difficulties in the Liberal party are more real, for some of the National Liberals are now genuinely Conservative in outlook and policy, and will sooner or later join that party; while all of them are now more or less under obligations to Conservative voters in their constituencies. But the situation is undoubtedly altered by the change of Government, and it would clearly be a great gain if members would now sort themselves out into their true political affiliations on both sides of the House. Mr Lloyd George in both words and deeds has not merely shown desire, but has betrayed real anxiety for reunion, which indicates that he recognises the fact that there is for him no political future except as a member of a Liberal party. We appreciate the point of view of those Liberals who, finding it difficult to quiet their district of the late Premier or to forget the record of the Coalition, are unwilling to take on board one whom they regard at the moment as a political Jonah. But the demand that men, many of whom acted with the highest motives, shall give proofs of repentance, savours to the public far too much of Phariseism, which thanks God that it is not as these National Liberals. It is impossible to overestimate the value of principle and honesty in politics, and the Liberal leaders have set a fine example in this respect. But party speakers make themselves ridiculous when they claim a monopoly in these commodities. The only dignified attitude for the Liberal party is to concentrate on expounding the point of view and the programme of Liberalism, and to throw the doors wide open to all who will accept them. If Mr Asquith would let it be known that the Liberal Whip would be extended on application and without any personal excommunications to any member of the House who applied for it, subject only to the condition that no duplicate or sectional organisation is to be maintained within the party, his action would be above question, and Mr Lloyd George would have to make a choice between the dissolution of his party into its natural paths, or endeavouring to keep in existence a rival organisation which quite clearly lacks any specific purpose or homogeneity.

AMENDING WORKMEN'S COMPENSATION.

THERE are at present before the House of Commons two Workmen's Compensation Bills which seek to amend the existing Compensation Acts. The first in priority of introduction is the Labour Party's Bill, which was given a second reading before the Whitsuntide adjournment. This Bill follows generally the lines of the report of the Holman Gregory Committee of 1920, a report which at the time met with wide acceptance. But since 1920 a great change has come over the scene. The very high standard of wages which had outstripped the benefits of the Act of 1906, in spite of the war additions, has been subject to continuous reduction. The Ministry of Labour's index number of retail prices, which is taken roughly to represent the cost of living of the working classes, has fallen by a hundred points. The agreement of 1920, under which the insurance companies accepted the conclusions of the Holman Gregory Committee, has, therefore, lapsed by effluxion of time and circumstance. This was made clear by the Home Secretary, who though not officially opposing the second reading of the Labour Bill, announced his intention of producing a Government Bill better suited to the conditions of to-day than the Labour Party's rather belated effort. It is this Government Bill, which was read a second time this week, with which we are chiefly concerned just now.

It is agreed by everybody who is familiar with Workmen's Compensation that an amending Act is necessary. The Act of 1906 is out of date; it was shattered by the

war. Two War Addition Acts have been passed, in 1917 and 1919, under which the weekly maximum benefit for temporary disablement was raised from twenty shillings a week to thirty-five shillings. But the death compensation remained unchanged, and various other insufficiencies in the principal Act call for reconsideration. During and immediately after the war the insurance companies made large profits out of workmen's compensation risks; they could scarcely help themselves. The premiums based on wages bills soared upwards with the advances in wage rates. The proportion of claims to premiums fell. The discrepancy between claims and premiums was gone into thoroughly by the Holman Gregory Committee, and it was their recommendation that 70 per cent. of the premiums under a compulsory insurance scheme should be taken as the proportion which ought to go into benefits to injured workmen or dependents. The decline since then in premiums has kept pace with the reduction in the standard of wages and the movement of unemployment. Last year there was a decline of some 30 per cent. in the premium incomes of the insurance companies, and this year the progressive decline continues, though not quite so rapidly as in 1922. Part of that falling off has been due to a remission by the companies of 10 per cent. of the rates of premiums payable in 1920. The effect has been to raise the proportion of claims to premiums more nearly to the normal pre-war level, and to increase the proportion which salaries and other expenses of management bear to premiums. This economic process during three years of depression has made the 30 per cent. of the premiums (for expenses, commission, and profits) which was agreed to in 1920 a lower cost apportionment than could be accepted now, even were workmen's compensation insurance made compulsory and agency charges largely done away with.

The Government's Bill has nothing to do with compulsory insurance as recommended by the Holman Gregory Committee. It is purely an amending Bill, what some critics have called a "make-shift" Bill, and leaves premiums and expenses of workmen's compensation business to settle themselves subject to an agreement which the Under-Secretary for the Home Department stated had been made with the Accident Offices' Association. Under this agreement the amount to be paid in compensation during the next three years is to be not less than 65 per cent. of the premiums. After three years it is to be 62½ per cent. Adjustment of premiums is to be made as need arises on this basis. The principal features of the Bill are not revolutionary, though there are one or two sections of the measure which do propose to make rather startling changes. The first amendment of importance is the increase of the maximum compensation for accidental death to £500 instead of being £300 as at present. A widow without children does not under the Bill get more than £300, but there is a scale of benefits for children under 15 years which may—we anticipate in many instances will—raise the £300 to the limit of £500.

The War Addition Acts of 1917 and 1919, which dealt with weekly benefits for temporary incapacity, are repealed, and the maximum weekly benefit for total incapacity is put at thirty shillings as against twenty shillings in the Act of 1906, and as against thirty-five shillings in the War Addition Acts. There is a reduction here due, no doubt, to the fall in the rates of wages. The basis of compensation is 50 per cent. of the wages, subject to the maximum, as in the Act of 1906. The allowance for partial incapacity is far too complicated to be explained without chalk, a blackboard, and rather abstruse calculations. We gather from our inquiries that the insurance offices feel able to work out the problem as it will be presented to them, which is fortunate. If they had to give it up as the employers and workmen will at sight, there might be administrative complications. The Bill extends the definition of workmen so as to cover taxi-cab drivers, those who are employed for purposes of games and recreations, and share fishermen. It is not easy to see how taxi-cab drivers, for example, who are not paid wages but earn what they can out of a hired cab, are to be rated for premiums based on wages bills.

So far we have been concerned with amendments which, however important they may be, are no more than modi-

fications in detail of the existing Acts. No central principle has been affected. But it happens that there are two sections in the Government Bill which do cut rather deeply across established principles. It has hitherto been fundamental that compensation could only be legally enforceable when accidents arose out of, or in the course of, a man's employment. The limitation "arising out of or in the course of" employment has been criticised for years, and many modifications have been suggested to meet cases where compensation has been equitably due, though not at present legally granted. The Bill, in Section Six, declares that an accident resulting in death or serious and permanent disablement shall be "deemed" to arise out of and in the course of employment, even though the workman was at the time acting against regulations or orders, or was without instructions from his employer, "if such act was done by the workman for the purposes of and in connection with his employer's trade or business." This departure from principle looks rather dangerous, and may give rise to much litigation. The often harsh limitation, "arising out of or in the course of" employment, certainly needed to be made more elastic, but one may doubt the advisability of holding an employer responsible for compensation in the event of serious accidents occurring while his own regulations or orders are being broken by an employee. Another break with principle occurs in Section Thirteen, which forbids an employer from stopping or diminishing a weekly payment unless an injured workman has returned to work. This is to shift the burden of proof of a man's incapacity from the man to his employer. Hitherto the injured man has been the claimant, who has had to make good his claim to continued weekly payments. Under the Bill the employer has to go on paying until he can get the man back at work. There are certain safeguards, it is true, but the section does make a distinct change in principle.

Agreements to commute claims for compensation by the payment of a lump sum have been frequent in the past, and have been popular among all the parties concerned—the injured workman, the employers, and the insurance offices. A sufficient safeguard has been the approval and registration of agreements by the registrars or judges of county courts. Section Eleven of the Government's Bill introduces a new party to these agreements in the approved society or committee under the National Insurance Act which is concerned with the injured workman. The society or committee is given the right to appear before the county court, registrar, or judge, and object to registration of an agreement. It is perhaps natural that those responsible for the administration of the National Insurance Act should be given this *locus standi* in respect of lump sum agreements—for the man after he has spent his lump sum may come upon them for sickness or disablement benefit. We call attention to the innovation without expressing any desire to criticise it.

A BOVINE BUNGLE.

(FROM A CORRESPONDENT.)

THE question commonly known as the "embargo"—in other words, the admission of store cattle from Canada—had a popular vogue for a much longer time than is usual with subjects of public interest. For its extended vitality there were several reasons. There was a well-organised agitation both in this country and in Canada, but this in itself would have been inadequate had it not been possible to represent—falsely, but none the less forcibly—that the price of beef would be substantially affected by the result, and to stampede opinion in one constituency so as to inflict a heavy defeat on a Minister. Nevertheless, with all these adventitious aids, the discussion of the question was beginning to pall, and there was a general feeling of relief when it was, at long last, settled—as was supposed—last August. It was therefore with surprise that the public discover that the question, after all, is not settled, while among agriculturists the discovery has been received with consternation.

Not only have few subjects of minor importance been discussed with so much fervour and for so long a period, but few also have had such curious vicissitudes. It

originated in 1896, when a series of enactments restricting the importation of living food animals culminated in a law compelling all such animals to be slaughtered at the port of landing. The effect was, obviously, to allow the importation only of cattle which were in a fit condition for the butcher—in other words, fattened. The practical result was that a trade, which had been slowly growing between Canada and Great Britain, in young cattle arriving in "store" condition was stopped. It was only a small business, the number of animals affected being not more than some 60,000 or 70,000 in a year. The law, of course, applied to cattle from any country, and was regarded by British stockowners as putting the copingstone on the laboriously constructed defences against the risk of the introduction of disease among our flocks and herds. That it happened, at the time it was passed, to affect Canada—and practically no other country—was an incident which had no relevance to the policy in its broad aspect. For many years nothing much happened. From time to time protests, more or less formal and forcible, were made on behalf of Canada, mainly on the ground that there was no risk of disease in admitting cattle from the Dominion. The reply was that the policy was one of universal application, and that there was no discrimination in favour of, or against, any source of supply. Along these lines the controversy continued somewhat languidly, now and again breaking out into spasmodic activity under the impetus of persons interested. The war brought it suddenly and unexpectedly to an issue. At the Imperial War Conference in April, 1917, one of the Canadian Ministers brought forward a motion that the "embargo" should be removed. This was accepted by the British Ministers present and unanimously adopted, it being agreed that action to give effect to the motion should be deferred until after the war. It was when Canada, very naturally, pressed for action that the trouble began. The agricultural heather was on fire. Farmers were not entirely unanimous, but the overwhelming majority were vehemently opposed to any breach being made in the policy which they regarded as their wall of defence against the introduction of disease. The Government temporised, and eventually referred the question to a Royal Commission, composed of impartially-minded persons, under the chairmanship of Lord Finlay. They held a lengthy inquiry, and reported somewhat half-heartedly in favour of the admission of Canadian stores. Still the Government hesitated, but after one or two contradictory announcements stood aside and left the question to Parliament. But the irony of the situation lay in the fact that all this prolonged controversy on the advisability of admitting Canadian cattle and the effects of doing so was irrelevant to the real question submitted to Parliament and decided by it. The true issue was whether a pledge had been given to Canada by the British Government, and if so, whether it should be honoured. To this question there was only one honourable answer, and when it was made clear plain men wondered why the Government had hesitated. Both Houses expressed their opinion decisively, and, in effect, instructed the Government to keep the promise made by British Ministers.

Up to this point no question had arisen about the class of cattle which were affected by the "embargo," or which would be admitted when it was removed. The Canadian case, repeatedly insisted on, was that they reared a larger number of young stock than could be fattened in the Dominion, and that for them a market—or more precisely an alternative market to that of the United States—was required. When, however, the question arose of putting the decision of Parliament into definite terms it was claimed that it authorised the admission of any cattle from Canada, and not only store cattle. Sir Arthur Boscawen, who, as Minister of Agriculture, conducted the negotiations, appears to have admitted this claim in principle without demur, and confined himself to a discussion of the form in which effect should be given to it, and to bargaining for certain reciprocal arrangements in connection with the export of British stock to Canada. In a letter to the *Times* he states that up to this time the question had been "the embargo on Canadian cattle without qualification." It is difficult to accept this in the face of the evidence. The whole controversy had raged around store cattle. The Report on the subject was headed "Royal Commission on the Importation of Store Cattle." The recommendations

of the Commission, though not entirely free from ambiguity on this as on other technical points, indicated that they had only store cattle in mind. In eight out of their 10 recommendations the reference to store cattle exclusively is quite unmistakable, and in only two is it possible by a somewhat strained interpretation to contend that they had any other cattle in mind. Breeding cattle, in any case, are not mentioned in their recommendations.

Under these circumstances, it is, to say the least, questionable whether the decision of Parliament gave any authority to arrange for the admission of cattle other than stores. However this may be, Sir Arthur Boscawen agreed with the Canadian representatives that an Order should be laid before Parliament sanctioning the importation of breeding animals from Canada. He states that he did this with the knowledge and assent of the Live Stock Defence Committee and the National Farmers' Union. This appears to be disputed, but it is evident that farmers and stockowners generally were not consulted, and that they have only just become conscious of what has happened.

When challenged on the subject at the meeting of the Council of Agriculture a few days ago, Sir Robert Sanders, the present Minister of Agriculture, admitted that a promise had been given to introduce an Order admitting breeding animals. In that case the question would again come before Parliament for decision, not on its merits, but in a form which involves the fulfilment of a promise made by a responsible Minister. It would again be a matter of keeping faith with the Dominion. It would be difficult to imagine a more maladroit or unfortunate manner of dealing with the subject. Farmers would feel that once more, and this time with far less excuse, "the pass had been sold." About store cattle there was some division of opinion amongst them, but about breeding cattle they are unanimous.

It has been announced that the Government have decided to bring the whole question of the importation of Canadian cattle before the Imperial Conference, but it is not clear at present whether the introduction of the promised order is to be postponed until this event. This question will no doubt be determined in the present session.

THE STATE OF THE REPARATION ACCOUNT.

POPULAR ideas as to what Germany can and should pay by way of Reparations are, with some excuse, of the vaguest description. It is unfortunate that there is little more definiteness as to what has actually been accomplished. This, however, need no longer be the case, for the Reparation Commission are now regularly publishing a summary of their accounts—the second statement being one which brings the accounts between Germany and the Allies up to the end of 1922.* Germany's debt may be divided into (a) obligations in connection with the Occupation, Control Commissions, &c., plus money lent to Germany under the Spa Agreement for additional food for Ruhr miners, and (b) the debt fixed in 1921. The charges against Germany under (a) amount to 3,536,000,000 gold marks, and the receipts to 2,624,000,000, leaving a deficit of 912,000,000. The assessments under (b) are 132,000 million gold marks, plus 5,624 million gold marks in respect of the Allies' loans to Belgium, but the value of State property in ceded territory amounting to 2,554 million gold marks is regarded as a set-off against the capital of the debt, and reduces the total to 135,070,000,000 gold marks.

Putting the two sets of accounts together, we find that Germany has paid:—

	Millions of Gold Marks.	Million £ (Gold).
In cash.....	1,817½	90.9
.. kind	3,556	177.8
.. State property in ceded territory	2,554	127.7
	7,927½	396.4

In addition Germany has contributed to the local expenses of the Armies of Occupation in paper marks, or services (billeting, use of barracks, &c.), a sum which is equivalent

* Statement of Germany's Obligations under the Heading of Reparations, &c., at December 31, 1922. Stationery Office. Price 2s.

to between 1,600 and 2,000 million gold marks. This makes a total of nearly 10,000 million gold marks in all. The accounts also mention the payment by Germany of 3,836 million gold marks in respect of food and raw material supplied by the Allies to Germany in 1919. But as this is a purchase by Germany of necessities, it should not be added to the German payments. If, however, we are trying to estimate the burden on Germany's finances, we should add the sum paid to the Clearing House for private debts, which amount to 620 million gold marks.

An analysis of the deliveries in kind and of the property in ceded territory is as follows:—

VALUE OF DELIVERIES IN KIND. (In Millions of Gold Marks.)	
Reparation Recovery Act	163
Ships	707
Inland water craft	29
Livestock	159
Coal	949
Dyes, &c., &c.	105
Armistice—Abandoned war material	318
Rolling stock	827
Other (agricultural, motor lorries, &c.)	40
Submarine cables	49
Miscellaneous	233
	3,579
Less the amount inc. above for restitution of stolen property	23
Net value of deliveries in kind	3,556
VALUE OF STATE PROPERTIES IN CEDED TERRITORY. (In Millions of Gold Marks.)	
Saar Mines	400
School in Shanghai	2
Property in British Concession in Shameen	6
" " territory ceded to—	
Kiaochow	59
Czecho-Slovakia	6
Danzig	304
Poland (ceded area)	1,757.3
In lieu of taking over German debt assignable to Eupen and Malmédy (Belgium)	6
Silesia (Czecho-Slovakia)	4
Danzig	5.5
Various (Poland)	18.6
	2,554

The cost—other than that met by payments in paper marks—of the Armies of Occupation (excluding that of the U.S.A., the cost of which is 1,072 million gold marks) and other charges for control, commissions, &c., amounts to 2,840 million gold marks, of which all but 400 millions is for the armies. This leaves 4,000 million gold marks for Reparation, which has been distributed among the Allies as follows:—

WHAT THE ALLIES HAVE RECEIVED.						
	Kind (including Reparation Recovery Act).	Cash.	Property in Ceded Territory.	Total Distributed to Allies.	Repayment of Coal Advance Armies of Occupation, &c.	Net Receipts.
Great Britain	512	637	302½	1,449½	1,036½	113
France	1,345	142	302	1,789	1,500	289
Italy	242½	½	..	243	39½	203½
Japan	9	..	59	68	½	67½
Belgium	643½	1,075½	½	1,719½	264	1,455½
Poland	14½	..	1,776	1,790½	nil	1,790½
Greece	11	..	..	11	..	11
Roumania ..	10	..	..	10	..	10
S. C. Slovene ..	150	½	..	150½	..	150½
Czecho-Slovak ..	15	..	6	21	..	21
Portugal	4½	..	..	4½	..	4½
Total ..	2,957	1,855½	2,144	6,956½	2,840½	4,116½

These figures show some very striking results. Thus France's expenditure on the Army of Occupation is not quite met by her receipts in cash and kind, her net profit being entirely in respect of the Saar mines. Great Britain has a net surplus, thanks to the Reparation Recovery Act, but there is, of course, room for great difference of opinion as to whether this alleged British surplus is paid by Germany at all or whether it is rather money found by the British consumer of German goods! Belgium shows a large surplus through cash receipts under her priority rights, and Poland comes

best of all out of the whole business, as she has no excuse for charging her military expenditure against Germany.

This leaves 980 million gold marks undistributed—this figure representing the value of property ceded to Danzig, and also the difference in value between the total value of goods or property credited to Germany and the value reckoned in making the allocation to the Allies. Thus the Saar is regarded as worth 400 millions from Germany's point of view, but 300 millions to France. Similarly, the ships are credited to Germany at 707 millions, but only 316 millions when allocated to the Allies. These book-keeping transactions are only of importance as affecting the sharing of the spoils among the Allies.

German propagandists have put forward very much larger figures than the above, and in particular our attention has been called to a statement which amounts to the fantastic total of 136,000 million gold marks. But this is arrived at by putting in the "economic value" of ceded territory at 100,000 millions. The loss of territory, of course, means a reduction of Germany's ability to pay, but it is very difficult to put a money value on colonies which may easily become a liability and not an asset or even on Alsace-Lorraine. And in any case, a hypothetical value of this kind has no relation to the Reparation bill. The balance of 36 milliards is arrived at by including the value of German property abroad liquidated by the Allies, and by including the value of loans advanced by Germany to her former Allies. The whole economic loss sustained by Germany is, of course, much bigger than is shown in the above accounts; but the only substantial criticisms of their correctness for the purpose they set out to serve is that State property and deliveries in kind may have been undervalued. On this point Professor Gide notes the claim of Germany that if a fair valuation had been adopted the total would be over 20 milliard gold marks, instead of less than eight milliards, and assumes that the truth will be somewhere between the two figures, at, say, 12 to 14 milliards. The point is not without importance, for though the future payments must be limited not by what has been paid already, but by Germany's capacity, the question of the basis of valuation will continue to be of importance, for if fair principles are adopted it may help to reconcile figures which at the moment are separated by much too wide a gulf.

THE NATIONAL CREDIT OF IRELAND.

THE Government of the Irish Free State is investigating the possibilities of raising a public loan on the national credit. It appears that the estimated revenue for the year ending March 31, 1924, will fall short of the necessary expenditure by some £25,000,000, and that a further heavy sum will be required during the ensuing financial year to complete the liquidation of pre-Truce and post-Truce compensation claims and to provide for other pressing capital or non-recurrent outlays. These amounts, though large, are not intimidating. Ireland can easily carry a public debt equivalent to some two years' revenue, and though her taxation is still on the war level, her economic stability and financial buoyancy in face of her experiences of the last three years have been much better than might have been feared. It is claimed that the estimates of annual revenue, as well as those of the total cost of compensation, have been framed with a prudent regard for unfavourable contingencies, and that the machinery for tax collection is being tuned up to a high standard of efficiency. If this effort succeeds, and as the beneficial effects of peace and order progressively make themselves felt, revenue will tend to increase and ordinary administrative expenditure to decrease.

We are not aware of the exact figures of the projected borrowings, but it is an open secret that something like £50,000,000 may have to be provided during the next two years to supplement the revenue from taxation. How far this figure will require to be met by public loan and how far it will be provided by interest-bearing bonds, such as the Irish Free State Government intends to issue, in lieu of cash,

in part payment of compensation awards and for all payments under its new land purchase scheme, is not at the moment clear. But what is quite clear is that, whether before or after the General Election in September or October next, there must be a large national borrowing on the credit of the Irish Free State to provide monies for disbursement before March 31, 1924.

The occasion is one of great importance to Ireland, even more than the actual collection of Irish revenue by Irish taxgatherers. The issue of a national loan is a crucial test of Irish financial independence which is the indispensable correlative of true political independence. Much will depend hereafter upon this first transaction and the manner in which it is handled by the Irish Government and the Irish public. The first step counts for much.

There are only three possible markets in which Ireland can borrow, namely, London, New York, and Ireland itself. Some six months ago we suggested that it was advisable, in her own interests, that Ireland should, in the first instance, finance her own capital requirements, and that she had quite sufficient money available to enable her to do so. In this way only could an accurate gauge be obtained of the level at which the internal credit of the Irish Exchequer stands, and the level of the internal credit of Ireland will be the predominant factor in determining the level at which its external credit will stand in the money markets of the world. If Ireland does not support her own credit by purchasing her own national securities, she will be in real danger of coming under the influence of rival groups of money-lenders, whose dominance in finance matters might spread in an undesirable manner into the political sphere. If, on the other hand, she provides the whole or a substantial proportion of her own requirements on easy terms, she will have called the tune by which any future lenders will have to time their steps. It is probable that the Irish Free State Government will aim at the former alternative, and it appears not improbable that the Irish public, if judiciously taken into the Government's confidence, will make an effort to avoid their new policy drifting into the position of a tied-house to any group of foreign creditors. But the prospect before both Government and public is not devoid of difficulty.

The financial system of Ireland has heretofore centred on London, and the interval since the Treaty of December, 1921, has been short and much pre-occupied by the vital tasks of constitution-drafting and internal stabilisation. Those who—apart from official circles—carry on the daily financial and banking work of the community tend to think still in terms of the London money market, and to envisage new problems from that standpoint. This is not unnatural nor even unsound during the earlier stages of Ireland's emergence from financial dependency. And when it is accompanied by brand-new Treasury and Exchequer Departments, with a largely improvised personnel, a certain lack of self-confidence in those directing the national financial policy—official and unofficial—might be expected. We can only note the factors without venturing to forecast results or advise on policy. But there can be no doubt that a hearty response by the Irish public to an appeal for a public loan upon easy terms would be of great value to Ireland's prestige in matters financial, and not in matters financial alone.

We have adverted to the subject as well-wishers of the new Irish Free State, and because, frankly, in our view the existence of a prosperous and contented Ireland alongside of Great Britain is of more importance to the latter than the profit to be made by lending British money on a relatively small scale to its neighbour. And the omens appear to be propitious. Our Dublin correspondent recently pointed out that the Irish public has spontaneously been supporting Irish securities on the Dublin Exchange, and that the yield of certain municipal stocks and railway debentures is no more than $4\frac{1}{2}$ to 5 per cent. This is doubtless due to withdrawals of Irish money from British Government and industrial securities, in view of the complexity of income-tax problems and the trouble involved in the machinery for the avoidance of double income-tax. But the tendency is unmistakable. On the other hand, inasmuch as a good deal of the Irish borrowings will come to Great Britain in payment for land or compensation to expropriated landlords, something like a balance for the withdrawals will be created. It would

appear that all that is required for success would be that the drift of Irish capital back to Ireland should be accelerated, and used to put the State finances on a firm basis and settle the vexed and disturbing question of compensation. An appeal to the national pride, and the offer of terms attractive to all classes of investor, if supplemented by the loyal co-operation of the Irish banks, might produce the desired results. Possibly, as has already been hinted from Dublin, recourse may be had to an issue of premium bonds as the most promising post-war method of raising money upon the widest popular basis in a time of national emergency.

OUR INDEX NUMBER.

COMMODITY wholesale prices during May, according to our Index Number, reacted after the rise recorded during the previous month, there being a drop of 28 points in the total to 4,412, which is 20 points higher than the figure for the end of March. It would appear that the check to the rise in commodity prices which occurred in the United States three months ago, and has now turned into a definite decline, is now being repeated in this country. The net change in May is the result of fairly substantial counteracting movements in the various groups, advances in the two groups of foodstuffs being nearly offset by declines in minerals and miscellaneous products, leaving a decline in the textile group to account for the change in the total. The table below shows the monthly movements:—

Date.	Cereals and Meat.	Other Food Products (Tea, Sugar, &c.).	Textiles.	Minerals.	Miscellaneous (Rubber, Timber, Oils, &c.).	Total.	Percentage Change.
Base (avg. 1901-5) ..	500	500	500	400	500	2200	100.0
End July, 1914	879	352	616	464	553	2865	116.6
" Dec., 1915	897	446	731	711	848	3634	165.1
" Dec., 1917	1286	686	1684	839	1348	5891	268.2
" Nov., 1918	1289	782	1848	903	1389	6212	282.6
" Dec., "	1303	782	1805	866	1337	6094	277.0
" Dec., 1919	1441	881	2442	1145	1453	7364	334.7
" Mar., 1920	1608	914	2974	1248	1709	8332	379.6
" Dec., "	1344	805	1284	1216	1275	5924	269.3
" Dec., 1921	921	636	1106	762	931	4357	198.0
" June, 1922	1000	676	1135	690	887	4389	199.5
" Sept., "	873	682	1116	699	818	4189	190.4
" Dec., "	861	706	1184	705	807	4264	193.8
" Jan., 1923	860	711	1205	739	808	4324	196.5
" Feb., "	847	746	1201	797	810	4402	200.1
" Mar., "	824	752	1178	840	797	4392	199.6
" Apl., "	858	752	1199	834	797	4440	201.8
" May "	869	772	1166	818	785	4412	200.5

Home-grown cereals are largely responsible for the advance shown in the first group, chiefly as a result of a falling off in supplies. Foreign wheat, on the other hand, is a shade easier, and flour is slightly lower than it was a month ago. Small declines in beef and mutton were counteracted by a larger advance in pork. Among subsidiary foodstuffs, tea, coffee, and butter have fallen in price, but there is again an advance in sugar.

In the textile group, with the exception of a further advance in silk, movements are all downward, the largest of which are shown by Egyptian cotton and jute. Wool prices are unchanged, but there was another slight decline in hemp. Raw cotton prices have fluctuated considerably during the month, and this has proved a disturbing factor for the yarn and cloth sections, prices for which are also lower on balance.

In the minerals section, steel rails and iron bars remain unchanged, but pig-iron has again been lowered. Steam coal has also reacted a little from the high point reached a month ago. Among the minor metals tin and copper have suffered slightly from selling pressure and are lower on the month, but lead was slightly higher on balance. With reference to lead our market correspondent writes that following the publication of the article in last week's *Economist* on the market prospects of foreign pig lead, there has been a fall in prices, and, as anticipated, buyers have been keeping out of the market, although there was more desire to operate after the fall. "A noticeable feature has been an adjustment in the backwardation. This, at the close of last week, amounted to no less than 20s per ton, thus proving the artificial character of the whole position and the manipulation of prompt and

nearby metal. Early lead showed marked weakness, but forward in the late trade met with more attention and displayed a fairly steady undertone. Market values have now come down to a level more in keeping with the demand and statistical position of the metal, but there may have to be further adjustments later on. The world position of lead is very uncertain, owing to the expansion in production, and while a little business has come along for Russia, generally speaking, the Continental trade is stagnant." In the miscellaneous section there were only a few movements, all of which were in a downward direction, the largest being a decline of $6\frac{1}{2}$ points in indigo.

The changes in each commodity's index, as compared with the end of April, are shown in the next table, the figure 50 representing in each case the average price during the basic period 1901-5:—

	Index Number.	Inc. or Dec.		Index Number.	Inc. or Dec.		Index Number.	Inc. or Dec.
Wheat—For.	86	-1	Cotton, A.	139	-3	Copper	55	-4
English	84	+5	Cotton, E.	130	-9	Minerals	818	-15
Flour	80	+2	Yarn	130	-7			
Barley	89	+3	Cloth	127	-7			
Oats	82	+2	Wool, Eng.	123	..	Baltic timber	101	..
Potatoes	50	..	do. Aust.	120	..	Amer. timber	88	..
Rice	105	..	Silk	152	+4	Leather	68	..
Beef	90	-1	Flax	120	..	Petroleum	108	..
Mutton	106	-1	Hemp	46	-2	Oils	79	..
Pork	115	+6	Jute	88	-11	Oilseed	87	-3
						Tallow	65	-2
Cereals & Meat	869	+11	Textiles	1,666	-32	Indigo	87	-6
						Crystals	85	..
Tea	133	-9	Pig iron	131	-3	Rubber	15	-
Coffee	94	-4	Steel rails	87	..			
Sugar cane	223	+7	Iron bars	92	-4	Miscellaneous	785	-12
Sugar beet	135	+2	Coal, steam	172	..			
Butter	70	-2	House coal	94	..	Total	4,412	-28
Tobacco	116	..	Lead	109	+2			
			Tin	77	-5			
Other foods	772	+20						

From these figures it will be seen that most of the primary foodstuffs are considerably less than double the basis figure, but in the second group this only applies to coffee and butter. Cotton, wool, silk and flax stand much above the average, but hemp stands at the lowest figure in the list, rubber only excepted. Pig-iron and steam coal stand out prominently in the minerals group, to which copper affords a sharp contrast. In the miscellaneous group petroleum stands at the highest figure in relation to the base.

Changes in May bring present prices to a figure which is 72 per cent. above the level recorded at the outbreak of war, which compares with an increase of 73.1 per cent. at the end of April, as may be seen from the following table:—

End of—	Cereals & Meat.	Other Food.	Textiles.	Minerals.	Miscellaneous.	Total.
July, 1914	100	100	100	100	100	100.0
Dec., 1918	226	222	293	186	241	237.5
Dec., 1919	249	250	396	247	263	287.1
Mar., 1920	261	260	484	269	309	325.6
Dec., "	233	229	209	261	230	230.9
Dec., 1921	159	180	180	164	168	169.6
June, 1922	174	192	184	149	160	171.1
Sept., "	151	194	181	150	148	163.5
Dec., "	149	200	193	152	146	166.2
Jan., 1923	149	201	196	159	146	168.6
Feb., "	146	211	195	172	146	171.6
Mar., "	143	214	191	181	144	171.2
Apl., "	148	214	195	180	144	173.0
May "	150	220	189	176	142	172.0

"Other foodstuffs" continue to move higher than ever above the average, but primary food, textiles and minerals are each moving towards the average figure.

In the final table we give the latest indices of wholesale prices in some of the principal foreign countries, the average for 1913 being taken as 100:—

	United States.*	France.	Italy.	Germany.	Switz'r land.	Sweden.	Denmark.	Japan.
Nov., 1918	205	358	438	..	325	367	292	214
Hghst. 1920	227	591	679	..	325	366	403	322
End of— (Jan.) (April)								
Dec., 1921	123	326	594	3,585	176	172	178	209
June, 1922	131	326	537	9,140	161	164	180	197
July, "	131	326	558	13,935	163	165	180	201
Aug., "	131	330	571	28,919	163	163	178	195
Sept., "	136	330	582	44,089	163	158	176	192
Oct., "	144	338	601	94,492	163	155	180	190
Nov., "	149	354	596	166,495	171	154	182	188
Dec., "	148	363	580	205,417	175	155	181	183
Jan., 1923	149	388	575	715,881	175	156	192	184
Feb., "	151	423	582	677,000	181	158	199	191
Mar., "	151	425	587	642,700	186	162	200	195
April "	148	415	589	823,700	..	..	204	195

* Brads' real's.

There was a very small decline in prices in America in March, but the decline in April was more substantial, the principal features being falls in provisions and textiles. The French index number shows a drop for the first time for many months, which, with the exception of sugar, was fairly general. The German prices have reached a new high record, but are still slightly under world market prices.

THE SEA CARRIAGE BILL.

THE Bill introduced by the Lord Chancellor in the House of Lords "to amend the law with respect to the carriage of goods by sea," while favourably received in commercial and shipping circles, has, nevertheless, given rise to considerable discussion, most of which has taken place outside Parliament. The measure, by which, as pointed out in the *Economist* of March 31st, it is proposed to make the revised Hague Rules compulsory as a term in all bills of lading, was read a second time on April 19th, and the principle involved may be taken, therefore, to have been approved, but the Committee stage has been postponed from time to time in order that points raised by certain sectional interests may be adjusted, and agreed amendments be brought forward. Since the second reading, also, the proposals have been severely criticised by distinguished lawyers, with the result that traders, bankers, and shipowners have rallied to the support of the scheme which embodies the business bargain internationally worked out by prolonged discussion.

While there was some justification for deferring the next stage of the Bill in order that parties might agree outside the House, a feeling of impatience at further delay has manifested itself. During this present week the Merchants Committee of the London Chamber of Commerce has adopted a resolution expressing satisfaction at the second reading of the Bill, and urging that it may be pressed through the remaining stages without material amendment, so as to give effect to the wishes of the mercantile community as a whole, both within and without the British Empire.

Some question was raised, when the Bill was introduced, as to the position of the coasting trade, but shipowners in that business did not move to support the suggestion that they were aggrieved. Then the coal exporters, while agreeing that the Bill would confer benefits upon those merchant interests engaged in shipping parcels of goods by liners, pressed their view that the proposals were unsuitable so far as their business was concerned. They preferred to adhere to the agreed shipping documents in use, without the modifications which might become necessary if the Bill passed, the principal point being that the weights specified are those ascertained by the colliery or some third party other than the shipper or sea carrier. A proposed clause was, however, drawn up to the satisfaction of those interested, making it clear that the exporter does not guarantee weights stated by a third party.

Subsequently came the legal criticism already referred to. The learned editors of "Scrutton on Charter Parties and Bills of Lading," in a preface communicated to the Press in advance of the publication of a new edition of their work, expressed the opinion that "the proposed Rules are full of legal difficulties, and are likely to give rise to extensive and expensive litigation when individual shipowners and traders find out to what various well-meaning persons have, without due consideration, committed them." Having regard to the two years' discussion which has been in progress, the criticism comes hopelessly late. In a statement replying to these legal objections, Sir Norman Hill, who took a prominent part in the Hague Conference at which the Rules in their original form were discussed and settled, pointed out how widely and exhaustively the proposals ultimately scheduled to the Bill have been discussed, not only in this country, but throughout the world, adding that "if they result in extensive and expensive litigation, then the individual shipowners and traders will have themselves alone to

thank, for it is they who have negotiated and settled the terms of the Rules word by word and line by line."

Probably no new code of Rules could be evolved which would not give rise to some litigation. Those contained in the schedule to the Bill before Parliament represent the outcome of a scheme to settle for international use a common form of conditions to be incorporated in bills of lading so that the sea carrier's responsibilities during the voyage may be common knowledge for all concerned, and may not be able to be diminished. The passage of the Bill will give a fresh start, or rather will give legislative sanction to the revised Hague Rules, the original Hague Rules, 1921, being already in extensive use by voluntary incorporation in bills of lading. In the vast majority of instances no question of difficulty arises or will arise. In exceptional cases of dispute the Rules should be interpreted as a self-contained international code not depending on any implied provisions of any national law. As Lord Sumner observed on the second reading of the Bill, "It will be of great importance that, when the courts of this country and other countries come to interpret the statutory contracts, as they will be called upon to do, they should no longer be obliged absolutely to follow the decisions of their predecessors in similar matters, no longer be bound strictly by the rules of interpretations as they have been laid down, but be at liberty to inform their minds and to have regard to the interpretations placed upon these Rules in other countries. It is only in that way that it will be possible for courts of law to arrive at something like a uniform interpretation and a uniform resolution on the disputes that arise."

In the meantime, the business community (unconvinced that the proposals are open, in point of form, to legal objections necessitating revision of the terms of the bargain) has shown its dissatisfaction at the delay in pressing on with the Bill. A suggestion which was made during this week that the measure should be considered by a Select Committee was unfavourably received. This, it was felt, would be a mere waste of time after the long international discussions, and, moreover, an unsuitable step to be taken by a Government whose representatives have come to an understanding after being in conference on the matter with those of other Governments. However, on Thursday the House of Lords decided to refer the Bill to a Joint Select Committee of both Houses. Any desire to delay progress was disclaimed, and it was intimated that Lord Sterndale would act as chairman of the Committee. He is eminently well qualified for that position, but the dilemma confronting the Committee is that the Bill itself contains only two or three clauses, and the substance of the measure is in the Schedule, which contains the Rules that have been the subject of international agreement. The Committee, while competent to alter any part of the measure as much as it pleases, cannot materially alter the Rules without destroying the international scheme, and, at the same time, of course, the Bill itself.

MOTOR MANUFACTURING COMPANIES.

APPARENTLY the British motor-car manufacturing industry has not been able to set its house in order, and the usual crop of trading deficits is revealed in our annual analysis of a number of companies given below. There are, of course, the few excellent exceptions which seem to thrive, and by their prosperity stand out as beacon lights. With the post-war boom the great cry from the motoring industry was more money. Bankers and public both opened their purses. Now, however, bankers and investors are sadder though wiser men.

The export position of the British motor-car industry is strikingly revealed by the following figures, and it is no wonder that these statistics are causing considerable anxiety amongst those who have the welfare of the industry at heart:—

IMPORTS AND EXPORTS OF MOTOR CARS AND PARTS.

	Total Imports.	Exports of British Manufactures.	Total Exports.
1913.....	£ 4,853,360	£ 3,649,891	£ 4,269,702
1920.....	23,447,340	8,398,126	8,757,288
1921.....	5,816,484	4,547,404	5,598,900
1922.....	5,938,156	2,765,810	3,006,947

So much for our overseas markets. But we would remind our readers that this is a protected industry, except for commercial vehicles, and we will therefore turn to the position of the home markets. Some interesting figures which recently appeared in the *Motor Trader* materially assist us in this direction. This journal, taking the broad results of a careful investigation, found that the total British car output for 1922 amounted to 37,753, the retail value of which was approximately £20½ millions. This was achieved by something like 90 undertakings, the aggregate capital of which amounted to £32 millions. Further, it is estimated that out of a total home market capacity for 1922 of nearly 72,000 cars "British-owned factories supplied about one-half, while direct foreign imports were responsible for nearly a third," and the conclusion is reached that "the foreign type of vehicle has found favour during the year with 50 per cent. of the year's purchasers, reckoning in the number of foreign cars assembled here."

To obtain a fair view of the progress made by the industry, on its financial side, during 1921-22, we have selected representative public companies and submitted their annual accounts to the following analyses. Our first table shows how assistance has been granted to some companies, and compares creditors with debtors. Stocks carried are also appended, the rise or fall of which is closely related to other items given:—

	Loans.		Creditors and Deposits.		Stocks of Cars, Parts, and Material.		Debtors.	
	1920-21.	1921-22.	1920-21.	1921-22.	1920-21.	1921-22.	1920-21.	1921-22.
Bolsize.....	£ 330,188	£ ..	£ 163,754	£ ..	£ 456,603	£ ..	£ 83,982	£ ..
Crossleys.....	278,299	165,765	581,705	438,592	259,615	139,848	139,848	139,848
Cubitts.....	206,451	152,830	208,797	31,999	31,999	31,999	31,999	31,999
Napier.....	34,000	100	88,533	676,309	493,006	107,991	20,175	20,175
Swift.....	9,772	106,741	9,174	191,746	170,258	30,545	26,331	26,331
Vauxhall.....	125,306	127,370	126,054	118,322	258,453	191,671	97,508	36,771
Wrigley & Co.....	315,738	325,526	30,912	26,410	231,666	150,265	20,222	21,834

From the Bolsize we can obtain no fresh accounts. The Crossley Company is inclined to be informative in its accounts; deposits are separated from other creditors, and it certainly stands as some evidence of the popularity of its productions to find that deposits still amount to £34,337, as against £1,001 for 1921. Cubitts are in the throes of a rearrangement scheme, Sir Arthur Whinney having stated that at the end of last year the company was pressed by its creditors. A statement was published disclosing liabilities of £257,110, of which £195,028 was due to creditors for loans and under guarantees. Assets are, however, given as £401,702, thus showing a surplus of £144,651. Napier and Swift have cleared off their loans. Vauxhall and Wrigley have, however, slightly increased these items. The latter company is a remarkable example of the assistance granted to the industry by banks. Here is a company with total assets worth £551,273, yet we find Lloyds Bank as a creditor to the tune of over £300,000.

In the next table we show results of representative companies for the past two years, together with allocations of profit in the past year for the more fortunate undertakings:—

Company.	Results.		Preference Dividend.	Ordinary Dividend.	Reserve, Depreciation, &c.	Inc. or Dec. Carried Forward.
	1920-21.	1921-22.				
B'ham Small Arms.....	Dr 469,168	Dr 166,671	£ 23,134	£ ..	£ ..	£ ..
Crossleys.....	Dr 434,963	Dr 97,584	£ ..	£ 65,107	£ 15,505	£ 1,431
Dennis Bros.....	79,367	79,202	£ ..	£ 19,890	£ 29,288	£ 15,929
Humber.....	(a) 114,050	118,770	£ ..	£ 22,500	£ ..	£ ..
Napier.....	79,069	Dr 20,571	£ ..	£ 64,932	£ 84,000	£ 1,152
Rolls-Royce.....	107,326	149,807	£ ..	£ 75,250	£ 55,250	£ 16,504
Rover.....	139,907	146,754	£ ..	£ ..	£ ..	£ ..
S.T.D.....	167,395	68,608	£ ..	£ ..	£ ..	£ ..
Swift.....	Dr 37,735	10,124	£ 6,500	£ ..	£ ..	£ 376
Vauxhall.....	Dr 291,739	Dr 76,714	£ ..	£ ..	£ ..	£ ..

(a) August 8, 1920, to August 31, 1921.

On account of the differences of opinion existing as to what is an adequate sum for depreciation, we have shown where possible profits before amounts for depreciation have been deducted. Birmingham Small Arms and Napier, however, do not reveal the specific sums allocated for depreciation. Again a loss is revealed in the accounts of the former company for the year ended January 31st last. The report of the directors

states that as against a deficit of £356,000 for 1921-2, a loss of only £46,204 is now recorded. But these figures are arrived at without including any allowance for interest on the 12-year notes, which amounts to £120,466. It is difficult to estimate what part profits from motor-car production play in the Birmingham Small Arms returns. Dennis, though showing a decline, can usually be relied upon to show profitable results. Humber, Rolls Royce, and Rover all show increased profits. The last two companies stand out prominently as our best-managed motor concerns.

In an industry which has bewailed so much the lack of support of the financial world, it is interesting to compare the column of paid-up share capital given below with the profits and losses in the preceding table. It is also of further interest to compare the variations in the ratio of property and plant to total assets, and the ratio of share capital to property and plant and total assets:—

ASSETS, SHARE CAPITAL AND PROFITS COMPARED.

Company.	Property and Plant.		Total Assets.		Paid-up Share Capital.
	1920-21.	1921-22.	1920-21.	1921-22.	
Birmingham Small Arms.....	£ 3,199,885	£ 2,659,010	£ 8,964,174	£ 8,346,702	£ 3,368,902
Crossleys.....	155,077	154,884	1,597,797	1,163,883	1,101,448
Dennis Bros.....	96,187	98,778	713,434	667,570	500,825
Humber.....	297,727	312,780	1,282,599	1,270,833	624,376
Napier.....	240,718	221,807	1,348,801	1,171,376	846,000
Rolls-Royce.....	420,271	468,535	2,050,161	1,816,642	812,137
Rover.....	666,761	733,994	1,582,824	1,653,406	1,050,000
S. T. D.....	1,995,980	2,294,600	4,008,784	4,022,661	3,224,408
Swift.....	237,454	219,998	494,067	473,921	300,000
Vauxhall.....	709,741	508,390	1,156,582	956,486	600,000

On turning to the balance-sheet of the Birmingham Small Arms Company it is satisfactory to find that the contingent liability under guarantees to the bank in respect of overdrafts of the Aircraft Manufacturing Company, Limited (in liquidation), and Peter Hooker, Limited (also in liquidation), has been reduced during the year from £596,063 to £269,931, but "Investments" is an item concerning which we should be glad to hear more. The words "Shares in and loans to subsidiary companies" (valued at £4,121,848) are followed by the unusual statement that "These investments are brought forward on the same basis as in previous years, and no adjustment, in view of existing trade conditions, has been made."

Crossley is fortunate in having its goodwill valued at only £1, but investments "at cost" in other companies at £264,048 is an item concerning which shareholders might reasonably need further information. Moreover, sundry debtors at £139,848 include amounts owing by subsidiary and associated companies. This might also be dissected. On the other side a useful item appears in the shape of a general reserve fund of £150,000. The Dennis balance-sheet is a clear and informative statement of affairs, although it is quite time that the first item under assets, "Purchase of Business and Goodwill in 1913" at £102,597, was spread amongst other assets or explained. Humber accounts reveal that the undertaking is making capital headway. Napier still retains its goodwill at £300,000, but a reserve of £154,000 is, perhaps, some set-off. Rolls-Royce publish compact accounts. It is certainly gratifying to find that goodwill has been written entirely off in accounts, while the statement that "The company's holding in Rolls-Royce American Inc. does not appear in the assets, as the value at present is not determinable" is one which merits admiration for courage to tell the truth. Rover accounts need no criticism. S.T.D. Motors, however, come under a different heading. Under property and plant investments in subsidiary companies have been given. We do not see how shareholders can understand the true position of this combination until a statement is published showing the actual assets and liabilities of the constituent undertakings. The Vauxhall is now receiving attention from financial advisers. It is suggested that the debit balance of profit and loss account, £249,778, be written off, and investments reduced by £90,506. Altogether, £352,008 is to be written off. Against this it is proposed to reduce capital by one-half from £600,000 to £300,000, and take £52,012 from reserves.

Our final table shows price fluctuations in shares of these companies over a period of years:—

	Year 1919.		Year 1920.		Year 1921.		Price May 10, 1922.	Price End of May, 1923.
	H'st.	L'st.	H'st.	L'st.	H'st.	L'st.		
Bolsize Motors, £1.....	2½	1½	12	8	1	¾	8½	1½
Birmingham Small Arms, £1.....	2	1½	18½	12	1	¾	7½	1½
Crossleys, £1.....	2	1½	18½	12	1	¾	7½	1½
Cubitts Cum. Pref., £1.....	2½	1½	12	8	1	¾	8½	1½
Dennis Brothers, £1.....	2½	1½	12	8	1	¾	8½	1½
Humber, £1.....	1½	1	12	8	1	¾	8½	1½
D. Napier, £1.....	2½	1½	12	8	1	¾	8½	1½
Rolls Royce, £1.....	2½	1½	12	8	1	¾	8½	1½
Rover, £1.....	4½	2½	12	8	1	¾	8½	1½
S. T. D. Motors, £1.....	1½	1	12	8	1	¾	8½	1½
Vauxhall Motors, £1.....	1½	1	12	8	1	¾	8½	1½

The value of the figures given in this table may be somewhat vitiated by the policy of distributing paper profits and war-time and boom-period earnings in the form of bonus shares. In any event, the table is a sorrowful picture of what should be one of our most profitable industries.

Notes of the Week.

The Government of Palestine.—On Tuesday the Colonial Office communicated to the Press the text of a new Order in Council regarding the Government of Palestine, together with a statement explaining its significance. The Order annuls the elections recently held for a Legislative Council, and provides for the indefinite continuance of administration by the British High Commissioner, who is to be assisted by a nominated advisory council pending another experiment in self-government. This step has been made necessary by the abstention from the elections of a majority of the Arab population, and is a marked triumph for the promoters of the anti-Zionist movement among them. It shows that the Arabs of Palestine, like all the neighbouring Near-Eastern peoples, are prepared to follow native political leaders along the path of nationalism, and that these leaders have sufficient organising ability to make effective use of the public support accorded to them. In this case, again, as in others, the growing national consciousness, gradually developed through contact with the political ideas of the West, has been sharpened by a belief that the paramount Power is not fulfilling its engagements. The dispute turns upon whether Palestine was or was not included in the area within which the British Government promised King Hussein in 1915 that they would recognise and uphold Arab independence. The point was debated in a public correspondence last year between Mr Churchill, at that time Colonial Secretary, and the Christian-Muslim Palestinian Delegation which was visiting this country. After much subtle argumentation on both sides, each party claimed the victory; but an impartial observer could not fail to admit that the Arab case, both on legal and moral grounds, was strong. If there were any doubt at all about the interpretation of the British pledge, it was surely hard upon the Arabs that a policy so profoundly affecting their future as that of the Balfour Declaration should be imposed on them against their will. The grievance engendered by this sense of hardship has come home to roost in the rebuff now successfully administered to the mandatory Power. It is noticeable that this *impasse* between British policy and Arab nationalism in Palestine coincides in date with the negotiation of a treaty between the British Government and King Hussein of the Hedjaz, in which Arab aspirations are apparently to be recognised and assisted by us as far as the Arabian Peninsula, Iraq, and Trans-Jordan are concerned. This, in so far as it goes, is a loyal attempt on our part to carry out our pledges of 1915 within certain limits. But is it not really an admission that the pursuit of a non-national policy outside those limits (putting aside altogether the question of what the original limits contemplated were) is doomed to failure? If Arab national Governments are to be established in Iraq, Arabia, and Trans-Jordan, and to be encouraged to co-operate with one another, how long will it be possible to hold apart from them the territories inhabited by Arabic-speaking majorities that interpose between them and the Mediterranean Sea? Already a motor route is being opened from Baghdad to the Mediterranean across Syrian and Palestinian territory. Without the inclusion of the present British and French mandated areas of Palestine and Syria, any workable form of national union, economic or political, between the Arab populations of

there is much interest as to whether the scheme will be a success. There is a good deal of variation in the position of different mills with regard to finance, and now and again it is necessary for some companies to sell their production even at a loss rather than allow the accumulation of stocks. There is no likelihood of the proposed Control Board for the cotton trade being established. The suggestions of the provisional emergency committee have been rejected by the Federation of Master Cotton Spinners' Associations and the Cotton Spinners and Manufacturers' Association.

The World's Maize Crop.—The world's production of maize in 1922 was 3,436,017,000 bushels, or 285,443,000 bushels less than in 1921. These figures cover the 22 countries for which comparable figures are available. The United States exported more maize in 1921 and 1922 than any other country. Exports jumped from 132,000,000 bushels in 1921 to 166,000,000 bushels in 1922, an increase of 34,000,000 bushels, or 26 per cent. Before the war Argentina led in maize exports, and held first rank again in 1919 and 1920. Normally, Roumania exports almost as much maize as the United States. Canada is the heaviest importer of American maize, taking 45,000,000 bushels in 1922, as compared with 59,000,000 bushels in 1921. In 1922 Germany took 31,000,000 bushels, the United Kingdom 29,000,000 bushels, and the Netherlands 22,000,000 bushels, much larger amounts for all three countries than during 1921. The United Kingdom takes practically one-third of the world's exports of maize, and the remaining two-thirds are about equally divided among Germany, the Netherlands, Belgium, France, Denmark, and Canada. Complete data are not available for Germany in 1921, but returns for 1922 show imports amounting to about 43,000,000 bushels, compared with 32,000,000 bushels during the pre-war period 1900-1913. The London markets have paid higher average prices for Argentine maize than for American during the past two years. Roumanian maize, when on the British market, in 1921, sold at practically the same price as Argentine. The acreage planted to maize in Argentina for the 1922-23 crop is officially estimated to be 7,850,750 acres, which is 6 per cent. more than the area planted in 1921-22. The maize yield per acre for Argentina, however, is expected to be smaller this year as a result of the drought which prevailed during the summer months. No official forecast or estimate is yet available as to the probable harvest this year, but reports of the condition indicate a small crop.

American Shipping Sale.—A correspondent writes:—The report cabled over that the United States Shipping Board has received a serious bid of a billion dollars, or roughly £200 million sterling, for the merchant shipping now under Government control is not credited in well-informed British shipping circles. In the first place, the market price of second-hand tonnage of this description is certainly not more than 25 to 30 dollars per ton, and obviously no business man or syndicate composed of business men would bid three times the real value for an enterprise of this sort. To finance an operation entailing the purchase of a business calling for 1,000,000,000 dollars would tax the resources of the leaders of Wall Street at the present time, and the whole thing may be safely dismissed as absurd. In view of the extremely low level of freights all over the world, the poor demand for shipping space, and the competition for the small amount of business offering, no company could possibly take over this big collection of merchant shipping and show a profit. The United States Shipping Board have been making very heavy losses for a long time past, and this with the bulk of the fleet laid up idle. Thus the suggestion that there would be anything in a new company buying up the tonnage at an inflated figure and trying to run it on sound business lines to show a profit is simply nonsensical, as all students of economic forces will readily admit. Where the United States Shipping Board, with all the resources of the State at their back, have failed, a shipping company operating with its own money in the face of world competition with tonnage

purchased at high cost could not possibly succeed, and shipping people over here give no credence to the statement.

Finnish Finance and Trade.—During the year 1922 the national revenue so far exceeded the estimates that a surplus of 500 million marks was anticipated at the end of the year. The revenue derived from direct taxation is estimated at 464 million marks, or 21.3 per cent. of the total ordinary revenue. The Business Departments of the Government made profits by far exceeding the estimates. For the State Railways, 1922 was, indeed, a record year, a profit being shown of not less than 122,752,036.70 marks, after interest and sinking fund on loans and also agio losses had been deducted. Even allowing for extraordinary expenditure for new construction, and the purchase of rolling stock, a net profit of 40 million marks will remain. The State Forestry Department, again, yielded a net profit of 94.7 million marks. This result is the more satisfactory as the expenditure for the year includes investments of capital and the provision of instruction in forestry in addition to maintenance and administrative charges. Indirect taxes yielded by far the greatest surplus, Custom duties amounting to 994.9 million marks. The import duties, though easily collected, are felt to be burdensome, amounting on an average to 1-5th of the value of the goods concerned. The trade returns for the first quarter of the present year continue to indicate progress in the direction of economic stabilisation. The most striking symptom of the return to normal conditions has been the steady improvement in the rate of exchange on Finnish marks. The average quotation of the Bank of Finland on pounds sterling was Fmks. 187.84 in January, 179.31 in February, and 171.18 in March. The total quantity of imports for the three months was larger than during the corresponding period of 1913. That the quarter's imports exceeded exports by 375 million marks, in spite of the improved rate of exchange, is ascribed to seasonal divergencies between the balance of trade and the balance of payment. The Customs revenue yielded 245.4 million marks, against 131.1 million marks in the corresponding period of 1922. The increase, however, is only partly due to the improvement in trade, being ascribable in part to the higher duties which have been levied since the beginning of the year on cereals and other commodities.

Agriculture and Taxation in Russia.—The future of Russia, from the political no less than from the economic point of view, depends almost entirely upon the position of agricultural production, and this fact seems to be realised by the Soviet Government. The autumn sowings in South-Eastern Russia, which, as is well known, is potentially one of the greatest granaries of the world, have amounted this year, according to official Soviet reports, to nearly five million acres, or some 74 per cent. of the pre-war area. The shortage of seed seems to have been met to a large extent by loans from the Soviet Government. Livestock is, however, sadly reduced in numbers, and only represents about a half of the pre-war quota. While the troubled conditions of the war period, the destruction and lawlessness of the civil wars, and the total disorganisation of transport, combined to reduce the productive capacity of the country, there can be no doubt that the clumsy and badly organised system of rural taxation introduced by the Bolsheviks has also played a very important rôle in diminishing the acreage under cultivation. Since the introduction of the new economic policy considerable discontent has arisen in agricultural areas with regard to taxation, which has hitherto been paid both in kind—through the food tax—and also in money. Great confusion has accompanied the levying of these taxes among the peasantry; in many cases taxes have been illegally levied, and a demand has grown up for the simplification of the whole question of rural taxation by the institution of a "single agricultural tax." This will be levied on somewhat similar lines to the "single food tax," which has up till now provided the great bulk of the revenue from rural areas. There are, however, notable modifications, which indicate interesting developments in the outlook of the Soviet Ministry of Agriculture

on vital aspects of the present state of agriculture in Russia. Under the single food tax the peasant was under obligation to deliver to the Government a quantity of grain, graduated according to the acreage of land per head of his family. The higher the acreage the more heavily was he taxed, and the larger farms were rated extremely high, largely owing to the Government's desire to break them up and to remove inequalities in the holding of land. Notwithstanding this policy, and the more open warfare against the large farms which preceded it during the period of forced requisitions, the large farms, according to "Rural and Forest Economy," published by the Ministry for Agriculture, showed a tendency to weather the storms of the revolution better than the smaller ones. Finally, the uneconomic results of splitting up the land into minute holdings has had the result of persuading the agricultural authorities that the time has come not only to prevent further partition but also to grant the larger farms some relief from their heavy burden of taxation. Thus, under the proposals for the "single agricultural tax," the number of categories, according to which the tax is graduated, have been reduced, and the larger farms will be rated according to the new (and much lower) maximum category of farms having over four acres per head of the family. This will mean a considerable relief of taxation to the larger farmers, and, needless to say, the proposal is being resolutely opposed by certain sections of the Communist party, but the fact that it is being put forward in official quarters is a proof that the desirability of encouraging larger farming is gradually being recognised—miserably small though these farms are in Russia to-day compared with what is usually understood as large farming elsewhere. In order to encourage the cultivation of certain crops (notably cotton, the production of which has fallen to only 11.3 per cent. of the pre-war figure) exemptions from this "single agricultural tax" are granted on land which is so utilised. In the famine areas, also, there is to be a reduction varying from 10 to 20 per cent., according to the nature of the harvest, while peasants are encouraged to exhibit at the forthcoming Agricultural Exhibition at Moscow by the promise of a considerable measure of relief from this new tax. It is interesting also to note that local rates are to be charged as percentages of the central contribution—which is to be levied throughout the territories of Soviet Russia and its vassal States. Under the new scheme M. Sokolnikow, the Finance Commissar, has stated that 40 per cent. of the tax will continue to be paid in kind, as forced sales "would provoke a fall in the price of wheat and a catastrophe in the rural economy."

Conditions in Ecuador.—The sustained efforts upon the part of the Government of Ecuador to bring about a better state of economic affairs have had, at least, partial effect. A general revival has taken place, which is manifested in the absorption of a good deal of unemployed labour, and an activity in the building trade. On the other hand, writes a correspondent, the reason for the long-continued financial stringency appears to have been the elaborate programme of public works, undoubtedly desirable, but insufficiently supported by financial resources, entered into by previous administrations. Upon new transport construction alone—such as the Quito-Esmeraldas, Ambato-Curaray, Sibambé-Cuenca, Bahla-Chone, San Juan Chico-Riobamba, Puerto Bolívar-Loja, Manta-Santa Ana, and other new railways—several additional million sucres must be found in order to keep works, already commenced or contracted for, in activity. Other large outlays have been incurred in connection with a new dock and customs house at Guayaquil, while it has been found impossible to maintain regularly the substantial payments still due in connection with the water and sewerage system undergoing completion at the principal port of the Republic. The Government appears to have made efforts to maintain the full service of the Guayaquil-Quito Bonds and the 4 per cent. Salt Bonds, but stringency of funds and increasingly unfavourable rate of exchange rendered conditions difficult. Some advantage seems to have resulted from the prolonged deliberations and precautionary action taken by the Finance Commission, a body with the Minister of Finance as chairman, appointed last October to regulate the collection and expenditure of the national revenues.

Dillon, Read & Co.
New York

United States Government
and Municipal Bonds

Foreign Government Issues

Railroad, Public Utility and
Industrial Financing

Statistics are now published with something like expedition and greater accuracy, and since the Commission began its labours payments have been made abroad at a lower rate of exchange than that formerly possible. At the time that the Committee began to function the rate stood at 4.8 sucres to the \$ (the par exchange is 10.00 sucres to the £1 sterling); on December 31st it fell to 3.6 sucres, and since then has fluctuated but slightly against the country. The project for consolidating the foreign debt (amounting to about £3,670,000) has been temporarily abandoned in view of the still high rate of exchange and advance in the rate of interest. Revenues have been disappointing for the past two years, those of 1921 amounting to but 76 per cent. of the expenditures, while complete figures for 1922 (not as yet available) are expected to prove little more satisfactory. Neither have attempts to raise the revenue by means of granting monopolies on rum, tobacco, cigarette papers, matches, explosives, &c., proved wholly successful; profits, where made, have gone mainly into the pockets of native capitalists, the State revenues being left comparatively unbenefited. The mercantile community are frankly pessimistic. The only hope of permanently better conditions, they consider, is the raising of a fresh loan. A North American group of bankers have therefore been approached, but their terms are considered so prohibitive that Congressional consent is deemed improbable. Debts owing to the banks, already high, render further financial assistance from this direction doubtful. The question of exploiting, or even disposing of, the Galapagos Islands, at present a useless possession to Ecuador, has been revived as a means of relieving the country of its most pressing financial obligations, and a colonisation scheme for San Christobal Island, financed by Chilean capital, is being discussed.

The Finances of Santo Domingo.—If current estimates of the Santo Domingo cacao crop should be realised, writes a correspondent, the finances of this small West Indian Republic, where conditions have steadily improved under the ægis of an American Receiver-General, appointed in 1905, will be maintained on a firm footing, enabling liquidation, considerably ahead of their due date, of certain bond issues shortly maturing. The total indebtedness of the Republic is a little over £3,000,000 sterling. The two important outstanding issues are the 5 per cent. Customs Administration Sinking Funds gold bonds of 1908 (for \$20,000,000), of which \$13,958,500 have been purchased for the sinking fund to the end of 1922; and the 5½ per cent. 20-year Customs Administration bonds of 1922, of which \$6,700,000 (of an authorised \$10,000,000) have been issued. The only other indebtedness comprises the balance of \$1,627,400 of the 1918 5 per cent. bond issue for \$4,161,300, the sum of \$2,533,900 having been redeemed, as have been the whole of the \$2,500,000 8 per cent. four-year Customs Administration bonds of 1921. These were repaid in the following year from the proceeds of the new 5½ per cent. loan

(1922). From reports received lately, it would seem that Santo Domingo is destined to enjoy a better harvest than has been known for some years past; all classes of agriculture are sharing in these encouraging prospects. The cacao crop (50,000,000 lbs) is expected to prove a record; the corn crop shows excellent progress, promising an abundance sufficient to enable a considerable quantity to be exported; and the bean crop is predicted to be unusually large, providing sufficient for all local requirements and a small surplus for export. Cultivation of cotton in Santo Domingo has progressed sensibly, thanks to the enterprise of the local Chambers of Commerce in distributing free cottonseed to the farmers. While these favourable conditions prevail it would be prudent to remember that there is always a possibility at this time of the year of disappointment in West Indian harvests. In June the rainfall is due, and this can sometimes prove very destructive, especially in the central and northern districts of the island, where are located the most fertile sections of the country.

Oversea Correspondence.

UNITED STATES.—BIG GAIN IN MARCH IMPORTS—GOVERNMENT FINANCING—COTTON CONSUMPTION IN APRIL.

(FROM OUR CORRESPONDENT.)

NEW YORK, May 21.

FOREIGN trade returns for March, issued by the Department of Commerce, show that the balance of trade turned heavily against the United States in that month. Imports had a total value of \$402,000,000, representing a gain of \$106,000,000, or 35 per cent., over February, and of \$146,000,000, or 57 per cent., over March a year ago. Exports in March of this year amounted to \$341,162,349. Imports exceeded exports, therefore, by \$60,837,651, or 17 per cent. This is the first instance since 1914 in which monthly imports have been greater than exports, and the excess of imports is said to be the largest ever recorded for any month in the country's history. The big import excess in March, together with the probable import showing for April, seems likely to turn the foreign trade balance for the first four months of 1923 against the United States, according to the Department of Commerce, which says:—"The merchandise exports for the first four months of 1923 were \$1,324,773,214, and the imports (using customs receipts for April as a basis of estimate for that month) amount to about \$1,375,000,000. The balance against us, of about \$50,000,000 on merchandise account, compares with the balance in our favour of about \$272,000,000 in the same period of 1922, and of about \$938,000,000 in the same period of 1921." The following table showing imports in the eight months ending with February, in 1922 and 1923, furnishes interesting comparisons:—

	Eight Months Ending February,	
	1922.	1923.
IMPORTS.		
Crude materials for manufacturing....	573,359,000	926,054,000
Foodstuffs—		
Crude, and animals.....	190,061,000	227,636,000
Partly or wholly manufactured	192,266,000	262,509,000
Manufactures for further manufacturing	240,071,000	437,899,000
Manufactures for consumption	412,224,000	457,824,000
Miscellaneous	13,619,000	14,733,000
Total imports	1,621,600,000	2,326,655,000

From the foregoing figures it will be seen that approximately three-fifths of all imports into the United States for eight months of the present fiscal year consisted of raw materials or partly manufactured goods for use in manufacturing. Present indications point to the smallest excess of exports for the fiscal year ending June 30th next since 1910, and with that exception since 1896.

The Government's May financing was a marked success. Subscriptions to the recent offering of Treasury 4½ per cent. notes exceeded \$1,100,000,000. Of that total, approximately \$900,000,000 represented cash subscriptions, while Victory notes tendered in exchange for the new Treasury notes aggregated about \$200,000,000. All of the Victory notes thus offered in exchange will be

accepted, as well as exchange subscriptions which were in the mails when the subscription books were closed (the exact total of Victory notes exchanged has not yet been announced). Allotments on cash subscriptions, however, have been held down to a total of some \$300,000,000. In order to secure as wide a distribution as possible of the new Treasury notes, preference was given, in making allotments, to subscriptions in amounts of \$100,000 or less; on larger subscriptions, allotments were cut down to sums not exceeding 10 per cent. While bankers and financial interests generally had expected an over-subscription, the extent of the latter, particularly the cash subscriptions, was something of a surprise. It plainly indicates that an enormous amount of funds is still seeking investment. The heavy subscription was no doubt due to the many attractive features of the offering, and, partly, to the knowledge that \$765,000,000 of Victory notes, which matured on May 20th, would be taken out of the investment field. At the same time, the recent easier tendency of money rates, together with the noticeable slackening of demand for accommodation in various lines of trade and industry, probably induced investors to take advantage of an opportunity to employ funds on more favourable terms than they may be able to obtain later on.

Cotton mill consumption in April, according to the Census Bureau's report, amounted to 577,396 bales of lint cotton, as against 623,105 bales in March. The average daily takings by American spinners last month was 754 bales less than in March, and somewhat smaller than in January, but still well above the war-time monthly maximum. The report, however, does not reflect such a pronounced falling off in domestic consumption as the recent reports of temporary curtailment by Fall River mills might have indicated. The number of cotton spindles in operation on April 30th was 35,515,791, a new high monthly record for a number of years. Perhaps the most striking feature of the Census Bureau's report is the extraordinary decrease in April exports of cotton, which were shown to have been 335,456 bales less than in April a year ago, and much less than in any month since the acute depression in the autumn of 1920. Owing to this shrinkage in European purchases of cotton, and the smaller takings by American spinners, the total domestic and foreign consumption of American cotton last month was more than 100,000 bales below that of April, 1922.

FRANCE.—BUDGET—BELGIUM AND THE RUHR—FOREIGN TRADE—CROP PROSPECTS.

(FROM OUR CORRESPONDENT.)

PARIS, May 30.

THE Budget situation appears to be as confused as ever. The end of May has now come, but the Senate has not yet embarked on the discussion of the Finance Bill for the financial year that began on January 1st last, and it is now regarded as doubtful whether it will be able to complete its work before the House rises for the summer holidays in July. A sixth monthly Vote on Account, to meet public expenditure during the month of June, was accorded (by 505 votes against 63) on Tuesday, and during the discussion the opinion was confidently expressed by many of the deputies that there will be no difficulty whatever in getting rid of the paper deficit of 3,800 million francs that was left by the Chamber, when the Finance Bill left the Lower House, as a problem for the Senate to solve. It is now becoming clear that a solution will be found partly in the continued unexpectedly satisfactory yield from taxation in excess of M. de Lasteyrie's estimates and partly in the drastic further reductions in expenditure recommended by the Senate Finance Commission, as the result of the systematic overhauling to which the Budgets of the various Government departments have been subjected since that body began its consideration of the Bill.

For the rest, the question of the Ruhr remains the crux of the whole situation. From the international point of view, the next move apparently lies with the Belgian Government, which is known to have been very actively engaged during the past two or three weeks in endeavouring to fix the minimum amount the German Government is to be called on to pay as reparations. There appears, indeed, to be an inclination here to leave the Belgians

for the moment to play the leading part in the diplomatic negotiations that are going on between the various Allies, while France devotes herself largely to completing the economic organisation of the Ruhr.

The French foreign trade returns for the first four months of the year, which are published by the Customs Department to-day, show that the value of the total imports and exports, as compared with those for the corresponding period of January-April, 1922, were as follows:—

	First Four Months of		Inc. or Dec. in 1923.
	1922.	1923.	
	Francs.	Francs.	Francs.
Imports—			
Foodstuffs	1,630,773,000	2,205,551,000	+ 574,778,000
Raw materials	4,001,029,000	5,955,889,000	+ 1,954,860,000
Manufactured goods	1,353,315,000	1,372,802,000	+ 19,487,000
Totals	6,985,117,000	9,534,242,000	+ 2,549,125,000
Exports—			
Foodstuffs	562,207,000	963,764,000	+ 401,557,000
Raw materials	1,655,528,000	2,827,956,000	+ 1,172,428,000
Manufactured goods	4,118,055,000	4,693,614,000	+ 575,559,000
Postal parcels	441,928,308	521,695,000	+ 79,767,000
Totals	6,777,718,000	9,007,029,000	+ 2,229,311,000

It is officially announced that, for the first time, these figures, so far as exports are concerned, are based on a modification of the official rates drawn up by the Permanent Valuation Commission of the French Customs in 1922, which have now been brought up to date. The value of all imported merchandise continues to be based, for statistical purposes, on the declarations made by the importers, subject to control by the Customs officials, in connection with the collection of the tax on turnover. These declarations have shown that, in comparison with 1922 commodity prices, there has been an average rise of approximately 11 per cent. in the values of imports. The official scale of valuation for imports that was fixed in 1922 has now been raised by the same percentage, in order to arrive at greater accuracy. These valuations will in future be revised every month, so that we may expect henceforth much greater approximate accuracy than in the past.

The figures for the four months show an excess of imports amounting to 527,213,000f, on a total volume of trade in round figures of 18,500,000,000f, as compared with an adverse balance of 207,500,000f during the corresponding period of 1922, when the total volume of trade was 13,762,000,000f. This adverse balance on ordinary exchanges, it need scarcely be mentioned, is nullified, as every French expert is convinced, by the large amount spent in this country by tourists, and by French investments abroad.

As in every month since the beginning of 1923, imports rose in value during April, the total for the month being 2,560,198,000f, as compared with 2,486,736,000f in March, 2,343,014,000f in February, and 2,144,294,000f in January. Exact comparison of the value of the exports is impossible for the moment, owing to the new method of valuation. A notable feature of the table, however, is the fact that imports of manufactured goods have increased only 19½ million francs during the four months as compared with the corresponding period of last year, while exports of the same category of merchandise have increased by (if postal packages be also included) over 655,000,000f. In weight, the imports of manufactured goods have decreased by over 54,000 tons, while exports of the same class of merchandise have increased by over 220,000 tons. Further, whereas imports and exports for the four months were respectively valued at 9,534 million francs and 9,007 million francs, the weights of the two categories varied to a vastly greater extent, and were respectively 16,257,000 tons and 7,721,000 tons. Finally, in view of the Ruhr conflict, it is significant that during the first four months of 1923 France imported 8,785,721 tons of coal, with a value of 963,915,000f, as compared with 9,468,308 tons (valued at 769,280,000f) during the corresponding period of 1922, and as compared with 7,475,800 tons (valued at 191,805,000f) during January-April, 1913.

Figures are now available from the Ministry of Agriculture showing the situation of the French crops, so far as sowing is concerned, on May 1st last, from which it is to

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be inferred that, given a normally good yield, France will this year be in a much more satisfactory situation than last year as regards the necessity for having to draw on foreign supplies for the purpose of meeting her requirements. The total area sown with wheat this year, as compared with previous years, is as follows:—

	Acre.
1913	16,355,575
1919	11,509,275
1920	12,733,825
1921	13,455,675
1922	12,829,350
1923	13,919,275

Last year's crop was very disappointing, as may be judged from the fact that the acreage sown was 626,325 acres less than in the previous year. The total area under wheat this year is 989,925 acres in advance of last year's figures, but only 363,600 acres more than in 1921. The progress made in wheat-growing since the war, nevertheless, is remarkable, in view of the shortage of agricultural labour and other difficulties. The total yield of wheat from the coming crop is estimated, at 14½ quintals to the hectare (roughly 2½ acres), as likely to be over 80,000,000 quintals, which would leave a deficit (as compared with the normal requirements of the country, which average 90,000,000 quintals a year) of rather less than 10,000,000 quintals to be met by purchases of foreign-grown wheat. If the present wise policy of mixing wheaten flour for bread-making purposes with 20 per cent. of flour derived from other cereals be continued, however, as there is every probability that it will be, this deficit will be more than wiped out, and the country should not only be independent of foreign-grown wheat after the next harvest, but should have a substantial balance in hand to meet any contingencies that may arise. Whether this expected surplus will be utilised for export purposes or for the purpose of enabling the present regulations, which stipulate for the adulteration of wheaten flour for bread-making purposes with 20 per cent. of other cereals, to be abrogated, remains to be seen. It is significant, however, that last year's crop, which was exceptionally short, was quoted at 58f per quintal, whereas the present quotation, in spite of the prospective good harvest, stands at well over 71f per

quintal. Critics of the recent administrative decision to authorise an increase in the price of bread by 5c per kilogramme insist that the present price of flour is purely artificial, and is chiefly due to the manipulation of the market by middlemen, as most of the wheat-growers sold their crop long ago at considerably lower figures.

GERMANY.—INDUSTRIALISTS' REPARATIONS PROGRAMME—FINANCES AND CURRENCY—BOURSE.

(FROM OUR CORRESPONDENT.)

BERLIN, May 29.

The programme of the Industrials for giving a direct guarantee for Reparations liabilities is published this morning. As expected, it is in a high degree conditional; in fact, it contains not only the changes in internal economic policy without which it cannot, say the signatories, be carried out, but also certain conditions precedent for the Allies. The corporation making the proposals is the "Reichsverband der deutschen Industrie." This body represents primarily "heavy industry" interests, but of late the "heavy industry" has extended its influence to most manufacturing branches. Among the signatories are Stinnes, Fritz Thyssen, C. F. von Siemens, Voegler, the head of the leading and oldest locomotive works, Ernst von Borsig, Kloeckner and Voegler. The programme begins by declaring that the Versailles Treaty gives the Allies a claim upon State property only; as between State and citizens Reparations is a matter of domestic politics. State property, and where that is not sufficient, private property by means of taxation, are liable for Reparations before "limited classes can be asked to bear special burdens." In determining the State's responsibility, the substance of all State property must be kept intact (i.e., no concession or mortgage of State capital values), and Customs independence must be maintained. State concerns, the signatories hold, could, if "regenerated on the principles of private business," yield a surplus of 600 million gold marks within visible time, or even 1 milliard, if the general economic development proves favourable. The amount of the guarantees by private business depends upon the amount of the State's contribution. The private business guarantee would, "despite serious doubts," consist in a pledging of properties.

The signatories hold that business, defined as agricultural and city real estate, industry, trade and banking could, certain conditions being fulfilled, guarantee a maximum of 500 million gold marks annually for 30 years. The capital value of this would exceed half the present selling value of all privately owned real property, which must serve as pledge. Industry proper is ready to guarantee 40 per cent. of the 500 millions a year, i.e., 200 millions, without regard to the relation of wealth between the different groups. The actual pledge would be the real property of the concerns and individuals making themselves liable, and the conditions of interest and amortisation would depend upon the conditions of the necessary foreign loan. Personal bonds would be given where there is no real property. The annual liability of any concern or individual would be redeemable by tax-free capital payments. As regards the Allies, the signatories declare that the above guarantee would be possible only if Germany is enabled by a moratorium to consolidate her internal position, and is given complete freedom in foreign trade. At home, the conditions demanded are: (1) Abstention by the State from interfering with private production and distribution, and in particular abolition of the war control and "Zwangswirtschaft" and of foreign trade control in so far as it is not necessary to secure a supply of food and indispensable goods. Abolition of the demobilisation decrees. (2) Retention of capital and the facilitation of a reasonable creation of new private capital for maintenance and expansion. This means a reform of present taxation in so far as it tends to exhaust capital. (3) Complete utilisation of working power, with the aim of a general increase of productive capacity. This requires that while in principle the Eight Hours Day is retained, freedom to make exceptions by agreement should be granted. In order that all real estate should bear its bur-

den, the signatories declare that "within a reasonable time" urban houses should be decontrolled.

The attitude of the Government to this programme has not yet been declared. The amount offered by the Industrials does not seem large, since the programme presupposes the return of normal conditions and a currency reform, which would make the real profits of industry not the intangible things which they are to-day. Socialist opposition was announced in the "Vorwärts" last night, before the exact details were known. The Socialists will certainly oppose the abolition of what remains of the "Zwangswirtschaft," and also infringement of the Eight Hours' Day principle. In fact, the Eight Hours' law is violated wholesale wherever workmen agree with their employers that it is a common interest to violate it, and the courts have of late either refused to fine offenders or have imposed only nominal fines. The plan to restore housing freedom will be opposed not only by the Socialists but by all political groups which represent the tenant interest.

The foreign exchanges have again risen, and now stand about 200 per cent. higher than during the February-April stabilisation period. Even the Austrian crown is above par. The Reichstag has opened an inquiry into the causes of the failure to maintain the exchange. The Government's representative at the inquiry describes present policy as "keeping the powder dry"—i.e., not exhausting the Reichsbank's holding of gold and bills by a further attempt to keep the mark level, but retaining the possibility of intervening at any critical moment. A Bill has been submitted extending to the "wertbeständig" (coal, rye, &c.) loans the provision of the civil code, which requires official sanction for bond issues. Such loans have the same effect on the money market as paper mark or gold loans. Further, they create in the lending class an interest in raising the price of the commodity chosen as standard.

The Federal Appeal Court has pronounced a new very radical decision in the currency question. A creditor, runs the decision, can claim compensation for losses suffered from paper-mark depreciation in case of delay in payment of a debt. The party condemned was an insurance company, which in good faith contested a claim in court; the claimant won, but found his policy money had depreciated in the meantime. This is another serious blow at the legal fiction that "a mark is a mark," and if applied generally it would have curious results. The Government for the first time recognised the new principle by the "law on currency depreciation (in taxation matters)" of last winter, which imposed, instead of the former 5 per cent. per annum interest on unpaid taxes, penalties of up to 30 per cent. a month. The Customs gold surcharge has been raised from May 30th to 991,000 per cent.

The Government has been obliged to quadruple to 800,000 marks a ton the price of rye sold by it to the municipalities. As the price of imported rye is over 2 millions a ton, there will still be a heavy State loss. Postal rates will be raised on July 1st; the present internal letter rate is about one-tenth of a penny at present exchange, and after the increase will still be only one-fifth. The delays in putting up State charges are hard to understand; where they have been resolutely put up—e.g., railway freight (not passenger) charges—the result has been good. Export duties have been abolished on goods produced in the occupied district which are sold for delivery after the French embargo on export is raised.

The Reichsbank statement for May 15th shows a renewal of pressure. Treasury bill discounts increased by 580,480 millions, commercial bills by 185,676 millions, circulation by 380,679 millions. The outstanding Darlehens advances total 1,737,800 millions, and the present legal limit of 2 billions is within sight. The bank's gold reserve has been considerably depleted by borrowings on security of its deposits abroad, and by the remittance of 60,000,000 gold marks to New York to meet the Belgian Treasury bills. On January 31st the bank had 954,800,000 gold marks in Berlin and 50,030,000 gold marks unhypothecated in foreign central banks; the statement for May 15th shows 629,880,000 gold marks in Berlin and 212,030,000 unhypothecated abroad; so that the disposable total has fallen from 1,004,830,000 gold marks to 841,910,000 gold marks. The hypothecated gold, remaining the bank's property, is booked under "other assets."

The latest mark exchange fall, conditioning higher prices, is bound to increase greatly the inflation rate. A new increase in coal prices is impending. Hematite pig-iron has been raised from 945,000 marks to 1,035,000 marks per metric ton; ingots from 965,000 marks to 1,271,000 marks; bars from 1,348,000 marks to 1,755,000 marks. The last three and the other products of the Steel Syndicate are due for another rise. Scrap iron now sells at 1,000,000 marks, against about 150,000 marks at the beginning of the year. All other prices are rising rapidly, and the indexes for June 1st will show a great increase.

The boom in stocks has been almost uninterrupted, with a slight weakening on the basis of weaker foreign exchanges to-day (in unofficial business). The Bourse was today closed. The *Frankfurter Zeitung's* index for dividend-payers for May 25th shows 2,892,350, against 2,211,665 a week earlier, 376,685 at the beginning of the year and 27,340 at the beginning of 1922. The rise has affected all stocks; in particular, mining-metal and oil papers have risen. The reported new oil trust of Herr Stinnes has materialised in the taking over by the Riebeck Montanwerke A.G., a Stinnes' concern, of 50,000,000 marks of shares in the A.G. fuer Petroleum-Industrie. A new important oil discovery is reported from Peine in Hanover, another from Bleckede on the Elbe. Owing to congestion, the Bourse has decided for the time being to admit no new stocks to quotation. The Mitteldeutsche Creditbank has decided to increase its capital of 170 millions to 600 million ordinary and 10 million preference shares. The dividend for 1922 is 150 per cent. The reports for 1922 of the big banks have, with one other exception, not yet appeared. Bonds were yesterday:—War Loan, 90.50; Fours, 1.270; 3½ per cents., 530; Threes, 7.500; Colonial Fours, 10.000; Savings and Premium, 450; Forced Loan, 36; Prussian Threes, 260; Hamburg Staats-Rente 3½ per cents., 390; Berlin Fours, 1.904; Ser. 2, 166. The bourses are again entirely under influence of the exchanges, and when these are rising no attention is paid to bad news.

CANADA.—MR FIELDING'S SEVENTEENTH BUDGET—LAST YEAR'S FINANCIAL RESULTS—NEW TARIFF PROPOSALS—THE BRITISH PREFERENCE.

(FROM OUR CORRESPONDENT.)

OTTAWA, May 15.

ON May 11th Mr W. S. Fielding, the Minister of Finance, introduced his seventeenth Budget, and thereby falsified the prophecy that the Budget of 1922 would be the last of his many efforts. Reviewing the financial results of the year 1922-23, he placed the ordinary revenue at \$393,619,000, which corresponded to the estimates, and was able to add some 8 million dollars received from the British Treasury on war adjustments. Ordinary expenditure had been \$331,780,000, which had left a nominal surplus of \$61,839,000. But this had been completely swallowed up by the following debit items:—Capital expenditure, \$14,500,000; war claims, \$6,700,000; cost of loan flotations, \$3,050,000; railway advances, \$92,190,000; National marine advances, \$6,060,720. The net result was that over 49 million had been added to the national debt during the past year.

But, unfortunately, he could hold out little better prospects for the current fiscal year. He estimated, making allowance for the changes proposed, that the revenues for 1923-24 would show a decline of roughly 21 million dollars, and reach a total of \$372,517,000. He forecast increases of \$5,600,000 in Customs and \$7,180,000 in war revenue taxes, but against these he has to set off a probable loss on excise of exactly the increment on Customs duties and decreases of \$9,716,000 on interest on investments, and of nearly 18 million dollars on the income and business profits taxes.

The expenditure for 1923-24 he placed as follows:

Main estimates already submitted	\$ 353,011,255
Supplementary estimates	15,900,000
Advances to railways	73,000,000
Advances to national marine	1,500,000
Total expenditure	463,411,255
Estimated revenue	372,517,000
Probable deficit	60,894,255

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The prospect of another deficit of 60 million dollars is very unpalatable to the people of Canada, and as a result the Budget has developed an atmosphere of pessimism for the time being, and the Government's prestige has not improved.

The Budget proposes a number of tariff changes, a few upward, but mostly by way of slight reductions. A curious method is employed to increase the value of the British preference. When British goods are liable to a duty of 15 per cent. and upwards, and are imported direct via Canadian ports, there will be allowed on the duties a discount of 10 per cent. Since all British goods do not enjoy the preference, and some pay less than 15 per cent. duty, the aggregate reduction in duties is estimated at about one and a-half million dollars. But in the winter months the value of the discount for the Canadian consumer will be largely wiped out by the extra cost of freight rates over the long haul from Halifax and St John to interior points. At present Portland, Maine, which is connected with Canada by the Canadian National system, offers the cheapest freight ingress to Central Canada in the winter months when the St Lawrence is frozen, and the new discount is obviously planned to divert traffic from the American port to St John and Halifax. The former port, and, incidentally, the traffic returns of the Canadian Pacific Railway, of which it is the chief Atlantic outlet in winter, will benefit, and the National system will lose. Since the beginning of the year the friends of the C.N.R. have been gratified at the much greater improvement which its returns showed than those of the C.P.R. have done, and they suspect that the political allies of the latter have made their influence felt in the framing of the Budget.

Mr Fielding proposes to include in the Customs Act a clause authorising the Cabinet to enter at any time into negotiations with the United States, with a view to making commercial agreements between the two countries. He further proposes that if the President of the United States, under authority of the United States Tariff Act of 1922, determined to reduce by 50 per cent. the duties on cattle, wheat, flour, oats, barley, potatoes, onions, turnips, hay and fish, the Canadian Government would be authorised to "make such reductions of duties on similar articles imported into Canada from the United States as may be deemed reasonable by way of compensation."

The most radical change concerns the Sales Tax. Hitherto it has been collected by three different agencies, the Customs department, manufacturers and jobbers, and has been levied upon sales of raw material, semi-manufactured goods and completely finished products. The result was a serious overlapping of taxation, which caused endless irritation and confusion. It is now proposed to collect the Sales Tax at one source, from the manufacturer and producer, or on imports, and to impose a flat rate of 6 per cent.; moreover, the tax on raw materials will not be collected until the process of their manufacture is fully completed. The jobbers and wholesalers, whose pressure is mainly responsible for the change, welcome relief from the duty of acting as tax collectors, and the cost of supervising collections will be decreased. But there is criticism from other quarters on the ground that the new method is bound to increase the cost of living. Sir H. Drayton, the former Minister of Finance, in criticising the Budget, contended that whereas goods whose bare cost of production was \$100 would, under the old system, after the various profits on the original cost and

the tax had been added, be priced to the ultimate consumer at \$159.63, under the new plan their price would be \$164.66. Mr Fielding admitted that he hoped the new method would produce more revenue, but it will undoubtedly make evasions more practicable. He has also added to the list of exemptions from the tax raw furs, tiles, wool, manuscripts and newsprint.

To encourage the copper industry in British Columbia, where there is a large smelting plant at Traill, a new bounty of 1½ cents per lb. is established for copper rods and bars; and to help a factory which proposes to manufacture binder twine and cordage for the Western farms out of hemp grown in Manitoba, a parallel bounty of 1½ cents per pound on hemp products is proposed. Both will last for five years, but will decline in amount progressively each year. Some minor bounties, on the other hand, are wiped out. To stave off an agitation against the high prices of sugar, the duty on refined sugar is cut half a cent per lb., but as a proportionate reduction of the rates on raw sugar is conceded, the protection of the refiners is not affected. To afford a foothold for commercial negotiations with Australia—which is anxious to build up an export trade in raisins and dried currants—the duties on these articles are changed; under the general tariff the duty on them is raised from two-thirds of a cent to 3 cents per lb., but they are made free under the preferential tariff.

POLAND.—CABINET CRISIS—THE BUDGET FOR 1923 —STABILISATION OF EXCHANGES—PRODUCTION IN 1922.

(FROM OUR CORRESPONDENT.)

WARSAW, May 19.

THOUGH General Sikorski is still at the head of the Government, and has not yet tendered his resignation, it is not improper to speak of a Cabinet crisis. An agreement has been concluded by the two strongest parties of the Diet—the National Christian Union and the "Piast." The two parties control 235 votes in a Diet of 444 members, so that they possess an absolute majority. The new coalition is waiting only for an occasion for passing in the Diet a vote of censure upon the present Government and for overthrowing General Sikorski's Cabinet.

Though the new Cabinet, which will probably be formed in the near future, will be backed by a sufficient number of votes in the Diet, it will suffer from the beginning of its existence from an inherent weakness. It may be predicted as certain that as soon as it has to face the problem of agrarian reform, conflicting interests will come to a head.

The present Cabinet crisis will not alter the financial policy of the country. It is certain that Mr Grabski will remain in office, and that his programme of financial reform will be supported by the new Cabinet. Mr Grabski has presented to the Diet his Budget for 1923, which contains the following general items:—

(Zlotys, 000's omitted.)

	Revenues.	Expenditure.	Deficit or Surplus.
Administration.....	819,339	1,486,274	— 666,935
State undertakings ..	105,463	211,378	— 105,915
Monopolies	65,346	2,778	+ 62,568
Total	990,148	1,700,400	— 710,252

The Budget has been established for the first time in units equal to a gold franc. The computation of these "zlotys" is not effected on the basis of the quotations of the Swiss franc, but its value corresponds to the purchasing power which a quantity of gold equal to a franc possessed in Poland in 1914. For this purpose a special index number has been constructed by the Bureau of Statistics. The deficit of the State undertakings is due mainly to the railways. This deficit of 173 millions is partly compensated by revenues from the State forests and domains (95.7 millions). The only section of the Budget giving a surplus is monopolies (62.6 millions). The tobacco and salt monopolies are here the principal sources of revenue.

Since the end of April the exchanges have been maintained on a nearly stable level. This stabilisation is to a great extent the result of an intervention of the Ministry of

Finance on the exchange market. Hitherto this result has been attained without a great weakening of the gold reserve and the foreign assets of the Polish National Bank, as may be seen from the figures below:—

	(Million Gold Francs)	Gold Reserve.	Foreign Currencies.	Foreign Accounts.	Total.
End of January ..	41.1	2.0	35.9	79.0	
" February ..	41.4	3.3	40.2	84.9	
" March	41.7	8.0	34.7	84.4	
" April	41.9	6.3	31.1	79.3	

The total of the gold reserve and of the foreign assets is now on the same level as at the end of January. In comparison with the end of March, however, a decrease of 5.1 millions has taken place.

The official organ of the Ministry of Trade and Industry (*Przemysł i Handel*, May 10th) publishes an interesting table of Polish agricultural, mineral, and industrial production during the two past years as compared with 1913. I reproduce below the principal items:—

	1913.	1921.	1922.	% of 1913.
Crops—				
Winter corn....hect. cent.	..	52,743,200	63,389,400	..
Summer corn " "	..	34,051,200	41,236,200	..
Potatoes " "	..	167,995,600	191,029,600	..
Area under cultivation—				
Winter corn.....hectares	6,013,720	4,353,843	5,412,342	90
Summer corn....	1,226,220	991,725	1,113,600	91
Potatoes	2,384,440	1,940,739	2,146,400	93
Stock breeding—				
Horses .....number	3,462,905	3,201,166	..	92
Cattle	8,100,088	7,894,586	..	97
Hogs	5,688,364	5,170,612	..	90
Coal production—				
Dombrows district (10 months) .....tons	5,714,632	4,665,740	5,981,582	105
Petroleum—				
Rock oil .....metr. cent.	10,710,000	7,048,737	7,131,034	66
Petroleum products "	3,041,816	5,716,709	6,583,114	216
Cotton industry—				
Number of spindles	1,687,000	..	2,169,000	128
" workmen	66,162	..	72,599	109

This table, which does not embrace Upper Silesia, shows that the agricultural production has nearly reached the pre-war level. The coal output was in 1922 greater than in 1913. The production of rock oil has decreased by 34 per cent., but the total quantity of petroleum products was in 1922 116 per cent. greater than in 1913. In the cotton industry the number of spindles and of employed workmen has also surpassed the pre-war level. The productivity of the workers is, however, smaller, and it would be wrong to infer from these figures that a corresponding increase in the output has taken place.

SWEDEN.—GOTHENBURG EXHIBITION—INDUSTRIAL CONDITIONS—RAILWAY RATES—BOND MARKET.

(FROM OUR CORRESPONDENT.)

STOCKHOLM, May 20.

THE Jubilee Exhibition of Gothenburg, which was opened by the King on May 8th, is exclusively Swedish except for art, where Denmark, Norway, and Finland are represented, and for automobiles and aviation, which part of it is international. The exhibition is arranged by the City of Gothenburg, in order to celebrate the 300th anniversary of its existence, and for the last two or three years neither work nor expense has been spared in order to make the exhibition the best possible proof of what Sweden can produce from the industrial as well as the cultural point of view, and it has, as far as the opinion runs at present, proved a great success. For business men the export exhibition will give a very good exposé of the Swedish industry at present. Representative foreigners who have been to see it have declared that it is extraordinary to find such a show in these depressed times.

The labour market, which showed much uneasiness at the beginning of the year, when big conflicts were going on in the sawmill, wood-pulp, workshop, and iron industries amongst others, is showing a more peaceful aspect now, as in all the above-named industries except the iron-works, settlements have been arrived at. It was hoped that even this conflict would be settled at the beginning of this month, but negotiations were broken off.

Parliament has, after much discussion, voted for the maintenance of the eight-hours working day to be prolonged, with certain modifications, for another three years. The supply of work is increasing. Apart from the seasonal increase of work, there are signs of a slow recovery in trade and industry. Our new Government has requested the Railway Board to make investigations as to what extent a general reduction of the railway rates can be made. As the high railway rates have been of no little hindrance to trade and industry, it is much to be hoped that a reduction will be found possible. The Railway Board has applied to the Government for total grants of 39 million crowns to cover the cost of the electrification of the railway line between Stockholm and Gothenburg, as the moment now seems favourable to commence this work, which is expected to be completed within two years from the time it is started.

Just for the moment there seems to be a lull in certain sections of trade, especially in the iron industry, owing to strikes, and shipping has not been so lively as it might have been. Weather conditions have prevented the opening of the ports in the North Baltic, which are not expected to be opened before the end of this month. The sales of timber and pulp, however, are proceeding satisfactorily, and at present the quantity of sold timber is estimated at 450,000 standards, which is considerably more than at the same time last year. It is estimated that Sweden during the last eight years has reduced its foreign debts by not less than about 800 million crowns, and that the remaining Swedish debts abroad are now not more than 3-400 million crowns. It is not only from the European countries that securities have been bought back, but even a good portion of the bond loan of 25 million dollars, which was issued by the Swedish State in U.S.A. during 1919, is now in Swedish hands. The Swedish bond market is rather firm at present, while the share market is weaker and rather unsettled. During January-March new bonds have been issued to an amount of 94.61 million crowns, which is about three times the sum for the same period last year.

ROUMANIA.—EXCHANGE—COST OF LIVING—BOURSE —TRADE WITH RUSSIA.

(FROM OUR CORRESPONDENT.)

BUCHAREST, May 21.

DURING the past three months the "leu" has advanced from 1,000 to 900 to the pound sterling. This appreciation has been made possible largely by the fact that a free market has practically ceased to exist, all transactions of any importance—as provided by the Exchange Control Law, which became operative on March 1st—now having to be negotiated through, or under the supervision of, the Banca Nationala. This institution, moreover, also has at its disposal a large part of the "strong" currencies received by the Ministry of Finance in payment of export taxes. As the floating supply of lei or lei balances in foreign hands outside of Roumania, and thus beyond the control of the Banca Nationala, is undoubtedly very small, and as the season is approaching when Treasury receipts from export taxes are normally at their highest, it seems possible that the bank, in co-operation with its associated institutions, may continue for some time to dominate the market, "feeding out" exchange only in amounts sufficient to meet the insistent demands of those entitled to it. As the penalties are very severe, "illegal" purchases of foreign exchange are apparently not being attempted on any large scale. With the present high schedule of export taxes, any further improvement in exchange must be expected seriously to interfere with grain exports—if this year's crops provide any considerable surplus available for sale abroad. Last August exports of grain were completely shut off for a time, owing to the appreciation of the "leu."

This firmness in the exchange is giving domestic prices an opportunity to catch up with world-market prices, although there is still a good deal of leeway to be made up in the case of commodities (such as foodstuffs and oil) produced in the country, the prices of which are under Government control. The *Argus* cost-of-living index, which was 2,466 in January (with a base of 100 for August, 1916), had risen to 2,775 by the end of April. On May 1st



railway passenger and freight rates were increased by approximately 33 per cent., while foreign postal rates were increased on May 15th by 100 per cent.

The tight money situation, so much in evidence now for close on a year, has had a disastrous effect on security prices. Government bonds, on an average, are down about 15 per cent. since the first of the year, and the annual yield on several issues now figures out at more than 10 per cent. Some of the leading bank shares are now selling for less in lei than they were in 1916, when the currency was on a par with gold. Most industrials are also very low in price, although they have not been liquidated to the same extent as bank shares. Oil shares, the speculative favourites of the Bucharest Bourse, appreciated almost 100 per cent. during the months of March and April, but nearly half of this rise has been lost during the last two weeks, owing in large measure to a decline in the price of crude oil, but mostly to lack of funds to sustain the "bull" movement. Throughout the past two years, security prices on the Bucharest Bourse have shown little response to exchange movements, securities often declining, while the exchange is depreciating, and vice-versa.

Trade with Russia across the Bessarabian frontier, which has been increasing in volume for several months, has now assumed sufficient importance to merit investigation by the Roumanian Government, and plans are being formulated to control it and to see that Customs requirements are properly complied with. It is proposed to establish at Chisinau, the capital of Bessarabia, an "Office for Trade with Russia," and to permit the export from Roumania of cereals (excepting wheat and corn), beans, fruits and wine, for which payment must be made in gold or in skins, sugar, or other commodities needed by Roumania.

Letters to the Editor.

THE VICEROY AND THE SALT TAX.

TO THE EDITOR OF THE ECONOMIST.

SIR,—My attention has just been called to a leader in your journal under date of March 24th in which you severely criticise the action of the Viceroy of India in employing his veto in the matter of the doubling of the Salt Tax in India.

The *Economist* is always so sane and trustworthy in its policy on matters of finance that I much regret to see that you adopt a condemnatory tone in connection with the Viceroy's action. It is hard on him, indeed, when he is harried in India by interested politicians for taking this step if he is also to be thrown to the wolves in England.

Practically all Europeans and Indians of standing are wholly in favour of this measure, there being only a noisy clique of malcontents vainly seeking to manufacture political capital out of it, who are putting up a show of fight against it.

Few out here take Sir Montagu Webb seriously. In March, 1922, he supported the increase of the salt duty, while in March, 1923, having changed his opinion (others have not), he denounces the increase of salt duty.

As stated at Lahore on May 5th by Sir Zulfikar Ali Khan, Member of the Council of State, the financial needs of the Government justify it, and no flight of imagination could ever conceive the possibility of the tax proving oppressive to the poorest consumers.

But for the present agitation, nobody would have ever felt he was paying enhanced tax. He added that the tax had been levied for one year only, and might be reduced next year, or as soon as conditions permit Government to do so. He felt sure that considerations of the impending general election had greatly influenced the obstinate opposition on the part of the Assembly majority.

A Punjab paper last month quoted Mr Devidas Ghandi, the son of Mr Ghandi, in a speech at Multan, as saying that the people should pay revenue to the Congress and not to Government. In particular, the proceeds of the salt tax, he urged, would be very useful to the party, and as it amounted to 1½ pies only per head, nobody would find it any burden to pay. Obviously, the idea of this is to prevent the Government from realising the salt tax, but Mr Ghandi's argument is a pretty good answer to those who complain of the inequity of the tax. I may add that a pie is a twelfth part of a penny.—Yours faithfully,

W. H. SAXON DAVIES, Major, O.B.E.
(Former Hony. Magistrate of Bombay.)

3 Council House street, Calcutta, May 7th, 1923.

[Our correspondent does not touch the main point of our criticism of the Viceroy, which was concerned not with the salt tax itself so much as with the constitutional danger of using emergency powers to override the majority of the Legislative Assembly in a case which did not seem to us to warrant such drastic action.—Ed., *Economist*.]

A TAX ON BETTING.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Allow me to thank you for your note in your current issue, and especially for your argument that if a tax on betting does not check the gambling habit the Revenue will prosper, while if it does, there will be less waste of money on betting. In practice, I should expect both results, and each is desirable.

But there is one point on which I venture to differ from you. Is there any need for all the troublesome and costly machinery of a tax on individual wagers? It would involve much administrative machinery, no little resentment among the racing community, and a good deal of evasion. And it is not necessary; all you have to do is to license bookmakers, making them pay a substantial sum for their licence, which they should obtain every year from the magistrates, just as a publican obtains his licence. But it is also necessary to make a bookmaker take out an additional licence, or a combined licence, for every agent and clerk whom he may employ; the fee for each employee should, of course, be smaller. It does not matter very much what sum be fixed at the start for the licences; experience will show what figures can fairly be charged.

Of course, the bookmaker will pass the licence fee, or most of it, to his clients, and the Exchequer thus make him its collecting agent. The great advantage of taxation over prohibition when you want to check an undesirable practice is that the authorities can come down at once for frauds on the Revenue, whereas the enforcement of penal statutes is a difficult matter. May I express the hope that the Liberal members of the Select Committee will not be influenced by the old Puritan idea that the working classes have no right to choose their amusements?—Yours, &c.,

J. E. ALLEN.
1 Mitre court buildings, E.C. 4, May 29th, 1923.

Books and Publications.

RICARDO'S ECONOMIC ESSAYS.*

Few writers have contributed so much to the growth of economic science as did David Ricardo. To the student who has only read his *Principles of Political Economy*, however, the abstract nature of his reasoning and the frequent lack of completeness in his exposition together do much to detract from a proper understanding of the

* *Economic Essays*. By David Ricardo. Edited, with Introductory Essay and Notes, by Professor Sir E. C. K. Goner. (London) Cassell & Co. 6s.

real greatness of the man, who was both thinker and practical man of affairs. In these essays, which are now reprinted under the editorship of Professor Goner, we can see Ricardo at work on some of the practical problems of his day. The essay on the "High Price of Bullion" establishes the fact of depreciation of the banknotes in 1811 by reasoning which loses none of its significance for its being now perfectly familiar. In another essay Ricardo adequately deals with "Mr Bosanquet's alleged facts in supposed refutation" of his previous conclusions; and although this whole controversy is long since dead and buried, the reader of these essays cannot fail to find in the author's methods of reasoning much that will help him to a true understanding of the theory of money—a subject by no means universally understood even in this enlightened age of currency depreciation. Two essays on problems arising out of the post-war distress in agriculture, with which we, also, are only too familiar, complete a volume which will be interesting not only to the student of economic doctrine, to whom Professor Goner's short introduction should prove useful, but also to all those who believe that it is the function of economic science to provide a method of thought rather than a series of cut-and-dried solutions to practical problems.

BOOKS RECEIVED.

My Life and Work. By Henry Ford. (London) William Heinemann, Limited, 12s 6d.

The Fascist Movement in Italian Life. By Dott. Pietro Gorgolini. With preface by S. E. Benito Mussolini. (London) T. Fisher Unwin, Limited, 10s net.

The German Constitution. By René Brunet. With a Foreword by Charles A. Beard. (London) T. Fisher Unwin, 10s 6d net.

The Round Table, June, 1923. (London) MacMillan and Co., Limited, 5s.

The Financial Times Investors' Guide. (London) The Financial Times, Limited, 3s 6d net.

This is a book which from beginning to end should be read by all small investors.

New Zealand Official Year-Book, 1923. Thirty-first issue. (Wellington) Government Printer.

Directory of Shipowners, Shipbuilders and Marine Engineers, 1923. (London) 33 Tothill street, 20s net.

The 1923 edition of the *Directory of Shipowners, Shipbuilders and Marine Engineers*, which has just been issued, gives particulars of steamship companies, shipbuilders, ship-repairers and marine engineering works throughout the world. In the shipping section the names and addresses of the companies and principal officials are given, and lists of the fleets, together with such information as passenger accommodation, speeds, carrying capacities, whether oil-fuel burning and so on. In the shipbuilding section the capacities of the shipyards and engine works are stated, and the dimensions of dry docks where ship-repairing is carried on. Other information includes a list of societies, institutions and trade and labour federations, and a directory of consulting naval architects and marine engineers.

The Nineteenth Century, June, 1923. (London) Constable and Co., Limited, 3s.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET.	ACCOUNT.
June 13.	June 14.

This week it has been the turn of the gilt-edged markets to show the firmest texture amongst the Stock Exchange mills. Even the War Loan, which is curiously passed over by investors to whom a possible short-dated stock should offer no objection, has been lifted to a slight extent. Speculation in this market concerns itself mainly with conversion stock, the price of which spurred briskly, to give way a little towards the end of the week, on a few substantial lines coming to market. Other Government issues are strong, not excluding Consols. The new India scrip, left, it may be recalled, in the hands of underwriters to the tune of 51 per cent., stands about 1½ premium. The revival of business in this and some of the other markets is regarded as due to the fact that the public interest aroused by political happenings at home has subsided so far as these are concerned, leaving men freer to turn their attention to Stock Exchange markets.

The foreign market has seen fairly lively fluctuations in the

French issues, though on balance no particular change remains. Germans are flat. A fall in the Argentine rate of exchange led to Buenos Ayres 3½ per cents giving way sharply, though the sterling loans kept firm. The new Argentine Fives at 86½ came as a surprise. Two or three of the Chinese bonds are better. Finland and Helsingfors prices have improved, though Riga 4½ per cents went back for want of further news in regard to the rumoured settlement, which, according to gossip, attempts are now being made to bring about.

Home Railway stocks derive assistance from the strength of the gilt-edged market, though there is little business doing in them. Canadians are dormant. Mexican Rails have not yet benefited from the impression that recognition of Mexico by the U.S.A. is on the point of being announced. Argentine Railway stocks, after showing a strong front, went back abruptly because of the drop in the exchange. Cordova Centrals, exceptionally, are better on the forthcoming resumption of full cash distributions on the second debentures. Antofagasta and United of Havana stocks are well held, owing to their recent good dividends.

The rubber market has taken a languid turn for the better, thanks to a rally in the price of the produce, but oil shares, so far as the leaders are concerned, are heavy, dividend fears being rife in connection with Mexican Eagles. A good spot in the market is that for Agwi and Agwi Marketing shares, both of these being strengthened by the chairman's speech at the recent Agwi meeting. The tobacco group is the most active and the most resilient in the Stock Exchange, British Americans rising to the level £5, and Imperials, United Souths, and Canadians participating in the lively activity which the buoyancy of prices has generated. Amongst stores, catering and allied shares, Liebig's stand out as the principal feature, the price putting on £1 a share on hopes of a new issue at a low figure. Charing Cross Electric further advanced to 12, in consequence of the forthcoming issue of new shares at £7 10s to present proprietors. The iron and steel group is little more than steady, the buying and selling being pretty equally balanced. Lamberts hold their big rise, but have made no further progress. Lively dealings sprang up in Sudan Plantations and in Kassala Cotton shares, both of which were bought from Egypt and America; also by a few operators nearer home. The cement shares are stronger, and more attention has been paid to Marconis, in consequence of the manner in which the broadcasting boom continues to gain ground. Newspaper shares are good throughout, substantial rises taking place in the popular issues. The banking and insurance markets are quiet, though in regard to the latter, market reports have revived with reference to the possibility of two of the younger and enterprising companies being taken over in the near future by older-established concerns. A number of popular speculative industrials have responded to the brighter outlook which prevails in regard to trade. Brewery stocks and shares are better as a whole. Indo-China deferred weakened on the poor showing made for last year; other shipping descriptions have hardly moved.

Greater firmness is noticeable in various Kaffirs. Paris has been confining rather listless energies to Rio Tintos, De Beers, and its own particular favourites, while the Cape, having apparently got over its recent apprehensions in regard to possible labour troubles on the Rand, is doing but little in the market. London buyers, however, are lending support. A rise in Johannesburg Consolidated Investment shares followed optimistic anticipations in regard to the forthcoming dividend. Cam and Motor, amongst Rhodesians, have risen, on anticipations of a 20 per cent. dividend being declared this month. The diamond market moves somewhat erratically, but within narrow limits. Tin, the metal, is once more about £200 per ton, the improvement causing a few advances in Malayan tin shares; Cornish and West African shares have fallen into neglect. Mexico Mines are the best feature in their own particular market. Efforts to create public interest in Canadian mining shares met with scant success. There is nothing doing in West Australians or Indians, and the mining markets as a whole have yet to benefit from the expansion of public interest that is evident in other parts of the House.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded	£141,486,583	£	£	£

ISSUES OF THE WEEK—

4 % Treasury Bonds, 1931-33 (by tender, May 25, 1923), £5,500,000 at £95 6s 7½d	£3,336,608	£	£	£
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NATIONAL SAVINGS CERTIFICATES.

NET RECEIPTS INTO THE EXCHEQUER WHEN ENDED MAY 26, 1923.	£	£
April 1, 1923, to May 26, 1923, £1,400,000	100,000	100,000

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To the Public—				
Argentine Gov. (Port of the Capital) (Buenos Aires), issue of £2,500,000, in 5% Bonds, at 86½%, red. by July 1, 1949 (June 1)	2,500,000	2,162,500	250,000	1,512,500
Electric Supply Corporation, 150,000 6% Cum. Pref. £1, at par (June 1)	150,000	150,000	15,625	109,375
Boots Pure Drug Company, Limited, 250,000 f.p. Ord. Shares, £1, at £4 per share (May 28)	250,000	1,000,000	250,000	750,000
Peachey Leather Products, 125,000 Ord. Shares, £1, at par (May 28)	125,000	125,000	15,625	109,375
Total offered to Public		3,287,500	515,625	2,771,875
To Shareholders only—				
Charing Cross, West End, and City Electricity Supply, 16,000 Ord. 25 Shares, at £7 10s p.a. New Nimrod Co., 7,500 Ord. Shares, £1, at par	80,000	120,000	7,500	7,500
Total to shareholders only		127,500		127,500
Total offered for subscription to date				
1923	£148,338,191	1922	£273,075,680	
1922	418,481,190	1921	588,976,203	
1921	96,780,668	1920	367,546,666	
1920	198,397,528	1919	1,036,059,951	
1919	357,884,328	1918	1,383,321,441	
1918	610,607,532	1917	1,518,695,010	
1917	938,644,467	1916	685,438,953	
1916	234,556,137			

Argentine Government (Port of the Capital, Buenos Aires).—Issue of £2,500,000 5 per cent. bonds, at £86 10s per £100. The bonds are the direct obligation of the Argentine Government, and are repayable on July 1, 1949, at latest, but are redeemable by means of an accumulative sinking fund of 1 per cent., which begins to operate immediately. Principal and interest are payable in London in sterling, or in Buenos Aires at exchange of 48d per dollar, free from all present and future Argentine taxes. These bonds form part of an authorised issue of £5,000,000, of which, including the present offer, £4,121,000 have been issued. The yield, even if held to the latest redemption date, is nearly £6 1s per cent., and the bonds are an attractive investment. Subscribers will receive a full half-year's interest on July 1st. The lists were closed within a short time of opening.

Boots Pure Drug Company, Limited.—Authorised share capital £2,400,000, comprised of eight series of preference and preferred ordinary shares and 1,000,000 ordinary shares, all fully paid with the exception of 900,000 ordinary shares. Boots Pure Drug Company owns the whole of the ordinary share capital of various subsidiary companies known as Boots, Cash Chemists. There are now 250,000 £1 ordinary shares offered for sale, of which 60,000 are being reserved for employees of the company. The price per share to the public is £4 each, and to employees £3 10s. Neither the company nor any of the companies controlled has any outstanding debentures or debenture stock. As at March 31st last there was a surplus of assets over liabilities amounting to £543,071, and in respect of 1923 profits amounted to £591,072, with a balance available for ordinary shares and reserves of £494,343. A dividend equal to 36 per cent. was paid on the full ordinary share capital of the company for the year 1922-23. A yield of 9 per cent. on

a good industrial share is attractive, but the security of capital for £4 per share is not in evidence. The issue was quickly oversubscribed.

Peachey Leather Products, Limited.—Authorised capital £150,000, divided into £1 ordinary shares, of which 125,000 are now offered at par. The company has been formed to acquire a licence to work in the United Kingdom a process for the cold vulcanisation of rubber as applied in the manufacture of compounded articles containing leather or leather waste. It is stated that the directors and their friends have applied for 46,850 shares, while 25,000 shares are reserved for issue to Peachey Process Company, the licensors, in respect of royalties, as they accrue. We are reminded that, in view of the fact that the application of the process will open up a new use for rubber, the active support of the Rubber Growers' Association and other parties interested in the crude rubber trade may be relied upon in promoting the sale of the company's products. Premises have been acquired at Slough, with railway facilities. After providing for preliminary expenses it is estimated that £113,000 will be available for the business. An interesting proposition, the progress of which careful people will follow as possible investors.

Electric Supply Corporation.—Authorised capital £350,000, divided into 200,000 ordinary shares and £150,000 6 per cent. cumulative preference shares, all of £1 each. Of these 150,000 ordinary shares have been issued, and all the preference shares are now offered for subscription at par. There is outstanding £154,914 5 per cent. debenture stock (of which the company holds £24,914), and these are to be paid off out of the proceeds of the present issue. Preference shareholders' voting rights are limited to cases when the dividend may be in arrears. The company was formed in 1897, and owns a number of electric supply undertakings in England and Scotland. Profits are given since 1918, but the advertised abridged prospectus gives no figures of assets or liabilities. Further information than is given in this statement should be required by intending investors, but, on the face of the figures given, the interest looks to be fairly well covered.

Tottenham District Light, Heat, and Power.—Tenders are invited for £100,000 "B" consolidated stock, at a minimum price of £102 per cent., to rank *pari passu* with the existing consolidated ordinary stocks of the company. The dividend paid in respect of the second half of 1922 was 6½ per cent. The "B" stock ranks for a standard dividend of 3½ per cent. with a standard price of gas of 17 3-5d per therm, and as the company is reducing the price of gas to 10d per therm in July next, the present dividend seems safe enough at present. The company was formed as a gas company in 1847, since when other companies have been absorbed and in 1913 it undertook the supply of electricity, the sale of electric units having multiplied nearly ten-fold in the past seven years. Net profits for 1922, after payment of all charges and debenture interest, and allocating £10,000 to pension fund and £3,691 to reserve, were £80,529. The annual charge on the debenture stock is £18,324, there is £26,235 of preference stock outstanding, and £902,275 of consolidated stock. Dividends on the last named, on the basis of last year's profits, are well covered. Reserves and undivided profits on December 31st last amounted to £146,122. The stock is an attractive one of its class. Tenders will not be received after midday on June 18th.

Southend Waterworks Company.—Capital already issued consists of £324,191 preference (of which the present issue forms part) and £584,447 ordinary stock. The issued loan capital amounts to £243,090. This is an offer for sale by tender of £37,369 5 per cent. irredeemable preference stock. The minimum price has been fixed at £90 per £100. The company was incorporated by special Act of Parliament in 1879. The area of supply, including the County Borough of Southend-on-Sea, covers 160 square miles, with a residential population approaching 140,000. For 1922 revenue was £70,014 after payment of loan issues, and as it is estimated that preference stocks, including that now offered, will need but £19,720, a reasonable margin of security is found. A fairly good utility investment.

Durham County Water Board.—Issue of £300,000 4½ per cent. redeemable stock, 1938-48. The stock will be charged upon the revenues of the Board *pari passu* with all other stock issued or to be issued. The board has power to make up any deficiency by levying a rate on the constituent authorities whose assessable value at March 31, 1922, was £1,329,268. The total outstanding debt of the Board is approximately £1,604,600. These particulars are taken from the advertised statement to comply with Stock Exchange regulations.

Transvaal Silver and Base Metals, Limited.—Capital £300,000, in £1 shares, all of which have been issued and fully paid. A statement of this company's affairs is advertised this week, in accordance with the regulations of the committee of the London Stock Exchange, and is for information only. The company was formed in 1919, under the limited liability laws of the Transvaal, to acquire from the General Mining and Finance Corporation certain freeholds and pro-

specting rights. A prospectus was issued and advertised in the Union of South Africa. Smelting was started in January, 1922, and up to the end of April, 1923, 5,766 tons of bullion, containing about 97 per cent. lead and 97 oz of silver per ton, had been produced. The information given, as is usual in these statements, is meagre.

Josiah Smale and Son, Limited.—Capital £170,000 in £1 shares, all of which have been issued. The company was incorporated as a private company on May 31, 1918, to acquire a silk manufacturer's business, and converted last month into a public company. The issued share capital was credited as fully paid to the vendors in accordance with an agreement between the Fanti Consolidated Mines, Limited, and General Investors and Trustees, Limited. Profits for the past four years have averaged over £20,000 per annum. The information given in the advertisement published in compliance with Stock Exchange regulations, from which the above particulars are taken, is insufficient to guide investors as to the standing of the business.

ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Price Last Week	Latest Price	Rise or Fall
War 3½, 1925-28 .. 95½ .. 96 .. + ½			
Loans 5½, 1925-47 .. 101 .. 101½ .. + ½			
4½, 1925-42 .. 100½ .. 101 .. + ½			
Funding Loan 4½ .. 92½ .. 93 .. + ½			
Victory Bonds 4½ .. 93½ .. 94 .. + ½			
Conversion Loan 3½ .. 80½ .. 81 .. + ½			
Consols 2½ .. 58½ .. 59 .. + ½			
Irish Land Stock 2½ .. 62½ .. 63 .. + ½			
Local Loans 3½ .. 68½ .. 69 .. + ½			
Aust. 5½, 1931-41 .. 105 .. 105 ..			
Canada 4½, 1920-25 .. 101 .. 101 ..			
India 3½, 1926-31 .. 120 .. 120 ..			
Do 7½, 1926-31 .. 120 .. 120 ..			
Do 5½, 1932 .. 103½ .. 104 .. + ½			
Do 4½ .. 90½ .. 91 .. + ½			
N.B.W. 5½, 1922-32 .. 101 .. 101 ..			
Nigeria 5½, 1929-79 .. 113 .. 113 ..			
U. of S.A. 6½, 1930-40 .. 105 .. 105 ..			
Victoria 5½, 1924-34 .. 101 .. 101 ..			
W. Aust. 6½, 1930-40 .. 106 .. 106 ..			

Banks.

	Price Last Week	Latest Price	Rise or Fall
Barclays B (A1, f.p.d.) .. 24½ .. 24½ ..			
Chartered Bank of India .. 19½ .. 19½ ..			
Lloyds (A1 with £1 .. 3½ .. 3½ ..			
London Joint City & Midland (A1 with £24 paid) .. 8½ .. 8½ ..			
Nat. Bank of Egypt (A1) .. 21 .. 21½ .. + ½			
Nat. Bank of S. Africa (A1) .. 8½ .. 8½ ..			
Nat. Prov. & Union of England (A1 with £4 paid) .. 11½ .. 11½ ..			
Standard of S. Africa (A1 with £5 paid) .. 11½ .. 11½ ..			
Westminster Bank (A1 with £5 paid) .. 18½ .. 18½ ..			

Colonial and Foreign Railways.

	Price Last Week	Latest Price	Rise or Fall
Antofagasta Cons .. 86 .. 86½ .. + ½			
B.A. and Pacific .. 83 .. 83 ..			
B. & G. Southern .. 87 .. 87 ..			
Buenos Ayres West .. 82 .. 82½ .. + ½			
Canadian Pacific .. 167 .. 166½ .. - ½			
Central Argentine .. 75½ .. 75 .. - ½			
Argentine 5½, 1886-7 .. 101 .. 101 ..			
Belgian 3½ .. 68 .. 68 ..			
Brazil 5½, 1914 .. 75 .. 75 ..			
Chilian 4½, 1895 .. 107½ .. 107½ ..			
Do 7½ .. 107½ .. 107½ ..			
Chinese 5½, 1912 .. 73 .. 73 ..			
Egyptian 4½ .. 70 .. 70½ .. + ½			
French 5½ .. 293 .. 283 .. - 10			
Do 4½ .. 234 .. 223 .. - 11			
Greek 4½, 1884 .. 43½ .. 47 .. + 3½			
Japanese 4½ .. 102 .. 102 ..			
Do 4½, 1910 .. 74 .. 74 ..			
Mexican Cons. 1899 .. 63½ .. 63 .. - ½			
Peruvian Corp. Pref. .. 294 .. 304 .. + 10			
P.L.M. 6½ .. 88 .. 87½ .. - ½			
Portuguese (New) .. 304 .. 31 .. + 7			
Russian 5½, 1906 .. 8 .. 8 ..			
Spanish 4½ .. 71½ .. 70½ .. - 1			
Saine (Doyp.) 7½ .. 101½ .. 101½ ..			
Siamese 5½ .. 108 .. 108 ..			

Foreign Government Securities.

	Price Last Week	Latest Price	Rise or Fall
Anglo-American "A" .. 23 .. 23 ..			
Marconi Wireless .. 2½ .. 2½ ..			
Marconi Canada .. 1½ .. 1½ ..			
Marconi Marine .. 1½ .. 1½ ..			
Great Western, Ord. .. 115½ .. 115½ ..			
Do Def. .. 88 .. 88 ..			
London & North Eastern .. 88½ .. 88½ ..			
Do Pref. Ord. .. 88½ .. 88½ ..			
Do Def. Ord. .. 35½ .. 35½ ..			
London, Mid., and Scottish, Ord. .. 114 .. 114 ..			
Metropolitan .. 72½ .. 73½ .. + 1			
Metropolitan District .. 55½ .. 56½ .. + 1			
Chesapeake & Ohio .. 69 .. 71 .. + 2			
Erie .. 12 .. 13 .. + 1			
Do 4½ lat Pref. .. 18 .. 20 .. + 2			
Southern .. 35 .. 36 .. + 1			
Do Non-cum Pref. 70 .. 72 .. + 2			

Telegraphs.

	Price Last Week	Latest Price	Rise or Fall
Imperial Tobacco (A1) .. 44½ .. 44½ ..			
Linggi Plantations (A1) .. 13½ .. 13½ ..			
Lipton (A1) .. 13½ .. 13½ ..			
Lever Bros. (A1) .. 13½ .. 13½ ..			
Do 8½ Cum Pref. (A1) .. 13½ .. 13½ ..			
Do 8½ Cum Pref. (A1) .. 13½ .. 13½ ..			
Lister (A1) .. 13½ .. 13½ ..			
Lobitos Oilfields (A1) .. 6½ .. 6½ ..			
Lyons (A1) .. 4½ .. 5 .. + ½			
Magadi Soda (A1) .. 13½ .. 13½ ..			
Mexican Eagle (A1) .. 13½ .. 13½ ..			
Pekin (A1) .. 13½ .. 13½ ..			
Rubber Plantations .. 13½ .. 13½ ..			
Investment (A1) .. 13½ .. 13½ ..			
Shell Transport (A1) .. 13½ .. 13½ ..			
Smithfield Argentine Meat (A1) .. 13½ .. 13½ ..			
United Dairies (A1) .. 13½ .. 13½ ..			
United Berdang (A1) .. 13½ .. 13½ ..			
United Tobacco (A1) .. 13½ .. 13½ ..			
Vallambrosa (A1) .. 13½ .. 13½ ..			
Vickers (A1) .. 13½ .. 13½ ..			
Watney Def. Siks .. 168 .. 174 .. + 6			

American Railroads.

	Price Last Week	Latest Price	Rise or Fall
Imperial Tobacco (A1) .. 44½ .. 44½ ..			
Linggi Plantations (A1) .. 13½ .. 13½ ..			
Lipton (A1) .. 13½ .. 13½ ..			
Lever Bros. (A1) .. 13½ .. 13½ ..			
Do 8½ Cum Pref. (A1) .. 13½ .. 13½ ..			
Do 8½ Cum Pref. (A1) .. 13½ .. 13½ ..			
Lister (A1) .. 13½ .. 13½ ..			
Lobitos Oilfields (A1) .. 6½ .. 6½ ..			
Lyons (A1) .. 4½ .. 5 .. + ½			
Magadi Soda (A1) .. 13½ .. 13½ ..			
Mexican Eagle (A1) .. 13½ .. 13½ ..			
Pekin (A1) .. 13½ .. 13½ ..			
Rubber Plantations .. 13½ .. 13½ ..			
Investment (A1) .. 13½ .. 13½ ..			
Shell Transport (A1) .. 13½ .. 13½ ..			
Smithfield Argentine Meat (A1) .. 13½ .. 13½ ..			
United Dairies (A1) .. 13½ .. 13½ ..			
United Berdang (A1) .. 13½ .. 13½ ..			
United Tobacco (A1) .. 13½ .. 13½ ..			
Vallambrosa (A1) .. 13½ .. 13½ ..			
Vickers (A1) .. 13½ .. 13½ ..			
Watney Def. Siks .. 168 .. 174 .. + 6			

Miscellaneous.

	Price Last Week	Latest Price	Rise or Fall
Aerated Bread (A1) .. 13½ .. 13½ ..			
Amal. Cottons (A1) .. 13½ .. 13½ ..			
Anglo Persian Oil (A1) .. 13½ .. 13½ ..			
Armstrong (A1) .. 13½ .. 13½ ..			
and Co. (A1) .. 13½ .. 13½ ..			
Ass. Plind. Cement (A1) .. 13½ .. 13½ ..			
Barker, John (A1) .. 13½ .. 13½ ..			
B'ham Small Arms (A1) .. 13½ .. 13½ ..			
Brazil Traction (A1) .. 51 .. 51½ .. + ½			
British-American Tobacco (A1) .. 44½ .. 44½ ..			
Burmah Oil (A1) .. 13½ .. 13½ ..			
Coats (J. and P.) (A1) .. 13½ .. 13½ ..			
Courtaulds (A1) .. 13½ .. 13½ ..			
Cunard (A1) .. 13½ .. 13½ ..			
Dorman, Long (A1) .. 13½ .. 13½ ..			
Dunlop Rubber (A1) .. 13½ .. 13½ ..			
Fine Cotton Spinners (A1) .. 13½ .. 13½ ..			
Forestral Land (A1) .. 13½ .. 13½ ..			
Furness, Withy (A1) .. 13½ .. 13½ ..			
Highlands and Lowlands Rubber (A1) .. 13½ .. 13½ ..			
Hudson's Bay (A1) .. 13½ .. 13½ ..			
Brakpan (A1) .. 13½ .. 13½ ..			
Broken Hill Prop. (A1) .. 13½ .. 13½ ..			
Chartered (A1) .. 13½ .. 13½ ..			
Cons. Gold Fields (A1) .. 13½ .. 13½ ..			
Crown Mines (A1) .. 13½ .. 13½ ..			
De Beers De. (A1) .. 13½ .. 13½ ..			
East Rand Prop. (A1) .. 13½ .. 13½ ..			
Geduld (A1) .. 13½ .. 13½ ..			
Gov. Gold Areas (A1) .. 13½ .. 13½ ..			
Modderfontein (A1) .. 13½ .. 13½ ..			
Modderfont. "B" (A1) .. 13½ .. 13½ ..			
Modderfont. Deep (A1) .. 13½ .. 13½ ..			
Premier Def. (A1) .. 13½ .. 13½ ..			
Rand Mines (A1) .. 13½ .. 13½ ..			
Selukwe (A1) .. 13½ .. 13½ ..			
Rio Tinto (A1) .. 13½ .. 13½ ..			
Spring Mines (A1) .. 13½ .. 13½ ..			

Mines.

	Price Last Week	Latest Price	Rise or Fall
Imperial Tobacco (A1) .. 44½ .. 44½ ..			
Linggi Plantations (A1) .. 13½ .. 13½ ..			
Lipton (A1) .. 13½ .. 13½ ..			
Lever Bros. (A1) .. 13½ .. 13½ ..			
Do 8½ Cum Pref. (A1) .. 13½ .. 13½ ..			
Do 8½ Cum Pref. (A1) .. 13½ .. 13½ ..			
Lister (A1) .. 13½ .. 13½ ..			
Lobitos Oilfields (A1) .. 6½ .. 6½ ..			
Lyons (A1) .. 4½ .. 5 .. + ½			
Magadi Soda (A1) .. 13½ .. 13½ ..			
Mexican Eagle (A1) .. 13½ .. 13½ ..			
Pekin (A1) .. 13½ .. 13½ ..			
Rubber Plantations .. 13½ .. 13½ ..			
Investment (A1) .. 13½ .. 13½ ..			
Shell Transport (A1) .. 13½ .. 13½ ..			
Smithfield Argentine Meat (A1) .. 13½ .. 13½ ..			
United Dairies (A1) .. 13½ .. 13½ ..			
United Berdang (A1) .. 13½ .. 13½ ..			
United Tobacco (A1) .. 13½ .. 13½ ..			
Vallambrosa (A1) .. 13½ .. 13½ ..			
Vickers (A1) .. 13½ .. 13½ ..			
Watney Def. Siks .. 168 .. 174 .. + 6			

THE FINE COTTON SPINNERS' AND DOUBLERS' ASSOCIATION, LIMITED.

SUCCESSFUL RESULTS OF YEAR'S TRADE.

INCREASED PROFIT AND DIVIDEND.

CONDITION OF AMERICAN ESTATES.

MR HERBERT W. LEE ON THE POSITION AND PROSPECTS.

The twenty-sixth ordinary general meeting of the shareholders of this company was held in the Memorial Hall, Albert square, Manchester, on Tuesday last (May 29, 1923). Mr Herbert W. Lee, chairman of the association, presided, and was supported by Colonel R. W. D. Brocklehurst and Mr John Graham Peel (vice-chairmen), Mr William Howarth (managing director), Mr Vernon Bellhouse, Mr Alfred Edwin Rahr, Mr John Wallace Adam, Mr Percy Ashworth, Mr A. W. Bramall, Mr Robert W. Bennett, Mr Archibald E. Dixon, Mr Francis Iredale Dixon, Mr John I. Higson, Mr James Marsden, Mr H. Ross Marsden, Mr Ernest Mather, Mr Percy Musgrave, Mr Edwin Oliver, Mr James Taylor, Mr John Baird Walker, Mr John A. Wanklyn, Mr Philip Bruce Whitehead, and Mr Claude H. Blair (director and secretary).

DIRECTORS' REPORT.

The twenty-fifth annual report of the directors for the year ended March 31, 1923, states that:—

The balance brought forward from last year's account is

The profits for the year, including amounts recovered in respect of enemy debts, but after charging £180,000 to depreciation, and providing for directors' fees, bonuses to management, and corporation profits tax, amount to

and after deducting:—
Interest on debenture stocks ..£110,000 0 0
Transfer to pension fund

there remains a balance of

Out of which have been paid interim dividends as under:—

On preference shares at the rate of 5 per cent. per annum ..£75,000 0 0

On preferred ordinary shares at the rate of 5 per cent. per annum

On ordinary shares at the rate of 8 per cent. per annum

leaving a balance of

which the directors recommend should be appropriated in the following manner:—

To a reserve for equalisation of dividends

To payment of a dividend for the half-year ended March 31, 1923, at the rate of 5 per cent. per annum on the preference shares

To payment of a dividend for the half-year ended March 31, 1923, at the rate of 5 per cent. per annum on the preferred ordinary shares

To payment of a dividend for the half-year ended March 31, 1923, at the rate of 17 per cent. per annum on the ordinary shares (making with the interim dividend a total distribution of 12½ per cent. for the year), absorbing

Total

Balance carried forward

721,206 4 9

The directors record with great regret the severe loss they have sustained by the death of their chairman and colleague, Mr John Wanklyn McConnel.

The directors regret to record the retirement of Mr William Eckersley from the vice-chairmanship of the association. Mr Eckersley retains his seat on the board as a director.

Mr John Graham Peel has been appointed a vice-chairman in the place of Mr Eckersley.

The directors regret to record the resignation of their colleague, Mr John Lincoln Tattersall.

THE BALANCE-SHEET.

Turning to the balance-sheet, it is a great gratification to me that on the first occasion on which I occupy this chair, and I may remind you also on the completion of the twenty-fifth year of the life of the association, that we have such a good result to put before you. The board feels it need not be ashamed of the profits on the year's working, and I think that the shareholders, on their part, ought to be more than satisfied with them, because it has not been a normal year in the cotton trade or an easy one in which to make profits. It is true that we have not had to contend with the lamentable condition that has obtained in the great section of the trade that spins American cotton, but it has, right through the year, been a struggle to keep our spindles employed. It has been especially difficult for this association, because the extra fine counts of yarn, in the spinning of which we are pre-eminent, have been entirely neglected, and the lace trade, which is one of our large outlets, has been almost at a standstill. I can assure you that it has taken the full energy of everyone concerned to produce the figures which we are able to put before you.

I will give you, as usual, the information you like to have on those figures.

ASSETS.

If you will turn first to the balance-sheet, and take the assets side, you will notice that the expenditure this year on additions to capital amounts to £8,476; the full amount spent is £25,000 more than this, but that amount has now been written off the other side of the balance-sheet from the sum voted some years ago for the research department, the expenditure on which was, in the first instance, placed to the capital account. In any case the amount expended is very small, and I want you to understand that it is not occasioned by want of energy or of enterprise on the part of the board. It is the result of calculated policy. Prices a year ago were still inflated; they have during the period fallen very considerably. Had we launched out during the year you would have had to-day additions to property standing in the books at much over their present value. Our experts inform us that to-day's cost of building is more or less reasonable, but that the prices of textile machinery are still much inflated, and the reduction at which we can now purchase does not correspond with the reduction that has taken place in wages and in raw material. As soon as textile machinery makers are content to accept reasonable prices it will be safe to consider proceeding with several schemes that the executive has worked out.

DEPRECIATION.

The provision for depreciation is taken at £180,000, the same figure as last year, and £181,397 has been expended, in addition to which the considerable sum of £129,021 has been spent and charged to profit and loss account for repairs. In the case of renewal of machinery, the board does not consider cost. If a machine will not turn out the best quality, and the full quantity, it is thrown out and replaced, and you may rest assured that every necessary renewal has been made this year. The net result of these two accounts is the small increase of £9,873 on the capital account.

SUNDRY INVESTMENTS.

The sundry investments stand at £4,185,367, a reduction of £230,768, the main factor in this reduction being the sale of the cotton we have been holding for the cotton estates. This cotton has now all been sold at first-rate prices, and the cotton estates have been able to reduce their loan to normal dimensions.

STOCK-IN-TRADE.

The stock-in-trade stands at £3,760,752, and shows an increase of £600,886. This looks a large increase, and it is therefore very necessary that I should explain to you that it is only a book-keeping increase, and that, in reality, there is no increase at all. We have always to hold considerable stocks of cotton in order to maintain the qualities of our yarns, and we use this cotton in the ordinary course of business, that is, a good part of it, to finance our trade. At the present time our finances are so easy that we are holding nearly all the cotton ourselves, and it consequently shows as an increased asset in our balance-sheet. Were we to take an account of last year's stocks of every description for which we are responsible, and compare it with this year's corresponding account, we should find that this year's account would show an actual decrease of £118,525, as compared with last. The whole of these stocks have been most carefully taken and scrutinised, and you may rest assured that they stand at a true value in the books.

TRADE DEBTS AND BANK BALANCE.

Our trade debts are reduced by £142,000, caused, in part, through a reduction in overdue accounts, and in part because we have done a rather larger proportion of trade in the home markets, where the terms of payment are shorter.

The bank balance shows an increase of £292,661, which is a

result of the profits we have made, and will, of course, be reduced when our dividend warrants are sent out and have been cashed.

LIABILITIES.

Turning to the other side of the balance-sheet, you will see that no change has taken place during the year in capital or in reserves. The insurance fund has a small increase of £5,446, and is slowly approaching a figure that should permit a rather larger percentage of risk being taken than that which we now carry.

PENSION FUND.

The pension fund, if you carry out our recommendation to add £50,000 to it, will show £60,193 invested to cover pensions already granted, and £117,909 for future needs, a total of £178,102. I can assure you that this fund is answering the purpose for which you established it. We have granted during the year 53 pensions, eleven of our old pensioners have died, and we now have 131 on the books. The average age of these pensioners is 65 years, and all have given over 30, and some up to 50, years' continuous service. It will be some years yet before we can tell you the total sum that will be required to make the scheme self-contained and automatic. A time will come when the deaths equal the pensions granted, but that time has not yet arrived, and additions to the capital sum will still be required. If for a little time to come each good year we make an addition to it, we shall arrive at the end we desire without hardship to our shareholders.

WELFARE WORK.

I should like to couple this scheme in your minds with the sum of £15,000 we are asking you to set aside for welfare work. We require money for the extension of this work, which we cannot very well take out of the profit and loss account of individual mills, and which we certainly should not like to put to capital account. The amounts required are not large, and they could be voted by the board, but we feel sure it is a sum the shareholders would prefer to vote themselves, and thus show their sympathy in the welfare of their employees. For some years we have been striving to look at our mills through our workpeople's eyes, and to lighten and improve the conditions under which they work. We are making slow but definite progress. We are working with our workpeople. It is only by so doing we can make the work effective, but, working together, we are sure we can in time attain our object.

RESEARCH AND EXPERIMENTAL DEPARTMENT.

I have already called your attention to the reduction of the fund set on one side for research by £25,000. We have renamed this department the Research and Experimental Department, as better representing the work it is doing. It is now fully equipped, and under the management of Dr. Balls, supported by the interest the executive and the board are taking in it, combined with the thought and time Mr Vernon Bellhouse is devoting to it, I begin to feel confident it will more than justify the money you are expending, and will become one of the elements contributing to the success of the association.

Loans show the normal variation.

Sundry creditors show an increase of £347,354; this increase is mainly caused by the increase of the temporary balance in Inland Revenue account, which I shall mention when I come to talk of Reparations.

PROFIT AND LOSS ACCOUNT.

I will ask you now to turn to the profit and loss account on the top of the sheet. You will see that we bring forward from last account £198,246, and that our net profit for the year is £943,460. This figure is £330,130 larger than last year, but it is really much better than that, because last year included a transfer from E.P.D. account, while this year, with the exception of £33,593, recovered for pre-war enemy debts, consists entirely of profit made during the year. Full provision has been made for income-tax, a large sum has been deducted for corporation profits tax, and all liabilities have been provided for.

DIVIDEND.

You will see on the other side of the account we place the interest on debenture stocks, and the amounts we hope you will vote for the pension and welfare funds, leaving a balance of £666,706 to be disposed of. If you turn now to the front page you will pick that figure up again, and you will find we have to deduct from it the dividends paid at the half-year, which leaves a sum of £721,206 4s 0d for your present consideration. From this amount the board suggests that it would be wise to place a sum of £100,000 to a reserve for the equalisation of dividends. The preference and preferred ordinary dividends, amounting to £98,500, must of course be paid, and the board proposes you should confirm the distribution of a dividend to the holders of ordinary shares at the rate of 17 per cent. per annum, making a distribution for the year of 12½ per cent. This would leave a carry forward of £210,331, which is £12,035 more than we brought forward from last year.

SUBSIDIARY INVESTMENTS.

Before I ask you to vote upon this I am sure you would desire to have some information on a few of our big subsidiary investments, and I will take first the one which has been of late years the least satisfactory, namely, our investment in cotton estates. You were promised last year that we would send a deputation to visit these estates, and last October a deputation, consisting of Colonel Brocklehurst, Mr Vernon Bellhouse, Mr Percy Ashworth, and myself, spent about a fortnight there. Our object was to ascertain whether the management had recovered from the disorganisation caused by the war, whether the extension of cotton growing on the newly cleared lands was progressing, whether the boll weevil could easily be kept in check, and especially whether the price at which the shares stood in our books was justified. I am glad to say we came back with a satisfactory report on all these points, and I am glad also to tell you that this year's working has resulted in a good profit.

Our colliery and other investments, which may be considered as outside cotton spinning, have all given us satisfactory results.

MILLS IN FRANCE.

A year ago I told you that we had great hopes that our mills in France had turned the corner, and you will be pleased to know that those hopes have been justified. Every mill there has made a satisfactory profit, and has contributed to the results of the year. In the matter of Reparations, so far as our three companies which are registered French companies are concerned, we are making good progress. For the big one, Delebart Mall et Fils, the actual figure is agreed, and the documents only require signing, which our French directors assure us is only a matter of form. I should like to say here that we owe a debt of gratitude to those directors, and especially to Mr Delebart, whose loyalty and devotion to our interests is beyond all praise, and we also owe a debt of gratitude to France. The French Government has treated us in exactly the same manner as it has treated companies whose capital was wholly French. It has shown us sympathy and consideration; it provided us with cotton and machinery to enable us to get going quickly, and while it has carefully scrutinised our claims, still it has put us back into first-rate working order without loss, other than the loss of the profits and the interest on capital during the enforced stoppage of the mills.

SOCIÉTÉ COTONNIÈRE D'HELLEMMES.

The attitude of the English Government regarding the Société Cotonnière d'Hellemmes, an English company working in France, has been in direct contrast to this. We have so far received nothing from it for reparations, and are not encouraged to expect that we shall ever be paid the full amount necessary to re-instate these mills. The Inland Revenue has permitted us to write off these losses out of profit and loss, so that we get a considerable contribution from the E.P.D. account from this source, and, with the amounts you have already provided, you have the satisfaction of knowing that Reparation is provided for, and we shall not have in the future to ask you to make any further sacrifices either from profits or from reserves on this account. We shall continue to do everything in our power to get repayment of the sums expended, and no doubt we shall eventually get something, but I must warn you that we shall not be able to take the whole of any sum we may receive as profit, as a considerable part will go to the Inland Revenue in repayment of the E.P.D. they have allowed us to retain.

For the rest, two of these mills are fully restored; we are slowly starting the third, and they are now working with satisfactory results.

E.P.D.

I must say one word about E.P.D. I had hoped to be able to tell you that this account was closed. We have made progress, and we are agreed upon the figures of the account, but there is one question of principle upon which we are not agreed, and which would make a considerable difference to our claim. It was decided in our favour two years ago by a high official of Somerset House, but his successors have lately reversed his decision. We have taken the best legal and expert advice, and we have confidence that when we put the point in detail before the present officials they will see the justice of our demands.

We take no blame, ladies and gentlemen, for the long delay in settling this account; we consider it has occurred through the many changes that have taken place in the officials appointed to go through our accounts. These changes may be necessary, but however considerate and skilled such officials may be—and we have nothing but praise for them—it means delay and extra work for us, and it seems a pity that in a difficult period like the present time and energy should be wasted in this manner, which would be better employed, not only in making dividends for our shareholders, but also in the task of keeping in full employment the 30,000 workpeople who depend upon us.

PROSPECTS.

I have already kept your attention too long, but you will want one word on the present prospects. The process of reconstruction after the war goes on, but it advances slowly, and it is impossible to regard the immediate future as anything but doubtful and confused.

The price of cotton, which is still too high, the difficulties with occupied Germany, and with Turkey, the loss of all trade with Russia, and the general disorganisation of Europe, make it impossible to forecast a good general trade, and must affect ours to some extent. We have been in the past both blamed and commended for taking a conservative view when we recommended dividends, and if this year you think we have been conservative, you will, I am sure, agree that we have good reason for it. At the same time, you must not think we are pessimistic. We stand, in fact, on this platform as a united body of optimists. We do not believe that the cotton trade is doomed, and we have every confidence that we can render a good account of our association. We are at present working nearly full time, and we are making profits, and so long as we can find business to keep our spindles going we are confident we can continue to make profits. Prospects now change quickly; there are no large stocks, and a favourable turn on the Continent, a slant of fashion in our favour, might easily alter all the aspects of the case. Great efforts are being made by the Federation of Master Cotton Spinners to stop the heavy losses that are being made in the yarns spun from American cotton to-day. I hope they will be successful. If spinners could be led to refuse to sell below cost, much would be gained. We have every sympathy with this object. We have no sympathy with the attempt of a small section of the trade to set up again machinery such as we had in the war under a board of control. That system can only be of use at a time of national crisis, and at a time when great profits were possible. The concern we have to manage for you is a great one, the actual number of spindles you own is over four millions, and if counted as equivalent spindles in the way that the federation of Master Cotton Spinners reckon they come out to very nearly five million spindles. To make a success of a business of this extent the directors must hold the control of policy of trading and of production in their own hands.

TRIBUTE TO STAFF.

I should like just to say one word about the staff. As your chairman, relieved of the detail work that falls to the lot of the managing director, I have more leisure to closely observe the general working of the mills, and I can assure you that you have reason to be more than satisfied with your staff. They have worked with the determination to succeed, and they have been backed up well by the workpeople who have, on the whole, shown an interest in their work and a concern for the success of their mills which is a great pleasure to record.

Ladies and gentlemen, I have given you a good many particulars about the balance-sheet and the working of the concern, but there may be some points you are anxious to hear something about which I have omitted, and so, before I propose the resolution which will pass the report, I will give you an opportunity of asking any questions you may desire to put to me.

COLONEL R. W. D. PHILLIPS BROCKLEHURST'S SPEECH.

AMERICAN ESTATES.

Colonel R. W. D. Phillips Brocklehurst: Ladies and gentlemen,—Before I proceed to second this resolution, the chairman has asked me to amplify the few remarks he has been able to make on the subject of our late expedition to our estates in America, and knowing of what very great importance the question is to us all, I feel that you would probably like to have information from another member of the party. Well, I think it was one of the most useful undertakings on which we could possibly have embarked. It took us 13 days to get to the estates. It takes a letter 10 days, so that you see most of the business has had to be conducted by cable. In addition to that it was between seven and eight years since any member of the board or the executive had visited these properties, so you will see how easy it was for misunderstanding to arise on minor points of policy, and it was unreasonable to expect that two boards of management, separated by so many thousands of miles of land and water as we were, should always see eye to eye on every question, and we felt that the management over there had begun to consider themselves neglected; they thought they were no longer looked upon as one of the family and a permanent part of us—the Fine Spinners' Association. Well, ladies and gentlemen, we have put all that right.

Personally, it was with very great reluctance that I undertook the journey. I knew little about cotton growing, and I had never before seen the estates, and it seemed to me that someone who had been in touch with them in their early stages would have been more able to draw comparisons and come to just conclusions. Well, I am very glad I went, for I know now we have a noble property over there. It is, I believe, the largest cotton

plantation in the world, and during the 14 days or so we were down in the South we had a very strenuous time indeed, but, thanks to the extraordinary capacity of our old friend "Tin Lizzie," or the Ford car, we had no difficulty, if necessary, in going straight across country, and we were able to visit every hole and corner of the estates. We were very pleased with all we saw.

PROPERTY IN FINE CONDITION.

The property had been kept up to a very high state of efficiency, and we saw nothing that appeared to be in disrepair or neglected, and I myself was very much struck by the very high standard of farming that we maintained. The crops were clean and well tended, and the livestock was in the most excellent condition. Now, you have out there a complete township called Scott, entirely built by yourselves. We have an hotel, a club, several stores or shops, "gineries," a most efficient and modern saw mill, a house for the staff, and some 20 outlying farms, all equipped with managers' houses, ample farm buildings, and the necessary quota of cabins or cottages for labour. They, over there, have suffered from the aftermath of the war in the same way as almost every industry the world over has suffered, but this year they have made a continued profit. They have enormously reduced their overdraft—you know we are acting as their bankers. The management seem satisfied that they have the boll-weevil well in check, through poison, and the levee or dam of the Mississippi, which has always been the cause of the most acute anxiety to us, and also a very considerable loss from floods, has now been put in such a state of repair by the Government that we are told we have no further reason to worry about it.

LABOUR.

On the other side of the matter, we have one very serious difficulty with which to contend, and it is labour. Now, it is absolutely essential for us to get every possible acre we can under cotton, that is the paying crop, but in this direction we are strictly limited by the amount of labour available. We have, up to now, never been able to approach our full capacity. We have always treated our labour with the greatest consideration and liberality, but the unprecedented prosperity of the northern mills, combined with the attraction of life in towns, have been a continual drain upon us. Ladies and gentlemen, we shall have to work hard in this direction, and hope for a change in our favour.

And now to turn to the balance-sheet. I am afraid some of you may think we have not done everything that was possible for our shareholders, but let me assure you we on this board and this executive look upon this business with as much solicitude as if it was one of our own children. We have, during our 25 years of existence, come across one, two, or three, or more, very bad years indeed, and however good your management may be, these bad years are bound to recur.

EQUALISATION OF DIVIDENDS.

Now, it is our ambition to build up the constitution of this company that when these bad years come they should be no cause for anxiety for you or for us—in a word, that your regular dividend should be assured to you. I feel that we have had a good year in a bad one, but we have no guarantee that we have not much greater difficulties to meet in the coming year than we have had even in the past. At the present moment I think the pointers are in that direction. I welcome, and welcome with open arms, the establishment of the fund for the equalisation of dividend. Speaking on my own account, wrapped up as I am in the future of this business, I personally should have been perfectly satisfied with a 12 per cent. dividend and the extra £50,000 placed to this most useful fund. I have great pleasure in seconding the resolution.

The Chairman: I put the resolution, "That the directors' report and accounts presented to this meeting, and the report by the auditors that has been read, be and the same are hereby received and adopted."

The resolution was adopted without discussion, no questions being asked.

THE DIVIDENDS.

The Chairman: I now beg to propose, "That the following dividends be now declared out of the profits of the undertaking, viz.:—A dividend for the half-year ended March 31, 1923, at the rate of 5 per cent. per annum on the £3,000,000 preference shares, numbered 1 to 3,000,000 inclusive; a dividend for the half-year ended March 31, 1923, at the rate of 5 per cent. per annum on the £940,000 preferred ordinary shares, numbered 1 to 940,000 inclusive; a dividend for the half-year ended March 31, 1923, at the rate of 17 per cent. per annum on the £3,675,000 ordinary shares, numbered 1 to 3,675,000 inclusive." I will ask Mr John Peel to second that resolution, and I should like to congratulate Mr Peel, and also to congratulate you, on his recent appointment as your vice-chairman.

MR JOHN PEEL'S VIEWS.

Mr John Peel: Mr Chairman, ladies and gentlemen,—I should like publicly to offer my thanks to the board for their expression and confidence in electing me to the highly honourable position of vice-chairman of this great company, and I do trust that they may never have cause to regret the appointment they have made. With regard to the dividends, there are one or two considerations which have to be taken into account when you are proposing the ordinary dividend. There are two different classes of shareholders. There is the one who asks for every penny that can be scratched out of the profits of the year, and thinks, rightly or wrongly, that they are very much safer in his pocket than in our coffers. Well, we have tried to provide for him in a way I will speak of a little later. But there is another class who would like to regard their shares as a kind of Consols, only showing a higher rate of dividend, and as shares upon which you may reckon upon getting a sort of fixed dividend, slowing increasing as years go on, but not decreasing—who prefer not to get 20 per cent. one year and 6 per cent. in another. And for them we have provided by the establishment of this fund, which we shall not hesitate to use in cases of need. If it had gone to the ordinary reserve I and most of my colleagues would have been very reluctant indeed ever to bring it out again, except, perhaps, for distribution of share bonus. But this fund we shall not hesitate to use for equalising dividends in case of need. One matter I might just mention is that this is the second best rate of dividend that this association has ever proposed or paid. There was one year, 1920, when they paid 20 per cent., and, of course, 12½ per cent. seems rather a fall off from that. But you have to realise that at the same time that they proposed the 20 per cent. they also made an issue of £1,225,000 in new ordinary shares; with the result that the distribution for this year, if you pass it, will on the ordinary shares absorb £469,356, whereas it only took £490,000 to pay the 20 per cent. in that year, a difference of only £31,000 all told. Having just said that, Mr Chairman, ladies and gentlemen, I have great pleasure in seconding that the dividends as set out in the report of the directors be adopted.

The Chairman: I am going to call upon Mr J. B. Walker to support that resolution.

TRIBUTE TO CHAIRMAN AND EXECUTIVE BOARD.

Mr J. B. Walker: Mr Chairman, ladies and gentlemen, I have been at these meetings for the last 25 years, but I have been privileged in addressing my fellow shareholders on all previous occasions from the body of the hall. This is really the first opportunity I have had to thank you for confirming my appointment to the board, and I thought it would not be an unfitness occasion to give my experience of how the undertaking is conducted. My reason for doing so is that most of my colleagues on the board here are practical men who have been successfully conducting our various mills. I have really been appointed by the board as a shareholders' representative, and I would like just to tell you in the first place, as some of you are aware, that this association is conducted almost entirely by the executive board. It consists of our chairman, of Colonel Brocklehurst, of Mr Peel, our vice-chairman; Mr Howarth, our managing director, and of Mr Bellhouse and Mr Rahr. It is really due to those gentlemen that you have had the wonderful results presented to you to-day by Mr Lee. I call them wonderful results considering the times, and I am sure you will agree. It is to the initiative and business ability of these members of the executive board that the result is due. But you must not think for a moment that they are an autocratic body, for they take everything to the rest of their colleagues as a consultative board. These gentlemen are in weekly and daily association with the executive board through the managing director and the chairman, and they are consulted on almost every detail of the business. Then we meet periodically, and after that the deliberations and results of all these meetings and decisions and initiative are submitted to the general board. Everything done by the association, so far as finances and expenditure is concerned, is submitted. I very much question that even in a private concern one partner would consult another in the way the executive board consult the consultative committee and the general board. There is not a £5 note given to a local charity without an opportunity of discussion and criticism by every member of the board. In fact, everything is open. We can see it day by day.

CHAIRMAN'S COMPLETE KNOWLEDGE OF AFFAIRS.

And I do not think that at any time in the association's experience, and during the whole of these 25 years, there has been a better chairman. He is conversant with the statistics of every little bit of the business done. If you were to drop on the chairman to-morrow and ask how we were situated as regards the proportion of cotton in relation to yarn consumed, he would tell you. If you asked what was our position with regard to sales or turnover in France, or Germany, or Nottingham, or Scotland, I can assure you that you would find the statistics of all of these things complete, so

that you would get your answer right away. I went in one day to give a notice before a board meeting. I said: "I am going to give you a couple of days' notice about a question I am going to put before the meeting; I am going to ask you the amount of money invested in one of our particularly large outside investments. I am going to ask you what is the capital value of that investment to-day, what was the profit last year, and what has been the average profit since we first invested our money." He said: "You can ask the question at the board meeting if you like, but if you will wait ten minutes I will give it to you now." That is an illustration of the complete control of the managing director and chairman. There is no room for mistakes. I would just like to add that I do not think that at any period of the association's existence have we been more fortunate than at the present time in the chairmanship of Mr Lee. I can assure you that he devotes all his time to the business. Personally, I think he ought to take a good deal more leisure. A business friend asked me the other day: "How can you get away twice a week, shooting?" I said: "I cannot get away; I go away." One of the great reasons why I think this board is successful, and will continue to be successful, is the harmony which exists among all the units, and in that respect Mr Lee contributes to a remarkable degree. Now, I won't trouble you any more. I will only say that if we get as good trade, I assure you, as a representative of the board, we will give you as good dividends.

The resolution was carried unanimously.

RE-ELECTION OF RETIRING DIRECTORS.

The Chairman: Now we have a resolution for the re-election of the retiring directors, and I am going to ask Mr William Howarth to move that.

Mr William Howarth, who was received with cheers, said: Mr Chairman, ladies and gentlemen,—Before moving the resolution committed to my care, I should just like to express my thanks to you for the manner in which you have voted the money for the welfare fund and the pensions fund, because I am quite sure that your practical directors—I mean those who have the management of the mills—will appreciate your action very cordially. This welfare fund will assist them in their work. There are times when work-people are not well and yet remain at their work. That is done, as a rule, all through the industrial world. Your directors, however, have suggested a way whereby this particular emergency may be met, and as a consequence I am sure we shall get better and more real work from the people employed by us. And in connection with the pension fund, it must be clearly realised by you all that there comes a time in the affairs of most workmen when they feel they cannot continue to give full service to the machine they tend. Your directors think, and you support them in their view, that it is to the interest of this association we should have full work from every machine, and that when a man has arrived at such a stage that he cannot give that attention to his work which he formerly gave, he should not be compelled through lack of funds to remain at his work, to his own loss and to our detriment, but should have a stand-by which will enable him to serve his own purpose and ours as well. I am hoping that in years to come we shall arrive at a point when a man, arriving at 68 or 70 years of age, will automatically, if he claims it, be placed on this pension fund. At the present time we have to confine its use to those who have served us for 30 years and are physically disabled, but I hope that a time will come when, as I have said, a man will automatically pass on to the fund at a given age. I thank you for the way you have voted the money for these funds. It shows you are of the same opinion as myself in this matter. I now move: "That Messrs H. W. Lee, R. W. Bennett, A. W. Bramall, John I. Higson, Edwin Oliver, H. Ross Marsden, and James Taylor be and they are hereby re-elected directors of the association." I need not paint the virtues of those gentlemen. With most of them you have been acquainted for years; they have been managers of mills, or associated with the work of the Central office. Our chairman heads the list, and I am sure his lucid exposition of the affairs of the association this morning tells you automatically that he puts energy and interest in his work all the time to the fullest extent. I desire to associate myself with the remarks of Mr Walker on this point, and to say that I think this association is exceptionally fortunate in having as chairman a gentleman like Mr Lee, whose whole energy, thought, and great capacity are directed to a line of action which promotes the welfare of this association. With regard to the other directors, whose names I have read, I need not describe them in detail. Each one has been a successful manager of one or another department of the association's work. They are all good fellows; our interests are their interests. They are working in our interest all the time, and I am quite sure I may commend this resolution to you without any fear of a dispute in regard to it.

The Chairman: I call on Mr Vernon Bellhouse to second the resolution.

Mr Bellhouse: I have great pleasure in seconding the resolution.

The Chairman: Ladies and gentlemen, I will now put the resolution. Those in favour say "Aye." To the contrary? The resolution is carried unanimously.

ELECTION OF AUDITORS.

Mr G. St. Clair Robertson: I have pleasure in moving:—"That Messrs Edwin Guthrie and Co., chartered accountants, of 71 King street, Manchester, be and they are hereby appointed auditors of the association until the next ordinary general meeting of the association, and that they be paid the sum of £1,500 as remuneration for their services, inclusive of out-of-pocket, travelling, and hotel expenses."

I do not think any words of mine are needed to commend this resolution to the shareholders. Messrs Guthrie and Co. have been the auditors to this association since its formation 26 years ago. I therefore submit the resolution with confidence.

Mr. Fred. A. Tomlinson: I have great pleasure in seconding the resolution.

The Chairman put the resolution, and it was passed unanimously.

THANKS TO THE CHAIRMAN.

Mr A. Linney Arnold: I beg to move the following resolution—"That the thanks of this meeting are due and are hereby tendered to Mr H. W. Lee for the ability and courtesy with which he has presided over this meeting." I feel sure, ladies and gentlemen, this is a resolution which you will carry with enthusiasm. I have attended a good many shareholders' meetings, but I do not think that I have ever gone from one as I shall go from this one, feeling that I knew so much about the affairs of the company as I do after listening to the very able speech of our chairman and the speeches of his colleagues on the board. Mr Lee has taken a position which was held with very great credit by his predecessors, but he has, I am quite sure, by his conduct at this, his first meeting, as chairman of the association, taken a place in the feelings of the shareholders which is second to none. We are very thankful indeed to him, and I think I am voicing your thanks, as well as my own, when I say we thank him for the ability and courtesy with which he has presided over this meeting. I should just like to say one further word, for though that is the exact wording of the resolution put into my hands, I take it that this resolution has a wider significance. I think it is intended to convey to the vice-chairman, and the executive, and to the board, and also to the staff, the thanks of the shareholders for their work during a very difficult year. The cotton trade generally has been—really, I think, the only simile I can give is that it has been very like the weather, very indifferent. We have all been hoping and expecting better things. But in spite of unfavourable conditions the association has had a good year. I speak subject to correction, but I believe this has been the second best year in its history, and that in a difficult period. Now there must be great ability to produce a balance-sheet like that which has been put before us this morning. For your services we tender you our grateful thanks, and so I have great pleasure in proposing this resolution.

Mr W. T. Stubbs: I cordially endorse everything Mr Arnold has said, and I have great pleasure in seconding the resolution.

Mr Herbert Knott: I support this resolution with especial pleasure, because it was my pleasure and privilege to occupy a seat next to Mr Lee in the board-room for the first six or seven years of this association. I can most emphatically testify to the truth of the statements which have been made from the platform as to Mr Lee being an extremely keen and enthusiastic worker. I feel sure, we, as an association, are to be greatly congratulated upon his filling the position to which he has been elected, and I feel sure that our interests as shareholders will be perfectly safe in his hands, and that he will very worthily maintain the traditions of chairman of this association.

The resolution was carried with renewed applause.

CHAIRMAN'S ACKNOWLEDGMENT.

The Chairman, who was again cheered on rising to reply, said: Mr Arnold, ladies and gentlemen,—I feel that it is quite impossible for me to tell you how grateful I am to the proposer, seconder, and supporter of this resolution for the very kind and very flattering things they have said about my work on the board, and to you, ladies and gentlemen, for the cordial manner in which you have passed the resolution. I would also thank Mr Walker especially, as Mr Walker told us he intended I shall work less. But I would remind Mr Walker that it is possible that I shall get more interest and more pleasure out of helping in the work of this association than he does out of his shooting. I am very conscious, ladies and gentlemen, that the post of chairman of this association is one which any man, whatever his position or whatever his ability, may be proud to possess. I assure you I realise to the full both the honour and the responsibilities of the position, and I shall do my best to live up to them. I should like to thank Mr Arnold, especially, for carrying on this vote of thanks to the executive, the board

and the staff. This vote from you should be carried annually in this manner. Personally, I am enormously proud of my board and staff, and, indeed, of practically every worker in the Fine Spinners, and it is a great pleasure to have once a year from you the knowledge that you realise how every one of those people have worked for you. Ladies and gentlemen, this is a great concern. It is not a one-man concern, and must never be allowed to become a one-man concern. As you have it now, everyone on this platform, pulling his weight, and doing his best, I think you will find we shall not go very far wrong. I thank you again.

The meeting then terminated.

GUARDIAN ASSURANCE COMPANY, LIMITED. SATISFACTORY RESULTS—INCREASED DIVIDEND.

The annual meeting of the Guardian Assurance Company, Limited, was held, on the 30th ultimo, at the head office, 68 King William street, London.

The Hon. Evelyn Hubbard, chairman of the company, presided.

The general manager and secretary (Mr George W. Reynolds) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, and after welcoming the proprietors in their new building, said: In the life department we have granted 1,442 new assurances, a lesser number than in 1921 by 60 policies, and the net new sums assured, at £1,109,064, are less by £139,391. The premium income is £442,046, against £429,955, an increase of £12,191, and the net income from interest (£191,025) is £18,636 more than in 1921. The consideration for annuities granted is £14,709, against £6,260. The ratio of total expenses of management to premiums is £13 6s 4d per cent., a slight increase of 15s per cent., but still very moderate. The life fund, including the investment reserve fund, amounts to £4,547,020, an addition in the year of £245,177. We say again in the report—as in each of the three years of the current quinquennium—"there has been a substantial profit from mortality." So far as we have travelled, the bonus prospects are bright, and we can look forward with some confidence to the valuation to be made at the end of 1924.

FIRE DEPARTMENT.

The net income from fire premiums, £964,199, is less than in 1921 by £49,535, and the net losses £521,331, against £550,109, or approximately the same ratio as in 1921 (54.07, against 54.2 per cent.). The total fire expenses are £2,681 higher than in 1921, and on the lower premium income the ratio is 2.39 per cent. higher. The receipts from interest are approximately £9,000 better, and there is a second item of interest, £16,712, on ex-enemy debts recovered in 1921. By the reduction in our liabilities, £24,500 is set free, and credit is taken in the reserve for unexpired risks. We deem it prudent, however, fully to maintain our reserves, and we have, by adding £40,000 to the general reserve, brought up our total fire reserves by £16,000 to £1,142,500. After these and other ample provisions for bad debts and loss in exchange, we transfer to profit and loss from the fire department £50,206, against £71,798 a year ago.

In the fund which under our articles is called the Accident Burglary and General Assurance Fund we include all those various classes of insurance other than life, fire, marine, and redemption assurances. The surplus in the accident fund is £103,639, but, as in the fire, we deem it prudent to maintain the total accident reserve, and to make up for the £20,000 released from the reserve for unexpired risks by adding £20,867 to the general reserve, rounding it off at £140,000, and leaving the total accident reserve at £354,500.

MARINE DEPARTMENT.

We have closed the 1921 marine account by transferring £13,620 to suspense for claims which may arise on the 1921 account and previous years. There is accordingly an underwriting profit on this closed account of £10,322. The premiums in 1922 are £123,121, against £153,679 in 1921. The first year's settlements—that is, 1922—amount to £16,258, or only 13 per cent., as compared with a corresponding first year's settlements of 20 per cent. The open account appears, therefore, to promise well. The income from interest is £15,607, and £22,901 has been transferred to profit and loss, leaving the fund at the end of the year at £314,006.

While we retain our investment reserves, we can look forward with complacency to a general revival in industries, though the revival may again cause a fall in the values of securities such as we hold, and for such contingency we have in these funds most ample provision.

PROFIT AND LOSS.

In the profit and loss account the aggregate of the transfers from the trading accounts is £155,564, or £27,640 less than a year ago, but this difference is largely offset by augmentation of the fire and

accident funds. We again transfer £10,000 to staff pensions fund, which now amounts to £54,162. We carry out of profit and loss £167,758, and if you confirm our recommendation as to dividend, we shall carry forward in profit and loss £104,933, against £122,629 a year ago. We propose an increase in the dividend on the ordinary shares of 1s per share, subject to tax at the average rate in 1922 of 5s 3d. The dividend now declared is wholly provided from interest accruing during the year, and this justifies us in asking you to approve not only the increase in the dividend, but also the augmentation of the reserve funds, from the investment of which the dividends are derived.

The report was unanimously adopted, and the dividends recommended were declared.

The retiring directors and the auditors having been re-elected, a vote of thanks to the chairman, directors, secretary, and staff terminated the proceedings.

NITRATE PRODUCERS' STEAMSHIP COMPANY, LIMITED.

HEAVY BURDEN OF TAXATION.

LABOUR PARTY AND BRITISH CREDIT.

The annual general meeting of the Nitrate Producers' Steamship Company, Limited, was held, on the 31st ult., at 20 Billiter buildings, London, E.C., Sir John Latta, Bart. (the chairman of the company), presiding.

The secretary (Mr James A. Walker) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said that the past year's profits were below the company's previous records, but, in view of prevailing conditions, he thought they must be regarded as satisfactory. Taxation for the year exceeded the gross profits by £18,000. During the last seven years they had paid over £1,000,000 in taxation, or over 90 per cent. per annum on their capital, which, he would imagine, must constitute a record. The shipping position generally had, in his opinion, never been worse, and he could detect no signs of any improvement in the immediate future. Our commercial troubles were put down to adverse foreign exchanges and the general upheaval consequent upon the war. These accounted for a good deal, but were too often quoted in order to cover up serious defects in our economic system. The very atmosphere was charged with the antagonism of labour. Leaders confined themselves to selfish criticism of those who were trying to relieve unemployment by finding trade, but they did not lift a finger to assist. That our country was as prosperous as it was he could only ascribe to our unswerving financial rectitude, to the balancing of our Budget, and to the strict observance of every home and foreign obligation, thus maintaining our high reputation as the world's safest monetary centre. That unique financial position was about the only national bulwark which the Labour party had so far been unable to destroy. Unfortunately, it had its eye on that, as Mr Ramsay Macdonald had asserted that if his party got into power a capital levy would be introduced.

CAPITAL LEVY AND TRADE.

Accountable to the automatic influence which the trend of money had on trade, we had become to a great extent the world's clearing-house, as well as a centre from which many businesses in countries beyond the control of our Government were managed. All that trade, with its attendant profit, would disappear before a capital levy like snow in summer. So sensitive was international capital that interests which the levy would not even touch would suffer through sheer nervousness on the part of operators. Had Labour offered to face world's competitive prices in an heroic effort to create the wealth that would admit of our debt to America being rapidly paid off—the yearly charges on which represented a far greater strain on the nation than the obligations attached to the £3,000,000,000 owing to ourselves—it would have shown some sagacity. Any half measures, however—which the proposed extinction of only £3,000,000,000 out of £8,000,000,000 represented—were more likely to lead to national bankruptcy than anything else. The operation would bring the good faith of Britain into question, while the withdrawal of so much credit would affect the cash in the till and bank balances of every trader. Under such conditions, it followed that to extinguish the £5,000,000,000 still remaining would be a far more formidable task than that which the total debt represented with our credit unimpaired; in fact, Mr Macdonald's remedy might be compared to a tradesman who sold his tools to pay part of a debt he owed. As the fallacies of a capital levy were so apparent, he could not refrain from believing that the Labour party had not the real interests of the country at heart at all. A Royal Commission should be appointed to thoroughly investigate the real influence of so-called trade unionism on the life of the community.

Mr Robert A. Lowther seconded the resolution, which was carried unanimously, and the usual formal business terminated the proceedings.

ROYAL INSURANCE COMPANY, LIMITED.

A SUCCESSFUL YEAR.

INCREASED DIVIDEND.

CURRENT YEAR'S PROSPECTS.

The seventy-eighth annual general meeting of shareholders in the Royal Insurance Company, Limited, was held on Monday, May 28, 1923, in the board room of the company's head office building, No. 1 North John street, Liverpool, at 12 o'clock noon.

Mr Thomas Woodsend (chairman of the company) presided over a large attendance of directors and shareholders.

The Chairman: Ladies and Gentlemen,—I presume it will be your desire to take the report and accounts as read.

The year under review has been an uneventful one in regard to the personnel of your board, and so, without preliminaries, I proceed to enlarge upon the results of the year.

FIRE DEPARTMENT.

In dealing with the fire account, the first point which invites comment is that the premiums have been practically maintained at the 1921 level, there being a drop of only some £1,200. There has really been an appreciable increase in what I might call the ordinary fire premiums, and the fact that we show a slight decrease is due to the falling off in demand, chiefly in this country, for cover against damage caused by riot and civil commotion. This evidence of a more settled condition of affairs more than reconciles us to the loss of revenue which it has entailed. It is gratifying to note that our losses are down by £320,000, as compared with last year, the percentage to premiums having fallen from 58.19 per cent. to 53.28 per cent. Again, we have had a heavy loss experience in the United States, from which country we draw a large proportion of our fire premium income. All reports indicate, however, more prosperous times in that country, and we have every reason to believe that when conditions there have fully readjusted themselves our business will again revert to a normal profit-yielding basis.

REDUCED COMMISSION AND EXPENSES.

Commissions and expenses taken together show a reduced percentage of 40.77 per cent., as compared with 41.11 per cent. a year ago. The reduction is slight, but is welcome as showing a tendency in the right direction. As regards expenses of management, it is some little satisfaction to your directors to be able to show a decrease of fully £100,000. By no means the least of the problems which confront us is to bring about a reasonable reduction in expenses without endangering efficiency; and you will realise that a large proportion of these is paid in salaries, the increase in which as compared with pre-war days has necessarily been very great, representing practically 3 per cent. on the total amount of premiums. It is, however, our aim to hold an even balance between the interests of the shareholders and the aspirations of the staff, believing that the welfare of the company can best be assured by a body of officials working in reasonable contentment. This question is one to which your directors and officials are always alert, and no effort is or will be spared to keep expenses down.

STRENGTHENED FIRE FUND.

You will observe that we have now brought into the fire account the whole of the £1,000,000 which remained in the reserve fund. This course is consistent with our policy in the past of strengthening the fire fund. The condition of the other accounts is now so strong that we feel all reasonable requirements are met by the specific funds allocated to each, and it therefore seemed to us appropriate that this reserve fund, which would always in effect have been applicable to the fire department, and has been coupled with that department in our announcements, should now be effectively incorporated in the fire fund. You will see that the total fire fund this year is within measurable distance of being equal to the year's premiums.

Taken as a whole, we think the result of our fire department affords ample ground for satisfaction, showing as it does a profit of £382,000, equal practically to 6 per cent. of our premium income.

LIFE DEPARTMENT.

Our life department pursues its steady course of prosperity, and we are very satisfied with the total of new business transacted, which at £3,687,181 in sums insured, exceeds by £10,000 last year's total. In a year of commercial depression, when the tendency all round is to curtail rather than expand personal expenditure of all sorts, the large amount of new life insurances secured shows the hold which this form of thrift and investment is gaining in public esteem.

FIFTY-FIVE YEARS' BONUS RECORD.

There has been a considerable movement on the part of other life insurance companies in the direction of declaring bonus additions to policies for the whole or part of the war period during which these companies had been obliged to suspend their bonuses. You will understand, however, that there is no occasion for us to consider any steps in that direction, as we took the somewhat exceptional course of continuing to declare at our quinquennial valuations at the end of 1914 and 1919 the same rate of bonus as had been declared for each quinquennium since 1864, and it is a matter of some satisfaction to us to know that the course of events has fully justified the optimistic view we then took of the future trend of financial conditions. We feel naturally some little pride in having maintained unbroken the tradition of a stable bonus during 55 years.

MARINE DEPARTMENT.

In my remarks last year I referred to the difficult times experienced by the marine market during the year 1921. I regret that during the year 1922 conditions remained unfavourable, as values of ships and cargoes continued to fall, and rates of premium under stress of severe and sometimes reckless competition fell in many cases below a paying basis. Also, the volume of the business offering was seriously affected by the depressed condition of trade, large numbers of vessels being laid up. But, fortunately, there are now signs of an improvement in the employment of steamers, and in the shipment of goods.

We think it is a matter of congratulation that our underwriters in Liverpool, London, and New York, and their colleagues elsewhere, by careful discrimination in selecting business, have been able to show an underwriting profit on the closed year—viz., 1921—of £68,000 after making ample provision for possible future claims.

While the 1922 premiums show some reduction on previous years, this was only to be expected, owing to the conditions referred to, and also to the necessity of our underwriters declining business offered at what they considered to be unremunerative rates. It is satisfactory to be able to report that the first year settlements for 1922 are light, in comparison with previous years.

ACCIDENT DEPARTMENTS.

Our personal accident department shows a trifling loss on the year's operations, disappointing but of no consequence, and merely a transitory condition.

Our workmen's compensation premiums show a large shrinkage, amounting to nearly £100,000. This, of course, was inevitable, and may be considered as a not unexpected reaction from the abnormal conditions which prevailed, due to the exceptional standard and amount of wages which were being paid for some years previously. Claims are heavier, and commission and expenses, though lower in amount, are slightly increased in percentage, owing to the smaller premium; but there is a profit of £71,104 remaining, which, together with the interest, has enabled us to transfer £100,000 to the profit and loss account, leaving the additional reserve practically equal to that of the previous year. It will not have escaped your notice that considerable attention is being directed to the question of workmen's compensation in the House of Commons, and a new Bill is at present before Parliament which will materially affect the operations of all insurance companies in this department.

GENERAL INSURANCES ACCOUNT.

In the general insurances account, which includes workmen's compensation and employers' liability insurance outside the United Kingdom and all the miscellaneous classes of business we transact at home and abroad, the bulk of the income is obtained by our allied company, the Royal Indemnity Company of New York, although an important and increasing element is provided by motor-car insurance in this country. The total result of the account is not so good as last year, in so far that while the premiums have increased by £71,000, claims have increased by £275,000. The net result is a profit of £78,417.

The Royal Indemnity Company has not done so well as in previous years, and has also had to face administrative changes, which, though temporarily unsettling, in no way affect the well-being of the company, and we look forward confidently to a continuance of its prosperous career. A second company, called the Eagle Indemnity Company, has been formed to operate in the United States casualty field, in the nature of what our American friends call a "running-mate" to the "Royal Indemnity," and we confidently anticipate that the new company under the able administration and control of the officials of the older concern will fully justify the step which has been taken.

PROFIT AND LOSS ACCOUNT.

I now turn to the profit and loss account, which this year contains one or two items on which I would like to make a few remarks. In the first place, you will notice that our net income from dividends and rents in this account is £51,000 more than in 1921. This increase, of course, arises in part from the reduction in income-tax which has been in operation during 1922, and you will no doubt appreciate that the expansion of our interest revenue (apart from the income-tax deduction) slowed off during the past few years owing to the reduction in the amount of our marine fund, which, due to the rapidly declining income, has been a diminishing quantity, and thus has operated to offset in some degree the enhanced interest earnings from other funds.

The dividend which we have received from the Liverpool and London and Globe is again included in our interest item at the same rate as last year. Whilst the results of that company's operations have not yet enabled them to declare an increased dividend, we have every confidence that their accounts will show a continuing improvement, and in time bring about a corresponding increase in the return from our investment in their shares.

APPRECIATION OF SECURITIES.

The three items of transfer from fire, marine, and employers' liability accounts represent the normal operations of the year, and they do not call for any special comment. The transfer of £400,000 from the General Contingencies Fund, however, is of a special nature, and it is well that I should explain to you what is in the directors' minds in this connection. You will remember that when I addressed you twelve months ago I was able to tell you that at that date the appreciation of the value of our Stock Exchange securities was sufficient to set free entirely the general contingencies fund which had been created to meet the general depreciation. Since that time the upward trend of the markets has continued, and I am able to say that the market price of our securities to-day shows a very marked appreciation beyond the values at which they appear in our books. The depreciation which appears at the end of our balance-sheet this year is without any qualification in regard to the general contingencies fund, and I think you will all share the satisfaction which we feel in being able to record this happy change from the long and troublesome years of depreciation. It does not, however, seem to your board that conditions in the world generally have reached a sufficient degree of stability to warrant them in disposing entirely of the general contingencies fund, although it is no longer required for its original purpose. When we consider the vast areas in Europe which are still in a turmoil of social, financial, and political unrest, and while we have no desire to take a pessimistic view as to the future, still the presence of the danger spots to which I have alluded seems to make it necessary to act with caution, and with that view we have determined to make only a partial disposal of the fund just referred to. We, therefore, transfer £400,000 to the profit and loss account, leaving the surplus of £1,200,000 still at the credit of the General Contingencies Fund.

REDUCED SHARE LIABILITY.

We gave very careful consideration to the manner in which this £400,000 should be utilised, and finally came to the conclusion that the most appropriate way in which to allow the shareholders to benefit therefrom was to utilise a proportion of the amount in crediting an additional 5s as paid-up on the shares of the company.

The first item on the credit side of the account shows the amount paid and provided for the dividend, and you are aware that we are recommending to you an increase from 11s to 12s in the final payment, making a total distribution for the year of 23s. The proposed further increase of 1s in November will bring the total to 24s. I need hardly say that it is always a matter of very great satisfaction to your board to be able to ask you to sanction an increase in dividend.

The item of £279,971 represents the amount necessary in connection with the 5s per share increase in paid-up capital which I have referred to, and we have temporarily placed it to a special fund in anticipation of your approval of our recommendation.

TAXATION BURDENS.

The provision for income-tax and corporation profits tax is £50,000 more than it was twelve months ago, but you will remember, of course, that in 1921 we had the benefit of a large refund of excess profits duty. In common with the commercial world generally, we welcome the reduction in the rate of income-tax which this year's Budget promises, and accept it as an augury of better things in store, and we are very hopeful that little by little this heavy burden will be lightened, although it must be recognised that the fixed charges on the National Revenue left by the war will prevent, for many a long year to

come, any return to the low rate of income-tax to which we were accustomed prior to 1914.

You will have observed that in the Finance Act which is being introduced to Parliament, provision is made for an alteration in the income-tax Acts in respect to life assurance companies. On previous occasions, in speaking to you on the subject of taxation, I have referred to what we consider the inequity of the method by which our life department operations are taxed. Many representations have been made to the Government on behalf of the life offices, and the alteration which has now been suggested is, in a manner, the outcome of these representations. I am sorry to say however, that the practical result, so far as we are concerned, will be a negative one, because while certain companies may benefit, so far as we can see we shall still be subject to the existing method by which we are charged income tax on all the interest earnings of the life department less expenses, a basis against which we shall continue to protest, with the hope that we may ultimately be able to convince the authorities of the justice of our contentions.

The absence of any appreciable increase in the revenue of any of our underwriting departments obviated any necessity for the transfer of any special amounts to supplement the reserves in these accounts, and your directors have, therefore, taken advantage of the opportunity so afforded to write off a further amount from the cost of businesses acquired, and you will see that £300,000 has been transferred from the profit and loss account accordingly. We feel confident that the shareholders will endorse our action in this measure, which prudence dictates as a desirable course to follow, although we are satisfied that the amounts at which these businesses stand in our books are below their intrinsic values.

The transfer to the superannuation fund is on the same lines as last year, and the balance of £710,621 in profit and loss carried forward is some £42,000 more than the previous year.

INVESTMENT POLICY.

I do not know whether you have taken any interest in the controversy which has been going on partly in the Press, but mainly in the speeches made by the chairmen of some other insurance companies, on the subject of the most appropriate form of investment policy to be followed by the boards of insurance companies. Into that controversy I do not propose to enter, but I should like to say that in so far as your board is concerned our duty as we understand it lies in the investment of the funds of the company in securities which offer unquestionable guarantees for the safeguarding of the capital sums involved, with the highest interest yield compatible with that primary requirement. While we shall neglect no reasonable opportunity of changing an investment when an occasion presents itself for doing so advantageously, we consider that deliberately to follow a system of investment with the object of securing such appreciation as the stock markets might afford would rather constitute the functions of the board of an investment or trust company than those of the board of an insurance company.

I would conclude by saying while the year 1922 will not rank amongst the outstandingly profitable years of our history, still on the whole I think we should be satisfied with the results achieved. The underwriting profit of 5.95 per cent. in our fire department we consider a good showing, and taking our own figures with those of our allied offices, the net result of the operations of the year—other than life—after providing for all outgoings, including Imperial taxes and payment of the year's dividend, shows a remaining balance of about half a million sterling.

CURRENT YEAR.

As regards the prospects of the present year, I am glad to say that increasing commercial and industrial activity is producing a somewhat increased volume of premiums, but I am not able to speak of any improvement in the loss ratio. The early months of the year in the United States witnessed a continuation of our heavy fire loss experience there, a contributory cause being a long spell of severe weather, which always leads to extra heating and produces an increased number of claims. These circumstances have been enhanced this year by the fact that through the upheaval in the coal mining industry in the United States it has been necessary to use a combustible of a different kind to that for which the ordinary American heating apparatus is devised, and numerous fires have arisen from this cause. These, of course, are merely passing phases.

I have now pleasure in moving the first resolution, which is as follows:—"That the report of the directors be approved and adopted, and that a dividend of 12s per share, less income-tax, be payable on or after Tuesday, the 29th instant, making, with the interim dividend paid in November last, 23s per share, less income-tax, for the year 1922."

Mr W. R. Glazebrook (deputy-chairman) seconded the motion. The motion was carried unanimously.

The retiring directors were re-elected, Messrs Harmood, Banner and Son re-appointed auditors, and a vote of thanks to the directors of the company and to the London board, also to the members of the company's local boards, and to its officers and agents at home and abroad, and to the boards of directors and officials of allied companies, for their valuable services during the past year, was carried with acclamation.

At the conclusion of the annual general meeting an extraordinary general meeting was held, at which, on the proposition of the Chairman, seconded by Mr H. M. Beausire, deputy-chairman, resolutions were passed approving of the directors' recommendation whereby the amount paid up on each share of the nominal value of £5 is increased by 5s to £1 10s, leaving £3 10s uncalled.

GRESHAM LIFE ASSURANCE SOCIETY, LIMITED.

LARGE VOLUME OF NEW BUSINESS—REDUCED EXPENSES.

BUSINESS IN ITALY.

The seventy-fourth ordinary general meeting of the Gresham Life Assurance Society, Limited, was held, on Thursday, May 31st, at the chief office of the society, St. Mildred's House, Poultry, London, E.C., Sir Reginald Macleod, chairman of the society, presiding.

The general manager and secretary (Mr Alexander Lawson) having read the notice convening the meeting and the report of the auditors,

The Chairman said: Gentlemen, I would refer you in a word to the sentence in our report indicating our sorrow at the death of our late colleague, Mr C. C. Macrae. Only a year ago he was present at our meeting, and addressed us in a vigorous speech. He had given us 24 years' service—arduous and devoted service—and I am quite sure that you on your side of the table, as we on ours, greatly regret and mourn his loss. In laying before you the report and accounts for 1922 there are many features for congratulation.

NEW BUSINESS.

4,265 policies have been issued, assuring a sum of £2,198,396, carrying a new premium income of £104,507. These large totals have been attained notwithstanding the entire cessation of business in Italy and certain other branches. In 1912 the Italian Government passed a law reserving at the end of ten years all new assurance business to a Department of State. Our choice lay between winding-up the business on our books—a very costly process in a country where expenses have considerably risen in sympathy with the fall in exchange—or in accepting an offer from the National Insurance Institute of Italy to take over and liquidate all our liabilities in that country against an equivalent surrender of Italian securities. While regretting that a business established by many years' hard work should be brought to an end by what we cannot but regard as an arbitrary act of Government, we consider the terms ultimately agreed upon were distinctly advantageous to the society. I would refer you to an entry in the first schedule, entitled assets surrendered in respect of the cession of the society's Italian, Austrian, and Polish business, £141,726 against liabilities. The Austria here referred to is the smaller Austria constituted under the treaty. The society's business in Hungary was ceded the previous year, and negotiations have been in progress, and are now nearing completion, for a like cession of liabilities and proportionate assets in the remaining States carved from the old Austro-Hungarian monarchy. The total carved from the old Austro-Hungarian monarchy. The total income of the year amounted to £1,101,728, being an increase over that of the previous year of £34,368. The death claims required a sum of £231,321, being a decrease of £24,738. The mortality has been favourable, amounting to no more than 73 per cent. of the amount expected, which contrasts with 78 per cent. in 1921. As I have previously stated, our mortality during the war years was within expectation, and during the three years now elapsed of the current quinquennium the mortality has been progressively satisfactory. Our quinquennial valuation will take place at the close of next year, and, while the possibility of political and financial disturbances precludes any attempt at forecast, I am safe in saying that the indications up to to-day are entirely favourable. The claims on matured endowments were met by a charge of £259,113, being a decrease of £67,440 as compared with 1921.

THE ASSETS.

The assets as shown in the balance-sheet amount to £6,802,325, an increase on the previous year of £119,216. I am glad to be able to report the material reduction in our expenses of nearly 4 per cent. It is true that our expenses are still at a high figure, but this has been explained in previous reports, and arises largely from the depreciation of foreign currencies and the consequent increased cost of living abroad, as expressed in those currencies—which we hope is a passing phase—and also, to some extent, from the continued large proportion of new business to the renewal income. The improvement towards the normal this year is substantial, and no effort is being spared by the board and the management to reduce expenditure in every direction, although care requires to be taken not to impair the society's organisation, which, as the new business figures indicate, is in a thoroughly healthy condition. It must also be borne in mind in this connection that for a very large volume of the society's business the rates of premium charged are higher than those obtaining in this country. The rate of interest realised upon our funds reached the satisfactory figure, after deducting income-tax, of £4 7s per cent. Our investments are most carefully selected, and frequently checked by a committee of the board, and the improvement from £4 5s 1d last year to £4 7s is in every way gratifying. The problem of investment of life assurance funds has been much discussed of late. Safety of capital is the first and obvious essential, a good rate of interest so as to give as large a margin as possible between the adopted rate and the actual return is eminently desirable, and I lay some stress on the avoidance, as far as possible, of fluctuations by the selection of securities amortisable at various dates, as this must add to the security of the position. In that respect, we hold a very strong position in having a large volume of amortisable securities. Turning to the balance-sheet, there is not a great deal to which I need direct your attention. Loans on the company's policies now amount to close on half a million. It is also satisfactory to note that British Government securities account for £1,274,000, being £220,000 higher than last year, while the amount outstanding in interest, rents and other floating assets is greatly reduced, and now stands at no more than the normal figure. I will now refer to an item of important news contained in our report—namely, the disposal of our head office property, known as St. Mildred's House, which was built for the society nearly fifty years ago. The needs of the society and our allied office—the Gresham Fire and Accident Insurance Society, Limited—have outgrown the accommodation of our present building, and there is no room for that further expansion which we foresee in the near future. An agreement for its sale has in these circumstances been entered into, which, I need hardly assure you, is one of considerable advantage to the society. The new building at 188-90, Fleet street, E.C., now in course of erection, which will be the future head office of both this society and the allied office, will be the freehold property of this society. The new premises, it is expected, will be ready for occupation by the end of the year, and will house with convenience and comfort the respective staffs of the two societies.

YEAR'S RESULTS SUMMARISED.

Gentlemen, I have said the result of the year's work has been satisfactory—a large volume of new business coming from a smaller area, reduced expenses, a healthy increase in our total income, a low rate of mortality, with a reduction of nearly 10 per cent. on the amount paid in death claims; and an increase in our assets of close on £120,000—also satisfactory, but full of difficulty—the cession of our business to the assurance department in Rome concluded, a similar cession in the several states which now make up the old Austrian Monarchy has been in some concluded, and in others is approaching conclusion; but in every case there have been anxious and difficult negotiations, involving conferences in Paris, Rome, Vienna, Prague, &c. These have been conducted under the untiring guidance of Mr Lawson, our general manager, by the actuary and his assistants, by the assistant manager and the chief accountant, to all of whom we are indebted. I should like to put on record also our appreciation of the services of the other officers and the branch managers and staffs at home and abroad, who have in no small measure contributed to the results which it has been my pleasure to place before you to-day. You will appreciate from what I have said that we look forward to the future with confidence, and I conclude by moving the adoption of the report and accounts.

Mr Courtenay C. S. Fooks (deputy-chairman) seconded the resolution, and it was carried unanimously.

The Chairman then moved the re-election of the retiring directors, Mr Laurence Currie, the Right Hon. Lord Southborough, G.C.B., and Major Walter H. Levy, D.S.O. This resolution was seconded by Mr C. H. Beadnell and unanimously approved.

shareholders in expressing sympathy with you in the fact that you are not enjoying at the present moment the best of health.

SERVICES OF THE MANAGING DIRECTOR AND SECRETARY.

Aside, however, from your experience, sir, I think we should recognise that in Mr Lane we have one of the ablest men in the country in the reinsurance business. We have in front of us to-day the result of his work. We have made money on under-writing, and very few companies have made money on reinsurance business in the course of the last few years. We have also made money on the investment side, and I do not think we should overlook what our secretary has done in looking after the investments. I can assure you that it is a great pleasure as well as a great experience for me to serve on a board under the chairmanship of Mr Colquhoun. It is also a great pleasure to me to serve on a board with such a man as Mr Lane, and, although I have been more or less associated with insurance for many years, I have learned far more than I ever thought it possible I should learn, having regard to the time I had spent in insurance, by my association with them. I assure you that I feel very proud indeed to have been identified with this company and that the company has been so successful. I think that we should not forget for one moment that the chairman, the secretary, and the managing director in particular, have brought about a condition of affairs to-day which, I think, makes all of us feel pleased and happy. I have great pleasure in seconding the adoption of the report and accounts.

The resolution was carried unanimously.

The Chairman next proposed that the final dividend recommended be approved, and that the interim dividend already paid be confirmed.

Colonel F. J. Scott seconded the motion, and it was carried unanimously.

The Chairman next proposed the re-election of the retiring director, Mr J. C. Gould, M.P.

This resolution was seconded by the Rt. Hon. the Lord Amphil, G.C.S.I., G.C.I.E., and unanimously approved.

On the proposition of Major Avern, seconded by Mr E. T. Clifford, the auditors, Messrs Baker, Sutton and Co., were reappointed.

SHAREHOLDERS' THANKS.

Mr W. R. Simpson: Gentlemen,—I should like to propose a vote of thanks to Mr Colquhoun for presiding and for taking us through the items of the balance-sheet, which, I think, the shareholders cannot but regard as being entirely satisfactory. I feel sure you would like me to include in this proposition the other directors and the staff. In this connection I should like, even at the risk of being invidious, to mention specially the valuable services of Mr Lane, whose specialised knowledge of re-insurance matters has been of such immense benefit to us, and Mr E. E. Colquhoun, our secretary, who has just returned from a trip abroad. The industry and ability of your secretary have contributed in no small measure to the success of the company.

Sir Frank Crisp, Bart., seconded the vote, and it was unanimously accorded.

THE CHAIRMAN'S ACKNOWLEDGMENT.

The Chairman: On behalf of my co-directors and myself, as well as of the staff, I beg to thank you very much for your kind appreciation of our services. With regard to what Mr. Gould was good enough to say about my services, I feel I must transfer all that to Mr Lane, and I shall ask him to thank you on his own behalf. Mr Lane is the re-insurance expert who guides your fortunes here, and I think you require no further evidence of his ability than the report which has been submitted to you to-day. So far as I can see, the company ought to have a successful future, and if there is going to be an improvement in trade, as everybody tells us there is, I think you will eventually see its effects reflected here in increased income and, I hope, better results, if possible.

MANAGING DIRECTOR'S THANKS.

Mr J. H. E. Lane (managing director): Mr Chairman and gentlemen,—I desire first of all to thank the proposer of this resolution for the far too generous and flattering terms in which he has referred to my efforts, and then to thank you for the way in which you received his remarks. I should like to take this opportunity to record my deep appreciation of the support and consideration which I invariably receive from my colleagues on the board, and in particular from the chairman, whose wise counsels at all times when difficulties arise are of the greatest value to me in the management of the company.

I should also like to take the opportunity of thanking you on behalf of the staff for the kind vote which you have passed, and also to record my appreciation of the very loyal assistance which I receive both from the secretary and from the chief officials who work under me in the organisation of this company. Once again I thank

you very much indeed, gentlemen, and I can only assure you that my efforts, as well as those of all who work with me, will be directed towards ensuring the continued success of this company; no efforts on our part will be spared.

The proceedings then terminated.

SCOTTISH EQUITABLE LIFE ASSURANCE SOCIETY.

AN EXCELLENT BONUS REPORT.

At the 92nd annual general meeting in Edinburgh on Thursday, May 31st, the president, His Grace the Duke of Argyll, occupying the chair, the chairman of the board of directors, Brig-Gen. Gordon Gilmour, of Graigmillar, in moving the adoption of the report, said:—

It is a source of pleasure to the board to be able to present to the members at this special period in the society's history a report which, without exaggeration, may be said to show very satisfactory progress in all directions.

LARGELY INCREASED BUSINESS.

In the first place, I propose to deal briefly with the principal features in the year's business. The sums assured under new policies amounted to £1,651,142, of which £124,300 was reassured with other offices, leaving a net new business of £1,526,842. This net new business is £328,262 larger than in the previous year, and is a record for the society. We have the satisfaction of being able to report this result in a year when very few other offices have been able to show improved returns.

ACCOUNTS.

The total premium income has increased by the substantial sum of £25,722 to £578,421.

The gross amount of the interest and dividends rose from £352,214 to £365,408. The average net rate of interest earned on the whole funds was £4 9s 5d per cent., as compared with £4 3s 6d per cent. in the previous year.

The net claims by death were practically the same as in the previous year, the figures being £338,000, while the claims by survivance of the assured to the specified ages amounted to £178,700. The claims by death were, as usual, well within the expectation.

Notwithstanding the largely increased business, the ratio of the total expenses was slightly below that recorded in the previous year, and was also well below the rate of expense incurred by most other offices.

The life assurance fund increased during the year by £274,960 from £6,643,494 to £6,918,454.

QUINQUENNIAL VALUATION.

The principal interest of the members is in the results of the working during the five years as disclosed by the investigation into the society's affairs.

Throughout last winter the board went carefully into the position of every investment and all securities for loans included in the society's assets. Stock Exchange securities were in no case valued at more than the middle market price (less accrued interest) on March 1st, while the great majority of the society's holdings still stand at the low prices at which they were purchased or valued some years ago. The society's funds continue to be invested to the extent of nearly 55 per cent. in British Government securities. The aggregate market value of the Stock Exchange securities shows a substantial surplus as compared with the book values.

The board have authorised the strengthening of the reserves in several directions, so that the present figures show a stronger provision in the form of reserves than on any previous occasion.

GOOD BONUS RESULTS.

The net result is that there is a surplus of assets over liabilities amounting to £688,770. Out of this sum the directors have pleasure in declaring a bonus for the past quinquennium on ordinary participating policies at the rate of £1 10s per cent. per annum on the sums assured and existing bonuses, which will absorb £584,380.

They also propose, in view of the strong position shown by the valuation, that until otherwise resolved an intermediate bonus at the full declared rate of £1 10s per cent. per annum compound be allowed in the case of policies on the ordinary participating plan becoming claims before the next investigation, whether by death or survivance.

It is important to realise that this method of distributing profits gives, as is obviously fair, a larger share to the older policy-holders than to more recent entrants. Thus, for example, while a member who arranged a policy for £1,000 five years ago will have the substantial addition of £75 made as bonus, our oldest policy-holder will have no less than £190 added to his £1,000 policy.

CENTRAL MINING AND INVESTMENT CORPORATION, LIMITED.

IMPROVED RESULTS OF YEAR'S BUSINESS.

INCREASE IN LIQUID ASSETS.

GENERAL CONDITIONS IN SOUTH AFRICA.

CRITICISM OF LABOUR'S UNSOUND ATTITUDE.

The eighteenth ordinary general meeting of the Central Mining and Investment Corporation, Limited, was held, on the 30th ultimo, at 1 London Wall buildings, London.

Sir Lionel Phillips, Bart. (chairman of the company), presided.

The acting-secretary (Mr R. Walker) having read the notice convening the meeting, and also the auditors' report,

The Chairman said:—Gentlemen,—The accounts for the past year, compared with those of 1921, show quite a decided change for the better in the position of the corporation. I shall first deal briefly with the profit and loss account. You will there see that our gross earnings have increased, roughly, by £206,000. Turning to the debit side, there is a nominal increase of £27,000 in the general expenses account, which is only in a small part due to increased outlay. The contributions to our administrative charges by affiliated companies are in some cases based on the profits earned by them and are, I think very properly, placed by us to the credit of our expenses account. These items show a falling off, as the improvement in the position of the concerns in question occurred only in recent months and has not yet benefited the accounts submitted to you. South African taxation shows a reduction, as our income in that country suffered last year from the strike on the Rand. As regards corporation profits tax, we found that we had sufficient reserves in hand from previous years to discharge the liability of the corporation up to December 31, 1922.

DIVIDEND.

The net balance carried to appropriation account has increased by, giving it in rough figures, £214,000. Subject to your consent, we have dealt with this in the appropriation account by transferring another £100,000 to the reserve fund, which we were unable to do last year. We paid our usual 6s interim dividend in December last, and now recommend a final 6s and 4s bonus, making a total distribution of £340,000—that is, 10 per cent. free of tax, or an increase on last year of £85,000. Due provision is made for income-tax and directors' additional remuneration, and the carry forward is slightly in excess of that of last year.

The improvement in our affairs, however, is by no means confined to the profit and loss and appropriation accounts, for, after writing off sums we thought prudent, we have a considerably larger reserve in the difference between our book prices and market values than we were able to maintain in the previous year, owing to the difficult times through which we passed. I may say that our values are entered, as hitherto, on the conservative side—a policy which, I am sure, shareholders will deem sound. As chairman of the corporation, I am tempted to be more expansive upon this subject, but you will agree, I know, that it would be unwise to give too much vent to optimism to-day, because we are living in an unsettled era of rapid fluctuations. This statement, in any case, I trust, will satisfy shareholders that the board of directors always holds in view future contingencies in their representations.

BALANCE-SHEET ITEMS.

Turning to the balance-sheet, I will first compare the position of the corporation this year with last year respecting liquid assets. Our liabilities have increased by £1,720,000, to which must be added £85,000 which we propose to pay as bonus, making £1,805,000 in all. In liquid assets, it will be seen, gilt-edged securities have increased by £1,225,000, debtors by £94,000, loans by £1,047,000, and cash by £257,000, making together £2,623,000, or an improvement, as far as the liquid position is concerned, of £818,000 over last year. On the general side of the business, however, other assets, partly due to realisations and partly to a healthy amount of writing down, appear in the accounts at lower amounts than last year. The differences are:—Under the head of "gold and diamond mining," £457,000; under "base metals and minerals," £139,000; under "oil, coal, industrial and sundry interests," £118,000; and under "land companies and properties," £2,000; making a total of £716,000, which, deducted from the £818,000 referred to as an improvement in liquid assets, leaves, on balance, a net increase of assets over those shown last year of £102,000, represented by the additions to the reserve fund and carry forward.

It will be readily understood as obvious that in a progressive business it is necessary to dispose periodically, and as opportunity offers, of certain accumulated assets in order to be in a position to undertake new commitments. Enterprises in process of development, especially in the earlier stages of their existence, offer greater attractions than fully developed undertakings. They involve, of course, greater risks, which have to be carefully weighed, but if one never sold, one could never buy. This applies particularly to a corporation like ours or to a company, for instance, like the Rand Mines, Limited, with which we are closely associated, and must never be interpreted as a loss of confidence in the particular investment that may have been wholly or partially realised. The Rand Mines, Limited, publish a list of their holdings, but I have always resisted requests to do so in your corporation, not because there is any reason to feel ashamed of our list, but because the public would draw unwarrantable conclusions from the changes we effect.

THE MINES.

I do not think it is necessary to detain you any longer upon figures in the accounts. I will therefore now proceed to make a few observations upon the work in the mines during the past year and the present outlook. I hope I may assume that our shareholders not only read the report of the board, but the other very interesting matter accompanying it which is provided by our two colleagues resident in Johannesburg, and by Mr A. J. Brett, our consulting engineer. The general review of the situation and the detailed synopsis of the operations of the year are so comprehensive, that I could only deal more fully with the subject by a needless repetition, or by approaching it from another angle, which would, in the event of its being a correct one, produce the same result. There are, however, directions in which further light may be shed on the lessons to be drawn from the information available and on the prospects based upon the immediate outlook. Mr Brett, for instance, in a table giving the aggregate results of the whole of the Witwatersrand mines for 1922, shows also the figures for 1921 and, separately, those for nine months' work from April 1, 1922, to December 31, 1922, but, very properly, he points out the danger of drawing conclusions by comparing alone the statistical results of any one given period with another, as so many factors, besides the mere arithmetical picture, have to be taken into account in arriving at the true respective merits of the work done.

For the nine months referred to it will be seen the average profit per ton milled was 7s 10d at standard price of gold. As working conditions were by no means settled by April 1, 1922, and therefore working costs and profits for the nine months to December 31st could hardly be deemed to have reached a normal state, I have had a table prepared drawing comparisons between the results obtained over the last four months of the year 1922 and those over a similar period in 1921, in respect of 12 of the mines with which we are associated, leaving out properties like the Robinson Gold Mines, Ferreira Deep, Knight Central, and Modder East, where the working conditions cannot be said to be quite normal.

IMPROVED EFFICIENCY.

This table throws a very clear light upon the effect of improved efficiency. The average number of men employed, white and native, above and below ground, in 1922, was 79,001, and in 1921 it was 77,986. The fathoms broken in the stopes in 1922 were 234,960, and in 1921, 192,784; the development footage 104,447, against 87,159; the tons milled 3,786,666, against 3,447,736; the waste sorted out 11.39 per cent., against 9.96 per cent.; the tons handled per native working underground per month 20.1, against 18.4; and the number of white men working underground per 1,000 tons handled per month 3.20, against 4.54.

This gives very eloquent testimony as to the improvement in work since the upheaval of last year, and, as far as I know, there is no reason why this satisfactory standard should not be maintained. The fact is that the continual agitation and unrest to which the industry was subjected up to the terrible climax so demoralised the working man that, instead of giving a fair day's work for his pay, he resorted to practices that sapped his usefulness and brought many mines to the verge of ruin. His own occupation was thus seriously imperilled. It is quite true that fewer white men are employed relative to the number of natives than before the outbreak, but the number displaced is insignificant compared with

the number that would inevitably have lost their jobs if the industry had not been brought back to a proper state of organisation and efficiency. Confidence in the labour unions has been considerably weakened owing to the troubles brought upon the general body of members by the leaders in unduly pushing up wages and reducing output during and after the Great War.

LABOUR CONDITIONS.

In the course of my recent visit to South Africa, I went down several of the mines, and, as far as I was able to judge, the men were far more contented than before the great strike at the time of my previous visit. I sincerely believe that, in every walk of life, people are really happier when they are conscious of giving good service for the money they earn than when, at the instance of agitators, their feelings towards their employers and their employment are antagonised. There is no unrest at present, although, at the instance of the artisans, a conciliation board is now taking evidence in regard to the demand for an increase of 30 per cent. in their wages. The earnings of the white population of the Witwatersrand, underground and upon the surface, compare favourably, in relation to cost of living, with wages anywhere else in the world, and the amenities of life upon the Rand goldfields are, I believe, infinitely superior to those in any other mineral industry. There are many directions in which improvements in the health conditions have gradually been introduced, significant statistics in regard to which are supplied both by my colleagues in South Africa and by the consulting engineer. There is every reason, I think, to be pleased with the way in which the work is being conducted now, but there is still a field for further economy in the cost and use of stores. The extremely able investigations carried on by our mechanical engineering department in regard to drilling, drills, and steel consumption are bearing good fruit, and I am sure a saving, both in the amount of explosives required and of drilling in the hard rock, will be effected by the ingenious device invented for determining the direction of the holes, and improvements in shaping and sharpening bits. Our consultant draws attention to a significant change in the method of gold recovery in the shape of discarding the copper plates upon which gold was previously recovered (through the medium of a coating of mercury, which has a mechanical attraction for gold), in favour of a return to a very primitive form of recovering concentrates—namely, the use of blanket strakes or corduroy. The advantages of the practice now adopted are described by him, so I need not dwell upon them. This is an instance in which modern improvements, that promise so well in their early use, may, in the end, prove less valuable than the methods adopted by our less highly trained predecessors.

Attention is also drawn, both by the resident directors and the consulting engineer, to the great value of an adequate and regular labour supply. I think I should emphasise this point because the effect is far greater than the presence of a given number of hands at a given moment would imply. The manager, in laying out his programme of development and general mining operations, has, in accordance with their numbers, to distribute his resources over the different departments. If there is a great fluctuation in the labour available, it, of course, prevents uniformity in the work, and is harassing and expensive. Hence, I sincerely trust that the Union Government, in its anxiety to give the fullest opportunity to the natives of the Union, will not forget that, first of all, the contracts they make are of shorter duration than those of East Coast labourers, and that, as workers, they are not so effective.

CITY DEEP.

I shall now touch upon the operations of a few of our more important mines:—

City Deep, Limited.—I think I cannot do better than give you the text of a cable received summarising the chairman's remarks at the annual meeting of the company, held on the 22nd instant, on the ore reserves and development position of this mine. It reads:—

"The ore reserves show an increase of 386,700 tons. The average monthly development footage for the last six months of 1922 was 3,452 feet, as compared with 2,506 feet for the similar period in 1921. The average for the first four months of the current year was 2,897 feet. It is anticipated that the ore reserves at the end of the current year will be further substantially increased. During 1922 the payable ore developed amounted to 1,043,400 tons, valued at 8 dwts. Of the footage sampled 67.7 per cent. was payable, the average value being 17.3 dwts. over 26 inches. In the current year the average percentage of payability for the first four months has increased to 79.2 per cent., and development values generally are encouraging. The zone of unpayability in the hitherto large area extending about 2,000 feet to the west of No. 2 shaft appears to have been passed below the 17th level. A winze from the 16th level has been sunk to a depth of 480 feet, and has exposed values throughout this distance equivalent to 9.0 dwts. over a stopping width of 54 inches. As this is the deepest development heading in the mine these exposures must be considered highly satisfactory."

CROWN MINES.

Crown Mines.—We are very pleased with the condition of affairs and the outlook of this property. Record outputs have been obtained, the average tonnage milled during the last six months of last year being 216,400 tons, or at the rate of almost 2,600,000 tons per annum. It is a remarkable tribute to the management and to the potentialities of the mine itself, that, in spite of the severe drop in the price of gold and the upheaval last year (and I would remind you again that work was carried on under normal conditions for only the last six months of the year) the profit for 1922 was only 4d per ton lower than that for 1921. The ore reserve position remains strong, and at 8,882,100 tons shows an increase in the available ore of 179,800 tons compared with 1921, the value, 6.1 dwts., remaining the same. Development has been carried on at a high rate. The average monthly footage accomplished in the last six months of the year was the record figure of 4,759 feet. The payable tonnage developed was estimated at 2,065,300 tons. The values in the deepest workings are quite satisfactory. The company has purchased 51.5 claims from the Langlaagte Proprietary Company (in liquidation), which it is already working, and also 495 mining claims from the Government. These areas square off the company's southern and western boundaries, making the layout easier and prolonging the probable life of the mine. A careful geological examination has been made of the south and south-western portions of the company's area, and, while it affects the distant future, I may say the indications point to the reef underlying these claims being found at a lesser depth than the dip of the reef at the deepest points yet reached would imply.

DURBAN ROODEPOORT.

Durban Roodepoort Deep, Limited.—It has recently been decided to sink the circular shaft to a point at which a cross-cut will be made to connect with the existing workings. This will have the effect of improving the ventilation and working efficiency underground as well as saving maintenance costs in the present shafts. The experiment of substituting jack-hammer drills for hammer-boys is in contemplation, and, if successful, the number of natives required will be reduced with beneficial results on working costs. It is pleasurable to note that costs were reduced by no less than 7s 10d per ton milled for the last half of 1922 compared with the corresponding period of 1921. Development disclosures last year were slightly above the average of the reserves, and it should be remarked that the percentage of payability is very high. The recent acquisition of claims from the Princess Estate and Gold Mining Company, Limited (in liquidation), will greatly extend the life of the mine, and it will also enable more lateral instead of deeper and more costly development to be accomplished. Arrangements are now being made to drive into the ground, the assays of which show good values. The revised programme entails additional capital outlay, and an issue of £100,000 6 per cent. convertible debentures is being offered to shareholders. This, it is expected, will place the company on a sound financial footing. The outlook at this mine is certainly promising.

FAR EASTERN RAND.

Coming to the Far Eastern Rand, I may say that New Modder continues its highly successful career as regards both profits and development.

Regarding Modder B, which has hitherto had such a signally profitable record, I regret so say recent developments have been less favourable. A very large footage was accomplished last year, with poor results on the whole, though in the south-eastern corner of the property the values in the drive from the Geduld raise were satisfactory. The company has a large unexplored area, and development is being pushed vigorously.

In the Modder East the policy will be reconsidered as soon as the financial position is eased by the repayment of the outstanding debentures. The prospects, on the whole, are not very attractive, but during the last six months we have struck some better values in a patch, the extent of which cannot yet be assessed.

I do not think I can usefully add much to the other matters referred to in the printed documents that have been in your hands for some time.

DIAMOND INDUSTRY—TRINIDAD LEASEHOLDS.

It is gratifying to see that the diamond business has revived, as it affects us as holders of mining shares, as well as having interests in the diamond trade. Moreover, it bears upon the revenue of the country, to which I will refer anon.

It is particularly pleasing to be able to add a word upon the brighter outlook of the Trinidad Leaseholds, Limited, and to tell you that the operations have shown considerable improvement during the last twelve months. The increased capacity of the refinery has enabled larger quantities of crude oil to be treated. The sales of the company's products have correspondingly increased, and this, coupled with lower working costs, has resulted in a substantial advance in the company's profits and in its financial position.

NORTH VENEZUELAN PETROLEUM COMPANY.

The first well that is being drilled upon the property of the North Venezuelan Petroleum Company, Limited, is now down 860 ft, and we are hoping that we may be lucky enough to strike a good supply of oil in this first endeavour. We must not, of course, be disappointed or disheartened in the event of initial failure. Judging by the reports of the capable geologists who have been studying the formation, there is every reason to expect that the large concessions, in which we have an important interest, will turn out satisfactorily.

MESSRS BERNHARD, SCHOLLE, AND COMPANY.

There is one other item, before closing the financial review, to which I should make reference—namely, the interest we have taken in the banking firm of Messrs Bernhard, Scholle, and Co., Limited. The operations to date lead me to the conclusion that we have entered into a sound and progressive undertaking; more than that I should not say at this stage. I may affirm, however, that your board is constantly considering advantageous directions in which some of your resources can be permanently invested. Our mission is to find investments which are likely to give fair and growing returns. We are well equipped for new business which provides a field for our able and energetic staff, to whom I now tender warm thanks. Propositions, extremely varied in character, and from all parts of the globe, come before us, and are never lightly turned down. We breathe an atmosphere of investigation sometimes quite oppressive, but it is part of our day's work, and if we ceased to study new projects your corporation would degenerate into being merely the holder of interest-bearing securities, good, perhaps, in themselves, but not of an order which shareholders in a live concern have the right to expect.

Altogether, I am pleased with our general investments. We have large interests in mines, and provide for their amortisation in the annual computation of values. Holders of this class of security could, of course, create a reserve fund for the same purpose, but that is an irksome task which many of them neglect to perform. Moreover, the holder of shares in your corporation has an interest not only in a variety of mines, but in many other descriptions of property.

GENERAL CONDITIONS IN SOUTH AFRICA.

Leaving our particular affairs, I think it is desirable that I should, in the first place, say something about general conditions in South Africa, and then touch upon world conditions, which, of course, all men of affairs have to follow. As far as South Africa is concerned, it is not, of course, my province here to deal with party politics; matters affecting the position, progress, and prospects of the country are in another category. The statement recently made by the Minister of Finance leaves me anxious as to whether the efforts made to balance expenditure by revenue are sufficiently strenuous. The country cannot indefinitely defer provision for the repayment of its debts, nor hope to remedy the situation by unduly increasing taxation, which would be a blow to enterprise. The total public debt of the Union is £199,210,000. Even this large amount need not be considered excessive when the size and resources of the country, its valuable railway system and other assets are held in view. Steps, however, should be speedily taken to balance the annual budget, and again to provide, not only interest, but a reasonable sinking fund for debt redemption. The worst of the depression in trade and commerce is, I think, past, and, therefore, general revenue may be expected to benefit, and the resumption of work in the diamond mines will again provide revenue which was cut off as the result of the Great War. I understand, too, that the crops on the whole this year have been excellent, and, although this will not have any great direct bearing on the Government revenue, it must tend to an increase in trade, thus later on indirectly benefiting revenue. Holding, however, as sanguine a view as possible in this connection, there does not appear justification for maintaining the rate of expenditure by the Government, which has increased so enormously in the last decade. The Minister of Railways has been more successful in approximating revenue to expenditure than the Minister of Finance.

WAGES.

As in most other countries, a higher cost of commodities has had to be met, but the wage bills have grown out of all recognition. Without attempting to discuss the whole question, I will select one example to show at what an abnormal rate the increase has taken place. The Minister of Railways, in his statement, is reported to have said that, while in 1918 £7,908,732 was paid to 72,477 employees, at the time he made his speech £12,561,036 was paid to 72,218; that shows an increase of about 60 per cent., and when we realise that a large number of natives is employed in the service whose wages have, at all events, not been materially altered, some idea can be formed of the enormous rise in the emoluments of the white employees. This no doubt is a general

index of what has gone on throughout the Government service. Rates of pay should not be applied to lower the standard of living below that which prevailed in 1914, but I am not satisfied, in spite of the higher cost of living to-day, that those conditions are not considerably exceeded. All well-disposed persons would rather see their fellow-men living in comfort than doomed to penury, but there is no royal road to that happy state. It depends mainly upon mental and physical endowment and the strength of the individual himself. Legislation is a far less effective instrument than hard work and the will to succeed. A Government, like everyone else, should measure its resources in its expenditure. When its outlay is too great it must either employ less people or reduce their pay.

ATTITUDE OF LABOUR LEADERS.

Trade union leaders in South Africa, as elsewhere in the world, are mainly responsible for pushing up wages unduly and for encouraging slack work. Are they blissfully unconscious of the damage resulting to those they represent? Are they misled or wilfully blind and bent on mischief? One axiom, if they are sincere, should be ever present in their considerations, and that is that the payment of more than its value for a job can only end in the job ceasing to exist. Take hours of labour as an example. Eight hours' hard work in a closed building is a very different thing from eight hours in the open air. Working strain is, in fact, far less a question of hours than of occupation and environment. The modern theory of "one man, one job" is probably the worst so far invented, because nothing is more fatiguing than monotony, and, if there is one thing organised labour should stand for, it is variety. Specialisation in technical industries is unavoidable, but, regarded from the human standpoint, it is least desirable. The more branches a manufacturing concern can undertake, the less danger of unemployment, because a glut in one branch may be offset by a demand in another. Therefore the more varieties of work a man can efficiently perform, the less the risk of his being unemployed. I do not believe there is such a thing as over-production in the broad sense. There will always be at times an excess of particular articles, and after an orgy of waste, such as the Great War has imposed on mankind, and the impoverishment involved, the purchasing power must be terribly limited. What is the remedy? Still greater production, for that means cheap production, greater employment, more wage-earners, and more people able to consume and create the demand. This is a general truth. Restoration of confidence and stability are two other factors of supreme moment.

We are paying the penalty now of concessions to popular clamour made, perhaps wisely and inevitably, during the stress of war, but, if we are to avoid grave troubles, we must revert, as we are gradually reverting, to discipline and control in our conduct and in the whole management of affairs.

DANGERS AND FALLACIES OF SOCIALISM.

We must fight the disintegrating and debilitating doctrines spread in the name of Socialism, the unquestionable author of Bolshevism. What are its fundamental aims? To equalise mankind! Is it not an insane conception with the Universe in our sight? Nothing is equal in Nature. Neither the magnitude of the stars, the intensity of the sun's rays in different places, the rise and fall of the tides, the rainfall, the strength and capacity of men and animals, the productivity of seeds nor the bulk and vigour of plants. Let us probe one aspect only—the economic. Can a line be drawn between the essential and the superfluous? Food and shelter for the elements are primary needs. Some clothing, too, though with training it might be reduced and even eliminated—an unpleasant picture—the amenities of life abolished, replaced by a social condition, primitive, barbaric, and uncomfortable; but modern practices are tending that way. Tobacco, beer, bedding, tables, chairs, cutlery, boots, socks, brushes and combs, and a list of infinite length, are not essentials. Do away with them and millions upon millions would have no occupation.

I put the extreme to draw the true perspective. A definition of luxury is impossible. It may be interpreted as profusion and waste, which is reprehensible, or, in the sense I am using it, as the hall-mark of civilisation. Moreover, the greater the abundance, the variety, and the utility of commodities that contribute to the comfort and elevation of mankind, the wider the field of employment. It is a form of mental derangement to suppose that the imposition of a Spartan way of living is going to benefit the masses. The reverse is the truth. We may well deplore the gradual extinction of the well-to-do classes, the shutting up of large houses, the contraction of spending power, and the general limitation of so-called luxury because it is narrowing the avenues of employment for the wage-earners. They do not know it. Men of affairs do, and it is cowardly not to say so. We are living in an era of sickly sentimentality—not to be confounded with true sentiment—and compromise, the curse of upright action.

The burden of debt has to be borne by those with accumulated possessions, not because that procedure is just, but because it is

unavoidable. The effect is, nevertheless, to dry up the wells of capital. Present taxation is a levy on capital, and just as crops cannot be reaped unless seed is sown, so industry and commerce cannot flourish without accumulated wealth or capital. The evidence of that is provided by the reduced purchasing power of the world. Unless trades union leaders and Socialists, with their specious theories (which appeal to the ignorant, the envious, the indolent, and the ill-placed, and may even gain their votes), change their views, they will certainly level down the well-to-do without raising the poor. Improper concessions by Governments to sections of the community that are organised and have votes spread and stimulate the growth of evils in the body politic that lead the way to that illuminating example furnished by Russia. The paradise on earth of the theorists is chimerical. What crimes are committed, what subversive propaganda is circulated, and what evils are bred under a false cloak masquerading as liberty!

HARD WORK ONLY SOLUTION.

Forgive me for plain speaking, but I cannot be silent, knowing as I do that the only path to a restoration of real prosperity is harder and harder work, greater and greater production, well-ordered discipline and control. As Lord Balfour once said, it is easy to make rich men poor; the problem is how to make poor men rich. The recipe for that is individualism, every man doing the best he can for himself and his family. Incidentally, by doing that he is doing good service to his country. Grandmotherly interference by the Government in matters outside its proper sphere is detrimental. The most exalted Legislature and Cabinet have ample to do in preserving order, maintaining the moral and physical welfare of the people, adjusting taxation and fiscal regulations, and establishing honourable, enduring, and friendly relations with foreign nations, without meddling in the complexes of trade and industry.

Business affairs should be left to business people, men who know their jobs and find their own niches in any given service, according to energy and ability. Nationalisation of any source of wealth means ineffective bureaucratic control, waste, political jobbery, absence of responsibility, enthusiasm, or enterprise.

There is a sad lack of moral backbone in these days, a craven fear of antagonising this or that section by pursuing a line of action indisputably right. The more of us who lift our voices in support of courageous procedure, the more we are helping to get it. I offer that reason as a justification for these remarks.

THE RESOLUTION.

I beg to move:

"That the report and accounts for the year ended December 31, 1922, as printed and circulated among the shareholders, be, and they are, hereby received, approved, and adopted; and that the payment of a final dividend of 6s per share and a bonus of 4s per share, both free of income-tax, to shareholders registered on the books of the company at the close of business on May 23, 1923, and to holders of Coupon No. 22 attached to share warrants, in respect of the year ended December 31, 1922, be, and the same is, hereby sanctioned."

Mr F. Heim seconded the resolution.

The Chairman having invited discussion,

Mr F. J. Dormer said he thought that all present so thoroughly agreed with everything which Sir Lionel Phillips had said in his speech that there was nothing to discuss. They could only say, "Ditto."

The Chairman thanked Mr Dormer for his remarks, adding that he was glad the shareholders were pleased with the report, and were not dissatisfied with what he himself had said.

DENOMINATION OF SHARES.

In reply to a question put by Mr Holt bearing on the denomination of the shares, the Chairman said that the directors were not opposed to an alteration, but they had never felt that there was sufficient demand on the part of shareholders who were considerably interested even to bring the matter up for consideration by the board. The alteration in the exchange value of the franc did not affect the position of the corporation with regard to its arrangement with the French Fisc. The £8 shares as a multiple of £4 were a convenient denomination for the purpose of dealings in France. He was not wedded to £8, £4, or £1 shares. He was, however, averse from seeing Central Mining shares brought into the area of speculation too much.

He would like to hope that in the far future, when he was dead and gone, this corporation would still go on as a very solid concern, regarded in the City of London as a very sound investment, and, from that standpoint, there was no objection to an £8 share. There were many concerns with shares of a very much larger denomination. He agreed that a denomination of £8 might limit its speculative value, and if the shares were reduced to £1 he had no doubt they might have a very much larger list of shareholders and a greater speculative element. He had been told that,

in the case of companies with large capitals, if they had a small denomination of shares they suffered less in fluctuation than did those companies, such as this corporation, with a share of a big denomination.

BOARD'S VIEWS.

He would say that if there were a general demand by the shareholders to alter the denomination of the shares, in spite of the enormous cost which would be involved, the board would take the matter into their earnest consideration; but in the absence of such a demand, he was a little disinclined to do so, because the corporation was doing very well, and he was inclined to leave well alone. He hoped, therefore, he might be allowed to leave the subject in that position—that the shareholders must not think for a moment that the board were averse from any alteration of the kind if the general body of shareholders thought it desirable, but they certainly did not feel that the situation was sufficiently clear to them, so far as advantage to the shareholders was concerned, to bring the matter forward themselves.

The resolution was then put and carried unanimously, and the Chairman announced that the dividend warrants would be posted that evening.

TRIBUTE TO SIR HARRY SKINNER.

The Chairman next moved the re-election of Sir Evelyn Wallers, K.B.E., and Lieutenant-Colonel S. H. Pollen, C.M.G., as directors of the corporation. He was sorry to say that they had lost one of their colleagues on the board in Sir Harry Ross Skinner, the state of whose health had caused him to retire from the board and not to seek re-election. It was a matter of great regret to them to lose his services and his genial personality from their midst.

The motion was seconded by Mr Dormer, and unanimously agreed to.

On the proposition of Mr A. T. Schmidt, seconded by Mr M. Francke, Messrs Cooper Brothers and Co. were reappointed auditors of the corporation.

Mr Holt proposed a vote of thanks to the chairman for his efficient conduct of the meeting, and this having been carried with acclamation, the proceedings terminated.

BAMBRACKELLY (CEYLON) TEA AND RUBBER COMPANY, LIMITED.

SUCCESSFUL YEAR—SALE OF DYNEVOR ESTATE.

The fifteenth ordinary general meeting of the Bambrackelly (Ceylon) Tea and Rubber Company, Limited, was held, on the 31st ultimo, at 14 Great Tower street, London, Mr H. J. Welch, the chairman of the company, presiding.

The Chairman, in moving the adoption of the report and accounts, said: You will probably agree that the period under review has been at least as successful as any ever experienced by this company. Our issued capital and general reserve remain unchanged at £80,000 and £8,000 respectively. The total cost of our properties, buildings, &c., as at December 31, 1922, was £57,659. After deducting from our issued capital the excess of our liquid assets over our liabilities, including the dividend to be paid to-day, and taking our Lunuva shares as worth 30s each, our share capital on January 1st last represents £35 per planted acre.

We have completed the sale of our Dynevior estate to the Lunuva (Ceylon) Tea and Rubber Estates, Limited, for fully paid shares in that company, on which we received an interim dividend of 5 per cent. in October last. A final dividend of 7½ per cent. was declared by that company last week, making 12½ per cent. for the year, and this dividend will be included in this year's accounts.

Of tea, 188,653 lbs were harvested at a f.o.b. cost of 8.70d per lb, and realised a net average price of 1s 3.10d per lb, and 156,067 lbs. of rubber were harvested at a f.o.b. cost of 6.32d per lb., and realised a net average price of 11.39d per lb. The labour force is now quite settled, and has proved sufficient for our requirements. The general health conditions were satisfactory. Our visiting agents report favourably on the condition of the estates.

With regard to the current year, we hope to secure a tea crop of 270,000 lbs, and of this quantity we have harvested to the end of last month 109,143 lbs, against 88,388 lbs for the corresponding period of last year. It is provisionally estimated that a restricted crop of rubber of 160,000 lbs will be harvested, and of this quantity we have harvested to end of last month 48,922 lbs. The net profit for the period of nine months amounted to £9,637, to which has been added the unappropriated profit brought forward, making £15,238. An interim dividend of 5 per cent., less income-tax, was paid in January, and the directors recommend the payment of a final dividend of 15 per cent., less income-tax, making 20 per cent. for the nine months ended December 31st last, and leaving £2,838 to be carried forward.

The motion was carried unanimously.

BRUNNER, MOND, AND COMPANY, LIMITED.

"A BETTER YEAR"—INCREASED DIVIDEND.

SOUND POSITION—STRONG RESERVES.

SCHEME FOR EMPLOYEES' SHARES.

The annual ordinary general meeting of Brunner, Mond, and Co., Limited, was held at the Midland Adelphi Hotel, Liverpool, on Friday, May 25th, Mr Roscoe Brunner (chairman of the directors) presiding over a large attendance, which included the following directors:—The Rt. Hon. G. W. Balfour, Sir John Brunner, Bart., Sir John G. Jarmay, K.B.E., Messrs Arthur Colegate, J. H. Gold, J. J. Harper, J. G. Nicholson, C. F. Poole, A. T. Smith, A. W. Tangye, O.B.E., and John I. Watts, and Mr D. Marsh, secretary.

The Chairman moved "that the directors' report and statement of accounts be adopted, and that the following dividends be paid for the year ended March 31, 1923, viz. :—

"(1) To the holders of preference shares at the rate of 7½ per cent. per annum, less income-tax, and less the interim dividend paid in December last.

"(2) To the holders of ordinary shares at the rate of 11 per cent. per annum, less income-tax, and less the interim dividend paid in December last."

BALANCE-SHEET ITEMS.

The Chairman said: Taking the balance-sheet first, I propose to go through the differences quite shortly. On the assets side the amount of the first item—properties, works, &c.—this year represents an increase of £314,000, and I propose to refer later to the work we have done in this respect. Investments are up by £279,000, in which there is a considerable amount of liquid assets, which are available at short notice. The stocks are down by £316,000, and we consider that our stocks are now at a proper figure, and we present to you the reductions as a piece of good finance. The debts owing to the company are up by £78,000, partly due to money we have advanced to Synthetic Ammonia and Nitrates, Limited, for the building of the works at Billingham, to which I shall shortly make reference. The share capital, on the liabilities side of the balance-sheet, is increased by £2,600, because of the purchase of a few more shares of Castner Kellner's. Depreciation is credited with £200,000 this year instead of £150,000, as last year. I am pleased to say that the savings bank account is up by £15,000. More of our men have become depositors, and there is a larger sum per man to their credit. The debts owing by the company are down by £880,000, partly accounted for by the fact that we had at the date of the last balance-sheet no trade bills running. The reason for this was that our cash reserves were so ample that we did not need to avail ourselves of the facilities which we have in previous years used. On the profit and loss account the investment revenue is increased by £130,000, our subsidiary companies also having had a better year, just as we had. The first item in this account—directors' and office salaries and auditing—is up by £2,000. We have a considerably increased staff, because we are doing a great deal of research work, and the advantage of this will be shown in the future prosperity of the company. The general charges, on the other hand, are down by £6,000, which, I think you will agree, is a good result.

"A BETTER YEAR."

We have had, as I ventured to hope last year would be the case, a better year than the previous one. For the first time we are paying the full dividend on the new preference capital, but we have had a full year's use of that preference capital, and we are satisfied that it has earned its dividend. You will have been able to calculate from the accounts before you that we propose to divide 82 per cent. of the available profit, and I venture to say that such a percentage constitutes a prudent division. Putting it another way, we propose to divide the whole of the investment revenue, leaving the subsidiary companies to make their own proper reserves—and I must tell you that they do make their own proper reserves—and to divide 75 per cent. of our own trading profits, which is a figure, I think, prudent shareholders ought to regard as satisfactory. The remainder of the profits we propose to put to the various reserve accounts, bringing the total of them close upon £3,300,000. We hope to finance a proportion of our immediate expenditure on works and construction out of those reserves, instead of increasing the capital.

SATISFACTION FOR SHAREHOLDERS, CUSTOMERS, AND STAFF.

I referred last year to the difficulty the directors had in satisfying shareholders, customers, staff, and workmen. The shareholders have secured an increased dividend, a dividend equal to the pre-war rate, and were it not for the fact that taxation and the cost of

living are very much higher than before the war, I think the shareholders would be satisfied with our results. As to our customers, we have given greater reductions during the year under review than in the previous year, reductions, generally speaking, in advance of decreases in the costs of production. I am glad to see by their accounts that, almost without exception, our large customers have recovered from the slump in trade which afflicted all of us during the past few years. Their accounts show better figures and increased dividends, which in some cases are higher than pre-war. We intend to continue our policy of reasonable prices, consistent with the other interests we have to look to, but I think you will agree that it is a little unreasonable for customers whose profits and dividends are better than our own to ask from us unreasonable reductions in prices.

EMPLOYEES' WAGES.

Salaries have for the most part remained at the reduced level, while as to the workmen, no reductions in wages have been made during the year under review, and, even after a small reduction in the wages of shift men which has just come into force, those shift men's wages remain at the level of 121 per cent. above pre-war. Our day men, other than mechanics, receive wages which stand at 104 per cent. above pre-war, and it seems to me that our men have very little to grumble at. I am glad to be able to tell you that they have surpassed their previous very fine record of time-keeping; 99.3 per cent. have this year earned the holiday to which they are entitled owing to not having lost more than two days' work in the year.

WORKS AT WALLERSCOTE AND BILLINGHAM.

Regarding our work in progress, we are always improving our plants, but ever with a very jealous eye to see that the proposed expenditure is justified by the saving that is looked for. The Wallerscote works are proceeding at the utmost economic speed. They are an ammonia soda works close to Winnington, which will be economically and efficiently managed from our head office. The erection of the Billingham works (Synthetic Ammonia and Nitrates, Limited) has been delayed by more than the three months which the trouble in the engineering trade lasted. Much of the engineering in connection with those works is new to Great Britain, and we have met with a number of difficulties, which, happily, have been surmounted. Those works are now making rapid progress, and we are greatly pleased with the work of the very capable and efficient staff in charge of them.

THIRTY THOUSAND SHAREHOLDERS.

I should like to give a special word of thanks to our accounting staff. This meeting is held three weeks earlier than last year, and to my mind it is a great feat to be able to hold a meeting of so great a company as ours 47 working days after the close of the financial year.

We have 30,000 shareholders, and it is of interest to note that the average holding is 455 shares, and as we employ 6,028 men at the present time it requires five shareholders to employ a man. Putting it into terms of the real capital in the company, it requires very nearly £3,000 to employ one man, and I venture to suggest that Labour leaders should welcome and not criticise, as they do, an increase in profits and increases in capital by employing companies, because every increase in profits and every increase in capital leads to the employment of more men.

THE FUTURE.

I spoke last year of the future and the difficulty of forecasting. To forecast the future is still difficult, and so dangerous that I do not intend to indulge in it. At the moment there is a lull in the upward trend of trade. In America the lull is a distinct one, but my hope of last year, of a general improvement in the world trade, has been borne out, and I believe we may look forward to continued slow improvement in trade conditions, and that, since improvement remains slow, any possible slump, if it comes, will be small, and will not last long.

SHARES FOR STAFF AND WORKPEOPLE.

Speaking of the future brings me quite naturally to the proposal in the report to empower the directors to allot shares up to a number of 100,000 to the staff and workpeople. Your directors consider that the future prosperity of the company will be increased if a greater number of their employees are interested in the company's business. Human nature being what it is, the argument is 'unanswerable' that a man will do better work if his work benefits

himself directly. It is because your directors are convinced that that result will follow its adoption that they make this proposal, from which, as you will note, they are themselves excluded. Our articles provide that, unless a general meeting directs to the contrary, all shares shall be offered to the shareholders in proportion to their holdings. That accounts for the phrase in the report and in the resolution which I will put to you, "without such shares being first offered to the shareholders," &c. The right we ask you to surrender for the result we have in view is one share for each of shares now held, so that if we were to offer 100,000 shares to the shareholders very many shareholders would get none, since they hold less than 96, and the average shareholder would get four only, and the total amount that we propose you should so surrender is less than 1.4 per cent. of the total issue of ordinary shares.

TERMS OF ISSUE.

You will naturally want to know the conditions upon which the directors propose to allot. The shares are to be paid for in cash, so that the company will get the benefit of the money which is subscribed, and we can always use, in every year a small amount of capital. They are to be paid for out of savings. The issue price is to be fixed from time to time by the directors, but it shall never be less than par, because we are forbidden by law to issue at less than par. The issue is to be made from time to time as our employees can afford to take up the shares, and it will be several years before the whole number is allotted. Since the whole idea involved is the complete possession of the shares by the employees, there can be no absolute bar against any employee selling his shares and taking his profit, but we are sure that that will not occur, save perhaps to a very small degree; and the cure is obvious, inasmuch as the employee will get no further allotment in any future issue. We are in very close touch with all our employees, and we have on many occasions to advise our men in their needs and troubles, and if a man comes to us saying that he must realise his investment we shall be able to help him over his time of trouble. We most earnestly and confidently commend this proposal to your favourable consideration as a real scheme of co-partnership.

LETTER FROM SIR ALFRED MOND.

You will have noted that your directors have invited Sir Alfred Mond to rejoin us on his relinquishing Government office. He comes back to us with an enhanced reputation, having in the opinion of all political parties made a great success of two difficult offices in very difficult times. He is not present to-day for the reason that his mother died only a few days ago after a long illness, and he needs a rest after a period of strain and anxiety. His mother was a worthy helpmeet to a great man, and we all sympathise with those she has left behind in the passing of the last link of the generation of our great founders. I have a letter from Sir Alfred Mond, which I would like to read to you.

"Will you please tell the shareholders at the meeting how disappointed I am not to meet them on this first occasion since my return to the board, but that I feel sure they will understand and excuse me. Would you also convey to them that if I had been present I would have taken the opportunity to congratulate them on the result of the year's work and the extremely sound position of their business, which in my opinion has never stood in a better position than in the fiftieth year of its existence. I had intended to say some words of warm appreciation as to the manner in which you and my colleagues"—(an entirely unsolicited testimonial)—"had piloted it through the last difficult years with so much ability. Would you add how strongly I advocate the acceptance of the policy of making our staff and workmen partners in our business by offering them a share participation on attractive terms."

LITIGATION WITH MANCHESTER SHIP CANAL.

The Chairman said he had been asked by several shareholders for information about the recent litigation with the Manchester Ship Canal. He gave an outline of the history of the trouble originating with an ambiguous clause inserted in the Manchester Ship Canal Act with the object of protecting traders on the River Weaver. He also referred to the efforts which have been put forth at different stages of the dispute to obtain a settlement. The traders on the Weaver had asked for nothing more than they had in pre-Ship Canal days, but they would not be satisfied with anything less. They made a substantial offer towards a settlement of the claim of the Ship Canal for back tolls, but settlement was refused by the Ship Canal Company, and the case went to the Court of Appeal. Here the decision went in favour of the Ship Canal Company, and once again in the interval between the hearing in the Court of Appeal and the further appeal to the House of Lords they (the Weaver traders) tried their best to arrive at an agreement, but negotiations broke down because the Canal Company declined to waive their claims for back tolls. The Weaver traders had gained from the House of Lords a declaration that an agreement did not mean a gutter without width, but meant a channel of proper curvature and width.

The main issue in the whole of the three trials had been whether the party responsible for providing and keeping that access should also be responsible for the buoying and lighting of the channel. The Lords had decided that, upon the law as it stood, the Ship Canal Company, though they had to provide the access, had no duty to define it. There was, however, said Mr. Brunner—another Appeal Court, and it the judges said this was the law, then justice demanded that Parliament should alter it. He had only to add that the whole of the company's liabilities under the judgment in the case had been provided for in the accounts under review, and not by the amount it was proposed to put to suspense account.

The Right Hon. G. W. Balfour seconded the resolution, which was unanimously carried.

SCHEME FOR EMPLOYEES' SHARES APPROVED.

On the motion of the Chairman, seconded by Sir John Brunner, supported by Mr. Percy Coghill and Mr. Petro (all of whom warmly commended the scheme), it was unanimously decided that the directors be empowered from time to time to issue to the staff and workpeople of the company (not being directors) ordinary shares of the company to a number not exceeding 100,000, without such shares being first offered to the ordinary shareholders in proportion to their holdings.

Mr. A. Travers Hawes moved, Mr. A. T. Smith seconded, and it was carried, that the retiring directors, Mr. Roscoe Brunner, the Right Hon. G. W. Balfour, Sir Hugh Bell, Bart., C.B., Mr. E. S. Mond, Mr. A. Solvay, and Mr. A. W. Tangey, and the Right Hon. Sir Alfred Mond, Bart., M.P., be re-elected as directors of the company.

It was also resolved, on the proposition of Mr. J. J. Leroy, seconded by Mr. S. Kidd, that the directors, other than those under written agreement, each be paid at the rate of £500 per annum for services rendered during the year ended March last.

Messrs Edmund D. White and Sons, chartered accountants, of Liverpool, were reappointed auditors, and a cordial vote of thanks was passed to the officials, staff, and workmen of the company for their excellent work during the year.

Thanks to the chairman and directors for their services during the past year concluded the meeting.

THE EQUITABLE LIFE ASSURANCE SOCIETY.

"A FLOURISHING CONDITION."

The 161st annual general meeting of the Equitable Life Assurance Society was held, on the 30th ult., at the society's house, Mansion House street, London, Sir Evan Spicer presiding.

The actuary and manager (Mr. W. Palin Elderton) having read the notice convening the meeting and the auditors' report.

The President, in moving the adoption of the report and accounts, said:—Now that the society had had a branch in the North of England for a few years the members would understand that the directors were glad to have on their board a member of their society who had had experience of business in the North of England, and was so well known there. Dealing with the year's business, he said that everything was satisfactory. The new business showed a continued improvement, and they had obtained more than £600,000 of new life assurance, which was not bad for an office that paid no commission. It was a considerably larger figure than was obtained by the society in the years before the war, and larger, in fact, than they obtained even in the two previous years, which were, or seemed at the time to be, exceptional.

The claims were a little heavier in amount than those of last year, but were still very light. They had fallen, to a greater extent than they did last year, on old lives, so that the mortality, from a financial point of view, had been exceptionally good. The rate of interest showed an improvement and the funds an appreciable increase. The two reversionary companies, of which they now held all the ordinary stock or shares, had been doing very well, and through them the society had obtained a fair amount of life assurance business. This was, of course, only an incidental advantage arising from the purchase of the companies, and even if they obtained no life assurance business from them the board would be perfectly satisfied with the purchase, as it was abundantly clear that they would produce to the society a handsome return in the long run on the amount it had invested. Looking back, he thought he might say that the society bought them "at the bottom of the market." The society was in a flourishing condition; its expenses and claims remained low, and new business and interest had increased. Investments showed a profit, and the statement of claims paid was a continuing testimony of what the society had done, and was still doing, for its members.

Mr. H. Leslie M. Tritton seconded the resolution, which was unanimously adopted.

ROYAL MAIL STEAM PACKET COMPANY.
LORD KYLSANT ON THE POSITION AND PROSPECTS.

SIGNS OF STEADY IMPROVEMENT.

The annual general meeting of the Royal Mail Steam Packet Company was held, on the 31st ultimo, at Cannon street Hotel, Cannon street, London, E.C., the Lord Kyslant, G.C.M.G. (chairman of the company), presiding.

The secretary (Mr. D. I. Conradi) having read the notice convening the meeting and the report of the auditor,

The Chairman said: Gentlemen, before coming to the ordinary business of the meeting, I desire to refer to the loss of two valued colleagues. Mr. James Cameron-Head, who died, after a brief illness, in December last, had been a member of the court for over nineteen years. Mr. Edward Norton, who, through ill-health, was obliged to retire at the end of 1922, passed away only last week, after having been a director of the company for nearly a quarter of a century. Both these gentlemen were highly esteemed, and are keenly missed.

As mentioned in the report, the court has appointed Sir Leslie Scott, K.C., M.P., to be a director of the company, and you will be asked to re-elect him to-day.

As the report and accounts have been in your hands for some days, I presume that, as usual, you will take them as read.

BOARD'S POLICY.

It is eighty-four years since this old-established company was constituted under royal charter, and for nearly a quarter of that period I have had the honour to be your chairman.

The shipping industry, from its nature, is, and always has been, liable to considerable fluctuations. Since I became chairman there have been many ups and downs in shipping—good times alternating with periods of depression—but, when I look back, the result, so far as our company is concerned, may be considered as not unsatisfactory.

The court of directors has kept steadily before it the definite policy of not only maintaining, but gradually building up this great business, whilst pursuing a sound and conservative financial policy, in the belief that stockholders appreciate a reasonable and fairly steady return on their capital rather than too violent fluctuations according as times may be good or bad.

GROSS TONNAGE OF FLEET.

The company now directly owns a fleet totalling nearly 380,000 tons gross register, whilst the aggregate totals of the fleets of the Royal Mail Steam Packet Company and our associated shipping companies amount to considerably over 2,000,000 tons gross register, exclusive of vessels building, or nearly a ninth of the entire British mercantile marine.

THE ACCOUNTS.

The accounts which you have before you set out the position clearly, and do not call for special comment.

After making provision for depreciation and taxation, and paying interest on the debenture stocks and dividends on the preference stocks, we propose to pay a final dividend on the ordinary stock, which, with the interim dividend already paid, makes the total dividend for the year 6 per cent., the same as for the previous year.

RESERVES AND DEPRECIATION.

The reserve fund amounts to £1,600,000, and the insurance fund to over £1,000,000. We have continued our usual policy of adequately writing down the assets of the company every year, and for each of the past 21 years we have written off not less than 5 per cent. per annum from the first cost of the steamers. Notwithstanding that some of our ships were acquired when the prices were unduly high, our fleet stands in the books at a moderate figure.

In July last we made an issue of £2,000,000 preference stock, which was considerably over-subscribed. Our ordinary, preference and debenture capital and reserves now amount to close upon £16,000,000 sterling.

NEW YORK SERVICE.

We have maintained our regular service of mail and passenger steamers between the Continent, Southampton, and New York.

The new twin-screw steamer "Ohio," of 19,000 tons gross register, which is the largest that the company has ever possessed up to this time, has been delivered by the builders, and is now running on this route. She should prove an attraction to passengers.

We have taken over from the Pacific Steam Navigation Company the ownership of the "Orca," "Orbita," and "Orduna," which have been employed for some time past on our North Atlantic service.

We are confident that these fine steamers, which, although not very fast, are exceptionally comfortable, will be increasingly appreciated by the travelling public.

Owing in large measure to the restrictions imposed by the United States Immigration Act, the number of third-class passengers

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travelling to and from New York is still much below the normal.
MULTIPLE TAXATION.

Prior to the war the taxation of shipping was, with possibly one exception, governed by the sound principle that, as profits made by ships were earned on the high seas, each country should only tax the profits of its own shipping.

Under the stress of war the system of a country taxing the shipping profits of another country when the vessels of one serve the ports of another became a practice.

This led to retaliatory measures to such an extent that income derived from shipping is now often taxed twice—namely, first in the foreign country from which British ships load cargo and embark passengers, and, secondly, in the United Kingdom.

The Government of the United States of America realised that this state of affairs was most unjust and inequitable, and they have offered exemption from taxation to the shipping of all countries who shall agree to give similar immunity to American vessels.

I hope the British Government may see its way to accept this very reasonable offer by introducing into the Finance Bill a clause providing for the exemption from British taxation of the ships of those countries which grant similar exemption to British ships.

Such action on the part of Great Britain, as the premier maritime nation of the world, in meeting the offer of the United States Government would no doubt be followed in due course by other maritime nations, and thus simplify taxation, whilst at the same time removing a real hardship and one that constitutes a handicap for British shipping.

U.S. PROHIBITION LAWS.

A great deal of attention has been directed recently to the extension of the United States prohibition laws to ships of all nations immediately they enter the three-mile limit.

In the interests of the maintenance and development of overseas intercourse between nations it is, in my view, highly desirable that all countries should adhere to the long-accepted international practice under which the laws of its own flag govern and regulate the rights, duties, and obligations of those on board a ship, whether on the high seas or while within the territorial jurisdiction of any other nation.

Departure from such long-established practice would place on the owners and masters of all ships, whatever their nationality, the practically impossible task of having to comply on all international voyages with differing and often conflicting national laws affecting the conduct of those on board such ships—so long as they remain on board.

If such departure from long-accepted practice were to become general, most formidable powers would be conceded to other countries, such as Denmark, Holland, Sweden, Turkey, &c., through whose territorial jurisdiction ocean highways pass.

I am of the opinion that, in the interests of maritime commerce generally, the rights conceded under present international practice should be exercised as heretofore, subject, of course, to the continued control of the Customs authorities at the ports.

I hope it may be arranged that all nations may continue to adhere to this long-accepted international practice.

SOUTH AMERICAN SERVICES.

Our mail, passenger, and cargo services to Brazil and the River Plate have been regularly maintained by our "A" steamers from Southampton and by our "D" steamers from Liverpool.

The volume of traffic, however, has continued to be affected adversely by the depressed conditions of business in South America, consequent upon the universal disturbance in trade and commerce.

South America, as a great producer and exporter of primary foodstuffs and raw materials, is very sensitive to conditions elsewhere, and is bound to suffer by any failure of purchasing power on the part of the rest of the world.

When European affairs are straightened out, as we all hope they may be before long, and the nations of the world settle down to their normal activities, I believe South America will regain and surpass its former prosperity.

NORTH PACIFIC TRADE.

As soon as it was practicable after the war, the Royal Mail Steam Packet Company, in conjunction with our friends the Holland-America Line, instituted a direct service from United Kingdom and Continental ports via the Panama Canal to Vancouver.

We laid down three motor vessels of over 9,000 tons gross register,

capable of carrying not only a large amount of general cargo, but also of fruit in refrigerated chambers.

Two of these motor vessels, the "Loch Katrine" and "Loch Gail," have already been in service for some time, whilst the third is expected to be delivered by the end of the year.

During the British Columbian apple seasons of 1921 and 1922, several of our big completely refrigerated "N" boats were also placed in this service, and brought large quantities of apples to this country.

The joint service was the pioneer in introducing the direct route to the fruit-growers of Western Canada.

SERVICE TO VANCOUVER.

We are now, jointly with the Holland-America Line, providing a regular three-weekly service to and from Vancouver to the Continent and this country, and I am confident that by this means the trade between this Western outpost and the Old Country will be strengthened and extended.

The convenience of the all-sea route, as compared with the trans-continental route and thence to this country, is obvious, by reason of the less handling of cargo, a particular necessity when dealing with fruit.

It has always been our aim to foster inter-Imperial trade. With the resources of raw material which the British people have at their command, there is no reason why, if careful thought is given to this problem, the British Empire should not become much more nearly self-supporting.

With Europe in its present unsettled state it is, in my opinion, imperative that we should seek to open up new channels of Imperial trade, in order to provide increased employment for the industrial population of these islands.

WEST INDIAN SERVICES.

We are continuing to carry on our mail, passenger, and cargo service between Canada and the West Indies under contract with the Canadian Government. During the past winter we maintained our usual weekly passenger service between New York and Bermuda.

We have discontinued our Trinidad-Tobago coastal contract, which had been performed by the company for a good many years at a loss. This service is now operated by the Trinidad Government, to whom we have sold the "Belize," which was specially built for this trade.

PLEASURE CRUISES.

The Royal Mail Steam Packet Company's pleasure cruises have become increasingly popular. In order to extend this branch of

our business the "Arcadian"—over 12,000 tons gross register—has been specially fitted out as a tourist steamer (first class only) to give passengers all the comforts of a high-class hotel, with social hall for indoor dancing, swimming bath, &c., combined with a pleasant and interesting itinerary.

Our passenger cruises between New York and the West India Islands have continued to be highly appreciated by the American public.

SEVERE COMPETITION.

The movement of cargo to and from all parts of the world has continued to be restricted, with consequent low rates of freight, and competition has been severe, particularly as regards foreign shipping. The British mercantile marine has now, perhaps more than at any previous period in history, to fight to retain the supremacy it has long enjoyed.

Foreign Governments are supporting in various ways their own national mercantile marines, and British shipping may need more practical sympathy and support than in the past from the British Government if this vital industry is to hold its own, although I am convinced British shipowners fully realise that it is only by keeping their fleets up to date in every particular, with the most modern and economical vessels, that they can achieve success.

OPERATING EXPENSES.

A lean time has always one advantage, in that it necessitates everyone putting their house in order, involving a serious and sustained effort to secure the highest degree of efficiency combined with the utmost economy.

The individual shipowner has no control over the quantity of cargo offering or over rates of freight, which operate by the laws of supply and demand, but he can and must, if he is to survive, do all in his power to reduce working costs, and secure the utmost efficiency, so as to avoid running ships at a loss.

By consultation and mutual agreement, wage reductions have been agreed with the sea-going personnel, who naturally prefer employment at a slightly lower rate of remuneration than being out of work through the compulsory laying up of vessels.

The price of coal is still much too high, and trade generally, as well as shipping, are handicapped in consequence.

Dock charges have been unduly heavy, but, following upon representations by merchants and shipowners, these are now gradually coming down.

STAFF.

In these difficult times for all business undertakings, the quality of the day-by-day work of the officials and staff of a great organisa-

tion is especially important, and I would like to express my personal appreciation and that of my colleagues of the good work done by Mr. Clark, as general manager, by the assistant managers, officials, and staff, at home, abroad, and at sea. The company more than ever needs the best efforts of every member of its personnel.

GENERAL OUTLOOK.

When I addressed you a year ago, I said that, in my opinion, we would not witness a real revival in trade and commerce in this country, and secure work for all the unemployed until two things happened, viz., coal became available for industry and commerce at about a pound per ton, and the heavy burden of taxation was very substantially reduced, including the total abolition of the corporation profits tax.

This is, I believe, as true to-day as it was 12 months ago, but coal, instead of coming down to about a pound a ton, is now 37s to 40s per ton, compared with about 27s a year ago.

On the other hand, income-tax has been reduced 6d in the pound, and the corporation profits duty has been reduced by one-half, so that the burden of taxation, although still far too heavy, has been lightened to that extent, with the result that the number of men regularly employed is steadily increasing.

POLICY OF SOUND FINANCE.

The Chancellor of the Exchequer whose Budget contained these reliefs is now Prime Minister. Whatever their politics may be, I believe business men, as a whole, will warmly support Mr. Stanley Baldwin in pursuing the policy of sound finance, begetting confidence, the basis of all prosperous industry and commerce.

In my view, there are signs of steady, if slow, all-round improvement. In the meantime, we, as a company, are keeping our fleet efficient and up-to-date, overhauling our organisation, economising wherever possible, and generally preparing to be in a position to embrace every opportunity of participating in better times when they come.

I now beg to move: "That the report of the directors and the accounts and balance-sheet for the year ended December 31, 1922, submitted to this meeting, be and the same are hereby received and adopted; that the dividends paid on the preference stocks of the company as shown therein be and the same are hereby declared and the payment thereof approved; and that a final dividend on the ordinary stock of 4 per cent., less income-tax, making, with the interim dividend of 2 per cent. paid in November last, 6 per cent. for the year, be and the same is hereby declared." I will ask the Duke of Abercorn to second that.

The Duke of Abercorn, K.P., seconded the resolution, and, no questions being asked, it was thereupon put to the meeting and carried unanimously.

SHAREHOLDERS' APPRECIATION.

Mr. T. Melville proposed a cordial vote of thanks to the chairman, directors, managers and staff at home, abroad and afloat for the excellent way in which they had contributed to the results shown in the report. He said he felt sure all the shareholders would like to congratulate their chairman on the further honour which has been lately conferred on him by His Majesty the King.

Mr. D. W. Allport seconded the vote of thanks, and it was carried by acclamation.

The Chairman having briefly acknowledged the compliment, the proceedings terminated.

THE RUBBER PLANTATIONS INVESTMENT TRUST, LIMITED. POSITION AND PROSPECTS OF TEA AND RUBBER INDUSTRIES.

At the fourteenth ordinary general meeting of the shareholders of the Rubber Plantations Investment Trust, Limited, held on the 1st instant, the Chairman, Mr. H. J. Welch, in the course of his remarks, said:—

From the produce of our estates we have secured a profit of £91,907, as against £5,557 for 1921. The net balance of the profit and loss account for the year was £108,568, and, when added to the amount brought forward, makes an available sum of £207,486. Out of this we propose to pay a dividend of 6 per cent., and, after making the other provisions set out in the report, to carry forward a balance of £42,619.

SUMATRA TEA AND RUBBER PROPERTIES.

We were able last year both to reduce the cost and obtain higher prices for the increased crop of 6,665,748 lbs of tea, produced from our Sumatra properties. The net profit realised was equal to 1½d per lb after providing nearly ½d of a penny per lb for depreciation.

For the current year we estimate a crop of 7,100,000 lbs, out of which we have sold forward about 87½ per cent. The prices obtained are approximately equal to 1s per lb net, as compared with 9.55d per lb for 1922. We hope to produce this crop at a cost not exceeding that for the past year.

The rubber crop harvested from our Sumatra Rubber Estates was 976,412 lbs, and realised a profit of 5.54d per lb after pro-

viding nearly 3d per lb for depreciation. This improvement on the result for the previous year is also due to decreased cost of production and the better conditions prevailing in the rubber industry towards the end of the year.

We estimate for 1923 a restricted crop of 785,000 lbs. The estates generally are reported to be in a satisfactory condition, and all works are up to date.

As mentioned in the report, we have sold our property in South India, as from April 1, 1923, for fully paid shares of the Malayalam Plantations, Limited.

The estate in Malaya, in which we hold a half-interest, has also been sold as from January 1, 1923, to the Perambang Rubber Estates, Limited, for fully paid shares.

Our interest in properties directly owned by this company is therefore now confined solely to Sumatra.

INCREASE OF CAPITAL.

We are putting before you to-day a proposal to increase the nominal capital of this company to £2,500,000. Your directors consider that they should be in a position to take advantage of any favourable opportunities which may present themselves of furthering the interests of the Trust, and, for this purpose, they think it is necessary that some unissued capital should be available.

TEA INDUSTRY.

Following our meeting in May last, tea prices declined for a month or two. The good markets had brought forward from certain districts a larger proportion of unattractive and stalky tea, but the fall in prices doubtless influenced planters to return to a more moderate plucking policy. This, combined with adverse climatic conditions and difficulties with labour, accounted for a subnormal output. A higher level of prices ensued, which continued until March of this year, when prices again started on a gradual decline, although they are still much higher than at this time last year.

The actual production from India, Ceylon, and the Dutch East Indies was about 583 million lbs, as compared with 510 million in 1921 and 643 million in 1920.

The consumption in the United Kingdom amounted to 412 million lbs, against 411 million in 1921 and 393 million in 1920. Consumption in the United Kingdom showed a satisfactory increase of 40 per cent. over the average for the years 1910-14.

Re-exports amounted to 42 million lbs, an increase of 20 per cent. over 1921. Up to April last, they showed a further increase of nearly 22 per cent. over the corresponding period of 1922.

The stock in bond in the United Kingdom at April 30th last amounted to 167½ million lbs, against 214½ million and 233 million respectively at the same dates in 1922 and 1921. It is anticipated that, after allowing for the increased stocks required by the increased consumption, they will be reduced at least to normal pre-war dimensions by the end of August.

With the present high prices, it is probable, if climatic and labour conditions are favourable, that we shall see a materially increased production this year, not only from the principal producing countries I have mentioned, but also from China, Japan, Formosa, and other smaller producing countries, which together exported about 96 million lbs. in 1922. Unless, therefore, there is a further considerable increase in consumption, supply may again, for a time, equal demand.

THE RUBBER INDUSTRY.

When I last addressed you the rubber industry was suffering from excessive stocks, increasing supplies, and low prices. To-day the excessive stocks are being quickly reduced, the supplies have been restricted, and the prices have been nearly doubled. This pleasing change has been brought about principally by legislative control of output in Ceylon and Malaya, an achievement for which the industry is deeply indebted to numerous individuals and organised bodies in this country and abroad. Our thanks are especially due to the committee representative of the rubber-growing interests of Malaya, which was known as the "Duncan Committee," to the Rubber Growers' Association, to the Government Committee in this country, and last, but not least, to Sir James Stevenson, the Right Hon. Mr. Winston Churchill, and the British and Colonial Governments concerned.

If you will permit me, however, I will utter a word of warning. The industry is only convalescent, not cured. Whilst the industry depends on Government restriction of part only of the sources of supply, it rests upon an artificial basis, and not upon the more healthy foundation of supply and demand. Our real hope lies in increase of demand, brought about by extension of the present uses and the discovery and development of new uses of our product. Not until, as a result of these, the demand equals the unrestricted supply at a profitable price will the industry rest upon a satisfactory commercial basis, nor will its position be considered sound by those who take the long and broad view of the matter. Personally, therefore, I think the recent set-back in price is a healthy one for the industry. It will hasten the tightening up of the provisions.



THE ANGLO-SOUTH AMERICAN BANK, LIMITED.

Capital and Reserves exceed £13,000,000.

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

NORTHERN DISTRICT OFFICE:
69, Market St., Bradford.

LANCASHIRE BRANCH:
39, Mosley Street, Manchester.

Affiliated Institutions:
THE BRITISH BANK OF SOUTH AMERICA, LTD.,
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MADRID
SEVILLE
BARCELONA
VALENCIA

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

of the scheme and the prevention of the leakages and evasions. It has reminded us that the palliative of legislative restriction was necessary, because we were very sick, and we have only commenced upon what I hope may prove a short period of convalescence, but we are still only convalescent.

SUPPLY AND DEMAND.

The production of plantation rubber last year amounted to about 345,000 tons, and of wild rubber about 25,000 tons.

The estimated world's absorption amounted to approximately 375,000 tons, of which America accounted for 75 per cent. This was a total increase in absorption of 115,000 tons over the previous year, of which the American increase was 100,000 tons.

The exportable tonnage, and, therefore, to some extent the production this year, obviously depends upon the amount of restriction enforced, and that, again, depends upon the varying prices. If the average price for any of the periods of three months designated in the scheme is between 1s and 1s 3d London equivalent, and the exportable percentage during those three months is 65 or over, then the exportable percentage under the restrictive legislation will be reduced by 5 per cent. of the standard production allowed for the previous three months. If during such periods it exceeds 1s 3d, it will be increased by 5 per cent., or if it exceeds 1s 6d, it will be increased by 10 per cent.

Supposing for every one of such periods this year it exceeds 1s 3d but does not exceed 1s 6d, the available new supplies which will be exportable are estimated at 335,000 tons of plantation and 25,000 tons of wild rubber.

The total absorption is difficult to estimate, and I give figures with considerable hesitation. It will probably not amount to less than 400,000 tons, and will be the highest ever reached. It may considerably exceed even that figure. In this connection I may remind you motor-car registration in America increased in 1922 to the colossal figure of 12½ million, and it is estimated that not less than 3,000,000 new cars will be built this year—an estimate supported by the actual production up to the end of April. The total number of automobiles in use in the rest of the world is probably not far short of 3,000,000, and is steadily increasing. This increase is likely to be accelerated during the next few years, because motor transport is everywhere competing most successfully with horse transport, on the one hand, and railway transport, especially for short hauls, on the other.

IMPROVED FINANCIAL POSITION AND FUTURE POLICY.

If I may refer again for a moment to the Trust's domestic affairs, perhaps you will permit me to make a few remarks upon the financial position of the company and the present and future policy of the board.

You will no doubt have appreciated that from every point of view the financial position of the company has been much improved during the last two or three years.

With regard to the policy of the board, there is no doubt that in past years the company has suffered in revenue and in want of liquid resources, from having too large a proportion of its capital locked up in properties in process of planting or development. It is the policy of the board to avoid any repetition of this, and to continue to direct its energies towards the maintenance and improvement of the present favourable financial position of the company, the profit-earning capacity of its assets, and the rate of dividend which we are paying to-day.

The report and accounts were unanimously adopted, and the usual business transacted.

INDIA GENERAL NAVIGATION AND RAILWAY COMPANY, LIMITED.

SATISFACTORY YEAR—IMPROVED RESULTS.

The annual general meeting of the India General Navigation and Railway Company, Limited, was held, on the 30th ultimo, at Winchester House, Old Broad Street, London, Mr S. G. L. Eustace presiding.

The representative of the secretaries (Messrs Kilburn, Brown, and Co.) read the notice convening the meeting and the auditors' report.

The Chairman, in moving the adoption of the report and accounts, having referred to the great loss the company had sustained by the death of Colonel John Denny, said: The shareholders will have noticed that we have been most fortunate in obtaining the services of Mr Maurice Denny on the board. His appointment is subject to your confirmation to-day.

YEAR'S PROFIT.

With regard to the accounts, the actual profit on the year's working, after eliminating the credits for Indian and English tax refunds, is £3,083, which compares with a loss in 1921 of £58,100—an improvement of £61,183. In India Rs. 95,724 have been recovered for taxes paid on account of year 1920-21, and in London the system adopted of reserving for English taxation upon

the actual results of the year at the rate then ruling has resulted in a larger provision being built up than will now be required. Consequently, the amounts over provided have been retransferred to profit and loss account. Including these transfers, and the balance of £10,215 14s 4d brought in from the previous year, there is a balance of £44,680 12s 4d available for distribution, and our recommendations in regard to its disposal will, we trust, meet with your approval.

The balance-sheet, I think, calls for little comment, the only material alterations being the net increase of £249,566 in the property account and the reduction of £177,732 in the stocks and stores. These largely balance one another, and mean that materials for construction of vessels have been transferred from stores to their ultimate destination in the block account.

Your fleet has been maintained at a high level of efficiency. During the year we lost one flat (Chubwa), and we sold one old vessel which was built in 1851.

The additions during the year were four steamers, one launch, and six flats, aggregating 6,953 tons. On the other hand, we have, as mentioned before, lost one flat of 537 tons. In addition to the building, we have during the year repurchased from the Government three vessels which had been requisitioned for service in Mesopotamia. The building programme, initiated some years ago, is now practically completed. In this connection you may remember that when I last addressed you I mentioned that we had launched two of the largest steamers ever built in India. During the year both these vessels have been put into commission, and have proved to be excellent carriers and easily manoeuvred.

Although the jute crop last year was a small one, the carry-over from the previous year was substantial, resulting in a large increase in the carriage by your company as compared with the former year.

With regard to tea, the crop was larger than in the previous year, but owing to the increase in your fleet, the company experienced no difficulty in dealing with the shipments. The same remark also applies to coal and oil shipments.

Traffic on the Ganges was no doubt greatly assisted by the railway strike in the early part of the year.

As regards prospects. We understand that the jute carry-over from last year is very much smaller than usual, thereby adversely affecting our current earnings, but our latest information is that there is good reason to anticipate that this year's crop will turn out a bumper one.

By consistent endeavour, I am glad to say that large economies have been effected in the working of the company generally, which should be reflected in the results for the current year. These economies include a saving effected in the working of the fleet by grading the crews. Owing to certain measures which have been taken in hand, it is hoped to reduce pilferage on your vessels to a minimum, which should result in a corresponding elimination of claims against your company.

PROSPECTS.

You may recall that last year I ventured to predict that the company was on the highway to recovery. Although, perhaps, we are not as yet on the main road, we are, I think, approaching it, slowly, it is true, but perceptibly. From the accounts which we place before you, you will notice that there has been a gross improvement of £61,183—a very substantial amount, but at the same time insufficient for all the needs of your company. I, however, take heart from Lord Inchcape, when he tells us that there is nothing wrong with India, and therefore, fully in accord, venture to predict that, given good crops and tranquillity, we shall before long again earn the return on your capital which is due to the enterprise in which we are engaged. At the moment, however, traffic is dull, and consequently a number of your vessels are temporarily laid up.

I should like to add a good word to the staff in India, who have again, under conditions of much difficulty, carried out their duties in an energetic and satisfactory manner.

Sir Stephen Finney, C.I.E., seconded the resolution, which was unanimously carried.

CROSSES AND WINKWORTH CONSOLIDATED MILLS, GOOD RESULTS—NEW PROPERTIES.

The ordinary general meeting of Crosses and Winkworth Consolidated Mills, Limited, was held, on the 30th ultimo, at Bolton, Sir Edward Mackay Edgar, Bart. (chairman), presiding.

The Chairman, in moving the adoption of the report and accounts, said:—Your directors are able to submit a report of a far more agreeable character than last year's. We had then to disclose a loss of over £500,000. We now show a credit to profit and loss account of £424,147 for the current year, which will be dealt with as shown on the balance-sheet.

Since I had the honour of addressing you twelve months ago there have been very important developments in the history of your company, but before referring to what has been done in

that line I should like to touch on one or two items in the balance-sheet. Our stocks stand at £869,131 12s 9d. If you will turn to the directors' report you will see that this figure has been arrived at by taking all stocks at cost or market price, whichever was the lower. In other words, the valuation has been made on a most conservative basis.

BOARD'S SOUND FINANCIAL POLICY.

To a business audience I need not explain the significance of that; they will recognise it at once as a proof of sound financial policy.

It is in accordance with this same policy that no credit is taken in the balance-sheet for the surplus of Crosses and Heaton's over and above the debenture interest and sinking fund which this company has guaranteed. Nor is it in any way a departure from sound finance that the figure for depreciation which in the last balance-sheet showed at £250,000 in this one shows at £150,000. The strides that have been made in the last year in improving the efficiency of our plant have been so satisfactory that the managing directors unanimously agree that for this year an allowance of £150,000 for depreciation is more than ample.

The item appearing in the balance-sheet for March, 1922: reserve for contingencies, including taxation, £363,235—this amount is reduced in this year's balance-sheet to £125,000 to cover liability under the excess profits duty, the exact amount of which has not yet been agreed. All the other liabilities specially provided for in the account have been settled by payment or otherwise. This special reserve must not be confused with the share premium reserve account, which still figures in our present balance-sheet at £750,000.

From the inception of Crosses and Winkworth our policy has been one of progression and consolidation, with a maximum of internal technical efficiency and strict finance as its starting-point. We have acquired, as you know, several new properties. These acquisitions, or at any rate, the most important of them, have conformed to a general plan by which Crosses and Winkworth act as a parent company, owning the properties, controlling their business and financial operations, receiving their profits, and guaranteeing the interest and sinking fund on their debentures. With these new acquisitions we establish profit-earning machines, and at the same time lay the foundations of a future capital asset for the present concern. We are also able to effect—well, I do not want to exaggerate, so will say a very considerable saving in management and organisation.

I will cite Crosses and Heaton as an example of how the leasing system works out in practice.

RECENT ACQUISITIONS.

During the last few weeks we have acquired the share capital of John Bright and Brothers, Limited, and the same general scheme of finance has been followed in this case. From the purely business standpoint your board consider this as a very profitable investment. Even on the record of three of the leanest years the cotton trade has known, there is ample warrant for thinking we have made a most profitable deal in taking over this firm; and when conditions are more stable we confidently look for an even more handsome return on our outlay. The acquisition of John Bright and Brothers, Limited, greatly enlarges our sphere of interest in the textile industry, and, at the same time, provides a market on the spot for many of the products of Crosses and Winkworth and Crosses and Heaton.

Since the last meeting we have also acquired the mills of the North End Spinning Company, Limited, John Thomasson and Son, Limited, Merton Spinning Company, Limited, and the Duncan Doubling Company, Limited, and it needs no word from me to intimate to a Lancashire audience, especially in regard to the first two concerns, that their reputation as spinners of carded yarns ranks, in their own particular class, with that of Crosses and Winkworth and William Heaton and Sons, Limited, as spinners of super-combed and Sea Island yarns. Another fact of far-reaching bearing on the future of your company is that, after full discussion and much deliberation, your board has decided to build a new mill for spinning fine Egyptian yarns. This mill will have approximately 116,000 spindles, and owing to the financial arrangements we have made, with the details of which I will not worry you, this important addition to our plant will not involve us in an annual charge of more than £16,000, inclusive of sinking fund, and at the end of approximately 35 years or so this, too, will have become the unencumbered property of the parent company. This, again, is a showing which I venture to hope you will not consider unsatisfactory.

I am confident that ours is a sound method, that it is compatible with the maintenance of the higher state of technical efficiency, and that it results in a powerful welding and concentration of efforts and interests from top to bottom of the organisation.

I beg to move that the directors' report, auditors' report, and balance-sheet be adopted.

Mr John Heaton seconded the motion, and the report and balance-sheet were adopted.

LONDON ASIATIC RUBBER AND PRODUCE COMPANY, LIMITED.

STRONG FINANCIAL POSITION.

The fifteenth ordinary general meeting of the London Asiatic Rubber and Produce Company, Limited, was held, on the 28th ult., in the Council Room of the Rubber Growers' Association (Incorporated), 2-4, Idol Lane, London, Mr H. J. Welch (the chairman) presiding.

The Chairman, in moving the adoption of the report and accounts, said:—Our issued capital remains the same as last year. The reserve account has been increased by the transfer of £1,052, which was standing to the credit of taxation reserve, and is not now required. As mentioned in the directors' report, we propose to further increase our reserve account by £15,972, which will bring it up to £150,000. On the other side of the balance-sheet we have cost and development of properties, £475,194, showing an increase of over £32,000 since last year. £21,556 of this represents the value of the Batang Benar property, and the balance is the usual upkeep and other expenditure on immature areas for the year. Buildings and machinery and plant show a net reduction of over £2,000. We recommend to-day the payment of a dividend of 10 per cent., which will leave us with a carry forward of £53,000.

The crop was again heavily restricted. Cost of production works out at 8.47d per pound f.o.b., and as the expenditure on the upkeep of all our mature areas not tapped represents 1½d per pound, and is included in this cost, the reduction in cost is a very creditable performance on the part of our estate managers, visiting and local agents, upon which they deserve our congratulations. The sale price, at 11.18d per pound net, may be considered good, when it is borne in mind that during part of the year rubber was selling as low as 7d per pound gross.

NEW PROPERTIES.

The directors' report gives particulars of the new properties—Batang Benar and Tangkah estates—which we have acquired or agreed to acquire. We agreed to purchase Batang Benar estate for £21,725, payable in fully-paid shares. At par the cost works out at £21 15s per acre. The price was settled before the adoption of the Government restriction scheme, or we should not have been able to make the purchase on such favourable terms. It is situated about 15 miles by road from Semenyih estate. The age of the rubber of the greater portion of the planted area is between 11 and 13 years, and we were advised by our visiting agent, Mr F. G. Souter, that acre for acre the property is of equal value to the average of the London Asiatic Company's rubber. Mr Souter visited it again in February last, and reported that the estate was clean and in good order generally.

TANGKAH ESTATE.

The other property which we have agreed to acquire, subject to the approval of its shareholders, is the Tangkah Estate, belonging to Tangkah Rubber Estate, Limited, of which company I am chairman. Its improvement in every respect in the last year or two, under its able manager, Mr Cardwell, has been very great. The terms upon which it is being acquired are, I think, fair to both sides, for while the London Asiatic Company get a property which is in good order and well managed at a very moderate price, the Tangkah shareholders get a more marketable share, and carrying at least equally good dividend prospects. Your directors are satisfied that both purchases will prove advantageous to this company. With these two estates, we shall have a total acreage of 19,626 acres, of which 10,500 will be under rubber. After deducting from our capital issued and to be issued for our

KANSALLIS-OSAKE-PANKKI

(National Joint Stock Bank).

ESTABLISHED 1889.

Head Office: HELSINKI (Helsingfors), FINLAND.

Capital and Reserves - - - Fmk. 252,000,000
Deposits and Cheque Accounts
(31/12/22) - - - Fmk. 1,420,000,000

124 BRANCHES AT ALL IMPORTANT BUSINESS CENTRES IN FINLAND.

Telegraphic Address Kansallispankki.

new estates, the excess of our liquid assets over liabilities—including the dividend to be paid on June 14th—the capitalisation of our company as at January 1st last will represent less than £33 per acre, disregarding the value of the reserve land. I feel sure you will consider that a very satisfactory state of affairs.

THE FUTURE.

With regard to the current year, we expect to harvest a crop of about 2,200,000 lbs, subject to the working of the restriction scheme. Generally, I think this company can face the future with equanimity. Our net cost per acre is very low, and much less than the replacement cost of our estates and equipment. Our properties are at least of average quality. Our cost of production is reasonably low. Our financial position is strong. Further, there is now no reason to doubt that legislative restriction will effect its purpose of successfully carrying the rubber-producing industry through the remainder of the period during which unrestricted supply exceeds the demand, and until once again it rests upon a healthy economic foundation and freed from Government restriction.

Mr Mence Wilkinson seconded the resolution, which was carried unanimously.

TANGKAH RUBBER ESTATE, LIMITED.

At an extraordinary general meeting of Tangkah Rubber Estate, Limited, held on the 28th ult., Mr H. J. Welch presiding, resolutions agreeing to the sale of the company's property, &c., to the London Asiatic Rubber and Produce Company, Limited, for fully paid shares in that company, and for liquidation, were unanimously adopted.

WHITEHALL ELECTRIC INVESTMENTS, LIMITED.

SATISFACTORY POSITION—EXCELLENT PROSPECTS.

The first ordinary general meeting of Whitehall Electric Investments, Limited, was held, on the 1st instant, at Winchester House, Old Broad Street, London, the Hon. Clive Pearson (chairman of the company) presiding.

The secretary (Mr J. Lister Walsh) having read the notice convening the meeting and the report of the auditors,

The Chairman said: Gentlemen.—The income from investments and interest receivable of £538,000 reflects the results which the companies in Chile and Mexico attained during the year 1922. I will deal later with the individual companies, and shall refer to growing earnings now taking effect as a result of the heavy capital expenditures incurred in improvements over the last two years. I would point out, however, that the consequent benefit to your company cannot show itself immediately, and that our income will not show any very material increase in the current year, it being clear that an interval occurs before the earnings of an operating company produce a corresponding benefit in the profit and loss account of a shareholding company.

ALLOCATIONS.

After providing for debenture interest, income-tax, and corporation profits tax, there is available £318,786, of which the preference share dividend takes £112,500. Of the balance of £206,286, rather over one-half has been allocated to write off the whole of the preliminary expenses and in reduction of the discount on the issue of debenture stock. The discount on issue of debenture stock is a considerable item, representing, in fact, not only the discount of the debentures, but also the expenses of issue both of the debentures and of the preference shares. The heavy preliminary expenses consist almost entirely of capital stamp duties. These allocations, you will agree, are wisely conservative, and your directors have pleasure in recommending that the balance of £100,000 be applied in payment of a 2 per cent. dividend upon the ordinary share capital.

The balance-sheet does not, I think, call for comment beyond referring to the large amount of cash. This is a satisfactory position, and will prove useful in connection with various opportunities for investment, which your directors are considering.

I propose now to tell you briefly of the doings and prospects of the undertakings in which you are interested, and I will speak first of your Chilean interest—the Compania Chilena de Electricidad. Operating results have not so far benefited from the company's extensions, and do not call for special comment. The progressive policy was adopted by the company of extending its sphere, and of taking care in advance of the latent demand of a populous and active territory; consequently, and since the territory was developed electrically only to a very partial degree, the company's programme of extensions has been a very comprehensive one, and has included a new hydro-electric plant, transmission lines, receiving stations and sub-stations, and the remodelling and extending of the distribution system of Santiago. The Chilena

Company has thus reached the point where it should immediately commence to reap the benefit from the large construction work it has undertaken.

MEXICAN INTERESTS.

Turning to your Mexican interests, I am glad to say that the companies have in the aggregate shown good results during the year 1922, and the outlook for the current year is satisfactory. The Puebla Tramway Light and Power Company continues to make progress, and has recently entered into a provisional contract with the Mexican Railway for the supply of power in connection with the electrification of a section of their railway. This necessitates an extension of the company's Tuxpango plant. The operating results of the Compania Electrica de Tampico for the year 1922, although not equal to those for the record year of 1921, have realised expectations. La Barra Tramway Concession, to which reference was made at the statutory meeting, has been duly transferred. The results of the Vera Cruz Electric Light, Power and Traction Company for the year 1922 have not been so satisfactory, due largely to unsettled conditions in the State of Vera Cruz, which resulted in a marked falling off in tramway receipts. The small Orizaba and Cordoba Companies have shown normal progress.

We are thankful to our colleague, Mr Vincent Yorke, who was recently in Mexico, for having visited your various Mexican interests. It will be known to you that the agreement between the Mexican Government and the International Bankers' Committee has been duly signed, and is a step forward in the re-establishment of the country's prosperity.

In conclusion, it may be said with confidence that the position of your company is satisfactory, and that its prospects are excellent.

I now have pleasure in formally proposing that the report of the directors, together with the accounts of the company for the year ended March 31, 1923, be and are hereby received and adopted.

Mr Vincent W. Yorke seconded the motion, which was carried unanimously.

LONELY REEF GOLD MINING COMPANY, LIMITED.

ORE RESERVES—DECREASED WORKING COSTS.

The thirteenth ordinary general meeting of the Lonely Reef Gold Mining Company, Limited, was held, on the 30th ultimo, at Cannon Street Hotel, Cannon Street, London, Mr. C. F. Rowsell presiding.

The Chairman, in moving the adoption of the report and accounts, first explained the change which had been made in the control of the company by transferring its management to Johannesburg. Dealing with the result of the year's working, the Chairman said that £72,479 had been brought into the accounts from the previous year, as against £68,729, and the profit for the twelve months had been £93,851, as against £113,720. The fall in profit was largely due to the reduced selling price of the gold, as well as to the reduction in the grade of ore sent to the mill. Two dividends of 15 per cent. each, amounting to £70,631, had been paid during the year, and he would point out that £33,552—a very enormous proportion of the profits—had been paid for British and Rhodesian income-tax. A considerable amount had again to be provided for capital expenditure, and in view of these facts the directors had decided to issue to the shareholders 27,100 shares, with the proceeds of which they would be in a position to free the profits and distribute them amongst the shareholders.

Dealing with the position at the mine, he said that the ore reserves on December 31st last were 192,183 tons, of an average value of 16.27 dwts, showing a decrease of 12,000 tons and 1.83 dwts. The quarterly report to March 31st last showed an increase both in quantity and value. The quarterly report also disclosed a very satisfactory increase in value in the drive south at the 25th level, which had only just reached the points where higher value ore was expected. Development on the 26th level had only just commenced, and he had no doubt when next he had the pleasure of addressing the shareholders, he would be able to give satisfactory information as to both those levels.

With reference to the question of costs, it was fortunate that the board adopted Mr Kingston's proposals for the introduction of suction gas plant to economise in fuel, because, but for this they would have been running up very much higher costs, as every day fuel was getting more and more scarce and expensive, and also more difficult to procure. Mr Kingston stated in his report that no less an amount than £38,955 was saved on fuel by this plant in 1921.

In conclusion, the Chairman said they had to date produced 663,156 tons of ore, had recovered £2,707,811 of gold, and paid dividends equivalent to 365 per cent. of the issued capital.

The report and accounts were unanimously adopted.

CONSOLIDATED MINES SELECTION COMPANY, LIMITED.

SALE OF SOUTH AFRICAN ASSETS.

The twenty-seventh ordinary general meeting of the Consolidated Mines Selection Company, Limited, was held, on the 29th ultimo, at Winchester House, London.

Mr Walter McDermott (chairman of the company) presided, and, in moving the adoption of the report and accounts, said that since their last annual meeting there had been an important change in the holdings and obligations of the company, resulting from the sale of their South African assets to the Anglo-American Corporation. The result of that sale, and the terms of the agreement by which it was effected, had been to convert all their varied interests in the individual mines of South Africa into one large holding of the shares of the Anglo-American Corporation. The change in the form of their interests in South African mining did not affect their position as an exploration company elsewhere; but it had relieved them of the heavy expense of maintaining an important organisation in Johannesburg, as well as reducing their London expenses. A further result had been to relieve them of some serious contingent liabilities they had undertaken, in the future financing of the mines they formerly managed. The broad consequences of the transaction were, therefore, that while they were still largely interested in the future of the several gold mines they capitalised and worked in past years, they were also largely interested in diamond mining, and they were in a sound financial position which permitted of resumption of dividends, while their expenses of operation were greatly reduced. Having reviewed the accounts, the chairman went on to give details of their various holdings in South Africa and elsewhere. In any anticipation of the results of the present year, he observed, there were three elements of chief importance to be taken into consideration. These were: first, the probable earnings of the gold mines on which they had always depended so largely; second, the market for diamonds; and third, the policy of the Anglo-American Corporation in the declaration of dividends from profit earned. As regards the gold-mining income, they had reason to expect continued good results in view of developments, and now that the cost of working had been reduced. Of the diamond market he could not speak with any authority, but among their directors were some who had had practical experience over many years, and the opinion to which they attached importance was that the market promised well for the absorption of diamonds enough to insure satisfactory earnings. On the third element he did not see any reason for doubting that the board of the corporation would consider the desire of shareholders to receive dividends in reasonable relation to earnings.

The report was adopted.

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

GOVERNMENT RETURNS.

NATIONAL DEBT.—(Million £.)

	Aug. 1, 1914.	Mar. 31, 1916.	Dec. 31, 1916.	Mar. 31, 1917.	Dec. 31, 1917.	Mar. 31, 1918.	Dec. 31, 1918.	Mar. 31, 1919.	Dec. 31, 1919.	Mar. 31, 1920.	Dec. 31, 1920.	Mar. 31, 1921.	Dec. 31, 1921.	Mar. 31, 1922.	Dec. 31, 1922.	Mar. 31, 1923.	May 26, 1923.
Funded Debt	588	318	315	315	315	315	314	314	314	314	314	314	314	314	314	314	314
Term Annuities	30	22	20	19	18	16	15	15	15	15	15	15	15	15	15	15	15
4½% War Stock	..	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63
4½% War Stock	..	16	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13
4½% War Stock	..	2,091	2,047	2,040	1,996	1,953	2,071	2,071	2,071	2,071	2,071	2,071	2,071	2,071	2,071	2,071	2,071
National War Bonds	..	649	1,509	1,476	1,413	1,201	971	971	971	971	971	971	971	971	971	971	971
4% Funding Loan	..	..	409	409	406	401	401	401	401	401	401	401	401	401	401	401	401
4% Victory Bonds	..	..	360	357	348	335	335	335	335	335	335	335	335	335	335	335	335
3½% Conversion Loan	..	..	..	..	..	266	690	687	687	687	687	687	687	687	687	687	687
5½% Treasury Bonds	..	..	..	..	..	381	166	166	166	166	166	166	166	166	166	166	166
5% Treasury Bonds	..	..	..	..	..	40	40	40	40	40	40	40	40	40	40	40	40
Do by tender 5%	..	..	..	..	..	8	69	69	69	69	69	69	69	69	69	69	69
Do by tender 4½%	..	..	..	..	..	..	84	108	108	108	108	108	108	108	108	108	108
Do 4½% 1931-33	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Treasury Bills	15	961	1,107	1,107	1,121	878	719	616	592	592	592	592	592	592	592	592	592
Exchequer Bonds	20	339	323	319	329	185	150	150	150	150	150	150	150	150	150	150	150
Nat'l. Savings Certs.	..	138	267	274	285	342	350	350	350	350	350	350	350	350	350	350	350
War Expend. Certs.	..	23	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Other Debt	..	944	1,306	1,181	1,132	1,087	1,071	1,070	1,070	1,070	1,070	1,070	1,070	1,070	1,070	1,070	1,070
American Loan	..	51	51	51	49	49	66	68	68	68	68	68	68	68	68	68	68
Temporary Advances	1	804	243	205	154	147	222	194	194	194	194	194	194	194	194	194	194
Other Capital Liabilities	554	5,872	8,033	7,829	7,574	7,655	7,768	7,663	7,636	7,636	7,636	7,636	7,636	7,636	7,636	7,636	7,636
Total Liabilities	711	5,921	8,079	7,876	7,623	7,721	7,835	7,730	7,704	7,704	7,704	7,704	7,704	7,704	7,704	7,704	7,704

POSITION OF THE FLOATING DEBT.

	May 27, '22.	Mar. 31, '23.	May 26, '23.	May 26, '23.
Temporary Advances Outstanding	£ 171,981,500	£ 193,897,500	£ 184,280,500	£ 6,400,000
Advances by Bank of England	171,981,500	193,897,500	184,280,500	6,400,000
Advances by Public Deposits	..	615,045,000	591,725,000	1,735,000
Treasury Bills outstanding	771,269,000	615,045,000	591,725,000	1,735,000
Total Floating Debt	943,250,500	803,942,500	776,005,500	4,665,000

CURRENCY NOTES ACCOUNT.—(000's omitted.)

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Silver Coin.	Redemption Account.			
				Gold and Silver Bullion.	Bank of England Notes.	Ratio to Government Securities.	Balance at Bank of England.
Mar. 29, 1922.....	300,351	14,255	5,000	28,500	19,450	159	261,479
June 28, 1922.....	295,374	13,338	5,000	28,500	19,650	163	254,312
Sept. 27, 1922.....	289,127	12,648	7,000	27,000	21,150	166	246,456
Dec. 27, 1922.....	301,337	12,872	7,000	27,000	21,150	159	258,922
1923.							
Mar. 28, 1923.....	285,616	12,318	7,000	27,000	22,450	173	241,294
May 16, 1923.....	287,416	12,164	7,000	27,000	22,450	172	242,915
30, 1923.....	287,919	12,164	7,000	27,000	22,450	172	243,449
	287,481	12,173	7,000	27,000	22,450	172	243,086

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £320,600,000, for 1921 at £317,555,200, for 1922 at £309,988,400, and for 1923 at £270,183,800.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £40,000,000 in Treasury Bonds and Treasury Bills dated from June 4-June 9 were opened on June 1, 1923, and the total amount applied for was £55,410,000. Tenders for Monday to Friday bills at £99 10s 5d, about 88 per cent., and above in full, and for Saturday bills at £99 10s 7d, and above in full. The amounts allotted were as follows:—In bills at 3 months, £40,000,000; in bonds, nil.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months Average Rate.	4% Treasury Bonds Average Price.
1923.				
April 27, 1923.....	40,000,000	61,230,000	1 18 7.85	95 5 0
May 4, 1923.....	35,000,000	60,965,000	1 18 8.29	95 6 0.8
May 11, 1923.....	30,000,000	62,300,000	2 0 4.02	95 6 10.5
May 18, 1923.....	30,000,000	52,979,300	1 17 1.47	nil
May 25, 1923.....	40,000,000	64,851,000	1 19 3.87	95 6 7.6
June 1, 1923.....	40,000,000	55,410,000	1 17 5.68	nil

Tenders will be received on June 8, 1923, for Treasury Bonds and Bills to be issued to the maximum amount of £40,000,000. The amount of Treasury Bonds issued will not exceed £5,000,000.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	—	Total Receipts into the Exchequer from		RECEIPTS.	
		Apr. 1, 1923, May 26, 1923.	Apr. 1, 1922, May 27, 1922.	Week Ended May 26, 1923.	Week Ended May 27, 1922.
Balances in Exchequer on 1st April:—	£	£	£	£	£
Bank of England....	..	5,442,665	9,963,424	..	..
Bank of Ireland	..	1,375,502	1,210,106	..	..
REVENUE.	..	6,818,167	11,173,530	..	..
Customs.....	..	20,210,000	18,351,000	2,599,000	3,055,000
Excise.....	..	24,038,000	23,455,000	955,000	1,295,000
Motor Vehicle Duties ..	..	1,679,000	1,354,000	..	..
Estate, &c., Duties.....	..	8,330,000	10,091,000	1,090,000	1,130,000
Stamps.....	..	2,750,000	1,967,000	650,000	590,000
Land Tax, House Duty & Mineral Rights Duty ..	..	370,000	410,000	30,000	30,000
Property & Income Tax ..	..	34,674,000	43,823,000	1,471,000	2,284,000
Super-Tax.....	..	10,490,000	954,000	820,000	..
Excess Profits Duties, &c.	..	..	954,000	..	..
Corporation Profits Tax ..	..	3,690,000	2,681,000	550,000	273,000
Post Office.....	..	7,450,000	7,500,000	750,000	1,000,000
Crown Lands	..	190,000	160,000	90,000	80,000
Interest on Sundry Loans.....	..	2,390,495	343,524	28,219	..
Miscellaneous—	..	..	..	..	..
Ordinary Receipts...	..	2,689,318	7,831,979	494	300,000
Special Receipts...	..	9,611,369	8,947,340	1,026,656	514,997
Revenue.....	..	128,562,182	127,863,743	10,050,369	10,481,997
Total, Inc. Balance ..	..	135,380,349	139,037,273	..	..
OTHER RECEIPTS.					
Temporary Advances Repaid:—					
Bullion	..	..	550,000	..	..
Under the Unemployment Insurance Act, 1921	..	1,060,000	..	100,000	..
Money Raised by Creation of Debt:—					
(a) For Capital Expenditure Issues: Under the Telegraph (Money) Act, 1921 to 1922	..	..	..	..	..
(b) Under the Unemployment Insurance Act, 1921	..	..	1,210,000	..	..
(c) For other Issues:	..	..	..	..	..
By Treasury Bills for Supply ..	369,352,000	478,349,000	37,108,000	56,718,000	..
By National Savings Certificates ..	7,600,000	24,350,000	700,000	650,000	..
By Treasury Bonds—	..	..	..	..	..
5-15 year, 1925-35	..	..	..	..	..
5½, 1927	..	61,543,539	..	..	..
6½, 1927	..	..	..	..	..
4½, 1931-33	24,400,986	..	..	..	..
By Other Debt created under the War Loan Act, 1914 to 1919	..	..	..	..	..
(d) Ways and Means Advances	65,900,000	130,570,000	3,250,000	13,400,000	..
Anglo-Persian Oil Company—	..	..	..	..	..
Dividends on Shares acquired	..	243,012	..	..	..
Repayments—					
In respect of Issues under Land Settlement (Facilities) Act, 1919 and 1921	36,059	7,901	..	..	..
Do Issues under Section 59 (4) of the Finance Act, 1920	..	265,460	..	..	..
Interest received under Section 59 (5) of the Finance Act, 1920	..	87,358	..	..	..
Total	603,739,334	636,793,548	51,308,359	76,249,987	..

EXPENDITURE AND OTHER ISSUES.

EXPENDITURE.	Total Issues out of the Exchequer to meet Payments from		Issues.	
	Apr. 1, 1923, to May 26, 1923.	Apr. 1, 1922, to May 27, 1922.	Week Ended May 26, 1923.	Week Ended May 27, 1922.
Permanent Charge of Debt.....	3,332,767	3,434,757	..	..
Interest, &c., on War Debt.....	50,534,896	49,939,742	657,187	1,535,818
Road Fund.....	1,078,044	633,000	..	..
Payments to Local Taxation Accounts, &c.....	..	200,000	..	150,000
Payments to Northern Ireland Exchequer.....	552,583	410,000	380,741	250,000
Land Settlement.....	64,794	246,782	..	..
Other Consolidated Fund Services.....	254,317	279,476	..	3,557
Supply Services.....	50,766,000	49,480,500	4,677,000	5,646,000
Expenditure.....	106,583,381	104,564,257	5,714,928	7,585,375
OTHER ISSUES.				
Temporary Advances—				
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1921.....	36,891	84,909	..	..
Under the Unemployment Insurance Act, 1921.....	30,000	1,450,000	..	240,000
Issues to Meet Capital Expenditure—				
Under the Telegraph (Money) Acts, 1921 to 1922.....	600,000	200,000	..	800,000
Under the Housing Act, 1914.....	..	13,000	..	..
Unemployment Insurance Act, 1921—				
Repayment of amounts borrowed.....	750,000	..	..	..
Redemption of Debt—				
Treasury Bills for Supply.....	393,650,000	589,145,000	35,385,000	67,290,000
Principal of National Savings Certificates—				
(a) Repaid by Issues under Section 59 (6) of the Finance Act, 1920.....	800,000	4,600,000	..	600,000
(b) Repaid otherwise.....	5,400,000	..	600,000	..
Principal of Exchequer Bonds paid off.....	..	19,236,605	..	..
Principal of National War Bonds paid off.....	16,604,989	..	..	2,000,000
Other Debt under the War Loan Act, 1914 to 1919.....	15	7,251,988	..	20,000
Ways and Means Advances Repaid.....	75,517,000	105,890,000	9,650,000	20,000
Anglo-Persian Oil Company—Issued to the National Debt Commissioners.....	..	243,012	..	243,012
Under Section 15 (1) (b) of the Finance Act, 1921.....	599,972,376	832,734,487	51,349,928	78,178,387
Balance in Exchequer—				
Bank of England.....	2,129,938	1,970,127	+ 53,181	30,390
Bank of Ireland.....	1,627,180	2,088,989	- 194,741	102,000
Total.....	3,757,118	4,059,116	- 141,559	71,610

Treasury, May 28, 1923.

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, May 30, 1923.

ISSUE DEPARTMENT.

Notes issued.....		Government debt.....		11,015,100	
Other securities.....		8,734,900		..	
Gold coin and bullion.....		125,699,790		..	
Total.....		145,449,790		145,449,790	

BANKING DEPARTMENT.

Proprietors' capital ..		14,553,000		Government securities.....		42,967,480	
Reserve.....		3,195,026		Other securities.....		71,255,827	
Public deposits.....		20,753,609		Notes.....		20,899,295	
Other deposits.....		98,429,126		Gold and silver coin..		1,824,540	
Seven-day & other bills.....		16,381		Total.....		136,947,142	

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

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve and % of Reserve to Liabilities.	Bank Rate.
1923.						
April 26.....	127,519,383	122,779,225	122,647,175	115,810,893	24,409,098	20
May 2.....	127,580,900	124,191,570	120,870,439	115,489,728	25,079,330	19
9.....	127,581,944	123,776,130	116,605,698	110,835,051	23,495,814	20
16.....	127,526,004	123,476,495	122,383,567	116,357,526	23,798,509	20
23.....	127,526,547	123,280,350	118,382,828	112,180,494	23,986,197	20
30.....	127,524,330	124,550,495	119,182,735	114,233,307	22,773,835	19

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve and % of Reserve to Liabilities.	Bank Rate.
1923.						
April 26.....	127,519,383	122,779,225	122,647,175	115,810,893	24,409,098	20
May 2.....	127,580,900	124,191,570	120,870,439	115,489,728	25,079,330	19
9.....	127,581,944	123,776,130	116,605,698	110,835,051	23,495,814	20
16.....	127,526,004	123,476,495	122,383,567	116,357,526	23,798,509	20
23.....	127,526,547	123,280,350	118,382,828	112,180,494	23,986,197	20
30.....	127,524,330	124,550,495	119,182,735	114,233,307	22,773,835	19

The OCEAN ACCIDENT AND GUARANTEE CORPORATION, Limited.

ASSETS..... £7,883,254
CLAIMS PAID..... £30,500,000Accidents and illness.
Employers' Liability, Motor Cars, Fidelity Guarantees, Burglary, Fire, Public Liability, Inspection and Insurance of Boilers, Engines, Electrical Plant and Lifts, Exe-cutorships and Trusteeships.

Head Office: 38-44, MOORGATE, LONDON, E.C.2.

BANKERS' CLEARING RETURNS (000's omitted).

Week Ending—	Town.	Metropolitan.	Country.	Total.
1923.				
January 1 to April 25.....	10,932,266	505,003	917,079	12,354,348
May 2.....	729,357	30,280	52,200	811,837
9.....	646,855	33,273	66,361	746,489
16.....	591,416	30,058	57,482	678,953
23.....	505,184	25,745	45,980	577,909
30.....	541,856	27,637	48,725	618,218
Total to date 1923.....	13,947,934	652,033	1,187,807	15,787,774
Do 1922.....	14,686,922	671,628	1,192,921	16,551,471
Increase or decrease in 1923.....	- 738,988	- 19,595	- 5,114	- 763,697
Total for year 1922.....	32,780,635	1,574,661	2,806,165	37,161,461
Total for year 1921.....	30,268,214	1,660,166	3,002,179	34,930,559
Increase or decrease in 1922.....	+ 2,512,421	- 85,505	- 196,014	+ 2,330,902
	- 8.3 %	- 5.1 %	- 6.5 %	- 6.3 %

PROVINCIAL CLEARING RETURNS.

	1922.	1923.	Ino. or Deco.
Aggregate Totals to May 26.			
BIRMINGHAM.....	46,298,600	48,972,000	+ 2,673,400
BRISTOL.....	32,792,000	24,661,000	- 8,131,000
DUBLIN.....	139,654,600	132,032,300	- 7,622,300
LONDON.....	23,418,700	24,028,500	+ 609,800
LIVERPOOL.....	22,643,100	23,069,800	+ 426,700
MANCHESTER.....	16,571,300	16,748,600	+ 177,300
NEWCASTLE-ON-TYNE.....	181,867,200	190,185,000	+ 8,317,800
NOTTINGHAM.....	311,293,700	316,852,800	+ 5,559,100
Sheffield.....	40,217,400	42,428,300	+ 2,211,500
Sheffield.....	14,194,600	13,448,600	- 746,000
Sheffield.....	19,678,700	24,318,900	+ 4,640,200

OVERSEAS BANK RETURNS.

NOTE.—The latest returns of the Banks of Russia, Roumania, Denmark, Egypt, Portugal, Latvia, and Estonia will be found in the Economist of May 19, 1923. The latest returns of the Banks of Canada, Bulgaria, Poland, Lithuania, and Czechoslovakia appeared in the Economist of May 26, 1923.

U.S. FEDERAL RESERVE BANKS.—In \$'s (000's omitted).

Resources.	May 25, 1923.		May 18, 1923.		May 26, 1922.	
	1923.	1923.	1923.	1922.	1922.	1922.
Total gold reserve.....	3,093,300	3,087,890	3,088,860	3,007,690	..	..
Legal tender notes and silver reserve.....	94,490	93,170	92,560	127,560	..	..
Bills discounted for member banks.....	700,310	697,330	695,020	487,240	..	..
Bills bought in open market.....	270,850	281,610	266,990	105,360	..	..
Government obligations owned.....	206,960	188,890	185,810	596,210	..	..
All other resources.....	65,490	64,730	64,160	68,660	..	..
LIABILITIES.						
Government deposits.....	6,330	56,060	22,620	60,410	..	..
Other deposits.....	1,979,950	1,937,630	1,915,050	1,856,770	..	..
Federal Reserve Notes in actual circulation.....	2,227,700	2,233,000	2,241,820	2,128,230	..	..
F.R.B. Notes in actual circulation.....	1,650	1,890	2,070	71,700	..	..
All other liabilities.....	17,620	16,990	16,830	17,750	..	..
Capital and surplus.....	327,650	327,640	327,400	320,090	..	..
Ratio of total reserves to gross deposit and Federal Reserve note liabilities combined.....	75.6 %	75.3 %	76.1 %	77.5 %	..	..

BANK OF FRANCE.—In francs (000's omitted).

Assets.	May 31, 1923.		May 17, 1923.		June 1, 1923.		Position May 26, 1924.	
	1923.	1923.	1923.	1923.	1923.	1923.	1924.	1924.
Gold coin and bullion.....	5,537,397	5,537,242	5,537,107	5,537,811	..	..	3,730,826	..
Of which held abroad.....	1,864,345	1,864,345	1,864,345	1,864,345	..	..	..	..
Silver coin and bullion.....	292,560	292,560	292,560	292,560	..	..	..	..
Discount and advances.....	4,957,039	4,543,261	4,588,208	4,741,249	..	..	633,650	..
Advances to the State.....	23,000,000	22,600,000	22,600,000	..	..	..	..	..
LIABILITIES.								
Notes.....	36,740,980	36,386,138	36,692,073	35,982,101	..	..	5,811,875	..
Government deposits.....	68,639	33,534	57,953	20,592	..	..	183,700	..
Private deposits.....	2,131,142	2,172,884	2,098,751	2,282,610	..	..	445,960	..

SOUTH AFRICAN RESERVE BANK. In £'s (000's omitted).

Liabilities.	May 5, 1923.		April 28, 1923.		April 21, 1923.		April 14, 1923.		April 7, 1923.	
	1923.	1923.	1923.	1923.	1923.	1923.	1923.	1923.	1923.	1923.
Capital.....	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Reserve.....	2	2	2	2	2	2	2	2	2	2
Notes in circulation.....	9,822	9,855	9,552	9,590	9,550	9,550	9,550	9,550	9,550	9,550
Bankers' deposits.....	5,561	5,414	5,513	5,464	5,464	5,464	5,464	5,464	5,464	5,464
Other deposits.....	3	1	1	1	1	1	1	1	1	1
Assets.										
Gold coin and bullion.....	503	503	503	503	503	503	503	503	503	503
Gold certificates.....	10,069	10,069	10,069	10,069	10,069	10,069	10,069	10,069	10,069	10,069
Subsidiary coin.....	125	125	125	125	125	125	125	125	125	125
Bills discounted (domestic).....	2,938	2,681	2,638	2,745	2,694	2,694	2,694	2,694	2,694	2,694
Do (foreign).....	638	771	607	632	632	632	632	632	632	632
Loans and advances to the Government.....	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Other loans and advances.....	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Investments.....	8	8	8	8	8	8	8	8	8	8
Ratio of cash reserves to liabilities to public.....	69.5 %	70 %	71 %	71 %	71 %	71 %	71 %	71 %	71 %	71 %

BANK OF JAPAN.—In yen (000's omitted).

	April 28, 1923.	April 21, 1923.	April 14, 1923.	April 7, 1923.	April 29, 1923.	Position Jan. 1924
Assets.						
Cash and bullion.	1,088,677	1,085,287	1,085,315	1,083,877	1,272,708	521,325
Discounts	235,121	150,214	154,701	183,682	264,489	41,740
Advances	907,348	210,238	212,237	214,248	138,604	70,540
Notes	1,210,814	1,097,109	1,094,706	1,120,893	1,226,967	358,877
Govt deposits	841,267	876,540	877,998	876,611	877,348	87,348
Other deposits	30,990	35,507	31,888	33,608	34,126	11,400

COMPANY NEWS.

The Banco Español del Rio de la Plata, 7 Fenchurch street, E.C. 3, announce that an agency has now been opened at Pontevedra, Spain.

Next week 30 lacs will be offered.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.			Dividend for Whole Years.	
	Interim or Final.	Date of Payment.	Method of Payment.	Last Year.	Pre-vious year.
Railways.					
Bengal Nagpur.	3%	July 2	Less tax	..	..
Leopoldina, Pref.	..	..	Less tax	5½	5½
Mansfield	..	..	..	4	3
South Behar	5%	July 16	..	..	..
Union Pacific	2½%	July 2	Quarterly	..	..
Banks.					
Bank of New South Wales	10	June 22	Quarterly	..	..
Dominion	12	July 1	Quarterly	..	..
Imperial of Persia	3/ p.s.*	June 18	Tax free	..	..
Industrial and Agricultural of Bohemia	..	..	..	8	..
Land Bank of Egypt	3/ p.s.*	June 15	..	..	..
Insurance.					
Law Union and Rock	4/ p.s.	May 31	Less tax	..	..
Pioneer Life	..	..	Less tax	1/ p.s.	..
Sun Life	12/6 p.s.	July 2	Tax free	..	..
Wardens	10 %†	..	Tax free	15	..
Rubber.					
Battagalla Estate	10%*	June 6	..	..	..
Bhubrighat Tea	7½%	..	Less tax	15	nil
Bradwall (F.M.S.) Rubber	..	..	..	10	nil
Budha Beta Tea	30%†	..	Tax free	(a) 50	..
Chubua Tea	10%†	(& bonus 10%)	Less tax	30	15
Consolidated Malay	..	..	Less tax	12½	..
Gallewattwa Tea	..	..	..	10	..
Jugra Estate	20 %†	..	..	30	25
Lendu Rubber	..	..	Less tax 5/ in £	6	nil
Lunmut Rubber	5%*	July 2	Less tax	7	..
Mazdehee Tea	..	..	..	7½	nil
Merliman Rubber	..	..	..	5	nil
Noyapura Tea	15 %†	..	..	25	nil
Sampang (Java) Rubber	5 %†	..	Less tax	10	nil
Scottish Assam Tea	..	..	Less tax	10	..
Sylhet Tea	..	..	Less tax	5	..
Taiping Rubber	3%*	..	Less tax	..	..
Mining.					
Bozenegua Tin	10%†	June 28	Less tax	(b) 22½	..
Pato (Colombo)	7/ p.s.*	June 26	Less tax	..	..
Other Companies.					
Anglo-Egyptian Oilfields, "B"	..	..	Less tax	12½	15
Angostura Bitters	4%*	..	..	7½	..
Banbury Electric Supply	..	..	Less tax	10	35
Barroetucha Nitrate	..	..	..	30	20
Behobor Co.	10%†	(& bonus 10%)	..	10	..
Birkdale Electric Supply	..	..	Less tax	4	5
Bolands	..	..	..	..	..
Brazilian Traction, Cum. Pref.	1½%	July 2	..	..	..
British American Tobacco	4 %†	June 30	Tax free	..	..
British Industrial Corporation	..	..	..	nil	6
British Moss Litter	..	..	..	5	10
Burntisland Shipbuilding	..	..	Tax free	1/ p.s.	..
Cadena Cafes	7½%*	..	..	..	..
Canadian General Electric	1½%	July 2	..	6	..
Nee Hill Granite	..	..	Less tax	15	..
Colombo Elec. Tramways	..	..	Tax free	15	..
Cope Brothers	6 %†	(& bonus 2½%)	Less tax	12½	10
Coventry Chain	6*	July 1	..	6	7
Craig and Rose	..	..	..	..	..
Darford Brewery	3%*	June 23	..	5	..
Dublin Brick	..	..	Less tax	12½	12½
Dundee Ice	9†	(& bonus 2½%)	Less tax	10	10
Electric Construction	4%†	June 1	Less tax	8	8
Fitch and Son	10†	..	..	..	..
Great Western Colliery	3%†	..	..	13	..
Hart Accumulator	..	..	..	5	5
Hastings Pier Co.	..	..	Less tax	12½	..
Holy's	17½†	..	..	..	..
Hull Brewery	7*	..	..	..	..
Imperial Property Invest. Pref.	2½%*	June 1	Less tax	16	15
Liv. stment Trust, Defd.	9½%†	..	..	6	..
Lewes Electric Supply	..	..	Less tax	15	15
London Central Markets	..	..	Tax free	..	..
London Nitrate	1/ p.s.*	..	..	10	..
Lucas and Co.	..	..	..	5	..
Market Deeping (Lincs) Gas	..	..	..	15	15
Marston, Thompson, & Evershed	..	..	..	7½	6
Merthyr Electric Traction	6*	June 30	Less tax 4/9 in £	..	..

AUTOMATIC TELEPHONE.—Directors again regret that it is not possible to pay dividend on ordinary shares.

FORESTAL LAND, TIMBER, AND RAILWAYS.—The board have decided not to recommend the payment of a dividend on the ordinary shares.

INTERNATIONAL AUTOMATIC TELEPHONE.—Directors regret that profits are not sufficient to enable dividend to be paid on ordinary and deferred shares.

NORTH LONSDALE IRON AND STEEL CO., LIMITED, announce that owing to the very uncertain state of the iron trade no interim dividend will be paid for the half-year to April 30, 1923.

SOUTH AUSTRALIAN COMPANY.—The directors having decided to make a distribution of assets of £10 per share to those shareholders who are registered in the company's books on May 31, 1923, in accordance with the resolution passed at the special general meeting held on July 31, 1922, and duly confirmed on August 16th that sum will be payable on June 11, 1923.

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Dividend Interest.	Amount Available for Distribution.	Appropriation.				Corresponding Period Last Year.	
					Dividend.			Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.
					Prefce.	Ordinary.	Rate.			
					Amount.	Amount.	Rate.			Dividend.
Breweries.										
Marston, Thompson, and Evershed	Mar. 31	£ 31,503	£ 67,011	£ 98,514	£ 14,290	£ 45,138	15½	£ 7,000	£ 32,086	£ 68,352 15½
Hotels, Restaurants, &c.										
Peebles Hotel-Hydropathic	Feb. 28	840	4,491	5,331	3,171	500	10	1,000	660	6,766 10
Nitrate.										
Lautaro	Dec. 31	72,555	28,159	100,714	..	..	..	..	100,714	Dr 209,369 ..
Oil.										
Lobitos Oilfields	Dec. 31	85,261	521,072	606,333	..	200,000	50½	225,000	181,333	516,423 35½
Rubber, &c.										
Lendu	Mar. 31	5,195	2,243	7,438	..	5,183	6	..	2,255	Dr 290 ..
Tea.										
Chubwa	May 30	9,613	56,792	66,405	3,710	15,900	30	30,000	16,795	16,943 15
Noyapara	Dec. 31	8,556	11,465	20,021	..	6,250	25	..	13,771	4,911 10
Telegraphs and Telephones.										
Automatic Telephone	Dec. 31	4,313	27,288	31,601	12,000	..	..	13,115	6,486	16,452 ..
International Automatic Telephone	Dec. 31	643	15,894	16,537	11,782	..	..	2,000	2,755	11,791 ..
Trust.										
Investment Trust	May 1	119,432	157,038	276,470	48,000	96,233	16	..	132,237	159,257 15
Waterworks.										
Rickmansworth and Uxbridge Valley	Mar. 31	4,330	20,010	24,340	2,410	13,934	9 6 10	1,500	6,496	14,716 5 3 10
Other Companies.										
Associated Newspapers	Mar. 31	43,363	680,630	723,993	25,000	42,000	7 Ord.	..	94,493	.. ..
Cope Brothers and Co.	Mar. 31	33,992	97,361	131,353	..	562,500	56 10 11	40,000	56,197	70,555 10
Craig and Ross	Mar. 31	7,215	10,076	17,291	5,000	35,156	12 10 11	..	6,291	15,880 7 10
Electric Construction	Mar. 31	22,073	50,333	72,406	4,395	6,000	6 10 11	..	20,724	82,685 10
Henry Gardner and Co.	Mar. 31	11,470	61,244	72,714	..	26,250	7 10 11	..	16,464	50,508 6
Holbrooks	Mar. 31	21,896	44,609	66,525	2,625	40,000	20 10 11	..	23,900	41,393 17 10
Joseph Burton and Sons	April 14	13,876	18,423	36,299	9,875	2,500	5 10 11	2,500	17,424	17,536 5
Virol	Mar. 31	33,260	46,771	80,031	8,750	15,000	20 10 11	15,000	41,281	36,067 17 10

† Tax free.

Steamers of Rosafe, 62½ lbs, June 15th-July 5th, sold at 46s 1½d, part cargoes of choice white Karachi afloat at 48s 6d to France, and 47s 6d U.K. A full cargo of ditto May-June to U.K. at 47s, and Rosafe 62½ lbs shipment by June 20th at 47s to France. The decline was most noticeable in Indian descriptions owing to a larger estimated surplus being available for export. Flour moves off quietly at about late rates, though prices are weak, owing to the wheat position. London standard straight run quoted at 41s, patents 43s to 44s, town households 39s per sack delivered in London area. All English country straights 33s to 35s per sack delivered to London stations. Imported dull, and values largely nominal. Manitoba patents quoted at 37s to 41s, Minneapolis good patents 40s 6d, and Australian 37s to 38s per 280 lbs ex store. Millers' offals steady. Broad bran quoted at 6s 9d, ordinary ditto 5s 6d, middlings 7s 6d, bags included ex mill. Light oats 6s 3d, powdered oat husks 5s 9d, feed oatmeal 7s 9d, ground oats 13s 9d, all per cwt free on rail. Barley: English steady at 8s-11s 6d, as to sample, with malting descriptions ruling from 10s-12s per 112 lbs free on rail. Imported dull and weak. Californian 44s 6d-46s 6d, Australian chevalier 42s-48s, New Zealand 33s-47s as to quality, all per 448 lbs landed. Persian 27s, Plate 29s, Danubian 29s, American malting 48 lbs 28s 6d, No. 4 Canadian Western 28s 6d, Karachi 28s 3d, all landed per 400 lbs. Maize: Quiet and tendency easier. Plate landed 30s, No. 2 yellow American ditto 38s 3d, East African ex ship 36s 9d, landed 37s 6d, all per 480 lbs. On c.i.f. terms a cargo of J.A. Plata August-September sold 34s 9d. Oats: English quiet at 8s 2d-10s 6d per 112 lbs free on rail as to quality. Imported dull, and prices continue in buyers' favour. Plate f.a.q. ex ship 22s 9d, ditto landed 24s, No. 2 Canadian Western ex ship 27s 3d, ditto landed 28s 3d, No. 3 ditto 26s 9d landed, No. 2 Canadian feed ex ship 25s, landed 25s 6d, New Zealand A grade 38s, B grade 37s, both landed all per 320 lbs. Oatmeal: Steady, with a fair business passing. London-made all cuts quoted at 18s 6d, rolled oats also whole groats 18s 6d, flaked oats 21s ex mill, ordinary Scottish oatmeal 19s 6d-20s 6d, American all cuts 17s-17s 6d per cwt.

ALEXANDERS DISCOUNT Co., Ltd.,

24, LOMBARD STREET, E.C.3.

Telephones: 1832 & 225 Avenue. Telegrams: "Alexanders, Thread-London."

CAPITAL AUTHORISED £1,250,000 CAPITAL PAID UP £800,000
CAPITAL SUBSCRIBED £1,100,000 RESERVE FUND - £400,000

Approved Mercantile Bills discounted. Money received on deposit at call and short notices at current market rates; for longer periods on specially agreed terms. The Company deals in British Treasury Bills of any maturity.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1922-23, 1921-22, 1920-21, and 1919-20:-

	1922-1923.	1921-1922.	1920-1921.	1919-1920.
Estimated sales of home-grown wheat—				
1 week to May 26	Cwts. 271,943	Cwts. 205,772	Cwts. 226,834	Cwts. 216,673
37 weeks to May 26	15,794,265	15,156,543	14,960,771	11,457,807
Average price of English wheat per cwt.	s d 11 0	s d 13 4	s d 13 0	s d 20 5

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1919 to 1922:-

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1923.						
May 19	Cwts. 338,529	Cwts. 42,122	Cwts. 22,426	s d 10 11	s d 8 11	s d 10 6
May 26	271,943	42,379	22,969	11 0	8 11	10 4
1919	292,513	23,107	21,547	17 1	17 6	17 3
1920	54,407	13,825	11,633	17 0	25 0	22 7
1921	195,360	25,618	28,242	20 7	12 6	13 8
1922	205,770	18,514	34,788	13 1	11 2	11 10

IRON, STEEL, AND COAL.

Our Middlesbrough correspondent's report, dated May 31st, is as follows:—Pig-iron: The position of the pig-iron market is unsatisfactory. The outlook is not encouraging. Makers are receiving no orders for forward, and would be prepared to shade current prices considerably for genuine business. No. 3 Cleveland G.M.B. is now quoted 120s per ton and East Coast mixed numbers hematite holding off in the expectation of some reduction, as competition in steel ship angles, £10; iron bars, £12; steel rails, £10 to 10s. Iron ore: Supplies of ore are good, but hardly any inquiry for further quantities. Best Rubio is nominally 24s 6d per ton, c.i.f. Tees.

Our Glasgow correspondent writes:—Business in iron and steel this week has been quiet. Beardmore is fairly busy on both boiler and ship plates, and the company is actively employed on castings and forgings of comparatively heavy tonnage. Values are a little unsettled, but while talk of reduction is common, no material concessions have so far been noted, and they may be called at the moment (for home transactions) as £10 5s for ship plates, £10 for sections, and £13 for boiler plates. Steel sheets are steady at £12 10s for 3 and 1½-in. and firm at £19 10s for 24 g.b.g.—f.o.b. Glasgow. Sir William Arrol's firm have secured a nice line for

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—There is very little change in general conditions. Everyone complains of the lack of new business, but although reports from Australia and New Zealand indicate that the wool position is still sound, the firmness of the raw material does not seem to have any effect in the consuming centres. No doubt everybody is now waiting for the position to be tested in this country, and most members of the trade are hoping that the auctions to be held at Hull next week and at Liverpool the following week will afford some indication of the true position, and give a lead to buyers of semi and fully-manufactured goods. Meanwhile, however, it is practically impossible to move any weight of tops or yarns; indeed, business is of so restricted and retail a character that it is difficult to say what could be done by a keen buyer. Quotations for tops and yarns are nominal, but practically all qualities have eased further during the week, and it is now essentially a buyers' market. The trouble is that prospective buyers seem quite definitely opposed to doing anything in the nature of forward buying. Some topmakers are in a comparatively safe position, and can afford to ignore the present tendency, but several have been forced to accept low prices on account of financial stringency. Spinners are in a worse position than topmakers, and in several cases the orders in hand are rapidly vanishing. This is undoubtedly the cause of the very low prices mentioned in some quarters. Certain firms, being anxious to keep machinery employed, have accepted business at prices out of all proportion to the cost of production. Short time is becoming more general in this section, and the same remark applies to the sorting and combing sections. The piece trade is quietly steady.

Our Cardiff correspondent writes:—There has been a marked change in the undertone of the Cardiff coal market this week. Since February prices have been moving steadily upwards. There was a brief period in the early part of May, when there were signs of a reaction, but with the approach of the Whitsun holidays the market regained its strength, and under the pressure of a great scarcity of coal last week quotations for prompt supplies were raised up to the maximum figures touched this year. This week there has been a perceptible weakening of the whole steam coal position. Outputs have been restored to their pre-holiday levels, but notwithstanding the exceptional extent to which the collieries are, in the majority of cases, sold under contracts, the market has not been able to absorb all the free coal that has been offering, and the glut of tonnage which was so normal a feature of dock conditions until quite recently has disappeared, and has been succeeded by shipping conditions of comparative scarcity. Quotations for all classes of coal are from 1s to 3s 6d per ton less than those quoted at the beginning of the week, and 5s per ton in the case of best large steam coals compared with the prices quoted for spot parcels immediately after the holidays. A contributory cause of this change in the position has been the greater relative weakness of the prices at Newcastle, where the Belgian strikes and the abatement in the demand from Germany had led to a slump. South Wales coals, however, have been less dependent than those shipped from the East Coast on the Continental demand, but all the British export prices react on each other, and another "bear" influence has been a revival in the export of American coals to Europe. Anthracite coals, however, are rarely affected by price movements in steam coals, and their strength this week has not only been maintained, but further accentuated.

The approximate current quotations are as follows:—Best Admiralties, 40s to 42s 6d; seconds, 38s to 40s; best dries, 38s to 39s; best bunker smalls, 30s to 32s 6d; ordinary cargo smalls, 28s 6d to 30s; anthracite big vein, 60s to 51s; stove nuts, 55s to 56s; coke for export, 65s to 70s; inland blast furnace coke at ovens, 35s to 40s; patent fuel, 40s to 42s 6d; pit wood, ex ship, 27s 6d to 28s.

Conditions in the iron and steel trade are also a shade easier. Tin plates are ruling at about 23s 3d to 23s 6d per basis box, and steel bars at £9 2s 6d, but the minima prices remained unchanged, and the stabilisation agreement has been renewed for a further period of three months.

CUMBERLAND IRON.

(BY OUR WORKINGTON CORRESPONDENT.)

The question of prices in the iron trade is receiving much anxious attention, the feeling being that consumers who may be holding off for a depreciation of values are backing a loser; and Bessemer mixed numbers, therefore, remain firm at £6 12s 6d per ton delivered at Glasgow and Sheffield, and at £6 15s 6d export. There is a steady demand for low phosphorus iron at prices varying according to analysis by high-class steel manufacturers in the Midlands. The "squeeze" in ferro-manganese continues, and this metal stands at £18 per ton delivered at home works and at £20 per ton for export, while spiegel is £10 and £9 10s per ton respectively.

In the steel trade things have not changed much, and the outlook is still doubtful. Rail orders are difficult to obtain, and though the mills at Workington are working again, there is nothing but intermittent employment in prospect this summer. The axle and tyre trade will alone offer uninterrupted operations. Heavy sections of rails are quoted at £10, lighter sections £11 10s to £12 per ton, and billets £10 to £11 per ton.

There is a full demand for hematite iron ore, and practically all the pits in West Cumberland are raising normal outputs. Scotland and the East Coast are taking small parcels of selected ores, but most of the production is going to the local furnaces. Best kinds of ore command 26s to 28s per ton, and ordinary sorts from 22s 6d to 24s 6d per ton.

Irish requirements and local industrial needs are a good deal larger than the coal trade can satisfy. Best round for export is 27s 6d, house nuts 27s, and washed nuts 24s per ton. Best house coal in the local landsale market is 38s 2d per ton at pit. Best steam is 30s, and washed steam 20s per ton delivered.

All the coke is now being sent to the furnaces in this district at 25s to 30s per ton, according to carbon content.

By-products are brisk, but there has been a slump in pitch, and creosote is a little easier.

ECONOMIC PROBLEMS OF DEMOCRACY

BY ARTHUR TWINING HADLEY
PRESIDENT-EMERITUS OF YALE UNIVERSITY

BEING LECTURES GIVEN AT BRITISH UNIVERSITIES
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THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—May 23, 1923.

Description.	Com.	Med.	Good Med.	Med. Fine.	Fine.	Extra Fine.	Same Period 1922.			Same Period 1921.		
							Med.	Good Med.	Fine.	Med.	Good Med.	Fine.
Sea Island.....	d	d	d	d	d	d	d	d	d	d	d	d
Florida do.....	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Georgia do.....	Ord	G O L M	Mid	G M M F	G O L M	G M	G O L M	G M	G O L M	G M	G O L M	G M
American.....	1437	1467	1517	1542	1562	1617	1039	1124	1214	537	662	872
Brazilian.....	Mid	M F	Fr.	G F	Gd.	Fne.	M F	Fr.	Gd.	M F	Fr.	Gd.
Parana.....	1432	1497	1572	1622	1672	1722	924	1149	1214	557	807	872
Parahyba, Rio Grande, &c.	1432	1497	1572	1622	1672	1722	924	1149	1214	557	807	872
Macelo, do.....	1432	1497	1572	1622	1672	1722	924	1149	1214	557	807	872
Mossoro, do.....	1432	1497	1572	1622	1672	1722	924	1149	1214	557	807	872
Coara.....	1432	1497	1572	1622	1672	1722	924	1149	1214	557	807	872
Maranhao, do.....	1432	1497	1572	1622	1672	1722	924	1149	1214	557	807	872
Sao Paulo.....	1432	1497	1572	1622	1672	1722	924	1149	1214	557	807	872
Egyptian.....	Fr.	G. F.	for	Gd.	Fne.	Fr.	G. F.	for	Gd.	Fne.	Fr.	G. F.
Upper.....	1470	1545	1565	1600	1625	1650	1350	1425	1550	925	1225	1350
Sakellaris.....	1470	1545	1565	1600	1625	1650	1350	1425	1550	925	1225	1350
Brown.....	1470	1545	1565	1600	1625	1650	1350	1425	1550	925	1225	1350
Peruvian.....	Mid	G M	for	M F	Fr.	Mid	G M	for	M F	Fr.	Mid	G M
Rough.....	1470	1545	1565	1600	1625	1650	1350	1425	1550	925	1225	1350
Moderately Rough.....	1470	1545	1565	1600	1625	1650	1350	1425	1550	925	1225	1350
Smooth.....	1470	1545	1565	1600	1625	1650	1350	1425	1550	925	1225	1350
Tanguls.....	1470	1545	1565	1600	1625	1650	1350	1425	1550	925	1225	1350
Mitad.....	1470	1545	1565	1600	1625	1650	1350	1425	1550	925	1225	1350
West Indian, &c.....	1470	1545	1565	1600	1625	1650	1350	1425	1550	925	1225	1350
Do Sea Island.....	2000	2300	2500	2650	2700	2750	2300	2500	2650	2700	2750	2800
African, East, &c.....	1025	1125	1200	1300	1400	1500	950	1125	1225	575	775	975
Do.....	1372	1422	1447	1472	1497	1522	1044	1119	1194	575	775	975
Machine Ginned Surtee.....	G F	for	Gd.	F G	Fne	S F	for	Gd.	Fne	for	Gd.	Fne
Machine Ginned Broach.....	1105	1145	1185	1225	1265	1305	885	1025	1105	680	705	755
Machine Ginned Brown.....	890	940	990	1040	1090	1140	875	925	1005	484	534	609
Machine Ginned Oomra, No. 1.....	900	950	1000	1050	1100	1150	885	935	1015	490	540	615
Machine Ginned Oomra, No. 2.....	900	950	1000	1050	1100	1150	885	935	1015	490	540	615
Machine Ginned Khandalah.....	900	950	1000	1050	1100	1150	885	935	1015	490	540	615
Machine Ginned Comphah.....	1100	1140	1180	1220	1260	1300	885	935	1015	490	540	615
Machine Ginned Bengal.....	800	840	880	920	960	1000	750	790	870	390	440	515
Machine Ginned Seinde.....	790	830	870	910	950	990	740	780	860	378	428	503
Tinnivelly.....	1260	1300	1340	1380	1420	1460	1155	1195	1275	780	805	855
Madras, Western.....	1035	1075	1115	1155	1195	1235	930	970	1050	645	670	720
Madras, Northern.....	1115	1155	1195	1235	1275	1315	995	1035	1115	645	670	720
M. G. Coconada, Red.....	Fr.	1115	1155	1195	1235	1275	995	1035	1115	645	670	720
China, Smyrna, &c.....	1115	1155	1195	1235	1275	1315	995	1035	1115	645	670	720

MANCHESTER, May 31.

Since a week ago prices in the market have tended to harden, and sellers of yarn and cloth have reported an increased inquiry. Although a large part of the demand has been at impracticable rates, the turnover shows some improvement. In the piece goods section, the most promising outlet at the moment is China, the demand being on a large scale. Despite the fact that many offers have been unworkable, a more encouraging turnover has taken place in grey and white shirtings and fancies, and a considerable business is pending. Operations for India have been irregular, and light bleaching descriptions have attracted more attention than grey staples. Not much has been done for the Near Eastern and South American markets, but fancies have been in active request for the United States. The prospects for manufacturers seem to be rather brighter. In American and Egyptian yarns trade has been on freer lines, and rates are stiffer.

(I.) Comparative Statement of the Cotton Trade.

Description.	Price, May 31, 1923.	Previous Weeks in 1923.				
		Price, May 25, 1923.	Price, May 17, 1923.	Price, May 10, 1923.	Price, May 3, 1923.	Price, Apr. 26, 1923.
Raw Cotton—Fully Mid. American..... per lb	16.02	14.94	14.83	14.72	15.24	15.77
— Sakellaris Fully Good Fair..... per lb	16.40	15.70	15.70	15.90	16.75	17.35
Yarns—32's twist..... per lb	23.2	23	23	23	23	23
— 40's twist..... per lb	23.2	22.5	22.5	22.5	23	23
— 60's twist (Egyptian)..... per lb	29	28.5	28.5	28.5	29	29
32-in. Printers, 118 yds, 16 by 16, 32's and 50's.....	33	32	32	32	33	33
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's.....	36	35	35	35	36	36
36-in. ditto, 38 yds, 18 by 16, 10 lbs.....	18	18	18	18	18	18
39-in. ditto, 37 1/2 yds, 16 by 15, 8 1/2 lbs.....	17	17	17	17	17	17

(II.) Compared with Previous Years.

Description.	Price, May 31, 1923.	Corresponding dates in				
		1922.	1921.	1920.	1919.	1918.
Raw Cotton—Fully Mid. American..... per lb	16.02	12.30	8.06	28.69	20.10	22.17
— Sakellaris Fully Good Fair..... per lb	16.40	19.25	16.00	74.00	27.09	28.82
Yarns—32's twist..... per lb	23.2	19.4	17.3	59.4	36.4	46.4
— 40's twist..... per lb	23.2	18.4	16.4	55	35	46
— 60's twist (Egyptian)..... per lb	29	29	31	124	54	56.4
32-in. Printers, 118 yds, 16 by 16, 32's and 50's.....	33	31	34	61.00	61	69
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's.....	36	32	32	94	51	57
36-in. ditto, 38 yds, 18 by 16, 10 lbs.....	18	18	19	50	30	33
39-in. ditto, 37 1/2 yds, 16 by 15, 8 1/2 lbs.....	17	17	16	44	27	29

VEGETABLE OILS AND OILSEEDS.

(FROM OUR CORRESPONDENT.)

The easier tone in the markets for both seed and oil which has characterised them for some little time tends to become accentuated, and one searches in vain for indications of improvement. A period of unusual slackness even for this part of the year has apparently arrived, contributed to no doubt by the cloud of depression hanging over the consuming industries and the still unsettled outlook in Europe. Home requirements of vegetable oils are already well covered by the imports of past few months—in fact, figures would go to show that unless larger exports are anticipated they have been liberally met. In the first four months of the year imports of refined and unrefined (less re-exports) were 29,408 tons, and of oilseeds and nuts and kernels (reduced to their oil equivalents) 190,760 tons—together 220,258 tons of oil. Exports of oil manufactured or refined in the United Kingdom in the same period were 37,867 tons, which deducted from the above gives a total of 182,391 tons left to meet home requirements, a figure much above the normal. The quantity remaining for home requirements in the past two years was 430,000 tons per annum, of between 35,000 and 36,000 tons per month, against 45,000 tons odd in each of the past four.

Though there has been a slightly better home demand linseed oil has in the past day or two suffered a sharp setback to under £40 at Hull on Thursday, due to speculators realising. The outlook for forward positions is not too promising, as with about 700,000 tons Plate and Indian seed remaining to be shipped there would appear in present circumstances to be sufficient to meet world demands to the end of the year. Prices for shipment have declined on the week, Plate offering to Hull at £19 10s, April-May, and £18 15s May-June, and Calcutta to London at £19 10s, April-May.

Cotton oils have been neglected, and values have fallen £37 10s for crude Egyptian, and £40 for soapmakers' grade of refined. Seed is easy, and £11 2s 6d has been accepted for Sakellaris, afloat, and June. Other oils are quiet, and values inclined lower.

CHEMICALS.

The report of Sir S. W. Royle and Co., Limited, of Manchester, dated May 30th, states that during May business in the home market has been only moderate, and Lancashire trade in particular has been affected by the Whitsuntide holidays. The export demand continues fair, but quantities are mostly small. Prices in some cases have eased, but on the whole values are well maintained. The price of sulphate of copper is a little lower, and a good business has been done for home consumption. Green copperas has been in better request and has realised higher values. There is no change in the position of acetates of lime, supplies being still short, and acetic acid also is scarce with prices well maintained. The demand for acetates of lead and soda has fallen away somewhat, although stocks are not large. Nitrate of lead continues to sell freely. The inquiry for carbonate and caustic potash has lessened, and values are slightly lower, though stocks are only moderate. Trade in Montreal potashes is only nominal. The demand for yellow prussiates of potash and soda is small, and, with pressure to sell stocks, prices are weaker. White powdered arsenic continues in short supply for near delivery, but, for shipment ahead, foreign makes are offering at lower rates. Tartaric acid has ruled firm with the clearance of second-hand parcels. Cream of tartar is being held for better prices, but stocks are ample for current needs. Citric acid is firmly held, although the demand has not been so active. Bichromates have been selling well, but values are unchanged. Chlorates of potash and soda remain dull, but there has been a better call for nitrite of soda. The price for boric acid has been reduced £5 per ton, but borax is unchanged. Oxalic acid is in only small demand. There is little change to report in the tar products market. Benzoles and toluoles remain steady. Solvent naphtha is without much inquiry, and prices, if anything, are lower. The demand for creosote has fallen away, and values are showing a downward tendency, consumers being reluctant to buy forward supplies in anticipation of still further drop in prices. The call for crude carbolic acid is quieter, and lower figures are being quoted, but crystals have been selling better.

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HIDE, LEATHER, AND ALLIED TRADES.

(BY OUR OWN CORRESPONDENT.)

There was a weaker tone to the hide market at the Bermondsey auctions on Thursday, and a good deal of the stock offered was withdrawn. Best ox made from 7½d to 9½d, and showed, as compared with last week's prices, declines of ½d to ¾d per lb. Seconds, when sold, made from 7½d to 8d, and cows, best, 7½d. Kips dropped ½d in two classes, and practically all the calf were unsold, with one or two exceptions. Probably dealers are buying up privately, either for export or to lay down skins under salt, in view of autumn demand, when prices will be higher. Wools sold from 5s 6d to 12s 6d, and hogs from 6s to 14s 6d per skin. In spite of dull trade in leather, tanners have shown more interest in foreign hides. Latest cables from New York report the Chicago market as weak, with best heavy packers now selling at 18c.

The turnover in sole leather is still not up to expectations, although consumers are buying in small lots as required. Speculation seems a thing of the past, and even concessions have little effect. Shoe manufacturers do not seem able to gauge the position, and consequently are content with actual wants. The position, however, is very firm, as tanners consider prices have touched bottom. The main demand is for bends, round about 2s per lb, although repairers have been taking higher-priced bends of late. Upper leathers are moving off rather better, with prices firm. Imports of Continental chrome leather are on a more moderate scale, and one does not hear quite so much of German dumped stock of late. Glacé kid in colours sells well, but suede leather seems to have gone out of favour to some extent.

The Whitsun trade in boots and shoes had very little effect on the trade, and orders are scarce. Manufacturers, however, view the outlook with optimism, as a spell of fine weather would at once make itself felt on the demand for summer shoes.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, June 1.

A quiet condition of affairs again characterised most markets, demand for both manufactured goods and raw materials showing no appreciable improvement in most directions.

SUGAR.—With a steady inquiry for spot parcels of refined, business was on a moderate scale at full recent quotations, but later fell away, and rates receded. Of British, Messrs Tate and Lyle's cubes quoted 69s 9d to 70s 9d; crushed, 67s 6d; granulated, fine and coarse grain, 66s 1½d; No. 2, also London, 65s 7½d; ditto, July, 65s 6d; August, 64s 9d; and September, 63s 9d. Yellow crystals, spot, 60s 1½d; pieces, yellow to fine white, 55s to 61s. American granulated, spot, sold, 64s 9d to 65s and 64s; May, steamer, quoted 37s; June, 37s, c.f. and i., London. Dutch granulated, spot, sold, 64s 9d to 65s and 64s; Czecho-Slovakian, ditto, at 65s to 64s. Crystallised West India in limited supply, and quoted 65s. White Java, spot, sold, 61s 6d to 62s for medium quality; May-June steamer, 32s 6d to 31s 10½d; June-July, 30s 6d to 29s 9d; July-August, 29s 6d to 29s, c.f. and i. terms, London. Belgian granulated, October-December, 26s 6d, f.o.b., Antwerp. J. Dutch, prompt, quoted, 37s, f.o.b., Rotterdam. Cuban basis, 96 per cent., June steamer, 31s 9d; Brazilian, basis 80 per cent., June, 19s, c.f. and i., U.K. Cane, jaggery, July-August, quoted, 18s, c.f. and i., London. Terminal market unsettled and easier, with moderate dealings. June delivery, sold, 35s 6d; July, 35s 6d; August, 35s to 32s 4½d and 33s 3d; October, 30s 4½d to 29s 3d; December, 27s 9d to 26s and 26s 4½d. Cuban stocks stand at 709,000 tons, against 1,043,500 tons at corresponding period last year.

COFFEE.—Spot market disclosed some irregularity. Fair absorption took place on behalf of the home trade, but there is no revival in export demand. Of East India, bold Mysore, sold, 102s to 109s; Costa Rica, bold, 107s 6d to 132s; Nairobi, 89s 6d to 95s; bold Vera Paz, 113s 6d. Future delivery market dull, and general position nominal.

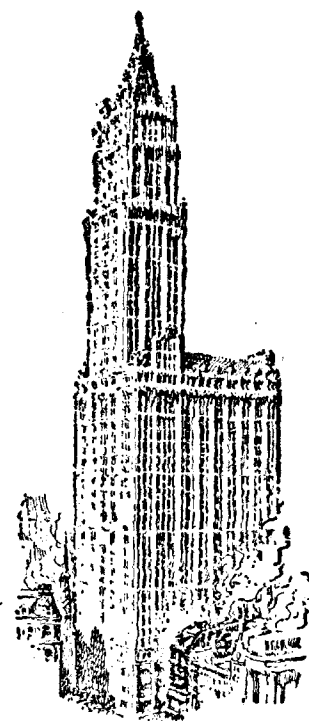
COCOA.—Only retail transactions occurred this week at about late rates regarding spot parcels. Accra, for shipment, June-July, sold, 31s 6d, f.o.b. terms, for F/F quality.

TEA.—Some 38,200 packages Indian were submitted to auction during the week, and elicited fair competition. All the finer and tippier descriptions were readily taken at a full range, while in comparatively small supply, but low medium, also common declined ½d to ¾d per lb, as the bulk of offerings consisted of such. 30,370 packages Ceylon attracted fair support. Finest liquoring parcels cleared steadily, but undergrades receded ½d per lb. Java and Sumatra quiet and generally easier.

RICE.—Market still very quiet, but sellers adhere to previous asking prices. Two Stars Rangoon, afloat, 13s 4½d, c.f. and i. Rangoon beans, spot, 10s cwt. Japanese peas, spot, 22s.

SPICE.—Only retail trading takes place in pepper on about former terms. Fair black Singapore, spot, 4½d; May-July, 4d; Aleppy, spot, 4½d; Tellicherry, 4½d; white Singapore, spot, 6d; Muniok, 6½d; May-July value, 6½d. Cloves steady, quiet. Zanzibar, spot, 11½d; May-July, 11½d. Tapioca very quiet. Fair flake Singapore, spot, sellers, 3½d; fine Java, sold, 4½d per lb; Singapore, May-June, Havre, quoted 25s; fair Penang seed pearl, spot, held for 31s; sago flour, May-July, quoted 13s 3d. Desiccated coconut slow. Fine cut, spot, sold, 45s; medium held for 47s 6d; halves, May-June, 41s to 40s paid; June-July, 40s cwt. Ginger steady, but general trade slow.

JUTE.—Continued in quiet support at barely steady rates, and, according to cables received, a similar state of affairs prevailed in the Calcutta market. First grade, May-June, continent, sold, £25 15s, £26, and £25 10s; new crop, August-September, £25 15s, £26 5s, and £26; September-October, £25 7s 6d, £25 15s, and £25 10s. Hessians quiet. 10 oz, spot, sellers, 27s; ditto, June-July, 26s 6d; 8 oz, spot, 23s; June-July, 21s, 100 yds. A twills, spot, 80s; June-July, 76s; B, spot, 72s and 64s 9d respectively; salts, June-July, 59s; sugars, spot, 81s, 100 bags.



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WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor:
A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. XXVI.

SATURDAY, JUNE 9, 1923.

No. 4163.

HEMP quite a featureless market, and general situation nominal at the moment owing to lack of sufficient support. Certain pressure to sell arriving parcels of Manila exercises a baneful influence. J grade, May-July, sellers, £31 10s; K and L, £29 10s; M, £28 10s, ton. New Zealand not mentioned. African sisal quiet, unaltered.

SHELLAC.—Market steady. T.N., spot, 275s; August, 260s; October, 250s cwt.

GAMBIE.—Block, May-June, sellers, 35s cwt, c.f. and i.

COFFEE.—Business was on a moderate scale, and with sellers well to the fore prices disclosed a depreciation. F.M.S. Straits, March-May, Rotterdam, sold, £27 12s 6d to £27; ditto, April-June, £27 2s 6d to £26 15s; May-July, £26 17s 6d to £26 7s 6d and £26 10s. Ceylon, May-June, quoted £28 5s; Java, April-June, £27 1s 3d; April-June, Indies, March-May, sold, £27 2s 6d to £27 1s 3d; April-June, £26 16s 3d, £27, and £26 7s 6d; Cebu, ditto, quoted £26; and South Sea Islands, June-July, £25 15s. Palm kernels, June-August, Liverpool, sold, £18 12s 6d to £18 15s.

ESSENTIALS.—Menthol, spot, 33s; Japanese peppermint oil, 6s 9d paid; aniseed, spot, sellers, 1s 11d; refined slab camphor, 3s 7d; crude, 3s 14d lb. Japanese wax, spot, 75s cwt.

OILSEEDS.—Linseed quiet, and prices easier. Bold Bombay, May, sold, £20 5s; small Bombay, ditto, sellers, £20; Calcutta, afloat, £20 5s; and May-June, sold, £20 to £19 5s. Plate, afloat, £19; loading, £19; May-June, £18 15s; June-July, £18 12s 6d. Rape-seed easier. Toria, May-June, £17; real bold Ferozepore, May-June, £15 15s; Jamba, May-June, £12. Cottonseed easier. Egyptian black, June, £11 17s 6d; and white, £11 2s 6d, paid to Hull. Bombay, May-June, £9 12s 6d. Gingly-seed quiet. Large Bombay, May-June, Continent, sellers, £24. Chinese, ditto, £24 to Continent, and £25, Italy. Ground-nuts dull. Coromandel, machine dried, May-June, quoted £22 5s. Chinese decorticated, f.a.q., May-June, £22 15s. Nigerian, ditto, £23 10s. Soya beans steady. Manchurian, May-June, £12. Castor-seed quiet. Bombay, May-June, £20 15s per ton.

OILS.—Linseed quiet and easier. Spot, net, naked, quoted 45s; June, 41s; July-August, 38s 9d; September-December, 37s 3d. Rape quiet. Crude, spot, 42s; refined, 45s. Cotton easier. Crude Egyptian, spot, 40s; common edible, 45s; deodorised (in barrels), 47s. China-wood dull. Hankow, spot (barrels), 116s; May-June, 87s. Coconut easier. Ceylon, spot, 44s 6d; May-June, 43s 6d; Cochin, ditto, quoted 47s. Soya quiet. Oriental barrels, May-June, 39s 3d. Japan fish steady. May-June, cases 29s. Cod firm. English, spot, 36s 3d. Groundnuts quiet. English, crushed, naked, spot, 47s; deodorised, barrels, 56s. Turpentine easier. American, spot, 110s; June, 94s; July-December, 76s. Rosin steady. American, grade B, 13s 6d; F, 13s 9d; G, 13s 9d; H to I, 13s 9d; W.G., 17s 6d; W.W., 18s 9d. French, F/G, 13s 6d; W.W., 15s 6d per cwt. Petroleum steady. American standard, white, spot, 1s 1d; and water white, 1s 2d per gallon. Castor oil steady. First pressure,

spot, to August, quoted 56s; second pressure, 55s, and pharmaceutical 61s per cwt.

METALS.—Tin at the opening session marked a downward tendency while attended by some irregularity, transactions being on a moderate scale. Standard, cash, sold down to £197, and three months, £197 15s to £196 15s. In the East business was reported on the basis of £198 5s, c.i.f. Subsequently prices recovered in view of stimulating advices from America and the East. By the middle of the week standard, cash, was dealt in at £199 15s, and three months £200 to £199 17s 6d. Sales in the East occurred at £202 15s, c.i.f. The tendency at Thursday's session proved steady, and a quiet demand prevailed. Standard, cash, sold at £199 10s, and three months £199 10s to £199 17s 6d to £199 15s to £200. At the final market values moved in favour of buyers, standard, cash, sold at £198 10s to £198 to £197, and three months, £199 10s to £197 5s. English ingots, £197 to £197 10s. Copper commenced with a weak tone, due to slight selling pressure, but offers were fairly well absorbed. Standard, cash, changed hands at £65 10s, and three months, £66 to £65 5s. After further sales of cash at £65, and three months, £65 2s 6d, the market assumed a firmer tendency, and values improved. On Wednesday a fairly good business was concluded. Standard, June, £65 10s, and three months up, £66 5s. The market further advanced on the following day, but smaller sales occurred. Standard, cash, quoted at £66 10s to £66 12s 6d; three months being sold at £66 15s to £67. At the final meeting the tone was again firmer, and larger sales took place, standard, cash, being dealt in at £67, and three months at £67 15s to £67 12s 6d to £67 10s. Electros, £73 to £73 10s; best selected, £69 10s to £71 10s; strong sheets, £100. Wire bags, £73 10s per ton. Antimony quiet. English regulus, £30 to £32; special brands, £36 15s to £38. Aluminium, home trade, £115; export, £120. Lead easier at £25 15s to £25 2s 6d, as to position. Spelter firmer at £31 5s to £30 15s, according to position.

METROPOLITAN CATTLE.—MAY 31.

British Beasts, per stone of 8 lbs to sink the offal. Sheep, per stone.			
	s	d	q
Beasts—Herefords	7	6	8 0
Shortfords	7	6	8 0
Devons	7	6	8 0
Norfolks	7	6	8 0
Scottish	7	6	8 0
Irish	7	6	8 0
Fat Cows	5	6	3
Sheep—Downs	11	6	0
Ewes	11	6	0
Crossbred	11	6	0
Scottish	11	6	0
Lamb—Downs	12	6	0
Clipped	11	6	0

LONDON POTATO MARKETS.—MAY 31.

	s	d	q
English Arran Chief	2	0	0
Great Boon	2	0	0
New Teneriffe (case)	9	0	11 0
"Jerseys	18	0	0
Majestic	8	0	0
King Edwards	2	0	0
New Spanish	14	0	0
Cherbourg	10	0	11 0

Commercial Times.—Weekly Price Current.

The prices in the following list are revised with the assistance of an eminent firm in each department.

LONDON, FRIDAY.	DRUGS.	INDIA RUBBER.	PROVISIONS.	SPICES.
000000—Duty, 100 lb. gross	Asafoetida, fine, 1 lb. cwt. 120	Black, fine, hard spot 1 1/2	Butter—pure cream	Singapore, fair white
000000—Duty, 100 lb. gross	Opium, good to fine, 30	Black, fine, hard spot 1 1/2	Irish creamery	White Singapore
000000—Duty, 100 lb. gross	Balsam Peru, per lb. 8	Black, fine, hard spot 1 1/2	Do factory	Pimento
000000—Duty, 100 lb. gross	Capivi, 1	Black, fine, hard spot 1 1/2	Do factory	Olinammon—lat. north
000000—Duty, 100 lb. gross	Campor—	Black, fine, hard spot 1 1/2	Do factory	Do Ind
000000—Duty, 100 lb. gross	Cassia, refined, 3	Black, fine, hard spot 1 1/2	Do factory	Cassia lignea
000000—Duty, 100 lb. gross	Cassia, Ceylon, 2	Black, fine, hard spot 1 1/2	Do factory	Oives—Zanzibar
000000—Duty, 100 lb. gross	Cassia, China, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	Penang
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	Amoyana
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	Ginger—per cwt.
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	Ochre—small rough
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	Do wormy
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	Japan
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	Manila, small
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	Mace
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	Nutmegs, good to fine
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	Small to medium
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	Obilles—per cwt.
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	TALLOW—per cwt.
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	Good mutton
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	Beef
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	TAPIOC—
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	6 1/2 Flake, fair, spot
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	Medium Pearl
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	Seed
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	TEA—duty 6d, British
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	Foreign 8d per lb.
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	Indian and Ceylon
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	Pekoe
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	Broken Pekoe
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	Orange Pekoe
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	Broken Orange
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	Pekoe Touchong
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	TIMBER—ex. yd.
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	Swedish 3 x 9, Pt. 30
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	Do 2 x 4
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	Do 2 x 4
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	Canting Spruce Dia
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	Pitchpine, per load
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	Rio de Janeiro, per std.
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	Teak, per load
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	Hidra Mahg, logs, c.f.
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	African
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	American Oak Bds.
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	Do Ash
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	English Oak Planks
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	Do Ash
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	TOBACCO
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	Duty 8/2—10/4 per lb.
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	Virginia leaf
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	Common to fine
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	Strip
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	Kentucky leaf
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	Common to fine
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	Strip
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	China
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	Borneo and Sumatra
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	Seedling
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	Havana
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	Greek
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	East Indian
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	Ogura, duty 15/10 per lb.
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	TUFTING—per lb.
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	WOOL—per lb.
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	England, Southdown, whtd.
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	Lincoln hog
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	Queensland, red sup. comb.
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	S.W. grey, super
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	S.W. grey, 44-44
000000—Duty, 100 lb. gross	Cassia, Java, 1 lb. 4	Black, fine, hard spot 1 1/2	Do factory	Crombie (40-44)

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TABLE OF CONTENTS.

The Money Market	1281	Japanese Wars and Their Costs	1303
Leading Articles—		Books Received	1304
The German Note and British Policy	1283	Stock Exchange News—	
The Next Phase in India	1284	The Stock Markets	1304
The Balance-Sheets of Holding Companies....	1286	New Issues	1305
The Income-Tax Leakage in France	1287	Active Securities	1305
Oil.—IV.—Supplementary Sources of Supply.....	1288	Company Meetings....	1307
The Poultry Industry	1289	Government Returns—	
The Position of Silver.....	1290	Public Income and Expenditure	1313
Adam Smith—1723-1790 ..	1291	Currency Notes Account..	1314
		National Debt	1314
		Treasury Bills and Bonds by Public Tender	1314
Notes of the Week—		Bankers' Gazette—	
Rent Restriction	1292	Bank of England	1314
The Austrian Loan	1293	Clearing Returns	1315
European Iron and Steel Production.....	1293	Overseas Bank Returns ..	1315
Economic Conditions in Uruguay.....	1293	Loan and Discount Rates	1316
Brazil Coffee	1294	Rates of Exchange	1316
El Salvador	1294	Overseas Bank Rates	1317
Plans for Increasing Income	1294	Indian Treasury Bills....	1317
Armstrong, Whitworth, & Co.	1294	India Council Bills and Transfers	1317
Burmah Oil	1295	Bullion	1317
Forestal Land Company ..	1295	Imports & Exports of Gold	1317
British Electric Traction ..	1295	Gold and Silver Prices ..	1317
Elder Dempster	1295	Company News—	
William Cory and Son	1296	Analysis of Balance-Sheets	1306
Pennsylvania Railroad	1296	Dividend Announcements	1318
A Tin Trio	1296	Weekly Traffic Returns ..	1318
Shamva	1296	Mining Output Statistics ..	1319
Japanese Trade & Finance	1297	Reports and Notices.....	1319
		Oil Outputs	1320
		Profit and Loss Accounts ..	1321
Overseas Correspondence—		Commercial Reports—	
United States	1297	Corn Trade	1320
Germany.....	1298	Iron and Coal Trade.....	1320
Russia.....	1299	Wool Trade	1321
Belgium.....	1300	Cotton Trade	1322
Denmark	1300	Vegetable Oils and Oilseeds	1323
Argentina	1301	Hide and Leather Trades	1323
New Zealand.....	1302	Overseas Produce Markets	1323
Books and Publications—		Price Current.....	1324
The Fascist Creed	1303		

semi-official purchases of early June Treasury bills relieved the market from stringency, and it has now been relieved from saturation by the fact that these bills had been disposed of, with the result that the new Treasury bills that now have to be paid for are a drain instead of a replacement. Discount rates hardened decidedly, and business was reported in three months' bank bills at 2½ per cent. Yesterday money was much more abundant, and discounts were easier at 2 per cent.

	June 8, 1923.	June 1, 1923.	May 25, 1923.	May 18, 1923.	Previous Rate and Date Changed.
Bank Rate	3	3	3	3	3½ (Jly. 13, '22)
Banks Deposit Rate	1	1	1	1	1½ (Jly. 13, '22)
Discount (Call)	1	1	1	1	1½ (Jly. 13, '22)
Houses (Notice)	1½	1½	1½	1½	1½ (Jly. 13, '22)
Market rate (3 months' bills)	2	1½	1½	2	..

From the official revenue return it appears that during the week ended last Saturday the Bank lent the Government 13 millions; the Bank return, made up on Wednesday, showed an increase of only 7½ millions in the Government securities, considerable repayments having already been effected. Other securities declined by 3 millions, owing to liquidation of the market's indebtedness. Public deposits were reduced by 9½ millions, and there was thus an addition of 13½ millions to the private deposits. The circulation declined by £160,000, and the Reserve, with a small addition to the stock of gold, rose by £163,000. Currency notes outstanding were increased by £367,400 to £287,848,900 this week, which includes £1,475,200 for notes called in but not yet cancelled. The fiduciary issue is £236,923,600, or £33,260,200 below the maximum.

THE STOCK MARKETS.

Derby week is often dull in the Stock Exchange, and this week has in this respect conformed to custom. Business generally has been quiet, and there has been some contraction in the demand for gilt-edged stocks, although re-investments of June War Loan interest produced signs of strength in the Consol market, which were not maintained. In the foreign market, French and German issues both strengthened. Home rails lacked public attention, and Argentine rails were sold on the drop in the exchange. Stagnation continued in the rubber and mining sections. The oil market derived a little encouragement from the Shell dividend announcement. In the industrial markets, generally speaking, business fell off, and prices tended to sag. To this rule tea shares, with spectacular rises, were a notable exception, while banking and insurance shares improved.

THE COMMODITY MARKETS.

General quietness has again been the feature in commodity markets, and prices have in most cases registered a further small decline. Wheat has been exceptional, with a firmer tendency, but sugar has been substantially marked down. Pig-iron prices have been reduced by 2s 6d a ton, owing to declining demand. Our Glasgow correspondent reports a more cheerful tone in the bar iron and steel trades than was the case earlier in the year, but the Sheffield trade is dull, and order books of makers are said to be practically exhausted. South Wales has experienced a slump in coal prices, a result, according to our Cardiff correspondent, of the operations of middlemen. The Manchester cotton market has been quieter than last week, but raw cotton prices have fluctuated widely. There has been some inquiry for cloth for China, but the turnover has been small. Bradford is in a depressed mood, and new business is small, prices being very irregular. The hide and leather markets show no improvement, and the shoe section is dull. There has been a slight improvement in the price of linseed oil, but the oil and oilseed market generally is quiet. At the beginning of the week both tin and copper showed a steadier tendency, but prices fell away later on selling pressure. Lead has been steady.

FOREIGN EXCHANGES.

Business in the foreign exchange market has again been restricted, and the general uncertainty in the European situation has been reflected in the sensitiveness of rates, which have moved sharply on quite small orders. The only exception has been the dollar, where the quotation, after a temporary improvement on Saturday last, has quietly sagged away from \$4.62½ to \$4.62¼ yesterday morning. Forward quotations are rather narrower at ½ to ¾ cent per month above spot. The downward movement is natural enough at this time of the year, and the rate is still sufficiently high to encourage a certain amount of buying of American securities. On the whole, however, apart from political eventualities, there would seem to be no reason to anticipate any very rapid fall. The mark has fluctuated widely, having been up to near 380,000, and then recovering again on Tuesday to 325,000. The issue of the Note has so far had an unfavourable rather than favourable effect, and the rate yesterday morning at 352,000 was higher than a week ago. This would not appear to be due to the Note itself, which is accepted in the market as a great improvement, both in form and substance, on previous offers, but to the first reports of its hostile acceptance in France. Forward marks have settled down to about 22,000 to 26,000 marks per month over spot. The Paris rate has also moved irregularly, and after being above 72, was brought down again, apparently through intervention, to 71.35 on Wednesday. Since then it has tended upwards, and yesterday morning stood at 71.80, as compared with 71.45 a week ago. During the same period the Brussels rate has moved from 83.15 to 83.20, the slight relative improvement being due, in the main, to the strike settlement. Forward rates in Paris have moved from 4½ to 5 centimes per month above spot. In Brussels they have narrowed to between 2 centimes below spot and parity. The lira, which on Monday was standing at rather over 100 as the result of the fear of trouble in the Fascist party, has improved to 98½, as compared with 99½ a week ago. Among neutral currencies, Amsterdam has moved sharply against us, from 11.81 to 11.77½. Switzerland and Madrid, however, have both again depreciated slightly, to 25.67 and 30.60 respectively. In Scandinavia, Stockholm has remained steady, but Christiania has, at 27.69, as compared with 27.30 last week, not been able to retain the whole of its recent improvement, while the Copenhagen rate has jumped from 25 to 25.47. In Central Europe the Vienna rate has been wisely kept stable at its usual figure of 325,000. Warsaw, after some fluctuations, is about the same, at 270,000. Prague shows little change, but both Belgrade and Bucharest have improved. Athens, after reaching 110 last Saturday, has had a natural reaction, and is up once more to 180. In the East the rupee has remained quite steady at 1s 4¼d, and the yen at 2s 1¾d. Under the influence of the Pittman Act, bear influences have been predominant in the silver market, and the Hong Kong rate has fallen from 2s 4d to 2s 3¼d, and Shanghai from 3s 2d to 3s 1¼d. In South America the Buenos Ayres rate has shown a marked recovery, from 41½d to 41¾d, while Rio has kept steady at 5½d. Montevideo at 41¾d is ½d dearer, and Valparaiso has also appreciated from 34.80 to 35.50.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended June 2nd:—

EXPENDITURE.	Min. £	RECEIPTS.	Min. £
Supply Services	4642	From Revenue	7684
Sundries	096	Decrease in Balances	-119
Interest, &c., on War Debt	40158	Amount Borrowed	37093
	44896		44896

Revenue was about £2,200,000 lower than in the corresponding week last year at £7,683,700. Property and Income-tax yielded £1,077,000 and Super-tax £650,000, against a combined total of £3,020,000 last year. Estate Duties, &c., at £940,000 compare with £580,000. Customs produced £1,862,000, against £2,187,000. Special Receipts yielded only £492,700, against £1,329,100 a year ago. The total expenditure, which

was swollen by the payment of War Loan interest, was about £7,000,000 lower than in the same week a year ago. The item Interest, &c., on War Debt amounted to £40,157,900, against £43,165,700 a year ago. Supply Services at £4,642,000, compares with £8,652,500 in corresponding period. The week's operations increased the National Debt by £37,093,700, and caused the following changes:—

	Min. £		Min. £
Unemployment Insurance ..	-190	Treasury Bills	+16141
		National Savings Certificates ..	+150
		4% Treasury Bonds	+3337
		Bank of England Advances	+13000
		Public Department Advances ..	+4650
		Sundries	+006
	-190		+37284

The floating debt was increased by £33,815,000 to £809,820,500.

FINANCIAL YEAR, 1923-24 (April 1 to June 2, 1923).

	£		£
Total Expenditure ..	151,480,249	Raised by Revenue ..	136,245,856
		Net Borrowings.....	12,053,925
		Decrease in Balances	3,180,468
Total	151,480,249	Total	151,480,249

ESTIMATES FOR YEAR 1923-24.

	£		£
Ordinary Expenditure	801,013,000	Ordinary Receipts ..	778,500,000
Special Expenditure..	15,603,000	Special Receipts....	40,000,000
Total	816,616,000	Total	818,500,000
		Surplus	1,884,000

Our usual table of the National Debt will be found on page 1314.

THE WEEK IN PARLIAMENT.—The Rent Restrictions Act occupied two days of Parliamentary time. The official Labour amendment in the House of Commons was rejected by a majority of 164, and the second reading passed on Thursday. Monday was devoted to the second reading of the Agricultural Rates Relief Bill, and Tuesday to the Vote for Pensions. The Royal Assent was given, among other measures, to the Indemnity Bill and the Industrial Assurance Bill, the Lords having debated the former on Wednesday. The Lords also passed the second reading of the Honours Bill, and heard a statement by Lord Salisbury on the Singapore Naval Base on Tuesday. The week has seen the entry into the House of Commons of a third lady member, Mrs. Philipson, who was elected last week for Berwick-on-Tweed.

COMPANY MEETINGS OF THE WEEK.—On later pages of this issue will be found reports of the following company meetings:—National Bank of Greece, Investment Trust Corporation, Suez Canal Company, Leopoldina Railway Company, and Associated Newspapers. Among the features of the speeches were the remarks of Mr. Robert Fleming, of the Investment Trust Corporation, on investment policy, and Mr. Thos. Marlowe's statement that the income of the Associated Newspapers from advertisements alone last year was over £3,000,000. The Governor of the National Bank of Greece surveyed the recent history of the Greek exchange, while the most encouraging feature of the Suez Canal meeting was the statement that in 1922 traffic through the Canal regained its pre-war activity.

THE GERMAN NOTE AND BRITISH POLICY.

THE latest German Note, delivered on Thursday, is a definite step forward. Whether it will lead to the Conference which the German Government asks for depends, perhaps, more on the development of Anglo-French discussions than on the Note itself. It is too soon as yet to see whether the latest turn of the kaleidoscope will enable us to distinguish even the outlines of the word "settlement"; nevertheless, there is no doubt that the change in tone of the German, and even more of the Paris, press, as well as of official pronouncements, reveals the effect of increasing economic pressure and a certain anxiety to come to terms. The discussions of the next

few days will therefore take place in a more favourable atmosphere. Mons. Poincaré's recent attempt in the French Chamber to prove that there was already a small profit on the Ruhr adventure has convinced nobody. More significant is M. Humbert de Wendel's observation in a recent speech in Metz that the loss already incurred by Lorraine industry was equal to the whole of the military expenditure involved in the occupation, and that Lorraine would put in a special claim for compensation when the whole affair was over. On the other hand, it is equally clear that opinion in Germany realises that the present situation cannot continue. The depreciation of the mark is but one of many evidences of the deterioration which is occurring in Germany's economic life. The resulting change of temper is shown by the fact that, though Germany still apparently demands the evacuation of the Ruhr as a preliminary to negotiations, and the Government maintains—we believe with substantial truth—that in face of the growing and bitter resentment in the Ruhr it could not call off the passive resistance movement, increasing attention is being given to the suggestion which we noted a few weeks ago in the *Economist*—that something like an armistice might be arranged. Thus Herr Löffler, a director of the Coal Association of the Reich, writes in the monthly German periodical *Reconstruction* that the conditions on Germany's side on which passive resistance could be brought to an end would be as follows:—(1) All orders for expulsions from the occupied territory to be withdrawn, and the returning deportees to be reinstated in their old positions. (2) All persons arrested by the military authorities and sentenced by court-martial to be released. (3) The occupying Powers to refrain from all interference with business, public administration, and the political liberty of the citizens. "By assenting to something of this kind," he observes, "Germany would not by any means be giving herself away or be recognising the justice of the invasion." It may be added that Paris also is discussing what is meant by stopping passive resistance, and is showing a disposition to define the demand as meaning merely that an end must be put to active encouragement from Berlin of the local resistance, which is admitted to be in some degree beyond the Government's control.

But if the belligerents chiefly concerned are feeling the effects of economic pressure, this is also true of the world at large. The check—whether temporary or permanent we cannot say—which is now occurring in American trade development is of the greatest significance, and trade reports in Great Britain have responded painfully quickly to the suggestion from across the Atlantic that for the time being "prosperity is off." The fact that the world trade barometer is falling explains why it is that Belgium has taken action, and that even in Paris it is admitted that she is putting pressure on France in the direction of moderation. Belgium, unlike France, but like Great Britain, is not self-dependent, but buys her food from abroad in return for exports, and she therefore prospers when the world market is prospering. The actual strain upon Belgium of an indefinite prolongation of the occupation is at last fully realised, while Colonel Theunis, who is well qualified to appreciate the commercial needs of Belgium, has read aright the signs of the times.

Three points about the Note itself are important. In the first place, it abandons the main feature of the last Note, which made the payment of reparations dependent upon a loan for £1,000 millions being raised and paid over within four years. There has been a strong reaction against this plan for practical reasons. Opinion, particularly in France, has swung right back to considering the amount of annuity which Germany should pay. But though these annual payments are, of course, the first and essential part of any reparations scheme, it is as well, in abandoning the idea of a huge loan, not to overlook the part which might be played by a more modest flotation. It is to be hoped—indeed, it may be assumed—that in the end the reparation debt will become a private loan to individuals, for otherwise the reparation question will remain a cause of political trouble. Moreover, it has to be remembered that so far as reparations are needed for the restoration of the devastated areas, half the capital has already been subscribed, and the rest is coming forward fairly readily from French savings. German pay-

ments are needed primarily to ensure the interest on the cost of restoration. The capitalising of reparations means not the finding of new money from new investors, so much as converting the advances already made into a direct liability of the German Government. French opinion is right in thinking that this, though ultimately of the greatest importance, is not an immediate issue. The most important feature of the new Note is, however, the question of guarantees. The proposals are as follows:—

(1) Railways: The railway system is to be separated from other State property with independent accounts and control. Obligations to be issued up to ten milliard gold marks (£500,000,000), with a direct first charge on assets, and carrying 5 per cent. interest as from July 1, 1927. (2) Mortgage on Industry: To secure a further £25,000,000 annually (after July, 1927), the German Government will at once subject the entire business, industry, banking, trade, traffic, and agriculture of the country to a guarantee in the form of a first mortgage of ten milliard gold marks on real estate, whether buildings, dwellings, lands, or forests. The annual dues of five hundred million gold marks will be levied either indirectly, in the form of a general tax on all classes of property, or on the specific objects of mortgage. (3) Customs: The German Government will pledge as security the customs duties on imports of consumable articles other than necessities, the excise duties on tobacco, beer, wine, and sugar, and the receipts of the spirits monopoly. The average pre-war receipts from these sources were about £40 millions per annum. Their yield in gold marks has now fallen to one-quarter of that sum.

These proposals are getting down to hard tacks. But whether they are adequate or not cannot be ascertained without further examination. For example, the German railways at present are a liability heavily subsidised by the Government, which is paying railway costs by means of the printing press. In Austria the League of Nations Controller has found the Austrian railways the most difficult liability of all to eradicate from Austria's budget, and has called to his aid Sir W. M. Acworth to advise how they are to be restored to solvency. The Allies would hardly regard the German railways as a positive security unless they have assurance that they will pay their way. The same sort of considerations apply to the customs. Indeed, there is no single asset of Germany which is worth consideration unless and until currency is stabilised and the whole economic system put on a stable basis. Germany's creditors will need to inquire carefully what these professed assets are worth. These guarantees are, of course, supplementary to the general claim which the creditors hold on the whole revenues of the German Government.

The Note is not clear as to the connection between these specific sources of revenue and the payments to be made by the Government. The realising of some of these assets is to be delayed for four years. If this means that all annuities are to be delayed for four years, France will certainly refuse. It must, of course, be years before Germany can pay a full annuity, but given the bases of a settlement, we have never thought that a complete moratorium for four years was needed, nor seen any convincing argument to support such a contention. The Note perhaps wisely leaves this question in obscurity.

On the question of the final amount, the Note repeats that Germany could not herself increase her offer, but expresses her willingness to abide by the decision of an impartial body. France is apparently not willing to accept this, but insists that she must receive a minimum of 1,300 millions sterling free of all deductions for inter-Ally debts, and that if Great Britain and America do not surrender their claims upon France, these must be added to the amount to be demanded from Germany. It is significant that this demand does not exclude the possibility that America and Great Britain might make their decision contingent upon the decision of a Neutral Tribunal. If America as well as Great Britain is prepared to accept the French claim to what is in effect a prior charge, France would presumably not object to the American proposal for a Commission to determine the surplus amount. It is, however, fairly clear that before Great Britain takes any further step our Government should make up its mind as to whether it admits this prior claim or not. In a recent important letter to the *Times* over the signature of "Economicus," a clearly well-informed writer set out to prove that, though the figure mentioned may, in fact, be that which France will have spent in the devastated areas, the fact of this ex-

penditure, which has meant profit to contractors and profitable employment to large numbers of workpeople, has been not a burden upon France, but an advantage, for otherwise she would have had unemployment, and in some degree have been faced with such difficulties as Great Britain has been passing through. But this line of argument ignores the fact that France's problem is not a redundant population, but a shortage of man-power, and that if the devastated areas had not been overrun by Germany, this labour would have been engaged in building up other industries. It is, to say the least, extremely doubtful whether she would have suffered from the problem of unemployment.

At this week's conference in Brussels the French and Belgian Governments decided to approach Great Britain with a view to renewing joint action on the understanding that passive resistance in the Ruhr shall cease. Great Britain cannot accept this proposal except by agreement with Germany. This, as we have already suggested, is by no means impossible. Our Government has a very difficult and intensely critical rôle to play in the next few days. The guiding consideration should be that we must not pretend to fall into line with France except to put forward proposals which are within the bounds of possibility. We observe with some concern that Lord Derby still believes that we ought to be in formal alliance with France. But we cannot find that there is any appreciable body of opinion in the country which agrees with him to-day, and the Government would not be serving the true interests of the country if it allowed itself to be swayed too much by Lord Derby's view of the European problem. To join with France once again on another will o' the wisp hunt would postpone a real settlement for yet another weary period. It is far better that we should proceed two or three stages further by the curious and indirect method of triangular discussion, rather than that we should hasten too quickly along the wrong road. In this Note Germany has made an advance towards common sense. The world looks for a similar advance by France.

THE NEXT PHASE IN INDIA.

THE lull that followed the arrest of Mr Gandhi is evidently coming to an end. This was inevitable, for political movements are never put out of existence by the imprisonment of their leaders, especially when such large numbers are concerned. The question was rather whether the current of unrest, after surmounting the obstacle temporarily placed in its path by Government, would flow back into its previous channel or take a different turn. The policy of Mr C. R. Das, since his release from prison, indicates that the latter alternative is coming to pass. Non-co-operation having failed to produce its promised results by the promised date (and India, like the rest of the "unchanging East" at present, is in more of a hurry than most Western revolutionaries), it is to be followed by an attempt to capture the new experimental institutions of self-government in order to wreck them.

It is difficult yet to say how far this new departure will go. Superficially, the ultimate object of the Gandhi movement remains unquestioned, and only a change of tactics is involved; but what may start as an issue of tactics is likely to become an issue of aims or principles in the course of being translated into action. Mr Gandhi is more logical, or else more honest, than his former colleague. If India wants to eliminate the British factor from her life, then the most effective course in the long run is to have nothing to do with the unclean thing; and the economic boycott is more important than the political one. This attitude is perhaps in the tradition of Hindu feeling, and it has undoubtedly been adopted by earlier leaders of Hindu thought in the face of other foreign dominions. But does that tradition still govern the mind of India? Is she still willing to sacrifice time to eternity, and the body to the soul? And is the maximum of non-co-operation any longer her ultimate purpose? If the answers to these questions are even partly in the negative, then Mr Das's change of tactics may imply that Mr Gandhi's policy was not merely ineffective, but was imperfectly adjusted to contemporary Indian aspirations.

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The truth seems to be that the past century of British ascendancy has made an ineffaceable impress upon the Indian mind, of which Mr Gandhi himself shows the traces. Could he have conceived his movement or have carried it so far as he has done if neither he nor his followers had come into contact with the West? Is he not dependent upon Western methods of organisation and propaganda, not to speak of our technical devices of printing and transportation? And if this Western leaven can be discerned in a personality so Indian and so self-consistent as his, is it not probable that the majority of his educated fellow-countrymen are still more deeply affected by it? The West has become a permanent feature in India's mental horizon, and equality of status with the West rather than the severance of relations with the West seems to be the real goal of her endeavours. It is true that if this equality be conceived on Mr Gandhi's spiritual and abstract plane, it converges towards the ideal of non-co-operation as an end in itself. But that is really an ideal of moral superiority over a civilisation which is essentially of this world, and it is too difficult to be sustained for long by multitudes of ordinary human beings. India, as a whole, seems gravitating less towards Mr Gandhi's ideal than towards Japan's: "Make yourselves a match for the West in the Western way, in order that you may hold your own in a Western world." Possibly this cleavage of ideals underlies the new departure in tactics announced by Mr Das. If so, we may expect Indian politics in their next phase to travel more violently and more hurriedly, but less far, than they promised to do under Mr Gandhi's guidance.

In any case, however, the future of India remains an enigma; for when we have prophesied the permanence of British influence, we cannot even begin to estimate its actual degree, and, according to its degree, it may have totally different consequences. India, when England conquered her, was like a forest shaken by a monsoon. Trees of every species, with jungle-growths matted round their roots and parasites clinging to their branches, were grinding and shattering one another as they were swayed by the storm. British rule reduced this chaos to sudden immobility. The wreckage of tree and creeper was buried underground, and, as it lay there, those chemical reactions began which transform vegetable matter into coal-deposits if allowed to continue for a sufficient length of time. What period suffices? That is the riddle which we cannot yet read. But fresh forces of disturbance, this time emanating from the West itself, as the stilling force of the British Raj did a century ago, are again descending upon India and ploughing up her soil. What will emerge? The fallen trunks of the old forest, capable, perhaps, of putting forth fresh shoots, but only by the reproduction of their separate individualities? Or a stratum, compacted out of completely metamorphosed organic materials, and stored with an energy capable of being turned into altogether new channels?

We must hope for the second alternative—that is, for an organic fusion between the elements of Indian and Western civilisation, which at its best might produce something higher than either, and which at its lowest

might preserve to India such advantages as she has gained during the British ascendancy. But time is of the essence of the process, and we must be prepared to see it brought to an untimely end by forces beyond our control. Western political dominion over non-Western societies probably contains in itself the seeds of its own destruction, and what forces of disintegration there were have been reinforced and accelerated by the catastrophe (accidental, from the standpoint of British India) of the European War. The wreckage out of which a new India was being gradually compacted may be tossed up and scattered again with some Western infusion in the fragments, but before the achievement of the organic change; and in that case it is to be feared that the last state of India may be worse than that in which she found herself when England started to deal with her. In the present mist of uncertainty, some rather ominous shapes from the past are emerging side by side with the new-fangled phenomena which both Mr Das and Mr Gandhi stand for; and it is conceivable that Sikh Akalis, Muslim Caliphatis, Mahrattis, Bengali and Tamil Nationalists, and the champions of dominant castes or submerged castes, may crowd the National Congressmen, and, indeed, all the English-style politicians—extremists or moderate—off the stage. If this happened, even to a partial extent, the vision of Indian Nationalism would dissolve into a chaos of many rival nationalisms tearing one another in pieces; and in that case, the mutual destruction might well be more, and not less, savage than that to which our English ancestors put a forcible end in the India of a hundred years ago; for the infection of Western Nationalism, as we now know from the melancholy example of its effects in the Near and Middle East, introduces struggles for existence between elements previously accustomed to struggle merely for ascendancy. Before the intrusion of the West and its political ideas, India, like the Near and Middle East, was a region in which a congeries of castes lived intermingled, without either assimilating or destroying one another, in an equilibrium which was recurrent, though unstable. The state in which we found India was one of those interludes of anarchy, which would doubtless have returned to equilibrium—under a Mahratta, perhaps, instead of a Mogul ascendancy—if we had not arrested India in the act of transformation and submerged her, petrified, in order that she might undergo the profound and utterly different effects of our rule. But if the old contending elements—Mahrattas and Muslims, Sikhs and Bengalis, and not least the tribesmen from beyond the frontier (whose heads have never gone under)—awake and start their conflicts again, they will no longer be content with ascendancy, but will fight to carve out for themselves sovereign States with homogeneous national populations. In that event, India will be in danger of going through the horrible process which has been working itself out during the past century in the countries lying between her and Western Europe, but from which British rule has hitherto preserved her.

This is perhaps the most likely result of a premature liquidation of British control brought on by the passion for equality of status. The various elements, in assert-

ing their equality with the paramount Power, would fall into collision with one another. But there is another force, derived from the same psychological origins, which will make for a consciousness of Pan-Indian national unity, and that is the increasing pressure exerted by all India upon the vacant or semi-vacant spaces of the British Empire. Here all Indians find themselves on new, and common, ground; and moderates, like Mr Shashi, who have identified themselves with this cause, evidently feel that if they are rebuffed, they will have lost their last chance of holding their own against either Mr Gandhi's or Mr Das's wing of the extremists. Mr Das, when he inaugurates his wrecking tactics, is more likely to concentrate his energies upon the military budget—a question with which both the Indianisation of the army and the rejection of heavier taxation are bound up, and which is therefore an obvious stick to wield against the Government. It happens, also, however, to be bound up with the question of the North-West Frontier, which has latterly assumed an importance hardly conceivable a few years ago. For the past century the tribes of Central Asia, like the castes and nationalities of India, have been immobilised by a foreign rule; but now that the Russian Empire has broken down, and Central Asia is in flux, the movements on the frontier may gather behind them, as they have done at other times in history, the momentum of half a continent. To treat the military budget as “ship-money” may be a tempting game for a “wrecker,” but it is a dangerous one for India. If carried to extremes, it might conceivably produce another, and most unwelcome, stimulus to the All-Indian consciousness in the shape of the barbarian invader.

THE BALANCE-SHEETS OF HOLDING COMPANIES.

It is doubtless because the existence of holding companies or—to adopt the Americanism—“mergers” upon a large scale in this country are of recent growth and of limited extent compared with the United States, that the practice of issuing consolidated balance-sheets is far more novel and less understood in this country than in America.

The movement towards consolidations and trusts was bound sooner or later to bring about some demand on the part of the Stock Exchange, banking and revenue authorities for fuller and more exact information as to the position of the composite concern than an ordinary legal balance-sheet drawn on the old lines could possibly show. The fact that each business owned is owned through the medium of 100 per cent. of the share capital in a separate legal entity is sufficient to enable the owning company to present as its asset in respect of that business a single sum, being the cost or value of the shares acquired. Except for that thin legal line, the obligation would be upon the company to present the values of the separate assets, together with all the fluctuations in the profit and loss position.

In this respect it may be said that the law is positively on the side of obscurity and lack of publicity, because it is doubtful whether the owning company has any right to publish anything else than shares as its assets, and all it can properly do is to offer auxiliary but voluntary information showing what is “behind” those share values and the true nature of the assets and liabilities.

As matters stand at present, it is possible for a company owning two businesses—one of which makes a profit of £100,000 and the other a loss of £100,000—to draw the dividends in full in the one case and ignore the loss in the other, and yet still to be technically able to declare dividends out of the profits so received, whereas, in fact, over the business as a whole no profit has been made. This is, perhaps, an extreme instance; but in the case of a company holding percentages of varying amounts in different concerns, practice upon these lines is by no means impossible without any literal infringement of legal or accountancy rules.

A consolidated balance-sheet must bring out the net interest of the owning company in the assets after allow-

ing for what is appropriate to the minority holders, as well as show full information as to the class of assets that are actually owned. Sir Josiah Stamp, at a conference of the Society of Incorporated Accountants and Auditors a little time back, discussed the economic value of the modern balance-sheet, not merely from the point of view of the reticence legally enforced upon owning or holding companies, but also from the point of view of the fair and square statement of facts for concerns in general. The gravamen of his charge was that the passion for a “safe” balance-sheet was merely a conventional prejudice in favour of one which does not tell lies in excess. There was supposed to be something positively creditable in presenting what was obviously not credible, such as showing the value of buildings at a figure ridiculously below their value or cost. Moreover, an excess under one head could not be allowed against a deficiency under another, and however much some items might be understated, no others must exceed the amount allowed by the letter of the “accountancy” law. As a consequence, a balance-sheet properly drawn might possibly represent something which was at the level of the true value of the business, but might equally be immeasurably below that level. Sir Josiah urged that there was surely a higher ideal of public opinion to be aimed at than this kind of one-sided deception or uncertainty, even within the narrow limits of the existing law. His strictures on behalf of economic progress were not received with enthusiasm by the accountancy profession, though no one has appeared to demonstrate that his grounds for criticism were wrong.

Whatever may be said about balance-sheets in the ordinary way, there can be no two opinions about the desirability of all combinations of businesses presenting to their shareholders information regarding those businesses which shall not be conditioned merely by legal technicalities, but shall really get to the heart of things, at any rate, to no less an extent than if those technicalities were absent. Accountancy fashions are bad enough without being further complicated by legal niceties.

In a very interesting and instructive paper given by Sir Gilbert Garnsey before the London members of the Institute of Chartered Accountants, and recently issued in book form, the whole question of the kind of published account appropriate to holding companies is very carefully explored and its technical aspects set forth. He says that:—

“The greatest opposition to any but the most essential changes in the form of the published accounts comes from directors who are not all imbued with the desire of giving their shareholders as much information as possible, no doubt having in mind the necessity for avoiding disclosure of information which might conceivably be of use to competitors. Moreover, in view of the fact that the shares in the industrial concerns of this country are generally very widely distributed among a large number of shareholders, the call for the consolidated accounts has never been insistent. Shareholders, perhaps, can hardly be expected to know what form of accounts they require, but in recent years there has been a demand for more information concerning the position and results of subsidiary businesses. It is the duty of accountants to help them, but accountants cannot do it unaided, as, after all, in this country it is the directors who prepare the published accounts and are responsible for the information given therein, although it is for the auditors to certify as to whether or not they are properly drawn up so as to exhibit a true and correct view of the state of the company's affairs.”

Then follows a statement of the difficulties—and they are by no means few—in practice and technique found when amalgamating the figures of different concerns made up on dissimilar lines and with widely different antecedents. He quotes extensively and with approval from the speech of the chairman of Nobel Industries, Limited, last year—a conspicuous example both of the necessity and the difficulty of affording this kind of information—and indicates that it is upon these lines that a right conception of what is necessary in industry should proceed. In that particular instance the formation of the merger fortunately in itself gave a uniform method of valuation of all assets and liabilities, and thus facilitated their aggregation, although the aggregation was not, in fact, an aggregation of the existing legal balance-sheets of those companies.

Where a combination of interests has come about gradually such a common basis is not available. The mere addition and aggregation of the existing balance-sheets may be confusing sometimes as an aggregation of unlike quantities, even if the classification of assets is correct. To secure uniform valuation merely for the purpose of this aggregation may be an expensive and not always a practicable affair.

The public, therefore, while exercising some pressure in the direction of getting information of this character, must not be impatient if progress along these lines is slow but sure. Although the legal balance-sheet may not undergo much change, the chairmen of limited companies should regard it as a duty incumbent upon them to furnish the best auxiliary information upon these lines that circumstances will allow, and thus reduce the well-known item, “shares in subsidiary companies,” to its proper proportions—viz., the aggregation of those minor interests which do not admit of any other kind of classification. This item should be an irresolvable minimum rather than a “glorious hold-all,” and wherever classification can be properly carried through to the real assets behind the shares, the public interest unquestionably demands that it should be given.

THE INCOME-TAX LEAKAGE IN FRANCE.

(BY A CORRESPONDENT.)

PERHAPS the most formidable difficulty that faces any French Finance Minister, who nowadays attempts to make the people of France balance their expenditure by increased taxation, is the fact that French people, so long as they feel that Germany ought to be paying for their reconstruction, regard taxation in much the same light as Irish people regarded English taxation after the publication of the Childers Commission Report. In Ireland it became almost a public duty to defraud the Exchequer once the Childers Commission had formally convicted England of overtaxing Ireland in the past. So now in France the Reparations Commission, in convicting Germany of default, has confirmed the prevalent feeling that no patriotic Frenchmen should pay increased taxation until Germany has paid for reconstructing the devastated districts. The Finance Minister who would introduce new taxes in France has to reckon upon this vehement dislike of all taxation, and particularly of taxes that involve investigation of private incomes by Government officials. And in a country which still derives at least three-fourths of its wealth from agriculture, either in production or in trade, the difficulties of ascertaining true incomes can scarcely be surmounted at all.

There is, however, one radical reform which in normal times could be counted upon to bring a vast amount of untaxed wealth within reach of the Treasury. It was debated in a very illuminating discussion in the Chambre des Députés towards the close of the recent Budget debates. The defeat of the proposal was a foregone conclusion, but the final division showed a formidable minority of 228 votes against the Government's majority of 322. This panacea proposed by the parties of the Left consists simply in insisting upon the conversion of bearer bonds into inscribed stock for almost all classes of securities. They declare that by this measure the Government could put the whole financial situation of France on a stable basis. Even the Finance Minister, M. de Lasteyrie, scarcely attempts to deny the truth of this contention, although he opposes its application vehemently, with the Finance Commission of the Chambre behind him. In the existing circumstances, which compel the French Treasury to appeal for vast reconstruction loans month after month, the Government does not dare interfere with the credit system of the country in any drastic way that might possibly restrict the hitherto abundant flow of new money subscribed for these loans.

The Radicals refuse to admit that the forced adoption of “titres nominatifs” would, in fact, reduce the borrowing power of the Government to any very serious extent.

But the case for insisting upon the abolition of “bons au porteur” is so strong on many grounds that no Government can fail to consider it closely. M. Vincent Auriol, in introducing his motion for the compulsory conversion of “bons au porteur” into “bons nominatifs,” put the problem in a nutshell when he said that “we are confronted by two problems—taxation and the evasion of taxes. Neither to-day nor to-morrow will you be able to vote new taxes until you have first dealt effectively with the evasion of existing taxes.” M. Charles Baron in the same debate stated what is an open secret in France, in saying that his inquiries among solicitors and men of business in all parts of the country invariably met with the answer that there could be no real suppression of tax evasion until Parliament had insisted upon the substitution of inscribed stock for the existing uninscribed bonds. That these views are not confined to the Radical Deputies is shown by the recent statement of a well-known Catholic and Conservative lawyer in Lyon, M. A. Crétonin, that “thanks to bearer bonds a man can use his money in a way that will escape all control.”

The general inferences stated above are amply confirmed by the official taxation returns. Since the debate in the Chambre, the French Treasury has issued its statistical table showing the amount of tax revenue paid by each group of taxpayers during 1921. The totals are preposterously small in proportion to the number of people who certainly have real incomes that would make them liable to income-tax if they could be ascertained. The official return shows that there are only 197 people in France with incomes of over a million francs a year (which is roughly £20,000, if one counts the franc at its average value for several years past of 50f to the £). Only 641 are returned as having between half-a-million and a million francs a year, and only 1,607 as having between 300 and 500 thousand a year. These totals are probably fairly accurate. But the totals for the lower scales of income are quite obviously ridiculously below the mark. According to the official return only 272,274 people had taxable incomes of from 6 to 10 thousand francs a year (say, £120-£200); only 320,137 had from 10 to 20 thousand; only 84,464 had from 20 to 30 thousand; and only 56,000 had from 30 to 50 thousand a year. “These figures,” declared one Conservative publicist at the time of their publication, “are, to my mind, a manifest proof of the unbelievable number of frauds that are practised by all classes of citizens. Can you really believe that there are only 320,000 people in France with incomes of 10 to 20 thousand francs (say, £200-£400) a year? Why, there are probably 200,000 in Paris alone. Do you think that in all our country there are no more than 84,500 people living on their investments, or retired from business, bankers, capitalists, landlords, commercial travellers, agents, &c., who have incomes from 20 to 30 thousand francs?”

In the light of these figures it is interesting to read the calculation given by M. Vincent Auriol in recommending his motion to the Chambre. He quotes the official figures for 1922 as showing that the “taxe sur le revenu des valeurs mobilières,” other than French State loans, amounted to 904 millions of francs, of which roughly 751 millions were for incomes derived from French securities and 153 millions for incomes derived from those of other countries. The tax on income from French investments being at the rate of 10 per cent., and that on foreign investments at 12 per cent., these figures show that the total of 900 millions in tax must represent roughly 9 milliards of gross income from these forms of investment, seeing that many securities paid no dividends at all in that year. To these 9 milliards of income from investments must be added the 13 milliards which the State pays in interest on its own loans, making in all an aggregate income of 22 milliards from investments, and representing a capital value of between 350 and 400 milliards invested in negotiable securities. Now, of these

22 milliards of income from investments only 3 milliards were declared to the tax collectors. Part of the total is, of course, made up out of small incomes which would be exempt from taxation, but M. Vincent Auriol seems reasonable in calculating that at least 12 or 15 milliards should have been declared for income-tax instead of only 3 milliards.

M. Auriol examined the returns for death duties in the same way. Assuming the above totals to be correct, M. Auriol deduces that the total of investments that should become liable to death duties every year must be from 18 to 20 milliards, which at an average of 7 per cent. tax should bring in to the Treasury 1,400 millions of death duty every year, instead of its actual receipts of only 800 millions.

M. Auriol also shows that the recently introduced improvements in the methods of supervising tax returns yielded an increase of from 5,338 to 6,974 million francs in the returns of income from industry and commerce. A similar revision of the returns of public and private salaries and wages raised the total of such incomes liable to taxation from 4,567 million francs to 6,437 millions. But in contrast with the very large increases in these returns, the revision of incomes derived from investments, which are notoriously far below the true figure, resulted only in an increase of 115 millions. What else, however, was to be expected, seeing that the Treasury has no possible means of directly tracing the ownership of bearer bonds? If it were true that these securities are widely distributed among the population, there would be less reason for believing that bearer bonds are bought principally with a view to escaping taxation. But M. Vincent Auriol shows how the popularity of "bons au porteur" has increased simultaneously with the acquisition of great blocks of shares by the war profiteers. The latest available report of the Chemin de Fer du Nord, for instance, shows that of the older issues of shares three-quarters were in inscribed stock, while 78.5 per cent. of the recent issues of the railways stock have been in bearer bonds. The Banque de France has no less than 19,667 separate holders of one or two of its shares, who constitute more than half of the total number of its shareholders, but even so, they hold less than one-sixth of the whole capital; and while more than nine-tenths of all the shareholders of the bank are small owners of from one to ten shares, their combined holdings are less than half of the bank's capital.

Such is the case for a compulsory transition to inscribed stock, as it is propounded by the French Radicals. That it offers the only means by which the Government in France can hope to impose its income-tax equitably, and to ascertain the true incomes of the big holders of investment securities, cannot be doubted. But the French Government, which realises, like everyone else in France, the impossibility of obtaining a full return from the income-tax under the existing system, is simply unable to contemplate the compulsory introduction of such a change. It has, indeed, shown its belief in the necessity for it by conferring substantial privileges upon inscribed stock in relation to bearer stocks, but it dare not think of compulsory measures. M. de Lasteyrie, as Finance Minister, declared emphatically that "to abolish the 'titre au porteur' would mean throwing the whole financial world into panic, and injuring the sources of our present supplies of credit. I appeal with all my strength to the Chambre to reject this proposal."

M. de Lasteyrie's statement can only mean that he dare not introduce such measures of compulsion in regard to investments as would bring the French investors' securities under the control of the State, because he fears that the French investors of all classes who now take up each new Government loan in rapid succession might suddenly cease to lend their money to the Government altogether, if, in doing so, they felt that they were giving the Government the means of knowing how much money they possessed. And so France goes on paying for her reconstruction, too little by enforcing the taxation of her people, and too much by borrowing continually at an ever-increasing rate of interest, and so piling up a load of interest charges for the next generation which they will certainly never tolerate, and which Germany neither will nor can repay to France.

OIL.—IV.—SUPPLEMENTARY SOURCES OF SUPPLY

WHEN Senator La Follette's sub-committee of the United States Senate Committee on Manufactures declared in its report that if present tendencies in the oil industry were allowed to proceed unchecked the price of gasoline might reach one dollar per gallon, Mr Walter Teagle, president of Standard Oil, made the rejoinder that long before that price could be reached some cheaper kind of motor fuel would take the place of gasoline. Without doubt, Mr Teagle felt that the margin of profit per gallon in the sale of gasoline was sufficiently wide to ensure longevity for Standard Oil. But his remark calls attention to a feature of the oil situation that is now assuming greater prominence—the supplementary sources of supply.

It will be understood that there are oil substitutes as well as supplements. Unfortunately, the economic issues of the former have been obscured by politics. In France, for example, the home manufacture of a substitute for gasoline has been made into a question of national defence. The Chamber of Deputies has resolved upon the mixing of 10 per cent. of home-produced alcohol with all motor spirit imported into France. The fact that the French Government holds large stocks of alcohol—about 88,000 tons last December—for which it is anxious to find an outlet, and that a little group of French refiners are self-interestedly desirous of increasing the heavy tariffs on imported oils, suggest ulterior motives and confuse the real commercial prospects of the cultivation of beetroot in France. Czecho-Slovakia, also, has devised a new motor fuel, known as dynalkol, a mixture of alcohol and benzol, to which 1 per cent. naphthalin or 5 per cent. ether is added. But the Czecho-Slovakian Government, too, is said to possess large stocks of alcohol, and to be contemplating further import duties on gasoline. Political measures may therefore force alcohol or other substitutes into economic competition with gasoline before their time. Nevertheless, there is no doubt that the widely different ways of producing alcohol—from cane or beet sugar, from potatoes, from prickly pear, from wood pulp and the like, give many oil-importing countries an economic opportunity of manufacturing a motor-fuel substitute, provided always the technical difficulties in its use are overcome by the automobile engineer. Attention, however, is being directed rather to the supplementary sources of oil supply, which we will call for convenience the production of "fixed oil," as opposed to the production of liquid oil from the well, which is generally called "free oil."

Let us begin with general principles. The production of fixed oil from solid bituminous minerals—such as coal (including cannel coal and lignite, or brown coal) and oil shale—necessarily involves, according to the commercial practices in vogue, three distinct operations—first, the mining of the solid bodies, either by quarrying from the surface or by mining underground; secondly, the crushing and retorting (distillation) of the bodies mined; thirdly, the refining of the crude tars or oils yielded from the retorts. Each of these operations requires heavy capital outlay. Wherefore, as long as an oil company can obtain a flow of free oil merely by boring a hole in the ground, and, as it were, turning on a tap, the fixed oil from coal or oil shale, laboriously mined and expensively retorted and distilled, cannot hope successfully to compete with the former in the matter of its market price. Certainly, free oil will always undersell fixed oil while free oil is obtained in anything like flush production and fixed oil is manufactured under existing practices.

This broad principle must, of course, be qualified in certain particulars. Consider the oil shale industry in the first place. Oil shales, which may be defined as fine-grained clay rocks containing an oil-yielding material—kerogen—of which very little is yet known, vary enormously both in physical and in chemical properties. Some are difficult to retort successfully. Some, like the oil shales of Scotland, yield only 18 to 25 gallons of oil to the ton; others, like the Australian, yield from 100 to 160 gallons. Some, like the oil shales of Norfolk and Dorset, may yield a large amount of crude oil, but with such an excess of sulphur in it as to baffle the skill of the refiner

to obtain commercially pure products.* In all cases it is certain that, to be profitable at all, operations must be conducted on a very large scale, and for a long period of years, having in view the amortisation of the capital expenditure on plant, which must embody mining, conveying, crushing, retorting, refining, and marketing equipment. In the Scottish shale industry the profit in the past has depended upon the sale of a by-product—ammonium sulphate—and for the present the Anglo-Persian Oil Company is keeping the industry alive by running Persian crude oil through its refineries. Figures of the normal annual capacity of the Scottish shale industry may be given as follows:—Shale retorted, 3,000,000 tons; crude oil yielded, 275,000 tons, or over 70,000,000 gallons; products refined: motor spirit, 600,000 gallons; naphtha, 4,400,000 gallons; kerosene, 20,000,000 gallons; gas or fuel, 12,000,000 gallons; lubricating, 10,000,000 gallons; paraffin wax, 25,000 tons; sulphate of ammonia, 55,000 tons. Nevertheless, it is claimed that the quality of lubricating oils derived from crude shale oil is superior to those derived from free oil, and will always command higher prices. In countries, therefore, where there is no local production of free oil, where imported oil has to bear heavy charges of freight, and possibly heavy import taxes, oil shale exploitation may still earn a livelihood, even under present conditions of free oil competition.

In the second place, the distillation of fixed oil from coal has certain economic advantages. A ton of coal may not only yield as many gallons of crude oil and as many pounds of ammonium sulphate as a ton of oil shale, but it leaves a coke residue that is a valuable smokeless fuel. Moreover, liquid hydro-carbons are already produced as by-products in certain industries, and can thus be sold at prices competitive with those of the products of free oil. The crude tar, for instance, distilled in the production of coke (in coke ovens) and in the manufacture of coal gas, can be refined into benzol for motor fuel, and creosote which can be utilised as fuel oil. Indeed, the demand for benzol exceeds the supply, for no better motor fuel can be found than a mixture of benzol and petrol. In Germany the output of benzol in 1921 from all sources—coke ovens, gas works, and brown coal-tar distilleries—was about 187,000 tons (of which 34,000 tons went to France as reparations). In Great Britain the present output for motor fuel is about 50,000 tons—less than half the war-time production. In France the potential output is about 53,000 tons—the actual about 12,000 tons. These quantities are, of course, mere drops in the ocean of gasoline consumption. Commercial interest is therefore turning from the high-temperature distillation of coal, which is evolved in coke ovens and gas works, to the low-temperature carbonisation of coal, by which a greater percentage of volatile hydro-carbons can be recovered. The distinctions between high- and low-temperature carbonisation may be shown thus:—

- HIGH TEMPERATURE.
1. Large volume of gas.
 2. Yield of sulphate of ammonia, say, 20 lbs.
 3. Yield of tar, say, 11 gallons per ton.
 4. Tar (aromatic series) yields motor spirit and products for manufacture of dyes, explosives, photographic chemicals, drugs, &c.
 5. Residue a hard coke with little volatile matter, useful for industrial purposes.

- LOW TEMPERATURE.
1. Low volume of gas.
 2. Yield of sulphate of ammonia, say, 10 lbs.
 3. Yield of tar (crude oil), say, 20 gallons per ton.
 4. Tar-crude oil (aliphatic series) yields motor spirit, fuel oil, lubricating oil, paraffin wax, but no useful tar acids except for disinfectants.
 5. Residue a soft coke, with 8-10 per cent. of volatile matter—a good smokeless household fuel.
- (Dr F. M. Perkin's classification.)

We are all interested in the distillation of coal, not only as a means to abolish the smoke nuisance, but as a step towards the conservation of our coal resources. To make a ton of coal yield a smokeless fuel, as well as motor spirit, fuel, and lubricating oils, not to mention sufficient gas to fire the retort, is obviously sound economic practice. But technical difficulties, and the financial condition of the coal industry, have temporarily postponed this supplement to free oil supplies.

* It is claimed that a process has been discovered whereby the oil can be purified by first transforming the sulphur into compounds which can be easily removed as required.

Of these arguments there is this general qualification to be made. The whole situation of the coal-oil and shale-oil industries may be "changed in the twinkling of an eye" by the discovery of some commercial process for the liquefaction of coal or shale by hydrogenation. We have mentioned that the Bergius process of hydrogenation has been successfully applied to heavy oils. The claim is made by this inventor that any coal possessing less than 85 per cent. of carbon can be successfully hydrogenated. It may be significant that, before the French occupation of the Ruhr, certain German coal interests were erecting a large plant at Rossleben to treat brown coal or lignite with the Bergius process. Consider the magnitude of the supplement to free oil supplies, if one can reckon the enormous reserves of coal, lignite, and oil shale as commercial sources of oil production!

Finally, let us not forget that oil is not the only power producer. There is water power; and its generation of electricity. Man may soon be harnessing the tides and rivers as he does the waterfall. Certainly he will be carrying electric power over ever-increasing distances. And one can speculate a little on the dreadful possibilities of the atom. All this helps one to regard the oil situation without trembling or excitement.

THE POULTRY INDUSTRY.

(BY A CORRESPONDENT.)

FEW people, save those intimately connected with the business, have any idea of the vast proportions to which the poultry industry has grown during the last decade. It is no exaggeration to say that poultry-keeping is to-day one of the largest and most important branches of agriculture. This is brought out in a striking manner by Mr E. Brown, F.L.S., in his annual review. The estimated value of eggs and poultry produced and consumed in Great Britain in 1921 was £34,027,866. Owing to reduction of values, as the volume of production is about the same, the estimate for 1922, after deducting exports, is £28,900,000, a decline of 15 per cent. The comparative estimates for grain crops in Britain are:—

	Quarters.	£
Wheat (40s 8d per qr.).....	7,964,000	16,193,466
Barley (37s 11d per qr.).....	5,796,000	10,988,250
Oats (23s per qr.).....	15,093,000	18,307,400
Total estimated value (1922).....		45,489,116

Thus in 1922 home supplies of eggs and poultry were in value nearly £13,000,000, or 77.1 per cent., greater than the wheat crop of Great Britain; £18,111,750, or 163 per cent., greater than the barley crop; and £10,794,600, or 57.9 per cent., greater than the oat crop. If these three classes of grain are totalled, production of eggs and poultry was in value equal to 63.5 per cent. of the whole British grain crops. These represent producer's (not consumer's) prices. Retail values would be correspondingly increased.

In spite of the large quantities of eggs produced at home, we have still to depend to a very great extent upon foreign supplies. The following table gives quantities of eggs imported in 1922 in comparison with 1921, and also 1913, the year before the war, as published in the Trade and Navigation Returns, exclusive of Ireland:—

From—	1913.	1921.	1922.
Russia.....	11,453,277	..	..
Denmark.....	4,264,943	4,735,275	5,734,577
Germany.....	513,740	3,735	23,446
Netherlands.....	977,350	505,493	650,200
France.....	702,281	53,546	319,080
Italy.....	845,789	..	319,034
Austria & Hungary.....	883,651	..	..
China.....	not stated	468,233	1,057,086
U.S. of America ..	5,869	221,889	337,301
Egypt.....	1,098,839	642,000	1,259,590
Canada.....	1,905	684,480	495,729
Other countries ..	834,561	3,242,853	3,465,628
Totals.....	21,597,950	10,557,504	13,661,671

So far as totals are concerned, the above table indicates that the 1922 egg imports, other than Irish, were 29.4 per cent. above 1921, but only equal to 63.3 per cent. of 1913. Most noticeable is the advance in supplies from

Denmark, much greater than in 1913, as is the large increase from China over 1921. In 1913 these, if any, were included under "other countries." The Netherlands is still one-third below 1913. Italy is again exporting to Britain, and France is steadily increasing. The U.S. and Canada, negligible in 1913, are sending modestly, but the latter country is considerably below 1921.

Although imports in 1922 were greater in quantities than in 1921, owing to reduction of prices, the total values are less. The relative values are:—

TOTAL VALUES OF IMPORTED EGGS (EXCLUDING IRISH).

	1913	1921	1922
.....	9,590,602	11,395,828	11,301,652

Below are given the relative values of each of the countries enumerated:—

AVERAGE VALUES OF IMPORTED EGGS, PER GREAT HUNDRED.

From—	1913.	1921.	1922.
	s d	s d	s d
Russia	8 3½	..	..
Denmark	10 9½	23 0½	19 7½
Germany	8 4½	18 9	12 10
Netherlands	10 0½	22 8½	17 6½
France	8 3½	21 2½	12 3
Italy	9 11½	..	15 3½
Austria and Hungary	8 6	14 7½	..
China	..	19 9	12 1
United States of America..	7 5	22 10	17 2½
Egypt	7 5	15 10	11 11½
Canada	7 5	23 0½	18 10½
Other countries.....	7 5	20 4½	14 6
Totals	9 10½	21 7½	16 5½

Of dried and liquid eggs during the last three years, the following are the net quantities and values—that is, less re-exports:—

	Quantities.	Values.
	Cwts.	£
1920	404,321	4,731,435
1921	380,440	3,294,294
1922	373,781	2,347,020

In 1920 the declared import value was 234s per cwt, and in 1922 125s 6d per cwt, a drop of 46 per cent. Dead poultry are included in the following table:—

COMPARATIVE IMPORTS OF POULTRY (excluding Irish).

From—	1913.	1921.	1922.
	Cwts.	Cwts.	Cwts.
Russia	119,944	..	..
France	31,175	17,558	42,648
United States of America	54,242	20,806	50,557
Other countries	73,100	47,170	78,846
Totals	278,465	85,534	172,051
Less re-exports	9,914	6,806	5,303
Net totals	268,551	78,728	166,748

Dead poultry imports more than doubled in 1922, as compared with the preceding year, but were 37.9 per cent. lower than in 1913. The United States is nearly up to the 1913 supplies, and France has exceeded these. Probably, unless Russia again enters into the field, which is unlikely, there will not be much increase in totals. The net values of dead poultry imports were (excluding Irish):—

	Values.	Per Cwt.
	£	s d
1913.....	909,894	68 7
1921.....	557,982	135 4
1922.....	1,214,506	145 8

Average values, therefore, were higher in 1922 than 1921, doubtless owing to better quality. More than 37 per cent. of the year's imports were received in the month of December.

The consumption values (wholesale) of eggs and poultry in Great Britain during 1922, less exports and re-exports, were:—

IMPORTED PRODUCE (Irish estimated).

	£
Eggs in shell.....	17,301,650
Poultry, less re-export	2,149,136
Dried and liquid eggs, less re-exports	2,347,020
	21,797,806

BRITISH PRODUCE.

Eggs and poultry, less exports	28,900,000
Total.....	50,697,806

From the above we arrive at the result that of the eggs and poultry consumed in Britain during 1922 43 per cent. in value were brought overseas.

THE POSITION OF SILVER.

SENTIMENT in the silver market of late has been considerably disturbed by the cessation of the purchases by the United States Treasury that were authorised by the Pittman Act, but during the last day or two there has been a harder undertone, and, for the time being, the scare seems to be over. The quotation for American-mined silver has now been discontinued in New York, and presumably the price fixed daily stands for both foreign and home metal. Up to quite recently American-mined silver has been bought by the United States Government at the rate of one dollar per ounce fine; thus there has been a very handsome premium, running quite recently to close on 35 cents an ounce, in favour of the American producers, and naturally the sudden stoppage of this concession has had effect on world values. Under the terms of the Pittman Act the United States Treasury was given the legal right to acquire up to 200,000,000 ounces to replace the silver supplied by the American Government to this country during the war, when the metal was very badly needed for Indian coinage purposes, and at the close of last month the Treasury authorities at Washington suddenly announced that no further silver would be bought until the exact position could be defined. The Pittman Act was passed to conserve the gold supply of the United States; to permit the settlement in silver of trade balances adverse to the United States; to provide silver for commercial use; to assist foreign governments at war with enemies of the United States, and also to stabilise the price of silver and encourage the production of the metal. As is well known, large quantities of coined silver were melted down in order to make a plentiful supply of the metal immediately available, and the understanding was that the silver so dealt with was to be replaced by silver derived from mines situated in the United States and refined by works so located, the purchase price being fixed at one dollar per ounce fine. It is estimated that 268,929,300 dollars were melted down and sold, so, therefore, the Treasury had to buy in 208,000,000 ounces of fine silver in order to carry out the terms of the law.

At the end of February it was estimated that there was something like 45,000,000 ounces still to be purchased, but apparently there has been some misunderstanding, and revoked sales have been set off against the total number of ounces to be acquired; thus, until the dispute that has arisen between the silver producers and the Washington Government authorities has been cleared up, it is impossible to say exactly how the matter stands. The whole thing turns on the reading of the Pittman Act, and whether this gives the Treasury the right to revoke certain sales of silver. Naturally enough, the producers wish to sell as much as they can at the full price of one dollar an ounce, but, of course, the American Government, knowing that silver can be bought in the open market on much easier terms, are not eager to go beyond the strict terms of the Act. Some time ago the producers and the representatives of the Treasury had a meeting, and it was decided then that it was necessary to find out exactly how matters stood. The silver in ore purchased must obviously take a long time to refine, and until the actual metal has been delivered to the Treasury it will be difficult to say what quantity has been taken. The silver producers have apparently been reckoning on the sales to the Government going on for some time longer, and every effort has been made to mine as much ore as possible; but this week it was announced that the American Treasury will make a statement about June 15th, and that this will show the exact position in which the Government stands in regard to its obligations under the Pittman Act. Well-informed opinion in bullion circles on this side regards the U.S. Government buying as finished, but, of course, it does not necessarily follow that any quantity of silver will be thrown on to the open market, as is taken for granted in certain quarters, even if this turns out to be correct; thus the effect of a statement indicating that the Treasury will buy no more dollar silver would have

nothing more than a sentimental influence on the position. Certainly, it would not mean that the American producers would be in a position to sell silver in any quantity even if they wished to at the market prices now current, and quite erroneous views are being taken as to the possibilities of the situation.

Last year silver moved very narrowly, taking it altogether, and ready bars on the London market never went over 37½d, which was recorded towards the close of May. For long periods there was very little movement, and for more than half the year the range was from 33d to 36d per ounce. Near the close there was a very depressed feeling, with a break in values, but the average cash price for all 1922 was 34½d per ounce. At the close of last year ready bars were over the worst at 31½d, and in the opening month of the current year there was some improvement on this, but in February the market here was subject to considerable pressure again, and there was a fall to 30½d on the 8th of that month, this being the lowest touched this year. In March the feeling was better, and the early weakness displayed in April soon gave way to a better tone, the price rising by the end of the month to 33½d, which is the best of 1923 so far. At the end of May ready bars declined to 32d, with 31½d for the forward position, and in the first week in June the movement was downwards until the middle of this week, when there was a slight rally, although trading kept within a very narrow compass. The check to the decline, however, was very significant, and from the fact that there was less pressure to sell forward it may be deduced that bear operators are not quite so sanguine as they were a week or two back. The New York price for silver this week has been round about 65 cents, and this is only about 2½ cents under the average for all 1922, and a little over 5 cents above the average for 1913. In 1919 the average selling price of silver in New York moved between 101.12 cents and 131.98 cents, and the average for the full twelve months was as high as 111.11 cents per fine ounce. Even in 1920 the average all through was kept just above 100 cents per ounce, but, of course, the market was quite artificial, owing to the price of American-mined silver being fixed at one dollar per ounce. Taking 1921 and 1922, an average selling price of 65.12 cents is arrived at; thus the current market value is very close to the average for the last two years.

The American silver production for last year was just over 55 million ounces fine, which compares with 75 million ounces in 1915 and 66,800,000 ounces in 1913. The U.S. Government have absorbed 200,000,000 in the last four years; thus it is argued in some directions that there will be an additional 50,000,000 ounces to be marketed, but this hardly takes into account other factors, which are bound to influence prices and output as time goes on. In the first place, it does not follow that, deprived of their market at one dollar an ounce through the absence of Government business, the American producers would be willing to sell at open-market rates. If the American exchange became normal again, as presumably it will one day, the American price of silver based on present rates would be only 30d, and considering the high cost of production this would be far too low for the ordinary producer. Assuming that silver remained on its present level and failed to go any better, many of the smaller mines would be forced to close down, and this would have considerable effect on the production. At the moment China is inclined to sell on any rise, and India is a buyer on any fall. During the recent drop in values considerable quantities of buying orders were received from the Indian Bazaars, which could not be filled owing to the limits being too low, but it shows that India is still a potential buyer of some importance, and this would soon make itself manifest on any improvement in world trade. There has been, of course, a lot of melted-down coinage sold here during recent months, and even now it is difficult to say how much more there is to dispose of, but it is only fair to assume that there will be an end to paper money printing operations one day, and this would bring silver into favour again as a metal for subsidiary coinage purposes. The British Mint is issuing coins of 500 fine, compared with 925 fine in former years, and as time goes on the need of a better coinage will be seen, although the debased coins bring in

a handsome revenue. China is still a doubtful factor in the situation, but Indian buying should offset any further selling from that quarter. London stocks just now run about 2,000,000 ounces, and with a lot of bear sales still uncovered the chances seem to favour steady markets for some time to come until the American position is straightened out. Unless there is another rush to sell short, narrow movement may be looked for, but competent judges of the world position regard silver as very low at its present level, and possibly time will prove that the Eastern operators have gone too far in their selling commitments, the same as they have done before.

ADAM SMITH—1723-1790.

LAST Tuesday was the bicentenary of the birth of Adam Smith, the Scottish professor, acknowledged by universal opinion as the founder of the science of political economy. It is true that many of the arguments that appear in "The Wealth of Nations" are foreshadowed in the writings of previous authors, but to a greater or less degree this is the case with all epoch-making works, and just as scholars have spent laborious days in hunting for the sources of the plots of Shakespeare's plays, so much has been written on the sources of Adam Smith's ideas. Nevertheless, his writings constitute the starting point of modern political economy as surely as those of Charles Darwin are the foundation of modern ideas of evolution. As a matter of fact, it was not until 1776 that the first edition of "The Wealth of Nations" was published. In comparison, therefore, with jurisprudence or philosophy, the science of political economy is a youngster barely a hundred and fifty years old. Writing about one hundred years after the appearance of "The Wealth of Nations," Bagehot observed that: "The life of almost everyone in England—perhaps of everyone—is different, and better in consequence of it. The whole commercial policy of the country is not so much founded on it as instinct with it. No other form of political philosophy has ever had one-tenth part of the influence on us. Its teachings have settled down into the common sense of the nation, and have become irreversible."

This is not the place to attempt an appreciation of a classic which, as Gibbon declared, contains a whole new science in a single book, and as Professor Cannan—Adam Smith's latest editor—points out, would need an encyclopædia if comment were to be made on all the theories suggested, or the topics dealt with, in this monumental work. But it is, perhaps, worth remarking why it is that even to-day Adam Smith's work is still so well worth study. On the one hand, "The Wealth of Nations" differs from many subsequent books on political economy in the fact that it is, at the same time, a theoretical treatise and a commentary on an enormous number of economic phenomena of the day. Thus Hume wrote that so complex a work could not be expected to be immediately popular, "but it has depth and solidity and acuteness, and is so much illustrated by curious fact that it must at last take the public attention." This concrete character of Adam Smith's work is even more emphasised by Bagehot: "'The Wealth of Nations' does not deal, as do our modern books, with a fictitious human being hypothetically simplified, but with the actual concrete men who live and move. It is concerned with Greeks and Romans, the nations of the middle ages, the Scotch and the English, and never diverges into the abstract world. Considering the natural progress of opulence as an item in greater studies, as part of the natural growth of human civilisation, Adam Smith always thought how it had been affected by human nature, taken as a whole." This combination of argument and exposition has, of course, its weaknesses as well as its strength. The arrangement and balance of the book compares unfavourably with its successors; and there are a number of propositions in "The Wealth of Nations"—particularly those relating to the laws governing the rent of land—which have been rejected by subsequent authority. On the

other hand, Adam Smith's judgments are open to criticism not merely because the circumstances on which he based his conclusions have radically changed, but also on the ground that his opinion of humanity was too narrow a one. Adam Smith did not attempt to argue from an abstract "economic man," but, in fact, he over-stressed the mercenary motive in human conduct, and, as has been well said, took it too much for granted that "there was a Scotchman inside every man." But these are the defects of its qualities, and do not sensibly weaken its importance or its power.

The keynote of "The Wealth of Nations" is that material prosperity is best advanced, both within the nation and between nations, by division of labour and specialisation, and by the interchange of the products of specialisation; and the practical corollary of this doctrine is the removal of all barriers to such interchange. The modern reader of "The Wealth of Nations" realises that in these ideas Adam Smith hit upon the basis of modern industrialism, but he will all the time be also conscious that Adam Smith's conception of the scale on which this division would proceed is puny compared to modern conditions. For example, anyone who wishes to see Adam Smith's exposition of the division of labour as illustrated by the classic example of pin making, expressed in modern terms, cannot do better than turn to the pages of Henry Ford's book, "My Life and Work." A single example will suffice:

Take the development of the piston-rod assembly. Even under the old plan this operation took only three minutes, and did not seem to be one to bother about. There were two benches and twenty-eight men in all; they assembled one hundred and seventy-five pistons and rods in a nine-hour day, which means just five seconds over three minutes each. The foreman examining the operation could not discover why it should take as much as three minutes. He analysed the motions with a stop-watch. He found that four hours out of a nine-hour day were spent in walking. The assembler did not go off anywhere, but he had to shift his feet to gather in his materials, and to push away his finished piece. In the whole task each man performed six operations. The foreman devised a new plan; he split the operation into three divisions, put a slide on the bench, and three men on each side of it, and an inspector at the end. Instead of one man performing the whole operation, one man then performed only one-third of the operation—he performed only as much as he could do without shifting his feet. They cut down the squad from twenty-eight to fourteen men. The former record for twenty-eight men was one hundred and seventy-five assemblies a day. Now seven men turn out twenty-six hundred assemblies in eight hours. It is not necessary to calculate the savings there!

This example affords a glimpse of the problem of industrial specialisation as it is to-day, and it is little wonder that questions affecting the life and social conditions of the people have become of equal importance with those which Adam Smith did so much to bring to the front. A large part of Henry Ford's book reveals him face to face with "the terror of the machine," the reaction of automatic work on human life, the problem of security of livelihood, and similar issues which hardly figure at all in the pages of "The Wealth of Nations."

Adam Smith was prepared to accept some limitation of the principle of liberty, where it was clearly in the interest of the nation. For example, he accepted the arguments in favour of the Navigation Laws in the interests of national defence, though he never concealed the fact that these laws were harmful to the material wealth of the nation. But Adam Smith's bias in favour of "natural liberty" was supported by his philosophical opinions. His view was that "the benevolent government of the world by God would in most cases lead the individual who was freely seeking his own interests, to advance the interests of the common weal," and that the individual would be "led by an invisible hand to promote an end which was no part of his intention." The modern reader of "The Wealth of Nations" will find himself out of harmony with the assumption that when wages rise population tends to increase to that extent, and that wages ultimately fall to the amount required for subsistence. Adam Smith quite definitely did not envisage that the increase of the nation's wealth would in fact be spread throughout all classes, and that the iron law of wages would be prevented from operating by a rise in the standard of living.

But when all has been said to show how far modern thought has moved with changed circumstances, the value

of Adam Smith and his work remains unimpaired. He himself had no conception that the underlying spirit of his treatise would become so widely and quickly accepted. For example, in regard to Free-trade, he records that: "To expect, indeed, that the freedom of trade should ever be entirely restored in Great Britain is as absurd as to expect that an Oceania or Utopia should ever be established in it. Not only the prejudices of the public, but, what is much more unconquerable, the private interests of many individuals, irresistibly oppose it." But Adam Smith's doctrines spread much more rapidly than he thought likely, because they fitted the circumstances of the day. The internal obstructions to trade against which he inveighed have in all modern countries long since disappeared, and though we are very far from a Free-trade world, such units as Germany, India, and the United States constitute enormous areas, with large masses of population, where no obstacles exist.

There are, perhaps, two reflections pertinent to our day which this anniversary suggests. The first is that if political economy, which plays so large a part in public life and in shaping the welfare of the whole population to-day, is to have its proper recognition, it must be based, as "The Wealth of Nations" was based, not purely upon abstract reasoning, but upon wide observation and comprehensive marshalling of the facts of economic life, and must be expressed in concrete terms which will commend themselves to a wide public by appealing to universal experience. The second reflection is that, while the macadam road, the canal, and the railway made a unity of individual nations in the eighteenth century, and enabled Adam Smith's views to prevail against local prejudice and long-established tradition, in this 20th century, when the cable, wireless and the airship have brought America nearer to Europe than Glasgow was to London in 1776, we need a new exposition of the advantages of national specialisation and freer interchange; for if the lessons of our present experience are properly understood, the time cannot be far distant when the forces making for full freedom of economic intercourse, certainly throughout Europe, and possibly over still wider fields, will prevail over the narrow influences of national exclusiveness.

Notes of the Week.

Rent Restriction.—The passage of the new Rent Restriction Bill through the House of Commons is proving a far smoother and more peaceful process than was suggested by the fierce and prolonged controversy which led up to its production. It is frankly a compromise measure, and, like all such measures, is not perfect. But considering the difficulties surrounding the problem, the framers of the Bill have succeeded rather surprisingly well in making their proposals so nearly immune from destructive criticism. For ourselves, we have frequently expressed the view that the ideal approach to the solution of the housing problem was through gradual decontrol and the reduction of the maximum rent increases in accordance with the movements in the cost of living. This apparently the Government have found impossible of translation into practicable legislative form. But the goal aimed at by the Government's Bill is not dissimilar. Its object is to couple a certain degree of decontrol with the maintenance of protection for tenants in the most important cases, and for a period that will be determined eventually by the course of economic events. It is, of course, easy to pick holes in the Bill. Mr Sidney Webb, who on behalf of the Labour Party moved a hostile amendment, found that there were no less than "eight loopholes" in the Bill, which would allow various classes of houses to become decontrolled with dangerous rapidity. Nevertheless, even Mr Webb, who was out to discredit the Bill, admitted that it had its "bright spots." This admission is proof of the success with which the Government have rounded what at one time appeared to be a very dangerous corner. On the whole, we believe the country will be content for the moment to accept the Bill as at least a tolerable *pis aller*.

The Austrian Loan.—Underwriting arrangements were completed this week for the long expected loan to Austria, contemplated under the League of Nations' plan, and to be issued forthwith under international guarantee. The total of the loan is £29 millions, of which the London portion is £14 millions. But bonds to the amount of £3,119,000 are being taken by the British Government as payment of sums due to them, so that the amount to be offered to the public here is £10,881,000. The issue price is fixed at £80 per £100, and interest is at the rate of 6 per cent. The loan is to be redeemed on or before June 1, 1943, by a cumulative sinking fund, beginning in October, 1924. The yield, allowing for redemption at the final date, is a little over 8 per cent. The bonds are secured on the general revenues of Austria, and also constitute a prior charge on the Customs revenue and the tobacco monopoly, the two latter yielding at present about £6,000,000 per annum. In addition, guarantees in sterling are given by various States in the following proportions:—Great Britain, France, and Czecho-Slovakia, 24½ per cent. each; Italy, 20½ per cent.; Belgium and Sweden, 2 per cent. each; Denmark and Holland, 1 per cent. each. Holders of the Austrian Treasury Bills issued at the end of February have the right of conversion into the new loan. The events leading up to this loan have been too often discussed in these columns to need recapitulation here. It is sufficient to say that its flotation marks a very important stage, not only in the history of the League of Nations, but also in the attempt to secure international co-operation in grappling with the task of the financial restoration of the States of Europe. The loan is assured in the first place of the support of all who are prepared to back in a practical manner their faith in the League. It should also, and we are confident that it will, be supported by financiers, both because it is a sound security and also because it is a practical effort to restore financial stability. One obvious criticism of the flotation is that the proportion of the total allotted for issue in Great Britain—namely, £14 millions out of £29 millions—is unduly large. Had the Unsited States been our colleague in the League of Nations she would undoubtedly have taken over a larger proportion than the £5,000,000 which is the amount to be issued in New York. Undoubtedly she could easily have done so, more especially because of the large lendings to foreign countries in which American institutions and American investors have of late been educated to participate. But as things are, it is a matter for no small gratification that the United States is taking a hand in the loan at all. That she is doing so is a significant event of good promise for the international future.

European Iron and Steel Production.—From the monthly bulletin of the National Federation of Iron and Steel Manufacturers we have compiled the following table of the output of pig-iron and steel from France, Belgium, and Luxembourg from the beginning of the year:—

	France.		Belgium.		Luxembourg.	
	Pig Iron.	Steel.	Pig Iron.	Steel.	Pig Iron.	Steel.
1922 Average Monthly.....	Tons. 428,900	Tons. 372,000	Tons. 131,500	Tons. 128,200	Tons. 137,500	Tons. 114,000
1923 January.....	478,600	401,400	157,800	159,800	139,500	121,500
February.....	300,800	285,300	149,000	154,700	86,500	72,400
March.....	311,200	310,900	167,300	181,100	93,900	78,500
April.....	345,000	349,200	169,600	167,700	94,400	77,600

Belgium's output, both of pig-iron and of steel, has been growing, and is now much above the monthly average for 1922, but in the case of France and Luxembourg, present output is well below last year's average. In a recent debate in the French Chamber, M. Poincaré stated that the supplies of fuel from the Ruhr were increasing so favourably that the coke supplies for the iron and steel industry were assured until the end of August. In view of the fact that Germany has allowed many of the coke ovens in the Ruhr to get cold, this view seems very optimistic, to say the least. Further, the French Government has recently ordered the iron and steel works to set aside one-third of all receipts of Ruhr coke in order to build up a stock of at least a fortnight's supply for emergencies. Probably about 150,000 tons of coke will have been obtained from the Ruhr in May, which will leave 100,000

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tons available for the industry, in addition to supplies from other sources. Since October, 1919, Germany has not published monthly statistics of iron and steel production, and no official figures of output are available beyond that date.

Economic Conditions in Uruguay.—The report for 1922 from the British Vice-Consul at Montevideo, just issued by the Overseas Trade Department, shows that Uruguay's recovery from the post-war depression is delayed by the lessened European demand for the meat which is her staple export, and will be further hampered by the adverse exchanges and the increased taxation necessitated by a decreased Customs revenue, which are indirect results of the same cause. The economic conditions are sound, however, and the country will respond to any improvement in the purchasing power of Europe. The only remedies yet actually adopted are the suspension of the export duties on meat and cattle, and the organisation of the export of cattle to Spain—we presume as "stores." The slump has further lessened the demand for European pedigree stock, which fell off during the war because inferior animals were good enough for "bully beef." The prices of beasts are 30 to 50 per cent. less than during the war, and the ranchers are heavily in debt to the banks. Still, the value of the cattle and meat exports in 1922 was 53 per cent. more than in 1921; that of the wool exported—chiefly to the United States—was 33 per cent. less. Sealing, a new but minor industry, is doing well; the harvest was good, but the product is mostly consumed at home, and the cereal export is less than before the war, partly because more land has been taken up for grazing. This year the crop will be 66 per cent. less, and the export nil. Money is being invested chiefly in modern-type buildings in Montevideo. The Budget deficit for 1922-23 was nearly \$3,760,000, that for 1921-22 would probably reach \$10,000,000, and both, though temporarily met by short loans, will ultimately more than absorb a foreign loan, now authorised, of \$10,000,000. (The deficit, however, is partly caused by the resumption of the sinking fund on the external Customs loans.) Trade with the United States (which stands first) declined, with Great Britain (next in order) it showed improvement; but British goods meet increasing competition, especially from Germany, and exporters should study the local tastes. Shipping facilities are multiplying, though here Great Britain is still far ahead; but certain luxurious German and Italian vessels are bidding for passenger traffic. New lines from Peruvian ports and the Pacific coast of North America are to be started by a Peruvian company and by the United States Shipping Board. Free zones at Colonia and Nuevas Palmiras should stimulate the re-export trade with Paraguay, Bolivia, and Brazil. The German steamers between Buenos Ayres and Montevideo have been bought by the Argentine Navigation Company, and will serve the Uruguay river ports; but the company's monopoly is threatened by a projected express service via Colonia, though there are difficulties on the Uruguay side in the way of fast trains. State monopolies of alcohol and drugs are talked of, as well as the extension of that of insurance; but there is no further reference to State enterprise. The depression has had a not unusual effect; it has diminished labour unrest.

Brazil Coffee.—Particular interest, writes a correspondent, attaches to the Brazilian coffee statistics for the second half of the 1922-23 season. According to figures provided by the Associação Commercial de Santos, 2,778,550 bags of coffee were invoiced at that port up to the end of December last, while for the full calendar year of 1922 there were invoiced 4,855,248 bags. Stocks have been decreasing fairly steadily since February, while late reports from São Paulo tend to show that the anticipated crop (1923-24) of 12,000,000 bags will not only be realised, but, in all probability, exceeded. The largest coffee output ever recorded was 19,654,000 bags (or 2,594,328,000 lbs) for the 1906-7 season, a result which proved somewhat unfortunate, since the supply considerably exceeded the demand. As a consequence, prices fell so low that growers were threatened with financial disaster. The valuation plan, introduced at that period by the State Government, and which calls for the withholding of coffee from sale in order to maintain prices effectively, was intended to prevent any recurrence of such a calamity. The United States still constitutes Brazil's principal market. While ordinarily 50 to 55 per cent. of the crop is taken, the percentage increased to 65 per cent. for the six months ending December last, while this year it has advanced to 70 per cent.

El Salvador.—One of the smaller Latin-American States to feel the pinch of adversity is El Salvador, where hopes of economic improvement have yet to be realised. The past year proved unsatisfactory from a trade point of view, with the result that the Budget for 1922-1923 shows a probable deficit of 714,686.76 colones (1 colon = 2s). As in the case of Ecuador, hopes of amelioration in financial conditions have been based upon the raising of yet another loan, overtures with New York banks having been in progress for a considerable time past. In view of the steadily falling revenue, the Government has found difficulty in meeting its obligations on the Salvador Railway Company's mortgage debentures; but, all the same, interest has been paid up to the month of February last. On the other hand, it has been impossible to provide payments of the arrears of subsidy due from the Government to the company, which, over a long period, were formerly paid with commendable regularity. It would seem that the settlement of this outstanding claim is also dependent upon a new loan being negotiated. The best guarantee that British bondholders possess is the already proved probity and good faith of Salvador Governments. The present Administration may be expected to redeem its indebtedness so soon as economic conditions permit.

Plans for Increasing Income.—Ingenious schemes are constantly being prepared which offer temptation and attraction to those who, holding stocks and shares, are naturally willing to take advantage of any opportunity which affords them a safe manner for increasing their income. Several "snowball" plans have recently been circulated, the inherent disadvantages of which are not apparent until the schemes have been closely examined, and it was only a few months ago that a tontine proposal was widely advertised amongst security holders who probably had never heard of this method, at one time so fashionable, of speculating in the lives of subscribers to the arrangement. Variation of another financial operation, writes a correspondent, is furnished by a method put forward by a Westminster firm. Under this plan, the holder of Stock Exchange securities is shown, on paper, how he can obtain an increase, from his present investments, of 40 per cent. to 60 per cent. without changing or realising those securities. The trustees of the corporation making the proposal "will receive on deposit approved securities or cash withdrawable at agreed periods," and the corporation offers terms that range from an increase of 40 per cent. on present dividends, to 60 per cent. As an example, £100 War Loan is quoted; the stock is deposited with the trustees of the corporation for 12 months; "the depositor will receive annually the £5

interest, plus £2 10s, thus making a total for the year of £7 10s, which is 50 per cent. increase on the present dividend." Amongst the securities likely to be acceptable are mentioned British, Indian, and Colonial Government stocks, stocks in banks, discount and insurance companies, debenture stocks and shares in first-class industrial companies, and others. The securities or cash, when received, are immediately deposited with the bankers to the trustees of the corporation, and the bankers are guaranteed, by the corporation, a "proportion of any loan agreed to be made for the financing of high-class building properties. Such loans are secured by a temporary mortgage redeemable by the borrowers within a fixed period," the guarantee to bankers to be "effected by placing the securities deposited with the trustees in hypothecation with the bankers until the completion of the operation that has been entered into, when such deposited security is returned to the custody of the trustees." The corporation "undertakes that such deposited securities shall be only used as collateral security against advances by way of mortgage due to be repaid within such time as will permit of the return of the said securities to the depositors at the agreed dates." This, in brief, is the outline of a scheme that, on the face of it, presents an ingenious and somewhat attractive method for increasing income through the utilisation of securities without selling the latter. The weak spots in the scheme stand out at once as apparent to anyone who has experience of mortgages and house property. These are far from being as liquid, from the security point of view, as stocks and shares such as those referred to above. Recipients of these circulars will do well to exercise the utmost caution before they venture into a plan which, after all, seems to contain a good many elements of speculative risk.

Armstrong, Whitworth, and Co.—The accounts for 1922 of Sir W. G. Armstrong, Whitworth show a small improvement in profits as compared with the previous year. We have complained in recent years of the scantiness of the information vouchsafed in the report and accounts, and are sorry to find that the latest document is no better than its predecessors. No profit and loss account is produced, but we are told that after payment of debenture interest the profit was £467,600, which compares with £438,900 for the previous year. As regards the appropriation of this amount, the directors do not trouble to state the rate of dividend on the ordinary shares, but merely give the total amount paid to preference and ordinary shareholders together. Here is a summary of results:—

	Profit.	Interest and Expenses.	Prof. & Ord. Div.	Ord. Div. Rate.	To Reserve &c.	Carried Forward.
1910	£ 597,637	£ 119,772	£ 361,000	%	£	£
1911	627,227	119,401	441,250	10	50,000	184,997
1912	798,547	123,020	443,250	12½	100,000	201,573
1913	856,673	167,626	568,122	12½	133,059	335,850
1914	940,195	138,309	591,563	12½	200,000	323,716
1915	1,055,620	303,272	615,000	12½	100,000	334,038
1916-19..	4,053,605	?	2,465,093	12½	1,000,000	461,387
1920	675,180	?	803,750	10	..	1,049,899
1921	666,060	227,172	528,125	5	..	921,329
1922	691,895	224,345	528,125	5	..	832,092
						771,516

Two years ago the amount of debenture interest was not stated, and comparison is therefore vitiated. The balance-sheet, which is analysed in a later column, gives property and investments in and loans to subsidiaries in one item, which stands £453,900 higher at £1,170,600. Work in progress has dropped by £1,982,800 to £3,013,100, and debtors by £835,600 to £1,416,900, but cash and bills have risen by £245,700. Creditors are down by £1,812,100. The directors state that in the latter part of 1922 conditions were more stable, but that this year the dispute with the Boilermakers is causing considerable trouble in the shipyards, and delay in the execution of important orders. The suspended armament order, it is announced, has now been definitely placed by the Admiralty.

Burmah Oil.—The report for 1922 of the Burmah Oil Company shows some improvement in profits, which the directors ascribe to increased volume of production and sales, and to profits on exchange, together with increased revenue from investments and lower taxation and other charges. The net profit for the year, after writing off £149,800 for depreciation, is £2,115,800, as compared with £1,902,800 for 1921, when £170,300 was required for depreciation. The table below compares results for the past four years and for 1914:—

	1914.	1919.	1920.	1921.	1922.
Trading profit ..	£ 971,278	£ 4,344,469	£ 3,965,950	£ 2,353,894	£ 2,428,155
Interest, &c.	58,335	287,149	322,177	284,510	358,799
	1,029,613	4,631,618	4,288,127	2,638,404	2,786,954
Income-tax	50,509	318,121	294,835	470,733	371,455
Administration ..	27,596	126,761	103,713	106,053	105,826
Depreciation	124,242	..	..	..	..
War expenses	30,028	..	..	..	..
Insurance	20,000	20,000	20,000	20,000	20,000
To reserve	200,000	1,361,447	346,848	358,827	371,455
Prof. dividend	55,375	42,000	44,531	126,000	221,250
Ord. dividend	523,875	1,428,750	1,543,050	1,545,289	1,545,325
	(27½ %)	(50 %)	(30 %)	(30 %)	(30 %)
Carried forward ..	72,601	1,536,994	2,142,184	359,584	335,063

† Tax free. ‡ Including donation of £50,000 to Cambridge University.

There was a substantial reduction, it will be seen, in income-tax. Reserve appropriations include £200,000 for general reserve, and £121,500 for employees' provident fund. The issue of £3,000,000 of 8 per cent. preference shares made in the middle of 1921 now ranks for full dividend, which requires £177,000, as against £84,000 at the end of 1921. After maintaining the ordinary dividend at 30 per cent., free of tax, the balance carried forward is slightly reduced. An analysis of the balance-sheet will be found in the usual column. This shows increases of £531,400 and £624,900 in investments and creditors respectively, while cash, loans, &c., have fallen by £474,500, and stocks of plant and stores by £785,000. An overdraft at bankers appears this time for £223,500. The report mentions that a record production of kerosene went fully into consumption in India at unchanged prices, but lower prices ruled for jute batching and lubricating oils. The Indian petrol trade showed further expansion, excess production being exported under a new contract. Prospects for the current year, the directors state, are obscured by the large over-production and stock accumulations in America, combined with the continued unsettlement of conditions on the Continent. The recent protracted strike in the fields will naturally have a prejudicial effect, but results are not expected to be materially different from those of the past year.

Forestral Land Company.—The accounts of the Forestral Timber and Railways Company for 1922 show some substantial improvement over those for 1921. For the latter year there was a trading loss of £291,300, which was augmented by London expenses and depreciation of stocks to £544,300. By releasing £170,000 set aside for taxation and not required, and transferring £500,000 from reserve, the directors called the result a profit of £126,300. For 1922 the accounts show a trading profit of £137,100, against which there are charged administration expenses of £23,200, leaving a net profit of £113,900. This, as may be seen from the table below, is much below the level of recent years:—

	1916.	1918.	1919.	1920.	1921.	1922.
Profit	£ 1,614,889	£ 815,980	£ 992,381	£ 560,261	£ 126,314	£ 113,902
To pref. shares	260,788	186,058	92,751	92,751	111,951	111,951
Preference dividend ..	15 %	12 %	6 %	6 %	6 %	6 %
To ordinary shares ..	504,111	279,922	371,004	432,832	..	..
Ordinary dividend ..	27 %	18 %	18 %	12 %	..	..
Special reserve	250,000	150,000	150,000	..	..	..
Excess profits res.	600,000	807,000	..	300,000	..	..

After payment of the 6 per cent. preference dividend there remains £129,600 to be carried forward, or 2,000 more than was brought in. The reserve account shows a reduction of £1,248,700, the directors having decided to write down certain assets, including holdings in asso-

ciated companies, by £800,000, and stocks of timber by £159,400. The report mentions that at December 31, 1921, £944,000 was outstanding on the purchase price of the estancias, including £45,000 indemnity for postponement of instalments. "New arrangements have been concluded by which, for the immediate receipt of £750,000, we consented to waive the £45,000 indemnity and to postpone the balance of £149,000 for ten years." The book profits for the sale of the estancias was added to reserve a year ago, but it is now to be transferred to suspense account. The depreciation account now stands at £988,600, and the reserve fund at £1,074,200, while creditors have been reduced by £528,100 to £1,281,000. The value of the stock of timber, &c., has been reduced by £1,326,300 to £570,200, but debtors are £733,300 higher at £1,356,600. An analysis of the balance-sheet appears in the usual column.

British Electric Traction.—The report of the British Electric Traction Co., Limited, for the year ended March 31, 1923, shows an increase of over £9,000 in the revenue from investments, but other receipts were smaller than in the previous year, total revenue being less than £1,000 higher at £263,800, which, as will be seen from the table appended, falls short of the record figure reached in 1920-21:—

	1913-14.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.	1922-23.
Divs. and interest	£ 198,841	£ 210,362	£ 217,864	£ 212,748	£ 208,387	£ 206,999	£ 218,116
Total revenue	225,755	237,906	250,214	246,717	264,772	262,895	263,894
Expenditure, &c.	27,266	28,685	36,890	35,401	44,575	44,402	46,894
Debiture interest	91,384	90,378	90,449	87,996	85,136	84,461	83,190
Net revenue	107,105	118,243	122,875	123,320	135,061	134,042	134,740
Brought forward	12,494	97,598	112,116	130,952	150,421	177,319	188,700
Amount available	119,599	215,841	234,991	254,272	285,482	311,361	324,440
Prof. dividend	52,468	42,765	42,765	42,765	42,765	42,765	42,765
(3½ %)	(6 %)	(6 %)	(6 %)	(6 %)	(6 %)	(6 %)	(6 %)
Ord. dividend	nil	39,788	39,788	53,051	53,051	53,051	53,051
(3 %)	(3 %)	(3 %)	(4 %)	(4 %)	(4 %)	(4 %)	(5 %)
Reserve, &c.	50,000	21,172	21,486	8,035	12,349	14,677	14,677
Balance forward	17,130	112,116	130,952	150,421	177,319	194,238	215,362

The net profit, however, is only £300 less than it was two years ago, and is £700 higher than it was for 1921-22. The ordinary dividend is raised from 4½ to 5 per cent., and the carry forward is increased by over £25,000, but no allocation is made to reserve. Investments, of which a detailed list is furnished with the report, consist largely of securities of tramway and omnibus undertakings. They stand in the balance-sheet at £3,970,000, or £17,600 less than in the previous accounts, but we are not told how they are valued, nor yet is any mention made of depreciation. The report states that the average yield from them was 5.49 per cent., as against 5.24 per cent. in the previous year. An analysis of the balance-sheet will be found in the usual column.

Elder Dempster.—For the second year in succession the profits of Elder Dempster and Co. show a contraction, those for the year 1922 amounting to £536,100, which compares with £564,600 for 1921 and £671,500 for 1920. But, as will be seen from the table below, last year's profits are still above the level of 1919 and preceding years:—

	1913.	1917.	1918.	1919.	1920.	1921.	1922.
Profits	£ 307,379	£ 366,808	£ 408,435	£ 522,873	£ 671,325	£ 564,320	£ 536,100
Transfer fees	226	93	95	158	165	282	452
Total revenue	307,605	366,901	408,530	523,031	671,491	564,602	536,552
Interest on debts, &c.	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Preference dividend ..	24,032	53,950	68,375	116,224	267,731	302,785	333,375
Reserve, &c.	75,000	50,000	50,000	100,000	100,000	75,000	50,000
Superannuation fund ..	10,000	10,000	10,000	20,000	10,000	..	..
Ordinary and man. div. ..	96,000	144,000	144,000	144,000	144,000	144,800	93,441
	(10 %)	(10 %)	(10 %)	(10 %)	(10 %)	(8 %)	(7 %)
Carried forward	+ 2,573	+ 8,951	+ 36,155	+ 42,807	+ 49,760	- 57,963	- 40,709

* Free of tax.

An increase in 1921 of 500,000 in the number of 6½ per cent. preference shares issued accounts for the larger amount required for preference dividend. The reserve allocation is reduced by £25,000, and the ordinary dividend lowered from 8 per cent., free of tax, to 7 per cent., less tax, the balance carried forward being reduced by £40,700 to £113,700. Changes in the balance-sheet include an increase of

£810,100 in investments, fleet, stocks, plant, &c., which now figure at £12,759,000, and a reduction of £1,173,500 in debtors. The directors report indications of an increased volume of traffic. This is reflected in the gradual reduction in the number of the company's steamers laid up and out of commission.

William Cory and Son.—A slight drop in profits is shown in the accounts of Wm. Cory and Son, Limited, for the year ended March 31st last, but as a larger amount was brought into the accounts than was the case a year ago, the amount available for distribution is substantially greater. The figures below give a comparison of results for a number of years past :—

	1914-15.	1918-19.	1919-20.	1920-21.	1921-22.	1922-23.
Profit	£ 215,328	£ 468,616	£ 755,523	£ 770,843	£ 601,405	£ 588,194
Brought forward	44,511	135,084	177,153	278,308	391,812	478,839
Deb. interest...	259,839	603,700	932,675	1,049,151	993,217	1,067,033
Written off...	37,000	37,000	37,000	37,000	37,000	37,000
Reserve, &c. ...	6,000	25,000	..	..	..	100,000
Prof. dividend..	42,500	42,500	42,500	42,500	42,500	42,500
Ord. dividend..	115,000	318,000	570,017	570,020	427,514	427,514
(10 %)	(10 %)	(20 %)	(20 %)	(20 %)	(15 %)	(15 %)
Employees' shs	1,108	4,047	4,851	7,819	7,364	8,194
Carried forward	58,231	177,153	278,308	391,812	478,839	451,825

The distribution of profits is the same as in 1921-22, except that £100,000 is transferred to reserve, the balance forward being reduced by £27,000. The employees' shares, of which over £57,000 have been issued, receive a dividend of 15 per cent. The balance-sheet, of which an analysis appears elsewhere, shows no changes of importance. The position is still a very strong one, British Government securities standing at £2,148,000, at or under cost, while the total paid-up capital is £3,757,000.

Pennsylvania Railroad.—The accounts of the Pennsylvania Railroad Company for the year 1922 show a net railway operating income of nearly \$73½ millions, as against \$41½ millions for 1921. The directors point out, however, that this is only a return of 3.72 per cent. upon the investment in road and equipment of the company. In 1921, however, it was only 1.88 per cent. There was an increase in freight revenues of over \$34 millions as a result of increased business, and this, it is pointed out, would have been greater but for the coal strikes and the reductions in freight rates. The following table compares the results of the past two years :—

	1921.	1922.	Inc. or Dec. on 1921.
Net railway operating income..	\$ 41,221,968	\$ 73,405,328	+ 32,183,360
Non-operating income	38,036,467	29,093,153	- 8,943,314
Gross income	79,258,435	102,498,481	+ 23,240,046
Rents, bond interest, &c.	54,950,766	70,116,423	+ 15,165,657
Net income	24,307,669	32,382,058	+ 8,074,389
Sinking and other reserve funds	1,147,830	3,500,229	+ 2,352,399
Dividend	19,966,936	24,958,670	+ 4,991,734
Expenditure on leased roads ..	2,759,796	423,251	- 2,336,545
Balance	433,107	3,499,908	+ 3,066,801

There was a decline of \$6½ millions in railway operating expenses, transportation expenses, showing a reduction of over \$9½ millions. The dividend is raised from 4 to 5 per cent. Quarterly dividends at the rate of 1½ per cent. were resumed in November, 1922, thanks to "the improved net results and business outlook," and these, it is hoped, will be maintained. The report expresses dissatisfaction with the Government's railroad policy, and complains that "a regulatory policy which since 1908 has allowed a return upon the railroad investment averaging only about 4 per cent. per annum for this 15-year period is not regulation, but confiscation, of the investment." This complaint, however, loses something of its force when we find it stated in the next paragraph that "It is expected that in 1923 the railroads will earn some-

thing approaching a fair return upon the investment, provided there is no marked recession in business or rates, and no labour disturbances to interrupt the transportation service." The chairman of the British railways two years ago painted a most dismal picture of the outlook for the companies, but the accounts for 1922 showed that the companies had never been in a better financial situation. The accounts of American railways for 1922 which we have so far seen disclose a better state of affairs than might be expected from a perusal of the reports, and the outlook for the current year is in every case regarded hopefully.

A Tin Trio.—Although during the first seven months of 1922 the price of tin did not exceed £160 per ton, and at one time was as low as £140, the rise to over £180 which occurred during the concluding five months exerted a marked effect upon the profits of companies engaged in winning the metal. The report of the Tronoh Mines shows a surplus of £41,200 as against barely £5,000 for 1921, part of the revenue consisting of interest and dividends. The payment of 15 per cent. leaves an increased balance to be carried forward. On the basis of last year's distributions the yield is no more than 10 per cent., but as the price of tin is now well above the average of last year and the company's three dredges are fully employed—which they were not in 1922—the profits this year should be larger. Similarly, the Sungei Besi—in which a controlling interest is held by the Tronoh—earned £16,600 as against £3,500. This company also disbursed 15 per cent., but as £5,000, balance of the commission paid to the vendors, was written off, the carry forward had to be severely drawn upon. The quotation of these shares at a higher price than Tronohs appears to be something of an anomaly. Last year's earnings on the part of the Idris Hydraulic were negligible, and no dividend can be paid; for 1921 the company managed to squeeze out 2½ per cent. Alterations in the system of working the mine are expected to give better results this year.

Shamva.—Our Mining correspondent writes :—The position of this huge Rhodesian low-grade proposition at the moment is one calculated to give the shareholders a certain amount of anxiety. In 1921 the directors decided upon a change of policy in regard to the computation of the ore reserves, a fresh estimate being made on the basis of the inclusion of low-grade material, which, although not previously taken into account, had in practice to be extracted with the relatively better-grade rock. The consequence was that the ore reserves jumped nearly 1,000,000 tons to 2,801,000 tons, although the value necessarily declined—from 4.1 dwts to 3.5 dwts. As a result, however, the quantity of fresh ore which could be brought into account last year was only about one-sixth of that opened up, the ore reserve estimate on December 31st last declining to 2,248,000 tons. The quarterly statement to March 31st recorded a still further decrease. The question as to the development prospects, therefore, assumes considerable importance. From the report of the consulting engineer it appears that little success has attended work above the third level, although additions to the known ore bodies are expected to be discovered as stoping proceeds. One section tested at depth showed payable ore in two out of three cross-cuts, but the widths were scarcely equal to those encountered in the upper levels. Last year a further economy was effected in costs, the average being 107.85d, as against 122.50d in 1921. A still lower ratio is expected to be attained, and, if secured, will permit the treatment of considerable quantities of ore just below the present pay limit. The tendency, however, cannot continue indefinitely, as when ore comes to be extracted from greater depths expenses must necessarily rise. With regard to the financial outcome of last year's operations, the profit of £148,400 fell somewhat short of the 1921 total, and although the dividends for the year were reduced from 30 to 27½ per cent., they absorbed more than the profits, the carry-forward becoming reduced from £75,800 to £46,600. The first interim distribution on account of the current

year was 6½ per cent., or at the same rate as the two concluding distributions in respect of 1922. On the basis of dividends of 25 per cent. per annum the shares at current market price give the fair but by no means excessive yield of 15 per cent. Whether that rate will be maintained for the current quarter is, however, doubtful, operations having been interfered with by heavy rainfall.

Japanese Trade and Finance.—According to cables from Tokyo, the recent activity of trade in Japan has been checked. One or two local banks are reported to have met with difficulties, but the results are not serious. In the silk industry high prices for new cocoons have been maintained, and reellers are reluctant to buy at present quotations, more especially because stocks of silk are quite exceptionally large for the time of year. The cotton yarn and rice markets have been steady, and the stock markets lifeless. During the second half of May conditions in the money market were quiet, partly owing to the small demand for accommodation for purchase of new cocoons, while the usual displacement of funds at the end of the month was not particularly large. The rate for day-to-day loans, which towards the end of the month reached 10 per cent., fell on June 1st to 6½ per cent., owing to big disbursements by the Government of interest on Government bonds. The note issue of the Bank of Japan on June 1st was 1,225 million yen, as compared with 1,206 million yen a year ago, and discounts and advances 312 million yen, as compared with 197 million yen on June 1st, 1922.

FIELD-MARSHALL SIR WILLIAM ROBERTSON will preside at the evening meeting of the Royal Colonial Institute on Tuesday next, when Major-General Sir Frederick Maurice will deliver an address on the "Military Position of the Empire."

Two public lectures on I. "The Restoration of the Gold Standard," and II. "Devastation and Reconstruction in Europe" will be given by Professor Gustav Cassel (Professor of Political Economy in the University of Stockholm) at the London School of Economics, at 5 p.m. on Monday, June 18th, chairman, his Excellency the Swedish Ambassador (Baron Palmstierna); and Thursday, June 21st, chairman, Walter Leaf, Esq., Litt.D. (chairman of the Westminster Bank). Admission free, without ticket.

Oversea Correspondence.

UNITED STATES.—IMPORTANT SUPREME COURT DECISION—APRIL IMPORT EXCESS—AUSTRIAN LOAN—THE PENNSYLVANIA INCREASES WAGES—MONEY AND STOCKS.

(FROM OUR CORRESPONDENT.)

NEW YORK, May 28.

A DECISION of the United States Supreme Court last week, in the case of the South-western Bell Telephone Company v. the Public Service Commission of Missouri, has attracted much attention, because the highest tribunal holds, in substance, that reproduction costs at prevailing prices must be taken into consideration in making rates for public service corporations. The majority opinion says: "It is impossible to ascertain what will amount to a fair return on properties devoted to public service without giving consideration to the cost of labour, supplies, &c., at the time the investigation is made. An honest and intelligent forecast of probable future values, made upon a view of all relevant circumstances, is essential. If the highly important element of presents costs is wholly disregarded, such a forecast becomes impossible. Estimates for to-morrow cannot ignore prices of to-day." It must never be forgotten, the court adds, that "while the State may regulate with a view to enforcing reasonable rates and charges, it is not the owner of the property of public utility companies, and is not clothed with the

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general power of management incident to ownership." This decision is regarded as having a most important bearing upon the rights of railroad owners, and upon valuations of railroad properties, as fixed by the Interstate Commerce Commission. It serves to emphasise what many authorities have repeatedly claimed, that the Commerce Commission's railroad valuations, when finally determined (the Commission has been at work on the task for years), are not up to date, and probably never will be, because of constant changes in costs of material, labour, and so forth. Obviously, if, in line with the Supreme Court's decision just rendered, to-day's commodity and labour costs were to be taken into consideration in valuing railroad property, or in determining a theoretical reproduction, the appraisals made by the Commission in previous years would be far too low. One of the leading financial newspapers here points out editorially that "evidently some working compromise must be found between the awkward idea of revising the investment value according to year-to-year fluctuations in the general price level, and the still more injurious notion of holding the owners of the property down to a return upon original cost determined by the conditions of a bygone age."

There was another big excess of imports into the United States during April. According to the Department of Commerce figures, total imports in that month reached \$367,000,000, and exports \$326,000,000, showing a trade balance of \$41,000,000 against this country. Final revised figures for March show an import excess in that month of \$56,912,000, or considerably less than the amount reported in the preliminary returns. Nevertheless, both in April and March the excess of imports over exports was greater than in any month on record, while for the first four months of the present calendar year imports have exceeded exports by \$88,894,000, approximately, using the corrected figures for March, and preliminary statistics for April. If the balance of trade continues to move against the United States, it will have an important bearing on the matter of gold exports.

Financial interests here are awaiting with much interest the contemplated offering in the American market of \$25,000,000 of the total \$130,000,000 bond issue, which has been proposed as a reconstruction loan to Austria. A nation-wide syndicate, headed by J. P. Morgan and Co., has already been formed to underwrite and distribute the American portion of the offering. "Our main reasons for undertaking this work," Mr. J. P. Morgan explained, "are, first, we believe the bonds to be well secured, and, second, it is the first step toward the economic rehabilitation of Central Europe taken by all the countries working together, and we believe that the American market should take its part when such a concerted effort is being made to better general business conditions in the world." It is believed that the price at which the bonds will be offered here will prove attractive to American investors.

While wages have been increased in many industries during the past few months, railroads generally have taken no action in that direction. A notable exception is the Pennsylvania railroad, which, according to Chicago advices, has granted increases amounting to about

\$4,000,000 annually to some 55,000 shopmen employed throughout its system. The advance in pay is retrospective to May 1st; it amounts to 3 cents an hour in Chicago and 2 cents elsewhere, and has been granted on account of the higher living costs. The new rates, which are 75 and 76 cents an hour, as compared with the Labour Board's scale of 70 cents, are the result of an agreement reached between the Pennsylvania and representatives of the organisation of its own shopmen. The company, it is understood, is now negotiating over wage increases for its clerks and freight handlers.

The stock market has rallied vigorously from the recent severe depression, both railroad and industrial shares joining in the recovery. Much of the rise has been due to repurchasing by an extensive short interest, but there has also been substantial new buying for long account, attracted, apparently, by the comparatively low levels established a week or so ago. Bonds, likewise, including numerous European Government obligations, have displayed a better tone under an improved investment demand, many issues scoring sharp gains. Money markets continue unchanged, time funds being available at 5 to 5½ per cent., according to maturities, but are in rather light request. No material change in money conditions is expected during the next few months, but the trend of rates will depend largely, if not entirely, upon general trade and industrial requirements.

GERMANY.—REPARATIONS AND INDUSTRY—CURRENCY.—REICHSBANK POLICY.—STOCKS—PRICES.

(FROM OUR CORRESPONDENT.)

BERLIN, June 5.

THE new Reparations Note will be delivered, it is expected, on the 7th. Whether the total offered will be increased is not, despite certain newspaper reports, yet definitely known, but it is certain that the guarantee plan will be more precisely put. Labour, as represented by the trades unions, received badly the plan, described last week, of the Reichsverband der Deutschen Industrie, the main objections being to the conditions that the remnants of the demobilisation industrial system be abolished and that the eight hours' day should be weakened. The unions demand "organic consolidation and simplification of the tax administration apparatus.....adaptation of taxation to the varying mark value," the making automatic of tax collection, and taxation of real values. This demand is emphasised by the new serious currency depreciation, which will again have the effect of freeing the wealthiest classes from a great part of the real burden of direct taxes. The law of last winter (*Geldentwertungs-gesetz*), increasing assessments and imposing heavy interest penalties for non-payments, has completely failed; the 15 to 30 per cent. a month charged on unpaid direct taxes proves to be a mere trifling loss beside the advantages to be gained by delaying payment, as the value of the currency has fallen again to about one-quarter in less than two months. The unions are, of course, against any "regeneration on the principles of private business" of the State railways, which would take the form of denationalisation; and an official statement declares that the railways will "in principle," as heretofore, remain a State concern. The Cabinet has had conferences with all parties except the German-Nationals and Communists, and it seems that it has got support for its Note; if so, the Note will probably represent a compromise, because there are deep-rooted oppositions between parties, in particular between the Volkspartei and the Socialists. As regards organisation of the guarantee to be given by business, a west German industrial suggests that a German Reparations Bank be founded, and given a 25 per cent. share in industrial concerns, and a 25 per cent. gold first mortgage on such real values as do not admit of sharing; the best way to give the share, the writer suggests, would be to increase capital 33½ per cent. all round. The representatives of agriculture have expressed their willingness to bear a burden of 200 million gold marks a year, the sum suggested by industry.

The Budget for 1923 was sanctioned on the 29th, with a deficit of 12,400 milliard marks. This estimate had no

meaning when submitted, because the price-level on which it was based was a thing of the past, and it has even less meaning now. The Budget of Prussia shows a net deficit of 400 milliards. The gross deficit is put at 975 milliards, but from this is to be deducted an additional 420 milliards from the State forests, 101 milliards more from the State's share of Federal taxes and some other revenues. Prussia announces a third loan in potash units, as a result of the fact that the second potash loan, like the first, was heavily over-subscribed. The remarkable success of all these "stable values" loans indicates that the public has plenty of money to lend, and is willing to lend if only it is secured against loss through currency depreciation. Only a small fraction of bond issues is now in mark units. In May all bond issues totalled 90,385 millions; of these 84,600 millions were in coal, rye, or other "wertbeständig" currency. The Customs gold surcharge has been raised from June 6th from 991,900 to 1,189,900 per cent., or nearly 12,000-fold the nominal; despite the rise the surcharge has again fallen behind the currency's gold depreciation, having been 497,900 per cent. before the break-up of the temporary stabilisation, when the dollar stood at about 22,000 marks. The Reichswirtschaftsrat has passed a resolution against cheapening bread with means provided by the note printing press. The public does not yet know what sum was provided in this way in 1922. In the future the cheapening system is to extend to only 10 per cent. of the population, and the plan, as reported, is to find the money by a new tax on the lines of the Forced Loan.

The plan for centralising exchange business has so far led to nothing. It seems certain that the Reichsbank even with the help of the great private banks could do nothing, and that a new and big department would be needed, and there is not much belief that the experiment would succeed. To the Reichstag the Reichsbank President, Herr Havenstein, denied that the panic demand for exchange which led to the failure of the stabilisation experiment was due to the action of industry, much less of particular leading industrials; the demand was from nearly all quarters, but Herr Havenstein repeated his statement of April 23rd that the demand was greater than the needs for the present or for the immediate future. Herr Havenstein defended the stabilisation policy, and, further, the bank's practice of giving credit all round. The system is certainly highly objectionable; a person with a "discountable signature" borrows a million marks produced with the note press, invests it in stable exchange or in goods, waits till the exchange or goods have trebled in price, repays his debt, and nets a couple of millions, which come in the shape of reduced buying-power from bondholders or other mark interests. The remedy, of course, is to lend only on a gold-exchange basis, or in some other "Wertbeständig" unit. The exact amount of manufactured money lent to and repaid by private interests cannot be estimated, but an idea may be had from the fact that since the beginning of 1922 the Reichsbank's holding of private bills has risen from 1,061 millions to 3,550,447 millions, and that the increase in five months of this year is over 3 billions.

Last week witnessed a record stock boom, the main cause being the big rise in the exchanges. The *Frankfurter Zeitung's* index for home dividend-payers rose from 2,892,350 on May 25th to 4,497,800 on June 1st; home loans from 8,328 to 11,110. Yesterday there was a slight reaction, due to the mark improvement and to profit-taking. All stocks, in particular metal, chemicals, shipping, and potash, had big rises—sometimes exceeding 100,000 points—on June 1st. Bond quotations yesterday and on the last Bourse day of 1922 were:—

	Dec. 29, 1922.	June 4, 1923.
War Loan, 5 per cent.....	80.75 ..	91
Fours	635 ..	1,550
3½ per cent.	330 ..	655
Threes	1,400 ..	9,500
Colonial Fours	6,000 ..	16,850
Savings and Premium	140 ..	500
Prussian Threes	334.50 ..	400
Hamburg Staats-Rente, 3½ per cent. ..	175 ..	470

Prices last month rose, according to the *Frankfurter Zeitung's* index, 78 per cent., from 8,237 to 14,639-fold those of 1914, but as the gold index on June 1st was 18,155, as against 8,869 on May 1st, gold prices fell,

as they always do immediately after a big rise in the gold exchange. Textiles, which follow the exchanges more rapidly than any other group, nearly doubled in the month:—

	Food.	Textiles and Leather.	Mine-rals.	Miscellaneous.	Manufactured Wares.	All.
Mid. 1914....	1	1	1	1	1	1
Jan., 1920....	20	26	27	11	15	20
Jan., 1923....	1,758	3,206	2,622	1,778	1,518	2,084
March, "....	5,361	9,450	8,298	6,949	5,514	6,770
May, "....	7,003	14,066	10,186	6,844	5,903	8,273
June, "....	12,575	27,640	17,577	10,924	10,233	14,639

The gold prices of finished wares fell to nearly half the prices of 1914. The index figure for ten home-produced products was 10,039, for ten imported 17,345. Ten food products wholesale rose 90 per cent. in May; retail 72 per cent. Coal prices were raised from the 1st; standard Ruhr (*Foerderkohle*) from 143,510 marks to 221,200 marks per metric ton; foundry coke from 220,570 marks to 338,700 marks; other sorts in proportion. Pig-iron (hematite) has been raised to 1,630,000 marks; ingots to 1,445,000 marks; blooms, 1,624,000 marks; construction forms, 2,020,000 marks; bars, 2,034,000 marks; thick plates (5 mm. and over), 2,292,000 marks. The May cost of living (average for whole month) was 3,816-fold that of 1914, against 2,954-fold in April. An index for the end of the month would show a much higher figure. Wages are now going up rapidly; their relation to the cost of living (real wage) varies extraordinarily, according to the date that is taken; one month gives a very much higher real wage than the month before or after, and the confusion caused by the use of indexes based on monthly or weekly averages with indexes based on prices or wages on a particular day is a cause of the contrary results arrived at by foreigners, and sometimes by Germans. The diagrams in the second issue for 1923 of *Die Wirtschaftskurve* show that real wages declined in February, but rose in March, and rose still more in April. This agrees with past observation; in February the cost of living (minimum existence) rose rapidly under influence of the heavy mark exchange drop of January, while in March, and again in April, the cost of living fell a little, but nominal wages continued to rise.

RUSSIA.—AGRICULTURE—INDUSTRY—FINANCE.

(FROM OUR CORRESPONDENT.)

MOSCOW, May 22.

THE new Agricultural Code approved, on October 30, 1922, by the fourth session of the Central Executive Committee, has assured the peasant a more stable enjoyment of the land. Nevertheless, his position has remained difficult as the result of the numerous taxes to which he has been subjected. In addition to the tax in kind (*prodnalog*), the peasant has had to pay numerous taxes imposed by the State and the local authorities. These supplementary taxes (in the case of the Altai goubernia, Siberia, the number of the supplementary taxes was 155) were collected at irregular intervals, so that the peasant could never foresee the tax payments which he would have to make during the year. To remedy this evil, the twelfth Congress of the Communist party decided in April, 1923, to support the enforcement of a single agricultural tax to take the place of the *prodnalog*, and all other State and local taxes. This single agricultural tax is to be collected at three or four intervals fixed in advance, and will be payable in the consuming regions in money, and in the productive regions in kind and in money. Sokolnikof, the Finance Commissar, estimates that for the whole of Russia two-fifths of the single tax will be paid in kind and three-fifths in money.

Kameneff, at the Communist Congress in April, reported that agriculture for the past year had furnished 25 per cent. (equivalent to 250 million gold roubles) of the total State Budget (paper emission furnished 25 per cent., and the balance of the revenue was obtained from commerce, transport, &c.). For the year 1923 the State Budget has been estimated at two milliards gold roubles, of which the peasant is expected to contribute 420 mil-

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lions, i.e., 21 per cent.; the sowing area has increased this year about 15 per cent., so that with favourable crop conditions the tax burden on the peasant will not be more than last year. The authorities are perfectly well aware that the reconstruction of the country is only possible if Russia succeeds in taking her place in foreign markets, and exporting her agricultural produce (up to the present, time about 260,000 tons of grain will have been exported, and it is estimated that a further 400,000 tons will be exported before the end of the year), and attention is being focussed on agricultural development and the application of modern methods of culture.

Trotsky, in a speech made in April, stated that the gross revenue from light and heavy industries in 1913 was 3.7 milliard gold roubles, in 1921 the equivalent of 669 millions, and in 1922 954 millions. He urged the necessity of proper costing and accounting methods, and cited an enterprise which had recently made a theoretical profit of 4 trilliards, as being really 750,000 roubles in deficit. Trotsky's report raised an interesting debate in the Communist Congress, Lomof pointing out that the fault lay not with the accounts calculations, but with the confusion arising from the use in the accounts of different types of roubles—first the 1923 rouble, then the gold rouble, then the "goods" rouble (on May 15, 1923, the "goods" rouble was estimated at 64 roubles of 1923, and the gold rouble 100 roubles of 1923). Krassin, who urged the importance of foreign capital for the reconstruction of industry, was criticised by Zinovief and Kameneff, the latter saying that Krassin was too pessimistic as regards the possibility of reconstruction from within the country itself, and too optimistic in regard to European capital. After long debates on the question of the reorganisation of industry, the Communist Congress recognised that it is indispensable to concentrate production in a fewer number of factories, to establish for each industry a proper system of costings corresponding to the actual facts of production, to attract foreign capital for industries under the forms of concessions and mixed companies, and to determine definitely of the branches of industry to be put at the disposal of foreign capital, and on what conditions. The Congress also recognised the importance of giving wider powers and greater responsibility to the managers of the industries, whose salaries should be made contingent on the profits of the enterprise.

For the period October to March, 1923, the production of coal in Russia was 330,833,000 poods, of which the Donbas contributed 218,415,000, and of naphtha 150,733,000 poods, of which Baku contributed 101,387,000 poods. On May 2nd a naphtha fountain was found at Maikop, stated to be on land formerly the property of the Premier Oil Syndicate, a British company. For the year ending October, 1923, the Council of Labour and Defence allocated to the naphtha industry a subsidy of 17.88 million of "goods" roubles (part of which paid in bonds on the Finance Commissariat) in addition to the six million gold roubles already paid. Both the coal and naphtha indus-

tries have to deliver a large part of their production to the State at a price lower than the actual cost price; for example, for the Donbas coal the State pays 17.2 goods kopecks a pood, whereas in January the actual cost price was the equivalent of 24.702, and for February 20.871. In January and February of the total coal production about one-third was utilised by the Railway Administration.

Zinovief, at the Communist Congress, stated that there are now 26 foreign concessions in Russia, with a capital of 30 million gold roubles, and committed to grant further credits of 15 million gold roubles. There are also 80 mixed companies with a capital of £30,000 and 30 million German marks. Among the concessions recently accorded the following are of note:—(1) Swedish company SKF Gothenberg, for the production of ball bearings, in the former factory of this company. (2) The Hudson Bay Company, whereby the company furnishes the population of Kamchatka and Tchoukotsky with material value 350,000 dollars to be sold to the population at 20 per cent. over the London market price, and in exchange the company receive furs. (3) Mixed company composed of the Naphtha Syndicate and the Charles Sale Company for the export of naphtha products (concession awaits confirmation of Council of People's Commissars). (4) The Russo-Anglo-Les and the Russo-Holland-Les for the exploitation of certain forests in Northern Russia. (5) The mixed company, Russo-German Transport and Transit Company, for the transport of goods through the RSFSR and Allied Republics (from the Northern ports to the Caspian Sea). (6) A German Company (negotiations undertaken by Dr. Ludwig Haas, Deputy of the Reichstag) for exploitation of forests along the Moscow-Rybinsk railway. (7) An American company, "Produce Exchange Corporation," for the purchase and sale in America of goods for account of the State institutions, &c. (8) The Russo-Norwegian Transport Co., who will undertake part of the transport of the Arcos Company.

The Lottery Loan reported in the *Economist* for February 3rd is stated to have realised 20 million gold roubles, i.e., one-fifth of the sum estimated. Of this sum 300,000 gold roubles have been allocated to the Moscow Municipality for public works. A second Grain Loan has been issued for 30,000,000 poods. Bonds are issued for one, five, and ten poods, and the prices of the bonds are 16 roubles (1923), a pood in the productive gubernias, 20 roubles in the consuming gubernias in the East and South, and 28 roubles for the North-West and North-East gubernias and Siberia. The first State Grain Loan issued in September, 1922, was for 10 million poods, and the price was uniform in all gubernias throughout Russia. As last year, the bonds can be presented for equivalent payment of the agricultural tax, either in kind or money.

BELGIUM.—INDEX NUMBERS—NEW LOAN—BOURSE—LABOUR SETTLEMENT.

(FROM OUR CORRESPONDENT.)

BRUSSELS, June 6.

In spite of all the economies effected by the Government, the index number in Belgium has gone from 409 per cent. in April to 413 per cent. on May 15th, as against 365 per cent. in May, 1922, while for Brussels alone it amounts to 431 per cent. This has not prevented the new loan of one thousand million francs issued by the Devastated Regions from being a brilliant success, and the number of small subscriptions received has resulted in a very large reduction of allotments in respect of applications, the latter receiving only 5 per cent. of the amount applied for. It is a mistaken idea abroad to suppose that these successive loans drain the money from the country, and that soon it will be difficult to float a loan. The proceeds of this class of loan, of which this is the third, are paid to the people of the country to indemnify them for losses during the war. They have to reconstruct all the devastated areas, and the money thus received is spent on materials and labour in the country. After a certain time this money, which has merely changed hands, comes back into circulation once more. These loans have

shown once again the economical character of the Belgian people, and the majority of the prizes of the first two loans have been won by workmen, notably in the industrial areas.

The last loan just issued does not appear to have had a bad influence on the Bourse, as often happens in such a case. This is perhaps because, generally speaking, this kind of security appeals rather to the saving public than to the speculator, and because, as subscriptions are not payable in full on application, the amount of money to be realised immediately is not so important. We even experienced last week an appreciable rise in many shares, which is rather surprising at this time of the year, when the Bourse is generally somewhat quiet with the commencement of the holidays.

An interesting judgment has just been given by the Court of Appeal (the highest Court of justice in the country). Two stockbrokers had refused to supply the Ministry of Finance with particulars concerning operations transacted by them on account of certain of their customers whom the Ministry wanted to tax on their profits. The first judgment had been given in favour of the stockbrokers, and the Ministry of Finance appealed against this decision, with the result that the Court of Appeal upheld the judgment given against the Ministry. This decision, therefore, definitely establishes the right of stockbrokers not to disclose professional secrets.

The railway strike is at last settled. The Government have shown remarkable firmness in definitely refusing to negotiate or even examine the affair so long as the strike lasted. No fewer than 150 strikers, mostly union agitators, have been dismissed, and all other employees who have been reinstated have been made to sign a declaration accepting submission to any disciplinary measures which may eventually be introduced. This is a complete capitulation of the so-called "National" Union. It is a defeat for Belgian trade unionism, which is quite as heavy as that suffered by the "Confédération Générale du Travail" in France.

DENMARK.—HIGHER BANK RATE—TRADE AND FINANCIAL BALANCE—PRICES AND TRADE CONDITIONS—BANK DEPOSITS.

(FROM OUR CORRESPONDENT.)

COPENHAGEN, June 1.

On May 1st the Nationalbank increased its rate of discount from 5 per cent. to 6 per cent. The official reason was the strong rise in the foreign exchange quotations, and it is hoped that this measure will gradually contribute to an improvement in the Danish krone. The step taken by the Nationalbank was recognised, not only by theorists, but also by wider circles of the population, where it is generally understood that the exchange conditions demand extraordinary measures, even if they have disagreeable effects on daily life.

The balance of trade is still against Denmark, and this is considered one of the principal reasons for the depreciation of the krone rate. The last figures available are those for March, which show an import surplus of 33,000,000 kr.—the value of the imports being 167,000,000 kr.—against exports aggregating 134,000,000 kr. Of the last-mentioned figure, 6,000,000 kr represents re-exports.

Figures of the total financial balance for 1922 have been published, and confirm that conditions have grown worse during the year, which was difficult in several respects. On the basis of the material collected, it is believed that Denmark's net debt to foreign countries may be estimated to have amounted to about 1,100,000,000 kr at the end of 1922. This figure is the balance of a computation showing amounts due to Denmark of about 380,000,000 kr, against debts aggregating about 1,480,000,000 kr. The corresponding figures for the net debt were 825,000,000 kr at the end of 1921, and about 900,000,000 kr before the war. The said figures appear as the result of the following estimates:—The value of Danish Government bonds in foreign possession is estimated to be about 480,000,000 kr—or about 5,000,000 kr more than at the last previous computation. For the municipal debt the calculated total

is 255,000,000 kr, as £2,000,000 (40,000,000 kr) has been added to last year's total (210,000,000 kr) for the loan contracted during the spring of 1922 by various municipalities through the intermediary of the Landmandsbank, to replace a previous loan given by the bank itself, while, further, it has been taken into consideration that some export of municipal bonds has taken place. According to information supplied by the Hypothekbank, the amount of its bonds in foreign possession can be estimated at the same amount as last year, viz., 25,000,000 kr. The value of Danish Credit Association bonds, Hypothek Association bonds, and shares in Danish concerns in foreign possession is estimated to be 185,000,000 kr, as against 125,000,000 kr last year. This figure has been increased owing to the loan of \$5,000,000 contracted by the United Steamship Company, and on the basis of reports received from banks and stockbrokers about the imports and exports of securities. Finally, the non-bonded (commercial) debt has been estimated to be about 510,000,000 kr, to which must be added about 25,000,000 kr for goods ordered. This makes a total debt of 1,480,000,000 kr.

On the other hand the claims on foreign countries amounted to a total of 380,000,000 kr—viz., 65,000,000 kr—in foreign securities in Danish possession, and about 315,000,000 kr commercial claims. Of these it should be said that during the year the amount of Danish claims on England has declined from 142,000,000 kr to 82,000,000 kr. The decline of the commercial claims is most pronounced as far as the banks are concerned, but can also be traced for the other trade groups.

For the purpose of computing the official retail price index, which is published semi-annually—next time in July—information of the prices of goods has been collected all over the country during the first week of April. It appears that the prices of a number of the most important articles of consumption have increased—for instance, those of bread, flour, groats, and most groceries. The most pronounced rise is that of the sugar prices, which is naturally connected with the international changes in this line. On the other hand, butter and egg prices are lower than at the beginning of January.

As regards trade generally, there is no decided change. Certain indications of improvement can be traced, however, and this has also had influence on the position of the banks. During April the total deposits in the banks have increased by 39,000,000 kr, and loans have increased by 26,000,000 kr. The figures now are 3,018,000,000 kr and 2,487,000,000 kr respectively, while since January, 1922, when the bank statistics were first published in their present form, these figures have been steadily declining. Concerning the Landmandsbank, it should be mentioned that deposits are continually increasing, and that the addition during April was even more than during March. The total deposits now amount to 877,000,000 kr, and of this deposits in pass-book account and against notice—i.e., savings accounts proper—amounted to more than 440,000,000 kr, a figure which more than anything else shows the continued importance of the Landmandsbank for the Danish community. Simultaneously with the increase of the bank deposits, which took place before the increase of the discount rate from 5 per cent. to 6 per cent., it appears from the *Savings Banks Gazette* that, for the first time after a long period of increase, the withdrawals from the savings banks have exceeded the deposits.

ARGENTINA.—THE PRESIDENT'S MESSAGE—PROTECTION AND ITS EFFECTS—FINANCIAL POLICY—MONEY AND EXCHANGE.

(FROM OUR OWN CORRESPONDENT.)

BUENOS AIRES, May 15.

REVERTING to a precedent which his predecessor in the Presidential chair had abrogated, Dr Alvear opened Congress for the ordinary sessions of 1923 with a formal address, or message, if one translates the Spanish phrase literally. It was a rare opportunity for emphasising before the eyes of the people the costly effects of indolence

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and lack of Parliamentary preparation. Unfortunately the chance was lost, and in its place an assurance was given that, while the whole system of taxation was due for revision, immediate addition to the import dues would at once aid the exchequer and "protect home industries." Cutting out a lengthy preamble, which would up by emphasising "the imperative need for dignifying and defending national labour," one comes to the categorical statement that "the industries handling national raw material ought especially to be the object of attention and protection. Their destruction by foreign competition must be prevented.....all of which certainly does not prevent stimulus being afforded to those concerns which, though they may use raw material from abroad, are nevertheless of benefit to the country."

Before commenting on this declaration, one must in justice say that Dr Alvear foreshadows an attempt to revise the whole fiscal system, and to introduce a graded tax on income, but the shadow of the Custom House hangs far too heavily over the land to allow much light to pierce through from this quarter. The Government, in its Budget Estimates, proposed *ad valorem* taxation of imports, values to be established at the port of shipment; Congress, more closely informed of the difficulties of such a system, since various commercial deputations insisted on exercising their right of seeing the Special Committee charged with examining the said Estimates, altered the scheme to a 25 per cent. increase all round on present tariff values. Incidentally, this follows up the 20 per cent. increase sanctioned in 1920. Either way, the result is the same. To quote *La Prensa*, Argentina's leading daily, and an uncompromising defender of Free Trade principles, "The country may consider itself threatened with protectionist action, which will increase the cost of living and handicap its commerce." Roughly speaking, imported goods, taken all round, pay about 40 per cent. on their value to the Customs. Some articles are heavily taxed, others suffer less, yet the figure given would surely seem to indicate a fair measure of "protection." Not so, however, does it appear in the eyes of the supporters of "national" industries, which have almost invariably been founded by foreign capital, are directed by foreign managers and foremen, and, as often as not, must import a large proportion of their raw material if their finished article is to be saleable even in the local market. "Customs legislation," says another journal, "is the mighty arm wherewith the economic defence of nations can be undertaken, and this is the arm we so urgently need.....since this is the only road which will eventually render us economically independent of abroad." Much more reasoning of a similar sort has filled the Argentine Press of late, but few people seem to realise that while the advantage of protection is problematical, the immediate effect on the cost of living is sure. With an eminently agrarian population of scarcely eight million inhabitants, spread over a country nearly as large as Europe, its industry wholly dependent on imported machinery, iron, steel, and fuel, high tariffs must spell economic suicide unless conditions change completely. Great hopes were founded on the local petroleum fields, and the yield, now 300,000 tons a year, is relatively important. Yet in estimating its industrial value it must be remembered that to-day the Argentine crude oil is being sold at a loss of some \$5 Argentine paper per ton, in order to keep in line with imported Mexican oil,

which is sold at a profit. Costs of production explain the apparent anomaly: charges must increase with mathematical exactitude when the higher tariff raises the general cost of living translated into wages, food, and such materials as cannot be specially exempted from duty on the ground that they are essential to the oil industry. Indeed, the Patagonian region, now making steady progress in many directions, is already taking alarm at the course of events.

Referring to the state of the nation's indebtedness, Dr Alvear merely repeated the figures already published in connection with the floating loans. The only novelty was the statement that, thanks to cheap money, the average rate of renewals for the current year was $4\frac{1}{2}$ per cent. per annum, as against $5\frac{1}{2}$ per cent. for 1922. Stress was laid on the importance of the official banking institutions, and the statement made that the internal monetary situation remains unaltered. Argentina's fiduciary circulation is to-day \$1,362,563,000 paper, gold to the total of \$470,000,000 gold Argentine dollars being held in guarantee of the former amount. No allusion was made to the flotation of either internal or external loans, if one excepts a mild rebuke to Congress for its dilatory treatment of the original Government proposals.

Considerable sums of money held here by American and other interests unwilling to remit at current rates of exchange help to depress the local money market. A certain share of these adventitious funds find their way to the already overfilled tills of the banks, but they also contribute to the steady demand for mortgage bonds and national and provincial securities of ready realisation, with the result that the Cédulas of the National Mortgage Bank mark the highest quotations of the year. Banks call the market rate for loanable capital 6 to 7 per cent. per annum, but readily work at a much lower figure when first-class business is on offer. Commercial bills from the interior, endorsed by the import house discounting such lists, may be done at anything between 5 and 6 per cent. Yet beneath this easy money, and despite the ability of the Government to renew its treasury bills at 4 per cent., there is plainly perceptible a nervousness which might very easily change the state of the market over-night. Until the official and legislative terms relative to the consolidation or other form of liquidation of the floating debt are public and definite, this feeling will persist, and the doubts arising out of the Budget uncertainty do not tend to reassure financiers.

The sterling and dollar exchanges move slowly but steadily against Argentina. Continental rates have also moved against this country, though to a lesser extent. The mark soared to 36,000, but there is in reality no business of any importance passing in this currency. A better offer of export bills has marked the past month, but even so, the volume of paper put through the exchange market is not in anything like the quantity one would expect to see, given the steady outward movement of all produce. Cereal quotations are firm; linseed has fallen back a little owing to a slackening of the American demand. Freights, after a remarkable rally to well over 35s, San Lorenzo, U.K. or Continent, fell back to 30s, the general belief in local shipping circles being that this should prove a reasonably firm rate for the next month or so. Rates to New York are weaker in sympathy.

NEW ZEALAND.—PUBLIC FINANCES—THE POLITICAL SITUATION—ECONOMIC CONDITIONS.

(FROM OUR CORRESPONDENT.)

CHRISTCHURCH, N.Z., April 16.

WHEN the Minister of Finance budgeted last year for a deficit the public were more alarmed than was really necessary. For a great many years it has been the custom for the budget of the Dominion to show a surplus. During the war successive surpluses accumulated until at one point they reached a total of £17½ millions. Much of this total was used in the schemes for repatriating soldiers by settling them on the land. At the beginning of the financial year 1922-3, however, there still remained £7½ millions of the accumulated surplus, and Mr Massey anticipated that he would need £1½ millions

of this amount to balance the expected deficit in the public finances. The accounts for the year just published fortunately disclose a much more satisfactory state of affairs than was anticipated. Instead of the expected deficit, there is actually a substantial surplus of £1,315,683. In the main this is due to considerable savings in expenditure, amounting in the railway department alone to £1,527,053. There is a decrease in practically all administrative departments, only partly offset by the increase of £457,679 in the interest and sinking fund charges on the public debt. The position thus disclosed has enabled the Minister of Finance to apply a sum approximately equal to the new borrowings for the year to the cancellation of securities falling due, so that the total of the public debt remains approximately the same, although public works to the value of £5½ millions were added to the national assets. There still remains a balance of £5,637,090 in the ordinary revenue account, the remainder of the accumulated war surpluses.

The publication of these satisfactory evidences of the Dominion's financial vitality comes opportunely for the Government. Mr Massey was faced after the general election with a very unstable position in the House. His party was apparently in a minority position, though neither of the other parties had anything approaching a majority, and there was no hope of fusion between them. A short session of Parliament was specially summoned to test the position, and three members of the Liberal party, by voting with Mr Massey against the amendment moved by the leader of the Liberal party, and supported by the Labour party, gave Mr Massey a majority of three (an independent member having been elected to the position of Speaker). Shortly afterwards the death of Sir William Herries, one of the ablest and most popular members of the Cabinet, once more jeopardised the position of the Government. The ensuing by-election at Tauranga was very keenly fought. Sir Joseph Ward, Mr Massey's old antagonist, entered the lists once more, and the election resolved itself into a duel between the two most prominent political figures of the Dominion. The result was a handsome win for Mr Massey, the Reform candidate being elected by a very substantial majority.

The depression that overtook the Dominion when the prices of primary products fell abruptly in the season 1920-1 has apparently passed over without any very serious disasters, and the outlook for the immediate future is brighter than it has been for some time. The general recovery of prices in the older countries, reflected here in unexpectedly good values for wool and also for frozen mutton and lamb, has been sufficient to re-establish the primary producers who are so important a factor in the economy of the Dominion. Higher prices, some relief in taxation, a reduction of the overdraft rate charged by the banks, and a natural reaction from the pessimism of two years ago, have all combined to improve the tone of business considerably.

The banking returns just published for the March quarter of the current year show that there is a solid basis for the returning optimism. There are only six banks operating in the Dominion, and their activities are a good index of the economic position at any particular time. The course of the crisis and recovery is clearly seen in the following summary table, showing the relation between deposits (both fixed and free) and advances made by the banks:—

Quarter.	Deposits. £	Advances. £
December, 1919	45.6	32.1
June, 1920	54.6	34.8
December, 1920	49.5	47.1
June, 1921	45.5	54.4
December, 1921	40.9	47.6
June, 1922	41.4	46.2
December, 1922	41.1	43.4
March, 1923	43.5	42.8

During the latter stages of the boom credits were banked up in London which were causing the banks some embarrassment to transfer to their owners in New Zealand. The existence of these balances was, however, invaluable when the strain of the crisis came in the early part of 1921. The extent to which the banks extended their accommodation to meet the liabilities of their customers

is clearly revealed in the table, and so is the steady reduction of advances since that time, owing to the readjustment of business organisation.

In the readjustment some of the weaker concerns have fallen by the way. There has been an increasing number of bankruptcies, especially of farmers; but no large businesses have been involved so far. There has been an increasing tendency in the last few months to hail the present revival as the return of the buoyant prosperity that was the rule before the war. But the events of the last few years have shown more clearly than ever that the prosperity of a country such as the Dominion, which is largely dependent on borrowed credit, is affected by the tendency of the general level of prices to rise or fall more than by any other factor. Just at the moment prices are rising, the bank returns are back to normal, the Minister of Finance announces a somewhat unexpected surplus, and optimism prevails. But if prices should tend to fall again, the heavy charges on industry that proceed from a swollen national debt, a high level of Governmental expenditure, inflated land values not yet adequately reduced, and the business expansion resulting from the boom, will again loom large.

Books and Publications.

JAPANESE WARS AND THEIR COSTS.*

IN these three volumes we have an elaborate survey of Japanese finance since the Restoration of 1868, with special reference to the wars waged by the Japanese Government. To some extent the first volume overlaps the other two; it divides the period under discussion into four epochs, the first ending with the Satsuma Rebellion, the second with the Chinese War, and the fourth carries us from the Russian War down to 1914. Few people are interested in the Satsuma Rebellion, but the second epoch (1877 to 1895) is that in which "the armaments on both land and sea were greatly extended," while in the fourth period Japan successfully asserted her position as a World Power.

At first the Government was greatly hampered by want of funds, and even the tiny cost of putting down the Rebellion, about £8½ million sterling, could only be financed by the issue of paper money. The War with China raised the annual expenditure from 87½ million yen to 223 millions, and the Russian War had even greater effect, bringing the total up to 656 million yen.

We may now turn to the volume on the War with China, which appears to have been mainly written by Mr Kasada under Mr Ono's direction.

This war arose out of quarrels between the two big Empires over the smaller kingdom of Korea, and we have complaints of "the repeated misdeeds and incivility of Korean officials," which remind one too much of an ancient fable. "In Japan," Mr. Kasada writes, "sympathy with Korea was universal, coupled with a strong desire to check the arrogance of China by a chivalric blow." If the Walrus and the Carpenter had professed to fight on behalf of the oysters, the analogy would be complete. After the Sino-Japanese War, which was almost a walk-over for the Island Empire, Chinese forces were permanently driven out of the peninsula, and although European Powers vetoed the cession of Lyaotung to Japan, China had to cede territory to Germany, Russia, Great Britain, and France; so it was the Japanese invasion which really undermined the authority of the Chinese Government and opened the way to subsequent anarchy and civil war.

Much of Mr Kasada's book is really ancient history, if it should be called history and not patriotic propaganda. The expenditures, carefully tabulated in great detail, now seem trifling with a total of only 235,000,000 yen, about equal to three or four days of our expenditure in 1918; but no less than 367,000,000 yen were exacted as an in-

demnity from China. So the Japanese made a profit out of their war, only to find, however, that their annual expenditure was doubled. Hardly any attempt was made to increase revenue and taxation during the war itself, when the Government relied upon loans and the issue of paper money, which led to higher prices and a permanent inflation of the currency, though part of the Chinese indemnity was used to establish a gold standard.

In the third volume, mainly written by Mr H. O. Oyama, we have the effects of the war with Russia, which was the last and greatest of the wars in which Japan fought single-handed. In the introduction Dr Ogawa says that "even to this day the people of Japan are groaning under a heavy burden of taxation as a result of their war with Russia." This war arose out of "a collision of influence between Russia and Japan in Manchuria and Korea," and left Japan supreme in the peninsula, where even the externals of sovereignty were withdrawn from Seoul, and with fresh interests in Southern Manchuria. At sea the war was a walk-over, ending in the astonishing triumph of Tsushima; on land it was a succession of costly victories.

Even before the war the Japanese Government was spending far more than it could raise by taxation, so the outbreak of hostilities threw the finances into confusion. Domestic war loans carried special privileges, such as acceptance at face value for tax payments and interest free of income-tax; foreign loans were largely over-subscribed, but gave what was then a very high yield. Altogether, Mr Oyama reckons the war expenditure at 1,986 million yen, and after the war taxation was more than doubled. Taxation was also raised more than once during the war, but our author does not make things clear to readers who are not already acquainted with Japanese finance, though he gives numerous tables. There were taxes on transactions of all kinds, and Government monopolies in tobacco and salt were established; indirect taxation increased so much that it passed direct taxation in 1906-7, and altogether the war increase seems to have been 178 million yen a year. Moreover, much taxation was oppressive as well as heavy; for the land tax assessments were not revised and the incidence was unequal.

THE FASCIST CREED.*

THIS book, written by an ardent Fascist, has been translated and condensed by a more discriminating English admirer, led by love of Italy to tolerate the flamboyant Nationalism of the movement, but occasionally constrained to protest against the author's Anglophobia. It is written in the torrential and redundant rhetoric affected by Italian politicians; the many repetitions of the original have not been entirely removed by the translator's condensations and omissions, and its perusal demands a much more comprehensive knowledge of Italian politics since the war—and, indeed, for thirty or forty years before it—than most of its English readers are likely to possess or to acquire *ad hoc*. They will rise from its perusal with mixed feelings. Fascism, the author explains, is not a mere patriotic and middle-class reaction against the extravagances of Bolshevised Italian Socialism; it is a system of economic reform and foreign policy. At home, it aims at transforming the economic life of Italy by "creating a new bourgeoisie" of peasant proprietors, who are actually now being settled on land obtained from the great landlords in the midlands and the south. It desires to develop agriculture, the real mainstay of Italy; to provide the country with new credit institutions, and with rural factories, especially of agricultural machinery and tools; to render Italy independent of the foreigner and keep her gold at home; to get rid of the hothouse industries created by Protection; and to work for Free-trade—which means "the open door" abroad. It opposes all Collectivism, including State railways, shipping, and shipping subsidies; it favours commercial expansion, especially in Albania and the Middle East, and—in spite of its hatred of Bolshevism—in Russia, and especially in the Ukraine. It means to Italianise the

* "War and Armament Expenditures in Japan," by G. Ono; "Expenditures of the Sino-Japanese War," by G. Ono; "Expenditures of the Russo-Japanese War," by G. Ogawa, D.C.L. Published for the Carnegie Trustees by the Oxford University Press.

* "The Fascist Movement in Italian Life." By Dott. Pietro Gorgolini. Translated by M. D. Petre, with Preface by S. R. Benito Mussolini. (London) T. Fisher Unwin, Limited. 10s net.

Germans in the Trentino (it has already begun with those of Botzen); and thus it proposes to repeat those misdeeds of Germany and Austria-Hungary which were leading causes of their downfall. It desires to develop the Italian colonies, and to promote national feeling among the Italian communities in Tunis and America. (These latter consist mainly of migratory labourers; do the Fascists hope for settlements like those of the Germans in Brazil, and, if so, what about the attitude of the South American Governments, and the Monroe doctrine?) Its foreign policy is a strange mixture—revision of the Versailles Treaty; Irredentism (in Dalmatia); suspicion of France, Great Britain, and the United States, and of the League of Nations as a "capitalist combination," along with efforts to restore a balance of power in Europe, and ultimately to create a European Federation. Such a policy, were Italy able to carry it out, could only mean, in the first instance, war with Jugo-Slavia, and next, a re-establishment, in an intensified form, of the conditions which led to the catastrophe of 1914. Happily, the Fascists are only one party among many, and a divided party at that; and the experience of governing may eliminate their hotheads and teach their leaders wisdom.

BOOKS RECEIVED.

- Life of George Cadbury.** By A. G. Gardiner. (London) Cassell and Co. 10s 6d net.
- Business Cycles and Unemployment.** Report and Recommendations of a Committee of the President's Conference on Unemployment, with a Foreword by Herbert Hoover. (London) McGraw-Hill Publishing Company, Limited. 20s net.
- The Law of Property Act, 1922.** By Eustace J. Harvey. (London) Sweet and Maxwell. 7s 6d net.
- Secretariat Practice.** The Manual of the Chartered Institute of Secretaries. Revised and Enlarged. (Cambridge) W. Heffer and Sons. 9s net.
- An Intermediate Logic.** By J. Welton and A. T. Monahan. Second Edition. Revised and Enlarged. (London) University Tutorial Press, Limited. 10s 6d net.
- A Fair Wage.** By Edward Batten. (London) Sir Isaac Pitman and Sons, Limited. 2s 6d net.
- Restoration of the World's Currencies.** By R. A. Lehfeldt, D.Sc. (London) P. S. King and Son, Limited. 6s net.
- Man and Culture.** By Clark Wissler. (London) George G. Harrap and Co., Limited. 10s 6d net.
- The Directory of Directors, 1923.** By Thomas Skinner. (London) Thomas Skinner and Co. 25s net.
- The number of names included in this, the 44th yearly issue, is upwards of 27,000. The changes through death, retirement, and other causes, it is stated, have been normal.
- The Oil and Petroleum Manual, 1923.** By Walter R. Skinner. (London) 15 Dowgate Hill. 7s 6d net.
- This year's issue contains full particulars of 650 companies, producers, refiners, carriers—pipe and steamship, and oil finance companies operating in all parts of the world. Special attention has been directed to the principal American and foreign companies. Lists are also given of the officials connected with the companies, and comprise 2,082 directors, 334 secretaries, and 200 consulting engineers, managers, agents, &c., their names and addresses and company connections.
- Income-tax and Super Tax, 1923.** Tabular View. Sixth Edition. Revised. (London) Oliver and Boyd. 1s net.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET. ACCOUNT.
June 13. June 14.

Epsom excitements have provided more fascination for the public this week than those on offer in the Stock Exchange, where business has run on quiet lines, with a slight contraction of demand for gilt-edged stocks and a continuance of stagnation in the mining departments. New issues are well taken, one subscription list after another closing promptly. That the West Australia 4½ per cent. issue was not more rapidly subscribed occasioned a little remark, because, in comparison with some of the existing securities, the new Westralian has

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attractions at ½ discount. A good deal of the June War Loan interest has been trickling back to the Consol market, where Victory Bonds, Funding, Conversion and Consols exhibited strength, the full extent of which was scarcely maintained. Surprising vitality developed in India scrip, the stock changing hands up to 3 premium, from which it dipped abruptly to 2½ premium and then rallied again.

Dealings began on Wednesday in the new Argentine Government 4½ per cent. Loan, offered at 80½, which will become fully paid next Friday. The price was expected to start at 1 premium, but instead of this, opened at about 1½ premium, and maintained the greater part of its strength. French issues are better, and the early recovery in the value of the mark caused a stiffening of the German issues. Chinese bonds are moving irregularly; some of the railway loans are better. Brazilians are quiescent, awaiting the hoped-for recovery in the milreis. Czecho-Slovaks improved on the idea that these 8 per cent. bonds at 96 will compare favourably with the new 6 per cent. Austrian loan at 80. Mexicans have again disappointed their supporters, prices shading off where they moved at all.

Home Railway stocks are dullish, the public refusing to take any hand in this market, in spite of the absorption of investment stocks elsewhere. Grand Trunk Pacific debenture is distinctly harder. The Argentine Railway market remains weak on sales by those who fear the results of the recent drop in the Argentine rate of exchange. But many people look for good dividends in October. Leopoldinas at first gave way on the meeting this week, the price freshening later, however, and Antofagasta attracted further buying.

The Rubber market is in the doldrums, although the price of the produce at 1s 3d per lb is a shade better. The Oil market received the Royal Dutch dividend as being favourable, the 26½ per cent. for last year being 4½ per cent. less than that of the previous twelve months. The Shell dividend, making 22½ per cent., shows a reduction of 5 per cent. as compared with the corresponding period. The latter result had been generally expected, and bear covering helped to prevent the price from slipping back below 4. Mexican Eagles are marking time. The two Agwi shares enjoyed sharp rises, and held a good part of them. Phoenix have been flat.

Tobacco shares, textiles, and other popular speculative investments have felt the effect of the Derby and the Oaks to an appreciable extent. Business in all of them has fallen off, and prices, as usual in these circumstances, tended to sag a little. Newspaper shares are also easier. The brewery market again moved forward. Marconis, after a show of strength, reacted on lack of public interest, and the cable group keeps hard. London banking shares are better, and the Insurance market, as a whole, is higher for choice. Further spectacular rises occurred amongst tea shares, partly on the bumper dividends recently declared by leading companies, partly on the idea that the outlook continues bright for the industry. The shipping group is motionless, save for improvements in pre-ordinary issues. Lyons gave way a trifle, on the maintenance of the dividend of 25 per cent. for the year. Other stores and hotel shares are steady. The new Boots ordinary shares have been dealt in on the basis of 12s 6d premium above the issue price of £4.

The Kaffir market has received no assistance from the publication of the May returns, which are considered tolerably good. The disposition of the share market is for prices to droop in the absence of outside interest. In diamond shares, dealings have been governed by the very languid interest taken in this market by Paris. Stock Exchange men point, as being symbolical of the present British indifference, to the fact that not until one o'clock, when Paris prices begin to come into the house, is there a reliable price in a fair number of De Beers. Rio Tintos are in somewhat similar case. Base metal shares hardly move from day to day. Rhodesians had a few spasmodic flutters of mild excitement without prices being affected to any noticeable degree. And Russians are lifeless.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded	£ 148,338,191	..	..	..

ISSUES OF THE WEEK—

NATIONAL SAVINGS CERTIFICATES.

NET RECEIPTS INTO THE EXCHIEFER WEEK ENDED JUNE 2, 1923.

April 1, 1923, to June 2, 1923, £1,550,000	150,000	150,000
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To the Public—

Western Australia, £3,000,000 4½% Inscribed Stock, red. at par 1935-July 1, 1965, issued at 95% (June 4)	3,000,000	2,850,000	150,000	2,700,000
Urban Electric Supply, £250,000 5½% Deb. Stock, issued at 97½%, red. 1935-June 30, 1960, at par (June 4)	250,000	243,750	25,000	218,750
Dubarry Perfumery Company, 86,200 Ord. Shares, 1s, at par (June 4)	4,310	4,310	4,310	..
Do 86,200 7½% Cum. Pref., £1, at par	86,200	86,200	10,775	75,425
Tully Gas Plants, 200,000 7½% Pfg. Pref., £1, at par (June 5) ..	200,000	200,000	10,000	190,000
G. Glanfield and Son, Lim., 10,750 Ord. Is at par (June 5) ..	10,750	10,750	10,750	..
Do 215,000 7½% Cum. Pref., £1, at par ..	215,000	215,000	21,500	193,500
Craig Tea Estates, 50,000 £1, at par ..	50,000	50,000	6,250	43,750
Total offered to public	3,660,010	3,660,010	238,585	3,421,425
To Shareholders only—				
Anglo-Scottish Trust, 104,500 Ord. Shares, £1, at par ..	104,500	104,500	26,125	78,375
Laurato Nitrate, 30,000 Additional Shares, £5, at par ..	100,000	100,000	100,000	..
London General Investment, 87,350 Shares, £1, at par, less commission, 2s p.s.	87,350	78,615	8,735	69,880
Do 2,650 Shares, at par ..	2,650	2,650	265	2,385
Total offered to shareholders only ..	285,765	285,765	135,125	150,640
Total offered for subscription to date ..	3,945,775	3,945,775	373,710	3,572,065

1923	£152,433,966	1922	£38,978,203
1922	424,936,410	1921	367,549,656
1921	107,820,758	1920	1,036,059,551
1920	204,576,627	1919	1,393,381,441
1919	373,801,324	1918	1,318,596,010
1918	616,638,412	1917	585,436,853
1917	1,007,820,467	1916	254,444,037

Western Australia.—Issue of £3,000,000 4½ per cent. inscribed stock at 95 per cent. Repayable at par on July 1, 1965, the Government of Western Australia having the option to redeem the stock in whole or in part at par on or after July 1, 1935, on giving three months' notice. A sinking fund at the rate of ½ per cent. per annum will be provided. The accumulated sinking funds invested in the names of trustees in the London now amount to above £8,000,000. The proceeds of the issue will be used for railways, harbours, water supply, &c. Holders not domiciled in Western Australia will not be subject to any taxes by that State. A sound trustee investment, yielding at the issue price £4 15s 7d per cent., allowing for redemption at par on July 1, 1965.

Urban Electric Supply.—Share capital £640,000, consisting of 250,000 6 per cent. cumulative preference shares and 240,000 ordinary shares, both of £1 each, all of which have been issued, and 150,000 shares of £1, 100,000 of which will be issued fully paid as 6 per cent. cumulative preference shares to Edmundsons' Electricity Corporation, Limited. There is also outstanding £317,006 of 4½ per cent. first mortgage debenture stock. The present is an issue of £250,000 5½ per cent. mortgage debenture stock at 97½. It will be secured by a trust deed constituting the stock a specific charge on the company's property, plant and machinery, but subject to the company's stock (which is repayable by 1940 by means of a cumulative sinking fund). The present issue will be repaid at par on June 30, 1960, but may be redeemed after June 30, 1925. A cumulative sinking fund of ½ per cent. will be provided, beginning in 1928, to be increased to 1 per cent. in the year following that in which the 4½ per cent. stock is redeemed. The company was formed in 1898, and supplies electricity under Parliamentary powers, either directly or through controlled companies, to a large number of districts in England and Scotland. Net assets available for security for the present issue are given as £1,122,000, while the profit statement, which goes back to 1911, shows that the service is amply covered. In liquidation of a sum of about £310,000 due to Edmundsons' Electricity Corporation, £100,000 of the 5½ per cent. stock is to be issued as fully paid to the latter in addition to the shares mentioned above. The issue is a satisfactory security of its type.

G. Glanfield and Son, Limited.—Authorized capital £265,000, divided into 215,000 7½ per cent. cumulative preference shares of £1 each and £50,000 in ordinary shares of 1s each. The whole of the preference and 215,000 ordinary shares are now offered for subscription at par, each subscriber

for preference shares being entitled to buy one ordinary share for every preference share taken up. There are no debentures, and no shares ranking prior to or *pari passu* with the preference shares can be created without the consent of preference and ordinary shareholders. The firm of G. Glanfield and Son, Limited, now turned into a company, was established in 1852, and carried on the business of wholesale manufacturers of clothing, uniforms, &c., and of woollen merchants. The purchase price is fixed at £235,000 in cash, but the vendor concern is to subscribe for all the ordinary shares not taken up by purchasers of the preference shares. The excess of assets over liabilities is set out as £268,040, goodwill being entered at £50,000. Profits are given since 1914, and have fluctuated widely. The prospectus is a clear statement of affairs. The offer is a moderate one, and speculative.

Tully Gas Plants, Limited.—Authorized capital £1,400,000, divided into £500,000 7 per cent. participating preference shares of £1 each, £850,000 ordinary income stock, and £50,000 ordinary shares. All the ordinary income stock and £200,000 of the preference shares have been issued, while £49,107 of the ordinary shares is held by the trustees for holders of the ordinary income stock. This is an offer for sale by Coal Gas and Electric Investments, Limited, of 200,000 7 per cent. participating preference shares of £1 each at par. The company was formed in 1921, and carries on the business of engineers and contractors for the supply of gas plants and equipment. The company has already supplied plants to a long list of towns, and has large orders in hand. The prospectus is optimistic, but the concern is at present in a development stage, and an investment in these shares is a speculation of which the chief interest lies in the participating rights. These consist of the right to 20 per cent. of remaining profits to be distributed after payment of the preference dividend.

Dubarry Perfumery.—Capital £150,000, divided into 100,000 7½ per cent. cumulative preference shares of £1 and 1,000,000 ordinary shares of 1s. each. The present is an offer of 86,200 of the preference and 86,200 (or £4,310) of the ordinary. Ordinary shares will only be allotted to applicants for preference shares, and in equal numbers. The company has been formed to acquire the Standard Toilet Company, founded in 1910, as manufacturers of perfumery and toilet articles. An independent valuation of the property, &c., to be acquired fixes the value at £70,052, and the net assets, including £30,000 for goodwill, are estimated at £96,000. Net profits have risen since 1918 from £7,000 to £15,200, before payment of income-tax and interest. The acquisition is to be effected by an exchange of shares, those of the new company handed over being of a nominal value of just under £60,000. The issues are of a speculative nature.

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

ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Price at Week End.	Latest Price.	Rise or Fall.		Price at Week End.	Latest Price.	Rise or Fall.
War 3½%, 1925-28 .. 96½	96½	96½	..	Aust. 6% 1931-41 .. 106	106	106	..
War 4½%, 1925-45 .. 98½	98½	98½	..	Canada 4½% 1920-25 .. 101	101	101	..
Loans 5%, 1929-47 .. 101½	101½	101½	..	India 3½% Stock .. 72½	72½	72½	..
4%, 1929-42 .. 100½	100½	100½	..	Do 7½% 1926-31 .. 104	104	104	..
Funding Loan 4% .. 93½	93½	93½	..	Do 5½% 1932 .. 104½	104½	104½	..
Victory Bonds 4% .. 94½	94½	94½	..	Do 4½% 1933 .. 92	92	92	..
Conversion Loan 3½% .. 81½	81½	81½	..	N.S.W. 5½% 1922-32 .. 101	101	101	..
Consols 2½% .. 59½	59½	59½	..	Nigeria 6% 1949-79 .. 113	113	113	..
Irish Land Stock 2½% .. 62½	62½	62½	..	U. of S.A. 6% 1930-40 .. 105	105	105	..
Local Loans 3% .. 68½	68½	68½	..	Victoria 5½% 1924-34 .. 101	101	101	..
				W. Aust. 6% 1930-40 .. 106	106	106	..

Banks.

Barclays B (£1 f.p.d.) 24½	24½	24½	..	Nat. Bank of S. Africa (£10) .. 8½	8½	8½	..
Chartered Bk of India 19½	19½	19½	..	Nat. Prov. & Union of England (£20, with £4 paid) .. 11½	11½	11½	..
Lloyds (£5 with £1 paid) .. 3½	3½	3½	..	Standard of S. Africa (£20, with £5 paid) .. 11½	11½	11½	..
London Joint City & Midland (£12 with £2½ paid) .. 8½	8½	8½	..	Westminster Bank (£20, with £5 paid) .. 18½	18½	18½	..
Nat. Bank of Egypt (£10) .. 21½	21½	21½	..				

Colonial and Foreign Railways.

Antofagasta Cons. .. 86½	87½	87½	..	Leopoldina .. 29	28½	28½	..
B.A. and Pacific .. 83	82	82	..	Mexican Railway .. 124	124	124	..
B.A. Gt. Southern .. 87	86	86	..	Do 1st Pref. .. 39	39	39	..
Buenos Ayres West. .. 83½	82	82	..	Do 2nd Pref. .. 24	24	24	..
Canadian Pacific .. 165½	165½	165½	..	San Paulo .. 148	146	146	..
Central Argentine .. 73	72½	72½	..	United Havana .. 67½	67½	67½	..

Foreign Government Securities.

Argentine 5%, 1886-7 .. 101	101	101	..	Japanese 4½% .. 102	102	102	..
Belgian 3% .. 68	68	68	..	Lo 4½% 1916 .. 74	74	74	..
Brazil 5% Fund, 1914 .. 75	75	75	..	Mexican Cons. 1899 .. 63	63	63	..
Chilian 4½%, 1886 .. 85	86	86	..	Peruvian Corp. Pref. .. 30½	30	30	..
Do 7½% .. 107½	108	108	..	P.L.M. 6% .. 87½	87½	87½	..
Chinese 5%, 1912 .. 73	73	73	..	Portuguese (New) .. 31	31	31	..
Egyptian 4% .. 70½	70½	70½	..	Russian 5%, 1906 .. 8	8	8	..
French 5% .. 28½	29½	29½	..	Spanish 4% .. 70½	71½	71½	..
Do 4% .. 22½	23½	23½	..	Seine (Dept.) 7% .. 104	104	104	..
Greek 4%, 1884 .. 47½	47½	47½	..	Siam 7% .. 108	108	108	..

But it would be wrong to believe that this is the only capital entering the country. The funds coming through other banks, large and small, are also important, and that which arrives directly in foreign banknotes and coin is not at all unworthy of remark. But these amounts escape statistical comment, and for this reason we confine ourselves necessarily to the emigrants' remittances through the National Bank alone, which converted into *£*stg. are as follows:—

	<i>£</i>
1919	14,130,000
1920	21,102,000
1921	11,601,000
1922	2,095,000

According to the above, the correctness of which is indisputable, I do not think that I am wrong when I state that the lack of confidence—i.e., the psychological factor—is that which chiefly influenced the question. If it were possible to take material reasons alone as a criterion, I firmly believe that they would lead to a calmer judgment and to a more favourable appreciation of the value of the Greek drachma.

CONFIDENCE IN THE FUTURE.

We are convinced that confidence will return with the advent of peace in the East. Peace, by bringing Government and the public back into the regular path, will put a definite end to the creation of a fictitious currency through the increase of circulation, and will make it possible for measures to be taken with a view to assuring a real balance between public revenue and expenditure. This feeling of certainty that the State is not extending its expenditure beyond the limits of its power will be one of the chief sources of confidence. Those hidden reserves, which now remain barren, will then see the light, and the current will recommence to flow in from abroad. This capital in the hands of Greeks at home and abroad being thus cast into circulation in the market, will revivify the country with unimpaired elements of wealth, and will gradually bring back that equilibrium from the lack of which our economic life is now suffering.

CIRCULATION.

In an examination of our own affairs under this aspect, we are compelled to observe the conclusions which the facts themselves present.

Our note circulation amounted in all in December, 1921, to Drs.2,507,638,010, and in December, 1922, to Drs.3,698,141,090; in other words, an increase took place during the year of Drs.1,190,503,080.

If we now examine the quality of the circulation, and set aside that for merely banking business—viz., Drs.263,405,000, which is fully covered by corresponding funds in the bank's assets, and Drs.266,964,965 due in return for the advances made in drachmas by the bank to the French army in Macedonia, it will be seen that the balance of circulation is backed at present solely by the credit of the State, for whose needs it was issued.

This situation is certainly not satisfactory. But we are firmly convinced that it will be changed before long. The Allied credits, which form the chief part of the circulation authorised by law T.X.M.B., and the realisation of which has been suspended, will again become active. The unshakable legal grounds on which our claim is based, when impediments have in principle been removed, will certainly in due time lead to the recognition of our rights.

But, as long as the realisation of these credits is in abeyance, the whole currency, being thus weakened as an inevitable consequence, suffers a moral shock, and confidence in it is reduced. And as its amount is fixed in an arbitrary manner, its purchasing power is materially reduced.

EVILS OF INCREASE IN NOTE CIRCULATION.

I do not lose sight of the merciless compulsion, under the pressure of which recourse was had to increasing the resources of the Government by the fresh issue of notes. But I consider it my duty to emphasise the fact that this apparently inexpensive method is ruinous from the point of view of the production of wealth, because, invisibly, but surely, it saps and exhausts the economic organism of the country. And if the public do not

convince themselves that a definite end has been put to the increase of circulation, every endeavour with a view to stabilising the currency of the country is vain.

In any case, whenever the situation has to be coped with without delay, it is advisable to resort with the utmost caution to increasing the circulation of notes, but to do so gradually only, so that as far as possible the additional circulation shall at least be thrown upon the market insensibly, and its absorption may thus be facilitated without its bringing about a more profound and sudden reaction.

TAXATION.

In circumstances, however, like the present, in which expenditure, ordinary and extraordinary, is ever increasing, both on account of the unsettled state of international affairs and because the reduced value of the currency induces an increase of all expenditure of staff and material, it is the duty of the Government to endeavour to increase the regular revenue by taxation. Only in this manner will it be in a position to meet, at any rate, part of the additional expenditure by new resources, which it will find in the actual disposable funds of the public. Notwithstanding the disagreeableness of the measure the Government must not hesitate to have recourse to it. By adopting this course it will be working not only by greater financial easiness, but also undoubtedly in the interests of the public itself. For in the first place, public confidence is increased thereby, and is henceforward based upon a wider circle of revenue, whilst, further, the Treasury has at its disposal wider financial supplies drawn from those already in circulation, and it thus avoids in part, at any rate, the necessity of creating resources by fresh issues of notes, consequently it prevents a further fall in the value of the currency and a further increase in the cost of living.

This fiscal policy can show most remarkable results. Whilst in the financial year 1921-22 the revenue of the State from taxation amounted to 920,000,000, in 1922-23 it amounted to 1,588,000,000, and it is anticipated that it will reach 2,500,000,000 during the year which has just commenced—i.e., it will have almost tripled within three years.

But the method by taxation, itself useful and both morally and materially called for, cannot, without affecting the economic life of the country, exceed certain definite limits of resistance.

MONETARY STRINGENCY.

The continual repetition of fresh issues of notes as a means of relieving the necessities of the Government as they arise, is also one of the prime causes of the stringency of money which is to be observed. The money disposable in the market being reduced as to its purchasing power, grows less and becomes insufficient for the needs of the market, because in every enterprise, in every business, either of individuals or companies, and every private dealing, it is incumbent to keep a wider margin to meet contingencies, and in order to provide against the ever-increasing expenses.

This unhealthy condition many people believe to be remediable if the amount of note circulation at the disposal of the business public be increased. But this is a disastrous error. Any additional note circulation produces a merely temporary relief.

The only means which, from an internal point of view, in periods of crisis and fresh issues of notes, is capable—not, indeed, of remedying—but of restricting the evil, is for the Government to exercise the greatest possible circumspection in adding to the amount of notes in circulation. If, that is, feeling that it is not right to incur public expenditure once there are not sufficient funds which can be drawn from the existing disposable capital of the country to cover such expenditure, the Government mercifully cuts down the expenditure, however painful the operation may be, and reserves the issue of notes as a last resort, to be employed only for unavoidable needs, and only so far as such needs cannot either be postponed or paid out of actual resources.

PUBLIC DEBT.

A favourable sign on the economic horizon of Greece is the condition presented to-day by her public debt and the survey which, as a result, opens before us.

The same strength with which the country is endowed enabled

the Government to have recourse to the home market, either directly or indirectly, through the National Bank since 1917 in order to obtain real funds with which to cover part at any rate of its needs.

The funds thus derived amount from 1917 to date to 1,455 millions. Adding to this the net yield of the forced loan, to which, of course, the above favourable observations do not apply, and which amounts to between 1,200 millions and 1,250 millions, we have a total of native capital placed by the public at the disposal of the Government of between 2,650 million and 2,700 million drachmas.

This is an exceptional example of economic robustness and a clear proof that there exist in the country flourishing elements of wealth which can be more widely developed, and which allow one to hope that we may in time succeed without difficulty in paying off these debts to ourselves.

On the other hand, the increase of the debt, the service of which is in foreign currency, observable since 1914, does not exceed 420 millions of gold francs, which brings the total of our foreign public debt up to 1,700,000,000 nominal value.

A closer examination and analysis of the interest and sinking fund account of these loans in gold shows that we pay annually for the service of both those subject to the International Financial Commission and those not so subject a round sum of *£*2,250,000-*£*2,300,000.

This annual burden can, neither in itself nor on comparing Greece with other countries of the same size, be considered disproportionate to the wealth produced in the country or flowing into it from abroad. What really reduces the influence of this foreign debt in gold is the fact that a considerable portion of it, either does not practically leave the country, or else returns to it, as it belongs to Greeks who spend it in the country.

YIELD OF PLEDGED REVENUES.

The perfect and regular service of our foreign debt is absolutely secured, thanks to the abundant yield of the pledged revenues, which reached during the past year the sum of Drs.462,541,543, as compared with a total encashment in 1921 of Drs.259,929,905, in other words showing an increase of over 200,000,000, and leaving free a wide margin.

This abundant yield is due to the well-developed power of consumption of the country, as is shown by the progressive increase in the consumption of those articles which were affected by the respective taxes.

The yield, which is expected with confidence to be nearly three times as great during the current year, and which it is anticipated will exceed Drs.1,200,000, owing to the adjustment of the taxation to the fallen value of the drachma—an adjustment which, according to the results so far known, has in no way affected the amount of consumption—in an indisputable manner guarantees that our foreign loans will be served with ease in future, and that there will be a wide margin of surplus, notwithstanding the rise in the rates of foreign exchange.

PUBLIC CREDIT.

The impression made by the fact that every care is taken to assure the service of our foreign debt by the widening of the basis on which that service stands, is reflected in the ascending scale presented for some time past by the price of Greek securities on the London market. The positive English mind rejects as useless empty words, and expresses his confidence in the simple language of figures.

Thus Greek securities which, as long as Greece was flourishing, were on a level with those of the most powerful States, and had reached a price of *£*.70-*£*.60, began to fall gradually, so that, just after the National disasters, they reached a level never approached even in the tragic period of bankruptcy. Prices fell to *£*.20-*£*.21, i.e., the rate of interest of capitalisation rose to 25 per cent.

RECOVERY OF GREEK SECURITIES.

Fortunately, after this rapid fall, Greek credit, under the powerful influence of events, began once more to recover. To-day, on observing the gradual but continuous recovery which has been going on for four months past—from *£*.20 they have now reached a point between *£*.40 and *£*.45, that is to say, they have more than

doubled in price within a relatively short period—we are entitled to believe that our credit is regaining its lost ground, and is putting forth fresh roots in the esteem of international economists.

But, in order to establish our credit more firmly, and to prepare the ground favourably for negotiations for loans—to which, however, we shall not resort out of time, but only when the conditions of the foreign market are suitable, and when it will be possible to employ the produce of the loan safely both as a firm starting point from which to proceed to render our public finances sound, and as a permanent, not an ephemeral, aid to the economy of the country—we must not lose sight of certain facts.

It is an indispensable preliminary condition that there shall be not only a real raising of the psychological level of the whole economy of the country, but also that guarantees on a sound and tangible basis shall exist.

To that effect, and in view of the instability of the drachma, I consider that, following the example given by other States in similar circumstances, we ought without fail to create public revenues which shall be collected in firm foreign exchange. Of course, I do not recommend the imposition of additional taxation, but I believe that certain already existing taxes can be readjusted without any fresh burden being laid on the public.

INCREASE OF THE BANK'S BUSINESS.

Notwithstanding the whole-hearted assistance rendered by the National Bank to the Government during the past year also, the regular business of the bank shows a most important increase. This fact constitutes remarkable evidence as to the extent of the business movement in the country and of the intensity of production in all directions.

Capital was not lacking, and it showed greater boldness, turning its attention to various kinds of business which the conditions of the currency rendered both profitable and safe for individuals, and, whilst the rich reserves in exchange in the hands of private persons made their appearance with hesitation and caution, if it was a case of their being only converted into investments in drachmas, we find them willingly employed in immediately productive business, whether connected with real estate or with trade or local industry.

The following table shows the amounts devoted to the productive business of the bank during the year 1922, as compared with those of the previous year, together with the rate of increase observable in 1922:—

	(In thousands of drachmas.)		Increase in 1922.	
	1921.	1922.		%
Discounts.....	300,123 ..	552,778 ..	84.1	
Loans to agricultural proprietors	70,062 ..	92,787 ..	32.4	
Loans and open accounts on pledge of securities	228,668 ..	508,562 ..	122.4	
Loans and open accounts on mortgage. Loans to Societies for purchase of land	63,106 ..	103,477 ..	64	
Loans on the pledge of merchandise	394,687 ..	944,184 ..	139.2	

The increases observed cannot fail to produce a pleasant surprise. Of course, in some degree they are due to the fall in value of the drachma, which now makes it necessary to employ a larger nominal capital than in the past. But it would be an insufficient explanation of the phenomenon to attribute it entirely to the fall in value of the national currency. A detailed examination of certain chapters of the bank's business will convince one of this fact.

AGRARIAN CREDIT.

On account both of the importance of the subject itself and of the altogether special interest with which the National Bank deals with it, I think a somewhat more detailed treatment is due to the question of agrarian credit.

Revenue from the land is the chief and clearest active capital in the general account of our country. Tobacco, figs, oil, and currants, to confine myself to these articles alone, after deduction of the home consumption, yield an annual income of between 11 and 12 millions sterling.

But whilst those valuable products contribute to a most important extent to the influx of sound capital into the country, the inadequacy, on the other hand, of the local production of cereals creates a very heavy item on the debtor side of the general account of the country, which amounted in 1920 to £8,156,000, owing to the high prices ruling, and in 1922 to £5,420,000, owing to the fall of prices, whilst the amount will certainly be greater this year owing to the increased requirements.

Consequently, for two reasons, we ought to follow a policy of furthering agriculture. It is chiefly from the development of agriculture that Greece will derive definite wealth and will succeed in reducing her dependence upon foreign countries for an article of prime necessity.

BANK'S ASSISTANCE TO AGRICULTURE.

The National Bank, perhaps more than in any other branch, showed signs of energetic and helpful action in the branch of agricultural credit. Although, according to the existing conventions, the bank had only a restricted obligation, not exceeding the granting of Drs.50,000,000 in all, although the investment gives but a very small return, because the loans are granted at a very low rate of interest, and although this branch of business requires assiduous work and continual supervision, and multiplies, in respect of both quantity and quality, the trouble which has to be taken by the staff, the bank, nevertheless, considered it to be a duty to fortify this work, independently of any immediate material interest, and to increase its loans to agriculturists without restraint.

The new funds engaged in this branch under the various forms of loans during the past year (exclusive of those already so engaged at the beginning of the year—i.e., Drs.68,821,866.66) amounted to Drs.151,391,123.65, as compared with Drs.72,265,239 in 1921.

DEPOSITS.

The movement of deposits during the year under review presents certain aspects worthy of note. The tables published show considerable increase over the previous year's figures under all headings: sight, savings bank, permanent, and at fixed terms, as follows:—

(In millions of drachmas.)

	1921.	1922.
Deposits at sight	625	925
Savings Bank	186	197
Permanent and at fixed dates	884	951
Total	1,695	2,073

At the end of the year the increases were still more important. But a closer examination removes the first impression, and shows that the increase is apparent only, and that where it is real it is less than in the previous year.

The causes must be sought in the influence of the forced loan upon deposits, and in the scarcity of money which influenced business operations during the whole period.

For, notwithstanding the increase of circulation and the wide distribution of movable wealth of late years, fluid capital, encashed and saved by producers, did not flow in the banks, and did not appear on the surface of the economic life of the country. The rooted distrust, increased by the excessive fear inspired by the various measures taken from time to time, held this capital aloof from all business. The public were thus deprived, and at moments of economic crisis, of reserves of money which existed in the country but remained inactive in fruitless invisibility.

The permanent deposits, and those at fixed terms in bank notes, in gold and in exchange, taken together, show an increase of Drs.66,701,263.

Unfortunately, this is due only to the deposits in Bank notes, whilst, on the contrary, deposits in gold and exchange show a decrease of Drs.14,102,929.

RESTRICTIVE MEASURES AND THEIR RESULT.

This point, too, ought to attract the undivided attention both of the Government and of the National Bank. The continual increase of deposits on exchange observed during the past consti-

tuted one of the strongest elements of property in the country. It was a power in sound currency which has rendered our position enviable. The measures restricting the freedom of business which have from time to time been adopted, the arbitrary and often ephemeral prohibitions, and the uncertainty in which every holder of sound currency have remained, and which compels him either to send his capital abroad, or to keep it away from the possibility of being affected by the measures taken from time to time. All this has weakened severely this chief coefficient of the wealth of the country. Only when confidence grows deep and firm, and the conviction returns, that capital is no longer going to be affected by other measures, will this sound capital commence to return plentifully to the country.

Other countries, too, have passed through a period of uncertainty and of shock, especially during recent years. The trials which they have undergone have led them to abandon measures which, whilst they gave only spurious relief, unnerved their whole economy. Unfortunately, the experience of others aids men very little. I am sure that we also, passing through the same trials, shall very soon convince ourselves, not only of the unprofitableness of various experiments which we have made occasionally, but also of the fact that they are harmful to the business of the country.

FOOD SUPPLIES OF THE COUNTRY.

As regards the food supplies of the country, the National Bank of course continued during the past year to afford to the State the benefit of its organisation, and the support contributed by its disposable funds.

The requirements of the country in cereals during the year 1922 somewhat exceeded those of the previous year, although it had been anticipated that they would be less in view of the supplies expected from the Thracian plains.

Unfortunately, the endeavour to realise these expectations failed, owing to the supervening national misfortunes, and the country lost a most important auxiliary supply of cereals.

Orders for cereals during the year under review amounted to:—372,000 tons of wheat, 25,000 tons of flour, 18,000 tons of rye, costing Drs.870,000,000.

BANK'S PROFITS.

The profits of the National Bank for disposal during the year 1922, as appears from the analysis of its whole business, were exceptionally satisfactory. Of course, a portion of these profits arises from the profits undisposed of in previous years.

The gross profits amount to Drs.279,595,250, and after deduction of the expenses of administration, interest paid and amounts written off, there remains a net profit of Drs.187,466,654, which is higher than that of 1921 by Drs.72,000,000, and exceeds the profit realised in any previous year.

This net increase in profits enabled the administration of the bank to propose a dividend considerably higher than in any previous year, and thus to adapt the dividend to the current price of the shares. The ascending scale of dividends distributed, which from Drs.225 in 1915 reached Drs.250 in 1916, Drs.265 in 1917, Drs.300 in 1918, Drs.320 in 1919, Drs.420 in 1920, Drs.550 in 1921, and Drs.800 in 1922, is a practical proof of the increasing participation of the shareholder in the profits realised in this especially fruitful period.

The administration considered it, however, to be necessary, according to the policy instituted some years ago, to make strong additions to the reserves out of the profits which have accumulated out of the extraordinary business and exceptional circumstances of the last few years.

BANK'S SOUND POLICY.

It will be readily understood what a great advantage is derived by the shareholders from this policy, as well as by the bank itself and the whole public. The interests of all classes in the country coincide in this, that the National Bank as the central issuing bank of the country, shall possess in itself such strength that it may be in a position to withstand any unforeseen attack. And the bank can confidently look forward to being in such a position because it has taken care, without deviating from its policy in years of abundant harvest, to strengthen itself and to raise a bulwark against any unforeseen circumstances.

Following this policy, it assigned in the past year 45.4 per cent. of its net profits, or Drs.85,000,000 to increasing its reserves, which thus amounted on December 31, 1922, to Drs.220,000,000. Besides this, it was considered absolutely necessary to maintain various headings under assets in a strong position in order that they being in themselves strong may add to the bank's strength in general.

CONFIDENCE IN THE NATION.

I believe that the present year will open a new chapter in the life of Greece. After the disasters which have overwhelmed her, the clearest proof that our indomitable will is to march forward, will be devotion to work. And I believe that the Greek people, which is prudent, laborious, saving, will cast itself into the work of peace with a zeal and courage, and that it will thus lay those wider foundations which are necessary for the economic prosperity of the country in the future.

The report was unanimously adopted.

SUEZ CANAL COMPANY.

SUCCESSFUL YEAR—LARGE INCREASE IN TRAFFIC.

The sixty-ninth annual meeting of the shareholders was held in Paris on the 4th instant. The report of the Council of Administration was read to the meeting, and was substantially as follows:—

Traffic through the Canal in 1922 has regained, for the first time, its pre-war activity. Under the influence of a revival in trade which has begun to assert itself in certain countries, the maritime movement has surpassed the previous maximum. This is the more remarkable when existing circumstances are taken into consideration.

The growth of traffic caused a large increase in the company's receipts, and expenses are slightly less than in 1921. The repayment of Consolidated Coupon Bonds has relieved the company of a heavy charge, and it has, therefore, been decided to declare an appreciable increase of dividend, whilst still maintaining the prudent policy which has always guided the board.

ALLOCATIONS.

The same amounts as on the last occasion have been allocated to the sinking fund for stock, and to the fund for house building in Egypt. It has also been thought advisable to set aside from profits a sum of 25,000,000f as part of the expenses incurred in the works improvement fund. This will avoid, or at least delay for several years, the necessity of a loan, which has been already authorised, and greatly reduce the amount required. It is proposed to pay a dividend of 320f net per share, almost double that paid before the war. In making this comparison, however, it should be borne in mind that part of the dividend is due to the depreciation of the franc.

The increase in traffic has permitted, from March 1, 1923, a reduction of transit rates of 25c, which conforms with the liberal policy you have always approved of allowing those shippers who still suffer from the consequences of a severe crisis to share in the renewed prosperity of the Canal, and to share in lowering the charges which press on the shipping industry. The continued progress in traffic which has justified the reduction has since been so well maintained that the receipts to-day are much higher than on March 1st; moreover, the high rates of exchange permit

the remittance of money from Egypt or from England to France on exceptional terms, a condition, however, which it is hoped might ere long be modified.

FINANCIAL POSITION.

The total receipts for 1922 at 305,455,608f show an increase of 45,319,612f over the year 1921, of which transit dues account for 17,551,225f. Expenses in Egypt are about the same as in 1921. After making allowance for depreciation of investments, expenses, and provision for buildings, stock, and works, the excess of receipts over expenses amounts to 193,797,839f, to which has to be added 949,707f brought forward, making a sum of 194,747,547f. This leaves an amount for distribution amongst the shareholders of 192,641,126f, and provides for the payment of a dividend of 341f 93.8c per share, to which must be added 25f for interest, representing a gross return of 366f 93.8c, or a net amount of 320f, which exceeds that of 1921 by 75f per share.

It is interesting to note that, in spite of the increased dividend, the revenue paid to the British Government was much less than in 1913, and if the exchange on the day of maturity, in July next, does not vary from that of to-day the decrease will be 22 per cent.

CANAL TRAFFIC.

Four thousand three hundred and forty-five ships traversed the Canal in 1922, representing a net tonnage of 20,743,245, an increase of 468,125 tons over the highest previously reached—that in 1912. Commercial shipping reached 18,787,824 tons net, an increase of 3,016,204 tons on 1912. Under this heading are included 111 boats, the relative increase of which is 20.5 per cent. over 1921. Compared with 1921 the increase in ships is 370, or 2,624,246 tons. There was an ever-increasing number of vessels burning Mazout, representing 19 per cent. of the total movement of the year. The average time of transit was 15 hours 36 minutes, nearly the same as 1921, the most favourable up to the present. German shipping was more in evidence, having increased from the 1921 figures of 170,520 tons to 735,129 tons, a number much less than when Germany occupied second rank among the Canal's customers in 1913, with 3,352,287 tons.

The shipping at Port Said, ships which did not go through the Canal, reached 1,416,000 tons, against 1,290,000 tons in 1921.

Exports from Europe of manufactured articles and oil have been very active. Coal amounted to 1,663,000 tons, a figure it has never reached before.

The increase of return traffic is the more interesting in so far as it concerns raw materials necessary to Western industries. There is an increase both in oleaginous products and in mineral oils; these, coming principally from Persia and the Netherland Indies, have reached for the first time 2,000,000 tons, and represent 15 per cent. of the total merchandise from South to North, instead of 2 per cent. before the war.

Movement of minerals has been very large; manganese, in particular, realised the record figure of 941,000 tons. Cereals alone show a falling off, due to the small amount from Australia, which in 1921 sent an exceptionally large amount.

The current year shows a marked increase on the excellent results of 1922; for the first quarter the increase in tonnage amounts to 800,000 tons.

CHANGES ON THE BOARD.

Notable among changes made on the board are the retirement of M. Cremer, representing the Netherlands; the appointment of M. Barrere, in place of Baron de Courpel; Sir John Davis, in place of Lord Downham; and Sir Robert Horne, to succeed Lord Kysant, who has retired owing to the pressure of other activities.

THE ANGLO-SOUTH AMERICAN BANK, LIMITED.

Capital and Reserves
exceed £13,000,000

Head Office:

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



AFFILIATED INSTITUTIONS:

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

INVESTMENT TRUST CORPORATION, LIMITED. LARGE APPRECIATION OF SECURITIES. SUCCESSFUL RESULTS OF THE YEAR.

The thirty-fifth annual meeting of the shareholders of the Investment Trust Corporation, Limited, was held on the 6th instant, at the offices of the corporation, Gresham House, 24 Old Broad street, London.

Mr Robert Fleming (the chairman) presided.

The secretary (Mr Hildred Carlisle) having read the notice convening the meeting and the report of the auditors,

The Chairman said: Gentlemen,—When we met last year I gave you a table showing the course of the Stock Exchange values of our securities during the preceding ten years. That showed that from 1915 to 1921, on May 1st in each year, there was a depreciation below book cost in market value reaching its greatest figure on May 1, 1921, when it was £571,531. But about that time the turn came, and, instead of a depreciation, we began the year which we are now reporting on with a rise of £27,517 over cost—i.e., over capital, reserve, and carry forward.

So the year began, and we end it on May 1st last, with an excess of £266,000.

INVESTMENT PRICES AND PROSPECTS.

If, reversing the order of Pharaoh's dream, seven fat years were to follow the seven lean ones, we might be only at the beginning of an improvement which will last for long, and optimists are not lacking who do not think this impossible, but as to the future course of prices I will not venture to make any prediction.

Though trade is certainly not so very depressed as it was a year ago, there is no very great improvement, and there has been no let up in the demand for investments and hardly a stop in the movement in an upward direction.

Notwithstanding the idea that used to prevail that, with the enormous destruction of capital, money was bound to be more and more in demand, and rates for its use, owing also to greatly increased taxes, likely to reach a higher level, the movement to higher security prices has now continued, almost without a break, for quite 18 months, and it certainly would not be surprising if, from one cause or another—better trade, or some adjustment of European financial affairs—the current should begin to run in an opposite direction. A prospect that did not contain these elements would not be a pleasant one.

INVESTMENT POLICY.

But even if we felt a change impending, it would hardly be the rôle of the management of an investment trust to indulge in heavy realising in consequence. We are not a finance company, and, altogether, the thoughts of the directors of an investment trust must turn more in the direction of intrinsic merits and comparative cheapness than on the fluctuations of the money market. We must try to keep your money always invested without, however, losing opportunities for exchange, one security for another, when suitable opportunities arise. I must exclude from this generalisation our large holding—£847,500—of British Government bonds. By selling these and reinvesting in other things not quite so good, but nevertheless good, we should be able gradually to add considerably to our total revenue. On the other hand, I ought also to mention that we have a few cases of bonds bearing 7 per cent. to 8 per cent., repayable before long at the option of the borrower who may then require us to accept repayment or a reduced rate of interest. A recent instance is that of Nobel Industries, Limited, whose 8 per cent. notes were issued in October, 1920, at 96½ per cent., and in terms of that issue paid off at 101 in February this year, being replaced by an issue of 5½ per cent. debentures at 99, now selling at 104½.

It is quite possible that we may be near the top of this price movement, and that when we meet a year hence we may not have so large an excess of market value to report, but, as I have said more than once, that is a matter of minor importance if we can continue to show no falling off in the annual income which is left for division among you.

RECEIPTS—DIVIDEND.

Our holdings in the United States are now 21 per cent. of the whole, against 70 per cent. in 1914. The average rate of exchange on income received from the United States during the year was \$4.54 per £, against \$4.12 per £ for the previous year.

Last year I said that I thought our revenue might somewhat fall off through a less favourable New York exchange, and there may be a further loss of revenue from the same cause this year.

I also said that the bad times might cause some reductions in revenue receipts, and such has been the case. But, on the other hand, in other directions some improvements in revenue have taken place, and our total net, as you see, exceeds that of last year by £4,133. It is £119,390, being 10½ per cent. on the £800,000 deferred capital stock, out of which we propose, with your approval, to

increase the dividend by 1 per cent., and make it 16 per cent. for the year, which, I hope, you will deem satisfactory.

THE RESOLUTION.

With these remarks I beg to move: "That the report and accounts, as presented, be and they are hereby received, approved, and adopted, and that a dividend of £9 10s per cent., less income-tax, on the deferred stock, making with the interim dividend £16 per cent. for the year ended May 1, 1923, be and the same is hereby declared."

Mr H. A. Vernet seconded the motion, which was unanimously adopted.

On the proposition of the Chairman, seconded by Sir W. Guy Granet, the retiring director (Mr H. A. Vernet) was unanimously re-elected.

The auditors (Mr. C. O. Webb and Mr Lionel Baddeley) were reappointed, on the motion of Mr W. E. Ledger, seconded by Mr Blair.

A hearty vote of thanks was accorded to the chairman, directors, and staff for their services during the past year, on the proposition of Colonel William Parker; and the proceedings terminated.

ASSOCIATED NEWSPAPERS, LIMITED. CHAIRMAN'S REVIEW.

The eighteenth annual meeting of the Associated Newspapers, Limited (proprietors of the *Daily Mail*, the *London Evening News*, and the *Weekly Dispatch*), was held at noon, on the 8th instant, in the Memorial Hall, Farringdon street, London. Mr Thomas Marlowe, the chairman, presided.

In moving the adoption of the annual report and accounts, the Chairman said:

I am sure that the first thought in our minds this morning must be a recollection of the great personal loss which this company has suffered by the death of Lord Northcliffe, which took place, as you remember, not long after our last annual meeting. He was the founder of the *Daily Mail*, and for more than 25 years he was the chief among those whose unceasing labours brought this company to its predominant position in the newspaper world. He was one of the greatest men of our time; he was a journalist of extraordinary powers, endowed with such energy as can only be realised by those who worked with him.

His first concern always was the interest of the country. It was this which inspired his great interest in aviation from the first moment that men began to fly, because he saw the vital importance of this new arm to Britain in war. The *Daily Mail* gave prize after prize to encourage flying and the construction of aeroplanes and to stimulate the public interest. It was to win a *Daily Mail* prize that the first flight was made from London to Manchester. The English Channel was first flown to win a *Daily Mail* prize, and the superb achievement of flying across the Atlantic was also performed for a *Daily Mail* prize of £10,000. All these events were due to the direct inspiration of Lord Northcliffe.

The same patriotic spirit inspired his efforts—which are now a matter of history—to give the British Army in France an adequate supply of shells in the early days of the war. He took up that cause in the face of the determined opposition of those who were responsible for the shortage, and at a time when nothing was so unpopular as the truth. With his personal assistance the *Daily Mail* carried on this crusade persistently until the supply was assured; and his efforts to secure victory were renewed again and again throughout the long years of the war.

Great energy, remarkable foresight, and impregnable independence were the qualities which distinguished him as a journalist, and he exercised these qualities with so much persistence that he established by the power of his great personality a tradition which cannot be forgotten by those who worked in close association with him.

He built on solid foundations, and the substantial character of his construction is proved by the position of prosperity in which the Associated Newspapers and allied businesses now stand.

NET SALES AND REVENUE.

The managers, editors, and staff remain the same, and, as you see from the balance-sheet, the progress of the company has been greater than ever. The sales of our newspapers maintain their splendid figures. The *Daily Mail* has a larger net sale than any other daily newspaper in the world. The *Evening News* has a larger net sale than any other evening paper. The *Weekly Dispatch* sales have continued to grow, and they also are better than last year. The *Overseas Daily Mail* increases its popularity throughout the British Empire, and is highly appreciated by British advertisers who wish to cultivate the growing markets of the Dominions.

We have this year launched the *Daily Mail* on the Atlantic. The large Cunard liners sailing between England and the United States

print the *Daily Mail* in the morning with news sent by wireless from London and New York overnight.

Our revenue during the past financial year has been the largest in the history of the company, the income from advertisements alone being over £3,000,000. By careful management the rate of profit has been increased, and we are able to show a total profit for the year of £680,620 10s 6d. You have all received copies of the accounts, and I need not elaborate the details. One important item which must give satisfaction is the cash position, which shows that at the close of the financial year the company held on short loan, deposit, current accounts, and in hand the sum of £447,895 15s 3d.

In November the shareholders decided to issue a bonus of 250,000 deferred shares out of the undivided profits; and in view of the exceptional prosperity of the past year a further bonus issue of 250,000 deferred shares was made in April after the close of the financial year under review.

We have for the last nine months of the financial year been paying quarterly dividends at the rate of 40 per cent. per annum, and for the last quarter a dividend at this rate has been paid since the accounts were closed.

PAPER MILLS AND WOOD PULP.

One of the problems which newspaper proprietors have to face is the provision of raw material for this great industry. Our raw material is paper, and the raw material of the paper-maker is wood pulp.

In order that we might be independent of sudden fluctuations in the price of paper, or an eventual shortage of this vital raw material, the Anglo-Newfoundland Development Company was founded in 1905, and large paper mills were built at Grand Falls to furnish this company and its allies with paper. For these mills about 3,000 square miles of forest and water powers were acquired, and the mills supply us with what is admitted to be the best newsprint paper in the world. The vital importance of having our own mills and forests to fall back upon was exemplified during the Great War, because this resource was the main factor that carried the company and its allies successfully through that period of paper shortage.

Our consumption of paper has greatly increased in recent years, and we have in consequence decided to develop largely the Newfoundland property. The control rests with the Associated Newspapers, Limited.

During the last few months the neighbouring mill of Bishop's Falls, which has a yearly output of 25,000 dry tons of mechanical pulp, has been acquired, along with its timber areas. The mill is on the same river of Exploits as the Anglo-Newfoundland mill, and the properties are contiguous. A very large paper-making machine is to be erected at Bishop's Falls, and should be running by the autumn of 1924, producing 25,000 tons of paper a year. This, added to the production at Grand Falls, will give us and our allied companies 75,000 tons of paper from Newfoundland.

The Newfoundland Company has also acquired a two-thirds interest in the large new sulphite mill at Alexander Bay, Newfoundland, 90 miles from Grand Falls. Purchase has been made on favourable terms. The timber areas are large and conveniently situated, and we expect to produce 25,000 dry tons of sulphite pulp per annum. Both these mills have valuable water powers, and their pulp-wood reserves have been very favourably reported on by our experts at Grand Falls.

4,000,000 ACRES OF TIMBER LANDS.

The Newfoundland Company has also acquired timber areas for itself during the last year, which, added to those of Bishop's Falls and Alexander Bay, amount altogether to about 3,300 square miles, bringing the total area of timber limits under our control just over 4,000,000 (four million) acres.

In short, the directors of the Anglo-Newfoundland Company and ourselves hope to make these three mills in Newfoundland the premier paper manufacturing plant in the world.

The Newfoundland Company owns two steamers for bringing its product to England, and has this year ordered a new ship of 8,800 tons deadweight to be built by Messrs Vickers, Limited, at Barrow. It has been specially designed for the Newfoundland trade, and is strengthened for passing through the ice which is encountered in the winter and spring. The advantage of constructing a steamer specially for our own trade is that we secure very much more economical working.

The Newfoundland Company has arranged to pay off next January the remaining 8 per cent. second debentures amounting to £500,000, which are in part guaranteed by the Associated Newspapers, Limited. That will also mean a saving to our company in the cost of paper. The directors confidently expect that within a short time their investment in the Anglo-Newfoundland Company will be producing handsome and increasing returns.

In conclusion, I would say that the prospects of the company to-day are thoroughly sound. Advertisers declare that our news-

papers bring them incomparable results, and manufacturers are finding more and more that newspaper advertising is the main-spring of business.

We have made good contracts for paper, and we trust that next year we shall have an equally good account to give you of the company's operations.

Sir Andrew Caird, managing director, seconded, and the report was unanimously adopted.

The auditors, Messrs Lever, Honeyman and Co. were re-elected.

LEOPOLDINA RAILWAY COMPANY, LIMITED.

INCREASED CURRENCY RECEIPTS.

The ordinary general meeting of the Leopoldina Railway Company, Limited, was held, on the 5th instant, at River Plate House, Finsbury circus, London, Mr Oliver R. H. Bury (the chairman) presiding.

The secretary (Mr J. H. Drury) read the notice convening the meeting and the report of the auditors.

The Chairman said that the gross currency receipts of the railway were 53,614 contos, an increase of 3,459 contos, while the expenditure was 670 contos less, the net receipts showing an increase of 4,219 contos, or nearly 38 per cent. Unfortunately, converting into sterling had resulted in a decrease in gross receipts of £154,294. On the other hand, the decrease in expenditure was £207,741, leaving the net receipts £428,329, or an increase of £53,447—equivalent to 14.26 per cent. The balance available was £243,419, from which the Board proposed to pay the dividend for the year on the 5½ per cent. preference shares. They much regretted they were unable to recommend a dividend on the ordinary stock, and proposed to carry forward the balance of £86,926. In recent years receipts in currency had risen very largely, showing thereby the steady development of the districts served by the railway. That was, perhaps, the most satisfactory feature in the report, which otherwise must be very disappointing to the shareholders. A unanimous decision had been given in the company's favour by the Judges of the Supreme Court in Rio in connection with the Customs claim, but unfortunately when the company paid the 978 contos in question the sterling equivalent was £53,000, while now it would represent only £22,000. As to the raising of tariffs, the late Government had agreed to an increase which included most of the articles carried by the railway, with the important exception of coffee, which the board thought could and should bear its proper proportion of the increased rates. Although they were again unable to pay a dividend on the ordinary stock, substantial progress had been made since last year, and while he would not attempt to prophesy about the future of exchange, the balance of trade was in favour of Brazil, and those who knew the conditions in that country were all expecting a turn for the better.

The report and accounts were unanimously adopted.

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

GOVERNMENT RETURNS, &c.

PUBLIC INCOME AND EXPENDITURE

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

		Total Receipts into the Exchequer from		Receipts	
		Apl. 1, 1923, to June 2, 1923.	Apl. 1, 1922, to June 3, 1922.	Week Ended June 2, 1923.	Week Ended June 3, 1922.
Balances in Exchequer on 1st April:—	£	£	£	£	£
Bank of England....	..	5,442,665	9,963,424	..	..
Bank of Ireland....	..	1,375,502	1,210,106	..	..
	..	6,818,167	11,173,530	..	..
REVENUE.					
Customs.....	..	22,072,000	20,538,000	1,862,000	2,187,000
Excise.....	..	24,963,000	24,360,000	925,000	905,000
Motor Vehicle Duties..	..	1,679,000	1,354,000	..	..
Stamps, &c., Duties.....	..	9,270,000	10,671,000	940,000	580,000
Stamps.....	..	3,000,000	2,092,000	250,000	130,000
Land Tax, House Duty	..	370,000	430,000	..	20,000
& Mineral Rights Duty	..	35,751,000	46,843,000	1,077,000	3,020,000
Property & Income Tax	..	11,140,000	954,000	..	..
Super-Tax.....	..	4,030,000	2,907,000	340,000	226,000
Gross Profits Duties, &c.	..	8,250,000	8,750,000	800,000	1,250,000
Corporation Profits Tax	..	190,000	160,000	..	..
Post Office.....	..	2,491,923	472,106	101,428	128,582
Crown Lands.....	..	..	..	..	..
Interest on Sundry Loans.....	..	2,934,866	7,932,971	245,548	101,092
Miscellaneous.....	..	10,104,067	10,276,475	492,698	1,389,135
Ordinary Receipts..	..	136,245,856	137,740,552	7,683,674	9,876,809
Special Receipts....	..	143,064,023	148,914,082	..	..
Revenue.....	..	..	..	..	..
Total, Inc. Balance ..	..	..	..	..	..

	Total Receipts into the Exchequer from		Receipts.	
	Apl. 1, 1923, to June 2, 1923.	Apl. 1, 1922, to June 3, 1922.	Week Ended June 2, 1923.	Week Ended June 3, 1922.
OTHER RECEIPTS.				
Temporary Advances Repaid:—				
Bullion	550,000	..	..	..
Under the Unemployment Insurance Act, 1921	1,180,000	..	120,000	..
Money Raised by Creation of Debt:—				
(a) For Capital Expenditure Issues: Under the Telegraph (Money) Acts, 1921 and 1922	..	..	..	..
(b) Under the Unemployment Insurance Act, 1921	..	1,450,000	..	240,000
(c) For other Issues: By Treasury Bills for Supply ..	417,833,000	536,180,000	48,481,000	57,831,000
By National Savings Certificates ..	8,500,000	25,380,000	900,000	450,000
By Treasury Bonds—				
5-15 year, 1925-35	..	61,543,539	..	..
5%, 1927	..	2,269,700	..	2,269,700
4%, 1931-35	27,137,596	..	3,336,610	..
(d) Ways and Means Advances	86,000,000	148,320,000	20,100,000	17,750,000
Anglo-Persian Oil Company—				
Dividends on Shares acquired ..	..	243,012	..	..
Repayments—				
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921 ..	42,224	13,768	6,165	5,867
Do Issues under Section 59 (4) of the Finance Act, 1920 ..	..	265,460	..	..
Interest received under Section 59 (5) of the Finance Act, 1920 ..	..	87,358	..	..
Total	684,356,843	925,216,919	80,627,449	88,423,376

	Total Issues out of the Exchequer to meet Payments from		Issues.	
	Apl. 1, 1923, to June 2, 1923.	Apl. 1, 1922, to June 3, 1922.	Week Ended June 2, 1923.	Week Ended June 3, 1922.
EXPENDITURE.				
Permanent Charge of Debt	3,332,767	3,434,757	..	..
Interest, &c., on War Debt	90,692,821	93,105,426	40,157,925	43,165,684
Road Fund	1,078,044	..	..	..
Payments to Local Taxation Authorities, &c. ..	..	300,000	..	100,000
Payments to Northern Ireland Exchequer ..	627,563	410,000	75,000	..
Local Settlement	65,598	266,914	804	20,132
Other Consolidated Fund Services	275,458	300,876	21,139	21,400
Supply Services	55,408,000	58,473,000	4,642,000	8,652,500
Expenditure	161,480,249	156,523,973	44,896,868	51,969,718
OTHER ISSUES.				
Temporary Advances—				
Interest Exchequer Bonds under the Capital Expenditure (Money) Act, 1924	36,891	84,909	..	..
Under the Unemployment Insurance Act, 1921	30,000	1,450,000	..	..
Issues to meet Capital Expenditure under the Telegraph (Money) Acts, 1921 and 1922 ..	600,000	200,000	..	..
Under the Housing Act, 1914	..	13,000	..	..
Unemployment Insurance Act, 1921 ..	1,060,000	..	310,000	..
Payment of amounts borrowed ..	..	..	..	..
Subscription of Debt—				
Treasury Bills for Supply	425,990,000	622,320,000	32,340,000	33,175,000
Principal of National Savings Certificates—				
(a) Repaid by Issues under Section 59 (6) of the Finance Act, 1920 ..	800,000	5,100,000	..	500,000
(b) Repaid otherwise ..	6,150,000	..	750,000	250,000
Principal of Exchequer Bonds paid off ..	..	19,486,606	..	..
Principal of National War Bonds paid off ..	16,804,989	..	..	..
Other Debt under the War Loan Act, 1914 to 1919 ..	15	7,251,988	..	..
Ways and Means Advances Repaid ..	77,967,000	109,235,000	2,450,000	3,345,000
Anglo-Persian Oil Company—Issued to the National Debt Commissioners ..	..	243,012	..	..
Old Mining Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911 ..	..	55,656	..	..
Balances in Exchequer—	680,719,144	921,964,143	88,746,868	89,223,716
Bank of England	2,117,937	2,030,810	..	60,683
Bank of Ireland	1,519,762	1,221,966	..	867,023
Total	3,637,699	3,252,778	119,419	806,340

CURRENCY NOTES ACCOUNT.—(000's omitted.)									
Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Redemption Account.		Silver Coin.	Gold and Bullion.	Bank of England Notes.	Ratio to Notes.	Balance at Bank of England.
			£	£					
Mar. 29	300,351	14,255	5,000	28,500	19,450	159	261,479	177	..
June 28	285,374	13,338	5,000	28,500	19,650	183	254,313	860	..
Sept. 27	289,127	12,648	7,000	27,000	21,150	166	246,456	189	..
Dec. 27	301,337	12,872	7,000	27,000	21,150	159	258,922	137	..
Mar. 28	285,616	12,318	7,000	27,000	22,450	173	241,294	190	..
June 28	287,919	12,164	7,000	27,000	22,450	172	243,449	184	..
May 30	287,481	12,173	7,000	27,000	22,450	172	243,089	119	..
June 6	287,849	12,281	7,000	27,000	22,450	172	243,594	96	..

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £380,600,000, for 1921 at £327,986,200, for 1922 at £309,968,400, and for 1923 at £270,183,800.

NATIONAL DEBT.—(Million £.)												
	Apr. 1, 1924.	Mar. 31, 1924.	Dec. 31, 1923.	Mar. 31, 1923.	Mar. 31, 1922.	Dec. 31, 1921.	Mar. 31, 1921.	Dec. 31, 1920.	Mar. 31, 1920.	Mar. 31, 1919.	Mar. 31, 1918.	Apr. 1, 1914.
Funded Debt	588	318	315	315	315	315	314	314	314	314	314	314
Term Annuities	30	22	20	19	18	16	15	15	15	15	15	15
4½% War Stock	63	63	63	63	63	63	63	63	63	63	63	63
4½% War Stock	16	13	13	13	13	13	13	13	13	13	13	13
National War Bonds	2,091	2,047	2,040	1,995	1,953	2,071	2,071	2,071	2,071	2,071	2,071	2,071
4% Funding Loan	649	1,509	1,413	1,201	971	971	971	971	971	971	971	971
4% Victory Bonds	..	..	..	..	..	..	..	..	..	..	..	..
3½% Conversion Loan	..	..	..	..	..	..	..	..	..	..	..	..
5½% Treasury Bonds	..	..	..	..	..	..	..	..	..	..	..	..
Do by tender 5%	..	..	..	..	..	..	..	..	..	..	..	..
Do by tender 4½%	..	..	..	..	..	..	..	..	..	..	..	..
Do 4%, 1931-35	..	..	..	..	..	..	..	..	..	..	..	..
Treasury Bills	15	951	1,107	1,107	1,121	878	719	616	608	608	608	608
Exchequer Bonds	20	392	323	319	289	185	150	150	150	150	150	150
Natnl. Savings Certs. ..	..	138	267	274	285	342	350	354	355	355	355	355
War Expend. Certs. ..	..	23	..	..	..	..	..	..	..	..	..	..
Other Debt	..	944	1,306	1,132	1,087	1,071	1,070	1,070	1,070	1,070	1,070	1,070
American Loan	..	51	51	51	..	..	..	..	..	..	..	..
Temporary Advances ..	1	204	243	205	154	147	222	194	202	202	202	202
Other Capital Liabilities ..	57	5,872	8,033	7,829	7,574	7,655	7,768	7,662	7,674	7,674	7,674	7,674
Total Liabilities	711	5,921	8,079	7,876	7,623	7,721	7,835	7,730	7,742	7,742	7,742	7,742

POSITION OF THE FLOATING DEBT.				
Temporary Advances Out- standing—	June 3, '23.	Mar. 31, '23.	June 2, '23.	June 2, '23.
Advances by Bank of England	14,500,000	..	13,000,000	..
Advances by Public Deptms.	171,886,500	193,897,500	188,330,500	4,650,000
Treasury Bills outstanding ..	795,969,000	615,045,000	607,890,000	16,165,000
Total Floating Debt	982,355,500	809,942,500	809,820,500	33,815,000

TREASURY BILLS AND BONDS BY PUBLIC TENDER.				
Tenders for £40,000,000 in Treasury Bonds and Treasury Bills dated from June 11-June 16 were opened on June 8, 1923, and the total amount applied for was £58,115,000. Tenders for Monday to Friday bills at £99 9s 10d, about 83 per cent., and above in full, and for Saturday bills at £99 10s 0d, and above in full. The amounts allotted were as follows:—In bills at 3 months, £38,500,000; in bonds, £1,500,000.				
Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.	4% Treasury Bonds. Average Price.
April 27	40,000,000	61,230,000	1 18 7-85	95 5 0
May 4	35,000,000	60,965,000	1 18 8-29	95 6 0-8
May 11	30,000,000	62,300,000	2 0 4-02	95 6 10-5
May 18	30,000,000	52,979,300	1 17 1-47	nil
May 25	40,000,000	64,851,000	1 19 3-87	95 6 7-6
June 1	40,000,000	55,410,000	1 17 5-68	nil
June 8	40,000,000	58,115,000	1 19 9-92	95 6 7-6

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.			4% Treasury Bonds. Average Price.		
1923.	£	£	s	d		s	d	
April 27.....	40,000,000	61,230,000	1	18	7.85	95	5	0
May 4.....	35,000,000	60,965,000	1	18	8.29	95	6	0.8
May 11.....	30,000,000	62,300,000	2	0	4.02	95	6	10.5
May 18.....	30,000,000	52,979,300	1	17	1.47			nil
May 25.....	40,000,000	64,851,000	1	19	3.87	95	6	7.6
June 1.....	40,000,000	55,410,000	1	17	5.68			nil
June 8.....	40,000,000	58,115,000	1	19	9.92	95	6	7.6

Tenders will be received on June 16, 1923, for Treasury Bonds and Bills to be issued to the maximum amount of £35,000,000. The amount of Treasury Bonds issued will not exceed £4,000,000.

BANKING DEPARTMENT.				
Proprietors' capital ..	£ 14,553,000	Government securities ..	£ 50,633,518	
Reserve	3,219,812	Other securities	67,994,005	
Public deposits	11,548,747	Notes	21,062,610	
Other deposits	112,175,307	Gold and silver coin ..	1,823,132	
Seven-day & other bills ..	16,399			
	141,513,265		141,513,265	
* Including Exchequer, Savings Banks, Commissioners of National Debt and Dividend Accounts.				
	Amount, June 6, 1923.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.	
Rest	£ 3,219,812	+	24,786	28,829
Public deposits	11,548,747	+	9,204,862	3,994,467
Other deposits	112,175,307	+	13,746,181	13,763,966
Government securities ..	50,633,518	+	10,503,966	67,994,005
Other securities	67,994,005	+	5,286,717	124,391,435
Reserve	3,219,812	+	161,907	1,478,025
Gold and silver coin	1,823,132	+	159,060	1,388,952
% of reserve to liabilities ..	18 1/2	+	1 1/2	1 1/2

SCOTTISH UNION & NATIONAL INSURANCE COMPANY.
ESTABLISHED 1824. £12,000,000
ASSETS EXCEED FIRE. LIFE. ACCIDENT. MARINE.
Edinburgh: 35, St. Andrew Square.
London: 5, Walbrook, E.C.4 and 4, St. James' Street, S.W.1.

The
Clerical, Medical & General
LIFE ASSURANCE SOCIETY.
Publishes A DETAILED LIST OF INVESTMENTS.
Apply, Chief Office: 15, St. James's Square, S.W. 1.
or
City Office: 8, King William Street, E.C. 4.

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve and % of Reserve to Liabilities.	Bank Rate.
1923.						
May 2	127,520,900	124,191,570	120,870,439	115,489,728	23,079,330	19 1/2
9	127,521,944	123,776,130	116,606,698	110,835,051	23,498,814	20 1/2
16	127,525,004	123,476,495	122,383,567	116,357,526	23,738,509	19 1/2
23	127,526,547	123,280,350	118,382,828	112,180,494	23,936,197	20 1/2
30	127,524,330	124,550,495	119,182,735	114,223,307	22,723,835	19 1/2
June 6	127,527,177	124,391,435	123,724,054	118,627,523	22,885,742	18 1/2

BANKERS' CLEARING RETURNS (000's omitted).

Week Ending—	Town.	Metropolitan.	Country.	Total.
1923.	£	£	£	£
January 1 to May 2	11,661,623	535,283	969,279	13,166,185
May 9	646,855	33,273	66,361	746,489
16	591,416	30,475	57,462	679,353
23	500,484	25,745	45,380	577,909
June 6	514,856	27,637	48,725	611,218
13	703,838	32,254	61,119	797,211
Total to date 1923	14,651,772	684,285	1,248,226	16,584,283
Do 1922	15,243,406	699,555	1,248,666	17,191,627
Increase or decrease in 1923	= 571,634	= 15,270	+ 4,740	= 581,644
	= 3 7 %	= 2 2 %	+ 0 4 %	= 3 3 9 %
Total for year 1922	32,780,635	1,574,661	2,806,165	37,161,461
Total for year 1921	30,268,214	1,660,166	3,002,179	34,930,559
Increase or decrease in 1922	+ 2,512,421	= 85,505	= 196,014	+ 2,793,940
	= 8 2 %	= 5 1 %	= 6 5 %	= 8 3 %

AUSTRIAN NATIONAL BANK.—In krone (000's omitted).

Assets.	May 23, 1923.	May 15, 1923.	May 7, 1923.	April 30, 1923.
Gold	73,390,999	73,390,999	73,390,999	73,390,999
Foreign bills	1,536,198,565	1,440,542,743	1,420,389,312	1,439,999,781
Bills discounted	834,462,741	794,138,320	783,172,073	740,866,829
Treasury bills	2,550,158,947	2,550,158,947	2,550,158,947	2,550,158,947
Other assets	1,197,544,589	1,257,988,235	1,155,087,321	1,139,672,420
Liabilities.				
Notes in circulation	4,583,291,044	4,583,291,044	4,501,333,170	4,577,382,333
Deposits	409,944,834	293,838,832	325,147,349	325,273,385
Other liabilities	901,321,201	961,280,640	858,486,279	842,995,850

BANK OF NORWAY.—In kroner (000's omitted).

Assets.	May 31, 1923.	May 22, 1923.	May 15, 1923.	May 31, 1922.	Position May 31, 1914.
Coin and bullion—Gold	147,289	147,289	147,289	147,289	44,224
Balance abroad and foreign bills	13,400	16,239	18,270	42,492	28,533
Norwegian & Foreign Government securities	9,404	9,404	9,404	9,835	8,816
Discounts and loans	517,955	505,508	499,581	446,396	76,911
Liabilities.					
Notes in circulation	401,902	403,033	399,010	375,152	113,484
Deposits at notice	159,381	162,069	161,814	151,652	7,188

Through Royal resolution of February 3, 1922, it has been resolved that the extraordinary right of issuing bank notes has been reduced from 50 millions to 25 millions from February 4, 1922 (this day included).

IMPERIAL BANK OF INDIA.—In rupees (000's omitted).

Assets.	May 11, 1923.	May 4, 1923.	April 27, 1923.	April 20, 1923.	April 13, 1923.	May 12, 1922.
Govt. securities	8,33,63	8,42,79	8,35,06	8,19,18	8,42,69	8,39,61
Other securities	1,33,89	1,23,89	1,23,89	1,23,89	1,23,89	1,23,23
Loans	20,18,97	20,85,69	18,80,32	19,0,82	19,35,56	16,81,70
Cash credits	29,80,99	30,76,88	29,40,69	29,59,30	29,97,72	27,98,00
Island bills	7,74,24	7,74,24	8,18,94	8,34,27	7,88,94	6,25,92
Foreign bills	22,75	25,72	17,70	12,77	14,52	4,38
Dead stock	2,48,31	2,48,31	2,48,31	2,48,31	2,48,31	2,46,15
Sundries	55,58	54,50	47,22	42,26	41,63	50,44
Balance with other banks	71,06	30,67	14,05	16,10	13,33	10,55
Cash	14,17,69	13,86,52	16,52,64	14,70,27	12,27,21	14,86,45
Liabilities.						
Subscribed capital	11,25,00	11,25,00	11,25,00	11,25,00	11,25,00	11,24,20
Capital paid up	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50	5,62,30
Reserve	4,28,50	4,28,50	4,28,50	4,28,50	4,28,50	4,01,92
Public deposits	11,14,66	12,44,01	14,82,62	14,54,19	15,03,14	13,33,49
Other deposits	60,88,06	60,66,72	57,63,22	56,31,87	55,47,14	54,19,35
Loans and securities	3,75	3,75	11,25	62,25	78,75	31,74
Loans from Govt.	2,00,00	2,00,00	2,00,00	2,00,00		
Sundries	1,54,91	1,50,40	1,36,38	1,26,95	1,17,50	1,22,63
The above includes—						
Deposits in London	659	654	502	385	319	74
Advances in London	235	504	550	682	809	279
Cash, &c., at other banks in London	466	197	85	102	84	65

NATIONAL BANK OF EGYPT.—In £m (000's omitted).

Assets.	April 30, 1923.	Mar. 31, 1923.	Feb. 28, 1923.	April 30, 1922.	Position May 31, 1914.
Gold	3,240	3,263	3,261	3,358	1,671
Foreign bills	39,459	39,682	39,623	39,150	3,084
Liabilities.					
Notes in circulation	28,548	29,628	30,085	33,692	2,400
Government deposits	9,841	9,958	9,690	3,668	2,315
Other deposits	11,378	11,444	11,892	12,240	2,660

By authority of the Egyptian Government British Treasury Bills were deposited in lieu of gold.

BANK OF FINLAND.—In F. marks (000's omitted).

Assets.	May 23, 1923.	May 15, 1923.	May 8, 1923.	May 23, 1922.	Position May 31, 1914.
Gold	42,704	42,704	42,704	42,625	35,091
Balance abroad and foreign bills	802,637	782,311	803,517	190,067	90,379
Finland and Foreign Government securities	573,188	573,188	573,188	768,528	1,286
Discounts and loans	718,238	705,066	690,464	742,307	106,151
Liabilities.					
Notes in circulation	1,415,335	1,438,702	1,469,071	1,369,819	123,941
Deposits at notice	461,294	436,093	408,681	136,859	21,225

POLISH NATIONAL BANK.—In Polish marks (000's omitted).

Assets.	May 30, 1923.	May 10, 1923.	April 30, 1923.	May 30, 1922.
Gold	41,916	41,889	41,875	41,763
Foreign bills	44,331	44,207	44,201	44,191
Foreign coins	(a) 3,474	(a) 6,205	(a) 6,304	(a) 9,203
Foreign banks	(a) 27,890	(a) 26,136	(a) 31,064	(a) 36,197
Advances to the Govt.	221,650,000	214,900,000	216,500,000	1,869,000,000
Private loans and discounts	599,913,806	513,116,061	461,540,793	412,723,994
Liabilities.				
Notes in circulation	245,923,356	241,655,224	233,326,794	2,023,328,689
Deposits	430,578,644	417,974,752	463,154,073	459,179,442

(a) Gold marks.

BANK OF ESTHONIA.—In E. marks (000's omitted).

Assets.	April 30, 1923.	Mar. 31, 1923.	Feb. 28, 1923.	Dec. 31, 1922.
Gold and foreign coin	71,721	108,129	131,140	96,860
Total cash	726,779	703,745	788,540	752,672
Discounts and loans	3,491,489	3,067,172	3,582,881	3,052,873
Foreign banks	896,211	1,140,335	1,144,087	1,002,076
Other assets in foreign currency	265,326	239,964	246,910	217,979
Liabilities.				
Capital paid up	250,000	250,000	250,000	250,000
Reserves	37,771	37,770	37,770	37,770
Notes in circulation	2,350,000	1,900,000	1,800,000	1,500,000
Deposits	2,548,675	3,002,997	2,950,023	2,685,353
Sundries	295,608	595,839	641,968	445,684

BANK OF CZECHO-SLOVAKIA.—In Cz. K. (000's omitted).

Assets.	May 23, 1923.	May 15, 1923.	May 7, 1923.	April 30, 1923.	April 23, 1923.	May 23, 1922.
*Liabilities of the Austro-Hungarian Bank to the Banking Office	10,096,846	10,096,842	10,096,842	10,096,842	10,096,837	10,096,710
Discounts & advances	1,982,729	1,999,868	2,097,641	2,133,734	2,029,048	2,246,613
Gold & silver hold'gs	904,858	904,260	903,274	843,934	843,238	..
Foreign bills and balances abroad	1,465,651	1,329,530	1,228,810	1,172,849	1,080,074	1,151,057
Other assets	651,407	601,279	632,947	790,231	604,339	574,938
Liabilities.						
State's circ'n	8,887,179	8,997,386	9,292,913	9,567,369	8,931,960	9,297,042
Deposits	4,537,171	4,247,155	3,983,918	3,772,192	4,234,992	2,393,586
Other liabilities	1,677,141	1,686,638	1,682,683	1,698,029	1,486,584	2,376,690

* Resulting from banknotes, current accounts, Czechoslovak bills issued by the Austro-Hungarian Bank and taken over by the Banking Office.

LONDON RATES.

	June 1, 1923.	June 2, 1923.	June 3, 1923.	June 4, 1923.	June 5, 1923.	June 6, 1923.	June 7, 1923.	June 8, 1923.
Bank rate (reduced from 3½% July 15, 1922)	5	5	5	5	5	5	5	5
Market rates of discount—								
60 days' bankers' drafts	1½	1½	1½	1½	1½	1½	1½	1½
3 months' do	2	2	2	2	2	2	2	2
4 months' do	2½	2½	2½	2½	2½	2½	2½	2½
6 months' do	3	3	3	3	3	3	3	3
Discount (Treasury Bills):—								
3 months'	1½	1½	1½	1½	1½	1½	1½	1½
Loans—Day to day	1½	1½	1½	1½	1½	1½	1½	1½
Short	1½	1½	1½	1½	1½	1½	1½	1½
Deposit allowances: Banks	1	1	1	1	1	1	1	1
Discount houses at call	1½	1½	1½	1½	1½	1½	1½	1½
At notice	1½	1½	1½	1½	1½	1½	1½	1½

† Additional to those offered by tender in the preceding week.

Comparison with the previous weeks:—

Comparison with the previous year.									
		Short Leads.	Bank Bills.			Trade Bills.			
			3 Months.	4 Months.	5 Months.	3 Months.	4 Months.	5 Months.	
1923.		%	%	%	%	%	%	%	%
May	4	1½	1½	2	2½	2½	3	3	3
	11	1½	2½	2½	2½	3	3	3	3
	18	1½	2	2½	2½	3	3	3	3
	25	1½	2	1½	2	3	3	3	3
June	1	1½	2	2	2½	3	3	3	3
	8	1½	2	2½	2½	2½	3	3	3

RATES OF EXCHANGE.

London on	Usance	Par.	June 9, 1923.	June 1, 1923.	June 8, 1923.
Paris	francs to £1	T.T.	25.224	49.55-58	71.50-60
Berlin	marks to £1	T.T.	30.43	1307-1310	34000-35000
Vienna	krone to £1	T.T.	34.02	65000-67000	32000-33000
Prague	krone to £1	T.T.	34.02	232-234	154-155
Warsaw	zlotys to £1	T.T.	30.43	17500-18500	2451-2650†
Bucharest	lei to £1	T.T.	26.234	645-660	900-950
Budapest	kr. to £1	T.T.	34.02	3800-4000	23000-24000
Constantinople	piastres to £1	T.T.	110	680-700	700-720
Sofia	levas to £1	T.T.	26.234	600-650nom	400-450
Amsterdam	guilder to £1	T.T.	35.12	305-315nom	400-420
Brussels	francs to £1	T.T.	13.107	11.504-51	11.804-81
Christiania	krone to £1	T.T.	18.156	53.56-60	83.25-35
Stockholm	krone to £1	T.T.	18.156	20.45-48	27.25-35
Copenhagen	krone to £1	T.T.	18.156	17.27-30	17.35-38
Helsingfors	F. marks to £1	T.T.	18.156	20.45-48	24.97-25.02
Reykjavik	F. marks to £1	T.T.	18.156	20.45-48	24.97-25.02
Oslo	F. marks to £1	T.T.	18.156	20.45-48	24.97-25.02
Switzerland	francs to £1	T.T.	25.224	23.48-51	25.61-64
Madrid	pesetas to £1	T.T.	25.224	28.42-44	30.41-47
Lisbon	escudos to £1	T.T.	53.4	4-4½	2½-3
Alexandria	piastres to £1	T.T.	97½	97½-100	97½-100
New York	dollars to £1	Cable	4.864	4.84-4.86	4.84-4.86
Montreal	dollars to £1	Cable	4.864	4.84-4.86	4.84-4.86
Buenos Ayres	pesos to £1	T.T.	16.5	16.5-16.6	16.5-16.6
Rio de Janeiro	pesos to £1	T.T.	16.5	16.5-16.6	16.5-16.6
Santiago	pesos to £1	T.T.	16.5	16.5-16.6	16.5-16.6
Valparaiso	pesos to £1	T.T.	16.5	16.5-16.6	16.5-16.6
Sao Paulo	pesos to £1	T.T.	16.5	16.5-16.6	16.5-16.6
Manila	pesos to £1	T.T.	16.5	16.5-16.6	16.5-16.6
Mexico	pesos to £1	T.T.	16.5	16.5-16.6	16.5-16.6

† Rate for previous day.

CURRENT RATES IN NEW YORK.

The Irving Bank—Columbia Trust Company cable the following money and exchange rates in New York:—

	June 8, 1922.	May 9, 1923.	May 16, 1923.	May 23, 1923.	May 30, 1923.	June 6, 1923.
Call money	4½	4½	4½	4½	4½	4½
Time money (90 days' mixed coll)	4½	4½	4½	4½	4½	4½
Bank acceptances	4½	4½	4½	4½	4½	4½
Members—eligible, 90 days	3½	4½	4½	4½	4½	4½
Non-mem.—eligible, 90 days	3½	4½	4½	4½	4½	4½
Ineligible, 90 days	3½	4½	4½	4½	4½	4½
Commercial accept., 90 days	4½	4½	4½	4½	4½	4½

Rates of Exchange. New York on—		Par Level.	June 8, 1922.	May 23, 1923.	May 30, 1923.	June 6, 1923.
London— 80 days						4.60
Cable	Dollars for £1	4.8666	4.4712	4.6069	4.6062	4.62
Cheques			4.4987	4.6288	4.6262	4.618
Paris .....cheques			4.4662	4.669	4.6244	4.618
Brussels	Cents for 1 franc	19.30	9.09	6.64	6.4775	6.475
Switzerland	Cents for 1 franc	19.30	8.39	5.72	5.5375	5.50
Italy	Cents for 1 franc	19.30	19.16	18.025	18.06	18.02
Berlin	Cents for 1 lire	19.30	5.18	5.825	4.715	4.693
Madrid	Cents for 1 mark	23.83	0.33375	0.0014	0.0014	0.001
Amsterdam	Cents for 1 peseta	19.30	15.84	15.245	15.245	15.245
Copenhagen	Cents for 1 gulder	40.195	39.05	39.14	39.19	39.22
Christiania			22.10	18.60	18.51	18.2
Stockholm	Cents for 1 kronor	26.80	17.65	15.90	16.59	16.72
Athens			26.07	26.70	26.63	26.65
Shanghai	Cents for 1 drachma	19.30	4.20	2.00	2.6	2.6
Manila	Cents for Can. \$1	100	99.12	97.81	97.95	97.75
Yokohama	Cents for 1 yen	49.85	47.65	48.78	49.65	49.65
Hong Kong	Cents for H. Kong \$	100	58.25	54.8	54.12	53.5
Shanghai	Cents for 1 Shing. tael	..	80	74.25	73.125	72.25
Calcutta	Cents for 1 rupee	..	29.10	30.98	31.00	31.00
Buenos Aires	Gold pesos for \$100	103.66	121	122.75	126.5	124.5
Sao de Janeiro	Cents for 1 milreis	32.43	13.88	10.25	10.25	10.26

Barclays Bank, Limited, have opened a new sub-branch at Woodville House, Castle Cary, under the management of the Yeovil branch.

Lloyds Bank, Limited, announce that a branch of the bank is now open at Blackheath, Staffs., under the management of Mr W. H. Darke, of Old Hill.

The Union Bank of Australia, Limited, notify that they opened a branch at Bruthen, Victoria, on June 5, under the management of Mr T. L. Burns.

The Credit Lyonnais (London agency) announces with regret that Mr Max Fuerst, for many years one of their sub-managers, has retired.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.	Interim Date of Payment.	Method of Payment.	Dividend for Whole Year.	Dividend for Previous Year.
Railways.					
Bengal and North-Western	5%	July 23	Less tax	%	%
Delhi, Umballa, Kalka	8%	July 23	Less tax 2/9 in £	15	14
Manila Electric	2%	July 2	Less tax	..	..
Rohilkund and Kumaon	5%	July 23	Less tax 2/9 in £	..	..
Banks.					
Bank of Montreal	3%	June 1	Quarterly	2/8 ps	2/8 ps
Bank of New Zealand	1 1/4 p.a.	..	..	..	..
British Overseas	6%	June 18	Less tax	..	..
Comptoir National d'Escompte de Paris	..	..	..	50/ p.s.	..
Guaranteed Trust Co. of N.Y.	3%	June 30	Quarterly	..	..
Molson, Montreal	3%	July 3	Quarterly	..	..
Tea and Rubber.					
Bambakally (Ceylon)	15%+	..	Less tax	10	10
Barbadoes Tea	45%	..	Less tax	75	75
Bardubi Tea	30%+	..	Less tax	40	20
Bradwall Rubber	..	..	Less tax	10	nil
Ceylon Estates	..	..	Less tax	30	20
Dekhari Tea	30%+	..	Less tax	40	20
Dooloomam Tea	..	..	Less tax	7 1/2	..
Doom Dooma Tea	10%+	(a bonus 15%)	Less tax	30	17 1/2
Emerald Rubber	..	..	Less tax	17 1/2	10
Ghoir Allie Tea	100%+	..	Less tax	130	80
Jhanzie Tea	30%+	..	Less tax	40	18
Koomsong Tea	..	..	Less tax	10	nil
Madingley Rubber	..	..	Less tax	10	nil
Rubber Estates of Krian	..	June 21	..	1 p.s.	nil
Rupajuli Tea	..	..	Less tax	15	nil
Shefford Rubber	..	..	Less tax	5	nil
Sungei Buay	5%	..	..	..	..
Mining.					
Frontino and Bolivia Gold	5%	July 2	Less tax	..	..
Idris Hydraulic Tin	..	..	..	..	2 1/2
Sulphide Corp.	10%+	July 12	..	..	..
Tronoh Mines	..	..	..	15	nil
Other Companies.					
A. B. C. Compter	..	..	Less tax	5	..
African and Eastern Trade Corporation, "A" & "B" Prof.	..	..	..	6	6
Albert Baker and Co.	10%+	..	..	12 1/2	12 1/2
Albert Reed and Co.	..	..	..	7 1/2	..
Altrincham Electric, Ord.	..	..	..	5/ p.s.	..
Do Defd.	..	..	..	..	..
Anderson Foundry	15/ p.s.	..	Less tax	15	15
Army and Navy Invest., Defd.	5	June 16	Less tax	..	..
British Columbia Electric, Defd.	3%	June 28	Tax free	..	..
British Electric Traction	..	..	..	5	4 1/2
British Tobacco (Australia)	3%	June 30	..	..	..
Broomhill Collieries	5%	..	..	..	..
Callenders' Share and Invest.	3%	..	Less tax	..	..
Consett Iron	..	..	..	(a) 5	4
Cape Electric Tram	3%	..	Tax free	..	..
Dunington Main Coal	7 1/2%	..	Tax free	10	5
Egyptian Markets	5%	June 2	Less tax	..	..
Frederick Smith	10%	..	Less tax	10	20
George Newnes	10%	..	..	15	15
Guest, Keen, and Nettelfolds	10%	..	Tax free	10	10
Henry Hope and Sons	..	..	Tax free	10	10
Huggins and Co.	6 p.s.	June 30	Less tax	..	..
Ilford and Morris	6 1/2%	July 24	Less tax	10	nil
Imperial Tobacco of Canada	1 1/2%	June 30	..	..	..
Indo-China Steam Navigation	..	..	Less tax	6	..
John O'Neill and Sons	7 1/2%	..	Less tax	7 1/2	7 1/2
John Lovibond	..	..	..	25	25
Joseph Burton and Sons	..	..	..	5	5
J. Lyons and Co., Ord. and "A"	..	..	..	5	5
Do Proportional Profit	..	..	..	..	..
Do "B" Proportional Profit	7 1/2 p.s.	..	..	..	..
Tiebig's Extract of Meat	7/ p.s.	June 28	..	..	..
Maypole Dairy, Def.	1/3 p.s.	July 2	Less tax 4/9 in £	..	..
McEnnery Bros.	12%	..	..	12 1/2	12 1/2
Meters	12%	..	..	9 1/2	10 1/2
Do Bonus	12 p.s.	..	Tax free	..	..
Met. Assn. for Improving Dwellings of Industrial Classes	2 1/2%	..	Less tax 5/ in £	5	5
Mississippi River Power, Prof.	8 1/2%	July 2	..	..	..
Newcastle Breweries	2 1/2%	..	Less tax	..	..
Nippon Yusen Kaisha	15%	..	..	..	..
N. of Scotland Canadian Mort.	7 1/2%	June 30	Less tax	..	..
N.S.W. Land and Agency	..	..	Less tax	9	3
N.Z. and River Plate Mort.	3 1/2%	July 2	Less tax	..	..
Oxford, Limited	6 1/2%	..	Less tax	10	10
Plymouth and Stonehouse Gaslight, Ord.	7%	..	..	..	..
Do Additional	13/3 p.s.	..	..	..	..
Do New Shares Act	12/9 p.s.	..	..	..	..
Rhodesia Railways Trust	..	..	Tax free	4	nil
Royal Dutch Company	16 1/2%	..	..	26 1/2	31
Sackville Estate	..	..	..	8	8
Shawinigan Water and Power	1 1/2%	July 10	..	..	..
Shell Transport and Trading	2 1/2 p.s.	July 5	Tax free	22 1/2	27 1/2
Shipley Collieries	6%	July 14	Tax free	..	..
Slaters, Cum. Prof.	..	..	..	..	..
Thos. Stevens, Confectioner	10%	(a bonus 1/ p.s.)	Tax free	..	..
Trust Union, Limited	9%	..	..	7	7
United River Plate Telephone	5 1/2%	..	Tax free	8	8
United Tobacco (South)	2 1/2%	July 2	Less tax	..	..
Walkers and Homfray	..	..	Tax free	20	20
Western Telegraph	5 p.s.	June 23	Tax free	..	..
Wm. Cory and Son	..	..	..	15	15

PARK GATE IRON AND STEEL.—Directors do not recommend dividend on ordinary shares.

BURTON AND HORNBY regret that they are unable to recommend payment of the outstanding dividend on the preference shares or a dividend on the ordinary shares for the past year.

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF THE UNITED KINGDOM.

(b) Week ended June 2, 1923.	(c) Week ended June 3, 1923.	Miles Open.	Passenger, &c.	Goods, &c.	Total for Week.	Passenger, &c.	Goods, &c.	Total for Week.
Great Western	3,679	241,000	370,000	611,000	5,098,000	7,948,000	13,046,000	13,046,000
London & North-Eastern	6,661	434,000	739,000	1,173,000	8,547,000	16,704,000	25,251,000	25,251,000
Do same period 1922	6,657	574,000	686,000	1,260,000	9,481,000	16,914,000	26,395,000	26,395,000
London, Mid., & Scottish	6,962	693,000	931,000	1,624,000	12,492,000	20,723,000	33,215,000	33,215,000
Southern	2,115	308,600	112,100	420,700	6,328,000	2,613,100	8,941,100	8,941,100
Midland & S.W. Junction	63	32,127	1,696	2,883	24,810	27,853	52,663	52,663
Metropolitan (E.)	794	32,142	3,688	35,830	712,492	82,106	794,598	794,598
Underground (E.R. (c))	..	..	..	226,127	..	..	116,442	116,442
London & Sub. Group (c)	..	..	..	28,905	..	..	863,583	863,583
Belfast & Co. Down (b)	80	4,753	1,112	5,865	99,895	26,962	126,857	126,857
Dublin and S. East (b)	160	6,245	3,134	9,379	107,613	80,838	188,451	188,451
Midland Gt. West. (b)	538	8,007	17,678	25,685	192,076	362,874	554,950	554,950

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.		Total Gross Receipts.	
				1922-23.	+ or -	1922-23.	+ or -
INDIAN.							
				Rs.	Rs.	Rs.	Rs.
Assam Bengal	4 weeks	Apr. 28	1,049	2,25,843	- 12,824	8,91,416	- 43,322
Barelly Lk. Ry.	6 weeks	May 12	118	30,200	100	2,13,300	- 24,200
Bengal & N. Western ..	5 weeks	5	67	7,07,530	- 39,581	33,31,860	- 1,71,288
Bengal Nagpur	5 weeks	5	2,727	14,00,000	- 25,000	76,51,000	- 3,29,196
Bombay, Bar., & C.I. ..	9 weeks	June 2	2,934	25,40,000	+ 121,000	2,26,98,000	+ 12,84,000
Burma	5 weeks	May 5	1,343	6,99,893	- 56,890	39,13,731	- 95,730
Delhi, Umballa & Kalka ..	8 weeks	26	233	84,000	- 18,889	7,72,000	- 36,833
East Indian	9 weeks	June 2	2,456	34,02,000	+ 2,40,000	5,00,73,000	+ 30,67,000
G. Indian Peninsula ..	8 weeks	May 26	3,121	27,79,900	- 1,82,200	2,39,37,600	- 4,66,316
Madras & S. Mahr.	6 weeks	12	3,028	16,00,000	+ 40,429	94,90,000	+ 12,42,000
Rohilk'd & Kumaon ..	5 weeks	5	259	64,804	- 5,669	3,18,388	- 12,426
Do Lucknow-Breilly ..	5 weeks	5	313	84,778	- 1,638	4,13,643	- 3,117
South Indian	6 weeks	12	1,890	9,76,460	- 17,433	57,37,221	- 33,454
CANADIAN.							
Canadian National	20 weeks	May 31	22,680	6,812,025	- 121,297	94,488,597	- 12,932,303
Canadian Pacific	20 weeks	31	13,539	4,542,000	- 64,000	65,374,000	- 2,889,000
ARGENTINE (a).							
Argentine N.E.	48 weeks	June 2	758	14,500	- 3,800	522,100	- 7,100
d. A. and Pacific	48 weeks	2	3,317	155,000	- 10,000	8,045,000	- 1,069,000
S. A. Gt. Southern	48 weeks	2	3,948	172,000	- 18,000	3,470,000	- 1,464,000
S. Western	48 weeks	2	1,883	90,000	- 16,000	4,302,000	- 457,000
Central Argentine	48 weeks	2	3,305	220,000	- 38,000	9,754,000	- 1,006,000
Cordoba Central	48 weeks	2	1,405	63,000	- 6,500	2,790,800	- 395,000
Entre Rios	48 weeks	2	729	19,700	- 3,400	955,500	- 47,400
BRAZILIAN (b).							
St. West. of Brazil	22 weeks	June 2	1,005	6,300	- 4,300	241,200	- 64,000
Leopoldina	22 weeks	2	1,831	22,310	- 2,337	486,912	- 84,827
San Paulo	22 weeks	3	1,534	19,999	- 16,522	572,213	- 35,206
CHILE AND PERU.							
Antofagasta	22 weeks	June 3	838	28,675	- 7,855	753,715	- 346,125
Nitrato (4 months)	22 weeks	May 31	366	23,562	- 10,497	331,231	- 202,915
CUBAN.							
Havana Central	48 weeks	June 2	..	10,649	- 1,392	940,721	- 14,640
United of Havana	48 weeks	2	1,210	64,573	- 9,657	3,493,519	- 182,318
URUGUAYAN.							
Central Uruguay	48 weeks	June 2	273	30,144	- 3,574	1,272,090	- 42,265
C. Urug. (East Ext.)	48 weeks	2	311	8,310	- 2,165	277,237	- 24,560
C. Urug. (North Ext.) ..	48 weeks	2	185	4,732	- 1,805	145,113	- 9,899
C. Urug. (West Ext.) ..	48 weeks	2	411	2,685	- 601	126,367	- 4,379
OTHER OVERSEAS.							
Alcoy and Gandia	22 weeks	June 2	33	14,000	- 1,000	469,800	- 44,000
Egyptian Delta	7 weeks	May 20	575	5,468	- 1,279	30,748	- 9,571
Gt. Southern of Spain ..	21 weeks	26	104	141,052	- 42,953	2,525,941	- 833,116
Mexican Railway	21 weeks	31	403	399,200	- 45,500	6,222,700	- 34,400
North Cape Central	19 weeks	12	805	2,260	- 58	54,251	- 1,261
Paraguay Central	49 weeks	274	3,780	20	- 92,040	70,120	- ..
Salvador	47 weeks	26	100	3,026	- 622	182,705	- 14,812

(a) Converted at par. (b) Converted at the current rate of exchange.

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week.	Total Receipts.
Anglo-Argentine					
Burnley Corporation	1 week	2	12	42,994	315
Calcutta Tramways	21 weeks	26	354	1,01,134	29
Chatham & District	21 weeks	May 24	15	41,330	9
Egyptian Markets	22 weeks	31	..	41,451	657
Glasgow Corporation	49 weeks	274	3,780	20	92,040
Tramways	52 weeks	31	106	445,768	1,304
Ile of Thanet	35 weeks	30	..	29,39	115
Launceston United	22 weeks	29	39	43,041	140
Liverpool Corporation	8 weeks	June 2	124	277,122	4,260
L.C.C. Tramways	9 weeks	6	160	38,048	16,884
Madras Elec. (2 wks)	21 weeks	May 31	..	851,275	2,877
Pernambuco Trams	12 weeks	June 3	..	43,519	288

closes a gratifying improvement. In regard to the Canadian company, the economies indicated in the last report have been effected, and the Canadian directors report that the organisation and equipment have been maintained in a high state of efficiency. The delay in the revival of trade in the Dominion has, however, precluded any revenue from that quarter. In these circumstances the directors do not recommend any dividend on the ordinary shares, but propose as a precautionary measure placing £5,000 to investment reserve account and carrying forward the balance. The amount standing to the credit of profit and loss account is £15,269, to which must be added the amount brought forward from the previous year, £5,890, making £21,159. The dividend on the 6 per cent. cumulative preference shares for the year has been paid, £3,600, and on the 10 per cent. second cumulative preference shares £6,000, leaving a balance of £11,559; to be placed to investment reserve, £5,000, leaving to be carried forward £6,559.

BUSTON AND HORNSEY.—The result of the company's working for the financial year ended March 31st last is as follows:—Balance of profit and loss account, £91,404, as compared with £101,638, less depreciation £53,951, interest on debentures £25,500—£79,451, leaving a balance of £12,043, as against £20,185, to which add balance from last year, £58,231, as compared with £43,920, carrying forward £70,274, as against £58,231. The directors report that the financial year under consideration has been a very difficult one, and although there are signs of brighter trade prospects the conditions are far from normal. To meet the possibility of further diminution in the values of stock-in-trade, a sum of £50,000 has been transferred from general reserve. Under these circumstances the directors feel that a conservative policy should still be pursued, and they, therefore, regret that they are unable to recommend the payment of the outstanding dividend on the preference shares, or a dividend on the ordinary shares for the past year. The cumulative preference dividends have been paid to July 1, 1921.

OIL OUTPUTS.

ALGERIAN OILFIELDS, LIMITED.—Reports from the Algerian property—in which the Algerian Oilfields, Limited, is so largely interested—state that the production for the month of April was 114 tons, and for the first three weeks of May 85 tons.

APEX (TRINIDAD) OILFIELDS.—Estimated gross production of crude oil for the month of May was 64,103 barrels, equal to approximately 9,100 tons, and the oil delivered to Trinidad Leaseholds, Limited, amounted to about 12,000 tons.

LOBITOS OILFIELDS, LIMITED.—The production for May is cabled as 10,117 tons.

THE CALTEX OIL COMPANY state production for the month of April as 20,525 barrels or 3,257 tons.

TRINIDAD LEASEHOLDS, LIMITED.—Oil produced during May, 14,100 tons; oil purchased during May from other companies, 12,050 tons. Of the above production 3,788 tons were obtained from well No. 25, Forest Reserve Field, which has recently been deepened from 900 ft to 1,786 ft. This well had previously produced over 22,600 tons from the upper sands.

UNITED BRITISH OILFIELDS OF TRINIDAD, LIMITED.—Combined production for the week ending Wednesday, May 30, 1923, amounted to 821 tons.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

Weather conditions have remained dull and showery, but despite excessive rainfalls during the past month, winter wheat has continued to make satisfactory progress, and an average yield is expected. On the other hand, spring cereals have suffered from lack of sunshine, and in some parts present a patchy appearance. General course of trade shows no improvement, but prices were firmer inclined, owing to higher forward offers of imported descriptions. English wheat continues in slow demand, but sparingly offered, best milling samples being held for 10s 8d to 11s 3d, and inferior 10s 3d to 10s 6d per 112 lbs, free on rail. Foreign kinds firm, but buyers remain indifferent. No. 1 Northern Manitoba quoted 50s 6d, Rosafé 62½ lbs 50s, Barusso 62½ lbs 49s 6d, and choice white Karachi 50s 6d, all per 496 lbs ex ship terms. In the floating and forward cargo section rather more activity was noticeable, and with sellers somewhat reserved a firm tone ensued. Steamers of choice white Karachi on passage changed hands at 48s 1½d, ditto May-June 46s, No. 2 hard winter July-August 45s 3d, Rosafé 62½ lbs afloat 46s 3d to 46s 4½d, and a part cargo of Pacific August at 47s per 480 lbs c.i.f. Crop prospects in the principal exporting countries are maintained, while visible supplies in North America show a fair increase. Arrivals at U.K. ports, however, keep on a small scale, with larger supplies on passage to the Continent. The market for flour displayed quiet features, and prices were on a lower basis, town milled being reduced by 1s per sack. Official quotations of London standard straight run now 40s, patents 42s to 43s, town households 38s per sack delivered in London area. All English

country straights in small supply, and held for 35s to 36s per sack delivered to London stations. Of imported, Manitoba export patents quoted 36s to 40s 6d as to quality, Minneapolis patents 40s, and Australian 36s 6d to 37s 6d per 280 lbs, all ex store terms. Millers' offers quiet and tendency easier. Broad bran quoted at 6s 3d, ordinary, ditto, 5s. 3d., middlings 7s 6d, bags included, ex mill. Light oats, 6s 3d, powdered oat husks 5s 9d, feed oatmeal 7s 9d, ground oats 13s 3d, all per cwt, free on rail. Barley, English, steady, at 8s-11s, as to sample with malting descriptions, ranging from 10s, 12s per 112 lbs, free on rail. Imported quiet. Californian, 43s, 46s, Australian 42s, 48s, New Zealand 33s, 47s, as to quality, all landed per 448 lbs. Persian 26s 9d, Plate 29s, Danubian 29s, American malting 48s 10s, 28s, No. 4 Canadian Western 28s, Karachi 28s 3d, all landed per 400 lbs. Maize dearer. La Plata (new) 37s 6d, ex ship, 41s 6d landed, old 40s landed. East African, ex ship 36s 9d, landed 37s 6d, all per 480 lbs. Oats, English, firm at 8s 6d to 10s 6d per 112 lbs, free on rail as to quality. Imported firmer. Plate f.a.q. ex ship 23s, ditto landed 24s, No. 2 Canadian Western, ex ship, 27s, landed 28s 9d, No. 3 ditto 27s 3d landed, No. 2 Canadian feed 25s 6d ex ship, landed 26s 3d, New Zealand A grade 38s 6d, B grade 37s 6d, both landed, all per 320 lbs. Oatmeal in moderate demand at about previous prices. London made, all cuts, quoted at 18s, flaked oats 20s 6d, rolled oats also whole groats, 18s ex mill, ordinary Scottish oatmeal 19s 6d to 20s 6d, American, all cuts, 17s per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1922-23, 1921-22, 1920-21, and 1919-20:—

	1922-1923.	1921-1922.	1920-1921.	1919-1920.
Estimated sales of home-grown wheat—	Cwts.	Cwts.	Cwts.	Cwts.
1 week to June 2	229,524	170,943	181,609	44,227
38 weeks to June 2	16,023,789	15,327,486	11,834,776	10,619,584
Average price of English wheat per cwt.....	s d 11 0	s d 13 0½	s d 20 1	s d 16 11

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1919 to 1922:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1923.	Cwts.	Cwts.	Cwts.	s d	s d	s d
May 26	271,943	42,379	22,969	11 0	8 11	10 4
June 2	229,524	35,580	21,506	11 0	8 10	10 6
1919	249,583	18,568	18,845	17 1	17 6	17 2
1920	44,229	5,125	7,975	16 11	25 4	22 8
1921	181,607	28,193	30,044	20 10	12 1	14 0
1922	170,944	14,829	24,358	13 0	11 7	12 0

IRON, STEEL, AND COAL.

Our Middlesbro' correspondent's report, dated June 7th, is as follows:—Pig-iron: Owing to falling off in demand, makers of Cleveland pig-iron reduced their prices 2s 6d per ton this week. It remains to be seen whether this reduction is sufficient to induce renewed inquiry. Cleveland No. 3 G.M.B. pig-iron, 117s 6d. East Coast hematite mixed numbers are also now quoted 117s 6d, and it is hoped that this price may bring in some Continental orders. Manufactured iron and steel: Steel works still have a fair amount of work in hand, but Continental competition is rather interfering with forward demand. Steel ship plates, £10 10s; steel ship angles, £10; iron bars, £12; steel rails, £10 10s. Iron ore: Business extremely quiet, and prices nominally maintained.

Our Sheffield correspondent writes:—The iron and steel trades in this district have experienced another dull week so far as buying is concerned, and there is much pessimism about. The furnaces producing mild steel are slightly less busy, although still delivering a heavy tonnage against contracts. The order books of makers are now practically exhausted, and unless buyers come into the market again in the course of a week or two the works will have to go on short time. Prices are easier, but owing to the high cost of fuel no substantial reductions of the prices of pig-iron or billets are expected. Makers seem confident that buying will be resumed shortly as the mills have a good deal of finished work to execute. Soft basic billets, the price of which is not controlled, have now dropped to £9. It was decided by the associated steel makers this week not to alter the minimum prices of hard basic and acid billets. A good deal of Continental steel is being imported, including parcels of seconds quality. The depression in crucible and alloy steels and tools manufactured therefrom is rather more acute than before, and scarcity of money is a universal subject of complaint. Huge quantities of surplus war tools are being distributed, whereby makers of such goods have little work to do. Steel scrap is practically a dead market, and prices have dropped 2s since a month ago. Business in cutlery and plate is extremely uneven and poor in the aggregate, sales of stainless knives having shrunk considerably during the present year. Some lines in cutlery and plate can now be bought practically at the pre-war level of prices. Symptoms of weakness in the coal market have not affected prices in a downward direction, but that demand has met with a check cannot be questioned. The home demand for steam coal, however, is being maintained. Slacks are in a strong position, with none offering on the open market. Cobbles and nuts are rather easier in price. Coke is

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Pay- ment of Deben- ture Interest.	Amount Avail- able for Distri- bution.	Appropriation.					Corresponding Period Last Year.	
					Dividend.			Carried to Reserve, Deprecia- tion, &c.	Balance Forward.	Net Profit.	Divi- dend.
					Prefce.	Ordinary.					
						Amount.	Amount.					Rate.
		£	£	£	£	£	%	£	£	£	%
Breweries.											
John Lovibond and Sons	Sept. 30	21,065	7,820	28,885	2,193	2,855	7½	..	23,837	..	..
Financial, Land, &c.											
Ceylon Estates Investment	Mar. 31	267	9,447	9,714	..	6,328	30	2,438	948	..	..
Forestal Land, &c.	Dec. 31	127,666	113,902	241,568	111,951	..	..	..	129,617	Dr 573,686	..
New South Wales Land, &c.	Jan. 31	..	23,641	23,641	..	23,530	9	..	111	3,155	3
Gas.											
Plymouth and Stonehouse	Mar. 31	25,449	22,990	48,439	..	13,957	..	..	34,482	18,218	..
Hotels, Restaurants, &c.											
J. Lyons and Co.	Mar. 31	15,421	631,816	647,237	206,353	310,645	25	100,000	30,239	595,615	25
Iron, Coal, and Steel.											
Sir W. G. Armstrong, Whitworth	Dec. 31	832,092	467,550	1,299,642	252,500	275,625	5	..	771,516	438,888	5
Wm. Cory and Son	Mar. 31	478,839	551,194	1,030,033	43,500	435,708	15	100,000	451,825	564,405	15
Oil.											
Burmah Oil	Dec. 31	205,814	2,115,823	2,321,637	221,250	1,545,325	30½	220,000	335,062	1,902,790	30½
Rubber.											
Bradwall (F.M.S.)	Dec. 31	12,037	7,393	19,430	..	9,000	10	..	10,430	Dr 4,077	..
British Malay	Dec. 31	2,926	1,821	4,747	..	..	..	..	4,747	Dr 5,548	..
Henrietta	Dec. 31	1,034	Dr 4,145	Dr 3,111	..	..	..	..	Dr 3,111	Dr 9,096	..
Jugra Estate	Mar. 31	5,629	28,329	33,958	..	22,500	30	5,723	5,735	19,589	25
Lower Perak	Dec. 31	16,519	555	17,074	..	..	..	283	16,791	5,629	..
Oriental	Dec. 31	1,286	1,888	3,174	..	..	..	..	3,174	3,624	..
Rubber Estates of Krian	Dec. 31	6,201	775	6,976	..	5,000	4½	..	1,976	Dr 5,891	..
Tempeh (Java)	Dec. 31	Dr 3,640	156	Dr 3,484	..	..	..	..	Dr 3,484	Dr 6,096	..
Shipping.											
Elder Dempster and Co.	Dec. 31	154,369	436,108	590,477	333,375	93,441	7	50,000	113,661	464,603	8½
Shops and Stores.											
Albert Baker and Co.	Mar. 31	14,344	33,896	47,240	..	25,000	12½	10,000	12,240	34,630	12½
Tea.											
Borbheel	Dec. 31	3,195	21,507	24,702	..	16,650	75	..	8,052	16,082	10
Bordubi	Dec. 31	1,890	33,483	35,373	..	24,000	40	5,000	6,373	..	..
Ghoir Allie	Dec. 31	1,618	8,416	10,034	..	6,501	130	1,000	2,533	..	..
Jhanzie	Dec. 31	23,625	79,675	103,300	..	46,000	40	31,500	25,800	30,999	18
Koomsong	Dec. 31	Dr 12,296	27,131	14,835	..	4,000	10	5,000	5,835	..	..
Rupajuli	Dec. 31	Dr 2,238	6,700	4,462	..	2,379	15	1,000	1,083	..	..
Telegraphs, &c.											
United River Plate Telephone ..	Dec. 31	38,705	177,151	215,856	10,000	172,800	8½	..	33,056	166,938	8½
Tramways.											
British Electric Traction	Mar. 31	189,700	134,740	324,440	42,765	66,313	5	..	215,362	134,042	4½
United Elec. Trams of Monte Video	Mar. 31	5,090	27,653	32,743	22,500	..	..	8,917	1,326	..	..
Trust.											
Indian and General	Apr. 30	1,600	18,077	19,677	5,797	7,729	10	4,551	1,600	14,834	10
Other Companies.											
Anderson Foundry	Mar. 31	11,745	18,193	29,938	..	20,250	18/p.s.	..	9,688	14,895	18/p.s.
Benson and Hedges	Dec. 31	5,890	15,270	21,160	9,600	..	..	5,000	6,560	8,879	..
Meters	Mar. 31	6,915	21,217	28,132	7,216	12,907	8½	2,000	6,009	28,973	8½
Metropolitan Association, &c.	Mar. 31	639	7,706	8,345	..	7,207	5	600	538	6,909	5
Shorts'	Mar. 31	1,572	43,757	45,329	15,500	18,750	15	10,000	1,079	37,119	15

† Tax free.

going away freely, and prices are firm. Best South Yorkshire steams are quoted at 22s to 24s; rough slacks, 12s to 14s; nutty slacks, 10s 6d to 12s 6d; smalls, 7s to 9s; but hand-picked branch, 32s 6d to 34s; best Silstone, 28s to 30s; best Blythe steams, 28s to 30s; Tyne steams, 18s to 19s.

Our Glasgow correspondent writes:—The week closes with a quiet tone ruling in the iron and steel trades. The "Derby" influences and the boiler-makers' lock-out, especially the latter, are no doubt responsible for the easier appearances, which in informed quarters are not expected to mend immediately. Boiler plates are at, nominally, £13 a ton, ship plates at £10 5s, and sections—joists, angles, &c.—at £10. In the sectional branch, that associated with house and works' building, a big constructive programme is in course of execution all over the West of Scotland, likely to last for many months. The state of affairs in the bar iron and steel trades is more cheerful than it was earlier in the year, and experts look assuredly forward for expansion, which seems to have set in encouragingly in Australian and other Colonial connections. Bridge-builders advise a more hopeful inquiry for this class of work. Some of the Indian railways are negotiating for substantial lines of rolling plant—waggons, trucks, and wheels and axles—running into the thousands. Black sheet makers, steel tube makers, and producers of wire ropes are busy on contracts which will keep them going well employed (off and on) for a while to come. Marine engines are in request for outside as well as home markets. All that is wanting is the introduction of a little more heartening into the situation. Scotch pig-iron is slow to move, buyers standing aloof until the cheapness that is promised takes effect. Scotch foundry No. 1 has yielded 1s 3d a ton this week at £6, and No. 3 1s 3d at £5 15s. Scotch hematite has relaxed 2s 6d at £6 5s. Coals remain weak (for home and export), with quotations from 1s to 1s 6d a ton back from last week. In informed circles the declines are described as heavier, but dealers refuse to disclose their full extent.

Our Cardiff correspondent writes:—There has been a slump this week in the current market prices of South Wales coals. It

has been due partly to a comparative scarcity of orders, and partly to the "bear" operations of foreign buyers who believe that by holding off temporarily, or through the purchase of American coal, they will be able to obtain supplies of South Wales coals for delivery over the second and third quarters of the year at figures much lower than those recently quoted by colliery salesmen. It does not, however, indicate any real depression in the trade. The weakness is only on the surface, and merchants are realising this when they try to arrange stems with the collieries. The lower prices are largely, if not entirely, the result of the competitive operations of middlemen, but while buyers are able to obtain from coal exporters spot or prompt parcels at prices 2s or 3s per ton below those quoted by the collieries, they are finding it extremely difficult to arrange for the shipment of those coals. Still, the general position of the market is easier than it has been for two or three months, and current quotations have ruled at anything from 2s 6d to 3s per ton less than they were a week ago. Second Admiralties have been obtainable at about 36s, and Monmouthshire coals at lower figures. The current approximate figures are as follows:—Best Admiralty, large, 37s 6d to 40s; second Admiralties, 36s to 37s; best drys, 36s 6d to 37s 6d; Black Veins, 36s to 38s 6d; Western Valleys, 35s to 35s 6d; Eastern Valleys, 33s 6d to 35s 6d; best bunker smalls, 27s 6d to 30s; ordinary cargo smalls, 27s 6d to 30s; anthracite big vein, 50s to 52s 6d; anthracite French nuts, 57s 6d to 60s; anthracite stove nuts, 55s to 56s; coke for export, 65s to 70s; inland blast furnace coke, at ovens, 35s to 40s; patent fuel, 40s to 42s 6d; pitwood, 30s to 31s, ex ship.

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—General conditions in this centre remain very disappointing. New business in tops and yarns is confined to the covering of immediate and pressing requirements, and there is not enough to test values.

Quotations show some further decline on the week, but as things are they can only be described as nominal. There seems to be no relationship between wool and tops and yarn when it comes to a question of doing business, and every seller is a law unto himself, price being determined by his position in regard to commitments and the urgency of his need for orders to keep machinery running. In the circumstances some firms are accepting prices for tops and yarns that others will not consider for a moment, but the fact remains that under existing conditions it is practically impossible to make a remunerative price for anything. It is hoped that things will improve when the raw material market has been tested, but the general opinion seems to be that prices at Hull to-morrow (Friday) will show a decline of anything from 5 to 7½ per cent. from the level created at the last series of auctions in Coleman Street. There does not seem to be any real doubt about the strength of the wool position, but it is recognised that consumption has fallen off considerably in recent weeks, and wool values can only be maintained if France and the Continent generally give the necessary support. Reports from America indicate a certain amount of slackening off in demand in that country, and it is obvious that the wool textile industry will have to face a severe testing period during the next few weeks. Meanwhile, the policy in Yorkshire seems to be to go slowly and avoid forward buying. Spinners are in need of work, and yarn prices are very irregular.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

A real testing time is approaching in the Colonial wool trade. A wave of pessimism has spread over the West Riding industry during the past month, and there has seldom been a time like the present. Although wool sold at the last London sales in a manner that led one to think trade must be robust somewhere, it has not had the slightest effect upon the home industry by way of "bucking up" any section, a real spirit of callousness and indifference being everywhere manifest. But things are not so bad as has been represented, for the Bradford Conditioning House returns for May were on the whole good, a clear proof that in the aggregate big weight of tops in particular are on the move. Then the export returns are by no means bad, and in the aggregate the shipments of wool, tops, yarns, and pieces this year cannot but be regarded as very good. Still, a strong note of pessimism is everywhere heard, and to those connected with the London wool end of the trade it is hard to understand. Of course, manufacturers know best what they are having to face, and Continental competition is no doubt wrestling from West Riding firms a good deal of the trade they have hitherto been able to do, home manufacturers apparently being beaten on the question of price per yard. No doubt demoralised Continental exchanges are enabling French, Belgian, and German manufacturers to undersell home producers, and at a time like the present this competition is undoubtedly upsetting a good many. However, France is in all probability in as good a position to continue to buy raw wool as anyone, and we shall be greatly surprised if next week at Liverpool (which will offer a better test than Hull did), there is not a very healthy demand for merinos at values showing little change on those ruling at the last London sales.

The best news possible is to hand from Australia in the several reports of splendid rainfalls during the past few days. This puts to an end the spectre of serious drought, and everybody rejoices at the bountiful rainfall. It is now approaching mid-winter in Australia, and it certainly lays the soundest foundation possible for the forthcoming spring lambing, and also a good growth of grass. A plentiful supply of grass and water means prosperity

to Australia, for the pastoral life of the Commonwealth is undoubtedly the foundation of the prosperity of Australia. Everybody rejoices that the rains have fallen over the whole Continent, and several more inches will not come amiss. It should have a beneficial influence on the forthcoming new clip.

The general outlook for the raw material is more encouraging than for partly and fully made goods. During the next few weeks a considerable quantity of wool will be offered for sale in this country, and the English fairs are commencing, the latter fact helping to put users of crossbred produce in a rather cautious mood. For the time being Colonial crossbreds appear to have reached high-water mark, and slightly lower prices may be expected. Merinos may be relied upon to hold their own fairly well, for the total quantity available is not large compared with prospective needs. In spite of their dearthness, fine goods are maintaining their popularity.

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—June 1, 1923.

Description.	Com.	Med.	Good Med.	Med. Fine.	Fine.	Extra Fine.	Same Period 1922.			Same Period 1921.		
							Med.	Good Med.	Fine.	Med.	Good Med.	Fine.
Sea Island.....	d	d	d	d	d	d	d	d	d	d	d	
Florida do.....	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	
Georgia do.....	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	
American.....	Ord	G O L M	Mid	G M M F	G O L M	G M M F	G O L M	G M M F	G O L M	G M M F	G O L M	
Brazilian.....	1491	1521	1571	1596	1616	1617	1059	1144	1234	522	647	
Peram.....	Mid	M F	Fr.	G F	Gd.	Fne	M F	Fr.	Gd.	Fne	Fr.	
Parahyba, Rio Grande, &c.	..	1476	1541	1616	..	..	929	1154	..	542	792	
Maceio, &c.	..	1476	1541	1616	..	..	929	1154	..	542	792	
Mossoro, &c.	..	1476	1541	1616	..	..	929	1154	..	542	792	
Ceara.....	..	1476	1541	1616	..	..	929	1154	..	542	792	
Maranhão, &c.	..	1476	1541	1616	..	..	929	1154	..	542	792	
São Paulo.....	..	1466	1501	1546	..	..	1029	1129	..	..	..	
Egyptian.....	Fr.	G. F.	Fr.	Gd.	Fne	Fr.	G F	Gd.	Fne	Fr.	Gd.	
Upper.....	..	1500	1575	1595	1630	1655	1350	1425	1550	..	900	
Sakellaridis.....	..	1500	1590	1640	1780	1915	1600	1800	2125	..	900	
Brooklyn.....	..	1500	1575	1615	1675	1745	1400	1525	1725	..	900	
Peruvian.....	MF	Fr.	G. F.	Gd.	Fne	MF	Fr.	Gd.	Fne	MF	Fr.	
Rough.....	..	..	..	1750	1875	1950	..	..	..	..	1150	
Moderately Rough.....	..	..	..	1500	1600	1650	..	1150	1275	..	650	
Smooth.....	..	1526	1601	1651	1701	1751	1149	1324	1474	592	892	
Tanguis.....	..	1526	1601	1651	1701	1801	1174	1324	1524	..	1017	
Mitaffi.....	..	..	1550	1600	1650	1700	..	1150	1500	..	..	
West Indian, &c.	..	..	..	1375	1475	1550	..	1150	..	..	..	
Do Sea Island.....	..	..	2000	2300	2630	2700	..	2300	2900	2500	1100	
African, East, &c.	1025	1125	1300	1400	1500	1600	950	1125	1325	575	775	
Do West.....	..	..	Mid	G M	Fr.	MF	Mid	Fr.	MF	..	975	
Machine Ginned Surtee.....	G F	Fr.	Gd.	F	Gne	3' 7"	Fr.	Gd.	Fne	Fr.	Gd.	
Machine Ginned Broach.....	..	1130	1170	1210	1250	1440	..	1155	..	805	..	
Machine Ginned Bhowmuggar.....	905	955	1005	1055	1105	1190	985	1025	1105	680	705	
Machine Ginned Oomra, No. 1.....	915	965	1015	1065	1115	1165	875	925	1005	484	534	
Machine Ginned Oomra, No. 2.....	..	..	990	1040	1090	1140	885	935	1015	490	540	
Machine Ginned Khandeish.....	..	915	965	1015	1065	1115	835	885	965	415	465	
Machine Ginned Comptah.....	1125	..	1165	..	..	..	750	795	..	645	..	
Machine Ginned Bengel.....	815	855	895	935	975	1015	750	795	870	390	440	
Machine Ginned Seinde.....	805	845	885	925	965	1005	740	780	860	378	428	
Madras, Western.....	1285	1325	1365	..	..	..	1155	1195	..	780	825	
Madras, Northern.....	1060	1100	1140	1180	..	..	930	970	..	645	670	
M. G. Coconada, Red.....	..	..	1165	..	..	..	..	995	..	..	..	
China, Smyrna, &c.	Fr.	1140	..	..	..	..	955	..	..	645	..	

MANCHESTER, June 7.

The tone of the market has been quieter than last week. Buyers do not seem to have sufficient confidence in current prices to go on operating steadily, and practicable demand is very irregular. Wide fluctuations are taking place in raw cotton rates, and after sentiment being rather bearish a stronger feeling now shows itself. A considerable inquiry has been dealt with in cloth for China, but the turnover has been limited, most of the offers especially in standard makes, being unworkable. Dealers in India continue to send poor bids, and it is not anticipated that trade of any importance will be done until after the breaking of the monsoon. Operations for the minor outlets have been featureless. Certain kinds of fancy goods have been overbought for the United States, and some efforts are being made to cancel contracts. Big attempts have been made to establish the basic price of the Masters' Federation for American yarns, and so far the scheme has not been successful. A restricted business has been done at a little below top rates. A fair trade has been reported in Egyptian spinnings.

(I.) Comparative Statement of the Cotton Trade.

Description.	Price, June 7, 1923.	Previous Weeks in 1923.				
		Price, May 31.	Price, May 23.	Price, May 17.	Price, May 10.	Price, May 3.
Raw Cotton—Fully Mid. American... per lb	16.11	16.02	14.94	14.83	14.72	15.24
— Sakellaris Fully Good Fair Egyptian..... per lb	16.40	16.40	15.70	15.70	15.90	16.75
Yarns—32's twist..... per lb	24	23	23	23	23	23
— 40's twist..... per lb	23	23	22	22	22	23
— 50's twist (Egyptian)..... per lb	29	29	28	28	28	29
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	33	33	32	32	32	33
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	37	37	36	35	35	36
32-in. ditto, 36 yds, 18 by 16, 10 lbs	18	18	18	18	18	18
32-in. ditto, 37½ yds, 16 by 16, 8½ lbs	17	17	17	16	17	17

(II.) Compared with Previous Years.

	Price, June 7, 1923.	Corresponding dates in				
		1922.	1921.	1920.	1919.	1918.
Raw Cotton—Fully Mid. American... per lb	16.11	12.04	8.38	28.91	19.98	22.56
— Sakellaris Fully Good Fair Egyptian..... per lb	16.40	19.00	16.00	72.03	27.09	28.82
Yarns—32's twist..... per lb	24	19	17	58	36	47
— 40's twist..... per lb	23	18	16	54	35	46
— 50's twist (Egyptian)..... per lb	29	29	31	120	54	56
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	33	31	34	6	51	59
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	37	36	32	93	51	57
32-in. ditto, 36 yds, 18 by 16, 10 lbs	18	18	19	50	30	32
32-in. ditto, 37½ yds, 16 by 16, 8½ lbs	17	17	16	43	27	29

VEGETABLE OILS AND OILSEEDS.

(FROM OUR CORRESPONDENT.)

There has been but little improvement in the markets since last report, demand for oils of all descriptions being slow, and values only barely steady. With reference to linseed and linseed oil, the former is steadier on official reports of a smaller balance left for export than previously expected, but with more available from India there is a strong inclination to regard available supplies, now estimated at 260,000 tons for the whole year in excess of last year's total shipments, as sufficient to meet probable world requirements, even should the Plate balance show no improvement upon the very small figure of 209,000 tons remaining to be shipped. Present demand for the oil product is, however, small, and shows no sign of developing unless there is a marked improvement in trade generally. After realisations at the end of May a better tone is manifest, and values are somewhat above the lowest at £40 10s spot and £40 5s month ex-Hull mill.

Egyptian cottonseed has continued a dull market, and still lower prices have ruled, £10 15s having been accepted for Sakellaris at Hull. Oil has also further eased on poor demand, crude Egyptian offering at £30 10s and soapmakers' grade of refined at £39.

HIDE, LEATHER, AND ALLIED TRADES.

(BY OUR OWN CORRESPONDENT.)

The London hide market continues to show signs of weakness, as reductions were in evidence at Thursday's market. Best ox, when sold, made from 8d to 9d per lb, showing a drop of 3d per lb on last prices. In seconds, prices of hides sold were 5½d to 7½d, but three classes out of the five offered were withdrawn, those disposed of showing a reduction of ½d. Tanners are not eager buyers of hides, and in view of the poor demand for leather seem determined to get the price of their raw material down somehow. The demand for wet salted imported hides has fallen away again, and frigorifics have sold only in small parcels, Argentine ox having been disposed of at 8½d c.i.f. Dry hides are still selling in the cheap grades, but business all round has been difficult. Cables from New York report Chicago packer hides as steady, with a fair demand at the reduced price of 17 cents.

The demand for sole leather has not improved much in view of the falling off in the demand for footwear; light selections have been the most popular, but a fair turnover has been done in wet salted 10-12 lb bends. Repairers are taking a better class bend up to 25 6d per lb, and the wet weather has stimulated the demand from this source. Offal is firm in price, and good shoulders taken up as fast as offered.

Trading in upper leather has been reduced to quite small parcels, shoe manufacturers preferring to order bare requirements. Box and willow calf are wanted in the cheap grades, whilst of late patent leather has been a favourite with makers of women's shoes. Black kid is also selling better, but suedes are neglected.

The shoe section is dull, retailers selling little owing to the bad weather.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, June 8.

General quietness was again the leading feature, demand for most commodities being measured by wants of immediate necessity, and, with only one or two exceptions, prices moved in a downward direction.

SUGAR.—With weather conditions militating against consumptive requirements, a slow condition of affairs again pervaded this market, and prices were substantially marked down in all directions. Actual supplies are in a moderate compass, but appear excessive in face of lacking demand. Messrs Tate and Lyle's cubes now quoted 66s 3d to 67s 3d; crushed, 64s 6d; granulated, fine and coarse grain in 1 cwt bags, 63s 1½d; No. 1, 62s 10½d; No. 2, 62s 7½d, with 2 cwt bags 1½d less money. Granulated, one month, also July, quoted 63s; August, 63s, and September, 60s 6d. Crystallised West India in very small supply, and fine yellow, sold, 64s. Most of the quantities arriving have been sold previously. American granulated, spot, changed hands at 63s 6d to 62s 6d; ditto, June steamer, 36s, c.f. and i., London. Dutch granulated, spot, 62s 3d to 62s 6d. Czecho, granulated, spot, 62s 3d. White Java, spot, sold, 60s 6d to 61s; May-June, steamer, 31s 6d to 30s 9d; June-July, 30s to 28s 9d; July-August, 28s 6d to 27s 9d, c.f. and i., London. Belgian granulated, October-December, quoted 25s 6d, f.o.b., Antwerp. Czecho, granulated, November-December, quoted 25s 9d,

f.o.b., Hamburg. Cuban, basis 96 per cent., June, quoted 30s 6d; Brazilian, basis 80 per cent., June, 18s 6d; and cane-jaggery, July-August, 18s 6d, c.f. and i., U.K. Terminal market dull and prices easier, while slightly unsettled. August, sold, 32s 9d to 31s 9d, and 32s; September, 30s 6d; October, 28s 4½d to 28s 3d; December, 25s 9d to 26s, 25s 3d; January-March, 25s 1½d; March, 25s. Cuban stocks stand at 669,500 tons, against 1,063,500 same time last year. Liquid glucose, spot, 29s 9d.

COFFEE.—Spot market presented rather quiet features, but prices show no material alteration. East India, bold sizes, sold, 97s to 126s 6d; peas up to 138s 6d. Costa Rica, bold, 102s 6d to 115s; peas, 94s to 135s.

COCOA.—Market still very dull, consumers showing no desire to depart from the hand-to-mouth policy followed for some considerable time past. Fine Grenada, sold, 47s to 48s; Accra, F/F quality, June-July, quoted 31s 6d, f.o.b. terms.

TEA.—Indian auctions this week embraced some 39,700 packages, and with more active and better distributed competition, a steady tone governed proceedings. Ceylon auctions of 21,000 packages received fair support, but apart from fine teas selling at a steady range, prices ruled easy and slightly irregular. Java and Sumatra mostly in sellers' favour, and a good demand prevailed.

RICE.—Market without new feature, actual business being restricted, but prices show no essential change. Rangoon beans, spot, scarce, and quoted 10s 6d. Japanese peas firmly held. Spot, 25s 6d; afloat, Liverpool, sold, 25s 6d; September-October, London/Liverpool, quoted 25s cwt.

SPICE.—Pepper market quiet but steady. Fair black Singapore, spot, 4½d; May-July, 4d; Lampung, May-July, 3½d; ditto August-October, 3½d; Ceylon, spot, 4½d; Aleppy, 4½d; Tellicherry, 4½d; white Singapore, 6d; Muntok, 6½d; ditto August-October buyers, 6½d. Zanzibar cloves, spot, 1s; March-May, quoted 1s 0½d; May-July, 1s 0½d. Tapioca firm. Fair Singapore, flake, spot, 3½d; fine Java, 4½d per lb; Singapore, June-July, Havre, quoted 27s 6d; Penang seed, spot, 30s 6d for fair quality; sago flour, May-July, 13s 1½d. Desiccated coconut dull. Fine cut, spot, 44s 6d; medium, 47s; May-June, halves, 40s cwt. Ginger quiet.

JUTE.—With continued firmness cabled from Calcutta and an improved outlook regarding the question of labour in the Dundee centre a good market ensued, prices being harder with fair disposition shown to purchase. First grade, May-June, Continent, sold, £27 10s to £27 15s; new crop, August-September, £27 5s to £27 15s; September-October, £27 5s to £27 15s ton. Hessians and twills firmly held.

HEMP.—Manila grades met a continued quiet demand. J grade, June-August, quoted £30 15s; K, £29 5s; L, £29; and M, £28 ton. New Zealand nominal.

SHELLAC.—Market firm, quiet. T.N., spot, 280s to 285s; August, 270s; October, 257s 6d cwt.

COPRA. after a firmer opening, assumed a weaker tone, as sellers manifested more disposition to force sales. F.M.S. Straits, March-May, Rotterdam, sold, £27 10s to £27 5s; April-June, £27 5s to £27 2s 6d; May-July, £27 1s 3d to £26 15s. Ceylon, May-June, quoted £28 5s; Java, April-June, £27 7s 6d; Dutch East Indies, sold, £27 5s; Cebu, quoted £26; and South Sea, £25 10s. F.M. Straits, May-June, Marseilles, quoted £25 17s 6d. Palm kernels quiet. June-August, Liverpool, sold, £19 to £18 17s 6d per ton.

RUBBER. presented very quiet features at the opening, but on buyers becoming more prominent, a steadier feeling set in. On balance, a fair amount of business was effected. Standard crepe and sheet, spot, sold, 14½d to 14½d; June, 14½d to 14½d; July, 14½d to 15½d and 15d; July-September, 15d to 15½d; October-December, 15½d to 15½d; January-March, 15½d to 16½d. To New York, standard sheet, July-August, sold, 15½d to 15½d and 15d per lb, c.f. and i. terms. Wild sorts, on spot, quiet, unaltered.

ESSENTIALS.—Market remained very quiet, and quotations largely nominal. Menthol, spot, 34s, forward, 32s 6d; Japanese peppermint oil, spot, 6s 3d; forward, 6s. Star anised oil, spot, 1s 11d; shipment, 1s 10d. Slab camphor, 2½ lbs, 3s 7d; forward, 3s 7d; crude, spot, 3s 1½d; shipment, 2s 11d. Ceylon citronelle oil, spot, 3s 3d; shipment, 2s 10½d; Java, spot, 4s; shipment, 3s 10d. Cassia oil, 80 per cent. to 85 per cent., spot, 8s 6d; forward, 8s 3d. Oil of lemon, spot, 3s; oil of orange, Sicilian, spot, 11s; and West India, 9s per lb.

EGG PRODUCTS generally quiet, apart from fair inquiries for albumen. Chinese hens' liquid yolk, spot, 85s; May-June, 77s 6d cwt. Albumen, spot, 3s 3½d to 3s 4d; May-June, 3s 2d; June-July, 3s 1½d. Dried yolk, spot, 10½d per lb.

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	June 15, 1923.	June 8, 1923.	June 1, 1923.	May 25, 1923.	Previous Rate and Date Changed.
Bank Rate	3	3	3	3	3½ (Jly. 13, '22)
Banks Deposit Rate	1	1	1	1	1½ (Jly. 13, '22)
Discount (Call)	1	1	1	1	1½ (Jly. 13, '22)
Houses (Notice)	1½	1½	1½	1½	1½ (Jly. 13, '22)
Market rate (3 months' bills) ..	2½	2	1½	1½	1½

The Bank return showed a decline of 4½ millions in the Government securities, and an increase of £299,000 in the Reserve, chiefly due to the return of notes from circulation. There was thus a decline of nearly four millions in the deposits, most of which was taken off Other. Currency notes outstanding were increased this week by £95,400 to £287,944,300, which includes £1,474,000 for notes called in, but not yet cancelled. The fiduciary issue is £237,020,300, or £33,163,500 below the maximum.

The monthly statement of average weekly balances of London clearing banks for May, which is set out in detail on a later page, shows no very striking changes. In the appended table the aggregate figures for the nine English banks are compared:—

(Million £'s.)

	Dec., 1922.	Jan., 1923.	Feb., 1923.	March, 1923.	April, 1923.	May, 1923.
Capital and reserves	116.0	116.2	116.2	116.2	116.2	116.2
Deposits (incl. undiv. profits, &c.) ..	1,684.7	1,692.2	1,643.9	1,596.4	1,606.0	1,608.5
Total Liabilities	1,873.5	1,885.3	1,836.9	1,792.5	1,800.2	1,802.2
Cash, notes, balance at bank, and cheques in course of collection ..	253.0	246.5	234.5	232.3	240.0	234.6
Money at call	106.0	108.0	103.0	104.4	110.5	108.8
Investments	384.5	382.0	373.4	357.4	361.3	349.4
Discounts	298.3	320.0	286.4	250.4	249.5	262.3
Loans and advances	732.7	726.5	736.5	741.6	744.4	743.0
Over for accept., premises, &c.	99.0	102.3	103.1	106.4	104.5	104.1
Total assets	1,873.5	1,885.3	1,836.9	1,792.5	1,800.2	1,802.2

The principal movement shown in the May figures is an increase of £13 millions in bills discounted, presumably owing to purchases of Treasury bills, the operation being partly balanced by reductions of £5½ millions in cash and of £2 millions in investments. Loans and advances show a slight decline. Deposits are £2½ millions higher, but acceptances have dropped a little.

STOCK MARKETS.

Business in the gilt-edged markets has been fitful, and prices have moved irregularly. Substantial dealings took place in War Loan, Conversion Loan, and India scrip. Very heavy sales of Conversion Loan were made early in the week, but when the selling stopped the price rallied, and the gilt-edged market regained a firm tone. French issues of various kinds have responded to the changes in the estimate of the reparations outlook. A feature of the week was the development of a large premium on the new Austrian loan, in which the initial dealings were on a heavy scale. Home Railway stocks are neglected by the public, while Argentine rails recovered from recent weakness. In the oil, rubber, and mining sections speculative interest is at a low ebb. Among the general markets a severe slump, followed by a sharp recovery in Hudson's Bays, was a feature. Tobacco shares are quiet, and electric lighting shares stronger, while banking, insurance, and shipping issues are holding their ground. Nitrates have shown improvement, while in the iron and steel section movements are narrow and unimportant.

THE COMMODITY MARKETS

A further fall is recorded this week in the export price of coal, and this appears to have affected conditions in several industries. At Cardiff some coals are to-day quoted at from 7s 6d to 10s per ton less than the prices which were asked less than a month ago. Our Glasgow correspondent mentions that the demand for coal for both home and export is quiet, adding that "values are on the decline." In the pig-iron market buyers are few, and the strike of the boilermakers is still interfering with the steel output at the rolling mills; the shipbuilding demand

is quiet. Our Sheffield correspondent reports that stagnation is general throughout the iron and steel trades, and that prices are being dropped to tempt business. The wheat markets have been firm, but sugar prices were lower, owing to heavy liquidation in New York. A further rise in raw cotton prices caused spinners and manufacturers to advance quotations, but buyers held back. Jute improved in value on account of inquiries from Continental spinners. Rubber remained steady, but little demand was experienced. Tin suffered a slight relapse, but copper showed signs of improvement. The tone of the hide market continues weak, prices giving way.

FOREIGN EXCHANGES.

In the foreign exchange market business has again been quiet, the distinguishing feature of the week being the complete demoralisation of the mark, which from about 370,000 on the 8th, rose at one time on Thursday to 500,000 and over. There was a slight reaction later, and the rate opened on Friday at 485,000, but there is no certainty in these quotations, and there would seem to be nothing to prevent further wild movements, as confidence in the future of the currency has disappeared almost completely. A turn for the better in the reparation discussions would, of course, make a difference, but the outlook on this point is still obscure and unsatisfactory. Forward marks have a nominal quotation of 30,000 per month over spot. The chief currency which has been affected by the Berlin collapse has been the Polish mark, which has risen during the week from 270,000 to 385,000 on Friday, after being about 400,000 on Thursday. The French rate fell during the week-end from 71.80 to 71.40 on Monday. But since then the attitude taken up by France with regard to the German note has resulted in a steady fall up to Thursday night, when 73.00 was reached. This was followed by a slight recovery to 72.70 on Friday morning. The Brussels rate has moved each day in sympathy, and now stands at 85.10, as against 83.20 a week ago. Forward rates in Paris are steady at about 5 centimes per month above spot, while in Brussels they are at par. The New York rate has weakened perceptibly from 4.62½ to 4.61½, the lowest point reached being 4.61 yesterday. Forward rates remain about ½ per month above spot. The lira has risen over half a point to 99½. Of the neutral currencies, Amsterdam, from 11.77½, fluctuated slightly during the week, and stands to-day at 11.76½. The Swiss rate has risen 3 centimes to 25.70, while Madrid has also weakened from 30.60 to 31.12, probably owing to the uncertainty of the internal situation. In Scandinavia, Stockholm has risen slightly to 17.38, and Christiania, after fluctuating between 27.55 and 27.85, now stands at 27.77, as against 27.69 last Friday. Copenhagen rose from 25.47 to 26.00 during the week, but is better to-day at 25.65. This movement may have been partly due to a renewal in the Danish Parliament of the demand for the revision of the banking and company laws. In Central Europe Vienna remains steady at 325,000, and Prague at 154½. Belgrade has slightly depreciated at 410, and Bucharest at 912. In Sofia, the result of the revolution has been to bring a nominal improvement in the rate from 425 to 350; but in the absence of definite news, it is impossible to say whether this rate will be maintained. Athens is stronger at 155, an improvement of some 25 points on last week. In the East the rupee is still at 4½d, and the yen at 2s 1½d. In the silver market bear influences continue in the bazaars, but China has worked both ways. Prices have fluctuated within narrow limits. A certain lack of confidence in the future is apparent. Hong Kong has risen from 2s 3½d to 2s 3½d, and Shanghai by a like amount to 3s 1½d. In South America, Buenos Ayres shows considerable improvement, from 41½d to 42½d; Rio is also ½d dearer at 5½d, while Monte Video has gone up from 41½d to 43½d. Valparaiso, on the other hand, has depreciated ½ peso to 34.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended June 9th:—

EXPENDITURE.	Min. £	RECEIPTS.	Min. £
Supply Services	3,700	From Revenue	9,169
Sundries	417	Amount Borrowed	6,437
Interest, &c., on War Debt	11,482		
Increase in Balances	15,606		15,606

The total revenue for the week at £9,169,000 compares with £9,803,400 for the corresponding period last year. Customs yielded £2,943,000, against £2,416,000. Estate duties yielded about £400,000 lower at £810,000. Property and Income-tax brought in £1,220,000, and Super-tax £900,000, against a combined total of £2,273,000. Nothing came in from Special Receipts, as against £471,300 a year ago. Expenditure at £15,599,100 compares with £10,463,800. Supply Services were about £2,300,000 lower at £3,700,000. Interest, &c., on War Debt amounted to £11,482,000, against £4,392,600. The week's operations increased the National Debt by £6,436,800, and caused the following changes:—

	Min. £		Min. £
Bank of England Advances	6,000	Treasury Bills	5,482
Sundries	945	National Savings Certificates ..	500
Telegraph Money	600	Public Department Advances ..	7,100
	6,645		13,082

The floating debt was increased by £6,570,000 to £816,390,500.

FINANCIAL YEAR, 1923-24 (April 1 to June 9, 1923).

	£		£
Total Expenditure ..	167,079,334	Raised by Revenue ..	145,414,856
		Net Borrowings	18,490,711
		Decrease in Balances ..	3,173,767
Total	167,079,334	Total	167,079,334

ESTIMATES FOR YEAR 1923-24.

	£		£
Ordinary Expenditure ..	801,013,000	Ordinary Receipts ..	778,500,000
Special Expenditure ..	15,603,000	Special Receipts	40,000,000
Total	816,616,000	Total	818,500,000
		Surplus	1,884,000

Our usual table of the National Debt will be found on page 1357.

The Week in Parliament.—The committee stage of the Finance Bill has been the principal dish on the House of Commons menu this week. The debates, as usual, have ranged over a wide field, the new sinking fund proposal, the tea, table-water, and beer duties, the McKenna duties, Imperial Preference, and the income-tax, all being the subject of separate discussion. Thursday was mainly occupied by the debate on the India Office vote, in which Lord Reading's action in connection with the Indian Budget was discussed. Two railway bills were read a second time. In the House of Lords on Wednesday a debate took place on a speech by Lord Birkenhead on "the growth of Socialism."

Company Meetings of the Week.—On later pages of this issue will be found reports of the meetings of the following companies:—Royal Bank of Australia, Burma Oil Company, Modderfontein Deep Levels, Union Corporation, Geduld Proprietary Mines, Elder Dempster and Co., Forestal Land, Timber, and Railways, Premier Oil, Louise and Co., William Cory and Son, British Electric Traction, and Lobitos Oilfields. Among the features of the speeches were the review by Mr R. S. Alcock, of the Royal Bank of Australia, of conditions in the Commonwealth, and Sir John Cargill's long discussion of the policy of the Burma Oil Company. At the Elder Dempster meeting Lord Kysant made an interesting reference to coalfields in Nigeria, and spoke hopefully of the development of West Africa, while Sir A. C. Cory-Wright, of William Cory and Son, commented on the position of the coal industry.

THE ANGLO-FRENCH PROBLEM.

WE write at a moment when the future of Europe is once more hanging in the balance, and it is not too much to say that the whole world is waiting with anxiety the issue of the next few days. The air is full of rumours, now pessimistic, now optimistic, as to the way the Anglo-French conversations are going, but the wise man will wait for certain knowledge. The resignation of the Belgian Cabinet will probably not affect the situation in any essential degree, for we believe that the immediate cause of the difficulty—namely, the question of the Flemish University—is the real one, and does not cover up any important change or difference of opinion on international policy. Indeed, it seems that Colonel Theunis will be invited to reconstruct his Cabinet, and, if he succeeds, Belgium will still retain at its head a statesman who possesses, by reason both of his business experience and also of his two years' membership as Belgian delegate of the Reparations Commission, very special qualifications for handling the international financial problem.

We have said that the issue is being watched with anxiety. The reason is not very far to seek, for, quite apart from political or humanitarian considerations, the economic situation to-day turns upon the solving of the Reparations problem. Until two months ago trade improvement, which began last autumn, had seemed, if anything, to be stimulated rather than checked by events in Europe; but this was an artificial spurt, and, in spite of the rather misleading impression conveyed by the May trade returns, which we comment upon in another column, there can be no doubt that since Easter the gathering clouds in Europe have succeeded in obscuring the rising sun of prosperity. This conviction has been expressed not merely in the City of London by bankers and other financiers, but also by industrial leaders, and by no one more strongly than Sir Eric Geddes, speaking with full responsibility as head of the Federation of British Industries. We may add, as a matter worthy of note, that in their recent speeches the chairmen of our two greatest armament firms, Vickers and Armstrongs, whom the cynics might have suspected of being interested in stirring up strife among the nations, are among the most emphatic in emphasising the need of political understanding, if they are to secure markets for the modern equivalent of ploughshares and pruning-hooks to which they have diverted their attention. But this point of view is not merely a British one. There are signs that the hold-up of trade is becoming world-wide, and that literally from China to Peru the inability to find a market for exportable products is by common consent traced to the situation in Europe.

For the moment the political aspect of the problem is in the ascendant. Last week we expressed the belief that it was not beyond the possibility of diplomacy to find a *modus vivendi* in the Ruhr during which conversations might proceed. Even this problem, however, is not altogether a simple one. When Mr Bonar Law said that he could not follow France into the Ruhr, because he thought her method would fail, he was voicing the almost universal opinion of this country, but was not expressing its whole mind. Behind this statement lay the very general view that France was committing an act of aggression, and if the Prime Minister of Great Britain were to follow the desire of the French, and insist, without conditions, that Germany should cease passive resistance, he knows perfectly well that he would be outraging the sense of fairness of the great mass of opinion not merely among his political opponents, but among his supporters also. With all our sympathy for France during the war, and our understanding of her present fears for her future safety, and fully though we recognise the weaknesses of the German Government, and the evasiveness of her industrial leaders, we cannot hide from ourselves that the manner in which France has played her cards is out of harmony with British instincts and traditions. If any of our French friends doubt the correctness of this diagnosis of British opinion they have only to inquire into the opinion current in the British army, and in particular among

those officers and men who have had occasion to serve in the occupied area. In saying this we do not, of course, mean that in no circumstances would it be proper for a technical Commission to exercise some rights of supervision in the Ruhr, or in any other part of Germany; but such a scheme can only be wholeheartedly supported by this country if it is carried out as part of an agreed policy between the Allies and Germany. We may add that, even if Great Britain could bring herself to urge Germany to cease passive resistance without condition, our advice would almost certainly be ineffective in present circumstances. Passive resistance has been greatly supported from Berlin, but it is also, undoubtedly, largely a spontaneous growth. The Ruhr has, even under the late Imperial Government, resisted military control, and would hardly be likely to brook French military occupation, if even the Kaiser could not venture to place his troops there. Again, the Ruhr worker is nervous of coming under the control of French industrialists, whom he regards as more reactionary in economic affairs than his own employers, who since the revolution have had to make many concessions in working conditions. Lastly, it must not be forgotten that many of the workers in the Ruhr regard this as a test case of the ability of workers' organisations to resist the dictatorship of military force, and are desperately anxious to prove to the world the effectiveness of their opposition. It is true that if the German Government withheld supplies, many of the Ruhr workers would return to work, but the conditions we have mentioned, added to the expulsions, imprisonments and other incidents which always occur in a military occupation of this kind, would in the opinion of many observers undoubtedly lead to a phase in which passive resistance by the many would be succeeded by a more dangerous active resistance by the few.

If we frankly recognise that France and Great Britain have taken different attitudes towards the Ruhr occupation, we can only hope to restore common action on lines leading to a general agreement on all aspects of the German problem. The French occupation of the Ruhr remains associated in the mind of France with the question of her security. That question cannot be settled apart from Reparations, but it equally follows that Reparations cannot be settled independently of the question of France's security. If we can satisfy France's desire for the better safeguarding of her Eastern frontier, the question of the Ruhr becomes part of the question as to how to guarantee the payment of Reparations. We have always maintained that Germany as a defaulting State must be willing to proffer adequate guarantees in this respect, and in view of the close relations between the Ruhr and Lorraine, a special régime in the Ruhr is necessarily a part of a Reparations understanding. It is only by agreeing with France and Germany what kind of economic régime is justified in the Ruhr from the point of view of securing Reparations that we can hope to reach a basis for common action once again. Provided, however, we can get to this point, we can see no reason why Great Britain should not associate herself with France in some practical scheme of economic supervision in the Ruhr and elsewhere in Germany.

It is unfortunate that at the moment there is considerable talk in London of what attitude we should take if France cannot find some way to modify her demand for unconditional cessation of passive resistance, and what steps we should take, either in conjunction with America or alone, in proceeding to arbitration of the question of Germany's capacity to pay. Such discussions, in our opinion, are to be deprecated unless and until it is quite certain that an Anglo-French understanding is impossible. Last week we indicated how we thought it possible to harmonise opinion in Great Britain and America as regards an impartial inquiry into Germany's capacity with France's demand for a minimum sum for the devastated areas. It is possible that the adoption of such principles would leave Great Britain with a net payment to make to America, which she could not recover from either France or Germany. We have always maintained that Great Britain should accept this responsibility as part of our cost of the war. The argument is familiar to our readers. If the cost of the war were divided between the nations in proportion to their wealth, and if, as is proper,

we added to the French cost the material damage done in Northern France and an allowance for the much greater loss of man-power which she suffered in comparison with our own losses, we should owe France money instead of her owing us a large debt. Moreover, there is a certain mockery in charging France, Italy, and Belgium for munitions when they used them to kill Germans, but when our own soliders took over the line and employed precisely the same weapons we regarded it as part of the British cost of the war. These debts are largely humbug, and were only recorded for purposes of control over our home markets during the war. It is very doubtful tactics for those who accept such arguments to use these debts now as a political lever because they dislike the policy of France.

The question of Germany's total capacity to pay cannot stand alone, but is inevitably linked with the question of the Allied debts and with the distribution of whatever Germany can pay. A new régime in the Ruhr is a part of the same Reparations problem, as it is also part of the political question of France's security. We cannot hope to make any headway at all with France on the political issue alone, but without France we can hardly hope to make much headway on the economic issue. If peace is to descend upon Europe, the first need is that France should abandon her habit of viewing economic facts through political spectacles; the second that Great Britain should make it clear to France that, if she will bend all her efforts towards securing a practical settlement of the economic and financial problem, we, in our turn, will not only contribute generously to the economic side of a settlement, but will also devote our best efforts to gaining for her the security she desires by any means in harmony with our conceptions of the future organisation of world peace.

THE STORY OF THE SINKING FUNDS.

THE British people are extraordinarily true to type. The generations pass, sons succeed their fathers, but the type, with its characteristics, persists unchanged. That is why English history intelligently written is so interesting to read; it always rings with a modern note. For two hundred years we have been borrowing money with both hands in national emergencies, and, in between whiles, moved by financial virtue, we have been trying to pay some of it back. But we never get very far. The hand which tries to pay back is always being stopped by the hand which does not want to pay, the hand which discovers so many more amusing uses for money than the repayment of dull old debts. In every generation we are told the same story in almost the same words: that debts can wait, while remission of taxation is really urgent if industry is to be revived. It is all very human and natural, and exactly typical of our people's ways.

We have been examining the history of the Sinking Funds since those remote days when Walpole tried to discover a new way to pay old debts without anybody being one penny the worse. Walpole's Sinking Fund began bravely in 1716 by setting aside the proceeds of certain taxes to redeem debt; it lasted for seventy years. But in all that time it did not succeed in paying off more than 24 millions. The Fund ought to have been credited with 200 millions, but Governments and Parliaments thought then as they think now, that the principal use of a sinking fund was to be encroached upon, and they did not hesitate to encroach. They paid interest out of it, and built ships out of it, and remitted taxation out of it, but they did not pay off debt, except occasionally. Then in 1786 came the Consolidated Fund and National Debt Commissioners, and the notion—a very good one—of devoting a fixed sum annually to redeem debt. The House of Commons thought that five millions a year from surplus income would form an excellent Sinking Fund. So it would, but when the surpluses began to be achieved by borrowing from the Sinking Fund the British character was seen to be asserting itself in the fashion we know so well. There was much repayment on paper, but very little in fact.

The Napoleonic Wars were bad for debt redemption, yet the appearance at least of repayment was kept up. We borrowed from Peter at a higher rate to pay off Paul at a lower rate, and thus cultivated virtue at a cost in taxation of a million and a-half a year on the average. After the Battle of Waterloo had been fought and peace returned something really was done. It is reckoned that the operation of Pitt's Sinking Fund during the years 1817-30 redeemed about 2½ millions of debt per annum. Then the House of Commons laid down three millions per annum as a proper sacrifice on the altar of debt redemption, but the priests at the Exchequer stole more than half of the offerings for other purposes, so that for forty years the average repayment did not exceed 1.3 millions annually. It will be observed that no Sinking Fund ever got a fair run. It was a helpless fowl from whose tempting body every Chancellor of the Exchequer plucked golden feathers.

In 1866 Parliament tried again, and while sweeping away the fixed annual sum of 1786 retained the rather tattered principle, which dated from that year, of applying all revenue surpluses automatically in repayment of debt. That principle, still called the Old Sinking Fund, endures to this day, and is observed. Under it Sir Robert Horne's surplus of 1922-23 was absorbed by the National Debt Commissioners. It was this vanished surplus, absorbed as it accrued, which a distinguished politician thought could be made available in 1923 for building houses. He was true to the British type of financier.

Sir Stafford Northcote, a Conservative Chancellor of the Exchequer, brought some order out of chaos in 1875 by establishing the New Sinking Fund, a scheme which would have achieved great things if the idea of robbing hen roosts had not been the common property of Chancellors long before the rise of Mr Lloyd George. Under the New Sinking Fund a definite sum was assigned annually to the service (interest and capital) of the debt, the notion being that the interest portion of it would steadily decline and the redemption portion as steadily increase. It started operations at 28 millions, and so continued for thirteen years. Then it began to suffer from the customary grasping hands of needy Chancellors; the wonder is that it remained for so long unplucked. In 1888 the 28 millions became 26, in 1890 they shrank to 25, and in 1899 they were shredded down to 23 millions. The South African War, of course, put a stop to all debt redemption for the next three years.

We have now reached the twentieth century, which in its dealing with sinking funds has been faithful to the financial traditions of its nineteenth and eighteenth predecessors. We get the regular rotation of history repeating itself. First, virtue and the establishment of a sinking fund; secondly, the growing pressure of some financial emergency and the raiding of the sinking fund; thirdly, a real emergency, and the sinking fund wiped out altogether. In 1903-04, with the increased burden of debt due to the South African War, we see the fixed service of the debt put at 27 millions as against 23 millions in 1898-9. The 27 millions rose to 28 millions in 1905-6, to 28½ millions in 1906-7 and to 29½ millions in 1907-8. So far virtue was rising on strong pinions. But now the German menace began to influence seriously our Budgets, and 1908-9 got no more than 28 millions. In 1909-10 the country "wanted eight" (battleships), and as it could no longer afford to wait the service of the debt was cut to 21.7 millions, and redemption had to be content with a single million. In 1907-8, the peak year, we repaid 8.3 millions of debt. There was a compromise in 1910-11 with a fixed annual sum of 24.5 millions (of which 4.1 millions went to redemption). And so to 1914-15 and the Great War.

After that catastrophe until peace became re-established there could be no talk of redemption. The old debt, to which the New Sinking Fund applied, was kept distinct from the new war debt, but nothing was allotted, even on paper, to repayment. It was not until 1920-21 that we reached the stage of balancing our Budget—chiefly by selling great quantities of war stores and carrying the proceeds to revenue—and the New Sinking Fund for the service of the old debt was again put at 24½ millions. Of this amount 7.3 millions nominally went to redemption in 1920-21. Besides this allotment the

national revenue was charged with the statutory sinking funds, under which War Loans and bonds had been issued. The figures for 1921-22 are interesting. Though the fixed service of the old debt remained at 24½ millions, of which between 7 and 8 millions was redemption money, no less than 70.7 millions of revenue, chiefly by operation of the Old Sinking Fund, was actually issued from the Exchequer for the repayment of the old and new debt. Sir Robert Horne's remarkable contribution to national finance in the following year, 1922-23, is still remembered. He raided the New Sinking Fund in the style of many earlier Chancellors, but the operation of the Old Sinking Fund of 1786 and 1866 (revenue surpluses to debt redemption) and the statutory terms of the war debt issues caused no less than 126 millions to pass out of revenue to the funds for national debt redemption. More than 100 millions of this contribution was Sir Robert Horne's undesignated surplus.

Now in 1923-24 we have Mr Baldwin's effort, the latest of a long series of similar efforts, none of which have been permitted to bear fruit as conceived by their authors. He has laid down 40 millions as a sinking fund to repay debt in 1923-24, and proposes to fix the allotment for 1924-25 at 45 millions, and for 1925-26 and subsequent years at 50 millions. When we are comparing the figures of this Newest Sinking Fund with Sir Stafford Northcote's New Sinking Fund we must note two points. Out of the 24½ millions (1921-22) of the Northcote Sinking Fund not more than 8 millions was available for redemption of the old pre-war debt; besides these 8 millions the new statutory debts absorb some 20 millions annually in debt repayment. What Mr Baldwin has done has been to consolidate the provisions for old and new debt (except terminable annuities), and to increase the provision for repayment by some 10 to 12 millions for 1923-24, 15 to 17 millions for 1924-25, and some 20 to 22 millions subsequently. The Old Sinking Fund of 1786 and 1866, which requires that revenue surpluses should pass automatically to the National Debt Commissioners for debt redemption, remains undisturbed. That Fund is not easily to be raided, for no one knows what the surplus of a year will amount to until long after the Finance Act for that year has been passed and the opportunity has gone by for raids to be legally effected. This will explain the immunity from plunder for nearly 60 years of the Old Sinking Fund. It has not escaped from motives of financial virtue, but because Chancellors have not been granted the opportunity to raid it.

THE BULGARIAN REVOLUTION.

IN the absence of definite news as to the whereabouts of the former Prime Minister, M. Stambouliski, it is not easy to predict the future course of events in Bulgaria. The latest telegrams suggest that affairs are settling down quietly; but apprehensions cannot fail to continue with regard to a movement in which monarchist wire-pulling may be detected or suspected, and which runs the most hazardous risk of providing excuse or occasion for action among the heavily armed populations of the surrounding territories. The *coup d'état* of Saturday last, planned and executed by certain Army officers, placed Sofia in the hands of a revolutionary bourgeois Government under Professor Zankoff, a man without a political past. The capital has always been the principal stronghold of the Bulgarian bourgeois parties, and has never submitted willingly to the rule of the Agrarians. Bulgaria itself, however, is essentially a country of small peasant proprietors, and we have yet to learn whether the rural population will quietly accept the *fait accompli* or whether it will take up the cudgels on behalf of its popular hero, Stambouliski, who is himself the son of a peasant. This may well prove a test case to decide the relative effective strength of town and country, though, in any event, the outlook is far from bright. The significance of this latest of revolutions may perhaps be best explained by a short recapitulation of the policy hitherto pursued by M. Stambouliski himself. A strong opponent

of the German alliance, he was imprisoned by the ex-Czar Ferdinand for the duration of the war. But for the great prestige he enjoyed even then among the Bulgarian peasantry, it is certain that he would have been condemned to death for his pacifist leanings. At the conclusion of hostilities the tables were turned and M. Stambouliski emerged from gaol to become the leader of the Agrarian party, which came into power soon after. As Prime Minister he did everything in his power loyally to fulfil the obligations imposed on the country by the Treaty of Neuilly, and attempted, in particular, to establish friendly relations with the neighbouring kingdom of Yugoslavia. At the congress held at Nish some months ago, he even undertook to co-operate with the Serbs in repressing the Macedonian Komitajis, who had caused many serious frontier troubles between the two countries, but who commanded a considerable degree of sympathy among Bulgarian chauvinists. The Sofia agreement on reparations, while representing in some measure a triumph for M. Stambouliski, still awaits ratification by the Reparation Commission in Paris; while the cession of Karageatch by Greece to Turkey appeared to mark the complete failure of the foreign policy of the Agrarians.

Though respect for treaties does not appear to be either sound or popular in this enlightened age, it is certain that M. Stambouliski would not have fallen on account of his foreign policy alone. At the same time this has certainly played its part in the recent revolution, which is assured of the active support of the Macedonian Bulgars. The real grievance is rather to be sought in the internal policy of the Stambouliski Government. Peace abroad and punishment of war criminals at home were the two watchwords of the Agrarians, who proceeded to imprison ex-Ministers and repress the bourgeois elements, which almost alone had shown any keen sympathy for Ferdinand's diplomacy. The army was greatly reduced in numbers in accordance to the treaty terms, and little was done for the demobilised officers, whose plight was in many cases a very sad one. This is undoubtedly one of the explanations of the fact that the recent revolution has been in origin a military movement. In addition the former Prime Minister, though supported by a large majority of the nation, behaved in a very dictatorial fashion, and appeared to aim at little less than the complete annihilation of the small middle-class. (There is no aristocracy in Bulgaria.) At the moment the country is in the hands of a Provisional Government, which enjoys the support of all the bourgeois parties. It will be interesting to see whether the peasants will be the more interested in politics or agriculture, for their farms certainly require their attention for the next few months. The revolution was well-timed, and the Agrarians appear to have been taken completely by surprise. The new Ministers have made protestations of good intentions, and declare themselves anxious for peace and friendly relations in the Balkans. There appear, however, to be reasons for doubting whether these will be taken at their full face value by the neighbouring States, and it should not be forgotten that South-Eastern Europe resembles in many respects an armed camp. Moreover, by increasing the number of men under arms, the new Government has already broken the Treaty of Neuilly. Whatever judgment one may pass on the Stambouliski régime, there can be no doubt but that it made for peace. Time alone will show whether the new Government—if it can succeed in maintaining itself—will continue the traditions of its predecessor in this respect, or whether it will indulge in adventures which will destroy once again all hopes of a peace with understanding in this war-ridden corner of Europe.

OVERSEAS TRADE IN MAY.

THE trade returns for May have been hailed with enthusiasm by the Press as evidence that trade is booming at last, on the strength of a very substantial increase in British exports. But this is a misleading conclusion for two reasons. In the first place, the May exports are the results of past orders, and reflect the spurt in trade which reached its height two months ago; and in the second place, for the last two months the returns have included the trade of Great Britain and Northern Ireland with the Irish Free State, while the direct foreign trade of the latter has been excluded. Direct comparison with figures referring to periods before April 1st last is therefore vitiated, and to some extent also a fair comparison cannot even be made between the figures for April and May of this year, for, as was pointed out in the Board of Trade *Journal* last month, trade with the Irish Free State in April was not on a normal basis, as anticipatory shipments of dutiable goods were reported, and, "as a further element in the confusion of accounts, the collection and transmission of returns, the making of which was a novelty to those concerned, cannot be supposed to have settled down to the regular routine established in regard to our trade with other parts of the world." Hence for the first time the returns include in full not only exports from Great Britain, but also exports from Belfast to the Free State. In the May bulletin of the "London and Cambridge Economic Service" it is suggested that by the new method of tabulation total imports and total exports may be raised by 5 per cent.

The published figures show an increase in imports of £3 millions, as compared with April, and of less than £1 million as compared with May, 1922, while exports are nearly £9 millions higher than April and £13½ millions higher than May last year. Re-exports are three-quarters of a million lower than April, but nearly £3 millions better than May, 1922. For each of the past two months the total of re-exports has been well above the figures for immediately preceding months, but how far this is due to the Irish figures it is impossible to say. The import surplus for May was just over £6 millions, as against £21½ millions in May, 1922, but, as will be seen from the tables below, the adverse balance for the five months is still over £20 millions greater than for the corresponding period of 1922. In reading these tables, allowance has to be made for the effect of the new method of dealing with the Irish figures mentioned above:—

MONTH OF MAY.				
	1922.	1923.	Increase or Decrease in May, 1923.	
Imports	£ 88,725,569	£ 89,478,996	£ 753,427	% 0.9
British exports	58,045,353	71,554,864	+ 13,509,511	+ 23.2
Re-exports	8,964,899	11,773,426	+ 2,808,527	+ 31.4
Total exports	67,010,252	83,328,290	+ 16,318,038	+ 24.2
Excess of imports over total exports	21,715,317	6,150,706	-15,564,611	- 71.3

FIVE MONTHS ENDED MAY 31.				
	1922.	1923.	Increase or Decrease in 1923.	
Imports	£ 402,953,895	£ 449,470,157	£ 46,516,262	% 11.5
British exports	299,615,854	319,795,468	+ 20,179,614	+ 6.7
Re-exports	46,951,311	52,908,852	+ 5,957,541	+ 12.7
Total exports	346,567,165	372,704,320	+ 26,137,155	+ 7.6
Excess of imports over total exports	56,386,730	76,765,837	+ 20,379,107	+ 36.0

Taking the figures at their face value, a disappointing feature of the May imports is a reduction as compared with May, 1922, of over £1½ millions in imports of raw materials, and an increase of nearly £1½ millions in imported manufactures. The former is accounted for entirely by cotton and wool, while the latter is spread all over the list. On the export side, coal figures largely with an increase of over £4½ millions, but exports of manufactures are also up by £7½ millions, of which iron and steel

and manufactures thereof account for over £2½ millions, machinery for over a million, cotton manufactures for £1½ millions, and chemicals for £800,000. A decrease of £1½ millions under vehicles is entirely accounted for by new ships, exports of which fell in value from over £2 millions to less than half-a-million, and from 256,700 tons to 145,800 tons.

In the table below we show the quantities of some of our principal exports this year in comparison with the corresponding periods of 1922 and 1913:—

BRITISH EXPORTS.—QUANTITIES.

	Five Months Ended May 31st.		
	1913.	1922.	1923.
Coal.....tons	29,519,825	22,390,312	33,220,230
Pig iron	454,443	175,174	404,037
Railway material.....	293,144	256,014	189,568
Total of iron and steel & manufactures thereof ..	2,090,411	1,303,640	1,850,495
Textile machinery	72,349	65,908	66,995
Total machinery	307,732	171,424	188,966
Cotton yarn	89,422,300	90,565,200	60,196,400
piece goods	*2,967,231,200	1,538,952,700	1,806,199,500
Worsted yarn.....lbs	21,018,100	16,867,100	14,320,300
Wool tops	195,132	173,413	169,568
Woollen tissues	*39,682,300	46,109,500	56,446,800
Worsted	*25,805,800	26,756,100	27,807,200
Boots and shoes.....doz pairs	586,207	173,647	247,854
Leather	101,525	91,636	112,842
Locomotives	17,877	17,188	13,892

* Yards.

The heavy increases in coal and iron and steel exports in comparison with 1922 is to a considerable extent due to the dislocation in the Ruhr, and to that extent satisfaction with the appearance of the figures must be tempered. An examination of the accounts suggests that exports of coal to Ireland are to some extent also responsible, the total for "other countries" last month being nearly 100 per cent. greater than in May, 1922. Cotton and woollen piece goods make a very favourable comparison with last year, and in several other items there are increases in the volume. In comparison with 1913 this year's figures are distinctly encouraging, but again it must be emphasised that the figures for this year are swollen by the artificial boom which resulted from events on the Continent, and which, judging by the reports of empty order books, has already practically worked itself out.

We have already expressed the hope that figures will speedily be introduced into the returns which will enable true comparisons to be made. We are glad, however, to note that the shipping figures have given the tonnage figures for the Irish Free State for the past two months. In April there were 247,523 tons entered and 324,726 tons cleared, of which 241,363 and 323,752 tons respectively were British vessels. In May the figures were 263,865 tons entered and 345,227 tons cleared, of which 258,873 and 340,603 tons respectively were British. The bulk of foreign vessels in each month were American. The shipping figures for Great Britain show an increase in the total cleared in May, 1,166,000 tons, compared with May last year, while for the five months the increase amounts to 6,669,000 tons, the total cleared up to the end of May being 28,578,100 tons.

THE POSITION OF THE BUILDING TIMBER MARKET.

(BY A CORRESPONDENT.)

IN view of the present hopeful prospects of the house-building trade—and, for that matter, the hopeful prospects of all other industries in which sawn and planed timber, or, in trade parlance, deals, battens, boards, and floorings, take a prominent part—a brief survey of the present position of the market should be of interest to those of our readers engaged in industrial concerns.

To present a true reflex of the market it would be as well to give a brief survey of the situation a couple of years ago. After the boom years following the war the United Kingdom importers and the Swedish and Finnish

timber producers were at a deadlock—trade generally had fallen off, and the former refused to pay in May the Swedish basis rates of £30 a Petrograd standard for 3 by 9 red deals, unsorted, representing a "cut" of £10 compared with the f.o.b. asking prices of the previous January. The result of the deadlock was the breaking up in July of that year of the Swedish and Finnish selling unions and the bringing down of f.o.b. prices with a crash, to the great distress of shippers, as well as occasioning heavy losses to our own importers and merchants. After a short time, during which some timber changed hands at or near the pre-war level, the Swedish basis became fairly established at about £17 for deals, rising towards the end of 1921 to £22 to £23 a Petrograd standard.

In the early months of 1922 the market became still more firmly settled. It was recognised that importers, at the "break" in the previous July and after, had secured extremely cheap timber out of the wreck, and that the July slump prices were as unhealthy for trade as the too high values of the foreign exporters a few months earlier. Swedish shippers in the early months of 1922 were asking £26 for their deals and Finnish shippers the usual £3 to £4 less, and, thanks to the demand on the Continent and from the United Kingdom, this basis was not only maintained, but the market became firmer for popular sizes, excepting deals, of which there were good stocks and a falling demand. Throughout the year merchants found it almost impossible to keep pace with the gradual increase of shippers' prices, for, as they were able to get a little advance on spot goods, the f.o.b. market went up another notch.

The imports in 1922 of sawn and planed soft woods were greatly in excess of those of the previous year, especially from Finland, which has made remarkable headway in the export of timber to this country. In all, 3,998,700 loads of sawn wood were imported in 1922, compared with 2,057,580 loads in 1921, and of planed wood 381,700 loads, against 235,620 loads the previous year. Of the sawn, Sweden shipped to our ports 1,148,260 loads, Finland 1,026,660 loads, Russia a modest 392,000 loads, with Canada 467,000 loads.

At the beginning of this year the country was faced with a fairly large stock, but the consumption, though better than a year ago, was far from satisfactory, and competition was very keen. Shippers' asking prices were on a basis of £27 10s to £28 for Swedish 3 by 9 unsorted red deals (we think it better to keep this basis than to bewilder our readers with the multifarious quotations of the many sizes and qualities imported), and this basis not only has been maintained, but the volume of sales has been extraordinary for post-war times.

The Swedes and Finns have done good business for f.o.w. and immediately after. It is estimated that Sweden has already disposed of some 500,000 out of an average annual cut of close upon a million standards, whilst Finland has sold 425,000 standards out of what is hoped to be an output this year of something like 900,000 standards; and while Russia is still so much out of the market, it would appear as if the first two-mentioned countries, with their well-organised selling combinations, will once more have the control of the consuming markets of Europe, particularly if there is a sudden call for greater supplies of building woods than we have been accustomed to see since the Armistice. Importers, however, are fully aware that boom prices of timber would stop, or at least greatly hinder, any rush in trade if such were to come upon us, and, knowing this, after supplying the country with its present and early future needs, are holding off in the hopes that other European countries will rise to the occasion and, finance permitting, send the necessary supplies to this country to ease the f.o.b. and spot markets. Russia is looked to in this connection, and though statistics of expected shipments appear large, it is likely that some 200,000 standards will be shipped from that country this season.

We give below a table showing the imports of sawn and planed wood into the United Kingdom during the first four months of 1921, 1922, and 1923:—

IMPORTS OF SAWN AND PLANED SOFT WOODS, JANUARY 1ST TO APRIL 30TH.

	Quantity.			Value.		
	1921.	1922.	1923.	1921.	1922.	1923.
Sawn, soft—						
Russia.....	2,835	32,189	20,068	14,250	200,922	123,010
Finland.....	27,651	39,162	34,002	245,711	174,791	183,968
Latvia.....	19,825	53,912	99,933	185,269	228,993	465,272
Sweden.....	94,027	146,487	145,972	1,033,462	872,651	780,627
Norway.....	19,277	47,747	41,405	230,271	254,844	247,057
Poland (inc. Danzig).....	7,010	20,942	47,663	76,166	99,014	251,938
Germany.....	21,350	12,101	16,865	221,632	69,310	72,537
United States of America.....	28,878	40,298	83,451	421,529	391,256	756,869
Canada.....	50,334	40,293	68,277	452,210	265,829	390,624
Other countries.....	28,276	77,535	67,375	272,496	391,739	347,103
Total, sawn, soft.....	299,463	510,666	625,011	3,152,996	2,949,359	3,619,005
Planed or dressed—						
Russia.....	811	55	11	9,814	285	6,483
Finland.....	32,649	35,738	48,581	434,571	239,973	342,449
Sweden.....	26,186	46,414	45,856	332,222	301,622	317,779
Norway.....	166	437	15	2,612	3,679	215
Germany.....	528	911	2,042	14,351	14,005	26,381
United States of America.....	333	313	1,970	3,691	2,398	20,521
Other countries.....						
Total.....	60,553	83,898	99,740	802,261	561,968	713,891

The figures are not of any great value, bearing, as they do, upon perhaps the four dullest months of the year, when navigation is closed, but they are useful as showing that the minor timber exporting countries have already made an improvement in shipments of wood to this country. Russia, Finland, and Sweden have, up to the end of April, shipped less—due to the late opening of the ports. But it will be noticed that Latvia has largely increased her exports of wood to the United Kingdom, and as many cargoes have come to hand from Riga and Libau within the past few weeks, we predict much larger figures to follow in forthcoming trade returns. Poland (including Danzig) has also shipped much larger quantities than last year. Given good opportunities, Poland can help the import wood trade of this country well during the present season, and Danzig cargoes have been frequent round our coast this past week or two; from Memel we shall get increased shipments, as likewise from Reval in Esthonia and from Roumania.

Across the Atlantic, although we wish the contrary, we cannot expect too much. The United States do not play a very prominent part in our supplies of house-building wood material, whilst Canada has such an attractive market over her border—so near, while so far from our natural European sources—that we do not anticipate too much from there, unless prices advanced considerably, a movement which we should greatly regret to see. Nevertheless, we hope there will be always fair quantities of spruce, a wood appreciated particularly in our western areas, as well as silver spruce for aeroplanes and the Canadian pine, so greatly esteemed for its sweet and mild nature.

At the least, 90 per cent. of our timber requirements must come in from overseas. We want to get those supplies as cheaply as possible, to encourage and cheapen the products of all industries that are users of wood. To obtain that end (not forgetting the encouragement of our small native timber industry) we must encourage—as we have already stated in these columns—shipments from the minor producing countries. In this the timber importer is working unostentatiously but effectively. Oftentimes he advances a large part of the purchase money to the timber exporter before the wood comes into port, and his profits are often dampened down by losses.

We have endeavoured to show that the rising prices of timber have not been effected within our own shores, but abroad, owing in great measure to dearer foreign labour and equipment, whilst keen competition at home has stopped any further rises than those made by foreign exporters. By tact, business ability, and plenteous supplies from all quarters of the globe, we ought, at the worst, to be able to stop f.o.b. prices from rising, and at the best get them down to about 33 per cent. above pre-war level.

CANADA'S POTENTIALITIES AS WHEAT PRODUCER.

(BY A CORRESPONDENT.)

CANADA'S wheat-producing powers are of great importance to the British Empire. When those powers are questioned, as they have been recently, an investigation is not out of place for the purpose of determining whether Canada's claim as a great, and prospectively greater, corn country, has any solid foundation in fact. I have therefore secured information, from a Canadian authority, which goes far to substantiate the Dominion's claim to pre-eminence as a wheat-producing country. There is evidence which suggests that Canada will, in time, produce more wheat, and of a higher grade, than any other country in the world.

That Canada is entitled to be called the "granary of the Empire" is borne out by the following figures, which show the wheat production of the principal producing units of the Empire for the year 1921 (or 1921-22):—

	Bushels.
Canada.....	300,858,100
India.....	250,469,333
Australia.....	146,606,000
Great Britain and Ireland.....	74,000,000
South Africa.....	8,689,000
New Zealand.....	6,000,000

That Canada will continue to hold this title is evidenced by the fact that not more than 15 per cent. of her wheat land is now under crop. The production in 1922 amounted to 399,786,400 bushels, an increase of 98,928,300 bushels over the 1921 figures given above. While actually India is a close second, relatively she is far behind, inasmuch as Canada produced about 35 bushels per head in 1921, as compared with India's less than one bushel per head.

There is another question in dispute. It has been declared that the attempt to push the wheat belt northward in Canada has been a failure. If that were so the future of the Dominion, as a wheat producer, would still be of first-rate importance, as the rest of Canada, about which there is no question, is capable of an enormous annual production. But, as a matter of fact, excellent grain is now grown in these northern districts. The expansion of the wheat belt northward in Canada is by no means a failure; but, on the contrary, has been a decided success. Wheat from the Peace River Valley, in Alberta, took the first prize at the World's Columbian Exhibition in 1893, and the area of wheat grown in that district is rapidly increasing. In those northern latitudes four and five grains are found to the cluster, as against two or three in the United States or more southern countries. As to the climatic conditions of the two countries, those of Canada are superior to those of Great Britain for the production of wheat. The British Isles have too much moisture to produce the hard wheat grown in Canada. Excess of moisture produces wheat lacking in protein content and baking strength.

Owing to the large amount of British capital invested in wheat lands, elevators, railways, steamships, and other allied interests in the Western Provinces of Canada, it becomes a matter of the utmost importance as to whether Canada is to go forward or backward in the work of feeding the American and European Continents. The popular impression has been, and still is, that Canada, if adequately developed, can produce enough wheat to make sure the world's supply of bread for a great many years to come, an impression which is founded on irrefutable data. As to whether the Dominion of Canada is likely to be the greatest wheat-growing country in the world, there can be only one answer. That country is now the second largest producer of wheat, and will assuredly become the greatest producer and exporter within a very few years. With but 15 per cent. of her available wheat areas under crop, and a rapidly increasing area being brought under annually, the Dominion should before long out-distance the United States in wheat production.

In view of the attitude of the Labour party in this country in opposing migration to Canada, it is an interesting question whether English farmers going out can make money by wheat-raising, or whether the Canadian picture generally has been overdrawn. I may say in

this connection that English farmers who have sufficient capital to engage in farming in Western Canada can, undoubtedly, engage profitably in wheat growing. True, the price of wheat at the present time is at rather a low level. But, even under present conditions, the skilled farmer who is comparatively free of debt, and in a position to give personal attention to his farm, should certainly succeed in growing wheat at a profit. Lands can be purchased now at low prices, and the settler will probably reap the benefit of increased values in his land holdings. There is no justification for throwing cold water on Canada as a land for the British migrant who looks to farming for a livelihood. If there is an idea that better opportunities for extensive wheat-growing exist than are to be found in that country, an analysis of the situation in different lands will tend to confirm Canada's claim to a foremost position in this respect. The quantity and value of Canada's wheat crop for the past few years is a most interesting study. From 1911 to 1922, inclusive, the figures are:—

	Acres.	Yield per Acre.	Total Yield.	Total Value.
	Bushels.	Bushels.	Bushels.	\$
1911.....	11,100,673	20-80	230,924,000	148,123,000
1912.....	10,996,700	20-38	224,159,000	139,090,000
1913.....	11,015,000	21-04	231,717,000	156,462,000
1914.....	10,293,900	15-67	161,280,000	196,418,000
1915.....	12,986,400	28-93	376,303,600	312,569,000
1916.....	15,369,709	17-10	262,781,000	344,096,400
1917.....	14,756,850	15-75	233,742,850	453,038,600
1918.....	17,353,902	11-00	189,075,350	381,677,700
1919.....	19,125,968	10-00	193,260,400	457,722,000
1920.....	18,232,374	14-50	263,189,300	427,357,300
1921.....	23,261,224	13-00	300,858,100	242,936,000
1922.....	22,422,693	17-75	399,786,400	339,419,000

The quality of Canada's wheat may be gathered from the fact that out of the total volume of 189,000,000 bushels inspected during the crop year 1920-1921, 117,911,000 bushels were graded under the two highest grades of Nos. 1 and 2, a percentage of 62 per cent.

In an estimate published by an English statistician in a London paper in 1920, Canada's ultimate maximum wheat crop was placed at a thousand million bushels. It was also suggested that half a century or more would elapse before that figure could be reached. It is, of course, somewhat difficult to make an accurate forecast of the probable production of wheat in Canada in the future, but if it is estimated that 75 per cent. of the available wheat land will be under crop in 30 years, this would give an enormous production—in the vicinity of about 2,000,000,000 bushels—and the quality of northern grown wheat will always create a demand in all the markets of the world.

The statement has also been repeatedly made that owing to the rapid growth of the United States, that country will ultimately absorb the greater part of Canada's wheat. It certainly seems probable that the United States will cease to be an exporter of wheat before very long. But with Canada's rapidly increasing production there would also seem to be little chance of the American market absorbing all of the former's exportable surplus, so that Canada will always be an important, if not the principal, factor in the European market.

THE HOME RAILWAY MARKET.

(BY A STOCK EXCHANGE CORRESPONDENT.)

FOR several weeks past the Home Railway market has been in a condition of quiet dullness. During the past fortnight this has tended to deepen into depression. The market is heavy, with very occasional rallies to mark its vitality. Prices, compared with the best levels touched this year, are disappointing. The market appears to have lost what power of attraction it possessed in the early part of the year, and stockholders are asking, with a note of anxiety in their requests, how it is that there should be this continual shrinkage, which tends to wear away patience and confidence as the dropping of water wears away a stone. The dividend outlook is being discussed with timidity rather than anxiety, and there can be no doubt that the evidences of unrest recently prevalent amongst some of the big trades unions have played their part in laying a restraint upon the inclination of investors to put their money into Home Railways. That this

should be the case at a time when money is flowing freely into the Stock Exchange, when industrial shares, ordinary and preference alike, stand at high figures, and when the feature of the day is the demand for anything of the sound investment character, renders the more noticeable this indifference of the public to this section. That there is no doubt as to the abstention of the public from the markets is proved by the fact that the jobbers do comparatively little from day to day. They are not asked to take big lines of stock; it is not these which are keeping down prices. The dullness is caused simply by neglect, and, as always happens at a quiet time, what may be called the daily round of sales—on behalf, that is, of deceased accounts, and of people who want the money for something else—is not balanced by purchases on the part of investors. It is useful, in order to gain a correct perspective of the present position, to set out the few Home Railway ordinary and deferred stocks that still remain, with the prices at the beginning of the year, the highest and lowest, and those now current. The details contained in this short statement are well worth consideration by those who are feeling disturbed by the dry condition of the market in Home Railway stocks:—

Stock.	Prices.			
	Jan. 2.	Highest.	Lowest.	Now.
London & North-Eastern def...	30½	39½	28	33½
London, Midland, and Scottish	103½	118½	102½	112½
Great Western.....	109½	118½	108½	114½
Southern deferred.....	35½	43½	34	39
" "A" ordinary.....	33	41	31½	36½
Metropolitan.....	61	74½	59½	73
Districts.....	46½	57½	45½	54½

The last two prices, those for Districts and for Metropolitan, are added as matters of interest. They are governed by conditions different from those which affect the other stocks; nor have we included Caledonian deferred, which after being 18½ this year and 11, now stands about 11½, in consequence, of course, of the recent decision of the Railway Tribunal in regard to the distribution which is to be made to holders of "Cora" stock.

It will be seen that the fall from the highest prices is not, after all, of any great account. It can be explained readily enough by reference to the quietude of business in the more speculative markets of the Stock Exchange. There is something of a stale bull account remaining in Home Rails as a result of the optimism which prevailed earlier in the year, when prices were rising sharply. Too many of the buyers overstayed their market; upon the prices beginning to recede there have been steady sellers, often, as usual with the public, at prices a shade above those actually current. Selling limits at such prices contribute to the atmosphere of dullness which has intervened by reason of the labour possibilities, and other reasons alluded to above. The two stocks in which speculation is most apparent are the London and North-Eastern deferred and Southern deferred, in neither of which is there anything "to go for" in the shape of dividend until early next year. To wait another six months before dividend prospects begin to make their influence felt upon the market is more of a trial than speculative nerves can stand in quiet times. The result has been that stock comes in constantly from tired and rather exasperated bulls. So far as North-Westerns and Great Westerns are concerned, the stamp duties and commission on these Heavy stocks serve to underline the caution already existent amongst prospective buyers, and the fact of Great Western yielding practically 7 per cent. on the money, London, Midland and Scottish a little more, on the basis of the last dividends, fails to arouse any interest, or any readiness on the part of the investor to buy the stocks. To the close observer of the market there is no particular reason why the position should undergo any dramatic change as things are at present. The day will come when 7 per cent. on Home Railway ordinary stocks will once more appeal as attractive and desirable. The famine in sound securities which pay anything like this rate on the money is already sufficiently marked to render it certain that the Home Railway list will harden up again sooner or later. It is not the pre-ordinary stocks that suffer. They stand at virtually the highest prices they have seen for many a year, but in regard to the more speculative issues, financial fashion decrees that they shall

be out of favour for the time being, a fact which deserves to be noted, possibly acted upon, by those who believe in the Stock-Exchange axiom that the time to invest in particular stocks and shares is that when they are out of favour, unbefriended, listless and dull.

Notes of the Week.

Our British Tariffs.—Year after year the opening debates on the annual Finance Bill produce discussions upon tariffs and Free-trade, and usually the arguments on the two sides proceed along the traditional line of well-worn controversy. A certain piquancy has, however, been added to the debates in the House of Commons this week; for the subject of Imperial Preference attracts renewed interest because Imperial trade is to be discussed at an Imperial Conference in the early autumn; while the attack on the so-called "McKenna" duties is given fresh point by the expectation that their author is about to return to the office of Chancellor of the Exchequer. Monday's discussion on Imperial Preference presented no new feature. It produced the old familiar, but none the less dangerous, nonsense about preferential duties being cement to bind the Empire together and the old appropriate retorts. It produced also the old and irrefutable argument that the only preference that is of real substantial importance to the Dominions would be preference on raw materials and foodstuffs, which would require as a precedent the imposition by our Government of taxes on such commodities. The people of this country have clearly shown that they will not have such taxes; the present Government has clearly stated that it will not propose them, and we still look in vain for evidence that the Dominions have the slightest desire that the Mother Country, in order to afford them preference, should shoulder taxes which her own people would regard as disastrous. While the Commons debate on Preference was thus normally academic, the interest of Tuesday's discussion of the "McKenna" duties centred around the personal position of their parent. It is a pity that the debate could not have been deferred until Mr McKenna takes his seat, if he is to take it, on the Treasury Bench; for, as Mr Asquith remarked, the debate "was like nothing so much as the play of Hamlet with the Prince of Denmark absent." Captain Wedgwood Benn provided the sensation of the debate by producing the following letter written by the Chancellor-Elect on May 31, 1921, to an organ company, whose business had been destroyed by these duties. Mr McKenna's letter ran as follows:—

I deeply regret that the Government have not given effect to my promise, which was publicly made in the House of Commons, that the *ad valorem* duties on imported luxuries should be imposed for the period of the war only. The best advice I can offer now is that you should appeal to the Chancellor of the Exchequer to remove the tax, which I am well aware operates very injuriously to your business.

When Mr McKenna penned that most sensible letter he was a banker, probably without any idea that he would ever return to a position of political responsibility, and the life of Ministers would be almost impossible if they were expected to live up to every private expression of opinion made some years before assuming office. Nevertheless, Mr McKenna will find himself in a very anomalous position if, as Chancellor, he takes responsibility for continuing these duties, which two years ago he was denouncing. Last year Mr Bonar Law, when confronted with his pledges that the duties were for the duration of the war only, rode off on a side wind. Mr McKenna, in view of the letter quoted above, will not find it so easy. Is it too much to hope that when he joins the Government he will insist upon their abolition at the earliest possible moment, that is in the Budget of next year?

The Russian Crisis Passes.—The rupture of trade relations with Russia, which a few weeks ago seemed only too likely, has now been definitely averted. We pointed out a fortnight ago that the Soviet reply to the British "ultimatum" was surprisingly conciliatory. The British Note sent in response has provoked an even more conciliatory memorandum from Moscow, and from the first it seemed impossible that the Government could find

therein any ground for justifying any breach. The first interchange of notes settled immediate differences with regard to three main questions, namely, the letters of M. Weinstein, compensation for "repressive measures" against two British subjects, and the dispute over fisheries and British trawlers. There remained, as the only bone of contention, the question of anti-British propaganda. In this connection the Soviet Government is ready to enlarge the undertakings to refrain from propaganda, which are contained in the Anglo-Russian trade agreement, on condition that Great Britain reciprocates with an undertaking "in the sense that it should be evident from the text itself, beyond any doubt, that there can be no possibilities in future of any assistance by the British Government or by the Governments of its Colonies, Dominions, Protectorates, &c., to any monarchic, 'White Guard,' or other hostile designs against the Russian Socialist Federal Soviet and its allies." So far as they could be expected to go, short of abject humiliation, the Moscow Government has gone. The latest Note lays fresh and enhanced stress upon the value set by Moscow on the Anglo-Russian Trade Agreement, and in order to maintain relations exceedingly far to meet the views of the British Government. This claim is a fair one, and we are glad to see that Lord Curzon admits that the essential British demands have been complied with, and regards the interchange of notes as finished. Thus the crisis has passed. The Russian reply closes with a reasoned plea for the restoration of normal channels of diplomatic negotiation, which, of course, would entail official recognition of the Soviet Government. That is a further question which will have to be very seriously considered in the near future.

The Indian Debate.—The House of Commons took occasion of the introduction of the India Office vote on Thursday to debate the action of the Viceroy in certifying the salt tax and using his emergency powers to pass the Budget over the heads of the Legislative Assembly. Earl Winterton, the Under-Secretary for India, defended Lord Reading's action in a speech which was entirely unconvincing. He properly laid stress on the importance of a Budget balance in India; he affirmed that the Viceroy in certifying the tax was acting within the powers conferred upon him by the Government of India Act—a fact that was not in dispute; he made light of the burden of the salt tax. But he failed to meet the real criticism of the Viceroy's action, which is that in using in the case of a small item in revenue the special powers obviously designed to meet a great emergency, he was gratuitously playing with fire. In the course of the debate, it was stated that Lord Reading's action had had no evil effects. We hope this is a correct estimate, but fear that such optimism is premature. In an article in last week's *Economist* we discussed the new campaign of Mr Das, the aim of which is to obtain strong representation in elective assemblies in order to wreck the machinery of constitutional government. Mr Das, we may be sure, is duly grateful to the Viceroy for putting into his hands a formidable weapon likely to conquer many votes. Mr Trevelyan, in moving the reduction in the India Office vote, adopted the line of criticism which we have indicated, and argued that "the use of these reserve powers was not intended for the ordinary and inevitable collisions between the Executive and the Legislature, and ought only to have been used to save the Government from wreckage in a supreme crisis." Mr Trevelyan also quoted with effect the words of Sir Malcolm Hailey, uttered two years ago when initiating the first Budget debate in the newly-constituted Assembly: "If we incur expenditure it will be under your mandate; if we impose taxation it will be by your vote." Nothing that was said by the Government speakers in this debate has altered our opinion that Lord Reading's action was ill-advised, unnecessary, and dangerous, and we are more than surprised that no protest was made from the Liberal benches. The only leading Liberal of either section who took part in the debate was Mr Fisher, and he, after saying that "nobody living in a constitutionally-minded country could fail to feel that the Viceroy's act was one that could not be often repeated," gave his definite approval to Lord Reading's decision in this case.

The Austrian Loan.—The success of the Austrian loan on Monday is one of the milestones on the road to European recovery. All those concerned have reason for great gratification in an event which proves what can be done by disinterested international co-operation, and is bound to have an important reaction on other problems of Central Europe, and even possibly on that of Germany. In particular, the Governor of the Bank is to be congratulated on achieving during his term of office two such notable events as the American debt settlement and the first international loan for Europe. The lists were closed for cash in an hour and a quarter, and it was subsequently announced that the loan had been subscribed many times over—allotments being made at the rate of about 10 per cent., except in the case of small applicants, who received a larger proportion. This success was so overwhelming that the promoters have been criticised on the ground that it was issued on terms too favourable to the lenders, and this criticism is supported by the market view, which has immediately put the loan to 5 premium. But the objection does less than justice to those responsible. For one reason or another Great Britain was saddled with a good deal more than her share of the loan, her final figure being half of the total. If it had failed here, the scheme would have collapsed elsewhere. It was imperative that London should give a confident lead in what was a great experiment in international control.

Coal, Iron, and Steel Output in May.—Figures just issued by the National Federation of Iron and Steel Manufacturers show that there was a further increase in the production both of pig-iron and steel in May. The production of pig-iron rose from 652,200 tons to 714,200 tons, and of steel from 749,400 tons to 821,000 tons. In both cases this is the highest attained since September, 1920, but whereas in September, 1920, there were 300 furnaces in blast, at the end of May there were only 223 furnaces in blast. This is evidence of the fact that since the coal stoppage the more efficient and economical furnaces have been blown in first, for it gives an average output of 2,470 tons per furnace in September, 1920 (82 tons per day), compared with an average of 3,250 tons (105 tons per day) from a much smaller number of furnaces in May. Production of pig-iron is now at over 80 per cent. of the 1913 rate, and steel production is considerably in excess of it. Obviously a great part of the increased production in Great Britain is due to the loss of production on the Continent, and the uncertainty as to when the Ruhr trouble will be settled and lead to increased production in France and Germany has resulted in very quiet market conditions in the last few weeks. While orders on the books are being rapidly completed, the new orders coming forward are not sufficient to take their place. Prices, therefore, have fallen in many cases, and Cleveland No. 3 is now 7s 6d per ton cheaper than at the beginning of May, soft billets 10s to 20s cheaper, tin bars 17s 6d, and so on. Exports of iron and steel in May amounted to 424,500 tons, and constituted a post-war record; they were, in fact, 10,000 tons more than the average monthly exports in 1913. Exports of pig-iron amounted to 93,000 tons, which is just about the 1913 rate, but exports of tin plates and sheets (54,100 tons) were in excess of the monthly average in 1913 by about 30 per cent. Complete details as to the destination of the exports are not yet available, but the export of 3,458 tons of tin plates to Canada and of 3,050 tons to Japan, in both of which markets there is severe competition from the United States, is worthy of comment. The output of coal is well maintained, chiefly on account of the export demand, but no doubt also partly owing to the continuance of the domestic demand due to the inclement weather. Production in the four weeks ended June 2nd amounted to 26,191,000 tons, or, if Whitsun week be omitted, an average of 5,614,000 tons per week. Exports of coal amounted to 7,684,000 tons, and of bunker coal to 1,560,000 tons. Of the exports, which were higher than in any previous month since the end of the war, 1,773,000 tons went to France and 1,726,000 tons to Germany, but there is evidence that these are now falling off. Exports of metallurgical coke remained high, and amounted to 161,000 tons, compared with 175,400 tons in the previous month.

The Outlook for the Home Wool Clip.—Our Bradford correspondent writes:—The country fairs, at which the first consignments of domestic wool will be offered, begin this week. The sale of their clips is an event of very considerable importance to thousands of sheep farmers in this country, and in the aggregate the clip of the United Kingdom should be worth about seven millions sterling. It is noteworthy that the value of sheep has not fallen anything like so much as that of other classes of live-stock. So far back as 1909 the sheep stocks of the United Kingdom were no less than 31,839,799, but when the last census was taken the number was only 23,816,000. This reduction is too large to be lightly regarded, and those who have stuck to sheep farming are to-day reaping the benefit in the enhanced value of both the carcase and the fleece. In view of the fact that depreciations have taken place in the value of other classes of farm stock, it is encouraging to know that the outlook for the domestic clip of wool is, on the whole, good. During the past 12 months down fleeces have advanced substantially in value, so have half-breds, the appreciation being anywhere from 3d to 6d per lb. Deep wools, such as Lincolns, have appreciated 2d to 3d, and as many farmers have two or three years' clips to offer, they should be able to reap a considerable financial benefit as the result of their determination to hold in the hope of making better prices. A close relationship exists between colonial crossbred wool, particularly anything of New Zealand origin, and the home produce. Each competes very keenly with the other, and apart from English downs (with which Punta Arenas wool comes most keenly into competition) and Scotch blackface, there is no class of British-grown wool which cannot to a large extent be replaced by the wools of New Zealand. The past year can be described as very satisfactory when viewed from the domestic wool-growers' standpoint. Values have advanced continually, and, best of all, there is practically no stock from last year in the hands of country staplers or Bradford users. Export trade has been remarkably well maintained, so much so that no less than 61,359,700 lbs, which amounts to fully half the present production, was exported. America has been a very good customer, taking no less than 30,166,000 lbs. Before the war Germany was always a big buyer of downs and half-breds, whilst Belgian and Italian mattress manufacturers purchased big weights of scoured blackface. The last-named class of wool has made relatively better prices than any other deep staple, and, given a reasonable amount of trade with the Continent and America, there is no reason why a large export business should not be done during the next 12 months. The outlook for the new clip is moderately good. Values to-day are generally much higher than a year ago, but trade in home consuming centres has become much quieter, and there will be a certain speculative element in any buying which is now done, a circumstance which will militate very decidedly against the payment of extravagant prices. It should also be remembered that the British Australian Wool Realisation Association still hold over 600,000 bales of colonial crossbreds, a quantity which is about twice as much as the home clip, and by next September another New Zealand clip will begin to be shorn.

Agricultural Conditions.—The monthly report of the Ministry of Agriculture and Fisheries states that on the whole wheat gives satisfactory promise, though the crop is now rather backward and on cold land has an unhealthy appearance. Winter oats have also grown slowly for some weeks, but are usually healthy and promising. Most of the early sowings of spring oats and barley germinated well, and are good, strong plants. Later sowings, especially those drilled into a rough seed-bed, came up slowly and unevenly, and look starved. These crops have been at a standstill as regards growth, and in several districts have been damaged by wireworm, so that there are many thin and patchy fields. The area of wheat is estimated to be very slightly less than last year, and the acreages of barley and oats about the same as in 1922. Beans, though short in the straw, are flowering well, and satisfactory crops may be anticipated. Early-sown peas have suffered from the frosts, but later sowings are healthy though backward. The planting of

main crop potatoes was late, and at the end of May only a small proportion was showing above ground. In all parts of the country the acreage of potatoes is estimated to be much less than the large area of last year. Yields of seeds hay will be above average, especially if warm weather comes quickly. In the south and east stock were taken out of the meadows in good time, but with the slow growth during May heavy yields of meadow hay are not expected. In the north and west meadows were not cleared early owing to the shortage of fodder, and rather under-average crops are forecasted. The area reserved for seeds hay is estimated to be appreciably greater than last year, especially in the east, where the area was very small in 1922. Rather more meadow land also appears to be intended for hay. In the south-eastern counties hops are strong and healthy, though growth has been slow. All classes of small fruit have been damaged by the frosts. Strawberries blossomed well, and, though backward, an average crop seems possible on the whole, in spite of serious damage by frost in some districts. The prospect for apples is far less promising than a month ago, owing to serious damage by insect pests and some injury by frost. Pears are practically a failure; there was little or no blossom, and the set of fruit is small. Prospects for plums are very variable, but generally are not favourable. The set was affected by the cold, and serious damage by brown rot is reported in many districts. The supply of labour continues sufficient for requirements. Rather more men are in work than a month ago, as extra men have been taken on for hoeing in some districts.

Company Law Revision in Denmark.—Statements have recently appeared in the Danish Press to the effect that Danish banking, insurance and company laws are likely to be revised in the autumn. The necessity for the revision of the existing laws, which is not a new subject of discussion in the Danish Parliament, became the subject of lively discussion during the last session of the Rigsdag, as a result of the impression created by the investigations into the Landmandsbank affairs, and owing to the disclosures made in connection with the liquidations and reconstructions of a number of other Danish enterprises in 1922. Further, the existing insurance law applies only to life insurances. The three new laws which are promised for the autumn are expected to contain radical alterations in the direction of defining more precisely the responsibility of the directors for the activities of the undertakings.

American Cotton Standards.—There has been an important conference this week at Washington between cotton representatives from England and European countries, and the officials of the United States Government with regard to cotton standards and the effect of the Fulmer Act, which was passed by the American Legislature a few months ago, and should come into operation in August. It may be pointed out that in the buying and selling of cotton transactions are based upon certain accepted standards. Hitherto Liverpool standards have been the basis for trading on this side of the Atlantic. The Fulmer Act provides for standards fixed by the United States Government, and there has been some anxiety in Lancashire as to the effect of this measure upon the Liverpool standards. On Wednesday, however, a cable was received in Manchester from Washington to the effect that the conference had agreed to adopt the United States standards. It is understood that foreign countries will have certain rights of appeal when disputes take place, but fuller details of the arrangement will not be available until the English delegates return at the end of next week. At present disputes between English and Continental buyers and exporters in America are dealt with by the arbitration committee of the Liverpool Cotton Association. It must be said that arbitration in Washington would be very inconvenient and expensive. It is anticipated that, whatever agreement may have been reached at the Washington conference, it will not abolish the Liverpool standards, and it is extremely probable that the discussions which have taken place will result sooner or later in the establishment of international standards which will be recognised throughout the world.

Life Policies Payable in War Stock.—The Prudential Assurance Company announce that the improvement in the market value of War stocks and bonds has caused the directors to review the position of life policyholders under whose contracts the sums assured are payable in these stocks or bonds. It has been decided to pass on to claimants under War Stock, War Bond, and Victory Bond policies in both branches, the benefit of the improved cash values now obtaining. In the case of all claims, whether by death or maturity, occurring under the policies referred to, every claimant who desires a cash settlement of his claim is to be allowed an amount based upon the middle market price of the security mentioned in the policy, less a slight deduction for expenses such as brokerage. The price, in the case of death claims, is to be the quotation ruling on the day preceding that on which the company receives at its chief office the advice that cash settlement is desired, and in the case of maturity claims, the quotation on the date of maturity of the policy. This method will be continued so long as the present high values of Government securities are maintained. Further, in order that there may be no differentiation, it has also been decided to review all claims paid since February, 1922, in both branches under the policies of the type mentioned, and in due course the representatives of the company will be authorised to pay a cash balance representing the difference between the amount already paid and the market value, as already defined, of the particular security at the time the claim occurred, less the slight deduction for expenses. The minimum sum payable under this concession has been fixed at the very low figure of 5s; differences below this amount will not be dealt with. Before February, 1922, the company paid the full amount of the cash option, although this was at times considerably in excess of the market value of the security; those interested in these assurances have been thereby fully protected from the effects of depreciation in the past, and should there be a fall in future values, policy-holders will still have the benefit of this protection.

Bleachers' Association.—A further substantial recovery in profits is shown in the report of the Bleachers' Association for the year ended March 31, 1923, there being an increase both in trading and in net profits of about £135,000. The trading profits are shown after charging £410,500 for repairs and maintenance, as against £405,700 a year ago. Net profits, as will be seen from the table below, at £788,500 are only £25,000 below the high record of the year 1919-20:—

Year Ending March 31.	Trading Profit.	Net Profit.	Prof. Dividend.	Ordinary Dividend.	To Reserve, &c.	Inc. or Dec. to Carry Forward.
	£	£	£	Amount.	Rate.	£
1907.....	457,938	266,415	125,464	91,564	4	55,000
1908.....	439,214	266,104	125,464	68,673	3	53,239
1909.....	387,312	199,582	125,464	44	nil	50,000
1910.....	503,680	313,035	125,464	103,009	44	50,000
1911.....	515,783	312,981	125,464	103,009	44	50,000
1912.....	588,121	371,605	126,690	114,455	5	125,000
1913.....	672,799	433,907	130,951	137,346	6	125,000
1914.....	663,045	423,416	131,455	138,306	6	125,000
1915.....	438,575	197,835	134,983	70,078	3	50,000
1916.....	674,878	416,394	135,988	141,006	6	65,790
1917.....	794,874	515,583	135,988	176,257	7	130,000
1918.....	826,730	527,655	135,988	176,257	7	130,000
1919.....	770,259	475,513	135,988	235,010	10	164,718
1920.....	1,202,241	813,580	135,988	470,019	20	175,010
1921.....	899,151	514,333	135,988	237,108	10	125,010
1922.....	950,138	653,888	135,988	296,386	12	200,000
1923.....	1,084,714	788,464	135,988	474,216	20	175,954

The reserve appropriations consist of £125,000 to general reserve, raising it to £1,575,000, and £50,954 to superannuation fund, raising it to £200,000. The ordinary dividend is advanced from 12½ to 20 per cent., a rate only once previously paid, and the carry forward is slightly increased. The profits, after deducting all charges prior to debenture interest and preference dividend, are equivalent to 9.99 per cent. on the share capital and reserve fund, as compared with 8.61 per cent. for the year 1921-22. The balance-sheet, analysed in detail in another column, shows no striking changes, the most noteworthy being increases of £289,700 and £113,000 in cash and investments respectively, and decreases of £126,600 in stocks and of £134,700 in debtors.

Anglo-Argentine Tramways.—The report and accounts of the Anglo-Argentine Tramways Company, Limited, always form an informative and interesting document. It is good to see that results for 1922 are much better than those for the previous year, a profit of £527,297 being shown, as against £303,647. The preference shares obtain a distribution of £313,500, while £175,000 is placed to a contingencies reserve, and £32,000 to writing down investments, leaving £12,829 to be carried forward, as against £6,032 brought into accounts. Working expenses amounted to 71.39 per cent. of the receipts, as compared with 76.25 per cent. in the previous year and 75.60 per cent. in 1920, while traffic expenses were £1,264,703, against £1,223,358, owing chiefly to increases in wages caused by the high cost of living. Traction expenses show a substantial reduction, being £562,083, as compared with £644,724 in 1921, and, with cheaper fuel, it is hoped, the reduction may be continued. It is stated that "the reduction in net receipts has been further adversely affected by the rate of exchange, the loss incurred during the year, through remittances of funds to meet our standing charges, having reached £86,082." Results are summarised below from 1908:—

	Gross Receipts.	Gross Receipts per Car Mile.	Expenditure.	*Net Revenue.	Interest, &c.	Balance.
	£	£	£	£	£	£
1908.....	1,264,841	13.37	750,687	474,154	191,449	282,705
1909.....	1,338,888	13.25	1,207,222	766,665	355,439	411,226
1910.....	2,419,186	13.54	1,564,093	858,522	398,378	460,144
1911.....	2,631,336	13.73	1,723,928	907,907	414,057	493,850
1912.....	2,778,302	13.96	1,824,021	954,281	442,422	511,859
1913.....	2,963,191	13.98	1,969,161	994,031	477,630	516,401
1914.....	2,850,995	13.50	1,880,996	969,999	603,888	366,111
1915.....	2,705,615	12.82	1,786,740	968,513	657,301	311,211
1916.....	2,714,225	12.65	1,556,668	1,244,716	664,716	132,849
1917.....	2,783,412	12.73	2,051,746	769,987	664,966	105,021
1918.....	3,012,821	13.61	2,375,564	680,278	665,225	15,053
1919.....	3,296,957	14.75	2,573,742	757,962	665,495	92,467
1920.....	4,413,164	17.28	3,198,028	1,259,650	665,775	593,875
1921.....	4,277,600	17.09	3,305,081	986,993	883,346	303,647
1922.....	4,729,978	17.53	3,346,984	1,193,668	666,371	527,297

* Including income from interest on investments and deposits.

Some interesting information is given with reference to the relations of the company with the municipality. The report states that "the company applied to the municipality for an extension for six months of the 12 cent fare, so that the position should not be prejudiced pending the consideration of the larger question. The municipality, very unreasonably, as the company considers, refused this application, with the result that, as from April 10th last, the universal 10 cent fare again came into operation. This surprising decision, which affects seriously the company's revenues, appears to have been arrived at without consideration of the accepted rule that those who provide public utilities are entitled to a fair return on the capital employed. The board, relying on an ultimate recognition of the equities of the situation, trust that what has happened may prove to be only a temporary, if regrettable and costly, interruption, and still hope that a careful study and consideration of the proposals submitted for the construction of the second subway line may result in a permanent arrangement which will be beneficial to the municipality, the public, and the company." The balance-sheet of the company will be found fully analysed in another column.

City of Riga Bonds.—With reference to the default of interest and suspension of sinking fund payments on City of Riga bonds, during 1920 and 1921 Messrs Lazard Brothers and Co., in a detailed memorandum just issued, state that they were in correspondence with the city of Riga authorities, and ultimately, in the month of June, 1922, the mayor, Mr A. Anderson, and the chief of the Finance Department of the city, Mr Sadovsky, came to London at their own suggestion to negotiate an arrangement with them on behalf of the bondholders. Upon arriving in London, the mayor wrote Messrs Lazard Brothers and Co. a letter detailing the successive misfortunes of the city. He suggested that the arrears of interest should be funded, and that internal city loans, repayable in marks and roubles (representing at the depreciated exchange then ruling a value of about £12,000), should be redeemed by the city, and asked that a new loan should be made to the city to enable it to repay its internal loans together with its remaining capital obligation—namely, a

debt in roubles to the Government of Latvia, and also to enable it to extend its electricity works. After negotiation a provisional arrangement was arrived at, which, briefly summarised, was as follows:—(1) The city to commence paying interest coupons in cash as from May 14th, 1923; (2) interest coupons in arrear, then amounting to £288,414, to be funded in new 6 per cent. bonds of the city; (3) until 1931 the city to be given some latitude in applying the sinking fund for the redemption of the bonds, but after that year redemption to be resumed in accordance with the sinking fund table endorsed upon the bonds. The City Parliament, however, refused to ratify the agreement. In April, 1923, a representative of the city stated that he would be prepared to recommend the city to accept a settlement on the following basis: Capital, interest, and sinking fund of the bonds to be calculated in the future on the basis of one gold franc or lat for one Russian rouble—that is, 10 gold francs to the £, or approximately 8s in the £; payment in cash of the interest and sinking fund on the reduced basis to be resumed as from May, 1924, but all arrears of interest to be cancelled. He also suggested that the city electricity works should be given as specific security for the loan. Messrs Lazard Brothers and Co. conclude their memorandum by stating that: "We informed Mr Kalning [the representative of the City of Riga] at once that we could not recommend the bondholders to accept any such drastic revision of their capital rights.....Mr Kalning, however, is not prepared to modify in any respect his proposal, and the negotiations have therefore broken down." Messrs Lazard Brothers and Co. add that: "If a substantial number of bondholders desire it, we shall be very glad to arrange a public meeting in the city, at which any further information desired would be given and a discussion could take place."

Lyons' Profits.—The report of J. Lyons and Co., Limited, for the year ended March 31st last makes no comment on the year's trading beyond the brief remark that "the business done has been satisfactory." The financial results, however, show that the company's remarkable progress has been maintained. The accounts are not as detailed as we should wish, the profit and loss account merely giving the balance of trading account after payment of interest and all expenses, allowing for depreciation, &c., and providing for contingencies. This figure shows an increase of over £36,000 in comparison with the previous year, as may be seen from the table below:—

Year Ending Mar. 31.	Gross Profit.	Ex-penses.	Ratio.	Net Profit.	Depr-e-ciation.	Reserves &c.	Divi-dends.	Ord. Rate.	Carried For-ward.
	£	£	%	£	£	£	£		£
1906.....	666,550	473,904	71.1	192,646	42,294	18,000	133,533	32	34,505
1907.....	728,281	496,432	68.3	231,849	55,178	60,000	145,007	32	6,169
1908.....	797,591	545,766	69.0	248,825	58,060	40,000	141,866	32	15,068
1909.....	869,305	681,454	79.5	287,851	67,452	30,000	183,500	32	13,833
1910.....	1,110,488	822,419	74.0	288,069	72,946	10,000	205,050	34	19,906
1911.....	1,220,724	918,334	75.0	302,390	79,585	..	201,234	42	41,674
1912.....	1,358,480	1,036,421	76.3	321,059	87,003	..	211,256	42	64,474
1913.....	1,450,590	1,110,982	76.6	339,518	91,849	68,189	221,651	42	21,303
1914.....	1,574,659	1,218,356	77.3	356,303	96,103	..	221,599	42	59,904
1915.....	1,520,998	1,244,595	82.0	276,403	109,482	..	191,307	32	35,518
1916.....	1,592,879	1,314,586	82.5	278,293	108,584	7,062	169,508	25	28,657
1917.....	..	..	..	268,475	105,419	..	170,213	25	21,600
1918.....	..	..	..	316,292	120,835	40,000	170,154	25	6,803
1919.....	..	..	..	258,077	..	..	219,570	35	45,310
1920.....	..	..	..	396,684	60,000	..	346,464	42	35,509
1921.....	..	..	..	503,323	100,000	..	426,352	142	12,480
1922.....	..	..	..	595,615	90,866	..	501,808	25	15,421
1923.....	..	..	..	631,816	100,000	..	516,996	25	30,229

* And 10 per cent. in preferred ordinary shares. † In addition to share bonus.

The allocation to reserve is restored to £100,000, but the dividend rates are maintained at the previous level, the distribution on the preference and preferred ordinary shares requiring £206,400, and on the ordinary and proportional profit shares £310,600, the latter being £15,000 more owing to the issue during the year of £225,000 "B" proportional profit shares. The balance-sheet shows an increase of £912,000 in creditors, while the property item has risen by £1,126,000, debtors by £158,200, and cash by £141,800. To provide further capital to meet "the rapid extension of the business" the directors propose to create one million 7 per cent. additional preference shares, to rank *pari passu* with the million 7 per cent. preference shares already existing, and to offer 500,000 of them, if sanction is obtained, for subscription

among the shareholders of the company. It is added that it will probably be found desirable to issue the remaining 500,000 later in the year.

Robinson Deep.—The financial position of this Rand gold-producing company, as indicated by the balance-sheet now in the hands of the shareholders in Great Britain, has been entirely changed by the issue of £250,000 debentures made in January last. This left the company with £162,500 cash in hand, available for capital expenditure after the extinction of other indebtedness, and permitted the payment of 4s upon the preference or "A" shares, which have the low denomination of 1s each. The arrears to be cleared off before the "B" shares rank for dividend stood at 21s prior to the declaration a few days ago of 4s, whereof 1s 6d is due in respect of the current year. The "B" shares are fancied by speculators; but, obviously, some little time must elapse before any return can be expected. Appended is a contrast of the salient points in the operations of each of the past three years:—

	1920.	1921.	1922.
Ore crushed, tons	624,600	695,200	635,200
Yield per ton	35/2	31/8	29/2
Costs per ton	29/2	26/6	21/4
Profit per ton	6/-	5/2	7/9
Working profit	£108,650	£179,800	£248,000
Dividends	£50,000	..	£100,000
Rate per share	2/-	..	4/-
Ore reserves, tons	1,597,000	1,936,000	1,846,000
Value dwts	6 59	6 7	6 7

Capital expenditure has absorbed much of the earnings of each of the past three financial periods, and but for the financial arrangement above referred to the "A" shareholders would not be getting more than half the rate now announced. It is a satisfactory feature that, despite the curtailment of the development footage by fully one-third owing to the labour trouble, the ore reserves at the end of last year showed only a small decline. At the annual meeting the chairman took the occasion to rebut the rumours in circulation that further heavy outlay on plant, &c., was contemplated; the present programme, he stated, will place the equipment in a position to deal with 75,000 tons per month.

Oroville Dredging Group.—Our mining correspondent writes:—There are several points of interest in the position of this group of gold-dredging enterprises operating in South America. The parent undertaking—the Oroville—shows a considerably increased profit for last year, the amount, after deduction of greatly enhanced taxation, figuring at £194,300, as against £145,000—and this in the face of decreased earnings on the part of the Nechi Mines. The explanation is that, partly in connection with an exchange of shares, the last-named company distributed a large amount of accumulated profits in addition to current earnings; this considerably more than offset a decline in the dividends from the Pato. The directors followed what appears to be a conservative policy in the distribution of profits, last year's total being 3s per share, in place of 4s for the 12 months ended September 30th, 1921. As against a carry forward of £140,500, however, the company has surplus cash assets to the amount of no more than £42,150, and it will doubtless require the bulk, if not the whole of this, for the completion of the Dos Bocas road. It may be recalled that the Oroville Company took over from the Colombian Corporation a concession for the construction of a road which would be of general, as well as particular, utility. In consideration of the former point, the concessionaire is to be allowed to levy tolls. The balance-sheet shows £83,650 expenditure under this heading, some two-thirds of the distance having been completed. The Colombian Corporation property, which the road in question will serve, is situated in the Zaragoza district. Development is in progress, and the machinery will be transported as soon as the new road is available for traffic. With regard to the Nechi Mines, it appeared twelve months ago that little more than another year's work was in prospect unless a certain possibility then merely hinted at became concrete. It now transpires that drilling has indicated the existence on an elevated portion of the area of a narrow, but rich, streak of gold-bearing gravel which should give better returns than any other part of the re-

maining dredgable ground. The position of the Pato Mines is that there are from eight to ten years' work in the proved ground, and the remaining unprospected area "will give a few years of profitable dredging." It may be noted that all along the results secured have been better than indicated by the drilling. The position of shareholders in the Oroville Company, therefore, is that good returns should be made by the Pato for nearly another ten years, while the Nechi, as a revenue-producer, will be replaced by the Colombian Corporation, in which the company holds 225,000 ordinary shares. It is possible, of course, that dividends from the one source may not immediately replace those from the other. This is the element of uncertainty in the position which accounts for the quotation of the shares at a small discount.

Transvaal Gold Output.—The May figures of gold output in the Transvaal make a very good showing. The output amounted to 786,564 ounces of fine gold, which is the best total since the month of December, 1922. In April the output was 743,651 ounces, while in May, 1922, it amounted to 629,786 ounces, so that considerable progress has been made during the past year. The following table shows the production for a number of years:—

	1917.	1918.	1919.	1920.	1921.	1922.	1923.
	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.
January ..	782,634	714,182	676,059	670,503	651,593	639,728	764,469
February ..	781,321	659,759	636,728	625,330	558,137	..	704,970
March ..	787,094	656,281	712,379	707,036	671,123	..	761,586
April ..	743,778	717,000	694,944	686,979	681,382	511,338	743,651
May ..	779,385	741,317	724,995	699,041	687,776	629,786	786,564
June ..	759,794	727,696	702,379	715,367	678,490	675,697	..
July ..	757,839	736,199	725,497	736,099	699,555	730,635	..
August ..	756,658	740,210	706,669	702,083	711,526	732,490	..
September ..	738,231	708,206	698,558	682,173	691,026	747,089	..
October ..	751,202	679,764	725,722	662,472	707,825	778,159	..
November ..	722,839	658,701	677,970	633,737	704,236	764,476	..
December ..	722,419	641,245	650,191	632,215	681,847	790,712	..
Totals ..	9,018,084	8,418,292	8,330,091	8,153,625	8,114,516	7,020,111	3,761,240

The following are the number of natives employed at the end of the last eight months by members of the Witwatersrand Native Labour Association and contractors:—

	Oct., 1922.	Nov., 1922.	Dec., 1922.	Jan., 1923.	Feb., 1923.	Mar., 1923.	April, 1923.	May, 1923.
Gold mines ..	175,129	173,173	176,834	181,985	182,983	181,473	178,137	175,59
Coal mines ..	11,495	11,089	11,001	14,664	14,717	14,710	15,040	15,17
Diamond	1,218	1,237	1,253	1,222	1,227	1,273	1,820	2,66
Total	187,842	185,499	189,088	197,871	198,927	197,456	195,237	193,42

There has been an increase in the number employed at the coal and diamond mines, but a decline in the number employed at the gold mines.

Oversea Correspondence.

UNITED STATES.—COTTON CROP PROSPECTS—FEW BIDS FOR GOVERNMENT'S SHIPS—NEW LIQUOR REGULATIONS.

(FROM OUR CORRESPONDENT.)

NEW YORK, June 4.

THE Government's first report on the 1923 cotton crop estimating the condition on May 25th as 71 per cent. normal, was slightly better than had generally been expected. That percentage compares with 69.6 a year ago, 66 in 1921, and 73.6, the average May 25th condition for the past decade. Preliminary private estimate averaged 70.5 per cent., and an indicated yield of about 11,500,000 bales. The condition percentage of 71 is much the highest reported at this time in any year since 1919. In 1920, when the initial condition was placed as low as 62.4 per cent., the crop exceeded 13,000,000, due to the exceptionally large acreage planted in that year and to highly favourable weather conditions. Since considerable part of the acreage sown to cotton is usually abandoned after May 25th, the Government has not yet estimated this year's planted area, and will not do so until the result of the June 25th canvass is announced on July 2nd. Various private estimates, however, have generally indicated that this year's acreage will be from 9 to 12 per cent. larger than last year's, which would bring the total close to the record maximum. While no definite figures can be given, the total of this year's area

judging from all data at hand, is not likely to exceed 36,500,000 acres, if it reaches that figure. Should that prove approximately correct, competent authorities estimate that, even with a material improvement in condition this month and early in July, the maximum yield may not exceed 12,500,000 bales, and may be some 2,000,000 less than that if weather conditions prove unfavourable. A great deal depends, also, on the extent of weevil damage this year. It has been supposed that the exceptionally cold winter in the South killed weevils in large numbers, but the freezing temperatures did not occur until January and February, when the insects had hibernated, and reports indicate that they are now as numerous in many sections as they were last spring. Another serious development this season is the acute shortage of farm labour throughout the South. In Georgia alone there are said to be more than 13,000 abandoned farms. Many communities in that State and elsewhere throughout the cotton belt have been depleted of coloured labourers, who have been attracted by the higher wages available in the North and Middle West. Some authorities estimate that at least 100,000 negroes have left the South this year. The Department of Agriculture estimates that the world's supplies of all kinds of cotton on July 31st will amount to only 4,369,500 bales. Present indications are that the carry-over of American cotton in all positions in this country at the end of July will be about 1,700,000 bales, although estimates vary widely, depending upon methods of calculation, including stocks of American mills.

The response to the Shipping Board's call for bids for its fleet has been disappointing. The Board received about twenty communications from prospective purchasers of its ships. Of those communications, only four or five appeared to offer possibilities of sales, and they were more or less general, requiring personal conferences on details. One offer of \$1,000,000,000 for the entire fleet received from a small manufacturer was not taken seriously by the Board or anyone else. As a result of a conference held last week between the Shipping Board and private shipping interests, it is understood that the Board has received definite tenders of more than \$20 a deadweight ton for about seven of the eighteen consolidated trade routes. That price, it is said, is the minimum which the Board would consider under any conditions. Aside from the identity of some of the bidders, little authentic information is available at this writing.

The Treasury Department has promulgated its regulations for enforcing the Supreme Court's decision barring liquor for beverage purposes on all ships while the latter are in territorial waters of the United States. Whatever hope may have been entertained that some way would be found to meet the main objections by foreign nations to the Court's ruling is apparently dissipated. Three of the most important sections of the new regulations are as follows:—"No merchant vessel, domestic or foreign, may lawfully carry as cargo within the territorial waters of the United States any liquor for use for beverage purposes. Liquor for non-beverage purposes may be transported within the territorial waters of the United States under permit, in accordance with the provisions of Section 93 of Regulation 60, as amended by Treasury Decision 3350. It is unlawful for any United States or foreign merchant vessel within the territorial waters of the United States to carry or possess as sea stores any liquor whatever for beverage use." The regulations allow vessels to have liquor for medicinal purposes, but in such cases a permit must be obtained from a medical officer of the American Public Health Service. Section 14, for instance, provides that if the laws of a foreign country specify the kind and amount of liquor to be carried by a vessel for medicinal purposes, American medical officers are to issue permits covering "such kind and not less than such amount of liquor." It is a question whether or not that section can be construed to permit the carrying of wine or liquor rations for crews. Such rations have heretofore been carried as ships' stores, and the latter are specifically barred under the new regulations, as indicated. It is quite possible, however, that such supplies would be allowed if the laws of foreign nations described them as "medicinal liquor." It seems certain that the matter will be brought up at the next session of Congress.

FRANCE.—FINANCE BILL—TAX REVENUE—TRADE BALANCE—PRICES—NEW CREDIT NATIONAL BONDS.

(FROM OUR CORRESPONDENT.)

PARIS, June 13.

THE Senate Finance Commission has now terminated its consideration of the report drawn up by its Rapporteur-Général, M. Henry Bérenger, and within the next few days the Upper House will begin its discussion of the Finance Bill for the financial year which began on January 1st last. As the Bill will then have to go back to the Chamber for approval and possibly further modification, all hope has now been abandoned of avoiding a seventh monthly vote on account, and it is even possible an eighth may prove to be necessary, as the drastic reductions which the Senate Finance Commission recommends in several of the Departmental budgets are certain to meet with strenuous opposition in the Lower Chamber. This was evident, indeed, from the statements made by several of the Ministers who attended before the Commission during last week, and who expressed their disagreement with the "cuts" made in their respective estimates of expenditure for the current year. The most notable of these was M. Poincaré himself, who insisted on the maintenance of the military credits asked for in regard to Syria, which the Commission propose to suppress. It may be remembered that it was owing to the proposed reduction of the vote for military purposes in Syria that General Gouraud some months ago resigned his post as French High Commissioner there.

The one principle that has dominated the Senate Finance Commission during the whole of its consideration of the Budget Bill has been to avoid any kind of loan for the purpose of balancing the ordinary Budget. This policy has been adopted admittedly in conformity with the conclusions of the Brussels international financial conference of 1920. (The Chamber, it will be recalled, has voted in favour of balancing the Budget by means of a loan of approximately 3,700 or 3,800 millions.) This, the Commission believes, can be done by cutting down estimated expenditure to the extent of over 1,816 million francs, by taking advantage of the fact that the revenue from taxation is coming in very much better than the Finance Minister anticipated when he drew up his estimates, and by the possibility of securing this year the payment of 500 millions due to the State from the railway companies (for material furnished to them after the Armistice), and 60,000,000 from the profit made by exploiting the Saar district. In this latter connection the Commission take the view that, although the capital value of the Saar mines belongs to the Reparations account, any profits that may be made from exploiting them should form part of general budgetary receipts. By these means the Commission claims that it is possible to transform the deficit, which the Chamber estimated at not less than 3,700 million francs, into a surplus of 896,857,510f. M. Henry Bérenger, basing his calculations "on known results, and applying them to the whole financial year, by serious methods which limit the margin of error to the minimum," estimates that not less than 2,210 million francs may be expected to be received from existing taxation during the present year over and above M. de Lasteyrie's estimates of revenue from this source.

The return of the yield from taxation for the month of May, which has been issued this evening, gives an opportunity of judging to some extent whether M. Bérenger's expectations may be regarded as well founded. The total yield for the month, including that from direct and indirect taxation, stocks, Government estates, State monopolies, tax on war profits, &c., is returned as 1,771,522,400f. Of this total 168,547,700f represents the yield from income-tax, 136,662,400f from land tax, and 170,055,000f from the sale of war stocks and from other sources apart from what are usually included in the category of indirect taxes and under the heading of monopolies. How these three sums compare with Budget estimates is not shown, but the return sets forth that the yield during May of 1,278,993,000f from indirect taxes and State monopolies was actually 152,224,500f, or 13.5 per cent. in excess of Budget estimates of revenue from

these sources. Registration and stamp duties are 11 per cent. above the estimated yield, and Customs duties 29 per cent. (although 12 per cent. below those of May, 1922, from this source), while the yield from the tax on turnover is nearly 20 per cent. higher than was expected, and that from the luxury tax over 30 per cent. higher. The actual yield from taxation during May (exclusive of that from income-tax and the other two categories mentioned above) was 152,224,500f larger than the Finance Minister expected when he drew up his estimates, and brings the total increase over Budget estimates from these sources alone since the financial year began up to 581 millions.

La Situation Economique et Financière, which is one of the few French journals of its class that may be accepted as unbiased, takes the French Customs Department sharply to task in its last issue in regard to its new method of valuing exports. Basing its action on the fact that the average value of the imports during the first four months of the year (as assessed by the importers themselves, for the purpose of fixing the amount of the tax on turnover for which they are liable) has been found to be 11 per cent. higher than for the corresponding period of last year, the Department, in its latest trade returns, as I announced recently, has raised its valuation scale, as hitherto applied to exports, by a similar percentage. The result, of course, is to reduce substantially the apparent adverse balance in French foreign trade.

The French Government's index figures for wholesale prices at the end of May, 1923, have now been issued, and are as follows, as compared with those at the end of April (the base figure of 100 representing the mean for the period 1901-1910):—

	End of April (Corrected).	End of May (Provisional).
General index figure (45 categories)	479.4	469.9
Foodstuffs (total for 20 categories)	454.5	444.8
Vegetable foods (8 categories)	386.0	372.9
Animal foods (8 categories)	486.7	482.3
Sugar, coffee, cocoa (4 categories)	527.3	513.8
Raw materials (total for 25 categories) ..	499.3	489.3
Minerals and metals (7 categories)	467.8	452.3
Textiles (6 categories)	619.6	628.0
Various (12 categories)	457.4	442.8

The exceptionally high figure for textile products is strikingly suggestive of the effect of the present exchange rates on certain commodity prices. As was to be expected, the rise in wholesale prices of a few weeks previously was reflected during May in an increase in retail food prices in Paris. The index figure representing the retail price of thirteen categories of foodstuffs in Paris during May is returned as 3,496 (or an increase of 225 per cent. on 1914), as compared with 3,439 in April (which represented an increase of 220 per cent. on 1914).

The subscription lists will be opened on June 15th for a new issue of 2,000,000,000f of Crédit National Bonds, to provide funds to meet the immediate demands of the devastated regions. The last issue, it may be remembered, produced a total of 3,000,000,000f. Since the beginning of the present year, however, 2½ milliards of this sum has been paid out to *sinistrés*, therefore it has become urgent to find the money to meet the requirements for the second half of the year. The Finance Bill authorises a further issue during the current year of an additional three milliards, but the Minister of Finance, in view of the present high cost of money, has decided to limit the present issue to two milliards only. The type of bond chosen is analogous to those of the November, 1921, and January, 1923, issues, namely, 6 per cent. 500f bonds, with quarterly drawings for prizes of 500,000f, and 100,000f, plus 1,200 smaller prizes, every year to each million of bonds (that is to say, 12 prizes per annum to every 10,000 bonds). The dates of the drawings have been so arranged that subscribers to the new issue who are also holders of those of previous issues will henceforth participate in a drawing during each month of the year. The new bonds are to be issued at 490, with a first coupon payable in October, which brings the real price slightly lower. In view of the fact that the issue of January last was substantially oversubscribed, little doubt is felt as to the result of the present effort.

GERMANY.—REPARATIONS—FINANCES—CURRENCY—TRADE—BUSINESS CONDITIONS.

(FROM OUR CORRESPONDENT.)

BERLIN, June 9.

THE new Reparations Note, having been discussed with the parties before despatch, is in general well taken. A newspaper declares that the offer is "in the main based on suggestions from Entente quarters." The abandonment of the fixed capital sum is approved of, though it seems that the real reason for this was tactical—it was useless to repeat the 30 milliard mark offer in view of the rejection, and home opinion would have been against an increase, which would further have brought the charge—which is true—that the Government's experts had no real data for fixing the earlier sum. The present capital value of the new offer is problematical. The Customs to be pledged, the tobacco, beer, wine, and sugar taxes, and the State brandy monopoly, which the Government (brandy monopoly excepted) puts at 800 million marks before the war, yielded in 1921 13,450 millions paper marks, in 1922 (according to estimates and supplementary estimates) 146,800 millions, and 1923 (according to estimates) 681,500 millions. The last estimate will be very far exceeded owing to the currency depreciation, in part owing to a new project for increasing the rates of the sugar and other indirect taxes. The Government estimate of 200,000,000 gold marks as the present normal yield from these sources is considered by experts as much below the yield to be attained if the mark were stabilised or if the remaining weight or volume assessments were replaced by *ad valorem* assessments. The whole annual payments are estimated at a minimum of 1,200 millions, and a maximum of 1,800 million gold marks. The fact that the international loan no longer appears in the Note is taken by sound judges with relief. As long as an agreement concerning the total of and means of raising Reparations was far out of sight, the easy assumption that a big loan could be had did no harm; but the sound judges foresaw that as soon as an agreement as to total and means was come to, the loan, as roof of the edifice, would not look so secure.

Assuming a general recovery, the 500,000,000 gold marks to be contributed by industry, agriculture, trade, and banking does not seem excessive. This is the sum at which the interested groups assessed themselves. It is impossible, despite numerous calculations, which differ enormously, to show what proportion the industrialists' 200,000,000 gold marks share would be of industry's profits, and still harder in the case of agriculture; but distributed *per capita* among the number of producers it makes a small sum. The confusion produced by ever-varying paper-mark valuations of production should not blind one to the fact that at least as high a percentage of the population as before the war is producing, apparently producing almost as intensively, and, if anything, producing goods of higher average value (e.g., home consumption of a larger proportion of iron and steel). Similarly, when one avoids paper-mark estimates, it is hard to see that industry will in future bear abnormally heavy taxes, in view of the low armaments expenditure and the practical obliteration of the federal, State, and municipal debts. Naturally the shifting of these burdens on to other shoulders is here taken into account; but in calculations for the future it must be assumed that (as has already been partly the case) the loss of income and capital by the expropriated classes will be in the end made up for by the enforced productive activity of these classes.

The railways guarantee is here considered high, in view of the long term which experience shows is necessary for the restoration of large railway systems which are in a losing condition. Here, however, must be taken into account the great improvement of the last four years, and the fact that the railway operation budget surplus. The present heavy losses are due partly to French measures, partly to the recent exceptional currency depreciation. The railways in 1922 lost 2,041,825 million marks; but the greater part was on the Extraordinary Budget, and represents capital improvements which normally would have been paid for out of surplus

or loans. In 1913 the operating surplus (interest on railway debts not deducted) of all the State railways was 1,066 million marks gold, which is twice the sum proposed as their future Reparations yield. The first deficit, in 1918, was 1,306 million marks paper. The present capital value of the railways, assuming normal operation conditions, is put as high as 30 milliard gold marks, or about 50 per cent. more than the pre-war investment; but this estimate takes into account the general rise in gold prices, and assumes that with normal conditions profits would rise in proportion to the new gold price level.

Given normal conditions, the railways ought to produce the estimated 500,000,000 gold marks surplus, but it is probable that Herr Cuno has no precise data for assuming this to be possible within four years. The diversion to Reparations of profits which formerly went to the State treasuries will not cause any damage to public finances, because the railway debts have been wiped out, and the real payers of this part of Reparations will ultimately be the holders of State bonds.

Opinions as to the fate of the new Note are not optimistic. The parties hold to the belief that France will either not consider the offer, or will persist in demanding the abandonment of the resistance on the Ruhr. There is so far no sign of such abandonment, and an official agreement in this sense would probably only introduce a new confusion, as the employees will not work under French violence. Further, the issue is complicated by the French proclamation that the Ruhr will be evacuated only in measure as payments are made. The finances and currency are in a worse muddle than ever. In the Reichstag there have been many official utterances which yielded instructive facts but show no clear policy in either matter. Owing to the price rise the Government is obliged to make an advance payment averaging 300,000 marks to every one of its official and unofficial employees. The Socialists, with good reason, are pressing for a new reform of direct taxation. The *Geldentwertungsgesetz* of last winter, which was supposed in some measure to adapt tax rates to the new nominal values, has been made wholly worthless by the much higher nominal values of the last weeks, and once more those citizens (nearly all, with the exception of manual workers) who did not pay their taxes immediately are escaping almost altogether. Herr Hermes, the Finance Minister, has proposed to decuple summarily the forced loan, keeping the old valuations of property, and even to increase twentyfold the quarterly advance payments made on account of income-tax. The forced loan has already yielded 225 milliard marks of varying values, and will altogether yield 300 to 350 milliards. The proposed tenfold of this sum would not materially help the finances. These expedients fail simply because they take into account only accomplished depreciation. More depreciation is accomplished before the Government can make use of the increased nominal yields, and when the transaction is fully through still further depreciation comes.

The plan to centralise all exchange dealings has been abandoned. The Customs gold surcharge has been raised to 1,431,900 per cent. The big banks are so overworked that they are refusing to take new clients, except where the business promised is big and profitable. The Reichsbank's statement for May 31st beats all records in borrowings and in inflation, the reason being partly the month-end settlements, but mainly the new higher price-level. The holding of discounted commercial bills increased by 464,246 millions, Treasury bills by 1,070,474 millions, and circulation by 977,103 millions. Total circulation is now 8,563,749,470,000 marks. The gold reserve has declined by another 75 million gold marks, owing to the despatch of 53 million gold marks to New York to meet the Belgian Treasury bills due on the 15th and to borrowing on security of 22 million gold marks of the gold deposits held abroad. Foreign trade figures for April (values not yet reported) were, in metric tons:—

	Imports.		Exports.	
	April.	March.	April.	March.
All	6,396,100	5,220,100	1,028,800	938,200
Thereof—				
Food	330,900	330,900	100,100	78,700
Raw and half-finished goods ..	5,950,800	4,807,700	800,000	502,600
Manufactures	108,500	77,500	328,700	356,800

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Coal imports were 4,500,000 tons, against 3,400,000 tons in March, and a monthly average of 1,000,000 tons in 1922. Business has slightly improved, as always after mark exchange falls, and unemployment is decreasing, though somewhat irregularly. The Prussian crop reports show for June 1st an improvement in all important crops since May, and the conditions index is very much better than in June, 1922.

AUSTRIA.—FOREIGN CONTROL—STATE FINANCES—INTERNAL LOAN—INDUSTRIAL CONDITIONS—PRICES—UNEMPLOYMENT—VIENNA BANKS.

(FROM OUR CORRESPONDENT.)

VIENNA, June 1.

THE foreign control for Austria provided for in the reconstruction programme is beginning to manifest itself more strongly. Besides the Commissioner General, Dr Zimmerman, the Swiss bank director, Schnyder, has been appointed as adviser of the Austrian National Bank, and Sir William Acworth arrived in Vienna a few days ago in order to work as expert on the reorganisation of the Austrian State Railways. A foreign expert for the reorganisation of the State tobacco monopoly is also expected. Since the Austrian Treasury is not able to carry on with the normal revenues, it is being obliged to draw on the foreign credits. The consent of the Commissioner General is necessary in order to do this, and this official is thereby gaining a decisive influence on the whole financial administration. During recent months there have been some rather fierce encounters between the Social Democrats, Christian Socialists, and Nationalists, which resulted in some casualties. After all three parties had convinced themselves that they were equally well armed, they agreed not to disturb each other's meetings.

The Government are continuing their endeavours to conclude commercial treaties with the neighbouring States, and a commercial treaty with Italy was signed

recently. This treaty has called forth very strong criticism in Austrian economic circles, since the opinion prevails that it was concluded under Italian political pressure, and contains clauses unfavourable for Austria. At present negotiations for a commercial treaty with France are in progress. Meanwhile, the French Government has decreed a Customs tariff reduction for a number of Austrian imports without demanding any counter concession. Economic and political relations between Austria and Germany have become slack of late, and it can be said that both public opinion and the Press in Germany follow the economic and political occurrences in Austria with much less interest than formerly.

The reorganisation of the Austrian State Railways now occupies the most important place in State finances. As long as the railways are run with such an enormous deficit a lasting improvement in State finances is impossible. The Government has brought before Parliament a Bill which provides for separating the railways from the State administration and for converting them into an independent company controlled by the State. The Government recoils from the idea of converting the State railways into a private company, and hopes business-like management will suffice to reduce the deficit. It is hoped that the English expert will be able to help the Government in eliminating, or at least considerably reducing, the deficit. Another difficulty in State finances is caused by the necessity of increasing the salaries of State employees, inasmuch as private employees in banks and industries have succeeded in increasing their salaries considerably, partly by threats of strikes. The deficit in the Budget for the first three months of this year amounts to 1,019 milliard kronen—i.e., 142 milliard kronen less than was estimated.

In the course of the month of June subscriptions for the Austrian shares of the League of Nations' loan will be carried through. An amount of \$13,000,000 is to be raised, and it is hoped that the greater part of the Gold Treasury Bonds, which becomes due on June 1st, will be converted into shares of the new loan. Although the securities for this loan are very good owing to the international guarantee, the subscription of the loan here will be more a patriotic deed than a profitable business transaction, since the loan will pay only 7 per cent. interest, whilst three or four times as much can be obtained for a cash loan at present owing to the great stringency of money here.

Stormy conflicts are now taking place amongst manufacturers, since some of them are in favour of introducing high protective duties, whilst the others are afraid that such a policy would prejudice export and lead to a further increase of prices in the country. The recent fall of the mark has caused some Austrian products—especially iron and coal—to be reduced in price for reasons of competition. The Alpine-Montan Company, for instance, has of late had to reduce its tender to the Austrian State Railways for rails considerably since it was underquoted first by the Stinnes works and then by the Deutsch-Luxembourger works. Unemployment has decreased still further. In Vienna the number of the unemployed in May was 76,230, against 83,208 in April. The brisk export activity of Austrian industry is shown by the fact that the export of Austrian industrial products for the first three months of this year shows an excess of 52 million gold kronen over the import. The balance of trade for the same period, however, shows a deficit of 140 million gold kronen owing to the necessity of importing food, raw materials, and semi-manufactured goods.

The balance-sheets of the larger Viennese banks, which have just been published, give clear evidence of the consequences of the money depreciation last year. The Oesterreichische Credit Anstalt's balance-sheet, for instance, shows an increase of 27 milliard kronen on the profits derived from interest and 34 milliard on those deriving from commissions, as against the profits of the previous commercial year; the net profit, which was about one milliard in 1921, rose to 21.7 milliard kronen in 1922.

There has been no change in the management of the older Viennese banks, except in that of the Union Bank, the most conservative of all, which has come under the influence of a newly-rich financier, Mr Bosel, who has really made it his private bank. Several Viennese bank managers, who went to the United States during last

month, succeeded in placing considerable blocks of shares in their banks and of other Austrian companies. Generally speaking, foreign capital's interest in Austrian enterprises has continued to increase since the political and economic conditions have become more consistent and social disturbances are no longer feared. It is worth noting that German capital has also carried through large purchases on the Vienna Stock Exchange. This is due to the Germans' endeavours to acquire foreign holdings, since they fear a complete crash of their currency.

During the last month the index figure again rose 5 per cent. The increase in the cost of living caused thereby has naturally produced new demands for higher wages and salaries. First the bank clerks succeeded in getting an increase of 20 per cent. in their salaries by threatening a general strike, and this movement has now spread to the employees of the various industries. The State officials are also claiming higher salaries, which, of course, will increase the State deficit still further.

GREECE.—THE RISE OF THE DRACHMA—A PANIC—HEAVY LOSSES.

(FROM OUR CORRESPONDENT.)

ATHENS, June 6.

WITH the opening of the Lausanne Conference the foreign exchanges began moving slowly downwards. While some people thought that the Conference would fail again, the majority believed that either peace or—what seemed more probable—war would be the result. In either of the latter cases a fall in the exchanges was anticipated; a smaller one in the case of peace, a greater one if the hostilities were resumed. The heavy fall of the foreign exchanges at the most critical moment of the Conference, when war was thought almost unavoidable, strange though it may seem, is fully explained by the psychology of speculators in the exchange market. The re-occupation of Eastern Thrace, the menace to Constantinople, and the Allies at the side of Greece, seemed to them certain occurrences in the event of a new war, which would be bound to change the situation entirely in favour of Greece. The news of an external loan of £10 millions, to be granted to Greece under the auspices of the League of Nations on behalf of the refugees, published early in May, brought down the rate of the pound suddenly to 309 drachmæ. At the same time large sums of dollars were poured into the market for the purchase of tobacco, and these forced the rates still lower. Finally, the arrival in Lausanne of the Greek Minister of Foreign Affairs, and the strong attitude taken by the Greek Delegation at the Conference regarding the indemnity claimed from Greece by the Turks, were the most decisive factor in the tumbling down of the rates. These facts, and the excitement of the market, were successfully grasped by speculators (among whom was the Athens agency of an American bank), who began to sell openly huge sums of foreign exchange. A panic ensued. Bulls tried to cover at any rate, while from the most remote corners of the country the holders of foreign currencies—who, since 1920, when the flight from the drachma commenced, had been carefully hiding their holdings—hastened to realise them at whatever loss, fearing a further collapse of the rates. Having stood for nearly five months around 400 drachmæ, the rate of exchange on London fell during May and the first days of June to 170 drachmæ, say an improvement of 57.5 per cent. The sharp and sudden appreciation of the drachma upset the general level of prices, which had adapted themselves since November last to an external value of the currency equivalent to 400 drachmæ the pound sterling. Wholesale prices of imported articles followed closely the movement of the exchanges. The disorder brought about by this development is the more serious as speculation was rampant all over the country. Consequently, heavy losses were sustained not only in all branches of economic life, but by the general public as well. Failures and closings down of banking offices and business houses took place. Trade and industry came to a standstill. Unemployment is threatening thousands of workers. And were it not for the big reserves created from the exceptional profits realised by traders since 1914, the effects of the panic would be disastrous.

Though the shock was serious, the ultimate effects of which cannot be foreseen, the economic strength of the country enabled it until now to weather the storm with the minimum loss. Fortunately, the rumours put into circulation by speculators concerning the position of some important local banks were unfounded. A run was made on them by panic-stricken depositors. Owing, however, to their sound position, and thanks to the assistance granted them by the National Bank, these banks repaid their depositors without realising at a big loss their assets in foreign currencies and gold securities. Assistance will be given also by the principal banks to the Stock Exchange dealers for facilitating the fortnightly settlement, as they also have been severely hit by the fall of the prices of securities consequent upon the fall of the exchanges.

The untoward events of recent weeks could have been avoided had the Government been more willing to listen to the appeals of the business community, who requested it to retard the exchange fall through purchases by the National Bank at reasonable rates of the exchange offered for sale, and had it been less eager to espouse the popular view of the matter, which ignores the seriousness of the evils and of the risks entailed by such violent movements in the purchasing power of the currency, especially when, as in the present case, it is not certain whether the improvement will be permanent and stability of the currency at its new levels attained. It has, nevertheless, been proved again that the country possesses important liquid reserves in foreign currencies from the surpluses which the balance of foreign accounts shows each year.

NORWAY.—THE NEW PRIME MINISTER—INDUSTRIAL CONDITIONS—BANKING—EXCHANGES.

(FROM OUR CORRESPONDENT.)

CHRISTIANIA, June 7.

THE greatly regretted death of the Prime Minister, Otto B. Halvorsen, has necessitated some changes in the Cabinet. The Minister of Finance, Abraham Berge, has become Prime Minister. Mr Berge is a remarkable instance of a self-made man. By birth a peasant boy from Western Norway, he became a schoolmaster, and then advanced, step by step, to the highest posts in the civil administration. For many years he was a member of the Storting, and also for a certain period a member of the Cabinet. He is a Liberal, but is highly esteemed by all the political sections of the Storting, and though 72 years of age, seems to be in full vigour. As Prime Minister he will retain his office as Finance Minister.

Unemployment is decreasing. On May 25th the number of unemployed was given as 14,800 persons; on April 24th the number was 19,300. While this is encouraging, it is a pity that there are symptoms of unrest among those who are, or might be, employed. In the printing trade a strike has lasted for nine weeks. Frequent attempts have been made at conciliation, but in vain. The employers in various other branches now have given notice of a lock-out, embracing 12,000 hands, in order to force a decision. Most likely this will help, for fresh negotiations have been opened. At the same time, the workers in the pulp, paper, and allied trades have given notice of strike as from June 12th; but there is a possibility of a compromise.

Pulp and paper prices are firm, and as for wood pulp, there is scarcely any appreciable quantity unsold. The weather is dry, and the outlook with regard to power for the mills is by no means bright. The weather is also chilly, so that the vegetation is far behind, but spring work is about finished, and came off under very favourable circumstances.

One may now feel justified in saying that the anxiety of the public with regard to the late bank difficulties has subsided, but one of the more lasting effects of the scare is that the deposits have been transferred from a number of the private banks to the savings banks, and to a few of the more powerful private banks. The deposits in the Christiania Savings Bank have reached a total of 400 million kroner, and for such banks there is an *embarras de richesse*. It will take time, of course, before confidence in the private banks is completely restored, and also before the public accustoms itself to seek

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for employment of their superfluous capital in bonds, &c. The foreign exchanges have been fluctuating down from day to day, and so have bonds and shares. Industrials, such as the Hydro, have shown a firmer tone lately, indicating, perhaps, that people are on the outlook for what are considered the best securities.

CANADA.—CROP REPORTS—ROYAL COMMISSION ON LAKE FREIGHT RATES REPORT—THE BUDGET DEBATE.

(FROM OUR OWN CORRESPONDENT.)

OTTAWA, May 24.

THE first crop reports of the various Government bureaux, the C.P.R., the *Manitoba Free Press*, and other students of the agricultural situation are now available, and are being scanned with great interest. The spring has been abnormally cold and late, and the bright, sunny days which usually characterise the Canadian May have been comparatively few. Even in May there were some belated snowstorms in the West, and in the East there have been very heavy rainfalls. The result is that on an average the seeding season is a fortnight later than the normal. By way of compensation, however, the moisture conditions which are most important have rarely been more favourable, and if a spell of warm, "growthy" weather comes during the next month the lateness of the seeding will have no serious effects. Reports from the West, which is the most important grain area, all agree that there will be a certain diminution of the wheat acreage, but that it will be smaller than was at one time feared. The Western farmer was deeply disgusted to find that last year's abundant wheat crop yielded such negligible profits, and now there is an obvious tendency to turn to more mixed farming. Farmers in many areas in the West, but especially in Manitoba, are sowing less wheat and more oats and barley, and are giving more attention to fodder crops. Many of them have increased their dairy herds, and are going to devote more time and energy to the raising of poultry and hogs.

In Manitoba the seeding of wheat has been practically completed, and in the southern districts it is appearing above ground. The seed bed has been excellent, and the cool weather has been beneficial in allowing the grain to secure sturdy roots; 30 to 40 per cent. of the oats and other coarse grains have been seeded. Rye has wintered well, and is now up about 6 inches. Pasture is improving daily, and the wet spring probably presages a good hay crop. In Saskatchewan about 80 per cent. of the wheat and between 40 per cent. and 50 per cent. of the coarse grains has been sown, and the wheat sown earliest is now above ground. It will be risky to sow any wheat after the end of the present week, but oats, barley, and flax can be planted for at least another fortnight. It is only the lack of a large supply of really good seed which prevents an extensive acreage of flax being sown. In Alberta wheat seeding is 95 per cent. completed, and about 75 per cent. of the other grains have also been sown. Operations in some of the northerly townships have been retarded by night frosts, and in other areas in the south there is complaint of a lack of moisture.

In British Columbia growing conditions are reported to be ideal. Fruit is setting on the cherry and plum trees, and pear and apple trees are in full bloom. There also are indications of an abundant and early strawberry crop, and, with the inauguration of the new co-operative organisation which the fruit farmers of British Columbia have been constructing during the past winter, there are distinct hopes of better times for the fruit industry, which has been hard hit during the past two years.

The Royal Commission which was appointed to investigate the problems of traffic and freight rates on the inland waterways of Canada has just published its report, and

finds that an oppressive combine has been in existence on the Great Lakes for the purposes of securing extortionate freight rates. It recommends, among other things, that lake freight rates be brought under the jurisdiction of the Dominion Railway Commission, and that the Government be given authority to suspend the Canadian coasting laws whenever it is deemed necessary to encourage competition to break a local monopoly.

The Budget debate is, as usual, a long-drawn affair, and the Government are sailing in somewhat difficult seas. The Progressives have flatly refused to endorse its proposals, and have moved an amendment which condemns the principle of Protection, and demands the immediate increase of the British preference to 50 per cent. of the general tariff, and other more drastic reductions, than the Budget offers. Mr. Fielding's declaration about fiscal stability, which has been construed by everybody as an intimation that the Government had finally jettisoned the 1919 platform, has been repudiated by many Liberal papers. Mr. Dunning, the Premier of Saskatchewan, who is the virtual leader of Western Liberalism, has stated that he cannot accept it, because it spells ruin for the Liberal Party in the Prairie Provinces. What is more immediately serious for the Government, two of the ablest Liberal private members in the House, Mr. A. R. McMaster, K.C., of Montreal, and Mr. A. B. Hudson, K.C., the leader of the Manitoba Bar, have both spoken against the Budget and for the progressive amendment. Mr. McMaster, indeed, has crossed the floor of the House, and as he commands a large following in the country the loss to the Government is very serious.

Books and Publications.

GERMANY DEMOCRATISED.*

WRITTEN Constitutions, though often based ostensibly on abstract political theory, are always largely shaped by the actual political environment and by their framers' interests and aims. It is from this point of view that M. Brunet treats the German Constitution of 1920, beginning with the revolution of 1918, and dealing very fully with the debates in the National Assembly at Weimar and the compromises effected between the conflicting views of the Majority Socialists, the bourgeois Democrats, and the Catholic Centre, the three parties who controlled the process of Constitution-making. The book is introduced by Prof. Charles A. Beard, late of Columbia University, whose attempt to explain historically the respect shown by the Constitution of the United States to the rights of property startled America some years ago. The original was published in 1921, the translation in the United States a few months later; and the domestic history of Germany has been so thrust out of sight by international happenings, that we cannot say precisely how far the provisions of the Constitution have since been developed, as its framers intended, by further legislation, though we believe the Referendum and Initiative have been thus provided for. But three characteristics of that instrument are clearly brought out. It is thoroughly democratic; it makes a great advance towards centralising the German Federation, and it goes far towards economic "socialisation," though the further work of the Constituent Assembly in this direction was cut short by its dissolution through the after-effects of the monarchist rising known as the "Kapp Putsch" in the spring of 1920.

Being democratic and socialistic, the Constitution was necessarily an advance towards centralisation, so as to check reaction in the constituent States, and also to make the whole resources of the Reich available for reconstruction, to break down the predominance of a possibly militarist Prussia, and to ensure social reforms. Hence it permitted readjustment of State boundaries by the Reich with the consent of the populations directly affected, even against the will of the State which lost territory by the change; and it gave the Reich concurrent

* "The German Constitution." By René Brunet. With a Foreword by Charles A. Beard. (London) T. Fisher Unwin, Limited. 1923. 6s. 6d. net.

power with the States in legislation on taxation, labour, economic and social questions, reserved to it the full control of railways, waterways, main roads of inter-State importance, motor and air traffic, and endowed it with "normative" power over State legislation on Church organisation and education—though here the Centre made its own terms, securing the maintenance of the Church organisations and the right of religious teaching, and preserving denominational schools. The Government is Parliamentary and Democratic; a Reichstag elected by universal suffrage with proportional representation—thus recognising parties as mechanisms for converting individual wills into a general will—aided by a Reichsrat representing the States, but now only consultative; checked by the Referendum and Initiative, and by a President directly elected by the people; guided by a Chancellor and Ministers responsible to it, and protected against presidential encroachments by provisions as to its meeting and dissolution, and by the institution of a Foreign Affairs Committee and a Permanent Committee to sit during the Parliamentary vacations. Any citizen may vote in a Parliamentary election wherever he happens to be, and it is a disputed point whether the States have not ceased to exist as States and become merely "autonomous bodies" which the central Government may override at its will.

If compromise is visible in the political details, it is even more so in the economic features of the Constitution. It guarantees the right of property, but asserts correlative duties, for the sake of the general welfare; the State supervises the distribution of land, regulates expropriation, reserves the right to tax unearned increment, directs the abolition of entailments (*fideicommissa*), protects labour, recognises the "right to work," and, in default of work, to public support; directs that provision shall be made for maternity and child welfare and for the welfare of illegitimate children; and reserves the right of "transferring to public ownership private enterprises adapted for socialisation." It even recognises the "workers' councils," which the Independent Socialists desired to organise as the sole legislative authority, but it provides also for district economic councils, culminating in a consultative chamber empowered to recommend or initiate economic legislation; and it mentions other "autonomous bodies," which, in fact, will be councils administering "socialised" industries. A beginning has been made with the coal trade, but the existing "economic Parliament" is only provisional and inchoate, and the organisation of the whole is incomplete. On this section of his subject M. Brunet gives full details, which we have no space to summarise. His work is an excellent account of the genesis of the German Constitution, and he closes with a discussion of the probability of its permanence. Its applications are mostly left to be fought over hereafter, and there is no check from the Supreme Court. The political part may last: the economic part is an experiment, as to which a forecast is impossible. The text of the Constitution is appended, and readers may be warned that the book is hardly intelligible unless the main provisions of that document have been mastered first.

THE THEORY OF A FAIR WAGE.*

THIS is an honest, serious little book by a man who can think for himself, but who has not read much of the modern work on his subject. It is a very healthy sign of the times that an engineer (as Mr Batten presumably is) should be giving his thought, not without effect, to the study of the problem of industrial reform. His theory (which needs much closer analysis than he has given it) may be briefly presented as follows:—(1) We ought not to regard wages merely as part of the costs of production. Only one element in wages is legitimately so described—the cost of bare subsistence for the worker on the minimum scale demanded by the social standards of the time; this ranks with cost of materials, upkeep of plant, and a bare rent for capital, as irreducible costs without which production cannot take place. When these charges have been met, all further wealth produced

* "A Fair Wage: Being Reflections on the Minimum Wage and Some Economic Problems of To-day." By Edward Batten, M.I.M.E. Pitman. 2s. 6d.

ould be regarded as "profits," to be divided on such terms as may be determined between the active partners of the industry, labour and capital, and part of most ages is, in fact, drawn from "profits" in this sense. The basic elements in the computation—the minimum subsistence wage of labour, and the bare rent of capital ought to be scientifically determinable, the first in relation to the cost of living, the second in relation to the interest on gilt-edged securities. The profits (in Mr. Batten's sense of the term) would then remain to be divided between capital and labour on an equitable basis. How is this basis to be found? Mr. Batten suggests, by dividing in a uniform proportion the profits of individual concerns, because this would make the remuneration of labour variable with the skill of the management; but by fixing the rates of remuneration for industries as a whole, in relation to the average rate of profit. By this means, while the worker would directly gain by the prosperity of the industry, the firm which showed exceptional enterprise would obtain exceptional profits, as to-day, and the lack firm would be penalised. (3) In order to make this adjustment possible, three things are necessary:—(a) The establishment of Industrial Councils with the power of fixing legally enforceable wages; (b) a sufficient publicity of accounts to provide these Councils with the materials for determining what the average profits of the industry are, and what wage rates (over and above the subsistence minimum) they render possible; and (c) the fixation of a statutory minimum wage, varying with the cost of living, as the basis of all these computations.

On a multitude of points Mr Batten shows that he is not acquainted with recent work on the subject, theoretical and practical, and that he has not sufficiently analysed the difficulties of his theory. But the main line of his thought is in accord with some of the best thinking of to-day. His little work deserves to be treated respectfully, as an honest contribution by a thoughtful man to the most vital of our problems. We welcome the intervention of a man of his type in a discussion which is too much left to theoretical economists, labour leaders, and the organisers of big business.

BOOKS RECEIVED.

Money. By William Trufant Foster and Waddill Catchings. (Boston) Houghton Mifflin Company. \$3.50.
Report of the Controller of the Currency, 1922. (Washington) Government Printing Office.
Social and Economic Conditions in the Dominion of Canada. (Philadelphia) American Academy of Political and Social Science.
Rents, Rings and Houses. By G. D. H. and Margaret Cole (London). The Labour Publishing Company, Limited. 2s. 6d.
Atkin's Manual, 1923. (London) Geo. D. Atkin and Co., 1 Draper's gardens.
The Cotton-Growing Countries. Production and Trade. (Rome) International Institute of Agriculture. 5s.
A very useful volume, showing cotton areas, production, dates of planting and picking, classification and consumption throughout the world.
Merchants, Manufacturers, and Shippers of the World. (London) Kelly's Directories, Limited. 64s.

The Directory is in two volumes. The first deals with foreign countries and their dependencies, while the second gives information concerning England, Scotland, Ireland, and Wales, and the British Dominions and Possessions. Under each town heading are given, in carefully classified lists, the names (arranged alphabetically) of all those engaged in trade and commerce, with the class of goods in which they deal. This information is given in respect of practically every country of the world. The book consists of some 5,000 pages, and gives information as to 20,000 foreign and colonial cities and towns, under which over 1,500,000 trade descriptions are given. It is indexed in four languages.

The Railways of Spain. By Geo. L. Boag. (London) The Railway Gazette. 12s. net.
Tender Rates for Treasury Bills. (London) Jones and Brown, 17 Gracechurch street, E.C.
Business Conditions in Argentina. Report No. 158. April 1, 1923. (Buenos Aires) Ernesto Tornquist and Cia.
Type Plans of Small Houses. (London) Guild Housing, Limited, Agnes road, Acton Vale. 1s.
Le Franc Suisse. (Zurich) Union de Banques Suisse.

The Saar Question. A Disease Spot in Europe. By Sidney Osborne. (London) George Allen and Unwin, Limited. 12s. 6d.

BARCLAYS BANK LIMITED.

Head Office: 54, Lombard Street, London, E.C.3.

The Bank has close working arrangements with Agents and Correspondents in all the principal towns throughout the world, and is in a position to offer complete banking facilities to merchants and others for the transaction of EVERY DESCRIPTION OF OVERSEAS BUSINESS.

Foreign Exchange transactions arranged.

Chief Foreign Branch 168, Fenchurch Street, London, E.C.3.
West End Foreign Branch 1, Pall Mall East, S.W.1.
Liverpool Foreign Branch 42, Castle Street, Liverpool.
Manchester Foreign Branch 94, Portland Street, Manchester.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET.
June 27.

ACCOUNT.
June 28.

THERE has been a certain liveliness in some of the Stock Exchange markets this week, although the air of activity proved to be circumscribed. Business came very fitfully to the Consol market, prices moving sharply and irregularly under the influence of substantial dealings in the War Loan, Conversion, India scrip (largely on account of speculators), and even in Consols. Some of the selling is said to have been German. The course of negotiations in regard to the Ruhr district is being awaited with keenest attention, though there have been too many false alarms and false starts in the immediate past for the Stock Exchange to repose much confidence in any indefinite developments. The principal speculative areas, oil, rubber, mining, are deserted by the public. Many hundreds of bargains were done in the new Austrian scrip. A premium of 5 points rapidly developed, and stags—the smaller of whom received liberal allotments—have been very happy.

Prompt subscription continues to be the feature which characterises most of the new issues. Something like a furore was created by the issue of the Austrian loan. A large Tokio electrical appeal is pending in the near future, and several London companies are known to be preparing prospectuses of new issues. The Urban Electric scrip is quoted at 2½ premium, and Electric Supply Corporation preference shares, left with underwriters to the extent of 82 per cent., soon wiped off a small discount which developed at the start of dealings.

Conversion stock was sold, by the hundred thousand at a time, in the early part of the week, yet as soon as the selling stopped the price rallied, and the gilt-edged market is firm as a whole. German Threes have been a little better, and French bonds, Government, municipal, and railway, followed the varying messages from day to day which dealt with the political kaleidoscope. Chileans are generally harder, while Brazilians mark time. The success of the Austrian loan inspired buying of Czech and Greater Prague bonds. Riga 4½ per cent. are flat, on the breakdown of negotiations which had for their object the rearrangement on a better basis of the city's finances.

Home Railway stocks continue to be neglected by the public, and are accordingly lower in most cases where prices moved at all, although a slightly better tone intervened on the publication of satisfactory Board of Trade returns for May. Grand Trunk Pacific debenture weakened on an unofficial statement to the effect that the *pourparlers* between the British Mission and the Canadian Government have been postponed. Antofagasta stock further advanced by reason of the good dividend recently declared. Argentine railways have recovered materially from the weakness produced by an attack upon them from a provincial outside broking firm.

There is nothing much doing in rubber shares, but the tea market keeps strong, and further rises have occurred in some of the leading issues. The oil market is dull as a whole, the Shell dividend disappointing a good many holders. Renewed apprehensions in regard to the dividend led to sales of Mexican Eagles. A few of the Trinidad descriptions went back in consequence, it is said, of realisations on behalf of a deceased account. Tobacco shares are unusually quiet. Imperials will be quoted ex rights early next week. Courtaulds gave way on extensive profit-taking sales. Other textiles are maintained steadily in consequence of good dividends. Aerated Bread shares underwent a sharp fall, from which, however, they recovered, and Lyons drooped a trifle, the 25 per cent. dividend, the same as that for last year, failing to realise the expectations of the optimists. Hotel shares are a little better.

A severe slump in Hudsons Bays, from which there was a sharp recovery, followed the announcement of a cut in the dividend. Sudan Plantations, with their satellites, Kassala Cottons, have gone back on heavy profit-taking. Banking, insurance, and shipping issues are holding their ground, though without much alteration from week to week. Debenture and

preference issues, especially in the shipping market, are quietly improving. The electric lighting market is better, for which the cold and dull weather of the first part of this year is directly responsible. Gas stocks have moved hardly at all. The iron and steel market shows narrow and unimportant fluctuations. Babcocks, in the engineering group, are higher, the new shares being quoted at practically the same price as that of the old. Nitrates continue to attract a little support, and most of the preference shares in the industrial market forge steadily ahead, the supply becoming noticeably less week by week. De la Rue debentures rose to 62, after being nearly to points less.

Kaffirs remain in the doldrums, the public neglectful, the professionals indifferent. In Rhodesian and diamond shares interest is of the most languid order, Paris providing the main-spring for the daily movements in De Beers. Rio Tinto shot up, in consequence of a rumour to the effect that a closer co-operation is contemplated between the sellers of pyrites. An effort to make Russians firmer on the strength of the conciliatory tone adopted by the Soviet Government in its latest Note led to no fresh business on the part of the public. The various tin markets are quiet, and Mexicans almost lifeless. Some of the dealers in mining shares have said, with a laugh, that they are forced to move their prices up and down by 1/3d a day in order to let it be seen that their markets are not entirely dead.

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

NEW ISSUES.

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

	Nominal Capital.	Cash Subscriptions.	First Payment.	Further Liability.
Amount previously recorded	£152,433,966	..	..	..
4% Treasury Bonds, 1931-33 (by tender June 8, 1923), £1,500,000, at 95 1/2 to 76d per cent.	..	1,429,975	..	..

NATIONAL SAVINGS CERTIFICATES.

NET RECEIPTS INTO THE EXCHEQUER WEEK ENDING JUNE 9, 1923.

April 1, 1923, to June 9, 1923, £2,050,000 .. 500,000 .. 500,000

To the Public—

Austrian Government, £14,000,000 6% Gld. Sterling Bonds (1923-43) (rep. in sterling at Bank of England), issued at 90% (June 11) ..	14,000,000	11,200,000	700,000	10,500,000
Port of Calcutta, £1,000,000 5% Debentures to bearer (rep. at par July 1, 1923), issued at 97% (June 11) ..	1,000,000	970,000	100,000	870,000
Second Scottish Western Investment, 50,000 Shares, £10, at par (June 11) ..	500,000	500,000	25,000	475,000
Pyne Bros. Ltd., 55,000 7% Cum. Pref. Shares, £1, at par (June 12) ..	55,000	55,000	6,875	48,125
Waxed-Papers, 125,000 7% Cum. Pref. £1, at par (June 14) ..	125,000	125,000	31,250	93,750
Total offered to public	..	12,850,000	863,125	11,986,875
To Shareholders only—				
Brakpan Mines, 170,000 New £1 Shares, at par ..	170,000	170,000	..	170,000
Cellulose Holdings and Investment, £250,000 7% Pfd. Stock (red. at 102%, 1922-42), iss. at par ..	250,000	250,000	50,000	200,000
London Electric Supply Corp., 55,500 unissued Ord. Shares, £1, offered at par ..	166,500	166,500	55,500	111,000
Total offered to shareholders only	..	586,500	105,500	481,000

Total offered for subscription to date in—	Total offered for subscription for whole year—
1923	1922
1923	1921
1923	1920
1923	1919
1923	1918
1923	1917
1923	1916

Austrian Government Guaranteed Loan.—Issue of £14,000,000. The Bank of England is authorised to receive applications for £10,881,100 in 6 per cent. guaranteed sterling bonds, the balance of the issue of bonds to the nominal value of £3,118,900 being issued to his Majesty's Government in satisfaction of sums due. Capital and interest are free from all Austrian taxes, present or future. Austrian Government guaranteed sterling Treasury bills, due March 1, 1924, may be tendered in lieu of cash for payments for fully-paid allotments of this issue. The bills will be accepted at the rate of £97 10s cash for each £100 nominal of bills surrendered. We dealt with this issue at some length in last week's *Economist* (see page 1293). The issue had a remarkably good reception.

Port of Calcutta.—This is an issue of £1,000,000 5 per cent. debentures at 97 per cent. and repayable at par in July, 1923. Power, however, is reserved to repay the loan in whole or in part at any time after the expiry of 30 years from the date of issue. A sinking fund for this loan will commence to operate on January 1st next. The debentures will rank *pari passu* with other loans of the Commissioners as a first charge on the properties, which at March 31st had an unimproved value of £12,854,000. The capital debt at that date was £9,798,000, after deducting £1,371,000 already to the credit of the sinking fund. Since 1916 the annual income has increased from a million sterling to practically a million and three-quarters sterling. A good investment in its class.

The Second Scottish Western Investment Company, Limited.—Authorised capital £500,000, divided into 50,000 shares of £10 each, which are now offered for subscription at par. The shares, when fully paid up, are to be converted into preference and ordinary stock, in the proportions of 60 per cent. of the former and 40 per cent. of the latter—i.e., each share is to be converted into £6 of preference stock and £4 of ordinary stock. The preference stock is to be entitled to a cumulative preferential dividend at the rate of 5 per cent. As denoted by its title, this undertaking has been floated with a view to investing in promising securities. The power of the directors to borrow money on debentures and debenture stock, or otherwise, is limited to the amount of the subscribed capital. In addition, the directors have power to borrow up to £100,000, but for temporary purposes only. The articles of association provide that not more than one-twentieth part of the combined subscribed share and debenture capital, or more than one-tenth of the subscribed share capital, shall be invested in any one security. The enterprise appears to be in careful hands, and should make good progress.

Associated London Flour Millers, Limited.—Authorised share capital, £1,750,000, of which £1,126,006 has been issued. The issued capital consists of 833,043 £1 ordinary shares and 292,963 £1 7/8 per cent. cumulative preference shares. This undertaking was formed to take over six old-established flour-milling businesses. Very brief information is given in connection with an application to the Stock Exchange to deal in the shares of the company, and it is difficult to gauge the value of the shares from these details.

Waxed-Papers, Limited.—Authorised share capital £250,000, equally divided into 7 1/2 per cent. cumulative preference and ordinary shares of £1 each. Of the latter shares 70,000 have been privately allotted for cash, and a further 23,235 will be allotted to the Anglo-Canadian Wax Paper Company in payment of the purchase price of that company's business. This is an issue at par of the preference shares. The company has been formed to amalgamate two waxed-paper manufacturing businesses—namely, Geo. Church and Co., Limited, and the Anglo-Canadian Wax Paper Company, Limited. The profits of Geo. Church and Co. are stated to have averaged £25,694 per annum for the last five years, and £31,628 for the last three years, before charging taxation and loan interest, while those of the Anglo-Canadian Company, computed on the same basis, amounted to £5,315 for the year 1922. Surplus assets of the Anglo-Canadian Wax Paper Company are given as £23,235, including lease, patent, and trade-marks, and goodwill at £5,000. This has been fixed as the purchase price, payable wholly in ordinary shares. Surplus assets of Geo. Church and Co. are valued at £169,736, reckoning goodwill as worth £60,000. The former sum has been fixed as the purchase price, and is payable in cash. Possibly the company may render an excellent account of itself, and, anyway, investors can read and understand the prospectus.

Pyne Bros., Limited.—Authorised capital, £110,000 divided into 55,000 7 per cent. cumulative preference and 55,000 7 per cent. preference shares at par. This is an issue of drapery and furnishing business, which has been carried on for the last fourteen years at Lewisham. Net assets, including £25,000 for goodwill, are valued at £100,905. Profits are satisfied as to £45,900 in cash, and as to £55,000 by the allotment of all the ordinary shares. Preference shareholders have voting rights as regards principal, as well as interest, and have equal extent, preference shareholders are in a favourable position.

Anglo-Eastern Finance Corporation, Limited.—Authorised capital £250,000, divided into shares of £1 each, of which 125,000 shares have been issued and 10s per share has been paid up. The company has been formed for the exploitation of the 125,000 shares issued, 62,000 were allotted at par in August, 1922. A further 63,000 shares were offered to existing shareholders on May 7, 1923, at par, 3,500 shares being reserved for Eastern holders. This information is taken from an advertisement made to comply with Stock Exchange Regulations.

ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Price Week.	Latest Price.	Rise or Fall.		Price Week.	Latest Price.	Rise or Fall.
War (34%, 1925-28) ..	96 1/2	96 1/2	..	Aust. 6%, 1931-41 ..	106	106	..
Loans (4%, 1925-45) ..	98 1/2	98 1/2	..	Canada 4%, 1920-25 ..	101	101	..
Funding Loan 4% ..	101 1/2	101 1/2	..	India 3 1/2%, Stock ..	71 1/2	71 1/2	..
Victory Bonds 4% ..	93 1/2	93 1/2	..	Do 7%, 1926-31 ..	123 1/2	123 1/2	..
Conversion Loan 3 1/2% ..	80 1/2	80 1/2	..	Do 5%, 1932 ..	104 1/2	104 1/2	..
Consols 2 1/2% ..	59 1/2	59 1/2	..	N.S.W. 5%, 1922-32 ..	101	101	..
Irish Land Stock 2 1/2% ..	62 1/2	62 1/2	..	Nigeria 6%, 1949-79 ..	113	113	..
Local Loans 3% ..	68 1/2	68 1/2	..	U. of S. 6%, 1930-40 ..	106	106	..
				Victoria 5%, 1924-34 ..	101	101	..
				W. Aust. 6%, 1930-40 ..	104 1/2	104 1/2	..

Banks.

Barclays B. (£1, f.p.d.) ..	24 1/2	24 1/2	..	Nat. Bank of S. Africa (£10) ..	8 1/2	8 1/2	..
Chartered Bk of India ..	20	20	..	Nat. Prov. & Union of England (£20, with £4 paid) ..	11 1/2	11 1/2	..
Lloyds (£5 with £1 paid) ..	3 1/2	3 1/2	..	Standard S. Africa (£20, with £5 paid) ..	11 1/2	11 1/2	..
London Joint City & Midland (£12 with £2 paid) ..	8 1/2	8 1/2	..	Westminster Bank (£20, with £5 paid) ..	18 1/2	18 1/2	..
Nat. Bank of Egypt (£10) ..	21 1/2	21 1/2	..				

Colonial and Foreign Railways.

Antofagasta Cons.	87 1/2	87 1/2	..	Leopoldina	28 1/2	27 1/2	..
B.A. and Pacific	82	83	..	Mexican Railway ..	12 1/2	12	..
B.A. & Gt. Southern ..	86	87 1/2	..	Do 1st Pref.	39	38	..
Buenos Ayres West. ..	82	83	..	Do 2nd Pref.	24	24	..
Canadian Pacific	165 1/2	167	..	San Paulo	146	144	..
Central Argentine ..	72 1/2	74	..	United Havana ..	67 1/2	69 1/2	..

Foreign Government Securities.

Argentine 5%, 1886-7 ..	101	101	..	Japanese 4 1/2% ..	102	102	..
Belgian 3% ..	68	68	..	Do 4%, 1910 ..	74	74	..
Brazil 5% Fund., 1914 ..	75	75	..	Mexican Cons. 1899 ..	62 1/2	61 1/2	..
Chilian 4%, 1895 ..	86	86	..	Peruvian Corp. Pref. ..	30	29 1/2	..
Do 7 1/2% ..	108	107 1/2	..	P.L.M. 6% ..	87 1/2	88 1/2	..
Chinese 5%, 1912 ..	73	73	..	Portuguese (New) ..	3	3 1/2	..
Egyptian 4% ..	70 1/2	70 1/2	..	Russian 4%, 1906 ..	8	8	..
French 5% ..	23 1/2	23 1/2	..	Spanish 4% ..	71 1/2	71 1/2	..
Do 4% ..	23 1/2	23 1/2	..	Seine (Dept.) 7% ..	101 1/2	101 1/2	..
Greek 4%, 1884 ..	47 1/2	47 1/2	..	Siam 7% ..	108	108	..

British Railways.

Great Western, Ord.	115 1/2	114 1/2	..	Southern, Ord. "A" ..	37	36 1/2	..
Do Def.	87 1/2	87	..	Do "B" ..	13 1/2	13	..
London & North-Eastern 5% Pref. Ord.	89 1/2	88 1/2	..	Do Pref. Ord.	89 1/2	88 1/2	..
Do Def. Ord.	34 1/2	33 1/2	..	Do Def. Ord.	40 1/2	38 1/2	..
London, Mid., and Scottish, Ord.	113 1/2	111 1/2	..	Underground Electric (£10) ..	3 1/2	3	..
Metropolitan	73 1/2	73 1/2	..	Do "A" (1) ..	96 1/2	96 1/2	..
Metropolitan District ..	55 1/2	54 1/2	..	Do Inc. Bds. (£100) ..	96 1/2	96 1/2	..

Telegraphs.

Anglo-American "A" ..	23	23 1/2	..	Marconi Canada ..	13 1/2	13	..
Marconi Wireless ..	2 1/2	2 1/2	..	Marconi Marine ..	14 1/2	14	..

American Railroads.

Cheapeake & Ohio ..	70	69 1/2	..	Southern	37	40	..
Erle ..	13	14	..	Do Non-cum Pref. ..	72	74	..
Do 4% 1st Pref.	20	21	..				

Miscellaneous.

Aerated Bread (£1) ..	1 1/2	1 1/2	..	Imperial Tobacco (£1) ..	4 1/2	4 1/2	..
Amal. Cottons (£1) ..	3 1/2	3 1/2	..	Linggi Plantns (£1) ..	1 1/2	1 1/2	..
Anglo-Persian Oil (£1) ..	4	3 1/2	..	Lipson (£1) ..	1 1/2	1 1/2	..
Armstrong (Sir W.G.) ..	1 1/2	1 1/2	..	Liver Brs (£1) ..	1 1/2	1 1/2	..
and Co. (£1) ..	1 1/2	1 1/2	..	Do 8% Cn A Pfd (£1) ..	1 1/2	1 1/2	..
Ass. Ind. Cement (£1) ..	1 1/2	1 1/2	..	Do 20% Cn Pfd Ord (£5) ..	1 1/2	1 1/2	..
Barker, John (£1) ..	2 1/2	2 1/2	..	Lister (£1) ..	1 1/2	1 1/2	..
Bell & Co. (£1) ..	1 1/2	1 1/2	..	Lobitos Oilfields (£1) ..	6 1/2	6 1/2	..
B'ham Smal. Arms (£1) ..	1 1/2	1 1/2	..	Lyons (J.) & Co. (£1) ..	4 1/2	4 1/2	..
Brazil Traction (£100) ..	52 1/2	52 1/2	..	Magadi Soda (£1 Ord.) ..	1 1/2	1 1/2	..
British-American Tobacco (£1) ..	5 1/2	5 1/2	..	Mexican Eagle (£10) ..	1 1/2	1 1/2	..
Burmah Oil (£1) ..	5 1/2	5 1/2	..	Pekin (£1) ..	1 1/2	1 1/2	..
Costa (J. and P.) (£1) ..	3 1/2	3 1/2	..	Rubber Plantations Investment (£1) ..	1 1/2	1 1/2	..
Courtaulds (£1) ..	1 1/2	1 1/2	..	Shell Transport (£1) ..	4	3 1/2	..
Cunard (£1) ..	1 1/2	1 1/2	..	Smithfield & Argentine Meat (£1) ..	1 1/2	1 1/2	..
Dorman, Long (£1) ..	1 1/2	1 1/2	..	United Dairies (£1) ..	1 1/2	1 1/2	..
Dunlop Rubber (£1) ..	1 1/2	1 1/2	..	United Serdang (2) ..	2 1/2	2 1/2	..
Fine Cotton Spinners (£1) ..	2 1/2	2 1/2	..	United Tobacco (£1) ..	2 1/2	2 1/2	..
Forestal Land (£1) ..	1 1/2	1 1/2	..	Vallambrosa (2) ..	1 1/2	1 1/2	..
Furness, Withy (£1) ..	1 1/2	1 1/2	..	Vickers (£1) ..	1 1/2	1 1/2	..
Highlands and Lowlands Rubber (£1) ..	1 1/2	1 1/2	..	Watney Def. Suk.	17 1/2	17 1/2	..
Hudson's Bay (£1) ..	5 1/2	5 1/2	..				

Mines.

Brakpan (£1) ..	3 1/2	3 1/2	..	Knights	2	2 1/2	..
Broken Hill Prop. (8) ..	1 1/2	1 1/2	..	Modderfontein (10) ..	4	4	..
Chartered (£1) ..	1 1/2	1 1/2	..	Modderfont. "B" (5) ..	1 1/2	1 1/2	..
Cons. Gold Fields (£1) ..	1 1/2	1 1/2	..	Modderfont. Deep (5) ..	2 1/2	2 1/2	..
Crown Mines (10) ..	2 1/2	2 1/2	..	Premier Def. (26) ..	2 1/2	2 1/2	..
De Beers Def. (£2 1/2) ..	14 1/2	14 1/2	..	Rand Mines (5) ..	2 1/2	2 1/2	..
East Rand Prop. (£1) ..	3 1/2	3 1/2	..	Selukwe ..	1 1/2	1 1/2	..
Geduld (£1) ..	3 1/2	3 1/2	..	Rio Tinto (£5) ..	36	37 1/2	..
Gov. Gold Areas (£1) ..	5 1/2	5 1/2	..	Spring Mines (£1) ..	2 1/2	2 1/2	..

OIL OUTPUTS.

BRITISH BURMAH PETROLEUM.—Production of crude oil by this company and the Rangoon Oil Company, Limited, for the month of May amounted to 59,309 barrels.

We are advised by the CALEX OIL COMPANY that they have received a cable from Mexico giving the company's production for the month of May as 20,799 barrels, or 3,301 tons.

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

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF THE UNITED KINGDOM.

(b) Week ended June 9, 1923.	Week Ended June 8, 1923.				Aggregate 23 Weeks 1923.		
(c) Week ended June 10, 1923.	Miles Open.	Passengers, &c.	Goods, &c.	Total for Week.	Passengers, &c.	Goods, &c.	Total Receipts.
		£	£		£	£	£
Great Western	3,679	233,000	356,000	595,000	5,337,000	8,304,000	13,641,000
London & North-Eastern ..	6,661	444,000	714,000	1,158,000	8,991,000	1,741,800	26,409,000
Do same period 1922 ..	6,657	585,000	562,000	1,147,000	10,066,000	1,747,600	27,542,000
London, Mid., & Scottish ..	6,962	609,000	899,000	1,508,000	13,101,000	2,122,000	34,723,000
Southern	2,115	339,000	103,300	442,300	6,667,000	2,716,000	9,384,000
Midland & S.W. Junction ..	63	1,114	1,556	2,670	25,924	29,449	55,373
Metropolitan (e)	793	32,815	3,400	36,215	745,307	85,506	830,813
Underground E.R. (e) ..	..	..	..	235,482	..	..	5,076,789
				- 31,215	..	..	147,657
				41,358	..	..	904,941
Lon. & Sub. Group (e) ..	..	..	..	- 16,484	..	..	88,146
Belfast & Co. Down (b) ..	80	5,732	1,074	6,806	105,627	28,036	133,665
Dublin and S.-East, (b) ..	160						
Midland Gt. West, (b) ..	538	9,663	13,964	23,627	203,271	352,795	556,066

COMPANY MEETINGS, &c.

BURMAH OIL COMPANY, LIMITED.

SIR JOHN CARGILL'S REVIEW OF A SATISFACTORY YEAR.

VITALITY OF PROVED FIELDS.

CHAIRMAN'S REPLY TO ADVERSE PROPAGANDA.

INCREASED SCALE OF OPERATIONS.

The annual general meeting of the Burmah Oil Company, Limited, was held, on the 12th instant, in the Merchants' Hall, Glasgow.

Sir John T. Cargill, Bt. (the chairman of the company), presided. The secretary (Mr F. G. Holdsworth, F.C.I.S.) having read the auditors' report,

The Chairman said: Ladies and gentlemen, I was able last year with some confidence to tell you that on balance prospects for 1922 were not unfavourable, and the accounts now in your hands will, I venture to think, be accepted generally as very satisfactory.

The result closely confirms our anticipations. Further falls in petrol prices in the markets of the world took place shortly after I addressed you, but the new contracts referred to protected us against the full effect of these. As to other products, prices of paraffin wax remained at a very low level, and while our prices in India for kerosene and petrol—which for a long time past we had kept below the level of the world's market prices for both these products—were unchanged, the much lower level of values for lubricants and jute batching oils there continued throughout the year.

REASONS FOR IMPROVED RESULTS.

The improvement in our results, therefore, has been accomplished mainly through the increased scale of our operations, lower taxation and charges, and increased income from outside investments. The volume both of crude oil produced and refined and of products marketed constituted records in the history of the company, and important economies both in the fields—partly due to the greater utilisation of gas and partly to the electrification of the Yenang-yung area—and in the refineries were effected by reductions in the consumption of fuel oil.

PROFIT AND LOSS ACCOUNT.

So much for the factors responsible for the results before you. I now come to a closer examination of the balance-sheet and profit and loss account.

You will have seen from the accounts that we have departed from our previous practice of showing our expenditure on drilling and deepening, &c., as part of our profits and then writing down our fields block account by the same amount. This method was open to the suggestion that the figure representing this might be considered as profit—to some extent at any rate available for reserves or distribution as might be decided from time to time. This, as you are well aware from my previous speeches, is not our view of the position. The charging of such expenditure in the year in which it is incurred is, in our opinion, essential. It is the price we have to pay to maintain our production, and is actually as much a part of the cost as is the expenditure on pumping and producing generally.

PROFITS AND DIVIDEND.

The profit available, after charging income and corporation profits taxes, contribution to employees' provident fund, directors' fees, &c., writing off £50,000 (being one-third of the cost of issue of the £3,000,000 8 per cent. preference shares), paying the dividends on 6 per cent. and 8 per cent. preference shares for the year, and the interim dividend of 2s per share, free of tax, on the ordinary shares, and placing £200,000 to general reserve and £20,000 to insurance reserve, amounts to £1,365,279 5s 3d. Out of this the board recommends the payment of a final dividend on the ordinary shares of 4s per share, free of tax, on June 22nd, absorbing £1,030,216 8s, and leaving £335,062 17s 3d to be carried forward subject to corporation profits tax estimated at £145,000.

The final dividend on the ordinary shares now recommended makes the total for the year 30 per cent., free of tax, or the same as last year.

INDIAN TAXATION.

There are one or two further items in the accounts, or connected with them, to which special reference might be made. In addition to United Kingdom taxation in the shape of income and corporation profits taxes, amounting to some £539,000, we shall have paid, in India and Burma, in the form of income and super-tax, royalties, Excise, and Custom duties, &c., a sum of, roundly speaking, £1,500,000. This latter figure represents some £2 10s

per ton on the volume of our products marketed in India. I am not for a moment suggesting that Government can be carried on without taxation. My point is that the extent of indirect taxation and its incidence, in the selling prices of commodities, are all too easily overlooked, both by consumers and Governments themselves. In this country we are happily continuing our progress towards retrenchment and lower taxation. The provisions in this year's Budget for reductions in income and corporation profits taxes are naturally welcome, although one cannot avoid voicing the almost universal regret that the Chancellor did not completely remove the corporation profits tax. In India, too, thanks to the Inchcape Committee, welcome steps have now been taken in the direction of reducing costs of administration and the securing of a balanced Budget.

You will notice the addition of £41,870 7s 8d to the fields block account. This represents purely capital expenditure on new buildings, &c., and in view of the low figure at which this account stands, its special depreciation is not considered necessary at present.

FIELDS ELECTRIFICATION SCHEME.

Fields electrification account has been increased during the year by £162,948 15s 3d to £835,193 5s. We hope the whole of this scheme will be completed by December 31st next. Initial supplies of energy from the power station were being made when I last addressed you. You will now be gratified to learn that the application to drilling as well as pumping was smoothly and successfully made from the start. Employees, both of Western and Eastern origin, took to this new motive power and its operation on the wells as if they had never known any other, and the hopes of increased efficiency and speed, and of reduced costs of operating through the more economical use of fuel, and otherwise, which were estimated when the scheme was decided upon, promise to be fully realised. Our consulting engineer on the work, Mr McCarthy Jones, has been for many years past a keen advocate and a convinced believer in its advantages and economies, and to him, to suppliers of plant, to our electrification manager and his staff in Burma, and to our own engineering staff in London great credit is due for making this development the success which is now assured.

NEW TANKER.

Your board considers the depreciation provided for refineries, pipelines, tankers, and installations ample. The addition of £150,499 15s 7d to the tankers and tank installation account is in the main represented by the final payments on account of our new 10,000-ton tanker, the "Badarpur." This tanker has now been running in the East for very nearly a year, and has given every satisfaction. The usual £20,000 has been added to insurance reserve, bringing this up to £400,000, and the fire and marine insurance account, which now stands at £518,685 19s 10d, has been increased by £81,923 10s 2d, this being the amount of premium on risks carried internally.

Interest and dividend account has yielded some £75,000 more than last year.

Employees' provident fund and profit-sharing scheme receives £121,455 9s 11d, as compared with £108,781 3s 5d in 1921. Both this fund and the subsidiary provident fund for lower-paid and more casual labour continue to be much appreciated, and are increasingly taken advantage of by employees.

PRODUCTIVE AREAS AND EXTENSION TESTS.

So far our efforts and our expenditure to extend materially the known productive areas of the Burma old fields have unfortunately continued abortive. But as I have said on previous occasions, wherever, either in Burma or in India, there is reasonably encouraging geological evidence, tests must continue to be made, if for no other reason than the protection of our position in India. These tests are never undertaken except after the most careful examination and on the best geological advice. We must, therefore, face a continuance of this expenditure hoping that we may yet meet with some success to compensate for the disappointments to date.

Production from our Lower Assam field declined still further despite vigorous efforts to maintain and increase it. So far we have not succeeded in proving any extension of the productive

area. In the Punjab our efforts have also so far not succeeded either in proving oil or definitely that it does not exist in our concessions, and drilling is being continued.

ASSAM OIL INTERESTS.

As regards our interests in the Assam Oil Company, Limited, I was able to tell the shareholders of that company at its recent annual meeting that there has already been a distinct improvement in crude oil production which it is hoped still further to add to during the current year.

You may think that I have not painted too bright a picture of the producing side of our business. As regards the potentialities of extensions of the known productive areas this is so. Despite these disappointments I can, however, confidently assure you that the company's proved fields continue to show such vitality that we have no doubt of their ability not only to stand the increased withdrawals from them, but they will be capable of doing so for very many years to come.

LABOUR TROUBLES.

Before leaving our fields I would like to refer briefly to the labour troubles which we and the other producing companies in Burma have recently been experiencing, commencing with the withdrawal of all Burmese workers for quite a month in the first instance. It was a "lightning" strike without ostensible excuse or warning, and without prior attempt to state grievances to the companies or to have them discussed and remedied. The fact of the matter is that the great majority of the Burmese labour went out without knowing what grievances they had. And as is almost invariably the case with strikes in which native labour is involved, intimidation was carried out on an extensive and intensive scale, and a large number of the workers who were anxious to remain at work—or to return to work—were prevented from doing so. They were brought out by the professional agitation of outsiders, and grievances were not discovered or formulated until they were out. Clearly we could not stand that sort of thing, and all companies decided that there would be no discussion until work was resumed, making it clear that while there would be no victimisation there would be no strike pay.

Quite voluntarily—in steady pursuance of our regular policy, and without being asked by the men, and without their knowledge—the companies had been already considering advancing rates of pay for certain classes of labour on the wells which had recently been entrusted with more responsible operations. It has been our hope and our policy more and more to educate Eastern labour to greater technical knowledge and responsibility in all parts of our business, and to recognise efficiency in every case by improved status and remuneration. We are constantly on the watch to guard against the existence of any real grievances or unfair treatment. I merely mention this because we have—I think not without reason—hitherto had the reputation of being among the best employers in the East.

LOYALTY OF THE STAFF.

Fortunately our Indian native labour largely stood loyally by us, and with their assistance and the wholehearted and enthusiastic day-and-night co-operation of our British and American staff—to all of whom the thanks of the company are due—we succeeded in maintaining production throughout the strike at something like two-thirds of normal. The result was that the men went back to work on our terms of "resumption before discussion." At the subsequent discussion we brought forward our proposals for increased remuneration and status to those now doing more responsible work, and generally undertook the removal of minor grievances within our control and accepted by us as legitimate. In the end the companies and the men's leaders came to agreement on all points, but unfortunately owing to the action of agitators and to intimidation the strike was later resumed, and is still being carried on in a sporadic and half-hearted fashion. The lesson to the men clearly is—ventilation and discussion before "downing tools." Many of them have lost fully two months' wages and gained no more than prior discussion would have yielded—in fact, much of what they gained was about to go to them in any case without even discussion.

Here also I might refer to the strike which took place in the autumn of last year in our refineries. Again the men went, or rather were "agitated," out without knowing what grievances they had or what they lacked or wanted. We were satisfied that they had no cause to complain either of wages or conditions generally, and made it clear that we would move on neither. They soon returned to their employment on the old terms, and have been working steadily and contentedly ever since.

As mentioned in the report, electrically driven pumps have been added to Nyounggha pipe line pump station with satisfactory results, and the pipe line worked steadily and successfully throughout the year.

REFINERY RECONSTRUCTION SCHEME.

I have already referred to our record volume of crude oil dealt

with by the refineries, where operations—apart from the strike just mentioned—were carried on steadily and with the energy and thoroughness for which we never look in vain to the manager and staff there. Besides the routine work of meeting our requirements of products promptly and satisfactorily, our works manager, Mr Allan, and superintending engineer, Mr Moore, have done much original thinking and proving out of new methods of refining, and valuable work in the way of the practical application of these and of other improvements to the plant and processes in connection with the refinery reconstruction scheme. Good progress has already been made with this scheme, and it is now in a state where pretty well uninterrupted progress towards completion should be possible. Already we are beginning to secure some of the fuel economies aimed at, and these and other advantages will gradually increase with the completion of the scheme—we hope towards the end of next year.

In my earlier remarks the marketing side of our business in the period was briefly reviewed. Again the volume of our products created a record in our history, and but for our excess petrol and wax production over India's requirements the market there readily absorbed the whole of them. Kerosene, of course, is by far the largest part of our production, and it is very gratifying to record the continued expansion of the Indian market for this product.

TRINIDAD INTERESTS.

The prospects of our interests in Trinidad are still obscure. Despite considerable expenditure and the assistance of the best technical experience and advice, the original expectations have not been realised. As you are aware, members of this board take an active part in the administration of the Trinidad company, and nothing within the financial resources available has been left undone to improve production, but the volume and stability of production necessary to put the undertaking on a dividend-paying basis are still denied to it.

As to our investment in the Anglo-Persian Oil Company, Limited, the progress and prospects of that company were fully reviewed by its chairman at the company's last annual meeting.

Such fears as were felt as to the successful rolling of black plate and production of tinplates in such a country as India have been completely dispelled by the technical success secured by the Tinplate Company of India, Limited, at Golmuri, in which we have a large interest, and they are already delivering to us a portion of our tinplate requirements fully up to the quality and finish of our supplies from other sources.

CURRENT YEAR'S PROSPECTS.

As to the prospects of the current year, we shall have some further relief from United Kingdom taxation in the lower income-tax and the reduced corporation profits tax. There should also be further economies from the fields electrification and the partial reconstruction of and improvements in the refineries. These are the known or confidently anticipated favourable factors. Among the incalculable ones are the possible world market effects of the considerable over-production of petroleum in America, while political and economic conditions on the Continent continue obscure and unsettled. So far as we are concerned, however, these should be confined mainly to the comparatively small volume of our surplus petrol and to our wax production, and it is more than doubtful whether either of these products could under to-day's producing costs be offered materially below ruling prices without having a very serious reaction on the volume of future production. Naturally we have lost ground as a result of the two strikes I have referred to, but we have reasonable hopes of largely recovering it before the end of the year, so that, subject to the qualifications I have felt it necessary to make, we should finish the current year not materially differently from the last.

APPRECIATION OF THE STAFF'S SERVICES.

You will, I know, wish me to convey to all our staff and employees engaged in the fields, refineries, tankers, and administration and marketing in Burma, India, and on this side, whether they be of the West or the East, your high appreciation of the results of their labours during the past year. Apart from the two incidents I have referred to we have been well, loyally, and ably served. And I would also like to express our appreciation of the unfailing courtesy, helpfulness, and advice which the Governments of India and Burma, and of the other provinces of India in which we operate, display through their officials on all questions affecting us. We are fully alive to the increased labours and difficulties thrown upon them by the initiation of self-government following upon the Reform Acts, and through the active participation of members of our staff in the new Councils, and in other ways, we are doing all we can to assist India in successfully shouldering its new responsibilities. We consider that it is the duty and privilege of those conducting important commercial undertakings in India to assist in laying on a sound basis the foundations of India's new Constitution. In this connection in the recent list of Birthday Honours his Majesty was graciously pleased to confer on the Hon. Mr Adam

B. Ritchie—senior partner in Rangoon of Messrs Finlay, Fleming and Co., the managing agents in Burma of your company—a knighthood in recognition of his services to Burma and India. As a member of the Legislative Council of Burma and chairman of the Burma Chamber of Commerce, Sir Adam has not only rendered services of the greatest value to the province, but has also sacrificed a great deal of his own time which he would otherwise have had for much-needed rest and relaxation, and I am sure you will desire to be associated in the congratulations on this well-deserved honour which we have already conveyed to him from the officials and staffs of the company on this side.

BOARD'S KEROSENE OIL POLICY.

I am afraid I must ask you for some further indulgence in time. This is really the company's only platform from which to address its constituents—its consumers—and to meet attacks or adverse propaganda.

As I think most of you are aware, we decided as far back as 1905 that our special responsibilities as indigenous producers to the Indian consumer could best be recognised by the adoption of a policy aiming at relatively cheap supplies of that product most essential to the largest body of Indian consumers which could least afford to pay normal prices for its requirements. That product was kerosene oil. It is almost a necessary of life in India. We therefore decided as far as possible to adjust our selling operations so as to place a large volume of our kerosene production on the Indian market at a price at maximum ordinarily well below world market values. Necessarily the decision was conditional. It was a voluntary one based on cost conditions ruling when it was made, and in full realisation that its continuance depended on our circumstances otherwise permitting of it, and particularly on the world market values available for the balance of our products. I have previously told you of the great difficulties we had in maintaining our maximum price policy during the war, for we never had, and have not to-day, the volume of indigenous kerosene necessary to meet India's full requirements, but we managed successfully to overcome these, and finally in 1919 we were able to make an arrangement securing for India, if need be, the full difference between her requirements and our supplies, but recognising the right of our indigenous kerosene to the first call on the Indian market. By this means our policy was resecured, and has thus been maintained unbroken now for over seventeen years.

ADVANTAGE TO INDIAN CONSUMER.

Without going further back than June, 1919, when this arrangement was made, you—and I hope a wider audience—will be interested to learn that on India's kerosene consumption from then until the end of last year the saving which this policy of ours has enabled her to effect in her kerosene bill as compared with kerosene prices in India based on world market values in that period amounts—taking exchange at 1s 4d to the rupee, and it was at times during that period much higher than that—to over £22,000,000—of which the Burma Oil Company's contribution—i.e., the difference between its supplies valued at the average cost in the period of foreign kerosene and the price at which "the Burma" actually sold its kerosene—was fully £16,000,000.

These figures speak for themselves. They show the colossal protection we have given the Indian kerosene consumer, and indicate some of the self-sacrifice our policy has involved. I venture to say that the history and effects of this policy of ours are unique in commerce, and in the case of a country which is not self-supporting in the commodity in question, it stands out as possibly the solitary example of a consumer not paying for an import duty where one exists.

INCREASED COSTS.

As I have said, this policy of ours aims at the greatest good of the greatest number. It has been of inestimable political and economic advantage to India, but it has always been, and must continue to be, conditional on our ability to pursue it. Our own costs have enormously expanded. The costs of others—not excepting Government and Port Authorities, &c., in India, which affect our prices before the product reaches the consumer—have advanced, or been advanced, but we have maintained our policy. This, however, has been possible only because by the increase and improvement of our operations we have effected relative savings, and because we have been able to secure for the rest of our products, at any rate, the values resulting from the operation of the law of supply and demand. If we cannot have that, the maintenance of the policy must be seriously jeopardised.

CAMPAIGN AGAINST PETROL PRICES.

And this brings me to my point. There has recently arisen in India an expensive and intensive campaign by pamphlet, full-page advertisement in its daily Press, cinema, public meeting, the Legislative Assembly and Council against our prices for petrol there. Quite apart from the situation as to kerosene, which I have just described, there is no substantial justification for it. Stripped of the Excise duty and its cost of 6½d per gallon, our

prices in India are below what they are here, and on the average India's supplies from Burma occupy almost as long and as expensive a voyage as do those of this country from America. Even with the Excise duty, they are lower than those ruling in every other country in the East, not excepting countries there much nearer to a source of supply than is India to Burma. The agitation has urged an export duty, arguing that India is subsidising in its petrol exports the foreign consumer. Of course, not a gallon of our petrol or of any other product is exported that India can absorb. Equally of course, in the circumstances of the petrol market of the world, an export duty on Burma exports would not be paid by the foreign consumer. It would come out of the industry. As far as possible it would have to be recovered in prices of products selling in India. To the extent that this might be impossible it would hamper the development of indigenous production by ourselves and by others, already inadequate over all to meet India's requirements. And, far from the foreign consumer at present being subsidised, little reflection is necessary to enable one to realise that it is just this foreign outlet for surplus production at such prices as it will yield that makes even present prices in India possible.

INDIA'S INADEQUATE INDIGENEOUS INDUSTRY.

Fortunately for India, and its already altogether inadequate indigenous industry, wiser counsels prevailed, and the proposal to put an export duty on petrol was not accepted by Government. But the agitation continues for lower petrol prices there, either by the withdrawal of the Excise duty or by actual price reductions, or by both. We are not responsible for the former. I have given the position as regards the latter.

Does the motorist in India wish cheaper petrol than he could get elsewhere in the East at the expense of the mass of the poor kerosene consumer, and does Government desire this? I am confident that in both cases the reply would be in the negative, and, as I have said, it has to be one or the other, for our policy of prices lower than the parity of world values cannot at one and the same time be carried to both products without placing the serious position and prejudicing the already inadequate volume of indigenous production.

"HARMFUL THREATS."

Suggestions have even been made in the Assam Provincial Council that concessions should only be granted subject to price limitations. And this in face of the fact that the only company producing and refining there—the Assam Oil Company, Limited—has paid no dividend on its ordinary shares for the past two years, and has even had to pass its preference dividend for 1922! And in Burma itself there are, as you well know, companies which are either making no profit at all or are only able to maintain an uncertain and precarious existence, even with petroleum products there and in India at their present prices.

Inducements are necessary to exploration for oil in India, and threats of the nature above referred to are bound to be harmful. Capital for such operations will dry up if, as has been suggested, restrictions limit the reasonably legitimate rewards of the risks run.

NO FOREIGN PETROL.

Every gallon of indigenous petroleum is required by India. As it is, she is heavily dependent on foreign imports for kerosene and lubricants and fuel oil, and from the petrol she cannot consume to the indigenous industry, helping to foster its expansion and—as I have already said—making possible the prices at which it is available in India to-day. In this latter respect the position presents an almost complete analogy with our own coal industry here.

It has never been our policy to attack our producing neighbours, either in Burma or India. As I have already pointed out, and it cannot be too often emphasised, all the indigenous production available, and more, is required to meet consumption in India, and our policy has steered as straight a course as is possible compatible with giving the advantages in price which we do for the while making it reasonably possible for the smaller, struggling, indigenous producers to continue in business.

Let this agitation put the same amount of energy and expense into a campaign to increase petrol consumption in India, for if India, which at present only consumes about half the production of whole, of that production, that would undoubtedly pave the way to lower prices. And the very fact that not a gallon of foreign petrol has been imported into India for a considerable number of years clearly proves that we have not been charging unreasonable prices for ours.

I now beg to propose: "That the report of the directors and audited statement of accounts, including the balance-sheet and profit and loss account to December 31, 1922, presented to the meet-

ing, be received, approved, and adopted." I shall call on Mr R. I. Watson to second this motion, and after it is seconded an opportunity will be given to you to ask any question, or make any remarks that any of you care to make.

Mr Robert I. Watson: I have much pleasure in seconding the motion.

There being no questions, the Chairman declared the motion adopted unanimously.

DIVIDEND RESOLUTION.

The Chairman: I now beg to move: "That the dividend on the ordinary shares recommended by the directors of 4s per share, free of tax, making, with the interim dividend paid in December last, 30 per cent. for the year, be adopted, and that the same be hereby authorised to be paid on June 22nd, and that the balance of £335,062 17s 3d, subject to corporation profits tax, estimated at £143,000, be carried forward.

Mr David Tweedie: I beg to second the motion.

The Chairman: I think we may take it that this is unanimous.

Sir Campbell Finlay: I beg to move: "That Sir John Cargill be re-elected a director of the company.

Mr John Henderson: I beg to second Sir John Cargill's reelection.

The Chairman: I take it this is also unanimously carried. I would thank you just in a word for the confidence you have placed in me.

Continuing, the Chairman said: I now beg to move, "That Mr H. S. Ashton be re-elected a director of the company.

Mr D. Brodie Macleod: I have much pleasure in seconding the reelection of Mr Ashton. This motion was also adopted.

The Chairman: I have much pleasure in moving, "That Mr R. A. Murray be re-elected a director of the company."

Mr R. J. Wilkinson: I beg to second the motion.

The motion was adopted.

Mr John G. Carruthers: I beg to propose the reappointment of Mr James Herbert Wilson, C.A., as auditor for the current year.

Mr John Watt: I beg to second the motion.

The motion having been adopted, the Chairman said: That is all the business, and I beg to thank you, ladies and gentlemen, for your attendance.

VOTE OF THANKS TO THE CHAIRMAN.

Colonel D. S. Morton: Before we separate, I would like to propose a vote of thanks to our chairman, Sir John Cargill. He has, with his usual lucidity and wealth of detail, given us a most interesting account of the affairs of this company—the working of the company during the past year—and I am sure we all congratulate him heartily on the result obtained. He has also hinted at the prospects for the present year with, shall I say, his customary Scottish caution. He has every reason, I think, to be extremely proud of the success of this great company, and we shareholders all know how much we owe to his wise administration of its affairs, and we hope and trust that for very many years to come he will continue to guide its affairs and preside at this annual meeting. I move that we accord him and the directors a very hearty vote of thanks, and I am sure we should also like him to convey our thanks to the staffs at home and in the East.

SIR JOHN CARGILL'S REPLY.

The Chairman: Ladies and Gentlemen,—I must thank you most sincerely for the very cordial way in which you have received the vote of thanks which Colonel Morton has proposed to me in such a kindly way. I feel he has said more than I deserve. I think all of us have moments in our lives that we call "red-letter days," and for the last 19 years, since I succeeded my late father as chairman of the Burmah Oil Company, I have looked upon the annual meeting of the Burmah Oil Company as the "red-letter day" in my history. I find myself every year looking forward to it for some time ahead, and thinking what I will say to you, and, after it is over, I find myself looking back upon it with the most pleasurable recollection of the attentive hearing and the very kindly reception you always give me. It has not been my custom to treat you to unduly optimistic speeches and to paint the future in too glowing terms. My idea has always been that I would prefer to give you something in the nature of pleasant surprises—although I have rather come to the conclusion that it is impossible to give Burmah shareholders a pleasant surprise—than to give you anything in the nature of a disappointment. I have no doubt that, if I live long enough, some day I may have to give you a disappointment; and if I do, but I am convinced of this, that when, and if I do, you will all receive that disappointment in the same resigned, philosophical, and truly Scottish unemotional fashion in which you have received all the good things which it has been my good fortune to hand out to you during the last 19 years.

TRIBUTE TO MANAGEMENT AND STAFFS.

There is only one other thing I would like to say, and that is this: you have authorised me to convey your thanks to all the

staffs of this great business. I, on my part, would like to take this opportunity of publicly conveying to all those associated with me in the management and running of this great and successful business, and, if I might be invidious and mention names, I would like to mention Mr R. I. Watson, your managing director, and Mr Gilbert Whigham, whom we have just appointed assistant managing director—I would like to convey to them all my own personal and grateful thanks for their unfailing loyalty, not only to the company, but to me personally, and for their magnificent work on behalf of the company, which has made it the great success it is, and which makes my position as chairman of the company one of the greatest pleasure and intense pride, and also, I may add, one nowadays of comparative ease. I thank you again for your very kindly reception of me to-day, and for the attentive hearing you have given me, and I would only express the hope that when we meet next year we shall have as pleasant and delightful a meeting as we have had to-day.

The meeting then terminated.

ROYAL BANK OF AUSTRALIA, LIMITED.

"HEALTHY ALL-ROUND PROGRESS."

Addressing shareholders of the Royal Bank of Australia, Limited, at the half-yearly general meeting held in the Chamber of Commerce rooms, Melbourne, on April 26th last, the chairman of directors (Mr R. J. Alcock) said:—

The last half-year has been characterised on the whole by somewhat quiet trade. When the wool season opened, owing to the accumulation of money in London, difficulty was experienced in some quarters in financing the usual seasonal movement of produce, but that position is being adjusted by the increased flow of imports; indeed, some apprehension is being now felt lest the volume of goods arriving on a somewhat dull market may prove to be in excess of requirements. The position, however, depends largely on the season, which has been very dry for some months in Victoria, while a drought may be said to prevail over a considerable portion of New South Wales and Queensland. There is time, however, for a bountiful rainfall to come and relieve the situation. Fortunately, country interests on the whole have been prosperous of late years, and, as stocks are understood to be generally light, pastoralists and farmers should be able to stand up to a drought if it should come. Merino wool has been fetching exceptionally high prices, while crossbreds and the rougher wools have made a substantial recovery. A considerable portion of the surplus wools from previous seasons in the hands of "Bawra" have been realised, and it is even predicted by some authorities that a world shortage of this staple will be experienced before long.

WHEAT, DAIRYING, AND MEAT, &c

The wheat harvest has been somewhat disappointing in most of the States, particularly in New South Wales, and prices are lower than farmers have been accustomed to in recent years, but they are still remunerative. The spring and early summer were favourable for dairying, and this interest has done well. The raisers of fat cattle, on the other hand, have had a disastrous experience—the current prices for frozen beef in the European markets being below the cost of placing it there. The Federal Government came to the assistance of the graziers with a subsidy, and other interests handling the meat have made concessions, but it would appear that, unless the market widens, the outlook is still unsettled. This was pointed out by the Federal Government when granting temporary assistance.

THE FRUIT INDUSTRY.

Government assistance has also been extended to the fruit industry, but here, again, it is said that the grading and packing leaves much to be desired, and this must be attended to if the industry is to prosper, as competition is very keen in overseas markets, and the production largely in excess of local requirements. It is understood that the Government will make heavy losses by guaranteeing advances against canned and pulped fruit, which is said to be to a large extent unmarketable. It does not seem to me that this kind of assistance is a real help to the industry; manifestly it cannot be continued on the same lines in fairness to the general taxpayer who has to foot the bill, and it would be better, therefore, that the fruitgrowers and canners should work out their own salvation like other traders. They should study improved methods of marketing and explore fresh outlets for their produce.

Cotton-growing has been commenced in the northern States with apparently fair results, but it cannot be regarded so far as fully established, and caution would seem desirable before embarking in the industry on a large scale. Immigration has come prominently to the front since the Imperial Government decided to actively assist, and a steady flow of new settlers is setting in. Provided that the immigrants are of the right class, and provided due preparation is made for them and they are not introduced in greater numbers than can be readily absorbed in suitable occupations, much good should result.

INDUSTRIAL METALS.

A considerable improvement has taken place lately in the price of industrial metals, notably tin, and work has been resumed in some quarters where it has been stopped for a considerable time. The Newcastle steel works have been reopened, but the expected all-round reduction in coal prices has not come about, and it may not be possible to continue operations. The high price of coal is a serious handicap to all industries, particularly where world competition has to be met.

During the half-year the building trade has been very active. There appears to be still a scarcity of dwelling-houses in the capital cities, while there is also a decided lack of warehouse and shop accommodation in these centres, and rents have been forced up to a high figure, with the natural corollary of high prices for freehold property. Whether these high prices can be maintained is doubtful, and I think the situation should be viewed with caution in case there may be a reaction. Owing to the introduction of fast electric trains and the extension of tramways, there has been a decided move of the population into the more distant suburbs, and residential sites are bought there with an avidity that brings to mind the land boom.

Several Government loans have been issued recently in London on favourable terms, and the Federal Government has recently issued a prospectus for a conversion loan to redeem the stock and debentures of the War Loan maturing on September 15th next, and as the terms offered are attractive, it will no doubt prove successful.

The appointment of an advisory board to assist the Minister in the administration of the Post Office is to be commended, and it is hoped will lead to greatly reduced charges. As I stated in my last remarks, the practice of using the Post Office as a taxing machine instead of giving users the maximum of convenience at a minimum cost cannot be too strongly deprecated.

DIVIDEND AND ALLOCATIONS.

Referring to the balance-sheet, you will observe that the figures show a healthy all-round progress, although there are no great alterations from six months ago—the business is sound and the profits satisfactory. Your directors recommend the usual dividend of 10 per cent., and the addition of £20,000 to the reserve fund, bringing it to the substantial amount of £520,000, which, I am sure, shareholders will be pleased to see.

The report and balance-sheet were adopted unanimously. Messrs A. MacNeil and A. E. Bright were re-elected to the directorate. The auditors, Messrs T. Kidd and L. A. Cleveland, were reappointed.

ELDER DEMPSTER AND COMPANY, LIMITED.
WEST AFRICAN TRADE—UDI COALFIELD.

The thirteenth ordinary general meeting of Elder Dempster and Co., Limited, was held, on the 12th instant, at 23, Billiter street, London, the Right Hon. Lord Kylsant, G.C.M.G. (chairman of the company), presiding.

The Chairman said: Gentlemen, the record of this company shows that our steamship services have always been carried on at very moderate rates of freight, and that the company has never earned large profits, either during the war or in times of peace. The shipping industry is not infrequently held to blame for various difficulties experienced by traders, for which, as a matter of fact, the shipowners are usually in no way responsible.

The accounts which are submitted to-day set out the position clearly, and justify the sound financial policy we have always pursued. After making provision for depreciation and taxation and paying the interest on the debenture stocks and the dividends on the preference shares, the directors are able to recommend the transfer of £50,000 to general reserve and the payment of a dividend on the ordinary shares of 7 per cent. for the year ended December 31, 1922. Our reserve accounts will thus amount to £1,375,000, while the ordinary, preference, and debenture capital and reserves total over £10,500,000.

With the object of keeping our fleet thoroughly up to date we recently placed a second new motor-passenger vessel, the "Adda," in our express service. The "Ediba"—our first motor cargo-boat—is also now running to and from West Africa. Both these motor vessels are giving satisfaction. The new steamer "Bompata" has taken her place in the West African service, in addition to three new steamers for our Canada-Cape trade.

Owing to continued disturbance in all markets, the trade of West Africa is still suffering from the universal depression in business. The natives, having become accustomed to the high prices of former years, are not so willing to accept the reduced local prices; but the reports from the Colonies generally as to the

volume of exports may, I think, be considered, under existing conditions, to be encouraging. Freight rates, which were reduced in March of last year, and again since the beginning of the present year, are in some cases actually lower to-day than they were in 1914, notwithstanding the fact that the cost of carrying on a steamship service with British vessels at the present time is still nearly double what it was in pre-war days.

UDI COALFIELD.

At Udi, Nigeria has a valuable coalfield of a very large area, which, if thrown open to development by private enterprise, would, in my opinion, do much to help forward the general progress of West Africa, but the coal in Nigeria is entirely owned by the Government, who also own the railway from the coalfield to the port of shipment.

Private colliery enterprise being, in fact, prohibited in Nigeria, Socialists (who, of course, object to private enterprise) no doubt consider this an ideal state of affairs. But what is the result of the present prohibition of private enterprise? The West African coalfield is practically undeveloped, for, although coal in Nigeria was discovered before the war, there is still only one colliery, consisting of three mines, now being worked.

I feel confident that if attention were drawn to this neglected opportunity of great development, this state of affairs would be quickly remedied, and private enterprise would not only be permitted, but welcomed and encouraged, as the present British Government is, I understand, desirous of doing all in its power to assure the development of all possible Empire resources, and to give the utmost scope to individual initiative, enterprise, and energy.

I cannot help comparing the relative stagnation which has taken place in this great State-owned Colonial coalfield with the enterprise and developments in the great British Dominions of Australia, South Africa, and Canada, where private enterprise in the development of the coalfields has not only been permitted, but encouraged. I venture to put one question—is the British Government going to open this great Colonial coalfield to private enterprise?

Your company has always been closely associated with many of the British Dominions and Colonies, and has throughout its 54 years of existence sought to develop trade and commerce within the Empire—a subject now much in the public eye.

In the West African Colonies, progress has been intimately bound up with the question of transport, and in order still further to promote development we have always designed our fleet of passenger and cargo-carrying vessels and subsidiary craft for the special requirements of the trade.

While the future depends largely upon the restoration of European affairs upon a sound basis, I think that when this is achieved we may look forward with confidence to the further development of the West African Colonies, which are richly endowed with products needed by the rest of the world.

The report and accounts were unanimously adopted.

FORESTAL LAND, TIMBER, AND RAILWAYS COMPANY, LIMITED.

LARGE REDUCTION IN COSTS—IMPROVED PROSPECTS.

The ordinary general meeting of the Forestal Land, Timber and Railways Company, Limited, was held, on the 14th instant, at River Plate House, Finsbury circus, London, Baron Emile B. d'Alanger, the chairman of the company, presiding.

The Chairman, in moving the adoption of the report and accounts, dealt with various changes in the administration which had taken place, as a result of which considerable economies had been effected. Dealing with the company's assets in Argentina, he recalled that until 1920 the company had been very extensive owners of ranches and cattle. In that year practically the whole of the company's cattle industry, land and herds had been sold for a sum of £2,500,000, payable by instalments. That sale had been followed by a very serious slump in the price of cattle and cattle land, and certain concessions had had to be granted to the buyers. Accordingly, it had been necessary to adjust the item representing the full profit on the sale in the reserve account. That had been reduced by the sum of £171,250, and £126,200, representing balance of profit on payments outstanding, had been transferred to suspense. Events had justified the wisdom of selling the land. The company still carried on a large cattle business to maintain the supply of working bullocks, and to feed the company's workmen. The company's primary business, however, still was the exploitation of Quebracho forests and extracting from the felled trees a tanning material called Quebracho extract. Up to the present timber had been derived from three sources, leased forests, the company's own forests, and purchases in the open market, but so far as they had endeavoured to save their own forests as much as possible. In the matter of transport they owned approximately 450 kilometres of narrow-gauge railway, and the whole of the

capital stock of the Ocampo Railway, a line of some 51 kilometres. For making Quebracho extract the company owned four factories in full working order, with a productive capacity of about 100,000 tons of extract per year. Besides those factories they owned the whole share capital of the Fontana Company, and, to sum up the Argentine position, the company's aim to-day was to reconquer the position which had been temporarily lost, of being the largest producer of extract in the Argentine, and also the cheapest producer compared with independent factories.

REDUCTION IN COSTS.

He was glad to be able to inform the shareholders that they had succeeded in reducing the all-in cost of extract by very nearly 50 per cent. of the cost to which it had risen during the past two years, and that they were at present able to sell their extract at a satisfactory profit. Outside the Argentine the company's heavy individual investment was in Natal, where they had £1,100,000, represented by three extract factories for wattle bark, various bark plantations, and stocks of extract and bark. They had entered into that proposition at an unpropitious time, having paid an excessive price for the assets acquired. The only course to follow was to face the position and write down the value of the investment, and the board had decided to withdraw from reserve a sum of £800,000 for that purpose. At present only one of the factories in Natal was operating, but the material was likely to be called upon ultimately by the force of circumstances to play an important part in the leather industry. The company also possessed the whole capital stock of the New York Tannin Corporation, and the intrinsic value of that investment was considerably higher than the book value. The investment in the Calder and Mersey Extract Company had already given a fair return, and he had no doubt would continue to yield satisfactory results. He was also satisfied that the company had secured full gold value for their investment in the share capital of the Renner Company of Hamburg. That company, and its allied company of Gebrüder Muller, were proving a source of direct and indirect profit to the Forestal, which fully justified the acquisition. He might also say that whereas formerly all sales of Quebracho extract and wood in Europe had been made in Hamburg, the whole of the company's production from the Argentine and Africa was now sold by the London office, and it was also from the central office that all shipping arrangements were made.

PROSPECTS.

Generally he would say that he entertained strong hopes that as far as the company's producing centres were concerned, everything was now moving in the right direction towards economical and full capacity production at a profit. With anything like a revival in the leather industry, with a settlement of the reparation crisis, and with even the mere shadow of a return in Russia to normal conditions, the demand for tanning extracts should be great, and present prices not only maintained, but slightly increased. So far, they had disposed of between 60 and 70 per cent. of the current year's production at a profit, and he was in hopes that when next they met the board would be in a position to declare a reasonable dividend on the ordinary shares.

The report and accounts were unanimously adopted.

BRITISH ELECTRIC TRACTION COMPANY, LIMITED.
IMPROVED RESULTS—5 PER CENT. DIVIDEND.

The twenty-seventh ordinary general meeting of the British Electric Traction Company, Limited, was held, on the 15th instant, at the Holborn Restaurant, London.

Mr J. S. Austen, chairman of the company presided, and, in moving the adoption of the report and accounts, said that during the past year the company had done a little better than in the previous year, and the directors were able to recommend the payment of a dividend of 5 per cent., the first distribution at that rate for some years. During the year they had redeemed £60,000 of their debenture stock, and the discount on that, amounting to £11,000, had been applied to reducing the value of their securities. In addition to that they had realised a considerable profit—about £70,000—from sales of securities, and that had also been applied to the reduction of stocks.

With regard to the companies the management of which was in their hands, in the tramway and omnibus undertakings the receipts in 1922 had been adversely affected by the general trade depression, unfavourable weather, reduced railway fares, the engineers' lock-out, competition, and some reduction in fares, and against all that they had to set only a reduction in expenses. In the result their profits were about 20 per cent. below those of the previous year, and on the whole he was quite satisfied with that result.

With regard to their electricity supply undertakings, the trade depression in the early months of the year had caused a diminished demand for electricity, but the demand had increased during the latter part of the year, so that in the result more units

ANGLO-SOUTH AMERICAN BANK, LIMITED.

Capital and Reserves exceed £13,000,000.

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

NORTHERN DISTRICT OFFICE:
69, Market St., Bradford.

LANCASHIRE BRANCH:
39, Mosley Street, Manchester.

Affiliated Institutions:
THE BRITISH BANK OF SOUTH AMERICA, LTD.,
AND
THE COMMERCIAL BANK OF SPANISH AMERICA, LTD.

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

Map locations:
UNITED STATES: SAN FRANCISCO, NEW YORK.
MEXICO: GUATEMALA, SALVADOR, MANAGUA, SANTA MARTA, BARRANQUILLA, PUERTO CABELLO, CARACAS, MEDELLIN, BOGOTA, QUAYAQUIL, QUITO.
CENTRAL AMERICA: LIMA, IQUIQUE, ANTOFAGASTA, COPIAPO, COQUIMBO, VALPARAISO, SANTIAGO, TALCAHUANO, CONCEPCION.
SOUTH AMERICA: PERU, COLOMBIA, VENEZUELA, GUAYANA, ECUADOR, BRAZIL, ARGENTINE, CHILE, PARAGUAY, URUGUAY, BOLIVIA, PATAAGONIA.
Other locations: PERNAMBUCO, BAHIA, RIO DE JANEIRO, SAO PAULO, SANTOS, PORTO ALEGRE, PELOTAS, RIOGRANDE DO SUL, MERCEDES, ROSARIO, MONTE VIDEO, BUENOS AIRES, MENDOZA, SAN RAFAEL, BAHIA BLANCA, TRELEW, COMODORO RIVADAVIA, PUERTO Deseado, SANTA JULIAN, RIO CALLEGOS, PUNTA ARENAS, SEVILLE, MADRID, BARCELONA, VALENCIA, VIGO, BRISA.

were sold than in 1921, but at a lower average price. An interesting feature was the improvement which had taken place in the small electric lighting undertakings, of which they owned a fair number. In pre-war times those companies had been strangled by the low rates which they were obliged to charge. They were now allowed to charge fair prices, and the result was that they were earning a moderate return on the capital invested in them, and a curious result of that increase of prices was that more units had been sold. It really was not unfair to say that the increased charges had conferred a benefit both on the companies and on the public. The companies had been enabled to develop their business, and as a result a great many people were now supplied with electricity who had been deprived of it previously.

Taking their federated companies—those which they managed—as a whole, there was at the moment no visible reason why the present year should not show an improvement on the past. With regard to the tramway and omnibus companies, during the first three months of the year the results, compared with those of the corresponding period of 1922, showed a substantial increase in all sections. That indicated that the results for the whole year should be better than those of the previous year.

The report and accounts were unanimously adopted.

UNION CORPORATION, LIMITED.

INCREASED PROFIT—REDUCED WORKING COSTS.

The annual meeting of the Union Corporation, Limited, was held at Johannesburg on May 17th, Mr P. M. Anderson presiding.

The Chairman, in the course of his remarks, said: In comparing our profit and loss accounts for 1921 and 1922 note should be taken of the fact that in the former year we wrote off amounts from both sides of the account, while in the latter we wrote off from the revenue side only. Allowing for this, you will see that our gross profit rose from £237,561 to £284,412, or by 20 per cent.; our expenses fell from £58,044 to £42,288, or by 27 per cent.; and our net profit advanced from £179,517 to £242,124, or by 35 per cent. After making the same addition of £30,000 to reserve, we have paid two dividends, totalling 3s per share, or £210,000 for the year, an increase of 50 per cent., and we have carried forward £79,996 to new account, as against £77,872 brought in. This result is very satisfactory, and in some respects constitutes a record. We have secured a large holding in the San Francisco Mines of Mexico, Limited, and a first dividend on that holding should be declared at the end of this year. All being well, we expect an appreciable revenue from this source.

As regards the balance-sheet, the liabilities at £948,866 compare with £1,097,299 at the end of 1921, and cash assets and sundry debtors at £1,078,748 compare with £1,237,775, the excess over liabilities being £129,882, against £140,475. Omitting sundry debtors, our cash assets total £850,350, or practically 90 per cent. of our total liabilities, so that our financial position is strong. Though in the annual report we merely repeat last year's remark that at present market prices our shareholdings, &c., show a very substantial surplus over the amount at which they stand in the balance-sheet, I may mention that during 1922 there was a large increase in this surplus.

The operations of all mines on the Rand were seriously interfered with by the miners' strike. On the resumption after the strike, however, new conditions came into force, which is reflected in a substantial decrease in the average working costs of the whole Rand from 25s 8d per ton in 1921 to 21s 2d in 1922 and 20s 8d in March, 1923. As regards the San Francisco Mines of Mexico, we have every reason to be satisfied. The substantial rise in the market price of the shares which took place recently has led to the whole of the debentures being converted into shares, while the other indebtedness has also been liquidated. The March return showed an operating profit at the rate of £200,000 per annum, and, by reason of favourable prices received for the newly-produced zinc concentrates and the doubling of the present rate of production, which should be fully achieved by the autumn, the profits should be further materially enhanced.

The report and accounts were adopted.

THE MODDERFONTEIN DEEP LEVELS, LIMITED.

(REGISTERED UNDER THE LIMITED LIABILITY LAWS OF THE TRANSVAAL.)

RESULTS OF A DIFFICULT YEAR.

The twenty-second ordinary general meeting of shareholders of the Modderfontein Deep Levels, Limited, was held in Johannesburg, on Tuesday, May 15, 1923.

Mr P. M. Anderson (chairman of the company) presided, and in the course of his remarks said that in submitting the reports and accounts for the year it is usual to make comparisons with the working results obtained during the preceding year. When

the scale of operations is similar for the two periods such a comparison affords an easy means of detecting the variations in detail which contribute to any alterations in the dividend distributed to shareholders. On this occasion it is necessary to look more closely into the position and, in order that the results may be viewed in their proper perspective, I will here mention the unfavourable and favourable factors which contributed thereto. There were three of each, and the latter negated about two-thirds of the effect of the former.

UNFAVOURABLE FACTORS.

The unfavourable factors were:—Firstly, the general strike of European mine workmen on the Rand, which resulted in the closing of our mine for rather more than two months; secondly, the accident to the rock-hoisting engine, which prevented the hoisting of ore for a further seven weeks; and lastly, the serious fall of 13s 5d per ounce in the average selling price of gold. This last factor alone would more than account for the decrease in the dividend. The premium on gold last year was £84,517, as against £287,290 in the preceding year. But the effect of the first two factors was even greater, as they entailed a loss in hoisting time of nearly four months, with a consequent reduction in ore stoped of nearly 200,000 tons, or one-third of the 1921 total.

FAVOURABLE FACTORS.

The favourable factors which I would place before you were:—In the first place, the existence on the surface of the dump of ore containing some 175,000 tons, of which 102,000 tons were used during the period that the hoisting engine was out of commission, and for a short period during the strike. The second item on the bright side of the picture is the reduction in provincial taxation of nearly £33,000, due to the abolition of the Provincial Gold Profits Tax Ordinance, 1918, and the substitution thereof of the Employers' Tax Ordinance, 1922. The last favourable feature, and the one to which I would particularly draw your attention, is a reduction of 3s per ton in the working costs, not only because of its effect on last year's profits, but also because of its influence on future dividends.

YEAR'S PROFITS.

On reference to the reports and accounts before you, you will see that the year's operations resulted in a total profit of £693,113, or nearly £240,000 less than for the previous year. After providing £38,040 to meet expenditure in connection with the strike and £94,192 for taxation, as well as £3,050 for charitable donations and depreciations, the balance of £557,831 was carried to appropriation account.

Two dividends, totalling 120 per cent. on the capital of the company, were declared for the year, and an amount of £6,463 was appropriated for expenses in connection with the purchase of ex-enemy shares. The unappropriated balance at the end of the year was £129,824, being £49,632 less than the amount brought forward from the previous year's account. You will agree, I feel sure, that this reduction is entirely justified in view of the company's strong financial position, more especially as most of it was to meet abnormal expenditure in connection with the strike and the purchase of ex-enemy shares.

DEVELOPMENT WORK.

With regard to the development of the mine, you will see from the technical reports that, although the footage advanced shows a substantial reduction due to interruptions on account of the strike and the accident to the hoisting engine, the tonnage of developed ore reserves is substantially greater at 4,800,000 tons, valued at 9.3 dwts over an estimated stoping width of 76 inches. The value is the same as in the previous year, but the width is one inch less. In view of the large ore reserves which stand in the balance-sheet at 9d per ton, it is unnecessary to spend money on further increasing them. Therefore on the recommendation of the consulting engineer the rate of development work has been reduced from the ore reserve position. The charge of working costs has also been reduced from 1s 6d to 1s per ton milled, which is sufficient to cover current expenditure.

As pointed out by the consulting engineer, a certain amount of development is being done in exploring areas at present believed to be low-grade. This fact, coupled with the reduced footage, may lead to erratic results as to percentage payable and the value of development as published in the quarterly reports.

CURRENT YEAR.

As regards the current year's operations, which have resulted in a gross profit of about £250,000 for the past four months, there are no outstanding features except for a further fall of about 3s 6d per oz. in the price of gold and a further reduction in working costs of 1s 3d per ton milled. This latter feature is, as I have already mentioned, most gratifying.

The report and accounts were adopted.

GEDULD PROPRIETARY MINES, LIMITED.

(REGISTERED UNDER THE LIMITED LIABILITY LAWS OF THE TRANSVAAL.)

SATISFACTORY RESULTS OF A DIFFICULT YEAR.

The twenty-second ordinary general meeting of shareholders in the Geduld Proprietary Mines, Limited, was held in Johannesburg, on Tuesday, May 15, 1923.

Mr P. M. Anderson (chairman of the company) presided, and in the course of his remarks said that an increase of nearly a shilling per ton in the yield, taking gold at its standard value, and a decrease of about 3s 2d per ton in the working expenses, are the features of the past year's operations revealed by the reports and accounts in your hands. Under ordinary circumstances such results would have produced a considerable increase in the working profit, but unfortunately the benefits were more than offset by the falling price of gold and the loss of tonnage during the strike period. The net premium obtained totalled only £57,777, as against £196,650 for the previous year, part of this decrease of £138,873 being, of course, due to the lower tonnage treated. The loss of mill tonnage due to the strike is estimated at 87,500 tons, and despite greatly improved efficiency all round since the resumption of operations, it has not been possible to reduce this by more than 10,400 tons, leaving a net deficiency of 77,100 tons as compared with the previous year.

YEAR'S PROFIT AND ALLOCATIONS.

The total profit for the year was £322,625, or £63,500 less than in 1921. This represents a drop of 4½d per ton milled, which must, I think, be considered highly satisfactory, bearing in mind that the gold premium fell to the extent of 4s 0½d per ton milled. On referring to the directors' report you will note that, out of the profit of £322,625, provision had to be made for the following charges:—Expenses during the strike period £53,757; taxation, £32,780; expenditure on development in excess of the amount charged to working costs, £16,125; expenses in connection with the purchase of ex-enemy shares, £10,633; and sundry smaller items the total amount appropriated being £118,065.

Two dividends, totalling 16½ per cent. were declared, and the appropriation account balance carried forward to this year was £118,219.

CAPITAL EXPENDITURE.

The expenditure on capital account during the year totalled £187,192, and the balance of working capital available at the end of the year was £149,673. You are no doubt aware that the capital expenditure programme is nearing completion, and it will be gratifying to you to know that the funds in hand for this purpose are sufficient.

The ore reserves as re-measured at the end of the year amounted to 3,800,000 tons valued at 8.1 dwts over a stoping width of 63 inches, and, in addition, your consulting engineer estimates that there were developed in the mine at the same date a further 2½ million tons payable but low-grade ore valued at 4½ dwts over a stoping width of 62 inches. The total available tonnage is therefore 6,300,000 valued at 6.6 dwts.

REDUCTION PLANT.

Although all details are not yet completed, the enlarged reduction plant was put in commission three weeks ago, and is running satisfactorily. As you are aware, the capacity was estimated at 65,000 tons per month, but, though it is too soon to prophesy, it would not surprise me if this figure were exceeded by at least 5 per cent. in two or three months' time without impairing the extraction aimed at. The enlarged reduction plant is more in keeping with the area of the property, and the increased scale of operations should lead to a material further decrease in working costs. Furthermore, serious capital expenditure is at an end, for the time being, at any rate; consequently shareholders may look forward to a substantial advance in the dividend-earning capacity of the mine.

As regards the working results during the current year, up to the end of last month 186,500 tons has been milled, yielding an estimated gross profit of £122,000. The yield at standard value improved 7d per ton milled owing to an increased proportion of ore being drawn from the No. 7 shaft area, which, however, is not yet supplying its full quota. Working costs at 20s 4d per ton milled give a figure slightly below that of 1922. The total development footage was 8,137, of which 5,250 feet were sampled and showed an estimated payability of 1,905 feet, for which the value was 559 inch dwts, or rather better than the ore reserves.

The report and accounts were adopted.

PREMIER OIL COMPANY, LIMITED.

REDUCTION OF CAPITAL APPROVED.

The adjourned second ordinary general meeting was held, on the 11th inst., at River Plate House, London, Mr R. Sewell, C.A., F.F.A., chairman of the company, presiding.

The Chairman, after referring to the accounts, said that with regard to the position in Poland, the report of M. Vilter, the general manager, which was before the shareholders, afforded evidence of satisfactory progress under circumstances of very considerable difficulty. The most important feature, perhaps, of that report was the erection of a central power station and the electrification of many of the wells, which had resulted in an important saving of crude oil and a proportionate increase in the amount of oil available for the companies. The actual increase in gross production was comparatively small, and of the oil treated by the company's refineries about 35 per cent. was the company's own and 65 per cent. was purchased from outside sources. Every effort was being made to speed up the rate of drilling at Rypne and Borislav, and the experiment was being made of instituting rotary drills, which, of course, worked much more quickly than percussion drills.

He was not going to make any prediction with regard to the Indo-Burma Oilfields. What he could say, emphatically, was that the position to-day was a very interesting and hopeful one. On the large area of ground controlled by that company work had been practically confined during the last 18 months to two points—Padaukpin and Yenamma—and the fact that over 12,000 tons of oil had been produced since work was started last year was most encouraging. The developments during the next six months would be of great interest and importance.

The Chairman then dealt briefly with the subject of the proposed reduction of capital. He thought that to-day shareholders were agreed that the capital should be reduced from its present unwieldy proportions to a figure representing more truly the value of the company's assets.

The scheme was simplicity itself. Shareholders would receive 1s per share and have their shares reduced from 15s to 4s. The return of 1s per share would absorb £213,178 2s, a sum which could be met out of the cash and liquid resources of the company without involving any forced realisation of assets.

As to future policy, it was the intention of the board ultimately to effect a further reduction of capital to 2s 6d per share, and to make an additional cash distribution of 1s 6d per share as and when this was practicable.

The report was adopted, and at an extraordinary general meeting held to consider the proposed reduction of capital, the resolution was unanimously agreed to.

LOUISE AND CO., LIMITED.

"FINANCIAL STANDING BETTER THAN EVER."

The 28th annual general meeting of Louise and Co., Limited, was held, on the 11th instant, at Winchester House, London, Mr Edgar Cohen (the chairman) presiding.

The secretary (Mr Charles Beavis) read the notice convening the meeting and the report of the auditors.

The Chairman pointed out that the loan from bankers had been reduced by £10,000 and now stood at £35,000. Leasehold

KANSALLIS-OSAKE-PANKKI

(National Joint Stock Bank).

ESTABLISHED 1889.

Head Office: HELSINKI (Helsingfors),
FINLAND.

Capital and Reserves - - - Fmk. 252,000,000
Deposits and Cheque Accounts
(31/12/22) - - - Fmk. 1,420,000,000

124 BRANCHES AT ALL IMPORTANT BUSINESS
CENTRES IN FINLAND.

Telegraphic Address Kansallispankki.

	June 10, '22.	Mar. 31, '23.	June 9, '23.	week ended June 9, '23.
	£	£	£	£
Temporary Advances Outstanding—				
Advances by Bank of England	5,500,000..	..	7,000,000.—	6,000,000
Advances by Public Deposits	173,146,500..	193,897,500..	196,030,500..	7,100,000
Treasury Bills outstanding ..	802,535,000..	615,045,000..	613,360,000..	5,470,000
Total Floating Debt	981,181,500..	809,942,500..	816,390,500..	6,570,000

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve and % of Reserve to Liabilities.	Bank Rate.
1923.	£	£	£	£	£	%
May 9	127,521,944	123,776,140	116,605,698	110,835,051	23,495,814	20 3/4
16	127,525,004	123,676,495	122,383,567	116,357,526	23,998,509	19 1/2
23	127,526,547	125,280,350	118,382,828	112,180,494	23,956,197	20 1/2
30	127,524,330	124,550,495	119,182,735	114,223,307	22,853,835	19 1/2
June 6	127,527,177	124,391,435	123,724,054	116,627,523	22,685,742	18 1/2
13	127,534,466	124,100,105	119,794,278	114,427,392	22,685,742	18 1/2

MONTHLY STATEMENT OF LONDON CLEARING BANKS.

(000's omitted.)

Average Weekly Balances, May, 1923.	Bank of Liverpool and Martins, Limited.	Barclays Bank, Limited.	Coutts and Co.	Glyn, Mills, Currie, and Co.	Lloyds Bank, Limited.	London Joint City and Midland Bank, Limited.	Westminster Bank, Limited.	National Provincial and Union Bank of England, Limited.	National Bank, Limited.	Willis's Deacons Bank, Limited.	Total.
ASSETS.	£	£	£	£	£	£	£	£	£	£	£
Coin, bank and currency notes, and balances with the Bank of England ..	6,844	32,210	1,508	2,635	34,436	51,129	27,657	28,017	3,700	4,387	192,563
Balances with and cheques in course of collection on other banks in the United Kingdom ..	1,944	6,904	386	1,249	8,255	9,769	9,086	7,065	165	1,007	45,830
Items in transit ..	4,223	20,913	2,631	4,778	17,214	17,592	23,543	15,819	3,203	2,175	112,091
Money at call and short notice ..	3,465	42,367	306	532	63,173	47,097	61,496	42,102	2,801	1,798	265,137
Bills discounted ..	9,506	70,139	4,473	9,304	79,927	38,431	56,359	50,907	18,720	6,216	343,982
Investments ..	38,745	131,012	7,882	5,010	133,383	188,646	96,549	121,971	17,842	19,757	760,797
Advances to customers and other accounts ..	4,216	8,809	52	1,745	12,950	28,810	12,368	7,843	213	714	77,720
Liabilities of customers for acceptances, endorsements, &c. ..	1,480	4,904	346	370	5,353	5,271	3,993	4,214	641	687	27,259
Bank premises account ..	..	7,700	..	..	7,675	..	2,992	2,240	..	..	24,166
Investments in affiliated banks ..	70,423	324,958	17,584	25,623	362,366	390,304	294,083	280,178	47,285	36,741	1,849,545
LIABILITIES.	10.97	11.01	9.46	11.85	10.59	15.04	10.50	11.02	8.81	13.29	11.67
Ratio of cash to current, deposit, and other accounts ..	2,349	15,592	800	1,000	14,373	10,861	9,004	9,309	1,500	1,875	66,663
Capital paid up ..	1,500	8,250	800	500	10,000	10,861	9,004	9,000	1,035	1,150	52,100
Reserve fund ..	62,358	292,307	15,932	22,218	325,043	339,772	263,694	254,026	41,986	33,002	1,650,338
Current, deposit, and other accounts ..	4,216	8,809	52	1,745	12,950	28,810	12,368	7,843	213	714	77,720
Acceptances, endorsements, &c. ..	..	..	..	..	..	..	..	..	..	..	2,564
Notes in circulation ..	..	..	..	..	..	..	..	..	..	..	160
Reduction of bank premises account ..	70,423	324,958	17,584	25,623	362,366	390,304	294,083	280,178	47,285	36,741	1,849,545

BANKERS' CLEARING RETURNS (000's omitted.)

Week Ending—	Town.	Metropolitan.	Country.	Total.
1923.	£	£	£	£
January 1 to May 9 ..	12,308,478	568,556	1,035,640	13,912,674
May 16 ..	591,416	30,095	57,462	678,973
23 ..	506,184	25,745	45,980	577,909
30 ..	541,856	27,637	48,725	618,218
June 6 ..	703,838	32,254	61,119	797,211
13 ..	546,536	28,175	50,830	625,541
Total to date 1923.	15,198,308	712,462	1,299,756	17,210,526
Do 1922 ..	15,781,833	729,749	1,295,016	17,806,598
Increase or decrease in 1923 ..	- 583,525	- 17,287	- 95,260	- 796,072
	= 3.7 %	= 2.4 %	= 0.4 %	= 3.4 %
Total for year 1922.	32,780,635	1,574,661	2,806,165	37,161,461
Total for year 1921.	30,268,214	1,660,166	3,002,179	34,930,559
Increase or decrease in 1922 ..	+ 2,512,421	- 85,505	- 196,014	+ 2,330,902
	= 8.3 %	= 5.1 %	= 6.5 %	= 6.3 %

PROVINCIAL CLEARING RETURNS.

	1922.	1923.	Inc. or Dec.
Aggregate Totals to June 9.	£	£	%
BIRMINGHAM ..	50,934,200	54,034,200	+ 3,100,000 6.0
BRISTOL ..	34,861,000	27,069,000	- 7,792,000 22.3
DUBLIN ..	151,407,400	134,111,500	- 17,295,900 11.4
LONDON ..	25,624,900	25,935,400	+ 310,500 1.2
LIVERPOOL ..	24,481,800	24,950,300	+ 468,500 1.9
MANCHESTER ..	18,178,300	18,063,100	- 115,200 0.6
NEWCASTLE ..	196,701,300	207,613,500	+ 10,912,200 5.5
NOTTINGHAM ..	338,705,500	345,033,500	+ 6,328,000 1.9
PLYMOUTH ..	43,539,800	46,684,900	+ 3,145,100 7.2
ROCHESTER ..	15,450,000	14,797,100	- 652,900 4.2
Sheffield ..	21,489,200	26,768,900	+ 5,279,700 24.5

OVERSEAS BANK RETURNS.

NOTE.—The latest returns of the Bank of Portugal appeared in the Economist of May 19; Canada in May 26; the Banks of Italy and Greece in June 2; and Russia, Sweden, Denmark, Egypt, Poland, and Rumania in June 9.

U.S. FEDERAL RESERVE BANKS.—In \$'s (000's omitted.)

Resources.	June 8, 1923.	June 1, 1923.	June 25, 1922.	June 9, 1922.
Total gold reserve ..	3,113,670	3,108,760	3,093,300	3,010,070
Legal tender notes and silver reserve ..	84,550	86,740	94,490	123,990
Of which held abroad ..	734,920	751,000	700,310	420,220
Federal Reserve Notes in actual circulation ..	292,744	292,560	292,560	136,180
Bills bought in open market ..	182,750	189,290	206,960	168,680
Government obligations owned ..	65,660	66,090	65,490	69,200
All other resources ..	50,870	41,440	6,330	39,570
LIABILITIES.				
Government deposits ..	1,925,160	1,910,150	1,979,950	1,857,420
Other deposits ..	2,250,210	2,250,220	2,227,700	2,141,530
Federal Reserve Notes in actual circulation ..	1,630	1,750	1,650	71,810
All other liabilities ..	18,160	17,790	17,620	20,170
Capital and surplus ..	327,730	327,720	327,650	320,260
Ratio of total reserves to gross deposits and Federal Reserve note liabilities combined ..	75.7 %	76.1 %	75.6 %	77.6 %

BANK OF FRANCE.—In francs (000's omitted.)

ASSETS.	June 15, 1923.	June 7, 1923.	May 31, 1923.	June 15, 1922.	Position May 28, 1914.
Gold coin and bullion ..	5,537,604	5,537,490	5,537,397	5,528,270	5,730,625
Of which held abroad ..	1,864,345	1,864,345	1,864,345	1,864,345	1,864,345
Silver coin and bullion ..	292,744	292,560	292,560	292,560	292,560
Discount and advances ..	4,426,782	4,426,782	4,426,782	4,426,782	4,426,782
Advances to the State ..	23,100,000	22,900,000	23,000,000	22,900,000	23,100,000
LIABILITIES.					
Notes ..	36,701,893	36,945,122	36,740,980	36,028,263	5,811,875
Government deposits ..	20,994	14,758	68,639	35,437	183,700
Private deposits ..	2,113,937	2,068,633	2,131,142	2,264,712	846,960

SOUTH AFRICAN RESERVE BANK.—In £'s (000's omitted.)

LIABILITIES.	May 19, 1923.	May 12, 1923.	May 5, 1923.	April 28, 1923.	April 21, 1923.
Capital ..	1,000	1,000	1,000	1,000	1,000
Reserve ..	2	2	2	2	2
Notes in circulation ..	9,603	9,676	9,822	9,855	9,552
Bankers' deposits ..	5,367	5,371	5,561	5,414	5,513
Other deposits ..	..	..	..	..	..
ASSETS.					
Gold coin and bullion ..	503	503	503	503	503
Gold certificates ..	10,069	10,069	10,069	10,069	10,069
Subsidiary coin ..	125	125	125	125	125
Bills discounted (domestic) ..	2,515	2,626	2,938	2,681	2,638
Do (foreign) ..	625	615	638	771	607
Loans and advances to the Government ..	1,200	1,200	1,200	1,200	1,200
Other loans and advances ..	1,000	1,000	1,000	1,000	1,000
Investments ..	8	8	8	8	8
Ratio of cash reserves to liabilities to public ..	71.4 %	71 %	69.5 %	70 %	71 %

BANK OF JAPAN.—In yen (000's omitted.)

ASSETS.	June 9, 1923.	June 2, 1923.	May 26, 1923.	May 19, 1923.	Position May 30, 1914.
Gold ..	2,525,736	2,525,717	2,525,694	2,522,725	2,522,725
Silver ..	651,126	651,126	651,126	651,126	651,126
Loans and discounts ..	2,086,405	2,081,773	2,097,659	2,122,892	2,097,659
Spanish 4 % stock ..	344,475	344,475	344,475	344,475	344,475
Treasury bills ..	150,000	150,000	150,000	150,000	150,000
LIABILITIES.					
Circulation ..	4,134,413	4,111,515	4,103,339	4,131,397	4,186,917
Deposits ..	936,482	938,040	931,418	927,537	901,550

BANK OF JAPAN.—In yen (000's omitted.)

ASSETS.	May 12, 1923.	May 5, 1923.	April 28, 1923.	April 21, 1923.	Position May 30, 1914.
Cash and bullion ..	1,088,348	1,088,348	1,088,348	1,088,348	1,088,348
Discounts ..	110,912	110,912	110,912	110,912	110,912
Advances ..	213,874	227,117	207,348	210,238	210,238
LIABILITIES.					
Notes ..	1,066,757	1,130,622	1,210,812	1,097,109	1,057,598
Govt. deposits ..	886,890	887,522	841,267	876,430	852,392
Other deposits ..	34,472	30,212	30,990	35,507	56,765

IMPERIAL BANK OF GERMANY.—In marks (000's omitted.)

ASSETS.	June 7, 1923.	May 31, 1923.	May 23, 1923.	June 7, 1922.	Position May 30, 1914.
Gold and bullion ..	17,576,130	15,784,145	15,739,310	1,012,375	1,635,160
Of which deposited with Foreign Central Note Banks ..	180,032	181,032	203,032	..	..
Treasury notes ..	2,194,992,886	1,892,215,265	1,718,411,294	5,981,436	943,460
Bills discounted ..	1,306,754,072	12,036,598,560	10,501,877,894	167,561,132	60,780
LIABILITIES.					
Notes in circulation ..	9,309,565,583	8,563,749,470	7,586,646,940	154,914,888	2,013,860
Deposits ..	5,643,060,212	5,063,070,231	4,294,602,405	28,011,143	842,340

NETHERLANDS BANK.—In florins (000's omitted.)

ASSETS.	June 11, 1923.	June 4, 1923.	May 29, 1923.	May 22, 1923.	Position May 30, 1914.
Gold ..	581,791	581,791	581,790	581,790	581,790
Silver ..	9,810	9,603	9,709	8,281	6,982
Discounts ..	332,284	353,005	350,408	393,405	384,242
LIABILITIES.					
Notes in circulation ..	927,640	944,240	929,148	940,988	990,632
Deposits ..	18,462	21,592	27,989	35,373	52,776

BANK OF ROMANIA.—In lei (000's omitted.)

ASSETS.	May 26, 1923.	May 19, 1923.	May 12, 1923.	May 5, 1923.	May 27, 1922.
Gold ..	528,731	528,731	528,731	528,731	528,731
Silver, &c. ..	765	765	765	765	765
Government loan ..	12,591,133	12,581,728	12,585,130	12,588,442	12,512,245
Other advances ..	5,029,946	5,011,261	5,037,432	4,955,877	2,759,579
LIABILITIES.					
Notes in circulation ..	15,849,543	15,813,278	15,815,426	15,783,512	14,129,119
Deposits ..	7,081,140	7,085,637	7,077,350	7,045,721	5,933,503

SWISS NATIONAL BANK.—In francs (000's omitted.)

ASSETS.	June 7, 1923.	May 31, 1923.	May 23, 1923.	May 15, 1923.	June 7, 1922.	Position May 31, 1914.
Gold ..	536,645	536,645	536,645	536,645	536,645	536,645
Silver ..	102,789	103,149	103,116	103,569	102,520	18,350
Carlsberg-Kassen ..	29,269	30,069	6,411	6,355	13,783	..
Assets & advances ..	265,332	281,768	281,822	327,139	375,694	103,000
LIABILITIES.						
Notes in circulation ..	854,197	881,728	844,314	859,534	762,854	975,925
Deposits ..	127,916	166,655	128,125	165,570	308,384	33,750

NATIONAL BANK OF BELGIUM.—In francs (000's omitted.)

	June 7, 1923.	May 31, 1923.	May 24, 1923.	May 17, 1923.	June 8, 1922.	Position May 28, 1914.
ASSETS.						
Coin (gold & silver and bullion)	348,328	348,105	348,190	347,823	328,180	321,650
Securities	734,488	725,018	714,163	716,227	472,113	697,600
LIABILITIES.						
Notes in circulation ..	6,722,291	6,816,159	6,779,629	6,814,581	6,195,507	934,150
Current accounts...	409,076	290,654	314,616	288,220	951,180	112,125

Comparison with the previous weeks:—

	Short Loans.	Bank Bills.			Trade Bills.		
		3 Months.	4 Months.	6 Months.	3 Months.	4 Months.	6 Months.
1923.	%	%	%	%	%	%	%
May 11.....	15	2 1/2	2 1/2	2 1/2	3	3	3 1/2
18.....	15	2 1/2	2 1/2	2 1/2	3	3	3 1/2
25.....	15	2 1/2	2 1/2	2 1/2	3	3	3 1/2
June 1.....	15	2 1/2	2 1/2	2 1/2	3	3	3 1/2
8.....	15	2 1/2	2 1/2	2 1/2	3	3	3 1/2
15.....	15	2 1/2	2 1/2	2 1/2	3	3	3 1/2

OVERSEAS BANK RATES.

Changed.		Changed.	
Amsterdam.....	July 18, 1922 .. 4	Madrid.....	Mar. 23, 1923 .. 5
Athens.....	Jan. 14, 1923 .. 7 1/2	Paris.....	Mar. 11, 1922 .. 5
Berlin.....	Apr. 23, 1923 .. 18	Prague.....	May 28, 1923 .. 5
Brussels.....	Jan. 22, 1923 .. 5 1/2	Rome.....	July 11, 1922 .. 5 1/2
Bucharest.....	Sept. 4, 1920 .. 6	Sofia.....	June 14, 1919 .. 6 1/2
Budapest.....	Apr. 25, 1923 .. 12	Stockholm.....	July 1, 1922 .. 4 1/2
Calcutta.....	June 7, 1923 .. 5	Swiss Bank	
Christiania.....	May 1, 1923 .. 6	Aug. 17, 1922 .. 3	
Copenhagen.....	May 1, 1923 .. 6	Nov. 18, 1921 .. 8	
Helsingfors.....	Oct. 16, 1922 .. 8	Sept. 2, 1922 .. 9	
Lisbon.....	Sept. 3, 1920 .. 7	Warsaw.....	Feb. 1923 .. 12
New York Fed. Reserve.....	Feb. 21, 1923 .. 4 1/2	Irish.....	July 13, 1922 .. 4

RATES OF EXCHANGE.

London on	Usance	Par.	June 16, 1923.	June 8, 1923.	June 15, 1923.
Paris.....	francs to £1	T.T.	25.224	50.88.93	71.80.85
Berlin.....	marks to £1	T.T.	30.43	1414-1427	360030-363000
Vienna.....	krone to £1	T.T.	24.02	73000-77000	32000-329000
Prague.....	krone to £1	T.T.	24.02	232-234	1548-1544
Warsaw.....	zlotys to £1	T.T.	20.43	18000-20000	285000
Bukarest.....	lei to £1	T.T.	25.224	655-675	900-915
Budapest.....	for. to £1	T.T.	24.02	4300-4500	25000-28000
Constantinople.....	piastres to £1	T.T.	24.02	690-710	700-720
Sofia.....	levas to £1	T.T.	25.224	610-640	400-450
Belgrade.....	dinas to £1	T.T.	25.224	320-330	400-420
Amsterdam.....	gld. to £1	T.T.	12.107	11.484.51	11.774.774
Brussels.....	francs to £1	T.T.	25.224	54.08.13	83.20.23
Christiania.....	krone to £1	T.T.	18.159	26.07.12	27.55.57
Stockholm.....	krone to £1	T.T.	18.159	17.24.26	17.35.38
Copenhagen.....	krone to £1	T.T.	18.159	20.65.70	25.55
Helsingfors.....	for. to £1	T.T.	25.224	205-207	1264-1262
Greece.....	drachmas to £1	T.T.	25.224	114-115	175-185
Italy.....	lire to £1	T.T.	25.224	894	934-944
Switzerland.....	francs to £1	T.T.	25.224	23.47.49	25.66.67
Madrid.....	pesetas to £1	T.T.	25.224	28.40.43	30.61.63
Lisbon.....	escudos to £1	T.T.	53.42	4-44	2 1/2-4
Alexandria.....	piastres to £1	T.T.	97 1/2	97 1/2	97 1/2
New York.....	dollars to £1	Cable	4.868	4.47.47 1/2	4.61 1/2-61 1/2
Montreal.....	dollars to £1	Cable	4.868	4.50.51	4.71 1/2-72
Buenos Ayres.....	pesos to £1	T.T.	47.624	44 1/2	41 1/2-42 1/2
Rio de Janeiro.....	pesos to £1	T.T.	16	17 1/2	54 1/2
Montevideo.....	pesos to £1	T.T.	51	43 1/2-44	41 1/2-42 1/2
Valparaiso.....	pesos to £1	T.T.	13.33	13.30	33.50
Lima.....	soles to £1	T.T.	10.10	5% prem.	8% prem.
Calcutta.....	rupees to £1	T.T.	10.10	1s 3/4-3d	1s 3/4-3d
Bombay.....	rupees to £1	T.T.	10.10	1s 3/4-3d	1s 3/4-3d
Madras.....	rupees to £1	T.T.	10.10	1s 3/4-3d	1s 3/4-3d
Hong Kong.....	dollars to £1	T.T.	10.10	2s 7/8-7d	2s 7/8-7d
Shanghai.....	dollars to £1	T.T.	10.10	2s 7/8-7d	2s 7/8-7d
Singapore.....	dollars to £1	T.T.	10.10	2s 7/8-7d	2s 7/8-7d
Yokohama.....	dollars to £1	T.T.	10.10	2s 7/8-7d	2s 7/8-7d
Manila.....	dollars to £1	T.T.	10.10	2s 7/8-7d	2s 7/8-7d
Mexico.....	pesos to £1	T.T.	24.066	2s 2d	2s 2d

† Rate for previous day. ‡ Sellers.

CURRENT RATES IN NEW YORK.

The Irving Bank—Columbia Trust Company cable the following money and exchange rates in New York:—

	June 15, 1923.	May 16, 1923.	May 23, 1923.	May 30, 1923.	June 6, 1923.	June 13, 1923.
Call money.....	3 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Time money (90 days mixed coll.).....	4 1/2	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2
Bank acceptances:—						
Members—eligible, 90 days.....	3 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Non-mem.—eligible, 90 days.....	3 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Uneligible, 90 days.....	4 1/2	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2
Commercial accep., 90 days.....	4 1/2	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2

Rates of Exchange. New York on—

London—	Par Level.	June 15, 1922.	May 30, 1923.	June 6, 1923.	June 13, 1923.
60 days.....		4.443	4.6062	4.60	4.59
Cable.....		4.471	4.6262	4.6212	4.6125
Cheques.....		4.467	4.6244	4.6188	4.61
Paris.....	Cents for 1 franc	19.30	8.81	6.4775	6.475
Brussels.....	Cents for 1 franc	19.30	8.25	5.5375	5.53
Switzerland.....	Cents for 1 franc	19.30	19.06	18.06	17.945
Italy.....	Cents for 1 lire	19.30	5.04	4.715	4.69
Berlin.....	Cents for 1 mark	23.83	0.32	0.0014	0.0014
Madrid.....	Cents for 1 peseta	19.30	15.78	15.2	14.83
Amsterdam.....	Cents for 1 guilder	40.195	38.96	39.19	39.2
Copenhagen.....	Cents for 1 kroner	26.80	21.75	18.51	17.94
Christiania.....	Cents for 1 kroner	26.80	17.10	16.59	16.72
Stockholm.....	Cents for 1 krona	19.30	25.89	26.53	26.53
Athens.....	Cents for 1 drachma	19.30	4.10	2.8	2.9
Montréal.....	Cents for Can. \$1	100	99.12	97.85	97.82
Yokohama.....	Cents for 1 yen	49.85	47.85	49.25	49.1
Hong Kong.....	Cents for H. Kong \$	..	58.55	54.2	53.5
Shanghai.....	Cents for 1 Shing. tal.	..	80.45	73.125	72.25
Calcutta.....	Cents for 1 rupee	..	29.00	31.00	31.00
Bombay.....	Cents for 1 rupee	..	122	126.5	124.5
Rio de Janeiro.....	Gold pesos for \$100	103.65	12.48	13.75	10.26
Valparaiso.....	Cents for 1 peso	20.60	12.125	12.35	13.4

CENTRAL AMERICAN EXCHANGE RATES.

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

Country.	Par Value.	Usance.	Year, 1923.	Rate.
Buenos Aires.....	Escudos to £1	1000	June 9	14.95
Bolivia.....	Bolivianos to £1	25.25	June 7	24.20
Colombia (Bogotá).....	Pesos to £1	100	June 12	98.25
Nicaragua.....	Cordobas to £1	4.8665	May 10	4.80
San Salvador.....	Colonos to £1	9.73	June 7	9.50
Guatemala.....	Pesos to £1	90.23	June 9	27.5
Costa Rica.....	Colonos to £1	10.45	Mar. 10	21.85
Bolivia.....	pesos to Bolivianos	19.20	May 12	16 1/2

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates:—

	Union of South Africa.		Union of South Africa.	
	From June 8, 1923.		From June 8, 1923.	
	London on South Africa.		South Africa on London.	
	Buying.	Selling.	Buying.	Selling.
T.T.	2 1/2 %	2 %	2 %	1 1/2 %
Demand	2 1/2 %	2 %	2 %	1 1/2 %
30 days	2 1/2 %	2 %	2 %	1 1/2 %
60 days	2 1/2 %	2 %	2 %	1 1/2 %
90 days	2 1/2 %	2 %	2 %	1 1/2 %
120 days	2 1/2 %	2 %	2 %	1 1/2 %

* No premium allowed on amounts under £100.

(a) No discount allowed on sales of T.T.s. or demand drafts under £100.

† Plus ad valorem duty.

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

	London on Australia and New Zealand.		Australia and New Zealand on London.	
	Buying.	Selling.	Buying.	Selling.
T.T.	10 1/2 %	10 1/2 %	10 1/2 %	10 1/2 %
Sight	10 1/2 %	10 1/2 %	10 1/2 %	10 1/2 %
Cable	10 1/2 %	10 1/2 %	10 1/2 %	10 1/2 %
On demand	9 1/2 %	9 1/2 %	9 1/2 %	9 1/2 %
30 days	9 1/2 %	9 1/2 %	9 1/2 %	9 1/2 %
60 days	9 1/2 %	9 1/2 %	9 1/2 %	9 1/2 %
90 days	9 1/2 %	9 1/2 %	9 1/2 %	9 1/2 %
120 days	9 1/2 %	9 1/2 %	9 1/2 %	9 1/2 %

INDIAN TREASURY BILLS.

	March 31, 1923.	June 9, 1923.
Outstanding with public	21,63,45,000	10,62,70,000
In paper currency reserve	49,65,00,000	49,35,00,000
Total	71,28,45,000	60,27,70,000
India Office, June 13, 1923.		

INDIA COUNCIL BILLS AND TRANSFERS.

The following is a statistical summary of applications and allotments for India Council bills and transfers in London on Tuesday, June 12, 1923:—

	Rate.	Applications.	Allotments.			Allotments.	Average Rate.
		Rs.	Rs.	%		Rs.	
Bills	1/4 ³ / ₁₆	33,50,000	13,14,000	39	Bills.		
	1/4 ³ / ₁₆	21,50,000	nil	..	Calcutta..		
				..	Bombay...	13,14,000	16.093
				..	Madras...		
				..	Karachi..		
Def. T.T. ..	1/4 ³ / ₁₆	18,00,000	7,06,000	39	T.T.		
	1/4 ³ / ₁₆	175,00,000	nil	..	Def. ...	7,06,000	16.093
Imm. T.T. ..	1/4 ³ / ₁₆	27,00,000	9,80,000	39	Calcutta..		
	1/4 ³ / ₁₆	119,00,000	nil	..	Imm. ...	9,80,000	16.125
				..	Def. ...		
				..	Bombay...		
				..	Imm. ...		
				..	Def. ...		
				..	Madras...		
				..	Imm. ...		
				..	Def. ...		
				..	Karachi..		
				..	Imm. ...		
		394,00,000	30,00,000	..		30,00,000	

DIVIDEND ANNOUNCEMENTS.—Continued.

Rhodesia Copper and General Exploration	8	Less tax	10	10
Royal Brewery, Brentford, Pref.	8	Less tax	10	10
Samuel Allsopp and Sons, Ptg. Pref.	2½%	July 1	..	..
Samuel Barlow	5%	..	..	..
Short's, Limited, Deft.	..	..	..	..
Singleton Benda	..	Less tax	15	15
Sir H. W. Trickett	2½%	June 12	..	..
Springwell Brewery	15 p.s.	..	..	..
Temple and Sons Brewery	1½ p.s.	..	..	..
Temperance Billard Halls	6 %	..	..	..
Theatre Royal, Birmingham	..	Less tax	20	15
United Dairies, Pref.	5 %	..	..	..
United Indigo & Chemical, Pref.	5 %	..	..	..
Wharfedale Silkstone Colliery	5 %	..	..	..
White, Tomkins, and Courage	..	Less tax	10	10
Yorkshire Dyeware	12½%	..	25	15

(d) Repayment of capital, 100 francs net per share.

ASSAM RAILWAYS AND TRADING.—The Assam Railways and Trading Company has declared dividends on "A" stock at rate of 8 per cent. per annum, payable June 22nd, for half year ended Dec. 31st; on pre-preference "A" shares at rate of 8 per cent. per annum, payable July 4th, for half year ended June 30th; and on new 6 per cent. preference shares at rate of 6 per cent. per annum, payable July 4th, for half year ended June 30th.

BURMA CORPORATION.—During the month of May 18,626 tons of ore were mined; 21,720 tons of ore were milled in the treatment plant, producing 11,096 tons of lead concentrate; 11,574 tons of lead-bearing material were smelted in the blast furnaces, producing 4,070 tons hard lead for treatment in the refinery. Refinery products were 5,644 tons refined lead and 380,332 ozs refined silver. Tonnage milled includes re-treatment 2,019 tons tailings.

KNIGHT CENTRAL, LIMITED (in liquidation).—A first liquidation distribution of 3s 6d per share will be paid, as from July 19, 1923, against surrender of scrip.

RANSOMES, SIMS, AND JEFFERIES.—Net profit of Ransomes, Sims, and Jefferies for year ended March 31, 1923, after making provision for depreciation, bad and doubtful debts, and interest on debenture stock and deposits, was £5,895, plus £42,059 brought in, making £47,954. Report states that during year trade conditions both at home and abroad have continued to be unfavourable, and it has been necessary to transfer £70,000 from general reserve to meet further fall in value of stock-in-trade. Directors regret that they are unable to recommend dividend on ordinary shares or on preference shares for 18 months ended December 31, 1922. Stocks of manufacturing goods and raw materials have been valued at or under cost.

UNION TURNER BROS.—The directors have decided to postpone the payment of the dividend on the second cumulative preference shares until the result of working for the current six months is before them. The dividend on the first cumulative preference shares for the half year to June 30, 1923, will be paid on July 6th.

ANALYSIS OF BALANCE-SHEETS.

J. LYONS AND CO.

LIABILITIES.	March 31, 1923.	ASSETS.	March 31, 1923.
Ord. shares	400,000	Land, buildings, &c.	5,324,065
"A" ord. shares	688,580	Stock	1,976,340
5% pref. shares	647,065	Debtors	586,184
7% pref. shares	1,000,000	Investments	791,068
3% pref. shares	1,000,000	Cash	540,197
6% pref. ord. shrs.	400,000		
Prop. profit shrs.	500,000		
"B" Prop. profit shrs.	225,000		
4% deb. stock	300,000		
4% deb. stock	34,920		
4% deb. stock	125,000		
5% deb. stock	30,000		
6% deb. stock	66,820		
Mortgages	626,492		
Int. accrued	8,992		
Orditors	2,316,950		
Divs. unclaimed	3,148		
Reserve	500,000		
Profit and loss	344,811		
Total	9,217,854	Total	9,217,854

ANGLO-ARGENTINE TRAMWAYS.

LIABILITIES.	December 31, 1922.	ASSETS.	December 31, 1922.
1st pref. shares	£2,000,000	Concessions, property, &c.	20,514,955
2nd pref. shares	500,000	Discount on debts	362,423
Ord. shares	2,700,000	Stores and furniture	332,521
4% deb. stock	3,977,836	Debtors	151,966
Accrued interest	79,557	Investments	195,471
4% deb. stock	1,659,243	Deposits in B.	7,089
Accrued interest	37,333	Cash	414,660
5% deb. stock	5,897,842	Paving work	129,024
Accrued interest	24,574	Bills receivable	24,497
Sinking fund	107,392		
Renewals fund	369,665		
Orditors	843,286		
Divs. unclaimed	10,999		
Interest accrued on profits	156,750		
Balance of revenue account	12,829		
Total	22,132,406	Total	22,132,406

BLEACHERS' ASSOCIATION.

LIABILITIES.	March 31, 1923.	ASSETS.	March 31, 1923.
Ord. shares	2,371,086	Land, buildings, &c.	9,494,494
Pref. shares	2,472,500	Stock &c.	748,828
4% deb. stock	2,250,000	Debtors	1,07,215
Unpaid dividends	5,098	Cash	324,637
Sundry creditors	1,930,275	Investments	476,501
General reserve	1,450,000		
Div. reserve	180,000		
Superannuation fund	149,046		
Fire insurance fund	306,347		
Investments contingencies fund	50,000		
Profit and loss	927,325		
Total	12,151,675	Total	12,151,675

TRANSVAAL GOLD OUTPUT STATISTICS.

Name of Mine.	April, 1923.			May, 1923.		
	Ore.	Est. Yield.	Est. Profit.	Ore.	Est. Yield.	Est. Profit.
Aurora W. United (10s shares)	12,850	£ 14,497	2,006	13,200	£ 14,645	2,011
Brakpan	60,500	£ 106,329	40,022	67,000	£ 115,472	44,154
City Deep	93,500	£ 162,172	53,287	96,000	£ 117,163	64,913
Consolidated Main Reef	50,700	£ 75,586	5,642	54,500	£ 85,062	15,276
Crown Mines (10s shares)	212,000	£ 285,599	72,950	220,000	£ 300,617	78,652
Durban Roodepoort Deep	33,000	£ 48,279	6,544	33,800	£ 47,000	5,829
East Rand Proprietary	133,000	£ 130,511	3,071	134,000	£ 139,714	76
Ferreira Deep	32,600	£ 38,315	5,264	34,200	£ 39,244	5,784
Geduld Proprietary	50,000	£ 80,700	31,661	62,000	£ 98,155	37,244
Goldenhuis Deep	55,140	£ 58,840	2,006	56,900	£ 60,206	1,755
Glyn's Lydenburg	17,200	£ 19,793	649	17,200	£ 18,878	274
Goch, New	142,500	£ 265,779	140,160	153,000	£ 285,835	152,040
Government Areas	40,000	£ 44,676	1,710	44,300	£ 46,427	2,833
Kleinfontein, New	32,700	£ 29,532	3,782	34,400	£ 31,372	3,594
Knight Central	51,700	£ 74,653	20,360	50,800	£ 134,332	31,863
Langlaagte Estate	19,868	£ 18,727	576	22,515	£ 22,478	1,533
Lupatards Vlei	15,600	£ 35,893	20,136	15,400	£ 37,393	21,083
Meyer and Charlton	64,000	£ 139,430	74,623	66,500	£ 141,587	74,527
Modderfontein B.	42,100	£ 97,595	60,325	45,100	£ 105,427	65,472
Modderfontein Deep Levels	26,100	£ 47,363	14,027	28,000	£ 50,468	15,005
Modderfontein East	110,000	£ 228,216	131,921	120,000	£ 247,903	152,760
Modderfontein, New (4s shs.)	12,000	£ 10,628	850	12,200	£ 10,720	836
New Unified	48,300	£ 61,266	6,259	49,300	£ 66,832	9,311
Nourse Mines	19,600	£ 19,267	1,516	21,800	£ 20,951	1,803
Primrose New	186,000	£ 216,287	35,760	196,000	£ 233,883	40,001
Randfontein Central	14,700	£ 14,711	3,007	15,300	£ 15,894	4,163
Robinson (4s shares)	70,000	£ 99,497	33,934	76,600	£ 98,949	39,013
Robinson Deep	55,400	£ 61,434	3,016	57,400	£ 61,775	3,522
Rose Deep	49,000	£ 100,259	44,125	54,500	£ 107,072	47,021
Simmer and Jack	8,800	£ 24,045	6,067	9,400	£ 24,881	6,115
Spring Mines	14,830	£ 38,801	8,016	15,800	£ 40,589	9,018
Sub-Nigel	31,980	£ 114,132	55,363	34,500	£ 125,398	63,534
Transvaal Gold Mining Estates	55,500	£ 70,852	7,638	58,000	£ 75,133	11,481
Van Ryn	35,500	£ 41,095	3,017	36,800	£ 43,285	4,051
Village Deep	43,500	£ 52,985	10,243	47,050	£ 53,515	8,681
West Rand Consolidated	45,550	£ 50,393	10,615	47,000	£ 53,293	12,034
Witwatersrand Deep	633,600	£ 34,588	3,922	35,000	£ 36,111	3,571
Witwatersrand (Knight's)						
Woluter						

£ 4 5s net per fine oz. £ 4 7s 6d per fine oz. £ 4 4s 9d net per fine oz.
 £ 4 5s 6d per fine oz. £ 4 7s 6d per fine oz. £ 4 4s 9d net per fine oz.
 Including result of Consolidated Langlaagte Mines. Loss.

MINING OUTPUT STATISTICS FOR MAY, 1923.

Gold.	Tons Crushed.		Gold Recovered.		Value.	Profit.
	Mill.	Cyanide Works.	Mill.	Cyanide Works.		
Abbotiaskoon	7,470	..	..	..	£ 15,505	..
Ashanti	7,135	..	..	..	£ 25,208	..
Assoc. Northern Blocks	..	..	..	..	£ 5,934	..
Iron Duke	690	..	..	..	..	..
British Platinum	..	..	..	..	..	..
El Oro	33,530	..	440 (platin.)	91 (gold)	2,177	191
Globe and Phoenix	6,218	..	..	..	£ 158,904	£ 11,400
Great Boulder Prop.	9,034	..	..	..	6,435	(£) 12,316
Hampton Celebration	525	..	..	..	(a) 22,585	..
Lonely Reef	5,565	..	..	..	(a) 1,061	..
Mexico of El Oro	13,783	..	..	..	3,765	(£) 7,489
Oriental Cons.	20,455	..	..	..	£ 222,170	£ 80,800
Planet Arcturus	5,900	..	..	..	£ 97,416	..
Prestes	6,440	4,005	..	..	(f) 8,633	..
Santa Gertrudis	10,594	..	..	..	(a) 12,277	..
Shanva	60,400	..	..	..	..	£ 23,200
South Kalguri	7,221	..	..	..	35,121	9,263
Taqaah and Abosso	7,700	..	..	..	(a) 13,823	2,082
Tomboy	18,000	..	..	..	3,882	(b) 17,177
Transvaal and Rhodesian	1,700	..	..	..	..	£ 77,000
Fred	7,010	..	..	..	..	..
Waibi Grand	..	4,114 (silver)	2,014	..	5,419 (gold)	..

(a) Par value. (b) 88s 6d per oz. (f) 88s per oz. (c) 84s per fine oz. (e) 89s per fine oz.

Tin.	Output.	Other Notes in Return.	
		Tons.	Black tin.
Bisiohi	40	..	..
Briseis	25	..	..
Filani	1½	..	..
Gurum River	9	..	..
Kaduna Pros.	8	..	..
Kaduna Synd.	13½	..	..
Naraguta Ext.	10	..	..
Nigerian Consolidated	10½	Despatched 7 tons.	..
Northern Nigeria (Bauchi)	61½	..	..
Premier Hydraulic	7	..	..
Rukuba	53	..	..
South Bukuru	2	Despatched 1½ tons.	..
Tin Fields of N. Nigeria	8	..	..
Yarde Kerri Group	2	Despatched 1 ton.	..
Copper.	..	..	..
Falcon	258	Short tons blister copper, 2,605 ozs gold, 5,145 ozs silver.	..
Namaqua	196	Blister copper.	..
Tanganyika	4,068	..	..
Coal.	..	..	..
Chinese Engineering	90,386	Week ended June 9th.	..
Chislet	5,330	Week ended June 9th.	..
East Kent	4,368	..	..

BURMA CORPORATION.—May—Mined 18,626 tons of ore; 21,720 tons of ore were milled, producing 11,096 tons of lead concentrate; 11,574 tons of lead-bearing material were smelted, producing 4,070 tons hard lead for treatment in the refinery. Refinery products were 5,644 tons refined lead and 380,332 ozs refined silver. Tonnage milled includes re-treatment 2,019 tons tailings. [April, 2,631 tons, 367,531 ozs.]
 ELECTROLYTIC ZINC.—Production during four-weekly period ended May 30th:—containing lead 575 tons, silver 80,000 ozs.
 SAN FRANCISCO MINES OF MEXICO.—May—Ore treated, 7,500 tons; lead concentrate smelter return on lead, \$90,337 U.S. currency; estimated net smelter return on

zinc, \$54,020; total net smelter return, \$144,367; operating expenses, \$45,762; estimated operating profit, \$98,595; capital expenditure (including development), \$10,246. (London office note.—The zinc return includes correction for under estimates on the earlier shipments.) [April profit, \$79,470.]

THE BROKEN HILL PROPRIETARY.—Report for four weeks ending May 23, 1923:—Iron and Steel Works.—Coke ovens produced 22,440 tons of coke; No. 2 blast furnace produced 18,439 tons; No. 3 blast furnace produced 17,450 tons; rail mill produced 11,750 tons; 18-inch mill produced 3,173 tons; 12-inch mill produced, 1,585 tons; 8-inch mill produced 1,694 tons. Rod mill—Resumed operations May 1st, produced 1,731 tons. Steel foundry produced 356 tons of castings. Iron Knob—Shipped 32,641 tons. Broken Hill (Underground)—Position unchanged. Ore Dressing Mills—Produced 207 tons of lead concentrates and 4,128 tons of slimes. Zinc Separation Plant—Produced 1,495 tons of zinc concentrates. Slimes Flotation Plant—Produced 2,015 tons of lead concentrates and 4,968 tons of zinc concentrates. UTAH COPPER.—From report for quarter ended March 31st:—Ore shipped, 1,945,668 tons; ore treated, 1,774,700 dry tons, averaging 1.17 per cent. copper; recovery, 83 per cent.; produced 34,489,073 lbs copper gross and 33,103,190 lbs net; average cost, \$825 cents per lb; net profit from copper production, \$1,797,521; add miscellaneous income, \$443,590; total income for quarter, \$2,241,111.
 ZINC CORPORATION.—May.—Mining department—Lead concentrator treated 15,432 tons of ore, producing 3,176 tons of lead concentrates, assaying 64.7 per cent. lead and 6,580 tons of zinc middlings.

Reports and Notices.

Mr. Henry Alexander Trotter, on relinquishing the position of Deputy-Governor of the Bank of England, has rejoined the Board of the Cordoba Light, Power, and Traction Company, Limited.

We are officially informed that arrangements have been made whereby as from July 1st next the London Assurance will act as underwriters for the acceptance of marine insurance for the Automobile Insurance Company, of Hartford, Connecticut. The latter company is one of the affiliated companies of the Aetna Life Group, which comprises the Aetna Life Insurance Company, the Aetna Casualty and Surety Company, and the Automobile Insurance Company.

The Rt. Hon. the Earl of Stair, D.S.O., has been elected vice-president; Sir Henry P. Maybury, K.C.M.G., an extra-ordinary director; and Sir H. Arthur Rose, D.S.O., an ordinary director of the Scottish Equitable Life Assurance Society.

The Right Hon. Viscount FitzAlan of Derwent, P.C., G.C.V.O., Deputy Earl Marshal, has joined the board of directors of the London and Lancashire Insurance Company, Limited.

We are informed that the entire share capital of the Washington Coal Company, Limited, of Sunderland, has been acquired by Wm. France Fenwick and Co., Limited, of London. On and after July 1st, France Fenwick Tynes and Wear Company, Limited, of Mercantile Chambers, Newcastle-on-Tyne, will be the fitters of the colliery, and the registered office of the Washington Coal Company, Limited, will be at that address.

Messrs. Leathwait and Simmonds, the well-known advertising and newspaper agents, will on June 23rd remove from 5, Birchin lane to more commodious and up-to-date premises at 34, Throgmorton street.

GOVERNMENT STOCKS, &c.

3 PER CENT. DIPLOMATIC DEBT OF VENEZUELA, 1905.—The Council of Foreign Bondholders notify the receipt of a sight draft for £17,563 is 6d, being the moiety of the balance of the debt service payable to the council in respect of the half-year ending June 30, 1923.

BANKS.

CREDIT LYONNAIS.—Principal items of the yearly report presented to the shareholders at the general meeting, on April 27, 1923, are as follows:—

	Dec., 1921.	Dec., 1922.
Deposits (including current accounts)	4,585,029,835	4,983,882,509
Acceptances	28,340,804	28,004,856
Cash in hand and at banks	498,546,091	510,373,447
Bills receivable and French Treasury Bills	3,790,321,544	4,096,447,303
Debtor current accounts and contingencies	164,558,807	216,002,632
Loans against securities and contingencies	5,969,648	5,704,125

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Dividend Interest.	Amount Available for Distribution.	Appropriation.				Corresponding Period Last Year.	
					Dividend.		Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.	Dividend.
					Prefer.	Ordinary.				
					Amount.	Amount.	Rate.			
Banks.										
Royal Bank of Australia	Mar. 29	28,749	£ 6,913	£ 8,662	£	£ 37,500	10	£ 20,000	£ 32,162	58,721
Breweries.										
Tamplin & Son's Brewery, Brighton	April 30	24,561	32,311	56,872	6,306	17,486	15	5,000	28,080	26,261
Walker and Homfrays	Sept. 30	128,807	79,574	208,381	25,303	41,881	20½	100,000	41,197	73,038
Canals and Docks.										
Grand Junction Canal	Dec. 31	2,075	52,808	54,883	5,622	45,200	4	..	4,061	39,410
Electric Lighting and Power.										
Madras Electric	Dec. 31	9,728	21,790	31,518	4,200	17,280	8	2,000	8,038	..
South Wales Electrical Power ..	Dec. 31	3,653	Dr 2,944	709	..	..	..	..	709	Dr 764
Iron, Coal, and Steel.										
Cowie Harbour Coal	Dec. 31	5,395	Dr 207	5,188	..	..	..	..	5,188	501
Ransomes, Sims, and Jefferies ..	Mar. 31	42,059	Dr 64,104	Dr 22,045	..	..	..	Dr 70,000	47,955	3,997
Tredegar Iron and Coal	Mar. 31	31,876	234,022	265,898	..	154,563	12½	82,881	28,454	..
Rubber, &c.										
Central Travancore	Dec. 31	Dr 2,534	3,712	1,178	..	..	..	..	1,178	Dr 3,024
Kuala Selangor	Dec. 31	5,596	13,137	18,733	..	12,917	16½	..	5,816	8,503
Mendari (Sumatra)	Dec. 31	367	Dr 3,371	Dr 3,003	..	..	..	Dr 6,000	2,997	Dr 20,382
Simo	Dec. 31	8,049	18,776	16,217	..	5,250	15	6,000	4,967	..
Strathmore	Dec. 31	3,665	483	4,148	..	..	..	1,866	2,282	Dr 3,942
Shipping.										
Trawlers (White Sea and Grimsby)	Mar. 31	..	4,647	4,647	..	..	..	..	4,647	Dr 183,286
Tea.										
Alliance of Ceylon	Dec. 31	15,984	31,817	47,801	..	18,750	25	13,000	16,051	14,650
British Darjeeling	Dec. 31	1,944	12,039	13,983	..	8,640	12	3,000	2,343	8,411
British Indian	Dec. 31	13,690	46,094	59,784	825	18,247	30	22,700	18,012	16,293
Darjeeling Consolidated	Dec. 31	3,289	24,971	28,260	3,000	12,000	20	7,000	6,260	15,060
Imperial Ceylon Estates	Dec. 31	Dr 1,505	17,776	16,268	..	4,500	5	7,730	4,038	15,296
Pathini	Dec. 31	28,843	27,750	56,593	1,860	18,600	30	18,403	17,730	..
Textiles.										
Bleachers' Association	Mar. 31	359,406	983,464	1,342,870	135,987	474,217	20	370,954	361,712	848,888
Tramways.										
Anglo-Argentine	Dec. 31	6,032	527,298	533,330	313,500	..	..	207,000	12,830	303,647
Trust.										
First Scottish American	May 1	19,488	28,042	47,530	..	21,437	9½	3,500	22,593	25,946
Other Companies.										
A. J. White	Mar. 31	51,202	23,341	74,543	..	22,500	7½	..	52,043	18,833
C. Arthur Pearson	Mar. 31	38,027	55,827	93,854	13,750	26,250	15	20,000	33,854	64,747
Inglis and Co.	April 28	9,366	31,581	40,947	2,030	20,251	15	10,000	8,666	32,012
John Shaw and Sons, Wolver-										
hampton	June 30	28,475	(1) 30,846	59,321	..	21,225	12½	15,000	23,096	..
London Shoe	Mar. 31	847	4,243	5,090	3,900	..	..	1,190	..	4,033
Molassine Company	Mar. 31	507	15,246	15,753	7,000	..	..	8,000	753	Dr 17,599
North British Cold Storage & Ice	April 30	7,447	2,255	9,702	..	2,254	10	1,000	6,448	6,029
White, Tomkins, and Courage ..	Mar. 31	17,794	48,034	65,828	9,000	38,000	10	..	18,828	47,408
Yorkshire Dyeware and Chemical	Mar. 31	5,443	38,955	44,398	..	28,125	25	10,000	6,273	12,428

† Tax free.

(1) Accounts for two years.

confirm the good promise of the wheat crop, which is undoubtedly the best of the year, but the area under cultivation is estimated to be slightly under last season. Steady conditions prevailed at market, with prices slightly firmer in some cases, but general course of trade marked no appreciable expansion. Native wheat continues in short supply, and late rates were maintained. Best milling samples quoted up to 11s 3d, and inferior 10s 2d to 10s 6d per 112 lbs, free on rail, as to sample. Imported qualities were rather more firmly held, owing to firm forward offers. No. 1 Northern Manitoba, ex ship, quoted at 50s 9d to 51s 3d, Rosaf 6½ lbs 49s 6d, Barusso 6½ lbs 48s 9d, and choice white Karachi 50s 6d, all ex ship, per 496 lbs. There was more inquiry for floating and forward cargoes, and general stability governed the market. Steamers of Pacific August-September sold at 46s, choice white Karachi June 46s 3d to 47s, Rosaf 6½ lbs, expected to load 25th inst., 46s, ditto afloat 46s 7½d, and Barusso 6½ lbs on passage 45s 3d. Of maize cargoes, Plate (in bags) August-September sold to Antwerp at 35s 6d, ditto afloat 35s 9d, June 20th loading 35s 6d, July 10th 35s 4½d, and No. 6 yellow African expected to load at end of June at 34s 1½d, all per 480 lbs. North American stocks of wheat continue to decrease rather sharply, but floating supplies are on a larger scale both to this country and Continent. Crop reports from the principal exporting countries remain favourable, and larger acreages are mentioned in Australia and Argentina. Flour, home-milled, steady but quiet. London standard straight run quoted at 40s, patents 42s-43s, town households 38s per sack delivered in Metropolitan area. All English country straights 34s-35s per sack delivered to London stations. Imported, dull and tendency easier. Manitoba patents range from 35s 6d-39s 6d, Minneapolis good patents 30s, Australian 36s-37s per 280 lbs, ex store. Millers' offals, dull. Broad bran quoted 6s 6d, ordinary ditto 5s-5s 6d, middlings 7s 3d-7s 6d, bags included ex mill, light oats 5s 9d, powdered oat husks 5s 9d, feed oatmeal 7s 9d, ground oats 13s 3d, all per cwt, free on rail. Barley, English, steady at 8s-11s as to sample, with malting kinds 10s-12s per 112 lbs, free on rail. Imported, dull. Californian 42s-45s 6d, Australian chevalier 40s-48s, New Zealand 35s-45s as to sample, all landed, per 448 lbs. Persian 26s 3d, Karachi 28s 3d, Danubian 29s, Plate 27s 6d, No. 4 Canadian Western 27s 6d, American malting 48 lbs 27s 6d all landed per 400 lbs. Maize steady. Plate new ex ship 38s, landed 42s. East African landed 37s 6d per 480 lbs. Oats, English, firm at 8s 2d-10s 4d per 112 lbs, free on rail, as to sample. Imported, dearer. Plate f.a.q., ex ship, 22s 9d, landed

23s 9d, No. 1 Canadian feed landed 26s 9d, No. 2 ditto, ex ship, 25s 3d, landed 26s 3d, No. 2 Canadian Western, ex ship, 27s 9d, landed 28s 9d, No. 3 ditto landed 27s 3d, New Zealand A grade 38s 6d, B grade 37s 6d, both landed, all per 320 lbs. Oatmeal, steady. London-made all cuts quoted at 18s, rolled oats, also whole groats 18s, flaked oats 20s 6d, ex-mill, ordinary Scottish oatmeal 19s 6d-20s 6d, American all cuts 17s 6d per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1922-23, 1921-22, 1920-21, and 1919-20:

	1922-1923.	1921-1922.	1920-1921.	1919-1920.
Estimated sales of home-grown wheat—				
1 week to June 9	Cwts. 213,980	Cwts. 101,491	Cwts. 98,596	Cwts. 36,763
39 weeks to June 9	16,237,769	15,428,977	11,933,372	10,656,347
Average price of English wheat per cwt.	s d 11 0	s d 12 10½	s d 20 1	s d 17 0

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1919 to 1922:—

ALEXANDERS DISCOUNT Co., Ltd.,

24, LOMBARD STREET, E.C.3.

Telephones: 1332 & 225 Avenue. Telegrams: "Alexanders, Thread-London."

CAPITAL AUTHORISED £1,250,000 CAPITAL PAID UP £600,000
CAPITAL SUBSCRIBED £1,100,000 RESERVE FUND - £400,000

Approved Mercantile Bills discounted. Money received on deposit at call and short notices at current market rates; for longer periods on specially agreed terms. The Company deals in British Treasury Bills of any maturity.

June 1923.	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
June 2	Cwts. 223,524	Cwts. 35,580	Cwts. 21,506	s d 11 0	s d 8 10	s d 10 6
June 9	213,980	30,899	15,198	11 0	8 11	10 7
1919	223,153	14,014	17,416	17 1	17 6	17 6
1920	36,763	4,782	7,797	17 0	25 10	22 11
1921	98,597	24,100	15,093	20 10	12 0	13 11
1922	101,490	7,754	15,770	12 10	11 4	11 10

IRON, STEEL, AND COAL.

Our Middlesbrough correspondent's report, dated June 14th, is as follows:—Pig-iron: The absence of buying is very disconcerting to our pig-iron makers, who are now obliged to stock part of their output and hope that ere long there may be a revival. A little business has been done at the last price of 117s 6d for No. 3 Cleveland G.M.B. East Coast hematite mixed numbers is at the same figure. Manufactured iron and steel: The strike of the boilermakers is still interfering seriously with work at the rolling mills, and the shipbuilding demand is quiet. Steel ship plates, 10 to 10s; steel ship angles, 10 to 10s; iron bars, 12 to 12s; steel rails, 10 to 10s. Iron ore: Business is extremely quiet, and the price of best Bilbao Rubio ore is practically nominal at 24s per ton, c.i.f. Tees.

Our Sheffield correspondent writes:—Stagnation is general throughout the iron and steel trades of the district, as buyers, although beginning to want material, regard the outlook as too uncertain to justify them coming on the market. Inquiries are numerous. Makers are dropping their prices somewhat to tempt business, and are getting some relief in costs of production by cheaper pig-iron and scrap. Soft basic billets have been reduced to 18s 1s, and prices are being cut for other semi-manufactured steel. Makers declare that current quotations are unremunerative.

owing to the high prices of fuel and railway carriage, but they are encountering a revival of Continental competition. Developments in the Ruhr have added to the uncertainty of the situation, and is further holding back buying. A good deal of price cutting is taking place in various classes of material. The coal trade is weaker in several branches owing to a decline in exports, but prices are being firmly held at home, and some large users have contracted for supplies to the end of the year. Current quotations per ton at pits are: Best South Yorkshire hards, 22s to 24s; rough slacks, 12s to 14s; smalls, 7s to 9s; best hand-picked branch, 32s 6d to 34s; best Blyth steams, 27s 6d to 28s 6d; ditto Tynes, 28s to 30s.

Our Glasgow correspondent writes:—Dealings this week have been recorded in Scotch hematite at £6 3s 9d, in No. 1 foundry at £5 18s 9d, and in No. 3 foundry at £5 13s 9d—drops, in each case, from last week, of 1s 3d per ton. The steel trade lacks stability, chiefly because of the tribulations in the boiler-making trade. These have completely demoralised construction in some departments. But still, in the circumstances, there is a good deal of smelting proceeding, and the hope is entertained that by the end of the month the totals turned out will bear favourable comparison with recent results. It is rumoured that one or two steel-makers have made moderate breaks in their prices. This is doubtful. But there is no question as to consumers pressing for concessions backing up their claims because of the lower terms now ruling for coals. The standard rates, therefore, may be taken as still near to £13 for boiler plates, £10 5s for ship plates, £10 for heavy rails, £12 10s for steel hoops, £10 for channels, £10 5s for joists, £15 for black sheets 24 g., £13 10s for 18 b.g. to 20 b.g. Export quotations for same are 20s to 25s lower. Malleable iron and steel bars are in very poor request, with crown sorts offering at £12 10s a ton. Bridge-builders are busy on export contracts, and the same applies to bolt, nut, and rivet makers, steel tube makers, wire rope makers, nail makers, and light forgers. Demand for large and small coals, for both home and export, is quieter than it has been for a season, and values are on the decline. They have lost ground by from 5s to 6s a ton in recent months, and the value of the reaction can be appreciated when

OVERSEAS TRADE RETURNS.

IMPORTS (Value C.I.F.).

	Month Ended May 31.		Five Months Ended May 31.	
	1922.	1923.	1922.	1923.
I.—Food, Drink, and Tobacco—				
A. Grain and flour	8,922,490	6,046,936	42,598,683	38,304,068
B. Feeding stuffs for animals	337,527	449,634	2,111,876	2,557,336
C. Meat	10,392,473	10,631,897	41,913,048	50,285,321
D. Animals, living, for food	279,562	1,158,245	764,135	2,758,607
E. Other food and drink, non-dutiable ..	13,128,095	13,224,917	57,764,099	62,130,135
F. " " " dutiable ..	8,501,486	11,277,033	41,057,156	47,125,252
G. Tobacco	1,424,199	942,229	8,188,434	7,504,872
Total, Class I.	42,985,832	43,630,890	194,397,431	210,668,591
II.—Raw Materials and Articles Mainly Unmanufactured—				
A. Coal	..	1,039	20	2,164
B. Other non-metallic mining and quarry products and the like ..	468,810	411,950	2,034,953	2,276,912
C. Iron ore and scrap	522,362	892,111	1,880,728	3,499,362
D. Non-ferrous metalliferous ores and scrap ..	617,912	1,090,079	2,392,280	4,900,497
E. Wood and timber	1,996,971	3,072,956	9,290,589	12,062,604
F. Raw cotton and cotton waste ..	6,397,256	3,763,611	31,675,266	34,169,943
G. Wool, raw and waste, and woollen rags ..	7,604,286	5,924,942	30,320,501	29,393,372
H. Silk, raw, knubs and noils	137,923	82,935	884,552	717,264
I. Other textile materials	698,050	871,427	3,711,689	5,274,042
J. Oil seeds, nuts, oils, fats, & gums ..	3,856,374	4,091,011	15,386,428	19,712,816
K. Hides and skins, undressed	894,162	1,195,589	6,258,317	7,175,688
L. Paper-making materials	928,834	902,760	3,068,381	3,490,064
M. Rubber	626,173	726,875	3,088,342	4,521,412
N. Miscellaneous raw materials and articles mainly unmanufactured ..	649,094	714,150	3,650,210	4,242,885
Total, Class II.	25,358,207	23,741,435	113,642,256	131,439,025
III.—Articles Wholly or Mainly Manufactured—				
A. Coke and manufactured fuel	2,036	64	10,933	5,613
B. Earthenware, glass, abrasives, &c. ..	631,288	573,019	2,844,077	2,906,946
C. Iron and steel and manufactures thereof ..	805,847	928,570	4,365,975	5,552,796
D. Non-ferrous metals and manufactures thereof ..	1,309,467	2,139,902	7,195,463	10,549,086
E. Cutlery, hardware, implements, and instruments ..	596,098	691,323	2,650,842	2,978,469
F. Electrical goods and apparatus ..	108,164	224,293	525,356	926,066
G. Machinery	765,830	843,829	3,352,378	4,003,621
H. Manufactures of wood and timber ..	415,209	416,554	1,592,597	1,842,283
I. Cotton yarns and manufactures ..	593,386	782,806	2,832,374	3,537,780
J. Woollen and worsted yarns and manufactures ..	817,388	919,364	3,533,462	4,446,120
K. Silk and silk manufactures	1,796,478	1,405,915	9,030,984	8,269,158
L. Manufactures of other textile materials ..	954,537	1,156,123	4,212,551	5,482,543
M. Apparel	1,363,818	1,336,705	5,734,815	6,981,352
N. Chemicals, drugs, dyes, & colours ..	869,163	1,118,578	4,475,647	5,929,902
O. Oils, fats, and resins, manufactured ..	3,977,521	3,375,057	18,193,170	14,590,151
P. Leather and manufactures thereof ..	847,603	986,729	4,264,966	5,032,626
Q. Paper and cardboard	1,033,759	1,093,380	4,327,366	4,920,920
R. Vehicles (including locomotives, ships, and aircraft) ..	742,163	935,297	2,882,288	3,827,257
S. Rubber manufactures	583,544	531,050	2,472,802	2,452,773
T. Miscellaneous articles, mainly or wholly manufactured ..	1,993,253	2,104,671	9,264,678	11,077,873
Total, Class III.	20,206,552	21,562,229	93,762,814	105,403,335
IV.—Animals, not for food	22,127	48,703	124,772	299,860
V.—Parcel post, non-dutiable articles..	152,851	408,703	1,026,522	1,662,346
Total	88,725,569	89,478,996	402,953,895	449,470,157

1367

SUGAR.—British refined sold steadily at late decline. Messrs

The Bank is incorporated by a Charter and is under special supervision of the Imperial Japanese Government, issues its own notes in Formosa, conducts general Banking, and acts as Agents for other Banking Institutions. Deposits are received for fixed periods on terms which may be ascertained on application.

had additional support in expectation of a tight squeeze next week at the turn of the half-year. Even forward business in bills to be delivered in July was not reported below 2 per cent. Yesterday money appeared to be very plentiful, but discount rates were kept steady by the result of the Treasury Bill allotments.

	June 22, 1923.	June 15, 1923.	June 8, 1923.	June 1, 1923.	Previous Rate and Date Changed.
Bank Rate	3%	3%	3%	3%	3½ (Jly. 13, '22)
Banks Deposit Rate	1	1	1	1	1½ (Jly. 13, '22)
Discount (Call)	1	1	1	1	1½ (Jly. 13, '22)
Houses (Notices)	1½	1½	1½	1½	1½ (Jly. 13, '22)
Market rate (3 months' bills) ..	2½	2½	2	1½	..

The Bank return showed an increase of £362,000 in the Reserve, almost entirely due to the return of notes from circulation. Other securities expanded by 3 millions, but Government securities declined by rather less than a million. There was thus a net increase of nearly 2½ millions in the deposits, Public being 6 millions higher, while Other declined by 3½ millions. Currency Notes outstanding were reduced this week by £1,486,200 to £286,458,100, which includes £1,472,500 for notes called in, but not yet cancelled. The fiduciary issue is £235,535,600, or £34,648,200 below the maximum.

STOCK MARKETS.

The stock markets generally have been more depressed than for some time past, owing in large measure to international political conditions. Financial failures in America have also contributed to the heaviness of prices. The gilt-edged market has been dull, and some of the premiums recently established on new Colonial issues have dwindled. There was much activity in the scrip of the new Austrian loan, the highest point touched being 7 premium. Interest in Home Rails is lacking, and prices have dwindled. Rubber and oil shares have been dull, but shipping, insurance, and banking shares remain fairly steady, while electric lighting descriptions maintain their prices. The announcement of a further batch of satisfactory Kaffir dividends has failed to stimulate the market, and other mining markets are stagnant.

THE COMMODITY MARKETS

Sagging prices and little business is the keynote of the majority of reports from industrial centres and commodity markets. Sugar has led the way with a sharp fall, and wheat prices are lower following a similar movement in America. Lower prices for vegetable oils and seeds have produced a little more business in the home market, but the export side is quiet. The leather and hide markets are weak, and a further slight fall has occurred in rubber, in which business is on a very limited scale. Business in the Manchester cotton trade has been unsettled by the wide fluctuations in raw cotton rates, the upward movement being followed by an easier tendency. Amongst fibres, Manila hemp hardened on account of smaller deliveries. The wool trade is faced with the anomaly of wool selling at good prices, while tops and yarns cannot be sold to cover costs of production. The continuous fall in coal values in South Wales has at last been checked. Our Sheffield correspondent mentions that although the export trade for fuel is so dull it has not benefited home consumers, coke prices being actually harder. Pig-iron prices are still sagging, and no forward contracts are being placed; the market for steel continues quiet.

FOREIGN EXCHANGES.

In the foreign exchange market the week has again been one of uncertainty, with little business and fluctuating exchanges. In view of the general depression, the dollar rate has been satisfactorily firm, and at \$4.61½ yesterday morning is about ½c higher than last week, although it has fallen back again from the figure of \$4.62½ reached on Tuesday. Forward rates at ½c per month above spot are very slightly narrower than a week

ago. In the early part of the week the mark continued rapidly to degenerate, under the influence mainly of German selling, and on Monday at one time was as high as 740,000. Afterwards there was a recovery to about 560,000 on Wednesday, since when it has been in a torpid state round about 630,000. It is reported that a new attempt is to be made by the German Government to stop this rot, although it is by no means clear what effective measures they can undertake. Forward rates are quoted nominally at 60,000 per month above spot. The dependence of Warsaw on the German mark has been shown again by a rapid rise to 600,000 on the 20th, when it was announced that the Finance Minister had prohibited exchange dealings and had requested the banks to hand over their supplies of foreign currency. Since then the rate in London has been quoted at about 500,000. The Paris rate has been extremely uncertain, moving from 72.75 on Friday last up to 75 on Monday, after which it fell back to 73.75 on Wednesday, to rise again to 74.85 by yesterday morning. Apart from the effect of the German collapse and a growing uncertainty as to the success of France's action, the Budget position continues to give uneasiness, and there is a general expectation that the autumn demand for raw material imports will press heavily upon the exchange, while rapidly rising prices in France itself are making it increasingly difficult to export at present levels. Brussels, as usual, has moved in close sympathy, and now stands at 87.80, as compared with 84.65 a week ago. Forward rates in Paris have narrowed ½c to 4½c per month over spot; in Brussels they have widened slightly to 1c below. The lira has been also affected, although to a smaller extent, by this general fall in values, and has risen over the week from 99.60 to 101½. Among neutral exchanges, Amsterdam, after being up to 11.79 under the influence of the Dutch India loan in London, is back at 11.77½, some ½ higher than last week. Switzerland, at 25.71, is 2 centimes higher than the 15th; Madrid, after some fluctuations, is 31.10½, as compared with 31.09. In Scandinavia, Copenhagen, after moving higher, is down again to 25.77½, which, however, is still well above the 25.66 quoted on the 15th. Stockholm, at 17.41½, maintains its parity with the dollar; Christiania, at 27.77½, is 7½ points above last week. In Central Europe, the Vienna rate is still wisely maintained at the rate of 325,000. Prague, at 154½, is much the same, Belgrade shows some improvement, but Bucharest is depreciating again. In the East the rupee is ½d cheaper at 1s 4 3/32d, and Yokohama has depreciated slightly to 2s 1 1/8d. The silver market has been quiet, but bear covering and the absence of immediate stocks has kept the price steady. Hong Kong is ½d cheaper at 2s 3 1/4d, Shanghai 1d lower at 3s 2d. In South America, Rio is ½d dearer at 5½d, Buenos Ayres ½d cheaper at 42½d. Monte Video is slightly lower at 42½d, and Valparaiso has fallen back again from 34 to 33.70 pesos.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended June 16th:—

EXPENDITURE.	Min. £	REVENUE.	Min. £
Supply Services	3,860	From Revenue	13,361
Sundries	381	Amount Borrowed	7,951
Interest, &c., on War Debt	16,971		
Increase in Balances	100		
	21,312		21,312

Interest on War Debt continues to be the most remarkable item in the Revenue returns. This week nearly £17 millions goes out on account of the first American Debt payment out of a total expenditure of approximately £21½ millions. Revenue provided about £13½ millions, to which Customs contributed £1,855,000 as against £1,892,000 for the corresponding period last year, while Excise yielded £2,023,000 as compared with £5,937,000. Property, Income and Super Taxes brought in £23,190,000, while under Miscellaneous £2,993,700 came into the accounts. The week's operations increased the National Debt by £7,950,975, and caused the following changes:—

	Min. £		Min. £
Bank of England Advances	4,000	National Savings Certificates	500
Treasury Bills	4,534	Public Department Advances	14,480
		Treasury Bonds	1,430
		Sundries	75
	8,534		+ 16,485

The floating debt was increased by £5,935,000 to £822,325,500.

FINANCIAL YEAR, 1923-24 (April 1 to June 16, 1923).

	£		£
Total Expenditure ..	188,291,073	Raised by Revenue ..	158,775,689
		Net Borrowings	26,441,686
		Decrease in Balances ..	3,073,698
Total	188,291,073	Total	188,291,073
ESTIMATES FOR YEAR 1923-24.			
Ordinary Expenditure ..	801,013,000	Ordinary Receipts ..	778,500,000
Special Expenditure ..	15,603,000	Special Receipts	40,000,000
Total	816,616,000	Total	818,500,000
		Surplus	1,884,000

The Week in Parliament.—Two days of House of Commons time have again been given to the Committee stage of the Finance Bill. Certain concessions relating to the revaluation of house property were made, otherwise the Finance Bill is passing without material change. Wednesday was occupied with the Committee stage of the Housing Bill, and on Thursday Mr Adamson's Bill to amend the Coal Mines Minimum Wage Act was defeated after a second reading debate. Yesterday the Commons discussed the Universities of Oxford and Cambridge Bill. The House of Lords discussed food supply in war, and financial relations with the Irish Free State.

Company Meetings of the Week.—On later pages of this issue will be found reports of the meetings of the following companies:—Suez Canal Company, Anglo-Argentine Tramways Company, Crown Mines, City Deep, J. Lyons and Co., Channel Tunnel, Antofagasta (Chile) and Bolivia Railway, Molassine Company, Tamplin and Son's Brewery, Madras Electric Supply, and Oroville Dredging Company. At the meeting of the Anglo-Argentine Tramways Sir George Touche had much to say on the action of the Buenos Aires Municipality on the question of fares. Mr Samuel Evans, at the meeting of Crown Mines, Limited, put forth lengthy arguments in favour of a return to the gold standard. At the meeting of J. Lyons and Co., the chairman explained the reasons for a new issue of 7 per cent. preference shares to be made to shareholders only. Baron d'Erlanger, at the Channel Tunnel meeting, was still optimistic as to the ultimate accomplishment of the scheme.

EUROPE'S SUSPENSE.

HAD we been living in a more superstitious age we might have been inclined to regard the eruption of Mount Etna as a portent or an omen. For days the streams of lava belched forth from new fissures in the mountain, steadily swallowed up the fertile country-side and threatened to engulf one after another of the flourishing little townships which cluster around the lower slopes. To-day the fear of ruin from a renewed vehemence of eruption still remains, but there is hope that some at least of the threatened towns will be saved from the ruin that seemed to be impending. Even the most matter-of-fact observer may trace in this week's story of Etna's behaviour a parallel with the course of events in Europe. Out of the Franco-German impasse has sprung a series of events that threatens to plunge Germany into a collapse that must involve her creditors in grievous loss, and could not fail to check indefinitely the return of prosperity the world over. But just as there is hope that the threatened Sicilian towns will be saved, so there remains still a chance, if statesmen can at last seize it, that the destroying stream of economic lava may be stayed in Europe. The chance in the case of Europe is one that may not last very long, and may not recur.

Nothing very definite has as yet been permitted to emerge from the interchange of diplomatic discussions between the Allied Powers, but it is all to the good that so much time has passed without any word or action from Paris that would make impossible the arrangement

of an armistice in the Ruhr and a reopening of discussion of the terms of a reparations settlement. A Ruhr armistice, it is true, may appear to have been made more difficult by the tightening up of the French occupation and the intensified "blockade" of the rest of Germany; and it might also be argued that the more aggressive the French occupation becomes the wider grows the gap between the French and British positions. But we are not without hope that such a view of the position is deceptive. Intelligent forecasts of the French reply to the German offer foreshadow a very distinct change of tone, and at least some considerable movement in the direction of the British view—changes that may be attributed not merely to the British questionnaire or neutral representations, nor to developments in the Belgian attitude, but also to the clear warning of acute danger which the course of economic events has forced upon French attention—a warning which at last seems to have secured for the purely economic aspect of the reparations problem a less disproportionate share of attention across the Channel.

In Germany the riotous fall of the mark and the decline of morale has undoubtedly brought the economic situation a stage nearer to the precipice. But there is still time to avert any irretrievable collapse. In order to secure a restoration of confidence, through which alone the collapse can be avoided, the German Government would, we believe, be prepared to go a very long way to obtain an agreement with the Allied Powers. Unless usually well-informed prophets are wrong, the chief emphasis of the French reply will be laid upon the inadequacy of the guarantees offered in the latest German Note. If more specific guarantees are demanded, Berlin will be found ready, we believe, to clothe the guarantees already offered in a far more substantial and satisfying garb. The German Government, unless we are seriously mistaken, will show itself ready to accept something approaching the form of international control, which, under the auspices of the League of Nations, has already been put into force in Austria. One of the specific guarantees offered by Germany is that of the State railways; and the obvious comment made by her creditors was that the railways are at present a liability rather than an asset, and that no proof existed of the German Government's capacity to turn them into a substantial revenue-earning asset. Dr Cuno is now credited with full recognition that his Government is too weak to make the necessary increase in rates and fares to turn the railway guarantee into a tangible security, or to impose sufficient taxation to ensure the annuities from other sources reaching a proper figure. When such recognition has dawned, it is no very great step—and one which we believe Germany will be ready to take—to submit to international control more or less in the Austrian shape, in so far as it is clear that only by external pressure can the guarantees that she has already offered be made really effective. But, if such control were to be accepted, there is one essential condition that Germany would inevitably demand; namely, that the predominating influence in it should not be French. Germany's distrust of international control is not unnatural, for it is derived from such incidents as that of the Saar, where a régime purporting to be international, and under the League, has, in fact, proved to be equivalent to French domination. It cannot be doubted that Germany would prefer to face even the unknown perils of collapse and probable disintegration rather than run any risk of seeing the Saar tragedy reproduced on the grand scale in the "fatherland."

As every day passes the situation becomes more acute. The sands are running out. But there are, we believe, three grounds for hope that the gordian knot may at last be cut. The first is that the arrangement of terms, acceptable both to France and Germany, for an armistice in the Ruhr during discussions of the reparations problem, is possible; the second, a growing will for a settlement in France; the third, the probability that Germany is prepared to go to great lengths to make effective the rather vague and unsubstantial guarantees that she has offered. Here at least is material on which the good offices of the British Government may be employed with some hope of success. We have indicated often the lines of settlement which we believe opinion in this country would sanction. There seems at last to be some possibility that

something not vitally foreign to those lines might become the basis of negotiations. So far Mr Baldwin has, probably with wisdom, refrained from showing his hand in public. He will require for the part he has to play, as he remarked in a speech at Oxford last Saturday, "the courage of a Pitt and the faith of a Lincoln." Both in courage and faith he should be sustained by the knowledge that the people of this country, irrespective of party, are behind him in any contribution that he can make towards a settlement which conforms with economic laws and holds good promise of future peace and confidence in Europe.

THE DOUBLE TAXATION REPORT.

SIGNED by Professors Bruins, Einaudi, Seligman, and Sir Josiah Stamp, a report on Double Taxation, submitted to the Financial Committee of the Economic and Financial Commission of the League of Nations, has an imposing mass of authority behind it. It was perhaps inevitable that a treatise signed by all these distinguished names should be difficult reading for the layman. The four experts were invited to state what are the economic consequences of double taxation from the point of view (a) of the equitable distribution of burdens, (b) of interference with economic intercourse and the free flow of capital, and were then further asked to what extent are these consequences similar in the different types of cases commonly described as double taxation. Evidently if the first question is fully and clearly answered it contains the answer to the second, and whoever drew up the terms of reference began with a muddle, which was communicated to the minds of the reporting authorities, and has come, through them, to the mind of at least one of their readers, after a perusal of their enlightened opinions. The report is exasperatingly dull and difficult, and when one considers how important and interesting the subject is, and how admirably qualified the four experts are to elucidate rather than obscure it, it does seem a pity that some bright young secretary or journalist, or somebody practised in putting things before the public in a way that it can understand, was not employed to manage and express the ideas of these economic high-mightinesses. As it is, we are treated to such information as that, "so far as concerns taxation in existence at the time when an investment is made, the 'burden' of double taxation is a misnomer. It can only be rightly called a 'burden' if a hindrance to free action is a 'burden.' As a matter of fact, it is rather a 'barrier,' and the appearance of double taxation is, in fact, for the most part negated by the ordinary operation of economic forces. If, however, to be debarred from such an extensive or profitable operation as one might have had if the 'barrier' did not exist is a 'burden,' then in this sense the barrier is a burden," and so on.

And yet there has evidently been an effort to make the discussion concrete and practical, and, as will be seen, the assembled experts did succeed in arriving at a definite, if rather tentative, conclusion. A country called "Morania" was created or plagiarised, and "had the advantage of not raising (subconsciously) any prejudices or presumptions which might cling round the use of an actual or specified country"; moreover, as Gilbert says, it lent an air of verisimilitude to an otherwise bald and unconvincing narrative. The experts decided, in agreement with an anonymous memorandum prepared for Sir Basil Blackett and already published as "League of Nations document No. E.F.S. 16a, A. 16a, dated May 31, 1921," that any non-resident making an investment in Morania, knowing that it will be subject to taxation there, throws back upon the borrower the burden of the Moranian tax, and so escapes it. This seems to be true in the main, and in so far as investors do their business as investors with due care and inquiry—that is, by no means always, but generally. The next conclusion, however, seems to be slightly inconsistent, for it is to the effect that "taxation imposed in Morania on investments placed there by investors of other countries will

act as an impediment to the movement of capital to Morania." If investors are able to throw the burden back upon the borrower, it is not easy to see why the burden should in this example act as a barrier, unless the Moranian borrower finds the cost of the loan so great, owing to the tax, that he cannot afford it, just as the import of goods may be checked by a high tariff. Perhaps that is what is meant by the next sentence, which endeavours to elucidate the paradox by saying that "the reason of this restriction of movement is that a marginal quantity of the (e.g.) British capital has, by reason of the imposition of the Moranian tax (contrasted with freedom from such taxation), been induced to seek other fields of investment." How the Moranian tax can have been contrasted with freedom from such taxation is not clear, or why British capital should have gone elsewhere if its owner can make the Moranian borrower pay. But it is clearly right, as decided by the economists, that "taxation imposed in the country of investment, after the date of investment, of a weight greater than that anticipated or provided by the investor, will impose double taxation in a true sense, from which the investor will find it difficult to escape." In other words, the Governments of countries that import capital can only tax such capital after it has been imported. From which it follows that when once this principle has been grasped and acted on by the Governments of countries that export capital, borrowing countries will be very ill-advised to tax imported capital, because by so doing they are merely raising the price of capital to their own citizens, who will have to pay the tax on any capital that is imported after the tax has been imposed.

Putting the matter in a concrete form, Morania, by taxing interest earned on British capital in Morania, can tax the foreigner very pleasantly as far as all the many millions of British capital already there are concerned; but she will not be able to tax any new British capital that comes in, unless our own Inland Revenue authorities make an allowance for Moranian tax, in which case Morania is simply helping herself to British revenue. If the British Government takes a firm stand, and makes its citizens pay tax on their incomes wherever earned and however much taxed abroad, then it forces British investors to exercise their power of throwing back upon the borrower the burden of the Moranian tax. To Morania it becomes a question whether it is worth while to get revenue out of the British capital already in its borders, and only to be renewed, in most cases, at a loss which represents the burden of the tax; or whether it is better to assist industry's future development by refraining from putting on a tax which will fall apparently on foreigners, but really on its own borrowing citizens. When Governments want to borrow themselves they recognise clearly that they cannot tax the foreigner. As the report points out, many loans have lately been sought in the British money market by foreign borrowers—"Australia, New Zealand, France, Brazil, have each issued their securities yielding fixed rates of return. One and all are distinguished by a common feature—namely, the exemption of the yield from all taxation, present or future, of the borrowing country. The United Kingdom itself, when under the necessity during the war of raising all the money it could abroad, offered its Government war securities to persons not domiciled (and, as respects income taxation, even to persons not ordinarily resident) in the United Kingdom, free of all internal taxation. These practical examples strongly confirm the general principle already reached in theory that, as respects fixed-yield investments at least, the investor throws back on the borrowing country the burden of that country's taxation." And so theory and practice combine to show the man of common sense what is behind what the report describes as method for dealing with the problem, namely, that the "country of origin [of the income] should exempt all non-residents from taxation imposed on income drawn from sources within its borders." This principle "recognises the theoretical fact that the country wanting the money cannot successfully 'tax the foreigner'; it can only shut him out." If the League of Nations can convince borrowing countries of this simple but elusive fact, and persuade them to shape their fiscal policy by it, it will have done a great work.

BETTING AND THE LAW.

(BY A LEGAL CORRESPONDENT.)

THERE are indications that, in the events of the Betting Tax Committee recommending a tax, and of the acceptance by the Government of that recommendation, it will be stoutly opposed by a minority section of the public on the ground that such a policy would amount to State legalisation or recognition of betting, and connote active encouragement by the State of that vice or pastime. It seems desirable, therefore, to examine dispassionately before the controversy breaks out (if it ever does) what has hitherto been the attitude of the State towards betting. In doing so we must travel ground that is familiar to the lawyer but not to every layman. We shall consider, firstly, the civil aspect of the matter—namely, (a) how far bets themselves have been and are enforceable by the State through its courts of law, and (b) what the position is of cheques and other securities given in respect of sums lost and won in betting. We shall then consider, briefly, (c) how far, and in what circumstances, betting is at present a crime.

(a) At common law—that is, before the Legislature took a hand in the matter, gaming or wagering agreements (apart from certain insurance policies and certain unlawful games—such as ace of hearts, pharo, baccarat, roulette, or roly-poly, &c.) were enforceable at law, unless the particular wager offended against morality or decency or public policy. Thus the judges refused to enforce a wager upon a person's sex, or a wager on the life of Napoleon Bonaparte (on the ground that it encouraged his assassination and therefore provoked reprisals upon British monarchs); but Lord Mansfield felt himself able to enforce an agreement made by two young "sparks" at Newmarket "to run their fathers (to use the phrase of that place) each against the other"—that is, to see which would live the longer. In fact, to quote the late Professor Dicey, "A wager is at common law an absolutely lawful contract," albeit exposed, like other contracts, to the penalty of not being enforced if it offends against morality or public policy; but a wager was not intrinsically contrary to public policy. Then in 1845 a deepening sense of the abuses connected with gaming and wagering, and the reluctance of the judges to be used as the means of enforcing the resulting agreements, led to the passing of the Gaming Act, 1845, whereby (in addition to many changes in the criminal law) the State adopted a neutral, if not discouraging, attitude towards these practices by removing them from such legal protection as they then enjoyed, and nullifying any obligations arising under them: "All contracts or agreements.....by way of gaming or wagering shall be null and void, and no suit shall be brought or maintained in any court of law or equity for recovering any sum of money or valuable thing alleged to be won upon any wager....." So, if I make a bet with a bookmaker, I cannot sue him if I win, and he cannot sue me if I lose.

But if I employ a turf agent to bet for me, my agreement with him is not in itself a gaming or wagering agreement, but only collateral to such an agreement. So I can recover the amount of bets laid by him on my instructions and won, while until the Gaming Act, 1892, he could recover from me the amount of bets laid on my instructions and lost. Since that Act, however, it is a case of "Heads I win, tails you lose," if I choose to enforce against my turf agent my legal rights and ignore my moral obligations—which would lead to a speedy change of agent and perhaps a difficulty in finding a successor.

(b) We have now to consider the attitude of the State towards promissory notes, cheques, and other securities given in respect of money lost at gaming or wagering. It is said that a great impetus was given to horse-racing in England by the importation of horses from Tangier, which formed part of the dowry of Charles II.'s Queen Catherine of Braganza. This led to a great improvement in the breed of horses, and racing soon became a national pastime. A statute was passed in 1664, entitled "an

Act against deceitful, disorderly, and excessive gaming." The Act then punishes dishonest gaming, and limits excessive gaming by providing that losses exceeding £100 at any one time incurred in "playing at or with cards, dice, tables, tennis, bowles, kittles, shovelboard, or [at] cock-fightings, horse-races, dog-matches, foot-races, or any other game or pastime, shall not be recoverable, and all contracts, bonds, bills, &c., in respect thereby are made "utterly void and of none effect."

The next stage is reached when an Act of 1710 (9 Anne c. 14) goes far beyond the Act of Charles II., and makes all notes, bills, bonds, and other securities for money won by gaming or playing at a number of games utterly void. Horse-racing is not specifically mentioned, but has frequently been held to be within the statute; in 1748 the judges were asked to include within it a cricket match in which certain persons styling themselves the "County of Kent" played against certain others who called themselves "All England," and it was argued that cricket was a "manly game and not bad in itself." The point stood over for further argument, but there is no doubt that both cricket and football matches are within this statute.

Thus the position of cheques and other securities given in respect of bets won at the games and pastimes specifically mentioned in or judicially included within these statutes was that they were utterly void and of no effect even in the hands of bona fide third party recipients who gave value for them. This state of the law was productive of much hardship, and accordingly the Gaming Act, 1835, provided that instead of being utterly void they should merely be "deemed.....to have been.....given.....for an illegal consideration"; which may sound to the layman much worse than being merely void, but is in reality much better, for it enables the third party, who gives value for a cheque and takes it without knowledge of its objectionable origin, to recover upon it. This statute, which is still in force, is the basis of the law regarding cheques for bets to-day, and accounts for the distinction which has to be drawn between a cheque in payment of a bet on a football match or a horse-race and a cheque in payment of a bet on a bye-election. Neither can be sued upon by the payee of the cheque, for that would be contrary to the Gaming Act of 1845. The former cheque can be sued upon by a subsequent holder for value, having no notice of the objectionable origin, while the latter, not being within the Acts of Charles II. or Anne, can be sued upon by a subsequent holder for value in spite of his knowledge that it originated in a bet on a bye-election.

Moreover, between the passing of the Gaming Act, 1835, and its partial repeal by the Gaming Act, 1922, the loser of a bet who gave a cheque in settlement of his loss and subsequently had to meet that cheque, could recover the amount so paid from the winner, even though he had actually paid it to the winner or the winner's bank.

(c) Turning to the criminal law, the crux of the position is this: Betting in itself is not a criminal offence. As Mr Justice Darling has said: "Betting is a legal act which is made illegal if it is done in certain localities which the [Betting] Act calls 'places.'" The two principal Acts are the Betting Act, 1853, and the Street Betting Act, 1906. The criminal legislation is marked neither by consistency nor by clarity, but the net result may be stated to be that a bookmaker may keep an office for the purpose of betting on credit by means of letter, telephone, or telegram, but not for the purpose of enabling his customers to resort to it in person. As regards ready-money betting, it is a criminal offence for a bookmaker to carry on betting in any "place" within the meaning of the Betting Act, 1853—that is, any spot over which he has established some kind of monopolistic, though temporary, possession. Thus a race-course in itself is not such a "place," but a portable booth erected upon it, a moveable box upon it, and even a capacious umbrella fixed into the ground and affording shelter to the bookmaker and a group of his customers, have been held to be "places." Moreover, betting, whether for credit or for ready money, carried on by a bookmaker in a street is criminal, and special provisions prohibit betting upon licensed premises and in clubs and public libraries.

It is perhaps also relevant to mention that the State abandoned, exactly 100 years ago, the practice of raising

money by lotteries, the last State lottery being held under the Lottery Act, 1823; that a bankrupt who has aggravated his insolvency by "gambling" within two years of the presentation of a bankruptcy petition against him is guilty of a misdemeanour; and, further, that it is an indictable offence to send to an infant (knowing him to be such) a circular or other document inviting him to bet.

From this much-compressed summary of the present legal situation it is difficult to extract any consistent principle which may be said to underlie State action in the matter. The State has now refused for a long time to enforce bets in the courts, and in that way has attached what has been called the "sanction of nullity" to such transactions. Nor does it seem to follow that if the State is to tax betting, bets must become enforceable in the law courts. But it has refrained from branding bets as such as criminal or even as illegal, which is clear from the fact that a collateral transaction, such as a turf agent's liability to account to his principal, is enforceable by the courts. When, however, betting, by reason of the circumstances attending it, appears to constitute a social evil, the Legislature has stepped in and made it a criminal offence—with results that are quite illogical and frequently unfair as between one class of betting business and another. In short, the attitude of the law is one of hardly benevolent neutrality to betting in general, coupled with a rather capricious condemnation of certain of the more democratic and mischievous forms of carrying on the business.

THE SEA CARRIAGE BILL.

THE Sea Carriage Bill came on Thursday before the Select Committee to which, as noted in the *Economist* of the 2nd inst., it had been referred. The Committee (which will hear further evidence on Monday) comprises four members each from the Lords and the Commons, including Lord Sterndale, who has been elected chairman. The Board of Trade, as the department responsible for this measure, is apparently determined to pass it into law if possible, and thereby finally dispose of a controversy which has smouldered on for 40 years or more between merchants and shipowners. The present indications are that, unless anything unforeseen occurs, the Bill will go through. There can be no doubt whatever that the great majority of commercial men, including the bankers, approve of the provisions as to shipowners' responsibility for goods carried under bills of lading set forth in the revised Hague Rules scheduled to the Bill, and shipowners themselves, as an organised body, are supporting the measure. If this country, by legislation, confirms the rules, the probability is that pending proposals for legislation elsewhere will be brought into line, and effect thus given to the intention that the scheme shall be international in its operation. In the United States a Bill to give effect to the rules was introduced some time back. France, Germany, and Japan might be expected to follow suit, and then the Scandinavian countries, where of late some opposition to the scheme has been manifest, could hardly do otherwise than take the same course.

The Scandinavian objections have come from shipowners and merchants interested in the tramp trades—in bulk cargoes as distinguished from liner traffic—and apparently their point of view is similar to that of the British coal exporters who took exception to the Parliamentary proposals but are now understood to be disposed to accept certain alterations which may be made in the clauses of the confirming Bill, leaving the international rules as they stand. It may, therefore, be assumed that the adjustment which has been arrived at, besides satisfying the coal exporters, will in due course result in the withdrawal of Scandinavian opposition. The whole matter has been under discussion during the past week at the annual meeting of the Baltic and White Sea Conference—the members of which are shipowners of various

nationalities interested in the short-sea trades—which has been held at Gothenburg. The president, Mr Salvesen, of Leith, expressed objection to Government interference with freedom of contract and preference for the existing method, whereby, in the tramp trades, the conditions of shipment are arranged between representative bodies of merchants and shipowners. He urged that the tramp trades should be excepted from the operation of the rules. In another speech at the same meeting reference was made to the amendments of the Bill now before Parliament, which have been proposed in order to meet the case of British tramp shipowners in the coal export trade and the coasting and short-sea trades, and the statement was made that British owners must regard themselves as bound to support the Government. The shortcomings of the Imperial Shipping Committee, whose report in 1921 more or less set the ball rolling, were also referred to at the meeting of the Baltic Conference. The Committee, it was pointed out, basing its findings on imperfect information, failed to distinguish between bulk cargoes and the mixed general cargoes carried usually by liners.

These eleventh-hour discoveries after two years of international discussion are indeed surprising, and the same remark applies to the criticism bestowed on the Rules themselves by the learned editors of "Scrutton on Charterparties and Bills of Lading." The preface to the new edition of that standard work was (as mentioned in a previous article) communicated to the Press in advance. The new edition* has now been published, not, it appears, so much because of development of the law as because the last edition had been completely sold out. Still, there were some 60 new cases calling for notice, besides alterations necessitated by recent legislation, and business men concerned with shipments, as well as members of legal circles, will welcome the eleventh issue of this authoritative book, which has passed so rapidly through its editions. In the preface the same objection to interference with freedom of contract as was put forward at Gothenburg this week is urged, regardless of the terms of the merchants' long-standing complaint that in actual fact they have no option, when shipping smaller consignments, but to accept the shipowners' printed bill of lading, which hitherto has excluded liability for negligence.

In the broad sense the arguments for freedom of contract are conclusive. "The school in which I was brought up," said Lord Sumner on the second reading of the Bill, "taught one that the sheet anchor of trade was freedom of contract," adding that, of all trades, the great parties were quite able to make contracts for themselves which the law would interpret and enforce. The fact stands, however, that the parties have of late shown a definite preference for a collective bargain in this particular matter of responsibility for cargo during the voyage, and for legislative sanction to the bargain. Whether they are wise in allowing their agreed terms to be stereotyped by legislation, not merely nationally but internationally, so that it will be difficult afterwards to revise them, is a question which has disturbed some minds, but the course of events has swept this doubt out of the current of practical politics. Matters have reached the stage at which legislation must be passed embodying the best international compact which, in the circumstances, it has been possible to work out as a compromise of present conflicting interests. The alternative, in the former state of chronic complaint and irritation, with added bitterness, and probably separate unco-ordinated (and therefore conflicting) legislation in the various maritime countries. There are thus very strong reasons why the present British measure, though open to some criticism, should be passed. The members of the Baltic Conference, as a result of their discussion, adopted a resolution urging further delay and yet another international conference, but perhaps the most significant thing about this resolution was that British and American representatives abstained from voting for it. In order

* "The Contract of Affreightment as Expressed in Charter Parties and Bills of Lading." By Sir T. E. Scrutton. Eleventh Edition. By Sir T. E. Scrutton and F. D. Mackinnon, M.A., K.C. (London) Sweet and Maxwell, Limited. 1923. 36s net.

that the scheme may work internationally it must be general, and not subject to exclusion of any classes of shipping. In that form the proposals before Parliament command, as already indicated, the support of the great majority of the business interests concerned.

THE WORLD'S PRODUCTION OF CEREALS.

THE virtual exclusion of Russia from the world market, together with the disorganisation of production throughout Eastern and South-Eastern Europe, seemed immediately after the war to threaten serious consequences for those industrial countries which depend to a greater or lesser extent upon imported foodstuffs. The rapidity with which this deficiency has been made good by an increase in production in extra-European countries thus appears as one of the most significant events of the post-war period. Supply, in fact, has overtaken demand, though demand itself has fallen off considerably on account of the impoverishment and the resultant fall in the standard of living of the peoples of Central Europe. It is not, however, easy to say with any degree of certainty whether supply will continue to prove adequate, for not only must it be remembered that the American harvest was very satisfactory in 1921, as well as in 1922, but the temporary price guarantees given by the American Government also stimulated sowings to a very large extent. As world demand now draws on less varied sources of supply the incalculable vagaries of the weather may well prove much more inconvenient than in pre-war days; while in the absence of price guarantees on the part of the Government it is hardly conceivable that the area down to cereals in the United States can long be maintained at last year's level.

The crop statistics collected by the International Institute of Agriculture illustrate in a striking fashion the manner in which the New World has redressed the balance of the Old:—

WHEAT CROP.

(In Thousands of Metric Tons.)

	1921.	1922.
Western Europe—		
England and Wales	1,899	1,665
France	8,803	6,405
Germany	2,934	1,957
Italy	5,248	4,370
Spain	3,950	3,414
Eastern Europe—		
Bulgaria	1,157	934
Czechoslovakia	1,052	915
Hungary	1,434	1,226
Poland	1,018	1,150
Roumania	2,138	2,504
Yugoslavia	1,410	1,149
TOTAL EUROPE (excluding Russia)	33,476	27,549

It will be seen that, with the exception of Poland and Roumania, last year's crop was inferior to that of the previous year in all the principal producing countries of Europe for which statistical returns are available. In Russia the 1922 crop was certainly decidedly better than that of the famine year 1921, though the production of all the Eastern European countries was well below the pre-war average.

If, on the other hand, we turn to the extra-European producing countries, the contrast is most striking:—

WHEAT CROP.

(In Thousands of Metric Tons.)

	1921.	1922.
Canada	8,188	10,880
United States	22,178	23,302
India	6,813	9,970
	1921-22.	1922-23.
Argentina	4,916	5,281
Australia	3,600	2,857

In the case of all these exporting countries, save only Australia, the 1922 figure was in excess of that for the previous year. While the United States more than maintained the enormous total of 1921, India showed an increase of over 46 per cent., and the Canadian total was one-third greater than in the previous year. It is, moreover, interesting to notice that Canada and the United States between them produced more wheat last year than all the European countries (except Russia) together.

The rye crop was, on the whole, decidedly inferior in the European countries last year as compared with the previous year (with the single important exception of Poland), though American production of this cereal was on the increase. The same general tendency is also noticeable in the case of barley and oats, though the Roumanian output of these crops showed a marked increase, due primarily to the export duty levied on wheat. The yield of oats in North America was considerably greater, a crop of 7½ million metric tons being registered for Canada last year as compared with 6½ million in 1921, while the United States crop was over 17½ million metric tons, as against some 15½ million in 1921.

The maize crop was decidedly inferior in the three principal producing countries for which returns are to hand, as will be seen from the following table:—

MAIZE CROP.

(In Thousands of Metric Tons.)

	1921.	1922.
United States	77,944	73,426
Roumania	2,817	2,808
Italy	2,458	1,950

The abundance of extra-European supplies of wheat last year combined with reduced purchasing power in Central Europe to bring world prices down to a level less than a third higher than that of 1914. This has naturally had an effect on current sowings. The report given by our Canadian correspondent last week stated that there has been a marked diminution in the acreage down to wheat this year, though this has not been quite as great as had been feared some weeks ago. Their experience last year seems to have led Western farmers to go in more and more for mixed farming—dairying, poultry and hogs thereby gaining at the expense of wheat. While spring sowings have been delayed on account of snow and rain, the weather has since provided favourable moisture conditions, and prospects seem quite good.

In the United States low prices have had a similar effect, and spring wheat sowings apparently amount to less than 84 per cent. of the average of the last five years. The cultivation of flax, on the other hand, has been stimulated by the firm prices still ruling, and the acreage down to this crop is over 162 per cent. of the corresponding average. In the Southern States again there has been a reduction in the acreage down to maize, for Southern farmers are devoting more attention to cotton.

Reports from Russia, which require to be used with some caution, are, on the whole, decidedly optimistic. Sowings in 1922 showed a considerable reduction as a result of the previous year of famine. In a recent speech to the Soviet Food Congress, Rakovsky stated that sowings in the Ukraine, which is much the most important producing centre, are from 15 to 20 per cent. above those of 1922. The autumn sowings are described as being good, though cold has delayed the spring sowings. The Crimea and the Volga are both stated to be good, with the exception of the South Volga area, where the weather has been too dry and too cold. There appears to have been a further shrinkage in the area down to wheat in Roumania, though the position in Bulgaria seems to be still better than last year, while May reports state that the winter seedings are doing well in that country.

The first wheat crop to arrive is that from India, and it is gratifying to learn that the preliminary estimates for wheat are better than last year by nearly 20 per cent. While many things may happen between now and the time of harvest, it seems at present to be unlikely that there will be any serious shortage this year, though, with the reduction in acreage in North America, it is even less probable that prices will remain at the record low level for the post-war period which was established last year.

THE LEATHER TRADE OUTLOOK.

(BY A CORRESPONDENT.)

ALTHOUGH the leather trades as a whole are in a sound condition, the improvement hoped for at the opening of the year has not been very pronounced. The uncertain state of the hide and skin market has caused tanners a good deal of anxiety, especially as the price obtained for leather has borne no real relation to the cost of production. Both imported and domestic raw material has been very dear, and even when tanners abstained from buying, the demand from overseas was sufficient to maintain high values. This is shown by the recent Board of Trade statistics, as no less a quantity than 65,735 cwts (value £191,839) of raw hides and skins left our markets in five months for overseas consumption, a remarkable feature being that Germany took 10,109 cwts of the total of a value of £19,347. America also has been a big buyer of British raw hides and skins, her bill during the past five months amounting to 30,684 cwts, valued at £101,094. The export of sheep pelts has also been on a large scale, as these amounted in value from January to the end of May to £226,351, as compared with £91,981 for the same period of 1922.

The imports of hides show an increase, the totals of wet hides for the first five months of 1922-23 being 184,500 cwts and 210,559 cwts, and of dry hides 174,691 cwts and 325,300 cwts. The above figures show that tanners are regaining confidence in spite of adverse conditions, and as prices of hides are now weakening all over the world, they hope their productions will soon show a reasonable margin of profit. South American hides are gradually coming down in price, the decline in one week being quite 4 per cent., probably owing to the abstention of American tanners from the market. Sales of Argentine ox are, in fact, reported to have been made on a basis of 8½d c.i.f., whilst latest cables from New York describe the Chicago hide market as very weak, with best packers now selling from 15 to 16 cents. It seems safe to assume that values of the raw material are at last finding their true level, and as the demand for leather shows signs of increasing, there is no apparent reason why the easing of hide prices should be followed by a general slump in the values of leather.

As quite a large proportion of the better grades of sole and dressing leather is made from British market hides, tanners have noted with satisfaction a steady drop in the value of this class of raw material during the past few weeks. At the opening of the current year best ox hides were selling in British markets from 7½d to 9d per lb, and although tanners were quite aware there was little or no profit in turning them into leather at this price, they were obliged to take a certain quantity to keep their yards going and their liquors in working order. Even combined action in regard to buying hides seemed to have little effect, and in some cases the input was much reduced, with the result that certain classes of tanned leather were comparatively scarce, so that there was no great decline in values, in spite of the poor demand from consumers. Market hides, however, are following the slump in international values, and at the Bermondsey auctions, held on June 14th, best ox hides sold from 7d to 8½d per lb, and the prospects are that a further fall in prices will soon be noted. The general view of tanners is that raw hides are not worth more than 6d per lb, but it is a very open question if this low figure will be reached, bearing in mind the fact that there is always a fairly brisk competition for certain classes from America and the Continent.

Coming down to the sole-leather tanner, it is safe to say he has had a difficult time during the past two or three years. As stated above, he has had to pay a very high price for his raw material, and although wages have been slightly reduced, his overhead charges are very much higher than in pre-war days. Tanning materials, it is true, have been cheaper, but French chestnut extract, a very popular tanning agent with the big Northern tanners, is still nearly twice the price it was some years ago. It must be also remembered that many tanners greatly extended their premises and plant during the war,

so much so that when the slump set in it was found to be quite impossible to dispose of the output either in the home or foreign markets. Many wealthy firms then found they had locked their capital up in bricks and mortar, and there is no doubt several large firms have had a desperate struggle to finance their businesses. As a matter of fact, there has been a good deal of capital written off, and one large and well-known concern reduced its capital by something like three-quarters of a million on a capital of two and a-half millions, and also reduced the value of its ordinary £1 shares to 10s. Great losses were also made by depreciation of stocks a year or two ago, the one satisfactory thing about all this, however, being the fact that no great financial trouble has resulted. Few tanners—either large or small—have closed down, most of them being content to reduce their input of hides as far as possible and to await better times.

As the United States have not been in a position to send much sole leather to this country during the past year or two, the competition from this source, formerly of a very real kind, has not been formidable, and has materially helped our own tanners to maintain prices fairly well. Some amount of Continental sole leather has, however, been imported, and the smart appearance and moderate price of French and Swedish bends has made them popular with a certain class of shoe manufacturers.

That merchants have been scouring the world for cheap leather seems proved by the increase in the imports, these amounting to 124,079 cwts and 196,184 cwts, valued at £864,206 and £1,288,758 for the first five months of 1922 and 1923 respectively. Up to the end of May this year Germany has managed to send Britain 10,561 cwts, France 3,611 cwts, America 47,100 cwts, Australia 17,288 cwts, and other countries 20,065 cwts. The statistics schedule this class of imports as "Undressed Leather," but the bulk of the goods probably consist of finished sole leather, and the volume and value of the import is sufficient to show that, in spite of international financial conditions, the British sole leather tanner has plenty of competition to face even in bad times. On the other hand, the latest statistics show that our own tanners are gradually increasing their export of undressed and sole leather, as the total weight sent overseas during the first five months of 1922 was 65,851 cwts (value £724,264), as against 77,748 cwts (value £829,597) in the corresponding period of this year. As the figure for the January-May period of 1921 was only 49,166 cwts (value £474,697), there is clear proof that the export trade is steadily recovering itself, and that in spite of increased tariffs and financial stringency, our tanners are forging ahead in the markets of the world. Including dressed leather, the value of the export for the first five months of 1922 and 1923 amounted to £1,556,013 and £1,741,626 respectively, a result which augurs well for the future of the British export trade in tanned and dressed leather.

As regards upper leathers, it is certain that British tanners of chrome calf and glacé kid have had a lean time during the past year. Prices of skins have been high, whilst the demand has been for low-priced leather. To meet the shoe manufacturers' demand for a cheaper boot. A few concerns have gone out of business, others simply working with a skeleton staff just to keep their trade together. Imports have been on an increasing scale, the total values for the first five months of 1922 and 1923 being £2,627,828 and £2,896,897. America has been the biggest exporter, her bill for glacé kid up to the end of May being £714,612, and for patent leathers £291,790. German competition has been especially felt in chrome calf, this being included in "All Other Sorts," and amounting to £306,798 up to the end of May this year. Germany has also sent an increased quantity of patent and glacé leather to this market, the value of the latter being £39,285 for the first five months of 1923. The import of belting shows an advance at £38,971, as against £28,714 for the January-May period of 1922.

As the prosperity of the British tanner and leather dresser depends to a large extent on the demand for footwear, the falling off in the demand of late caused by the unseasonable weather has caused considerable anxiety. Centres such as Northampton, Kettering, and Bristol, which specialise in men's boots, have had a very slack

time this year; on the other hand, Leicester and Norwich, which make ladies' shoes, have been fairly busy until quite lately, and up till Whitsuntide were working at high pressure. Suedes and patent shoes have been in great demand, followed closely by coloured and black glacé shoes. Stocks in makers and retailers' hands are, however, rather heavy just now, but it is thought a return of bright weather conditions will soon deplete these. The demand for sport shoes has also been a great feature of the year's business, and very large quantities have been sold on home and overseas account. In connection with this section of the leather trades, an attempt is being made to popularise an all-British boot made exclusively from British leather. The goods have been on exhibition at one of the great London stores, and have excited considerable interest in view of their excellence.

The export side of the shoe business is steadily making toward improvement; during the first five months of 1922 and 1923 the number of pairs sent overseas totalled 173,647 and 247,854 dozen, with a respective value of £1,002,315 and £1,307,346. The chief customers so far this year have been British South Africa, £206,678; New Zealand, £312,657; Netherlands, £47,181; British East Indies, £47,400; and other countries £391,712. As last month showed an increase from £219,928 to £319,747, as compared with May, 1922, the result, in view of conditions abroad, may be regarded as very satisfactory. The glove trade is dull just now, and makers are suffering from cheap Continental imports. Exports fell in value from £53,896 to £44,443 for the first five months of 1922 and 1923, imports advancing from £483,115 to £560,562.

Taking a general view of the allied leather trades, signs are not wanting that the period of depression is almost over, and that a return to prosperity may soon be looked for if only some way is found of stabilising conditions on the Continent.

LATIN-AMERICA AND THE MONROE DOCTRINE.

WHEN Gibbon started to write the "Decline and Fall" he debated (being as methodical as he was learned) which European language he should use as his medium, and eventually decided against French, although it was at that time the leading cultural language in Europe, because English was destined to be spoken by the future millions of the as yet unpeopled North-American continent. Did the possibility of Spanish, one wonders, ever occur to his mind? In Gibbon's day Spanish was more widely studied in England than it has been during the last century. It then held its own against Italian, and was far more familiar than German. But if Gibbon did consider its claims, we may be certain that the Spanish dominions in South America did not enter into his calculations, for they were a forbidden land—not merely to foreign settlers and traders, but to foreign authors. In the 1770's, indeed, it was probably more difficult for an English book to run the gauntlet of the Spanish Customs, and find its way to La Plata or Peru, than it was for an English bale of cloth or consignment of slaves. On the threshold of the twentieth century Spanish is again attracting European students. Perhaps no language was so popular among young Englishmen and young Germans improving their education in internment or prisoner camps during the Great War, and the same tendency has been reflected since the Armistice in the growth of the Spanish departments in our universities. But these young men are not allured, like their predecessors in Gibbon's generation, by the classical literature of Spain so much as by the commercial prospects of her former American dependencies.

To realise what a change this means, one must study the introductory chapters to books like Mr Robertson's or Mr Koebel's*. The system established by the Spanish

* "Hispano-American Relations with the United States," by W. S. Robertson. Publications of the Carnegie Endowment for International Peace: Division of Economics and History. (Oxford) University Press, 1923. Humphrey Milford, pp. xii. + 470.
"The New Argentina," by W. H. Koebel. (London, 1923.) Fisher Unwin. 15s net; pp. xxx. + 276.

monarchy in Mexico and South America after the overthrow and extinction of the native civilisations, has probably no parallel in history except the Carthaginian system, which in ancient times held in its tentacles North Africa and Spain herself. It was the system of colonial monopoly in all its completeness—or, rather, in theoretical completeness, for so unnaturally rigorous a monopoly could not be watertight, and the Spanish Main was poached upon by the English, French, and Dutch very much as the Greeks, Etruscans, and Romans violated the sanctity of the Carthaginian coasts and waters in the Western Mediterranean. On paper, however, there was monopoly within monopoly. The privilege of trade with the Indies was originally reserved to Castilians alone, and it was not without a struggle that it was extended to the merchants of Navarre and Arragon. Such efforts were made to give preference to Spanish manufactures by prohibiting manufacture in the Americas or imports in foreign cottons, that Spanish industry languished for want of competition, and the merchants of the step-Mother Country took to buying goods cheap in the Italian, French, and English markets, and making a profit as middlemen which depended purely on the physical power of the Spanish Navy to exclude competitors (a phenomenon that also has its counterpart in the purchase of cheap goods by the Carthaginian merchants from the Greek States of Sicily). Immigration, even of Spanish subjects, was discouraged in the colonial period, and that of foreigners virtually prohibited. The passport formalities required of a would-be Spanish settler rivalled those of our post-war dispensation, and he had also to produce certificates that he was a *bona-fide* "good Catholic." The Catholic Church was, of course, the monopolist religion (an anachronism which lasted on in several Spanish-American countries for half a century after their emancipation), but the Spanish Crown stood between Rome and the local ecclesiastical authorities, and had the last word in patronage and ecclesiastical administration.

Such a *tour de force* was bound to break down in time. The fact that Spain managed to maintain it for nearly three centuries was, perhaps, her most remarkable achievement, and the source from which destruction overtook her empire in the end was equally surprising. Spanish America might have been expected to attract foreign imperialism as a vacuum attracts matter, and the natural heir of Spain appeared to be France, who was more and more overshadowing her southern neighbour politically from the time of Louis XIV. to that of Napoleon. France did, in fact, break up the Spanish Colonial Empire—not, however, by arms, commerce, or colonisation, but by her political and philosophical ideas. Napoleon, when he overran Spain, did not succeed in getting possession of her overseas dominions. The making of the Balance of Power protected them, as it has ever since protected the independent States built on their ruins, though in themselves these States have lain peculiarly open to foreign aggression—at any rate, until within the last few years. What broke up the Spanish Empire was the spirit of the French Revolution, which somehow or other had leavened the minds of this remote and scattered Latin population, in spite of the worst that the obscurantism of Madrid could do. How did this leaven work its way? It is a pity that Mr Robertson, who records the fact and its result, has not given us a more detailed explanation of the process. It is germane to his subject, for French ideas seem to have been the principal factor, other than United States foreign policy and British trade, that has moulded Latin-American history during the past century.

To judge by a comparison of the two books before us, we should conclude that the influence of Latin-Europe on Latin-America since her achievement of independence had, on the whole, been more important than that of the Anglo-Saxon peoples. Mr Koebel has some interesting things to say about French influence in the Argentine and its limits. It is paramount in the political constitution of the country; French is the second language of the educated class, and Paris their second home when they come to Europe. But he notes that inter-marriages are rare (though, owing to the religious barrier, they are rarer still between Argentinos and English or Americans), and he has little to say about French immigration. No one can miss the parallel between this and the form

which French influence has taken in Roumania, Greece, Turkey, Egypt, Syria, and other countries of the Near and Middle East. In the Argentine, there is indeed an important Latin immigration, which is rapidly increasing the population and ensuring that the Republic shall be a "white man's country"; but this comes not from France, but from Spain and Italy. The French colonist, who cannot keep pace with the Italian even in French North Africa, is naturally feebly represented in this distant corner of the world, while the Spaniard and the Italian are making the Argentine into a Latin counterpart of the United States and the British Dominions.

A perusal of Mr Robertson's rather massive work would seem to show that the intellectual and educational influence of the United States upon Latin-America was negligible, and her influence upon politics and constitutions in no way comparable to the French, and indeed surprisingly small altogether, except for the single case of the Federal constitution of Mexico; though one would like a fuller discussion of how far the concrete example of the American War of Independence combined with the doctrines of the French philosophers to produce that almost unanimous movement for independence which manifested itself in the Spanish colonies on the news that Napoleon had overthrown the Monarchy at Madrid. Even the commercial and industrial enterprise of the United States in Latin-America are still in their infancy, though Mr Robertson shows very clearly what an impetus they have received in consequence of the adversity into which German, and to a lesser extent British, business interests in this area fell with the outbreak of the European war. But, of course, the most important embodiment of American influence has been the Monroe Doctrine. It is exceedingly hard to estimate the positive effects of this cardinal principle of United States policy upon international affairs during the past century, because the alternative lines of development, assuming it never to have been put into practice, are hypothetical. Would British policy (which in a sense suggested the American doctrine) and British sea-power (which in normal times has tacitly but effectively assisted in upholding it) have sufficed to preserve the independence of the young Latin-American Republics, had the United States taken no hand? The case of Venezuela in 1895-7 makes it more probable that, but for the attitude of the United States, the balance of power in Latin-America, as in China and Africa, would have been maintained by the European Powers, not through mutual abstention, but through equal participation in the spoils.

Mr Robertson is particularly interesting when he traces the evolution of the Monroe Doctrine under the influence of the proverb that "Prevention is better than cure." The thin end of the wedge of Imperialism is notoriously very thin indeed, but proportionately penetrating and adhesive. Annexations are preceded by the protection of nationals or the collection of debts, and it is obviously better politics, for those on whom Monroe's mantle falls, to forestall these preliminary interventions rather than attempt to reverse the accomplished facts which would inevitably follow in their train. Hence, in Central America and San Domingo, the United States have intervened themselves rather than offer possible excuses for intervention to other people; and gratitude for United States championship has become mingled in some Latin-American minds with an uneasy premonition of a United States imperialism. Where will this end? One of the most remarkable features in Latin-American history during the last century has been the differentiation between the "A B C" group of Republics, who have made steady political and economic progress after the first inevitable half-century of inexperience and confusion, and the States clustered round the Equator, or between the Equator and the United States border, which have remained stationary or even, like Mexico, suffered relapses. Will the "A B C" States emerge into complete independence, while the rest fall under more and more openly acknowledged United States control? The latterly increasing activities of the United States at Panama, as well as in other parts of Central America and in islands like Cuba and San Domingo, point in this direction; but there is one post-war factor which may work the other way, and that is the League of Nations.

Membership in the League gives the Latin-American Republics a new status, as it gives it to the British Dominions, and they have taken their membership seriously. The League and the Monroe Doctrine are perfectly compatible, but in the long run the League may prove the more important of the two in shaping American international relations.

Notes of the Week.

The Lausanne Conference.—The Near Eastern situation is not so threatening as it was a week ago. Though the exact aims of the Bulgarian revolutionaries and the character of their supporters remain hardly less obscure, the danger of foreign intervention has unmistakably diminished. In this both British and Italian representations to Yugoslavia seem to have played their part, but an important rôle has also been ascribed to the Roumanian Government. The motive assigned for this Roumanian attitude is hostility to the agrarian cause for which M. Stambolisky stood. It is not the best of reasons, but we shall not be inclined to quarrel with it so long as it contributes to the preservation of peace in Central Europe. The Lausanne Conference drags along in a way that must be weary for the participants, but which is not without diversion for lookers-on. The situation there has just undergone another of its kaleidoscopic transformations. A few weeks ago the Greeks were portentously massing a formidable army on the west bank of the Maritsa, and the Allies were imploring them not to slip it from the leash. Now, apparently, it is the Greeks who are anxious to demobilise and the Allies who are begging them to keep their Maritsa concentration in being. The reason is that, in the interval, the Greeks and Turks have proved themselves more successful diplomats than the representatives of the Western Powers. The apparently insoluble controversy over Reparations has been settled to the satisfaction of both parties by the cession to Turkey of a small strip of Greek territory on the west bank of the Maritsa opposite Adrianople. But this again has caused acute dissatisfaction in Bulgaria. All outstanding differences between the two late belligerents have thus been disposed of, and there is no reason, so far as they are respectively concerned, why, at long last, they should not each go home and attend to their own affairs. Nothing keeps the Conference going except the controversy over the currency in which the foreign bondholders of Turkey are to be paid—a point on which Turkey and the Powers are, ostensibly at any rate, as much at loggerheads as ever. In these circumstances, M. Venizelos has proposed that Greece and Turkey should make what would virtually be a separate peace, or, at least, a provisional compact sufficiently clear and binding to enable the two Governments to demobilise their armies without having to wait for the signature of the general and more formal instrument. For the moment the Allies seem to have frustrated this proposal, but if the financial deadlock lasts much longer, it is to be hoped that it will be carried through over the heads of the Powers. At first sight their argument looks plausible. We backed Greece, they say, against the Turkish claim to reparations, and now it is her turn to back us when our interests are in question. The answer is that the moral claim of the Allies to considerate treatment at the hands of either selfish and blundering Near Eastern policies of the Powers from the Armistice down to the present moment, Greece and Turkey would have been spared the catastrophe of a war-after-the-war. Their only chance of avoiding the repetition of such catastrophes is to compose their local differences and oppose a united front to their great neighbours. The direct agreement between Greece and Turkey over reparations, and its first-fruits in the shape of M. Venizelos's proposal, are, perhaps, the most encouraging symptoms in Near Eastern politics for the last dozen years.

Miners' Wages.—On Thursday of this week Mr Adamson moved the second reading of the Coal Mines (Minimum Wage) Amendment Bill. The object of the Labour Party in introducing this measure was declared to be the estab-

lishment of a minimum wage which would at all times be equal in purchasing power to the wages paid in July, 1914; and the extension of the same principle to colliery surface workmen, who were excluded from the operation of the Act of 1912. The issue involved, which is no less than the payment of wages in accordance with the cost of living—taking, moreover, the rates ruling in a prosperous period as the basis of the calculation—is too wide for treatment in this place. The principle, Mr Adamson contended, was not a new one, as it had already received statutory recognition in 1912. But there is the world of difference between a definite minimum and one which varies with the cost of living; while the actual level decided upon is of the essence of the question. The mover mentioned the fact that the principle of a minimum is, in fact, in operation in accordance with the terms of the national agreement now in force, and stated that his proposals required the raising of that minimum from 20 per cent. to 70 per cent. over the 1914 wage. The agreement itself, however, provides for a distribution of the profits of the industry destined to make the ratio of wages to profits as 85 to 15. In fact, the owners only took 7 per cent. of the proceeds last year, as Mr Gould pointed out in an able speech; and the idea of stabilising real wages at the 1914 level is proposed regardless of the fact that during this period of depression the proceeds of the industry do not attain the corresponding level. The whole question at issue therefore really resolves itself into a consideration of ways and means. How, in fact, is this increase to be paid for? Mr Adamson's long experience of the industry led him to reply that "so far as the question of finding the money was concerned, he did not think that a single Member need let that fear keep him from voting" for this Bill. This answer was described, as we think not unjustly, by a later speaker as being "more or less an insult to the intelligence of the House of Commons." The rights and wrongs of the question cannot adequately be discussed in an atmosphere of thinly veiled threats of industrial action—which still remains the favourite method of argument of some of the miners' leaders. Everybody must admit that the wages paid in this industry are often deplorably low. It is an unfortunate fact, however, that they are still lower in many other trades—such as the iron and steel trade and engineering—as Sir Robert Horne pointed out. But under the terms of the agreement they are moving steadily upward, and it is no secret that this movement will be continued in the next two-monthly period, especially in Scotland and the North-Eastern fields. The rates do not react as rapidly as they might to improvements in trade; but this lack of elasticity is due, as we have often pointed out, to the fact that the miners' leaders insisted upon a two-monthly accounting period instead of a monthly basis, with the result that there is a considerable time-lag. But, despite this defect—which, by the way, is not irremediable—the agreement marks a considerable step forward in the industrial history of this country. Under its terms, as Mr Baldwin pointed out, a considerable portion of the profits which had not been shared hitherto by the wage-earner became available for distribution as wages; and, in addition, the wage-earners were enabled, for the first time, to get a "complete knowledge" of the costs and expenditure of the business. It has contributed to a remarkable increase in production, and has acted as a stimulus to managerial efficiency. If a minimum wage is fixed at so high a level that it cannot be paid out of the proceeds of the industry, the agreement would naturally break down. A subsidy stands condemned, and an increase in price would do much to hinder that very revival of trade upon which the future of the coal-mining industry, in common with all the other industries of the country, so largely depends. The position in the industry is decidedly better than it was last year, and we are glad that a considerable majority of the House of Commons were of opinion that the agreement should be given a fair trial.

The Reassessment of House Property.—On Monday last the Financial Secretary to the Treasury made a statement in the House of Commons which was welcomed alike by Unionist, Liberal, and Labour speakers. A little over six weeks ago the issue of a Blue Paper, which

is by now a classic, with notice of the reassessment of house property for income-tax purposes, started a Press campaign (which some have described as a Press "stunt") of almost unparalleled intensity. This week the Government, as had been anticipated, thought it wise to bow before the storm by introducing two new clauses into this part of the Finance Bill. Sir William Joynson-Hicks pointed out in his speech on Monday that instructions had already been given to inspectors of taxes "months ago" that the high prices that had in many cases been paid for house property since the war were not to be taken as a criterion of their present annual value for assessment purposes. Moreover, the rule-of-thumb method of adding a certain percentage to the previous assessment, which has been widely advertised during the recent campaign, was also marked out for official disapproval. Perhaps more important, in that it probably looms larger in the public eye than anything else, is the concession announced as to the right of appeal. The Blue Paper followed previous precedents in stating that any appeal against an assessment must be made within 21 days. This, which was far from being an innovation devised by unscrupulous young officials, was nevertheless welcomed by torrents of abuse, and the Government has now stated that notice of appeal may be made up to August 31st, and even longer in certain cases. A discontented taxpayer will henceforth be able to give notice of appeal to an inspector of taxes, and, in the event of no settlement being arrived at, will afterwards be able to appeal to the General Income Tax Commissioners. What is held to be highly significant is the fact that in any such appeal the appellant may appoint any agent he likes to represent his interests, while there is to be no onus of proof. In Sir William's words, "the fairest thing is that both sides should give whatever evidence they have in their power, and that the commissioners should then decide on which side the right lies." As a change in the assessment—which appears in many cases to be long overdue, as the last assessment was made in 1908—may make a considerable change in the incidence of the Inhabited House Duty, this, too, comes within the scope of the new proposals. The exemption limit is raised from £20 to £30; in the case of houses with an annual value of between £30 and £60 the rate is to be 3d in the £; between £60 and £90, 6d in the £; and over £90, 9d in the £. These concessions alone are estimated to cost about £500,000 in the coming year; but much more important are the changes envisaged in what is very properly described as "the difficult question of repairs." The allowance of one-fourth of the annual value which has hitherto been made in respect of houses whose annual value does not exceed £20 is now extended to houses with an annual value not exceeding £40. This latter figure was previously the outside limit which entitled the owner to an allowance of one-fifth, but in its place £100 has been chosen as the limit. Finally, under the old system houses of a value exceeding £40 were entitled to an allowance of one-sixth, whereas under the new schedule the allowance will be of one-fifth up to £100, and then of one-sixth of the amount by which the annual value exceeds this amount. This concession on repairs is estimated to cost a little over £1,000,000—a by no means inconsiderable sum, even today. Many aspects of the "reform" are most welcome, as, for example, amongst other things, the right of an owner to appeal against his assessment before the five years for which the present reassessment is made expire, in the event of a fall in value in the meantime. At the same time, the recent campaign in the Press has been in many ways misleading to the public in a highly technical matter which certainly lends itself to misrepresentation, and the Financial Adviser to the Treasury cited the case of a meeting in which "taxpayers were urged, all of them, to fill up forms of appeal, in order to embarrass the Department to get the tax postponed for a year." This kind of thing is not cricket, and certainly adds enormously to the already heavy duties which fall upon the officials concerned at such a time. It may well be that the Inhabited House Duty is a rather stupid relic which should be abolished; and it may equally be argued that the whole question of taxation of house property, both central and local, stands in need of drastic revision. A stunt campaign, however, is hardly the manner in which

problems of this kind can best be discussed, and it should not be forgotten that the reduction in taxation involved by the new Government scheme has got to be made good somewhere else. For our part, we sincerely hope that we have heard the last of an unpleasant business.

Employment in May.—The statistics published by the *Ministry of Labour Gazette* show that the decline in unemployment which had been in steady progress since November received a check in May. At May 26th the total number of workers registered as unemployed in Great Britain and Northern Ireland was 1,261,000, exactly the same figure as that recorded at the end of April. The Trade Union percentage of unemployed also remained stationary in May, as will be seen from the following table:—

TRADE UNION UNEMPLOYMENT PERCENTAGES.

	1913.	1917.	1918.	1919.	1920.	1921.	1922.	1923.
End of—	%	%	%	%	%	%	%	%
January ..	2.2	0.3	1.0	2.4	2.9	6.9	16.8	13.7
February ..	2.0	0.3	0.9	2.8	1.6	8.5	16.3	13.1
March	1.9	0.3	1.2	2.9	1.1	10.0	16.3	12.3
April	1.7	0.3	0.9	2.8	0.9	17.6*	17.0	11.3
May	1.9	0.4	0.9	2.1	1.1	22.2*	16.4	11.3
June	1.9	0.4	0.7	1.7	1.2	23.1*	15.7	..
July	1.9	0.4	0.6	2.0	1.4	16.7	14.6	..
August	2.0	0.5	0.5	2.2	1.6	16.3	14.4	..
September ..	2.3	1.3	0.5	1.6	2.2	14.8	14.6	..
October	2.2	1.1	0.4	2.6	5.3*	15.6	14.0	..
November ..	2.0	1.1	0.5	2.9	3.7	15.9	14.2	..
December ..	2.6	1.4	1.2	3.2	6.0	16.5	14.0	..

* Excluding coal miners.

The percentage unemployed among all workers insured under the Unemployment Insurance Acts in Great Britain and Northern Ireland shows a slightly better result, the figure dropping from 10.9 at April 23rd to 10.7 at May 21st. As regards the position in individual industries, the chief changes were a decline in the demand for labour in the wool textile industry, worse conditions in the shipbuilding industry, owing to the lock-out of platers, riveters, &c., and a slight improvement in pig-iron manufacture, at the iron mines, and in some branches of the metal trades. In general the figures support other evidence that the trade recovery has received a check.

Cost of Living.—The cost of living continued to fall in May, but the calculations of the *Ministry of Labour Gazette* show that the decline was only one point as compared with a drop of four points in April. On June 1st the Ministry of Labour index figure of the cost of living was 69 per cent. above the level of July, 1914, as compared with 70 per cent. above that level at May 1st. How this percentage has moved month by month over recent years is shown in the following table:—

ALL ITEMS: AVERAGE PERCENTAGE INCREASE OVER JULY, 1914.
(Food, Rent, Clothing, Fuel, and Light, &c.)

	1918.	1919.	1920.	1921.	1922.	1923.
January 1st..	85-90	120	125	165	92	78
February ..	90	120	130	151	88	77
March	90	115	130	141	86	76
April	90-95	110	132	133	82	74
May	95-100	105	141	128	81	70
June	100	105	150	119	80	69
July	100-105	105-110	152	119	84	..
August	110	115	155	122	81	..
September ..	110	115	161	120	79	..
October	115-120	120	164	110	78	..
November ..	120-125	125	176	103	80	..
December ..	120	125	169	99	80	..

For food alone the May 1st and June 1st percentage increases over 1914 were 62 and 60 respectively. This slight reduction in retail food prices was mainly due to an average reduction of about 2d per lb in butter, and an average reduction of about 1½d per lb in cheese.

The Labour Party Conference.—A Labour correspondent writes:—The annual Labour Party Conference and the Trades Union Congress, the former held in June and the latter in September, are important as reflecting the mind of organised labour. The Labour Party Conference is attended by representatives of affiliated trade unions and

Socialist societies and representatives from local Labour Parties and Trades Councils. The Trades Union Congress, on the other hand, is confined to the delegates of the affiliated unions. Practically all the large trade unions in the country are affiliated to both the Party and the Congress. Some unions, however, are affiliated to the latter, and not to the former; some others, again, are affiliated to the Labour Party and not to the Congress. The chief difference between the Party Conference and the Trades Union Congress as regards composition is to be found in the representation at the former of the Socialist societies, such as the Independent Labour Party, the Fabian Society, and the Social Democratic Federation, and of the local Labour bodies—Labour Parties and Trades Councils. Though the Labour Party Conference is a political Labour gathering and the Trades Union Congress an industrial Labour assembly, there has been a good deal of overlapping as regards the matters discussed at the two meetings, though the Party Conference has always been predominantly political in character. The annual Labour Party Conference, which is to take place next week, will be called upon to deal with the report of the Labour Party Executive, a special report on the liquor trade, the report of the National Joint Council, with the work of the departments carried on jointly by the Labour Party and the Trades Union Congress, and then with a long agenda of resolutions submitted by affiliated bodies and covering the whole range of politics. The Executive Committee has itself submitted four reasoned resolutions dealing with finance, housing, unemployment, and education. Special reference may be made to the motion on finance, as it defines the attitude of the Labour Party on the question of taxation. The resolution protests against "the financial policy of the present Government in maintaining the annual expenditure on armaments at so colossal a figure as £120 millions, in failing to pay off a large proportion of the War Debt, in cutting down the urgently required social services, and in continuing the excessive taxes on the food of the people." Then follows a quite specific statement declaring that the policy of the Labour Party on national finance is to redeem a substantial portion of the National Debt by a capital levy on a graduated scale on fortunes of over £5,000. It is argued that, "with the saving in annual interest and sinking fund thereby effected, and with other economies—notably on armaments—and by the taxation of land values, it will be immediately practicable to reduce taxation and provide more adequately for the social services." In the first place this policy would, it is suggested, permit the abolition of the taxes on food; secondly, the burden of income-tax could be reduced by raising the exemption limit, increasing the abatements, and lowering the rate of the tax; thirdly, the entertainments duty and corporation profits tax could be abolished. These proposals summarise, in point of fact, the amendments put forward by the Labour Party in the House of Commons in the debates on the committee stage of the Finance Bill. The Executive's resolutions on housing, unemployment, and education follow the lines familiar to those acquainted with Labour policy. The remaining resolutions, and by far the larger number, are submitted by affiliated organisations. One interesting suggestion is that an international economic council and secretariat should be established for the control of the main raw materials, minerals and food-stuffs of the world. This part of the motion has a bearing on another resolution emphasising the need for "the international organisation of supplies, manufacturing facilities, transport and purchasing power." It is proposed that "the British Government should take the initiative in securing the establishment of an impartial and international body—(i.) to ascertain the true facts as to the available supplies, on the one hand, and the needs of the various countries on the other; (ii.) to control the distribution of raw materials, in the case of a shortage or threatened shortage, so that supplies may be distributed in the order of vital need; (iii.) to investigate the operation of trusts and combines engaged in the production, transport, or distribution of indispensable commodities; and (iv.) to extend the area of free trade." The resolutions dealing with international problems and international organisation are, perhaps, of special importance. They indicate the growing belief in the Labour move-

ment regarding the significance of international factors and the view now widely held that the solution of many national problems is impossible except on international lines.

Home Output of Iron Ore.—An interesting statement has just been issued by the Mines Department showing the output and employment at iron ore mines and quarries in the fourth quarter of 1922. It shows that in that quarter the average percentage of iron ore content of our home ores was 32 per cent., varying from 52 per cent. in the case of the West Coast hematite to 22 per cent. in the Frodingham ores. The Frodingham ores, though low in iron content, have the great advantage of being self-fluxing. They are also easily worked, so that the average value at the mines of the Frodingham ores in the last quarter of 1922 was only 2s 9d per ton, compared with 20s 11d for the hematite ores, and an average for the whole country of 7s 2d. Output improved steadily throughout the year from 1,246,000 tons in the first quarter to 2,183,000 tons in the fourth quarter. Of the latter total, 306,000 tons were of West Coast hematite, 1,729,000 tons were obtained from the Jurassic ironstones, and 126,000 tons from the coal measures. Employment at the ironstone mines and quarries improved from 9,800 persons at the end of the first quarter to 13,800 at the end of the fourth quarter. In the following table the figures for the four quarters of 1922 have been summarised for comparison with the previously published figures for the years 1913, 1920 and 1921. The imports and values of foreign ores are also given for comparison:—

Home Ore.		Imported Ore.			
Output. Tons.	Value per Ton.	Tons.	Value per Ton.		
1913.....	15,997,300	5/8	1913.....	7,442,249	18/11
1920.....	12,706,900	15/8	1920.....	6,499,551	50/11
1921.....	3,478,000	12/8	1921.....	1,887,574	39/7
1922.....	6,871,800	7/-	1922.....	3,472,645	25/-

These figures furnish an interesting sidelight on the vicissitudes of the iron and steel industry in those years.

The Belgian Franc.—Our Brussels correspondent writes:—The position of the Belgian exchange, and more particularly the relation between the French and Belgian franc, has given rise to some discussion recently. The balance of trade between Belgium and France is against the former, and, unfortunately, this is also true of the total balance of her trade with all countries. Instead of improving, it appears that the position in this respect has grown steadily worse, whereas in France there was an appreciable improvement in 1921 over 1920, though last year's returns were slightly less favourable than those of 1921. During the first three months of 1923 the position in France was very good, and during February and March the value of exports practically equalled the imports, whereas in Belgium they were only about 73 per cent. The following is a comparison of the figures of the two countries:—

	Belgium.			France.		
	Import.	Export.	%	Import.	Export.	%
1920	12,782	8,692	77.6	35,405	22,435	63.4
1921	10,051	7,140	71	22,068	19,773	89.6
1922	9,077	6,060	67	23,900	20,642	86.4
1923—						
January	929	485	52	2,144	1,696	79
February	801	587	73	2,343	2,329	100
March	988	713	72	2,487	2,474	100

It is evident that allowance must be made for other factors, but, nevertheless, the balance of imports and exports has the greatest influence in determining the rate of exchange. Apart from coal and cement, however, the country has few raw materials, while the amount of corn produced is not even sufficient to feed the population for one-tenth of the year. Before the war raw materials were imported to be manufactured and then exported, and the finished product frequently returned to the country which supplied the raw material. It has been a great mistake to limit work by statute to the "eight hours day," having

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regard to present abnormal conditions. It is interesting to note that many Belgian workmen have gone to work in the devastated areas in France, where this law is not in force. Although the French external debt is heavy, and in comparison that of Belgium is relatively small, this has no active influence on her exchange at the present time, as, generally speaking, France is not effecting any repayment or even paying interest. So long as she does not sell francs for the purchase of sterling or dollars for the purpose of debt repayment, and on condition that her imports and exports nearly balance, the enormous burden of her foreign debt has absolutely no effect on the rate of exchange. If speculation can cause a temporary depreciation, the purchase of French goods abroad would soon bring the rate of exchange back to the level of its real purchasing power. Belgium is producing practically as much coal as in 1913, but at present she has only reached one-half the figures for her monthly production of cast iron and steel in 1913. On the other hand, France has reached 75 per cent. of her production of coal in 1913, if we include the figures from the Sarre, while the coal received from Germany practically accounts for the remaining 25 per cent. As regards steel and cast iron (figures for the Sarre included), she was producing 1,030,000 tons a month in 1922, as against only 800,000 tons monthly in 1913. Her position is thus better than that of Belgium, for although many factories and mines were destroyed in France during the war, this is easily compensated by the exploitation of the Sarre. Although Belgium was able to resume work much more quickly in the mines and the few factories left intact by the Germans, the lack of workmen being less felt than in France, this state of affairs did not continue, and thus we see that, whilst the percentage of exports over imports in 1920 was 77.6 per cent. for Belgium and 63.4 per cent. for France, the Belgian franc being at a premium of 5 to 7 per cent. on the French franc, the position was completely reversed in favour of France in 1921, the percentages being: Belgium, 71 per cent.; France, 89 per cent. During the same year the French franc depreciated abroad less than the Belgian franc, and thus the premium of the Belgian franc, which was still 5 per cent. in January, 1921, was transformed into a discount of 4 per cent. in December, 1921. In 1922 the percentages were: Belgium, 67 per cent.; France, 86.4 per cent., further increasing the advantage in favour of France, and resulting in a further depreciation of the Belgian exchange, which was quoted in Paris in December, 1922, at 92 per cent. For the first three months of the current year the percentages were: France, 90 per cent.; Belgium, 66 per cent., causing a further decline of the Belgian franc in Paris to 85 per cent.; whereas the French franc has remained the same in New York in April as in January, at about 6.60, the Belgian franc has declined from 6.00 to 5.70 during the same period.

French Reconstruction Loans.—The Department of Overseas Trade has received information that three new loans are being issued for reconstruction purposes in the devastated areas of France. One of these loans is being issued by the General Confederation of the Reconstruction Co-operative Societies in the devastated regions. It amounts to 51,725,000 in 103,450 bonds of 500f each, bearing interest at 6½ per cent. The issue price of the bonds is 480f. They are repayable at par in 30 years as from June 8, 1923. The service of the loan, as in the

case of similar issues by the French coal, sugar and other industries, is guaranteed by State annuities. A second loan, which is being issued by the association of persons who have suffered war damage in the Department of the Oise (Groupement des Sinistrés de l'Oise) amounts to 50,622,500f in 101,245 bonds of 500f each, bearing interest at $6\frac{1}{2}$ per cent. The issue price of the bonds is 480f. They will be repaid at par in thirty years as from June 5, 1924. The third loan is being issued by the association for the reconstruction by the national industry of equipment damaged during the war (Groupement pour la reconstitution par l'industrie nationale de l'outillage sinistré). It amounts to 52 million francs in 104,000 bonds of 500f each, bearing interest at $6\frac{1}{2}$ per cent. The issue price of the bonds is 480f. They are repayable at par in 30 years as from June 15, 1923, by annual drawings. The service of this loan, like that of the loans mentioned above, is guaranteed by State annuities. Its object is to enable persons and firms who have suffered war damage to procure the equipment which they may need from French manufacturers. The annual report of the "Crédit National pour faciliter la réparation des dommages causés par la guerre," which has just appeared, states that in 1922 the work of assessing the damage done during the war was continued without interruption, and that 1,450,948 new beneficiary claims (*titres de créance*) were issued, as against 1,556,373 in the previous year. On December 31, 1922, the number of payments made by the Crédit National amounted to 5,487,411, to the value of 17,614 million francs, as against 2,689,379, to the value of 9,805 millions, on December 31, 1921. On April 30th last the number of payments had risen to 6,011,910, to the value of 19,591 millions. The value of the loans granted to manufacturers and traders amounted at the end of 1922 to 256,269,500f, as against 353,971,061f at the end of 1921. The net profits of the Crédit National for the year 1922 amounted to 10,610,542f.

New Indian Rupee Loan.—The India Office announces the issue of a Government of India Rupee Loan for 24 crores of rupees, the application lists opening on July 4th next and extending to July 23rd. Lists will be closed, however, without previous notice as soon as the loan is subscribed for in full. Subscriptions can be made either in cash or Indian War Bonds in London or India. The loan will take two forms: (1) in ten-year 5 per cent. bonds, repayable at par on September 1, 1933, and issued at Rs. 97 for every Rs. 100 of bonds applied for; and (2) in a long-term 5 per cent. loan, repayable at par (1945-55), and issued at Rs. 96 for every Rs. 100 applied for. There will be created a depreciation fund of $1\frac{1}{2}$ per cent. when the market value falls below 96 per cent. Subscriptions may be made in the following forms:—(a) Cash; (b) Indian Treasury Bills at their face value, less a discount calculated at the rate of 4 per cent. per annum on the unexpired portion of the currency of the bills; (c) Indian War Bonds at their nominal value subject to the following conditions, viz.: (1) 1923 War Bonds will be accepted as subscription to both forms of the loan; (2) 1925 and 1928 War Bonds will be accepted as subscription to the long term loan only; and (3) War Bonds tendered in subscription to this loan will carry interest at $5\frac{1}{2}$ per cent. up to the day preceding the date of tender.

The Ottoman Railway Claims.—Mr McNeill's reply to Mr Grattan Doyle in the House of Commons on Wednesday of last week has led the Ottoman Railway Company to circulate a letter to the Foreign Office, which we regret to be unable to publish in full. The position is this. The company claims damages from the Turkish Government for the seizure of the line and stores, the appropriation of its revenues, and damage to its equipment during the world-war and up to the Armistice, and is negotiating for compensation, with the approval of the Foreign Office, directly with the Ankara Government. On March 27th of this year it was assured by the Foreign Office that Turkey would be warned towards the close of the treaty negotiations that, should her treatment of foreign concession-holders prove unsatisfactory, steps would be taken to secure their existing rights by the treaty of peace. But it now appears that, the Turks

having consented to forgo their claims against Greece for damages in the period since the Armistice, Great Britain does not intend to give the warning or press the pre-Armistice claims of the company and other concession-holders against the Turks. A fund of £5,000,000 is set aside for compensation to British subjects whose property has suffered damage, but the company is apparently not to be admitted to participate in it in the same proportion as other claimants. In his letter to the Foreign Office the company's secretary points out that, relying on the Treaty of Sévres, the draft Treaty of Lausanne, and the assurance of March 27th, it has assured its debenture holders that Great Britain would safeguard their rights, and that the Turkish Finance Minister, now representing his country at Lausanne, has admitted Turkey's liability; and it protests against the sacrifice of its interests to secure a political bargain benefiting foreigners at the expense of British subjects, and demands admission to participate *pro rata* in the compensation fund. Mr McNeill's reply promised that the Government would defend any just claims of concessionary companies, but stated that peace depended on a number of inter-related questions, and it was impossible to give a pledge as to any one of them. But, if the protection of the just claims of the company is to be jeopardised as a sacrifice to wider interests, it may fairly expect compensation in some other form.

The Position in Hungary.—The decision of the Reparations Commission to delay granting facilities for a foreign loan to Hungary and to require that the proceeds shall be partly earmarked for reparations has evoked a Note from Count Bethlen's Government, protesting that the loan is thereby rendered impossible. The amount needed—550 to 650 million gold coronas (£23,000,000 to £27,000,000) cannot be raised without the co-operation of London and New York; neither of these money markets will provide funds unless revenues free of reparation charges can be assigned for the service, nor will they dispense with the support and sanction of the League of Nations' Finance Committee. Relief loan charges, some £600,000 annually, already take precedence of reparation payments, and the knowledge that the slight concession (the despatch of a mission of inquiry) is useless, must further depreciate Hungarian credit and exchange. The need of foreign currency for payments abroad is hampering both the Government and private traders; between April and June her paper currency increased from 88 milliard coronas to 119.3 milliards—over 35 per cent.; without a foreign loan she cannot pay her debts, nor can her Government be responsible for order. These contentions are supported by the Report (dated March, 1923), just issued by the Overseas Trade Department, from the Commercial Secretary of H.B.M. Legation at Budapest. He notes "a certain steadiness of character" in the Hungarian people (assuredly needed now); but he points out that, in spite of various signs of improvement, Hungary's condition depends largely on her neighbours, who take most of her exports, and a poor harvest made her balance of trade more adverse. Attempts were made to stabilise the currency by controlling exchange, to raise new revenue by varied and onerous taxation, and to satisfy her foreign creditors, but the stabilisation was merely an imperfect brake on note issue, and, with the restrictions on imports and exports, hampered foreign trade, decreased purchasing power, and increased labour unrest. The heavier taxation contributed to this result, especially the very productive tax on sales; the capital levy made more disturbance than it was worth. It stopped saving, and set up wild speculation on the Bourse, as the only means of making a living. The estimated Budget deficit in 1922 equalled about £3,600,000; one-tenth of the population consists of civil servants and their dependents, largely from the ceded regions, but the Government hopes to reduce their numbers this year by 20 per cent. Hungary relies mainly on the export of her surplus of very varied agricultural products; milling is the leading industry, canning food is largely developed, farming suffers from lack of capital and skill, and of cattle, through reparations in kind. Machine construction is important, especially of agricultural implements and electric appliances; a textile industry has been nursed by Protection. Navigation on

the Danube is hopelessly hampered by inter-State rivalries; the railway deficit was about £1,800,000. The hope for foreign trade lies in commercial agreements, of which several are concluded, and others pending; and much good work has been done by Chambers of Commerce, among which the British and Hungarian is prominent. It is to be hoped that the delay caused by the Reparations Commission will not wreck the process of recovery.

Cotton Trade Depression.—For a long time now the Federation of Master Cotton Spinners' Associations has striven very hard to relieve the depression in the Lancashire industry. The trade position early this year showed some improvement, and organised short time was abandoned. In February, however, users of American cotton were recommended to restrict output from the beginning of March by 50 per cent. At the time of writing there is some uncertainty as to what will be done from the beginning of July. It is being suggested in some quarters that instead of continuing the 50 per cent. restriction of output the Masters' Federation should recommend the closing down of all the mills using American cotton during the month of July. It may be mentioned that out of the 56,000,000 spindles in Lancashire about 40,000,000 are in the American section. The mills using Egyptian cotton are doing fairly well.

Manchester Spot Cotton Market.—Our Manchester correspondent writes:—For a long number of years there has been an agitation in Manchester for the establishment of a spot cotton market, but developments have been very slow. In view, however, of the increasing importance of the Manchester Ship Canal and Manchester as a distributing centre of raw cotton, there now seems to be a possibility of some definite action being taken at an early date. In this connection it is reported that the Manchester Raw Cotton Company, Limited, has been registered with a capital of £1,000,000 in shares of £1 each to carry on the business of importers, exporters, and merchants. The chairman of the company is Captain W. C. Bacon, the chairman of the Manchester Ship Canal Company, Limited. Another director is Mr Fred A. Tomlinson, an ex-president of the Manchester Cotton Association. Other directors are Mr E. Latimer, the managing director of the Manchester Ship Canal Company, Limited, and Mr Harry Dixon, a leading Lancashire cotton spinner. It is the intention of the company to promote larger imports of raw cotton direct to Manchester, and although most of the attention will be centred on American cotton, arrangements are being made for consignments from Egypt and Brazil. It is expected that trade developments as a result of the formation of this company will eventually result in the establishment in Manchester of a spot cotton market.

The "Shell" Report.—The profits of the "Shell" Transport and Trading Company depend on the dividends declared by the companies in which it is a shareholder. For the year 1922 these amounted to £4,477,100, as against £5,143,600 for 1921. The directors state, however, that they are satisfied that ample provision for depreciation has been made over the numerous companies in which they are interested. Total profits, including £461,000 for interest on other investments, amount to £4,938,100, which compares with £5,626,700 in 1921. Expenses increased from £139,300 to £304,900, owing to the cost of a new issue of preference shares. As will be seen from the summary below, the peak was reached in 1920, but the fall in profits last year was not so sharp as in 1921:—

	1913.	1917.	1918.	1919.	1920.	1921.	1922.
Balance forward	£ 265,194	£ 459,384	£ 1,239,032	£ 1,136,877	£ 1,242,622	£ 2,007,588	£ 2,069,596
Profits	1,581,189	2,774,631	2,893,603	4,762,724	7,668,642	5,626,673	4,938,084
Expenses, &c.	1,849,383	3,225,015	4,132,635	5,899,601	8,911,264	7,634,261	7,007,680
Interest on loans	46,124	40,702	40,659	49,354	41,222	139,251	304,925
Balance	1,800,259	3,088,443	4,091,976	5,850,247	8,870,042	7,495,010	6,702,755
Prof. dividend	81,250	100,000	100,000	100,000	100,000	100,000	316,542
Ord. dividend	1,389,283	1,749,411	2,815,976	4,507,625	6,762,454	5,325,414	4,357,157
	(35 %)	(35 %)	(35 %)	(35 %)	(35 %)	(27½ %)	(22½ %)
Reserve, &c.	3,162	41,172	41,172	41,172	41,172	41,172	41,172
Balance forward	326,564	1,239,032	1,136,877	1,242,622	2,007,588	2,069,596	2,029,056

The dividend on the new 7 per cent. second preference shares requires £216,500, but the ordinary dividend is reduced from $27\frac{1}{2}$ to $22\frac{1}{2}$ per cent., paid free of tax, and costs nearly one million less. The company's financial position, in the opinion of the directors, is as strong as ever, and they point out that the present dividend is paid without in any way trenching on reserves, and represents the result of the working of the year. The balance-sheet, analysed elsewhere, is certainly a strong one. Investments in British Government securities stand at well over £12 millions, as compared with less than £7 millions twelve months ago, while the reserve fund figures at £5 millions.

Hudson's Bay Report.—The report of the Hudson's Bay Company for the year ended May 31st last shows a substantial decline in profits in all spheres of operation. Total fur collections, it is stated, have been well maintained and better prices realised than had been anticipated, but the profit on the fur trade at £196,300 was £41,000 less than in the preceding year; salesshops and other trading brought in only £15,900, as against £77,900, and the Winnipeg head office £56,000, against £61,500. The profit shown for the land account was £18,300, as against £70,000 for the previous year. Farm land sales comprised 24,976 acres for £75,300, an average of £3 os. 3d. per acre, compared with 33,594 acres for £112,100, an average of £3 6s 9d per acre in the previous year. Sales of town lots amounted to £15,900, compared with £33,600. Total net profits amounted to £346,800, as compared with £520,500. Results for a number of years past are compared in the table below:—

Year Ending	Net Land Receipts.	Fur and Trading Profits.	Total Net Profits.	Ordinary Dividend.
May 31—	£	£	£	£
1909	175,476	80,391	255,867	260,000
1910	240,045	166,156	406,201	400,000
1911	548,512	159,966	708,478	400,000
1912	273,268	196,070	469,338	400,000
1913	589,926	228,324	818,250	500,000
1914	297,302	86,636	383,938	400,000
1915	2,697	30,641	33,338	nil
1916	24,652	266,662	291,314	200,000
1917	140,777	279,708	420,485	300,000
1918	367,841	315,964	683,805	400,000
1919	262,126	406,414	668,540	450,000
1920	174,276	331,757	506,033	400,000
1921	154,161	300,049	454,210	400,000
1922	69,987	450,468	520,455	450,000
1923	18,340	328,440	346,780	195,000

The distribution on the ordinary capital amounts to 19½ per cent., as compared with 45 per cent. for the year 1921-22 and 40 per cent. in each of the two preceding years. It is made up of 17½ per cent. from the profits of trade and 2 per cent., free of tax, from the Land Department. The question of Colonial income-tax has complicated matters, however, for, in accordance with the ruling in the case of *Sheldrick v. South African Breweries, Limited*, under Section 27 (5) of the Finance Act, 1920, by which shareholders receive direct relief in respect of Colonial income-tax, instead of such relief being in the hands of the company, the company is making a refund of income-tax to both preference and ordinary shareholders. This involves a sum of about £65,000, equivalent to 8½ per cent. on the ordinary shares. On March 31st last the unsold lands in the possession of the company amounted to 2,804,500 acres, but the balance-sheet has no amount against "unsold lands and instalments to be received on sales," the last item on the credit side. The balance-sheet, an analysis of which will be found in a later column, shows a reduction of £715,800 in creditors, cash is £474,900 lower, and there is a decline of £201,900 in the amount invested in the fur trade.

John Brown's Profits.—Very little change in the net profits of John Brown and Co., Limited, is shown in the report for the year ended March 31st last. Gross profits rose by over £7,000, but debenture interest required £5,000 more, and net profits were less than £2,000 higher at £212,300. The directors refer to the continuance of the trade depression in the various departments of the company's operations with the exception of the coal trade, in which there was an improvement in the

latter part of the financial year. A comparison of results reads as follows:—

	1913-14.	1918-19.	1919-20.	1920-21.	1921-22.	1922-23.
Gross profit ..	£ 437,834	£ 552,190	£ 468,704	£ 418,836	£ 304,740	£ 311,838
Interest, &c. ..	60,336	85,019	89,895	86,915	94,333	99,544
Net profit ..	377,498	467,171	378,809	331,921	210,407	212,294
Brought fwd.	89,722	164,394	192,308	178,929	179,600	180,632
Reserves, &c. ..	467,220	631,565	571,117	510,850	390,007	392,926
Prof. dividend ..	100,000	100,000	100,000	100,000	100,000	100,000
Ord. dividend ..	87,500	87,500	87,500	87,500	87,500	87,500
	182,300	251,757	304,688	243,750	121,875	121,875
	(10 %)	(12½ %)	(12½ %)	(10 %)	(5 %)	(5 %)
Carried forward	97,420	192,308	178,929	179,600	180,632	183,551

No allocation is again made to reserve, and the ordinary dividend is maintained at 5 per cent., the balance forward being increased by nearly £3,000. The balance-sheet shows a slight reduction in the property item, which includes investments in other companies, and stock of work in progress at £204,400 shows a drop of £125,000. There has been a reduction of £252,600 in debentures, but creditors are £122,000 higher. The report says that there are some signs of improvement in business at the present time, "but prices remain abnormally low when compared with the high cost of production."

Guest, Keen, and Nettlefolds.—Again we have to record a good trading year for Guest, Keen, and Nettlefolds, Limited. In the report and accounts for the year ended March 31, 1923, profits of £918,039 are revealed after providing for income-tax. Results over a number of years are as follows:—

	1913-14.	1915-16.	1917-18.	1918-19.	1919-20.	1920-21.	1922-23.
Gross profits ..	£ 401,722	£ 494,480	£ 446,645	£ 417,141	£ 334,530	£ 884,121	£ 918,939
Debit interest ..	67,548	74,020	74,020	74,020	74,020	74,020	74,020
Net profit ..	334,174	420,460	372,625	343,121	260,510	810,101	844,919
Brought forward	239,016	357,319	405,712	475,316	535,687	261,605	206,080
Available for distribution	573,190	777,779	778,337	818,437	806,197	1,071,706	1,050,999
Preference dividend ..	86,000	86,000	86,000	86,000	86,000	200,756	290,928
Reserve ..	70,000	100,000	130,000	50,000	50,000	50,000	50,000
Ordinary dividend ..	144,750	144,750	144,750	144,750	144,750	516,686	537,887
Rate ..	15 %	15 %	15 %	15 %	15 %	10 %	10 %
Carried forward	270,441	377,029	417,587	235,687	261,605	264,098	209,66

As last year, the dividend of 10 per cent. is free of tax. It may be recalled that last year the date of the end of the financial year having been changed from June 30th to March 31st, the accounts related to a period of nine months, and the present figures are not therefore comparable. Net profits for the nine months, after payment of debenture interest, amounted to £567,200, and the available balance, including the balance brought forward, was £831,300. On turning to the balance-sheet it is instructive to find that out of total assets amounting to about £18 millions, £13,266,821 represents investments in subsidiary companies. This is, therefore, another case where a reconstructed balance-sheet might be issued showing actual assets and liabilities of subsidiary undertakings when wholly under control of the parent concern.

Howard and Bullough.—Exceptionally good results are shown in the report of Howard and Bullough, Limited, makers of textile machinery, for the year ended May 31st last. The net profit amounts to £587,200, which compares with £383,100 for 1921-22, and £148,700 for 1920-21, but no explanation of this very substantial expansion is vouchsafed in the report. A summary of past results is appended:—

	1913-14.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.	1922-23.
Gross profits ..	£ 165,066	£ 301,152	£ 125,408	£ 128,218	£ 158,749	£ 393,058	£ 597,247
Debit interest ..	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Net profit ..	155,066	291,152	115,408	118,218	148,749	383,058	587,247
Brought forward	31,464	39,078	91,061	53,989	57,207	50,956	94,014
Available balance ..	186,530	330,230	206,469	172,207	205,956	434,014	681,261
Dividend ..	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Reserve ..	75,000	112,500	100,000	100,000	100,000	175,000	200,000
Ord. dividend ..	64,530	111,649	37,500	..	40,000	150,000	300,000
Carried forward	30,000	91,081	53,989	57,207	50,956	94,014	166,261

The ordinary dividend is maintained at 10 per cent., but the bonus is increased from 7½ to 10 per cent., free of income-tax. The dividend reserve is credited with £100,000, as against £50,000 a year ago, and £200,000 goes to reserve, as against £100,000, the carry forward being increased by over £72,000. Reserve funds now total £850,000, while the total paid-up ordinary and preference capital is £1,250,000. The auditors' report, moreover, states that "adequate depreciation has been written off the buildings, plant, and machinery, &c., accounts, and provision has been made for doubtful debts." An analysis of the balance-sheet will be found in a later column. The directors propose to capitalise £250,000 of the reserve fund, and distribute £1 bonus shares to ordinary shareholders at the rate of one share for every four held.

Malacca Rubber.—Again shareholders in the Malacca Rubber Plantation will be disappointed with results. In the accounts just published for the year 1922 of this company, although the directors have been able to show a profit of £35,340, as against a loss of £15,343 for the previous year, no distribution is made to ordinary shareholders, while the dividends on the 7½ per cent. cumulative preference shares are now three years in arrears. Results in past years are compared below:—

	1914.	1916.	1917.	1918.	1919.	1920.	1921.	1922.
Profit ..	£ 144,224	£ 230,749	£ 188,379	£ 50,199	£ 182,733	£ 18,581	£ 15,343	£ 35,340
Brought fwd.	7,146	62,864	58,961	98,746	56,751	30,457	26,716	..
Deb. inter., &c. ..	151,370	293,613	247,340	148,945	239,484	49,038	11,373	..
Income-tax ..	17,694	14,792	13,318	13,568	12,931	12,047	12,859	11,975
French Taxatn ..	15,463	37,703	45,516	36,700	34,800	..	..	..
Deb. sinkg ind. ..	31,0 6	5,871	7,139	5,114	2,412	9,914	1,792	1,654
Written off in-vestments ..	8,913	15,614	11,328	1,616	11,100	..	..	..
Inter. on 8½ % 7-year notes ..	..	1,387	..	..	1,332	..	..	..
Dividends ..	78,294	218,245	169,539	92,147	176,909	26,716	Dr 15,343	11,980
	61,944	159,284	70,793	35,396	146,451	..	..	..
	(17½ %)	(45 %)	(20 %)	(10 %)	(30 %)	..	..	..
Balance fwd.	16,360	58,961	98,746	56,751	30,458	26,716	Dr 15,343	11,980

In order to provide for depreciation of buildings and machinery and debit balance brought forward from previous year, £30,827 was transferred from reserves. Rubber production costs have fallen from 11.23d per lb for 1921 to 9.68d per lb for 1922, and the total crop harvested was 3,584,678 lbs, against 3,515,705 lbs for 1921. Since the close of the financial year the directors have made an issue of 171,036 ordinary £1 shares at 30s per share, and have repaid £150,000 8 per cent. seven-year notes.

The Mexican Railway Report.—Some light is thrown on the situation in Mexico by the half-yearly report of the Mexican Railway Company, to be submitted to the shareholders at their meeting on Wednesday next. For the half-year ending December 30, 1922, gross earnings fell to \$6,754,158, as compared with \$8,567,289 for the corresponding period of 1921; but the working expenses also declined by \$1,105,286 to \$5,505,974, owing to the reduction in the goods traffic and smaller expenditure on the hire of rolling stock. Net revenue is thus \$707,845 lower, at \$1,249,084. At the standard rate of 24d to the peso this is equivalent to £124,908; adding £3,740 for profits in exchange, and £1,701 for interest and transfer fees, the total credit to net revenue account is £130,349. The debit balance on June 30, 1922, was £508,156; after payment of debenture interest (£85,517), and reserving £8,000 for taxation, there is a deficit to be carried forward of £471,323 in net revenue account. On July 1st the company will distribute £62,697 in anticipation of profits payable to holders of the registered "A" stock, which, with the two previous distributions, will reduce the amount of that stock by 30 per cent. The electrification of the mountain section will probably be completed early in 1923. The jubilee of the line was celebrated last January, the President inaugurating the festivities. The country is quieter than at any time during the last ten years; the excessive stock of imported goods is being sold off, more land along the lines is being cultivated, and the harvest prospects are promising. Apparently, therefore, the peasantry are better off. So are the working classes in general, judging from the greater quantity of pulqué

(the strong drink of the masses), which was (unfortunately) carried, and the higher wages which the company had to concede. On the other hand, the decrease in the amount of goods carried, and in the first-class and express passenger traffic shows that the upper classes were still feeling the depression.

Zinc Corporation.—Our mining correspondent writes:—The shareholders in this Broken Hill undertaking lately had an agreeable surprise in the shape of the declaration of a dividend of 1s per share on the ordinary shares, involving a balance dividend of like amount on the participating preference issue, making 2s per cent. for the year. The report indicates that the earnings were swollen by abnormal profits on the residue of the zinc tailings, the cost of which had previously been written off. At £176,400 the surplus for 1922 scores an expansion of nearly £75,000 upon the 1921 total. The sum of £50,000 (as against £30,000) is appropriated for new plant, and after payment of the increased dividends an enhanced balance will remain to go forward. The last preceding distribution on the ordinary shares was 1s per cent. in 1919, making 30 per cent. for 1918. It may be recalled that the corporation was originally formed for the exploitation of a new process for the extraction of zinc from the Broken Hill tailings, and for this purpose acquired large accumulations of the residues in question, which had previously not been amenable to treatment. Considerable difficulties had to be overcome in practice, but eventually success was achieved. In 1911 the directors—doubtless with an eye to the then somewhat distant future—formulated a scheme for the absorption of the company owning the South Blocks mine; this was carried into effect. Subsequently the two branches of activity have been carried on more or less—as labour conditions permitted. As already indicated, the company has come to the end of its accumulation of residues, and will henceforth be dependent for its income upon the South Blocks mine, whose ore reserves are computed at 2,115,700 tons, value 14.6 per cent. lead, 2.6 ounces silver, and 9.4 per cent. zinc. There is also another lode chiefly carrying zinc. The corporation has substantial holdings in several associated undertakings, together with numerous miscellaneous interests. On the basis of last year's dividends the yield on the preference shares is about 12 and on the ordinary 8 per cent. The quotation of the two classes of capital is scarcely proportionate.

St John del Rey.—As only to be expected, in view of the decline in the gold premium, the profits of the year ended February, 1923, fall considerably short of those for the preceding twelve months. Moreover, operations were adversely affected by shortage and high cost of labour, these factors more than offsetting the abnormally low rate of exchange, which averaged rather less than 7d per milreis. In the event the profit of £148,800 is fully £108,000 below that of 1920-21. Holders of ordinary shares again get a bonus, but it is of 2½ per cent. instead of 5 per cent., making the total for the year 12½ per cent. The sum transferred to capital works account is now £60,000 as against £70,000, and there is no appropriation to reserve, which in respect of the preceding year got £30,000. The financial position is, however, strong, the balance-sheet showing net surplus cash assets to the amount of £181,000, invested in gilt-edged securities. The development position at the moment is a little uncertain; still, on a new method of computation, the ore reserves are placed at the expanded total of 1,381,400 tons, representing about 7½ years' supply. The reduction in temperature obtained in the deeper workings by means of the spraying process, although not so large as at first shown, continues at every point. The exploration of neighbouring areas has given discouraging results.

The Institute of Bankers announces that a paper on "The Place of Money in Economics," will be read by Prof. Gustav Cassel, on Monday, June 25, at 5.30 p.m., in the theatre of the School of Oriental Studies, Finsbury circus, E.C. 2.

Oversea Correspondence.

THE NEXT MEETING OF THE LEAGUE COUNCIL.

(BY A SPECIAL CORRESPONDENT.)

GENEVA, June 20.

It is difficult to keep pace with League developments within the limits of reasonable space, and since my last letter much has happened to add to the confusion of those unfriendly critics who seem to imagine they have said the final word when they ask in superior tones, "What is this League doing?" and who, for the most part, do not know even what the League is. The Council, which met towards the end of last April, is to assemble again on June 29th, and it will have a good deal of additional business to review and transact, short though the interval is between the two sessions. Presumably, Lord Robert Cecil will, for the first time, be the British representative, a fact significant not so much of Lord Robert's own special personality, but of the recognition by at least one of the Great Powers, that the League is part and parcel of foreign policy, and must be treated as such through a definite Minister, who to all intents and purposes becomes League Minister for Great Britain. It is to the credit of Mr Baldwin and the Conservative Government that they should have taken such a step, which was long overdue, and that, incidentally, they should have ended the farce by which one of the best living authorities on the work and procedure of the League was a participant in its labours only through the public spirit of the South African Premier in appointing him as one of the Dominion representatives. There is one regret. As a delegate of South Africa, Lord Robert was able to take an attitude of considerable independence in the Assembly. As a delegate of the British Government, he will hold a position of less freedom and greater responsibility, though it can be no secret that the French, remembering his League work, are a little apprehensive about it all, especially because of his recent speech on the Ruhr (before he took office), and because of the British Government's proposal on the agenda of the next Council meeting that a commission of inquiry be sent into the Saar. The latter is a difficult one, and an argument against it is that it comes rather late in the day, and follows British acquiescence in much that should not have been permitted, at any rate with British consent, during the past few years.

But it is now a new British Government, not responsible for what the Coalition thought fit to do, and it is clearly entitled to act differently. Other Governments on the Council remain, however, the same, and it will not be easy for them to admit uncertainty about their past wisdom. Personally, I do not consider there is a great deal in the matter. What was of more significance was that the House of Commons showed itself awake to the question, that the whole thing was widely ventilated, that very soon afterwards the strike was settled, and that the way was left open for the withdrawal, or at least the great modification, of the obnoxious decree which the governing commission took upon itself to issue. That is a point upon which the British Government should, and doubtless will, require precise information. Public opinion and Parliamentary opinion—these are the hopeful indications of this affair, both in relation to their effect on our own Government, and through them, it is to be hoped, on other countries. The history of the past few years has shown that the chances of agreement within the League are greater than they are without; the League has not only certain binding rules of conduct and procedure, but most distinctly a certain spirit of approach, which is not so evident outside, and this is facilitated by the continuity of League machinery.

A great step forward is the success which has marked the Austrian long-term loan. Twelve months ago no investor would put a halfpenny into Austria. To-day there have been complaints from those who failed to get allotments in the loan. That is the contrast which the League represents, and though it would be idle and foolish to pretend that all difficulties are over—there is no greater mistake than to belittle the difficulties of League work in any direction—it means almost everything to Austria

that this money is forthcoming. She had to fulfil a considerable part of her side of the bargain before this prospect could be realised, and she could not be absolutely confident. Now she knows, and can go ahead with assurance. It is unfortunate that politics prevented some similar application of sane financial reconstruction to Hungary, but it may have to come yet. The reconstruction of Europe would be comparatively simple if Europe were in a mood to face it with common sense instead of political passion.

The Council will have the gratifying task of reviewing the bright development of their Austrian scheme, and another important matter will be the consideration of the work of the Opium Commission, which has interesting political significance. The chief point of the problem is to reduce the production of raw opium to the amounts necessary for medicinal and scientific purposes. This is difficult, on account of the difficulty of control in Eastern lands, and of the social habits, but the Commission reached agreement with the Americans in principle, and called for international conferences for the purpose of reaching practical results in the limitation of production to medicinal and scientific requirements, and in the gradual suppression of opium smoking in China and Far Eastern colonies.

The Temporary Mixed Commission on Armaments has again been studying definite schemes for reduction and guarantees. Data are being gathered, and ideas threshed out that furnish the background from which a final policy may be formed as soon as the question becomes one of practical politics. There has also been a meeting of the Health Committee, which is in the full swing of highly valuable work, both of a technical and general public health character, and its tasks have been increased by Governmental applications for various kinds of scientific inquiry. It was decided, for example, at the instance of the British member, Sir George Buchanan, to consider the causes of the pronounced difference in certain forms of cancer mortality revealed in the vital statistics of England, Wales, Holland, and Italy. This is of great interest to public health, particularly when the problems of cancer are being actively studied in many countries. The work, study, and assistance of the health organisation extends to many parts of the globe, and, like several other non-political but vital international activities, in which the League is continuously engaged, this has the whole-hearted backing of official America.

UNITED STATES.—GOVERNMENT'S SHIPPING PROBLEM—INTERNATIONAL MERCANTILE MARINE PASSES PREFERRED DIVIDEND—COMMODITY PRICES—CROPS.

(FROM OUR CORRESPONDENT.)

NEW YORK, June 11.

In a letter to President Harding, made public to-day, A. D. Lasker, who will retire to-morrow as chairman of the United States Shipping Board, states that most of the bids which the board has received for some of its vessels will be inadequate, and that the Government will be forced to maintain in some way the various trade routes now being operated at its expense. In his opinion, the comparatively higher cost of operating American ships is still the main reason why private American capital does not enter the overseas carrying trade. Mr Lasker expresses his conviction that "there are inherent in any form of Government ownership of a merchant marine marked disadvantages as compared with private ownership which cannot be overcome," but under present circumstances he sees no alternative other than direct Government operation. He recommends, therefore, the creation by the Emergency Fleet Corporation of 12 to 18 subsidiary corporations in which existing freight lines will be consolidated, the Fleet Corporation, as the parent body controlling the general policies of its subsidiaries. To operate such trade routes, he says, there will be required at the outset about 250 ships, replacing almost 400 now in those services, the 250 ships representing approximately 2,000,000 deadweight tons. The Shipping Board, after allotting the 250 bottoms, will still have on hand more than 1,200 surplus steel ships. Several

hundred of those vessels, built for war purposes, cannot be operated under peace conditions, according to Mr Lasker. He recommends that about 200 vessels, or approximately 1,750,000 deadweight tons, be selected "as a reserve to be employed in highly competitive routes if, and when, foreign owners actively oppose the expansion of our marine activities." He urges that some of these reserve steamships be refitted with Diesel engines. Vessels so equipped have an advantage, he says, of about 25 per cent. in operating costs as compared with the highest type of oil-burning ships, and the economies thus effected will, he believes, more than compensate for the disadvantage in physical operating costs under which American ships now labour. If the foregoing plan is adopted, there will remain between 900 and 1,000 ships "for which we have no present employment, and the existence of which acts as a depressant upon the merchant marine of the world, and most of all upon our own." Mr Lasker, therefore, recommends the sale of these surplus ships at the best prices obtainable, not only to private American, but also to foreign shipping interests. Stabilised conditions, he argues, can only be brought about by the elimination of this surplus tonnage, and he suggests that the Shipping Board be authorised to scrap all of these vessels for which it is unable to find a purchaser at home or abroad.

In common with all shipping companies, the International Mercantile Marine Company had a very lean year in 1922. The action of the directors in passing the semi-annual dividend on the 6 per cent. cumulative preferred stock, usually paid on August 1st, came as no great surprise to the financial and investment community, especially since reports submitted at last week's annual meeting of stockholders showed a heavy deficit for the year, after charging off full depreciation on all steamships of the company and its subsidiaries. The company's annual report has not been completed, but the preliminary statement of operations in 1922, compared with actual results in 1921 follows:—

	1921. Actual. \$	1922. Estimated. \$
Net earnings, including insurance fund surplus for 1922, after deducting operating and general expenses, taxes, and interest on debenture bonds of subsidiary companies	14,069,053	6,971,130
Interest on I.M.M. Co. bonds	2,153,725	2,256,253
Profit before depreciation	11,915,327	4,714,877
Depreciation on steamers	6,117,980	5,948,660

Net result

* For proper comparison with results of previous years, the earnings of the British companies have been converted at \$4.85 per £ sterling.

† Deficit.

The preliminary report of the International Marine Company alone is as follows:—

	1921. Actual. \$	1922. Estimated. \$
Total net earnings of I.M.M. Co. plus dividends from subsidiary companies, after deducting taxes and general expenses	8,329,309	6,534,838
I.M.M. Co. bond interest	2,153,725	2,256,253
Depreciation on steamers directly owned	6,175,583	4,098,584
Surplus	998,834	398,834

* Dividend received from foreign subsidiary companies were converted at the market rate of exchange on date received.

P. A. S. Franklin, chairman of the board, told stockholders that the marked decrease in the consolidated earnings for 1922, as compared with 1921, was caused largely by the decrease in the movement of third-class passengers, both east and west bound, owing to the United States immigration laws and the unsettled conditions in Europe. That heavy loss was only slightly offset by a moderate increase in the movement of first and second-class passengers. There was also a decided petitive freight rates had fallen to a point where in many cases the actual cost of loading and discharging the cargo was hardly covered. For the first four months of this year, he said, business shows even less satisfactory results than for the corresponding period of 1922, and is likely to continue depressed until the European political situation materially improves and the present serious

economic difficulties are remedied. It is quite generally agreed here that, in view of the many factors which have discouraged travel and traffic, such as restriction of immigration, vexatious passport regulations and increased competition, including that of Government-owned ships, the company, as Mr Franklin points out, did well to earn during 1922 its expenses, taxes, and bond interest, and in addition a substantial part of the yearly depreciation on its fleet. Among holders of the company's first mortgage 6 per cent. bonds, due October, 1941, some uneasiness has apparently developed because of the marked decline in the company's earning power, with the result that the bonds have fallen to around 82, as compared with last year's high point of 99½. The bonds, however, are protected by large equities, and officials express confidence that the company will be able to maintain interest payments which have always been earned.

Commodity prices continued to decline in May. Bradstreet's index number as of June 1st was \$13.3841, representing a drop of 2 per cent. from May 1st, which, in turn, was 2 per cent. below the April 1st number. While the June 1st index figure is the lowest recorded since November 1st, 1922, it is 12.4 per cent. higher than that of June 1st a year ago, and 26 per cent. above the low point on that date two years ago, when the 1920-21 decline culminated. The present index number is 35.8 per cent. below the peak point of February 1, 1920, but 37.5 per cent. higher than the August 1, 1914, level. During May only one group of commodities—namely, building materials—showed a gain, and that was small; only one group, fruits, remained unchanged, while 11 of the 13 groups declined to a greater or lesser extent. The principal recessions were in prices of metals, textiles, provisions, and naval stores.

The Government's crop report, as of June 1st, forecasts a much lighter yield than last year's harvest in the case of all small grains, with the exception of oats. The following table gives the June 1st condition of the principal crops, as reported by the Department of Agriculture, the estimated yields in bushels, as indicated by the June 1st condition, and the actual harvests in 1922 and 1921, three ciphers being omitted:—

	Condition June 1, 1923.	1923 Forecast.	1922 Yield.	1921 Yield.
Winter wheat	76.3	581,000	586,000	587,000
Spring wheat	90.2	236,000	270,000	208,000
All wheat	79.9	817,000	856,000	795,000
Oats	85.6	1,256,000	1,215,000	1,061,000
Rye	81.1	72,000	95,500	58,000
Hay	84.4	99,000	112,800	97,000

During the past week good progress has been made by all crops. Private estimates of the winter wheat crop range from 579,000,000 to 612,000,000 bushels; of spring wheat, 217,000,000 to 237,000,000 bushels; of total wheat, 796,000,000 to 849,000,000 bushels; and of oats, 1,275,000,000 to 1,330,000,000 bushels. Reports from leading corn-growing States are unfavourable. In many sections an unusual amount of replanting has been necessary; elsewhere cultivation has been delayed by slow growth and wet fields, and heavy rains have caused considerable damage in various parts of the corn belt, particularly in Texas and Oklahoma.

FRANCE.—BUDGET—PUBLIC DEBT—TRADE RETURNS.

(FROM OUR CORRESPONDENT.)

PARIS, June 20.

THE Senate, which began its general discussion on the Budget on Monday afternoon, completed this part of its work yesterday morning, and is now busy with its final consideration of the individual departmental budgets. When this has been completed, the revised Budget will, of course, be sent back to the Chamber, with what results it is at present impossible to make any suggestion. The difference between the Budget for 1923 as it left the Chamber and as it now stands before the Senate, as the result of the recommendations of the Finance Commission

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of the Upper House, may be seen at a glance from the following brief table:

	Chamber. Francs.	Senate. Francs.
Estimated expenditure ..	23,971,099,877	22,154,713,522
Estimated revenue	20,281,832,261	23,051,571,032
Estimated deficit ..	3,689,267,616	896,857,510 (Estimated surplus.)

This replacement of an enormous estimated deficit by a substantial surplus the Senate Finance Commission has effected (1) by considering itself justified, in view of the manner in which revenue is coming in in excess of the Finance Minister's estimates, in estimating that the Treasury will receive from taxation by the end of the year an additional sum of 2,210,000,000 more than M. de Lasteyrie budgetted for, plus 500,000,000 from the railway companies, and (2) by drastically cutting down the estimated expenditure of the majority of the departmental budgets by a total of 1,816,386,355f. Whether these departmental reductions will be translated into fact rests almost entirely with the Chamber, but it is already evident that nearly all, if not all, the Ministries affected will put up a strong fight to obtain authority to expend as much as the Chamber has already agreed to.

It is now becoming clear, however, that the greater part of the 1,816 millions which the Senate Finance Commission counts upon by cutting down expenditure is merely a matter of bookkeeping. It is proposed that the budgets of the various civil services shall be cut down by a total of 560 millions, and the military estimates by 336 millions, or 896 millions in all. The remainder of the proposed saving is in connection with the public debt service, in which connection it is proposed to relieve the Budget to the extent of 920 million francs by the simple device of transferring from the ordinary Budget to the budget of expenditure which is recoverable from Germany an equivalent amount of liability incurred through the failure of Germany to carry out its treaty obligations. The Senate Finance Commission, contrary to the view hitherto taken by the Government, recommends that all interest charges on sums that have had to be advanced by France on Germany's account down to December 31, 1922, shall be passed to the Budget of recoverable expenditure. These advances amount to a total of 31,679,000,000f for damage to persons, pensions, &c., 53,651,000,000f for damage to property, and 12,410,000,000f for interest, or a grand total of 97,740,000,000f. On its real Budget, apart from expenditure due to Germany's default, it is contended that France would have a surplus of 4,200,000,000f, therefore it is argued that it is both unfair and illogical that the taxpayer should be called on to carry such an enormous artificial burden.

In introducing his report to the Senate, M. Henry Bérenger gave an interesting statement. Of over 400,000,000,000f of debt, he said, there are 150 milliards of unredeemable rentes of which the capital is not repayable. A further 100 milliards represents purchases of munitions and supplies from the other Allies during the war, and will, according to M. Bérenger's view, be due for payment only after the general settlement of inter-Allied indebtedness. Then there is the ordinary foreign

debt, which is provided for in the usual way, and also the advances made by the Bank of France, in connection with which nothing of a special character need be said. The only serious element, according to M. Bérenger, is the fact that there are now in existence defence and Treasury bonds representing a capital of 83,000,000,000. The constant increase of the public debt, he insisted, was a matter that requires urgent attention.

The French foreign trade returns for the first five months of the year, which were issued yesterday, disclose that during the month of May, for the first time for many years, French exports were in excess of imports. The exports for the month amounted to 2,675,045,000. In consequence of the change in the basis of valuation, however, to which I referred recently, it is impossible to give comparative figures in regard to previous months. A statement issued with the returns nevertheless shows that the exports during May exceeded the imports by 78,000,000. On the first five months of the year the total exchanges, which amounted to 23,863,200,000, showed an excess of imports over exports amounting to 449,049,000, as compared with 275,000,000 during the corresponding period of 1922. The detailed returns for the five months, as compared with the corresponding period of last year, are as follows:—

	First Five Months of		Inc. or Dec.
	1922.	1923.	
Imports—	Francs.	Francs.	Francs.
Foodstuffs	2,131,745,000	2,804,919,000	+ 673,174,000
Raw materials	4,993,666,000	7,567,577,000	+ 2,573,911,000
Manufactured goods	1,658,127,000	1,758,627,000	+ 100,500,000
Total	8,783,538,000	12,131,123,000	+ 3,347,585,000
Exports—			
Foodstuffs	698,186,000	1,234,970,000	+ 536,784,000
Raw materials	2,092,190,000	3,638,792,000	+ 1,546,602,000
Manufactured goods	5,223,467,000	6,149,003,000	+ 925,536,000
Postal packages	542,139,000	659,309,000	+ 117,170,000
Total	8,555,982,000	11,682,074,000	+ 3,126,092,000

It may be useful, perhaps, on this occasion, to give the comparative returns of weights also, which for the same period are as follows (in metric tons):—

	First Five Months of		Inc. or Dec.
	1922.	1923.	
Imports—			
Foodstuffs	1,855,330	2,243,643	+ 388,313
Raw materials	17,560,384	17,864,943	+ 304,559
Manufactured goods	708,316	650,840	- 57,476
Total	20,124,030	20,759,426	+ 635,396
Exports—			
Foodstuffs	333,612	493,126	+ 159,514
Raw materials	6,802,231	7,980,610	+ 1,178,379
Manufactured goods	842,196	1,114,341	+ 272,145
Postal packages	11,017	12,827	+ 1,810
Total	7,989,056	9,600,904	+ 1,611,848

The most striking feature of the return, perhaps, is the fact that since the beginning of the year French exports of manufactured goods have reached the proportion of nearly five times the value of the imports of goods of a similar category, and have increased by over 18 per cent. as compared with the corresponding period of last year, while imports of manufactured goods increased only 6 per cent. in value during the same period, while they actually declined by about 6 per cent. in weight. These figures are vitiated to some extent by the new method of valuation adopted by the French Customs authorities, as to which there is a certain amount of controversy here. At the same time, there is no doubt that, owing to the high rate of exchange and other factors, French purchases abroad are now falling off considerably.

French imports of coal and other combustibles, which rose temporarily during the earlier part of the occupation of the Ruhr, are now on the down grade again. During the first five months of the year the total quantity of this category of raw materials imported was 11,420,396 tons (valued at 1,300,074,000), as compared with 12,160,978 (valued at 960,662,000) during the corresponding period of 1922. The deliveries of coke from the Ruhr,

indeed, have now become so satisfactory that purchases of British coke have been entirely suspended, so far as the wants of the French metallurgists are concerned. The question has been raised by M. Fernand Engerand, before the Foreign Affairs Commission of the Chamber, as to whether the metallurgists in the Eastern part of France have not adopted a mistaken policy hitherto in calling on the Government to furnish it with already manufactured coke from the Ruhr instead of coal from which to manufacture coke themselves. The reason for the policy hitherto adopted, however, is clear, and has been due to the fact that Westphalian coke reached the blast furnaces at a price far lower than it could have been produced on the spot. In 1921, for instance, when the quotation for French coke at the retorts was 100f per ton, coke from Germany was being sold to the metallurgical industry in this country at from 38f to 40f a ton, the then price in Germany itself. When the German home prices in July of the same year rose to 110f a ton, the French Government arranged to furnish metallurgists in this country with combustible on the basis of 75f a ton. M. Engerand pointed out to the Commission that this policy rendered it possible for Eastern metallurgists to do without French coke, and, as a consequence, paralysed the local coke industry to such an extent that the coke plants at Lens, Béthune, and Anzin were to a large extent shut down, while projected development plans were abandoned. French metallurgists, in M. Engerand's opinion, would have been much less hampered by recent circumstances if, instead of eagerly accepting supplies of coke from Germany, they had insisted on receiving coal instead, and put themselves in a position to manufacture their own coke.

GERMANY.—CURRENCY—FINANCES—BOURSE.

(FROM OUR CORRESPONDENT.)

BERLIN, June 19.

With the mark depreciated to one-twentieth of its very low gold value of early January, the Currency question obscures all others. Though in general currency is regarded as inseparable from Reparations, there is a growing feeling that measures might be taken which, accepting the depreciation as a fact, and further depreciation as likely, would avoid at least some of the evil consequences. The public finance and the wages questions are directly connected by the condition of direct taxation. The State is losing worse than ever from the depreciation of direct taxation before it is paid; the workmen complain, with reason, that the nominally low rates of income-tax which they bear, being paid at once in the form of deduction from wages, are very much heavier than the nominally high rates imposed on the rich, and paid long afterwards. It is certain that were the direct taxes really got in, the present enormous State deficit would decline or disappear altogether; and put an end to the inflation. The need for ending the inflation is to-day even more clearly seen than before, because the movements of the exchange market in the last months and the facts brought out before the Reichstag Exchange Enquiry Committee agree in showing that a main factor sending up the foreign exchanges is the enormous amount of free marks in public hands, which money the public, foreseeing its further depreciation, insists, despite prohibitions and restrictions, in securing by purchase of stable currencies. The Government itself told the Reichstag last week that the temporary success of the February-April stabilisation was made possible only by the shortness of money at that time, and admitted that the output of paper marks then and later proceeding was bound to kill the experiment. A concrete instance of the abundance of marks above current needs, and of the ease of drawing these from the owners' pockets if only there is a guarantee against depreciation, is the fact that the new Berlin Rye Loan is known to have been oversubscribed at least 60 times on the first issue day, and when all bank reports are in will probably prove to have been oversubscribed 100 times on the first day.

Loans of this kind, the new "savings goldmark" of the savings bank, and other measures, some by the Federal Government itself, have provided partial remedies for the failure of the paper mark as a medium

of exchange and means of capital accumulation; and have made a break with the universal validity of the paper mark. New instances are:—A law, already accepted by the Reichsrat, providing for mortgages in coal, rye, or wheat units, with power to the Government to increase the list of unit commodities; mortgage banks are empowered to issue to the public coal, rye, or wheat mortgage bonds, and are required to secure the bonds with mortgages expressed in the same commodity. This measure is expected to revive the mortgage business, and therewith to facilitate building. The official comment on this is instructive. It "is the first step toward breaking with the legal theory held so far that a mark is always equal to a mark. As a consequence, the new principle must be applied to other domains, because it would be unreasonable to protect the private business men by fixed value (werbestaendig) systems of trade, while allowing the State to continue to suffer from the currency depreciation." Berlin Municipality yesterday adopted this logic by deciding to collect its real estate tax and some minor taxes on the basis of the price index. The paper mark tax will increase automatically in measure as the mark's buying power declines. Everywhere in private business, and increasingly in public business, this system, or the goldmark index system, which is in principle the same, is practised overtly, and where it violates the law, secretly; and every citizen who secures his marks by investing them in commodities, stable currencies, or "fixed value" loans, profiteers on his direct taxes at the expense of the State, and ultimately at the expense of the private pure-mark interests which pay the State's inflation tax. The Federal Government's policy, though supposed to be based on the "mark is a mark" system, is itself ambiguous; by the customs gold surcharge, the new 30 per cent. a month interest on unpaid direct taxes, and other measures it makes up more or less imperfectly for its losses as a creditor in marks; but there is no sign of its going as far as the Berlin Municipality, which will simply fix a normal rate of real taxation on a price basis, and get in this real tax by increasing the nominal mark tax when prices rise. The strong Socialist demand for "werbestaendig" direct taxes is supported by calculations showing that in the financial year 1922-23 the yield of an income-tax, which theoretically rises to the high rate of 60 per cent. (and this on very modest gold incomes) was at exchange of payment dates only £25,310,000, and that of this sum £16,450,000 was paid by the workmen in shape of deductions from wages.

The latest report shows how badly the finances are going. In the ten days preceding June 10th the Floating Debt increased from 12,123,739 to 14,469,943 millions—a new record. Expenditure in the ten days was 1,795,432 millions, against 1,646,077 millions in the preceding period, while revenue was only 226,578 millions, against 283,558 millions. The big direct tax payments, which yielded over a billion marks in the first two ten-day periods of May, have ceased. In the new decade only one-eighth of expenditure was met. This, of course, means a decline in real revenue; real expenditure has not increased since May, 1922, in which month the ordinary Budget balanced, and the deficit on all Budgets was only about 20 per cent. Apart from the Ruhr occupation, only the fall in the value of the direct tax yield can explain the aggravation. As the indirect taxes, which are assessed on weight or volume, have also dwindled with the dwindling mark, some of these are to be put on an *ad valorem* basis. The match tax is to be 20 per cent. *ad valorem*. The salt tax remains on weight, but may be raised if the price of salt rises more than 50 per cent. The sugar tax is to be raised to 30,000 marks per 100 kilos—since this measure was drafted the price-rise has made the new rate much too low. A Bill before the Reichsrat at last releases trustees from their obligation to invest in fixed-interest bearing papers. Under this obligation most of the old trust funds have disappeared. The Reichsbank statement for June 7th shows the influence of the new price-level. Commercial bills increased by 604,473 millions, Treasury Bills by 426,491 millions, and the circulation by 745,670 millions. The normal weekly increase in circulation, which two months ago was 300-400 millions, is likely soon to be over a billion. The limit of 20,000 marks per dollar borrowable on security

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of the Dollar Treasury Bills has been removed. The Reichsbank reports that between March 1st and June 9th it delivered \$80,000,000 worth of foreign currencies to 15 big banks to enable them to meet the demand. The gold reserve is now 756,914,000 gold marks, of which 180,032,000 gold marks is deposited in foreign central banks.

Stocks last week and yesterday went up violently. The *Frankfurter Zeitung's* dividend-payers index for the 15th shows 8,060,700, against 5,075,650 a week earlier and 376,685 on January 5th. This rise is somewhat greater than the currency depreciation. Yesterday some stocks rose 30,000 per cent. Some of the Federal loans, led by Threes, have had big rises, Threes yesterday nearly doubling their quotation. Quotations yesterday and those of the 11th are:—War Loan, 95.50 and 92; Fours, 3,300 and 2,100; 3½ per cents., 2,250 and 900; Threes, 38,000 and 11,000; Savings and Premium, 600 and 510. Forced Loan quotes only 32, although, except for the loss of interest in the first three years, it is as good as Threes, which stand more than 1,000-fold higher. The buying of Threes was, as usual, largely foreign.

CANADA.—SMALL BUDGET MAJORITY—FURTHER CHANGES—THE BANK ACT—TRADE CONDITIONS—DIFFICULTIES OF FISHING INDUSTRY—PROPOSED EMBARGO ON PULP-WOOD EXPORTS—RETURNS OF TRADE WITH U.S.

(FROM OUR CORRESPONDENT.)

OTTAWA, June 4.

The King Government, after days of anxiety, secured on May 23rd, in face of a combination of Conservatives, Progressives, Labourites, and two Liberal insurgents, passage for their Budget by 8, the smallest majority given to a Canadian Budget since Confederation. Even this was only obtained by the help of three Progressives and an Independent, and in view of the precariousness of the Ministry's situation there is some talk of a general election. A more serious blow than the small majority was the defection of Messrs. Macmaster and Hudson, two Liberal K.C.s, who took the ground that the terms of the Budget recorded a decision on the part of the Ministry to abandon the Liberal platform of 1919 and conform to the desires of the manufacturing interests and their political allies. The tariff reductions conceded are immaterial, and new doses of bounties and protection have been conceded, while the changes in the sales tax will increase the cost of living. The spokesmen of the Government claim that they have materially lowered the tariff, but they made the same claim a year ago, and the Customs returns for 1922-23 reveal the grim fact that the average rate of duty collected has actually risen a few points.

Meanwhile, however, Mr Fielding has announced some changes in the Budget, and as he has held back the resolution stage, it is thought some more are contemplated. The sales tax has been put back upon newspaper, but its general operation will not begin till

January 1, 1924. A wholesaler who sells 50 per cent. or more of his turnover to manufacturers will be allowed a license, and will not, as originally arranged, pay the sales tax when buying his goods. Only in the event of a sale to an unlicensed manufacturer or retailer will he impose and collect the tax—not, however, on the sales price, but on his purchase price of the goods. As a result, the manufacturer will be the chief collector of the tax in the eyes of the Excise Department. The woollen manufacturers have been protesting fiercely against the new preferential discount on British goods. They declare that the 2½ per cent. cut in the woollen duties made last year resulted in a great increase in the import of British woollen goods, such as hosiery, underwear, &c., and their own sales were seriously impaired. Manufacturers of natural silk are also claiming that the same protection as has been accorded to the artificial silk industry be accorded to them, and there is a rumour that they have been pacified with a duty.

Meanwhile the Banking and Commerce Committee have been sitting every day. The hearing of witnesses was completed ten days ago, and the committee is now engaged in the dissection of the Act clause by clause. The Progressives, who are backed by almost the whole Western Press, have demanded that the banks be given a renewal of their charters for a year and the legislation postponed till next session. At a party meeting, however, the Liberals decided to force the Bank Act through at any cost this year, and as they can rely on Conservative help for this purpose, they voted down the Progressive motion for delay. By way of retaliation the Progressives have adopted delaying tactics in the committee, and have fought clause after clause. However, they cannot outnumber the combination ranged against them, and ultimately the Act will reach the House more or less in the original form drafted by Mr Fielding. However, the Progressives, who are 64 strong, can then renew their blockade on the floor of the House, and if they manage it skilfully, can delay the Act's passage for many weeks. They will not base their obstruction on any demand for a radical bouleversement in the financial system, but will concentrate upon a few drastic reforms, which they regard as imperative. They want, for instance, some guarantees about a national system of rural credits analogous to the scheme devised for the United States, provisions that future bank mergers must require the authority of Parliament, better protection for farmer borrowers, and other changes. If these were conceded, they would drop their obstruction and let the Bill pass, but they fear that once the banks get a clear field for another ten years, they will turn a deaf ear to all demands for reform.

The advent of summer has not brought about the improvement looked for in general trade, although the retail sale for summer fabrics has been up to the average. There is an evident lack of money in circulation in the rural areas, and the country storekeepers will not place orders till there is greater certainty of a good crop. However, the mining boom still continues, and the demands for supplies from the north country are helping business in Toronto and elsewhere.

The Federal Government, by the confession of the Minister of Marine and Fisheries, are contemplating certain measures of reprisal against the United States in connection with fisheries. By the provisions of the Fordney Tariff, Canadian fishermen on the Atlantic coasts were very hard hit; they are faced with a tariff duty before they can sell their catches in the American market, and lose the benefit of a reciprocal arrangement which enabled them to take their fish direct to American ports like Boston. The result is that large numbers of Canadian fishermen who catered for the American market have been compelled to move from their old bases of operations in Nova Scotia to some New England port. Meanwhile, American fishermen are still making use of the other end of the reciprocal arrangement whereby they can land their catches and secure supplies at Canadian ports on payment of a nominal fee. Frightened by the loss of fishing population, public opinion in the Maritime provinces has been demanding the cancellation of the privileges now enjoyed by the Americans, and as the only opposition seems to come from a few traders and merchants who profit by the present arrangements, they may be can-

celled chiefly in the hope that the Americans will then offer some concessions.

Simultaneously with this agitation, another of a parallel kind is on foot for a general embargo upon the export of pulpwood to the United States. At present the important timber provinces have already embargoes on the export of pulpwood grown on Crown lands, where it is cut under Government license. But vast timber areas are owned outright by private individuals and corporations, and the argument is that the million odd cords of pulpwood which are annually cut on these lands, and exported to the United States, should be brought to a higher state of manufacture in Canada, with a resultant addition of perhaps 50 or 60 million dollars per annum to the country's income. Mr Meighen has publicly supported the proposal of such an embargo, and leading Liberals have also endorsed it. Mr Fielding in his Budget speech promised that the subject would be investigated this summer, but was obviously conscious of the difficulties involved in a general embargo. The United States might easily retaliate with an embargo on anthracite coal which would cause great inconvenience to central Canada. Moreover hundreds of settlers who are hewing farms out of the bush in the north country rely during their early struggles on their pulpwood income, and do not wish to be left at the mercy of local rings of Canadian mills. Again statistics indicate that there has been very little increase in the export of pulpwood from Canada; in 1914 1,089,384 cords were exported, and only 7,000 odd more in 1923. Meanwhile, the export of printing paper had grown in the same period from 294,578 to 1,006,230 tons.

However, the trade returns for the past fiscal year once more demonstrate the futility of fiscal devices to check trade between two countries whose interest lies in free commercial relations. Despite the Fordney Tariff, Canada exported in 1922-23 to the United States goods worth \$380,347,721, as compared with \$304,104,721 in 1921-22. Canadian imports from the United States also showed an increase of roughly 25 million dollars.

NORWAY.—TARIFF INCREASES—NEW LOAN PROPOSED.—PAPER STRIKE.

(FROM OUR CORRESPONDENT.)

CHRISTIANIA, June 16.

THE necessities of the Exchequer have caused the Finance Minister to look for fresh sources from which to replenish his coffers. At a secret meeting of the Storting he proposed an increase of the duty on articles, the duty on which was not fixed in conformity with treaties with foreign Powers. The increase was adopted, involving 10 per cent. higher duty on coffee and sugar, and 33½ per cent. addition to the duty on other articles. The increase is calculated to yield an advance on the present duty income of about 11 million kroner per annum.

The Finance Minister at the same time signalled the plan of raising a fresh loan of 250 million kroner. Of this sum, 200 millions were intended to clear up all deficits to date, and the remaining 50 millions were to be used as working capital. The Minister did not mention whether he intended launching the loan in the home market or offering it for subscription abroad—that is, in England or America. The latter plan, of course, would help to bring down the exchange, whereas the former would have the great advantage attached to it that the money for interest and amortisation—about 25 million kroner annually—would remain in the country. There is, no doubt, money enough in the country. Two Christiania banks alone—one savings bank and one private bank—have deposits which now exceed 400 millions each. The latter—Christiania Bank and Kreditkasse—has found it necessary to increase its funds by a fresh subscription, because its bye-laws stipulate that it may never receive deposits to a larger amount than ten times its share capital and reserves, but the deposits exceed this limit at present. When, by means of this loan, the ground has been thoroughly cleared, strenuous efforts will be made, by the greatest economy, to keep the budgets down and to balance them without any recourse to fresh loans on the part of the Government.

Attempts have been incessantly made to avoid the strike in the paper industry which has been threatening

for some time. Unless these succeed at the last moment, the strike will commence at 10 o'clock to-night, throwing about 12,000 people out of work. There is no doubt that many of the workmen resent the wanton attitude of their leaders in this special case.

Books and Publications.

A STUDY OF WORLD PROBLEMS.*

EARLY in 1917, before America had entered the war, and before the Russian revolution, a German professor had set down in writing his views on world affairs. They have been translated by an American professor and published by the Carnegie Endowment for International Peace. The German professor, Dr Nippold, preferred to be a Swiss citizen, and had already, before the war, a reputation as a writer of note on international law. He did not spare his Fatherland. There he saw "forces at work to turn the course of international law backwards to the advantage of the military system," and he regarded militarism as "the antipodes of international law."

That a German should condemn the opinions prevalent in Germany will commend him to English people still obsessed by narrow nationalism. But this writer is careless of nationality. It is the thing—the tendency—whether towards law and order or towards anarchy, with which he concerns himself. His outlook is bigger and more broadly based than to be influenced by the catchwords to which some folk hitch their opinions. The book is, in the words of Dr James Brown Scott, who contributes an introductory note, "a commentary on the League of Nations before its birth." It is, indeed, a most interesting commentary, though Dr Nippold, in one point at least, assumed a course of events which did not occur. Writing in the middle period of the war, he discussed developments which might take place "provided that there be a real peace conference." In his view a treaty of peace not containing stipulations for the international supervision of the manufacture of munitions, ships, and so on, "would never be able to offer any guarantee that it actually is a peace treaty." No such peace treaty was concluded. This German writer could not foresee that at Paris the leading figures would be preoccupied with other issues, one "to crush the economic life of his enemy," another "to do a deal and bring home something which would pass muster for a week." Nippold, on the contrary, looking forward to the end of the struggle, considered that leading statesmen had, when he wrote, manifested their plain intention to start, after the war, such a work of peace as that of which he foresaw the possibility. His programme, which, by a coincidence, was contained in 14 points long before the American President had launched his proposals, presupposed that "in the future peace treaty the war preparations of the individual Powers should be reduced to a reasonable degree, so that no single State would any longer be in a position to bid defiance to the might of the League."

Nippold's scheme seemed to contemplate, in effect, the establishment of a world super-State, as well as recognition of the principle that international disputes should be submitted to an international court. As we know, neither his "powerful league of States" nor his court has materialised. To the latter the States were to be pledged to refer all disputes except those concerning vital interests, and these excepted disputes were to be compulsorily submitted to mediation or investigation. Yet the Professor cannot be dismissed as a visionary. He has grasped the fundamental need. He would have us escape from militarism, have us be free, and he quotes another German writer—"Liberty can only arise out of a liberal state of mind." Like Lord Brougham a century ago, he would trust the schoolmaster rather than the soldier (though it must be admitted that many public schools encourage militarism). His book, as a contribution towards bringing about a liberal state of mind, is well worth reading, but will his ideas ever reach the

* "The Development of International Law After the World War." By Otfried Nippold. Translated from the German by Amos S. Hershey, Ph.D. Oxford Clarendon Press. 1923. 7s 6d net.

multitude? The book is admirably produced, but its style is not calculated to make a wide appeal. Multitudinous references to and lengthy extracts from other learned writers are given in footnotes on almost every page, and the author himself frequently interjects remarks and side comments of his own in other footnotes. The thread of the argument is so broken up in this way that it is difficult to follow. There are, moreover, no cross headings to subdivide the text, so that the massive flood, with all its swirling side eddies in footnotes, is apt to bewilder the reader instead of carrying him along. Still, the book is well worth the attention of those who can tackle it.

UNEMPLOYMENT.*

THIS brochure (it is little more) is characteristic of Mr Cole's method. With an air of sweet reasonableness and scientific precision, he begs every question that his preconceived conclusion requires him to beg, and slurs over every difficulty on the plea that in a small book it is impossible to go into detail: perhaps this is why Mr Cole always writes small books. His simple doctrine is that unemployment is the necessary concomitant of capitalism, and will vanish when Socialism replaces capitalism. True, the war (and the wicked peace) have made it worse; but then the war (and the wicked peace) were themselves, like every other human ill, due to capitalism. Capitalism causes unemployment in four main ways. (a) It causes a mal-distribution of wealth, which leads to under-consumption of consumable goods and over-production of "constructional" goods. Mr Cole here adopts and distorts Mr J. A. Hobson's theory. (b) It produces the alternate booms and slumps of the trade cycle; and it seems that while labour never gains from a boom, it always loses during a slump. There would be no booms or slumps under Socialism; but the book is too short to let Mr Cole explain why. (c) Capitalism leads to the deliberate restriction of output for the sake of swollen profits; which Mr Cole seems to regard not as an exceptional, but as an all but universal practice. (d) Capitalism leads to inflation of capital on a wholesale scale; and this causes unemployment because, paradoxically enough, the capitalist has to reduce his output in order to earn dividends on his inflated capital. Lancashire may fondly suppose that many of its mills are closed because Turkey, India, and China are not buying their goods. Mr Cole knows better. The mills are closed in order that they may in that way earn bigger dividends for inflated capital! After this cogent demonstration, and after dismissing with contempt every "palliative" except that adopted by that "courageous body of men determined to do justice at all costs"—the Poplar Board of Guardians—Mr Cole comes to his final chapter, which is impressively headed "The Solution." It runs to a little over four pages. "The Solution" is, of course, Socialism; but if you hope to obtain from these pages any answer to the question how Socialism would prevent unemployment you will be disappointed. The hoary catchword about "producing for use instead of profit" is trotted out again; but that is all. No doubt Mr Cole was prevented by the limits of space. He really ought to write books big enough to enable him to answer the irritated questions that rise to the lips of every intelligent reader.

* "Out of Work." By G. D. H. Cole. Labour Publishing Company. 2s 6d and 1s.

THE WORKERS' REGISTER OF LABOUR AND CAPITAL.*

THIS is evidently meant to be the first of a yearly series of volumes, designed to equip "the working-class leader, spokesman, negotiator.....both for stating the workers' case and for understanding and penetrating the case of Labour's enemies." The use of the phrase "Labour's enemies" shows, what is apparent throughout the volume, that its fundamental assumption is the existence of an ineluctable conflict between labour and capital. It is a survey of the fortunes of this swaying conflict, and of the organisation and resources of the

* "The Workers' Register of Labour and Capital, 1923." Prepared by the Labour Research Department. Labour Publishing Company, Limited. 5s. 224 pp.

rival armies. The first half of the book is devoted to labour, the second half to capital; and (especially in the second half) every development of business organisation is interpreted as a device to "down" and to plunder labour. Given these assumptions, the book is very well done, and it can be profitably used by those who do not share these assumptions. It is clear, concise, and well arranged; it contains a large amount of useful matter, conveniently analysed, which cannot be easily obtained elsewhere; it is invaluable as making quite plain the advanced Labour position on such subjects as the inflation of capital or the working of trusts and price rings. It is, in short, an excellent illustration both of the service which a research department can render to a political party, and of the temptation to which such a department is exposed—that of using statistics to support a predetermined conclusion.

BOOKS RECEIVED.

Education and Industry. By Henry C. Link. (New York) The Macmillan Co. 9s net.

The above-mentioned two books can be obtained from Messrs Macmillan and Co., Limited, London.

Economic Imperialism. By Professor Achille Vialatte. (New York) The Macmillan Co. 9s net.

The Economic Journal, June, 1923. (London) Macmillan and Co., Limited. 6s net.

In this issue are interesting articles by Professors Verrijn Stuart, Pigou, and Cannan.

Charterparties and Bills of Lading. By Sir Thomas Edward Scrutton. Eleventh Edition. (London) Sweet and Maxwell, Limited. 36s net.

An "International Banker's" View of the League of Nations. By Otto H. Kahn. (New York) The Committee of American Business Men, 354 Fourth avenue.

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STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET. ACCOUNT.
June 27. June 28.

Ascot week is seldom a busy one in the Stock Exchange, and, although the attractions of racing have been marred on this occasion by the weather vagaries, the condition of slackness in the markets has been amply maintained. Business has come patchily and unevenly, but on the whole it is not likely that many Stock Exchange firms have had to complain of over-work, and the settlement which starts on Monday, the last in the first half of the year, will be of moderate dimensions. The principal feature of the week, from the market point of view, was the activity and the fluctuations in the price of the new Austrian scrip. A general depression round the House is due to the Continental impasse; financial failures in America contributed to the heaviness of prices.

The Consol market fell under a cloud through the realisation of fairly large blocks of stock, for which homes were the less readily available by reason of the mild window-dressing that is still indulged in at the end of June. Colonial scrip stocks have been heavy, the New Zealand falling to 1½ discount. The premium on new India scrip, which rose at one time to 3, gave way sharply to 1. Investment of substantial amounts of money was met by sales of still larger quantities

of stock, and prices of gilt-edged securities lean to the dull side.

Reparations are rightfully regarded as the main handicap to anything approaching confidence on the part of the investor and activity in the Stock Exchange markets. Foreign bonds have been weak, thanks largely to the attitude which France continued to adopt in regard to the political conversations. Speculation in the Austrian scrip proved popular. The price touched 7 premium, and went back to 5 premium. Mexican Government bonds are flat. Other foreign bonds exhibit a dull tendency, with no particular feature. Yet German Threes are harder on balance.

It may be of passing interest to mention that one man in the Stock Exchange who put £100 into shares of an Austrian bank three months ago has since received £270 in cash and 1,200 shares which can be sold at £1 each. In such remarkable fashion has the credit of Austria been rehabilitated, within so brief a time, by the concerted action of the Powers.

Home Railways dwindled in price, interest in them being of very slender dimensions. Therefore it is not surprising to find modification of the optimistic estimates current in the earlier part of the year in regard to probable dividends on the deferred stocks of the North-Eastern and Southern groups. Grand Trunk Pacific debenture gave way on what is regarded as the equally unfair and discourteous treatment awarded to proprietors of Grand Trunk Railway junior issues, which are to receive not even a compassionate allowance in return for the money invested in these descriptions. Argentine Railways are heavy, but United of Havana braced up as the speculative investor again took a hand in the market. Antofagasta rose to 90 before a slight reaction occurred. On the other hand, Brazilian railway stocks, more particularly San Paulo, are sluggish. The Mexican Railway report caused falls in the two preference stocks.

Rubber shares sympathised with the heaviness that over-spread industrials as a whole. The oil market spent an unsettled week, professional activity in the leading shares failing to stimulate any public attention worth mentioning. Disappointment with the Shell dividend was partly neutralised by the issue of a moderately good report from the Royal Dutch company. The Mexican Eagle dividend announcement is expected at any moment. Courtaulds weakened on selling said to emanate from New York, where the Wall Street Stock Exchange suffered disturbance through a fairly large failure in the middle of the week. Shipping, insurance and banking shares hold their ground with a certain degree of tenacity. The recently-introduced Bank Holdings rose from 8s 3d to 12s 3d before reacting to 10s. Imperial Tobacco shares, quoted ex rights, have been the centre of lively dealings in both directions. The iron and steel market lacked supporters, and prices shed small amounts in most cases, nor have the good results achieved by the textile companies during the last half-year served to prevent a sympathetic dullness in the list. John Barkers and Lyons eased off on the announcement of new issues of preference shares, but Liptons remain hard, thanks to the declaration of a dividend, making 12½ per cent. for the year; other stores shares are listless. Marconis gave way under the pressure of moderate selling; the cable group is a little lower. Electric lighting shares hold their prices, thanks to the second winter which the companies, if not the public, are enjoying.

Kaffir shares have failed to benefit from the declaration of another batch of dividends from the leading companies, the announcements being satisfactory in the majority of cases. The Johannesburg Consolidated Investment has declared a dividend of 2s 6d net, the highest paid for many years. Some disappointment is felt at the Randfontein Estates not having announced any dividend in respect of the past six months. Rhodesians, diamonds and other South African mining shares have been dull, the diamond market continuing, as usual, at the mercy of Paris moods. In the markets for the various tin shares stagnation is described as summerlike. Mexican movements have been confined mostly to falls of halfpennies, and Russians attracted no public interest. Falls in copper shares are ascribed to Paris and American sales.

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

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded	£ ..	£167,800,441 ..	£ ..	£ ..

ISSUES OF THE WEEK—

NATIONAL SAVINGS CERTIFICATES.

NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED JUNE 16, 1923.

April 1, 1923, to June 16, 1923, £2,550,000 ..	500,000 ..	500,000 ..
--	------------	------------

To the Public—				
Government of Dutch East Indies, £6,000,000 5% Loan, issued at 92%, red. at par 1933-1962 (June 19) ..	6,000,000 ..	5,520,000 ..	600,000 ..	4,920,000 ..
Salts (Saltaire), 1,200,000 7% Cum. Pref. £1, at par (June 20) ..	1,200,000 ..	1,200,000 ..	150,000 ..	1,050,000 ..
Do £1,200,000 6% 1st Mort. Deb. at 99%, red. at 102½% July 1, 1958 ..	1,200,000 ..	1,188,000 ..	180,000 ..	1,008,000 ..
Enfield Edison Cable Works, Limited, 200,000 7½% Cum. Pref. Shares, £1, at par (June 18) ..	200,000 ..	200,000 ..	25,000 ..	175,000 ..
Skeeball and Amusements, Lim., 24,000 10% Ptg. Pref. Shares, £1, at par (June 11) ..	24,000 ..	24,000 ..	12,000 ..	12,000 ..
Rapson Tyre Co. (of Europe), £150,000 7½% First Mort. Deb. Stock (red. at 105%, 1930-45), issued at 95% ..	150,000 ..	142,500 ..	30,000 ..	112,500 ..
Do 150,000 8% Cum. Ptg. Prefd. Ord., £1, at par (June 21) ..	150,000 ..	150,000 ..	37,500 ..	112,500 ..
Colonial Gas Association, 33,720 7% Pref. Shares, £1, at par ..	33,720 ..	33,720 ..	4,215 ..	29,505 ..
Do 40,000 Ord. Shares, £1, at par ..	40,000 ..	40,000 ..	5,000 ..	35,000 ..
Total offered to public ..	..	8,498,220 ..	1,043,715 ..	7,454,505 ..

To Shareholders only—				
Central Sumatra Rubber, 20,000 7½% Cum. Prefd. £1, at par (June 18) ..	20,000 ..	20,000 ..	20,000 ..	..
Total offered to shareholders only ..	..	..	20,000 ..	..

Total offered for subscription to date	Total offered for subscription for whole year—
1923 .. £176,818,661	1922 .. £573,675,650
1922 .. 442,942,194	1921 .. 388,978,203
1921 .. 118,304,913	1920 .. 367,549,656
1920 .. 227,131,824	1919 .. 1,036,059,951
1919 .. 384,380,447	1918 .. 1,393,381,441
1918 .. 696,180,167	1917 .. 1,318,596,010
1917 .. 1,047,179,467	1916 .. 585,436,853
1916 .. 287,274,220	

Government of Dutch East Indies 5 per Cent. Loan 1933-1962.—Issue of £6,000,000 bonds at 92 per cent Principal and interest will be paid in London in sterling, free from all taxes of the Netherlands or the Dutch East Indies. A sinking fund, beginning in 1933, will be established for the redemption of the bonds, to be applied by annual drawings at par or by purchases under par. The Government will, however, have the right, upon giving four months' previous notice, to repay at par outstanding bonds upon July 15, 1933, and upon any coupon date thereafter. It is stated that the proceeds of this issue will be used to reduce the National Unfunded Debt. An excellent security, which was well received.

Amalgamated Anthracite Collieries, Limited.—Authorised share capital £2,500,000, divided into £1 shares. This is an issue of 1,600,000 shares at 21s per share. The company has been formed to acquire an interest in the South Wales Anthracite Coalfields and as a first step the issued share capital of two collieries in that district. Surplus assets of the two concerns are valued at £1,779,041. It is a pity, perhaps, that the actual purchase price is not more clearly stated. However, the company will not, as far as can be gathered from the prospectus, be over-capitalised. Profits are given from 1916. The names on the board indicate that the company will start its career under the auspices of some skilled industrial magnates, and to that extent investors are well protected.

Salts (Saltaire), Limited.—Authorised capital £2,200,000 divided into 1,200,000 7 per cent. cumulative preference and 1,000,000 ordinary shares, all of £1 each. There is also debenture stock for £1,200,000. This is an offer for sale of £1,200,000 6 per cent. first mortgage debenture stock at 99 per cent. and the whole of the preference shares at par. The company has been formed to acquire the business of Sir Titus Salt, Bart., Sons, and Co., Limited, which is interested in the woollen trade. Net assets have recently been valued at £2,972,000, exclusive of goodwill. There are, however, certain unspecified items amounting to £863,000, which will not be taken over by the new company. A statement of the profits of the old company for six years is given. The purchase price is £3,400,000, including £427,650 for goodwill, and is payable in cash, the bulk going to three directors of the old company. The debenture stock is secured by a first specific mortgage upon lands, buildings, and fixed plant, valued at £1,535,565. This

appears to be a fairly reasonable flotation, but it would be interesting to know why the "offer for sale" was employed.

Rapson Tyre Company (of Europe), Limited.—Authorised share capital consists of £150,000 in 8 per cent. cumulative participating preferred ordinary shares of £1 each and £200,000 in deferred ordinary shares of £1 each. Loan capital for £200,000 in 7½ per cent. first mortgage debenture stock has been authorised. This is an issue of £150,000 first mortgage debenture stock at £95 per cent., and 150,000 8 per cent. cumulative participating preferred ordinary shares at par. The company has been formed to acquire the business of the Rapson Tyre and Jack Company, Limited, the purchase consideration being £300,000, payable two-thirds in deferred ordinary shares and one-third in cash, debenture stock, or preferred ordinary shares. The preferred ordinary shares are entitled to a cumulative dividend of 8 per cent. in priority to any dividends on the deferred shares, and also to one-fourth of any further profits which may be distributed. They will also have priority to capital over the deferred shares. The debenture stock will be redeemed at £105 per cent. not later than December 31, 1945, but may be redeemed at that price after 1930. Mr Rapson is a life director of the company, and is to receive 2 per cent. of gross trading profits after deducting debenture interest, in addition to £2,000 a year and director's fees. A well-known motor-car expert also takes a commission of 1 per cent. Incidentally, it would be interesting to know what past profits actually have been.

The Enfield Edison Cable Works, Limited.—Authorised capital £450,000, consisting of 200,000 7½ per cent. cumulative preference shares, now offered at par, and 250,000 ordinary shares, of which 202,056 have been issued. The undertaking was formed in July, 1919, as a private company, to acquire the business carried on by the Enfield Electric Cable Manufacturing Company, Limited, but has now been converted into a public company. Without goodwill, existing net assets amount to £230,743, to which must be added the proceeds of the present issue, making a total of over £400,000. Trading profits amounted to £18,310 for the year ended June 30, 1920, to £5,657 for the succeeding year, to £38,296 for 1921-1922, and to £30,022 for the nine months ended March 31, 1923. The proceeds of the present issue will, it is stated, be utilised in extensions to the existing plant, and as well as in paying off a loan by the company's bankers. Preference shareholders have limited rights. A fair industrial risk.

West Hampshire Water Company.—Incorporated by Act of Parliament, 1893. Authorised share capital £100,000, of which £78,514 has been issued. Existing borrowing powers amount to £39,257, and £38,533 has been raised. This is a sale by tender of 1,000 £10 5½ per cent. "redeemable" preference shares at the minimum price of par. The shares, which will be redeemed at par on June 30, 1933, are being issued to provide capital for extensions of the company's works, plant, and mains, and for the redemption of £2,808 5½ per cent. debenture stock on October 1st next, and other purposes. The net revenue of the company for the year ended June 30, 1922, after deducting interest on the outstanding debenture stock (excluding that to be redeemed) amounted to £2,001, while the dividends on the preference shares, including the present issue, will require £1,713. Subject to the smallness of the flotation and, in consequence, the narrow market, the shares appear to be fairly cheap at the minimum price of issue.

The Colonial Gas Association, Limited.—This is an issue at par of 33,720 7 per cent. preference shares and 40,000 ordinary shares, all of £1 each. The shares will rank *pari passu* with the existing ordinary and preference shares. The capital now being raised will be used for the repayment of an overdraft obtained from the company's bankers in Australia for extensions to works, mains, &c., rendered necessary by the increasing demand for gas. Dividends on the ordinary shares have progressively advanced from 6½ per cent. in 1918 to 9 per cent. in 1922. A well-established Australian gas undertaking.

Kepong Dredging Company, Limited.—Authorised capital £120,000, in shares of £1 each, of which 110,000 have been issued. The company was formed in April, 1923, to acquire tin-mining land in Selangor, F.M.S. The purchase price is placed at £55,375, to be satisfied wholly by the issue of shares. This looks a reasonable scheme from the information published, but the shares, when they do find their way on the market, should be left to those intimately acquainted with tin mining conditions in the F.M.S.

Prince John Mining Company, Limited.—Authorised capital \$2,500,000, in shares of \$1 each. Fully-paid shares to the number of 2,499,900 have been issued, but 1,189,537 are held by the company for future sale. Application is being made to the London Stock Exchange to deal in 850,266 shares, and this information is published in connection therewith. The company was incorporated under the laws of South Dakota in December, 1922, and "registered in British Columbia as an extra provincial company." The future of the company will be watched with interest by investors.

ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Price Last Week.	Latest Price.	Rise or Fall.		Price Last Week.	Latest Price.	Rise or Fall.
War Loans	100.00	100.00	—	Aust. 6% 1931-41	100.00	100.00	—
Funding Loan 4%	99.00	99.00	—	Canada 4% 1920-25	101.00	101.00	—
Victory Bonds 4%	99.00	99.00	—	India 3% Stock	71.00	70.00	—
Conversion Loan 3%	80.00	80.00	—	Do 7% 1926-31	122.00	121.00	—
Consols 2½%	58.00	58.00	—	Do 5% 1932	104.00	102.00	—
Irish Land Stock 2½%	61.00	61.00	—	Do 4% 1933	92.00	90.00	—
Local Loans 3%	68.00	67.00	—	N.S.W. 5% 1922-32	101.00	101.00	—
				Nigeria 6% 1949-79	114.00	114.00	—
				U. of S.A. 6% 1930-40	106.00	106.00	—
				Victoria 5% 1924-34	101.00	101.00	—
				W. Aust. 6% 1930-40	104.00	104.00	—

Banks.

Barclays & C. (Ld.)	213.00	213.00	—	Nat. Bank of S. Africa	85.00	75.00	—
Chartered Bank of India	19.00	19.00	—	Nat. Prov. & Union of	11.00	11.00	—
Lloyds (£5 with £1	3.00	3.00	—	England (£20, with	11.00	11.00	—
London Joint City &	8.00	8.00	—	£4 paid)	11.00	11.00	—
Midland (£12 with	8.00	8.00	—	Standard of S. Africa	11.00	11.00	—
24 paid)	8.00	8.00	—	(£20, with £5 paid)	11.00	11.00	—
Nat. Bank of Egypt	22.00	22.00	—	Westminster Bank	18.00	18.00	—
(£10)	22.00	22.00	—	(£20, with £5 paid)	18.00	18.00	—

Colonial and Foreign Railways.

Antofagasta Cons.	88.00	88.00	—	Leopoldina	27.00	28.00	—
B.A. and Pacific	85.00	81.00	—	Mexican Railway	12.00	12.00	—
B.A. & Southern	87.00	85.00	—	Do 1st Pref.	38.00	36.00	—
Buenos Ayres West.	85.00	81.00	—	Do 2nd Pref.	24.00	23.00	—
Canadian Pacific	167.00	164.00	—	San Paulo	143.00	140.00	—
Central Argentine	74.00	72.00	—	United Havana	69.00	73.00	—

Foreign Government Securities.

Argentine 5% 1886-7	101.00	101.00	—	Japanese 4%	102.00	102.00	—
Belgian 3%	68.00	68.00	—	Do 4% 1910	74.00	74.00	—
Brazil 5% Fund, 1914	75.00	74.00	—	Mexican Cons. 1899	61.00	59.00	—
Chilian 4% 1895	86.00	86.00	—	Peruvian Corp. Pref.	29.00	29.00	—
Do 7%	107.00	107.00	—	P.L.M. 6%	88.00	89.00	—
Chinese 5% 1912	73.00	72.00	—	Portuguese (New)	31.00	31.00	—
Egyptian 4%	70.00	70.00	—	Russian 5% 1906	8.00	8.00	—
French 5%	23.00	23.00	—	Spanish 4%	71.00	71.00	—
Do 4%	23.00	22.00	—	Seine (Dept.) 7%	101.00	100.00	—
Greek 4% 1884	47.00	47.00	—	Siam 7%	108.00	108.00	—

Telegraphs.

Anglo-American "A"	23.00	23.00	—	Marconi Canada	4.00	4.00	—
Marconi Wireless	2.00	2.00	—	Marconi Marine	1.00	1.00	—

British Railways.

Great Western, Ord.	114.00	112.00	—	Southern, Ord. "A"	36.00	37.00	—
Do Def.	87.00	86.00	—	Do Ord. "B"	12.00	12.00	—
London & North-Eastern	88.00	87.00	—	Do Pref. Ord.	88.00	87.00	—
5% Pref. Ord.	88.00	87.00	—	Do Def. Ord.	38.00	37.00	—
Do Def. Ord.	53.00	52.00	—	Underground Electric	3.00	2.00	—
London, Mid. and	111.00	109.00	—	Do "A" (1/1)	7.00	7.00	—
Scottish, Ord.	73.00	70.00	—	Do Inc. Bds. (£100)	96.00	96.00	—
Metropolitan	54.00	53.00	—				

American Railroads.

Chesapeake & Ohio	69.00	67.00	—	Southern	40.00	38.00	—
Erie	14.00	12.00	—	Do Non-cum Pref.	74.00	71.00	—
Do 4% 1st Pref.	21.00	20.00	—				

Miscellaneous.

Aerated Bread (L)	14.00	13.00	—	Imperial Tobacco (L)	34.00	34.00	—
Amal. Closures (L)	1.00	1.00	—	Linggi Plantns. (L)	1.00	1.00	—
Anglo Persian Oil (L)	3.00	3.00	—	Lipton (L)	1.00	1.00	—
Armstrong (Sir W.G.)	1.00	1.00	—	Lever Bros. 7% Cmp (L)	1.00	1.00	—
and Co. (L)	1.00	1.00	—	Do 8% Cmp A Prt (L)	1.00	1.00	—
Asiatic Cement (L)	1.00	1.00	—	Do 10% Cmp P Ord (L)	1.00	1.00	—
Baker, John (L)	1.00	1.00	—	Lester (L)	1.00	1.00	—
B'ham Small Arms (L)	1.00	1.00	—	Lobitor Oilfields (L)	6.00	6.00	—
Brazil Traction (£100)	52.00	51.00	—	Lyons (J.) & Co. (L)	4.00	4.00	—
British-American	1.00	1.00	—	Magadi Soda (L) Ord.	1.00	1.00	—
Tobacco (L)	5.00	4.00	—	Mexican Eagle (£10)	1.00	1.00	—
Burmah Oil (L)	5.00	5.00	—	Pekin (L)	1.00	1.00	—
Costs (J. and P.) (L)	1.00	1.00	—	Rubber Plantations	1.00	1.00	—
Courts (L)	1.00	1.00	—	Investments (£1)	1.00	1.00	—
Cunard (L)	1.00	1.00	—	Shell Transport (£1)	1.00	1.00	—
Dorman, Long (L)	1.00	1.00	—	Smithfield & Argentine	1.00	1.00	—
Dunlop Rubber (L)	1.00	1.00	—	Meat (£1)	1.00	1.00	—
Fine Cotton Spinners	1.00	1.00	—	United Dairies (£1)	1.00	1.00	—
(L)	1.00	1.00	—	United Serdang (L)	1.00	1.00	—
Forestal Land (L)	1.00	1.00	—	United Tobacco (£1)	1.00	1.00	—
Furness, Withy (L)	1.00	1.00	—	Vallambrosa (L)	1.00	1.00	—
Highlands and Low-	1.00	1.00	—	Vickers (£1)	1.00	1.00	—
lands Rubber (L)	1.00	1.00	—	Watney Def. Stk.	174.00	175.00	—
Hudson's Bay (L)	1.00	1.00	—				

Mines.

Brakpan (£1)	3.00	3.00	—	Knights	4.00	4.00	—
Broken Hill Prop. (L)	1.00	1.00	—	Modderfontein (10)	4.00	4.00	—
Chartered (L)	1.00	1.00	—	Modderfont. "B" (5)	1.00	1.00	—
Cons. Gold Fields (£1)	1.00	1.00	—	Modderfont. Deep (5)	2.00	2.00	—
Crown Mines (10)	2.00	2.00	—	Premier Def. (2/6)	6.00	6.00	—
De Beers Def. (£25)	1.00	1.00	—	Rand Mines (5)	2.00	2.00	—
East Rand Prop. (L)	1.00	1.00	—	Selkwe	1.00	1.00	—
Geduld (£1)	1.00	1.00	—	Rio Tinto (£5)	37.00	36.00	—
Gov. Gold Areas (£1)	1.00	1.00	—	Spring Mines (£1)	2.00	2.00	—

ANALYSIS OF BALANCE-SHEETS.

GUEST, KEEN, AND NETTLEFOLDS.

March 31, 1923.

LIABILITIES.	Compared with Mar. 31, 1922.	ASSETS.	Compared with Mar. 31, 1922.
Amount.	£	Amount.	£
Prof. shares	1,720,000	Land, buildings,	
2nd pref. shares	4,348,950	collieries, &c.	3,111,197
Ord. shares	5,378,153	Stock	458,902
4% deb. stock	1,850,500	Debtors	1,318,217
Reserve fund	2,628,503	Investments	12,591,018
Sundry creditors	1,574,942	Cash and bills	652,010
Profit and loss	630,296		
Total	18,131,344	Total	18,131,344

HOWARD AND BULLOUGH.

May 31, 1923.

LIABILITIES.	Compared with May 31, 1922.	ASSETS.	Compared with May 31, 1922.
Amount.	£	Amount.	£
6% pref. shares	250,000	Business, good-	
Ord. shares	1,000,000	will, &c.	1,191,166
4% deb. stock	250,000	Book debts	315,685
Int. accrued	4,137	Investments	832,282
Sundry creditors	230,087	Cash at bank	281,359
Reserve	300,000	Cash and bills	18,702
Div. reserve	250,000	Stock-in-trade	338,791
Cont. reserve	155,000		
Profit and loss	698,761	Total	3,037,985
Total	3,037,985	Total	3,037,985

HUDSON'S BAY COMPANY.

May 31, 1923.

LIABILITIES.	Compared with May 31, 1922.	ASSETS.	Compared with May 31, 1922.
Amount.	£	Amount.	£
Ord. shares	1,000,000	Cash in London	132,137
Prof. shares	2,000,000	Premises in Lon-	
Creditors & cred.		don	100,842
balances	1,734,888	Amount invested	
Funds and reserve	1,064,885	in fur trade	1,568,090
Balance of land	1,786	Amount invested	
account	1,786	in sale shops	3,444,192
Profit and loss	321,110	Debtors	569,828
Total	6,122,669	Winnipeg offices	66,298
		Investments	241,282
		Total	6,122,669

JOHN BROWN AND CO.

March 31, 1923.

LIABILITIES.	Compared with Mar. 31, 1922.	ASSETS.	Compared with Mar. 31, 1922.
Amount.	£	Amount.	£
Ord. shares	2,437,500	Land, buildings, &c.	6,754,688
Prof. shares	1,750,000	Works, tools, &c.	204,392
Deb. loans and int.	1,432,376	Debtors	941,721
Creditors	1,221,716	Coal rents paid	36,717
Reserve	300,000	Cash and bills	42,312
Contingency fund	550,000		
Profit and loss	288,238	Total	7,979,830
Total	7,979,830	Total	7,979,830

"SHELL" TRANSPORT AND TRADING COMPANY.

December 31, 1922.

LIABILITIES.	Compared with Dec. 31, 1921.	ASSETS.	Compared with Dec. 31, 1921.
Amount.	£	Amount.	£
5% pref. shares	2,000,000	Prop. account	20,473,267
7% 2nd pref.	5,000,000	Debtors	175,802
Ord. shares	19,365,144	Balance of divs.	76,130
Reserve	5,000,000	Investments	4,378,731
Sund. creditors	443,235	Deposits with	
Divs. unclmed	22,353	bankers	100,000
Divs. accrued	4,473	Cash at bankers	439,293
on pref. shrs.	170,833		
Profit and loss	6,386,214	Total	38,387,779
Total	38,387,779	Total	38,387,779

The First National Bank of Boston

The leading financial institution of New England

Foreign and domestic commercial banking of every nature

Correspondence solicited.

COMPANY MEETINGS, &c.

J. LYONS AND CO., LIMITED.

SUCCESSFUL YEAR—INCREASED PROFITS.

"RECORD OF STEADY GROWTH."

NEW PREFERENCE SHARE ISSUE APPROVED.

The twenty-ninth ordinary general meeting of J. Lyons and Co., Limited, was held, on the 18th instant, at the Trocadero Restaurant, Shaftesbury Avenue, London.

Mr Alfred Salmon (chairman and managing director) presided.

DIRECTORS' REPORT.

The report of the directors for the year ended March 31st last states that the balance from trading account shows:—

A profit of	£	s	d
Amount brought forward from last year	631,816	8	6
	15,421	2	11
	£647,237	11	5

From this amount is to be deducted:—

Dividend on 5 per cent. preference shares paid to November 30, 1922, and proportion provided for period to March 31, 1923	32,353	5	0
Dividend on 7 per cent. preference shares paid to March 31, 1923	70,000	0	0
Dividend on 8 per cent. preference shares paid to March 31, 1923	80,000	0	0
Dividend on the 6 per cent. preferred ordinary shares paid to September 30, 1922, and proportion provided for period to March 31, 1923	24,000	0	0
Interim dividend (2s per share) on the ordinary shares and "A" ordinary shares already paid for the half-year ended September 30, 1922	16,835	8	0
Interim dividend (4.8d per share) on proportional profit shares already paid for the half-year ended September 30, 1922	10,000	0	0
And the directors propose to deal with the balance as under:—			
To place to reserve	100,000	0	0
To pay a dividend of 3s per share on the ordinary shares and "A" ordinary shares for the half-year ended March 31, 1923	163,287	0	0
To pay a dividend of 7.2d per share on the proportional and "B" proportional profit shares for the half-year ended March 31, 1923	28,500	0	0
To carry forward to next account	30,239	6	5
	£647,237	11	5

The business done has been satisfactory.

During the financial year the following establishments have been opened:—

- 268-270 Seven Sisters road, Finsbury Park.
- 26 High Holborn.
- 81 Buckingham Palace road.
- 164 Victoria street.
- 4 Princes parade, Muswell Hill.
- 2 The Triangle, Palmer's Green.
- 21 Camberwell Green.
- 506-508 Brixton road.
- 52 High street, Sutton.
- 361-363 Station road, Harrow.
- 17 Colmore row, Birmingham.

Additional premises have been acquired and will be opened in due course, and negotiations for other depôts are proceeding.

The board and the company suffered a great loss during the year by the death of two directors, Mr Montague Gluckstein, the chairman, and Mr C. W. Oatley, who was also the manager of the construction department. They were both held in the highest esteem and affection by their colleagues, and their loss is felt very keenly.

the company's formation, and it continues a record of steady growth, although the year just past has been a difficult one. We are satisfied that you will be pleased with the results shown in this report and accounts.

The increase in the profit amounts to some £36,000, and after paying the various sums due for the preference interests, and paying a dividend at the same rate as last year on ordinary shares and proportional profit shares of both classes, there remains a balance of £114,000, £100,000 of which we place to reserve, the remainder being added to the amount carried forward last year, thus making the reserve £600,000 and the carry-over £30,239. The amount required for dividend has increased by £15,000, a portion for additional "A" shares and a larger amount in respect of the "B" proportional profit shares, for the half-year ended March 31st last. The dividend for the corresponding period from the Strand Hotel, Limited, in respect of the shares for which these "B" proportional shares were issued in payment, is not received until after the close of our financial year, and will, therefore, come into next year's accounts.

BALANCE-SHEET: ASSETS.

I will now just run briefly through the items of the balance-sheet, pointing out to you in round figures the variations in the respective accounts.

On the assets side there is an increase in freehold land, buildings, &c., of £1,126,000, making a total, after providing for estimated depreciation and contingencies, of £5,324,064. This additional amount arises from expenditure on extensions of the Greenford and Cadby Hall factories, the Coventry street Corner House, and new depôts. Stock-in-trade, at £1,966,000, is £210,000 more than it was last year. The increase is only commensurate with the growth of business, but, notwithstanding its large total, the stock might almost be called negligible, for its ratio to turnover is small; indeed, considered in terms of money, it may be said to have been consumed and replaced before the auditors have signed the balance-sheet. Sundry debtors' account, at £586,000, is £149,000 more.

Investments in associated companies, &c., stand at £791,000, and are £76,000 less than last year. We have added to this account the purchase of the Strand Hotel shares and shares in a new company, Millal, Limited, formed for the development of a dried-milk business, in which we hold a controlling interest, the balance of the shares being held by United Dairies, Limited. On the other hand, the amount has been substantially reduced by the sale of Government stock, the proceeds of which have been absorbed in our several developments. Cash at bankers and in hand amounts to £540,000, an increase on last year of £142,000.

LIABILITIES.

On the liabilities side, the capital issued now stands at £4,860,000, and shows an increase of £232,000. The reserve was increased from £409,000 to £500,000. The mortgage liabilities, which stand at £1,192,000, are £286,000 more than last year. Watching the trend of rents, we decided that it would be sound policy for the company to become, where possible, the owners of its premises. Not desiring to lock up too much of the company's capital in this direction, we have mortgaged a number of them—hence this increased figure—thus converting rent into interest. The figure of trade and other creditors, bills payable, &c., including credit balances and reserves, now stands at £2,316,000, an increase of £900,000. I shall have something to say about this later.

Dividends unclaimed are £140 more than last year, and the balance remaining in the profit and loss account, amounting to £344,810, is £38,400 more than last year. The major part of the growth in our trade creditors and bills payable is occasioned by the fact that we are providing through the usual credit facilities finance for a much greater proportion of our current day-to-day needs than we have done hitherto, the whole of our various surpluses having gone into the additions to our numerous properties.

NEW ISSUE OF CAPITAL.

You will have seen in the report a paragraph announcing the intended issue of a further £1,000,000 capital, in order to make good those surpluses of the company which have been absorbed in fixed capital, and thus free them for further extensions. We do not think it advisable to provide capital of that nature by short-term credits.

You will note, too, in the report that during the year we have opened further depôts, and since the close of the year we have opened the large extension to the Coventry street Corner House, and we are also proceeding with numerous other establishments, the total requirements in respect of which call for a large outlay of capital. The establishments already opened are showing satisfactory returns, and we have no doubt that those to be opened will be equally remunerative.

THEIR MAJESTIES' VISIT TO GREENFORD FACTORIES.

We were recently honoured—as you, no doubt, all know—by a visit of their Majesties the King and Queen to our Greenford factories and to the staff club house and playing fields at Sudbury, and they were graciously pleased to express their satisfaction with what we were able to show them. These factories have been added to continually since their opening in 1920, and are still in process of enlargement. The goods which are produced there (tea, coffee, cocoa, custard powder, chocolate, confectionery, toffee, &c.) have all met with the approval of the public, and the demand for them is steadily increasing. The products are all the first of their kind; the basis of the company's prosperity is in supplying what the public wants and giving the very best value that can be given at the price charged. That we are giving such value, and that it meets with public approval, is shown by the constantly increasing business.

It is true that, as has been said before, the margin of profit is extremely small, but it is certain, and the volume of trade grows steadily larger from year to year. You will readily understand that, with so small a margin of profit and so large a volume of trade it needs the most careful handling, calling for great technical ability and a thorough costing system, so that there may be no mistakes either in the production of the right quality article or in the calculation of its net cost. But, of course, these remarks apply equally to all the company's products, and, as you are aware, the Greenford premises do not produce all that the company sells.

CADBY HALL.

There are large factories—perhaps kitchens and bakeries would best describe them—at Cadby Hall, mainly concerned with the goods required by the retail side of our business. When we removed several departments to Greenford we thought we had freed space at Cadby Hall which would amply provide for expansion of the departments remaining, but already they cry aloud for more elbow room.

I have spoken of the technical skill required in the manufacture, but to maintain the company in the forefront of commercial enterprise, where we intend it shall remain, something more than mere technical skill is demanded—there must be imagination and foresight—the reaching out to an ideal. These qualities your board is always seeking to stimulate and to cultivate throughout all its industries, and we believe we can claim a certain degree of success therein.

Perhaps this will be a suitable point to mention that the board has repeated the privilege of allowing the managing directors to apply for the same number of "A" shares at par as was granted them last year in acknowledgment of their services.

NEW ISSUE EXPLAINED.

With regard to the proposed new issue, we have decided on a 7 per cent. preference share, which we propose to issue at such premium as, whilst taking into account the market value of the share, will represent an advantageous investment for the shareholder. We do not need the whole of the money at once, and shall therefore only issue half a million to begin with, about the end of the month, but the remainder will be issued before the end of the current financial year. These shares will be offered to shareholders only, and all classes of shareholders will be included. Shares will not be transferable until fully-paid. There are no rights; allotments will not necessarily be *pro rata*, and there will therefore be no power to renounce in favour of others. I have been asked why such a sound enterprise should consider it necessary to create cumulative preference shares bearing a rate of interest as high as 7 per cent. Well, the answer is that these shares will not give a return of 7 per cent.; they will be issued at a premium, and the return will be nearer 6 per cent. than 7 per cent.

In conclusion, may I again repeat what has so often been said by my predecessors—that this institution of ours, great as it has become, is still a growing concern, with illimitable possibilities opening out from day to day before us.

TRIBUTE TO STAFF.

But I must not sit down without a word of thanks to our loyal and efficient staff, and I use the word "staff" to include everybody, from departmental managers down to the humblest position in the company. We all recognise the great part they play in the successful conduct of our business.

I now propose the first resolution, namely, "That the payment of an interim dividend of 2s per share on the issued ordinary and 'A' ordinary share capital of the company for the half-year ended September 30, 1922, be, and it is hereby, confirmed; that the report of the directors and the balance-sheet submitted to this meeting be and are hereby adopted; and that a dividend be paid for the half-year ended March 31, 1923, of 3s per share on the issued ordinary and 'A' ordinary share capital of the company."

SIR EDWARD SMITH'S SPEECH.

Sir Edward Smith, J.P., D.L., in seconding the resolution, made a sympathetic reference to the loss sustained by the com-

pany in the death of two of its directors, and expressed the hope that such vacancies might not be frequent, or occur in the near future. He desired to congratulate the board on the excellent choice they had made of a chairman, and to say that, in his opinion, no more statesmanlike or businesslike statement could have been made by anyone than the speech to which the shareholders had just listened. He hoped that Mr Alfred Salmon would have a very long and happy career in the distinguished position which he filled, and it was interesting to note that that gentleman had given them evidence of his broadmindedness in suggesting that it was not his intention to occupy the chair in perpetuity. It was particularly satisfactory to have such a statement, because it emphasised the fact that this was not a "one-man show." He had a great dread of a large institution with a great deal of money involved where the whole of the activities depended very largely upon the inventive genius of one individual. Lyons and Co. was an undertaking where any director might qualify himself to become a managing director, and ultimately chairman, and as he looked around he wondered how many of them would attain that position.

MARKED SUCCESS.

It was very gratifying that the company had met with such marked success during the past year, notwithstanding the difficult conditions prevailing. It seemed to him, upon looking at the balance-sheets, that the history of J. Lyons and Co. had been one unbroken succession of financial triumphs, and he was delighted that they had not been satisfied with past successes, but had continued to develop. He ventured to say that therein lay the secret of their success, always provided that the expansion was entered upon with due care and wisdom. He maintained that this company, apart altogether from the financial side of its operations, had performed a great national work in the direction of temperance, and in thus altering the outlook of a large number of people. When the public remembered the company's 200 establishments, including its large cafés, and the nature of the business done there, he thought they would realise that the country owed a debt of gratitude to the shareholders and directors of Lyons and Co. for the magnificent work they had done.

The results achieved were a splendid testimonial to the whole of the directors and the staff, and, although the progress in the past had been most remarkable, there was, in the words of the chairman, an illimitable prospect before the company. As yet there were only about a dozen provincial towns which had been invaded by the company, and even in London there was still plenty of room for expansion, and, so long as the wisdom at present displayed in the management of this great concern continued, he had no hesitation in saying that the shareholders and the public would be perfectly willing to come forward with the money necessary for the development of the business. The security was good, and he was delighted to feel that in the chairman and those who so ably assisted him there were the vision and initiative which, after all, were so necessary in directing a large institution of this kind.

The resolution was supported by Mr Wallis Mansford and Mr Shearme, and carried unanimously.

The Chairman next proposed: "That the payment of an interim dividend of 4.8d per share on the proportional profit share capital of the company for the half-year ended September 30, 1922, be and is hereby confirmed, and that a dividend be paid for the half-year ended March 31, 1923, of 7.2d per share on the proportional profit and 'B' proportional profit share capital of the company."

Mr J. G. Shield seconded the resolution, which was unanimously adopted.

RE-ELECTION OF DIRECTORS.

Mr Harry Salmon (one of the managing directors) proposed the re-election of Mr J. Joseph and Mr S. M. Gluckstein as directors of the company. In doing so, he remarked that the abilities of those gentlemen were so well known to the shareholders that the resolution needed no commendation from him. He would merely like to say how much their colleagues appreciated the privilege of having two such agreeable and competent men as fellow directors.

The motion was seconded by Mr A. J. Wood, and unanimously agreed to.

Mr J. Joseph thanked the shareholders for the honour they had done him in re-electing him to the board, and said he would continue to do his best in the interests of the shareholders.

Mr S. M. Gluckstein, M.C., also expressed his thanks, and added that he greatly appreciated the references which had been made to his late revered father, the late chairman of the company.

Major Isidore Salmon, C.B.E., D.L. (one of the managing directors), in proposing the re-election of Mr G. Dee and Mr G. A. Pollard as employee directors of the company, said that both those gentlemen had done valuable work for the company for many years past, and he and all the other directors were delighted to have them as colleagues.

Mr Maurice Salmon seconded the motion, and it was passed unanimously.

Mr G. A. Pollard thanked the shareholders on behalf of Mr Dee and himself for this mark of their continued confidence, and said that it would be their constant aim to deserve it.

On the proposition of Mr Hughes, seconded by Mr Shield, Messrs Turquand, Youngs, and Co. were reappointed auditors.

THE NEW CAPITAL.

The Chairman then moved:—

"That the capital of the company be increased to £6,325,000 by the creation of 1,000,000 additional 7 per cent. preference shares of £1 each, and that accordingly the following provisions in regard to the said 7 per cent. preference shares shall have effect (that is to say):—

"(a) The 1,000,000 7 per cent. preference shares hereby created shall carry the right to a fixed cumulative preferential dividend at the rate of 7 per cent. per annum on the capital for the time being paid up or credited as paid up thereon respectively, and such dividend shall be payable half-yearly on October 1st and April 1st of each year.

"(b) The said 7 per cent. preference shares shall rank both as regards dividend and return of capital to the extent of the amount paid or credited as paid thereon *pari passu* with the existing 7 per cent. preference shares in the capital of the company already issued and with any other 7 per cent. preference shares created as hereinafter mentioned next after the 5 per cent. preference shares in the capital of the company already or hereafter to be created or issued and in priority to all other shares in the capital of the company, but shall not have any further right to participate in profits or assets.

"(c) The company is to be at liberty from time to time to create and issue further 7 per cent. preference shares ranking in all respects *pari passu* with the said 1,000,000 preference shares hereby created and the said 1,000,000 existing preference shares.

"(d) The said 7 per cent. preference shares shall not confer on the holders the right to attend or vote either in person or by proxy at any general meeting of the company nor to have notice of any such meeting unless the dividend on such 7 per cent. preference shares or any part thereof is and so long as it is in arrear for twenty-eight days in any year nor shall such 7 per cent. preference shares qualify any person to be a director of the company."

Mr Errington seconded the resolution, which was carried unanimously, and on the proposition of Mr Hughes, seconded by Mr Arnold, it was further resolved:—

"That the directors be and they are hereby authorised to issue the said 1,000,000 7 per cent. preference shares to such persons at such time or times and on such terms as the directors shall from time to time determine."

VOTE OF THANKS TO THE CHAIRMAN, DIRECTORS AND STAFF.

Mr C. E. Nuthall proposed a hearty vote of thanks to the chairman and directors, as well as to the staff, for their able conduct of the business of the company, and, this having been seconded by Mr Shield and passed unanimously, a brief acknowledgment by the chairman concluded the proceedings.

ANTOFAGASTA (CHILI) AND BOLIVIA RAILWAY COMPANY, LIMITED.

IMPROVED RESULT—INCREASED DIVIDEND.

The thirty-fifth ordinary general meeting of the Antofagasta (Chili) and Bolivia Railway Company, Limited, was held, on the 19th instant, at Winchester House, Old Broad street, London.

The Chairman (the Hon. Charles N. Lawrence) said that the directors were very pleased to be able to come before the proprietors with a statement of affairs which showed a considerable improvement upon that for the preceding year, 1921. There had been a steady improvement in the nitrate situation dating from about August of last year, and he thought this should still continue. Not only was the increase of £256,358 in the gross receipts all retained as net, but the working expenses were reduced by £66,460, making a net improvement of £322,818 on the year's working. Put another way, the net profit on the working of the railway and waterworks combined for the year 1922 was £616,186, compared with £293,368 in 1921, or just over double on a 24.85 per cent. increase in gross receipts.

Last year, although they paid a 3 per cent. dividend on the consolidated ordinary stock, they had only earned 1 per cent., and had to encroach on the carry forward. This year they were paying 5 per cent., had added to the reserve, and slightly increased the carry forward, which he thought was a good augury for the time when the markets for the commodities which they carried had still further improved, as he believed they must do at no distant date. The balance-sheet showed that the liquid resources of the company were considerable, and in the items of temporary investments, bills receivable and cash they had nearly £1,200,000. With regard to tariffs, the directors were convinced that these were on a fair

basis, given the conditions which had existed for some years and seemed likely to continue. They wished to make their tariffs as low as possible with due regard to a reasonable return on the capital invested, and also to give a first-class service.

PROSPECTS.

As to the prospects for the current year, to date there was an increase in the gross receipts of £362,095 compared with last year. Their latest advices were that four or five more oficinas were expected to restart the manufacture of nitrate in the next few weeks, which should materially assist the company, and sales of nitrate for delivery after July had been considerable. The markets for tin and copper also bore a fair outlook. It was too early yet to talk of working expenses, although they were of a favourable ratio so far. It was the custom of the company, when circumstances permitted, to declare an interim dividend about October on the ordinary stock, and it was the board's intention to again take this into consideration this year when they had before them the results of a sufficient portion of the year's working. He trusted the result might be a resumption of a practice to which he thought they had every right to look forward, as no one appreciates waiting a full year for some return on his investment, and the payment of a dividend in two portions is desirable in the interests of the ordinary investor.

The report and accounts were unanimously adopted.

CHANNEL TUNNEL COMPANY, LIMITED. BENEFIT TO THE SOUTHERN RAILWAY.

The ordinary general meeting of the Channel Tunnel Company, Limited, was held, on the 20th instant, at the Cannon Street Hotel, London, Baron Emile B. d'Erlanger presiding.

The Chairman, in moving the adoption of the report and accounts, referred to the questions which were asked in Parliament in December last with reference to the Channel tunnel scheme, and to the correspondence which had subsequently taken place between himself and the then Prime Minister, Mr. Bonar Law, in which that gentleman stated that if adequate guarantees were forthcoming that the money was or would be available he would be prepared to have the question reconsidered. He (the chairman) came to the conclusion that the best form of guarantee he could give that the money would be forthcoming would be by means of a deputation consisting of representatives of the Southern Railway, one of the leading contractors of the country—he had in his mind Lord Cowdray—and himself as chairman of the Channel Tunnel Company and senior partner of his own firm. Unfortunately, it had not been possible to form that deputation, owing to the heavy work thrown upon the board of the Southern Railway in connection with the regrouping scheme. The Southern Railway was, however, the entity which was most interested in the construction of the tunnel and would derive the greatest benefit from the completion of the scheme, which, in the opinion of those who had studied the question for many years, would completely revolutionise the whole of the traffic of that system, and in his view lead to an increase of profits which would exceed every kind of expectation so far entertained. He hoped, therefore, that the board of the Southern Railway would take the matter into immediate consideration, and give him the opportunity of discussing the matter thoroughly with them. On the technical side, the machine which had been made on purpose for the construction of the tunnel had fulfilled their expectations, and their engineer, Mr. Tempest, had given him the assurance that the British portion of the "pilot" tunnel could be constructed for something like £1,250,000, an equal sum being necessary for constructing the French portion. Such sums were not unmanageable, and he was confident that if the proposition were favourably enter-

tained by the House of Commons and the House of Lords they would be able to bring the scheme to fruition.

Sir Robert Perks remarked that it was to the interest of the Southern Company now to see the Channel tunnel scheme a great success, because they had no longer conflicting interests in handling the cross-Channel traffic.

The report and accounts were unanimously adopted.

ANGLO-ARGENTINE TRAMWAYS COMPANY, LIMITED. TARIFF QUESTION—COMMITTEE'S REPORT. MUNICIPALITY'S SURPRISING DECISION.

The thirty-ninth ordinary general meeting of the Anglo-Argentine Tramways Company, Limited, was held, on the 19th instant, at Winchester House, Old Broad Street, London, Sir George A. Touche, Bart. (the chairman), presiding.

The Chairman, after expressing regret at the death of Mr. W. F. Hamilton, K.C., a director of the company, said: We have been fortunate in securing the services of two new directors, whose names will command universal confidence. I refer to Mr. Bernard Dudley Frank Docker and Mr. Arthur Statham Jecks. He then dealt with the report and accounts, and continuing, said: I now turn to the unfortunate situation which developed in Buenos Aires recently, when the Municipal Council resolved that we must now revert to the old fare of 10 cents. This is the tariff of pre-war days. When it was fixed, many years ago, coal, upon which the price of electric energy for our system is based, was 27s per ton delivered at Buenos Aires. With a fare of 10 cents we were then able to meet all our standing charges and to earn sufficient to pay dividends on our ordinary shares, the last payment being 6½ per cent. out of the earnings of the year 1913. The difficulties we laboured under during the war years are well known. Coal reached £8 per ton, working costs had greatly increased, many new burdens were cast on the company, and the loss of net earnings compelled it to default on both the first and second preference shares. The situation was precarious, and, after many friendly discussions with the Buenos Aires Municipality, we received authority, in January, 1920, to increase the uniform fares from 10 cents to 12 cents. We desired this increase to be permanent, but there was a belief in some quarters that affairs in Europe would recover rapidly after the war, and that something approximating to the economic conditions existing before the war would be re-established. In consequence of this view, which we did not share, the increase of 2 cents per paper was limited to a provisional period of three years, when the position was to be revised.

COSTLY CONDITIONS.

This increase of 2 cents was accompanied by various costly obligations:—(1) The establishment of a minimum daily wage. (2) A maximum working day of 8 hours, and for the subway of 7½ hours. (3) An increase of 10 per cent on all salaries and wages to meet the increased cost of living. (4) An immediate contribution of 8 per cent. on all salaries and wages towards the formation of a pension fund for the personnel. (5) The construction of 30 kilometres of new track. (6) The limitation of earnings to 8 per cent. on the invested and approved capital employed by the company. (7) The maintenance of a workmen's tariff of 5 cents and of transfer tickets at 15 cents.

The Municipality, on its side, undertook to set aside 25 per cent of its gross receipts from the Tramway Companies towards the construction of workmen's dwellings. If the increased fare was not continued at the end of three years, expiring April 9, 1923, an arrangement was to be come to with the Municipality as to the manner of providing the pensions charge. The various

obligations placed on the company, with all of which we have complied, absorbed by much the greater part of the increased revenue, and left it still unable to pay in cash all the arrears of dividend on its second preference shares, while its ordinary capital remained wholly unproductive. As time wore on it became obvious that, if the company was to receive fair treatment, a beneficial revision, rather than a diminution of tariffs, would be required.

RELIEVING TRAFFIC CONGESTION.

In the meantime it was found that the enormous growth of traffic in Buenos Aires called urgently for relief. The surface lines in the centre of the city were hopelessly congested. We opened one east to west subway in 1913 (from Plaza Mayo to Plaza Once de Setiembre), and a second subway was in contemplation when the war broke out. The war, of course, upset all these plans, and it was agreed that the construction of the second subway should be postponed until such time as the economic situation in Europe had again approximated to normal conditions. This situation is far from having been reached. But, owing to the pressing need of further travel facilities in the city, our engineers have, for a long time past, been studying how best to relieve it. The question was examined most thoroughly, and elaborate plans were prepared and matured. These involved the construction of a second, north to south, subway (from Retiro to Constitucion) at an early date. It was a bold programme, because the cost of materials is high, and the wages of workmen have to conform to the high cost of living. The financial obligations involved were, therefore, onerous, and had to be provided for in some way. To meet these new obligations, while continuing and extending the benefits granted in 1920 (instead of being compelled to reduce them), it was necessary to ask for a certain readjustment of tariffs.

COMMITTEE'S REPORT.

Our proposals, which were to the advantage of the public, were formally submitted on January 5th, although there had been many unofficial discussions of the problem before that date. A special committee of inquiry was appointed to examine the position. After a lengthy study the four gentlemen forming the Commission presented the results of their investigations in a voluminous and detailed report. We, of course, gave them every facility. Their report acknowledges the help so given, and contains a high tribute to the perfection of the company's accountancy and organisation, and the excellent way in which the books and records are kept.

The report itself is an able document, which commands my admiration. It is partly statistical and partly conjectural. Without accepting all its figures, I may say that, as a statistical record, it is a model of excellence. I have no doubt the reporters, who make no claim to infallibility, would be the first to admit that its inductive conclusions, like most hypotheses, are speculative. So obviously eager were the authors of this valuable report to attain absolute accuracy that they will forgive me for pointing out that it is incorrect to refer to the recent plan for the satisfaction of the arrears of dividend on the second preference shares as a "fictitious increase of capital."

The plan did not involve the addition of a single sovereign to the issued capital of the company. I do not mention this from any desire to find errors, but merely because the statement, if left uncorrected, might create prejudice.

When we come to the deductions to be drawn from the figures so carefully and accurately compiled our own day-to-day knowledge compels us to differ in some respects from the reporters. The report says that the present economic situation of the company is good, and that the causes of the bad situation which prevailed in 1920 have disappeared. Yet we are faced with the facts (1) that for ten years an ordinary share capital of £3,250,000 has been without any dividend, and (2) that the earnings have been insufficient to pay even arrears of dividend on £2,500,000 second preference shares. The report states that our profits in 1922, if based on a 10 cent fare, would be \$3,567,884. It is also shown that the profits were \$3,740,000 in 1919 with a 10 cent fare, and the 2 cent increase was granted because of the manifest insufficiency of this larger revenue to meet the expenses and the service of the capital. Since that date new charges have been imposed, and it is impossible to accept the view that the factors which called for an increase in 1920 have disappeared. There is no suggestion that we are yet earning, or are likely to earn, the authorised rate on the total invested and approved capital. The authorised rate on the 1922 profits, if a 10 cent fare committee's own estimate of the 1922 profits, if a 10 cent fare had been in force, does not represent 4 per cent. on the capital employed, whereas the Ordinance of 1920 contemplated a return equal to 8 per cent. on the invested and approved capital. In so far as the economic situation is good it is because of the 12 cent tariff. Of all the deductions which our own experience teaches us might be made I should be prepared to say, apart from any question of the subway, that the case for the retention of the 12 cent

tariff was overwhelming, that the case for an increase was strong, and that there was no case for a decrease. On the important question of subway construction between Retiro and Plaza Constitucion, the finding of the committee was that, from a traffic point of view, it represents an undertaking of immediate and absolute utility.

TEMPORARY EXTENSION REFUSED.

It was hoped that a decision on the company's construction and tariff proposals would be arrived at before the expiration of the provisional arrangement on April 9th. When it became obvious that this could not be done an application was made for an extension of the existing arrangement for six months, so as to leave the situation unprejudiced pending a decision on the larger question. We had every reason to believe that so fair a proposal would be granted. It was therefore a surprise and disappointment to us, and I think an equal disappointment to many who are not interested in the company, but are concerned in the progress and well-being of Buenos Ayres, when the request was refused by a vote of the Municipal Council on April 6th, and we had consequently to revert to the 10 cent fare on April 10th, although at a 12 cent tariff we were giving the cheapest public service in the city. A standard 10 cent fare is equal to 2.1d. Some of our suburban routes are eight to ten miles in length. No city in the world provides such cheap accommodation. The city was smaller and the lines were much shorter when the concession was granted and the 10 per cent fare was fixed. Routes will continue to increase in length, and a revision of the original fare is imperative. In New York the lowest tramway fare is 5 cents gold, or 2.4d. And Buenos Ayres is a city where the cost of living and consequently the working costs are high. To carry passengers at a standard rate of 10 cents per paper is not business, but philanthropy. It should also be noted that the reduction of fare was not preceded or accompanied by any alternative method of providing for the contribution of 8 per cent. to the pension fund.

I think there can be no doubt that the members of the Municipal Council were influenced by the statement that the present economic situation of the company is good. The Council may have received the impression that the company could suffer a reduction in the fare from 12 to 10 cents without detriment. Our manager had no opportunity of pointing out to them, before the vote, that the argument that the economic situation is good (I would rather say moderately good), if well founded, was one for maintaining, and not destroying, the situation which had made it good. To take away the 12 cent fare, just when we hoped we were turning the corner, and could look forward, as we were entitled to do, to the resumption of dividends on the ordinary capital at an early date was the surest way of making the economic situation bad again. A reduction in the source of gross revenue by ⅔ or 16⅔ per cent., is enough to make all the difference between moderate financial ease and stringency, and is not an encouraging preliminary to a scheme of larger development and heavy capital commitments.

EMBARRASSING SITUATION.

The vote of the Council placed the company in a situation of considerable embarrassment. It deprived us, for the time being, of means whereby to grant advantages to the public and benefits to our men beyond a limited period. It is almost bound to make it more difficult and costly to finance any large programme of subway construction. It was a shock to the men in our employment when they learned that the ordinance under which we had been able to ameliorate their lot was terminated. Up to the present we have not withdrawn these benefits, but are attempting to face the situation, in spite of the loss the new tariff entails. We are doing this for two reasons—(1) in the interests of the men; and (2) in the hope of avoiding any disturbance of service which would inconvenience the public. We wish to do our duty by the travelling public, and we do not believe they have any desire to be carried, at our expense, below cost, which, of course, includes interest on all the capital employed. They are not so unreasonable as to expect to get at a pre-war price something which now costs a great deal more. If matters remained as they are now, the results would be injurious not only to the company and its employees, but to the public also. Advantages given would have perforce to be withdrawn, however reluctantly. Wage concessions, workmen's fares, combination and workmen's tickets, and many other things would have to be reviewed, not because we wish to do it, but because there is a rigid economic limit to what can be paid out of a fare which shows no elasticity. It is not we who will be responsible, but the laws of arithmetic, which spoil so many visionary programmes. We hope the setback is temporary only. Even so, it will prove costly to us.

HOPE OF JUST ARRANGEMENT.

I trust I have made it clear that it is the temporary extension of the 12-cent fare which has been refused. The larger question is still under consideration, and we are hopeful that a just arrangement may yet be reached, beneficial alike to the public, the municipality, and the company. The need for some arrangement is

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supported by the report of the special committee. They have emphasised the importance of the proposed subway between Retiro, the terminus of the Central Argentine and the Pacific Railways, and Constitucion, the terminus of the Buenos Ayres Southern. With willing minds on both sides an arrangement which should admit of its early construction may yet be reached. It would, indeed, be a misfortune, from the public point of view, if the city, which is suffering from an acute and ever-increasing traffic congestion, had this means of relief been discarded, or even delayed. The question is one which concerns the good of the community. Any permanent refusal to permit a transport company to make remunerative charges must necessarily militate against the provision of capital for extensions and developments which are urgently needed. No community was ever yet benefited in the long run by a policy which repelled capital, whereas the world is full of examples of the immense benefits and increase of riches secured by countries which have

succeeded in attracting capital. But we do not rest our case on that alone. The company also has a right to be considered, and we put our trust in the sense of fair dealing which animates the Argentine authorities. The efficient services we render, the good treatment of our staff, our mutual benefit societies, and our cheap fares entitle us to sympathetic treatment. We are dealing with the enlightened representatives of one of the most progressive capitals in the world. We are confident of the friendly and honourable intentions of the civic authorities. It is impossible to believe that we shall look to them in vain for safety and security in our investments. We do not seek to minimise our disappointment at what has happened, but still regard it as a passing, if unfortunately costly, incident. And we look forward hopefully to reaching an arrangement creditable alike to the city and the company.

Lord Wargrave, P.C., seconded the motion, which was carried unanimously.

SUEZ CANAL COMPANY.

REVIVAL OF ECONOMIC ACTIVITY.

LARGE INCREASE IN TRAFFIC.

INCOMPARABLE PRESTIGE.

The annual general meeting of this company was held in Paris, June 4, 1923, M. Jonnart (the president) presiding.

In dealing with the annual report, an abstract of which appeared in the *Economist* of June 9th, the President said: You will remember, gentlemen, last year's report of the Council of Administration. This year's report is its justification, for it proves that events have not belied our expectations, and that an amelioration of the economic crisis was sufficient to cause a notable progress of the traffic of the Canal.

FORECAST VERIFIED.

I said last year: "There are numerous indications which appear to show that the economic crisis reached its maximum of intensity in 1921. Certainly the crisis is not over, but in the United States there is a definite movement towards recovery. Even in Europe—at least Western Europe—the movement, though not so pronounced, is not negligible."

Events have proved that I was right. In the United States, where the crisis started in 1920, it is stated to-day that there is an intense industrial activity; prices are high, and the unemployment has given place to a shortage of labour.

BRITISH FISCAL POLICY.

Great Britain, for her part, reaps the benefit of her admirable effort to rehabilitate her industrial and financial position. Lower costs of production, and her budget economies have had the most happy result, and you know, perhaps, that it was with the help of our new colleague, Sir Robert Horne, and our eminent vice-president, Lord Inchcape, that England was enabled to make considerable reductions in her own and the Indian Budgets, thus showing a magnificent example of the rarest type of heroism, that is to say, fiscal heroism. (Applause.)

The success of English policy, the essential features of which I pointed out in a rapid review at our last meeting, is reflected in the balance-sheets of most of the large companies across the Channel. Those balance-sheets show a more and more marked improvement when compared with those published a year previously. Consequently the proportion of unemployment has steadily decreased; England has regained her place in the different markets from which she was driven out. It is interesting to note that her export of products to Australia and New Zealand now surpass the figures of 1913.

That leads me to reassure you that the development of Australia and its increased importance will bring us new chances of traffic which the future will intensify.

INCREASE IN CANAL TRAFFIC.

You will perceive, gentlemen, the consequences of this revival of economic activity. Much of the shipping which had to be discontinued has now been restarted. In England, where one finds the largest proportion, the tonnage has diminished by 50 per cent. since July, 1922. And this recommencement of shipping traffic is accompanied by a renewal of orders for construction. The total tonnage in construction, which had been steadily decreasing since 1921 to the end of 1922, has increased, even in the first three months of 1923, by 25,614 tons. As the Suez Canal may be regarded as the barometer of the commerce of the world, it is not astonishing to find that we gained an increase of 17½ million francs from the receipts of traffic in 1922.

It is true that tariffs are higher than before the war. But our satisfaction is not only based on the increase of the receipts, but on the increase of shipping through the Canal. During the war, the traffic through the Canal was decreased by eight million tons, whereas between 1911 and the beginning of the war more than 20 million tons annually passed through the Canal. In 1922 the net tonnage reached a record. It rose to 20,743,245 tons, and this figure surpasses by 469,125 tons the previous most important record, that of 1912.

The industrial revival continues, and since the beginning of this year we have registered an increase of 6½ millions from receipts compared with the corresponding period of 1922.

You will notice that while these favourable symptoms exist there are many factors which still hinder the course of industry and trade; the instability of money values, the necessity to exact the just reparations which are owed to us by the aggressors of 1914, uncertainties in the Near East and the disappearance of certain great markets. We are still very far from normality. Our traffic is developing, however; our receipts are increasing, and the outlook for the future is such that we can now rely on the progress of traffic to counterbalance to a large extent the decrease or loss through the exchanges, when the world will have regained equilibrium and the regularity of normal life.

This is why we have not decided to propose to you an increase in our reserve. In addition to 40,500,000 of an ordinary reserve, 40 millions have been allocated, as you know, to an extraordinary reserve to guarantee against sharp variations in dividends. We do not wish to add anything to it. We are not a savings society. We hope to be able to profit by the numerous opportunities which are offered for the employment of our funds in the future and to avoid as much as possible new charges.

AUTHORISED LOAN NOT ISSUED.

A year ago I expressed myself thus: "In asking you to authorise the flotation of a loan for 50 million francs in order to execute deepening and enlarging works, we do not say that we are going to issue this loan immediately. We are cautious, for the moment, borrow." The fact is that we have not found it necessary to borrow, and I hope that we will not borrow for some time yet. Companies, like individuals, have to conform to the principles of wise and prudent administration, which commands them to borrow as little as possible. In consequence, we propose to you to allocate out of profits 25 million francs in order to write off immediately the cost of improvement works.

In addition to a fresh allocation of 5 million francs for depreciation of material, we desire to augment the special fund for construction of houses in Egypt by the same amount as in 1922—i.e., 10 millions. This allocation will be absolutely the last. There have been in all 50 millions written off profits in previous years for the construction of houses for our employees and workmen. I desire to say that the solicitude of the company for its personnel, which it has always encouraged, has earned the devotion which it deserves. Our personnel has reason to be satisfied; all ranks of workmen and employees participate in profits; they have healthy, comfortable and cheap houses, frequent holidays, and other advantages too numerous to mention seriatim. All of which reflects your preoccupation in the accomplishment of social duty, the practical application of the humane, generous, and fruitful ideas which

characterised the spirit of the illustrious founder of the company, Ferdinand de Lesseps, and which, by elevating the mind above the restraints of public duties, illuminates and ennobles our daily task. (Loud applause.)

EGYPTIAN POLITICS.

Gentlemen, you will recall that last year a member of this assembly, justly preoccupied with the political situation in Egypt, questioned me as to the possible consequences of the evolution which it reveals. The situation is not greatly modified. It is not yet very clear, and it seems to me as difficult this year as last year to predict what possible repercussions there may be to the evolution of Egyptian politics. It is quite certain, however, that it cannot affect the prosperity of our company, which possesses the rights and organisation through concessions and statutes independent of the Egyptian régime.

A new development has manifested itself—the promulgation of the constitution which should serve as the foundation of the future government of independent Egypt. Elections will take place soon, and it is only then that negotiations can be definitely opened between England and Egypt on the reserved questions other than the proclamation of independence.

Whatever may occur, be assured that no detail of this situation will escape us. We do not doubt, however, that the relations which we entertain with the Egyptian Government will be the most confident and the most cordial.

THE PRESTIGE OF THE COMPANY.

Do you realise, gentlemen, that the strength of our company rests not only in the security of contracts? Its power and influence are due to its incomparable prestige. The high regard which it commands is merited by the reliability and vigilance shown in its work. It has justified the confidence of Governments and shipowners. It has never hesitated to adopt new ideas. Possessing a monopoly, it has used it with a moderation which commands admiration, and with an exact sense of the requirements of international shipping and the higher interests of commerce. In brief, it has fulfilled all obligations, and our friends, the English, as well as the Dutch and all other clients of the Canal have given full credit to that fact.

You have powerfully assisted us in the accomplishment of our task. Thanks to you, we can face the world with heads erect and conscience at ease. The great work accomplished by the genius of Ferdinand de Lesseps is part of patrimony of glory; you may count on us, as we count on you, to safeguard it and defend it. (Loud and continued applause.)

CROWN MINES, LIMITED.

(INCORPORATED IN THE TRANSVAAL.)

CONDITIONS AND PROSPECTS.

SOUTH AFRICA AND THE GOLD STANDARD.

CRITICISMS OF GOVERNMENT'S CURRENCY POLICY.

The twenty-seventh ordinary general meeting of shareholders was held in Johannesburg, on May 25, 1923.

The Chairman (Mr Samuel Evans) said:—Our gross revenue, which amounted to £2,819,172 4s 7d, was derived from: Gold, £2,778,424 13s 5d; silver, 63,716.00 fine ounces at 2s 9.82d per fine ounce, £8,978 5s 2d; other revenue, interest and exchange, freehold revenue, forfeited dividends, receipts under the *Bewaarplaatsen* Moneys Application Act, 1917, and sundry receipts, £31,769 6s; or a total revenue of £2,819,172 4s 7d. At the beginning of the year we had to the credit of the appropriation account £502,559 16s 8d. Adding this to the total revenue gives a grand total of £3,321,732 1s 3d. Our disbursements for the year were £2,942,970 0s 10d, leaving the balance to the credit of the appropriation account at the end of the year, £378,822 0s 5d.

This balance is made up of cash (£126,092 9s 9d), stores and materials on hand, interest in co-operative and other concerns, sundry debtors, and payments in advance.

It will be noted that the difference between the amounts at credit of the appropriation account at the beginning and end of the year respectively, namely, £123,737 16s 3d, is almost entirely accounted for by the amounts expended on the purchase of claims and lease of undermining rights and the purchase of ex-enemy shares made during the year. On the other hand, we were only able up to the date of the drawing to purchase in the open market £30,500 debentures, and, as the total amount to be redeemed during the year was £85,000, it was necessary to have a drawing of £54,500 debentures. After the drawing took place a further £1,050 were purchased. The drawing took place in London on November 17th last, and the debentures drawn were due to be paid on January 1st this year, and this payment will appear in the accounts for the current year.

The debenture debt now stands at £228,650, and will, therefore, be entirely liquidated before the end of 1925. The annuity of £19,979 payable to the Government for the undermining rights of the Ferreira *bewaarplaatsen* claims also comes to an end in three years' time, so that our annual disbursements will be reduced

under the two heads mentioned by approximately £105,000 a year, plus interest on debentures.

You will observe from the directors' report that during last year we purchased 546,6587 additional mining claims, bringing our total claim area up to 2885,5515 claims.

As you will note, we have 147 unworked main reef leader claims and 160 unworked South Reef claims more than we had when the Crown Mines came into existence. Of course, in most of our intact claims the ore is at a considerably greater depth than the ore mined in the past 14 years, but, on the other hand, the grade of the ore developed in our deeper ground, on the whole, better than was anticipated when the company was formed.

Dr. E. T. Mellor, consulting geologist to the Central Mining and Investment Corporation, Limited, has gone into the question of the probable depth of the reef in the areas which we have recently acquired from the Government. Dr Mellor concludes his report with the following paragraph:—"A careful survey of the ground indicates that the south reef in the new areas will range in depth from 3,250 feet to 6,250 feet, and that, with the exception of a small portion of Vierfontein (West) area, the reef in the new areas will be above the 6,000 foot level."

The reefs on the southern boundary of our mining ground will probably be about one thousand feet nearer the surface than was anticipated at the time of the amalgamation, and we are therefore justified in concluding that if the grade continues as good as it is in the lowest areas developed to-day, we shall be able to mine at a profit the whole of our ground, except perhaps a small strip of about 100 claims which extends south of our main southern boundary on the farm Vierfontein.

ORE RESERVES.

At the end of December last our ore reserves totalled 8,882,100 tons, estimated to carry 6.1 dwts, of which 7,382,600 tons carrying 6.0 dwts are available for stopping, being an increase since December, 1921, of 179,800 tons in the quantity of payable ore available. A careful examination of the assay plans and records shows that during the last five years there has been no falling off in the value of the South Reef developed, and that the value of the South Reef ore reserves has remained practically constant. The South Reef in the western section of the mine, that is, west of No. 7 shaft, in the lowest levels has had a remarkably high percentage of payability. As yet no serious attempt has been made to develop the South Reef from No. 5a shaft. As the capacity of the shaft is limited, it was considered more advisable to push on development on the Main Reef Leader, which has exposed highly payable ore. The total footage of Main Reef Leader sampled during the current year in the 5a shaft area was 2,330, of an average value of 394 inch-dwts. Of this, 95 per cent., or 2,200 feet, is payable with an average value of 402 inch-dwts. During the current year, January to April, the total footage developed and sampled on both reefs south of the South Rand Dyke was 1,610, of which 61 per cent. is payable, with an average value of 342 inch-dwts.

LABOUR AND WORKING COSTS.

At our last annual meeting I dealt rather fully with the labour upheaval and prolonged strike that took place in the first quarter of 1922. The strike lasted from January 10th to March 17th, and involved the company in a loss of £89,663, in addition to the loss of profit. As the consulting engineer points out, it was not until the end of June that the native labour force was brought up to our requirements. Under these circumstances, a comparison of the results of our operations with those of former years is of little value.

Apart from the high working costs, a comparison of recent results with 1914 shows, on the whole, a gratifying state of affairs. The most satisfactory feature is the improvement in the yield per ton milled, which is roughly a quarter of a dwt. better than in 1914. Another satisfactory feature of recent operations is the fact that during the past nine months we have been developing at the rate of approximately 5,000 feet per month, as compared with an average of 3,140 feet in 1914.

High working costs constitute the most unsatisfactory feature of the present situation of the gold-mining industry. The present scales of wages of Europeans in the mines, on the railways, and in the industrial centres of South Africa, are undoubtedly too high, and tend to retard the development and expansion of the country. For the first four months of this year our costs averaged 20s 4.5d per ton milled, as compared with 15s 5.7d in the first four months of 1914 and 14s 7d for the Crown Deep in the six months (January to June) immediately preceding the amalgamation.

It has been suggested that the mining industry has gained more from the premium on gold than it has lost through the increase that has taken place in working costs. That is not the case. Up to the end of last year the premium derived from the sale of gold produced by the Crown Mines amounted to £2,092,000, while the increase in our working costs on the ton milled basis since the commencement of the war amounted to £4,785,000.

The health conditions on the property continue satisfactory. Miners' phthisis cost us last year £107 16s 3d per underground employee, or 6s 7.1d per shift worked. As I pointed out at our last annual meeting, the reckless prodigality of the Union Legislature in this matter is unprecedented in the history of the compensation of industrial disease.

At several of our previous annual meetings I have dealt rather fully with the relation of gold to the monetary systems of the world. This still remains the supreme issue as far as gold mines are concerned. The value of gold in terms of commodities and services depends to a great degree on its use as money. If its use for currency purposes ceases or is severely curtailed, its value in goods and services is bound to depreciate. It is increasingly recognised that the general restoration of the gold standard is the only practical solution of the exchange and currency troubles of the world.

PAPER MONEY IN SOUTH AFRICA.

The paper money of South Africa is very nearly on a parity with gold, but unfortunately the Government and Parliament of the Union have just decided against a return to the gold standard at the end of next month, and in favour of extending and consolidating the use of inconvertible paper money for a further period of two years. This decision has been taken on the recommendation of a majority of the members of the board of the South African Reserve Bank. The main purpose of the Currency and Banking Act Amendment Bill appears to be to place and maintain our inconvertible paper money on a parity with the inconvertible paper money of the United Kingdom. In order to accomplish this, our paper money is made legal tender (hitherto only gold and certificates fully backed by gold have been legal tender), its inconvertibility is extended to July 1, 1925, and the Reserve Bank is given power to issue currency notes against the deposit of British and South African Treasury bills to the extent of 35 per cent., provided 40 per cent. of the issue is backed by gold and 25 per cent. by commercial paper. That is, Treasury bills will take the place of gold in balancing our exchange transactions with the United Kingdom, and will be, apparently, the means whereby the purchasing power of the South African paper pound will be kept on a level with that of the paper pound of the United Kingdom.

UNITED KINGDOM'S CURRENCY POLICY.

Now, what is the present currency policy of the United Kingdom? There is now some evidence in support of the conclusion that the British Government are disposed to abandon the policy outlined in the reports of the Cunliffe Committee, although, as far as I know, there has been no official pronouncement to that effect. The recommendations of the Cunliffe Committee involved deflation, and Mr Walter Leaf, chairman of the London County, Westminster and Parr's Bank, recently declared that the national policy of the United Kingdom is "a policy of stabilisation but not deflation." The chairmen and directors of other English banks have also condemned the deflation policy of the Cunliffe Committee. In the *Economist* of the 21st of last month the Editor, in reviewing Mr R. G. Hawtrey's book on "Monetary Reconstruction," states that "it is commonly believed that the Treasury and the Bank of England would like to translate into practice" Mr Hawtrey's managed currency doctrine. Mr Hawtrey holds that "the wisest course for the time being might be to concentrate on the stabilisation of sterling in terms of commodities rather than tie the pound to a metal, the vagaries of which cannot be foreseen" (page 22, "Monetary Reconstruction"). "Further deflation," he writes, "is out of the question, and all we can do is to stabilise our currency at its existing purchasing power till the redundant supplies of gold now in America have brought down the commodity value of the dollar to the corresponding level" (page 147, "Monetary Reconstruction"). I should mention that in the *Economist* of April 28th Mr Hawtrey writes: "The views expressed in my book have no relation whatever to those entertained by the Treasury or the Bank of England. They are entirely my personal opinion, written in a spirit of scientific inquiry." On the recommendation of the Financial Commission, of which Sir Robert Horne, the then Chancellor of the Exchequer, was chairman, the representatives of the Powers at the Genoa Conference held in April last year recommended that a meeting be called in London of the representatives of central banks to consider, amongst other things, a scheme for an international convention based on the gold exchange standard and designed with a view to stabilising prices and "to prevent undue fluctuations in the purchasing power of gold." According to the Editor of the *Economist*, Mr. Hawtrey "inspired the Genoa resolutions on currency."

GENOA PROPOSALS.

As I pointed out at our meeting last year, even the temporary and partial success of the Genoa proposals might prove very harmful for gold mining, and it is possible that the contemplated conference of central banks has not been called because it was realised that when the matter came to be thoroughly thrashed out there

might be considerable opposition from South Africa, Australia, and perhaps Canada, to the adoption of the gold exchange standard or any other managed currency plan. Having regard to all the known facts, it seems not unjust to conclude that the present intention of the British Government is to avoid going back to the gold standard as it existed before the war, and to pursue a currency policy which will maintain, or possibly enhance, the existing level of prices of commodities and services. If it can be made a success, which I question, there are obvious advantages for the British Government in such a course. It will lighten the burden of the debt and of taxation, and will mean a very substantial reduction in terms of commodities of the debt of the United Kingdom to the United States of America. I do not believe in the possibility of any managed currency plan being made a permanent success.

CURRENCY BILL AND THE BANKS.

It is fairly certain that a persistent and prolonged attempt to establish a managed currency in the British Empire might do considerable harm to the Rand gold-mining industry and to South Africa generally, and for that reason it is regrettable that the Government and the Parliament of the Union should be adopting a policy which may tend to prolong and aggravate our currency and exchange troubles. The Currency and Banking Act Amendment Bill was referred to the Select Committee on Public Accounts for consideration and report. That committee examined six of the directors of the Reserve Bank, the Secretary for Finance, and Dr Bruwer—eight witnesses altogether. Apparently the supporters of the Bill considered that gold is only a fair-weather currency, and that in times of trial and trouble inconvertible paper is the money to use and to rely on. Much attention was paid to the bearing of the balance of trade on exchange rates, and stress was laid on the fact that South Africa is a debtor country, and that the bulk of our external trade is with the United Kingdom. In the discussion in Parliament it was made clear that the bankers were entirely responsible for the Bill. It does not appear to have been realised that bankers are dealers in currency, and that usually they can make more profit out of paper money than out of gold money. Under these circumstances, it is not likely that the time to revert to the gold standard will ever arrive if bankers are to have their way. However, I am not so despondent about the future of gold as this criticism of the action of our Government and Parliament might lead you to conclude. I have no doubt whatever that the eventual upshot will be that we shall be forced to drop all managed currency plans and to revert to a self-regulating gold money, the value of which cannot be controlled by Governments and bankers.

The report was carried unanimously.

CITY DEEP, LIMITED.

[INCORPORATED IN THE TRANSVAAL.]

INCREASED ORE RESERVES.

CURRENT YEAR'S SATISFACTORY RESULTS.

The twenty-second ordinary general meeting of City Deep, Limited, was held in Johannesburg on May 22, 1923. The Chairman (Mr F. R. Phillips) said: A true comparison of the year's results with those of the previous year is not possible on account of the great strike. Although the total working profit for 1922 was considerably less than that for 1921, the working profit with gold at 84s per ounce—and it must be remembered that half the year was abnormal—showed a very substantial increase from £270,140 in 1921 to £389,094 in 1922. The corresponding figures giving the additional revenue represented by the difference between the price of gold at 84s per ounce and the actual price realised amounted to a no lesser sum than £441,376 in 1921 and to only £114,050 in 1922.

With the tendency of the price of gold to revert, perhaps more quickly than was anticipated, to its standard value, it is clear that the action taken in effecting a reduction of working costs was not only fully justified, but was essential if a large portion of the gold-mining industry was to be saved. The average working costs 20s 11d for the previous year; but during the last six months of the year under review—that is to say, after the reorganisation had been effected—the average working costs amounted to 23s 10d per ton, or a decrease of 6s 1d per ton as compared with the previous year. The average working costs during the last quarter of the year amounted to 23s per ton milled. This last figure does not compare unfavourably with the average working costs for the year 1914, amounting to 22s 5d per ton.

ALLOCATIONS.

The balance of working expenditure and revenue account amounted for the year to a total of £510,188. This amount, together with the unappropriated balance of £326,292 brought forward from the previous year and a small sum in respect of forfeited dividends, gave a total of £837,255, and was allocated as follows:—Expended

on capital account, £86,383; purchase of ex-enemy shares, £117,997; Government and provincial taxes, £68,314; dividends Nos. 20 and 21 (together 27½ per cent.), £337,231; total, £609,925. This leaves a balance unappropriated at December 31st last of £227,329, of which balance £66,955 was represented by net cash, after allowing for liabilities.

With reference to the ex-enemy shares, you will remember that last year I said the board considered that the interests of shareholders would be best served by cancelling these shares, and thereby reducing the capital of the company by a corresponding amount. Since then, the board has considered and approved of a simpler and better procedure. It has now been decided to retain these shares for the company in the names of two trustees, and to show them on the asset side of the balance-sheet. By this means the capital of the company remains unaltered, thereby avoiding the necessity and expense of calling a special meeting for the purpose of effecting a reduction of capital. At the same time, the company benefits, in so far as the payment of dividends is concerned, to the same extent as though dividends were payable on a reduced capital, and the procedure has this further advantage, that the company retains complete freedom in the matter of dealing with these shares at some future date, should the occasion arise, either by way of reissue or cancellation.

ORE RESERVE.

Turning now to the operations of the past year, I would like, first of all, to draw your attention to the improved ore reserve position, which, as recalculated at December 31st last, amounted to 2,815,000 tons, valued at 8.4 dwts. Thus, compared with the previous year, the ore reserve showed an increase of 386,700 tons, though the value was 0.4 dwt per ton lower. The increase in tonnage is very gratifying, and is greater than was anticipated.

There is every prospect of the ore reserve position being still further substantially improved during the current year. Monthly development footages are being well maintained, the average being 2,807 feet a month during the first four months of the year.

While the ore reserve position showed an increase in tonnage at the end of the year, in value it was 0.4 dwt lower than in the previous year. The reasons for this are given in the consulting engineer's report, and are briefly as follows:—(1) The ore developed during the year was of slightly lower value than that of the 1921 reserve. (2) Certain high-grade blocks in the upper levels of the mine are becoming rapidly exhausted. On account of rock pressure and for other reasons it has been necessary to mine out these blocks without delay, so as to remove the possibility of their being lost. (3) As a result of the reduction of working costs, the pay limit used in the valuation of the ore reserve was lower than that of the previous year, so that certain lower-grade blocks have now been included in the reserve, thus reducing the average value.

MINING OPERATIONS IN THE CURRENT YEAR.

I will now deal briefly with mining operations during the current year. For the first quarter profits have been well maintained, except for the month of February, when, apart from it being a short month, a serious accident, which I deeply regret to say entailed some loss of life, occurred through falls of rock caused by a pressure burst. Apart, however, from unforeseen eventualities like the foregoing, it is expected that profits, after taking into consideration the lower price obtainable for gold, will be well maintained throughout the year.

The position with regard to the exposure of development values is very encouraging. Hitherto a large area to the west of No. 2 shaft, extending over a distance of about 2,000 feet, has been uniformly unpayable. It would seem, however, that from below the 17th level this zone of unpayability has been passed.

Dividing the lowest workings of the mine into the following sections (a) from the western boundary to No. 2 shaft, (b) the area between Nos. 1 and 2 incline shafts, (c) east of No. 1 shaft, the value of the payable ore exposed up to the end of last year over a stoping width of 50 ins has been respectively 7.9 dwt, 8.0 dwt, and 7.5 dwt.

Owing to the faulted nature of the reef in the area east of No. 1 shaft, development has, in the past, lagged behind; it has, however, been accelerated recently, and the above figures show that good values have been exposed.

The 19th level winze No. 1 which has been sunk to a depth of 480 feet roughly in line with No. 2 shaft, has exposed values throughout this distance equivalent to 9.0 dwt over a stoping width of 54 ins. As this is the deepest development heading in the mine, these exposures must be considered highly satisfactory.

Since the end of the year under review, the values exposed in development have, on the average, continued at the recent standard.

While east of No. 1 shaft the grade of ore developed is not quite so good, that exposed in the western and central areas is considerably better than during the past year. To the west, in the above section (a) the reef exposed indicates a value of 10.2 dwt over a

stopping width of 50 ins; similarly, in the central section (b) the values exposed average 8.6 dwt over the same width.

During the first four months of the current year the average percentage of payability in development work accomplished has risen to 79.2 per cent.

The report was unanimously adopted.

MADRAS ELECTRIC SUPPLY CORPORATION, LIMITED. SATISFACTORY DEVELOPMENT OF THE BUSINESS.

The ordinary general meeting of the Madras Electric Supply Corporation, Limited, was held, on the 20th instant, at 1, Queen Victoria street, London, Mr James Gray (the chairman) presiding.

The Chairman said that rupees having been converted at 1s 4d instead of the standard rate of 2s, comparison of the revenue figures with the previous year was impracticable. In rupees there was an increase in revenue of 11 per cent., and in expenditure of 14 per cent. The B.T.U.s sold showed an increase of 14.8 per cent. The greater part of this increase arose from power, which was very satisfactory, for the increased demand during the hours of light load improved the load factor. The balance carried to net revenue account was £56,097, compared with £59,246 for 1921, the apparent decrease being due to the adjustment of exchange, and the net profit was £21,959, apart from £9,727 brought forward. The preference dividend amounted to £4,199, and the directors recommended a dividend on the ordinary shares of 8 per cent. (free of income-tax). The additional remuneration payable to directors amounts to £168, and it was proposed to write off £2,000 from the cost of the issue of second mortgage debentures, leaving £8,038 to be carried forward.

The return from the investment in the tramways showed improvement, a dividend of 7 per cent. per annum, free of income-tax, having been paid on the ordinary shares for 1922, compared with 5 per cent., free of tax, for 1921. A new extension along Mount road and Bodyguard road was proving popular, and a considerable acceleration in traffic had been rendered possible. Some years ago a scheme of extensions was provisionally agreed upon, but in consequence of the war they had remained in abeyance, with the exception of the one just mentioned. Negotiations, however, had commenced regarding the remainder, and there was little doubt that there was ample room for expansion if satisfactory terms could be arranged with the Corporation of Madras.

The directors considered the development of the business quite satisfactory, and the only regret was that they had not been able to take advantage more rapidly of the large demand for electrical energy both in new areas and in areas where their mains were laid. They were still restricted from increasing the number of consumers in certain districts, but this was gradually being overcome by additional sub-stations, and the restrictions would, they expected, be entirely removed at an early date. Another anxiety was fuel, a great scarcity of coal having prevailed in Southern India for some months. They had, however, purchased a quantity of Transvaal coal, which, it was expected, would prove satisfactory and be more economical.

The report and accounts were unanimously adopted.

TAMPLIN AND SON'S BREWERY, BRIGHTON, LIMITED. RECORD PROFITS AND DIVIDEND.

The thirty-fourth annual ordinary general meeting of Tamplin and Son's Brewery, Brighton, Limited, was held, on the 21st instant, at Brighton. Mr Alexander Miller-Hallett, the chairman, presided.

The Chairman, in moving the adoption of the report and accounts, said: It is my fortunate privilege to be able to congratulate you on the most satisfactory report this company has ever known. In spite of a slight falling-off in our trade, which we share with all the other breweries of the country, we are in the happy position to recommend an increase in our dividend in the form of an extra bonus. We are proposing, therefore, to pay you 1s 2d per share, making, with the 10d paid last December, 2s (or 10 per cent.), less tax. To this sum we are adding a bonus of 1s, equivalent to 5 per cent., and at the same time placing £5,000 to general reserve and increasing our carry forward to £28,079 14s 9d. This makes the total for the year equivalent to 15 per cent., the highest dividend ever paid by this company, and while I should not like to hold out hope of further increase, yet your directors have every expectation of being able to maintain our position.

The advantage which in the two previous years I have fore-shadowed from the taking over the supply of the Southdown and East Grinstead properties has during the last 12 months fully materialised. The further reduction in working expenses which we have been able to make in spite of the difficulties with which we have been faced during the past year has had no small share in producing the satisfactory result which we have before us.

The hope that I expressed last year of a reduction in the duty

which still presses so hardly on our industry has been partially fulfilled, the Government having allowed us 20s. on the understanding that brewers should reduce the price 1d per pint, equivalent to 24s per barrel, the difference being borne by us. So much misunderstanding exists on this subject that I should like to emphasise the fact that the trade generally has accepted the Chancellor's proposal in the spirit as well as in the letter, and that in no case has any self-respecting firm reduced in any way the quality or strength of the article which they are supplying. As a matter of fact, we have actually raised the gravity of certain of our cheaper beers.

You will all have received notice of the new issue we are proposing to make, in connection with which a meeting will be held on the conclusion of this one, giving sanction to the operation. We are fully convinced that the results attained by this issue will place us in such a sound position that our hands will be freed to deal with future possibilities in a way that could not be done otherwise.

The report was adopted, and a resolution was unanimously agreed to increasing the capital of the company to £740,000 by the creation of 400,000 "B" preference shares of £1 each.

MOLASSINE COMPANY, LIMITED.

CHAIRMAN CONFIDENT OF THE FUTURE.

The sixteenth annual general meeting of the Molassine Company, Limited, was held, on the 19th instant, at Tunnel Avenue, East Greenwich, London, Mr John Prosser (chairman and managing director) presiding.

The secretary (Mr Edward C. Puplett, F.C.I.S.), having read the notice convening the meeting and the report of the auditors, The Chairman, in moving the adoption of the report and accounts, said:

The trading for the year shows a profit of £18,638 15s 7d, out of which your directors have considered it advisable to allocate £3,392 8s 1d for depreciations, leaving £15,245 13s 6d (subject to corporation profits tax), which, with £507 2s 5d brought forward last year, makes an available balance of £15,752 15s 11d. Of this sum £8,000 has been placed to the reserve fund, and it is proposed to pay one year's dividend on the 7 per cent. preference shares, which will absorb £7,000, leaving £752 15s 11d to be carried forward.

The dog and poultry food business continues to be satisfactory. Our established policy of insisting upon "quality" as the first essential in the manufacture of Molassine dog and poultry foods is widely appreciated by dog-owners and poultry-keepers, and is justified by the unrivalled reputation which these foods have gained. Rito trade has not been good, the demand having fallen off in consequence of the much-reduced demand for fertilisers. The Molassine Meal sales, I am very glad to say, show a satisfactory increase over the previous year.

Considering the awful depression that has existed in agriculture during the year, I hope you will not think that the results are unsatisfactory. It has been a most anxious trading year. Apart from the many failures among farmers, the buying capacity of those who have continued trading has been much lessened, and, while we are in the happy position of having a larger number of customers on the books than ever we have had before, the tonnage that farmers individually are capable of purchasing is very much less.

With regard to the future, a good deal depends upon the improvement in agriculture. The Government are making some effort to lessen the difficulties of the farmer, and I do think, as one who is constantly moving amongst the agricultural community, that the feeling is general that the worst is over, and that conditions are generally improving. Should this be so, and I hope and see no reason why it should not, we are advantageously fixed for taking advantage of any improvement, as our Molassine Meal is giving absolute and entire satisfaction. We never turned out a better article, if so good. We have every confidence as we look forward to the future.

The report and accounts were unanimously adopted.

OROVILLE DREDGING COMPANY, LIMITED.

CONSTANCIA MINE MANAGER'S CONFIDENCE.

The twelfth ordinary general meeting of the Oroville Dredging Company, Limited, was held, on the 20th instant, at River Plate House, London.

Mr Fredk. W. Baker, who presided, first referred with deep regret to the death of Mr W. A. Prichard, the consulting engineer, and, proceeding to deal with the report and accounts, said that the total available credit balance was £244,582. After deducting the four dividends of 9d. per share which had been paid, they had £140,510 remaining, subject to excess profits duty (if any) and corporation profits tax. A considerable portion of this large surplus was now invested in the Dos Bocas Road Concession and in their steamboat asset. Dealing with the company's shareholdings, he

explained that the falling off in the earnings from the Pato Mines during the past year was attributable to the fact that the dredge had been operating in a part of the area which was low in elevation and low in values. The credit to profit and loss account in that company at September 30, 1922, was £172,702, after payment of £70,000 in dividends during the year. The company, after paying £220,500 in dividends during the year, carried forward £5,889. With regard to the Colombian Corporation, very little development work had been done at the Constancia Mine since the previous meeting, when he explained that, as the construction of the Dos Bocas Road was a matter of prime importance—for without it no equipment of the mine could be carried out—the board had decided to utilise all available labour on the completion of this road. They had experienced, however, continuous delays, owing mainly to shortage of labour, a good deal of malaria among the workmen, and big rises in the Nechi River, which had necessitated the keeping of the low end of the road very high, thus requiring more bridges and culverts than had been originally anticipated. The latest news was that they were doing big things against time and money, that the unwatering of the Constancia Mine had reached the bottom level, that development had been resumed in the upper levels, and that the general manager was confident that the new mill would be very successful and cheap to operate. The adit driving was giving good results, for on May 24 a cable was received indicating that a vein 16 metres wide had been cut 430 metres west of the shaft giving payable values. The telegram stated that "this development proves extension of body of ore." It also stated that the steamer and road should be in operation in August, and the mine equipped by March. In addressing the shareholders last year Mr Prichard was as confident about the future of the mine as any mining man could have been, and the directors had received nothing from him since then to indicate any change of view.

The report and accounts were unanimously adopted.

GOVERNMENT RETURNS, &c.

NATIONAL DEBT.—(Million £.)

	Aug. 1, 1914	Mar. 31, 1914	Dec. 31, 1914	Mar. 31, 1915	Mar. 31, 1916	Mar. 31, 1917	Mar. 31, 1918	Mar. 31, 1919	Mar. 31, 1920	Mar. 31, 1921	Mar. 31, 1922	Mar. 31, 1923	June 16, 1923
Funded Debt	688	318	315	315	315	315	314	314	314	314	314	314	314
Term Annuities	30	22	20	19	18	16	15	15	15	15	15	15	15
3½% War Stock	30	63	63	63	63	63	63	63	63	63	63	63	63
4½% War Stock	16	13	13	13	13	13	13	13	13	13	13	13	13
4½% War Bonds	2,091	2,047	2,040	1,995	1,953	2,071	2,071	2,071	2,071	2,071	2,071	2,071	2,071
4½% National War Bonds	649	1,509	1,476	1,413	1,201	971	971	971	971	971	971	971	971
4½% Funding Loan	...	409	409	405	401	401	400	400	400	400	400	400	400
4½% Victory Bonds	...	350	357	348	335	335	335	335	335	335	335	335	335
3½% Conversion Loan	...	...	...	...	266	690	687	686	686	686	686	686	686
5½% Treasury Bonds	...	...	...	...	31	24	24	24	24	24	24	24	24
5½% Treasury Bonds	...	...	...	...	361	166	166	166	166	166	166	166	166
Do by tender 5½%	...	...	...	...	8	69	69	69	69	69	69	69	69
Do 4%, 1931-33	...	...	...	...	...	84	108	108	108	108	108	108	108
Treasury Bills	15	961	1,107	1,107	1,121	878	719	616	609	609	609	609	609
Exchequer Bonds	20	392	323	319	289	185	150	150	150	150	150	150	150
Nat'l. Savings Certs.	...	138	267	274	285	342	350	354	355	355	355	355	355
War Expend. Certs.	...	...	...	...	...	...	...	...	...	...	...	...	...
Other Debt	...	944	1,306	1,181	1,132	1,087	1,071	1,070	1,070	1,070	1,070	1,070	1,070
American Loan	...	51	51	51	51	51	51	51	51	51	51	51	51
Temporary Advances	1	204	243	205	154	147	222	194	213	213	213	213	213
Other Capital Liabilities	654	5,872	8,033	7,829	7,574	7,655	7,768	7,662	7,688	7,688	7,688	7,688	7,688
Total Liabilities	711	5,921	8,079	7,876	7,623	7,721	7,835	7,730	7,756	7,756	7,756	7,756	7,756

POSITION OF THE FLOATING DEBT.

	June 17, '22	Mar. 31, '23	June 16, '23	Movement week ended June 16, '23
Temporary Advances Outstanding	£	£	£	£
Advances by Bank of England	162,146,500	193,897,500	210,510,500	+ 4,000,000
Advances by Public Debt Office	811,310,000	615,045,000	608,815,000	- 14,480,000
Treasury Bills outstanding	973,456,500	809,942,500	822,325,500	+ 5,935,000
Total Floating Debt	973,456,500	809,942,500	822,325,500	+ 5,935,000

CURRENCY NOTES ACCOUNT.—(000's omitted.)

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Silver Coin.	Redemption Account.			
				Gold and Bullion.	Bank of England Notes.	Ratio to Government.	Balance at Bank of England.
Mar. 29, 1922	300,351	14,255	6,000	28,500	19,450	15%	177
June 22, 1922	295,374	13,338	6,000	28,500	19,450	15%	177
Sept. 27, 1922	289,127	12,648	7,000	27,000	18,650	16%	189
Dec. 27, 1922	301,337	12,872	7,000	27,000	21,150	15%	137
Mar. 28, 1923	285,516	12,318	7,000	27,000	22,450	17%	190
June 6, 1923	287,849	12,291	7,000	27,000	22,450	17%	190
June 13, 1923	287,944	12,316	7,000	27,000	22,450	17%	190
June 20, 1923	286,458	12,225	7,000	27,000	22,450	17%	190

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum statutory issue for 1920 fixed at £380,000,000, for 1921 at £317,555,200, for 1922 at £308,365,400, and for 1923 at £270,183,800.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £45,000,000 in Treasury Bonds and Treasury Bills dated from June 25-June 30 were opened on June 22, 1923, and the total amount applied for was £51,855,000. Tenders for Monday to Friday bills at £99 9s 3d, about 8·7 per cent., and above in full, and for Saturday bills at £99 9s 5d, and above in full. The amounts allotted were as follows:—In bills at 3 months, £2 2s 1·13d; in bonds, nil.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.	4% Treasury Bonds. Average Price.
1923.	£	£	£ s d	£ s d
May 11	30,000,000	62,300,000	2 0 4·02	95 6 10·5
May 18	30,000,000	52,979,300	1 17 1·47	95 6 7·6
May 25	40,000,000	64,851,000	1 19 3·87	95 6 7·6
June 1	40,000,000	55,410,000	1 17 5·68	95 6 7·6
June 8	40,000,000	58,115,000	1 19 9·92	95 6 7·6
June 15	25,000,000	48,785,000	2 0 7·7	95 6 7·6
June 22	45,000,000	51,855,000	2 2 1·13	95 6 7·6

Tenders will be received on June 29, 1923, for Treasury Bonds and Bills to be issued to the maximum amount of £40,000,000. The amount of Treasury Bonds issued will not exceed £4,000,000.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Total Receipts into the Exchequer from		RECEIPTS.		ISSUES.	
	Apr. 1, 1923, to June 16, 1923.	Apr. 1, 1922, to June 17, 1922.	Week Ended June 16, 1923.	Week Ended June 17, 1922.	Week Ended June 16, 1923.	Week Ended June 17, 1922.
Balance in Exchequer on 1st April:—	£	£	£	£	£	£
Bank of England	5,442,665	9,963,424	...	...	...	...
Bank of Ireland	1,375,502	1,210,106	...	...	...	...
REVENUE	6,818,167	11,173,530	...	...	...	...
Customs	26,870,000	24,846,000	1,855,000	1,892,000	...	...
Excise	28,350,000	31,597,000	2,023,000	5,927,000	...	...
Motor Vehicle Duties	2,041,000	1,587,000	...	...	...	...
Stamp	10,930,000	12,921,000	850,000	1,050,000	...	...
Land Tax, House Duty & Mineral Rights Duty	3,900,000	2,882,000	680,000	330,000	...	...
Property & Income Tax	390,000	450,000	10,000	10,000	...	...
Super-Tax	38,450,000	51,463,000	1,479,000	2,347,000	...	...
Corporation Profits Tax	12,880,000	954,000	840,000	...	...	...
Post Office	4,640,000	3,447,000	320,000	300,000	...	...
Crown Lands	9,800,000	10,750,000	800,000	1,000,000	...	...
Interest on Sundry Loans	190,000	160,000	...	...	...	...
Miscellaneous	4,002,077	1,430,667	1,510,154	958,561	...	...
Ordinary Receipts	4,031,952	8,545,271	797,086	412,137	...	...
Special Receipts	12,300,660	11,651,491	2,196,593	903,752	...	...
Revenue	158,775,689	162,684,429	13,360,833	15,146,450	...	...
Total, Inc. Balance	165,593,856	173,857,959	...	...	...	...
OTHER RECEIPTS.						
Temporary Advances Repaid:—						
Bullion	65,000	550,000	...	...	...	...
Under the Unemployment Insurance Act, 1921	1,330,000	600,000	30,000	600,000	...	...
Money Raised by Creation of Debt:—						
(a) For Capital Expenditure Issues:—						
Under the Telegraph (Money) Act, 1921 and 1922	...	...	...	...	...	...
(b) Under the Unemployment Insurance Act, 1921	...	1,450,000	...	...	...	...
(c) For other issues:—						
By Treasury Bills for Supply	508,956,000	658,244,000	43,476,000	62,161,000	...	...
By National Savings Certificates	10,550,000	26,448,000	1,100,000	618,000	...	...
By Treasury Bonds	...	...	...	...	...	...
5½%	...	61,543,782	...	243	...	...
5%, 1927	...	5,322,200	...	1,078,800	...	...
4½%, 1932	...	29,167,571	1,429,975	...	...	...
4½%, 1931-33	...	...	...	...	...	...
(d) Ways and Means Advances	120,100,000	151,470,000	24,250,000	...	...	...
Anglo-Persian Oil Company—						
Dividends on Shares acquired	...	243,012	...	...	...	...
Repayments—						
In respect of Issues under Land Settlement (Facilities) Act, 1919 and 1921	42,224	13,768	...	...	...	...
Do Issues under Section 59 (4) of the Finance Act, 1920	...	265,460	...	...	...	...
Interest received under Section 59 (5) of the Finance Act, 1920	...	87,358	...	...	...	...
Total	835,804,651	1,080,095,539	83,696,808	79,598,493	...	...

EXPENDITURE AND OTHER ISSUES.

	—	Total Issues out of the Exchequer to meet Payments from		ISSUES.	
		Apr. 1, 1923, to June 16, 1923.	Apr. 1, 1922, to June 17, 1922.	Week Ended June 16, 1923.	Week Ended June 17, 1922.
EXPENDITURE.	£	£	£	£	£
Permanent Charge of Debt.....	..	3,332,767	3,444,449	..	9,692
Interest, &c., on War Debt.....	..	119,145,377	98,692,654	16,970,939	1,194,630
Road Fund	..	1,440,044	986,000	362,000	353,000
Payments to Local Tax ation Accounts, &c....	..	403,000	300,000	..	..
Payments to Northern Ireland Exchequer ..	..	627,563	510,000	..	107,000
Land Settlement	..	84,398	287,187	18,800	..
Other Consolidated Fund Services	..	292,924	321,838	..	..
Supply Services	..	62,968,000	70,355,000	3,860,000	6,250,000
Expenditure	..	188,291,073	174,895,128	21,211,739	7,907,322

	Total Issues out of the Exchequer to meet Payments from		ISSUES.	
	Apr. 1, 1923, to June 16, 1923.	Apr. 1, 1922, to June 17, 1922.	Week Ended June 16, 1923.	Week Ended June 17, 1922.
	£	£	£	£
OTHER ISSUES.				
Temporary Advances—				
Bullion	5,000	..	5,000	..
Interest on Exchequer Bonds under the Capital Expenditure (Money Act, 1904	36,891	84,909	..	..
Under the Unemployment Insurance Acts, 1921	30,000	1,450,000	..	..
Issues to Meet Capital Expenditure—				
Under the Telegraph (Money) Acts, 1921 and 1922	1,200,000	900,000	..	700,000
Under the Housing Act, 1914	..	13,000	..	..
Unemployment Insurance Acts, 1921	..	..	..	..
Repayment of amounts borrowed	1,050,000	..	..	..
Redemption of Debt—				
Treasury Bills for Supply	516,165,000	729,019,000	48,010,000	53,370,000
Principal of National Savings Certificates—				
(a) Repaid by Issues under Section 59 (6) of the Finance Act, 1920	800,000	6,250,000	..	700,000
(b) Repaid otherwise	7,200,000	..	600,000	..
Principal of Exchequer Bonds paid off	..	19,612,188	..	125,583
Principal of National War Bonds paid off	16,729,989	..	..	..
Other Debt under the War Loan Acts, 1914 to 1919	15	7,579,989	..	328,001
Ways and Means Advances Repaid				
	100,487,000	136,625,000	13,770,000	16,500,000
Anglo-Persian Oil Company—Issued to the National Debt Commissioners				
	..	243,012	..	..
Old Sinking Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911				
	55,214	55,656	..	..
	832,060,182	1,076,727,882	83,596,739	79,630,906
Balances in Exchequer—				
Bank of England	1,895,707	2,095,413	83,931	6,491
Bank of Ireland	1,848,762	1,272,244	+ 184,000	25,722
Total	3,744,469	3,367,657	+ 100,069	32,413
Treasury, June 18, 1923.				

	Amount, June 20, 1923.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Reserve	£ 3,278,566	+ 29,083	+ 15,627
Public deposits	16,981,838	+ 5,981,804	+ 180,083
Other deposits	105,255,030	+ 3,539,214	+ 7,901,189
Government securities	45,358,518	+ 980,214	+ 329,048
Other securities	71,777,008	+ 3,088,129	+ 5,624,249
Reserve	23,547,511	+ 363,150	+ 2,412,905
Note circulation	123,740,640	+ 359,465	+ 2,367,830
Coin and bullion	127,538,151	+ 3,685	+ 1,345,075
% of reserve to liabilities	191%	-	-

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve and % of Reserve to Liabilities.	Rate.
1923.						
May 26	127,525,004	123,476,495	122,383,567	116,357,526	23,798,509	191%
23	127,526,547	123,480,350	118,382,828	112,180,494	23,996,197	201%
30	127,524,330	124,550,495	119,182,735	112,223,307	22,723,835	191%
June 6	127,527,177	124,591,435	118,627,523	112,285,742	22,885,742	184%
13	127,534,406	124,103,058	119,794,278	114,427,397	23,184,361	191%
20	127,538,151	123,740,640	122,236,868	116,535,526	23,547,511	192%

BANKERS' CLEARING RETURNS (000's omitted).

Week Ending—	Town.	Metropolitan.	Country.	Total.
1923.				
January 1 to May 16	12,899,894	598,651	1,093,102	14,591,647
May 23	506,184	27,745	45,380	579,909
30	541,856	27,637	48,725	618,218
June 6	703,838	32,254	61,119	797,211
13	946,536	28,175	50,830	1,025,541
20	626,065	30,552	56,666	713,273
Total to date 1923.	15,824,363	743,014	1,356,422	17,923,799
Do 1922.	16,420,318	760,384	1,353,199	18,533,901
Increase or decrease in 1923	- 595,955	- 17,370	- 3,223	- 610,102
	- 3.6%	- 2.3%	- 0.2%	- 3.3%
Total for year 1922	32,780,635	1,574,661	2,806,165	37,161,461
Total for year 1921	30,268,214	1,860,165	3,002,173	35,130,552
Increase or decrease in 1922	+ 2,512,421	- 85,505	- 196,014	+ 2,230,902
	+ 8.3%	- 5.1%	- 6.5%	+ 6.3%

PROVINCIAL CLEARING RETURNS.

	1922.	1923.	Inc. or Dec.
Aggregate Totals to June 16.			
BIRMINGHAM	53,001,700	55,837,690	+ 2,835,990
BRIGHTON	35,116,000	36,818,000	+ 1,702,000
BURTON	157,769,000	159,038,900	+ 1,269,900
BULL	26,800,700	27,186,700	+ 386,000
LEEDS	25,527,600	25,922,400	+ 394,800
LIVERPOOL	19,164,100	18,871,700	- 292,400
MANCHESTER	204,551,600	216,287,500	+ 11,735,900
NEWCASTLE-ON-TYNE	352,125,100	359,718,100	+ 7,593,000
NOTTINGHAM	16,086,900	15,249,400	- 837,500
SHREFFIELD	22,228,300	27,651,300	+ 5,423,000

OVERSEAS BANK RETURNS.

NOTE.—The latest returns of the Bank of Portugal appeared in the Economist of May 19; Denmark, Egypt, and Esthonia in June 9; Germany, Roumania, Norway, Bulgaria, Latvia, and Lithuania in June 16.

U.S. FEDERAL RESERVE BANKS.—In \$'s (000's omitted).

	June 15, 1923.	June 8, 1923.	June 1, 1923.	June 15, 1922.
Resources.				
Total gold reserve	3,139,260	3,113,670	3,108,760	3,007,790
Legal tender notes and silver reserve	707,870	734,920	731,000	128,680
Bills discounted for member banks	218,620	248,230	257,820	123,980
Bills bought in open market	158,100	182,750	189,290	629,580
Government obligations owned	66,080	65,660	66,090	69,540
All other resources	14,320	50,870	41,440	145,720
LIABILITIES.				
Government deposits	1,942,000	1,925,160	1,910,150	1,855,760
Other deposits	2,435,760	2,450,210	2,450,220	2,122,610
Federal Reserve Notes in actual circulation	1,410	1,630	1,750	6,800
P.R.B. Notes in actual circulation	18,460	18,160	17,790	20,410
All other liabilities	327,750	327,730	327,730	320,280
Capital and surplus	327,750	327,730	327,730	320,280
Ratio of total reserves to gross deposit and Federal Reserve note liabilities combined	77.0%	75.7%	76.1%	77.4%

STATEMENT OF CANADIAN BANKS.—In \$'s (000's omitted).

	April 30, 1923.	Mar. 31, 1923.	Feb. 28, 1923.	Jan. 31, 1923.	April 30, 1922.
Assets.					
Cash and bank balances	468,447	450,070	456,410	445,945	460,869
Bank balances abroad	65,215	65,264	74,654	59,585	72,358
Call and short loans	305,131	292,330	270,081	281,407	278,175
Securities	403,080	385,426	376,612	356,306	342,988
Loans in Canada	1,179,785	1,150,302	1,120,723	1,129,799	1,129,799
Loans abroad	163,148	161,527	165,987	158,444	150,715
Other assets	100,392	104,465	104,822	105,420	98,918
LIABILITIES.					
Note circulation	166,255	173,258	156,714	152,632	164,724
Deposits—					
Government	78,447	65,423	66,960	59,526	145,753
Public in Canada	1,764,594	1,708,272	1,708,390	1,696,498	1,720,586
Foreign	319,086	299,809	288,742	266,555	275,525
Bank balances—					
Canadian	14,889	12,951	9,826	11,881	9,714
Foreign	37,694	43,932	40,011	37,249	45,612
Bills payable, &c.	27,537	28,082	28,671	28,105	28,612
Other liabilities	3,064	2,845	3,531	2,197	3,012
Capital and rest.	25,626	25,610	25,598	25,580	25,424

BANK OF FRANCE.—In francs (000's omitted).

	June 21, 1923.	June 14, 1923.	June 7, 1923.	June 22, 1922.
Assets.				
Gold coin and bullion	5,537,696	5,537,604	5,537,490	5,528,449
Of which held abroad	1,864,345	1,864,345	1,864,345	1,864,345
Silver coin and bullion	292,805	292,744	292,560	292,744
Discount and advances	4,305,046	4,426,782	4,584,549	4,425,120
Advances to the State	23,100,000	23,100,000	22,900,000	22,900,000
LIABILITIES.				
Notes	36,621,812	36,701,899	36,945,122	35,852,312
Government deposits	21,043	20,994	14,758	13,297
Private deposits	2,035,705	2,113,937	2,068,633	2,275,813

SOUTH AFRICAN RESERVE BANK.—In £'s (000's omitted).

	May 26, 1923.	May 19, 1923.	May 12, 1923.	May 5, 1923.	April 28, 1923.
LIABILITIES.					
Capital	1,000	1,000	1,000	1,000	1,000
Reserve	2	2	2	2	2
Notes in circulation	9,652	9,603	9,676	9,822	9,855
Bankers' deposits	5,990	5,367	5,371	5,561	5,414
Other deposits	1	1	1	1	1
Assets.					
Gold coin and bullion	533	503	503	503	503
Gold certificates	10,089	10,069	10,069	10,069	10,069
Subsidiary coin	125	125	125	125	125
Bills discounted (domestic)	2,253	2,515	2,626	2,938	2,681
Do (foreign)	508	625	615	638	771
Loans and advances to the Government	2,200	1,200	1,200	1,200	1,200
Other loans and advances	1,000	1,000	1,000	1,000	1,000
Investments	8	8	8	8	8
Ratio of cash reserves to liabilities to public	68.7%	71.4%	71%	69.5%	70%

BANK OF SPAIN.—In pesetas (000's omitted).

	June 16, 1923.	June 9, 1923.	June 2, 1923.	May 26, 1923.	June 19, 1922.	Position May 30, 1914.
Assets.						
Gold	2,525,774	2,525,736	2,525,717	2,525,719	2,522,781	521,775
Silver	2,059,930	2,059,930	2,059,930	2,059,930	2,059,930	728,600
Loans and discounts	344,475	344,475	344,475	344,475	344,475	344,475
Spanish 4% stock	150,000	150,000	150,000	150,000	150,000	150,000
Treasury bills	4,113,763	4,134,413	4,111,515	4,103,339	4,165,090	901,550
Circulation	943,957	936,482	938,040	931,418	1,165,522	477,500
Deposits						

NATIONAL BANK OF GREECE.—In drachmae (000's omitted).

	April 30, 1923.	April 14, 1923.	Mar. 31, 1923.	Mar. 15, 1923.	April 28, 1922.
Assets.					
Gold and balances abroad	1,511,797	1,464,408	1,496,153	1,503,094	1,381,018
Government loan and securities	4,096,330	4,047,164	3,947,101	3,847,455	2,889,052
Discounts and loans	1,561,732	1,379,780	1,415,942	1,388,335	785,580
LIABILITIES.					
Notes in circulation	3,966,063	3,800,475	3,711,043	3,617,267	1,315,934
Government deposits	216,419	260,364	287,043	338,469	1,489,503
Private sight deposits	1,215,908	1,175,242	1,142,324	1,124,451	891,288
Private deposits at fixed rates	1,023,929	1,025,365	1,025,111	1,021,281	1,008,124

BANK OF JAPAN.—In yen (000's omitted).

	May 19, 1923.	May 12, 1923.	April 28, 1923.	May 20, 1922.	Position May 30, 1914.
Assets.					
Cash and bullion	1,031,217	1,038,348	1,089,807	1,275,755	521,320
Discounts	210,623	215,874	227,117	233,121	41,740
Advances	210,623	215,874	227,117	233,121	70,540
LIABILITIES.					
Notes	1,054,099	1,066,757	1,130,622	1,210,812	352,270
Govt. deposits	878,903	886,880	887,524	878,979	87,340
Other deposits	34,625	34,472	30,212	30,990	11,440

RUSSIAN STATE BANK.—Note-issuing Department.

	June 16, 1923.	June 1, 1923.	May 16, 1923.
Assets.			
Gold in coin and bullion	5,518	5,320	5,879
Silver in bullion	316	316	316
Foreign bank notes	433	427	427
Drills in sterling (less 10%)	1,905	1,618	1,618
Bills (less 10% discount)	2,700	2,664	2,664
Securities covering advances on goods (less 10%)			
Bank notes	8,650	8,000	6,800
Balance to which notes may still be issued	1,280	1,003	2,200

(NOTE: 1 chervonetz = 10 gold roubles.)

BANK OF ITALY.—In lire (000's omitted).

	May 20, 1923.	May 10, 1923.	April 30, 1923.	April 20, 1923.	May 20, 1922.	Position May 31, 1914.
Assets.						
Total cash	1,471,259	1,364,192	1,413,895	1,365,963	1,445,295	1,221,875
Inland bills	4,691,717	4,699,210	4,718,916	4,615,842	4,320,979	418,400
Foreign bills	13,546	13,355	13,341	13,360	9,785	81,300
Advances to the Treasury	5,832,535	6,058,477	6,058,454	6,059,697	6,196,233	791,175
Other advances	1,713,998	1,925,946	1,926,884	1,745,661	3,078,822	306,700
Securities	406,823	406,808	406,379	408,120	534,525	
LIABILITIES.						
Note circulation	12,054,034	12,411,136	12,611,435	12,756,784	13,169,027	1,556,925
Deposits & drafts	1,381,869	1,397,778	1,649,070	1,724,506	1,819,235	193,975

BANK OF SWEDEN.—In kronor (000's omitted).

	June 16, 1923.	June 9, 1923.	June 2, 1923.	May 26, 1923.	June 17, 1922.	May 24, 1922.
Assets.						
Gold	273,127	273,171	273,212	273,254	274,026	104,818
Balance abt. and foreign bills	36,739	40,504	37,996	36,776	79,391	112,179
Swedish and for. bills	152,787	147,996	148,031	148,124	72,066	23,465
Discount and loans	335,982	333,993	359,616	354,091	450,435	112,668
LIABILITIES.						
Notes in circulation	527,126	528,832	554,268	551,268	531,881	226,568
Deposits at notice	215,776	216,557	213,264	238,158	291,304	369,660

NATIONAL BANK OF BELGIUM.—In francs (000's omitted).

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF THE UNITED KINGDOM.

(b) Week ended June 15, 1923.	(c) Week ended June 16, 1923.	Miles Open.	Passengers, &c.	Goods, &c.	Total for Week.	Passengers, &c.	Goods, &c.	Total for Week.	Aggregate 24 Weeks 1923.
Great Western.....	3,679	254,000	371,000	625,000	5,591,000	8,675,000	14,266,000	22,856,000	22,856,000
London & North-Eastern.....	6,661	468,000	737,000	1,205,000	9,459,000	18,156,000	27,611,000	27,611,000	27,611,000
Do same period 1922.....	6,657	509,000	710,000	1,219,000	10,579,000	18,186,000	28,765,000	28,765,000	28,765,000
London, Mid., & Scottish.....	6,962	653,000	915,000	1,568,000	13,740,000	25,703,000	38,231,000	38,231,000	38,231,000
Southern.....	2,115	329,300	109,900	439,200	6,996,300	2,826,300	9,822,600	9,822,600	9,822,600
Midland & S.W. Junction.....	63	1,110	1,732	2,842	27,034	31,151	58,185	58,185	58,185
Metropolitan (c).....	794	32,292	3,456	35,748	777,599	88,962	866,561	866,561	866,561
Underground E.R. (c).....	..	..	..	..	235,985	..	5,312,774	5,312,774	5,312,774
London & Sub. Group (c).....	..	..	..	..	5,625	..	153,282	153,282	153,282
Belfast & Co. Down (b).....	80	5,579	1,187	6,766	111,216	29,223	140,439	140,439	140,439
Dublin and S. East. (b).....	160	5,948	3,150	9,098	121,069	87,628	208,697	208,697	208,697
Midland Gt. West. (b).....	538	9,926	14,408	24,334	213,197	367,203	580,400	580,400	580,400

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1922-23.	1922-23.

INDIAN.

Assam Bengal.....	7 weeks	May 19	1,043	2,17,911	1,698	15,63,412	35,641
Bombay & N. Western.....	8 weeks	May 26	118	37,300	5,200	2,79,200	24,000
Bombay & N. Western.....	7 weeks	May 19	67	6,42,210	1,41,452	46,73,190	3,60,869
Bombay & N. Western.....	7 weeks	May 19	67	6,42,210	1,41,452	46,73,190	3,60,869
Bombay & N. Western.....	7 weeks	May 19	67	6,42,210	1,41,452	46,73,190	3,60,869
Bombay & N. Western.....	7 weeks	May 19	67	6,42,210	1,41,452	46,73,190	3,60,869
Bombay & N. Western.....	7 weeks	May 19	67	6,42,210	1,41,452	46,73,190	3,60,869
Bombay & N. Western.....	7 weeks	May 19	67	6,42,210	1,41,452	46,73,190	3,60,869
Bombay & N. Western.....	7 weeks	May 19	67	6,42,210	1,41,452	46,73,190	3,60,869
Bombay & N. Western.....	7 weeks	May 19	67	6,42,210	1,41,452	46,73,190	3,60,869

CANADIAN.

Canadian National.....	22 weeks	June 14	22,680	4,839,498	660,090	10,397,450	14,005,089
Canadian Pacific.....	22 weeks	June 14	14,13,539	3,187,000	153,000	71,700,000	3,170,000

ARGENTINE (a).

Argentine R.R.	50 weeks	June 16	753	13,200	2,900	549,200	13,700
Argentine R.R.	49 weeks	June 16	753	13,200	2,900	549,200	13,700
Argentine R.R.	49 weeks	June 16	753	13,200	2,900	549,200	13,700
Argentine R.R.	49 weeks	June 16	753	13,200	2,900	549,200	13,700
Argentine R.R.	49 weeks	June 16	753	13,200	2,900	549,200	13,700
Argentine R.R.	49 weeks	June 16	753	13,200	2,900	549,200	13,700
Argentine R.R.	49 weeks	June 16	753	13,200	2,900	549,200	13,700
Argentine R.R.	49 weeks	June 16	753	13,200	2,900	549,200	13,700
Argentine R.R.	49 weeks	June 16	753	13,200	2,900	549,200	13,700
Argentine R.R.	49 weeks	June 16	753	13,200	2,900	549,200	13,700

BRAZILIAN (b).

St. Paul de Brasil.....	24 weeks	June 16	1,000	6,800	4,000	254,500	74,400
Leopoldina.....	24 weeks	June 16	1,831	27,077	2,648	535,676	84,299
San Paulo.....	24 weeks	June 16	1,754	28,435	2,757	627,053	48,614

CHILE AND PERU.

Antofagasta.....	24 weeks	June 16	838	35,720	15,775	825,265	377,870
Sitrupe (4-monthly).....	24 weeks	June 16	366	34,797	18,727	366,028	281,642

CUBAN.

Havana Central.....	50 weeks	June 16	..	10,966	2,022	562,509	18,530
United of Havana.....	50 weeks	June 16	1,210	60,036	9,463	3,615,207	163,335

URUGUAYAN.

Central Uruguay.....	50 weeks	June 16	273	25,186	2,175	1,324,321	47,251
Uruguay (North Ex.).....	50 weeks	June 16	311	8,764	3,349	293,751	29,096
Uruguay (West Ex.).....	50 weeks	June 16	311	8,764	3,349	293,751	29,096

OTHER OVERSEAS.

Alcoy and Gandia.....	24 weeks	June 16	33	25,000	5,000	616,800	46,000
Egyptian Delta.....	8 weeks	May 31	575	7,673	142	38,421	9,713
St. Paul de Brasil.....	23 weeks	June 9	104	39,269	44,371	2,609,416	72,869
Maritime Railway.....	24 weeks	June 14	403	281,400	29,600	6,806,200	89,600
New Cape Central.....	21 weeks	May 25	205	2,195	85	58,722	1,410
Paraguay Central.....	20 weeks	June 16	205	2,195	85	58,722	1,410
Salvador.....	50 weeks	June 16	100	2,869	1,139	187,888	15,093

(a) Converted at par. (b) Converted at the current rate of exchange.

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week.		Total Receipts.	
				1923.	+ or -	1923.	+ or -
Anglo-Argentine	24 weeks	June 17	323	£80,709 +	3,758	2,053,698 +	41,148
Burnley Corporation	1 week	16	12	£2,900	306	..	..
Calcutta Tramways.....	24 weeks	16	354	Rs 19,082 +	95.7	..	35,520
Chatham & District.....	23 weeks	7	15	11,574	635	33,982	2,204
Egyptian Markets	23 weeks	7	..	11,543	229	48,539 +	7,337
Glasgow Corporation	2 weeks	16	106	£43,324	2,239	103,662	1,850
Isle of Thanet	37 weeks	13	..	11,220	86	24,889	1,230
Leamshire United	24 weeks	12	39	£2,817	532	67,609	5,228
Liverpool Corporation	11 weeks	16	124	£27,045	2,696	300,972	27,451
L.N.E. Tramways.....	11 weeks	20	160	£27,157	6,281	1,028,443	70,398
London & North-Eastern	24 weeks	15	..	£47,330 +	491	6,677,746	27,071
Metropolitan Trams	24 weeks	17	..	£3,595 +	483	89,529 +	5,113

MONTHLY TRAFFIC RETURNS.

AMERICAN RAILROAD GROSS AND NET RECEIPTS.

This table is extracted from the Commercial and Financial Chronicle of New York.

Date.			Net Earnings.			
	1922.	1923.	1923.	Increase or Decrease.	1923.	Increase or Decrease
Jan.	235,827	235,678	\$ 500,816,521	+ 10,581,364	93,279,686	+ 35,012,890
Feb.	235,625	235,399	444,891,872	+ 44,745,431	70,387,622	+ 6,242,712
Mar.	234,986	235,424	533,553,199	+ 59,806,190	117,117,122	+ 3,419,324

OVERSEAS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Month.	Total Receipts.
				1922-23.	1922-23.

INDIAN.

Southern Punjab.....	5 mths	Feb. 28	717	Rs 9,03,889	1,97,484	Rs 45,37,020	7,24,762
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CANADIAN.

Canadian North.....	3 mths	Mar. 31	Gross	\$4,397,600	312,795	13,176,210	299,611
Canadian Pacific.....	3 mths	Mar. 31	Gross	\$13,586,000	282,000	37,895,000	1,406,000
Temiscouata.....	1 mth	April 30	Gross	1,980,000	441,000	3,196,000	362,000

BRAZILIAN.

Brazil Gt. Stn.	4 mths	May 31	52	Rs 61,750	14,510	310,250	103,500
State of Bahia.....	12 mths	April 30	52	Rs 80,000	43,000	1,669,000	925,000

CHILE AND PERU.

Peruvian Corp.	11 mths	May 31	1,056	\$ 1,386,634	44,134	14,174,769	57,399
Taital.....	11 mths	May 31	172	\$ 215,435	4,967	190,090	87,990

URUGUAYAN.

Midland Uruguay.....	11 mths	May 31	319	\$ 18,085	5,038	\$ 181,702	26,308
N. W. Uruguay.....	11 mths	May 31	113	\$ 6,382	998	\$ 70,944	701
Uruguay North.....	11 mths	May 31	73	\$ 2,447	251	\$ 27,300	4,407

OTHER OVERSEAS.

Algoma Cent. & Hudson Bay.....	9 mths	Mar. 31	Gross	\$148,073	2,228	1,481,070	181,801
Beira and Mashonaland.....	1 mth	Mar. 31	810	85,435	20,990	..	..
Bilbao.....	5 mths	May 31	136	2,631	1,515	14,790	7,738
Bolivia.....	5 mths	May 31	15	11,000	3,069	62,303	12,992
Borneo.....	5 mths	May 31	335	22,779	393	215,922	7,676
Dorado Rio.....	10 mths	Apr. 30	189	19,750	7,750	74,750	25,000
Dorado Rio.....	5 mths	May 31	70	19,750	7,750	215,922	7,676
Dorado Rio.....	5 mths	May 31	45	10,300	3,800	74,750	25,000
International of Central America.....	3 mths	Mar. 31	Gross	92,864	2,100	253,379	22,500
La Guaira & Car.....	5 mths	May 31	231	49,531	6,578	121,769	10,608
Mexican Railway.....	4 mths	Apr. 30	277	12,360	4,060	57,600	6,130
Mid. of W. Aust. N. W. Aust.	10 mths	Apr. 30	277	\$178,700	173,900	1,040,900	51,100
N. W. Aust.	10 mths	Apr. 30	277	\$178,700	173,900	1,040,900	51,100
Puerto Cabello.....	2 mths	Feb. 28	35	11,529	2,378	124,205	13,922
Rhodesia Railways.....	1 mth	May 31	35	5,000	500	23,122	4,476
Saana & Saana.....	5 mths	May 31	1,397	124,873	16,747	25,000	3,000
Saana & Saana.....	1 mth	May 31	..	5,450	4,822	33,090	4,326
Zafra and Huella.....	5 mths	May 31	112	133,408	829	54,125	5,933

TRAMWAY & OTHER RECEIPTS.

Barcelona Trac.	3 mths	Mar. 31	Gross	Rs 129,771	392,619	1,680,346	2,251,037
Bombay Trac.	3 mths	Mar. 31	Gross	Rs 129,771	392,619	1,680,346	2,251,037
Bombay Trac.	3 mths	Mar. 31	Gross	Rs 129,771	392,619	1,680,346	2,251,037
Bombay Trac.	3 mths	Mar. 31	Gross	Rs 129,771	392,619	1,680,346	2,251,037
Bombay Trac.	3 mths	Mar. 31	Gross	Rs 129,771	392,619	1,680,346	2,251,037
Bombay Trac.	3 mths	Mar. 31	Gross	Rs 129,771	392,619	1,680,346	2,251,037
Bombay Trac.	3 mths	Mar. 31	Gross	Rs 129,771	392,619	1,680,346	2,251,037
Bombay Trac.	3 mths	Mar. 31	Gross	Rs 129,771	392,619	1,680,346	2,251,037
Bombay Trac.	3 mths	Mar. 31	Gross	Rs 129,771	392,619	1,680,346	2,251,037
Bombay Trac.	3 mths	Mar. 31	Gross	Rs 129,771	392,619	1,680,346	2,251,037

Reports and Notices.

Mr P. A. Irby is retiring from the position of assistant underwriter of the Royal Exchange Assurance as from the 30th instant. The court of directors have appointed Messrs F. C. Norris and V. M. Magnus as assistants to the underwriter as from that date.

Mr J. H. Clifford Johnston has been elected a director of the Mercantile Investment and General Trust Company, Limited; also of the United States and South American Investment Trust Company, Limited; and Mr A. H. Wynn has been appointed manager of the said companies in his place as from July 1st. Mr Wynn will retain his present position as manager of the Anglo-American Debenture Corporation, Limited. The Railway Debenture and General Trust Company, Limited, and the Railway Share Trust and Agency Company, Limited.

Branches of the Meadow Dairy Company, Limited, have been opened at 25 Strutton ground, Westminster; 73, Church street, Bilston; and 122 Lozells road, Birmingham.

At meetings of the Insurance Institute of London the following officers were elected for

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Dividend Interest.	Amount Available for Distribution.	Appropriation.				Corresponding Period Last Year.	
					Dividend.			Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.
					Prefce.	Ordinary.	Rate.			
		£	£	£	Amount.	Amount.	%		£	%
Banks.										
Bank of Adelaide	Mar. 26	22,312	94,889	117,201	..	67,500	10	20,000	29,701	92,633
Western Australian Bank	Mar. 26	21,100	31,848	52,948	..	25,000	10	..	27,948	32,070
Breweries.										
Barclay, Perkins, and Co.	Mar. 31	34,463	181,129	215,592	72,000	102,000	800	..	41,592	176,964
Financial, Land, &c.										
Dominion of Canada Investment	April 30	2,542	14,545	17,087	4,230	6,586	7	2,000	4,271	11,082
Hudson's Bay Co.	May 31	122,670	348,440	471,110	100,000	195,000	17½	..	110,850	550,468
Hotels, Restaurants, &c.										
Cranston's Hotels	May 17	12,944	29,439	42,383	6,408	10,850	17½	12,032	13,093	12,371
Trust Houses	Mar. 31	Dr 32,174	70,051	43,877	..	..	..	43,362	515	6,891
Iron, Coal, and Steel.										
Consett Iron	Mar. 31	20,670	187,036	207,706	30,000	112,500	5½	35,108	30,095	Dr 131,415
Dinnington Main Coal	Mar. 31	23,790	46,219	70,009	..	35,937	10½	15,000	19,072	20,798
Guest, Keen, and Nettlefolds	Mar. 31	206,080	844,919	1,050,999	303,447	537,887	10½	..	209,665	Dr 567,220
Head, Wrightson, and Co.	April 30	16,544	33,615	50,159	10,148	15,750	7½	..	14,261	43,413
Howard and Bullough	May 31	94,014	587,247	681,261	15,000	200,000	20½	300,000	166,261	383,058
James Keith and Blackman Co.	Mar. 31	13,589	9,643	23,232	2,112	15,000	7½	..	6,120	20,481
John Brown and Co.	Mar. 31	180,632	212,294	392,926	87,500	121,875	5	..	183,551	210,407
Maltby Main Colliery	Mar. 31	Dr 5,760	Dr 26,407	Dr 32,167	..	..	..	..	Dr 32,167	Dr 55,456
Park Gate Iron and Steel	Mar. 31	Dr 139,699	Dr 36,295	Dr 175,994	..	..	..	..	Dr 175,994	Dr 151,899
Ruston and Hornsby	Mar. 31	58,231	12,043	70,274	..	..	..	..	70,274	20,185
Oil.										
Attock	Dec. 31	..	35,427	35,427	..	..	..	..	..	..
"Shell" Transport	Dec. 31	2,069,596	4,633,159	6,702,755	316,542	4,357,157	22½	33,602	1,825	..
Motor and Cycle.										
Harper Bean	Dec. 31	Dr 147,313	Dr 451,596	Dr 599,409	..	..	..	..	Dr 599,409	Dr 17,967
Rubber, &c.										
Malacca Plantations	Dec. 31	Dr 15,221	Dr 27,201	11,980	..	..	..	..	11,980	Dr 41,937
Marawan (Java)	Dec. 31	Dr 5,469	144	5,325	..	..	..	..	30	535
Rosehaugh Company	Dec. 31	Dr 30,274	35,529	5,255	..	..	..	..	5,255	..
Tanah Datar	Dec. 31	Dr 3,038	4,240	1,208	..	..	..	..	1,208	..
Tea.										
Bargang	Dec. 31	853	20,641	21,494	600	11,000	25	8,000	1,894	5,860
Barora (Sylhet)	Dec. 31	13,492	35,353	48,845	4,750	21,000	17½	7,262	15,833	8,141
Doors	Dec. 31	11,203	128,526	139,729	5,250	88,725	32½	22,000	23,754	64,853
Jalpur	Dec. 31	4,149	22,559	26,708	..	12,000	20	9,500	5,208	10,562
Jokai (Assam)	Dec. 31	54,510	216,592	271,102	6,000	118,600	40	103,000	43,502	105,784
Lungla Sylhet	Dec. 31	Dr 33,682	51,237	17,555	13,275	..	..	1,000	3,280	15,999
Nedem	Dec. 31	2,744	71,687	74,431	9,956	44,803	22½	6,000	5,926	65,656
Romal	Dec. 31	2,697	14,333	17,030	..	9,604	60	1,500	3,137	10,281
Scottish Assam	Dec. 31	Dr 5,271	14,278	9,007	..	5,870	10	..	15,329	43,644
Singlo	Dec. 31	8,980	88,074	97,054	6,825	50,400	30	24,500	4,880	5,410
Southern India	Feb. 28	4,812	12,363	17,175	438	11,857	22½	..	2,875	..
Tea Corporation	Jan. 31	280	9,580	9,860	..	4,985	10	2,000	2,816	745
Tingri	Dec. 31	1,859	27,217	29,076	..	14,156	20	12,104	..	..
Telegraphs, &c.										
West African Telegraph	Dec. 31	3,600	8,062	11,662	..	9,244	4½	..	2,418	32,844
Tramways.										
Calcutta Tramways	Dec. 31	12,096	82,979	95,075	12,500	34,403	5½	46,845	1,327	49,445
Imperial	Dec. 31	283	20,784	21,067	8,850	5,900	4	6,130	187	21,888
Lisbon Electric	Dec. 31	Dr 48,455	9,748	Dr 38,707	..	..	..	..	Dr 38,707	Dr 29,184
Trusts.										
British Empire Trust	April 30	50,453	84,062	134,515	32,500	7,166	7	..	94,849	71,469
Egyptian and Foreign	Dec. 31	Dr 27,029	Dr 27,322	..	..	..	..	..	Dr 27,322	Dr 60,527
Globe Telegraph and Trust	May 31	20,854	341,420	362,274	81,960	235,400	10½	..	44,914	330,145
Lake View Investment	Mar. 31	4,782	19,534	24,316	..	18,563	6	..	5,753	17,725
Waterworks.										
New River Company	Mar. 25	4,200	27,618	31,818	..	21,125	16½	6,000	4,693	25,969
Other Companies.										
Alex. Findlater and Co.	Feb. 28	9,595	Dr 1,970	7,625	1,229	..	..	..	6,396	10,595
Brownlee and Co.	Mar. 31	14,478	120,686	135,164	3,747	47,242	15½	55,000	29,175	81,552
Consolidated London Properties	Mar. 25	4,295	26,021	30,316	..	17,600	8	6,138	6,578	20,311
Edison Swan Electric Co.	June 30	Dr 289,720	Dr 523,41	Dr 813,894	..	..	..	..	Dr 765,742	Dr 436,599
Edward and John Burke	April 30	12,761	44,210	56,971	13,500	13,500	6	15,000	14,971	24,643
H. H. and S. Budgett and Co.	Feb. 28	10,326	27,551	37,877	16,873	6,250	12½	5,000	9,754	27,269
Neuchatel Asphalte	Dec. 31	4,386	28,125	32,511	10,000	17,495	4½	..	5,016	18,894
Odhams Press	Dec. 31	21,118	71,144	92,262	24,425	..	..	57,037	10,800	96,263
Philip Harris and Co.	Mar. 31	9,598	7,042	16,640	2,036	1,125	7½	3,456	10,023	5,490
Richard Johnson, Clapham and Morris	Mar. 31	23,520	18,092	41,612	3,711	10,841	5	5,000	22,060	186
Riverside Orange	Sept. 30	Dr 30,561	Dr 3,335	Dr 83,899	..	..	..	..	Dr 83,899	Dr 39,346
Victoria Dwellings	April 30	126	1,127	1,253	..	1,209	2	..	44	385
Waygood-Otis	Mar. 31	22,340	49,864	72,204	9,000	23,200	8	23,000	17,004	77,360
Wm. Mowat and Sons	May 31	2,192	4,027	6,219	1,131	1,508	10	1,000	2,580	2,531

(b) Refund of Dominion income-tax (1921 and 1922) £65,260, which would have permitted a further distribution of 8½ per cent. on the ordinary shares. (y) Nine months. (v) Employees' profit participating shares. * Half-year. † Free of tax

in the United States winter belt fine weather is reported for harvesting, while conditions are quite satisfactory with regard to the young plants in the Southern Hemisphere. North America stocks have further decreased, but floating supplies to Europe continue on a liberal scale. Flour continues in quiet request, though no official change was made in quotations of home milled. London standard straight run quoted at 40s, patents 42s to 43s, town households 38s per sack delivered in Metropolitan area. All English country straights in small supply, and held for 34s to 35s per sack delivered to London stations. Imported dull and tendency of values weak. Manitoba patents range from 35s to 39s, Minnea-

polis good patents 38s 6d, and Australian 39s to 37s per 280 lbs ex store. Millers' offers quiet. Broad bran quoted at 6s-6s 6d, ordinary 5s-5s 6d, middlings 7s 3d-7s 6d, bags included ex mill, light oats 13s 3d all per cwt free on rail. Barley.—English steady at 8s-11s as to sample, with malting kinds quoted at 10s-12s per 112 lbs free on rail. Imported dull. Californian 42s-45s, Australian chevalier 40s-48s, New Zealand 33s-45s as to sample, all landed, per 448 lbs. Persian, 26s, Karachi 28s 3d, Danubian 29s, Plate 27s 6d, No. 4 Canadian Western 27s 6d, American malting 48 lbs 27s 6d all landed per 400 lbs. On c.i.f. terms a cargo of Dan-Bess-Kus-

tendje August-September sold at 26s 1½d per 400 lbs. Maize steady. Plate new ex ship 38s, landed 42s, old landed 40s 6d, East African landed 37s 6d per 480 lbs. Oats steady. English 8s 2d-10s 4d per 112 lbs free on rail as to sample. Imported firm. Plate f.a.q. ex ship 23s, landed 24s 3d, No. 1 Canadian feed 20s 6d, ex ship 25s 3d, landed 26s 6d, No. 2 20s 6d landed, No. 2 ditto ex ship 25s 3d, landed 26s 6d, No. 3 ditto Canadian Western ex ship 27s 9d, landed 28s 6d, B grade 37s 6d both landed 27s 3d, New Zealand A grade 38s 6d, B grade 37s 6d both landed all per 320 lbs. Oatmeal steady. London-made all cuts quoted 18s, rolled oats also whole groats 18s, flaked oats 20s 6d ex mill, ordinary Scottish oatmeal 19s 6d-20s 6d, and American all cuts 17s 6d per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1922-23, 1921-22, 1920-21, and 1919-20:

	1922-1923.	1921-1922.	1920-1921.	1919-1920.
Estimated sales of home-grown wheat—				
1 week to June 16	Cwts. 159,278	Cwts. 65,356	Cwts. 81,472	Cwts. 25,037
40 weeks to June 16	16,396,047	15,494,333	12,014,844	10,684,374
Average price of English wheat per cwt.	s d 10 11	s d 12 5½	s d 20 10	s d 17 0

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1919 to 1922:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1923.						
June 9	Cwts. 213,980	Cwts. 30,899	Cwts. 15,198	s d 11 0	s d 8 11	s d 10 7
June 16	158,278	22,442	11,174	10 11	8 9	10 7
1919	183,844	11,571	15,698	17 1	17 6	17 5
1920	24,454	6,839	6,822	17 0	26 9	23 4
1921	74,327	11,796	18,915	20 10	12 1	14 1
1922	65,357	5,986	11,162	12 6	12 3	11 9

IRON, STEEL, AND COAL.

Our Glasgow correspondent writes:—The quotation for corrugated 24 b.g. sheets remains near to £19 10s. Demand for Scotch pig-iron—for home and export—is described by those interested as exceedingly poor. Buyers are taking in on very small lines, and there is a revival of rumour as to the shutting down of furnaces. At this week's meeting of the association there were sellers of Scotch No. 3 foundry at 11½s, and of No. 1 at £5 10s, with mixed numbers East Coast hematite at £5 17s 6d. No recorded trading was disclosed. All over the business position the prominent factor was the unanimity of opinion in favour of a break in the prices of raw and manufactured iron and steel materials. Given a reduction in these prosperity might safely be taken as assured. But iron and steel producers and finishers hold that existing rates and charges afford them no profitable return, and that a further recession is out of the question. Coals are quieter again this week; demand from France, Belgium, Italy and Northern Europe is off a bit, with stocks heavy in smalls and rounds.

Our Middlesbrough correspondent's report, dated June 21st, is as follows:—Pig-iron: Prices of pig-iron are still sagging. There is, of course, business being done for prompt requirements, but no forward contracts are being placed. Prices are as follows:—No. 3 Cleveland G.M.B., 116s per ton; East Coast hematite m/n, 115s per ton. Manufactured iron and steel: The market for steel continues to be very quiet. Another local mill has restarted, but orders generally are very scarce. Steel ship plates, £10 10s; steel ship angles, £10; iron bars, £12; steel plates, £10 10s. Iron ore: No sign of any improvement in the rails, £10 10s. Iron ore: No sign of any improvement in the demand yet, and no forward inquiry. Best Bilbao Rubio ore is nominally 24s per ton, c.i.f. Tees.

Our Sheffield correspondent writes:—The absence of buying in the iron and steel market continues, and the prevailing dullness is accentuated by the preparations for stocktaking at the end of the month. The steel furnaces have now very little work on hand, and a good many of them will close down next month for stock-taking, and the resumption of operations will depend upon the way in which orders come in during the next week or two. Should a buying movement fail to come, there will be a considerable amount of idle plant in the country, and at the moment, the outlook for next quarter is ominous. Some people are hopeful, however, of a revival shortly. Prices generally are easier, but with no drop in fuels a substantial reduction is out of the question. The export of fuel still tends downwards, but this has not benefited home consumers, and coke prices are actually harder. Small fuels are rather scarce. Current quotations are:—Best South Yorkshire steams, 22s to 24s; do. Derbyshire, 21s and 21s 6d; Blyth steams, 26s and 27s; Tyne steams, 26s to 28s; rough slacks, 12s to 14s; smalls 7s to 9s; best washed branch 32s 6d to 34s; best silkstones, 22s to 24s.

Our Cardiff correspondent writes:—The "rot" in the South Wales coal market has been of exceptional severity, but there were indications at the end of this week that it has been definitely checked. Admiralty coals, which in the middle of May were quoted firmly at from 42s 6d to 45s, have been actually done during the past few days at 30s, and smalls, which have been scarce at over 30s, have been changing hands in the neighbourhood of 20s. The general situation is still somewhat unsettled. After so panicky a

period of falling prices, some time must elapse before settled conditions and stable prices can be restored, but on Thursday buyers were finding it, in some cases, impossible to secure coals at the prices at which they had bought earlier in the week, and were being quoted from 1s to 1s 6d higher. Current approximate quotations are as follows:—Best Admiralties, 32s 6d to 33s; second Admiralties, 30s to 32s 6d; best trys, 33s to 34s; Black Veins, 29s to 32s 6d; Western Valleys, 28s to 32s 6d; Eastern Valleys, 27s 6d to 30s; best bunker smalls, 22s 6d to 25s; ordinary cargo smalls, 20s to 22s 6d; anthracite big vein large, 52s 6d to 55s; machine-made cobbles, 62s 6d to 65s; French nuts, 60s to 62s 6d; stove nuts, 55s to 56s; rubbly culm, 17s 6d to 18s 6d; coke for export, 55s to 62s 6d; inland blast furnace coke at ovens, 35s to 40s; patent fuel, 37s 6d to 39s; pitwood, ex ship, 30s to 30s 6d. In the tinplate market the position is practically unchanged. Demand is rather quiet and prices easy, and some doubts are entertained as to whether the price stabilisation scheme will survive up to the end of the year. Current prices are at the minimum.

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—It is becoming more and more difficult to size up the position. The demand for wool is well maintained, and prices are being paid for the raw material with a freedom that suggests almost unlimited scope, yet in the West Riding trade can only be described as stagnant. Men with many years' experience frankly state that they have never before known such a complete deadlock, for even during the worst period of the post-war slump business could be done at a price, and, of course, raw material values fell in sympathy with the general depression. But now we have the anomaly of wool selling at good prices, while tops and yarns cannot be sold to cover costs of production. Allowing for the ease in values at the Liverpool sale last week, good

The prices in the following list are revised with the assistance of an eminent firm in each department.



Head Office:
LOMBARD STREET, E.C. 3.

CAPITAL:
SUBSCRIBED £71,864,780
PAID UP £14,372,966

RESERVE FUND £10,000,000

DEPOSITS, &c. £331,952,467
ADVANCES, &c. £123,388,679

1,600 Offices in England & Wales.

Affiliated Banks:
THE NATIONAL BANK OF SCOTLAND LTD.
THE LONDON & RIVER PLATE BANK, LTD.

Auxiliary:
LLOYDS AND NATIONAL PROVINCIAL
FOREIGN BANK LTD.

Full Prospectuses and Forms of Application may be obtained from the Company's Bankers and Brokers and at the Registered Office of the Company.

TOTAL	...	\$1,779,041
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to become Managing Director of the Company.

A print of the Memorandum and Articles of Association of the Company and of the Cleave and Gurnos Companies, copies of the Contracts, and the full Reports of Messrs. Cooper Brothers & Co. and Mr. Stewart may be inspected by intending applicants at any time during usual business hours while the list remains open.

Full Prospectuses and Forms of Application may be obtained from the Company's Bankers and Brokers and at the Registered Office of the Company.

Dated 22nd June, 1923.

A BANK OF ISSUE FOR BRAZIL.

Dr. Cincinato Braga, President of the Banco do Brasil, interviewed by the "Jornal do Commercio."

THE PROJECT EXPLAINED IN DETAIL.

To the *Jornal do Commercio*, in virtue of its traditions and programme, falls the duty of shedding light on all national questions which directly interest the commerce of the country. It is clear that under this title comes, in first place, the question relating to our circulating medium.

Within the category of questions of general interest, perhaps the most discussed at the present moment in Brazilian financial circles is the institution of a Bank of Issue. This problem is receiving the serious attention of the Government, and has been thoroughly grappled with by the President of the Republic, with the earnest collaboration of Dr. Sampaio Vidal, Minister of Finance, and Dr. Cincinato Braga, President of the Bank of Brazil. We gave in our edition yesterday our opinion, in general terms, of this reform.

But to us it seems that the best method of satisfying Brazilian opinion on such an important reform in public administration would be to obtain from the most representative bodies of commerce the objections to the creation of a Bank of Issue, and to then place them for elucidation before a financier who to-day is one of the most competent representatives of Brazilian commerce, Dr. Cincinato Braga, actually holding the high position of president of our greatest bank—the very bank it is proposed to transform into the projected Bank of Issue. We requested an interview, in which we proposed to place before Dr. Cincinato Braga these objections and to hear his opinion on them. H.E. promptly acquiesced to our suggestion, for which we desire to express our deep gratitude and appreciation.

Our representative declared to Dr. Cincinato Braga that those who contested the project feared that the Bank of Issue would increase excessively the circulating medium, causing inflation which would depress exchange to record low rates.

Dr. Braga's reply was prompt and convincing: "This fear has no foundation in fact. The paper money in circulation, issued by the National Treasury, is almost all founded in the simple art of lithography; its issues are not measured by commercial necessities, but by deficits in the National Budget. This system of issuing, however, so far followed has not so far terrified those who fear inflation; they are scared of a system by which it is only possible to issue against collateral composed of first-class commercial paper in the proportion of two-thirds of the amount issued, and metallic gold in the proportion of one-third of the same amount."

"It is curious! It is thought dangerous that a serious bank, organised not as a public department, but as a commercial house—as a limited liability company—under continuous and rigorous fiscalisation of representatives of the National Treasury, of the Commercial Association of Rio de Janeiro, and the shareholders of the Bank itself, should issue against first-class commercial paper and gold, and not thought dangerous that the National Treasury should continue the methods so far practised!"

"Never will the Bank issue a single note without having as assets the following two elements:—(1) Gold bullion corresponding to one-third of the value of the issues it may make (gold at the fixed price of 20,000 to the sovereign); (2) commercial paper of the most solid houses in Brazil for the remainder."

"To make it clearer: For the Bank to issue paper money, for example, to the amount of 60 contos of reis, it is absolutely essential that it has in its strong-room, unarmarked in any way, £1,000 gold (which at 120 corresponds to 20 contos) and 40 contos more of guaranteed first-class commercial paper, endorsed by two solid firms."

"So bridled, the Bank will never be in a position to inflate circulation with superabundant and unnecessary paper money. As guarantee for the emission, the pound sterling has a fixed legal value—that is, 20,000. The Bank has no interest whatever in buying sovereigns, the actual value of which is over 40,000, whereas their value as guarantee of the Bank's notes is only 20,000."

"As to commercial collateral, if the banks have them to dispose of and bring them to the Bank of Issue—endorsed—with which to obtain money, it is a sign that commercial operations represented by these securities have expanded to such an extent as to absorb the available resources of the banks and that more money is temporarily required to facilitate the movement of crops and exports. The Bank of Issue, with this good security, will supply the money necessary, and once the necessity has passed, again withdraw the money from circulation. These notes would only cause inflation if they were left permanently in circulation and were not required to aid economic production of the country."

"It must be remembered that it is to the interest of banks not to take first-class paper to the Bank of Issue, where it will only be accepted if endorsed—which no bank likes to do—and still less to pay interest on any loan granted. It will, therefore, be seen that banks in general will do all possible not to take their paper to the Bank of Issue."

The Rediscount Department is a glaring example of this. The made for rediscounting legitimate commercial paper are innumerable; they do not amount to 50,000 contos of the 350,000 contos the Department has in circulation.

"Once the Bank of Issue is created, the Treasury will have to find other means of meeting its urgent needs 'than by making fresh issues'; it will have to negotiate loans, reduce its expenditure and increase taxation—methods recognised as the functions of public treasuries in all advanced countries. In this sense the policy adopted by the President of the Republic, Dr. Arthur Bernardes, and the Minister of Finance deserve the approbation of the nation."

"But the creation of the Bank of Issue is not yet fully understood by well-meaning elements. The chief function of such a bank is not to issue paper money, even should same be guaranteed by unquestionable security. Its main object, in my opinion, is to take care of the financial interests of the nation—that is, to withdraw the paper money issued by the National Treasury that is not necessary or guaranteed. It is in this that the greatest benefit to the nation will accrue from the creation of a bank of issue such as the Government of Dr. Arthur Bernardes is about to initiate."

"Ever since the first Imperial Government the withdrawal of paper money has been one of the most debated questions. And what has happened beyond the circulation being continually increased? And why? Because the elements for withdrawal have been included in the Federal Budgets, which almost always show a deficit, and naturally leave no margin for the Government to put the clause into operation—i.e., the incineration of paper money."

"This is now going to be altered. The withdrawal of paper money will no longer be a function of the National Treasury, but of the Bank of Issue. With what resources? With the huge net profits of the Bank, as stated in the contract with the Government. From now onwards, the paper money for which the Government is responsible—issued merely on a nominal basis—will be slowly but surely withdrawn; not with grants from a Budget already showing a deficit, but with the sure and certain profits on commercial banking, for the most part independent of aid from Union Budgets. The nation will shortly witness—probably commencing in 1924—the methodic withdrawal and burning each month of inconvertible paper money. This currency will gradually be replaced by bank notes guaranteed by the resources of the country's greatest credit institution. With but little exaggeration, the new institution could be called a Bank of Redemption instead of a Bank of Issue."

"Constant use of a heavy pipe makes a crooked mouth"—and similarly the outlook has become crooked of the Brazilian who advocates the use of unguaranteed issues by the Treasury."

"It is a disgrace to the country in face of the policy of other cultured nations. Abroad the condemnable issue of notes by national treasuries has ceased to be discussed. Congresses and financial conferences, as well as books and journals dealing with economics and finance, no longer discuss the utility of such procedure any more than in astronomy anyone argues that the sun goes round the earth. It is only in Brazil that there are persons who advocate the continuance of issues by the Treasury and contest the initiative of the Government of Dr. Arthur Bernardes to create a central bank of issue."

"All the small and new nations, born as a result of the recent European conflagration, now understand the vital necessity to their economic life of a bank of issue. They have already been created in Lethonia, Lithuania, Czechoslovakia, Estonia, Finland, Yugo-Slavia, new Bulgaria, Poland, Austria, Hungary, new Roumania, and Egypt. The European statesmen recognised the absolute necessity of founding central banks of issue simultaneously with the political organisation of their countries. They did nothing more than apply to each of these new countries the eloquent lessons of the banks of issue in the more advanced countries, such as France, England, the United States, Italy, Spain, Holland, Switzerland, Sweden, Norway, Belgium, Denmark, Portugal, Germany, Australia and Japan."

"It can thus be appreciated how successful this system has been in the civilised world, for after being in use for over a decade it cannot be far from perfect."

This argument was convincing and final, but, as it was our purpose to get the opinion of the president of the Bank of Brazil on all objections which have been raised, we took the liberty of informing Dr. Braga that, although some opinions admitted that notes issued by a Bank of Issue were preferable to those of the Treasury, they feared that the amount of gold bullion to be held as guarantee would be too small for the purpose."

Dr. Braga gave our representative a complete explanation, as follows:—"This argument also has no foundation in fact. The emissions to be made by our Bank of Issue will be covered by gold equivalent to 30 per cent. of the amount of notes issued. Do you consider that percentage small? Let us take the examples of other advanced nations which already have banks of issue in operation and find them of inestimable value to their economic life. That excellent financial organ, *The Economist and Weekly Commercial Times*, a banker's journal, in its edition of March 10th last, pub-

A Bank of Issue for Brazil (continued).

lishes the percentages of gold held by the banks of emission in the following countries:—

	Percentage.
1—Bank of Japan	90
2—Bank of Lethonia	80
3—Bank of Spain	60
4—Bank of Holland	60
5—National Bank of Switzerland	60
6—Bank of Sweden	50
7—National Bank of Greece	50
8—Bank of Lithuania	40
9—Bank of Norway	40
10—Bank of France	14
11—National Bank of Egypt	10
12—Bank of Italy	10
13—Bank of Czechoslovakia	9
14—Bank of Estonia	5
15—Bank of Belgium	5
16—Bank of Finland	2.8
17—National Bank of Austria	2
18—Bank of Yugo-Slavia	1.2
19—National Bank of Bulgaria	0.9
20—Bank of Portugal	0.8
21—National Bank of Roumania	0.3
22—Bank of Hungary	0.03
23—Bank of Poland	0.004
24—Imperial Bank of Germany	0.003

"This table shows that should a Bank of Issue be created in Brazil on a basis of 30 per cent. gold, we shall be in a much better position than many of the banks above mentioned."

"But if we consider that the tendency for our exchange is to rise, and that the Bank of Brazil, in its present financial position—should rates continue to rise—could easily convert its reserves into gold bullion, you can easily understand that we are creating a bank of issue which will soon figure amongst the most important in the world, not only on account of its solid position, but also on account of the amount of gold it will have in guarantee of its note issue."

Our representative asked Dr. Braga if the gold stock, though insignificant, accumulated with much trouble by the National Treasury, should ever leave there, as it was our only war chest—the reserve against a calamity to which all nations are subject?

Dr. Cincinato Braga replied: "Under whose care is the gold stock in the National Treasury? Of two officials of the Caixa de Amortisacao, under the orders of the President of the Republic and the Minister of Finance. In the Bank of Brazil it will be in the charge of the directorate of the bank, composed of seven members, three of whom—the president, the director of the issue department, and the director of the exchange department—are direct representatives of the President of the Republic, appointed or dismissed at his will. The remaining four members are elected at a general meeting of the shareholders, where the Government has the controlling vote, as holder of more than half the shares of the bank—non-transferable shares. The bank's directors are thus men in whom the Chief of the State and the Minister of Finance have absolute confidence, and are naturally men of great probity, administrators of the largest accumulation of funds amassed in any one institution in Brazil, in which Brazilians, as in no other similar institution, deposit their savings—a sum that now exceeds 1,200,000 contos of reis! Is it reasonable to suppose that the £10,000,000, or say 300,000 contos of reis, can be more faithfully, more zealously, more honourably guarded by the employees of the Caixa de Amortisacao (where it is at present deposited) than by the Bank of Brazil?"

"Recent events in our history do not commend the guarding of gold by politicians, who always look upon such a deposit as an excellent means from which to help the Treasury to meet budgetary deficits. Large amounts of gold were deposited in the Treasury by former banks of issue, which deposits not otherwise pertaining to the Treasury were deviated to meet these deficits."

"Worse than that, one of the Ministers of Finance of the Republic, without legislative authorisation, spent £9,000,000 entrusted to the Government's care, in artificially raising exchange, to prove to the country the faultlessness of his financial doctrines. I have not the slightest doubt that the Bank of Brazil, with its responsibility as an establishment subject to the Commercial Code, will know how to defend the guarantee of its note issue with much more zeal and courage than a Government Department. Besides, the example of all the great banks of issue of the world strengthen us in this conviction. It may be said: It is not a question of confidence in the probity of the personnel in charge of the gold, but in the application of this gold in the two instances; guarantee of emission in one and war chest in the other."

"This is a great misconception. Our laws never created a war chest. On the contrary, they assigned this stock of gold for one purpose only—guarantee for the redemption of paper money."

"This story of the war chest is a phantom invented to arouse the sentiment of patriotism in the Brazilian nation. We never had a war chest; neither is it the custom of other nations to have one. Germany had one, consisting only of the indemnity paid to her by France in 1870. Do you know what Germany did with this treasure in the hour of danger, when the European War broke out in 1914? Removed it immediately to the strong rooms of its Bank of Issue—the Reichsbank."

"The reason for this is that the Government cannot make rifles, cannons or battleships of gold. These and all other expenses of a war are effected from the whole nation's assets and its credit. This

credit is constituted by its great banking establishments, which furnish the sinews of war, as necessary to its success as the generals who do the fighting. A country without a stable banking organization is a country *a priori* defeated in a modern war. The most stable banking organisations the world knows are those that have as a basis a central bank of issue."

"Observe the recent lesson which the world received. Germany, who had all the most powerful nations arrayed against her, resisted during that time because of her superior financing of the war, executed almost miraculously by its bank of issue. And what would have become of France without the Bank of France, with its sure and ready assistance to the Minister of Finance, to support the army. This being so, to say that in a case of war with a foreign Power it would be better to have the gold in the Treasury than in the Bank of Brazil is an absurd statement, very excusable, as it is not the result of bad faith, but ignorance."

"When war breaks out the first measure taken by a wise Government is to secure mobilisation and to prohibit, without exception, the exportation of gold, precious stones, and metals, whether the property of the Central Bank of Issue, other banks, or private citizens. In case of necessity, the Government commandeers same, no matter whether the property of banks or private persons. In this manner, no matter where gold is deposited in the country, the Government requisitions it for the common good."

"This occurs in ordinary cases, even though the gold or precious stones are the property of foreigners. What, then, of the deposits in the vaults of the Bank of Brazil, almost an official bank? It is sincerely to be hoped that it would be unnecessary in case of war, even though the Bank of Brazil be a semi-official bank, that it places all its resources in gold and paper at the disposition of the Government in the defence of Brazil—it is enough that it is, as it is bound to be, a bank administered by sons of this great country. As much also can be said of other national banks."

Our representative then mentioned the apprehensiveness entertained of the possibility of the above gold being despatched to foreign countries in time of peace as a guarantee of imprudent commercial operations realised by the Bank."

To this question Dr. Cincinato Braga replied with assurance: "Only those who ignore that Law 4,635 foresaw and forbids such operations can express such arguments. Article 1, letter b, stipulates: 'The Bank must maintain in deposit the gold which has been transferred in virtue of this law, and must not transfer, pledge, or remove same outside the country.' That is to say, this gold has a specified purpose—to meet the notes issued under its guarantee."

We also informed His Excellency that some people are apprehensive that holders of notes issued will change them for coin at the bank counter, and that in this way the gold will disappear in a very short time."

Dr. Braga responded in the following terms:—"The deposits in guarantee of issues are destined for that purpose. They are always exposed to this contingency in all parts of the world. It is from this that the convertible bank note obtains its prestige. Governments meanwhile impose certain injunctions to conversion, which inculcates greater confidence in banks of issue."

"In the present case, according to the contract of the Bank of Brazil with the Government, the notes issued by the Bank will be legal tender (Article 1, letter b, of the said law), but cannot be exchanged for gold at the wish of the holder until such time as the following circumstances in Brazil coincide simultaneously:—

"(1) The official exchange to have been maintained at 120 or over for a period of not less than three years."

"(2) The reserve of gold (bullion) at the bank to be equal to 60 per cent. of the value of notes issued."

"(3) The Government to have decreed same, after having investigated the economic conditions of the country and judges that such conditions warrant conversion."

"The coincidence of these circumstances will serve to prove that Brazil is in the position of an international creditor nation, in place of its present position as a debtor nation. That position will assure the permanency of our stock of gold in the country, as is usually the case in a country with a gold currency."

"Besides the hypothesis of the loss of gold through conversion, the same applies as much to issues of notes by the Treasury as to the Bank. Such hypotheses, however, cannot serve as a motive for preference to an issue by the Treasury, as it is always exposed to the same eventualities as a bank."

"Then, Mr President," we inquired, "with these elements the Bank of Brazil will become a Bank of Issue as stable as any similar bank in other countries?"

"Assuredly so," responded Dr. Braga, and added: "I have had occasion to declare in public that those most interested in the National Bank of Issue being a financial power of the first order are not the shareholders of the Bank, but the National Treasury, the State and Municipal Treasuries, and directly or indirectly connected with these is the whole nation."

"Since the essential function of a Central Bank of Issue is the upkeep of the value of the circulating medium, it is obvious that all Brazilians who carry notes in their purses have a direct interest in the prosperity of the bank. This interest is no less a part of the National Treasury, which annually is the largest holder of notes in circulation, seeing that all taxes are paid in that form. The same reasons oblige the State and Municipal Treasuries to interest themselves in its prosperity. In short—a bank in these conditions cannot fail, or only after the National State and Municipal Treasuries, men of wealth, and all holders of its notes have also failed. It is clear that no one can predict for Brazil—a new country full of life and progress, overflowing with natural riches—a future of this description."

The Economist

WEEKLY COMMERCIAL TIMES

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No 4166.

A Bank of Issue for Brazil (continued).

"Among the nations suffering from the most serious adversities known is Austria, whose currency has reached the lowest limit of devaluation—possible—its crown (kroner) being worth less than the paper it is printed on.

"In the midst of this colossal catastrophe the League of Nations intervened. What measures were judged necessary for its restoration? The creation of a Central Bank of Issue, constituted in accordance with the League of Nations, by Austrian Federal Law of July 24, 1922. A creation of yesterday, its influence is already apparent in the recovery of Austria, as demonstrated in the articles published in the *Economist* of February 17th, page 330, and more so in the article published in that journal of March 31st last, page 673.

"The results realised in such a short time by the Austrian Bank of Issue is an eloquent precedent for us to follow, particularly when we consider the extremely low level of currency in that country."

We also asked Dr. Braga if there is any foundation in the statements repeatedly made that the bank will break our monetary standard?

"Statements also without foundation," replied Dr. Braga emphatically. "The same criticisms were made when the Caixa de Conversao was created, but our monetary standard was not broken, it is still the same and very much so. The law creating the Bank of Issue purposely evades any possibility of altering the monetary standard, which continues to be that established by Law 401 of September 11, 1846, and promulgated by Decree 487 of November 28th of the same year.

"The rate of 12d per milreis on which issues will be based is, one can say, a provisional one. It will be but a pause in the march onwards to a higher rate, brought about step by step with increased confidence. During this interval, more gold will enter our vaults, to be stored in the country, as was done with the Caixa de Conversao, guaranteeing for several years a stable exchange. Some years hence (how many no one can tell), the country will become strong, both economically and financially. At that time nothing can prevent the Government, for example, authorising the National Treasury to deposit in the Bank of Brazil—additional to that guaranteeing the 12d rate—gold sufficient for the Bank to withdraw its issues at a higher rate, let us say 15d per milreis, this rate ruling for conversion from then onwards. If in this manner the rate can be raised to 15d, like measures can be adopted to increase the rate to 18d, 20d, 24d, or 27d per milreis, thus serving as an accurate indication of the real and progressive increase in the wealth of the country, and not mere transitory rises, attained through speculation in exchange. On the other hand, the contract for operating the new Bank of Issue will continue in force for 10 years only. At the end of that period the Government may insist on the redemption of the issue made at 12d and effect another at a higher rate.

"At present the rate is established at 12d because it is a middle term in exchange tables, and in the unanimous opinion of experts represents the true economic condition of the country. But it will not be immutable in the future."

It appears from the terms of the contract with the Government that there is the possibility of stability in exchange before the time fixed for conversion is reached?

"That is true," replied Dr. Braga. "It has been decided to constitute a gold fund in London as a basis for the exchange operations of the Bank. To this fund will be placed English Consols to the value of £1,000,000 sterling, now deposited with Messrs. Rothchilds. Brazilian bonds, the property of the National Treasury, of the nominal value of £1,451,400, deposited with the same bankers, will also be placed to this fund—bonds the Treasury is to realise to subscribe to new shares in the increased capital of the Bank of Brazil. The same fund will also be credited with the amounts in gold which, in the Bank's balance-sheets, represent cover for the devaluation of its paper assets to gold, as well as all disposable money or collateral of the Bank's assets. The Government also anticipates that in the near future it will further strengthen this fund from its own gold resources. Thus, in a comparatively short period, the Bank will have a large gold reserve on which it can draw during the interval between Brazilian crops—that is, during the period when gold export bills are scarce."

Dr. Cincinato Braga, President of the Bank of Brazil, in the two portions of an interview which we have already published, says the *Jornal do Commercio* has dissipated all doubt on many questions of primary importance relative to the creation of a Bank of Issue and Rediscount.

Our representative further asked Dr. Braga if it was proposed to include in the contract for the creation of a Bank of Issue a clause which permitted the organisation of a National Mortgage Bank (Banco Hipotecario), and that it was of great interest to know what the objects of such an institution were?

Dr. Braga favoured our representative with the following reply: "I can give you an answer in two words. Strictly speaking, the object of a central bank of issue should be exclusively confined to assuring the proper function of the circulating medium as a bank for bankers, and not for private individuals. This advanced state of finance has yet to be brought about in Brazil, where progress has endowed the country with thousands of private banks; in the United States there are over 30,000 of them. Then the central bank of issue can restrict its operations exclusively to other banks. Under actual conditions, however, this is not possible, and it is necessary,

therefore, for the bank of issue to transact every kind of banking business. The Bank of Brazil has always been a great commercial bank for both deposits and discounts, with branches in all the States and all the important Municipalities of the Federation. Its services to commerce, agriculture, industry, and public departments are of such magnitude that they can only be appreciated if—by a stretch of imagination—you could see the bank ceasing to operate.

"But a Bank of Issue must not, cannot—if it complies with the scientific principles which inspired its organisation—deal with a multiplicity of transactions. However, in the absence of a complete banking system—without banks which specialise in one class of business—agriculture, industry and commerce of the country, having no other institution to turn to, almost daily appeals for assistance from the Bank over which I have the honour to preside. This applies equally to the various States as to the Federal Capital.

"In many cases I and my co-directors are reluctantly forced to refuse even business which is most solidly guaranteed—some of which are indispensable to the development of the country—but absolutely outside the sphere of our banking operations. Among these there is an extraordinary proportion of requests for capital for a period exceeding six months. It is a national calamity that powerful banking establishments do not exist which could deal with these requirements.

"These considerations give birth to the idea of the immediate organisation—a twin with the Bank of Issue—of a national mortgage or credit bank. The Bank of Brazil already contains an Agricultural Credit Department—created by law—with a capital of 400,000 contos, in Federal apolices (bonds) issued by the National Treasury. But, with the transformation of the Bank into a Bank of Issue, it was immediately recognised that it was undesirable that such a department should continue to work as a component part of the institution. Besides this, the hypothecary credit or long credit is a class of banking which should be directed by men who are specialists in this particular business.

"On the other hand, the offering of such a huge amount of Federal bonds on the market might cause serious loss, not only to actual holders, but to the National Treasury as well, the latter naturally requiring liberty of action as to the disposal of such collateral according to its requirements.

"It would be unjust, however, to deprive the Bank of Brazil of a privilege, expressly granted by law, without compensation. To avoid this, it is proposed that the Bank of Brazil shall participate in the profits earned by the great credit bank—which it will organise, though giving it autonomy—and facilitate its working through its agencies throughout the country. The new bank, therefore, will have the credit of the new institution.

"This method is by no means original. Belgium recently founded a bank on similar lines. There the National Issue Bank organised a long credit institution in which it has the controlling voice. Again, in France, the Bank of Algiers founded the Industrial Bank of North Africa on similar lines."

This was certainly information which carried great weight.

Our representative then asked the president of the Bank of Brazil if a Mortgage or Hypothecary Bank was to be organised, what was the basis, the amount of capital, and what class of industry will it accommodate?

To all these questions, as usual, Dr Braga had a prompt reply:—"Such questions are too lengthy to be fully explained in a few words. However, I can briefly outline the scheme, as they are but natural queries.

"The National Credit Bank will be organised with two distinct objects in view: (1) To grant credit to agriculture and industry; (2) to grant credit to the National Treasury. It will have no capital—or, better still, it will have no shareholders. Its organisation will follow the lines of a project which I, when a member of the Finance Committee of the Chamber of Deputies, suggested to National Congress in 1921, on the lines of the Argentine Credit Bank. The agriculturalist or owner of a factory can mortgage his property to the bank and obtain an advance in mortgage bonds up to one-half of the value of same. This mortgage will bear interest and have an amortisation service to be paid every six months to the bank in Rio, or any of the agencies of the bank in the country. Both the interest and amortisation will be guaranteed by the National Treasury, and rank equal to bonds of the National Debt. These bonds would be an excellent 'long' investment for private capital.

"The mortgages will always be for long periods, and bear interest lower than current rates. They can be repaid before maturity by purchase of mortgage bonds in the market, if such means will be in cash. The half-yearly payments will be in cash.

"In addition to the large loans against mortgage by bonds, the bank will also grant loans in money, but this only to the small agriculturalist or small farmer, for periods under one year; these loans will correspond to the value of the crops expected during the year.

"To grant these small loans in money the bank will receive 50,000 contos of bonds of the public debt from the National Treasury, to be sold gradually by the bank in the market. To meet the demand for mortgage loans the bank is authorised to issue bonds to the value of one million contos of reis.

"The bank will operate:—(1) Agricultural and pastoral pro-ways being worked at a profit; (2) in real estate and suburban pro-erty on which sanitary dwellings are to be erected; (3) on iron ore mines that show an average of over 50 per cent. pure metal, and for the erection of smelting works or foundries, and on the iron and steel mills, for improvement and expansion of output.

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TABLE OF CONTENTS.

The Money Market	1421	Books and Publications—	
Leading Articles—		Recent Economic Literature—A Month's Survey	1444
Air Policy and European Problems	1423	Books Received	1444
The Tactics of Infiltration	1424	Stock Exchange News—	
The Monetary Half-Year	1425	The Stock Markets	1445
Oil. V.—The Oil Trust and the "Independents" ..	1427	New Issues	1445
Half-Year's New Capital ..	1428	Active Securities	1446
Rates on Farms	1429	Company Meetings....	1447
Failure of State-Owned Shipping	1430	Government Returns—	
Argentine Investments & Speculations	1431	Treasury Bills and Bonds by Public Tender	1468
Notes of the Week—		National Debt	1468
The Dry Ship Controversy ..	1432	Currency Notes Account ..	1468
Conditions in Ireland	1432	Public Income and Expenditure	1468
Labour Party Conference ..	1433	Bankers' Gazette—	
The Outlook in Mexico ..	1433	Bank of England	1469
Canadian Government's Railway Policy	1433	Clearing Returns	1469
The Greek External Debt ..	1434	Overseas Bank Returns ..	1469
Cotton Trade Short Time ..	1434	Loan and Discount Rates ..	1471
The South African Reserve Bank	1434	Rates of Exchange	1471
Spain in 1922	1434	Overseas Bank Rates	1471
New Zealand Industries ..	1435	Indian Treasury Bills	1472
Customs Regulations in Peru	1435	India Council Bills and Transfers	1472
Decline in Non-Ferrous Metals	1436	Bullion	1472
The Rand Midsummer Dividends	1436	Imports & Exports of Gold ..	1472
Lake View Investment Trust	1436	Gold and Silver Prices ..	1472
Mexican Eagle Oil	1436	Company News—	
Lipton's Profits	1437	Analysis of Balance-Sheets ..	1472
Overseas Correspondence—		Mining Output Statistics ..	1473
United States	1437	Reports and Notices	1473
France	1438	Weekly & Monthly Traffic Returns	1474
Germany	1439	Dividend Announcements ..	1475
Canada	1441	Profit and Loss Accounts ..	1476
Switzerland	1441	Commercial Reports—	
Poland	1442	Corn Trade	1475
Letters to the Editor—		Iron and Coal Trade	1476
Credit Control and Unemployment	1443	Wool Trade	1477
		Cotton Trade	1477
		The Timber Trade	1478
		Hide and Leather Trades ..	1478
		Vegetable Oils and Oilseeds ..	1478
		Overseas Produce Markets ..	1478
		Price Current	1479

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THE MONEY MARKET.

ALTHOUGH there was no real pressure at the beginning of the week, borrowing from the Bank of England began on Monday, and went on steadily in anticipation of heavy withdrawals on the last day or two of the half-year. Discount rates at the same time continued to harden, although bills were by no means plentiful; in fact, on one or two days there was hardly a buyer to be found. The market appears to have made up its mind that the comfort-

able margin between money and the bill that it has lately enjoyed cannot be counted on to continue, and that higher money rates in New York and the recent weakness of the American exchange are factors that must not be ignored. Yesterday, September bank bills could just be placed at $2\frac{1}{2}$ per cent., but for October bills the rate was practically $2\frac{3}{8}$ per cent.

	June 29, 1923.	June 22, 1923.	June 15, 1923.	June 8, 1923.	Previous Rate and Date Changed.
Bank Rate	3%	3%	3%	3%	$3\frac{1}{2}$ (Jly. 13, '22)
Banks Deposit Rate	1	1	1	1	$1\frac{1}{2}$ (Jly. 13, '22)
Discount/Call	1	1	1	1	$1\frac{1}{2}$ (Jly. 13, '22)
Houses/Notice	$1\frac{1}{2}$	$1\frac{1}{2}$	$1\frac{1}{2}$	$1\frac{1}{2}$	$1\frac{1}{2}$ (Jly. 13, '22)
Market rate (3 months' bills)	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	..

End of the half-year requirements were writ large over the Bank return. Circulation had increased by £1,363,000, leaving the Reserve £1,280,000 lower, gold having risen by £83,000. Other securities had been swollen through the market's borrowings by £9½ millions, but Government securities declined by £2¼ millions. Private deposits were nearly £9 millions higher, and Public had fallen by £3 millions. Currency notes outstanding were increased this week by £44,800 to £286,502,900, which includes £1,470,500 for notes called in but not yet cancelled. The fiduciary issue is £235,582,400, or £34,601,400 below the maximum.

THE STOCK MARKETS.

Business in the stock markets has been slack, but the disclosure of a bear account at the carry-over on Tuesday caused a rally in some of the markets where stock had been oversold. Conversion loan was a strong feature in the Consol market, and War Loan kept steady, but other gilt-edged stocks have given way a little. Home Rails have recovered a little after their recent relapse, and there was a rally yesterday in Argentine rails. Rubber shares are heavy owing to another fall in the price of the raw material, and oil share quotations have weakened. Shipping shares and the banking and insurance markets are heavy, a sharp fall in National Bank of South Africa shares, owing to the disclosure of further heavy losses, being a feature. In the mining markets business shows no recovery, and prices remain dull.

THE COMMODITY MARKETS.

The general course of trade this week has been quiet, the demand for raw materials and manufactured goods being, on the whole, weak. Conditions are steadier in South Wales, and there is evidence that the recent drop in prices has checked the flow of orders for coal to the United States. Makers of pig-iron at Middlesbrough are stated to be losing orders to other districts because prices are not low enough. The unsettled boilermakers' strike continues to interfere with steel rolling mills, and in consequence quotations remain unchanged; in Sheffield trade in basic billets is suffering from Continental competition. Business in the cotton trade continues to be irregular. Our Manchester correspondent mentions that, on the whole, advices from Calcutta are not favourable for improved trade. A good demand for wool was noticeable this week at London auctions, owing mainly to Continental buying. Contrary to expectation, the hide market has shown no further sign of weakness, and prices tend to harden. There is a fairly good demand for vegetable oil and oilseeds. Wheat prices have fallen slightly; sugar values were fairly well supported, but prices became easier towards the end of the week. Indian tea was inclined to be firmer in price, but rubber prices were lower. Tin and copper are both down.

FOREIGN EXCHANGES.

In the foreign exchange market the earlier part of the week was dull, with little business, and although later "reparation currencies" became feverish again, there was little real increase in dealing. The outstanding feature has been the sudden movement in dollars at the end of the

week. For some two months now the rate has been fairly steady round about \$4.62, but towards the end of last week a weaker tendency began to make itself quietly felt. By the 26th the closing rate had run down to \$4.61½; the next day, after being lower, it was \$4.60½, on the 28th \$4.59½, and yesterday morning appeared to be moving downward again at \$4.58½. Various explanations have been given for this change: the selling out of American investments here and the purchase of further dollar securities from this country, and the marked difference in short money rates between the two currencies. The suddenness of the movement, however, seems to be due to some special cause, and it is suggested that the recent comparative steadiness of rates had encouraged people not to make adequate provision for their dollar requirements, and that when a demand came through the removal of funds to New York in connection with requirements at the end of the half-year, the market was found to be very short. It will be interesting to see whether the rate will recover again quickly from this temporary influence, or whether the break will be followed by reversion to comparative stability on a lower level. At present it is impossible to say. Forward rates at $\frac{1}{16}$ cent per month over spot are $\frac{1}{16}$ narrower than a week ago. After a sharp recovery to 510,000 on Saturday last, the Berlin rate, in spite of frenzied attempts to stop the rot by new and vigorous regulations, broke away again, and by the 28th was well over 700,000. A slight recovery brought down the closing rate on that day to 685,000, and yesterday morning there was some slight demand at 680,000. With a currency so demoralised, however, as the mark now is there would seem little to expect except further depreciation until such time as the reparation problem becomes more clear. Forward marks are quoted nominally at 130,000 per month over spot. The Paris rate moved up on Tuesday to 75.20, after which there was some recovery, but the quotation has again started to move up, and yesterday morning stood at 74.90. Apart from the heavy demand on the exchange for import purposes natural at this time of the year, there is a growing uneasiness at the poor promise of the harvest, and the general outlook is not improved by the unsatisfactory discussions concerning this year's budget, and the proposal to make next year's budget merely a repetition of the current budget, not yet passed, without any provision of new revenue to meet the gap levied by non-recurrent receipts for the present year. Brussels, at 87.95, as compared with 87.25 a week ago, again has moved, as usual, in sympathy. At $\frac{1}{2}$ centimes per month over spot, forward rates in Paris are the same as last week, while Brussels is also about the same, round 1 centime per month below spot. At 103½ Italy shows some further depreciation from the 102½ of a week ago, but is better than the 104½ quoted on Tuesday. Among neutral currencies, Amsterdam moved sharply against us on Thursday, in sympathy with the dollar, and yesterday was quoted at 11.72½, as compared with 11.76½ a week ago. Stockholm also, which remains close to dollar parity, has moved down from 17.39 to 17.36, but both Christiania and Copenhagen have moved again in our favour, the one from 27.75 to 27.87, the other from 25.75 to 25.95. Helsingfors, after going against us, is back at last week's quotation of 167½. Switzerland shows a further depreciation from 25.74½ to 25.86, and Madrid has also moved sharply upwards, from 31.10 to 31.36. In Central Europe, Vienna remains stabilised at 325,000, Prague has appreciated $\frac{3}{4}$ to 153½, and Bucharest is also better at about 880. Budapest and Belgrade have both depreciated. Warsaw, where exchange restrictions consequent on the recent collapse, make the position very obscure, is quoted rather better again at 500,000. In the East, India, where the bank rate has again been lowered, is slightly cheaper, at 18 4½d, and Yokohama has moved from 2s 1 15-32d to 2s 1½d. The silver market has been dull, and prices lower on a considerable weakness in Indian demand, due to fears of an unsatisfactory monsoon. Hong Kong has fallen from 2s 3½d to 2s 3d, and Shanghai from 3s 1½d to 3s 0½d. In South America, Rio has appreciated from 5½d to 5¾d, but Buenos Ayres is ¼d cheaper at 41¾d. Monte Video, after some movement, is the same again, at 42½d, but Valparaiso has depreciated from 33.90 to 34.60 pesos.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended June 23rd:—

EXPENDITURE.	Min. £	RECEIPTS.	Min. £
Apply Services	7559	From Revenue	16175
Interest, &c., on War Debt	1187	Decrease in Balances	45
Grants	826		
Auction of Debt	6657		
	16220		16220

Revenue came in very well last week, amounting to 16,175,400, as against £14,994,900 a year ago. Expenditure was reduced from £11,956,400 to £9,563,500, the main reason being a reduction of about £2,000,000 in supply Services. The yield from Excise is a prominent feature of this week, amounting to £7,140,000, as against £4,201,000 in the same week last year. Special Receipts amounted to £1,161,100, as compared with £405,000. Property and Income-tax and Super-tax yielded £2,053,000, as against £2,090,000 in the corresponding period. The week's operations reduced the National Debt by £6,657,000, and caused the following changes:—

	Min. £		Min. £
Bank of England Advances ..	3000	National Savings Certificates ..	300
Public Department Advances ..	4750	Treasury Bills	713
		Sundries	80
	7750		1093

The floating debt was reduced by £7,025,000 to £815,300,500.

FINANCIAL YEAR, 1923-24 (April 1 to June 23, 1923).

£	£
Total Expenditure .. 197,854,587	Raised by Revenue .. 174,951,099
	Net Borrowings..... 19,784,686
	Decrease in Balances 3,118,802

ESTIMATES FOR YEAR 1923-24.

	£		£
Ordinary Expenditure	801,013,000	Ordinary Receipts ..	778,500,000
Special Expenditure..	15,603,000	Special Receipts...	40,000,000
Total	816,616,000	Total	818,500,000
		Surplus	1,884,000

The Week in Parliament.—Monday in the House of Commons was occupied by the third reading of the Housing Bill. On Tuesday the Prime Minister made a statement on Air policy, and the Scottish estimates were also discussed on that day and on Wednesday when a disorderly scene ended in the suspension of four Labour members. Other debates of the week concerned the Ministry of Health estimates and the Agricultural Credits Bill. The House of Lords has had an interesting week, of which the feature was the debate on the dry ship controversy introduced by Lord Birkenhead. Lord Carson raised the question of Irish compensation on Thursday, while Lord Buckmaster's Matrimonial Causes Bill was debated and read a second time on Tuesday.

Company Meetings of the Week.—On later pages of this issue will be found the reports of the meetings of the following companies:—Mexican Railway Company, Bank of Adelaide, Western Australian Bank, London and Edinburgh Re-insurance, Great Indian Peninsular Railway, Hudsons Bay Company, Consolidated London Properties, Bleachers' Association, John Brown and Co., Maltby Main Colliery, Dinnington Main Coal Company, Guest, Keen and Nettlefolds, Lake View Investment Trust, Zinc Corporation, Selangor River Rubber Company, Rio de Janeiro Land Mortgage and Investment Company, Great Boulder Proprietary Gold Mines, Mortgage Company of Egypt, Calcutta Tramways Company, Edison Swan Electric Company, and Fanti Consolidated Mines. At the meeting of Guest, Keen and Nettlefold, the chairman mentioned, in connection with the increase in the company's coal output, that the output per man had appreciably increased at all the pits. There has, also, according to the Maltby Main Company's chairman, been an increase in output in that company's pits. The chairman of the Mexican Railway spoke of a very distinct improvement in general conditions in Mexico. The London and Edinburgh Re-insurance Company, it was stated, may ask for powers to transact direct fire business,

while the chairman of Consolidated London Properties, Limited, naturally had a good deal to say about the control of rents. At the meeting of the Selangor River Rubber Company, the chairman described the present statistical position "as satisfactory and hopeful as it could be." The chairman of the Zinc Corporation spoke at some length on labour questions. The address of the President of the Argentine Republic to the Legislative Assembly, in which he gave a review of the financial position, will also be found on a later page.

AIR POLICY AND EUROPEAN PROBLEMS.

THE pronouncement on air policy made by the Prime Minister in the House of Commons on Tuesday is a sad commentary upon the failure of European statesmen in the four and a-half years that have followed the greatest war in history. It illuminates the fact that after years of effort to establish peace and security the old competition in armaments is being resumed. Fortunately, the Washington treaty has saved us from the more costly competition of battleships. The new competitive building is to concern the cheaper weapons of the air. In essence, if not in cost, it is equally disquieting and regrettable. Yet it is impossible to condemn Mr Baldwin's statement. "In addition," he said, "to meeting the essential Air power requirements of the Navy, Army, Indian and overseas commitments, British air power must include a Home Defence Air Force of sufficient strength adequately to protect us against air attack by the strongest Air Force within striking distance." No purpose can be served by blinking the fact that the last seven words of this sentence mean in plain language "the French Air Force." In this new competition France, for reasons not yet adequately explained, has set a hot pace which our Government is now slowly and reluctantly following. The reluctance is, we believe, shared almost unanimously by the entire country. The new home defence force is to consist of 52 squadrons "to be created with as little delay as possible," and the result will be to add 34 squadrons to the authorised strength of the Air Force. According to the estimate of the Air Minister the cost will be £500,000 this year, rising eventually to £5½ millions per annum. According to Mr Baldwin, "the details of the organisation will be arranged with a view to the possibility of subsequent expansion, but before any further development is put in hand the question should be re-examined in the light of the then air strength of foreign Powers." The plans for immediate defence are to be such that they can form the basis of more extensive participation in the new armaments race. Of stopping that race there is only one hope. "In conformity," said Mr Baldwin, "with our obligations under the covenant of the League of Nations, His Majesty's Government would gladly co-operate with other Governments in limiting the strength of air armaments on lines similar to the Treaty of Washington in the case of the Navy." Obviously the chances of such co-operation depend entirely upon France. The last thing the people of this country wish is to enter into any form of armament competition with France or any other country. Is France really prepared to let this unwelcome and perilous race proceed? At first sight an affirmative answer is indicated by the passage in the early hours of yesterday morning of a huge French Air Budget. But that there may be second thoughts we derive some hope from an article in the *Temps*. That journal, after recognising clearly that it is France that Mr Baldwin has in mind, expresses a preference for an Anglo-French air defence pact rather than a ruinous race. But—and here lies the significance of the article—it does not rule out the possibility of international limitation. "Mr Baldwin in his speech alluded to a general treaty which might be negotiated for a general world limitation of air forces. It is the idea that the United States Congress had already put forward last January. We do not know that it is practicable owing to the difficulty of distinguishing between commercial and mili-

tary aircraft. But, in any case, before attempting such a treaty there must be Anglo-French conversations. It is for such conversations that we continue to hope." We share the hope that conversations will be opened without delay. But unless and until France is willing to discuss an international limitation plan on Washington lines they can be of little use. There is no satisfactory alternative between that and a full-blooded resumption of the old armaments race, the results of which history has taught us to contemplate with well-founded horror. Here, as in other leading questions affecting world peace, the key to the door is in French hands.

It is, perhaps, all to the good that Mr Baldwin has brought the vital question of world-limitation of armaments into the limelight in a way that cannot be misunderstood by the French Government. The comments which his statement have aroused show that the danger of "arming" Germany is still the great obsession of French opinion, and the question of security is more than ever to the front in discussions of a possible settlement with Germany. With the dubious exception of such passages as that which we have quoted from the *Temps*, French ideas of security appear still to be as remote as ever from the contemplation of international agreement as preferable to individual pacts and alliances. When we see in France a growing appreciation of the view that international limitation of land and air forces would be the surest approach to world peace, and incidentally to French security, we shall begin to believe that a European settlement is in sight. But at the moment there is little sign of progress. The old saying that no news is good news is only applicable in a limited sense to the Ruhr and Reparations crisis. It is a relief that so far nothing has been said or done that definitely slams the door on fresh negotiation. But as weeks slip by the German position tends to get more and more dangerously out of hand, and Mr Baldwin doubtless spoke with fervour when in answer to a question in the House of Commons whether France had sent her reply to the British question he said, "I wish I could get it." Meanwhile, such gleanings as can be picked up are not encouraging. A search for a formula for a Ruhr truce—the essential preliminary—has made no headway. Nor is there any indication that France is really making up her mind to enter upon negotiations on any basis that would promise well of economic settlement; while the Pope's appeal for a settlement appears to have produced little but irritation in Paris. So long as progress towards rapprochement by diplomacy seems possible, the silence of the British Government is entirely defensible. But a statement of policy cannot be indefinitely delayed. Three weeks have already passed since Germany's last offer. While diplomacy is at work economic currents do not stand still.

THE TACTICS OF INFILTRATION.

In the later stages of the Great War there was developed that method of penetrating an enemy's defences which was named "infiltration." Generals no longer made attempts first to blow their opponents off the earth and then to follow up a bombardment with masses of assaulting infantry. What they did—especially the German generals between March and July, 1918—was to push great numbers of small bodies of men through weakly held gaps in the enemy's lines, and gradually, sometimes very rapidly, to "infiltrate" his successive lines of defence, much as the *teredo* insect used to infiltrate the oaken timbers of an uncoppered sailing ship. There are some indications that our old opponents, the late Tariff Reformers and upholders of Mr Joseph Chamberlain's policy of Imperial Preference, have imported the new tactical methods of war into their political operations. Those who are convinced more strongly in these unhappy days than ever that what the stricken world needs is freedom for international trade and not tariffs and artificial barriers, should note carefully the signs that subtle infiltration of our Free Trade position is being adopted as a policy, and is being practised wherever the keen eyes of opponents detect a gap in our lines.

The heroic frontal attack of Mr Joseph Chamberlain will not be repeated. No candidate for an industrial constituency now dares to go before men and women voters and utter the Chamberlain slogan: "If you want to give a preference to our colonies, you must put taxes on food." No advocate of sheer Protection—which is quite a distinct thing from Imperial Preference—dare nowadays run an open campaign in the constituencies in favour of general tariffs. The last thing which either advocates of Imperial Preference or of Protection desire is a general election on the straight fiscal issue. They know that the only possible result would be a landslide and an immense majority for Labour and Liberal candidates. Their chief anxiety, therefore, is to prevent the constituencies from declaring their views, and at the same time by methods of infiltration in Government Departments to infuse the trade policy of the country with an atmosphere favourable to the spread of Imperial Preference and also of crude Protection. Every little position gained helps the attackers to slip forward to another position. It was really a stroke of genius to abolish the Tariff Reform League, which was a permanent advertisement and a warning that the Chamberlain attack was still being pursued. It was so much more adroit to have an organisation like, say, the Empire Development Union, whose representatives could hob-nob with permanent officials and blandly talk Tariff Reform in the language of economic Imperialism. Perhaps the cleverest move of all was the self-denying ordinance under which Mr Bonar Law, while putting aside the old Chamberlain policy, brought over Mr Lloyd George and his Liberal supporters to the side of Imperial customs preference on existing taxation, and of measures alleged to guard against "dumping" and the destruction of "key industries." Mr Austen Chamberlain, though wiping out the famous slogan of his father—"you must put taxes on food"—gave a preference of one-third of the duty to any imports from the British Empire which were subject to customs duties. Thus, by infiltration, and not by the will of the electorate, the base of Imperial Preference was laid. It was similar with Protection. The direct attack was abandoned, but pleas were set up which in the late Coalition Parliament produced the licensing for ten years of imported dyestuffs, and the notorious two parts of the Safeguarding of Industries Act. The opponents of Free Trade, at a time when the world had gone mad with nationalism, and the tariffs which are nationalism's fruit, had penetrated the lines of defence of British Free Trade policy.

The supporters of Mr Baldwin's Government have not changed their skins with the change in the personality of their leader. There is no overt hostility towards the traditional Free-trade policy of this country. Mr Bonar Law pledged himself last October not to introduce in the present Parliament any measures of fundamental fiscal change. Mr Baldwin is the inheritor of that pledge, and one does not doubt at all that it will be substantially kept. But his followers are as intent as ever upon infiltration, and the coming Imperial Economic Conference will give them a great opportunity. The policy of our Dominions is protective. They have deliberately determined to establish local industries by means of a tariff upon imported manufactured goods. They allow to British goods preference is not allowed to interfere with the main purview area, whose chief wealth is drawn from agriculture and natural resources, may, if it seems good to them, subsidise industries by tariffs in any manner which they think fit. That is their privilege and responsibility. But whatever policy they may adopt does not affect, or should not affect, the policy of this country. We have our own problems to face, and must face them in the manner which is approved by the mass of our own people. The British Isles are a hive of industry, with some four-fifths of the need is markets in which to sell our goods, and Protection for home industries and Imperial Preference upon Empire products cannot help us in the slightest degree to keep or to extend our markets. In so far as they may raise the cost of living here and add to the cost of producing goods they are, both of them, not a help, but a

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hindrance. The British popular mind is quite clear upon this question. We have no apprehension at all of any electoral change which would establish in office an openly Protectionist Government. But what is to be feared is infiltration, a going to and fro between interested organisations and Government Departments, secret conferences between our Ministers and those from the Dominions, in the course of which further Free-trade positions would be surrendered behind the backs of the people.

Imperial Preference, represented as preferential trading between members of a common family, is an appeal to sentiment, and a very effective appeal to young generous minds. Protection is totally different; it is a blunt appeal to human greed. The advocates of Imperial Preference and the advocates of Protection, though they are allied, have little in common. Ever since the beginning of Mr Joseph Chamberlain's campaign the advocates of Imperial Preference have supplied the honest enthusiasm for an ideal, and the Protectionists have supplied the cash. "Give us," said the Protectionists, hard-faced men, "tariffs on manufactures which compete with our own, and you may have all the pretty Imperial Preference that you choose. The Empire does not produce manufactures which seriously compete with ours." And the advocates of Imperial Preference, who could not get support except from the Protectionists, had to accept the humiliating conditions. As the alliance began, so it has continued, and so far Imperial Preference has had the best of the bargain. For the principle of it has become incorporated in our fiscal system, whereas the crumbs gathered by the Protectionists—the McKenna duties on motor cars, &c., and the Safeguarding of Industries Act—have not as yet gone far to satisfy stomachs that crave for general tariff protection.

The specious plea that an extension of Imperial Preference will aid the development of the Empire, and through reciprocal preference increase our Imperial markets, will be worked for all it is worth in connection with the Economic Conference. But it is of interest to note that the Federation of British Industries in their memorandum this week, entitled "The Future of Inter-Imperial Trade," do not make much play with it. They say candidly that there is a "deep difference of opinion in the industrial world as to the principle of Imperial Preference on the part of the Mother Country," and that the Federation cannot, in consequence of this deep difference, put forward a unanimous opinion on the subject. But the Federation does put forward the opinion that "in the long run the volume of trade must depend more upon economic factors and upon the law of supply and demand than upon any sentimental or racial affinity." Precisely so; we agree. The Governments and peoples of all countries, whether they be British Dominions or foreign States, grope in their blind human way after policies and practices best suited to their several conditions. Government, when all is said, is a game of trial and error. The Dominions have tried one policy—a very natural policy to men with immense undeveloped resources at their back—and think that it has paid them to do so. We, old in experience, tried much the same

policy as theirs for several centuries. During the past two generations, under conditions wholly different from those of new and undeveloped countries, we have tried a different policy. We think that it has paid us to do so. There the matter stands. It would be as irrational for us to change our policy to suit the views of the Dominions as it would be irrational for the Dominions to change their policy to suit our views. What is sauce for the sprightly young goslings may not be sauce for the sedate old goose.

THE MONETARY HALF-YEAR.

If happiness really consists in the absence of history, the London money market must have spent a most beatified half-year. There has been no change in Bank rate or in deposit rates, and the market has been in a state of somnolent stagnation during the greater part of the time, varied by intervals of very mild excitement on occasions when it was found that the margin between ease and poverty was still a very small one. The new feature introduced into the state of the money market since the war, which involves its dependence for anything like ease on the existence of a certain amount of credit created by the Bank of England, either for the Government or for members of the market, is still evident. As our readers will remember, that was by no means true for many years before the war, though at the time when Walter Bagehot wrote *Lombard Street* he was able to state that there is never quite enough money in Lombard Street to discount all the bills that come to market. The interesting revival of this feature, that has frequently been noted in our columns, since the war, is naturally a considerable source of strength in the hands of the Bank of England, increasing its power to control the market if at any time a return to the gold standard should make it desirable for the Bank to exercise this control.

It may, in fact, be said that the chief event in the market's history during the past half-year has been the negative one of almost complete absence of any considerable disturbance due to the large interest payments on War Loan on June 1st, involving a gross amount of over £50 millions, from which income-tax is, in some cases, deducted. Thanks to highly ingenious arrangements made by the Bank and the Treasury, this huge transfer, and the temporary credit that has to be created in order to carry it through, produced extraordinarily little effect. Expectations that extreme ease would be prevalent throughout the greater part of June owing to this disbursement were by no means borne out, and within a very short time after the payment had been made all advances from the Bank of England to the Government on Ways and Means had been liquidated, and the market was once more finding that there was a very small margin between

it and poverty. It was believed that some very heavy purchases of Treasury bills maturing in the first few days of June had been semi-officially made in the early weeks of the quarter. The effect of these purchases was that the market had practically received assistance from the Bank, without apparently borrowing from the Bank, and the repayment of the credit so granted thus counteracted the effect of the interest payment at the beginning of June.

A glance at the following table, showing the results of the tenders for Treasury bills and Treasury bonds which have been offered since the beginning of 1923 is evidence of the narrow fluctuations that have marked the course of the half-year. The average rate on Treasury bills rose to a shade over 2½ per cent. at the beginning of February, and declined early in April to almost as low as 1½ per cent., but the average rate on January 5th was 2½ per cent., and the average rate on June 29th showing very little variation between the beginning and end of the quarter:—

TENDERS for BILLS and BONDS.
(000's omitted.)

Date of Tender.	Amount Offered.	Amount Applied For.	Amount Allotted 4% Bds.	Amount Allotted Bills.	Average Price 4% Bonds.	Average Rate of Bills.
January 5, 1923.	50,000	£ 5,995	£ 500	£ 43,720	199 3 9 6	2 3 9 57
12	50,000	75,575	5,000	45,000	199 6 3 72	2 3 5 68
19	40,000	55,305	4,950	35,050	199 7 1 69	1 18 9 91
26	40,000	61,530	3,500	35,000	199 7 6	2 6 3 87
February 2	40,000	59,465	..	35,000	..	2 10 1 57
9	35,000	62,590	1,500	30,000	199 8 6 4	2 9 7 86
16	30,000	49,876	1,000	29,000	199 8 4 2	2 6 6 31
23	40,000	61,630	4,000	36,000	199 9 1 17	2 6 9 95
March 2	40,000	53,770	2,500	35,000	199 9 9 6	2 10 3 35
9	40,000	57,190	800	35,000	199 9 7 5	2 8 0 32
16	30,000	54,490	500	29,500	199 9 4 8	2 0 0 32
23	50,000	67,230	..	50,000	..	2 0 2 34
29	40,000	69,665	..	40,000	..	2 6 5 2
April 6	40,000	78,915	1,000	35,000	95 2 0 9	2 4 3 46
13	35,000	64,256	2,000	33,000	95 3 5 13	2 0 7 57
20	30,000	59,305	1,950	28,050	95 4	1 16 6 04
27	40,000	61,230	4,500	35,500	95 6 2	1 18 7 85
May 4	35,000	60,965	6,500	33,500	95 6 0 8	1 18 8 29
11	30,000	62,300	2,000	28,000	95 6 10 5	2 0 4 02
18	30,000	52,979	..	30,000	..	1 17 1 47
25	40,000	64,451	3,500	36,500	95 6 7 6	1 19 3 87
June 1	40,000	55,410	..	40,000	..	1 17 3 87
8	40,000	58,115	1,500	38,500	95 6 7 6	1 19 9 92
15	35,000	48,785	..	33,000	..	2 0 7 7
22	45,000	51,855	..	45,000	..	2 2 1 13
29	40,000	49,445	..	40,000	..	2 5 4 82

† 4½% Bonds.

While on the subject of Treasury bills it may be mentioned that there has been a small increase during the past quarter in the total of the floating debt. The fluctuation is so slight in the total amount that we have to wait for the final figure of the half-year before we can be sure what has really happened; but it may be noted that, largely owing to the payment on account of American debt, the excess of expenditure over revenue is considerably higher during the current financial year than was the case during the first quarter of 1922-23, and thus the almost continuous reduction in the volume of Treasury bills which has been the feature of our public finance since the end of 1919 may now perhaps be expected to slacken:—

FLOATING DEBT.

	December 31, 1922.	March 31, 1923.	June 23, 1923.
Bank of England Advances..	£ 16,500,000	£ None	£ None
Public Department Advances	205,511,500	193,897,500	205,760,500
Treasury Bills	719,040,000	616,045,000	609,540,000
	941,051,500	809,942,500	815,300,500

The following table shows the daily averages for discount rates and money rates during the first half of this year and the previous four years:—

DAILY AVERAGES for FIRST HALF-YEAR.

	1919.	1920.	1921.	1922.	1923.
Bank rate	£ s d	£ s d	£ s d	£ s d	£ s d
Market rate (3 months)	5 0 0	6 8 7	6 16 0	4 7 1	3 0 0
Margin	3 10 0	6 2 2	6 2 7	2 19 0	2 4 0
Short loans	1 10 0	0 6 5	0 13 5	1 8 1	0 16 0
Deposit rate (banks) ..	£ s d	£ s d	£ s d	£ s d	£ s d
Margin	3 4 7	4 16 0	5 7 2	2 18 0	1 10 1
	3 0 0	4 8 7	4 16 0	2 7 1	1 0 0
Margin	0 4 7	0 7 5	0 11 2	0 10 11	0 10 1

If history has been conspicuous by its absence in the London market, this has been by no means the case in foreign centres, where changes in Bank rates, both upward and downward, have been frequent, and in the case of Poland, Germany, and Hungary on a very large scale. The rise of 6 per cent. in the German Bank rate to 18 per cent. on April 23rd is only too violent a symptom of the demoralisation that has taken place in Continental currencies, chiefly owing to political considerations during the past half-year. It will be noted that in Prague two reductions have taken place, bringing the Czechoslovakian rate down from 7 to 4½ per cent. The Spanish rate has come down once by ½ per cent., and there have been three reductions in the Indian rate from 8 per cent. to 5 per cent., which followed an increase early in January from 7 to 8 per cent. Otherwise the movements have all been upward, the most important being one of ½ per cent. in the New York rate, which took place in the latter half of February, and caused some apprehension on this side, lest the authorities here, owing to the dislike which they are believed to feel for seeing England quoting lower rates for money than her creditor, the United States, might think it necessary to raise Bank rate here following New York's lead. In view of the great reduction that has taken place in the last three years in the outstanding volume of Treasury bills and the failure of commercial bills to fill the gap that has so been made in the supply of paper coming forward for discount in Lombard Street, the technical position of the money market would seem to indicate declining rates rather than advancing, apart from precautionary measures as suggested above; and possibly this is the cause which has, in spite of advances in other centres, left our Bank rate in a position of dignified stabilisation during the course of the half-year:—

CHANGES in OVERSEAS BANK RATES, 1923.

1923.	Jan.	Feb.	March	April	May	June
11 Indian Bank Rate	raised 1% to 8%					
13 Prague " "	reduced 2% to 5%					
14 Greek " "	raised 1% to 7½%					
18 German " "	" 2% to 12%					
22 Belgian " "	" 1% to 5½%					
10 Polish " "	" 5% to 12%					
21 United States Federal Reserve Rate	" 4% to 4½%					
23 Spanish Bank Rate	reduced 4% to 5%					
23 German " "	raised 6% to 18%					
25 Hungarian " "	" 4% to 12%					
1 Danish " "	" 1% to 6%					
1 Norwegian " "	" 1% to 6%					
1 Portuguese " "	" 1% to 8%					
26 Indian " "	reduced 1% to 7%					
28 Prague " "	" 4% to 4½%					
31 Indian " "	" 1% to 6%					
7 Indian " "	" 1% to 5%					
28 Indian " "	" 1% to 4%					

With regard to fluctuations in exchange, the figures given in the following table show a movement in the Berlin rate which would be appalling were it not that the experience of the last few years has proved that changes in the relative values of currencies such as ten years ago would have been thought to be incredible and impossible, can happen without altogether disorganising international trade:—

Centre.	Method of Quoting.	Par Level.	Rate, June 30, 1922.	Rate, Dec. 29, 1922.	Rate, June 29, 1923.
Paris	Francs to £1	25.22½	52.77.82	63.92½	75.25
Berlin	Marks to £1	20.43	1654.1658	34.500	730.000
Vienna	Kr. to £1	24.02	82000-85000	320.000	325.000
Amsterdam	Florin to £1	12.107	11.47.48	11.68½-69½	11.704.71
Copenhagen	Kroner to £1	18.159	20.57.60	22.48.53	25.95½
Rome	Lire to £1	25.22½	94.94½	91.92	103½-103½
Switzerland	Francs to £1	25.22½	25.26	24.47.51	25.96.89
Madrid	Pesetas to £1	25.22½	28.31.34	29.49.52	31.46½
Greece	Drachmas to £1	25.22½	152½	397½	150
Lisbon	Pence to escudo	53½	53½	28.2½	24.2½
New York	Dollars to £	4.86½	4.41.3½	4.63½-63½	4.58½-58½
Buenos Aires	Pence to dollars	47.58	44½	44½	41½-41½
Rio de Janeiro	Pence to dollars	18	51	44½	54½
Montevideo	Pence to dollars	13.33	43½	44½	42½-43
Valparaiso	Dollars to £	10 to 10 to gold sov.	35.00	35.20	34.60
Calcutta	Ster. to rupee	1/3½-1/4	1/3½-1/4	1/4½	1/4½
Hong Kong	Ster. to dollar	2/7½-1/2	2/7½-1/2	2/3	2/3½
Shanghai	Ster. to yen	24½	3/7½	3/10	3/11
Yokohama	Ster. to yen	24½	2/2½-1/2	2/1½	2/1½

The Paris and Italian rates also indicate severe depreciation, but otherwise, apart from a slight reaction in the value of sterling in New York and a considerable movement in our favour in the Swiss rate, the most notable movement was the improvement in the value of the Greek drachma.

OIL V.—THE OIL TRUST, AND THE "INDEPENDENTS."

THE saying of the woman of Canaan that "the dogs eat of the crumbs which fall from their master's table" aptly illustrates the domestic condition of the oil industry. Substitute for "dogs" the words "small Independents," and for "masters" the word "combines," not forgetting that dogs also snatch morsels from the masters' table when the masters are not looking, and you have a picture of life in the oil business which is true more or less the world over. In the United States the "masters" are the Standard Oil Companies, together with a few big "Independent" combinations, such as the Sinclair group, and the Royal Dutch-Shell subsidiaries. In Great Britain there is a triumvirate of masters—the subsidiaries of the Shell, Standard, and Anglo-Persian groups. To give an exact definition of "small Independents" is impossible, except in the negative sense that they are the companies of limited scope and small capital, in which the "combines" have no financial or other interest. Even so, it is not always easy to pick them out. Secret relations exist between some and the combines, and there are always rumours of impending control of the one by the other. But this "master and dog" relationship exists in fact, and is indicative of the peculiar economic conditions of the industry.

Both from an administrative and a financial point of view, the oil business lends itself to the formation of trusts or large combinations. Administratively, it embraces the four operations of production, transport, manufacture (refining), and distribution (wholesale and retail), each of which is independent of the usual agencies of production, transport, manufacture, and distribution employed in other industries. The crude oil is no sooner produced than it must be contained in a special kind of storage. It cannot be moved except in special conveyances—pipe-lines or tank-cars or tank-ships—which are useful for the carriage of no other form of merchandise. And it cannot be sold until it has been subjected to a special refining process, and has been handled through a highly specialised system of distribution. So the one activity leads on to the other—into complete administrative integration. And not only is it more efficient and economical to handle all these special operations under one roof or organisation, but it is from the financial standpoint much safer. The balance between oil supply and demand is so unstable that oil prices tend to be either soaring to the boom level or sinking to the slump level, but never remaining in between. To operate in any one branch of the industry independently of the others is thus to be exposed to chronic market catastrophes. Indeed, these price storms peculiar to an industry that cannot control its production, because of the element of chance in it, can only be safely weathered by the large combination which embraces the four operations of producing, transporting, refining and marketing. Nowhere is this more true than in Great Britain, where the three "combines" account for 90 per cent. of the business. Oil freights and prices sooner or later kill the "independent" who attempts to enter the British markets in force without owning production and transport. Let us examine the situation in the United States, which is perhaps more instructive, in some detail.

In 1911, as everyone knows, the Standard Oil Trust, which had early discovered the economic merits of an oil combination, was financially disintegrated by a judgment of the Supreme Court. The Standard Oil Company of New Jersey was thus forced to make a distribution of its holdings in 33 subsidiary companies, but still retained control of 29. What is more important, all the 62 or more continued to work in economic collusion, that is to say, they still trade with the same economic policy and transact business with each other in the same way as before the disintegration. The United States Fuel Administration reported in 1919: "After eight years the dissolution decree has been found neither to have destroyed nor to have lessened the influence of the so-called Standard Oil Companies in their respective territories. It

has simply proved that legislation cannot change the operation of economic laws." In other words, you cannot unscramble eggs.

Of the crude oil output in the United States, about 21.3 per cent. is produced by the nine Standard Oil producing companies, 38.1 per cent. by large independent companies (of over a million barrels annual output), and 40.6 per cent. by the smaller independent companies. Of the total crude oil refined, about 43.8 per cent. is handled by Standard Oil companies, 41.1 per cent. by the large independent companies, and 15.1 per cent. by the smaller.† Of the pipe lines, 69 per cent. is controlled by the Standard Oil companies, and nearly 30 per cent. by the big "Independents." It is not necessary to quote Senator La Follette's Sub-Committee of the Senate Manufactures Committee, whose recent investigation into the oil industry has been accused of bile and bias, to show that Standard Oil is supreme in the American markets. It was claimed by one witness before that Committee: "The Standard Oil purchasing agencies dominate the markets and fix the prices they will pay for crude oil, which are the basic prices for all sales of crude. In turn, different Standard Oil Companies.....fix the price of gasoline and kerosene all over the United States. Fixing prices to the producer and fixing the prices of the manufactured product, it cannot help following that Standard Oil is the dominant factor." More precisely, it is the 69 per cent. or more control of the common pipe-lines that gives Standard Oil its real strangle-hold of the smaller independent companies. Although Congress imposed on the pipe-line companies the obligation of common carriers, most of the oil produced is purchased by the pipe-line companies at the producers' tanks, or even at the wells. The small producer, without pipe-lines of his own to carry his crude oil to the markets, has to take the carrier's price.

It is interesting to find the Standard Oil Company (New Jersey), in the current issue of its journal, *The Lamp*, disclaiming any thought of domination. It argues that the oil industry is free, and that the most intense competition exists. As evidence, it points to the endless procession of new companies which have entered the oil business in the last ten years, financed chiefly by the sale of securities to the public. The total investment in the American oil industry has increased, it is said, in that period from \$27,000,000 to nearly \$8,000,000,000. This plausible argument needs some scrutiny.

It may first be remarked that the capitalised value of the American oil industry signifies very little on account of the large number of unsubstantial concerns that appear on record. The oil business unfortunately lends itself to unscrupulous stock promotions. At this moment, in two towns alone of Texas (Fort Worth and another), there are about 400 individuals indicted for fraudulent oil promotions. Does the Standard Oil figure make allowance for this element? An American economist (independent), taking 885 million dollars as a fair measure of the actual investment in the oil industry in 1913 which could be substantiated, and taking the growth in the value of the crude oil produced each year as an index of the increasing capital requirements, calculated that the tangible investment in oil in 1920 was about 6 billion dollars. But let us take, for the sake of argument, the Standard Oil figure of 8 billion dollars, and divide it into the four parts of production, refining, transportation (pipe-line and tankers), and marketing. If we apply the units of cost of capital investment per barrel produced or refined, arrived at by the Federal Trade Commission, to the crude oil output and refinery throughout in 1922, we arrive at the following:—

ESTIMATE of INVESTMENT in AMERICAN OIL INDUSTRY in 1922.		Millions of Dollars
Production	3,250	
Transport (a) Pipe lines.....	550	
(b) Tankers.....	300	
Refining	2,400	
Marketing	900	
Add investment of foreign holdings	600	
	8,000	

* In the United States any company that is not a Standard Oil company is called "Independent."

† Report of the Federal Trade Commission on the Pacific Coast Industry, 1921.

This calculation leads to interesting conclusions. In the sphere of production, in which more money can be sunk (and lost) than in any other branch of the oil industry, the Standard Oil has cunningly allowed "Independents" to enter and take about 80 per cent. of the business. Fools rush in where angels fear to tread. In refining, which calls for the next largest investment, Standard Oil has left 60 per cent. of the business to "Independents." But the significant fact emerges that in pipe-line transportation, which requires the smallest capital outlay of any of the domestic operations, and which is nevertheless the key to the whole business, Standard Oil has retained control of nearly 70 per cent. (Also, in tankers for foreign operations Standard Oil has by far the biggest fleet.) With what ingenuity has Standard Oil allowed the "Independents," or the public through the "Independents," to put up the money, while it retained for itself control of the markets and made the big profits! Mr Bedford, chairman of the board of the Standard Oil Company (New Jersey), practically gave himself away before the last meeting of the American Petroleum Institute when he said: "The various Standard Oil Companies could not have retained control of the 85 to 90 per cent. of the business which they collectively held in 1906 without maintaining prices at a level which would have prevented the accumulation and reinvestment of any surplus earnings whatever, and which would have called for the creation of billions of new capital—a manifestly impossible proposition." In this wise, while the "Independents" were calling for, and to a large extent losing, the savings of the public, this Standard Oil Company was able to amass such profits as to declare last year a stock dividend of 400 per cent. for each common stock outstanding. There seems to be a very definite relation between Standard Oil fortunes and "Independent" losses. Which is the economic expression of the "master and dog" relationship between the big combines and the little "Independents" in the oil industry.

THE HALF-YEAR'S NEW CAPITAL.

THE amount of new capital raised on the London market during the past six months is considerably less than the amount issued in the corresponding period of last year. Our figures, however, include British Government borrowings (with the exception of Treasury bills and Ways and Means Advances), and if these be eliminated the discrepancy is very much smaller. The total issued in the second quarter of the year was substantially larger than in the first three months, and without British Government issues the increase is over 75 per cent. This increase, however, is due almost entirely to colonial and foreign Government borrowings, and not to any appreciable expansion in money raised for industrial and other purposes, as may be seen from the table below:—

Description.	Total, First Half-year, 1922.	First Quarter, 1923.	Second Quarter, 1923.	Total, First Half-year, 1923.
British Government loans	304,258,900	43,775,200	19,951,800	63,727,000
Colonial Government loans	41,582,300	12,567,300	27,370,600	39,937,900
Foreign Government loans	13,066,600	5,594,000	19,967,900	25,561,900
British Municipal and County loans	5,565,300	nil	nil	nil
Colonial Corporations	2,889,100	1,495,500	1,761,700	3,257,200
Foreign Corporations	6,107,500	nil	nil	nil
Railways	2,872,000	nil	nil	nil
Colonial Railways	nil	1,199,700	nil	1,199,700
Foreign Railways	14,687,500	523,000	1,440,000	1,963,000
Australian mines	16,500	522,500	nil	522,500
South African mines	409,200	773,600	883,200	1,656,800
Other mines	1,131,000	130,000	648,000	778,000
Exploration, financial, and investment trusts	3,902,300	1,790,700	2,153,900	3,944,600
Breweries	784,000	3,480,000	495,000	3,975,000
Merchants, importers, &c.	100,000	nil	nil	nil
Manufacturing	5,690,000	1,719,000	4,916,000	6,635,000
Stores and trading	175,000	990,000	392,000	1,382,000
Estates and land	125,000	684,800	71,000	755,800
Rubber	120,700	1,593,900	447,100	2,041,000
Oil	16,490,000	3,562,500	669,200	4,231,700
Iron, steel, and engineering	5,385,000	1,793,200	5,117,500	6,910,700
Electric lighting and power	1,715,300	1,175,000	5,392,000	6,567,000
Tramways, omnibuses, &c.	490,000	nil	nil	nil
Motor traction and manufacturing	nil	nil	292,500	292,500
Gas and water	1,247,600	53,400	208,700	262,100
Hotels, theatres, and entertainments	1,103,900	50,000	24,000	74,000
Patents and proprietary articles	nil	17,600	nil	17,600
Docks, harbours, and shipping	12,109,700	550,000	nil	550,000
Banks and insurance	2,870,700	230,100	nil	230,100
Unallocated	3,893,600	1,980,500	2,848,000	4,828,500
Total	448,774,200	86,251,500	95,050,100	181,301,600

British Government borrowings in the half-year were little more than one-fifth of the total raised in the first half of last year, when Treasury bonds were being bought on a heavy scale. In the past half-year Treasury bonds have produced £55½ millions and National Savings Certificates £8 millions, but in each case the figures for the first quarter were much larger than those for the second, the totals for the latter being just over £17 millions and £2,850,000 respectively. The expansion in overseas Government borrowings as between the two quarters is accounted for by the Indian Government loan for £20 millions at 90, which produced £18 millions of money, by the Austrian loan for £14 millions at 80, which produced £11,200,000, and by the Dutch East Indies £6 million loan at 92, which produced £5,520,000. The Dutch East Indies Government was in the market with a £5 million loan in January, but the only other foreign Government loans during the past quarter were the Roumanian Government's issue of £1,620,000 in 4 per cents, at 67, to which was added the attraction of annual drawings at par, and the Argentine Government's issue of £2½ millions in 5 per cents, at 86½. In the Colonial Government category, New South Wales, Western Australia, and New Zealand have been the only borrowers in the London market in the past quarter, apart from the Indian Government. Without these home and overseas Government borrowings the amount raised in the London new capital market in the past three months was approximately £28 millions, as compared with £25 millions in the previous quarter. Two Indian and one Australian municipality were in the market, and the Central Argentine Railway issued £1½ millions in May in 5 per cent. ten-year notes. In the manufacturing group three textile concerns are responsible for the bulk of the total, namely, £3,973,000 out of £4,916,000. The Tokyo Electric 6 per cent. bonds are responsible for more than half the total under electric lighting and power, while an Indian company, the Andhra Valley Power Supply, accounts for a further £980,000. In the miscellaneous group, Horne Bros. and Boots Pure Drug Company were the principal borrowers.

A comparison of new capital applications quarter by quarter since the beginning of 1910 reads as follows:—

Year.	First Quarter.	Second Quarter.	Third Quarter.	Fourth Quarter.	Total for Whole Year.
1910.....	£ 99,355,600	£ 88,721,400	£ 28,111,600	£ 51,250,500	£ 267,439,100
1911.....	61,245,000	56,238,800	14,914,500	59,361,200	191,759,400
1912.....	47,966,100	62,377,500	48,687,100	59,819,300	218,850,000
1913.....	50,344,700	70,014,900	29,961,800	46,216,000	196,537,000
1914.....	97,610,200	54,739,100	20,265,200	339,908,100	512,522,600
1915.....	46,313,500	25,693,200	586,772,500	26,462,500	685,241,700
1916.....	156,251,200	131,022,500	111,578,000	186,584,700	585,436,400
1917.....	825,925,200	221,254,300	57,054,400	214,362,100	1,318,596,000
1918.....	475,258,700	220,921,500	329,674,000	367,527,200	1,393,381,400
1919.....	291,901,400	93,879,000	536,502,200	113,776,800	1,036,059,400
1920.....	135,094,500	98,011,700	61,195,600	73,247,800	367,549,600
1921.....	63,382,100	65,281,900	57,890,600	202,423,600	388,978,200
1922.....	286,207,100	162,567,100	61,920,200	62,981,200	573,675,600
1923.....	86,251,500	95,050,100	..	..	..

The amounts for the first two quarters of this year are above the averages for the years immediately preceding the outbreak of the war, but in those days the British Government's activities as a borrower in the open market were practically negligible. Moreover, the decline in purchasing power vitiates a direct comparison, and if allowance be made for this and for the British Government's presence in the new capital, it will be seen that the amounts raised this year compare unfavourably with those of the last pre-war years.

From the final table, however, which analyses the destination of new capital issued in London, it will be seen that the amount going overseas has expanded considerably in the last three years:—

	DESTINATION OF NEW CAPITAL.					
	First Half of Years.					
	1912.	1913.	1920.	1921.	1922.	1923.
United Kingdom—						
Government	£ nil	£ nil	£ 17,190,000	£ 20,067,000	£ 304,258,900	£ 63,727,000
Other	24,159,400	20,324,400	190,552,400	50,174,000	44,444,400	28,627,600
British Possessions—						
Government	5,422,900	14,324,300	7,970,000	27,609,600	41,582,300	39,937,900
Other	22,503,300	28,678,300	13,571,100	9,959,000	7,917,000	12,250,700
Foreign countries—						
Government	4,834,500	22,629,500	Nil	5,450,000	13,066,600	25,561,900
Other	53,417,500	34,403,100	3,822,700	15,314,900	37,905,000	11,196,500
Grand Total	110,343,600	120,359,600	233,106,200	128,574,500	448,774,200	181,301,600

The amount going to foreign countries has not yet reached pre-war dimensions, but capital raised for overseas dominions is substantially larger and shows a steady expansion over the past three years.

RATES ON FARMS.

(BY AN AGRICULTURAL CORRESPONDENT.)

THE claim of the "agricultural interest"—using the term in its customary but unwarrantable sense, as including only landowners and farmers—for relief from local taxation, has been more persistently and unanimously pressed than any other. The demand for Protection has been equally persistent, but it has long ceased to be equally unanimous. The more intelligent owners and occupiers have for a generation past recognised the futility of asking for Protection, even if they have not admitted its injuriousness. For at least half a century, however, the belief that agriculture is unfairly burdened by local rates has been universal among owners and occupiers of agricultural land. It is perhaps not surprising that the belief is not shared by other classes of ratepayers. The various measures which have from time to time been adopted, whereby differential treatment in the assessment for local rates has been given to the agricultural interest, have not been popular amongst those whose contributions to local taxation were consequentially increased. The principle of differential treatment is, however, of old standing. The Lighting and Watching Act, 1833, provided that owners and occupiers of houses, buildings, and property other than land should pay a rate three times greater than owners and occupiers of land, and under the Public Health Acts the general district rate levied in urban districts for sanitary purposes is charged in respect of tithes, agricultural land, canals, railways, &c., at one-fourth only of the valuation. The Agricultural Rates Act of 1896, which applied to those rates to which none of the previous abatements extended, provided that occupiers of agricultural land should pay one-half only of the rate payable in respect of buildings and other hereditaments.

The Departmental Committee on Local Taxation, whose report, published in the early part of 1914, contains a succinct and suggestive analytical summary of the whole question, stated the elements of the case clearly:—

Rates are the contributions made by the individual constituents of a local government community to the expenses incurred in co-operative action for common purposes. The amounts to be levied are arrived at by apportioning the net expenses incurred by the executive body among the ratepayers according to the values of their respective occupations of real property. These values, therefore, constitute the measure or gauge according to which they contribute, and the amount which each person has to pay is a proportion of the total amount to be raised. It follows that, with a given amount to be raised, if one man's assessment is lowered, the others remaining unaffected, the first has to pay less and every body else has to pay more, while if all assessments are raised or lowered in the same ratio the amount paid by each ratepayer will remain unchanged, though the poundage will be altered. That this method of raising contributions to local expenditure is not fairly applicable to certain cases has been recognised in Acts of Parliament, which have provided that in the case of contributions and expenditure for certain purposes, agricultural land and other property of a similar nature shall either be rated or assessed at a lower figure than house property.

In proceeding along the line of the differential treatment of agricultural land, therefore, the Government are following precedent. In other words, the Agricultural Rates Bill now before Parliament, which provides that for general rates agricultural land shall be charged at one-fourth instead of one-half the amount at which other property is rated, is strictly Conservative in its principle and method.

It is sometimes argued that taxes and rates are essentially the same, and differ only in the objects for which they are levied, and the methods by which they are collected. The argument is supported by the fact that taxes and rates are, in fact, levied to a considerable extent for the same objects. The complicated tangle of the local taxation accounts arises largely from the fact that many services of a national character, such as education, are locally administered. The charge would naturally fall entirely upon the Exchequer, but for the obvious objection that to entrust the control of expenditure to an authority which has no responsibility for finding any of the revenue is to offer an inducement to extravagance which would try too highly the financial probity of local authorities.

This confusion of national and local services obscures the fact that there is a real difference between national and local taxation. The fundamental principle which, after a long, and already half-forgotten, struggle is now firmly established as the basis of national taxation is that of ability to pay. The necessary cost of running the country as a civilised community falls upon its inhabitants collectively, each of whom shares, more or less equally, in the advantages of living under an ordered scheme of Government, and of receiving the protection of the State for his personal liberty and rights. His contribution to the cost of such advantages and protection bears no relation to the benefit which he individually receives. On the whole, the poor man may be said to benefit more directly than the millionaire, who can readily remove to another country if he is dissatisfied with his own. But any attempt to charge rich and poor equally would not only be impracticable, but is now universally acknowledged to be inequitable. Thus, giving full effect to the canon laid down by Adam Smith, the implications of which were but slowly accepted, our system of national taxation is based on a scheme of graduation devised to fit the burden, so far as reasonably possible, to the back. Local taxation, on the other hand, is mainly based on the principle that a particular community charges itself with the cost of certain advantages which are limited to its own area, and are in the nature of amenities, or even luxuries, not, in strict terms, essential to a civilised existence, but greatly ameliorating its conditions. The supply to every house of gas, electricity, or water, the arrangement of a system of sanitation, the scavenging of the roads and streets, &c., are objects for which it is equitable that the cost should be borne by those who receive the benefit, and not by those who are outside their range. Thus while ability



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to pay is the fair basis for national taxes, benefit received is the fair basis for local rates.

It is on the principle of benefit received that the claim for differential treatment of agricultural land is mainly founded, and it is on a rough-and-ready application of this principle that the present proposal of the Government is based. As a general rule, farmers, being situated on the outskirts of the area charged, participate in a much less degree in the benefits accruing from local expenditure than those inhabitants who live nearer the centre.

This, however, is only a part of the case for the differential treatment of agricultural land. While it is true that the principle of benefit underlies the system of local taxation, it is also true that the famous Act of Elizabeth, which established the basis of assessment still in force, ostensibly adopted the principle of ability, and applied it on the assumption, at that time substantially true, that a man's visible possessions—in other words, land and houses—were a measure of his wealth. But it is fairly arguable that, whether designedly or not, this basis of assessment did distribute the charge approximately on the ground of benefit. All local improvements made at the cost of the community at large tended to increase the value of the land and houses within the area, and consequently were directly advantageous to the owners.

The fact that rates are paid, sooner or later, by owners of the property on which they are charged, cannot be seriously disputed. The main contention of all those who have so long demanded a readjustment of local taxation is that it is charged on one kind of property and not on another. This is an admission that it is a charge on property, and, consequently, on property-owners. There has been, however, in all discussion of the subject a tendency to argue as though taxes or rates were paid by things, whereas, of course, they are paid by persons. One reason why it is possible to dispute about the ultimate incidence of rates is that they are actually paid by the occupiers, and not by the owners of the property on which they are charged. That being so, and property being held on all sorts and conditions of tenure, the extent to which the occupier is, in fact, able to recover from the owner rates paid by him is complicated by many and varying factors. In other words, friction is introduced in the working of an economic law, and the result, in any given case, frequently differs from the logical conclusion.

On the assumption that land and houses are a measure of income the owners and occupiers of shops or factories are not convinced that the business of farming should be treated more favourably than any other business. A farm, it is urged, is in the same position as a factory—premises necessary to, and occupied for, business purposes. Why should the rateable value of the one not be as good a measure of ability to pay as that of the other? In both cases it may be bad measure, but why is it not an equal one? This is a fair question, and one which agriculturists seldom attempt to face. They frequently compare the position of a professional man rated, say, at £50, with that of a farmer rated, say, at £250, but they do not face the position of the factory-owner, or the shopkeeper who is charged on a rateable value which may be relatively as high—in relation to income—as that of the farm.

In moving the second reading of the Agricultural Rates Bill, Mr. Neville Chamberlain touched this point without elaborating it. The case for the farmer is that he pays full rates on his house and buildings, and that the latter represent his business premises. The land is an extension of his business premises, and an essential part of them, spread over a wide area, and its value for productive purposes is very small in proportion to any corresponding extension of a factory or shop.

It is evident that an attempt, however well-meant, to arrive at an equitable adjustment of the present system is likely to create as many anomalies as it removes. The conclusion is that the system itself needs revision from the root. In moving the rejection of the Government Bill, Mr. MacLaren appears to have claimed for the Labour party the construction of an alternative policy in the rating and taxation of the value of land, which involves the exemption from rates or buildings and improvements. Like many of the other items in the programme of the Labour party, which are in any way practicable, this proposal is

appropriated from the policy of the Liberal party as defined before the War. Here it must suffice to say that among the consequences which would follow from the adoption of the principle of taking land values as the basis of assessment to rates would be a substantial advantage to the owners and occupiers of land used and suitable only for farming.

THE FAILURE OF STATE-OWNED SHIPPING.

(BY A CORRESPONDENT.)

As anticipated, the reported offer of a billion dollars for the American State-owned merchant fleet has turned out to be no more than a sorry jest, and Mr. Lasker in resigning his position as chairman of the U.S. Shipping Board has had to admit that it is impossible to sell the major part of the Government-owned tonnage into private ownership; therefore he recommends that the best of the vessels should be worked by the State and that the remainder should be sold or scrapped. In June, 1914, the United States owned 3,174 vessels, with a gross tonnage of 5,368,194 tons. Of this quantity less than three million gross tons were sea-going vessels; thus the mercantile fleet owned by the United States was of no great importance compared with the 11,328 vessels aggregating over 21 million gross tons owned by the British Empire. The war, of course, brought about certain changes, and under great pressure the war-built merchant fleet came into existence. On June 30, 1922, the United States could boast of a mercantile fleet of 5,480 ships, with a gross tonnage of no less than 17,062,460 tons. Thus while the merchant tonnage owned by the British Empire increased during the eight years from June 30, 1914, to June 30, 1922, only by 997,471 tons, the shipping registered in the United States increased by no less than 11,694,266 gross tons to 17,062,460 gross tons, the American mercantile fleet having more than trebled itself during the period mentioned. Yet, notwithstanding this fact, the United States paid away last year millions of dollars in freight money to foreign shipping, and tonnage owned within the British Empire secured fully one-third of this big sum. The losses made by the United States State-owned mercantile shipping have been enormous, and even now it is impossible to say with any degree of correctness what sum has been taken from the pocket of the American taxpayers by this attempt to carry out a large State enterprise in the face of all economic laws. To begin with, the shipping cost a huge amount of money to build, capital being laid out without any regard to economy; then the management was in the hands of a Shipping Board which was constantly changing its personnel, and it is an astounding fact that very few of the many names that have been connected with this ill-starred State adventure during the last few years have had any practical experience of shipping. Seeing that the management of shipping on a large scale is one of the most difficult industries in the world to carry out successfully, this is a very astounding thing, but it would perhaps be unwise to attribute the failure of American shipping to this cause alone, although no doubt the methods employed have done much to increase the losses.

Quite recently an attempt was made to bolster up the shipping scheme by means of a subsidy from the State for ten years, but this was defeated. Then the mercantile fleet was offered for sale, but out of 20 offers received by the U.S. Shipping Board, only four or five, as our New York correspondent pointed out, were worthy of serious consideration. The majority of the bids received were full of reservations and conditions which made their acceptance impossible; thus the position is almost as it was before. Mr. Lasker, the retiring chairman, has admitted that it has been impossible to attract private capital to the shipping, and not even patriotism, or the desire to own a powerful mercantile marine as an aid to the navy in time of war, has had the slightest influence on the decision of the business men of the United States. Mr. Lasker has thus to fall back on a suggestion that has been often before the Board—viz., that the Government shall form a number of subsidiary shipping

companies to take over the existing shipping services and allow them to work the vessels on time-charter basis, or what is known as the "bare boat" system. The only alternative to this is for the Government authorities to make another effort to work the steamship lines themselves, and, in view of the succession of failures that have accompanied former attempts in this direction, there is very little enthusiasm for this plan. The best idea is that the fleet should be carefully sorted over and a large number of vessels scrapped. It is estimated that fully 40 per cent. of the war-built ships are worthless from a freight-earning point of view, and seeing that most of them have been idle for a lengthy period, it certainly would not pay to recondition them, even if the world's shipping position improved considerably during the next year or two. The retiring chairman has admitted that the very existence of this huge amount of merchant shipping has a very depressing influence upon the merchant marines of the world, and most shipping people will agree with him. Further, it may be stated that the United States suffers, and is likely to suffer, the most by keeping 17 million gross tons of shipping afloat when her needs could be adequately covered by less than half that amount. The ships built between 1917 and 1919 should be regarded as a war charge, and every one that is unfit for service should be ruthlessly scrapped.

The American desire for a big merchant fleet, one that would show the Stars and Stripes in every port throughout the world, was only natural, but the United States now realises that she is not destined to take first place among the shipping Powers of the world. The British merchant fleet, as far as tonnage is concerned, is now less than a million tons larger than it was when war broke out in 1914; but it is very efficient, and its distribution over the world is designed to make it earn the largest amount of freight money possible in these difficult times. Great Britain is a coal-producing country with vast foreign markets, and this gives the British mercantile marine a great advantage over every other merchant fleet. Ships working from British ports can usually start with a cargo of coal, and as a rule they can arrive at a homeward loading port with something in hand. The long connections enjoyed by British coal exporters and shipowners are extremely valuable, and such connections could not possibly be made by a Government department. British shipowners and merchants all over the world work hand in hand, and they have behind them powerful banking and financial interests. Most orders for steamer space come on to the London market, and British shipowners always know where cargoes are to be found, this information coming through their agents abroad. The coaling stations scattered about the earth are mostly under British control, and most of the shipbroking and marine insurance business comes through British hands. The merchant tonnage of the world now amounts to about 65 million gross tons. There is work for about 50 million tons, or possibly less than that, and while the outlook for merchant shipping is improving, there will be a shortage of cargoes for a long time to come. Hampered by red tape and inexperience, the United States merchant shipping scheme has failed just as the Canadian and Australian and other Government-owned shipping schemes have failed. India, Russia, and Ireland at the present time are the only countries wishful of establishing State-owned shipping enterprises, and these countries do not represent the last word in industrial progress. The shipping trade more than any other owes everything to personal enterprise and initiative, and there is no room for bureaucratic methods and State-made rules. The British merchant marine will continue to maintain its premier place, because it is owned and run by private capital free from Government interference. Thus, although times are very bad, and cargoes are difficult to find, the tendency in this country is to look ahead and make ready for the future. At the Baltic recently six steamers changed hands for over £200,000, and the Loans Guarantee Advisory Committee have recommended that a sum not exceeding £2,300,000 shall be guaranteed for new ships for the Royal Mail Steam Packet Company. The leading British shipping companies are, on the whole, in a very strong position, with their tonnage written down to quite a reasonable

figure, and certainly the failure of the American selling scheme has strengthened their position. If a large number of the American war-built vessels were scrapped the world's shipping position would be greatly improved, and no merchant marine would feel the benefit of the long-looked for improvement in trade that is expected when the Reparations question is settled more than Great Britain's. This month orders have been placed by some of the leading British shipping companies for several new cargo steamers to be built. These vessels will be about 8,000 tons, and the contract price runs about £9 to £9 5s per ton. In view of the fact that besides the large amount of tonnage offered for sale by the U.S. Shipping Board the Canadian Government has decided to sell off 27 steamers with a deadweight capacity of over 100,000 tons early in August, this is a very encouraging feature, as it shows that shipowners on this side have every faith in the future of their industry.

ARGENTINE INVESTMENTS AND SPECULATIONS.

THROUGHOUT all the ups and downs which foreign Government bonds have undergone of recent months, those of the Argentine Republic have presented a comparatively unmoved front. Prices have advanced in sympathy with investment securities, but without dramatic fluctuation, without any trace of excitement in the market. To-day the external and the soundest issues stand at levels which give the purchasers a yield of about 5 per cent. on the money invested. Prices of the various bonds, which are subject to current annual drawings, range from 96 to 101; the 4½ per cent. sterling conversion and the 4½ per cent. internal gold loans are quoted at 92. The 4 per cent. railway guarantees rescissions are 77. Most of the internal bonds command lower prices, and afford a correspondingly higher return, but the best-trusted loans (with drawings) of the Republic are priced, broadly speaking, upon a 5 per cent. platform, and enjoy a measure of investment support which deserves to be noted by those people to whom 5 per cent. from a good bond, free of stamp duty, makes appeal. The latest issued Argentine 5 per cent. Port of the Capital came out at 86½, and is now 87½.

It is in the Argentine railway market where speculative investment has done so well during the past year. Although the ordinary stocks have receded from their recent highest prices, the gains of the principal stocks are worth setting out. They illustrate the fact, almost as frequently iterated as ignored, that speculation can pay handsomely when the buyer selects stocks in companies of sound character, not likely to be more than temporarily laid low by circumstances and able to face lean periods without feeling undue strain. But speculation itches for its stocks to rise within a week or, at most, within the period covered by a Stock Exchange fortnightly settlement. Therefore, the Argentine railway market was left to its own thick-and-thin supporters, nor was it until a substantial advance had taken place in its stocks that general public attention sensed the market. The course of a year's prices can be seen from this table:—

	1922.		1923.	
	July 1.	Sept. 29.	Jan. 2.	Now.
Argentine Great Western	65	67	81	80
B.A. and Pacific	51	55	83	84½
B.A. Western	75	67½	81	83
B.A. Great Southern	77	75	85	87
Central Argentine	67½	64	76	74½

Dividends on these ordinary stocks are subject to fairly sharp fluctuation, and it would serve no good purpose to set out past records. Traffic returns are the pivots of market interest, and even these are affected, sometimes more and sometimes less, by the variations in the Argentine rate of exchange. This, of late, has been moving against the railway companies, but the market view, which is generally a fairly correct guide in this department, looks for 7 per cent. this year upon the middle three stocks in the above table, 6 per cent. upon Central Argentine, and a possible 6½ per cent. upon Argentine Great Western. That the public regard these estimates

as leaning to the side of optimism, the prices of the stocks show, for 7 per cent. at 81½ would give a yield of 8½ per cent. on the money. Prior charge securities of these companies are regarded as excellent investments, and from the first debenture stocks not much above 5 per cent. on the money can be secured.

Lively interest arose not long ago over the discovery of petroliferous indications in the Argentine. The mere prospect of the railway companies being able to draw supplies of liquid fuel from the country itself was sufficient to influence the prices of the stocks. So far, however, the oil industry has not made good, though its exploitation is being carried on by several companies. Pastoral activities are, of course, a long-established feature in the Republic. The Argentine Southern Land Company pays 5 per cent. on its £1 shares, which are quoted at 20s, and Argentine Land and Investments of £1 each stand at 30s, ex a recent dividend of 6d per share. The Argentine Eastern and the Argentine Northern Land Companies have proved disappointing hitherto, and the £1 shares last changed hands around 4s and 7s 6d respectively, while the 7 per cent. preferred ordinary shares of Argentine Estates of Bovril, which have gone nearly three years without a dividend, are about 8s 6d.

Of the utility companies, the Anglo-Argentine Tramways is one of the best known. The company appeared to have turned the corner of its bad luck; it paid off all the dividend arrears which had accrued on the first preference shares, and most of the back dividends on the seconds. Lately, however, friction developed between the Municipality of Buenos Ayres and the company over a question of fares, and complete agreement between the two parties has not yet been reached. Of the other industrial concerns, the Argentine Iron and Steel Company has passed through a barren patch since 1920, and the £1 6 per cent. preference are down to 2s 9d. Argentine Navigation 6 per cent. cumulative and participating shares carry 2½ years' arrears of dividend; the price is 11s 6d, and the ordinary shares stand at 7s, the latter having received no dividend since 1913.

The foregoing are, of course, but a very few of the many companies financed with British capital which function in the Argentine. What handicaps most of the undertakings is the high cost of materials. The once recurrent locust plague has been brought down to minor proportions through the agency of science, but science cannot control weather vagaries, and these in a pastoral country are the vital factor in conditions year by year. Enlightened government has eradicated the once martial spirit which led the Argentine into continual strife with Chile, with the result, as already demonstrated, that the British investor readily places his money in Argentine Government bonds. The speculative investor finds ample scope for his predilections in the railway stocks. And the industrial companies, like those in other parts of the world, are expected to revive their prosperity when "things have settled down" more peaceably all round.

Notes of the Week.

The Dry Ship Controversy.—The debate in the House of Lords on the United States' action towards liquor on foreign ships entering American waters was conducted on a high level of restraint. But while it avoided, we believe, any word or phrase that could wound American susceptibilities, it revealed a position which, to quote Lord Curzon, is "undoubtedly disagreeable, and ought not to be allowed to continue." The strict legality of the American action of seizing liquor on British ships entering New York harbour was admitted by Lord Curzon, and not disputed by Lord Birkenhead. As the Foreign Minister remarked, the present difficulty is one that is not to be resolved by an appeal to law, but by "tactics of diplomacy." The debate made very clear what is apparently insufficiently realised, that the main motive underlying the recent American action is to evolve a policy that will effectually check the very considerable contraband trade which has sprung up, almost inevitably, since Prohibition was introduced across the Atlantic. With that desire the British Government should, and does, sympathise. But, on the other hand,

the British Government cannot possibly ignore (and has not ignored) the serious embarrassments suffered by British trans-Atlantic shipping. The essence of the position is this. The United States Government is not going outside international law, but it is going beyond the limits usually prescribed in international practice, which customarily employs a wide discretion as regards difficult and delicate cases. Shipping is a case in point. A ship, as Lord Curzon said, "is a travelling unit which passes from one State to another, and therefore cannot escape the necessity of complying with other legal systems which may not be in every respect consistent with the law of the particular country which it is happening to visit at the moment. It is also universally recognised that a ship stands in a particular class of relationship to the State whose flag she flies, and that on many matters it is to the general convenience that Governments should recognise the law of the flag State as paramount." This may be slightly overstating the case, but at least international practice and commonsense both support Lord Curzon's plea that matters of this kind "should be regulated in rather a wide spirit." Here is a matter surely that with good will is capable of friendly settlement by a little give and take. The British Government is ready to assist, so far as it can, and the British shipping authorities will doubtless be ready to co-operate, in stopping the smuggling of which the United States complains. On their part, the United States Government could surely devise methods of effecting their purpose which are less drastic and irritating than the present. Certainly the first proposal of Washington for the extension of the right of search to the twelve-mile limit is one that is unacceptable to this country, and was rightly rejected. But there are others, and diplomacy will prove itself to be a poor thing if it cannot find a quick way out of a controversy which, if allowed to continue, will act as an increasingly serious irritant of Anglo-American relations. After agreeing on the huge and complicated debt question, it would be an unthinkable absurdity to quarrel over one of those minor questions which are essentially soluble by the amenities of international practice.

Conditions in Ireland.—Our Dublin correspondent writes:—Recent weeks have witnessed steady and substantial progress in the Government's programme of legislative, administrative, and executive action. Order has been restored—temporarily at least. The gun, the bomb, and the torch of the guerilla irregulars are no more seen. Mr de Valera having failed to exact for himself the status of a negotiating belligerent has, in fact, made peace by an unavowed submission. Everyone knows that the fighting is finished, and will remain finished so long as the Government and the Irish people behind it insist on its remaining finished. The activity of the wholesale houses and the filling up of stocks by the country retailers in themselves are enough to show that, whatever the phrasemongering malcontents may say, the community realises that it is getting back to business. In the meantime, Mr de Valera and his faction screen their activities behind a small band of feminist agitators whose immunity hitherto has rested upon Government disdain. The new tactics to be adopted after a breathing space are known, it is said, to include strikes and sabotage and co-operation, whether avowed or not, with Mr James Larkin fresh from incarceration in America on the charge of criminal anarchy. Abundant funds are available. In all this there is desecrated by competent observers the promptings and the pecuniary assistance of propagandist agents of militant Communism from the Continent of Europe. It may be a stroke of luck for Ireland that matters should shape thus. In no country in the world is revolutionary Communism more certain to fail than in Ireland, with its great preponderance of peasant proprietors and its Catholicism. In addition, Mr Larkin is at open war with all the other Labour leaders who have controlled the machine for the last eight years. All over the country the farmers are organising for the protection of their own interests by political action, and their weight will be felt when the General Election comes. Some such stimulus was required to render them active in the discharge of the obligations of their citizenship. The Com-

munist-Republican concert has thus generated the antidote to its own poison. Rumours have been current both as to the date of the General Election and as to a National Loan. The subjects are closely connected. The Government, of course, needs money, and while on the one hand it needs time to complete its legislative programme, there has been hesitation to embark on a National borrowing on the eve of an important General Election. It has been ascertained that, while the new Register is complete, the further arrangements for an election could not be ready before the end of July, and—August being the month for holidays—there could scarcely be an election before September. Again, it is said that the banks have agreed to finance the Government by a temporary loan until after the Election, and, if this be so, there is no reason why the legislative programme should not be completed. But, of course, the banks may have sought assurances as to an early election. In the circumstances, there are many who urge strongly that a moderate issue of premium bonds would have been (and would be) a wise and courageous step. Dublin opinion in all circles is confident that such an issue would produce more favourable results than any other form of borrowing. It is perhaps necessary for general readers of the *Economist* to contradict a rumour current in certain of the daily papers that the visit of the Governor-General of the Irish Free State to London and the Colonial Office means that he is the bearer of a request for financial assistance from the British Government. The Irish Government, rightly or wrongly, does not desire such assistance, and purposes to raise its money otherwise. There is already a sufficiency of money on offer from more than one source, and the only question is that of terms.

The Labour Party Conference.—Mr Sidney Webb in his address as chairman of the twenty-third annual conference of the Labour party, described it as on the threshold of power, and stated that, if the statistical curve recording its previous advance proved reliable, it should be in an absolute majority by 1926. Ten years ago, writes a Labour correspondent, when the conference last met in London, it represented an electorate of under half a million; to-day it has four and a quarter million votes behind it, and an organisation in all but six of the 603 constituencies in Great Britain. Mr Webb, who proved an efficient chairman, stated very clearly his own view, which is that of 90 per cent. of the party, that it was only by the consent and the intelligent co-operation of a majority of the electorate that the social transformation for which they stood could be effective; the tactic of violence was twice cursed. Mr Frank Hodges, later in the proceedings, stressed this view, and the renewed rejection by a majority of practically eight to one (2,880,000 to 366,000) of the Communist application for affiliation, like the support of the refusal of the Parliamentary party to send its whips to Mr Newbold, showed that it is fully endorsed by the rank and file of organised labour. The conference, on the whole, has been occupied with political rather than with industrial issues. In this respect, too, it reflects faithfully enough the attitude of its members; their hopes are set mainly on political action. It has been a quiet, uneventful conference, on the whole; except for the breezes which swept across it on Thursday, the afterblast of the scene in the House of Commons on the preceding night, there was little or no excitement; and on that point an overwhelming majority was behind the leader of the party. He secured a hearing for Mr Maxton, who himself endorsed Mr MacDonald's request to the conference to leave the question of discipline in the hands of the Parliamentary party, which meets next week. It may perhaps succeed in convincing the scene-makers that their uncontrolled individualism is out of place in a party whose watchword is co-operation. The emergency resolution, condemning the increase in the Air Force, was passed with enthusiasm. The best speech of the conference, and the one which held it most strongly, was that of Mr Ramsay



MacDonald, who moved the executive's resolution on foreign policy. On each occasion his intervention in debate afforded a demonstration of his hold over the party.

The Outlook in Mexico.—A correspondent writes:—In his interesting articles in the *Morning Post* last week, Sir Basil Thomson states that "those who know Mexico best are full of pessimism"; but he mentions several features in the situation which suggest a more hopeful view. The people, as has long been evident, are eager for peace; there is a marked growth of purely political activity, as is shown by the formation of a "Fascist" party (too weak), however, for Fascist methods, and the development of nationalist feeling; there is a large supply of docile labour, and striking instances are recorded of faithfulness to their duty on the part of railway and postal employees; and the mestizo population of Mexico is decidedly superior to the Cuban mulatto. The growth of labour unrest and agitation is disquieting, and the distribution of land is attended with irregularities and disorder; but the Government, while dealing sternly with foreign agitators, is led to make light of the native agitation by its Radical sympathies and by electoral considerations, and some of the State Governors are even more tolerant. He apparently expects that the election next year will result in a reversion to the old type of adventurer-President, whether General Elias Calles or some as yet unknown rival, supported by military force; but it may fairly be expected that this development will be impeded by the counteracting influences above mentioned, and by the distribution of land to the peons. The speech of the chairman of the Mexican Railway at the meeting on Wednesday was avowedly optimistic. Labour unrest, he stated, is the chief difficulty; the company is forced to employ an excessive number of men at extravagant wages by the action of the Government managers of the National railways; but this would be stopped by the return of the National system to its owners. Were outside support assured to the Government, he believes that it would deal fairly with foreign enterprise; as things are, it has to seek support by giving way to the demands of labour, and to pass over much that it would not otherwise tolerate. The difficulty, therefore, would be cured by the recognition by the United States of President Obregon's Government. We note that in the New York Press the negotiations are said to be impeded by the difficulty of finding a mode of protecting the rights of foreign capitalists without discriminating unfairly against native owners. But this problem can hardly be insoluble.

Canadian Government's Railway Policy.—Our Ottawa correspondent writes:—The reply of the King Government to the appeal of the Grand Trunk shareholders apparently has caused great disappointment and not a little irritation in Britain, but it would be a mistake to assume that it does not meet with widespread approval in Canada. The general feeling is that the unfortunate Grand Trunk shareholders have still a wholly inadequate idea of the condition to which the late management had reduced their property, or they would divert their wrath to other targets than the Canadian Government. As the report of Messrs Bell, Ruel, and Yates shows, Mr Justice Taft's estimates about the probable prosperity of the Grand Trunk are still far from fulfilment. Since the beginning of the present year there has been a very sub-

tantial advance in the gross traffic returns of the Canadian National system, but operating expenses have been very high, and the *Financial Post*, of Toronto, maintains that the rate of deficit so far is greater than last year. However, Sir H. Thornton is not dismayed, and is pursuing an aggressive policy. He has laid before Parliament an extensive programme of construction of new ranch lines which will entail an addition of at least 27 million dollars to the system's capital charges. He has also financed the purchase of the Hotel Scribe in Paris as a headquarters for the C.N.R. on the Continent of Europe. Mr Meighen and his followers severely criticised his transaction in Parliament, and the Minister of Railways expressed the opinion that other methods ought to have been pursued in connection with it. Apparently the hotel, which was bought by Mr Aaronvici, now European manager of the C.N.R., is to be taken over by a New York syndicate, and the railway will lease part of it. The Government took the view that they must allow Sir H. Thornton the same latitude as is accorded to the president of the C.P.R. Admiral Harrison-Smith and Mr G. Forsdike have recently been in Ottawa to lay before the Government the claims of the G.T.P. debenture-holders, whose bond interest, guaranteed by the Grand Trunk, has not been paid. They have interviewed a committee of the Cabinet, and were promised sympathetic consideration for their case, but the Ministry's decision will not likely be published till the session ends.

The Greek External Debt.—The preliminary statement issued by the Greek Debt Commission of the results for 1922, and summarised in our columns on March 17th, showed that the total revenues under its administration amounted last year to 462,544,543 drachmæ, an increase over 1921 of 203,349,266 drachmæ, and that the interest on the old Gold Loans would be maintained at the same rate as last year, and on some of them slightly increased. The full report, distributed this week, shows that Customs revenue formed 270,292,334 drachmæ of the total. The yield of the Piræus Customs almost doubled, that of Salonica and the other five ports whose revenues the Commission controls more than doubled; but this was due to the increase of certain duties, and still more to the higher rate fixed for conversion of the paper drachma into gold, this rate having been increased during the year by several stages from 2.50 to 1 at the beginning to 10 to 1 at the close. At the Piræus the volume of imports of most commodities was reduced, wheat and flour being the chief exceptions, but this is ascribed to the adverse movement in exchange. Sterling exchange in January was 97 drachmæ to the pound; in December 245. This fall also prevented the bondholders from benefiting by the increased revenue; the benefit which reached them was caused by the payment by the Greek Government of 4,000,000 drachmæ as compensation for the depreciation of the currency consequent on the issue in 1921 and 1922 of additional notes without communicating with the Commission, and, as the irregularity was repeated thrice last year, the Commission apprehends further difficulties in the future. On the other hand, the total of the "plus values" increased; the increased prices of salt, tobacco, petroleum, cigarette paper, and matches have not reduced the consumption, nor, apparently, has the total volume of imports fallen below that of 1921. The Greek people, therefore, is bearing up against its disasters. The Report mentions that the improvements projected in the management of the Piræus Customs have not yet been effected; the Commission has endeavoured to eliminate the middlemen and speculators from the Naxos emery trade, and to improve the communications between the mines and the ports of the island. The output in 1922 was only 6,330 tons, as against 12,709 tons in 1921, owing to a strike of the workmen undertaken in order to force the Government to effect the improvements in question. Nearly half the output went to Great Britain, and more than half of the remainder to France.

Cotton Trade Short Time.—Our Manchester correspondent writes:—At the beginning of this week the general committee of the Federation of Master Cotton Spinners'

Associations in Manchester considered once again the state of trade in view of the continued depression. Since the beginning of March all the mills in the American spinning section, that is to say, 40,000,000 spindles out of the 56,000,000 in Lancashire, have only worked half-time, on the recommendation of the Masters' Federation. It has recently been suggested that, owing to spinners not having experienced any relief, the curtailment of production should be increased, and in some directions it has been proposed that all the mills should close down for a month. After a full discussion, however, the committee has decided to recommend all the members using American cotton to continue the 50 per cent. restriction of yarn output during July and August, exclusive of the holidays. It is possible, therefore, that tens of thousands of operatives during the next two months will only work three weeks. It is quite impossible at the present time to increase yarn production, as larger supplies are not wanted by users. Spinners of yarn cannot improve their position until more looms are running in North and North-East Lancashire, and manufacturers of cloth are finding it very difficult to secure fresh contracts at present prices. The problem for Lancashire is how to get over the difficulty of manufactured articles being two and a-half to three times dearer than in 1914, and dispose of large quantities to the natives of India and China, whose earnings are little, if any, higher than in pre-war days. A solution of this problem can only be found by cheaper raw material, but there are few indications at the moment of any marked fall in the price of cotton.

The South African Reserve Bank.—Our Johannesburg correspondent writes:—The annual meeting of the South African Reserve Bank is convened for June 20. The net profits for the financial year amount to £105,631. For the half-years ending September 30th and March 31st dividends at the rate of 6 per cent. per annum have been declared, absorbing £60,000. Of the balance of £45,631, it is recommended that £5,000 be appropriated to the pension fund, £2,000 to the widows' fund, and £1,000 to the staff guarantee fund. The Currency and Banking Act, 1920, requires that any surplus profits shall, under existing conditions, be placed in a special fund for strengthening the gold reserve of the bank, and the balance of £37,631 will be treated accordingly. Mr Samuel Evans, at the Crown Mines annual meeting, expressed the belief that "a considerable portion of the profit which the Reserve Bank is now making out of paper currency would disappear if gold came into circulation again, and also that the other banks can make a much larger profit out of exchange transactions when the gold standard is not in operation." He further pointed out that the bankers were entirely responsible for the Currency and Banking Act Amendment Bill; the Minister of Finance, in the course of the discussion in the House of Assembly, said, "The whole of the Bill is the product of consideration and resolutions taken by the board of the Reserve Bank, without the faintest intimation by Government on any one of these matters. The resolutions submitted to the Government and put into the Bill were resolutions which emanated solely and entirely from the board of directors of the Reserve Bank." As at June 2nd, the ratio of the Reserve Bank's cash reserve to liabilities to public was 69.1 per cent. Notes in circulation figure at £9,931,370, bankers' deposits £5,598,027; on the assets side, gold certificates, £10,089,285; bills discounted, domestic, £2,104,943; foreign, £749,883; loans and advances to Government, £2,000,000; and to others, £1,000,000.

Spain in 1922.—Last year, according to the report of the Commercial Secretary to the British Embassy at Madrid, just issued by the Overseas Trade Department, the foreign trade of Spain was greatly interfered with by tariff revision and its consequences; the harvest was deficient, owing to drought and locusts; there was again a Budget deficit and the floating debt showed a large increase. But for 1923 the outlook was more promising: foreign trade was recovering after the tariff settlements, labour agitation was less active, revenue was likely to increase, and expenditure would fall through the substitution of civil for military rule in Morocco. For 1921-22 the

final Budget deficit was 1,101 million pesetas, 41 millions above the original estimate; for 1922-23 the initial deficit was estimated at 427 million pesetas, but 52 million pesetas of revenue was to come from "Treasury means"—presumably loans. No new taxation was imposed, but revenue would increase from Customs, the tobacco monopoly, and the lotteries, which last had been stimulated by the trade depression. The floating debt rose from 2,700 to 3,077 million pesetas; a funding scheme was barred by the high rate of interest necessary to induce conversion. State and private banking was very prosperous; foreign banks and companies were being eliminated by differential taxation, but a separate agreement covering British establishments was in preparation. Foreign trade suffered through the uncertainty set up by tariff revision and the seven months' tariff war with France; but the three-year commercial treaty with Great Britain (achieved after much difficulty), and the one-year agreements with France, Switzerland, and Norway, promise improvement for a time. Very full particulars of imports are given—official, but unpublished elsewhere—and important suggestions are made for the pushing of British goods, for which the country districts afford promising markets, which must be opened up by personal effort and careful selection of travellers and agents. The intricate Customs regulations are full of pitfalls, liberal credit must be given, and advice should be sought as to the most suitable seaports. The railway problems are still unsettled, but the traffic improved; two of the new Transpyrenean lines, the Canfranc and the Ripoli-Puigcerda, are complete on the Spanish side, the Lerida-St Giron line well advanced; the underground railways in Madrid and Barcelona and interurban transport by tram and motor are developing, and the direct Madrid-Valencia project is said to have been taken up by British and American capitalists. Roads will not improve generally until the two-wheeled bullock cart disappears. Large sums—this year 103 million pesetas—are being spent on public works, chiefly at the ports, and shipping is recovering, at least at Bilbao. Hydro-electric power at present yields about 800,000 h.p.—one-tenth of the total potential amount; but dry years, of which 1922 was one, have to be faced, and coal was too dear to be used to supply the deficiency. In Alicante 99,000 acres are being brought into cultivation by a combined power and irrigation scheme. Interesting particulars are given of social and labour conditions; the standard of life has risen, but the cost of living has not declined. The Report should be of high value to British exporters, and is full of interest to students of Spanish economic life.

New Zealand Industries.—A New Zealand correspondent writes:—The steady development of the Dominion necessarily brings with it an increasing variety of secondary industries and manufactures. The progress made by these industries is recorded fully and in great detail in the annual Statistical Report on Industrial Manufactures, which embodies the main results of the annual census of industrial production. It is a matter for regret that similar statistics are not available for the basic rural industries, and for the general commercial activities of the Dominion. The report for 1921-2 just to hand discloses the effect of the post-war slump on certain industries, but, at the same time, the figures are an emphatic testimony to the economic stability of the Dominion. There is some difficulty in comparing the statistics for 1921-2 with those of 1920-1, since alterations have been made in the methods of calculation. The aim of the census is apparently to be as inclusive as possible, since all establishments using motive power, or employing more than two hands in manufacture, are required to send in returns. For this last year, however, several minor industries, such as dressmaking and millinery, have been excluded from the returns. The number of persons employed in the secondary industries has decreased from 63,410 to 61,068, the decrease being spread over most of the industries. Similarly, the amount paid in wages has decreased by just over a million pounds to £11½ millions, though there is an apparent rise in the average wage from £179 to £187. This is due mainly to the exclusion of many lower-paid occupations, such as dress-

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making. There has, however, been a fairly substantial expansion of industry as measured by the capital values of plant and buildings, and the motive power available; and an interesting feature of the expansion is the continuous increase, both absolutely and relatively, in the use of electric energy. An interesting table shows the average power available per productive employee, which has increased consistently from 0.83 in 1901 to 3.57 in 1921-2. Of the total power available almost one-fourth is provided by electric energy derived from the various governmental hydro-electric schemes. The most prominent feature of the detailed statistics of individual industries is the dominating position of those manufactures which are engaged in preparing the raw products of the Dominion for overseas markets. A significant table shows the value of output produced in the chief industries by the expenditure of £100 on wages. The dairy factories lead the way with £2,197. Tanning, fell-mongering, and wool-scouring comes next with £690, and is followed by meat-freezing with £673. The nearest approach to these figures is printing, £404. The four chief industries, which are so engaged, viz., meat-freezing, dairy factories, sawmilling, and tanning, &c., between them employ 35 per cent. of the workers, pay 36 per cent. of the wages, use 39 per cent. of the motive power, and are responsible for 40 per cent. of the added value of the products which results from manufacturing. The strength of their position is sufficiently indicated by these figures, and is reinforced by consideration of the fact that the materials upon which they work form 55 per cent. of the total value of all the materials used. Those industries which, under the cover of a protective tariff, have to meet the competition of strongly-organised manufactures in older lands, show a lower average wage, a lower productivity per worker, a smaller use of capital, as represented by motive power, and a lower proportion of increased value as compared with the raw materials operated upon.

Customs Regulations in Peru.—A correspondent writes:—The constant alterations and additions to Peruvian Customs regulations is occasioning some disquietude among traders in, and with, this South American country, who already find themselves discouraged by an almost unrelieved economic depression. Among more recent decrees have been instructions compelling exporters to fill in lengthy and complicated shipping documents containing a mass of particulars hitherto considered unnecessary, and imposed by no other trading nation of Latin-America. A mere general description of goods imported into Peru will no longer be accepted; consignors are now obliged to provide details with some of which ordinarily they would not be well acquainted, and in others needing explicit and even expert knowledge upon the part of the shipper. Another innovation is the prohibition of all but regular Consuls to certify parcel post invoices, whereas honorary Consuls have hitherto enjoyed this trifling authority. In view of the comparatively few regular Peruvian Consuls now appointed to the United Kingdom, and the time involved in seeking for one duly authorised to perform this duty, a considerable proportion of the parcels post trade between this country and Peru is likely to be lost. Fresh taxes have been imposed upon cotton exports, so computed that—like existing export dues—every trifling rise or fall in prices affects its value,

which, again, is controlled by the variety of cotton in question. Other revisions respecting export taxes on rubber, balata, chicle, and similar products are proposed. It is contended that it is the uncertainty rather than the magnitude of the new taxation that occasions dissatisfaction among traders, the propensity for introducing provisional rather than permanent Customs dues leading not infrequently to misunderstandings and disappointments. Again, certain departments would seem to enjoy immunity or relief in disparity with others less favoured. It is hoped that the Government, when introducing future taxation measures, will take into consideration what appears to be a legitimate cause of complaint among the trading community in Peru.

The Decline in Non-Ferrous Metals.—A market correspondent writes:—The weakness seen in the non-ferrous group of metals during the first half of May has again been in evidence, and this week all markets have displayed a very uncertain undertone, with marked selling pressure from numerous quarters. The standard copper position has deteriorated very seriously, and those speculators who bought on the theory that the Reparations question would be solved within a reasonable space of time have made heavy losses. The market has been manipulated by American metal interests, and the liquidation has resulted in warrants accumulating in a few hands. There is now some talk of shipping copper to the States, and this, in view of the statistical position, would create a very dangerous situation, both for users and the short interest alike. Compared with the best touched this year, copper shows a fairly heavy fall, and there should be a smart reaction as soon as the selling pressure relaxes. Tin, after tending firmer, suddenly turned very weak and near dates were freely offered on talk of an unfavourable monthly showing. American consumers have been taking very little interest in the market: the home tin-plate trade is dull, but the bearish talk may be overdone. Leading interests were inclined to support the forward positions, and this is rather significant. Compared with the best prices touched in March, there has been a loss of over £50 per ton, and the turn of the half-year should bring about a change of sentiment. Soft foreign pig lead has been weak, but there has been more doing at the lower level, and some good sales of September, October, and even November metal have been made from £24 2s 6d to £24 5s. The spelter market at one time was very weak, with large sales from a quarter usually associated with American interests, but after dropping to below £28 per ton there was more resistance displayed, and the undertone became harder. Selling rates having fallen below the cost of production, the Belgian producers will be forced to curtail output, and the market will thus have a chance of recovering. The trade demand for all non-ferrous metals just now is very poor; recent speculative operations have turned out badly; the position on the Continent hampers consumption, but generally speaking, the statistical situation of all metals is healthy, and this would count in any revival in the trade demand. Well-informed opinion favours the view that there will be a change in the coming month.

The Rand Midsummer Dividends.—Our Mining correspondent writes:—Owing to the labour trouble, with its aftermath of revolution, operations upon the Witwatersrand Goldfields were virtually suspended for about one-third the first six months of 1922, and conditions did not become really normal until the turn of the half-year. During the concluding six months of the year a marked improvement took place, labour being more efficient as well as less expensive than in 1921, while benefit was felt from the lower charges for stores. On this point some interesting figures were given at the annual meeting of the City Deep, a full report of which is just to hand by mail. For convenience of contrast we tabulate the items mentioned:—

	1921.	Second Half— 1921.	1922.
Total labour force	9,526	.....	8,985
Average monthly tonnage crushed.....	87,000	.....	90,000
Tonnage handled per native	16.7	.....	18.3
Cost of producing 1 oz gold	69/7	.....	55/4

Interest, therefore, will consist in a contrast of the distributions for the past half-year with those relative to the concluding rather than the initial period of 1922. Our usual tabulation is appended:—

Company.	Total, 1921.	Total, 1922.	June, 1922.	Dec., 1922.	June, 1923.
Brakpan	30	20	..	20	20
City Deep	37½	27½	7½	20	20
Consolidated Langlaagte	12½	5	..	5	..
Consolidated Main Reef	8½	6½	..	6½	..
Crown Mines	32½	40	5	35	27½
Goduld Proprietary	17½	16½	6½	10	11½
Government C.M. Areas	55	50	20	30	30
Langlaagte Estate	12½	7½	..	7½	10
Meyer and Charlton	100	100	50	50	50
Modderfontein "B"	95	85	30	55	50
Modderfontein Deep	150	120	50	70	60
New Kleinfontein	5	..	..	..	..
New Modderfontein	92½	70	20	50	50
New Primrose	12½	5	..	5	..
New Unified	10	..	..	..	..
Nourse Mines	6½	7½	2½	5	3½
Robinson Deep "A"	..	4½	..	4½	..
Robinson Gold	2	..	..	..	4½
Rose Deep	15	11½	5	..	..
Simmer and Jack	2½	..	..	6½	6½
Spring Mines	15	15	..	..	..
Sub Nigel	8½	7½	3½	15	12½
Van Ryn Gold	12½	12½	5	3½	3½
Van Ryn Deep	60	40	10	7½	7½
Village Deep	10	7½	..	7½	5
Witwatersrand Deep	5	25	5	20	7½
Witwatersrand Gold	25	20	5	15	15
Anglo-American	5	7½	..	7½	..
Johannesburg Consol.	10*	7½	7½	..	12½*
New Era Consolidated	10	12½	..	12½	..
Rand Mines	70	100	20	80	60
Rand Selection Corp.	27½	22½	..	22½	..

* Tax free.
This table does not include declarations made at dates other than June and December.
It will be noticed that while the shareholders in two companies will receive larger amounts than they did six months ago, in half-a-dozen examples an opposite state of affairs prevails. In this connection it must be remembered that there is a tendency for the balance dividend to be at a higher rate than the interim; still, the saving in costs last half-year scarcely kept pace with the decline in the price of gold. It is satisfactory to find that the December rate has been maintained in so many cases. The absence of any declaration on the part of the Consolidated Langlaagte is due to the absorption of that company by the Langlaagte Estate, while the Consolidated Main Reef has had to contend against various difficulties. The December announcement of the Witwatersrand Deep included 7½ per cent. in respect of the proceeds from the purchase and sale of ex-enemy shares. New Unified and Robinson are shortly closing down. The declarations of the "Johnnies" company are for the year ended June 30th; they are not paid until the end of September.

Lake View Investment Trust.—Although the shares of this company are dealt in in the West Australian section of the mining market, it is really a cosmopolitan concern, holding shares or prior securities in well over one hundred different undertakings, mostly British, but including a fair proportion of foreigners; there is also a sprinkling of foreign bonds. The largest individual interest, however, comprises 980,000 shares in the Burma Corporation, which has recently declared its first dividend equivalent to 4d per 10-rupee share. Largely on the strength of the commencement of returns by this enterprise the directors of the Trust intimate the probability of half-yearly dividends in future. Last year's profit of £19,500 scores a modest increase upon that for the 12 months ended March 31, 1922, and the dividend has been raised from 5 to 6 per cent. On the latter basis the yield does not much exceed 4 per cent., the 10s shares being quoted at about 15s; but the market value of the investments is calculated as equivalent to something like 25s per share.

Mexican Eagle Oil.—A substantial fall in trading profits for the year 1922 is ascribed by the directors of the Mexican Eagle Oil Company in the annual report to the large

and unexpected falling-off in the quantity of crude oil produced, to the decrease in prices and quantities sold, and to the exceptionally low freight rates which prevailed during the year. In 1921 the date of the end of the company's financial year was altered from June 30th to December 31st, and, as will be seen from the table below, the profit for the year 1922 was actually slightly less than that for the six months ended December 31st, and less than one-third of that for the year 1920-21. The figures are given in Mexican dollars, which have a par value of 24½ pence:—

	Year Ended June 30.			Half-Yr. Ended Dec. 31, 1921.	1922.
	1919.	1920.	1921.		
Profit, after providing for administration expenses and interest on debentures	\$ 37,194,427	\$ 59,453,574	\$ 85,320,429	\$ 26,818,322	\$ 26,815,709
Brought forward	2,219,054	3,543,282	3,814,190	1,373,181	1,682,130
Field redemption and reserves	39,413,481	62,996,856	89,134,619	28,191,501	28,497,839
Provident fund	10,061,707	7,452,318	49,615,671	6,610,231	7,666,958
Distributed in dividends	29,351,774	55,544,538	39,518,948	21,581,272	20,830,881
Carried forward	1,000,000	1,500,000	1,500,000	500,000	500,000
	28,351,774	54,044,538	38,018,948	21,081,272	20,330,881
	24,808,492	50,230,349	36,646,767	19,379,142	12,786,726
	3,543,282	3,814,189	1,373,181	1,682,130	7,544,155

The participating preference and the ordinary shares receive a dividend of 8 per cent. for the year, as against 15 per cent. in both cases for the preceding half-year. Total reserves now stand at \$155 millions, the total issued capital being \$199½ millions. Of the balance of profits remaining, \$2,911,000 is written off expenses of the issue of first preference shares, leaving \$4,632,600 to be carried forward. The production of crude oil in 1922 was 12,390,400 barrels, as against 10,449,900 barrels in the second half of 1921 and 38,298,700 barrels in the year to June 30, 1921. In the last-named period no oil was purchased by the company, but in the second half of 1921 it purchased 4,303,900 barrels, and in 1922 5,418,900 barrels. The report mentions that the company's long-term charter, at a fixed rate, of the whole of the fleet of tank steamers belonging to the Eagle Oil Transport Company resulted in a serious loss during the year, but a considerable improvement in the tanker freight market has taken place since the end of 1922. A large amount of exploration work was carried out during the year, but results proved "disappointing, and the knowledge of conditions thus obtained will probably lead to the relinquishment of certain large areas." It is added, however, that the trading of the company for the current fiscal year should show an appreciable increase in volume over that of the year 1922.

Lipton's Profits.—The report of Lipton's, Limited, for the year ended March 31st last states that business in the home trade has shown an increase in volume, and that the export trade has also improved. The fall in the value of stocks has been borne in the year's trading, and this accounts for a slight decline in gross profits, but, thanks to a reduction of over £30,000 in management expenses, net profits are £12,600 higher. The following table summarises results for some years past:

Year Ended March.	Gross Profits.	Expenses, &c.	Net Profits.	Depreciation.	Div.
1902.....	£ 228,202	£ 39,441	£ 188,761	£ 19,063	% 8
1908.....	274,335	83,935	190,400	27,624	8
1912.....	307,207	103,922	203,285	51,341	6
1913.....	315,606	111,967	203,639	41,095	6
1914.....	314,949	131,461	183,488	23,202	6
1915.....	272,182	149,509	122,673	262,274	nil
1916.....	295,089	125,645	169,444	45,104	nil
1917.....	442,776	140,189	302,587	44,057	7½
1918.....	544,322	126,222	418,100	44,055	12½
1919.....	579,678	130,902	448,776	47,411	12½
1920.....	644,564	177,005	467,559	51,866	12½
1921.....	433,230	158,061	275,169	57,103	12½
1922.....	561,833	167,521	394,312	82,601	12½
1923.....	547,342	140,374	406,968	69,912	12½

* Including £220,889 drawn from "premium on shares account."
Management expenses have dropped from £155,000 to £124,700, but bad debts have risen from £4,000 to £7,200. Depreciation on leaseholds, plant, fittings, &c.,

requires a little less, and the amount available for distribution, including the balance brought forward, is £354,900, as compared with £339,500 at this time last year. The ordinary dividend is maintained at 12½ per cent., and absorbs £156,250, but the balance carried forward is only £1,000 higher at 38,600, owing to the fact that the new 9 per cent. preference shares now rank for full dividend, and this absorbs £14,000 more than was paid out a year ago. A revaluation of premises, plant, machinery, &c., and of property in Ceylon has been made, and a portion of the surplus over the book values has been applied in writing off the expenses of issue of 9 per cent. preference shares, the depreciation of foreign currencies and the deficiencies on subsidiary companies, and in writing down trade investments, the balance remaining of £26,100 being credited to a special reserve account. The balance-sheet shows an increase of £200,900 in property and goodwill, and of £97,900 in plant and machinery, but stocks are £234,200 lower. Savings bank deposits at £151,900 show an increase of £17,000, while cash at £273,800 is £17,200 lower. Investments stand at £220,000, or £33,500 lower, but what proportion of these are gilt-edged, and how investments are valued, is not stated. An analysis of the balance-sheet will be found in a later column.

Oversea Correspondence.

UNITED STATES.—NEW YORK CENTRAL DIVIDEND—KANSAS INDUSTRIAL COURT—AMERICAN SMELTING DIVIDEND—GOVERNMENT FINANCING.

(FROM OUR CORRESPONDENT.)

NEW YORK, June 18.

MUCH attention is being paid to the action of the New York Central Railroad directors in declaring a quarterly dividend of 1¼ per cent. on the company's stock, thus raising the annual rate to a 7 per cent. basis, as compared with 5 per cent., which has been paid continuously since 1908. The new basis is, in fact, the highest that has prevailed since 1884, when the predecessor of the present company paid 8 per cent. In 1907 stockholders received 6 per cent., but only for that year. While a few other railroads may decide upon increased distribution to shareholders, there is nothing at present to indicate that carriers generally will adopt such a course. The New York Central occupies a rather unique position. In addition to its large earning power and the good condition of its property, the major part of the company's capitalisation is in long-term bonds bearing low rates of interest, the rate on the funded debt averaging 4.4 per cent. per annum. That fact makes it possible to pay a higher rate to stockholders than might be the case were the funded debt interest heavier.

Another dividend development, namely, the resumption of quarterly dividends upon the American Smelting and Refining common stock, directs attention to the marked improvement during the past six months in the mining industry. The directors declared a quarterly dividend of \$1.25 a share on the common; the last previous dividend on the common was \$1 a share paid March 15, 1921. The resumption, therefore, is at the annual rate of \$5 instead of \$4. Much significance is attached to this action by the company's directors, for they are probably in closer touch with the country's mining industry than is any other directorate. It is reliably stated that the company has been earning lately at the rate of about \$15 on the common stock after all charges except depreciation. Earnings for the first half of this year will probably make a better showing than those for the second half, since the company has been working its silver and silver-lead mines overtime in order to produce as much silver as possible for sale to the Government before such purchases

(under the Pittman Act) were discontinued. Since the Government has now suspended silver purchases authorised by that statute, the American Smelting and Refining Company, in common with other domestic producers, will no longer have a domestic market for its production of the white metal at the prescribed price of one dollar an ounce—or at 99½ or 99⅓ cents, to be exact, the difference representing the transportation charge which varied according to the location of the mint where the silver was delivered. Although the United States Government is not likely to re-enter the market on any extensive scale for some time, the price has not suffered the severe decline which many interests had feared or predicted.

Last week the United States Supreme Court rendered a decision which is likely to have far-reaching effect upon industry in this country. The Court unanimously held unconstitutional the provisions of the Kansas Statute, which created the much-discussed Industrial Court in that State, in so far as the law permits that tribunal to fix wages of workers engaged in food, clothing, and fuel industries. Briefly stated, the Kansas law in question grouped with public utilities and common carriers in the public interest, the manufacture and preparation of food for human consumption, the manufacture of clothing, the production of any substance commonly used for fuel, and the transportation of such articles or products. Furthermore, the Statute gave to the Court, created by it, authority to hold hearings in any dispute concerning wages or terms of employment in the industries mentioned, and in case it found the public health or peace imperilled thereby in any particular instance, to make findings and to fix wages to be paid for a prescribed period. The case before the Supreme Court was that of a certain packing company *v.* the (Kansas) Court of Industrial Relations. After hearing a complaint by a meat cutters' union regarding wages paid by the packing company, the Industrial Court issued an order increasing the wages of the employees over the figures to which they had previously been reduced. The packing company refused compliance, and after the Kansas Supreme Court had overruled the report of a Commission appointed by it, and sustained the Industrial Court, appealed to the United States Supreme Court. The latter's opinion, written by Chief Justice Taft, holds that the action of the Kansas tribunal curtailed the right of employers and employees to contract, thus infringing part of the liberty of the individual protected by the guaranty of the due process clause of the Fourteenth Amendment to the Constitution. Although there is no such thing as absolute freedom of contract, the Chief Justice said, restraints thereon must not be arbitrary or unreasonable, freedom being the general rule, and restraint the exception, to be justified only by exceptional circumstances. The Court takes the view that the mere declaration by a legislature that a business is affected with a public interest does not conclusively settle the question whether its attempted regulation on that ground is justified, nor does it determine what regulation may be permissible in view of the private rights of the owner; nor does it mean that the public may take over the entire management of the business and run it at the expense of the owner. The extent to which regulation may reasonably go, the Court points out, varies with different kinds of business, the regulation of rates to avoid monopoly being one thing and the regulation of wages another.

The Government's recent offering of about \$150,000,000 Treasury certificates of indebtedness, dated June 15th, and maturing December 15, 1923, was heavily oversubscribed, the total subscriptions approximating \$343,000,000. The amount allotted was \$189,833,500, of which \$38,344,000 represented allotments on subscriptions for which certificates maturing June 15, 1923, were tendered in payment. No additional Government financing is likely to be undertaken during the summer months. The latest offering of certificates of indebtedness, together with the Federal income and profits taxes received this month and the surplus in the general fund, has apparently been sufficient to take care of maturing obligations, pay interest on indebtedness, and meet current expenditures during the summer. The fact that the certificates just offered bore interest rate at 4 per cent., as against 4½ per cent. carried by those issued last March, is generally taken to indicate that the Treasury Department expects money rates will show an easier tendency during the next few months.

FRANCE.—BUDGET DELAYS—TRADE FIGURES—THE WINE TRADE.

(FROM OUR CORRESPONDENT.)

PARIS, June 27.

THE Senate yesterday, by a final vote of 303 against two, adopted the text of the amended Budget, and the Finance Bill has gone back to the Chamber. It is generally expected that the Lower House—under pressure of a desire to avoid both a seventh *douzième provisoire* and possibly an eighth, unless the two Houses are to remain sitting beyond the middle of July, when they should rise for the summer recess—will hurry through its final consideration of the Senate's modifications before the end of the current week, so that the measure may be passed into law before July 1st. As matters stand, there is apparently every intention to take this course. Even before the Bill left the Upper Chamber, the Finance Commission of the Lower House had begun its examination of the changes that have been made in it, and by Saturday night it is almost certain the Bill will have become law.

Considering that the French financial year begins on January 1st, and that the period covered by the Bill in question has already half expired, it is not surprising that the suggestion has been put forward in more than one quarter that if it is impossible to pass the Budget before the beginning of July in each year, it is advisable that in future the financial year should begin at that date. This proposal was actually put forward in the Senate yesterday by M. Peytral, himself a former Finance Minister. M. de Lasteyrie adduced abundant reasons against such a step, however, and the matter dropped. A much more definite proposal is that advanced by the Government itself in the shape of a Bill which was laid before the Chamber yesterday by the Finance Minister, proposing that an additional clause shall be inserted in the Finance Bill, extending it to cover 1924 as well as 1923, so far as the bulk of its provisions are concerned. This was one of the most striking propositions, it may be remembered, in M. Poincaré's recent speech, in which he defined the limits of the majority he desires to have behind him, and one which the Chamber tacitly approved when, at the close of his speech, it accorded him the vote of confidence he asked for.

The argument M. Poincaré put forward in support of his proposal on that occasion was that it will not be desirable that next spring, on the eve of the General Election, the Chamber shall be engaged in a debate which cannot perhaps be finished before the electors are actually called on to vote. He also hinted at another reason, which was that, with the elections immediately in front of them the deputies (although the Premier was careful not to put the point quite so bluntly) might be tempted to indulge in electioneering under the pretext of discussing the Budget. So far as can be seen at present, opinion in political circles is by no means enthusiastic in support of the proposal. It is admitted to be little short of scandalous that, although the Finance Minister presented his estimates in March last year, it has been found impossible to pass the Budget into law before the end of the present month; nevertheless, it is argued that some other remedy than a biennial Budget ought to be feasible. A similar attempt was made, it is recalled, by Baron Lafitte, during the Restoration, but without success, while Bismarck made a like proposal to the Reichstag 40 years ago and also failed. Unfriendly critics of the Government insist that the proposal is an insult to the Chamber, as it seems to imply that the House is impotent to vote the Budget for 1924 before the elections.

Detailed figures are now published showing the total value of the foreign trade between France and the principal foreign countries during the first four months of 1923, as compared with the corresponding period of last year. These are as follows (in thousands of francs):—

	Imports.		Exports.	
	1922.	1923.	1922.	1923.
Sweden.....	1,000Fr. 75,878	1,000Fr. 87,857	1,000Fr. 11,140	1,000Fr. 32,737
Norway.....	45,657	55,341	11,589	20,099
Great Britain.....	1,126,637	1,683,014	1,347,068	1,908,416
Germany.....	426,998	231,595	564,261	373,537
Holland.....	199,345	260,057	153,863	164,553
Belgium-Luxemburg Economic Union.....	470,430	737,972	1,319,751	1,765,756
Saar District.....	196,057	158,668	102,020	194,199
Switzerland.....	150,663	170,339	279,735	568,948
Czechoslovakia.....	84,414	54,385	27,983	13,906
Italy.....	234,502	307,946	235,923	344,765
Spain.....	34,590	168,900	100,879	280,330
Japan.....	109,019	56,912	46,300	47,836
United States.....	1,113,594	1,552,268	694,636	763,378
Brazil.....	122,205	210,056	48,938	82,817
Argentina.....	234,031	348,021	98,732	208,321
Canada.....	27,277	103,434	29,545	47,104
Other foreign countries.....	1,608,492	2,535,315	797,684	1,015,809
French colonies and protectorates.....	725,328	812,162	927,671	1,174,518
Totals.....	6,985,117	9,534,242	6,777,718	9,007,029

These figures are peculiarly interesting just now, in view of the controversy that has arisen owing to the effort of the French winegrowers to bring about a large increase in the import duties on Spanish, Italian, Portuguese, and other foreign wines, for the purpose of increasing the consumption of the home-grown product. The proposal is due, at bottom, to the fact that, in spite of the abundant wine crop last year, the middlemen in the French wine trade have succeeded in maintaining the retail price of wine (sold before the war at from 25c to 45c the litre) at 1f 10c to 1f 20c the litre, whereas the growers complain they are compelled to sell their product at a loss. The cost of production, they insist, is from 45f to 60f per hectolitre, while the present quotation at the vineyard is between 30f and 40f only. The middlemen allege that much of the difference between the price paid to the grower and that charged to the consumer is due to the excessive transport charges imposed on French wines, as compared with those that have to be paid by the foreign wine importer. Last year 1,076,000 hectolitres of Portuguese wine alone entered the port of Rouen, most of which was blended with and sold as native French wine. The amount of freight levied on this foreign wine, it is alleged, so far as transport in this country is concerned, would be from 5f to 6f a hectolitre, whereas the cost of transporting native French wines to Rouen, Nantes, Brest, and other points at which foreign wines enter would be at least 20f.

The French winegrowers, who are asserted to be 1,408,951 in number, and who form a very influential section of the French agricultural majority in Parliament, point to the loss of their American and Russian markets, and are insisting that unless the import duties on foreign grown wines are tripled, their industry will be ruined. M. Chéron, the Minister of Agriculture, recently announced that their cry has been heard by the Cabinet, and that they will shortly receive satisfaction. This announcement has produced a storm of protests against practically the whole of the French exporting industries, who insist that if such a blow is dealt at Spanish, Italian, and Portuguese wines, the importing countries are certain to resort to reprisals, which would do much more harm to the economic interests of France than the whole wine industry is worth. That this view is to a great extent justified is evident from the fact that threatening articles have been published in Italian, Spanish, and Portuguese newspapers since the idea was publicly mooted. There are widespread fears that, if the winegrowers press their demands, France will find herself involved in a series of tariff wars that may prove even more harmful to her foreign trade than did the conflict with Spain a year or so ago (the extent of which is indicated in the table given above).

The demand made by the winegrowers has focussed the attention of the industrial and trading community on the danger that always faces this country of finding itself suddenly embroiled in a tariff war, owing to the fact that it is possible for a French Minister, under the influence of a particular class of the community, to induce his colleagues to allow him to bring about a serious modification of existing Customs duties merely by the promul-

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gation of an arbitrary decree, and without being under the necessity of previously obtaining Parliamentary sanction. *La Journée Industrielle*, which voices the opinion of the metallurgical and other important industries, announces to-day that "the French Government, following the policy of the Minister of Agriculture, has allowed a new breach of our commercial agreements to be accomplished," and decided, some days ago, on a tariff war with Greece. The journal protests "against the sabotage of commercial agreements," which it alleges is going on under the auspices of the agricultural party in the country.

GERMANY.—EXCHANGE REGULATION—FINANCES—BOURSE.

(FROM OUR CORRESPONDENT.)

BERLIN, June 26.

THE Cabinet has made yet one more attempt to check by means of a prohibition the rise in the foreign exchanges. More properly it has made a feint, because past experience, and in particular the Reichsbank's and the Cabinet's experts' statements to the Reichstag Inquiry Commission, give no reason to hope that prohibitions and restrictions will be any more effective here than they have been in other countries. The public's demand, however, that something should be done goes with a public belief that the mark depreciates because of speculation; and as the something to be done is not, or cannot be, aimed at the real causes of the depreciation, a bold blow against speculators is devised in order to propitiate opinion. This was the process when Dr Wirth last autumn reintroduced exchange regulation after three years of complete freedom. The mark has since depreciated even more rapidly under regulation than under freedom. The only real speculation done by Germans in exchange consists in buying and selling foreign bills and notes for the sake of the relatively

small day-to-day differences. The process against which the public outcry is directed is not speculation at all; it consists in buying exchange to keep, with the aim of preventing a loss, and is in the same class as buying goods, buying the new Dollar Treasury Bills with paper marks, or buying any of the rye, wheat or coal loan stock. The citizen who keeps his paper marks in a bank is not really a non-speculator modestly content with his lot; he is a victim of real speculators, active or passive, who make profits out of the currency depreciation. The exchange regulation system is nevertheless pressed on the Cabinet by Socialist demagogues, who ignore that it prevents petty savers from keeping their real capital intact, while big companies and big business men save their capital by putting their marks into foreign currencies and foreign goods.

The new exchange "Verordnung," issued under Art. 48 of the Constitution, and therefore ostensibly to prevent disorder, prohibits the purchasing of exchange except when it is officially quoted in Berlin, and then allows it to be purchased only at the Berlin official rate. This automatically prevents dealing in Polish marks, and in some other Eastern currencies not officially quoted, and it has already deranged the Frankfurt and Hamburg exchange bourses, and led to complaints. These two defects will probably be remedied by a new decree. The main effect is to kill entirely free dealing in exchange. Up till now exchange was bought and sold all day long at varying rates, often much above or below the official rate, which is determined at a fixed hour on the basis of supply and demand. Most small dealings were done at the free rate, and numerous small banks did little except such exchange business; but the Reichstag inquiry brought out the fact that also very large purchases by business concerns were sometimes done at free rates. When the new decree appeared, the fear was expressed that at times when shortage of foreign bills compelled the Reichsbank to ration the supply at the official rate, the applicants would protect themselves by applying for more than they needed; and this fear seems to have been justified, because to-day witnessed an enormous demand, London was rationed with only 25 per cent., and sterling and the other exchanges had a new big rise. That the need of the public for some means of protecting their capital is unabated is shown by selling of the Dollar Treasury Bills at 147,000 marks, though the dollar was quoted at only 126,315. Apart from the two unsettled matters above mentioned, the Government is considering the issue of one more decree, which will probably further limit the number of persons entitled to buy exchange, and may also forbid the purchase of foreign securities abroad.

No good except temporary blinding of the public's eyes can be expected from these measures. The Government admitted to the Reichstag Commission that the February stabilisation attempt could have succeeded only in connection with the shortage of money then prevailing. The last Reichsbank report shows that the new abundance of money is being rapidly supplemented. An attempt, however, is being made to increase the Reichsbank's resources for the next intervention coup. The amount originally subscribed of the \$50,000,000 gold Treasury Bills was \$13,138,600, to be brought up to \$25,000,000 by the bankers who guaranteed the subscription of half the total. Negotiations are proceeding for the taking up by industry of the greater part of the remaining \$25,000,000. The Federal Minister of Labour is discussing the so-called "fixed value" wage with representatives of the trades unions. The employers declare that the granting of such a wage will hasten the price rise. The compilation of an official cost-of-living index, to be issued at short intervals, is necessary as a first condition. The Customs gold surcharge has been raised to 2,146,900 per cent. The Reichstag has sanctioned the 25-folding of the quarterly advance payments of income-tax, and 35-folding of the company income-tax. The new rates come into force for the November, 1923, and February, 1924, quarterly payments. This measure is a bad substitute for the automatic increase of taxes in proportion to the rise in nominal values, because it can at most take into account the rise

in values up to date, and there remains no guarantee that a 25-folded payment six or nine months hence will be more valuable to the State than a simple payment to-day.

The yield of taxes in the first two months of the current financial year (April-May, 1923) was:—

Taxes on property and business—	Marks.
Recurring taxes	1,555,038,192,263
Non-recurring	414,793,192
	1,555,452,985,455
Customs and taxes on consumption ..	641,794,144,676
Other taxes	79,617,150,291
	2,276,864,280,422

A comparison of tax receipts with those of the same months of 1922 shows, as might be expected, a much larger increase in those taxes which increase automatically than in those which have to be put up from time to time by legislation. Customs receipts in May fell not far short of 200-fold those of May, 1922, and the coal tax nearly 100-fold, while the sugar tax, being assessed on weight, increased only about 30 per cent., and some taxes actually yielded fewer paper marks than they were yielding a year ago, despite the more than 100-fold price rise. As a result of the Government's neglect to put these taxes on an *ad valorem* basis, the only reasonable basis when money loses all but 1-100th of its value in less than a year, many taxes, among them some which ought to play big rôles in the revenue, are not worth collecting. Thus the May yield (at exchange of 200,000) was approximately:—

	£
Sugar tax	400
Salt tax	28
Matches	70
Lighting apparatus	10
Playing cards	14
Mineral waters	10
Beer	500

For all these taxes an elaborate official mechanism is maintained. The Reichsbank's statement for June 15th shows the very large increase of 1,595,526 millions in circulation, total circulation having passed the ten billion stage to 10,905,091 millions. Commercial bills increased by 414,935 millions to 5,034,102 millions, and Treasury Bills by 1,978,206 millions to 10,426,602 millions. Outstanding Darlehnskasse advances are now 2,172,100 millions.

Stocks last week were active and firm, but did not rise as much as in the preceding week. An agitation is proceeding against the transfer of large stock interests to foreigners, or, as the Socialist newspapers describe it, the veiled smuggling abroad of capital in shape of a fictitious transfer to foreigners. This agitation was caused by the allotment to a Dutch syndicate of the whole 300,000,000 marks new shares issued by the Phoenix Company, an important iron and coal concern associated with the Otto Wolff Trust. Socialist newspapers allege that many supposedly foreign holding companies which buy up German stocks and shares are in reality foreign creations of Germans, who thereby get their interests out of Germany. One such holding company in Switzerland has large interests in seven important German companies. The market for federal and Prussian bonds continues to be a theatre of queer speculation, largely foreign, and there have been sudden big rises and some drops. Until lately Prussian Loans lagged far behind Federal, but they have lately risen, and yesterday Prussian Threes jumped from 2,000 to 6,500, Prussian Threes and a-Half per Cents. from 700 to 4,000, and Prussian Fours from 600 to 3,000, while Bavarian Threes touched 1,300, and Hamburg Staats Rente 1,000. No other State loans quote as high as 1,000. Federal Loans yesterday were: War Loan, 99. Fours, 7,000; Three and a-Half per Cents., 5,500; Threes, 28,000; Colonial Fours, 35,000; Savings and Premium, 555. Municipal bonds mostly quote between 100 and 300.

Unemployment is slowly decreasing. The crops, which were in very good condition on June 1st, are threatened with serious damage, and will at best be weeks late, owing to the exceptional wet and cold. The export duties which were reduced during the spring stabilisation period are again to be increased. The attempt to adapt them to the ever-varying differences between native and foreign gold prices has been a complete failure.

CANADA.—CROP REPORTS — OFFICIAL ACREAGE FIGURES — THE BUDGET — CRITICISMS AND MINOR CHANGES—THE BANK ACT—IMMIGRATION RETURNS — BUSINESS AND FINANCIAL CONDITIONS.

(FROM OUR CORRESPONDENT.)

OTTAWA, June 17.

CROP reports, especially from the West, continue to be highly flavoured with optimism. The mid-June survey of the *Manitoba Free Press* is a very cheerful document, and the column devoted to remarks of the local observers teems with such phrases as "Crops never looked better," "Conditions ideal," "Best outlook since 1915," and "Exceptionally favourable." Under the heading moisture, the recurrence of the word "plenty" is almost monotonous. Out of 270 points which reported, only 11 expressed any desire for rain, and apparently the prairie regions have this year's abnormal reserves of moisture in the soil, which is a most hopeful augury. However, it is quite premature to guarantee any bumper crop for Western Canada in mid-June, because many vicissitudes have still to be faced.

The Dominion Bureau of Statistics estimates the area sown to wheat at 22,165,100 acres, as compared with 22,422,693 acres in 1922, and an annual average of 18,545,863 for the five-year period 1917-21; the decrease is only slightly more than 1 per cent., which is much smaller than was anticipated. The following are the comparative figures for the acreages of the other crops:—

	1922. Acres.	1923. Acres.
Oats	14,541,229	14,410,000
Barley	2,105,367	2,556,200
Rye	2,160,467	2,045,900
Peas	189,890	179,600
Mixed grains	779,800	778,900
Hay and clover	10,001,667	10,160,600
Potatoes	683,594	652,200

The Budget resolutions have not yet been completely disposed of, and in committee Mr Fielding has made several minor changes. The British preferential discount will be available for goods transhipped through a port in a British colony, like Hongkong, if they are consigned direct to Canada. A drawback of 60 per cent. will be given on artificial silk tops and yarns for use of manufacturers in Canada. Following upon this concession it is announced that Courtaulds, Limited, will establish at once a branch factory in the vicinity of Quebec for the manufacture of artificial silk goods. The woollen manufacturers and their political allies have made strenuous efforts to get their industry exempted from the effect of the new preferential discount on the ground that more British competition, which is now felt to be inevitable, will imperil its future, but Mr Fielding would not yield. Fresh protection has been given to the natural silk industry. There was a sharp debate over the reciprocity offer to the United States, which is embodied in the Budget. Mr Meighen contended that it was hypocritical, because the Government, under pressure from the coal interests of Nova Scotia, declined to avail itself, as it could at any time, of the standing offer of the U.S. for reciprocity in bituminous coal. Mr Fielding defended the tactics which had been adopted, argued that the offer had already produced excellent educative results in the U.S., and prophesied that sooner or later an election would be fought on this issue in Canada, and have a very different result from the contest of 1911. Protests against the new form of the sales tax, which will undoubtedly be a much heavier levy than the old plan, and be less capable of absorption by the manufacturer, have been raining in upon the Government, and further consideration of it has been suspended for the moment.

The Banking and Commerce Committee have now concluded their labours, and the Bill will be reported on the 18th. It will reach the floor of the House in virtually the same form as it was originally drafted by the Government. The Progressive members, who were consistently aided by the Father of the House, Mr W. F. Maclean, a Tory of Radical tendencies, have put up a long and strenuous fight for drastic reforms, but the combination of Liberals and Conservatives who were ranged against them, and were skilfully marshalled by experienced lobbyists, has

easily defeated their efforts. The changes made during the committee stage are comparatively unimportant, and although the Progressives have been threatening to organise in the House a systematic obstruction to the Bill, the enthusiasm necessary for such a blockade rarely survives the sultry heat of the Ottawa midsummer, and probably after the Progressives have once more unburdened themselves of their protests against the present financial system, honour will be held satisfied, and the Act will be passed. What the Progressives have as their chief aim is to secure from the Government, and if possible from the representatives of the banks, a definite pledge that the possibilities of a nationwide system of rural credits will be investigated and considered with an open mind. The more enlightened of the younger generation of bankers freely admit that there is a gap in our financial structure between the services performed by the banks for farmers and the work of the long-term mortgage companies, and express a willingness to co-operate in some scheme which would fill this gap. The banks are understood to be well satisfied with the new Bank Act, but they also realise that their critics are very numerous, and not confined to the farming classes. One interesting episode in connection with the later sittings of the Committee was the voting down of a proposal to hear the evidence of Mr D. C. Macarow and Sir Montagu Allan about the circumstances surrounding the failure of the Merchants' Bank. It is an open secret that Mr Macarow was anxious to testify, and some illuminating disclosures would have been inevitable, but Mr Fielding objected to what he said would be the equivalent of a re-trial of the case, and the proposal was voted down.

Immigration returns are markedly better, and in the five months ending May 31st 39,417 immigrants entered Canada, which is 41 per cent. above the total for the parallel period of 1922. The British arrivals have actually increased 100 per cent., although the American inflow has fallen off. But the numbers are still unsatisfying to the country, which would like to welcome 200,000 immigrants per annum as a minimum. Good crop prospects are always a factor in the business situation, and there is already evidence of a disposition on the part of country merchants to buy more freely. However, June is normally a month of diminishing trade; the spring retail business has subsided, and plans for the autumn have not matured. Trade reports from the majority of points report wholesale trade "fair to quiet," and retail trade, especially in summer clothing, affected by the wet weather. The financial world shows tendencies towards reaction. Money is cheap, and the stock markets last week reached their lowest ebb of trading for the year. At one of the closing sessions of the Banking Committee the Finance Minister broadly hinted that in the autumn there would be issued a domestic loan bearing 5 per cent. interest; considerable obligations have to be met, and apparently the Government have decided to appeal to the domestic market for at least part of the necessary funds. In the mining regions of Northern Ontario there is still enormous activity, and the Ontario Department of Mines has published returns showing the total value of metalliferous production in the province for the first quarter is \$9,241,853, as compared with \$7,227,322 in the corresponding period of 1922.

SWITZERLAND.—THE ALCOHOL MONOPOLY—FEDERAL SUBVENTIONS — THE GREAT COMMERCIAL BANKS — THE SWISS MARCONI COMPANY.

(FROM OUR CORRESPONDENT.)

GENEVA, June 20.

On June 3rd the Swiss people was invited to express its view as to the extension of Federal legislation respecting the control of alcoholic liquors. Since 1887 the Confederation has had the monopoly of the manufacture, importation, and sale of alcoholic beverages distilled from potatoes and cereals; partly the aim is to combat alcoholism by making spirits dearer and thus encouraging the consumption of less dangerous beverages, such as wine and beer; partly it is to provide new sources of revenue for the Confederation and the Cantons. From 1887 to 1913 the profit realised by the Federal Alcohol Monopoly averaged 6.2 million francs annually; during the war years it varied

between 5.7 and 7.6 million francs. In 1919 it reached 8.2 millions, and then fell abruptly to 1.1 million. The accounts for 1922 close with a deficit of three millions, due, indeed, partly to the great increase in the cost of administration, but mainly to the complete change since 1887 in the conditions of production. The monopoly has never been extended to the distillation of spirits from fruit, to avoid arousing strong agriculturist opposition. Besides, the private distillation has increased rapidly from year to year. Of the 3,612 communes of Switzerland, there are distilleries of fruit spirit in nearly 3,000, not counting the household stills. In some communes every peasant has his own. Moreover, along with this increase in distilleries, fruit plantations have greatly multiplied of late years, while the export of fruit, previously as much as 10,000 carloads annually, was cut off by the war. Hence the sales of beverage alcohol by the Monopoly Administration—in normal years 70,000 hectolitres—fell to 7,172 hectolitres in 1921. It is not surprising that the account for 1922 closed with a heavy deficit, or that the Federal Government took the occasion to introduce a Bill extending the Federal control of the manufacture and sale to all alcohol produced in Switzerland, the distillers being required to deliver their output to the Monopoly Administration. As a concession to the agriculturists, the Confederation undertook to ensure to Swiss producers that all material for distillation unsuitable for other purposes should be taken over at a fair price. The Bill also provided that part of the spirit distilled from fruit should be converted into industrial alcohol, but sold only at a loss, to be compensated by the profit realised on beverage alcohol. The future yield of the monopoly was estimated at 25 million francs annually, part of which was to be devoted to old age and invalidity insurance. Unfortunately, the Bill was rejected on a popular vote by a large majority [336,163 votes to 225,203, and 14 Cantons to nine.—Ed.]. The opposition did not come merely from the trade or from those who regarded the reform as the first step to complete prohibition, but was due largely to the resentment unquestionably now current against any extension of the functions of the State—a resentment misplaced in the case of a reform of importance for public health. The revenue thus shut off will have to be provided by some far less rational and justifiable method, unless the Swiss people, having seen the consequences of its vote, rallies to the support of a new Bill which the head of the Finance Department is understood to contemplate, which will have regard both to the struggle against drink and the fiscal needs of the Confederation and the Cantons. Meanwhile, the Federal Council has just lowered considerably the price of spirits, and interest is felt in the use to be made of this year's fruit crop, which promises to be especially good.

To be consistent, the Swiss people should recognise that the progress of centralisation, the extension of State functions, and the abnormal growth of public expenditure are largely due to the fact that it has itself forced the State into extravagance by constantly demanding subventions. The message of the Federal Council accompanying the Budget of 1923 says in so many words that the increase of the Budget comes largely from the extraordinary development of subsidies, which in 1922 reached 45 million francs, and are estimated to amount to 52.6 millions in 1923, while they were not over 12 millions in 1901. These figures are only those of the ordinary subsidies; at least as much must be added for the extraordinary subsidies granted since 1917 to meet the economic crisis—unemployment, cost of living, housing, fall in exchange, and so forth. A scheme of reduction already prepared by the Finance Department will probably be dealt with by the Chambers in the autumn.

Commercial banking has fared better in 1922 than has industry, and considerably better in the second half of the year than in the first. Various mortgage banks, on the other hand, considerably involved in countries with which the exchange is depreciated, have been compelled to propose arrangements with their creditors and bondholders. Taking the eight great commercial banks, the total of their balances is less by 215 million francs, while the fall from 1920 to 1921 was about twice as much. The fall of prices has had an important influence. In consequence of the smaller volume of business (113 millions in 1922 against 123 in 1921), the gross profit has fallen to 139.4

millions, corresponding to a fall of 7.7 million francs. These results arise more especially from the smaller amount of bills held, the reduction of the rate of discount, the lessened volume of exchange transactions, and the decline in interest and commission (6 per cent.). The extinction of obligations, though less than in 1921, amounts to 7½ per cent. of the gross profit; it has not been necessary this year to take special measures in this direction. On the other hand, taxes have been a heavy burden (6 per cent. of the gross profit). The total net profit of the eight great banks shows a slight decline, in spite of the reduction in general expenses, which did not produce its full effects till nearly the end of the financial year. It reached 41.46 million francs, of which 38.5 millions were distributed among the shareholders, the dividends varying from 5 to 8 per cent. The dividend of three banks out of the eight was 1 per cent. below that of the previous year.

The Marconi Radio station—a Swiss joint-stock company established at Berne, and directly connected with the Marconi Wireless Telegraph Company, Limited, of London—has just published its first annual report, covering the period from the opening (April 12) to December 31, 1922. The equipment has been largely furnished by the London company, and the instruction of the operators has been carried on in London. Direct communication has been established successively with London, Spain, Poland, Czechoslovakia, and Russia. The last-named service was organised provisionally during the Lausanne Conference, and continues to ensure regular communication with Moscow. In the first nine months of its existence the Swiss Marconi Company has sent 95,600 telegrams. Though the development of the traffic has not fully met the expectation of the management—the reason being the too frequent lack in other countries of stations provided with the most recent improvements—the accounts of the working close with a surplus of receipts over expenditure amounting to 55,512f 39c, which has been credited to the renewal fund.

POLAND.—THE NEW CABINET—EXCHANGES—FINANCES—BALANCE OF TRADE—SUGAR EXPORT—STINNES' ACTIVITIES.

(FROM OUR CORRESPONDENT.)

WARSAW, June 18.

The Coalition formed by the Peasant party "Piast" and by the National Democratic party has finally succeeded, after a struggle of nearly six months, in overthrowing General Sikorski's Cabinet. The new Government is headed by the leader of the "Piast," Mr Witos. The position of the new Cabinet has been much weakened by the secession of the left wing of the "Piast." Mr Dabiski, with 15 members, has joined the Radical Peasant party "Wyzwolenie," and is strongly attacking the Coalition now in power. The majority backing the new Cabinet is very small, and in consequence it will be difficult to pursue any decided policy. Mr Witos like his predecessors will be obliged to steer a middle course, so as not to provoke a strong opposition. The pact signed by the National Democratic party and the "Piast" is kept secret, and in his official *exposé* Mr Witos declared that he will continue to respect the leader of the "Piast" Cabinet. Only in one the policy of the former Government. Two million acres of land (400,000 morgen) are to be allotted among the peasants out of the property of the great land-owners. It is certain that the realisation of this plan will entail a break-up of the Coalition, which is dependent on the support of the gentry, who naturally are strongly opposed to such a radical agrarian reform.

The change of the Cabinet has been followed by a rapid decline of the mark. It would be wrong to make the new Government responsible for the collapse. The coincidence is simply fortuitous. In my last letter I drew attention to the fact that the stabilisation of the mark since the end of April was largely the result of the intervention of the Polish National Bank, which maintained reserves. In April the amount of foreign currencies (including foreign accounts) fell from 42.7 to 37.4 million gold marks. In May a further decrease of 11.8 millions

took place, so that the Polish National Bank was obliged to abandon its policy of artificial stabilisation.

Left to itself, the mark began to decline by leaps and bounds, as may be seen from the figures below:—

	End of May.	June 9.	June 16.
Paris.....	3,570 ..	4,625 ..	6,650 ..
Zurich.....	9,775 ..	12,950 ..	19,400 ..
London.....	249,750 ..	332,500 ..	475,000 ..
New York.....	53,500 ..	71,300 ..	105,000 ..
Berlin.....	0.86 ..	0.81 ..	0.93 ..

In a fortnight the Polish mark lost nearly 50 per cent. of its value. The downward tendency is much accentuated by the great demand for foreign bills necessary for the payment of imported raw materials. Industry is passing again through a period of great activity. The number of unemployed, which amounted to 114,000 at the beginning of April, fell to 96,000 at the end of May, and is now only 87,000.

The banks are not able to meet the increased demand of the industry, and at the market rate it is impossible to obtain foreign bills. It may be expected in consequence that in the near future the mark will continue to decline.

Beneath the surface, however, it is possible to discern a current of financial recovery which will probably entail a marked improvement in the second half of the year. The financial situation is becoming better every month. In 1919 the revenues of the State covered only 17 per cent. of the expenditure. In 1921 the percentage rose to 30 per cent., in 1922 to 56 per cent., in April of this year to 68 per cent., and in May to 78 per cent. If the Diet had voted in time, the property tax, the turnover tax, and the new ground tax, introduced three months ago by Mr Grabski, the revenues would already be covering the whole ordinary expenditure. These Bills have only now been passed, and it may be expected that in July or August the printing press will be brought to a standstill. The advances made to the Government by the Polish National Bank have been decreasing since March. They amounted in that month to 662 millions, in April to 409 millions, and in May to 205 millions.

The balance of trade is also becoming more favourable. In January of this year the imports were by 26 million gold francs greater in value than exports. In February the surplus of exports over imports amounted to 12 million gold francs, and in March to 46 millions. This improvement is largely the result of temporary causes. The occupation of the Ruhr made the export of great quantities of coal from Polish Silesia to Germany possible. In March, out of a total export of 1,655,000 tons of coal, 1,288,000 were exported to Germany. The changed conditions in the Reich, in the first instance the fall of the German mark, affected this export very unfavourably in April, when it decreased by more than 50 per cent.

It is estimated that during the present campaign sugar exports will reach 120,000 tons, and that out of this source the Polish National Bank, which is financing these transactions, will receive £3½ millions. The progress of sugar production is very rapid. In 1922-23 it amounted to 2,683,400 metric centals, as compared with 1,508,900 metric centals during the previous campaign. This is an increase of 77.8 per cent. Production will have to be doubled before the pre-war level is regained.

The Polish Press is much alarmed by the news that Stinnes has acquired control of some important undertakings in Polish Upper Silesia—the Kattowitzer Bergbau Aktiengesellschaft and the Bismarckhütte. The majority of shares of these two companies has been purchased by the German mining and electric trust, in which Stinnes plays a dominant rôle. By a transfer of these shares to the Alpine Montan Gesellschaft the Upper Silesian works have passed nominally into Austrian hands, though in reality Stinnes gains a large measure of control.

Reports are also current that Stinnes is making equal efforts to obtain control over the Lodz textile industry. The *Republika*, published in Lodz, announces that a representative of Stinnes has during a visit in Poland been in contact with the representatives of the great industry. It is intended to open in Lodz a great bank, with the assistance of foreign capital. This bank would try to acquire the most important undertakings of the district, which would be united into a great textile trust. It seems that the Polish Government intends to make use of the powers it possesses on the basis of the Treaty of

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CANADA INDIA U.S.A. SUMATRA
MANUFACTURERS DESIRING REPRESENTATION IN ANY OF THE ABOVE COUNTRIES ARE INVITED TO COMMUNICATE WITH THE COMPANY.

Versailles to prevent Polish industry from passing under the control of foreign capital, which is considered as hostile.

Letters to the Editor.

CREDIT CONTROL AND UNEMPLOYMENT.

TO THE EDITOR OF THE ECONOMIST.

SIR,—May I point out the great significance of the present economic situation in the United States, as outlined in your number of June 23rd, from the point of view of regulating industry by issuing credit in a direct ratio to the output of goods. Mr Swing mentions that when the inflation and boom threatened to proceed to dangerous lengths, "banks sent out warning messages which apparently were both needed and heeded. The wholesale price index finally dropped, and the Federal Reserve Board could announce that no increase of the discount rate would be required." Now it is objected against proposals for controlling prices by regulating issues of credit according to index numbers (for instance, by Mr Rowntree in his recent articles on unemployment in the *Times*) that as the bankers are competing for business it would be impossible to expect concerted action by them. But here we have them initiating the necessary action of their own volition in spite of the fact that bankers in the United States are numbered by the thousand.

Moreover, the matter need not be left to the discretion of the bankers at large. They can be compelled to conform almost automatically to the policy of the central bank by the simple expedient of limiting the output of legal tender to the amount necessary for the basis upon which to maintain the superstructure of credit which would keep the index numbers at the required level. It would then be impossible for the bankers to inflate, since they would not be allowed the legal tender upon which to base inflated credit. So long as index numbers showed a rising tendency, no further issues of legal tender need be allowed, and bankers would be compelled to trim their credits to the amount of their reserves. In this country we are peculiarly well placed to carry out such a policy, because we already have a central bank, a splendidly developed cheque system, a very limited number of banks, and an inconvertible paper currency in actual operation.

So long as the United States successfully pursues her present policy she need never have another serious slump. There can be no slump so long as money is issued on a scale sufficient to purchase, at the accepted level of prices, all the goods produced. But, as index numbers have been declining since last November, it is time that she lowered her bank rate and stopped the downward movement, otherwise she may bring on a quite unnecessary slump through declining values checking enterprise. What is wanted is stabilisation, not falling prices. Apart from that her only serious danger in the future will lie in the exhaustion of the amount of credit possible upon the basis of her available gold supplies, or the bringing on of a contraction of credit through the withdrawal of gold for abroad. An inconvertible paper currency would obviate these dangers.

We ourselves could permanently abolish our own unemployment problem within a few months by simply lowering the bank rate and pursuing a policy of inflation until such time as the million and a quarter at present unemployed are absorbed, and then stabilising prices at the higher level. The evils of a moderate amount of inflation would be as nothing compared with the advantages of abolishing unemployment, and obtaining the hundreds or even thousands of millions of additional wealth per annum which would automatically result. We have the remedy available for unemployment, and the greater part of our social evils whenever we like to put out our hands and take it.—Faithfully yours, CHARLES EDWARD PELL.

21 Westbourne avenue, Acton, W. 3, June 27th, 1923.

Books and Publications.

RECENT ECONOMIC LITERATURE—A MONTH'S SURVEY.

ECONOMIC facts rather than economic theory account for most of the books published in the last five weeks. They are descriptive, that is to say, rather than speculative. Where there is speculation it is political rather than academic.

Two of the outstanding volumes, both for their general and their particular interest, are *The Life of George Cadbury*, by Mr A. G. Gardiner (Cassell, 10s 6d), and that of Henry Ford, by himself (Heinemann, 12s 6d). It is certainly remarkable that one should be able to read, within the same month, the stories of two men of business, both highly successful in the worldly sense, but each conceiving himself to be directed by a quite unworldly purpose. As contributions to the study of "incentive"—a question quite fundamental both to the economist and the statesman, as well as of surpassing interest to the general student of business and politics—these two books are extremely significant. Both George Cadbury and Henry Ford made a great deal of money, but in neither case was the making of money the driving motive. In the mind of each one feels a sort of mystical, religious impulse as dominant. In George Cadbury, Quakerism was simple, obvious, direct. It was the strongest motive in his life—the determining characteristic. Henry Ford is a more ambiguous case. He talks a great deal about the idea of service, and undoubtedly believes in it. There is an idea behind the Ford car which is not simply commercial. At the same time, even in his own book, one feels the domineering egotism of the man: the mentality of the captain of industry in its clearest, most ruthless expression. He hardly needs to say that he has "no use for democracy," or a contempt for any notion of "human" relations between himself and his employees, or that the conception of joint responsibility fills him with angry derision. At the same time his discussion of the ethics, as well as of the economics, of high wages has the note of sincerity, though one cannot imagine him conducting family prayers for his workers, as did George Cadbury until Bourneville grew altogether too big for such a regular practice. Henry Ford remains an ambiguous figure; about George Cadbury there is nothing ambiguous at all. Of him one is tolerably certain that there is no "other side"; as Mr. Gardiner here shows him, so he was. Of Henry Ford, on the other hand, there certainly is another side, and one which, in the opinion of good judges, would make his election as U.S. President a disastrous adventure.

Perhaps the most interesting part of both these studies is that which deals with business; and there are, in particular, pages in Henry Ford's volume which may very usefully be considered in relation to such a book as *Business Cycles and Unemployment* (McGraw Hill Publishing Company, Limited, 20s), and especially to the introduction which Mr Herbert Hoover has written to the report and recommendations of the U.S. President's Conference on Unemployment. Mr Hoover is not an impressive or original writer: one has passed from the sharp outlines of an etching to the blurred effect of wool-work in turning to him from Henry Ford. His general attack is more like that of Professor Otfried Nippold, whose *Development of International Law After the World War* (Clarendon Press, 7s 6d) is a plea for a League of Nations, written before the end of the war—indeed, in 1917—by a German professor who had escaped to the asylum of Switzerland. Even in the excellent translation, one feels all the typical disadvantages of the German mind and style. A modern view of the League, excellent in its clearness and frankness in facing the difficulties, while thoroughly optimistic in general tone, is given by Mr Roth Williams in his *League of Nations To-day* (Allen and Unwin, 6s). A vigorous attack on the Board of Trade, and, indeed, on the Cabinet, for allowing Germany to continue to get supplies through neutrals, and permitting British firms to profit by this export, is the

substance of *The Triumph of Unarmed Forces*, by Rear-Admiral Consett (Williams and Norgate, 15s). The gallant Admiral brings together a large number of facts, some of them of considerable interest.

The economic bearing of none of these books is direct; nor is that of Mr Sidney Osborne's *The Saar Question* (Allen and Unwin, 12s 6d); Dott. Pietro Gorgolini's very friendly account of the Fascist Movement in Italian Life (with a preface by Mussolini) (Fisher Unwin, 10s 6d); nor of M. Brunet's careful analysis and exposition of *The German Constitution* (Fisher Unwin, 10s 6d). Each of them, however, in its different ways, helps to fill in the background which the economic student must not forget. He is, however, likely to be more specifically interested in a group of volumes dealing with various aspects of the great currency question. At their head may properly be placed the edition of Ricardo's *Economic Essays* (Bell, 6s), for which Sir E. C. K. Gonner prepared the notes, and wrote an introductory essay. There is much in the essay on the high price of bullion that, though accepted and familiar, is frequently forgotten. Next come Professor Irving Fisher's *Theories Regarding the Value of Money* (New York: Academy of Political Science); and Mr R. A. Lehfeldt's *Restoration of the World's Currencies* (P. S. King, 6s), a more or less popular exposition. An American volume which in some ways is particularly well done—and has, incidentally, excellent diagrams—is *Money*, by W. T. Foster and W. Catchings (Houghton Mifflin, \$3.50). It is intended as an introduction, and is both clear and concise. *The Nationalisation of Credit*, by Frank Lock (Sydney: obtainable from Simpson, Marshall, Hamilton, Kent, and Co., London, 7s 6d) has a subtitle, "A Cure for Industrial Unrest," which shows its point of view accurately enough to save some readers further trouble.

Mr Batten's *Fair Wage* (Pitman, 2s 6d) is a very careful and honest enquiry by a man who knows what he is talking about. There is more hard thought in it than in many stouter volumes. But Mr Batten will probably disappoint both sides in the great industrial argument. In *The Law of Property Act* (Sweet and Maxwell, 7s 6d) Mr E. J. Harvey sets out the effects of the revolutionary legislation in relation to real property, for which Lord Birkenhead was mainly responsible. *Secretarial Practice* (Heffer, 9s) is a revised and enlarged edition of the Manual of the Chartered Institute of Secretaries. The *Directory of Directors*, 1923 (Skinner, 23s); the *Directory of Shipowners, Shipbuilders, and Marine Engineers*, 1923 (33 Tothill street, 20s); and *Merchants, Manufacturers, and Shippers of the World* (Kelly, 2 vols., 64s) explain themselves.

The *Economic Journal* for June contains, among other valuable articles, one by Professor Verrijn Stuart on "Metallic and Non-metallic Standards of Money," in which the view is definitely advanced that "the development of currency systems tends definitely towards a non-metallic standard"; and one by Professor Pigou on prices and wages between 1906 and the outbreak of war, the enquiry being mainly in relation to the question of the effect on wages of gold movements.

BOOKS RECEIVED.

Questions on the Principles of Economics. By Edmund Ezra Day and Joseph Stancliffe Davis. Revised edition. (New York) The Macmillan Company. 6s net.

History of Trade Unionism in the United States. By Selig Perlman. (New York) The Macmillan Company. 9s net.

The above-mentioned two books can be obtained in London from Messrs Macmillan and Co., Limited, at the prices appended.

Mineral Valuation. By Henry Louis. (London) Charles Griffin and Co., Limited. 15s net.

A Study in National Finance. By T. J. Kiernan, M.A. (Dublin) The Talbot Press, Limited. 2s 6d net.

Risk and Risk-Bearing. By Charles O. Hardy. (Chicago) The University of Chicago Press. \$3.50.

Prices and Price Indexes. 1918-1922. (Ottawa) Dominion Bureau of Statistics.

Cycles of Unemployment in the United States. 1903-1922. By William A. Berridge. (Boston) Houghton Mifflin Company. \$1.25.

Annuaire Financier France-Extreme-Orient. 1922-1923. (Paris) Ernest Martin and Co., 16 Rue Drouot.

Official Year-Book of the Union of South Africa, 1910-1921. (Pretoria) Union Office of Census and Statistics.

Economic Notes. June, 1923. (London) National Association of Merchants and Manufacturers.

Dollar Investment Securities. (London) National City Company, 34 Bishopsgate, E.C. 2.

This handbook on American securities contains particulars of Foreign Government, municipal, and corporation issues made in the United States, free of American income-tax to those not citizens of or resident in the United States.

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STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET. ACCOUNT.
July 11. July 12.

The Stock Exchange settlement that finished on Thursday proved none too happy from the point of view of the bulls. Rumours of difficulties in the City and in the provinces contributed to the uneasiness generated by foreign politics and domestic capital requirements. Business has been slack, but the exhibition of a bear account, as disclosed by the carry-over on Tuesday, caused a rally in some of the markets where stock had been over-sold. New issues continue to be taken readily enough. The three million pounds 6 per cent. debenture offered at 94 by the Tokyo Electric Company was over-subscribed within an hour after the lists had been opened. There is some talk of an impending big issue from the British Government.

Conversion stock is the outstanding feature of strength in the Consol market. The price touched 80, but sharply rebounded on purchases of large lines of stock said to be on behalf of holders of the 5 per cent. War Loan, who were exchanging their security. The War Loan itself, however, gave no indication of being realised in blocks, because the price kept steady throughout the week. Victory bonds are quoted ex the drawing which took place last Monday. A good deal of quiet speculation goes on in India scrip, and the price, after its rise to 3 premium and descent to $\frac{1}{2}$ premium, is now about $\frac{1}{2}$ premium. Some of the gilt-edged stocks in the Home Railway market, together with those of high-class investment securities in other parts of the Stock Exchange, have yielded a little, the inference being that people have had to sell these in order to meet calls on new issues, and to satisfy the demands of the Inland Revenue for the second instalment of income-tax due next week.

Germans and Prussians have been put up, and French bonds, after very jerky movements, recovered from a fairly sharp fall that occurred earlier in the week. The new Austrian scrip, which had been up to 7 premium, fell back to $3\frac{1}{2}$ premium. The Dutch East Indies new scrip, the issue of which was heavily staggered, dropped to $1\frac{1}{2}$ discount, but soon recovered to nearly par. Other foreign Government bonds reflect the dullish conditions prevailing in the House, Brazilian, Chinese, and similar loans being easier for choice on the week.

On Great Western ordinary, the contango began at 5s per cent., but ran off to a backwardation of half-a-crown. On other stocks in the Home Railway market, the contango rates showed that not only had the bull account been reduced, but bears have been taking liberties with the stocks; consequently

there was a prompt recovery throughout the list. No improvement has occurred in Grand Trunks; indeed, the 4 per cent. debenture stock is lower. Mexican railways remain weak. Argentine rails further sagged at the opening of the week, to enjoy a swift recovery on a little buying based on dividend hopes. Brazilian railway stocks have begun to revive from previous weakness.

The rubber market is heavy, owing to another fall in the price of the raw material. The oil market shows further contraction in prices, due to the Mexican Eagle report, which announced the passing of the dividend on the ordinary shares. This caused a drop to 19s in Mexican Eagles, and Shells gave way in sympathy, because of the large holding which the company is known to possess in the Mexican Eagle. Anglo-Persians, Burmahs, Lobitos and other good oil shares have been lowered as tired holders got out of their stock. United British of Trinidad proved an exception to the general flatness, strength developing on the bringing in of a new well.

Courtaulds bent to 64s 6d before a bear squeeze served to rally the price. Tobacco shares also gave way, though later their persistent supporters in Bristol, coming in with substantial buying orders, put up the prices again. The shipping market is quiet, Cunards falling to a trifle under par, though Indo-Chinas are better, on buying said to come from the East. The banking and insurance markets are heavy, by reason of sales made to provide money for people who wanted to make use of it in other directions. National Bank of South Africa shares are acutely flat. Trust companies' stocks are again strong, rises of 1 to 5 points occurring in the leading ordinary stocks. The tea market shows irregularity, with Assams a strong feature; some of the lower-priced shares are a trifle easier. A drop in Marconis was followed by improvement on Signor Marconi's statement that important new developments are likely to ensue in connection with wireless. The cable group is lower to a slight extent. In the stores and catering group, Lyons and Barkers have both been dull in advance of the new preference issues to be made by the companies. Breweries are practically unchanged, with hotel shares inclined to be a trifle better. The general tendency of the industrial market synchronises with that prevailing in other parts of the House.

No improvement either in business or prices has occurred in the Kafir market, although a spurt in Chartered came as a pleasant relief to the dullness of the Rhodesian market. Gossip promptly associated the advance with the possibility of the British South African Company arriving at an early settlement with the Government. With tin, the metal, falling persistently, the shares in various companies connected with tin mining have naturally been weak. The copper group holds its prices fairly well. Diamonds were disposed to go lower; in other mining shares, Russian, Mexican, Indian, and Columbian, there has been so little going on that movements were confined to the smallest proportions where they occurred at all.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded	£	£	£	£
	176,481,661	..	..	..

ISSUES OF THE WEEK—

NATIONAL SAVINGS CERTIFICATES.

NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED JUNE 23, 1923.

April 1, 1923, to June 23, 1923, £2,850,000 .. 300,000 .. 300,000

To the Public—				
Amalgamated Anthracite Collieries, 1,600,000 Shares, £1, at 21s per share (June 25) ..	1,600,000	1,680,000	80,000	1,600,000
Tokyo Electric Light Co., £3,000,000 6% Str. Bonds, at 94 (June 27) ..	3,000,000	2,820,000	300,000	2,520,000
Total offered to public ..	..	4,500,000	380,000	4,120,000

To Shareholders only—				
Lower Perak Rubber, 200,000 Shares, 2s, at par ..	20,000	..	5,000	15,000

Total offered for subscription to date	Total offered for subscription for whole year—
1923 .. £181,301,661	1922 .. £573,675,650
1922 .. 448,774,277	1921 .. 388,978,203
1921 .. 128,574,476	1920 .. 367,549,656
1920 .. 233,106,282	1919 .. 1,036,069,951
1919 .. 391,970,294	1918 .. 1,393,381,441
1918 .. 715,566,803	1917 .. 1,318,596,010
1917 .. 1,050,646,467	1916 .. 585,436,853
1916 .. 296,146,820	

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

Tokyo Electric Light Company, Limited.—Incorporated under the laws of Japan. Taking the yen at 2s, the paid-up share capital is £19,377,000, while the issued capital amounts to £25,800,000. The loan capital at present is £925,000. This is an offer for sale of £3,000,000 6 per cent. sterling bonds at 94, being part of an authorised issue of £6,000,000. The company was established in 1886, and has paid a dividend in every year of its existence. The area served is 9,375 square miles, including the cities of Greater Tokyo and Yokohama. Profits for the year ended November, 1922, are stated as £2,293,949, while surplus assets are given as £23,283,398, including the proceeds of the present issue. Principal and interest will be payable in London in sterling, free from all Japanese taxes, and the company has undertaken to apply £75,000 per annum, commencing with the year ending December 15, 1929, in the redemption of the bonds, any bonds not previously redeemed to be repaid on June 15, 1948, at par. The company may, however, after December 15, 1936, redeem all or any part of the outstanding bonds at par on giving six months' notice. This appears to be a well-secured issue in the foreign industrial class.

The Skoda Works.—Incorporated under the laws of the State of Czechoslovakia. Share capital 194 millions Czech crowns, equivalent, at current rate of exchange, to £4,240,329. Debentures for £2,000,000 have been authorised, and £1,000,000 8 per cent. first mortgage sterling debentures are now to be offered at 92. The issue is redeemable at par over 25 years, and interest will be paid free of Czechoslovakian taxation. The security offered is (a) a first charge on property and plant, and (b) a first charge upon £1,200,000 Roumanian Government 4 per cent. sterling consolidation bonds of 1922. Excess of assets over liabilities, possessed by the company, is given as £9,034,034, while a fairly good record of profits is given. The measure of risk entailed is denoted by the high yield obtainable, but subject to political considerations, the debentures are not without attraction.

Staffordshire Potteries Waterworks Company.—Offer for sale by tender of £150,000 5 per cent. perpetual preference stock, the minimum price of issue being £92 10s. per £100 stock. Capital already issued amounts to £571,434. A revenue surplus for the year ended March 25, 1923, is shown of £43,746, as available for preference dividend. Thus a comfortable margin for dividend payments is assured.

The Borhat Tea Company, Limited.—Capital authorised and subscribed £180,000, in shares of £1 each. To comply with Stock Exchange regulations, particulars are advertised in the Press of the Borhat Tea Company, an undertaking originally formed in 1903, and reconstructed in 1920. The estates are in Assam, and comprise an area of about 6,000 acres, of which 1,621 acres are planted, 1,546 acres being mature. A first dividend of 4 per cent. was paid for 1921, and there has been an interim distribution of 2 per cent. on behalf of 1922. The information is insufficient to form a close idea as to the value of the shares.

The Western Electric Distributing Corporation, Limited.—Authorised share capital £100,000, divided into 50,000 6 per cent. cumulative preference and 50,000 ordinary shares, all of £1 each. Of these shares, 12,245 preference and 31,538 ordinary have been issued fully paid, while 35,755 preference are 10s paid and 18,462 ordinary shares 2s 6d paid. The Western Electric Distributing Corporation, Limited, was incorporated in November, 1903, to carry on the business of an electric lighting and power company in Chippenham, Cirencester, Melksham, Stroud, Trowbridge, and other places. Surplus assets are valued at £47,751, while proceeds from sales of shares provide an additional £52,614. Fairly good dividends have been paid on the ordinary shares since 1914, and, as far as can be judged from the advertised notice (which is published to comply with Stock Exchange regulations), the company appears to be in reasonably prosperous state.

The Anglo-American and Brazilian Mines Trust, Limited.—Authorised capital £60,000, of which £40,100 has been issued. There are 24,100 "A" ordinary shares of £1 each with 10s paid, 6,000 "A" ordinary shares, fully paid, and 200,000 "B" ordinary shares, fully paid. These particulars are advertised in the Press to comply with Stock Exchange regulations. How profits are to be divided, and the arrangement of voting powers, are set out in detail, which investors should carefully read. The objects of the company are denoted by its title, and it is obviously a speculative proposition.

The Fairbanks Gold Dredging Company, Limited.—Authorised share capital £150,000, in shares of £1 each, of which 138,187 have been issued. The object of the company can be gathered from title. Details are given in the public Press to comply with the Stock Exchange authorities in connection with a quotation for its shares.

ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Price	Week	Latest	Price	Week	Latest	Rise or
							Fall.
War 3½% 1925-28	98½	98½	98½	98½	98½	98½	—
Loans 5% 1925-45	98½	98½	98½	98½	98½	98½	—
4% 1929-47	101½	101½	101½	101½	101½	101½	—
4% 1929-42	100½	100½	100½	100½	100½	100½	—
Funding Loan 4% 1924	92½	92½	92½	92½	92½	92½	—
Victory Bonds 4% 1924	94	94	94	94	94	94	—
Conversion Loan 3½% 1924	89½	89½	89½	89½	89½	89½	—
Consols 2½% 1924	58½	58½	58½	58½	58½	58½	—
Irish Land Stock 2½% 1924	61	61	61	61	61	61	—
Local Loans 3% 1924	67½	67½	67½	67½	67½	67½	—

Banks.

	Price	Week	Latest	Price	Week	Latest	Rise or
							Fall.
Barclays B (£1, f.p.d.)	2½	2½	2½	2½	2½	2½	—
Chartered Bk of India	19½	19½	19½	19½	19½	19½	—
Lloyds (£5 with £1 paid)	3½	3½	3½	3½	3½	3½	—
London Joint City & Midland (£12 with £2 paid)	8½	8½	8½	8½	8½	8½	—
Nat. Bank of Egypt (£10)	22½	22½	22½	22½	22½	22½	—
Nat. Bank of S. Africa (£10)	7½	7½	7½	7½	7½	7½	—
Nat. Prov. & Union of England (£20, with £4 paid)	11½	11½	11½	11½	11½	11½	—
Standard of S. Africa (£20, with £5 paid)	11½	11½	11½	11½	11½	11½	—
Westminster Bank (£20, with £5 paid)	18½	18½	18½	18½	18½	18½	—

Colonial and Foreign Railways.

	Price	Week	Latest	Price	Week	Latest	Rise or
							Fall.
Antofagasta Cons.	88½	88½	88½	88½	88½	88½	—
B.A. and Pacific	81½	81½	81½	81½	81½	81½	—
B.A. Gt. Southern	85½	85½	85½	85½	85½	85½	—
Buenos Ayres West.	81½	81½	81½	81½	81½	81½	—
Canadian Pacific	164	164	164	164	164	164	—
Central Argentine	72½	72½	72½	72½	72½	72½	—
Leopoldina	28½	28½	28½	28½	28½	28½	—
Mexican Railway	12	12	12	12	12	12	—
Do 1st Pref.	36	36	36	36	36	36	—
Do 2nd Pref.	23	23	23	23	23	23	—
San Paulo	140	140	140	140	140	140	—
United Havana	73½	73½	73½	73½	73½	73½	—

Foreign Government Securities.

	Price	Week	Latest	Price	Week	Latest	Rise or
							Fall.
Argentine 5% 1886-7	101	101	101	101	101	101	—
Belgian 3% 1905	68	68	68	68	68	68	—
Brazil 5% Fund. 1914	74	74	74	74	74	74	—
Chilian 4% 1895	86	86	86	86	86	86	—
Chinese 5% 1912	107½	107½	107½	107½	107½	107½	—
Egyptian 4% 1907	72	72	72	72	72	72	—
French 5% 1905	28½	28½	28½	28½	28½	28½	—
Do 4% 1905	22½	22½	22½	22½	22½	22½	—
Greek 4% 1884	47½	47½	47½	47½	47½	47½	—
Japanese 4% 1910	102	102	102	102	102	102	—
Do 4% 1910	74	74	74	74	74	74	—
Mexican Cons. 1899	59	59	59	59	59	59	—
Peruvian Corp. Prof.	29	29	29	29	29	29	—
P.L.M. 6% 1905	89½	89½	89½	89½	89½	89½	—
Portuguese (New) 3½% 1905	31½	31½	31½	31½	31½	31½	—
Russian 5% 1906	8	8	8	8	8	8	—
Spanish 4% 1905	71½	71½	71½	71½	71½	71½	—
Serbia (Dept.) 7% 1905	100½	100½	100½	100½	100½	100½	—
Siam 7% 1905	108	108	108	108	108	108	—

Telegraphs.

	Price	Week	Latest	Price	Week	Latest	Rise or
							Fall.
Anglo-American "A"	23½	23½	23½	23½	23½	23½	—
Marconi Wireless	2½	2½	2½	2½	2½	2½	—
Marconi Canada	12	12	12	12	12	12	—
Marconi Marine	12	12	12	12	12	12	—

British Railways.

	Price	Week	Latest	Price	Week	Latest	Rise or
							Fall.
Great Western, Ord.	112½	112½	112½	112½	112½	112½	—
Do Def.	86	86	86	86	86	86	—
London & North-Eastern 5% Pref. Ord.	87½	87½	87½	87½	87½	87½	—
Do Def. Ord.	32½	32½	32½	32½	32½	32½	—
London, Mid., and Scottish, Ord.	109½	109½	109½	109½	109½	109½	—
Metropolitan	70½	70½	70½	70½	70½	70½	—
Metropolitan District	53	53	53	53	53	53	—
Southern, Ord. "A"	37½	37½	37½	37½	37½	37½	—
Do Ord. "B"	12	12	12	12	12	12	—
Do Pref. Ord.	87	87	87	87	87	87	—
Do Def. Ord.	37½	37½	37½	37½	37½	37½	—
Underground Electric	2½	2½	2½	2½	2½	2½	—
Do "A" (1/1)	2½	2½	2½	2½	2½	2½	—
Do Inc. Bds. (£100)	96	96	96	96	96	96	—

American Railroads.

	Price	Week	Latest	Price	Week	Latest	Rise or
							Fall.
Chesapeake & Ohio	67	67	67	67	67	67	—
Erie	12	12	12	12	12	12	—
Do 4% 1st Pref.	20	20	20	20	20	20	—
Southern	38	38	38	38	38	38	—
Do Non-cum Pref.	71	71	71	71	71	71	—

Miscellaneous.

	Price	Week	Latest	Price	Week	Latest	Rise or
							Fall.
Aerated Bread (£1)	13	13	13	13	13	13	—
Amal. Cottons (£1)	3½	3½	3½	3½	3½	3½	—
Anglo Persian Oil (£1)	3½	3½	3½	3½	3½	3½	—
Armstrong (Sir W.G.) and Co. (£1)	48	48	48	48	48	48	—
Ass. Fined Cement (£1)	1½	1½	1½	1½	1½	1½	—
Barker, John (£1)	2½	2½	2½	2½	2½	2½	—
B'ham Small Arms (£1)	7½	7½	7½	7½	7½	7½	—
Brazil Traction (£100)	51½	51½	51½	51½	51½	51½	—
British-American Tobacco (£1)	4½	4½	4½	4½	4½	4½	—
Burnham Oil (£1)	5	5	5	5	5	5	—
Coats (J. and F.) (£1)	38	38	38	38	38	38	—
Courtaulds (£1)	38	38	38	38	38	38	—
Cunard (£1)	38	38	38	38	38	38	—
Dorman, Long (£1)	18	18	18	18	18	18	—
Dunlop Rubber (£1)	18	18	18	18	18	18	—
Fine Cotton Spinners (£1)	28	28	28	28	28	28	—
Forestral Land (£1)	13½	13½	13½	13½	13½	13½	—
Furness, Withy (£1)	13½	13½	13½	13½	13½	13½	—
Highlands and Lowlands Rubber (£1)	18	18	18	18	18	18	—
Hudson's Bay (£1)	51½	51½	51½	51½	51½	51½	—
Imported Tobacco (£1)	3½	3½	3½	3½	3½	3½	—
Linggi Plantations (£1)	12	12	12	12	12	12	—
Lipson (£1)	1½	1½	1½	1½	1½	1½	—
Lever Bros. (£1)	1½	1½	1½	1½	1½	1½	—
Do 8% Cm A Pref (£1)	1½	1½	1½	1½	1½	1½	—
Do 20% Cm P Ord (£1)	1½	1½	1½	1½	1½	1½	—
Lister (£1)	18	18	18	18	18	18	—
Lobnitz Oilfields (£1)	6½	6½	6½	6½	6½	6½	—
Lyons (J.) & Co. (£1)	4½	4½	4½	4½	4½	4½	—
Messadi Soda (£1 Ord.)	4½	4½	4½	4½	4½	4½	—
Mexican Eagle (£10)	1½	1½	1½	1½	1½	1½	—
Pekin (2)	18	18	18	18	18	18	—
Rubber Plantations Investment (£1)	1½	1½	1½	1½	1½	1½	—
Shell Transport (£1)	3½	3½	3½	3½	3½	3½	—
Smithfield & Argentine Meat (£1)	18	18	18	18	18	18	—
United Dairies (£1)	18	18	18	18	18	18	—
United Serdang (2)	18	18	18	18	18	18	—
United Tobacco (£1)	2½	2½	2½	2½	2½	2½	—
Vallambrosa (2)	18	18	18	18	18	18	—
Vickers (£1)	18	18	18	18	18	18	—
Watney Def. Stk.	175½	175½	175½	175½	175½	175½	—

Mines.

Brakpan (£1)	3	3	3	Knights	4	4	4
Broken Hill Prop. (8)	12	12	12	Modderfontein (10)	4	4	4
Chartered (£1)	8	8	8	Modderfont.	1 1/2	1 1/2	1 1/2
Cons. Gold Fields (£1)	2 1/2	2 1/2	2 1/2	Modderfont. Deep (5)	2 1/2	2 1/2	2 1/2
Crown Mines (10)	2 1/2	2 1/2	2 1/2	Premier Def. (2 1/2)	6 1/2	6 1/2	6 1/2
De Beers Def. (£2 1/2)	14	14	14	Rand Mines (5)	2 1/2	2 1/2	2 1/2
East Rand Prop. (£1)	13	13	13	Sekouwe	3 1/2	3 1/2	3 1/2
Geduld (£1)	3 1/2	3 1/2	3 1/2	Rio Tinto (£5)	36	36	36
Gov. Gold Areas (£1)	5 1/2	5 1/2	5 1/2	Spring Mines (£1)	2 1/2	2 1/2	2 1/2

will bring together some aspects of these observations in the conviction that various reforms in our institutions are necessary, and for these, as such, we claim the co-operation of Congress. In the Estimates Bill, which awaits your sanction, some of these suggested reforms are dealt with. These will be completed by means of complementary legislation, which will engage your attention as and when it may be required for better serving its purpose, and they will be supported by the Executive Power when it is so demanded.

PUBLIC SERVICES.

I might say at once that I think it necessary in the organisation of the public services that a discipline based on ability is a matter of necessity, and, if possible, offices of all categories should be filled so that competency and devotion may become the only forces bringing recognition in what should be a real administrative career. My Government has endeavoured to spread these ideas, and will devote itself to settle these matters by public opinion.

I place particular importance on this matter, as I believe that, however much laws and regulations may tend to ensure the smoothest working for our institutions, the personal factor which functions in such legal provisions is a decisive factor as to their practical efficiency. Such were my ideas when I had the honour to share the duties of my present hearers, and I still hold them. I believe that the work of those men responsible for the affairs of State will be ineffectual if they do not, in their administrative departments, count upon that necessary and adequate collaboration for the purpose of carrying on those daily and constant relations between the Government and public and private interests.

Upon this basis of real democracy at home, and of peace and frankness with regard to international relations, and of progressive improvements in our administrative life, I trust that my Government will succeed in resolving those fundamental and urgent questions which affect the progress of the country.

I am of the opinion that the nature and object of the Annual Message of the Executive Power does not require that such a document should make an unmeasured claim to being a general Government programme. It is more suitable that it should be a review of the principal matters of the period to which it refers, and which the records of the State Departments will in due course confirm, and of the ideas of the Executive Power relating to questions which will probably subsequently occupy the attention of the public powers. In conformity with these ideas, and bearing in mind that there are under the consideration of Congress matters connected with the economic situation of the country, I am pleased to bring to my recollection the fact that the Executive Power has shown in various ways its pre-occupation in this direction.

IMPROVEMENT OF CATTLE INDUSTRY.

Government and Congress have given very special consideration to the condition of the cattle industry, which has at all times attracted the best attention and the capital of the Argentine people. The recent and still existing crisis has given an opportunity for judging this industry better than in the times of prosperity. The attention which the Government and Congress have given to this matter has contributed to the adoption of measures which tend to procure better conditions for the great interests at stake, and to formulate better legislation ensuring better and more productive working. I think that we shall reach a point which will at least to a great extent prevent the almost periodical repetition of these crises.

The conditions pertaining to our geographical and economical situation make cattle and agriculture the principal sources of our public and private wealth. But we must admit that, notwithstanding the progress which we have made, there is still much that is wanting in the matter of improving our methods of labour, our transport, and the utilisation of the products of these industries.

ECONOMIC POLICY.

The present position of the national economy, and its connection with world economy, requires that our country should clearly define an economic policy, so that we may not fall behind in the development of our industries and in that industrial improvement in

which progressive countries are interested. After defining this policy, we must apply ourselves with energy and consistency to the carrying out of these developments which may proceed from such policy.

The international conditions which tend to modify our economic policy are only partially unfavourable to us. They can benefit the country by rendering it less difficult for us to commence a new stage in the development of our resources and of our industries, which will be of great and incalculable value to the nation. It is necessary to make constant efforts in order to ensure a more diversified and increased production, both in respect of labour and in the matter of more independent commercial life, so that progress is made and we may become dependent upon ourselves.

It must be understood that this economic policy of development and expansion cannot exclude commercial and financial relations with other nations, nor even decrease our active trade with foreign countries. It must tend solely to the increase and improvement of our own production.

I think that the efficacy of a national economic policy, in the fullest sense of the term, will lie in the degree of co-operation existing between the administrative power, on the one hand, and producers—that is, the workers, capitalists and technical experts—on the other.

DIVERSIFIED PRODUCTION NECESSARY.

There is no doubt that excessive production in some lines at the expense of many of the other various sources of wealth, presents a grave handicap to the country's trade. It is necessary for production to be more diversified and that assistance should be given to those who endeavour to provide the country with products which have not yet procured an extensive market, but which are as valuable as those which constitute the bulk of our present production. We shall thus avoid the present lack of economic equilibrium between the various political divisions of the country, and the different zones of production, which lack of equilibrium entails an economic injustice needing adjustment, and constitutes a political and social problem which calls for solution.

Our manufacturing industries, and the arts in general, are beginning to develop in a very satisfactory manner, and they must be stimulated so as to give as efficient results as possible. My Government considers the development of industries the best medium for the advancement and cultivated progress of the country.

The executive power holds that it must specially protect those of our industries employing raw material produced in the country. It is necessary to prevent competition from abroad destroying these industries, thereby cutting off valuable outlets for labour and bringing down the level of the life of our workmen. Invested capital must be encouraged, work must be protected and individual ability likewise encouraged. But all this will certainly not prevent the encouragement of industries which, although employing foreign raw material, may be of benefit to the country.

QUESTION OF POPULATION.

The problem of the development of industries involves, in addition to its economic aspects proper, the question of population. With a weak and small population it is difficult to solve this problem. Hence the necessity of improving the physical surroundings of our people by better sanitary conditions and by encouraging suitable conditions for small holding cultivation. This is quite apart from the factor of emigration. This latter opens up a series of questions, grounded upon the necessity of selecting such emigrants as shall become useful and remain in the country. It will be necessary to carry through legislation to ensure the indispensable factors for the object that we have in view, such as skilled advice, easier means of transport, social safety, credit organisation, &c.

MEANS OF CREATING WORK.

We can create work by three means—namely, by colonising, by increasing the volume of production, and by developing the industrial application of national wealth in the form of raw material.

The work is complex, but in many of its aspects it is being realised. The Government believes that it must foster this new economic policy and take upon itself without hesitation that part of the task which it may be possible for it to directly carry out.

My Government believes that any scheme of official colonisation must comprise the following characteristics—namely, it must embrace all parts of the country, in order that, in the new colonies, we may produce all the products which our immense territory allows, thereby helping to avoid the present excessive uniformity of production, and that each colony should be sufficiently strong to form a kind of co-operative society. The colonies would thus command the confidence of the credit institutions and the support of other necessary institutions. Further, the holding of land should not be of only one form, but rather be leasehold or freehold, facilities being afforded for purchase by means of mortgage loans.

PRIVATE INITIATIVE IN COLONISATION.

The development of private initiative for colonisation purposes will be a matter for the Government's earnest consideration. We must not exclude joint action on the part of the State and of private individuals, more particularly when the latter may desire to give up their lands, so that, with the State's co-operation, these may be set apart for colonisation under a satisfactory regime as regards economic, judicial and social matters.

As we make progress with the complex work outlined, and which will be assisted by the financial methods, to which I am referring later, we hope to create a sense of general welfare indispensable and proper to an intellectual and intelligent life, thereby multiplying the factors of a higher civilisation, together with individual and collective expressions of a more advanced culture.

FOREIGN AFFAIRS.

I have already stated that the condition of the international relations of the Republic with all the civilised countries of the world is one of perfect cordiality. This tendency is so conclusive as to allow us the assurance that our happy tradition of fraternity will not change. We shall contribute to this with the sincere and earnest desire, which I entertain, for maintaining for our country the high consideration which it has obtained, and to which it is entitled by its moral and material importance.

I particularly desire to place on record that this spirit of reciprocity of a friendly nature characterises very specially the relations with our sister republics of America. The Embassies extraordinarily appointed especially to Buenos Aires upon the transfer of Government corroborate this condition of frank cordiality and high esteem. We, on our part, have reciprocated in due and proper form, and in some cases, such as for the celebration in memory of Artigas and the change of Government in the sister Republic, we associated ourselves by sending special embassies.

The appointments of the persons who have to discharge the offices of permanent ambassadors in Brazil and in Chili, which have been made in accordance with the initiative of the previous Government and the proposal for the appointment of ambassadors to Mexico and from Mexico to this Republic, are facts which serve to show the satisfactory condition of American fraternity.

FIFTH PAN-AMERICAN CONFERENCE.

In accordance with this unchanging sentiment of continental concord, the Republic has contributed to the labours of the Fifth Pan-American Conference, which met at Santiago de Chile, whose decisions I am sure have helped to strengthen the principles of justice and solidarity which guide our democracies. The Argentine Delegation has contributed to this by interpreting the directions of this Government in consonance with the honourable traditions of our international relations.

The Executive Power will forward you in the course of the ordinary sittings, to take place during this term, information which will enable you to appreciate and deliberate upon the situation of the Republic in connection with the League of Nations, to which it has adhered in principle with the democratic spirit and ideas that inspire Argentine foreign policy. The Republic has taken part in the international conferences held at

Washington, Paris and Geneva, where it was demonstrated that the principal resolutions adopted already formed part of our legislation for the protection of the labour of men of goodwill who give their best efforts for the development of their country.

In order to intensify this happy state of our foreign relations, the respective department has within the brief period of time to which this address refers put into practice measures which will be pursued in order that our diplomatic and consular representatives may be able to perform their duties with the maximum degree of efficiency and prepare themselves for whatever may be required in connection with their delicate business.

The Executive Power will, in all cases, endeavour so to act that the higher representatives of the Church may preserve the traditions which have hitherto characterised them.

With regard to the work carried on by the official benevolent institutions, although Government opinion is quite favourable to the action taken, it is of opinion that it is necessary that an endeavour should be made to vary the bases of their working.

JUSTICE.

After reference to the new penal code, from the application of which the Executive Power expects good results, we feel the necessity of a law authorising the building of prisons in conformity with modern requirements, as well as the provision of some means of protection for released prisoners.

During the present sitting of Congress, a memorandum will be submitted with reference to rents.

I must not close this reference to matters of justice without urging upon your consideration the great need that is felt for the reorganisation of the judiciary of the peace for the capital upon a basis that will not only be in keeping with the interests discussed there, but also with the degree of culture which the metropolis has reached.

EDUCATION.

In the year 1922 there were in operation in the country 9,940 elementary schools with 1,227,400 pupils, and an average registered attendance of 960,849 pupils and 40,169 teachers. With regard to the pupils of school age, out of a total of 1,786,250 approximately, calculated during the last year, the schools were attended by 1,230,037; that is to say, 68.86 per cent., as against 65.79 per cent. for the year 1921.

I call attention to the excess of teachers admitted annually, and suggest the advisability of devoting some schools to purposes other than those for which they are used at present.

During the year 1922, 174 secondary instruction institutions were in operation, being both normal and special schools, with a total of 72,837 registered pupils and 5,912 teachers.

PUBLIC WORKS.

Reference must be made to the present conditions of the private railways and to the larger revenue as compared with the period of five years from 1917 to 1922. The sum of 60,000,000 gold dollars of net profit in round figures obtained during the last year is, without doubt, a sure sign of vitality and a demonstration of progress.

If we add that working expenses decreased by 30,000,000 gold dollars as compared with 1920, and by 21,000,000 as compared with 1921, the above statements are fully justified, as they prove that the productive capacity of the country demands a progressive increase of traffic undertakings, and offers great commercial possibilities for private capital invested in work of this kind.

Passenger traffic has increased to an appreciable extent, and goods traffic also shows greater tonnage as contrasted with the year 1921.

NATIONAL RAILWAYS.

The length of the National Railways now working, including those belonging to the State, to the Provinces, to the Ports, industrial railways, and branch lines for private services, reach a total of 37,368 kilometres. This figure places our country ahead of all South American countries, exceeding by more than 6,000 kilometres the figures for Brazil and Mexico.

As regards lines belonging to the State the Executive Power

has given special attention to these, and has forwarded to Congress a Bill setting forth a new organic law to enable them to discharge without inconvenience or difficulty the purpose for which they were created.

A plan has also been submitted to the consideration of the legislative power for a general reconstruction which will entail economy in administration.

The construction of new lines has gone on regularly. We must endeavour to arrange that the short-term loans by which these works are paid for be replaced by other loans for long terms, so that these works, which will produce permanent future benefits, shall be paid for in the future by those who will derive benefit from them. For this purpose the Executive Power will submit a suitable plan.

BRIDGES, ROADS, AND IRRIGATION.

An analysis is being made of the work done by the Office of Bridges and Roads, the Office of Architecture, and the Department for the Survey of Riachuelo. We shall shortly be considering the work done by the Harbours Offices, having in view the construction of a modern harbour at Bahia Blanca and the acceleration of work at the Port of Comodoro Rivadavia.

With reference to irrigation work, this has been continued with the means at our disposal at San Carlos, La Cienaga, Rio Perico, Dique del Neuquen and Lago Pellergrini, Rio Regro Superior, Famatina, Villa Mercedes, and Rio del Valle.

The sanitary services are working in a normal way, both in the capital and in the towns of the interior, and with a view to providing for the future a scheme is being prepared which will meet the requirements of a population of 6,000,000 in the Federal capital.

HOME AFFAIRS.

In its relations with the Provinces the Executive Power has been careful to maintain that spirit of the constitution which ensures to the former autonomy in all local matters, without prejudice to the powers appertaining to the Federal Government for the benefit of the nation as a whole.

When the present Presidency came into power two Provinces were under the control of the Federal intervention—that is, those of San Luis and San Juan. Both these have now returned to the enjoyment of their normal institutions.

The Province of Cordoba was in a peculiar position. The National Executive Power had ignored the Governor, who had been elected unconstitutionally. Congress has had in hand a law for intervention in the said Province in order to reorganise its public powers. Matters being on this basis my Government thought that it ought not to change the state of affairs, and that it ought to wait for Congress to give its decision, as the power for intervening in the Provinces should only be exercised by the Executive during the recess of Congress when the matter is urgent and admits of no delay.

CORDOBA AFFAIRS.

In consequence of this the Executive Power included the Cordoba affair in its notice convening an extraordinary session of Congress, in order that this matter might be dealt with as early as possible. However, consideration of the matter has not yet ended. It is still pending at the opening of the ordinary session.

In the Province of Jujuy the political unrest created by the election of the National Senators still continues. This and many other previous cases occurring in various Provinces suggests the advisability of modifying the form of electing Senators by transferring from the Legislatures to the people the right of making such elections, as is already done in the United States, from whence the Argentine adopted the system which still guides us. I am not in favour of frequent revisions of constitutions, but I think that these ought to be gradually perfected by means of partial amendments as counselled by experience. I shall in due course submit to you a Bill on the subject.

POSTS AND TELEGRAPHS.

The service of postal and telegraphic communications has shown more activity. The postal service had a total of 1,472,441,978 items

—that is to say, 185,764,818 more than in the year 1921. The national telegraphic lines transmitted 20,414,426 messages, there being an increase of 172,716 over the total for the year 1921.

The income of the post office was 18,614,106.43 pesos, this being an increase of 1,529,914.18 over the previous year, and the telegraph office income was 7,143,353.98 pesos, an increase of 189,973.04 pesos. At the end of the year the extent of the telegraphic lines was 41,554 kilometres.

HYGIENE AND PUBLIC HEALTH.

The sanitary condition of the country has shown no disturbance of a grave nature, but it is necessary to intensify the fight against malaria and other infectious diseases in the Northern Provinces.

With a view to organising sanitary defence and unifying this by the middle of the year, a National Sanitary Conference will be held, which will be attended by members of the National Hygienic Departments.

We expect to be able to carry out in an efficient manner the repression of drug-taking, and this will be done so soon as a proper law, now in course of preparation, is passed. This matter will be considered at the Sanitary Conference.

NATIONAL TERRITORIES.

Administration and development of the national territories forms a subject of careful study on the part of the Executive Power, and urgent measures required for the carrying out of the organisation laws have been adopted with the object of preventing conflicts which take place owing to their non-observance.

Places which attained a population according to the number required by law in order to obtain a Legislature of their own will this year exercise this right.

At Pampa, Misiones, Chaco, and Chubut new municipalities have been recently formed.

AGRICULTURAL AND CATTLE INDUSTRIES.

With regard to agriculture, it is necessary to enlarge our area of cultivation and to increase the production per hectare. It can be stated that during the last 15 years cultivation and production have remained at about the same figure.

The selection of seeds, the improvement of methods of cultivation, harvesting and marketing of products, will aid in strengthening our agricultural industry.

The crisis in the cattle industry has from the very commencement engaged the earnest attention of the Government by reason of the great interests involved, and because of the effect on credit exchange and the public revenues. Measures which have received the sanction of the Chamber of Deputies, if passed into law, will, it is hoped, contribute to a greater stability in the cattle trade.

EMIGRATION.

Emigration into the country continues to be on a good scale, but it is necessary that it be organised in order that we may assimilate it and control by careful selection. A law providing for these needs is now ready, and will be submitted to the consideration of Congress.

PETROLEUM.

The petroleum deposits have been the subject of special attention. We have succeeded in attaining increased production and in reducing costs. Control has been organised by a Commission, which watches over and promotes the interest of the industry.

A general law relating to petroleum and hydro-carbons will shortly be placed before you, and we hope before long to instal a large refinery to deal with these valuable products. The object is to give to the country an autonomy of combustibles, and it is my aim that this shall take place at the earliest possible date.

FINANCIAL POSITION.

My Government has the firm intention of economising in all the expenditures of the nation, so as to bring them within the annual estimates and in accord with the real and effective resources, so

that there may not be too heavy a burden on the various sections of our national life.

Expenditures under special laws or Government resolutions should be avoided, as in both cases there would inevitably be deficits, and the consequent resort to credits to cover such deficits.

The public debt of the nation increases year by year on account of deficits relating to unproductive expenditure. I do not here refer to outlays intended to augment our national wealth, such as those connected with public works; it is only just that future generations who are fully to enjoy the benefits of these works should contribute part of the expenses incurred upon them.

My Government has given special study to the financial situation, and notwithstanding the brief time at our disposal introduced during the first days of December an Estimates Bill for the present year. This included all actual outlays which were being made, and which owing to lack of time the Government Departments were not able to examine closely as to whether they were capable of a decrease.

These estimates were planned with all the necessary resources in hand to produce a perfect equilibrium without any fundamental reforms in taxation. It is to be regretted that this Bill did not receive your sanction at the proper time, for we should then have avoided the special resolutions voted for the first four months of this year.

BUDGET FOR 1924.

I am of opinion that, according to the spirit of our constitution, the approval of the Budget should be effected during the ordinary sessions, and that the Executive and Legislative Power should endeavour to attain this end. I have already taken the necessary measures so that at the first sittings to be held by you the Budget for the year 1924 should be laid before you.

I desire to place before you a Budget which, besides providing as far as possible for all the expenses which may be required for the proper working of the administration, shall be perfectly balanced, shall be clear and methodical, and shall simplify the numerous and varied items which have always made it confusing and inharmonious.

TAXATION REFORM.

The taxation laws, as well as those controlling Exchequer receipts and outgoings, are the subject of study. The reform of the first is indispensable, and should contain the following three essentials: The rearrangement of taxation in order to be more in harmony with the economic capacity of the taxpayer; the co-ordination of the taxation laws of the nation, the provinces, and of the communes; and a declaration of the limits of the taxable capacity of the country.

My Government thinks that the present national taxation weighs too heavily on the necessities of life, and too little upon the excess of individual resources.

Although the requirements necessary for balancing the national estimates may demand resources producing more immediate results, my Government thinks that the centre of future taxation reform should be the tax on income on the basis of an equitable arrangement previously arrived at with the Provinces, which shall lead to the suppression of Provincial internal taxes, thus removing the drawbacks against free circulation between the States, and permitting the levying of general taxation on the whole of the country.

An arrangement with the Provinces, which shall establish their participation in the national internal loans and in taxation on income, and also on estates of a national character, will not only be for the benefit of taxpayers, but also lead to economy in the public funds.

Together with more productive industrial resources, particularly in the case of petroleum, making the latter part of our future wealth, this will allow of a gradual reduction in taxation.

CONSOLIDATION OF FLOATING DEBT.

At the request of the Chamber of Deputies, particulars relating to the amount of the floating public debt were sent to Congress, and

subsequently schemes which my Government deemed to be necessary in order to consolidate this debt, which weighs so heavily on the public treasury, were also forwarded.

The difficult condition of the national finances was justified by the abnormal circumstances which the money markets of the world experienced during the war and the period immediately following, but it would not be reasonable to maintain that situation now. At the present time our country could obtain advantageous terms for carrying out important operations, and I consider it my duty to call the attention of Congress to the urgent need there is for sanctioning the suggestions I have submitted to your consideration, and which will enable the Government to adopt methodical plans for the consolidation of the public debt, for commercial development, and for public works.

With the balancing of the Budget, the consolidation of the floating debt, together with a watchful eye on the revenue, and the most careful control over public expenditure, it is to be hoped that the finances of the nation will return to a normal condition.

REVENUE IN 1922.

During the year 1922 the general revenue as estimated and the subsidy fund produced 440,800,000 pesos.

The extraordinary resources of which use was made during this period are as follows:—

	Pesos.
Negotiation of securities	41,634,000
Proceeds of 27,000,000 dollars	60,417,000
Profits on sale of drafts	11,415,000
Credit used in the country	74,400,000
Various items	11,056,000
Total	198,922,000

The total revenue during the year was 639,722,000 pesos.

EXPENSES AND DEFICIT.

The following was the authorised expenditure during the same period.

	Pesos.
Estimates	510,101,000
Transfer of credit from previous years	18,330,000
Special laws	19,542,000
Government authorisations	83,517,000
Various items	1,935,000
	633,434,000

On account of this sum there were paid up to December 31, 1922, 542,323,000 pesos, and on account of balances of charges for years previous to 1922 97,399,000 pesos.

The following unpaid balances have been carried forward to the present Budget:—

	Pesos.
From previous years	10,633,000
From the year 1922	91,111,000
	101,744,000

This latter was on March 31st of this year reduced to 35,238,000 pesos by means of funds from the previous year.

NEGOTIATION OF SECURITIES.

I must make reference to the placing of securities authorised by the 1922 Budget and to the sale of a part of the Port of Buenos Aires bonds negotiated in order that the Government be reimbursed for the sum paid in cash for works executed.

As the conditions of the London market were not at the time advantageous for the placing of these securities, the transaction was postponed, and instead the Government accepted an offer made by a banking establishment of that city to advance the sum of £500,000, at interest of 5 per cent. per annum, on the understand-

ing that the same be paid off later by the sale of the said securities at a price to be agreed upon.

STATE DEBT.

The consolidated public debt of the nation amounted on December 31, 1922, to 1,294,888,500 pesos, and during that year 60,000,000 pesos were issued and 42,837,889 pesos paid off.

On the same date the unconsolidated debt without including that on the State railways or that arising from the difference in exchange on the British loan of \$50,000,000, was as follows:—

	\$
North American loan of 50,000,000 dollars gold	117,772,727
North American loan of 27,000,000 dollars gold	63,597,272
Short-term loans contracted in the country	430,339,000
Banco de la Nacion Law No. 10,251	71,999,663
Banco de la Nacion current account	46,346,683
Treasury Bills	10,227,111
Total	740,282,456

Deducting from the debt of 46,346,683 pesos to the Banco de la Nacion the total of the official deposits in the bank, there remains a balance of 1,712,832 pesos to the credit of the Government.

On March 31st last the unconsolidated debt referred to had been reduced to \$702,000,000 in consequence of the redemption of Treasury Bills and the account current at the Banco de la Nacion with funds and resources carried forward from the year 1921.

ARMY AND NAVY.

One of my purposes when assuming charge of the Executive Power was to pay great attention to the progress of the Army and Navy. During the short time which has elapsed since then it has not been possible to visualise more than a part of the studies required for a solution of the different questions involved. The result of those studies will be submitted to your consideration in the shape of Bills to be presented at the beginning of your sittings.

Many circumstances which are within the knowledge of the public have influenced us within these last years to limit the expenses for war estimates, to the detriment of the training of our troops, as it has been impossible to carry out the programmes for their instruction. Also, and this is more serious, no opportunity has offered itself for our officers to exercise in due form their multifarious and difficult functions. And in reference to this it should be borne in mind that if the experience of war has demonstrated that several months are required for the instruction of soldiers, the same experience also teaches that officers also are instructed in only one way, and that is by assiduous and constant practice in time of peace.

REFORMATION OF SOME LAWS.

Law No. 4,707, even if applied without diminution as regards the terms that it fixes for the stay of the soldier in the ranks, has become old, and must be reformed.

This has been recognised by my predecessors and the Chamber of Deputies, one of the Committees of which latter studied a Bill of reform, which, however, the Chamber did not sanction.

The whole of the people must come forward for the defence of the nation. Young men require to be physically trained to be able to support the fatigue of intensive military instruction, and it is also necessary that citizens not incorporated in the peace Army should submit to a physical training which may transform them into useful units for defensive purposes in case of mobilisation. It is also necessary to better distribute the burdens borne by the citizens in this respect. The new law which the Executive Power hopes to lay before you at the present sittings will deal with these points.

PROMOTION OF OFFICERS.

If there is an urgent need of reform in the law for recruiting for the Army, there is still more need for reform in the law relative to promotions. Law No. 9,675 proved to be almost unworkable in practice, and this was already recognised by you when dictating Law No. 11,079, which suspended one of the former's fundamental provisions, and which at the same time altered in such a manner

the spirit of the law that it no longer answers the purposes for which it was passed.

If all matters relating to officers are important, those referring to the non-commissioned officers are no less so. The preponderance of automatic arms, the new technical elements introduced into the Army, such as radio telegraphy, aviation, &c., and the complexity of the new forms of war require a staff of expert and professional non-commissioned officers, and these can only be obtained by improving their position and the remuneration for their services. A consequent improvement in the morale of the latter would follow, and this latter is necessary to ensure proper treatment of citizens who join the Army.

It is for these reasons that at the first sitting of this legislative period a scheme will be laid before you which will be supplemented by another meant to secure the positions of those concerned.

WAR MATERIAL.

Matters relating to war material of which we dispose are of importance for the efficiency of the Army, and in this connection I have to confess that present conditions are not equal to those prevailing amongst most of the South American nations.

The Executive Power has stated, and it now confirms that statement, that it is far from its mind to enter into a competition for armaments, this being in no way justified in this part of the world. The cordiality of relationships with all nations, the traditional policy which has always guided, and will in future continue to guide, the international relations of our country, and the ambition of the Argentine people to devote the whole of their efforts to bring about the internal greatness of the country, and to create for themselves the best possible conditions, rule out the possibility of a competition with other countries in regard to armaments.

But this must not impede the nation making adequate preparations for its defence.

Since the year 1911 no war material has been acquired, and the great transformations which have taken place since then render necessary a complete renewal of that which is now in service. This must be done as and when it may be required. This is perhaps one of the questions with which you will have to deal with urgency, since a good part of the training of a soldier is lost, and sacrifice made by the country is sterile, if under the present system of compulsory service a soldier who passes to the reserve without knowing the material which he may be called upon to use becomes a combatant to be deducted from mobilisation strength.

MARINE.

The direction and development of this branch of the national defence will be attended to with all possible interest, so that material may be kept in the best condition either by modernising it or by introducing such improvements as are possible in order that it may supply the needs of the service.

Taking into account the importance of our maritime commercial activity it is advisable to increase the Navy transports and encourage by every possible means the development of the merchant marine, not only for ocean navigation but also for river navigation, by means of laws and regulations which may protect and promote it.

PERSONNEL OF THE NAVY.

With regard to the personnel of the Navy, the training is excellent and the enthusiasm and patriotism with which it discharges its duties is perfectly satisfactory, but it is essential that every opportunity be afforded for navigation work.

With this object, one of the first measures taken by the Naval Department was to give orders for the Second Division of the Fleet to make a voyage to the southern seas, crossing the channels of Tierra del Fuego and the Straits of Magellan, and making a general visit to the whole of our Patagonian coast. Other ships of the Fleet visited the ports of this zone.

The cadet training ship "President Sarmiento" recently put to sea on one of her frequent training voyages.

The charting of our coast is being continued by officers who are contributing work of real importance and value.

The lighting up of the coast has been well attended to, and the lighthouses are in first-rate order. We are endeavouring to increase the number of these in order that navigation and access to our ports may be safe.

One of our ships has recently made an interesting voyage to the Polar regions, taking a competent staff to relieve that which has been kept at the Orcadas Islands, where there is an Argentine Observatory, which has for the last 21 years conducted meteorological studies of high value.

The Marine Administrative Department is being reorganised in uniformity with the conception that we have of this most important branch of the Service, to the end that the managements of the Army and Navy may possess that autonomy which is conferred upon them by Law No. 3,305, which they must have in order that they may be in the position to develop, and the maximum of efficiency be attained.

APPRENTICES' MECHANICAL SCHOOL.

Without prejudice to that attention which we shall pay to the better organisation of the institutions connected with the Navy, and which contribute towards the preparation of the staff, I deem it expedient to proceed at once to the adequate installation of the Apprentices' Mechanical School. This is in need of a suitable site and requires to enlarge its scope. It is an institution which, besides providing the Fleet with an expert staff, also offers to capable men a special line of activity.

I think I have covered all matters which a message of this description permits within its scope, and I trust it will suffice to convince you that my Government is desirous of the most active endeavours, and requires the whole-hearted collaboration of Congress in order to ensure the efficiency of its work, to which I shall devote myself with that patriotism which we all owe to our country. With my best wishes that this may be so I now declare the legislative period open for the year 1923.

BLEACHERS' ASSOCIATION, LIMITED. GRATIFYING RESULTS OF A DIFFICULT YEAR. STAFF PENSION FUND ESTABLISHED.

The twenty-fourth ordinary general meeting of the Bleachers' Association, Limited, was held, in the Memorial Hall, Albert square, Manchester, on Friday, June 22, 1923.

Lieut.-Col Sir Alan J. Sykes, Bart., presided. The Secretary read the notice calling the meeting, and the report of the auditors.

The Chairman said: Ladies and gentlemen,—I have much pleasure in submitting to you the 23rd annual report of Bleachers' Association, Limited, covering the accounts for the period ending March 31, 1923.

I feel sure that you will be gratified with the figures that the directors are able to place before you, particularly in view of the difficult times through which the cotton trade has passed during the twelve months under review.

THE ACCOUNTS.

The accounts which have been sent to you have been drawn up in the form to which you have been accustomed in previous years, and they do not call for much comment. You will notice that after charging £410,499 to repairs and maintenance, as against £405,655 a year ago, and after making the usual deductions, including estimated amounts for income-tax, corporation profits tax, special repairs, and other contingencies, and charging the same amount as last year for depreciation and debenture interest, there remains a net profit of £788,464, which, with the balance forward from last year, gives an available balance of £1,147,870.

RESERVE AND DIVIDEND.

Out of this balance, after paying the preference dividend, the directors recommend that £125,000 be placed to the general reserve fund, £50,953 12s 8d to the superannuation fund, and a final dividend of 15 per cent. (actual) be paid, making 20 per cent. for the year. These deductions will leave a balance to be carried forward of £361,711, which is slightly in excess of the amount brought into the accounts.

As regards the superannuation fund, you will notice that the transfer now recommended will bring the total up to £200,000.

STAFF PENSION FUND.

A year ago I gave you some details of a proposed staff pension fund which the directors were then contemplating. I have the pleasure to inform you that this staff pension fund has been duly formed, and has been established for the benefit of the members of our staff as from January 1, 1923. The scheme, as I told you a year ago, is open to managers, sub-managers, engineering, chemical and clerical staffs, townsmen and foremen, between the ages of 21 and 65 years. It is contributory both by the member and the company, and provides pensions at the age of 65 years, or at a later date in the case of original members who joined after the age of 55.

The pension fund is regulated by a trust deed, and the moneys contributed to the fund are placed in the hands of trustees, and cannot under any circumstances be returned to the company. The scheme has been approved under the Finance Act, 1921, and has been warmly welcomed by the members of the staff who were eligible to join, and it may interest you to know that about 98 per cent. of those so qualified took the opportunity of joining the fund.

SUPERANNUATION FUND.

The superannuation fund, to which I have referred, is not, as I indicated last year, now required in connection with the staff pension fund, but the directors recommend that the fund should be increased to £200,000, to be applied for the benefit of any of the employees of the company who may require assistance either through infirmity or age, and whose cases are ineligible for or are not fully dealt with by the staff pension fund.

At the present time a number of pensions are being paid to old servants of the company who have retired after long service, and while it is not now the intention to give the employees a right to claim on the fund, the directors wish to have a fund at their disposal by means of which they can in the future—as they have done in the past—deal sympathetically with all deserving cases that may be brought to their notice.

I have no doubt that the shareholders will approve the application of this sum for the purposes indicated.

CORDIAL RELATIONS WITH THE STAFF.

When I addressed you a year ago I was able to refer to the very cordial relations existing between the managing directors and our workpeople during the year, and it is a matter of much satisfaction to me to be able to tell you that the same good relations have continued during the year covered by the accounts.

In this connection, I wish to express, on your behalf, to the managing directors and central office staff, and to the managers, staff and men of all our branches, and I include our engineering and transport branches, our hearty appreciation of their hard work and loyal co-operation, without which an association such as ours cannot hope to succeed. We appreciate the fact that all of them have so co-operated, and we hereby tender them our hearty thanks.

GENERAL POSITION.

In conclusion, I will add one word about the general position of our company.

We have now been established twenty-three years, and while I have been able to deal with a very satisfactory year's working, it must not be forgotten that since our formation we have had our vicissitudes of fortune. There have been years when no dividend has been paid, and it is well to remember a point which is often overlooked, that many of us who, like myself, were founders of the concern, have on the average—even including this good year—only received an average of 6.21 per cent. per annum on our ordinary shares, while the preference shares have only received 5½ per cent. and the debentures 4½ per cent.

THE FUTURE.

As to our future, I will not prophesy. Our trade is dependent on the world's markets, and these in turn are at the moment largely influenced by the unstable political conditions abroad.

I can, however, assure you that we are keeping our works in first-class order, and we are prepared for—and I feel sure we shall get—our full share of any trade revival that may come along.

I now beg to move: That the report of the directors and the statement of accounts to March 31, 1923, be and they are hereby approved, and the shareholders hereby declare a dividend at the rate of 5½ per cent. per annum on the preference shares to March 31, 1923, and at the rate of 15 per cent. per annum (actual) on the ordinary shares for the half-year ending March 31, 1923, making, with the interim dividend at the rate of 5 per cent. (actual) paid in December, 1922, 20 per cent. on the ordinary shares for the year.

The report and accounts were unanimously adopted. The formal business having been transacted, a cordial vote of thanks to the chairman terminated the proceedings.

MEXICAN RAILWAY COMPANY, LIMITED.

"RECORD OF QUIET AND STEADY PROGRESS."

IMPROVED CONDITIONS IN MEXICO.

The one hundred and sixteenth ordinary general meeting of the Mexican Railway Company, Limited, was held, on the 27th instant, at River Plate House, London.

The secretary (Mr C. Tennant) read the notice convening the meeting and the report of the auditors.

Mr Vincent W. Yorke presided, and, in the course of his speech, said: The report submitted is again a record of quiet and steady progress in the right direction, though that progress is not so rapid as we should all of us wish it to be. Excellent work, however, has again been done in the rehabilitation of the property, which is now in very good condition, and has, I believe, reached a higher standard than at any period of its history. The serious falling off in gross receipts need cause you no alarm. It is really entirely due to the fact that we are comparing with a half-year in which two exceptional conditions prevailed. Since our last meeting I have paid a visit to Mexico and spent nearly two months there. It is two years since I last visited the property, and during that time very rapid progress has been made in making good the damages of the revolutionary period. The whole of the track of the main line and older branches may now be said to be in excellent order, and, speaking generally, the track may be said to compare favourably with that of almost any railroad in the United States south of St Louis.

LABOUR PROBLEMS.

The most difficult element in the situation is our relations with labour. I shall hardly exaggerate if I say that labour problems in one form or another were occupying nine-tenths of the time of the general manager and the heads of departments while I was in Mexico, to the great detriment of the business. The whole of the employees of the railways are organised in unions, which again are controlled by a central body called the Confederation. This body, which is politically very powerful, insists on a rigid enforcement of the new labour laws. These laws are founded on the new Constitution, but various interpretations which are valid locally are placed upon them by the various States. The rates which the men have been receiving hitherto have been practically the same as those ruling for similar duties in the United States, but their recent demands, which we have had in most instances to concede, will bring them well above this scale. There is really no justification for the increases that have been insisted on, but, unfortunately, they have already been granted by the National Railways, which are still under the control of the Government, and there has been no course open to us but to follow suit. To put the matter shortly, we are employing to-day many more men than the business requires, and are paying them very high rates of wages, while I regret to have to add that the efficiency of their services is very much inferior to what it has been. There appears to be only one remedy for the present state of affairs, and that is the return of the National Railways to private management. The management of the railways by the State has not been any more successful in Mexico than in other parts of the world, possibly even less so. The return of the railways has been promised under the agreement with the International Committee, and, though possibly not in sight to-day, will, I believe, ultimately come about. If it does, it will be found necessary, both in the interest of the railways and of the public, to alter materially the rates of pay and conditions of service of the employees. If this is once accomplished, similar changes on our system will follow as a matter of course.

GENERAL CONDITIONS.

As regards general conditions, the country appeared to me to have improved very distinctly during the last two years, and the Government is undoubtedly more firmly established and more in popular favour. It remains to be seen whether the improvement in general conditions can be maintained and continued, but personally I am distinctly optimistic about it. A great deal must depend on the resumption of relations between Mexico and the United States and the reopening of the money markets of the world to Mexico as a borrower, and, although some ground still remains to be covered, I think that you may take it that real progress has been made during the last six months in the adjustment of the differences between Mexico and the world outside her. To the adjustment of these differences I myself attribute the greatest importance. I believe that the views of those who govern Mexico to-day are perfectly sound, as judged by our standards, on all questions such as the agrarian question and the labour laws, and

that if they felt they had the support of the outside world they would deal fairly and justly with the problems involved. Without this support they prefer to ride the easier of two horses, as President Obregon put it to me, and shut their eyes to many things of which they really do not approve.

RECENT ACQUISITIONS.

You will probably like me to say something about two recent acquisitions, which I was able to inspect—as regards the greater portion, at any rate—for the first time. With regard to the Huajuapán branch, which we purchased very cheaply in 1913, I believe that it will be opened for public traffic on July 1st next. We do not propose for the present to do more than operate the 90 kilometres constructed, and will await results before pushing the line on any further. The Pachuca-Tampico Railway, which we bought early last year, is a broad-gauge line, the same as our main line, and at present runs for 83 kilometres from Pachuca to near Ixmiquilpan. The purchase carries with it the concession for the prolongation of the line to Tampico. I am glad to say that I was very favourably impressed with the state of the new property, the character of the country which it traverses, and the prospects for traffic. The line is well constructed and in good order, a good proportion of the land along it is well cultivated, and while passenger traffic is both brisk and increasing, there are possibilities of large quantities of minerals being consigned from the present terminus. As regards further extensions towards Tampico, it is difficult for me to speak at all positively at present. Soon after leaving the present terminus, the line, if extended, will get into very mountainous and broken country, and though we have now three parties at work surveying the district, it will not be possible to determine the best route to be followed, the probable cost, and so forth, for at least another six months. As to the desirability of the extension, I have no doubt in my own mind it is by far the most attractive railway proposition which Mexico still has to offer, but further developments must necessarily await fuller investigation of the physical conditions, to say nothing of the command of the necessary financial resources. At any rate, we are losing no time, and are pushing on our surveys as rapidly as possible.

CABLE FROM GENERAL MANAGER.

If I may now revert to the business and its immediate prospects, I will first of all read you a cable just received from the general manager:—

"Crop conditions very favourable, larger area under cultivation, recent rains great benefit, expect good local traffic, but imports are likely to be dull."

"Negotiations regarding recognition proceeding, and no hitch apparent, great difficulty will be agrarian question, but solution appears probable."

The information that it contains appears to me quite satisfactory. As regards our local traffic I may point out that the manner in which it has increased in the last two and a-half years is very remarkable, and would suggest that the country is becoming more self-supporting. Whereas in 1911 local traffic represented less than 50 per cent. of our takings, in the last half-year it represented 64 per cent. It is, therefore, now the most important of the factors governing our prosperity. It is also most satisfactory to know that the negotiations in Mexico City are proceeding well, as I do not think that it is possible to lay too much stress on the importance of their being brought to a successful conclusion. As regards the actual net earnings for the four months of the present half-year, though they cannot be considered brilliant, they do not compare unfavourably with those of a year ago, and it should be remembered that, under the new arrangement for the increase in rates, the payments on account of indemnity have been considerably accelerated, and we are collecting in local cash payments on this account at the rate of about £500 a day, and these payments are not included in the net earnings published.

The Chairman concluded by moving the adoption of the report. Mr C. J. Cater Scott seconded the motion.

In reply to a question, the Chairman said that the company had received on account of the indemnity about £250,000 out of an amount which would come to between £2,500,000 and £3,000,000. The report and accounts were unanimously adopted.



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BANK OF ADELAIDE. SATISFACTORY RAINS THROUGHOUT.

The fifty-seventh annual meeting of shareholders was held in the board room at the head office, Adelaide, on May 2, 1923. The chairman, Mr Arthur Waterhouse, presided.

The Chairman, in moving the adoption of the report and balance-sheet, said: The balance of profit for the year is £117,200, compared with £114,800 last March, which is a satisfactory result, as the London exchange conditions were somewhat adverse to us, and very low rates prevailed in London for short call money. You will notice that the amount of the dividend for which your approval is asked is £5,000 more than last year. This is to meet the payment of 10 per cent. per annum on the amounts of the instalments paid on the new shares. Turning to the other figures of the balance-sheet, the capital has been increased to £875,000 by the issue of £250,000 new capital which was authorised in October last, and the reserve fund has been raised to £700,000 by the premium of £1 per share on the 50,000 new shares issued. Profitable employment for the fresh capital will be found in the expansion of our operations in Melbourne, Sydney and Perth, as well as in this State. The carry-forward balance of profit and loss account will be £7,388 more than last year. Deposits show a decrease of £692,000, due to the repayment of Government funds and to the seasonal withdrawal of money for financing the harvest, &c.

The absence for many months past of rain to replenish the water supply in country districts, and the want of a good general fall last month to bring up the grass and enable farmers to get on with their seeding and to dispel the drought condition in the pastoral areas, is causing grave anxiety. We must hope that a good general fall will take place in all the States to relieve us of the growing fear of a drought, with its attendant great losses and sufferings. The resolution was carried.

NOTE BY LONDON OFFICE OF BANK OF ADELAIDE.

Since the chairman's speech satisfactory rains have fallen throughout the State of South Australia and over most areas in the other States also.

WESTERN AUSTRALIAN BANK. SUCCESSFUL RESULTS—INCREASED CARRY FORWARD.

The one hundred and sixty-third half-yearly meeting of shareholders was held on May 2nd, at the Banking House, St George's terrace, Sir E. H. Wittenoom, chairman of directors, presiding.

The Chairman, in moving the adoption of the report and balance-sheet, said that they could congratulate themselves on a satisfactory half-year. In addition to the declaration of the usual dividend they also carried forward some £7,000 more than last half-year. This would provide a comfortable nest egg towards the half-year. These results had, however, not been achieved without considerable care and caution, as the conditions of finance throughout the world were constantly changing, and the question of exchange was one which always carried some anxiety, as were also the varying values of securities. The net profits (£31,848) were £1,572 better than in September last, but not quite so good as March, 1922, and the amount carried forward (£27,948) was £6,849 better than September last and £12,126 better than March, 1922. Deposits (£3,641,921) were £495,575 better than September, 1922, and £315,249 better than March, 1922, an obvious testimony to the confidence the public had in the institution. Advances

(£3,280,874) were £47,133 more than in September, 1922, and £117,280 more than in March, 1922. Specie, bullion, &c. (£964,504) were £401,473 more than September, 1922, and £146,854 more than March, 1922. Balances from other banks (£275,726) were £43,361 more than in September, but less than in March, 1922. Referring to some of the industries with which the bank was closely associated, he said that the pastoral industry had experienced a very trying period, owing to want of rain. Fortunately, relief had come to a large portion, as some time ago good rains had fallen north of the Murchison, along the Gascoyne, Ashburton, and north-west districts, and in consequence feed for stock was plentiful.

Mr O. Burt seconded the resolution, which was carried.

THE LONDON AND EDINBURGH REINSURANCE COMPANY, LIMITED.

CHAIRMAN'S CONFIDENCE IN THE FUTURE.

The annual general meeting of the London and Edinburgh Reinsurance Company, Limited, was held, on the 27th instant, at the Cannon street Hotel, London.

The Chairman said: In presenting these accounts it is a matter of great regret to the directors that the balance to the debit of profit and loss account amounts to the sum of £67,178, but a little consideration of the figures will show that the present position of your company and its outlook for the future is not so bad as that figure would seem to indicate.

FIRE AND ACCIDENT DEPARTMENTS.

In the fire department the premium revenue has decreased from £101,000 in 1921 to £96,000, and the fact that part of this is shown as being without further liability means that a certain amount of treaty revenue has been cancelled, an experience which is not uncommon amongst the unattached reinsurance companies. The ratios of claims and commission and expenses of management to premium income are inflated in consequence, and the reserve is made up to 40 per cent., necessitating the transfer of £10,916 to profit and loss.

In the accident department the premium revenue was smaller and the claims experience heavy. The unprofitable portion of the business has now been completely cut out, and the reserve, which has been made up to 40 per cent., should, in the circumstances, be ample to meet the requirements, but here, again, a transfer of £4,250 has to be made to the debit of profit and loss account.

MARINE DEPARTMENT.

As explained already, your company, in common with the majority of the offices, had a very unfortunate experience with marine business in 1920. This account has now been closed, and the balance of £37,740 taken to the debit of profit and loss account. The company, prudently cut down its commitments considerably in 1921, and the underwriting account for that year shows a balance of £17,455, representing 22 per cent. of the premium income, which, being a second year reserve, should be sufficient to run off the account. The 1922 account is still smaller, and, after payment of the first year losses, shows a balance of 45 per cent. of the premium income—a result which may be considered as quite good.

The item of £3,188 appearing in the profit and loss account as "loss on exchange" is caused by the serious fluctuations in the foreign exchanges before premiums were finally accounted for to us.

The reserve of £10,000 for bad and doubtful debts, the directors consider a very full provision. Included in the amount is a claim against another company for about £7,000. There is litigation in regard to this sum, and your directors have every hope that a large portion of it may be recovered, although they have considered it desirable to make a provision for the whole sum.

FURTHER CALL.

The directors have given the position of your company very serious and careful consideration, and to meet the losses in the various departments, and in order to strengthen the cash resources of the company, they have decided that it will be necessary to make further calls to the extent of 3s per share, making the shares 10s paid. The further capital, thus introduced, will place the company in a strong financial position. Your directors wish to make this call in such a way as will cause least inconvenience to the shareholders, and propose to make it payable in three instalments spread over six months.

Your directors have effected a thorough reorganisation of the departmental management of the company, and considerable economies have taken place. They have also agreed to reduce their fees by one-half as from January 1st of this year.

MAJESTIC INSURANCE COMPANY.

There have been considerable developments in connection with the Majestic Insurance Company during the last six months. Applications were received for 54,000 further shares which have

been allotted, and that company is now doing an increasing business. The fact that outside interests have considered it worth while to apply for such a large block of shares at par would show that our investment of 5,050 shares fully-paid in that company, valued in our balance-sheet at £3,228, should be fully worth that amount, and your directors are hopeful that their association with the "Majestic" will be of very considerable benefit to the "London and Edinburgh."

DIRECT FIRE BUSINESS.

Your directors are at the present time carrying on negotiations for the purpose of increasing materially the company's business, and it will also probably be necessary for your board to ask the shareholders to give them powers to transact direct fire business. Your directors are of opinion that a fair volume of this business could be developed without increasing expenses or involving an extension of the existing organisation. This business would be proceeded with on very careful lines, and no branches would be opened.

It is generally felt that conditions affecting world fire insurance are improving, and your company will undoubtedly share in any improvement, and as soon as the trade of the world recovers insurance is bound to benefit.

The director retiring by rotation at this time is Mr Frederick Childs, and while for private reasons he does not offer himself for re-election, he is entirely in agreement with the policy of the board. In the expectation of possible developments in connection with the negotiations your directors now have in hand, they do not propose to fill the vacancy caused by Mr Childs' retirement at the present time.

After some discussion the meeting was adjourned till July 25th, and a committee of shareholders formed to confer with the directors and report to the shareholders at the adjourned meeting.

GREAT INDIAN PENINSULA RAILWAY COMPANY.

CHAIRMAN AND MR. INNES' ACCUSATIONS.

The 147th half-yearly general meeting of the Great Indian Peninsula Railway Company was held, on the 29th instant, at 48 Copthall Avenue, London, Sir Charles H. Armstrong, chairman of the company, presiding.

The secretary (Mr R. H. Walpole) having read the notice convening the meeting and the report of the auditors,

The Chairman, in the course of moving the adoption of the report and accounts, said:—A year ago I had to report a deficit on the year's working of 240 lacs, due mainly to increased cost of coal and working expenses. During the past year the position has improved, but there is still a small deficit of 8.20 lacs, and consequently no surplus profits to divide. The guaranteed interest for the half-year of 1½ per cent. is being paid as usual, together with a dividend of ½ per cent. which we are able to make from a small fund we have in hand. The return for the year is therefore 3½ per cent.

Although rates and fares were raised at the beginning of the year, traffic on the whole have been disappointing.

Arrangements are now being made to electrify the suburban passenger services. This will be a great boon to the business community of Bombay and to the public generally. The completion of the Harbour Branch Railway, which serves the new trade depot of Sewri, is being rapidly pushed on, and the long over-bridge at Wadi Bunder Yard is well in hand. The electrification of this section of the line is likely to be completed by the end of next year, when a regular service of trains will be run to Kurla via the Harbour Branch. Extensions to Thana and Kalyan have received the financial sanction of the Government of India. This will complete our suburban scheme comprising a system of 43 miles.

MR INNES' CRITICISMS.

We have been passing through rather a difficult and anxious time, and I was hopeful that our efforts on behalf of the Indian taxpayer would have been appreciated, but in a speech made by Mr Innes, the member for Railways and Commerce, in the Legislative Council on March 13, rather sweeping accusations were made against the G. I. P. Railway. His first point was that "the working of the Great Indian Peninsula Railway, as judged by its operating ratio, is certainly more extravagant than that of other lines," and he then proceeded to say that the line had been allowed to get into rather a bad state, and that traffic had consequently to be restricted. His next point was that as the company had not much longer to live, they would naturally "look more to getting revenue than to keeping the line in good repair."

I do not deny that our working expenses are higher than other Indian railways, but they are not necessarily "extravagant." Our ratio of working expenses to gross receipts in 1913-14 was 60.13 per cent.; in 1919-20, 62.34 per cent.; in 1920-21, 76.66 per cent.; and in 1921-22, 91.02 per cent. The heavy increase in 1920-21

was mainly due to a greatly increased wages bill. Our coal bill in that year was also increased by 75 lacs of rupees, owing to the efforts of political agitators in the coalfields. There was also in that year a great increase in general working expenses, due to the rise in wages and the high cost of materials. Foreseeing a great increase in these, we wrote on several occasions early in 1920, urging an increase of rates and fares, and if this had been allowed the position would have been different.

The second point raised by Mr Innes "that the line is not in good order," refers really to a question of relaying with heavier rails a section of track on the main line between Bhusawal and Khandwa. We had been advised by our engineers that with the exception of a section immediately north of Bhusawal, this track, if strengthened with additional sleepers, would last for another 15 years at least, and, looking at the matter from the point of view of the Indian taxpayer, who has to make good a deficiency in the cost of working, we decided to strengthen or reinforce this portion rather than relay. Mr Innes admits that the question is one for "a fair difference of opinion," and, looking at the matter from the point of view of our finances, we came to the conclusion that the course we decided to recommend was the most prudent under the circumstances.

STOCKHOLDERS' RETURNS SINCE 1900.

I have already mentioned the statement by Mr Innes that as the company had not much longer to live, they would naturally "look more to getting revenue than to keeping their line in good repair," but you know as well as I do that there are no surplus profits; You know also that the average dividend received by our stockholders as their share of surplus profits since 1900, when the present company was formed, has barely reached 1½ per cent., and that as in two years the contract ends there is little or no chance of any improvement in this respect, even if we are able to return as much. In all we have done our effort has been to reach equilibrium, so that we may be able to hand over the line to our successors in sound working condition.

Prospects for the current year are, I regret to say, not altogether favourable, as traffic returns are disappointing, and until trade revives I do not think there is much chance of increased receipts.

The report was unanimously adopted.

CONSOLIDATED LONDON PROPERTIES, LIMITED.

CHAIRMAN ON RENTS RESTRICTION ACT.

The ordinary general meeting of Consolidated London Properties, Limited, was held, on the 26th instant, at Cannon Street Hotel, London, Mr J. H. Podmore (chairman and managing director) presiding.

The secretary (Mr J. H. White) having read the notice convening the meeting and the report of the auditors,

The Chairman said: Copies of the report and accounts being in your hands, with your consent we will take them as read. The system we adopt of putting last year's figures in the margins enables you to see at a glance a comparison of the two accounts. The balance-sheet shows a debenture liability of £243,850—the original issue was £360,000. In our investments you will find £30,989 of these debentures ready for cancellation, which assures the satisfactory working of the debenture redemption scheme for some years and reduces the outstanding debentures to £212,861—less than 60 per cent. of the original issue. On the other side of the accounts, the total of our reserve funds and other investments amounts to £103,043, and the reduced bank balance is explained by the increase of £25,862 in other investments. Bank deposit interest being so small, we have invested in advance.

Turning to the revenue account, the gross rentals show an increase of £4,021. This is satisfactory when noting that the loss on St Stephen's House, which was commandeered for war purposes, is only in course of being made good. Several substantial lettings are of recent date, and do not come into these accounts. We may hope, therefore, for a further improvement in this item, next year.

On the other side of the account, rates are less. It should remind the shareholders that our increased balance arises, in part, from circumstances which are not permanent, rising rents and falling rates. The former due to the increased cost of building, the latter to public demands for economy. When you have these two important items of property investment working in your favour you get results which mislead. We take advantage of the circumstances to add to our reserves and strengthen the company, so that in normal times we shall be protected, and, I hope, in a position to face any losses, and continue the steady advance which has now become a regular feature in our accounts.

RECORD BALANCE OF RENTS.

Cost of upkeep is less. It necessarily varies; the recent high figures were in part due to the arrears consequent upon war

restrictions. The balance of rents is shown as £47,746, which is £11,418 more than last year, and is the highest in the history of the company, the more important when that balance is subject to a debenture interest charge, nearly £6,000 per annum less than originally. It is a practical demonstration of the power of recuperation which I claimed for property companies some 20 years ago, when writing a criticism on the security given by this class of investment with a model balance-sheet, "free from all jumbled up and unsaleable assets."

There is an increase of £319 from dividends and deposit interest, and a reduction of £446 in debenture interest, thanks to the redemption scheme. We are able to restore the contingency fund, upon which we drew to enable us to carry out that scheme, to write off the depreciation on our reserve investments and provide £6,599 necessitated by the Corporation of London (Rating of Reclaimed Lands) Act, 1920, leaving us with a net balance of £26,020, which is £5,710 more than last year. We propose to complete the £40,000 reserve fund required by the debenture trust deed, and pay a final dividend of 5 per cent., making 8 per cent. for the year, as against 6 per cent. last year, and we carry forward a balance of £6,577, which is an increase of £2,282.

The shareholders are reaping the reward of patience, and I hope will see that the directors are not departing from the policy which has done so much to restore the financial position of this company. With an appreciation of future prospects we are satisfied that the dividend we propose this year is justified.

RENTS RESTRICTION ACT.

The Rents Restriction Act is a matter of conflicting interests, but many people only see one side, and those whose chief aim is to do away with private interests try to turn it to account and talk in the spirit of the Yorkshireman's advice:—"See all, hear all, say naught, eat all, drink all, pay naught, an' if ever tha does aught for naught, do it for tha sen (thyself)." But the spirit of grab all is dangerous. It is all very well for those comfortably placed to ask for power to ignore the owners' rights, but it is difficult to justify it five years after the war. The housing question is important to the rising generation. If you stop building you are making trouble for the future, since the growth of population will bring greater difficulties. It is an attractive cry, "Houses first" before decontrol, but to whom is it directed? Is it to the building owner? Is it a reasonable position to assume that you can take control of the owner's property and ask him to

build more as a condition of decontrol? The *Times* says of this: "It is a policy—and a vain and hopeless policy—of wait and see."

I was pleased to read Mr Neville Chamberlain's speech when moving the second reading of the new Rents Bill. Several arguments I disagreed with, but it is a comfort to see that he is willing to state both sides, which he did, generally speaking, in a most able manner. He said they "had got into a sort of vicious circle, and the problem which lay before them was how to break out of that circle with the least disturbance and hardship," and that "after a lapse of time we would find ourselves with a shortage aggravated by the increase of population." But surely it is the shortage caused by the increase of population and the suspension of building work during the war which is the present trouble.

ATTENDANCE AND SERVICE.

Again, on the matter of attendance, he spoke of some claims as a scandal. I think he might have stated the fact that the Act was not drafted to include any sort of attendance or service, and that when it was amended to cover the higher rateable values, it was overlooked that in flats there are lifts, porters, and in some cases even hot water is supplied to the tenant. The cost of these services was as easy to ascertain as the rates. The assessment valuation would show in many cases the cost to be 20 per cent. or 30 per cent. of the rent paid, and this, after allowing for rates, would be, say, 45 per cent. of the net rent. The Act made no reference to these costs, but it referred to both a rent and a rateable value, and the difference between the gross assessable value and the rent paid was, allowing for rates, the cost of the services.

The new Act says attendance must be a substantial portion of the whole rent. What a confused and indefinite statement. It is cheap sarcasm to make light of porters' services. I think the scandal was in the careless wording of the Act, which only quoted attendance as allowing exemption from the Act, and made no reference whatever to the various classes of flats and the different services included with the rent. There was no excuse if these flats were intended to be included in the Act, since the valuation lists showing the rateable value showed also the estimated costs of the services included. The 15 per cent. allowed by the Act was intended as compensation for the reduced value of money. To say the percentages allowed make good the increased cost of services is no defence, since it would obviously give different results and be a mere coincidence if it worked out all right. However, we are glad



THE ANGLO-SOUTH AMERICAN BANK, LIMITED.

Capital and Reserves exceed £13,000,000.

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

NORTHERN DISTRICT OFFICE:
69, Market St., Bradford.

LANCASHIRE BRANCH:
39, Mosley Street, Manchester.

Affiliated Institutions:
THE BRITISH BANK OF SOUTH AMERICA, LTD.,
AND
THE COMMERCIAL BANK OF SPANISH AMERICA, LTD.

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

to know the matter is in the hands of a man of great ability, and not in those who say "The real object of the Bill is to increase the rents mainly in order that the financial class might extract additional wealth from the pockets of the people." There is no argument in an obviously false statement. I now move: "That the report of the directors produced, together with the annexed statement of the company's accounts at March 25, 1923, duly audited, be now received, approved and adopted."

Mr William Warren seconded the motion, which was carried unanimously.

The Chairman next moved: "That a final dividend of 5 per cent. on the share capital be now declared out of the net profits of the undertaking for the twelve months ended March 25, 1923, making 8 per cent. for the year, such dividend to be paid to the shareholders on July 2nd next."

Mr William Warren seconded the resolution, which was unanimously agreed to.

The retiring director (Mr William Warren) was re-elected, and the auditors (Messrs Singleton, Fabian and Co.) were reappointed.

A vote of thanks was accorded to the chairman, directors, and staff, and the proceedings terminated.

SELANGOR RIVER RUBBER ESTATES, LIMITED.

SATISFACTORY RESULTS OF THE YEAR.

The third ordinary general meeting of the Selangor River Rubber Estates, Limited, was held, on the 26th instant, in the Council Room of the Rubber Growers' Association, Idol lane, London, Mr Noel Bingley (chairman of the company) presiding.

The Chairman, in moving the adoption of the report and accounts, said that the net profit for the year was £12,345. He thought the shareholders would agree that the results of the year's working were, on the whole, very satisfactory; all the more that they were based on a crop some 200,000 lbs short of what could have been produced under normal conditions of output. They proposed placing to income-tax reserve the sum of £5,000, and paying shareholders a final dividend of 3½ per cent., free of tax, making a total dividend for the year of 6 per cent., free of tax, and leaving £10,025 to be carried forward. The crop harvested amounted to 802,842 lbs; the manager's original estimate was 1,000,000 lbs of rubber, but this was voluntarily restricted to 750,000 lbs, and in November and December they came under the official scheme for restriction of output.

The issued share account now stood at £264,604, in place of £248,417, an increase of £16,187. These shares had been issued to the vendors of the Tennamaram Estate as part of the purchase price, and represented up to the amount of the face value of the shares a portion of their total investment of £22,687 in the Edible Nut Oils, the company now holding the Tennamaram Estate.

For the current year their crop under the restriction of exports would be based on the standard production of 990,462 lbs, and was for the present quarter 65 per cent. of that standard, the previous period of restriction being at 60 per cent. The f.o.b. cost was estimated at 6.70d per lb, on the 60 per cent. restriction basis.

From a statistical point of view the present position of the rubber industry seemed as satisfactory and hopeful as it could be. The London stock, which must be regarded as the barometer of the position, was returned on the previous day as 51,084 tons, as compared with 71,450 tons a year ago, and 73,361 tons at the end of January, a decrease of 22,277 tons in less than five months.

The latest returns from America showed quite abnormal activity in the production and delivery of tyres and tyre-using vehicles. As regarded the restriction scheme, he was convinced it would prove to have prevented the collapse of the industry.

Mr V. R. Wickwar seconded the resolution, and it was carried unanimously.

MALTBY MAIN COLLIERY COMPANY, LIMITED.

LARGE INCREASE IN OUTPUT.

Lord Aberconway, presiding at the annual meeting of shareholders of the Maltby Main Colliery Company, Limited, at Sheffield, on Monday, the 25th instant, said that the colliery worked practically full time during the whole of the year ended March 31 last. The output had showed a very substantial increase, even after taking into account the fact that in the previous year a stoppage occurred throughout the country lasting three months.

INCREASING THE OUTPUT.

A satisfactory working cost cannot be reached unless they turn out at least 750,000 tons, and what they wanted to see was an output of a million tons, which would mean that they would make a good thing out of the colliery, and would employ about 1,000 more men

The board were making every effort to increase the output, both in the colliery working, and by providing accommodation for additional men, which was the root of the whole position. They had 124 houses more now than at this time last year; 350 more had been started, and they were prepared to go on building to give them the required output of one million tons per annum.

COAL PRICE AND WAGES.

The demand for coal had been satisfactory during the year. Now, however, there had been a considerable check. Wages had varied in accordance with the agreement with the men, which, in his opinion, was of the greatest value to the men as well as the employers. He was sure that they all welcomed the fact that the men's wages were increasing in accordance with the price of coal; it was only fair that it should be so, and he thought the fact that the men now saw that the agreement gave them increased wages without the risk of strikes was of enormous advantage to the coal trade as a whole.

Coke had risen to a price which practically damaged the pig-iron and steel trades, and this was a very serious factor for their friends in those trades. He thought it was in the interests of everybody that it should be sold at a fair and reasonable price.

BRIGHTER PROSPECTS.

Looking at the balance-sheet, he thought that the year's working was much better than the previous year, the loss per ton being less than half. Everything seemed to him to point in the right direction, although he did not wish to embark on prophecies.

The report was carried, and Mr W. H. McConnel and the Right Hon. Sir Henry Norman, Bart., M.P., were re-elected directors, and Messrs Alfred Tongue and Co., chartered accountants, of Manchester, were reappointed auditors.

DINNINGTON MAIN COAL COMPANY, LIMITED.

IMPROVED RESULTS OF THE YEAR.

The annual meeting of the Dinnington Main Coal Company, Limited, was held at Sheffield on Monday, the 25th instant.

Mr Maurice Deacon, the Chairman, said that the results were more satisfactory than the previous year, the main reason being that in the previous year the stoppage for three months had made an enormous difference.

IMPROVED PRICES.

Prices were low during part of the financial year, but later the shipping trade developed and prices for export increased. The demand for inland consumption had been fairly satisfactory, having regard to the condition of trade. The working costs were comparatively high, owing to increased wages. The goods purchased by collieries—timber, iron and so on—were still from 50 to 60 per cent. above pre-war rates.

The rates levied by local authorities and paid by the company in the year were £22,000, as compared with £7,000 in 1913.

MERCHANTS' PROFITS.

He referred to the question of merchants' profits, stating that the price of "Brights" in London was something about 46s per ton. The coal at the pit cost 24s, the railway rate from Yorkshire was about 10s 6d, wagon rent, &c., 2s, which left less than 10s to cover numerous expenses undertaken by the merchants. It did not appear that the merchant was taking very much for himself after he had paid his expenses.

He mentioned that the company had still nearly 8,000 acres of coal to work, which would last probably 60 years.

The company had taken further shares in the Firbeck Main Collieries, Limited, who were about to start sinking pits.

The Right Hon. Sir Henry Norman proposed a final dividend of 7½ per cent., and the addition of £15,000 to the reserve fund.

The Right Hon. Lord Aberconway, P.C., Mr W. B. M. Jackson and the Right Hon. Sir Henry Norman, Bart., M.P., were re-elected directors, and Messrs Alfred Tongue and Co., chartered accountants, Manchester, were reappointed auditors.

RIO DE JANEIRO LAND, MORTGAGE, AND INVESTMENT AGENCY COMPANY, LIMITED.

DEVELOPMENT OF COMPANY'S PROPERTY.

The adjourned eighth ordinary general meeting of the Rio de Janeiro Land, Mortgage and Investment Agency Co., Limited, was held, on the 29th instant, at 11 Angel court, London, the Earl of Orkney (chairman of the company) presiding.

The Chairman, in moving the adoption of the report and accounts, said that distinctly optimistic views had recently been expressed with regard to the business prospects of Brazil. That country had passed through an adverse period, but latterly beneficial influences had been at work, the most important of them being a favourable commercial balance of exports during the year 1922, which showed a surplus of exports of nearly £20,000,000,

after two years of an adverse experience in that respect. For the current year a further improvement in the monthly balances had taken place, so that there was reason to hope that the year would show a further increase in the trade balance in comparison with last year. That more favourable outlook was beginning to make itself felt internally.

The demand for land and housing accommodation in Rio de Janeiro was at present very considerable. The properties owned by the company's subsidiaries were in a very favourable situation to meet the demand, but the area of the estates was so considerable that they had considered it advisable to concentrate their energies for the present on one of them only, the Boa Esperanca, and in order to make a success of that proposition, it was necessary to budget for larger expenditure on the development of the property. The dearth of housing accommodation in Rio had become so acute that intending buyers preferred to buy a plot of land with a house ready for their occupation, rather than merely the building plot. In order to accelerate the exploitation of the property, they had, therefore, found it advisable to erect on certain parts small residences such as were required in that neighbourhood. They had started with a set of twenty houses, which were now in course of erection. They expected to complete the first chapter of their building programme in a very short while, and would then, after building programme had been justified by results, extend their building their estimates had been justified by results, extend their building programme considerably as the surest means to get a profitable return from their properties in the shortest possible time.

The general adverse conditions in Brazil had brought about a very heavy fall in the exchange, and it was not yet possible to foresee when the better outlook would bring about a marked improvement. They had lately heard some very hopeful expressions on the part of leading Anglo-Brazilian bankers, and, in view of the enormous resources of the Republic, it might be expected that within a reasonable time those opinions would prove true, and that they would see the milreis again at a higher level.

The report and accounts were unanimously adopted.

HUDSON'S BAY COMPANY.

RESULTS OF A DIFFICULT YEAR.

A general court of the Hudson's Bay Company was held, on the 26th instant, at the Cannon street Hotel, London.

Sir R. M. Kindersley, G.B.E. (the governor), said that on the credit side of the profit and loss account all the principal items showed a decline. The fur trade profit of £196,304 compared with £237,082 in the previous year. The profit on salesshops and other trading showed a reduction from £77,871 to £15,920, while the profits at Winnipeg head office amounted to £56,006, against £61,471. Receipts from interest on instalments and rents, less taxes and collection expenses, were £110,655, against £119,570. Interest on loans and investments had declined from £12,120 to £9,495. The profits from fire and marine risks had increased from £8,577 last year to £16,566, after the addition of £10,000 to the insurance reserve, which now stood at £100,000, and was ample to meet all contingencies.

The net result for the year was a profit of £328,440, which, added to £20,000 from land account and a carry forward of £122,660, left a disposable balance of £471,110. The directors recommended a dividend of 17½ per cent. out of trading, subject to recommended a dividend of 17½ per cent. out of trading, subject to tax, and 2 per cent. from land, free of tax. But for the fact that they had had to return to both preference and ordinary shareholders certain income-tax previously deducted from their dividends, the directors would have been in a position to declare a further 8½ per cent. on the ordinary shares, which would have made a total declaration from trade of 26 per cent., or 1 per cent. more than the dividend paid for 1919, 1920, and 1921.

FUR TRADE AND LAND SALES.

In the fur trade their total collections had been well maintained, and, taking the year as a whole, had realised better prices than had been anticipated. Their fur commissioner warned them, however, that since January 1st, owing to climatic conditions, their collections had commenced to fall off, and he reported keen competition. This arose largely owing to the great depression in petition. This arose largely owing to the great depression in business generally in the West, which had forced many country merchants, real estate dealers, agricultural implement agents and others to adopt this means of earning a livelihood. The department for selling furs on consignment was making steady progress, and was likely to prove a remunerative and permanent source of revenue. Their experiment in the development of fur collection outside Canada was also progressing, and they had completed an agreement for 1923, giving the company under licence the monopoly of the furs collected in Eastern Siberia. If the results proved satisfactory the agreement might be extended for a longer period.

In the land department the acreage sold was the smallest, with two exceptions, for 20 years, the sales having amounted to only 24,977 acres. The harvest itself was abundant, but the fall in the price of wheat and the high wages which had had to be paid

left the farmer with either a loss or a very small margin of profit, and the result had been that there was practically no margin for the purchase of new lands. The prospects for this year's crop up to the present were encouraging, but it was evident that before Canada could restore her prosperity she must reduce the cost of living as well as her taxation. Townsite operations still showed a deficit, but this was reduced compared with 1921 and 1922.

ALBERTA MINERALS TAX.

The Government of Alberta had passed a Bill taxing holders of mineral rights 3 cents per acre, irrespective of surface ownership. The owners of mineral rights of any land thus had to pay a mineral tax of 3 cents an acre on it, quite irrespective of whether it contained any minerals or not. In conjunction with the Canadian Pacific Railway and other companies affected this company had entered a strong protest against those proposals before they became law, and they were now co-operating in fighting for a repeal of the tax. The total taxes paid by the company in Canada during the last seven years amounted to £2,100,000, apart altogether from the municipal taxes they paid on their large store buildings, which were very considerable. The directors had recently taken up the question of grants from the Dominion Government of further lands which they regarded as still due to the company under the terms of the deed of surrender, and a statement had accordingly been prepared and submitted to the Government authorities at Ottawa. He was glad to be able to report that there seemed to be indications of a more active policy as regarded immigration by the Government. During the last few years whatever efforts had been made had been mostly in the direction of restriction of immigration—in his opinion, a most disastrous policy. No new country could afford to check the flow of immigrants to her shores.

The results in the stores department were unsatisfactory, but not more so than should be expected, considering the adverse factors to which he had referred in dealing with the land department.

The report and accounts were unanimously adopted.

JOHN BROWN AND CO., LIMITED.

LOCAL RATES BURDEN—NECESSITY FOR ECONOMY.

The annual meeting of shareholders of John Brown and Co., Limited, was held, on the 26th instant, at the Royal Victoria Hotel, Sheffield, Lord Aberconway (chairman) presiding.

Lord Aberconway, in moving the adoption of the report and balance-sheet, said that after the year of political and trade depression through which we had passed the shareholders would not have expected better results than those which they would find in the figures before them. Trade in this country and all over the world had really been marking time, and the three months' engineering strike did much to keep back the development of trade.

The figures in the balance-sheet reflected to some extent the effect of the strike. They would agree that the political atmosphere in the last six months over Europe had not been conducive to what might be called vitality in business, but there had been in the twelve months an undoubted improvement in trade. More coal had been raised in this country, more furnaces had been put into blast, and there had been more shipments of raw materials and finished products both from and to this country. He was glad to say that John Brown and Co. had had a full share of the improvement. There had been less unemployment, and at the Atlas works and at their collieries there had been a very marked change.

BURDEN OF RATES.

At the same time, the cost of all manufacturing remained high, and he did not see much prospect at present of a reduction in costs. Wages formed the principal item, and there was no chance of getting wages down except in accordance with the fall in food values. Rates of wages must be governed by that. So far as they could see, those values were not showing much sign of falling away. One of the most serious things they had to contend against was the extent of local rates and increasing taxation. Taxation was bad in itself, but local rates, both in their incidence and their amount, were worse still. He dare say shareholders could hardly realise what a heavy charge taxation was in the Sheffield district alone. John Brown and Co. were now paying nearly £100,000 a year in rates, a sum which would have been regarded as impossible ten years ago. If they took the output and turnover of the Atlas works they would find that the rates levied in Sheffield meant not less than £2 for every ton of material used at the works. It meant that in competition with districts rated on a lower basis and foreign countries there had to be charged £2 per ton more for every ton they sold. That meant all the difference between getting and losing a contract. They would thus see the importance of ratepayers looking into the question and striving in a town like Sheffield to see whether it was not possible to abandon all extravagant schemes and reduce the rates so that the cost of Sheffield productions might be cheaper, and in that way the volume of Sheffield trade might be improved.

It was a very serious matter for the shareholders of John Brown and Co., for the actual rates the company were paying were half the dividend the shareholders would receive. They got no assistance from the Imperial taxation, yet Sheffield was the great arsenal during the war, the place where tens of thousands of workpeople flocked in to help in the production of war material, and now Sheffield and the companies such as theirs were hardly hit by having to keep a large number of those people on the rates.

They were penalised, too, through the operation of the Treaty of Washington, which had practically put a stop to the building of capital ships, for which Sheffield did very much large work. The remedy was in their own hands; it was especially important that working people should realise that unless they sent to the local authorities representatives pledged to economy they were really suffering both ways in wages and the extent of their employment.

Lord Aberconway reminded the meeting that last year he mentioned they had succeeded in bringing down the price of pig-iron and steel to Continental figures. That was a great achievement, and it held good still.

PROSPECTS.

Their prospects for this year were by no means to be despised. Sir William Ellis had made many trips abroad in the interests of the company, establishing many connections in some of the countries that would require material in periods of reconstruction, railway material principally. Alluding to the colliery side of their business, he indicated many improvements, and said that it would be deplorable to the trade of this country if any successful attempt were made to break that national agreement and go back to the old system of strikes and disputes. At their Clyde Bank works work was very scarce, but that was the case with most shipyards. The outlook for shipbuilding was not promising, the real fact being that the world had not the money to buy the goods. Things would improve when there was a clearer political atmosphere, but the Continental semi-revolutionary conditions were most detrimental to all trade. He had the greatest faith in the future of the coal trade of the country, because there was a shortage of coal all over the world, and their coal was much superior to that of their competitors abroad.

Turning to the balance-sheet, he pointed out that their reserves amounted to over £1,000,000. That was a very fine position to be in.

The report and balance-sheet were adopted.

GUEST, KEEN, AND NETTLEFOLDS, LIMITED.

LARGE INCREASE IN COAL OUTPUT.

The ordinary general meeting of Guest, Keen, and Nettlefolds, Limited, was held, at the Queen's Hotel, Birmingham, on the 28th instant, Mr Edward Steel, chairman and managing director, presiding.

The Chairman, in moving the adoption of the report and accounts, said: During the year there has been a better demand for our products and manufactures, but it has been a varying and fluctuating demand, and has never developed into that regular and steady flow of business to all our departments which is necessary in order to ensure the best results.

Our total output of coal, including that of our subsidiary colliery companies, during the 12 months we are considering, was 2,545,000 tons, as compared with 2,062,000 tons for the 12 months ended March 31, 1921. I take the latter year for comparison because the corresponding period to March 31, 1922, included the unfortunate three months' coal strike, which began in April, 1921, and lasted until the beginning of July of that year.

A very gratifying feature of this improved production is the fact that the output per man during the year appreciably increased at all our pits.

RESULTS OF THE RUHR OCCUPATION.

In February last the indirect results of the Ruhr occupation began to make themselves felt, but it was not until later that the Welsh coal trade came fully into its own, when, from all quarters, especially from France, Italy, and Germany, the demand became very great, and we ended our financial year with two months' increased demand at fair prices, and with a good order book, thanks to the experience and foresight of our subsidiary company, L. Gueret and Co., Limited, who are responsible for the sale of the outputs of our Dowlais, Cyfarthfa, and Cwmbran Collieries.

It should be borne in mind that miners share to a considerable extent in the profits of the colliery owner. Under the present wages agreement the amount forfeited by the coalowners of Monmouthshire and South Wales to the operatives during the 12 months ended March 31, 1923, was not less than £2,000,000.

I might mention that a vast amount of reorganisation has taken place during the past two years in the Nettlefold, or screw, section of our business; and as a result of our labours the relations with our customers in this department are of the most satisfactory nature,

and the traditions of this valuable part of your business are fully maintained.

With a view of consolidating our position still further in the bolt and nut trade, we have recently acquired the whole of the share capital of three of the oldest established Darlaston firms—viz., Horton and Son, Limited, Enoch Wilkes and Co., Limited, and James Simpson and Sons (Bolts and Nuts), Limited. These works are all in close proximity to our Darlaston works of F. W. Cotterill, Limited, and they have direct access to the railway.

The reconstruction of these works is now being planned, and when the whole of the reorganisation is completed we expect to be able to effect substantial economies, which should bear good results as soon as trade recovers.

One essential factor in stimulating trade, and incidentally in reducing the number of unemployed, is the rate at which the country can accumulate new capital available for the extension of industrial enterprise, and any reduction in income-tax and corporation tax is of help in that direction.

Looking at the very heavy obligations of this country, it is abundantly clear that the Government will have to exercise more and more economy in the spending departments if we are to return to anything like a normal Budget, which is so urgently needed in the interests alike of employers and employed.

The concessions in railway rates since our last annual meeting, while not nearly so important as manufacturers and traders generally could have wished, should help to provide some stimulus to trade.

After dealing in detail with various items in the balance-sheet, the Chairman proceeded:

YEAR'S PROFIT.

The balance of profit and loss account for the 12 months amounts to £844,919, which, added to the amount brought in from last year of £206,079, gives a disposable balance, after deducting the interim dividends already paid, of £630,295, and the report shows how the board recommend this should be appropriated.

As respects the future, anything like full recovery in trade cannot be hoped for while the present high rate of taxation obtains in this country, and economic conditions in Europe and the Near East remain as they are.

So far as our export trade is concerned, it is very unfortunate that, while freights from Great Britain generally are lower than they were, they are still substantially higher than those ruling from some Continental ports, thus aggravating the severe competition we have to meet in securing business.

Mr F. W. Keen seconded the resolution, which was adopted.

EDISON SWAN ELECTRIC COMPANY, LIMITED.

CAPITAL REDUCTION SCHEME APPROVED.

The thirty-ninth ordinary general meeting of the Edison Swan Electric Company, Limited, was held, on the 27th instant, at Cannon street Hotel, London.

Mr C. F. Spencer (the chairman), in moving the adoption of the report and accounts, said that they met that day to consider the report and accounts for the past year and resolutions dealing with the reduction of the share capital by writing off 16s per share from the ordinary shares.

Dealing with the accounts, he said they had a net amount of £765,741 to provide for. It could not be of any advantage to the shareholders to retain shares of the nominal value of £1 when the assets of the company showed so large a deficiency.

Unless a scheme of reduction of capital was carried into effect, any profits would have to be utilised in writing off the deficiency until it was extinguished, and consequently the prospect of the payment of any dividend would be remote. In the scheme the ordinary shareholders were asked to make a large sacrifice, and the preference shareholders were invited to agree to modifications which were not unfair, embracing the cancellation of participating rights and eleven months' arrears of dividend. It was proposed to add $\frac{1}{2}$ per cent. to the 7 per cent. fixed cumulative dividend.

The board had endeavoured to effect economies, and had made substantial reductions in works establishment charges, cut down the sales cost by placing each sales branch on as nearly a payment-by-results basis as possible, reduced general standing charges substantially, cut down the ratio of unproductive labour to productive labour, turning losing departments into profit-making sections, and, last but not least, established a system of co-operation throughout the whole of the principal members of the staff.

The company produced efficient lamps, including the "Ful-lite"—"the light without the glare"—their vacuum cleaner, the "Little Glutton," was a household name; their wireless valve was unexcelled; their wireless instruments were known for their efficiency; their fittings were of the best design; their improved types of switchgear and motors were being increasingly adopted

by public authorities, and they had a staff able to sell their products.

With regard to the current year's trading, when the accounts were presented they would show that substantial profits had been earned.

Mr A. F. Berry seconded the motion, which was adopted, and resolutions were passed approving the capital reduction scheme.

LAKE VIEW INVESTMENT TRUST, LIMITED.

IMPROVEMENT IN TRUST'S POSITION.

The third ordinary general meeting of the Lake View Investment Trust, Limited, was held, on the 29th instant, at River Plate House, Finsbury circus, London, Mr F. A. Govett (chairman and managing director) presiding.

Mr Charles Lloyd, O.B.E., F.C.I.S. (one of the joint secretaries), having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said that the time of waiting was at last drawing to a close, and that it would not now be long before they would see some compensation for the fearful time that they had waited. The Burma Corporation had declared its first dividend; it was now earning large net profits, and that after all provision for the interest and amortisation of its debenture stock, and for future capital expenditure. A fair and reasonable estimate of what might be expected of that corporation, working its still limited scale of about 700 tons per day, seemed to indicate the payment of half-yearly dividends, starting, say, at 4d per share in August, with the expectation of gradual increase on that, for they were earning more. As the Trust owned approximately one-fourteenth of the total capital, their participation in those dividends would more than double their present revenue, with good hopes of better things, for their present scale of operations must also surely be increased as time went on.

POSITION OF THE CORPORATION.

During the last year the position of the Burma Corporation had steadily improved in every way. Gradually the difficulty about sufficient labour appeared to be being overcome, and that accomplished there would only remain the difficulty about sufficient transport. Altogether the position of that large interest which the Trust held was vastly better, and before next year the Trust would themselves no doubt be able to pay a second dividend of 6 per cent. about the end of December, with reasonable assurance that that might be the forerunner of regular half-yearly dividends. This year, before the declaration of a Burma dividend, they had raised their rate from 5 per cent. to 6 per cent., and, with half-yearly dividends of even only 4d on their Burma shares, their revenue would amply cover a second dividend, which would raise their annual distribution from 5 per cent. to 12 per cent., with hopes of more.

Although they had realised their holding in the ordinary shares of the Zinc Corporation, in view of the unpromising outlook of Australian labour, they still held the large block of the preference shares. The National Mining Corporation was now in a happier and stronger position than it was, though so far it had not achieved any very large and striking success. However, developments on the Fresnillo Mine of the Mexican Corporation were most encouraging. In addition to the surface mine, with its large tonnage of low-grade ore, out of which the present profits were being made, on the first unwatered level of the old mine they appeared to have opened up about a million tons of 10-oz ore, and had still the expectation of developing below the big rich mine which had been the original object when they had embarked. Altogether they had about 6,000,000 tons of reserves of ore.

OTHER HOLDINGS.

With regard to the remainder of their holdings, which were mostly in trust investment stocks, notwithstanding the unfortunate moment at which they had started out on the new line of business, and notwithstanding general depreciation, they were well on the right side, much to his satisfaction. During the past year the yield obtainable from all classes of first- and second-class investments had steadily diminished, that was to say, there had been a general rise in price. It was going to take a very long time to reconcile manufacturers and retailers to content themselves with the moderate scale of profits which must sooner or later come back, under the inexorable laws of supply, demand, and competition, and, therefore, it would seem as if the present era of high profits and high prices would continue, which was the point which concerned an investment company.

The result of all that, however, was that their position was now much better than last year.

The chairman concluded by moving the adoption of the report and accounts, and, after some discussion, it was carried *unanimously*.

The Chairman then proposed the re-election of Mr J. R. Govett and Mr W. F. Turner, two of the retiring directors, announcing that Mr Tyndale White, the other retiring director, had placed his resignation in his (the chairman's) hands, and that his name would therefore not be put forward.

The re-election of Mr W. F. Turner and Mr J. R. Govett was carried on a show of hands, but a poll was demanded by Mr A. Hyman.

Mr A. Hyman, in supporting his candidature for election as a director, vigorously attacked the policy of the board, and declared that he wished to become a director solely for the purpose of forcing the company into liquidation with a view to the distribution of the assets among the shareholders, as, in his opinion, the latter could do better by adopting that course.

The election of Mr A. Hyman as a director was put to the meeting, and lost on a show of hands, and again on a poll being taken, the figures being: In favour of Mr Hyman, 71,555 votes; against 179,730 votes, a majority against of 108,175 votes.

A vote of thanks to the chairman for his conduct in the chair brought the proceedings to a close.

ZINC CORPORATION, LIMITED.

CHAIRMAN'S CRITICISMS OF LABOUR'S ATTITUDE.

The twelfth ordinary general meeting of the Zinc Corporation, Limited, was held, on the 27th instant, at River Plate House, Finsbury circus, London, Mr F. A. Govett (chairman and managing director) presiding.

The secretary (Mr F. A. Crew, F.C.I.S.) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said that the most noticeable points of last year were, first, that the dumps of tailings, the purchase of which was the object of the original Zinc Corporation, were at last exhausted; and, secondly, that after being shut down for about three years they had decided to make a trial and reopen the mine and lead concentrator as from January 1st of this year. As to the wisdom of that step they were by no means sure, and therefore, in notifying their decision, they were careful to describe that as an experimental business, for with no alteration in the hours or cost of labour it seemed that, even though they might work at some profit with lead at present prices, that profit might not be sufficient to justify the enormous operations of their great mine and the consumption of their reserve. But he did not feel too happy, for even if they could make some modest profit, the greater the profit the less chance of any effective steps towards the modification of the present extravagant demands of labour. A dividend of 10 per cent. for a wasting asset like a mine was not adequate remuneration at all, as it left no room to provide for redemption of capital. Many times he had raised the question of profit-sharing, but had failed to get a following. But without some sliding scale or profit-sharing arrangement he thought it was not too obviously wise to open up. Still, they had had to do it, and would no doubt go on until a fall in lead revived the trouble, which seemed pretty sure to come.

EQUALISATION OF WEALTH—UNIVERSAL POVERTY.

It would not be so bad if labour would only abandon its "go slow" attitude and give a real day's output for a day's high pay. As he had said last year, the only counterpoise to high wages was high output, and that they did not get. He admitted that labour recently had been much more efficient, but they had had the pick of the best labour on the field, and as the less efficient were taken on he questioned if that level would be maintained. On that occasion he only proposed to make some short addition on the subject of labour to his address last year, when he then said that the rich—even the very rich—were an essential part of the social organisation. Quite naturally he had been misunderstood, and had been held up as a sort of plutocrat. His only desire or possible use for superfluous wealth would be that he might live without being compelled, after over 40 years of work, continuously to labour under conditions which to him were deadly, but still more that it might give him time and means with which to try to do something more than talk. In the social structure the rich were absolutely indispensable, and every step taken towards the socialistic idea of equalisation of wealth was nothing more or less than the gradual destruction of wealth, the reduction of purchasing power, leading inevitably to unemployment and poverty, the final act of which progression would be not equalisation of wealth but universal poverty.

Last year he had spoken at some length on the tyranny of the trades union. That was the basic trouble with English industry, English prosperity and recovery of trade. They could not get the output because the men were tyrannised by the unions, who would not allow the men to work under the Government permit of "peaceful picketing" forsooth. The trouble was

just as bad in Australia as it was in England, but here in England there was still just a gleam of hope.

COMPANY'S AFFAIRS.

Turning to the company's affairs, the profits for the year had come entirely, except for the receipt of £24,000 from Aron Hirsch and for interest on invested money, from the products from the remaining zinc tailings. As he had warned the shareholders last year, they had had to notify them in March that those dumps of tailings were then exhausted. With their exhaustion the work of the zinc concentrator had come to an end, and, as part of the lead mill was more or less worn out, the zinc plant was now being converted into a combination mill which would more efficiently produce both the lead concentrates, which now would be their largest and chief product, and also concentrate the comparatively small amount of zinc middlings thereby produced. That was estimated to cost some £40,000, and the plant should be ready to take the output about the beginning of next year. They hoped in that way to effect some appreciable economy in the working costs.

They had taken an interest jointly with the Goldfields and National Mining in the Mill Close. That had been taken on the strong recommendation of the well-known geologist, Dr McLaren. If Dr McLaren was right, that mine would be a profitable business.

The report and accounts were unanimously adopted.

GREAT BOULDER PROPRIETARY GOLD MINES, LIMITED. SUGGESTION OF AMALGAMATION OR CO-PARTNERSHIP.

The twenty-ninth annual general meeting of the Great Boulder Proprietary Gold Mines, Limited, was held on the 26th instant, at Webster House, Old Broad street, London, the Hon. Sir Newton J. Moore, K.C.M.G., M.P., presiding.

The Chairman, in moving the adoption of the report and accounts, said: The value of the gold produced at the standard rate is only about £4,500 less than last year, but the gold premium shows a falling off to the extent of £63,466, and there is an increase in the mine charges of £32,946, the latter increase being due to the extra tonnage put through and the inclusion of the mining expenses at the O.K. mine. The net profit carried into the balance-sheet is, therefore, less than in 1921 and figures at £110,474. Income and other taxes amount to £44,476, so that it is only by making use of our reserve funds that we have been able to pay the two dividends of 6d each per share during the year. As doubtless you will have observed, the income and other taxes are very excessive, taking more than one-third of our net profits.

The tonnage extracted and treated was 114,669 tons in 1922, against 94,051 tons in 1921, an increase of 20,618 tons for that year. This is due to the extra days worked in the year. In 1922 the mill was stopped for fifty-one days, against ninety days in 1921.

The reserves of ore at December 31st last were 182,724 tons, containing 120,023 oz, the average being 13.13 dwt per ton. This compares with the reserves for 1921 of 192,065 tons, containing 142,870 oz, of an average of 14.87 dwt. It is satisfactory that although the tonnage put through the mill was 114,669 tons, the reserves have only decreased to the extent of 9,341 tons. The total sterling value of the ore reserves, taken at £4 4s per ounce, is approximately £500,000.

In connection with the future working of the mine, your directors have given consideration to the question of whether it would not be advantageous for us to discuss the question of amalgamation with some of our neighbours. It seems to us, with the large low-grade ore bodies which most of the big mines at Kalgoorlie possess, that if a system of amalgamation or co-partnership could be effected, this ore could be treated on an extensive scale by one large crushing plant, and the costs thereby so reduced that ore of a very much lower grade than that at present payable could be treated and profits made from it. Shortly, the idea is that by reduction of overhead charges, increase and modernisation of plant, elimination, where possible, of costly shaft sinking, costs could be brought so low as to enable ore of the value of a few pennyweights to be treated at a profit.

The report and accounts were adopted.

MORTGAGE COMPANY OF EGYPT, LIMITED. INCREASED PROFIT—REDUCED EXPENDITURE.

The fifteenth ordinary general meeting of the Mortgage Company of Egypt, Limited, was held, on the 28th instant, at the Cannon street Hotel, London, Sir Henry Babington Smith (chairman of the London committee) presiding.

The Chairman, in moving the adoption of the report and accounts, expressed the hope that, under the new constitution,

Egypt, as an independent State, under a hereditary and constitutional monarchy, would enter upon a period of continued prosperity and renewed contentment. Referring to the economic position of Egypt, he stated that after the violent fluctuations of recent years the price of cotton had remained fairly steady, at 30 to 35 talariis per cantar in Alexandria. The season of 1922 was not unfavourable. The amount of cotton sent to Alexandria up to May 25th exceeded 6,500,000 cantars, of which nearly the whole was shipped. The expenses of cultivation and transport had increased, but at the present price the results to the cultivator should be fairly satisfactory. In other respects the economic condition of the country was satisfactory. Dealing with the balance-sheet, the Chairman pointed out that the amount of debentures redeemed stood at £741,460, as against £648,480 last year. The total reserves, together with the profit on sales in suspense, now amounted to £393,198, and would be increased to over £427,000 by the proposed allocation to special reserve. The amount of new business offering had been somewhat less than in preceding years. The board had continued to follow a policy of very careful scrutiny and selection, and had only entertained applications for loans upon lands or buildings which offered unimpeachable security. The total amount invested in mortgages was now £3,001,441, compared with £3,122,024 last year. Throughout the past year the affairs of the company had been controlled, managed, and conducted by the board of directors in Egypt, in accordance with the new arrangement adopted in March, 1922. The reduction of expenditure was about £14,000, with the result that the balance of profit, after providing for debenture interest and preference share dividend, and also for the compensation paid to directors who retired, was £64,105, as against £46,354 last year. This enabled the board to recommend an allocation of £34,726 to the special reserve, in place of £15,000.

The report and accounts were unanimously adopted, and a dividend of 12 per cent. on the amount paid up on the ordinary shares was declared.

CALCUTTA TRAMWAYS COMPANY, LIMITED. SATISFACTORY RESULTS DESPITE STRIKE TROUBLES.

The ordinary general meeting of the shareholders of the Calcutta Tramways Company, Limited, was held, on the 26th instant, at 1, Queen Victoria street, London, Mr John G. B. Stone (chairman of the company) presiding.

The Chairman said that the accounts were made up at 1s 4d per rupee, exchange having become more or less stabilised at this figure. The principal capital expenditure was in connection with the rotary converter plant for taking bulk supply under their contract with the Supply Company, which necessitated writing off of the account the estimated cost of that part of the old d.c. plant (1,150 k.w.) which had been displaced, the balance of 500 k.w. being retained as a stand-by. The new plant installed during 1922 was represented by a charge of £23,261, while the old plant written out was shown in the £20,000 transferred to depreciation account. After crediting proceeds of the issue of second debentures, £250,000 capital account showed a credit balance of £92,020.

It was difficult to make useful comparison of the results of 1922 with those of 1921, on account of the increase of fares from February 1, 1922, and the strike, which covered 57 days in 1921 and 11 days in 1922. However, the results might be considered satisfactory, for, with an increase of 16 per cent. only in train miles run, the receipts were greater by 39 per cent., in spite of the loss of traffic during the last 11 days of 1922. Dearer coal was mainly responsible for the increase of 22 per cent. in the Indian working expenditure. Considerable saving was now being effected under the agreement with the Calcutta Electric Supply Company for the supply of power formerly produced by the d.c. unit referred to at the last general meeting.

In regard to the strike in December and January last, the company refused to concede the unreasonable demands made, and a strike followed, which almost entirely suspended the Calcutta service for the last 11 days in 1922 and the first 22 days in 1923, at the end of which time the strikers returned unconditionally. It was to be hoped that the firm attitude of the company would have its effect in preventing any recurrence of the trouble.

Both the political and trade outlook were fairly good, and they were within Rs. 11,954 of wiping off the deficiency, due to the strike, of Rs. 245,651 with which they started the year. There would be a considerable saving in power expenses, and in addition they had the advantage of the absence of loss on exchange. They were in close touch with the Calcutta Improvement Trust with a view to providing additional transport facilities in connection with the extension and improvement of the city.

The report and accounts were unanimously adopted and a dividend of 5s per ordinary share, free of income-tax, was declared, payable on the 4th prox.

THE NATIONAL BANK OF SOUTH AFRICA, LIMITED.

REASONS FOR THE UNSATISFACTORY RESULTS.
EXCEPTIONALLY SEVERE CONDITIONS.

CHAIRMAN OPTIMISTIC OF THE FUTURE.

GOVERNOR OF RESERVE BANK'S SATISFACTORY REPORT.

"BUSINESS CONDUCTED ON SOUND AND PRUDENT LINES."

The following is the text of the address delivered by Mr James R. Leisk, C.M.G., chairman and managing director, at the annual meeting of shareholders of the National Bank of South Africa, Limited, held at Pretoria yesterday.

Gentlemen,—I regret that, as on the occasion of my first appearance in the chair of the bank a year ago, I have once more to deal with a situation that must necessarily be disappointing to the shareholders. However, I hope and believe that when you have heard what I am about to say on the subject this morning you will take a more favourable view of the situation than it is possible from a perusal of the condensed statements reflected in the directors' report and balance-sheet for the year ended March 31st last.

In its opening stages the past financial year gave some promise of happier conditions, but, unfortunately, these indications continued only for a very limited time and were succeeded by a spell of exceptionally severe conditions which immediately reacted very adversely upon that large volume of outstandings in the bank's books which was a legacy of the reconstituted board from the imprudent days to which I had occasion to refer at some length in the course of my last year's address. Incidentally, I may remark that, notwithstanding these exceptionally severe conditions mark that, notwithstanding the advance business undertaken to which I have just alluded, the year 1922 has proved to be perfectly sound, and has scarcely involved any addition to our contingent reserves.

CAUSES REMOVED.

I need hardly say that it is very distasteful to have to make comparisons of this nature between the character of business undertaken during these respective periods, but there seems to be no option. It is only by such means that the shareholders can realise that the present position of the bank is due to the cumulative action of causes which have now disappeared, and that they can obtain the necessary reassurance that the business of the bank is now being conducted on lines which are calculated to place it within the shortest possible time in a stronger position than it ever before has occupied.

When I delivered my maiden address to the shareholders last year I stated that to the best of their knowledge and belief the year 1921 had made full provision for bad and doubtful debts as at board had made full provision for bad and doubtful debts as at March 31, 1922. I need hardly say that before arriving at that conclusion the board were at pains to satisfy themselves by an examination of all available data that the provisions then recommended were adequate to the needs of the case.

I think that it will be obvious that if, at that time, they had thought it necessary, the directors would not have hesitated to recommend a much heavier provision, since it would have been no more difficult or unpleasant to appropriate a much greater sum than to withdraw the £300,000 that was the measure of our inroad into the reserve account at that time. What, then, were the general circumstances that so completely altered that outlook?

TWOFOLD EXPLANATION.

In South Africa there was a twofold explanation. In the first place, the settlement of the grave industrial troubles which demoralised the reef in March, 1922, was not so rapidly succeeded by prosperity as was the general expectation. On the contrary, while individual gold mines derived benefit from that settlement, the community in general which depends for its prosperity upon the principal industry of the country is still suffering from the effects of the upheaval. Large numbers of firms and individuals were unable to survive the strain, and the official record of liquidations and insolvencies bears testimony to the severity of the depression. Secondly, the fall in values generally which, it was thought, had come fairly near to finality a year ago continued, in many lines, to be a feature of last year's trading experience, and in consequence merchants' stock sheets disclosed further heavy writtings down, which have had a serious effect upon many balance-sheets. Then, in Portuguese East Africa, where, as you know, we are very largely interested, merchants have had to suffer from the additional embarrassment occasioned by the currency deadlock,

which, I am sorry to say, shows no immediate sign of disappearing.

NEW YORK AND ENGLAND.

As regards our New York business some addition has had to be made to the provision against bad and doubtful outstandings at that point which were specifically mentioned by me last year, our experience having been that various liquidations are turning out less favourably than was anticipated twelve months ago.

In England we received several unpleasant reminders that the strain of post-war conditions is still a serious factor. In particular I have in mind a firm of world-wide connections and reputation which, since our last annual meeting, has had to go into liquidation.

The announcement of their voluntary assignment came as a shock to all concerned, as their commercial rating had continued to be of the highest order right up to the date of their assignment. Their liquidation is turning out very badly, and I regret to say we are faced directly and indirectly with a heavy loss, which constitutes a considerable item in the additions now being made to our contingent reserves.

It was these conditions that suddenly transformed outstandings which, years ago, seemed to be no more than doubtful, into ascertained bad debts, and brought advances which could then be described as fair business risks into the doubtful category. Moreover, there is no doubt that our experience of the past twelve months has rendered us doubly determined on this occasion to guard against any further disappointments, and this determination is reflected in the very heavy provisions which we recommend to the shareholders to-day.

PROVISIONS MADE.

You will have perceived from the balance-sheet and the directors' report that the provisions considered necessary in the past year's accounts, in order to replenish our reserves against bad and doubtful debts to a point in keeping with dictates of prudent finance, absorb not alone the whole of our reserve fund, but involve the writing down of our paid-up capital from £10 to £7 a share.

This is, of course, very unpleasant news for the shareholders, and it is a matter of profound regret to the directors.

In the circumstances, we felt that the shareholders were entitled to have evidence from an impartial and undoubted authority that the amounts which we were to propose to the meeting as necessary provision for our legacy of unsound business represented bedrock, so far as that could be ascertained by a most careful and deliberate scrutiny; and accordingly, with the knowledge and approval of the Union Government, we submitted the bank's accounts for examination by the governor of the South African Reserve Bank.

The outcome of that examination is indicated in the directors' report, but it is desirable that I should quote to you the full text of the communication in which the governor of the Reserve Bank summarises the position.

MR CLEGG'S LETTER.

Mr Clegg's letter, which is dated Pretoria, June 23, 1923, and is addressed to the chairman and managing director of the National Bank of South Africa, Limited, reads as follows:—

"DEAR SIR,—
In accordance with your request, I and two of my colleagues on the board of the Reserve Bank have investigated the financial position of the National Bank as shown in the balance-sheet dated March 31st submitted to us. In conjunction with that investigation, we have carefully considered what amount should be set aside as provision for doubtful debts over and above what you have already set aside for bad and doubtful debts, and we are of opinion that, after the amounts standing to the credit of the profit and loss and reserve accounts have been applied to that purpose, and after the shares have been written down to £7 with the same object, the remaining £2,075,500 of the capital will represent a true surplus of assets over liabilities.

"In these circumstances, I have to say that the Reserve Bank, being satisfied that the business of the National Bank is now being conducted on sound and prudent lines, are prepared to extend to

the National Bank all facilities which it may require for meeting its engagements and carrying on its business.

"I have further to inform you that the Government, who have been made acquainted with the facts of the situation, fully approve this decision of the Reserve Bank, and will be prepared to give them any support which may be required to make it effective.

"Yours faithfully,

"W. H. Clegg, Governor."

The shareholders will readily appreciate that this investigation by Mr. Clegg and his colleagues necessitated a large amount of personal labour, seeing that, *inter alia*, it comprised a close scrutiny of the advance, discount, and other similar accounts, which are represented in our balance-sheet by the large figure of nearly £22,000,000.

The directors tender their grateful thanks to the governor of the Reserve Bank and his colleagues for their ready and ungrudging response to our appeal, and we feel sure that the shareholders will wish to associate themselves with this acknowledgment.

Now let us consider in greater detail the terms of the reserve bank letter of the 23rd instant.

ASSETS SURPLUS OVER LIABILITIES.

In the opening paragraph it definitely expresses the opinion that after the adjustments have been effected which are reflected in the balance-sheet as at March 31 last, the remaining £2,075,500 of the capital will represent the true surplus of assets over liabilities. In other words, it affirms that in the opinion of the reserve bank the allocations proposed fully provide for all contingent risks with which the bank is faced. Here, therefore, the shareholders have the necessary evidence that in the opinion of an impartial and qualified authority these proposals represent the fullest provision for all contingencies.

There are, however, other and equally important statements in the reserve bank letter.

The Governor states that as the reserve bank are satisfied that the business of the National Bank is now being conducted on sound and prudent lines, his institution is prepared to extend to the National Bank all facilities that we may require for meeting our engagements and carrying on our business, and he concludes by remarking that the Union Government approve of this decision on the part of the reserve bank and are prepared to afford them any support that may be required to make it effective.

RESERVE BANK'S CONFIDENCE.

I venture to think that neither the shareholders nor the depositors will want more definite or authoritative assurances regarding the value of assets shown in the balance-sheet in your hands, and it is, of course, a matter of peculiar gratification to the directors to have from the reserve bank this expression of confidence in the business policy now being carried out by the reconstituted board. Shareholders and depositors alike will be reassured by the knowledge that in view of these combined factors the reserve bank, with the support of the Government, are fully prepared to extend to us all facilities that we may require for meeting any monetary demands that may be made upon us.

I have, however, a further and most compelling example of the invaluable support that in time of stringency may be obtained through the Central Banking System.

The Governor of the reserve bank, whom we welcome at our meeting this morning, informs me that he is authorised to state that the Bank of England are prepared, if necessary, to discount in London acceptances of the National Bank of South Africa, Limited.

REDUCTION OF CAPITAL.

As regard the reduction of capital that is involved in these proposals, you will notice that it is the intention of the board to issue immediately notices calling the requisite extraordinary general meeting.

Before proceeding to the examination of the balance-sheet I should like to say a few words about the delay which has occurred this year in publishing the results of our operations to March 31 last. This delay was due to the fact that the South African reserve bank was engaged upon the investigation to which I have just alluded. Your directors considered it would be inadvisable to issue a balance-sheet until they were in a position to publish simultaneously the conclusions of the investigating authority.

LATER MEETINGS PROBABLE.

While on this subject I should like to acquaint the shareholders of the fact that present-day conditions and our connections in distant countries render it increasingly difficult to complete our annual accounts in time for the general meeting at the end of June in each year. The directors have in mind, too, the desirability of so arranging these matters that oversea shareholders may receive the annual balance-sheets and reports in time to allow them to make by proxy or otherwise any representations that they may desire at each annual general meeting. In all the circumstances the directors anticipate that in future years our annual general

meeting will probably be convened some weeks later than has been the past practice.

THE BALANCE-SHEET.

We may proceed now to the examination of the figures appearing in the balance-sheet. Let me say at once that from the point of view of liquidity the statement before this meeting exhibits a more healthy situation than at any time since the year 1909. When the shareholders reflect that this substantial improvement has been effected during a period of exceptionally trying conditions, they will agree, I think, that it is a very tangible outcome of the policy of the present board. In the aggregate figures of the balance-sheet there has been a shrinkage of some £5,750,000. This is due, of course, to the fact that the year under review continued to record a restriction in trade and readjustment of commodity values. The same progress has been felt by nearly all banking institutions, and our shrinkage is certainly not out of proportion to the general experience of others in the same business.

LIABILITIES.

On the liabilities side of the balance-sheet you will be struck by the large decrease in our note circulation. This is due, of course, to the operation of the Currency and Banking Act of 1920, in terms of which commercial banks in the Union ceased, as at June 30, 1922, to have the right of issuing their own notes, a right which is now vested solely in the South African Reserve Bank.

NOTES IN CIRCULATION.

During the 12 months ended March 31st last, our own notes in circulation were reduced from £4,426,098 to the figure of £548,264 appearing in this balance-sheet—a reduction in our liabilities under this heading of £3,877,834.

In addition to that, we have entirely replaced by notes of the Reserve Bank, for which we have been obliged to put down pound for pound, the large holding of our own notes which at March 31, 1922, was maintained by us for currency purposes, or "till money" at all Union branches. The amount of £548,264 shown in the balance-sheet represents the portion of our own note issues that has not yet come in from circulation. To meet this obligation placed upon us by the Currency and Banking Act of 1920, we availed ourselves to a substantial extent of the opportunity afforded by the same statute of rediscounting with the Reserve Bank our holdings of trade paper. At March 31st last the amount of trade bills so rediscounted by us was £2,494,000, and the item is included in this balance-sheet under the fourth entry on the liabilities side, viz., the entry indicating drafts issued, acceptances outstanding, and bills rediscounted.

DEPOSITS.

You may have noticed that our deposits show a drop of nearly £2,000,000 during the financial year. Having regard to the trade conditions which existed during the year, a shrinkage of less than 4½ per cent. must be regarded as exceedingly satisfactory.

ASSETS.

We may now turn to the assets side of the balance-sheet, and a brief survey of the figures will at once reveal a material improvement in the liquidity of the bank's position.

The form of the balance-sheet has been improved, I think, by the method which is now followed of indicating separately under the heading of "investments" the portion of the bank's securities which consist respectively of gilt-edged Government investments and other holdings.

PERCENTAGE OF LIABILITIES.

If you take the grand total of our cash remittances and gold in transit, money in London at call and short notice, and our investments, it will be found that it works out at a snare under 48 per cent. of our liabilities in respect of deposits and notes. A corresponding calculation for the previous year shows that at March 31, 1922, the bank's resources represented approximately 40 per cent. of its deposit and note liabilities, and, as already indicated, we have to go back 14 years for a parallel to the satisfactory ratio reflected in this balance-sheet.

BRITISH AND COLONIAL GOVERNMENT SECURITIES.

In passing, I might mention that of the £7,000,000 standing against the heading "British and Colonial Government Securities," approximately £5,100,000 is represented by Treasury Bills. The item, "Bills of Exchange" represents the financing of both exports and imports. It shows a shrinkage of rather more than £1,100,000. In comparison with the previous year, this shrinkage denotes mainly a decrease in import transactions, but it has another aspect that is worth mention—viz., the healthier note in trade conditions that is evidenced by shortened currency bills and more prompt payment.

BILLS DISCOUNTED, ADVANCES, ETC.

I would now ask you to look at the items "Bills Discounted, Advances, &c."

As compared with last year's figures, you will notice a reduction of nearly £4,000,000. This shrinkage, like other figures in our balance-sheet, naturally denotes the restrained enterprise that characterised the past financial year. It also reflects, however, the exceptional provision that we have deemed it necessary to make for contingencies arising out of business undertaken prior to the year 1922.

For a clearer comprehension of the meaning of this last remark I should, perhaps, explain that the provisions held as against ascertained bad and doubtful debts have been deducted from advance figures before the latter are entered in the balance-sheet.

FACILITIES FOR CLIENTS.

Throughout the year we have continued to meet the reasonable and legitimate requirements of our clients, and the strength of our cash position indicates that we are well equipped to meet whatever may be their further requirements of this character whenever trade conditions hold out a prospect of more stable and remunerative employment of funds.

BANK PREMISES.

The heading "Bank Premises," £859,000, reflects the position of this account after writing off £30,000 for the year under review against a similar provision to the extent of £25,000 in the preceding year.

It is worthy of note that the aggregate valuation of our premises is greatly in excess of the figure appearing in the balance-sheet.

PROFIT AND LOSS ACCOUNT.

We can now give a few minutes to the consideration of the profit and loss account.

ADVERSE CONDITIONS.

The adjustments necessitated by the extensive provision for bad and doubtful debts introduce an element of complexity into this account which makes it difficult to draw a comparison with the published figures of previous years. I may state, however, that our gross revenue for the past year under all headings is considerably below that of the years immediately preceding. Nor was this unexpected, seeing that, apart from general restriction in trade conditions, we lost during the twelve months under review the bulk of our note issue, and were obliged to pay charges running into the very substantial total involved in the consequential rediscounting transactions with the Reserve Bank. As if these factors were not enough in the way of adverse conditions, the trade situation occasioned a considerable accumulation of funds in London, where it was impossible to employ the money except at very low rates, nor was it practicable to move these surplus balances to this side except at a heavy loss. Nevertheless, the directors are entirely satisfied with the gross earnings of the year, which bear testimony to the value of our business connections. Even under the adverse conditions of the year under review, the expenditure appearing in the profit and loss account shows the substantial reduction of £174,000 over the corresponding figure of last year. This decrease occurs under the majority of headings of our administrative costs, but is mainly due to the disappearance of the cost of living allowances.

The vital necessity for further reducing our expenditure is never absent from the minds of the management, and every avenue through which economy can be exercised without loss of efficiency continues to be diligently explored.

ALLOCATIONS.

The credit carried forward from the profit and loss account, as you will observe, is £75,136, and the directors recommend that of this amount £50,000 should be allocated to the staff pension fund, the balance being carried forward to the financial year now current. This proposed allocation to pensions is the same as for the previous year. Incidentally I may observe that the actuarial valuation of our pension funds, which was foreshadowed by me last year, is in hand, and is expected to be completed in a couple of months' time.

The last remark that I have to make on the profit and loss account, although the fact must be obvious to all, is that in all the circumstances recited by me this morning, no dividend can be paid for the financial year ended March 31st last.

THE FUTURE.

So far I have dealt mainly with the past financial year. It is now permissible to make a brief survey of the future. In so far as the interests of the bank are concerned, our experiences during the past year have been such as to induce a spirit of extreme caution in venturing an estimate of what the future holds in store for us. Even so, there are so many encouraging features in the

present situation that it is impossible to restrain a feeling of quiet optimism.

Let me mention some of these encouraging features.

ENCOURAGING FEATURES.

You have confirmation by a very high authority that our contingency provisions, as reflected in the present balance-sheet, are adequate. The same authority endorses the policy now being followed in the conduct of the bank's business, and, if any further confirmation of this policy were required, it can be found in the fact that the business undertaken since the beginning of 1922 has proved to be sound and devoid of risk. Our earning capacity has been well maintained, notwithstanding all the adverse conditions against which we have had to contend; the liquidity of our position is self-evident from the balance-sheet. We are still applying the pruning knife to the expenditure services, and can see our way to effecting further substantial economies without impairing efficiency. There is no doubt, too, that the economic conditions of the country at the moment offer distinct indications of recovery.

POSITION OF INDUSTRIES AND TRADE.

The wool situation is buoyant. The recent bountiful rains have ensured an excellent maize crop.

The diamond industry is slowly but steadily recovering its position, and the gold-mining industry, on the whole, is enjoying a considerable measure of tranquility and prosperity. The gap between our exports and imports, which was one of our embarrassments last year, is gradually being narrowed, and in the House of Assembly last week the Minister of Finance struck an encouraging note regarding the economic outlook.

NECESSITY FOR ECONOMY.

Both the Finance Minister and the Minister of Railways, however, stressed the vital necessity for further economies in public expenditure, and in their efforts to secure this essential object they will have the sympathy and support of all responsible sections of the community. That there is plenty of room for further substantial economies in public expenditure no reasonable individual will deny, or that the machinery of public expenditure erected in the Union is far beyond the resources of the relatively small white population that has to bear the burden. If, as seems probable, the Government are successful in their efforts to reduce expenditure, and they are thus enabled to lighten the burden of taxation in South Africa, the result cannot fail to be most beneficial to all established industries in this country. Moreover, it will give health and vigour to those young industries such as the cotton and fruit production, which are promising extremely well at present, and will attract fresh capital from overseas for development of resources as yet untouched. So that with these encouraging prospects in view, with the bogey behind us of contingent provision for the imprudent days that have disappeared, I feel that I am justified in believing that we have definitely seen the worst of the bad times, and that more prosperous conditions will now be our experience.

RESERVE FUND.

Disagreeable as it must be to shareholders to be deprived for the time being of income from their investment, I do not think that any of them will fail to appreciate the fact that in their own best interests our reserve fund must be re-established to some extent before there can be any serious thought of distribution of profits, and shareholders must not expect any dividend announcement at the end of the coming half-year.

REPAYMENT OF FROZEN OUTSTANDINGS.

I should like to say a word to shareholders regarding our policy in endeavouring to effect repayment of frozen outstandings. If the client has any prospect whatever of winning through, and if he has shown a determination and capacity to recover his position and meet his obligations, we regard it as our duty both to that client and to ourselves to afford him all the reasonable encouragement that he may require, but in case of an involved obligant who may have no prospect of recovering his position, it must be acknowledged that we have no alternative but to put the insolvency laws in operation, and thus prevent him from prejudicing our position by contracting further losses. There is also the class of debtor who, finding himself in difficulties, persists in preferring other creditors at the expense of his bankers. Towards this class there is only one policy to pursue, and we intend to follow it in all cases of this nature that may present themselves.

PROMINENT EXAMPLES.

I have a particular object in view in making these remarks. Unfortunately, we have before us at the moment one or two rather prominent examples of both these classes of frozen outstandings, and my object is to acquaint shareholders with the situation, so that when they hear of our having taken action on the lines indicated they will know what are our reasons, and will also know

that full provisions for possible shortfalls in these connections are included in the allocations for contingencies that we have been considering this morning.

BRANCHES.

On the subject of branches you will see from the report that during the past financial year 19 branches were closed entirely and eight were converted into agencies.

On the other hand, one sub-branch was raised to the status of a full branch.

In my address to the shareholders last year I enlarged upon this policy of contraction in areas, which showed no prospect of profitable banking for years to come, and the figures quoted above demonstrate that we have been vigorous during the past year in safeguarding the interests of the shareholders in this respect; nor are we by any means at the turning of this lane of contraction. It would be quite impossible to defend the retention of small country branches which exhibit losses and offer remote prospects or no prospects of these losses being converted into profits or even of balancing expenditure and revenue. I regret to say we have still a considerable number of branches in this category, and in suitable rotation they are steadily being dealt with.

THE DIRECTORATE.

During the past year there has been no change in the personnel of the board. As you will see from the annual report, Messrs. H. O'K. Webber, A. Oliff, and W. S. Webber retire automatically, but are eligible and offer themselves for re-election. Mr Oliff's absence from our meeting this morning is due to a recent operation, from which, I am glad to say, he has already recovered, although not to an extent that permits him to face the journey from Maritzburg at this season.

The past year has been one of considerable anxiety for the board, involving exceptional demands upon their time and attention, and I wish to take this opportunity of recording my very grateful thanks for the invaluable assistance which, individually and collectively, my colleagues have freely given to me.

MR AIKEN JOINS THE BOARD.

It affords me great pleasure, too, to announce that, in response to the invitation extended to him by the directors, Mr Alexander Aiken, of Johannesburg, has signified his willingness to join our board.

Mr Aiken is so well known and respected throughout the Union as one of the foremost financial experts and economists that he needs no introduction to you. His unique attributes and experience will assuredly prove of the greatest assistance in the conduct of the bank's affairs.

A few months ago I paid a short visit to London to make myself conversant with that important section of our business.

CHANGES IN LONDON ORGANISATION.

This afforded me a welcome opportunity of making the acquaintance of those members of our London Committee whom I had not previously met. As the result of the personal exchange of views thus rendered possible, certain necessary changes in the organisation of our London office were agreed upon, while a relationship was established with the committee which, I venture to think, is very much to the bank's advantage.

CHANGES ON THE COMMITTEE.

During the financial year two vacancies occurred in the ranks of the committee. The first of these vacancies was caused by the resignation of Mr O. R. Dunell, who has been associated with the National Bank since the absorption of the Bank of Africa, of which he was a director. The other vacancy was occasioned by the untimely death of Mr Kitzinger. These two vacancies were filled by the appointment of our joint managers in London as official members of the committee, an arrangement which seems to be working well.

The London committee have not escaped the cares and worries inseparable from these trying times, and I am confident the shareholders will share the board's gratification that their interests are in such capable hands.

GENERAL MANAGEMENT.

The demands made upon the general manager, assistant general managers, and the head office staff generally during the past financial year were exceptionally arduous, the heaviest strain having been, of course, upon the general manager, and accordingly the board have agreed most willingly to his suggestion that he should enjoy a spell of overseas furlough as soon as this can be conveniently arranged.

Mr. Dunlop will seize this opportunity of visiting our New York Agency in addition to studying conditions in London, and, therefore, his vacation promises to be of specific value to the bank as well as healthful and reinvigorating for himself.

QUESTION OF NEW HEAD OFFICE.

At last year's annual meeting certain speakers advocated the early construction of a more suitable building for the accommodation of our head office staff service. That I readily admit was sorely needed. Since then I have received representations from various shareholders to the effect that they will feel aggrieved if a service of this nature is undertaken before circumstances admit of a resumption of dividend payments. Their view is readily appreciated by the directors, who accordingly decided not to take any action in that regard for the present. This decision has been come to the more readily owing to the fact that the building costs are still abnormally high.

WAR MEMORIAL.

On July 19 there will take place the unveiling of a tablet which the Board have erected to the memory of eighty-six officers of the bank who made the supreme sacrifice during the great war. The Prime Minister has graciously consented to perform the ceremony. The precise hour of the ceremony has not yet been fixed, but shareholders who desire to be present should inform the secretary, who will see that they are duly notified of the arrangements. The tablet is being given a temporary resting-place in the Banking Hall underneath us, but its ultimate destination is, of course, our projected new administrative block.

THE STAFF.

At the risk of trying your patience I must offer a few words on the vital subject of establishments. In April, 1922, the staff on our registers, male and female, numbered 3,472. At the end of March last this number had fallen to 3,230, a decrease of 242 officers, of whom, roughly, two-thirds were from the ranks of our lady assistants. The consequent decrease in our salary sheets is £36,363, a figure that shareholders will regard as small in comparison with the numerical decrease in personnel.

The explanation is, of course, that under what is known as the Grading Award we are obliged each year to pay to graded officers salary increments which in the aggregate amount to a very large sum. It is contended in certain quarters that this obligation in the matter of annual increments remains unalterable, notwithstanding bad times and diminished revenues. My purpose is not, however, to argue the legal aspect. The practical aspect is, of course, that in the present circumstances we simply cannot afford the consequential drain. The problem is to find an alternative scheme which, while it will continue to assure to efficient officers the necessary encouragement to advance in their profession, will at the same time introduce barriers which will automatically check the salary progress of the inefficient until by his own efforts he has removed his disqualification.

AMENDED GRADING SCHEME PROPOSED.

The existing grading award has been in operation for two and a half years, long enough, that is, for its demerits as well as its merits to be discerned. It would have been a superhuman achievement if the authors of the award had been able in the relatively short time at their disposal to produce a perfect piece of administrative mechanism, and I take leave to express my admiration for the work that they created in an atmosphere that did not make for the submission of thoroughly impartial evidence by either of the two opposing parties. In the circumstances we intend to approach the Society of Bank Officials at an early date with a proposal for a friendly discussion of an amended grading scheme which we have in preparation. We are fully conscious that it is in our own interests to have a contented staff, and the underlying idea of this amended scheme will be to give our efficient officers the maximum of salary encouragement within the limits of our ability. I have not the least doubt that the society will meet us in a reasonable spirit, and in order to allay any feelings of apprehension which the foregoing remarks may create in the minds of our graded officials, I would add that during the first year of its operation this amended scheme is not expected to produce a greater reduction than £5,000 in the salary bill of our graded officers, a reduction that amounts to only about 1 per cent. of the salaries paid to graded officers at the present time. In point of fact, the alternative grading scheme is not designed to effect immediately any material saving in our establishment charges. Its main object is to raise the level of efficiency, and thus to economise expenditure in later years by diminishing the need for so large a staff as we support at the present time.

REVISION OF LOCAL ALLOWANCE REGULATIONS.

But we cannot wait for such a slow decrease in our establishment charges as is expected from the revised grading proposals, and accordingly some other means must be found of meeting the situation. We think that a solution lies in the revision of local allowance regulations, and we shall put our ideas before the society in due course. It will be our earnest endeavour, however, so to frame any such revision as to bear as lightly as possible upon our married officers. In the year 1920 three com-

mercial banks formed themselves into an organisation styled the Associated Banks for the purpose of dealing on joint and uniform lines in matters of salary, &c., with the Society of Bank Officials. In the year 1921 this partnership was reduced to two, and as the exigencies of the present situation mainly concern themselves, we have decided to give notice to our partner and to the society of our intention to retire from the partnership, a step that will automatically involve the disappearance of the Associated Banks' organisation.

TRAINING OF YOUNGER OFFICERS.

The organisation served a useful purpose, but the conditions under which it came into being have altered, and we must have liberty of action to solve establishment problems that are of a more vital and immediate concern to us than to our more fortunate partner. In regard to the staff position generally, it will interest you to learn that greater attention is now being paid not only to the educational qualifications of candidates for entrance to the bank's service, but also to their potential value and to their antecedents, and that special attention is being paid to the training and development of our younger officers along systematic lines, so that when vacancies arise in higher positions we shall be well equipped to fill them. Certain selected officials are now being given special opportunities of improving and developing their banking knowledge by periods of intensive service at the head office and at suitable points. During this year we have lost several of our senior men, and we have been obliged, therefore, to call upon some of our younger men to fill important positions. It affords me pleasure to state that the men thus called upon have responded in a most creditable manner to the responsibilities of their new posts. No doubt shareholders have from time to time seen reports in the public Press of defalcations by members of our staff. Active measures are being employed to minimise the risk of such happenings, and I am glad to say with excellent results. Certain of these defalcations were made possible by slackness on the part of officers whose duty it was to carry out well-understood rules for the maintenance of an effective system of checking, rules which are not only laid down in unmistakable terms in our instruction book, but which have been repeated in circulars to our branches.

It is hardly necessary to add that officers who may display negligence whereby defalcations have been made possible or facilitated are being subjected to disciplinary action of a very stern character, no matter what may be the length of their service or the position in it that they have reached.

THE CURRENCY AND BANKING ACT, 1920.

During the closing stages of the session of the Union Parliament that terminated on Saturday last, a measure became law which amends in certain important respects the Currency and Banking Act of 1920. The features of this amending statute that more particularly affect commercial banks in the Union are the extension for two years—that is, until June, 1925—of the inconvertibility of gold certificates and the alteration (which remains in force for five years) of cover that may be held by the Reserve Bank for its note issue.

REPLY TO MR SAMUEL EVANS.

The first-mentioned alteration gave rise to considerable criticism, and in particular I would mention the views of Mr Samuel Evans. In addressing shareholders of the Crown Mines, Limited, recently, Mr Evans charged the bankers in the Union with self-interest and disregard of the needs of the country in supporting the proposal which ultimately became law. I venture to think that Mr Evans may already have found cause for regretting such a sweeping statement. The support given to the amendment by the representatives of commercial banks was dictated by the conviction that the interests of South Africa as a whole would be seriously endangered if the Union, under the existing circumstances, were to make a solitary attempt to go back to a free gold basis. Naturally, if the Union as a whole suffered from a precipitate action of this nature, the banks established in this country would also suffer, as there is an obvious community of interest between the two.

NO SELFISH MOTIVES.

But this is no ground for the implication that the attitude of the commercial banks was conceived from selfish motives, and notwithstanding the consciousness that the measure would be detrimental to the country. As a matter of fact, if conditions were ripe in South Africa to return to a gold basis, the change would be hailed with delight by the commercial banks. Their present embarrassments in the matter of exchange would thereby be reduced by a very material extent, while their profit-earning capacity would be increased as a result of the expansion in trade that would flow from the greater measure of stability thus introduced. With regard to the other alteration in the currency and banking legislation to which I referred a few moments ago, this admits British

and Union Treasury bills as a limited portion of cover against the note issue of the Reserve Bank. The amendment introduces a great degree of flexibility in the matter of obtaining currency in the Union, and to that extent is a useful and desirable provision. For instance, under the conditions at present prevailing, the commercial banks, by investing in British Treasury bills, may employ their surplus funds in London for the purpose of supplementing their surplus of Union currency. This facility may possibly enable the commercial banks on occasion to postpone or even dispense with the balancing of their exchange transactions in gold, but it will not effect any actual movement of these London balances. The substitution of Treasury bills in part for commercial bills has become necessary owing to the dearth of good trade paper exchange.

TELEGRAPH TRANSFERS AND DRAFTS.

The commercial banks are criticised very much by the exporting community on account of the rates which have prevailed during the past years for the purchase by the banks of telegraph transfers and drafts on London. As this criticism appears to be founded on a misconception of the situation, it is desirable to set out the facts as they present themselves to us. It is common knowledge that during the past year the accumulated funds of the South African banks in London reached an abnormal level. To correct this position, the South African banks might have suspended the purchase of bills on London, or they might have shipped sovereigns to this side. Both of these remedies had previously been tried. In 1921 an attempt was made to restrict the purchase of overseas bills, a course which was received with a storm of protest from exporters, and in 1919 and 1920 gold was imported at enormous cost to the banks. This cost amounted to as much as 25 per cent., if not more, and, in accordance with the usual exchange practice, the proper procedure was to have passed on this cost to the exporters by adjusting exchange rates. The banks, however, refrained from adopting this procedure, otherwise selling and buying rates in South Africa at that time for £100 on London would have been approximately £76 and £75 respectively.

Obviously, both of these alternatives would have been contrary to the interests of the bank's exporting customers, and of the country, and accordingly, at considerable risk of serious embarrassments to themselves, the banks continued to meet the requirements of these customers at rates which were very much below the margin of business expediency.

REDUCTION OF RATES.

Fortunately, the trend of trade recently has been such as to relieve the banks to a considerable extent from these embarrassments, and as the situation improved the banks have correspondingly reduced their rates for purchasing exchange on London. Within the last four months this reduction amounted to 1 per cent., following the usual law of supply and demand, with a superabundance of South African funds in London and a corresponding scarcity in the Union. The South African pound in the Union naturally appreciated, and the British pound depreciated. This was reflected in the exchange rates, and in December, 1922, £97 in the Union was sufficient to purchase £100 in London. At that time gold was approximately 89s per ounce, and had the exchange rate been based on the price of importing sovereigns the local buying rate of £100 in London would have been approximately £95. It is said that exchange rates are arbitrarily fixed by the banks, but the deciding factor is the trend due to trade as reflected in their balances in the respective countries.

KANSALLIS-OSAKE-PANKKI

(National Joint Stock Bank).

ESTABLISHED 1889.

Head Office: HELSINKI (Helsingfors),
FINLAND.

Capital and Reserves - - - Fmk. 252,000,000
Deposits and Cheque Accounts
(31/12/22) - - - Fmk. 1,420,000,000

124 BRANCHES AT ALL IMPORTANT BUSINESS
CENTRES IN FINLAND.
Telegraphic Address Kansallispankki.

[June 30, 1923.]

BANK OF FRANCE.—In francs (000's omitted).

Assets.	June 28, 1923.	June 21, 1923.	June 14, 1923.	June 7, 1923.	Position May 28, 1924.
Gold coin and bullion	5,537,704	5,537,696	5,537,604	5,528,858	3,730,625
Of which held abroad	1,864,345	1,864,345	1,864,345	1,864,345	1,864,345
Silver coin and bullion	293,101	292,805	292,744	292,862	632,560
Discount and advances	4,563,996	4,563,996	4,563,996	4,563,996	4,563,996
Advances to the State	23,100,000	23,100,000	23,100,000	23,100,000	23,100,000
LIABILITIES.					
Notes	36,689,303	36,621,812	36,701,899	36,039,356	5,811,875
Government deposits	20,165	21,043	20,991	57,681	183,700
Private deposits	2,137,925	2,035,705	2,113,937	2,390,693	845,960

BANK OF SPAIN.—In pesetas (000's omitted).

Assets.	June 23, 1923.	June 16, 1923.	June 9, 1923.	June 2, 1923.	Position May 30, 1924.
Gold	2,525,786	2,525,774	2,525,736	2,525,717	521,775
Silver	866,649	862,846	861,126	862,725	728,600
Loans and discounts	2,003,810	2,009,930	2,006,405	2,001,773	800,725
Spanish 4% stock	344,475	344,475	344,475	344,475	344,475
Treasury bills	150,000	150,000	150,000	150,000	150,000
LIABILITIES.					
Circulation	4,077,402	4,113,763	4,134,413	4,111,515	901,550
Deposits	921,593	943,967	936,482	938,040	477,500

BANK OF JAPAN.—In yen (000's omitted).

Assets.	May 26, 1923.	May 19, 1923.	May 12, 1923.	May 5, 1923.	Position May 30, 1924.
Cash and bullion	1,091,254	1,091,211	1,088,348	1,089,807	231,320
Discounts	123,694	98,408	110,912	163,766	41,740
Advances	214,918	210,623	213,874	227,117	70,540
LIABILITIES.					
Notes	1,107,032	1,054,093	1,066,757	1,130,622	362,270
Govt. deposits	878,903	886,890	887,522	887,522	87,340
Other deposits	40,029	34,625	34,472	30,212	11,440

IMPERIAL BANK OF GERMANY.—In marks (000's omitted).

Assets.	June 15, 1923.	June 7, 1923.	May 31, 1923.	Position May 30, 1924.
Gold and bullion	117,581,125	117,576,130	115,784,145	1,635,160
Treasury notes	2,159,576	2,194,992,886	1,892,215,265	943,460
Bills discounted	15,640,705,369	15,667,564,072	12,036,598,650	60,780
LIABILITIES.				
Notes in circulation	10,095,091,898	9,309,565,583	8,563,749,470	155,345,277
Deposits	6,141,782,000	5,643,060,212	5,061,070,231	36,831,696

BANK OF ITALY.—In lire (000's omitted).

Assets.	May 31, 1923.	May 20, 1923.	May 10, 1923.	May 31, 1923.	Position May 30, 1924.
Total cash	1,485,545	1,471,259	1,364,192	1,413,895	1,221,875
Gold bullion	4,819,914	4,691,717	4,689,210	4,718,916	4,326,592
Foreign bills	13,670	13,546	13,565	13,341	81,400
Advances to the Treasury	5,832,494	5,832,535	5,058,477	5,058,454	6,107,491
Other advances	1,854,698	1,713,998	1,325,946	1,325,884	3,051,287
Securities	407,228	406,823	406,808	406,379	79,175
LIABILITIES.					
Notes in circulation	12,185,899	12,054,034	12,411,136	12,611,435	1,556,925
Deposits & drafts	1,548,860	1,381,869	1,397,778	1,649,070	1,853,296

NETHERLANDS BANK.—In florins (000's omitted).

Assets.	June 25, 1923.	June 18, 1923.	June 11, 1923.	June 4, 1923.	Position May 30, 1924.
Gold	581,791	581,791	581,791	581,791	605,890
Silver	10,538	10,198	9,819	9,603	7,540
Discounts and advances	363,738	326,158	332,284	353,005	370,616
LIABILITIES.					
Notes in circulation	912,133	918,770	927,640	944,240	960,477
Deposits	53,158	19,445	18,462	21,592	46,345

NATIONAL BANK OF ROMANIA.—In lei (000's omitted).

Assets.	June 9, 1923.	June 2, 1923.	May 26, 1923.	May 19, 1923.	Position May 30, 1924.
Gold	545,266	545,266	528,731	528,231	495,471
Government loan	12,604,833	12,595,386	12,591,133	12,581,728	12,522,556
Advances	5,070,537	5,018,293	5,029,946	5,011,261	2,666,180
LIABILITIES.					
Notes in circulation	15,962,697	15,861,901	15,849,543	15,813,278	14,111,324
Deposits	7,119,400	7,060,524	7,081,140	7,085,637	5,876,053

SWISS NATIONAL BANK.—In francs (000's omitted).

Assets.	June 23, 1923.	June 16, 1923.	June 9, 1923.	June 2, 1923.	Position May 30, 1924.
Gold	524,272	537,007	536,645	536,056	537,022
Silver	102,332	102,644	102,789	103,149	107,040
Discounts and advances	30,534	30,715	29,269	30,069	13,176
LIABILITIES.					
Notes in circulation	827,976	833,269	854,197	881,728	267,375
Deposits	155,109	160,645	127,916	238,345	175,926

BANK OF SWEDEN.—In kronor (000's omitted).

Assets.	June 23, 1923.	June 16, 1923.	June 9, 1923.	June 2, 1923.	Position May 24, 1924.
Gold	273,067	273,137	273,171	273,212	274,003
Balance abn. and foreign bills	35,999	36,739	40,504	37,996	79,367
Swedish and for. Gov. securities	152,249	157,787	147,996	148,031	72,051
Discount and loans	322,249	335,982	333,993	359,616	420,675
LIABILITIES.					
Notes in circulation	530,508	527,126	528,832	554,268	530,703
Deposits at notice	202,977	215,776	216,537	213,264	255,929

BANK OF NORWAY.—In kroner (000's omitted).

Assets.	June 15, 1923.	June 7, 1923.	May 31, 1923.	Position May 30, 1924.
Coin and bullion—Gold	147,289	147,289	147,289	147,289
Balance abroad and foreign bills	20,157	15,860	13,400	40,278
Norwegian & Foreign Government securities	9,404	9,404	9,404	9,835
Discounts and loans	487,388	505,422	517,955	436,727
LIABILITIES.				
Notes in circulation	398,411	398,249	401,902	365,267
Deposits at notice	137,842	151,009	159,381	148,843

Through Royal resolution of February 3, 1922, it has been resolved that the extraordinary right of issuing bank notes has been reduced from 50 millions to 25 millions from February 4, 1922 (this day included).

NATIONAL BANK OF BELGIUM.—In francs (000's omitted).

Assets.	June 21, 1923.	June 14, 1923.	June 7, 1923.	May 31, 1923.	Position May 28, 1924.
Coin (gold & silver and bullion)	348,127	347,884	348,328	348,105	328,016
Securities	751,311	739,328	734,488	725,018	647,650
LIABILITIES.					
Notes in circulation	6,669,300	6,726,643	6,722,291	6,816,159	6,150,693
Current accounts	552,058	404,360	408,076	220,654	882,630
Other liabilities					112,125

AUSTRIAN NATIONAL BANK.—In krone (000's omitted).

Assets.	June 15, 1923.	June 7, 1923.	May 31, 1923.	May 23, 1923.
Gold	73,390,999	73,390,999	73,390,999	73,390,999
Foreign bills	2,006,010,112	1,805,350,509	1,682,209,457	1,536,198,565
Bills discounted	846,650,397	839,266,590	871,908,589	814,42,741
Treasury bills	2,547,211,870	2,547,211,870	2,550,158,917	2,550,158,917
Other assets	1,017,398,347	1,098,121,796	1,240,863,480	1,197,544,589
LIABILITIES.				
Notes in circulation	5,014,155,474	4,860,726,692	4,837,042,081	4,583,291,041
Deposits	370,824,587	365,665,791	313,339,344	409,914,854
Other liabilities	721,261,211	801,939,018	915,875,503	901,321,201

HUNGARIAN BANK.—In krone (000's omitted).

Assets.	June 15, 1923.	June 7, 1923.	May 31, 1923.	May 23, 1923.	June 14, 1923.
Gold coin and bullion, bills	22,942	22,950	22,950	22,916	13,159
Silver coin, &c.	936	936	936	936	936
Bills, warrants, drafts, &c.	100,179,943	94,312,702	93,395,653	90,892,922	25,322,499
Loans	3,298,530	2,967,635	1,763,401	1,913,589	1,558,106
LIABILITIES.					
Notes in circulation	129,000,472	122,116,066	113,285,461	111,634,109	52,552,257
Deposits	11,503,484	8,969,384	10,608,862	11,356,634	3,539,438

IMPERIAL BANK OF INDIA.—In rupees (000's omitted).

Assets.	June 1, 1923.	May 25, 1923.	May 18, 1923.	May 11, 1923.	May 4, 1923.	May 2, 1923.
Govt. securities	7,907	7,952	8,094	8,363	8,479	8,239
Other securities	1,238	1,238	1,238	1,238	1,238	1,238
Loans	18,222	18,222	18,222	18,222	18,222	18,222
Cash credits	28,760	28,760	28,760	28,760	28,760	28,760
Interest bills	6,457	6,457	6,457	6,457	6,457	6,457
Foreign bills	23,76	23,76	23,76	23,76	23,76	23,76
Dead stock	2,494	2,494	2,494	2,494	2,494	2,494
Sundries	70,06	70,06	70,06	70,06	70,06	70,06
Balance with other banks	46,78	46,78	46,78	46,78	46,78	46,78
Cash	19,82,14	17,65,57	16,15,70	14,17,69	13,86,52	19,76,81
LIABILITIES.						
Subscribed capital	11,25,00	11,25,00	11,25,00	11,25,00	11,25,00	11,24,34
Capital paid up	6,62,50	6,62,50	6,62,50	6,62,50	6,62,50	6,62,31
Reserve	4,22,50	4,22,50	4,22,50	4,22,50	4,22,50	4,22,50
Public deposits	10,96,61	10,37,55	10,44,94	11,14,66	12,44,01	16,27,18
Other deposits	63,72,01	62,74,42	60,91,89	60,88,06	60,66,72	53,74,85
Loans and securities						
Loans from Govt.						
Sundries	1,76,20	1,66,17	1,58,69	1,54,91	1,50,40	1,49,17
The above includes—						
Deposits in London	511	345	356	659	654	68
Advances in London	254	245	241	235	504	369
Cash, &c., at other banks in London	305	128	149	466	197	38

BANK OF FINLAND.—In P. marks (000's omitted).

Assets.	June 15, 1923.	June 8, 1923.	June 1, 1923.	June 15, 1923.	Position May 30, 1924.
Gold	42,704	42,704	42,704	42,704	35,091
Balance abroad and foreign bills	716,636	752,512	769,750	131,784	90,379
LIABILITIES.					
Notes in circulation	571,436	571,436	571,436	744,096	31,838
Deposits	725,985	708,821	706,906	788,609	106,151

BANK OF LATVIA.—In gold francs (000's omitted).

Assets.	June 15, 1923.	June 8, 1923.	June 1, 1923.	May 1, 1923.	Nov. 1, 1922.
Total cash	11,442	10,930	9,439	7,315	5,900
Gold and precious metals	15,203	15,200	14,063	14,089	14,099
Of which held abroad	748	748	748	748	748
Foreign bills	50,839	51,042	50,423	48,709	42,400
Discounts and loans	17,700	17,475	17,543	17,368	16,048
LIABILITIES.					
Notes in circulation	23,000	23,000	23,000	22,280	20,230
Capital paid up	10,856	10,856	10,856	10,856	10,856
Government deposits	28,035	28,035	28,035	25,368	5,969
Other deposits	29,399	29,310	25,452	18,121	14,911

BANK OF LITHUANIA.—In lt. (000's omitted).

ASSETS.		June 15, 1923.	May 31, 1923.	May 15, 1923.	April 30, 1923.	April 1923.
Gold		16,142	15,820	15,779	15,778	15,823
Silver		117	115	111	108	105
Dollars, & sterling, &c.		35,850	35,264	32,327	31,969	28,590
Other foreign currency		25	35	44	44	108
Discount and credit		13,066	12,355	14,076	14,217	13,663
Other assets		7,711	6,507	6,676	4,982	5,121
LIABILITIES.						
Capital		12,000	12,000	12,000	12,000	12,000
Banknotes in circulation		50,876	46,881	46,015	44,232	43,277
Deposits		5,796	7,631	7,383	6,400	4,531
Other liabilities		4,240	3,782	3,614	3,951	3,513

CENTRAL AMERICAN EXCHANGE RATES.

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

Country.	Par Value.	Usance.	Year, 1923.	Rate.
Bombay	1000	10-00	June 23	14-90
Venezuela	1000	10-00	June 27	24-15
Colombia (Bogota)	1000	10-00	June 26	98-00
Nicaragua	1000	10-00	June 18	4-80
San Salvador	1000	10-00	June 7	9-50
Guatemala	1000	10-00	June 23	27-00
Costa Rica	1000	10-00	Mar. 10	21-85
Bolivia	1000	10-00	May 19	15-00

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates:—

	Union of South Africa.		Union of South Africa.	
	From June 8, 1923.	From June 8, 1923.	From June 8, 1923.	From June 8, 1923.
	Buying.	Selling.	Buying.	Selling.
T.T.	2 1/2 % prem.	2 1/2 % dis.	1 1/2 % dis.	1 1/2 % dis.
Demand ..	1 1/2 %	1 1/2 %	1 1/2 %	1 1/2 %
30 days ..	1 1/2 %	1 1/2 %	1 1/2 %	1 1/2 %
60 days ..	1 1/2 %	1 1/2 %	1 1/2 %	1 1/2 %
90 days ..	1 1/2 %	1 1/2 %	1 1/2 %	1 1/2 %
120 days ..	1 1/2 %	1 1/2 %	1 1/2 %	1 1/2 %

* No premium allowed on amounts under £100.

(a) No discount allowed on sales of T.T.s. or demand drafts under £100.

† Plus ad valorem duty.

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

	London on Australia and New Zealand.		Australia and New Zealand on London.	
	Buying.	Selling.	Buying.	Selling.
T.T.	2 1/2 %	2 1/2 %	1 1/2 %	1 1/2 %
Demand ..	1 1/2 %	1 1/2 %	1 1/2 %	1 1/2 %
30 days ..	1 1/2 %	1 1/2 %	1 1/2 %	1 1/2 %
60 days ..	1 1/2 %	1 1/2 %	1 1/2 %	1 1/2 %
90 days ..	1 1/2 %	1 1/2 %	1 1/2 %	1 1/2 %
120 days ..	1 1/2 %	1 1/2 %	1 1/2 %	1 1/2 %

INDIAN TREASURY BILLS.

	March 31, 1923.	June 23, 1923.
Outstanding with public	21,63,45,000	10,42,55,000
In paper currency reserve	49,65,00,000	49,65,00,000
Total	71,28,45,000	60,07,55,000

INDIA COUNCIL BILLS AND TRANSFERS.

The following is a statistical summary of applications and allotments for India Council bills and transfers in London on Tuesday, June 26, 1923:—

	Rate.	Applications.	Allotments.	Average Rate.
Bills	1/4 1/2	Rs. 1,00,000	Rs. 82,000	16-125
Def. T.T. ..	1/4 1/2	8,00,000	6,53,000	81
Imm. T.T. ..	1/4 1/2	157,00,000	12,65,000	16-156
		115,00,000	40,00,000	16-156
		330,00,000	40,00,000	16-156

Next week 40 lacs will be offered.

BULLION.

IMPORTS AND EXPORTS OF GOLD.
Week ended June 27, 1923.

Imported into the United Kingdom.	Exported from the United Kingdom.
From—	To—
Latvia	U.S.A.
British West Africa	Egypt
British South Africa	Other countries
Other countries	
Total declared value of imports	Total declared value of exports

Messrs Samuel Montagu and Co. write on June 28th as follows:—

GOLD.

As the Indian demand has fallen off considerably, quite a large proportion of the gold this week will be sent to the

United States. A notification in the Press that the New South Wales branch of the Royal Mint will be closed as from January 1st next is premature, as the proposal is, we understand, under consideration by the Treasury. The reason of this change seems to be the reduced Australian gold output, which has caused a loss in the working of the Mint. Moreover, as the first issue of subsidiary coins required in Australia has been completed, there is a greatly reduced demand for further new coinage.

SILVER.

The market has lacked animation during the week. The Indian bazaars have not betrayed much interest. This has doubtless been owing to the monsoon movements, which at present are rather disappointing. Reuter reports that the monsoon has been practically general in Bengal, but that the current is feeble, and more rain is needed in the West, whilst in Bombay bazaar dealers in commodities have been deterred from operations by a prolonged break, which is causing uneasiness. These early adverse conditions, however, may easily be remedied by more favourable developments at a later date; if so, the effect upon the silver market would naturally be the more stimulated by a temporary abstention from purchases, and by a desire to liquidate bear positions which might have been built up. Most of the support has come from China, which has made purchases at the lower level at which we now stand. Supplies have come freely from the Continent, but America still stands aloof. To-day's prices—31 1/2 cash and 30 1/2 two months' delivery—are the lowest fixed since February 23rd and 24th last respectively. We are informed that the exports of silver from San Francisco to China during the month of May totalled 3,545,000 ozs.

INDIAN CURRENCY RETURNS.
(In Lacs of Rupees.)

	June 7, 1923.	June 15, 1923.	June 22, 1923.
Notes in circulation	17,096	17,152	17,238
Silver coin and bullion in India	8,329	8,385	8,471
Silver coin and bullion out of India	2,432	2,432	2,432
Gold coin and bullion in India	5,750	5,750	5,750
Securities (Indian Government)	585	585	585
Securities (British Government)	585	585	585

The silver coinage during the week ending 22nd inst. amounted to one lac of rupees. The stock in Shanghai on the 23rd inst. consisted of about 24,800,000 ozs in sycee, 32,000,000 dollars, and 290 silver bars, as compared with about 24,000,000 ounces in sycee and 31,500,000 dollars on the 16th inst.

GOLD AND SILVER PRICES.

1923.	Gold Per Ounce.	Silver—Per Ounce.	Date.	Silver.
		Cash.		Cash.
June 23..	89 4	31 1/2	July 6, 1917	39 1/2
25..	89 3	31 1/2	5, 1918	48 1/2
26..	89 4	31 1/2	4, 1919	53 1/2
27..	89 5	31 1/2	2, 1920	51 1/2
28..	89 6	31 1/2	3, 1921	34 1/2
29..	89 11	31 1/2	June 30, 1922	36 1/2

NOTICES.

Branches of the Commercial Bank of Australia, Limited, have been opened at Marrickville and Willoughby (New South Wales).

Barclays Bank, Limited, announce that Sir Donald Horsfall, Bart., has been appointed a local director for the Bradford district. They also announce that they have opened a new branch at 81 High Street, Sittingbourne, under the management of Mr E. M. Roberts.

ANALYSIS OF BALANCE-SHEETS.

LIABILITIES.		ASSETS.	
Amount.	Compared with Mar. 31, 1922.	Amount.	Compared with Mar. 31, 1922.
5 % cum. pref.	1,000,000	Goodwill, &c.	2,259,337
9 % cum. pref.	600,000	Plant, &c.	217,547
Ord. shares	1,250,000	Stocks	1,256,857
Debentures	1,100,000	Sundry debtors	561,787
Bills payable	28,514	Expenses pt. issue	—
Sun. creditors, &c.	624,610	Insurance, &c.	12,912
Savings bank deposits	151,942	Investments	219,972
Unclaimed divs.	5,089	Cash at bank and on hand	273,766
Debit interest accrued	9,000		17,227
Div. on 9 % pt. shs.	20,250		
Benevolent fund	1,785		
Reserve	400,000		
Special reserve	26,108		
Profit and loss	144,890		
Total	5,362,188	Total	5,362,188

MINING OUTPUT STATISTICS FOR MAY, 1923.

	Tons Crushed.		Gold Recovered.		Value.	Profit.
	Mill.	Cyande Works.	Mill.	Cyande Works.		
Gold.						
Esperanza	2,210	..	..	..	9,300	\$1,924
Frontino and Bolivia	952	..	..	..	1,360	..
Hampton Properties	1,424	..	..	..	518	749
Jumbo—Tip Top	3,208	..	..	..	5,407	..
London and Rhodesian	..	..	..	..	..	..
Oroville Dredging—	..	..	..	..	..	..
Pato 15 days (June 7th)	..	..	..	..	21,872	..
Oroya Links	3,033	..	..	..	15,078	..
Ouro Preto	7,800	..	..	..	2,541	11,535
Sheba	3,123	..	..	..	621	..
Waihi	16,388	..	5,052 (gold)	37,800 (silver)	..	..

* Loss.

	Output.	Other Notes in Return.	
		Tons.	Value.
Tin.			
Berenguela	22	Black tin, 63 per cent. fine tin.	..
Geovir	29-19	Black tin, realised £3,574.	..
Mongu	30	Despatched 32 tons.	..
Naraguta	40	Est. profit, £550.	..
New Chuquibambilla	63	..	..
Nigerian Base Metals	293	..	..
Renong	..	..	..
Coal.			
Chinese Engineering	79,837	Week ended June 16th.	..
East Kent	4,813	Week ended June 23rd.	..
Witbank	67,965	..	..

BROKEN HILL SOUTH.—Four weeks ended May 5th:—Crude ore treated 14,480 tons, assaying 155 per cent. pb., 63 ozs ag., 12 per cent. zn., producing the following concentrates:—Lead concentrates 641 tons, assaying 58 per cent. pb., 210 ozs ag., 63 per cent. zn. Current slimes 641 tons, assaying 58 per cent. pb., 210 ozs ag., 63 per cent. zn. Total, 2,551 tons, assaying 58 per cent. pb., 245 ozs ag., 70 per cent. zn. Slime sine flotation plant—12,696 tons residues, assaying 28 per cent. pb., 16 ozs ag., 12 per cent. zn., producing the following concentrates:—2,966 tons, assaying 71 per cent. pb., 52 ozs ag., 461 per cent. zn. Slime treated 12,090 tons, assaying 107 per cent. pb., 66 ozs ag., 134 per cent. zn., producing the following concentrates:—2,232 tons, assaying 43 per cent. pb., 275 ozs ag., 160 per cent. zn. In addition to the above, 1,795 tons of classified sands from dump slimes, assaying 41 per cent. pb., 29 ozs ag., 119 per cent. zn. were passed to the table sections, producing the following concentrates:—45 tons, assaying, 65 per cent. pb., 21 ozs ag., 71 per cent. zn. Despatches of slimes tailings—To Amalgamated Zinc, 7,692 tons net.

CHINESE KAOLIN.—Production of china clay for May:—Washed, 1,600 tons; dried, 935 tons; despatched, 1,293 tons.

THIRTY MINERALS.—Production of china clay for May:—Washed, 1,145 tons; dried, 1,209 tons; despatched, 1,296 tons.

Reports and Notices.

The directors of the South African Mutual Life Assurance Society have appointed Mr Charles Cosmo Monkhouse, B.A., F.I.A., to the position of general manager of the society. Mr Monkhouse, who is at present actuary to the United Kingdom Provident Institution, leaves this country at the end of September next to take up his new appointment.

The Governor and Committee of the Hudson's Bay Company announce the following changes in their staff:—Mr Frank C. Ingrams, having tendered his resignation as secretary after 35 years' service, will continue his association with the company in connection with their fur trade. Mr Patrick Douglas Stirling has been appointed London manager. Mr John Chadwick Brooks has been appointed secretary.

As from July 1st next the registered offices of Djember Rubber Estates, Limited, are being removed to those of Messrs Begg, Roberts and Co., Rochester buildings, 138 Leadenhall street, E.C. 3. Branches of the Meadow Dairy Company, Limited, have been opened at 14 King street, Darlaston, and 49 Pimlico road, London, S.W.

In view of the increased activities and enlargement of the Department of Colonisation and Development of the Canadian Pacific Railway, Mr. T. E. Roberts has been appointed assistant manager of the European organisation.

GOVERNMENT STOCKS, &c.

GUAYAQUIL AND QUITO RAILWAY PRIOR LIEN BONDS.—The Council of Foreign Bondholders have received a telegram from their agent at Guayaquil stating that the sum of \$107,000 is being remitted for the service of the above bonds in respect of the past half-year.

RAILWAYS.

ASSAM-BENGAL RAILWAY COMPANY, LIMITED.—The directors, with the sanction of the Secretary of State for India, offer to the holders of the £430,000 debentures of the company, maturing on July 4, 1923, the option of renewal on the following terms:—Period, four years; rate of interest, 4 per cent.; price, £97 7s 6d (2½ per cent discount). A commission of 5s per cent. will be allowed to brokers and other agents. This offer will remain open until 12 o'clock on Tuesday, July 3, 1923, and debentures for renewal must be lodged at the offices of the company, Bishopsgate House, 80 Bishopsgate, E.C. 2, before that time.

BANKS.

NATIONAL BANK OF NEW ZEALAND.—The net profit for year ended March 31, 1923, after paying a bonus to the staff of £13,600, providing for bad and doubtful debts, and including £142,121 brought forward from the previous year, amounts to £370,867. The interim dividend at the rate of 12 per cent. per annum, paid in January last, absorbed £72,700. The sum of £20,000 has been placed to premises account, leaving now available for distribution £278,167, which the directors propose to allocate as follows:—In payment of a dividend at the

rate of 12 per cent. per annum for the half-year ended March 31st last, £75,000; in payment of a bonus of 2 per cent., £25,000 (both free of income-tax); to reserve fund (which will then stand at £1,260,000), £10,000; to pension and gratuity funds, £22,600; balance to be carried forward, £145,567. A branch has been opened at Tuatapere, and the agency at Newmarket (Auckland) has been converted into a branch. The agency at Kaihu has been closed.

THE BANK OF TAIWAN, LIMITED.—Balance-sheet, December 31, 1922:—

LIABILITIES.		ASSETS.	
Yen.	Cash account—	Yen.	Yen.
Capital subscribed	In hand	60,000,000	15,134,708
Reserve funds	At bankers	12,180,000	8,479,731
Notes in circulation	Bullion and foreign money	34,416,456	7,847,043
Current accounts fixed, deposits, &c.	Bills discounted, loans, and overdrafts	225,240,869	378,938,598
Bills payable	Interest bills and exchange bought	178,249,000	177,406,610
Bills rediscounted	Customers' liabilities	18,677,779	101,038,485
Exchange sold	Government bonds, &c.	101,038,485	653,330,686
Acceptances	Correspondents' Cr.	50,081,981	3,719,208
Correspondents Cr.	Correspondents' Dr.	5,688,411	1,677,775
Suspense accounts	Bank's premises, property, furniture, &c.	2,578,525	6,732,083
Net profit	Capital unclaimed	48,500	7,511,575
Dividend unclaimed			
Total		771,716,502	771,716,502

MISCELLANEOUS.

BENZOL AND BY-PRODUCTS, LIMITED.—The audited balance-sheet and profit and loss account of the company from April 1, 1921, to March 31, 1922, has just been issued. The year's operations resulted in a trading loss of £44,493, due to strikes and trade depression. Deducting therefrom £7,201 profit brought forward from the last account and £8,000 written back from income-tax and excess profits duty reserve, leaves a net loss of £29,292, which is carried forward. The directors point out that they are satisfied that ample provision has been made for depreciation. The report states that in comparison with the previous financial period the value of the company's assets has decreased in the period under review by £55,963. This is mainly due to stock-in-trade, which is reduced by £35,746, owing to non-production during the strike period and subsequent fall in values. The balance of the £40,000 6 per cent. mortgage on Crigglestone Colliery (viz., £20,000) has been entirely discharged. With regard to the company's claim on the coal mines department, a settlement was effected, leaving a balance due to the company of £14,389; this balance has since been received. The company has no bank overdraft or charge upon its undertaking, whilst its present liquid cash position is, in the opinion of the directors, highly satisfactory. The trading outlook is bright, and the board has in hand business which if successfully completed should bring considerable additional revenue to the company.

OHLSOON'S CAPE BREWERIES.—The report for the year ended March 31, 1923, just issued, shows that the company experienced a better year's trading. In the previous year a loss of £12,136 was experienced, and the ordinary shareholders received no dividend. The latest report shows a net profit of £43,250. The ordinary dividend is 5 per cent., and the carry-forward is £12,081, against £6,581 brought in to the accounts. The improved results shown are largely due to the lower costs of materials and other savings, and the directors speak hopefully of prospects for the current financial year. The meeting will be held at the Great Eastern Hotel, Liverpool street, on July 5th, at 2.30 p.m.

PATON AND BALDWIN, LIMITED.—The profits of Paton and Baldwin, Limited, for the year amounted to £668,543, to which is added the balance brought forward from the previous year £68,075, making a total of £736,618. There has been paid on the preference shares a dividend at the rate of 6½ per cent., less tax, £66,641; an interim dividend on the ordinary shares at the rate of 2½ per cent., free of tax, £30,982; leaving a balance of £629,995. It is recommended to write off £90,000 for trade-marks and goodwill, which extinguishes it, and to pay a final dividend of 10 per cent., free of tax, making 12½ for the year and a bonus of 2½ per cent., free of tax on the ordinary shares. £250,000 is to be added to the reserve, making it £500,000, leaving a balance to be carried forward of £100,083.

PLATT BROTHERS AND CO., LIMITED.—The report for the year ended March 31, 1923, shows a net profit, after payment of debenture interest, of £708,808, as against £821,620 in the preceding year. The dividend for the year is 20 per cent., which compares with 22½ per cent., when a bonus of £206,120 was paid in shares in addition to the dividend. The general reserve is strengthened by the allocation of £237,978, which brings the general reserve fund up to £1,000,000. The sum of £130,000 is put to taxes reserve fund, making it £380,000. The sum of £66,447 is carried forward, which compares with £69,876 brought in. The annual meeting will be held at Hartford Iron Works, Oldham, on July 5th, at 2.30 p.m.

WILLIAM COOKE AND CO., LIMITED.—The directors state that it is not possible, at the moment, to issue a balance-sheet, because a settlement has not been come to with the Inland Revenue authorities, but the auditors say they will be able to authorise the publication of balance-sheets for the last two years in a short time. The directors report that the year ending March, 1923, was another disappointing one in the iron and steel trades, with falling prices until the end of January, and the volume of trade much below the capacity. They are, however, pleased to say that although a balance-sheet cannot be presented, they are satisfied that a small profit is the result of the year's working, and with help from the reserve fund the losses in the bad years can be wiped out, a small dividend can be paid, and a respectable sum carried forward. For these purposes they suggest transferring the amount of the special reserve fund, £30,880, and £9,120 from the general reserve fund, making a total sum of £40,000, which, so far as can be ascertained at present, is thought to be sufficient for the above-named purposes. This appropriation will still leave the reserve fund larger than it was before the war. They therefore recommend that a dividend of 2½ per cent., free of income-tax, on the ordinary share capital of the company be paid.

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF THE UNITED KINGDOM.

(b) Week ended June 22, 1923.	Week Ended June 24, 1923.	Aggregate 25 Weeks 1923.
Miles Open.	Passenger, Goods, &c.	Passenger, Goods, &c.
Total for Week.	Total for Week.	Total for Week.
Great Western.....	1,679 269,000 358,000	6,277 2,680,000 4,033,000
London & North-Eastern.....	6,661 479,000 728,000	26,661 1,879,000 2,878,000
Do same period 1922.....	6,657 508,000 684,000	26,657 1,920,000 2,878,000
London, Mid., & Scottish.....	6,962 632,000 891,000	27,144 1,920,000 2,878,000
Southern.....	2,115 356,500 108,400	8,464 2,353,200 2,934,700
Midland & S.W. Junc.....	63 1,634 1,935	238 5,599 28,668
Metropolitan (c).....	79 31,875 3,466	35,221 809,474 92,508
Underground E.R. (c).....	.. ..	.. ..
Lea. & Sub. Group (c).....	.. ..	.. ..
Belfast & Co. Down (b).....	80 6,184 1,130	7,514 117,400 30,353
Dublin & S. East. (b).....	150 5,952 3,613	127,021 91,241 147,753
Midland Gt. West. (b).....	538 14,997 15,597	30,594 228,194 382,800

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1923. + or -	1923. + or -

INDIAN.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1923. + or -	1923. + or -
Assam Bengal.....	8 weeks May 26	1,043	2,166,611	6,852	17,800,773
Bombay, Bar., & C.I.....	8 weeks May 26	1,118	37,300	3,300	2,793,000
Bombay, Bar., & C.I.....	8 weeks May 26	1,118	37,300	3,300	2,793,000
Bombay, Bar., & C.I.....	8 weeks May 26	1,118	37,300	3,300	2,793,000
Bombay, Bar., & C.I.....	8 weeks May 26	1,118	37,300	3,300	2,793,000
Bombay, Bar., & C.I.....	8 weeks May 26	1,118	37,300	3,300	2,793,000
Bombay, Bar., & C.I.....	8 weeks May 26	1,118	37,300	3,300	2,793,000
Bombay, Bar., & C.I.....	8 weeks May 26	1,118	37,300	3,300	2,793,000
Bombay, Bar., & C.I.....	8 weeks May 26	1,118	37,300	3,300	2,793,000
Bombay, Bar., & C.I.....	8 weeks May 26	1,118	37,300	3,300	2,793,000

CANADIAN.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1923. + or -	1923. + or -
Canadian National.....	23 weeks June 21	22,580	4,690,331	317,387	108,649,901
Canadian Pacific.....	23 weeks June 21	22,580	4,690,331	317,387	108,649,901

ARGENTINE (a).

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1923. + or -	1923. + or -
Argentine N.E.....	51 weeks June 23	753	11,400	1,500	560,600
Argentine Trans.....	50 weeks June 23	16	2,351	791	168,955
B. A. and Pacific.....	51 weeks June 23	23	3,517	40,000	8,518,000
B. A. & G. Southern.....	51 weeks June 23	23	1,548	21,000	9,425,000
B. Western.....	51 weeks June 23	23	1,883	87,000	24,000
Central Argentine.....	51 weeks June 23	23	3,305	223,000	46,000
Cordoba Central.....	51 weeks June 23	23	1,206	66,000	5,900
Entre Rios.....	51 weeks June 23	23	729	18,200	3,100

BRAZILIAN (b).

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1923. + or -	1923. + or -
Sa. West. of Brazil.....	25 weeks June 23	1,006	7,100	3,700	261,600
Leopoldina.....	25 weeks June 23	1,831	33,257	7,101	568,933
Sao Paulo.....	25 weeks June 23	24	15,531	29,398	7,467

CHILE AND PERU.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1923. + or -	1923. + or -
Antofagasta.....	25 weeks June 24	838	38,210	17,555	863,505
Miraflores (4-monthly).....	24 weeks June 24	15	366	34,797	18,727

CUBAN.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1923. + or -	1923. + or -
Havana Central.....	51 weeks June 23	11	10,864	1,719	573,373
United of Havana.....	51 weeks June 23	11	58,203	6,506	3,673,410

URUGUAYAN.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1923. + or -	1923. + or -
Central Uruguay.....	51 weeks June 23	273	24,027	3,509	1,348,318
C. Urug. (East Ext.).....	51 weeks June 23	23	111	7,369	301,120
C. Urug. (North Ext.).....	51 weeks June 23	23	185	3,683	1,083
C. Urug. (West Ext.).....	51 weeks June 23	23	111	2,795	839

OTHER OVERSEAS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1923. + or -	1923. + or -
Alcoy and Gandia.....	25 weeks June 23	33	30,000	6,000	546,800
Egyptian Delta.....	9 weeks June 23	10	6,805	1,626	45,026
Gt. Southern of Spain.....	24 weeks June 23	16	104	26,087	2,645,503
Mexican Railway.....	24 weeks June 23	21	403	248,600	31,400
New Cape Central.....	24 weeks June 23	21	805	2,349	226
Paraguay Central.....	24 weeks June 23	21	274	2,930	2,470
Salvador.....	24 weeks June 23	21	100	2,126	169

(a) Converted at par. (b) Converted at the current rate of exchange.

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week.	Total Receipts.
				1923. + or -	1923. + or -
Anglo-Argentine.....	15 weeks June 23	329	280,533	626	2,134,231
Burnley Corporation.....	1 week June 23	12	43,063	145	..
Calcutta Tramways.....	25 weeks June 23	23	354	242,432	23,566
Chatham & District.....	24 weeks June 23	14	15	41,558	236
Egyptian Markets.....	24 weeks June 23	14	..	41,455	206
Glasgow Corporation.....	24 weeks June 23	14	..	..	..
Tramways.....	3 weeks June 23	106	244,838	1,272	148,500
Isle of Thanet.....	18 weeks June 23	20	21,299	325	26,181
Lancashire United.....	25 weeks June 23	19	22,838	125	70,448
Liverpool Corporation.....	11 weeks June 23	16	124	227,045	2,696
L.C.C. Tramways.....	17 weeks June 23	27	163	438,311	5,916
Madras Electric (S. W.).....	14 weeks June 23	15	..	447,930	491
.. .. Tramway.....	14 weeks June 23	17	..	43,595	483

MONTHLY TRAFFIC RETURNS.

AMERICAN RAILROAD GROSS AND NET RECEIPTS.

This table is extracted from the Commercial and Financial Chronicle of New York.

Date.	Miles of Road.	Gross Earnings.	Net Earnings.
	1922.	1923.	1923.
Jan.	235,827	235,678	500,816,521
Feb.	235,625	235,399	444,891,872
Mar.	234,986	235,424	533,553,199

OVERSEAS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Month.	Total Receipts.
				1922-23. + or -	1922-23. + or -

INDIAN.

Name.	Period.	Ending.	Present Mileage.	Receipts for Month.	Total Receipts.
				1922-23. + or -	1922-23. + or -
Southern Punjab.....	5 mths Feb. 28	717	9,035,889	1,974,484	45,37,020

CANADIAN.

Name.	Period.	Ending.	Present Mileage.	Receipts for Month.	Total Receipts.
				1922-23. + or -	1922-23. + or -
Canadian North.....	3 mths Mar. 31	31	Gross \$4,397,600	-312,795	13,176,210
Canadian Pacific.....	3 mths Mar. 31	31	Gross \$15,586,000	-262,000	27,895,000
Temiscouata.....	1 mth April 30	30	Gross 43,196	..	3,196,000

BRAZILIAN.

Name.	Period.	Ending.	Present Mileage.	Receipts for Month.	Total Receipts.
				1922-23. + or -	1922-23. + or -
Brazil Gt. Strm.....	4 mths May 31	31	Gross \$1,750	14,510	310,250
State of Bahia.....	12 mths April 30	52	Gross \$8,000	43,000	1,669,000

CHILE AND PERU.

Name.	Period.	Ending.	Present Mileage.	Receipts for Month.	Total Receipts.
				1922-23. + or -	1922-23. + or -
Peruvian Corp.....	11 mths May 31	31	Gross \$1,386,634	44,134	14,174,769
Taita.....	11 mths May 31	31	Gross 172	215,435	4,957

URUGUAYAN.

Name.	Period.	Ending.	Present Mileage.	Receipts for Month.	Total Receipts.
				1922-23. + or -	1922-23. + or -
Midland Uruguay.....	11 mths May 31	31	Gross 319	18,085	5,038
N.-W. Uruguay.....	11 mths May 31	31	Gross 113	6,382	998
Uruguay North.....	11 mths May 31	31	Gross 74	2,447	251

OTHER OVERSEAS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Month.	Total Receipts.
				1922-23. + or -	1922-23. + or -
Algoma Cent. & Hudson Bay.....	9 mths Mar. 31	31	Gross \$148,073	8,228	1,481,070
Beira and Mashonaland.....	1 mth May 31	15	Gross 2,631	1,545	14,790
Bombay, Bar., & C.I.....	5 mths May 31	136	Gross 11,000	3,069	62,303
Bombay, Bar., & C.I.....	5 mths May 31	136	Gross 11,000	3,069	62,303
Bombay, Bar., & C.I.....	5 mths May 31	136	Gross 11,000	3,069	62,303
Bombay, Bar., & C.I.....	5 mths May 31	136	Gross 11,000	3,069	62,303
Bombay, Bar., & C.I.....	5 mths May 31	136	Gross 11,000	3,069	62,303
Bombay, Bar., & C.I.....	5 mths May 31	136	Gross 11,000	3,069	62,303
Bombay, Bar., & C.I.....	5 mths May 31	136	Gross 11,000	3,069	62,303
Bombay, Bar., & C.I.....	5 mths May 31	136	Gross 11,000	3,069	62,303

TRAMWAY & OTHER RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Month.	Total Receipts.
				1922-23. + or -	1922-23. + or -
Barcelona Trac. & Rops. in Spain.....	3 mths Mar. 31	31	Gross \$432,971	392,619	1,368,346
Brazilian Trac. & Rops. in Brazil.....	4 mths April 30	30	Gross \$2,387,780	115,275	6,566,187
Bombay, Bar., & C.I.....	12 mths Dec. 31	31	Gross \$1,546,000	1,386,000	45,106,000
Bombay, Bar., & C.I.....	12 mths Dec. 31	31	Gross \$1,546,000	1,386,000	45,106,000
Bombay, Bar., & C.I.....	12 mths Dec. 31	31	Gross \$1,546,000	1,386,000	45,106,000
Bombay, Bar., & C.I.....	12 mths Dec. 31	31	Gross \$1,546,000	1,386,000	45,106,000
Bombay, Bar., & C.I.....	12 mths Dec. 31	31	Gross \$1,546,000	1,386,000	45,106,000
Bombay, Bar., & C.I.....	12 mths Dec. 31	31	Gross \$1,546,000	1,386,000	45,106,000
Bombay, Bar., & C.I.....	12 mths Dec. 31	31	Gross \$1,546,000	1,386,000	45,106,000
Bombay, Bar., & C.I.....	12 mths Dec. 31	31	Gross \$1,546,000	1,386,000	45,106,000

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.	Interim Div.	Final Div.	Method of Payment.	Dividend for Whole Year.	Let's Year.	Pre-vious.
British Columbia Electric, Cum. Perp. Pref.	5	July 16	..	..	..	..	..
Chicago, Indianapolis, &c.	12 1/2	July 10	..	..	..	..	..
Bank of British W. Africa.....	3 1/2	..	..	Less tax	5	6	..
Bank of Taiwan.....	7	..	..	..	..	..	..
Chase National.....	4	July 2	Quarterly	..	..	..	..
Chatham and Phoenix National.....	4 1/2	July 2	Quarterly	..	..	..	..
National of Commerce, N.Y.....	3 1/2	..	..	..	..	..	..
National of N. Zealand.....	12 1/2	..	..	..	..	..	..
William Cooke and Co.....	..	..	..	Tax free	2 1/2	..	..
British Traders' ..	9 p.a.	..	..	..	..	..	..
Do Contributors' Bonus ..	20	..	..	..	..	..	..
Magie, Star, & B.D.	30	July 2	Tax free	..	..	..	..
Clydesdale Collieries.....	5	..	..	..	..	..	..
Wankie Colliery.....	7 1/2	July 14	..	..	..	..	..
Witwatersrand Deep.....	7 1/2	..	..	Union tax free	..	..	..
Assam Frontier ..	25	..	..	..	..	..	..
Bahra Selangor Rubber ..	30	..	..	..	..	..	..
Borelli Tea.....	30	..	..	Less tax	3 1/2	10	..
Borjan Tea.....	30	..	..	Less tax	40	..	..
Bukit Clob Rubber ..	15	..	..	..	..	..	..
Ceylon Land and Produce ..	15	..	..	..	..	..	..
Deamoolie Tea ..	15	..	..	..	..	..	..
Djember Rubber.....	..	..	..	..	..	..	..
Empire of India.....	6	July 2	..	..	..	..	..
Gaucha Colliery, Pref.....	10	..	..	..	..	..	..
Jorhaut Tea.....	10	..	..	..	..	..	..

THE COTTON TRADE.

† Tax free. (b) Also share bonus of £206,120.

Our Sheffield correspondent writes:—The trade in basic billets is suffering from severe depression, owing mainly to the competition of Continental material. Stocktaking and lack of confidence are also acting adversely upon the situation. Hopes are entertained that the competition referred to will disappear, or largely so, in a short time, and cause a revival in the demand for British material. The current quotations for billets are admitted to be unremunerative, and works which do not own their fuel supplies are operating at a loss. An increase in the number of local unemployed this week may be attributed to the stoppage of plants for stocktaking. Producers are clamouring for cheaper fuel and lower railway rates, as without such concessions a recovery from the prevailing slump is held to be impossible. The mills have still work on hand from old contracts, and in a minority of the finished departments bookings have tended to improve of late. There has been no buying of pig-iron for a long period except in small lots, and as stocks are accumulating at some of the producers' works a stoppage of a number of blast furnaces is probable during the next week or two. The coal market is easier, both in exports and home sales, British consumers' specifications being reduced owing to stocktaking operations. Supplies are plentiful. Quotations are much the same, and coke is firm at 30s at ovens. Prices at pits are:—Hand-picked South Yorkshire branch, 32s 6d to 34s 6d; best silkestone, 28s to 30s; best South Yorkshire hard, 21s to 23s; Derbyshire ditto, 20s to 21s; rough slacks, 12s to 14s; smalls, 7s to 9s.

Our Middlebro' correspondent's report, dated June 28, 1923, is as follows:—Pig-iron: There is no doubt that orders for pig-iron are being lost at our present price level. Other districts are offering cheaper, and foreign iron is again commencing to come in. Makers are prepared to reduce their quotation of 112s 6d for Cleveland No. 3 G.M.B. somewhat, but buyers still regard the iron as too dear. East Coast hematite mixed numbers are about 112s 6d per ton. Manufactured iron and steel: The unsettled boilermakers' strike interferes very much with our steel rolling mills. Steel ship plates, £10 10s; steel ship angles, £10; iron bars, £12; steel rails, £10 10s. Iron ore: Prices have about reached the downward limit, and the sellers' price for best Bilbao Rubio is maintained at 24s per ton, c.i.f. Tees.

Our Cardiff correspondent writes:—On the Cardiff coal market this week quotations have shown a much steadier tendency. The view was expressed in this column last week that the "rot" in the market prices had been checked. That view has been confirmed by the course of events this week. There has been no great activity either on current sales or contract account. New orders have been placed, but they have been for relatively small amounts, and collieries in need of spot tonnage have been prepared to make concessions in order to release wagons to prevent stoppages. Buyers, however, are coming into the market again, and the volume of trade is being restored to the high level of the weekly returns during March and April. Moreover, there is evidence that the drop in prices has checked the diversion of orders to the United States, whence latest reports admit a diminished export activity. The approximate current quotations are as follows:—Best Admiralties, 30s to 32s 6d; second Admiralties, 27s 6d to 30s; best drys, 30s to 31s; black veins, 28s 6d to 29s 6d; Western Valleys, 28s to 28s 6d; Eastern Valleys, 27s to 28s; best bunker smalls, 22s 6d to 23s 6d; ordinary cargo smalls, 18s to 20s; anthracite big vein, large, 20s to

1477

55s; machine-made cobbles, 62s 6d to 65s; French nuts, 60s to 62s 6d; stove nuts, 55s to 56s; rubbly culm, 18s to 18s 6d; coke for export, 50s to 57s 6d; inland blast-furnace coke at ovens, 35s to 40s; pitwood, ex ship, 27s 6d to 27s 6d. In the patent fuel, 35s to 38s; pitwood, as well maintained, and the exports iron and steel trade production is well maintained, and the exports last week were one of the heaviest recorded. They totalled nearly 32,000 tons, and that quantity has been exceeded in only one other week this year. Prices, however, are barely steady at the minimum schedule. That schedule is operative up to the end of September, and some merchants were inclined to discount prices for the last three months of the year. It is now generally believed, however, that the stabilisation agreement will be renewed for the last quarter of the year, but the prices for that period have still to be decided.

CUMBERLAND IRON

(BY OUR WORKINGTON CORRESPONDENT.)

(BY OUR WORKINGTON CORRESPONDENT.)
A disagreeable change has come over the Cumberland and North Lancashire hematite pig-iron trade during the past three or four weeks. Forward business has dried up to a large extent, and one furnace has in consequence between Workington and Carnforth 17 however, in operation between Workington and Carnforth 17 however, and these, it is now hoped, will be able to maintain their furnaces, and these, it is now hoped, will be able to maintain their production through July, if only to satisfy the needs reaching smelters from day to day. What future prospects are to be must smelters from day to day. What future prospects are to be must national situation. Certainly, so long as no satisfactory progress is made with regard to the reparations problem, consumers, is made with regard to the reparations problem, consumers, whether on the Continent or at home, are not disposed to enter into commitments far ahead. Trade of a hand-to-mouth character, therefore, is likely to be all to be secured for some little time to come. Changes in prices have, of course, taken place, and Bessemer mixed numbers have fallen during June to £6 5s per ton, delivered at Glasgow and Sheffield, and to the same figure for export. Ferro-manganese, on the other hand, being in firm request, especially by American users, commands the old rates, and is quoted at £18 per ton, delivered at home works, and £20 per ton for export, while spigot is also steady at £10 and £9 10s respectively. The steel trade is exceedingly dull, and such spasmodic activity as is exhibited at the rail mills at Workington is concerned with the execution of old contracts. Prices are a little easier, since there is little new business being booked, and heavy sections of rails are now quoted at £10, lighter sections at £11, and billets at £9 per ton. There is a somewhat smaller production in the native hematite iron ore industry, nearly all the privately owned mines having closed down, but owners are well sold, and so far there has been no depreciation of values, best sorts of low phosphoric ores commanding 26s to 28s and ordinary kinds 22s 6d to 24s 6d per ton. The coal trade is very brisk, but it is due in part to the diminution of output—the Whitehaven pits having been idle for three weeks—that supply is unequal to requirements. Irish merchants are having to be rationed, and the whole of the smalls has to be reserved for the local coking plant. Best round for export is 27s 6d, house nuts 24s, and washed nuts 25s. Best house in the coal market is 38s 2d, 27s, and washed steam 30s, and washed steam 29s per ton. The make of coke best steam 30s, and washed steam 29s per ton. The make of coke just suffices to cope with local smelters' requirements. The price is unchanged at 24s to 30s, according to carbon content. By-products are in steady request, road tar is in firm demand, and creosote and tar acids are a fair trade.

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—The opening auctions in London this week have revealed a good general demand for wool, and although it is obvious that Continental support is the mainstay of the market at present, it is none the less gratifying to know that confidence in raw material section spinners are contending the yarn cases orders are being held up remains unshaken. In many a good deal of price-cutting with great difficulties. In many and a good deal of price-cutting on account of lack of particulars, who need new business to keep is being indulged in by firms who need new business to keep machinery running. Quotations are merely nominal, and prices in many cases are anything but remunerative. The piece goods trade remains quietly steady.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

The quantity of wool available for the fourth series of London sales, which commenced on Tuesday, is 220,300 bales, the British Australian Wool Realisation Association offering 60,000 bales of crossbreeds. The remainder is being put up on growers' account. In view of what has happened during the interval, the commencement of the sales was watched with much interest, and anticipation of the course of prices based on the position of the home trade, could not have justified anything better than a fall of 10 per cent. The actual position, however, is that practically all descriptions. The unsatisfactory state of the home sales have opened most creditably, and it has again been demonstrated that, in spite of the industry are able to buy. With regard to prices, merinos and crossbreeds were practically 5 per cent. cheaper, this being due more to the Continental exchanges than anything else. When the value of the franc is taken into consideration, French and Belgian buyers are paying prices fully on a parity with the close of the May series. The sale of Queens-land greasy merino combing at 3rd and West Australian at 20th shows that there is nothing wrong with fine wools, and whatever may be the attitude of home trade buyers, Continental representatives are not likely under present circumstances to show much hesitancy.

LIVERPOOL OFFICIAL QUOTATIONS—June 22, 1923.																
Description.	Com.	Med.	Med. Fine.	Med.	Fine.	Extra Fine.	Same Period 1922.			Same Period 1921.						
							Med.	Good.	Fine.	Med.	Good.	Fine.				
Sea Island.	..	d	d	d	d	d	d	d	d	d	d	d	d			
Florida do.	..	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm			
Georgia do.	..	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm			
American	Ord	G O L M	Mid	G M	G M	G M	G O L M	G M	G O L M	G M	G O L M	G M	G O L M			
Brazilian:	1552	1582	1632	1657	1682	1737	1229	1314	1404	4	75	60	60			
Peruvian	Mid	M F	F r.	G F	G d.	Fne	M F	F r.	G d.	M F	F r.	G d.	M F			
Paraguay, Rio Grande, &c.	..	1527	1592	1672	..	..	1089	1314	..	4	95	74	74			
Maceio, &c.	..	1527	1592	1672	..	..	1089	1314	..	4	95	74	74			
Mossoro, &c.	..	1527	1592	1672	..	..	1089	1314	..	4	95	74	74			
Ceara	..	1527	1592	1672	..	..	1089	1314	..	4	95	74	74			
Maranhão, &c.	..	1527	1592	1672	..	..	1089	1314	..	4	95	74	74			
São Paulo	..	1517	1552	1602	..	..	1189	1289	..	4	95	74	74			
Egyptian:	..	Fr. G. & F.	Fr. G. & F.	Fr. G. & F.	Fr. G. & F.	Fr. G. & F.	Fr. G. & F.	Fr. G. & F.	Fr. G. & F.	Fr. G. & F.	Fr. G. & F.	Fr. G. & F.	Fr. G. & F.			
Upper	..	1575	1650	1700	1692	1715	1450	1525	1650	..	8	50	50			
Sakellaridis	..	1525	1615	1635	1775	1900	1700	1900	2225	..	8	50	50			
Lower	..	1575	1650	1690	1735	1805	1500	1695	1825	..	8	50	50			
Peruvian	..	M F	F r.	G F	G d.	Fne	M F	F r.	G d.	M F	F r.	G d.	M F			
Rough	..	..	..	1750	1875	1950	..	..	1400	..	..	..	650			
Moderately Rough	..	..	1500	1600	1650	..	..	1250	1375	..	..	..	845			
Smooth	..	1592	1667	1717	1767	1817	1329	1494	1634	..	5	45	45			
Tanguis	..	1592	1667	1717	1767	1817	1329	1494	1634	..	5	45	45			
Mitafi	..	..	1550	1600	1650	1700	..	1200	1550	..	..	..	..			
West Indian, &c.	..	..	1475	1575	1650	..	..	1300	..	..	..	..	2500			
Do Sea Island	..	..	1900	2200	2500	2600	..	2300	2900	..	..	..	525			
African, East, &c.	1100	1200	1350	1450	1550	1650	..	1100	1275	1475	5	25	725			
Do West	..	..	1550	1650	1750	1850	..	1200	1550	..	..	..	..			
Machine Ginned Surtee	..	..	1405	1445	1485	..	..	1260	..	..	..	..	640			
Machine Ginned Broach	..	1175	1215	1255	1295	1335	1090	1130	1210	6	40	665				
Machine Ginned Brownnager	9-30	9-80	10-30	10-80	11-30	11-80	9-80	10-30	11-10	4	44	494				
Machine Ginned Coma. No. 1	9-30	9-90	10-40	10-90	11-40	11-90	9-90	10-40	11-20	4	50	50				
Machine Ginned Coma. No. 2	..	..	1055	1065	1075	1165	..	1015	1025	..	..	..	640			
Machine Ginned Khandeish	..	9-40	9-90	10-40	10-90	11-40	9-40	9-90	10-70	3	75	425				
Machine Ginned Comptah.	1170	..	1210	..	..	..	..	1100	..	..	..	..	605			
Machine Ginned Bengal.	8-40	8-80	9-20	9-60	10-00	10-40	8-40	8-75	9-50	3	50	400				
Machine Ginned Scinde	8-30	8-70	9-10	9-50	9-90	10-30	8-20	8-60	9-40	3	38	388				
Tinnivelly	1330	1370	1410	..	..	..	1260	1300	..	7	60	765				
Madras, Western	1105	1145	1185	1225	..	..	1035	1075	..	8	75	630				
Madras, Northern	..	..	1210	..	..	..	..	1100	..	..	..	..	640			
M.G. Cocoonada, Red	Fr. 1185	..	..	..	..	..	1060	..	..	7	05	..	..			
hina, Smyrna, &c.	..	..	..	..	..	..	..	..	..	..	..	..	..			

MANCHESTER, June 28.

The market during the week has not displayed much activity and business has been very irregular. A fair amount of inquiry has been dealt with, but in most sections the prices required have been out of the reach of buyers. Further operations have occurred

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in light fabrics for India, but the recent turnover in dhooties appears to have been exaggerated. On the whole advices from Calcutta are not favourable, and the monsoon rains are not coming up to expectations. Offers in standard cloths for China have been fairly numerous, and moderate lines have been booked, chiefly in whites and fancies. For the Continental and Near Eastern outlets demand has been slow. American yarns for home use remain firmer in quotation, owing to stocks not being quite so heavy as a month ago, but business does not broaden. A steady trade continues to be done in Egyptian spinnings.

(I.) Comparative Statement of the Cotton Trade.

	Price, June 28, 1923.	Previous Weeks in 1923.				
		Price, June 21.	Price, June 14.	Price, June 7.	Price, May 31.	Price, May 23.
Raw Cotton—Fully Mid. American .. per lb	16.49	16.49	16.89	16.11	16.02	14.94
— Sakellaridis Fully Good Fair .. per lb	16.30	16.15	16.10	16.40	16.40	15.70
— Egyptian .. per lb	24½	24½	24½	24	23½	23
Yarns—32's twist .. per lb	24½	24½	24½	23½	23½	22½
— 40's twist .. per lb	29	29	29	29	29	28½
— 50's twist (Egyptian) .. per lb	29	29	29	29	29	28½
22-in. Printers, 11½ yds, 16 by 16, 32's and 50's ..	34	34	34	33	33	32
22-in. Shirts, 75 yds, 19 by 19, 32's and 40's ..	37	37	37	38	37	36
22-in. ditto, 38 yds, 18 by 18, 10 lbs ..	19	19	19	18	18	18
22-in. ditto, 37½ yds, 16 by 16, 8½ lbs ..	17	17	17	17	17	16

(II.) Compared with Previous Years.

	Price, June 28, 1923.	Corresponding dates in				
		1922.	1921.	1920.	1919.	1918.
Raw Cotton—Fully Mid. American .. per lb	16.49	13.34	7.85	26.62	19.64	22.92
— Sakellaridis Fully Good Fair .. per lb	16.30	19.75	15.50	62.00	27.09	28.82
— Egyptian .. per lb	24½	20½	17½	54½	39½	49½
Yarns—32's twist .. per lb	24½	19½	16	50½	38	49½
— 40's twist .. per lb	29	30	31	100	54½	61
— 50's twist (Egyptian) .. per lb	29	30	31	100	54½	61
22-in. Printers, 11½ yds, 16 by 16, 32's and 50's ..	34	33	32	92	55	61
22-in. Shirts, 75 yds, 19 by 19, 32's and 40's ..	37	31	30	85	54	59
22-in. ditto, 38 yds, 18 by 18, 10 lbs ..	19	18	18	49	33	34
22-in. ditto, 37½ yds, 16 by 16, 8½ lbs ..	17	17	16	42	29	30

THE TIMBER TRADE.

(FROM OUR OWN CORRESPONDENT.)

Although prices of timber for building requirements have kept steady throughout the past month, with a decided firmness for batten sizes, the trend of affairs has been to some extent in favour of the consumer, inasmuch as nearly all descriptions, including hard wood logs and hard and soft sawn woods, have arrived in much larger volume compared with the two preceding years, thus making it easier for users of goods to have no little say in prices on the spot. Also, in accordance with the predictions given in the special article in the *Economist* a fortnight ago, it is worthy of notice that Latvia and Poland have considerably increased their imports of building and packing-case wood. Russia is making a big effort for f.o.w. deliveries, and Sweden and Finland are sending larger quantities now that the shipping season is in full force.

In the furniture wood market the position shows no great change to that last reported. For mahogany logs the market is very firm (as was evidenced at the public auction sale in London on Tuesday), stocks in first hands being low, with not too much to come forward. In the other hard woods supplies sawn lumber has been coming freely from the U.S.A., and to a much lesser extent from Canada. For the first-named imports some American shippers are a little more reasonable in their demands, which should attract more buying by merchants.

In all sections of the trade the feeling is growing that prices ought not to rise even with a better consumption, but shippers are not of this opinion. The present moderate demand for f.o.b. requirements for England is due to the fact that importers here are not sure of the market at present foreign offers, and the cheaper lines that they have been able to pick up from the principal shippers' Southern competitors, though welcome, does not warrant them taking too rosy a view.

HIDE, LEATHER, AND ALLIED TRADES.

(BY OUR OWN CORRESPONDENT.)

Contrary to expectations the hide market in Bermondsey showed no further signs of weakness on Thursday; in fact, one or two slight advances were noted. Best ox sold from 6½d to 8½d and seconds from 5d to 7d, whilst best cows at 6½d remained unchanged. Second cows, however, at 5½d showed ½d advance on last week. Calf were also a shade firmer, best selling from 4½d to 11d, and showing a few advances of ½d to 2d. Wools were steady at 5s 6d to 12s 6d, hogs from 6s to 14s 6d, and lambs 2s 1d to 6s 6d. Pelts sold from 3s to 4s 8d each. The business doing in imported hides is quiet in view of the fall in frigorifics; these are now below pre-war rates at 7½d, although latest quotations from the River Plate are 7½d to 7¾d, as the United States appear to have again started buying. All other sorts are dull, and quotations lower for dry hides generally. The Chicago market is cabled as weak, with best heavy packers now offered at 14 cents.

The shoe trade has fallen quiet, especially for ladies' goods. Men's boots are, however, selling better, whilst the demand for export is steadily increasing. The exhibition of the all-British boot in London has been successful, and the goods are now on show at a prominent Bristol retailer's.

VEGETABLE OILS AND OILSEEDS.

Conditions in the markets for vegetable oils continue steady and have been helped by a fairly good demand. Lower prices of raw linseed oil have brought in consumers, and a good trade has been done chiefly on home account. Export demand, however, is still on very moderate lines.

The better tone in regard to cotton oils continues, and there has been again a slight advance in values for both crude and refined. Other vegetable oils are in moderate request, and values on the whole are about maintained.

In the oilseed section attention has been given principally to Indian linseed, values of which as with Plate are lower on more inclination on the part of shippers to trade. Business done is, however, small, crushers being well supplied for the present Egyptian cottonseed has been firm, but has since eased.

OVERSEAS PRODUCE MARKETS.

General course of trade proved quiet, demand for both raw and manufactured goods being without appreciable revival, but prices in most instances maintained a steady level as no undue pressure of supplies was felt.

SUGAR.—All spot parcels of refined opened with fair support, British descriptions being again favoured and stability characterised the market, but eased later. Messrs Tate and Lyle's cubes, spot, No 1, 60s 10½d; No 2, also London, 60s 7½d; ditto, August, 58s 9d; September, 57s 9d; October, 56s 3d; November-December, 53s 6d. Yellow crystals, spot, 55s 7½d. American granulated, spot, 58s 9d. float, 32s, c.f. and i., London. Czecho granulated, spot, 58s 9d; November-December, 22s 6d, f.o.b., Hamburg. White Java, spot, 56s 6d to 57s, as to sample; May-June, steamer, sold, 27s to 24s 6d; June-July, 26s to 24s; July-August, 25s 3d to 23s 6d, c.f. and i., London. Dutch sugars mostly nominal. Cuban, basis 96 per cent., ing firmness, developed irregularity and weakness. August, sold, and 23s. Cuban stocks stand at 608,900 tons, against 1,406,000 same time last year. Liquid glucose, spot, 30s 6d.

COFFEE.—A quiet tone pervaded this market, partly due to supplies submitted to auction being largely unattractive. Prices on balance, however, manifest little or no change. Futures idle.

COCOA very quiet, with actual transactions on a retail scale. Accra, F/F quality, July-August, quoted 31s 6d; and new crop, October-December, 33s, f.o.b. terms.

TEA.—About 37,300 packages Indian were catalogued, and elicited active support. All good to fine qualities fetched firm to occasionally dearer prices, while a steady range resulted regarding medium and commoner descriptions. 24,830 packages Ceylon were also brought forward, and while all the finer invoices command good support at firm rates lower qualities were not so well competed for and disclosed easy.

RICE.—With no improvement in demand, only retail transactions were effected on about former terms. Two stars, new crop, spot, 13s 6d to 13s 9d; afloat, 13s 1½d, c.f. and i. Spanish, on spot, 21s 6d. Rangoon beans, spot, scarce, and quoted 11s 6d for hand-picked. Japanese peas, spot, 25s 6d.

SPICE.—Business in the pepper section is kept down, but there is no pressure on the part of sellers, leaving quotations in most cases quite unchanged. Cloves steady. Zanzibar, spot, allowed, quoted 1s 0½d; May-July, 1s 1d; August-October, 1s 1½d lb. Tapioca steady. Sago flour, May-June, sellers, Singapore flake, June-July, Havre, 25s 9d. 12s 3d; September-November, 12s 6d. Desiccated coconut quiet. Fine cut, spot, 41s 6d; medium, 42s 6d; May-June, 39s 6d; June-July, 38s 3d cwt. Ginger unaltered, but business remains slack.

JUTE.—Market easier for old crop, but new comparatively steady. After a very quiet opening, buyers became more prominent. First grade, June-July, Continent, sold, £27; new crop, August-September, £27; September-October, £26 15s ton. Hessians and twills quiet.

HEMP.—Manila quiet and featureless. J grado, July-September sellers, £33; K and L, £29 10s; M, £28 10s ton.

SHELLAC.—Easier. T.N., fair, on spot, 270s to 275s; August, sold, 242s 6d, 232s 6d to 235s; October, 235s to 230s.

COPRA.—Market quiet but firmer. F.M.S., Straits, June-July.

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The prices in the following list are revised with the assistance of an eminent firm in each department.

LONDON, Friday.			The prices in the following market.			INDIA RUBBER—lb-s.			PROVISIONS—			SPICES—Pepper, lb-s.		
COCOA—Duty, British grown			DRUGS—			Alcoa, fine E.I., per cwt.			Butter—per cwt.			Singapore, fair white		
Do do, foreign E.I., per cwt.			Cape, good to fine, 40			Balsam Peru... per lb			Irish creamery			Black Singapore		
Trinidad, per cwt.			Capsici			Campoch			Walt's			Pimento		
Grenada, per cwt.			Japan, refined			Cardamoms, Ceylon			Australian			Cinnamon—1st sort.		
Ceylon, plantation			Cantol rid, China prib			Cantol, oil			Dutch			Do 2nd		
Bangha, East			Gum-Bulim, Sum. cut			Olibanum, drops			Denial			Chala Ligno		
COFFEE—British grown			Ipecacucha			Jalap			Bacon, engd.—Irish			Penang		
25s. 4d. foreign E.I. cwt.			Musk pod, China			Oil, Cassia			Danish			Amoyana		
Do do, foreign E.I. cwt.			Peppermint, H.G.H. 22			Shbrils, China, tr. to			American			Champer		
Do do, 25s. 4d. to mid 83			DRUGS—			GALLS, China, per cwt			Hama—Irian			Cochin, small rough		
Good to fine			DYEWOODS—			Turmeric, Bengal			Canadian			Do wormy		
Central American, d.			Brasil			Madras, 61/2			American			Japan		
Do to fine			Pernat, Jamaica			Do			Yr. 25 lb ctn			Yaratan, ord. cut		
Colombian, ordinary			Do			Do			American boxes, 50 lb			Mace		
Do to fine			Do			Do			Pork—per 8 lbs			Nutmegs, good to fine		
Do to mid			Do			Do			Best—Frozen per lb			Small to medium		
Do to mid to fine			Do			Do			Cheese—per lb			Chilies—per lb		
OREGONAL			DEYWOODS—			DRUGS—			New Zealand			TALLIO—per cwt.		
Alfalfa			Brasil			GALLS, China, per cwt			Eng. Cheddars			Good mutton		
Orzale, net			Pernat, Jamaica			Turmeric, Bengal			Dutch			Beef		
Tartaric, English			Do			Madras, 61/2			Kegs, pr 125—English			TAPIOC—per lb		
Alum lump, per ton			Do			Gambler, Bengt			Irish			E. W. Rice, fair, spot		
Do ground			Do			Do, ord. to fair						Medium Pearl		
Ammonia, carb. ton			Do			DEYWOODS—			FLOUR—250 lbs			TEA—25 lb ctn, British		
Medial, W. India			Do			Brasil			Eng. straight ex mill			foreign 25 lb ctn		
Sulphate			Do			Pernat, Jamaica			RICE—per cwt. c.i.f.			Indian and Ceylon		
Arsenic, lump, per ton			Do			Do			Bangkok No. 1			Pekoe		
Powder			Do			Do			Broken 1/2			Broken 1/2		
Aches, pot.			Do			Do			Do			Orange Pekoe		
Bleaching pwr. pr. ton			Do			Do			Do			Broken Orange		
Borax, grain			Do			Do			Do			Swedish's x 2, Pt. d.		
Do crystal			Do			Do			Do			Do		
Cream Tartar			Do			Do			Do			Can. Spruce Dis.		
98% powder			Do			Do			Do			Pitchline, per load		
OMELON			Do			Do			Do			Rio Deals, per std.		
Nitrate of Soda, p. ton			Do			Do			Do			Teak, per load		
Potash			Do			Do			Do			H. C. M. M. M.		
Chlorate, net			Do			Do			Do			African		
Do Foreign			Do			Do			Do			American Oak Bld.		
Sulphate			Do			Do			Do			Do Ash		
Sai-Anton			Do			Do			Do			English Oak Bld.		
Sai-Anton			Do			Do			Do			Do Ash		
Crystals, per ton			Do			Do			Do			TOBACCO—		
Alkali			Do			Do			Do			Day 2-10/4		
Quante			Do			Do			Do			Virginia leaf		
Sulphate			Do			Do			Do			Common to fine		
Foreign white			Do			Do			Do			Strips		
Sulphate Quinine			Do			Do			Do			Kentucky leaf		
English Brands			Do			Do			Do			Common to fine		
Foreign			Do			Do			Do			China		
Copper, per tin			Do			Do			Do			Borneo and Sumat.		
Zinc, ord.			Do			Do			Do			Seedless		
Sulphur Flour			Do			Do			Do			Hayana		
Do Roll			Do			Do			Do			Greek		
Vermilion, Chinese			Do			Do			Do			East Indian		
Oil Peppern't, H.G.H. 21			Do			Do			Do			Oigara, duty 157 per lb		
COBRA—per ton c.i.f.			Do			Do			Do			TURBINE—per cwt		
Malabar, May/July			Do			Do			Do			Wool—		
Ceylon			Do			Do			Do			English, Southdown, white		
PMS No. 3			Do			Do			Do			" Lincoln hog		
TM Stricks			Do			Do			Do			Queenland, sgt. sup. comb.		
HUMERAL, per lb			Do			Do			Do			N.B.W. greasy, super		
			Do			Do			Do			N.Z., extra, 60-65		
			Do			Do			Do			" Crossed (40-41)		

values opened in buyers' favour. Small dealings comprised standard cash at £66 15s to £66, and three months, £66 7s 6d. Values marked a further decline, at which a larger business resulted. Standard cash quoted at £64 17s 6d to £65, and three months sold at £65 5s to £65 10s. Again lower on Thursday, and a large business took place. Cash sold at £64 10s to £64 7s 6d, and three months £65 2s 6d to £64 17s 6d to £65. While some irregularity was noticeable forward on Friday, prices on balance ruled 10s per ton dearer. Sales were on a large scale, including Standard, cash, at £65 to £64 17s 6d; and three months, £65 5s to £65 12s 6d, to £65 7s 6d to £65 8s 9d. Electros, £71 10s to £72 10s; best selected, £69 to £70 10s; strong sheets, £98; wire bars, £72 10s per ton. Antimony quiet. Ordinary brands, £30 to £32. Aluminium steady. Home trade, £115; export, £120. Lead easier at £24 7s 6d to £23 15s, as to position. Spelter steady at £28 10s to £28 19s 6d, according to position.

TALLOW.—Messrs Colchesters and Woolner write on June 27, 1923, as follows:—The tallow market was steady during the week, and prices are fully maintained to-day. There is more competition for the lower priced sorts than for fine qualities. At auction to-day 1,354 casks tallow were offered and 544 were sold. Quotations are:—Australian mutton: Fine, 42s; good to fair, 41s 6d to 41s; dull to dark, 38s to 36s 3d; hard, 42s. Australian beef: Fine, 42s; good to fair, 41s to 38s 6d; dull to dark, 37s to

35s 9d; sweet, 42s 6d. Present shipment from Australasia—Mutton, good coloured, 46 degs., 42s; and mixed, 43½, c.i.f. London, nominal. The market letter is unchanged. Town tallow, 35s 6d per cwt. Rough fat, per 8 lbs, 1½d; melted stuff, 28s 6d per cwt. Quotations are:—Town, 35s, net cash, naked, ex works. Country: Frail casks, 35s; home melted, shipping casks, net, f.o.b., good coloured, 38s 6d; fair to dull, 36s to 35s. Bone fat: White, none; pale, none; benzine, 34s; melted stuff, 34s, f.o.b.

METROPOLITAN CATTLE.—JUNE 28.

British Beasts, per stone of 8 lbs to sink the offal. Sheep, per stone.			
Beasts—Horsefords	s	d	s
Shorthorns	7	2	..
Devons	nominal		
Norfolks	7	4	..
Scottish	8	0	..
Irish	7	2	..
Fat Cows	5	0	to 5 6
Beasts—Heavy Bulls	s	d	s
Canadian	7	0	to 7 4
Sheep—Downs	9	6	to 11 6
Ewes	7	0	..
Crossbred	9	0	to 11 4
Scottish	11	0	to 12 0
Lamb—Downs	11	4	to 12 0

LONDON POTATO MARKETS.—JUNE 28.

Per Cwt.			
English (new)	s	d	s
New Jerseys	8	6	to 11 0
Cherbourg	6	6	to 8 0
St Malo	9	0	..

THE NATIONAL BANK OF SOUTH AFRICA, LIMITED

Established 1890 and Registered in the Transvaal. With which are incorporated the National Bank of the Orange River Colony, Limited (Established 1877), the Bank of Africa, Limited (Established 1879), and the Natal Bank, Limited (Established 1854). Bankers to the Government of the Union of South Africa in the Transvaal, Orange Free State and Natal.

Head Office:—PRETORIA.

LONDON OFFICES: Circus Place, London Wall, E.C.2. 111, St. Martin's Lane, Trafalgar Square, W.C.2. NEW YORK AGENCY: 44, Beaver Street, Wall Street District.

Report of the Directors for the Year ended 31st March, 1923. Presented to Shareholders at the Ordinary General Meeting, held at Pretoria on Friday, the 29th June, 1923.

The Directors beg to submit the Balance-Sheet of the Bank for the financial year ended 31st March, 1923. Unfortunately the promise of better conditions with which the year opened was not fulfilled. On the contrary, the period under review proved to be in many respects one of the worst that the country has experienced. The effect on the Bank has been that many debts created prior to the year 1922, which last year looked fair, have now become doubtful, and many which then looked merely doubtful have now become bad. Prudent finance demands, therefore, a heavy addition to the funds which should be held against contingencies of this character. For this purpose the Directors have decided to appropriate the whole of the Reserve Fund and to recommend Shareholders in Extraordinary General Meeting that a reduction be effected of the paid-up capital of the Bank from £2,965,000 to £2,075,500 by an alteration of the nominal value of the shares from £10 each fully paid to £7 each fully paid. Under the circumstances, of course, no dividend can be paid for the past financial year. As the Directors deemed it essential in the interests of Shareholders and clients alike to obtain the opinion of a qualified and impartial authority regarding the measures to be adopted in order to meet the situation they, with the knowledge and approval of the Union Government, submitted the Bank's accounts to the Auditor of the South African Reserve Bank, who authorised the statement that he had investigated by himself and some of his colleagues they are of opinion that the adjustments as specified above fully provide for all the contingent risks with which the Bank is faced, and further, that in consequence of these conclusions the Bank's proof of their confidence that the business of The National Bank of South Africa, Limited, is now being conducted on sound and prudent lines, the South African Reserve Bank having agreed to extend to The National Bank of South Africa, Limited, all the facilities that it may require to meet its obligations and to carry on its business, and that the Union Government, who have been made fully acquainted with the facts of the case, are prepared, should the occasion require, to support the South African Reserve Bank in any steps they may deem necessary for the carrying out of this decision.

With regard to the Extraordinary General Meeting for shadowed in this Report

the Bank's Articles of Association require that sixty days' notice shall be given if the intention of the Directors to issue the requisition is to effect a reduction of the Balance Sheet shows a balance at credit of Profit and Loss Account of £15,136 6s 6d. This figure is arrived at after taking into account:—

- The balance of £24,241 10s 10d brought forward from the previous financial year.
- Transfer of £100,000 from Reserve Fund.
- The appropriation of £33,000 in reduction of Bank Premises Account, and
- Provision for bad and doubtful debts.

The Directors recommend that the Profit and Loss Account balance be appropriated as follows:—

To Pension Fund	50,000 0 0
to be carried forward	25,136 6 6

Branches.—During the year, Seapoint, formerly a Sub-Branch to Strand Street (Capetown) Branch, was converted into a full Branch, and the following Branches were closed—those indicated by italics having been replaced by Agencies:—Cape of Good Hope: *Balfour*, *Bizana*, *Garies*, *Kei Road*, *Linton*, *Montagu*, *Prince Albert*, *Riebeck*, *Kasteele*, *Riversdale*, *Struydensburg*, *Vosburg*, *Willmore*, *Natal*, *Edenburg*, *Orange*, *Free State*: *Hobhouse*, *Luckhoff*, *Transvaal*: *Cleveland*, *Coligny*, *Rooiberg*, *Vrededorp*. *Rhodesia*: *Shabani*, *Portuguese East Africa*: *Chinde*, *Inhamitane*, *Mocimboa*, *Mocimboa*, *Quelimane*, *Vila Pery*, *St. Helena*, *St. Helena*.

Directors.—The Directors retiring by rotation are: Mr. H. O'K. Webber, The Hon. A. Oliff and Mr. Walter S. Webber, M.L.A., who, being eligible, offer themselves for re-election.

Auditors.—You will be asked to fix the remuneration for the past audit, and to appoint Auditors for the ensuing year in place of Mr. Robert Baikie and Messrs. Dougal, Lance and Hewitt, who retire. Since the notice convening the Meeting was issued Mr. Robert Baikie has indicated that it is not his intention to seek re-election.

JAMES R. LEISK,
Chairman and Managing Director.
EMRYS EVANS, Vice-Chairman.
C. P. MATHEWS, Secretary.

PRETORIA,
21st June, 1923.

BALANCE-SHEET, 31st March, 1923.

LIABILITIES.		ASSETS.	
	£ s. d.		£ s. d.
To Subscribed Capital*	2,965,000 0 0	By Cash on Hand with South African Reserve Bank and other Bankers	7,437,943 15 3
296,500 Shares of £10 each (fully paid). NOTE.—Of the above issued Capital of 296,500 Shares the Bank has purchased and holds 445 ex-empt shares.		.. Remittances in Transit	1,910,135 19 3
.. Notes in Circulation in terms of Section 9 of Act 9 of 1916	548,264 10 0	.. Money held on hand and in Transit	69,580 1 0
.. Deposits, Current and other Accounts	39,551,833 14 7	.. Money in London at Call and Short Notice against Securities	2,370,460 15 0
.. Drafts issued on Branches and Agents, Acceptances outstanding at date and Bills re-discounted	4,109,070 19 2	.. Investments at or under market price at 31st March, 1923:—	
.. Rebate on Bills not yet due	40,565 5 3	.. British and Colonial Government Securities (including Stock lodged with the Government of the Union of South Africa)	7,007,855 5 0
.. Bills Receivable on Account of Customers	8,483,257 0 7	.. Other Securities	652,670 17 3
.. Profit and Loss Account:—		These Investments stand at or under market price at 31st March, 1923:—	
Balance as below	275,136 6 6	.. Bills of Exchange, purchased and current at this date	4,676,526 10 4
*NOTE.—For the reason given in the Report of the Directors annexed hereto an Extraordinary General Meeting of Shareholders will be called for the purpose of authorising a reduction of the paid-up Capital from £2,965,000 to £2,075,500 by an alteration of the nominal value of the shares from £10 each fully paid to £7 each fully paid.		.. Bills of Exchange, Advances, etc.	21,985,250 0 0
		.. Bank Premises and properties	252,000 0 0
		.. Bank Furniture and Fittings, Stationery and Stamps	370 0 0
		.. Bills for Collection	8,486,257 0 7
	£55,776,087 10 3		£55,776,087 10 3

PROFIT AND LOSS ACCOUNT.

	£ s. d.		£ s. d.
To Rebate on Bills not yet due	40,565 5 3	By Gross Revenue (including Balance undivided at 31st March, 1922, p. 234, 235 13s 10d), after deducting Interest due on Fixed Deposits, Duty on Note Circulation, Appropriation to Bank Premises, Furniture and Fittings, and Stationery, and making provision for losses and contingencies	1,385,938 12 0
.. Expenditure, including Rents, Rates, Salaries, Remuneration to Directors and Auditors, and all other expenses at Head Office and Branches	1,288,237 6 1		
.. Balance Carried Forward	75 136 0 8		
	£1,385,938 12 0		£1,385,938 12 0

We hereby certify that all our requirements as Auditors have been complied with and that we have examined the above Balance-Sheet and have found same correct according to the Head Office Books and the certified Returns received from the Branches and Agencies of the Bank. We have also examined certified Statements showing the Securities representing the Investments of the Bank, and find that they agree with the Balance-Sheet. We are of opinion that the above is a full and fair Balance-Sheet, properly drawn up so as to exhibit a true and correct view of the state of the Bank's affairs as shown by the said Books and Returns.

PRETORIA, 16th June, 1923.
We have verified the Securities held for account of the Head Office, Pretoria, by the London Office of the Bank as at the 31st March, 1923, and certify that we found the same to be in accordance with the Bank's records.
LONDON, 14th April, 1923.

ROBERT BAIKIE, Incorporated Accountant, } Auditors.
DOUGAL, LANCE & HEWITT, Incorporated Accountants, }
DELOITTE, PLENDER, GRIFITHS & CO., }
Chartered Accountants.

The Economist

MONTHLY SUPPLEMENT.

SATURDAY, JUNE 23, 1923.

We resume to-day the publication of a Monthly Statistical Supplement, which has been a feature of the "Economist" for many decades, but was suspended during the war. At one time the "Economist" printed in extenso our foreign trade returns. At others, special importance was attached to the internal consumption of articles such as tea and coffee, or to trade in specific commodities which at the moment were of special importance in economic development. But to-day there is an immensely wider range of economic statistics which need to be followed by those who endeavour to keep their finger on the pulse of the world's commerce. The figures for a single nation are quite insufficient; but at the same time to follow the progress of other nations in any considerable detail is an extremely difficult task. In the following Supplement we have aimed at compiling tables which will show summary figures for as many nations of the world as possible, and though we cannot hope to have solved the problem, we have endeavoured to combine brevity with comprehensiveness. The greater number of the figures are taken from the Bulletin of the Economic Section of the League of Nations, supplemented from our own statistical records. It is becoming a common practice to reduce these figures to three or four indices, and by their study to endeavour to forecast forthcoming economic changes. This science is, however, yet in its infancy, and the special influences operating at any moment are so "lawless" that it may be doubted whether an attempt to apply scientific rules will obtain a better forecast than the best opinion of the business world when furnished with the requisite information. We, therefore, propose, in these columns to give our own appreciation of the trade position, fortified by informed opinion, and to leave the figures to be interpreted by our readers each in his own way.

THE STATE OF TRADE AT HOME AND ABROAD.

The feature of the trade situation is that the very substantial expansion in the volume of production, which has been taking place both before and after the Ruhr occupation, seems definitely to have been checked. The fact that there has been no dramatic price rise has led people to under-estimate the extent of the expansion of the last eight months; it is, therefore, worth while to recall some indications of it.

In the first place, there has been a very substantial absorption of the unemployed, which was sufficient to neutralise the ordinary seasonal increase of unemployment during the winter, and since Christmas has reduced the numbers very substantially. Thus, if we take the figures at intervals from January 1st of last year it will be seen that the number unemployed in insured trades has fallen by about 700,000.

NUMBER OF UNEMPLOYED REGISTERED IN INSURED TRADES.

January 1, 1922	1,934,000	January 1, 1923	1,431,900
July 1, 1922	1,503,000	April 1, 1923	1,303,500
September 1, 1922	1,427,300	June 1, 1923	1,261,700

The absorption has been greater than these figures indicate, seeing that the natural increase in the population of adult age has been absorbed in addition to these figures. It is true that hours of labour have been shortened, but against that there has taken place, particularly during the last year and a half, an increase in output per man-hour in some of the most important of our industries. We may therefore assume that production in recent months has been not very far, if at all, behind the rate of production prevailing before the war. This conclusion is supported by the statistics of internal transport. It is very much to be regretted that the figures of goods carried are so extremely out of date, but some allowance must be made for the statistical difficulties raised by the amalgamation of the railways, which has necessarily involved a change, not only in the channel, but in the basis of the return. Up to the end of the year, however, the figures (set out on page 7) were showing a rapid expansion. Again our current coal output is at about the pre-war rate of 280 million tons a year. Pig-iron output in May was still only at a rate of 8½ million tons, against the pre-war minimum of 10 million tons; but the steel output is at the rate of 9½ million tons, against 7½ millions before the war. A most significant figure is the amount of coal retained for home consumption, which has increased as follows in recent months:—

(In Million Tons per Month.)

1912	14.80	1922, third quarter	13.44
1913	16.08	1922, fourth quarter	15.11
1922, first quarter	14.85	1923, first quarter	15.93
1922, second quarter	13.06	1923, April	14.77

[The figure for April is, of course, reduced by the closing of the pits over Easter.]

The volume of our export trade is less easy to gauge. The Board of Trade does not summarise the figures on a tonnage basis, and for the moment our foreign trade statistics have suddenly become useless for comparative purposes because they now include British trade with the Irish Free State, and the Board of Trade has not yet told us how much this represents. An estimate by the London and Cambridge Economic Service is that it has added some 5 per cent. to our foreign trade figures. For the first quarter of the year the volume of our exports was estimated at about 76 per cent. of the figures for 1913, though it is to be remembered that the figures of that year were on an exceptionally high level.

We may sum up the situation at home, then, by saying that production is now at a rate approximating pre-war level, that this expansion has been achieved without unduly raising prices, it has been financed by the money markets without unduly raising rates or compelling employers to sell out the securities in which they had invested their circulating capital during the depression, and that until recently the expansion had been continuous.

But the paralysing effect of the Ruhr occupation, which at first gave a temporary impulse to our trade recovery, has at last succeeded in balancing the favourable influences. During recent weeks the absorption of the unemployed has been checked, prices have shown a sagging tendency, notably in the iron and steel markets, and, most serious of all, there is a definite slowing up in the placing of orders reported from many centres. Many trades are still doing very well—for example, the electrical and motoring industries, both of which are helping to stimulate many of the smaller trades of the Midlands, but in the textile industries the depression in Lancashire, which alone of our great centres has failed to share in the recent improvement, shows signs of spreading into Yorkshire, which in the last few weeks has experienced a rapid change of tone. Manufacturers are, in fact, loudly complaining, and for the moment trade is going to the Continent, where prices are too low for them to meet, while the central European market is completely dead.

So far as the situation abroad is concerned, there is little worth noting in the European situation apart from political influences, which have been fully discussed from time to time in the "Economist". The effect upon prices, production, and the exchanges can be seen at a glance in the tables published in this supplement.

Outside Europe the important factor is the development in America, which is dealt with in a special article on page 3. In many quarters there is continued confidence that, in spite of a temporary setback, the improvement will continue throughout the calendar year. In any case, the volume of trade is very large, and there is nothing in the situation to suggest a sudden

crisis, but in America, as in England, there is a lack of balance in the situation, owing to the relatively low prices which for months past the farming community have received for their crops. The prices of these farm products have, indeed, been rising latterly, but not nearly so much as the prices of metals, building materials, clothing, &c. Canada has, of course, shared in America's prosperity, but here, again, there are signs of nervousness, though as yet there has been no definite check in the situation.

Swinging across from West to East, we gather that

ANALYSIS OF BRITISH WHOLESALE PRICES.

In discussing price movement, it is a great convenience to be able to generalise as to the average level, but, in fact, the movements of recent years have been so extreme that it is equally important to consider the changes in trade prices and to form, if possible, an impression as to what abnormalities exist and what adjustments may be necessary in the price schedule. We have therefore taken the commodities in our index number and set them out in order according to the proportion in which they have risen as compared with pre-war prices, taking the year 1913 for comparison. The figures, however, for this single year cannot be taken as an entirely safe basis, and we have therefore, in addition, shown the proportion in which the figures for that year had varied from the basis on which our index number is calculated—namely, the average prices of the quinquennium from 1901-05. In 1913 our index number was 22 per cent. above the base level, at the present moment it is 63 per cent. above the 1913 level. In the following tables the various commodities are grouped according to whether in the period between 1913 and the present day they have risen more or less than the average.

Primary Food Stuffs.—On the whole, the articles in this group rose less, both before and since the war, than other materials, and it is also noteworthy that since the war it is animal products which have risen most. The figures explain why, in this country, the old tendency has been resumed to produce meat rather than cereals; it is much easier to bring the latter from the distant corners of the earth than the former.

PRIMARY FOODSTUFFS.		
	Increase or Decrease since 1913.	Comparison of Prices in 1913 with 1901-5.
More than average increase—	%	%
Mutton	+ 92	+ 10
Pork	+ 86	+ 24
Rice	+ 64	+ 28
Less than average increase—		
Beef	+ 53	+ 18
Oats	+ 51	+ 9
English wheat	+ 49	+ 13
Flour	+ 36	+ 18
Foreign wheat	+ 35	+ 28
Barley	+ 16	+ 20
Potatoes	— 7	+ 8

Other Food Stuffs.—The tropical products, tea, tobacco, and sugar, show an abnormally large increase. The large expansion in the world output of sugar before the war had kept prices down below the average, but the great check to beet production has made sugar one of the scarcer products, and until beet production is resumed sugar prices can hardly be expected to fall into line.

OTHER FOODSTUFFS.		
	Increase or Decrease since 1913.	Comparison of Prices in 1913 with 1901-5.
More than average increase—	%	%
Cane sugar	+ 381	— 7
Beet sugar	+ 162	+ 3
Tea	+ 111	+ 26
Tobacco	+ 91	+ 22
Less than average increase—		
Coffee	+ 23	+ 54
Butter	+ 21	+ 17

Textiles.—Textiles, as a whole, are also above the average. This is undoubtedly the case with silk from the East and the flax of Russia; American cotton prices, though not Egyptian cotton, are also high. The competition of wheat and other cereals, and the ravages of

in China, after a setback of some months, signs are detected of a slight improvement in trade, notably in silk. In India, on the other hand, which also has experienced a check for the last month or two, there is no sign at the moment of improvement. Goods have for a long time past been absorbed fairly freely up-country, but they have been taken in the main from stocks. Export trade is still being hampered by the high level of prices of India's products, on the one hand, and the lack of buying in Europe.

the boll weevil, account for American cotton figures, and it is to be noted that English wool and Egyptian cotton would be on nearly the same level if we take the long view, for the prices of both these products were exceptionally high in 1913; the same observation applies to jute, the quotation for which was quite abnormal in 1913.

TEXTILES.		
	Increase or Decrease since 1913.	Comparison of Prices in 1913 with 1901-5.
More than average increase—	%	%
Silk	+ 215	— 3
Flax	+ 137	+ 1
Cotton yarn	+ 125	+ 24
American cotton	+ 118	+ 28
Australian wool	+ 114	+ 13
Cotton cloth	+ 98	+ 28
Egyptian cotton	+ 66	+ 33
Less than average increase—		
English wool	+ 51	+ 62
Hemp	— 20	— 6
Jute	— 12	+ 101

Metals and Minerals.—In this group the industrial price of coal is high, though the particular quotation given in the table overstates the rise, as it is an export figure, and for the moment South Wales quotations are at a famine level. The high industrial price of coal is, however, reflected in pig-iron, in which coal is a very large element of cost. Steel rails, on the other hand, which represent a very large number of steel products, stand relatively low under the pressure of the acute competition which has prevailed in international markets for the past two years. Tin and copper are weather-cocks which show the direction of the trade wind. Their basis of supply is, however, rather narrow, and their movements are particularly liable to be influenced by speculation and the condition of the stocks.

METALS AND MINERALS.		
	Increase or Decrease since 1913.	Comparison of Prices in 1913 with 1901-5.
More than average increase—	%	%
Steam coal	+ 146	+ 40
Pig-iron	+ 105	+ 28
Iron bars	+ 67	+ 10
Less than average increase—		
House coal	+ 49	+ 26
Steel rails	+ 43	+ 55
Lead	+ 43	+ 53
Tin	— 2	+ 59
Copper	— 3	+ 14

Miscellaneous.—This group shows an exceptional range; oils, chemicals, and dyes head the list with large increases, but all of them were very cheap in 1913. Our timber quotations show very little rise since 1913, but both were rather dear in that year. Rubber is, of course, the one product which has shown a steady continuous fall for the last decade.

MISCELLANEOUS.		
	Increase or Decrease since 1913.	Comparison of Prices in 1913 with 1901-5.
More than average increase—	%	%
Indigo	+ 120	— 21
Crystals	+ 116	— 21
Oilseeds	+ 67	+ 4
Less than average increase—		
Petroleum	+ 53	+ 41
Vegetable oils	+ 36	+ 17
British timber	+ 29	+ 57
Leather	+ 28	+ 7
Tallow	+ 7	+ 22
Canadian timber	— 10	+ 85
Rubber	— 68	— 7

THE DURATION OF AMERICAN PROSPERITY.

By R. G. SWING, London Manager of the Wall Street Journal.

THE arrest of the American boom cannot be submitted to the smooth analysis by which a downward phase of the business cycle is usually to be understood. Credit inflation, which traditionally precedes the downward phase, is conspicuously absent in America; in fact, the expansion of credit has been safely within the compass of the regular net influx of gold. Production is not in advance of consumption. There has been little or no buying on a rising market for future sale. Even the signs of extravagance, peculiar to the post-war boom, are not prominent. So it may be lax to speak of America's prosperity as having been a boom at all, or of its arrest as being more than cautious policy to keep it out of deep waters.

Herbert Hoover recently estimated the number of labour vacancies in America at half-a-million. It is small wonder that labour has been utilising this formidable situation to increase wages. The average annual income of the employees of the Steel Corporation is now \$2,000, and their unskilled labour earns \$4 a day. In the New England textile industries, where wages were advanced by about 150 per cent. during the war boom, a cut of 22½ per cent. was made in December, 1920. From that level an increase of 12½ per cent. has now been agreed to. In the clothing industry increases have been granted restoring wages approximately to the war scale. Such increases have been added to a basic gain over pre-war wages, which held through, even during the depression. The average employed worker received in purchasing power 11 per cent. more in December, 1921, than in July, 1914.

In the building trades the upward wage surge was most pronounced, and it was here that it finally awakened the greatest alarm. Here, too, the immigration policy accentuated the shortage of workers by curtailing the supply of skilled craftsmen from Europe who formerly filled the ranks of recruits. The apprentice system had been weakening for several years in the face of union resistance and through the acceptance of low standards during the war. And contractors themselves discouraged it, wishing to build quickly rather than delay work by the employment of half-skilled mechanics. Union wages in the building trades now vary from \$9 to \$10 a day, but in New York the actual minimum is \$12, and the ruling rate is from \$14 to \$16. Plasterers on Long Island recently struck for \$27 a day, and bricklayers demanded a two-years' agreement on the present scale, plus a bonus for every man employed.

The experience of the building trades is not general for America, but it serves to magnify a general tendency. Increased wages up to the present may not have represented dangerous inflation, inasmuch as consumption has kept pace with production, and wage increases have added to the purchasing power of the most generous spending public in America. But they were swiftly heading toward the perilous moment when prices and wages both increased without creating any additional production and consumption.

To a degree business leadership is able to guide, and to a certain extent to control, such a movement, as it undoubtedly has done in co-operating for the arrest of the so-called boom. For the policy of caution which was emphasised in the case of the Construction Council was quietly promulgated in many branches of business throughout the country. Bankers sent out warning messages, which apparently were both needed and heeded. The wholesale price index finally dropped, and the Federal Reserve Board could announce that no increase of the discount rate would be required. Whether the influence of leadership will be stronger than the intrinsic position of labour, the summer and autumn have yet to show. But the indications point to only a slow decline of business which should maintain a prosperous volume of trade for many more months. The discrepancy between industrial wages and farm prices in itself implies an ultimate decline of business unless labour, as is improbable, accepts a considerable reduction. The farmer America is a fundamental factor of steady prosperity,

and the prices he is receiving have not kept pace with industrial wages. Relatively more purchasing power has been added to the urban population, which is another way of saying that the farmer, in the face of higher costs, must reduce his purchases. A labour movement strongly centralised and intelligently led might read the signs and throw its influence into the scale of moderation. But the circumstances have prevented the rise of such a movement in the United States. Most of the headway made by unions during the war had to be relinquished during the post-war depression, and the open-shop campaign of manufacturers in that period found much more public encouragement than European countries, with their entrenched trade unionism, perhaps could understand.

Some predictions are that good business will continue through this year, some that it will survive on through 1924. The more optimistic of these presages is tantamount to saying that next year's presidential campaign will not, as usual, exert a retarding influence, a hope for which there does not appear to be substantiation beyond wild conjecture. Credit may harden during this autumn harvest-movement season, but comfortable conditions are anticipated for the remainder of the year, especially during the summer. Gold continues to flow into the country, April imports being \$8,533,235, compared with \$10,664,688 in April, 1922. If the rate of gold imports and exports for the first quarter, 1923, were maintained for the other nine months, the net gain would still be \$138,000,000. The Steel Corporation is operating nearly to full capacity, and stocks at mills and in warehouses are "very low," according to Judge Gary, who goes on to say:—"There is nothing in sight to indicate that there will be a substantial diminution of the demand for finished steel in this country during the next six months, to say the least." Even taking account of decreased building, and a complete failure in orders for structural steel during the next six months, he declared that apparently the steel business as a whole would be satisfactory. The Corporation booked nearly a million tons of new business in May. Car loadings continue close to the peak, mail-order business and railroad and railroad equipment work, all reliable as indices, still show no marked contrast to the best months of the winter. The decline of industrials in the stock market may be barometric, but long sweeps of stock movements are prophetic, not immediate, in significance. And, even judged by this guide, the vitality of American business, although jaded, is by no means spent.

Much has been made of America's sudden accumulation of an adverse balance on the visible trade account. It has been described both as a proof that America must quickly relinquish her hoarded gold, and that she was merely showing the normal symptoms of a creditor nation. Some of this comment ignores the fact that of the increased imports much the greater part is raw materials and semi-finished goods. In February raw materials accounted for \$46,587,000 of \$87,864,000 of increased imports, raw and manufactured foodstuffs for \$17,043,000, semi-finished manufactured goods for \$21,292,000, and finished goods for only \$2,942,000. Eighty per cent. of the import gain in that month was outside Europe, the greater part from North America.

The United States had last year, according to the Department of Commerce, a favourable merchandise balance of \$372,000,000, which was wiped out by invisible debits of \$400,000,000. And America exported \$550,000,000 of capital, against net capital imports \$246,000,000. True, on paper America is a creditor nation on a commanding scale. But interest on her foreign investments and credits, and her services to the world, are still not large enough to bring her into the position of England, whose invisible items handsomely reverse her unfavourable visible balance. Sterling is still the pivot of exchanges, and with sterling at par gold undoubtedly will begin flowing back to London. But to assert this is not to say it must begin at once, merely because the trade balance has recently gone against America on the visible account. American Government officials recently voiced the view that exports of gold throughout this year will be of small proportions, and more than offset by total receipts.

PRODUCTION. (Thousands of Metric Tons.)

Period. Monthly Average.	COAL.										LIGNITE.						
	United Kingdom.	Belgium.	Czechoslovakia.	France.	Germany.	Netherlands.	Poland.	Canada.	South Africa.	Japan.	United States.	Austria.	Czechoslovakia.	Germany.	Hungary.	Canada.	
1913	24,342	1,904	1,189	3,401	15,842	156	1,135	655	1,776	43,087	1,918	7,259	1,918	7,259	...	...	...
1918	19,285	1,158	...	2,188	13,776	283	1,133	747	2,336	51,272	...	...	...	...	...	...	...
1920	19,402	1,866	928	2,890	10,950	328	534	1,257	867	48,811	199	1,641	1,641	9,303	399	236	...
1921	13,822	1,816	971	3,213	11,351	327	631	888	1,918	38,282	206	1,792	1,792	10,251	471	231	...
1922	21,435	1,767	826	3,596	10,961	381	1,850	...	735	34,821	217	1,579	1,579	11,434	468	...	...

a Including lignite. b Including the production of Alsace-Lorraine, amounting to 264,000 tons per month during year 1920. c Including the production of Lorraine and Saar. d Strike period. e From 1919 excluding Alsace-Lorraine and from 1920 excluding Saar and Palatinat; from June, 1922, excluding Upper Silesia. f Since July, 1922, including Upper Silesia. g Only Upper Silesia. h Excluding Ruhr production. i Excluding Saar.

PIG IRON.

Period. Monthly Average.	PIG IRON.										STEEL.						
	United Kingdom.	Belgium.	France.	Germany.	Luxembourg.	Sweden.	Canada.	United States.	Total.	United Kingdom.	Belgium.	France.	Germany.	Luxembourg.	Sweden.	Canada.	United States.
1913	869	207	434	1,388	212	61	85	2,601	5,857	1,649	205	396	1,412	101	62	88	2,564
1918	768	...	...	883	106	64	90	3,260	5,280	1,812	151	1,176	73	54	142	3,645	6,153
1920	680	93	276	463	58	38	82	3,083	4,773	1,768	104	246	645	50	41	94	3,461
1921	222	73	280	625	81	28	51	1,401	4,759	1,514	130	255	750	19	57	1,628	3,158
1922	415	134	427	730	140	22	32	2,276	4,176	1,494	116	29	41	116	29	41	4,001

c Excluding Luxembourg, including Alsace-Lorraine, from 1913 to October, 1918; for 1918-1921 figures not official. d Ingots and castings. e Monthly figures, based on the returns of 30 establishments, whose production in 1921 amounted to 87.50 per cent. of the total production. f Excluding the production of Germany. g Decrease due to labour disputes.

WHOLESALE PRICES. (1913 = 100.)

Monthly Average.	WHOLESALE PRICES. (1913 = 100.)										WHOLESALE PRICES. (1913 = 100.)									
	U.K.	Belgium.	Czechoslovakia.	Denmark.	France.	Germany.	Holland.	Italy (Bach).	Norway.	Poland.	Russia.	Spain.	Sweden.	Switzerland.	Australia.	British India.	Canada.			
1913	100	100	...	...	100	100	100	100	100	...	100	100	100	...	100	...	100	...	...	...
1918	307.3	287.2	...	...	341	509.4	2,130	280.7	409.1	345	...	207	259	...	177.8	181	205.4	...	...	...
1920	197.2	181.0	366	1,675	178	345.0	4,217	180.7	577.5	269	57,046	190	222	191.2	174.9	181	181.6	...	...	...
1921	158.8	159.5	367	1,299	181	326.6	49,559	159.6	561.3	220	137,575	176	173	167.5	161.6	180	165.5	...	...	...

a From 1920 revised index. b End of the month. c End of the year. d Beginning of the following month. e Figure referring to April.

Wholesale Prices—Continued.

Index Numbers of Retail Prices. (a) Cost of Living.

Monthly Average.	Wholesale Prices—Continued.										Index Numbers of Retail Prices. (a) Cost of Living.									
	South Africa.	China.	Japan.	United States.	Bureau of Labour.	No. of Towns and Localities.	U.K.	Austria.	Belgium.	Bulgaria.	France.	Germany.	Italy.	Spain.	Canada.	United States.				
1913	100	100	100	100	...	...	630	Vienna.	59	4	Paris.	71	Berlin.	Rome.	Madrid.	60	32	...	...	...
1918	153.1	...	195.9	194	...	Base.	July, 1914.	July, 1914.	April, 1914.	1901-1910.	1914.	Jan., 1913.	Jan., 1913.	Jan., 1913.	1914.	1913.	1913.	...	...	...
1920	223.3	140.0	259.6	226	...	...	255	...	455	1647	341	935	1125	313	191	190	217	...	...	...
1921	160.4	144.6	200.5	147	...	...	222	53,300	379	1765	307	1124	1125	387	184	155	180	...	...	...

c The first of the following month.

FINANCE.

Notes in Circulation. (000,000's omitted.)

Period.	United Kingdom.		Austria.	Belgium.	Bulgaria.	Czechoslovakia.	Denmark.	France.	Finland.	Germany.		Greece.	Hungary.	Netherlands.	
	Bank of England Notes.	Currency Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Reichs-bank Notes.	Reichs- und Darlehens-kassenscheine.	Bank Notes.	Bank Notes.	Bank Notes.	State Notes.
End of	£	£	Kronen.	Francs.	Leva.	Koruna.	Kroner.	Francs.	Markat.	Marka.	Marka.	Drachme.	Korona.	Gulden.	Gulden.
1913	296	70.2	323.2	...	1,067	189	...	152	5,714	113	2,593	149	295	...	313
1918	113.3	367.6	30,646	6,260	3,354	11,289	557	37,902	1,341	68,805	12,349	1,508	14,303	1,072	61
1920	107.1	325.6	174,115	6,290	3,615	12,130	471	36,359	1,356	115,639	8,525	2,161	25,175	1,013	33
1921	102.9	295.4	4,000,177	6,701	3,886	10,064	459	36,359	1,421	1,280,095	13,663	3,149	75,887	1,012	32

Period.	Italy.		Norway.	Poland.	Roumania.	Russia.	Sweden.	Switzerland.	Australia.	Canada.	South Africa.	Egypt.	United States.	
	Bank Notes.	State Notes.	Bank Notes.	Bank Notes.	Bank Notes.	State Notes.	Bank Notes.	Bank Notes.	State Notes.	Total Dominion & Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	State Notes.
End of	Lire.	Lire.	Kroner.	Marki p.	Lei.	Roubles.	Kronor.	Francs.	£	Dollars.	£	£	Dollars.	Dollars.
1913	2,284	499	108	...	437	1,700	234	314	10.0	227	2.3	2.2	726	343
1918	11,750	2,124	431	...	2,489	57,500	814	976	58.9	530	6.3	44.5	3,402	231
1920	19,732	2,258	483	...	9,486	1,165,500	760	1,024	58.7	522	9.1	37.3	4,264	266
1921	19,209	2,257	410	...	13,722	17,540,600	628	1,009	55.5	444	8.8	35.3	3,256	281
1922	18,012	2,267	385	...	15,126	2,138,711,400	584	976	51.8	414	8.3	31.7	3,117	288

a Including German, Russian, and Austro-Hungarian notes, converted into national currency. b Three banks of issue: Banks of Italy, Naples, and Sicily. c Including Austro-Hungarian and other notes, converted after the War into national currency. d Gross issue, without deduction of notes held by Banking Department. e Excluding notes held on redemption account in respect of Currency Notes. f Includes notes called in, but not cancelled. g Since June, 1922, circulation in Luxembourg is included. h Until February, 1923, Julian Calendar. i Includes notes of the Bank of Crete, amalgamated with the National Bank of Greece in 1919, and those of the Ionian Bank, amalgamated in April, 1920. k Circulation in Union only.

RATES OF EXCHANGE ON LONDON.

	Paris.	Brussels.	Italy.	Switzerland.	Madrid.	Amsterdam.	Stockholm.	Christiania.	Copenhagen.	Berlin.	Vienna.
	Francs to £1.	Francs to £1.	Lire to £1.	Francs to £1.	Pesetas to £1.	Florins to £1.	Kroner to £1.	Kroner to £1.	Kroner to £1.	Marks to £1.	Krone to £1.
Par level	25.224	25.224	25.224	25.224	25.224	12.107	18.159	18.159	18.159	20.43	20.43
Highest, 1922	72.20	79.80	114.12	24.72	29.62	11.70	27.31	27.31	27.31	38.50	425.00
Lowest	47.40	50.57	80.12	21.65	27.54	11.28	16.36	16.36	16.36	715	11,500

	New York.	Buenos Ayres.	Rio de Janeiro.	Monte Video.	Valparaiso.	Bombay.	Hong Kong.	Shanghai.	Yokohama.	Singapore.
	Dollars to £1.	Pence to Dollars.	Pence to Dollars.	Pence to Dollars.	Pesos to £.	10 to Gold Sovereign.	Sterling to Dollar.	Sterling to Tael.	Sterling to Yen.	Sterling to Dollar.
Par level	4.864	47.58	16	51	15.33	...	...	...	...	...
Highest, 1922	4.66	46.4	7.4	45	46.70	...	...	...	...	...
Lowest	4.182	43	6.4	40	30.80	...	...	...	...	...

† Sterling to Rupee.

‡ Pence to Peso.

FOREIGN TRADE.

IMPORTS for Domestic Consumption—Merchandise Only. (000's omitted.)

Period.	U.K.	Belgium.	Bulgaria.	Denmark.	Estonia.	France.	Finland.	Germany.	Greece.	Italy.	Netherlands.	Poland.	Spain.	Sweden.	Switzerland.	Egypt.	United States.
Monthly Average.	£	Francs.	Leva.	Kroner.	Mark.	Francs.	Mark.	Mark.	Drachme.	Lire.	Gulden.	Mark.	Pesos.	Kronor.	Francs.	£.	Dollars.
1913.....	54,951	386,333	15,775	64,785	..	701,778	41,033	897,471	14,828	313,802	326,500	..	138,838	70,505	159,985	2,274	147,234
1918.....	107,100	46,960	75,851	..	1,858,416	38,943	..	..	61,159	1,336,551	50,666	..	49,145	102,776	200,122	4,148	245,951
1920.....	142,861	930,460	184,486	245,277	116,265	4,158,748	299,680	8,256,417	177,519	2,235,135	277,702	..	118,435	281,125	353,568	8,214	425,152
1921.....	81,548	837,620	243,424	128,734	373,551	1,838,992	294,766	9,815,963	143,800	1,438,885	186,695	..	238,083	105,520	191,357	4,109	215,072
1922.....	75,012	756,426	..	120,022	465,785	1,991,717	326,829	516,700	235,565	1,310,563	168,066	..	252,768	97,027	159,539	3,408	253,871
1922-April.....	71,461	678,608	316,964	119,947	331,617	1,743,640	321,107	508,000	143,457	1,155,399	167,452	37,908,000	285,341	101,677	136,045	3,253	204,811
May.....	79,850	704,026	362,770	154,119	472,960	1,810,125	453,630	565,700	185,801	1,244,800	194,080	53,860,000	285,341	97,077	136,045	3,335	245,076
June.....	75,578	704,026	410,830	135,039	655,379	1,851,184	423,182	564,600	214,458	1,663,286	150,900	41,142,000	285,341	93,002	136,045	3,479	256,795
July.....	73,467	767,648	389,918	112,587	532,761	1,995,746	316,805	684,800	215,572	1,314,422	163,859	50,591,000	285,341	83,098	167,584	2,910	213,948
Aug.....	75,157	767,648	..	128,409	637,926	1,959,729	395,590	545,100	196,416	1,051,512	178,808	87,543,000	281,852	105,443	167,584	3,007	277,747
Sept.....	70,562	767,648	..	121,395	700,491	1,893,121	358,190	421,800	181,266	1,231,432	164,617	..	211,747	108,897	167,584	3,439	276,214
Oct.....	76,737	767,648	..	140,878	525,575	2,108,872	362,321	531,700	286,118	1,248,035	122,295	..	273,242	118,115	185,070	3,757	345,083
Nov.....	86,452	885,421	..	122,692	525,575	2,348,245	383,567	536,200	372,914	1,915,936	163,782	..	293,893	118,115	185,070	4,275	386,453
Dec.....	86,452	885,421	..	135,947	497,245	2,923,296	420,486	589,800	372,914	1,915,936	163,782	..	293,893	118,115	185,070	4,275	386,453
1923-Jan.....	89,902	928,722	..	136,195	509,838	2,144,294	304,803	555,800	380,610	1,059,750	175,046	483,602,000	277,688	87,821	177,070	3,636	319,000
Feb.....	80,421	801,421	..	150,300	428,020	2,343,014	260,455	446,200	354,354	1,571,841	162,189	555,625,000	257,929	87,821	177,070	3,137	303,416
Mar.....	80,937	968,035	..	141,150	..	2,486,735	309,612	503,100	632,997	1,495,748	165,441	812,247,000	108,770	177,070	..	3,969	398,075
April.....	73,989	973,335	..	..	..	2,560,198	362,912	..	580,020	1,401,055	169,714	..	114,579	..	..	..	367,006
May.....	89,479	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..

EXPORTS of Domestic Produce—Merchandise Only. (000's omitted.)

Period.	U.K.	Belgium.	Bulgaria.	Denmark.	Estonia.	France.	Finland.	Germany.	Greece.	Italy.	Netherlands.	Poland.	Spain.	Sweden.	Switzerland.	Egypt.	United States.
Monthly Average.	£	Francs.	Leva.	Kroner.	Mark.	Francs.	Mark.	Mark.	Drachme.	Lire.	Gulden.	Mark.	Pesos.	Kronor.	Francs.	£.	Dollars.
1913.....	43,771	302,833	7,778	53,113	..	573,351	35,482	841,583	19,917	209,303	256,917	..	88,136	68,112	114,700	2,639	204,025
1918.....	11,297	79,847	136,917	132,589	108,365	2,241,249	241,342	5,785,083	55,342	981,177	141,775	..	84,180	91,133	273,092	7,119	673,371
1920.....	58,617	594,987	184,776	114,318	190,553	1,647,709	278,152	8,229,713	70,185	689,724	114,146	..	130,548	91,440	178,345	3,014	364,911
1922.....	60,041	504,965	..	96,087	..	1,720,166	369,447	337,000	81,968	689,148	59,863	151,731	2,575	310,959	..	..	..
1922-April.....	55,508	461,301	401,956	70,109	174,831	1,561,443	254,763	337,000	81,968	689,148	59,863	151,731	2,575	310,959	..	..	..
May.....	58,045	470,510	364,007	102,888	348,468	1,561,443	330,447	416,200	82,893	592,550	108,424	22,632,000	127,223	89,725	151,731	2,926	301,989
June.....	52,146	470,510	323,586	119,890	221,656	1,561,443	330,447	416,200	82,893	592,550	108,424	22,632,000	127,223	89,725	151,731	2,926	301,989
July.....	50,419	580,135	303,913	119,890	221,656	1,561,443	330,447	416,200	82,893	592,550	108,424	22,632,000	127,223	89,725	151,731	2,926	301,989
Aug.....	60,032	520,135	..	84,012	765,358	1,443,492	619,918	336,300	95,195	700,481	104,573	40,457,000	127,223	102,584	147,066	2,501	296,651
Sept.....	62,511	520,135	..	114,061	427,921	1,741,062	509,052	290,900	213,450	746,187	121,166	132,548	147,066	2,488	296,651	..	..
Oct.....	60,399	597,714	..	105,054	383,293	1,937,467	476,589	291,400	242,319	888,562	112,003	..	126,858	122,533	185,070	2,077	307,458
Nov.....	66,491	587,714	..	113,809	454,351	1,706,499	387,635	255,200	182,113	1,043,375	104,350	..	130,330	127,920	147,843	7,435	374,544
Dec.....	58,883	587,714	..	103,045	641,827	1,778,947	270,674	423,000	202,821	1,009,965	100,225	..	170,393	119,578	147,843	8,288	339,352
1923-Jan.....	66,399	486,350	..	102,888	384,117	1,635,898	197,656	311,400	133,102	788,841	91,848	349,456,000	129,017	64,928	146,775	6,765	330,894
Feb.....	57,510	587,338	..	112,634	380,117	2,328,858	149,300	340,600	123,982	750,477	94,602	311,626,000	141,701	49,387	146,775	5,152	307,208
Mar.....	60,921	713,439	..	128,090	..	2,474,378	152,977	435,800	126,076	886,690	106,977	118,949,000	..	60,914	146,775	5,218	341,182
April.....	62,877	697,521	..	..	..	2,507,895	195,510	..	142,163	722,186	97,005	..	..	61,618	..	..	325,727
May.....	71,555	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..

1 Since January, 1922, the value of imports is based on declarations of importers, instead of official evaluations previously used. 2 From April 1, 1923, including trade of Great Britain and Northern Ireland with the Irish Free State, and excluding the direct foreign trade of the Irish Free State only. 3 Old Greece only. 4 Until February, 1923, Julian Calendar. 5 15 days. 6 Since January, 1922, gold marks valuation. 7 Owing to Ruhr occupation figure incomplete. 8 The method of valuation changes every month. 9 Period September 22—October 21. 10 Period September 121. 11 Valued at 1921 official rates.

IMPORTS for Domestic Consumption—Merchandise Only. (000's omitted.)

Period.	U.K.	Belgium.	Bulgaria.	Denmark.	Estonia.	France.	Finland.	Germany.	Greece.	Italy.	Netherlands.	Poland.	Spain.	Sweden.	Switzerland.	Egypt.	United States.
Monthly Average.	£	Francs.	Leva.	Kroner.	Mark.	Francs.	Mark.	Mark.	Drachme.	Lire.	Gulden.	Mark.	Pesos.	Kronor.	Francs.	£.	Dollars.
1913.....	6,355	152,809	54,917	1,785	3,365	60,474	83,958	2,721	..	3,685	4,606	..	5,041	..	987	661	489
1918.....	7,696	137,704	75,583	1,966	3,768	135,721	82,450	..	..	4,245	..	..	404	..	233	295	145
1920.....	13,169	253,256	111,410	5,062	7,995	191,179	174,219	995	326	4,245	1,570	..	45	1,151	294	703	468
1921.....	8,064	230,707	66,616	3,161	4,458	124,477	140,820	1,459	333	3,339	2,194	77	194	1,435	404	682	357
1922.....	9,850	197,475	63,528	2,816	4,015	154,764	139,942	1,760	265	4,281	3,823	..	279	1,625	..	441	212
1922-April.....	10,059	177,117	47,861	2,414	3,559	182,288	127,302	1,475	325	3,785	2,889	55	277	1,471	455	308	361
May.....	8,944	195,340	66,131	2,395	3,316	158,028	126,920	1,642	276	4,396	3,810	95	277	1,689	449	336	361
June.....	9,830	159,070	61,669	2,251	3,713	156,501	129,562	1,612	237	4,307	4,029	97	277	1,437	280	348	361
July.....	9,436	179,854	60,757	2,094	5,337	159,417	108,828	1,995	299	4,223	4,798	106	324	1,549	336	195	526
Aug.....	10,857	211,181	67,355	3,265	4,134	136,754	146,603	1,935	208	4,512	4,676	55	324	1,408	151	469	526
Sept.....	10,004	172,486	60,318	3,448	4,324	132,000	133,166	1,985	202	4,138	4,289	56	324	1,706	..	412	525
Oct.....	10,727	227,245	66,876	3,322	4,265	127,927	202,007	1,983	206	4,513	4,822	84	330	1,822	..	529	526
Nov.....	12,372	194,733	76,194	2,921	4,141	112,374	169,507	1,983	176	4,577	4,551	114	330	1,786	..	484	529
Dec.....	10,175	176,775	70,205	3,439	4,112	140,056	207,719	1,983	310	4,930	4,326	88	330	1,612	..	393	529
1923-Jan.....	11,331	199,452	68,086	4,037	4,239	146,574	161,319	2,183	161	4,111	4,730	80	340	1,576	220	563	542
Feb.....	11,786	183,476	65,308	2,994	3,618	154,000	161,319	1,798	204	3,884	3,166	156	340	1,468	260	439	542
Mar.....	10,076	171,075	61,813	..	4,679	197,000	..	1,705	207	4,087	5,220	125	340	1,289	300	..	542
April.....	..	198,237	68,188	..	4,342	..	..	2,603	298	4,175	..	114	..	1,437	..	..	..

EXPORTS of Domestic Produce—Merchandise Only. (000's omitted.)

1913.....	6,070	203,118	36,333	1,751	2,294	52,393	81,814	1,740	...	1,840	A6,143	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
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The Investor's Monthly Manual

ESTABLISHED 1864.

THE MOST COMPLETE PERIODICAL RECORD in existence of the dealings, throughout the United Kingdom, in every description of stocks and shares.

Over 4,000 securities are dealt with each month, showing recent dividends and yields at latest prices. The *Manual* also contains a valuable summary of Profit and Loss Accounts each month.

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